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HOUSE OF REPRESENTATIVES—*Tuesday, May 8, 1973*

The House met at 12 o'clock noon.

Rev. Kermit J. DeGraffenreidt, Clinton A.M.E. Zion Church, Rockville, Md., offered the following prayer:

God of the universe, by whose providence we are the citizens of a land of hope and glory.

Humble us that in these moments we may sense our need of Thy direction; humble us that we may put aside the false pride and the preoccupation with self that mark our lives; humble us that we may see clearly that our best fulfillment come in the relationship and responsibilities, not in self-expression or self-indulgence.

Strengthen us to do the hard task that must be done, to try again when we have failed, to build together, that liberty might be preserved.

Give wisdom to all those entrusted with the welfare of the people. May they wisely use their authority to advance the common good. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 1090. An act to amend the Communications Act of 1934, to extend certain authorizations for the Corporation for Public Broadcasting and for certain construction grants for noncommercial educational television and radio broadcasting facilities, and for other purposes.

THE REVEREND KERMIT J. DeGRAFFENREIDT

(Mr. GUDE asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. GUDE. Mr. Speaker, the Reverend Kermit J. DeGraffenreidt, who led us in prayer this morning, has been the pastor of the Clinton A.M.E. Zion Church in Rockville, Md., for 10 eventful years, and has been executive director of the Community Action Committee of Montgomery County.

For his work in communicating cancer information to minorities, Mr. DeGraffenreidt was honored by the American Cancer Society last year as an outstanding young American.

In 1970, he was named "young man of the year" by the Rockville Junior Chamber of Commerce.

Mr. DeGraffenreidt is a graduate of the North Carolina Century University in Durham, N.C., and Hood Seminary. He took additional studies at the Wesley Seminary, connected with American University, here. He is married to the former Guytanna Horton and they have a daughter, Keisha, 7. I am proud to have this outstanding family in my congressional district. They are working to make their community stronger and better.

CONGRESS SHOULD HAVE ALTERNATIVE OF CALLING FOR A NEW PRESIDENTIAL ELECTION

(Mr. BINGHAM asked and was given permission to address the House for 1 minute and to revise and extend his remarks, and to include extraneous matter.)

Mr. BINGHAM. Mr. Speaker, in these days when there is talk of impeachment of the President, it is worth noting that impeachment is a clumsy and destructive tool. Impeachment proceedings would virtually bring government to a halt and would destroy the already seriously impared confidence of the American people in the integrity of our democratic system.

What I am suggesting is that the Congress should have another alternative in the kind of situation we are in now: It should have the power and option to call for new Presidential elections.

I intend shortly to introduce a proposed constitutional amendment that would enable the Congress by law to call new Presidential elections whenever it determined that a loss of public confidence made it impossible for an administration to continue effectively to govern. Such a law would no doubt require a two-thirds vote of both Houses since it presumably would have to be passed over a Presidential veto.

I hope, Mr. Speaker, that the Judiciary Committees of the House and the Senate will begin immediately to consider appropriate specific changes in the Constitution to give the Congress this tool for reestablishing public confidence in the executive branch when it has been fatally impaired.

A President accused of pervasive misconduct in his administration should be allowed, if he chooses, to run in any such new Presidential election called by Congress. The effect of such new elections would then be to let the people decide whether a President and Vice President should be removed from office and, if so, who should replace them.

A new election is a constructive solution which would produce a new mandate to govern, in contrast to impeachment which tends to further weaken public confidence in government rather than reestablish it. The result of a successful impeachment proceeding would be to replace a discredited President with his Vice President, who may himself command little public confidence. Such an outcome would be particularly inappropriate in any case involving election frauds since the Vice President is elected on the same ticket and supported by the same political organization and staff as the President.

PERSONAL EXPLANATION

Mr. PATTEN. Mr. Speaker, the CONGRESSIONAL RECORD of April 19, indicates that I was absent for Roll No. 110, the vote on the Anderson amendment to the Federal-Aid Highway Act of 1973 (S. 502). Mr. Speaker, I would like to state that contrary to the RECORD, I was present for the vote and did, in fact, cast my vote in favor of Mr. ANDERSON's amendment.

Mr. Speaker, the blame can be placed on the computer.

AMTRAK'S PROGRESS

(Mr. HILLIS asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. HILLIS. Mr. Speaker, last Thursday I had the opportunity of riding an Amtrak train from Washington to Indianapolis, and I was very much encouraged by what I saw and experienced.

Contrary to some derogatory reports I had read, I found the coaches to be clean and pleasantly appointed, and the service quite satisfactory. And the price of a coach fare to Indianapolis is still one of the best deals in town—under $30 for a ride of about 600 miles.

I was also pleased to see the train fairly well filled with passengers, most of whom seemed to be enjoying themselves.

And I have to admit that I found it a relaxing experience, and one which I believe still has an important place in America's transportation system.

The conclusion which I drew from my ride was that Amtrak is progressing well in its appointed task of putting rail passenger service back on the level where it belongs.

I hope my colleagues will try to provide themselves a similar opportunity so they can experience first-hand how the system is improving. I also hope they will see the importance of continuing the Amtrak program so that this old-fashioned mode of transportation can continue modernizing its services to meet the demanding needs of today, and provide a viable alternative to other methods of transportation in the 20th century.

STATEMENT OF POSITION

(Mr. CHAMBERLAIN asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. CHAMBERLAIN. Mr. Speaker, I regret that when the vote was held on H.R. 5293, authorizing continuing appropriations for the Peace Corps, I was with constituents and did not get to the Chamber in time to record my vote. Although I am paired on this vote, I would like the record to show that had I been present, I would have voted "yea," on rollcall No. 62.

May I most respectfully add that while I am enthusiastic about our electronic voting system, I feel that the new rules could well provide just a few more minutes for Members to cast their votes. In addition, Mr. Speaker, on April 19 it was necessary for me to be away from Washington. Had I been present I would have voted "yea" on rollcall No. 111.

CHANGE OF LEGISLATIVE PROGRAM

Mr. O'NEILL. Mr. Speaker, I should like to make the announcement that the program for Wednesday has been changed. H.R. 7445, the Renegotiation Act Extension, will be first on the schedule for tomorrow. Other than that there will be no change.

Mr. GERALD R. FORD. Mr. Speaker, will the distinguished gentleman from Massachusetts yield?

Mr. O'NEILL. I am glad to yield to the distinguished minority leader.

Mr. GERALD R. FORD. Does that mean the other bill, H.R. 6370, will follow?

Mr. O'NEILL. It will immediately follow; yes.

Mr. GERALD R. FORD. I thank the gentleman.

SEA GRANT AUTHORIZATION

Mrs. SULLIVAN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5452) to extend and make technical corrections to the National Sea Grant College and Program Act of 1966, as amended.

The Clerk read as follows:

H.R. 5452

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the National Sea Grant College and Program Act of 1966 (80 Stat. 998), as amended (33 U.S.C. 1121–1124), is further amended as follows:

(1) In section 203(b) (1), after "the sum of $25,000,000", delete the word "and", and insert, after "for the fiscal year ending June 30, 1973, not to exceed the sum of $30,000,000," the following: "for the fiscal year ending June 30, 1974, not to exceed the sum of $30,000,000, for the fiscal year ending June 30, 1975, not to exceed the sum of $40,000,000, for the fiscal year ending June 30, 1976, not to exceed the sum of $50,000,000,".

(2) In section 204(a), delete subscript "(1)", and delete all after "in any such fields", substituting a period therefor.

(3) In section 204(d) (1), after the first sentence, insert the following: "The Secretary may grant total payments that exceed such per centum with respect to those programs or portions of programs requested by the Secretary on his own initiative, upon his determination that the requirement for payments of 33⅓ per centum of the cost thereof by the participant would be inequitable relative to the benefits which the participant would receive therefrom. The total amount of payments to be made by the Federal Government under all programs and portions of programs as to which the Secretary shall in any fiscal year exercise his authority under the preceding sentence to reduce or eliminate matching payments by the participant shall not exceed 1 per centum of the funds appropriated under this title for such fiscal year.".

(4) In section 204(d) (2), delete the period after "vessel", substituting a colon therefor, and add the following after the colon: "*Provided,* That the prohibitions of this paragraph shall not apply to non-self-propelled habitats, buoys, platforms, or other similar devices or structures, used principally for research purposes.".

(5) Except in section 204(g) and in section 205, delete "National Science Foundation" and "Foundation" wherever they appear in this title, susbtituting "Secretary of Commerce" and "Secretary", respectively; and make conforming changes by deleting "its" and substituting "his" wherever appropriate.

(6) Amend section 204(g) to read as follows:

"(g) Except as otherwise provided in this title, the Secretary, in carrying out his functions under this title, has the same powers and authority as has the National Science Foundation under the National Science Foundation Act of 1950, as amended, to carry out its functions under that Act."

(7) In section 204(1) (3), after "marine resources", insert "and which is so designated by the Secretary".

(8) Delete section 205, together with the heading therefor.

The SPEAKER. Is a second demanded?

Mr. GROVER. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

(Mrs. SULLIVAN asked and was given permission to revise and extend her remarks.)

Mrs. SULLIVAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the bill for consideration, H.R. 5452, as reported by the Merchant Marine and Fisheries Committee, is one that I believe deserves the support of every Member of the House.

The bill would extend and make technical corrections to the National Sea-Grant College and Program Act of 1966, by providing for a funding authorization for fiscal year 1974, fiscal year 1975, and fiscal year 1976, of $30, $40, and $50 million, respectively.

The National Sea-Grant College and Program Act was enacted in 1966, as a result of a very simple but effective idea, to do for marine resource development what the land-grant program had accomplished for agriculture. The results which have been obtained since the inauguration of the sea-grant program have more than justified the original legislation. Over a period of 7 years, more than $64,000,000 in Federal grants have been made to carry out the purposes of the act, more than 100 public and private institutions have inaugurated more than 700 different projects, almost 2,000 scientists and engineers are engaged in sea-grant activities, approximately 1,700 students are enrolled in various programs, and more than 100 private companies have contributed funds to various projects. As the report on this legislation states, it is estimated that various sea-grant projects have directly affected over 1 million U.S. citizens. In addition, benefits have been felt in other nations through the successful completion of research projects related to resources of the sea.

The ultimate goal of the sea-grant program is the establishment of a network of sea-grant colleges, which will serve as the focal points for research, education, and advisory services relating to marine resource utilization, management, and conservation. At present there are six designated sea-grant colleges. Five others are ready to be considered. If they are to be designated, sufficient funds must be authorized to meet the Federal commitment of support which is contained in the basic act.

The Committee on Merchant Marine and Fisheries and its Subcommittee on Oceanography have kept close watch on this program. The program was reviewed in 1968, in 1970, and again this year when authorization legislation was being considered. In addition, an annual review has been made of the program, pursuant to the requirements of the Legislative Reorganization Act of 1970.

The several reviews of this program have demonstrated its value, its liability, and its promise for additional successes. While all the results and benefits of such a program are not easily quantified, the projects which lend themselves to quantification often show a benefit ratio of more than 10 times the cost expended. The sea-grant program has been particularly effective in encouraging widespread cooperation among various elements of the population, not only in educational institutions themselves, but in the coordination by the institutions of concerted efforts involving State and local governments, industry, and the interested public.

When H.R. 5452 was introduced, it contained the administration proposal to provide such sums as may be necessary and, by amending the language of the basic act, proposed, in effect, to do away with future authorization process. Your committee declined to endorse that approach. A careful review of the pro-

gram convinced the members of the committee that, while it was a valuable program, open-ended funding could not be supported. For that reason, specific authorization levels are included in the bill as reported. The question as to the level of those authorizations is another matter. They cannot be unreasonably high, and at the same time, they must authorize sufficient funding so that this program will continue to serve the purpose for which it was created, and more importantly, not, by virtue of unrealistic constraints, be forced into stagnation and disuse. The act requires matching funds of at least 33⅓ percent by the recipient of the Federal grant. These funds have been provided in many cases by line items in many State legislature budgets. The promise of the program has attracted more and more interest on the part of States, local governments, and private citizens, and if it is to be a complete success, it must continue to expand at a reasonable rate so that the ultimate goal of a national network of sea-grant institutions will be realized. It cannot be expected to succeed with a start and stop fund flow. It must be authorized at a level to meet the Federal commitment and the reasonable expectation of controlled growth.

The levels of funding authorized in this bill will accomplish the needs of the program without providing excess authorizations beyond rational needs. In these days of economic difficulties and fiscal constraints, it seems to me that we should be willing to support with our votes a program which, in the short space of its existence, has proved its worth and has reflected the able leadership under which it has operated. I solicit your support for this legislation.

Mr. GROVER. Mr. Speaker, I yield such time as he may consume to the gentleman from Ohio (Mr. MOSHER).

Mr. MOSHER. Mr. Speaker, I wish to join the distinguished chairman of our Merchant Marine Committee, the gentlelady from Missouri (Mrs. SULLIVAN), in support of H.R. 5452, to extend the authorization of funds for the National Sea Grant and Program Act, and I urge my colleagues to support passage of this bill.

H.R. 5452 will continue the sea grant college program through the fiscal year ending June 30, 1976, or in other words for a 3-year period. Legislation enacted in 1970 provided for an authorization of $30 million for the fiscal year ending June 30, 1973, and the Merchant Marine and Fisheries Committee has agreed upon that same level of funding for fiscal year 1974. Under the bill, the authorization will rise to $40 million for fiscal year 1975 and $50 million for the last year of this authorization, 1976.

The Department of Commerce, on the other hand, in its executive communication, recommended an open-ended authorization. Our committee did not agree to that.

Actual appropriations for the sea grant college program have not approached the level of funding authorized; however, there has been a steady growth in the appropriations for sea grant college activity. This authorization, therefore, represents the judgment of your committee as to the level of funds which should be made available, and although I do not expect appropriations to match this level, I am hopeful that the appropriations during this 3-year cycle will rise commensurately over the level of appropriations now being requested.

While I strongly support the President's effort to limit Federal expenditures, it is valid and necessary to distinguish here between an authorization, on the one hand, and the actual appropriation and expenditure of funds, on the other hand.

However, our committee feels a responsibility to provide vigorous leadership in support of the sea-grant programs. We believe the appropriations for these programs are an excellent investment in the national interest that is proving its worth. Therefore, this authorization bill reflects your committee's continuing belief in the basic concept embodied in the Sea Grant College Program Act whereby the full resources of a university system may be brought together to tackle a given area of scientific research or application. This so-called interdisciplinary approach to Federal support of scientific research is unique to the sea-grant college program.

The National Science Foundation, until the creation of NOAA, was the program manager for the Sea Grant College Act. By Reorganization Plan No. 4 of 1970, this authority was transferred to NOAA and the Department of Commerce. Fortunately, the same team of highly qualified individuals has remained with the program under the aegis of the National Science Foundation and NOAA. The encouragement of a multidisciplinary approach to the development of knowledge of the oceans and of our coastal zones has led to a breaking down of traditional barriers between the various disciplines within our university systems. Not only has this legislation contributed significantly to furtherance of team efforts drawing together specialists from many different fields, but it has also contributed to the involvement of groups of universities cooperating under a joint grant.

The majority of sea-grant program efforts has involved the coastal zone areas of the United States where the principal scientific, environmental, and social programs of the marine environment are found. For example, most recently sea-grant colleges have had a significant input in resolution of the issues confronting the Federal Government in the question of offshore marine terminals.

Six universities have been designated sea-grant colleges. These include the universities of Hawaii, Rhode Island, Washington, Wisconsin, Oregon State University, and Texas A. & M. University. As noted in the committee report, five additional institutions are ready for designation as sea-grant colleges pending only the availability of funds. Sea-grant projects are now being conducted in 25 States, trust territories, and the District of Columbia. The favorable reaction to the sea-grant approach to Federal support of academic research has been most gratifying for those of us who have worked with this program since its inception. It is noteworthy that this favorable climate has been created notwithstanding the fact that the Federal Government's share of the cost of any given sea-grant program is limited to a maximum two-thirds, and in practice, the Federal Government's share has averaged only 60 percent of program costs.

The principal thrust of the work done under the sea-grant college program has been directed toward the practical application of marine-related scientific advancement. Programs in the field of aquaculture, for example, have led to the creation of new industries in many parts of the country, creating employment and contributing new sources of shellfish, shrimp, and pan-size salmon. Thus, under the sea-grant college program, we are directly stimulating the economy, and not simply promoting the publication of learned studies which, no matter how desirable from the standpoint of advancing the basic knowledge, produce little or no immediate return.

As a member of the Science and Astronautics Committee, I believe I can state with some assurance that the work of the National Science Foundation in the support of basic marine science and the sea-grant college program are two essential and interrelated stages of Federal support for the increase and application of knowledge dealing with the oceans and our coastal environment.

Mr. GROVER. Mr. Speaker, I yield 3 minutes to the gentleman from Iowa (Mr. GROSS).

Mr. GROSS. Mr. Speaker, this is another program which is apparently taking off fast, too fast. The first appropriation was $1 million in 1967. In the 7 years, including fiscal year 1973, according to my computation of the figures in the report, there has been expended on this program nearly $73 million.

For fiscal year 1974 the bill calls for an authorization of not to exceed $30 million; for 1975; $40 million; and for 1976, $50 million. This apparently means that if we approve this authorization here today we shall have to rely upon the Appropriations Committee, if anyone is to wield any kind of an ax on this program, because it is really taking off into the "wild blue yonder," financially speaking.

That would mean an expenditure in the next 3 years of $120 million as compared with some $72 million or $73 million in the past 7 years. If we are going to do anything about expenditures in this Government; if we are going to try to come somewhere near a balance of income and spending and stop inflation, it cannot be done this way.

Mrs. SULLIVAN. Mr. Speaker, will the gentleman yield so that I may answer?

Mr. GROSS. I yield to the gentlewoman from Missouri.

Mrs. SULLIVAN. In the past 7 years, if the gentleman will look at page 4 of the report, he will see it does give the authorization and also shows the portion of that authorization which was appropriated.

Mr. GROSS. Yes, but the actual appropriations were somewhere in the neighborhood of $72 million or $73 million.

Mrs. SULLIVAN. That is right. In a period of over 7 years more than $64 million in Federal grants has been paid out to carry on the purposes of this program.

But as I mentioned in my statement, the law requires that there be a matching of funds at least up to 33⅓ percent, and the history of this shows the funds have gone up as high as 40 percent in matching funds.

Mr. GROSS. Well, I am only looking at the figures dealing with Federal funds, the money that is being requested in this bill to be authorized for the purposes of continuing the sea grant program, and all I am saying is that it is taking off fast.

Mr. Speaker, I am not prepared to say that it is an unworthy program, I am only saying that if the Committee on Appropriations makes available the amounts that are asked to be authorized in this bill, it will be acting improvidently for I have seen nothing to justify this proposed increase in expenditures.

Mrs. SULLIVAN. Mr. Speaker, I would just like to say this in continuance of the discussion, I do want to mention that it has been a very productive program. It has actually done a great deal of good for the money that has been spent.

The SPEAKER. The time of the gentleman has expired.

Mr. GROVER. Mr. Speaker, I yield 2 additional minutes to the gentleman from Iowa (Mr. Gross).

Mr. GROSS. Mr. Speaker, I would only say in response to the gentlewoman from Missouri (Mrs. Sullivan), that the letter which appears in the report from the Department of Commerce seems to be less than enthusiastic. It does not disapprove and it is not in opposition, but it appears to be less than enthusiastic.

Mrs. SULLIVAN. Mr. Speaker, I yield such time as he may consume to the gentleman from Virginia (Mr. Downing).

Mr. DOWNING. Mr. Speaker, I rise in strong support of H.R. 5452, as reported by the Merchant Marine and Fisheries Committee, to provide funding authorization for the sea grant program and to make certain technical corrections to the Sea Grant Act.

The sea grant program has been an actively functioning program for more than 6 years, starting at a level of $1 million in the first year of its existence and gradually building until the current year appropriation of approximately $20 million. If it is to fulfill its promise as a program in basic support of marine resource development, management, and conservation, it will need to expand further until it reaches a level of approximately $50 million per year at which time it should reach its proper continuing funding level.

You have heard a general description of the program, its purpose, and its value to the Nation. I would like to call attention to a few additional details in elaboration of the basic description to illustrate some facets of the program which I believe contribute to its overall worth.

The sea grant program as constituted provides for three types of grant support on a maximum of two-thirds Federal funding to one-third matching funding. Practically speaking, the overall proportioning has more nearly worked out to a 60–40 ratio. This means, in effect, that over the years the Federal Government has provided for approximately $64 million of a total expenditure in excess of $100 million.

The benefits flowing from the program include many times the funds expended in addition to collateral benefits not readily susceptible to monetary valuation. It has repaid to the general public many times the funds expended. These benefits, on occasion, flow to a specific area of interest such as the fishing industry. In other cases, they have resulted in the creation of new industries with the utilization of previously discarded waste products, providing new jobs with their attendant economic benefits felt through the community. In other cases, sea grant projects have pointed the way to the utilization of resources previously undiscovered or unused. I cannot emphasize too strongly my belief that this is the type of program which deserves a high priority in the Federal scheme of coordinating, encouraging, and supporting actions at the local level which produces economic benefits to many segments of our society It is constructive federalism at its best.

The program supports institutional programs whereby a designated sea grant college develops, manages, and supervises an overall program reaching into all facets of marine interests in the area in which it is located. In addition, the program supports individual projects with definite goals and a definite time frame. In between those two, the program supports what is called coherent projects which, while not reaching the overall institutional programs of sea grant colleges, represent coordinated efforts of several institutions or organizations for particular program purposes.

In each of the three categories of grants, the proposals of the grant recipients are submitted to the Office of Sea Grant for its consideration for funding support. That office evaluates the potential benefits of the proposed activity, negotiates as necessary for changes in emphasis and thrust, and submits the proposals to its advisory committee for the committee's evaluation and recommendation. That committee is composed of a group of experts who are knowledgeable in various aspects of marine science and related fields and who contribute their services in order to insure the success of this vital program.

Only after receiving the recommendations of the Advisory Committee does the program director, with advice from his staff, finally determine, based upon available funds, which proposed programs will obtain funding support. It is significant to me that this very careful process including review, analysis, expert advice, and follow-up monitoring, is done at an administrative cost which, at the present time, is only slightly above $600,000—or about 3 percent of the total program funding. That fact alone demonstrates to me the effectiveness of the program management and attests to the dedication of the program staff.

During the course of the subcommittee hearings on this year's authorization legislation, the Subcommittee on Oceanography heard testimony from the Administrator of the National Oceanic and Atmospheric Administration and his Director of the Office of Sea Grant. Their report on their stewardship was complete and noteworthy. The single jarring note was the fact that, although the program was generally meeting its stated purpose, the Office of Management and Budget had impounded more than a million and a half dollars of the fiscal year 1973 funds appropriated by the Congress, and despite the fact that in the fiscal year 1974 budget the National Oceanic and Atmospheric Administration had requested the full $30 million of the current authorization level, and was supported in this request by the Secretary of Commerce. The Office of Management and Budget had approved fiscal year 1974 funding for only $19.5 million. The subcommittee was informed that with this level of funding, five universities, two in the State of California, one in the State of Florida, one in the State of Michigan, and one in the State of North Carolina, could not expect to be designated as sea grant colleges even though their developing programs would probably warrant their designation.

Additional testimony was received from public witnesses with detailed knowledge of the history and development of the sea grant program. They were unanimous in their support of the program itself and their recommendations for funding levels which will insure the continued progress of the program.

A series of sample projects was submitted to demonstrate the effectiveness, as well as the widespread coverage, of program subject matter. Two of these struck me because of their unusual nature as demonstrations of program value even though monetary benefits might not be readily attached. For instance, a medical college in the southeast, sponsoring research in the fight against leukemia, has found a promising development through a sea-grant research project. Extracts from a common marine organism have been found to prove active against two common tumors of the lymph glands, and further investigation may provide information on related chemical treatments for the dreaded disease of cancer.

This bill today is an authorization bill, and additional action must be taken by the Congress in the appropriations process to insure adequate funding for the program. Your committee is proposing a funding authorization level of $30 million—which is the same level authorized for fiscal year 1973 under previously enacted legislation. The least we can do, in my opinion, is to authorize for fiscal year 1974, the same amount of funds which we authorized for fiscal year 1973, and at the same time provide for the needed program expansion in the next 2 fiscal years thereafter. Unless the authorization is at least at the level suggested, and appropriations follow, the expansion of the sea grant college network will come to a grinding halt. The six colleges already designated and holding a moral commitment from the Federal Government will face constraints that will handicap their existing program severely. In my opinion, we cannot permit this to happen. I seek the support of every

Member to insure that it does not happen.

H.R. 5452, as reported by the committee, had the unanimous support of the Subcommittee on Oceanography and the unanimous support of the Full Committee on Merchant Marine and Fisheries. It is worthy of the unanimous support of the House.

On the west coast, a sea-grant college has sponsored the preparation of a project kit in marine science for 4-H Clubs. Aimed at the 11 to 14 year level, the kit has resulted in tremendous interest in youngsters involved in 4-H work and already more than 100 youthful participants have completed the project which involves principles of beach safety, tide and wave actions, and probing into marine biology. These are only two of the many diverse areas in which the sea grant program has spread. Its funds have supported applied research, education and training, and marine advisory services similar to the extension services developed through land grant colleges. Most reassuring of all is the fact that the results of the various projects are not placed upon a library shelf and forgotten, but project reports are given wide dissemination to all who may be interested or may benefit.

The other provisions of the bill before us would make technical changes in the act to reflect the shift of the program in 1970 from the National Science Foundation to the National Oceanic and Atmospheric Administration by virtue of reorganization plan No. 4 of 1970, would clarify certain minor areas of interpretation in the basic act, and would provide a very limited relaxation of the matching fund requirements in specific instances where the Secretary of Commerce deems that the national needs warrant this relaxation. This relaxation would involve only specific projects initiated at the request of the Secretary and with a benefit national in nature rather than a primary benefit to the participant. Such a relaxation is provided only as to 1 percent of the total appropriation. These changes were all proposed in the administration bill and are noncontroversial in nature.

Mr. PICKLE. Mr. Speaker, will the gentleman yield?

Mr. DOWNING. Yes, I will indeed yield to the gentleman from Texas (Mr. PICKLE).

Mr. PICKLE. Mr. Speaker, I notice that the program indicates it will proceed on the pattern that has been established for the land-grant colleges. Now, I want to be certain that any university, although it may not have been a land-grant college, could be eligible for participation in the program.

May I ask the gentleman if any university or college could be eligible?

Mr. DOWNING. Mr. Speaker, I can assure the gentleman from Texas (Mr. PICKLE) that they could, and I am glad he asked that question.

It is not limited to land-grant colleges; there are five universities now participating in the program and six which have qualified for admission into the program. Hopefully it will spread across the Nation and involve many universities.

Mr. PICKLE. Mr. Speaker, I thank the gentleman. I am glad to have that assurance.

Mr. GROVER. Mr. Speaker, I concur in the statement of the gentleman from Virginia that this is a good productive program.

Mr. Speaker, I welcome this opportunity to express my support for the Sea-Grant College and Program Act. Since its inception in 1966, the financial backing of sea grant, and more importantly, the leadership have brought together many diverse elements within our academic institutions, Federal, and State governments, and the business community, to investigate and promote the rational and beneficial use of our marine environment.

Sea grant has been a catalyst, giving momentum to such projects as the rearing of pan-size salmon on both the Atlantic and Pacific coasts, a commercial endeavor of rapidly growing importance, as our ocean stocks of the most highly sought species are being depleted by intensive foreign-flag fishing off our shores. Related efforts in the field of shellfish culture have yielded dramatic results.

Sea-grant colleges have been a unifying force in their service areas conducting wide-ranging studies and conferences on coastal zone management, resource mangement, deep water and offshore ports, and other environmental problems confronting our coastal and estuarine areas. The sea-grant advisory services distribute the results of such efforts throughout the system, stimulating a broad interaction between the various institutional and regional segments of our marine-oriented community. The lead role of sea grant in promoting such communication may well be its most significant accomplishment.

An unhealthy degree of competition between academic institutions for Federal support and rivalry among individual researchers has been an unfortunate hallmark of Federal support for scientific research in the United States. This has led to an isolation of researchers at the most critical stage of their work when gathering and analyzing the basic raw data upon which their published works are premised. The sea grant approach, on the contrary, has stressed bringing together consortia of universities and State agencies traditionally competing for limited State and Federal funds. Sea-grant has even brought the university systems of neighboring States together under common program management to tackle problems of mutual concern.

This unifying approach to the funding of research at the institutional level has its counterpart at the personal level drawing upon individuals with diverse scientific and business interests to work as a team rather than in isolation.

The development of a resource or of a scientific technique and its application in a manner which yields measurable benefits is a multilevel process, which may in time succeed when these various levels of research and application proceed apart from each other, but sea-grant has demonstrated that far-reaching results can be achieved within a truly modest financial structure when there is a maximum degree of communication and cooperation between institutions and individuals.

Mr. Speaker, this authorization will insure the continued steady growth of the sea-grant program over the next 3 years. It enjoys broad bipartisan support in the Congress, and I urge its passage.

Mr. ROGERS. Mr. Speaker, I rise in support of the bill, H.R. 5452, which would extend and make technical corrections to the National Sea-Grant College and Program Act of 1966, as amended.

When I authored in the House the sea grant college program in 1966, our intention was to provide the same kind of Federal support to marine resources management research that had previously been extended to the field of agriculture in the land-grant college program.

Since that time I have followed the program closely, and it has met our projections. Matching grants have been made in 25 States to more than 100 institutions, participating in more than 700 individual projects. Estimates of the monetary benefits derived from these research projects demonstrate that such grants are among the soundest investments we have made.

In the next few years, as we develop the ability to retrieve mineral wealth from the ocean floor and to raise and harvest marine fish and plant life, wise management of our marine resources, attains even greater importance. If this management is to be effective, we must develop the necessary manpower and facilities to conduct research and to apply the results of this research to our new ocean resources problems. The present bill will insure continuation of these efforts, and I urge its adoption.

Mr. KYROS. Mr. Speaker, I rise today in support of the National Sea Grant Colleges Act, which is the parallel program to the land grant college system, so important in the development of our country. This valuable legislation was reported out by a unanimous vote by my Merchant Marine and Fisheries Committee. The intent of sea grant is, and has been since its inception in 1966, to develop our marine resources in the areas of manpower, facilities, and knowledge. This program has led to a rare cooperative effort among State governments, the academic community, and private industry in a matching funds partnership with the Federal Government.

The only problem surrounding this successful program is adequate funding. The Merchant Marine and Fisheries Committee has authorized $30 million for fiscal year 1974, with $40 and $50 million earmarked for fiscal years 1975 and 1976 respectively. This level of funding would permit the sea grant program to expand the number and scope of its projects. Unfortunately, the House had authorized this exact amount last year, but only $21.5 million was appropriated. This total was further reduced when the Office of Management and Budget impounded $2 million of the above amount. This year, the Commerce Department's National Oceanic and Atmospheric Administration—NOAA—has only requested $19.6 million for the entire sea grant program. This means that the over 700 sea grant projects in such areas as mariculture, marine mineral resource development, pharmaceuticals from the sea, coastal zone management, law of the sea, and educationl curriculum development will be severely restricted. In addition the number of sea grant colleges will not be increased beyond the current six in Washington, Oregon, Texas, Rhode Island, Wisconsin, and Hawaii; 25 of the 30 coastal States have sea grant programs, and eventually we would like to see some project in every State.

In my own State of Maine, sea grant has been one of the most successful Federal-State programs in existence. Maine had received $797,650 in funds from sea grant since 1968. The University of Maine is exceptionally pleased with the progress made under sea grant, and is hopeful to soon achieve the prestigious designation of a sea grant college. The Maine Department of Sea and Shore Fisheries has received funds for a marine fisheries extension service, which is extremely popular with the fishermen in my State. The Maine fisherman is definitely the "show me" variety, but the sea grant programs underway in fishing gear development and shrimp management have proved to be among the most popular programs in the State.

I could continue to cite example after example of the valuable work being conducted by sea grant. This was one of the few Federal programs receiving little or no criticism in hearings before the Merchant Marine Committee.

I am confident that the House will pass the bill today by an overwhelming margin, but I hope that the full amount authorized will also be appropriated, so that this worthy program will not have to restrict goals already advanced and approved by Congress.

The SPEAKER. The question is on the motion offered by the gentlewoman from Missouri (Mrs. SULLIVAN) that the House suspend the rules and pass the bill H.R. 5452, as amended.

The question was taken.

Mr. GROVER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 368, nays 9, not voting 56, as follows:

[Roll No. 128]

YEAS—368

Abdnor
Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Arends
Armstrong
Aspin
Bafalis
Baker
Barrett
Beard
Bell
Bennett
Bergland
Biester
Bingham
Blatnik
Boggs
Bolling
Bowen
Brademas
Bray
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton
Butler
Byron
Camp
Carney, Ohio
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clancy
Clark
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cochran
Cohen
Collier
Collins
Conable
Conlan
Conte
Corman
Cotter
Coughlin
Cronin
Culver
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, Ga.
Davis, Wis.
Delaney
Dellenback
Dellums
Denholm
Dennis
Dent
Derwinski
Devine
Dickinson
Diggs
Dingell
Donohue
Dorn
Downing
Drinan
Dulski
Duncan
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fish
Fisher
Flood
Flowers
Flynt
Foley
Ford, Gerald R.
Ford, William D.
Forsythe
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gaydos
Gettys
Giaimo
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Grasso
Gray
Green, Pa.
Griffiths
Grover
Gubser
Gude
Gunter
Haley
Hamilton
Hammerschmidt
Hanley
Hansen, Idaho
Hansen, Wash.
Harrington
Harsha
Harvey
Hastings
Hays
Hébert
Hechler, W. Va.
Heinz
Helstoski
Henderson
Hicks
Hillis
Hinshaw
Hogan
Holifield
Holt
Holtzman
Horton
Hosmer
Howard
Huber
Hungate
Hunt
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Colo.
Jones, N.C.
Jones, Okla.
Jordan
Karth
Kastenmeier
Kazen
Keating
Kemp
Ketchum
King
Kluczynski
Koch
Kuykendall
Kyros
Landrum
Latta
Leggett
Lehman
Lent
Litton
Long, La.
Lott
Lujan
McClory
McCloskey
McCollister
McCormack
McDade
McEwen
McFall
McKinney
McSpadden
Macdonald
Madden
Madigan
Mahon
Mailliard
Mallary
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Matsunaga
Mazzoli
Meeds
Metcalfe
Mezvinsky
Miller
Mills, Ark.
Mills, Md.
Minish
Mink
Minshall, Ohio
Mitchell, Md.
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Myers
Natcher
Nedzi
Nelsen
Nichols
Nix
O'Brien
O'Hara
O'Neill
Owens
Parris
Passman
Patten
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Podell
Preyer
Price, Ill.
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Rarick
Rees
Regula
Rhodes
Riegle
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rose
Rostenkowski
Roush
Rousselot
Roy
Roybal
Runnels
Ruppe
Ruth
Ryan
St Germain
Sandman
Sarasin
Sarbanes
Saylor
Scherle
Schneebeli
Schroeder
Seiberling
Shoup
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Snyder
Spence
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steele
Steelman
Steiger, Ariz.
Stokes
Stratton
Stubblefield
Stuckey
Studds
Sullivan
Talcott
Taylor, Mo.
Taylor, N.C.
Teague, Calif.
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Treen
Udall
Ullman
Van Deerlin
Vanik
Veysey
Vigorito
Waggonner
Walsh
Wampler
Ware
Whalen
White
Whitehurst
Whitten
Wiggins
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wyatt
Wydler
Wylie
Wyman
Yates
Young, Alaska
Young, Fla.
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion
Zwach
Sebelius
Shuster
Symms

NAYS—9

Ashbrook
Conyers
Crane
Gross
Hanrahan
Landgrebe

NOT VOTING—56

Ashley
Badillo
Bevill
Biaggi
Blackburn
Boland
Brasco
Buchanan
Carey, N.Y.
Chisholm
Davis, S.C.
de la Garza
Erlenborn
Fountain
Fraser
Frelinghuysen
Gibbons
Green, Oreg.
Guyer
Hanna
Hawkins
Heckler, Mass.
Hudnut
Johnson, Pa.
Jones, Ala.
Jones, Tenn.
Long, Md.
McKay
Mathis, Ga.
Mayne
Melcher
Michel
Milford
Murphy, N.Y.
Obey
Patman
Powell, Ohio
Price, Tex.
Reid
Reuss
Rooney, N.Y.
Rosenthal
Satterfield
Shipley
Shriver
Steiger, Wis.
Stephens
Symington
Teague, Tex.
Vander Jagt
Waldie
Widnall
Wolff
Wright
Yatron
Young, Ga.

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The Clerk announced the following pairs:

Mr. Rooney of New York with Mr. Widnall.

Mr. Fountain with Mr. Powell of Ohio.

Mrs. Green of Oregon with Mr. Frelinghuysen.

Mr. Shipley with Mr. Erlenborn.

Mr. Wolff with Mr. Vander Jagt.

Mr. Yatron with Mr. Johnson of Pennsylvania.

Mr. Wright with Mr. Price of Texas.

Mr. Brasco with Mr. Symington.

Mr. Boland with Mrs. Heckler of Massachusetts.

Mrs. Chisholm with Mr. Hanna.

Mr. Fraser with Mr. Carey of New York.

Mr. Gibbons with Mr. Hudnut.

Mr. Ashley with Mr. Guyer.

Mr. Reid with Mr. de la Garza.

Mr. Rosenthal with Mr. Hawkins.

Mr. Satterfield with Mr. Buchanan.

Mr. Stephens with Mr. Shriver.

Mr. Waldie with Mr. Michel.

Mr. Mathis of Georgia with Mr. Blackburn.

Mr. Jones of Alabama with Mr. Mayne.

Mr. Reuss with Mr. Steiger of Wisconsin.

Mr. Murphy of New York with Mr. Young of Georgia.

Mr. Obey with Mr. McKay.

Mr. Bevill with Mr. Badillo.

Mr. Biaggi with Mr. Jones of Tennessee.

Mr. Long of Maryland with Mr. Patman.

Mr. Davis of South Carolina with Mr. Milford.

Mr. Teague of Texas with Mr. Melcher.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mrs. SULLIVAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill H.R. 5452, the sea-grant authorization, just passed.

The SPEAKER. Is there objection to the request of the gentlewoman from Missouri?

There was no objection.

OIL POLLUTION ACT AMENDMENTS OF 1973

Mrs. SULLIVAN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5451) to amend the Oil Pollution Act, 1961 (75 Stat. 402), as amended, to implement the 1969 and 1971 amendments to the International Convention for the Prevention of the Pollution of the Sea by Oil, 1954, as amended; and for other purposes, as amended.

The Clerk read as follows:

H.R. 5451

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Oil Pollution Act Amendments of 1973".

Sec. 2. The Oil Pollution Act, 1961 (75 Stat. 402), as amended (33 U.S.C. 1001–1015), is amended as follows:

(1) Section 2 (33 U.S.C. 1001) is amended—

(A) by repealing subsection (g):

(B) by redesignating subsections (c), (d), (e), and (f), as subsections (d), (e), (f), and (g), respectively;

(C) by adding a new subsection (c) to read:

"(c) The term 'instantaneous rate of discharge of oil content means the rate of discharge of oil in liters per hour at any instant divided by the speed of the ship in knots at the same instant;";

(D) in subsection (c) (redesignated (d) by subparagraph (B) of this paragraph):

(1) by deleting the word "marine"; and

(2) by deleting the words "American Society for the Testing of Materials" and substituting therefore the words "American Society for Testing and Materials";

(E) in subsection (e) (redesignated (f) by subparagraph (B) of this paragraph) by changing the period to a semicolon at the end of the first sentence thereof and by amending the second sentence to read "an 'oily mixture' means a mixture with any oil content;";

(F) by amending subsection (h) to read "The term 'Secretary' means the Secretary of the department in which the Coast Guard is operating;"; and

(G) in subsection (j) by changing the period to a semicolon and by adding the following to the sentence: "except that, for the purpose of this Act 'from the nearest land' off the northeastern coast of Australia means a line drawn from a point on the coast of Australia in latitude 11 degrees south, longitude 142 degrees 08 minutes east to a point in latitude 10 degrees 35 minutes south, longitude 141 degrees 55 minutes east—

"thence to a point latitude 10 degrees 00 minutes south, longitude 142 degrees 00 minutes east;

"thence to a point latitude 9 degrees 10 minutes south, longitude 143 degrees 52 minutes east;

"thence to a point latitude 9 degrees 00 minutes south, longitude 144 degrees 30 minutes east;

"thence to a point latitude 13 degrees 00 minutes south, longitude 144 degrees 00 minutes east;

"thence to a point latitude 15 degrees 00 minutes south, longitude 146 degrees 00 minutes east;

"thence to a point latitude 18 degrees 00 minutes south, longitude 147 degrees 00 minutes east;

"thence to a point latitude 21 degrees 00 minutes, south, longitude 153 degrees 00 minutes east;

"thence to a point on the coast of Australia in latitude 24 degrees 42 minutes south, longitude 153 degrees 15 minutes east.".

(2) Section 3 (33 U.S.C. 1002) is amended to read as follows:

"Sec. 3. Subject to the provisions of sections 4 and 5, the discharge of oil or oily mixture from a ship is prohibited unless—

"(a) the ship is proceeding en route; and

"(b) the instantaneous rate of discharge of oil content does not exceed sixty liters per mile, and

"(c) (1) for a ship, other than a tanker—

"(i) the oil content of the discharge is less than one hundred parts per one million parts of the mixture, and

"(ii) the discharge is made as far as practicable from the nearest land;

"(2) for a tanker, except discharges from machinery space bilges which shall be governed by the above provisions for ships other than tankers—

"(i) the total quantity of oil discharged on a ballast voyage does not exceed one fifteen-thousandths of the total cargo-carrying capacity, and

"(ii) the tanker is more than fifty miles from the nearest land.".

(3) Section 4 (33 U.S.C. 1003) is amended—

(A) by changing the word "shall" to "does" in the introductory clause thereof;

(B) by changing the semicolon to a period at the end of subsection (b) thereof; and

(C) by repealing subsection (c) thereof.

(4) Section 5 (33 U.S.C. 1004) is amended to read as follows:

"Sec. 5. Section 3 does not apply to the discharge of tanker ballast from a cargo tank which, since the cargo was last carried therein, has been so cleaned that any effluent therefrom, if it were discharged from a stationary tanker into clean calm water on a clear day, would produce no visible traces of oil on the surface of the water.".

(5) Insert a new section 6, to read as follows, following section 5:

"Sec. 6. (a) Every tanker to which this Act applies and built in the United States and for which the building contract is placed on or after the effective date of this section shall be constructed in accordance with the provisions of annex C to the convention, relating to tank arrangement and limitation of tank size.

"(b) Every tanker to which this Act applies and built in the United States and for which the building contract is placed, or in the absence of a building contract the keel of which is laid or which is at a similar state of construction, before the effective date of this section, shall, within two years after that date, comply with the provisions of annex C of the convention if—

"(1) the delivery of the tanker is after January 1, 1977; or

"(2) the delivery of the tanker is not later than January 1, 1977, and the building contract is placed after January 1, 1972, or in cases where no building contract has previously been placed, the keel is laid or the tanker is at a similar stage of construction, after June 30, 1972.

"(c) A tanker required under this section to be constructed in accordance with annex C to the convention and so constructed shall carry on board a certificate issued by the Secretary attesting to that compliance. A tanker which is not required to be constructed in accordance with annex C to the convention shall carry on board a certificate to that effect issued by the Secretary, or if a tanker does comply with annex C though not required to do so, she may carry on board a certificate issued by the Secretary attesting to that compliance. Tankers under the flag of the United States are prohibited from engaging in domestic or foreign trade without an appropriate certificate issued under this section.

"(d) Certificates issued to foreign tankers pursuant to the convention by other nations party thereto shall be accepted by the Secretary as of the same force as certificates issued by him. If the Secretary has clear grounds for believing that a foreign tanker required under the convention to be constructed in accordance with annex C entering ports of the United States or using offshore terminals under United States control does not in fact comply with annex C, he may request the Secretary of State to seek consultation with the government with which the tanker is registered. If after consultation or otherwise, the Secretary is satisfied that such tanker does not comply with annex C, he may for this reason deny such tanker access to ports of the United States or to offshore terminals under United States control until such time as he is satisfied that the tanker has been brought into compliance.

"(e) If the Secretary is satisfied that any other foreign tanker which, if registered in a country party to the convention, would be required to be constructed in accordance with annex C, does not in fact comply with the standards relating to tank arrangement and limitation of tank size of annex C, then he may deny such tanker access to ports of the Untied States or to offshore terminals under United States control."

(6) Section 6 (33 U.S.C. 1005) is renumbered section 7 and is amended to read as follows:

"Sec. 7. (a) Any person who willfully discharges oil or oily mixture from a ship in violation of this Act or the regulations thereunder shall be fined not more than $10,000 for each violation or imprisoned not more than one year, or both.

"(b) In addition to any other penalty prescribed by law any person who willfully or negligently discharges oil or oily mixture from a ship in violation of this Act or any regulation thereunder shall be liable to a civil penalty of not more than $10,000 for each violation, and any person who otherwise violates this Act or any regulation thereunder shall be liable to a civil penalty of not more than $5,000 for each violation.

"(c) A ship from which oil or oily mixture is discharged in violation of this Act or any regulation thereunder is liable for any pecuniary penalty under this section and may be proceeded against in the district court of any district in which the vessel may be found.

"(d) The Secretary may assess any civil penalty incurred under this Act or any regulation thereunder and, in his discretion, remit, mitigate, or compromise any penalty. No penalty may be assessed unless the alleged violator shall have been given notice and the opportunity to be heard on the alleged violation. Upon any failure to pay a civil penalty assessed under this Act, the Secretary may request the Attorney General to institute a civil action to collect the penalty. In hearing such action, the district court shall have authority to review the violation and the assessment of the civil penalty de novo."

(7) Section 7 is renumbered section 8.

(8) Section 8 (33 U.S.C. 1007) is renumbered section 9 and is amended—

(A) in subsection (a) by amending the first sentence to read as follows: "In the administration of sections 1–12 of this Act, the Secretary may utilize by agreement, with or without reimbursement, law enforcement officers or other personnel, facilities, or equipment of other Federal agencies or the States.";

(B) in subsection (a) by amending the first part of the second sentence which precedes the first use of the word "shall" to read: "For the better enforcement of the provisions of said sections, officers of the Coast Guard and other persons employed by or acting under the authority of the Secretary";

(C) in subsection (a) by deleting from the last sentence thereof the words "Bureau of Customs and" and the words "in a prohibited zone or in a port of the United States"; and

(D) in subsection (b) by deleting in the first sentence thereof the words "of the Department in which the Coast Guard is operating" and by deleting the second sentence thereof in its entirety.

(9) Section 9 (33 U.S.C. 1008) is renumbered section 10 and is amended—

(A) by amending subsection (c) to read as follows:

"(c) The oil record book shall be completed on each occasion, on a tank-to-tank basis, whenever any of the following operations take place in the ship:

"(1) for tankers—

"(i) loading of oil cargo;

"(ii) transfer of oil cargo during voyage;

"(iii) discharge of oil cargo;

"(iv) ballasting of cargo tanks;

"(v) cleaning of cargo tanks;

"(vi) discharge of dirty ballast;

"(vii) discharge of water from slop tanks;

"(viii) disposal of residues;

"(ix) discharge overboard of bilge water containing oil which has accumulated in machinery spaces while in port, and the routine discharge at sea of bilge water containing oil unless the latter has been entered in the appropriate logbook;

"(2) for ships other than tankers—

"(i) ballasting or cleaning of bunker fuel tanks;

"(ii) discharge of dirty ballast or cleaning water from bunker fuel tanks;

"(iii) disposal of residues;

"(iv) discharge overboard of bilge water containing oil which has accumulated in machinery spaces while in port, and the routine discharge at sea of bilge water containing oil unless the latter has been entered in the appropriate logbook. In the event of such discharge or escape of oil or oily mixture as is referred to in section 4 of this Act, a statement shall be made in the oil record book of the circumstances of, and reason for, the discharge or escape.";

(B) by changing the figure "9" in subsection (d) to read "10"; and

(C) by repealing subsection (f).

(10) Section 10 (33 U.S.C. 1009) is renumbered section 11 and is amended to make the sectional enumeration read as follows: "Sections 3, 4, 5, 6, 7, 9, and 10."

(11) Section 11 is renumbered section 12 and is amended by deleting the words "any prohibited zone" in subsection (b) thereof and by substituting therefor the words "violation of the convention but outside the territorial sea of the United States".

(12) Section 12 (33 U.S.C. 1011) is repealed.

(13) Sections 14 and 15 are renumbered sections 13 and 14, respectively.

(14) Section 16 (33 U.S.C. 1014) is renumbered section 15 and is amended by adding between the words "provisions of" and the word "the" the words "section 311 of", and by deleting the words "Oil Pollution Act, 1924 (33 U.S.C. 431–437),", and substituting therefor the words "Federal Water Pollution Control Act, as amended,".

(15) Section 17 (33 U.S.C. 1015) is repealed.

SEC. 3. (a) Except as provided in subsection (c) of this section, this amending Act is effective upon the date of its enactment or upon the date amendments to the International Convention for the Prevention of Pollution of the Sea by Oil, 1954, as amended, adopted by the Assembly of the Inter-Governmental Maritime Consultative Organization on October 21, 1969, October 12, 1971, and October 15, 1971, are ratified or accepted with the advice and consent of the Senate of the United States, whichever is the later date.

(b) A rights or liabilities existing on the effective date of this Act shall not be affected by the enactment of this Act. Any regulations or procedures promulgated or effected pursuant to the Oil Pollution Act, 1961, as previously amended, remain in effect until modified or superseded under the authority of the Oil Pollution Act, 1961, as amended by this Act. Any reference to the International Convention for the Prevention of Pollution of the Sea by Oil, 1954, in any law or regulation shall be deemed to be a reference to the convention as revised or amended by the latest amendments in respect of which the United States has deposited an instrument of ratification or acceptance.

(c) Notwithstanding the foregoing provisions of this section, subsections (d) and (e) of section 6 of the Oil Pollution Act, 1961, as amended by section 2 of this bill, shall be effective upon the date of their enactment or upon the date the International Convention for the Prevention of Pollution of the Sea by Oil, 1954, as amended by the amendments adopted by the Assembly of the Inter-Governmental Maritime Consultative Organization on October 15, 1971, enters into force pursuant to article XVI of that convention, as amended, whichever is later; and no authority shall be exercised pursuant to article VI bis (3) and (4) of such amendments prior to the effective date of such subsections.

The SPEAKER. Is a second demanded?

Mr. RUPPE. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

Mrs. SULLIVAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 5451, as reported by the Merchant Marine and Fisheries Committee is straightforward and uncomplicated in concept, although its provisions are somewhat technical in nature.

The bill proposes to amend the Oil Pollution Act, 1961, as amended, to reflect in that act three sets of amendments to the International Convention on Prevention of Pollution of the Sea by Oil, 1954, as amended.

The 1954 convention, of which the United States is signatory, was the first international action addressing itself to the reduction of oil pollution in the oceans. Even at that early date, it was apparent that it was necessary to take measures to prevent the oceans from becoming more and more polluted from oil discharges. With increasing carriage of oil by tankers, now at a level of 1,300 million metric tons per year, more and more stringent controls must be applied.

As a result of its continuing concern, the Inter-Governmental Maritime Consultative Organization—IMCO—took action in 1962 to tighten the provisions of the convention, and the United States ratified those changes in 1966. Again in October 1969, IMCO took additional measures, and those 1969 amendments are one of the three sets of provisions which this bill before us today will incorporate into domestic law. The other two sets of amendments were adopted in IMCO in October 1971.

The three sets of amendments which we propose to implement in this legislation do the following things:

First, as to the 1969 amendments. This set of amendments abolishes the so-called "free zones" of the oceans, generally existing in areas more than 50 miles from the nearest land, and extends the "prohibited zones" to cover the entire ocean. The result is that in the discharge of oil from vessels through ballasting and tank washing operations, the vessels covered by the convention, tankers above 150 tons and other vessels above 500 tons, may discharge oily mixtures during their operations only when the vessel is proceeding en route on its voyage, the rate of discharge of the oil content in the oily water does not exceed 15 gallons per mile, the oil content is less than 100 parts per oil per 1 million parts of mixture, and the vessel is as far as practicable from land. As to tankers, discharge of effluent with any oil content is prohibited unless the tanker is proceeding on its voyage, the rate of discharge does not exceed 15 gallons per mile, the total quantity of oil discharged on a ballast voyage does not exceed one fifteen-thousandths cargo-carrying capacity, and the tanker is more than 50 miles from the nearest land.

Under present conditions, it is estimated that a total of almost 1 million metric tons of oil are discharged into the oceans each year from tank washings and oily ballast discharges. Of this amount, U.S. registered tankers are estimated to contribute approximately 53,000 or about 6 percent of the total. With the provisions of the 1969 amendments in force, the maximum quantity of oil at present cargo levels for U.S. tankers would be something less than 5,000 metric tons or a reduction of approximately 90 percent. The same computation would reduce the overall world discharge to less than 90,000 metric tons per year.

Mr. Speaker, the 1969 amendments, adopted in IMCO in October 1969, were referred to the Senate for advice and consent to ratification, and on September 20, 1971, that body by a vote of 75 to 0, adopted the resolution of ratification. In the second session of the 92d Congress, the Merchant Marine and Fisheries Committee reported favorably H.R. 15627, to implement those 1969 amendments. The bill was passed by unanimous consent in the House late in the second session and, unfortunately, the Senate did not take action on the bill. Therefore, as to these 1969 amendments, this House has already spoken, and I solicit your support to move this implementing legislation forward once again.

As to the two sets of amendments adopted in IMCO in 1971, each of which is also contained in this implementing legislation, the first relates to the Great Barrier Reef, off the northeast coast of Australia. Because of its fragile nature and its protection to the continent of Australia, the IMCO Assembly adopted a resolution amending the convention to treat the Great Barrier Reef as if it were land, so that no tanker discharges with any oil content could occur within 50 miles of that reef.

The second set of 1971 amendments is anticipatory in nature. Faced with the prospect of increasingly large tankers and discussions looking to the possibility of large tankers of from 500,000 to 1 million deadweight tons, IMCO with the leadership of the U.S. delegation, established certain tank size limitations and tank arrangements in these large tankers which would result in limiting the outflow of oil in the event that one of these tankers should suffer collision or stranding casualty. The net effect of the amendments would be that no tanker could be constructed after a certain date wherein the wing tanks could exceed 30,000 cubic meters. The center tanks could not exceed 50,000 cubic meters. The formula adopted would begin to have practical effect in any tanker approaching 300,000 deadweight tons or larger.

The two sets of 1971 amendments have

not yet been acted upon in the Senate. However, hearings were recently held by a subcommittee of the Foreign Relations Committee, and there is every reason to believe that favorable affirmative action will be taken on those amendments within the early future.

In addition to implementing the three sets of amendments which I have described, H.R. 5451, as reported, makes certain other technical and conforming changes to the Oil Pollution Act, 1961, and increases the penalty provisions in order to provide a more realistic sanction for violators. The new penalties provide for a maximum fine of $10,000 and imprisonment for not more than 1 year for willful discharges in violation of the act, a civil penalty of not more than $10,000 for either a willful or negligent discharge in violation of the act and a civil penalty of not more than $5,000, for any other violation of the act or regulation not amounting to a discharge. Under the present provisions of the act, the maximum fine is $2,500, and no civil penalties are provided for.

Finally, the bill, as reported, will, with a single exception, place the implementing provisions into effect as soon as the bill is enacted or the amendments are ratified by the United States, whichever is later. The exception referred to relates to actions against foreign vessels trading in American ports or offshore terminals. This provision will become effective only after the second set of 1971 amendments goes into effect, upon completion of the international ratification process.

I commend this legislation to the House, and I solicit the support of all Members in the enactment of this bill. It is legislation which is effective and practical, a combination which is not always possible.

Mr. RUPPE. Mr. Speaker, I rise in support of H.R. 5451, a bill to amend the Oil Pollution Act of 1961 to implement the 1969 and 1971 amendments to the International Convention for the Prevention of Pollution of the Sea by Oil.

The Oil Pollution Convention of 1954 was the first international attempt to control the growing threat of oil pollution at sea from the routine operation of tankers and other vessels. In essence, the convention established the concept of prohibited zones extending 50 miles from shore within which oil may not be discharged. While this convention was a step in the right direction in that it at least minimized the international discharge of oil close in shore, it did nothing to stop the growing use of the oceans generally as a dumping ground for oily residues from the thousands of ships daily transiting the sealanes of the world.

Following the *Torrey Canyon* disaster of 1964, the principal maritime nations of the world under the auspices of the International Maritime Consultative Organization—IMCO—began to seriously reevaluate the full spectrum of Safety at Sea and Marine Pollution Conventions. The 1969 and 1971 amendments to the Oil Pollution Convention which this legislation would implement were the result of this post-*Torrey Canyon* reappraisal.

As amended in 1969, the Oil Pollution Convention expands upon the prohibited zone concept to establish a more rational criteria for the discharge of oil. Discharges from tankers continue to be flatly prohibited within 50 miles from the nearest land. In addition, discharges beyond 50 miles at sea, heretofore unregulated, may not exceed 60 litres, or about 16 gallons, per mile, and the total quantity of oil discharged on a ballast voyage may not exceed one fifteen-thousandths of the cargo-carrying capacity of the ship. Comparable, though not identical, provisions governed discharges of oil from all other ships. Stringent recordkeeping provisions have been adopted to insure compliance with these requirements.

The existing Oil Pollution Act provides only criminal penalties for violations. The bill establishes a $10,000 civil penalty for willful or negligent discharge of oil in violation of the act and raises the criminal fine from a maximum of $2,500 to a maximum of $10,000.

The 1971 amendments to the convention recognize the Great Barrier Reef off the coast of Australia as if it were land for the purposes of the 50-mile limitation and establish regulations governing the size of individual cargo tanks in newly constructed tank vessels. The uniqueness of the Great Barrier Reef, a living coral formation that is the habitat of a tremendous variety of tropical fish and other marine life amply justifies its treatment as a land mass for the purpose of prohibiting totally any discharge of oil within 50 miles. The second set of 1971 amendments is a first step toward limiting the volume of oil which might escape into the sea in the event of a stranding, collision, or explosion involving large tankers.

The impact of these regulations will be felt upon ships in the 300,000-deadweight-ton-and-above category. While no ships of this size are registered under the American flag or even under construction in the United States, there are many in use or on order worldwide.

In essence, the main cargo tanks would be limited to a maximum volume of 50,000 cubic meters and wing tanks to a maximum of 30,000 cubic meters. Once this amendment becomes operative following ratification by the requisite number of nations, the Secretary of Transportation will be authorized to deny entry to U.S. ports or offshore terminal facilities to any tanker which does not conform to these limitations.

This legislation is an important step forward in our effort to reduce and eventually eliminate all intentional discharges of oil at sea resulting from routine shipboard operations and to lessen the impact of a pollution incident in the event of a stranding or collision.

There has been steady growth in the size of supertankers since adoption of the 1969 and 1971 amendments. More contracts have been signed for the construction of ships in the 500,000-ton category. It seems clear that tankers well above that tonnage are inevitable. This has resulted in a call for further refinements to international regulation of tanker construction. I was privileged earlier this year to attend the Preparatory Conference for the 1973 Oil Pollution Convention at which time a draft convention was hammered out, which hopefully will be adopted later this year and submitted to the member nations of IMCO for ratification. The new convention will prescribe more stringent standards for the construction of these truly immense petroleum carriers. The other body has given its advice and consent to the 1969 amendments and will shortly consider the 1971 amendments. Our maritime industry strongly supports these internationally agreed measures to protect the marine environment. I therefore urge the passage of this legislation as a much-needed step toward achieving the goal of protecting the global marine environment from the toxic effects of oil.

Mr. MURPHY of New York. Mr. Speaker, will the gentleman yield?

Mr. RUPPE. I yield to the gentleman from New York.

Mr. MURPHY of New York. The committee has watched the development of IMCO, and the balanced requirements of ocean ships, particularly as very large crew carriers, becoming larger than very large, are developed. The committee, with the gentlewoman from Missouri (Mrs. SULLIVAN) as chairman, will undertake hearings later this month on the impact of balanced requirements, as that appears to affect the American shipbuilding industry.

And, of course, the impact is that there is one thing we certainly want to assure, and that is that certainly this is not an international standard that is imposed only on the United States which would, in effect, price the United States out of the shipbuilding business, whether it is a very large crew carrier or whether it is another type of carrier. The committee will go into in-depth hearings on this matter later this month.

Mr. RUPPE. Mr. Speaker, I thank my colleague, the gentleman from New York (Mr. MURPHY). He brings out a very good point.

I do know, as a result of my attendance at the last London convention of IMCO, that the American delegation was very strong in supporting those amendments, the two amendments to existing conventions that would tighten up regulations on discharges of oil at sea or discharges of chemicals or other toxic substances.

I think, however, that we will want to support these measures, fully understanding that in no way is this going to impair the future or the viability of our American Merchant Marine or certainly those organizations and companies engaged in the construction thereof.

I think the idea of hearings which my colleague, the gentleman from New York (Mr. MURPHY) has suggested is a very wise one, and I think they will be very helpful in connection with this problem.

Mr. DON H. CLAUSEN. Mr. Speaker, will the gentleman yield?

Mr. RUPPE. I am very happy to yield to the gentleman from California (Mr. DON H. CLAUSEN).

Mr. DON H. CLAUSEN. Mr. Speaker, I rise in strong support of this legislation.

I would like to have the attention of the gentleman from Michigan (Mr. DINGELL). I would like to direct a couple of questions to the gentleman, representing as I do a very long coastline of California;

that is, northern California. Mr. Speaker, the question I would like to direct to the gentleman is whether or not this number of miles will apply seaward from the shoreline or from the territorial sea.

Mr. DINGELL. If the gentleman will yield, the answer is that it would apply from the coast, beginning at the coast, to the territorial sea.

Mr. DON H. CLAUSEN. Mr. Speaker, the next question will relate to the enforcement proceedings beyond the territorial sea.

Will this come under the Environmental Protection Act?

Mr. DINGELL. No, this will be administered under the statute. We are considering that it will be administered by the Coast Guard, and it will be handled in that fashion.

Mr. DON H. CLAUSEN. Well, what about on the Continental Shelf itself?

Mr. DINGELL. This is within the territorial sea. The Federal Water Pollution Act will apply, and they will apply the more stringent standards, so that we could well have application as to vessels, tank and dry cargo and other vessels, both under international agreement and also under this particular statute.

Mr. DON H. CLAUSEN. So for the territorial sea the Environmental Protection Act would control it pretty much?

Mr. DINGELL. The Federal Water Pollution Control Act, as amended, would apply.

Mr. DON H. CLAUSEN. And then seaward it would be up to the Coast Guard to enforce this in concert with other agencies?

Mr. DINGELL. Well, the Coast Guard will be the administrative agency and will carry out the enforcement procedures set forth in the statute with regard to reporting, keeping records, and so forth, with regard to discharge. This statute requires any discharge to be reported in a record book, and failure to report or false reports in the record books make a person subject to rather severe penalties.

Mr. DON H. CLAUSEN. Mr. Speaker, may I ask the gentleman further: This is going to require increasing responsibilities on the part of the Coast Guard to enforce this kind of pollution control, at least with regard to oil pollution?

Mr. DINGELL. It is going to increase the responsibilities of the Coast Guard.

The gentleman is correct.

Mr. DON H. CLAUSEN. It may be that the gentleman is addressing himself to this in other legislation, but will the Coast Guard be adequately funded in order to meet these responsibilities?

Mr. DINGELL. Mr. Speaker, that is a question we will have a chance to address ourselves to in the next bill, which will be the Coast Guard authorization bill.

Mr. GROVER. Mr. Speaker, will the gentleman yield?

Mr. RUPPE. I yield to the gentleman from New York (Mr. GROVER), the ranking member of this committee.

Mr. GROVER. Mr. Speaker, I thank the gentleman for yielding to me.

Those of us, Mr. Speaker, in maritime or coastal States are growing more and more sensitive to the great threat of oil pollution, not only with regard to pollution of our beaches, but with regard to the degrading of our marine environment.

As the gentleman from Michigan (Mr. DINGELL) said, this legislation is a step beyond the Water Pollution Control Act of 1972, an act which has teeth in it for our territorial waters; the legislation at hand applies to oil spills and oil dumping in the open seas.

It is a very good piece of legislation.

Mr. Speaker, the United States has taken a position of world leadership in the effort to protect the oceans from further oil pollution. We have pursued this goal on the domestic front and at the international level.

President Nixon devoted a message to the Congress on May 20, 1970 to call attention to the growing threat to our marine environment from the routine spillage of oily wastes at sea and from the growing number of tanker collisions and grounding occurring principally in coastal waters.

Again on February 8, 1971, the President in his environmental message called for an international effort to terminate all intentional discharges of oil from ships by 1975 if possible, and no later than the end of this decade.

Protection from the threat of massive pollution incidents and from the more insidious routine discharge of oily wastes, principally contaminated ballast water, is being achieved along two lines; first, prevention of accidents and their consequences and deliberate discharges, and secondly, development of cleanup techniques and legal remedies to insure that those who cause pollution will be held responsible.

The prevention of accidental pollution involves primarily the development of techniques to enhance the navigation of ships in those congested areas where the risk is greatest. In this regard, the 92d Congress witnessed the enactment of the Ports and Waterways Safety Act authorizing the Coast Guard traffic control systems and regulation of vessel movements under appropriate circumstances; the Vessel Bridge-to-Bridge Radio-telephone Act to insure that ships will be able to communicate their intentions in passing situations—heretofore a leading cause of collisions; and the Towing Vessel Licensing Act to insure that the operators of barge tows, which have been involved in numerous collisions with ships in the lower Mississippi, for example, are qualified to pilot our inland and coastal waterways.

These domestic laws will undoubtedly contribute to a far higher degree of vessel safety within territorial waters of the United States. They, of course, apply with equal force to U.S. and foreign-flag vessels which may enter our jurisdiction. We will never, of course, totally eliminate the possibility of a massive pollution incident involving a supertanker. It is, therefore, essential that we take parallel steps to insure that the impact of such a maritime casualty be minimized. Since the vast majority of petroleum carriers entering our ports and transiting sea lanes of the world fly foreign flags, unilateral action on the part of the United States could only be partially effective; hence, the effort at the international level, as outlined by the President to achieve a much higher standard worldwide for tanker construction and operation.

As has been stated here, the bill before us today implements a series of amendments to the 1954 Convention on the Prevention of Pollution of the Sea by Oil. The 1969 amendments to the convention deal with the routine discharge of oil from tankers and other ships arising principally from tank cleaning operations while sailing in ballast. These routine shipboard operations produce a very significant degree of oil pollution throughout the world. With the great growth in size of tankers, the amount of oil left as a residue inside the the tanks after discharging has been completed amounts to many hundreds of tons. Various operational measures have been developed to minimize the discharge of this oil after ballast water has been taken on, including the so-called load-on-top technique, and the establishment of shore-based waste water discharge facilities. None of these measures have proven completely satisfactory, and due to the highly competitive nature of the oil transportation industry, all of the principal maritime nations must act in consort to insure that shipowners cannot escape their obligation to protect the marine environment by flag shopping. The 1971 amendments to the convention are a first step at the international level toward developing tanker construction standards which will minimize the impact of a casualty by limiting the volume of oil that may be carried in each cargo cell of the ship. Far more stringent tanker construction standards are now being studied, including segregated ballast tanks and double bottoms, in anticipation of the 1973 IMCO conference on marine pollution. The 1971 amendments to the 1954 convention may, therefore, be considered to be of an interim nature.

Since ocean pollution respects no boundaries, it is to be hoped that the solutions can be found at the international level. We have, however, taken steps domestically to provide for unilateral action on the part of the United States should these international efforts not bear meaningful fruit. Title II of the Ports and Waterways Safety Act of 1972 directs the Secretary of Transportation to promulgate tanker construction standards for all vessels which may enter our waters according to a well-defined timetable which gives the international community a reasonable time within which to act.

These, therefore, are the highlights of our effort over the past several years to eliminate deliberate and accidental oil spills by improving the design of ships and by providing for greater navigational safety. H.R. 5451 represents an important aspect of this overall effort.

Mr. RUPPE. Mr. Speaker, I yield to my colleague from New York.

Mr. WYDLER. I would like to address a couple of questions to somebody who has charge of this bill.

Do I understand under the terms of this bill that it makes or sets legal standards in effect for the dumping of oil at sea? Is that the understanding?

Mr. RUPPE. It sets limitations. There have been no restrictions on dumping of oil beyond a distance of 50 miles. To my understanding, this set very tight limitations on the amount of dumping that can be permitted. For instance, dumping cannot exceed 16 gallons per mile and the total dumping cannot exceed one fifteen-thousandths of the cargo capacity of a ship. In other words, there are very strict limitations with severe civil and criminal penalties for violation hereof and generally for any discharge of oil in the open sea.

Mr. WYDLER. I understand that, but what I am driving at is I understand the need for such regulation, but what I think I understand is under the terms of this bill certain types of dumping of oil at sea are made legal. Is that right?

Mr. DINGELL. Will the gentleman yield?

Mr. RUPPE. I yield to the gentleman.

Mr. DINGELL. The answer to that question is categorically no. This bill restricts very significantly both the amount, that is the quantities, and the areas in which oil may be dumped now. This legislation implements an international agreement to which the United States is a signed participant and says for the first time that vessels which bear the American flag may no longer dump oil anywhere in the ocean outside the 50-mile limit of a coast without limitation and it imposes limitations as to the amounts.

For example, one fifteen-thousandths of the total amount of cargo capacity of a ship. Sixty liters per mile is a limitation. That is the total limitation. It is one fifteen-thousandths of the total cargo carrying capacity of a vessel on a voyage.

It also restricts it so that there can no longer be any dumping inside the 50-mile limit of any shoreline. This is a substantial restriction. IMCO intends to address itself to an absolute zero dumping of oil in the oceans by 1980. That is the next step, and this committee will be very vigorous in looking into that matter when it arises.

Mr. WYDLER. I appreciate the explanation of the gentleman, but if I understood it correctly, it comes down to this fact. If you dump a certain distance from the land and a set amount per square mile——

Mr. DINGELL. Per liter.

Mr. WYDLER. Then that dumping is a legal dumping of oil at sea. Is that correct

Mr. RUPPE. Any dumping is legal beyond 50 miles now and you can dump at sea whatever you want to. This for the first time puts severe limitations on the discharge of oil at sea. Recognizing the fact that there are possible accidents or small discharges that might occur, we have provided that they do not exceed 16 gallons per mile or one fifteen-thousandths of the total cargo carrying capacity of a ship on a voyage. That would not be considered legal under the legislation. This takes the dumping which was heretofore legal and restricts it very severely.

I believe the chairman of the full committee has said that we dump over 1 million barrels of oil annually now, and this will restrict it to under 100,000 barrels of oil.

Mrs. SULLIVAN. That is absolutely correct.

Mr. WYDLER. Then, where does the other 900,000 barrels of oil go?

Mr. RUPPE. That will stay in the vessel.

Seriously, they will not be dumping. It will force people who might have been careless in their operations or sloppy in the management of vessels to be very careful about it. Very definitely they will have to adhere to these regulations, as stringent as they are, and it will stop 90 percent of any discharges of oil in the open sea beyond the present 50-mile limit.

Mr. WYDLER. Was any thought given to burning? I assume they have to get rid of the oil in some fashion. I make that assumption although I do not know about it, but on that assumption of having to get rid of the oil in some fashion, was any thought given to burning it instead of dumping it?

Mr. DINGELL. Will the gentleman yield?

Mr. RUPPE. I yield to the gentleman.

Mr. DINGELL. The 90-percent reduction will come about in a number of ways. Three of them involve loading the oil on top of the ballast so that the ballast continues to be carried and the saltwater contaminated oil will be run through a processing facility for refining. And the oil will be removed in that fashion.

In some areas they will set up on-shore facilities where the ballast will be pumped out, and the oil will be permitted to separate out through gravity. Those are the two principal ways in which the matter will be handled.

Mr. WYDLER. I thank the gentleman from Michigan for that explanation, but I still say that what is bothering me is the fact that I come from an area where we have an ocean coastline, and from time to time there are oil spills that wash up on our beaches, and a great to-do is made of this, about the terrible pollution that is thus created.

But if I understand this bill correctly then that dumping of oil could be legal, or would be legal. Is that correct?

Mr. DINGELL. If the gentleman will yield further, the answer is no, because under the treaty there can be no dumping of oil or no pumping out of ballast tanks whatsoever within a 50-mile zone. The bill and the treaty provide for complete recordkeeping, and for severe civil and criminal penalties for failure to keep proper records, or for filing false records outside of the 50-mile zone, and the bill for the first time imposes restrictions on the amount of oil that may be dumped per mile traveled, or in terms of total tonnage. This bill treats the American-flag vessels in the same fashion that other signatory nations will treat their own flag vessels. Of course, obviously this applies only to our own vessels, but in addition the bill provides for methods of reporting and penalties for failures to tell the truth in their recordkeeping, and also would provide penalties for violating new prohibitions against dumping both as to where and as to the amount.

Mr. WYDLER. The gentleman from Michigan is telling me that this cannot be done within the 50-mile zone from the coastline, but is there any magic about that number of 50 miles? And is oil dumping beyond the 50-mile limit—is there anything to keep that oil from being washed up on the coastal shorelines, and why is not that oil also covered by this bill?

Mr. DINGELL. If the gentleman will yield further, the answer is not actually, because the IMCO Conference could not agree upon this subject, but I hasten to say that IMCO will be able to address itself to a complete zero prohibition of oil dumping within the near future.

Mr. RUPPE. Mr. Speaker, I might also point out to my colleague that the present IMCO group is meeting now to develop new restrictions such as that which will require separate ballast tanks in which to pump the oil so that when they do have the separate ballast tanks they will not have this problem at all, and there will be no discharging of oil of any kind.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. RUPPE. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, I would ask the gentleman from Michigan (Mr. DINGELL) does this bill in any way add to or subtract from the territorial rights of States with regard to offshore oil drilling?

Mr. DINGELL. If the gentleman will yield, the answer to that is a categorical no, I will say to the gentleman.

Mr. GROSS. I thank the gentleman.

Mr. TEAGUE of California. Mr. Speaker, Santa Barbara, Calif., is associated in many minds with the disastrous 1969 offshore oil blowout. This spectacular occurrence focused the attention of the world upon the valiant efforts of concerned citizens to clean up the stickly black crude oil which fouled beaches, marine life, and sea birds.

Yet as serious as this occurrence was, it and similar dramatic accidental petroleum spills are not the most significant contributors of polluting oil to be discharged into the sea. The gradual, but constant, and therefore more insidious release of oil bilge water, clearing of fuel bunkers, and other deliberate discharges of petroleum products are equally deserving of our attention and concern. The Coast Guard estimates that there will be 12,000 oil spills this year.

Thor Heyerdahl quoted in the New York Times following his Atlantic voyage in the reed boat, *Ra,* stated that there is "a continuous stretch of at least 1,400 miles of open Atlantic polluted by floating lumps of solidified asphalt-like oil." Scientists have observed that DDT and other insecticides are more soluble in oil slicks than water. What effect this phenomena could have on the microscopic life-forms of the sea—which renew the oxygen in our atmosphere—is unclear at this time. I do not believe we can afford to learn from experience about the possible effects of continued pollution.

International cooperation is essential to curtail pollution of the sea. As one great circulating system, the oceans of the world can carry the wastes of one thoughtless nation to opposite ends of the earth, or the oil discharged from one merchant ship onto the beaches of any coastal nation.

The principle of freedom of the high seas is an ancient one. In practice, it has come to include the freedom to pollute. Attempts to put an end to marine pollution collide headon with this principle. The U.S. delegations to the various Intergovernmental Maritime Consultative Organization meetings have contributed to world understanding of the urgency of pollution control efforts. We must therefore strengthen our ability to police infractions and apply sanctions which are sufficient to be deterrent.

The Committee on Merchant Marine and Fisheries should be recognized for its prompt and forthright action to assure that the United States is a leader in accomplishing the environmental protection objective of the International Convention for the Prevention of the Pollution of the Sea by Oil. I urge my colleagues to support H.R. 5451.

Mr. ROGERS. Mr. Speaker, I rise in support of the bill, H.R. 5451, the Oil Pollution Act Amendments of 1973.

I joined in sponsorship of the original Oil Pollution Act in 1961 in recognition of the increasingly grave menace continued oil pollution posed to our national waters and shoreline. Since then much progress has been made in decreasing the incidence and effects of oil spills and dumping, and it is my belief that the present legislation will go a long way toward tightening up the regulation of oil discharge on the seas.

By incorporating these latest amendments to the Oil Pollution Convention into our domestic law, the Congress can demonstrate that the United States intends to remain on the forefront of world efforts toward environmental protection, and take another step forward in the protection of our own shoreline from the hazards of oil spills on the seas. I urge the Members of the House to join me in adoption of the bill.

Mr. DON H. CLAUSEN. Mr. Speaker, I want to take this time to comment both on the Oil Pollution Act which we now have before us and the Coast Guard authorization bill which will be debated later this afternoon.

Last year, we went as far as we could go by including in the Water Pollution Control Act stringent controls prohibiting the discharge of oil in our territorial waters. As a matter of jurisdiction we are limited to 3 miles offshore as the extent of our ability to improve water quality on a unilateral basis.

During hearings on water pollution program, our committee received testimony from Thor Heyerdahl, leader of the *Ra* expedition. He pointed out that pollution from oil and other sources is seriously affecting the Atlantic Ocean even hundreds of miles from any coastline.

At that time, I pointed out that we would make as much progress as we could on our own but that in the face of international law, multilateral action is required. This is why I so strongly support the Oil Pollution Act we are considering today.

This bill complements our efforts to control oil pollution within the 3-mile territorial sea by implementing the International Convention for the Prevention of the Pollution of the Sea by Oil.

Through the adoption of this measure we will be prohibiting the discharge of any oil up to 50 miles at sea and more stringently regulating any discharges beyond that distance. In addition, civil penalties are provided in addition to the criminal sanctions included in the bill.

Mr. Speaker, this legislation continues the long string of efforts we have made to make certain our water pollution control programs are both continuously updated and responsive to changing needs. In conjunction with the Water Pollution Control Act it will help reduce and control pollution and I urge the House to give it overwhelming support.

Mr. VANIK. Mr. Speaker, oil pollution of the world's waterways is a serious situation that is getting worse every day. As a Great Lakes Congressman, I am particularly shocked that 27 percent of our country's oil spillage occurs on these inland lakes.

The National Oceanic and Atmospheric Administration, recently surveying the Atlantic Ocean, reported that several of its ships encountered conditions where the nets were befouled by oil clumps so thick they tangled through the nets "like spaghetti." The NOAA research ship, *Albatross IV*, reported being surrounded by globs of oily substances 75 percent of the time. This oil pollution was not only limited to the Atlantic Ocean. Even in the Mediterranean. Jacques Cousteau, the French undersea explorer, reports that sea life and vitality in the Mediterranean has declined 30 to 50 percent in the last 20 years. Oil globules and plastic debris in massive proportions are infecting bodies of water throughout the world.

In light of this situation, today's bill is so inadequate—it is a placebo. The bill, for instance, allows a tanker to dump one/fifteen-thousandth of its oil-carrying capacity. This does not sound like very much, but it works out to a total of 38 million gallons a year, the equivalent of almost 4,000 major oil spills as defined by the U.S. Coast Guard. The infamous Santa Barbara oil spill produced only 700,000 gallons during the entire period of spillage and leakage; this bill allows 55 equivalent spills each year.

And although nontanker vessels contribute one-fifth of the world's oil pollution, the bill gives them even more lenient guidelines than it gives to tankers. According to this bill, a ship can legally dump 48,000 gallons of oil in the course of a 3,000-mile voyage. This is the equivalent of five major oil spills as defined by the Coast Guard. Considering that it costs $420 to clean up each barrel of oil that is spilled, it would cost $380 million to attempt to clean up the amount of oil that this bill allows to be dumped.

Although the bill does represent a step forward, it is a very meager step, and a great deal more will have to be done in the near future if the problem of oil pollution is ever to be effectively contained.

Mr. Speaker, I support the passage of this bill today—but I hope that it will be just the beginning of new and major efforts to develop international agreements to end oil pollution in the world's oceans and waterways. Let the Congress take note of the warning that we are rapidly destroying the lakes and oceans of the world. This legislation today just does not go far enough.

Mr. CLEVELAND. Mr. Speaker, I rise in support of H.R. 5451, the Oil Pollution Act Amendments of 1973, as a measure to maintain U.S. leadership in the worldwide effort to reduce oil pollution of the seas.

By passing legislation to carry out changes in the International Convention for the Prevention of Pollution of the Sea by Oil, we can help do much to reduce accidental spillage from tanker mishaps, as well as deliberate dumping of oil-bearing wastes from ships at sea.

Furthermore, I regard this as a means of forestalling to the maximum extent one potential source of environmental damage which could result from steps taken to relieve the energy shortage.

As the President indicated in his energy message, he has removed current tariffs on crude oil and products as an incentive to increase imports. At the same time, it is administration policy to encourage development of greater domestic refining capability.

On the basis of costly but environmentally clean operations on the west coast, there have been proposals to establish new refinery capacity in New England. This, in conjunction with possible deepwater port development and possible exploitation of oil and gas reserves off the east coast, points to a considerable increase in tanker usage.

I think it is noteworthy that our colleague from Massachusetts (Mr. CONTE), and Senator MCINTYRE, of New Hampshire, have endorsed the principle of a new refinery in New England. And Governor Thomson, of New Hampshire, has taken the lead in inviting establishment of a refinery within the State. This offers real encouragement for the solution of some of our region's most pressing problems, including gasoline and oil shortages and high prices.

In any event, the tankers are getting bigger. There will be more of them. New refineries are coming. So may offshore exploration. The bill before us can help assure that environmental damage from them will be kept to a minimum.

New construction standards for new large tankers, governing tank placement and volume, should limit oil discharge resulting from tanker collisions. These provisions, in addition to those limiting deliberate discharges, removal of exemptions outside the so-called prohibited zones, increases in criminal penalties and the addition of civil penalties combined to produce a measure well worthy of support. I urge colleagues to join me in voting for its enactment.

Mr. RUPPE. Mr. Speaker, I have no further requests for time.

Mrs. SULLIVAN. Mr. Speaker, I have no further requests for time.

The SPEAKER. The question is on the motion offered by the gentlewoman from Missouri (Mrs. SULLIVAN) that the House suspend the rules and pass the bill H.R. 5451, as amended.

The question was taken.

Mr. RUPPE. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 370, nays 1, not voting 62, as follows:

[Roll No. 129]

YEAS—370

Abdnor
Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Arends
Armstrong
Ashbrook
Aspin
Bafalis
Baker
Barrett
Beard
Bell
Bennett
Bergland
Biester
Bingham
Blatnik
Boggs
Boland
Bolling
Bowen
Brademas
Bray
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton
Butler
Byron
Camp
Carney, Ohio
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clancy
Clark
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cochran
Cohen
Collier
Collins
Conable
Conlan
Conte
Corman
Cotter
Coughlin
Crane
Cronin
Culver
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, Ga.
Davis, Wis.
Delaney
Dellenback
Dellums
Denholm
Dennis
Dent
Derwinski
Devine
Dickinson
Dingell
Donohue
Dorn
Downing
Drinan
Dulski
Duncan
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fish
Fisher
Flood
Flowers
Flynt
Foley
Ford, Gerald R.
Ford, William D.
Forsythe
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gaydos
Gettys
Giaimo
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Grasso
Green, Pa.
Griffiths
Gross
Grover
Gubser
Gude
Gunter
Haley
Hamilton
Hammerschmidt
Hanley
Hanrahan
Hansen, Idaho
Hansen, Wash.
Harrington
Harsha
Harvey
Hastings
Hays
Hébert
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Hillis
Hinshaw
Hogan
Holifield
Holt
Holtzman
Horton
Hosmer
Howard
Huber
Hungate
Hunt
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Colo.
Jones, N.C.
Jones, Okla.
Jordan
Karth
Kastenmeier
Kazen
Keating
Kemp
Ketchum
King
Kluczynski
Koch
Kuykendall
Kyros
Landgrebe
Latta
Leggett
Lehman
Lent
Litton
Long, La.
Lott
Lujan
McClory
McCloskey
McCollister
McCormack
McDade
McEwen
McFall
McKinney
McSpadden
Macdonald
Madden
Madigan
Mahon
Mailliard
Mallary
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Matsunaga
Mazzoli
Meeds
Metcalfe
Mezvinsky
Michel
Miller
Mills, Ark.
Mills, Md.
Minish
Mink
Minshall, Ohio
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Myers
Natcher
Nedzi
Nelsen
Nichols
Nix
O'Brien
O'Hara
Owens
Parris
Passman
Patten
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Podell
Preyer
Price, Ill.
Pritchard
Quie
Quillen
Randall
Rangel
Rarick
Rees
Regula
Rhodes
Treen
Riegle
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rose
Rostenkowski
Roush
Rousselot
Roy
Roybal
Ruppe
Ruth
Ryan
St Germain
Sandman
Sarasin
Sarbanes
Saylor
Scherle
Schneebeli
Schroeder
Sebelius
Seiberling
Shoup
Shuster
Sikes
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Snyder
Spence
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steele
Steelman
Steiger, Ariz.
Stokes
Stratton
Stubblefield
Stuckey
Studds
Sullivan
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Teague, Calif.
Thompson, N.J.
Thomson, Wis.
Thornton
Tiernan
Towell, Nev.
Udall
Ullman
Van Deerlin
Vanik
Veysey
Vigorito
Waggonner
Walsh
Wampler
Ware
Whalen
White
Whitehurst
Whitten
Wiggins
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wyatt
Wylie
Wyman
Yates
Young, Alaska
Young, Fla.
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion
Zwach

NAYS—1

Wydler

NOT VOTING—62

Ashley
Badillo
Bevill
Biaggi
Blackburn
Brasco
Buchanan
Carey, N.Y.
Chisholm
Conyers
Davis, S.C.
de la Garza
Diggs
Erlenborn
Fountain
Fraser
Frelinghuysen
Gibbons
Gray
Green, Oreg.
Guyer
Hanna
Hawkins
Hudnut
Johnson, Pa.
Jones, Ala.
Jones, Tenn.
Landrum
Long, Md.
McKay
Mathis, Ga.
Mayne
Melcher
Milford
Mitchell, Md.
Obey
O'Neill
Patman
Powell, Ohio
Price, Tex.
Railsback
Reid
Reuss
Rooney, N.Y.
Rosenthal
Runnels
Satterfield
Shipley
Shriver
Sisk
Steiger, Wis.
Stephens
Symington
Teague, Tex.
Thone
Vander Jagt
Waldie
Widnall
Wolff
Wright
Yatron
Young, Ga.

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The Clerk announced the following pairs:

Mr. Teague of Texas with Mr. Price of Texas.
Mr. Rooney of New York with Mr. Frelinghuysen.
Mr. Gray with Mr. Railsback.
Mrs. Green of Oregon with Mr. Shriver.
Mr. Long of Maryland with Mr. Runnels.
Mr. Brasco with Mr. Milford.
Mr. Bevill with Mr. Biaggi.
Mr. Rosenthal with Mr. Johnson of Pennsylvania.
Mr. Shipley with Mr. Erlenborn.
Mr. Sisk with Mr. Davis of South Carolina.
Mr. Jones of Alabama with Mr. Buchanan.
Mr. Stephens with Mr. Blackburn.
Mr. Wolff with Mr. Vander Jagt.
Mr. Carey of New York with Mr. Thone.
Mrs. Chisholm with Mr. Ashley.
Mr. Landrum with Mr. Powell of Ohio.
Mr. Mathis of Georgia with Mr. Wright.
Mr. Hanna with Mr. Conyers.
Mr. Diggs with Mr. de la Garza.
Mr. Reuss with Mr. Steiger of Wisconsin.
Mr. Hawkins with Mr. Badillo.
Mr. Fountain with Mr. Mayne.
Mr. Fraser with Mr. Hudnut.
Mr. McKay with Mr. Guyer.
Mr. O'Neill with Mr. Widnall.
Mr. Yatron with Mr. Gibbons.
Mr. Reid with Mr. Young of Georgia.
Mr. Melcher with Mr. Jones of Tennessee.
Mr. Obey with Mr. Mitchell of Maryland.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mrs. SULLIVAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 5451.

The SPEAKER. Is there objection to the request of the gentlewoman from Missouri?

There was no objection.

PERMISSION FOR COMMITTEE ON RULES TO FILE REPORTS

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the Committee on Rules have until midnight tonight to file certain reports.

The SPEAKER. Is there objection to the request of the gentleman from Hawaii?

There was no objection.

COAST GUARD AUTHORIZATION, 1974

Mrs. SULLIVAN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5383) to authorize appropriations for the Coast Guard for the procurement of vessels and construction of shore and offshore establishments, to authorize appropriations for bridge alterations, to authorize for the Coast Guard an end year strength for active duty personnel, to authorize for the Coast Guard average military student loads and for other purposes, as amended.

The Clerk read as follows:

H.R. 5383

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That funds are hereby authorized to be appropriated for fiscal year 1974 for the use of the Coast Guard as follows:

VESSELS

For procurement and increasing the capability vessels, $23,979,000.

A. Procurement:

(1) 75-foot inland construction tenders.

(2) small boat replacement program.

(3) design of vessels.

B. Renovation and increasing capability:

(1) renovate and improve buoy tenders.

(2) reengine and renovate coastal buoy tenders.

(3) abate pollution by oily waste from Coast Guard vessels.

(4) abate pollution by nonoily waste from Coast Guard vessels.

CONSTRUCTION

For establishment or development of installations and facilities by acquisition, construction, conversion, extension, or installation of permanent or temporary public works, including the preparation of sites and furnishing of appurtenances, utilities, and equipment for the following, $72,510,000.

(1) Portsmouth, Virginia: Construct new Coast Guard base, phase IIa.

(2) Portsmouth, Virginia: Construct new communications station.

(3) Monterey and Santa Cruz, California: Rebuild Monterey station, construct Santa Cruz unmanned moorings.

(4) Montauk Point, New York: Control erosion at Montauk Point Light Station.

(5) Cape May, New Jersey: Construct dining hall at recruit training center.

(6) Brooklyn, New York, and Wildwood,

New Jersey: Expand interim centralized electronic systems maintenance facilities.

(7) Carolina Beach, North Carolina: Construct barracks at Loran-C Station.

(8) Fort Lauderdale, Florida: Increase capability of Fort Lauderdale Station.

(9) New Orleans, Louisiana: Expand New Orleans Air Station.

(10) San Diego, California: Control erosion at Light Station Point Loma.

(11) San Diego, California: Improve San Diego Air Station.

(12) Astoria, Oregon: Expand Astoria Air Station.

(13) Attu Island, Alaska: Rebuild airstrip bridge.

(14) Kodiak, Alaska: Renovate and consolidate Kodiak Base.

(15) Cheboygan, Michigan: Construct moorings for Coast Guard Cutter Mackinaw.

(16) Loran–C: Expansion project—Phase I, United States West Coast.

(17) Loran–C: Equipment Replacement.

(18) Various locations: Waterways aids to navigation projects.

(19) Various locations: Abate pollution at Coast Guard shore stations.

(20) Various locations: Lighthouse automation and modernization program.

(21) Various locations: Large navigational buoys to replace lightships.

(22) New York Harbor and Long Island Sound, New York: Establish Vessel Traffic System, Phase I.

(23) Puget Sound, Washington: Vessel Traffic System Part 1 of Phase III.

(24) New Orleans, Louisiana: Establish Vessel Traffic System, Phase I.

(25) Various locations: Public family quarters.

(26) Various locations: Advance planning, survey, design, and architectural services; project administration costs; acquire sites in connection with projects not otherwise authorized by law.

SEC. 2. For fiscal year 1974 the Coast Guard is authorized an end strength for active duty personnel of 37,482; except that the ceiling shall not include members of the Ready Reserve called to active duty under the provisions of Public Law 92–479.

SEC. 3. For fiscal year 1974 military training student loads for the Coast Guard are authorized as follows:

(1) recruit and special training, 4,001 man-years.

(2) flight training, 86 man-years.

(3) professional training in military and civilian institutions, 231 man-years.

(4) officer acquisition training, 1,208 man-years.

SEC. 4. For use of the Coast Guard for payment to bridge owners for the cost of alterations of railroad bridges and public highway bridges to permit free navigation of navigable waters of the United States, $7,000,000 is hereby authorized.

SEC. 5. Section 475 of title 14, United States Code, is amended by amending subsection (e) thereof to read as follows:

"(e) The authority provided in subsections (b) and (c) of this section shall expire on June 30, 1976."

The SPEAKER. Is a second demanded?

Mr. RUPPE. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

Mrs. SULLIVAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to point out that the copy of H.R. 5383 that is being considered at the Speaker's desk contains a printer's error on page 8, line 13, which has been corrected. It should read "37,482" and not "33,482."

Mr. Speaker, I would like to voice my strong support for H.R. 5383, which would authorize appropriations for the procurement of vessels and the construction of shore and offshore installations. This bill also authorizes appropriations for bridge alterations and for an end-year strength for active duty personnel for the Coast Guard.

The House Merchant Marine and Fisheries Committee increased the original amount of the bill of $81,500,000 by $21,989,000 so that the total authorization in the bill for acquisition, construction, and improvements—A.C. & I.—is $103,489,000, broken down as follows:

First, $23,979,000—for procurement and increasing capability of vessels.

Second. $72,510,000—for development and establishment of Coast Guard installations and facilities.

Third. $7,000,000—for the cost of bridge alterations.

Fourth. 37,482—for end-year strength for active duty personnel for fiscal year 1974.

The original Coast Guard fiscal year 1974 budget request to DOT was $215,283,000. The Department cut this request to the Office of Management and Budget to $153,500,000, and the final total in the President's budget as originally set out in H.R. 5383 was $81,500,000, which included $74,500,000 for construction of installations and facilities, and $7,000,000 for bridge alterations under the Truman-Hobbs Act.

I would like to say, Mr. Speaker, that the members of the House Merchant Marine and Fisheries Committee were greatly concerned over the budget request of DOT on behalf of the Coast Guard which was considerably reduced from the Coast Guard's original request. We were even more concerned over the final budget figure, which was again considerably reduced and the lowest figure in recent years. For example, the Coast Guard budget figure for fiscal year 1973 was $135,660,000 and the figure for fiscal year 1972 was $100,000,000. Thus, this year's budgetary request for A.C. & I. is considerably lower than previous years. This concerns our committee because this comes at a time when the Coast Guard's duties and responsibilities are expanding considerably. In recent years, the Coast Guard has had enlarged pollution responsibilities and increasing problems and work in the area of surveillance. For example, the Coast Guard is responsible for the vast water areas off Alaska, which must be patrolled for fishing violations, pollution and search and rescue. These responsibilities in this extensive marine area are served by a total of 17 vessels, four fixed wing aircraft, and six helicopters. I would like to point out that most of these 17 vessels only make sporadic appearances in Alaskan waters. I submit that this is not sufficient hardware or manpower committed to give proper coverage to this vast area. Obviously, four fixed wing aircraft cannot adequately police against search and rescue help.

As another example, we have only to look off our Northeastern shores where the Communist bloc fishing fleets have decimated our fishing stocks. Surely this is a situation which cries out for increased surveillance and patrol by the Coast Guard and yet we have a budget request which is reduced significantly from prior years. It is the committee's belief that the Coast Guard budget should reflect greater funding for vessel and aircraft acquisition. With respect to the availability of vessels, the Commandant agreed that the Coast Guard does not now have sufficient cutters patrolling the fishery areas off the coast of the United States, including Alaskan waters.

We all understand the necessity of keeping the budget within reasonable bounds, but depriving the Coast Guard of essential hardware and equipment is false economy. Our committee, Mr. Speaker, will look for significant vessel and aircraft items in next year's Coast Guard authorization bill.

I will not take the Members' time to go into all the areas covered by this Coast Guard authorization of appropriations bill. I would, however, like to comment briefly; several subjects contained in this authorization bill and other important matters will be touched on by my colleagues in the committee.

In the important area of pollution abatement, there are items to abate pollution from Coast Guard vessels and from Coast Guard shore stations. Since the Coast Guard administers and enforces various marine environmental protection laws relating to discharges of oil, it is incumbent on the Coast Guard itself to take the lead in these areas. Over the last several years, the Coast Guard has been taking steps to control pollution from its vessels and shore stations. In addition, the Coast Guard has been working on recovery equipment for oil and hazardous polluting substances. Unfortunately, research and development has not advanced sufficiently far on this pollution recovery equipment to justify the Coast Guard's moving ahead with a request for authorization for this necessary equipment. As a consequence, the committee found that $2,170,000 was eliminated from the Coast Guard request for the procurement of recovery equipment. Hopefully, the next fiscal year authorization request will have funding sufficient for a quantum acquisition of this necessary recovery equipment.

On July 10, 1972, the President signed into law the Ports and Waterways Safety Act of 1972 (Public Law 92–340). Among other things, this act authorizes the establishment of vessel traffic control systems. Originally, the Coast Guard established a pilot advisory vessel traffic control system in San Francisco Bay. This advisory system lent itself to early adaptation under the Ports and Waterways Safety Act. In the authorization of appropriations for A.C. & I. for fiscal year 1974, vessel traffic control systems are authorized for the New York Harbor-Long Island Sound area, and the New Orleans, La., area. Last year, the authorization bill included $2 million for the establishment of a vessel traffic control system in the Houston ship channel.

H.R. 5383 authorizes $4,200,000 for the New York Harbor-Long Island Sound system, and is justified on the basis of Corps of Engineers statistics which cite 350,465 vessel transits of New York Harbor in 1971, with casualty statistics of 34 collisions and 21 groundings. The bill also authorizes $1 million for part one of a three-phase program to provide radar coverage of the most critical area of Puget Sound because of narrow straits, one-way traffic, frequently restricted visibility, strong currents, and a proposed supertanker route to the Cherry Point refinery. In addition, H.R. 5383 authorizes $1,700,000 for the establishment of the New Orleans system and is justified on the basis of 116 collisions or groundings from 1969 to 1971 in the lower New Orleans area. There were three serious collisions which resulted in the loss of 63 lives in a 13-month period. This waterway is one of the heaviest traveled in the Nation, with approximately 150,000 ships and barges traveling the lower Mississippi River annually. The project will be a phased approach to provide an integrated traffic system using VHF-FM communications, improved aids to navigation, limited electronic surveillance, and a manned traffic center for coordination of traffic movements on the waterway.

These are just some of the important matters covered by this Coast Guard authorization of appropriations. My colleagues will discuss other equally significant matters. I think we are all aware of the vast range of Coast Guard activities and I do not feel that it is necessary to dwell on the efficiency and competence of the Coast Guard in the discharge of these activities.

I believe that this bill speaks for itself and the members of our committee strongly urge the House to support this reasonable and necessary Coast Guard authorization of appropriations.

There are Members of both the majority and minority of our committee who are present and who may wish to speak in behalf of this bill.

Mr. RUPPE. Mr. Speaker, I rise in support of H.R. 5383, a bill authorizing annual appropriations for the Coast Guard for the procurement of vessels and aircraft, construction of shore establishments, bridge alterations, and to authorize year-end active duty strength levels and military student training loads, and for other purposes.

The fiscal year 1973 authorization measure—Public Law 92–343—provided for a total funding level of $158,380,000. The fiscal year 1973 appropriation provided for a total funding level of $144,050,000. By way of comparison, this fiscal year 1974 authorization provides for a total funding level of $103,489,000. The original Coast Guard request to the Department of Transportation was for a total of $215,283,000, the DOT's request to OMB was for a total of $153,500,000, and the amount finally approved by OMB, after appeal of some items by Coast Guard and DOT, and contained in the President's fiscal year 1974 budget estimate was $74,500,000, plus $7,000,000 for bridge alterations, thus totaling $81,500,000.

As the Members of this body are aware, the U.S. Coast Guard is a multimission agency, whose responsibilities in the areas of law enforcement, fisheries patrols, search and rescue, and environmental pollution have increased tremendously over the past several years with the enactment into law of innumerable legislative measures such as the Ports and Waterways Safety Act, Small Boat Safety Act, Radio-telephone Communications Act, Federal Water Quality Act amendments, Water Pollution Control Act, Marine Protection Act, and others. A large part of the moneys provided for the fulfillment of the Coast Guard mission under these new laws is provided within the Operating Expense/Research and Development Appropriation bill also reflect the everchanging roles of the Coast Guard.

H.R. 5383 places emphasis on all aspects of maritime environmental protection, from abating pollution from Coast Guard units and vessels to establishing sophisticated vessel traffic systems to decrease vessel collisions which may result in massive oil spills in the Nation's congested ports and harbors. In this regard, a portion of the $23,979,000 provided in the vessel procurement category of the bill will be allocated for the construction of new 41-foot search and rescue, 30-foot port safety and aids-to-navigation boats with a mission assignment for port safety, harbor pollution patrols, and escorts for hazardous cargo.

Again, the annual measure provides for specific construction, renovation, and improvement projects at various Coast Guard shore stations located at specific points on the coasts of the United States, including funds for the construction of moorings for the Coast Guard cutter *Mackinaw*, Cheboygan, Mich. Significant projects within the total of $72,510,000 for this authorization category include the establishment and continuation of vessel traffic systems at Puget Sound, Wash.; New Orleans, La.; and New York Harbor and Long Island Sound. The committee added two additional projects in this category to provide for the replacement of outdated and over-age loran-C navigation system equipment, and to expand the loran C system in the coastal confluence zone on the west coast—where there exists no loran C system at the present time. The cost of the replacement equipment is $8,737,000, and the cost for the expansion on the west coast is $13,252,000, for a total of $21,989,000.

Section 2 provides for the year-end active duty strength level of the Coast Guard of 37,482 personnel, which represents an increase of 246 men to reflect the administration's decision to continue the operation of the loran A navigation system for the balance of the fiscal year. In the event that funds are not appropriated and actually expended for such continued operation, the active duty levels would be at a ceiling of 37,236—as originally requested in the administration bill.

Section 3 of the bill is new and is required pursuant to section 604 of Public Law 92–436, which imposed the obligation on each segment of the Armed Forces, which includes the Coast Guard, to obtain annual authorization from Congress for military training student loads. These levels represent ideal numbers necessary to provide expertise as a result of personnel losses, attrition, technological advances, et cetera. The committee amended these man-year numerical levels to reflect the administration's decision to continue loran A navigation system in operation. In the event that such moneys are not appropriated and expended, the man-year levels would be reduced to 3,946 in subsection 1, and 1,200 in subsection 4.

Section 4 of the bill provides for bridge alterations under the Truman-Hobbs Act at the following locations, all of which have been previously funded. There are no new requests in this item:

First. Chattahoochee River, Ala.

Second. Elizabeth River, Norfolk, Va.

Third, Calumet River, Chicago, Ill.

Fourth, Illinois River, Beardston, Ill.

Section 5 was added by the committee to extend the authority of the Coast Guard to lease public facilities in areas where Coast Guard facilities are nonexistent or substandard for housing of its personnel and dependents. Subsection (a) of 14 U.S.C. 475 was amended in the fiscal year 1973 authorization bill to provide the Commandant, Coast Guard, with permanent leasing authority; whereas subsections (b) and (c) thereof, to designate and rent inadequate quarters, expires on June 30, 1973. The committee amendment simply extends this authority another 3 years to June 30, 1976, and there are no additional costs for which authorizations would have to be made in the bill associated with this authority extension.

The Committee on Merchant Marine and Fisheries has scrutinized this authorization request with great care. Quite frankly, the total Coast Guard budget, including the funds provided by this legislation, is barely enough to enable the Coast Guard to continue its traditional maritime safety and law enforcement functions, much less cope with the many responsibilities which this Congress and the executive branch have assigned to it in the environmental field. We continue to deceive ourselves and the public if we continue to enact legislation increasing Coast Guard missions without, at the same time, providing this agency with the moneys required to carry them out. In the past, this committee has authorized funds substantially in excess of those actually appropriated and allocated to the Coast Guard. These levels have consistently recognized the responsibility of this body to bring the Coast Guard's outdated and aging facilities, vessels and aircraft into today's modern world of sophistication and technological advances. If I can parody a time-honored jingle: For want of a shore station—lives were lost; for want of a rescue vessel—merchant seamen and vessels in distress were lost; for want of a plane—our fishery laws were violated and our fishermen's vessels and gear were destroyed; for want of a vessel traffic control system—our fragile environment in ports and harbors were destroyed by massive oil spills ad infinitum.

This year's authorization represents a modest increase over and above the budget estimate. It is a holding action and nothing more. Within this atmosphere of budget nad fiscal restraint, the bill does reflect the changing needs of the Coast Guard in attempting to fully and completely meet the responsibilities given to it under new laws. I urge its adoption.

Mr. Speaker, I yield to my colleague

from New York, the ranking minority member of the committee.

Mr. GROVER. Mr. Speaker, I rise in support of H.R. 5383, the 1974 fiscal year Coast Guard authorization bill, and strongly endorse the views expressed by the gentleman from Michigan (Mr. RUPPE). He has adequately explained the details of the bill and I will not duplicate their efforts.

I am concerned about the apparent lack of attention which is being paid to the budget, fiscal, and personnel needs of the Coast Guard, within the Department of Transportation and the Office of Management and Budget, particularly in light of the fact that many, if not all of the Coast Guard's increased responsibilities have been added in past Congresses as a direct result of administration legslative proposals. It appears paradoxical that these increased duties are not provided for in the context of an increased level of funding for the acquisition, construction, and procurement of the required number of vessels, aircraft, and other hardware in the original budget request.

A significant portion of this year's A.C. & I. bill pertains to the procurement of equipment for actual implementation and construction of facilities for the various vessel traffic control systems to reduce harbor and port congestion and to protect the environmental quality of these areas in the most critical areas of the country—one of which is New York Harbor and Long Island Sound.

Phase I of the New York system will cost $4.2 million and is provided for in this year's authorization. It will include the establishment of an operations center located on Governor's Island and manned on a 24-hour basis, acquisition of sites for radar and electronic surveillance purposes, improved aids to navigation in the New York Harbor area, and a VHF-FM communications system.

New York Harbor, Long Island Sound, Raritan Bay, and other bodies of water surrounding New York City metropolitan area represent a playground for well over 12 million people. Over 185,000 pleasure craft of all sizes and shapes are registered in areas around Long Island Sound.

Importation of oil into the United States from foreign sources is expected to increase substantially over the next few years.

The New York area will be a major transshipment point for such oil to American consumers. Commercial marine shipping in and out of the Port of New York included more than 20,000 vessel movements in 17—twice as much traffic as the next major east coast port of Philadelphia. Projected vessel traffic movements will be 204,000 by the year 2015.

In light of this increased vessel traffic congestion and the increased use of the waters and beaches of Long Island Sound and New York by boatmen, swimmers, and sport fishermen, immediate implementation of the New York vessel traffic system is a necessity if this area is to be given additional protection from tanker collisions, accidents, and oil spills. Thus, I am particularly pleased that planning and actual implementation of the vessel traffic system for New York is taking place now and will become a reality within a few months.

Included within this year's A.C. & I. authorization bill is a project, costing $66,000, to control a serious erosion problem at the historic Montauk Point Light Station, situated on a 70-foot bluff at the eastern tip of Long Island Sound. The light station has been in existence since the 1700's and was placed on the National Register of Historic Places in 1969. Successful completion of this project will preserve a traditional landmark which has been enjoyed by New Yorkers for many years and which has assisted small boatmen, mariners, and other water users in their navigation for centuries.

I urge passage of the bill.

Mr. RUPPE. Mr. Speaker, I yield to my distinguished colleague from Wisconsin.

Mr. FROEHLICH. Mr. Speaker, in the last few months the Coast Guard has moved to close some 13 search and rescue stations in different areas of the country.

Word that a station in my district was to be "disestablished" came quite suddenly last March 1, in a letter from Coast Guard Commandant Chester R. Bender. The letter stated that the station would be disestablished without delay on April 1, 1973.

Because I was not thoroughly familiar with the operation of this station—located at Plum Island, off the northern tip of Door County in northeastern Wisconsin—I reacted cautiously and tried to get all the facts before I made a judgment.

Today, I have the facts, and I want to share them with Members of the House.

I also want to advise the Department of Transportation that the closing of the Plum Island Station is totally unacceptable, and I am prepared to wage a protracted conflict, with every ounce of energy at my disposal, to see that the Coast Guard's decision is reversed.

Mr. Speaker, the Coast Guard has a responsibility under the law to maintain aids to navigation and rescue facilities for the promotion of safety on waters subject to the jurisdiction of the United States. Pursuant to this statutory command, the Coast Guard has for a number of years operated a station at Plum Island, which is located off the coast of the Door County peninsula.

For the information of the Members, Door County is one of the supreme recreation areas in Wisconsin. Thousands upon thousands of boaters and sailors and fishermen visit this area throughout the year. Last year almost 100,000 passengers were transported by ferry between the mainland and Washington Island, the major island off the tip of the peninsula. It would be difficult to estimate how many hundreds of thousands of people make use of the waters surrounding Door County.

In the past, the Coast Guard has recognized its responsibilities in this area by maintaining stations at Sturgeon Bay and Plum Island. The waters in this area are rough and treacherous. Plum Island itself is located in a body of water which, for good historical reason, is called Port des Morts or Death's Door.

All in all, the two Coast Guard stations in Door County have participated in a great many search and rescue operations in these waters over the past few years.

Although the Sturgeon Bay Station is the larger and busier of the two stations in terms of search and rescue operations, the Plum Island Station has been performing important work. It was involved in 31 search and rescue operations in fiscal 1972, more than twice its caseload in fiscal 1970. Its personnel have had the responsibility for operating two fog signals and seven minor lights. They provide assistance to cross-lake traffic. And they cooperate in important ways with the Door County sheriff in reaching Washington Island.

The functions and activities of the Coast Guard have been integral to life in this area, and they must not be abruptly discontinued.

But, in fact, this is precisely the decision that the Coast Guard has made. I am informed that search and rescue operations in the Washington Island area will be undertaken from the Sturgeon Bay Station. Yet the Coast Guard has been forced to concede that—

> The 40-foot utility boat at Sturgeon Bay Canal Station would require approximately 2 hours and 10 minutes to arrive at the Plum Island station location.

Mr. Speaker, it should be obvious that any rescue operation that takes 2 hours and 10 minutes after notification to get to the scene is likely to find no survivors to rescue. It is also obvious that for all practical purposes the Washington Island area will have been abandoned if the Plum Island Station is closed.

Although the Coast Guard is closing the Plum Island Station, it is doing nothing to augment the Sturgeon Bay Station, which will assume Plum Island's responsibilities. What this means is that the present personnel at Sturgeon Bay will have to undertake as many as 30 to 40 additional search and rescue missions this summer over a vast new expanse of water.

The results are predictable.

Plum Island is certainly not the first search and rescue station to be closed. According to a GAO report prepared for Congressman ASPIN last fall, 20 stations have been disestablished since 1967. Thirteen additional stations are being disestablished now.

I concede that people do not have an inherent right to have a Coast Guard station in their area. But I deny that the Coast Guard can even approach its responsibility under the law in the Washington Island area if the Plum Island Station is abandoned.

The Coast Guard is not meeting its responsibility for the public safety if its nearest rescue operation, in an area where boating and fishing and water recreation are of paramount importance, is 2 hours and 10 minutes away.

That is scandal and a farce.

Mr. Speaker, people begin to lose faith in their Government when they continue to pay high taxes—very high taxes—but the most important and vital public services are precipitously withdrawn from them.

That is the situation in Door County today.

Against this background, the projected

savings of $113,000 is not a persuasive reason for disestablishing the Plum Island Station.

I find it very difficult to support this authorization bill that increases the budget request of the Coast Guard by almost $22 million, when these people refuse to spend any money on Plum Island.

As I understand it, the Coast Guard has a budget of approximately $760 million, but not 1 cent for Plum Island.

Believe me, Mr. Speaker, I will support the President and the administration whenever possible in an effort to achieve a responsible fiscal policy and economy in Government.

But not at the risk of public safety.

This is a situation in which economy is achieved at the serious risk of human life. This is a situation in which economy is achieved by the discontinuation of an absolutely vital governmental program of long standing.

I could never support such a move.

Although today is not the day to seek remedial action through the legislative process, the Department of Transportation's appropriation bill will be coming up in the future. I will be watching that bill very carefully, along with several of my equally interested colleagues.

Moreover, I am now going to undertake a careful investigation of the statutory authority possessed by the Secretary of Transportation and the Commandant of the Coast Guard to establish and disestablish Coast Guard stations. It may need a revision.

Perhaps we in the Congress should have a little more oversight of the decision to close Coast Guard stations. Perhaps we should be plugged into the decisionmaking process. Perhaps we should have a veto.

These are two areas of potential initiative that immediately come to mind. But there are more. I am going to do everything in my power to persuade the Coast Guard that it is not right, it is not just, it is not logical to close a Coast Guard station in the center of a major recreation area, when the numbers of people who depend on that station continues dramatically to increase.

Mr. Speaker, I ask to include at this point in the Record several of the strong letters I have received from concerned individuals about the Plum Island Station:

State of Wisconsin,
Department of Natural Resources,
Madison, Wis., May 3, 1973.
Adm. C. R. Bender,
Commandant, U.S. Coast Guard,
Washington, D.C.

Dear Admiral Bender: It has recently come to my attention that the Coast Guard plans to deactivate its Plum Island Station and the fog horn on the entrance light to Detroit Harbor, at Washington Island.

Pleasure boating is extremely popular in this area as many fine public marine facilities have been developed, and this Department has invested considerably in the development of state parks on Rock Island and the Door County Peninsula. Access to the Rock Island Park is dependent solely upon water transportation and other parks in the area have boating facilities. Because of the high concentration of pleasure boaters on the inland lakes and the development of a good coho and trout fishery in Lake Michigan, the Department has encouraged boating in this area by persons who previously limited their activities to smaller inland waters.

With boating activities on the increase I feel that the deactivation of these facilities will have a serious effect on boating safety in this area. Consequently, I respectfully request the Coast Guard to reconsider its decision to deactivate the Plum Island Station and the Detroit Harbor fog horn.

Very truly yours,
L. P. Voigt,
Secretary.

Anchor Marine, Inc.,
Sister Bay, Wis., March 28, 1973.
Representative Harold Froehlich,
Cannon Office Building,
Washington, D.C.

Dear Representative Froehlich: The Coast Guard's decision to close the Plum Island Station at the natural entrance to Green Bay is disastrous. Their service to our area is absolutely vital.

I take real issue with the decision of the Coast Guard to spend millions on helicopters, and now their consideration to spend many many millions on a fleet of ice breakers to keep shipping channels open for the sole benefit of the commercial carriers, when all that is required is men on the spot to guarantee immediate rescue. Something must be done to reverse this decision which puts the lives of our boaters in Wisconsin in serious jeopardy.

Please give this matter your most complete attention. My letter to those directly responsible is enclosed. May I hear from you by collect telephone call?

Most sincerely,
Franklyn R. Forkert, *President.*

Anchor Marine,
March 27, 1973.
Admiral Bender,
Commandant, U.S. Coast Guard,
Washington, D.C.

Dear Admiral Bender. It was with real horror that I learned of the decision to close the Plum Island Station. Located just 13 water miles to the southwest on Green Bay I know how absolutely vital this station is, not only to thousands of local summer boaters, but also to cross lake traffic. I just can't believe that you really understand the situation—and have assigned such a vast area to the Sturgeon Bay Station with only two boats and 13 men!

These are remote waters. They are unusually capricious waters, and there just isn't anybody else with either the skill or the equipment to do search and rescue.

I write with some knowledge of the problems as we work with the Plum Island Station on occasion. We too get calls because we are the only complete marine facility between Sturgeon Bay and Escanaba. I know your Sturgeon Bay Station just won't be able to cope. We only have a 16' outboard as a yard boat, so obviously we can't do much.

Consider the extra cost in cutting out the Plum Island Station—the extra miles, men and boats required for Sturgeon Bay Station to cope with this same area—and now with fewer men and boats! Also, consider the impact this will have on lives and boats lost because there really isn't anybody else here to replace the Coast Guard! Metropolitan areas have organized auxiliaries, properly equipped police services, and a lot more boaters around to help!

I look forward to working intelligently with you, and your local stations to correct what will be a disastrous situation if you close this station. Kindly make this problem your top priority concern. I expect to hear from you personally, if no other way by collect telephone call. Something has to be done!

Most sincerely,
Franklyn R. Forkert,
President.

Washington Island Ferry Line,
Washington Island, Wis., March 28, 1973.
Congressman Harold Froehlich,
House of Representatives,
Washington, D.C.

Dear Congressman Froehlich: I am real concerned about a recent decision that the U.S. Coast Guard just made. They are closing the Plum Island Coast Guard Station and are discontinuing the fog horn on the entrance buoy to Detroit Harbor.

I am enclosing a copy of a letter I addressed to the Secretary of Transportation. Will appreciate whatever you could do to prevent this from happening.

Sincerely yours,
Arni Richter.

Washington Island Ferry Line,
March 28, 1973.
Mr. Claude Brinegar,
Secretary, Department of Transportation,
Washington, D.C.

Dear Mr. Secretary: I own and operate the Washington Island Ferry Line, Inc. The Ferry Line operates between Washington Island and the Mainland of Door County, both being in Wisconsin. We transport passengers, automobiles, U.S. Mail and supplies that are needed to sustain a permanent population of 460 people and a summer population of several thousand. We operate three boats and they are in the motor boat class. We operate 365 days of the year. From the enclosed schedule you will notice that we make one trip a day during the winter months. Because of the severe ice conditions, it sometimes takes all day to make the one trip.

In the year of 1972 we made 2,236 trips and transported 97,648 passengers, 32,496 vehicles, 69,885 tons freight and the U.S. Mail. We are called on many times a year to transport sick or injured people to the Mainland, day or night and in foul weather.

In addition to our operation there are other passenger, commercial fishing, charter fishing and cargo boats operating from Washington Island. There are also hundreds of pleasure craft that visit Washington Island yearly.

We have just received official notice that the Plum Island Coast Guard Station is being closed and the fog horn on the entrance light buoy to Detroit Harbor will be discontinued May 15, 1973. Upon receipt of this communication, I immediately called Captain Lindenman, Chief of Aids to Navigation, U.S. Coast Guard, Cleveland, Ohio to verify this. During our conversation he stated it was for economy reasons. Sir, I think this reason is questionable.

Washington Island is solely dependent on water transportation and a good share of its economy is derived from water activities. The Plum Island Coast Guard Station and the horn on the entrance to Detroit Harbor are *very* important to our operation, the people of Washington Island and the boating public in general. If Plum Island Coast Guard Station is closed, the nearest Coast Guard Station will be approximately 50 miles from here. This also means that there will be no communication with a shore station. Instead of closing the Plum Island Station, plans should be made to operate it on a 12 month basis as it was for many years.

I know that our government is doing all it can to improve our transportation system and I also know they are trying to encourage people to stay in rural areas. It is ironic that one of its agencies is trying to do just the opposite.

Mr. Secretary, I realize that Washington Island is a pretty small part of our great country, but nevertheless our problems seem large to us. I, and I know the people of Washington Island would welcome a visit from someone in your department to view and discuss this problem with us.

Sincerely yours,
Arni Richter, *President.*

KRAUSS CONCRETE CORP.,
Sturgeon Bay, Wis., April 16, 1973.
Congressman HAROLD FROEHLICH,
Cannon Building,
Washington, D.C.

DEAR SIR: In regards to the Coast Guard's decision to eliminate the "Search Rescue" facilities from the Plum Island Coast Guard Station. I am a licensed operator of the tug "John G. Beck," based out of Sturgeon Bay, Wisconsin. We operate in the Green Bay-Upper Lake Michigan area, primarily in the area covered by the Plum Island Coast Guard Station.

Knowing the amount of shipping and pleasure-boat operations in this area, which is increasing more and more each year, I think the Coast Guard's decision was not a very timely or wise one. The length of time that it would take a boat from the Sturgeon Bay Canal Coast Guard Station to get to the area due East of the Plum Island Coast Guard Station, four to five miles out in the Lake, if they knew exactly where the vessel was, would be close to three hours. In case of a person in the water in that area, at any time of the year, his chance for survival due to water temperature, is almost nil. It would take the Plum Island Coast Guard boat in the vicinity of one-half hour to get to the same accident. In the case of that area there is considerable fog throughout the season, which would make it impossible to know exactly where the boat is and lengthening the time needed to accomplish the rescue. Any area further north than this would take more time and make almost no probability of survival in the water if we had to depend on a boat from Sturgeon Bay.

This particular area, as you know, has large recreation boating facilities in and around all the islands. To jeopardize just one life or many, I don't think warrants the money they are going to save by eliminating the "SAR," facilities or eliminating the fog signal at the entrance to Detroit Harbor on Washington Island.

Very truly yours,
Capt. PETER KRAUSS,
Tug "John G. Beck."

RESOLUTION 27-73

To the Door County Board of Supervisors:

Whereas, the U.S. Coast Guard has issued an order that the Plum Island Coast Guard Station will be disestablished and the fog signal at Detroit Harbor entrance light, Washington Island, Wisconsin will be secured on May 15, 1973; and,

Whereas, Washington Island is solely dependent on water transportation and a good share of its economy is derived from water activities; making the Plum Island Coast Guard Station and the horn on the entrance light to Detroit Harbor essential to these activities and to the Washington Island Ferry Line—the life line to the mainland; and,

Whereas, this order will affect all marine travel, and closing the Plum Island Station will put the nearest Coast Guard approximately 50 miles distant; meaning a loss of shore communication for boats in trouble in this area; and,

Whereas, the Township of Liberty Grove, with its 52 miles of shoreline, as well as the many miles of shoreline along the rest of Door County are experiencing greatly increasing boating activity each year,

Now, therefore, be it resolved, that the Door County Board of Supervisors, assembled in regular session this 17th day of April, 1973, go on record of strong opposition to the U.S. Coast Guard order closing the Plum Island Coast Guard Station and the horn on the entrance light to Detroit Harbor,

Be it further resolved, that the Door County Board of Supervisors hereby requests the U.S. Coast Guard to rescind their order and the Plum Island Station be kept open 12 months of the year for essential aid to navigation and insurance of the safe passage and well being for the people of Washington Island and the boating public from the Island to the Mainland.

Be it further resolved, that the County Clerk is hereby directed to send copies of this resolution to U.S. Secretary of Transportation, Mr. Claude Brinegar; U.S. Senator William Proxmire, U.S. Senator Gaylord Nelson and Congressman Harold Froelich.

PERCIVAL JOHNSON,
Supervisor, District IX.
HARVEY GRASSE,
Supervisor, District VIII.

Mr. RUPPE. Mr. Speaker, I now yield to my distinguished colleague from Michigan.

Mr. DINGELL. Mr. Speaker, I think my statement can be appropriately described as: "They are gutting the Coast Guard."

Mr. Speaker, I rise to protest the totally inadequate funding for the Coast Guard provided in the authorization bill now before us. I think it is outrageous that, at a time when there are increasing demands on the Coast Guard and its facilities, equipment and manpower are strained to the breaking point, the adminstration should approve less than half of the funding requested by the Coast Guard.

Let me briefly review the figures involved in the gutting of the Coast Guard. Last year, the Congress authorized a total slightly over $158 million for fiscal year 1973. This year, because of the increasing pressures on it, the Coast Guard's fiscal year 1974 preview estimate was $215 million. The final request submitted to OMB was $153.5 million. But the budget as submitted to the Congress by the President contained only $81.5 million. This represents a cut of nearly 50 percent of the Coast Guard's final request, as well as a cut of nearly half, in fact, from last year's authorization. Mr. Speaker, I really wonder, has the Office of Management and Budget found a way to cut our coastline in half in order to match their cut in the Coast Guard's budget?

Mr. Speaker, the Committee on Merchant Marine and Fisheries has increased the Coast Guard's authorization by nearly $22 million, in the bill we have before us today. I applaud this action on the part of the committee but I feel it does not go nearly far enough. Even with this increase, the total authorization would still be only $103.5 million—and this would still be nearly $55 million below last year's authorization and this year's departmental request.

In order to show how important the Coast Guard really is, let me summarize its principal duties. First, the Coast Guard is responsible for navigation and merchant shipping within the territorial waters of the United States. Its role in rescuing sailors in distress—from huge tankers to tiny pleasure boats—is perhaps the best known of all the Coast Guard's duties. Second, the Coast Guard is responsible for the enforcement of laws relating to customs, revenue, immigration, and other matters in which violations may be committed in American territorial waters or along the American coastline. As one very important example in this area, I would point out that drug smuggling has reached near epidemic proportions in some areas of this country, that one of the most popular methods of importing narcotics into the United States is by small boat, and that the Coast Guard has the responsibility for stopping this kind of activity. Third, the Coast Guard is responsible for the enforcement of laws relating to fish and wildlife. And perhaps the most significant problem in this area is that of foreign fishing vessels—from Russia, from Japan, and from many other nations—which encroach on our exclusive fishing zone, often illegally, and deprive our own fishermen of their livelihood. Many instances have been reported to the Coast Guard where foreign vessels have been fishing illegally in American waters, but were able to leave before the Coast Guard would arrive—because the Coast Guard is simply undermanned and underequipped for its job. Fourth, the Coast Guard engages in oceanographic research—and the future of this Nation, and indeed of all mankind is so bound up with the oceans that we dare not slacken our efforts in this area. Fifth, and finally, the Coast Guard must maintain a state of military readiness, in order to function as an arm of the Navy in the event of war. The fact that Coast Guard units only recently returned from Vietnam is evidence of the fact that this military responsibility of the Coast Guard is a real one. And the Coast Guard is responsible for maintaining our vital Loran C station in the Southeastern Asia area, without which our naval forces in that critical region would be greatly handicapped.

I would now like to turn to a few specific points which relate to my own experiences and interests as one Member of Congress, in the hope that a few examples can help to persuade my fellow Members of the need to increase this authorization. First, I have recently received a letter from Governor Milliken of my home State of Michigan, in which he deplores the sudden closing of Coast Guard lifeboat stations in Michigan—this at a time when recreational boating along the Great Lakes is at its alltime peak. Surely we cannot allow the safety of our citizens to be compromised in this way. Next, I would like to recall to you that, as chairman of the Subcommittee on Fisheries and Wildlife Conservation, I visited Alaska in 1969 and held hearings there on the subject of violations of our 12-mile fishery zone by foreign vessels. At that time, the Coast Guard had only three long-range aircraft in the area to patrol the entire Alaskan coast. When I was there two of these aircraft had been grounded for repairs, which meant that one lone aircraft was available for the entire Alaskan coastline. I understand that things are no better now than they were in 1969 with respect to the Coast Guard's Alaskan patrol aircraft. Finally, you all know my deep concern for the environment. One of the greatest threats to that environment is the threat to marine life resulting from oil spills. The Coast Guard is responsible for enforcing the Oil Pollution Act in order to prevent such environmental damage if possible, to identify the guilty parties if an oil spill does occur, and to assist in monitoring the cleanup operations.

Mr. Speaker, the Coast Guard is too valuable, too vital to the safety and well being of our citizens, to allow it to be cut in half by OMB's budgeteers. We simply cannot allow this to happen. I urge my fellow Members of Congress to join with me in supporting H.R. 5383, which includes the $22 million added on by the Committee on Merchant Marine and Fisheries, and to work with me in the future in restoring an adequate level of funding to the Coast Guard in order to allow it to carry out the many duties that it has had thrust upon it. The Coast Guard has often rescued those who are in distress. Now it is the Coast Guard itself which is in distress, and in imminent danger of drowning. Mr. Speaker, it is time for us to rescue the Coast Guard.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. RUPPE. I yield to my colleague from Iowa.

Mr. GROSS. On page 4 of the report, about the fourth paragraph from the bottom of the page, it is stated:

> The Federal Water Pollution Control Act, as amended, requires vessels to have marine sanitation devices which meet standards of performance promulgated by EPA. $2,000,000 is provided in the bill for Phase III of the installation of this type equipment started in fiscal year 1972 on selected vessels.

Is that money to be expended exclusively on Coast Guard vessels?

Mr. RUPPE. Yes. Very definitely. Exclusively on Coast Guard vessels.

Mr. GROSS. I thank the gentleman.

With respect to this loran navigation system, is this to make the Coast Guard compatible with systems already installed by other operators of vessels, or what is the reason?

Mr. RUPPE. There are two responses to that. I think my distinguished colleague from New York, the chairman of the subcommittee, would like to answer that in a moment, but my understanding is part of the money is for new Loran C equipment and part of it is for extension of the equipment beyond the west coast confines.

I now yield to my distinguished chairman.

Mr. MURPHY of New York. The Loran A system is a long-range navigation system for ocean shipping, commercial airlines, and commercial fishermen. It is a very necessary system for our fishermen and allows them to pinpoint areas so that our fishing fleets can properly identify schools of fish. The Loran A series is also vital to our Defense Establishment and is manned by the Coast Guard.

The committee amended H.R. 5383 to provide funds for the replacement of Loran C equipment, Loran C being an up-dated version of Loran A, and for the expansion of our Loran C program on the west coast. The replacement money is earmarked for the Mediterranean area. The electronic equipment presently installed in the Mediterranean is the oldest in operation. The equipment is becoming increasingly difficult to repair, and technican time required for maintenance and repair is also increasing. Supplies of spare parts are only required to honor government contracts for ten years, consequently spares are more difficult to obtain. Present electronic equipment was installed in 1959. Using the present equipment, Coast Guard capability to meet mission requirements in these areas is limited and will decrease in the future.

As for the west coast Loran C expansion project, this chain is needed to provide radio navigation coverage in the Coastal Conference Region of the U.S. west coast. Various radio navigation systems are used in this area, however, the coverage which these systems provide does not meet the requirements defined in the National Navigation Plan.

Mrs. SULLIVAN. Mr. Speaker, for further discussion I yield such time as he may consume to the gentleman from New York (Mr. MURPHY), the chairman of the Coast Guard Subcommittee, for further information on the loran navigation system, and such other points as the gentleman may desire to take up.

Mr. MURPHY of New York. Mr. Speaker, the chairman of the House Merchant Marine and Fisheries Committee has described H.R. 5383 as a "modest" bill. I consider this description as charitable. For an organization with the missions given to it by the Congress, the Coast Guard authorization bill is a "bare bones" proposition. While I can appreciate the need for economy in government, I am concerned over saving a little bit of money at the risk of losing a whole lot of needed services and protection for America and the American people. The Coast Guard has always been supposed to do just that—guard the coast. But in this decade, it is asked to do much more. It is supposed to guard against pollution, piracy, poachers, and personal injury—among other things. It has a big job and not a whole lot of wherewithal to do it. So I commend my distinguished chairman for calling to the attention of the Congress the financial plight of this fine service.

As Mrs. SULLIVAN pointed out, the original authorization bill came to the Coast Guard Subcommittee with serious flaws—shortcomings, which were taken care of by committee hearings and amendments. And while I am not happy with what we have got, it is better than what we had.

Because of committee action, we have restored some navigational aid programs important to the lives and safety of international marine and air commerce.

LORAN A

Coast Guard Subcommittee hearings uncovered a reduction in administration expenditures and Coast Guard personnel in the Loran A—or long range navigation—system—developed during World War II to provide long range navigation information for ships operated by the Coast Guard.

The maintenance of the Loran A navigational system would have had a serious detrimental economic impact on United States airlines, U.S.-flag merchant ships, and American fishermen in both the Atlantic and Pacific Oceans.

As a result of these hearings, objections arose from concerned State officials and those who were affected in industry.

According to the budget submission of the President, the Department of Transportation proposed decommissioning four Loran A long range navigation chains during this calendar year. One is near Greenland, the Baffin Bay chain. Three—the Marianas, Marshalls, and the Far East chains—are in the Pacific Ocean area.

However, the three Pacific Ocean area Loran A chains will be required by the scheduled airlines until other long range navigation services can be substituted for them.

Accordingly, the airlines strongly opposed administration plans to recommission much of the remaining Loran A during fiscal year 1975.

Further, the premature phase-out of these programs would greatly impair the future of merchant marine operations and would be highly detrimental to U.S.-flag navigation.

The proposed phaseout could have had a serious economic effect on the American fishing industry which depends on this program for locating and pinpointing fishing areas.

Finally, the Department of Defense in its agency report to the subcommittee stated that the U.S. Coast Guard plans to close the Baffin Bay, Marshall Islands, and Marianas Islands Loran A chains by the end of this calendar year would have an adverse operational impact on the military user forces in performance of their designated missions.

As a result of the above, Deputy Secretary of Transportation Theodore C. Lutz told the committee on April 4, 1973, that all Loran A stations now operating will be continued through fiscal year 1974. To accomplish this, Secretary Lutz requested and the committee authorized the Coast Guard end-of-year strength be increased from 37,236 to 37,482 and the training workload from 5,463 man-years to 5,526 man-years.

The Department of Transportation has advised Chairman McFall of the Subcommittee on Transportation, Committee on Appropriations, of the decision to keep Loran A in operation through fiscal year 1974.

LORAN C

Loran C is an updated version of Loran A and was developed primarily for use by Polaris submarines. It is ostensibly the replacement system for Loran A under the national navigation plan, although the airlines, merchant ship operators, and our fishing fleets would prefer to maintain the Loran A system as long as possible for economic reasons.

The Department of Defense has the greatest stake in the continued efficient operation of the Loran C stations in existence and for the continued expansion of the program. The Coast Guard and Department of Transportation had originally requested funds for this which were cut by OMB. In order to sustain these needed programs, several amendments to H.R. 5383 were adopted. They included:

First, the restoration of Loran C equipment replacement moneys in the amount of $8,737,000, and

Second, the restoration of Loran C expansion project—phase I, U.S. west coast moneys in the amount of $13,252,000.

There was overwhelming evidence of the need for putting the Loran C replacement and expansion items into H.R. 5383.

Since Loran C is the only fully operational U.S. system and has the highest accuracy where needed, it is already provided in many receivers of the air and maritime industries, can be used both in coastal areas and the high seas, can be used by commercial, military, and private vessels and aircraft at the least expense to them for purchase of additional receivers, and since the administration seems committed to phasing out the Loran A program—the committee felt it vital to accelerate the phasing in of the Loran C program.

HOUSING AUTHORITY

The Coast Guard's inadequate housing authority in subsections (b) and (c) of section 475 of title 14, United States Code, expires on June 30 of this year, and there was nothing in the authorization bill to extend that authority.

It appeared unlikely, because of the schedule of the Congress, that the Coast Guard omnibus bill will receive favorable consideration before the inadequate housing authority expires. In view of this, it developed during our hearings that the extension be added to the authorization bill which will be acted upon much sooner. In view of this, the committee added a new section 5 to H.R. 5383 which amends section 475 of title 14, United States Code, to authorize the extension of the authority of the Coast Guard to utilize inadequate quarters for military personnel, now scheduled to expire June 30, 1973, to June 30, 1976.

Since Public Law 92–343 extended this authority to June 30, 1973, the Navy transferred the base at Kodiak, Alaska, to the Coast Guard. That base presently includes approximately 200 units which fall into the inadequate housing category. Additionally, recent budgetary restrictions imposed a delay in the replacement of inadequate housing at the Cape May Training Center. These additional problems in the replacement of inadequate housing area require that the authority in subsection (b) and (c) of subsection (e) of title 14, United States Code, be extended beyond 1974. The Coast Guard estimates based on current information that the inadequate housing presently held by the Coast Guard can be replaced or eliminated by June 30, 1976.

SEARCH AND RESCUE BASE CLOSINGS, CUTTER DECOMMISSIONINGS, ET CETERA

The questions of search and rescue base closings, cutter decommissionings, and other Coast Guard missions that were eliminated by the Office of Management and Budget ax are not germane to H.R. 5383. However, an excellent record was developed during our hearings and I plan to appear before the House Appropriations Committee to make a strong plea to retain those bases and those ships which are warranted based on the hearings. The frustration, indignation, and anger that surfaced during our hearings on the part of the citizens and Representatives in the areas concerned is quite significant. While the Coast Guard Subcommittee had no authority to change the above matters, the hearings were used as a forum to let the administration and the Congress know of the strong objections to these penny-wise pound-foolish moves. I take this opportunity to assure every Member who expressed his views to the Coast Guard Subcommittee on these closings and decommissionings that I will take their case to the Appropriations Committee.

Mr. Speaker, I ask Members to support this very necessary bill, and urge them to read the report and consider the fate of this most necessary of services.

Mr. Speaker, I would ask unanimous consent at this time that letters from the Air Transport Association and the American Institute of Merchant Shipping may be inserted at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The letters referred to follow:

AIR TRANSPORT ASSOCIATION
OF AMERICA,
Washington, D.C., May 3, 1973.

Hon. JOHN M. MURPHY,
Chairman, House Merchant Marine Subcommittee on U.S. Coast Guard and Navigation, Longworth House Office Building, Washington, D.C.

DEAR MR. CHAIRMAN: We wish to express the appreciation of the scheduled airline members of the Air Transport Association to your Committee for the prompt action taken to identify and eliminate the disruption in service that would otherwise have been created by the proposal of the Office of Management and Budget (OMB) and the Department of Transportation (DOT) to phase down prematurely three Loran A chains during the Calendar Year 1973. As you are aware, those three Loran A chains currently provide navigational guidance to some 150 weekly scheduled U.S. airline flights operating across the Pacific between Hawaii and points to the West, and in addition provide navigation services to the maritime interests operating in those areas.

For such use as it may be to your Committee, we would summarize the present situation with regard to user, worldwide requirements for Loran A as follows:

1. Thousands of coastal ships, and about one-half of all over-ocean operating airline flights, currently employ Loran A as a navigational aid. In terms of volume, the majority of this use is contiguous to U.S. shores (called coastal confluence areas by the DOT).

2. The U.S. Government has indicated its desire to replace Loran A with another system, such as Loran C or OMEGA. The U.S. scheduled airlines, in selecting long range NAV systems equipment for airline use, select on a cost/benefit basis from among those systems capable of meeting the requirements of the intended service. It appears that at present the trend in the case of new aircraft for transocean service is to inertial systems. However, in the past a number of aircraft were equipped to use the then available worldwide Loran A system.

Many of these aircraft are still in use by the world's airlines. Accordingly, it would appear that Loran A service, or a suitable replacement, will be required for the remaining service life of presently operating aircraft which are now:

(a) Primarily dependent upon Loran A for long range NAV, or

(b) Secondarily dependent upon it for the purpose of updating another system, for example, Doppler NAV systems.

At the present time, it appears that the only potentially viable alternative to Loran A is Loran C; however, not enough is presently known as to its suitability as a replacement.

As you may know, the U.S. scheduled airlines, in cooperation with FAA, currently are planning to conduct developmental trials utilizing Loran C, beginning first in the Caribbean and, if these flights prove promising, continuing in the Pacific in the same area where the DOT attempted to phase down Loran A during this calendar year. The current schedule calls for having at least limited operational data by about the end of this calendar year.

Accordingly, the airlines are unable to establish a position with regard to whether the replacement system for Loran A, either for worldwide or for coastal confluence use, should be Loran C or Omega as now being proposed by the U.S. Government. This results not only from the fact that not enough is known about either system for aeronautical use but also the fact that the coastal confluence system is being designed primarily to serve maritime interests. The airlines could probably adapt to the Government's selection once it is shown as being suitable to airline use, and is announced, funded, and scheduled.

I realize of course that the above comments do not address the obvious major problem of the large number of maritime users that would be required to convert to a replacement system when Loran A service is terminated.

Thank you, again, for your assistance. We wish to assure you that the U.S. airlines will cooperate in any manner they can, consistent with operational requirements, with the Government's efforts to phase down Loran A chains as rapidly as possible.

If we can be of any further help to you and your Committee, please do not hesitate to call us.

Sincerely,

WILLIAM T. HARDAKER,
Assistant Vice President, Air Navigation/Traffic Control.

AMERICAN INSTITUTE OF
MERCHANT SHIPPING,
Washington, D.C., May 4, 1973.

Hon. JOHN M. MURPHY,
Chairman, Coast Guard and Navigation Subcommittee, House Merchant Marine & Fisheries Committee, U.S. House of Representatives, Washington, D.C.

DEAR MR. MURPHY: The purpose of this letter is to express the appreciation of the American Institute of Merchant Shipping, spokesman for most of the ocean-going vessels registered under the U.S. flag, for the action of your Subcommittee in forestalling premature closure of certain Loran-A stations.

Members of the Institute consider these navigational aids essential to safe operation of their ships.

Once again, thank you for offsetting a decision by the Office of Management and Budget which would have had an adverse effect on this radionavigation system operated by the U.S. Coast Guard.

Sincerely,

JAMES J. REYNOLDS, *President.*

Mr. VANIK. Mr. Speaker, I would like to associate with the remarks of my distinguished colleague from New York (Mr. MURPHY) who has pointed out the reference in the committee's report on the Coast Guard authorization for fiscal year 1974, to the closing of some 13 Coast Guard Search and Rescue Stations.

It is understandable that some increased efficiency could be obtained by consolidation of facilities, but as a Member from one of the Great Lakes States, I find it particularly shocking that 11 of the 13 closings occur on the Great Lakes.

The Great Lakes are in the industrial heartland of the Nation. Some 40 million people live in the Great Lakes Basin. The recreation use on the Lakes is fantastic. On a weekend, literally tens of thousands of boaters, water skiers, and swimmers are using the waters of the Great Lakes. Yet these Lakes, because of their characteristics, are subject to sudden and intense storms; nearly instantaneous storms of gale force are a frequent occurrence.

The Coast Guard has been called on, time and time again, to help capsized boaters, save swimmers and protect life and property. Again, I do not understand why the closings of these rescue stations is so concentrated on the Great Lakes.

I realize that this is an issue before the House Appropriations Committee and is not involved in the authorization bill before the House today, Nevertheless, I hope that all of those members who represent the Great Lakes States will watch this development closely and make every effort to ensure the continued necessary protection of our constituents.

Mr. LEGGETT. Mr. Speaker, will the gentleman yield?

Mr. MURPHY of New York. I yield to the gentleman from California.

Mr. LEGGETT. Mr. Speaker, I would like to commend the gentleman from New York (Mr. Murphy) for his aggressive leadership in the management of Coast Guard legislation, and particularly in seeing that this bill is brought to the floor of the House in this timely fashion.

I would like to ask, however, about a phase of the Coast Guard that apparently is suffering from a benign Congress, to wit: the Coast Guard Reserve—and I know that the gentleman from New York has conducted a series of inquiries along this line—so I would like to ask the gentleman from New York, seeing we have degenerated from the 15,000 man level to the projected 10,400 man level by the end of 1974, where are we going with the Coast Guard, and what is the Coast Guard doing about it?

Mr. MURPHY of New York. Quite frankly, I could not respond adequately to the gentleman from California on that very question at this time. However, during recent hearings I directed similar questions to the Commandant of the Coast Guard. He deferred to the Department of Transportation on this matter and consequently, I addressed a communication to the Secretary of Transportation. I asked him for an in-depth survey of the missions of the Coast Guard and the possibility of expanding its role into some of the programs inaugurated in recent years such as NOAA. I want to find out what the role of the Coast Guard is, and, of course, the Coast Guard Reserve. The answer to these questions will be forthcoming when that survey comes back from the Department of Transportation, and it will be an early matter of business for the committee.

I will assure the gentleman the Coast Guard and the Coast Guard Reserve will continue and that the work of this committee will be dedicated to expanding their missions in the areas that other legislation in the Congress has brought about and that there will be a substantial expansion of the Coast Guard Reserve and the Coast Guard itself.

I think everyone, in the Midwest particularly, knows and understands the Coast Guard Reserve was the first uniformed service activated during the recent floods there. The activities of the Coast Guard and the Reserve in saving lives and saving livestock certainly are well known to many people in the Midwest, and should be known throughout the country.

Mr. CONTE. Mr. Speaker, will the gentleman yield?

Mr. MURPHY of New York. I yield to my colleague, the gentleman from Massachusetts.

Mr. CONTE. Mr. Speaker, I am also very interested in the question propounded by the gentleman from California (Mr. Leggett) but really it does not come under the auspices of the gentleman's committee on the Reserves. It does come under the auspices of the Committee on Armed Services.

If the gentleman will recall, last year we had to put the money for the Resreves in the appropriation bill because the Committee on Armed Services did not bring out the authorization bill. It is my hope that this year the gentleman's committee will bring out their authorization bill before we get the appropriation bill before the House so that we can see that the 15,000 reserve status is maintained in the Coast Guard. I feel very strongly that it should be maintained. Because of what the gentleman's fine committee did in giving the Coast Guard Reserves now a dual purpose, a peacetime mission where they are being involved—and being involved right this week here down in Mississippi in the flood—I feel that a 15,000-man Reserve is a minimum strength for the Coast Guard Reserve.

Secretary Brinegar's report and remarks of the first peacetime callup of military Reserves pointedly outlines what good has been done.

Secretary Brinegar Supports Emergency Call-up of Coast Guard Reservists for Flood Relief Work

"I have today requested and received authorization from President Nixon for the immediate call to duty of a force of Coast Guard Reservists to assist in emergency operations in flooded areas along the Mississippi and its tributaries.

"This action has been taken under a law approved last October which permits the call to duty of Coast Guard Reservists to assist in operations made necessary by natural disasters or emergencies such as that created by the present floods. A request for the action was transmitted to me by Admiral Chester R. Bender, Commandant of the Coast Guard, after it became apparent that Regular Coast Guard personnel working in the flood area were being overtaxed. Under the President's authorization for activation of the Reserve forces, three units will be called to duty immediately. This is the first time in the history of the Coast Guard that such peacetime action has been taken."

This first time invoking of peacetime call-up resulted from heavy flooding throughout the Mississippi River basin. As early as 13 March, in response to a call for assistance from authorities at Elsberry, Missouri, Regular Coast Guardsmen from Base St. Louis and other Coast Guard facilities were relieved of their normal duties to assist in flood relief operations on a round-the-clock basis. By 3 April, after an extensive reconnaissance flight over the flooded areas, Rear Admiral Owen W. Siler, Commander, Second Coast Guard District, determined that additional support was needed and requested authority from the Commandant for the immediate call-up of Reserve units in St. Louis and Peoria consisting of 143 officers and men.

By 4 April, the first call went out for 50 reservists who together with a few Regulars formed as Disaster Relief Group 2.10 with responsibility for portions of St. Louis, St. Louis County, and Jefferson County. A portable communications center was deployed and Coast Guard Reservists swung into action manning flood relief boats; assisting in evacuations; conducting safety and security patrols; and transporting law enforcement personnel.

During the 7-day period of emergency recall, 271 man-days of duty were performed by reservists. Approximately 75 persons and a number of animals were evacuated to positions of safety. Also, 187 sorties were performed in support of other governmental agencies.

In a debriefing that followed release, the consensus of opinion was that Coast Guard Reservists had met the challenge of this first peacetime call-up in an outstanding manner. Secretary Brinegar expressed high satisfaction with the responsiveness and the competence displayed by Second Coast Guard District reservists. "The manner in which these Coast Guard Reservists answered the call-up and took over their assigned duties deserves highest praise," he stated. He further added, "This real-life test of the readiness of our Selected Reserve leaves no doubt as to their ability to respond and their capability to perform." He also praised those Coast Guard reservists who had voluntarily participated in flood relief operations in Missouri and neighboring states prior to the emergency call-up.

Secretary Brinegar emphasized the importance to the Coast Guard of the emergency call-up legislation. "This legislation assures the Coast Guard of trained and readily available personnel to meet the heavy demands placed upon the Coast Guard during domestic emergencies such as this," he stated. "At the same time it is the most realistic test of the readiness of the Selected Reserve." He commented favorably on the support of the employers of reservists who were activated in this emergency.

[Editors Note: As this article goes to press word has been received that a second group of 79 Coast Guard Reservists has just been activated under the emergency call-up authority.]

Certainly I hope that the gentleman's committee brings the authorization bill out so that we can bring out the appropriation bill for the 15,000-man Reserve.

Mr. MURPHY of New York. The gentleman's remarks are well taken. The Coast Goard, being a uniformed service, is still under the jurisdiction of the Department of Transportation, and yet its Reserve and authority comes from the armed services. We are down to a strength of around 22,000 men. We are trying to get it back to a strength that we feel is adequate. I think the 15,000 figure the gentleman from Massachusetts mentioned is closer to the needed figure.

Mrs. HECKLER of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. MURPHY of New York. I yield to my colleague, the gentlewoman from Massachusetts.

Mrs. HECKLER of Massachusetts. I

should like to say to the gentleman that I was extremely encouraged to hear that they are going to consider the question of the decommissioning of the cutters before the Committee on Appropriations, since I know my colleague, the gentleman from Massachusetts (Mr. STUDDS), represents a concern there—and I am also—but in relation to this specific piece of legislation I am concerned about the overall question of the use of the Coast Guard and the adequacy of the existing vessels on the Northeast Coast to patrol the shores.

As the gentleman may well remember, 2 years ago I sponsored an amendment which would increase the appropriations for the Coast Guard in order to provide this surveillance, and it has actually, through the actions of the Committee on Appropriations of both Houses, been increased in the last session, and as a matter of fact, it operates like a "cop on the beat." This is the only source of assistance to the local fishing vessel.

In view of the fact that the Coast Guard has decommissioned a number of vessels, and in view of the fact that it is transferring personnel, will the level of patrol be maintained, particularly in the Northeast? This affects a number of local fishermen in my district, and it is desperately needed.

What was the attitude of the chairman and gentlemen of the committee with respect to this?

Mr. MURPHY of New York. The gentlewoman brings up a point on which we deliberated many hours, both with the Coast Guard and the Department of Transportation. The Coast Guard's argument for the decommissionings is the fact that in their ocean stations program they could update types of moored equipment that would replace the ships. They state they will now utilize these cutters for the kinds of activities my colleague has described, including the surveillance of foreign fishing vessels.

The committee and I and the gentlewoman questioned very seriously whether or not we could adequately police not only our northeast coast, but also our Pacific areas. We have had actual sightings of as many as 800 Japanese and Russian fishing boats in a month. How do we adequately police those with the two cutters assigned to patrol thousands of miles of ocean. And the same problem exists on the northeast coast.

The problem is we have had actual sightings by aircraft who have reported poached lobster pots on the decks of foreign vessels, with nothing in the way of sanctions being done about it. They merely report it to the Coast Guard headquarters and that is about all we can do with our present coverage. We are going to go in with the next appropriation for more cutters and more physical surveillance.

Mr. CONTE. Mr. Speaker, will the gentleman yield?

Mr. MURPHY of New York. I yield to the gentleman from Massachusetts.

Mr. CONTE. Mr. Speaker, the chairman of the subcommittee brings out a very excellent point. We pursued this in our appropriation hearings when the Coast Guard was before us. They did take a cutter out of New Bedford, which is very important to the patrol area of the Cape and the eastern shore of Massachusetts. It is my understanding that maybe there is a strong likelihood that OMB is going to reverse themselves and two of these cutters will be replaced, and maybe in the next couple of weeks we will have news on that.

Mrs. HECKLER of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. MURPHY of New York. I yield to the gentlewoman from Massachusetts.

Mrs. HECKLER of Massachusetts. Mr. Speaker, in view of Admiral Bender's testimony wherein he has said he will assign eight to nine cutters to the northeast, I would like to say I do recognize this is a nationwide problem, but in view of the recent decisions of the Coast Guard decommissioning cutters, we can identify only six at this time which are available cutters, four in the Boston area and two in Maine. All of the six are of the 1936 vintage.

I wonder if the gentleman has considered the possibility of transferring available vessels when they become free from duty in Vietnam. Is that a possible source of relief?

Mr. MURPHY of New York. No; I do not think the vessel situation, as far as the vessels from Vietnam are concerned, will be any source of relief. The relief we can look forward to is new construction. There are additional cutters presently in this bill, but it is not enough. We plan that, next year, we will work for the additional construction of these much needed vessels.

Mr. RUPPE. Mr. Speaker, I yield such time as he may consume to my distinguished colleague, the gentleman from Pennsylvania.

Mr. SAYLOR. Mr. Speaker, I would like to direct a question to the chairman of the Committee on Merchant Marine and Fisheries. This committee in this bill and those bills which have been brought out in prior years is to be commended for having required and set the pattern for licensing of the vessels and for inspecting of the vessels by the Coast Guard, but as is pointed out in the request for authorization one of the problems that the Coast Guard is faced with is the proposition of safety. At present there is no requirement whatsoever in any present legislation for a licensing of operators of vessels unless they carry passengers. Has the committee ever considered the possibility of requiring owners or operators of vessels both on inland waters and the coastal waters to have an operators' license?

Mrs. SULLIVAN. Mr. Speaker, will the gentleman yield?

Mr. SAYLOR. I yield to the gentlewoman from Missouri.

Mrs. SULLIVAN. Mr. Speaker, it was noticed as far back as 11 years ago that this was true. Last year, we finally passed legislation to require all vessels—I am not talking about pleasure boat vessels now—all vessels operating in the inland waterways and the coast line, that the operators must have a license to operate in those waters.

That goes into effect September 1 of this year.

Mr. SAYLOR. Mr. Speaker, that is commendable, but the committee should include or consider including pleasure boats for the reason that, from information that has been furnished to me by members of the Coast Guard, this is one of the sources of many of the accidents which have happened. Inexperienced individuals operating pleasure boats without any knowledge of the proper methods of boat handling or of the rules of the road.

Mrs. SULLIVAN. Mr. Speaker, I might say to the gentleman from Pennsylvania, if he will yield further to me, that this has been a matter for discussion for something like a decade.

A decade ago, there were some 300,000 pleasure boats on the waters. Today, there are something like 8 million vessels.

Mr. GROVER. Mr. Speaker, will the gentleman yield?

Mr. SAYLOR. I yield to the gentleman from New York (Mr. GROVER).

Mr. GROVER. Mr. Speaker, when we developed the Small Boat Safety Act legislation within the past 2 years, it seems to me that this was explored somewhat, and the Coast Guard simply does not have the manpower or facilities to enforce that type of legislation, the licensing legislation; but the Small Boat Safety Act legislation which we passed made an effort to encourage the States to come up with registration and licensing and enforcement provisions.

Mr. SAYLOR. Mr. Speaker, I might say that I think all of the States are now requiring licenses of pleasure boats themselves, but nothing in regard to licensing operators.

This is a great hazard on every inland waterway and coastal waterway.

Mr. GROVER. Mr. Speaker, the idea of having the present manpower of the Coast Guard cover the administration and enforcement would be very difficult.

Mr. DANIELSON. Mr. Speaker, would the gentleman yield?

Mr. SAYLOR. I yield to the gentleman from California (Mr. DANIELSON).

Mr. DANIELSON. Mr. Speaker, apropos of the colloquy just had, I served for a number of years in a State legislature. I would like to caution the Committee concerning the trap it can get itself into.

In the State legislatures, when efforts were made to require the licensing of boat operators, the interested groups always responded that this was properly the function of the Federal Government, that the States should not do anything about it, that it should be left to the Federal Government.

Mr. Speaker, I now find, as is logical to expect in this forum, that the contention here is that such licensing should be left to the States.

Mr. Speaker, regardless of who may be the proper authority, I am convinced that the Federal Government does have the authority and it is a problem that needs to be resolved. I certainly commend the committee for taking steps in this direction. I know of no other form of transportation except the pleasure boat, which can cost $50,000, or more, which can be operated on the public waterways with a novice at the helm.

Mr. SAYLOR. This is correct, and it is causing problems not only to the Coast Guard, but to every other boat owner trying to operate properly; as well as all state officials who have the responsibility of patrolling our waterways.

Mr. DANIELSON. That is correct. It is dangerous to life, limb and property, especially with the large increase in the number of pleasure craft.

I am grateful the committee is going to look into this problem.

Mrs. SULLIVAN. Mr. Speaker, will the gentleman yield?

Mr. SAYLOR. I yield to the gentlewoman from Missouri (Mrs. SULLIVAN).

Mrs. SULLIVAN. Mr. Speaker, I think that on this point of safety, the work on pleasure boats has been done by the Coast Guard Auxiliary, which is a voluntary organization trying to police and to teach the users of pleasure boats the need for greater safety.

Until we have some kind of legislation, federal or state, I think we have to commend those in the Coast Guard Auxiliary.

Mr. RUPPE. Mr. Speaker, I yield such time as he may consume to the gentleman from West Virginia (Mr. HECHLER).

Mr. HECHLER of West Virginia. Mr. Speaker, I thank my good friend, the gentleman from Michigan. I would like to raise a question with the leadership of the committee on both sides of the aisle as to the adequacy of authorization funds for pollution abatement.

In asking this question, I would like to point out that it is very refreshing to see an agency such as the Coast Guard which has taken a very venturesome, aggressive, and independent attitude in connection with various instances of oil and chemical pollution in the inland waterways in my congressional district.

Comdr. Bobby Burns and his able Coast Guard staff have done a remarkably good job with a limited staff. I believe many other Federal agencies could well derive good lessons from the vigorous defense of the public interest which the Coast Guard has exhibited in many instances.

Now that tremendous new responsibilities have been placed on the Coast Guard, as a result of actions of the 92d Congress and the Federal Water Pollution Control Act, I should like to raise a question as to whether or not the chairman of the committee, the chairman of the subcommittee, and my distinguished colleague from Michigan feel that sufficient funds indeed have been included for pollution abatement in this great work the Coast Guard is carrying on.

Mrs. SULLIVAN. I do not believe we have sufficient funds in this. We will continue to press. That is all I can tell the gentleman.

Mr. HECHLER of West Virginia. I thank my colleague, the gentleman from Missouri. I regret that greater funding for pollution abatement is not being made available to the Coast Guard, which has ably demonstrated its high competence in protecting the environment.

Mr. ROGERS. Mr. Speaker, I rise in support of the bill, H.R. 5383, the Coast Guard authorization for fiscal year 1974.

I would say to the Members of the House that I have always had the deepest respect for the fine works performed by the Coast Guard, and have sought through my years in this body to give their program my strongest support. In its search and rescue operations, the maintenance of aids to navigation, and the patrolling of our coastal waters and fisheries, the Coast Guard performs one of the most worthwhile functions undertaken by the Federal Government. The funds spent on the Coast Guard's operations are among our best spent Federal dollars.

In supporting approval of this authorization, therefore, I join the other members of the committee in expressing my concern over the administration's budget request for the coming fiscal year.

I would point out that the Coast Guard's original request to DOT was for a total of $215,283,000. This request was cut by the Department to $153 million, and then was further reduced by the Office of Management and Budget to $81,500,000. The request was increased by the committee to $103,489,000, providing $21,989,000 to provide for long-range navigational aids.

It is important to note, Mr. Speaker, that the responsibilities of the Coast Guard have recently been expanded through the enactment of the Ports and Waterways Safety Act, the Federal Boat Safety Act, and the Federal Water Pollution Control Act. Moreover, increasingly fierce competition in our contiguous fishing zones has put new strains on the patrol activities of the Coast Guard. To meet these increasing demands for service will necessitate increases in manpower and equipment. I, therefore, urge adoption of the present authorization, and its full implementation by the Appropriations Committee and the Executive.

The SPEAKER. The question is on the motion offered by the gentlewoman from Missouri (Mrs. SULLIVAN) that the House suspend the rules and pass the bill H.R. 5383, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mrs. SULLIVAN. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks on H.R. 5383.

The SPEAKER. Is there objection to the request of the gentlewoman from Missouri?

There was no objection.

OFFICE OF ENVIRONMENTAL QUALITY AUTHORIZATION

Mrs. SULLIVAN. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 1379) to authorize further appropriations for the Office of Environmental Quality, and for other purposes, as amended.

The Clerk read as follows:

S. 1379

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 205 of the Environmental Quality Improvement Act of 1970 (42 U.S.C. 4374) is amended to read as follows:

"SEC. 205. There are hereby authorized to be appropriated for the operations of the Office of Environmental Quality and the Council on Environmental Quality $1,500,000 for the fiscal year ending June 30, 1974, and $2,000,000 for the fiscal year ending June 30, 1975. This authorization is in addition to those contained in Public Law 91–190."

The SPEAKER. Is a second demanded?

Mr. GROVER. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

Mrs. SULLIVAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of S. 1379. The bill grants a 2-year authorization for appropriations under the Environmental Quality Improvement Act of $1.5 million for fiscal year 1974 and $2 million for fiscal year 1975. This authorization will supplement the $1 million annual authorization in the National Environmental Policy Act of 1969.

The bill before the House, S. 1379, is very close to a companion bill referred to my committee as an administration proposal, upon which hearings were held April 3. That bill proposed an open-ended authorization extending into the indefinite future, and the committee felt that such action was undesirable. Consequently we approved amendments to the administration bill, and ordered the bill reported to the House as amended. As approved, H.R. 5932 would have authorized appropriations in the amount of $1.5 million for the next 3 fiscal years.

The differences between the bill which our committee ordered reported and the bill which is now before the House are inconsequential. H.R. 5932 was a 3-year bill, with an annual authorization of $1.5 million, and the bill now under consideration, S. 1379, is a 2-year bill, authorizing $1.5 million for the first and $2 million for the second. The Senate committee explained the need for the increase of $500,000 as allowing funds for increased office rentals under the Public Buildings Act, for modest salary increases, and for a small increase for contract studies. The difference in funding is not great, and their reasons seem well founded.

The present authorization to the Council on Environmental Quality under this act is due to expire on June 30 of this year. Prompt and favorable House action on this measure will permit the orderly extension of the Council's operations. There has been no disagreement as to the value of this legislation, and we feel that it should go forward for Presidential approval at the earliest possible date.

Our committee authored the original House legislation which set up the Council on Environmental Quality, and we feel that the Council is continuing to play the useful role we planned. Basically, it is performing five main tasks.

First, it assists in the preparation and coordination of the President's environmental program. The Council performs a coordinating role, drawing the many agencies involved, including EPA, the Interior Department, AEC, the corps, DOT, Agriculture, and others together into coherent environmental policy initiatives.

A second activity of the Council is the preparation of the annual report on environmental quality called for under the National Environmental Policy Act. The first annual report suggested a variety of directions for Federal, State, and local action, both legislative and administrative. The second annual report examined in depth two fundamental aspects of environmental quality: Economics and legal developments. The third annual report covered Federal and State activities, the development of environmental indices, the legal implications of the National Environmental Policy Act, international aspects of environmental quality, local environmental quality activities, the national park system, and a chapter on forecasting the future. The Council is now in the process of preparing a fourth annual report, to be submitted later this summer.

A third major assignment of the Council is its continuing effort to further improve implementation of the National Environmenal Policy Act and the Environmental Quality Improvement Act in the Federal Government, particularly through the environmental impact statement process required by NEPA. Through guidelines and through assistance to agencies in improving their procedures for and performance in implementing NEPA, the Council assists agencies in building NEPA's policy objectives into their decisionmaking process. The Council's role in this process is to provide oversight so that the entire 102 process functions in all Federal agencies as intended by the Congress.

A fourth major function of the Council is the preparation of special environmental policy studies, some of which are prepared in-house and some of which are prepared by contract. Its report 2 years ago on ocean dumping, for example, led to a bill which passed our committee last year to control this problem. This year the Council has done special studies on integrated pest management, resource recovery, and coal surface mining and reclamation.

Lastly, the Council has been and will continue to be very active in international environmental affairs, as it was in the United States-Soviet Environmental Cooperation Agreement which President Nixon signed with President Podgorny last May, the United States-Canadian Great Lakes Water Quality Agreement, the U.N. Conference on the Human Environment, the June Meeting of the International Whaling Commission, the November Ocean Dumping Convention Conference, and the recently concluded Endangered Species Convention Conference.

The Council has been active in the intergovernmental maritime consultative organization efforts to control pollution from ships, has provided U.S. leadership with the State Department in the Environmental Committee of the Organization for Economic Cooperation and Development, and provides leadership to the NATO Committee on the Challenges of a Modern Society.

In future years, we anticipate the Council's activities will follow much the same pattern, although areas of emphasis will undoubtedly be different each year.

The Council on Environmental Quality, which our committee helped initiate, is performing vitally important functions in our national environmental programs. We have gotten excellent value to date from our investment. I anticipate that it will continue to be most useful.

I support the bill, S. 1379, and urge its immediate passage.

Mr. DINGELL. Mr. Speaker, will the gentlewoman yield?

Mrs. SULLIVAN. I yield at this time to the gentleman from Michigan (Mr. DINGELL).

Mr. DINGELL. Mr. Speaker, I thank the gentlewoman from Missouri for her kindness in yielding to me.

This is an excellent bill. The House version of the bill was reported unanimously from the Committee on Merchant Marine and Fisheries, and the Senate bill, according to the chairman of the Committee on Merchant Marine and Fisheries, will expedite consideration in the matter. This will accommodate the differences between the Senate bill and the bill of the Committee on Merchant Marine and Fisheries, and that was true when we reported the bill to the House.

Mr. GROVER. Mr. Speaker, I yield such time as he may consume to the gentleman from Pennsylvania (Mr. GOODLING).

Mr. GOODLING. Mr. Speaker, I wish to endorse the support of the distinguished members of our committee for S. 1379. As they have pointed out, the bill grants a 2-year additional authorization for appropriations under the Environmental Quality Improvement Act for activities of the Council on Environmental Quality. The annual authorization in this bill augments the $1 million standing authorization in the National Environmental Policy Act, producing approximately $2.5 million total which is the same as that applicable to the Council for the current fiscal year.

Under Russell Train, Chairman of the Council, the CEQ has developed a broad range of programs needed to deal with our environmental problems. The CEQ has made its annual environmental quality report and the annual Presidential environmental message reflects substantial resources, both in developing the tools we need and measuring our progress.

When the Council was first established in 1970 under Public Law 91–190, authored in our committee—I was a cosponsor—it was made clear that the Council on Environmental Quality would be the keeper of our environmental conscience and promote efforts to prevent damage to the environment. As our committee stated at that time, the purpose of the act is to create a council "which can provide a consistent and expert source of national policies, environmental problems and trends, both long term and short term."

Today, 3 years later, it is gratifying to see how well this has worked out. Our modest investment in the Council is a sound one and its record amply warrants this 2-year extension of the Environmental Quality Improvement Act authorization.

Mr. GROVER. Mr. Speaker. I rise to urge favorable passage of S. 1379, and I concur in the remarks of my distinguished colleague, the gentlelady from Missouri (Mrs. SULLIVAN), and the gentleman from Pennsylvania (Mr. GOODLING).

The successes of the Council since its creation, by this committee and the Congress in 1969, have been noteworthy. The Council has played a significant and lead agency role in the negotiation and acceptance of environmental agreements with the Soviet Union and other countries, has served as an executive branch focal point for the effective implementation of the National Environmental Policy Act of 1969, and has materially assisted in the development of environmental awareness in all segments of the Federal Government through their NEPA guidelines on environmental impact statements, contract and other studies on such controversial and important environmental issues as deepwater ports, Alaska pipeline, coastal zone management/land use, ocean pollution, and a myriad of others.

Responsible for the preparation and publication of an annual environmental report, the Council on Environmental Quality has assisted all segments of government and the American public in understanding our environmental problems and finding solutions thereto.

The bill, as opposed to the version, provides for a specific timeframe authorization instead of an open-ended authorization and for a sum certain of moneys for each year of 2-year authorization at $1.5 million for fiscal year 1974 and $2 million for fiscal year 1975. I am satisfied that this authorization amount is fiscally responsible, and yet will meet the need of the Council in the next few years. I know of no opposition to the bill and urge its adoption.

Mr. WYLIE. Mr. Speaker, will the gentleman yield?

Mr. GROVER. I yield to the gentleman from Ohio (Mr. WYLIE).

Mr. WYLIE. Mr. Speaker, I thank the gentleman for yielding.

I wonder if the specific amounts authorized in the Senate bill were considered by the Committee on Merchant Marine and Fisheries.

Mr. GROVER. Mr. Speaker, I will yield to the gentleman from Michigan (Mr. DINGELL) for an answer to that question.

Mr. DINGELL. Mr. Speaker, I did not hear the question of the gentleman.

Mr. WYLIE. Mr. Speaker, my question was:

Have the specific amounts which have been authorized in the Senate bill been considered by the Committee on Merchant Marine and Fisheries?

Mr. DINGELL. Mr. Speaker, the answer to that question is "Yes."

The difference between the House bill and the Senate bill is really very slight. The Senate bill is a 2-year bill; the House bill is a 3-year bill. The amount in the House bill is a million and a half for each of 3 years; the Senate bill provides for a million and a half for the first year, 2 million for the second year, and there is no third year.

So, Mr. Speaker, the total difference is one-half million dollars, and that matter will have to go to the Committee on Appropriations.

Mr. WYLIE. So the total increase for next year, fiscal year 1975, is one-half million?

Mr. DINGELL. The gentleman is correct. The total increase for the next year is one-half million.

Mr. WYLIE. I was wondering if that specific amount was ever considered by the Committee on Merchant Marine and Fisheries.

Mr. DINGELL. Mr. Speaker, the matter was never specifically the subject of consideration. However, we are faced, as the gentleman knows, with the substantial problem of getting funding down to the Council on Environmental Quality, and the reason we are taking the Senate bill in preference to the House bill is so the Committee on Appropriations can get the money authorized so that the Council can continue to do its important work.

Mr. WYLIE. Will the gentleman yield so that I may ask one more question?

Mr. GROVER. I will yield to the gentleman from Ohio (Mr. WYLIE).

Mr. WYLIE. Mr. Speaker, does the gentleman know what the budget request by the administration is for fiscal year 1975?

Mr. DINGELL. Mr. Speaker, I must confess that I do not. For 1974 it is a million and a half.

Mr. WYLIE. For 1974 it was a million and a half.

Does the gentleman from New York (Mr. GROVER) know what it is?

Mr. GROVER. No. I think the administration was based on a 3-year level of 1.5.

The feeling, I believe, of the Members of the committee was that in view of the broadening scope of conducting operations by this Council, it could justify going along with the Senate bill and taking another look at it next year. If they do not spend the moneys, they will revert to the general fund, and the committee will have to reexamine future years' funding.

It will still have to go to the Committee on Appropriations in any event.

Mr. WYLIE. Mr. Speaker, I thank the gentleman.

Mr. ROGERS. Mr. Speaker, I rise in support of the bill H.R. 5932, to authorize further appropriations for the Office of Environmental Quality.

In passing the Environmental Policy Act in 1969, the Congress made it clear that the Federal Government had decided to carefully weigh the consequences its programs would have for our environment, and would consider the quality of the environment as a factor in planning for the conduct of its programs. In pursuit of these goals, the Council on Environmental Quality was established and has played an integral part in the Federal effort to maintain and enhance the quality of our environment. The Council's duties include publishing an annual report on environmental quality, issuing guidelines for use in writing environmental impact statemets, and reviewing the consequences for many proposed Federal programs.

At the present time, the continued performance of these duties is more necessary than ever before, and I urge authorization of this authority for appropriations for the coming fiscal year.

The SPEAKER. The question is on the motion offered by the gentlewoman from Missouri (Mrs. SULLIVAN) that the House suspend the rules and pass the bill S. 1379, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

A similar House bill (H.R. 5932) was laid on the table.

GENERAL LEAVE

Mrs. SULLIVAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill (S. 1379) just passed.

The SPEAKER. Is there objection to the request of the gentlewoman from Missouri?

There was no objection.

PERSONAL EXPLANATION

Mr. DULSKI. Mr. Speaker, I missed three rollcalls on May 2 and 3. Had I been present, I would have voted "yea" on rollcalls 119 and 122, and "nay" on rollcall 121.

THE 25TH ANNIVERSARY OF ISRAEL

(Mr. ADDABBO asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and include extraneous matter.)

Mr. ADDABBO. Mr. Speaker, the 25th anniversary of the State of Israel is an occasion celebrated by people throughout the free world by those who cherish the hope for a day when all people will be free. The Congress of the United States and other national leaders have met with Israel's new Ambassador to the United States, His Excellency Simcha Dinitz, who carries on the tradition of outstanding representatives which Israel has selected for positions of responsibility in world affairs.

At a time when tensions and frustrations in the Middle East continue to concern all of us, it is important to consider our close ties with the free nation of Israel and the importance of her position in that troubled area of the world. Israel remains a strong and responsible symbol of democracy in an area which is far from committed to freedom and peace. Israel has not lost her desire for a peaceful settlement of the Middle East controversy despite repeated provocation and irresponsible actions by her enemies. Israel has faced her enemies before and she knows the constant dangers which are present in the Middle East from those who still strive to drive her into the sea.

For the past 25 years Israel has built upon a foundation of spirited, determined people and that foundation now supports a viable nation ready, willing and able to assume and assert responsible leadership in the world body of nations. The United States must continue to extend the hand of friendship which keeps our two countries in close relationship and together I am confident we can build a solid and lasting peace on the now divided Middle East.

I join my colleagues in the House and free people everywhere in wishing Israel a bright future on this, her 25th anniversary.

The lead editorial of the Long Island Press of Sunday, May 6, carried an excellent article on the State of Israel, which I insert in the RECORD. I am confident the editorial will be of interest to my colleagues:

ISRAEL: HAPPY 25TH BIRTHDAY

Twenty-five years ago (by the Jewish Calendar) the State of Israel was born. To be more accurate, the Jewish homeland that had existed centuries before, was reborn.

As in ancient days, the new Israel was beset with problems and surrounded by enemies. The Israeli Declaration of Independence had hardly been proclaimed when Arab armies attacked from all sides, determined that the new nation be stillborn.

But the Arab goal was not to be. Israel somehow weathered the initial onslaught, then grew and prospered. Where there had been desert, soon there was fertile land producing food for the people. Where there had been oppression, there was now democracy. And there again was a homeland for a people who had been scattered around the world, who had seen their numbers depleted by the millions at the hands of Hitler, who had yearned to return one day to the land of their ancestors.

Israel's first 25 years weren't easy. The nation had to survive two more wars with the Arab states, whose armies outnumbered the new nation's many times over and whose leaders were determined to drive Israel into the sea. But survive Israel did.

The industrial development grew, its tourist business thrived, its self-sufficiency increased. And it stood like an oasis, as a bastion of democracy in an area lacking in elected government, individual liberty or even freedom of thought.

Sadly, Israel remains surrounded by nations not only unfriendly, but still hostile and still dreaming of destroying the Jewish state rather than living together in peace. Thus, Israel must devote more of its time, money and energy to defense and survival instead of the good things of life.

And it must count on its friends—governments and individuals—around the world more than it would like. Happily, the United States and its people have been good friends. Unhappily, too many other nations are more concerned with Arab oil than the right of Israel to live in peace with its neighbors.

There are encouraging signs that peace can prevail despite the bellicose Arab leaders. The U.S. has been striving to achieve an agreement. And the Soviet Union seems more interested in Europe and its detente with the

U.S. than to take many risks on the Arabs' behalf.

Without strong Soviet support, the Arabs may be able to harass Israel, but they are not a real threat. Still, they resist a real peace, which is what Israel wants and the world needs.

Israel has proven it can be a good neighbor. It has opened Jerusalem to all faiths—Christian, Jewish and Moslem—which regard it as the Holy City. It has provided work for thousands of Jordanian Arabs on the west bank of the River Jordan. It has governed fairly and helped provide for the helpless refugees of the Arab-Israeli wars. It has proven in the past 25 years that it is a nation of justice, of compassion, of reason and of progress.

Twenty-five is a happy addition of 18—the Hebrew word "chai," for life—and seven, the number for luck. We wish the State of Israel a long life and good luck.

STATEMENT OF CONGRESSMEN B. F. SISK, ROBERT MATHIAS, AND WILLIAM KETCHUM IN THE HOUSE OF REPRESENTATIVES, ON NATIONAL RAISIN WEEK

(Mr. SISK asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. SISK. Mr. Speaker, in the interests of bipartisanship my colleagues, Congressmen BOB MATHIAS, WILLIAM KETCHUM, and I are joining in a statement on a distinctly nonpartisan issue and one on which there is no disagreement—the California raisin.

This industry is celebrating its 64th National Raisin Week from May 8 through May 15 and, in addition, is celebrating its centennial anniversary as a producer of a vital food that, in a normal crop year, produces, processes, and markets one-half the world's raisin supply.

National Raisin Week, the Nation's oldest food festival, calls attention to a quarter-billion dollar industry involving many thousands of people in the production, distribution, and sales of raisins in the retail grocer and industrial and institutional handling of raisins in all forms.

Well over 200,000 tons of delicious raisins are produced, processed, and distributed by California vineyards and related industries for use in baked foods, gourmet dishes, or eating out-of-hand.

This year it is essential that California raisin producers do their utmost to maximize production of raisins to replenish the short supply of the much-desired dried fruit caused by adverse weather conditions last year. In a year following 1972's smallest raisin crop in history, a maximum effort is required to maintain our domestic and export markets.

High commendation for effective efforts in meeting the challenge of this, and especially demanding 100th year of the industry, is merited by the California Raisin Advisory Board. Its progressive activities in the fields of research, promotion, and advertising has maintained the California raisin industry as a vital economic entity.

Utilizing funds provided by the participating and processor members, and also from the U.S. Department of Agriculture's Foreign Agricultural Service, CALRAB maintains an effective program of advertising and promotion not only domestically but in countries throughout the world.

Results of the well-aimed programs of the California Raisin Advisory Board can be seen in the development of the Japanese market from almost nonexistence to the No. 1 outlet, consuming more than 20,000 tons of California raisins each year.

Another important role in the California raisin industry is assumed by the Raisin Bargaining Association. In its brief existence of 7 years, the RBA has successfully united raisin growers in a concerted effort to give them a respected voice in determining the marketable price for their products.

Additional organizations within the raisin industry meriting special commendation include the Federal Raisin Advisory Board and the Federal Raisin Administrative Committee. Operating under Federal Marketing Orders, the two organizations have done a great deal to enhance orderly marketing procedures and the development of export markets for raisin products.

The raisin industry, which effectively utilizes the self-help tools of sales promotion and advertising in the best American tradition, well deserves a special salute.

MIDDLE EAST DEMANDS FOCUS OF DIPLOMATIC EFFORT

(Mr. FASCELL asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. FASCELL. Mr. Speaker, recent developments in the Middle East demand that the United States focus its diplomatic efforts in this volatile area. The drift of events in recent weeks signals the very real possibility that more serious hostilities may be imminent.

News sources indicate that Egypt is building an air defense system for Libya with Soviet supplied surface-to-air missiles. At the same time, there appears to be growing evidence that Libya has shifted a number of its Mirage jets to Egypt, and that efforts are underway, or, perhaps, have been completed to construct the necessary ground installations in Egypt needed to service the Mirage aircraft.

Whether this action is designed to protect Libya's jet force or, as has been suggested, to indicate Libyan support for Egypt's latest mobilization for war with Israel, the implications are ominous.

In addition, news accounts indicate that Iraq has sent a squadron of British-built Hunter interceptors to Egypt.

Reports that oil-rich Arab states will not cooperate with the United States in meeting the growing fuel shortage here is another serious factor which must be considered.

Indicative of the growing tension in the Middle East is action taken by the U.N. Security Council recently in adopting a resolution calling on the Secretary General to prepare a review of U.N. initiatives to negotiate a Middle East settlement since June 1967. This report is to serve as the focus of additional consideration in the Security Council of the Middle East crisis.

Violence, terrorism, and reprisal have become commonplace in the Middle East. These developments require the full attention of our diplomatic machinery.

Mr. Speaker, we must pursue new and vigorous efforts to end the stalemate in hopes that meaningful negotiations, direct or indirect, between the Arab States and Israel may resume. I have today written to the Secretary of State urging that this situation be given the full attention it demands. The text of my letter follows:

CONGRESS OF THE UNITED STATES,
Washington, D.C., May 8, 1973.

Hon. WILLIAM ROGERS,
Secretary, Department of State,
Washington, D.C.

DEAR MR. SECRETARY: The situation in the Middle East appears to be rapidly deteriorating. The increasing incidence of violence and terrorism, and reports of a substantial military build-up in Egypt, signal a very real possibility that more serious hostilities may be imminent.

I support the Department's efforts to encourage direct or indirect negotiations between the Arab States and Israel, and agree that we must not pursue a policy which envisions any imposed settlement. It appears, however, that new and vigorous efforts are required by the United States to focus the full attention of our diplomatic machinery on this volatile area.

In my judgment, the continuation of a perpetual state of crisis in the Middle East constitutes the most serious continuing threat to world peace, and I respectfully urge that you again redouble our efforts to prevent further outbreaks of hostility and to end the negotiations stalemate.

Sincerely,

DANTE B. FASCELL,
Member of Congress.

ENERGY CRISIS INTERTWINED WITH OTHER NATIONAL CONCERNS

(Mr. EDWARDS of Alabama asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. EDWARDS of Alabama. Mr. Speaker, many words have been spoken and written in recent days about the energy shortages which face our country now and in the future. We are beginning to realize how intertwined the energy crisis is with other national concerns, such as the balance of trade, national security, the stability of the dollar, cleaning up the environment, and the health of our domestic economy. We see that decisions the Congress makes in one of these areas send out ripples which affect postively or negatively one or more of the other areas.

I am cosponsoring legislation today which requires that U.S.-flag vessels carry a minimum of 20 percent of U.S. imports of petroleum and petroleum products. A minimum of 30 percent would be required by 1977.

Imports of petroleum are at a high level today and are expected to increase substantially over the next 10 years and beyond. If we rely on foreign-flag vessels to carry these imports, our dependence on foreign interests increases and questions of national security arise. If the United States is paying unnecessary shipping charges to foreign-flag vessels, our balance of payments worsens and we lose a chance to support our own merchant fleet.

Mr. Speaker, we have a national commitment, articulated in the Merchant Marine Act of 1970, to pump new blood into our merchant marine and to strengthen our shipbuilding industry. Insuring maximum participation by U.S.-flag vessels in the petroleum import trade can help accomplish these goals.

The U.S. merchant marine has always contributed to the strength and development of our Nation. The rapid growth of world trade provides a solid testimonial to the great importance of our merchant marine to the country's economy and security, both now and in the future.

I am confident that the many Americans who work in seafaring, in shipbuilding, and in related industries will measure up to the challenges which lie ahead. New, more efficient ships must be built, existing port facilities must be improved, and work on the feasibility of deepwater ports must continue. Congress can do its part by assuring fair and reasonable participation by U.S-flag commercial vessels in the oil import trade.

THE UNITED STATES IN SPACE—THE MANNED PROGRAM

(Mr. FREY asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. FREY. Mr. Speaker, within a very few weeks, my colleagues will be asked to consider the NASA authorization bill for fiscal year 1974. This bill, as drawn up by the Science and Astronautics Committee, defines a program addressed to two primary goals: maintaining the momentum that our space program has achieved through the amazing successes of the Apollo program and providing a maximum return to the taxpayer on his space investment.

This article is the second in a series over the next few weeks which will discuss the United States in space. It is my earnest hope that this background will provide my colleagues a fuller understanding on this country's commitment to space—a commitment leading to a better tomorrow.

It is all the more appropriate to discuss our manned program on this the concluding day of man's first 12 years in space. On May 5, 1961, Freedom 7 was launched, carrying with it the hopes and prayers of the entire free world. For Astronaut Alan Shepard the 15 minutes of his first journey in space contained as much the element of victory as his first step on the moon almost 10 years later. Twelve years ago this Nation dedicated itself to landing a man on the Moon and returning him safely to Earth. As a single goal, this project became as important and as challenging—and as expensive—as any major activity the country had ever undertaken.

Twelve years later the success we have enjoyed has exceeded even our wildest expectation. As a nation we met the challenge; we achieved our goal. And undeniably the most remarkable aspect of the entire program was the performance of man himself—with man proving to be the most versatile and valuable of the entire complement of equipment our lunar crafts contained.

But today with our Apollo triumph behind us we are faced with a serious question. The question is not whether we should have adopted our lunar goal or directed our resources to its accomplishment. The question instead asks what is man's role in space? What should his role be today and in the future, given the dollars we have invested in manned space and the results we have obtained.

No one can deny that the experience we have gained in our manned program represents a base of knowledge which has had beneficial impact on virtually every phase of our daily lives. Nor can anyone deny that the investment we have made in skills and facilities will be returned to our Nation a thousandfold within this very decade. Finally, in the strictest sense of man in space, no one can deny that until we are able to produce a machine with the intelligence, experience, judgment, and physical mobility of man, man does and must have a role in space. Man, we must concede, is the most highly sophisticated data sensing, data gathering, and data processing "device" in existence.

Interestingly, one of the major encumbrances of our present space program is the overwhelming amount of data returned by our unmanned automated satellites. Much of the information is valuable, but an inordinate amount is repetitious or otherwise nonessential. The system has simply been choked by unnecessary information. In contrast, man with his proven ability to discriminate and assess has provided a significantly higher return of essential and meaningful data than any of the unmanned space-borne missions. Man, as he is uniquely able to go to the heart of the problem, has relieved a major burden from the scientific and technical community here on earth.

The value of man is also that he is motivated. He is goal oriented. When he is impeded, he creates, evaluates, and pursues an alternative. And finally, man is creative and imaginative, a capability hardly challenged by even the most complex of equipment.

How does this translate to man in space? Apollo 13 is an example. First, the entire fate of this $400 million mission hinged on the ability of man to overcome a catastrophic failure of the power system and touch down in safety. As an unmanned, remote controlled mission then, Apollo 13 would have failed.

What of the Apollo programs' accomplishments? The geographical area covered, the scientific instruments set up, the experiments performed, no robot will be able to duplicate before the turn of the century.

The obvious comparison is the U.S. Apollo versus the Soviet launched Lunokhod moon rover. Consider the clumsiness of the Lunokhod. Consider the lack of mobility of the device, the limited number of experiments it could perform and the meager amount of data it gathered.

This is not to deprecate the value of the unmanned mission. The manned and unmanned will, in fact, continue in existence as a complement to one another. But it has been man in space who has greatly expanded our knowledge of the phenomena of space and established the potential value of his role. It has also been man who has clearly demonstrated a high degree of effectiveness as a space experimenter. In the estimation of the National Academy of Sciences, through our manned space program, we "now possess the keystone for a near-term understanding of the entire process of planetary evolution." Thus, the capacity of man in terms of his total ability and overall performance would, therefore, compellingly dictate his continuing role in space. And what of man's new role?

Now that Apollo is completed, our next manned effort will be to orbit a space laboratory, Skylab. Skylab is a direct adaptation of the Apollo system in which the last stage of the Saturn V rocket will be converted into a laboratory and crew living quarters.

A primary task of the Skylab will be solar observations with the orbiting crew working in conjunction with special ground observation teams. The mysteries of our solar system were chosen as a principal focal point of activity because of their fundamental impact on virtually all of the natural processes here on Earth. With the systems on board Skylab, including a large telescope, intensive and continuous examination of the entire solar system will be permitted for the first time.

The Skylab has numerous other important objectives. In the course of the program three teams of three men each will visit the laboratory for periods of time extending up to 56 days. Therefore, one of the program objectives will be the determination of the effects of weightlessness on man over extended periods of time. Major emphasis, in fact, will also be placed upon investigating and solving many of our most pressing terrestrial problems. The entire topic of ecology, particularly pollution detection and monitoring, will be one focus. Oceanography, the study of current and water heat patterns, and food location will be studied. Water management and control, and forestry will be investigated. Agriculture will be another focus with stress upon crop production and disease detection. Finally, geography, cartography, and geology, including natural resource location and earthquake detection, will be studied. In essence, the mission of the Skylab will be the utilization of space to achieve a better life on Earth. As a basic element of the mission, the Skylab work will play a fundamental role in determining the optimum mix of man and machine for all future space efforts.

Two years after Skylab, this country, in cooperation with the Soviet Union, will conduct an unprecedented joint manned space flight project, the Apollo-Soyuz test project—ASTP. ASTP is a radical departure from the competitive nature of all other United States and Soviet space activity. The ASTP project is a major step towards making space a place where the community of man can work to improve the quality of life here on earth. ASTP is a direct consequence of President Nixon's intention to make international cooperation in space one of the basic purposes of the U.S. space program.

As the decade of the 1970's closes, the Space Age will enter a new era based on a manned space transportation concept as bold and as far-reaching as the Apollo program and as innovative as the ASTP—the space shuttle. The shuttle is one of the most futuristic, efficient, and cost-saving concepts ever envisioned. Picture a cluster of four elements standing on the launch platform: a 737-sized orbiter vehicle, an expendable propellants tank, and twin recoverable solid rocket motors. At launch, the twin solid rocket motors and the orbiter's liquid hydrogen/oxygen engines are ignited simultaneously. They burn together until an altitude of about 40 km is reached at which point the solid rockets detach and descend by parachute, to be recovered, refurbished, and reused at least 10 times. The orbiter continues into space to place its cargo of people or equipment into orbit. When its mission is completed, the orbiter will return to earth, landing much like a conventional airplane. In a maximum of two weeks that same orbiter vehicle can be ready for another flight. This is the concept for the space travel of tomorrow; a concept which promises space transportation so superior to current systems that it will be used for almost all of the scientific, commercial, national security, and cooperative international space projects launched in this country during the 1980's and beyond.

The shuttle's feature of reusability will permit expensive elements such as engines, electronics, and structures to be amortized over many missions, possibly as many as 100 flights, rather than be charged to the cost of each mission as in the case of our present program of space flight operations. With the versatility and the economy of this vehicle, the United States will be able to place into space scientists and engineers as well as almost any size and shape manned and unmanned vehicles.

This impact on savings cannot be overemphasized. In the first days of our space program, the cost to place 1 pound in orbit was $100,000. By comparison, the Apollo vehicle was orbited at a cost $1,000 per pound. The promise of the shuttle will be to reduce this cost to an average of $300 for all shuttle flights and to as little as $160 if the maximum payload of 65,000 pounds is put into orbit.

But the source of even greater cost savings will be the new satellite designs permitted. Today's sophisticated and complex spacecraft cost on the order of $15,000 to $30,000 a pound to build because of the high reliability, redundancy, and structural strength we must provide to guard against failure. With the availability of the shuttle, our spacecraft can then be built using cheaper, more conventional design and more standard components. In addition to placing satellites in orbit, the shuttle will also be able to investigate any type of random satellite failure as well as to undertake periodic in orbit repair and maintenance. The end result will, therefore, be satellites less sophisticated and less costly to design, launch, and operate.

As a final note, let me touch for a moment on the activities of the Soviet Union and its manned program. In terms of the total number of manned spaceflights, we might casually conclude we possess a clearly defined lead. We have flown 27 manned missions; the Soviet 18. But a comparison of the number of manned launches yields a very erroneous impression. Perhaps we can discount that the U.S.S.R. accomplished the first manned orbital flight; the first full day of manned space flight; the first simultaneous flight of two manned spacecraft; the first flight with three men; the first space walk; and the first docking of two manned spacecraft. These accomplishments after all were duplicated by the United States—sometimes years later.

But what about the first simultaneous flight of three manned spacecraft, the record for the longest manned flight and the first attempt to assemble a manned orbiting space station? In terms of the longest flight, with time and good fortune the record will be ours with the successful completion of the Skylab mission.

Perhaps the measure of success the Soviets have enjoyed will permit history to repeat itself. Recall for a moment your reaction when the Russians launched their Sputnik I, then their 1,000-pound Sputnik II with an animal on board—and then 1 month later, when our widely advertised first launch attempt with a 4-pound "satellite" on board exploded on the launch pad. Imagine also your feelings if we had landed but a small mechanical tractor on the moon as a "grand" accomplishment to counter six teams of astronauts.

Man in space has made a monumental contribution. The list of benefits we have derived—tangible and intangible—is already endless. Yet we have just started to reap the benefits from our work and investment in space. To stop now is to waste the money already spent. To stop now is to give up just when man in space can become productive.

To stop now is to relinquish the use and control of space to the U.S.S.R.

To stop now is to ignore the needs of tomorrow.

There is no justification for retreat.

PRAYER ON THE 89TH BIRTHDAY OF HARRY S. TRUMAN ON MAY 8, 1973

The SPEAKER pro tempore (Mr. McFALL). Under a previous order of the House, the gentleman from Missouri (Mr. RANDALL) is recognized for 15 minutes.

Mr. RANDALL. Mr. Speaker, since coming to the Congress in 1959, on May 8 of that year and each succeeding year it has been our high privilege and great honor to stand in the well of the House and speak some words of eulogy for our number one constituent, fellow townsman and great President, Harry S. Truman.

This year, he is not with us. During Christmas week of 1972, he was called by the Great God of the Universe to his heavenly reward. All of the events of his lifetime were reviewed and recited again before and after the memorial services which were conducted at the Truman Library in Independence, Mo. All of the things about his life and times, his personal characteristics and the greatness of his accomplishments were reported and recorded. Accordingly, this year upon the occasion of what would have been his 89th birthday were he with us today, it is not the time for further eulogy or to recount again the important happenings of his lifetime. Rather, it should be an occasion to pause and with bowed head offer up a prayer for the repose of the soul of this great American.

Almighty God, our Father from whom we come and unto whom our spirits return, thou hast been our refuge and strength in every age and our present help in every hour of need. Grant us thy blessings in this moment when we call to mind the birthday of our beloved President, Harry S. Truman.

We remember his indefatigable energy, his dauntless courage, his rugged honesty and his complete devotion to the service of his country. His beliefs were firm, his faith sound and his confidence without parallel, yet, his heart overflowed with friendliness and his spirit reached out to others for good. He stands in the foreground in the progress of our beloved land.

We thank thee for him and pray that thou will grant unto him the peace that comes for those who cease from their worthy labors upon earth.

Bless his wife and family with the strength of thy divine spirit, the peace of thy comforting companionship.

We pray for them through thou who art the resurrection and the life. Amen.

ALASKA FISHING INDUSTRY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Alaska (Mr. YOUNG) is recognized for 5 minutes.

Mr. YOUNG of Alaska. Mr. Speaker, the fishing industry in Alaska is the largest private employer in my State. More Alaskans are directly or indirectly dependent on fishing than on any other industry. It is second only to oil in the amount of revenue it brings into the State.

Fishing in Alaska involves thousands of independent fishermen living in dozens of small towns scattered over thousands of miles of Alaskan coastline. Should one of these fishermen have serious mechanical trouble with his boat, he is immediately faced with substantial financial loss because his boat is likely to be out for the entire fishing season.

The reason for the problem is that there are few places where the repairs can be effected in Alaska. The owner will often have to take his boat to the "lower 48" to have it repaired. The round trip to the nearest marine ways consumes almost the entire fishing season.

The solution to this problem is simple. Facilities for the repair and maintenance of vessels should be built right at the fishing communities. But there is not enough capital available in these small communities to finance the large investment required to provide adequate marine ways facilities.

I am, therefore, introducing a bill which will provide for Federal grants covering up to 50 percent of the cost of such facilities and provide Federal loans for the remainder. The Department of Commerce already provides loans for fishing vessels and for many other pro- fishing vessels and for many other projects. But this bill will put special em- larly acute in Alaska. The loan portion of the marine ways facilities would be made from the fisheries loan fund. Additional capital would be added to the fund to compensate for the additional demand the marine ways program would generate.

The grant portion of the program would be financed by a $5 million appropriation and would be operated by the National Oceanic and Atmospheric Administration. Grants would be made only to communities which are located at least 100 statute miles by sea from the nearest existing marine ways facilities adequate to their needs. This requirement would limit the program to those areas which have great need, but have thus far been unable to find the required capital.

Mr. Speaker, the present lack of marine ways facilities in my State makes a malfunction in a vessel that would normally be an annoyance a financial disaster. The program I am proposing will generate the capital necessary to allow these fishermen to help themselves by collective action in their local communities.

I include a copy of the bill at this point.

H.R. 7608

A bill to create a program to facilitate the construction of community marine ways, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Fish and Wildlife Act of 1956 is amended by adding at the end thereof two new sections as follows:

"FEDERAL MARINE WAYS GRANT AND LOAN PROGRAM

"Sec. 13. (a) (1) There is authorized to be appropriated the sum of $5,000,000 for the fiscal year ending June 30, 1972, for grants to carry out the provisions of this subsection. From the sum available therefor, the Secretary of Commerce is authorized to make grants to any community or communities to enable it or them to construct marine ways facilities for the maintenance and repair of fishing and fish processing vessels.

"(2) Such grants shall be limited to 50 per centum of the actual cost of site acquisition, planning and design, and construction of such marine ways facilities, and shall be made on such conditions as the Secretary determines necessary to carry out the provisions of this subsection; except that such grants shall be made only to a community or communities which, on the date of the enactment of this section, does not have adequate maintenance and repair facilities for fishing and fish processing vessels, and is located at least one hundred statute miles by the most direct sea route from any existing marine ways facilities. Payments under this subsection may be made in advance or by way of reimbursement, as determined by the Secretary.

"(b) (1) The Secretary of Commerce is authorized, under such rules and regulations and under terms and conditions prescribed by him, to make loans for the financing and refinancing of the construction, maintenance, renovation, repair, and operation of such marine ways facilities with respect to which assistance was provided under subsection (a) of this section, including the remaining portion of the cost of any such facility receiving a grant under such subsection.

"(2) Any loans made under the provisions of this subsection shall be subject to the following restrictions:

"(A) Bear an interest rate of not less than (i) a rate determined by the Secretary of the Treasury, taking into consideration the average market yield on outstanding Treasury obligations of comparable maturity, plus (ii) such additional charge, if any, toward covering other costs of the loan program carried out under this subsection as the Secretary of Commerce may determine to be consistent with its purpose; and

"(B) Mature in not more than twenty-five years.

"(c) Loans made pursuant to this subsection shall be made from the fisheries loan fund established pursuant to section 4 of this Act. There are authorized to be appropriated to the fund the additional sum of $10,000,000 to provide additional capital."

RECORDS AND AUDIT

"Sec. 14. (a) Each recipient of a grant under this Act shall keep such records as the Secretary may prescribe, including records which can be used to support fully the amount of his grant, and such records as will facilitate an effective audit.

"(b) The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of the recipient of any grant under this Act which is pertinent to such grant."

ISRAELI INDEPENDENCE DAY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. Rinaldo) is recognized for 10 minutes.

Mr. RINALDO. Mr. Speaker, yesterday was the 25th anniversary of the founding of the State of Israel.

Israel's existence today is a result of the bravery and determination of a people who wish to be free to pursue their cultural and religious heritage.

As we look back over that quarter of a century, we see a world torn by wars and conflicts. Here in America we talk about prospects for a generation of peace. But Israel's only memory is a generation of war. Even when there is an absence of open warfare in the Middle East, there have been constant threats and incidents of violence.

Despite this ugly shadow, Israel has, in hostile surroundings, become a showcase for democracy in an area where democracy is almost unknown and has exemplified the dedication of a brave people to the principles of freedom.

Israel has demonstrated to the world its tremendous ability to stand on its own, rally its defense and progress by its own genius.

Today, as a nation of almost 3 million people, Israel can rightfully boast of its outstanding record of economic, political and social accomplishments. Despite the continuing problems of heavy armament expenses and the assimilation of many new immigrants, Israel has not abandoned its dynamic spirit or interest in humanity.

In a mere 25 years of existence, the State of Israel has contributed immeasurably to our hopes and dreams for the growth of freedom and democracy. We share much with Israel: our love for freedom, our pioneering past, our desire for peace, our hopes for the future and our desire for good relations with the world.

Today, once again we extend our good wishes to the State of Israel and we reaffirm the inseparable friendship of the American and Israeli peoples.

WATERGATE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Alabama (Mr. Edwards), is recognized for 5 minutes.

Mr. EDWARDS of Alabama. Mr. Speaker, President Nixon has taken the proper course in trying to get to the bottom of the Watergate incident.

Not discounting the merits of having an outside special prosecutor, I feel Elliot Richardson, appointed by the President to lead an investigation into the situation, is a very scrupulous individual and I think he will be extremely fair but hard-nosed in tracing evidence of what happened and who was at fault.

The sad thing about the entire incident is that the American political system as a whole has suffered and, as a result, the country has suffered.

Day after day newspaper headlines have screamed Watergate. Day after day television and radio newscasts have led off with Watergate stories. The public has been saturated with Watergate.

I am not saying that the news media should have played down the Watergate reports. Quite the contrary, I think the Watergate incident has shown us the real value of having a system where broadcast and print journalists are free to investigate and tell what they can prove to be the truth.

My point is that the American public for many months has been subjected to numerous detailed stories spelling out, to the embarrassment of many, what appears to be politics at its worst.

The reports would lead one to believe that Watergate is the norm, and good, honest public servants are the exception. Well, that is simply not the case. Just as the many good, honest actions taken every day by public officials do not mean that the whole system is perfect, a deplorable act does not mean that the political process is ready to be scrapped.

As in most other situations of this nature, it is the few bad apples that spoil the barrel. Many have to suffer for the actions of a few.

How many times in recent weeks have you heard the comment, "Why all the fuss over Watergate? They all do it. They are all crooks."

This upsets me. Such comments are grossly unfair to the thousands of truly dedicated persons who serve their communities, their States and their country through elected office. We would surely be in a sad state if those derogatory comments were true.

I was glad to see the resignations from the President's staff that have come. Not because I am prepared to pass judgment on these men, but because I feel their names have been mentioned so often and so prominently that their staying on at the White House would have a bad effect on the President's effort to lead the country. As the President put it, the integrity of the White House must be above question.

A jury will hear the evidence and pass judgment on those accused.

From a practical standpoint, and without regard to Watergate, I think relations between the President and Congress should improve.

It is no secret around here that H. R. Haldeman and John Ehrlichman, as the President's chief advisers, were very difficult to work with and this clearly hurt the President's legislative program.

It is unfortunate that the President was apparently not given the full facts on the Watergate incident from the beginning. I believe he was treated shabbily by those in whom he placed a great deal of trust.

Mr. Speaker, one of the greatest problems to be faced as a result of Watergate is a potential loss of confidence in the Government and in the President. We must not let this happen. Those involved in Watergate are not typical. They are a blot on the political system. They are to be scorned by every officeholder who is trying to do a good job. Every citizen should condemn their actions. But we must not lose confidence in our system of government. As a matter of fact, it is that very system of government which will ultimately bring the guilty to justice.

FORTIETH ANNIVERSARY OF MOSCOW'S MANMADE FAMINE IN THE UKRAINE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. Flood) is recognized for 5 minutes.

Mr. FLOOD. Mr. Speaker, while efforts are being made to reach various understandings with Russian Moscow, it becomes all the more necessary to keep up our guard and to strengthen it if we are not to lapse into any naive and weak posture.

One sure way of attaining this objective is to learn as much as possible now about the Soviet Union, its origin and history, and the many nations and peoples held captive within it.

For example, this year is the 40th anniversary of Moscow's manmade famine in Ukraine. Under Stalin in 1932–33 it is conservatively estimated that some 7 million Ukrainian farmers andworkers were starved to death in order to overcome Ukrainian national resistance to Moscow's Russification and collectivization control programs. This month, Americans of Ukrainian ancestry are observing this anniversary and reminding their fellow citizens of the lessons of Russian totalitarian and imperialist history.

As yet, Mr. Speaker, it is not generally known and sufficiently appreciated that the largest captive non-Russian nation in the U.S.S.R. and Eastern Europe is Ukraine.

With a population of over 45 million, Ukraine is one of the most resourceful nations in Europe, and if it were not under the domination of Russian Moscow, it would certainly again become "the granary of Europe" but in an advanced economic framework of industry and agriculture.

Also, the country's geographic location, extending from the Carpathian Mountains toward the Caucasus and above the Black Sea, is a most strategic one as concern developments in Europe, Asia, and the Middle East.

Mr. Speaker, because we shall hear more about this largest captive nation in Europe, I submit for our popular edification the illuminating section on "Ucrainica in American and Foreign Periodicals" published in the world-respected scholarly journal of East European and Asian affairs, the Ukrainian Quarterly.

The section, prepared by Dr. Lev E. Dobriansky of Georgetown University, Washington, D.C., regularly shows the growing interest in this captive nation and, above all, the prominent myths and misconceptions that many in the West still cling to when analyzing or commenting upon the Soviet Union, Russia, or Ukraine.

On this 40th anniversary of Russia's man-made famine in Ukraine, it is high time these myths were dissipated, and a Select House Committee on the Captive Nations would be the most effective way of doing it. From the Ukrainian Quarterly, winter 1972:

Ucrainica in American and Foreign Periodicals

HISTORY LESSON FOR LEGISLATOR

(An article by Nikolai Maksimovich. *Novosti Press Agency*, Moscow, October, 1972.)

The writer of this article is a deputy of the Supreme Soviet of the Ukrainian S.S.R. and rector of the Lviv State University. His article was distributed world-wide in October by the Novosti Press Agency and was published among other places in the *Daily World* issue of October 25 in this country. It is basically an attack upon Congressman Edward J. Derwinski and Dr. Lev E. Dobriansky for their advocacy of the captive nations.

With no doubt tongue in cheek, the deputy or rector accuses the Congressman of not being responsible to his electorate, who ostensibly do not support the captive nations since we are all in an "era of negotiations" not "the era of confrontation." As he puts it, this "unfortunately, cannot be said of Congressman Edward J. Derwinski of Illinois, who with the professional anti-Soviet from Georgetown University, Lev. E. Dobriansky, never tires of voicing support for the so-called 'captive nations' allegedly existing 'under totalitarian red rule.' "

The writer then goes into a lengthy account of the presumed accomplishments of Ukraine while in the USSR. As expected, he never raises the question of how much more could have been accomplished and at considerably less human cost had the Ukrainian people been free of Russian domination. He characteristically impugns references made "to the narrow nationalistic views of Moroz, Sverstyuk, Dzyuba and their like—a small group of people who wish to gain publicity at any price," and then with false implication brings up the oppressed Puerto Ricans, Mexicans, Indians and Blacks without also raising the point of their opportunities to bespeak their so-called oppressions. The article is a perfect example of a bought intellectual.

GREETINGS TO THE 11TH TRIENNIAL CONGRESS OF AMERICANS OF UKRAINIAN DESCENT

(A statement by the Honorable Frank M. Clark. *Congressional Record*, Washington, D.C., Oct. 6, 1972)

Congressman Clark of Pennsylvania added his statement of greeting to numerous others on the occasion of the recent Congress of Americans of Ukrainian Descent in New York City. The Ukrainian Congress Committee of America has been in existence since 1940. His statement begins, "through many centuries of oppression and persecution, the Ukrainian people have persevered with courage and tenacity in their determined resolve to be free."

The Representative extends every good wish to the Congress and assures it of his continuing support for the aspirations of the Ukrainian community. He emphasizes, "May the spirit of your triennial gathering deepen the bonds which unite Ukrainian Americans—and all *our* citizens—in a common concern for the preservation of American freedom and the restoration of independence to the Ukrainian people in their ancient homeland." This, properly, is how our officials view us.

ELEVENTH ANNUAL CONGRESS OF AMERICANS OF UKRAINIAN DESCENT

(A statement by the Honorable William V. Roth, Congressional Record, Washington, D.C., Oct. 6, 1972)

Just as another example from the other chamber of the U.S. Congress, this statement by Senator Roth of Delaware salutes the Ukrainian Congress Committee of America and its recent convention in New York. The Senator states quite emphatically, "The Ukrainian Congress Committee of America has been a powerful advocate of freedom and independence for Ukraine. It has also been a strong supporter of American democracy and freedom."

In pointing out the pride that Ukrainian Americans take in their contributions to America, the Senator observes also that they remain proud of Ukraine—"a great land, and as populous as France or Britain, which was the cradle of Slavic civilization during the period of the Kievan state." Briefly, the entire statement reflects a firm grasp of all the essentials pertaining to the UCCA and Ukraine. One need only contrast this, presented by a non-Ukrainian legislator to the first item above, written by one who seems forced to say "I am a Ukrainian myself."

FRANK SHAKESPEARE: MAN WHO DIRECTS THE USIA

(A commentary by Dumitri Danilopol. *The Rising Tide,* Washington, D.C., Nov. 6, 1972)

The main speaker of the Nixon Administration at the 11th Ukrainian American Congress was the Honorable Frank Shakespeare, the director of the USIA. Mr. Shakespeare was also awarded on the occasion the coveted "Shevchenko Freedom Award" for his many contributions to a strong Ukrainian desk and section in the Voice of America and a broader American understanding of the non-Russian nations in the Soviet Union.

In this commentary it is accuratey pointed out that the "award bears the name of the 19th century poet laureate Taras Shevchenko, a patriot who called for a 'Ukrainian George Washington' to liberate that land from Czarist oppression." The piece is inaccurate in stating that, comparably, the "Ukrainian tribute is only the latest in a series from ethnic Americans." In this particular form this is the first; in other forms, such as literary expressions, Ukrainian Americans were with others over three years ago. What's more important and significant is that this latest Ukrainian tribute precipitated quite a propaganda blast against the director from the Ukrainian S.S.R. and others.

UKRAINIAN DISSIDENT GETS NEW SENTENCE

(A report Associated Press, Moscow, Oct. 13, 1972.)

Mass arrests continue in Ukraine as individuals suspected of nationalism are being searched and rounded up. According to this AP report, a Danylo Shumuk, 58 years old was recently sentenced to ten years in a Russian labor camp. His crime was indulgence in anti-Soviet slanders.

The victim has spent half of his life in Russian prisons and camps. The report states that a search of his apartment led to the seizure of a manuscript purported to be his memoirs of this ordeal. He was arrested in January, 1972 on suspicion of Ukrainian nationalistic activity. The victim is only one of the latest in a long list of arrests during this past year. Indicative of all this is the apparent fear of Moscow regarding the persistence and spread of Urkrainian nationalist involvement.

UKRAINIAN DANCERS IN CITY AFTER 6 YEARS

(A report by Robert Jacobson, New York Post, New York, July 26, 1972.)

As perhaps can be expected, the reporter vividly describes the performance of Pavel Virsky's Ukrainian Dance Company in New York's Metropolitan Opera House, relating almost everything to a Ukrainian production and then winds up by saying "Virsky's 20-year-old company has returned to prove that it remains one of Russia's most glowing exports." In national terms this doesn't make sense, but there is the end product of the impressions made.

The report itself is a most glowing one with superlatives and high praise for all parts of the program. As the writer states it, "Not only is the program shrewdly built in terms of pacing, alternating the frenzied with the slow-paced, and climaxing the two halves, but each large number is sent skyrocketing to a whirling climax as well." The "Dnieper Cossack Dances," the "Hopak" and the "Round Dance" seem to have impressed the writer most.

DANCE: UKRAINIANS SHOW CHOREOGRAPHIC VIGNETTES

(A report by Clive Barnes. The New York Times, New York, July 26, 1972.)

Corroborating in full the preceding report this one also is full of superlative praise for Virsky's ensemble. At the very outset, it states "The Ukrainian Dance Company is one of the most engaging and endearing in the world." This recent engagement was its third in New York, the preceding one having been six years ago.

There appears to be common agreement among the critics that the Ukrainian dance is a man's world, with little room for woman's lib. All reviews seem to point this out. Here, too, the critic is most impressed by the Sailor's Dance and the famous "Zaporozsets" the Dnieper Cossack Dance. In contrast to other reviews, this outstanding critic doesn't inject any incongruous preconception of a Russian product.

HISTORIANS SUE FOR ACCESS TO HISS, WAR DATA

(An article by Paul Hodge, the Washington Post, Washington, D.C., Nov. 17, 1972)

"Operation Keelhaul" or the shameful forced repatriation of different nationals from the Soviet Union following World War II is the prime topic of this article. In cooperation with the American Civil Liberties Union a suit has been filed by three scholars against the Department of the Army for the declassification of the records of this operation. Tens of thousands of innocent lives—Russian, Ukrainian, Georgian and others—were involved.

As the article points out, "The Army's position is spelled out in letters from Froehlke to historians Lev E. Dobriansky of Georgetown University; Bertram D. Wolfe, Russian history professor and fellow at the Hoover Institution on War, Revolution and Peace in Stanford, California, and Julius Epstein, professor of international law at Lincoln University in San Francisco." The Army is actually willing to release the documents, and so is the President, but the obstacle seems to be the British government. After twenty-five years it is about time that the record of this blemish on the American tradition be revealed.

DISURBIOS EN UCRANIA

(An article by George Luckyj, Ariente Europeo, Madrid, Spain, Mar. 1972)

This well-written article by a well-known scholar and professor covers the range of intellectual dissidence in Ukraine for more than a decade. His treatment is necessary along national lines, and is undertaken against a broad background extending back to Taras Shevchenko, the poet laureate of Ukraine. The influence of Shevchenko is concisely depicted.

The arrests and persecutions of the recent period are vividly described in terms of a struggle not only for basic human rights but also of a natural dedication and devotion to the cultural freedom of the Ukrainian nation. Chornovil and his documents are emphasized in the articles, as are also the works and arrests of Ivan Dzyuba.

UNITED STATES—U.S.S.R. TRADE AND UKRAINE

(A statement by the Honorable DANIEL J. FLOOD, CONGRESSIONAL RECORD, Washington, D.C., Sept. 28, 1972)

Congressman Flood of Pennsylvania has regularly taken upon himself to introduce this section of the journal in the *Congressional Record*. His purpose is to make it a permanent part of this Nation's history, along with the hope that influential Americans will become increasingly aware of development surrounding Ukraine.

In his prefatory remarks the Congressman begins, "with the opportunities for trade between the U.S.S.R. and our country being broadened, the fund of knowledge and understanding of the numerous captive non-Russian nations in the Soviet Union cannot but expand to both our cultural and strategic benefit." He continues, "What we may gain in economic advantage and return will perhaps be far exceeded by what our people will have learned from this cyclical experience as concerns the nature of this empire state and the many non-Russian nations held captive within it." These are well-spoken words, and the possibilities for such a development do exist. The real question is whether sufficient latitude will be allowed by Moscow for the type of mobility implied here.

THE CREATIVE ART OF KREMLINOLOGY

(An article by Robert G. Kaiser, The Washington Post, Washington, D.C., June 11, 1972)

The bulk of this lengthy article deals with the emotion of Ukrainian party leader Pyotr Shelest at the time of President Nixon's visit to the USSR. Shelest, a Politburo member, was replaced by V. V. Shcherbytsky in Ukraine. An attempt is made to put all the pieces of the jigsaw puzzle into place.

Shelest as an independent power in Ukraine is cited, as is also some of his "liberalism on the touchy issue of Ukrainian nationalism." In addition, his negative stance toward the Nixon visit soon after the mining of North Vietnam's waters is mentioned. However, the writer leans toward the explanation that Brezhnev saw an opportunity to settle some old scores with Shelest when he obtained the positive vote of Shcherbytsky concerning the summit, an indication that Ukraine was divided on the issue. As he puts it, "Shelest was then in an untenable position according to this version, especially since Mr. Nixon was scheduled to visit Kiev, the capital of the Ukraine." To put it mildly, the art of Kremlinology is certainly "creative."

MORTE E RESSURREZIONE IN UCRAINA

(A reproduction from the ELTA Information Service, Il Tridente Foggia, Italy, June 24, 1972.)

Death and resurrection of the Ukrainian Catholic Church is the theme of this lengthy article that was published first in French from the ELTA Information Service. The article was written by the famous Protestant theologian, Professor J. G. H. Hoffman. By its contents the writer displays a keen familiarity with the death of this Church, as well as that of the Ukrainian Orthodox Church in times of the Stalin reign.

But also, because of the ecumenical movement and all the developments surrounding the Ukrainian Cardinal Slipy, the writer discerns a clear resurrection of the Ukrainian Catholic Chuch. His leanings are definitely in favor of the position taken by the newly constituted Ukrainian Catholic Synod. In this country a move is on in Congressional quarters to establish a hearing aimed at official action seeking the formal, institutional resurrection of both Churches in Ukraine.

TRADE IN THE CONTEXT OF "U.S.A. AND THE SOVIET MYTH"

(A statement by the Honorable Daniel J. Flood, Congressional Record, Washington, D.C., September 25, 1972)

Before the adjournment of the 92nd Congress much concern was expressed with regard to the directions of U.S. trade with the Soviet Union. This isn't the first time we've embarked on a program of extensive trade with that empire-state. Among those concerned was the Honorable Daniel J. Flood of Pennsylvania. As he opens his statement "as our business interests plunge into the prospects for trade with the Soviet Union they would do well to brief themselves on the background of this state, its nature, multinational system, and its basic motivations."

The legislator refers his readers to the recent work of Dr. Lev E. Dobriansky on *U.S.A. and the Soviet Myth*, particularly the chapter on "The Russian Trade Trap." Incorporated in his statement are several book reviews of this work which appeared in the *Social Justice Review, America's Future, The New Guard* and other periodicals.

CAPTIVE NATIONS WEEK IN FREE CHINA

(A statement by the Honorable Philip M. Crane, *Congressional Record*, Washington, D.C., August 10, 1972)

The pursuit of *détente* does not in any case preclude systematic penetrations by the world's powers. On more than one occasion Brezhnev has stressed the need for an intensified conflict with the capitalist system. By the same token, there is an even greater need for illuminating and concentrating our efforts on the captive system of the so-called communist world. The 1972 Captive Nations Week observance did just this.

Reports on the 14th observance of the Week have been published in the July and August issues of the *Congressional Record*, and they are quite extensive. In this statement Congressman Crane of Illinois points out that these "reports are most encouraging because they indicate that large segments of our people are still realistic about the existence of the 'Red Empire' and its more than 27 nations and the continuing threat of totalitarian Communist imperialism to the free world."

Appended to his remarks are reports on the highly successful observance in the Republic of China. Also one finds the proclamation of Governor Dale Bumpers of Arkansas who speaks of "the subjugation and enslavement of the peoples of Poland, Hungary, Lithuania, Ukraine . . ." and others.

NEED FOR REVISION OF THE ALIEN LABOR CERTIFICATION PROGRAM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. RODINO) is recognized for 10 minutes.

Mr. RODINO. Mr. Speaker, during the floor debate on H.R. 982 last week several of my colleagues made mention of the fact that many jobs in the United States remain unfilled or are filled by illegal aliens simply because American workers refuse to accept these jobs. This argument has particular validity with respect to service-related jobs in our urban areas, as well as agricultural employment in our rural areas.

We are constantly reminded by housewives that they are unable to locate domestic workers and by restaurant and hotel managers that they simply can not find Americans who are willing to accept such jobs. Furthermore, farmers are continuously plagued with the problem of locating persons to work in their fields or to harvest their crops.

Because I have long recognized this problem I have introduced legislation—H.R. 980, 93d Congress—which would to some extent alleviate this problem. The bill I have introduced does not represent a complete solution to the problem but rather a clear recognition that a problem does exist and that corrective legislation is urgently needed.

Furthermore, as a member of the Immigration and Nationality Subcommittee for several Congresses and as chairman of this subcommittee during the 92d Congress, I have been extremely perplexed and disturbed by the position of the Department of Labor regarding this particular problem.

They consistently have maintained that there is a surplus or availability of American workers to fill the positions that I have mentioned and have steadfastly ignored the pleas of employers who, despite sincere efforts to locate American workers, are unable to do so.

Section 212(a)(14) of the Immigration and Nationality Act expressly provides that a labor certification should be granted if: First, there are not sufficient workers in the United States who are able, willing, qualified and available for the job intended to be filled by the alien; and second, the employment of such alien will not adversely affect the wages and working conditions of American workers. In implementing the first requirement, the Department of Labor notwithstanding the statutory language considers only the availability of workers and not whether such workers are, in fact, willing to accept such employment.

Another problem which has surrounded the implementation of an effective labor certification program is the lack of close cooperation between the Department of Labor and the Departments of State and Justice. Our extensive hearings on illegal aliens clearly indicated the need for greater coordination between these agencies of Government in formulating policies regarding the permanent and temporary admission of aliens for employment purposes.

This lack of cooperation is exemplified by the disagreement which exists between these Departments regarding an amendment to 101(a)(15)(H)(ii) of the Immigration and Nationality relative to the admission of temporary workers. In commenting on a revision of this section known as the H–2 program to allow temporary workers to take jobs which are permanent in nature, the Justice Department stated:

> The purpose of this change is to enlarge the opportunities for American employers to obtain needed temporary labor through lawful processes, with safeguards to American labor . . . . it would provide flexibility in fulfilling the needs of American employers, and in diminishing the incentive to use workers who are illegally in the United States.

Likewise the State Department commented:

> The Department does recognize that there will be occasions in which there is a legitimate need for the temporary service of [non-immigrants] due to a temporary unavailability of qualified workers, either regionally or on a nation-wide basis.

In each of these cases, however, the Departments of State and Justice deferred to the Department of Labor's position on this matter. The Department of Labor, however, exhibiting a total lack of imagination, has vehemently opposed an amendment of this nature.

Similarly, in commenting on my bill, H.R. 980, the Department of Labor indicated that—

> In light of our experience with the use of temporary alien workers, I oppose any expansion of our admissions policy for nonimmigrant aliens or broadening the existing job limitations. If Congress deems it advisable to authorize admission of more aliens to perform work, an increase in the number of immigrant visas for workers would be preferable to the arrangement provided for by this bill.

This position presupposes that the majority of aliens are desirous of entering this country on a permanent basis. This view is not accurate since our hearings have revealed that a large number of aliens—including the vast majority of illegal aliens who are presently filling these undesired jobs—do not intend to enter the United States permanently. Instead, they seek to come to the United States temporarily in order to earn sufficient money to sustain their families and then return to their native country.

In addition, the 1965 amendments to the Immigration and Nationality Act instituted new procedures for obtaining labor certifications. Many witnesses who have appeared before the Immigration Subcommittee have indicated that the revised procedures have resulted in extreme hardship to many intending immigrants who are unable to satisfy the job offer requirement. It has been suggested that it is unrealistic to require an alien to obtain an offer of employment from an unknown employer or for an employer to make such an offer to an employee whom he has never interviewed or observed. If these procedures have proved to be unduly burdensome to employers, intending immigrants or even to the Department of Labor itself, why has the Department of Labor failed to come forward with positive recommendations for remedial legislation? Unquestionably, these problems are not new and have existed for many years. For example, on March 23 of last year the Associate Manpower Administrator stated—

> The Labor Department feels strongly that it should remain in the [labor certification] business in connection with temporary certification . . . On the other hand, we have had a considerable amount of discussion within the Department as to really what effect permanent certification has in terms of the over-all labor market and in terms of economic policy and that debate continues. We do not have a position other than the one that we are in the business and we are responsible for effectively administering the law.

If they, in fact, do intend to remain in the business, I believe it is incumbent upon the Department of Labor to formulate specific legislative recommendations regarding: The labor certification program and the need to revise present certification procedures in an effort to alleviate any hardships which may have unintentionally resulted from the 1965 legislation.

I am very pleased that the chairman of the Immigration and Nationality Subcommittee, the Honorable JOSHUA EILBERG, has scheduled further hearings this week on immigration from the Western Hemisphere and to consider the overall impact of the labor certification requirement as well as the need to amend section 212(a)(14) of the Immigration and Nationality Act. I am hopeful that these hearings will be productive and that the Department of Labor will depart from its traditional "negative" approach to this very vexing problem.

CONGRESSMAN DANIELS PLEDGES FULL SUPPORT TO ISRAEL—HAILS ISRAELIS ON 25TH ANNIVERSARY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. DOMINICK V. DANIELS) is recognized for 5 minutes.

Mr. DOMINICK V. DANIELS. Mr. Speaker, this week we observe the 25th anniversary of the founding of the State of Israel. A quarter century has gone by since the gallant little nation was established in what was previously part of the British mandate in Palestine.

In that critical year it seemed likely that Israel would be crushed at birth. Almost immediately it was invaded by the vaunted Arab Legion commanded by King Abdullah of Jordan. The world held its breath as the Israelis fought with a tenacity and a dedication that earned them the respect of the world community. The dream of Theodore Herzl and the other Zionists had become a reality. Israel was now fait accompli. In the next 25 years, Israel has successfully withstood the apparently unending hostility of its neighbors and become a model democratic nation, unique in the troubled Middle East.

In the last 25 years, Israel has accomplished some outstanding feats. Its economy is flourishing. It now exports 10 percent as many finished goods as Japan, a nation 50 times its size. Its merchant marine is half that of the United States. Life expectancy in Israel is now exceeded only by that of Sweden among the world's nations.

During my 15 years in the Congress, I have given the strongest possible kind of support for Israel for the simple reason that I love justice and the democratic way of life. But I would be less than candid if I did not—like most Americans—support underdogs and instinctively rally to the side of the little guy. I thrill to think of the notion of 2.5 million Israelis holding off 100 million hostile neighbors.

Mr. Speaker, on this great day, I pledge my full support to the State of Israel, America's only ally in the Middle East. We must continue to rededicate ourselves to the concept that Israel must continue to exist and prosper.

THE PLIGHT OF THE JEWISH COMMUNITIES IN SYRIA AND IRAQ

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. HAMILTON) is recognized for 5 minutes.

Mr. HAMILTON. Mr. Speaker, two of the tragic consequences of the Arab-Israeli conflict since the 1940's have been the dislocation of thousands of Palestinians who lived in what became Israel after 1948 and the dislocation of thousands of Jews who had lived for centuries throughout the Arab world. The yearly appropriation of funds for the United Nations Relief and Works Agency provides Congress with a constant reminder of the plight of many Palestinians who continue to live in desperate circumstances in refugee camps in Lebanon, Jordan, Syria, and the territories occupied by Israel in the 1967 war.

Less is known in the United States about the plight of the Jewish minorities in the Arab countries for two principal reasons. First, many thousands of the members of these communities—a majority—left for Israel in the late 1940's and early 1950's and they have been Israeli citizens ever since. Today, few remain. Second, in recent years, because of its size and the many problems it has encountered, the Jewish community of 3 million in the Soviet Union has been a focal point of humanitarian concern. The worldwide attention to the plight of many Soviet Jews and the desire of some to emigrate have tended to overshadow some of the depressing circumstances in which the dwindling Jewish communities in some Arab countries live.

JEWISH COMMUNITIES IN IRAQ AND SYRIA

The Subcommittee on the Near East and South Asia was able last week to spend a couple of hours talking to four young Syrian and Iraqi Jews who recently escaped from these two countries in search of greater freedom and rights and an opportunity to live in societies where they could have hope for a better tomorrow and not in places where the fear of harassment by secret police was a daily reminder that there might not be a tomorrow.

These four individuals described, in vivid detail, the increasing despair among Jews in Iraq and Syria and the heightened desire by most to emigrate. Few members of these communities, however, have been able to leave, because of rigid government restrictions and specific policies designed often arbitrarily against these Jewish groups and against permitting them to emigrate anywhere.

In Iraq, there was once, before 1948, a thriving Jewish community of some 250,000, but today there are fewer than 700 remaining. The terror of public executions witnessed in 1969 has given away to arbitrary arrests and the tendency of individuals to disappear according to one recent emigre. Over a dozen members of this small community are in jails awaiting trials that may never come. But what make current Iraqi policies even less understandable is that in recent months several Jews have apparently received passports and have been allowed to walk out of the country.

In Syria, what was once a community of over 25,000 now numbers fewer than 5,000, the majority living in Damascus with a small community in Aleppo and a still smaller group in Qamishli, along the Turkish border. The many restrictions on this Syrian community include the inability to find good or even steady employment or to move more than a few miles from their residences. While only a few are presently in jail, some without specific charges against them, there has been an increasing sense of frustration and despair in the community since June 1972, when there was a demonstration by the community in Damascus against what many Jews believed to be increasingly repressive policies of the government. The government's reactions to this event, according to one emigre, included attempts to cover up discontent and further harassment of and restrictions on this community.

HELPING THESE COMMUNITIES

Mr. Speaker, these unfortunate victims of the Middle East conflict need our help; today, they cannot leave Syria and Iraq, but they are not welcome either. They live in constant fear of raids and reprisal, of secret police detachments descending upon them, of arrests, imprisonments, and even physical abuse, according to these recent emigres. Yet, they are not and could never be any danger to the security of Iraq and Syria. They are only pawns for the frustrations of these two governments.

As one of the ingredients to bringing peace to the Middle East and giving all its people—Arab and Israeli—a greater hope for a better life in the future, these small Jewish communities in Syria and Iraq should be allowed, as a matter of human right, to decide freely whether they wish to leave or stay. I believe that most want to leave. The agony of these communities is as old as the Arab-Israeli conflict, and an end to that agony is essential in helping to build a better environment in the Middle East.

It may appear, in the absence of relations between the United States and Syria and Iraq, that there is little we, in this country, can do to help these 5,000 individuals.

But there is something we can do. Governments friendly with the United States have good relations with Syria and Iraq. France is a case in point, and France should use its good offices to help these people. The United Nations community, so often concerned with issues of human rights, should address this issue in the near future.

And, finally, the restoration of relations between the United States and Syria and Iraq will be essential in creating some kind of dialog necessary for improving the political climate between us and them. These states, it appears, do not at present seek diplomatic relations, but they are expressing interest in commercial and economic dealings. Perhaps, in our limited dealings with these states, we should try to persuade the Iraqis and Syrians that it is in their interests and in the interest of peace and human rights to let these small communities go.

EL MALPAIS—GRANTS NATIONAL MONUMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Mexico (Mr. RUNNELS) is recognized for 5 minutes.

Mr. RUNNELS. Mr. Speaker, today I have introduced legislation which would establish the El Malpais—Grants National Monument in Valencia County, N. Mex.

In 1971, the Advisory Board on National Parks, Historic Sites, Buildings and Monuments found that the Malpais region located south of the city of Grants, N. Mex., is fully qualified for national monument status. The Board recommend to the Secretary of the Interior that action be taken to authorize the area as a unit of the National Park System.

The Malpais area consists of three lava flows, McCarty's flow, the Laguna flow, and the Zuni Canyon flow, covering thousands of acres of Federal, State, and private land. Within this area are a large number of volcanic features including lava tubes, cinder cones, and ice caves. Geologists report that certain water ponds and lava formations found in the Malpais area are unique to the North American Continent. The McCarty flow has been dated by archeological evidence as being less than 1,000 years old.

The Malpais area is one of the greatest volcanic exhibits in our Nation. It is comparable, and perhaps superior in certain respects to the Lava Beds National Monument and the Craters of the Moon area. For the aforementioned reasons, it is appropriate that Congress consider legislation which would establish a national monument to preserve a portion of the Malpais area for posterity.

The bill I have introduced is an attempt to accommodate the interests of the Grants community as a whole as well as the interests of landowners and lessees within the Malpais region. My interest is to have a national monument created which will preserve the geological, ecological, and archeological resources involved without adversely affecting as many existing interests as possible in the area. After months of discussion with community leaders, ranchers, and other interested parties. I have been able to obtain agreement on a national monument of an area encompassing over 26,000 acres.

ISRAEL'S 25TH ANNIVERSARY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. BURTON) is recognized for 5 minutes.

Mr. BURTON. Mr. Speaker, I want to take this opportunity to extend my congratulations to Israel and to her courageous people as they celebrate their 25th anniversary.

The people of Israel have with their courage and dedication forged ahead—over the past 25 years—to create a new nation. They have persevered in the face of the constant hostility of their neighbors. They have reclaimed the desert and built a modern state which stands as a symbol of their determination.

Today, as Israel and her people pause to celebrate their 25th anniversary and to contemplate the future, I join with their many friends to congratulate them on their achievements and to wish them well in the years ahead.

This morning's Washington Post contained a column by Jim Hoaglund entitled, "Proud Israel Marks Its 25th Anniversary." It was a thoughtful analysis which I should like to place in the RECORD at this time:

PROUD ISRAEL MARKS ITS 25TH ANNIVERSARY

(By Jim Hoagland)

JERUSALEM.—Insistently confident about their future and proud of their past, tens of thousands of Israelis filled the streets of their young nation tonight to begin the celebration of the 25th anniversary of the creation of the modern Jewish state of Israel.

Fireworks, joyful street dancing, and somber ceremonies honoring the dead of the three wars of Israel's first quarter century began shortly after sundown here in Jerusalem. Similar public gatherings were taking place all across Israel's 8,000 square miles.

In those 25 years, Israel has grown from a seemingly fragile and truncated version of the Zionist dream of a homeland for the world's Jews into a nation that possesses overwhelming military superiority over its hostile Arab neighbors, a sophisticated if debt-burdened economy, and a stable democratic system.

For many Israelis, the successes of the past 25 years have helped erase much of the bitterness and tragedy of the 2,000 years of diaspora that scattered the Jews from their Biblical homeland here in the East Mediterranean.

But those successes have brought a host of new problems that Israelis have been intently debating in the weeks and months leading up to their biggest-ever national festival.

Chief among them is the continuing lack of peace with, or acceptance by, the 100-million-strong Arab world that surrounds this nation of 2.5 million Jews.

The successful wars of 1948 and 1967 have created for Israel the still largely unresolved dilemma of how to deal with the 1.5 million Arabs they have brought under their rule, and the more than 500,000 Palestinian refugees who still claim the homes they say they were chased from in 1948.

No solutions to these problems appear on the horizon, as peace efforts appear still to be deadlocked. But the 25th anniversary has provided a sharp focus that Foreign Minister Abba Eban calls "a self-appraisal" of the nature of Israel as a Jewish state and its future.

In the view of some leading Israeli political thinkers, the consequences of the success of at least part of the Zionist ideal has created a need for an urgent redefining of Zionism, especially as a new generation born in Israel and more familiar with the problems of the Arab conflict than with those of the diaspora begins to make its mark on Israel.

"A major aim of Zionism now has to be to live in peace with the Palestinian Arabs," says Arie Eliav, former secretary general of Prime Minister Golda Mier's Labor Party. "The debate on the future of the Arab territories is a debate on what kind of Israel we want, geographically, morally, socially."

Other leaders who stress the need for pragmatism and technological solutions to Israel's problems see ideology as a declining force in Israel, however.

"The Sabra [Israeli-born] generation is impatient with poetry and vision," says Transportation Minister Shimon Peres. "They have been born free and independent Jews, with no sense of apology" about being Jewish and with "an admiration for systems and the real life."

Sitting in his office in a glistening new high-rise office building in Tel Aviv, Peres proudly ticked off a number of Israel's major accomplishments over the past 25 years, noting that the small country has:

Built industries that consume 30 per cent as much oil as India;

Possesses a merchant marine fleet half the size of that of the United States;

Export 10 per cent as many finished goods as Japan.

Has the world's second highest life expectancy rate. Only Sweden exceeds Israel's average death age of 73 for women and 70 for men.

The turning of the Sabras (the name of a prickly but sweet-centered cactus that flourishes in Israel) to technology may be reflected in these statistics: although only two of Mrs. Meir's 19 Cabinet ministers are Sabras, eight of the 12 top military leaders in Israel were born in this country.

The two Sabra Cabinet members are Yigal Allon, who helped build up Israel's modern defense forces, and Moshe Dayan, the defense minister and Israeli's top soldier.

Since its creation, Israel has been governed largely by East European immigrants who arrived before the turn of the century or around World War I. About two-thirds of the members of Israel's Cabinets since 1948 were born in Czarist Russia or Eastern Poland.

These leaders insisted that Israel would build a strongly socialistic economic and political system. But the past 25 years have sharply modified this part of the dream also, as Israel has developed a mixed private and public economy that is seen by its top planners as shifting increasingly toward science-based industries.

Israel has doubled its exports, which totaled some $2 billion in 1972, in the past four years. Polished diamonds, citrus fruits and clothing are now main exports to Western Europe.

Israel's rapidly developing electronics and arms industries provide much of the hope for future export expansion. Manufacturing 60 per cent of the equipment required to meet its own extensive defense needs, Israel expects to export about $200 million worth of arms this year.

But foreign aid and financial help from Jews outside Israel have been essential in keeping the state afloat in its first 25 years, as defense spending has risen sharply to the point that it consumes 30 per cent of the budget today.

Grants from the United States, World War II restitution payments from West Germany and private donations and bond purchases by Jews abroad brought in nearly $1 billion last year, government officials report.

Israel must also devote 20 per cent of its budget to repayment of a mounting foreign debt that now stands at $4 billion and which will grow by another $500 million this year.

The defense and debt burdens have sharply curtailed the social-welfare concepts of the 1948 dream, and have aggravated some of the accumulating social problems confronting culturally divided Israeli society.

Many Israelis see the closing of the gap between the "oriental" Jews from Middle Eastern and North African countries and those who came from Europe or America as their greatest domestic problem.

The oriental Jews make up about half the population now, but only about four per cent of their children attend universities and the standard of their housing and employment is well below that of the Western Jews.

Urbanization has also significantly altered the reality of Israel when compared to the Agrarian dreams of its Zionist founders. More than 85 per cent of the Jewish population here lives in urban areas now.

Although Israel is famed for the inventiveness of its kibbutz system of collective its population now lives on the kibbutz farms, and there are now reportedly more than 200 small factories in the increasingly industrialized kibbutz communities.

Most of the energy in the debate on defining Israel at age 25 is consumed now by the question of dealing with the Arab population under its control and its Arab farms, only 3.5 per cent of neighbors, with whom there appear to be no immediate prospects of reaching binding peace agreements.

Finance Minister Pinhas Sapir, widely viewed here as Mrs. Meir's favorite to succeed her if she does not run in this year's election, has warned that Israel could ultimately lose its identity as a Jewish state if it were to retain the populated areas of Jordan's West Bank.

Twenty five years from now, Sapir said last week, Arabs would make up 45 per cent of Israel's population if the West Bank and Gaza Strip areas were annexed, as Israeli hawks demand.

Sapir sees Jewish population in Israel at the end of the century of 5 million, based on an annual inflow of 50,000 to 60,000 immigrants a year.

Those favoring annexation maintain that increased immigration, especially from the West and the Soviet Union, can provide a demographic counterweight to natural growth in the Arab population.

"If this country isn't run so as to attract a population of 5 to 6 million Jews soon, it isn't going to make it anyway," says Ezer Weizmann, former commander of the Israeli air force and a rising force on the political right.

At the other end of the political spectrum, a growing concern about the effect of prolonged occupation on what Foreign Minister Eban calls "the spiritual map of Israel" is evident.

For Eban, annexation poses the question of Israel being "a Jewish state or a state ruling other people." Israel's main goal, he says, "is to determine how to deal with removal of Jews from the Soviet Union, not the removal of Arabs from Nablus," a west bank town.

THE FARM LABOR CONTRACTOR REGISTRATION ACT AMENDMENTS OF 1973

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. WILLIAM D. FORD), is recognized for 10 minutes.

Mr. WILLIAM D. FORD. Mr. Speaker, today I am introducing the Farm Labor Contractor Registration Act Amendments of 1973. This legislation would strengthen and expand the Farm Labor Contractor Registration Act of 1963. I am happy to say that my friend, the distinguished gentleman from Michigan (Mr. O'HARA), who preceded me as chairman of the Subcommittee on Agricultural Labor has joined me in cosponsoring this legislation.

The existing law became effective on January 1, 1965. Evidence compiled since then has indicated that it has not achieved its original stated purpose of freeing the "channels and instrumentalities of interstate commerce" from abuse by "certain irresponsible contractors" who "exploit producers of agricultural products, migrant agricultural laborers, and the public generally."

Testimony presented before the Subcommittee on Agricultural Labor, as recently as April 6 and April 7, 1973, has demonstrated clearly the need for an improvement of the existing law. During those hearings the subcommittee received testimony to this effect from farmworkers, growers, and even a farm labor contractor.

It is for these reasons that I have prepared the bill I am introducing today. This legisaltion is designed to overcome the shortcomings which have been clearly demonstrated in the years that have passed since the present law became effective.

Mr. Speaker, since many of my colleagues may not be familiar with the provisions of the existing law, before explaining my amendments, I would like to provide this Chamber with some background information on how the farm labor contractor system works and how it is affected by the existing law.

1. THE ROLE OF THE "CREW LEADER"

Some farmworkers are "freewheelers" or "walk ons," and find their own jobs. Others are recruited directly by large farmers, by associations of farmers, or by packinghouses and cannery companies that purchase in advance the crops to be grown by farmers. Most workers, however, travel in crews; and the farm labor contractor, who is more commonly known as the "crew leader" is the bridge between the farm operator and the migrant agricultural laborer.

A brief description of the "recruitment" of farm labor by New York farmers is typical of most States:

> Along about the end of February, most New York crop farmers are estimating their seasonal labor requirements. At that time, however, most migrant crews are working in harvest areas in and near Florida. A very few New York growers—the wealthier ones—will either go themselves or send a representative South to negotiate for labor. But, by and large, crop farmers in New York State use the service provided by the farm placement office of the State department of labor's division of employment for their contact with crew leaders and workers.
>
> In late February, farm placement office representatives go into the field to interview growers, to ascertain their estimated needs, and to gather information about every aspect of work conditions. Specific data on housing, transportation facilities, types of work to be performed, rates of payment, are discussed with each interested farmer. . . .
>
> All these details are translated into a report which is forwarded to the Florida State Employment Service. This agency, a clearinghouse for similar reports from other States in the crop cycle, schedules an itinerary conference. All local FSES officers are notified, and through them, all crew leaders in the area are alerted.
>
> In early April, farm labor agency representatives from all concerned States and crew leaders meet in a joint interview at which projected itineraries, arrival and departure schedules, work conditions, and other relevant subjects are discussed and coordinated.

It is at that April meeting in Florida that crew leaders arrange to supply the necessary labor at the farms up and down the east coast.

2. CREW LEADERS PROVIDE MANY SERVICES AND FUNCTIONS

Crew leaders provide some or all of many functions in addition to supplying labor. Generally, they provide transportation for their workers. Some act as foremen or supervisors in the fields when the work is being done. Some manage the camps where the workers are housed and provide food facilities. Some use their vehicles to haul the produce from the farm to the market. They pay their workers, with wages received from the farmer.

The crew leaders are independent businessmen, and depend for their profits on striking a good bargain with the farmer on the one hand, and with his crew members on the other, always careful not to let the right hand know what the left hand is doing.

3. SOME CREW LEADERS ABUSE AND EXPLOIT THOSE WITH WHOM THEY DEAL

Some crew leaders exploit the farmers. The crew leader may simply fail to show up with his crew at the appointed time because of better opportunities elsewhere. Or, he may agree to harvest the entire crop and leave after the first picking because the second and successive pickings are more difficult and less profitable.

Some crew leaders exploit their crews. They transport them in unsafe vehicles. They fail to furnish the contemplated housing. They exploit the worker in the sale of food. They withhold for their own profit part of the promised wage. Sometimes they even traffic in marihuana, bootleg whiskey or prostitution.

Many of these problems were recently brought to light by events which transpired in Dade County, Fla. They resulted in criminal proceedings which are presently underway.

4. PURPOSE AND OUTLINE OF THE 1963 ACT

The Farm Labor Contractor Registration Act of 1963 was designed to eliminate some of this duplicity and double-dealing.

First, it requires that all "crew leaders"—as broadly defined—be registered with the Secretary of Labor, and prohibits the issuance of registration certificates to crew leaders who have been convicted of designated crimes; who have failed to perform agreements entered into with farm operators; or who have given false or misleading information to migrant workers concerning the terms, conditions, or existence of agricultural employment, and so on.

Second, it requires all crew leaders to inform each worker at the time of recruitment (i) the expected area of employment, (ii) the crops and operations on which he may be employed, (iii) the transportation, (iv) the housing, (v) the insurance that will be provided, (vi) the wage rates to be paid, and (vii) any charges that the crew leader may make for his services. Upon arrival at any given place of employment, the crew leader must post the terms and conditions of employment at that particular place. If he manages the housing facilities, he must post the terms and conditions of occupancy. If he is the paymaster, he must keep payroll records, and deduct from the wages all payments required under Federal law.

Third, the crew leader must provide insurance during the transportation of his crew.

Violation of the law may result in revocation of the "certificate," or in criminal prosecution with a fine of up to $500.

5. THE PRESENT LAW HAS NOT ACHIEVED THE HOPED FOR RESULTS

A Senate study, published in 1969, indicates that the 1963 Crew Leader bill has not brought about the hoped for results.

This study indicates that, under the act, some 2,978 crew leaders had filed for certificates of registration in 1968, but an estimated 8,000 to 12,000 farm labor contractors were not registered. In 1968, the Secretary had denied one application and had suspended the certificates issued to 358 crew leaders. The Secretary had completed 358 investigations of law violations in that year. The failure to enforce the Act results in large part from the fact that the field staff of the Labor Department's Farm Labor Contract Registration Section was "limited in 1968 to five professional employees.

6. THE FOLLOWING AMENDMENTS ARE DESIGNED TO PLUG THE LOOPHOLES

The proposed amendments are designed to cure the weaknesses discovered in the actual operation of the act which became operative on July 1 of 1965.

The Farm Labor Contractor Registration Act Amendments of 1973 contain nine amendments to the existing law. At this point I would like to present a brief explanation and justification of each proposed amendment.

First. Section 2 would exempt the "day hauler" from coverage under the act. This amendment is proposed because there are so few inspectors assigned to policing the Farm Labor Contractor Registration Act that it is felt they should be assigned to the "core" problem areas; It is the feeling of many people familiar with these problems that the "day hauler," who recruits and hauls each day, is not a major part of the evil. If the "day hauler" mistreats or misleads his "crews," they can simply ignore him the next day.

Second. Section 3 would eliminate the restrictive applicability of the act to only those who lead crews "from one State to another, or from any place outside of a State to any place within a State." This amendment is necessary because many crew leaders operate entirely within one State. This is most evident in States with high concentration of agricultural workers such as California, Texas, Florida, and my own State of Michigan. There is no reason why these intrastate operators should not be regulated, since they, too affect interstate commerce.

Third. Section 4 would eliminate the requirement that crew leaders "subscribe and swear to" their applications. It is often difficult to get the crew leaders to register in the first place, and this is just another, and unnecessary, step which makes the process more complicated. A false statement is punishable anyway, even if not subscribed and sworn to.

Fourth. Section 5 would increase the amount of insurance required from $5,000 for bodily injury or death to $10,000; from $20,000 for bodily injuries or death of all persons injured or killed in any one accident, to $50,000, and the amount of property damage coverage from $5,000 to $10,000.

Fifth. Section 6 would extend from 1 year to 3 years the life of a registration certificate. Our major concern is not in registering those previously registered, but getting unregistered contractors to register. For instance, in 1968, there were 2,978 registered crew leaders, and an estimated 8,000 to 12,000 crew leaders who were not registered.

Sixth. Section 7 would require crew leaders to exhibit their certificates prior to utilizing the facilities and services authorized by the Wagner-Peyser Act. The Wagner-Peyser Act authorizes the U.S. Employment Service to maintain a farm placement service through the State employment office system. If crew leaders were required to present certificates when using these facilities, many more "unregistered" crew leaders could be identified.

Seventh. Section 8 would authorize the Secretary of Labor to issue subpenas in connection with his investigations. Currently, he has no such power, and having this power available to him would strengthen his hand and permit him to enforce this act more effectively.

Eighth. Section 9 would increase the penalty for operating without a license. The penalty is now a fine of $500. The amendment would authorize a 6-month jail sentence in addition to the fine and would also authorize the Secretary to seek injunctive relief in addition to criminal penalties.

Ninth. Section 10 would authorize aggrieved parties to bring private suits for damages without prepayment of court costs or filing fees, and to recover a statutory amount in damages, plus attorney fees, for each and every violation of the act. There is no such provision under the present act.

CHAIRMAN MILLS DEDICATES INVESTOR-OWNED HOSPITAL

(Mr. WAGGONNER asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. WAGGONNER. Mr. Speaker, last month our colleague, the distinguished chairman of the House Committee on Ways and Means, the Honorable Wilbur D. Mills, dedicated Doctors' Hospital and Office Building in Little Rock, Ark. His remarks convey an important message about the role of investor-owned hospitals in our health care delivery system.

The 300-bed hospital will be operated by Hospital Affiliates, a multifacility hospital management company which owns more than 30 hospitals, including several in my own State of Louisiana. A very significant development in hospital management occurred recently when Hospital Affiliates signed a contract with the Tulane Medical Center to manage the university's new 300-bed teaching hospital at New Orleans.

Because of the growing concern over rising health care costs, I believe Chairman Mills' remarks about the contribution of private enterprise and professional management to the health field are both timely and informative. For these reasons, I include the text of Chairman Mills' groundbreaking address to be placed in the Record at this point:

Remarks of Congressman Wilbur D. Mills

Good afternoon, ladies and gentleman, it is good to be here with you this afternoon on this Spring day to dedicate these new health facilities which will serve the people of Arkansas. It seems especially appropriate to me to have a groundbreaking in the Spring when nature herself is breaking the ground with new green growth all around us.

And this new growth reminds us of the economic growth which we are experiencing today in the central Arkansas region. The signs of that growth are all around us—new buildings, new shopping centers, new highways. And we are seeing the development of new health facilities to keep up with the growth in our population and new demands and techniques in health care.

Dr. Satterfield and all the others who are responsible for developing the concept of these new facilities for which we break ground today are to be congratulated for your vision and foresight in anticipating the need for new health facilities in central Arkansas. The new Doctor's Hospital, like too few of our hospitals, will be much more than an inpatient facility. It will be a truly community-oriented organization which will offer a wide range of health services—from intensive care units and emergency services to an automated laboratory and a radio-isotope scanner—with modern technology and equipment. The availability of its ambulatory operating rooms should assure that patients can receive surgery on an outpatient basis when medically indicated rather than having to be hospitalized. Not enough hospitals offer physicians and patients that choice.

This hospital will soon be ready to take its place among the health service organizations of Little Rock. It is important to realize that the various health organizations in this area are gradually becoming a highly developed system of health care delivery which serves not only central Arkansas but the entire region. The hospital which we begin building today will contribute to the development of Little Rock as a major regional health center in a very significant way. And I know that the leaders of this new hospital stand ready to work with other leaders in the community in assuring a rational and coordinated relationship among the various providers of health services in the region.

Let me make a brief aside at this point about the role of the community in health matters since what you are illustrating here is extremely important to the future.

When the health care leaders and the interested public can move together to plan realistically to meet community health needs we have an example of the American spirit at work which needs to be more active than it is now.

You are also illustrating that private initiative can blend in well with public and non-profit health care organizations.

As you know, the capital used to construct these new facilities came solely from our private enterprise system. There is no government money and no public subscription money involved. I am pleased that investor-owned health facilities are playing an increasingly important role in meeting our health care needs, not only here but throughout the Nation. Many such hospitals are developing a well-deserved reputation for improving the image of profit hospitals.

Many investor owned hospitals are leading the way in applying sound business methods and financial practices to hospitals. And the expertise is already improving, directly and by example, the administration of non-profit hospitals. No longer do so many proprietary hospitals avoid providing the many subsidized community type services which other hospitals have provided. No longer do so many proprietary hospitals tend to admit only short-term patients where income-to-cost ratios are favorable.

It is clear that the planning and foresight which have gone into these facilities should provide a high level of quality in the health services provided. And it is also clear that these services are intended to be provided at the lowest costs possible. The professional management which will administer the hospital on a day-to-day basis should help achieve this objective. But the day-to-day activities of physicians who are conscious of costs to patients and third party payers will contribute just as much I am sure.

In closing, it seems to me that we break this ground under very auspicious circumstances. Success seems to be assured because the ingredients of success are all here—the need for new health services, a group of dedicated people who see the need and are willing to meet it, a carefully constructed plan for meeting the need, and the private capital to finance it all.

To all of you who have worked so hard to see this day come true. I borrow an old phrase from our Navy and say simply, "well done."

SECRETARY RICHARDSON'S CLEAR AND FORTHRIGHT STATEMENT ON TRANSFER AUTHORITY

(Mr. SIKES asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. SIKES. Mr. Speaker, there is controversy over the proposed transfer authority for defense purposes which is carried in the supplemental appropriations bill. I feel that the issue is clear and I have no misgivings about the need for the transfer authority. The matter was dealt with in a clear and forthright manner when Defense Secretary Richardson appeared on May 7 before the Defense Subcommittee of the Senate Appropriations Committee. The facts which he set forth should be studied carefully, particularly by those who find that the question poses a serious problem for them.

I submit the Secretary's statement for printing in the Congressional Record:

Statement of Hon. Elliot L. Richardson, Secretary of Defense

Mr. Chairman and Members of the Committee, I appreciate the opportunity to appear before you to discuss the request now pending before this Committee to provide to the Department of Defense an additional transfer of $500 million.

This additional transfer authority is needed to cover existing critical shortages of military personnel and operation and maintenance funds for baseline forces worldwide. These are all annual appropriations. If the transfer authority is not provided, it will be necessary to curtail drastically the operations of our forces—those in Europe, the Mediterranean and the Pacific, and the CONUS training and support establishment as well.

This shortage of operating funds arises from three causes, primarily: (1) currency revaluation—about $110 million; (2) higher subsistence costs, in turn resulting from the increase in food prices—about $60 million;

and (3) a higher-than-programmed rate of activity in Southeast Asia during the second half of FY 1973—about $175 million, most of which has been obligated to date.

Because of these three developments, the Department of Defense has been obligating funds from Military Personnel and Operations and Maintenance accounts at a deficiency rate, that is, at a faster rate of obligations than was programmed or budgeted and appropriated. There are, therefore, inadequate amounts remaining in these accounts to sustain the baseline forces to which the accounts are applicable for the remainder of the fiscal year.

The troops must be fed, for example, and the higher food costs, as well as current forces and levels of activity, must be financed from these operating accounts. Meantime, there are very limited possibilities for effecting offsetting cutbacks within these same appropriations in the short period of time remaining in this fiscal year. Separating personnel, for example, could not provide any relief in the last few months of this fiscal year; one-time separation costs, incurred after lengthy notification periods, would more than offset any payroll savings. Since about 80% of Defense operating costs involve pay, a cutback in the non-pay area, concentrated in the two remaining months, would be crippling.

The only recourse available to the Department is to propose that the shortages in annual operating funds be covered by transfers from other accounts. This would be accomplished by deferring or eliminating longer-term investment programs. While this is not a desirable alternative, it is nevertheless, all things considered, clearly the least undesirable. If this alternative is foreclosed by denying the transfer authority, the impact cannot be restricted to the factors which caused the shortage. We are already paying, and cannot avoid, the higher costs for food and foreign exchange, and the cost of the higher level operations in Southeast Asia.

If the transfer authority is not provided, then a number of drastic actions would have to be considered immediately. The would include standing down forces; curtailment of flying hours and steaming hour programs; reduction or elimination of scheduled training operations; cancellation of supply procurements, leading to gaps in operational support; deferral or cancellation of maintenance; and a freeze on promotions, military enlistments, and civilian and military personnel accessions.

These actions would have to be general and worldwide in nature. They would not be felt in Southeast Asia operations, both because of the priority nature of these operations and because during the next two months they will consume only a relatively small proportion of our Defense effort.

Let me be specific. The relationship of the issue of whether we continue U.S. air operations over Cambodia between now and the end of Fiscal Year 1973 bears only to a very slight degree on our requirements for the additional transfer authority. No authority is being sought to obtain funds for munitions procurement accounts. The only costs related to the U.S. air operations which we seek authority to transfer funds are those for POL used on the missions—a relatively small amount. Indeed, the incremental impact on the degree of stand down of baseline forces which would result from continuing air operation over Cambodia through June 30, as compared to the impact of a denial of the requested transfer authority, would not by any means be determinative of the question of whether such operations are to be continued. The cost impact on the accounts which have been obligated at a deficiency rate would probably be on the order of $25 million, some 5 percent of the total transfer authority requested.

Should the requested transfer authority be denied, therefore, the bulk of the cuts would fall with near-crippling effect upon other units: forces in Europe, the Mediterranean, and the Atlantic; other areas in operational, training and support units in the United States.

The readiness of our worldwide forces would be degraded to a dangerously low level during the next two months, with recovery extending for several more months into the next fiscal year.

As you know, Mr. Chairman and Members of the Committee, the implementation of this transfer authority would be accomplished by reprogramming actions, each of which would be submitted to this Commtitee for its specific approval.

While the circumstances which bear on two of the three primary causes of the need for additional transfer authority—currency revaluation and increased food prices—are self-evident, I would like to comment in some detail on the factors related to one aspect of the higher-than-programmed rate of activity in Southeast Asia during the second half of fiscal year 1973, that is, the U.S. air operations over Cambodia since January.

For many years the United States has pursued a combination of diplomatic and military efforts to bring about a just peace in Vietnam. These efforts were successful in strengthening the self-defense capabilities of the armed forces of the Republic of Vietnam and in bringing about serious negotiations which culminated in the Agreement on Ending the War and Restoring Peace in Vietnam, signed at Paris on January 27, 1973. This Agreement provided for a cease-fire in Vietnam, the return of prisoners, and the withdrawal of United States and allied armed forces from South Vietnam within sixty days. Article 20 required the withdrawal of all foreign armed forces from Laos and Cambodia and obligated the parties to refrain from using the territory of Cambodia and Laos to encroach on the sovereignty and security of other countries, to respect the neutrality of Cambodia and Laos, and to avoid any interference in the internal affairs of those two countries. The inclusion of this Article rested on the fact that the conflicts in Laos and Cambodia had long been so inter-related to the conflict in Vietnam as to be necessarily considered parts of a single conflict.

Years before the Paris Agreement, the conflict for control of South Vietnam had spread into Laos and Cambodia. Cambodian territory was used by the North Vietnamese for essential lines of communication. It was in large measure the restrictions on these lines of communication which permitted the strengthening of the South Vietnamese military posture; a strengthening that contributed to the North Vietnamese decision to undertake meaningful negotiations. Cambodia was and is now in every sense an integral part of the battlefield in the conflict for control of South Vietnam. Should the North Vietnamese be permitted to gain control of Cambodia, it would permit them to establish a staging area from which to renew large-scale attacks aimed at accomplishing a military take-over in South Vietnam.

Consequently, at the time the Vietnam Agreement was concluded, the United States made clear to the North Vietnamese that the armed forces of the Khmer Government would suspend all offensive operations and that the United States aircraft supporting them would do likewise. We stated that, if the other side reciprocated, a *de facto* cease-fire would thereby be brought into force in Cambodia. However, we also stated that, if the communist forces carried out attacks, government forces and United States air forces would have to take necessary counter measures and that, in that event, we would continue to carry out air strikes in Cambodia as necessary until such time as a cease-fire could be brought into effect. These statements were based on our conviction that it was essential for Hanoi to understand that compliance with Article 20 of the Agreement would have to be reciprocal.

In short, Cambodia was included in the Paris Agreement, since the conflict there was an integral part of the war in Vietnam.

Despite the fact that the Government of Cambodia did, in compliance with Article 20 of the Paris Agreement, unilaterally declare a cease-fire, the forces attacking the Government of Cambodia continued the conflict, and, indeed, substantially increased the tempo of their offensive. Currently, there are at least 70–75,000 troops located in Cambodia opposing the Government of Cambodia, of which about half are Vietnamese.

Prior to January 27, 1973, the President had the authority to use the means at his disposal to bring the conflict to a conclusion and as we are all aware the means used were military, political and diplomatic in character.

The Agreement on ending the war and restoring peace in Vietnam signed on January 27, 1973 embodied a plan for the termination of the conflict to which the parties agreed. The actual termination of the conflict, however, remained contingent on the implementation of the Agreement. That implementation has not yet been accomplished in full, particularly with respect to the provisions of Article 20 as they relate to Cambodia. Consequently the conflict in that portion of the battlefield continues. It follows that the President's authority to use military, political and diplomatic means to fully terminate the conflict must also continue. The mere signing of the Paris Agreement on a plan for terminating the conflict could not in itself terminate such authority

Our current efforts in Cambodia have as their objective preserving the military status quo there while we continue to pursue the implementation of Article 20 by political and diplomatic means. As you all know, Dr. Kissinger is currently on a trip to Moscow. He will soon be participating in negotiations with the North Vietnamese in Paris. It is imperative, in the meanwhile, that we continue to assist in preventing the North Vietnamese from gaining any significant military objective through violation of the Paris Agreement.

I have discussed the situation in Cambodia at some length, Mr. Chairman, because our activity there has been by far the most controversial contribution to the need for additional transfer authority. It must be emphasized again, however, that the denial of the requested authority will not impact on U.S. air operations in Cambodia, but across the board on operations of our baseline forces worldwide. As I have pointed out, the readiness of our forces would be degraded to a dangerously low level during the next two months.

I cannot urge too strongly the approval of our request for this additional reprogramming authority.

That completes my statement, Mr. Chairman. I will be pleased to answer the Committee's questions.

ISRAEL'S 25TH ANNIVERSARY

(Mr. SIKES asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. SIKES. Mr. Speaker, this week the state of Israel observes the 25th anniversary of the founding of that valiant nation.

It was on May 15, 1948, that Israel came into being, bringing into reality the dreams which Jewish people worldwide had nurtured for centuries. Barely larger than the State of New Jersey, Israel is populated by 3 million dedicated people striving to create for themselves freedom and opportunity, a sound economy, and a solid niche in international affairs.

Israel is no stranger to adversity. Its people have overcome adversity from the beginning. Nor has it failed to prove its mettle as a nation. Forces from the hostile outside environs have striven to topple the country's government through terrorism and outright war. But in each case, the people of Israel have risen to the challenge and have come out the victor.

Today, controversy still swirls around the country as rumors of war and near war surround its every diplomatic move. But it is a strong country with strong-willed people who are determined to remain a free and independent state.

Back in 1948, there were those who saw little chance Israel would survive as a nation for even a few years let alone a quarter century. They foresaw the possibility of early domination by the Arab States by which Israel is surrounded and which see Israel as a threat to Middle East political and economic stability. Yet Israel has survived because of the fortitude, spirit and dedication of the people who live there. Now people around the world admire the courage and determination of this small band of people who settled in the land of their fathers and who have overcome bleak prospects and hostile environment to prosper. Israel lives on, hopefully in peace, but its people are prepared to defend themselves to their last breath if it is required of them.

I join freedom-loving people across the globe in expressing my best wishes to Israel on the occasion of its 25th anniversary as a nation, and I further join in the fervent hope that true peace soon will come to the Middle East and that all people there—Arab and Israeli—some day will live in harmony and mutual trust.

BILL INTRODUCED TO OVERSEE "APOLITICAL" CIA

(Mr. FINDLEY asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. FINDLEY. Mr. Speaker, the Central Intelligence Agency's cooperation in the burglary of the office of Daniel Ellsberg's psychiatrist in September 1971, stands in stark contrast to protestations of apolitical conduct made by Director Richard Helms in September of last year. In Helms' report to the House Armed Services Committee on a bill I introduced in 1971 and have reintroduced today, the Director of the CIA stated that enactment of the bill would "jeopardize the performance of the functions imposed upon this Agency" because it would "tend to politicize that which must remain apolitical to retain its value."

Helms also affirmed that my bill would "diminish the Agency's resources and capability to serve any one of its clients and inevitably lead to irreconcilable conflicts of priority and interest" and would appear to be "in conflict with the constitutional separation of powers by subjecting the Agency to executive direction from two separate branches of Government."

The CIA obviously needs new direction. The Agency was formed to serve the foreign policy and national security objectives of the United States, not to aid and abet in the burglary of a psychiatrist's office. Director Helms' intimation that the CIA should serve only the President is clearly without foundation. The National Security Act states that the CIA should "provide for the appropriate dissemination of such intelligence within the government."

The Government includes the Congress.

To borrow Director Helms' own words, the burglary of Ellsberg's psychiatrist's office shows that the CIA is already involved in "irreconcilable conflicts of priority and interest."

Congress needs to establish means of determining just what the Central Intelligence Agency is doing, at home and abroad. I think I can safely say that fewer than a dozen Members of Congress have any idea how much money the CIA spends each year, and probably none of them has much of an idea what the Agency actually does with that money. My hunch is that the CIA spends more than $2 billion a year. Certainly no Member of Congress knew the Agency was spending congressionally appropriated money to burglarize a psychiatrist's office. How many more outrages of this kind are being perpetrated?

The bill I am introducing today, which was sponsored by Senator John Sherman Cooper and reported favorably by the Senate Foreign Relations Committee last year, would require the CIA to report regularly to the House Foreign Affairs and the Senate Foreign Relations Committees, as well as the two Armed Services Committees. The reports would deal with all "intelligence information collected by the Agency concerning relations of the United States to foreign countries and matters of national security."

Oversight of the CIA, which this bill would clearly establish, needs to be squarely lodged with the appropriate committees of Congress. Nothing demonstrates that more than the recent activities of that Agency.

Text of Helms' letter follows:

September 28, 1972.

Hon. F. Edward Hébert,
Chairman, Committee on Armed Services, House of Representatives, Washington, D.C.

My Dear Mr. Chairman: This is in response to your request for recommendations concerning H.R. 10204 and an identical bill, H.R. 16334, "To amend the National Security Act of 1947, as amended, to keep the Congress better informed on matters relating to foreign policy and national security by providing it with intelligence information obtained by the Central Intelligence Agency and with analysis of such information by such agency."

Generally, H.R. 10204 and H.R. 16334 require the transmittal of certain Agency information and analysis and the performance of certain activities for the Senate Armed Services and Foreign Relations Committees and the House Armed Services and Foreign Affairs Committees. Specifically, the bills:

(a) require full and current Agency reporting and analysis to the committees of all intelligence information collected by the Agency concerning relations of the United States to foreign countries and matters of national security;

(b) authorize any one of the four committees to impose special reporting, analysis, and, implicitly, related collection requirements upon this Agency;

(c) provide access to this information and analysis to all Members and all congressional employees designated by a Member and determined by the committee concerned to have necessary security clearances.

As you know, we have consistently made ourselves available to a number of congressional committees to provide substantive intelligence briefings and to answer questions which fall within their jurisdiction. The principal recipients of these briefings are: the Aeronautical and Space Sciences, Appropriations, Armed Services, and Foreign Relations Committees of the Senate; the Appropriations, Armed Services, Foreign Affairs, and Science and Astronautics Committees of the House; and the Joint Committee on Atomic Energy and the Joint Economic Committee. This current arrangement appears to have been satisfactory from the standpoint of the committees and has not been inconsistent with the responsibilities Congress has imposed by law upon the Director of Central Intelligence to protect intelligence sources and methods.

H.R. 10204 and H.R. 16334, on the other hand, pose a number of serious problems:

(a) The authority of congressional committees to impose special reporting, analysis and related collection requirements upon the Agency appears to be in conflict with the constitutional separation of powers by subjecting the Agency to executive direction from two separate branches of Government;

(b) The five-fold increase in the number of statutory clients for the Agency from one (the President as Chairman of the National Security Council) to five (the President and four separate committees of the Congress) would diminish the Agency's resources and capability to serve any one of its clients and inevitably lead to irreconcilable conflicts of priority and interest;

(c) Widespread access throughout the principal political branch of our Government to all Agency information and analysis made available to the four committees would tend to politicize that which must remain apolitical to retain its value;

(d) It is impossible to divorce completely all of the intelligence information subject to the bills from the sources and methods used in its collection. Any derogation in our ability to protect such information increases the possibility that vital sources of information will be irretrievably lost.

In view of the above considerations, I believe that enactment of either H.R. 10204 or H.R. 16334 would jeopardize the performance of the functions imposed upon this Agency by the National Security Act of 1947 and recommend against their favorable consideration by your Committee.

The Office of Management and Budget advises that there is no objection to the submission of this report and that enactment of either H.R. 10204 or H.R. 16334 in their present form would not be consistent with the Administration's objectives.

Respectfully,

Richard Helms,
Director, Central Intelligence Agency.

CAMBODIA BOMBING HALT

(Mr. FINDLEY asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. FINDLEY. Mr. Speaker, Thursday, during consideration of the second supplemental appropriations bill, at least one amendment will be offered to limit U.S. military activities in and over Cambodia. Recent statements by the Secretary of Defense indicate that simply eliminating the authority to transfer funds as provided in section 735 of H.R.

7447 will be inadequate to accomplish the desired goal.

The Secretary maintains that such a move as proposed by Congressman GIAIMO and others would not prohibit the use of funds for bombing Cambodia but would harm our defense and security position in other parts of the world.

In order to overcome this difficulty, a more restrictive amendment has been proposed by Congressman LONG, strictly limited in its impact to funds provided for Cambodia. However, it may be interpreted by the Executive to restrict the use only of those funds transferred in the supplemental and not to apply to those funds otherwise appropriated in the act for defense spending. To preclude such an unwarranted distinction from being made and to give the restriction the broadest effect, it is my intention to offer the following amendment to the bill to make it abundantly clear that no funds provided by the bill should be used for Cambodia.

> "On page 6, after line 12, insert the following new paragraph:
>
> "None of the funds provided by this Act shall be used to support bombing or other combat operations in Cambodia by United States military forces."

It is possible that some justification can be advanced for the continued bombing in Cambodia, but as of yet, none has been presented to Congress. Secretary Rogers told the Senate Foreign Relations Committee last week:

> Unilateral cessation of our United States air combat activity in Cambodia without the removal of North Vietnamese forces from that country would undermine the central achievement of the January agreement as surely as would have a failure by the United States to insist on the inclusion in the Agreement of Article 20 requiring North Vietnamese withdrawal from Laos and Cambodia. The President's powers under Article II of the Constitution are adequate to prevent such a self-defeating result.

Time and again, Secretary Rogers cites article 20 of the Paris Peace Agreement, which he says:

> Recognizes the underlying connections among the hostilities in all the countries of Indochina and required the cessation of foreign armed intervention in Laos and Cambodia. The importance of this article cannot be overestimated.

In fact, I think that its importance has been vastly over-estimated. The thrust of the Secretary's statement is that bombing is justified because an international agreement was broken.

The President cannot draw from a peace agreement the power to initiate combat against those who break that agreement. That power must come from the Constitution.

Just as the President cannot imply the carrot of aid to rebuild North Vietnam from his constitutional powers to conduct foreign relations, he cannot apply the stick of war to those who ignore or break agreements into which the President has entered. Under the Constitution, Congress must approve both the carrot of aid and the stick of war, or neither can legally be used.

Secretary Rogers also affirms that:

> The purposes of the United States in Southeast Asia have always included seeking a settlement to the Vietnamese war that would permit the people of South Vietnam to exercise their right of self-determination.

Yet Congress has never affirmed this as U.S. policy, nor authorized its implementation. If this is to be U.S. policy, certainly Congress must first approve the use of military force for such a purpose.

Last week, in a letter to President Nixon, I suggested that he request a limited authorization from Congress for the bombing being conducted in Cambodia. My letter, dated Friday, May 4, 1973, stated:

> DEAR MR. PRESIDENT: On Thursday the House will consider an amendment to strike the funds for bombing in Cambodia from the Second Supplemental Appropriations bill of 1973, H.R. 7443. It is the belief of many Members that, abent Congressional approval, you lack authority for the continued bombing. For that reason, some may vote to strike the funds regardless of policy arguments in favor of continued bombing such as those advanced by Secretary Rogers before the Senate Foreign Relations Committee on April 30.
>
> The gist of the Secretary's statement was that bombing is justified because an international agreement was broken. If that justification is accepted, the President could engage our forces in hostilites in the future without Congressional approval whenever any peace agreement is broken.
>
> As you know, the Senate is considering war powers legislation similar to that passed last year, which would limit the authority to commit troops to hostilities without prior approval of Congress, and the House Foreign Affairs Committee is expected soon to take up a similar resolution which has been reported from subcommittee. Substantial support for these measures exists in Congress.
>
> I have no way to forecast the outcome of the vote on Thursday, but it seems possible, perhaps likely, that the motion to strike will be accepted.
>
> My purpose in writing is to suggest that you give consideration to placing before the Congress a request for a limited authorization for the bombing. This would provide an orderly means through which the Congress could consider the merits of the proposal. It would satisfy Congressional determination to participate in decisions involving war powers.
>
> I am hopeful and confident that if such a request is made, the House will defer a decision on the motion to strike until hearings can be completed on your request.
>
> Sincerely yours,
>
> PAUL FINDLEY,
> *Representative in Congress.*

All through the history of U.S. military forces in Indochina, serious question was raised over the constitutionality of the engagement. President Johnson asserted that Congress conveyed authority in the Tonkin Gulf Resolution for all the military actions that ensued.

Personally, I was never satisfied that the resolution was adequate. Nevertheless, it was regarded by Mr. Johnson as adequate, and on several occasions he challenged the Congress to repeal the resolution if it did not wish military operations in Indochina to continue.

The question of the effectiveness of the resolution was settled with its repeal 2 years ago. Since then, in my view, the President has had authority to continue with military operations in Indochina only to the extent that such were required to facilitate the safe withdrawal of our military forces remaining in that area. When our forces invaded Cambodia on the ground, and when air strikes against North Vietnam were resumed and the harbors mined, I defended these actions. I considered them justified as a part of the withdrawal program.

Now that withdrawal has been completed, and our prisoners of war returned, I believe that no authority whatever exists for the President to continue military action in Cambodia, or elsewhere in Indochina.

For these reasons, I believe the House should accept an amendment to the supplemental appropriation bill to deny funds for bombing in Cambodia by U.S. forces:

Bombing is not presently authorized by any law or treaty, nor by any reasonable interpretation of the reserve war powers of the President as Commander in Chief. No report has been made by the President to Congress, nor has any request for authorization of the bombing. The Congress, not the President, should pass judgment.

If amendments to shut off funds for bombing Cambodia are all rejected, the President inevitably will interpret this as clear endorsement of his assertion that he has the right to act without congressional approval.

The fundamental issue is not whether bombing should occur, but who should decide.

STATEMENT SUBMITTED TO THE SENATE FOREIGN RELATIONS COMMITTEE BY THE HONORABLE WILLIAM P. ROGERS, SECRETARY OF STATE

The purpose of this memorandum is to discuss the President's legal authority to continue United States air combat operations in Cambodia since the conclusion of the Agreement on Ending the War and Restoring Peace in Viet-Nam on January 27, 1973, and the completion on March 28, 1973, of the withdrawal of United States armed forces from Viet-Nam and the return of American citizens held prisoner in Indochina. The memorandum also discusses the background of the Agreement of January 27 and the purposes of various United States actions in order to clarify the legal issues.

For many years the United States has pursued a combination of diplomatic and military efforts to bring about a just peace in Viet-Nam. These efforts were successful in strengthening the self-defense capabilities of the armed forces of the Republic of Viet-Nam and in bringing about serious negotiations which culminated in the Agreement on Ending the War and Restoring Peace in Viet-Nam, signed at Paris on January 27, 1973. This Agreement provided for a cease-fire in Viet-Nam, the return of prisoners, and the withdrawal of United States and allied armed forces from South Viet-Nam within sixty days. The Agreement (in Article 20) also required the withdrawal of all foreign armed forces from Laos and Cambodia and obligated the parties to refrain from using the territory of Cambodia and Laos to encroach on the sovereignty and security of other countries, to respect the neutrality of Cambodia and Laos, and to avoid any interference in the internal affairs of those two countries. This Article is of central importance as it has long been apparent that the conflicts in Laos and Cambodia are closely related to the conflict in Viet-Nam and, in fact, are so inter-related as to be considered parts of a single conflict.

At the time the Viet-Nam Agreement was concluded, the United States made clear to the North Vietnamese that the armed forces of the Khmer Government would suspend all offensive operations and that the United States aircraft supporting them would do likewise. We stated that, if the other side reciprocated, a *de facto* ceasefire would thereby be brought into force in Cambodia. However, we also stated that, if the communist forces carried out attacks, government forces and United States air forces would have to take necessary counter measures and that, in that event, we would continue to carry out air strikes in Cambodia as necessary until such time as a cease-fire could be brought into effect. These statements were based on our conviction that it was essential for Hanoi to understand that continuance of the hostilities in Cambodia and Laos would not be in its interest or in our interest and that compliance with Article 20 of the agreement would have to be reciprocal.

It has recently been suggested that the withdrawal of all US armed forces from South Viet-Nam and the return of all US prisoners has created a fundamentally new situation in which new authority must be sought by the President from the Congress to carry out air strikes in Cambodia. The issue more accurately stated is whether the constitutional authority of the President to continue doing in Cambodia what the United States has lawfully been doing there expires with the withdrawal of US armed forces from Viet-Nam and the return of American prisoners despite the fact that a cease-fire has not been achieved in Cambodia and North Vietnamese troops remain in Cambodia contrary to clear provisions of the Agreement. In other words, the issue is not whether the President may do something new, but rather whether what he has been doing must automatically stop, without regard to the consequences even though the Agreement is not being implemented by the other side.

The purposes of the United States in Southeast Asia have always included seeking a settlement to the Vietnamese war that would permit the people of South Viet-Nam to exercise their right to self-determination. The President has made this clear on many occasions. For example, on May 8, 1972, when he made the proposals that formed the basis for the ultimately successful negotiations with North Viet-Nam, he said there were three purposes to our military actions against Viet-Nam: first, to prevent the forceful imposition of a communist government in South Viet-Nam; second, to protect our remaining forces in South Viet-Nam; and third, to obtain the release of our prisoners. The joint communique issued by the President and Mr. Brezhnev in Moscow on May 29, 1972, in which the view of the United States was expressed, said that negotiations on the basis of the President's May 8 proposals would be the quickest and most effective way to obtain the objectives of bringing the military conflict to an end as soon as possible and ensuring that the political future of South Viet-Nam should be left for the South Vietnamese people to decide for themselves, free from outside interference. The recent opinion of the United States Court of Appeals for the District of Columbia Circuit in *Mitchell* v. *Laird* makes it clear that the President has the constitutional power to pursue all of these purposes. In the words of Judge Wyzanski the President properly acted "with a profound concern for the durable interests of the nation—its defense, its honor, its morality."

The Agreement signed on January 27, 1973, represented a settlement consistent with these objectives. An important element in that Agreement is Article 20 which recognizes the underlying connections among the hostilities in all the countries of Indochina and required the cessation of foreign armed intervention in Laos and Cambodia. The importance of this article cannot be overestimated, because the continuation of hostilities in Laos and Cambodia and the presence there of North Vietnamese troops threatens the right of self-determination of the South Vietnamese people, which is guaranteed by the Agreement.

The United States is gratified that a cease-fire agreement has been reached in Laos. It must be respected by all the parties and result in the prompt withdrawal of foreign forces. In Cambodia it has not yet been possible to bring about a cease-fire, and North Vietnamese forces have not withdrawn from that country. Under present circumstances, United States air support and material assistance are needed to support the armed forces of the Khmer Republic and thereby to render more likely the early conclusion of a cease-fire and implementation of Article 20 of the Agreement. Thus, U.S. air strikes in Cambodia do not represent a commitment by the United States to the defense of Cambodia as such but instead represent a meaningful interim action to bring about compliance with this critical provision in the Viet-Nam Agreement.

To stop these air strikes automatically at a fixed date would be as self-defeating as it would have been for the United States to withdraw its armed forces prematurely from South Viet-Nam while it was still trying to negotiate an agreement with North Viet-Nam. Had that been done in Viet-Nam, the Agreement of January 27 would never have been achieved; if it were done in Cambodia, there is no reason to believe that cease-fire could be brought about in Cambodia or that the withdrawal of North Vietnamese forces from Cambodia could be obtained. It can be seen from this analysis that unilateral cessation of our United States air combat activity in Cambodia without the removal of North Vietnamese forces from that country would undermine the central achievement of the January Agreement as surely as would have a failure by the United States to insist on the inclusion in the Agreement of Article 20 requiring North Vietnamese withdrawal from Laos and Cambodia. The President's powers under Article II of the Constitution are adequate to prevent such a self-defeating result. It is worth noting that in reaching a similar conclusion, the report entitled "Congress and the Termination of the Viet-Nam War" recently prepared for your Committee by the Foreign Affairs Division of the Congressional Research Service, arrived at the same general conclusion as to the President's Constitutional power.

One must recognize that the scope and aplication of the President's powers under Article II of the Constitution are rarely free from dispute. Under the Constitution, the war powers are shared between the Executive and Legislative branches of the Government. The Congress is granted the powers "to provide for the common defense," "to declare war, grant letters of marque and reprisal, and make rules concerning captures on land and water," "to raise the support armies," "to provide and maintain a navy," "to make rules for the government and regulation of the land and naval forces," and "to make all laws which shall be necessary and proper for carrying into execution the foregoing powers . . . On the other hand, the Constitution provides that "the executive power shall be vested in a President," that he "shall be Commander-in-Chief of the army and navy of the United States," and that "he shall take care that the laws be faithfully executed." The President is also given the authority to make treaties with the advice and consent of two thirds of the Senate, to appoint ambassadors with the advice and consent of the Senate, and to receive ambassadors and other public ministers.

The proceedings of the Federal Constitutional Convention in 1787 suggest that the ambiguities of this division of power between the President and the Congress were deliberately left unresolved with the understanding that they were to be defined by practice. There may be those who wish the framers of the Constitution would have been more precise, but it is submitted that there was great wisdom in realizing the impossibility of foreseeing all contingencies and in leaving considerable flexibility for the future play of political forces. The Constitution is a framework for democratic decision and action, not a source of ready-made answers to all questions, and that is one of its great strengths.

There is no question but that Congress should play an important role in decisions involving the use of armed forces abroad. With respect to the continuation of US air combat activity in Cambodia, what is that role. The Congress has cooperated with the President in establishing the policy of firmness coupled with an openness to negotiation which has succeeded in bringing about the Agreement of January 27 and which can succeed in securing its implementation. This cooperation has been shown through consultations and through the authorization and appropriation process. The Congress has consistently rejected proposals by some members to withdraw this Congressional participation and authority by cutting off appropriations for necessary military expenditures and foreign assistance. The Congress has also enacted several *provisions* with specific reference to Cambodia. The President's policy in Cambodia has been and continues to be fully consistent with these provisions.

It was, of course, hoped that the Agreement signed at Paris on January 27 would be strictly implemented according to its terms, including the prompt conclusion of cease-fires in Laos and Cambodia and the withdrawal of foreign troops from those two countries. What has happened instead is that, in Laos, the cease-fire has been followed by continuing communist stalling in forming the new government and, in Cambodia, the communists responded to the efforts of the Khmer Government to bring about a *de facto* cease-fire with a fierce, general offensive. North Vietnamese forces remain in Laos and Cambodia and continue to infiltrate men and war material through these countries to the Republic of Viet-Nam. North Vietnamese forces in Cambodia continue to participate in and to support Communist offensive operations.

United States air strikes in Laos were an important element in the decision by North Viet-Nam and its Laotian allies to negotiate a cease-fire in Laos. If United States air strikes were stopped in Cambodia despite the communist offensive, there would be little, if any, incentive for the communists to seek a cease-fire in that country, and the temptation would doubtless be great for North Viet-Nam to leave its troops and supply lines indefinitely in Laos and Cambodia. Such a situation would be the opposite of that prescribed by Article 20 of the Viet-Nam Agreement and would so threaten the viability of the settlement in Viet-Nam and the right to self-determination of the South Vietnamese people as to be totally unacceptable to the Republic of Viet-Nam and the United States. In light of these facts, it seems clear that the argument that the Constitution requires immediate cessation of US air strikes in Cambodia because of the Paris Agreement is, in reality, an argument that the Constitution which has permitted the United States to negotiate a peace agreement—a peace that guarantees the right of self-determination to the South Vietnamese people as well as the return of United States prisoners and withdrawal of United States armed forces from Viet-Nam—is a Constitution that contains an automatic self-destruct mechanism designed to destroy what has been so painfully achieved. We are now in the process of having further discussions with the North Vietnamese with regard to the implementation of the Paris Agreement. We hope these discussions will be successful and will lead to a cease-fire in Cambodia.

CONGRATULATIONS BOB BOYD AND CLARK HOYT

(Mr. FASCELL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. FASCELL. Mr. Speaker, I know our colleagues will want to join me in extending congratulations to two outstanding journalists who have just been awarded the coveted Pulitzer Prize for distinguished national reporting. They are Bob Boyd and Clark Hoyt of the Knight Newspapers' Washington bureau.

The Pulitzer was awarded to them for their responsible handling of the revelation of Senator EAGLETON's medical history last summer. Having uncovered the story of the Senator's record of treatment for mental health difficulties—a story that could have been the scoop of the year—Boyd and Hoyt took their information to Senator MCGOVERN first, instead of immediately printing it. Senator MCGOVERN then announced the disclosure to the media.

It has been my privilege to know and work with both of these gentlemen for many years. They have always exhibited this same sense of responsibility and fairness in their reporting, while at the same time, digging in to find out the facts and to carry out the tradition of the people's right to know.

I call to our colleagues' attention the brief background sketches on Boyd and Hoyt as printed in this morning's Miami Herald, along with the justifiably proud remarks of Knight Newspaper executives, John S. Knight and Lee Hills. I concur wholeheartedly with these remarks and again congratulate Bob Boyd and Clark Hoyt on receiving this recognition for a job well done.

[From the Miami Herald, May 8, 1973]

BOYD, HOYT—EXTRAORDINARY REPORTERS

WASHINGTON.—Pulitzer Prize winner Robert S. Boyd, chief of Knight Newspapers Washington Bureau, is a first rate newsman.

Thirteen years in Washington—the latest eight as bureau chief—have earned him a reputation as a digger. Just within the last week, Washingtonian Magazine listed him among the top three bureau chiefs in Washington.

In guiding the growth and unique approach to Washington news of the Knight Newspapers Bureau, he has managed to stay among the city's top reporters while still carrying administrative responsibility.

He was born in Chicago on January 11, 1928, and educated at Andover Academy and Harvard University, where he received a BA in history in 1949. He spent one year in the Army and three in the State Department, then joined the Lafayette, La., Daily Advertiser as a reporter in 1953. He was state editor of the Benton Harbor, Mich., News-Palladium from 1954 through 1957 and a reporter for the Detroit Free Press from 1957 through 1960, when he moved to the Washington bureau. He became the bureau's news editor in 1965 and bureau in 1967. He is co-author, with David Kraslow of a novel called "A Certain Evil," published by Little, Brown in 1965.

Boyd's reporting in Washington has focused on the presidency and politics, but he has also reported from almost every Communist country. He toured the Bay of Pigs battlefield with Castro in 1961, covered the Dominican Revolution in 1965, toured the Soviet Union in 1967—the 50th year of Communist rule—and spent two weeks in North Vietnam in 1970. He also covered the Nixon visit to Peking in 1972.

He has two teenage sons, a daughter in college, and one Harvard graduate son. He and his wife, Gloria, live in Mohican Hills, Md.

As the Miami Herald's man in Washington, Clark Hoyt's usual beat was Florida's congressional delegation.

Hoyt, who Monday won a Pulitzer Prize for his reporting on the Tom Eagleton story, was sidetracked into national reporting first by the Florida presidential primary and then by the national political conventions, both of which were held in Miami Beach.

Then, he moved to the Eagleton story and other national presidential campaign assignments. After the November elections, Hoyt was assigned to cover the Watergate trial for the Miami Herald and other Knight newspapers.

He returned to his old Florida beat briefly before he was moved in April of this year to the Knight bureau's national staff.

Hoyt, whose mother, Mrs. Charles Hoyt, lives in Coral Gables, joined the Miami Herald in 1970 after two years on the Detroit Free Press, another Knight newspaper. He began his newspaper career with the Lakeland (Fla.) Ledger.

Hoyt, 30, is a native of Providence, R.I., graduated from the Hill School in Pottstown, Pa. and from Columbia University, New York. After graduation he spent two and a half years working on Capitol Hill for Senator George Smathers of Florida.

With this background, Hoyt developed a deep appreciation for the detailed checking and relentless pursuit which are reflected in his newspaper reporting. After his experience on Capitol Hill, he chose newspapering as a career, he said, because "I wanted to be on the other side of the fence."

He and his wife, Jane, live in Washington where they are restoring a townhouse just a few blocks from the Capitol.

STATEMENT ON PULITZER BY KNIGHT AND HILLS

John S. Knight, editorial chairman of Knight Newspapers, and Lee Hills, president and executive editor of Knight Newspapers, Monday praised reporters Clark Hoyt and Robert S. Boyd for their Pulitzer Prize winning reporting.

Knight said:

"I enthusiastically congratulate Bob Boyd and Clark Hoyt on their Pulitzer Prize for national reporting. It is a splendid tribute to these two correspondents for their responsible treatment of a delicate situation involving Sen. Thomas F. Eagleton, then Sen. George McGovern's vice-presidential running mate.

"The award speaks much for newspaper enterprise and fairness in an era when press critics are unable to separate fiction and fact, or to distinguish between truth and rumor."

In his statement, Hills said:

"The work of Bob Boyd and Clark Hoyt in winning for Knight Newspapers its 15th Pulitzer Prize was, we believe, an extraordinary example of the American press functioning at its best.

"Boyd and Hoyt vigorously searched out facts, then acted within self-imposed restrictions to be certain that the public would have full opportunity to judge for itself all sides of the news before it.

"At a time when the credibility of the press was suspect in many quarters, when the press itself seemed often under attack, we believe their handling of the Eagleton story provided a benchmark by which both our critics and our colleagues might measure press performance at its best."

THE NEED FOR CAREFUL HEARINGS ON THE TRADE REFORM ACT OF 1973

(Mr. VANIK asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. VANIK. Mr. Speaker, tomorrow, the Ways and Means Committee begins public hearings on the trade reform bill proposed by the Nixon administration.

The committee has unfortunately scheduled all of the Government witnesses in a 3-day period, beginning tomorrow.

It is incredible to expect that in this 3-day time frame our committee can adequately hear and interrogate five Cabinet members and seven other high Government officials and agency heads. The scheduling tends to provide the Government witnesses with an opportunity to make their statements, rush away and be sheltered from essential interrogation. Only through careful cross examination can the committee members endeavor to determine the direction and extent of the countless requests for discretionary authority liberally provided throughout the bill.

This is one of the most important bills before the Congress—perhaps the most important in the past decade. The administration bill stakes out extensive authority for executive discretion—and this discretionary authority is carved out of the little that remains of the shattered and torn carcass of congressional authority and responsibility under the Constitution.

Administration intentions must be set forth on the public record, so that legislative history may set the course and the pattern of administrative regulations which will guide the flow and development of trade.

This is a necessarily slow and deliberate process. Members of the Ways and Means Committee and the Congress are entitled to a complete and detailed explanation of administration intentions. This is no time and this is not the kind of legislation on which legislative shortcuts should be permitted.

I do not believe that the administration either deserves or expects to receive the full extent of executive discretion which this legislation provides. Nor do I believe that the Congress would assign its constitutional responsibility for trade carte blanche to the President.

If the Congress should pass this bill in the form in which it has been submitted, it will move the Congress a considerable distance toward becoming an unnecessary branch of the government. As far as trade is concerned—there will be little left for the Congress—but remorse for its own folly.

If this bill is really to reform our approach to trade, it must be widened in its scope and dimension. It must be extended to include all agricultural commerce, mineral commerce, defense material, as well as commerce in licenses, technical services and leasing arrangements. If this bill is to really alter our approach to trade, it must be widened to cover the role of taxpayer-supported credits, loans, and guarantees. Trade decisions seem to depend more heavily on credit than on any other criteria.

AGRICULTURAL TRADE

Balanced trade policy cannot be achieved if large portions of agricultural trade remain exempt and separate from general trade policy. Agriculture in America is a mature industry which must take its proper place along with all other production. Agricultural trade policies must not be permitted to drive America from sufficiency to shortage. Nor should agricultural trade policy be permitted to unreasonably escalate domestic food prices by pitting the dependable, constant, and consistent American consumer against foreign purchasers who temporarily enjoy a bonanza of dollar accumulation in the bargain prices of devaluation. The magnificent productivity of the American farmer is to his credit—but it is not entirely the property of the American farmer. It also belongs to the American consumer and taxpayer who paid for the research and development of agricultural productivity through generations of support for research, subsidy, loans, and land bank payments to support unutilized land. For these reasons the American taxpayer and consumer is entitled to a preference for American farm production. He certainly cannot be expected to pay for export subsidies, market subsidies, and shipping subsidies which make his food cupboard bare and multiply the cost of his daily bread and meat. Trade policies must be designed to preserve reserves of food and fiber in America for domestic needs.

TRADE IN MINERALS AND OIL

If this bill is to really reform our approach to trade and provide trade balance, it must be widened in scope and dimension to fully cover commerce in oil and mineral products, where tremendous trade deficiencies are expected.

This bill should provide approaches and methods to deal with these trade deficiencies, develop orderly marketing and dependable supplies at reasonable prices.

MILITARY SALES

If we are to provide trade reform and balance, we must know the role of military sales and the extent of American defense dependency on offshore and foreign production. America cannot remain secure, if it is dependent on foreign sources and loses the capacity to produce vital component parts which are currently being acquired from foreign sources utilizing sophisticated production techniques and skills.

MOST FAVORED NATION TREATMENT

Trade reform also involves getting for giving—it must be reciprocal. Most favored nation treatment must be a two-way street for trade. If the Soviets are to receive MFN treatment, it must be contingent upon reciprocity. America must share the same trade benefits as the Soviets extend to the bloc countries. MFN treatment must also be withheld until the deplorable emigration-education tax is ended. There can be no trade reform, if humanity is sacrificed for economic gain.

CREDITS

There can be no trade reform if American credit policy for foreign trade is handled outside of this bill. Credit and trade are interchangeable and interdependent. The trade bill must direct trade credit policies to maximize the advantage of taxpayer-supported credit. Subsidized credit sales must be restrained with rich and prosperous trading partners who have dollars to spare.

A few months ago the Export-Import Bank made an incredible taxpayer subsidized 6-percent loan to a foreign air carrier to purchase an American-made plane, while an American carrier had to pay 10-percent interest on loans to purchase equipment to fly identical and competitive routes. Credit for foreign purchases should never be made discriminatory to domestic enterprise.

TAXATION AND DOMESTIC SALES INTERNATIONAL CORPORATION

The trade bill must include tax provisions which will detour the movement of American production from American shores. The present tax laws harshly discriminate against domestic enterprise in favor of offshore production. This imbalance in operating advantage must be corrected.

The role of Domestic International Sales Corporations in prompting and developing trade must be carefully analyzed. The identity of DISC's must be placed in the record so that the Congress can determine if the program meets the expectations of the Congress and the promises of its supporters. It must also be determined if there is a sufficient benefit-cost ratio between tax loss and trade increment attributable to this tax incentive. It must also be determined if the authority of DISC has developed into a tax abuse.

OVERSIGHT

It is important to decide whether the Tariff Commission will serve any remaining useful purpose if huge discretionary authority is shifted to the President. The American people were stunned and shocked at the incredible Soviet wheat deal and the manipulations which surrounded it. In its present form, the trade bill will "reform" the American people and their elected representatives out of the trade decision process.

CONCLUSION

This bill would make the President into a trade czar. The bill seeks an unprecedented transfer of authority from the Capitol to the White House. Once this power is surrendered, in many trade matters congressional changes in the law could be stopped by the President and one-third of the Congress plus one; majority rule in many matters would be ended.

I am for a trade bill. I think it is important for America. This bill, however, would permit the President to arrange trade deals in specific areas, for specific companies, and for special individuals. It would give the President authority in trade matters to fatten his friends and destroy his enemies.

I cannot give the White House authority to enter into secret and star-chamber trade deals and then permit the dealers to shroud their action in Executive privilege.

Trade must be open—above board—and provide equal opportunities for all American producers, large and small, who produce the same commodity. The fairness doctrine must be enacted into the trade laws.

Congress can write a trade bill which meets the requirements of the Nation without providing wide-ranging and arbitrary authority to bypass the Congress.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. SAYLOR, for May 9, on account of official business.

Mr. RONCALIO of Wyoming (at the request of Mr. MCFALL) for today on account of death in the family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. RANDALL, for 15 minutes, today; and to revise and extend his remarks and include extraneous matter.

(The following Members (at the request of Mr. HANRAHAN) to revise and extend their remarks and include extraneous matter:)

Mr. ROBISON of New York, for 30 minutes, on May 10.

Mr. YOUNG of Alaska, for 5 minutes, today.

Mr. RINALDO, for 10 minutes, today.

Mr. EDWARDS of Alabama, for 5 minutes, today.

(The following Members (at the request of Mrs. BOGGS) to revise and extend their remarks and include extraneous matter:)

Mr. FLOOD, for 5 minutes, today.

Mr. GONZALEZ, for 5 minutes, today.

Mr. RODINO, for 10 minutes, today.

Mr. DOMINICK V. DANIELS, for 5 minutes, today.

Mr. HAMILTON, for 15 minutes, today.

Mr. RUNNELS, for 5 minutes, today.

Mr. BURTON, for 5 minutes, today.

Mr. WILLIAM D. FORD, for 10 minutes, today.

Mr. BROWN of California, for 10 minutes, on May 9.

Mr. MITCHELL of Maryland, for 30 minutes, on May 10.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. RANDALL in two instances and to include extraneous matter.

Mr. BURTON and to include extraneous matter notwithstanding the fact it exceeds two pages of the CONGRESSIONAL RECORD and is estimated by the Public Printer to cost $680.

(The following Members (at the request of Mr. HANRAHAN) and to include extraneous matter:)

Mr. ROBISON of New York.

Mr. BLACKBURN.

Mrs. HOLT.

Mr. PEYSER in 10 instances.

Mr. FREY in two instances.

Mr. DON H. CLAUSEN.

Mr. DERWINSKI in three instances.

Mr. TREEN in two instances.

Mr. HORTON in two instances.

Mr. SYMMS.

Mr. CONTE.

Mr. WYMAN in two instances.

Mr. BAKER.

Mr. BROTZMAN.

Mr. ANDERSON of Illinois in two instances.

Mr. ABDNOR.

Mr. BURGENER in two instances.

(The following Members (at the request of Mrs. Boggs) and to include extraneous matter:)

Mr. Bingham in two instances.

Mrs. Hansen of Washington, in 10 instances.

Mr. Gonzalez in three instances.

Mr. Drinan in five instances.

Mr. Mollohan.

Mr. Rarick in three instances.

Mr. Mazzoli.

Mr. Howard in two instances.

Mrs. Mink in two instances.

Mr. Harrington in three instances.

Mr. Hungate.

Mr. Cotter in five instances.

Mr. Dominick V. Daniels in two instances.

Mr. Nix.

Mr. Wolff in two instances.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 1090. An act to amend the Communications Act of 1934, to extend certain authorizations for the Corporation for Public Broadcasting and for certain construction grants for noncommercial educational television and radio broadcasting facilities, and for other purposes; to the Committee on Interstate and Foreign Commerce.

ADJOURNMENT

Mrs. BOGGS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 14 minutes p.m.), the House adjourned until tomorrow, Wednesday, May 9, 1973, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

886. A communication from the President of the United States, transmitting the report of the Presidential Study Commission on International Radio Broadcasting; to the Committee on Foreign Affairs.

887. A letter from the Acting Assistant Secretary of Defense (Comptroller), transmitting a report of the estimated value, by country, of support furnished from military functions appropriations for the support of the Vietnamese and other free world forces in Vietnam and the support of local forces in Laos, covering the third quarter of fiscal year 1973, pursuant to section 737(b) of Public Law 92–570; to the Committee on Appropriations.

888. A letter from the Acting Assistant Secretary of State for Congressional Relations, transmitting a report on assistance-related expenditures for Laos during the third quarter of fiscal year 1973, pursuant to section 602 of Public Law 92–436; to the Committee on Armed Services.

889. A letter from the Secretary of the Treasury, transmitting a report on the audit of the Exchange Stabilization Fund for fiscal year 1972, pursuant to the Gold Reserve Act of 1934, as amended (31 U.S.C. 822a); to the Committee on Banking and Currency.

890. A letter from the Acting Assistant Secretary of State for Congressional Relations, transmitting a report on assistance related funds obligated for Cambodia during the third quarter of fiscal year 1973, pursuant to section 655(f) of the Foreign Assistance Act of 1961, as amended by Public Law 92–226; to the Committee on Foreign Affairs.

891. A letter from the Secretary of Transportation, transmitting a draft of proposed legislation urging the States to take decisive action to reduce the highway death and injury toll by adopting laws requiring the use of safety belts in motor vehicles; to the Committee on Interstate and Foreign Commerce.

892. A letter from the Acting Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders entered in the cases of certain aliens found admissible to the United States, pursuant to section 212(a) (28) (I) (ii) of the Immigration and Nationality Act [8 U.S.C. 1182(a) (28) (I) (ii)]; to the Committee on the Judiciary.

893. A letter from the Secretary of Labor, transmitting a draft of proposed legislation to extend and improve the Nation's unemployment compensation programs, and for other purposes; to the Committee on Ways and Means.

Received From the Comptroller General

894. A letter from the Comptroller General of the United States, transmitting a report on the Army SAM–D program; to the Committee on Government Operations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. YOUNG of Texas: Committee on Rules. House Resolution 389. A resolution waiving certain points of order against H.R. 7447. A bill making supplemental appropriations for the fiscal year ending June 30, 1973, and for other purposes (Rept. No. 93–167). Referred to the House Calendar.

Mr. MURPHY of Illinois: Committee on Rules. House Resolution 388. Resolution providing for the consideration of H.R. 7445. A bill to amend the Renegotiation Act of 1951 to extend the act for 2 years; with amendment (Rept. No. 93–166). Referred to the House Calendar.

Mr. LONG of Louisiana: Committee on Rules. House Resolution 390. Resolution providing for the consideration of H.R. 5777. A bill to protect hobbyists against the reproduction or manufacture of certain imitation hobby items and to provide additional protections for American hobbyists; with amendment (Rept. No. 93–168). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BERGLAND:

H.R. 7585. A bill to improve education by increasing the freedom of the Nation's teachers to change employment across State lines without substantial loss of retirement benefits through establishment of a Federal-State program; to the Committee on Education and Labor.

By Mr. BROTZMAN (for himself, Mr. Gerald R. Ford, Mr. Anderson of Illinois, Mr. Baker, Mr. Barrett, Mr. Coughlin, Mr. Harrington, Mr. Pettis, Mr. Rhodes, Mr. Rooney of Pennsylvania, Mr. Williams, Mr. Yatron, Mr. Forsythe, Mr. Winn, Mr. Robinson of Virginia, Mrs. Chisholm, Mr. Donohue, Mr. Hechler of West Virginia, and Mr. Thone):

H.R. 7586. A bill to require that all schoolbuses be equipped with seat belts for passengers and seat backs of sufficient height to prevent injury to passengers; to the Committee on Interstate and Foreign Commerce.

By Mr. BROYHILL of Virginia:

H.R. 7587. A bill to waive governmental immunity against the District of Columbia in suits in which members of the Metropolitan Police Department are sued for assault and battery, false arrest, false imprisonment or malicious prosecution; to the Committee on District of Columbia.

H.R. 7588. A bill to amend the District of Columbia Police and Firemen's Salary Act of 1958 to increase salaries, and for other purposes; to the Committee on District of Columbia.

By Mr. COCHRAN:

H.R. 7589. A bill to increase an authorization of appropriations in order to complete the Mission 66 Bypass Road at Vicksburg, Miss.; to the Committee on Interior and Insular Affairs.

By Mr. DOMINICK V. DANIELS:

H.R. 7590. A bill to amend title II of the Social Security Act to provide for the payment at age 62 (rather than only at age 65) of widow's or widower's insurance benefits equal to 100 percent of the deceased worker's primary insurance amount; to the Committee on Ways and Means.

By Mr. DIGGS (by request):

H.R. 7591. A bill to amend the District of Columbia Public Assistance Act of 1962; to the Committee on the District of Columbia.

By Mr. DINGELL (for himself, Mr. Eckhardt, Mr. McCloskey, Mr. Breaux, and Mr. Studds):

H.R. 7592. A bill to amend the National Environmental Policy Act of 1969 to provide for citizens actions in the U.S. district courts against persons responsible for creating certain environmental hazards; to the Committee on Merchant Marine and Fisheries.

By Mr. DRINAN:

H.R. 7593. A bill to establish the Federick Law Olmstead Home and Office in Brookline, Mass., as a national historic site; to the Committee on Interior and Insular Affairs.

By Mr. DUNCAN:

H.R. 7594. A bill to amend the Internal Revenue Code to encourage an increase in production of coal; to the Committee on Ways and Means.

H.R. 7595. A bill to amend the Internal Revenue Code to encourage development of processes to convert coal to low pollutant synthetic fuels; to the Committee on Ways and Means.

By Mr. FINDLEY:

H.R. 7596. A bill to amend the National Security Act of 1947, as amended, to keep the Congress better informed on matters relating to foreign policy and national security by providing it with intelligence information obtained by the Central Intelligence Agency and with analysis of such information by such agency; to the Committee on Armed Services.

By Mr. WILLIAM D. FORD (for himself, Mr. Thompson of New Jersey, Mr. O'Hara, Mrs. Grasso, Mr. Meeds, and Mr. Lehman):

H.R. 7597. A bill to amend the Farm Labor Contractor Registration Act of 1963 by extending its coverage and effectuating its enforcement; to the Committee on Education and Labor.

By Mr. FULTON:

H.R. 7598. A bill to amend chapter 15 of title 38, United States Code, to provide for the payment of pensions to World War I veterans and widows, subject to $3,000 and $4,200 annual income limitations; to provide for such veterans a certain priority in entitlement to hospitalization and medical care; and for other purpose; to the Committee on Veterans' Affairs.

By Mr. KASTENMEIER:

H.R. 7599. A bill to amend the Trademark Act of 1946 and title 35 of the United States

Code to change the name of the Patent Office to the "Patent and Trademark Office"; to the Committee on the Judiciary.

By Mr. MAZZOLI:

H.R. 7600. A bill to amend the Uniform Time Act of 1966 to provide that daylight saving time shall begin on Memorial Day and end on Labor Day of each year; to the Committee on Interstate and Foreign Commerce.

H.R. 7601. A bill to provide that respect for an individual's right not to participate in abortions contrary to that individual's conscience be a requirement for hospital eligibility for Federal financial assistance and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. MILLER:

H.R. 7602. A bill to encourage earlier retirement by permitting Federal employees to purchase into the civil service retirement system benefits unduplicated in any other retirement system based on employment in Federal programs operated by State and local governments under Federal funding and supervision; to the Committee on Post Office and Civil Service.

By Mr. MILLS of Arkansas:

H.R. 7603. A bill to establish a Joint Committee on Foreign Trade; to the Committee on Rules.

By Mr. MORGAN:

H.R. 7604. A bill to establish a national program of Federal insurance against catastrophic disasters; to the Committee on Banking and Currency.

By Mr. PATTEN:

H.R. 7605. A bill to require the President to notify the Congress whenever he impounds funds, or authorizes the impounding of funds, and to provide a procedure under which the House of Representatives and the Senate may disapprove the President's action and require him to cease such impounding; to the Committee on Rules.

By Mr. PEPPER:

H.R. 7606. A bill to amend the Merchant Marine Act of 1936, as amended; to the Committee on Merchant Marine and Fisheries.

By Mr. RUNNELS:

H.R. 7607. A bill to establish the El Malpais-Grants National Monument in the State of New Mexico, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. YOUNG of Alaska:

H.R. 7608. A bill to create a program to facilitate the construction of community marine ways, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. ZWACH:

H.R. 7609. A bill to make permanent the dairy indemnity program, the armed services and veterans hospitals dairy programs, and the suspension of the butterfat support program; to the Committee on Agriculture.

By Mr. FREY:

H R. 7610. A bill to require the Secretary of Transportation to take into consideration the public interest in the freedom of movement of surface land transportation when prescribing rules and regulations to govern the opening of drawbridges across the navigable rivers and other waters of the United States; to authorize the Secretary of Transportation to assess a civil penalty for any violation of such regulations; and for other purposes; to the Committee on Interstate and Foreign Commerce.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. ST GERMAIN introduced a bill (H.R. 7611) for the relief of John Craig Spence; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

210. The SPEAKER presented a petition of Richard D. Shaver, Pinetop, Ariz., and others, relative to protection for law enforcement officers against nuisance suits; to the Committee on the Judiciary.

SENATE—*Tuesday, May 8, 1973*

The Senate met at 10 a.m. and was called to order by Hon. QUENTIN N. BURDICK, a Senator from the State of North Dakota.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

O God and Father of all mankind, come upon this Nation with Thy forgiving and renewing power. Grant healing to our troubled spirits. Send some anodyne to our aching hearts lest we stumble into baser follies and more heinous transgressions. Bring us with penitent and contrite hearts under the shelter of Thy grace that we fail Thee not.

O Lord, grant to the President and all in authority over us, the wisdom and courage to do only what is right and good. And to all the people grant a complete loyalty to Thy law and a full measure of love and compassion that Thy kingdom may go forward and Thy will be done on earth.

In His name, who is Lord of Life, we pray. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., May 8, 1973.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. QUENTIN N. BURDICK, a Senator from the State of North Dakota, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. BURDICK thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Monday, May 7, 1973, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

CAMBODIA

Mr. MANSFIELD. Mr. President, the bombing activity now underway in Cambodia is being undertaken without the consent or the advice of the Congress. The administration is now asking for the transfer of funds to continue the bombing to the end of the present fiscal year and is doing so despite the fact that there is no legal, constitutional or other justification for such action.

Furthermore, we have been told that even if the Congress voted against the request of the Pentagon to transfer money for continued bombing in Cambodia that, notwithstanding such an action, the U.S. bombing of Cambodia would continue.

I would point out that recent court decisions have stated the approval of funds for the carrying out of activities of war implies approval of the policy inherent therein. In other words, approval of the Pentagon request to transfer funds which are allegedly being held in escrow at the present time would indicate approval of the bombing policy now underway in Cambodia.

Furthermore, we have been informed that the continuation of this policy would be of an indefinite nature. What the approval of this policy implies, in my opinion, is, in effect, a back door Tonkin Gulf resolution. I, for one, will not vote for the transfer of funds contained in the supplemental appropriations bill and I would hope that the Congress would uphold its constitutional authority and not bow to the type of procedure which confronts us in the Appropriations Committee at the present time, which will confront the House of Representatives on Thursday of this week and which, if approved in the Senate Appropriations Committee, will be before the Senate shortly thereafter.

What we are doing in Cambodia is wrong because it only intensifies the tragedy of Indochina. What we are doing in Cambodia is illegal because it is not sanctioned in the law or the Constitution. What we are doing in Cambodia cannot be legitimatized because it is a continuation of a war which was supposedly ended. What we are doing in Cambodia would not "undermine the essential agreement of the January agreement in Paris" because the "central achievement" was to get all Americans out of Vietnam and all our POW's released. This has been accomplished.

What we are doing is creating more refugees, killing more people, and if we follow the Pentagon's line of reasoning we are, in effect, "destroying Cambodia to save it." Even now, the press is blocked out by the American Embassy in Phnom

Penh. Therefore, they do not have access to whatever meager information that Embassy would be able to compile.

The answer to the situation which confronts us in Cambodia is to stop the bombing now—today—and to do what we can to bring about the return of Prince Norodom Sihanouk so that he will be able to bring about a return to neutrality and unity in that war-stricken woebegotten country.

The ACTING PRESIDENT pro tempore. Does the Senator from Pennsylvania desire recognition?

Mr. SCOTT of Pennsylvania. No, Mr. President; I yield back my time.

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Wisconsin (Mr. PROXMIRE) is recognized for not to exceed 15 minutes.

Mr. PROXMIRE. Mr. President, first of all, I join the distinguished majority leader in his statement concerning Cambodia. I was present at the hearings at which the Secretary of Defense explained the position of the administration on Cambodia. I certainly intend to support Senator MANSFIELD in whatever position he desires to take and others take in opposing the bombardment of Cambodia and to prevent more funds from being used by the President to continue the unnecessary bombardment of Cambodia.

IN FAIRNESS TO PRESIDENT NIXON

Mr. PROXMIRE. Mr. President, some of the statements made by the press concerning the Watergate affair have, in my judgment, become grossly unfair to President Nixon. I say this recognizing that the press has done a tremendous job in covering one of the most important scandals in American history. The Washington Post has received the Pulitzer Prize for its reporting of this affair. I certainly think the investigation must continue until the whole story is told, no matter whom it touches or destroys, including the President himself.

But the actions of the press in printing sensational charges against the President made to lawyers investigating a grand jury is grossly unfair.

When former White House Counsel John Dean is reported throughout this country to have privately told grand jury investigators that the President was directly involved in a Watergate coverup, President Nixon is being tried, sentenced, and executed by rumor and allegation.

Who were the investigators?

What was Dean asked by the investigators?

Did the investigators have any testimony that contradicted Dean's story?

Another alleged eyewitness to this alleged meeting was John Ehrlichman. He will also testify to the grand jury. What will be his testimony? If he, as expected denies the Dean charge, can he provide any basis for disproving it? Will he agree that the meeting took place? If he denies that the meeting took place, can he prove his denial?

If Ehrlichman agrees that he met on this occasion with the President and John Dean, can Ehrlichman produce convincing testimony that Dean's version is wrong, and that the President, as he has told the Nation flatly and directly, did his best to uncover the facts, and did not participate in any way in a coverup?

Mr. President, all of this can and should be developed in good time, step by step. This story is unfolding, and nothing can hold it back. My point is this: It is unfair, unjust, and unwise to the President and to the country to rush into print with such a flat allegation against the President of the United States based on a charge that certain unidentified investigators for the grand jury have elicited certain information from a witness. The witness has not told this to the press. Some anonymous investigators allegedly have done so. But the story is partial; it is wholly unconfirmed. It may or may not have been disclosed to investigators. It may or may not be confirmed or refuted later. There is simply no way of knowing now whether it is true or not. But it may very well have gone a long way toward destroying the President of the United States.

I succeeded the late Senator McCarthy in the Senate. I was very much opposed to his motives and his tactics, which were to make severely damaging charges, such as accusing a person of being a Communist, knowing that they would be denied; but no matter how strongly they were denied, the charges still remained. I find this kind of persecution and condemnation without trial McCarthyism at its worst.

Mr. President, I ask unanimous consent that the Newsweek article be printed in the RECORD at the end of my remarks.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. (See exhibit 1.)

Mr. PROXMIRE. Any responsible newspaper should regard as outrageous the printing of a secret allegation against even a convicted felon if that allegation were made by a witness as part of his bargain for immunity from his own prosecution.

Does not the President have the same simple right that every other American has—to be innocent until proven guilty?

Does not a man who has spent more than 20 years in the pitiless glare at the summit of national political life deserve to be believed, when he directly tells the Nation that he had no knowledge of these matters, until there is proof that he lied?

Does he not deserve at least this measure of faith until proven a liar?

The press is rapidly developing a reckless momentum of reporting innuendo and rumor in this Watergate case against President Nixon. The alleged direct involvement of the CIA itself on White House orders in the break-in to the files of Daniel Ellsberg's psychiatrist is only the latest example.

The Watergate investigations by the Senate, the grand jury, an independent special prosecutor and at least 20 of the best investigative reporters in the business is not going to stop until every significant fact is uncovered, examined, and given the full mass media treatment.

This is now far too rich and big a story—this scandal involving the most powerful man in the world—to smother or suppress. Literally no force on Earth can now hold it back.

With the rushing, careening momentum of these charges against the President, there is very serious question that the people of this Nation will be able to find in their hearts the sense of justice and fairness which President Richard Nixon, like every other American, deserves to have before he is ruined.

I am a Democrat. I have consistently voted against the President when he ran for office. I have opposed many of his major proposals when they have come before the Senate.

But let us not forget that this is the same Richard Nixon who is principally responsible for bringing this country, at long last, into a peaceful posture with the world's largest nation, mainland China.

He has successfully negotiated the first strategic arms limitation talks with Russia and greatly improved our relations with the world's other superpower.

He has made some very bad appointments but also some of the very best. Henry Kissinger, Arthur Burns, Elliot Richardson, and William Ruckelshaus are among the best appointments made in my memory by any President.

His private life has been a superlative example to the Nation. His two gracious and lovely daughters speak eloquently of his success as a father.

I fully recognize the reprehensible nature of his campaigns when he ran against Jerry Voorhis for Congress in 1946 and Helen Gahagan Douglas for the Senate in 1950. I deplore his ruthless orders for all-out bombing of Vietnam last Christmas and his continuation today of the cruel and useless bombing of Cambodia.

But none of this justifies the McCarthyistic destruction of President Nixon that is now going on with increasing vehemence daily in the press. The discovery and publication of facts proving wrongdoing by whoever may be guilty, including the President, is the American press at its best.

The present runaway tendency to rush into headlines with disputed, unproven secret charges against the President is the press at its worst.

EXHIBIT 1

JOHN DEAN POINTS A FINGER

The torrent of Watergate disclosures last week left no remaining doubt that there had been widespread shady activities—and a massive cover-up—at the topmost levels of the White House. By the weekend only one major question was still to be answered—whether Richard Nixon himself could remain clear of political and moral involvement. And John Wesley Dean III, the boyish, 34-year-old White House counsel who was fired by the President last week, was preparing to associate Mr. Nixon with the cover-up.

Mr. Nixon had cast his lot with John Ehrlichman and H. R. Haldeman, the White House palace guards who were sacrificed (however euphemistically) at the same time as Dean but still stood ready to challenge his story with whatever credibility they had left. But nearly a score of other Nixonians, past or present—including former Attorney General John N. Mitchell and such Administration figures as Jeb Stuart Magruder, Charles W. Colson, Herbert (Bart) Porter, Frederick C. LaRue, Dwight L. Chapin, Gordon Strachan and Robert C. Mardian—were dangling from the grand jury's fingertips, and the predictable orgy of intramural accusation among the Nixon team had broken out into the open. Last week, two more names were added: White House aide Egil (Bud) Krogh Jr., who admitted ordering the burglary of the office of the psychiatrist of Pentagon papers defendant Daniel Ellsberg, and California lawyer Donald Segretti, who was indicted and arrested for alleged violations of campaign law.

In the end, the President's fate might well depend on how many of these increasingly frightened men might join Dean in linking him to the conspiracy—and whether their testimony would outweigh Haldeman's and Ehrlichman's. But for the moment, the story that mattered most was Dean's. As Newsweek's Nicholas Horrock and John Lindsay pieced it together, it was a self-serving tale, tailored to give Dean minimum exposure to criminal charges and maximum leverage in his haggling for immunity from prosecution. In Key Biscayne, a high Administration official heatedly denied its key accusations. But Dean seemed determined to press them, and they were explosive.

"THIS INCREDIBLE STUFF"

Dean first heard about the break-in, he told investigators, as he completed a wearying journey back to the U.S. from Manila on June 18, 1972, the day after the burglary. He called Washington to report that he would lay over in San Francisco for the night, but when they told him of the Watergate arrests he hopped the next plane east. Dean had not known of the break-in and bugging scheme, he said, but on the long flight to Washington he recalled some incidents that seemed disturbingly pertinent—especially two meetings in Mitchell's office in which political espionage had been discussed. One of these meetings was the now-famous presentation session in which G. Gordon Liddy flipped through a series of specially prepared charts as he outlined his plans for the 1972 campaign. "Dean sat there in shocked silence," according to a source, "while Liddy was talking about mugging, bugging, kidnaping and even a prostitution squad." After a second meeting, Dean said, he protested to Haldeman, "This incredible stuff shouldn't even be discussed in the Attorney General's office." Haldeman reportedly agreed.

This was the last time the Watergate plans had been mentioned in his hearing prior to his phone call from San Francisco, Dean insisted. But when he walked back into the White House, the place was bustling. Dean said Gordon Strachan, a Haldeman lieutenant, told him that there had been wiretap logs in Haldeman's office that Strachan, under orders from Haldeman, had sifted from the files and immediately destroyed. In another meeting in Ehrlichman's office, Ehrlichman and Chuck Colson agreed to have the safe in E. Howard Hunt's office opened in the Executive Office Building. The contents were brought to Dean's office the following morning, two and a half days after the break-in.

Dean went through the contents of Hunt's safe with his assistant, Fred Fielding. They found a pistol, electronic bugging equipment, a psychiatric profile on Daniel Ellsberg and the phony cables tying the death of former South Vietnam President Ngo Dinh Diem to President John Kennedy. Dean's reaction, as he told friends, was, "Holy s—!"

"GOOD JOB, JOHN"

Dean said he reported that same morning to Ehrlichman, and it was at this point that Ehrlichman made the suggestion that Dean dump it all in the Potomac on his way home to Alexandria, Va. Dean said he told Fielding later, "They want me to destroy this stuff," but both men agreed the move would be unwise. Dean instead gave most of the material to the FBI; the fake JFK cables were given in two folders to acting FBI director L. Patrick Gray III in the celebrated meeting in which Dean suggested to Gray that the documents "should never see the light of day." As Gray later testified, he put the incriminating papers in the FBI "burn bag" a few days later.

As Dean told his story to investigators last week, however, it differed in one vitally important detail from earlier versions: he said he was never asked for any report or investigation of White House involvement in the Watergate break-in, by either Mr. Nixon or anyone representing him. Indeed, Dean claims to have set eyes on the President only once between the time of the break-in and Aug. 29, when Mr. Nixon announced publicly that the White House counsel had assured him that no one "presently employed by this Administration" had been involved in Watergate. That one meeting was on Aug. 14 with about twenty other people present, Dean said, and the first he heard of his own supposed report was in a news broadcast on Aug. 29 when he was in California with the Presidential party.

Dean said he did not see Mr. Nixon personally until several days after the indictment of the Watergate Seven on Sept. 15, when he said Haldeman summoned him into the President's office. The two leaders "were all grins," Dean told investigators, because they had half expected Jeb Magruder to be indicted and were pleased that he hadn't been—presumably because of Dean's efforts 'to keep the lid on." "Good job, John," Dean says the President told him. "Bob told me what a great job you've been doing."

Dean did not try to absolve himself of all connections with the Watergate, according to investigators. The lawyer has acknowledged his role in the White House cover-up and admitted that he was involved in obtaining legal help for the Watergate defendants—though he said that the hush-money payments were made by Fred LaRue, Mitchell's assistant at the Committee for the Re-election of the President. Dean also said he talked with Liddy about the break-in two days after it occurred. Liddy told him then that Magruder had "pushed me and pushed me" to make the second Watergate raid. "We had been in the Watergate before, but they wanted us to go back," Dean quoted Liddy.

Months later, after the December plane crash that killed Hunt's wife as she carried $10,000 in $100 bills to an unknown rendezvous in Chicago, Dean's connection with the coverup became more intimate. Hunt, unnerved by his wife's death, sent his lawyer, William Bittman, to Chuck Colson with the message that "something had to be done" to prevent a long jail sentence for Hunt. Colson met with Ehrlichman and Dean, the counsel told investigators, and Ehrlichman said, "I'll check." He went in to see the President. When Ehrlichman returned, Dean said, he brought with him what he said was Mr. Nixon's promise of executive clemency for Hunt, Ehrlichman allegedly told Colson to reassure Bittman that "everything is okay," but not to be "too specific."

IF I GO, THEY GO

Sometime this spring—perhaps because the investigation was beginning to focus on Dean—the counsel lost his "good boy" status in upper White House circles and came under pressure from Haldeman, Ehrlichman and the President to resign. Mr. Nixon summoned Dean into the Oval Office, Dean told investigators, and pushed a document—a resignation that was a virtual confession—across his desk to Dean. "This has been prepared for your signature," the President reportedly said. Dean refused to sign, he said, because there was no provision for Haldeman's and Ehrlichman's departure—and Dean had resolved that "If I go, they go." After another discordant meeting with Mr. Nixon, Dean said he came under increasing pressure from Ehrlichman and Haldeman to resign, and eventually they suggested he take a weekend at Camp David to "do some thinking." In earlier accounts, this was the weekend in which Dean was supposedly asked to submit a written version of his earlier verbal "report" absolving the White House staff of any complicity in Watergate, but Dean said last week that all he was really asked for was his resignation.

Dean said he refused to submit it, and he went to see the President again on March 21 —the date on which, as the President later asserted, he first learned that his staff may have been deceiving him. "Nobody seems to understand that my resigning is not the problem," Dean assertedly told Mr. Nixon. "The problem is that there is a massive cancer on the Presidency and it must be cut out." He thereupon spelled out the story of the Watergate cover-up, including details of the effort to hush it up by paying off those who had been indicted the previous September.

Dean also bore down hard, he said, on the fact that there had never been any study clearing White House staffers. Mr. Nixon replied that he had had verbal reports of Dean's work, but the counsel insisted. "Nobody asked me for a report, Mr. President," he said. "I did not go around asking people questions in their offices. There was no report." At this point, sources quoted Dean as saying that "the President came out of his chair" into a half crouch of astonishment and shock. In Dean's account, he reminded Mr. Nixon that the President had gone on national TV to absolve his staff on the basis of the nonexistent report—and whatever Mr. Nixon may have been thinking, the exchange ended the demands for Dean's immediate departure from the White House entourage.

What finally broke the White House silence was not Dean's doing so much as Pat Gray's. After the former acting director of the FBI disclosed in Senate confirmation hearings last March that Dean had "probably" lied to agents during the early investigation, Dean sent an emissary to Federal prosecutors with information implicating Magruder, Ehrlichman, Haldeman and Dean himself—the details to be forthcoming, the emissary said, in exchange for a promise of immunity. Without making any deal, the prosecutors began following up leads given them by the emissary. About ten days later, on April 13, Jeb Magruder got wind that he had been implicated and asked to see the prosecutors, telling them a story that pointed the heaviest finger at John Mitchell.

PEOPLE ARE GOING TO JAIL

A day after that, NEWSWEEK has learned, Magruder bumped into Bart Porter in Lafayette Park, across from the White House. "It's all over," the distraught Magruder reportedly said. "I just came from the White House. The President has directed everyone to tell the truth." Magruder said he had just confessed everything to Assistant U.S. Attorney Earl Silbert. "A lot of people are going to jail," Magruder told Porter. "Mitchell, LaRue, Mardian, myself, Dean, Colson, Strachan and maybe Haldeman. Silbert may indict *you*."

From that point onward, the case gathered steam on all fronts—including the White House, where Mr. Nixon was trying to resolve the showdown between Dean and the Haldeman-Ehrlichman group. On the face of it, there wasn't much of a contest. Dean was a Mitchell assistant brought into the Justice Department in 1969 after having been fired from his only job in private law for "unethical conduct" (he was accused by a senior partner of having promoted his own name rather than his client's in a contest over a St. Louis broadcasting license). Haldeman, on the other hand, was a Nixon loyalist of seventeen years' standing and Ehrlichman had been on board for fourteen years.

Was Mr. Nixon looking for a way to keep Haldeman and Ehrlichman while getting rid of Dean? According to Newsweek's sources, the White House counsel made that impossible when he told prosecutors three weeks ago that Ehrlichman knew about the burglary of Ellsberg's psychiatrist. Dean's main motive, according to associates, was to establish his own credibility with Federal and Senate investigators, but it may not have done him much good. "If we need his testimony," said a prosecution source last week, "we'll have to give him immunity. If we don't, we'll just hang the ———."

The Administration's housecleaning may have been the shocker of the week, but it hardly stoppered the flood of other Watergate-related developments, great and small. Haldeman and Ehrlichman spent two days with the grand jury and Ervin's committee. Martha Mitchell, wearing baby blue, appeared at a lawyer's office in New York to give a deposition in connection with the Democratic Party's $6.4 million civil-damage suit against several principals in the Watergate case. Her rambling, two-hour statement, attorneys said later, was "amusing" and dealt mostly with the "creeps" and "kooks" from CRP who guarded her during the campaign.

Another famous relative, Mr. Nixon's 26-year-old nephew Donald—or someone who looked very much like him—appeared before a New York grand jury investigating Robert L. Vesco, the financier who shuffled $200,000 in secret cash to the Nixon campaign chest three days after a law went into effect requiring disclosure of such gifts. Young Nixon has worked as an assistant to Vesco since 1971 and describes the financier as his "best friend." Vesco himself reportedly sat out the week in Costa Rica, refusing to honor a bench warrant except in exchange for immunity. And the Justice Department responded to a sharply worded prod from the General Accounting Office, finally filed suit against CRP's financial arm because of the same Vesco contribution.

Two pieces of dirty work laid to CRP's espionage team moved a little closer to prosecution last week. Donald Segretti, the California lawyer hired as a trickster by former Haldeman assistant Dwight L. Chapin, was indicted on charges of trying to sabotage last year's Florida Democratic primary—allegedly by sending out campaign literature, attributed to Sen. Edmund Muskie, in which two rival Democrats were accused of sexual peccadilloes (the tales: that Sen. Hubert Humphrey had been caught with a prostitute in his car in 1967 and that Sen. Henry M. Jackson had twice been arrested for homosexual activities in the 1950s).

RX FOR A BURGLARY

Across the country, meanwhile, defense lawyers in the Ellsberg trial were permitted to introduce testimony from the Washington grand jury disclosing that Howard Hunt and Gordon Liddy had been ordered to break into Ellsberg's psychiatrist's office of Bud Krogh—at the time an Ehrlichman protégé in the White House and more recently a Department of Transportation Under Secretary. Krogh abruptly left, and was reported to have begun singing to Federal prosecutors in Washington.

But the most dramatic late-week revelation belonged, fittingly enough, to John Dean. Four days after being fired by Mr. Nixon, Dean disclosed that he had removed nine classified documents related to Watergate from his White House office prior to his departure. In papers filed with the U.S. district court in Washington, Dean asked Judge John J. Sirica to take custody of two keys to a safe-deposit box in Alexandria, Va., where the papers are stored. Just before that maneuver, the White House had rushed forth a ruling that all classified material was barred from disclosure by security laws—but whether this would be enough to top Dean's latest ploy is an open question.

For all the cascade of new information, the week's events left Federal prosecutors in a curious state of gloom about their ultimate chances of tracking the Watergate case to its last White House cranny. "When these people make statements under oath and they lie," said a prosecutor, "what the hell can you do? You can't go into the Prime Minister's office anywhere in the world and look at his files and slap handcuffs on his people. If you think government works that way, you're crazy. Maybe what I'm saying is that there are some things beyond redress."

Mr. SCOTT of Pennsylvania. Mr. President, I ask unanimous consent that the 5 minutes normally allotted to me at this time be reinstated.

Will the distinguished Senator yield to me the remainder of his time?

Mr. PROXMIRE. I reserve my time.

Mr. SCOTT of Pennsylvania. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. SCOTT of Pennsylvania. Mr. President, I congratulate the distinguished Senator from Wisconsin, not because he speaks as a Democrat but because he speaks responsibly as a Senator.

As I recall, it was the Senator from Wisconsin who, about the 19th of June, first proposed a special prosecutor.

Mr. PROXMIRE. That is correct. I proposed that John Williams and Arthur Goldberg be appointed to investigate and get to the bottom of this matter, as two men who would have the faith and trust of the Nation and Congress.

Mr. SCOTT of Pennsylvania. That is correct.

The Senator and I had a colloquy about the desirability of proceeding to clear up this entire mess 2 days after it happened. There was this discussion on the floor of the Senate.

The Senator again has justified the respect in which he is held in taking the position he has taken against McCarthyism. I, too, am glad that as a sitting Member of the other body, I was the first Member of Congress to criticize the late Senator McCarthy for his tactics of those days; and I agree with what the Senator has said here. The end does not justify the means.

A Pulitzer prize was awarded in one instance to someone involved in the publication of the Pentagon papers. The Pentagon papers—I am not going to argue that whole case over—were stolen documents. The Pulitzer prize was given for action which was based upon theft and thievery; and a great newspaper has argued continually that the end justifies the means, that the national interest compelled the publication of the Pentagon papers. I am not arguing that case with them. I am simply saying that the end does not justify the means where the means was wrong.

As the Senator has pointed out, this brings me to the point on which I wanted to agree with him: The revelation of rumors of what was said in the grand jury, the revelation of the desperate tactics of the people caught in this web, in an attempt to gain immunity for themselves, people who are willing to bring down everybody, including the President, if they can—the publication of that kind of thing as alleged front-page news or magazine news is unwarranted, is unfair, and is not in the best tradition of journalism.

The Senator may recall that I apologized to the press quite recently for the fact that many of us had said derogatory things about the Watergate investigation. It turned out that this free press had done a good job, and we have said so. But it is not a good job to publish wrongfully the unpublished and unauthorized release of grand jury transcripts. It is not right to publish the rumors of what a witness allegedly said in the grand jury, as the Senator has said.

I think that while we are praising the journalists and the media, while we at least have had the decency to apologize for having derogated their efforts—at least, I have said this—we have the same duty, as the Senator has so well put it, to make clear that there are limits beyond which neither Senators nor journalists nor anyone else should go.

None of us can say that a wrongful means justifies a desired end. It is certainly not even a desired end to try to bring down the President through malice, through rumor, through unsubstantiated whisperings, through the quotation of what a scared man allegedly said in an effort to ease the penalties he fears will fall on himself.

I have not said much about this aspect of the matter before; but I think that the Senator from Wisconsin, with the instinct he has shown so many times for the right time to say the right thing, has made an important point, and I hope that the media will treat it accordingly.

The media, when they are responsible, are the finest press in the world. But when they ride momentum and suddenly decide that a whisper can be turned into a charge, or a rumor into a fact, or a wrongful deed by one person into an alleged wrongful deed by another, up to that point unconnected, then the media are acting irresponsibly as well.

I am glad the Senator has pointed it out. I think it is time we realize what we are doing to this country when we run wild, when demagoguery appears, be it on this floor or be it in the media or anywhere else, because we are shaking and alarming and scaring the people of this country, who have no way of assessing the fairness of these charges. What the people hear over television or what they read in the newspapers is that somebody has said something terrible about the President. It is not clarified to them. Television always says, "Oh, there is not time." Well, there is always time to tell the truth, especially if you are going to tell something wrong first.

But there is not time, the argument goes, to tell the people, "Look, the President did not do this. There is no proof he did it."

This is simply a statement of a scared person who is supposed to have said something in the grand jury. We do not know what he said, and on which, as the distinguished Senator from Wisconsin said, he has not been cross-examined. As he said, we do not know if it is true.

None of this is analyzed for the benefit of the people. All they know is that a great miasma sweeps through Washington bringing clouds of suspicion on everyone from the President on down.

I end up by congratulating the Senator for saying what he did not need to say. There was no compulsion on him to say what he said, and he said it out of a sense of fairness, and it needed to be said. I want to pay my respects to him for having made a timely observation that fairness is fairness, whether it be in the media, public life, or anywhere else.

Mr. PROXMIRE. I thank the distinguished minority leader. I wish to conclude by saying that those who feel that it is possible that the Watergate scandal may be suppressed, that facts the country has a right to know may not come out, should stop and reflect. They should reflect on the momentum that is present today. There is the Ervin committee that will conduct a thorough investigation; there will be an independent prosecutor; some 20, 30, or 40 of the best investigators in this country are working on this matter also, some of them full time. There is no question the facts will come out. The one thing that could prejudice the truth is premature charges that are shown later to have been false; the denial never catches up with the initial smear and charge. If we are simply more careful and thoughtful about this and if the press will be more careful and thoughtful about it, I am convinced the country will be far better served.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. PROXMIRE. I am happy to yield.

Mr. MANSFIELD. I wish to commend the distinguished Senator from Wisconsin for his sense of fairness and understanding of the law. I am one, along with those others who have spoken this morning, who has a great veneration for the office of the Presidency, just as I have a great veneration and dedication for the Senate and the Congress as an institution. But we do have grand juries operating at the present time. We do have hearings in Federal courts on both coasts at the present time. We do have a Senate committee made up of some of the outstanding Members of this body who, I think, will do a good, fair, impartial job. They will get at the facts and the facts should be laid bare because what the distinguished Senator is saying, if I interpret him correctly, is, in effect, to let the facts speak for themselves.

So I would hope that rather than judge people ahead of time we will wait until the evidence is in, as it was in the case of the Watergate trials, where the men had a fair trial before Judge Sirica, were judged guilty and sentenced to various terms of imprisonment.

But rumors and innuendos flourish and take hold. From the seed comes plants of various kinds. But rumors, innuendos, and the like are not facts, and the innocence or guilt of any individual involved in this messy, sordid situation will have to be determined on that basis and that basis only.

So I commend the distinguished Senator for his sense of fairness, understanding of the law, and the forthright speech he made in the Senate this morning.

Mr. PROXMIRE. I thank the Senator.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. ROBERT C. BYRD. Mr. President, I, too, congratulate the distinguished Senator from Wisconsin (Mr. PROXMIRE), and I associate myself with the remarks of the able and distinguished majority leader just made in connection with the Senator's prepared speech.

Mr. PROXMIRE. I thank the Senator. Mr. President, I yield the floor.

ORDER OF BUSINESS

The PRESIDING OFFICER (Mr. BIDEN). Under the previous order, the Senator from Michigan is recognized for not to exceed 15 minutes.

Mr. BEALL. Mr. President, I ask unanimous consent that the time allotted to the Senator from Michigan under the order be allotted to me.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BEALL. Mr. President, I yield such time as he may require out of my time to the distinguished Senator from Tennessee.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BROCK. Mr. President, I thank the Senator from Maryland.

Before I begin my prepared remarks, I wish to add my sincere appreciation to the Senator from Wisconsin for his contribution. I think it was statesmanlike and entirely consonant with our system of jurisprudence and due process of the law, and his recognized respect for the law. I very much appreciate his remarks, and I am grateful that he took this occasion to deliver them. I hope they will be heeded.

CAMPAIGN REFORM

Mr. BROCK. Mr. President, if anything decent is going to come out of the Watergate affair I think it is going to come in the area of campaign reform, and I think it must.

Public reaction to the scandal surrounding the attempted bugging of the Democrat National Headquarters and to other political espionage in the 1972 presidential campaign, to date has centered on the guilt or innocence of the persons charged as responsible.

It is both normal and necessary that these persons be identified and prosecuted if culpable. However, in the final analysis, it is necessary to look beyond the personalities and address ourselves to the preservation and strengthening of our political system, and to those reforms which have been proven necessary if we are to eliminate future assaults on its integrity.

Those in both parties who seek short-term political advantage may achieve their goal by sensationalism and name-calling, but those who are truly concerned as I think the Senator from Wisconsin just demonstrated, about the basic fundamental implications of the Watergate affair, have a more difficult, and perhaps less headline-grabbing job to do.

We must address ourselves to the root causes of the problem and seek to correct them.

We need new legislation on campaigns and campaign spending. We need new thinking, and a fresh approach, and I would like to call on the Congress to direct its attention to shaking up the whole campaign situation, top to bottom.

There are a number of bills already introduced which bear on the campaign problem, but I believe we need a much more comprehensive approach.

I have some ideas, which I would like to discuss today, and I would hope that others would come forward with new concepts as well. Now, when Watergate-fueled public concern has heated the iron, is the time to strike a blow for true campaign practices reform.

Particularly in my role as chairman of the Republican Senate Campaign Committee, it is my hope that any new legislation may become law in time to be in force for the 1974 congressional elections. In that instance, it may be possible to judge any changes that might be necessary prior to the 1976 presidential campaign, so that by that time a tested and ironed-out law may be in force at that time.

Before detailing the thrust of my proposal, I would like to spend just a moment on the question of the Watergate affair itself and what it represents to our political process, its integrity, and its preservation.

It is important to remember that this is a scandal quite different from those great scandals in past American history. No one had their hand in the Federal till. No one was taking bribes in return for governmental favors. No one was selling secret documents to foreign powers, or to anyone else.

What it was, instead, was a case of dirty campaigning, illegal and unethical. In sum, it was a political crime. Viewing it so, it is to our campaign laws that we must look if we seek to apply the lessons of Watergate to the future.

Campaign workers come in all sizes and shapes. Volunteer or paid, they run the gamut in terms of their contribution, their commitment, and their attitude.

Some make but a desultory contribution to the campaign effort. Others may work quite hard indeed, without ever knowing exactly why.

And there are those who, by their very nature, are motivated by extremely strong commitments to the policies and programs of their candidates. More than other citizens, they regard the potential triumph of their opponents as a great blow to the country. Given this intense commitment, they behave perhaps somewhat differently than their less-political neighbors.

Clearly, the proverbial Ivory soap percentage of all these people would never, under any circumstances whatever, act in a way that was not totally honorable and ethical. Indeed, they are the very backbone of the American policial process. Without them, and their commitment, no candidate has a chance of election. Without them, the American system fails.

But there are subtle and compelling forces at work on the intensely committed people, and a very few may take the first step toward compromising their principles. It may begin with tearing down an opponent's posters, repeating a rumor about him they really do not believe, or in some other small way seeking to damage his campaign.

These little sins, or misdemeanors, really, may seem to them to be relatively harmless, but somwhere along the continuum that stretches from decent, legitimate support to the monstrous illegality of the Watergate affair is a point where the end by no description can justify the means.

At some point too, a new element enters. It is the element that makes the wrongdoing truly criminal and serious criminality possible. It is money.

The simple fact is that few persons have the resources to escalate their misdemeanors into wholesale criminality. Taken to its final step, it was the existence of huge sums of money, in suitcases, safes, and special bank accounts, that permitted the Watergate affair to happen.

Without ready money, conspirators, in such limited numbers as they are, are relegated to daydreaming a "mission impossible" plot out of thin air while they clip newspapers in campaign headquarters.

Without ready money, there would have been nothing to cover up—indeed, there would have been no incident at all.

It is therefore, the existence of uncontrolled, unreported, large quantities of money—and in this specific instance, cash—that is the corrosive element, and it is to the question of campaign financing and spending that I turn my attention in seeking meaningful and workable reform.

There have been a number of attempts to legislate new policies regarding the vast sums of money which now seem necessary for a modern political campaign, but regrettably, they have not been greatly effective. They have been difficult to enforce, discriminatory against certain groups and candidates, and—to which the Watergate is eloquent testimony—ineffective.

No less an expert than Phillip Hughes, Director of the Office of Federal Elections, testified before a Senate subcommittee this year that current laws are inadequately enforced, and that the current machinery imposes great difficulties for those charged with its administration. Additionally, he points to substantial legal, constitutional, and administrative problems in enforcing the existing law, or any quantitative extension of it.

What is called for, then, I think, is a new concept, and a new approach. May I suggest the following attack on the problem:

First, all Federal election candidates should be required to designate a single financial institution which would be the repository for all of their funds. It would be illegal for them to have any other funds whatsoever, under any name, anywhere else, except for a small imprest petty cash fund, itself funded from the central repository. The designation of the repository would be made to the General Accounting Office of the United States.

Second, all campaign contributions must be forwarded directly to the repository, along with the name, address and social security number of the donor and no cash contribution in excess of $100 could be accepted. Campaign treasurers may accumulate small donations—less than $100—for a period not greater than 5-working days, then transmitting them to the repository. As is presently the case, the treasurer must keep records on the cumulative contributions of small donors, so as to identify any that may, by a series of donations, contribute in the aggregate more than $100, at which point the treasurer must notify the repository.

Third, the repository shall weekly publish a list of all donors, together with their addresses, social security numbers, and the amounts of their donations. It shall include under a separate heading all "miscellaneous" donations, and the name, address, social security number, and aggregate donated amount of any persons whose aggregate small contributions shall exceed $100. A copy of these lists shall be mailed to the General Accounting Office, as well as published, and both the repository and the GAO must make other copies available to the public.

Fourth, all disbursements from the campaign treasury must be made in the form of a check drawn on the repository institution—except for petty cash expenses. No other method of payment from a campaign organization shall be considered legal.

Fifth, the repository must publish a weekly list of disbursements, based on canceled checks in a manner similar to that discussed above, and in accordance with procedures drawn up by the GAO.

Sixth, contributions in kind—and this is a particularly interesting and difficult area that must be addressed in the future by legislation—must be reported by the treasurer to the repository, together with an estimate of their value and such other information as the GAO may require. The estimate of value must be certified as reasonable by the campaign treasurer, as well as the purpose stated to which the donated item or service is to be put.

Seventh, severe penalties for the violation of these provisions shall be in force, and may be applied to the candidate, campaign treasurer, repository, or officer thereof, or to any other person who knowingly and willfully violates the law.

The essence of these seven suggestions is to come up with a law which will assure that campaign contributions are totally exposed to public scrutiny and are open and above board. No more cash, no more bank accounts under various names, no more delayed reporting.

It will, I believe, go a long way toward making the subject of campaign financing the honest business that all of us believe it should be. But an additional step is needed, and that is to do something about the incredible cost of the campaign itself.

This is a terribly thorny problem, but one of great importance. There have been a number of attempts to limit the cost of campaigns, going back at least to the Corrupt Practices Act of 1925. In 1940, the Hatch Act contained a provision which provided that no Presidential campaign or committee could spend more than $3 million.

This law, as amended, is a mockery because all it has done is to create a proliferation of committees on behalf of one candidate. Thus, in 1968, the three major candidates, their parties, and special committees, spent at least $60,000,000 on the Presidential campaign, despite the law that would have limited that campaign spending to $9 million.

The most recent law attempts to place a direct, per-voter limit on the amount of money that can be spent on communications media advertising, but does not affect other forms of campaigning, although there have been measures introduced in this session of the Congress that would make such an extension.

In so many words, Mr. President, no matter how we try and what we write as to the extent of our legislation and the specificity of it, these limitations have not worked. I really wonder whether they can work, because they are all subject to attempts on the part of candidates and their managers and others to get around it when they feel that something has to be done. I question whether it is really the basic way to go about cutting the costs of campaign spending.

Let me suggest an alternative. I think that perhaps a much easier way to deal with the problem, and one that would have great appeal to the American people, is to limit campaigns in terms of time. This would have the effect of measurably reducing campaign costs.

Only so many television commercials or newspaper ads can be run during a given time; shorten the time reference and we reduce the costs.

In so many words, my idea is to limit campaign advertising to 35 calendar days, 5 weeks, preceding a general or primary election or a national political nominating convention.

Candidates could still make speeches, shake hands and make news. But that is the right of any citizen, and it would be both unnecessary and improper to interfere with it. But that it is the right of any citizen. It would be unnecessary and improper for us to attempt to interfere with it.

Provision would of course have to be made to provide for the payment of such expenses as may be required to meet the candidate filing laws of any State, and to provide for the operation of the ongoing political party organizations.

I would also envision a system whereby committees promoting a candidate, or seeking to draft him to run for office, would be permitted to exist prior to the announcement of this candidacy.

But at the time of that announcement, so far as all expenditures and all receipts are concerned, they must cease. They must give way to the candidates as far as expenditures are concerned. They could continue to exist in name, as could such usual groups as "Labor for Jones" and "Youth for Smith," but these groups would be prohibited from maintaining or spending funds on their own.

And of course, none of the committees could spend any money for advertising prior to 35 days before the election and then only by donation through the single campaign repository.

Finally, I would like to see changes dealing with contributors to political campaigns, and new regulations for the contributions of the candidate himself, his family, and other classes of potential contributors including corporations and labor unions. We need new thinking on maximum limits to contributions, and revisions in tax deduction provisions so as to encourage small donations on the part of individual citizens. It can be done. It was done in 1964, and it can be done on a regular basis in my opinion.

The general tone of these aspects should be liberal. It is my opinion that the key to honesty and impartiality lies in making donations broadly based and subject to full public disclosure.

Knowledge is the basis of rational decision. I fully believe that given access to all the facts, the American people will make the right decision.

We have a great many urgent needs in America today, vital needs to which those in and out of government must address their energies and abilities. If we are to get on with them, we need to put the Watergate affair behind us. The judicial process will see to it that those who are personally guilty of criminal acts relative to Watergate are fully dealt with.

Let us do something positive now. Let us try to get some real reform. Let us try to demonstrate our faith in the finest system of government history has bestowed on a free people.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. BROCK. Mr. President, I yield to the distinguished Senator from Arizona.

Mr. GOLDWATER. Mr. President, I want to congratulate my friend, the Senator from Tennessee (Mr. BROCK), for a splendid statement, a statement that is well thought out. It is a statement that I hope will have an effect on the appropriate committee in this body so that we can attempt to pass meaningful legislation.

As the Senator knows, I occupied the job he now has for 7 long years. I was constantly stunned and shocked by what I received from the various States of this Nation on behalf of various candidates in terms of money.

I am afraid that one major obstacle will stand in the way of meaningful reform, and that is that people still contribute in terms of $100 bills. There is no way on God's green earth that this can be accounted for if the contributor does not want it accounted for and if the candidate does not want it accounted for.

That, however, constitutes a relatively small part of the overall money received in a campaign. It is so small, in fact, that I question whether there is any substantial impact involved.

I like the Senator's suggestion about shortening campaigns. I think that the British have the right idea. I think that 5 weeks might be too long. I have often said that both campaigns should begin by Labor Day and that the candidates then have 4 or 5 weeks in which to campaign and make their points.

I remember at one time when we were dealing with this subject, I asked the late Walter Reuther if he would agree that a candidate would have to approve of each committee formed to raise money for him. He made a very cogent remark when he said,

> No, it was his constitutional right to give up to $5,000 for any Senatorial campaign that he wanted to, and that the candidate need not know about this.

He could, for example, buy $5,000 worth of radio time and speak for or against a candidate. And he could do the same thing in the newspapers.

I cite this merely to show that there are some constitutional obstacles and some legal obstacles. However, I believe that they can all be overcome.

I think that every committee organized to help a candidate should have the knowledge and the blessing of the candidate. That is the only way to get around it. A man that wants to give more than $5,000 could have a left-handed, red-haired secretary's committee for Brock. And he could give money to that committee or to any other committee all down the line.

These are points that I want to raise so that we can understand them as we get into this problem. We are faced with a very serious problem. I remember in my first campaign for the Senate that it cost a little under $45,000. My last campaign cost more than $400,000. I have told my committee that I will not spend more than $200,000 in my coming campaign.

I think that spending more than that is wasteful. I think that there are better and more honest ways to campaign.

I remember that the late President Jack Kennedy and I had agreed that if we ran against each other, we would, in effect, travel together, make speeches from the same stump and debate each other, which is old-fashioned, but still the best way to get away from the Madison Avenue impact where they can literally tailor the man to meet the job. He or she—since we now have to consider that in politics—can have his or her face lifted. He or she could have sparkling things put in his or her hair and look like the brightest young thing that ever came down the pike.

That is the way you sell soap. That is not the way to sell the United States, or Members of Congress, or the Presidency; but we are into that.

So I am hopeful, I say in all seriousness to my friend from Tennessee, that we will pay attention to what he has suggested today, and to other suggestions that I know are lying dormant somewhere around here. I am sure there is not a Member of this body who would not want to see the process of running for public office shortened, cheapened, and cleaned up. When I say cheapened, I refer, of course, to the amount of money involved.

I assure my colleague that in the year ahead, in this job, he is going to have an opportunity to witness some of the things I have witnessed, and in time will be more sure of what he was saying.

Mr. BROCK. Mr. President, the Senator is very kind. I say that not only because of my respect for the Senator from Arizona's past experience as a national candidate, a senatorial candidate, and a member of the Senate campaign committee, but because of my respect for his integrity and his knowledge of the constitutional process. I am deeply grateful, and very much appreciate his remarks, because this is a problem that affects Democrat and Republican, liberal and conservative, and affects the integrity of the people of this country and of the political process itself, and that is something sacred beyond any individual, and always must be if we are to preserve it.

Mr. BEALL. Mr. President, will the Senator yield?

Mr. BROCK. I yield.

Mr. BEALL. I, too, would like to join in congratulating the Senator from Tennessee for what appears to be a very worthwhile proposal to do something about the too long and too costly election campaigns to which we are all subjected these days.

Unfortunately, it seems that one of the first considerations that an individual has to make as he seeks to run for or seeks reelection to public office is the consideration of how to raise the money to pay the tremendous expenses incurred in acquiring the necessary advertising and other campaign machinery to get elected or reelected. I note that many of our colleagues who are going to be running in 1974 are now going about the business to see that proper fundraising efforts are put forth.

I have not had a chance to read the Senator's statement, but from listening to it I gather that the basis of his suggestion is that there be full and frequent public disclosure of all expenditures that take place during a campaign. I think that must be at the heart of any meaningful reform. It seems to me the one way we can control what happens in an election and the one way we can make the public concerned about what happens in an election is to make sure that, on a regular and frequent basis, there is a full disclosure of the amount of money being received by every candidate and a full disclosure of the amount of money being spent by the candidate. I think this must be the basis of any meaningful reform that takes place, and I congratulate the Senator.

I would like to say further that I agree that campaigns are too long. I was interested in the Senator's proposal that we limit to 35 days the time in which campaign advertising can be run. I guess that would probably work. I am wondering, since Labor Day seems to be the traditional starting point of all political campaigns in this country, whether the Senator would agree that perhaps it would be worthwhile to consider moving the election day forward also, as a method of getting at the length of campaigns.

Mr. BROCK. I think that would be perfectly logical. If we want to start at Labor Day, let us just add 35 days to that, or 30, if you like. I think we all might benefit from the process. I think the politicians might find it refreshing to note that they were not boring the American people to death, which extensive campaigns can on occasion do.

Let me tell the Senator how much I appreciate his remarks, and state that he has found the cogent point of this entire matter, and that is disclosure, public disclosure. Let the people know what is going on, and then we will not have any problems relative to contributions. Let them see how much was received on what dates. Let them see where they spent the money, for what purposes, and on what dates, at every stage of the campaign.

Mr. BUCKLEY. Mr. President, will the Senator yield?

The PRESIDING OFFICER. The time of the Senator from Tennesee has expired.

Mr. MANSFIELD. Mr. President, would the Senator like a minute or so of my time?

Mr. BUCKLEY. Yes, I would appreciate it.

Mr. ROBERT C. BYRD. Mr. President, may I be recognized?

The PRESIDING OFFICER. Under the previous order, the Senator from West Virginia is recognized for not to exceed 15 minutes.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that I may yield my time to the majority leader, the full 15 minutes if he needs it, and that the order for laying down the unfinished business at 10:59 a.m., to be followed by proceeding immediately to the consideration of the EDA bill, be modified accordingly.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I yield 2 minutes to the Senator from New York (Mr. Buckley).

Mr. BUCKLEY. I thank the distinguished majority leader.

Mr. President, I too, want to compliment the Senator from Tennessee for focusing our attention on what so urgently needs to be done: A thorough review of our whole approach to national elections, not only in the light of our Watergate experience, but also in the light of our experience with the recently enacted campaign bill. We have had our first shakedown cruise, as it were.

I understand from those who have worked within its limitations that much improvement needs to be made. I think one thing we need to address, and the Senator has alluded to it, is to make sure that any new approach will really go across the board and affect everyone, labor unions and everyone else. This, as we know, last year was somehow avoided. It must be made to apply to everyone who would contribute.

One question in my mind has to do with the limitation of 35 days. I would only say that, while the thought of any such limitation is delightful, as one who was relatively unknown in a State as large as New York, I doubt if I could have made it with the campaign limited to that length of time.

I believe the limitation on total campaign spending, rather than on time, would be the right approach.

Mr. BROCK. The Senator may be correct. We have just simply failed to do that heretofore; we have not limited campaign costs, and they have increased enormously, even after the passage of the bill.

I frankly think perhaps we can achieve a basis of limiting the total cost by limiting direct media advertising to 35 days, but not by any description limiting campaign activities. Then the Senator could have conducted his campaign and engaged in all kinds of campaign activities, including direct mail and other forums.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. BROCK. I thank the Senator from New York for his comments.

Mr. MANSFIELD. Mr. President, before I start on my remarks, I commend the distinguished Senator from Tennessee for offering his proposals, and I would hope it would not be too long before we could jointly bring to the floor legislation dealing with the need for campaign reform, because campaigns are too long, and they are too expensive and too tiring, not only on the candidates but on the people themselves, with too much repetition. I would hope something could be done on a bipartisan basis to bring about these reforms, which would be not only in the interest of the people as a whole, but in the interest of those of us who are running on an individual basis.

I commend the distinguished Senator.

Mr. BROCK. I thank the Senator from Montana, and he has my unqualified commitment to support such a measure.

THE WATERGATE CONSPIRACY

Mr. MANSFIELD. Mr. President, on January 16, 1973, at the request of Senator Sam Ervin, chairman of the Senate Select Committee on Presidential Campaign Activities, I dispatched identical letters to the following:

Hon. Richard Helms, Director of Central Intelligence, Central Intelligence Agency, Washington, D.C. 20505.

Committee To Re-elect the President, 1701 Pennsylvania Avenue, Washington, D.C.

Hon. Richard Kleindienst, Attorney General of the United States, Department of Justice, Washington, D.C.

Hon. Patrick L. Gray III, Director, Federal Bureau of Investigation, Washington, D.C.

John W. Dean III, Esq., Counsel to the President, Executive Office of the President, The White House, Washington, D.C.

Hon. Elmer B. Staats, Comptroller General of the United States, General Accounting Office, Washington, D.C.

Maurice H. Stans, chairman, finance, Committee To Re-elect the President, 1701 Pennsylavnia Avenue, Washington, D.C.

The Republican National Committee, 310 First Street, SE., Washington, D.C.

Earl L. Silbert, Esq., Principal Assistant U.S. Attorney, U.S. District Courthouse, Third and Constitution NW., Washington, D.C. 20001.

Each of the above individuals and organizations acknowledged the receipt of the communication through the person to whom it was delivered.

The signed receipts follow:

Office of the Majority Leader,
Washington, D.C., January 17, 1973.

Hon. Richard Helms,
Director of Central Intelligency,
Central Intelligence Agency,
Washington, D.C.

Robert J. Kelso.

Committee To Re-Elect the President,
1701 Pennsylvania Avenue,
Washington, D.C.

Melaine O'Gorman.

Hon. Richard G. Kleindienst,
Attorney General of the United States,
Department of Justice,
Washington, D.C.

Bernetta Evans.

Hon. Patrick L. Gray III,
Director, Federal Bureau of Investigation,
Washington, D.C.

C. Carson.

John W. Dean III, *Esquire,*
Counsel to the President, Executive Office of the President, The White House, Washington, D.C.

F. J. Carrall.

Hon. Elmer B. Staats,
Comptroller General of the United States,
General Accounting Office,
Washington, D.C.

Gladys M. Rigsby.

Maurice H. Stans, *Chairman,*
Finance Committee to Re-elect the President,
1701 Pennsylvania Avenue,
Washington, D.C.

Elaine O'Gorman.

The Republican National Committee,
310 First Street, S.E.,
Washington, D.C.

Jean M. Davenport.

Earl J. Silbert, *Esquire,*
Principal Assistant U.S. Attorney, United States District Courthouse, Third and Constitution, N.W., Washington, D.C.

Piercy N. Lassikas for E.J.S.

The following communication, identical in each case, was sent to the above listed individuals and organizations and reads as follows:

As you may be aware, the Senate is to conduct a full and complete investigation of the allegations of illegal or improper activities during the recently completed national elections. This investigation is to include an examination of the events surrounding the break-in at the Democratic National Committee headquarters in the Watergate, the reports of political sabotage and espionage, questions concerning the receipt and accounting of campaign funds, and the practices and procedures of the various agencies and officials in their investigation of such activities.

I am writing to request that you not destroy, remove from your possession or control, or otherwise dispose or permit the disposal of any records or documents which might have a bearing on the subjects under investigation, including but not limited to all records pertaining in any way to the financing and operations of any activity related to or affecting the nomination or election of any person during the recent Presidential campaign.

Sincerely yours,

Mike Mansfield.

Late in the afternoon of Friday, May 4, 1973, the press began calling my office on the basis of a statement made by Mr. John Dean and/or his attorney at which time I instructed Mrs. Salpee Sahagian, administrative assistant to the majority leader, to read the contents of the communication in full and the names of those to whom the communication was sent. This was done. I received several inquiries from the press since and the same procedure was followed.

I also ask unanimous consent to have printed at this point in the Record copies of the replies I received from Attorney General Richard G. Kleindienst, Comptroller General Elmer B. Staats, Acting FBI Director Patrick L. Gray III, and Principal Assistant U.S. Attorney Earl J. Silbert.

There being no objection, the replies were ordered to be printed in the Record, as follows:

THE ATTORNEY GENERAL,
Washington, D.C., January 18, 1973.
Hon. MIKE MANSFIELD,
U.S. Senate,
Washington, D.C.

DEAR SENATOR: I have your letter dated January 16, 1973 pertaining to the Senate conducting a full and complete investigation of the allegations of illegal or improper activities during the recently completed national elections. You can rest assured that the request contained in your letter will be complied with.

My most sincere best personal regards and respect as always.

Sincerely,

RICHARD G. KLIENDIENST.

COMPTROLLER GENERAL
OF THE UNITED STATES,
Washington, D.C., January 22, 1973.
Hon. MIKE MANSFIELD,
U.S. Senate.

DEAR SENATOR MANSFIELD: This is in reply to your letter of January 16, 1973, calling our attention to the impending Senate investigation of allegations of illegal or improper activities during the recent national election and requesting that we not dispose or permit the disposal of any records or documents which might have a bearing on the investigation.

The Federal Election Campaign Act of 1971, Public Law 92-225, contains provisions requiring the extended retention of records related to our activities under this law. Most, if not all, of the relevant records under the control of the General Accounting Office would be covered by this statute. Even were this not the case, however, we have no intention of disposing of any of the records now in our possession or which might come into our possession during the course of the audits now in process by the Office of Federal Elections which might have a bearing on the matters under investigation.

Sincerely,

ELMER B. STAATS,
Comptroller General of the United States.

U.S. SENATE,
January 23, 1973.

SENATOR: Peggy received a call from Dave Bowers of the FBI.

Mr. Bowers said that Mr. Gray received your letter of January 16 but he understood that the Attorney General had replied on Jan. 18 and this reply was for the whole Department including the FBI. Therefore, the FBI Director would not be replying.

If there are any questions, contact Mr. Bowers. 175-2541.

DONNA.

Mr. MANSFIELD. Mr. President, I did not hear any further from the other individuals or organizations contacted initially.

This morning, I received in the mail a "Motion To Lodge Document with the Court" filed in the U.S. District Court for the District of Columbia and signed by Charles Norman Shaffer, 342 Hungerford Court, Rockville, Md. 20850, attorneys for John Wesley Dean III. The document filed with the court reads as follows and includes, in addition, a certificate of service that the motion to lodge document with the court was mailed to me on May 4, 1973, and to Earl J. Silbert, Esquire, Seymour Glanzer, Esquire, and Donald Campbell, Esquire, assistant U.S. attorneys, U.S. Courthouse, Washington, D.C. 20001.

Also returned with the motion was a copy of the letter which I dispatched to Mr. John Dean on January 16, as well as a copy of the envelope in which the letter was enclosed and also, under exhibit B, photostatic copies of an advertisement put out by the Alexandria National Bank of Alexandria, Va.

In order to keep the record straight, and in view of the fact that my office has been approached by the press on various occasions, I ask unanimous consent that all the communications, documents, and whatever, be printed in the RECORD, so that they will be there for all to see.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[U.S. District Court for the District of Columbia]

MOTION TO LODGE DOCUMENT WITH THE COURT

United States of America v. John Doe, et al., criminal case No. 1827-72.

Comes now John Wesley Dean, III, by his attorneys, Shaffer, McKeever & Fitzpatrick, for the relief and upon the grounds hereinafter described:

1. That John Wesley Dean, III (hereinafter referred to as "Dean"), for a substantial period prior to Monday, April 30, 1973, had been a member of the President's Staff serving at the White House in the capacity of Counsel to the President of the United States.

2. That on or about Monday, April 30, 1973, at approximately 12:00 noon while in another jurisdiction some distance from the Federal City his secretary advised him by long distance telephone that the wire services were then carrying a news bulletin that the President had demanded and received from him and others their resignations from their White House Staff positions and that later during the evening of the same date the President, on nationwide television, would formalize the announcement.

3. Thereafter on the same date at approximately 2:00 p.m. Ronald Ziegler, the Presidential Press Secretary, by a long distance telephone call confirmed to him the Presidential action earlier reported by the wire services' news bulletin.

4. That during the tenure of his appointment as Counsel to the President of the United States and prior to his termination in that office on or about Monday, April 30, 1973, Dean carried a total security clearance covering his possession and use of classified security information which lapsed immediately upon his termination.

5. That on or about January 16, 1973, during the period of his tenure and while possessing or having under his control classified material the Honorable Mike Mansfield directed a letter to Dean which he shortly thereafter received, copies of which are attached hereto marked Exhibits A and A-1, and prayed to be taken as a part hereof, reading in relevant part:

"The Senate is to conduct a full and complete investigation of the allegations of illegal or improper activities during the recently completed national elections. This investigation is to include an examination of the events surrounding the break-in at the Democratic National Committee headquarters in the Watergate, the reports of political sabotage and espionage . . . and the practices and procedures of the various agencies and officials in their investigation of such activities.

"I am writing to request that you not destroy, *remove from your possession or control*, or otherwise dispose or permit the disposal of any records or documents *which might have a bearing* on the subjects under investigation. . . ." (Emphasis added.)

6. That although Exhibit A describes itself as a "request" there are reasonable grounds to believe that the letter has directory effect to preserve autoptic evidence for the Senatorial inquiry described therein and any violation of its terms may expose Dean to subsequent charges of contempt of that body and obstruction of its investigatory endeavors.

7. On the other hand, Title 18, United States Code, Section 798, among other things, forbids anyone to communicate, furnish (excepting the lawful demand of information to any regularly constituted committee of the Senate or House of Representatives of the United States of America or joint committee thereof), transmit or otherwise make available to an unauthorized person or publish any classified information.

"(3) concerning the communication intelligence activities of the United States. . . ." under penalty of felony criminal prosecution leading to fine and/or imprisonment.

8. That for a substantial period prior to and since his termination from office above-described in Paragraphs 2 and 3, Dean has had within his possession and subject to his control a certain document containing forty-three (43) numbered pages together with eight (8) related supplementary documents plastic bound in a blue cover and carrying a security classification.

9. That Dean has reason to believe that some, if not all, of the content of the documents described in Paragraph 8, above, fall within the scope of the coverage of Exhibit A and that the said documents may have "a bearing on the subjects under investigation" by the Senate; however, a reasonable interpretation of the character of Exhibit A supports the view that the Exhibit does not meet the statutory exception of Title 18, United States Code, Section 798(c) reading:

"Nothing in this section shall prohibit the furnishing, upon lawful demand, of information to any regularly constituted committee of the Senate or House of Representatives of the United States of America, or joint committee thereof."

10. That prior to April 30, 1973, Dean, anticipating the reasonable likelihood of either (a) a covert break-in to his office before his termination by persons unknown or (b) sealing of his files after his termination by governmental agents and thereby run the risk of illegitimate destruction of the documents involved, removed the documents described to a safe and secure place under his custody and control.

11. That following Dean's return from the other jurisdiction above-described in Paragraph 2, on or about Thursday, May 3, 1973, he contracted in his name for a safe deposit box located within the Alexandria National Bank (hereinafter referred to as "the Bank") at Alexandria, Virginia, and was assigned Safety Deposit Box No. 592 and placed therein the documents above-described in Paragraph 8.

12. That the Bank delivered to Dean two (2) duplicate safety deposit box keys both of which are affixed to a paper attached hereto marked Exhibit B and prayed to be taken as a part hereof.

13. That short of breaking the locks to the said safety deposit box access can only be obtained by the use of one of the keys affixed to Exhibit B in conjunction with a separate key maintained by the Bank at its banking house in Alexandria, Virginia.

14. That if this Honorable Court should grant the within Motion, then (a) Dean will have effectively transferred the documents involved beyond his own actual or constructive possession and control, which Dean believes he, as a terminated White House Staff member should no longer exercise, and (b) the problem of a statutorily unauthorized delivery to Senator Mansfield or members of the government's prosecutorial staff, none of whom may carry the requisite security clearance will be obviated, and (c) the risk of an unauthorized destruction of relevant evidentiary material "which might have a bearing on the subjects under investigation" either by the United States Senate or the District of Columbia Grand Jury inquiring into the matters under investigation.

15. That because of the events above-described in Paragraphs 2 and 11, Dean was not previously confronted with the problem concerning the appropriate disposition of the

classified material herein described and he did not sooner file the within Motion.

Wherefore, the premises considered, Dean respectfully prays this Honorable Court to pass an Order:

1. Directing the Clerk of this Honorable Court to remove the two (2) keys attached to Exhibit B and hold them in a safe place subject to the further Order of the Court; and

2. For such other and further relief as to this Honorable Court shall seem appropriate.

EXHIBIT A

U.S. SENATE,
Washington, D.C., January 16, 1973.

JOHN W. DEAN III, Esquire,
Counsel to the President, Executive Office of the President, the White House, Washington, D.C.

DEAR MR. DEAN: As you may be aware, the Senate is to conduct a full and complete investigation of the allegations of illegal or improper activities during the recently completed national elections. This investigation is to include an examination of the events surrounding the break-in at the Democratic National Committee headquarters in the Watergate, the reports of political sabotage and espionage, questions concerning the receipt and accounting of campaign funds, and the practices and procedures of the various agencies and officials in their investigation of such activities.

I am writing to request that you not destroy, remove from your possession or control, or otherwise dispose or permit the disposal of any records or documents which might have a bearing on the subjects under investigation, including but not limited to all records pertaining in any way to the financing and operations of any activity related to or affecting the nomination or election of any person during the recent Presidential campaign.

Sincerely yours,

MIKE MANSFIELD.

EXHIBIT B

SAFE DEPOSIT KEY ENVELOPES

Why risk loss
of both keys
KEEP
ONE
SAFE DEPOSIT BOX KEY
IN THIS ENVELOPE
ALEXANDRIA NATIONAL BANK
ALEXANDRIA, VA.
MEMBER OF THE FEDERAL DEPOSIT
INSURANCE CORPORATION

Why risk loss
of both keys
KEEP
ONE
SAFE DEPOSIT BOX KEY
IN THIS ENVELOPE
ALEXANDRIA NATIONAL BANK
ALEXANDRIA, VA.
MEMBER OF THE FEDERAL DEPOSIT
INSURANCE CORPORATION

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that I may yield the remainder of my time to the distinguished Senator from Illinois (Mr. STEVENSON).

The PRESIDING OFFICER (Mr. HUDDLESTON). Without objection, it is so ordered.

(The remarks Senator STEVENSON made at this point on the submission of Senate Resolution 109, dealing with the appointment of a special prosecutor, are printed in the Routine Morning Business section of the RECORD under "Submission of a Resolution.")

VOTER REGISTRATION ACT

The PRESIDING OFFICER (Mr. HUDDLESTON). Under the previous order the Chair now lays before the Senate the unfinished business, S. 352, which the clerk will state.

The legislative clerk read as follows:

S. 352, to amend title 13, United States Code, to establish within the Bureau of the Census a Voter Registration Administration for the purpose of administering a voter registration program through the Postal Service.

The Senate resumed the consideration of the bill.

Mr. McGEE. Mr. President, for several weeks, as the New York Times noted editorially today, the subject of voter registration by mail has occupied the attention of this body. The time to vote is upon us. Not today, as the Times has written. But it will be here tomorrow. A substantial majority of the Senate favors the bill. Opponents, to quote the Times editorial, "talk of fraud, but what they fear is democracy."

Mr. President, the time to expand America's democratic processes is now. The bill is before us. It is well considered. It has been long debated. There is no reason on Earth for not calling a halt to this senseless filibuster and acting on good faith. I ask unanimous consent that the Times editorial entitled "Time To Vote," which gives the case for acting on this bill now briefly, but persuasively be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

TIME TO VOTE

For several weeks an informal coalition of some Republicans and Southern Democrats has been conducting a quiet filibuster in the Senate against a bill to permit voter registration by postcard. Supporters of the bill have abundantly demonstrated that inconveniently located registration offices, inadequate time and arbitrary deadlines make it unnecessarily difficult for would-be voters to get their names on the registration lists. These man-made obstacles explain to a considerable extent why the United States has the lowest rate of political participation of any democracy.

However, Congressional diehards steadfastly oppose a simplified registration system because they are unenthusiastic about anything that makes it easier for poorer and less well-educated persons to vote. The opponents talk of fraud but what they fear is democracy.

A substantial majority of the Senate favors the bill. A recent effort to break the filibuster fell two votes short of the necessary two-thirds. Today the Senate tries again to impose cloture. The time to stop talking and start voting has clearly arrived.

CONTROL OF TIME ON CLOTURE MOTION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow the time during the debate on cloture under rule XXII, which will be 1 hour, be equally divided between and controlled by the distinguished Senator from Wyoming (Mr. McGEE) and the distinguished Senator from Hawaii (Mr. FONG).

The PRESIDING OFFICER. Without objection, it is so ordered.

EXTENSION OF AUTHORIZATIONS OF PUBLIC WORKS AND ECONOMIC DEVELOPMENT ACT OF 1965

The PRESIDING OFFICER. Under the previous order, the unfinished business will be laid aside temporarily, and the Senate will now proceed to the consideration of H.R. 2246, which the clerk will report.

The legislative clerk read as follows:

A bill (H.R. 2246) to amend the Public Works and Economic Development Act of 1965 to extend the authorizations for a 1-year period.

The Senate proceeded to consider the bill, which had been reported from the Committee on Public Works with an amendment to strike out all after the enacting clause and insert:

SECTION 1. The first sentence of section 105 of the Public Works and Economic Development Act of 1965, as amended, is amended by striking out the word "and" after the words "June 30, 1971," and by striking out the period at the end thereof and inserting in lieu thereof a comma and the following: "and not to exceed $200,000,000 for the fiscal year ending June 30, 1974.", and by striking in the last sentence the words "and June 30, 1973," and inserting in lieu thereof ", June 30, 1973, and June 30, 1974,".

SEC. 2. Subsection (e) of section 201 of the Public Works and Economic Development Act of 1965, as amended, is amended by striking out the period at the end thereof and inserting in lieu thereof a comma and the following: "and shall not exceed $50,000,000 for the fiscal year ending June 30, 1974."

SEC. 3. (a) Subsection (b) of section 301 of the Public Works and Economic Development Act of 1965, as amended, is amended by inserting in the first sentence immediately after the word "hereof" the following: ", except that in the case of a grant under this subsection to an Indian tribe the Secretary is authorized to defray up to 100 per centum of such expenses".

(b) Section 302 of the Public Works and Economic Development Act of 1965, as amended, is amended by striking out the word "and," after the words "June 30, 1969," and by striking out the period at the end thereof and inserting in lieu thereof a comma and the following: "and $12,500,000 for the fiscal year ending June 30, 1974."

SEC. 4. Subsection (g) of section 403 of the Public Works and Economic Development Act of 1965, as amended, is amended by inserting after "1973", the following: "and not to exceed $25,000,000 for the fiscal year ending June 30, 1974,".

SEC. 5. The first sentence of subsection (d) of section 509 of the Public Works and Economic Development Act of 1965 is amended by striking out the period at the end thereof and inserting in lieu thereof a comma and the following: "and for the fiscal year ending June 30, 1974, to be available until expended, $75,000,000.".

SEC. 6. (a) Section 2 of the Act of July 6, 1970, as amended (Public Law 91–304), is amended by striking out "1972" and inserting in lieu thereof "1974".

(b) The amendment made by subsection (a) of this section shall take effect May 31, 1972, and any area designated as a redevelopment area for the purposes of the Public Works and Economic Development Act of 1965, as amended, on or before that date and which has had such designation terminated or modified in accordance with section 402 of such Act of 1965 on or before the date of enactment of this Act shall, for the purposes of such Act of 1965, be held and considered as a designated redevelopment area during such period and shall continue to be designated as a redevelopment area until otherwise terminated or modified in accordance with the provisions of section 402 of such Act of 1965 and section 2 of the Act of July 6, 1970, as amended by this Act (Public Law 91-304).

The **PRESIDING OFFICER.** Debate on this bill is under control, with time on each amendment limited to 30 minutes, except an amendment by the Senator from Tennessee (Mr. BAKER), on which there will be 1 hour, and an amendment by the Senator from New Hampshire (Mr. COTTON), on which there will be 1 hour. Time on the bill is limited to 2 hours, to be divided as follows: 30 minutes to the Senator from New Hampshire (Mr. COTTON), 45 minutes to the Senator from New Mexico (Mr. MONTOYA), and 45 minutes to the Senator from Tennessee (Mr. BAKER).

Who yields time?

PRIVILEGE OF THE FLOOR

Mr. MONTOYA. Mr. President, I ask unanimous consent that the following members of the staff of the Committee on Public Works be permitted the privilege of the floor during the consideration of and all votes on H.R. 2246, a bill to amend the Public Works and Economic Development Act of 1965: M. Barry Meyer, Bailey Guard, John Yago, Philip T. Cummings, Judy Parente, David Sandoval, Richard Herod, and Robert Baca.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Mr. McCLURE. Mr. President, will the Senator yield?

Mr. MONTOYA. I yield to the distinguished Senator from Idaho.

Mr. McCLURE. Mr. President, I make a similar request for Mr. Michael Hathaway of my staff.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Who yields time?

Mr. MONTOYA. I yield myself such time as I may require.

Mr. President, the bill before the Senate (H.R. 2246), extends for 1 year the programs authorized by the Public Works and Economic Development Act of 1965, continues the moratorium on the de-designation of redevelopment areas for an additional year, and provides 100-percent funding for technical assistance to Indian tribes under title III of the act. The bill also reduces authorizations from the present level of $1.2 billion to $362.5 million for fiscal year 1974, thereby approximating this year's appropriation level of $367 million. This reduction is offered in a spirit of cooperation with the President and in recognition of the need to maintain a fiscal balance as we seek to provide fundamental public services.

In the 1974 Federal budget, the administration offers an alternative set of programs to take the place of those that would be extended by the bill we have before us today. Basically, the administration recommends that various programs authorized by the Public Works and Economic Development Act be distributed to programs authorized by the Rural Development Act, the Water Pollution Control Act, the Small Business Act, and the Housing and Urban Development Act. Other activities would be incorporated within manpower and better communities revenue sharing proposals. Economic assistance to Indian communities would be taken over by the Bureau of Indian Affairs.

There is merit in some of these proposals and suggestions. Recognizing the need for improvements in existing economic development programs, I submitted during the 92d Congress and in this session of Congress legislation that would establish a new regional development program, a program that would incorporate the lessons learned from past experience and that would better address the unique problems of today. The response to this legislation (S. 232) has provided the Subcommittee on Economic Development, of which I am chairman, with suggestions that must also be considered in the formulation of any new development program. Hearings by my subcommittee are being scheduled to consider these proposals. They may also serve as a forum to discuss the merits of the administration's proposals. The extension of current programs is essential, however, because assistance to the Nation's economically disadvantaged areas must continue uninterrupted. Congress is not yet prepared to offer a new development program or to accept the administration's revenue-sharing proposals.

Furthermore, there is no reason to believe that the dispersal of the activites now carried out by the Economic Development Administration would improve or strengthen efforts to assist economically distressed areas. There is greater reason to believe that this diffusion would weaken or eliminate such efforts.

Our Nation has not been able to solve the problem of economic stagnation or deterioration with respect to every region of our country. It is doubtful that it ever will, completely. Economic progress itself creates disruption—"creative destruction" as one renowned economist described it. New technology, increased competition, depleted resources, changing trade patterns, changing tastes, obsolescence—all these factors have an economic impact, an impact that can fall disproportionately among the Nation's regions. And we must not forget the shock to a regional economy that can be initiated by a change in national priorities. We are told, for example, that a changing defense posture and budgetary considerations call for a shutdown of 40 military bases throughout the land and a cutback at 234 more. Again, the economic impact of this federally created shock would not be absorbed equally across the country. Rhode Island and Massachusetts would bear the brunt of this particular blow. Similarly, an area struck by a natural disaster can suffer the same economic distress as that caused by an economic downturn or a base shutdown. The Nation now faces the massive task of revitalizing economies disrupted by tropical storm Agnes and by recent flooding.

There is nothing inherently wrong in adjusting national priorities to meet changing national needs, just as there is nothing inherently wrong in the economic process of "creative destruction." Changes in policy will be made. Progress will hopefully continue. Nature will have its way. But we need not sit idly by while a stricken community struggles for its very existence. Why put up with this unnecessary suffering? Why put up with this unnecessary waste? Persons and communities caught stranded by a changing economic tide need assistance to establish a new and steady course. Most often the assistance provided by society is insignificant when compared with the benefits repaid. Why should we as a society not provide this timely assistance. In this regard and as a part of the hearings devoted to formulating a new development program, I intend to determine what action has been planned by our Government in order to provide economic assistance to communities and persons to be affected by defense cutbacks.

The American economy is a complex set of interrelated and dynamic systems. Private and public decisions can have large and far-reaching implications; implications of regional and even national scope. We no longer live in a simple shopkeeper economy where economic disruption to one productive unit has little or no affect on another. We need an agency in Government that concerns itself primarily with economic dynamics. We must have specialists in this important area. The programs authorized by the Public Works and Economic Development Act have done much of the job up to now, within their legislative and budgetary constraints.

An indiscriminate observation of these programs might see duplication with activities of other Federal agencies because similar tools are often used, but the fact that similar tools are being used does not necessarily mean that the same objectives are being sought. For example, neurologists and cardiologists both use many similar instruments, and they are both concerned with the physical well-being of the people. Should society, therefore, eliminate one of these specializations?

The Economic Development Administration and the regional commissions are interested in the social well-being of our citizens, as are the Departments of Housing and Urban Development and Agriculture; but the Economic Development Administration and the commissions concentrate on providing the services needed to guarantee economic well-being to those communities that need special consideration—special treatment to get back on their feet. Of course, HUD is concerned with the social ills of our urban communities. Of course, Agriculture is concerned with the health of our rural communities. But the know-how and expertise focused upon the concerns of economic development are found within the Department of Commerce. They are the ones that have researched new methods to cure the most difficult cases of unemployment and underemployment. They are the ones that have through timely and appropriate action given a new lease on life to hundreds of communities throughout the land.

Under the leadership of Paul Douglas, former Senator from Illinois, a renowned economist in his own right, Congress in 1965 saw the need for a special effort in the area of regional economic development. Have we now eliminated the plight of economic stagnation throughout the land? Have we come to grips with the process of "creative destruction"? Do Federal decisions no longer disrupt entire segments of our society that we may relax our economic surveillance? A glance at economic statistics tells one that we have not yet won a final victory over economic distress, that we have not yet found adequate methods for adjusting to economic change. I remind my colleagues that there are still four and a half million persons in this country that cannot find work. Over two million persons that seek full-time jobs can find only part-time work. Close to three quarters of a million persons have given up hope of finding a job, altogether. Unemployment has remained at 5 percent or more for 2½ long years. Close to 26 million persons have incomes below the poverty level. No, we have not yet solved the problem of economic distress.

It has been argued in recent years that we must live with an unemployment rate of 5 percent or more, that aggregate economic growth required to reduce unemployment beyond this level would create inflationary pressures too great for the economy to bear. I find this line of reasoning faulty on two counts. First, I do not accept the inevitability of a 5-percent rate of unemployment. Second, I believe that the medication for an unemployment problem at the margins of our economy is not the stimulation of the entire economy. The effort must concentrate in those areas, geographic and human, where the problems exist. These problem areas call for swift, precise, and specialized action.

The programs we discuss today represent a concentrated approach to the Nation's problem areas. They, by design and by budgetary constraint, are not policy instruments for aggregate economic growth. They attack the hardest and most difficult problems of unemployment. They create little inflationary pressure, for they activate idle resources and do not compete for scarce resources. In short, they represent a workable policy for reducing marginal unemployment—without fanning the fires of inflation.

There are today over 1,000 areas in the country that because of low incomes or high unemployment, or both, qualify for assistance under these programs, and I ask unanimous consent to have printed in the RECORD at this point a table listing the number of qualified areas by basis of qualification, from the inception of these programs to present time. These figures tell me once again that we have not yet found the solution to economic distress. We are not yet ready to dismantle our concentrated effort, inadequate though it may now be. Indeed, this information shows that since 1969, the number of qualified areas has risen steadily to the record high of today—this, after a record of steady improvement during the late 1960's. It appears to me that our efforts should be intensified, not abandoned, that new solutions should be sought.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

QUALIFIED AREAS BY BASIS OF QUALIFICATION, FISCAL YEARS 1966–72

Basis of qualification	Begin fiscal year 1966	End fiscal year 1966	Begin fiscal year 1967	End fiscal year 1967	Begin fiscal year 1968	End fiscal year 1968	Begin fiscal year 1969	End fiscal year 1969	Begin fiscal year 1970	End fiscal year 1970	Begin fiscal year 1971	End of fiscal year 1971 and begin fiscal year 1972[1]	End of fiscal year 1972 and begin fiscal year 1973[1]	Mar. 31, 1973
Title I:														
102(a) Substantial unemployment	99	115	153	178	64	52	46	63	33	36	29	179	380	474
Title IV:														
401(a)(1): Substantial and persistent	353	353	458	486	401	453	465	491	477	528	518	482	502	[2] 407
401(a)(1): Population loss	52	52	98	101	119	106	106	106	106	106	106	152	152	(3)
401(a)(2): Median family income	188	188	163	177	184	178	172	172	172	172	172	205	335	[4] 295
401(a)(3): Indian reservations	54	54	55	66	74	78	78	89	89	106	106	118	125	137
401(a)(4): Sudden rise in unemployment	1	1	1	7	7	29	26	31	21	29	29	62	83	127
401(a)(5): ARA holdovers	533	533												
401(a)(6): [5] *Special impact*										1	3	4	9	12
401(a)(7): Decline in per capita employment													131	[6] 182
401(d): One redevelopment area per State			12	12	12	13	12	12	12	12	12	12	12	10
Total, all qualified areas	1,280	1,296	940	1,027	861	909	905	964	910	990	975	1,214	1,729	1,644
Designated areas (Title I and IV)		810	812	936	779	845	796	880	821	906	906	989	1,140	1,184

[1] As a result of the 1970 and 1971 amendments to the Public Works and Economic Development Act of 1965, there were no area-qualification terminations in 1971; thus, the numbers of qualified areas shown for the end of fiscal year 1971 (June 30, 1971) are identical to those shown for the beginning of fiscal year 1972 (July 1, 1971). Moreover, the 1972 annual review and area-qualification terminations were not completed until Dec. 29, 1972; thus, the number of areas shown at the end of fiscal year 1972 (June 30, 1972) are identical to those shown at the beginning of fiscal year 1973 (July 1, 1972).

[2] This is the number of areas qualifying solely on the basis of substantial and persistent unemployment. Additional areas meeting this criterion are counted in other categories as noted below.

[3] Areas previously qualified in this category with 1950–60 net outmigration of 25 percent or more and median family income between 40 percent and 50 percent of the national median. Areas now qualify on the basis of median family income not in excess of 50 percent of the national median regardless of population loss. Accordingly, no areas are currently included in this category.

[4] This is the total number of areas meeting the low income criterion. 68 of these areas also currently qualify as 401(a)(1) unemployment areas, and 2 qualify as 401(a)(7) areas, but they are not included in the numbers shown for those categories.

[5] Figures relate only to the urban program.

[6] This is the total number of areas meeting the "decline in per capita employment (p.c.e.)" criterion, except for 2 areas which also qualify as low income areas and are counted in that category. 31 of these p.c.e. areas also currently qualify as 401(a)(1) unemployment areas and 8 of them qualify as 401(a)(4) "sudden-rise" areas, but they are not included in the numbers shown for those categories.

Mr. MONTOYA. History will show that economic strength is the major life force behind a great nation. How then can we budget $8.5 billion for research and development in defense and at the same time budget zero for research and development in economic development? Does this difference represent an appropriate allocation of our national energy? We have only a limited supply of human and natural resources at our disposal. We must invest a greater share of these resources for more productive and creative endeavors.

The struggle for clean air and pure water is one such endeavor, but let us not thereby forget the mandate to provide economic integrity to all citizens. In our fervent efforts to cleanse the environment, let those of us who already have had economic opportunity and that now have economic security not forget the needs of our less fortunate citizens. Is it wise, for example, to provide $7.4 billion in budget authority for EPA one year, then turn around and provide zero in budget authority for EDA the next? In concern over one problem, let us not forget the other.

And nowhere is a misallocation of resources more evident than in the field of education. Soaring unemployment among our young adults is testimony to the inadequacies of our educational system. For example, the average annual rate of unemployment in 1971 for persons 16 to 21 years of age was 14.3 percent. For blacks and other races it was 28 percent. The rate of unemployment for persons 16 to 19 years old was 16.2 percent. For blacks it was 33.5 percent. That is, one out of three of these young adults that went out seeking work were told "no, you cannot work." Yet, too often do these same individuals, now anxious to assume adult responsibilities, waste precious years stuck in a regimen that is totally inadequate for their wants and for their needs. And let me quickly point out that this is not simply a problem among blacks. Of the 1.8 million persons of age 16 to 21 that found themselves unskilled and unemployed, 1.4 million or 78 percent were white.

Little has been done to correct the imbalance of our educational system, but a good part of what has been done has been accomplished with the assistance of the programs we are considering today. Since its inception and as of February 1973, the Economic Development Administration has helped to construct 86 badly needed technical and vocational schools throughout the country. I would like to submit the listing of these projects and I ask unanimous consent that it may be printed in the RECORD at this point.

There being no objection, the listing was ordered to be printed in the RECORD, as follows:

VOCATIONAL SCHOOLS AND SKILL TRAINING CENTERS FUNDED BY EDA PUBLIC WORKS PROGRAM

	EDA amount	Number of projects
Fiscal year—		
1966	$7,504,000	4
1967	3,863,000	8
1968	12,635,000	16
1969	20,981,000	14
1970	13,314,000	11
1971	8,629,000	12
1972	9,719,000	16
1973 (as of Feb. 20, 1973)	3,205,000	5
Total	79,850,000	86

VOCATIONAL SCHOOLS AND SKILL TRAINING CENTERS FUNDED BY EDA PUBLIC WORKS PROGRAM AS OF FEB. 20, 1973

Location	EDA money	Date approved
Arkansas:		
Pocohontas	$600,000	Feb. 11, 1971
Malvern	570,000	June 16, 1970
Fort Smith	765,000	Mar. 13, 1970
East Camden	750,000	Nov. 3, 1966
Fayetteville	480,000	Feb. 25, 1969
Alaska:		
Fairbanks	2,250,000	Jan. 19, 1972
Nome	851,000	June 26, 1970
Arizona:		
Gila River Indian Reservation	1,151,000	Apr. 10, 1969
Whiteriver	290,000	May 7, 1968
California:		
Fresno	82,000	Mar. 22, 1972
Columbia	254,000	Nov. 28, 1970
Stockton	750,000	Nov. 4, 1968
San Diego	160,000	Oct. 10, 1966
San Jose	350,000	May 25, 1967
District of Columbia	2,907,000	May 18, 1971
Georgia: Clarke/Athens	250,000	June 18, 1968
Idaho:		
Fort Hall	882,000	June 1, 1972
Desmet	82,000	Jan. 24, 1972
Lewiston/Nez Perce	750,000	Nov. 14, 1969
Illinois: Chicago	6,452,000	Dec. 31, 1968
Kentucky:		
Glasgow	551,000	June 16, 1972
Mayfield	478,000	June 9, 1972
Benton	482,000	Apr. 17, 1972
Fulton	326,000	Mar. 8, 1972
Murray	195,000	Dec. 31, 1970
Louisiana: Opelousas	291,000	June 7, 1971
Massachusetts: Fall River	3,053,000	Mar. 25, 1966
Minnesota: South St. Paul	153,000	May 18, 1972
Mississippi:		
Clarksdale	349,000	Sept. 24, 1969
Fayette	242,000	June 4, 1968
Kosciusko	101,000	Mar. 25, 1966
Missouri:		
Louisburg	[1] 458,000	Dec. 22, 1971
Doniphan	379,000	Dec. 23, 1971
Lilbourn	1,625,000	Nov. 14, 1969
Montana:		
Rosebud	216,000	Sept. 23, 1970
Box Elder	545,000	Mar. 24, 1969
Silver Bow	425,000	May 18, 1966
Nevada: Owyhee	82,000	Feb. 13, 1973
New Jersey:		
Newark	5,823,000	Jan. 31, 1969
Do	1,541,000	June 14, 1968
Camden	1,650,000	June 14, 1967
Passaic	3,925,000	June 29, 1966
New Mexico:		
Rio Arriba	160,000	Mar. 16, 1972
Santa Fe	990,000	Oct. 4, 1968
Zuni Reservation	254,000	Sept. 20, 1968
Mescalero, Apache Reservation	281,000	June 18, 1968
Espanola	811,000	May 10, 1968
Acoma Reservation	325,000	Mar. 19, 1968
Jemez Pueblo	230,000	Oct. 22, 1968
San Juan Pueblo	75,000	Oct. 3, 1968
Bernalillo	223,000	May 18, 1967
New York: Brooklyn	1,446,000	Sept. 15, 1972
North Carolina:		
Lumberton	861,000	May 22, 1970
Morehead City	881,000	Feb. 18, 1970
Elizabethtown	181,000	June 12, 1968
Kenansville	215,000	Apr. 5, 1968
Sylva	275,000	May 10, 1968
Wilson	510,000	May 7, 1968
North Dakota: Fort Yates, Standing Rock Reservation	515,000	May 21, 1971
Oklahoma:		
Vinita	2,059,000	Apr. 6, 1971
Ardmore	425,000	Nov. 18, 1969
McAlester-Kiamichi	1,328,000	May 7, 1968
Purcell	978,000	Apr. 30, 1969
Wilburton	718,000	May 9, 1968
Shawnee	1,224,000	May 20, 1968
Puerto Rico:		
San Juan	461,000	Mar. 22, 1972
Do	4,585,000	Jan. 28, 1970
Yauco	1,264,000	June 11, 1969
Guayama	2,075,000	Apr. 30, 1968
South Carolina:		
McCormick	[1] 142,000	Oct. 20, 1972
Orangeburg	1,320,000	Nov. 7, 1972
Aiken	408,000	Sept. 17, 1971
Bamberg, Denmark	976,000	May 20, 1971
Greenwood	246,000	Dec. 31, 1970
Florence/Darlington	1,652,000	May 20, 1970
Kingstree	1,490,000	Apr. 10, 1969
South Dakota: Rosebud	40,000	Nov. 4, 1966
Texas:		
Beeville	215,000	Sept. 28, 1972
Gonzales	120,000	Nov. 25, 1970
Waco	500,000	Jan. 30, 1969
Lower Rio Grande Valley	2,369,000	Apr. 9, 1968
Rio Grande	10,000	Apr. 19, 1967
Virginia: Warsaw	720,000	Jan. 17, 1972
Virgin Islands: St. Thomas-St. Croix	250,000	July 23, 1970
Washington: Seattle	1,846,000	Mar. 16, 1972
Wisconsin: Antigo	680,000	Dec. 28, 1966

[1] PWIP.

Mr. MONTOYA. Mr. President, these vocational schools which have been constructed in different areas of the country have become showcases, and other areas are beginning to follow the example by mustering financial resources to build such schools in those areas. So, in effect, this seed we have planted has stimulated the interest of the whole country in the concept of vocational education for our youth.

Most nations have long since recognized and nurtured the potential of their young adults, not so severely separating the earning process from the learning process. We must do better in terms of technical training and in terms of on-the-job training at nonpoverty wages. We must remember the 80 percent of those entering high school that do not go on to get college degrees. This is an area for which I have great concern, and this is one of the many areas in existing programs for which the administration has provided no acceptable alternative—eliminating, in fact, the only source of Federal assistance for the construction of needed technical and vocational facilities.

We must increase our efforts in the area of vocational education, not reduce them. We must strengthen our efforts in the area of regional economic development, not dilute them. Administration alternatives offer uncertainty for certainty. Some proposals are completely unacceptable. We must pass this bill extending the life of the Economic Development Administration and the Regional Action Planning Commissions until a suitable and certain alternative is provided. We must continue an economic development effort in this country.

Mr. President, I have discussed in some detail why it is important to maintain on-going programs of economic development. The continuation of these programs has been a matter of priority for the Subcommittee on Economic Development and the Committee on Public Works.

We could not have brought this bill to the Senate at this time without the support and participation of the distinguished chairman of the committee, the Senator from West Virginia. Senator RANDOLPH was an early advocate of federally sponsored economic development programs.

He is the father of the Appalachian Regional Commission.

He saw the problems that existed in his own State and found them reflected in other distressed areas throughout the United States. Without his leadership, programs enacted 10 years ago and those that followed, including that specifically directed at the problems of the Appalachian region, would not have come into being. It is his experience in this field and his inspiration as an effective legislator and chairman that have greatly facilitated our work in this area.

I am grateful to the members of the subcommittee for their diligence in these matters and for their participation in the development of this legislation. Senators MUSKIE, GRAVEL, BENTSEN, BURDICK, MCCLURE, STAFFORD, SCOTT, and DOMENICI all have made important contributions to the measure now before us. At the full committee level, the ranking minority leader, the distinguished Senator from Tennessee (Mr. BAKER), was of great assistance, as were Senators CLARK, BIDEN, and BUCKLEY.

Mr. President, this bill was carefully prepared by the Subcommittee on Economic Development and the Committee on Public Works. Its provisions were thoughtfully considered in their relationship to the needs of our country and within the framework of the existing governmental structure for executing economic development programs. I am convinced that it meets existing needs in these respects, and I strongly urge the Senate to approve this legislation.

Mr. NELSON. Mr. President, I support the Senate Public Works Committee version of H.R. 2246. This bill extends the Economic Development Administration for another year, and provides an authorization of $362.5 million for fiscal year 1974.

There has been much discussion in recent months about the effectiveness of the assistance programs of the Federal Government. Questions have been raised about the cost-benefit ratio of such programs, about administrative mishandling of programs on the local level, and about the vast duplication of programs which has resulted from our sincere efforts to provide relief to Americans who have not shared in the American dream.

Certainly it is the obligation of Congress to keep a constant and watchful eye on our programs for public assistance to be sure that they provide that assistance to those who are in need of such help, and to guarantee that these programs accomplish the ends they were meant to accomplish.

Speaking from a knowledge of the extremely beneficial work of the Economic Development Administration in northern Wisconsin—and especially of the Upper Great Lakes Regional Commission created under title V—it can be said that this program is one that has ably demonstrated its worth to the people and to the Government.

Northern Wisconsin has for many years been a depressed area. Since the decline of the mining, logging and shipping industry in the area, the northern half of the State has suffered from a whole series of economic problems which have placed a severe hardship on the citizens.

First. Unemployment in the area consistently ranks higher than the national average. In the upper Great Lakes region, the unemployment rate is 6.3 percent, while the national average is 5 percent.

Second. Per capita income ranks more than 20 percent lower than the national average. Upper Great Lakes area per capita income is $8,268, while the national average is $9,590.

Third. Throughout the three-State area in the upper Great Lakes region, the number of families below the poverty level was 11.3 percent of the total population. The national figure was 10.7 percent.

Fourth. In the upper Great Lakes region, there are 19.1 medical personnel for every 10,000 people. Nationally, there are 26.5 medical personnel for every 10,000 persons.

Fifth. In the upper Great Lakes region, population between 1960 and 1970 declined by 2.7 percent, while the total three State area average population change was a gain of almost 1 percent.

While these statistics illustrate the extent of economic depression that has gripped the upper Great Lakes region, nothing can better convey that problem than the realization that this area once boomed from an extensive lumber, mining and shipping industry. Blessed with thousands of square miles of forest land, and abundant mineral resources under the ground, and the Great Lakes system to carry the raw material to market, northern Wisconsin gave its heart to the development of the Nation. But the forests were logged out, the deposits were depleted, and now the area stands as a *shadow* of its former prosperity.

Public officials and citizens have been aware for many years what kind of action was necessary to restore the quality of existence for northern Wisconsin. Businesses would have to be started so that jobs could be provided to the unemployed, transportation facilities would be required to make it easier to travel to the area, local residents would have to be aided in their efforts to protect the environment in order to expand the recreation industry in the area.

Early in 1965, I cosponsored an amendment to the Appalachian regional development bill with Senators HART, MONDALE, and MCCARTHY to create an Upper Great Lakes Development Authority. The purpose of the amendment was to give emphasis to the fact that in dealing with poverty and economic depression, Congress should concentrate on all areas suffering from such problems, not just those which have received extensive national publicity. This was the first effort to recognize the need for areawide coordination of economic assistance outside of Appalachia. Although that specific amendment was not approved, the leadership of the Senate and the administration assured me that they would wholeheartedly support future efforts at regional development legislation. In August of 1965, the Public Works and Economic Development Act was passed.

Title V of that act created the Upper Great Lakes Regional Commission, which covers 119 counties in northern Wisconsin, Minnesota, Michigan, and the Michigan Upper Peninsula. The principle of the commission was simple: to provide a mechanism for local, State, and Federal cooperation what would result in coordinated action to encourage the sound economic development of the upper Great Lakes area.

Through the years 1966 through 1971, the Upper Great Lakes Regional Commission funded 58 supplemental grants in Wisconsin. Total project costs amounted to $32 million of which $4.5 million was supplied by the commission. In 1972, 18 projects totaling $6.7 million received Upper Great Lakes Commission grants of a little over $1 million. So far in 1973, the commission has approved grants totaling $3 million for 17 projects and involving $770,544 in commission funds.

Such statistics do not provide an indication of the scope of Upper Great Lakes aid to the citizens of northern Wisconsin, but a few examples will:

The village of Wausaukee in Oconto County had been able to attract some beneficial industry to the community, but was unable to raise the money needed as its share toward the construction of improved water and sewer facilities needed for this expanding industry. The Upper Great Lakes Regional Commission not only provided a $33,000 grant to the community, but aided in raising an additional $16,000 needed in order to allow the community to proceed with the project. The facilities will provide service to a business which will employ 40 new workers who were previously out of jobs.

Job training has been a large part of the Upper Great Lakes activity. While it is possible to attract new industry, it is important that local citizens be given the opportunity to fill the job openings made available. Upper Great Lakes established job training centers in health occupation skills in Marshfield, shipbuilding skills in Sturgeon Bay, and forester skills in Rhinelander. The commission is also embarking on a program of training native Americans for resource management positions in the forests of the area.

Regional isolation has been a major problem for some areas. The Upper Great Lakes Regional Commission helped finance improvements at the Minocqua-Woodruff Airport where $1.2 million in additional revenue has been generated each year since the projects' completion.

The commission has also provided assistance which leads to development efforts on a longer range scale which are innovative, demonstrative, and regional in nature. One such project enabled the three State departments of natural resources in Minnesota, Wisconsin, and Michigan to coordinate their activities to develop strong procedures for the preservation and restoration of the more than 17,000 inland lakes in the 119 county region.

It is important to note that not only does the Upper Great Lakes Regional Commission provide the basic funding for many programs, its supplemental investments of $32 million in the 6-year history of the Commission have alone generated more than $125 million in additional State, Federal, and local assistance. This shows approximately a ratio of four dollars generated by every one dollar of Great Lakes Commission funds invested. Clearly, the benefits which have been provided by the Upper Great Lakes Regional Commission, even with limited funding, provides persuasave evidence of the value of the program.

Mr. President, the bill that is before us will provide the very minimum amount of funding necessary to carry on the functions of title V and the Economic Development Act. Support for the 1-year extension has come from many local and State leaders in Wisconsin. Gov. Patrick J. Lucey, who serves as the chairman of the title V governors, as well as the State legislature and scores of local government leaders have offered their support for the extension of the EDA. In a telegram to the entire Wisconsin delegation earlier this year, the Governor and the leaders of both parties in the legislature said—

> This legislation is critical to the economic development of central and northern Wisconsin. Significant gains have been made despite limited funds during the past six years . . . The Commission decision-sharing effort provides cooperation in making investments to meet resource development needs in northern Wisconsin.

The Milwaukee Journal, one of the most distinguished papers in the Nation, has supported the EDA extension in saying:

> There is too little understanding of the importance of the federal catalyst in trying to revive the economy and livability of depressed northern counties in the Great Lakes region. The highly promising catalyst for the last six years—the Upper Great Lakes Regional Commission—would be eliminated under President Nixon's 1974 budget . . . This federal state partnership could be seized as the model for the 'new federalism' that President Nixon says he is pursuing. It would be a serious blow to Wisconsin and the whole upper lakes region if this effective vehicle for both planning and action were wiped out.

The Economic Development Administration is one Government program that has demonstrated that it deserves to be extended, at least for another year. In that time, there can be additional investigation as to ways in which we can make the whole Government assistance program more coordinated and less costly.

But to fail to extend the EDA would be to ignore our basic responsibility to the citizens of this country to preserve and improve the programs which provide significant aid to people and areas which have suffered economic hardship.

It has been stated that we ought not to approve the Senate committee version of H.R. 2246 because it is unlikely that the President will sign the bill. If we were to act in such a manner, there would be no progressive legislation approved by Congress. For too long, we have allowed ourselves to lose the power of appropriation and legislation that is given to Congress in the Constitution. We have heard much this year about the battle between the White House and the Congress, and how the President has won the first two rounds.

Mr. President, we are not involved in any boxing match in this Chamber. We cannot rest after every 15 minutes, and the battle does not end after 15 rounds. What is at stake is the very essence of the Constitution, the balance of power which is designed to provide laws which aid the people, not the special interests.

The bill that we have before us is a good bill, although the funds authorized are not nearly enough to deal adequately with the problems at hand. But Congress must demonstrate its concern for the economically depressed areas of the United States.

It can do that by giving its approval to H.R. 2246 this afternoon.

Mr. BUCKLEY. Mr. President, I appreciate this opportunity to state for the Record my position with respect to the proposed 1-year extension of the Public Works and Economic Development Act and the alternatives to this bill offered by my colleagues, Senators McClure and Baker and Senator Domenici.

During consideration of the Public Works and Economic Development Act in committee I voted against extending authority for the Economic Development Administration for 1 year and filed views dissenting from the majority opinion of the committee. I ask unanimous consent that my statement, as it appears in the Senate Public Works Committee report, be printed in the Record at this point.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Additional Views of Mr. Buckley

As a matter of political philosophy it has long been my position that the solutions to society's problems are best sought in the private sector or, where public action is required, at the lowest level of government competent to handle a specific problem. I believe, in other words, in the ancient rule of "subsidiarity," as it places responsibility on the appropriate level of government that is closest to the problem and most responsive to the people directly affected.

During the 1960's, we fell into a careless and lazy habit of referring an increasing number of problems to Washington. This habit has not only failed to produce the anticipated results; it has not only wasted limited resources, raised taxes to an all-time high and produced an almost uncontrollable inflation—but it is threatening to produce a sprawling bureaucracy too large for any President or any Congress to control.

We have found that, to the body politic, this habit of turning to government can be addicting. A new governmental program begins as a means of "solving" a problem, but ends up by making the supposed beneficiaries dependent on it.

I have often argued that it is essential that we work to return areas of public responsibility to levels of government which are more responsive to the people; likewise that it is necessary for Congress to exercise discipline in voting federal authorizations to a far greater extent than it has so far been willing to do.

For these reasons I have strongly and enthusiastically endorsed the efforts of President Nixon to restore a more effective distribution of power and responsibility within the federal system and to return authority and accountability for public programs to state and local government officials through the device of special revenue sharing.

One element of this effort has been the proposal, as evidenced in the Administration's 1974 budget, to phase out the Economic Development Administration programs and to substitute a plan of action which would meet the policy objectives of the Public Works and Economic Development Act to stimulate economic development while reducing the federal presence and consolidating the modest federal effort which remains in effect.

There appears elsewhere in this report a letter to the Chairman of this Committee from the Secretary of Commerce which outlines the specific features of the Administration's blueprint for the termination of the Economic Development Administration. While there are likely to be differences of opinion as to how such a reorganization should be ideally effected, I believe the Administration's proposal is reasonable and adequate to sustain the on-going planning efforts through fiscal year 1974, until such time as state and local officials decide which programs and which organizational units ought to be continued.

The federal role will continue in evidence in the effort to encourage economic development principally through the Rural Development Act. However, the nature of the federal response to economic development will be shifted from that of extending categorical grants to a greater reliance on business and industrial loans and an expanded community facilities loan program. As stated in Secretary Dent's letter to the Committee, guidelines and procedures to implement the Rural Development Act are now in preparation and are expected to be ready by July 1, 1973. Thus, from the standpoint of both the planning and the program for economic development, the Administration's proposals already provide an adequate mechanism for the orderly "transition" between existing programs and their successors. This is another way of saying that now is as good a time as any to terminate the Economic Development Administration.

It is understandably difficult for members of this Committee, which has been responsible for writing the Public Works and Economic Development Act, to agree to the termination of the entire program which that Act created. It is also difficult for those of us whose constituents might benefit from a continuation of the program as it now exists to take the risk of embracing a new and untested approach to economic development. Furthermore, there is great temptation to increase expenditures on existing programs in the belief that the problems would be more readily solved if only there were adequate funding. These are examples of the difficult choices which must be made by the Congress if we are to do more than talk about fiscal responsibility and the need to reverse the flow of power to Washington, as many of us believe must be accomplished. Only if special revenue sharing and executive reorganization are supported by the Congress can we expect to see State and local governments revitalized as they are weaned of their dependence on Washington. For this reason. I dissent from the majority opinion of the Committee and oppose the extension of the Public Works and Economic Develpment Act.

Mr. BUCKLEY. Mr. President, as my statement indicates, I am personally satisfied that appropriate machinery can be in place to enable State and local officials to continue operating economic development programs by the time the authority for the Economic Development Administration expires at the end of the current fiscal year. On the other hand, I can also appreciate the concern of some of my colleagues that the Congress has not yet had sufficient opportunity to fully consider certain administration proposals which have only recently been submitted, such as the Better Communities Act introduced in the House of Representatives on April 19, 1973.

The proposed substitute offered by Senator Domenici, to authorize a 4-month extension, has the advantage of giving Congress ample time to consider the special revenue sharing proposals. As Senator Domenici argues, this would commit the Congress to examine without delay the administration's proposals for program reform. I support the Domenici amendment both for the discipline it imposes on the Congress to consider special revenue sharing as quickly as possible, and because it is a step in the desired direction of reducing the commitment of Federal dollars to programs that ought to be eliminated. I also support the proposed substitute sponsored by Senator Baker and Senator McClure to extend for 1 year only three of the programs authorized under the Public Works and Economic Development Act because it is preferable to a 1-year extension of the entire program from the standpoint of keeping unessential Federal expenditures to a minimum.

Finally, I would like to restate my wholehearted support of the thrust of President Nixon's domestic initiatives in returning responsibility for Federal programs, such as those administered under the Public Works and Economic Development Act, to State and local governments. I believe that the proposed special revenue sharing programs promise to be the most effective mechanisms for achieving this objective and I urge my colleagues to consider them quickly and sympathetically.

Mr. President, I ask unanimous consent that the prepared statement by the administration outlining their objections to the 1-year extension of the Public Works and Economic Development Act be printed at the conclusion of my remarks. In doing so, I do not wish to suggest that I support each and every argument advanced by the administration. I do feel, however, that it will help place the discussion in perspective.

The PRESIDING OFFICER. Without objection, it is so ordered.

Administration Statement in Opposition to H.R. 2246, as Amended

The programs of the Economic Development Administration (EDA) have helped to some extent to alleviate unemployment in the depressed areas of the nation.

However, on the other hand, the EDA programs have been far too localized and have unnecessarily involved the federal government in the details of local development. The categorical nature of EDA has also led to a distortion of local priorities.

In general, the achievements of EDA's programs have not lived up to expectations and the Administraion is therefore opposed to enactment of H.R. 2246, as amended.

President Nixon's 1974 Budget proposes to reduce this needless federal local involvement by returning decision-making to the states and localities as well as by reducing the undesirable overlap and duplication among those federal agencies which are involved in community and area development. EDA's phaseout coupled with President Nixon's budget proposals for the federal assistance for economic development will provide a big step forward in the right direction. In keeping with this new emphasis, the Administration has provided that EDA's objectives will be assumed by other departments and agencies which will administer their programs to accomplish these goals.

THE EDA PROGRAM

Since September 1965, the programs under the Public Works and Economic Development Act and administered by EDA have tried to resolve national economic problems by attempting to stimulate the creation of jobs in economically depressed areas.

However, EDA's programs have not proven successful in accomplishing the objective of overcoming the national problem of imbalances in employment and income. EDA's impact has instead been localized; there is no need for the strong federal decision-making role in localized kinds of projects with which EDA has been involved.

RURAL ECONOMIC DEVELOPMENT

The new Rural Development Act to be administered by the Department of Agriculture is a program which will encourage the participation of the private sector in helping to meet economic and social needs and provide state and local officials greater authority in project decisions.

Under this Act, the Department of Agriculture will have the primary responsibility for rural development activities including water and other community facility projects which have represented over half of the past EDA funding. The President's 1974 Budget provides $678 million for Agriculture's new activities under the Rural Development Act, an increase of $348 million over the fiscal year 1973 obligation level. Most of these funds will be used for community facilities and commercial and industrial development. Funds in the amount of $645 million will be available July 1, 1973 under the Act to insure and guarantee loans for water and community facilities and industrial development.

The appropriate agencies of the Department of Agriculture are now preparing guidelines and procedures to implement the Rural Development Act and will be ready by July 1, 1973. In some instances, relatively small changes have been required in existing regulations and the program is already being implemented. On the other hand, in those activities involving the business and industrial loans and the expansion of the Department's community facilities loan program, the guidelines are requiring more intensive preparation and review within Agriculture and other departments. It is expected that these programs will be promptly initiated following the necessary clearance and administrative preliminaries. Procedures are also being developed to allow for greater state and local involvement and control of investment decisions.

The Department of Agriculture has already approved a number of loans for electric and telephone service under the Rural Development Act.

Industrial development loans authorized under the Act may be made in communities with a population of 50,000 or less. All other programs under the Act are available to communities with populations of 10,000 or less. The majority of EDA's assistance has been placed in communities of similar size. For fiscal years 1966 through 1972, 81.5 percent of EDA's obligations have been made for projects located in localities of 50,000 or less people. Sixty percent of EDA's obligations went to localities of 10,000 or less.

In addition, communities of all sizes will obtain assistance for waste disposal facilities in 1973 and 1974 through an additional $5 billion already made available for grants for such facilities under the Federal Water Pollution Control Act Amendments of 1972. $2 billion of this amount will be available for interceptor sewers. The above programs will involve the requisite state and local control to assure that funds expended thereunder may be used for industrial project purposes.

HUD PLANNING AND MANAGEMENT ASSISTANCE

In 1974, all planning and management grants under the proposed Responsive Governments Act (currently HUD "701" program) will be made to states, thereby allowing Governors to make suballocations to local governments and other eligible recipients in accordance with their state priorities. The 1974 Budget request for this vital program is $110 million, a $10 million increase over 1973. The $10 million is provided specifically to permit the states, if they wish, to continue the interstate regional commission planning programs heretofore funded by EDA.

If the states decide to retain the current regional commissions, they will determine the budgets for the commissions and how the funds are to be used. States which are not in commissions may establish commissions. There will be no unilateral federal decision to abolish any current regional commission, except to eliminate the federal veto, the federal staff, and direct federal involvement.

Also, because of the increased discretion available to the states under the planning and management program, they will be able to continue district planning efforts previously funded by EDA.

The Administration has stated that in the event the Public Works and Economic Development Act is not extended EDA funds will be provided this year to district planning organizations to ensure EDA support through all of fiscal year 1974. Additionally, the Administration will provide administrative expense funds to member states to help cover FY 1974 administrative costs of regional commissions. This will guarantee a smooth transition for these districts and for the existing regional commissions.

ECONOMIC DEVELOPMENT TO AID SMALL BUSINESS

The Small Business Administration (SBA) programs will be expanded to allow for more loans and guarantees to businesses. The 1974 Budget proposes a $642 million increase for SBA programs of which $632 million is for loan guarantees under the SBA 7(a) and economic opportunity programs.

INDIAN PROGRAMS FOR ECONOMIC DEVELOPMENT

EDA's Indian program is being phased down. However, as proposed in the 1974 Budget, $25 million will be shifted to a new Indian block grant program in the Bureau of Indian Affairs to assist federally recognized tribes in carrying our development projects as provided in tribally prepared plans.

Indian leaders were consulted on this approach prior to its being included in the President's Budget.

SPECIAL REVENUE SHARING PROPOSALS

Local comprehensive manpower programs under Manpower Revenue Sharing will be phased in beginning July 1, 1973 under existing authorities. For fiscal year 1974 an appropriation of $1,340,000,000 is requested for such programs as vocational counseling and skill training. Administrative regulations will be issued by July 1, 1973.

The Administration has submitted legislation to authorize a Better Communities Act for special revenue sharing which will involve sharing $2.3 billion during the first full year beginning July 1, 1974.

All of the activities and kinds of projects now eligible for assistance under urban development categorical grant programs, including the EDA program, will be eligible for assistance from this new special revenue sharing fund. The proposed Better Communities Act will also be a source of funds for smaller communities.

In addition, the Administration will propose another program of Special Revenue Sharing for Education to begin in FY 1974. $2.8 billion will be requested for this program and will include funds for vocational and adult education.

SUMMARY

The President's Budget for 1974 will terminate EDA's programs to allow for more consolidated efforts to stimulate economic development. The program recommendations of the President, if utilized by state and local authorities under sound areawide development plans, will not only build on the experience of past programs such as EDA's but will increase the amount of funding for rural areas and improve state and local management and decision-making flexibility.

The President's 1974 Budget will also contribute to the continuing fight against inflation by redirecting on-going federal programs so as to avoid duplication and thereby increase their efficiency.

Notwithstanding the fact that H.R. 2246, as amended, reflects a cut in EDA and regional commission appropriations authorizations, these amounts are still above 1973 actual appropriation levels, exclusive of the supplemental appropriations for Tropical Storm Agnes. To extend the Public Works and Economic Development Act would be fiscally unwise and improvident.

Mr. FULBRIGHT. Mr. President, as an original cosponsor of the Public Works and Economic Development Act of 1965, I strongly support its extension and shall vote for H.R. 2246 as reported by the Senate Committee on Public Works.

We are considering this measure today because of the President's veto of similar legislation after the 92d Congress adjourned last year. Subsequent to that veto, the President requested in his 1974 budget message that the programs under this act be phased out.

Under the heading "Economic Development Assistance", the President's budget message classifies these as "low priority programs" to be "curtailed in 1973 and terminated in 1974 as part of the governmentwide effort to reduce nonessential expenditures."

These so-called "nonessential expenditures" have in many cases in the past made the critical difference in keeping small rural communities alive in my State, and in revitalizing and aiding in the development of many others.

Extending the Public Works and Economic Development Act by enacting this legislation today will enable the Economic Development Administration and the regional commissions to continue their important work which, as I say, has greatly benefited the people of Arkansas.

Since its inception EDA has spent over $55 million on some 228 projects in Arkansas accounting for 29,000 new jobs. The Ozarks Regional Commission project funds add 11.1 million to this total and have provided over 4,500 jobs and placed over 2,000 students in continuing programs which provide them with needed technical and vocational skills.

Such statistics attest to the significant role that the Public Works and Economic Development Act has played in stemming outmigration in Arkansas and reversing this trend in the State. I have frequently emphasized this factor over the years in supporting funds for EDA and its programs for I believe that in helping to make our small rural communities attractive places to live and in providing them the grants and loans for public facilities to attract industry and business we help alleviate the pressures on our already over crowded and troubled urban areas.

Mr. MONDALE. Mr. President, I rise to give my full support to H.R. 2246, the 1-year extension of the Public Works and Economic Development Act. While I can appreciate the President's concern for cutting out wasteful and unproductive Federal programs, I cannot agree that EDA is such a program. Time and time again, this program has demonstrated its usefulness as a tool for expanding the economic base and increasing employment in those communities that have suffered severe economic hardship. Through technical assistance, public facilities grants and loans, business loans, and other assistance, EDA has enabled economically distressed communities to "help themselves" back to the road of economic recovery. I am advised that the EDA and the regional commissions have created more than half a million jobs in this country since 1965 and these are important jobs located in those areas suffering from staggering unemployment.

In Minnesota alone, some 55 economically depressed areas qualified for EDA assistance. As a result of some 220 EDA approved projects, Minnesota communities have built recreation projects, industrial parks, vocational training facilities, and sanitation and sewer facilities. These projects have created new jobs and have expanded existing industry and attracted new industry.

The 40 public works projects alone completed in Minnesota have created some 5,600 direct new jobs at a cost of $9.7 million—about $1,700 per job. This is indeed a bargain investment when one considers the taxes generated by this employment. If each worker pays $1,000 per year in taxes, some $5.6 million is recovered in one year. This does not include the additional indirect jobs and economic benefits provided by these projects.

In Alexandria, Minn., 389 new jobs were created directly from a $699,000 EDA sewer and water treatment project.

Thief River Falls with a population under 10,000, received a $370,000 EDA grant for a water and sewer line extension to a junior college, nursing home, and industrial park. Eight hundred and twenty new jobs were directly created and new industry attracted.

Through an EDA grant, Detroit Lakes has started developing an industrial park that has already created 200 jobs, with an additional 260 new jobs anticipated.

In 1969, South St. Paul suffered a severe economic setback when a meat packing company closed down and left 2,700 workers unemployed—representing an annual payroll of $10 million. The EDA joined in partnership with South St. Paul in 1970 to launch a program of economic recovery. The city has since received a grant to construct water and sewer line extension, a new well and pumphouse to serve a large industrial area and allow for the location of new industry and creating an estimated 525 new jobs. In addition, EDA has provided a technical assistance grant to help provide the professional capability for the economic development program of South St. Paul and a grant to help construct a vocational training facility to provide training for the unemployed and underemployed in the meat packing industry.

While South St. Paul has had a slow economic recovery, it is fair to say that without the assistance of EDA, the progress would have been much slower.

These few examples demonstrate that EDA is indeed a useful and productive program and should continue without interruption. The vital job that this program is performing is needed today as much as ever and I urge its extension.

Mr. MUSKIE. Mr. President, today's consideration of the Economic Development Act extension gives us the opportunity to respond meaningfully to some of the most critical problems facing our economy. In the last few weeks the economic crisis facing this country has been temoprarily pushed off the front pages. But the economic problems of depressed communities throughout America continue unabated. The legislation we are considering today represents an extension of the Federal Government's commitment to solve these special economic problems.

The programs funded by the Economic Development Act have not been perfect. They have been but the first small step in our attempt to bring imagination and emphasis to solving the special economic problems of depressed areas. And these programs have made valuable progress. They deserve to be continued during the next year. And while this commitment continues, Congress will have an opportunity to thoroughly evaluate proposals to restructure the Federal economic development effort.

The administration's alternative to continuing EDA represents irresponsible neglect of the need for economic development.

The administration has proposed that EDA be terminated and that its functions be assumed by other agencies in the Federal Government. These proposals are unproven. They are unexplained and they deny our commitment to solve the special problems of economically depressed areas.

The value of continuing EDA programs is shown by the progress they have made in my own State of Maine. For instance, through EDA loans of over $8 million Eastern Fine Paper in Brewer, Maine, and Lincoln Pulp and Paper Co. in Lincoln, Maine, restarted their plants and are now thriving industries, providing hundreds of jobs. Clearly without EDA loans—loans which the Small Business Administration could not grant—these industries would not have survived.

Another example is the Saco Valley Independent Development Corp. in York, Maine. In 1970 the corporation received several million dollars in business loans from EDA to successfully diversify their product line, insuring jobs for years ahead.

EDA public works grants and business loans to the Bangor area helped the construction of the Bangor International Airport, and the development of an industrial park in Brewer. These projects have provided an incredible economic impetus to this area of the State. The airport provides access to Bangor, the industrial park, and jobs. Without public works grants aimed specifically at economic development, there would be no Bangor "growth center" now and much less future economic potential in that area of the State.

Not every area or community in my home State will be a potential "growth center," like Bangor. However, several towns and cities in the State have begun projects which could be critical to their economic prosperity. For example, an airport in Lincoln is depending on EDA funds; a company in Howland needs technical assistance to decide the best possible use for an empty plant which once employed 300 people; and pollution abatement programs in Machias, Searsport, and Guilford require funding.

A planned Lewiston industrial park has been seeking EDA funds for nearly 2 years. The park, which has a total of 117 acres and is projected to generate a total of over 600 jobs, clearly has the potential for a major employment impact in the Lewiston area. The city of Lewiston is ready to commit resources—ready to expand its economy. Yet the administration is saying, "No, you must wait for new, untried programs—programs whose futures are not certain." This makes no sense to me.

And, so, in Maine as in other States and areas across the country EDA is desperately needed. Economic development is not easy, nor are its results quickly realized. However, the key to its success lies in a greater degree of coordination and increased effective targeting of areas with growth potential—not, as the administration tells us, with a decentralization of programs, not with the termination of a program whose results have, for the most part, proven its effectiveness.

The PRESIDING OFFICER. Who yields time?

Mr. McCLURE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. On whose time?

Mr. McCLURE. On the time of the Senator from Tennessee (Mr. BAKER).

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. HUDDLESTON). Without objection, it is so ordered.

Mr. BAKER. Mr. President, I yield myself such time as I may require.

The PRESIDING OFFICER. The Senator from Tennessee is recognized.

Mr. BAKER. Mr. President, when I entered the Senate, the Economic Development Administration was a new tool created to grapple with the problems of impoverished areas. Since the mid-1960's, EDA has been effective in fostering community growth in many areas that were afflicted with high rates of unemployment and low rates of investment.

But, over the last decade we have witnessed the unprecedented proliferation of Federal categorical grant programs. These well-intentioned efforts to meet needs for establishment of basic community facilities and to promote industrial and commercial growth in lagging areas have resulted in a vast increase in Federal spending and more unfortunately in a greatly diminished role for our States and cities in formulating growth policies. Federal bureaucracies have burgeoned and the responsiveness of government to the people has decreased proportionately.

In the face of this trend the present administration has called for a reevaluation of the Federal role in State and local economic development area. With public and congressional support the administration has begun to implement a bold policy of realining domestic programs, consolidating some and returning more of the responsibility for economic growth programs to the State and local governments.

In general I applaud and support these efforts. I hope and expect that the future will record this as a turning point, marking the beginning of a new attitude toward growth policy and programs.

During the next few years we will be confronted by a difficult period of transition, and care must be taken during this period not to abandon efforts to rationalize and coordinate remaining Federal categorical grant programs and not to disestablish delivery systems which might provide or perform valuable services under future programs.

The EDA program has enabled many Americans to find new work and hope for the future. In my own State, it has produced important results. Tennessee, for example, has 39 title IV regions, more than all but five other States. Tennessee has 17 title I regions; only six States have more such regions.

But, as with many programs, the particular needs of one decade are not necessarily met by the programs of the previous decade.

The response of the administration has been to suggest that we abandon EDA, melding its components into broader programs funded by revenue sharing and new community development programs.

Such a proposal sounds very attractive—possibly more attractive than an across-the-board extension of the existing EDA effort. But a consolidation and restructuring of the Federal community development effort will not, by itself, solve many of the problems confronted by communities now eligible for EDA assistance.

Yet the alternative proposed in the committee version of H.R. 2246 also lacks the imagination we need to realistically meet the problems of economically deprived areas of our Nation. A flat reduction in the authorization of all EDA programs fails, I believe, to meet the goals of either the administration or the Congress.

The committee report admits this much when it states on page 2:

> The programs authorized under this Act may not have lived up to the hopes of the Congress or to the goals set by the Administration—and any shortfall may be legislative as well as administrative. But the need for reform and improvement does not justify abandoning needy communities or discarding the effort to direct specific attention to problems which are admittedly complex and stubborn.

Mr. President, I agree, and that is why I believe the Senate should turn its attention later in the day to an alternative embodied in the proposal of the distinguished Senator from Idaho (Mr. MCCLURE), which would prune away unnecessary programs from the Economic Development Act while holding firmly to the more essential aspects of the EDA efforts.

Later today we will debate proposals by the Senator from Idaho (MCCLURE) and by the Senator from New Mexico (Mr. DOMENICI).

May I say that it has been a distinct pleasure for me to work with the distinguished ranking Republican member of the Economic Development Subcommittee, the Senator from Idaho (Mr. MCCLURE) in the consideration of these measures in the Public Works Committee, and with the distinguished Senator from New Mexico (Mr. DOMENICI), as well.

The Senator from New Mexico is striving in another manner to bridge the gap between the expiration or abolition of EDA on the one hand and the recognition of the efforts of the administration to redesign and restructure the delivery system for local economic development projects.

Mr. President, I have further remarks I intend to make later about the merits and the attractiveness of the McClure and the Domenici approaches. However, I will reserve those statements until these measures are called up.

I conclude my opening remarks by simply saying that while these amendments which will be offered later by the Senator from Idaho and the Senator from New Mexico are attractive and appealing, and while I believe that we have done the job of reducing the level of expenditure of the EDA program, I cannot frankly say, because I frankly do not know, that they will receive favorable consideration by the administration. However, the amendments are designed to establish priorities and avoid duplication and limit the scope of the program to its most essential elements.

In closing, I commend the chairman of the full committee, the Senator from West Virginia (Mr. RANDOLPH), for his efforts to develop an acceptable approach to a complex problem and for his leadership in being able to bring to the floor a proposal that recognizes the existing need by cutting the authorization to one-fourth of the House-passed bill.

Thus clearly we have in our proposal a minimum program for this bill that we can enact in order to assure a continuation of the Economic Development Administration.

Mr. President, may I say a particular word of commendation to our colleagues, the Senator from New Mexico and the Senator from Idaho. I also pay a word of commendation to the chairman of the subcommittee and to all members of the subcommittee on both sides of the aisle for having tried to produce in the Senate a series of proposals and amendments, each with merit, which, with fair and honest debate by the membership, will help in the adoption of the bill.

Mr. BAKER. Mr. President, at this time I understand that under the unanimous-consent order the control of the time for debate on the bill on this side was awarded to the senior Senator from Tennessee. If there is no objection, I should like to designate the Senator from Idaho (Mr. MCCLURE) to control the time on this side.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I have two unanimous-consent requests, if I might make them at this time.

I ask unanimous consent that the Senator from Utah (Mr. BENNETT) be added as a cosponsor of amendment No. 86 to S. 2246, which is referred to as the McClure-Baker substitute for the Public Works Development Act of 1973.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. MONTOYA. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. On whose time?

Mr. MONTOYA. On mine.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. RANDOLPH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MONTOYA. Mr. President, I yield such time as he may require to the Senator from West Virginia.

Mr. RANDOLPH. Mr. President, I have followed with interest the statements of the Senator from New Mexico (Mr. MONTOYA) and the Senator from Tennessee (Mr. BAKER). They, with other members of the Subcommittee on Economic Development and the parent committee, given very careful consideration to the importance of the economic development program.

I join the chairman of the Subcommittee on Economic Development (Mr. MONTOYA) in support of H.R. 2246, a 1-year extension of the Public Works and Economic Development Act of 1965.

Since the creation of our Subcommittee on Economic Development, the Senator from New Mexico (Mr. MONTOYA) has exercised leadership that reflects his own energy and his deep concern for the people of our country who have not shared in its general economic well-being. Two years ago, the subcommittee under Senator MONTOYA began a comprehensive examination of economic development programs in this country and ways in which our past experience could be applied on a broader scale. He has pursued this effort with diligence and, in the 93d Congress, has continued the work which will result in proposals for a new national economic development program.

Authorizations for the programs under the act are as follows: $200 million for direct and supplementary public works grants under title I; $50 million for public works and development facilities loans under title II; $12.5 million for technical assistance and research under title III; $25 million for loans and grants to growth centers and for bonuses to economic development districts under title IV; and $75 million for the regional commissions programs under title V. Total authorizations for fiscal year 1974, therefore, are $362.5 million. This amount compares with an authorization of $1.2 billion for fiscal year 1973.

Appropriations for fiscal year 1973 were

$367 million, including a $40 million supplemental appropriation for disaster assistance. Thus, what we offer today is the bare minimum. We do this in order to help bring the Federal budget under control and at the same time continue needed Federal assistance to economically distressed areas.

We do not intend, by this reduction in authorizations, to condone the wholesale dismantling of the Economic Development Administration or the Regional Action Planning Commissions. I recognize that the administration has the responsibility to manage agency personnel and other resources in the most efficient manner, but I cannot accept the actual or threatened discharging or transferring of large numbers of employees while Congress is still considering an extension of these programs or while the transition to a new program is being undertaken. I am concerned that any person transferred or separated as the result of administrative reorganization be given full protection in accordance with Civil Service Commission procedures. If Congress determines to transfer all economic development responsibilities to the Department of Agriculture, the Department of Housing and Urban Development and others, I expect that the training and expertise of the employees of the Economic Development Administration and the Commission would qualify them for priority consideration for any positions to be filled and that they would be granted such preference.

An important feature of this bill is the moratorium it imposes on the dedesignation of areas eligible to participate in programs of the Economic Development Administration. Last year there were plans developed to designate some 300 such areas in 36 States, including 13 counties in West Virginia, which badly need the assistance offered by these programs. It is important that eligibility be maintained for all areas and that no dedesignation take place until the total economic development program is examined.

The programs of the Economic Development Administration and the Regional Commissions have been successful in promoting regional cooperation and in providing the public investment basic to economic development and job creation. Over half a million jobs have been created since these programs began. Hundreds of needed public facilities have been put in place and will continue to serve community needs for years to come. All this has been accomplished with an 8-year expenditure of $2.4 billion. The United States spends 10 times this amount each year alone for unemployment and welfare payments. Certainly there can be no doubt that these programs have succeeded in fulfilling a useful and needed service.

In addition to jobs and facilities, these programs have initiated and nurtured innovative experiments in Federal, State, and local cooperation. The partnerships as represented by the economic development districts, and the regional commissions have succeeded in mobilizing limited human and natural resources, and directing them to the areas where they might do the most good and reap the greatest returns.

Districts have been so successful as multicounty agents that in most instances they have been adopted by other Federal agencies as well. In fact, more than two-thirds of the funding for 120 surveyed development districts comes from Federal sources other than the Economic Development Administration. Similarly, two-thirds of the surveyed districts are designated A-95 "clearinghouses." This review procedure was initiated by the Office of Management and Budget to improve coordination at all levels of government and to give local people a stronger voice in the decision-making process. The composition of district boards reflects widespread participation by local groups. As of October 1972, for example, 55 percent of board members were elected officials. Seventeen percent were representatives from the business and industry community, and 10 percent were representatives of various minority groups.

As with the districts, the regional commissions have also been succesful as decision-sharing partnerships and have received strong bipartisan support from the Nation's Governors. These commissions have proven to be action as well as planning and coordinating agencies. The first five commissions—New England, Coastal Plains, Ozarks, Great Lakes, and Four Corners—helped fund over 800 projects through 1972. The value of these projects was $468 million, of which the commissions, utilizing the leverage of supplemental funding, provided $78 million.

Clearly, these two experiments in regionalism have been successful. They have encouraged cooperative efforts to solve common problems. They have mobilized resources to attack the results of economic distress. But the struggle for economic equity goes on. Should the Federal Government now withdraw its support from these partnerships? Many communities do not have the capability or the resources to make heavy lump-sum investments in needed public capital. They will continue to need outside help. In addition, they may not have the expertise required to plan for needed development projects. They will need assistance to provide for this expertise. They may pool their resources, but even this might fall short. They may use shared revenues—if they are forthcoming, but even this would require a cooperative effort. They may cooperatively succeed in undertaking a development program, but even then it would have to be in accord with State and Federal programs and priorities.

As I understand it, the administration proposes that Federal assistance specifically to economically lagging areas and that Federal participation in the development process at the regional level be terminated. In place of the economic and planning assistance programs authorized by the Public Works and Economic Development Act, the administration proposes general community assistance under the Rural Development Act and the Better Communities Revenue Sharing Proposal.

Additional community assistance is promised under the Water Pollution Control Act. Planning and lending activities would be undertaken by the Department of Housing and Urban Development and the Small Business Administration, respectively. Economic assistance to Indian tribes would be undertaken by the Bureau of Indian Affairs. This dispersal of activities will, we are told, provide a more concentrated effort to stimulate economic development. I fear, however, that the net result of this scattering of programs would be to dilute, not strengthen, efforts to assist economically lagging areas.

The administration argues that the programs of the Economic Development Administration have been too localized, that they unnecessarily involve the Federal Government in loval development, and they distort local priorities. On the other hand, the administration maintains that these programs have fallen short of expectations because they have not overcome the national problem of imbalances in employment and income. I remind the Senate that the programs we speak of today involve an annual expenditure of only $350 million, providing for grants, loans, technical assistance, research, and administration. We cannot expect a program of this magnitude to counteract all the resultant dislocation associated with a trillion-dollar economy.

The authors of this legislation never expected these programs to provide general equilibrium in the labor market. Indeed, private industry, supported by aggregate economic measures, can and should bring full employment to the country—with full employment defined at 4 percent or less unemployment. The authors of this legislation were concerned for those persons and areas of the country that, because of their peculiar circumstances, have not shared in general economic growth. The programs were designed to assist those communities that needed help; and they have addressed problems identified by State and local officials. These programs have been the last resort for many communities. I doubt these communities would label this assistance as an act of unnecessary involvement.

The administration has offered the activities authorized by the Rural Development Act as the primary alternative for current economic development programs. But in presenting the conference report on the Rural Development Act, Senator TALMADGE, Chairman of the Agriculture and Forestry Committee stated:

> . . . I wish to point out at this time that the bill before us does not duplicate . . . loans and grants available from Small Business Administration, Economic Development Administration, Department of Housing and Urban Development, and the Environmental Protection Agency.
>
> "We seek here not to duplicate or supercede these other programs, but to supplement and strengthen them. The bill specifically provides for cooperative participation in joint loans and grants with these other agencies.

Thus, the authors of the rural development program saw it not as a substitute for, but as a complement to the programs of the Economic Development Administration. Further, the rural program as it has been offered by the administration would be a loan program, not a grant program. Loans are of no use to a community that has no borrowing capabilities—be they rural or urban. A grant program is still needed in any effort to assist economically lagging areas.

There has been much concern that 81.5 percent and 60 percent of all obligations by the Economic Development Administration have been made for projects located in communities with populations of 50,000 or less and 10,000 or less, respectively. These statistics are cited as rationale for allowing areawide economic development efforts to be shifted out of the Department of Commerce and into the Department of Agriculture. This information is frequently quoted because no community with a population greater than 50,000 can qualify for industrial development loans under the rural development program, and no community with a population greater than 10,000 can qualify for any of the other programs. Thus, over a third of the population lives in areas that would not be eligible to receive any assistance under this program. Over half of the population, 55 percent, would not be eligible for programs other than industrial development loans. About 65 percent of the population would be eligible for these loans. The economic assistance programs in the Department of Commerce have no such population restrictions. In fact, a comparison of population concentrations with obligated funds for economic development shows much less disparity in effort on a per capita basis than one might expect.

The administration argues that communities of all sizes will obtain assistance for waste disposal facilities from the Environmental Protection Agency under the Federal Water Pollution Control Act Amendments of 1972. But grants for sewage collection systems for new economic development projects cannot be made under this act. The limited funds being made available to the States will be urgently needed to meet Federal water quality standards and must be used for waste treatment plants, not for new water and sewer systems.

The business loan and loan guarantee program administered by the Economic Development Administration would, under the administration proposal, be taken over by the Small Business Administration. The loan programs of these two agencies, however, are entirely different. The Small Business Administration does not specifically address the problems of depressed areas. They make loans to small businesses, and these loans can be no larger than $350,000 to any one firm. In contrast, loans by the Economic Development Administration are used as part of an overall economic program to help secure major employers for low-income, high-unemployment areas. Further, EDA provides mainly direct loans based on interest rates charged to the Federal Government for its borrowing. The Small Business Administration provides mainly loan guarantees at going market rates. There is considerable fluctuation in these two rates, both through time and on an individual basis, but as of April 1973, the allowable rate for guaranteed loans was 9¼ percent while the rate for Government borrowing stood at 6⅞ percent. Government rates were 4¼ percent at the beginning of the EDA program.

The administration would provide $10 million, or $200,000 for every State, for planning and management grants under the "701" program of the Department of Housing and Urban Development. This alternative will be part of the proposed Responsive Governments Act and is offered in place of the program now offered by the Title V-Regional Action Planning Commissions. Again we find that the administration's proposal gets away from providing targeted assistance to needy areas and offers in its place general community assistance. This planning assistance to all States is undoubtedly needed, but it will not take the place of the "Title V" commissions. In addition, the proposed alternative would eliminate Federal participation in development efforts, and it would eliminate any supplemental funding authority. This latter provision in the current act has allowed these commissions to be truly action commissions. Supplemental funds provided by these multistate bodies have attracted much needed resources and expertise into specified areas. An important fiscal leverage would be lost if this provision is eliminated.

Assistance to Indian tribes would be shifted to the Bureau of Indian Affairs. Correspondence to the Committee on Public Works from Indian leaders throughout the land, however, support the Indians' program of the Economic Development Administration and again, I fear that the focus on economic problems might be lost by such a transfer.

The proposed Better Communities Act is offered as the substitute for the urban activities of the Economic Development Administration. This would again substitute a general community development approach for a program aimed at the economically lagging areas, only this time the areas are in our urban centers.

We have been offered a package that does not take the place of existing and needed public services. We have been offered a package that does not now exist and may never exist—that is, special revenue sharing. Even if these special revenue sharing packages are accepted, what will the communities that need assistance do in the interim. The least we can do is to extend the programs authorized by the Public Works and Economic Development Act for an additional year. Improvements in these programs can be made, as they can in most programs. The Subcommittee on Economic Development has been formulating legislation that would provide a new impetus to economic development at the regional level. We must now work together to develop a program that Congress and the administration can agree will constitute a genuine step forward in this critical area of concern.

Mr. President, I send to the desk an amendment which I offer on my behalf, and I am joined by Senator Pastore, Senator Pell, Senator Brooke, Senator Kennedy, Senator Montoya, and Senator Tunney.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

On page 4, line 12, strike "$12,500,000" and insert in lieu thereof "$25,000,000"; and on page 4, line 17, strike "$25,000,000" and insert in lieu thereof "$12,500,000".

Mr. RANDOLPH. Mr. President, this amendment brings to the attention of our colleagues an important subject that has been raised by the distinguished Senator from Rhode Island (Mr. Pastore). I received a letter from Senator Pastore yesterday and I ask unanimous consent to have it printed at this point in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Washington, D.C., *May 7, 1973.*

Hon. Jennings Randolph,
Chairman, Committee on Public Works,
Washington, D.C.

Dear Mr. Chairman: The major cutbacks in military facilities recently proposed by the Department of Defense will have a serious impact on the economy of Rhode Island. The scale of these reductions and base closings will create economic and social problems for large numbers of workers, and the communities in which they live, throughout the New England region. As many as 5,000 positions may be eliminated in Rhode Island alone.

The New England Regional Commission was created in an attempt to deal with the serious economic problems which beset that area of the nation. Governor Philip W. Noel of my State has written me asking that the Public Works and Economic Development Act be amended to require Regional Commissions established under Title V of that Act to address the problems created by base closings and to authorize grant assistance in such circumstances. His letter is enclosed.

Legislation extending the life of the New England Regional Commission and the program conducted under the Public Works and Economic Development Act will be on the Senate floor tomorrow. I believe that it is important to assure that the New England Regional Commission will be able to respond on a regional basis—to the critical employment loss associated with these proposed base closings. We must authorize sufficient funds for planning and other technical assistance and for project grants to be used in reducing the adverse economic impact on communities. If in your judgment as Chairman of the Committee on Public Works an amendment to the legislation before us is necessary to bring the capabilities of the New England Regional Commission to bear on this problem, I hope you will join me in seeking such an amendment.

The New England Regional Commission and the economic development programs as a whole have been our most flexible programs in responding to the varied and changing economic problems of the New England states. We cannot afford to lose this program now, when we are faced with Federal actions having a major effect on the level of employemnt in the region. And we must have the ability to focus this tool created to address problems of unemployment and low income shared by the region, on this most recent challenge to the economic future of the region.

Thank you for your consideration, and your help with this subject of such importance to Rhode Island.

Sincerely yours,

John O. Pastore,
U.S. Senator.

Mr. RANDOLPH. Senator Pastore outlines a critical problem that faces the people of his State—in fact, the New England region and many other places throughout the country. It is the problem of a severe economic impact on many communities because of the proposed closing or reduced operation of a large number of military bases. I have talked with Senator Pastore at length about this problem, and he has mentioned it to other Senators. It was a matter of discussion within the past 2 weeks. This letter points out certain situations that have arisen.

Also, there is a letter from the Governor of Rhode Island, Philip W. Noel, to Senator Pastore, and I ask unanimous consent to have that letter printed at this point in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Providence, R.I., *April 26, 1973.*

Hon. John O. Pastore,
U.S. Senator,
New Senate Office Building,
Washington, D.C.

Dear Senator Pastore: While we are undertaking a major effort to deal with and respond to the unprecedented cut of military facilities in our State proposed by the Department of Defense, it has also occurred to me that the impact of these base closings is region-wide in its economic impact.

The one vehicle which we have had in the New England states to deal with matters having a regional impact on our economy has been the New England Regional Commission. In my recent testimony before the House Public Works Committee urging a one year extension of Title V Commissions and particularly the New England Regional Commission, I would certainly have mentioned the severe implications to the region of these base closings had they been announced at that time.

Now that the proposed closings have been publicly announced, it appears to me that it would be useful if the legislation relating to the Title V Commissions were amended to include language requiring the Commissions to address the problems created by such actions. This would at least yield economic planning assistance on a regional level. If the New England Regional Commission were also authorized to provide grant assistance in such circumstances, the result would be even more valuable to Rhode Island.

It is indeed ironic that the Administration should propose the termination of the Economic Development Act including the Title V Commissions at virtually the same time as it announces major cutbacks in this region's defense installations. The New England Regional Commission was specifically designed to address this area's unemployment problems. Rhode Island is now facing the likelihood of having an unemployment rate which is twice the national average. A federal mechanism to assist with unemployment problems is to disappear at the same moment when federal action profoundly affecting the employment situation is taking place.

Your consideration of the above is much appreciated.

Very truly yours,

Philip W. Noel,
Governor.

Mr. RANDOLPH. In the communication from Senator Pastore, he asks if an amendment would be necessary to insure that the New England Regional Commission could attack the region-wide economic dislocation which will result from these base closings.

Mr. President, it is my feeling that the Public Works and Economic Development Act of 1965 has ample authority for the New England Regional Commission and for the Economic Development Administration, in the Department of Commerce, to promptly and effectively respond to the unemployment caused by these military base closings.

We created these commissions, as Senator Montoya knows, to provide a comprehensive approach to the economic problems within their regions. They were given very wide latitude to provide planning assistance and assistance in matters of location of new industries, the securing of sites, and providing the necessary investments to attract new employers. The authority within the New England Commission to extend this type of assistance in response to sudden increases in unemployment is contained in sections 505(a)(2) and 509 of the act. I do not believe they could be improved upon.

We also have technical assistance, which is very helpful, under title III of the act, and that can provide additional flexibility. One of the advantages of this title is the assistance that is not tied to just a designated redevelopment area but can be used throughout the region to identify potential employers, to fund industrial site feasibility studies, and to aid in the conversion of former military facilities, such as we find closing in Rhode Island, to facilities in which new employers can locate. The Commission and the Economic Development Administration, I have found, have worked very closely with State and local governments to provide new jobs through the private sector.

There is a third form of assistance. As the Senator from New Mexico (Mr. Montoya); the ranking minority member of our subcommittee, the Senator from Tennessee (Mr. Baker); and a new member of our committee, very active and very helpful, the Senator from Idaho (Mr. McClure) have studied the legislation, they know that we can respond to sudden unemployment which has been created by base closings in the so-called special impact area program. This authority within the act allows grants for needed public works projects in those communities or neighborhoods, and these are defined without regard to political boundaries.

These are sections suffering an actual or threatened abrupt rise in unemployment due, as in this instance, to the closing of bases, causing a curtailment of a major source of employment, in which we can move forward with assistance. We can give grants to produce immediate, useful work to unemployed persons in the communities that are faced with these problems.

The real question as to the adequacy of the act to cope with these closings is one of money. That is the situation we face. We need to enact now the bill before the Senate, in order to provide the authorizations for appropriations in the coming fiscal year. Then Congress must appropriate the funds it feels necessary to make these authorizations and the implementation of the act a reality, a working agreement.

I think that Senator Pastore has helped us by coming to the Senate, by raising this issue. He has focused attention on the fact that in these large-scale base closings, which are desired by the administration to strengthen the fiscal management of the executive branch, severe dislocations will take place in many instances. Certainly, that is a fact in Rhode Island.

So we come here today, proposing that EDA and the title V commissions have the effective tools to provide for an adjustment of these economic dislocations at the same time these activities are slated by the administration for elimination at the end of this fiscal year. This underscores the need for the passage of H.R. 2246, as discussed here by Senator Montoya and by me and by others.

I believe we need to perfect the bill before the Senate, and in that desire I am proposing this amendment, as I have indicated, with Senator Pastore, Senator Montoya, Senator Kennedy, Senator Pell, Senator Brooke, and Senator Tunney. We think we must have a flexibility and the technical assistance for the sudden or abrupt rise in unemployment as a result of these base closings.

There would be no increase, as I understand it, in the overall authorization if this amendment were agreed to.

Mr. MONTOYA. That is correct. We merely are switching the figures from one title to the other. Under title III the authorization called for $12.5 million. We are switching that authorization to title IV, and the authorization in title IV of $25 million we are moving to Technical Assistance, title III. So actually there is no increase in the overall figure. It is merely a switching of priorities in the authorization.

Mr. RANDOLPH. I see the able Senator from the Commonwealth of Massachusetts in the Chamber. I do remember that the Senator from Massachusetts (Mr. Kennedy) presented a resolution which bears exactly on this amendment. That was adopted, as I recall in our Democratic conference on May 2, just a few days ago.

At that time the Senator from Massachusetts very properly and helpfully discussed assistance for those areas affected by military base closures. That resolution in part said:

> That to insure the earliest community readjustment . . . immediate efforts shall be extended to provide technical assistance necessary to plan and implement an economic development plan to make full use of the local (military) facility.

So the amendment I have offered, on which the Senator from Massachusetts has joined, is consistent, I think, with the resolution which the Senator from Massachusetts presented in the Democratic conference. I think it is helpful to fulfill the responsibility that we have to those affected by these military base closings.

I am not going to discuss the need for military base closings. That is another point entirely, related to the executive branch of the Government.

Mr. MONTOYA. Mr. President, will the Senator yield?

Mr. RANDOLPH. I yield.

Mr. MONTOYA. Mr. President, I associate myself with the statements made by the distinguished Senator from West Virginia. I wish to compliment him for his statement.

I would like to say there is ample precedent for EDA to undertake the rendition of technical assistance to these areas which have faced an air base or other military installation closing.

Mr. President, I ask unanimous consent to have printed in the Record at this point a list of instances where closings have taken place.

There being no objection, the material was ordered to be printed in the Record, as follows:

Technical Assistance for Defense Readjustment, Economic Development Administration

Moses Lake, Wash.—A study of the feasibility of re-utilization of the former Larson Air Force Base for agricultural and industrial purposes.

Novco, California.—A study of the industrial and commercial potential of the Novco (California) area—to counteract declining employment and income in the areas as a result of a decrease in defense-related activities.

Marianna, Fla.—Planning and developing services for an Airport Industrial Park at the former Marianna Air Force Base.

Courtland, Ala.—A study of the feasibility of utilizing the facilities of the former Courtland, Ala. Air Force Base or Industrial and/or Commercial purposes.

Crane, Indiana.—Crane Center for Economic Development—(To assist 4 Indiana Counties suffering from the impact of decreased employment at the Crane Naval Ammunition Depot—Center will provide advice and assistance to local governments, business and industry in the area.

Port Clinton, Ohio.—An Economic Development Study for Port Clinton, Ohio—(Study was requested by the community in order to deal with the loss of employment and income resulting from the closing of the Erie Army Depot.

Sault Ste Marie, Michigan.—A study of the feasibility of utilization of the facilities of the former Kincheloe Air Force Base for Industrial (Park) and commercial purposes.

Duluth, Minn.—A study of the feasibility of establishing an industrial park at the Duluth International Airport, to help increase local employment and income to offset the phasing-down of defense related activities at this airport.

Wildwood Air Force Station-Kenai, Alaska.—Planning and implementation of an Action Program for Beneficial Re-use of the Wildwood Air Force Station. To develop the facilities for activities in support of municipal operations, for the education and training of native groups.

Schenectady, N.Y.—A study of the Economic potential of reconversion of Schenectady County Airport and the adjacent Flight Test Center for Civil and Commercial use. Test Center was formerly used by General Electric for development and testing of items produced under military contracts.

Springfield, Mass.—A study of the feasibility of utilization of the Springfield Armory and Arms Production Facilities for Industrial and Commercial purposes.

Brooklyn Navy Yard, N.Y.—A study of the economic feasibility of converting the former Brooklyn Naval Shipyard for use by Civil Industry, with the objective of increasing employment and to make maximum use of existing facilities and structures.

Clinton-Sherman AFB, Okla.—A study of the Industrial and Commercial suitability of the area surrounding Clinton-Sherman Air Force Base, and of its Base Facilities for Industrial and Institutional utilization.

Sanford, Florida.—A study of the feasibility of utilization of the former Sanford Naval Air Station for Industrial and Commercial use. Both Aviation and non-aviation oriented.

Bangor, Maine.—A plan for the Correct and Most Advantageous use of 105 acres located on Bangor Int'l. Airport (The former Dow Air Force Base)—Including identification of target industries and a program for new and improved facilities.

McAlester, Okla.—A study of the feasibility of an industrial park near McAlester, Okla.—This new, industrial site was intended to attract industries which could generate employment for workers laid off as a result of decreased activity at the McAlester Naval Ammunition Depot and by local branch plants, local defense-oriented industries.

Clinton County AFB, Wilmington, Ohio.—A utilization plan for the industrial area of the former Clinton County AFB, Wilmington, Ohio.

Phoenix, Ariz.—A study to determine the feasibility of establishing a National Program for training skilled aviation personnel (at the former Litchfield, Ariz. Naval Air Station and the Goodyear Auxiliary Airfield, near Phoenix.

Bremerton, Washington.—A study of the feasibility of an Industrial Park in or near Bremerton. (To attract industry which may create employment to take up the slack resulting from decreased level of activity and employment at the Bremerton Navy Yard.)

Mr. MONTOYA. Mr. President, title III of the act, sec. 301, as stated by the Senator from West Virginia, provides, and this is one of the basic purposes of the title, which is to provide technical assistance:

> Such assistance shall include project planning and feasibility studies, management and operational assistance, and studies evaluating the needs of, and developing potentialities for, economic growth of such areas.

I have discussed this amendment with the Senator from Rhode Island (Mr. Pastore), who is very concerned about base closures, and I know the Senator from Massachusetts also is very concerned, as are other Senators who are affected by this economic illness.

The Senator from Rhode Island (Mr. Pastore) felt that an emphasis of technical assistance might aid the State of Rhode Island in trying to reestablish the economy in that particular State.

It is my feeling that the transferring by this amendment of the priorities with respect to the authorization amounts is in good order. I sincerely endorse the tenor, effect, and substance of the amendment. I understand that our colleague on the other side of the aisle is willing to accept the amendment. Is that correct?

Mr. McCLURE. I am happy to agree that the amendment is in order. I think that each of us, as we look at the changing requirements of our Defense Establishment, recognize that there are adjustments that have to be made from time to time.

The purpose here is not to debate whether that is right or wrong, but to recognize the difficulty which has been imposed and the role that the Economic Development Act can play in authorizations made where base closures do occur.

I think the amendment offered by the distinguished chairman of the committee reflects my own scales of priority in emphasizing the value of the technical assistance program under title III, because it adds emphasis, because it does respond to immediate needs. We are very happy to accept the amendment.

The PRESIDING OFFICER. Does the Senator from Idaho yield back the remainder of his time?

Mr. McCLURE. On this amendment, I yield back the remainder of my time.

Mr. RANDOLPH. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment [putting the question].

The amendment was agreed to.

Mr. KENNEDY. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

> On page 5, after line 17, insert the following new section:
>
> Sec. 7. The President's Inter-Agency Economic Adjustment Committee established under Presidential memorandum of March 4, 1970, shall submit to the Congress within thirty days following enactment of this Act a report. Such report, with respect to each community affected by the defense facility and activity realinement announced on April 17, 1973, shall—
>
> (1) contain details as to the facilities or portions thereof affected by the realinements which are excess to the Government's security needs and which can be turned over to the local jurisdiction for civilian use;
>
> (2) describe procedures providing for the most expeditious transfer of such facilities to civilian use;
>
> (3) contain comprehensive analyses of the community economic impact of a realinement which reduces or terminates activities resulting in a decrease in military or civilian personnel employed at a facility;
>
> (4) describe technical assistance and program resoures made available by Federal agencies to communities in planning and carrying out economic development plans to utilize facilities transferred to civilian control;
>
> (5) contain an estimate of the Federal program resources and the anticipated cost to fully implement community economic development plans, and, where necessary, contain recommendations for increased appropriations to meet those anticipated costs.

Mr. KENNEDY. Mr. President, first, I wish to extend my personal appreciation to the distinguished Senator from West Virginia (Mr. Randolph), the distinguished Senator from New Mexico (Mr. Montoya), and the distinguished Senator from Idaho, all of whom bore the responsibility for accepting the previous amendment, which I cosponsored together with a number of my colleagues whose States have been adversely affected by the closing of various military bases.

This technical planning assistance will be extremely important in helping to assist those communities to recover from a difficult economic situation. I think the Senate has acted wisely in accepting the amendment.

It also carries out an important portion of the resolution adopted by the Democratic Conference which I introduced last week. That resolution, which I ask unanimous consent to be printed at this point in the Record, clearly calls for technical assistance to the communities affected by this decision.

The PRESIDING OFFICER. Without objection it is so ordered.

Kennedy Resolution on Assistance to Those Affected by Military Base Closings

The Conference hereby finds that in light

> of recent decisions announced April 17, 1973, to close or transfer functions at defense facilities and or other consolidations throughout the United States.
>
> 1. that such reductions in defense facilities place heavy economic, social and health burdens on the communities and individuals affected;
>
> 2. that many of the workers affected by recent defense base closings are older workers who have the greatest difficulty in acquiring new employment.
>
> 3. that to reduce unemployment it is essential that the government provide adversely affected workers with short-term assistance;
>
> 4. that such assistance for unemployed workers shall include income benefits, health benefits, relocation benefits, public service job opportunities and job counseling and retraining opportunities;
>
> 5. that to insure the earliest community readjustment from the economic dislocation caused by the government decision to close a facility, immediate efforts shall be extended to provide technical assistance necessary to plan and implement an economic development plan to make full use of the local facility.

Mr. KENNEDY. I personally extend my appreciation to the chairman of the full committee, the Senator from West Virginia, for showing an understanding of the needs that communities in New England, California, and other States are facing. Obviously, he has shown a sensitivity to the fact that the readjustment and realinement of our national defense posture should not force particular sections of our country to bear the full brunt of these decisions.

The amendment which I have offered is really a complement to the action which the Senate has just taken. What we are including in this amendment is a requirement that the President's Inter-Agency Economic Adjustment Committee, established under Presidential memorandum on March 4, 1970, submit to Congress within 30 days after the enactment of this act a report covering its plans and operations. The report will cover:

First, which facilities or portions of facilities are excess to defense needs and can be turned over for civilian use.

Second, what procedures are being established for the expeditious transfer of those facilities to civilian use.

Third, what the economic impact of the realinement on each community is expected to be.

Fourth, what technical assistance and Federal program resources are being made available to the communities.

Fifth, what additional Federal resources are required to carry out economic recovery plans.

In other words, what we are attempting to do is have the President's Inter-Agency Economic and Adjustment Committee, which bears very significant responsibility in trying to help various communities, report to the Congress as to exactly what the situations are in relation to the 274 bases affected in the different States. I think that would be enormously informative to different Members of Congress who come from areas which are most particularly affected. I think it would be important to Congress itself in knowing what the impact of these various decisions has been and which communities are facing the most difficult adjustment periods, it would at least alert the Congress, and the Senate, as to the specific additional resources these communities require to adjust to the Defense Department decisions.

This amendment will require expeditious assessment and decision by the interagency committee. They are really going to have to fish our cut bait with reference to many of these defense facilities. I think it is important to the communities to know ultimately and finally, exactly what will be the impact of these closings, and exactly, again, what they might expect from the Federal Government. They will then know precisely, at the earliest possible time, what must be done to adjust to the Defense Department decisions.

I hope the floor manager of the bill would feel this was a useful and not unduly burdensome amendment. I would think it would be of great value to the communities which have been affected. The various business leaders, labor leaders, and community representatives I have talked with have felt this kind of step would be most useful and helpful to them in making plans for the future.

I hope the amendment will be accepted.

Mr. MONTOYA. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield.

Mr. MONTOYA. I think the amendment has a very good concept. I think it is sorely needed now that we have had quite a few closures of military bases. I think it will be of aid to many communities that find themselves in a quandary to replace already lost jobs or jobs that will be lost. I commend the Senator from Massachusetts for offering the amendment at this particular time. I think it is appropriately a part of this bill. I am willing to accept the amendment.

Mr. McCLURE. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield.

Mr. McCLURE. Mr. President, while I think there is some problem in getting the comprehensive analysis and reports within the time frame required by the amendment, all of us share the sense of urgency these communities feel with respect to the adjustments they must make. I think the amendment directs our attention toward finding solutions.

Therefore, I am happy to accept the amendment.

Mr. KENNEDY. Mr. President, I wish to thank the distinguished Senator from Idaho for his understanding of this particular problem. As I mentioned earlier, this proposal will be extremely helpful. His recognition of the problems facing other parts of the country is of great value to us.

The PRESIDING OFFICER. Is all time on the amendment yielded back?

Mr. KENNEDY. Mr. President, I yield back the remainder of my time.

Mr. McCLURE. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time on the amendment has been yielded back.

The question is on agreeing to the amendment of the Senator from Massachusetts [putting the question].

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. HUMPHREY. Mr. President, will the Senator from New Mexico yield me about 5 minutes?

Mr. MONTOYA. Mr. President, I yield the Senator 5 minutes.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. HUMPHREY. Mr. President, I have asked the distinguished chairman to yield me just these few minutes, because I want to express my hope that the bill as it came from the committee will be overwhelmingly adopted.

I think all of us recognize that this measure as reported by the committee, the authorization for public works and the Economic Development Act, is a very, very modest request. It has been reduced substantially from the 1973 authorizations. In fact, the bill before us, H.R. 2246, is in the sum total of $362.5 million. The authorization in 1973 was $1,052,500,000.

Mr. President, the Economic Development Administration—EDA—has performed a vital function by providing long-term employment opportunities in many economically depressed areas of our country. This has been true, despite the inadequate level of funding EDA has received since it began operations in the mid-1960's.

I believe that EDA programs, and those of the regional action planning commissions, are vital in helping people living in areas of economic decline, like some parts of northern Minnesota, gain a fair share of this Nation's abundance.

Today, despite the generally high level of economic activity that prevails in America, many communities are still experiencing excessively high rates of joblessness, slow rates of expansion in income and population decline. These communities need the kind of help that EDA has provided, and more of it.

In northern Minnesota, for example, the communities of Fosston, Onamia, Bemidji, Detroit Lakes, and Warren all have unemployment rates that are more than double the national average, ranging from 10 percent to nearly 14 percent. Population decline has also been continuing in many of our rural counties. In the counties of Pine, Norman, Elbow Lake, and Marshall, for example, populations have gone down continually since at least 1950. Family income in such areas is substantially below the statewide average and the portion of the population in the prime of their working lives continues to go down.

Since 1968, EDA and the Upper Great Lakes Regional Commission have provided more than $20 million to help promote economic growth in communities like those above in Minnesota. These funds, while small compared to the needs that exist, have been used to stimulate substantially larger public and private investments in the State. As a result, these funds have had a much larger effect on jobs and incomes in economically distressed areas than one would expect.

EDA and Upper Great Lakes Regional Commission projects have, for example:

Saved 125 jobs in Clearbrook, Minn.,

where grants from EDA and the Upper Great Lakes Regional Commission—UGLRC—enabled water and sewer facility construction that kept one employer from moving out of a small industrial park;

Created 30 new jobs and made 105 secure by a joint EDA-UGLRC grant to the Red Lake Indian Reservation for remodeling and upgrading of a sawmill; and

Provided roughly 300 new jobs in Duluth in the next few years as a result of a new chemical plant, for which an EDA business loan was in part responsible.

The impact of these projects on people's lives has been direct and significant.

With these facts in mind, it is hard to understand how the President could possibly term these "lower priority" programs in his budget. I for one believe that they deserve to be among the highest of our national priorities. If the richest Nation in the world cannot afford programs that put unemployed people to work and increase their incomes, what can it afford to do?

In response to a request to Mr. Ash at the OMB from Senator PROXMIRE and me, a detailed justification of all of the proposed budget cuts was prepared. In that report the OMB said:

> EDA programs will be phased out by the end of 1973, in favor of more focused and consolidated programs to stimulate economic development.

Who can be opposed to "more focused and consolidated programs," regardless of their substance? Certainly not this Senator. But we must look behind this facade of bureaucratic hyperbole to see what the proposed "consolidation" really means to people's lives.

The main fact is this: While EDA and the regional commissions were specifically required to direct all of their energies and resources to the poorest communities in our Nation, the so-called more focused administration substitute would provide less money and distribute it to rural communities regardless of need. The words "focused" and "consolidated" now seem to mean that we have given up any priorities for helping underdeveloped or distressed communities.

As one of the authors of the Rural Development Act of 1972, I know that its programs were not intended to and, particularly as implemented by the administration to date, will not, in fact, be sufficient to meet the urgent development needs of the most distressed rural areas of the United States.

We need an adequately funded EDA and regional commission program. Without such help, I have grave doubts about the ability of these poor communities to break the cycle of economic depression that has for too long afflicted them.

Today we are considering H.R. 2246 to authorize funding of EDA and the regional commissions, knowing full well that the President has threatened to veto whatever is passed.

With this in mind, I would have preferred to see us vote a bill that authorized at least the full $1.2 billion proposed by the House. It seems to me that Senate passage of a reduced bill could be interpreted as a lack of confidence in the EDA program. I hope that in our debate today we can at least make it perfectly clear to all concerned that this is not the view of the Senate.

Mr. President, I would like the record just to note that prior to the administration's termination of this program, or the announced termination of the program of EDA, an independent survey had been made, at the request of Office of Management and Budget and at the request of the White House, as to the efficiency and the cost effectiveness—the cost-benefit ratio effectiveness—of the Economic Development Administration program. This revealed that the program was the most effective, in terms of the benefits realized from the investments under the program, of any of the programs of the Federal Government.

After that survey had been completed and the results had been tabulated and the results and conclusions presented to the Office of Management and Budget, they arrived at the incredible decision of terminating the program—terminating it because it was successful, terminating it because it was well managed. The former Director of EDA, Mr. Podesta, I think was one of the better of our Federal officers. He has a fine business background. He came here to Washington to do a good job, and he did just that. However, despite the success of the program, it suffered a meat-ax approach from the Office of Management and Budget. It was to be cast aside.

I compliment the chairman, the Senator from New Mexico (Mr. MONTOYA) on his work in bringing this program back to us again and permitting the Senate and the House to take affirmative action for authorization, even though that authorization, in my mind, is very, very modest.

I hope that Members of the Senate will take a look at this program and compare it with some of the requests that have been made for other countries in the name of foreign assistance and helping depressed or economically disabled areas in other parts of the world.

Mr. President, we are so generous when it comes to faraway places and we are such a bunch of pennypinchers when it comes to taking care of our own.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. MONTOYA. Mr. President, I yield 2 additional minutes to the Senator from Minnesota.

The PRESIDING OFFICER. The Senator from Minnesota is recognized for 2 additional minutes.

Mr. HUMPHREY. Mr. President, the Economic Development Act is not a giveaway program. It is an investment. It represents loans. It represents loans and grants for economic development and industrial expansion. It represents technical assistance to local communities, and all of that is outlined in the titles we have here, from title I to title VII.

The committee has worked very carefully to provide us with a legislative proposal that is acceptable. I hope that there will be no amendments adopted that would in any way weaken or diminish the effort that the committee has brought to our attention.

The PRESIDING OFFICER. All time of the Senator from New Mexico has expired.

Mr. McCLURE. Mr. President, I yield 5 minutes to the Senator from New Mexico.

The PRESIDING OFFICER. The Senator from New Mexico is recognized for 5 minutes.

Mr. DOMENICI. Mr. President, I will be very brief. I do have an amendment that I will speak to later. However, I want to commend my distinguished senior colleague from New Mexico for his presentation today and for his in-depth analysis of this measure and what it can do.

I want to publicly state that immediately after my election to the U.S. Senate, I traveled my State from one end to the other, and I found unanimity among the mayors and city commissioners and all those charged with the problems at the local level where poverty prevailed and where technical assistance was not available as it is in the cities. They were all of one voice and said that this program provided great assistance for their being able to furnish to their areas any needed improvements and much incentive for new enterprise and potentially new jobs.

Mr. President, on my arrival in the Senate I was fortunate to find myself appointed to this subcommittee. And during the hearings that I heard from Governors and local leaders around the country who were almost unanimous in feeling that the effects and goals and objectives of this act were unparalleled as far as Government assistance to rural and the depressed areas is concerned and that there were none to take its place, at least none of the statute books of the United States.

It is my observation, having served at the local level as a local official, that one of the things about the program which is being overlooked is the fact that it is versatile, it is flexible, and it is not nearly as rigid as the grants-in-aid system that has developed in this country over the years.

Those who say that there is waste and a need for improvement in the program might also find that the same things are true with regard to other grant-in-aids programs and that this should not be separated out for a killing or dismantling without substituting something for it.

I want my colleague to know that my amendment proposing to extend the program for 4 months instead of 1 year is submitted in good faith and in an effort to continue the program.

I hope that if we continue the program, either for 4 months or for 12 months, we will look into it in Congress. I also hope that the administration will make an in-depth analysis and will continue the program.

Mr. President, I have heard ideas as to how we could do it better. However, I have not seen any bills which propose that we do it.

I want it understood that my proposal

to extend the program for less than 1 year is intended to give us an adequate period of time to look at substitutes. If an extension is needed thereafter, I would hope that we would then extend it as requested by the distinguished Senator from New Mexico in the committee bill.

Mr. President, if I have any further time, I yield it back.

AMENDMENT NO. 86

Mr. McCLURE. Mr. President, I call up amendment No. 86.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

Strike out all after the enacting clause and insert in lieu thereof:

SEC. 2. Section 105 of the Public Works and Economic Development Act of 1965 is amended by inserting "(a)" after "SEC. 105." and by inserting at the end thereof the following:

"(b) There is authorized to be appropriated not to exceed $100,000,000 for the fiscal year ending June 30, 1974, to carry out the provisions of this title, except that such amount shall be available only for grants for projects for public water supply systems, public sewage collection lines, or for other essential public facilities which cannot be constructed with funds available under the Rural Development Act of 1972, the Housing and Urban Development Act of 1965, the Housing Amendments of 1955, or the Federal Water Pollution Control Act as amended, and with respect to which—

"(1) the sponsoring State, political subdivision, Indian tribe or organization or association establishes to the satisfaction of the Secretary that such facilities are necessary to protect against an imminent danger to the public health or safety; or

"(2) the Governor of the State in which the project is to be located establishes to the satisfaction of the Secretary that such facilities are necessary for the establishment of industry providing new jobs and that such industry will be established if such facilities are provided."

SEC. 3. Section 302 of the Public Works and Economic Development Act of 1965 is amended by inserting "(a)" after "SEC. 302." and by inserting at the end thereof the following:

"(b) There is authorized to be appropriated not to exceed $6,000,000 for the fiscal year ending June 30, 1974, to carry out the provisions of section 301(b) of this title, except that such amount shall be available only for grants to organizations which operate in economic development districts, designated pursuant to part B of title IV, and which organizations are designated by the Governor as the clearinghouse agency for federally assisted projects pursuant to the provisions of Circular A–95 of the Office of Management and Budget."

SEC. 4. Section 505 of the Public Works and Economic Development Act of 1965 is amended by striking out subsection (c) and inserting in lieu thereof the following:

"(c) There is authorized to be appropriated not to exceed $9,000,000 for the fiscal year ending June 30, 1974, to carry out the provisions of this section."

SEC. 5. Section 509 of the Public Works and Economic Development Act of 1965 is amended by striking out subsection (d) and inserting in lieu thereof the following:

"(d) There is authorized to be appropriated to the Secretary to carry out this title for the fiscal year ending June 30, 1974, not to exceed $10,000,000 for each regional commission which has a comprehensive long-range economic plan approved under section 503(a)(2) of this Act, and not to exceed $1,000,000 for each regional commission which does not have such an approved plan."

Mr. McCLURE. Mr. President, I yield myself such time as I may consume.

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

Mr. McCLURE. Mr. President, I have called up amendment No. 86 which was introduced on April 12 by the Senator from Tennessee (Mr. BAKER), the ranking minority member of the Public Works Committee, and myself as ranking minority member of the Economic Development Subcommittee. I hope to give the Senate an opportunity to consider an alternative. The Senator from Utah (Mr. BENNETT) has been added as a cosponsor. This is the same amendment I offered in committee and which was defeated by a vote of 8 to 6.

Before continuing I refer each Senator to my supplemental views in the committee report, along with those of Senator BAKER, and the colleague letter sent to all Members and available on each Senator's desk today.

Our amendment is a substitute proposal extending three programs of the existing act for 1 year: the title I grants for water and sewer and other essential public facilities, the multicounty economic development districts and the multistate regional commissions.

The bill recommended by the committee extends all titles of the act for another full year with the authorization levels in the bill reduced from $1.2 to $365.2 million. This compares with last year's appropriation of $367 million. I want to commend Senator RANDOLPH for his fairness and cooperation throughout consideration of this legislation. We share his concern that an extension of the basic EDA authorities be secured at least for another year.

Senator MONTOYA, ranking member of the Economic Development Subcommittee, is also to be commended for his diligence and efforts on behalf of the economic development legislation.

While the committee sharply reduced the authorization in the bill, we believe our substitute has certain advantages over the committee bill: it establishes priorities, by selecting and clearly directing three programs of the existing act; it avoids duplication with other Federal programs by restricting the public works grants to projects which cannot be carried out under other programs; and it sets realistic authorizations at a minimum level—$167 million—which could be appropriated without a major impact on the budget.

The substitute establishes priorities by selecting three programs of the act which many consider the most innovative and useful:

It authorizes $100 million for grants under title I, the public facilities grant program which is the practical heart of the EDA program. This compares to $136.5 million appropriated last year for title I. An additional $30 million in disaster moneys was provided in a supplemental bill, bringing the total appropriation for title I to $166.5 million.

It keeps the institutional structures established under the act in place by authorizing administrative funds—$6 million for the multicounty economic development districts which also serve as the local A–95 clearinghouses and $9 million for the title V multistate regional commissions. These authorizations are approximately the levels appropriated last year for these programs.

Finally, the amendment authorizes $10 million in program grant funds for each of the five regional commissions which have completed comprehensive plans as required under the act plus $1 million for each of the newest commissions, the Pacific Northwest and the Old West Regional Commissions, which have not completed their plans.

One of the administration's principal criticisms of existing EDA activities is that they duplicate other program authorities, particularly the Rural Development Act of 1973 and the Environmental Protection Agency programs. It is the administration's contention, in terminating EDA, that its objectives can be carried out under other programs either already authorized or being proposed. The administration's alternative proposals were discussed by the Secretary of Commerce, Mr. Dent, when he testified before the committee in February, and were also outlined in official comments filed by the Office of Management and Budget. The alternative proposals may be found in the agency views in the committee report.

After reviewing the administration's proposals, members of the committee had serious reservations that an adequate transition from the ongoing programs would be provided under the administration's proposals, and we believed some extension of the act necessary beyond June 30, 1973. The substitute we are offering would provide a sound transition to any future policy which may be decided upon—whether this would mean relocating the act's function in other agencies or programs, consolidating them into special revenue-sharing programs, or folding them into future alternative legislation such as is being proposed by this committee in S. 232. In continuing this basic authority, however, I believe every effort should be made to avoid duplication among programs. Therefore, our substitute focuses the present program by restricting the title I grants to water and sewer or other public works necessary to protect public health or safety, or where the Governor certifies to the Secretary of Commerce that such facilities are essential for the location of job producing industry in depressed areas.

In addition and more importantly, the substitute prevents duplication by specifying that title I grants shall be available only for projects which cannot be constructed with funds available under the Rural Development Act of 1972, the Housing and Urban Development Act of 1965, and the Housing Amendments of 1955 or the Water Pollution Control Act as amended—four basic programs authorizing water and sewer and other public facility projects.

Based on our evaluation of the President's alternate proposals we considered it necessary to continue the grant program. Areas eligible for EDA assistance are hard-pressed areas, characterized by low incomes and chronic unemployment. Such areas are the least able to compete with more fortunate communities and to finance needed projects solely with loans. Such depressed areas or areas with scattered populations have found they could not finance water and sewer projects with loans—as the amortization of the debt would be too great in relation to potential user charges. In addition, many communities have a very restrictive indebtedness limitation. For these reasons we have continued the title I grants for an additional year.

Sufficient loans may be available under the Rural Development Act, but there is no indication that any special consideration or assistance will be given depressed areas now served by EDA. The grants will provide this assistance where necessary.

Recognizing the serious budget restraints facing Congress at this time, our substitute reduces the total authorized by the bill to $167 million—less than half the committee amount and more than a billion dollars less than the House-passed bill. As stated in my supplemental views, unrealistically high authorizations which bear little relation to the actual funding level and which cannot, in the aggregate, be accommodated in the budget, have helped to bring about the present situation which in effect leaves it to the executive branch to establish priorities and determine to what extent many program authorizations are actually carried out. It is my position that authorizations should express the finding of the legislative committee as to the appropriate and realistic funding level. Indications of total need or ultimate goals are better made in the committee report.

The program level authorized in the substitute could be carried out by the reduced EDA staff contemplated in the President's budget. According to Secretary Dent's testimony the EDA staff will be reduced from 600 persons to 390 during fiscal year 1974.

In maintaining the economic development districts, my substitute is directed to those districts certified by the Governor as the local A–95 clearinghouse agency. The A–95 clearinghouses are established under the direction of the Office of Management and Budget to coordinate other Federal programs in an effort to increase efficiency and avoid waste. Ninety-two of the 123 districts now supported with EDA funds have been designated as clearinghouses. I value this coordinating role and believe the districts already serving this function should be preserved.

Serious questions about the effectiveness and value of the title V regional commissions and their future structure and role has been expressed. While the commissions have not been wholly successful or effective as anticipated, this Federal-State partnership is a unique experiment and should not be hastily abandoned before its potential and use can be given close scrutiny by the participating Governors. The commissions themselves are now engaged in an evaluation and Gov. Patrick J. Lucey of Wisconsin, representing the Council of Title V Governors before the committee, testified strongly in favor of a 1-year extension. I believe this time could be used by the Governors to assess the present regional structure and program and alternatives being proposed, and to make recommendations to Congress on future directions of intergovernmental relations and regional development.

I would like to outline the existing authorities which are not continued under the McClure-Baker substitute. Our amendment does not provide funds for the old "accelerated public works" program, now known as public works improvement program, which the administration strongly opposes and cited among the reasons for vetoing H.R. 16071 last fall and S. 575 in 1971. It contains no authorization for business and industrial loans, authorized under title II, which the administration intends will be handled by Small Business Administration programs. It contains no funds for research, title III, which has produced numerous studies since 1965 and no funds for technical assistance, also authorized under title III. While activities funded under these various titles have contributed to the overall work of EDA and have produced acknowledged results. The purpose of the substitute is to select the most innovative and useful programs and those where a hiatus in the basic authority would be most detrimental.

I believe the substitute we propose agrees with the objectives of the bill recommended by the commitee that areas of continuing high unemployment require a special effort to provide them additional jobs; that grants, not loans only, are needed to construct public facilities in such low-income high-unemployment areas; that institutions which have brought local and State jurisdictions together in cooperative planning and execution of federally assisted projects ought not be hastily dismantled; and the termination of EDA by July 1 will fail to provide a satisfactory transition to existing or proposed authorities which might be administered and funded to meet its objectives.

If no extension of EDA authorities is agreed to by June 30, the entire EDA program—its functions of established utility, the institutions developed over the years with considerable effort, and those portions which the committee acknowledges should be reformed or replaced—will all be lost.

It is for these reasons—to keep alive the institutions we have developed, and to maintain authorization for grants for needed projects which cannot be funded under other or prospectively proposed programs—that we offer the amendment.

We have no assurance from the Appropriations Committee or the administration that our proposal will be funded. But the substitute we have developed is designed to respond to criticisms which could be directed against a simple extension on the entire existing act.

Because our substitute establishes priorities, avoiding duplication of other Federal programs, and sets realistic authorizations at a minimum level, I believe our alternative is superior to the House and Senate committee approach of simply extending the present act or arbitrarily reducing the authorization for each title of the act and provides stronger grounds for securing an extension of basic EDA authority.

Mr. President, I reserve the remainder of my time.

Mr. BAKER. Mr. President, will the Senator from Idaho yield to me for some comments on the amendment?

Mr. McCLURE. Mr. President, I yield to the distinguished Senator from Tennessee such time as he may consume.

The PRESIDING OFFICER (Mr. HASKELL). The Senator from Tennessee is recognized.

Mr. BAKER. Mr. President, the details of this proposal have been developed with particular care by the distinguished Senator from Idaho (Mr. McCLURE). I have been privileged and honored to work with him on it and should like to take this opportunity to commend him for his service to the committee and the Congress. As the ranking Republican on the Economic Development Subcommittee, he is doing an extraordinarily good job. He approaches his task with realism, with idealism, and with practicality.

It is the purpose of the amendment to keep those essential portions of the EDA program until future programs can be established and implemented. I am deeply concerned that if we do not now take such careful action the Economic Development Act will lapse.

The McClure proposal would maintain the essential features of the program—primarily sewer and water grants in depressed areas where they cannot be constructed through loans alone, the multicounty economic development districts, and the multi-State regional commissions. It would provide a transition to programs which may be implemented under other existing authority, or under administration programs which may be later enacted. The substitute would allow to lapse those portions of the program which have been least effective, which are essentially duplicative of other Federal programs or which might more adequately be addressed by other programs or by the private sector.

This alternative would prune away some of the EDA programs of lesser value, while holding firm to the more essential aspects of the EDA effort.

Areas of chronic, high unemployment require special consideration for the creation of new and additional jobs. Our amendment provides such consideration.

Grants, not simply loans, are needed to assist in the construction of public facilities in areas of low incomes and high unemployment. Our amendment provides such grants.

The maintenance of institutions that have brought together local and State jurisdictions in cooperative planning work is essential. Our amendment provides such maintenance.

The sudden termination of EDA less than 2 months from now would fail to provide a satisfactory transition period to something better. Our amendment provides such a reasonable period and mechanism for transition.

Possibly most important, it preserves

the institutions developed under the act, both the multi-county economic development districts and the multi-State regional commissions. Our amendment establishes priorities through the termination of those types of assistance that have proved less valuable than other programs in the act. Our amendment would cast adrift those programs that have proven the least effective and which are essentially duplicative of other Federal programs. These include business and industrial loans—title II—programs that could more adequately be addressed by other laws—such as the so-called accelerated public works—and research and technical assistance—title III—which could be more effectively undertaken by the private sector.

The administration has rightly pointed out the danger in EDA's potential duplication of other Federal programs. For this reason, our amendment would bar a title I grant if the local government could receive such support from another Federal effort, such as the Federal Water Pollution Control Act grants program.

What is essential about this amendment is its establishment of a reasonable, 1-year transition period, keeping much of the EDA program in place while the Congress works with the administration to build a realistic follow-on program for the future.

I anticipate that the committee proposal, even though it reduces sharply the level of previous authorizations, will not win administration acceptance. Nor, frankly, can I say that our amendment will receive favor from the administration. However, the amendment is designed to establish priorities, to avoid duplication, and to limit the scope of the program to its most essential elements. For that reason, it is a proposal that is responsible in the fullest sense of that word. It is a proposal we can send to the White House with every confidence that we have carried out our duty to the families who live in economically depressed areas.

I again want to commend the distinguished chairman of the full committee, Mr. RANDOLPH, and the chairman of the subcommittee Mr. MONTOYA, and to the Senator from Idaho (Mr. MCCLURE) for their efforts to develop a response to a difficult problem in a relatively short space of time.

The difference in our positions lies in our appraisal of the minimum program which can be finally enacted to achieve the purpose of keeping intact the essential and valuable institutions and programs of the Economic Development Administration. I anticipate that the committee bill, even though it reduces the level of previous authorizations, will not be accepted by the administration. As I remarked previously, I have no assurances that the substitute will be either. However, it is designed to establish the priorities and I believe it appeals to logic and to reason.

I strongly support the concept of the EDA. I realize the difficult circumstances we are involved in from the fiscal standpoint and those inherent in a period of transition. I commend the Senator from Idaho (Mr. MCCLURE) for facing the reality of the situation and bringing before the Senate what I believe to be a responsible and a reasonable transitional measure calculated to have the greatest chance of passage and to do the most good under the circumstances. I commend its passage to my colleagues and thank my colleagues for their management of the bill and the Senator from Idaho for yielding me this time to make these comments.

Mr. ROBERT C. BYRD. Mr. President, on behalf of the able Senator from New Mexico (Mr. MONTOYA), I ask unanimous consent that his time on the amendment be reserved until an hour later in the day.

The PRESIDING OFFICER (Mr. CLARK). Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, is there any further discussion by Senators on the amendment?

Mr. McCLURE. We have no pending requests for time, but I should like to reserve the remainder of my time.

Mr. ROBERT C. BYRD. Mr. President, may I ask the Senator from Tennessee (Mr. BAKER), do I correctly understand that the Senator from New Mexico (Mr. DOMENICI) has an amendment which he will want to call up after the time on the pending amendment has expired?

Mr. BAKER. That is correct. The Senator from New Mexico (Mr. DOMENICI) does have an amendment which I believe is at the desk and I know that to be his request. I am also aware of the fact, as is the distinguished assistant majority leader, that we have certain difficulties with time. Some of your colleagues are otherwise committed and would find it difficult, perhaps, to discuss further or vote at this point. Since I know of no further requests for time and no other amendments except that of the Senator from New Mexico (Mr. DOMENICI), I wonder whether the Senate could proceed to other business or perhaps recess for a short time?

Mr. ROBERT C. BYRD. Does the Senator know whether or not the distinguished Senator from New Hampshire (Mr. COTTON) wishes to offer an amendment, or whether Mr. COTTON merely wishes to address himself to the bill under time that is controlled by him?

Mr. BAKER. Mr. President, I have no information to that effect. I had that query put to me earlier, and I have made an effort to check and find out; but at this point I cannot say with certainty, although it is my impression that he does not.

RECESS UNTIL 2 P.M.

Mr. ROBERT C. BYRD. Mr. President, if Senators do not wish at this time to discuss the pending amendment further—and in recognition of the circumstances that have been alluded to by the distinguished Senator from Tennessee (Mr. BAKER)—I move that the Senate stand in recess until the hour of 2 p.m. and that the time for the recess not be charged against either side.

The motion was agreed to; and at 1:11 p.m. the Senate took a recess until 2 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. HELMS).

RECESS UNTIL 2:30 P.M.

Mr. MANSFIELD. Mr. President, I move that the Senate Stand in recess until the hour of 2:30 p.m. today.

The motion was agreed to, and the Senate recessed until 2:30 p.m., whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. HELMS).

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House had passed the bill (S. 721) to authorize appropriations for the Indian Claims Commission for fiscal year 1974, and for other purposes, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 29. An act to provide for payments by the Postal Service to the Civil Service Retirement Fund for increases in the unfunded liability of the Fund due to increases in benefits for Postal Service employees, and for other purposes;

H.R. 3867. An act to amend the Act terminating Federal supervision over the Klamath Indian Tribe by providing for Federal acquisition of that part of the tribal lands described herein, and for other purposes; and

H.R. 6574. An act to amend title 38, United States Code, to encourage persons to join and remain in the Reserves and National Guard by providing full-time coverage under Servicemen's Group Life Insurance for such members and certain members of the Retired Reserve, and for other purposes.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred, as indicated:

H.R. 29. An act to provide for payments by the Postal Service to the Civil Service Retirement Fund for increases in the unfunded liability of the Fund due to increases in benefits for Postal Service employees, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 3867. An act to amend the Act terminating Federal supervision over the Klamath Indian Tribe by providing for Federal acquisition of that part of the tribal lands described herein, and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 6574. An act to amend title 38, United States Code, to encourage persons to join and remain in the Reserves and National Guard by providing full-time coverage under Servicemen's Group Life Insurance for such members and certain members of the Retired Reserve, and for other purposes; to the Committee on Veterans' Affairs.

EXTENSION OF AUTHORIZATIONS OF PUBLIC WORKS AND ECONOMIC DEVELOPMENT ACT OF 1965

The Senate continued with the consideration of the bill (H.R. 2246) to amend the Public Works and Economic

Development Act of 1965 to extend the authorizations for a 1-year period.

The PRESIDING OFFICER. Who yields time?

Mr. MONTOYA. Mr. President, I yield 10 minutes to the distinguished Senator from West Virginia.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. RANDOLPH. Mr. President, in our State of West Virginia there are at the present time 13 counties that face uncertainty as to whether they will be able to continue to participate in the economic development program. There are more than 300 counties throughout the United States, these counties in West Virginia included, that are facing a revocation of their eligibility for these programs.

The bill, H.R. 2246, would impose a moratorium on this dedesignation. The amendment by the able Senator from Tennessee (Mr. Baker) and the capable and knowledgeable Senator from Idaho (Mr. McClure) includes no such moratorium and would effectively cut off many American communities from the assistance that is provided by this program.

We think the moratorium is a valid one. We feel the amendment is injurious to a degree that even they, the sponsors of the amendment, might not at this moment anticipate.

That is not the only feature of the proposal before us today, of course, Mr. President, but it is an important one, and I believe that it sets forth graphically the differences between the bill as reported from the Committee on Public Works and the amendment which carries the philosophy of the two Senators, who worked very diligently within our committee.

Why should we retain the eligibility? That is the question. It is not a matter of simply wishing to continue pouring money into areas even when those areas have substantial needs, but I believe it is important to maintain the program until our committee, until the Congress, can complete the new economic development program with application nationwide.

I know the Senator from Tennessee and the Senator from Idaho are sympathetic, just as we are, to the necessity for economic development programs. I think they want very much, as do I, to see this legislation pass and, more important to see it signed into law by the President of the United States. I do not believe, however, that the amendment they propose, if adopted, would give us any assurance that the President of the United States would sign the measure.

I think such an amendment—and I say this with full knowledge of their desire to continue this program—if it were adopted and actually became a part of this bill, would seriously restrict the effectiveness of this program.

We responded within the committee in a proper way, to the need for fiscal restraint. We proposed authorizations at approximately the level of the appropriation we have for the current fiscal year. But the amendment of the two able Senators would cut this funding by more than half—I repeat: by more than half. It would not supply the funds that would actually be needed if the program is to be viable. It is not necessary to have a shell of the program. Intent is not enough. We must, in the Senate today, bring forward the supply of substance. This is necessary if we are to do our job. I think that eliminated from the amendment are portions of the program that are good.

If it were approved today in the Senate and became a part of the bill, I think it would place the economic development program in limbo, or beyond what it is at this moment. It would actually induce a decline that we might be unable to reverse.

As do other Senators, I know, and I speak from personal experience, that there are many American communities which, through no fault of their own, have not been able to participate in the general prosperity that is nationwide.

What does this program do—a reduced program—for 1 year? It is intended, of course, to alleviate inequities. I think it would be extremely unwise—and I say this in good purpose to my colleagues—to abandon the effort while it is being only partially carried forward. If a program is good, it is wrong to think in terms of cutting off parts of the body, because the body then becomes incapacitated to move.

I think the amendment would stimulate, whether intended or not, the abandonment of the economic development program. I say that from careful consideration, but I make a very earnest appeal to the Senate that the amendment be rejected.

Mr. MONTOYA. Mr. President, I yield myself such time as I may require.

I thank the Senator from West Virginia for his statement, and I associate myself with his remarks.

The amendment offered by the Senator from Tennessee (Mr. Baker) and the Senator from Idaho (Mr. McClure), I think, in my opinion—and I humbly submit this—is an attempt to restrict radically the scope and effectiveness of these programs. I am frankly at a loss to understand why that is done at this time.

When the Subcommittee on Economic Development, and then the Committee on Public Works, considered the bill, there was hanging over our heads the threat of a Presidential veto. It was not vetoed on the basis of specific portions of the bill; it was based on an attempt to scuttle the entire program. We recognized this, but we also recognized the need for an economic development bill of national scope and impact.

The committee was considerate of the President's program. We feel we have taken almost the last step to satisfy the President's wishes in this matter.

While we were considering H.R. 2246, we attempted to tailor it so that it would continue these important programs, but in such a manner as to effect overall control of Federal spending.

The substance of the proposals offered by Senators Baker and McClure was presented to the committee and turned down.

Several days ago, Members of the Senate received a letter from Senators Baker and McClure attempting to rationalize this amendment and to obtain support for it. I noticed almost immediately that this letter admitted that its sponsors could not insure the acceptance of these provisions by the administration.

If this amendment has no hope of approval by the President, then what is its purpose? I submit, Mr. President, that on the face of it, its purpose is to sharply restrict the areas in which EDA can operate and, more importantly, drastically reduce the assistance needed by States and communities that are struggling to strengthen their economic basis and to improve the lives of their citizens. Its real impact is to effectively kill the program without admitting it.

As a practical matter, the amendment limits the EDA program to one of grants for sewer and water systems. These facilities are, of course, important to the economic development of communities, but they are only part of a multifaceted approach to community betterment. If there is a choice to be made, I remind the Senate that there are other Federal programs that also provide assistance for sewer and water systems. If this choice has to be made, we may be advised to drop these activities from our economic development programs and commit our limited resources to other activities.

Sewer and water systems by themselves improve communities, but they constitute an incomplete economic development package. Communities that are struggling to raise incomes and create jobs need vocational schools. I know from personal experience the enormous impact that vocational training facilities can have. These communities need hospitals. They need libraries. They need a variety of public buildings. They need improved transportation to bring people to jobs and to move products to markets.

This amendment, we are told, is intended to improve the EDA program, but the logic of how this would be accomplished escapes me. I fail to see how the program can be improved by limiting its operations or by reducing the money available to it.

I do not pretend that the authorizations in the bill as reported by the committee are adequate. They are far from it, and I wish more realistic figures could have been presented to this body. The committee, however, has to face realities. The authorizations in the bill, while not enough to do the job we would like to see done are adequate to keep the EDA program functioning and responding to community needs. There is, Mr. President, a vast difference between the fiscal responsibility of the bill and the miserly authorizations contained in this amendment.

The irony of this situation is that this amendment is brought to us by the Senator from Tennessee, whose own State is benefiting from the activities of the Appalachian regional development program which is in the unique position of enjoying relatively full funding. I would think that his experience with the Appalachian program would encourage him to want to extend the benefits of similar programs to distressed areas of the country.

I am not bemoaning the fact that the Appalachian Regional Commission has received potential authorization from Congress for a period of years to come. I am not bemoaning the fact that they can be adequately funded. I handled the Appalachian bill in my subcommittee. I joined the Senator from Tennessee and the Senator from West Virginia in recommending such worthy legislation. However, I want to say that in the present budget, the administration has recommended that this Congress appropriate $328 million for the Appalachian Regional Commission. And we are only asking for an authorization which is a little over that, $362.5 million.

Appalachia serves 10 percent of the population of the United States. The budget does not provide for the other 90 percent of the population. We are only asking for $362.5 million. I am trying to appeal to reason and trying to say to the Senator from Tennessee that we have done our job in Congress for Appalachia and for the Appalachian Regional Commission and for all of those in its area.

We hope that we can excite his compassion so that he can try to help us do something on a meager basis for the rest of the people.

That is what is at stake in the legislation. That is what is at stake today.

The funding authorized by the bill as reported totals $362.5 million. This is within $5 million of the amount appropriated for EDA during this fiscal year. Both figures are about one-quarter of the amount authorized. Therefore, the committee recommendation is a substantial concession. I also serve as a member of the Appropriations Committee and have sought the feelings of other members of that body as to what our commitment to EDA programs should be. Such colleagues as the distinguished chairman of the committee, the Senator from Arkansas (Mr. McClellan) and a distinguished minority member, the Senator from New Hampshire (Mr. Cotton), have indicated their belief that this is a reasonable level of funding and both are known for their dedication to fiscal responsibility.

Two features of the existing program are of immediate concern because of recent developments. Last year, there was a larger than normal number of disasters in our country. In all parts of America, people were made homeless, communities were destroyed and disrupted. Industry was closed and great hardship took place. Even though we have Federal programs ready to cope with these disasters, the events of last year were of such magnitude that special legislation was introduced and passed.

More recently the administration has, for reasons of its own, decided to close a number of military installations. In many cases, these military bases constitute a substantial part of community income. Their loss will be a severe shock comparable in many ways to that of a natural disaster.

The Economic Development Administration has a great responsibility to assist communities affected by disasters whether they be natural or man made. Its ability to do so, however, will be sharply compromised by this amendment which eliminates the public works impact program. EDA is an important adjunct to the emergency relief efforts of the Office of Emergency Preparedness. It cannot, however, fulfill this role with the budgetary restrictions of the Baker-McClure amendment.

The amendment proposes cutting authorizations by more than half. Public works and business development loans and loans and grants for growth centers would be eliminated entirely. Technical assistance would be maintained at only a subsistence level and the regional commissions organized under title V of the act would receive such a pittance that they could not conceivably function with any effectiveness. These multi-State commissions plus the local development districts are the keystone to the long range planning that is the heart of any sustained development program. The Congress cannot turn its backs on the promise it made in the earlier legislation to these regional commissions and development districts.

The committee bill considers one of our Nation's most serious social problems in providing extra assistance for our country's Indians. As a country, our treatment of Indians over the years approaches that of a national disgrace. What we provided in the bill is only a modest beginning within the confines of our self-imposed budgetary restrictions. It was, however, a beginning and one that demonstrated the commitment we feel to increasing the hopes and improving the opportunities for America's Indians. The amendment now before us would revoke that commitment.

In addition, more than 300 areas in 36 States are now facing dedesignation as eligible for participation in EDA programs. Our committee bill properly imposes a moratorium on this dedesignation. This, too, is not mentioned in the Baker-McClure amendment. Many of these are chronically depressed and must be allowed to continue their efforts to reverse trends of long standing.

Finally, Mr. President, we are told that the proposals by the administration for revenue sharing and in other areas have made EDA programs obsolete. I remind my colleagues that for the most part, these proposals remain just that, proposals. There is no assurance that they will ever be translated into law or if they are, when that will take place. Regardless of whether revenue sharing provides additional resources to communities, it is still a program that will provide the greatest benefit to communities that are already relatively affluent. The program whose fate we consider today is for the have-nots of America. With regard to other Government programs, their implementation and certain built-in restrictions severely inhibit their ability to respond to the needs of economically distressed communities.

The benefits from EDA and from other programs are not interchangeable and it is folly to view them as such. Economic development efforts are intended to supplement other programs so that those communities with the most severe needs will have supplemental resources at their disposal.

Mr. President, I say again, that with respect to the sponsors of this amendment, that it is neither feasible nor desirable to impose its restrictions on the program that is already restricted. We are working toward a new economic development program and until it is brought into being, we cannot create a void.

Mr. RANDOLPH. Mr. President, will the Senator yield?

Mr. MONTOYA. Mr. President, I yield to the distinguished Senator from West Virginia.

Mr. RANDOLPH. Mr. President, I take this time to say that the Senator from Tennessee (Mr. Baker), and the Senator from Idaho (Mr. McClure) know the value of the economic development program. Where we differ at times is in the details of the total effort. I understand that.

There is a reason, however, as I have stated, for my opposition to their amendment. If we take the body politic and take parts of that body away, if a body is operated on and an arm is taken away or a leg is severed, we destroy the strength of the body and the ability of the program to function.

Mr. President, that is what is involved here. I hope that the amendment, as I have stated before, will be rejected. I do not believe its sponsors would intentionally destroy this program, because I think that basically the two Senators are as one with us.

I know that they are with us in the carrying forward of this work.

Mr. MONTOYA. Mr. President, I would like to say to the chairman of the full committee that I fully recognize that the offerers of the amendment are trying to perform what they conceive to be a public service. However, as I have stated before, the impact of the amendment goes beyond their expectations in my opinion.

I have stated that once this amendment is adopted, it will wipe out a very valuable program that we have embraced within the different titles of EDA.

I will give the Senate an example. It would affect the State of Tennesssee. Sixteen counties would be dedesignated if this amendment were agreed to.

They will no longer be eligible, in Tennessee, to receive assistance under the EDA program. I am certain that the Senator from Tennessee did not intend that. The same situation exists with respect to two counties in Idaho, and I am certain that the Senator did not intend that.

The committee bill considers one of our Nation's most serious economic problems by providing assistance for the country's Indian tribes. This amendment would destroy that. The amendment would destroy the 100 percent funding for technical assistance to Indian tribes throughout the country.

Where are they going to get 25 percent matching? They have not been able to up to now.

So goes the impact of the amendment.

It also destroys many of the great programs. For instance, the amendment's main thrust is to provide for sewer and water systems, $100 million. It does nothing for development loans: zero. It does nothing for loans and grants for growth centers and bonuses for development districts: zero. It cuts down on technical assistance and supplemental grants for regional commissions.

So I say in all sincerity, in good faith, and with great respect, that the amendment would destroy the basic purpose of the EDA legislation which we have worked out through 5 years of experience. We have worked it out in the committee through extensive hearings all over the country. We went to Alaska to try to develop worthwhile concepts in economic development. We gave birth to regional commissions for areas that need sustenance for economic restructuring. Mr. President, this amendment destroys all those things that we in Congress have worked for throughout the years.

That is why I say that we should defeat the amendment. We should stay with the committee bill, because the committee bill represents the collective wisdom of this Congress, the experience of many Governors who have come in to endorse the bill, and the experience of many people interested in economic development, chambers of commerce, and local leaders, who have paraded into the Senate Office Bulding to testify, to give great testimonials that the EDA concept is working in this country.

Let us not destroy it. Let us not restrict it. Let us go with the committee bill.

The PRESIDING OFFICER. Who yields time?

Mr. COTTON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. Who yields time for that purpose?

Mr. COTTON. I have some time reserved on the bill which I think I may yield myself.

The PRESIDING OFFICER. The Senator has 30 minutes remaining on the bill.

Mr. COTTON. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. COTTON. If it is desired to offer an amendment to the pending amendment, must the amendment be deferred until the time for debate on the pending amendment is exhausted or yielded back?

The PRESIDING OFFICER. The Senator is correct.

Mr. COTTON. I thank the Chair. How much time remains on the pending amendment?

The PRESIDING OFFICER. Each side has 7 minutes remaining.

Mr. COTTON. I thank the Chair.

Mr. MANSFIELD. Mr. President, will the Senator yield for a question?

Mr. MONTOYA. I yield 2 minutes to the distinguished majority leader.

Mr. MANSFIELD. Mr. President, could the distinguished manager of the bill state what the status of the Old West Commission is at this time? That is the one that covers the Dakotas, Nebraska, Wyoming, and Montana.

Mr. MONTOYA. As the distinguished majority leader knows, the commission was fully authorized, and it is provided for in this bill with equal dignity as the other commissions.

Mr. MANSFIELD. I thank the Senator. I appreciate that.

Mr. COTTON. Mr. President, will the Senator yield me a moment?

Mr. MONTOYA. Yes, I am glad to yield 2 minutes to the Senator from New Hampshire. I want to reserve a few minutes for closing the debate, but I yield 2 minutes to my distinguished friend.

Mr. COTTON. I merely wanted to say, for the information of the distinguished Senator from New Mexico as well as the distinguished Senator from Idaho, that the interest of the Senator from New Hampshire is very much in preserving the opportunities of these various regions. The administration, as I understand it, is trying to cut them down.

These regions were created and authorized at the same time as the Appalachian region. Two of the regions have been formed very recently; one the so-called Old West, which contains Montana, Nebraska, North Dakota, South Dakota, and Wyoming, and the other the Pacific Northwest, which contains Oregon, Washington, and Idaho.

Neither of those regions have had time nor opportunity to fully develop their programs. I believe one of them had $1.6 million, and the other only a million dollars allocated for this year.

My own region, consisting of six New England States, has been active since 1966, and I think doing its job effectively.

This amendment would curtail the authorization. It may well be that the authorization in the amendment would be sufficient to take care of these regions. But when the time expires, the Senator from New Hampshire is going to offer an amendment to the amendment to substitute the language in the bill for the language in the amendment. This will be done in order that we may preserve the same authorizations for the regions that we now have this year, and I think it is important, because I do not want to see us begin to retreat from a right that was given to us at the very critical time, when the Appalachian region was created.

The PRESIDING OFFICER. Who yields time?

Mr. McCLURE. Mr. President, let me take just a minute or two to respond to the arguments that have been leveled against the amendment which the Senator from Tennessee and I have offered.

I am sorry that the Senator from New Mexico found it necessary to question the motives of the Senator from Tennessee and myself, because, of course, he can only infer from our actions what our motives are, and in doing so he has chosen to ignore our words.

Mr. MONTOYA. Mr. President, will the Senator yield at that point?

Mr. McCLURE. I yield, without yielding my right to the floor.

Mr. MONTOYA. I want to make it specifically clear that I did not question the Senator's motives. I merely stated that I lend one interpretation to the effect of the Senator's amendment and he lends it another. That is what I intended to say.

Mr. McCLURE. I thank the Senator for his explanation, because certainly while it may be the feeling of some that this amendment which we have offered is intended to destroy the EDA program, I want to assure the Senator from New Mexico, other Senators who may be listening, and the Senate that that is far from our motive.

The Senator from West Virginia, the chairman of the Public Works Committee (Mr. RANDOLPH), mentioned that it was necessary to defeat this amendment in order to rescue the program from limbo. I would say that is exactly what the intention of the amendment is: To rescue the program from the limbo of uncertainty as to whether or not it can be continued.

Certainly, as has been pointed out, and I think in honesty had to be pointed out by those of us who support the amendment, there is no guarantee; we have no guarantee from the administration that they will accept the point of view which we have put forward here, that there is a hope. I would suggest that those of us who do support the EDA program and recognize its value will be serving that program best, and a continuation of the program best, by adoption of the amendment which has a hope of success. If we want a solution to the problem and a continuation of the program, rather than to create an issue in the form of a confrontation with the wishes of the administration, then it seems that we should adopt the amendment because there is a realistic hope that what we have focused on is demonstrably worth the cost. It is the hope that, because its impact on the budget is relatively minimal, they can be funded and that the program will continue. Much better if we extend this hope and get this kind of assurance now, than to indulge ourselves in the far more remote hope that the committee measure or even the House measure as passed by the House might be adopted and approved by the administration.

Mr. President, I know that the distinguished Senator from Tennessee (Mr. BAKER) has supported my amendment, not because he has already satisfied the needs of his State and his constituency through the Appalachia program, but because he recognizes the value of the EDA program, and because of the demonstrated success of the Appalachia regional program. It is because he recognizes that value that he and I were seeking means by which we could extend the greatest possible opportunity for success in the legislative forum by offering a moderate extension and continuation of EDA programs.

I do believe that the suggestion made by the distinguished Senator from New Hampshire (Mr. COTTON), that the regional commissions that are just new in two areas of the country and are limited in their funding, might be increased in their funding. I appreciate the motivation which prompted that remark, which may perhaps have prompted the amendment which he will offer; but the fact is that the commissions are so new that experience will dictate to us, by looking at other regional commissions, that their real requirements this year can be satisfied with a $1 million authorization, and that, therefore, there is no real impingement on the expectation of what the commissions can and would accomplish within this year.

Mr. President, I can only read from the minority views of the distinguished Senator from Tennessee (Mr. Baker) when he said in regard to this amendment:

> I believe the proposal offered by Chairman Randolph, which the Committee adopted, is similar in its purpose to the McClure substitute which I support: that is, it recognizes the need for reconsideration, modification and reform of the EDA program as it has developed over the years, but urges a continuation of that authority until revised and improved programs are actually put into place.
>
> The difference lies in our appraisal of the minimum program which can be finally enacted to achieve this purpose.

I submit, Mr. President, that this is the real crux of the difference between the committee's action and the action which I urge on the Senate by way of this amendment. I do urge adoption of my amendment.

The PRESIDING OFFICER (Mr. Helms). Who yields time?

Mr. COTTON. Mr. President, is it now in order to offer an amendment to the substitute, or has all time first to be yielded back?

The PRESIDING OFFICER. There still remain 5 minutes on the pending amendment.

Who yields time?

Mr. COTTON. Mr. President, I ask unanimous consent that I may be permitted to offer an amendment as a substitute at this point, even though all the time has not yet elapsed in debate on the subject.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New Hampshire?

Mr. McCLURE. Mr. President, reserving the right to object, I am prepared to yield back the remaining time on this side on the pending amendment, if the Senator from New Mexico will also yield back his time.

Mr. MONTOYA. I am not prepared to do so, but I have no objection to the request of the Senator from New Hampshire.

Mr. McCLURE. Mr. President, I withdraw my reservation.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COTTON. Mr. President, I send an amendment to the desk as a substitute and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. COTTON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with and I will explain it very quickly.

The PRESIDING OFFICER. Without objection, it is so ordered, and the amendment will be printed in the Record.

The text of the amendment is as follows:

> On page 3 strike out lines 7 through 22 and substitute therefor lines 19 through 24 of page 4 of the bill as reported by the committee.

Mr. COTTON. Mr. President, this amendment would strike out from the pending substitute on page 3, lines 7 to 22—that is the part of the substitute that authorizes certain sums for various regions in the country—and to substitute therefor lines 19 through 24 of the committee bill, which is the provision in the committee bill for the regions.

Now, Mr. President, as to the background at the very beginning, when the Senate was striving on the Appalachia bill, it was felt—with some justification—by Senators who represented other regions in the country which were in many cases sparsely populated, and with inadequate transportation facilities, that they were as deserving of aid and development as Appalachia, and that Appalachia should not be singled out without some provision for other particular regions.

As a result, the so-called title V regions were authorized. The authorization last year, for instance—not the appropriations—was $152.5 million. That would cover seven regional setups in the Nation, not counting Appalachia.

The committee, in its bill, reduced that authorization this year to $75 million. The amendment offered by the distinguished Senators from Tennessee and Idaho would further reduce it to a total of $61 million.

Now, Mr. President, in the first place, I do not want to see—even though undoubtedly the appropriations might not exceed that amount—the authorization for these regions whittled away, because each time it is whittled away, it weakens the opportunity of the regions to do their job.

As I already mentioned, the last two regions created were the so-called "Old West" containing Montana, Nebraska, North Dakota, South Dakota, and Wyoming; and the last one was the "Pacific Northwest" containing Oregon, Washington, and Idaho.

They have scarcely gotten underway. The so-called Old West region had appropriated to them only $1.6 million this year and the "Pacific Northwest" was allocated around $1 million.

In my own New England region, we had, last year, approximately $7.5 million for our programs.

I want to say frankly that in some of the regions—I must say I think my own—there has been some waste. I think they were overstaffed. That is already being remedied, because in the last few months, in the New England region, the personnel have been reduced from 36 to 23. I anticipate, and the words of the Governor of Massachusetts and the Governor of my own State indicate to me that this is not an idle promise, that the personnel will be still more curtailed, so that what money we use will be used as it is being used now—to try to maintain our region.

We have great problems. Our greatest problem, perhaps, at the present time is transportation. We have almost no railway transportation in the three Northern States of New England. We have absolutely no adequate, or anywhere near adequate, airline transportation, something for which I have been fighting a long time. We even have problems with our Interstate Highway System, which at present is interrupted and made less efficient.

That is something with which we have to cope. After the implied pledge that was made by Congress when we all turned to and enacted the necessary statute and authorized and appropriated money for Appalachia, I do not want to see these other regions whittled away.

For that reason, if I did not offer this amendment at this point and the substitute of the distinguished Senators from Tennessee and Idaho should be adopted, then I would be precluded, because that would be it, and I could not offer this amendment. So I am offering this amendment to their substitute. I ask that it be adopted. Should their substitute fail, this is the language of the original bill, and if some other amendment should affect this, it is my understanding from the Parliamentarian that I could still offer it again.

My purpose is not only to protect our region but all the other regions as well, especially—though I carry no brief for them, but it is only in the interest of fairness—the sixth and seventh regions, that have been in operation for less than 12 months.

That is my amendment. I hope it will not be opposed by the author of the substitute; but if necessary, when a sufficient number of Senators are in the Chamber, I shall ask for the yeas and nays.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. McCLURE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. McCLURE. Who controls the time in opposition?

Mr. COTTON. This is not the amendment on which I asked an hour limitation. This is just an amendment that is subject to the allotment of 30 minutes.

The PRESIDING OFFICER. That is correct.

The time in opposition will be controlled by the manager of the bill, unless he is in favor of the amendment. Then it will be controlled by the minority leader or his designee.

Mr. MONTOYA. I am willing to yield to the Senator such time as he may require.

Mr. McCLURE. Is the Senator from New Mexico opposed to the amendment of the Senator from New Hampshire?

Mr. MONTOYA. I am trying to listen to the argument at this juncture. The Senator may proceed, if he wishes.

Mr. COTTON. I yield myself a half minute. I cannot understand how the Senator from New Mexico would find himself opposed to my amendment, because it is from his bill, word for word.

Mr. MONTOYA. I inform the Senator from New Hampshire that if I announce myself in favor of his amendment at this time, I lose control of all the time.

Mr. COTTON. I see.

Mr. McCLURE. Mr. President, I am not exactly certain that I understand by whose authority or under what circumstances I am now addressing the Senate, but I appreciate the opportunity. [Laughter.]

I wish to make just this comment, so far as the pending amendment offered by the Senator from New Hampshire is concerned.

If I correctly understand the amendment, it strikes both section 4 and section 5 of my amendment and substitutes therefor section 5 of the committee bill now pending.

If I further understand the effect of the amendment, it is this: My amendment, under section 4, calls for $9 million, and under section 5 it calls for $10 million for each of 5 regional commissions and $1 million for each of two others, making a total, under sections 4 and 5, of $61 million.

The amendment offered by the Senator from New Hampshire calls for $75 million. So there are two differences between his position and mine at this time.

One difference is that my amendment calls for $61 million in these categories, and his calls for $75 million in these categories.

A second distinction which I think must be understood is that the $75 million under the committee bill, which the Senator now suggests be put into the substitute, is an unrestricted lump sum that can be put into any one of these areas wihout any direction as to where it should be put; and the amendment I have offered calls for a division of the sums of money into the regional commissions and into the various purposes for the commissions.

If I may pose just one example of the danger I perceive in the Senator's approach as compared to mine, it is that there are five existing regional commissions plus two new ones, making a total of seven. If each of the seven shares equally in this fund, there is slightly less than $11 million apiece in the total, which is not much different for the majority of the regions—as a matter of fact, less for the majority of the regions, less for the New England region—than is provided under my amendment, unless, indeed, there is an unequal distribution of the funds under the Senator's amendment, in which he would expect one region or another to get more than its proportionate amount of money under it.

I suggest that if that is the result of the amendment, then the Senator is holding forth a promise to some of the regions of this country that they would be helped by his amendment when, as a matter of fact, they would be hurt by it. If he expects the New England Regional Commission to benefit by it, it is the necessary implication that other regions must thereby suffer from it, with the exception of the two new regional commissions, which, under my amendment, would receive only $1 million instead of the $10 million as specified and set out with some degree of certainty under the amendment.

Mr. MONTOYA. Mr. President, will the Senator yield?

Mr. McCLURE. I am happy to yield.

Mr. MONTOYA. By way of further explanation of what the Senator has just said, there is a provision in the law, section 509(d), which provides for a method of allocation to the regional commissions.

Mr. President, I will read as follows:

> The Secretary shall apportion the remainder of the sums appropriated under this authorization for any fiscal year to the regional commissions, except that not less than 10 per centum nor more than 25 per centum of such remaining amount shall be allocated to any one regional commission.

So on the basis of the funding available under the Senator's amendment which is $61 million, the commission would receive a minimum of $6.1 million. Now, under the Cotton amendment, if it prevails, the minimum would be $7.5 million.

Mr. McCLURE. I think in connection with what the Senator said there is not much difference between the two bills if there is that kind of equal distribution of funds. If there is not, it has no other implication.

Mr. COTTON. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 20 minutes remaining.

Mr. COTTON. Mr. President, I had only 15 minutes to begin with.

The PRESIDING OFFICER. Did the Senator want 1 hour on this amendment?

Mr. COTTON. No, I am offering this amendment under the rule.

The PRESIDING OFFICER. In that case the Senator has 5 minutes remaining.

Mr. COTTON. I yield myself 3 minutes.

The PRESIDING OFFICER. The Senator may proceed.

Mr. COTTON. Mr. President, I think if the distinguished Senator from Idaho came from a region that had been working long and faithfully and developing itself under this approach, and he found his region cut from $7.5 million to $6 million we would hear a loud outcry. As a matter of fact, not only are there restrictions in the law, but these are only authorizations and the Committee on Appropriations has something to say about how it is allocated to regions within the limits of the law.

Mr. McCLURE. Mr. President, will the Senator yield?

Mr. COTTON. No, I do not have time to yield. The Senator has more time left than I.

Now, this money is appropriated with full knowledge or how faithfully, how efficiently, and effectively the regions are using the money. The Committee on Appropriations can be trusted to exercise that authority. But we have to guard most carefully our rights in these regions when the administration itself wants to cut us down and give $200,000 to each of the States which is, of course, a mere pittance and practically destroys the regions.

When I see the committee reduce the total from $152.5 million total authorization for all regions to $75 million, and then I find the amendment offered by the Senator from Idaho and the Senator from Tennessee reducing it further to $61 million, which would mean almost inevitably my own region would be cut, I certainly am going to try to do something about it. I think perhaps the Senator from Idaho did not take that into consideration.

Mr. MONTOYA. Mr. President, I yield myself 2 minutes.

The PRESIDING OFFICER. The Senator is recognized.

Mr. MONTOYA. I would like to inform the Senator from New Hampshire that he is actually improving the bill to come close to the committee version, except he does not go far enough with his amendment in that the Baker-McClure amendment wipes out the loan program entirely from the EDA legislation. It also wipes out the loans and grants for "growth centers" and bonuses for economic development districts.

Under their amendment there is no authorization whatever. They wipe it out completely. Then, on the technical assistance and research which will enable these States to provide contractual know-how with regard to transportation, airports, and industrial parks, there is a whittling down by the Baker-McClure amendment to $6 million, which is not adequate.

Mr. COTTON. Mr. President, will the Senator yield?

Mr. MONTOYA. I yield.

Mr. COTTON. The Senator from New Hampshire is thoroughly aware of that fact. The Senator from New Hampshire has no intention of voting for this amendment even if his amendment is adopted. He is supporting the original committee bill but he would at least want to preserve this part if this amendment should be adopted.

Mr. MONTOYA. In view of the Senator's assurance and explanation, I rise to accept his amendment.

I yield as much time as the Senator from Idaho may require.

Mr. McCLURE. Mr. President, I am not sure under what circumstances I hold the floor, but I appreciate the opportunity to mention a couple of things I think the Senator from New Hampshire missed in his development of the alternative proposal, and that is that under my substitute amendment the New England region would be authorized $10 million plus their share of the $9 million under section 4, and, in effect, the authorization for the New England Regional Commission is being cut by the Senator from New Hampshire and not increased. I am not certain that is what he had in mind, but that is the effect.

The question of loan and grant authority is a separate question from the amendment pending. I suspect that is another of the arguments we can get into about the effect of the substitute, but the effect of this substitute, I would say to the Senator from New Hampshire, is not to cut from $7.5 million to $6.1 million; it is to cut from over $10 million to $7.5 million in minimum funding if the full amount was appropriated.

Of course, the Committee on Appropriations has an authority here. It has an authority that will be exercised later on, but we should understand the effect of the pending amendment and the amendment to my amendment because I am not certain that the debate at this point indicates that there is a clear understanding.

Mr. COTTON. I do not understand how a total of $61 million for all regions gives more than $75 million.

Mr. McCLURE. Mr. President, each of five regional commissions would get an authorization of $10 million for project grants, plus a share of the $9 million under section 4 for administrative expenses.

Mr. COTTON. How does the Senator get seven $10 millions out of $61 million?

Mr. McCLURE. There are not seven $10 millions. There are five $10 millions plus two $1 millions.

Mr. COTTON. I see. The Senator is taking the two newest regions and giving them less.

Mr. McCLURE. If the Senator will refer to the pending amendment, page 3, lines 20 through 22, it states: "and not to exceed $1 million for each regional commission which does not have such an approved plan."

That refers to the two newest regional commissions.

Mr. COTTON. Yes; but I would expect the two newest to come up with a plan for approval.

Mr. McCLURE. They may, and if they do they can be back next year asking for more money.

Mr. COTTON. I say to the Senator that I do not want to waste money even on New England. In my opinion the slightly more than $7.5 million that the New England region now gets for their program is all it deserves and can effectively use, and that is all I, as a member of the Committee on Appropriations, want to see them get.

Mr. McCLURE. Well, I would say to the Senator they got almost $9 million.

Mr. COTTON. That is a great surprise to me, because the last time I checked I was told that they got $7.5 million for their program. I have their most recent annual report here and it indicates the congressional appropriation was $8,314,296, which after subtracting $594,000 for administrative expenses left $7,720,000 for program.

Mr. McCLURE. According to the figures I have from the agency, the New England Commission obligated something over $8.8 million in fiscal year 1972 for all expenses—planning assistance, commission expenses, and supplementary grants. Some of this may have been unobligated balances carried forward which accounts for our different totals.

The PRESIDING OFFICER. The time of the Senator has expired.

Who yields time?

The Senator from New Hampshire has 3 minutes remaining on the amendment.

Mr. COTTON. Mr. President——

Mr. McCLURE. Does the Senator want the yeas and nays?

Mr. COTTON. I certainly do.

Mr. McCLURE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. McCLURE. As I understand it, there are 3 minutes remaining to the Senator from New Hampshire.

The PRESIDING OFFICER. The Senator is correct.

Mr. McCLURE. Is there any time remaining in opposition?

The PRESIDING OFFICER. Not on the amendment.

Mr. McCLURE A further parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The Senator will state it.

Mr. McCLURE. It is my understanding that we are trying to stack the votes on all these matters if they are other than voice votes. It is my understanding the Senator from New Hampshire desires a rollcall vote on his amendment. Is it possible for us to reserve the vote on this matter?

The PRESIDING OFFICER. The Chair has no knowledge of that.

Mr. COTTON. Mr. President, if the vote is reserved, then the Senator from New Hampshire loses the final 3 minutes. Is that correct?

The PRESIDING OFFICER. Not necesarily.

Mr. COTTON. Mr. President, I ask unanimous consent that my 3 minutes be reserved, because I want to explain further the matter that has been raised first.

Mr. McCLURE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. On whose time?

Mr. MONTOYA. Mr. President, I ask unanimous consent that we may have a call of the roll pursuant to the suggestion of the absence of a quorum without taking the time from either side.

Mr. COTTON. Mr. President, will the Senator withhold his request for a moment?

I yield myself 1 minute.

The figures the Senator from Idaho has been giving I believe contain some carryover money from the fiscal year before, and that is why he is asserting that New England had more than $7.5 million for their program. As I indicated, we had $7.7 million appropriated. We had some carryover money from the year before. And that is enough. As a member of the Appropriations Committee, I am not sure we can get $10 million, but I do not want to see the future of these regions gradually whittled away by reducing their authorizations. I would not close the door on the region of my friend, the distinguished Senator from Washington, which is only the most recent one which has not had time to develop its plans; and the Old West, which takes in five of the other Western States.

The committee has cut the authorizations to all the regions in their bill from $152 million down to $75 million, and I do not want to see it cut further, by this amendment, down to $61 million.

That is the reason why, if there were enough Senators on the floor, I would ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is not a sufficient second.

The yeas and nays were not ordered.

Mr. COTTON. Mr. President, then I ask unanimous consent that we have a quorum call without the time being taken from any Senator's time, until we can get the yeas and nays ordered.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. COTTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COTTON. Mr. President, I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

PRIVILEGE OF THE FLOOR

Mr. JAVITS. Mr. President, I ask unanimous consent that John Adams, of the Small Business Committee staff, may be permitted on the floor to help me with the EDA bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, earlier today during the colloquy on the McClure-Baker amendment to S. 2246 statements were made while I was away from the Senate floor which may have cast some doubt upon my motives for supporting that measure. The implication of these statements, I am told, was that the effectiveness of the Appalachian Regional Commission in my State of Tennessee has led me into a parochially callous attitude toward the continuation of those portions of the EDA program which would not be continued under the McClure-Baker substitute.

I am sure that among those who are familiar with my participation in this legislation no response to this allegation is required. But these remarks will be reprinted in the Record and people less aware of my efforts might be misled. Thus, for the sake of charity, and without malice toward those who have raised this issue, I would respond.

Statistically, the State of Tennessee ranks sixth among all States in the number of designated areas. It ranks sixth also in the number of dollars received under the program during its first 6 years. Tennessee ranks just behind the State of West Virginia and far ahead of the State of New Mexico in the amount of project funding received as of June 30, 1971—the latest date for which cumulative figures are available. Thus the implication that my State does not have a great interest in the EDA program is unfounded in fact.

I share the deep commitment of those who would continue the program at its present level of funding. If the amendment fails I intent to vote with them on this bill. I simply do not think that such an approach is at this time feasible in light of political realities. Thus, I have determined to support an approach that offers better prospects for continuing the valuable features of the program so that Tennessee and the rest of the Nation will continue to receive assistance in coping with the problems of economically distressed communities.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum, and I ask unanimous consent that the time not be charged against either side.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, how much time remains on the amendment by Mr. McClure?

The PRESIDING OFFICER. A total of 5 minutes, 4 minutes for the proponents and 1 minute for the opponents.

Mr. ROBERT C. BYRD. How much time remains on the amendment by Mr. Cotton?

The PRESIDING OFFICER. None.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the distinguished Senator from New Mexico (Mr. Domenici) may at this time be allowed to call up his amendment for debate and proceed thereon until the time is consumed on that amendment or yielded back, and that, at no later than 4:15 p.m., the Senate proceed to vote on the amendment offered by the distinguished Senator from New Hampshire (Mr. Cotton); that that vote then be followed by a vote on the amendment by the Senator from Idaho (Mr. McClure), and that depending on the outcome of that vote the Senator from New Mexico (Mr. Domenici), if he wishes, then pursue his amendment further.

Mr. COTTON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from New Hampshire will state it.

Mr. COTTON. If the time comes when the McClure amendment should fail, and the Domenici amendment is to be called up, in order to protect myself on my amendment would it be in order to offer an amendment?

Mr. ROBERT C. BYRD. My understanding is that his amendment, if the Senator chooses to offer it, would be in order and would be a 1-hour amendment.

The PRESIDING OFFICER. The Parliamentarian advises the Chair that the order of voting would begin at 4:15 p.m. I point out that the time would not be available to run for the full 30 minutes if the order for 4:15 prevails.

Mr. COTTON. Mr. President, I ask unanimous consent that if the McClure amendment should fail, and the Domenici amendment has been offered, then regardless of the previous agreement the Senator from New Hampshire be allowed 10 minutes, 5 minutes to a side, to offer his same amendment to the Domenici amendment.

Mr. ROBERT C. BYRD. The Senator would have a right to offer that amendment in that circumstance. As I understand, he is suggesting that the time for debate therein be reduced.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. McCLURE. Mr. President, I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

Mr. ROBERT C. BYRD. Mr. President, would the distinguished Senator from New Mexico, after he sends his amendment up, yield me 1 minute?

Mr. DOMENICI. Yes.

The PRESIDING OFFICER. The Parliamentarian points out that the Senator still has pending a unanimous-consent request.

Mr. ROBERT C. BYRD. Yes.

The PRESIDING OFFICER. Does the Senator still desire a vote at 4:15 p.m.?

Mr. ROBERT C. BYRD. As I understand, there is a 5-minute reservation of time.

Mr. MONTOYA. Four minutes.

Mr. ROBERT C. BYRD. And 1 minute by the junior Senator from New Mexico. So that would make it 4:20 or 4:25.

The PRESIDING OFFICER. 4:21.

Mr. ROBERT C. BYRD. Very well.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia? The Chair hears none, and it is so ordered.

AMENDMENT NO. 94

Mr. DOMENICI. Mr. President, before Senators leave, I intend to ask for the yeas and nays on my amendment No. 94.

Mr. ROBERT C. BYRD. Mr. President, will the Senator call his amendment up?

Mr. DOMENICI. I call up my amendment No. 94, and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

On page 3, beginning on line 16, strike the words "and not to exceed $200,000,000 for the fiscal year ending June 30, 1973." and insert in lieu thereof "and not to exceed $133,000,000 for the period from July 1, 1973, through October 31, 1973.".

On page 3, beginning on line 23, strike the words "and not to exceed $50,000,000 for the fiscal year ending June 30, 1974." and insert in lieu thereof "and not to exceed $28,000,000 for the period from July 1, 1973, through October 31, 1973.".

On page 4 delete section 3 beginning on line 1, strike all through the end of line 7 and renumber succeeding sections accordingly.

On page 4, beginning on line 12, strike the words "and $12,500,000 for the fiscal year ending June 30, 1974." and insert in lieu thereof "and $8,000,000 for the period from July 1, 1973, through October 31, 1973.".

On page 4, beginning on line 16, strike the words "and not to exceed $25,000,000 for the fiscal year ending June 30, 1974," and insert in lieu thereof "and not to exceed $17,000,000 for the period from July 1, 1973, through October 31, 1973,".

On page 4, beginning on line 23, strike "and for the fiscal year ending June 30, 1974, to be available until expended, $75,000,000," and insert in lieu thereof "and for the period from July 1, 1973, through October 31, 1973, to be available until expended, $25,000,000.".

On page 5 delete section 6 beginning on line 1, strike all through the end of line 17.

Mr. DOMENICI. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield me 1 minute?

Mr. DOMENICI. I yield.

Mr. ROBERT C. BYRD. Now, if I may answer a private inquiry from my distinguished senior colleague, as I understand it, the Senator from New Mexico (Mr. Domenici) has offered an amendment. There will be a discussion of that amendment until 4:21 p.m. At that time, a yea and nay vote will occur on the amendment by Mr. Cotton to the amendment by Mr. McClure.

A vote on the amendment by Mr. McClure would then follow, after the remaining time that has been reserved thereon is consumed.

If the amendment by Mr. McClure is agreed to, then the amendment by Mr. Domenici would be withdrawn. If the amendment by Mr. McClure fails, then Mr. Cotton would offer an amendment to the amendment by Mr. Domenici, and a vote would then occur on Mr. Cotton's amendment, after which there would be a vote on Mr. Domenici's amendment.

The PRESIDING OFFICER. The Senator is correct.

Mr. MONTOYA. Mr. President, may I have the attention of the distinguished majority whip?

Mr. ROBERT C. BYRD. Yes.

Mr. MONTOYA. I reserved 4 minutes to be used immediately prior to the rollcall on the Baker-McClure amendment. With that understanding, I would have no objection.

Mr. ROBERT C. BYRD. I ask unanimous consent that that be a part of the agreement.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DOMENICI. I am now operating under what time limitation? Has it been changed from the original 30 minutes to something else?

The PRESIDING OFFICER. There was a limit of 30 minutes, 15 minutes to each side, of which the Senator has 13 minutes remaining.

Mr. DOMENICI. I thank the Chair.

Let me say at the outset that during the discussion today, I have on various occasions expressed my interest in continuing operative the program as it is before us in the committee bill presented by the senior Senator from New Mexico, and it is in the spirit of continuing it that I offer an amendment. I shall soon send a modification of the amendment to the desk, but I wish to express my intention at this point. That is what it is that I intend by my amendment, as modified in the next few minutes.

Throughout the committee hearings on this bill, we have continued to receive from the administration their remarks that these programs, the programs within the EDA, needed modifying, changing, or adjusting, and regularly we were told that there was something in the offing to take their place.

We were also told that we ought not to fund all the programs, because if we did, the process of dismantling that had already begun to occur would reach some final stage, and eventually whatever we proposed, if we tried to include all of the programs, would be vetoed.

It was my concern that we come up with something that would tell the administration yes, that some of these programs need to be reexamined, some have to be altered, some have to be changed, but that we tell the administration loud and clear that nonetheless, there are many that are good, there are many that, for States like my own and others, there are no real substitutes for.

So, in the spirit of saying to them, "Let us come up with a transitional-type program, one that will recognize the needs and the programs that are within the proposal submitted by the committee today," within that framework we extend them, instead of for 1 full year, for 4 months after June 30.

I know that the distinguished senior Senator from New Mexico, my colleague, will obviously say, "We do not usually do this; we do not usually extend programs of this import for 4 months."

However, Mr. President, we do not usually find ourselves in the position where programs have already been stopped in many parts of the country, when we have reached a confrontation stage, where many good programs might not continue at all unless we can get on with getting the administration to approve a bill, even if it be for 4 months.

I was a party to the very serious effort on the part of the committee to reduce the funding level, and I compliment the senior Senator from New Mexico and the chairman of our committee for their concern in that regard. We are not asking for $1.2 billion, but rather for $363 million. This is indeed some concession. But we have no assurance that even that, the $362 million level, the 1-year extension will be granted. It is out of concern that we not permit any further dismantling, and that we fund at reasonable levels, that I have offered my printed amendment heretofore, a modification of which I now send to the desk.

The PRESIDING OFFICER. The modification will be stated.

Mr. DOMENICI. I can assure the senior Senator from New Mexico that it does just what I have told him; it extends all of the programs, including those he has changed, to funding at 100 percent levels instead of 75 percent, and will continue even those districts which were dismantled, that I had taken out in my original amendment. They are included, but only for 4 months.

In other words, you would just divide each program by one-third, and that would be my amendment as I propose that it be modified.

The PRESIDING OFFICER (Mr. Nunn). The yeas and nays having been ordered, is there objection to the Senator's modification of his amendment? The Chair hears none, and the amendment will be so modified.

Mr. Domenici's amendment (No. 94), as modified, is as follows:

On page 3 beginning on line 16 strike the words "and not to exceed $200,000,000 for the fiscal year ending June 30, 1973." and insert in lieu thereof "and not to exceed $67,000,000 for the period from July 1, 1973, through October 31, 1973."

On page 3 beginning on line 23 strike the words "and not to exceed $50,000,000 for the fiscal year ending June 30, 1974." and insert in lieu thereof "and not to exceed $17,000,000 for the period from July 1, 1973, through October 31, 1973."

On page 4, beginning on line 12, strike the words "and $12,500,000 for the fiscal year ending June 30, 1974." and insert in lieu thereof "and $8,300,000 for the period from July 1, 1973, through October 31, 1973."

On page 4, beginning on line 16, strike the words "and not to exceed $25,000,000 for the fiscal year ending June 30, 1974," and insert in lieu thereof "and not to exceed $4,200,000 for the period from July 1, 1973, through October 31, 1973,".

On page 4, beginning on line 23, strike "and for the fiscal year ending June 30, 1974, to be available until expended, $75,000,000." and insert in lieu thereof "and for the period from July 1, 1973, through October 31, 1973, to be available until expended, $25,000,000."

Mr. MONTOYA. Mr. President, will the Senator yield?

Mr. DOMENICI. I yield.

Mr. MONTOYA. Does the modification now enable the Indian tribes to participate as under the provisions of our extension bill, to the tune of 100 percent?

Mr. DOMENICI. Yes, it does.

Mr. MONTOYA. And with respect to those districts for which we had granted a moratorium for eligibility, does the Senator's amendment take care of and restore that moratorium which was excluded from his original amendment?

Mr. DOMENICI. Yes, it does. The levels would remain intact.

I might say that in my original concept of the amendment, I did not have that in, because it seemed to me that perhaps, especially as to the Indians, we were in need of some longer term program, and if we took it out from under the 4-month extension, we could perhaps consider some new program for it. But in view of the discussion, so as to make it as simple as possible, my amendment will do precisely what I have said.

In response to the comments of my senior colleague, Mr. Montoya, it would merely extend all funding at the levels suggested in his bill, but only for 4 months—one-third of the total.

As to the 1-year provision for a moratorium as to the Indians, it would be back in as per the committee bill.

With that, let me state once again to those who are interested in this program, that my intentions certainly are not to do away with the program. Although I agree with the Senators from Tennessee and Idaho in their concern that at least we keep intact most of the program. I think that my approach is better than theirs, because we have not gone along and picked portions here and there, deciding which ones to keep or abandon but, rather, until we find a better way, let us continue with what we have in the original committee bill.

I also would say, in conclusion, that I am very much concerned when the administration comes to the subcommittee and says to us that there are better ways to do this, and to suggest that perhaps they could show us better ways, and to suggest, perhaps, that there are ways that the States could do it better, and the cities and the counties could do it better, that the Rural Development Act could do some of this work better; yet we are approaching the period of time when, in reality, the function under the EDA will cease, where we are approaching the time when the dismantling may make it irrevocable and yet we have not passed any bill which would accomplish the approach suggested. This is, indeed, a dangerous position to put the many entities participating in the program, to put them in that posture.

I believe that if nothing is forthcoming after 4 months, or 6 weeks before that, we could proceed once again to reinstate this for the entire year. I put the 4 months in only to remind the administration and ourselves that there are better ways. Perhaps to take 1 full year is not acceptable. On the other hand, I am aware of the fact that it will be difficult at this late date to find substitutes to fit other bills into this enormous jigsaw puzzle, because we are starting a new approach to some of the administration's suggestions.

With that in mind, Mr. President, I yield back the remainder of my time on this matter.

Mr. MONTOYA. Mr. President, I rise in opposition to the amendment of my distinguished colleague, Mr. Domenici. He is seeking to continue the economic development program for 4 months. As he stated, and anticipated that I would say, this is a most unusual procedure. I have been here in Congress since 1957 and I do not recall an instance where we had an authorization of an important program for 4 months. It is unheard of. During the committee hearings, I asked the distinguished chairman of that committee, if he had heard of any, and he has been here since 1934, and he said that he had not, that he could not recall of any instance where there had been a request for 4 months.

This is an activity that has been under way for nearly 8 years and has given a Federal boost to many, many American communities to help build a better life for their citizens. In those 8 years we have made much progress, but the tremendous job is far from being completed. He asks us to go on for 4 months when what is really needed is a program through which we can express the commitment of many years.

I wish that I were able to tell the Senate what purpose Senator Domenici has in mind when he asks for a 4-month extension to a program that is designated for extinction. I regret that I cannot provide that enlightenment, for it is a meaningless extension. In all honesty, I cannot foresee that in 4 months we could come to this Chamber with legislation significantly different from H.R. 2246 as reported by the Committee on Public Works.

I am not questioning the motives of my distinguished colleague, but I have been in this program, working in the vineyard, and have held hearings all over the country, so that I know what it takes to get an application through the pipeline and to get it approved. I know that it takes more than 4 months. I know that it takes a lot of leadtime from one year to another.

Just the other day, in one of the areas of New Mexico, EDA approved a grant. That application had been pending for 4 years, Mr. President. It took 4 years leadtime and much pleading with EDA to get that grant approved for a vocational school in Las Vegas, N. Mex. Now, 4 months time will not enable any district in America, even to complete an application, much less provide a feasibility study.

This legislation was developed with the knowledge that the administration not only opposed it, but opposed all of our efforts in economic development. We tried sincerely to accommodate the legitimate objections of the administration through the provisions of H.R. 2246 and I think we did so in a responsible fashion. Frankly, an additional 4 months would not bring us any closer to agreement with the administration than we are at this time.

Members of the Senate know that it is extremely difficult to develop good legislation on such a restricted timetable. I remind Senator DOMENICI that legislation to extend the Economic Development Administration was introduced on January 18. The bill before us now was ordered reported on April 12, nearly 1 month ago. It has taken 4 months to bring this legislation to the floor, during a time when congressional activity was relatively light and there were relatively few demands on the time of Members.

If we agree to a simple 4-month extension, there is no assurance that another bill could be advanced to the floor in that time. The Congress could be out of session in 4 months, or if not, could have the calendar crowded by more pressing matters. Under these circumstances, there would exist a crisis situation on which we could not legislate responsibly.

Furthermore, the administration could seize upon a 4-month extension as another opportunity to kill this program entirely.

Mr. President, economic development programs require long-range planning and execution. How could any State or local development organization possibly undertake long-range planning knowing that the EDA program could be abandoned or drastically revised in 4 months? This extension, rather than continuing a vigorous program, would simply impose stagnation and inertia in communities and regions where vigorous activity is most needed. This is not a stop-go program, but one that depends on a sustained level of activity for success.

There are many States in the regional commissions now that have not completed their development plans. They need more time—just like Appalachia, just like the New England Commission, and just like the Ozark Commission, and the others. They need leadtime to prepare all the data and economic planning necessary to be eligible for EDA grants and loans, technical assistance, and all the other aids that are needed to restructure their local economies. This 4-month extension would rob them of such an opportunity. I do not think it is practical.

hearings on economic development needs

For the past 3 years I have conducted in locations throughout the United States. We have gone from the southern Atlantic coast to the northern reaches of Alaska to look at individual development programs and to assess the need for strengthened and expanded Federal assistance. Not once in the past 3 years—and we have heard from literally hundreds of persons and groups—has there been an unfavorable statement on the need for economic development programs that are strong and responsive to local requirements.

The testimony is replete with statements by Governors—Republicans and Democrats—that EDA has worked, that the EDA concept is needed in order to stimulate the interest among local people to try to do something by way of economic development and planning.

A 4-month extension of the existing program now, when there are no other active legislative proposals under consideration, is totally without merit. There have been past occasions when program extensions of brief duration were approved. But I remind the Senate that these were merely stopgap measures at a time when legislation was being developed.

Legislation was already in being, possibly pending in conference, pending resolution by the conferees of both Houses. But the situation was not parallel to this.

Finally, I am convinced that we would have more difficulty continuing an EDA program in 4 months than we do now. It is almost impossible, in view of the attitude of the administration, to resurrect EDA if it is gasping for breath during its last 4 months of existence. The measure offered by Senator DOMENICI is not really a continuation. It is simply the first step in a slow death that could see successive short-term extensions and, finally, nothing. If this program must die, it would be far more merciful to administer the coup de grace now without further agony.

I submit, however, that what is needed is a strong commitment of support from the Congress to those Americans who took us at our word when we offered them a helping hand.

If we read the testimony presented in hearings held over the last 2 years, Governor after Governor, Republicans and Democrats, appeared before us and asked us to do something about economic development at the regional level, stating that the concept had worked and that they were ready to continue their efforts in their own localities, because economic development has been the real catalyst in trying to assemble the talents of local communities toward the objective of better economic development in the particular regions involved.

Mr. COTTON. Mr. President, will the Senator yield?

Mr. MONTOYA. I yield.

Mr. COTTON. I commend the Senator for what he has just said. I commend the chairman of the committee and the members of the Committee on Public Works.

I believe that the budget for Appalachia is somewhere in the vicinity of $1.5 billion. Appalachia covers parts of 14 States. It is in a separate bill. I have seen no inclination on the part of this administration, and I do not expect to see any—I would not share any such inclination—to cut off Appalachia.

But in this bill, where a very small amount of money, comparatively, is allocated to these other States—and the committee has been most fair and generous with it—the administration clearly intends to kill this. It is their purpose to kill it. I expect that the President will veto it. It will give me great pleasure to vote to override it.

As a matter of fact, when they offer us a mere pittance of $200,000 for each of the New England States, after we have worked through these years on this program, it is ridiculous. When they want to kill off the two new regions in the West, it is ridiculous.

The only thing to do is to pass the committee bill and send it up. If it is vetoed, all right; we will meet it.

Let us not be like the Dutchman who was going to be merciful and cut off the dog's tail 1 inch at a time. If this program is prolonged for months, it is like granting a condemned man a reprieve of 1 hour and hanging him at 8 o'clock in the morning instead of 7 o'clock.

If the administration has decided to kill this program, let us send it up to them as the committee reported it, and let them kill it. Then we will see what we can do. But this way we are simply going to confuse the issue.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. COTTON. The Senator from New Mexico has the floor.

Mr. MONTOYA. I yield to the Senator from Rhode Island.

Mr. PASTORE. Mr. President, I associate myself with every utterance on the part of the distinguished Senator from New Hampshire.

The PRESIDING OFFICER. The time of the Senator from New Mexico has expired. The junior Senator from New Mexico has 6 minutes remaining, but the time of the senior Senator from New Mexico has expired.

Mr. PASTORE. Will the Senator yield me 2 minutes?

Mr. DOMENICI. The Senator may have 3 minutes, if he wishes.

Mr. PASTORE. I am not on the Senator's side, however.

Mr. DOMENICI. I understand that.

Mr. PASTORE. I thank the Senator doubly for his courtesy.

Without giving us any opportunity of a challenge, without ever telling us what they were going to do, after the Committee for the Re-election of Nixon published on November 2, 1972, in Rhode Island newspapers, the fact that if McGovern were elected President, they would shut down the naval installations in Rhode Island, but that if the present President were reelected, this would not come to pass—that assurance was given us on November 2, 1972—lo and behold, in April of 1973, what do you think they did? They shut down every establishment they said Nixon was going to keep alive.

I tell the Senate that this is serious. It is putting 5,000 people out of work in my State, and we have to rehabilitate them. We have to find jobs for these people. We are economically depressed.

What do you think they did to us. They took the fleet out of Newport, where we have 6.4 percent unemployment, and they sent it down to Norfolk, Va., where the unemployment rate is only 2.5 percent below the full employment level; they sent another part of it to Charleston, S.C., where the unemployment rate is only 3.4 percent; and they sent the rest of it to Mayport, Fla., where the unemployment rate is only 3.1 percent. They crucified us, where the unemployment rate is 6.4 percent.

All we are asking here is a little understanding, a little heart. We are dealing with people, and that is why we want this bill and this money. We need it to rehabilitate. We need it to put people back to work. We need it in the event we cannot review and cannot change the edict of the Defense Department, so that if that property is given back to the State and industrialized, we will have some money for planning and design. We will have something to help us. After all, we in Rhode Island have been forgotten. We in New England have been forgotten.

Mr. DOMENICI. I assure the Senator that I would have yielded even had I known in advance that he was going to depart from the bill to such an extent.

On the other hand, let me assure the Senator that I support his request today to modify the bill to the extent that it would provide more help for his part of the country.

Furthermore, I assure Senators that I had no intention by my extension approach to deny that this kind of approach by our Government would continue; but, rather, it seems to me that it would have a better chance to continue as an operative program if we did it this way than to proceed on a 1-year basis, while there is some evidence that there are better ways to do some of the things in the bill.

On the other hand, let me say that I have already discussed with the distinguished Senator from New Mexico my position in the event my extension is not adopted. I certainly will not vote against this bill just because my approach to extending it does not work.

Mr. PASTORE. I realize the position of the distinguished Senator. He knows the affection and regard and respect I have for him. I am very happy that he is going to vote for the passage of this bill.

The only thing I wanted to point out was that he was relinquishing time to me and I was not in favor of his amendment, and I wanted to be honest about it.

Mr. DOMENICI. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator has 1 minute remaining.

Mr. DOMENICI. Does the Senator from West Virginia wish to be recognized?

Mr. RANDOLPH. Mr. President, I recognize the intent of the able Senator from New Mexico (Mr. DOMENICI) in offering an amendment to continue the programs of the Economic Development Administration for only 4 months. He participated actively during our committee's consideration of this legislation and worked with other Members of the Committee in attempting to find solutions to the very difficult questions raised by this legislation.

I know that Senator DOMENICI is sympathetic to the purposes of this program. He comes from a State that has benefitted from the economic development efforts that are carried out under this law, and I know he desires to see it continued.

Extending the act for 4 months, however, will not achieve the goals that many of us see as desirable. As the able chairman of our Subcommittee on Economic Development (Mr. MONTOYA) has observed, a short extension could well be another step toward total extinction of this program.

If this is a desirable program—and I believe the record indicates that it is—then we should not hesitate to give it our full support with a 1-year continuation. To do otherwise would be a concession to those who wish to abandon this economic development activity, and would hand to them additional time and a weakened program.

Senator MONTOYA has spoken of the uncertainty of acting within 4 months. There is ample precedent for his statement. I remind Members of the Senate that last year, while we were considering a new Water Pollution Control Act, the Congress had to approve extensions of the existing law on three different occasions. Therefore, who is to say that at the end of 4 months we will not have to once again extend the Economic Development Administration because of our failure to resolve the issues, and therefore cast further confusion over the total effort.

Mr. President, I am convinced that nothing is to be gained by delay and that we should be willing to do what we know is right and continue the program for a full year. I hope that other Senators will join with me in voting against this amendment.

Mr. DOMENICI. Mr. President, in conclusion I wish to say that——

The PRESIDING OFFICER. All time has expired. The question is on agreeing to the amendment of the Senator from New Hampshire. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH) and the Senator from Minnesota (Mr. HUMPHREY) is necessarily absent.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

I further announce that, if present and voting, the Senator from Minnesota (Mr. HUMPHREY) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Arizona (Mr. GOLDWATER) is necessarily absent.

The result was announced—yeas 81, nays 15, as follows:

[No. 120 Leg.]

YEAS—81

Aiken
Allen
Baker
Bartlett
Beall
Bellmon
Bentsen
Bible
Biden
Brock
Brooke
Burdick
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cook
Cotton
Curtis
Dole
Domenici
Dominick
Eagleton
Eastland
Ervin
Fannin
Fulbright
Gravel
Griffin
Gurney
Hansen
Hart
Hartke
Haskell
Hatfield
Hathaway
Helms
Hollings
Hruska
Huddleston
Hughes
Inouye
Jackson
Javits
Johnston
Long
Magnuson
Mansfield
Mathias
McClellan
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Nunn
Pastore
Pearson
Pell
Percy
Randolph
Ribicoff
Roth
Schweiker
Scott, Pa.
Sparkman
Stafford
Stevens
Stevenson
Symington
Talmadge
Tunney
Weicker
Williams
Young

NAYS—15

Abourezk
Bennett
Buckley
Byrd, Harry F., Jr.
Cranston
Fong
Kennedy
McClure
Packwood
Proxmire
Saxbe
Scott, Va.
Taft
Thurmond
Tower

NOT VOTING—4

Bayh
Goldwater
Humphrey
Stennis

So Mr. COTTON's amendment was agreed to.

Mr. DOLE. Mr. President, as a Senator from a State which has benefited significantly from the Federal economic development program, I believe H.R. 2246, the Public Works and Economic Development Act Amendments of 1973, deserves serious and detailed attention. However, as one who is also greatly concerned with economy in government and the need to put Federal funds to the best possible use, I am also apprehensive about the movement toward bureaucratic self-perpetuation at high authorization levels contained in both the House bill and the measure reported from the Committee on Public Works.

After having given careful consideration to the competing considerations, I believe the McClure-Baker substitute provides a sound solution in terms of maintaining the economic development program at reasonable levels while undertaking a transition to new and more effective programs. It would authorize $100 million for title I public works and supplemental grants, $6 million for title III, and $61 million for the title V regional commissions.

These realistic authorizations in conjunction with the establishment of reasonable priorities and avoidance of unnecessary and wasteful program duplication are, I believe, the best approach to providing reasonable answers to the questions raised by the bill and the different views of its programs.

In the State of Kansas—part of which is included in the title V Ozarks Regional Commission and in which several economic development districts have been organized—the value and possibilities of a well-organized and publicly supported economic development program have been clearly demonstrated. I believe it would be unwise at the present time to bring about a full-scale termination of the EDA program, even though its present functions are intended to be carried out under other existing programs or new departures such as the Rural Development Act. A great deal of planning, coordination and community involvement go into the development of any EDA plan. I do not feel it would be wise to simply cut off plans presently underway without real assurances that they can or will be continued elsewhere in the Federal structure. In the priority areas covered by the McClure-Baker substitute—especially the vital title I grants for public health and safety projects which are not duplicated by other Federal programs—there is a real need for continuity in planning and assurance of support.

Therefore, I believe the McClure-Baker substitute is a sensible, practical and necessary approach to the transition from a full EDA operation into new or different administrative approaches to the problems encountered in areas of chronically high unemployment. It moves in the right direction at a reasonable pace. It avoids unnecessary and harmful disruptions to on-going community efforts. And it demonstrates a commitment to the idea of helping economically impacted areas to help themselves to a brighter future.

Mr. MANSFIELD. Mr. President, if I may have the attention of the Senate, I ask unanimous consent that the roll calls from now on take up a total of 10 rather than the usual 15 minutes.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The question recurs on the amendment of the Senator from Idaho. The Senator from New Mexico has 4 minutes and the Senator from Idaho has 1 minute.

Who yields time?

Mr. MONTOYA. Mr. President, I yield back my remaining time.

Mr. McCLURE. Mr. President, I yield back my time.

The PRESIDING OFFICER. All time on the amendment having been yielded back, the question is on agreeing to the substitute amendment of the Senator from Idaho, as modified.

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH) and the Senator from Minnesota (Mr. HUMPHREY) are necessarily absent.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

I further announce that, if present and voting, the Senator from Minnesota (Mr. HUMPHREY) would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Arizona (Mr. GOLDWATER) is necessarily absent.

The result was announced—yeas 33, nays 63, as follows:

[No. 121 Leg.]

YEAS—33

Allen
Baker
Bartlett
Bellmon
Bennett
Brock
Buckley
Byrd,
  Harry F., Jr.
Cook
Curtis
Dole
Domenici
Dominick
Fannin
Fong
Griffin
Gurney
Hansen
Helms
Hruska
McClure
Packwood
Percy
Proxmire
Roth
Saxbe
Scott, Pa.
Scott, Va.
Taft
Thurmond
Tower
Weicker
Young

NAYS—63

Abourezk
Aiken
Beall
Bentsen
Bible
Biden
Brooke
Burdick
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cotton
Cranston
Eagleton
Eastland
Ervin
Fulbright
Gravel
Hart
Hartke
Haskell
Hatfield
Hathaway
Hollings
Huddleston
Hughes
Inouye
Jackson
Javits
Johnston
Kennedy
Long
Magnuson
Mansfield
Mathias
McClellan
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Nunn
Pastore
Pearson
Pell
Randolph
Ribicoff
Schweiker
Sparkman
Stafford
Stevens
Stevenson
Symington
Talmadge
Tunney
Williams

NOT VOTING—4

Bayh
Goldwater
Humphrey
Stennis

So the substitute amendment, as modified, was rejected.

Mr. COTTON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. COTTON. Is the next action on the amendment offered——

The PRESIDING OFFICER. The Chair cannot hear the Senator.

Mr. COTTON. Does not the next vote occur on the amendment offered by the distinguished Senator from New Mexico?

The PRESIDING OFFICER. That is correct.

Mr. COTTON. I send to the desk an amendment to that amendment.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. COTTON. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COTTON's amendment is as follows:

Strike out the last 4 lines on page 2 and insert in lieu thereof lines 19 through 24 of page 4 of the bill as reported by the committee.

Mr. COTTON. Mr. President, this is precisely the same amendment that I offered to the substitute offered by the Senators from Idaho and Tennessee. It was overwhelmingly agreed to.

It simply gives the same protection to the already established regions in case the Domenici amendment were adopted that it would have given in the case the substitute had been adopted; and I ask unanimous consent for the adoption of this amendment. I understand that my friend the Senator from New Mexico, who is always very fair, is willing to accept it, but the yeas and nays have been ordered, so I ask unanimous consent that it be incorporated in the Senator's amendment without a rollcall vote.

Mr. MONTOYA. Mr. President, reserving the right to object, and I shall not object, if the amendment is adopted, what is the effect of the amendment on the bill?

Mr. COTTON. The effect of my amendment would be that the seven regions would not be cut off after 4 months, but would have the same authorization that came from the committee, though they would, of course, be curtailed in their activities.

Mr. MONTOYA. Do I understand that the Senator is for a 1-year authorization?

Mr. COTTON. I am supporting the committee bill.

Mr. MONTOYA. I have no objection.

Mr. RANDOLPH. Mr. President, reserving the right to object, and I shall not object, I think on the point in discussion which is raised by the able Senator through his two amendments, we should recall that when the Appalachian regional development program was first brought to the Senate in 1965 I gave a pledge to the members of this body that these regional development programs, like that for New England, would be brought into being, that they would come from the Committee on Public Works. That word has been kept.

Certainly these newer regions, regions that had to begin anew while the Appalachian program had been under development for a year and a half before legislation formally creating it came to the floor of the Senate. The newer regions, too, need time to develop and implement their programs. The distinguished Senator from New Hampshire recognizes this and has been a strong supporter of these regional commissions.

Mr. COTTON. Mr. President, will the Senator yield?

Mr. RANDOLPH. I yield.

Mr. COTTON. May I say to the distinguished Senator from West Virginia, the chairman of the committee, that indeed he has kept his pledge. When the Appalachia bill was first passed, and many of us felt that there were other sections of country that faced the same problems, and we should not be closing them out. The agreement was made, and year after year my distinguished friend from West Virginia, whom I so greatly respect, as well as the senior Senator from New Mexico, has played fair with us all the way. They have reduced the overall authorizations, but the reductions were reasonable. I feel that the authorization for 1975 of $1 million is reasonable and ample, and in keeping with policies of frugality.

So I am most grateful to him. I wish to support my friend the junior Senator from New Mexico (Mr. DOMENICI), for whom I have the highest regard. I have been deeply impressed with this ability and sincerity since he entered this body. But certainly we have been treated with absolute fairness, and the Senator and his committee has our pledge that we will assist them with Appalachia.

Mr. RANDOLPH. I wish to join our chairman of the Subcommittee on Economic Development in approving the proposal of the Senator from New Hampshire (Mr. Cotton).

Mr. DOMENICI. Mr. President, I do not intend to object, but I have an inquiry concerning the proposed amendment. Have the yeas and nays been ordered on the amendment of the Senator from New Hampshire?

Mr. COTTON. I have asked unanimous consent that the yeas and nays, which have been previously ordered, be vacated.

The PRESIDING OFFICER. The Senator is correct.

Mr. COTTON. In view of the fact that the same amendment received an 81 to 15 vote, I hope that unanimous consent will be granted to accept the amendment.

Mr. DOMENICI. On the amendment to the amendment, I have no objection.

The PRESIDING OFFICER. Is there objection to the amendment? The Chair hears none, and the amendment is agreed to.

The question now recurs on the Domenici amendment, as amended. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. Bayh) is necessarily absent.

I also announce that the Senator from Mississippi (Mr. Stennis) is absent because of illness.

Mr. GRIFFIN. I announce that the Senator from Arizona (Mr. Goldwater) is necessarily absent.

The result was announced—yeas 28, nays 69, as follows:

[No. 122 Leg.]

YEAS—28

Baker
Bartlett
Bellmon
Bennett
Brock
Buckley
Cook
Curtis
Dole
Domenici
Dominick
Fannin
Fong
Griffin
Gurney
Hansen
Helms
Hruska
McClure
Packwood
Percy
Roth
Saxbe
Scott, Pa.
Scott, Va.
Taft
Tower
Weicker

NAYS—69

Abourezk
Aiken
Allen
Beall
Bentsen
Bible
Biden
Brooke
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cotton
Cranston
Eagleton
Eastland
Ervin
Fulbright
Gravel
Hart
Hartke
Haskell
Hatfield
Hathaway
Hollings
Huddleston
Hughes
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Long
Magnuson
Mansfield
Mathias
McClellan
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Nunn
Pastore
Pearson
Pell
Proxmire
Randolph
Ribicoff
Schweiker
Sparkman
Stafford
Stevens
Stevenson
Symington
Talmadge
Thurmond
Tunney
Williams
Young

NOT VOTING—3

Bayh
Goldwater
Stennis

So Mr. Domenici's amendment, as modified, was rejected.

Mr. BELLMON. Mr. President, I have an amendment at the desk, and I ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

At the end of the bill insert the following new section:

Sec. — The President shall instruct the Secretary of Commerce and the Office of Management and Budget to reexamine current and past Federal efforts to secure balanced national economic development and shall submit to Congress within six months after the enactment of this Act a proposal for the restructuring of the various Federal economic development programs into a well coordinated plan of assistance.

The PRESIDING OFFICER. Who yields time?

Mr. BELLMON. I yield myself such time as I may require.

Mr. President, the purpose of this amendment is to cause the President to instruct the appropriate agencies in the administration to reexamine this Nation's efforts toward balanced national economic development and to try to come to Congress with a restructured program to accomplish the objectives we all want.

The proposed budget for fiscal year 1974 calls for the phaseout of programs authorized under this legislation. The President should by now be aware that these programs have been extremely popular in the Nation's depressed areas, and hence with elected representatives in Congress. The success of these programs in bringing thousands of new job opportunities to smaller communities in need of them at reasonable cost has been demonstrated again and again.

By including this amendment I believe that the President, instead of simply vetoing the bill, as would be indicated by the fiscal year 1974 budget document, would then give serious consideration to utilizing acquired Federal economic development expenses in new and innovative ways.

Mr. President, a few words of description might help in understanding what might be proposed by the administration after careful restudy of this program. Currently EDA operates a program with strong ties to local government and private enterprise. Major program responsibilities are assigned to regional directors located in six regional offices based upon the standard Federal regions.

There are now seven title V commissions in existence. They emphasize delivery of assistance through State government. Following an administration moratorium, the policy was altered less than 2 years ago to permit and encourage the formation of new commissions. As a result two new ones, the Pacific Northwest and the Old West, were established. Three of the commissions are composed entirely of whole States and two are completely coincident with the standard Federal regions.

EDA and the title V can undoubtedly be operated as a single program. Indeed, it was so intended by Congress, as the act indicates. They could be brought together and run under a single administrative structure. All States could be brought into regional commissions with boundaries altered where required to conforms with the standard Federal regions. The Federal responsibilities could be administered by what formerly would have been known as EDA's regional directors.

The broad program tools and strong local support of EDA could be combined with the greater reliance upon States government favored by the administration and practiced by the commissions. Duplicative costs and interagency rivalries would be eliminated. Closer coordination with other Federal agencies utilizing the standard regions would be substantially enhanced. Delivery of funds and technical assistance to recipients would be simplified. There would be an ability to respond to economic problems at all levels of government in a coordinated manner, using the unique capabilities of each.

Multicounty economic development districts, presently supported by EDA would continue to develop their programs based upon local needs. The district program, perhaps EDA's most successful innovation, could be encouraged to encompass the entire Nation. States would then undertake a statewide economic development investment plan, including specific projects and funding priorities, drawn from both the district plans and the State's own requirements.

Presidential initiative in developing a restructured national balanced economic growth policy would assist in the attainment of a number of stated administration objectives.

First, putting the private sector to work toward public objectives.

Often private firms would like to be able to locate in smaller communities away from the large congested metropolitan areas. There are many indications that such a trend is already occurring and would be even more notable were it not for the economic inequities of locating there. A comparatively small public investment in the establishment of permanent job opportunities can many times make these small, often depressed communities economically and socially viable. A single economic development structure, encompassing local, State, regional, and national viewpoints could materially assist in planning for the rational delivery of those public investments.

Too often Federal rhetoric has emphasized the need to revitalize rural America, and too often the Federal response has been inadequate—ill-conceived and ill-coordinated. Part of the reason for this has been the lack of recognition that what rural areas and small towns need to make them stable, attractive communities are adequate numbers of adequately paid jobs. The Rural Development Act, passed last year, has taken this into account, but it has been slow in reaching operational stride. The expertise that could be applied by a unified economic development organization to the task of bringing jobs to rural America as an essential ingredient of rural development, is considerable, and could lead to a much earlier realization of the goals envisioned in the Rural Development Act.

Most of the decisionmaking responsibility could be removed from Washington and distributed to appropriate regional, State, and local levels. It is clear that a Federal economic development organization could operate with lower overhead, devoting attention to purely national aspects of economic growth. At the same time, continuation of the component programs would assure that no violent disruption to local economic development process would occur.

The adoption of this amendment would cause the administration to restudy the Federal role in balanced national economic development.

Mr. President, I want to be candid. Many changes are occurring in the White House and in the administration. I am of the opinion that the administration may wish to take another look at previous decisions in this area. Including this amendment may give President Nixon a valid reason to keep EDA and the title 5 programs alive while the study proceeds.

I urge its adoption.

I have discussed this matter with the author of the bill and with the minority——

Mr. MONTOYA. Mr. President, will the Senator yield?

Mr. BELLMON. I yield.

Mr. MONTOYA. I have discussed this matter with the committee members on this side of the aisle, and we will accept the amendment.

I yield back the remainder of my time.

Mr. McCLURE. Mr. President, will the Senator yield?

Mr. BELLMON. I yield.

Mr. McCLURE. We have discussed this amendment. I think it is a very constructive amendment. It will be of very great assistance to the committee in evaluating these proposals, and I accept the amendment.

Mr. RANDOLPH. Mr. President, will the Senator yield?

Mr. BELLMON. I yield.

Mr. RANDOLPH. Earlier today, I discussed this matter with the able Senator from Oklahoma. It is very important for Senators to realize and to understand—regardless of this amendment, which I support—the necessity, to study very carefully, in depth and scope beyond anything we have yet done, the problems of unemployment in this country. We must examine the need for realistic development programs which will strengthen our economy generally, so that people can work rather than receive public assistance instead of being in the general program of productivity.

That is why I believe the amendment offered is very helpful. We must take a very searching look, and perhaps we will come up with some answers we do not now have.

Mr. BELLMON. I thank the distinguished Senator.

Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. KENNEDY. Mr. President, I wish to add my support to this legislation—H.R. 2246—which would extend regional commissions for 1 year at the same level of funding. It is my long-held belief that the concept of a Federal-State partnership to serve the needs of a region is not only sound and effective but also the most workable instrument to determine and provide for the needs of adjoining States whose major economic and social problems are basically regional. This is dramatically demonstrated when you examine the geographical as well as the economical structure of the six New England States.

These States comprise a region remote from the sources of electricity, gas, and oil, a region with few natural resources, a region whose economy is interdependent and a region which has many of its skilled workers living in one State and depending upon jobs in another. The waters of New England's rivers course through two or three States so that you cannot deal with a water pollution problem in one State without applying similar attention in another. The same is true for the region's transportation needs, its environmental protection, air pollution problems, even the broad scope of law enforcement.

In recent years, New England has witnessed the tragic decline of its fishing industry, and now we see the only hope of salvage in a regional effort to preserve this vital national food source in the five of the six New England States whose borders run to the sea. We see a regional effort to provide, for example, adequate technical vocational education and adequate health services in three of the region's northern States.

These problems and most of the major economic needs of State and local governments cross State and county lines making it evident that solutions must be found on a broader level.

The New England Regional Commission, in the 5 years since its establishment, has approached these problems with a regional view. It has produced worthwhile studies in some areas, such as long-range energy requirements for the entire six-State area. The Commission has begun encouraging and helping to fund industrial development projects throughout the region. It has made promising efforts in developing occupational skills among prison inmates and secondary occupational school students, and has stimulated a growth in low-income housing with financial support.

Congress has been aware that adequate funding is necessary to make such Commissions a potent force and has increased annual authorizations for all Commissions. But the actual amounts appropriated have been at a bare minimum, depriving them of the opportunity to commit large-scale programs to the task of revitalizing the region's economic growth.

Some shortcomings in the direction and the effectiveness of the New England Regional Commission were identified in a series of newspaper articles in the Boston Globe last October. The Globe performed a notable service in examining the progress and programs of the Commission, calling to public attention some of its inadequacies. It is my understanding that this public scrutiny has served a useful purpose and has stimulated our six New England Governors to make changes which will translate into sounder planning and more efficient operations and response to the region's needs.

As a principal supporter of the New England Regional Commission 8 years ago, I felt then that the bill which created it was one of the most significant legislative proposals to come before the Congress. I hold an even stronger view today because the New England Regional Commission has clearly demonstrated that coordination can be effective among the communities, among the States, and between the States and the Federal Government.

Moreover, if New England is to restore its economy and provide new industrial growth in the decades ahead, it will require sound planning and bold and dramatic programs. And its only hope and promise rests with a Federal-State-and local partnership team, pulling together in a make-sense effort. The Regional Commission concept deserves congressional support—and the funds to do the job. I am hopeful the Senate will act affirmatively on H.R. 2246 to provide that funding.

Mr. PELL. Mr. President, we are today considering legislation to help economically depressed and distressed areas, and particularly those areas with high unemployment rates.

This legislation is badly needed, and it has my full support.

There is a particularly pressing need for economic development legislation at this time. The Defense Department recently announced plans to close, consolidate, and realine 274 military activities in 32 States, the District of Columbia, and Puerto Rico. The base closings and transfers will eliminate 42,800 military and civilian jobs.

Now if the impact of these actions were evenly distributed across our country, the economic adjustment required would be manageable. But the impact is not evenly distributed across the country.

In fact, almost half of the military and civilian jobs affected are being eliminated in my own State of Rhode Island—more than 20,000 military and civilian jobs.

This would be a sharp economic setback to any State, and in a small State like Rhode Island it is devastating. With State officials and other members of our congressional delegation from Rhode Island, I am hoping that the administration will review and reverse these base closings, which in my view are not based on sound economic, strategic, or defense arguments.

But we are nevertheless confronted with the prospect of an economic disaster, and we must be prepared for it.

The economic crisis facing Rhode Island is a manmade disaster, planned, prepared, and promulgated by the executive branch of the U.S. Government. Accordingly, I believe the Federal Government has a direct and strong responsibility, if these base closing decisions are not reversed, to provide adequate assistance for economic recovery.

The administration has an Economic Adjustment Committee charged with the responsibility of coordinating Federal Government assistance efforts. But while it pledges assistance with one hand, the administration with the other hand is trying to cripple or abolish the very programs, including Economic Development Act programs, that are of critical importance to any meaningful adjustment assistance.

I am pleased that the Senate has today given some recognition to the economic assistance needs brought about by these base closing decisions by adopting the amendment requested by my senior colleague, Senator Pastore, and cosponsored by me and the amendment presented by the senior Senator from Massachusetts (Mr. Kennedy) also cosponsored by me.

These amendments will provide a start toward the economic adjustment assistance that will be needed.

Quite frankly, I believe much more in the way of assistance will be needed if these base closing decisions are sustained by the administration.

The Defense Department estimates it will save three and a half billion dollars through these base closings during the next 10 years. I think it entirely reasonable to ask that some portion of those projected savings be used to finance programs, such as the Economic Development Act programs, that are designed specifically to assist areas hard hit by economic disasters.

Mr. President, during the recent Presidential election campaign, the voters of Rhode Island were promised in newspaper advertisements that the naval bases in Rhode Island would not be closed if the incumbent President were reelected. Now, we are told the naval bases will be closed, and we are asked to accept promises by the administration that it will give "full energies" to adjustment assistance.

Unfortunately, the people of Rhode Island cannot pay the rent and the food bill with promises. I believe it is up to the Congress to make certain that economic adjustment and development assistance is provided, even if we must do it over the opposition of the administration.

Mr. RANDOLPH. Mr. President, I have always been greatly appreciative of the seriousness of purpose shown by members of the Committee on Public Works. In the development of this legislation, there was detailed examination of all proposals and a thorough discussion that enabled us to bring to the Senate a reasonable and workable answer to the questions we faced.

We did not always agree on details, but members worked together to resolve our differences of approach in the cooperative spirit that characterizes our committee. Special mention is due to the distinguished ranking minority member, Senator Baker, for his leadership and untiring efforts to achieve a compromise position acceptable to the administration.

I have mentioned the considerable contributions of the chairman of the Subcommittee on Economic Development, Senator Montoya, who brought to this bill his knowledge of the subject and his skill as a legislator. Important contributions to our understanding of the subject and to the creation of this bill were made by other committee members.

Senator Muskie is immediately familiar with the needs of the New England region which were discussed in some detail today and is well qualified to help resolve them. Likewise, Senator Gravel ably represents a State with requirements unique in our country, and he has helped us to realize that special approaches are sometimes needed for Alaska. Senator Bentsen, as always, utilized his ability to analyze legislation to greatly assist the committee. The ability of Senator Buckley to see potential improvements in legislation continues to be an asset to the committee. Senator Stafford is another committee member who knows firsthand of the situation in New England and who has the capacity to approach them with proposals that are both well-reasoned and forcefully articulated.

The contributions and involvement of our newer committee members has been indicated here today by the sponsorship of amendments by Senators McClure and Domenici, both of whom have taken an active interest in economic development. Senator Burdick is a Senator of much experience and wide vision who has recently been welcomed to the Public Works Committee where his talents are welcomed. Senators Clark, Biden, and Scott of Virginia are other new Members who have accepted their committee duties with vigor and who have made major contributions to this and other legislation considered by the committee. To all members of the committee I express my thanks for their efforts.

Mr. MONTOYA. Mr. President, the staff of the Committee on Public Works has again functioned in an exemplary manner and enabled us to act on this bill and bring it to the Senate for consideration. Our thanks and our appreciation are owed to those staff members who contributed to the preparation of this legislation: M. Barry Meyer, A. David Sandoval, John W. Yago, Philip T. Cummings, Bailey Guard, Judy Parente, Richard Herod, Steven Swain, Eleanor Putz, Polly Medlin, Birdie Kyle, Barbara Bjornson, Veronica Holland, and Jan Fox.

The PRESIDING OFFICER. The committee amendment in the nature of a substitute is open to further amendment. If there is no further amendment to be proposed, the question is on agreeing to the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

Mr. MONTOYA. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. Bayh) is necessarily absent.

I also announce that the Senator from Mississippi (Mr. Stennis) is absent because of illness.

Mr. GRIFFIN. I announce that the Senator from Arizona (Mr. Goldwater) is necessarily absent.

The result was announced—yeas 81, nays 16, as follows:

[No. 123 Leg.]

YEAS—81

Abourezk
Aiken
Allen
Baker
Bartlett
Beall
Bellmon
Bentsen
Bible
Biden
Brooke
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cook
Cotton
Cranston
Dole
Domenici
Dominick
Eagleton
Eastland
Ervin
Fong
Fulbright
Gravel
Griffin
Hart
Hartke
Haskell
Hatfield
Hathaway
Hollings
Huddleston
Hughes
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Long
Magnuson
Mansfield
Mathias
McClellan
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pearson
Pell
Percy
Randolph
Ribicoff
Schweiker
Scott, Pa.
Sparkman
Stafford
Stevens
Stevenson
Symington
Talmadge
Thurmond
Tunney
Weicker
Williams
Young

NAYS—16

Bennett
Brock
Buckley
Curtis
Fannin
Gurney
Hansen
Helms
Hruska
McClure
Proxmire
Roth
Saxbe
Scott, Va.
Taft
Tower

NOT VOTING—3

Bayh
Goldwater
Stennis

So the bill (H.R. 2246) was passed.

Mr. MONTOYA. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. RANDOLPH. Mr. President, I move to lay that motion on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the motion to reconsider.

The motion to lay on the table was agreed to.

Mr. MONTOYA. Mr. President, I ask unanimous consent that the bill just passed, H.R. 2246, be printed as passed by the Senate, and that the Secretary of the Senate be authorized to make necessary technical and clerical corrections in the engrossment of the Senate amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

AIRPORT DEVELOPMENT ACCELERATION ACT OF 1973

Mr. ROBERT C. BYRD. Mr. President, on behalf of Senator Cannon, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 38.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 38) to amend the Airport and Airway Development Act of 1970, as amended, to increase the United States share of allowable project costs under such Act, to amend the Federal Aviation Act of 1958, as amended, to prohibit certain State taxation of persons in air commerce, and for other purposes, which was to strike out all after the enacting clause, and insert:

That this Act may be cited as the "Airport Development Acceleration Act of 1973".

Sec. 2. Section 11(2) of the Airport and Airway Development Act of 1970 (49 U.S.C. 1711) is amended by inserting immediately after "Federal Aviation Act of 1958," the following: "and security equipment required of the sponsor by the Secretary by rule or regulation for the safety and security of persons and property on the airport,".

Sec. 3. Section 14(b) of the Airport and Airway Development Act of 1970 (49 U.S.C. 1714(b)) is amended—

(1) by striking out "$840,000,000" in the first sentence thereof and inserting in lieu thereof "$1,400,000,000; and

(2) by striking out "and" in the last sentence thereof and inserting immediately before the period ", an aggregate amount exceeding $1,120,000,000 prior to June 30, 1974, and an aggregate amount exceeding $1,400,000,000 prior to June 30, 1975".

Sec. 4. Section 16(c)(1) of the Airport and Airway Development Act of 1970 (49 U.S.C. 1716(c)) is amended by inserting in the last sentence thereof "or the United States or an agency thereof" after "public agency".

Sec. 5. Section 17 of the Airport and Airway Development Act of 1970 (49 U.S.C. 1717) relating to United States share of project costs, is amended—

(1) by striking out subsection (a) of such section and inserting in lieu thereof the following:

"(a) General Provision.—Except as otherwise provided in this section, the United States share of allowable project costs payable on account of any approved airport development project submitted under section 16 of this part may not exceed—

"(1) 50 per centum for the sponsor of any airport which enplanes not less than 1 per centum of the total annual passengers enplaned by air carriers certificated by the Civil Aeronautics Borad; and

"(2) 75 per centum for the sponsor of any airport which enplanes less than 1 per centum of the total annual passengers enplaned by air carriers certificated by the Civil Aeronautics Board."; and

(2) by adding at the end thereof the following new subsection:

"(e) Safety Certification and Security Equipment.—

"(1) To the extent that the project cost of an approved project for airport development represents the cost of safety equipment required by rule or regulation for certification of an airport under section 612 of the Federal Aviation Act of 1958 the United States share may not exceed 82 per centum of the allowable cost thereof with respect to airport development project grant agreements entered into after May 10, 1971.

"(2) To the extent that the project cost of an approved project for airport development represents the cost of security equipment required by the Secretary by rule or regulation, the United States share may not exceed 82 per centum of the allowable cost thereof with respect to airport development project grant agreements entered into after September 28, 1971.".

Sec. 6. The first sentence of section 12(a) of the Airport and Airway Development Act of 1970 (49 U.S.C. 1712 (a)) is amended by striking out "two years" and inserting in lieu thereof "three years".

Sec. 7. (a) Title XI of the Federal Aviation Act of 1958 is amended by adding at the end thereof the following new section:

"State Taxation of Air Commerce

"Sec. 1113. (a) No State (or political subdivision thereof, including the Commonwealth of Puerto Rico, the Virgin Islands, Guam, the District of Columbia, the territories or possessions of the United States or political agencies of two or more States) shall levy or collect a tax, fee, head charge, or other charge, directly or indirectly, on persons traveling in air commerce or on the carriage of persons traveling in air commerce or on the sale of air transportation or on the gross receipts derived therefrom; except that any State (or political subdivision thereof, including the Commonwealth of Puerto Rico, the Virgin Islands, Guam, the District of Columbia, the territories or possessions of the United States or political agencies of two or more States) which levied and collected a tax, fee, head charge, or other charge, directly or indirectly, on persons traveling in air commerce or on the sale of air transportation or on the gross receipts derived therefrom prior to May 21, 1970, shall be exempt from the provisions of this subsection until December 31, 1973.

"(b) Nothing in this section shall prohibit a State (or political subdivision thereof, including the Commonwealth of Puerto Rico, the Virgin Islands, Guam, the District of Columbia, the territories or possessions of the United States or political agencies of two or more States) from the levy or collection of taxes other than those enumerated in subsection (a) of this section, including property taxes, net income taxes, franchise taxes, and sales or use taxes on the sale of goods or services; and nothing in this section shall prohibit a State (or political subdivision thereof, including the Commonwealth of Puerto Rico, the Virgin Islands, Guam, the District of Columbia, the territories or possessions of the United States or political agencies of two or more States) owning or operating an airport from levying or collecting reasonable rental charges, landing fees, and other service charges from aircraft operators for the use of airport facilities.

"(c) In the case of any airport operating authority which—

"(1) has an outstanding obligation to repay a loan or loans of amounts borrowed and expended for airport improvements;

"(2) is collecting without air carrier assistance, a head tax on passengers in air transportation for the use of its facilities; and

"(3) has no authority to collect any other type of tax to repay such loan or loans.
the provisions of subsection (a) shall not apply to such authority until December 31, 1973.".

(b) That portion of the table of contents contained in the first section of such Act which appears under the center heading

"Title XI—Miscellaneous"

is amended by adding at the end thereof the following:

"Sec. 1113. State taxation of air commerce.".

Mr. ROBERT C. BYRD. Mr. President, on behalf of Mr. Cannon, I move that the Senate disagree to the amendment of the House on S. 38 and ask for a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. Magnuson, Mr. Cannon, Mr. Hart, Mr. Cotton, and Mr. Pearson conferees on the part of the Senate.

ORDER AUTHORIZING THE COMMITTEE ON LABOR AND PUBLIC WELFARE TO HAVE UNTIL MIDNIGHT TONIGHT TO FILE A REPORT

Mr. ROBERT C. BYRD. Mr. President, on behalf of Senator Williams, I ask unanimous consent that the Committee on Labor and Public Welfare be authorized until midnight tonight to file its report on S. 1423, to amend the Labor Management Relations Act of 1947, to permit employer contributions to jointly administered trust funds established by labor organizations to defray costs of legal services.

PERIOD FOR TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, as I recall, there has been no period today for the transaction of routine morning business.

The PRESIDING OFFICER. The Senator is correct.

Mr. ROBERT C. BYRD. I thank the Chair.

Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business, with statements limited therein to 3 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JAVITS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House had passed, without amendment, the bill (S. 1379) to authorize further appropriations for the Office of Environmental Quality, and for other purposes.

The message also announced that the House had passed the bill (S. 49) to amend title 38 of the United States Code in order to establish a National Cemetery System within the Veterans' Administration, and for other purposes, with an amendment, in which it requested the concurrence of the Senate.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Marks, one of his secretaries.

PROPOSED PREPAREDNESS AND ASSISTANCE ACT OF 1973—MESSAGE FROM THE PRESIDENT

The PRESIDING OFFICER (Mr. Johnston) laid before the Senate a message from the President of the United States, which, with the accompanying paper, was referred to the Committee on Banking, Housing and Urban Affairs. The message is as follows:

To the Congress of the United States:

I am today submitting for the consideration of the Congress the Disaster Preparedness and Assistance Act of 1973. This legislation has resulted from a comprehensive review of all our disaster assistance activities as called for under Public Law 92–385, enacted last August.

A major objective of this bill is to consolidate the responsibility for disaster assistance, reducing the number of Federal agencies involved in these efforts, eliminating overlapping responsibilities and distributing benefits on a more equitable basis. Reorganization Plan No. 1 of 1973, in which the Congress has already concurred, provides the organizational structure for achieving this consolidation under the Secretary of Housing and Urban Development. This new legislation would also do a great deal to strengthen the role of State and local governments and of private institutions in meeting this important challenge.

In addition, as its name clearly implies, this bill would place greater emphasis on protecting people and property against the effects of disasters before they occur. In this same connection, I would call once again for prompt enactment of the Flood Disaster Protection Act of 1973 which I submitted to the Congress several weeks ago.

The Disaster Preparedness and Assistance Act of 1973 represents a comprehensive new approach to a very crucial problem. To ease the transition to this new system, I propose that during its first year of operation a special Federal grant of $250,000 be provided to each State to help it increase its disaster preparedness and assistance capabilities.

Last year set a new record for the number of disasters which had to be formally declared by the President of the United States—48 in all. Already this year, spring floods and tornadoes have brought tragedy to many areas of our country.

While we cannot fully control the occurrence and the impact of disasters, we must do all we can to prepare for them, to prevent them, and to mitigate and remedy their effects. The legislation I am submitting today can help us do all these things more efficiently and more effectively and I strongly urge its prompt enactment.

RICHARD NIXON.

THE WHITE HOUSE, *May 8, 1973.*

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer (Mr. JOHNSTON) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

The nominations received today are printed at the end of Senate proceedings.)

The PRESIDING OFFICER. Is there further morning business?

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. BURDICK) laid before the Senate the following communication and letters, which were referred as indicated:

Report of Presidential Study Commission on International Radio Broadcasting

A communication from the President of the United States, transmitting, pursuant to law, a report of the Presidential Study Commission on International Radio Broadcasting (with an accompanying report). Referred to the Committee on Foreign Relations.

Report on Final Determination in Claim of Tuscarora Indian Nation

A letter from the Chairman, Indian Claims Commission, reporting, pursuant to law, on final determination of Docket No. 321, Tuscarora Indian Nation, Plaintiff, v. The United States of America, Defendant (with accompanying papers). Referred to the Committee on Appropriations.

Report Relating To Assistance-Related Expenditures for Laos

A letter from the Acting Assistant Secretary for Congressional Relations, Department of State, transmitting, pursuant to law, a report relating to assistance-related expenditures for Laos, during the third quarter of fiscal year 1973 (with an accompanying report). Referred to the Committee on Armed Services.

Proposed Legislation From Department of Defense

A letter from the General Counsel of the Department of Defense, transmitting a draft of proposed legislation to amend titles 10 and 32, United States Code, to authorize additional medical and dental care and other related benefits for reservists and members of the National Guard, under certain circumstances, and for other purposes (with accompanying papers). Referred to the Committee on Armed Services.

A letter from the Secretary of Defense, transmitting a draft of proposed legislation to authorize certain construction at military installations, and for other purposes (with accompanying papers). Referred to the Committee on Armed Services.

Proposed Legislation From Department of the Air Force

A letter from the Assistant Secretary of the Air Force, Manpower and Reserve Affairs, transmitting a draft of proposed legislation to amend section 8371 of title 10, United States Code, to authorize officers of the Air National Guard of the United States to be considered for promotion to the reserve grade of colonel by the Air Force Reserve overall vacancy board (with an accompanying paper). Referred to the Committee on Armed Services.

Report of Department of Defense Procurement From Small and Other Business Firms

A letter from the Acting Assistant Secretary of Defense (Installations and Logistics), transmitting, pursuant to law, a report on Department of Defense Procurement From Small and Other Business Firms, for July 1972—February 1973 (with an accompanying report). Referred to the Committee on Banking, Housing and Urban Affairs.

Publications of Federal Power Commission

A letter from the Chairman, Federal Power Commission, transmitting, for the information of the Senate, publications entitled "Steam-Electric Plant Construction Cost and Annual Production Expenses, 1971," and "Hydroelectric Power Resources of the United States, Developed and Undeveloped, 1972" (with accompanying documents). Referred to the Committee on Commerce.

Proposed Legislation From the Secretary of Transporation

A letter from the Secretary of Transportation, transmitting a draft of proposed legislation urging the States to take decisive action to reduce the highway death and injury toll by adopting laws requiring the use of safety belts in motor vehicles (with an accompanying paper). Referred to the Committee on Commerce.

Proposed Legislation From the Secretary of Commerce

A letter from the Acting Secretary of Commerce, transmitting a draft of proposed legislation to further amend the International Travel Act of 1961 as amended (with accompanying papers). Referred to the Committee on Commerce.

Proposed Legislation Relating to the District of Columbia

A letter from the Commissioner, The District of Columbia, Washington, D.C., transmitting a draft of proposed legislation to amend the District of Columbia Public Assistance Act of 1962 (with an accompanying paper). Referred to the Committee on the District of Columbia.

Report on Assistance-Related Funds for Cambodia

A letter from the Acting Assistant Secretary for Congressional Relations, Department of State, transmitting, pursuant to law, a report showing the assistance-related funds obligated for Cambodia, during the third quarter of fiscal year 1973 (with an accompanying report). Referred to the Committee on Foreign Relations.

International Agreements Other Than Treaties

A letter from the Assistant Legal Adviser for Treaty Affairs, transmitting, pursuant to law, the text of international agreements other than treaties (with accompanying papers). Referred to the Committee on Foreign Relations.

Report of Comptroller General

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on advantages and limitations of computer simulation in decisionmaking, Department of Defense, dated May 3, 1973 (with an acompanying report). Referred to the Committee on Government Operations.

Proposed Legislation by the Attorney General

A letter by the Deputy Attorney General, transmitting a draft of proposed legislation to implement the Convention on the Prevention and Punishment of the Crime of Genocide (with accompanying papers). Referred to the Committee on the Judiciary.

A letter from the Deputy Attorney General, transmitting a draft of proposed legislation to amend title XII of the Organized Crime Control Act of 1970, and for other purposes (with an accompanying paper). Referred to the Committee on the Judiciary.

A letter from the Deputy Attorney General, transmitting a draft of proposed legislation to provide for the appointment of U.S. marshals by the Attorney General (with an accompanying paper). Referred to the Committee on the Judiciary.

Report of National Mediation Board

A letter from the Chairman, National Mediation Board, transmitting, pursuant to law, a report of that Board, including the report of the National Railroad Adjustment Board, for the fiscal year ended June 30, 1972 (with an accompanying report). Referred to the Committee on Labor and Public Welfare.

International Labor Conference Convention No. 132

A letter from the Acting Assistant Secretary for Congressional Relations, Department of State, transmitting the text of ILO Convention No. 132, concerning annual holidays with pay (with accompanying papers). Referred to the Committee on Labor and Public Welfare.

Report on National Visitor Center

A letter from the Deputy Assistant Secretary of the Interior, transmitting, pursuant to law, a report on the National Visitor Center and all other facilities for 1972–73 (with an accompanying report). Referred to the Committee on Public Works.

Proposed Amendment to Atomic Energy Commission Authorization Bill

A letter from the Chairman, Atomic Energy Commission, transmitting a draft of a revised, superseding version of the proposed legislative amendment transmitted earlier to authorize appropriations to be made to the Atomic Energy Commission for fiscal year 1974 (with accompanying papers). Referred to the Joint Committee on Atomic Energy,

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REFERRAL OF S. 496 TO THE COMMITTEE ON GOVERNMENT OPERATIONS

Mr. HANSEN. Mr. President, on January 23, I introduced a bill for the relief of Mario Temperini and James H. Groutage which was erroneously referred to the Committee on the Judiciary.

I had introduced the same legislation last year in the second session of the 92d Congress, and that measure was correctly referred to the Senate Committee on Government Operations, since the issue of the bill relates to the application of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970.

I ask unanimous consent that the Committee on the Judiciary be discharged from further consideration of my bill, S. 496, introduced on January 23, 1973, and that it be referred to the Senate Committee on Government Operations.

The PRESIDING OFFICER. Without objection, it is so ordered.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. EASTLAND, from the Committee on the Judiciary, without amendment:

S. 1002. A bill for the relief of Giuseppe Paul Pinton (Rept. No. 93–136).

By Mr. JOHNSTON, from the Committee on Banking, Housing and Urban Affairs:

S. 1752. An original bill prescribing the objectives and functions of the National Commission on Productivity and Work Quality (Rept. No. 93–138).

By Mr. WILLIAMS, from the Committee on Labor and Public Welfare, with an amendment:

S. 1432. A bill to amend the Labor Management Relations Act, 1947, to permit employer contributions to jointly administered trust funds established by labor organizations to defray costs of legal services (Rept. No. 93–139).

REPORT OF SUBCOMMITTEE TO INVESTIGATE THE ADMINISTRATION OF THE INTERNAL SECURITY ACT AND OTHER INTERNAL SECURITY LAWS—REPORT OF A COMMITTEE

(S. REPT. NO. 93–137)

Mr. EASTLAND, from the Committee on the Judiciary, submitted a report of the Subcommittee To Investigate the Administration of the Internal Security Act and Other Internal Security Laws, for the fiscal year ending February 28, 1973, which was ordered to be printed.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. EASTLAND:

S. 1728. A bill to increase benefits provided to American civilian internees in Southeast Asia. Referred to the Committee on the Judiciary.

By Mr. INOUYE:

S. 1729. A bill for the relief of Erlinda Garma Salvador. Referred to the Committee on the Judiciary.

By Mr. RIBICOFF (for himself, Mr. Long, Mr. Humphrey, Mr. Mondale, Mr. Eagleton, Mr. Pell, Mr. Pastore, Mr. Tunney, Mr. Gravel, Mr. Abourezk, Mr. McGovern, Mr. Moss, Mr. Eastland, Mr. McGee, Mr. Cannon, Mr. Bayh, and Mr. Clark):

S. 1730. A bill to amend the Public Health Service Act to provide physician's services in physician-shortage areas through the establishment of a Physicians' Community Service Program. Referred to the Committee on Labor and Public Welfare.

By Mr. YOUNG:

S. 1731. A bill for the relief of Dr. Manuel Javier Mariano and his wife, Lilia Zapanta Mariano. Referred to the Committee on the Judiciary.

By Mr. LONG:

S. 1732. A bill to establish a Joint Committee on Foreign Trade. Referred to the Committee on Finance.

By Mr. FULBRIGHT (by request):

S. 1733. A bill to promote the foreign policy of the United States by prohibiting travel in a restricted area. Referred to the Committee on Foreign Relations.

By Mr. MAGNUSON (by request):

S. 1734. A bill to amend certain laws affecting the Coast Guard. Referred to the Committee on Commerce.

By Mr. MAGNUSON (for himself and Mr. Cotton) (by request):

S. 1735. A bill to assure that the public is provided with safe drinking water, and for other purposes. Referred to the Committee on Commerce.

By Mr. McCLELLAN:

S. 1736. A bill to amend title 38, United States Code, to authorize eligible wives and widows to pursue on-farm training. Referred to the Committee on Veterans' Affairs.

By Mr. ERVIN (for himself and Mr. Allen):

S. 1737. A bill to amend the Civil Rights Act of 1964 to provide for freedom of choice in student assignments in public schools. Referred to the Committee on the Judiciary.

By Mr. NUNN (for himself and Mr. Talmadge):

S. 1738. A bill to authorize the establishment of the Chattahoochee River National Recreation Area in the State of Georgia, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. CANNON (by request):

S. 1739. A bill to amend the Federal Aviation Act of 1958 to provide a definition for inclusive tour charters, and for other purposes. Referred to the Committee on Commerce.

By Mr. TUNNEY (for himself and Mr. Cranston):

S. 1740. A bill to establish the Lake Berryessa National Recreation Area in the State of California, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. MONDALE:

S. 1741. A bill for the relief of Leonardo Falcones. Referred to the Committee on the Judiciary.

By Mr. WILLIAMS:

S. 1742. A bill to prohibit the use of leghold, steel jaw traps or other inhumane snaring devices on animals in the United States. Referred to the Committee on Commerce.

By Mr. SPARKMAN (for himself and Mr. Tower) (by request):

S. 1743. A bill to provide Federal revenues to State and local governments and afford them broad discretion in carrying out community development activities. Referred to the Committee on Banking, Housing and Urban Affairs.
Urban Affairs.

S. 1744. A bill to provide Federal assistance to local governments in support of community development activities. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. MONDALE (for himself, Mr. Bayh, Mr. Burdick, Mr. Church, Mr. Eagleton, Mr. Hart, Mr. Hartke, Mr. Hathaway, Mr. Humphrey, Mr. Jackson, Mr. Javits, Mr. Magnuson, Mr. Moss, Mr. Pastore, Mr. Percy, Mr. Randolph, Mr. Ribicoff, Mr. Schweiker, Mr. Stevenson, Mr. Tunney, Mr. Weicker, and Mr. Williams):

S. 1745. A bill to provide financial assistance for research activities for the study of sudden infant death syndrome, and for other purposes. Referred to the Committee on Labor and Public Welfare.

By Mr. WILLIAMS:

S. 1746. A bill to incorporate the Catholic War Veterans of the United States. Referred to the Committee on the Judiciary.

By Mr. MAGNUSON (for himself, Mr. Inouye, and Mr. Cotton) (by request):

S. 1747. A bill to amend the International Travel Act of 1961 with respect to fees and charges for travel exhibits and publications and authorizations of appropriations. Referred to the Committee on Commerce.

By Mr. GRAVEL:

S. 1748. A bill to amend the Ship Mortgage Act, 1920, in order to provide that a State, the District of Columbia, the Commonwealth of Puerto Rico, and a territory of the United States shall be considered to be a citizen of the United States for the purposes of such Act. Referred to the Committee on Commerce.

By Mr. MONDALE:

S. 1749. A bill to provide continued rail transportation in rural America. Referred to the Committee on Commerce.

By Mr. KENNEDY (for himself, Mr. Brooke, Mr. Javits and Mr. Buckley):

S. 1750. A bill to establish the Frederick Law Olmstead Home and Office in Brookline, Mass., as a national historic site. Referred to the Committee on Interior and Insular Affairs.

By Mr. JACKSON (for himself, Mr. Randolph, Mr. Cotton, Mr. Fannin, Mr. Johnston and Mr. Baker) (by request):

S. 1751. A bill to amend the Outer Continental Shelf Lands Act and to authorize the Secretary of the Interior to regulate the construction and operation of deepwater port facilities. Referred jointly to the Committees on Interior and Insular Affairs, Public Works and Commerce by unanimous consent.

By Mr. JOHNSTON, from the Committee on Banking, Housing and Urban Affairs:

S. 1752. An original bill prescribing the objectives and functions of the National Commission on Productivity and Work Quality. Placed on the calendar.

By Mr. HARTKE:

S. 1753. A bill to amend the Interstate Land Sales Full Disclosure Act to provide for the licensing of developers in order to insure the maintenance of high professional standards, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. HATHAWAY:

S.J. Res. 106. Joint resolution proposing an amendment to the Constitution of the United States to require the advice and consent of both Houses of Congress before any treaty or agreement providing for the commitment of U.S. armed forces to a foreign nation may be made. Referred to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. RIBICOFF (for himself, Mr. Long, Mr. Humphrey, Mr. Mondale, Mr. Eagleton, Mr. Pell, Mr. Pastore, Mr. Tunney, Mr. Gravel, Mr. Abourezk, Mr. McGovern, Mr. Moss, Mr. Eastland, Mr. McGee, Mr. Cannon, Mr. Bayh, and Mr. Clark):

S. 1730. A bill to amend the Public Health Service Act to provide physician's services in physician-shortage areas through the establishment of a physicians' community service program. Referred to the Committee on Labor and Public Welfare.

PHYSICIANS' COMMUNITY SERVICE PROGRAM

Mr. RIBICOFF. Mr. President, today I am introducing legislation to create a physicians' community service program Joining with me as cosponsors are Senators Long, Humphrey, McGee, Moss, Eastland, Cannon, Abourezk, McGovern, Gravel, Tunney, Mondale, Eagleton, Pell, Pastore, Bayh, Clark.

The need to reform our Nation's medical manpower resources is increasing While the number of new doctors we need is not certain—the conventional wisdom says that there is an overall doctor shortage of 50,000—there is no doubt about the critical shortage of physicians in many rural and urban areas. Traditionally, our society has had difficulty encouraging physicians to locate in areas with no doctors or areas where there are not enough physicians to meet the needs of the population. Recently, a disturbing lack of general practitioners needed to provide the basic health care which most Americans require has also developed.

In comparison with other countries, the physician-patient ratio in America is not alarming. The 346,000 doctors now available in the United States provides one physician for every 612 potential patients. While this is 69,000 doctors short of meeting the ratio of one doctor for every 500 patients which is widely regarded as desirable, the patient-doctor ratio in Japan is 900 to 1. In France the ratio is 750 to 1. In the Soviet Union, on the other hand, the ratio is 420 to 1.

While many areas in the United States have an adequate supply of doctors, however, residents of both rural areas and city slums have access to far fewer physicians than they need. In fact, there are 133 counties in the United States which have no physician at all. Rural counties with fewer than 10,000 residents average only 1 doctor for every 2,000 people and rural counties with 50,000 inhabitants or more average only 1 physician for 1,000 potential patients.

In large cities, the only medical care available for many is the understaffed, overcrowded hospital emergency room. Those Americans who need good health care the most—the poor—are relegated to substandard conditions in these emergency rooms.

Hospitals, critically short of personnel, are increasingly recruiting doctors from foreign medical schools whose standards are generallly inferior to American guidelines. In December of 1970, for example, there were more than 63,000 foreign medical graduates in the United States—triple the number who were here in 1959. Less than half the foreign trained doctors caring for patients in American health facilities today are licensed to practice medicine in the States where they work.

An equally alarming problem in health care is the increasing specialization of physicans which limits the number of doctors trained to deliver primary health care—general practitioners, pediatricians and internists. In 1950 there were 75 such physicians for every 100,000 people. By 1971 there were fewer than 50 per 100,000. In 1971 there were only 55,000 general practitioners, less than 1 in every 5 of the physicians involved in patient care. And only 17,000 pediatricians—6 percent of the practicing physicians—were providing health care.

In Connecticut, for example, the number of general practice physicians is dropping each year as older doctors retire and new ones do not take their places. In 1963 there were 933 general practice physicians in Connecticut. By 1970 there were only 664—a decline of almost 29 percent. On a national scale, the decline was 22 percent.

In the past, the Federal Government and private organizations, including the American Medical Association, have tried through grants, loan and loan forgiveness programs, to encourage physicians to locate in medically underserviced areas to provide primary health care. All of these programs have been small and, at best, only marginally successful. The National Health Service Corps, which provides a draft deferment for participating doctors, has only 300 physician-participants. The State and national loan forgiveness programs have attracted less than half their participants to shortage areas on a permanent basis. And the physician shortage area scholarship program under the Public Health Service Act has never been implemented.

The legislation I am proposing is a major step forward in providing incentives to medical schools to train primary care physicians and inducing young doctors to practice in shortage areas. Under my proposed Physicians' Community Service program, the Federal Government would subsidize the education of a substantial number of young physicians. In return, these doctors would agree to serve in medically underserved areas for a period of at least 3 years following completion of their medical education.

This approach would eliminate the financial barrier to a medical education for qualified students. Preference for enrollment would be given to otherwise qualified students whose resources and those of their families are inadequate to finance the necessary education without hardship. By supporting such students in full, the Physicians' Community Service program would also free substantial amounts of scholarship funds in medical schools for other necessary purposes.

The program would improve the distribution of physicians by providing 7,000 or more primary-care doctors to physician-short rural and urban areas. Another effect would be to provide almost every physician in the program with experience in general medical practice—not specialty medicine—for at least 3 years.

Medical schools would benefit substantially through bonus payments, amounting to as much as $40 million annually. Such payments would aid these schools in enhancing their educational programs and permitting employment of additional professional personnel. The schools would also have a direct incentive to increase enrollment so as to earn additional bonus funds.

DESCRIPTION OF PROGRAM

The program would operate as follows:

In each medical school up to 20 percent of each class would be permitted to enroll in the Physicians' Community Service program. Where a school increased its enrollment, it would be permitted a one-for-one increase in student's eligible to participate. For example, a school with 100 students in the freshman class could have 20 of those join the Physicians' Community Service program. If the school increased the class to 103, its enrollment could go to a total of 23 in the Physicians' Community Service program. A school which does not use its full 20 percent would have the unused allocation applied to a school where more than 20 percent of a class desired to participate.

Preference for enrollment would be given to otherwise qualified students whose resources and those of their families are inadequate to finance the necessary education without hardship. For each participating student, the school would be paid full tuition and fees, plus a bonus of $5,000 per student per year. The student would receive a stipend of $5,000 per year for living expenses, books, and so forth.

This legislation would give medical

schools an incentive to encourage students to enroll in the Physicians' Community Service program apart from the incentives to the students themselves. Bonus sums could be used by a school only to improve educational activities, and not for bricks and mortar.

Following completion of an internship or at least 1 year's residency in a specialty in short supply, the physician would be assigned to service as a primary-care physician for a period of 3 years in a physician-short area. The areas would be determined by the Secretary of Health, Education, and Welfare following consultation with State and local public and private health care organizations, as well as other interested groups representative of the community.

At least two physicians, or a physician and an R.N., would be assigned to each area. The reason for having at least two professionals in each location is to assure reasonable coverage; thus Physicians' Community Service program physicians will not be locked into a 6- or 7-day, 24-hour schedule. Another doctor could cover for the first one.

Doctors would be provided with a fully equipped office and such means of communication as would assist in necessary supportive consultation, such as direct phone lines and closed circuit TV. To the maximum extent feasible and appropriate, the Secretary would be expected to arrange for the involvement of Physicians' Community Service program physicians in continuing education. These young doctors should not be isolated professionally, given present technology and continuing education programs. Physicians' Community Service program doctors would be paid at proper professional levels.

The physicians would charge prevailing fees for their services; however, those fees would revert to the Federal Government as an offset to the cost of maintaining the physicians' office and equipment and the payment of adequate salaries to the doctors. The physicians would be Federal employees during the 3-year period and the program is expected to be directed by the Assistant Secretary of Health.

These physicians could not be used to provide care under other Federal programs nor could they be assigned to administrative work. Their job would be to furnish primary care.

Where one or more of the physicians assigned to an area agreed to stay on following completion of 3-year requirement, they would be given use of all of the office equipment without charge.

Any physician or student dropping out of the program, except for good cause, would be obligated to repay the Government $20,000 a year for each year of the 3 years of mandatory service not completed. Certainly, one of the problems encountered in getting physicians into shortage areas has been the relative ease with which loans have been repaid and the physician's obligation thereby cancelled. The magnitude of the repayment obligation in the Physicians' Community Service program should help in assuring completion of the required period of service.

The estimated cost of a fully implemented program would be $150 to $175 million annually. This assumes enrollment of 10,000 students and that Physicians' Community Service program physicians' fees received will offset costs of office overhead and salaries.

Participation in the Physicians' Community Service program would be in lieu of any other service obligation which may be required by the Federal Government, such as military service. Additionally, in assignment of physicians to underserved areas, the Secretary would be required to accommodate to the extent feasible, individual preferences for area assignment.

The Physicians' Community Service program represents a comprehensive and substantial approach to getting thousands of physicians into shortage areas. The legislation would supplant existing limited Federal efforts including the following sections of the Public Health Service Act:

Section 741F—The Loan Cancellation program, but this would be repealed only for physicians;

Section 784–786—Physician Shortage Area Scholarship program, which was never implemented; and

Section 225—The National Health Service Corps.

Mr. President, this program would potentially provide a pool of 7,500 physicians for assignment to areas of need. It would, through the bonus payments to medical schools, provide vitally needed funds for medical education.

Some form of national health insurance will be enacted in the next few years. Unless our medical manpower resources are adequate, any health insurance program is doomed to failure. Without an expansion and redistribution of our medical manpower, the demand for health care will outstrip the supply of health care services and the result will be massive cost inflation. My proposal, by reforming our health care delivery system, is a critical first step on the road to comprehensive national health care.

Mr. President, I ask unanimous consent that summaries, articles, and the text of the bill be printed in the CONGRESSIONAL RECORD following these remarks.

There being no objection, the material and bill were ordered to be printed in the RECORD, as follows:

PHYSICIANS' COMMUNITY SERVICE PROGRAM

In order to assist in making doctors available in rural and urban areas, which presently have a shortage of physicians, the Federal Government would subsidize the education of a number of young physicians and, in return, these young physicians would serve in a medically underserviced area for a period of at least three years.

This approach would virtually eliminate the financial barrier to a medical education for qualified students. Preference for enrollment would be given to otherwise qualified students whose resources and those of their families are inadequate to finance the necessary education without hardship. (By supporting such students in full, the Physicians' Community Service Program would also free-up substantial amounts of scholarship funds in medical schools for other necessary purposes.)

The program would improve the distribution of physicians by providing doctors to physician-short rural and urban areas.

Another effect would be to provide physicians in the program with experience in general medical practice—not specialty medicine—for at least three years.

Medical schools would benefit substantially through the bonus payments, which might aggregate as much as $40 million. These funds would be required to be utilized in enhancing their educational programs by means such as employing additional professional personnel, paying higher salaries so as to attract those personnel, etc. The schools would also have definite incentives to increase enrollment so as to earn additional bonus funds.

Organized medicine should not object to the proposal as creating unfair competition because medical societies would be among those consulted in determining physician-short areas and because the PCSP doctors would be charging prevailing fee levels.

OUTLINE OF PHYSICIANS COMMUNITY SERVICE PROGRAM

1. In each medical school up to 20 percent of each class would be permitted to enroll in the Physicians' Community Service Program. Where a school increased its enrollment, it would be permitted a one-for-one increase in students eligible to participate. For example, a school with 100 students in the freshman class could have 20 of those join the PCSP. If the school increased the class to 103, its enrollment could go to a total of 23 in the PCSP. A school which does not use its full 20 percent would have the unused amount applied to a school where more than 20 percent of a class desired to participate.

2. For each participating student the school would be paid full tuition plus a bonus of $5,000 per student per year. The student would receive a stipend of $5,000 per year for living expenses, books, etc.

Bonus sums could only be used by a school to improve educational activities (no bricks and mortar). For public medical schools, a maintenance of effort requirement would apply to prevent reduction of appropriations for the school because of bonus payments.

3. Following completion of internship (or a residency in a specialty in short supply) the physician would serve for a period of three years in a physician-short area. The areas would be determined by the Secretary of H.E.W. following consultation with State and local public and private medical organizations, as well as other interested groups representative of the commnuity.

4. At least two physicians (or a physician and an R.N.) would be assigned to each area. They would be provided with a fully equipped office and such means of communication as would assist in necessary supportive consultation (such as direct phone lines and closed circuit TV).

5. The physicians would charge prevailing fees for their services; however, those fees would revert to the Federal Government as an offset to the cost of maintaining the physicians' office and equipment and the payment of adequate salaries to the doctors (for example, $25,000 a year). The physicians would be Federal employees during the three-year period and the program directed by the Assistant-Secretary of Health.

6. Where one or more of the physicians assigned to an area agree to stay on for an additional two years following completion of the three-year requirement, they would be given all of the office equipment (in effect, a form of subsidy to encourage them to establish roots in that area.)

7. Service in the Physicians' Community Service Corps would constitute completion of any military service requirement.

8. Any physician or student dropping out of the program (except for good cause)

would be obligated to repay the Government $20,000 a year for each year of the three years of mandatory service not completed.

9. Estimated cost: $150-$175 million annually. Assumes enrollment of 10,000 students and that PCSP physicians' fees received will offset costs of office overhead and salaries.

ABE FIGHTS DOCTOR CRISIS

(By Ron Georgeff)

NEW HAVEN.—U.S. Sen. Abraham Ribicoff (D.-Conn.), said today he would introduce legislation in the Senate tomorrow to provide federal funds to encourage more medical students to go into family medicine and to practice in cities.

The family physician, or general practitioner, is fleeing the cities these days, Ribicoff said, and creating a hardship on hospital emergency rooms and a hardship on rural citizens who often must travel great distances to get medical care.

Ribicoff's proposed bill would give federal assistance to medical students who agree to serve three years as family doctors in cities and other areas that have a shortage.

The problem in Connecticut, although not as acute as in other parts of the country, is present nevertheless and has been increasing over the past few years, according to a state Department of Health official.

Sarah Hirakis, director of the department's Comprehensive Health Planning, said there were 814 family physicians in the state, according to latest available statistics. The number has been decreasing over the years. Family practice is losing to the more financially lucrative specialty practices, she explained.

The shortage of doctors is a problem of distribution, according to health officials. One official of the Connecticut Academy of Family Physicians noted for example, that in February, 1972, there were 33 Connecticut towns (92,000 people) without any doctors at all.

Another 13 towns had only one physician, and 11 towns had only two physicians, he added.

The shortage of inner-city family doctors is one reason for the use of hospital emergency rooms by persons who don't really have an emergency problem, Ribicoff said in remarks today at United Church on the Green.

He cited the example of Yale-New Haven Hospital, where 90 percent of the 83,000 persons treated last year in the emergency room were not in urgent need of care. These same persons could have been treated by a private physician, he explained.

A regional Department of Health, Education and Welfare official speaking before the Connecticut Public Health Association last week, corroborated this, saying that across the country 70 to 90 percent of hospital emergency room treatment did not involve true emergencies.

Connecticut may be turning the corner, however, by taking measures to strengthen the practice of family medicine.

The University of Connecticut School of Medicine, for example, has 14 first and second-year students working in family physicians' offices, and hopes to begin a graduate program in family medicine by July 1, 1974.

General hospitals throughout the state are gradually initiating three-year residencies in family medicine. Bridgeport Hospital and St. Raphael's Hospital in New Haven have already begun, and Middlesex Memorial Hospital in Middletown recently announced plans for its residency program.

The federal government has also promised medical students it will reimburse them up to 60 percent of their loan costs for their medical education if they agree to practice family medicine for two years in one of 91 designated towns in Connecticut.

The promise, given by HEW's Bureau of Health Manpower, came as a result of a study of the distribution of physicians in Connecticut by the Health Department's comprehensive health planning office, Mrs. Hirakis said the designated towns had fewer than .67 physicians per 1,000 population.

S. 1730

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 1 of the Public Health Service Act is amended by striking out "titles I to XI" and inserting in lieu thereof "titles I to XII".

(b) The Act of July 1, 1944 (58 Stat. 682), as amended, is amended by renumbering title XII (as in effect prior to the enactment of this Act) as title XIII, and by renumbering sections 1201 through 1214 (as in effect prior to the enactment of this Act), and references thereto, as sections 1301 through 1314, respectively.

(c) The Public Health Service Act is further amended by adding after title XI the following new title:

"TITLE XII—PHYSICIANS' COMMUNITY SERVICE PROGRAM

"GRANTS TO SCHOOLS WITH RESPECT TO PARTICIPATING STUDENTS

"SEC. 1201. (a)(1) The Secretary shall make annual grants, in accordance with the provisions of this title, to each school of medicine or osteopathy which has entered into an agreement under subsection (b) for the improvement of the educational program of such school. The amount of the annual grant to each such school shall be computed for each fiscal year as follows: $5,000 for each full-time student enrolled therein who, for the school year, is a participant (as defined in section 1202), plus an additional $5,000 for each such student who is an enrollment bonus student (as defined in subsection (c)(2)).

"(2) The Secretary shall by regulations constitute an 'improvement of the educational program' of a school, as that term is used in paragraph (1); except that such term shall not include construction or remodeling of any building or other facility.

"(b)(1) Any school of medicine or school of osteopathy desiring to receive grants under this section shall enter into an agreement with the Secretary under which such school agrees—

"(A) not to enroll, for any school-year class, a number of students who are participants (as defined in section 1202(a)) in excess of the number of participant-student places allotted to such school under paragraph (2);

"(B) will utilize the grants received by it under this section for the purposes (as determined under regulations of the Secretary) for which such grants are made;

"(C) in selecting individuals for enrollment as participants—

"(i) will apply the same academic and other standards as obtain in determining eligibility for enrollment in such school in the case of students who are not participants; and

"(ii) give a preference to individuals who are in need of assistance in the financing of their education in such school, as determined (in accordance with criteria prescribed by the Secretary) on the basis of the income and resources of such individuals and of their families;

"(iii) establish (in accordance with regulations of the Secretary) procedures which will assure that individuals desiring to apply for selection as participants will be given a reasonable opportunity to do so, and that applications for selection as participants will be acted upon with reasonable promptness, and without regard to race, religion, national origin, or sex;

"(D) to establish and maintain such fiscal control and fund accounting procedures as may be necessary (as prescribed by regulations of the Secretary) to assure proper disbursement of and accounting for funds received by the school under this section;

"(E) to make such reports (in such form and containing such information as the Secretary may reasonably require) to the Secretary, and to keep such records and afford such access thereto by the Secretary or his delegate as the Secretary finds necessary to assure the correctness and verification of such reports; and

"(F) to serve as the agent of the Secretary in the execution of the agreement required under section 1204 between the Secretary and participants.

"(2)(A) Each school of medicine or osteopathy, which has in effect an agreement with the Secretary under this subsection, shall be allotted, with respect to its first-year class for each year, a number of participant-student places equal to:

"(i) 20 per centum of the total number of full-time students enrolled in such class; plus

"(ii) the number of enrollment bonus places (as described in subsection (c)(1) for such class; plus

"(iii) such additional number of participant-student places as may be allotted to such school by the Secretary under subparagraph (C).

"(B)(i) Except as provided in clause (ii), there shall be no limitation on the number of participants enrolled in any school of medicine or osteopathy for any class of such school which is senior to the first-year class.

"(ii) Of the students, who are enrolled in any school of medicine or osteopathy for any year in a class which is senior to the first-year class of such school, and who were not participants for a preceding year (whether in such school or another such school), not more than 20 per centum thereof shall be participants.

"(C) Whenever the Secretary determines that, for any school year, the total number of participant-student places for the first-year class of all schools of medicine or osteopathy (as determined under subparagraph (A), but without regard to clauses (ii) and (iii) thereof) is in excess of the total number of participants which will be enrolled in such class of all such schools, he may make additional allotments of participant-student places from such excess among the various schools of medicine and osteopathy.

"(c) (1) For purposes of subsection (b)(2)(A)(ii), the number of enrollment bonus places for any school for any year shall be equal to the number by which—

"(A) the number of full-time students enrolled in the first-year class of such school for such year exceeds

"(B) the number of full-time students enrolled in the first-year class of such school for the school year which immediately preceded such year.

"(2) (A) In determining, for purposes of subsection (a), the number of 'enrollment bonus students' in the first-year class of any school of medicine or osteopathy for any year, such school shall be deemed to have, in such class, a number of enrollment bonus students equal to the number of full-time students who are enrolled in such class and who (i) are participants, and (ii) occupy, in such class, bonus places (as determined under subparagraph (C)).

"(B) In determining, for purposes of subsection (a), the number of 'enrollment bonus students' in any class, which is senior to the first-year class, of any such school for any year, each such class shall be deemed—

"(i) in the case of the second-year class, to have a number of enrollment bonus students equal to the number of enrollment bonus students in the first-year class of such school for the preceding year, "(ii) in the case of the third-year class, to have a number of enrollment bonus students equal to the number of enrollment bonus students in the first-year class of such school for the second preceding year, and

"(iii) in the case of the fourth-year class, to have a number of enrollment bonus students equal to the number of enrollment bonus students in the first-year class of such school for the third preceeding year,

reduced, in the case of any such senior-year class, by the number by which the number of enrollment bonus students deemed to be in such class exceeds the number of participants in such class.

"(C) In determining, for purposes of subparagraph (A)(ii), the number of bonus places occupied by participants, enrolled in the first-year class of any such school for any year, each such school shall be deemed to have occupied a number of such places equal to the excess of—

"(i) a number equal to (I) the number of bonus places for such school for such year (as determined under paragraph (1)), plus (II) 20 per centum of the total number of full-time students enrolled in such class, over

"(ii) the total number of participants enrolled in such class for such year (disregarding, in determining such total number, any participant enrolled in such class by reason of the application of subsection (b)(2)(A)(iii)).

"(d) If any school of medicine or osteopathy has a training program designed to permit students enrolled therein to complete, within six years after completing secondary school, the requirements for the degree of doctor of medicine or doctor of osteopathy, then, for purposes of this section, the fourth year class in such program shall be treated as the first-year class, the fifth year class in such program shall be treated as the second-year class, and the sixth year class in such program shall be treated as the third-year class, of such school.

"(e) As used in this section, the terms 'school of medicine' and 'school of osteopathy' mean a school which (1) provides training leading, respectively, to a degree of doctor of medicine, or to a degree of doctor of osteopathy, and (2) is accredited by a recognized body or bodies approved for such purpose by the Commissioner of Education, except that a new school which (by reason of no, or an insufficient, period of operation) is not, at the time it enters into an agreement with the Secretary under this section, eligible for accreditation by such a recognized body or bodies, shall be deemed to be accredited for purposes of this subsection if the Commissioner of Education finds, after consultation with the apropriate accreditation body or bodies, that there is reasonable assurance that the school will meet the accreditation standards of such body or bodies prior to the beginning of the academic year following the normal graduation date of the first entering class in such school.

"DEFINITION OF PARTICIPANT

"SEC. 1202. For purposes of this title, a 'participant' is an individual who—

"(1) is enrolled as a full-time student in a school of medicine or osteopathy (which has in effect an agreement with the Secretary under section 1201) in accordance with such agreement, and

"(2) has entered into an agreement with the Secretary (through such a school, acting as the Secretary's agent, or otherwise) under section 1204.

"TUITION AND STIPENDS FOR PARTICIPANTS

"SEC. 1203. The Secretary shall pay to (or on behalf of) each individual who is a participant, for each school year that such individual is a participant—

"(1) the full regular tuition and fees imposed by the school in which he is enrolled (the amount of which shall not exceed the amount of the tuition and fees imposed by such school for students enrolled therein who are not participants); and

"(2) an annual stipend of $5,000, which may be paid in such installments, and at such times, during the school year, as the Secretary may determine to be appropriate.

"AGREEMENTS BETWEEN SECRETARY AND PARTICIPANTS

"SEC. 1204. (a) No individual shall be a participant under this title until and unless he has entered into an agreement with the Secretary under this section.

"(b) Any such agreement with any individual shall provide that such individual will, upon completion of his professional training, serve, as an employee of the Federal Government, for a period of three years in any physician-shortage area to which he is assigned by the Secretary. For the purpose of the preceding sentence, an individual shall be considered to have completed his professional training when he has received the degree of doctor of medicine or osteopathy, and has completed his internship (or completed a residency of at least one year in a specialty in short supply, as determined by the Secretary). In assigning physician-participants to an area, the Secretary shall take into consideration requests of such participants for assignment to specific areas and shall to the extent feasible accommodate such requests.

"(c) If any individual, being a party to an agreement under this section—

"(1) fails, without good cause (as determined by the Secretary), to commence, within a reasonable time (as determined by the Secretary) after the completion of his professional training, the performance of his obligation to serve in a physician-shortage area to which he is assigned by the Secretary, such individual shall be obligated to pay to the United States the sum of $60,000, or

"(2) commences, within a reasonable time (as determined by the Secretary) after the completion of his professional training, to perform such obligation, but fails to complete such obligation, shall be liable to pay to the United States the sum of $60,000, in case he performs service under such obligation for a period of less than one full year, $40,000, in case he performs service under such obligation for a period equal to one full year but less than two full years, and $20,000, in case he performs service under such obligation for two full years but less than three full years.

"(d)(1) The obligation of any individual to perform service under any such agreement shall be cancelled upon the death of such individual.

"(2) The Secretary shall by regulations provide for the waiver or suspension of any such obligation applicable to any individual whenever compliance by such individual is impossible or would involve extreme hardship to such individual and if enforcement of such obligation with respect to such individual would be contrary to equity and good conscience.

"(e) Any individual who is a party to an agreement with the Secretary under this section may, prior to completing his studies for the degree of doctor of medicine or doctor of osteopathy, terminate such agreement, but only if such individual agrees to pay to the United States, within such period of time and in such installments as the Secretary shall prescribe, $15,000 for each school-year (or part thereof) that such individual has been a party to such agreement.

"(f) Moneys collected from individuals, who are parties to agreements with the Secretary under this section, under this section shall be deposited in the Treasury as miscellaneous receipts.

"SERVICE IN PHYSICIAN-SHORTAGE AREAS

"SEC. 1205. (a)(1) For the purposes of this title, the term 'physician-shortage area' means a geographic area which the Secretary determines, after consultation with public health and other appropriate agencies concerned with the provision of health care services in the area and with appropriate professional organizations (including, but not limited to, organizations consisting of licensed doctors of medicine or osteopathy engaged in the practice of medicine or surgery in such area), to have an insufficient number of doctors of medicine or osteopathy practicing in such area to meet the needs of the residents thereof for primary care (as defined by the Secretary under section 768(c)(3)(B)).

"(2) As used in this title, the term 'physician-participant' refers to an individual whose obligation, under an agreement entered into under section 1204, to perform service in a physician-shortage area has commenced.

"(b)(1) The Secretary shall, to the extent that they are available, assign at least two physician-participants to each physician-shortage area, or a physician and a registered nurse to each such area.

"(2) The Secretary shall provide for physician-participants assigned to any area such office space, equipment, and supplies, and such other appropriate supportive services and assistance, as may be necessary to enable them to practice their profession in meeting the needs for primary care of the residents in such area.

"(3) Patients receiving care provided by physician-participants shall be charged fees therefor based on the prevailing charges imposed for similar care provided by physicians (who are not physician-participants) engaged in the practice of their profession in such area (or if there be no such physicians practicing in such area, in an area comparable to such area). Fees collected by any physician-participant shall be deposited (in such manner as the Secretary may prescribe) in the Treasury, as miscellaneous receipts.

"(c) Physician-participants performing service in any area shall be compensated for their services in accordance with the provisions of chapter 51 and subchapter III of chapter 53, of title 5, United States Code, relating to classification and General Schedule pay rates.

"(d) Physician-participants shall not be utilized in the rendering of health care services to patients who are entitled to receive such care from the Public Health Service, the Veterans' Administration, or the Department of Defense, and shall not be required to perform administrative functions (other than those directly related to their activities in providing health care for residents in the physician-shortage area in which they serve.

"(e) During any period that any physician-participant is performing services in a physician-shortage area to which he has been assigned by the Secretary in satisfaction of his obligation to perform such service under this title, such physician-participant shall be exempt from induction and service under the Military Selective Service Act; and, any physician-participant who fully satisfies such an obligation shall thereafter be exempt from induction and service under such Act.

"ENCOURAGEMENT OF PHYSICIAN-PARTICIPANTS TO CONTINUE THEIR PRACTICE IN PHYSICIAN-SHORTAGE AREA

"SEC. 1206. (a) Whenever the physician-participants performing health care services in any physician-shortage area have completed their obligation (under this title) to perform such service, the Secretary may enter into an agreement with such physician-participants under which they agree to continue to render health care services in such area, and, during any period that they so continue to render such services, the facilities, supplies, and equipment provided them during their performance of such obligation will remain available (without charge) for their use.

"AUTHORIZATION OF APPROPRIATIONS

"Sec. 1207. For the purpose of carrying out the provisions of this title, there are authorized to be appropriated, for each fiscal year, such sums as may be necessary."

(d) Section 225 of the Public Health Service Act is hereby repealed.

(e) Subpart III of part F of title VII of the Public Health Service Act (relating to physician shortage area scholarship program) is hereby repealed.

(f) Notwithstanding any provision of part C of title VII of the Public Health Service Act, no loan under (or pursuant to an agreement under) such part shall be made to any student in a school of medicine or osteopathy for any school year, which commences after the date of enactment of this Act, unless such student has received a loan thereunder as a student in such a school for a school year preceding the first school year which commences after the date of enactment of this Act.

By Mr. FULBRIGHT (by request):

S. 1733. A bill to promote the foreign policy of the United States by prohibiting travel in a restricted area. Referred to the Committee on Foreign Relations.

A BILL TO PROMOTE THE FOREIGN POLICY OF THE UNITED STATES BY PROHIBITING TRAVEL IN A RESTRICTED AREA

Mr. FULBRIGHT. Mr. President, by request, I introduce for appropriate reference a bill to promote the foreign policy of the United States by prohibiting travel in a restricted area.

The bill has been requested by the Attorney General of the United States and I am introducing it in order that there may be a specific bill to which Members of the Senate and the public may direct their attention and comments.

I must say I was tempted not to introduce this bill even by request because it illustrates a technique which the executive branch has too often utilized in dealing with the Congress. That technique is to ask for a vast delegation of power to the President, illustrated here in section 970(a)(4). That section would enable the President to prescribe a foreign policy toward Sweden, for example, which would give the Secretary of State authority to prohibit an American from traveling to Sweden if the Secretary determined Sweden was an area "to which travel would seriously impair the conduct of foreign policy." There is a criminal penalty for violation of such a determination.

Therefore, I note with more than my usual vigor my right to support or oppose this bill, as well as any suggested amendments to it, when the matter is considered by the Committee on Foreign Relations.

I ask unanimous consent that the bill be printed in the Record at this point, together with the letter from the Attorney General to the Vice President, dated April 12, 1973.

There being no objection, the bill and letter were ordered to be printed in the Record, as follows:

S. 1733

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Chapter 45 of title 18 of the United States Code is amended by adding the following section:

"§ 970. Travel in a Restricted Area.

(a) Subject to such policy as the President may prescribe, the Secretary of State may restrict travel into or through a foreign area by citizens and nationals of the United States if he determines that it is an area—

(1) which is at war,

(2) where insurrection or armed hostilities are in progress,

(3) whose military forces are engaged in armed conflict with forces of the United States, or

(4) to which travel would seriously impair the conduct of United States foreign policy.

(b) An area restriction shall be announced by publication in the Federal Register and shall state the grounds for imposing the restriction. The restriction shall expire one year from the effective date of the restriction unless sooner revoked by the Secretary. The Secretary may extend a restriction for periods not to exceed one year at a time by publication in the Federal Register.

(c) The Secretary may authorize travel to a restricted area by a citizen or national of the United States if the Secretary deems such travel to be not inconsistent with the national interest.

(d) Whoever willfully enters or travels in or through a restricted area without authorization from the Secretary shall be fined not more than $1,000, imprisoned not more than one year, or both."

Sec. 2. The analysis of chapter 45 is amended by adding at the end the following new item:

"970. Travel in a restricted area."

Office of the Attorney General,
Washington, D.C., April 12, 1973.

The Vice President,
U.S. Senate,
Washington, D.C.

Dear Mr. Vice President: There is enclosed for your consideration and appropriate reference a legislative proposal, "To promote the foreign policy of the United States by prohibiting travel in a restricted area."

The Supreme Court has sustained the authority of the Secretary of State to endorse passports as invalid for travel to specified areas. Existing criminal statutes do not make it a crime to travel to a restricted area, even though a passport is not valid for such travel. If the person actually uses his passport to enter the restricted area, he may be subject to criminal prosecution under 18 U.S.C. 1544, for use of a passport in violation of the restrictions contained therein. As a practical matter, it is virtually impossible to obtain sufficient evidence that a person has used his passport in violation of the area restrictions in order to sustain a prosecution under that law. The only remaining action which the Secretary may possibly take is to deny or revoke a passport when the sole travel intended is to a restricted area. (See *Lynd* v. *Rusk*, 389 F.2d 940 (1967)). The narrow scope of this possible action is inadequate to deter travel to restricted areas by persons who are so inclined. As a result, area restrictions are ineffective since the Secretary has no realistic means of enforcing them.

This legislative proposal would add a new section to the United States Criminal Code, authorizing the Secretary of State, subject to policy prescribed by the President, to restrict travel by United States citizens and nationals to a foreign area if he determines that area is either: (1) at war; (2) experiencing insurrection or armed hostilities; (3) engaged in armed conflict with the United States; (4) one to which travel would impair United States foreign policy. Area restrictions would have to be published in the Federal Register and would be subject to at least annual review. The Secretary would be empowered to authorize a particular individual to travel to a restricted area in the national interest. Criminal penalties of fines up to $1,000 or one year imprisonment, or both, would be available against willful violators of restrictions.

This legislative proposal removes the present weakness in the Secretary's authority to restrict travel to specified areas by creating criminal penalties for unauthorized travel to these areas. At the same time it takes full account of the constitutional liberties of United States citizens by authorizing the designation of a restricted area only when there is a compelling national interest. Moreover, it continues to permit the Secretary to authorize travel to restricted areas in the national interest.

The Department of State joins the Department of Justice in sponsoring this legislation.

The Office of Management and Budget has advised that enactment of this proposed legislation would be consistent with the Administration's objectives.

By Mr. MAGNUSON (by request):

S. 1734. A bill to amend certain laws affecting the Coast Guard. Referred to the Committee on Commerce.

Mr. MAGNUSON. Mr. President, I introduce by request, for appropriate reference, a bill to amend certain laws affecting the Coast Guard and ask unanimous consent that the letter of transmittal and changes in existing law be printed in the Record wtih the text of the bill.

There being no objection, the material and bill were ordered to be printed in the Record, as follows:

The Secretary of Transportation,
Washington, D.C., March 23, 1973.

Hon. Spiro T. Agnew,
President of the Senate,
Washington, D.C.

Dear Mr. President: There is transmitted herewith a draft of a proposed bill, "To amend certain laws affecting the Coast Guard," together with a comparative type showing changes made in existing law.

The proposed bill would make changes to title 14 and 10, United States Code, to permit more efficient administration of the Coast Guard, to resolve several problems and ambiguities which have become apparent in the administration of the personnel laws, and to preclude greater obsolescence of several provisions which should be updated.

From time to time in recent years various departments and agencies have been admonished by the Congress to seek permanent legislation to replace substantive provisions which inappropriately appear in appropriations bills. This proposal responds to that advice by incorporating into title 14 provisions of that type relating to the continuing availability of construction funds, authority for schooling of dependents outside the United States when not otherwise available, and authority for the payment of confidential investigative expenses.

A second category of amendments responds to factual and legal issues, relating principally to officer personnel, which have arisen in recent years and the uniqueness of which did not permit anticipation prior to enactment of P.L. 88–130, the most recent major revision of Coast Guard officer personnel laws. For example, the current officer promotion scheme provides that officers twice passed over for promotion and who have completed at least 18 years of service shall be retained until they complete 20 years of service and then shall be retired. The general retirement entitlement for officers requires that an officer shall have completed 20 years of service of which at least 10 years have been commissioned service. If an officer who has completed 20 or more years service with less than 10 commissioned is twice passed over for promotion, theoretically he is not entitled to retirement nor does the above described provision for involuntary retirement apply. Certainly it was never contemplated that an officer with over 20 years of service would be discharged while an officer of lesser service would be retained so that he could retire at the completion of 20 years service. The proposed amendments to sections 283 and 285 of title 14 will provide express authority for the retirement of an officer in the situation described. Other amendments in this category relate to overcoming a suggestion that captains completing 30 years service may only be retired involuntarily vice voluntarily on the same date, the distinction in some cases resulting in differences in subsequent benefits; altering the fact that officers selected for exemplary performance from below normal promotion zones can in some cases be subject to earlier involuntary retirement than they would otherwise have been; and eliminating the reduction in pay that some warrant officers suffer when being promoted to higher commissioned grade.

Regarding the updating of certain provisions, 14 U.S.C. 475 contains authority for inadequate housing used as public quarters. That authority will expire on June 30, 1973, and it is important that it be extended. Also, the $300 statutory figure assumed to be a temporary reservist's monthly pay for benefit computations when he suffers disability or death on duty was established in 1956. Our proposed bill raises the figure to $600.

The remaining provisions effect other minor substantive and technical changes. They include portal to portal entitlement to death and disability benefits by auxiliarists engaged in Coast Guard business under orders, authority to pay auxiliarists actual necessary expenses under some circumstances, and clarification of the right to exercise certain authority over floating as well as fixed structures within the navigable waters and beyond. As to the single change to title 10, section 2683 now permits the Secretaries of the military departments to relinquish, if appropriate, legislative jurisdiction over United States lands within their control. The amendment would provide the Secretary of the department in which the Coast Guard is operating with the same authority.

The cost implications of the proposed bill are relatively slight. No increases result from the transfer of provisions from the appropriations bills to title 14. Some of the provisions have indeterminate but minor cost implications such as the authority to pay auxiliarists under some circumstances for expenses incident to travel to or from assigned duties. Enactment of the proposal will result in pay computation adjustments for a few warrant officers. It can be stated with a fair degree of certainty that total budget implications will be less than $25,000 for 1974 and can be absorbed within funds available.

It would be appreciated if you would lay the proposed bill before the Senate. A similar bill has been transmitted to the Speaker of the House of Representatives.

The Office of Management and Budget had advised that there is no objection from the standpoint of the Administration's program to the submission of this proposed legislation to the Congress.

Sincerely,

CLAUDE S. BRINEGAR.

COMPARATIVE TYPE SHOWING CHANGES IN EXISTING LAW MADE BY THE PROPOSED BILL

(Matter proposed to be omitted is enclosed in brackets; new matter is italic)

TITLE 14

§ 83. Unauthorized aids to maritime navigation; penalty.

No person, or public body, or instrumentality, excluding the armed services, shall establish, erect, or maintain any aid to maritime navigation *in or adjacent to the navigable waters of the United States, its territories or the Trust Territory of the Pacific Islands, or on the high seas if that person, or public body, or instrumentality is subject to the jurisdiction of the United States,* without first obtaining authority to do so from the Coast Guard in accordance with applicable regulations. Whoever violates the provisions of this section or any of the regulations issued by the Secretary in accordance herewith shall be guilty of a misdemeanor and shall be fined not more than $100 for each offense. Each day during which such violation continues shall be considered as a new offense.

§ 85. Aids to maritime navigation [on fixed structures]; penalty.

The Secretary shall prescribe and enforce necessary and reasonable rules and regulations, for the protection of maritime navigation, relative to the establishment, maintenance, and operation of lights and other signals on fixed *and floating* structures in or over [navigable] waters *subject to the jurisdiction* of the United States *and in the high seas for structures owned or operated by persons subject to the jurisdiction of the United States.* Any owner or operator of such a structure, excluding an agency of the United States, who violates any of the rules or regulations prescribed hereunder, commits a misdemeanor and shall be punished, upon conviction thereof, by a fine of not exceeding $100 for each day during which such violation continues.

§ 86. Marking of obstructions.

The Secretary may mark for the protection of navigation any sunken vessel or other obstruction existing on [any] *the* navigable waters *or waters of the continental shelf* of the United States in such manner and for so long as, in his judgment, the needs of maritime navigation require. The owner of such an obstruction shall be liable to the United States for the cost of such marking until such time as the obstruction is removed or its abandonment legally established or until such earlier time as the Secretary may determine. All moneys received by the United States from the owners of obstructions, in accordance with this section, shall be covered into the Treasury of the United States as miscellaneous receipts. This section shall not be construed so as to relieve the owner of any such obstruction from the duty and responsibility suitably to mark the same and remove it as required by law.

§ 214. Original appointment of temporary officers.

(a) * * *.
(b) * * *.
(c) * * *.

(d) Temporary appointments under this section do not change the permanent, probationary, or acting status of persons so appointed, prejudice them in regard to promotion or appointment, or abridge their rights or benefits. A person who is appointed under this section may not suffer any reduction in the pay and allowances to which he was entitled because of his permanent status at the time of his temporary appointment under this section [.], *or any reduction in the pay and allowances to which he was entitled under a prior temporary appointment in a lower grade.*

(e) * * *.
(f) * * *.

§ 283. Regular lieutenants; separation for failure of selection for promotion; continuation.

(a) Each officer of the Regular Coast Guard appointed under section 211 of this title who is serving in the grade of lieutenant and who has failed of selection for promotion to the grade of lieutenant commander for the second time shall:

(1) be honorably discharged on June 30 of the fiscal year in which his second failure of selection occurs; or

(2) if he so requests, be honorably discharged at an earlier date without loss of benefits that would accrue if he were discharged on that date under clause (1); or

(3) if, on the date specified for his discharge in this section, he *has completed at least 20 years of active service or* is eligible for retirement under any law, be retired on that date; or

(4) if, on the date specified for his discharge in clause (1), he has completed at least eighteen years of active service, be retained on active duty and retired on the last day of the month in which he completes twenty years of active service, unless earlier removal under another provision of law.

(b) * * *.
(c) * * *.

§ 285. Regular lieutenant commanders and commanders; retirement for failure of selection for promotion.

Each officer of the Regular Coast Guard serving in the grade of lieutenant commander or commander, who has failed of selection for promotion to the grade of commander or captain, respectively, for the second time shall:

(1) *if he has completed at least 20 years of active service or is* eligible for retirement under any law on June 30 of the fiscal year in which his second failure of selection occurs, be retired on that date; or

(2) if ineligible for retirement on the date specified in clause (1) be retained on active duty and retired on the last day of the month in which he completes twenty years of active service, unless earlier removed under another provision of law.

§ 288. Regular captains; retirement.

(a) Each officer of the Regular Coast Guard serving in the grade of captain whose name is not carried on an approved list of officers selected for promotion to the grade of rear admiral shall, [if not earlier retired] *unless retired under some other provision of law,* be retired on June 30 of the fiscal year in which he, or any captain junior to him on the active duty promotion list who has not lost numbers or precedence, completes thirty years of active commissioned service in the Coast Guard. *An officer advanced in precedence on the active duty promotion list because of his promotion resulting from selection for promotion from below the zone is not subject to involuntary retirement under this section earlier than if he had not been selected from below the zone.*

(b) * * *.

§ 475. Leasing and hiring of quarters; rental of inadequate housing.

(a) * * *.
(b) * * *.
(c) * * *.
(d) * * *.

(e) The authority provided in subsections (b) and (c) of this section shall expire on June 30, 197[3]6.

(f) * * *.
(g) * * *.

§ 656. [Use of appropriations to restore, replace, establish, or develop facilities.] *Use of monies appropriated for acquisition, construction, and improvement; for research, development, test and evaluation; and for the alteration of bridges over the navigable waters.*

(a) Funds appropriated to or for the use of the Coast Guard for acquisition, construc-

tion, and improvement of facilities; for research, development, test and evaluation; and for the alteration of bridges over the navigable waters shall remain available until expended.

[(a)] (*b*) The Secretary may use any funds appropriated to or for the use of the Coast Guard for other construction purposes to restore, repair, or replace facilities that have been damaged or destroyed, including acquisition of sites.

[(b)] (*c*) The Secretary may use any funds appropriated to or for the use of the Coast Guard for other construction purposes to acquire, construct, convert, extend, and install at Coast Guard installations and facilities, needed permanent or temporary public works, including the preparation of sites and the furnishing of appurtenances, utilities, and equipment, but excluding the construction of family quarters, costing not more than $200,000 for any one project.

§ 657. Dependent school children [; transportation of].

(*a*) *Except as otherwise authorized by the Act of September 30, 1950 (20 U.S.C. 236–244), the Secretary may provide, out of funds appropriated to or for the use of the Coast Guard, for the primary and secondary schooling of dependents of Coast Guard personnel stationed outside the continental United States at costs for any given area not in excess of those of the Department of Defense for the same area, when it is determined by the Secretary that the schools, if any, available in the locality are unable to provide adequately for the education of those dependents.*

[(a)] (*b*) Whenever the Secretary, under such regulations as he may prescribe, determines that schools located in the same area in which a Coast Guard facility is located are not accessible by public means of transportation on a regular basis, he may provide, out of funds appropriated to or for the use of the Coast Guard, for the transportation of dependents of Coast Guard personnel between the schools serving the area and the Coast Guard facility.

§ 658. Confidential investigative expenses.

(*a*) *Monies appropriated for necessary expenses for the operation of the Coast Guard shall be available for investigative expenses of a confidential character, to be expended on the approval or authority of the Commandant and payment to be made on his certificate of necessity for confidential purposes, and his determination shall be final and conclusive upon the accounting officers of the Government.*

(*b*) *The Commandant may delegate the authority granted in this section to any person in, or employed by, the Coast Guard, with or without the authority to make successive redelegations.*

§ 760. Disability or death benefits for temporary members.

(a) In case of physical injury, or death resulting from physical injury, to any temporary member of the Reserve incurred incident to service while performing active Coast Guard duty, or engaged in authorized travel to or from such duty, the provisions of law authorizing compensation for employees of the United States suffering injuries while in the performance of their duties, subject to this section, shall apply, and shall be administered by the Secretary of Labor in the same manner and to the same extent as if such person were a civil employee of the United States and were injured in the performance of his duty. For benefits computation, regardless of pay or pay status, such person shall be deemed to have had monthly pay of [$300] *$600*.

(b) * * *.

(c) * * *.

(d) * * *.

(e) * * *.

§ 765. Enlistment of members engaged in schooling.

To permit the enlistment of Reserve members without interruption of full time schooling in which they are engaged, the four month initial period of active duty for training requirement of subsection (d) of section 511 of title 10, United States Code, may be divided into two successive annual periods of not less than two months each.

§ 830. Availability of appropriations.

Appropriations of the Coast Guard shall be available for the payment of actual necessary traveling expense and subsistence, or commutation of ration allowance in lieu of subsistence, of members of the Auxiliary assigned to authorized specific duties, *including authorized travel to or from such duties,* and for actual necessary expenses of operation of any motorboat, yacht, aircraft, *vehicle,* or radio station when assigned to Coast Guard duty, but shall not be available for the payment of compensation for personal services, incident to such operation, other than to personnel of the Coast Guard or the Reserve. The term "actual necessary expenses of operation," as used in this section, shall include payment for fuel, oil, power, water, supplies, provisions, replacement or repair of equipment, repair of any damaged motorboat, yacht, aircraft, *vehicle,* or radio station and for the constructive or actual loss of any motorboat, yacht, aircraft *vehicle,* or radio station where it is determined, under applicable regulations, that responsibility for the loss or damage necessitating such replacement or repair of equipment, or for the damage or loss, constructive or actual, of such motorboat, yacht, aircraft, *vehicle,* or radio station rests with the Coast Guard.

§ 832. Injury or death in line of duty.

When any member of the Auxiliary is physically injured or dies as a result of physical injury incurred while performing any specific duty to which he has been assigned by competent Coast Guard authority, such member or his beneficiary shall be entitled to the same benefits provided for temporary members of the Reserve who suffer physical injury or death resulting from physical injury incurred incident to service. Members of the Auxiliary who incur physical injury or contract sickness or disease while performing any specific duty to which they have been assigned by competent Coast Guard authority shall be entitled to the same hospital treatment afforded officers and enlisted men of the Coast Guard. *The performance of a specific duty as the term is used in this section includes time engaged in traveling back and forth between the place of assigned duty and the permanent residence of a member of the Auxiliary.*

TITLE 10

§ 2683. Relinquishment of legislative jurisdiction.

(a) Notwithstanding any other provision of law, the Secretary [of a military department] *concerned* may, whenever he considers it desirable, relinquish to a State all or part of the legislative jurisdicton of the United States over lands or interests under his control in that State. Relinquishment of legislative jurisdiction under this section may be accomplished (1) by filing with the Governor of the State concerned a notice of relinquishment to take effect upon acceptance thereof, or (2) as the laws of the State may otherwise provide.

(b) The authority granted by this section is in addition to and not instead of that granted by any other provision of law.

S. 1734

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That title 14, United States Code, is amended as follows:

(1) Section 83 is amended by inserting the words "in or adjacent to the navigable waters of the United States, its territories or possessions, or the Trust Territory of the Pacific Islands, or on the high seas if that person, or public body, or instrumentality is subject to the jurisdiction of the United States," between the word "navigation" and the word "without" in the first sentence thereof.

(2) Section 85 is amended—

(A) by deleting the words "on fixed structures" from the catch line;

(B) by inserting the words "and floating" between the word "fixed" and the word "structures" in the first sentence thereof;

(C) by deleting the word "navigable" between the word "over" and the word "waters" and by inserting the words "subject to the jurisdiction" between the word "waters" and the words "of the United States"; and

(D) by adding the following words at the end of the first sentence thereof: "and in the high seas for structures owned or operated by persons subject to the jurisdiction of the United States".

(3) Section 86 is amended by deleting the word "any" preceding the words "navigable waters" and substituting therefor the word "the" and by inserting the words "or waters of the continental shelf" between the words "navigable waters" and the words "of the United States" in the first sentence thereof.

(4) The analysis of chapter 5 is amended by deleting the words "on fixed structures" in item (section) "85".

(5) The second sentence of subsection (d) of section 214 is amended by changing the period at the end thereof to a comma and by adding the following to the sentence:

"or any reduction in the pay and allowances to which he was entitled under a prior temporary appointment in a lower grade."

(6) Subsection (a) of section 283 is amended by inserting the words "has completed at least 20 years of active service or" between the word "he" and the word "is" in paragraph (3) thereof.

(7) Section 285 is amended by inserting the words "he has completed at least 20 years of active service or is" between the word "if" and the word "eligible" in paragraph (1) thereof.

(8) Section 288 is amended—

(A) by deleting in subsection (a) the words "if not earlier retired" and substituting therefor the words "unless retired under some other provision of law";

(B) by adding at the end of subsection (a) a new sentence as follows:

"An officer advanced in precedence on the active duty promotion list because of his promotion resulting from selection for promotion from below the zone is not subject to involuntary retirement under this section earlier than if he had not been selected from below the zone."

(9) Section 475 is amended by amending subsection (e) to read:

"(e) The authority provided in subsection (b) and (c) of this section shall expire on June 30, 1976."

(10) Section 656 is amended—

(A) by amending the catch line to read:

"§ 656. Use of monies appropriated for acquisition, construction, and improvement; for research, development, test and evaluation; and for the alteration of bridges over the navigable waters.";

(B) by redesignating subsections (a) and (b) as subsections (b) and (c), respectively; and

(C) by inserting a new subsection (a) as follows:

"(a) Funds appropriated to or for the use of the Coast Guard for acquisition, construction, and improvement of facilities; for research, development, test and evaluation; and for the alteration of bridges over the navigable waters shall remain available until expended."

(11) Section 657 is amended—

(A) by deleting from the catch line the semicolon and the words following "children";

(B) by designating the existing section as subsection (b); and

(C) by inserting a new subsection (a) as follows:

"(a) Except as otherwise authorized by the Act of September 30, 1950 (20 U.S.C. 236–244), the Secretary may provide, out of funds appropriated to or for the use of the Coast Guard, for the primary and secondary schooling of dependents of Coast Guard personnel stationed outside the continental United States at costs for any given area not in excess of those of the Department of Defense for the same area, when it is determined by the Secretary that the schools, if any, available in the locality are unable to provide adequately for the education of those dependents."

(12) Chapter 17 is amended by adding the following new section after section 657:

"§ 658. Confidential investigative expenses.

"(a) Monies appropriated for necessary expenses for the operation of the Coast Guard shall be available for investigative expenses of a confidential character, to be expended on the approval or authority of the Commandant and payment to be made on his certificate of necessity for confidential purposes, and his determination shall be final and conclusive upon the accounting officers of the Government.

"(b) The Commandant may delegate the authority granted in this section to any person in, or employed by, the Coast Guard, with or without the authority to make successive redelegations.

(13) The analysis of chapter 17 is amended—

(A) by amending item (section) "656" to read:

"656. Use of monies appropriated for acquisition, construction, and improvement; for research, development, testing and evaluation; and for the alteration of bridges over the navigable waters.";

(B) by amending item (section) "657" to read:

"657. Dependent school children."

(C) by adding the following after item (section) "657":

"658. Confidential investigative expenses.

(14) The last sentence of subsection (a) of section 760 is amended by deleting therein the figure "$300" and substituting therefor the figure "$600".

(15) Chapter 21 is amended by adding after section 764 the following new section:

"§ 765. Enlistment of Members Engaged in Schooling.

"To permit the enlistment of Reserve members without interruption of full time schooling in which they are engaged, the four-month initial period of active duty for training requirement of subsection (d) of section 511 of title 10, United States Code, may be divided into two successive annual periods of not less than two months each."

(16) The analysis of chapter 21 is amended—

(A) by inserting the following after item (section) 764:

"§ 765. Enlistment of members engaged in schooling.";

and

(B) by inserting the following after item (section) 795:

"§ 796. Failure of selection for promotion
"§ 797. Promotion; acceptance; oath of office.
"§ 798. Rear admiral; maximum service in grade."

(17) Section 830 is amended—

(A) by inserting in the first sentence thereof:

(i) the phrase ", including authorized travel to or from such duties," between the words "duties" and "and";

(ii) the word "vehicle," between the words "aircraft," and "or"; and

(B) by inserting in the second sentence thereof the word "vehicle," between the words "aircraft," and "or" the three times those words occur.

(18) Section 832 is amended by adding at the end thereof a new sentence as follows:

"The performance of a specific duty as the term is used in this section includes time engaged in traveling back and forth between the place of assigned duty and the permanent residence of a member of the Auxiliary."

Sec. 2. Paragraphs (5) and (8) of section 1 of this Act are effective as of the original date of enactment of the sections thereby amended.

Sec. 3. Subsection (a) of section 2683 of title 10, United States Code, is amended by deleting the words "of a military department" in the first sentence thereof and substituting therefor the word "concerned".

By Mr. MAGNUSON (for himself and Mr. COTTON) (by request):

S. 1735. A bill to assure that the public is provided with safe drinking water, and for other purposes. Referred to the Committee on Commerce.

Mr. MAGNUSON. Mr. President, I introduce by request, for appropriate reference, a bill to assure that the public is provided with safe drinking water, and for other purposes, and ask unanimous consent that the letter of transmittal and section-by-section analysis be printed in the Record with the text of the bill.

There being no objection, the material and bill were ordered to be printed in the Record, as follows:

Environmental Protection Agency,
Washington, D.C., February 27, 1973.

Hon. Spiro T. Agnew,
President of the Senate,
Washington, D.C.

Dear Mr. President: I am pleased to transmit a proposed bill, "The Safe Drinking Water Act of 1973," which is designed "to assure that the public is provided with safe drinking water, and for other purposes."

The proposed bill is forwarded in accordance with the Environmental and Natural Resources State of the Union Message of the President.

The Safe Drinking Water Act of 1973 would provide an effective solution to the problem associated with providing safe drinking water for the public. The legislation would insure that adequate standards are developed, require that citizens receive prompt notification if their drinking water fails to meet health standards, and provide that primary enforcement, reporting, and monitoring authorities will rest with State and local governments where they properly belong. The proposal is essentially a preventive measure intended to assure safe drinking water now and for the future.

Under the proposed bill, the Administrator of the Environmental Protection Agency would establish national mandatory drinking water standards, designed to protect the public health. Recommendatory standards relating to non-health characteristics of drinking water would also be issued. States would have responsibility for implementing and assuring compliance with the mandatory national standards. In the event of non-compliance, the supplier of water would be obliged to notify users, the State, and EPA. We believe that the public awareness to be achieved through the notification requirement will best assure continuing safe drinking water to the Nation. Additional assurance of compliance would be achieved through a citizen suit provision. Direct Federal enforcement would be available in the event of an imminent health hazard. Research and studies addressed to drinking water supply problems would also be provided.

We recommend that the bill be referred to the appropriate Committee for consideration and that it be enacted.

The Office of Management and Budget has advised that the enactment of this proposed legislation would be in accord with the program of the President.

Sincerely yours,
William D. Ruckelshaus,
Administrator.

Section-by-Section Analysis, Safe Drinking Water Act of 1973

Section 1 of the bill provides that the Act may be cited as the "Safe Drinking Water Act of 1973."

Section 2 declares the findings of the Congress which include: potentially hazardous drinking water affecting interstate commerce is reaching many consumers due to inadequate treatment and distribution facilities, inadequate monitoring and surveillance, and lack of sufficient information and technology; the public should receive prompt notice if the water is not safe; primary responsibility and enforcement authority should continue in State and local governments; and the Federal government should establish health related standards, recommend aesthetic related standards, and provide research, technical assistance, and information with regard to drinking water supplies.

Section 3 contains definitions of terms used in the bill including "public water systems," "contaminant," "allowable limit-health," and "recommended limit-aesthetic."

Section 4 provides that the Administrator of the Environmental Protection Agency shall establish national primary drinking water standards (those related to health) as soon as practicable, and may issue recommended national secondary drinking water standards (those related to aesthetics). In establishing or revising these standards the Administrator must consider the views of recognized experts in water supply and public health and consider the costs and benefits of such standards and their alternatives. When standards are issued, information on effects of contaminants, drinking water treatment and technology, and other information must be published.

Section 5 provides that the States shall have primary enforcement responsibility with regard to the drinking water standards except for Federal facilities. The Environmental Protection Agency is required to monitor the activities of the States and public water supply systems only to the extent necessary to determine if States are establishing and maintaining an adequate program to enforce the national primary drinking water standards.

Section 5 also provides that if the drinking water is not in compliance with the national primary drinking water standards, the suppliers of such water must notify the users, appropriate State agencies, and the Environmental Protection Agency of the non-compliance and of the possible health effects of such non-compliance. The notification received or information obtained by the exploitation of such notification shall not be used against such person in any criminal case, except a prosecution for perjury or for giving a false statement. Section 5 also provides that from any information available to the Environmental Protection Agency, if it should find that any public water supply system does not meet the national primary standards and necessary remedial action is not being taken, it must notify the State.

Section 6 provides that if the Administrator of the Environmental Protection Agency determines that an imminent hazard exists (a violation of the primary standards or other condition which would result in a serious risk to public health) he may institute enforcement proceedings to eliminate the hazard.

Section 7 provides that the Administrator of the Environmental Protection Agency shall conduct research, studies, and investigations and render financial, technical, and other assistance to appropriate public agencies, institutions, water supply utilities, and individuals relating to safe drinking water supplies. The Administrator is also authorized to make available information pertaining to research and investigations and to make the Environmental Protection Agency's research facilities available to appropriate groups and agencies engaged in studies and research relating to water supplies.

Section 8 requires each State to file an annual State program plan with the Environmental Protection Agency outlining its methods and resources for establishing and maintaining an adequate program to enforce the national primary drinking water standards, beginning one year after enactment of the legislation. Section 8 also sets out the requirements of the State plan.

Section 9 provides that the Administrator may issue regulations to carry out the purposes of the legislation. This section also sets out procedures for issuing regulations, holding public hearings, and requiring findings of fact on which regulations are based.

Section 9 also makes provisions for judicial review of proceedings of the Administrator under the Act.

Section 10 requires suppliers of water and others subject to the requirements of the Act to submit reports and to make available records and information to the appropriate State agency as necessary for implementation of the State program. Provision is also made for employees of the Environmental Protection Agency to make inspections of water supplies to determine compliance with the national primary drinking water standards.

Section 11 provides that no provision of this legislation will affect the authority of State and local governments to establish drinking water standards, except that such shall not be less stringent than the national primary drinking water standards.

Section 12 lists the prohibited acts, which includes failure by a supplier of water to make proper notifications when there is a non-compliance with the primary standards, failure by a supplier of water to comply with standards for monitoring and reporting, and the refusal to allow entry and inspection of establishments, facilities, and other property.

Section 13 establishes criminal penalties for willfully committing the prohibited acts under the bill of up to $15,000 for each violation, or one year imprisonment, or both. Civil penalties of up to $10,000 for each violation is authorized for unwillful violations. The Attorney General may also bring an action for injunctive relief.

S. 1735

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Safe Drinking Water Act of 1973".

DECLARATION OF POLICY

SEC. 2. (a) The Congress finds—

(1) that potentially hazardous drinking water directly or indirectly affecting interstate commerce is reaching many consumers due to inadequate treatment and distribution facilities, inadequate monitoring and surveillance, and a lack of sufficient information and technology to adequately treat raw water to assure its potability;

(2) that the public should be provided with water that is safe for drinking and other human uses;

(3) that the public should receive prompt and accurate notification if its water is not safe for drinking and other human uses;

(4) that the primary responsibility and enforcement authority for ensuring the quality of public water supplies has rested and should continue to rest with State and local Governments;

(5) that the Federal Government has the responsibility for establishing minimum national primary drinking water standards and for recommending national secondary drinking water standards for all public water systems and for supplying where appropriate technical assistance, research and development information, monitoring, and testing information.

DEFINITIONS

SEC. 3. As used in this Act—

(1) The term "Administrator" means the Administrator of the Environmental Protection Agency.

(2) The term "Agency" means the Environmental Protection Agency.

(3) The term "State" means a State, the District of Columbia, the Commonwealth of Puerto Rico.

(4) The term "municipality" means a city, town, borough, county, parish, district or other public body created by or pursuant to State law and having jurisdiction over the supply of water to the public and an Indian tribe or an authorized Indian tribal organization.

(5) The term "person" includes a State or political subdivision thereof, municipality, corporation, partnership, association, private or public nonprofit institutions or an individual.

(6) The term "public water system" means—

(A) any system which provides drinking water, (i) to ten or more premises not owned or controlled by the supplier of water or (ii) to forty or more individuals receiving such drinking water from a system.

(B) any system which provides drinking water to carriers, or facilities or establishments serving travelers in interstate commerce.

The term "public water system" does not include relocatable systems set up during disasters or emergencies or used in military field operations.

(7) The term "supplier of water" means any person who controls, owns or operates a public water system.

(8) The term "contaminant" means any physical, chemical, biological, radiological, or other substance or matter which causes or transmits infectious disease, chemical poisoning, chronic disease, or other impairment to man.

(9) The term "allowable limit—health" means that water, delivered to any user of the public water system, containing substances above these limits presents a substantial risk to the health of humans and shall not normally be used for drinking or culinary purposes.

(10) The term "recommended limit—aesthetic" means that water delivered to any user of the public water supply system, containing substances above these limits may be objectionable to an appreciable number of persons but is not hazardous to health.

NATIONAL DRINKING WATER STANDARDS

SEC. 4 (a) The Administrator, after consultation with the Secretary of Health, Education, and Welfare, (A) shall promulgate national primary drinking water standards as soon as practicable after the date of enactment of this Act and (B) may issue recommended national secondary drinking water standards for adoption and enforcement by State and local governments at their option. The Administrator shall specify in such regulations for national primary drinking water standards the date on which such regulations shall take effect, which shall be as soon as is practicable. The Administrator shall from time to time, revise such standards as appropriate.

(b) (1) National primary drinking water standards shall be standards, the attainment and maintenance of which are requisite to reasonably protect the public health, except that the Administrator shall not prescribe the addition of any substance other than for the purpose of treating contaminants. Such standards—

(A) shall prescribe the allowable limits—health for any contaminants which may exist in any public water system in the United States which may cause or transmit disease, chemical poisoning, or other impairments to man, allowing adequate margins of safety, and (B) shall include standards for the adequate monitoring and reporting of water quality.

(2) Recommended national secondary drinking water standards, as described under subsection (a) of this section, shall specify the level of quality of drinking water the attainment and maintenance of which is requisite to reasonably assure aesthetically adequate drinking water. Such recommended standards may apply to any constituent of drinking water (A) which may affect the taste, odor, or appearance of such water, or (B) which may otherwise be necessary to assure aesthetically adequate drinking water. These standards shall be designated as recommended limits—aesthetic.

(3) In establishing or revising standards or publishing recommended standards under this section, the Administrator shall take into consideration (A) the views and recommendations of recognized experts in the field of water supply engineering and public health and (B) the economic and social costs and benefits of such standards and their alternatives.

(c) The Administrator shall publish simultaneously with the issuance of any proposed national primary or recommended national secondary drinking water standard under this section—

(1) Such criteria and information as, in his judgment, are necessary to accurately reflect the nature and extent of identifiable effects on public health or welfare which may be expected from the presence of the contaminant which is the object of such proposed drinking water standards.

(2) Information and data on drinking water treatment methods and technology for the control of the contaminant which is the object of such proposed drinking water standard. Such information and data shall apply to features of the water supply system at which control of the contaminant may be exercised including, but not limited to, treatment, storage, and distribution facilities and the adequate construction, maintenance, and operation thereof. Such information and data shall include where available the costs and the effectiveness of such treatment and the time period necessary to control such contaminant.

(d) the Administrator shall, at least every 3 years review the adequacy of any national primary or recommended national secondary drinking water standard under subsection (a) of this section and the criteria, information, and data published under subsection (c) of this section. The Administrator shall publish his findings in the Federal Register.

ENFORCEMENT OF STANDARDS

SEC. 5. (a) For the purposes of this Act, the States have primary enforcement responsibility except for Federal facilities which will comply with section 15(a). The Administrator shall monitor the activities of the States and public water systems only to the extent necessary to determine if States are establishing and maintaining an adequate program to enforce the national drinking water standards.

(b) Whenever the water delivered by a water supply system is not in compliance with national primary drinking water standards, the supplier of such water shall notify its users, appropriate State agencies, and through the State, the Administrator, in accordance with regulations promulgated by the Administrator, of the noncompliance and the extent and nature and possible health effects of such non-compliance. Notification received pursuant to this subsection or information obtained by the exploitation of such notification shall not be used against any such person in any criminal case, except a prosecution for perjury or for giving a false statement.

(c) Whenever, on the basis of information available to him, the Administrator finds that any public water system does not comply with any national primary drinking water standard and that necessary remedial action is not being taken, he shall so notify the State in which such water system is operating.

IMMINENT HAZARDS

SEC. 6. (a) An imminent hazard shall be considered to exist when there is reason to believe that a violation of the national primary drinking water standards by a public water system or any other condition will result in a serious risk to public health.

(b) If he determines that an imminent hazard exists, the Administrator may request the Attorney General to petition an appropriate district court of the United States to order such action as is necessary to eliminate the imminent hazard. The Administrator shall simultaneously, if he has not previously done so, propose any regulation which might be necessary under section 4 of this Act, or he may commence an action under section 13 of this Act.

RESEARCH, TECHNICAL ASSISTANCE, INFORMATION

SEC. 7. (a) The Administrator shall conduct research, studies, and investigations and render financial, technical, and other assistance to appropriate public agencies, institutions, water supply utilities, and individuals in the conduct of research, studies, and investigations relating to the causes, diagnosis, treatment, control, and prevention of diseases and impairments of man resulting directly or indirectly from contaminants in drinking water. Such research, studies, or investigations may include, but shall not be limited to, the development of—

(1) new and improved methods to identify and measure the existence of contaminants in drinking water and to identify the source of such contaminants;

(2) new and improved methods to identify and measure the health effects of contaminants in drinking water;

(3) new and improved methods of treating water to prepare it for drinking, to improve the efficiency of water treatment and to remove contaminants from the water; and

(4) new and improved methods for providing safe water for drinking to the public, including improvements in water purification and distribution, and methods of assessing the health-related hazards to other characteristics of drinking water supplies, and studies of the health implications of the reclamation, reuse, and recycling including both indirect and direct reuse of waste waters as sources of public water supplies.

(b) In carrying out this Act, the Administrator is authorized to—

(1) collect and make available information pertaining to research and investigations, with respect to providing adequate quality and quantity of safe drinking water together with appropriate recommendations in connection therewith; and

(2) make available research facilities of the Agency to appropriate public agencies, institutions, water supply utilities, and individuals engaged in studies and research relating to water supply.

STATE WATER SUPPLY PROGRAM PLANS

SEC. 8. (a) Each State shall file an annual State Program Plan with EPA defining the methods and resources to be applied in establishing and maintaining adequate programs to enforce the national primary drinking water standard for each type of public water system as defined in section 3(6) beginning one year from enactment.

(b) Such State plan shall be satisfactory if it—

(1) provides for the adoption by the State of the national drinking water standards or standards which are no less stringent than the national primary drinking water standards;

(2) provides for the adoption by the State of appropriate regulations and procedures for the implementation and enforcement of the standards adopted pursuant to paragraph (1) of this subsection;

(3) provides for the enforcement of the standards violation notification procedures under section 5(b) of this Act;

(4) provides for administration or for the supervision of administration of the plan by the State agency charged with the responsibility for the safety of drinking water;

(5) sets forth the plans, policies, and procedures to be followed in carrying out the State plan;

(6) provides for such accounting, budgeting, and other fiscal methods and procedures as are necessary for the proper and efficient administration of the plan;

(7) provides for the establishment of an emergency plan of action for each public water system within the State for use in case of an emergency affecting the safety of the treated drinking water or the effective operation of the treatment facility, including provision for emergency reserves or alternate sources of water suitable for drinking and culinary purposes.

REGULATIONS, PROCEDURE, AND JUDICIAL REVIEW

SEC. 9. (a). At his own initiative, or upon the petition of any person, the Administrator is authorized to issue regulations to carry out the purposes of this Act and to amend or rescind such regulations at any time.

(b) The Administrator shall publish any regulations proposed under this Act, or proposals to amend or rescind such regulations, and his justification therefor in the *Federal Register* at least sixty days prior to the time when such regulations shall become final. The Administrator shall also publish in the Federal Register a notice of all petitions received under subsection (a) and, if such petition is denied, his reasons therefor. Such notice shall identify the purpose of the petition and include a statement of the availability of any data submitted in support of such petition. If any person directly and adversely affected by a proposed regulation files objections and requests a public hearing within forty-five days of the date of publication of the proposed regulation, the Administrator shall grant such request. If such public hearing is held, final regulations shall not be promulgated by the Administrator until after the conclusion of such hearing. All public hearings authorized by this subsection shall consist of the oral and written presentation of data, views, or arguments in accordance with such conditions or limitations as the Administrator may make applicable thereto.

(c) Proposed and final regulations issued under this Act shall set forth findings of fact on which the regulations are based and the relationship of such findings to the regulations issued.

(d) Any judicial review of final regulations promulgated under this Act shall be in accordance with section 701–706 of title 5, United States Code, except that, with respect to relief pending review, no stay of an agency action may be granted unless the reviewing court determines that the party seeking such stay (a) is likely to prevail on the merits in the review proceeding and (b) will suffer irreparable harm pending such proceeding.

(e) Except as expressly modified by the provisions of this section, the provisions of 5 U.S.C. 551 et seq. shall apply to proceedings conducted by the Administrator under this Act.

(f) If the party seeking judicial review applies to the court for leave to adduce additional evidence, and shows to the satisfaction of the court either (1) that the information is material and was not available at the time of the proceeding before the Administrator or (2) that failure to include such evidence in the proceeding was an arbitrary or capricious act of the Administrator, the court may order such additional evidence (and evidence in rebuttal thereof) to be taken before the Administrator, and to be adduced upon the hearing, in such manner and upon such terms and conditions as to the court may deem proper. The Administrator may modify his findings as to the facts, or make new findings, by reason of the additional evidence so taken, and he shall file with the court such modified or new findings, and his recommendations, if any, for the modification or setting aside of his original order, with the return of such additional evidence.

RECORDS AND INSPECTION

SEC. 10. (a) Suppliers of water and others subject to the requirements of this Act shall submit such reports and make available such records and information to the appropriate State agency as necessary for implementation of a State program required under section 8 of this Act.

(b) Any officer or employee duly designated by the Administrator, upon presenting appropriate credentials and a written notice of inspection authority to any supplier of water subject to a national primary drinking water standard prescribed under section 4 of this Act or any grantee (or person in charge of any of its property) is authorized to enter any establishment or facility or other property of such person in order to determine whether such supplier or grantee has acted or is acting in compliance with this Act, including for this purpose, inspection, at reasonable time, of records, files, papers, processes, controls and facilities, or in order to test any feature of a public water system, including its raw water source. Each inspection shall be commenced and completed with reasonable promptness and the supplier or grantee notified of the results of such inspection.

(c) For purposes of this section, the term "grantee" means any person who receives financial assistance under this Act.

STATE REGULATIONS

SEC. 11. Nothing in this Act shall affect the authority of any State or local government to establish drinking water standards or to make other requirements for purposes similar to those contained in this Act, except that any such standards or requirements shall not be less stringent than the requirements of the national primary drinking water standards under this Act.

PROHIBITED ACTS

SEC. 12. The following acts and the causing thereof are prohibited:

(1) Failure by a supplier of water to comply with the requirements of section 5(b)

of this Act, or dissemination by such supplier of any false or misleading information with respect to remedial actions being undertaken to achieve compliance with national primary drinking water standards.

(2) Failure by a supplier of water to comply with the standards for monitoring and reporting pursuant to subparagraph (B) of paragraph 4(b)(1) of this Act; or

(3) The refusal to allow entry and inspection of establishments, facilities, or other property pursuant to section 10(b) of this Act.

PENALTIES AND REMEDIES

SEC. 13. (a). Any person willfully violating section 12 of this Act shall on conviction be fined not more than $15,000 for each violation or imprisoned for not more than one year, or both.

(b)(1) Any person not willfully violating section 12 of this Act shall be liable to the United States for a civil penalty of a sum which is not more than $10,000 for each violation, to be assessed by the Administrator after notice and opportunity for an adjudicative hearing conducted in accordance with section 554 of title 5, United States Code, and after he has considered the nature, circumstances, and extent of such violation, the difficulties of achieving compliance with the provisions violated, and any good-faith efforts to comply with such provisions.

(2) Upon failure of the offending party to pay the civil penalty, the Administrator may request the Attorney General commence an action in an appropriate district court of the United States to secure such payment.

(c) The Attorney General may bring an action in the appropriate district court of the United States for equitable relief to redress a violation by any person of any provision of section 12 of this Act, and the district courts of the United States shall have jurisdiction to grant such relief as the equities of the case may require.

CITIZEN CIVIL ACTION

SEC. 14. (a) Except as provided in subsection (b) of this section, any person may commence a civil action for injunctive relief on his own behalf, whenever such action constitutes a case or controversy—

(1) against any person (including (i) the United States, and (ii) any other governmental instrumentality or agency to the extent permitted by the eleventh amendment to the Constitution) who is alleged to be in violation of any national primary drinking water standard promulgated under section 4 of this Act; or

(2) against the Administrator where there is alleged a failure of the Administrator to perform any act or duty under this Act which is not discretionary with the Administrator. Any action under paragraph (a)(1) of this subsection shall be brought in the district court for the district in which the alleged violation occurred and any action brought under paragraph (a)(2) of this subsection shall be brought in the district court of the District of Columbia.

The district courts shall have jurisdiction over suits brought under this section, without regard to the amount in controversy or the citizenship of the parties.

(b) No civil action may be commenced—

(1) under subsection (a)(1) of this section—(A) prior to sixty days after the plaintiff has given notice of the violation (i) to the Administrator, (ii) to any alleged violator of such standard and (iii) to the State in which the violation occurs.

(B) if the Attorney General, or the State has commenced and is diligently prosecuting a civil action in a court of the United States to require compliance with such standard.

(2) under subsection (a)(2) of this section prior to sixty days after the plaintiff has given notice of such action to the Administrator. Notice under this subsection shall be given in such manner as the Administrator shall prescribe by regulation.

(c) In any action under this section to which the United States is not a party, the Attorney General at the request of the Administrator may intervene on behalf of the United States as a matter of right.

(d) The court, in issuing any final order in any action brought pursuant to subsection (a) of this section, may award costs of litigation (including reasonable attorney and expert witness fees) to any party whenever the court determines such an award is appropriate.

(e) Nothing in this section shall restrict any right which any person (or class of persons) may have under any statute or common law to seek enforcement of any national primary drinking water standard or to seek any other relief.

FEDERAL FACILITIES

SEC. 15. (a) Except as provided for in subsection (b) of this section, each Federal department or agency having jurisdiction over a federally owned or maintained public water system, shall comply with all national primary drinking water standards prescribed under section 4 of this Act and shall, to the maximum extent practicable, comply with any recommended national secondary drinking water standard prescribed under such section. Notification required by section 5(b) will be submitted to the Administrator in lieu of the appropriate State agency.

(b) The Administrator may waive compliance with the requirements of subsection (a) of this section, in whole or in part, upon receiving information from the Secretary of Defense or from the Secretary of the Department in which the United States Coast Guard is operating that such waiver is in the interest of national security. Upon the issuance of such a waiver, the Administrator shall publish in the Federal Register a notice that the waiver was granted for good cause shown by the Secretary of Defense or by the Secretary of the Department in which the United States Coast Guard is operating, in the interest of national security, unless the Administrator has been requested by the applicable Secretary to omit such publication because it would be contrary to the interests of national security.

AUTHORIZATION FOR APPROPRIATIONS

SEC. 16. There is hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

By Mr. McCLELLAN:

S. 1736. A bill to amend title 38, United States Code, to authorize eligible wives and widows to pursue on-farm training. Referred to the Committee on Veterans' Affairs.

Mr. McCLELLAN. Mr. President, I am today introducing a bill which will remove an inequity in the system of benefits for veterans' dependents. Under the present law, wives and widows of servicemen cannot participate in on-farm training programs which are available to veterans themselves. The Vietnam-Era Veterans' Readjustment Assistance Act of 1972 (Public Law 92-540) generally extended most available veterans' educational programs to the eligible wives and widows of veterans. However, provision for the training of rural wives and widows in farm management and operation was omitted from the 1972 act.

Mr. President, this omission discriminates against families of veterans who are farmers by denying to them benefits comparable to those which are available to the families of veterans engaged in the operation of a business. This discrepancy in the present law should be removed so that farm families may receive the equitable treatment they deserve. The bill I am introducing will amend present law to provide equal benefits for the families of farmer veterans.

Mr. President, the mechanization of farming has progressed to the extent that women can, with proper training and preparation, manage the family business alone, if necessary. The purpose of this bill is to enable eligible wives of veterans who desire to carry on the operation of a family farm to prepare themselves to do so.

Estimates supplied by the Veterans' Administration indicate that the costs of this program would be nominal with only about 100 projected trainees per year throughout the country.

By Mr. NUNN (for himself and Mr. TALMADGE):

S. 1738. A bill to authorize the establishment of the Chattahoochee River National Recreation Area in the State of Georgia, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

CHATTAHOOCHEE RECREATION AREA BILL

Mr. NUNN. Mr. President, few resources can rival the qualities of a river flowing free through its natural environment for a rewarding recreation experience. Such an experience awaits each visitor to the Chattahoochee River, a favorite recreation area and hallowed retreat for thousands of Georgians who live in or near the city of Atlanta.

The bill I am introducing today, which is cosponsored by Senator TALMADGE, would set aside areas along a 48-mile stretch of the Chattahoochee River near Atlanta as a national recreation area. I am proud to announce that a similar bill has already been introduced in the House this week and has the support of all 10 Georgia Congressmen. The proposed recreation area will extend from Buford Dam downstream to Peachtree Creek, and encompasses some of the most beautiful river vistas and natural scenic woodlands in the Southeast.

At a time when open space continues to disappear under concrete blankets and high rise complexes, our rate of use of available recreation areas has been rising at least 10 percent each year. That is one reason why it is particularly important that we recognize the need to provide additional recreation opportunities for the citizens of large urban centers.

I am pleased to offer this legislation, on behalf of Senator TALMADGE and myself, which will preserve the natural beauty of the Chattahoochee River for the enjoyment of generations of future Georgians.

By Mr. CANNON (by request):

S. 1739. A bill to amend the Federal Aviation Act of 1958 to provide a definition for inclusive tour charters, and for other purposes. Referred to the Committee on Commerce.

Mr. CANNON. Mr. President, I send to

the desk a bill which I am introducing at the request of the National Air Carrier Association, a trade group representing some of the Nation's certificated charter airlines.

The bill, reflecting policy changes which at this time I have reserved judgment on, would change the regulatory framework relating to "inclusive tour charters." Inclusive tour charters, or "ITC's" as they are known, are vacation or recreation programs in which the consumer purchases transportation, hotel rooms, meals, and other ground arrangements as part of one complete package.

Presently, ITC's are regulated by Civil Aeronautics Board regulations and the Federal Aviation Act in a manner which greatly restricts their marketability to the traveling public. For example, ITC tours must make at least three overnight stops at locations at least 50 miles apart and the charge for the service must be not less than 110 percent of the lowest applicable scheduled air fare between the points involved. These restrictions have made it difficult for tour operators to market such packages particularly to those consumers who are interested in short-term vacations.

Additionally, supplemental air carriers, who provide the air transportation portion of ITC's, are precluded by law from marketing their product or from owning or controlling companies which market the tours or vacations.

The bill I am introducing would abolish the requirements I have outlined above and would authorize the Civil Aeronautics Board to devise less stringest regulations in hopes of broadening the interest of the traveling public in vacation or tour packages.

While ITC's have not been particularly popular among American Consumers, because of the restrictions, the situation in Europe is entirely different. ITC's are a huge industry in Europe and enable Europeans to buy total tour and vacation packages at costs which would be prohibitive if the services were purchased individually and independently. It is clear that the European system has fostered a tremendous growth in the use of air transportation and has led to extremely low cost vacation programs suited to the economic conditions of lower-middle and middle-income individuals.

While I do not necessarily support all of the provisions of this bill, I have long believed that the U.S. Government's regulations of ITC's are needlessly restrictive. I am introducing the bill today in hopes of stimulating further discussion both within the Government and within the travel industry as to how we might better utilize our Nation's resources to promote tourism, short vacations, and the greater use of air transportation.

My Subcommittee on Aviation will begin hearings on the subject on May 14 and the bill's introduction today will provide a focal point from which various segments of the travel industry may express their views as to the desirability of deregulation of inclusive tour charters.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1739

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Federal Aviation Act of 1958, as amended, is further amended as follows:

(1) Paragraphs (20) through (36) of section 101 are renumbered as paragraphs (21) through (37), respectively, and a new paragraph (20) is added to read as follows:

"(20) 'Inclusive tour charter trip' means a charter trip which combines air transportation, pusuant to a contract between an air carrier or foreign air carrier and a person authorized by the Board to sell inclusive tours, and land arrangements at one or more points of destination, sold to members of the public at a price which is no less than the just and reasonable fare for charter air transportation plus a compensatory charge for land arrangements, and subject to such other requirements not inconsistent herewith as the Board shall by regulation prescribe."

(2) Renumbered paragraph (35) of section 101 is revised to read as follows:

"(35) 'Supplemental air transportation' means charter trips, including inclusive tour charter trips, in air transportation, other than the transportation of mail by aircraft, rendered pursuant to a certificate of public convenience and necessity issued pursuant to section 401(d)(3) of this Act to supplement the scheduled service authorized by certificates of public convenience and necessity issued pursuant to sections 401(d)(1) and (2) of this Act. Provided that nothing in this Act shall be construed to prohibit an air carrier from marketing directly or from controlling or being under common control with a person authorized by the Board to sell charter trips, including inclusive tour charter trips."

By Mr. TUNNEY (for himself and Mr. CRANSTON):

S. 1740. A bill to establish the Lake Berryessa National Recreation Area in the State of California, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

LAKE BERRYESSA NATIONAL RECREATION AREA

Mr. TUNNEY. Mr. President, I am introducing today legislation to establish a national recreation area at Lake Berryessa, Napa County, Calif. This bill of particular concern and importance to citizens of northern California, and I am pleased to have my California colleague, Senator ALAN CRANSTON, join me in sponsoring this legislation.

Lake Berryessa is a large and beautiful body of water which was created when the U.S. Bureau of Reclamation built Monticello Dam. The lake is situated in a delightful area of wooded hills and canyons, and enjoys a temperate year-round climate. It lies within easy driving distance of the San Francisco Bay area and Sacramento-Stockton metropolitan area. The federally owned lake, the second largest man-made body of water in California, thus presents unequaled recreational opportunities for the people of northern California's major cities. Yet, even though this Federal lake has been in existence since the mid-1950's, its full recreational potential has never been developed. In a time of increasing public demands for quality recreation, I think it imperative that Congress investigate this unfulfilled potential and attempt to remedy the problem.

BACKGROUND

Lake Berryessa was formed with the construction of Monticello Dam, part of the Solano Reclamation project. It was designed as a flood control and irrigation project, not for recreational purposes. At normal water level, the main body of water is approximately 10 miles long and three miles wide; at this level, the shoreline length is about 170 miles.

However, because of the anticipated seasonal fluctuations of the lake level, it was not believed that the lake would become a major recreation area, and no recreational facilities were provided.

Nevertheless, as the waters began to form behind the partially completed dam, the area began to receive heavy public use. During this period, there were no sanitary or garbage disposal facilities at the lake, and the only access to the lake was by narrow roads which were inadequate for the traffic. Both the National Park Service and the California State Division of Beaches and Parks made studies in the Berryessa area, but neither agency seemed interested in supervising recreational development at the lake. Finally, after abdication or refusal of responsibility by nearly everyone else, a solution was reached. In the spring of 1958, the county of Napa offered to assume responsibility for provision and management of recreational facilities at Berryessa. The management agreement between the county and the Bureau of Reclamation was finally signed on July 31, 1958.

Unfortunately, no funds were provided by the Federal Government for even minimum basic public use facilities, roads, or parking areas of any kind. Therefore, the county contracted with seven private concessionaires who agreed to develop the lake for recreational day use with their own funds, at no cost to the Napa taxpayers.

THE PROBLEM

It was here that the plans for recreational development began to fall apart. The concessionaires were clear in their intentions to make a fair profit; however, the legal requirements spelled out in the concession agreements were thought to be sufficiently strong to guarantee protection of the public interest.

Instead, Mr. President, we find that Lake Berryessa today provides an example of inexcusable mismanagement by the concessionaires, the county of Napa and the Bureau, for their part, must also share much of the blame for their apparent disregard of the control requirements, and even acquiescence in the illegal incursions.

The concessionaires have violated the obligations spelled out in the management agreement and the contracts. Instead of picnic tables, campsites, public beaches, public restrooms, the visitor finds gates, fences, private trailers and prefabricated homes, private security police, and so on. In short, the lake has become a private residential area complete with sleazy developments instead of a public recreational center as intended by the original public use plan prepared by the National Park Service. Two-thousand mobile homes have been moved onto the Federal land, despite clear language in the management agreements to the contrary, some of these "mobile" homes have not been moved for as long as 10 years.

Unsurprisingly, in the process of establishing this semipermanent residential community on Federal land, the concessionaires have substantially barred large portions of the public from large portions of the lake.

When I visited Lake Berryessa, I was astonished to see "Private Property, No Trespassing" signs forbidding entrance to what is clearly Federal property. Facilities at some of the resorts are so crowded and congested that slum conditions exist, while there is a complete paucity of facilities at other "free" areas along the shoreline. I saw open, unfenced sewage treatment ponds in some areas where the public use plan called for public beaches and picnic areas. In short, Mr. President, everything at Berryessa seems calculated to discourage the day-use visitor whom the concessionaires were originally contracted to serve.

In June of 1970, an "Environmental early morning memorandum" was filed with the Department of the Interior by a staff member of the Bureau of Sport Fisheries and Wildlife, noting that:

> Recreation developments appear to be geared to benefit a very few with apparent disregard for the needs of the general public.

By late 1970, conditions at the lake had reached such a state that the Bureau of Reclamation at last put out a moratorium on all further developments by concessionaires until the management agreement could be reevaluated. The National Park Service was asked to study the Berryessa area and draft a new plan for recreational development, one which would guarantee the public access to the $50 million resource. Meanwhile, things continued to get worse.

In early 1971, my staff in Washington and San Francisco began an intensive investigation that lasted nearly 6 months. The results of that investigation led me to write Secretary of the Interior, Rogers C. B. Morton requesting an explanation and inviting his comments on an appropriate remedy to the shocking misuse of public lands under the jurisdiction of the Bureau of Reclamation at Berryessa.

In May 1971, the General Accounting Office conducted a survey of Bureau of Reclamation projects which included Berryessa. The results of that survey confirmed my findings—the Bureau concluding that:

> Public recreational facilities at the lake had not been adequately developed, and that . . . contrary to the requirements of the public use plan . . . access to and use of Lake Berryessa by the general public was restricted severely by private developments.

In February of this year, I sent another letter to Secretary Morton in which I again expressed my concern over the problems at Lake Berryessa and asked him to answer specific questions concerning operations and management of the lake facilities. The Secretary's response confirmed my position more than ever that definite action was needed.

I ask unanimous consent to insert a copy of my letter and his response in the RECORD at this point.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON THE JUDICIARY,
Washington, D.C., February 26, 1973.

Hon. ROGERS C. B. MORTON,
Secretary, Department of the Interior
Washington, D.C.

DEAR MR. SECRETARY: Despite repeated denials from Bureau spokesmen in Sacramento, I continue to receive disturbing reports from constituents as to your agency's policies and plans for administration of Lake Berryessa in Napa County, California. These reports have been echoed in the California press. In order to set the record once and for all, therefore, I would appreciate answers to the following questions:

1. Is the development moratorium which the Bureau imposed on the seven concessioners at Lake Berryessa in October, 1970, still in effect?

a. If so, is it being vigorously enforced?

b. If so, have there been violations reported, and what sanctions have been imposed?

c. If so, is there presently any intention within the Bureau to either lift or relax the moratorium this year?

d. If the moratorium is not presently in effect, who made the decision to lift it, when was the decision made, and for what reasons?

2. Does the Bureau presently have any plans to allow the concessioners at Lake Berryessa to introduce more trailers and prefabricated, semi-permanent homes onto federal land?

a. If so, when was this decision made, by whom, and for what reasons?

b. If so, how can this decision be justified in light of the National Park Service's 1971 plan which called for a phasing-out of the trailers over the next five to seven years?

3. Does the Bureau presently have any plans to renegotiate the current management agreement with Napa County and the seven concessioners?

a. If so, what changes are contemplated?

b. If so, is there any intention to delete or substantively amend the "termination clause" in s of the Agreement?

4. What is the current status within the Bureau of the 1971–72 National Park Service Plan for Recreational Development at Lake Berryessa?

Thank you for your assistance in this matter.

Sincerely,

JOHN V. TUNNEY,
United States Senator.

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., April 25, 1973.

Hon. JOHN V. TUNNEY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR TUNNEY: This is in response to your letter of February 26, 1973, to Secretary Morton regarding the administration of recreation at Lake Berryessa. We are pleased to provide you with information in reply to the questions posed in your letter.

The Bureau of Reclamation has an agreement with Napa County, originally entered into in 1958 and, subsequently, revised under the date of January 17, 1962, for the management of recreation at Lake Berryessa. This agreement was entered into to take care of the recreating public when no other public agency was willing to accept this responsibility and, at a time, when public funds had not been provided for recreation facilities. The Bureau continues to have a basic responsibility that it cannot ignore at Lake Berryessa, and must find some means of providing for the recreating public until such time as some other plan is put into effect.

You have asked if the development moratorium "which the Bureau imposed on the seven concessioners at Lake Berryessa in October 1970, is still in effect." As previously indicated, the Bureau's agreement is with Napa County which, in turn, has entered into agreements with the seven concessioners at the lake. The Bureau's dealings are with the county rather than with the concessioners. The Bureau notified county representatives by letter dated July 20, 1970, that they should approve no new concession developments or additions until a new management agreement between the Bureau and Napa County was executed and placed in effect. This letter has been referred to as the moratorium. These restrictions have not been removed by the Bureau of Reclamation, and are still being vigorously enforced However, the county, on advice of counsel, has contended on numerous occasions that there is nothing in the 1962 agreement that permitted the Bureau to impose a moratorium.

Although there have been some minor violations of the so-called moratorium, the Bureau, working through the county, has made every effort possible to enforce this restriction, and has had an employee reviewing the area at least once weekly to assure that the concessioners are working within the spirit of writen agreements and understanding. Where violations have been found, the Bureau has called them to the attention of the county asking it to take appropriate action, The Bureau has insisted that where public safety and health was involved certain improvements had to be made. Bureau sanitary engineers have been working very closely with county health authorities to upgrade the sewage treatment facilities in the concession areas. Maintenance services necessary to keep the overall facilities operational and of service to the public have also been permitted.

Recognizing that the ultimate solution to Lake Berryessa recreation needs might take some time and that existing situations must be corrected, the Bureau and the county, in July 1972, jointly began the preparation of a set of standards for the development and management of recreation at the lake. Initially, these standards are intended for all new construction and, ultimately, existing facilities will be upgraded to meet these standards. Considerable progress has been made in this effort. The county has adopted planning, design, construction, operation, and maintenance standards for six important categories of recreation facilities. These standards, as adopted by the county, are in essential agreement with standards jointly developed by the Bureau and Napa County, and reviewed by a representative of the National Park Service.

In the meantime, the Bureau is negotiating with Napa County to amend the existing agreement on an interim basis whereby the concessioners would continue to operate the seven areas with all new construction governed by the new standards developed by the Bureau and Napa County. This interim management agreement was proposed to the county in December 1972. Under the interim agreement, the Bureau would have an active part in the administration of the recreation areas by having a full-time employee stationed at the lake.

This interim agreement also would require each concessioner to develop additional day-use facilities within the concession areas before any additional mobile home spaces could be established. The new interim agreement would partially lift the moratorium, and as additional day-use facilities are provided by the concessioner, additional mobile home spaces would be allowed on a quid pro quo basis so long as all spacing, density, and other upgraded standards are met by the concessioner, and the areas are not needed for other public recreation.

The present arrangement is providing recreation experiences for nearly two million visitors each year. Under the present management agreement, as supplemented by the proposed interim management agreement, and assuming reasonably efficient concession management practices, the concessioners should have an opportunity to operate economically viable enterprises. Until financing is available from some source other than the county or concessioners, it will be necessary for the concessioners to rent space for mobile homes if the concessions are to remain financially solvent, and other concession charges are to be kept at reasonable rates for the general public. It does not seem unreasonable to permit some mobile homes in Government land around Lake Berryessa as long as they do not prevent or seriously interfere with the primary obligation to provide facilities and an environment for other public recreation enjoyment. Occupancy of this Government land must be in conformance with strict standards to assure desirable conditions. It presently appears that public funds will be required for the development of day-use areas outside the concession areas.

The National Park Service Plan for phasing out the trailers over the next 5 to 7 years was based on the premise that Government funds would be provided to purchase the entire investments the concessioners have made in recreational facilities for the lake.

The proposed interim agreement could well be followed by a new management agreement between the Bureau and the county. This, of course, would depend upon a final decision regarding the nature of recreation management of the lake. Any new agreement between the Bureau and Napa County would undoubtedly require revised agreements between the county and the concessioners. All parts of the present agreement would be reviewed and appropriate changes would be made. Certainly, the termination clause will be considered when any new agreement is prepared. The proposed interim management agreement includes the following language: "The Bureau agrees that no action will be taken during the term of this agreement to terminate activities of the county or any concessioner without cause. The Bureau agrees to support enactment of applicable executive and congressional actions, as may be appropriate, to provide for reimbursement to the county of Napa or concessioners at Lake Berryessa for improvements financed by the county or concessioners in the event of the unilateral termination by the Bureau of the agreement of January 17, 1962." Napa County has pointed out on several occasions that the National Park Service has authority to compensate concessioners under circumstances similar to those in the language just quoted.

The National Park Service's Advisory Report dated August 1972 has not been released to the public, as that extensive plan has not been adopted by the Department. Thus, any public release of the report would be highly misleading. This Department has a continuing responsibility to the public at Lake Berryessa. The general public will continue to use the lake whether or not a final plan has been developed. The Bureau has a valid agreement with Napa County, and pending a final solution, it will make every possible effort to correct existing problems and provide the general public with recreation under present authorities.

Sincerely yours,

W. R. WILSON,
Acting Deputy Assistant Secretary of the Interior.

Mr. TUNNEY. Mr. President, my bill to designate Lake Berryessa as a national recreation area is a first step toward opening this entire area to the public. However, bringing Lake Berryessa under the control of the National Park Service is not the entire answer. Numerous actions will be necessary to halt the accelerated eutrophication which threatens to destroy the natural beauty of the lake. I have written a letter to Secretary of Interior Morton today which outlines the interim steps which I believe must be initiated while this bill is pending in the Congress. These include the curtailment of expansion plans for existing "resort areas," implementation of a water quality monitoring system, correction of present inadequacies in the sewage treatment system, establishment of a temporary information/orientation facility in the Moskowite Corners area, immediate curtailment of installation of new mobile homes anywhere on the lakeshore, and enforcement of the applicable California health and safety codes in all existing mobile homes. The moratorium on development of mobile home parks was relaxed last month by the Bureau of Reclamation, an action which will only serve to further complicate the problem of restricted public access to the lake and increase the pollution visible in many areas along the shoreline.

In establishing a national recreation area at Lake Berryessa, Mr. President, the Federal Government must assume responsibility for the entire area as soon as possible. This means that the Government must purchase all existing utilities, roads, launching ramps and structures from the present concessionaires, and must provide such services as maintenance, garbage collection, pickup campers, and motorhome facilities. The establishment of adequate day recreation facilities must be the first priority.

My bills calls for the acquisition of land presently under the control of the Bureau of Reclamation. In addition to these lands, I would strongly recommend that the National Park Service consider purchasing the following parcels of land, for reasons specified under each:

A. A series of presently undeveloped parcels of land between Knoxville Road and the lake south of Rancho Monticello to Capell Creek, excluding the large area presently outside the boundary between Sugarloaf Park and Spanish Flat Resort. These 2.5 acres would enable the scenic setting of the lake east of Knoxville Road to be maintained, preclude undesirable strip type development along the east side of Knoxville Road, provide overlooks at appropriate points, and preclude possible management problems.

B. A parcel of land directly south of the Pope Creek Bridge bounded by the highway, the existing boundary, and the Berryessa Park subdivision. These 25 acres would be used to provide access to and parking for the Pope Creek area.

C. A parcel of land south and adjacent to the existing boundary in Wragg Canyon, including but not limited to the existing easement. These 80 acres would accommodate development at South Shore and eliminate management difficulties inherent in the easement.

D. A parcel of land nearly but not exactly coincidental with the existing easement along Putah Creek. These 1,640 acres are necessary to insure compatible shoreline lands in this area. Potential management problems and use conflicts could be avoided when no private lands separate the highway and the park.

G. A parcel including all lands between Knoxville Road and the existing Federal boundary south of the Berryessa Park subdivision, extending south to the point where Knoxville Road and the Federal boundary cross. These 100 acres would accommodate development.

H. A parcel at the northernmost end of the lake along Eticuera Creek, to include but not limited to lands presently under easement. These 1,050 acres would protect the scenic beauty of the area and accommodate development.

I. A parcel directly to the west of parcel "F". These 400 acres would provide access and management protection to development on the heights between Putah Creek and the Lake.

J. A parcel adjacent to the southerly tip of the existing boundary along the creek in Steele Canyon, which is coincidental with the existing easement. These 30 acres are necessary to insure compatible uses of all waters impounded by the Monticello Dam, including surcharge waters, and to eliminate the possibility of management problems.

K. A parcel located in the Moskowite Corners/Capell Valley area (final location to be determined following the adoption of the Wooden Valley/Capell Valley freeway route). These 2–3 acres would accommodate development of an information/orientation/interpretation center, and should be located near or adjacent to the intersection of the freeway and Route 128.

We can no longer permit this beautiful public resource to be exploited for private gain. If we act now, with comprehensive and aggressive action, we can develop Lake Berryessa into the magnificant recreational area it was intended to be.

It is with the firm commitment to making this lake a beautiful recreational facility for all the public to enjoy that I submit the following bill "to establish the Lake Berryessa National Recreation area in the State of California, and for other purposes."

By Mr. WILLIAMS:

S. 1742. A bill to prohibit the use of leg-hold, steel jaw traps, or other inhumane snaring devices on animals in the United States. Referred to the Committee on Commerce.

THE STEEL JAW TRAP

Mr. WILLIAMS. Mr. President, I am today introducing for consideration by the Senate, a bill which would make it the public policy of the United States to prohibit the manufacture, sale, and use of leg-hold, steel jaw and spring traps in this country.

This bill would virtually outlaw the leg-hold, steel jaw traps by prohibiting the shipment into interstate or foreign commerce of fur, leather, and other byproducts from animals trapped in any State or nation which permits the use of such devices. It also bans the import of fur, leather, or other byproducts of animals from any and all foreign countries which have not banned the manufacture, sale, and use of these traps. I believe that this bill will effectively eliminate these barbaric traps, not only in this country, but also in other countries which desire to export fur and leather to the United States.

The bill would, however, allow farmers and other landowners to protect their property and livestock or domestic animals against damage from predators.

Unfortunately, steel jaw traps make no distinction between the wild animals for which they are intended and someone's pet dog or cat or even a child.

The Humane Society of the United States special report on trapping clearly points out the need for this legislation, as it describes the pain and suffering inflicted upon an animal unfortunate enough to step into one of these torturous devices.

Mr. President, at this point in my remarks, I ask unanimous consent to include the text of the above-mentioned report.

There being no objection, the report was ordered to be printed in the Record, as follows:

The Steel Jaw is one of the Cruelest Devices Invented by Man

Every year several million American wild animals are killed for their fur by trappers. Most of them die slowly and painfully, after having a leg or a paw caught in a powerful steel jaw (or leghold) trap.

The steel jaw trap is one of the cruelest devices invented by man. It can be hidden under grass along a well-trodden animal path, under water, or among the leaves of a tree. When triggered by an animal's weight, the heavy steel jaws spring shut over a paw or a leg with such force that bones are sometimes broken. Some leghold traps contain sharp steel teeth that pierce all the way through flesh and muscles

As the animal realizes he is trapped, his fear mounts to the point of panic. He bites frantically at the trap, often breaking his teeth. He twists and pulls his leg to free himself, increasing the pain even more. As the pain becomes unbearable, many animals completely chew or twist off their own legs to free themselves. They then face death from loss of blood, gangrene, or infection. At best, they will spend the rest of their lives at the mercy of predators because of their reduced mobility.

For the ones that remain in the traps, hunger and thirst soon set in. Because most animals are trapped in winter when their furs are in prime condition, the victims are exposed to the cold and often soaked by rain and snow. Their tongues sometimes get stuck against the cold steel as they try to free themselves. And, in his helpless situation, the trapped animal often finds himself at the mercy of a predatory animal who soon senses his victim's inability to flee or defend himself.

A trapper who checks his traps frequently at least offers an end to his victim's misery. But few people work at trapping full time today, and, although 16 states require checking traps in 24 hours or less, such laws are almost impossible to enforce. Consequently, the suffering drags on until the animal loses consciousness or is killed by a predator.

On top of all this, the steel jaw trap is not selective. It will spring shut on a non-target animal as quickly and as painfully as on the animal desired. For example, ducks often use ponds built by beavers as feeding grounds and, consequently, get caught in beaver traps that crush their legs or break their necks. Dogs and cats are often caught in the traps, too, especially near urban areas. The Humane Society of the United States assisted in the rescue of a German Shepherd who had caught two legs in a trap set for muskrats outside Washington, D.C. One leg and part of a second one had to be amputated. The number of non-target animals caught is often as high as double a trapper's total useable catch. These "trash animals." as trappers call them, are merely discarded, having been tortured and killed for no reason.

Furthermore, the catching of a mother in a trap is likely to result in the starvation of an entire litter. And, because there are no seasonal limits to trapping, pregnant animals are often killed, resulting in the useless destruction of many unborn animals.

Forty-eight of the 50 states still permit this barbaric method of catching animals. With the opening of new territories in the early 19th century, the steel jaw trap was introduced as an expedient method of obtaining food and building a base for commercial trading. This practice is as unjustified in the 1970s as the use of a torture chamber or a guillotine.

The Humane Society of the United States believes there is no justification for the taking of any wild animal when the motive is merely fashion or decoration. The synthetic fur industry has developed fabrics that look so much like the real thing that only the experienced eye can tell the difference. And mink ranchers have demonstrated that they can raise and kill animals in captivity without causing suffering or fear.

Yet there are enough Americans still buying the skins of wild animals to maintain a market for any American who wants to earn a few extra dollars by trapping. Sadly, a large percentage of trappers today are students, who find the irregular hours required for trapping convenient to their schedules.

Many trappers claim their work is necessary to reduce surplus populations of certain wild animal species and to control disease. The Humane Society can find no justification for such statements. On the contrary, trapping often *causes* infection and disease when animals twist or chew off their paws to escape.

Most trappers regard themselves as lovers of nature, including the very animals they trap. Veteran trappers are eager to teach trapping to their children at an early age. The Humane Society believes that exposing children to the torture of animals will desensitize them to the feelings of other living creatures. It deplores the U.S. Department of the Interior's telling you, in *Trapping Tips for Young Trappers*, that trapping is "wholesome outdoor recreation" and "deep-seated American Tradition."

A YEAR'S CATCH

Almost 6.5 million wild animals were trapped in 1971 in the 42 states that voluntarily reported to the U.S. Department of the Interior: 7,941 badgers, 12,245 ringtail cats, 85,944 beavers, 12,235 bobcats, 47,563 coyotes, 2,431 fishers, 123,989 foxes, 218 Canadian lynxes, 764 martens, 114,453 minks, 3,714,988 muskrats, 1,253,066 nutrias, 100,394 opossums, 15,954 otters, 930,050 raccoons, 11,423 skunks, 5,073 weasels.

Mr. WILLIAMS. My own State of New Jersey recently banned the use of the steel jaw, leg-hold trap in urban counties of the State and I am hopeful that the bill I am introducing today will be acted upon without delay, in order that we may see an end to this unnecessary cruelty throughout the United States.

Mr. President, I ask unanimous consent that the full text of the bill be printed in the Record at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1742

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

DECLARATION OF POLICY

Section 1. (a) It is hereby declared to be the public policy of the United States to discourage the needless maiming and suffering inflicted upon wild animals by the use of leg-hold or steel jaw traps; and

(b) In furtherance of this general policy, it shall also be the public policy of the United States to prohibit the manufacture, sale, and use of leg-hold, steel jaw, and spring traps in the United States.

PROHIBITION

Sec. 2. (a) No fur, leather, or other byproducts, whether raw or in finished form, shall be shipped into interstate or foreign commerce if such fur, leather, or other byproducts come from animals trapped in any state or nation where such traps and devices are used.

(b) The Secretary of State shall ban all imports of fur, leather, or other byproducts from animals from any and all foreign countries which have not banned the manufacture, sale, and use of such leg-hold, steel jaw, or spring traps.

CURRENT LIST

Sec. 3. The Secretary of State shall compile, publish, and keep current a list of foreign countries which have not banned the manufacture, sale, and use of leg-hold, steel jaw, and spring traps.

PENALTIES

Sec. 4. Anyone shipping or receiving fur, leather, or other byproducts in contravention of section 2 of this Act shall, for the first offense, be fined not more than $2,000; for the second or subsequent offenses, he shall be fined not more than $5,000 and imprisoned for not more than one to three years.

EFFECTIVE DATE

Sec. 5. The provisions of this Act shall become effective one year after the date of its enactment.

By Mr. SPARKMAN (for himself and Mr. Tower) (by request):

S. 1743. A *bill* to provide Federal revenues to State and local governments and afford them broad discretion in carrying out community development activities. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. SPARKMAN:

S. 1744. A bill to provide Federal assistance to local governments in support of community development activities. Referred to the Committee on Banking, Housing and Urban Affairs.

COMMUNITY DEVELOPMENT BILLS

Mr. SPARKMAN. Mr. President, I am introducing two alternative bills to establish a new program of Federal assistance to the Nation's communities for urban development.

The one bill entitled "The Better Communities Act" I am introducing by request for myself and the distinguished senior Senator from Texas (Mr. TOWER). This bill, which was sent to the Congress by Hon. James T. Lynn, Secretary of Housing and Urban Development, on April 20, would carry out the President's recommendations in his message to the Congress of March 8, 1973, on community development. It is one of several special revenue sharing proposals that the President is submitting to the Congress as part of his legislative program for 1973. According to the President's message, the bill would provide $2.3 billion a year, beginning July 1, 1974, to communities to be spent as they desire to meet their community development needs. It would replace seven existing categorical grant and loan programs, retain existing levels of Federal funds to communities by a hold-harmless provision, upgrade the role of State governments by delegating to them the authority of distributing part of the funds, assure a specific level of funding by formula for metropolitan cities and urban counties, and reduce Federal redtape by distributing the funds automatically to units of local government without the requirement of an application.

The other bill I am introducing is identical with the provisions of chapter III of S. 3248, which the Senate passed early last year by a vote of 80 to 1. The only change is the dates of reference in view of an anticipated passage in 1973 rather than 1972.

Last year's provisions grew out of a bill, S. 2333, which I introduced in 1971 to bring about a consolidation of existing community development programs into a single block-grant program. Our committee had before it both S. 2333 and S. 1618, the administration's special revenue sharing community development bill sent to the Congress in 1971. The resulting product, developed by the committee after extensive hearings and many hours of committee meetings in executive sessions, has provisions from both bills, but basically contains the block-grant principles of S. 2333.

Some of the same issues considered by the committee in connection with last year's bill will be before us again this year. However, much has happened in the last year; and I know that the committee will want to take a new look at each of the issues and make independent judgments to develop legislation for recommendation to the Senate this year. The important differences between the two bills follow:

1. REVENUE SHARING

The principle of special revenue sharing has not yet been accepted by the Congress. It carries with it a transfer of responsibility for meeting national objectives from the Federal Government to local governments with no built-in means for directing or evaluating how the Federal funds are spent, other than a postaudit for accounting and auditing purposes. Under the administration bill, communities would be automatically eligible regardless of plans or national goals, the only requirement being a 60-day time period for local comment and a requirement to meet Federal civil rights and other laws.

The Senate-passed bill of last year had a number of built-in requirements to insure that eligibility would be limited to those communities preparing and implementing plans to meet the national objectives spelled out in the law. This obviously would require HUD review and some delays. The committee would probably want to reexamine its decision of last year which required an application and a year-end review to seek a procedure which minimizes the inevitable bureaucratic application approvals, while at the same time insuring that the program is being administered to meet community development national objectives and not just to reduce local taxes or other purely parochial, partisan or narrow local objectives not considered in the public interest.

2. HUD PROGRAMS REPLACED

The major program difference between the two bills is that the administration bill proposes to terminate the model cities and the rehabilitation loan programs, while last year's bill does not. Last year's Senate bill contemplated the eventual inclusion of the model cities program into the new program, so I see no problem over model cities. However, the termination of the rehabilitation loan program proposed by the administration this year appears to leave a serious gap in the tools for an effective rehabilitation program.

3. FUNDING LEVELS

Last year's Senate bill authorized $5.9 billion in contract authority over a 2-year period of time, fiscal years 1974 and 1975. Such contracts could be liquidated subject to an appropriation act by a maximum of $2.7 billion in fiscal year 1974 and $3.2 billion in fiscal year 1975.

The administration's bill would authorize an appropriation of $2.3 billion for fiscal year 1975 with an equal amount contemplated for each of the 4 years thereafter. Considering the inclusion of the model cities program in the administration bill, which last year was at a program level of $600 million, the sharp reduction in the proposed funding becomes quite apparent.

4. ADVANCE FUNDING

Last year's bill contemplated a 2-year advance funding program to insure continuity from year to year. Two-year contracts would be made by the Secretary which would be renewed each year in order to provide for continuing support on a 2-year cycle subject to adequate contract performance.

5. BASIC ENTITLEMENT FOR METROPOLITAN CITIES AND URBAN COUNTIES

The administration's bill would establish a different allocation procedure than the one approved in last year's Senate bill; however, the basic provisions for hold-harmless and the primary distribution of program funds to metropolitan cities in accordance with population size and need would be retained. Entitlement for large metropolitan counties was not covered in last year's bill, but I see no problem in having such counties included.

The distribution of funds through the States rather than by HUD for small communities proposed by the administration is a new proposal that needs to be considered by the committee. Last year's bill made States eligible for funds to carry out community development funds, whereas the administration's bill would contemplate them only as passive distributors of funds. Considerable work needs to be done on the computers to insure that the formula for basic entitlement of funds and hold-harmless provisions are equitable and fair.

6. HOUSING

The administration's bill makes no provision to insure that a recipient community would undertake a program to meet its housing needs as part of its community development efforts. Also, no provision is made in the administration bill to meet the statutory requirement for relocation housing for families displaced by this program or, in fact, by any other current Government program.

Last year's Senate bill not only contemplated a prerequisite plan to meet housing needs, but also a plan to carry out programs to eliminate slums and blight and to improve and upgrade community services and facilities in areas affected by community development programs.

7. LOANS

No provision is made in the administraton bill for Federal support to enable a community to borrow funds at reasonable rates to carry out costly development programs like urban renewal. The bill merely recognizes the right of the community to use whatever financial mechanisms that are available.

Last year's bill made provision for Federal loans to States and communities for planning and operating activities. Our committee has been told that without federally supported loan funds, any substantial development or redevelopment program would not be feasible for most U.S. communities. Land acquisitions, for example, under urban renewal have been largely financed with temporary loans locally issued, but backed by a Federal loan commitment.

Mr. President, you can see that there are many fundamental issues that need to be ironed out. Most of the issues were considered last year, so they are not new to the committee. I have introduced both bills to lay before the committee and the Senate the choices before us and to solicit comments from the public and users of the programs well in advance of hearings. To speedup consideration of a community development bill that will be acceptable to the committee and the Congress and, I hope, to the administration, I am having extensive work done to update the provisions of chapter III of last year's bill. I want an updated bill which will reflect the testimony submitted to the Housing Subcommittee in the recent oversight hearings; also, the current thinking of the administration as indicated in supporting material of its Better Communities Act, which I am also introducing today by request. An example of provisions to be added are those proposed by the administration, which I am sure the committee will support, to add model cities to the list of categorical programs replaced and the addition of a special allocation for urban counties.

Another reason for introducing last year's community development provisions as a separate bill at this time is the concern I have that mayors and other community leaders are being confused by the current distribution of proposed revenue-sharing funds coming out of the administration's nationwide drive to inform the public on the terms of its revenue-sharing better communities bill. Many Members of Congress are receiving calls complaining about the figures on the assumption that they are final, are, in fact, approved by the Congress. By having my bill introduced as an alternative I hope to eliminate this speculation, making it clear that there is an alternative and that Congress has not yet acted on the matter.

Mr. President, the Congress is facing a very important policy issue at this time involving the reestablishment of Federal programs for housing low- and moderate-income families which were cut off by the President in early January of this year. Over 4 months have gone by and no acceptable plan has been advanced for reinstating these programs or developing new ones. I am fearful that, at the rate we are going, the President's original 18-month moratorium may end up as a 24-month moratorium or longer. The President sent a message to the Congress on March 8 in which he promised to send a report to the Congress in 6 months—that is, by September 8—on his policy recommendations based upon the results of a major study he is making of the housing subsidy programs. Presumably based on these recommendations, some legislative action could be taken at some later date to reinstate Federal subsidy programs, or it is possible that the recommendations would not favor any such program at this time. This latter possibility is credible in view of the lack of housing subsidies for new programs in either the fiscal year 1974 budget or projected fiscal year 1975 budget estimates.

Mr. President, I do not believe that Congress should hold up our normal procedure and wait for this indefinite product. We must remember the long leadtime required to initiate programs. Cutting off programs is so simple compared with reinstating or initiating new ones. Once the authorizing legislation is passed, appropriations must be made, regulations must be written and communities and sponsors need time to prepare for program funds, apply for assistance and finally initiate action at the local level.

I believe that Congress has the responsibility for enacting legislation this year to have the authorization ready for the President's fiscal year 1975 budget message and, even more important, to insure its consideration by the Congress under the new budget procedures recently recommended by the Joint Study Committee on the Budget which would require authorizations 1 year in advance. Any authorization approved by Congress during early calendar year 1974 would have little chance of being included in an appropriations act for fiscal year 1975.

Mr. President, I have another strong feeling about our pending legislation, which I believe would be strongly supported by Members of the Congress; that is, that a community development bill without provision for housing subsidies would be a disservice to our communities and to our needy and ill-housed families. These programs should go together and I propose to move ahead with the preparation of housing legislation to accompany the community development bill. I have already taken steps to draft such a bill consistent with the testimony received in our recent oversight hearings. I hope that our work in drafting a new housing bill can be completed and hearings held on both the housing legislation and the community development legislation this summer. This would give adequate time for passage of legislation in both the Senate and the House this fall.

This is my plan. I have every reason to believe we can meet the schedule I have outlined. I believe that Congress owes this to the Nation and must proceed as rapidly as possible, hopefully bringing the administration along, but proceeding in any event to meet our congressional responsibility.

Mr. President, there is one more matter which I should add here, that is, that we expect to concur with the House in passage of a simple extension bill before the June 30, 1973, deadline for FHA and many of our programs. It has been proposed that such an extension bill extend both dates and funding authority, leaving an option to the Appropriations Committees to appropriate funds for fiscal year 1974 to carry certain programs through until the new programs can be implemented on July 1, 1974. I support that plan.

Mr. President, I ask unanimous consent that the two bills I am introducing today, with section-by-section summaries thereof, be printed in the RECORD.

There being no objection, the bills and summaries were ordered to be printed in the RECORD, as follows:

S. 1743

A bill to provide Federal revenues to State and local governments and afford them broad discretion in carrying out community development activities

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Better Communities Act".

STATEMENT OF FINDINGS AND PURPOSE

SEC. 2. (a) The Congress finds and declares that—

(1) States and units of general local government are the most appropriate levels of government to develop and to carry out community development programs and activities.

(2) Federal assistance for community development is presently so excessively fragmented and controlled at the Federal level, channeled through so many separate overlapping and independent grant programs, and to so many different special purpose bodies and agencies that it has become an ineffective use of the Federal funds devoted to assistance for community development.

(3) The effectiveness of Federal assistance for community development would be improved by making Federal resources allocated for such purposes available to States and units of general local government to use with broad discretion in light of their evaluation of their own community development needs and the resources available to them to meet those needs.

(b) It is therefore the purpose of this Act to help States and units of general local government to deal more effectively with the broad range of community development concerns by replacing inflexible and fragmented categorical programs of Federal assistance with a simpler, more certain, and more expeditious system of Federal revenue sharing assistance which will encourage the exercise of State and local responsibility.

DEFINITIONS

SEC. 3. (a) As used in this Act—

(1) the term "Secretary" means the Secretary of Housing and Urban Development;

(2) the term "unit of general local government" means any city, municipality, county, town, township, parish, village, or other general purpose political subdivision of a State; a combination of such political subdivisions recognized by the Secretary; the District of Columbia; and the Trust Territory of the Pacific Islands;

(3) the term "State" means any State of the United States; the Commonwealth of Puerto Rico; Guam; Samoa; and the Virgin Islands.

(4) the term "metropolitan area" means a standard metropolitan statistical area as established by the Office of Management and Budget;

(5) the term "metropolitan city" means a city having a population of 50,000 or more or a central city in a metropolitan area;

(6) the term "urban county" means any county which is within a metropolitan area and which has a population of 200,000 or more, excluding the population of metropolitan cities therein;

(7) the term "population" means total resident population based on data compiled by the United States Bureau of the Census and referable to the same point or period in time;

(8) the term "extent of poverty" means the number of persons whose incomes are below the poverty level, as determined by the Secretary pursuant to the definition provided by the Office of Management and Budget, and based on data referable to the same point or period in time;

(9) the term "extent of housing overcrowding" means the number of housing units with 1.01 or more persons per room based on data compiled by the United States Bureau of the Census and referable to the same point or period in time; and

(10) the term "fiscal year" means that period of time extending from July 1 of any calendar year through June 30 of the subsequent calendar year and receiving the numerical designation of the calendar year in which the period ends.

(b) To the extent practicable, the definitions in subsection (a) shall be based upon the most recent data compiled by the United States Bureau of the Census and the latest published circulars of the Office of Management and Budget. The Secretary may by regulation make technical modifications in the terms defined in subsection (a) where necessary to reflect modifications in Bureau of the Census data categories made subsequent to enactment of this Act.

COMMUNITY DEVELOPMENT ACTIVITIES ELIGIBLE FOR ASSISTANCE

SEC. 4. Community development activities for which a recipient may utilize shared Federal revenues provided under this Act may include—

(1) acquisition of real property (including air rights, water rights, and other interests therein) which is (i) blighted, deteriorated, deteriorating, undeveloped, or inappropriately developed from the standpoint of sound community development and growth, (ii) necessary for the preservation

or restoration of historic sites, the beautification of urban land, the conservation of open spaces, natural resources, and scenic areas, the provision of recreational opportunities, or the guidance of urban development, (iii) determined to be appropriate for rehabilitation or conservation activities, (iv) to be used for the provision of public works, facilities, and improvements eligible for assistance under this Act, or (v) for other public purposes;

(2) relocation payments and assistance for individuals, families, businesses, nonprofit organizations, and farm operations displaced by community development activities;

(3) clearance, demolition, removal, and rehabilitation of buildings and improvements (including financing rehabilitation of privately owned properties when incidental to other activities);

(4) acquisition, construction, reconstruction, or installation of public works, facilities, and site or other improvements—including water and sewer facilities, community and neighborhood facilities, historic properties, utilities, streets, street lights, foundations and platforms for air rights sites, pedestrian malls and walkways, parks, and playgrounds;

(5) elimination, by code enforcement and other means, of harmful physical conditions constituting a danger to public health and and safety;

(6) disposition (through sale, lease, donation, or otherwise) of any real property acquired pursuant to this Act or its retention for public purposes; and

(7) the provision of community services (including activities to further the purposes of section 9(a)) which the recipient determines are necessary to achieve its community development objectives.

STATEMENTS OF COMMUNITY DEVELOPMENT ACTIVITIES

SEC. 5. (a) Prior to the first receipt in any fiscal year of funds by any State or by any unit of general local government under Section 7, the recipient of such funds shall have prepared a final statement of community development objectives and projected use of funds for such fiscal year and shall have provided the Secretary with the certification required in the last sentence of this subsection. The statement shall also reflect the degree to which activities assisted under this Act relate to any State and area wide programs and activities for community development. In order to permit public examination and appraisal of community development projects and activities proposed to be carried out with shared revenues, to en*hance the public* accountability of recipients of funds and to facilitate coordination of activities with different levels of government, at least 60 days prior to preparation of a final statement, a proposed statement shall be published in such manner as to afford the citizens of such State or unit of general local government a reasonable opportunity to examine its content and to submit comments on the proposed statement. In preparing the final statement, the recipient shall consider any such comments and may, if deemed appropriate by the recipient, modify the proposed statement. The final statement shall be made available to the public, and a copy shall be furnished to the Secretary (and, in the case of any recipient unit of general local government, to the Governor of the State in which it is located as well) together with a certification that the recipient is in full compliance wih the publication requirements of this subsection as well as the other provisions of the Act.

(b) With respect to funds to be received in fiscal year 1975, the requirements of subsection (a) may be met by actions taken prior *to the* effective date of this Act.

(c) Within 60 days after the close of any fiscal year in which the recipient receives funds under this Act, the recipient shall make public and shall forward to the Secretary a report concerning the community development projects or activities paid for or expected to be paid for in whole or in part by funds received under Section 7 which were initiated or carried out during the then preceding fiscal year. The report shall include an assessment of such activities in relation to the community's development objectives.

AUTHORIZATION OF APPROPRIATIONS

SEC. 6. For the purpose of carrying out this Act there are hereby authorized to be appropriated, without fiscal year limitation, such sums as may be necessary for fiscal year 1975 and the four succeeding fiscal years.

ALLOCATION AND DISTRIBUTION OF FUNDS

SEC. 7. (a) (1) From the funds provided in any fiscal year from appropriations to carry out this Act, the Secretary shall pay to each metropolitan city and urban county an aggregate amount equal to the greater of its formula entitlement, as computed under paragraph (2), or its hold-harmless amount, as computed under paragraph (3).

(2) (A) Subject to subparagraph (C), the Secretary shall compute the formula entitlement of each metropolitan city or urban county by allocating 65 per centum of the total of the funds made available in the fiscal year from appropriations to carry out this Act so that each metropolitan city or urban county is allotted an amount which bears the same ratio to such 65 per centum as the average of ratios among—

(i) the population of the city or urban county and that of all metropolitan cities and urban counties;

(ii) the extent of poverty in the city or urban county and that in all metropolitan cities and urban counties; and

(iii) the extent of housing overcrowding in the city or urban county and that in all metropolitan cities and urban counties.

(B) In applying subparagraph (A), the ratio involving the extent of poverty shall be counted twice for purposes of determining the average ratio, and urban counties shall be considered as if they did not include metropolitan cities. For fiscal years 1975 and 1976, in computing entitlements under subparagraph (A), the Secretary shall exclude from urban county data the population, poverty and housing overcrowding data from units of general local government which are located in such counties and which qualify for hold-harmless funds. For fiscal year 1977, he shall exclude two-thirds of such data and for fiscal year 1978 he shall exclude one-third of such data.

(C) During the first three years for which funds are allocated under this Act the entitlement of a metropolitan city or urban county as computed under the two preceding subparagraphs shall be adjusted as provided in this subparagraph if the amount so computed for the first year exceeds the city's or county's hold-harmless amount as determined under paragraph (3) of this subsection. Such adjustment shall be made so that—

(i) the entitlement for the first year equals one-third of the full entitlement computed under subparagraph (A), or the hold-harmless amount, whichever is the greater,

(ii) the entitlement for the second year equals two-thirds of the full entitlement computed under subparagraph (A), or the hold-harmless amount or the amount allowed under clause (i) of this subparagraph, whichever is the greatest, and

(iii) the entitlement for the third year equals the full formula entitlement computed under subparagraph (A).

(3) (A) The hold-harmless amount of each metropolitan city or urban county shall be determined on the basis of prior grants or other assistance the city or county has received. During fiscal years 1975 and 1976, such amount shall be the full amount computed for the city or county in accordance with subparagraph (B) of this paragraph. In fiscal years 1977, 1978 and 1979, if such amount is greater than the formula entitlement of the metropolitan city or urban county for that year, as computed under subparagraph (A) of subsection (a) (2), it shall be reduced so that—

(i) in fiscal year 1977, the excess of hold-harmless over the formula entitlement shall equal two-thirds of the difference between the amount computed under paragraph (B) and the formula entitlement for such year,

(ii) in fiscal year 1978 the excess of hold-harmless over the formula entitlement shall equal one-third of the difference between the amount computed under paragraph (B) and entitlement for such year, and

(iii) in fiscal year 1979 there shall be no excess of hold-harmless over formula entitlement.

(3) (B) The full hold-harmless amount of each metropolitan city or urban county shall be the sum of (i) the sum of the average during the five fiscal years ending prior to July 1, 1972, of (1) commitments for grants pursuant to part A of title I of the Housing Act of 1949; (2) loans pursuant to section 312 of the Housing Act of 1964; (3) grants pursuant to section 702 and 703 of the Housing and Urban Development Act of 1965; (4) loans pursuant to title II of the Housing Amendments of 1955; and (5) grants pursuant to title VII of the Housing Act of 1961; and (ii) the average annual grant made in accordance with part B of title I of the Housing Act of 1949 during fiscal years ending prior to July 1, 1972, or during fiscal year 1973 in the case of a metropolitan city or urban county which first received a grant under part B of title I in such fiscal year. In the case of a metropolitan city or urban county program under section 105 of title I of the Demonstration Cities and Metropolitan Development Act of 1966 which has been funded or extended in fiscal year 1973 for a period ending after June 30, 1973, determinations of the hold-harmless amount of such metropolitan city or urban county shall be made so as to include, in addition to the amounts specified in clauses (i) and (ii) of the preceding sentence, an amount equal to the average annual grant (excluding grants for Planned Variations) made during the fiscal years ending prior to July 1, 1972, in accordance with such section, except that such amount shall be added annually only for a number of years which, when added to the number of funding years for which the city or county received grants under section 105 of title I of the Demonstration Cities and Metropolitan Development Act of 1966, equals five. For the purposes of this subparagraph the average annual grant under part B of title I of the Housing Act of 1949 and section 105 of title I of the Demonstration Cities and Metropolitan Development Act of 1966 shall be established by dividing the total amount of grants made to a participant under the program by the number of months of program activity for which funds were authorized and multiplying the result by twelve.

(C) In making determinations under subparagraph (B), of this paragraph (3), the Secretary, in the case of urban counties, shall exclude grants or other assistance extended to metropolitan cities and other units of local government within those counties. He shall also exclude from determinations under subparagraph (B), grants or loans made to assist in recovery from natural disasters, and grants made to assist in the initial implementation of the Uniform Relocation Assistance and Real Property Acquisition Policies Act.

(b) (1) From the funds provided in any fiscal year from appropriations to carry out this Act, the Secretary shall pay such hold-harmless amount if any, as may be determinable under subsection (a) (3) to any unit of local government which is not a metropolitan city or urban county, if on June 30, 1974, it was carrying out a model cities program under title I of the Demonstration Cities and Metropolitan Development Act of 1966, or if during fiscal year 1968 or any subsequent fiscal years preceding the date of the enactment of this Act, one or more urban renewal projects or neighborhood development programs were being carried out by such unit of general local government pursuant to commitments for grants or grants entered into or made during such period of fiscal years under title I of the Housing Act of 1949.

(2) In fiscal years 1977, 1978 and 1979, in determining the hold-harmless amount of units of general local government qualifying under this subsection, the third sentence of subparagraph (A) of subsection (a) (3) shall be applied as though such units were metropolitan cities or urban counties with entitlements of zero.

(c) (1) From the funds available from appropriations to carry out this Act that are not paid in any fiscal year to metropolitan cities, urban counties or other units of general local government (other than funds that are not paid and become available for other uses in fiscal year 1977 and subsequent fiscal years solely by virtue of the operation of the third sentence of paragraph (A) of subsection (a) (3), which funds shall be allotted in accordance with subsection (e) of this section), the Secretary shall pay to States 90 per centum of such funds in accordance with paragraph (2) of this subsection. The sums paid to any State under this subsection shall be available for use for community development purposes in that State, subject to the provisions of paragraph (3).

(2) (A) From the amounts allocated under paragraph (1), the Secretary shall pay to each State an amount which bears the same ratio to the amount available for allocation to all States as the average of ratios among—

(i) the population of metropolitan areas in the State and that in metropolitan areas in all States;

(ii) the extent of poverty in metropolitan areas in the State and that in metropolitan areas in all States; and

(iii) the extent of housing overcrowding in metropolitan areas in the State and that in metropolitan areas in all States.

(B) In applying subparagraph (A), the ratio involving the extent of poverty shall be counted twice in determining the average of ratios, and metropolitan areas shall be considered as though they did not include metropolitan cities.

(3) To receive funds under this subsection a State must certify through its Governor that in the distribution or use of funds there will be made available to units of general local government in each metropolitan area, with no deduction for State administrative costs, an amount which is equal to at least 50 per centum of the amount, if any, of the allocation to the State under paragraph (2) which is attributable to inclusion of data pertaining to population, poverty and housing overcrowding in that metropolitan area. Funds not used in or made available to particular metropolitan areas pursuant to the preceding sentence shall be available for distribution by the Governor to units of general local government in the State and may also be used, in a reasonable amount, subject to regulations of the Secretary, for administrative expenses incurred by the State in carrying out this Act.

(4) In the case of a metropolitan area extending to two or more States, the portion of such area in each State shall be deemed a metropolitan area for purposes of this subsection.

(d) The funds made available from appropriations for carrying out this Act which are not provided for and used pursuant to any of the preceding subsections of this section, of which are allotted but not paid pursuant to subsection (e) (2) of this section, shall be available to the Secretary for payments to States and units of general local government, subject to such terms and conditions as he may prescribe, or for such other uses as the Secretary may determine are consistent with the purposes of this Act including evaluation, directly or by contract or otherwise, of the use of shared revenues disbursed under this Act.

(e) Funds which become available in fiscal year 1977 and subsequent fiscal years by virtue of the third sentence of paragraph (A) of subsection (a) (3) shall be allotted as follows:

(1) Ten per centum of such sums shall be allotted to the Secretary for use in accordance with subsection (d) of this section;

(2) The balance of such sums shall be allotted so that—

(A) one-third is allotted among metropolitan cities and urban counties in the same manner as funds are allotted under subparagraph (A) of subsection (a) (2);

(B) one-third shall be allotted among the States in the same manner as funds are allotted under paragraph (A) of subsection (c) (2) but without regard to the exclusion for metropolitan cities provided for in subparagraph (B) of such subsection, and shall be available in each State for distribution only in metropolitan areas, with each such area being entitled to the amount of the State's allotment which is attributable to inclusion of data pertaining to population, poverty and housing overcrowding in that metropolitan area;

(C) one-third shall be allotted among the States in the same manner as funds are allotted under clause (B) of this paragraph (2) and shall be available to the Governors for distribution to any unit of general local government and for other uses in accordance with the second sentence of subsection (c) (3).

(3) No amount allotted under paragraph (2) (A) of this subsection shall be paid in any fiscal year to any metropolitan city or urban county if such payment would result in such city or county receiving an aggregate amount pursuant to this subsection and subsection (a) of this section which is in excess of its full hold-harmless amount as computed under subparagraph (B) of subsection (a) (3), except that this limitation shall not apply with respect to any city or county if the sum of the amount allotted under such paragraph (2) (A) and the formula entitlement as computed under subparagraph (A) of subsection (a) (2) exceeds such full hold-harmless amount.

(f) All computations and determinations by the Secretary under this section shall be final and conclusive.

LOANS

SEC. 8. Nothing in this Act shall be deemed to prohibit a unit of general local government from obtaining loans to finance any community development activity, and from pledging, or offering as security for a loan, any asset which it otherwise has authority to pledge or offer as security.

NONDISCRIMINATION

SEC. 9. (a) No person in the United States shall on the ground of race, color, national origin, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under this Act.

(b) Whenever the Secretary determines that a recipient has failed to comply with subsection (a) or an applicable regulation, he shall notify the Governor of the State or, in the case of a unit of general local government which has not received shared revenues from the State, the chief executive of such unit of local government, of the noncompliance and shall request the Governor or the chief executive officer to secure compliance. If within a reasonable period of time, not to exceed 60 days, the Governor or the chief executive officer fails or refuses to secure compliance, the Secretary is authorized (1) to refer the matter to the Attorney General with a recommendation that an appropriate civil action be instituted; (2) to exercise the powers and functions provided by title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d); (3) to exercise the powers and functions provided for in section 15 of this Act; or (4) to take such other action as may be provided by law.

(c) When a matter is referred to the Attorney General pursuant to subsection (b), or whenever he has reason to believe that a State government or unit of local government is engaged in a pattern or practice in violation of the provisions of this section, the Attorney General may bring a civil action in any appropriate United States district court for such relief as may be appropriate, including injunctive relief.

LABOR STANDARDS

SEC. 10. All laborers and mechanics employed by contractors or subcontractors in the performance of work on any construction project financed in whole or in part with shared revenue funds received under this Act shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a—276a–5). This section shall apply to the construction of residential property only if such residential property is designed for residential use for twelve or more families. The Secretary of Labor shall have, with respect to such labor standards, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 64 Stat. 1267) and section 2 of the Act of June 13, 1934, as amended (48 Stat. 948; 40 U.S.C. 276(c)).

MATCHING GRANTS

SEC. 11. (a) Funds provided under this Act may be used by a recipient as its non-Federal share under any Federal program providing assistance for community development activities.

(b) Neither the Secretary nor any State shall require any matching or other expenditure of State or local funds as a condition to assistance under this Act.

USE OF SHARED REVENUE TO CLOSE OUT URBAN RENEWAL PROJECTS

SEC. 12. The Secretary is authorized, notwithstanding any other provision of title I of the Housing Act of 1949, or of this Act, to terminate any urban renewal project being carried out under such title as soon as practicable after consultation with the agency carrying out the project and the chief executive of the locality in which it is located, and to effect a financial closeout as if the project had been fully completed on the termination date. Any funds available to such project at the time of closeout will continue to be available to the unit of general local government for the area in which the project is located for use in meeting its statement of community development objectives and projected use of funds. Such closeout shall be based upon the costs incurred and capital grants earned for the project to the date of termination. If such closeout does not result in full repayment of the principal of, and accrued interest on, any temporary loans made under title I for the project, the Secretary is authorized, notwithstanding any other provision of this act, to condition distribution of funds pursuant to section 7 of this Act to the unit of general local government for the area in which the project is located, upon the use of such funds, in such amounts, and staged over such time periods as the Secretary deems appropriate, to repay such temporary loans.

RECORDS, AUDIT, AND REPORTS

SEC. 13. In order to assure that revenues shared under this Act are used in accordance with its provisions, each recipient shall—

(1) use such fiscal, audit, and accounting procedures as may be necessary to assure (A) proper accounting for payments received by it, and (B) proper disbursement of such payments;

(2) provide to the Secretary and the Comptroller General of the United States access to, and the right to examine, any books, documents, papers, or records as he requires; and

(3) make such reports to the Secretary or the Comptroller General of the United States as he requires.

RELOCATION

SEC. 14. (a) Sec. 217 of the Uniform Relocation Assistance and Real Property Acquisitions Policies Act of 1970 (42 U.S. 4601) is amended by—

(1) Striking out "or" after "Housing Act of 1949, as amended"; and

(2) adding, "or as a direct result of any community development activities, 25 percent or more of the cost of which is paid for with shared revenue funds received under the Better Communities Act" after "Demonstration Cities and Metropolitan Development Act of 1966".

(b) Notwithstanding section 211 of the Uniform Relocation Assistance and Real Property Acquisitions Policies Act of 1970 (42 U.S.C. 4601) or any other provision of law, no Federal contribution in addition to shared revenue funds under this title shall be made to recipients for costs incurred in providing relocation payments and assistance for those displaced by community development activities assisted under this Act.

REMEDIES FOR NONCOMPLIANCE

SEC. 15. (a) If the Secretary, after reasonable notice and opportunity for hearing finds that a recipient of revenues shared under this Act has failed to comply substantially with any provision of this Act, the Secretary, until he is satisfied that there is no longer any such failure to comply, shall—

(1) terminate payments to such State under this Act, or

(2) reduce payments under this Act by an amount equal to the amount of such payments which were not expended in accordance with this Act, or

(3) limit the availability of payments under this Act to programs, projects, or activities not affected by such failure to comply.

(b) (1) In lieu of, or in addition to, any action authorized by subsection (a), the Secretary may, if he has reason to believe that a recipient has failed to comply substantially with any provision of this Act, refer the matter to the Attorney General of the United States with a recommendation that an appropriate civil action be instituted.

(2) Upon such a referral the Attorney General may bring a civil action in any United States district court having venue thereof for such relief as may be appropriate, including an action to recover revenues shared under this Act which were not expended in accordance with it, or for mandatory or injunctive relief.

(c) (1) Any recipient which receives notice, under subsection (a), of the termination, reduction, or limitation of revenues shared may, within sixty days after receiving such notice, file with the United States Court of Appeals for the circuit in which such State is located, or in the United States Court of Appeals for the District of Columbia, a petition for review of the Secretary's action. The petitioner shall forthwith transmit copies of the petition to the Secretary and the Attorney General of the United States, who shall represent the Secretary in the litigation.

(2) The Secretary shall file in the court the record of the proceeding on which he based his action, as provided in section 2112 of title 28, United States Code. No objection to the action of the Secretary shall be considered by the court unless such objection has been urged before the Secretary.

(3) The court shall have jurisdiction to affirm or modify the action of the Secretary or to set it aside in whole or in part. The findings of fact by the Secretary, if supported by substantial evidence on the record considered as a whole, shall be conclusive. The court may order additional evidence to be taken by the Secretary, and to be made part of the record. The Secretary may modify his findings of fact, or make new findings, by reason of the new evidence so taken and filed with the court, and he shall also file such modified or new findings, which findings with respect to questions of fact shall be conclusive if supported by substantial evidence on the record considered as a whole, and shall also file his recommendations, if any, for the modification or setting aside of his original action.

(4) Upon the filing of the record with the court, the jurisdiction of the court shall be exclusive and its judgment shall be final, except that such judgment shall be subject to review by the Supreme Court of the United States upon writ of certiorari or certification as provided in section 1254 of title 28, United States Code.

GENERAL PROVISIONS

SEC. 16. (a) The Secretary shall prescribe such rules, regulations, and standards as may be necessary to carry out the purposes and conditions of this Act.

(b) The Secretary shall include an evaluation of the effectiveness of this Act in his annual report to the President on departmental activities required by section 8 of the Department of Housing and Urban Development Act.

(c) Each recipient shall provide for the expenditure of amounts received under this Act only in accordance with the laws and procedures applicable to the expenditures of its own revenues.

CONFORMING AND TECHNICAL AMENDMENTS

SEC. 17. (a) This Act shall be effective upon enactment but no funds shall be allocated under section 7 for any year prior to fiscal year 1975.

(b) Except with respect to projects and programs for which funds have been previously committed, no new grants or loans shall be made under (1) section 312 of the Housing Act of 1964, (2) section 702 or section 703 of the Housing and Urban Development Act of 1965, (3) loans pursuant to title II of the Housing Amendments of 1955, (4) title VII of the Housing Act of 1961, or (5) title I of the Demonstration Cities and Metropolitan Development Act of 1966. After June 30, 1974, no new grants or loans shall be made under title I of the Housing Act of 1949 except with respect to projects or programs for which funds have been committed on or before such date.

(c) Section 3689 of the Revised Statutes, as amended (31 U.S.C. 711), is amended by adding at the end thereof a new paragraph as follows:

"(22) For payments required from time to time under contracts entered into pursuant to section 103(b) of the Housing Act of 1949, as amended, with respect to projects or programs for which funds have been committed on or before June 30, 1974, and for which funds have not previously been appropriated."

(d) The Secretary is authorized to transfer the assets and liabilities of any superseded or nonactive program of housing or urban development to the revolving fund for liquidating programs established pursuant to title II of the Independent Offices Appropriation Act of 1955 (Public Law 81–428; 68 Stat. 272, 295).

S. 1744

A bill to provide Federal assistance to local governments in support of community development activities

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Community Development Assistance Act of 1973".

FINDINGS AND PURPOSE

SEC. 2. (a) (1) The Congress finds and declares that the Nation's cities, towns, and smaller urban communities face critical social, economic, and environmental problems arising from, in significant measure—

(A) the growth of population in metropolitan and other urban areas, and the concentration of persons of lower income in central cities; and

(B) inadequate public and private investment and reinvestment in housing and other physical facilities, and related public and social services, resulting in the growth and persistence of urban slums and blight, and the marked deterioration of the quality of the urban environment.

(2) The Congress further finds and declares that the future welfare of the Nation and the well-being of its citizens depend on the establishment and maintenance of viable urban communities as social, economic, and political entities, and requires—

(A) systematic and sustained action by local governments to eliminate blight, to conserve and renew older urban areas, and to develop new centers of population growth and economic activity;

(B) substantial expansion of the scope and level of Federal assistance and increased continuity of programs in support of community development activities; and

(C) continuing effort at all levels of government to streamline program procedures and improve the functioning of agencies responsible for planning, implementing, and evaluating community development efforts.

(b) The purpose of this Act is to meet the requirements referred to in subsection (a) by improving the present system of Federal assistance for community development. Improvement is to be accomplished chiefly through—

(1) simplifying and consolidating various existing categorical programs, replacing them with a single, more comprehensive community development assistance program; and

(2) authorizing a new financial assistance program which is intended to assure greater continuity of Federal support and to increase public and private investment in community development.

The improved program of Federal assistance provided in this Act is designed to support community development activities which are directed toward—

(A) conserving and expanding the Nation's housing stock in order to provide a decent home and a suitable living environment for every American;

(B) eliminating slums and preventing the deterioration of property and facilities which significantly affect the general welfare of the community;

(C) achieving more rational utilization of land and other natural resources, and the better arrangement of residential, commercial, industrial, recreational, and other needed activity centers;

(D) expanding and improving the quantity and quality of community services which are essential for sound community development and for the development of viable urban communities;

(E) restoring and preserving urban properties of special value for historic, architectural, or esthetic reasons; and

(F) eliminating conditions which are detrimental to health, safety, and public welfare, through code enforcement, demolition, interim rehabilitation assistance, and related activities.

DEFINITIONS

SEC. 3. As used in this Act—

(1) The term "Secretary" means the Secretary of Housing and Urban Development.

(2) The term "community development agency" means any State or unit of general local government.

(3) The term "State" means any State of the United States; the Commonwealth of Puerto Rico; the Trust Territory of the Pacific Islands; the territories and possessions of the United States; and Indian tribes, bands, groups, and nations, including Alaska Indians, Aleuts, and Eskimos, of the United States.

(4) The term "unit of general local government" means any city, municipality, county, town, township, parish, village, or other general purpose political subdivision of a State; a consortium of such political subdivisions recognized by the Secretary; and the District of Columbia. One or more public agencies, including existing local public agencies, may be designated by a unit of general local government to undertake the community development program in whole or in part.

(5) The term "metropolitan areas" means the standard metropolitan statistical areas, as established by the Office of Management and Budget.

(6) The term "metropolitan city" means a city within a metropolitan area which is the central city of such metropolitan area, as defined by the Office of Management and Budget, or which is a city having a population of fifty thousand or more.

(7) The term "population" means the total resident population based on data compiled by the Bureau of the Census and referable to the same point or period in time.

(8) The term "extent of poverty" means the number of persons (or alternatively, the number of families and unrelated individuals) whose incomes are below the poverty level, as determined pursuant to criteria provided by the Office of Management and Budget, and based on data referable to the same point or period in time.

(9) The term "extent of housing overcrowding" means the number of housing units with 1.01 or more persons per room based on data compiled by the Bureau of the Census and referable to the same point or priod in time.

(10) The term "extent of program experience" means the sum of the average, during the five fiscal years preceding the date of enactment of this chapter, of (A) loans pursuant to title II of the Housing Amendments of 1955. (B) grants pursuant to title VII of the Housing Act of 1961, (C) advances pursuant to section 702 of the Housing Act of 1954, (D) grants pursuant to title VII of the Housing and Urban Development Act of 1965, and (E) grants pursuant to title I of the Housing Act of 1949.

COMMUNITY DEVELOPMENT ACTIVITIES ELIGIBLE FOR ASSISTANCE

SEC. 4. Community development activities assisted under this Act shall further the purposes set forth in section 2 and may include—

(1) acquisition in whole or in part by purchase, lease, donation, or otherwise, of real property (including air rights, and other interests therein) which is necessary to achieve the objectives set forth in the community development program and is (i) blighted, deteriorated, deteriorating, undeveloped, or inappropriately developed from the standpoint of sound community development and growth, (ii) determined to be appropriate for rehabilitation or conservation activities, (iii) necessary for the preservation of restoration of historic sites, the beautification of urban land, the conservation of open spaces, natural resources and scenic areas, the provision of recreational opportunities, or the guidance of urban development, (iv) to be used for the provision of public works, facilities, and improvements eligible for assistance under this Act, or (v) to be used for other public purposes, including the conversion of land to other uses where necessary or appropriate to a community development program;

(2) disposition (through sale, lease, donation, or otherwise) at its fair value for uses in accordance with the community development program of any real property in whole or in part acquired pursuant to this Act, or its retention for public purposes;

(3) clearance, demolition, and removal of buildings and improvements in whole or in part;

(4) acquisition, construction, reconstruction, or installation of, community facilities and site or other improvements necessary to achieve the objectives of the community development program, including water and sewer facilities, neighborhood facilities, fire-protection services and facilities, historic properties and beautification areas, streets, utilities, street lights, foundations and platforms for air right sites, pedestrian malls and walkways, parks, playgrounds and recreation facilities, and other similar and necessary improvements required for the execution of a community development program;

(5) designing and providing interim financing for the construction of public facilities, other than facilities, encompassed within the provisions of paragraph (4), which are necessary or apppropriate to a community development program;

(6) relocation payments and assistance for individuals, families, businesses, nonprofit organizations, and farm operations displaced or temporarily dislocated by community development activities;

(7) conservation and rehabilitation of existing properties and facilities through code enforcement, interim assistance, or other programs of rehabilitation; or the elimination of slums and harmful physical conditions which constitute a danger to public health and safety through demolition or other activities;

(8) development or redevelopment of surplus real property within the meaning of the Federal Property and Administrative Services Act of 1949 acquired pursuant to section 414 of the Housing and Urban Development Act of 1969, or otherwise;

(9) provision of technical or financial assistance to persons or organizations providing necessary or appropriate services, including advisory services, to the planning and execution of a community development program;

(10) provision, where necessary or appropriate to the execution of a community development program, of grants or loans for the rehabilitation and conservation of properties;

(11) provision of necessary or appropriate additional public services when not otherwise available which are directed toward (i) improving the community's public services and facilities, including those concerned with the employment, health, drug abuse, education, welfare, or recreation needs of persons residing in areas in which community development activities are being carried out, and (ii) coordinating public and private development programs;

(12) payment of administrative costs and carrying charges related to the planning, execution, and evaluation of community development programs;

(13) payment of financial incentives (not to exceed 15 per centum of the total Federal contribution to the cost of the facilities involved) to encourage the timely construction of public facilities, such as schools and libraries, which are not otherwise eligible and are required for the execution of a community development program;

(14) carrying out unspecified local-option activities, necessary or appropriate to the conduct of a community development program, in an amount not to exceed 10 percentum of the total annual grant authorized for a locality under this Act; and

(15) payment of the Federal share of the cost of completing a project funded under title I of the Housing Act of 1949.

AUTHORIZATIONS

SEC. 5. (a) To finance grants under this Act, the Secretary is authorized to incur obligations on behalf of the United States in the form of grant agreements or otherwise in amounts aggregating such sum not exceeding $5,900,000,000 as is approved in an appropriation Act. The amount so approved shall become available for obligation on July 1, 1974, and shall remain available until obligated. There are authorized to be appropriated for liquidation of the obligation incurred under this section not to exceed $2,700,000,000 prior to July 1, 1975, which amount may be increased to not to exceed aggregate of $5,900,000,000 prior to July 1, 1976. Sums so appropriated shall remain available until expended.

(b) The Secretary shall report annually to the Congress with respect to outstanding grants or other contractual agreements executed pursuant to subsection (a). To assure program continuity and orderly planning, the Secretary shall submit to the Congress timely requests for increased authorizations for the fiscal years commencing after June 30, 1976, and concurrently with those authorization requests he shall submit his recommendations for any necessary adjustments in the schedule for liquidation of obligations.

ALLOCATION OF FUNDS; BASIC GRANT ENTITLEMENT; REPORT

SEC. 6. (a) Of the amount approved in an appropriation Act pursuant to section 5 and available for obligation, 75 per centum shall be allocated by the Secretary to metropolitan areas. Except as provided in subsection (d), each metropolitan city shall be eligible for annual grants in an aggregate amount at least equal to the greater of its basic grant entitlement amount computed pursuant to subsection (b), or its hold-harmless amount computed pursuant to subsection (c).

(b)(1) The Secretary shall allocate for each metropolitan area an amount which bears the same ratio to the allocation for all metropolitan areas as the average of the ratios between—

(A) the population of the metropolitan area and that of all metropolitan areas;

(B) the extent of poverty in the metropolitan areas;

(C) the extent of housing overcrowding in the metropolitan area and that in all metropolitan areas; and

(D) the extent of program experience in the metropolitan area and that in all metropolitan areas.

(2) From the amount allocated to each metropolitan area, the Secretary shall determine for each metropolitan city therein a basic grant entitlement amount for that city which shall equal an amount which bears the same ratio to the allocation for the metropolitan area as the average of the ratios between—

(A) the population of the metropolitan city and that of the metropolitan area;

(B) the extent of poverty in the metropolitan city and that in the metropolitan area;

(C) the extent of housing overcrowding in the metropolitan city and that in the metropolitan area; and

(D) the extent of program experience in the metropolitan city and that in the metropolitan area.

(3) In determining the average of ratios under paragraph (1) or paragraph (2), the ratio involving the extent of poverty shall be counted twice.

(c) The Secretary shall determine the hold-harmless amount for each metropolitan city, which shall be an amount equal to the sum of (1) the sum of the average, during the five fiscal years preceding the date of enactment of this Act, of (A) loans pursuant to title II of the Housing Amendments of 1955, (B) grants pursuant to title VII of the Housing Act of 1961, (C) advances pursuant to section 702 of the Housing Act of 1954, (D) grants pursuant to title VII of the Housing and Urban Development Act of 1965, and (E) grants pursuant to part A of title I of the Housing Act of 1949; and (2) the average annual grant made in accordance with part B of title I of the Housing Act of 1949.

(d) Whenever the Secretary determines that a metropolitan city would have except for the provisions of this subsection a basic grant entitlement for the first year in an amount exceeding 135 per centum of the city's hold-harmless amount, as determined under subsection (c), he shall adjust the amount of such basic grant entitlement over a period not exceeding three years, so that the city's basic grant entitlement will be increased, by such steps as the Secretary determines to be equitable and feasible, from the hold-harmless amount up to the full basic grant entitlement of the city. Any amounts not used by virtue of the operation of the preceding sentence shall be available for use by the Secretary pursuant to subsection (g)(3).

(e) The remainder of the allocation for each metropolitan area shall be allocated by the Secretary to community development agencies within that metropolitan area, taking into consideration such factors as population, extent of poverty, extent of overcrowding, extent of program experience, and other social and fiscal conditions prevailing in the metropolitan area. Any portion of the remainder of the allocation for each metropolitan area unused at the end of the fiscal year for which it was allocated shall be available for use within metropolitan areas.

(f) Any unit of general local government which is not a metropolitan city shall be eligible for annual grants in an aggregate amount at least equal to the hold-harmless amount for that locality as computed under the provisions of subsection (c), if, during the five years preceding the date of enactment *of this Act*, one or more urban renewal projects or neighborhood development programs were being carried out in such locality and assisted (or with respect to which commitments for assistance have been entered into) under title I of the Housing Act of 1949.

(g) Amounts which are not allocated under subsection (a), or which are allocated but rejected by the recipient or disapproved by the Secretary under section 7, shall be allocated by the Secretary in aid of community development activities to be undertaken by community development agencies in—

(1) localities outside metropolitan areas where such use of funds is necessary to comply with subsection (f);

(2) other localities outside metropolitan areas; and

(3) localities within metropolitan areas where such use of funds is necessary to comply with subsection (a) or (f).

(h) If at the time the Secretary computes the amount of any allocation or the amount of any annual grants to which a community development agency is entitled under this Act, the full amount of funds authorized to be appropriated are not available for obligation as prescribed in section 5(a), the Secretary may (notwithstanding any other provision of this Act) make such adjustment in that computation as he deems desirable to maintain a distribution of funds consistent with the objectives of this Act.

(i) Not later than September 1, 1975, the Secretary shall make a report to the Congress setting forth such recommendations as he deems advisable, in furtherance of the purposes and policy of this Act, for modifying or expanding the provisions of this Act relating to the method and level of funding and the allocation of funds, and the determination of the basic grant entitlement, and for the application of such provisions in the future distribution of funds under this Act.

GENERAL REQUIREMENTS APPLICABLE TO THE GRANTING OF FINANCIAL ASSISTANCE

SEC. 7. (a) Financial assistance shall be granted under this Act only upon the basis of an annual application by a community development agency. Each application shall contain the following:

(1) An outline of community development needs and objectives, and the actions to be taken during the next three-year period—

(A) to meet the housing needs and needs arising from the installation or relocation of Government facilities, including replacement and relocation needs, of families who may reasonably be expected to seek housing in the community, particularly those families with low or moderate income;

(B) to prevent and eliminate slums and blight, and upgrade neighborhood environments through renewal, code enforcement, and other community improvement programs; and

(C) to improve and upgrade community services and facilities to meet the social needs of residents in areas affected by community development activities.

(2) A description of the activities to be undertaken over the next two-year period which are designed to meet community development objectives and their estimated costs, the general location of these activities, and any requirements for federally assisted housing units and rehabilitation loans.

(3) A certification that the applicant—

(A) has determined that activities to be carried out under the community development program are consistent with local and areawide comprehensive development plans and national growth policies;

(B) has afforded or will afford an adequate opportunity for public hearings prior to any acquisition of private land included in the proposed development activities pursuant to reasonable prior notice; and

(C) has afforded adequate opportunity for citizen participation in the development of the annual application and has provided for the meaningful involvement of the residents of areas in which community development activities are to be concentrated in the planning and execution of these activities, including the provision of adequate information and resources.

(4) A report concerning the community development activities which were carried out during the previous calendar year and their costs, including an assessment of such activities in relation to the community's development objectives.

(b) The Secretary may waive all or part of the requirements contained in subsection (a), if (1) the application for assistance is in behalf of a locality having a population of less than 25,000 according to the most recent data compiled by the Bureau of the Census which is located either (i) outside a standard metropolitan statistical area, or (ii) inside such an area but outside an "urbanized area" as defined by the Bureau of the Census (or as such definition is modified by the Secretary for purposes of this Act), (2) the application relates to the first community development activity to be carried out by such locality with assistance under this Act, (3) the assistance requested is for a single development activity under this Act of a type eligible for assistance under the provisions of law referred to in clauses (1) through (4) of section 15(b), and (4) the Secretary determines that, having regard to the nature of the activity to be carried out, such waiver is not inconsistent with the purposes of this Act.

(c)(1) The Secretary shall make his determination with respect to any application and give written notice of his approval or disapproval within ninety days after submission of the application. Each application providing for continuation or revision of an ongoing community development program shall be deemed approved by the Secretary within ninety days after submission, unless the the Secretary notifies the applicant in writing of his disapproval of the application, or any part thereof, setting forth the reasons therefor with respect to performance by the community development agency or the eligibility of proposed activities.

(2) Except as otherwise specifically provided, no application for financial assistance under this Act shall be approved by the Secretary unless he has concluded that the community has (A) set forth a meaningful program to meet its urgent development needs to achieve the purposes of this Act, and (B) carried out its contractual commitments pursuant to any previous applications.

(3) Upon approval of any application, the Secretary shall reserve funds, to the extent he deems it to be necessary and feasible, to meet the housing requirements specified in the application.

GRANTS

SEC. 8. (a) The Secretary is authorized to make grants to assist community development agencies in carrying out community development activities. Such grants shall be made pursuant to contracts providing for payments with respect to activities to be carried out over a period of two years. Except as otherwise herein provided, the amount of any such grant to any such agency shall not exceed 90 per centum of the total net program cost as determined by the Secretary. In any case where the execution of a community development program involves the making of rehabilitation grants or relocation payments, any grant made to any such agency may be increased, notwithstanding any other provision of law but subject to the limitations prescribed in section 6, to include the full costs of making such rehabilitation grants and, in the case of relocation payments, the full costs of making such payments but not to exceed $25,000 for any displaced person as such term is defined in section 101(6) of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970. The Secretary shall require that any part of the total net program cost which is to be provided by local or other non-Federal sources shall consist of cash grants, the cash value of donated property, or public improvements or services at their costs, contributed by such sources in furtherance and as part of the community development program for which Federal assistance is made available under this Act.

(b) In determining the total cost of carrying out any community development activity there shall be excluded that part of such cost as is payable under any other Federal grant program.

(c) As used in subsection (a), the term "rehabilitation grant" means a grant not exceeding $4,000 made to a low-income individual or family who owns and occupies real property and only for the purpose of covering the cost of repairs and improvements necessary to make such real property conform to public standards for decent, safe, and sanitary housing as required by applicable codes or requirements of the community development program.

LOANS

SEC. 9. (a) (1) After June 30, 1974, the Secretary is authorized to make loans to community development agencies to provide financing for planning and operating activities pending the receipt by such agencies of grant assistance under section 8 and to provide interim financing for activities authorized under section 4(5).

(2) Loans under this subsection shall bear interest at such rates (not less than the applicable going Federal rate, as defined in section 110(g) of the Housing Act of 1949), and shall be secured in such manner and be repaid within such period of time as the Secretary shall prescribe.

(3) (A) To obtain funds for advances and loan disbursements under this subsection, the Secretary may issue and have outstanding at any one time notes or other obligations for purchase by the Secretary of the Treasury in an amount which shall not, unless authorized by the President, exceed $1,500,000,000. For the purpose of establishing unpaid obligations as of a given date against the authorization contained in the preceding sentence, the Secretary shall estimate the maximum amount to be required to be borrowed from the Treasury and outstanding at any one time with respect to loan commitments in effect on such date.

(B) Notes or other obligations issued by the Secretary under this paragraph (3) shall be in such forms and denominations, have such maturities, and be subject to such terms and conditions as may be prescribed by the Secretary, with the approval of the Secretary of the Treasury. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average rate on outstanding marketable obligations of the United States as of the last day of the month preceding the issuance of such notes or other obligations. The Secretary of the Treasury is authorized and directed to purchase any notes and other obligations of the Secretary issued under this paragraph (3) and for such purpose is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under such Act, as amended, are extended to include any purchases of such notes and other obligations. The Secretary of the Treasury may at any time sell any of such notes or other obligations so acquired. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated as public debt transactions of the United States.

(b) Section 312(a)(1) of the Housing Act of 1964 is amended—

(1) by striking out the colon at the end of subparagraph (C) and inserting in lieu thereof "; or"; and

(2) by adding at the end thereof a new subparagraph as follows:

"(D) the property is determined to require rehabilitation, and such rehabilitation is necessary or appropriate to the execution of an approved community development program under the Community Development Assistance Act of 1973;".

CONSULTATION

SEC. 10. In carrying out the provisions of this Act, including the issuance of regulations, the Secretary shall consult with other departments and agencies administering Federal grant-in-aid programs.

TECHNICAL ASSISTANCE

SEC. 11. (a) The Secretary is authorized to undertake such activities as he determines to be desirable to provide technical assistance to smaller communities to assist such communities in planning, developing, and administering community development programs. Such assistance may be furnished either directly or by contracts or other arrangements, including contracts or arrangements with rural development and area planning agencies. The Secretary may utilize for demonstration purposes smaller communities carrying out meritorious programs involving community development, or comprehensive city demonstration programs under title I of the Demonstration Cities and Metropolitan Development Act of 1966.

(b) Not later than one hundred and eighty days after the date of enactment of this Act, the Secretary shall make a report to the Congress setting forth his findings and recommendations with respect to—

(1) existing and recommended Federal, State, and local programs relating to community development in smaller communities;

(2) the significance of such programs in assisting the larger urban areas to solve their acute problems by reducing population density;

(3) the need for unified Federal agency coordination, control, or direction of such programs;

(4) the extent to which the Department of Housing and Urban Development should participate in such coordination, control, or direction, and the manner and method of achieving that participation; and

(5) the appropriate allocation of Federal funds for community development in smaller communities and in the larger urban areas.

(c) As used in this section, the term "smaller communities" means any municipality or other political subdivision having a population of fifty thousand or less according to the most recent census.

LABOR STANDARDS

SEC. 12. The provisions of section 109 of the Housing Act of 1949 shall be applicable in the administration of the authority conferred by this Act.

UNIFORM RELOCATION ASSISTANCE AND REAL PROPERTY ACQUISITION POLICIES ACT OF 1970

SEC. 13. Section 217 of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 is amended—

(1) by striking out "or" after "Housing Act of 1949, as amended," and

(2) by adding after "Demonstration Cities and Metropolitan Development Act of 1966" the following: ", or as a direct result of any community development activity assisted under the Community Development Assistance Act of 1973".

INTERSTATE AGREEMENTS

SEC. 14. The consent of the Congress is hereby given to any two or more States to enter into agreements or compacts, not in conflict with any law of the United States, for cooperative effort and mutual assistance in support of community development planning and programs carried out under this Act as they pertain to interstate areas and to localities within such States, and to establish such agencies, joint or otherwise, as they may deem desirable for making such agreements and compacts effective.

EFFECTIVE DATE; TRANSITIONAL TERMINATION OF EXISTING PROGRAMS

SEC. 15. (a) This Act takes effect on the date of its enactment.

(b) After June 30, 1974, no new grants or loans shall be made (except with respect to projects or programs for which funds have been committed on or before that date) pursuant to—

(1) title II of the Housing Amendments of 1955;

(2) title VII of the Housing Act of 1961;

(3) section 702 of the Housing Act of 1954;

(4) title VII of the Housing and Urban Development Act of 1965; and

(5) title I of the Housing Act of 1949.

(c) Section 3689 of the Revised Statutes, as amended (31 U.S.C. 711), is amended by adding at the end thereof a new paragraph as follows:

"(22) For payments required from time to time under contracts entered into pursuant to section 103(b) of the Housing Act of 1949 with respect to projects or programs for which funds have been committed on or before June 30, 1974, and for which funds have not previously been appropriated."

(d) The Secretary is authorized to transfer the assets and liabilities of any superseded or nonactive program of housing or urban development to the revolving fund for liquidating programs established pursuant to title II of the Independent Offices Appropriation Act of 1955 (Public Law 81–428; 68 Stat. 272, 295).

SECTION-BY-SECTION SUMMARY—BETTER COMMUNITIES ACT

To provide Federal revenues to State and local governments and afford them broad discretion in carrying out community development activities.

SECTION 1. *Short Title.*

This section would provide that this Act may be cited as the "Better Communities Act."

SECTION 2. *Statement of Findings and Purpose.*

This section would set forth Congressional findings and declarations that:

(1) States and units of general local government are the most appropriate levels of government to develop and carry out community development programs and activities.

(2) The current method of distributing Federal assistance for community development is seriously deficient because it is so excessively fragmented and controlled at the Federal level, and channeled through so many separate, overlapping and independent grant programs, to so many different special purpose bodies and agencies, that it has become an ineffective use of the Federal funds involved.

(3) The effectiveness of community development would be improved by making Federal resources for such purposes available to States and units of general local government to use with broad discretion in evaluating their community development needs and allocating resources to meet those needs.

Section (b) would declare, therefore, that it is the purpose of the Act to help States and units of general local government to deal more effectively with the broad range of community development concerns by replacing inflexible and fragmented categorical programs of Federal assistance with a more efficient system of Federal revenue sharing assistance which will encourage the exercise of State and local responsibility.

SECTION 3. *Definitions.*

Subsection (a) would define certain terms as follows:

(1) "Secretary" would mean the Secretary of Housing and Urban Development;

(2) "Unit of general local government" would mean any city, municipality, county, town, township, parish, village, or other general purpose political subdivision of a State; a combination of such political Subdivisions recognized by the Secretary; the District of Columbia; and the Trust Territory of the Pacific Islands;

(3) "State" would mean any State of the United States; the Commonwealth of Puerto Rico; Guam; Samoa; and the Virgin Islands.

(4) "Metropolitan area" would mean a standard metropolitan statistical area as established by the Office of Management and Budget;

(5) "Metropolitan city" would mean a city having a population of 50,000 or more or a central city in a metropolitan area;

(6) "Urban county" would mean any county which is within a metropolitan area and which has a population of 200,000 or more, excluding the population of metropolitan cities therein;

(7) "Population" would mean total resident population based on data compiled by the United States Bureau of the Census and referable to the same point or period in time;

(8) "Extent of poverty" would mean the number of persons whose incomes are below the poverty level, as determined by the Secretary pursuant to the definition provided by the Office of Management and Budget, and based on data referable to the same point or period in time;

(9) "Extent of housing overcrowding" would mean the number of housing units with 1.01 or more persons per room based on data compiled by the United States Bureau of the Census and referable to the same point or period in time; and

(10) "Fiscal year" would mean that period of time extending from July 1 of any calendar year through June 30 of the subsequent calendar year and receiving the numerical designation of the calendar year in which the period ends.

Subsection (b) would provide that to the extent practicable, the definitions in subsection (a) must be based upon the most recent data compiled by the United States Bureau of the Census and the latest published circulars of the Office of Management and Budget. The Secretary would be authorized to make technical modifications in the terms defined in subsection (a) by regulation where necessary to reflect modifications in Bureau of the Census data categories made subsequent to enactment of the Act.

SECTION 4. *Community Development Activities Eligible for Assistance.*

This section would set forth the community development activities for which shared Federal revenues provided under this Act may be used.

These activities may include:

(1) acquisition of real property (including interests therein) which is blighted or inappropriately developed, needed for public or community facilities, historic preservation, beautification, conservation, recreation, the guidance of urban development, or for other public purposes;

(2) relocation payments and assistance for those displaced by community development activities;

(3) clearance, demolition, removal, and rehabilitation of buildings and improvements (including financing rehabilitation of privately owned properties when incidental to other activities);

(4) provision of public works, facilities, and sites or other improvements;

(5) elimination, by code enforcement and other means, of harmful physical conditions constituting a danger to public health and safety;

(6) disposition (by sale, lease, donation, or otherwise) of acquired real property or its retention for public purposes; and

(7) the provision of community services (including activities to further the purposes of section 9(a)) which the recipient determines are necessary to achieve its community development objectives.

SECTION 5. *Statement of Community Development Objectives.*

Subsection (a) would provide that prior to first receipt in any fiscal year of funds by any State or by any unit of general local government under Section 7, the recipient of such funds is required to have prepared a final statement of community development objectives and projected use of funds for such fiscal year. In order to permit public examination and appraisal of community development projects and activities and to facilitate coordination of activities with different levels of government, at least 60 days prior to preparation of a final statement, a recipient must publish a proposed statement in such manner as to afford the citizens of such State or such unit of general local government a reasonable opportunity to examine its content and to submit comments on the proposed statement. In preparing its final statement the recipient would have to consider any such comments and may, if deemed appropriate by the recipient, modify the proposed statement. A recipient's statement must reflect the degree to which activities assisted under this Act relate to any State and area wide programs and activities for community development. Every final statement of community development objectives and projected use of funds must be made available to the public, and a copy must be furnished to the Secretary (and, in the case of any recipient unit of general local government, to the Governor of the State in which it is located as well) together with a certification that the recipient is in full compliance with the publication requirements of this subsection as well as the other provisions of the Act.

Subsection (b) would provide that with respect to funds received in fiscal year 1975, the requirements of subsection (a) may be met by actions taken prior to the effective date of this Act.

Subsection (c) would provide that within 60 days after the close of any fiscal year in which the recipient receives funds under this Act, it must make public and forward to the Secretary a report concerning the community development projects or activities paid for or expected to be paid for in whole or in part by funds received under Section 7 which were initiated or carried out during the preceding fiscal year. The report must include an assessment of such activities in relation to the community's development objectives.

SECTION 6. *Authorization of Appropriations.*

This section would authorize to be appropriated without fiscal year limitation such sums as may be necesary for fiscal year 1975 and the four succeeding fiscal years.

SECTION 7. *Allocation and Distribution of Funds.*

Subsection (a) would provide for payments by the Secretary to metropolitan cities and urban counties as follows:

(1) From the funds provided in any fiscal year from appropriations to carry out this Act, the Secretary would be required to pay to each metropolitan city and urban county an aggregate amount equal to the greater of its formula entitlement, subject to a phase in adjustment, as computed under (2), or its hold-harmless amount as computed under (3).

(2) The Secretary would be required to compute the formula entitlement of each metropolitan city or urban county by allocating 65 per cent of the total of the funds made available in each fiscal year from appropriations to carry out this Act so that each metropolitan city or urban county is allocated an amount which bears the same ratio to such 65 per cent of the total of the funds made available in each fiscal year as the average of ratios among (1) the population of the city or urban county and that of all metropolitan cities and urban counties, (2) the extent of poverty in the city or urban county and that in all metropolitan cities and urban counties (counted twice), and (3) the extent of housing overcrowding in the city or urban county and that in all metropolitan cities and urban counties. In computing the entitlement of urban counties the Secretary would be required to exclude population, poverty, and housing overcrowding data which are derived from metropolitan cities located within such counties. In addition, in computing entitlement for fiscal years 1975 and 1976, the Secretary would be required to exclude population, poverty, and housing overcrowding data which are derived from units of general local government located within any urban county and which qualify for hold-harmless funds. For fiscal year 1977, he would be required to exclude two-thirds of such data and for fiscal year 1978, he would be required to exclude one-third of such data.

Some metropolitan cities and urban counties would be allotted considerably more funds under this needs formula than these communities have received in past years from participation in the categorical programs being replaced by this Act. Formula entitlements would be adjusted in the case of metropolitan cities and urban counties having metropolitan entitlements which are more than their hold-harmless amount as determined under (3). During the first three years for which funds are allocated under this Act, the entitlement of such metropolitan cities or urban counties would be subject to an adjustment so that (1) the entitlement for the first year equals one-third of the full entitlement, or the hold-harmless amount, whichever is the greater, (2) the entitlement for the second year equals two-thirds of the full entitlement, or the hold-harmles amount, or the amount allowed under clause (1) whichever is the greatest, and (3) the entitlement for the third year equals the full formula entitlement.

(3) Each metropolitan city or urban county would be guaranteed a hold-harmless amount computed on the basis of prior grants or other assistance the city or county has received as a result of its participation in categorical grant programs being replaced by this Act. The full hold-harmless amount for each metropolitan city or urban county would be made up of the sum of (i) the sum of the average during the five fiscal years ending prior to July 1, 1972 of (1) commitments for grants which the city or county has received under the urban renewal program (part A of title I of the Housing Act of 1949), (2) loans under the rehabilitation loan program (section 312 of the Housing Act of 1964), (3) grants under the basic water and sewer facilities and neighborhood facilities programs (sections 702 and 703 of the Housing and Urban Development Act of 1965), (4) loans under the public facilities loan program (title II of the Housing Act of 1955), and (5) grants under the open space land program (title VII of the Housing Act of 1961); and (ii) the average annual neighborhood development grant (Part B of title I of the Housing Act of 1949) made during fiscal years ending prior to July 1, 1972, or during fiscal year 1973 in the case of a metropolitan city or urban county which first received a neighborhood development grant in such fiscal year. In the case of metropolitan cities and urban counties which have been participating in the model cities program the hold-harmless amount would be increased on the basis of their model cities experience. The amount of additional hold-harmless would be the amount of the average annual grant (excluding grants made for Planned Variations) made to these communities pursuant to section 105 of the Model Cities Act during fiscal years ending prior to July 1, 1972. This additional amount would be credited however only for a period that permits the community a five year combination of model cities funding years and hold-harmless additions. The amount of the average annual grant resulting from participation in the model cities or NDP programs would be established by taking the total dollar amount of the grants made to a participant under the program, dividing by the number of months for which those grants were authorized and multiplying the result by twelve.

Grants or loans made to assist in recovery from natural disasters, and grants made to assist in the initial implementation of the Uniform Relocation Assistance and Real Property Acquisition Policies Act would be excluded when determining hold-harmless amounts. In addition, for the purpose of determining the hold-harmless amount in the case of urban counties, the Secretary would be required to exclude grants or other assistance extended to metropolitan cities and other units of local government within those counties.

During fiscal years 1975 and 1976, the hold-harmless amount for each metropolitan city or urban county would be the full hold-harmless amount computed for the city or county. The hold-harmless provision would begin to be phased out after fiscal year 1976. In fiscal years 1977 and 1978, if the hold-harmless amount is greater than the formula entitlement of the metropolitan city or urban county for that year, it would have to be reduced so that in fiscal year 1977 the excess of hold-harmless over the formula entitlement would equal two-thirds of the difference between the full hold-harmless computation and the formula entitlement for such year, and so that in fiscal year 1978 the excess of hold-harmless over the formula entitlement would be equal to one-third of the difference between the full hold-harmless amount of the formula entitlement for such year. After fiscal year 1978, there would be no hold-harmless amount.

Subsection (b) would provide hold-harmless payments to a unit of general local government which is not a metropolitan city or urban county if it was participating in the model cities program on June 30, 1974, or if during fiscal year 1968 or any subsequent fiscal years preceding the date of enactment of this Act it was carrying out urban renewal or neighborhood development programs pursuant to grants and commitments for grants entered into during that period.

Subsection (c) would provide that of the funds available from appropriations to carry out this Act that are not paid in any fiscal year to metropolitan cities, urban counties or other units of general local government under subsections (a) or (b) (but not including funds that become available in fiscal year 1977 and subsequent fiscal years solely by virtue of the phase out of hold-harmless) the Secretary would allocate 90 per cent of such funds for use by States for community development purposes.

The Secretary would be required to allot such funds to the States on the basis of the relative needs of metropolitan areas in the States. The factors used in establishing need would be population, poverty (counted twice) and housing overcrowding. For the purpose of determining the amount to be allocated to each State under this subsection, metropolitan areas would be considered as though they did not include metropolitan cities.

To receive funds under this subsection (c) a State would have to certify through its governor that in the distribution or use of funds allocated to the States among different metropolitan areas in the State, each of its metropolitan areas will receive at least 50 per cent of the amount of the States allocation which is attributable to inclusion in the allocation formula of data pertaining to that metropolitan area without any deduction for State administrative costs. Funds not allocated and used in or made available to particular metropolitan areas as required in the preceding sentence would be available for distribution by the governor to units of general local government in the State and, in reasonable amounts, for State expenses in carrying out the Act.

Subsection (d) would provide that any funds not allocated and used under any preceding subsection or which are allotted but not paid pursuant to subsection (e)(2) of this section would be available to the Secretary for payments to states and units of general local government subject to such terms and conditions as he may prescribe or for such other uses as he determines would be consistent with the purposes of the Act including evaluation, directly or by contract or otherwise, of the use of shared revenues disbursed under this Act.

Subsection (e) would provide that funds which become available in fiscal year 1977 and subsequent fiscal years by virtue of the phase out of hold-harmless would have to be allotted as follows: ten per cent of such sums would be allotted to the Secretary for use in accordance with subsection (d) of this section and the balance of such sums would be allotted so that (1) one-third is divided among metropolitan cities and urban counties in the same manner as funds are allotted to them under subparagraph (A) of subsection (a)(2), (2) one-third is divided among the States in the same manner as funds are allotted to them under subparagraph (A) of subsection (c)(2) but without regard to the exclusion of metropolitan cities required by subparagraph (B) of that subsection and this amount would be available in each State only for distribution in metropolitan areas with each metropolitan area being entitled to that amount of the State's share of these funds which is attributable to inclusion of data pertaining to its population, poverty and housing overcrowding, and (3) one-third is divided among the States in the same manner as in (2) above and this amount would be available to the Governors for distribution to any unit of general local government, and subject to regulations of the Secretary for administrative expenses incurred by the State in carrying out this Act. No amount allotted among metropolitan cities and urban counties out of the balance of funds remaining in any fiscal year by virtue of the phase out of hold-harmless (after the 10 per cent of such funds are allotted to the Secretary) would be paid in any fiscal year to any metropolitan city or urban county, if such payment would result in such city or county receiving an aggregate amount which is in excess of its full hold-harmless amount, except that this limitation would not apply with respect to any city or county if the amount allotted by reason of such extra payment when added to the formula entitlement exceeds such full hold-harmless amount.

Subsection (f) would make the Secretary's determination and calculations of allocations and entitlements final and conclusive.

SECTION 8. *Loans.*

This section would provide that nothing in this Act prohibits a unit of general local government from obtaining loans to finance any community development activity, and from pledging, or offering as security for such loan, any asset which it otherwise may pledge or offer as security.

SECTION 9. *Nondiscrimination.*

This section would provide for the nondiscriminatory use of Federal assistance made available under the act.

Subsection (a) would provide that no person in the United States shall on the ground of race, color, national origin, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under this Act.

Subsection (b) would provide that whenever the Secretary determines that a recipient has failed to comply with subsection (a) or an applicable regulation, he shall notify the Governor of the State (or, in the case of a unit of local government, which has not received shared revenues from the State, the chief executive of such unit) of the noncompliance and shall request the Governor or the chief executive to secure compliance. If within a reasonable period of time, not to exceed 60 days, the Governor or the chief executive fails or refuses to secure compliance the Secretary would be authorized (1) to refer the matter to the Attorney General with a recommendation that an appropriate civil action be instituted; (2) to exercise the powers and functions provided by Title VI of the Civil Rights Act of 1964; (3) to exercise the powers and functions provided for in section 15 of this Act; or (4) to take such other action provided by law.

Subsection (c) would provide that when a matter is referred to the Attorney General pursuant to subsection (b), or whenever the Attorney General has reason to believe that a State government or unit of local government is engaged in a pattern or practice in violation of the provisions of this section, he may bring a civil action in any appropriate United States district court for such relief as may be appropriate, including injunctive relief.

SECTION 10. *Labor standards.*

This section would require that all laborers and mechanics, employed by contractors or subcontractors in the performance of work on any construction project financed in whole or in part with shared revenue funds, must be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act. This section would apply to the construction of residential property only if such residential property is designed for residential use for twelve or more families.

SECTION 11. *Matching Grants.*

This section would provide that shared revenue funds may be used as matching shares for Federal programs which provide assistance for community development activities and that neither the Secretary nor any State shall require any matching of State or local funds as a condition to making payments under this Act.

SECTION 12. *Use of Shared Revenue To Close Out Urban Renewal Projects.*

This section would authorize the Secretary to terminate any urban renewal project being carried out under title I of the Housing Act of 1949 as soon as practicable after consultation with the agency carrying out the project and the chief executive of the locality in which it is located, and to effect a financial closeout as if the project had been fully completed on the termination date. Any funds available to such project at the time of closeout would continue to be available to the unit of general local government for the area in which the project is located for use in meeting its community development objectives. Such closeout would be based upon the costs incurred and capital grants earned for the project to the date of termination. If such closeout did not result in full repayment of the principal of, and accrued interest on, any temporary loans made under title I of the Housing Act of 1949 for the project, the Secretary could, notwithstanding any other provision of this Act, condition distribution of funds pursuant to section 7 of this Act to the unit of general local government for the area in which the project is located upon the use of such funds, in such amounts, and staged over such time periods as the Secretary deems appropriate, to repay such temporary loans.

SECTION 13. *Records, Audit, and Reports.*

This section would provide that in order to assure that revenues shared under this Act are used in accordance with its provisions, each recipient must (1) use such fiscal, audit, and accounting procedures as may be necessary to assure proper accounting for payments received by it, and proper disbursement of such payments, (2) provide to the Secretary and the Comptroller General of the United States access to, and the right to examine, any books, documents, papers, or records as he requires, and (3) make such reports to the Secretary or the Comptroller General of the United States as he requires.

SECTION 14. *Relocation.*

Subsection (a) would amend Sec. 217 of the Uniform Relocation Assistance and Real Property Acquisitions Policies Act of 1970 to add a provision that permits relocation payments for displacement as a direct result of any community development activities, 25 percent or more of the cost of which is paid for with shared revenue funds received under the Better Communities Act.

Subsection (b) would provide that notwithstanding section 211 of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (which makes the cost of relocation payments and assistance a project expense and authorizes a Federal payment for the first $25,000 of relocation costs for each displacement which occurs prior to July 1, 1972) no Federal contribution in addition to shared revenues shall be made to recipients for costs incurred in providing relocation payments and assistance for those displaced by community development activities assisted with community development special revenue sharing funds.

SECTION 15. *Remedies for Noncompliance.*

This section would provide for remedies for noncompliance with any provision of this Act as follows:

Subsection (a) would provide that if the Secretary, after reasonable notice and opportunity for hearing finds that a recipient of revenues shared under this Act has failed to comply substantially with any provision of this Act, the Secretary, until he is satisfied that there is no longer any such failure to comply, would be required to terminate payments to such State under this Act, or reduce payments under this Act by an amount equal to the amount of such payments which were not expended in accordance with this Act, or limit the availability of payments under this Act to programs, projects, or activities not affected by such failure to comply.

Subsection (b) would provide that if in lieu of, or in addition to, any action authorized by subsection (a), the Secretary may, if he has reason to believe that a recipient has failed to comply substantially with any provision of this Act, refer the matter to the Attorney General of the United States with a recommendation that an appropriate civil action be instituted. Upon such a referral the Attorney General could bring a civil action in any United States district court having venue thereof for such relief as may be appropriate, including an action to recover revenues shared under this Act which were not expended in accordance with it, or for mandatory or injunctive relief.

Subsection (c) would provide that if any recipient which receives notice, under subsection (a), of the termination, reduction, or limitation of revenues shared could, within sixty days after receiving such notice, file with the United States Court of Appeals for the circuit in which such State is located, or in the United States Court of Appeals for the District of Columbia, a petition for review of the Secretary's action. The petitioner would have to transmit copies of the petition to the Secretary and the Attorney General of the United States, who shall represent the Secretary in the litigation.

The Secretary would be required to file in the court the record of the proceeding on which he based his action, as provided in section 2112 of title 28, United State Code. No objection to the action of the Secretary could be considered by the court unless such objection has been urged before the Secretary.

The court would have jurisdiction to affirm or modify the action of the Secretary or to set it aside in whole or in part. The findings of fact by the Secretary, if supported by substantial evidence on the record considered as a whole, would be conclusive. The court could order additional evidence to be taken by the Secretary, and to be made part of the record. The Secretary could modify his findings of fact, or make new findings, by reason of the new evidence so taken and filed with the court, and he would also be required to file such modified or new findings, which findings with respect to questions of fact would be conclusive if supported by substantial evidence on the record considered as a whole, and he would also file his recommendations, if any, for the modification or setting aside of his original action.

Upon the filing of the record with the court, the jurisdiction of the court would be exclusive and its judgment would be final, except that such judgment would be subject to review by the Supreme Court of the United States upon writ of certiorari or certification as provided in section 1254 of title 28, United States Code.

SECTION 16. *General Provisions.*

Shared revenues would be paid to recipients in such installments as the Secretary may determine into account the objective that the time elapsing between the transfer of funds from the United States Treasury and its disbursement by a recipient shall be minimized.

Subsection (a) would provide that the Secretary must prescribe such rules, regulations, and standards as may be necessary to carry out the purposes and conditions of this Act.

Subsection (b) would require the Secretary to include an evaluation of the effectiveness of this Act in his annual report to the President on departmental activities required by section 8 of the Department of Housing and Urban Development Act.

Subsection (c) would require each recipient to provide for the expenditure of amounts received under this Act only in accordance with the laws and procedures applicable to the expenditures of its own revenues.

SECTION 17. *Conforming and Technical Amendments.*

Subsection (a) would provide that this Act shall be effective upon enactment, but no funds would be allotted before fiscal year 1975.

Subsection (b) would provide that no new grants or loans may be made under section 312 of the Housing Act of 1964, section 702 or section 703 of the Housing and Urban Development Act of 1965, title VIII of the Housing Act of 1961, or title I of the Demonstration Cities and Metropolitan Development Act of 1966 after the effective date of this Act; after June 30, 1974, no new loans or grants could be made under title I of the Housing Act of 1949. In certain limited cases, new grants and loans—but not amendatories—could continue to be made on the basis of previous commitments.

Subsection (c) would amend Section 3689 of the Revised Statutes, as amended, (31 U.S.C. 711) to provide for payments required from time to time under contracts entered into pursuant to section 103(b) of the Housing Act of 1949, as amended, with respect to projects or programs for which funds have been committed on or before June 30, 1973, and for which funds have not previously been appropriated.

Subsection (d) would authorize the Secretary to transfer the assets and liabilities of any superseded or nonactive program of housing or urban development to the revolving fund for liquidating programs established pursuant to title II of the Independent Offices Appropriation Act of 1955.

SECTION-BY-SECTION SUMMARY—COMMUNITY DEVELOPMENT ACT OF 1973

SHORT TITLE

Section would cite this bill as the Community Development Assistance Act of 1973.

FINDINGS AND PURPOSE

Section 2 would recite Congressional findings that—

(1) the Nation's cities, towns, and smaller urban communities face critical social, economic and environmental problems arising from the growth of population in urban areas and the concentration of lower-income persons in central cities, and from inadequate public and private investment in planning physical facilities, public and private services.

(2) the Nation's future welfare depends on the establishment and maintenance of viable urban communities and declares that the purpose of this bill is to improve the present system of Federal assistance through simplifying and consolidating existing categorical programs and authorizing a new program to assure greater continuity of Federal support and to increase public and private investment in community development.

The new program is designed to support community development activities which are directed toward (a) conserving and expanding the Nation's housing stock, (b) eliminating slums and preventing deterioration of property and facilities, (c) achieving more rational utilization of land, (d) expanding and improving the quality of community services, (e) restoring and preserving properties of special value, and (f) eliminating conditions which are detrimental to health.

DEFINITIONS

Section 3 would define:

A community development agency as a State or other unit of general local government.

A unit of general local government as a city, county, or other general purpose subdivision of a State, or a consortium of such political subdivisions recognized by the Secretary. One or more public agencies, including existing local public agencies, may be desgnated by a unit of local government to undertake all or part of any community development activities assisted under the bill.

A metropolitan area as a standard metropolitan statistical area as established by the Office of Management and Budget.

A metropolitan city as a central city within an SMSA or one within a metropolitan area with a population area with a population of 50,000 or more persons.

Population as the total resident population according to U.S. Bureau of the Census.

Extent of poverty as the number of persons (or families and individuals) whose incomes are below the poverty level according to data compiled by the Office of Management and Budget.

Extent of overcrowding as the number of housing units with 1.01 or more persons per room according to U.S. Census data.

Program experience as the sum of the average of loans or grants received by a locality during the five preceding fiscal years under—

Title II of the Housing Amendments of 1955,

Title VII of the Housing Act of 1961,

Section 702 of the Housing Act of 1954,

Title VII of the Housing and Urban Development Act of 1965,

Title I of the Housing Act of 1949.

ELIGIBLE ACTIVITIES

Section 4 would set forth a variety of activities which further the purposes of the Act as set forth in Section 302, including:

(1) acquisition of property which is blighted or inappropriately developed; appropriate for rehabilitation or conservation; necessary for preservation, beautification, conservation or future development; to be used for public works, facilities or other public purposes;

(2) disposition of property at its fair value;

(3) clearance or demolition of buildings;

(4) acquisition, construction or reconstruction of community facilities;

(5) designing and interim financing for the construction of certain public facilities;

(6) relocation payments;

(7) conservation and rehabilitation of existing properties through code enforcement and other programs;

(8) development of surplus property;

(9) provision of technical or financial as-

sistance to persons or organizations participating the planning and execution of community development programs;

(10) provision of grants or loans for rehabilitation and conservation;

(11) provision of additional public services which are not otherwise available;

(12) payment of related administrative costs;

(13) payment of financial incentives to encourage the timely construction of community facilities;

(14) carrying out unspecified activities necessary to the program;

(15) payment of the Federal share of the cost of completing a project funded under the Title I of the Housing Act of 1949.

AUTHORIZATION

Section 5(a) would authorize the Secretary to incur obligations in an amount not exceeding $5.9 billion as approved in an Appropriation Act, beginning July 1, 1974. Authority to liquidate obligations would be limited to $2.7 billion prior to July 1, 1975, and $5.9 billion prior to July 1, 1976, with sums appropriated remaining available until expended.

Subsection (b) would require the Secretary to report to the Congress annually, and to submit requests for (a) increased authorizations and (b) any needed adjustments in the schedule for liquidation of obligations in a timely manner.

ALLOCATION OF FUNDS; BASIC GRANT ENTITLEMENT, REPORT

Section 6(a) would require that 75% of appropriated funds for community development be allocated to metropolitan areas.

Each metropolitan area would be eligible for annual grants in an amount which is the greater of (a) basic grant entitlement amount or (b) a hold harmless amount.

Subsection (b) would provide for the allocation of funds (1) to metropolitan areas and (2) to metropolitan cities according to a formula incorporating population, extent of poverty, extent of housing overcrowding and the extent of program experience.

Subsection (c) would define the hold harmless amount as an amount equal to the sum of the average during the five fiscal years preceding the date of enactment of (a) loans pursuant to title II of the Housing Amendments of 1955, (B) grants pursuant to title VII of the Housing Act of 1961, (C) advances pursuant to section 702 of the Housing Act of 1954, (D) grants pursuant to title VII of the Housing and Urban Development Act of 1965, and (E) grants pursuant to part A of Title I of the Housing Act of 1949; and the average annual grant made in accordance with part B of Title I of the Housing Act of 1949.

Subsection (d) would require the Secretary to adjust in an equitable manner the basic grant entitlement of any metropolitan city which would have an entitlement exceeding 135 percent of the city's hold harmless amount in the first year.

Subsection (e) would provide for the retention and distribution of any remainder of a metropolitan area allocation within metropolitan areas.

Subsection (f) would provide that any nonmetropolitan city would be eligible for annual grants in an amount at least equal to its hold harmless if during the five preceding years, one or more urban renewal or neighborhood development projects or programs were being carried out in the locality with assistance under title I of the Housing Act of 1949.

Subsection (g) would authorize the Secretary to distribute any unallocated funds to localities outside of metropolitan areas and to any locality to meet its hold harmless entitlement.

Subsection (h) would authorize the Secreary to make such adjustments as he deems necessary to maintain a distribution of funds consistent with the objectives of the Act in the event that the full amount of funds authorized to be appropriated are not available for obligation.

Subsection (i) would require the Secretary to report to the Congress his recommendations for modifying or expanding provisions related to the method and level of funding and the allocation of funds, the determination of the basic grant entitlement, and for the application of such provisions in the future distribution of funds under the Act.

GENERAL REQUIREMENTS

Section 7(a) would provide that financial assistance shall be granted only upon an annual application by a community development agency.

Each application would be required to contain:

(1) an outline of community development needs and objectives, and actions to be taken during the next three year period (a) to meet the housing needs of families who may reasonably be expected to seek housing in the community, (b) to prevent and eliminate slums and blight and upgrade neighborhoods through code enforcement and other community improvement programs; and (c) to improve and upgrade community services and facilities to meet the social needs of residents in areas affected by community development activities.

(2) a description of activities to be undertaken over the next 2-year period, the general location of these activities and requirements for federally-assisted housing units and rehabilitation loans.

(3) a certification that the applicant:

(A) has determined that the proposed program is consistent with local and areawide comprehensive development plans and national growth policies;

(B) has afforded, or will afford, adequate opportunities for public hearings prior to any acquisition of land, pursuant to reasonable prior notice; and

(C) has afforded adequate opportunity for citizens participation in the development of the annual application, and has provided for meaningful involvement of residents in areas affected by community development activities in the planning and execution of these activities, including provision of adequate information and resources.

(4) a report covering community development activities carried out during the previous year, their costs, and an assessment of these activities in relation to the community's development objectives stated in the previous application.

Subsection (b) would permit the Secretary to waive all or part of these requirements if the application is in behalf of a locality outside an SMSA or inside an SMSA but outside an "urbanized area", and having a population of less than 25,000 according to the most recent Census data; covers the first development activity under the act (except for an urban renewal activity); and is determined by the Secretary not to be inconsistent with the purposes of the Act.

Subsection (c)(1) would require that the Secretary make his determination with respect to any application and give written notice of his approval or disapproval within ninety days following submission of the application. Any application providing for renewal or revision of an on-going program would be deemed approved within ninety days after submission, unless the Secretary notifies the applicant in writing of his disapproval and sets forth the reasons with respect to performance by the applicant agency or the eligibility of proposed activities.

Subsection (c)(2) would provide that no application for assistance under the Act may be approved by the Secretary unless he has concluded that the community has set forth a meaningful program to meet its urgent development needs and to achieve the purposes of the Act, and has carried out its contractual commitments pursuant to previous applications.

Subsection (c)(3) would provide that the Secretary shall reserve funds to meet the housing requirements specified in the application, to the extent he deems it to be necessary and feasible.

GRANTS

Section 8(a) would authorize the Secretary to enter into contracts to make grants to community development agencies for activities to be carried out within a two year period. No grant may exceed 90 percent of an agency's total net program cost. Where the program involves rehabilitation grants or relocation payments the grant may be increased, subject to prescribed limitations, to include either the full cost of making rehabilitation grants, or the full cost up to $25,000 for each displaced person for relocation. Non-federal contributions to the program cost must be in the form of cash grants, property donated at cash value, or public services or improvements at their cost.

Subsection (c) would define "rehabilitation grant" as a grant of under $4,000 made to a low-income owner-occupant to finance repairs and improvements necessary to conform the property to requirements of applicable codes or of the community development program.

LOANS

Section 9(a) would authorize loans at not less than the going federal rate to community development agencies to finance activities pending receipt of grant assistance. It also would provide interim financing for construction of public facilities. These funds may be obtained by issuance of obligations not to exceed $1,500,000,000, under conditions prescribed by the Secretary with the approval of the Secretary of the Treasury, who is further authorized to purchase and sell any of these obligations as public debt transactions.

Subsection (b) would authorize the Secretary to make rehabilitation loans where the rehabilitation is necessary or appropriate under an approved community development program.

CONSULTATION

Section 10 would provide that the Secretary in carrying out the provisions of this Act shall consult with other Federal agencies which administer grant-in-aid programs.

TECHNICAL ASSISTANCE

Section 11(a) would authorize the Secretary to provide technical assistance directly or through contracts to smaller communities in planning, developing and administering community development programs. He may use for demonstration purposes, smaller community programs being carried out under Model Cities or other community development programs.

Subsection (b) would require the Secretary to report to the Congress within 180 days his findings and recommendations with respect to:

(1) Existing and recommended programs of Federal, State and local governments relating to community development in smaller communities as defined above;

(2) The significance of such programs as they relate to the relief of acute problems in communities of greater population, and population density;

(3) The need for unified federal agency coordination, control or direction of such programs;

(4) The extent to which the Department should be involved in such coordination, direction or control and the manner and method of such participation;

(5) The appropriate allocation of federal funds and resources as between the community development of rural areas as herein defined and community development in urban areas.

Subsection (c) would define the term smaller community to mean any municipality or other political subdivision having a population of 50,000 or less according to the most recent census.

LABOR STANDARDS

Section 12 would provide that the provisions of section 109 of the Housing Act of 1949, relating to the protection of labor standards, will apply to the administration of this Act.

UNIFORM RELOCATION ASSISTANCE AND REAL PROPERTY ACQUISITION POLICIES ACT OF 1970

Section 13 would extend the definition of a person displaced as the result of the acquisition of real property to include those who discontinue business or move from their dwelling as a direct result of activity assisted under the Community Development Assistance Act of 1973.

INTERSTATE AGREEMENTS

Section 14 would approve multi-state agreements and agencies for cooperative effort in support of community development programs which have an interstate impact.

EFFECTIVE DATE; TRANSITIONAL TERMINATION OF EXISTING PROGRAMS

Section 15 would provide that this Chapter is to take effect on the date of enactment, and that after June 30, 1974 no new grant or loans are to be made except where funds have been committed before that date pursuant to title II of the Housing Amendments of 1955; title VII of the Housing Act of 1961; section 702 of the Housing Act of 1954; title VII of the Housing and Urban Development Act of 1965; and title I of the Housing Act of 1949. An amendment would be made to Section 3689 of the Revised Statutes to deal with payments pursuant to contracts entered into under section 103(b) of the Housing Act of 1949. The Secretary would be authorized to transfer assets and liabilities of superseded or nonactive programs to a revolving fund for liquidating programs.

Mr. TOWER. Mr. President, I take pleasure in introducing today, along with the distinguished senior Senator from Alabama, the administration's proposed Better Communities Act, transmitted to the Senate on April 30, 1973, by Hon. James T. Lynn, Secretary of the Department of Housing and Urban Development.

In 1971, the administration submitted to the Congress the Community Development Act which embodied its urban community development special revenue sharing proposal. The Better Communities Act also proposed to share revenues with State and local governing bodies and is similar in content to the administration's proposal of 2 years ago.

As you will recall, last year the Senate passed the Housing and Urban Development Act of 1972 which contained provisions which allowed block grants to be used by local governments for community development purposes. This was the result of extensive hearings held by the Committee on Banking, Housing and Urban Affairs and represented the best of the many proposals submitted. Communities would receive their fair share of Federal funds to be used in activities which were determined by local priorities. Unfortunately, a bill which contained similar provisions never passed the House.

This year the Better Communities Act provides that initial funding be at a $2.3 billion level. The act proposes that funds go directly to State and local units of government. Funds would be distributed on a formula basis taking into consideration factors such as population, poverty, and the extent of overcrowding in housing.

Additionally, a "hold harmless" provision is designd to assure those communities that have ongoing projects that funding will continue at a level so that particular projects might be completed if that is the community's priority.

Mr. President, while the Better Communities Act proposes to alleviate the problems that have resulted from the present system of categorical grants, there are certain portions of this bill which I think should be explored in committee hearings. Some of the concerns I have regarding the proposal deal with the amount of funds available to small communities. Additionally, the amount of funds available to the States, and the phaseout provisions for certain hold harmless communities merit further consideration. It is my hope that these matters could be examined in hearings to be held as early as scheduling will permit.

As you know the President and Secretary Lynn have repeatedly assured us that the administration's housing policy recommendations would be submitted to Congress by September 7, 1973. I think all of us agree that despite the increased number of housing starts in the past few years, there is still a significant shortage of housing that low- and moderate-income families can afford. It is highly important that this need be met. Much of the testimony received in the past has shown, however, that the present programs do not effectively solve the housing problems of those persons who are at the very lowest rung of the income scale. It is hoped that the proposal to be submitted by HUD will offer solutions to this very pressing problem.

Nevertheless, it is also my hope, Mr. President, that the Committee on Banking, Housing and Urban Affairs will not wait to commence action on the Better Communities Act until these housing proposals have been submitted. The importance of its provisions are evident in that the Senate last year passed a bill which was similar in scope. It is important that the frustration and headaches that our local officials now go through be eliminated. It is important that a community be able to decide what it wants to do with funds rather than being locked into spending money on a project which might not be its No. 1 priority. It is important that the taxpayer's money be used as efficiently as possible.

By Mr. MONDALE (for himself, Mr. Bayh, Mr. Burdick, Mr. Church, Mr. Eagleton, Mr. Hart, Mr. Hartke, Mr. Hathaway, Mr. Humphrey, Mr. Jackson, Mr. Javits, Mr. Magnuson, Mr. Moss, Mr. Pastore, Mr. Percy, Mr. Randolph, Mr. Ribicoff, Mr. Schweiker, Mr. Stevenson, Mr. Tunney, Mr. Weicker, and Mr. Williams):

S. 1745. A bill to provide financial assistance for research activities for the study of Sudden Infant Death Syndrome, and for other purposes. Referred to the Committee on Labor and Public Welfare.

SUDDEN INFANT DEATH

Mr. MONDALE. Mr. President, today I am introducing legislation which I hope will result in a national commitment to finding the cause and cure of Sudden Infant Death Syndrome or crib death. This disease is the largest killer of infants between the ages of 1 month and 1 year in this country. It strikes at least 10,000 children each year.

Babies who die of SIDS die unexpectedly and from no apparent medical cause. Because so little is known about SIDS the pain it causes can envelop entire families and can have wide-ranging psychological implications. Grief-stricken families are sometimes even ostracized by other members of the community who wrongly blame them for the death.

As chairman of the Subcommittee on Children and Youth, I have a long standing interest in trying to expand research into SIDS. In January 1972, the subcommittee held a hearing in which parents and doctors testified to the pressing need for a systematic SIDS research program. In addition, they pointed out that the grief of families who lose children to SIDS could be considerably alleviated if hospital and similar personnel—such as doctors, nurses, and social workers—were more aware of the nature and effects of crib deaths.

Last year I introduced and the Senate passed a resolution calling on the Department of Health, Education, and Welfare to make crib death research a top priority; and to develop education, information, training and statistical resources on the disease. The resolution was not acted on by the House.

During the summer of 1972 the National Foundation for Sudden Infant Death, Inc. conducted a study of the treatment of SIDS cases by the authorities in various parts of the United States. The final report of this study is not available yet. But preliminary findings indicate that there is a desperate need for an immediate focus on SIDS to relieve the suffering of families who lose children and to find out why these children continue to die so mysteriously.

For this reason today I am introducing legislation authorizing the creation of SIDS research centers; and authorizing support for information, counseling and training activities related to SIDS.

No institution could receive a grant in excess of $50,000, and grants would have to be matched by a 50-percent contribution.

I ask unanimous consent that a copy of the bill be printed in the Record at this point.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1745

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That it is the purpose of this Act to provide financial assistance to identify the causes and the preventive measures needed to eliminate sudden infant death syndrome, to provide information and counseling services to families affected by sudden infant death syndrome, and to personnel engaged in research for the prevention of sudden infant deaths.

SEC. 2. (a) The Secretary of Health, Education, and Welfare (hereinafter referred to as the "Secretary") is authorized to make grants to or enter into contracts with public or private nonprofit institutions to pay the Federal share of the cost of research, designed to identify the causes and to develop preventive measures to eliminate sudden infant death syndrome.

(b) Activities for which a payment may be made under this Act include—

(1) the establishment of research centers for the study of sudden infant death syndrome;

(2) the collection, analysis, and furnishing of information with respect to the causes of sudden infant death syndrome;

(3) counseling services to families affected by sudden infant death syndrome; and

(4) short-term training and other professional services for personnel engaged in preventing sudden infant death syndrome.

(c) No grant under this Act may be made and no contract may be entered into under this Act unless—

(1) an application is made to the Secretary at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require; and

(2) provision is made for such reporting and fund accounting procedures as the Secretary deems neecssary.

(d) Payments in any fiscal year to any single institution under this Act may not exceed $50,000.

SEC. 3. (a) The Federal share of the cost of any activities for which application is made under this Act shall be 50 percent.

(b) Non-Federal contributions may be in cash or in kind, fairly evaluated, including plant, equipment or services.

SEC. 4. Not later than September 1, 1975, the Secretary shall prepare and submit to the President and to the Congress a detailed and complete report of the findings and conclusions developed pursuant to activities assisted pursuant to this Act.

SEC. 5. There are authorized to be appropriated $2,000,000 for the fiscal year ending June 30, 1974 to carry out the provisions of this Act.

By Mr. WILLIAMS:

S. 1746. A bill to incorporate the Catholic War Veterans of the United States. Referred to the Committee on the Judiciary.

Mr. WILLIAMS. Mr. President, I am privileged today to introduce a bill which will provide the Catholic War Veterans of the United States with a national charter by act of Congress.

Since 1935, the Catholic War Veterans have been in the forefront of protecting rights and benefits and promoting fellowship for men and women of the Catholic faith who honorably served in our Nation's armed services during wartime.

As loyal Americans and defenders of our national interest, the Catholic War Veterans of the United States are committed to the moral and ethical principles of their faith and the advancement of those principles as a guide in the conduct of our national affairs. It is in the American tradition that the more than 8,000,000 living Catholics who served in our Nation's defense and whose interests are advanced by the Catholic War Veterans should receive a charter from Congress.

In his second inaugural address, President Lincoln pledged the Nation—"to care for him who shall have borne the battle and for his widow and his orphan—to do all which may achieve and cherish a just and lasting peace among ourselves and with all nations." The Catholic War Veterans of the United States preeminently helps carry out that pledge.

By Mr. GRAVEL:

S. 1748. A bill to amend the Ship Mortgage Act, 1920, in order to provide that a State, the District of Columbia, the Commonwealth of Puerto Rico, and a territory of the United States shall be considered to be a citizen of the United States for the purposes of such Act. Referred to the Committee on Commerce.

Mr. GRAVEL. Mr. President, today I am introducing a bill which will enable the State of Alaska and any other State, district, Commonwealth, or territory to make loans to commercial fishermen for the repair and rehabilitation of their fishing vessels. This legislation amends the Ship Mortgage Act of 1920 [46 U.S.C. 922(a) (5)] by including a State within the definition of a citizen for purposes of that act.

Since State statutes require them to obtain a first lien on the collateral which secures the loan, most applicants are unable to offer any collateral other than their fishing vessel; and this creates the problem. In most cases the only first lien obtainable on a vessel is a preferred ship mortgage created and held in accordance with the Ship Mortgage Act of 1920. This act requires that, in order to have a preferred ship mortgage, the mortgagee must be a citizen of the United States. Unfortunately, a State is nowhere defined as being a citizen. This legislation will correct that oversight by enabling States to create and hold preferred ship mortgages.

Mr. President, I ask unanimous consent that this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1748

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection D(a) (5) of the Ship Mortgage Act, 1920 (46 U.S.C. 922(a) (5)) is amended by inserting after "Reconstruction Finance Corporation" the following: "and a State, the District of Columbia, the Commonwealth of Puerto Rico or a territory of the United States".

By Mr. MONDALE:

S. 1749. A bill to provide continued rail transportation in rural America. Referred to the Committee on Commerce.

Mr. MONDALE. Mr. President, I am introducing legislation to establish within the Department of Transportation a Rural Rail Transportation Administration.

This legislation is designed to provide rural community groups with a way to continue rail service when it is important to the economic growth and development of communities.

The Rural Rail Transportation Administration would have the responsibility of aiding the continuation and improvement of rail service in rural America. It would be authorized to make loans or loan guarantees to reestablish service of an abandoned rail line or to continue and improve service on a line to be abandoned. This type of financing program would enable cooperatives or other nonprofit organizations made up of shippers and residents to purchase and operate short-line railroads.

I have not included in the bill a ceiling on the size of loans. This was done on the assumption that the Commerce Committee, through hearings and appropriate study, will be able to establish fair and practical limits and percentages.

Increased reliance on motor carriers is not the answer for farmers or for other residents of rural America. In my home State of Minnesota, a recent study indicates that 304 communities will lose railroad service by 1980. Of those communities, 98 now have roads which are restricted to less than 9-ton carrying capacity. The Minnesota Highway Department informed me that it would cost State and county governments $79.7 million in additional highway construction money to provide unrestricted access to those communities. I am afraid that many rural communities would be left to die, because of the prohibitive cost of providing adequate transportation facilities to replace railroads.

But even if it were possible to obtain the vast investment required to improve rural roads in the next 5 years, it is becoming more and more apparent we should not permit rail service to be discontinued.

This spring the Nation is experiencing serious gasoline shortages, and industry spokesmen predict that there is almost an even chance of gas rationing. Independent distributors throughout the Midwest and Northeast regions of the country may be forced to close for lack of fuel supplies.

The fuel shortages are in many ways related to the growing agricultural transportation crisis. As we become more and more dependent upon overseas sources for oil, the Federal Government is looking toward a dramatic expansion in domestic agricultural production to feed world markets, and to alleviate the balance-of-payments deficit created by large-scale imports of oil. Reports indicate that by 1980, the United States may be spending $18 billion overseas to pay for oil imports alone, compared with a $4.2 billion expenditure in 1972.

The promising outlook in world demand for farm products is viewed by administration strategists as the major hope of preventing a sharp deterioration in the U.S. balance of payments. In fiscal 1973, it is estimated we will export $11.1 billion in farm commodities for a net surplus of $3.3 billion in agricultural trade. The Department of Agriculture has recently moved to remove Government controls on farm production. In a report prepared for Presidential Assistant Peter M. Flanigan, officials of the Agriculture Department concluded optimistically that the United States could achieve $18 billion in agricultural exports by 1980.

We see already the vicious cycle which could occur. The U.S. imports greater supplies of oil from overseas. The Agriculture Department opens up millions of acres of farmland to production to pay for these imports. Rail transportation is reduced while we increase the amount of agricultural produce which must be moved. Thus we are forced to rely more and more on trucks to haul not just present but also greatly expanded production. Yet highways in many cases are not capable of replacing rail transport without costly improvements. And the increased reliance on trucks adds to the skyrocketing demand for fuel.

Trains can move one ton of freight for nearly one fourth the fuel required by trucks.

It is therefore critical to not only the agricultural community but also to the Nation's over-all economic future, that we maintain rural rail lines.

Corporations which presently own the railroads want to abandon rural lines. They have shown clearly that they do not want to live up to their responsibilities. Service to rural communities has been declining for a number years.

A year ago, I had an opportunity to examine some of the rail lines in the State of Minnesota, which were slated for abandonment. The rails were old, ties were rotted out, and in many places it was difficult to tell whether there were any ties at all because the entire roadbed was covered with sod.

The railroads argue that this faulty equipment is a reason to be granted permission to abandon the branch lines. But the poor condition of the track and roadbed are not the fault of the shippers and rural communities serviced by the lines. Who else but the companies owning the railroads is at fault?

Not long ago, railroads were allowed to abandon passenger service to many major cities. They said that was necessary in order to run freight trains profitably. Now they want to abandon freight service in rural areas. They say they must do this to keep main freight lines operating. And so it goes on. A dangerous trend continues and rural America is the victim.

In my judgment, we should initiate a transportation program similar to the Rural Electrification Administration. The REA has been one of our Nation's truly great rural development successes. Rural electric cooperatives, owned and operated by rural residents and farmers, provide services that big business cannot or will not provide. And REA's pay back all loans that they get from the Government.

Three or four decades ago opponents of the REA effort said it would never work. They said farmers don't need electricity, and if they had it, they could not pay for it.

Today rural America has electric power. All the bills get paid. And I am convinced that the labor saving, accomplished by electricity on the farm, has contributed greatly to the farmers' productivity, which has made American agriculture the bright spot of our international payments crisis.

I believe investing in people and entrusting our Nation's resources to organizations run by the people. Rural electric cooperatives have a fine record showing what can be done by such organizations. The Rural Rail Transportation Administration authorized by this legislation would do so also.

Mr. President, I do not claim that this will completely solve the transportation crisis. As put forth in this bill, I strongly support efforts to declare a moratorium on the abandonment of railroad lines until a national transportation plan can be developed. But the Rural Transportation Administration is needed to help continue rail service in rural communities.

Mr. President, I ask unanimous consent that the text of the bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1749

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled. That this Act may be cited as the "Rural America Rail Transportation Act of 1973."

RURAL RAIL TRANSPORTATION ADMINISTRATION

SEC. 2. The Secretary of Transportation (Hereinafter referred to as the "Secretary") shall establish within the Department of Transportation a Rural Rail Transportation Administration which shall be headed by an Administrator who shall be appointed by the President by and with the advice and consent of the Senate and shall be compensated at the rate provided for level IV of the Executive Schedule in title 5 United States Code. The Secretary shall carry out his functions under this Act through such Administration.

STUDIES, RESEARCH, AND DEMONSTRATION PROGRAMS

SEC. 3. (a) In order to promote the continuation and improvement of rail service in rural areas of the United States the Secretary is authorized to contract or enter into other arrangements for studies, research, and demonstration programs as may be necessary to—

(1) develop improved equipment for such service;

(2) determine means of continuing and improving such service under existing railroad management;

(3) determine means of restoring such service where it has been discontinued.

(b) In carrying out the provisions of this section the Secretary shall consult and cooperate with appropriate State and local agencies, shippers, railroads, and other appropriate organizations and groups.

LOANS AND LOAN GUARANTEES TO RESTORE ABANDONED SERVICE

SEC. 4. (a) The Secretary is authorized to make loans or loan guarantees pursuant to this section to reestablish service on an abandoned railroad line, or to continue service on a line to be abandoned, in any case in which he determines—

(1) a valid need for such service in order to maintain economic growth and development of areas along the line;

(2) that the applicant has the capability of providing such service and for the purpose of this section any applicant which is a nonprofit organization made up of shippers and residents, or is a State or local government agency, of the area to be served, shall be given preference;

(3) that the applicant has complied with the provisions of the Interstate Commerce Act to provide such service; and

(4) that the provision of such service is, or can be made, economically feasible.

(b) Any such loan or loan guarantee—

(1) shall be made in accordance with the provisions applicable to loans and loan guarantees made pursuant to section 7(b)(5) of the Small Business Act (15 U.S.C. 636(b)(5)), except as otherwise provided in this section;

(2) may be made for costs of any necessary acquisition of tracks and right-of-way and other real property and necessary acquisition and improvement of equipment;

(3) may be made for not to exceed —— per centum of such costs or $————; and

(4) may be made subject to such other terms and conditions as the Secretary determines necessary to carry out the purpose of this Act.

(c) As part of any loan guarantee under this section the Secretary shall pay such portion of the interest on the guaranteed loan as may be necessary to make the cost of such interest to the borrower equal to the interest cost of a direct loan from the Secretary.

AMENDMENT OF INTERSTATE COMMERCE ACT

SEC. 5. Part I of the Interstate Commerce Act is amended by inserting after section 13a a new section as follows:

"ABANDONMENT OF LINES

"SEC. 13b. (a) The Commission shall not consider the request of any common carrier by railroad for a certificate authorizing the abandonment of all or any portion of a line of railroad, or the operation thereof, until after a five-year period following the date of such request to the Commission and during which the carrier has provided public notice of such request, in accordance with regulations of the Commission in the area affected by such abandonment. In determining whether the public convenience and necessity permit the granting of such request, the Commission shall give thorough consideration to the economic importance of such line to all areas which it serves.

"(b) As a condition to the granting of any certificate authorizing such abandonment the Commission shall require such carrier to—

"(1) cooperate to the extent possible with communities served by such line in efforts to restore operations on such line, including making the right-of-way and tracks available for lease on a reasonable basis; and

"(2) not disturb the tracks and roadbed of such line for five years after the date on which such certificate was granted.

"(c) The Commission shall notify the Secretary of Transportation of the receipt of any request for a certificate of abandonment pursuant to this part and shall, to the extent possible, give priority to any proceedings initiated to continue or restore rail operations on an abandoned railroad line.

"(d) The Commission may reduce the five-year period required by subsection (a) or subsection (b)(2) of this section in any case in which it determines, after notice and public hearing, that the public convenience and necessity does not require such period."

AUTHORIZATION

SEC. 6. There are authorized to be appropriated such amounts as may be necessary to carry out the provisions of this Act.

By Mr. KENNEDY (for himself, Mr. BROOKE, Mr. JAVITS, and Mr. BUCKLEY):

S. 1750. A bill to establish the Frederick Law Olmsted Home and Office in Brookline, Mass., as a national historic site. Referred to the Committee on Interior and Insular Affairs.

FREDERICK LAW OLMSTED HISTORIC SITE

Mr. KENNEDY. Mr. President, I am introducing legislation to establish the Frederick Law Olmsted Historic Site in Brookline, Mass. I ask unanimous consent that the full text of the bill be printed at the conclusion of my remarks. Today in the House of Representatives, Congressman Robert Drinan is introducing companion legislation.

Mr. President, we are celebrating this year the 150th anniversary of the birth of Frederick Law Olmsted, the father of landscape architecture, enlightened city planning, the man who brought public green space into our urban centers. Olmsted is probably most famous for Central Park in New York City and in my own State of Massachusetts, the Emerald Necklace, a parkland that sweeps along the Charles River through the Fenway, across Jamaica Pond to Franklin Park.

From October of 1972 to January of 1973, we had the opportunity to see a complete exhibition of Olmsted's accomplishments at the National Gallery of Art in honor of the anniversary of his birth. The exhibit included Olmsted's plans for the 17 major urban parks he created including Jackson Park in Chicago and Belle Isle in Detroit, his complete residential community outside Chicago, Riverside, and the college campuses he designed from one coast to the other.

Every day, we in the Congress walk through the Capitol Grounds which Olmsted designed and created, and while we most often take this simple beauty for granted, I think all of us are struck at different moments by the quiet, peaceful charm and grace of these grounds.

Olmsted's efforts contributed to the founding of the National Park System. He was instrumental in preserving the setting of Niagara Falls and was chairman of the original Yosemite Park Commission in 1865.

But Olmsted's greatest contribution was in the cities. For so long it was assumed that urban residents had to travel to enjoy the kinds of natural beauty that add so much to our quality of life. No one else had attempted to set aside green space in the rapidly growing cities, much less to create green spaces where none existed. Central Park in New York and Belle Isle in Detroit were not scenic locations; Olmsted created them out of swamplands and dumps. It was Olmsted who promoted the idea that city dwellers had a right to enjoy scenic beauty and the city itself could only grow and mature if it balanced beauty and development, charm and functional facilities, peace and activity, tranquility and commercial bustle.

Prior to his death in 1903, Olmsted predicted that "the further progress of civilization is to depend mainly upon the influences by which men's minds and characters will be affected while living in large towns." And it was this vision of Olmsted's that prevailed; and it is because of this vision that we have in our major cities the kind of planning that encouraged beautiful landscape as well as buildings. Boston, New York, Milwaukee, Detroit, Buffalo, and Louisville all benefited from the implementation of Olmsted's plans.

Olmsted, in recommending the greenway through Boston wrote to the Boston Commissioner of Parks in 1880 that "pleasing rural scenery" is an antidote for urban ills including "excessive nervous, overanxiety, hasteful disposition, impatience and irritability." The development of the greenway along the Boston Fens changed a public nuisance due to odors, flooding, and disease to the "Emerald Necklace," a parkland of unsurpassed elegance and simple natural beauty.

I ask unanimous consent to include in the Record at this point an article by William Alex of the Olmsted Sesquicentennial Committee outlining Olmsted's place in the history of urban planning in this country.

There being no objection, the article was ordered to be printed in the Record, as follows:

THE SESQUICENTENNIAL OF A GREAT AMERICAN

In the 19th century America produced a man who could look on a piece of land, understand the quality of the earth in it, ascertain the kinds of trees and grasses it could nourish, assay its capability to absorb and drain water, perceive the effect of prevailing winds and the action of the seasons. He knew the structure of the land and how it conducted the organic interchange of sun, air, water and life. He also knew how to rearrange—not break or interfere with—these organic linkages in a viable, constructive way so that the land could serve man's purposes, because he was a firm believer in growth and progress.

In this same way this same man could also look at a city, understand the course of its development, predict the places where industry and trade would concentrate, where workers' houses would then follow, perceive where the problems of crowding would fester most, pinpoint the impending tangles of transportation and communication lines, forsee the inadequacies of provision for sewage and waste disposal with consequent pollution and, when permitted the opportunity, could plan for and obviate these problems with remarkable vision.

And, in between these ecological and urban spheres, this man knew how to mediate nature's way, providing for crowded cities great parks that re-created almost totally for those deprived of it, the countryside, charming and complete, or; providing in a country area the amenities of an entire town, intelligently urbanized only to the extent required and rationally connected to the big city it served.

A small boy, exploring the hills and woods and lakes of his native New England countryside till after night fall, self-confident he would knock for shelter at the nearest farmhouse door he could find.

A man, directing one of the greatest American civil engineering projects up to that time, managing over 4,000 men, he had the courage to face up to one of the most extraordinary and sustained barrages of subterfuge, vituperation and abuse ever directed against one man by machine politics from both a state and municipal level. And he won.

During his lifetime, whose dimensions are just barely hinted at above, he expressed his faith in America devotedly. Responding to the neds of its growth he wrote endlessly, worked tirelessly, travelled almost constantly and fought small minds every step of the way.

Here are five areas of his accomplishments in environment—there are many others in other fields—a series of American firsts of the highest order:

1. America's first major conservationist whose actions and writings formulated the basis for our national and state park systems.

2. America's first regional planner who conceived, designed and built this country's first metropolitan scale park and parkway system for Boston and its surrounding areas.

3. America's greatest designer of major urbans parks, seventeen of them in our central cities across the United States, many of them with associate Calvert Vaux, the first of which was New York's Central Park.

4. America's first urban planner and theorist of note who designed an extensive series of residential communities that were carefully connected to the expanding urban centers they served.

5. Founder in America of the profession of landscape achitecture through his own work in which he conceived plans, detailed land programs and physically supervised the siting and landscaping of innumerable public and private institutions, college campuses, estates and railroad stations, and by training a body of men to do this work and providing professional standards for them.

It is ironic that just as the argument is being taken up all over the world as to whether man has actually succeded in severing the links of the biosphere, the organic chain that binds his very existence on this planet, this country's and perhaps the world's most important environmental artist-enginer, Frederick Law Olmsted, comes to take his place on the stage of history. It must be explicitly understood that the celebration of the sesquicentennial of his birth marks nothing less than a rededication to the idea of human survival. It is against this American that we must measure the captains who must now guide spaceship Earth.

Mr. KENNEDY. Mr. President, several years ago the Frederick Law Olmsted home and office was designated a National Historic Landmark in recognition of Olmsted's outstanding contribution to the history of this Nation. But it has become clear through the years that if this site is to be preserved for generations to come, assistance from the Department of Interior will be needed.

This legislation establishes the home and office of Olmsted as a National Historic Site authorizing the Secretary of Interior to conduct the maintenance and preservation efforts of the site as well as to protect the hundreds of drawings, prints, photographs, and documents which outline the history of Olmsted's achievements.

In addition the bill sets up an Advisory Commission to be made up of those with expert knowledge of Olmsted, his work, and his papers to work with the Department of Interior to assure that none of the material is lost and that it is protected against time and misfortune.

Olmsted's home in Brookline, Mass., is an 18th century house built by Joshua Clark. Olmsted went to live there in 1883 at the age of 61 and began making the house suitable for his work and office. After Olmsted's death in 1903, his son Frederick, Jr., lived there until his retirement in 1950. Through the years the structure has been altered to form to not only an interesting group of buildings, but a perfect setting for the work of Olmsted Associates, the firm carrying on the work of Olmsted.

There is an immediate need to provide protection for the enormous collection of papers and drawings in the office which have been cherished and preserved through the years by Olmsted's family, friends, and associates. This legislation will authorize the Secretary of Interior to determine the most effective methods of guarding these treasures with the expert advice of the Advisory Committee made up of those who have shown their deep concern for Olmsted's history through the years.

I ask unanimous consent to insert in the RECORD at this point articles from papers and journals which have appeared recently in celebration of Olmsted's birthday.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From Newsweek, November 6, 1972]

PROPHET IN THE PARK

(By Douglas Davis)

Frederick Law Olmsted, America's first landscape architect and first city planner, liked to call himself an "unpractical" man. He used the term in jest but the joke was spiced with a terrible irony. For he spent his long and tumultuous career in deadly conflict with the "practical" men who ran society—politicians, financiers and civic leaders. Occasionally he won, and those triumphs, some of them miraculous, are being celebrated now in two major museums, the Whitney in New York and the National Gallery in Washington, D.C., 150 years after his birth.

Olmsted is now a culture hero, but it should not be forgotten how often he lost, how soon wilted were the garlands of his victories, and how accidental was his rise to fame. Like Buckminster Fuller, Olmsted was a fortuitous freak, obsessed with a lonely grandeur of vision. In one of his classic confrontations with the New York Board of Public Parks he objected that the city's planners had plotted meanly, with the timidity of "a small, poor, remote provincial village." The city should consider itself instead a "metropolis," he said, serving not only the needs of commerce but of "humanity, religion, art, science and scholarship." What folly! How they must have laughed and turned to other things.

SLOPES

But they laughed to themselves, not in public. By 1877, Olmsted was something of a public hero. He had created Central Park in New York, the first work of its kind in the United States; it was by then a national treasure, to which millions flocked—and other sites by Olmsted followed, dotting the countryside, along with areas such as Yosemite, which he preserved. He had virtually invented the "art" of landscaping in the U.S., and many artists ranked him with Leonardo da Vinci and Rembrandt. "He paints with lakes and wooded slopes," said one of them, "with lawns and banks and forest-covered hills."

Olmsted's rise in middle age was a stunning reversal of his early fortunes, prompted as much by luck as by skill. He was raised in the lap of gentility by his merchant father, educated by a series of clergyman instructors, and wandered among places and professions. Finally, his father bought him a farm in Staten Island, which Olmsted tended by scientific methods, convinced that rural living nourished the soul. But soon he was employed in the city as a journalist, and later he founded an ill-fated monthly magazine. By 1857, when he applied for the unlikely post of superintendent of Central Park—and got it—he was a conspicuous, unsettled dilettante.

ENERGY

Olmsted had been mightily impressed by the "people's" park in Birkenhead, near Liverpool, in England. But he brought to his job nothing more than a horticulturist's skills, and enthusiasm. The plan he submitted to build a "central" park in the city was at least 50 per cent the work of Calvert Vaux, an architect. But the premise behind it was Olmsted's; so was the rhetoric and energy that kept the plan going, against all odds, political and financial.

For the making of Central Park was a massive, sweaty, earthy business. It involved thousands of laborers, tons of soil, millions of shrubs; lakes were excavated; cozy grottoes and walkways erected; four different kinds of pathways were built, many of them below ground level, preserving the pedestrian's right to walk. And, all the while, Olmsted was fighting to keep his sweet, sylvan plan free from pork-barrel political projects, from race-tracks and athletic fields. When the park was finally finished, in the 1860s, it was instantly acclaimed and instantly popular. But it was—and is—a nineteenth-century park, sculpted to cultivate nature and civilize man. Olmsted did not love nature wild and pagan. He wrote: "No matter how rural a park may be . . . there is no place where the work of man ought to be done with greater skill, or . . . a franker artificiality."

Olmsted was Emerson with a hoe, in brief, not an organic gardener. Nothing is clearer than this fact in the rows of photo blowups and drawings, accompanied by slide shows in the round, that characterize the New York and Washington shows. Along with these visual delights is an accompanying text, deploring the gamy and vulgar modifications that have been visited upon Olmsted's parks in New York, Boston, Detroit, Chicago and beyond. But these are liberal pieties, missing the real value of the man. Olmsted was more than a genteel maker of parks. He saw—like Fuller—the sweep of the future. Mixed in with the pretty pictures on the museum walls are quotations from his writings and speeches; they are stunning both in their prophetic awareness of a system esthetic in man and nature and of rampant, accelerating urban growth.

Long before the end of the nineteenth century he foresaw the choked, crowded Manhattan we now see, the need for green, grassy suburbs, the interdependence of adjoining urban regions, and the threat to the air itself. When asked to build Prospect Park in Brooklyn—his finest park—he tried to lift the eyes of the politicians to a regional system of parks and roads running from the Atlantic Ocean to the Hudson Valley. But they kept their eyes to the ground, "practicality" triumphed, and we are left today with the debris of that practicality. Olmsted died a broken, sick man. The lessons of both his defeats and victories have yet to be learned.

(From Time, Dec. 11, 1972)

THE PRESCIENT PLANNER

"The main object and justification of [Central Park] is simply to produce a certain influence in the minds of people. . . . The character of this influence is a poetic one and it is to be produced by means of scenes, through observation of which the mind may be more or less lifted out of moods and habits into which it is, under the ordinary conditions of city life, likely to fall." Frederick Law Olmsted's words on his noble design for Manhattan may ring with some irony in a New Yorker's ears today as he promenades his German shepherd past a sniffling junkie on a park bench and settles down to meditate on the future of *rus in urbe* among the tattered newspapers and paper cups surrounding some graffiti-sprayed rock. But the fact is that New York, to the extent that it is still habitable, remains so partly by virtue of Olmsted's prescient and humane planning.

Many of his urban designs have since been bastardized, and the parks he completed have been eroded by careless crowds, inadequate maintenance and spurious development. Consequently some of Olmsted's New York projects—Morningside Park in Manhattan, Tompkins Park and Prospect Park in Brooklyn—are now parodies of their 19th century selves. Moreover, a changed idea of leisure has bitten into the patterns that Olmsted left. Parking lots, baseball diamonds and 27 playgrounds, not to mention the Metropolitan Museum's expansion, have severely damaged Central Park itself. So grasping Olmsted's work is partly a matter of archaeology: the achievement must be reconstructed. This is the aim of a fascinating exhibition at Washington's National Gallery organized and directed by William Alex in commemoration of the 150th anniversary of Olmsted's birth.

The son of a prosperous Connecticut merchant—his ancestors had immigrated to America in the early 17th century—Olmsted was a capable writer, and his thoughtful, closely researched books on conditions in the South were acclaimed as the best record of the slave society that had been written before the Civil War. He farmed too, and dabbled (with disastrous results to his purse) in publishing. His career as a planner and designer spanned more than a generation, from his appointment in 1857, at age 35, as the superintendent of an as yet undesigned Central Park to his retirement in 1895. Throughout, Olmsted was known as a landscape architect. This "miserable nomenclature," as he called it, fretted him; but what else could Olmsted call himself? "For clearness, for convenience, for distinctness," he complained, "you do need half a dozen new technical words at least." The fact that his culture had no exact name for his work is an interesting proof of Olmsted's originality.

As Elizabeth Barlow writes in a graceful new study, *Frederick Law Olmsted's New York* (Praeger; $12.50): "At the time of his birth" his type of activity "was almost beyond imagining." America's image of itself was still Arcadian and rural; the city was generally considered to be past redemption, a sink of iniquity and profit. Even by the mid-19th century, there was no American equivalent of the royal parks in which Londoners could refresh themselves. From Boston to Buffalo to Chicago to Minneapolis, Olmsted set out to supply them. He also designed a park for San Francisco, which unfortunately was never built. As Mrs. Barlow puts it, he "did not turn his back on the process of American urbanization; rather, he took the Jeffersonian rural ideal and carried it into the heart of the city."

COMPLETE SYSTEMS

His prototypes were, naturally, English. Olmsted had absorbed the lessons of the "picturesque" on his first visit to England and Europe in 1850—that mode of articulating a landscape or a park so that it seemed not designed, but modulated, into a suggestive wildness. The sight of hawthorn hedges and coppices, glistening under the mild English sun, threw him into transports of delight; two of the key texts on English romantic gardening, Sir Uvedale Price's *On the Picturesque* and William Gilpin's *Forest Scenery*, so influenced him that he later enjoined his pupils to read them "seriously, as a student of law would read *Blackstone*."

Olmsted's mind, so delicate in its attention to detail and so wide in its grasp of social issues, was of a sort not often found elsewhere in 19th century America; he was, in fact, the first American planner to think holistically, in terms of complete systems. Architect, sociologist, ecologist, engineer and conservationist, he felt an abiding concern for the refreshment of human life by an interaction with nature, but with a nature that was planned or, if not planned, lovingly preserved. He drew up a project that restored Niagara Falls after its defacement by commercial exploiters; and the conservation of Yosemite Park, whose rock outcroppings were already splashed with patent medicine ads as early as 1860, is largely the result of his dedication.

But it was in urban design that his genius revealed itself. No living architect could propose a more humane suburb than the cellular plan for Riverside, Ill., with its sociably curving layout and "character of informal village greens," which Olmsted and his partner Calvert Vaux drew up in 1868. Similar master plans for The Bronx and other areas of New York were not carried through; instead, the builders and real estate speculators imposed the mechanically uniform grid system that was a special target of Olmsted's anger—and remains today. The landscape of New York City—which, well into the 19th century, was still a landscape, mostly farm land—vanished under the relentless leveling, cutting and filling, and one of history's greatest urban bungles was consummated.

WASTE SPACE

Except, fortunately, in Central Park; there, Olmsted and Vaux had a free hand. They won it with great difficulty against a phalanx of businessmen and politicos who could see no point in creating such "waste space" in Manhattan. Olmsted's tenacity was such that when his thigh was broken in three places by a carriage accident, he insisted on being carried round the park in a litter while he issued his orders to the foremen and struggled to complete, in grass and trees, his "gallery of mental pictures." Though he disapproved of such grand formal gardens as Versailles, the park entailed a stupendous effort of engineering. Ten million cartloads of earth and stone were dragged in and out of the area, millions of trees, vines and shrubs were planted, the brooks that traversed it were turned, by an impressive feat of hydraulic engineering, into lakes and reservoirs; even the four systems of traffic circulation, which Olmsted designed with unusual finesse, still work admirably after more than a century. No detail, from the marble inlay of a niche or the angle of a fountain jet to the disposition of a hickory grove, escaped him or Vaux. The result was a masterpiece.

Its uses have changed—the dubious honor of driving the first car in Central Park went to one Winston Buzby in 1898, and the present infestation of buildings and ugly monuments was no part of Olmsted's plan. Today, the character of Central Park is stretched to its elastic limit. But it still survives, and Olmsted's words to his partner Vaux (who got dispirited sometimes) still speak for many New Yorkers: "I have none of your feelings of nauseousness about the park. There is no other place in the world that is as much home to me. I love it all through, and all the more for the trials it has cost me."

[From the Boston Sunday Globe, July 23, 1972]

BOSTON CELEBRATES PARK FESTIVAL HONORING OLMSTED

(By Christina Robb)

After 150 years, Frederick Law Olmsted is venerated as a landscape architect. His first week long festival starts today in the half dozen Boston Parks he designed.

In 1848, he'd never thought of landscaping. At 26, he had written four books about Southern slave society and a fifth about English farmers. Just back from Europe, he was sitting in a harbor tavern in New York when Fernando Wood stopped by and mentioned that the superintendency of Central Park—which was then as undeveloped as Olmsted's landscaping art—was up for grabs.

The politically chosen park site, Olmsted wrote, "was a very nasty place. In fact, the low grounds were steeped in the overflow and mush of pig-sties, slaughterhouses and bone-boiling works, and the stench was sickening."

Wood was a rich merchant, Tammany leader and future Democratic mayor of New York. But in 1848 he was fighting for his political life and wanted to prevent the appointment of a Republican to the park superintendent's job. He suggested that the apolitical Olmsted think about it.

"I take it? Olmsted mused aloud. I'm not sure I wouldn't if it were offered me. Nothing interests me more in London than the parks, and yet I thought a great deal more might be made of them."

"Well, it will not be offered you," Wood told him. "That's not the way we do business; but if you'll go to work, I believe you may get it."

A week later, Olmsted presented the New York City parks commissioner with an application backed by the weighty signatures of cultural worthies like Washington Irving.

Olmsted described the interview in a fragment of the unfinished autobiography he wanted to call "Passages from the life of an Unpractical Man:"

"The practical Democratic commissioner having ascertained that I had no experience in practical politics, even no personal acquaintance with the Republican leaders in the city, that my backing would be from unpractical men, and that I responded warmly to virtuous sentiments with regard to corruption in both parties. After a long conversation, he gave me the impression that I might hope that, if the Republicans brought me forward, he should be less inclined to oppose me than a possible Republican who had been deep in the mire and who disapproved of the practice of virtue in politics."

Olmsted got the job.

When he reported for work, the engineer sent him out with the foreman on a tour of the park site, "in the black and unctuous slime of which," Olmsted remembered, "I sometimes sank nearly half-leg deep."

The foreman was a talkative tour-guide. "Under all the circumstances," Olmsted judged years later, "it was plain enough that when foreman Smith pleasantly remarked that he supposed they would be 'pushed up now,' and the men laughed with him at the suggestion. It was because of the idea that I might expect a day's work from them for each day's due bill was thought a good joke."

Ten years later, Olmsted's design for the world's largest park had been accepted. Twenty years after that, in the 1870's when Central Park was near completion, he started work on Boston's "Emerald Necklace"—the string of riverside and city parks that stretches from the Fenway via the Common and Arnold Arboretum to Franklin Park.

When he died in 1903, Frederick Law Olmsted was the most famous landscape architect in America. He had designed 16 major metropolitan parks—notably Central Park in New York, Golden Gate Park in San Francisco, Mt. Royal Park in Montreal, South Park and the world's Columbian Exhibition Grounds (now Jackson Park) in Chicago.

The Boston's seven-mile green spoke—a park system rather than a single park—was his most ambitious project. It is unfortunate that he left no record of his "unpractical" experience in getting that monumental job done.

Olmsted's son, also called Frederick Law, lived from 1870 to 1957. He landscaped the Lincoln and Jefferson memorials in Washington and taught landscaping at Harvard.

Writing in the Boston Post of 1912, the younger Frederick characterized his father as "the earnest, clear-sighted American citizen. He was anxious as to the political conditions and tendencies of his country. He suffered from no illusions as to the proximate inefficiency, waste and corruption of our governmental agencies, but had unshaken confidence in the principle of the Democratic rule as the only safe basis for ultimate human progress."

[From the Smithsonian, December 1972]

RENEWED ACCLAIM FOR THE FATHER OF AMERICAN LANDSCAPE ARCHITECTURE

(By Tanya Edwards Beauchamp)

A 150th birthday salute to Frederick Law Olmsted, who not only designed city parks but also promoted a national parks system.

In the mid-1860s, when construction of New York's Central Park was under way, the *Herald Tribune* editorialized on the folly of the undertaking, prophesying that it would "be nothing but a great beer garden for the lowest denizens of the city," that decent citizens could not safely venture there, that real estate bordering the park would be adversely affected, and that only the grog shops would benefit from its presence. The park, of course, was successful.

Citizens of all classes flocked to this idyllic 840-acre expanse of trees and grass and water. In a single day, visitors often numbered as high as 80,000 persons on foot, 30,000 in carriages and 5,000 on horseback. It was the scene of family outings, of wedding parties, of school excursions. Doctors sent their patients there to convalesce. As a lure in attracting tourists and wealthy new residents to the city, it was said to outweigh "all the colleges, schools, libraries, museums and art galleries which the city possesses." Ruffianism was negligible (at least then), the neighboring grog shops were emptied, to be replaced by classier establishments, and the value of real estate along its seven-mile boundary appreciated by leaps and bounds.

Frederick Law Olmsted, who collaborated on the design of Central Park with architect Calvert Vaux and supervised its construction went on to design 16 more large parks and as many smaller ones in cities across the country. He also designed suburban developments and college campuses, private estates and institutional grounds, becoming America's first landscape architect and city planner. In an era of unprecedented industrial and urban growth, he saw the opportunities and responsibilities in his time for favorably influencing the health and spirit of city dwellers for generations to come. Yet he referred to himself as a "wholly unpractical man" to distinguish himself from those men—all too numerous then as now—who prefer to define practicality entirely in terms of the nearest dollar.

This year marks the sesquicentennial of Olmsted's birth. Probably more acclaimed now than at any time during his lifetime, Olmsted is being honored with numerous exhibitions, parties in the parks, newly published books and environmental festivities in many American cities. Currently, his work is being celebrated in two major exhibitions—"Frederick Law Olmsted's New York" at the Whitney Museum of American Art in New York (through December 3) and "Frederick Law Olmsted/U.S.A." at the National Gallery of Art in Washington, D.C. (through January 7). A supplemental version of the latter show will be circulated by the American Federation of Arts to several other cities, including San Francisco, during the next two years.

Born in Hartford, Connecticut, in April 1822, Olmstead was the son of a well-to-do merchant. Unable to attend Yale because of an illness temporarily affecting his eyesight, he was apprenticed in 1837 to a civil engineer. In 1843, he sailed as a crew member on a ship bound for China. The following year he joined his brother John—then a premedical student—at Yale. Though he did not matriculate, he participated in the life of the college, attending lectures on scientific agriculture. In 1846 he apprenticed himself to a farmer in Onondaga County, New York. With the financial backing of his father, he then established himself as a farmer, first in

Guilford, Connecticut, and then, in 1848, on Staten Island, New York, where he operated a fruit tree nursery and began writing for various agricultural journals.

In 1850, Olmstead, accompanied by his brother and a Yale friend, made a walking tour of Great Britain and parts of Western Europe. His published account of this tour, *Walks and Talks of an American Farmer in England*, led the *New York Times* to send him on reporting assignments through the troubled South and Southwest. Making three trips between 1852 and 1854, he filed dispatches that earned him a lasting reputation as an observer of unusual perception. His three books on the antebellum South were eventually compiled into one volume, *The Cotton Kingdom*, which is still in print.

Olmstead was 35 in 1857 when he sought and obtained the post of superintendent of the site set aside as Central Park. Until then he had never seriously considered becoming a landscape architect. But the following year Calvert Vaux persuaded him to collaborate on what was to be the winning park design.

Later, defending himself against charges that he had become an instant landscape gardener, he answered: "It is true that I had not set up to be a landscape gardener before I came upon the park. I had not thought myself one, and had been surprised and delighted when I was asked if I would accept even a journeyman's position in the intended work. Why? Simply because I held the art in such reverence, that, to that time, it had never occurred to me that I might rightly take upon myself . . . it's public practice. My study of *it had* been wholly a study of love, without a thought of its bringing me pecuniary reward. . . ."

Indeed, with his careful and sensitive observation of parks and natural scenery here and abroad, his theoretical studies, his practical experience with drainage, nursery stock and the management of agricultural labor, he was well qualified for the undertaking. But Olmsted's work at Central Park was marred by political infighting as he obstinately refused to put the interests of Tammany Hall ahead of those of the Park. He was maligned in the press and received threatening letters. His plans were frequently obstructed by "practical men," workmen and politicians. At one point he was brought close to nervous collapse. During the 21-year span in which he worked intermittently on the Park, Olmsted occasionally resigned, always to be reappointed.

Though he often had trouble with clients who didn't quite understand what he was doing or who weren't willing to spend enough money to do a thorough job, he never again experienced the bitter opposition he had met in the protracted construction of Central Park. During the late 1860's and early 1870s, Olmsted and Vaux went on to design Prospect Park in Brooklyn, the Buffalo and Chicago park systems as well as several college campuses and suburban areas in Riverside, Illinois, and Tarrytown, New York. He also devised a comprehensive plan for the development of Staten Island.

PARK SCENERY SHOULD BE PASTORAL

The urban landscape park was the nucleus of Olmsted's design thought. He envisioned it in its simplest form as a place where large numbers of people might find recreation in moving "among scenes that should be gratifying to their taste or imagination." A park should present the "greatest possible contrast with the restraining and confining conditions of the town, those conditions which compel us to walk circumspectly, watchfully, jealously, which compel us to look closely upon others without sympathy." In a park people should be able to meet in an open and friendly manner, finding pleasure in "a sense of enlarged freedom." The scenery should be pastoral—including greensward, with the light and shade of sunlight filtering through trees, a pleasing variety of foliage, expansive lakes, swiftly running streams and grazing sheep and deer. The city should be obscured from view by thick plantings of trees, architectural effects should be minimized, and distant views should be opened up.

Such a park would be, according to Olmsted, a "sustained landscape poem" wherein the visitor would himself become an element in the landscape. That the landscape was indeed a work of art and not a mere imitation of nature should always be evident.

While touring England, Olmsted had paid a visit to Birkenhead Park, designed by the architect Joseph Paxton. English parks so impressed Olmsted that he wondered: "What artist, so noble . . . as he who, with far-reaching conception of beauty and designing power, sketches the outline, writes the colors, and directs the shadows of a picture so great that Nature shall be employed upon it for generations." In practice, as Olmsted discovered, nature was far from the docile assistant this romantic idea implies. Topography had to be altered by blasting, excavating, filling and grading. Soil had to be drained and manured. New plant materials had to be selected with a view to their adaptability to climate and exposure. Even after all these preparations the success of the work was subject to the vagaries of weather, time, disease and maintenance. It is no wonder that after his career was under way Olmsted referred to landscape architecture as a fresco rather than an easel painting (see Dubos, p. 18).

In his design for Central Park, Olmsted drew heavily upon the vocabulary of the English landscape garden with its conceit of idyllic countryside, its illusion of unlimited extent. At Prospect Park in Brooklyn, which he and Vaux undertook in 1866, Olmsted brought his own version of the naturalistic style to perfection. Here he designed magnificent expanses of subtly shaped lake and meadow, surrounded by open woodland. Earth fills at the boundaries of the park were thickly planted to screen views of the town. Provision was made for concerts with the band playing from a pavilion on an island in a bay of the lake, while the audience listened from a natural amphitheater on the shore. In the woodland between the lake and meadow, a mountain stream was created, providing a charming diversity of scenic effects. At one side of the park a fenced grazing ground for deer was created. A well-thought-out system of carriage roads, riding trails and walkways threaded their way through the park, providing maximum access.

To Olmsted the urban park was kinetic in concept. Parkways could extend its benefits throughout a city, connecting with other recreational areas, cultural facilities and residential zones. It was in this development of the spatial dynamics of the urban park that Olmsted is most original and most divergent from his English antecedents. His linear parks, such as Seneca Park in Rochester, follow river banks for long distances, integrating river scenery with the city in a way that is far removed from the 18th-century English garden. His park and parkways system for Boston—the so-called "Emerald Necklace"—connected the parks and waterways of an entire region with continuous greenery.

At South Park in Buffalo in 1888 he proposed to unite the parks and parkways system of the city with the grandeur of Lake Erie. Here, a flat, featureless, treeless, lakeside tract, subject to frequent flooding, was to be sculptured into an aquatic park. Boaters would glide through lagoons among islands designed to provide an intricate variety of scenery. There would be a protected haven for excursion boats and facilities for bathing. Unfortunately this park was never built.

In 1871 Olmsted and Vaux had proposed a similar system of interconnected parks for Chicago, a city that Olmsted considered "unfavorable to parks." But their plans for Jackson and Washington Parks were not realized. Two decades later, Olmsted took on the prestigious job of site designer for the Chicago World's Columbian Exposition of 1893—his last major effort in urban design. He chose a swampy site on the shore of Lake Michigan, the area that had formerly been set aside for Jackson Park. He dredged the marshes, deepened the lagoons, and designed the grounds to provide a pleasing variety of scenery. He deliberately planned the grounds so that after the neoclassical Exposition buildings were removed in 1895 the site could be easily and cheaply converted into what is now Jackson Park.

As a visionary, Olmsted did not limit his horizons to the urban landscape. He felt that superb natural scenery was a national resource that should be held in trust for the people by the government and that such land should be "devoted forever to popular resort and recreation." In 1864 he was appointed to head the commission drawing up a report on the future management of the Yosemite Valley, the first scenic area to be preserved by Congress. The "sublimity of the Yosemite," he wrote, required that prime consideration be "given to the danger that such scenes might become private property and through the false taste, the caprice or the requirements of some industrial speculation of their holders, their value to posterity be injured." He recommended that the area be kept as nearly as possible in its natural state, allowing only a minimum of access roads and other public accommodations. His report established a philosophical rationale for the preservation of national and state parks. Later he became involved in a protracted fight to save Niagara Falls from the encroachments of industry and preserve it as a public pleasure ground.

In 1872 Olmsted and Vaux dissolved their partnership by mutual agreement. Afterward, Olmsted's most notable new works included the design of the grounds and west front of the U.S. Capitol, the grounds of the New York State capitol at Albany, Mount Royal Park in Montreal, and an elaborate ocean resort at Rockaway Point, New York.

In 1883, five years after his connection with Central Park was finally severed, Olmsted permanently moved his home and office to Brookline, Massachusetts. Although he continued to design urban parks, his work became more diversified; his projects included the Smithsonian Institution's National Zoo, many private estates, and several train stations for the Boston and Albany Railroad. While he often collaborated with Henry Hobson Richardson, and other architects of national reputation, he increasingly came to rely on the assistance of men trained in his own prospering firm, including his stepson, J. C. Olmsted, and his own son, Frederick Law Olmsted Jr. In 1895, Olmsted, his mind failing, entered McLean Asylum—the grounds of which he had designed—in Waverley, Massachusetts. He died there in August 1903.

Not all of Olmsted's designs were executed. Some were done only halfheartedly, others have not been well maintained or have fallen prey to bulldozers, roadbuilding or simple encroachment by non-landscape factors. Central Park is under constant threat of "improvements," ranging from new restaurants to new wings of the Metropolitan Museum of Art. And currently Olmsted's work on the Capitol is endangered by a Congressional commission that proposes to demolish the terraces and extend the west front.

Olmsted left an unusually complete record of his life and work. In addition to published records, the Library of Congress holds a collection of 24,000 items of personal papers, and more than 170,000 items comprising the records of Olmsted Associates, Inc. The latter covers the complete scope of the firm's work from 1858 until the present time. In addition, there remain in Brookline drawings, sketches and photographs documenting the work of this entire period. It is hoped that funds will soon be found so that these may be safeguarded, microfilmed and made available to scholars. The drawings are, after all, the real record of Olmsted's work and it is with them that all serious consideration of his design legacy must begin.

Toward the end of his life, Olmsted, looking back on the 17 large public parks and many smaller ones that he had worked upon, noted with satisfaction that "as they stand, with perhaps a single exception, they are a hundred years ahead of any spontaneous public demand. . . . And they are having an educative effect perfectly manifest to me—a manifestly civilizing effect." The renewed interest in Olmsted surely reflects a healthy concern for environmental design.

[From the Washington Post, Jan. 29, 1972]

From the Man Who Gave You Central Park

(By Wolf Von Eckardt)

A new national hero is emerging.

Frederick Law Olmsted, whose sesquicentennial will be celebrated this spring, has so far occupied only a relatively minor place in the American pantheon.

People interested in the history of our cities know him as "the father of landscape architecture" and the designer of New York's Central Park, the first park to bring generous open space, sunshine and fresh air into a modern industrial city.

What promises to make Olmsted a hero whom school children will be taught to admire along with Benjamin Franklin and Thomas Alva Edison, is that the nation's new concern for the quality of urban life is finally catching up with his.

We are now beginning to realize that protecting the natural environment, the traditional kind of conservation, is not enough. The principles of conservation, of "sympathetic cooperation with nature," as Olmsted called it, must also be applied to the man-made environment—the city and metropolitan area—if both man and nature are to survive. Man is part of the much-talked about natural ecology.

And this, in essence, is what Olmsted preached and practiced in the course of a long (1822 to 1903), varied and productive lifetime that has left its mark all around us. People still enjoy not only Central and Prospect Parks in New York and the Golden Gate Park in San Francisco, but also the great parks that act as the "lungs" of Chicago, St. Louis and a dozen or so other American cities.

More importantly, perhaps, are Olmsted's theories on city planning. They herald those of the English "garden city movement," Lewis Mumford and Jane Jacobs, and are just now beginning to make their influence felt. Olmsted saw the need to create new communities, and designed one at Riverside, Ill. He recognized the need to make whole urban regions wholesome, showing how this can be done with his proposal for an "emerald necklace" of urban parks and parkways in Boston.

Olmsted, in fact, stands at the beginning of a new urban vision, a new concept of how we must guide rapid urbanization and, in the fact of mechanization and pollution, make our place to live human and livable. He was a pioneer in civilizing American cities.

Truly great men make a new contribution to every new age that succeeds their own. Every generation discovers some new aspect of the great man's wisdom. In his own time, Olmsted was mainly looked upon as a successful landscape architect who rode a fashionable wave of romantic love for nature and the picturesque. The fashion was partly a reaction to "the shame of the cities." It was exemplified by the paintings of Monet and the architecture of H. H. Richardson.

The last generation saw him primarily as an artist, who, in contrast to the rigid formality of baroque park design, created Monet landscapes complete with random rocks, meandering roads and brooks, dreaming meadows and utterly natural-looking artificial lakes, in the center of the city.

Today we see not only the esthetic, but the social implications and intentions of his work. Olmsted foresaw that Central Park, which was out in the sticks when he and his partner, Calvert Vaux, laid it out in 1858, would be hemmed in by a wall of skyscrapers. He foresaw the crush of traffic and was the first to separate people and vehicles by way of under- and overpasses in his park designs.

Today we see that Olmsted's approach to urban planning, had it been more fully accepted, might have saved us much of the misery of slums, ghettos, traffic jams, urban disorders, physical and mental health problems and other urban disasters. Olmstead warned, a hundred years ago, against building cities "little by little and chiefly to suit the views of landowners, acting only individually and thinking only of how what they do is to affect the value in the next week or the next year of the few lots that each may hold at the time."

But that, of course, is exactly what we did and are still doing.

The answer to the resulting chaos is comprehensive community planning that is focused, much as Olmsted prescribed, around parks and open spaces. This prescription is now being returned to us from England where it was developed and refined by the "garden city" movement and its "new towns" which Ebenezer Howard launched at the turn of the century.

But it seems that Howard, who visited America as a young man, was inspired by Olmsted's new community at Riverside. Howard is very likely to have visited this first modern, American "new town," according to Walter L. Creese, an eminent urban historian.

Olmsted, at any rate, was surely concerned with far more than beauty and commodious urban design. He stood, as Lewis Mumford quotes Charles Eliot Norton as saying of him, "first in the production of great works which answer the needs and give expression to the life of our immense and miscellaneous democracy."

He knew that life as an inveterate traveler and early in his career, as a reporter, writer and editor who worked for a number of newspapers and publications, including The New York Daily Times, Putnam's and The Nation. His reports on the state of the South before the Civil War are among the most valuable historic sources we have.

Olmsted's "very temperate picture of the beating of a young Negress," writes Mumford, "calmly, coolly, by a matter-of fact overseer, was far more damning than the violent melodramatics of Mrs. Harriet Beecher Stowe. Olmsted's account of the antebellum South has well been compared with Young's picture of France before the Revolution."

A number of determined environmentalists, historians and other admirers of Frederick Law Olmsted's led by architecture historian Frederick Gutheim, are busy planning an "Olmsted Sesquicentennial" celebration in honor of this remarkable man.

Plans include the issue of a commemorative postage stamp, forums and symposia in various cities where Olmsted works are found and a comprehensive exhibition, designed by William Alex, to be held at New York's Whitney Museum next summer.

The exhibition is to be shown in a number of cities, including Washington. The Architect of the Capitol, George M. White, has expressed interest in showing it on the Capitol's West Front Terrace, which Olmsted designed. An extension of the West Front would inevitably destroy this design.

Gutheim sees the sesquicentennial as one of his committee's most important tasks, however, to raise funds for the preservation of the Olmsted office, house and grounds in Brookline, Mass., and to microfilm its fund of letters and drawings. The Library of Congress has recently acquired 400 boxes of these papers. But far more are still inadequately stored and in danger of deterioration and fire.

Another central idea of the Olmsted celebration is to call public attention to the plight of our troubled urban parks, said Gutheim. "In a way they are the victims of their success. They mirror such national problems as crime, delinquency, overcrowding, drugs, traffic and environmental pollution.

"The result is an extensive invasion of chain-link fences, blacktopped play areas, bright illumination, highways and parking. These piecemeal responses by hard-driven park administrators can eventually destroy the original creations of a century ago."

But the main focus is on the man. The 150th anniversary of Olmstead's birth, says William Alex, "marks nothing less than a rededication to the idea of human survival. It is against this American that we must measure the captains who must now guide spaceship Earth."

Mr. KENNEDY. Mr. President, the Congress has the opportunity with this legislation not only to protect and preserve the heritage of Olmsted's work by preserving his home and papers, but we have the opportunity to renew the commitment of Olmsted to a better quality of life for urban residents. Olmsted envisioned a "sense of enlarged freedom" for those who would enjoy the cool, green spaces set among the concrete and pavement of our cities; and it is to renew this same vision that we introduce this bill today.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1750

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior (hereinafter referred to as the "Secretary") is authorized to acquire by gift or by purchase with appropriated or donated funds the lands, including improvements thereon, in Brookline, Massachusetts, comprising the Frederick Law Olmstead Home and Office, together with such additional lands as the Secretary may deem necessary for the purpose of establishing the Frederick Law Olmstead Home and Office as a national historic site. In addition, the Secretary is authorized to acquire by gift or by purchase with appropriated or donated funds those materials as deemed appropriate for historic preservation which may include original drawings and prints and reproductions, photographic negatives and prints, mechanical and technical equipment, written and printed documents and reports, books and publications, libraries, memorabilia and any other such material deemed appropriate by the Secretary.

Sec. 2. The property including any of the aforementioned materials acquired by the Secretary under the first section of this Act shall constitute the Frederick Law Olmstead Home and Office National Historic Site. Such historic site shall be administered by the Secretary, through the National Park Service, subject to the provisions of the Act entitled "An Act to establish a National Park Service, and for other purposes", approved August 25, 1916, as amended and supplemented, and the Act entitled "An Act to provide for the preservation of historic American sites, buildings, objects, and antiquities of national significance, and for other purposes", approved August 21, 1935.

Sec. 3. In furtherance of the purposes of this Act, the Secretary is authorized to enter into cooperative agreements with public and private agencies, institutions, organizations and other entities to assist in the preservation and interpretation of the aforementioned properties and materials, or portions thereof, and to authorize such agencies, institutions, organizations, and entities to utilize the facilities of, and any aforementioned materials in, the Frederick Law Olmstead Home and Office National Historic Site.

Sec. 4. (a) There is hereby established the Frederick Law Olmstead Home and Office Advisory Commission (referred to in this section as the "Commission"). The Commission shall consist of 13 members who shall have professional knowledge of, and concern for, the work of the Olmstead architecture firm, and who shall be appointed by the Secretary as follows:

(1) one member on the basis of a recommendation by the American Society of Landscape Architects;

(2) one member on the basis of a recommendation by the American Institute of Architects;

(3) one member on the basis of a recommendation by the American Institute of Planners;

(4) one member on the basis of a recommendation by the Frederick Law Olmstead Papers;

(5) one member on the basis of a recommendation by the Olmstead Sesquicentennial Committee;

(6) one member on the basis of a recommendation by the Library of Congress;

(7) one member on the basis of a recommendation by the Archives of American Art;

(8) one member on the basis of a recommendation by the National Gallery of Art;

(9) one member on the basis of a recommendation by the Commission of Fine Arts;

(10) one member on the basis of a recommendation by the National Endowment for the Arts;

(11) one member on the basis of a recommendation by the National Endowment for the Humanities;

(12) one member on the basis of a recommendation by the National Historical Publications Commission; and

(13) one member on the basis of a recommendation by the Smithsonian Institution.

(b) It shall be the function of the Commission to advise and otherwise assist the Secretary in carrying out his duties under this Act, including, among others, the control, protection, and conservation of such drawings, prints, reproductions, photographic negatives and prints, mechanical and technical equipment, written and printed documents, reports, books, publications, libraries, memorabilia and other such materials referred to in the first section of this Act.

(c) Members of the Commission shall serve without compensation as such, but may be reimbursed by the Secretary for actual expenses incurred by them in carrying out their duties under this section.

(d) The Secretary shall designate one of the members of the Commission to serve as Chairman.

(e) Members of the Commission shall serve for terms of one year, but may be reappointed.

Sec. 5. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

By Mr. JACKSON (for himself, Mr. Randolph, Mr. Cotton, Mr. Fannin, Mr. Johnston, and Mr. Baker) (by request):

S. 1751. A bill to amend the Outer Continental Shelf Lands Act and to authorize the Secretary of the Interior to regulate the construction and operation of deepwater port facilities. Referred jointly to the Committees on Interior and Insular Affairs, Public Works, and Commerce by unanimous consent.

Mr. JACKSON. Mr. President, for myself, the senior Senator from West Virginia (Mr. Randolph), the senior Senator from Arizona (Mr. Fannin), the junior Senator from Louisiana (Mr. Johnston), the senior Senator from Tennessee (Mr. Baker), and the senior Senator from New Hampshire (Mr. Cotton), I introduce, by request, a bill submitted by the Acting Secretary of the Interior to amend the Outer Continental Shelf Lands Act and to authorize the Secretary of the Interior to regulate the construction and operation of deepwater port facilities. The short title of this measure is the "Deepwater Port Facilities Act of 1973."

The bill was submitted as part of the President's energy message.

Mr. President, I have discussed the bill with my distinguished colleagues, the chairman of the Committees on Public Works and Commerce. Because this bill contains matters which affect the jurisdictions of each of our committees, we are agreed that all three committees should give it early attention. We have agreed to establish a procedure to insure joint hearings and consideration of the proposal.

Mr. President, I ask unanimous consent that the bill be referred jointly to all three committees: Interior and Insular Affairs, Commerce, and Public Works.

I also ask unanimous consent that the text of the letter from the Acting Secretary of the Interior accompanying the proposed legislation be printed in the Record at this point in my remarks.

The PRESIDING OFFICER (Mr. Johnston). The bill will be received and referred as requested by the Senator from Washington; and, without objection, the letter will be printed in the Record, as requested.

The letter is as follows:

U.S. Department of the Interior,
Washington, D.C., April 18, 1973.

Hon. Spiro T. Agnew,
President of the Senate,
Washington, D.C.

Dear Mr. President: In accordance with today's Presidential Message on Energy, I am enclosing our proposed bill "To amend the Outer Continental Shelf Lands Act and to authorize the Secretary of the Interior to regulate the construction and operation of deepwater port facilities."

We recommend that it be referred to the appropriate committee and that it be enacted.

Regardless of the policies adopted to increase domestic supplies, imports of crude oil and products into the United States are projected to probably double by 1980 and could continue to increase dramatically in succeeding years.

Most United States ports, already heavily congested, are not equipped to handle this increased trade. With few exceptions the largest ship which can enter United States ports fully loaded is 65,000 deadweight tons (DWT). (Compared to the new deep draft tankers which are now being built in excess of 200,000 DWT.) The use of small vessels is the least desirable method of importing large quantities of crude oil and products into the United States, both because of environmental and economic considerations. As imports of crude oil and products increase, our conventional ports will become more congested and the risks of collision and groundings will increase.

An alternative to this prospect which promises significant benefits both environmentally and economically is the construction of deep-water port facilities. Deep drafttankers could use these facilities, generally connected to shore by a pipeline. These tankers make possible substantial cost savings and can be designed to reduce the risks of pollution through use of multiple tanks, double bottoms, segregated ballast and other design improvements.

If we do not act, it is highly possible that transshipment terminals to the United States will be built in the Caribbean or in Canada. This not only deprives this Nation of an essential transportation asset, but we also lose associated employment and incur balance of payment deficits. More importantly, these foreign terminals service the United States through increasing numbers of small and medium sized tankers, many of them old.

The bill we are proposing would remove any legal impediments to the development of such deepwater terminals off the United States coast by establishing authority in the Department of the Interior for licensing the construction and operation of ports beyond the 3-mile limit. This process would include strict environmental controls and specific provision for navigation and safety. Licenses would be issued to any United States citizen, domestic corporation, State or local government when the Secretary finds that the applicant is financially responsible and has demonstrated an ability and willingness to comply with all applicable laws and conditions. Prior to issuing any license, the Secretary is required to consult with the governors of adjacent coastal States to ensure that the facility and its directly related land based activities would be consistent with the States' land use planning programs.

The construction and operation of proposed deepwater port facilities will not unreasonably interfere with international navigation or other reasonable uses of the high seas. Such construction and operation and the regulation of related activities will constitute a reasonable exercise, fully consonant with the principle of freedom of the high seas and will be consistent with international obligations of the United States.

The license required by this Act would be additional to permits or licenses which may be required under existing legislation from other Federal agencies. However, the proposed bill provides a mechanism whereby all Federal permits necessary for the construction of the deepwater port facility will be handled through a single application filed with the Interior Department. This Department will be responsible for ascertaining that the other Federal agencies with jurisdiction over the construction of the facility have given necessary approvals.

It should be emphasized that the basic planning and design of these deepwater port facilities will be left to non-Federal initiatives—as will the financing thereof. The Federal Government's role will be largely confined to reviewing the plans to assure that the facility will meet the requirements of the Act and comply with other applicable laws.

This legislation is an essential step towards significantly reducing the environmental risks associated with increased marine traffic carrying oil imports. In adidtion, this legislation will result in substantial cost savings to the American consumer. We therefore urge its speedy enactment.

The Office of Management and Budget advises that enactment of this bill would be in accord with the President's program.

Sincerely yours,
John C. Whitaker,
Acting Secretary of the Initerior.

By Mr. HARTKE:

S. 1753. A bill to amend the Interstate Land Sales Full Disclosure Act to provide for the licensing of developers in order to insure the maintenance of high professional standards, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

Mr. HARTKE. Mr. President, in 1968 the Interstate Land Sales Act was enacted to combat certain practices in interstate land sales. The legislative action was the result of the uncovering of widespread abuses—particularly in land sales to the elderly. Abuses included such things as selling swamp land or parcels of land lying under several feet of water, as retirement property by mail or phone. Unfortunately, many of the practices against which the legislation was directed have continued. It is for this reason that I send a bill to the desk for appropriate reference which will strengthen the present law. My bill would amend the Interstate Land Sales Full Disclosure Act to provide for the licensing of developers in order to insure the maintenance of high professional standards. I first introduced this legislation in April 1972. Unfortunately no action was taken in the 92d Congress on this issue.

The reintroduction of my legislation is not intended to imply that the professionals who engage in interstate land sales are not decent and honest entrepreneurs; rather, my concern is that too often the consumer has been subjected to inequitable activity in interstate land sales.

The mobility of the 20th century has made interstate land sales a very attractive market. Most of the purchases are of vacation homes or of land to be used when the buyer retires. The ownership of such property continues to rise sharply. In 1967, 1.7 million households owned second homes. In 1970, this rose to 2.9 million, about 4.9 percent of all households. In order to insure that prospective customers can be reasonably safe in their investments, we must provide for the licensing of those who engage in such land sales. Until 1968, this was an area in which the consumer was afforded very little protection. The legislation that I reintroduced today would strengthen the 1968 law.

Under the provisions of my bill, persons engaged in interstate land sales would be required to possess a license issued by the Secretary of Housing and Urban Development. The Secretary would issue a license after he determines that the applicant has satisfied certain standards. My bill suggests some standards that might be used for evaluation. These standards are not intended to be the exclusive means for evaluating the professionalism of the licensee but will be an important part of the evaluation process.

The step towards licensing requirements is a substantial change of direction from the present law, but serious questions have been raised about the adequacy of the present law which provides only for the disclosure of information. The Department of Housing and Urban Development's Office of Interstate Land Sales recently has been making significant strides under new leadership. Particularly pleasing has been the effort exerted to publicize the work of their office so that citizens can become cognizant of the problems of buying property. The purpose of my legislation is to enhance the ability of the Office of Interstate Land Sales to perform their job.

Under my bill, in addition to granting licenses the Secretary will be required to revoke licenses under certain circumstances. If the licensee has been held liable for damages under the Interstate Land Sales Act, or has engaged in any act or practice which constitutes a conflict of interest or breach of trust, the Secretary shall have the authority to suspend his license for up to 5 years. In addition, the Secretary shall also have the power to suspend a license if a developer has practiced discrimination in the sale of land covered under this act.

In conclusion, I reiterate that I have the highest respect for the professionals who engage in interstate land sales. Nonetheless, I do feel that many of the harsh practices which land buyers have been subjected to should be curbed. I am certain that the real estate industry will welcome this legislation as a means of enhancing their reputation and professional standing.

Mr. President, I ask unanimous consent that the text of the bill be printed in the Record immediately following my remarks.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1753

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Section 1. The Interstate Land Sales Full Disclosure Act is amended by inserting after section 1410 the following new section:

LICENSING OF DEVELOPERS

Sec. 1410A. (a) No developer or agent shall make use of any means or instruments of transportation or communication to sell or lease any lot in any subdivision or offer to sell or lease any such lot unless such developer or agent has a license issued by the Secretary under this section.

(b) The Secretary shall issue a license to a developer or agent if the Secretary determines, on the basis of an application in such form as the Secretary may prescribe, that the developer or agent—

(1) is of good character or business reputation;

(2) meets such requirements as the Secretary may prescribe with respect to education, training, or experience; and

(3) has not committed within the five years preceding the date on which the application is filed any act which would be grounds for suspension of a license under subsection (c).

Any developer or agent whose application is denied shall promptly be given an opportunity for a hearing to show cause why the license should be issued.

(c) The Secretary shall suspend for not less than one year or more than five years any license issued by him under subsection (b) if he determines that—

(1) the licensee has submitted untrue information or has omitted to state any material fact, in connection with the issuance of the license;

(2) the licensee has been held liable for damages in an action under section 1410 of this title;

(3) the licensee has been convicted of any felony;

(4) the licensee has failed to exercise proper supervision of his agents or employees and such failure has resulted in the imposition of liability referred to in clause (2) on, or in a conviction referred to in clause (3) of any such agent or employee;

(5) the licensee has violated any term, condition, or limitation imposed in connection with the issuance of his license;

(6) the licensee has engaged in any Act which is unlawful under section 804, 805, or 806 of Public Law 90–284; or

(7) the licensee has engaged in any act or practice which—

(a) constitutes a conflict of interest or breach of trust, and

(b) results in the imposition of any criminal or civil action by any Federal, State, or local regulatory authority or professional association.

All actions of the Secretary under this subsection *shall be* subject to the provisions of section 554 of title 5, United States Code.

Sec. 2. The amendment made by section 1 of this Act shall become effective upon the expiration of one year following the date of enactment, except that the Secretary may take such actions as may be necessary or appropriate prior to such effective date in order to issue licenses referred to in the amendment made by the first section of this Act prior to such date.

By Mr. HATHAWAY:

S.J. Res. 106. Joint resolution proposing an amendment to the Constitution of the United States to require the advice and consent of both Houses of Congress before any treaty or agreement providing for the commitment of U.S. Armed Forces to a foreign nation may be made. Referred to the Committee on the Judiciary.

Mr. HATHAWAY. Mr. President, I am today introducing a joint resolution proposing a constitutional amendment to require the advice and consent of both Houses of Congress before any treaty or agreement involving the commitment of U.S. Armed Forces in a foreign nation may be made.

Under the Constitution, the treaty ratification function is given to the Senate alone. But the same Constitution requires action by both Houses of Congress in declaring war. In contemporary circumstances where there is no declaration of war, decisions of war, peace, and the deployment of our troops are often made on the basis of treaty arrangements. I believe the House of Representatives should play a role in approving these treaties.

Since 1945, the United States has entered into numerous multinational treaties. One of these, the Southeast Asian Treaty Pact, was the justification for our involvement in the Vietnam war, a war that cost us dearly in lives and dollars; 46,000 Americans lost their lives in that war, and nearly $137 billion in tax dollars was spent.

Approval of the SEATO pact by the Senate was interpreted as permitting the dispatch of our Armed Forces to Indochina to implement the security treaty. It eventually was interpreted as authorizing acts of war. I seriously doubt that action by the Senate alone in these cases meets the general intention of the framers respecting congressional involvement in war decisions.

The possibility of giving the Senate

alone the power to declare war was specifically considered and rejected at the constitutional convention. This would indicate a deliberate intent to include the House of Representatives, with its popular representation, in the warmaking decision. Today when wars are waged sans declarations, on the basis of treaty commitments, both Houses of Congress should have a say in approving or disapproving treaties which call for American military involvement.

Both Houses of Congress must be allowed to serve as a strong source of examination and advice on the basic philosophy and direction of U.S. foreign policy, particularly as regards the commitment of our military forces to action in foreign lands.

Mr. President, I ask unanimous consent that the resolution be printed in the RECORD at this point.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 106

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States, to be valid only if ratified by the legislatures of three-fourths of the several States within seven years after the date of final passage of this joint resolution:

"ARTICLE —

"The President may not without the advice and consent of both Houses of Congress make any treaty or agreement of any kind with one or more foreign nations or with any international organization if such treaty or agreement would bind the United States to commit or to provide to such country or organization for any reason any armed force of the United States."

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 156

At the request of Mr. BAKER, the Senator from Kentucky (Mr. COOK), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Hawaii (Mr. INOUYE), the Senator from Delaware (Mr. ROTH), and the Senator from Connecticut (Mr. WEICKER), were added as cosponsors of S. 156, to require the termination of all weapons range activities conducted on or near the Culebra complex of the Atlantic Fleet Weapons Range.

S. 651 AND S. 652

Mr. McCLURE. Mr. President, I have worked against gun controls ever since I have been in Congress. I was the first Member of the House of Representatives to introduce a bill to repeal the entire Gun Control Act and I was the first Member of the Senate to do so this year. S. 652 would simply repeal the Gun Control Act of 1968, a law passed at a moment of national hysteria and a law that has proved to have no adverse effect on anyone other than the law-abiding citizen.

Recently the distinguished Senator from Utah, Senator BENNETT, and my fellow Senator from the great State of Idaho, Senator CHURCH, have asked to cosponsor my bill. I welcome this support and respectfully ask unanimous consent that their names be added as cosponsors to S. 652.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCLURE. Mr. President, additionally, Senator BENNETT and Senator BIBLE of Nevada have asked to cosponsor S. 651. I introduced this bill in an effort to take a more practical approach to crime in which a gun is used. S. 651 would require an automatic additional penalty of from 5 to 10 years for anyone convicted of using a firearm in the commission of a Federal crime. I am grateful to Senator BENNETT and Senator BIBLE for their support of this bill. I ask unanimous consent that their names be added as cosponsors to S. 651.

The PRESIDING OFFICER. Without objection, it is so ordered.

S. 780

At the request of Mr. SPARKMAN, the Senator from Texas (Mr. BENTSEN) was added as a cosponsor of S. 780, to amend the Clayton Act by adding a new section to prohibit sales below costs for the purpose of destroying competition or eliminating a competitor.

S. 868

At the request of Mr. WILLIAMS, the Senator from Idaho (Mr. CHURCH) be added as a cosponsor of S. 868, to provide computation of social security benefits based on combined earnings of married couples.

S. 869

At the request of Mr. WILLIAMS, the Senator from Idaho (Mr. CHURCH) was added as a cosponsor of S. 869, to provide computation of social security benefits for men at age 62.

S. 919

At the request of Mr. GURNEY, the Senator from New Mexico (Mr. DOMENICI) was added as a cosponsor to S. 919, to permit spouses and widows of medicare beneficiaries and early retirees, to purchase medicare coverage at cost.

S. 978

At the request of Mr. EASTLAND, the Senator from New Mexico (Mr. DOMENICI), the Senator from Arizona (Mr. GOLDWATER), the Senator from North Carolina (Mr. HELMS), and the Senator from Ohio (Mr. SAXBE) were added as cosponsors of S. 978, to amend the Federal Trade Commission Act (15 U.S.C. 45) to provide that under certain circumstances exclusive territorial arrangements shall not be deemed unlawful.

S. 1188

At the request of Mr. BROCK, the Senator from Ohio (Mr. TAFT) was added as a cosponsor of S. 1188, to promote the utilization of improved technology in federally assisted housing.

S. 1197

At the request of Mr. HARTKE, the Senator from Maine (Mr. HATHAWAY) was added as a cosponsor of S. 1197, the Food Consumers' Protection Act of 1973.

S. 1218

At the request of Mr. GRAVEL, the Senator from Minnesota (Mr. MONDALE) was added as a cosponsor to S. 1218, to amend title II of the Communications Act of 1934 to authorize common carriers subject to such title to provide certain free or reduced rate service for individuals who are deaf or hard of hearing.

S. 1245

At the request of Mr. MATHIAS, the Senator from Minnesota (Mr. HUMPHREY) was added as cosponsor of S. 1245, the Interstate Taxation Act.

S. 1296

At the request of Mr. GOLDWATER, the Senator from Rhode Island (Mr. PELL) was added as a cosponsor of S. 1296, the Grand Canyon National Park Enlargement Act.

S. 1381

Mr. FULBRIGHT. Mr. President, I wish to comment on the proposal by the Corps of Engineers to charge recreation use fees for Federal lakes administered by the Corps of Engineers.

The proposal to begin charging recreation use fees at federally constructed lakes in Arkansas has been met with an intense negative reaction on the part of Arkansas residents. Of particular concern to the citizens of Arkansas is the Corps of Engineers proposal to charge use fees for day-use recreation areas.

Mr. President, the Corps of Engineers has designated 104 day-use facilities, nationally, where fees are to be charged. However, this figure does not reflect the geographical location of these day-use facilties. In fact, seven of these day-use areas are located in the State of Arkansas. Similarly, 14 of these designated day-use areas are in the neighboring State of Oklahoma. In another neighboring State, Missouri, there are 17 day-use areas—on only four lakes—where use fees are to be levied by the Corps of Engineers. For the thousands of Arkansas residents who rely on these day-use areas as a major source of recreation, the proposed use fees simply limit public access to these areas.

In many instances it is not the amount of the use fee which is unacceptable; rather it is the idea that Arkansas taxpayers must pay a fee for the use of general facilities which have been contracted, initially, at the expense of the taxpayer.

Mr. President, I do not argue with a special collection of recreation use fees for the use of facilities, equipment, sites, or services furnished at Federal expense. However, I am not in favor of recreation use fees to be charged for day-use or recreational use of general facilities which virtually all visitors might reasonably be expected to utilize.

In this respect, I commend and support the Senator from Oklahoma (Mr. BARTLETT) for introducing S. 1381, which would amend the Land and Water Conservation Fund Act of 1965 to prohibit the collection of recreation use fees for day-use or recreational use of facilities or areas which virtually all visitors might reasonably be expected to utilize.

Mr. President, I ask unanimous consent that my name be added as a cosponsor of S. 1381.

The PRESIDING OFFICER. Without objection, it is so ordered.

S. 1423

At the request of Mr. Robert C. Byrd, for Mr. Williams, the Senator from Massachusetts (Mr. Kennedy), the Senator from Missouri (Mr. Eagleton), the Senator from Iowa (Mr. Hughes), the Senator from Pennsylvania (Mr. Schweiker), the Senator from Maryland (Mr. Beall), and the Senator from Vermont (Mr. Stafford) were added as cosponsors of S. 1423, to amend the Labor-Management Relations Act to permit employer contributions to jointly administered trust funds established by labor organizations to defray costs of legal services.

S. 1436

At the request of Mr. Hartke, the Senator from Nevada (Mr. Bible) was added as a cosponsor of S. 1436, to eliminate the social security payroll tax for persons over 65 years of age.

S. 1475

At the request of Mr. Pearson, the Senator from Maryland (Mr. Beall) was added as a cosponsor of S. 1475, allowing a double investment credit for property in rural areas providing new employment opportunities.

S. 1611

At the request of Mr. Mondale, the Senator from Oklahoma (Mr. Bellmon) was added as a cosponsor of S. 1611, to amend the Federal Crop Insurance Act to extend insurance coverage under such act to all areas of the United States and to all agricultural commodities.

S. 1624

At the request of Mr. Thurmond, the Senator from Nebraska (Mr. Curtis) was added as a cosponsor of S. 1624, to amend title XIX of the Social Security Act to clarify the standards which apply in determining the basis on which Federal matching will be accorded toward State expenditures for skilled and intermediate care facility services provided under State plans approved under such title.

S. 1666

At the request of Mr. Gravel, the Senator from Rhode Island (Mr. Pastore) was added as a cosponsor to S. 1666, to amend title 39, United States Code, to establish improved standards to achieve efficient mail service, to provide an effective method of reimbursing the U.S. Postal Service for public service costs while maintaining a reasonable postal rate structure.

S. 1695

At the request of Mr. Kennedy, the Senator from Nevada (Mr. Bible) and the Senator from Iowa (Mr. Clark) were added as cosponsors of S. 1695, the Emergency Manpower and Defense Workers Assistance Act of 1973.

S. 1722

At the request of Mr. Hartke, the Senator from Illinois (Mr. Percy) was added as a cosponsor of S. 1722, to amend the Education of the Handicapped Act to provide educational assistance for homebound handicapped students.

ADDITIONAL COSPONSOR OF A CONCURRENT RESOLUTION

SENATE CONCURRENT RESOLUTION 20

At the request of Mr. Thurmond, the Senator from Alaska (Mr. Stevens) was added as a cosponsor of Senate Concurrent Resolution 20, commending the President for terminating the involvement of the United States in hostilities in Vietnam.

SENATE RESOLUTION 109—SUBMISSION OF A RESOLUTION RELATING TO APPOINTMENT OF A SPECIAL PROSECUTOR BY THE ATTORNEY GENERAL-DESIGNATE

(Referred to the Committee on the Judiciary.)

Mr. STEVENSON. Mr. President, I am encouraged by Mr. Richardson's announcement yesterday that if his nomination as Attorney General is confirmed by the Senate, he will appoint a special prosecutor in the Watergate affair. I am also encouraged—but not yet satisfied—by Mr. Richardson's assurance that the special prosecutor will be given "all the independence, authority, and staff support needed" to enable him to carry out his difficult assignment. Without an impartial and thorough investigation, this dismal affair will corrupt our politics for many years, and in the end the public may still not know the truth, nor justice even then be done.

The coverup can continue, or the search for truth can begin in earnest. On May 3, 28 Members of this body joined with me in a letter to the Attorney General-designate. We called for the appointment of an independent prosecutor, as have others, indeed, as has the Senate by resolution. But we went beyond the mere question of his appointment. We set forth our understanding of the term "independent." A prosecutor is not made independent by virtue of an adjective or Senate approval. We laid down the minimal powers and resources of a truly independent prosecutor.

Mr. President, I ask unanimous consent that a copy of the letter sent to Mr. Richardson be printed in the Record at this point.

There being no objection, the letter was ordered to be printed in the Record, as follows:

U.S. Senate,
Washington, D.C., May 3, 1973.

Hon. Elliot L. Richardson,
Attorney General-Designate,
Department of Justice,
Washington, D.C.

Dear Mr. Richardson: As Attorney General you would immediately be faced with an unprecedented task of restoring public confidence in the integrity of the Federal government. We know you share our concern that justice prevail in all questions of official misconduct and that the public receive speedy assurance that an impartial investigation of the so-called Watergate Affair will be conducted thoroughly and relentlessly.

The Senate has called for appointment of an "independent" prosecutor. The true independence and impartiality of the prosecutor is essential. You have the power to make such an appointment. But a prosecutor is not made independent by virtue of an adjective. Neither his selection from outside the Justice Department, nor his approval by the Senate assures independence and a truly thorough and impartial investigation. That depends upon the character of the prosecutor and his authority, powers and resources.

We trust you to select for this position a man of unquestioned integrity, the highest professional ability and the tenacity with which to get the job done. We also expect you to make the scope of his inquiry broad enough to encompass all illegal conduct arising out of the conduct of the President's recent campaign and the growing evidence that justice has been obstructed in conjunction with that illegal activity. But that is not enough. The minimal powers and resources of a thoroughly independent prosecutor must include:

(1) The power to convene and conduct proceedings before a special grand jury, to subpoena witnesses, and to seek in court grants of immunity from prosecution for witnesses;

2) The power and financial resources with which to select and hire an adequate staff of attorneys, investigators and other personnel, answerable only to himself;

3) Assurance that the funds to pay for the services of staff and prosecutor will be continued for the time necessary to complete the investigation and prosecute any offenders;

4) Assurance that the prosecutor will not be subject to removal from his duties except for the most extraordinary improprieties on his part;

5) Full access to the relevant documents and personnel of the Department of Justice and all other offices and agencies of the Executive Branch; and

6) Assurance that the prosecutor would be able to cooperate with any appropriate congressional committees.

The law appears to give you the authority to confer these powers, resources and assurances upon a special prosecutor. If the need arises for legislation to insure these perquisites of independence and thoroughness, we will cooperate to that end in every way we can.

In closing we reiterate our trust in you, our confidence in your ability and our hope that forthright action now by the Executive will be enough to resolve these trying matters to the satisfaction and benefit of the nation.

Sincerely,

Adlai E. Stevenson III, Harold E. Hughes, Stuart Symington, Gaylord Nelson, Edmund Muskie, Philip A. Hart, Thomas F. Eagleton, James Abourezk, Lloyd Bentsen, Dick Clark, Joe Biden, William Proxmire, Alan Cranston, Lawton Chiles, Hubert Humphrey, John Tunney, Walter F. Mondale, Lee Metcalf, Walter D. Huddleston, William D. Hathaway, Abraham Ribicoff, Harrison Williams, Frank Church, Quentin Burdick, Mike Mansfield, Jennings Randolph, Thomas J. McIntyre, J. Bennett Johnston, Jr., and Claiborne Pell.

Mr. STEVENSON. Mr. President, without the powers and resources set out in this letter, the "independent" investigator would be the employee and agent of the investigated. Mr. Richardson yesterday expressed his conviction that "the Attorney General must retain final responsibility for all matters coming within the jurisdiction of the Department (of Justice)." He then went on to state that the special prosecutor will be an employee of the Department of Justice and will "report" to the Attorney General who, of course, answers to President Nixon. It is thus apparent that the administration rejects the suggestion I and 28 of my colleagues made in our letter of May 3. The Nixon administration proposes to conduct the investigation of the Nixon administration. Convinced as I am that the letter set forth the minimum standards of independence necessary to the restoration of public confidence in Government and the proper conduct of the investigation.

On behalf of myself and Senators Hart, Muskie, Eagleton, Pell, Mansfield, Ribicoff, Randolph, Cranston, Hathaway, Chiles, Abourezk, Metcalf, Burdick, Mondale, Hughes, Bentsen, Biden, Haskell, Huddleston, McIntyre, Clark, Nelson, Gravel, McGee, Moss, Humphrey, Church, McGovern, and Williams, I now submit a Senate resolution calling upon Mr. Richardson to implement those minimum standards.

I send the resolution to the desk and ask that it be appropriately referred.

The PRESIDING OFFICER (Mr. Huddleston). Without objection, the resolution will be received and appropriately referred.

Mr. STEVENSON. Mr. President, no matter the character and ability of the man, without the staff and the power to subpena witnesses, to conduct proceedings before a grand jury, initiate prosecutions and grant immunity to witnesses like John Dean, the prosecutor would be independent in name only. Another deception would be practiced upon the public.

The President has himself already stated that immunity will not be granted to executive branch personnel in this case, unlike routine cases handled by the Justice Department. The Justice Department has filed a criminal information against the Committee for the Re-election of the President but not against those responsible for its actions. The Watergate investigation is itself, or should be, an investigation of justice obstructed by the administration. The question is whether that investigation shall be controlled by the administration.

The Percy resolution passed by the Senate said the prosecutor should be selected from outside the Justice Department. The Brooke resolution says he should be appointed from outside but serve as a "special assistant" to the Attorney General. For the sake of appearances the prosecutor should be appointed from outside. What counts most though is the character and ability of the man—not whether his employment happens at the moment to be in or out of government. The appearance of independence is worth maintaining and for that reason an outside selection would be wise. But under these resolutions and Mr. Richardson's statement, the prosecutor, once selected, would become another employee of the Justice Department. The prosecutor ends up working for the prosecuted. At that point neither the appearance, nor the reality, of independence exists.

Senate approval of an "independent" prosecutor confers nothing—except again an appearance without the substance of independence.

The public has had enough of such deception. The appearance without the reality of independence is not enough.

What is needed is a prosecutor backed up by the resources of the Government and armed with the powers we enumerated in the letter to Mr. Richardson. Without those powers, the administration investigates the administration, and from what we have seen to date, it is not likely to do so with any special zeal.

It is time the Government got on with the business of the Nation and left the corruption in the Nixon administration to a truly independent prosecutor and the judiciary. The prompt enactment of the resolution I now introduce will help to achieve that goal.

I ask unanimous consent that the text of the resolution be printed in the Record.

There being no objection, the text of the resolution was ordered to be printed in the Record, as follows:

S. Res. 109

Whereas, the Attorney General-Designate has announced his intention to appoint a special prosecutor to investigate the Watergate case and related matters; and

Whereas, it is essential to the proper conduct of the investigation and to the restoration of public confidence in the federal government that the special prosecutor be in a position to perform his functions in an independent manner;

Be it resolved by the Senate of the United States, That:

1) The Attorney General-Designate should vest the special prosecutor with all necessary attributes of independence, including but not limited to the following:

a) Final authority over questions of convening and conducting proceedings before grand juries, subpoenaing witnesses, initiating prosecutions, framing indictments and seeking in court grants of immunity from prosecution for witnesses;

b) Final authority over the selection of an adequate staff of attorneys, investigators and other personnel answerable only to himself;

c) Assurance that the investigatory and other resources of the Department of Justice and funds to defray all expenses incurred in connection with the activities of the special prosecutor will remain available for the time necessary to complete the investigation and prosecute any offenders;

d) Assurance that he will not be subject to removal from his position except for malfeasance in office;

e) Assurance that he will enjoy full access to the relevant documents and personnel of the Department of Justice and all other officials and agencies of the Executive Branch; and

f) Assurance that the special prosecutor can freely, and upon their request, appear before, consult with and cooperate in other respects with all Congressional committees having jurisdiction over any aspect of the special prosecutor's activities.

DEPARTMENT OF DEFENSE APPROPRIATION AUTHORIZATION ACT, 1974—AMENDMENT

AMENDMENT NO. 114

(Ordered to be printed, and referred to the Committee on Armed Services.)

Mr. HUGHES submitted an amendment, intended to be proposed by him, to the bill (S. 1263) the Department of Defense Appropriation Authorization Act, 1974.

DISASTER ASSISTANCE IN COUNTIES OF ALAMEDA AND CONTRA COSTA IN CALIFORNIA—AMENDMENTS

AMENDMENT NO. 115

(Ordered to be printed, and referred to the Committee on Banking, Housing and Urban Affairs.)

Mr. CRANSTON submitted amendments, intended to be proposed by him, to the bill (S. 1697) to require the President to furnish predisaster assistance in order to avert or lessen the effects of a major disaster in the counties of Alameda and Contra Costa in California.

ESTABLISHMENT OF A COUNCIL ON ENERGY POLICY—AMENDMENT

AMENDMENT NO. 116

(Ordered to be printed, and to lie on the table.)

THE GASOLINE SHORTAGE

Mr. HUMPHREY. Mr. President, today I wish to present some conclusions I have drawn from 2 days of hearings last week on the gasoline shortage. I had the privilege of chairing the hearings before the Subcommittee on Consumer Economics of the Joint Economic Committee.

First, how extensive will the gasoline shortage be this year and in the future?

The testimony and other items in the hearings record indicate that supply this summer will fall short of demand by between 2 and 5 percent. This does not sound like much of a shortage. Coming on the heels of subnormal gasoline production last winter, however, it will require us to draw down our already depleted gasoline inventories to a level equal to less than 30 days' consumption. At this level, the distribution system can no longer avert the occurrence of some dry pumps.

As things are taking shape now, however, the hardships from the shortage will not be shared equally. People in most metropolitan areas, especially those near the oil distribution hubs, will be able to get gas this summer at one station or another. The empty pumps will be concentrated in certain parts of the country.

If the integrated companies curtail distribution on a profit-maximizing basis, for instance, areas beyond perhaps 200 miles from major distribution centers may fare worse than those closer in. Sparsely settled rural areas may fare worse than more densely populated ones. Unless something is done, regions served disproportionately by refiners and marketers not owned or franchised by the large, integrated oil companies will fare badly. The independent dealers themselves face commercial extinction. Witnesses testified that supplies to the independent dealers already have been cut back by about 25 percent nationwide with more cutbacks coming. Thousands of them already have shut down. Moreover, the outlying areas that are less well served by the majors tend for this reason to be the very same ones that rely heavily on the independent dealers that now are being forced to close down.

The State of Minnesota, for example, is not unlike some others in the Midwest. The State director of civil defense expects our gasoline supplies to be short 10 percent or more this summer. As I have mentioned before, our difficulties arise partly because we have been served historically to a larger extent than many regions by independent refiners and distributors, which now are being left without supplies. You may think that big companies are moving in where independents have been driven out, but this is not the case in Minnesota. Our State also is being deserted by the distributors of two major companies themselves, namely Sun and Gulf, because they can make better profits selling their available gasoline closer to their refineries without trucking it all the way to Minnesota.

These problems come on top of our winter and spring shortages of heating oil, tractor fuel, and propane and natural gas. I do not see why we and other areas in our position should take the brunt of a situation not of our making.

Up to now I have dealt only with the picture as it looks for this summer. Barring extraordinary measures, the relatively mild gasoline shortage expected this summer will become markedly worse each summer for at least 4 or 5 years. This is because output from domestic refineries is limited to about its present level for that period. Several new refineries are now in the planning stage, but they cannot be completed before late 1976 or early 1977. And gasoline imports are severely limited by very tight supply conditions overseas.

The shortfall, therefore, can be expected to grow by about the growth in demand. Although several unknowns will affect demand, it probably will increase by at least 5 percent per year, unless much more effective gasoline conservation is undertaken. Thus a 5-percent shortage this summer could turn into a 10-percent shortage next summer and a 15-percent shortage by 1975. Before this happens, remedial action clearly must be taken.

GASOLINE ALLOCATION

First, the available supplies of gasoline and other scarce fuels must be allocated fairly among localities, among distributors and between cities and outlying areas. While this will not reduce the overall shortage, it can prevent it from causing drastic harm. It can prevent oil companies from conserving supplies by simply lopping whole regions off their distribution networks, as has happened to Minnesota. After all, if fuel shortages hamper the economy of the upper Midwest, the consumers of meat and grain all over the Nation and even abroad will be badly hurt by a renewal of the food price spiral. Allocation can prevent the majors from retrenching by simply terminating their supply relationships with independent marketers and putting them out of business. It could prevent the closing of installations that are vital to a sparsely served region, although some filling stations can be closed in most places without hardship to customers.

Several pieces of legislation have been introduced to achieve fairer allocation of fuels. Under the amended Stabilization Act, the President already has standby authority to direct the allocation of petroleum products, but apparently he does not intend to use it at present. I have introduced Senate Joint Resolution 98, a joint resolution that would require the President to establish appropriate priorities and a system of allocation of petroleum products to meet the vital needs of all parts of the country and to forestall the tendency of the shortage to reduce competition in the petroleum industry. It also requires the establishment of an Emergency Fuels Allocation Board in the executive officers to expedite the directives of the President to these ends.

Among the objectives of the Board specified in my resolution are:

First, importation of enough crude oil to meet requirements of coastal refineries with simultaneous allocation of adequate domestic crude supplies to inland refineries; this arrangement is to be guaranteed on a long-term basis to encourage refinery expansion;

Second, importation of gasoline to coastal areas with reallocation of domestic gasoline from those markets to inland shortage areas;

Third, importation to rebuild No. 2 fuel oil stocks;

Fourth, allocation of sufficient fuel to essential public and infrastructure services;

Fifth, uniform percentage reductions in supplies of refined products to all distributors, regardless of whether such distributors market under the refiner's brand name or their private brand names;

Sixth, expansion of domestic refinery capacity consistent with reasonable environmental protection.

I am pleased to note that some major companies have adopted their own allocation systems along the same lines, and that a vice president of Atlantic-Richfield is said by the press to agree with me that Federal allocation will be needed. I say that it is needed now.

I am considering offering Senate Joint Resolution 98 as an amendment to bill S. 70, the Energy Policy Act of 1973, which will come before the Senate this week.

In closing on the subject of allocation, let me say that I am well aware of the problems encountered in trying to regulate supplies in a complex industry like petroleum. I have instructed members of my staff and the Joint Economic Committee staff to consult with the oil people about these difficulties. Congress should provide the mandate for an allocation system, and the method of allocation should be worked out between business and Government without delay.

ANTITRUST ENFORCEMENT

In addition to providing for fair allocation of supplies in the future, I believe that we should demand a vigorous investigation by the antitrust authorities of the major oil companies' recent and present behavior toward the independent gasoline and fuel oil marketers.

It is obvious that concerted action is being taken by the major companies that is substantially reducing competition in gasoline distribution, whether or not this is being achieved through conspiracy. When the majors force thousands of independent storage terminals, jobbers and filling stations out of business, they are eliminating price competition from the industry, for only the independents engage in regular price competition.

Moreover, one of our hearings witnesses, Prof. Fred Allvine of Georgia Tech, provided some very striking circumstantial evidence of joint action by the majors to halt price competition and jack up prices in four Western cities for which he has data. In mid-August 1972, the vigorous price competition that had prevailed in these markets suddenly stopped, and prices became bafflingly stable overnight. There are indications from the trade press and Professor Allvine's private conversations that false rumors of an impending price freeze were spread by some firms to impel dealers to raise their prices. There also are indications that supplies to the independent dealers were tightened at this time, and that the 20 major oil companies with retail outlets in these markets ceased simultaneously to pay support to their own stations for waging price wars.

Professor Allvine stated:

> For the past 37 weeks (through April 22) in comparison to the prior 37 weeks, the average price of major-brand gasoline increased by 3.5 cents per gallon in Los Angeles, 2.4 cents in Portland, 3.9 cents in Seattle, and 2.4 cents in Phoenix. Price increases of this magnitude have been fairly general throughout the country. For example, the price of gasoline to major-brand dealers for 100 cities has increased by about 2.1 cents per gallon for 1973 in comparison to the same period for 1972. This means pump price increases of around three cents per gallon. The general stabilization of wholesale prices to dealers also occurred around mid-August 1972 . . . The additional cost to the public for gasoline runs close to $2 billion per year.

Contacts by the JEC staff with appropriate officials of the Justice Department indicate no apparent intention of initiating any action either against specific actions of the major firms or against the elimination of competition in general. The Federal Trade Commission is now considering whether to investigate the recent anticompetitive actions in the petroleum industry. This does not offer much hope. I think it is time that we demand an intensive investigation of the circumstances of the widespread change in pricing behavior and the broad cut-off of supplies to the independents.

OIL PRICES AND PRICE CONTROLS

Twenty-three major oil companies are under mandatory price controls limiting their price increases on all products to an annual average of 1 percent over the course of 1973. There are some indications that these controls are not very effective.

First, the wholesale price indices released last Friday by the Bureau of Labor Statistics reported a 1-month increase in prices of refined petroleum products of no less than 7 percent from March to April. Crude oil rose by 2 percent. I am informed that the BLS index is based on inadequate and unrepresentative information. Thus, in fact, the public has no idea what oil prices are doing. The question arises: Why do we not have a good price index for this vital sector? Does the Cost of Living Council have a much better idea than the BLS about what oil prices are doing?

We know also that most retail outlets for gasoline and heating oil are franchised but not actually owned by the major companies. Therefore, their prices to consumers are not even under control. If our ultimate purpose in controlling prices is to protect the consumer, this loophole will become more and more serious as the shortage spreads. We should give serious consideration to extending the controls to cover these outlets.

How should price controls be managed in the future. It seems clear that we must import some of our gasoline, but foreign gas prices have been driven to a level higher than can be recouped by the majors under U.S. price controls. We had testimony by a senior vice president of Texaco that cost of imported gas would be 5 to 10 cents per gallon higher than current U.S. prices. How then can we get the necessary supplies?

The first part of the answer to this question is that domestic gasoline production should be turned up as high as possible at U.S. refineries even at the expense of heating oil and other products. Another few percent can be squeezed out of our facilities. The middle distillates can be imported both in more timely fashion and at more reasonable cost than gasoline, because the foreign supply is more elastic. The second part of the answer is that the price controls must allow the averaging in of higher cost gasoline so that there will be no disincentive to import.

However, proposals by the companies and others that the price controls be abolished to encourage imports are a disservice to the public. This would mean paying the 5 to 10 cents extra on all gasoline—that produced at home as well as the small amount that is imported. Moreover, the price of gasoline in a shortage market might be expected to jump even higher because the inflexibility of demand for this crucial commodity means that sellers still could sell all they have available.

Oil company profits already have taken a phenomenal leap in the past year. They have gone up by from 12 to 70 percent with the largest—Exxon—boosting profits by 43 percent. Now I have nothing against profits. But it would be intolerable if these large firms were permitted to profit without limit from price increases, exploiting a crisis of this nature.

GASOLINE CONSERVATION

In closing, let me say something about gasoline conservation. This subject is perhaps the most important in the whole picture, for conservation is the only way to curb the gasoline shortage significantly over the next 4 or 5 years.

Government and company witnesses at the hearing offered mainly suggestions relying on constraint by individual citizens, such as tuning engines, driving slower, and using car pools and public transport. While these approaches are important, they have been discussed a long time and cannot be expected to avert our problem. I do not consider this sort of response to be adequate at all.

Somewhat more hopeful testimony was given by an automotive specialist, Mr. Wayne Anderson of a Department of Transportation Fuel Economy Panel. Mr. Anderson stated that it is realistic to alter the conventional type of automobile within the next 5 years in ways that would save 30 percent on gas consumption. For instance, the introduction of steel-belted radial tires will yield 10 percent more gas mileage by reducing rolling resistance. But conversion to this type of tire will take place slowly over several years. At the moment, U.S. tire firms cannot produce enough of them to refit a sizable number of cars. Mr. Anderson also had a number of other suggestions for large gas savings. Smaller cars and engines head the list. But it is estimated also that a change so simple as the installation as standard equipment of a now optional "economy rear axle ration" would permit gas savings of another 10 percent without marked loss of performance. Why are there no apparent plans to do this?

It is my view that we must now get serious about gas economy. Transportation is the biggest waster of fuel among our many uses, and Americans can move in reasonable comfort with far less fuel than is burned today. If we move now, we may at least succeed in forestalling the loss of fuel economy expected from our present emission control program. If the only way to propel Detroit to produce and the U.S. consumer to convert to autos with reasonable gas economy is through Government standards, then we may have to go this route. The problem is exactly parallel to that of air pollution controls on which we already have acted.

GASOLINE SHORTAGES

Mr. President, last week the Subcommittee on Consumer Economics of the Joint Economic Committee held 2 days of hearings on gasoline and fuel oil shortages. I will be reporting in greater depth on those hearings. But, at this time I want to call particular attention to the testimony of one of the witnesses, the Honorable William E. Simon, Deputy Secretary of the Treasury, and Chairman of the Government's Oil Policy Committee.

During the hearings I specifically asked Mr. Simon to look into the gasoline and fuel oil problem in Minnesota. I am pleased to report that Mr. Simon sent me a letter the next day informing me that he had been in touch with Minnesota Governor Wendell Anderson about this situation. He asked Governor Anderson to supply him with specific information as to which contracts to supply fuel for vital services in Minnesota are not being fulfilled. Mr. Simon said he will act on this information immediately.

During the hearings, I also expressed concern with the way the Oil Import Appeals Board has been operating. Mr. Simon assured me that the Board will continue to respond fully to the needs of the petroleum industry, particularly the independent sector. He enclosed a press statement in his letter, and I ask unanimous consent that it be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

TREASURY NEWS—NEW IMPORT AID TO INDEPENDENT FUEL FIRMS

Gasoline grants totaling more than 128 million gallons to 17 independent petroleum firms in 10 states as well as new guidelines to implement expanded functions of the Oil Import Appeals Board, were announced today by William E. Simon, Deputy Secretary of the Treasury and Chairman of the President's Oil Policy Committee. The Board, chaired by James M. Day, is composed of representatives of the Departments of the Interior, Justice and Commerce.

The gasoline awards were granted under the Board's new authority provided as a result of changes in the Mandatory Oil Import Program announced by the President on April 18 when he released his Energy Message.

"Today's action opens an important new opportunity for independent petroleum firms to bring in foreign oil free of license fees if they can show that they are experiencing hardship", Deputy Secretary Simon said.

In approving applications based on hardship, the Board considers the petroleum needs of each firm's customers, the needs of the community, and the protection of the public interest in preserving the independent segment of the petroleum industry.

Simon and Day estimate that speedy action by the Board and the liberal use of the grant authority will help significantly to alleviate shortages of crude oil and finished products in the United States.

Action by the President on April 18 gave the Board authority to make allocations of fuel for which no import fees will be charged. These awards are designed to help independent refiners and established independent marketers who face hardships in obtaining supplies and who petition the Board for help.

Firms authorized the gasoline grants, which are worth 1¼ cents per gallon, and the amount that each independent refiner or independent marketer can import free of license fees in 1973 are listed at the end of this press release.

Simon and Day reported that the new guidelines are being mailed to more than 300 firms who have petitioned the Board for authority to import petroleum. The guidelines provide the Board a standard to use in exercising its major responsibility to alleviate the supply problem of established independent elements of the petroleum industry, including refiners, marketers, and jobbers.

To speed relief to hard hit areas, Deputy Secretary Simon also announced that independent refiners and independent marketers facing extreme hardships may wish to obtain immediately import licenses from the Department of Interior by payment of import fees and later petition for rebate from the Board.

Several petitions before the Board were not acted on because they were incomplete, Simon reported. Each of these petitioners is being urged again to file in conformance with the new guidelines being mailed today. And he assured that vigorous action will be taken on these filings as soon as the information is received by the Board.

The new jurisdiction was provided to the Board so that it could open its doors and fully respond to the needs of the petroleum industry, particularly the independent sector. Major oil companies may obtain Board awards also. However, they must first demonstrate their inability to obtain, by exchange, import licenses already distributed and their willingness to supply independent refiners and marketers.

Simon and Day emphasized that the Board now has unlimited authority to grant import licenses which are license fee exempt and, furthermore, that the Board will be liberal in fulfilling the requirements of the petitioners in order to respond to the Nation's fuel needs. Importers not holding fee exempt licenses must pay 10½ cents a barrel for crude oil, 52 cents a barrel for gasoline and 15 cents for all other petroleum products. Because the independents will be receiving a major share of the grants from the Board, this will help them to import oil at less cost than the large major companies. We are hopeful, Simon said, that as a result of this additional market advantage given to independents, the majors will have greater incentive to provide them crude and products. However, our overall goal is to assure the consumer adequate supplies of petroleum products at lowest possible cost.

OIL IMPORT APPEALS BOARD AWARDS

Name	Location	Total amount of award	
		In barrels	In gallons
Mo-Park Industries Inc	Cedarhurst, N.Y	73,000	3,066,000
Blue Ridge Oil Co., Inc	Hickory, N.C	273,750	11,497,500
Dean Oil Corp	Fanwood, N.J	109,500	4,599,000
Johnson Products, Inc	Boston, Mass	292,000	12,264,000
Self Service Systems, Inc	San Diego, Calif	182,500	7,665,000
Tetco Oil Co., Inc	South Royalton, Vt	73,000	3,066,000
Qual-eco, Inc	Greenville, S.C	127,750	5,365,500
Tryon Fuel Supply, Inc	Greer, S.C	18,250	766,500
Associated Oil Co., Inc	Greenville, S.C	36,500	1,533,000
Associated Oil Co., Inc	Greenville, S.C	73,000	3,066,000
Palmetto State Oil Co., Inc	Greer, S.C	54,750	2,299,500
Palmetto State Oil Co., Inc	Greer, S.C	36,500	1,533,000
MFC Services (AAL)	Jackson, Miss	109,500	4,599,000
Gladieux Service Stations, Inc	Ft. Wayne, Ind	36,500	1,533,000
J. D. Streett & Co	St. Louis, Mo	912,500	38,325,000
Vantage Petroleum Corp	Melville, N.Y	109,500	4,599,000
Star Service and Petroleum Co	St. Louis, Mo	547,500	22,995,000
Total		3,066,000	128,772,000

Mr. HUMPHREY. Mr. Simon also informed me in his letter of May 3 that he plans to meet this week with representatives of the regular subcommittees of the Oil Policy Committee to discuss State environmental standards which he said "are related to the difficulties we are facing." He informed me he is contacting the Governor's Office of each State and will invite their senior representatives to attend these subcommittee meetings.

Mr. President, I want every Member of the Senate to know that Mr. Simon was a responsive witness before our committee and that he gave assurances that he will do all in his power to help solve this vital problem of gasoline shortages.

EMERGENCY GASOLINE AND FUELS ALLOCATION BOARD

Mr. President, I wish to announce that I will seek Senate adoption Wednesday of my bill requiring the President to create an Emergency Gasoline and Fuels Allocation Board. Unless the administration states firm plans to deal with the gasoline shortage, I will propose my bill as an amendment to S. 70, the energy policy council bill scheduled for Senate consideration tomorrow.

Administration action shows this is not a matter that can be left any longer to the discretion of the President, as was done under previously enacted legislation. Unless the administration acts this week we must make it mandatory that he act at once on this most urgent energy problem.

My bill gives an Emergency Gasoline and Fuels Board full enforcement powers to ensure that dwindling petroleum products are equitably allocated to all areas of the Nation.

My amendment also directs the Justice Department to prevent anticompetitive practices in the petroleum industry, particularly the cutting off of gasoline supplies to independent gasoline marketers.

I originally introduced this legislation on April 18. Seven Senators (Mr. BIBLE, Mr. RIBICOFF, Mr. ABOUREZK, Mr. CLARK, Mr. HUGHES, Mr. MONDALE, and Mr. STEVENSON) have joined in cosponsoring it.

In introducing the amendment today, I believe it is urgent to keep pushing this legislation in whatever way will give it the best chance of being enacted into law.

We simply must take immediate action to require the major oil companies to think of the good of the country.

It is absolutely essential that they be stopped from unfairly cutting off supplies to the independent gasoline marketers, thereby driving up the price of gasoline and causing thousands of persons across the country to be ruined financially.

Rather than curtailing their own operations because of the gasoline shortage, the big oil companies are opening new stations of their own and expanding as fiercely as ever.

The major oil companies now control about 95 percent of the oil used in this country. And they control 68 percent of the retail gas outlets.

If the majors are allowed by this administration to use the present fuel shortage for their own purposes and to allocate petroleum products according to their own formulas and priorities, they could end up monopolizing every phase of the oil production and distribution system.

The estimate of the shortfall of gasoline nationwide is between 2 and 5 percent, but do not be deluded by this figure. The States like Minnesota, that rely extensively on independent gasoline marketers and as a result are at the mercy of the big oil companies, the percentage of shortage right now is much higher—somewhere around 10 percent.

I am aware that an amendment to the Economic Stabilization Act, signed into law May 1, authorizes the President to establish an equitable allocation system for petroleum products during periods of shortage and to prevent anticompetitive practices.

But the newly granted authority to the President clearly does not go far enough.

To insure Presidential action on this urgent matter, the language must be made mandatory instead of being left to his discretion. And this is what my amendment attempts to do.

Mr. President, I ask unanimous consent that an editorial from the Minneapolis Star be printed in the RECORD, together with the amendment.

There being no objection, the editorial and amendment were ordered to be printed in the RECORD, as follows:

[From the Minneapolis Star, May 7, 1973]

ALLOCATING SCARCE FUELS

Sen. Hubert Humphrey and a number of other sponsors have introduced a proposal aimed at seeing that all sections of the country share fairly in the scarce supplies of petroleum products.

The senator wants a five-man Emergency Fuels Allocation Board created with several duties, including allocation of scarce fuels to provide essential services and allocation to assure all sections of the country a fair share of crude oil, fuel oil, gasoline and other petroleum products in short supply.

Shortages now threaten the Midwest and other sections of the country, he said. Because the Midwest states are at the end of the pipeline, he added, they are first to feel the effects of shortage. At the moment, there aren't any handy measures to establish the relative fuel poverty of the Midwest, but it stands to reason that some sections of the country are going to feel the pinch sooner and more severely than others.

In times of shortage, and that's right now and for some distance into the future, apparently, it makes sense to approach the fuels problem on a national basis. If rationing should be required, it should be nationwide. If conservation measures are required, and we think they are, we should all be under the same obligation to undertake them. And if fuels are scarce, it's hard to justify starving one section of the country while others manage nicely. Humphrey's idea deserves approval.

AMENDMENT NO. 116

At the end of the bill insert the following:

EMERGENCY GASOLINE AND FUELS ALLOCATIONS BOARD

SEC. 9. (a) the President shall, after public hearing, conducted with such notice, under such regulations and subject to such review as the exigencies of the case may, in his judgment, make appropriate, provide for the establishment of priorities of use and for systematic allocation of supplies of petroleum products including crude oil in order to meet the essential needs of various sections of the Nation and to prevent anti-competitive effects resulting from shortages of such products.

(b) To expedite the implementation of directives by the President, as authorized by this second there shall be created in the Executive Office of the President an Emergency Gasoline and Fuels Allocation Board (hereinafter referred to as the "Board"). The Board shall be composed of five members who shall be appointed by the President by and with the advice and consent of the Senate. The members of the Board shall serve through the duration of authorities provided for under this resolution. The President shall designate one of the members of the Board to serve as Chairman. The members shall be representative of the production, transportation, protection, and use and consumption of all fuel resources, and of executive departments and agencies having a significant responsibility in these respective areas.

(1) Regular meetings of the Board shall be held at least twice each month, with emergency meetings scheduled on the call of the Chairman.

(2) Three members shall constitute a quorum, and decisions of the Board shall be made by majority vote.

(c) In order to carry out the provisions of this resolution, the Board is authorized to—

(1) appoint and fix the compensation of personnel of the Board in accordance with the provisions of title 5, United States Code;

(2) make, promulgate, issue, rescind, and amend rules and regulations as may be necessary to carry out the functions vested in the Board and delegate authority to any officer or employee;

(3) employ experts and consultants in accordance with section 3109 of title 5, United States Code;

(4) appoint one or more advisory committees composed of such private citizens and officials of Federal, State, and local governments as it deems desirable, to advise it with respect to its functions under this resolution;

(5) utilize, with their consent, the services, equipment, personnel, information, and facilities of other Federal, State, and local public agencies with or without reimbursement therefor;

(6) accept voluntary and uncompensated services, notwithstanding the provisions of section 3676 of the Revised Statutes;

(7) accept unconditional gifts or donations of services, money, or property, real, personal, or mixed, tangible or intangible;

(8) take such actions as may be required for the accomplishment of the objectives of the Board; and

(9) make contracts with public or private nonprofit entities to conduct studies related to the purposes of this resolution.

(d) Upon request made by the Board, each Federal agency is authorized and directed to make its services, equipment, personnel, facilities, and information (including suggestions, estimates, and statistics) available to the greatest practicable extent consistent with other laws to the Board in the performance of its functions with or without reimbursement.

(e) Each member of a committee appointed pursuant to clause (4) of subsection (a) of this section who is not an officer or employee of the Federal Government shall be compensated at the rate prescribed for GS-18 under section 5332 of title 5, United States Code, for each day he is engaged in the actual performance of his duties (including traveltime) as a member of a committee. All members shall be reimbursed for travel, subsistence, and necessary expenses incurred in the performance of their duties.

(f)(1) The Board or any duly authorized subcommittee or member thereof may, for the purposes of carrying out the provisions of this section, hold such hearings, sit and act at such times and places, administer such oaths, and require by subpena or otherwise the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents as the Board or such subcommittee or member may deem advisable. Any member of the Board may administer oaths or affirmations to witnesses appearing before the Board or before such subcommittee or member. Subpenas may be issued under the signature of the Chairman or any duly designated member of the Board, and may be served by any person designated by the Chairman or such member.

(2) In the case of contumacy or refusal to obey a subpena issued under paragraph (1) by any person who resides, is found, or transacts business within the jurisdiction of any district court of the United States, such court, upon application made by the Attorney General of the United States at the request of the Chairman of the Board, shall have jurisdiction to issue to such person an order requiring such person to appear before the Board or a subcommittee or member thereof, there to produce evidence as so ordered, or there to give testimony touching the matter under inquiry. Any failure of such person to obey any such order of the court may be punished by the court as a contempt thereof.

(g) Section 5314 of title 5, United States Code, is amended by adding at the end thereof the following new paragraph:

"(59) Chairman, Emergency Gasoline and Fuels Allocation Board."

(h) Section 5315 of title 5, United States Code, is amended by adding at the end thereof the following new paragraph:

"(96) Members, Emergency Gasoline and Fuels Allocation Board (4)."

(i) Specific policy objectives to be carried out by Presidential directive and Board actions shall include, but not be limited to, the following:

(1) The importation of crude oil in sufficient amounts to meet the input requirements of coastal refineries, simultaneous with the allocation of adequate domestic crude supplies to inland refineries and guaranteed on a long-term basis in order to encourage the expansion of refining capacity;

(2) The importation of number 2 fuel oil in amounts sufficient to build up stocks for the next heating season;

(3) The importation of finished gasoline to east and gulf coasts under conditions that insure that domestic product which would otherwise be distributed in those markets is channeled for delivery to inland shortage areas;

(4) The allocation of sufficient supplies of diesel and other fuels to railroads, electric utilities, and motor transport to provide essential services;

(5) Under any policy or practice of allocations by refiners to marketers, any reduction of supplies by a refiner to any customer whom he has supplied regularly over a reasonable past period shall be in line with quotas established by the Board utilizing this base period in which regional supplies and demands were in approximate balance, and the same percentage reduction shall be applied to all customers of such refiner, regardless of whether such customers market under the refiner's brand name or their private brand names;

(6) As an alternative to price controls on fuels and to meet emergency fuel shortages in the absence of refinery expansion, it shall be a general policy to permit expanded importation of crude oil and gas and to encourage maximum gasoline yields by domestic refiners.

(j) The Board shall implement specific programs to promote—

(1) the expansion of domestic refinery capacity consistent with reasonable requirements of environmental protection; and

(2) public awareness of the dimensions of the fuel shortage crisis in the United States, and voluntary action to curtail nonessential use of private transportation and of living conveniences requiring electric power.

(k) The Attorney General is directed to take such steps as may be necessary to assure that during the existing fuel storage emergency, marketing practices by major refiners and fuel allocation policies by the Government of the United States are not detrimental to the maintenance of a viable competitive domestic petroleum industry and do not result in a foreclosure to independent marketers of supplies from major oil companies.

(l) The authorities provided for in this resolution shall be effective through the fiscal year ending June 30, 1975.

(m) There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this section.

REMARKS OF MINNESOTA'S DIRECTOR OF CIVIL DEFENSE ON THE GASOLINE AND FUEL SHORTAGE

Mr. HUMPHREY. Mr. President, Mr. James Erchul, the director of Minnesota's Civil Defense, testified last week before my Subcommittee on Consumer Economics. His testimony supplied an up-to-date analysis of the gasoline supply problem in my State, hence, I ask unanimous consent that his opening statement be printed at this point in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Remarks by F. James Erchul

The supply of transportation fuels in Minnesota continues to dwindle. As we approach the time of year when gasoline and diesel fuel consumption will reach its peak, we find that the supply of these products to the independent dealers is a mere trickle compared to what it was.

Minnesota's plight in the fuel shortage is somewhat unique in that we are experiencing all of the factors contributing to the nationwide petroleum supply problems such as inadequate refining capacity, need for further offshore drilling, and a cumbersome system of import quotas. In addition, however, two major suppliers, Gulf and Sun, have stated that they intend to discontinue marketing in Minnesota. Bell Oil and Triangle Refineries have already discontinued their independent operations. The Koch Refinery of Pine Bend has been operated by supervisory personnel for several months while their usual work force is out on strike. The Koch Refinery produces about 100,000 barrels per day under normal circumstances and is down to about 60% of that at this time.

Petroleum supplies ordinarily provided by the cooperatives have been drastically reduced because they have not been able to get the crude oil necessary to operate their refineries at anywhere near capacity. Midland Cooperatives, for instance, only recently reopened their refinery at Cushing, Oklahoma. They had closed it just after the first of the year due to the lack of crude oil. At present they are able to operate at only 60 percent of capacity. In Minnesota the cooperatives account for about 60% of the fuel supplies sold to farmers. Unfortunately the landlocked refineries such as Midland's have no access to foreign crude. Prior to the lifting of import quotas they were able to get domestic crude by trading their import tickets. Now with no quotas involved, their tickets are not tradeable. In the instance of most inland refineries they would not be able to use the kind of crude oil that is available on the foreign market today. Most available foreign crude is apparently of the "sour" variety and not compatible with the refining capability of the refineries.

Some people insist there is no shortage and that it is only a figment of imagination. But it can happen, and it is happening here, right now. In recent weeks we have received the following reports, as examples:

1. Metro 500 has been forced to close all of its gasoline stations and to lay off over 200 workers. No gasoline.

2. Planned expansion at Duluth International Airport is threatened because the major charter airlines planning stops there are unable to secure contracts for 12–14 million gallons of jet fuel.

3. It is reported that Advance United, Werner Continental, Briggs and Glendenning, all major freight transport truckers, are unable to renew contracts for gasoline and diesel fuel.

4. In Glencoe, the municipal electric plant is unable to secure a diesel fuel contract to operate its generators.

5. The State of Minnesota is able to get contracts for fuel only on a short term basis (30 days).

The fuel shortage is more than just the requirements of one state. It is a part of the world wide energy crisis now facing us. The short term explanation for why the shortage is occurring is this: Our shortage is due to a combination of factors that have suddenly converged—ecology, technology, and economics each playing an important role. Industry spokesmen cite the need for the Alaskan pipeline, further offshore drilling, and the lack of refining capacity, as major reasons for the shortage. In addition to these reasons, the fact remains that we, first as a nation and ultimately as a planet, are just plain running out of oil. Where the petroleum industry used to be able to easily tap gushers of crude, they now get only a trickle. There is enough crude oil underground to supply the world for perhaps another hundred years. Unfortunately, it is located in the wrong place as far as the United States is concerned.

National demand for oil at this time is for about 15 million barrels per day. The best our domestic oil fields can produce is about 11.5 million. Thus we must turn to imports for the balance. It has been estimated that imported oil will account for some 30 percent of our total supply by 1975. The world oil market is somewhat unstable and there is very little happening that would indicate improvement in the near future. The over all foreign trade picture demands that we limit the purchase of foreign oil. Overbuying of oil could very well increase our trade deficit to endanger the dollar in the world monetary market. For security reasons we must avoid too great a dependence on foreign oil. We cannot place ourselves in a position where the oil rich nations can maneuver us to suit their desires or ambitions. Already a group of the oil rich nations have gotten together to sucessfully maniplate prices. What is to stop them from next demanding arms or political concessions?

We have monitored the situation carefully here in Minnesota. In recent weeks it has been deteriorating rapidly. For the most part the problem is out of our hands. Minnesota is not in a position to take unilateral action. All of our fuel must come from outside the State.

If the nationwide shortage is going to be as harsh as what is indicated for Minnesota one of the immediate needs is for a plan that will apportion an appropriate share of the supply available to each state. If a state could be assured of, say 90 percent of the amount used the previous year, there would at least be a basis from which to plan allocations and establish priorities. If industry is allowed to establish their own allocations it will be profit oriented rather than based on a balanced share.

In some instances industry has begun programs of conservation. I believe very strongly that government and industry together should get together in a unified appeal to the public asking everyone to take suggested steps in conserving fuel. Such things as lower driving speeds, using public transportation and organizing car pools could actually have a market effect on fuel usage if the general public were approached properly. The best possible effect could be achieved by having the President take a leadership role with a public appeal for appropriate conservation.

Alaskan Oil, offshore drilling, and new refineries, are 5 to 7 years away. In order to avert a disaster we must take these short term steps now.

RELIEF OF RAYMOND ELDON DAVIS—AMENDMENTS

AMENDMENT NO. 117

(Ordered to be printed, and referred to the Committee on the Judiciary.)

Mr. McINTYRE submitted amendments, intended to be proposed by him, to the bill (S. 1047) for the relief of Raymond Eldon Davis.

RELIEF OF LEONARD DAVIS—AMENDMENTS

AMENDMENT NO. 118

(Ordered to be printed, and referred to the Committee on the Judiciary.)

Mr. McINTYRE submitted amendments, intended to be proposed by him, to the bill (S. 1048) for the relief of Leonard Davis.

ESTABLISHMENT OF A QUALITY HEALTH CARE COMMISSION—AMENDMENTS

AMENDMENT NO. 119

(Ordered to be printed, and to lie on the table.)

Mr. TAFT. Mr. President, I submit amendments, intended to be proposed by me, to the bill (S. 14) to amend the Public Health Service Act to provide assistance and encouragement for the establishment and expansion of health maintenance organizations, health care resources, and the establishment of a Quality Health Care Commission, and for other purposes. I ask unanimous consent that the amendment be printed in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 119

Strike out all after the enacting clause and insert in lieu thereof the following:

That this Act may be cited as the "Health Maintenance Organization Assistance Act of 1973".

AMENDMENTS TO PUBLIC HEALTH SERVICE ACT

SEC. 2. (a) Section 1 of the Public Health Service Act is amended by striking out "Titles I to XI" and inserting in lieu thereof "Titles I to XII".

(b) The Act of July 1, 1944 (58 Stat. 682), as amended, is further amended by renumbering title XII (as in effect prior to the enactment of this Act) as title XIII and by renumbering sections 1201 through 1214 (as in effect prior to the enactment of this Act), and references thereto, as sections 1301 through 1314, respectively.

(c) The Public Health Service Act is further amended by adding after title XI the following new title:

"TITLE XII—ASSISTANCE TO HEALTH MAINTENANCE ORGANIZATIONS

"CONGRESSIONAL FINDINGS

"SEC. 1200. (a) The Congress finds that—

"(1) the medical care system is not organized in a manner which encourages the provision of medical care at reasonable costs;

"(2) the medical care system is oriented toward providing care once a health need has occurred rather than toward providing health maintenance and preventative health services; and

"(3) there is a serious maldistribution of medical care resources which has resulted in inadequate access to medical care in both inner city and rural areas.

"(b) The purpose of this title to assist in remedying these deficiencies through encouraging the establishment and utilization of health maintenance organizations, particularly in medically underserved areas. This purpose is to be accomplished through grants and contracts to encourage the establishment and expansion of health maintenance organizations.

"DEFINITIONS

"SEC. 1201. For the purposes of this title—

"(1) the term 'health maintenance organization' means a public or private organization which—

"(A) provides to enrolled participants, either directly or through arrangements with others, at least those physician, hospital, and health maintenance services determined by the Secretary to be necessary for the provision of comprehensive health care and generally available on an insured or prepaid basis in the locality served by the organization;

"(B) is compensated for the provision of such services to enrolled participants solely on a predetermined periodic rate basis except for such co-payments by participants as the Secretary may, by regulation, authorize; and

"(C) meets such requirements concerning its organizational structure and financial arrangements as the Secretary may, by regulation, prescribe for the purpose of assuring that—

"(i) the organization bears the responsibility for the efficient and effective utilization of health care resources to meet the health care needs of participants,

"(ii) the individuals, groups, and institutions within the organization or cooperating with it in the provision of health care services to participants share in that responsibility, and

"(iii) the organization provides clearly identifiable focal points of responsibility for the performance of all managerial, administrative, and service functions;

"(2) the term 'medically underserved area' means an area designated by the Secretary, after consideration of the recommendations (if any) of the appropriate State comprehensive health planning agency (designated by the State as required by section 314(a)(2)(A)) and the local area health planning agency (if any), as an area with a shortage of health services;

"(3) the term 'local area health planning agency' means the agency or organization responsible for the comprehensive regional, metropolitan area, or other local area plan or plans referred to in section 314(b) and covering the area in which the health maintenance organization operates or proposes to operate, or, if there is no such agency, such other public or nonprofit private agency or organization (if any) as performs, as determined in accordance with criteria included in regulations, similar functions.

"GRANTS TO AND CONTRACTS WITH HEALTH MAINTENANCE ORGANIZATIONS

"SEC. 1202. (a). The Secretary is authorized, during the period beginning July 1, 1973, and ending with close of June 30, 1978, to make grants to any public or nonprofit private health maintenance organization, and to any public or nonprofit private entity intending to become a health maintenance organization, and to enter into contracts with any health maintenance organization or any entity intending to become a health maintenance organization, to—

"(1) assist it in planning for the development or expansion of a health maintenance organization, and

"(2) pay all or part of its initial operating costs incurred as a result of its operation in or expansion into a medically underserved area.

"(b) No grant or contract may be made or entered into under subsection (a) unless the applicant for such grant or contract has provided assurances satisfactory to the Secretary that—

"(1) it intends to form, create, or expand a health maintenance organization, if the application is for a grant or contract under clause (1) of subsection (a); and

"(2) it intends to operate in a medically underserved area, if the application is for a grant or contract under clause (2) of subsection (a).

"(c) A grant or contract pursuant to clause (1) or (2) of subsection (a) may not provide the assistance described therein for more than two years in the case of clause (1) or three years in the case of clause (2).

"(d) In making grants and entering into contracts under clause (1) of subsection (a) the Secretary shall give priority to those applicants which will provide new or expanded health services to medically underserved areas.

"GENERAL CONDITIONS

"SEC. 1203. No grant or contract may be made or entered into under this title unless—

"(1) the applicant provides assurances satisfactory to the Secretary that, at the time of its application or at such time thereafter as the Secretary may specify, it (A) meets or will meet such standards of financial responsibility as the Secretary may by regulation provide; (B) has or will have the capability to provide prompt, efficient, and economical comprehensive health care services, including institutional services, which meet quality standards established by it in accordance with regulations of the Secretary; and (C) has or will have a governing board which includes members who (i) have no financial interest in the organization other than as enrolled participants, (ii) are not receiving compensation for the provision of goods or services to the organization other than reasonable compensation for services as members of the governing board, and (iii) are neither employed by, nor members of the immediate family of, persons who have such an interest or are receiving such prohibited compensation;

"(2) the State comprehensive health planning agency (referred to in section 1201(2)) and the local area health planning agency (if any) have had an opportunity to comment upon the application in a manner prescribed by the Secretary; and

"(3) the applicant agrees to keep such records, and afford such access thereto, and make such reports, in such form and containing such information, as the Secretary may find necessary for purposes of this title.

"JOINT FUNDING

"SEC. 1204. Pursuant to regulations prescribed by the President, where funds are advanced for a single project or program by more than one Federal agency to an organization assisted under this title, any one Federal agency may be designated to act for all in administering the funds advanced. In such cases, a single non-Federal share requirement may be established according to the proportion of funds advanced by each agency, and any such agency may waive any technical grant or contract requirement (as defined by such regulations) which is inconsistent with the similar requirements of the administering agency or which the administering agency does not impose.

"WAIVER OF CONTRACT LIMITATIONS

"SEC. 1205. Whenever the Secretary determines it to be in furtherance of the purposes of this title, contracts authorized under this title may be made, performed, amended or modified without regard to such provisions of law or other regulations relating to contracts of the United States as the Secretary may specify.

"AVAILABILITY OF APPROPRIATIONS

"SEC. 1206. Sums appropriated for any fiscal year ending prior to July 1, 1977, for grants or contracts under this title shall remain available for obligation until the the end of the fiscal year following such fiscal year."

SERVICES FOR INDIANS

SEC. 3. Section 1 of the Act of August 5, 1954 (42 U.S.C. 2001) is amended by inserting "(a)" before "All functions" and by adding at the end thereof the following new subsection:

"(b) In carrying out his functions, responsibilities, authorities, and duties under this Act, the Secretary is authorized, with the consent of the Indian people served, to contract with private or other non-Federal health agencies or organizations for the provision of health services to such people on a fee-for-service, prepayment, or other basis."

Amend the title so as to read:

To amend the Public Health Service Act to provide assistance and encouragement for the establishment and expansion of health maintenance organizations, and for other purposes.

ADDITIONAL COSPONSORS OF AMENDMENTS

AMENDMENT NO. 86 TO S. 2246

Mr. McCLURE. Mr. President, I ask unanimous consent that the Senator from Utah (Mr. BENNETT) be added as a cosponsor of amendment No. 86 to S. 2246, the McClure-Baker substitute to the Public Works and Economic Development Act Amendments of 1973.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 5 TO S. 706

At the request of Mr. MONDALE, the Senator from Connecticut (Mr. RIBICOFF) was added as a cosponsor of amendment No. 5 to S. 706, to extend certain authorizations of the Office of Economic Opportunity.

NOTICE OF CONTINUATION OF HEARINGS ON DISASTER RELIEF ACT OF 1970

Mr. BURDICK. Mr. President, as chairman of the Public Works Subcommittee on Disaster Relief, I wish to announce the continuation of field hearings to investigate the adequacy of the Disaster Relief Act of 1970.

On May 11 and 12, 1973, the subcommittee will meet in Wilkes-Barre, Pa., and on June 1 and 2, 1973, hearings will take place in Corning-Elmira, N.Y.

Those who wish to submit a statement for inclusion in the hearing record should communicate as soon as possible with the Subcommittee on Disaster Relief, room 4202, Dirksen Office Building, extension 56176.

NOTICE OF HEARINGS ON S. 1463 AND S. 1678

Mr. BURDICK. Mr. President, as chairman of the Judiciary Committee's Subcommittee on National Penitentiaries, I wish to announce hearings for the consideration of S. 1678, legislation to amend section 4082, title 18, United States Code, relating to the extension of limits of confinement for prisoners in Federal correctional institutions, at 10 a.m., in room 4232, New Senate Office Building.

At 11 a.m. the same morning, the subcommittee will take up S. 1463, legislation to establish a U.S. Parole Commission.

Witnesses invited to testify at these hearings include representatives of the U.S. Department of Justice, including the Bureau of Prisons and Board of Parole and other interested parties. Anyone who wishes to testify or submit a statement for inclusion in the record should communicate as soon as possible with the Subcommittee on National Penitentiaries, room 6306, extension 225-8994.

NOTICE CONCERNING NOMINATION BEFORE THE COMMITTEE ON THE JUDICIARY

Mr. ROBERT C. BYRD, for Mr. EASTLAND. Mr. President, the following nomination has been referred to and is now pending before the Committee on the Judiciary:

Allen L. Donielson, of Iowa, to be U.S. attorney for the southern district of Iowa for the term of 4 years (reappointment).

At Senator EASTLAND's request and on behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in this nomination to file with the committee, in writing, on or before Tuesday, May 15, 1973, any representations or objections they may wish to present concerning the above nomination, with a further statement whether it is their intention to appear at any hearing which may be scheduled.

ADDITIONAL STATEMENTS

WATERGATE

Mr. BROCK. Mr. President, there have been a great many comments on President Nixon's address to the Nation Monday night.

One of the most statesmanlike is the statement issued by the distinguished Senator from South Dakota (Mr. McGOVERN).

I would like to request unanimous consent that his remarks be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

WATERGATE

(Statement by Senator GEORGE McGOVERN, before American Society of Newspaper Editors, May 2, 1973)

No one is more aware than I am that the second Nixon Administration began with a record landslide. But the end of the beginning has come, perhaps sooner than any of us expected, with the Watergate scandal.

For weeks every other issue—from impoundment to Cambodia—has been swept aside by a tide of revelation that has mounted higher every day. Suddenly the whole future of this Administration seems to depend upon the results of the Watergate case.

Many of the answers must come from the President himself. And he has taken the first steps to cleanse the Presidency of the stain and the taint of suspicion.

There is no direct evidence to implicate Mr. Nixon in the planning of political espionage or the subsequent obstruction of justice. Like all of you, I hope he was not involved. He denies that he was—and I, for one, must believe him.

It is not an easy thing for a President to admit a mistake—but it is perhaps essential to the nation that he can. On Monday, President Nixon did. Now the essential thing for him and for us is to restore fully the credibility and capacity of the government he leads.

He must insure that the Administration is rid of all officials who have broken the law, hidden the truth, or betrayed the ethics of public service. In his speech Monday night, he seemed to recognize that it will not be enough for him to say that there are no convicted criminals in the White House; he must be able to say with certainty that there are only honorable men.

The President has also given his nominee for Attorney General the authority to remove the Watergate investigation from the antechambers of a compromised Administration to the office of an independent special prosecutor. Mr. Richardson should do so immediately. The investigation can no longer even appear to be controlled by the Administration which is under investigation.

These are difficult days for President Nixon. He is the elected leader of the nation, and he is struggling to restore his leadership. We must help him, for the sake of the office he holds.

Above all else, that means that we must not make the Watergate crimes and cover-up a cause for partisan exultation or exploitation.

It has been written in recent weeks that the Democratic Party has been strengthened for the 1974 election by the Watergate scandal. But just as Watergate has reminded us that even in politics some things simply are not done, so Democrats must now remind themselves that even political victory is not worth the damage that has been done to the American system. No one in the profession of politics really stands to gain from this subversion of the political process.

Nor do Republican candidates in 1974 deserve to lose because of Watergate. No shred of evidence has been raised against them, and no breath of rumor has been heard about them. Indeed, Republicans have been among the most effective voices calling for full disclosure of all the facts. Obviously, I would like to see Democrats win next year—but on the issues for which they stand, not on a scandal we all deplore.

So once more we need to ask, not what we can do for ourselves, but what we can do for our country in a critical time. And it is our common task. The President must be open; his opponents must be fair; and together, we must find the guilty, confirm the innocent, and turn away from the betrayal of democratic values back to the true business of democracy—to debate the great issues honestly, and to seek what is best for America, not what is worst in ourselves. We must become one country again.

In this effort, we should be sustained by the bravery and tenacity of those who have given our system a few shining moments of vindication during the Watergate scandal—men like Judge Sirica, Senator Ervin and Senator Weicker, newspapers like The Washington Post, and networks like CBS. And from this travail, let us take a new resolve that no matter how much we may disagree about policy, we will be united by the deepest commitment to a politics of civility and decency.

Now more than ever, whether we are partisans of the Administration or partisans of the Democratic cause, let us also be partisans of principle—so that our country and all who serve it may be equal to the proud traditions of our history.

For the Watergate scandal is not, as the President implied, typical of the political process. Our politics is better than that. And Watergate is worse than the tactics of any national campaign in my memory or modern times. What was wrong with Watergate was not just that the President's associates got caught, but what they did. The standard of conduct set by the Committee to Re-Elect the President was simply unprecedented. I have no doubt that the ethical standards of American politics can be improved. But we must wonder about Mr. Nixon's reference to "campaign excesses that have occurred on all sides." I emphatically reject the notion that I or my colleagues or my party in the Presidential election condoned or would have countenanced activities of a criminal nature. Any such insinuation is unworthy of Mr. Nixon's pledged determination to avoid ". . . actions which would appear to reflect on innocent people."

Let me close on a personal note. I take no satisfaction from this sad affair. Indeed, since the election last November, I have repeatedly refused to respond to press inquiries about Watergate. And I take no joy today from the President's difficulties. With him, I hope they will be resolved soon so that he and we can fight out the future on other, better issues.

NEWSPAPER TRIBUTE TO SENATOR SAM ERVIN

Mr. ROBERT C. BYRD. Mr. President, the people of North Carolina, and we in the U.S. Senate, who have had the privilege of close association with Senator SAM ERVIN, have long known of his dedication, industriousness, and foresight. For the past 19 years, Senator ERVIN has been preparing himself for the role of leadership that is now his.

On April 29, 1973, an article about the current undertakings of the distinguished senior Senator from North Carolina appeared in the Charlotte Observer.

Mr. President, I ask unanimous consent that this article, entitled "Sam Ervin: Integrity and a Touch of Outrage," be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SAM ERVIN: INTEGRITY AND A TOUCH OF OUTRAGE

Arrests were made at the Watergate on June 17, 1972. Seven men subsequently were convicted of direct involvement in the break-in. Richard Nixon, who had described the low points of his life in a book called "My Six Crises," soon was faced with his seventh crisis.

Seven men were drawn from the Senate to conduct an investigation; and in his 77th year, Sam J. Ervin, as chairman, undertook the task.

When a band of table-thumping liberals met in Washington a few days ago to talk about threats to civil liberties, there was not an unkind word about Sam Ervin. It might as well have been a gathering of his down-home conservative friends at Red Thompson's barber shop in Morganton, who were saying at about that same time that they had known all along he was a great man. His admirers these days seem to span most of the ideological territory between Abbie Hoffman and the John Birch Society, and it would not be surprising to hear nice words about him from even those quarters.

Suddenly he is Gideon rallying the Israelites against the Midianites and Leonidas marching to meet the Persians at Thermopylae.

A MAN OF MODESTY

He loves it. But he will not be killed by adulation, as was a Greek orator whose admirers applauded by throwing their cloaks upon him in such numbers that he was smothered. His tenacious modesty will save him. He is blessed with a talent for looking away from the paths of glory and toward, instead, the abstractions of history and the ambiguities of life.

Evidence of that was to be found during the past week in his quiet brick house on Lenoir Street in Morganton, where he was relaxing before returning to Washington to conduct the Watergate hearings. Each day's news had brought fresh revelations of scandal, corruption and intrigue, chasing the palace guard from the palace. In the midst of these cataclysmic political events, Sen. Ervin was secluded in his home library, an unpretentious room with book shelves from floor to ceiling.

WHAT THOUGHTS?

Arranging his thoughts about the separation of powers? Contemplating the role of Congress in a perilous showdown with the President? Making notes about the evidence?

No, finishing a speech about John Paul Jones for the dedication of a bust in Raleigh and writing another about the Huguenots for delivery in Charleston.

The White House was awash in questions about how Richard Nixon could survive the crisis without being rendered powerless. Sam Ervin was emerging as the chief protagonist. And Sam Ervin was at home reflecting upon the 17th century, with occasional forays into the 18th.

He also was looking forward to a little driving in his dusty, black Chrysler, a 1965 model that now registers 90,000 miles. He had driven himself and "Miss Margaret," his wife, from Washington to Morganton. Shortly he would drive to Charleston, then back to Raleigh, and then on Sunday to Washington "Driving is something of a relief," he said. "None of my aides can get to me."

A SOLITARY FIGURE

In some ways, in fact, nobody can get to him. He is a solitary, self-directed man, of another era perhaps. Time magazine probably was right in calling him "the most formidable senator that this proud body could choose to lead its cause."

It is not that Sen. Ervin is so powerful. In fact, for a decade and a half after he went to the Senate in 1954 he was, although a member of that inner group known as the "Senate club," far below the ranks of the most powerful.

Among the Southerners, Richard Russell, Harry Byrd Sr., John Stennis, Allen Ellender, John McClellan, Lister Hill and others—men of his generation but with greater seniority—were the obviously powerful ones. Ervin was plodding along in the ranks below, somehow suspended between those mighty patriarchs and a group of younger and increasingly influential Southerners such as Russell Long and Herman Talmadge, who would arrive at great power before he would. He had no weighty committee chairmanship or senior seat on Finance or Foreign Relations.

At times he ran the risk of being dismissed as a charming story-teller but perhaps a bit of a joke. That was unfair. Essentially shy rather than flamboyant, he consistently did his homework and took his legislation seriously.

HIS HONESTY SHINES

And in that city of seductive influences and easy balm for politicians in the make, no one has found a serious flaw in his reputation for straightforward honesty and integrity: a reputation that now shines like deep-cut crystal against the cynicism and casual corruption of the Nixon Administration.

The trouble was, he didn't seem to fit. He not only lacked committee power until recently; he also lacked influence because he did not deliver other people's votes. No trader or maneuverer, he might be taking a stroll in the zoo while other senators were hobnobbing in the halls, exchanging schemes and promises.

Like his father, a lawyer who wore a cutaway coat and wingtip collars around the dusty streets of Morganton, he loves books, and they often have been his retreat. He likes to spend time in the Capitol library, doing his own research and forming his own conclusions. Off-handedly, sometimes, he mentions that he has read 1,600 pages of background on some question, or appears with a legal decision pertinent to the issue but long forgotten.

His staff members, who include bright young men quite different from some assistants he benignly kept in the past, know they may pile up proposal after proposal before moving him—and then it is because they have intersected his own thoughts. He does not "administer" their work. He soars above it, scooping something up when it seems to meet a need his mind has identified.

MOVING TO HOT ISSUES

Lately he has had the advantage of bossing the staffs of interrelated committees, and he seems to make the most of it. As chairman of the Government Operations Committee and chairman of Judiciary's subcommittees on constitutional rights and separation of powers, he can bring formidable forces into play. Now he also has the staff of the select committee on Watergate.

These committees put him in the vortex of some of the hottest issues of the day, so much so that recently he had a lively press conference that was only the third of his Senate career.

Exactly when the country began to take note of Sam Ervin is not altogether clear, but probably it was about three years ago. That was when the Senate was pressing ahead with the Nixon Administration's "D.C. Crime Bill," which had "preventive detention" and "no-knock" entry provisions that Ervin called "the trappings of a police state." It was, he said, a "garbage pail of some of the most repressive, nearsighted, intolerant, unfair and vindictive legislation that the Senate has ever been presented."

Whose was this stout voice so eloquently fighting this "liberal" cause? It was the same one that had similarly deplored civil rights bills, a fact that seemed to bemuse the senator's liberal former foes. But with less notice, this voice also had been speaking against other encroachments on individual liberties: military justice procedures that denied GIs due process; the jailing of indigent defendants unable to raise bail or hire lawyers; harassment of civil servants because of their political views.

His sights more recently have been trained upon efforts by the Administration (the "most oppressive" one he has known, he said) to extend executive power. "Executive privilege" as used by these people, he said, is "executive poppycock." Impoundment of funds, as practiced by President Nixon, is a usurpation of Congress' authority, he has contended.

The Ervin pattern of late, then, is clear. His is the strongest voice for individual freedoms being heard in Washington.

THE GREAT CONTRADICTION

And yet there is the great contradiction: his opposition to civil rights bills, even a voting rights bill, and his current anti-busing labors to change the Constitution in a way that would compromise the Fourteenth Amendment's "equal protection" clause. A powerful influence for individual freedom, he remains nevertheless a captive of the Old South's racial bugaboos. It is an old story. The South is always shackling its better men.

Sen. Ervin, of course, does not see it that way. He sees his record as one of always working to limit federal power, to preserve the separation of powers and to protect the states' prerogatives.

But the real common thread seems to be his devotion to abstract principles, apart from flesh-and-blood realities. The bare bones of the law sometimes have loomed larger than the evidence that the law was being subverted.

And right now the law's bare bones themselves are under assault. That has made Sen. Ervin the man of the hour; an ideal choice to lead a fight against the erosion of Congress' authority and the growing power of the presidency.

THE SHOW IS ON

So the show is on. Sen. Ervin's select committee to investigate Watergate and other scandals of the 1972 campaign is to begin hearings on May 15. By then much of the Watergate story will be known and more indictments may have come. He thinks the committee may spend less time on Watergate than on other campaign scandals.

"I think the more important question has arisen out of the misuse of campaign funds and the alleged use of sabotage against presidential candidates," he said as he relaxed in Morganton. "That's more important than burglary. That is a more direct attack on the integrity of the process by which we elect the President."

Sen. Ervin's personal honesty and his preoccupation with the law are not the only bases of his concern about abusive executive power. He approaches the venal and the tawdry with quiet outrage and disbelief that may arise in part from the relative innocence of the state he represents. It has yet to produce a tyrannical governor or a state machine built upon election fraud, greed, and patronage. Nor is it a state that easily tolerates oily political chicanery grounded in calculated sellouts to special interests.

GOING TOO FAR

In North Carolina a politician can still go too far. But until recently it appeared that Washington had become so jaded, and perhaps the voters' cynicism about politics had become so great, that nothing was going too far. Sen. Ervin seemed to remain in perpetual astonishment at that.

Now, armed with evidences of criminality in high places and riding a new tide of public concern, he may chasten that city like some biblical scourge.

That would be fitting for a solitary and dedicated man who sees himself as a Jeffersonian, who incessantly ponders the structures and relationships of federal power and who summons the farewell words of George Washington to warn of power's corruption. It is not without some reason that Sam Ervin is being called "the last of the Founding Fathers."

THE PROPOSED FEDERAL CRIMINAL CODE: NATIONAL DEFENSE AND CLASSIFIED INFORMATION

Mr. SCOTT of Pennsylvania. Mr. President, on March 27, the distinguished ranking minority member of the Committee on the Judiciary (Mr. HRUSKA) introduced on behalf of the administration S. 1400, the proposed Criminal Code Reform Act of 1973. Since that time, some critics have characterized the proposed code's treatment of national defense and classified information offenses as unduly repressive. Unfortunately, however, most of these statements have provided us with far more heat than light.

On May 2, the Subcommittee on Criminal Laws and Procedures held hearings on this subject as part of its continuing efforts to revitalize title 18 of the United States Code, Crimes and Criminal Procedure. I ask unanimous consent that the opening statement of my friend from Nebraska (Mr. HRUSKA) and supporting memorandum be printed in the RECORD, along with the Statement of Kevin T. Maroney, Deputy Assistant Attorney General, Criminal Division, Department of Justice. Hopefully, my colleagues will find this material to be informative and reassuring.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

OPENING STATEMENT OF SENATOR ROMAN L. HRUSKA

Today the Subcommittee on Criminal Laws and Procedures resumes its hearings on S. 1 and S. 1400, two bills to revise, reform and codify the federal criminal laws.

The focus of our inquiry this morning will be on certain of the provisions concerning Offenses Involving National Security contained in Chapter 11 of S. 1400, the Administration's proposed "Criminal Code Reform Act of 1973," and in Chapter 5 of S. 1, the "Criminal Justice Codification, Revision, and Reform Act of 1973." More specifically, we will want to concentrate on proposed sections 1121 through 1126 of S. 1400 and sections 2–5B7 and 2–5B8 of S. 1, dealing with espionage and protection against unauthorized disclosure of national defense and classified information.

I think it is no exaggeration to say that this is an area of the law of utmost concern to all of us, within and without government. It is also an area in which difficult questions abound, questions to which there are no easy solutions. The difficulties arise, it seems to me, because we are dealing here with two fundamentally competing interests: protection of our national security on the one hand, and preservation of an informed public opinion on the other. To quote from the thoughtful opinion of Mr. Justice Stewart in the *New York Times* case:

"[I]t is elementary that the successful conduct of international diplomacy and the maintenance of an effective national defense require both confidentiality and secrecy. Other nations can hardly deal with this Nation in an atmosphere of mutual trust unless they can be assured that their confidences will be kept. And within our own executive departments, the development of considered and intelligent international policies would be impossible if those charged with their formulation could not communicate with each other freely, frankly, and in confidence. In the area of basic national defense the frequent need for absolute secrecy is, of course, self-evident." (*New York Times Co. v. United States*, 403 U.S. 713, 728 (1971)).

On the other hand, as Justice Stewart pointed out, secrecy is by no means the only consideration. Quoting again from his *New York Times* opinion:

"[W]hen everything is classified, then nothing is classified, and the system becomes one to be disregarded by the cynical or the careless, and to be manipulated by those intent on self-protection of self-promotion. I should suppose, in short, that the hallmark of a truly effective internal security system would be the maximum possible disclosure, recognizing that secrecy can best be preserved only when credibility is truly maintained." (*Ibid*, at 729.)

Thus, we are faced with the difficult task of balancing the need for an effective internal security system against the desirability of maintaining an informed electorate. The provisions of S. 1400 which we will be discussing this morning represent one considered approach to this problem. In the few weeks since Senator McClellan and I introduced S. 1400, these proposals have already received considerable attention and comment. Much of the comment reflects the understandable concern of those who fear that the Administration's proposals will stifle the public's legitimate right to be kept informed of what its government is doing. Some have gone so far as to suggest that the bill would drastically alter present law and would, in effect, impose on this nation a "national secrecy act".

To these critics of S. 1400 let me say that I have examined the proposed national security provisions very carefully. To me, they do not appear to represent a radical departure from what I understand to be present law. More important, I believe that these proposals represent a conscientious attempt to arrive at a reasonable solution in the area, a balanced solution which eschews the notion of secrecy for its own sake. Obviously, reasonable minds may differ as to the wisdom of these proposed statutes. Indeed, I am not prepared to endorse them fully without further study and consideration of available alternatives. But before we arrive at any firm judgments, let us be certain that we understand these proposals, how they relate to existing law, and how they would operate in practice.

To help us find the answers to these questions, we have invited to testify before us today. Mr. Henry E. Petersen, Assistant Attorney General, Criminal Division, Department of Justice, who will be represented by Mr. Kevin T. Maroney, a Deputy Assistant Attorney General under Mr. Petersen. Mr. Maroney has a long background in the internal security area.

Before we proceed with our witness, I submit for the record a Memorandum which answers criticisms that have been made by members of Congress and representatives of the press concerning certain sections of the proposed Criminal Code Revision contained in S. 1400.

MEMORANDUM: THE ESPIONAGE SECTIONS OF THE PROPOSED FEDERAL CRIMINAL CODE, S. 1400

This memorandum is prepared in answer to criticisms that have been made by members of Congress and by representatives of the press concerning certain espionage sections of the proposed Criminal Code Revision contained in S. 1400. The memorandum will describe the proposed sections, compare the proposed statutes to the provisions of present law, and will discuss the criticisms which have been made.

I. THE RELEVANT PROPOSED ESPIONAGE SECTIONS

The espionage provisions of the proposed Code are §§ 1121–1126, with the latter section being a general definition section applicable to the espionage statutes. Most relevant to this memorandum are Sections 1124 and 1122.

A. Section 1124

This proposed section makes it an offense for a person who is or has been in authorized possession of classified information or has obtained such information as a result of status as a Federal public servant to knowingly communicate such information to a person not authorized to receive it, that it is not a defense that the information was improperly classified at the time of its classification or at the time of the offense, and that the recipient of the classified information is not subject to prosecution either as an accomplice or as a conspirator. The section also provides that the communication of the information to a regularly constituted committee of the Congress pursuant to lawful demand is not prohibited. The punishment is seven years imprisonment if the person to whom the information is communicated is an agent of a foreign power and is three years imprisonment in any other case.[1]

As noted, the statute proscribes a *knowing* communication of such information. The general culpability section, § 302 of the proposed Code, provides that:

"A person acts knowingly, or with knowledge, with respect to his conduct when he is aware of the nature of his conduct. A person acts knowingly, or with his knowledge, with respect to circumstances surrounding his conduct when he is aware or believes that the circumstances exist, or is aware of a high probability of their existence, or intentionally avoids knowledge as to their existence. A person acts knowingly, or with knowledge, with respect to a result of his conduct when he is aware or believes that his conduct is substantially certain to cause the result."

B. Section 1122

Proposed § 1122 relates, not to classified information, but to national defense information. Section 1122 provides that a person is guilty of an offense if he knowingly communicates information "relating to the national defense" to a person not authorized to receive it. The basic difference between the two proposed sections is, of course, that under the latter, § 1122, the Government would have the burden of proving that the information in fact related to the national defense while under the former, § 1124, it would have the burden of proving that the information was classified. In view of the definition of classified information in proposed § 1126, such proof would include the fact that the document or information at issue had been marked or designated pursuant to authority.[2]

C. General comments

As will be discussed in more detail in the next section of this memorandum, the only departure from present law in these proposed sections is found in § 1124 and, more specifically, in that section's applicability to all individuals having received classified information pursuant to authority being liable for communication of that information to anyone not authorized to receive it. Present law prohibits either (1) the communication of a *specific and limited type of classified information* to anyone not authorized to receive it, or (2) the communication of any classified information *only* by Government employees and *only* to agents of a foreign power or members of specified Communist organizations.

The need for a statute prohibiting the communication of classified information arises from the fact that in *prosecutions* under the general espionage laws, it is the Government's burden to demonstrate that the information at issue in fact relates to the national defense. Therefore, in order to criminally prosecute under other statutes, it is necessary to disclose the very information which the law seeks to protect. While it is true that in many cases there will have already been a communication of the information to someone not authorized to receive it or, more specifically, to someone acting for a foreign government, it is also true that in these circumstances the initiation of prosecution and the disclosure of the information in court with proof that "it relates to the national defense" constitutes a validation of the information transmitted in addition to *providing* for broader communication of the information to, for example, other foreign government. In brief, any such prosecution requires the Government to endanger national security in order to protect national security.

The proposed statute relating to disclosing classified information has been very carefully limited. Only those individuals who have received the information in a position of trust, individuals well aware of their obligation toward classified information, may be liable for the offense. The statute by its terms specifically excludes the unauthorized recipient of classified information from possible prosecutions.[3]

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[1] Proposed Section 1125 makes it an offense for an agent of a foreign power to obtain classified information he is not authorized to receive. This section has not been criticized.

[2] The section could not, then, apply to documents which had been stamped classified by someone without authority to classify or who was not purporting to act in accordance with such authority.

[3] Of course, a recipient may be prosecuted under the general espionage statutes, if the Government is willing to disclose the information in order to establish that it related to the national defense.

II. THE RELEVANT PROVISIONS OF PRESENT LAW

A. *statutes related to proposed section 1124 prohibiting the disclosure of classified information*

As just discussed, Section 1124 does constitute some departure from the present statutes. The statutes relating to the proposed section are 18 U.S.C. 798, 50 U.S.C. 783(b), and 42 U.S.C. 2277.

1. *50 U.S.C. 783(b)*. This statute makes it a crime for any Government employee or officer, or an officer or employee of any corporation the stock of which is owned in major part by the United States, to communicate classified information to any person whom the individual has reason to believe to be an agent of any foreign government or an officer or member of specified Communist organizations. The Communist organizations include the Communist Party itself, Communist front organizations or Communist infiltrated organizations as defined in the Internal Security Act of 1950, 50 U.S.C. 782. All three of these organizations can and do include within their memberships citizens of the United States. The statute, 50 U.S.C. 783(b), is not limited by its terms to those Government employees or officers having received classified information pursuant to authority. This statute, then, insofar as the individuals to whom it can be applicable casts a broader net than the proposed Section 1124 which is intentionally limited to individuals who have received the information lawfully and under a condition of trust. Of course, it is more limited than the proposed Section in that the communication must be to agents *of* a foreign government or to members of specified Communist organizations.

2. *18 U.S.C. 798*. This Section makes it a crime for anyone to knowingly and willfully communicate to an unauthorized person classified information relating to communications of intelligence. This Section then is broader than the proposed Section 1124 insofar as it is applicable to *anyone* who communicates such information rather than being liimted to those who received the information in an authorized manner and it is consistent with the proposed Section 1124 in that the proscribed communication may be to any unauthorized person. It is narrower than the proposed Section, however, in the type of classified information which it concerns. This narrowing is not as significant as it may appear upon a first reading of the statute. This is so because the classified information protected also includes information obtained by the process of communications intelligence from any foreign government.

3. *42 U.S.C. 2277*. A third statute relevant to the proposed Section 1124 is 42 U.S.C. 2277 which makes it a crime for anyone who is or has been a Government employee or a member of the Atomic Energy Commission or of the Armed Forces or who is or has been a contractor or an employee of a contractor of the AEC or the United States or is or has been an employee of a licensee of the AEC to communicate any Restricted Data to any person not authorized to receive such Restricted Data. Under this Section the burden of proof should only be showing that the information was classified as Restricted Data and satisfied the definition of Restricted Data in general terms, rather than having to disclose the content of the information.[4]

This brief review of the three statutes indicates that the proposed Section 1124, while an extension of present statutes, is not a radical departure from present law. Moreover, since Section 1124 is the only Section in the proposed Code prosecuting the disclosure of classified information and it specifically excludes recipients from its application the Section also narrows these Sections of current law since, under each of those Sections, prosecution as an aid or abettor and/or as a conspirator is possible either under 18 U.S.C. 2, permitting punishment as a principle all who aids, abets, counsels, commands, induces or procures a commission of an offense against the United States, or the Federal conspiracy Section, 18 U.S.C. 371, or, in the case of 42 U.S.C. 2277, by the inclusion of a specific conspiracy prohibition in the statute itself.

These statutes are important as demonstrating Congressional authority for and Congressional concern about the protection of classified information.

B. *Statutes related to proposed § 1122 prohibiting the disclosure of national defense information.*

Unlike § 1122 relating to classified information, § 1122 does not constitute an extension of the present law. It is a recodification and redrafting of the provisions now found in 18 U.S.C. 793(d) and 793(e), and 18 U.S.C. 793(c).

1. *18 U.S.C. 793(d)*. This present statute provides that anyone having lawful possession of any document, writing, code book, signal book, or other specified item "relating to the national defense," or having lawful possession of "information relating to the national defense which information and the possessor has reason to believe could be used to the injury of the United States or to the advantage of any foreign nation" willfully communicates or attempts to communicate such items or such information to any person not entitled to receive it or willfully retains such items or such information and fails to deliver it on demand is guilty of a crime. It must be carefully pointed out that the phrase "which information the possessor has reason to believe could be used to the injury of the United States or to the advantage of any foreign nation" only modifies the last item specified "information" so that as to the enumerated items, including documents, photographs, notes, etc., it is only necessary to prove that those items related to the national defense and that the individual willfully communicated them to a person not entitled to receive them.[5]

2. *Section 793(e)*. This Section is identical to 793(d) except that it applies to anyone having *unauthorized* possession of the items specified relating to the national defense or unauthorized possession of information relating to the national defense which information the individual has reason to believe could be used to the injury of the United States or to the advantage of any foreign nation.

3. *18 U.S.C. 793(c)*. This Section applies to the same specified types of tangible form such as documents, writings, code books, etc. of "anything connected with national defense" and makes it a crime to receive or obtain or attempt or agree to receive or obtain national defense information for the purpose of obtaining such information and with knowledge or reason to believe it has been or will be obtained, taken, made, or disposed of by any person contrary to the provisions of this chapter. This Section is carried forward in the proposed code because, unlike § 1124 relating to classified information, proposed § 1122 does not exclude prosecution of aiders and abettors or conspirators and the activity proscribed in 18 U.S.C. 793 (c) would in most cases be sufficient to establish aiding and abetting or to establish a conspiracy.

4. *Information relating to the National Defense*. At this point it is necessary to examine what is meant by the phrase "relating to the national defense." Since that phrase has been used in the proposed draft the past legislative gloss and court interpretations of the phrase are intended to be carried forward in the proposed statute. The explanation of the phrase in the proposed general definitions section § 1126, does not attempt to define the phrase but merely indicates the types of information which the phrase is to include. The appropriate subsection of § 1126 also imposes a requirement that the information must involve the security of the United States, see § 1126(g)(10).

The two leading cases which have interpreted the phrase are *Gorin* v. *United States*, 312 U.S. 19 and *United States* v. *Heine*, 151 F. 2d 813 (C.A. 2). The retention of the phrase "relating to the national defense" incorporates the concepts of those cases. This means that the question of the connection of the information with the national defense is a question of fact to be determined by the jury and the jury decides the sensitivity of the information in question regardless of whether the government has classified the information. The prosecution must attempt to convince the jury that the information disclosed was information connected with or related to our military, naval, and air establishments and related activities of national preparedness and the jury can examine documents and/or must hear witnesses' testimony as to the contents of documents or other information and the significance of same to the national defense.

The courts have held that the term "national defense" is a generic concept of broad connotations referring to the military and naval establishments and the related activities of national preparedness, *Gorin* v. *United States, supra*, 312 U.S. at 28. The connection with the national defense must not be strained or arbitrary, but must be reasonable and direct, *id*. at 30–31.

Another result of the continued use of the phrase is that the defenses that were available under prior law are similarly available in the proposed code. The courts have held that no one can be convicted of violating § 18 U.S.C. 793 (and 18 U.S.C. 794, the other general espionage statute) if the information was made available to the public; or if the government did not attempt to restrict its dissemination; or if the information was available to everyone from lawfully accessible sources, see *United States* v. *Heine, supra*.

5. *General Comments*. In view of the provision of 18 U.S.C. 793 (d) and (e) and of 18 U.S.C. 793(c), just discussed, the only manner in which the proposed § 1122 differs from current law is in its blanket prohibition on the communication of "information relating to the national defense." This is in contrast to the requirements of 793 (d) and (e) that when the information is something other than tangible objects such as code books, documents, photographs and notes, etc. it must be further be shown that the possessor of the information had reason to believe it could be used to the injury of the United States or to the advantage of any foreign power. However, the concept of "national defense information" and the defenses that

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[4] This concept would also apply to other statutes, with much more severe penalties, which makes it a crime to communicate Restricted Data with specific harmful intent, 42 U.S.C. Section 2274, 2275.

[5] The district court in the *New York Times* case refused to accept this interpretation. In the Supreme Court decision in that case, however, Justices White and Steward specifically confirmed our view of the statute, see *New York Times Company* v. *United States*, 403 U.S. 713 at 737–738. The plain language of the statute and its punctuation clearly support our interpretation. See Senate Report 427, 80th Cong., 1st Session (1949) p. 7; House Report 3112, 81st Congress, 2nd Session (1950) p. 52. *Cf., United States* v. *Coplon*, 88 F. Supp. 910 (S.D. N.Y., 1949).

have been judicially drafted to that concept result in making this an insubstantial difference. Establishing that the information related to the national defense and did not fall within the enumerated defenses would appear to be tantamount to showing that the information was of a type that the individual would have reason to believe could be used to the injury of the United States or to the advantage of any foreign nation. And, under the proposed section, the communication must be done "knowingly" which culpability element is described above, p. 2, *supra.*

III. CRITICISM OF THE PROPOSED SECTIONS

(1). Critics claim that the proposed legislation would punish Government officials who disclosed almost any kind of defense and foreign policy information whether or not its disclosure would endanger national security.

As noted, the section related to the communication of classified information would require that that information be classified pursuant to the authority of statute or executive order. Executive Order 11652 issued by the President in March of 1972 significantly tightened the classification procedures by limiting the number of individuals who had the authority to classify and by providing for stricter standards for the classification of information. Most important here, moreover, that Executive Order provided for a specific and effective review procedure to insure that the standards of the Executive Order were not violated. The Executive Order in Section 7 establishes an Interagency Classification Review Committee and charges it to take action to insure compliance with the Executive Order and that same section of the Executive Order, Section 7, directs each department handling classified information to designate appropriate officials to insure strict compliance with the Order and mandates the creation of Departmental Committees to oversee each Department's administration of the Executive Order. In setting up the Government-wide review committee and the departmental committees, the Executive Order specifically states that those committees should have the authority to act on all suggestions and complaints with respect to the actions of each and every department in administering the Executive Order.

This Executive Order for the first time provides for administrative penalties for any officer or employee of the United States who unnecessarily classifies or overclassifies information and directs the review committees just discussed to make a report to the head of the department concerned in any case where they find that unnecessary classification or overclassification has occurred. These provisions are set forth in Section 13 of the Executive Order.

In short, the Executive Order is an attempt to insure that the only information classified is information which satisfies the strict standards of the Order, standards contained in the Order's definitions of the classification categories "Top Secret," "Secret," and "Confidential." These standards are set forth in Section 1 of the Executive Order.

In view of the strict prohibitions of the Executive Order the proposed Code does not seek to punish the disclosure of "any kind of defense and foreign policy information whether or not its disclosure would endanger national security." Insofar as comments are made that the Government could punish a Government employee who disclosed information concerning fraud or deceit or matters such as cost overruns under the proposed Section 1124, there are two answers. First, as just discussed, Executive Order 11652 sets up procedures by which a Government employee who felt that information was classified for improper purposes could bring it to the attention not only of his superior but of the departmental Review Committee and indeed to the Interagency Review Committee. Secondly, even if it were assumed that these procedures would not work concerning information relating to fraud, deceit or inefficiency and a Government employee communicated such information so that remedial steps could be taken, any "retaliatory prosecution" would, as a practical matter, be highly unlikely in view of the impact of public opinion and in view of the aggressive steps the press and the Congress itself could and would take to highlight such retaliation.

In view of these considerations and in view of the determined attempt of the President to provide a well-managed, workable and tightly controlled classification system, and in view of the considerations just discussed, there is little merit to the criticism that the proposed statutes would permit staggering penalties for the disclosure of information even when the information is totally misclassified or classified only to prevent public knowledge of waste, error, dishonesty or corruption. The courts have pointed out that the responsibility for the protection of classified information rests with the Executive branch. They have similarly pointed out that the judiciary should be reluctant to interfere with the Executive determinations in this area stating that "in a mature democracy, [such choices] must be made by the Executive branch and not by the Judicial. If too many mistakes are made, the electorate will in due time reflect its dissatisfaction with the results achieved," *Greene v. McElroy*, 254 F. 2d 944, at 954, reversed on other grounds, 360 U.S. 974. In addition to the protection which would be afforded by the check by the electorate upon attempts to punish individuals for seeking to disclose waste, error, dishonesty or corruption would be the check that Congress itself would have. First, the proposed section 1124 specifically provides that it is not a violation of the statute to communicate the information to a duly authorized committee of Congress pursuant to a lawful demand. Second, if the statute is used in any case to protect information other than that related to the security of our Country, Congress may repeal the criminal sanctions contained in 1124.

(2). It has been claimed that the proposed Code would punish newsmen who received information unless they promptly reported the disclosure and returned the material to Government officials whether or not the disclosure of the information would endanger national security.

The proposed Code would only permit a prosecution where the Government was willing to and able to prove that the information related to the national defense. Such prosecutions would be possible under proposed sections 1122 and 1123. As pointed out above, these sections carefully and intentionally carry forward the concepts of "information relating to the national defense" with all the limitations and safeguards provided by the legislative and litigative gloss on that phrase. Moreover, the proposed sections 1122 and 1123 are but reenactments and recodifications of current law and absolutely no extension or expansion of current law is intended. See the present sections 18 U.S.C. 793 (c), (d) and (e).

(3). It is stated that the proposed Code would punish not only reporters but all responsible officials of the publication or broadcasting company who participated in making the unauthorized information public.

Again, such prosecutions could only be undertaken if the Government was able to establish that the information in fact related to the national defense. Again, as is pointed out by Justice White and Justice Stewart's opinions in the *New York Times* case, *supra,* that is exactly the situation in current law.

(4). It is also stated that the proposed Code would punish Government employees who knew of colleagues unauthorized disclosure aid failed to report their colleagues action.

Here again this could only be accomplished under proposed section 1123 which intentionally and carefully requires the Government to establish that the information related to the national defense. Again, this is but a recodification of current law. See 18 U.S.C. 793(f).

(5). It is next stated that most penalties would be imposed on actions which are not now considered crimes but are, instead, the "applauded work of investigative journalists."

The section relating to the communication of classified information, 1124, is specifically limited so as to exclude any possible application to the recipient of that information. The only prosecutions that could be brought against "investigative journalists" under the proposed Code are exactly those that could be brought under the current statutes. Since those statutes have been on the books for either 60 or 20 years depending on which sections of the espionage statutes are involved and have not been used to subject the "applauded work of investigative journalists" to prosecution, it is difficult to understand what change will be brought about by the mere recodification of current law.

(6). It has also been commented that no law now gives the Government the power to prosecute newsmen not only for revealing what they determined the public should know but just for possessing information the Government says they should not have.

This, of course, has been answered in reply to some of the previous criticisms but, since it is a repetitive charge, it should be noted that the proposed Code could only permit punishment of newsmen for revealing information or for possessing information when the Government is able to carry the burden of proving that the information in fact relates to the national defense. The statement that no such law now gives the Government the power to prosecute in these circumstances can just not be supported in light of the provisions of 18 U.S.C. 793 and specifically subsections (c), (d) and (e) of that section, and in light of the clear and well-reasoned *opinion* of Mr. Justice White concurred in by Mr. Justice Stewart, Mr. Justice Blackmun, and Mr. Chief Justice Burger in the *New York Times* case, *supra.*

(7). It has been stated that all of the sections of current law which are not restricted to the communication of classified information but relate to the compromise of national defense information are limited in two ways: they deal with strictly military related matters and/or they require an intent to injure the United States or to aid a foreign nation.

The observation is incorrect on both limitations. As set forth in the discussion concerning the phrase "information related to the national defense," *supra,* that phrase has a legislative and litigative gloss which gives the phrase a broader meaning than strictly military related matters, though it is limited to matters reasonably related to national defense and national preparedness. In any event, however, the proposed Code intentionally and carefully contains the same limitations by the use of the same phraseology. Next, as the discussion of 18 U.S.C. 793 (c), (d), and (e) demonstrates, the current law is not limited in application only to those communications of national defense information done with an intent to injure the United States or to aid a foreign nation.

(8) It is also stated that the proposed legislation is an attempt to jail reporters for publishing classified information even if that information was improperly classified, related to abuse, dishonesty and waste in the Federal Government, and it served the national interest to make it public.

Again, proposed section 1124, relating to classified information, is strictly limited so as not to apply to the newspaper reporters who may publish classified information which they receive. The only prosecution against the press permitted by the proposed Code is, as has been already discussed numerous times, in those instances where the Government establishes that the information relates to the national defense and this is strictly in accordance with current law.

(9). It is claimed that the proposed section 1124, insofar as it does exclude reporters from its application, would deny to reporters their Fifth Amendment right to refuse to respond to questions concerning the sources of classified information in their possession.

There are two answers to this criticism. First, as discussed, a reporter may under both present law and the proposed code be prosecuted for the disclosure of information related to the national defense. Information classified in accordance with the Executive Order would, in almost every conceivable instance, be information related to the national defense, or at the very least, there would be a reasonable presumption that it was, so that a reporter would retain his Fifth Amendment privilege because of the possible applicability of other criminal statutes. Secondly, insofar as the concern is that the reporter may be forced to identify other individuals engaged in crime, the Fifth Amendment has never been held to permit one to protect a third party.

STATEMENT OF KEVIN T. MARONEY ON ESPIONAGE AND RELATED PROVISIONS OF S. 1400

Mr. Chairman and Members of the Subcommittee, I would like to convey at the outset the apologies of Assistant Attorney General Henry E. Petersen for his inability to testify before this Subcommittee this morning. Mr. Petersen has been in overall charge of the development of the Department's proposal for a new Federal Criminal Code, and has looked forward to the opportunity to explain to this Subcommittee the rationale underlying the various provisions in the Department's proposal. Due to his unavoidable absence, however, he has asked me to discuss with you today this first series of particular offenses being reviewed by the Subcommittee.

I am a Deputy Assistant Attorney General, Criminal Division of the Department of Justice. Prior to my recent appointment I served as Deputy Assistant Attorney General of the Internal Security Division. I am accompanied by Robert L. Keuch, Deputy Chief of the Appellate Section and Ronald L. Gainer, Deputy Chief of the Legislation and Special Projects Section, both of the Criminal Division. I am pleased to have the opportunity to present the position of the Department of Justice with respect to the provisions concerning Offenses Involving National Security contained in Chapter 11 of S. 1400, the Administration's proposed "Criminal Cede Reform Act of 1973." I have with me a memorandum setting forth those provisions, and relating them to existing law and to similar provisions proposed by the National Commission on Reform of the Federal Criminal Laws and by the sponsors of S. 1. We would appreciate having this memorandum inserted in the record of today's proceedings.

I wish to assure the Subcommittee that the Department of Justice fully appreciates the problems and concerns that impel debate on portions of the legislation we are discussing today. Concern about this general area is legitimate. It causes us all concern. It causes us concern because it involves the necessity of striking a sensitive yet realistic balance between two matters of fundamental importance to our nation. On the one hand we have the need to maintain a free and open society with as much information as is possible concerning the operations of its government. On the other hand we have the need of that society to protect itself from foreign attack and external disasters that can befall it. It is a problem that differs from the usual sort of criminal statute which involves a necessity of balancing the rights of the individual against the needs of society; here we have involved two rights of society itself, to some extent intertwined, to some extent conflicting. It is a difficult balance to strike.

We have made a studied effort, and we think a reasonable and responsible one, to strike this balance giving recognition both to desirability of the fullest possible disclosure of the public business and to the recognized need to protect information the disclosure of which could adversely affect the national defense. For the most part, we have attempted to parallel the existing law—Section 1124 being the exception in this area. Questions have been raised, however, as to whether these sections do, in fact, parallel the existing provisions. To examine this question, however, requires first, a clear understanding of the exact reach of the current law, and second, a recognition that any attempt at recodification—in seeking simplicity and clarity—will of necessity vary in language from the existing provisions of law.

At this time, I would like, if I may, to direct my remarks to a few specific provisions of chapter 11 which appear to have generated considerable interest. I refer, of course, to sections 1121 through 1126 of S. 1400, which deal with espionage and related offenses, and particularly sections 1122 (Disclosing National Defense Information), section 1123 (Mishandling National Defense Information) and section 1124 (Disclosing Classified Information).

Prior to discussing each of these sections, however, I would like to take a few moments to review the state of existing law in the area. Espionage and related offenses are presently covered by a number of provisions in Titles 18, 42 and 50 of the United States Code. The relevant provisions for purposes of this discussion are Title 18, section 793 and 798; Title 42, section 2277; and Title 50, section 783(b).

18 U.S.C., section 793(d) deals with various materials "relating to the national defense" and with persons in lawful possession of such materials. It prohibits the wilful communication, delivery, or transmission of such materials to persons not entitled to receive them and the wilful failure to deliver such materials on demand to government employees entitled to receive them. In enumerating the materials sought to be protected, the statute distinguishes between such tangible things as documents, writings, code books, signal books and other specified items on the one hand, and "information" on the other. To be protected, the tangible items need only relate to the national defense; "information", however, is afforded protection only if it relates to the national defense *and* the possessor has reason to believe that it could be used to the injury of the United States or to the advantage of any foreign nation. This distinction, clearly set forth in the legislative history of the statute,[1] was made, we believe, since the sources of information otherwise specifically enumerated in 793 (d) and (e), are tangible objects which will, in all likelihood, contain on their face a classification or which, by their very nature, will indicate to the individual handling them that they constitute the type of matter protected by the statute. With respect to information not derived from tangible sources, however, the possessor may or may not be put on notice that this is so.

18 U.S.C., section 793(e) is identical to section 793(d) except that it applies to anyone in *unauthorized* possession and prohibits the retention of national defense materials and requires delivery to an authorized person without a demand being made.

These Sections, 18 U.S.C. 793(d) and (e), are the primary basis for proposed Section 1122 and are in part recodified by the proposed Section. As the Subcommittee will note, Section 1122 provides that a person is guilty of an offense if he knowingly communicates information relating to the national defense to a person not authorized to receive it. The phrase "relating to the national defense" has been intentionally and carefully used in a deliberate attempt to preserve the judicial interpretations of existing law, including defense, and the recitation in Section 1126 of the categories of information included within the phrase has also been drafted to reflect current law.

At this point it becomes necessary to consider what is meant by the statutory phrase "relating to the national defense". The Supreme Court has approved jury instructions defining the term as a "generic concept of broad connotation referring not only to military, naval and air establishments, but to all related activities of national defense"[2] and has held that the phrase includes all matters directly and reasonably related to the national security in the context of protection of the United States against our enemies, holding also that the relation to national preparedness must be reasonable and direct, not strained or arbitrary.[3] Also as construed by the courts, the phrase is not limited to matters, and I quote, "vitally important or actually injurious. The document or information must be, however, connected with or related to the national defense."[4]

I would particularly note that the question whether information relates to the national defense is a jury question and that in reaching its decision a jury must examine the documents or information, consider the testimony of witnesses as to the significance of the information and as to the purpose and use to which the information contained therein could be put.[5] Finally, most important, there can be no violation of statutes protecting "information relating to the national defense" if the information has been made available to the public by the Government, if the Government did not attempt to restrict its dissemination, or if the information was available to the public generally from lawfully accessible sources.[6]

As already noted, the proposed statute has been intentionally drafted to embrace all these concepts of the phrase "information relating to the national defense."

The proposed Section 1122 therefore, is not a departure from current law. The only manner in which it could be considered a departure from current law at all is that where written or other tangible material is not involved, and where the residual category "information" is the subject of the offense, there is not a specific inclusion of the present language that the possessor of the information has reason to believe that it could be used to the injury of the United States or to the advantage of a foreign power. However, analysis demonstrates that this distinction is one of form rather than sub-

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Footnotes at end of article.

stance; the essence of the requirement still remains, and it was intended to remain. As noted, 18 U.S.C. 793(d) and (e) reflect the specific notice element, not in a case of an individual possessing the tangible items specified, but only in a case involving the residual category "information". The proposed statute requires that the communication of any information—from tangible or intangible sources—be a knowing communication. Under the terms of Section 303(b) of the proposed Code, that culpability standard must apply to the conduct of the individual, any result and any surrounding circumstances. Thus, 1122 would require a knowing communication of information which the person knew to be "information relating to the national defense" to a person or persons the individual knew were unauthorized recipients.[7] Thus, as to any type of information—whether in tangible or intangible form, the proposed Section requires a showing of the individual's knowledge as to the nature of such information before subjecting the individual to criminal penalties for its disclosure. Again, the nature of the information must be "information relating to the national defense" which includes all the concepts discussed earlier.

The proposed Section 1123 covers intentionally or knowingly failing to deliver information relating to the national defense to federal public officials or employees authorized to receive it (now covered by 18 U.S.C. 793(d) and (e)), recklessly permitting its loss, destruction, theft or communication to a person not authorized to receive it (now covered by 18 U.S.C. 793(f)(1)), and knowingly failing to report such loss, destruction, theft or communication (now covered by 18 U.S.C. 793(f)(2)). As is true of Section 1122, Section 1123 is intended to do no more than carry forward existing concepts of what constitutes information relating to the national defense and what activities are prohibited with respect to such information.

The final proposed Section which I will discuss in detail is Section 1124 which seeks to protect information which has been classified in order to restrict its dissemination for reasons of national security. In this section, as opposed to Sections 1122 and 1123, clear changes in current law are proposed. Some would expand current law; some would contract it. I would like briefly to examine that existing law. As mentioned earlier, the statutes most relevant are 18 U.S.C. 798, 50 U.S.C. 783(b), and 42 U.S.C. 2277.

18 U.S.C. 798 makes it a crime for anyone to communicate a specific type of classified information—classified information relating to communications intelligence—to anyone not authorized to received it. While the classified information covered would appear to be very limited, it should be noted that by definition the phrase "communications intelligence" includes information obtained through communications intelligence methods which constitutes a very significant portion of the intelligence information we have concerning other countries. I would note that the statute applies to anyone, and is not limited to those who have received the classified information pursuant to lawful authority.

50 U.S.C. 783(b) makes it a crime for any Government employee or any employee of any corporation the stock of which is held in whole or in major part by the United States to communicate any classified information to an agent of a foreign power or to officers or members of certain communist organizations, including the Communist Party, communist fronts and communist infiltrated organizations. I would note that this statute, while specifying the type of recipient, is applicable to any classified information and applies to any government employee or employee of certain corporations and is not limited to those employees who have received the classified information pursuant to lawful authority.

Finally, to complete this brief review of the most pertinent present legislation, there is section 2277 of Title 42. This statute makes it a crime for anyone who is or has been a Government employee or a member of the Atomic Energy Commission or of the Armed Forces, or who is or has been connected with the Atomic Energy Commission under a contract with the AEC to communicate any restricted data to any person not authorized to receive it. This statute is apparenly limited to those who are most likely to receive the classified information pursuant to lawful authority, applies to a special type of classified information and prohibits the communication to anyone not authorized to receive the information.

The concept inherent in these present statutory provisions that it is not a defense that the information was improperly classified has been judicially sustained.[8] Thus, in prosecutions brought pursuant to these statutes, it is not necessary to establish that the information related to the national defense but only that the information was marked or designated pursuant to lawful authority as affecting the security of the United States.[9] The Congressional purpose in establishing these procedures was, of course, to permit prosecution for the compromise of national security information without the necessity at trial of disclosing the very information the statutes seek to protect.

Proposed Section 1124, like 18 U.S.C. 798, 50 U.S.C. 783(b) and 40 U.S.C. 2277 deals with the disclosure of classified information. This section is limited in its application to persons who have or have had authorized possession of classified information or who have obtained such information as a result of being a federal public servant. Such persons are prohibited from communicating the classified information which they have received in trust to persons who they know are not authorized to receive it. While it is a defense to prosecution under this section that the information was communicated to a regularly constituted committee of Congress pursuant to lawful demand, it is not a defense that the information was improperly classified as to substance, either at the time of its classification or at the time of the offense. The section is aimed only at disclosure by persons *entrusted* with classified information; it specifically precludes prosecution, either as an accomplice or co-conspirator, of a person to whom the information is communicated.

"Classified information" is defined in Section 1126 as any information which has been marked or designated pursuant to the provisions of a statute or executive order, or a regulation or rule thereunder, as information requiring a specific degree of protection against unauthorized disclosure for reasons of national security.

As I mentioned earlier, unlike the proposed provisions relating to national defense information, this section does propose certain changes in current law. As just discussed, present law prohibits either (1) the communication by *anyone* of *specific* types of classified information to *anyone* not authorized to receive it (18 U.S.C. 798, 42 U.S.C. 2277) or (2) the communication of *any* classified information by *specific* categories of persons (Government or certain corporate employees) to *specific* categories of persons (agents of a foreign power or members of specified Communist organizations (50 U.S.C. 783(b)). The proposed statute departs from current law in combining the concept of the protection of *all* classified information of 50 U.S.C. 783(b) with the prohibition of communication to *any* unauthorized person or persons of 18 U.S.C. 798 and 42 U.S.C. 2277.

While this approach thus broadens present law to some extent, the proposed section also departs from current law by narrowing it. Unlike 18 U.S.C. 798 which applies to *any* person and unlike 50 U.S.C. 783(b) which applies to *any* government employee or any employee of certain corporations, proposed Section 1124 applies to a limited class—those individuals who have or have obtained classified information pursuant to authority or as a result of being a federal public servant. In short, 1124 applies only to those who obtain classified information in a position of trust—*not* to *any* person or to *any* government employee. A much more significant departure from current law, moreover, is the treatment of recipients of improperly divulged classified information under proposed Section 1124. As I have mentioned, *no* recipients are subject to prosecution under this section. Under the law presently in effect, unauthorized recipients of classified information could be prosecuted either as accomplices or as conspirators consistent, of course, with the terms of the statutes discussed.

Perhaps at this point it might be useful to say a few words about the legal basis upon which classification authority and responsibility have been vested in the Executive Branch and what the Executive has done in the exercise of that authority and the discharge of that responsibility. Numerous statutes, including some of those discussed today and including the Freedom of Information Act, and numerous court decisions have recognized the President's authority and responsibility to protect information vital to the national security. The President, in turn, in the discharge of his responsibility, has issued Executive Orders. The most recent such Executive Order is Number 11652, issued in March of 1972 to replace Number 10501, issued in November of 1953. This new Executive Order, significantly tightens procedures for classification of national defense information, both by limiting the number of individuals with authority to classify and by imposing stricter standards for the classification of information. Equally important, the Executive Order for the first time establishes the principle of individual accountability for classification, provides specific review procedures to ensure that the standards imposed are not violated, and establishes an Interagency Classification Review Committee to monitor the implementation of the Order. This Committee is expressly directed to receive and take action on suggestions and complaints from persons within or without the government concerning the administration of the Order, including complaints about unnecessary classification or overclassification of information so that individuals who feel that information is improperly classified for improper purposes are given ample opportunities under the Executive Order for thorough review of such matters. In short, the Executive Order represents a vigorous attempt to ensure that the only information classified is information which meets stringent standards of potential for damage to national security if disclosed to unauthorized persons. That this attempt has already met with success is attested by last week's interim report by the Committee to the President. Among other accomplishments already reported by the Committee was a 63% reduction in the number of all authorized top secret, secret and confidential classifiers (exclusive of CIA) from almost 49,000 to fewer than 18,000. This achievement and others detailed in the report and the continuing efforts along these lines should go a long way to ensure the success of the reform of classification procedures initiated by Executive Order 11652.

The statutes and cases to which I referred as recognizing the Executive power and duty to protect classified information flow from a recognition that there must be restrictions on the dissemination of certain information

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Footnotes at end of article.

to protect the national security or as put more succinctly by Justice Stewart, "[i]n the area of basic self-defense the frequent need for absolute secrecy is, of course, self-evident." [10] If information, vital to our national security is to be protected, the need for the provisions of Section 1124 is readily demonstrated.

Simply consider the situation that would exist in the absence of such a provision. Absent a prohibition of disclosure of classified information to persons not authorized to receive it, an individual who violated his trust by wrongfully disclosing such information could be prosecuted only under laws relating to disclosure of information relating to the national defense. In such a prosecution, we would be required to prove to a jury beyond a reasonable doubt that the information in fact related to the national defense. I would hasten to note that the point here is not the difficulty of sustaining this burden of proof; the point is the consequence of doing so. In attempting to prove this element of the crime we would have to reveal the very information which the law seeks to protect. As we have pointed out above, it was the result which Congress sought to avoid in the present 18 U.S.C. 798 and 50 U S.C. 783(b). We believe it is unreasonable to be able to protect national security only at the expense of endangering it in this manner. This is a concern generated by very real problems. In recent years the Department of Justice has had to forego a significant number of prosecutions for misuse of information vital to the national security because the information could not be made public for security reasons. Proposed Section 1125, as does present 50 U.S.C. 783(c), makes criminal the obtaining of classified information by an agent of a foreign power. If an individual who received the classified information under conditions of trust were apprehended in the act of passing such information to such a person, it would be unthinkable that we could prosecute the agent for doing his job, but not prosecute the transmitter for violating his trust without disclosing vital national security secrets in order to do so

By the same token, the individual should be similarly subject to prosecution when he discloses classified information to any unauthorized person in violation of his trust. Again, individuals who feel that information is improperly classified or classified for improper purposes are not without a remedy. They are given ample opportunities under the Executive Order for thorough review of such matters.

These considerations are underscored by the consideration that it is, of course, the most sensitive information that generally cannot be disclosed for prosecution purposes under the more serious espionage statutes so we can well have the ironic result of being able to protect less serious information under the more severe statutes, while not being able effectively to protect extremely important information from betrayal of trust.

Mr. Chairman, I hope my remarks today have been helpful to the Subcommittee in facing the issues raised by the national defense information and classified information provisions proposed in S. 1400. These provisions have been carefully drafted in a studied and earnest attempt to permit maximum disclosure consistent with safeguarding the national defense. We believe we have succeeded in this attempt, and we urge favorable consideration of our proposals by this Subcommittee.

FOOTNOTES

[1] Senate Rept. 427, 80th Cong., 1st Session (1949), p. 7; House Rept. 3112, 81st Congress, 2nd Session, (1950), p. 52.

[2] See *Gorin* v. *United States*, 312 U.S. 19, 28 (1941).

[3] *Gorin* v. *United States, supra,* 312 U.S. at 30–31.

[4] *Gorin* v. *United States,* 111 F.2d 712, 717; see also *New York Times Co.* v. *United States,* 403 U.S. 713 at 740 (Justice White concurring).

[5] *United States* v. *Drummond,* 354 F.2d 132 (C.A. 2), *cert. denied,* 384 U.S. 1013.

[6] *United States* v. *Heine*, 151 F.2d 813 (C.A. 2, 1945).

[7] "Knowingly" is defined by Section 302.

[8] *Scarbeck* v. *United States*, 317 F.2d 546 (C.A. D.C.), *cert. denied,* 374 U.S. 856, involving 50 U.S.C. 783(b).

[9] *Id*. 317 F.2d at 557–560.

[10] *New York Times Co.* v. *United States,* 403 U.S. 713, 728.

WHO NEEDS THE SPACE SHUTTLE?

Mr. PROXMIRE. Mr. President, in April the Appropriations Subcommittee on HUD-Space-Science-Veterans, which I chair, completed its hearings on the fiscal year 1974 budget for the National Aeronautics and Space Administration. Our hearings have been most revealing.

Our hearings opened with testimony from NASA Administrator James C. Fletcher. Much of his testimony concerned the space shuttle, the No. 1 priority program for NASA for the coming decade. Dr. Fletcher testified that nonrecurring expenses for the space shuttle would amount to $8.1 billion by the end of this decade. This would include research and development costs of $5.15 billion, $1 billion for an additional three orbiters, $363 million to develop the space tug, $500 million to procure the tugs, $300 million to modify facilities at the Kennedy Space Center, and $500 million for new and modified facilities at the Air Force's western test range.

Even these gigantic costs are only the tip of the iceberg. Over the period 1979 to 1990, when the shuttle will be operational, $34.7 billion will be spent on payloads and shuttle operating costs.

The total: a staggering $42 billion.

To my knowledge, this is the most costly single technological adventure the United States has ever undertaken. This is more than the Apollo moon landing program. And it is certainly more than the cost of any single weapons system.

NASA offers two main justifications for requesting such a massive expenditure of funds. First, that the shuttle will save money in the long run. And second, that it will satisfy certain critical transportation needs in space—particularly military needs.

I will have more to say about the military question a little later. But since cost-saving seems to be the principal argument, let me address myself to that in some detail.

LAUNCH COSTS MAY BE HIGHER WITH THE SHUTTLE

NASA's original claim for the space shuttle was that it would reduce the cost of putting a payload into orbit from the current $800 to $900 per pound to $160 per pound. NASA arrived at the $160 figure by taking the shuttle's launch vehicle costs of $10.5 million—a figure, incidentally, which does not include the dividing $10.5 million by the shuttle's maximum capacity of 65,000 pounds. Result: $160 per pound.

But the fact is that NASA would not launch 65,000 pounds of payload every time it sends the shuttle into space. To find out how much it would launch, I asked NASA to supply me with the most recent mission model for the shuttle. The model is dated March 1973, and it lists all the planned missions for the shuttle, and the anticipated payload weights of each launch. The total number of new launches is 216; the total payload on these launches is 1,109,133 pounds. The average payload weight per launch is thus 5,100 pounds. If we use this figure instead of the shuttle's total 65,000 pounds capacity, the launch cost per pound is not $160, but $2,059—more than double the launch cost we now have on existing boosters.

During our recent hearings I asked Dr. Klaus Heiss, a NASA consultant, about this. He agreed that NASA's use of the $160 per pound figure was misleading, and should never have been used. But he argued that because of varying types of launches, the possibility of multiple payloads, and the fact that cargo weight differs from payload weight, it would also be misleading to use my figure of $2059 per pound for the shuttle. However, Dr. Heiss could supply no figure that actually could be used, and left the whole matter extremely unclear.

What is clear, however, is that NASA has no idea whether the shuttle will actually reduce launch costs. In fact, it is a good bet that it may actually increase launch costs. This is hardly reassuring when we are asked to commit such massive resources for the express purpose of saving money over the long run.

NASA also argues that the shuttle will permit constraints on payload size and weight to be relaxed, thereby enabling payloads to be assembled at lower cost. But we have already made great strides in perfecting miniaturization techniques as a result of the Apollo program. Hence, most of the research costs in this area have already been expended, and any savings in this area are questionable at best. The same holds true for NASA's claim that with the shuttle we can refurbish and repair satellites already in orbit; it remains to be seen that this will be cheaper than simply discarding the old satellites and using expendable boosters to launch new ones.

SHUTTLE DEVELOPMENT INVOLVES TRADEOFFS

One of the major drawbacks of the shuttle is the extent to which tradeoffs are involved in developing it. Dr. Brian O'Leary, former scientist-astronaut and now a professor of astronomy at Hampshire College, presented data to the subcommittee on the long-term run-out costs of various aspects of the NASA program. He pointed out that between fiscal year 1973 and fiscal year 1978, there will be a more than five-fold increase in spending on the shuttle, from $200 million in fiscal year 1973 to $1.09 billion in fiscal year 1978.

During the same period, the budget for space science is being reduced from $679 million to $256 million, a reduction of more than 60 percent. Similar reductions will take place in the space applications budget, from $189 million to $74 million over the 6-year period.

In other words, in order for NASA to keep its pledge of maintaining the space program at its current level—which is now approximately 1.2 percent of the Federal budget—and still pay for development of the shuttle, other programs will have to be sacrificed. And unfortunately, the programs being sacrificed are those that have the greatest scientific yield.

Dr. James Van Allen testified to the subcommittee that more than 80 percent of the new scientific results in space and virtually all the utilitarian applications of space technology have come from the nonmanned areas of the space program. Among other things, Dr. Van Allen cited the high energy astronomy observatory—HEAO, the orbiting solar observatory, the Pioneer-Venus mission, and the ATS–G satellite. These are all programs of high promise that have already had to be cut or delayed to make room for the shuttle.

In light of this, it seems extremely difficult to justify deep cuts in all these programs in order to pay for the space shuttle—a shuttle whose economic justification, or any other justification, is marginal at best.

DOES THE MILITARY NEED THE SHUTTLE?

Mr. President, let me return briefly to the other principal stated reason for going ahead with the shuttle: that it will provide a new space transportation capability, particularly for military missions. Shuttle opponents have argued that if the military wants and needs the shuttle, the military should pay for it: that the shuttle's development costs, or at least a portion of them, should be borne by the Defense Department. Our argument has been that if we put it in the military budget, the shuttle will have to compete for funds with military programs—the B–1 bomber, the AWACS system, Trident, et cetera—and that only by forcing it to compete in this fashion can we determine how much the military really needs this program.

There is no question that if the Pentagon gets a "free ride" with the shuttle, and gains the shuttle's capacity without having to kick in a cent, it is going to be for it. But the real question is, will the Pentagon be for the shuttle if it has to be stacked up against other military needs? If it cannot stand up on this basis, then the shuttle cannot be justified as a military-civilian program. And without the military, there is not enough space business to justify the shuttle.

Some insight on how the shuttle would stack up in the military was provided by one of the witnesses before our Appropriation Subcommittee. Dr. Courtland Perkins is chairman of the Department of Aerospace and Mechanical Sciences at the Engineering School at Princeton University. He served as Assistant Secretary of the Air Force for Research and Development during the Eisenhower administration.

I asked Dr. Perkins why the shuttle—or at least part of it—should not be funded as part of the Defense Department budget. Dr. Perkins said that if that was done, the shuttle could not survive—that it could not make it if forced to stack up against other military priorities.

Here is the way our dialog went:

> Dr. Perkins. The second question was, on the priorities in the Air Force there is no question, and I would be leading you astray if I testified to the fact that if we put the shuttle program into the Department of Defense, that it would survive. It would not survive in the Department of Defense, I do not believe.
>
> Senator Proxmire. It wouldn't survive in the Department? That is an interesting observation. You say it wouldn't survive?
>
> Dr. Perkins. As you said, it would be in competition with all the other things that the Department of Defense would like to do and doesn't have the money to do today; and to inject another program there, I don't think it would survive very long.

Dr. Perkins' testimony is extremely telling. If the shuttle cannot survive in the Pentagon, and if it is not going to save money in the civilian sector, what do we need it for?

I think the answer is becoming increasingly obvious. The shuttle seems to be simply a massive bootstrapping program for NASA and the entire aerospace industry.

Mr. President, this would be indefensible enough at any time. But it is doubly indefensible when the President is cutting back on vital social programs—housing, water and sewer grants, health care, vocational rehabilitation, antipoverty legislation—on the grounds that the money is not available. Perhaps it is not available. But then how can $475 million this year—$850 million next year—$1.1 billion the year after that—and so on and so on—be justified to build the space shuttle? The shuttle will not cure one sick child. It will not provide housing for one indigent family. It will not educate one illiterate youngster. It will not provide food for one hungry household.

Mr. President, the shuttle is totally out of keeping with out current national priorities. We simply cannot afford the folly of a space extravaganza at the present time. Our other needs are simply too compelling.

I strongly urge my colleagues to take a renewed look at this program, in light of the recent testimony before our subcommittee. I am confident that anyone who does will conclude that the space shuttle should be relegated to the back burner and denied further funding.

NATIONAL RADIO MONTH

Mr. THURMOND. Mr. President, the month of May has been designated National Radio Month. I would like to take this opportunity to commend broadcasters across the country for the outstanding service they are rendering to the public.

In a dynamic and progressive society such as ours, it is a trait among the American public to accept the miraculous as commonplace. The gestation period of the American psyche to be astounded is short. For example, we were all amazed and awed when Neil Armstrong first set foot on the surface of the moon. But the profundity of this technical achievement was readily accepted and we hardly blinked an eye today as we talk about future space explorations.

The same point can be made about radio. In the first decade of the 20th century, a young man named Lee De Forest had one ambition. "My present task," he wrote, "is to distribute sweet melody over the city and the sea so that even the mariner far out across the silent waves may hear the music of his homeland." The dream of broadcasting was also shared with other men whose names are synonymous with the industry: Sarnoff, Marconi, and Bell.

These dreams were realized when radio station KDKA in Pittsburgh broadcast live reports on the Harding-Cox Presidential elections on what was then termed the "music box." The advent of radio led one historian in 1926 to call radio "the miracle of the ages."

This miracle was soon displaced for a time by another miracle—television. The advent of a medium with both visual and audio capability led many to predict the demise of radio. The miracle of the ages of 1926 was considered to be a relic of the past in 1943.

The radio not only survived but flourished in subsequent years and it ultimately became the giant it is today. Ninety-seven percent of all Americans own at least one radio. Every day, 100 million persons listen to radio. Researchers tell us that 9 out of 10 radio families listen an average of 19 to 20 hours each week. There are now more than 6,000 radio stations in operation and more than 300-million radio sets in use. Radio is as much a part of our daily lives as automobiles and telephones.

But radio is no better or worse than the broadcasters who own and operate broadcasting facilities. At its worst, it can be used as a powerful and effective force of propaganda to hide the truth from the people and enslave them. One needs only to look behind the Iron Curtain for results of this misuse. At its best, radio can be a forum for expressing divergent viewpoints unencumbered by ideological censorship. It can be a free and open medium for a free and open society. We are indeed fortunate to have access to the latter in the United States.

The broadcasters in this country deserve credit for exercising responsibility and good judgment as their medium enters our homes. They are men of impeccable ability and integrity who have not only followed—but enhanced—the precepts of a democratic society.

Mr. President, I salute the Nation's broadcasters during National Radio Month. On behalf of the American people, I want to thank them for a job well done.

FEDERAL FUNDING FOR BEHAVIOR MODIFICATION

Mr. ERVIN. Mr. President, recently, the Senate Subcommittee on Health, chaired by Senator Kennedy, conducted hearings on the broad topic of participation of human beings in scientific experiments. These hearings, which covered such diverse subjects as unapproved uses of certain drugs and the philosophical aspects of human experimentation, were of particular interest to me. As chairman of the Subcommittee on Constitutional Rights. I have been concerned for a long time with the protection of individual rights, especially when the private citizen comes face to face with the Federal Government. In light of the growing number of data banks in America, which daily collect more and more information on our citizens, and the proliferation of psychological testing programs, we in the Congress should be aware of the threat these mechanisms pose to individual privacy.

I have submitted a statement for the record of the Subcommittee on Health's hearings. This statement deals with the problem of behavior modification programs funded by the Federal Government. I believe that the protection of individual rights in all scientific programs utilizing Federal appropriations must be paramount to considerations of scientific advancement. The right to privacy and freedom of individual thought must be protected. It is essential that the Congress maintain oversight in regard to programs in which human life is at stake. I ask unanimous consent that the statement be printed in the RECORD at this point so that the material it contains may be brought to the attention of all the Members *of this* body and may be available for their consideration.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR SAM J. ERVIN, JR.

I wish to thank the Subcommittee and the chairman, Senator Kennedy, for this opportunity to submit a statement for the record of the Subcommittee on Health's hearings on biomedical research and human experimentation.

The Subcommittee deserves a good deal of praise for the work it is doing in this area and for the large number of important public issues raised in these hearings. The questions surrounding control of the uses of scientific knowledge constitute a most complex and serious problem. We must always make a conscientious effort to avoid curtailing the freedom of scientific inquiry necessary to expand the boundaries of human knowledge. The freedom of science to work and explore by orderly research has long been a boon to our American way of life and we have benefited enormously by that research in technological and medical achievements which have outpaced the rest of the world.

These hearings have come at an opportune time, for after fifty years of scientific research and experimentation in laboratory settings, we have reached a breakthrough in the biological sciences that may promise a more disease-free and healthy life for all citizens. Experimentation and treatment now have turned their focus from the laboratory to human subjects. In the face of this application of scientific methods, we cannot allow individual rights to be endangered or lost because of a blinding faith in science and medicine. Constitutional safeguards must be assured at the same time that government funding nurtures scientific research and medical treatment.

Many research projects involve experimental therapies which, even in a clinical setting, pose threats to constitutional rights. These therapies may be dangerous when either by their mode of application or by the very nature of the therapy itself, they impinge on individual liberties. If a therapeutic method is to be imposed on a patient without his consent or as a punishment, then the therapy is not necessarily at fault but the method is. On the other hand, if a party consents to the application of a therapeutic method which either he or his physician does not fully understand or which will unalterably affect his life, then the therapy itself may pose a threat to individual rights.

In light of these problems and the threats to cherished freedoms which may be created by certain scientific experiments or medical treatment, I wish to commend the Health Subcommittee for its foresight in this matter by calling for hearings which allow an airing of the matters involved prior to the funding of further research. We must strengthen the means by which Congress is informed of scientific programs affecting individual rights before federal money is used to support such research. Whatever legislation is recommended by the Subcommittee, I hope it will include a requirement of disclosure and review by Congress before federal financing can be granted.

My experience in this area has taken me through several years of hearings on the various threats to individual liberties posed by governmental invasions of privacy. The Subcommittee on Constitutional Rights has seen psychological tests and other methods used to attempt to develop classification systems for our citizens. We have seen sensitivity training, polygraphs and the growth of federal and private data banks threaten the security of the individual and impose on his dignity. We have seen government monitoring of the activities of Congress and military surveillance of our citizens.

So far there is no national identification system. A citizen may still enter a store, present a credit card, and know that his entire past is not available to a store clerk by the flick of a switch. But the time may soon come when this is no longer true. Already state, federal and private data banks are being created which collect large amounts of data on individuals, data of often dubious accuracy and relevancy, but data which is instantaneously available across the country. Already work is being done on a universal identifier so that every person can be numbered, and then catalogued by that number. Already work is in progress on a single universal identification card to replace the dozens of credit cards, memberships, licenses, and IDs in a citizen's pocket.

As the chairman knows, the problems being studied by the Constitutional Rights Subcommittee are fundamentally the same as those before this subcommittee. That is why I wish to present some of the information we have gathered for your consideration.

I would like first to discuss a problem which I believe has reached the critical stage today in the area of scientific experimentation and treatment—federal funding for behavior modification. The chaos which exists in this field is partly due to a lack of control, a lack of review and a lack of interest on the part of the Congress. I believe there are serious constitutional problems when federal funding is doled out unchecked for behavior modification projects.

Behavior modification involves psychological techniques applied as treatment for behavioral problems.

Behavior modification attempts to alter or change the attitudes and actions of a person; it does not seek to cure the behavioral illness but rather to change the behavior. Behavior modification may involve relatively mild methods such as individual or group therapy as well as more persuasive and more permanent methods as, for example, operant conditioning (reward/punishment concepts). Whatever questions exist with respect to these methods, behavior modification today has an even larger arsenal of methods to draw upon than ever before, and these other techniques present critical issues for individual rights. Drugs can be used to punish and thereby secure a desired behavior (aversive therapy). They can also blunt certain emotions (tranquilizers and psychoactive drugs). Shock therapies can jolt the memory. Finally, the physical brain itself is subject to alteration by surgical or drug means. Behavior modification ranges from rewarding school children with gold stars to punishing prisoners with drugs that simulate Parkinson's Disease or cause convulsions. Naturally, it is not easy to decide which type of behavior modification programs are dangerous to constitutional liberties and which are not. I would like, however, to deal with three separate cases where abuse has occurred or possibly is occurring and where the federal government has a responsibility for the preservation of individual rights and the prevention of injury to our citizens.

One of the most flagrant examples of a lack of congressional control and oversight in the area of behavior modification came during the past fiscal year. In 1971 a program was begun at Boston City Hospital by Dr. William Sweet, one of the world's leading neurosurgeons, to explore violent behavior. The project was funded by a $500,000 grant from NIMH. The project employed various means of studying and treating violent behavior; among these methods were the implantation of electronic devices in the brain, the use of massive drug doses which can permanently affect behavior, and psychosurgery. The goal of the program was to develop psychological tests to identify violent behavior and develop treatment methods. The project was so controversial that the first hospital approached, Massachusetts General Hospital, refused the grant.

At the same time as this NIMH project was going on, some of the doctors from the project were working on a similar behavior research project funded by the Law Enforcement Assistance Administration. This project was intended to develop a classification system to identify a tendency for violence among prisoners. This project, conducted at a federal male prison and a female multi-state prison, was terminated early due to funding abuses arising within the project. Neither project has submitted a completed report, and neither project has submitted a summary of its activities that show any conclusive evidence of success or rationale for further funding. Yet, in hearings before the Senate Appropriations Committee, Dr. Sweet testified that the work had been successful in Boston and at the prisons. Dr. Sweet also stated that one million dollars was desired, under the auspices of NIH, for further work and expansion of the project at Boston City General.

It was only at the last minute that Senator Magnuson addressed a letter to Director Marston of NIH urging caution and care in further funding of violent behavior research. Dr. Marston replied stating that NIH would make the greatest efforts to safeguard individual rights. In response to letters from the Subcommittee on Constitutional Rights, former Secretary of Health, Education and Welfare Elliot Richardson and Secretary Caspar Weinberger have promised that reporting would be made to the Subcommittee on any funding by HEW for behavioral research involving violent behavior studies. Copies of the correspondence dealing with the NIH funding and from HEW are attached to my statement.

Now it should be obvious that programs which aim at typing certain citizens as "violence prone" raise serious problems of individual rights. The issue is no less and no different from a government program of labelling individuals as "radicals," "subversives," or "Communists." Certainly before any such project is funded by Congress, those problems should be exhaustively considered. They never were when these first grants were approved.

The absence of congressional inquiry and of congressional oversight allowed an NIMH project to submit individuals to what many regard as inhuman and degrading abuse by physicians. Projects which involve experimental techniques or techniques which sharply curtail an individual's independence and freedom of thought deserve the utmost concern on the part of the Congress. Reporting of projects such as those funded by LEAA and NIMH would have allowed debate and review by the Congress. No such programs should be funded by NIMH or any government agency unless and until the closest scrutiny is given to them.

Prisons exist as a closed society, eluding the public eye behind high walls and restricted contact. Only recently has there been any interest in assuring prisoners the benefits of those constitutional rights which follow them into the prison or jail. Only in the last decade have court decisions sought to insure the rights to counsel, legal materials, correspondence and of freedom from cruel punishment. Testimony before the Health Subcommittee has revealed that in the coercive atmosphere of a prison, inmates are more than willing to submit to drug experiments and other experimental programs in order to secure money or a change of location and conditions or to please the parole board by a record showing cooperation with the prison authority. The use of behavior modification in such a setting poses serious threats to constitutional liberties. Behavior modification is not simply an experimental concept. It is a treatment to which a prisoner is asked or ordered to submit.

There has been no definitive court case involving behavior modification in the prisons; however, cases are now pending before the courts. One case in California is challenging aversive conditioning therapy which employs a drug known as anectine to produce respiratory convulsions. Cases dealing with medical treatment in prisons have dealt primarily with allegations of malpractice and negligence in treatment or with the administration of drugs-which-produce-injury civil suits. Most courts have rejected complaints alleging unauthorized uses of drugs as punishments.

To understand the Bureau's attitude toward treatment of its mentally disturbed offenders, the following statements by Director Norman Carlson are of note as a preface to the discussion that will follow. Speaking before the Subcommittee on National Penitentiaries [*Future Role of the U.S. Bureau of Prisons* (92d Cong., 2d Sess.)], Director Carlson noted the Bureau's attitude toward mentally ill offenders and the need for treatment by the government . . . nearly 20 percent of all offenders committed to our custody suffer from some type of mental disorder, not necessarily psychotic, but certainly present mental illness. It is a fact which we have long been aware of and I think Butner is going to be a facility which will certainly enhance our capabilities to work with this type of population.

In later testimony before the same subcommittee, in June of 1972, the Director indicated what might be the major factors behind this mental disorder in inmates. . . . correctional institutions throughout the country have been plagued with serious problems. These have included work strikes, violent incidents and racial tensions. In the Federal System, we have experienced a number of difficulties, but fortunately none have involved violence. These recent incidents have highlighted the root causes of the problems in our present correctional systems: overcrowded, archaic institutions, inadequate treatment programs, and, in some instances, policies and procedures which serve to dehumanize individuals in confinement.

The Bureau of Prisons cites overcrowding as the major contributing cause of the dehumanization and violence of federal inmates. The Bureau, therefore, creates behavior modification programs to institutionalize the inmate and make him amenable to the best problem of overcrowding.

The Federal Bureau of Prisons has an active program of behavior therapy. In the Springfield, Missouri Medical Facility, Project START attempts "to develop behavioral and attitudinal changes in offenders who have not adjusted satisfactorily to institutional settings." One criterion for transfer to this project is that the inmate should be "from the sending institution's segregation unit." There are no volunteers, only involuntary transfers. (*Operations Memorandum*, 7300.128, Bureau of Prisons, October 25, 1972.) Group therapy and other psychological techniques have been employed in Marion, Illinois, and in Terre Haute, Indiana, as well as elsewhere in the federal system.

An example, which raises the constitutional questions surrounding behavioral modification in the prison setting, comes from my own state. As part of the Bureau of Prisons' ten-year construction plan, a Behavioral Research Center is nearing completion at Butner, North Carolina. The facility, for which plans have been in the making for several years, will house a treatment center for mentally disturbed inmates and a research facility to develop correctional programs for export to federal and state institutions. To gain more information about the Butner facility, the Subcommittee on Constitutional Rights contacted Director Norman Carlson of the Bureau of Prisons. In response, the Director stated that safeguards will exist at Butner to protect inmates and that all programs will conform to established guidelines for programs involving human subjects. The guidelines employed, the Director explained, were the Nuremburg standards and a directive by the Public Health Service on experiments involving human subjects. Both documents, it should be noted, require that an individual be free from coercion in making his decision to participate in a project and so situated that he is free to refuse. The Bureau hopes that prisoners will volunteer to go to Butner. However, in order to secure certain types of inmates for the research section, involuntary transfers may be required. Director Carlson also assured the Subcommittee that no psychosurgery or massive drug doses will be employed.

The Director's reply leaves a number of problems unresolved.

Behavior modification creates problems for privacy and individual dignity when administered in a custodial setting where coercion is a practical fact. True voluntary participation is difficult if not impossible in a prison. The Supreme Court in *Stanley v. Georgia*, 394 U.S. 557 (1968) stated the problems that governmental invasions of privacy pose for the First Amendment.

Our whole constitutional heritage rebels at the thought of giving government the power to control men's minds. . . . Whatever the power of the state to control public dissemination of ideas inimical to the public morality, it cannot constitutionally premise legislation on the desirability of controlling a person's private thoughts.

This same right of privacy of the individual from governmental invasion was strongly stated in *Griswold v. Connecticut*, 381 U.S. 479 (1965), which was based as well on the Fourth, Fifth and Ninth Amendments.

A prisoner's rights are not infringed by his involuntary transfer to a higher security grade or to a medical facility because he is overtly psychotic. But when he is forced to participate in a treatment or experiment which is not to treat a present illness, but rather to fit a goal set by the Bureau for rehabilitation, and which involves drugs or coercive measures to change his very personality, due process and equal protection requirements come into play. One must ask, should a prisoner who is not judged mentally ill by the court after psychiatric tests be judged so by the Bureau of Prisons after incarceration and then forced to accept treatment? Indeed, in any place where consent is coerced or not given freely, there seems to be a violation of a basic human right, be it in a prison or conceivably even in a private doctor's office. If treatment is forced without a hearing or inquiry and without true consent, is not the due process assured every citizen—inmate or free—denied?

The programs exemplified by Butner raise some very serious issues:

1. How does a rehabilitation program which involves behavior therapy, be it transactional analysis (game theory) or operant conditioning (reward/punishment theory), fit the Bureau's statutory authorization under Title 18 of the United States Code?

2. The *Constitution* secures privacy and due process for all Americans. Are these rights violated when an inmate is forced to undergo a psychological therapy because his consent occurred in a coercive setting? Can an inmate freely volunteer for a program to alter his mind when he is in a prison setting? Testimony before the Health Subcommittee indicates that prisoners took part in programs in a prison that they would never consent to in a free world setting.

3. The records of a stay at Butner and any treatment will be integrated with an inmate's files. Is his privacy assured where such records can be disseminated to the parole board or beyond the confines of the Bureau of Prisons? The problem here is similar to that uncovered by the Subcommittee on Constitutional Rights in its continuing investigation of data banks and the dissemination of arrest records and other highly personal information.

4. The Eighth Amendment protection against cruel and unusual punishment may be violated where an inmate is involuntarily sent to a therapy program. Does this not constitute a sentencing beyond that of a judge? Does it not amount to an extra punishment? Therapy programs which employ aversive therapy—inflicting pain to dissuade certain behavior by the use of drugs or prolonged isolation—as part of their treatment could well be violations of the Eighth Amendment.

My concern with Butner is not that it's program development concept will develop new programs for managing prisons, but rather that the development will be costly to the rights of inmates and that the developed programs may not resolve the prison system's dehumanizing effect. My concern with the psychiatric treatment center at Butner is not that psychotic patients will be removed from the general prison population, but that there are problems of identification of inmates for treatment; that inmates will undergo treatment in a coercive atmosphere, signing a consent form they may never understand or because they want to appear *cooperative* to the parole board; and that there are possibilities of abuse in transfers to the unit. Congress has a duty to maintain some form of oversight over prison research and treatment to assure that constitutional liberties are not lost under the rationale of prison experimentation and prison management.

Equally voiceless in our society, because of segregation from the general population, are patients in mental institutions and Veterans' Administration hospitals. Here the problems are somewhat different than in a prison setting. Often the problem for a mental patient is to secure treatment and not just be maintained in a custodial setting. Behavior modification is a part of treatment. In hearings before the Subcommittee on Constitutional Rights in 1970 on the rights of the mentally ill, it was pointed out that 90 percent of all mental hospital inmates were there by judicial commitment. Certainly when the court places a person in a confined hospital setting, as in a prison, there must be maintenance of constitutionally guaranteed liberties. The problems of behavior modification in a mental hospital are not the correctness or appropriateness of treatment but rather problems related to the protection of the rights of an individual undergoing treatment. The recent abuses exposed in the Willowbrook hospital and in mental hospitals in Alabama point to the need for improved oversight of federally funded private and public mental hospitals to insure that patients are given the basic courtesies and dignities afforded other citizens.

The extent to which mental patients or veterans are used for experimentation and development of new methods of therapies has not been investigated. It is appropriate that such an investigation occur and that the Congress consider some form of permanent review of a problem which affects the lives of nearly a million Americans daily and a larger number of our citizens indirectly. The constitutional problems for the veteran or mentally disturbed person are similar to those of the prisoner—coercion for treatment and experiment, lack of informed consent, where possible, and lack of control over custodial care and medical practices. The involuntary nature of judicial commitment and the subjection to imposed treatments demands the congressional concern for the patient who cannot speak for himself. I will not go into detail about the rights of the mentally ill; the hearings speak for themselves. I want only to express my concern at this point for the possible abuses in hospitals and the need to ensure that basic constitutional guarantees are not denied without due process of law.

I would like to reiterate that I fully understand the difficulties inherent in intervention into the realm of scientific experiment. I commend you on your willingness to venture into this area. Some of the shocking abuses you have exposed as in the Alabama syphilis study and the unapproved uses of approved drugs need to be brought to the attention of the Congress. The constitutional problems are of great consequence. Any citizen may seek mental care assistance at some point in his life and suddenly find himself to be a subject for a doctor conducting an experiment. To assure that all constitutional protections are afforded in medical experimentation and treatment programs is a goal of the utmost importance. Whether that assurance is in the form of congressional control, professional self-restraint or state intervention is secondary to the basic humanitarian and social considerations.

MILITARY SUPPORT OF THE CAMBODIAN GOVERNMENT

Mr. GOLDWATER. Mr. President, much of the discussion now taking place in regard to our military support of the Cambodian Government—discussion critical of that support—ignores recent developments in that beleaguered country which suggest that its situation is far less hopeless than some might have thought several weeks ago.

Foremost among these is the restructuring of General Lon Nol's regime to include a broader range of leadership. The effective purging of the general's brother has now permitted creation of a four-man political council which promises to be much more responsive to the present crisis than the cabinet which it has replaced, particularly in shaking the Cambodian army out of its recent state of paralysis. Already, we may have witnessed some benefits of this shakeup: There were reports at the beginning of the week that Cambodian forces had demonstrated new vigor in repulsing insurgent attacks and had taken the offensive in recapturing portions of the east bank of the Mekong River. In addition, supplies are now moving more freely by both road and river into Phnom Penh, easing a situation which had appeared to be desperate only a few weeks ago.

Certainly, our support of the Cambodian Government has been vital to its survival thus far, and our support will continue to be vital in the weeks ahead. If we end that support and permit Communist seizure of the country we will simply encourage North Vietnamese forces to remain there in violation of the January cease-fire agreements. We will simply encourage them to plot and prepare for further aggression against South Vietnam.

On a broader scale, as others have noted this afternoon, we will be demonstrating to the world—not only to Russia and China, but also to Arab terrorists and other disruptive forces—that we do not have the resolve to see our commitments through. And along that road lies disaster.

I think we should be encouraged by the recent favorable reports from Cambodia and renew our resolve to seek full compliance by all parties to the terms of the cease-fire.

GENOCIDE: DOES SILENCE MEAN APPROVAL?

Mr. PROXMIRE. Mr. President, one can argue that under our law silence means approval. For example, the Constitution says that if the President does not explicitly veto a bill, Congress being in session, then that bill becomes law. His silence is taken to mean approval.

Could the same thing happen regarding the failure of the Senate to ratify the Genocide Convention? Could our silence be taken to mean that we approve of the crime of genocide? I certainly hope not. But some argue that that is so, because the Genocide Convention has been before the Senate for 22 years without being ratified. How can we explain away our silence?

Fortunately we have a chance to correct this misconception. On March 6 the Committee on Foreign Relations issued a favorable report on the convention, and it is now on the Executive Calendar of the Senate. By ratifying the convention we can show the world that we do indeed abhor the crime of genocide.

Mr. President, our silence condemns us. We must act before it is too late. I urge the Senate to ratify the Genocide Convention as soon as possible.

TWENTY-FIFTH ANNIVERSARY OF ISRAEL

Mr. HATFIELD. Mr. President, I take the floor this afternoon in a spirit of celebration to commemorate the 25th anniversary of the founding of the State of Israel.

A quarter-century ago, it was by no means clear that this great anniversary would ever come to pass. But the courage, zeal, and vision of those who settled and built upon those barren lands have caused the desert to bloom and made a Jewish homeland a reality.

Within the past several years, I have traveled to Israel and met with her principal leaders. I have returned from that experience enormously impressed with the vitality and devotion which they bring to their leadership. In Israel, their people have finally found a place where Judaism may be freely practiced without the centuries-old fear of castigation, purges, and banishment.

America has been and must remain a true friend of Israel. Firmly committed to her survival, we must promote a political climate in which Israel and her neighbors may achieve the mitzvah of a genuine and lasting peace.

INTERVIEW WITH LOUIS FISHER

Mr. ERVIN. Mr. President, the Congressional Research Service of the Library of Congress is fortunate to have on its staff Dr. Louis Fisher, a political scientist who has become an expert on the relationship between the Congress and the executive branch of Government.

During the past 2 years Dr. Fisher has rendered invaluable service to the Committee on Government Operations and the Judiciary Subcommittee on Separation of Powers, both of which I am honored to serve as chairman.

His expert advice and scholarship aided first the subcommittee and late the committee to thoroughly study the practice of Executive impoundment of appropriated funds and to perfect the Impoundment Control Procedures Act, S. 373, which has been reported by the committee and already has passed the Senate in the form of an amendment to another bill.

Dr. Fisher is the author of an excellent book entitled "President and Congress: Power and Policy," which was published last year by the Free Press and recently reissued in paperback. I have found his book to be a valuable tool in understanding all the ramifications of the doctrine of separation of powers as it is practiced in this day and time.

Dr. Fisher's knowledge and expertise was recognized by U.S. News & World Report, which published an extensive interview with him in its editions of April 23, 1973, under the title, "Power Struggle in Washington."

In this interview, Dr. Fisher analyzes the present conflict between Congress and the President, and he concluded that what we need is a "good-faith relationship" between the administration and the Congress.

Mr. President, I ask unanimous consent that the interview with Dr. Louis Fisher which was printed in the April 23 issue of U.S. News & World Report be printed in the RECORD.

There being no objection, the interview was ordered to be printed in the RECORD, as follows:

POWER STRUGGLE IN WASHINGTON

(Interview With Dr. Louis Fisher)

How serious, in history's perspective, is the widening rift between the White House and Congress? Can it be closed—and, if so, how?

For one view of this problem, "U.S. News & World Report" invited to its conference room a political scientist who has first-hand knowledge of congressional operations.

Q. Dr. Fisher, is the power struggle that is now going on between Congress and the White House really any different from conflicts in the past between the two branches of the Government?

A. This one certainly is different from those of the past. It is becoming a crisis, and I don't know of anyone who can see how it's going to be resolved.

I should make it clear at this point that the views I express here are entirely my own, based on my long interest in this general subject, and in no way do I speak for the Library of Congress.

Q. What kind of crisis do you foresee?

A. We are moving toward a stalemate in Government—we're far too close to one right now—and it could have very serious consequences for the country.

Part of the crisis comes from the fact that some of the programs authorized and funded by Congress are not being carried out by President Nixon and his Administration.

But the more serious part of the crisis, which can have long-term results on the country, is a growing sense in Congress that this is part of a grand design by the Administration to enlarge presidential powers beyond anything yet assumed by Chief Executives of the past.

Q. Why would this produce a crisis in the Government?

A. Because it is destroying the good faith that is essential if the two branches are going to carry out their related functions effectively. You see, there's nothing in the Constitution itself which defines exactly how the two branches are to work together. Always this has been done by self-restraint on both sides in defining the limits of their respective powers.

This factor, throughout most of our history, has made Government more effective. Congress could then give the Administration some discretionary authority in carrying out terms of the legislation to make allowance for administrative or other difficulties that could not be foreseen.

Now we are seeing the Administration, through the Office of Management and Budget, impounding money voted by Congress for specific programs—that is, refusing to release it to the agencies designated by Congress and doing so for political rather than administrative or technical reasons. They do this by abusing the customary discretion given them in the legislation itself.

As a result, Congressmen have to wonder if all legislation is going to be treated this way. There is the ultimate danger that perhaps they will conclude that the only defense is to write the bill in such a rigid and inflexible way as to eliminate discretionary phrasing.

This might curb the practice of impoundment, but it would also reduce efficiency in the spending of that money. And you might go from that to absolute stalemate, to ineffectiveness in Government.

Q. In effect, does impoundment give the President another type of veto over legislation he doesn't like?

A. Yes, that is the effect. It is even more powerful than a veto because Congress lacks a means of overriding an impoundment action.

We have a case in the water-pollution bill that was passed last year over a presidential veto. Here was a clear declaration of congressional insistence on a program on which there had been much deliberation as to what was in the national interest. Yet the President has ordered an impoundment of contract authority that has cut the program by 55 per cent. This was not a mere deferral of spending for technical reasons; it was a political decision by the President that the legislation involved too much "budget busting."

Congress had made a national commitment to clean up the waters. That commitment, unlike earlier ones to build highways or put a man on the moon, has been subordinated to other presidential goals. It isn't a case, as Mr. Ehrlichman [presidential assistant John D. Ehrlichman] has said, that we lack the contractor capability to spend all of the water-pollution money. If you make the commitment, the contractor capability will come—as it did with highways and the space program.

Q. On the other hand, doesn't President Nixon feel that Congress is paying very little attention to his budget?

A. No doubt he does, but his budget is merely a recommendation. There is nothing sacrosanct about it. Congress can alter it and modify it any way that Congress wants.

I suppose the President feels that at a time of inflation and tremendous deficits, the economic stakes justify his action. A lot of this reasoning borders on the philosophy that the end justifies the means.

It could be argued that congressional inability to match revenue with appropriations has, in a sense, created a situation where the President felt he had to make these impoundments in order to attain his fiscal goals. On the other hand, the Administration has contributed to deficits through its own spending programs and tax-relief measures, so I don't think the argument is very strong. It was President Nixon who first adopted the "full-employment budget" concept, justifying deficits in the 25-billion-dollar-a-year range.

In short, I think both Congress and the President have been party to the fiscal situation, and if I had to allocate responsibility, I would place more of it on the Administration than on Congress.

Q Don't people generally tend to blame Congress more than the President when something like this happens?

A Yes, because Congressmen individually often criticize the performance of Congress as a whole. You don't often see anything like that in the Administration when errors occur in the economic or military realm.

It does no good to repeat the refrain: "Congress has been bad; Congress has been irresponsible." It merely reinforces the view—a distorted one—that Congress is the culprit and the President is the benefactor.

Q Have any Presidents in the past gotten into trouble over the impoundment issue?

A Not nearly as much as at present. I recall that during President Truman's Administration, Congress authorized and funded the building of a flush-deck supercarrier. The Administration stopped that program after the keel was laid and went ahead with what it considered to be better-designed carriers. And President Johnson got into some trouble for impounding.

What we are dealing with now, however, is impounding entirely different in nature. It isn't altogether a matter of dollars involved. You could have Administration "A" impounding 10 billion dollars for administrative or technical reasons, and it would be less serious than Administration "B" impounding 5 billion dollars, half of the time for political reasons—it doesn't like the programs and has no intention of going forward later with the same program or choosing an alternative—and the danger to effective government would be worse.

Q Do you see any signs that the Administration might back down on the matter of impounding money for approved programs?

A To the contrary, there is every evidence that it is becoming more aggressive.

Take the program authorized last year by Congress to give financial assistance to returning veterans wanting to go to college or university. This became public law, and 25 million dollars was appropriated, with the Department of Health, Education, and Welfare designated to run the program. The interesting thing is that this 25 million dollars has not been "impounded." The Office of Management and Budget has apportioned the money to HEW, but Secretary Caspar W. Weinberger has no immediate intention of implementing the program. Why? Because the Administration has made a request to Congress to rescind the appropriation and will not put the program into effect until Congress acts on that request.

Furthermore, Secretary Weinberger communicated to Senator Jacob K. Javits [Republican, of New York] the news that even if Congress rejected the request to rescind the appropriation for this program, there could be no assurance that the program would go into effect because of the Administration's target for a spending limit of 250 billion dollars for the present fiscal year.

This, to me, seems astonishing, and it's an approach that is being used not only for the program of financial aid to veterans going to college but to other programs. Altogether, I think the total appropriations involved come to 383 million dollars. Here is a very novel kind of "veto power."

For the President to fall back on precedents and say that "Thomas Jefferson did it" does not change the fact that, right or wrong, what he is doing is something much different in nature from past impoundments.

Q How useful are precedents, generally, in this conflict between the White House and Congress—not only in the use of impoundments but in other exercise of presidential authority such as "executive privilege" to deny information to Congress and use of "executive orders" to achieve legislative results?

A There are really two difficulties in using precedents:

First, some are very limited in scope and not really applicable outside of very narrow issues.

Second, precedents sometimes lose their acceptability as conditions change. Take, for instance, the many precedents to support malapportionment in the legislatures. After years of accepting these precedents, the Supreme Court in 1962 decided they were no longer acceptable and subsequently ordered reapportionment of voting districts for Congress and State legislatures.

Q If precedents don't help much, does it then boil down to a matter of what either side thinks it can get away with in extending its powers?

A That's right. As I said before, it is self-restraint in exercise of separate powers that makes the system workable.

Q Have there ever been so-called "strong" Presidents who did not engage Congress in heated battles over the exercise of presidential authority?

A By definition, an assertive President is going to have conflicts with Congress. But these struggles can take place within the system without challenging the system itself. Many Presidents have tried to assert their authority, and many have met with and accepted rebuffs.

Franklin D. Roosevelt tried to change the Supreme Court, and Congress didn't let him get away with it, as one example. He tried to undermine his congressional opposition in the primaries, and didn't get away with that either.

For the tenacles of power to reach out now and then, probing, is in the nature of our system, but the situation today is not just one of "feeling around." It's a frontal challenge to congressional prerogatives.

Q Many political scientists applauded the "strong" Presidency of John F. Kennedy in the early 1960s. Now they're critical of the "strong" Presidency of Richard M. Nixon. Why?

A It probably has something to do with the fact that so many academicians are on the liberal, Democratic side, and Democrats were in control of the White House for so many years they got used to the idea of "strong" Presidents as inherently better for the nation.

I think there's a lesson to be learned here: that a clear definition of institutional responsibilities is a better way of judging a man's performance than his personality or party. The Senate Foreign Relations Committee noted a few years ago, during action on the National Commitments Resolution, that Congress had committed the error of making a personal judgment as to how President Johnson would implement the Tonkin Gulf Resolution when it actually had a responsibility to make an *institutional* judgment.

Q Is a "strong" President likely to become more aggressive when the opposing party is dominant in Congress?

A I don't think we know about that because it is so recently that the power struggles have intensified. Suppose that a Democrat is elected President in 1976 while the Democrats retain control of Congress. If he keeps all of the national-security machinery that has accumulated in recent Administrations, a lot of the power struggle is going to be built into the system, even if he is dealing with a "friendly" Congress.

Q. What about landslide victories such as those won by Franklin D. Roosevelt, Lyndon Johnson and Richard Nixon? Do they tend to make a President more assertive?

A There does seem to be considerably more boldness in the second Nixon term than in the first. But I don't know whether that is the result of the landslide or of his lame-duck status, where he feels he has nothing to lose because he is constitutionally unable to run for a third term, anyway.

Supposedly his interest in the future of his party would cause him to be careful, but the 1972 election strongly suggests that he places his own personal success far above that of his party. There was great disappointment by Republicans in the lack of White House support for congressional elections.

Q Isn't the President—not Congress—supposed to make policy?

A He contributes, but with the advice and consent of Congress. That's the qualification that is often forgotten, and certainly is not in evidence at the present time. I don't know that the present Administration has sought counsel, for instance, with the chairmen of the Agriculture Committees or of the Agriculture Subcommittees or the Appropriations Committees on impoundments of money for farm programs authorized by Congress.

Q The President recently said that he spoke for "the national interest," while Congress spoke for "special interests." Would you agree with that statement?

A Well, there's another aspect to the "special interests"—namely this: In a democratic system, private interests are entitled to access to the political process. Often they bring useful information and insights to that process for both the executive and legislative branches. So I think it is an exceptionally crude generalization to suggest that the President operates for the "general" interest and Congress for "special interests."

AN ISSUE RIGHT AT THE BEGINNING

Q In addition to impoundments, what other weapons does a President have in a power struggle with Congress?

A One type of action is the use of "executive privilege," which became an issue right at the beginning, in the Administration of George Washington.

The House wanted to investigate the American military defeat of General St. Clair [Arthur St. Clair, whose Ohio forces were decimated by Indians in 1791], and President Washington discussed the matter with members of his Cabinet. There was some question whether the papers relating to this defeat should be given to Congress, but in the end they were handed over.

Q Was that the instance of which President Nixon spoke recently when he said that George Washington set the precedent for exercise of "executive privilege" in withholding information from Congress?

A Perhaps, or he could have been referring to another instance when the House asked for papers relating to the Jay Treaty [with Great Britain, signed in 1794]. In that case, the President decided not to give the papers to the House. But I don't think this instance is a good precedent either, because the real question was whether the House had a constitutional right to treaty papers which are a matter between the President and the Senate.

In other words, it was an explicit constitutional issue—not one of confidentiality. Washington said that if the House had established a constitutional right, such as if it wanted to impeach someone, he would have given them the papers.

Q Just what is "executive privilege"?

A President Nixon himself defined it when he said he would use it only for confidential communications between himself and his assistants on matters relating to the national interest—he also used the words "public interest"—and not used in an expansive way simply to protect the Administration from embarrassment.

The question is: How does that principle apply to the Watergate incident? There is the impression, even among Republicans and conservative columnists, that the President's exercise of "executive privilege" relates more strongly to the question of "embarrassment" than of "public interest."

LEGISLATING BY EXECUTIVE ORDER

Q Can the President, in effect, legislate with an executive order?

A Yes, and that practice has increased in recent decades. There's no way for me to know the exact situation in the last few years because, while there are clear cases of legislating by executive order—setting up or expanding programs without prior congressional approval—there are many cases, too, of legislating by other means so that they don't have to be published in the "Federal Register" or the "Weekly Compilation of Presidential Documents."

For instance, presidential communications to his subordinates can affect the carrying out of legislation—but Congress isn't even informed of these communications.

Q. Doesn't the pendulum swing back eventually, even to the point where it is Congress that is accused of overreaching its powers?

A. In the past, Congress has occasionally reached out, too—the most notable example of recent times being the investigations of [the late] Senator Joseph McCarthy into the State and Defense Departments.

And not all cases of "reaching out" by Presidents are initiated by the White House. In some instances, you have to decide how much of it came from presidential initiative and how much as a result of delegation of authority by Congress—just as Congress a couple of years ago gave President Nixon the authority to go ahead with the Economic Stabilization Act.

On the whole, I would say that recent Executives tend to initiate the contest for power more often than Congress does.

Q. Did the Founding Fathers foresee this at all? Weren't they fearful of tyranny by a strong Executive?

A. That's a popular but oversimplified idea. Historically it would not hold up. Any fears of executive power the Revolutionary leaders had from their dealings with George III began to recede after 1776, when the Continental Congress not only had to pass laws but administer them and even handle judicial issues.

As a result of that experience, the Constitutional Convention saw the need for a separate executive for reasons of efficiency, accountability and responsibility. But I don't think their experience enabled them to foresee who would become dominant. The executive qualities discussed in "The Federalist" papers—energy, unity, decision, secrecy, dispatch—were what the framers hoped the President would possess, more imaginary than real.

Q. Is the pendulum likely to swing away from the recent emphasis on presidential power?

A. It's a question of how much presidential power is getting built into the system. For instance, back in 1939 the Reorganization Act gave the President six special assistants, who became very close to the President—so close they could claim executive privilege along with the President himself. They did not make policy.

Presidential special assistants are now starting to get their own bureaucracies. Henry Kissinger is developing a staff of 150 or so and beginning to be more of a policy maker than the Secretary of State. President Nixon's successor may introduce some modifications, but basically the setup could continue, whoever his successor is.

Q What about appointment of key persons such as the Director of the Office of Management and Budget who do not require confirmation by Congress? Should that be changed?

A I don't know how much more responsive to Congress such persons would be, even if the appointment required Senate approval. The Director of the Central Intelligence Agency is appointed subject to Senate confirmation, but that doesn't assure his responsiveness to congressional queries. And I'm not sure that anything would change much if Roy Ash, the new director of OMB, became subject to confirmation. Still, the budget has such awesome dimensions that Congress has to make the process more responsive to legislative priorities.

WHEN CONGRESS IS DOWNGRADED

Q Some critics picture Congress as weak and unable to combat presidential authority. Is that a true picture?

A No. Members of Congress, through their constituents and contacts with private organizations, are kept abreast of current problems. There is a good deal of expertise among men who have not only had a number of years' experience but understand the political system.

Q Does Congress have the research machinery to match that made available to the Administration by the federal bureaucracy?

A No, and I do think that Congress ought to have greater access to the reports and expertise generated by the executive branch. Hearings were held last year on Senator Cooper's bill [Senator John Sherman Cooper, Republican, of Kentucky] to make studies on national security and intelligence available to the Foreign Affairs and Foreign Relations Committees.

Q Do you see any sign of that happening?

A No, I don't.

Q Does that mean that Congress then will set up its own research establishment?

A First, I'd like to see what happens to the bill by Senator Edmund S. Muskie [Democrat, of Maine] which would make the raw budget data from federal agencies available to Congress. It would be a pity if Congress finds that the very agencies it sets up and funds won't give information—including national-security data that is already prepared and could be shared under whatever injunctions of secrecy are necessary.

Q What about Administration complaints of "leakages" of classified information on Capitol Hill? Is that an obstacle to giving Congress more data from the executive branch?

A I'm not impressed by that argument. Even if information is disclosed to the Foreign Affairs and Foreign Relations Committees and some staff officials, you may still find that fewer than 100 people get access to that information. Any one of them might leak the information, but so might the thousands of people who have access to it in the executive branch—and they're just as big a risk.

In fact, information leaks are pretty commonplace in the executive branch. To say that Congress can't be trusted is much too arrogant.

Q Congressmen are always saying they can't get the information they want. Why can't they get it? Are their requests ignored?

A Here we get into strategies, stratagems and motivations in the executive branch. I'm not in a position to know why information is withheld. I know in my own dealings with federal-agency people that sometimes the information is just not available even to them.

Some months ago I spent some time trying to find out about the so-called "feed and forage" law used by the Pentagon, which has been on the books for a little more than a century. Normally, Congress authorizes and appropriates funds; then the federal agency can obligate the money. But the "feed and forage" law reverses the process. So the Pentagon can obligate the money first; then Congress has to appropriate funds later to liquidate the contractual obligations.

Statistical information on that law had been compiled then boxed because of storage difficulties and was somewhere around the D.C. area. But whoever knew where it was stored no longer was at the Pentagon, and nobody professed to know where all the information was. I didn't get the sense that they were trying to withhold information; they just didn't know where the material was.

Q. You do get lots of reports from Government agencies—

A Yes, there's a flood coming down from the executive branch, but often the information is in a form that is of no use to Congress while creating the illusion that the executive branch is making relevant information available to Congress. Staff people on Capitol Hill who look for certain information in computerized reports often just can't find it—and when they call down agency experts to help them look, the agency people can't find it either.

Q Do you get co-operation occasionally from officials of federal agencies?

A Oh, yes. They're generally very cooperative.

Perhaps an official feels that his agency will survive better in the budget by cooperating with Congress—and if he believes he can survive politically, he may try it.

However, it's sometimes risky—especially since President Nixon has given so much power to the Office of Management and Budget to control those officials who get out of line.

The former Bureau of the Budget was also subject to presidential control, but the reorganization plan of 1970 changed the situation substantially. All of the former BOB statutory functions were vested in the President, who then redelegated those powers to the OMB.

Instead of merely being an arm of the President, OMB is part of the President. That can have profound effects on professional standards of budget officials.

Q When you speak of additional presidential powers being built into the system, would that include the tightening presidential control over the entire Administration?

A I think so. The OMB would have not only Mr. Nixon's personal appointee, Roy Ash, but a number of people, such as Fred Malek and others, who have been on the White House staff. The former Bureau of the Budget certainly was always responsive to the President, but its career professionals were not as politically charged in their judgments as seems to be the case now.

Q Are you saying that it will be even more difficult to get occasional co-operation from individual officials?

A You see that happening already, just in the extraordinary case of A. Ernest Fitzgerald, a civil-service employe and management analyst with the Air Force who was laid off in an "economy move" in 1969 after telling Congress about huge cost overruns on the C–5A airplane contract.

Then there was the case of Gordon W. Rule, the contract specialist in the Navy who was shifted out of his job after telling us about costly contract "bail outs" sought by defense contractors who claimed they needed more money to fulfill their obligations. Happily, he has just been reinstated in his job.

But the examples of Fitzgerald and Rule set a tone that will discourage frank and candid judgments by career professionals.

Q Could Congress strengthen its hand if it had tough discipline and leadership such as that provided by Lyndon B. Johnson in the Senate and Sam Rayburn in the House, rather than the more open and less disciplined leadership of today?

A There are two aspects of leadership: One involves personality; the other involves the much less explored question of the kind of help that can come from the party caucus which is representative of the party and can participate in the making of policies to be executed by the leader.

LEADERSHIP VS. "HORSE TRADING"

Q Does that, in effect, put 535 legislators—often at odds with each other—against one man who has the prestige of his office, access to the media and a bureaucracy to do his bidding?

A. Yes, it is hard to get half of 535 people to pass a law, or to get two-thirds to override a presidential veto. Actually, however, what the party has to do in either house is essentially the same brokerage job—the balancing of interests and "horse trading"—that goes on within the Administration.

Quite often the White House comes out not with what Richard M. Nixon wants but what a galaxy of forces is compelling him to support. The public simply doesn't see the logrolling that goes on among the military services for weapons systems or the competition that goes on within a department for a bigger share of the budget. If it did, the public would be less harsh on Congress.

Q Are legislators diffident in dealing with presidential authority because they don't want to hinder the President's handling of today's very complex and sometimes overwhelming problems?

A This undoubtedly explains a lot of the delegation of authority to the President. It's reasonable that if you recognize a need for housing—without knowing exactly how to set up a program for it—you will delegate fairly broad authority to the Administration to get a housing program started. I don't think this is abdication; it's realism.

EXPLODING A "CULT OF EXPERTISE"

Q Is this especially true in areas of national security?

A Yes, but I hope that one of the lessons of the past decade has been that even on national security, Congress is quite capable of reaching as sound a judgment as the Administration. The congressional challenge to the Safeguard anti-ballistic missile system exposed one shortcoming after another and showed the capabilities of Congress in dealing with very technical matters.

I think the "cult of executive expertise" carries less weight today. The Administration has access to expertise, but that is not the same thing as saying that it acts on it. There are numerous examples to show how CIA estimates have been doctored or ignored by the Administration because the information didn't square with political needs.

Q Are you saying that Congressmen, by and large, are just as knowledgeable as members of the executive branch?

A Well, if you look at Congress in personnel and product, and apply that yardstick to the executive branch, I think Congress comes off quite well.

Q Are there giants in Congress to compare with those of the nineteenth century such as John C. Calhoun, Henry Clay and Daniel Webster?

A I don't know why they're such legendary figures. Anyone looking at Congress today can come up with quite a handful of extremely competent members of the House and Senate who would rival those of any period.

Q Suppose Speaker Joseph G. Cannon, who ran the House with an iron hand in the early years of this century, were to be on hand today. Could he exercise the same authority?

A Not with committees as strong as they are. He didn't have to worry as much about the independence *of committee* chairmen. It's expertise that makes the system go now, because problems today are very complicated. There has to be a division of labor in Congress, just as in the executive branch.

Q Will broadening the representation in committees strengthen Congress or weaken it?

A Well, [Missouri] Representative Richard Bolling's Committee on Committees is just starting work, and it could run for a year and a half before a plan is drawn up for committee structure and jurisdiction.

But the reforms adopted by Congress in the last few years—starting with the 1970 Legislative Reorganization Act and including changes in the caucus and floor organization—at least show that Congress is not a rigid institution and can make some very far-reaching reforms.

Q Is there any way that Congress can frontally challenge presidential power—by going to court, for instance?

A It could go to court on the issues of impoundment or "executive privilege," but I don't think there is anything the Supreme Court can do to *instill the* quality of self-restraint and co-operation, which is really what is required to make the system work.

Whatever the Court said quite possibly could be interpreted in whatever way the Administration wanted to interpret it—or the Court's decision might be on very narrow grounds and avoid the larger issues. I suspect this would be the case with impoundment, where there are many different types not easily covered by a general statement. I think also that the Court would be very reluctant to get into a matter which strikes so deeply at administrative discretion. In the question of "executive privilege," you get into equally complex considerations involving national security and confidentiality between the President and his assistants.

Q Has the Supreme Court ever tackled the issue of impoundment?

A Four or five years ago I did an article for the "George Washington [University] Law Review" on the Supreme Court cases in the past which were held to be applicable to impoundment. It was my own conclusion that they were not really applicable—that only by singling out little phrases here and there would they seem to deal broadly with the impoundment issue.

There is the Missouri decision last year [upheld April 2 by U.S. Court of Appeals] on impoundment related to highway funds, and this went against the Administration. But even if the Supreme Court sustained that decision, it would be hard to apply to other cases because it deals with trust funds.

An interesting decision was handed down a short time ago in Minnesota regarding Secretary [of Agriculture Earl L.] Butz's termination of the FHA [Farmers Home Administration] emergency-loan program, and that, too, went against the Administration. The Court held that Butz had violated due process and the Department's own regulations. This is an important case because it attempts to show where an administrator has discretion and where he doesn't.

Q Does this then leave it to Congress to pass statutes of its own, defining its powers more clearly, and let the executive branch respond as it will?

A I think that if Congress feels there is a court remedy available for impoundment or "executive privilege," it might postpone action on the matter.

Q In the last resort, Congress could bring impeachment proceedings—

A It could. That power is vested in Congress by the Constitution, and this fact should be taken seriously.

The Founding Fathers were uneasy about giving Congress this power because they feared it might jeopardize the President's independence. But they felt that misconduct by the President should be subject to that challenge.

Impeachment is something to be taken seriously and used when necessary. If it were interpreted in that light, an Administration probably would behave in such a way as to avoid the possibility.

WHAT IS NEEDED IS GOOD FAITH

Q Can Congress coerce the White House by withholding funds for Administration housekeeping and other programs?

A There has been a little bit of this in the past, but I can't see it as more than a short-term effort to restore some of the balance of power.

To me, the remedy has to be recognition on the part of both branches—particularly, at this moment, the Administration—of what is needed in a political system where Congress ordinarily must give the executive branch broad chunks of discretionary power.

What is needed, simply, is a good-faith relationship. If the Administration is not willing to abide by that, it is going to generate a lot of inflexibility and rigidity—quite possibly an impasse, as I have said—because it is within the powers of Congress to replace discretionary authority with mandatory directives.

The harmful effects of such a situation could be felt by the American people for years and year.

NEBRASKA AND THE ERA

Mr. HANSEN. Mr. President, I have been an interested observer of a peculiar legal question that has arisen in Wyoming's neighboring State of Nebraska.

The Nebraska Legislature recently voted to reverse its former decision concerning ratification of the equal rights amendment. By a vote of 31 to 17, Nebraska's earlier decision to ratify the amendment was rescinded.

Interestingly, it is my understanding that a reversal of this procedure occurred in Connecticut, where the equal rights amendment was rejected first and then there was a reversal with that State making a second decision in favor of the equal rights amendment becoming an amendment to the U.S. Constitution.

I am unaware of any problems which may have been created by the Connecticut switch, but it has been brought to my attention that the Nebraska reversal has stirred activity, and the question has been brought up as to whether a State, once voting for ratification, can rescind legally that ratification.

This is a legal question that may lend itself to extended discussion throughout the Nation, not only among those of us charged with making the laws, in the Congress and in the legislatures, but in the legal profession, and among many citizens not involved directly in Government.

The syndicated columnist, Mr. Frank Van Der Linden, in an article printed March 30, noted the situation, and it was his view that if the advocates of the equal rights amendment cannot muster the necessary 38 States—required for ratification—without counting in the backslider, Nebraska, then the Supreme Court can be asked to decide whether or not Nebraska's revocation is legal.

Mr. President, I ask unanimous consent that Mr. Van Der Linden's brief article be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

EQUAL RIGHTS AMENDMENT

(By Frank Van Der Linden)

WASHINGTON.—The high-pressure drive to ratify the Equal Rights Amendment to the Constitution by mid-1973 is running into a few roadblocks in state legislatures and a puzzling loss of active support in the White House.

The number of states ratifying the amendment, which assures equal rights for women, is stalled at 28, or ten short of the 38 required for a three-fourths majority of the 50 states. Connecticut, after first rejecting it, has ratified it; but Nebraska, the second state to approve it, has rescinded its ratification.

Nebraska's reversal has touched off a storm of criticism from Common Cause and other groups leading the lobbying campaign for the amendment. Common Cause claims the states have no power "to reject their ratification once it has been given."

But a contrary view, with great authority, has been expressed by Charles L. Black, Jr., Luce Professor of Jurisprudence at the Yale University Law School.

"I warmly favor the Equal Rights Amendment," Professor Black told me in an interview. "I'm strongly for it. But I'm opposed to such 'Mickey Mouse' tactics as claiming that, once a state has ratified the amendment, it's locked in forever, as in a lobster trap. Clearly, a state can change its mind either way before the amendment is officially declared to be ratified."

Suppose several states ratified an amendment soon after its approval by Congress but turned against it as conditions changed and new facts came to light, Professor Black suggested. "You can't tell me," he said, "that it would be sound policy to tell those states, 'You're trapped. You can't get out.' You could then have a situation where a majority of states had turned against an amendment but were still counted as voting for it, and it could even be declared officially 'ratified'."

"The crucial question," Professor Black said, "is whether or not three-fourths of the states favor the amendment at the same time." If they do, then either the General Services Administration or Congress can declare it a part of the Constitution.

If the advocates of the Equal Rights Amendment cannot muster the necessary 38 States without counting in the back-slider, Nebraska, then the Supreme Court can be asked to decide whether or not Nebraska's revocation is legal. The Court has never ruled on this question.

In 1868, Congress declared the Fourteenth Amendment ratified although Ohio and New Jersey had rescinded their earlier approval of it. "But parading precedents is a fallacy," Professor Black declared. "The Supreme Court has reversed itself, sometimes, and it is Congress' responsibility to do the rational thing. The states may freely withdraw their ratification at any time before an amendment is officially declared a part of the Constitution. It would be very dangerous to have any states corralled into approving it."

A "stop-ERA" campaign, led by the writer, Phyllis Schlafly, has killed the amendment in the Virginia legislature and slowed it in several other states. Mrs. Schlafly and her adherents charge the amendment would nullify labor safety laws, make women liable to combat duty in the armed forces, and invalidate all state laws which require the husband and father to bear the primary burden for family support.

The amendment says simply: "Equality of rights under the law shall not be denied or abridged by the United States or any State on account of sex."

President Nixon said a year ago: "Throughout twenty-one years I have not altered my belief that equal rights for women warrant a constitutional guarantee."

His counsellor, Mrs. Anne Armstrong, the bright and beautiful Texan who is the first woman given cabinet status by Nixon, thought she had the President's approval for a whirlwind campaign to clinch ratification of ERA.

Publicity-minded White House aides visualized pictures of Mrs. Armstrong at the G.S.A. building, hailing each state as it joined the ratification band. But the right-wing drive against ERA apparently has cooled off the administration's ardor for it. Now the "game plan" seems to be to let the states settle the issue without involving the President any further.

INFLATION

Mr. HASKELL. Mr. President, we have been hearing a great deal in recent months and weeks about the causes of and cures for inflation, and we have received many complaints, justifiably so, from consumers who are fed up with high prices and the steadily increasing cost of living situation. But we are also beginning to hear from the other side of the issue, and I have received one such letter from a Colorado citizen, who in spite of feeling the pinch of inflation herself, can stop to give thanks for the many blessings we enjoy and that are available to us. I ask unanimous consent that a copy of her letter to the editor of the Loveland Reporter-Herald be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

TIME FOR THANKS

To the Editor:

"Ah to be in America and be worried merely about the price of food." This caption beneath a newspaper cartoon picturing a starving man has haunted me.

While millions of people around the world face starvation from the very lack of anything to eat, we are complaining about the so-called high prices we have to pay for food. We blame the farmer, the middle man, the supermarkets, the government—everyone except ourselves for the current high costs of food.

Yet no where in the world is there such an abundance of nourishing food available at such relatively low prices. Statistics show that an average family of four in America spends 16 percent of their income for essential food products. In England, 43 per cent of a family's income must go for food, in Russia it's 67 per cent, and in China 85 per cent of a family's income goes for food.

Let's face it, food is a bargain in our country! And yet, no one can deny that during the last few months, food prices have risen steadily. We can't help but ask, "Why?"

Let's look at the situation of the farmer, the middle man, the retailer who all work to produce the food products in the quantity and quality that we, the consumers, demand.

Food doesn't come from the supermarket, it comes from the farm.

A cattleman usually figures 25 cents per pound-gain. This winter during the severe cold his costs soared to 50 cents per pound-gain. Little wonder meat prices had to go up.

Research has shown that rats who were fed a diet high in DES in some cases developed cancer, and because of our high standards of food and drug purity, legislation to ban the feeding of this growth stimulant were enacted. One would have to eat 66 pounds of liver a day for the traces of DES found in liver to be toxic to humans.

Not many people eat that much liver in a year, let alone a day. The ban on DES has increased the cost of feed by $35 per head to get the cattle to the same degree of finish. This increased production cost is being passed on to the consumer as well.

Another point to rememember concerning the farmer, is the fact that the prices he gets for his products are set by the purchaser. For example, when he takes his cattle to market, he does not set the price, rather he asks, "What will you give me for these cattle?"

Today, the price of beef received by the cattleman has finally reached the price he received in 1951. The tractor he bought in 1951 cost $2,000, but today the price is $10,000. How many times have wages, services, and most items we purchase gone up since 1951?

Much criticism has been leveled at the middle man as the culprit in the higher food prices. It costs money to package food in attractive, flavor retaining and convenient containers. Converting farm products into time-saving "Instant," "Brown & Serve," or "Heat & Eat" meals is expensive, but they have been viewed as godsends to the busy housewife or working mother. We have been willing to pay for these conveniences.

The supermarkets are also blamed for our high food prices, and yet their profits are lower than ever before with little or no profit from the sale of meats and produce. Their profits come from the convenience items we buy.

In talking with a local retailer, he told me that of the 15,000 items stocked on his shelves, 3,200 items are non-edible items such as soaps, paper goods, drug and hardware products. Yet we tend to lump these 3,200 items in with the costs of food since they are purchased at the same time.

We lived in Venezuela for several years and had to shop in the native markets. The meat, tough and without any fat or marbling, had to be sold the same day it was butchered because they had no refrigeration. We could not buy fresh milk because there were no pasteurizing or bottling plants.

The bread often had weevils and was never wrapped to protect it from dust and flies. We were advised not to eat the native grown fresh vegetables which had been fertilized with human manure. After such experiences, I feel it is a privilege to be able to shop in our immaculate and convenient markets with such a wide variety of products for selection.

As consumers, we have a broad latitude in determining what our food costs will be. If we are lured by out-of-season fresh fruits and vegetables, prepared TV dinners, expensive cuts of meat, our food costs will be high. Saving money, whether in buying food, a car, or a home takes time and planning.

Did you ever stop to think that when you buy a one pound sack of potato chips that you are paying 10 times the price of potatoes purchased whole in a bag. The potatoes as chips have little food value, but are easy and convenient. The choice is ours.

Markets today give unit costs so that we can select the size package that best fits our needs. The choice is ours, and thank goodness for these choices.

We live in an age of great dependence upon all our fellow men. The free exchange of our products and services makes a livelihood for everyone. No one can raise his own food, build his own home, manufacture his own car, be his own doctor, lawyer, teacher, minister, defend his country alone. We desperately need each other.

How much better it would be if instead of complaining, boycotting, having marches, asking for price ceilings, etc., we took time to say thanks to God and each other.

Instead of hiring a baby sitter so that you can march this Saturday to protest the price of food and then hurrying home to heat up TV dinner for your family, how about saying thanks to your husband or each other for working hard to provide for your family, fix a hearty homemade beef stew, and enjoy making cookies from scratch with your children. Could be the bset day you've had in a long time!

Mrs. Kenneth D. Knievel.

PUBLIC NEEDS TO BE AWARE OF MEDIA BIAS AND DISTORTION—BUT IT IS A CITIZENS' JOB

Mr. HELMS. Mr. President, there is considerable discussion these days about setting up some sort of mechanism to monitor the news media, and to make sure the public understands that there is a great deal of bias and distortion in the news distributed by some of the Nation's major newspapers, television networks, and so forth.

This discussion is quite worthwhile and necessary, I believe. On the other hand, I would counsel against the establishment of any such organization having even the remotest connection with government at any level. If the job is to be done, and I hope it will, let it be done privately by concerned citizens willing to devote the time and resources to making certain that the arrogant hand of some news media is exposed to public view.

Mr. President, I have had very little to say about the so-called Watergate affair for the simple reason that as a new Senator, I have no knowledge of what went on last year. Of course I do not condone any act of lawlessness. And like most other Americans, I believe that corruption in politics should be cleaned out.

Still, I find it a bit nauseating to see some of the liberal elements of the news media falling all over themselves in self-adulation as a result of the Watergate journalism. Where were these same newspapers and commentators in prior years when the muddy shoes were on the other feet—the wholesale fraud, for example, in the 1960 Presidential election; the callous character assassination in 1964 of Senator Goldwater, and other instances of corruption which—unlike the tragic and stupid activities of 1972—did, indeed, have an effect on the outcome of elections?

And why is it, do you suppose, Mr. President, that these same media have scarcely mentioned this year that there are those of us who tried, vainly, to have a complete investigation of irregularities in American politics? Not just a Watergate investigation, but a full-fledged investigation that would constructively address itself to improving a situation that has been admittedly bad for decades—not just destructively designed to injure a President who has been the target of these same news media since the early days of his career.

Yes, Mr. President, there ought to be some method, some organization, to keep the American people informed about the powerful news media who would ruthlessly misinform them. But I reiterate: It is not a job for government, even in the remotest sense.

John Lofton, Jr., editor of First Monday, has written an interesting piece about why he believes there ought to be a national press council. This article was published in the May issue of First Monday, which as Senators know is a publication of the Republican National Committee. I commend it to the attention of my colleagues, and ask unanimous consent that it be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

National Press Council Could Restore Public Confidence in Media

("Certainly the press is in trouble with the public. I don't need any polls to tell me that; all I need is a watch. Everytime I walk into a party I look at my watch to see how long it will be before somebody starts slamming the press. Average time: two minutes, 42 seconds."—New York Times managing editor A. M. Rosenthal, writing in the New York Times Magazine. Feb. 11, 1973.)

Because there is a clear conflict of interest in asking the media to police itself—to act as its own judge and jury—the establishment of a national press council, a truly balanced group which would do more than simply reflect and most likely reaffirm the present left-liberal bias in the national media, could do much to restore public confidence in the Fourth Estate, thus benefitting not only the viewing, reading and listening public, but also the media as well.

That the press is in trouble with the publis is a fact. That the press is in trouble even with the people with whom A. M. Rosenthal parties indicates that the trouble may be more widespread than anyone has yet realized.

As a matter of fact, it is this very trouble that the press is in with the public that has prompted a task force of the Twentieth Century Fund to recommend the establishment of a national news council "to receive, to examine, and to report on complaints concerning the accuracy of news reporting in the United States, as well as to indicate studies and reports on issues involving freedom of the press."

Noting that the concentration of nationwide news organizations—like other large institutions—"has grown increasingly remote from and unresponsive to the popular constituencies on which they depend and which depend on them," the task force report declares that while the U.S. press is among the best in the world and still improving, "until now, the citizen who was without benefit of special office, organization, or resources had no place to bring his complaints. Until now, neither the public nor the national news media have been able to obtain detached and independent appraisals when fairness and representativeness were questioned. The proposed council is intended to provide this recourse for both the public and the media."

There are many reasons why the press is in trouble, why a Harris Survey showed in November of last year that leaders of the mass media with a confidence rating on only 18 percent do worse than any other leadership group in our society except for organized labor.

Lester Markel, for years editor of the Sunday *N.Y. Times,* has put it as well as anyone when in *World* magazine on Sept. 15, 1972, he listed the "solid reasons" for the mistrust of many newspapers:

"Inaccuracy (shoddy reporting, sensational editing, lack of perspective); irresponsibility (abandonment of objectivity, disregard for national security, disinterest in the public interest); inaccessibility (blindness to minority viewpoints, identification with the Establishment roster and dogma.)"

There are other counts in the indictment, says Markel, such as the staging of events, incitement to violence, pandering in general, but irresponsibility, inaccuracy and inaccessibility are the three that have added significant dimension to the media's credibility gap.

Now, ideally, it would be preferable if the press were able to adequately deal with its own shortcomings. Because if it had been doing so all along, the public's lack of confidence would probably not be so great.

Eric Sevareid made this very point at the Fourth Annual Elmer Davis Memorial Lecture at Columbia University on April 29, 1970 in arguing for an hour long network news show:

"I do not see how we could do a markedly better job of it, how to get the better balance, unless these programs go to an hour's length. Many of us have wanted, and worked for this. In that hour, we could do what we should always be doing, in my long sustained opinion; we could provide room for rebuttals to our practices from ordinary listeners; letters to the editor, if you wish. For years the situation has cried for this and had we been doing it for these years, perhaps much of the accumulating gas of resentment would have escaped the boiler in a normal fashion."

But the record of those in the media who correct or criticize themselves is not a good one. Testifying for the idea of a national press council on the PBS show "The Advocates," March 3, 1973, Norman Isaacs, former president of the American Society of Newspaper Editors, said that the "worst mistake" the press makes is not correcting the many errors it makes.

"This goes on day after day," Isaacs declared. "I've just been having a study made of newspapers around the country; and of 112 newspapers checked, only 12 have any formal policy of making corrections. Eighty-eight of those which do not have any policy have no intention of instituting any formal policy of making corrections. It's just paranoid."

Using the example of columnist Jack Anderson's unsubstantiated charge that Sen. Thomas Eagleton had been convicted of drunk driving, Isaacs pointed out:

"Jack Anderson's charges made page one news all over the country. The Associated Press subsequently made a check of page one after Jack Anderson had said he made a grievous error. Only 15 out of 50 newspapers saw fit to publish that on page one. And that report was available to all the newspapers in the United States through the AP's log, which the AP has encouraged editors to reprint at will. And to my knowledge, not a single newspaper has commented on this fact."

Another admission that the press performs poorly when asked to criticize itself comes from the *Washington Post's* national political reporter David Broder. Writing in the Feb. 1969 issue of "The Washington Monthly," Broder said that the adaptive response of the press to the forces of change "has been more sluggish than that of any major institution."

As to why the press is so "laggard" in responding to criticism of its own performance, Broder offered as a reason "that most of us in journalism have not really taken a reflective view of our own functions and responsibilities. We are in the habit of asking politicians and businessmen, labor leaders and general to justify their actions and policies, but we do not often make the same demand of ourselves."

For others in the media, such as CBS Evening News anchorman Walter Cronkite, the refusal to indulge in self-criticism appears to stem not so much from a lack of reflection on ones own functions but rather a belief that to even nibble at the hand that feeds would be an inexcusable act of *lese majeste.*

In an interview (Feb. 9, 1973) on a local Washington, D.C. station, when asked if CBS placed any restriction on his right to speak out, Cronkite replied:

"No, absolutely not. None. Never been any suggestion of such. Now I think we ought to be fair about that. Everybody knows his place. It's an unfortunate way of saying it but in a sense this is true. I'm not going out and make a speech that deliberately lambasts the broadcast industry, CBS, my own position or anything else simply because it would be an ungracious thing to do. I'm being paid and employed here. Fortunately, and the marvelous thing about CBS is that I've never been in that position . . . I believe in CBS' stands on things. I've got no quarrel. Well, I quarrel, small things, but not the basic philosophy of the way CBS has operated its news department and the freedom we are given here. And I have no problems making my conscience fit anything they believe because we're down the same line."

But regardless of the reasons why the media has been reluctant and ineffective when it comes to self-criticism, the fact is that it has.

Last November in an address to the Commonwealth Club of California, Katherine Graham, president of the *Washington Post* Company, declared:

"I do not subscribe to the view held by some in journalism that engaging the wrath of both sides in any dispute means—as the saying goes—that 'we must be doing something right.' On the contrary, it seems to me that one must not discount the possibility that it means we are doing everything wrong."

While there are no serious critics who believe that everything the media does is wrong, there are many, both in and out of journalism who believe that enough wrong is being done and the job of righting it is one that has not been taken too seriously by most of the media. Therefore; let a thousand press councils bloom.

THE CONTRIBUTIONS OF THE HUGUENOTS TO AMERICA

Mr. ERVIN. Mr. President, on April 26, 1973, I had the privilege of delivering an address on the Contributions of the Huguenots to America before the Huguenot Society of South Carolina at Charleston, S.C., which was celebrating the 88th anniversary of its founding.

I ask unanimous consent that a copy of such remarks be printed at this point in the Record.

There being no objection, the address was ordered printed in the Record as follows:

The Contributions of the Huguenots to America

I am grateful for the invitation which brings me to the charming and historic city of Charleston, and permits me to share with you the 88th Anniversary of the founding of the Huguenot Society of South Carolina, which appreciates and treasures, as I do, the magnificent contributions of faith and valor of the French Huguenots to the America we love.

None of us is privileged to choose his own ancestors. Consequently, none of us can justly claim for himself any credit for their worthiness. Notwithstanding these considerations, I am constrained to confess that I am proud to be a descendant of French Huguenots.

Among my Huguenot ancestors were Claude Philippe de Richebourg, who came from France to South Carolina by way of England, Mannakin Town, Virginia, and Trent River, North Carolina, and succeeded the venerable Pierre Robert in the pastorship of the Huguenot Church at Jamestown on the Santee; and Major James Conyers, who maintained liaison between his fellow Huguenot, General Francis Marion, and the Continental Generals, Horatio Gates and Nathanael Greene, and was killed in a skirmish with a foraging party of British who emerged from Charleston in the closing days of the Revolution.

It is said that on a grim November day in 1793, during the era known to history as The Terror, a brave and forthright woman, Madame Marie Jeanne Roland, standing at the scaffold and confronting the guillotine, turned toward a statue of Liberté and cried out: "O Liberty what crimes are committed in thy name!" Those dying words of Madame Roland serve to remind us all of how the ideals by which men live can be degraded by fanaticism, intolerance, and hatred. Even religion, embracing as it always has mankind's noblest and loftiest ideals, has in the hands of small-minded bigots, been used as an instrument of oppression and cruelty. So, in the ancient world,the great Lucretius, in his epic *De Rerum Natura,* could declare bitterly, "How many evils has religion caused!"

The truth is, of course, that religion—like liberty—has never caused any evil nor has it perpetrated any crime. It is men, acting in the name of religion, who have yielded to that lust for intolerance, that brazen identity of human pride with the will of God, which has too often marked the history of our race.

I read the other day of how, in Soviet Russia today, despite over half a century of persecution, religion continues to survive and even, given the unhappy conditions faced by believers, to flourish. A recent report from a Russian Baptist Council of Prisoners. Relatives, which keeps church members informed of persecutions and encourages prayer for those in need, tells the dramatic story of a young Russian Baptist soldier killed "after he had resisted all attempts to stop him from bearing witness to Christ." The Soviet Major who escorted the body of the martyr told his parents before witnesses that their son had "died a Christian." So it is, my friends, that persecution for belief is no stranger to our modern world—and, alas, we need not journey so far as Russia to find evidence of it.

But, of course, the tragic saga of the Huguenots, writ in blood and tears, was somewhat different and worse: for here was persecution of Christians by other Christians, and all in the name of Christ, surely the most distressing and saddening of the ways in which the divisions among the Christian family have manifested themselves in a spirit far indeed from the mind of Christ.

A noted scholar has lately—Peter Brown, *Religion and Society in the Age of St. Augustine*—traced the appearance and seeming triumph of religious intolerance in the Christian community during the critical period of the 3rd and 4th centuries of our era, the period celebrated by Gibbon in his *Decline and Fall of the Roman Empire* when he speaks of the rise of the Church, a period which give birth to much that was creative, inspiring, and civilizing and, alas, to much that pertained to what has been called "a new intolerance," that fierce and passionate religious prejudice which would cause so much suffering in history: the odium theologicum of the Middle Ages, man's natural propensity to imagine his views are God's, and to act as if God's views were his.

Happily, we in America have been spared, by and large, the bitter conflicts and searing religious hatreds which have marked the history of Europe and, indeed, of most peoples everywhere in the world. Under a tradition of complete religious freedom, guaranteed by the separation of church and state, all religions have enjoyed peace, prosperity, and untrammeled freedom of worship, belief, and practice, limited only by the common good. We may well thank God for the blessings of religious liberty which have been ours, and dedicate ourselves to strengthening them for our posterity.

Why have I alluded to those concerns on this occasion when I speak to you of the contributions made by the Huguenots to America? Precisely because their greatest contribution lay in their wholehearted dedication to religious freedom: they knew at first-hand and from bitter experience the value of liberty and the meaning of intolerance. Let me indicated briefly why this was so.

Earth never knew a more faithful, a more courageous, and a more persecuted folk than the French Huguenots, whose lives and deaths over a period of generations illustrated the truth that adversity is the diamond dust with which life polishes its jewels. The Huguenots initiated the Protestant Reformation in France at a time when French Catholics dominated that country and were intolerant of dissent in matters of religion. The word "Huguenot" is said to be a nickname originally given to the Protestants at Tours because they assembled for divine worship under cover of darkness near the gate of King Hugo, who was regarded by the people as a spirit that wandered abroad during the nocturnal hours.

The Huguenots drew their earliest inspiration in large measure from Jacobus Faber, who translated the New Testament into French as early as 1523, and preached justification by faith, which was the cardinal religious doctrine of the Huguenots.

In subsequent years, the Huguenots were much strengthened in their religious faith by the great theologian John Calvin, a French Protestant who was driven by persecution from his native land to Switzerland where he pleaded the cause of the Protestant Reformation with logic and eloquence, and established an ecclesiastical discipline which afterwards became the model for all Calvinist churches.

The Huguenots merely desired to bow their own knees and lift their own voices to God in their own way. This made them heretics of the darkest hue in the eyes of the Catholic clergy and their followers, who were determined to exterminate the Huguenots or their religious faith.

The saddest story of history is that of the Huguenots of France between 1525, when their first martyrs, Jacques Pavannes and Louis de Berquin, were burned at the stake, and 1789 when the Declaration of the Rights of Man affirmed the right of all Frenchmen to religious liberty.

During early years, the Huguenots, who merely sought to exercise their religious faith in peaceable fashion, suffered much persecution at the hands of the Catholic clergy and their followers. Finally, however, they decided to offer armed resistance to their oppressors. As a consequence, the history of France from about 1560 until almost the end of the century is that of warfare between the French Huguenots, who fought for what they called "The Cause", and the Catholics, who fought for what they called "The Holy League."

These wars illustrated a strange truth which was enunciated in succinct fashion by Chief Justice Walter P. Stacy of the North Carolina Supreme Court in the famous decision of *State v. Beal*, 199 N.C. 278, 302.

"For some reason too deep to fathom, men contend more furiously over the road to heaven, which they cannot see, than over their visible walks on earth * * * (and) it would be almost unbelievable if history did not record the tragic fact that men have gone to war and cut each other's throats because they could not agree what was to become of them after their throats were cut."

During a period of almost 40 years, thousands of Huguenots were slaughtered simply because they desired to worship God according to the dictates of their own consciences. During the Massacre of Saint Bartholomew, which began in Paris at daybreak on Sunday, August 24, 1572, spread throughout France, and continued until September 17, 1572—a period of 23 days only—at least 50,000 Huguenots were slain by the Catholics.

In 1594, the Holy League suffered defeat at the hands of the Huguenots, and an enlightened monarch, Henry of Navarre, ascended the throne of France. Four years later, i.e., on April 13, 1598, he promulgated the Edict of Nantes, which constituted a charter of political and religious freedom for the Huguenots.

The Catholic clergy refused to accept the validity of the Edict of Nantes. Subsequent to the assassination of Henry of Navarre, they stirred up further persecutions of the Huguenots, who once more took up arms under the leadership of Henri de Rohan.

In 1628, however, the Huguenots were compelled to surrender their last fortress, La Rochelle, after a siege distinguished by their extraordinary heroism, and from that time on they suffered untold political and religious discriminations at the hands of the Catholic clergy, which dominated the rulers of France, and inflicted upon thousands of Huguenots unspeakable mental and physical tortures in an effort to compel them involuntarily to renounce their religious faith.

At long last, i.e., on October 18, 1685, Louis XIV, who was a stooge of the Catholic clergy, revoked the Edict of Nantes on the pretext that the adherents of Protestanism had embraced Catholicism, and in consequence the Edict of Nantes had become unnecessary.

It is impossible to overmagnify what the persecution of the Huguenots cost France in human, material and spiritual resources. About the middle of the 16th century, the Huguenots formed more than one-tenth of the total population of France. When the persecution ended, only a few hundred thousand of them remained in that land. Their churches were reduced in number from 751 to 171, and their ministers were reduced in number from 809 to 121.

After the revocation of the Edict of Nantes, approximately 400,000 Huguenots, who remained steadfast to their religious faith, abandoned all their material possessions and forsook France for England, The Netherlands, Prussia, and other lands where they could enjoy religious freedom. Multitudes of them came to America.

One scholar—Otto Zoff—has written this of the Huguenots:

"In the decades following the repeal of the Edict of Nantes—when emigration from France became a general flight and the number of arrivals in this country (America) grew into the thousands, scattered over the entire Atlantic seaboard—a correlated picture of activities became an impossibility. But whatever pursuits they followed, these noblemen, bankers, tanners, hatmakers, physicians, printers, vintners, factory laborers, weavers, and musicians, they never abandoned the first principles of their ancestors: to let their faith, and their generous philosophy with its libertarian and egalitarian ideas, guide their daily lives. Nor did they change when for America, too, the 'critical and formative' period arrived."

Recounting the heroic story of the Huguenots, their persecution and their diaspora, the author rightly describes them as "Fighters for God and Human Freedom."

Although Jean Ribaut's attempt to establish a colony of French Huguenots on Parris Island in 1562 proved unsuccessful, French Huguenots began to come to South Carolina in small numbers during the succeeding years. After the revocation of the Edict of Nantes, they came in multitudes. As a consequence, none of the thirteen original colonies received a stronger infusion of Huguenot blood, faith, and valor than South Carolina. The story of what they and their descendants have meant to the civic, the cultural, and the industrial, the military, and the religious history of South Carolina is well known to you, and needs no recounting by me.

The contributions of the Huguenots of the dispersion to the history of South Carolina and America have been amply documented by Huguenots societies such as this in many of our States and by the National Huguenot Society, formed in 1950. Abroad, the Huguenot-Walloon Card Index, listing Protestants who fled France and Belgium between 1566 and 1800, now contains a million and a half names by given names and families, in their files at Leyden in the Netherlands. Research continues in this country and in Europe in the records of emigrant families and in our knowledge of Huguenot history in France—cultural, doctrinal, political, social, and economic.

Here in South Carolina, you rightly take pride in your Huguenot heritage. I hasten to add that there never has been a time in our National history when the spirit of the Huguenots was more needed—that spirit of integrity, fidelity, and civic loyalty which has sustained our country from the beginning and apart from which all else will surely perish.

To recall—even briefly—the Huguenot contribution to America would require more time than we have today. Suffice it to note that our first Chief Justice, John Jay, a President of the Continental Congress, was of Huguenot ancestry, an ancestry he shared with two other presidents of that historic body, Elias Boudinot and Henry Laurens. Among our eminent patriot figures the names of Paul Revere, Francis Marion (the Swamp Fox), Gabriel Manigault, John Seveier, John Bayard, and James Bowdoin stand out. Alexander Hamilton, the great Federalist, was born of a Huguenot mother. Presidents Tyler and Garfield and both Roosevelts, Admiral George Dewey, the La Follettes of Wisconsin, the Duponts, and many more illustrate the presence of Huguenots descendants in every walk of life all through our history. The sculpture of St. Gaudens, the drawings of Audubon, the continuing legacy of Stephen Girard, the civic largesse of Peter Faneuil and of Matthew Vassar—all this and more is part of the Huguenot story in America. Among famous writers of the last century the names of Longfellow, Whittier, Freneau, Thoreau, and Dana are among those with Huguenot ancestry. It has been said that George Washington's first

American ancestor, Nicolas Martiau, was a Huguenot. Certainly, Huguenots and their descendants have served with distinction not only in all our wars, but in the settlement and development of this whole land.

Nevertheless, when all is said and done, it is not in my roll-call of the great and illustrious that the most important and enduring Huguenot contribution is to be found. Rather, it is in those qualities of frugality, thrift, sobriety, hard work, the domestic virtues of family life and loyalty, and the traditions of skilled craftsmen—these are the areas of inestimable Huguenot service to America and to her national spirit and character. Centuries ago, Peter Stuyvesant paid tribute to the Huguenot settlers of colonial New York (then New Amsterdam) in words which still ring true—"the most respected, respectable, and valued accession ever made to the population of our country."

Above all, they were possessed of a lively, sustaining faith in God and in freedom, a faith which is at the heart of our free society. May that faith be renewed in our people today, and may the spirit of the Huguenots—the spirit of heroic courage and of steadfast loyalty—inspire us to do all that is needful in our day to preserve that precious gift, "freedom's holy light."

TODAY'S CHALLENGE: REMOVING BARRIERS

Mr. HANSEN. Mr. President, last week saw a number of persons from throughout the United States in Washington for the annual meeting of the President's Committee on Employment of the Handicapped.

Miss Valerie Snow of Cheyenne was among those persons from my State of Wyoming who attended the meeting. She did so as the winner of Wyoming's "Ability Counts" essay contest, an annual effort sponsored by the Governor's and President's Committee on Employment of the Handicapped to call attention to the important contribution that the handicapped make in Wyoming and in all other States.

The theme of this year's meeting was "The Handicapped at Work: Tomorrow's Challenge."

And Valerie Snow's essay was subtitled "Removing the Barriers: Today's Challenge."

Because she makes some valid points, I ask unanimous consent that her essay be printed in the Record.

There being no objection, the essay was ordered to be printed in the Record, as follows:

Removing the Barriers: Today's Challenge

(By Valerie Snow)

Few of us ever think of the employment situation in the United States. We take for granted that we will grow up, go to high school, to college, and get all the necessary skills and knowledge to enter our chosen profession and find employment after graduation. But for the physically handicapped individual, the way is much harder, since nothing in his life is taken for granted.

Lyndon Baines Johnson said:

"Given encouragement and hope, our handicapped citizens can competitively earn a useful place in our great land of opportunity. They have the courage—all they need is a chance to prove themselves."

For one young girl in a wheelchair, born with a physical handicap, many obstacles have had to be overcome and many are yet to be faced.

Because her parents were mature enough to accept the handicap, they started immediate plans to help make her life as normal as possible. She was able to attend public grade school. Fortunately, most elementary schools involve only one level.

Entering the two-story junior high, she found she could not take several courses important in everyday life, among which were home economics and science. Because ninth grade English was upstairs, the school "suggested" she take eighth grade English a second time. Consequently, her sophomore English grades were poor. All this happened because of no provision for an elevator, and because school authorities refused to make simple changes, such as moving a class downstairs.

She unfortunately found the same situations and attitudes at the two-story high school. All business classes were on the second floor. These courses are very advantageous to the handicapped because business skills are almost always within their ability. Again, authorities refused to move a typing class downstairs—a simple accommodation. Sociology and certain English classes were upstairs also. Only after many frustrating discussions was an elevator installed with Federal funds, providing the three wheelchair students and others with temporary injuries a wider choice of classes.

A high school student has many research projects that require materials from libraries. The new County Library (built in 1970) is partially designed with the handicapped in mind. The ground level entrance is commendable, and one does not find too much trouble obtaining books and reference materials. However, other facilities such as the public wall phone, drinking fountain, and restroom entrances with "tandem" doors present problems for the wheelchair patron. The phone and drinking fountain are high even for a small standing child, but when the girl inquired whether she could use a desk phone instead, she was told "If we let you use it, we'll have to let everyone else use it too."

In high school she received second place in the "Hire the Veteran" poster contest sponsored by the Cheyenne Elks Lodge. Savings bond awards were presented in the BPOE Lodge on 17th Street—it has two flights of stairs, one outside, one inside, and no other entrance. This young girl thought it ironic since the theme "Hire the Veteran" could very well mean a veteran in a wheelchair.

She has known for many years what she wants to do for her life's work—become a teacher of pre-school deaf. This of course, takes a college education and because of her special problems, she had a hard time finding the right place. She began her search in the tenth grade and now has found three suitable for wheelchair students which offer the proper studies. She will be going out of state because the University of Wyoming is not well equipped for those in wheelchairs. In short, the employment problem does not start with the employers. It starts with the education system where a handicapped person, especially in a wheelchair, is often prevented from getting an education necessary for a meaningful job.

This young lady, who does believe that "Ability Counts" wants to be employed in a clinic or deaf school, and has already inquired at two whether they would hire a handicapped person. They informed her that they would not because the job could not be handled by a disabled person and/or their building would not allow free movement because of steps and other barriers. This information was very defeating. She has had quite a bit of trouble getting an education because of architectural and attitudinal barriers, and now finds she may have just as much or more trouble gaining employment in the career of her choice.

Many businesses in downtown Cheyenne have entrances with steps and narrow doorways that cannot be negotiated in a wheelchair. This limits where the handicapped may work even though they may be qualified. The Wyoming Tribune building has steps to the floor where people are employed. The only entrance to one of the major banks has steps. Those businesses cannot be patronized by a wheelchair-bound individual without help, let alone permit a person to work there.

Buildings in the community can and must be renovated so their facilities can be used more freely by the handicapped. The curbs of Cheyenne have been sloped to the streets which is a major accomplishment, benefitting mothers pushing carriages, as well as handicapped individuals. However, currently some of the curbs are in disrepair. Automatic doors for businesses and stores would make the handicapped more independent, helping them to go about their daily lives with dignity. Moreover, these improvements would not hamper non-handicapped people, and would also aid those with heart disease, emphysema, and illnesses which are not always visible.

All architects should become aware of these problems and incorporate accessibility standards at the time of construction. They should spark community concern to renovate buildings built before so much attention was given to the problems of the disabled. Due to medical advances and greater acceptance, more handicapped are surviving and fewer are housebound, and we should encourage them to become out-going and self-sufficient. Many states do have building codes specifying access for the handicapped, but they are either not enforced or too lenient stating "To the extent deemed feasible" or "Insofar as possible and reasonable", even though it has been proven that the cost of renovating or inclusion of standards in new buildings would be very low.

If the handicapped cannot enter and fully utilize public buildings, they cannot vote, conduct business, worship or otherwise become self-supporting members of society. If they cannot get an education equal to that of non-handicapped persons, they cannot get the knowledge needed for a good job. If employers will not give them a chance they will not become confident that their ability *does* count.

Throughout history, many well known people overcame their handicaps. Deafness did not stop Thomas Edison. Polio did not stop Franklin Roosevelt, and handicaps needn't stop this young girl. I am very aware of the problems encountered by this young girl because I have just related my personal story.

THE WATERGATE INVESTIGATION

Mr. STEVENSON. Mr. President, in this morning's issue of the New York Times, Mr. Orville H. Schell, Jr., president of the Association of the Bar of the City of New York, addressed himself to the manner in which the President and Attorney General-Designate Richardson propose to conduct the Watergate investigation.

Mr. Schell's cogent article concludes that "the President's program will not provide the thorough and impartial investigation which the people can reasonably expect," and that the special prosecutor should not be "part of the Department of Justice or responsible to the Attorney General." Yesterday Mr. Richardson stated that the special prosecutor would be in the Department, and that as Attorney General he would retain final responsibility over the Watergate investigation.

A fundamental issue has thus been joined: How much independence does the Watergate special prosecutor need in order to do his job? Mr. Schell's article buttresses my conviction that, at a bare minimum, he needs substantially more independence than Mr. Richardson is now willing to give him. The resolution I introduced today calls upon Mr. Richardson to make the special prosecutor independent and defines independence in terms of six minimum standards which closely resemble those set forth in Mr. Schell's article.

In the event that Mr. Richardson persists in his unwillingness to meet those standards, it will be incumbent upon the Congress to confer the necessary independence on the special prosecutor through legislation. The public wants and deserves no less.

I ask unanimous consent that Mr. Schell's letter be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FOR THE PEOPLE

(By Orville H. Schell, Jr.)

For too long the reins of the Watergate investigation have been held in the hands of the very people being investigated. The people of the United States have a right to demand that the investigation immediately be put into the hands of an independent, able, special counsel who will act for the people, in whom they can have full confidence and who will have full authority to look down every dark alley of the whole affair.

President Nixon's decision to place absolute authority to make all decisions bearing on the Watergate case in the hands of his new Attorney General, including the authority to name a "special supervisory prosecutor" if he wishes, does not meet the crisis. It leaves the matter where it has been for the last eleven months: entangled in a serious issue of conflicts of interest and professional ethics. For special counsel, however competent, if appointed by the Attorney General and brought under the Department of Justice, will still be the President's man, the President's lawyer and not the people's lawyer.

Whether we like it or not, the President himself may be involved, and at least 50 per cent of the people are reported to suspect that is the case. If, then, the President and his Administration must be investigated, it cannot be done by his own lawyers. No matter how well known, competent and honest the Attorney General and his special counsel may be, when everything is said and done, the conflict of interests in this situation will leave a suspicion of their integrity in the minds of many people.

A man cannot serve two masters. This obvious truth from the Sermon on the Mount has been part of the tradition of the Anglo-Saxon legal system for centuries. It is presently embodied in Canon 5 of the Code of Professional Responsibility which sets forth the principles by which lawyers should be guided in practicing their profession. That Canon specifies that "A lawyer should exercise independent professional judgment on behalf of a client," explaining that "the professional judgment of a lawyer should be exercised within the bounds of the law, solely for the benefit of his client, free of compromising influences and loyalties."

We must conclude that the President's program will not provide the thorough and impartial investigation which the people can reasonably expect. If the President will not take the action that is needed, Congress must move immediately and decisively to exercise its constitutional powers and provide a plan of action which should include the following points:

The President should be authorized and directed to nominate, after consultation with leaders of the national bar, an eminent member of the bar as special counsel to handle all aspects of the Watergate affair.

The individual so nominated should be confirmed by the United States Senate after public hearings on his qualifications.

The special counsel should have the broadest possible powers, including all the powers of the Attorney General, but should in no way, shape or form be part of the Department of Justice or responsible to the Attorney General.

While as a matter of constitutional law it appears that the President must appoint such special counsel, it would be desirable that the President's subsequent contact with that individual be at an absolute minimum until he has completed his mission. At that time it would be appropriate for him, after all prosecutions, if any, have been completed, to submit a final report of his activities to the President.

In addition to reporting to the President, the special counsel should assist the grand jury in preparing a public report of whatever noncriminal misconduct, malfeasance or misfeasance on the part of public officers or employees is uncovered during the course of the grand jury investigation. (Provision for a similar report is made under the Organized Crime Control Act of 1970.) While admittedly Senator Ervin's committee will explore many of these matters, it would surely do well to have the grand jury look into these questions as well.

The activities of special counsel should be adequately funded to enable him to have an effective staff with which to accomplish his task in fullest manner and in the shortest period of time.

So far, as the President has well stated, credit for the disclosure of Watergate should go to one courageous judge and to a devoted and hard-working, albeit much maligned and hampered, press. Now it is Congress' turn. The people of the United States need a lawyer.

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES AMENDMENTS OF 1973

Mr. PEARSON. Mr. President, because I was participating in a trade mission in Eastern Europe when the National Foundation on the Arts and the Humanities Amendments of 1973 were under consideration, I was unable to participate in the debate and subsequent vote. Nevertheless, I would like to say a few words at this time on the merits of the legislation and indicate my support for its adoption into law.

The National Foundation on the Arts and the Humanities, created by the Congress in 1965, have encouraged creative expression through the arts and humanities across the country. Not only has the quality of excellence of endowment programs been maintained, but the scope and effectiveness of such programs has been broadened.

The people of Kansas have been especially fortunate to have been the beneficiaries of grants in the form of summer stipends, younger humanist fellowships, assistance programs for museums and orchestras, residencies such as artists-in-schools, and other worthy activities.

Mr. President, the endowment's impact has been felt across the Nation, and I want to express my strong support for the continuation of the foundation. I believe that the funding levels approved by the Senate are appropriate and constitute a sound investment in the cultural well-being of our country. I fully support continued, strong efforts in this area.

AMERICAN LEGION EXPRESSES OPPOSITION TO RATIFICATION OF GENOCIDE CONVENTION

Mr. ERVIN. Mr. President, the American Legion is composed of American men and women who have served their country honorably in World War I, World War II, the Korean war, and the Vietnam conflict. It is the largest organization of its kind in the world, having nearly 4 million members together with the American Legion Auxiliary. For over 50 years, the American Legion has dedicated itself to the promotion of the American way of life at the local, State, regional, and National levels. Its endeavors and contributions in the fields of civil programs, education, health, and youth programs are literally too numerous to recount here.

Recently, the national commander of the American Legion, Mr. Joe L. Matthews, communicated to me his and the Legion's opposition to Senate ratification of the Genocide Convention. In August 1972, at its 54th annual convention in Chicago, the American Legion adopted a resolution expressing disapproval of the Genocide Convention and opposition to ratification.

Mr. President, I ask unanimous consent that Commander Matthew's letter to me concerning the Genocide Convention and the American Legion's Resolution No. 101 on this subject be printed at this point in the RECORD.

There being no objection, the letter and resolution were ordered to be printed in the RECORD, as follows:

THE AMERICAN LEGION,
Washington, D.C., April 10, 1973.

Hon. SAM J. ERVIN, Jr.,
U.S. Senate, Russell Senate Office Building,
Washington, D.C.

DEAR SENATOR ERVIN: As you know, the Committee on Foreign Relations has favorably reported the Genocide Convention, thus setting the stage for a vote in the Senate.

On behalf of nearly four million American Legionnaires and members of the American Legion Auxiliary, I urge you to oppose ratification of this Convention. The Legion believes it is an unwarranted interference in our domestic legal system which has adequate laws and penalties for the crimes contemplated under the international convention. The Convention is vague, ambiguous and—in the current international atmosphere—incapable of being enforced, as the many examples of recent genocidal warfare in Africa and Asia have amply demonstrated. A treaty that is poorly drafted and ignored, even by its signatories, should not be ratified by this Nation.

For your information, I am enclosing a copy of our current resolution on this subject which expresses more fully the reasons why The American Legion is opposed to ratification of the Genocide Convention.

Very truly yours,

JOE L. MATTHEWS,
National Commander.

Fifty-Fourth Annual National Convention of the American Legion, Chicago, Ill., August 22–24, 1972

Resolution No. 101
Committee: Foreign Relations.
Subject: Genocide Convention.

Whereas, since June 16, 1949, there has been pending before the United States Senate a UN recommended treaty known as the Convention on the Prevention and Punishment of the Crime of Genocide; and

Whereas, the Convention would make genocide a crime against international law and would require the governments of countries which accede to its terms to punish their national for certain enumerated acts, with all disputes relating to the Convention's application and interpretation to be referred to the International Court of Justice; and

Whereas, the U.S. Senate has not given its advice and consent to ratification even though the Convention is considered to be in force among those countries which have become parties to it; and

Whereas, all States of the United States already have laws providing for the punishment of acts, which, regardless of terminology applied, would fall within the Convention's definition of "genocide", and

Whereas, while the U.S.S.R. has commited genocide on "political" grounds, and caused the words "political genocide" to be excised from this Convention; and

Whereas, genocide is defined as not only killing but causing "bodily and mental harm" to a group, or individual members of a group, on the *basis of* nationality, ethnic origin, race or religion; and

Whereas, it would nullify the Connally reservation unless the U.S. insisted upon the appropriate reservation thereto; now, therefore, be it

Resolved, by The American Legion in National Convention assembled in Chicago, Illinois, August 22, 23, 24, 1972, that The American Legion:

1. Deplores acts constituting genocide no matter how or where practiced;

2. Believes there should be no question on the part of other nations—including those which have ratified the Convention and those which have not—of this Nation's dedication to the principles that underline the Convention;

3. Insists that the Government of the United States continue to uphold those principles and to take all steps—consistent with the U.S. Constitution and the division of powers upon which that Constitution is based—to bring about the elimination of the crime of genocide in the world, and to use its influence to cause suitable punishment to be meted out to those who continue such practices in defiance of all the laws of morality and civilization;

4. Opposes U.S. ratification of the original terms of the Genocide Convention; and

5. Does not favor ratification of the Genocide Convention even with the attachment of reservations on the grounds that it is both unnecessary and unwise.

MEDICAID PROGRAM IN NEW MEXICO

Mr. DOMENICI. Mr. President, yesterday my distinguished colleague from New Mexico, Senator Montoya, had printed in the Record an article which was published in Sunday's Washington Post.

The article focused on the administration of the medicaid program in New Mexico and pointed out that the New Mexico program has become a model for the Nation. I would like to add my praise to this fine program—one in which I have consistently held a strong interest.

And I have special praise for the New Mexicans who have built the program into one that is respected nationwide. They have provided expertise and leadership that is unmatched.

Dr. George Boyden, one of the prime movers behind the New Mexico Foundation for Medical Care, and Dr. Edward Herring, chairman of the review panel subcommittee in New Mexico, are tremendously important to the program. And there are many other physicians as well as administrators who have worked hard to provide quality health care to medicaid patients in our State.

I am pleased that the residents of our State are benefiting from this program, and I hope that the lessons learned in New Mexico can be taught to other States throughout the country.

UTAH STATE LEGISLATURE FAVORS REAP

Mr. MOSS. Mr. President, I ask unanimous consent to place in the Record a joint resolution passed by the Utah State Legislature asking the President of the United States to immediately reinstate the rural environmental assistance program.

This resolution outlines the many ways in which the REAP program has assisted Utah farmers, and the lasting benefits it has provided our State. It is an eloquent plea for continuation of the program.

There being no objection, the resolution was ordered to be printed in the Record, as follows:

H.J. Res. No. 6

A joint resolution of the 40th legislature of the State of Utah requesting the President of the United States to immediately reinstate the rural environmental assistant program

Be it resolved by the Legislature of the State of Utah:

Whereas, by Executive Order, the Rural Environmental Assistance Program has been terminated by the U.S. Department of Agriculture;

Whereas, the Rural Environmental Assistance Program in Utah has assisted farmers in Utah with enduring-type practices to:

(1) Increase water use efficiency;

(2) Improve the efficiency and safety in water conveyance systems to farms;

(3) Control erosion and minimize the runoff from fields; and

(4) Minimize the pollution in streams from sediment, animal waste, and salt;

Whereas, the recent federal and state pollution regulations are placing an increased burden on farmers and the rural people in Utah;

Whereas, the policies of the federal government are aimed at improving the life and giving greater stability to the economy of rural areas; and

Whereas, the control of erosion and the maintenance of a quality water supply is vital to the health and welfare of all the citizens of the state;

Now, therefore, be it resolved, that the 40th Legislature of the State of Utah respectfully request the President of the United States to immediately reinstate the Rural Environmental Assistance Program, with adequate funding to carry out the objectives and purposes of the program, which past experience has proven to be of vital importance and benefit to all the people of the State of Utah.

Be it further resolved, that the Secretary of State send copies of this joint resolution to the President of the United States, the Secretary of Agriculture and to each member of the congressional delegation from the State of Utah.

ISRAEL'S 25TH BIRTHDAY ANNIVERSARY

Mr. DOMENICI. Mr. President, although I was in my home State on the date of Israel's anniversary, I do not want to miss the opportunity to congratulate her on her 25th birthday. And I am pleased to see that the United States is taking special notice of the occasion. I believe we should, indeed, share in the joyous celebration that marks the birth of this democratic country that has risen to world prominence in its short history.

Israel and the United States have much in common. Both are strong and prosperous nations; both seek peace at home and in the world. And both are unified in their diversity. This country was born a nation composed of citizens from many countries with diverse backgrounds and cultural heritages. So was Israel.

And this country was founded giving each citizen a chance to have a good life with equal opportunity for all. Israel was, too.

Both countries are having troubles—especially the plague of spiraling inflation.

Mr. President, I believe we are proud of Israel and her successes as we are proud of the United States of America and her successes. Together, I believe we can continue to grow and prosper and together we can strive to make our countries truly live up to the democratic ideal we both cherish.

DR. ELMO STEVENSON—A PERSON WHOSE INFLUENCE WILL BE MISSED

Mr. HATFIELD. Mr. President, a man long identified with higher education in Oregon, Dr. Elmo N. Stevenson, died suddenly last month. As Governor, I worked closely with Dr. Stevenson, whose identification with Southern Oregon College, helped that school grow and prosper. I valued not only his advice on matters of education, but also his friendship.

I ask unanimous consent that a news article sorting out some background about his life, as well as an editorial from the Ashland, Oregon "Daily Tidings" of April 23, appear in the Record.

There being no objection, the article and editorial were ordered to be printed in the Record, as follows:

Elmo Stevenson, SOC Emeritus President, Dies

Ashland.—Dr. Elmo Nall Stevenson, 69, president emeritus of Southern Oregon College, died unexpectedly at his home, 969 S. Nevada St., Ashland, Friday evening. Cremation services were held yesterday morning with Litwiller Funeral Chapel in charge.

A memorial service will be held with the date awaiting word from his son Kenneth Stevenson, in Adelaide, South Australia. Dr. Stevenson also is survived by his wife, the former Caroline Miles, and two daughters, Mrs. Raymond L. Loche, Ashland, and Miss Rosemary Stevenson, Culver City, Calif.

SOC PRESIDENCY

Dr. Stevenson served as president of Southern Oregon College from 1946 until his retirement in 1969. Prior to that he had served as a professor of science education and coordinator of personnel at Oregon State College. He received his Bachelor of Science degree in 1927, his Master of Arts in 1929 and took his Doctorate in Science Education from Stanford University in 1938. He was a native of Yuba City, Calif.

Dr. Stevenson was a member of a number of educational honor societies, and was active in community service and available as a speaker at civic events. Since retirement, he served as chief administrator of Rogue Valley Council on Aging. He was a contributor to numerous magazines and author of several books on natural history.

He retained an interest in Southern Oregon College and was a member of the Southern Oregon College Foundation.

College President James K. Sours, who succeeded Dr. Stevenson, said Saturday morning, "Certainly Dr. Stevenson's death is a great and sudden loss to our community. Probably no other person has had more influence on more lives in the entire history of Southern Oregon than he did. Certainly Southern Oregon College would not be what it is today if he had not performed so well as its president. His death is not only an institutional loss, but a personal loss to me and others at Southern Oregon College."

The family has suggested that donations in Dr. Stevenson's memory may be made to the college.

We're Grateful for Elmo Stevenson's Life

They call some people "boosters," and the meaning of the term is clear.

Many things might be said of Elmo N. Stevenson, who died Friday. One of the things that can be said is that he was a booster.

The list of his affiliations and associations during his adult life is long. It is testimony to Dr. Stevenson's life-long dedication to the betterment of man and the conservation of nature.

Above all, Dr. Stevenson's dedication was spent on Southern Oregon College, the institution he guided through a period of 23 years. During that period the school changed from a provincial academy to a top-notch liberal arts college with an important place in the higher education program of Oregon.

Testimony from long-time faculty members and officials of the state system of higher education confirmed that much of the college's development was due to the efforts of its president. It's doubtful whether the college would have advanced as it did without Stevenson constantly prodding and badgering the higher-ups for needed programs and facilities.

It's hard to imagine a scholar and academic who had less of an ivory-tower image than Stevenson. He was a man who helped shape the community, a man who took part in service club affairs, the programs of the business community and the efforts of agencies like the United Fund and the Red Cross.

In 1969 Stevenson retired as college president. Since then he became a widely known spokesman for the interests of retired people, even though he himself was hardly "retired" in the sense that he had nothing to do.

Countless people join his family today in mourning Elmo Stevenson's death. But we are also profoundly grateful for what he gave us during his lifetime.

THE HARD HAT VIEW

Mr. HUMPHREY. Mr. President, Edward J. Carlough, president of the Sheet Metal Workers International Association, AFL–CIO wrote an eloquent article clearly showing the unfairness and inequities that have accompanied the Nixon administration economic policies.

The long and the short of it all is this: The taxpayer, the taxpaying consumer, the average working man and woman, the working people of this country end up paying the price of Mr. Nixon's economic program.

Whether in profits or tax loopholes or housing cost or interest rates or dividend cashing or coupon clipping, the average working family is simply cut out. And, the wealthy, the giant corporations, and the privileged few are cut in.

Noted Mr. Carlough:

> President Nixon's Phase 3 has become, in the title of a best-selling novel, the Day of the Jackal, and the guy in overalls is the prey.

I might not agree with all of Mr. Carlough's prescriptions for ending inflation. But I agree entirely with his theme: There is no joy in Nixon Land for Mr. and Mrs. Worker.

Mr. President, I ask unanimous consent that the article from the New York Times, "The Hard Hat View," be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

The Hard Hat View

(By Edward J. Carlough)

Washington.—The working people of this country are being swindled down to their socks by a political Administration that's either too ignorant to understand or just doesn't give a damn. Despite President Nixon's professed admiration for the "hard hats," we need more than a "hard hat" to help us. We need a full suit of armor to protect us from the economic body blows of this Administration.

Item—A magazine has disclosed that the 880 biggest companies in the United States last year made profits—after taxes—of $52.6 billion, an all-time record. This was in a year when the guy in overalls had his wages frozen part of the year, and controlled the rest of the year.

Item—During the period January, 1971 to January, 1973, over-all lumber prices rose by 56 per cent in this country. This rise in lumber prices alone has added $1,200 to the site cost of a $28,000 home during the last two years. During this entire period, of course, the wages of construction workers who build these houses have been controlled.

Item—During the period Jan. 1, 1972 to Dec. 31, 1972, profits of building material suppliers rose by an overall rate of 31 per cent.

Item—Recently, several leading banks announced a .5 per cent rise in their prime interest rate, further squeezing the ability of working people to buy the necessities of life on credit.

President Nixon's Phase 3 has become, in the title of a best-selling novel, The Day of the Jackal, and the guy in overalls is the prey. And the biggest jackal of them all is the food industry.

When President Nixon went on national television to announce a freeze on beef, lamb and pork prices, excluding sales of live cattle, I got the feeling he thinks a lot of the rest of us are what the Secretary of Agriculture called "damn fools."

First, he didn't roll back meat prices, he froze them—and at their highest levels in twenty years. Second, his action left untouched live cattle prices, and the morning after the President's speech the Agriculture Department announced that live cattle prices rose another 9 per cent the previous thirty days. Third, he took no action whatsoever on any other food prices, nothing on interest rates, nothing on rent, nothing on lumber or home prices, nothing on soaring medical costs.

Earl Butz calls us "damn fools" and his boss, Richard Nixon, advises us to eat fish. When the French peasants protested about the price of bread in the 18th Century, Marie Antoinette told them to eat cake. Two hundred years later we get a guy in our country who tells us to eat fish. That's what it's all about. To this Administration we're a bunch of peasants.

We so-called great and powerful American trade unionists have become a tray of cream puffs. We're being gouged by the price fixers and clobbered by the tax collectors, while all the time our unemployment rate continues at over 5 per cent nationally, and over 10 per cent for construction workers. We're so puffed up and polite with our middle-class status—we great "silent majority"—that the jackals are eating us alive.

It's time to *remember where* we came from. It's time to remember again what militant trade unionism is all about. It's time to start marching to the sound of a different drummer—that old drummer who screamed and scratched and got us where we are. It's time to begin being ourselves again.

Our position is straightforward. It's the same one we've had since controls began in the construction industry in early 1971. We'll support controls that are fair and equitable to all; we won't buy a straitjacket for our members' wages while price jackals roam the countryside. We're asking for an immediate freeze—*and rollback*—on food, rent, medical prices and interest rates, and effective price control on all the other necessities of life.

And we won't accept any "eat fish" answers. The next thing you know they'll tell us to go barefooted to protest rising shoe prices. What are we supposed to do when the price of our pants goes up? Get arrested?

If all of this doesn't work, maybe we'll just throw a picket line around the White House and start Phase 4.

HATFIELD TESTIMONY OPPOSING APPROPRIATIONS FOR THE SELECTIVE SERVICE

Mr. HATFIELD. Mr. President, recently, I testified before the Senate Appropriations Subcommittee on HUD, Space, and Veterans against the requested $55-million appropriation for the Selective Service System. Particularly when the Congress must hold down Federal spending and eliminate waste in the budget, I can seen no reason whatsoever for continued funding of a bureaucracy that has outlived its proper function. I ask unanimous consent that my testimony before the subcommittee appear at this point in the Record.

There being no objection, the testimony was ordered to be printed in the Record, as *follows:*

Hearings on Appropriation for the Selective Service System Before the Senate Appropriations Subcommittee on HUD, Space, and Veterans

Mr. Hatfield. I wish to thank you and the members of your subcommittee for allowing me to testify before you today.

Mr. Chairman, we are considering in these hearings a $55 million request by the Administration for the Selective Service System. After a review of this proposal, Mr. Chairman, I can see no strategic, economic, political or moral justification for this expenditure.

The Administration has indicated that an extension of the President's authority to induct men into the Armed Forces will not be requested, which is consistent with the President's stated goal during his 1968 campaign to create an all-volunteer military. It has further indicated that due to the nature of modern warfare we need only to have strategic stockpiles sufficient for one year—anticipating that any major war would not last that long. This should also, then, be the case for military manpower. In this situation the draft would be virtually useless regardless of whether or not we had a standby draft.

Historically, and understandably, the National Guard and Reserves have been our second line of defense after the active duty forces. They have been the immediate source of additional combat and support personnel in any wartime situation when men were quickly needed. The draft by its very nature cannot rapidly supply the manpower necessary for a large-scale war. This is because a draftee needs to be trained, which under present conditions requires five to six months for basic infantry jobs and up to 18 months for more sophisticated roles.

Under the present realities of technological warfare, the only contingency, in which we would need large numbers of men, and thus necessitate a draft, would be if another Vietnam or series of Vietnam-like wars occurred. And assuming that the nation were supportive of such a policy a draft set up at the time of the conflict could more than adequately help meet our manpower needs. Wars of this nature grow slowly; we do not suddenly need thousands of men more one day than we did the previous day. Even at the beginning of World War II, when we could see our involvement increasing, it took two months and two days (September 16, 1940, to November 18, 1940) to sign the law and induct the first men. In 1948, after the passage of the Selective Service Act of that year, when intricate plans had been made by General Lewis B. Hershey and his staff beforehand, it took a little over five months from June 24, 1948, to November, 1948, to sign the legislation into law and induct the first men. In other words even with the equivalent of a standby draft it took the Administration in 1948 five months to induct the first man into the Armed Forces, after the President signed the law into effect. It might well be that with modern technology we could move more quickly, but the fact remains that irrespective of how rapidly we might be able to get a man from his home to the induction station he would still have to be trained and transported to the strategic location where he was needed. Consequently, the existence of a standby draft, however defined, would make little if any difference.

In other words, Mr. Chairman, we are being asked to appropriate $55 million to register 2 million men a year for no constructive purpose whatsoever. In spite of the fact that this dollar figure represents a cut of one-third of the Selective Service System's previous budget, I can see no strategic need for it, let alone any potential economies involved. At a time when we should be cutting away needless expenditures which are compounding our inflationary problems, the $55 million, as well as the innumerable indirect costs, requested for the Selective Service System should be a prime candidate for elimination.

The situation with which we are presented is an excellent example of a bureaucracy continuing of its own momentum after the purpose for its existence has vanished. It is my understanding that the Administration is considering recommending further cutbacks if not the abolition of the Selective Service System next year. I see no reason why we should not move that date back one year.

Mr. Chairman, it is the Constitutional responsibility of the Congress to raise the Armies and control the Budget. We have an excellent opportunity to exercise both of those responsibilities in the budget request before us. The existence of the draft too easily allowed us to slip into Vietnam and Southeast Asia without the fullest consideration of its implications. The Congress abdicated its Constitutional responsibilities by creating a peacetime draft and consequently gave up any effective role in declaring war.

Mr. Chairman, the draft is the most severe form of deprivation of liberty that can be exacted by any government agency outside the criminal justice system. Before the Congress makes any move to compromise the individual citizen, we should make most certain that the move is well justified. There has been no attempted justification for such an action except for the allegation that it has been mandated by Congress. While there is some disagreement over this point the easiest way to eliminate the contention would be to abolish the Selective Service System.

Mr. Chairman, there is no strategic, economic, political, or moral justification for the continued existence of a military draft mechanism. I therefore urge strongly your subcommittee to reject the Administration's request for the $55 million appropriation.

PEACEFUL USES OF THE SEABED AND THE OCEAN FLOOR

Mr. MAGNUSON. Mr. President, as many of my colleagues know, I have long been interested in matters pertaining to the ocean, since I serve as chairman of the Senate Commerce Committee which has jurisdiction over a number of ocean-related legislative matters, and since the State of Washington borders the ocean and has one of the most important seaports in the United States. Not only is the ocean of importance to my State, but the freedoms of the sea are important to our Nation not only for its great maritime industry, but for its defense posture, and fishing industry as well.

Representatives of our Government are now engaged in preparing for a new Conference on the Law of the Sea. The last Conference was held in 1960 and a previous one was held in 1958. I was active in formulating U.S. policy for both of those Conferences and I served as a congressional adviser to the U.S. delegation for the most recent session preparatory to the new Conference which has just ended in New York. The Conference itself is now scheduled to begin near the end of 1973 and continue on through 1974. Hopefully, the U.S. objectives of maintaining wide freedoms of the sea while providing greater protection for our coastal fisheries will become a reality as a result of this Conference. In addition to my interest in maritime and fisheries matters, I come from a State with a great university, the University of Washington, which has been a leader in carrying out ocean research in all parts of the world. Our fisheries school is known throughout the world and citizens of many countries come to study there and use its fine facilities.

One of the things that I have been interested in throughout my career in Congress is the need for a strong ocean research program by this Nation. I think it has brought us the lead in technology and once gave us the lead in fishing. Unfortunately, we have fallen behind, and to some extent this has been caused by the lack of adequate resources for oceanographic research. I was particularly pleased by a recent statement made by Dr. Philip Handler, a distinguished President of the National Academy of Sciences of the United States, before the Seabed Committee in New York on March 29, 1973. This distinguished scientist clearly stated before the 91 members of the Seabed Committee the importance to all mankind of strong and independent ocean research programs. I ask unanimous consent, Mr. President, to print this outstanding statement in the RECORD, and I hope that every Member of the Senate will read the arguments Dr. Handler makes for a strong ocean research program for this Nation.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY DR. PHILIP HANDLER, PRESIDENT, NATIONAL ACADEMY OF SCIENCES OF THE UNITED STATES OF AMERICA, BEFORE SUBCOMMITTEE III, ON THE PEACEFUL USES OF THE SEA-BED AND THE OCEAN FLOOR, MARCH 29, 1973

Mr. Chairman, I am deeply honored to appear before this Committee to present my views regarding the issue of promoting scientific research at sea and its value to mankind.

I am the President of the National Academy of Sciences of the U.S.A. The Academy is a private organization which was brought into being by the Congress of the United States in 1863 at the request of President Lincoln to provide to our government, when required, objective advice on scientific and technical matters from the most highly qualified scientists in our country. Election to membership is one of the highest distinctions that can come to an American scientist. I am the President elected by that body.

It is through the Academy that the United States adheres to each of the international scientific unions and to the International Council of Scientific Unions. Academy committees also play a leading role in United States participation in such international cooperative ventures as the International Biological Program, the International Geophysical Year, the International Decade of Oceanic Exploration, and the Global Atmospheric Research Program. It is also through the Academy that the United States participates in such institutions as the International Institute of Applied Systems Analysis, the International Centre of Insect Physiology and Ecology and the newly founded International Foundation for Science. Our Academy arranges the programs of exchange of scientists between the United States and other nations and we also engage in a modest program of technical assistance by cooperation with appropriate bodies in various nations.

We operate the non-governmental National Research Council which, through more than 500 committees on which serve more than 8,000 scientists, engineers, physicians and others, provides advice to our government on matters as diverse and variously significant as the nutritional requirements of humans and of domestic animals, the safety and efficacy of drugs, the construction of highways, the design of new cities, earthquake detection, environmental problems and the uses of computers as well as the magnitude and forms of support necessary to assure the vitality of the American scientific enterprise. Indeed, the present vitality of American oceanography finds its origins in a key report on the importance of oceanography submitted by the Academy to our government in 1965. Our concern with the oceans is focused in our Ocean Affairs Board of which Dr. Robert Morse is Chairman, but numerous other committees of NAS/NRC are also concerned with the many aspects of the ocean. It is the views of this distinguished body of ocean scientists which are blended with mine in the statement I share with you today.

I come before you, then, with two obvious biases. As a scientist myself, I am committed to further the growth of scientific understanding and thus I look with favor on all those measures which would enhance the effectiveness of scientific pursuits anywhere in the world. Second, my own nation conducts an active, exciting oceanographic program, and I hope that this program will continue to flourish. Hence, my plea today is for international arrangements which will facilitate, rather than impede, the conduct of science at sea by all scientists, regardless of nationality.

The study of the oceans is relatively new. Last year the scientific community celebrated the centenary of the Challenger Expedition. The three year cruise of the English research vessel *Challenger*, sponsored by the Royal Society of London, is generally acknowledged as the beginning of modern oceanography. From that beginning, there is now a worldwide community of scientists working individually, and collectively, on understanding the ocean. They work in many ways. Some scientists spend years at sea on ships, measuring, collecting and sampling. Others collect their data from instruments floating on the surface suspended on buoys, or placed on the ocean floor. Most marine scientists are employed by universities or government supported laboratories dedicated to understanding the ocean. Some work individually on smaller projects of their own choosing. Others cooperate in multi-ship, multi-institutional, international programs. All are dedicated to gathering greater understanding of that 70 percent of the world which is ocean.

In the century between first finding life in the ocean depths and the recent spectacular evidence of seafloor spreading, marine scientists have described—and partially explained—the major ocean currents, they have made some progress in understanding why the ocean has its present salt content, have begun slowly to unravel the great complex of plant and animal interrelationships within the ocean, and have revolutionized our concepts of the history of the planet.

Some of the discoveries of ocean science are simple and seem rather self-evident. Others are complex, and very difficult to interpret. Some of the discoveries of the ocean have had important economic consequences. Other discoveries may yet have applications as yet unanticipated, for example. The manganese nodules of the seafloor were actually discovered on that first Challenger Expedition, but as is evident from that simple instance, discovery, in itself, did not lead to immediate exploitation. Science does, indeed, contribute to technological and economic development, and scientific understanding is our most powerful instrument for improving the condition of man everywhere, but the goal of science itself is to understand the world in which we live.

Although there are still relatively few marine scientists, their number is increasing. The number of countries with research vessels that operate far from their home shores is also limited but steadily growing. At the time of the Challenger Expedition, less than ten countries had scientists actively studying the ocean. Today, there are more than 30 nations associated with the Scientific Committee on Oceanic Research of the International Council Scientific Unions and 73 nations are members of the Intergovernmental Oceanographic Commission.

Although much ocean science is still based on the work of individual scientists or of small groups working from a single research vessel, much of today's ocean science is conducted as coordinated multiple ship and multiple nation efforts. Regional programs in such areas as the Baltic, North Sea and Mediterranean have existed for years. The first global international ocean study was carried out as one of the major programs of the International Geophysical Year of 1958–59. This international concentration of attention was followed by the International Indian Ocean Expendition of 1960–65. Since then the number of international coordinated programs have continued to grow in number and complexity, currently culminating in the International Decade of Ocean Exploration, a program for the 1970's. The information and understanding so gained by the world's community of ocean scientists immediately becomes part of the common wealth of mankind, much as is the sea itself. It cannot be in the common interest to limit this enterprise to the ocean deeps when so much of what we seek to understand can only be learned in the region of the continental shelves.

The challenge, then, is to ensure, through appropriate treaty agreement, that the realization of the commonly accepted goals of scientific research at sea be facilitated—not hindered.

Since the world community commenced these most recent deliberations to revise the law of the sea, in an effort to make that body of law more responsive to contemporary human needs, a confusing, complex set of conflicting proposals has been presented which this body must resolve in our common interest. The scientific community is deeply disturbed by the suggestion of some nations that scientific research at sea be subjected to the exclusive control of a coastal state, not only in the confines of its territorial sea, but also in maritime zones beyond. Presumably, one purpose of such control in these zones would be to regulate the possibility of exploitation of offshore living and non-living resources in the interest of the economic well-being of the coastal states, and to assure that foreign research vessels will not acquire unshared information previously unkown about nearby ocean areas.

In the course of your deliberations, some countries, including the United States, have argued that the traditional freedom of science should be retained in all of the ocean beyond narrowly defined limits of national jurisdiction, whereas other nations have suggested that the proposed international seabed authority should regulate research in the entire area of its jurisdiction.

The contending interests in these negotiations, however, can be as meaningfully classified by function as by nationality. As the uses of the oceans multiply, interest groups are developing which cut across political boundaries. Fishing, oil and mining interests, conservationists, ship owners, as well as governments must be heard and be accommodated in the search for the optimum benefit of all mankind. The variety of competing interests indicates the difficulty of the task that confronts you.

The linkages between basic research and economic payoff are complex and uncertain. But some connection obviously does exist, and to the extent that it does, the apprehension that basic research may, if only by accident, lead to exploitation is not groundless. But is it not our task to learn from history? The challenge is to assure equitable use of resources, not to minimize the possibility of their discovery. Scientific oceanography is not a hunt for commercially valuable resources although all of us may hope that such will occasionally be encountered. Arrangements can be made whereby the nearest coastal state can be fully informed of such developments as they occur—if indeed they do occur. I shall speak to these arrangements shortly.

The equipment required for oceanographic research may, albeit quite needlessly, seem to pose another potential source of misunderstanding. Many of you have visited one of the modern research ships now operating throughout the world. I hope that all delegates and staff will find it possible to accept the invitation to visit on board the Research Vessel Knorr of the Woods Hole Oceanographic Institution when it stops in New York City next week. It will just be completing a nine-month cruise as part of the International Decade of Ocean Exploration. But some may gain the impression from this unusually well-equipped ship that oceanography is an activity available only to the richer nations. This is far from true. Much fine research will continue to be done by smaller vessels with similar equipment. And qualified scientists from all nations can find opportunity to utilize the more elaborate facilities of others, including the Knorr. I can also hope that many of you will take a few moments to visit the exhibit; here at the U.N., describing the Deep Sea Drilling Program. Although an initiative of U.S. scientists, this highly successful research program has become truly international. However, confronted with these technical marvels the non-scientists may wonder whether it is possible to verify that all that equipment is really intended for the uses described. This is a concern readily demonstrated to be groundless and again, the arrangements the Academy has proposed should alleviate any such concerns.

These factors—the desire to protect potential resources, and the technical nature of oceanography itself touched, perhaps with the natural pride of every nation, sometimes understandably tinged with bitter recollections of a colonial past—combine to influence the attitudes of those who would tend to regulate scientific activities at sea.

The traditional concept of freedom of the seas is in complete harmony with the new and expanding uses of the sea. Science, like many other activities, must also be measured by the contributions it can make to the future benefit of mankind. And I oppose restrictions on the *conduct* of research in the oceans precisely because I believe such restrictions do not serve our happier visions of the future of man.

To understand that position, let us consider the attitudes of those who wish to maintain maximum freedom to conduct scientific research within broad areas of ocean space. The effort to understand the natural world is one of the noblest pursuits of the human mind. Free intellectual inquiry about the oceans should be encouraged not only because of its importance in understanding our world but also because of its importance to the human spirit. Recent studies of the ocean seabed have led to revolutionary new concepts of the history of the earth. Present studies of ocean circulation not only expand our understanding but may lead in the future to better understanding and prediction of climatic fluctuations. Many biologists are convinced that the clues to unravelling the complex puzzle of species development and differentiation are to be found in a study of oceanic life.

To be sure, the society which allocates some of its resources to the support and conduct of ocean science hopes that the knowledge obtained will contribute to more than just intellectual and spiritual growth. And *some* of the information of marine science *may* eventually become of some economic significance. For example, earlier in this session, Dr. Albers indicated how new ideas about sea floor spreading and continental drift (subsumed under the theory of plate tectonics) may lead to better understanding of the distribution of metal-rich ores as well as of the processes that engender such phenomena as earthquakes and volcanic eruptions. However, it cannot be emphasized too strongly that the primary purpose of marine geologists in pursuing such work is to fulfill a serious commitment to better understanding of the recent geological history of the earth. It is others who must consider whether the research findings have economic value. And the mode of assurance of the equitable use of those findings is a clearly separable question for your consideration.

There is also the risk—I cannot estimate its magnitude—that close regulation of scientific oceanography will have the classical consequence of stifling scientific creativity. Certainly, this rare human attribute has never flourished under rigid bureaucratic management. I urge that, even in the face of the understandable political pressures for regulation, you do not unduly attempt to minimize scientific creativity by agreement to intrinsically unnecessary controls and regulations.

To be sure, regulations would not mean the end of oceanography. Research will continue, but, the more it is subject to controls, the greater the danger that it will become second class research. Progress will be slower, research will be more expensive and new avenues of inquiry will not be pursued.

By directing science toward short term goals, we may lose the unique scholar driven only by his own curiosity, who has been responsible for so many of the great scientific discoveries of the past. I submit that mankind cannot afford such a loss.

We need science to help in the quest for finding and developing new resources and we need science to improve management of known resources. Worldwide harvesting of the living resources of the sea continues to increase, but soon must reach a "steady state," when we may no longer dare to increase our catches for fear of depleting the stocks. In many parts of the world the size of the fish catch may already have reached that state. Few scientists believe that present understanding of the complex ecological relationships in the sea is sufficient to assure rational management schemes for these fisheries. Yet, the nations of the world, collectively, are now faced with the necessity of managing the living resources of the oceans. If this is to be successful, much, much more scientific knowledge about these problems is required, and this knowledge cannot be obtained by directed research alone.

Consequences of pollution are now evident in estuaries, bays, and coastal areas. Although most oceanographers who have studied this problem are satisfied that there is no immediate threat to man or to nature from ocean pollution—except in certain limited coastal areas—many are concerned for the future. Because the ocean environment is relatively uniform, some scientists consider that a relatively low level of pollution might disturb the present ecological balance in the deep ocean, as compared with estuaries or coastal waters where conditions have always been more variable and the living forms more adaptable. It is vitally important that ocean pollution levels be closely monitored, and that scientists learn more about the level of stress that oceanic plants and animals can sustain. Such knowledge is critical to understanding the effects of ocean pollution on marine life and on man himself. Establishment of artificial boundaries which prevent or impede such studies cannot be considered to be genuinely in the interest of humanity.

Many ocean phenomena are global in scope and do not respect political boundaries. The "Benguela Current" runs within 200 miles of most of the countries of West Africa. The "Peru Current" is found off the coast of Ecuador and Chile as well as that of Peru. Some of the most exciting science programs planned for the next decade are directed to the study of the large scale processes by which the ocean and atmosphere are coupled. In ways only dimly perceived at present, it appears that small changes in the average ocean circulation pattern cause significant changes in world weather patterns. To study adequately these large scale ocean-atmosphere interactions requires an observational program that is truly global in scope and not hampered by unwise restrictions.

Progress in the science of meteorology has contributed to ever better short-term weather forecasting. One can hope that, in the future, additional knowledge and understanding of air-sea interactions will contribute to more accurate forecasting of large storms. Other geophysical studies in the ocean may permit understanding and perhaps prediction of such phenomena as storm surges of the type that resulted in the tragic death of thousands in Bangladesh in 1971, or the earthquake generated tsunami which, in the past, have devastated the coasts of Japan, Chile, Portugal, Alaska and Hawaii, among others.

Thus far the oceanographer has been fortunate not to have been unduly encumbered in the awesome task of probing the dark, still depths of the oceans. The impressive advances, to date, in the understanding of our marine world have been made possible, in no small part, by the freedom oceanographers have enjoyed to explore the oceans beyond narrow national limits.

This returns us to whether we can afford any reduction in the quantity or quality of ocean research. I think not. The world has embarked on a course from which there is no turning back. Poets may yearn for simpler days, for seemingly better times. And all of us may, at times, wonder if the material benefits generated by science and technology are worth the cost. The brute fact is that even if science and technology have been important contributors to some of our current troubles, only science and technology can provide acceptable solutions. No matter what the price of industrial development, there seems little chance in this era that any country will voluntarily restrain its economic growth and no one could seriously so propose for those nations of lower per capita income. Hence, the pressing need for all possible scientific understanding for the mutual benefit of all.

Accordingly, I call on scientists of all nations to work together to allay the fears of those who have been led to mistrust the purposes of consequences of unrestricted ocean science. A year ago, the Academy which I head, exercising its traditional independence, proposed to other Academies of Science around the world that all recognize the distinction between open scientific research and what we call "limited commerical exploration."

While there may be other equally valid ways of expressing this distinction, we proposed the following:

By open research is meant that which is intended for the benefit of all mankind and is characterized by prompt availability and full publications of results. It is directed at improved understanding of the planet, not at searching the sea floor for exploitable resources. It is protection of such open scientific research which is my concern today.

Limited exploration, as we use that term, is that which is intended for the economic benefit of a limited group, as evidenced by restrictions on publication and on the availability of data and samples.

The Academy also recommended to other Academies and today urges that international arrangements permit and encourage open research in the area of the territorial sea and we believe that the following provisos offer adequate assurance to the interests of coastal states. These provisos are that the coastal state shall:

(1) be given reasonable advance notice, a period of 60 days normally being adequate.

(2) have the opportunity to participate or be represented in the research and have access to all equipment, compartments and instruments aboard the research vessel.

(3) have the right to receive copies of all data on request, and the right of access, for study, to all samples which it is not feasible to duplicate.

(4) be assured that significant research results will be published in the open scientific literature; and

(5) be assured that these scientific activities will present no hazard to the resources or uses of the sea or seabed.

We believe that basic research cannot flourish in a regulated environment and we think that it must flourish if the contribution of science to the benefit of mankind is to continue to be truly meaningful. Accordingly, we urge that the new regime which you are engaged in constructing impose no restrictions on basic research beyond the territorial seas.

Admittedly, there is no foolproof system for differentiating between these two proposed categories of marine activity and no set of definitions will be interpreted uniformly by all. But our community interests demand that in this small decree we risk trusting one another.

Although the results of science can have technological and economic consequences, there is a major difference between the amount and kind of information required to study oceanic phenomena for increased understanding and the amount and kind of information required by those specialized investigations which lead to resource exploitation. Dr. Knauss described this difference in a presentation to this group last summer in Geneva. Further, the route from understanding to exploitation is unpredictable, at times nonexistent, and usually long and uncertain. Although the application of understanding to practical problems is more rapid now than in the past, most of the applications that we can foresee in the oceans are still far in the future. For these several reasons not only can a coastal state be certain whether it is scientific inquiry, or commercial exploration which is underway at any given time, the provisos stated earlier should also reassure that the national interests of the coastal state are being safeguarded when open research is conducted in territorial waters.

In conclusion, let me emphasize that I appreciate how much work and understanding is needed in order to affirm the goals I have set forth and to negotiate procedures which will permit achievement of these goals. There may seem to be risk in accepting the degree of mutual trust and cooperation I am urging. But it is my belief that the small risk taken in the process of fostering trust amongst us is far less hazardous than that entailed in institutionalizing unwise regulations.

Happily, the vast stretches of the ocean are available in which to start a new experiment in the political behavior of mankind. International cooperation has not been the principal characteristic of most historical agreements and treaties concerning the land portion of the earth—except for the noble example of Antarctica. But it can and must be the basis of man's use and enjoyment of the oceans. Let us investigate the oceans together and let us promote the resultant knowledge as rapidly and in as many ways as possible for the benefit of all men, everywhere. In so doing, we may yet fulfill man's highest aspirations for the world ocean.

Thank you, Mr. Chairman.

EDITORIAL SUPPORT FOR REPEAL OF DRAFT PROPOSALS

Mr. HATFIELD. Mr. President, on February 7, I introduced two joint resolutions pertaining to the abolition of the Selective Service System. Since that time, I am pleased to say, Senators PROXMIRE, CRANSTON, STEVENSON, HUGHES, GRAVEL, and ABOUREZK have joined me as cosponsors of Senate Joint

Resolution 54, which repeals the Military Selective Service Act and thus dismantles the Selective Service System.

Since the introduction of my legislation, there has been considerable controversy and misunderstanding about the necessity of continuing the Selective Service System on a standby basis beyond July 1, 1973. A recent editorial from the Oregonian of Portland, Oreg., cogently argues the reasons for the abolition of the Selective Service System. I ask unanimous consent that this editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

DRAFT MARKS TIME

Most Americans probably believe the Selective Service System will come to an end at mid-year. But that is not quite the case. The only provision of the Selective Service Act that will expire June 30 will be that giving authority to the government to induct young men into the armed forces. The stinger will be extracted, but otherwise the system will continue to operate much as it has in the past.

Men turning 18 will be required to register. Each year there will be a drawing to determine priority of induction. The membership and number of draft boards will remain the same. So will the appeals boards and the Selective Service headquarters in each state.

"We visualize a full range of activities," the acting director of the national Selective Service System, Byron V. Pepitone, has informed members of Congress. The purpose, he says, is to maintain "an active standby organization" capable of immediate action in an emergency.

It will be pretty expensive for Selective Service just to go through the motions. Its proposed budget for the fiscal year beginning July 1 is $55 million, as compared to $83.5 million this year. Its paid employes will be reduced from 7,403 (last November) to 4,340 by the end of this calendar year. Draft boards will remain the same in personnel (unpaid) but will be encouraged to combine their facilities. The goal is to reduce administrative draft locations from the present 2,700 to a total of 925.

This is quite a housekeeping detachment to keep the breath of life in a government service which has no end product whatever. Granted that it will be necessary to have some organization for the custody of draft records and facilities on a stand-by basis, this appears to be overdoing it. We fail to see the benefit, if any, in continuing to register, classify and give priority numbers to men who, in all probability, will never be inducted.

The intention of the Administration and of Congress is to depend on an all-volunteer military force. It may not work. Enlistments could languish despite new incentive pay. But experience thus far is that recruiting figures are adequate.

In any case, emergency military mobilization could not depend on young inductees without any training whatever. It would depend on the regular armed forces and on the National Guard and Reserves, as it has in the past. It should not take long to throw draft machinery back into gear if needed. It should not require a $55 million-a-year charade to keep the system itself on standby.

MILITARY SERVANT PROGRAM ANALYZED BY BALTIMORE SUN

Mr. PROXMIRE. Mr. President, the Baltimore Sun magazine has recently published an excellent article on the practice of using enlisted men as personal servants to high ranking officers.

The author of this article, Frederic Kelly, took the trouble to go to the Army's Enlisted Aides School at Fort Lee, Va., where enlisted men are trained as servants. His story is accompanied by several photographs which graphically demonstrate just how absurd this practice has become.

The author notes how the training these enlisted men receive actually consists of a long series of activities directly related to the skills of a domestic servant. He correctly points out the costs associated with the program.

One of the most interesting observations of Mr. Kelly comes with his treatment at Fort Lee. Apparently out of concern that enlisted men might say something embarrassing, Mr. Kelly was escorted by a colonel who went along "in case his men made false statements." The author also makes the observation that the colonel in charge, a major, a master sergeant and an information specialist, did not seem "to have anything more important to do than walk around the school with a reporter-photographer team."

FILM SHOWN OF FOOD SPECIALTIES

Mr. Kelly was treated to a dizzying slide reviewing the products of Fort Lee training including a prize-winning crown roast stuffed with wild rice, a cake decorated with the Michigan State seal, a cake supported by champagne glasses, a graceful swan carved out of ice, and the specialty of the house, six lobsters pulling a chariot carved from a watermelon.

He sat in on some of the lectures being given the enlisted men: the lecture on the pros and cons of garlic and onions as sandwich ingredients and talks on flower arranging, ice carving, bartending, and telephone courtesy.

Mr. President it almost has to be seen to be believed. I thank Mr. Kelly for bringing it to our attention. It is almost unbelievable that this pampering of the brass could be allowed to go on in this country. We are not an 18th-century aristocracy. Why should we continue to cater to the every whim of our officer class. They make more than enough to pay for their own servants if they want them.

Mr. President, I ask unanimous consent that the Baltimore Sun magazine's article by Frederic Kelly be printed in the RECORD so that others may profit by its reading.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

AS A GENERAL'S AIDE, YOU MAY LEARN FLOWER ARRANGING, GOURMET COOKING, CAKE DECORATING

(By Frederic Kelly)

The sergeant stepped to the lectern, surveyed the small Army class before him and quickly began his lecture. Instead of a spirited talk on the principles of land warfare, though, he launched into a discussion of the pros and cons of garlic and onions as sandwich ingredients. A few hours before, another sergeant had given a lecture and demonstration on the preparation of soups and gravies. Coming up were talks on flower arranging, ice carving, bar-tending, cake decorating, gourmet cooking and telephone courtesy.

It is all part of the curriculum at the Army's Enlisted Aides School at Fort Lee, Va. There, in a converted World War II barracks, volunteer Army and Air Force men are given eight weeks' formal training "in the duties and responsibilities of enlisted personnel assigned to public quarters occupied by General Officers."

The training includes instruction in everything from the proper way to clean ashtrays to the selection of chinaware, glassware and silverware for a formal dinner party. Enlisted aides learn, for example, how to water plants, how to answer the door, how to mix and serve drinks, how to plan menus and how to select and purchase food. They learn that the general's uniforms must be kept clean and pressed, that his bathtub must be scrubbed daily, that his porch is to be swept, his windows washed, his books dusted and his coffee ready for him in the morning.

Once on the job, some of them may be given a few other chores as well.

"What they aren't told at school," says Senator William Proxmire (D., Wis.), an outspoken critic of the enlisted aides' program, "is that they may be called upon to perform such jobs as walking the general's dog, doing his gardening, cleaning his swimming pool or running his wife to the hairdresser—duties that are clearly personal and non-military and in violation of a Defense Department directive issued in 1960.

"The directive is intended to prohibit the use of enlisted aides as personal servants. It states that enlisted men are *authorized* to perform duties that would otherwise interfere with the military and official duties of the officer. These duties, however, must accomplish a necessary military purpose. There is a specific provision against using aides for personal benefit and for duties that have no reasonable connection to the officer's official responsibilities."

It is about a 4-hour drive from Baltimore to Fort Lee, Va. The post is a few miles outside Petersburg, a pretty town that seems to have retained a distinctive Southern flavor. Fort Lee would probably be unrecognizable today to thousands of GI's who trained there during World War II. The post is in the midst of an ambitious renewal program. Many of the old wooden barracks have been torn down and replaced by modern brick buildings.

The Enlisted Aides School is an exception. It was taken over in 1969, when the school was started, given a fresh coat of buff paint, and remodeled into five fully furnished apartments resembling generals' quarters. Each apartment contains a living room, dining room, bedroom, kitchen and bath. There is a small lecture-demonstration room on the first floor. Officers for the school's 14 instructors, all the equivalent of sergeant or above in rank, are scattered throughout the building.

The 8-week course, consisting of 320 hours of instruction, is given six times a year. Class size is normally 24 students. All are volunteers who are selected—and in some cases ardently recruited—on the basis of a background in cooking. Selection for the school is handled by a personnel office (Enlisted Aide Unit 1E680) in the Pentagon.

Aides are allotted to general officers on the basis of one aide per star. But there are exceptions to the rule. Some general officers have no aides, either because they don't want them or because they haven't yet been assigned them (at last count, there were 80 officers eligible for aides on the Pentagon's waiting list). Others like the chairman and the chiefs of the Joint Chiefs of Staff have seven or eight aides each.

In addition to enlisted aides, generals and admirals are allowed between one and three officers as aides-de-camp. Thus, for example, a lieutenant general (three stars) is eligible for three enlisted aides and a captain and a major as aides-de-camp.

At the present time, according to the General Accounting Office, 970 U.S. general officers (out of 1,317 eligible) are sharing 1,722 enlisted aides—a ratio of about 1.7 enlisted aides per general officer. (The ratio increases impressively in Washington, where there are now about 2.6 aides for every general and admiral.)

The annual cost to taxpayers in pay and allowances for enlisted aides is in excess of $13 million. A GAO breakdown shows that the Army spends $3.6 million, the Navy $4.4 million, the Air Force $4.3 million and the Marine Corps $838,000. No figures are available on the indirect cost (recruiting, training) of the program.

The average length of service for an enlisted aide varies from about 8 years in the Army to 16 years in the Air Force. On the average, an Army enlisted aide earns $7,131 a year. The average pay for a Marine Corps enlisted aide (called a cook specialist or a food service technician specialist) is $8,878. Navy stewards, 98 per cent of whom are Filipino, earn an average of $7,788 a year.

The Army's Enlisted Aides School, a division of the Subsistence and Food Service Department of the Quartermaster School at Fort Lee, is under the command of Col. James T. Moore. Colonel Moore is a stocky, heavy-set man who gives the impression of wondering what in the world all the fuss is about. After all, he lets it drop, the school has been there for nearly four years and nobody ever said anything about it before.

Besides," he shrugs, "we teach nothing more than the hospitality trade. Our graduates can walk out of here into good-paying jobs in the hotel-motel-restaurant field. Our program dovetails with what a man has to know, for example, to manage a restaurant. We're giving him valuable training and a marketable skill. Is that bad?"

Colonel Moore and a couple of aides will be happy to "lay-on" a guided tour of the Enlisted Aides School and to answer any questions about its operation. ("One thing you'll discover here," he boasts, "is that we're not trying to hide anything.") But first he insists on presenting a brief color slide show that "will put everything in its proper perspective."

The show, narrated by the colonel, turns out to be a somewhat les-than-engrossing overview of the operations of the Subsistence and Food Service Department. Only a few slides relate directly to the Enlisted Aides School. That, beams the colonel, is exactly what he meant when he said he wanted to put things in perspective. "I'm not downgrading it," he says, "but the fact is the Enlisted Aides Division is only a small part of he overall food service and subsistence picture."

The "brief" show stretches out to nearly an hour. Colonel Moore drones on, reading from each slide as he clicks it in with a touch of the remote control switch. The slides present a dizzying array of graphs, tables, statistics and slogans ("Motivation and confidence through achievement!" says one. "We learn best and retain it longer when we do it!" says another).

The show grinds to an end with a few last slides of the post's culinary arts team. The team, the colonel explains, is made up of cooking, instructors and competes in nationwide culinary arts shows. Proudly, he lets it drop that the team won "best in show" at a competition in Richmond a few months ago. In Detroit a few weeks later, the team finished second to a Canadian cooking team. The cost for the Detroit trip was $5,700. "It's good for our image," says the colonel, "and it helps in our recruiting drives." He flashes an unctuous smile, "It's not the same old Army today, you know," he says.

As he talks, Colonel Moore squeezes off slides with the remote control switch. *Click*. A shot of the team posed around a large, prize-winning crown roast stuffed with wild rice. *Click*. A closeup of a cake decorated with the Michigan State seal. *Click*. Another cake, white, with its top two tiers supported by champagne glasses. *Click*. A graceful swan carved from ice. *Click*. The team speciality—six lobsters pulling a chariot carved from a watermelon.

The Enlisted Aides School is only a short drive from the colonel's office. Tulips have been planted in front of the long, two-story building. Tall pines form a majestic backdrop. Colonel Moore has been joined by the post information officer, Maj. Harlan Brady, and one of his civilian assistants. Inside, waiting to conduct the tour of the school is M. Sgt. Lawrence Hettinger, a former enlisted aide and now non-commissioned officer in charge of instruction.

Sergeant Hettinger is the prototype of the career NCO, tall, crewcut, ramrod-straight, unfailingly courteous. He wears a small airborne badge pinned over his breast pocket. Like his colonel, Sergeant Hettinger, too, wonders what the fuss is about. He, personally, was never asked to perform servant's chores for any of the generals he worked for. He couldn't remember if he had ever heard about other aides who had. Rumors, maybe, but . . .

Anyway, "I never felt I was being used," he says. "I believe I had a job to do and it was my responsibility to do it. I think the vast majority of men feel the same way. If they didn't they'd get out. One of the things stressed here is that we're all volunteers and if someone doesn't think he's going to like being a general's aide, then now is the time to get out of the program."

Both Colonel Moore and Sergeant Hettinger balk at the suggestion that it might be too late to get out later, when they're on the job. "No, sir," insists the colonel, "you can stop being an aide any time you want to. All you have to do is tell the general you no longer wish to be his aide and he'll usually arrange an immediate transfer."

Sergeant Hettinger is nodding vigorously. As a matter of fact, he says, he knows about a case a couple of years ago where an aide had a mild personality conflict with a general and requested a transfer. He got it, with "no hard feelings." It happens, shrugs the sergeant, and if an aide isn't happy, then a general would rather get someone else. "Right," says the colonel.

In the classroom, a sergeant-instructor is just finishing a demonstration on preparing canapes. The men will go back to their apartment kitchens (anywhere from two to four men are usually assigned to each kitchen) and prepare individual trays of canapes. The sergeant will inspect them later and offer suggestions. In the meantime, he has a few last-minute instructions. "Remember," he urges them, "to utilize left-overs whenever possible and always make your canapes to suit the taste of the general you'll be working for."

The reference room and library is just down the hall from the classroom. There, in their spare time, the men can consult a variety of sources dealing with the subject they're studying. For background in the Care and Cleaning of General Officers' Quarters in Garrison and Field, for example, prospective aides may study "The Army Wife." To learn more about the Selection of Table Service for Formal Functions, they choose either "The Correct Waitress" by Susan Dietz or "Party Service" by Myrtle Ericson. Julia Child's book, "Mastering the Art of French Cooking," is recommended for courses in Gourmet Menus and Recipes and the Preparation and Serving of Formal Meals.

The enlisted aide's bible, however, is a Quartermaster Corps publication called "The Enlisted Aide's Booklet," which covers such subjects as how to select and serve wine, how to prepare cocktails, how to set up a receiving line and how to seat guests. The aide learns that there may be times when he'll be called upon to serve as cook, butler, waiter and bartender, and on those occasions, he's told, he should be prepared to alternate between wearing his butler's coat and his mess jacket. He learns, further, that his centerpieces must "create a mood of cheerful freshness" and his floral arrangements must "harmonize with the table setting."

To help him plan meals, there is a section in the booklet devoted exclusively to menus for all occasions. Thus, for example, if the general's wife is having her bridge ladies in for lunch, he is prepared to serve them a light buffet of Avocados Stuffed with Crab Meat or Salmon Mousse en Bellevue. For a formal dinner, he is ready with a menu that might include Smoked Salmon Mousse with Cucumber Sauce, Roast Stuffed Quail, Gnochi Romana with Bechamel Sauce, Peas Paysanne, Parker House Rolls and Coffee.

Upstairs in one of the kitchens, Air Force Tech. Sgt. Louis Green spreads cream cheese on a cracker, adds a bit of olive and arranges his creation carefully on a tray. He is a former aircraft maintenance man who is grateful to be in the enlisted aides program. But nobody, he vows, is going to make him walk any general's dog. No way. He glances covertly at the figure of Major Brady lurking near the kitchen door. Of course, he concedes, a man can make a job as easy or as hard as he wants.

Army Spec. 5 George A. Southerland, a five-year veteran of Army mess halls, finishes adding frilly toothpicks to his tray of canapes. He pauses to wipe his hands on a towel and allows that he, too, is happy to be in the program. He's thinking ahead to when he gets out of the Army. What he learns now, he says, will be a big help to him then. He isn't sure he believes all the stories he's heard about aides becoming servants. People exaggerate, he concludes.

The stories, many of them from former aides and a few from aides now on active duty began pouring into Senator Proxmire's office shortly after he announced his intention to introduce a bill that would prohibit the use of enlisted men as personal servants to general officers and their families. The bill would also close the Army "charm school" at Fort Lee and a sister school run by the Marine Corps at Camp Lejeune, N.C.

Senator Proxmire called the enlisted aides program "one of the last trappings of aristocratic privilege," and said that, while there might have been a time when the program was justified because of extremely low military salaries, that time has passed. "Pay has increased dramatically," the senator says. "A lieutenant general or a vice admiral, for example, receives $33,685 in basic pay plus $2,775 in tax advantages, $575 in subsistence and $3,450 in quarters allowances, for a total of over $40,000."

Many people agree with him. Says one former aide who asked to remain anonymous, "The job that a soldier has to perform is not the way it was written in the book. Some of my duties were walking the dog, washing the car, cleaning the bathroom, mopping floors, making beds, washing clothes, ironing, shopping and running errands for the wife and cleaning up behind her. When the wife takes a bath, for instance, afterward she calls you to clean the bathtub."

"I know for a fact," adds the wife of a Navy steward stationed in Norfolk, Va., "that the stewards clean the house, cook all the meals for the admiral's family (and house guests), do the laundry (not only the officer's uniforms, but also their wives' clothes), act as butlers, drive wives on errands (or run errands for them), work as bartenders (at which my husband has become proficient) at official and unofficial parties (family gatherings as during the Thanksgiving and Christmas holidays), and serve at the bridge games and picnics of the officers' wives."

A former Marine Corps aide, who also requested that his name not be used, tells about a general's wife who loved to run her finger along the furniture or the venetian blinds to pick up dust. "She had two children, a 14-year-old daughter and a 19-year-old-son," she says, "and half the time after her daughter went to school and the mother was too busy to make her daughter's bed, she'd ask one of us aides to come and to straighten up her room. We'd wash their car once a week and we'd also wash their son's car while he was at college just so he would have a clean car when he came home on weekends.

"Once when their washing machine broke down in October, I had to take their wash in to Quantico and wash it in a coin laundromat. They didn't buy a new washer until after Christmas. When the general and his wife went out, one of us would have to come back in the evening just to cook their daughter her dinner, like a hamburger. When their son was home for the summer, he had a job at a construction site. We'd fix his breakfast, as well as his father's, and we'd make him a sandwich for lunch, and sometimes he would complain because the lettuce was gritty or the sandwich wasn't right or something."

At the Enlisted Aides School, Colonel Moore is sipping his fourth or fifth cup of coffee of the day. He is sitting, surrounded by his staff, in one of the upstairs living rooms. The colonel makes $30,209.63. Major Brady makes $19,908.74. Master Sergeant Hettinger makes $13,355.31. The civilian public information specialist probably makes around $11,000.

None of them seems to have anything more important to do than walk around the school with a reporter-photographer team. The colonel finally says he has got to be there in case of any of the men makes false statements. It's his . . . if they do, he says, and he is not about to get his . . . in a sling. Besides, adds the major in a somewhat petulant voice, it is not a question of censorship. Anybody's free to say anything he wants about the enlisted aides program. The sole reason they're there, he says, is to make sure that whatever is said is accurate.

The colonel swishes his coffee around in his cup and finishes it in one gulp. An instructor appears with a refill. If anybody asked him, Colonel Moore says, he'd have to say that most generals could make a lot more money in civilian life than they do in the military, and if Senator Proxmire is proposing to do away with the enlisted aides program, well, then, he'd also better give some thought to paying generals $150,000 a year.

"What everybody easily forgets," he says, "is that a general not only has a commitment to the military, he also has a commitment to the local community. So has his wife, usually. They're constantly in demand, constantly on the go. They're expected to be. They're also expected to entertain. Protocol demands it. In my opinion, having an aide isn't a luxury, it's a necessity. It frees the general to devote more time and service to both the military and local community."

The crux of the matter, of course, is whether enlisted aides are being used as domestic servants and, in the words of Senator Proxmire, whether they should be trained at taxpayer expense "in gourmet meat preparation for generals and admirals when our soldiers are eating hamburger." The training, incidentally, includes "graduation exercises" in which aides prepare either an informal buffet or a formal dinner.

Guests on these occasions are frequently from outside the post. For example, 275 guests from the Petersburg area were on hand in early March for a "Founders Day" banquet. A few days later, a formal dinner was served for 290 Boy Scout executives and their guests from Petersburg and Richmond. "Until recently," says Senator Proxmire, "these events were provided to guests and military personnel free—or rather at taxpayer expense. Now, however, in response to my investigations, a nominal charge is being levied, but that does not include reimbursement for service as well as food."

Colonel Moore is aghast. He doesn't know where the senator got his information, he fumes, but it is certainly not accurate. All cost to the U.S. government, he says, is reimbursed 100 per cent and, what's more, it always has been. Never at any time, he adds, has the Enlisted Aides School thrown free banquets for civilian groups. The Boy Scouts, for example, paid the government $1,683.80 for its party. Was a service charge included? Well, no, says the colonel, of course not, because that's part of the training program, anyway. They have to cook dinner for someone in order to complete the course and the government is just lucky groups like the Boy Scouts come along and pay for the cost of the food.

Contrary to what most generals fear, Senator Proxmire is not suggesting that enlisted aides be eliminated entirely. "When used strictly for legitimate military purposes, they're fine," he says. His aim is pretty much the same as the aim of Public Law No. 165, Section 3, passed during the Civil War:

> Whenever and officer of the Army shall employ a soldier as his servant, he shall, for each and every month during which said soldier shall be so employed, deduct from his own monthly pay the full amount paid to or expended by the Government per month on account of said soldier.

In other words, the senator is telling the generals, if you want domestic servants, pay for them out of your own pockets.

PEOPLE-TO-PEOPLE DIPLOMACY—KEY TO WORLD UNDERSTANDING

Mr. BROOKE. Mr. President, a recent speech by Alan A. Reich, Deputy Assistant Secretary of State for Educational and Cultural Affairs, contains many excellent suggestions as to why people-to-people diplomacy is an important aspect of our continuing involvement in world affairs. I commend this speech to the Senate and ask unanimous consent that it be printed in the Record.

There being no objection, the speech was ordered to be printed in the Record, as follows:

People-to-People Diplomacy—Key to World Understanding

Technological advances have made nuclear war a threat to mankind's existence. Fortunately, new initiatives and agreements in the disarmament field offer hope that the deadly cycle of weapons build-up may be broken. Prospects for increased government-to-government cooperation look better now than at any time since World War II. The great powers are focusing on areas of common concern and not only on their differences. The results appear promising.

But while technology has made nuclear annihilation possible, it also has sparked a revolution in communication and transportation which brings increasing numbers of people in all walks of life into direct, open, and immediate contact. International diplomacy, traditionally the task of men behind closed doors, has become a public matter. Many foreign offices no longer confine themselves to speaking with other foreign offices for peoples; they help and encourage peoples to speak for themselves across national boundaries. People-to-people communication has become a dominant force in international relations throughout the world.

Many Americans ask why we should concern ourselves with international problems when we have so many serious domestic concerns demanding attention. There are several good reasons for our getting "involved with mankind": First of all there is common charity. Then there is a sense of common humanity. In addition, there is common sense. Modern transportation and communications, not to speak of modern weapons, have brought our neighbors' problems to our doorstep. We have no choice but to become involved, because if the problems next door are ignored, they soon become our problems.

Poverty, illiteracy, hunger and disease recognize no nation's borders and travel under no country's passport. It is not a matter of the world's poor getting poorer while the rich get richer. The poor are getting richer, too. But their lot is improving so slowly that the difference—the gap—between rich and poor is widening, not closing. Unless some way can be found to reverse this trend, those who are better off must one day suffer the horrible consequences. Neither we nor our children will have the luxury of working on our domestic problems if we do not succeed in bringing about a climate of peaceful cooperation throughout the world during the next few years. Whether we cooperate with our international neighbors because it is good, or right, or necessary, we must get on with it *while* we are improving the quality of life at home. We can also take some solace in knowing that the job is not ours to do alone. Many other nations share with us the desire and the capacity to help close this gap between the have and have-not peoples of the world. The facts of international life today are that common sense and common survival dictate common action to solve common problems.

As societies and their problems have become more complex, more and more people are educated in international affairs and have become concerned citizens. Mass media reach and stimulate increasing numbers of people. The number of individuals and institutions that influence major decisions in every country is growing. This is true in international as well as in domestic matters.

The geometric increase in citizen involvement in world affairs has special significance for the diplomat. It is a fundamental, irreversible, and irresistible influence for peace. Nations are less likely to deal with their differences in absolute terms when their citizens communicate and cooperate with each other freely and frequently.

When people-to-people bonds and communications networks are more fully developed, there will be a greater readiness to communicate, to seek accommodation, and to negotiate. The likelihood of international confrontation will diminish, and prospects for peaceful solutions will be enhanced. This rationale governs the interest of the State Department in the furtherance of meaningful people-to-people exchange.

In the past few years, social scientists have increasingly studied the relevance of informal nongovernmental communications activities to matters of war and peace. Research scholars such as Dr. Herbert Kelman at Harvard University are attempting to develop a more scientific base for these transnational cross-cultural communications activities. Their research suggests that the existence of informal communications tends to reduce the level of tension when conflicts of interest occur; they contribute to a climate of opinion in which conflicts may be negotiated more effectively. Second, their research indicates that informal relationships create a greater openness in individual attitudes toward other nations, peoples, and cultures; these predispositions also lead to greater readiness to communicate and to resolve differences peaceably. Third, social scientists tell us that international cooperation and exchange contribute to world-mindedness and to an internationalist or global perspective on what otherwise might be viewed either as purely national or essentially alien problems. Finally, international people-to-people relationships help develop enduring networks of communication which cut across boundaries and reduce the likelihood of polarization along political or nationalist lines.

DEPARTMENT-SPONSORED EXCHANGES

When you think of the State Department's conduct of our international affairs, the exchange-of-persons program does not come immediately to mind. It is, nonetheless, a significant and important activity of the Department. The Bureau of Educational and Cultural Affairs works constantly and quietly to improve the climate for diplomacy and international cooperation. The exciting, challenging job of the Bureau is to utilize its modest funds and manpower to reinforce the work of American individuals and organizations who want to help construct, a little at a time, the foundation of better relationships with the rest of the world. It also coordinates, as necessary, the activities of other government agencies with international exchange programs in substantive fields such as health, education, social welfare, transportation, agriculture, military training, and urban planning.

Having come not too long ago from the business world, I have a great appreciation for what is being done for an investment of $40 million annually. There are several major elements of the Department's exchange program:

The Fulbright-Hays exchange program over 25 years has engaged more than 100,000 people in academic exchanges. Annually, some 5,000 professors, lecturers, and scholars are exchanged to and from the United States.

The international visitor program brings to the United States about 1,500 foreign leaders and potential leaders annually for one- or two-month orientation programs. This includes nonacademic leaders and professionals, from Cabinet officers to journalists. One out of every 10 heads of state in the world today has been a State Department exchange visitor, as have some 250 Cabinet ministers of other nations.

The Department of State sends abroad annually several leading performing arts groups and athletic stars; for example, in the past year Duke Ellington toured the Soviet Union; several jazz groups performed in Eastern Europe; the New York City Ballet is currently on tour in the Soviet Union; and Kareem Jabbar (Lew Alcindor) and Oscar Robertson of the Milwaukee Bucks visited Africa. (Of course, the U.S. table-tennis team visit to China was totally a private effort.)

Some 150 prominent U.S. lecturers went abroad for six-week lecture tours in 1971.

Nearly 500 United Nations specialists selected by their home countries and funded by the U.N., are programed annually by the State Department through 30 other government agencies for six- to nine-month training programs in the United States.

The State Department's small but catalytic exchange-of-persons program with 126 countries stimulates constructive communication among leaders and future leaders in many fields here and abroad. It creates durable reservoirs of information, understanding, and empathy. It develops rewarding and lasting contacts of key people of other countries with their counterparts here.

PRIVATE SECTOR PARTICIPATION

These programs depend heavily on the willing cooperation of countless private individuals and organizations throughout the United States. Their response has been outstanding. The Department contracts with a number of organizations to assist in carrying out these activities. For instance, COSERV—the National Council for Community Services to International Visitors—is a network of 80 voluntary organizations throughout the United States which enlists some 100,000 Americans to provide hospitality and orientation for international visitors. They serve voluntarily because they believe in the importance of their work to strengthen international understanding. This makes an indelible impression on the foreign visitors they serve.

Another organization, the National Association for Foreign Student Affairs, counsels many of the 150,000 foreign students now studying in American colleges and universities. The Institute of International Education and several private programing agencies help carry out the Fulbright and international visitor programs.

We in the Department of State are aware that our programs represent only a portion of the total private-public participation in exchanges aimed at furthering international mutual understanding. In addition to service organizations, professional associations of doctors, lawyers, journalists, municipal administrators, and others link their members with counterparts throughout the world. More than 30 American sports organizations carry on international programs involving their athletes in competition, demonstrations, and coaching clinics here and abroad; several youth organizations conduct international exchanges involving nearly 5,000 Americans and foreign teenagers annually. Numerous foundations, businesses, and institutions throughout American facilitate the private studies of many of the nearly 150,000 foreign students who come to study in the United States annually and approximately half that number of Americans who study abroad each year. Private American performing arts groups tour other countries; reciprocal opportunities are offered to counterpart groups from abroad. The People-to-People Federation and its various committees actively promote and carry out meaningful exchanges; the sister city program of the Town Affiliation Association links 420 American cities wth communites in 60 countries of the world.

Before we undertook to encourage new exchange activities in the private sector last year, we asked the cultural affairs officers in our Embassies around the world whether they wanted an increase in exchanges by private groups. They were also asked whether these activities further our long-term purpose of increasing mutual understanding with their respective countries. Almost without exception the posts replied that they want increased exchanges. They want them to occur both to and from the United States. They confirmed that these activities contribute to removing barriers to understanding and to forming durable cooperative relationships.

Last year the Bureau of Educational and Cultural Affairs set up a special office to respond to the needs of private organizations seeking to participate in international person-to-person programs. This Office of Private Cooperation, on request, helps private organizations to become active internationally.

The contribution of service organizations

In government and in the private sector, there is much to be done. Service organizations, such as Rotary International through its people-to-people programs, are doing an outstanding job. Rotary's international youth exchange, involving 700 youths throughout the world annually, is a model program with considerable impact.

The Rotary Club matching program, which links Rotary Clubs in 150 countries with counterpart clubs for direct Rotarian-to-Rotarian relationships and shared service programs, is equally impressive. Rotary's world community service program has helped people throughout the world. Through Rotary International's small business clinic programs, many individuals in less developed countries have been helped to self-sufficiency and community contribution.

Two other elements of the overall Rotary International outreach are especially meaningful. First, the mere existence of some 15,000 Rotary Clubs joining 750,000 Rotarians in 150 countries is a potent force for mutual understanding. Rotary is made up of leaders from all segments of society; this fraternal relationship—professional to professional, businessman to businessman, and so on—generates good will among millions throughout the world.

Another service which Rotary Clubs perform is the furtherance of international person-to-person relationships by others in their communities. In visits throughout the United States, I have been impressed with the extent in which Rotary and other service clubs have initiated and developed sister city affiliations, people-to-people exchanges, international hospitality programs, and international activities of local perfoming arts and sports groups. These activities contribute to strengthened bonds between participating local groups and their counterparts in other nations.

I have been asked by leaders of private organizations what they might do to increase international understanding. Frankly, I cannot imagine a more significant organizational outreach, either in concept or in program, than that of Rotary International.

I would urge Rotary and other organizations to do more of the same—demonstrating so well the capacity for commitment of the American people in solving that most important of all human problems, the achievement of a sustained world peace, by sponsoring exchanges, providing community leadership in international programing, helping peoples of other natons to become less dependent, and strengthening international ties among key individuals and groups. Specifically, I urge you to undertake in whole or in part the following 12-point program:

1. Expand home hospitality and community orientation programs for foreign students and international visitors (including professional, business, diplomatic, military and government leaders).

2. Develop programs for the international alumni of area universities and colleges.

3. Strengthen your sister city program and affiliate with a new sister city.

4. Expand youth exchanges and community programs for international students.

5. Internationalize your community involvement by affiliating with an appropriate international organization in cooperation with the U.S. National Commission for UNESCO.

6. Participate directly in and support the international exchange programs of the People-to-People International and of the People-to-People Sports, Music, Handicapped and other exchange committees.

7. Internationalize your state and local American Revolution Bicentennial Commemoration programs as they are planned and implemented.

8. Invite foreign professional counterparts and students to conferences and seminars.

9. Help expand the international public service activities of U.S. corporations operating internationally.

10. Form international institutional linkages affiliating universities, hospitals, rehabilitation centers, schools, libraries, and museums for exchange relationships.

11. Strengthen the Partners of the Americas Program linking U.S. states and Latin American countries.

12. Maximize the goodwill generated by ensuring public visibility for these activities both here and abroad.

In addition, I hope you will continue your community-wide cooperative efforts, now underway, to further Boston's contribution to world understanding. Many other organizations represented here today will find their place in such a program. Boston could, as you have in so many other areas of human concern, provide a model for the nation in expanding meaningful people-to-people relationships. As you move ahead, please do keep us informed; come down and share your ideas with us. We might be able to help.

On behalf of the President and the official foreign affairs community of the United States, I extend my thanks to the Boston Rotary Club, the other clubs of Rotary International District No. 793 and all of you here today, not only for improving the climate for diplomacy, but for your individual and collective leadership in furthering world peace.

THE CONSTITUTION AND THE SEPARATION OF POWERS

Mr. MOSS. Mr. President, as any reader of the Federalist papers would know, our Founding Fathers labored long and hard on the doctrine of separation of powers.

In these days of our great concern for the solidity and strength of this Government, it is imperative that we bolster our faith in the Constitution and turn to it again, as the rallying point upon which our governmental ethic can be revitalized.

In the New Yorker magazine for April 28 in the column entitled, "The Talk of the Town," faith in the Constitution and in the doctrine of separation of powers is renewed. I ask for unanimous consent that the article be printed in the RECORD for the benefit of the Senate.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NOTES AND COMMENTS

We were in Washington in the momentous days before and after the Watergate story broke open and the walls around the White House—walls of silence, deception, and denial—came tumbling down. We arrived in a grim and worried town a week or so before the President released his aides to testify before Congress. All in all, the past few months had been a confusing time in the headlines. In Cambodia, American planes were at work turning one more country into a desolation of casualties and refugees; at home, the citizenry had been displaying its outrage at the price of red meat; and on Capitol Hill prominent men of both parties were announcing that the United States Constitution was threatened. This last was a matter that some people seemed to see as a quarrel between politicians—a wrangle strictly local to Washington—rather than as something of general interest. Moreover, in the public eye all these events—the boycott, the bombing, the battle for the Constitution, and the then still simmering Watergate story—were apparently unrelated like the acts of a three-ring circus. It was as though Americans were living not in one nation but in several, which were not so much divided against each other as disconnected from each other. In this slack, dispiriting atmosphere, a growing number of legislators had been sending up fearful warnings. Senator Edmund S. Muskie, not a man renowned for reckless overstatement, had warned of "one-man rule," and so had Senator George S. McGovern. Senator John C. Stennis—no hothead—had worried publicly from his hospital bed about the erosion of the powers of Congress, and, speaking of the war power, had declared that "the fabric of our Republic . . . cannot long withstand the strain of asking citizens for the ultimate sacrifice without permitting them to participate in the decision of whether to make that sacrifice." Senator J. William Fulbright had expressed fear that we might "pass on, as most of the world has passed on, to a totalitarian system." In the press, it was becoming popular to refer to our Constitutional government as an "eighteenth-century system." Remarks like these sent a chill of real fear down our spine. Yet not only were the warnings evidently failing to stir the country but they were failing, it sometimes appeared, to stir even the men who were issuing them. The country's listlessness sometimes seemed to have reached the very men who were trying to rouse the country out of it. At the beginning of last week, the country seemed to be sliding into a dangerous stupor. By the end of the week, it seemed about to revive and to recognize itself around one issue—Watergate.

When we got to Washington, we went first to the Capitol, to talk with Senator Mike Mansfield, the Senate Majority Leader, who has spent thirty years in Congress, serving in both the House and the Senate. He welcomed us into the Majority Leader's office—an ample eighteenth-century room with complex gilt-edged molding on the ceiling and walls—and poured us a cup of coffee. There were cookies and brownies on a low table in the center of the room. We sat down across the table from our host. Senator Mansfield holds his chin upraised, and his gaze often seems fixed on something high in the distance. His expression is perfect, unreadable poker. The answers to the questions we asked came back loud and clear, with astonishing promptness, in a high, flat voice speaking short, brisk sentences without any hemming and hawing.

We asked Senator Mansfield about the state of the Constitution.

"It comes down to two fundamental issues," he said. "One is impoundment. The other is executive privilege." The President, of course, had not yet made his announcement. "There is some room for impoundment, but not to the tune of twelve billion dollars. The President is entitled to some executive privilege, but it certainly doesn't apply to all present and former employees. There is no Constitutional ground for that."

We asked whether, in his opinion, this was a full-scale Constitutional crisis.

"Not yet. It could come to that, and it will if these actions are not reversed."

"Are we really headed in the direction of one-man rule?" we asked.

"The trend is in that direction. But Congress has only itself to blame for having its power diluted. It handed its power over to the President on a silver platter. It gave away its war power several decades ago, and now, because of this last war, it's waking up to the fact. It's finding that power is easy to give away but hard to get back."

It struck us that here was one possible explanation of why Congress sometimes seemed muted even as it delivered dire warnings. Presumably, it's more difficult to get indignant at yourself than at some other culprit. We went on to ask, "If there is a threat of one-man rule, doesn't that mean that we are in danger of losing our republican form of govermnent?"

"No. I wouldn't say that," Senator Mansfield replied, with his usual alacrity. "Right now, the balance of power is dangerously tilted in the direction of the executive. If the trend continues, the Constitution will become null and void and worthless."

"But doesn't that mean that we will lose the Republic?" we asked. "Wouldn't we then have lost our liberty and everything that goes with it?"

"I can't envisage those things in the United States. The Congress is waking up now. We have a suit against impoundment in the courts. We have legislation started on executive privilege and impoundment. Even if the Constitution becomes, shall we say, weakened, I can't see us losing our liberty. Of course, it's true that the media are under attack, too, and this increases the sense of uneasiness."

"Then there's no real danger of the Constitution's collapsing?"

The Senator answered with a declaration of personal conviction. "I still have great faith in the Constitution, in our institutions, and in our freedoms: the freedom of speech, the freedom of assembly—peaceful assembly, that is." He raised an admonitory forefinger. "I guess it's just an enduring faith I've had all my life. If I lost that faith, it would be time for me to resign as a senator."

"But if we lose the Constitution—" we began, but the Senator interjected "We won't lose the Constitution!" and rose to his feet.

We next started in the direction of the law firm of Covington & Burling, on Sixteenth Street, just a few hundred yards from the White House, for we were to meet John Sherman Cooper, the former Republican senator from Kentucky, there; he had retired from the Senate several months earlier, and was now practicing law. But first we stopped in at the Everett McKinley Dirksen Senate Office Building, where three subcommittees were holding joint hearings on the subject of executive privilege. At this particular session, as it happened, Attorney General Richard G. Kleindienst had asserted unlimited executive privilege for all two and a half million employees of the executive branch, and had just told the senators that if they had any objections they could impeach the President. Now, with Kleindienst still in the witness chair, the committee members had, to their evident surprise, wandered into the subject of impeachment. Senator Sam Ervin pointed out that if Congress couldn't call witnesses from the executive branch, it probably couldn't get the evidence for an impeachment, to which Kleindienst replied that no evidence was needed—only the votes of enough senators and representatives were necessary. Ervin then pointed out that the Chief Justice of the Supreme Court presides over an impeachment trial, and would be likely to require some evidence. Kleindienst replied that Congress could then impeach the Chief Justice. Earlier, he had said that if they didn't like aspects of his own behavior they could impeach him too. The senators were visibly shaken up and embarrassed by all this talk of impeachment.

We continued on our way to see Senator Cooper. When we arrived, he showed us into an office adorned with photographs, most of them of the Senator in the company of Presidents. Senator Cooper is a tall, slender man with a gentle, almost shy manner. We asked for his views on the Constitutional questions before the country. As it happened, he said, he was preparing a speech on just that subject, and he asked us if we would like to hear some of the ideas as he had sketched them out. We said we certainly would.

Senator Cooper's view of the country's recent history turned out to be a kindly one. There were no villains in it; indeed, Senator Cooper spoke hardly a word that could be construed as direct criticism of anyone at all. The whole atmosphere was agreeable, in contrast to the conversation about impeachment in the Senate hearing room. Senator Cooper began by reviewing the performance of recent Presidents. Truman's period was one of "high hope, generosity abroad, and confidence in our role as guardian of the world's security." Eisenhower was "much loved and respected, probably universally respected." Kennedy "brought new spirit to the country, and probably to the whole world." Johnson opened up new opportunities for disadvantaged people here at home. On Vietnam, "his advisers misled him." President Nixon, Senator Cooper said, is probably "the hardest worker" of them all, and is also "an excellent student." Furthermore, he "may be the most *determined* President." Turning to the question of the war power, the Senator noted that in the nineteen-fifties Congress gave over its power willingly and not even the press raised any objections. "The bilateral treaties all had the same language. If an ally was attacked, we would go to its aid but would do so 'in accordance with Constitutional processes,' " the Senator noted. "Now, in my judgment the Congress's only real power in this business lies in the power of the purse. The war-power legislation can't do it very well. It allows the President to go in for thirty days without approval. That's enough. Once the troops are in and get fired on, the national honor's at stake, and the President assumes his responsibilities as Commander-in-Chief. You can only cut off the funds. Of course, Congress is reluctant to do that." The Senator laughed. He saw impoundment as an "inchoate area," for which it would also be difficult to frame effective legislation. Both the impoundment issue and executive privilege might prove to be non-litigable areas as well, and the courts might simply decline to hand down rulings.

We asked Senator Cooper whether he would care to comment on the Watergate story.

A look of distaste and uneasiness passed over his face, and he said, "Too much has been said about that already."

We remarked to Senator Cooper that he did not offer much hope of recourse in any area.

"Well, there is some question whether this system is meeting its objectives, and more effort must be made in these areas I have been speaking of. But I'm optimistic. I believe that the majority has common sense. And I believe also that the courts, which really are the backbone of our system, will protect the delicate balance between the other branches from getting too far out of line."

Just around the corner from Covington & Burling is another law firm—Clifford, Warnke, Glass, McIlwain & Finney. Its senior partner is Clark Clifford, who was a close advisor of Presidents Truman, Kennedy, and Johnson, and who finally became Secretary of Defense under Johnson. That day, he had testified at the hearing we'd attended, but not until after we had left. We learned later that Senator Ervin had described Mr. Clifford's presentation as "the most total and succinct statement I've ever read on executive privilege." We met Mr. Clifford in his offices in the late afternoon. He introduced us to Miss Mary M. Weiler, who has been his secretary for forty-five years, and then he showed us into a long, spacious, dimly lit office. There were Oriental scatter rugs on top of wall-to-wall carpeting, and, behind his desk, a row of windows with the blinds drawn. Mr. Clifford is a distinguished-looking gray-haired man with something delicate and precise in the set of his mouth.

Mr. Clifford offered to show us his view, and parted the slats of one blind. In the foreground, and below us, was the White House; in the back was the Washington Monument. We asked Mr. Clifford about the mood in Washington and in the country. He answered us in soft-spoken, measured sentences:

"This country has traditionally rested on a deep sense of decency and compassion and on a respect for freedom. But it's not being led in that direction now. Recently, we saw a drive to help the nation's unfortunate. But that is changing. There was an attempt to strengthen the rights of the individual. Now that's all gone. Instead, we're being guided by a driving ambition to make the country more powerful. Power, armed might, a reputation for 'toughness'—these are the goals with which the present Administration seems to be replacing our old purposes. And the new aims are being pushed forward with proved public-relations methods of salesmanship. In the process, I believe, deception has been practiced. Even our prisoners returning home are encouraged to sound a sales theme. No public-relations detail is overlooked in these campaigns. I find it cold, pragmatic, and chilling."

We asked whether he took seriously the warnings about the nation's losing its system.

"I'm not prepared to say we're about to lose it, because I still think the American people will wake up to the enormity of what's been going on. The Watergate case may help in this respect."

"What *has* been going on?"

"It is the centralization of governmental power in the Presidency. The executive branch is engaged in a planned campaign to denigrate the legislative branch and in a planned campaign to malign the press. The press has grown muted already. It feels obligated always to give 'two sides' to every story. This is an entirely new concept in journalism. The intention is to shake the people's confidence in Congress and the press, so that in the end they will trust only the President. If we Americans aren't careful, we could end up controlled and regimented to an extent never realized before. President Nixon has a vision of America which encompasses his statement that 'the average American is just like the child in the family.' A child has to be led, and President Nixon sees himself as that leader. An American way of life that we older people have known and taken for granted is beginning to seem not secure at all. This is the first time in twenty-five years that *fear* has become a recognizable, vital force in Washington. It is the fear of retaliation against anyone who attempts to impede this march toward the Administration's goals. Sometimes one can even see a startling resemblance between these developments and similar developments in countries where one-man rule has developed."

The next day, Senator Barry Goldwater made his statement: "The Watergate. The Watergate. It's beginning to be like Teapot Dome. I mean, there's a smell to it. Let's get rid of the smell." The issue, he said, was "Can you trust Dick Nixon?" In retrospect, his statement appears to have been the first intimation that this story, which many people had thought to be one that *should* shake the nation, actually *would* shake the nation.

On the same day, Representative John B. Anderson, of Illinois, the Chairman of the House Republican Conference, made his statement: "The Attorney General has thrown down the gauntlet. If this Congress is to preserve even a semblance of integrity and independence, it must act immediately to nullify the sweeping claim of executive power asserted by the Attorney General."

The morning after that, Senator Cooper got in touch with us and said he would like to add that not only did the three branches of the government have to maintain their delicate balance but "the people also have to be able to maintain their trust in the government as a whole."

A few days later, we called on Senator Muskie in a small auxiliary office he keeps in the basement of the Capitol. Among the senators who had spoken of the danger to our system, Senator Muskie had shown himself to be one of the most strongly aroused. At the hearing on executive privilege, it was he who had most persistently drawn out the Attorney General's testimony, and it was his questioning that had clarified the full, sweeping implications of the executive-privilege claim. We had noticed flashes of real anger in his questioning. In addition to having warned earlier of one-man rule, he had spoken at the hearing of proposed legislation that would restrict the flow of information from the government as leading us toward "the silence of democracy's graveyard." The familiar tall figure welcomed us into his office. He was looking trim and vigorous in a blue suit and a red tie—fresher and more robust, we thought, than when we had last seen him, on television on the campaign trail. A couple of weeks before, we knew, he had offered the one-man-rule speech to television on behalf of the Democratic leadership of Congress in rebuttal to the President's recent nationwide speech in which he announced a ceiling on meat prices and went on to attack Congress for its budgetary policies. The networks had turned Senator Muskie down. We asked the Senator about that rejection.

"It's clear now that television is a critical instrument of enormous power which can be a great influence in shifting power from one branch to another. And this occurs without any Constitutional amendment or any decision on the part of the people. Congress has now developed a system for designating spokesmen to answer the President, but the networks won't put us on the air. Yet if it's established that *one* branch of the government—the executive branch—alone has the right to speak to the entire nation, and therefore *for* the entire nation, depriving the other branches of that right, then we've taken the step: the system has broken down."

We asked him what he thought one-man rule might look like in America.

"You don't have to look down the road," he said. "You can look at what's already happening. Probably the man in the street isn't worrying about executive privilege or impoundment directly. But Watergate may get him worried. You know, I was giving a speech near Galveston, Texas, the other day—not the most radical place you can think of—and the people in the audience were asking how the President had got so much power. I answered, 'Because *you* people gave him that mandate; a man like him shouldn't be given such a mandate,' and there was a wave of applause in the room."

"But how can the people grasp the seriousness of the situation when the Congress refuses to reassert its own power?" we asked.

"Don't forget where the power comes from," he said. "It's from the people. And if Congress loses access to the people through television and the other media, then it's powerless to mobilize the people's support and to win the battle of public opinion. And when Congress is cut off from popular pressure it can be mobilized by other pressures—the interest groups. The President can organize opinion. For instance, he was able to organize opinion on the war. He simply comes out the winner in the P.R. race."

Here, it occurred to us, was another possible answer to the question of why the country, and even the Congress, seemed so muted. Communication between Congress and the people had been disrupted by Presidential preemption of the main channels of public access. It was in the nature of Congress not to speak or act boldly, or even to reassert its Constitutional power, until it had received a strong signal from the people. It did not have the executive's capacity for initiating elaborate public-relations campaigns to influence opinion. And without greater command of television Congress was cut off. It was only talking to itself—or, worse, discrediting itself as a disruptive element, disturbing the great calm of the Presidential consensus.

We mentioned some of this to Senator Muskie and asked if the term "one-man rule" had a frightening import for him.

"If I went as far as to say that all this could one day lead to a Hitler or a Stalin regime, that would be regarded as unfair or inaccurate—as a little too much. Look what happened to McGovern when he merely *mentioned* Hitler. I suspect that things like the Kleindienst testimony are giving people an idea of what *could* be, though. It wasn't just what he said, you know; it was his attitude. So casual and arrogant. When he sat there and said, 'You do not need facts to impeach the President,' he was saying that the impeachment of the President is a *political* trial." Senator Muskie struck his fist in his palm. He was speaking with strong feeling now. He continued, "And if that is so, why, then, *any* trial could be a political trial. If you look at things that way, then *facts* mean nothing, *legality* means nothing, and *legitimacy* means nothing; only *power* means anything—power employed by the man in charge for *political* ends. This has been the thinking behind authoritarian government since the world began. And in this Administration everything seems to come down to political power. This was the most frightening part of the testimony to me—even more frightening than the part about executive privilege itself. The whole idea behind our system is that power is divided. But not the President can even make war *all on his own*. He announces that the war is over, says that he's won, and then he goes right on, with no color of authority. Experience tells us that when power is concentrated it is not likely to be used for the benefit of the great masses of people. And the least fortunate are always the first to suffer. This is the lesson learned by the makers of our Revolution. It's the basis of what we've practiced for two hundred years, and I don't want to see it lost."

We thanked the Senator, and went over to the Justice Department, where we were to meet Donald E. Santarelli, an Associate Deputy Attorney General who was just about to take on a new job—head of the Law Enforcement Assistance Administration. The Justice Department is a five-story, block-square building with office numbers running into the thousands. Here and there on the corridor walls of this large bureaucratic building are framed photographs of other large bureaucratic buildings (as if the building itself had put up photographs of its building friends). When we arrived in the anteroom of Mr. Santarelli's office, we found it in something of an uproar, with files being sorted and packed for the move to his new job. Shortly, he came out and invited us into his office. Mr. Santarelli is a thin, restless-looking man in his mid-thirties with an authoritative, booming, rapid-fire voice and a set of expansive, vigorous gestures to go with it. We had the impression of almost a superabundance of energy. On one wall of his office there were photographs with inscriptions by L. Patrick Gray, the Acting Director of the F.B.I., and Attorney General Kleindienst. An American flag stood behind his desk. We knew that Mr. Santarelli had had a hand in drafting many of the Nixon Administration's crime bills, and we asked him to tell us something about the job he was leaving.

"This is an idea shop," he told us, putting his feet up on his desk. "We work on concepts, develop them, delve into them." He gestured broadly toward piles of paper on his desk. "What you see before you is thoughts. We don't handle cases; we work on the large picture. 'Give me a plan,' the President says. Or 'Here's a concept. Flesh it out. Give me some options.' This job didn't exist in its present scope before this Administration. It was developed by the President for me."

"How does it all work?" we asked.

"Well, we might start with an analysis. Then it might turn into a combination of any of the following—a Presidential speech, a legislative package, a press release. We'll develop the idea at each stage. Of course, there's a lot of interface. I work closely with the White House staff. Our office devised a system to reform the administration of justice in Washington. In 1951, there were only two thousand one hundred felony prosecutions in Washington a year. Now there are four thousand two hundred felony prosecutions. We have more than tripled the number of felony judges. But none of these things got as much attention in the press as some relatively unimportant legislation such as no-knock and preventive detention."

"How did you first get in touch with Mr. Nixon?"

"I was working on the Hill as special counsel to the Senate Judiciary Committee, and I was one of the few staffers on the pro-prosecution side up there. Most of the guys were pro-defense."

"But how can there be such a thing as a pro-defense side and a pro-prosecution side in a situation like that?" we asked.

"There shouldn't be, but there is. I was prosecution-oriented. Anyway, that was the President's program: to 'strengthen the peace forces' against those concerned exclusively with defense."

We went on to ask Mr. Santarelli for his reflections on the Constitutional questions that were on our mind. As a point of departure, we gave him an article in the April 23rd *Newsweek* to look at. It was by Kevin P. Phillips, a former campaign aide to President Nixon, and was called "Our Obsolete System." Phillips suggested that the system of balancing governmental powers against each other was a mistake conceived by Montesquieu. "Our Constitution freezes Montesquieu's mistake in legal concrete," he wrote. "Congress's separate power is an obstacle to modern policymaking. . . . In sum we may have reached a point where separation of powers is doing more harm than good by distorting the logical evolution of technology-era government." Phillips suggested, as a remedy, calling a Constitutional convention to abolish the separation of powers and perhaps establish a parliamentary system. We asked Mr. Santarelli what he made of all this.

"I don't agree with his proposal," he said. "But I like the substance of his concepts. His main point is that the separation of powers is obsolete in modern decision-making, and I agree. They didn't have modern affirmative-decision-making in the eighteenth century to the extent that we do. They didn't need such hurried, precise decisions. They didn't have the kind of dynamic national purpose that we have now. The balance of power turns every issue into a great political power struggle, and obscures the business of actually running the country, of reaching national goals."

We asked our old question—was there a Constitutional crisis?

"We're living in a very historic time," he said. "You can see the manifestations everywhere. This is a time of great changes. The legislative branch, which was preeminent, has gradually lost power to the judiciary and the executive."

"How do you mean, the judiciary?"

"I mean the so-called judicial revolution—the Supreme Court rulings in favor of civil rights and criminal rights. All that is changing now. But the liberals gained power by it. They benefited. The strenghtening of the judiciary—or the judicial usurpation, as I would call it—was an unbalancing element."

"And the executive?"

"The executive branch has gained power. It was *inevitable*. Its basic design is geared for efficiency; it has adopted management tools—computers, executive techniques. Congress fell behind, and now it is fussing in a stew of its own making. An unpopular war has given Congress a toehold again, and it's taking up things like executive privilege. But executive privilege isn't a legal question; it's a political question. That's the key thing. Don't be fooled. These battles are basically political. Each age defines the Constitution for its own needs. It's evolutionary. I'm sounding like Ramsey Clark here. The Clarkian view takes the Fourteenth Amendment as very flexible and accordionlike, but if you so much as mention changing the Fourth Amendment, against unreasonable searches and seizures, in order to bring it up to date with modern prosecution needs, you find it's locked in stone. That's natural. If you're on the side that's gaining power, you praise the changes. If the changes mean you lose power, you bitch about them."

"Which are you doing?" we asked.

"I'm mildly praising."

"But this isn't exactly a strict-constructionist viewpoint," we observed.

"No, sir. That's a misnomer. The Constitution is flexible. Period. Your point of view depends on whether you're winning: 'My side won! I'm happy!' If you're against busing, you think an anti-busing amendment should be in the Constitution; if you're for busing, you complain that the Constitution is being wrecked. The Constitution isn't the real issue in this; it's how you want to *run the country*, and achieve national goals. The language of the Constitution is not at issue. It is what you can interpret it to mean in the light of modern needs. In talking about a 'Constitutional crisis' we are not grappling with the real needs of running the country but are using the issues for the self-serving purpose of striking a new balance of power. Times are changing now. The Constitution is flexible." And then he added a remark that no one we had recently spoken to in Washington would have fully disagreed with. "Today, the whole Constitution is up for grabs."

While we had been talking with Senator Muskie and Mr. Santarelli, the President had been telling the nation of "major developments" in the Watergate story.

A short time later, we ran into Senator Fulbright in the Dirksen Senate Office Building. He was on his way to a vote, and he invited us to ride with him in the little subway car to the Capitol. News of the President's Watergate announcement was just reaching Capitol Hill.

We asked Senator Fulbright how large he thought the stakes of the dangers he had referred to were.

"*If* we don't turn things around, *if* we throw over the Constitution and establish executive rule, then, in the long run, we might expect the same kind of ruthless tyranny that you had under Hitler or Stalin. Don't expect some sort of simple, benign dictatorship. This country never goes halfway. That's not our style. We go all the way. You've seen what we did in Vietnam. Our capacities are great. We can display great compassion and show great concern over one little girl, perhaps, or maybe a dog. But we can be ruthless and savage, too. It was when we got the idea that we are a chosen people that we went wrong. We're really just the same as everybody else. We're all people, and, given certain conditions, we'll do certain things." When we arrived at the Capitol, Senator Fulbright went in to vote and asked us to wait outside the Senate chamber.

He came out again, and invited us to ride back with him to the Senate Office Building. "I just want to add one thing," he said in the subway car. "I want you to know that right at the moment I am feeling better about the prospects of avoiding these terrible things than I have for almost ten years. The Watergate case is regrettable, of course, but, looking at the turn it seems to be taking now, I have hopes it may serve to draw people's attention to these other threats, which have been building all those years. It may bring people to the limit of how much they're willing to take."

The next morning, we woke up in a different Washington—perhaps in a different country. Watergate had blown sky high Everyone we had interviewed in Washington, whatever his politics—and we, too—had seen an executive branch in the ascendant over the other powers in our society. Now, at a stroke, all this was altered. A staggering reversal of fortune had taken place. The wall of executive privilege was down. And when we saw what was inside, it was almost enough to make us wish it could be put back up. The executive campaign to undermine and discredit the press had itself been undermined and discredited. Executive moves to take over congressional powers had been checked—at least for the duration of the present Administration. Indeed, all across the board the executive reach for new powers had been blocked. For the whole country had now had a shattering glimpse into that "technology-era government" in whose name Congress and the other institutions of our democracy were to hand over their powers to the executive. Now the Congress, the judiciary, the press—even Common Cause—found themselves in positions of renewed authority and strength. Senator Sam Ervin, Judge John J. Sirica, the Washington *Post*, and John Gardner had been heard. All the former accused were suddenly in the judges' seats. (It can be hoped that these judges will act *with* pity.) The President of the Newspaper Guild was calling for a "public apology" to the press from President Nixon. An entire style of governing had been buried. Scenes of recent weeks—of the Attorney General discoursing on impeachment, of the President lashing out at Congress as "irresponsible," of Administration officials lecturing the country on law and order—had overnight become part of a closed chapter in our history. This Administration's drive to change the face of our national life had not, it turned out, been an effort to bring our eighteenth-century principles and institutions in line with the twentieth century; it had been a sheer grab for power, ending with a coverup of a second-story job on the political opposition. The news was tearing an entire Administration apart, but at that moment in the spring of 1973, for the first time in many years, the old eighteenth-century system looked to be alive and well.

MR. HOLLIS DOLE

Mr. HATFIELD. Mr. President, I want to express my pleasure and pride in knowing that the Nation's first commercial oil shale plant will be built under the guiding genius of a man who has won a reputation as one of the country's outstanding experts on mineral development and conservation: Hollis M. Dole.

I have known Hollis Dole for many years, and have worked closely with him during my entire time in public service. He received his education in Oregon universities, and was for 23 years associated with the Oregon State Department of Geology, including 14 years as its director. During all this long period of stewardship of Oregon's mineral resources, Hollis Dole strove constantly to keep a balance between the needs of today and those of tomorrow; between the rights of one segment of the population and those of another; between the requirements of our economy and those of our ecology. Indeed, it was he who pointed out that the terms economy and ecology are both derived from the same Greek word, "oikos," which means house. He saw, as clearly as anyone I know, the need for reconciling the demands of the household of man with those of the household of nature.

During the 4 years of his service as Assistant Secretary of the Interior, Hollis Dole continued to operate under this basic philosophy, eschewing extremism on either side of the environmental controversy. His views are best summed up in an address he made in New York before the American Bar Association on July 6, 1971. I ask unanimous consent that a copy of that address be printed in the Record as a reminder of the need for mutual understanding and tolerance that the American people must develop in order to negotiate the hazardous straits of this divisive issue.

There being no objection, the address was ordered to be printed in the Record, as follows:

Causes, Costs, and Choices

Whatever else might be said about mankind's upward march from savagery to civilization, no one can claim it has been a very orderly process. The transactions of the human community have always been messy, inconclusive, and chaotic. The historic pattern of social advancement has, on the whole, been characterized by a series of great spasmodic lunges which overturned, modified, redirected, or otherwise altered the way in which affairs had been conducted. Some, but by no means all, of these eruptions succeeded in leaving a residue of progress for succeeding generations, and these have become such monuments of history as the elimination of slavery and the development of representative government.

These changes derive their traumatic character from the fact that the interia of a large society is so great that it often requires an extraordinary amount of applied energy to pursuade it to change its manner of doing business in any significant way. The stored energy of unrealized hopes and unredressed grievances builds up within the society, like stresses in the earth's crust, until the rigid structure that contains them breaks in a convulsive upheaval that is shattering to those who happen to go through it.

The energy required to effect these societal earthquakes is mobilized and focused through the mechanism of the cause, usually modified by such laudatory terms as "sacred," "holy," "just," "righteous" or even something as unpretentious as "worthy." These appellations may or may not be truly descriptive of the movements to which they are applied; indeed, some of the most odious projects that have ever been put forward have been designated as the will of God by their proponents. But whatever their true merit, and regardless of how extravagantly they are advertised, causes have this much in common: they derive their dynamism not from fact and logic, but from the fiery emotionalism of the advocate, the prophet, the annointed custodian of the revealed Word.

It is a judgment upon the self-satisfied rationalism of our society, I suppose, that so much of our basic social progress has been achieved by those strong but essentially non-rational currents of popular feeling. There is a place, I concede, for enthusiasm, for romanticism, for the whole range of emotions from outrage to euphoria as conditioners of public attitudes. We need these powerful supplements to reason and logic in the social process. We need the Sacred Cause and the True Believer. But we need also to remember that the fabric of a society is held together by relationships that are founded in law, in logic, in system and in order. Causes, great and small, form an interesting and essential counterpoint to the basic rationality of these enduring tenets of a society or social structure. But the spirited rambunctiousness of a holy cause has a poor sense of direction and perspective. It needs to be heavily ballasted with truth if it is to serve society rather than disrupt it.

And this, I submit, is our first difficulty as we struggle to integrate the new cause of environmental conservation into a useful set of relationships with the established features of our society.

In many large areas of intense public concern, we simply do not know what we are talking about. We do not know the full effect—the real effect qualitatively and quantitatively—of many things we are doing which are reported to have deleterious effects upon the environment. We do not know the extent of the environmental costs of these activities; still less do we know the costs we shall be required to bear to neutralize their effects. In the absence of a firm basis in fact, the subjunctive mood has taken over, and we have been treated to an assortment of terrors limited only by the imagination of those who propagated them. The operative terms describing the imminence of disasters are words like "might," "could," "assuming that," "possibly," "potentially," and "if."

Some of the more gross of these legends have, thankfully, been laid to rest. It is at least reasonably apparent by now that we are not about to poison the earth's atmosphere, we are not going to kill the oceans, or burn up our oxygen supply, or melt the ice caps, or precipitate any of the global catastrophes that we were warned about last year. Man is just not all that important as a geologic agent. Three volcanic eruptions within the past 90 years have ejected more particulate matter and more combined gases into the atmosphere than have all man's activities to date—without any notable effect upon the earth's habitability. Enormous quantities of natural contaminants are deposited in our streams by springs and rainfall—chlorides, sulfates, carbonates—not to mention such nutrients as phosphates and fixed nitrogen which have caused us so much concern about our fertilizers and detergents. Earthquakes, floods, storms, and forest fires work immense havoc upon the earth, as they have done for millions of years before man ever evolved. What we have succeeded in doing is to make life thoroughly unpleasant for people who inhabit certain localities by dumping high concentrations of waste into the air or watersheds that serve them, or onto the land in their immediate vicinity. Man's impact is still local, but because he is both numerous and ubiquitous, the problems he has created for himself are quite large. But they are not cosmic, as some would lead us to believe, and they are not insoluble.

So there is an urgent requirement for more knowledge, for a better understanding of the true nature of our probelms so that we shall at least be able to differentiate between problems and non-problems, and between solutions and non-solutions. The legal profession, concerned as it has always been with precision and definition and exactitude, can make a great contribution to this essential search for truth which we must continue to pursue.

In particular we need the disciplined approach of the legal mind as we begin to assess the cost of what we propose to do to alleviate the conditions which we find objectionable. We pay a great deal of lip service to the costs identified to cleaning up our environment. Awash in rhetoric, we profess to be quite willing to pay whatever price is necessary to make the air pure, the streams clear, the earth green and productive.

And pay them we must, and will. But I suggest that the full cost of this restitution effort is going to amount to something very much more than a few cents at the gasolone pump, a few dollars a year more for facilities and a few minor inconveniences along the way as we go marching forth to set the world right. The Environmental Protection Agency Administrator was impeccably honest about the meaning of the new air quality standards that were established which are to be met by July 1975. In the briefing at the time the standards were published questions were raised running to the basic diurnal routine of city commuters, noting that big cities will need to go to car pooling, rapid transit, and staggered work hours in order to meet the standards. It was stated that certain sections in some cities may have to be closed to motor traffic during certain periods of the day. Insofar as I can observe, the nation received this announcement without batting an eye, as if no one really expected any of these awkward and grossly inconvenient things to happen.

Moreover, we have been told that just to meet the 1975 particulate standards in seven large cities will require an additional volume of gas equal to 15 percent of the total consumed by the Nation. At current levels of consumption, this is 3.3 trillion cubic feet a year, and there is virtually no prospect that this much additional gas can be made available to these localities by the specified date. In every case, the major concern of gas pipeline and distribution companies is now focused upon protecting existing firm residential and commercial commitments—at the expense, if necessary, of industrial and power plant loads. Yet, the sales push persists in many cities to get people to use gas to air-condition their houses, including favorable rates for these large economy-size consumers.

The newspapers are well along with their seasonal warnings about the potential shortage of electric power to meet peak demands this summer. We have been reading these warnings every summer for at least the past three years. Meantime, all during the winter months, we read advertisements urging us to take advantage of low, off-season installation rates to put central air conditioning in our houses.

I have the distinct impression that somebody isn't getting the word.

The word is simply this: We have decided that it is worth whatever it costs to clean up our air and water and garbage dumps and junkyards. It is going to cost a bundle, and not one American in ten thousand is as yet even remotely aware of that fact. In Fairfax County, Virginia, the estimate for the cost of sewage treatment is forecast to rise from the present $50 a million gallons to $230 a million gallons by 1974. This is nearly a fourfold increase over a period of three years, and the users of the service will pay for it, as they should. But I wonder just how many householders in Fairfax County have taken the trouble to sit down and work out the dollar cost of the increase in their sewage bills they can expect over the next three years.

We happen to have a price tag for this particular reform. We do not, as yet, have comparable data on the additional cost of electricity, of motor fuel, of car maintenance, of taxes, both direct and indirect, of home heating, of virtually every item that is grown, mined, or manufactured in the United States. We shall know a great deal about these cost increments in 1980. It would be helpful if we know more than we do about them in 1971. These costs will be discernable not only in the prices and taxes we pay, but also in terms of employment, and payrolls, in levels of personal comfort and convenience, in trade balances and dollar flows abroad, in the degree to which we become dependent for our energy supplies upon sources over which we have no control.

Ironically, these environmental costs will be dramatically evident in their impact upon other goals which are the object of other equally worthy causes. One illustration will suffice. The money cost of environmental programs will impinge directly upon some of the most basic outlays the typical family must make to sustain itself: Upon what it must pay for water, for electricity, for home heating, for sewage and waste disposal, for taxes, for gasoline and maintenance to the vehicle which is the breadwinner's transportation to and from work. These expenditures are essential, not discretionary. Unlike the progressive income tax, the added costs do not differentiate according to ability to pay. To the more prosperous residents of Westchester County, these increments may be more of an annoyance than a burden. But in Harlem, where a fourth of the residents are on some kind of public assistance, the studied efforts of programs designed to bring a measure of relief to the hard-pressed families there may be subverted by the added costs assessed against their basic necessities. Let's not kid ourselves: The costs of rescuing our environment will be heavy, and they will fall with singular force upon the poor and the disadvantaged. We need to do some sober thinking about how we intend to deal with the poignant aspects of this unintended fallout upon so large a portion of our fellow Americans.

The legitimate costs of environmental preservation and rehabilitation will be heavy enough once we begin to feel their weight. We can afford these. But what troubles me deeply are the costs which are not legitimate, and which represent charges incident to frivolous and capricious acts arising out of ignorance, irrationality, and a misguided excess of missionary zeal. We cannot afford these.

All over the Nation we are witness to a rising tide of opposition to the construction of essential facilities for the extraction and transport of minerals; for the generation and transmission of electrical energy; for the processing and fabrication of a thousand things needed by people. Some of this is legitimate, and we have created adequate mechanisms through laws and courts and regulatory boards for the satisfactory resolution of valid differences. But in providing these mechanisms, we have facilitated—indeed, we have almost invited—lawsuits and complaints by individuals and groups who previously had no standing before adjudicating bodies, and whose claims to relief may rest on nothing more substantial than a professed concern for the environment. Laws are being proposed whose effect will be to frustrate, delay, and even prohibit operations which were once thought to be in the general public interest. Those of you who are on the Natural Resources Committee are aware of the bill now before Congress which would require the cessation of all strip mining in the United States within six months after its passage.

The effect of this bill, if passed, would be to reduce coal production by one-third, and employment in the coal mining industry by more than 20 thousand workers. The groundswell caused by the precipitate shutdown of a third of the Nation's coal mining industry would demoralize the electric power industry, and impact upon the economics of a dozen states. I do not expect the bill to be passed, but the mere fact that such a measure could be introduced at all by the national legislature says something significant about the temper of our times.

My point is that the enthusiasm and elan of a worthwhile cause is in danger of overreaching the proper objective of its concern. We want a revival of some values that have temporarily been lost in the rush to achieve our present levels of material well being. We want clean air and clear streams. We want an end to ugliness and stridency. We want reminders around us, within sight and sound, of the fact that we are kin to every living thing, closely or remotely. We want the time and the space to sit in quiet meadows, to walk by sunlit waters, to look upon the desert glory after a spring rain, to stand in awe at the work of wind and water upon the weathered face of the earth over geologic time.

We want all these things, and we shall have them. But we must not abandon or postpone the important goals that depend upon our steadily increasing production and use of food, fuel, and fiber. For the simple truth is that we shall have to go on building power plants, drilling oil wells, opening mines, laying pipelines, building and operating factories and mills and ships, and do so at a rate which is responsive to the ever-increasing demands that will be made for the goods and services they provide. There are now 205 million of us, and even at the lowest birthrate in our history, there will be 300 million Americans to be fed, clothed, housed, and otherwise cared for by the turn of the century, and it cannot be done with cottage industries and 40-acre farms.

Last month President Nixon spoke to the imperative necessity for an expanding energy supply to sustain our economic growth upon which our aspirations for a better quality of life for all Americans depends. On no other occasion in our history has an American President addressed an entire message to the subject of energy. This one fact speaks far more eloquently of the importance of an adequate, secure supply of energy than anything I could possibly utter.

The President devoted much attention in his message to plans and programs for clean energy—for accelerating the development of the breeder reactor, or gasifying coal, for control of sulfur oxide emissions. He also dealt specifically with the central problem confronting electric utilities, calling attention to his proposals now before the Congress to provide administrative measures to facilitate long-range site planning for power plants. Throughout his message, the President noted the inter-relationship between energy and the environment. He devoted an entire section of his message to the need for an integrated energy policy and the administrative apparatus to put it into effect. This done, energy considerations can be handled through a mechanism congruent to the one established to deal with environmental problems.

By implication, the President has stated the case I wish to make today. Within the stipulation that we must continue to expand our production of goods and services, certain trade-offs and choices are possible for the protection of the environment. The performance levels that we demand of our producing and consuming activities can be adjusted to accommodate reasonable expectations of technological advances. We can work around the hard spots. We have the time and the resources which permit this flexibility in our approach to solving our problems.

But as between the basic objectives of continued economic expansion and environmental protection, we have no choice. Both goals are possible. Both are essential. It remains for us to proceed, in reasonableness and good faith, along lines of action designed to bring both within our reach.

So I would like to close with a plea for reason, for perspective, for an approach to our problems at manageable levels of emotional intensity by all participants in what is in essence an adversary process.

But adversaries need not be enemies, and when they must share the benefits derived of common resources, they cannot afford to be. Obstruction and intransigence and self-righteous uptightness can bring us nothing but trouble and grief. My message is that we can rescue the environment and still produce the material means to honor the claims of those other causes which have also been advanced in the hope of a better quality of life for our people. The costs are within our capacity to pay, provided we choose wisely among the courses open to us.

SOCIAL SERVICES FOR THE ELDERLY—A BACKWARD STEP REVERSED

Mr. EAGLETON. Mr. President, on May 3 I called to the attention of the Senate a provision of the final social services regulations issued by the Department of Health, Education, and Welfare which had the effect of denying social services to any elderly person not receiving public assistance.

This change had been made between the time the regulations were published for comment on February 16 and the publication of the final regulations on May 1.

I was very pleased to learn from HEW today that the regulations will be modified so that elderly persons who are potential assistance recipients will be eligible to receive those services designed to enable them to remain in their homes and avoid dependence on institutional care.

Although I am still of the opinion that the definition of a potential elderly recipient contained in the final regulations is unnecessarily restrictive, certainly the first order of business is to assure that that definition is an effective one and that services can be provided to those who meet it.

S. 1090—THE FUTURE OF PUBLIC BROADCASTING

Mr. BROOKE. Mr. President, I support the public broadcasting authorization bill we passed yesterday, but I regret that I did not have an opportunity to comment on this legislation. I would like to make a few comments today.

The funds dispensed annually by CPB serve a most worthy and crucial purpose in strengthening and upgrading the programing quality of public television and radio stations across the country. Swift enactment of this legislation is essential if funds are to be available in time to salvage the coming program season for public television. An article which appeared in the Washington Post 2 days ago underlines the seriousness of public broadcasting's financial woes. The article indicates that, at current funding levels, public television will suffer a 75-percent reduction in new programing for the 1973–74 season and that reruns of old programs will have to supplement the rest of the schedule.

But, Mr. President, while I wholeheartedly support the provisions of this bill, I would feel remiss in failing to bring to my colleagues' attention some inadequacies of the legislation in facing squarely the present status of public broadcasting. Adequate financing of the public broadcasting system is but one of the serious unresolved questions facing the system. Two other matters are at least equally grave: How to guarantee that programing decisions are insulated from governmental influence and how to distinguish between the proper role of the Corporation for Public Broadcasting and the proper role of local stations in making programing decisions.

The committee report on this bill presents strong and solid arguments in support of the legislation, but unfortunately events have outdated the report. Over the past weeks, there have been repeated reports of political pressure brought to bear upon the Corporation for Public Broadcasting, and meanwhile the stations and CPB remain at loggerheads over who should call which shots.

On April 13, the Board of the Corporation for Public Broadcasting voted to table a compromise measure which had been arduously hammered out with repesentatives of the Nation's 234 public television stations. The compromise would have sealed the terms of a partnership between the licensee's organization—the Public Broadcasting Service—and the Corporation in sharing decisionmaking responsibility for the national public television system. The CPB Board's vote to defer action on the compromise precipitated the abrupt departure of the Board President, Mr. Thomas Curtis, who charged that he could no longer vouch for the integrity of the CPB Board. Mr. Curtis said that Board members had been contacted by the White House on the eve of the vote and had been pressured to vote against the compromise. These charges of improper pressure have since been denied by the Office of Telecommunications Policy and the exact nature and propriety of communications between the executive branch and the CPB Board on this matter are in dispute. But Mr. Curtis, a former Congressman from Missouri who is known by many Members of this body, is a man of honesty and integrity and a man not given to making wild charges. Whatever the nature of the contacts between the executive branch and the CPB Board may have been, Mr. Curtis quite evidently felt the Board's independence had been seriously violated and, he, therefore, felt he could not in good conscience continue as Chairman of the CPB Board.

Mr. Curtis' resignation and subsequent charges have sent tremors of apprehension throughout the public television community. Mr. David Ives, the very distinguished president of Boston's public television station, WGBH, stated on April 26 that WGBH stood ready to refuse sizable program production grants from the CPB if the station became convinced that the Corporation Board has been subject to improper political influence from the executive branch. Mr. Ives, too, is a responsible and temperate man; he is not one to issue public statements capriciously. And yet, he has felt it necessary to spell out in the clearest possible terms his growing concern about signs that the executive branch of the Federal Government "may be trying to take over control of public television for its own ends."

One of the consequences of the turmoil has been to remove practically all of their public affairs programs including Washington Week in Review, Bill Moyers, and Bill Buckley, who announced that as of May 18, his popular public television program, Firing Line, may be offered on a syndicated basis to commercial stations.

Firing Line and these other outstanding programs will be financially out of reach of most public television stations which now can broadcast them weekly. While it is very clear that public broadcasting needs the increased funding levels provided in the legislation now before the Senate, it is equally clear that more is needed than money to correct the present disarray in Public Broadcasting Corporation's Board and the repeated—and, I maintain, erroneous—insistence of the Board that operative control of the national interconnection system lies solely in its jurisdiction causes me great concern.

The Congress recognized that the Corporation Board, no matter how honorable its members may be, would be subject to inappropriate pressures. This would be true for the simple reason that they are appointed by the President. We attempted to create a decentralized system in which program production and program distribution would be in the hands of those at the local, rather than national, level so that these pressures would be minimized and local people would determine local needs free of interference. I believe this system has worked well and I disagree emphatically with attempts by the Corporation to reserve for itself more control over the local stations.

Since recent events have exacerbated the gulf between the Corporation and the local stations, events occurring too late for us to take positive action on. I hope the House will be convinced to make as clear as possible that this system must be based on local control. Only by creating and maintaining true localism in public broadcasting can the system both effectively serve the people and protect itself from inappropriate political interference.

THE MEANING OF WATERGATE

Mr. McGOVERN. Mr. President, one of the most perceptive commentaries I have seen on the Watergate scandal is an essay by Mr. Hedley Donovan, editor of Time magazine, which appears in the May 14, 1973, issue of Time. Mr. Donovan's essay entitled "The Good Uses of the Watergate Affair" contends that there are constructive benefits that can be gained from the sad lessons of the Watergate affair. The author argues that in recent years the Presidency has been removed from needed restraints either by the Congress or by the American people.

"It may be that the greatest service of Watergate is to deflate swollen notions of the Presidency as well as Mr. Nixon," writes Mr. Donovan.

I agree with this observation and with the other points of this excellent essay.

I am also impressed by a thoughtful piece written by Mr. Stewart Alsop in the May 14, 1973, issue of Newsweek entitled, "War, Not Politics."

I ask unanimous consent, Mr. President, that these two articles by Mr. Donovan and Mr. Alsop be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

THE GOOD USES OF THE WATERGATE AFFAIR

Some Americans—it might even be a majority—catch themselves in guilty sensation: they are glad about Watergate.

They should not feel guilty. Watergate could have highly salutary consequences.

To be sure, there are those who are pleased for reasons of petty partisanship or from a vulgar enjoyment of that dependable old theme. The Mighty Brought Low. But there are deeper reasons for taking satisfaction in the whole squalid affair.

Watergate has already destroyed a White House palace guard that "sheltered" the

President from Congress, from many high officials of his own Administration and from many regions of public opinion. It is possible that President Nixon will try to reconstruct another palace guard as arrogant, zealous and narrow as the one built by the banished Haldeman and Ehrlichman. They would be difficult to match, however, and the President's first moves this week suggest that he will now try for a somewhat more loose and relaxed staff around him. This would be good for Nixon and for the country. If Richard Nixon were as jovial and gregarious as, say, William Howard Taft, he might have needed a Haldeman ("I'm Nixon's s.o.b.") to protect him from his own openness. That is not his problem.

One of the many mysteries left over from the President's TV speech of April 30 is why he gave such lavish praise to Haldeman and Ehrlichman. If they were indeed among "the finest public servants it has been my privilege to know," why was he forcing them to resign? Was this praise the price for their going quietly (so far)? One prefers to think that it was an oblique acknowledgment of the President's own responsibility for the general style, if not all the specific acts of his staff, and that the President would now be wary of comparable "devotion."

Another good result of Watergate could be a clearer understanding in the country as well as in Washington of the role of a free press in a free society (*see* Press). There will be "adversely" elements in the relationship between the press and any President, but the Nixon Administration has been paranoiac on the subject. Until the past fortnight, the White House was treating journalistic pursuit of the Watergate story as though it were malicious or downright unpatriotic. In his April 30 speech, belatedly but generously, the President actually praised the press for its work in exposing Watergate. Ron Ziegler picked up the cue the next day and, under some prodding, apologized for his contemptible attacks on the Washington *Post*. Amateur Zieglers, Agnews, Haldemans, Ehrlichmans all over the country will have to take notice.

The freedom of the press does not exist for the private enjoyment and self-esteem of journalists but to keep people—even Presidents—informed. Watergate could be a turning point, after several years of Government hostility and harassment, toward a renewed national perception of why a fully independent press (with its abundant faults and excesses) is essential to the American system.

Most salutary of all, Watergate could be a historic check upon the long and dangerous aggrandizement of the presidency. The Federal Government is not really the same thing as the United States; it is one institution in America; and the President is not really synonymous with the Federal Government; he is the head of only one of its three branches.

The growth of the modern presidency began with the Depression and New Deal, World War II and F.D.R.'s own immense zest for power. The atomic bomb added an awesome new dimension to presidential responsibility, though the first two nuclear-age Presidents had a nice way of not taking themselves too seriously. Truman was fond of remarking that any of a million other men (this was pre-Women's Lib) were as well qualified to be President. Ike had a genial instinct that the republic would still be standing tomorrow morning if he played a round of golf this afternoon.

But under Kennedy, Johnson and Nixon, for all their differences, there has been a driving personal urge to power, a philosophical view of the presidency as the central institution in American life, and a whole series of external events and circumstances that gave vast scope for presidential activity.

We need a strong presidency, of course, but in recent years the Executive-Legislative relationship has tilted far out of balance. Johnson and Nixon both assumed an utterly autocratic control over the power to make war. Nixon has threatened to carry Executive impoundment of funds voted by Congress to further lengths than any previous President. And until he had to reverse himself a few weeks ago, he was asserting fantastic claims of "Executive privilege" to give his men immunity from testifying before Congress about anything he chose to have them silent about.

None of these controversies will ever be the same again, at least for the balance of Nixon's term, and one hopes for longer. Congress is stronger than it was a month ago. The courts are stronger. The citizen's rights of dissent and skepticism are fortified.

Will the pendulum swing too far? One of the ablest of Nixon's appointees (in no way tainted by Watergate) sometimes broods: "It is much too easy to destroy a President." The fact is, it is not easy at all. The American governmental system gives tremendous security to a President. He can sustain severe political defeats, even scandals, and still function reasonably effectively as President. What he *cannot* do after defeat and scandal is pose as the supreme embodiment of American history and purpose or some democratic monarch by divine right. But he was never meant to be that—even without defeat and scandal. It may be that the greatest service of Watergate is to deflate swollen notions of the presidency as well as Mr. Nixon. He has lost his "landslide" of last November. He seems now to have just squeaked in, less honorably than he squeaked in back in 1968.

It is interesting that in the past fortnight, some of the most anguished comments about "preserving the presidency" have come from liberal Democrats profoundly unsympathetic to Richard Nixon the man, but devout believers in the near mystical view of the presidency. The lament "the crippling of the presidency," a "collapse" of the American form of government, etc., etc. Nonsense. The presidency was never meant to be so majestic that it could not accommodate lapses of judgment or even ethics.

Admittedly Watergate is a very large lapse, with no near parallel in our past. In his speech the President was much too quick to put Watergate behind him and turn to the "larger duties" of his office—the economy, foreign policy, etc.

But his instinct is right for the longer run. His best reparation to the American people will be in redoubled effort on the stubborn problems of domestic policy and follow-through on his statesmanlike openings in foreign policy. The public, for its part, is already coming down off some of the more overblown views of the presidency, and that is why so many people are able to see considerable good coming from Watergate. The public has perceived that the President of the United States, even as other men, can be very good at some things and quite deficient in others.

For the short term there is no question that the Government and the country suffer a loss. There will be confusion, even paralysis, in some areas of policy for weeks or even months to come. Good men in no way contaminated by Watergate may quit the Government; other good men may hesitate to join it.

There is obviously more to come about the Watergate affair and more the President himself will have to do, including eventually a fuller and franker account of his own discussions and decisions from the beginning. Meanwhile, we are all much indebted to a privately employed night watchman who was on his toes; three District of Columbia policemen who reacted very fast; a posse of persistent journalists; the courageous judge, John Sirica, who reminds us what an independent judiciary means; the looming figure of Senator Sam Ervin, whose impending hearings surely helped loosen various tongues. In short, the American democratic "system," an even grander and more important thing than the presidency, is still running.

War, Not Politics

Washington.—The Watergate scandal, it is clear by now, is different—truly different, different in kind—from all the scandals that have preceded it in American history. It is this difference that makes Watergate so frightening.

All those other scandals—Credit Mobilier, the Whisky Ring, Teapot Dome, Sherman Adams and his vicuña coat, Bobby Baker and his wheeling and dealing—were motivated by greed, an emotion effortlessly understood by almost all of us. But although the Nixon campaign was awash with hundred-dollar bills, none of the Watergate men seems to have stuffed large quantities into his pockets. They seem to have been motivated by more complex emotions—by a certain self-righteousness, by fear, by a special kind of political-ideological hatred.

As a result, the people who were running the President's election campaign were not really running the kind of campaign this country has known since the party system was founded. They were not practicing politics. They were making war, a special kind of war. The kind of war they were making has been made between nations for a long time now, and it is still being made. But this special kind of war has not before been made within a nation, certainly not within this nation.

FROM OSS TO CREEP

The spiritual ancestor of the Committee to Re-elect the President, better known as CREEP, is OSS. Gen. William Donovan's Office of Strategic Services, in which this writer served for a while, was this country's first serious attempt to wage war by covert and unconventional *means*. OSS was patterned on the British Secret Services, and the Central Intelligence Agency has in turn been patterned on OSS. In fact, all the world's secret services, including Russia's KGB, have four main missions.

In OSS they were called S.I. (Secret Intelligence), S.O. (Secret Operations), M.O. (Morale Operations) and X–2 (Black Propaganda—in the KGB it is called "Department of Disinformation"). These branches overlapped and competed bitterly, of course. But in general, all OSS covert operations fitted into one category or another.

So did CREEP's covert operations. The ludicrously bungled Watergate break-in itself, for example, was a classic combined operation between S.I. and S.O. The letter to The Manchester Union Leader during the New Hampshire campaign accusing Senator Edmund Muskie of sneering at "Canucks" was a classic X–2 operation. So was the faked telegram from President John Kennedy to the Saigon mission, calling, in effect, for the assassination of Diem.

The burglarization of the office of Daniel Ellsberg's psychiatrist was essentially an S.I. operation, as was the much earlier attempted burglarization of the office of the doctor who was treating John Kennedy for Addison's disease. If either had been successful, it would no doubt have been used as part of a major morale operation.

MORALE OPERATIONS

The operation in which CREEP arranged to flood the White House with telegrams supporting the President's Vietnamese policy was of course a morale operation. (It might have been named Operation Gub-Gub, after the pig in "Doctor Dolittle's Post Office" who, to bolster his own morale, sent himself numerous letters, filled with banana peels.) Another morale operation was that in which homosexuals were allegedly hired to give ostentatious support to Senator McGovern.

The basic mission of Donald H. Segretti, whose services were generously rewarded by Mr. Nixon's private lawyer, Herbert W. Kalmbach, was to head an intelligence network—what the French and many intelligence officers call a *reseau*. Segretti was clearly also expected to do some morale operations work.

One even recognizes in the people who have surfaced in CREEP some of the same sort of people as in wartime OSS. There were many brave and good men in OSS, as well as many creeps. Curiously enough, in another time, G. Gordon Liddy would have been regarded as among the bravest and the best.

Like all secret services, OSS was compartmentalized, so that if one operative was captured and broken by the Gestapo, for example, he could not betray the whole reseau. Agents who went behind the lines in Europe were given "death pills," to give them an option to being broken by the Gestapo.

In all secret services, it has to be assumed that any captured agent can in time be broken. But there were a few—a very few—captured OSS agents who remained unbreakable, and they were regarded as true heroes. In the case of CREEP, the stubbornly silent G. Gordon Liddy seems to be the only operative to fall into this category.

His closed mouth and sardonic salute when he was condemned to a long jail term somehow recalled to this writer's mind the magnificently childish *beau geste* of one of the first OSS agents in Germany. He mailed a postcard, in English, to Adolf Hitler, Wilhelmstrasse, Berlin: "Dear Hitler: F--- you. An American in Germany.

In wartime, G. Gordon Liddy would have been festooned with decorations rather than slapped into jail. As so often in wartime, his stubborn silence did no good. As the pressure mounted, other members of the reseau cracked—James McCord, Jeb Stuart Magruder, John Dean III. Perhaps CREEP should have distributed some death pills as a precaution.

The Watergate operation has provided a giggle or two, as OSS did in its day. But Watergate is a deadly serious business all the same, as deadly and as serious as this reporter has seen in a quarter century of covering politics. For Watergate has been an attempt to alter the very nature of the ancient American political system.

TERRIFYING INNOVATION

Politicians have played tricks on each other since politics was invented. But this is not politics; this is war.

The special form of warfare waged by OSS against Adolf Hitler was morally justified by the moral necessity to destroy Nazism. The more limited and circumspect form of warfare waged by the CIA against the KGB, and vice versa, is also justified by hard necessity. But to transfer such secret-service techniques, on an obviously planned and organized basis, to the internal American political process is a genuinely terrifying innovation.

Any person proven to have used these techniques should not only be punished by the law; he should be banned forever from participation in American politics. Every sensible American—including, as he has said in a fine speech, George McGovern—deeply hopes that Richard M. Nixon is not such a person. But if the Niagara of evidence, which will surely now result from the breaking of the CREEP reseau, conclusively proves the contrary, Mr. Nixon, who has been a good President in many ways, must resign, or be impeached.

OREGON YOUTHS PERFORM HEROIC SERVICE

Mr. HATFIELD. Mr. President, all too often, the many good deeds of young people today are overlooked as attention focuses on the bizarre or the outlandish actions of only a few people of this age.

Recently, a friend of mine in Oregon, Mr. Stan Malo of Dallas, Oreg., called to my attention the very heroic actions of two Oregon high school students.

These two young men, both high school sophomores, rescued people from a burning house at great risk to their own safety. The article-editorial I will insert in the Record details their actions.

Through the initiative of Stan Malo, the two young men, Melvin Broaddus and Keith Richardson, were honored at an insurance convention by the National Association of Mutual Insurance Agents, who awarded them its "Alert Youth Award."

I want to add my congratulations to these two outstanding students, who deserve the accolades they are receiving.

I ask unanimous consent that the editorial from the Dallas, Oreg. Itemizer-Observer of May 2, 1973, be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

More Understanding of Human Nature

An interesting story crossed our desk recently involving two young men from Milwaukie, Ore. and a group of Oregon insurance agents.

It seems that the National Association of Mutual Insurance Agents wanted to put the spotlight on today's young people. An "Alert Youth Award" was sponsored by the Oregon Insurance Agents. The insurance men felt the award would give credit to deserving youngsters, and at the same time, counteract a lot of the bad news about young people headlined in today's media.

Finding recipients for the award was not difficult. Stan Malo heard about, and sponsored, Melvin Broaddus and Keith Richardson of Milwaukie who saved five children trapped in a flaming house. The two youths were doing remodeling work on a house in northeast Portland when they heard the cries of children in the house next door. Soaking their clothes with water, the two young men broke open the front door and struggled through the heat, smoke and fire billowing from the building. Then Richardson ran to the nearest fire box to summon the fire department. According to the local fire chief a few more minutes and the children would have died of smoke inhalation.

About a month later the two boys' parents were contacted about the "Youth Alert Award." The parents agreed to permit the insurance agents to present the award to the boys, but with a mild admonishment "not to give them too much because they were brought up to do right and not for rewards."

The story might have ended with the award presentation at the Warm Springs Convention Center, and with the congratulatory telegrams from Oregon senators and congressmen. However, this wasn't to be the case. Human chemistry went to work. After the convention ended the visiting insurance agents returned to their hometowns a little bit wiser and with a great deal more understanding of human nature. It seems that the two young men the insurance agents were anxious to reward left more at the convention than they received. The humility and sincerity of the young men captivated the convention delegates. The insurance agents agreed to the man that the "Alert Youth Award" was successful as a means of bridging the generation gap.

But none of them expected that the award presentation would also help bridge the racial gap. But then again that was before they learned that the first year's recipients, Melvin and Keith, were two youthful ambassadors from Oregon's black community.

KGW RADIO RECEIVES PEABODY AWARD

Mr. HATFIELD. Mr. President, this past week, one of the respected Peabody Awards was presented to Mr. Dean Woodring, general manager of KGW Radio, in Portland, Oreg. For many years, this station, and its parent, King Broadcasting, have been leaders in Portland and in other Northwest cities where it has radio or television outlets.

The Peabody recognizes excellence among programs, certainly a worthy goal of any communications enterprise. I call attention to this award, and ask unanimous consent that a news release from KGW Radio discussing the award shall be printed in the Record.

There being no objection, the release was ordered to be printed in the Record, as follows:

News Release

KGW Radio, a Division of King Broadcasting, has been named a recipient of a George Foster Peabody Award for their Public Affairs series "Open Door." Called the "Pulitzer Prize of Broadcast Journalism," the Peabody awards are given each year to honor the most distinguished and meritorious public service by radio and television stations, networks and individuals. KGW Radio, one of the 22 recipients of the Award, is the only local commercial radio station in the nation to receive a 1972 Peabody Award.

"Open Door," a ½ hour weekly religious/youth program, is directed by Bud Frimoth, Pastor of Sunset Presbyterian Church and produced by the KGW Public Affairs Department in conjunction with the Greater Portland Council of Churches.

Written by young people, the weekly program reflects the themes of today's youth (i.e., isolation, war, feelings) interwoven with contemporary music. The series fuses the emotional intensity of youth with a probing view of their atttiudes toward the world they live in.

Beginning in October, 1970, "Open Door" has broadcast 113 programs. During that time, 30 to 40 young people have participated by writing, directing and producing the show. The program is heard on KGW Radio at 10 a.m., Sunday and is also aired in Seattle on KING Radio.

"Open Door" joins an outstandnig group Award. Other winners include Alistair Cooke for his "America" series, NBC for "Search For the Nile," Bill Monroe for news reporting on the "Today" show and ABC for its coverage of the Summer Olympics in Munich, West Germany. Formal presentation of medallions and certificates will take place in New York City on May 2.

THE WATERGATE AFFAIR

Mr. TOWER. Mr. President, on April 28, 1973, the Dallas Morning News carried an interesting column by its senior political analyst, Mr. Robert E. Baskin, concerning the Watergate affair. I feel Bob Baskin has placed this whole unfortunate episode in perspective, and request that the full text of his column be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

ATMOSPHERE OF GLOOM NOTICED IN WASHINGTON

(By Robert E. Baskin)

WASHINGTON.—You come out of the countryside of Texas—as we did the other day—and into the heady atmosphere of Washington and you find that this is a strange and baffling nation.

We spent the Easter weekend in West Texas before coming to this great city of marble monuments and frenzied oratory. It was like lunging from daylight into a grim darkness.

Out in West Texas we made it a point to inquire everywhere we could about the reaction to the Watergate affair. Somehow we had got the notion that this was the burning issue of our time. It's not anything like that in West Texas.

Most of the reaction we encountered was of a "so-what" variety. There was a strong feeling evident that Watergate was primarily a political controversy and that it did not have serious moral or ethical connotations.

Arriving in Washington on a cold, clammy day, we found just the opposite view of Watergate.

Washington is a city of desperation. It is also a city of many frustrations. The Nixon administration is responsible for much of this, but it should not be condemned out of hand for this syndrome.

MUCH UNHAPPINESS

In the bureaucracy, for example, there is much unhappiness and unease because of the president's deliberate effort to cut down the size of the federal establishment. This contributes to a wave of leaks about what is going on in the federal government—some of it perhaps true and some of it merely calculated vindictiveness.

But above this, and as a result of the Watergate affair, we are witnessing a wave of hysteria in Washington. There is an unparalleled attack upon the presidency—the office, the man and the system.

One of Washington's more conservative columnists this week denounced Nixon in strong terms and spoke of the "disintegration of the presidency." This is hard language, by any standard.

There is no question that an assault of major proportions has now been mounted against Nixon and his administration. At this moment it is highly effective in Washington and on the East Coast. But whether it has relevancy to the citizens out beyond the Appalachians is quite another matter.

Washington in many respects is a sick town. The Watergate story is feeding upon itself in an ugly sort of way. And this is doing neither the country nor the government any good. If there has been wrongdoing, let it be decided through customary legal channels.

DREDGED UP

But as it now stands the indictments against Nixon and his cohorts have been returned by others than constituted authority. These indictments have been severe, and they do not relate solely to the events of 1972. Now we are having dredged up for us Nixon's campaigns for the House, the Senate, the presidency, (in 1960) and the governorship of California.

This is not fair play. We have largely forgotten Harry Truman's days with Pendergast, Lyndon Johnson's 87-vote victory in 1948 and the theft of Illinois and Texas by the Kennedy people in the presidential election of 1960.

Watergate, of course, is a sordid affair, and it is essential that the full facts about it should be brought out.

But the hysteria that reigns in this town at this moment should be of major concern to the country. The government is virtually at standstill until this unfortunate political episode is ended. If Richard Nixon is the astute politician that we believe him to be, he will shortly take drastic steps to clear up this matter.

INDOCHINA—COMMENTS OF THE FOREIGN MINISTER OF SWEDEN

Mr. PELL. Mr. President, there has been some concern expressed by the administration concerning the view of the Foreign Minister of Sweden's comments on Indochina.

For the sake of clarity and for the interest of my colleagues, I ask unanimous consent that the remarks of the Swedish Foreign Minister in his Parliament on April 26, 1973, be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

REPLY BY THE FOREIGN MINISTER TO A QUESTION IN PARLIAMENT APRIL 26, 1973

Mr. Takman has asked me about the Government's attitude to the U.S. bombings of Cambodia in view of the Paris Agreement of 27 January 1973 and about the steps which the Government has taken to make known its attitude to the continued aggression of the United States in Indochina.

The provisions of the Paris Agreement dealing with Cambodia are to be found in Article 20 which stipulates the following. The parties shall respect the 1954 Geneva Agreement, which recognized the independence of the Cambodian people. The parties shall further respect the neutrality of Cambodia. They undertake to refrain from using the territory of Cambodia to encroach on the sovereignty and security of one another and of other countries. Foreign countries shall put an end to all military activities in Cambodia, totally withdraw from and refrain from reintroducing troops, military advisers and military personnel, armaments, munitions and war material. The internal affairs of Cambodia shall be settled by the people of that country without foreign interference. There are corresponding provisions for Laos.

In the opinion of the Government it is of decisive importance that the parties to the Agreement observe these provisions.

The provisions of the Paris Agreement pertaining to Cambodia and Laos are also confirmed in Article 8 of the Final Act of the International Conference in Paris. With the stated aim to strengthen and guarantee the peace in Indochina the participating parties acknowledge in this Article the commitment of the belligerent parties to respect the independence, sovereignty, unity, territorial integrity, and neutrality of Cambodia and Laos as stipulated in Article 20 of the Paris Agreement.

The continued American bombings should also be seen from a general political and humanitarian point of view. The situation in Cambodia after the signing of the Paris Agreement has been characterized by continued fighting between the parties in the civil war, which for a long time have been receiving material support from foreign powers. It is naturally difficult to assess the extent of this support. But in the Government's view it is not acceptable that a great power with superior military resources intervene in a civil war in a small country. The bombings appear all the more provocative since they indiscriminately hit the civilian population as was previously the case in Vietnam.

The Government reacted very sharply when Cambodia in 1970 became a theatre of war due to the American extension of the Vietnam war. The Government naturally takes an equally critical attitude towards the renewed military activity in Cambodia and Laos. The views which influenced the Government's attitude towards the Vietnam conflict remain unchanged in the present situation.

A lasting peace in Cambodia and Laos, based on respect for their neutrality, which was confirmed anew in the Paris Agreement and the Final Act, can only be guaranteed by a settlement between the national forces.

Mr. PELL. Mr. President, apparently the last five sentences of the penultimate paragraph have caused anger in the executive branch of our Government. These sentences read:

> But in the Government's view it is not acceptable that a great power with superior military resources intervene in a civil war in a small country. The bombings appear all the more provocative since they indiscriminately hit the civilian population as was previously the case in Vietnam.
>
> The Government reacted very sharply when Cambodia in 1970 became a theatre of war due to the American extension of the Vietnam war. The Government naturally takes an equally critical attitude towards the renewed military activity in Cambodia and Laos. The views which influenced the Government's attitude towards the Vietnam conflict remain unchanged in the present situation.

I must say that I agree with these sentences and would only hope that we would cease waging war or, rather, intervening in a civil war in this small country.

I would also hope that the oversensivity in the executive branch would not continue indefinitely and that we might have more normal relations on the ambassadorial level with Sweden, a nation probably more akin to us, except for Great Britain, than any other country in the world and with a standard of living highest in the world except for our own.

THE 25TH ANNIVERSARY OF THE STATE OF ISRAEL

Mr. HATHAWAY. Mr. President, this week the State of Israel celebrated its 25th anniversary, marking a quarter century of social and industrial progress that is remarkable for a country which came into being such a short time ago. Those of us who have watched this growth have been all the more impressed because it has taken place in the midst of adversity which has accompanied the Israelites for over 35 centruies.

A nation or a state does not happen because documents are signed or pronouncements made. Nations are built, and those of us living in the middle and latter half of the 20th century are the fortunate witnesses of what Israel has already accomplished and the hopeful observers that it will soon be able to live in peace, its boundaries peaceful and secure, its position as a leading world nation acknowledged.

Mr. President, I join with the well-wishers throughout the world in offering congratulations to the people of Israel and the Jewish people throughout the world who have all, in their own way, built Israel.

POLITICIANS AND THE PRESS—REMARKS BY CLIFTON DANIEL

Mr. MUSKIE. Mr. President, several weeks ago, one of our Nation's most distinguished news executives, Mr. Clifton Daniel of the New York Times, addressed a group of Washington editors and press spokesmen on "Politicans and the Press."

Mr. Daniel's remarks were structured around the Times' decision to publish the Pentagon papers. Never in his 40-year career in journalism, Mr. Daniel tells us, has he felt the press "so persistently questioned and challenged as it has been lately." Never has he felt the challenge "to be so ominous."

Part of this challenge, Mr. Daniel points out, comes from a government which characterizes members of the press as "sensationalists who dispense elitist gossip," and one which overclassifies Government documents with little concern for the public's right to know.

In his address to the Public Relations Society of America, Mr. Daniel explains how the Times views its responsibilities under our constitutional system to "publish information of interest and importance to the people, in the performance of their rights and duties as citizens, voters, and taxpayers." I ask unanimous consent that Mr. Daniel's address be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE PRESS AND THE POLITICIANS

(By Clifton Daniel)

Most Americans don't believe in freedom of speech, freedom of the press, and freedom of assembly.

To be more precise, they don't believe that those rights, as defined in the First Amendment to the Constitution, are absolute. Most Americans would be willing to see them restricted.

They claim the right of free speech for themselves, but not necessarily for other people.

What's my evidence?

Last year I received from Louis Harris and Associates—the Harris Poll—some unpublished data from a series of questions put to 1,609 persons—a national cross-section—in 1970.

They were asked, "Do you agree or disagree that every citizen in the United States should have the right to express any opinion he wants to"—freedom of speech.

Ninety-one per cent agreed.

"Do you agree that every citizen should have the right to print any point of view he wants to"—freedom of the press.

Seventy-three per cent agreed.

"Do you agree that every citizen should have the right to hold a meeting on any subject he pleases"—freedom of assembly.

Sixty-six per cent agreed.

But in the same year, 1970, when the same questions were asked in a different context, when they were applied to the conduct of other people, the answers were conspicuously different.

The C.B.S. News Poll, which interviewed 1,136 adults, found that 76 per cent of them believed that "extremist groups should not be permitted to organize demonstrations against the government, even if there appeared to be no clear danger of violence."

Fifty-four per cent "would not give everyone the right to criticize the government, if the criticism were thought to be damaging to the national interest."

Fifty-five per cent felt, that, even in peacetime, "newspapers, radio and television should not be permitted to report some stories considered by the government to be harmful to our national interests."

In brief, a majority would restrict the rights to demonstrate, criticize and report, even though these rights are clearly and unequivocally guaranteed in the First Amendment.

Let me recall the words of the amendment:

"Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or the right of the people peaceably to assemble, and to petition the Government for a redress of grievances."

I call attention especially to these words, "Congress shall make no law . . . abridging the freedom . . . of the press," because that's what I'm here to talk about—freedom of the press.

Never in all my career in journalism, which is now in its 40th year, have I known freedom of the press to be so persistently questioned and challenged as it has been lately.

Never have I felt the challenge to be so ominous.

It seems especially menacing because, in part, it emanates directly from the White House.

It began, this official challenge, with Vice President's Agnew's famous speech of November 13, 1969, in Des Moines.

That was the speech in which Mr. Agnew charged that broadcasting was in the hands of a "small and unelected elite" whose views "do not . . . represent the views of America."

Such attacks on the news media subsided during the 1972 Presidential campaign.

Supporters of the President observed that Senator McGovern was, if anything, getting a worse press than Mr. Nixon.

Actually, only 17 per cent of television viewers thought T. V. reporting of the 1972 election was biased against the administration. That was the finding of a poll taken for T. V. Guide.

After the election, however, the challenge to the press was renewed, this time by Clay T. Whitehead, director of the White House Office of Telecommunications Policy. He said station managers and network officials "should correct the so-called professionals who confuse sensationalism with sense and who dispense elitist gossip in the guise of news analysis."

But when I speak of the challenge to freedom of the press in America, I am not thinking only of the government, only of Clay Whitehead and Vice President Agnew. I am also thinking of that 55 per cent of the people polled by C.B.S. who favor government censorship of the press.

They don't use the word "censorship." They may not even be aware that they are advocating it. They simply ask questions such as this one about the publication of the Pentagon Papers, the secret history of our involvement in the Vietnam War: "Who gives you the right," they ask, "to decide which government documents should be made public? Who elected The New York Times?"

That is a hard question. It deserves an honest answer. I shall try to answer it here and now.

The New York Times was elected, so to speak—the press in general was elected—by the Congress that recommended and the states that ratified the first ten amendments to the Constitution in 1971.

The press was not elected to classify and declassify public documents. It was elected to seek out and publish information of interest and importance to the people, in the performance of their rights and duties as citizens, voters and taxpayers—especially information that the authorities might improperly withhold from the people.

The press was elected to scrutinize, publicize and criticize the acts of public officials.

Freedom to publish was guaranteed without restriction.

Freedom of the press, as defined by the First Amendment, means freedom of the press. It does not mean freedom if, or freedom but. It means freedom period.

It is because I interpret the First Amendment in that absolutist sense that I tend to be dubious about so-called shield laws—laws to protect newsmen in their refusal to disclose confidential sources and confidential information.

Defining freedom of the press, as these laws would do, could result in limiting freedom of the press—that is, abridging freedom of the press, which the Constitution forbids.

That is my personal view. Most of my colleagues, through their professional associations, seems to be in favor of shield laws, state and Federal.

Freedom of the press, in their view, and in mine, means freedom to gather news as well as publish it.

That aspect of freedom was seriously eroded by the Supreme Court decision last June in the case of Earl Caldwell of The New York Times.

The court held that newsmen have no Constitutional right to withhold confidential information from grand juries, although lawyers, doctors and priests do have such a right.

Four newsmen have already gone to jail to protect their sources. Many more are prepared to go.

While news-gatherers and news sources must be protected from official harassment and intimidation—whether by statute or the Constitution, they must act within the law.

The First Amendment is not a license to rob or steal.

The New York Times did not steal the Pentagon Papers. I do not know, in fact, exactly how The Times obtained those documents.

They came into the possession of Neil Sheehan, a reporter with long experience in the problems of Vietnam. Daniel Ellsberg says he gave the Pentagon Papers to the press.

Whether Dr. Ellsberg misappropriated the papers and violated the law in making them public—those are issues to be decided in the case now proceeding against him in Federal Court in California. I cannot anticipate the verdict.

In actual fact, government secrets can be had for the asking—or even without asking.

When the Department of Justice tried to prevent the publication of the Pentagon Papers, The New York Times was prepared to go into court and demonstrate that public officials routinely give out classified information for their own purposes, and that secret documents are habitually used in the writing of books by former Presidents and lesser officials.

It is not generally known, I believe, that there is no law providing for the classification of government documents, and there is no law against disclosing government secrets —except in espionage cases.

Documents are classified by Executive Order—that is, on the authority of the President, and the system of classification is notoriously capricious. Parts of the Pentagon study, for example, were based on articles from The New York Times. Indeed, several of the volumes contained page after page of footnotes citing The Times, all classified "Secret."

Equally capricious is the system of declassifying documents—as the government has acknowledged. After the Pentagon Papers case a review of the procedures was ordered, and they were supposedly liberalized by a Presidential order last June 1st.

When he issued Executive Order 11652, President Nixon said it was designed—and I am quoting—"to lift the veil of secrecy which now enshrouds altogether too many papers written by employees of the Federal establishment."

"The full force of my office," the President said, "has been committed to this endeavor."

The full force of the President's office has not been conspicuously effective. Since June 1972, The New York Times has formally requested declassification of 51 sets of documents, all at least 10 years old, and many going back 25 years or more.

In four cases, The Times succeeded without appeal, although one declassification took ten months. Another case succeeded only after an appeal and a re-appeal. Two more cases are pending.

"That gives us a batting average so far of 5 for 49, or .102—not good enough even for the minor leagues," as Harding Bancroft, executive vice president of The New York Times, told a group of three Senate subcommittees last week.

The Pentagon Papers manifestly would never have been made available under such a procedure.

The issue that confronted The New York Times in the Pentagon Papers case was not how the documents were obtained, but whether to publish them once their existence was known.

The issue really was whether the press was justified in suppressing the Pentagon Papers, knowing that they contained information that the public was reasonably entitled to have—the story of how successive administrations were led deeper and deeper into the Vietnam war, while Congress and the people were deliberately deceived.

The decision of The New York Times to publish was not taken lightly. It was agonizingly and endlessly debated among the paper's highest executives and editors. The verdict was not instantaneous, obvious or automatic. The newspaper's own counsel, Lord, Day and Lord, advised against publication, and, when the Federal government filed suit to halt publication, three days after it had begun, Lord, Day and Lord declined to defend The Times.

There were several factors in favor of publication:

The Pentagon Papers dealt with a public issue of the greatest importance—the conduct of the war in Vietnam.

They contained information that the public was entitled to have, but, which, in many instances, had been deliberately withheld or misrepresented.

The Pentagon Papers were history. They did not touch on current operations. They did not disclose future military plans or policies.

In its suit to stop publication of the Pentagon Papers, the government contended that "grave and irreparable" injury would be done to the national interest.

If irreparable harm did result, there has so far been no evidence of it.

None of our operations in Vietnam, Laos and Cambodia was compromised. Nobody—not even the suspicious Chinese, Russians and North Vietnamese—has refused to deal with us because we allegedly cannot assure the secrecy of diplomatic negotiations and communications.

Nevertheless, for 15 days in the last two weeks of June, 1971, The New York Times and The Washington Post were enjoined by the Federal courts from publishing anything further about the Pentagon Papers.

It was the first time in American history that the Federal government, in peacetime, had exercised prior restraint on the publication of news—in other words, had imposed censorship on the press.

It took 15 days for the case to work its way through the courts to ultimate resolution by the Supreme Court itself.

On June 30, 1971, the Supreme Court announced its decision—a 6-to-3 vote in favor of freedom of the press, as defined by the First Amendment.

As Justice Brennan remarked, "the First Amendment tolerates absolutely no prior judicial restraints of the press predicated upon surmise or conjecture that untoward consequences may result."

Why should that be so? Why did the authors of the First Amendment grant such an absolute right of publication?

Because, as Justice Black said in his opinion in the Pentagon Papers case, "only a free and unrestrained press can effectively expose deception in government."

It is common knowledge, Justice Douglas said, that the First Amendment was adopted to stop the practice of punishing people for publishing things that were "embarrassing to the powers-that-be."

"The present case (against The New York Times and Washington Post) will, I think, go down in history as the most dramatic illustration of that principle," Justice Douglas added.

I myself would say that the decision in the Pentagon Papers case was the greatest victory for freedom of the press in America since John Peter Zenger was acquitted in 1735 of libeling the British royal Governor of New York.

A victory—and yet. . . .

While a majority of six members of the Supreme Court voted against preventing the publication of the Pentagon Papers by injunction, three of those six indicated that they might vote differently if the issue were presented to them in another form and under other circumstances.

Indeed, the initial verdict might have been different if there had been four conservative Nixon appointees on the court instead of just two.

Then there is that majority of 55 per cent in the C.B.S. News Poll who felt that, even in peacetime, "newspapers, radio and television should not be permitted to report some stories considered by the government to be harmful to our national interests."

How can they—how can you—be convinced that freedom of the press—absolute freedom of the press—is worth preserving, that it belongs not merely to newspaper publishers, but to all the people, and that those four newsmen who were imprisoned in 1972 went to jail to defend your liberties as well as their own?

Let me seek some simple and homely words.

Freedom of speech, freedom of the press and freedom of assembly are parts of the same whole.

The loss of one diminishes the others. The loss of them all is the loss of liberty itself.

Show me a country where a citizen is not free to speak out against the government—whether in a newspaper, on the airways, or in a public square—and I will show you a nation in chains.

Why do you suppose that the first two people arrested in the effort to suppress the Hungarian uprising in 1956 were journalists? And why do you suppose that the first demand of the students who were in the vanguard of the uprising was for freedom of the press?

Why do you suppose that the first action of Alexander Dubcek, who tried to establish a more liberal regime in Czechoslovakia in 1968, was to grant more freedom of speech and assembly? And why do you suppose that the first demand of the other Communist countries, which invaded Czechoslovakia and deposed Dubcek, was that the press and radio be controlled and public dissent forbidden?

Why do you suppose that, when President Marcos imposed a military regime on the Philippines last September, he closed down all but one newspaper and all but one radio station, and had 16 newspapermen arrested?

Why do you suppose that the heavy hand of tyranny always falls first on the ears of communication?

Those who would deliver the press into the hands of the government—those 55 per cent—they may not realize it, but they are handing over their own freedom with freedom of the press.

I agree with the man who said last June, "Fundamental to our way of life is the belief that when information which properly belongs to the public is systematically withheld by those in power, the people soon become ignorant of their own affairs, distrustful of those who manage them, and—eventually—incapable of determining their own destinies.'"

That man was Richard M. Nixon.

BANKING AND CONSUMERISM

Mr. **HARTKE**. Mr. President, this is an age of consumerism, and few areas of our society will be exempt. People are demanding to know more about the products and services they consume. They have a right to this knowledge.

Banking is one area of our society which has yet to feel the consumer pinch. To be sure, many banks are no longer keeping strict "bankers' hours," but there are far more important concerns to the consumer which have yet to be met.

The Hartke Consumer Savings Disclosure Act (S. 1052) seeks to inform potential and existing depositers about their savings accounts so that they may make wise decisions about the placement of their savings in an institution, and so that they may check a bank's calculation of earnings. The principles of truth in savings are no different than those already adopted in the Truth in Lending Act.

An article which appeared in the January 1973, issue of Banking magazine discusses the consumer thrust as it relates to banking. Within that article there is a checklist of potentially questionable banking practices. The second item listed pertains to the subject matter of S. 1052:

> Savings Accounts—Are savings account plans stated in a manner that allows easy comparison among competing bank plans? Are savers clear about the penalties for premature withdrawal of principal? Do they understand statements about methods of computing interest?

Mr. President, the answer to each of these questions is an unequivocal "No." Unless the banking industry wakes up to this lack of comprehensible knowledge, the consumer movement will catch up with them.

I ask unanimous consent that the text of the article to which I have referred be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HOW TO ANTICIPATE CONSUMERISM'S COMING THREAT TO BANKING

(By Philip Kotler)

(NOTE.—This article was adapted from an address being delivered at the National Marketing Conference of the American Bankers Association in New Orleans, Jan. 14–17. The full text will be available as part of a forthcoming ABA publication, "Banking in the Age of Consumerism.")

Bankers are used to the normal shocks of doing business. A sudden economic downturn dries up lending activity. A competitive bank carries out extensive remodeling and draws scores of customers away. A new computer installation ends up costing the bank twice as much as it budgeted. These are the normal shocks of doing business.

But shocks of a different character have been occurring recently. A poor people's group charges that banking practices and services discriminate against the poor. A militant black group wants the bank to stop making loans to certain slum landlords. Some elderly people called the Gray Panthers demand free checking accounts and safety boxes from a Philadelphia bank. Some debtors refuse to pay bank loans because the original merchants sold them shoddy goods. Other customers complain that a certain calculating custom makes them pay more interest than is formally specified by the bank.

These last shocks are just random episodes today, but they may be "the handwriting on the wall." They have the common denominator of constituting a protest against some current banking practices and standards defining the relationship of customers to the bank. Their message implies that bankers are considered to be guilty of unfair or inadequate treatment of certain consumer needs, rights, and interests. These episodes will increase in number.

1. WHY THERE HAS BEEN LITTLE THREAT UP TO NOW

The banking industry has largely escaped serious consumer criticism until now because of *structural* and *performance* factors in its favor.

The major structural factor in its favor is that the banking industry does not produce a tangible product. A tangible product raises questions of public safety and health. Is the product safe to handle and to use? Is it packaged well? Is there full information on the label about its ingredients and its freshness? Are product changes designed to add value or hasten obsolescence? These and other questions do not have their clear counterpart in a service industry.

A second factor is that advertising and promotion, another powder-keg factor for consumerists, has stuck relatively close to the truth in the banking industry. In the world of soap, toothpaste and cigarettes, advertisers take great liberties in "sexifying" and "statusizing" their products to make up for a lack of real differentiation. Claims and implied benefits border on the extravagant and are broadcast with such frequency and intrusiveness as to create a basis for consumer criticism. Bank advertising, with few exceptions, has not been guilty of the same promotional vices as many consumer products.

On the performance side, to the everlasting credit of the banking industry, there has been a steady improvement in services and customer orientation.

This is not to say that all banks have reached a mature concept of marketing. Many banks claiming to practice the marketing concepts are at best confusing it with one or another phase of what we might call pre-marketing.

The typical bank, like other service industries that "discover" marketing goes through four stages in moving toward a full and mature concept of the marketing process.

First, they think of marketing as equivalent to promotion. The job of the new marketing man is mainly to get out some good advertisements and promotions. If he is good at his job, new customers will be drawn to the bank. The bank will then discover a new problem. Once drawn to the bank, many of the new customers will be turned off by the personnel.

When banks recognize the shortcomings of employees in dealing with the public, they move into a second pre-marketing stage—that of personalizing the bank. They train the employees to be customer-oriented; they modernize the banks' interiors to be lighter and more inviting; and they take other steps to make the customer feel welcome to, indeed loved by, the bank. This works wonders for the first banks that try it, but soon all banks begin to personalize their services as a competitive necessity and this soon loses its distinctive advantage.

Banks then search for a new key to the marketing orientation and discover it in the concept of innovation. Banks undertake better research of their customers' evolving financial needs, looking for profitable service opportunities. They began to introduce credit cards, alternative savings plans, personal tax services, and other new services. Other banks are drawn to do the same. Finally, a few banks recognize that not all innovations are profitable and that indeed they lack information on the profit on their various services.

The realization that market targets and sales resources can be handled in a better way leads to the fourth and present stage of bank marketing—the marketing-system stage. The idea takes over that bank marketing calls for integrated systems for marketing research, analysis, planning and control. Instead of simply seeking to achieve a little more sales and profits each year, banks begin to undertake the development of detailed plans establishing reasonable sales and profit objectives based on measured potentials, programs for securing this business, detailed sales quotas for various officers, and marketing controls to make sure results are coming in on target.

The evolution of bank marketing through the successive stages of promotional, personal, innovational, and managerial marketing has helped create substantial consumer value in real and in felt terms. Banks have done a good job, avoiding thereby a lot of potential consumer criticism.

My thesis is that, on the contrary, consumerism and other "isms" will increasingly catch up with the banks, and their marketing will have to pass into a fifth stage in the movement toward a mature marketing orientation—that which I would call the societal marketing stage.

The following section explains why I believe this will occur.

2. WHY THE THREAT IS INEVITABLE

"Three characteristics of the industry could eventually draw banks into the storm center of consumerism. They are: (1) the possibility of depersonalization of banks; (2) the central position of banks in the economy; and (3) certain questionable banking practices."

Depersonalization

Banks give considerate and meticulous service to their individual wholesale customers because of the amount of money involved. But they find it hard to give generous attention to individual needs of their retail customers. Yet the bank is of central importance to the retail customer's financial welfare. The bank holds his money. The bank holds the key to the safe and productive use of this money. Customers want to feel that the bank is on their side and eager to help them use their money right. Customers get anxious when the bank fails to cater to these feelings.

As banks get larger and more complex, the danger increases that the customers will feel anonymous and helpless *vis-a-vis* the bank. As the bank adopts more technological devices to improve its operations and cut its costs, the danger increases that the customers will feel confusion or experience unintentional errors. The worst thing that can happen is for customers to start feeling that the banks are manipulating them or are being careless with their money.

This is an era when people are pressing to humanize their institutions, to cut them down to scale, to make them responsive. The major problem of retail banking is to find a way to operate economically on the one hand and deliver a genuine feeling of individual customer concern on the other. A few of the large retailers such as Sears and Penney's have learned how to be personal with their millions of customers. Certainly their methods would repay careful study by banks.

The central position of banks

Because banks occupy a central position in the economy, they cannot avoid being a major target for many social causes. The social movement known as consumerism is only one part of a broad protest movement against the quality of life in American society. There is an affinity among consumerism, environmentalism, welfarism, racism, and feminism.

It is hard to know where consumerism ends and these other social movements begin. They attract many of the same people. Banks are a natural target for their criticism.

Because of their wealth and critical position of influence in the economy, banks are a natural target for all sorts of protest groups. These groups may seek consumerist issues to attack banks as part of a strategy to wrest other concession.

The operational complexity and centrality of banks are facts that banks have to live with. A third factor—traditional and evolving practices—is more subject to the discretion and control of banks. Banks can alter those practices which are most likely to provoke consumer criticism.

What are these practices? They are summarized on the checklist (p. 21).

As one can see from scanning the list, the issues vary tremendously in seriousness. The banks are largely free from criticism in their handling of checking and savings account services. But there are also other areas, some of which are potentially dangerous.

3. WHAT TO START DOING ABOUT IT NOW

What should banks be doing today in order to be in the strongest posture when they face their critics tomorrow? It is possible to distinguish five hypothetical positions they might take, ranging from the most conservative to the most reformist.

My feeling is that the banking industry at this stage should at the very least organize a better monitoring system of its publics to anticipate possible problems, and at the same time should start revising those practices which contribute most to the irritation of critics.

A monitoring system

The design of a public monitoring system must begin with the attempt to distinguish all the conceivable publics surrounding the banking industry.

A bank faces an unusually large number of publics.

First there is a set of "input" publics, among them support publics (such as shareholders), supplier publics (material, machine, and service suppliers), and government publics (federal, state, and local publics). Their inputs are processed by the bank through internal publics consisting mainly of bank directors and bank staff. The bank's "outputs" are carried by agent publics such as mass media, financial intermediaries, and retail outlets. The final outputs are consumed by client publics (individual customers, small business customers, and large business customers) as well as by general publics (local community public, mass public, business community, activist groups, and competitors).

Thus, there is a considerable number of publics to monitor. Not all of them have the same importance to the banking system. The allocation of monitoring time and resources must be based on the relative potential impact of these varying publics on the banks. The banks must ask themselves what are the needs, perceptions, interests, and intentions of each of these groups as they might affect the banking industry.

The anatomy of a bank's publics does not fully suggest the dynamic interrelations that might exist among these groups. The most basic relation is that between the bank and its client public. The client public defines the basic reason for the bank's existence. Passing between the bank and its clients is a steady flow of money and services. The other publics would normally be quite peripheral to the essential relation between the bank and its clients.

However, suppose some of the clients grow dissatisfied with one or more aspects of the bank's customer services. It might not even the fault of the bank's management so much as how the bank's staff carries out management policies. What recourses does the client public have? It has at least five.

First, the client public can attempt to negotiate its differences directly with the bank's management. If this fails, the client public can attempt to enlist the sympathy of the general public through editorial letters, demonstrations and so on. The client public can also attempt to enlist the support of federal or state banking authorities or legislators. Or the client public can seek the support of various action groups who may be only too happy to bring pressure on banks. Finally, some of the client public can switch their business to other banks or institutions, a most potent ultimate resort in a competitive society.

Thus, overlaying the simple transactional relation between the bank and its clients are at least four other publics who might be drawn into the transaction if the clients are dissatisfied or if their interests are seen by someone as not being served in the best possible way. It is essential, therefore, for the banks to monitor the feelings of their customers and also the interests of other publics as they may be affected by the bank's operations.

Segmenting the bank's publics also provides a way to estimate the potential seriousness of any potentially questionable bank practices. Different publics will be bothered by different bank practices in different degrees.

Information collected on issues and publics is vital to the banking industry's continued health and adaptation to new and evolving private and public needs. The banking industry, along with other industries, is coming under new public scrutiny regarding the industry's economic and social contributions to society. The old days, when the industry was considered innocent until proved guilty, when its products, services, and methods were not questioned unless there appeared to be a violation of the antitrust laws, are on their way out.

The consumer movement, instead of a threat to banking, is in reality an opportunity for the industry to reexamine its practices and, what's more important, to examine its soul. Such self-examination may lead to a feeling of pride that a good job is being done. Or it might lead to awareness of deficiencies that need correction.

CHECKLIST: POTENTIALLY QUESTIONABLE BANKING PRACTICES

Checking accounts

Are the fees and conditions surrounding checking accounts fair? Do fees based on minimum balances discriminate against the poor? Is it fair for banks to extend free checking accounts to certain groups and not to others?

Savings accounts

Are savings account plans stated in a manner that allows easy comparison among competing bank plans? Are savers clear about the penalties for premature withdrawal of principal? Do they understand statements about methods of compounding interest?

Loans

a. Will the public accept increased bank interest rates as a fact of supply and demand rather than a conspiracy of the moneylenders to take advantage of the borrower?

b. Do traditional lending standards discriminate unfairly against the poor in the sense that those who need money most have the least chance of getting it and have to pay the most for it? Should banks be required to develop assigned-risk pools to finance loan to the poor?

c. When money is tight and banks have to refuse loans to some part of the market, are the standards they use fair?

d. Is the interest-rebate system that uses the "rule of 78" adequately explained to borrowers and worth the cost of potential customer dissatisfaction?

e. Should banks have the right to extend loans at prime interest rates to the officers of companies which deposit at their bank?

Collections

a. Is the practice of some banks of sending harsh notices to delinquent accounts an insult to borrowers? Is it as constructive as trying to elicit the borrower's cooperation in refinancing his debts?

b. Is the garnishment and repossession system operating fairly to all parties concerned?

c. Should the borrower have the right to refuse to pay a bank loan when the merchandise he bought was shoddy and he is seeking redress from a recalcitrant retailer?

Investments

a. Should the banks refrain from making loans and investments to merchants and landlords widely believed to be dealing unfairly with ghetto consumers? Should the bank take some responsibility in trying to get these businessmen to clean up their practices?

b. Are the banks investing enough in banking facilities in low-income areas to give comparable banking services to the poor?

c. Should the banks refrain from making loans and investments to organizations whose operations are not seen by all to be serving the best interests of society—e.g., polluting companies, war industry companies, companies doing business in South Africa, underworld organizations?

Miscellaneous services

a. Are the standards used to distribute credit cards fair to all groups, particularly low-income individuals and families? On the other hand, are banks sometimes too aggressive in distributing credit cards to certain groups who will be tempted into more impulse buying?

b. Is it fair that the banks do not pay interest on money being held in escrow?

Service quality

a. Are certain aspects of the banking business becoming so depersonalized that some reaction is bound to set in? Is there a danger that save-by-mail plans, night depositories, and other devices will sharply reduce the human contact people have with their banks?

b. Are billing errors being held below the rate which would cause an organized consumer reaction?

c. Is it easy for unhappy customers to complain to the right person in a bank? Are their complaints handled swiftly and fairly?

d. Are bank personnel remaining friendly? Are banks able to recruit, train, and motivate competent personnel?

e. Are banking hours set up for the convenience of the bank or the customers? Should banks increase or shift their open hours?

Information and promotion

a. Is the information available to consumers on competitive offers regarding checking accounts, savings plans, and loans comparable enough to allow them to make an easy judgment as to where to find the best terms given their criteria? Or is the information confusing and in some cases misleading?

b. Are banks' advertisements informative, honest, and in good taste?

c. Are banks guilty of encouraging impulse buying, especially by individuals not in a position to do it responsibly? For example, how about "loan sales"?

d. Are banks dealing fairly with consumers in offering gift premiums?

e. Are banks providing, on a regular basis, useful information that will enable users of bank services to achieve "optimization" in financial transactions?

POSSIBLE POSTURES OF BANKS CONFRONTING CONSUMERISM

1. Do nothing: Defend current practices.
2. Organize "we care" campaign to improve bank's image.
3. Monitor moods of different publics toward banking.
4. Organize consumer advisory boards, national and local.
5. Revise all practices apt to be questioned.

THE CALIFORNIA DESERT

Mr. CRANSTON. Mr. President, the fact that the 16 million acres of California desert lie so near the rapidly growing major population centers of southern California makes it an important recreational and educational resource. While the desert seems vast enough to provide space for everyone and every activity, its resources are, in fact, quite limited. The total ecosystem of the desert is extremely fragile, easily scarred and slowly healed. With recreational activities in the desert on the increase, we must make decisions now to determine how we will use the desert before its resources are lost forever.

I recently introduced a bill to establish the California Desert National Conservation Area, S. 63. This bill would require the Department of the Interior to develop a plan for preservation and administration of the California desert. On April 22, the Los Angeles Times, printed an editorial entitled "Making a Mess of the Desert." This article shows a sensitive awareness on the part of the Los Angeles Times to the need for constant vigilance to protect our natural resources.

Mr. President, I would like to call this editorial to the attention of my colleagues, and I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

MAKING A MESS OF THE DESERT

The first Europeans who came in mass by land to Southern California wasted no time crossing the inhospitable California desert. Now, two centuries later, we 10 million Californians of the crowded and urbanized coastal plain are pouring back into that desert. And we are making a mess of it.

Once the desert was considered a trackless wasteland, a hell, a place to scurry across and not to halt and ponder its empty mountains, its sand, strange animals and exotic vegetation. It is trackless no longer. The entire desert, stretching from Mexico to Death Valley and from the Colorado River to the Los Angeles area, has been invaded by urbanized Californians. We go by car, motorcycle, dune buggy and off-road vehicle, looking for recreation, space, beauty and clean air. We crowd the roads on weekends. Where no roads exist, we make our own. The litter and destruction we leave behind is awful to behold.

Most of the desert is public land. The federal government, which owns 12 million acres of it, is concerned that, carelessness and vandalism will, unless checked, destroy a fragile national treasure. The responsibility to protect the public's land from the public lies with the Department of Interior's Bureau of Land Management.

But the bureau—understaffed, underfunded and still uncomfortable in its new role of preserving waterless land it once sought to give away—finds itself unable to cope. Five years ago an estimated 5 million persons visited the desert each year. The count is now more than 9 million, and it is increasing at about 25% a year. Worried bureau officials have besieged Congress for help. They want their annual budget increased. They want the present desert ranger force of eight men increased to 72 and given enforcement authority that they now do not have. And they want legislation to protect the resources of a desert that is in danger of being loved to death. So far, Congress has refused. Desert legislation died quietly last year. Now a new package has been introduced in Congress. It warrants approval.

U.S. Sens. Alan Cranston and John V. Tunney have introduced a bill (S 63) to designate the threatened desert as the California Desert National Conservation Area and to provide protection and administration. Rep. Andrew J. Hinshaw (R-Mission Viejo) is sponsoring a companion bill (HR 6451). The two bills direct the Interior Department to prepare a long-range management plan by 1978 and an interim management and development plan to control desert use while the master program is being completed.

Providing the money and authority to properly guard and control the desert will require additional federal funding. Priority for such funds should rank high. The alternative is an expense that the public cannot in good conscience permit. Time is running out on the desert and, as the bureau warned more than a year ago, "If uncontrolled use of the California desert is allowed to continue, widespread deterioration is inevitable and irrevocable."

IN COMMEMORATION OF THE TRUMAN LEGACY

Mr. SYMINGTON. Mr. President, today marks the 89th birthday of the No. 1 citizen of Missouri. The U.S. Postal Service has chosen to honor the memory of the late President by issuing a stamp bearing his portrait in ceremonies at the Truman Library in Independence.

The Postmaster General, E. T. Klassen, will preside today at the ceremony, and Margaret Truman Daniel will represent the Truman family.

It is appropriate that the first issue of this 8-cent commemorative stamp again focuses attention on the library to which Mr. Truman dedicated so much of his time and effort in the years following his presidency.

As the Kansas City Star noted in an editorial shortly after his death, President Truman never regarded the library as a personal monument. Quoting from his memoirs, they pointed out his hope for the library's role in advancing public knowledge of the Presidency:

> I encouraged the building of the library only because it was to be a center for the study of all the Presidents and the Presidency as well as the history of the United States.

Each passing year of the past quarter century has added understanding and a deepened appreciation for Mr. Truman's accomplishments. He had brought to the office of President not only the experience of administering a metropolitan county government and serving as a U.S. Senator, but a deep appreciation for the history of his country, which he had studied throughout his life.

When suddenly faced with his new responsibilities, his instinct for decisive action and sense for orderly administration promptly moved his administration to a new world role of leadership for the United States.

Upon leaving office, President Truman felt a strong sense of responsibility to preserve the record of his administration, and those of other Presidents, so that those who followed him would share his appreciation for the study of the decisionmakers in our Nation's past.

The Harry S. Truman Library truly is a "memorial to a man and his 8 momentous years in the White House, although, in keeping with his wishes, the scope is larger. The room devoted to the American Presidency contains some of the most important documents in the history of the Republic, dating from George Washington to the present day."

In recognition of the accomplishments of this great Missourian and President, I ask unanimous consent that the editorial, "Heritage of Truman Library," from the January 14, 1973, Kansas City Star be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Heritage of Truman Library

Although Harry S. Truman, the most distinguished citizen of Mid-America, has died, his library and museum will remain a permanent legacy to the area where the 33rd President spent a large part of his life. The names of Hyde Park, Springfield and Abilene have taken on a special significance in American history because of the Presidents who were closely associated with those communities and who were finally buried there.

Independence has the same status. From the start Mr. Truman presided over every detail in the planning and construction of the library that bears his name. He never regarded it as a personal monument. In his memoirs Mr. Truman wrote: "I encouraged the building of the library only because it was to be a center for the study of all the Presidents and the presidency as well as the history of the United States."

Try as he might, Mr. Truman could never completely escape the inevitable. Essentially the Truman Library is a memorial to a man and his eight momentous years in the White House, although in keeping with his wishes the scope is larger. The room devoted to the American presidency contains some of the important documents in the history of the Republic, dating from George Washington to the present day.

Mr. Truman wanted to create a capsule of history in the Middle West. He saw no reason why most of the nation's treasures should be concentrated along the Atlantic shoreline in libraries, museums and public shrines that were remote to most of the people. As a result visitors can read Thomas Jefferson's letter requesting funds for the Lewis and Clark expedition. Nearby is Woodrow Wilson's proclamation of war against Germany in 1917 and the final version of Franklin Roosevelt's message to Congress Dec. 8, 1941.

The people responded as Mr. Truman knew they would. From 1957, when the library opened, through Jan. 1, 1973, almost 2½ million visitors passed through the heavy glass doors to inspect the rare documents on display. Hundreds of scholars have spent thousands of hours poring over the 9,804,000 manuscript pages, the 59,619 photographs and 41,687 books stored there. Since Mr. Truman's death an additional 100,000 people have visited the library and the courtyard grave.

The library keeps growing. In his will Mr. Truman specified that his remaining personal papers would be deposited there permanently. The late Dean Acheson, who served as secretary of state from 1949 to 1953, made a similar provision. The Acheson papers are yet to arrive. When they do, they should bring an extra dimension to the Truman files of the same period.

Based on the experience at Springfield and Hyde Park, it is reasonable to assume that the crowds will continue to arrive in Independence into the distant future. Today there are other presidential collections in the center of the nation. But Harry S. Truman's was the first. His dream and his legacy of the Truman Library put Mid-America on the historical map of the United States.

CBS REPORT: THE VIETNAM VETERANS' DILEMMA

Mr. HARTKE. Mr. President, the Senate Committee on Veterans' Affairs, which I am privileged to chair, continues to be greatly troubled by the plight of this Nation's 6 million Vietnam veterans. These brave young men have encountered serious problems returning to civilian life for several years without public notice.

We have worked hard on behalf of the current generation of veterans. Last year, educational and employment opportunities were improved by the Vietnam-Era Veterans' Readjustment Assistance Act (Public Law 92-540). So far this year, the Senate has passed S. 284, the Veterans' Drug and Alcohol Treatment and Rehabilitation Act, and S. 59, the Veterans' Health Care Expansion Act. But, we must do more.

The CBS Evening News this past month carried a five part series by Bruce Morton on the unique readjustment problems facing our country's newest veterans. The matters investigated included educational benefits, unemployment, and less-than-honorable discharges.

I believe the transcript of these stories, which were aired between April 4 and 10, 1973, will be of interest to my colleagues and I request unanimous consent that they be printed in the Record.

There being no objection, the transcript was ordered to be printed in the Record as follows:

The Vietnam Veterans' Dilemma

Cronkite. Most of the almost six hundred former POW's have been hailed as returning heros. They've been offered gifts and good jobs. But for tens of thousands of other Americans, the welcome home has been a different story, as we see in the first of a series of reports by Bruce Morton.

Morton. There are over six million veterans of the Vietnam years. Over three million men served in Indochina. About one out of ten was wounded. Fifty-six thousand died. It was the longest war, but not everybody went. Some people stayed in school; some started families, joined the reserves. Having money for school or marriage helped. The men who went to Nam and came back aren't just like everybody else.

Murray Polner, Ph.D., Historical Sociologist: The saddest part that most of us recognize is that what we did was create a whole class of new expendables here. And the most vulnerable kids from the most vulnerable families, the lower-middle income and the working class families, white and non-white, had their kids conscripted or conned into being—enlisting by the wagonload.

(Band music: The Caissons Go Marching Along)

Morton. After World War II, the bands played. The troops came home together—winners!

Military Public Address. May I have your attention in the (indistinct) area. Detachment 5—loading for departure . . .

Morton. They came home from Vietnam one at a time, as soon as their 365-day tours were done. Every man carried a calendar.

Pilot. . . . take this opportunity to welcome you aboard, and—for myself and the rest of the crew and Universal Airlines—we're very happy to have you with us on your return flight to the States.

Morton. They came home to silence.

Lonnie Gentry, Lima, Ohio. It's difficult just to zip right out of Vietnam and 72 hours later be standing on Main Street. It's kind of like a dream.

Morton. Some liked the dream. For others, it turned sour. Many came back distrusting the military and carried that over into distrust of the Veteran's Administration, the establishment's offer of help. Some found government programs for veterans being cut back. Others found the GI Bill wouldn't pay their way through college. Still others found they couldn't use their military skills, and couldn't get a job.

They came back to the world and didn't like it. Max Cleland, ex-Captain, Georgia State Senator, triple amputee: one vet who's made it.

Cleland. Well, your basic plight is that he's participated in a combat situation, where much of the reason for that participation has been taken away. And it causes him some problems with his own identity when he gets back, and this affects his potential for employment, his potential for a full life, because he will always be thinking about that experience and he can never totally reject it, nor totally accept it.

Atlanta veteran K. C. Marks. I was in Vietnam when Dr. King was killed. I think probably that had more to do with my own personal bitterness than anything else. It was, I feel, at that particular time that I began to question: why was I here, why was I fighting this white man's war?

Veteran Jim Duggan, East Alton Ill. I don't have any use for 65-year-old men sitting in high places making judgments on pieces of territory and getting young people killed and old people killed. I don't think there's any sense in it.

Veteran Arthur Cohen, Newark, N.J. Okay, you go fight for this country. You come back, you pay your taxes in this country, and you still can't find a decent job.

Veteran Larry Miller, Alton, Ill. People many times do seem rather leery of you when you report that you're a Vietnam veteran. And their questions are: Well, have you ever taken drugs?

New York City Veteran Ezekiel Chaplin. What I'm keyed up about is what happens after you get back. You understand? You know, you're just like a top—top of a soda bottle, you know. When you take it off, you throw it away. You don't need a top, you know. You only need what's in the bottle. So the bottle is empty and they don't need you, you know. You're just wasted, period.

Morton. Not all Vietnam veterans agree with Ezekiel Chaplin that they are wasted men. Many—no doubt a majority—came comfortably home. But others—a million, two million—of those six million veterans did not. And it seems, although there are no statistics, that the men closest to the war felt the waste most strongly. They find frustrations here: stone walls—a country full of people who don't know where they have been. For them, the end of the war has not brought peace with honor.

Bruce Morton, CBS News, New York.

The Vietnam Veterans' Dilemma—Part II

Walter Cronkite. Many Vietnam veterans whose education was interrupted by the war are having difficulties readjusting to civilian life. Tonight, in the second of a series of reports, Bruce Morton examines the GI Bill and how its value has changed.

Morton. The government spends a lot of money changing civilians into soldiers. Now, some veterans ask, will the government spend what it takes to change them back again?

If a Vietnam veteran complained that his GI bill doesn't give him the educational benefits the World War II bill gave his father, he'd be right, though Veteran's Administration head Donald Johnson disagrees.

Johnson. I think that if you will look at the figures that the $220 is slightly better than what his World War II father received. In the cost of education, the cost of living today, all factors involved, it is slightly better.

Morton. But the old bill paid tuition, even at a high-priced place like Harvard. The new bill pays $220 a month for everything; tuition, room, board, books. It doesn't come close to what Harvard costs.

World War II Veteran. In the old days, of the $75 a month that I received and the tuition. I wound up with about $1400 a year, and I could go to the best college in the land, Harvard, and still have $100 a month pocket. Today the Vietnam veteran gets about $1980 a year and he just can't cut the mustard. He can't even pay half the tuition, let alone his subsistence.

Morton. After World War II, the veterans came home together in masses, and went to college that same way—a quiet revolution in American education. At Harvard, at Notre Dame, the class of 1948: over 50% veterans. The class of '72: less than 2%. Vets must seek lower-cost education, state universities, community colleges; good in some states, crowded in others. And the vets who need the most schooling are getting the least.

Angel Rodriguez, Rutgers veteran program. When monies are needed to develop programs for veterans, we are seeing now that all monies are being impounded and cut off from these programs.

Morton. Angel Rodriguez had some poverty program money to recruit veterans at Rutgers. The money ran out. He worries because, while almost half the veterans who had some college go back for more, only about one high school graduate in seven returns to school—less than one high school drop-out in ten.

UCLA has a crash program for drop-outs. Three months, a high school diploma, a push toward college. It works!

Hank Marty. Being finished here, you know, it's an accomplishment that I've never had before, you know, achieving something in school. And it's kind of a thrill to me.

Morton. But very few schools do this. Government funding comes to less than $6,000,000 nationwide. Last year, Congress appropriated $25,000,000 to pay schools which increase their enrollment of veterans. Administration officials called this bribing schools to sign up vets. They haven't spent the money and want Congress to repeal the program. The National Association of Collegiate Veterans has sued to force the government to spend the money.

Jim Mayer, National Association of College Veterans. Vietnam veterans may be a priority with a number of people in government, The basic question is: When it comes down to spending money, will the money be spent? But when it comes to the decision of whether to spend a lot of money, too many people—in my mind—from the government are saying no.

Morton. And there's one other problem. Every veteran we talked to, who was in school, said his checks came irregularly and late.

Larry Blue, East St. Louis. And you start going to school—I went to school in September; I got my first check in December. I got to pay $150—No, $180 tuition, $40 a month for rent, got to buy books, got to eat. Man, look here!

Morton. The Armed Forces Journal says the Veterans' Administration central office had a quarter of a million non-payment complaints in 1971. Administration officials not in the VA said they thought a new computer system had corrected the problem, and were concerned that it has not.

Bruce Morton, CBS News, New York.

The Vietnam Veterans' Dilemma—Part III

Cronkite. Since 1970, more and more Americans have become aware of how difficult it is to get a job. Vietnam veterans were—and are—no exception. And not only are they finding it's no advantage to have served in the Armed Forces, but many are learning it can be a handicap.

In the third of a series on the plight of veterans, Bruce Morton reports on employment.

Morton. You may learn your job in the service. The question is: Can you work at it once you're out? The answer is often no. There are so many veterans on welfare in New York City they have their own welfare center with some 4500 Vietnam veterans on the rolls. They mostly don't like it here.

Ezekiel Chaplin. This is my first time here, which is now rock bottom. I don't have no place else to go. You understand?

Morton. For *most of the* war, unemployment among Vietnam veterans was actually worse than among other young men. Now the rates among vets and non-vets are about even. Veterans Administration head—Donald Johnson.

Johnson. More effort, I think, has been exerted for this veteran than any other war in finding jobs. And the response from the private sector has been tremendous, as is illustrated, I think, by the latest unemployment figures among veterans.

Morton. With small ups and downs, between 250- and 400-thousand Vietnam vets have been unemployed at any time over the last few years. About 300-thousand are unemployed now. And the Administration wants to cut back two programs—Public Service Employment and Manpower Development—which have given jobs to 100-thousand more. So *they* may be looking for work. Still, it's not all government. Max Cleland—Georgia State Senator and Vietnam veteran.

Cleland. We have been taken out of the mainstream of our economic life, our educational life, and you come back and—whereas your peers have moved on—they have maybe two or three years in seniority ahead of you in school or in the job that you're interested in. So we find that it's not really a plus at all, as far as economics and employment is concerned.

Morton. Some military skills aren't transferable to civilian life. There's no market for marksmen. But a *lot* of military skills *are* transferable, if you can find an employer who'll give you a chance.

Ex-medic Lonnie Gentry drives an ambulance now—$95 a week. He learned other medical skills in the service, but couldn't find anyone who wanted them back home.

Gentry. In the past, perhaps, you've been in charge of an emergency section for many months. And you come out and you halfway expect to get a halfway decent position in an emergency room somewhere around the country or wherever you desire to work. And you can't get it. And you *won't* get it—because you are not certified.

Larry Miller. A person has three or four years' experience driving one of these rigs, then comes home and tries to get a job as a truck driver. No! You can't. The best we can hope for, in many cases, not in every case—but in many cases, is to get the guy enrolled in a school to learn how to drive a truck that he already knows how to drive.

Morton. Some veterans think—and some surveys show—that employers distrust Vietnam vets, see them as My Lai baby killers or junkies. Chris Kelley talked with Howard Walton about one job interview.

Walton. It seemed like: "If it—you know, if you don't think I'm going too far, man, you know, just let me see your arms, you know. Not that I'm saying that you're lying to me, but—Well, when we go for the physical, they'll know it anyway, 'cause, you know——"

Kelley. He asked to see your arms?

Walton. Yeah.

Kelley. Did you show him your arms?

Walton. I did.

Kelley. Have you ever used drugs?

Walton. Never.

Morton. A Vietnam veteran's group borrowed this bus so some veterans could go apply for factory jobs. Companies are supposed to tell the State Employment Service about jobs, and it gives veterans a preference. But a lot of companies just don't bother. These men got there too late.

The government and businessmen have sponsored job fairs, but most vets who came unemployed left unemployed. This job fair in Chicago ended in a shouting match. A government Jobs-for-Veterans program, a public relations campaign, contacted 900-thousand employers. Fewer than one percent replied. And a lot of veterans say the jobs they do get are dead-end: $2.00 an hour and nowhere to go.

Alton Ohio Veteran Bill Varble. One of the great problems is that if a man cannot get a decent job, if he finds that, you know, he has no other outlet, then sooner or later he's going to try to change it—in maybe the only way that he really knows. And maybe that's going to be violence, because he has had some training in this area.

Morton. Bruce Morton, CBS News, New York.

The Vietnam Veterans' Dilemma—Part IV

Cronkite. For ex-servicemen seeking jobs or benefits, discharge papers could make or break their chances. Tonight, in the *fourth* of a series on Vietnam veterans, Bruce Morton examines the problems encountered by some of the tens of thousands of men with less-than-honorable discharges.

[BAND MUSIC—The Caissons Go Rolling Along]

Bruce Morton. For some veterans, the units stood down, their war ended, and that was that. Honorable discharge. Hello world.

But others carry paper scars.

Veteran. I had three and a half good years served there, and right at the end, you know, when—then, then I got busted, and they gave me a general instead of an honorable.

Morton. John Revenbourgh works at a veterans' service center, and he's talking to this veteran about his less-than-honorable discharge, what the vets call "bad paper". There's a lot of bad paper around. Most people get honorable discharges, of course, but not all. About a hundred and eighty-eight thousand Vietnam vets got less-than-honorable discharges—not dishonorable, usually; those are rare, awarded after a court martial. Most bad discharges, about six out of seven, are undesirable discharges, given administratively, no court martial safeguards like lawyers or rules of evidence. Ray Bonner, once a lawyer in the Marines now working on bad discharges with Ralph Nader's law group.

Ray Bonner. The bad kind of discharge can only be awarded by a court martial, and based upon my experience as a lawyer in the service, I think the court martial system is pretty fair. I cannot say the same about administrative process by which an individual receives an undesirable discharge.

Morton. These St. Louis University law students working with the ACLU in Washington help vets with bad paper get their discharges reviewed. But the process is slow, at least six months, if nobody's lost your records, and usually the review board refuses to change the discharge. A man with an undesirable discharge can apply for veterans' benefits, the GI Bill, for instance, but the way the Veterans' Administration interprets the law, he usually doesn't get them. Ninety-three percent of recent bad paper applications lost.

It's hardest on black veterans. A Defense Department report says they get a higher proportion of undesirable discharges than whites with similar aptitudes and education.

The military used to give bad discharges for drugs, so that a man with a drug problem couldn't get treatment from the VA. Now they give a general discharge and are willing to upgrade old undesirable ones. Nader's law group is suing to force the Pentagon to notify each veteran who's eligible to have his discharge changed.

Bonner. What we have attempted to do is to get the Defense Department to demonstrate their good will and their good faith in this area by individually notifying all veterans who might be entitled to have their discharges reviewed, that is all veterans who received drug-related discharges.

Morton. With a general discharge—and about two hundred thousand Vietnam vets have them—a man is eligible for veterans' benefits, but he can still be hurt. His discharge may carry a code number. Two hundred, for instance, means the military found him unsuitable. Three eighty-four is a drug offense. Employers know the code, and a man with that drug number on his form, even if it means just one brush with marijuana, may have permanent trouble getting a job. General discharges—bad discharges—almost four hundred thousand of them among Vietnam veterans. That piece of paper can haunt a man for years, and getting it changed isn't easy.

Bruce Morton, CBS News, Washington.

The Vietnam Veterans' Dilemma—Part V

Cronkite. In the first parts of our series on Vietnam veterans, Bruce Morton has explored such things as jobs, schooling and GI benefits. Today, in our final report, a look at the Veterans Administration and its apparent generation gap with some of its clients.

[Music: "Give My Regards to Broadway"]

Bruce Morton. New York had a home-with-honor parade after 12 years of war in Vietnam: Old songs, old faces.

Veterans at parade [chanting in protest]. Vets want jobs, not parades!

Morton. And some Vietnam veterans who felt out of step with this old-timey celebration. They take that feeling with them when they look for veterans benefits.

The Veterans Administration is the government's third largest bureaucracy. But most of its clients are older veterans of older wars. Three-quarters of its $12-billion budget goes to them. The VA turns some younger veterans off.

Jim Duggan (East Alton, Ill.). You take a number, and you stand in line, and you get a card, and you sit down, and you fill out the card, and you get in another line; and you get another piece of paper; you sit down and you fill that out, and you go to see a counselor, and she tells you to get back in line. It's very frustrating. A lot of times you quit; you say the hell with it. It is not worth it.

Donald Johnson (Veterans Administration). Well, of course, this so-called alienation with the establishment is prevalent with some. However, we certainly have shown that they are seeking assistance from us, and, in addition, we are going out to them.

Larry Blue (Student, East St. Louis). Nothing wrong with the VA, but it just don't work. What—what it said is all right. What's on the paper is cool, but that's just like a—a '73 Cadillac with no motor. It looks good, but once you get in it, you know nothing's happening.

Morton. That student at an East St. Louis community college doesn't like the VA. He was talking to a man from another agency, an experimental veterans' service center funded through this June by the State of Illinois. The theory? The VA is too remote, too old-fashioend, to reach young veterans suspicious of bureaucracy. So the state financed two centers—in mostly black East St. Louis and in Alton—staffed and run by Vietnam veterans trained to deal with the VA bureaucracy three hundred miles away in Chicago.

Curtis Thomas. We follow the concept of veterans working with veterans, instilling confidence, you know, in the veterans to come to us for service, and we're going to make contact with people that the VA office will never see.

Morton. They work in pool halls.

Vet Counselor. Well, if you want to, like you can come down to the Veterans Service Center [indistinct] sometime, and we can put you back in the files, that you're not unemployed—that you're unemployed.

Morton. The theory is outreach. Go find veterans. Try to help. Jobs. Schools. Whatever! John Welle from the Alton Center talked with a friend about help for a veteran with a drug problem.

John Welle. In staff meetings he says he can't find out everything about the case, but he says he'll give a brief tonight. He's going to give me a call tonight.

Friend. He will. All right. I think that all we can do is we can get the information together. I don't want to do anything until she says "This is what I want done." In other words, I don't want us to run in there and cause more trouble.

Morton. And with another veteran who may know still others who need help.

Welle. And another thing, if you see any other vets that you know that are having any kind of difficulty—finding a job, dealing drugs—if they don't want to—if they want to get off the heroin or whatever, you know, send them to us, will you, because we can help them.

Morton. The veterans in Alton and East St. Louis think they're doing a job the VA cannot do. Some high Administration officials agree the massive VA isn't reaching out. They find the Illinois experiment interesting. The officials say most veterans have made it back into the world, which is true, but they concede that many haven't, especially the poorest, the least educated. They are back, these different veterans of a different war, still searching for a decent job, an education, searching, above all, one veteran in Alton told me, for respect.

Bruce Morton, CBS News, Washington.

WHAT IS WRONG WITH THE PROPERTY TAX?

Mr. MUSKIE. Mr. President, last Thursday the Subcommittee on Intergovernmental Relations held hearings on a relatively little known but growing problem of property tax administration—the use of mass appraisal firms by States and local tax jurisdictions to perform reassessments.

The use of mass appraisal firms is a direct result of the shortage, in most States and localities, of qualified professional personnel to perform the assessment function. When, as a result of court orders or legislative mandates, entire counties, metropolitan areas or even States must be completely reassessed, public officials have no recourse but to turn to mass appraisal firms to do the job.

The availability of mass appraisal firms permits States to postpone the development of substantial in-house assessment capabilities, and although such firms are not in and of themselves bad, there have sometimes been conflicts of interest. One such firm in particular—Cole-Layer-Trumble of Dayton, Ohio—was a focus of our hearings last week and is the subject of an article appearing in the May 7 issue of the Nation.

In this article, the author, Peter Gruenstein, has provided a substantial accounting of the questionable activities of Cole-Layer-Trumble, the largest of all mass appraisal firms with past or present contracts in at least 20 States. The facts presented in this article argue strongly for Federal certification of mass appraisal firms—a step which I have proposed in S. 1255, the Property Tax Relief and Reform Act of 1973. I ask unanimous consent that this article, entitled "What's Wrong with the Property Tax," be inserted in the RECORD at the conclusion of my remarks.

In addition, I ask unanimous consent that testimony received during the subcommittee's hearings last week from Mr. Jonathan Rowe, of the tax reform research group, which was inadvertently omitted from yesterday's printing, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

WHAT'S WRONG WITH THE PROPERTY TAX

(By Peter Gruenstein)

The Supreme Court's approval in the *Serrano* case of the property tax as a way to finance local education means that this most maligned of revenue raisers will be with us for some time to come. While there is no doubt that the vast majority of present local property tax system are steeply regressive and grossly discriminatory, much of the criticism leveled at them has been misdirected. It is one of the "least understood subjects of public and official discussion today," says Ralph Nader. "Indications are that the property tax could be a fair, equitable and progressixe tax. If the revenues currently lost through under-assessment and maladministration could be regained, the burden on small taxpayers could be much less even under existing laws."

Mason Gaffney, an economist with Resources for the Future in Washington, agrees. Gaffney believes that the property tax is potentially more progressive than the income tax, for the reason that property is more inequitably shared in the United States than is income. Almost everyone has some income, but many own no taxable property; 10 per cent of the population gets 30 per cent of the income but owns 50 to 60 per cent of the real estate. Also, a good property tax can serve to plug income tax loopholes.

In other words, the property tax (which now raises more than $40 billion a year) is reformable, although local property tax systems are usually so riddled with incompetence, inefficiency, conflict of interest and sometimes outright corruption, that it will be no easy task. In fact, if the federal income tax were administered as poorly as the property tax, we would probably have lacked the funds to fight in Vietnam.

A large part of the property tax morass stems from unprofessional or dishonest assessments which produce tremendous tax breaks for large corporations and the wealthy. For example, a study made by Texas University law students found that oil-producing properties in Hector County, Tex., were underassessed by about 56 per cent as opposed to about 7 per cent for home owners. Union Camp, a large South Carolina corporation, sold to the state for $2,000 per acre land that was being assessed at $20 per acre. Even after the sale, adjoining Union Camp land that was not sold continued to be assessed at $20 per acre. In Appalachia, rich coal lands are being assessed at $10 per acre or less, even though they sell for $200 to $500 per acre on the open market.

One of the most disturbing trends in the assessment of property has been the rise of large national appraisal firms—companies with which municipalities contract to reassess all the real estate within their jurisdictions. By far the biggest of the fifteen or more such firms is Cole-Layer-Trumble, based in Dayton, Ohio. In a number of cities where CLT has been hired to do reassessments, allegations of gross inefficiency, discrimination and conflicts of interest have been leveled at the firm. Its corporate history and recent troubles provide a fascinating glimpse into the property tax mess.

In April 1970, American Appraisal Co. (AAC) bought out CLT and formed a holding company called American Appraisal Associates (AAA), with AAC and CLT as subsidiaries. Individual companies hire AAC to make private appraisals of their property; such valuations can then be used to fight a property tax assessment or to determine depreciation or insurance rates or help to set terms for sales, mergers, loans and collateral. Another AAA subsidiary, Stone and Youngberg, advises local governments on how to finance various projects such as water and sewer systems. The potential for conflict of interest among the three subsidiaries is blatant.

For example, might CLT, when making citywide assessment of property, be tempted to give a break to a corporate client of AAC? Might it be inclined to accept a prior appraisal made by AAC of one of its corporate clients property (which may have been purposely assessed as low as possible) rather than make its own higher assessment and risk the indignation of the client? Suppose CLT does make its own assessment of an AAC client and the client challenges the new figure, how hard will CLT fight to sustain its valuation? What about potential clients? Will CLT tend to be more lenient with corporations than with ordinary home owners, hoping that grateful companies will subsequently call on the services of AAC? Similar questions can be asked about the activities of Stone and Youngberg which, for example, advises its municipal clients on how to finance a new sewer system. Will the system be financed by issuing bonds (which corporations like) or through a user fee (which corporations, as the largest users, tend not to like)?

Ettore Barbatelli, president of the AAA holding company, maintains that there is no conflict of interest. In a letter dated February 15 he stated:

"American Appraisal Company and CLT operate completely separately from each other. They do not communicate with each other, have no access to the other's records, no knowledge of the other's clients. They do not exchange information; each uses separate and different valuation procedures because of the nature of the work; they do their own pricing and research; they take separate records, and have separate staffs that are not co-mingled in any way. Each company manages itself, elects its own slate of officers, has its own Board of Directors, and fashions its own policy."

On January 18 Barbatelli told the Nashville *Tennessean*, "There is absolutely no relationship or interchange between [AAC and CLT]." Not quite so.

The day the merger between CLT and American Appraisal Company was completed, CLT sent a memo to its clients, stating:

"This merger combines our services in the governmental appraisal field with the most outstanding company providing full valuation service for private business.

"In our first discussions with officials of American Appraisal . . . it developed that each company had the same goals and objectives for business development in our respective fields . . . We feel that the alliance of the two companies will enable us to better serve our clients *through the exchange of technical knowledge* and will enable us to offer you total valuation services" (emphasis added).

On February 21, William Gunloch, president of CLT, and Barbatelli, who is president of AAC as well as the holding company, admitted that one AAC employee was transferred to CLT and then back to AAC. Even more revealing was a memo dated November 30, 1970, from AAC in Pittsburgh to CLT in Columbus, Ohio, thanking the public assessing company for providing "sales and field data" to the private company. Six weeks later, CLT in Pennsylvania gave AAC in Columbus appraisal data for an Alcoa plant in Westmoreland County, Pa.

Barbatelli's statement that "each company manages itself, elects its own slate of officers, has its own Board of Directors, and fashions its own policy," is at best misleading. Five of the ten CLT officers and directors own stock in the holding company and thus have a direct interest in the success of American Appraisal Company (which accounts for 44 per cent of the holding company's receipts of more than $40 million). The five CLT officers and directors have almost $6 million invested in American Appraisal Associates and seven of the twenty-seven officers of the holding company have $257,210 invested in the success of CLT.

But CLT's *conflict-of*-interest problems are more than potential or theoretical. On January 16, the Nashville tax assessor, Clifford Allen, charged that twenty-one gas stations owned by major oil companies had been given assessments by CLT, which had been hired to do citywide reappraisals. That was as much as 60 per cent below fair market value. (Since all twenty-one stations had been bought after 1970, it was easy enough for Allen to determine their minimum market price.) Said Allen:

"This appraisal company had the purchase prices staring them in the face when they made the appraisals. These are not mere isolated mistakes made by some inexperienced appraiser. Rather, they are typical of the low appraisals which this out-of-state firm has placed on properties owned by the major oil companies throughout the country. They follow a consistent pattern and deliberate policy, obviously established by those in a policy-making position, to favor the big oil companies with low appraisals."

Allen, a past president of the International Association of Assessing Officers, also charged that a third of the 35,000 to 40,000 Nashville properties sold in the previous three years were appraised either too high or too low. (General assessment standards allow a deviation of 15 per cent from the purchase price of property sold within the previous three years.)

On February 13, Allen filed suit in federal court to enjoin CLT and the holding company from engaging in monopolistic practices, and requiring the conglomerate to disclose the names of its corporate clients in Nashville. The class-action suit charged the conglomerate with conspiring to give large Nashville corporations tax breaks at the expense of home owners, farmers and small businessmen. Allen was prompted to go to court by a strong suspicion that at least some of the corporations favored with low assessments were AAC clients. While continuing to maintain there was no conflict of interest, AAC declined to list the names of its Nashville clients.

Allen's charges stemmed partly from the experience of his principal appraiser, William S. Nichol, who was assigned to work full time on CLT's assessments. In a sworn deposition taken for the suit, Nichol states:

"There are innumerable other parcels of rural property in the out-lying sections of the country, which are miles removed from any access to public water, sewers and other necessary public utilities that have been appraised by Cole-Layer-Trumble Company on pure speculative values, in violation of the express provisions of its contract and Sections 67-605 of the Code, at 100 to 200 per cent higher than the amount paid for such properties within the past one, two and three years by their new owners.

"By contrast, CLT's appraisals on large industrial and commercial properties are almost consistently low. This is true not only of the properties recently acquired by the major oil companies, twenty-one of which are appraised at more than 56 per cent below what the oil companies paid for them, but also with respect to innumerable other properties owned by large, national corporations such as make up the clientele of CLT's affiliate, the American Appraisal Company, Inc.

Nichol cited several examples of such corporate favoritism: a Sears-Roebuck store, built in 1969 at a reported cost of $2,661,000, was given a CLT appraisal of $1,755,030—a depreciation of $905,970. (Sears's concern for favorable assessments is suggested by the fact that each year it throws a party for the assessors at their national convention.) A J. C. Penney store was assessed in 1972 by the local Board of Equalization at $5,009,000; CLT appraised it at $4,309,890. A representative of the Oscar Mayer Meat Packing Plant in Nashville admitted in sworn testimony before the Tennessee Board of Equalization that the plant cost $11 million to build; CLT appraised it at $7 million.

When Nichol cited these underassessments as examples of poor CLT work, he had no idea which Nashville corporations were clients of AAC. Under court order, the firm in March released the names of its Nashville clients. J. C. Penney, Oscar Mayer, American Oil Co., Shell Oil, Chevron, Exxon and Mobil Oil were among those on the list.

CLT also ran into trouble on a $1 million reappraisal study in Westmoreland County, Pa., just east of Pittsburgh. On December 22, 1972, several tax groups, including Ralph Nader's Tax Reform Research Group, asked the Pennsylvania Attorney General to investigate the "irregularities" of the CLT assessments. In 1971, the tax groups charged, Richard Mellon Schaife purchased 178 acres in Westmoreland County for $589.55 per acre. CLT appraised the property at $132.65 per acre. Yet another 312-acre tract of Mellon property was appraised at 64¢ per acre. The former chairman of the assessment board in Ligonier Township, Westmoreland County, charged that CLT had increased appraisals on Mellon property by only 2 per cent, while non-Mellon property in the township was being appraised at an additional 40 per cent. A Chrysler plant, whose construction cost was $50 million to $60 million, was assessed by CLT at $10 million.

Troubled by the apparent irregularities, the Westmoreland County Comptroller and District Attorney ordered a study to be made of CLT's appraisal actiivties. The report concluded, among other things, that in many cases, CLT had simply copied the county's old assessment records; failed even to look at some buildings it was appraising; used nonprofessional employees who had been given only a few days of training in assessment practices; used assessment formulas invalid under Pennsylvania laws; broke various provisions of the contract; and failed to return maps and provide progress reports to the county. The Pennsylvania Attorney General's office is now investigating CLT's Westmoreland reassessments.

When Newcastle County in Delaware decided to update nineteen-year old assessments, it contracted with CLT for the job. The chief county assessor, David R. Reed, became suspicious of CLT's assessments of downtown office buildings and discovered that "apparently, some of the offices have taken tremendous cuts," according to the *Wilmington News-Journal*. According to Reed, who had worked twelve years for CLT before becoming Newcastle assessor, among the buildings which had been devalued were several owned by the Dupont Co. Less than three weeks later, a CLT official admitted that its sister subsidiary, American Appraisal Company, had performed work in Delaware for Dupont and other Newcastle County companies. (Dupont was also listed as an American Appraisal Company client in Nashville.) A month later it was reported that Dupont had persuaded CLT to reduce its original assessment of its property by $4 million. When assessor Reed asked CLT for data on which the reduced assessment had been made, the firm refused. In usual practice, such data are routinely made available to the public officials who contracted for the assessment study in the first place. The Newcastle County government has hired a new firm to assess the CLT assessments.

In the 1960s, West Virginia undertook a reassessment of all of the properties in the state. Cole-Layer-Trumble was engaged to do more than half of the work, including the industrial properties in Mercer, McDowell, Wyoming and Harrison Counties. As part of its work, CLT appraised properties owned by Consolidation Coal Company in these counties at $39.7 million. A year later, however, CLT reduced the coal company's assessed value by $12.3 million. The new assessments were distributed to the four county assessors without the knowledge of the state tax commissioner and other top tax officials. The state tax department learned of the new "Consol" assessments when one of the four county assessors called the state office and said he couldn't understand why the assessment had been reduced $3.6 million in his county when Consol had just built an expensive new plant. The state then decided to reassess Consol's property in the four counties, using its own assessors. The $12 million cut was restored.

A Fulton County (Atlanta), judge on April 9, 1971 voided all CLT assessments there on the basis that there was "potential discrimination. . . . There exists innumerable inequities and a lack of uniformity growing out of the reappraisals, between properties of the same classification."

In Cleveland, city officials were deluged with 48,000 complaints from homeowners after CLT completed a reassessment. Many complained that inexperienced college students were making the on-site assessments. (CLT said this was common practice.) One woman's chicken coop was inaccurately appraised at $10,048. In Hamilton County (Cincinnati), the president of the county commissioners called the CLT assessments inequitable after more than 10,000 complaints were received.

It is difficult to generalize about mass-appraisal firms because very little is known about them. Some certainly have better records than does CLT; others probably have worse. Reassessing an entire metropolitan county—especially when it has been many years since the last assessment—is no easy task. Even when the appraisals are done well, the taxpayers are very likely to be irate when their property assessments jump 30 to 40 per cent in one leap.

Yet, there is little question that something is radically wrong with the mass-appraisal system used by most cities. Jonathan Rowe, the Nader Tax Group's property tax expert, believes that cities should avoid mass-appraisal firms and do the job themselves. He notes, for example, that in many states mass-appraisal firms may not be subject to conflict of interest criminal statues, freedom of information statutes, or other laws designed to protect the public. Attributing much of the unpopularity of the property tax to infrequent assessments, Rowe wants states and local governments to develop a permanent, in-house assessing capacity, so that reappraisals of property can be made far more frequently, perhaps every year.

Unfortunately, few politicians in Washington have taken a serious interest in property tax reform. The extent of the Administration's interest was some noises about a Value Added Tax (in essence, a national sales tax), the receipts of which would have been used to reduce the property tax burden. The silent majority's reaction to the regressive VAT was deafeningly negative and the proposal was withdrawn. Sen. Edmund Muskie (D., Maine) began hearings last spring on property tax reform in his Inter-Governmental Relations Subcommittee. At the urgings of Rowe and others, he has agreed to hold hearings on mass-appraisal firms some time in the future. Muskie and Sen. Charles Percy (R., Ill.) have introduced legislation that would subject the mass-appraisal industry to federal regulation.

Muskie and Percy have also introduced legislation in the Senate, entitled "The Property Tax and Relief Reform Act of 1973," which, among other things, would provide grants and interest-free loans to state and local governments willing to make their assessment procedures more open, honest and professional.

A system of intelligent federal incentives to get local governments to reform their property tax structures makes sense. Unfortunately, most members of Congress and the Administration seem uninterested. "Nixon is always criticizing liberals for wanting to throw money at the problems," states Rowe, "and yet, how does he propose to revitalize state and local governments? By throwing revenue-sharing money at them. The mass-appraisal quagmire illustrates that it is going to take much more than federal money."

STATEMENT OF JONATHAN ROWE BEFORE THE SENATE SUBCOMMITTEE ON INTERGOVERNMENTAL RELATIONS, MAY 4, 1973

Mr. Chairman and members of the Subcommittee. Thank you for inviting us to testify on S. 1255, the "Property Tax Reform Act of 1973," which the Chairman has introduced. I head the property tax reform project of the Tax Reform Research Group, which is associated with Mr. Ralph Nader's Public Citizen Inc. With me is my colleague, Barry Greever, who also has been working on property tax matters, and especially on problems arising from mass appraisal firms.

I will address the Chairman's bill generally. Mr. Greever will focus on mass appraisal problems.

At this time last year, members of both political parties were proposing wholesale, across-the-board cuts in property taxes. This year the focus has shifted to more carefully targeted relief, and to reform.

The reasons are important. First, it is becoming clear that taxes on property, in some form, will not be wished away. Second, the Supreme Court has refused to uphold a school financing case which would have been a spur to property tax reform. Third, it is clear that not everyone *needs* property tax relief. Many wealthy homeowners and renters—let alone commercial and industrial taxpayers—reside in low tax havens and could well afford to pay more. Cutting *everyone's* property taxes would lavish benefit on those who don't need it, while depriving those who do.

But most important people are realizing that there is nothing inherently wrong with a tax on property. Property is wealth, and such a tax need not be regressive or unfair. The problem with taxes on property today is the way they are structured and applied.[1]

Actually, two kinds of reform are necessary. One concerns property tax structure—the property that is taxed, the size of taxing jurisdictions, rate structures, and the like. Closing property tax loopholes could relieve excessive property tax burdens even more than closing income tax loopholes could help take the income tax burden off the wage earner.

The second kind of property tax reform is more modest. It concerns administration—enforcing the tax laws as they already stand. This means making asessment and tax collection effective and fair making sure that taxpayers have convenient ways to appeal unfair assessments. Above all, it means providing taxpayers the information they need to evaluate their local property tax administration.

The Chairman has introduced legislation, S. 1255, which combines carefully targeted relief with the second, more modest type of reform—the better enforcement of existing law. Under this legislation, the Federal government would provide half the cost of state programs to relieve excessive property tax burdens of the low income and elderly. In return, the states would have to administer their property taxes openly and fairly. They could still structure their property taxes in any manner they wished. And they would have very broad leeway in choosing how to administer these taxes. The Federal government would require, in the main, only a set level of uniform performance, however, the states chose to reach that level.

The goals of this legislation are responsible and progressive. The bill would encourage long-needed overhaul in the way property taxes are applied. And reform in administration could lead as well to reform in the way the property tax burden is structured.

Last year President Nixon announced a different plan. He sought to cut everyone's property taxes in half, and to replace the revenue with a national sales tax. Whether or not he has abandoned this wasteful and regressive plan, we do not know. But this week Treasury Secretary Shultz submitted a more limited relief plan to the House Ways and Means Committee. Under this Administration plan, the Federal government would provide property tax relief only to persons over 65; households up with to $25,000/year adjusted gross income would be eligible. The plan would do nothing to help or encourage the states to clean up and improve their methods of taxing property. Nor would it help overburdened property taxpayers who are not over 65. The first question is whether this Administration plan is "cost-effective"—whether it targets the most aid to those who need it most. We are mindful of the needs of the elderly. But a $25,000/year income hardly classifies one as needy. In 1971, less than 6% of all taxpayers filed tax returns showing income of $20,000 or more. It is true that the Administration plan would phase out relief at income levels over $15,000 a year. But people with incomes $15,000 and over still represent the top 15% of all filing tax returns.

Do persons over 65 making that much really need relief more than middle-aged breadwinners making much, much less?

There are other serious defects in the Administration Bill.

1. It steps in with relief only after property taxes exceed 5% of income, at all levels of income covered. The Chairman's bill, by comparison, steps in faster where need is greater. When household income is under $3,000, relief is triggered when property taxes exceed that income by 3%. When income is between $3,000 and $7,000, the bill would relieve property tax burdens over 4% of that amount.

2. It falls prey to the "Reagan Effect," where very wealthy individuals report little or no income. Under the Administration bill, the measure of income is "adjusted gross income"—AGI. (Plus certain items like social security and interest from tax-free municipal bonds.) But AGI can conceal more income than it reveals. It does not show income from the very tax preferences the wealthy use to bury their gains: one half of capital gains, percentage depletion, intangible drilling costs, excess depreciation on real estate, the bargain element of stock options, exempt earnings from foreign sources, interest on life insurance savings, and the like. In other words, the Administration proposal would grant additional benefits to wealthy taxpayers already profiting from income tax "loopholes."

The Chairman's bill moves toward a more realistic measure of income. But it seems to leave much discretion to the Secretary of the Treasury in deciding whether or not certain key items—such as capital gains—are included.

The bill should specifically include gains of every kind in its measure of income. This is a time to be closing loopholes, not extending them. As suggested by economist Henry Aaron, the bill should contain wealth, or net worth, limits as well as income limits, as do the circuit-breaker plans in Maine and Colorado. This would prevent relief from being wasted on wealthy households that contrive to report low incomes.

3. The Administration bill lays down an inflexible 15% as the amount of rental payments it considers as property taxes. Such a rigid amount is neither realistic nor fair. The percentage of rental payments that goes for property taxes varies from state to state and from locality to locality. It even varies for property of different value. By contrast. the Chairman's bill recognizes the need for flexibility. It allows the states to set any level between 15% and 30% as the amount of rent it deems paid for property taxes.

4. The Administration bill shuts out from relief people who receive family assistance or who benefit from any state, federal or local housing subsidies. It is arbitrary and unfair to single out for punishment people who receive assistance of these kinds, especially when the Administration bill shuts its eyes to income from the tax "preferences" listed above. Why should wealthy persons who get hidden welfare through the income tax laws remain eligible, while persons who receive an open welfare payment be cast out?

Actual need should be the only criterion.

5. The Administration bill sets up a separate federal system of property tax relief. The Chairman's bill, by contrast, works through, and strengthens, state relief/reform programs.

The most important question, however, is that of reform. It would be simply wasteful to bail out local property tax systems without giving them a beneficial nudge towards reform. The aim of federal property tax relief, and of this Subcommittee, should be to make state and local governments stronger and more effective. The Chairman's proposal, by encouraging reform, would do just that. The Administration proposal, relief without reform, does just the opposite. It would increase reliance on Washington.

True, that is probably the easier way, politically. But as the President has so often reminded us, the path that is politically the easiest is not always the correct one.

One result of relief without reform would be to tempt state and local governments to increase assessments on the elderly, knowing that the U.S. Treasury would pick up the tab. The elderly would then become mere conduits for extra revenue sharing from Washington. Thus assessment fairness tests, such as those in the Chairman's bill, not only help strengthen state and local government. They protect the federal treasury as well.

But most important, the Administration bill cuts most American property taxpayers out of what should be theirs. It is not only the elderly, or even the elderly and low income together, that deserve a better property tax shake. *Everyone* who pays property taxes deserves relief from unfair and arbitrary property tax administration, just as much as *some* need help meeting property tax bills. For decades, studies have deplored the glaring defects in the way property taxes are administered and applied. These defects affect *all taxpayers*. They open up the tax to the under-the-table dealing with which it is rife. Problems with mass appraisal firms, for example, are just a symptom of these basic defects.

Relief alone will just diffuse much of the pressure now building for reform.

The Administration cannot say that making property taxes open and fair is strictly a state and local matter. The federal government already has hand and foot in the property tax system—among other ways through the $2.7 billion in property taxes it allows homeowners to deduct from taxable income. The new *Administration* proposal is still further federal interference of exactly the wrong kind. In effect, it would be an expensive federal crutch for shoddy administration. If anything, it would delay needed reforms.

Is the Chairman's bill the best way to encourage the desired revamping? The bill would establish an office in the Department of the Treasury called the Office of Property Tax Relief and Reform. This office would make certain that the state relief programs meet the broad guidelines that the bill lays down, and that tax administration is sufficiently open and fair. Among other functions, the office would certify private firms that contract with state and local governments to perform property tax appraisals.

The bill stresses fairness of performance rather than specific practices the states must adopt. That is the right direction. Bureaucracy and red tape should be cut to a minimum—and then some. One way to do that is to strengthen those parts of the bill dealing with access to information.

The property tax can be, in large measure, a self-enforcing tax. Taxpayers need only the tools to do the job. These tools include complete, accurate, property tax information, and effective, convenient forums in which to challenge inequities.

To an extent, the Chairman's bill, S. 1255, would help provide these tools. But there is more the federal government can do to encourage effective citizenship in the property tax arena, and to help state and local property tax administrators as well.

1. *Corporate Property Data:* The federal government should collect from corporations detailed accountings of their real estate holdings, including location and value. Such properties are major sources of local property tax revenue; information about them would be of great benefit to both assessors and taxpayers.

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[1] Many recent articles explore this point, e.g.:

Gaffney, Mason, "In Praise of the Property Tax," *The Washington Monthly*, February 1973.

Gaffney, Mason, "The Property Tax is a Progressixe Tax," paper available from Resources for the Future, 1755 Massachusetts Ave., Wash. D.C. 20036.

Peterson, George E. and Solomon, Arthur P., "The Property Tax and Populist Reform," *The Public Interest*, Winter, 1973.

"How to Cut Property Taxes", *The New Republic*, January 27, 1973.

Corporate real estate information is important for other uses, as well:

(a) Investor Protection. Such recent episodes as the Penn Central bankruptcy and the Equity Funding scandal show the need for much fuller reporting of corporate assets generally—of which real property holdings are an important part.

(b) Aid Land-Use Control. Before we can decide how to use our land, we need to know who owns it, how they are using it, and how they plan to use it in the future.

(c) Plot Trends in Housing, Agriculture, Resource Development, and Other Important Areas of Economic Activity.

The SEC, the Census Bureau, the IRS, the Office envisioned in the Chairman's bill, or some combination of agencies, could assemble this data on corporate real estate. Or the bill could require states to compile aggregate property holdings for large taxpayers.

Such disclosure is practical and tested. The SEC already requires a degree of corporate asset disclosure, so does the IRS. The State of Minnesota requires corporations to report all their farm holdings. In Wisconsin, corporate income tax returns have been made available to the public.

2. *Sales Price Data:* The federal government should reenact the nominal property transfer tax which lapsed in 1968. It should apply this tax, moreover, to the full sales price, not just to the equity transferred (price minus mortgage) as was the case before. Property transfer tax data appeared right on the deed of sale. Reenactment of the tax would provide valuable information to assessors, and would give taxpayers a way to check the accuracy of property tax assessments.

3. *Census of Governments:* Since 1957 the Census Bureau has included in its Census of Governments a volume called "Taxable Property Values." This volume gives detailed state by state breakdowns of property tax data, including total assessed valuations, and average assessment levels, for each type of property.

This volume could be a key tool for both assessors and local taxpayers in making the property tax work. The first "Taxable Property Values" study in 1957 helped spark the landmark, two-volume ACIR study, *The Role of the States in Strengthening the Property Tax*, from which in large part, current reform proposals and efforts have sprung. The property values study is a federal effort that can make the federal system stronger and it should be expanded. The property values study should be done more often—each year at best—so that taxpayers have up-to-date information on property values and assessments. It should show the "dispersion ratio" along with the average assessment level for each type of property and at different levels of property value.[2] Moreover, it should do so not just for each state, but for taxing jurisdictions within each state as well.

Most important, the Census should include assessment studies of the highest value properties, since these are the most important revenue providers. Currently, the Census excludes all property worth over $500,000, since there are so few sales of such property to compare with assessments. But the Census could check assessment levels of this high-value property through spot appraisals. States like New York do so in comparing local assessment levels for school aid purposes.

These spot appraisals can be of great benefit to local taxing jurisdictions. For example, in 1968 a state appraisal showed that the Reynolds Aluminum plant in Massena, New York, was underassessed by at least 60%. Previously, the town had accepted figures Reynolds itself provided because it could not afford to make an appraisal of its own.

Despite the importance of these Census Bureau studies, essential parts of the program are being slashed this year for budget purposes.[3] This is wrong. The administration has oft repeated its commitment to strengthening the governments that are closest to the people. The Census of Governments is one means to that end.

And it is a low-cost means. The estimated cost of the *entire* 1972 Census of Governments—of which the Property Values Study was just one part—was only $1.4 million. By contrast, the Commerce Department spent twice that amount, an estimated $2.8 million merely to offer a "Business Research and Data Service" for major industries.

4. *Coordination of Existing Federal Government Appraisal, Property-Holding, and Value Data.*

The Advisory Commission on Intergovernmental Relations, in its recent study, "Financing Schools and Property Tax Relief—The Report in Brief," lists at page six existing federal programs which could provide valuable data to property tax administrators and taxpayers. I submit this brief summary for the record. The Chairman's bill should specifically instruct the Office it would set up to coordinate this data and make it widely available. This could help cut the costs of property tax administration. And it could weed out overlapping federal information programs as well.

5. *Develop Specific Ways for the IRS to Share Data on Property, Especially Intangible Property, with the States.*

Recent studies[4] have shown that we could cut property tax rates an average of one-third nation-wide, by restoring modest taxes on intangible property—stocks, bonds, and the like. Originally, the property tax included such property. But most states have stopped trying to tax intangibles because of enforcement problems. Now, however, the IRS has data on all dividend and interest payments of over $10. And federal law specifically provides for the sharing of such information with the states. The IRS should devise specific ways to effectively share this data, so that states can, if they choose, tap intangible property as a way to ease the property tax burden of homeowners and renters.

PROPERTY TAXES AND LAND USE

The Chairman's bill also directs the contemplated Office to develop plans to "coordinate state and local real property tax policy with the requirements of sound land use planning." Property taxes and land use are a major problem. In cities, underassessment of land and over assessment of buildings encourage decay, blight, and acres of vacant lots and parking lots. On urban fringe areas, sprawling suburbs and real estate manipulators drive up property values and force small farmers to sell their land.

The Committee should avoid the false start many states have made in dealing with this problem. And it should consider steps it can take now without waiting for the hoped-for report from the office the Chairman's bill would establish.

Many states have passed laws to allow special low assessments for "farmland" and open spaces. Backers usually sell these bills to the public as ways to preserve open lands and protect them from development. But for the most part, special "farmland" assessments have turned out to be just bonanzas for real estate speculators and developers.

Maryland was the first state to enact such a law. USDA and other studies[5] have shown that the market for farm tracts in fast-developing Montgomery and Prince Georges Counties, where farm land most needed protection, remained brisk. In 1965, nine years after the act was passed, one-third of all farm tracts there had been acquired in the preceding five years. About one-half had changed hands in the preceding ten. And it wasn't farmers that were buying this land. The sales prices ranged between $2,000 and $4,000 per acre—far more than genuine farmers could afford.

The *Washington Post* shed light on who was buying this land. Levitt and Sons and Boise Cascade had both bought up thousands of acres of "farmland" in Montgomery County, the *Post* reported. In one case, the family of Washington mortgage banker Floyd Davis had a 194 acre tract on busy U.S. Route 270 across from a shopping mall. The tract was zoned for commercial and industrial use and was worth at least $13 million. But the Davis family made sure a small part of it was farmed. So this $13 million tract received a special farmland assessment of $38,590.

The *Post* estimated that it was costing county residents up to $10 million to provide property tax breaks for landowners like the Davis family, Levitt and Sons, and Boise Cascade. That came out to $52 for the owner of a $30,000 home.

A recent study by the Center for the Analysis of Public Issues, Princeton, N.J.[6] reached a similar bleak conclusion regarding New Jersey's farmland assessment law. The Center found that 20% of New Jersey's land gets special low assessments. Other taxpayers in the state or paying $48 million per year to make up the difference. (The state, by contrast, has invested only $140 million over the past 11 years to purchase land under a "Green Acres" program.) In 50 New Jersey municipalities, taxes on a $25,000 home have gone up over $200.

Who gains? Again, big gains are going to large scale land developers. The study found, for example, that a land developing subsidiary of the Interstate Utilities Corporation, one of the nation's one-hundred largest corporations, was getting special low assessments on 5,000 acres in one county. Levitt and Sons, the land development subsidiary of ITT, saved over $40,000 on 500 acres in one county. A subsidiary of the Atlantic City Electric Co., the study said, is getting a 90% assessment reduction for land already approved for development.

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[2] Studying assessment differences between different levels of property value would help lay bare the regressive assessments uncovered in a recent HUD study of 10 cities. These regressive assessments inflict undue property tax burdens on the poor and promote urban blight. (This study is now a Committee print, entitled "A Study of Property Taxes and Urban Blight.)

[3] In past years, the Census has shown the total assessed value of different types of property within each taxing jurisdiction. This study helped show how such of the tax load each type of property was bearing. Now, however, only information for about 28 jurisdictions will appear.

[4] Hagman, Donald, "VIT for Vat: Is a Valorum Intangibles Tax a Democratic Alternative for a Value Added Tax", 1972, Institute of Government and Public Affairs, University of California, Los Angeles.

Snyder, Lester B., "Taxing the Unlanded Gentry: A New Trend in Taxation of Intangible Property," *Connecticut Law Review*, Vol. 4, No. 2, Fall, 1971.

[5] See House, Peter, "Differential Assessment of Farmland Near Cities * * * Experience in Maryland Through 1965," (USDA-ERS, ERS–358 Oct. 1967).

Murray, Ray A., and Cissel, Edwin L. "The Transfer of Farm and Open Country Real Estate in Maryland, 1964–1965," (Agricultural Experiment Station, University of Maryland, College Park, Md., Misc. Pub. 753, 1970).

Walker, William Paul, "Farm Ownership Valuation and Taxation in Rural-Urban Maryland" (Dept. of Agricultural Economics, U. of Md., College Park, Md., December 1967, Misc. Pub. 639).

[6] "Misplaced Hopes, Misspent Millions—A Report on Farmland Assessments in New Jersey." The Center for the Analysis of Public Issues, 924 Nassau St., Princeton, N.J. 08540.

In state after state the story is similar. In California, "Dun and Bradstreet Sodbusters" like J. G. Boswell Inc., the Kern County Land Co., The Irvine Co., and the Southern Pacific Railroad are getting millions of dollars in property tax breaks under that state's "Williamson Act." These same landholders, it turns out, are cashing in on Federal Crop subsidy payments in a big way, as well. For example, the J. G. Boswell Co., which in 1970 received a Williamson Act property tax break of almost three million dollars, that year received the single largest Federal Crop Subsidy payment in the nation—almost four and one half million dollars. Giffen Inc., which received the nation's second largest farm subsidy handout, also gleaned a $183,000 tax break from California taxpayers. And far from preserving open spaces, the Williamson Act seems to be forcing development onto prime but unprotected lands close to cities.

A Rhode Island official responded candidly to this Subcommittee's inquiry about the state's farmland assessment law, ". . . . the law is largely ineffective in preserving open space, but it does provide a tax shelter for land speculators."

It is clear that property tax breaks for developers will not preserve farms and open spaces. Still, genuine small farmers do need property tax relief. And properly applied, such relief could indeed help preserve farmland. To that end, the Subcommittee could extend the relief under the proposed bill to genuine small farmers. To qualify for this relief, a state program should have to meet several minimal conditions. For example:

1. *Residency requirements:* relief should go only to farmers who actually live on their farms. Absentee landowners and corporations should not be eligible.

2. *Size limitations:* these could be in terms of acreage, value, and/or number of employees, depending on the kind of farm and its location.

3. *Effective deterrent to development:* this deterrent could be the recapture of all taxes that were forgiven, for at least the five most recent years, plus interest at the normal commercial rate; a stiff land transfer tax; an "unearned increment tax"; a "zoning-up" tax; and/or some similar measure. The goal would be to make sure the public really gets farmland and open space for its tax dollars.

Such programs could apply to non-agricultural land, such as forests and open spaces, with like safeguards.

Further steps are a subject for future hearings. But before embarking on solutions to the property tax/land use problem, the Subcommittee might well consider how the federal government is helping to create the problem to begin with. Property taxes on farmland and open spaces go up largely because land values go up. And federal programs and policies are partly to blame for the enormous increases in rural and urban-fringe land values. These programs and policies include:

1. Mortgage-guarantee programs which encourage people to build and buy homes in the suburbs.

2. Highway programs which send development sprawling further and further out into the countryside and inflate property values there.

3. Federal tax preferences for real estate development that encourage new building and discourage rehabilitation of existing buildings.

4. Federal income tax deductions for homeowner property taxes and mortgage interest, but not for taxes and interest borne by renters.

5. Capital gains treatment of unearned increases in land value.

6. Exemption of land value increases until sale. This encourages developers and speculators to buy up rural land long before they intend to develop it. Property values leap and small farmers then have to sell their land.

7. Provisions which allow tax-loss farming. These further sweeten the pie for developers and speculators. They can farm their tax losses until they are ready to sell or develop.

Reversing such Federal policies could save taxpayer money, recoup extra revenues for the Treasury, promote better land use. Most of all, it would reduce the need for the Federal government to step in to solve a problem it was helping to create.

A NUCLEAR JAPAN?

Mr. CRANSTON. Mr. President, whether Japan acquires nuclear weapons or not is a major question that bears heavily on the future of world politics.

Mr. Lowell Ponte, a columnist for the McNaught Syndicate in Redlands, Calif., has recently written a series of articles challenging the Nixon administration to talk more openly about how our missiles and atomic secrets sold or given to Japan might prompt her to become a nuclear superpower. He discusses actions taken by the United States against the background of the internal debate taking place within Japan.

Mr. President, the whole subject of Japan's possible nuclear armament deserves far more public discussion. I ask unanimous consent that Mr. Ponte's articles, together with a statement and a wire service story, be printed in the CONGRESSIONAL RECORD.

There being no objection, the articles, statements and story were ordered to be printed in the RECORD, as follows:

LOWELL PONTE STATEMENT ON JAPAN'S CHANGE OF DECLARED NUCLEAR WEAPONS POLICY

It is good that reportage of my newspaper column series (the fourth & final part running today) by many newspapers in Japan has impelled Prime Minister Tanaka to admit the possibility his nation may acquire "defensive" nuclear weapons.

Questions raised in my series, which began March 14 and was given—at their request—to the Japanese consulate in Los Angeles, remain to be answered.

(1) Is the Nixon Administration following a policy calculated to make Japan at least "eight months pregnant" with nuclear weapons potential? Certainly the secret atomic and missile technology being offered to Japan could take her to that delicate condition.

(2) Why has Japan clandestinely developed a missile similar to America's Minuteman II Intercontinental Ballistic Missile?

(3) How far does Japan consider her "vital territory" to extend? To South Korea? To Indonesia? Does she include such areas in her "self-defense" perimeter? The so-called "three arrows plan" leaked by their defense agency in 1965 suggests it lies well outside Japan's islands.

(4) Are statements by Japanese leaders, including today's by Mr. Tanaka, designed to help change Japanese public attitudes to make such weapons more acceptable?

NUCLEAR

TOKYO.—Prime Minister Kakuei Tanaka said Tuesday that he does not rule out the possibility Japan may arm itself with "defensive" nuclear weapons.

"We are not able to have offensive nuclear weapons," Tanaka said. "However, it is not a question of saying we will have no nuclear weapons at all."

Tanaka's aides said "defensive" weapons could include antiaircraft missiles and nuclear landmine devices designed to thwart an invasion.

Tanaka said the government still follows its longstanding three-point nuclear policy—Japan will not build nuclear weapons, own them, or allow them on her soil.

Opposition deputies, opposed to all forms of Japanese rearmament, pressed for a clear definition of what "defensive" nuclear weapons meant.

"It is difficult to judge when weapons are offensive or defensive," said Ichiro Yoshikuni, Chief of the cabinet's legislation office. "However, nuclear land mines for defense against military forces that had landed in Japan would be in that class."

Takuya Kubo, the top civilian servant of the Japan self-defense agency, added nuclear air defense missiles to Yoshikuni's example of land mines.

The 1947 constitution forbids the country to engage in war and forbids the maintenance of armed forces.

However, that constitution was "reinterpreted" in 1950 by its chief architect, the late Gen. Douglas MacArthur, to allow Japan to maintain forces for defense of its islands.

Though some conservatives have long wished to amend the constitution to put the armed forces on the same footing as other countries, they have not been able to muster the two-thirds majority in both houses of Parliament that is necessary to make the shift.

The constitution does not mention nuclear weapons.

A NUCLEAR NIPPON?—PART I

(By Lowell Ponte)

The American Federation of Labor has raised a good question: Why is the Nixon Administration so eager to sell advanced missile secrets to Japan?

The AFL–CIO sees this as a pocketbook issue. The White House-approved sale of Thor-Delta rocket-launching hardware and know-how could bring a quick $100,000,000 in profits to the McDonnell Douglas Corp., but according to the AFL–CIO, it will hurt American workers.

As taxpayers it cost us plenty to perfect this technology, which now may be exported at bargain rates to foreign manufacturers who soon will be competing with us in the world missile market and costing us jobs.

But more than bread and butter is at stake. The larger question is: Why, since 1968, has our government pursued a policy calculated to make Japan a nuclear-weapons superpower in the near future? Why are we hurrying to share missile secrets and atomic secrets with the Japanese, and to transfer large amounts of weapons-usable radioactive materials into Japan's hands?

Our government runs away from such questions. The official position on the Thor-Delta system, for example, is that it will help Japan launch satellites beginning in 1975. In the words of State Department Spokesman Charles Bray, the system has "very little or no military potential."

Is this true? Suppose you gave someone a rifle but no bullets, knowing full well that he could produce his own bullets easily and quickly; only by stretching truth to its limit could you say the bulletless rifle has "no military potential."

We are selling them early variety of Thor-Delta, including a first-stage booster and second-stage rocket, but minus a guidance system. By itself this could launch a 300-pound pay load into orbit but would have "no meaningful military capability without a guidance system," our government assures us.

The trouble is, Japanese electronics are superb; they can easily provide a guidance system. Moreover, they have already devised an upper stage "Q" engine that will, at a minimum, increase Thor-Delta's pay load to 2,200 pounds—giving the rocket capacity to carry not only one nuclear warhead, but even multiple warheads.

And where might Japan get nuclear materials to make a warhead? A sizable amount comes from us directly. For example, on Feb. 26, 1968, our two nations signed an agreement for the cooperation in the peaceful uses of atomic energy which, among other things, authorized the transfer of 365 kilograms of Plutonium to Japan from our Atomic Energy Commission under weak and ineffective safeguards. The bomb used on Nagasaki during World War II required less than 6 kilograms of Plutonium.

Cooperation has grown, and last September Japanese Prime Minister Kakuei Tanaka emerged smiling from a meeting with President Nixon in San Clemente to tell waiting reporters his country and ours would probably soon be sharing many atomic secrets and even constructing a jointly run billion-dollar uranium enrichment plant in the U.S.

Few people quarrel with the ideal of atomic energy used peacefully, but few experts deny that any "peaceful" nuclear power reactor or enrichment facility is at least "eight months pregnant" with military potential. The Plutonium and enriched uranium associated with producing electricity could readily be diverted and converted into weapons. Likewise, a missile technology used to launch large satellites can provide the hardware for a military missile program.

We are systematically taking Japan to a condition "eight months pregnant" with military potential in missilery, in nuclear technology, and in radioactive materials. And Japan is cooperating with us enthusiastically.

But Japan is the one nation to have had cities destroyed by atomic bombs, and a large segment of the population opposes nuclear weapons. This March Japan put a plan to end all nuclear testing around the world before the 25-nation Geneva Disarmament Conference.

On the other hand, Japan has pride. She is the fastest-growing economics superpower on our planet. But in mid-February United Nations Secretary General Kurt Waldheim ended a five-day visit to Japan by scorning her bid for a permanent seat with the nuclear superpowers on the ruling UN committee, the Security Council. The extra status nuclear weapons give a nation were one factor in Japan's reticence to sign a nonproliferation treaty.

Japan's motives for getting her own nuclear arsenal, and President Nixon's motive for helping her do so, will be detailed in my next column.

A NUCLEAR NIPPON?—PART II

(By Lowell Ponte)

NEW YORK.—If Japan decided to become a nuclear weapons superpower, the atomic and missilery secrets now being offered by the Nixon Administration could give her that status almost overnight.

The White House's motive seems clear for making such offers: We want a strong Japan in Asia to counterbalance the influence of Chairman Mao's China as we pull back our forces from that part of the world. Who better could take our place than "the yellow Yankees" with whom we share so many values and interests?

Japan's motives for joining the nuclear club are harder to see in perspective, but, since Japan is now in the process of accepting our offer in laying the base for an atomic arsenal, we should consider the world from her viewpoint before judging this decision.

Japan's an island nation, and like that other island nation, Great Britain, she lacks the natural resources to support her people. Like Britain, she has survived and grown by trade of conquest.

The Meiji founders of modern Japan a century ago had a slogan: "Risk country, save army." That army became the vehicle for Japanese imperialism and trade; it made the nation rich, but then led it to defeat by attacking too powerful a nation, the United States.

Before World War II, Japan had no army at all, in the usual sense, just a "National Self-Defense Force" unable to wage war outside Japan.

Thus Japan's emergence today as the world's number three economic power—bested only by the resource-rich U.S. and U.S.S.R.—is a unique miracle in our planet's history. A century ago Great Britain had similar success, but her trade followed her flag and her navy, which was the most crushing military power of its age.

Sad to say, Japan's success is a fragile miracle. She thrives at the whim of a more powerful nation, and she acutely feels her weakness as a near-economic power.

To the proud Japanese it must have come as a slap in the face when, this February, United Nations Secretary General Kurt Waldheim scorned Japan's bid for a permanent seat on the UN's ruling body, the Security Council.

This scene had been played before, in 1970, when former Secretary General U Thant called Japan's bid "completely unrealistic."

But why is it unrealistic for Japan to sit on the highest council of nations? Is the only standard for membership the megatonnage of the nation's atomic arms? As Japan is insulted by UN leaders, and shamed when, without promised prior consultation, President Nixon winged to Peking, it must occur to some Japanese leaders that soon Japan's survival may depend on whether she can command the respect owed to members of the superpower club.

Japan could no more "win a nuclear war than could the United States. But atomic weapons can be used for a host of diplomatic purposes short of war. Experts admit they give a nation possessing them more status, more independence, a bigger voice in all international councils—in a word—clout.

Japan's vulnerability make such clout a necessity, for she cannot withdraw from the world as we could. A case in point, half her food comes from trade; trade is made possible by her industries, which convert raw materials from other nations; her industries run on oil. Japan imports 99 per cent of her oil, 90 percent of it coming via tanker and super-tanker from Africa and the Middle East by way of Indonesian territorial waters.

In the October 1972 issue of United States Naval Institute *Proceedings*—the journal that does some of the best analyses of Japan available—Capt. Richard Miller evaluates Indonesia as "Japan's jugular" and suggests an analogy: "If, in the future, almost the entire supply of oil for the U.S. had to come via the port of Tampico in Mexico, we Americans would feel rather insecure as regards the sources of our energy for the nation. This is not too unlike the situation facing the Japanese." Their only sure alternative, Captain Miller notes, would be to send their super-tankers around Australia; this would involve 6,000 miles of extra travel per ship each way, and add up to $6 billion per year to the price Japan pays for oil. Indonesia claims the right, on a whim, to close its waters to any and all foreign shipping.

Would Japan go to war over oil? In the November 1972 *Proceedings* Air Self-Defense Force Lieutenant General Masatake Okumiya, ret., said in passing, that "one of the greatest reasons" Japan struck Pearl Harbor was that an American and European embargo on Japanese oil supplies was incapacitating his country. But General Okumiya spoke in the context of showing that Japan might never gain security by having weapons of aggression, being too vulnerable to survive any hostility.

Would Japan acquire nuclear weapons if they provided the diplomatic leverage needed to protect her oil supplies? Perhaps. And an active nuclear reactor program would be of double benefit; it could provide a non-oil using source of electrical power, and as a byproduct it could turn out thousands of kilograms of weapons-usable radioactive materials yearly.

In assessing Japan's decision to "go nuclear," we must keep these things in mind: Japan is an empire without an army. She has life-and death interests extending far beyond her own territory. She relies for her security on a treaty with the United States, but now the United States is pulling back its influence and its military forces from much of Asia. National security for Japan will soon mean the amount of international diplomatic respect she could command—if not through a seat on the U.N. Security Council, then through other means.

Technological and political patterns have impelled Japan to make a fully nuclear commitment; these changes will be the subject of my next column.

A NUCLEAR NIPPON?—PART III

(By Lowell Ponte)

NEW YORK.—The Nixon Administration has used both the carrot and the stick in prompting Japan to become a nuclear superpower. On one hand, Japan has been offered secrets of our missile and nuclear technology, and possible cooperation in joint U.S.-Japanese atomic facilities.

On the other hand, the President slapped Japanese leaders in the face by winging to Peking without promised prior consultation. Through this and a thousand other gestures he has reminded them that without the status of nuclear weapons they may forever be treated as a second-rate nation.

Japan prefers to see herself as a first-rate nation, as she was at the height of empire three decades ago. As the third economic power of the world, Japan today again calls herself Nippon, "the land of the rising sun," a big and important country. If anything has led her to opt for nuclear weapons, it is this pride.

Nippon has the opportunity and the motive to "go nuclear," so one question remains: Can the technology and political climate allow for such weapons? Patterns evolving in both areas suggest an affirmative answer.

We often hear that, because she was the first victim of atomic war, Japan has a "nuclear allergy," that, because public feeling is dead set against these weapons, no politician would dare advocate them.

How, then, shall we explain public opinion polls in Japan showing that up to 45 per cent of the people favor Nippon having its own nuclear arsenal? More important, a wide range of polls show a huge majority of Japanese—especially the nation's future leaders now going to college—say Japan "inevitably" will acquire such weapons; at worst, Japanese are resigned to "going nuclear" and at best they are expectant.

Apparently it is as former U.S. diplomat to Japan John K. Emmerson says: "Unquestionably, as pride in country grows, aversion to things nuclear will also diminish."

But where Japanese leaders are concerned, respect for nuclear weapons was never absent. The ruling Liberal Democratic Party has resolved that Japan should not "produce," "keep," or "permit the introduction of" nuclear weapons in the country, but it has blocked all legislation that would make this resolution a permanent policy.

Quite the opposite, since 1957 it has been consistent Japanese policy that, if ever needed, the government would permit "defensive" nuclear weapons in the nation. This position was affirmed in the government's Defense White Paper issued Oct. 20, 1970, and has never been rejected.

Moreover, the government has pushed ahead with development of a major nuclear reactor industry, nuclear centrifuge technology, and pleas for more nuclear information sharing with the United States. The loudest plea came in 1970 from head of the Japanese Defense Agency Yasuhiro Nakasone, a hawk by any standard, who wants Japan to adopt an "autonomous defense" posture. This spring the Nixon Administration will begin plans for just such nuclear information sharing.

Some people are comforted to note that Japan still spends a much lower percentage of her gross national product on defense than does the United States. These people overlook that much crucial Japanese military research never appears in defense budgets.

A case in point is the history of Japan's intercontinental ballistic missile. In the mid-1950s the University of Tokyo began a "weather research" program by building a pencil-sized rocket called, oddly enough, the "pencil." These "weather rockets" got a little bigger each year, and in 1966 the Aviation Magazine International pictured that evolution. By 1966 the Japanese had a "weather rocket" called the Mu–4 which was 72 feet tall and had payload, thrust, and other specifications comparable to our Minute Man II missile.

Gradually such rockets could no longer be justified as "weather" devices, so they became the Japanese "space program," and in 1970 the government turned the program over to Mitsubishi Heavy Industries, Ltd. This subject of nuclear Japan will be concluded in my next column.

A NUCLEAR NIPPON?—PART IV

(By Lowell Ponte)

NEW YORK.—To help iron out bugs in Nippon's missile program, the Nixon Administration is now letting McDonnell-Douglas sell many of our missile technology secrets directly to Mitsubishi Heavy Industries, Ltd., which is working on the Japanese "space program." This will of course be of inestimable help to Japan's rocketry.

In the budget of a space program, Japan is perfecting missile technology. In the budgets of a civilian nuclear power program, Japan is perfecting nuclear fission and fusion techniques. Neither program shows up in military budgets. The U.S. Government aids these programs.

And in Japan, while such programs go on, politicians raise their voices to speed the change in public attitudes. The Japanese Constitution renounces war as proper national policy, but last May 3 the chairman of the Liberal Democratic Party's constitution revision committee, Osamu Inaba, declared in his "Constitution Day" speech that "Not to make war is certainly the wish of the Japanese people . . . However, at this stage of history there is no reason for unarmed neutrality."

Two months before, on March 1, the secretary general of the Liberal Democrats Shigeru Hori, had warned that American leaders should not consider the U.S.-Japan Security Treaty a "restraint" on possible Japanese rearmament. If they did, he said ominously, "Japanese will be forced to rethink their position" on the security pact, the pact that puts a now-leaky and incredible American nuclear umbrella over Japan.

Opinion polls in Japan conducted by the government show that 81 per cent of the Japanese favored "defending the country by themselves" with but 4 per cent content to rely on American guarantees.

The government did not help this by leaking an early draft of the 1970 Defense White Paper saying Japan was in danger, being surrounded by "superior military powers." No wonder the public mind is changing.

In 1972 Japan began its fourth "Five Year Plan" to create a defense "system capable of effectively dealing with all armed aggression involving localized or minor warfare . . ." But "localized" has never been defined, and this too is significant.

In 1965 another leak let the world in on the Japanese Defense Agency's so-called "Three Arrows" plan, which ordered that in the event South Korea was invaded by the North with help from Maoist China, the prime minister was to go on television and address the nation, explain the crucial threat this posed to Japan, and call for defense "of the fatherland."

Some Pentagon planners secretly assume Japan considers Korea, Taiwan, and perhaps even her shipping routes through Indonesia all part of her vital territory and would react to attacks on them with whatever force she could muster, nuclear or otherwise. Japan sees herself as an "extended country," but how far she plans to extend is anybody's guess.

Only history will judge the wisdom of President Nixon's decision to push Japan towards nuclear weapons and missile capability, but we can judge some of its implications now. They are hazardous, a gamble.

Since they involve the security of the American people, as well as the world, they deserve a more open and honest airing than we have heard to date.

TRIBUTE TO THE HAMM BREWING CO., ST. PAUL, MINN.

Mr. HARTKE. Mr. President, I was recently privileged to address the National Convention of the National Association of Concerned Veterans, April 13, 1973, in Phoenix. This group of Vietnam-era veterans was founded in 1968 as the National Association of Collegiate Veterans, by a group of veterans attending school under the GI bill. The new name, adopted at last month's convention, reflects the organization's intention to represent the interests of all 6 million Americans who served in the military during the Indochina war.

Today there are some 30,000 dues-paying members of NACV in 130 chapters around the country. This is an impressive record of growth, all the more so because NACV has overcome a number of obstacles that other organizations, in less dedicated and capable hands, might have found insurmountable. Vietnam-era veterans face serious and unique readjustment problems. Unfortunately, too often some people would like to forget the Indochina war and would also like to forget those who fought that war. This has meant tough sledding for NACV.

It is encouraging to note the assistance provided NACV by the Theodore Hamm Brewing Co. of St. Paul, Minn. Since 1970, this public-spirited firm has provided NACV with yearly grants, which have been used in part to establish a NACV Washington office, provide outstanding members with scholarships, and establish additional chapters. Hamm's has established a college coordinator staff position to assist NACV chapters, and has aided in the development of new branches in its 38-State marketing area.

I believe that Hamm's should be complimented for two very important reasons. First, of course, it has assumed its responsibility to improve our Nation in a generous and timely manner. More uniqucly, however, it has had the insight to assist the veterans of the Vietnam era by helping these brave young Americans to help themselves. The young veterans who need help the most are least likely to seek or accept it from institutions they distrust. Hamm's has recognized this, and by working to strengthen the National Association of Concerned Veterans, the Theodore Hamm Brewing Co. has exhibited, not only commendable generosity, but rare insight.

ECONOMIC DEVELOPMENT PROGRAMS

Mr. MOSS. Mr. President, the Congress today faces another in the series of confrontations concocted by the Nixon administration. Will we continue to have a Federal program helping depressed areas with their economic problems? Will the Federal Government lend a hand in aiding well-planned economic growth to create opportunities in areas other than the major expanding urban centers of the country? The President has said "no." By appling a pocket veto last fall to legislation that would have continued the programs of the Economic Development Administration and the regional development commissions, he has indicated that this effort is to be abandoned.

THESE PROGRAMS HAVE WORKED

The prime mission of the programs we are considering has been to create jobs and stable economic development. Studies done in 1970 indicate that the cost of creating such jobs has been roughly $2,200. Average income from each job created amounted to $6,500. In a very short period of time the taxes on such salaries will more than pay back the cost of creating these jobs. On an individual level and a community level, these programs have worked.

They have not been large enough, of course, to override the general trends of the economy. We cannot expect the expenditure of a few million dollars to counter the hugh variations in a trillion dollar economy. But at a realistic level, many successes have been accomplished.

The citizens of Utah recognize the importance of this development that has occurred at Park City with subsequent jobs and stimulation to the economy. This project first began through funds granted by the Area Redevelopment Administration for its planning and implementation. The ARA program was the predecessor of the present EDA program now under discussion here in the Senate.

In project after project, areas of the State of Utah have been opened up to development through the aid of EDA and the Four Corners Regional Development Commission. If EDA had not provided $2.6 million for construction of a road from Hanksville to Bullfrog Basin and $2.5 million for the road from Hall's Crossing, the development of the Canyonlands area of southeastern Utah would have been severely hampered.

The programs of EDA have been particularly sensitive to the needs of Indian tribes in depressed areas. One of the most encouraging success stories has occurred with the Ute Indian Tribe in Utah. The Tribe had approximately 75 percent unemployment in the mid-1960's. Through the help of EDA and other self-help programs, that unemployment rate has been cut in half and has a chance of being virtually wiped out in the next year or two. The change began with EDA's funding of the Ute Bottle Hollow Development with a $1.2 million grant for a tourism complex in 1967. This area is now a model Indian development project. In addition, EDA and OEO have combined to provide funds for an Indian-owned and Indian-run business corporation, Utefab, which produces fabricated plastic laminated furniture. To allow for expansion of this corporation and other tribal activities, EDA has granted in the present fiscal year $470,000 for an industrial park and $251,000 for a multipurpose building. With these funds, the corporation, which has sustained a profit during each year of its operation, may well come close to eliminating unemployment among tribal members.

In recent months, the Utah Paiute Tribal Corp. has received a grant of $514,000 to begin business development projects at Richfield, Cedar City, and Kanosh, Utah. These are meaningful contributions and are perhaps the brightest spot in all of the developments relating to Indian tribes in the 1970's. If these programs die, Indian tribes throughout America will be faced with the bleak prospect of settling back into a future of welfare and joblessness.

I have attached an appendix to this statement listing EDA and Four Corners Regional Commission projects granted over the last 2 years to communities in my State. I believe it provides a good sample of the kind of helpful activities undertaken through these programs.

The impending cutoff of these programs could not be more untimely. The Four Corners Regional Development Commission has recently compiled a development plan for the entire area under its jurisdiction. These plans have taken too long, but they are now completed. The appropriate step would be to use the results produced by the cooperation of four Governors and the Federal Government. Instead, the administration would discard all this work. The planning that has occurred under EDA's multicounty district program would also be abandoned.

The President has been misled by advisers who have told him that the activities of these programs can be absorbed by other Federal agencies. These alternatives are not true replacements, for their activities do not cover the programs he would abandon.

The EDA provides direct grants, planning money, technical assistance, and loan funds to deal with basic economic problems in areas needing growth. The Small Business Administration's loan program is not equivalent to nor a proper replacement for EDA's loan program. SBA's program aids small businesses and cannot exceed loans of $350,000. EDA, on the other hand, can make larger loans to attract significant industry into an area. EDA provides direct loans, with the Government subsidizing some of the interest. SBA operates through the private market system. If EDA is eliminated, these loans will simply disappear. They will not be replaced by SBA activities.

Likewise, grants for the construction of basic support services for economic activities will find no direct replacement. Industrial park money will simply disappear, and the jobs that would have been created through such grants will vanish. Multicounty planning efforts, now funded through EDA's "district" program will collapse, in most cases.

The administration's rationale for cutting such programs is that the economic well-being of the country requires it. Yet expenditures in the Federal programs we are considering are designed precisely to enhance economic well-being. They are targeted into areas where economic problems exist and where inflationary cycles are least likely to be stimulated.

General community development programs, funded through community development revenue sharing under the Nixon proposal, simply will not place funds in economically distressed areas under an equivalent economic program. The selective and targeted approach of the regional development commissions and EDA will be disbanded into a scattergun approach that will not yield the consolidated economic gains of EDA.

I would prefer that reductions in this program not be made. But the committee bill makes such cutbacks, and I understand the necessity of paring down these programs in order to avert a Presidential veto. I therefore support the committee's position, but I urge my colleagues to avoid making any further slashes in these vital programs. If the President vetoes this bill, then it is an indication that he is totally unwilling to compromise with the Congress. This bill, H.R. 2246, as modified by the Senate Public Works Committee, provides authorization for $362.5 million over a 1-year period. The bill vetoed previously by the President authorized $1.2 billion. The Senate will have gone a long way toward meeting the President on this issue. I urge my colleagues to support the committee bill.

Mr. President, I ask unanimous consent that the material to which I have previously referred to be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

EDA grants for fiscal year 1973

[In dollars]

Ute Indian Tribe industrial park	470,000
Ute multipurpose building	251,000
Utah-Paiute Tribal Corporation (Richfield Cedar City, Kanosh)	514,000
Dixie Medical Center—St. George, Utah	400,000
Southeastern Utah Economic Development District, Price, Utah	39,000
Weber County industrial park	423,000

EDA grants for fiscal year 1972

[In dollars]

Nephi City water treatment lagoons	5,940
Goshute Indian Reservation tribal building	100,000
Fillmore County industrial park	230,000
Moroni City waste water facilities	668,918
Ephraim City industrial park	378,400
Ephraim City sewage improvement	128,000
Salina City water and sewer	369,600
Ute Indian Tribe water line	205,000
St. George City industrial park	430,000
Green River improvement project	385,000
University of Utah industrial services program	162,000

Four Corners Regional Development Commission projects for fiscal year 1973

[In dollars]

Salina water	123,200
Salina sewer	53,600
Price sewer	18,600
Cottonwood Reservoir	42,000
Leeds Dam	5,700
Beaver Westside ditch	20,000
Milford sewer	7,500
Minersville irrigation	49,160
South Lyman irrigation	41,000
Virgin canal	25,800
Delta airport	63,728
Cedar airport	20,500
Ute fabrication plant	150,600
Manti–Ephraim airport	7,780
Richfield sewer	5,665
Kingston water	37,800
Lost Creek irrigation	4,800
Brooklyn water	6,600
Newcastle water	14,200
Blanding vocational school	160,000
Dixie hospital	300,000
Oak City water	25,500
Henryville water	13,500
Hurricane sewer	5,665
Annabella irrigation	30,000
Payson water	54,748
Juniper oil demonstration project	3,500
Blanding water investigation	40,000
Goshute manager	28,340
Recreational multipurpose mapping	38,400
Kanosh manager (transfer lettering)	26,500
Duchesne water study	4,000
Hatchtown Dam study	21,000
Navajo developers	28,000
Paiute economic developer	21,380
Reducing fruit frost	43,400
High purity metals	30,000
Intensive agriculture demonstration project	30,000
Soy bean feasibility study	6,000

Four Corners Regional Development Commission Projects for fiscal year 1972

[In dollars]

Eureka water	28,500
Fillmore sewer	202,200
Moab airport	76,070
Jensen water	73,500
Helper water	20,040
Blanding airport	21,910
Washington County sewer	94,150
Meadow irrigation	3,600
Mount Pleasant irrigation	3,500
Minersville irrigation	200,000
Manti water	25,000
Wayne airport	10,680
Green River water	55,000
Beaver airport	14,490
Fillmore industrial park	138,000
St. George industrial park	200,000
Provo sewer line	78,900
Price hospital	60,000
Manti Ephraim airport	10,920
Price Vocational-ed planning	23,000
Emery County health study	13,300
Airport systems plan	22,140
Provo storm drain study	39,850
Feed lot meat packing study	15,000
Juniper oil demonstration project	14,700
Coddling moth experiment	8,850
Kaiporowits plan	21,000
Lead zinc study	13,500
Intensive agriculture demonstration project	14,000
Potato study	7,000
Utah County feasibility study	3,460

RETAIL FOOD PRICES—CONTINUED

Mr. MOSS. Mr. President, we now have come to expect the curious and bizarre each time an administration spokesman comes forth with a pronouncement on the economy. Just over a month ago, Mr. Butz, the Secretary of Agriculture, was proclaiming almost daily that a food price freeze would not work and that those who believed it would were "damn fools." President Nixon, however, apparently decided to rush in where angels fear to tread. He decided that a freeze would work and imposed a ceiling on meat prices.

The latest curiosity from the realm of Nixonomics is a speech delivered yesterday by Mr. Herbert Stein, Chairman of the President's Council of Economic Advisers. Mr. Stein presented himself as a bearer of good tidings and declared that the food price surge has finally "peaked."

At first glance, it would appear that Mr. Stein has brought us very good news indeed. For some time ago the administration predicted that the rise in food prices would continue at least until midyear. It would take that long, Mr. Nixon said, for supply to catch up with demand.

Unfortunately, however, Mr. Stein's statement on food prices does not mean what it as first appears to mean. When he says that food prices have "peaked," he really means that they will continue to rise slowly for several months, and then level out at a point much higher than the administration previously had predicted.

Back in February, the Agriculture Department had projected a 6-percent food price increase for 1973. But Mr. Stein was talking yesterday about a whopping 10.5 percent increase in retail food prices. This may be good news in the eyes of the administration, but it will hardly set the American consumer jumping for joy.

In a literary turn of phrase, Mr. Stein told the American consumer yesterday that "we never promised you a rose garden." Let me say that it has been clear for some time that Nixonomics would never take us anywhere near the rose garden. When reflecting upon the administration's economic policy, I think not of rose gardens, but of the Mad Hatter's tea party. I am reminded of a world where words have no meaning, clocks have no hands, and where no one can agree on how much food there is on the table.

SENATOR PROXMIRE'S FORTHRIGHT STATEMENT IS COMMENDED

Mr. HELMS. Mr. President, I have just become aware of a statement released today by the senior Senator from Wisconsin (Mr. PROXMIRE) with regard to the conduct of certain elements of the news media in the Watergate affair. I have read this statement, and I find it heartening. Our colleague's political position in regard to many of the President's programs is well known; yet he has the magnanimity to call for fairplay and for an acceptance of the President's word as the truth unless and until proved otherwise.

Our distinguished colleague rightly characterizes the press situation as "a reckless momentum of reporting innuendo and rumor." He says that as a result of this reckless momentum, "There is a very serious question that the people of this Nation will be able to find in their hearts the sense of justice and fairness which President Richard Nixon, like every other American, deserves to have."

As one with some background in the news business, I am deeply distressed by the lack of professionalism and balance in the handling of this case. I can think of no other story in which the papers seemed driven more by bloodlust than by the public interest. It is the fruit of a bitter enmity which has been growing unchecked throughout the Washington press corps during the past 4 years. No one can condone illegal activities. Certainly I do not. By the same token, no one can condone irresponsible and venomous reporting based upon half-truth and allegation. It does journalism no credit to use deceit and self-serving accusations as techniques to ferret out the truth. The emotional pressure may create a climate in which the guilty parties break down and confess; but at the same time this sort of sensationalism may destroy the rights and reputations of the individuals accused and deny them due process of law. If the Watergate case has any lesson, it is that the ends do not justify the means. The newspapers involved should go back and learn the lessons they claim, often piously, to be teaching.

I cannot agree with all the policies which our distinguished colleague from Wisconsin espouses. But I can wholeheartedly agree when he states, as he did today:

> Any responsible newspaper should regard as outrageous the printing of a secret allegation against even a convicted felon if that allegation were made by a witness as part of his bargain for immunity from his own prosecution. Doesn't the President have the same simple right that every other American has to be innocent until proven guilty. Doesn't a man who has spent more than twenty years in the pitiless glare at the summit of national political life deserve to be believed when he directly tells the nation that he had no knowledge of these matters until there is proof that he lied?

Just as I have indicated that I do not always agree with Senator PROXMIRE, I have also made it plain on many occasions that I do not always agree with President Nixon. Civilized men must often agree to disagree. But the senior Senator from Wisconsin has, in my view, gained in stature for his forthright statement at a time of heated political pressures and I commend him for it.

TESTIMONIAL STATEMENT BY CONGRESSMAN CHARLES C. DIGGS, JR.

Mr. KENNEDY. Mr. President, I would like to place in the RECORD the remarks of Chairman CHARLES DIGGS, of the House District of Columbia Committee. Last Thursday, May 3, in ceremonies honoring Congressman DIGGS' service on that committee, the citizens of Washington, D.C. enthusiastically praised his skillful service.

Mr. DIGGS eloquently described his goals for the Capital City and he explained how the Congress can contribute to the fulfillment of those ideals.

For that reason, I request unanimous consent to print Mr. DIGGS' remarks in the RECORD.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

REMARKS BY CONGRESSMAN CHARLES C. DIGGS, JR.

While tonight is very special to me in a personal sense, it also marks a momentous occasion in the history of this city.

On this day in 1802, a new world capital was incorporated.

Now, 171 years later, a new chapter is being written by the District of Columbia.

In just 38 months America will celebrate its Bicentennial, marking another milestone in the continuing quest for liberty.

I predict that the people of the district will join in that celebration, not as members of the "last colony", but having at last become full citizens with all the rights and responsibilities that home rule will bring.

No freedom is real, no emancipation is enduring which does not provide the power to protect the people's rights. Granting self-determination is not a question of charity; it involves the redistribution of power. For 171 years, Washingtonians have been bartered and manipulated. For 171 years, Washingtonians have been tokenized and homogenized. Now comes the changing of the guard, when Washingtonians will be the masters of their own fate.

In the evolution of power the only hope for Washington, the only hope for America, lies in the creative use of partnerships—parnerships built on mutual respect and mutual trust, permanent yet flexible alliances among all elements of the community.

The 1960s showed us that mistrust, hatred and prejudice breed violence, despair and injustice.

The 1970s offer a new challenge. Since the partnerships of the 60s have become strained under increasing pressures, new and more permanent bonds must be woven to secure the rights and responsibilities of citizenship.

Strong forces for change are on the move.

We are summoned to a fateful task—to ensure that the turmoil will signal birth instead of decay.

If we stand still we will be overtaken by events. We dare not entrust our lives to the uncertainties of chance. By reflection and choice, we must turn the impulse for change into an agent for orderly progress.

In this city people have patiently lived with hopes long deferred, with grievances long tolerated. They are now impatient with patience.

Their demands for change must not only be heard, they must be answered. No republic can long disregard disaffection at the seat of the central government.

Now is the time to strengthen the fabric of our society by making peace, justice and equity the cornerstones of order.

Rebellions will not end until democracy begins. We *have* the techniques. We *have* the means. Only the *will* stands between us and a rational society.

As Ancher Nelsen and his commission point out in their report, the colonial institutions which are being sullenly left on our hands will not begin to work just because newly strengthened brokers have assumed power.

We have to experiment with everything, not just popular representation and participation. That is simply the beginning point. We have to experiment with new forms of public safety and crime prevention: with pioneering forms of education; with innovative patterns of planing, housing, environment, health, transportation, tax and fiscal policy, and human relations. Washington can help America save itself, as this country has saved others in places whose names we can hardly pronounce.

Let us not remain strangers to each other, either in this city or in this Nation. Let us not allow suspicion and cynicism to pervade our lives. Whites should not fear non-whites; the Cross should not fear the Koran or the Star of David; the old should not fear the young; the wealthy should not fear the poor.

Let us not barricade our suburbs and watch the cities die. Instead, let us strengthen the bridges that unite us. Society and government are both founded on principles of working together for a common goal.

The people of the District and the people who cross its boundaries daily must recognize their common interests: Bridges across the Potomac must be augmented by bridges of understanding and cooperation. The life of the city and the life of the suburb are intermingled: No geographer's line or river's current can separate them.

Neighbor is not just a physical term. It is a moral concept. It means our collective responsibility for the preservation of individual dignity and integrity.

The people of Washington must see self-government as an opportunity for a new urban experiment. It *is* possible to create better ways of developing cities than we have experienced. And we can find solutions not only for Washington but our other urban areas as well.

That is why I propose the establishment of the District of Columbia Institute For Research. The purpose of the institute would be to coordinate and supplement analytic and planning programs designed to be of benefit to the District of Columbia. It will assist in financing task force and consultant activities which could not be otherwise provided. It will provide a focal point toward which a variety of private resources would be directed. It would be an instrument which could be used by the academic community, national organizations, and others, to initiate in Washington those innovatixe and pragmatic urban concepts applicable to similar communities across the country.

As another step, yesterday I introduced in the House bills which would deal with the transfer of power in the legal and economic areas. One bill would establish a law review commission, made up primarily of local lawyers and public officials who will examine the archaic District Code and bring it in line with current needs. The other bill would establish an economic development bank for the District to encourage and mobilize public and private assistance in economic growth. This enterprise would involve the total community in finding the most constructive patterns of economic growth for the area.

This is a long, difficult, unromantic vista. We cannot perhaps expect any other major group in America to lead the way towards the humanity we all so badly need in our cities. Our exhaustion must be replaced with energy: our cynicism with hope: our resignation with determination and our destructive anger with constructive activism.

Our American cities are crime-haunted fortresses. Huge sectors of our youth and a multitude of others face recurring unemployment. Those of us who have steady incomes find our capacity to purchase diminishing. Neither the courts nor the prisons adequately deal with justice or reformation. The schools are unable—or unwilling—to educate many of our children for the real world. The uncontrolled epidemic of drugs threatens to wipe out the minds and strength of our young. Economic, cultural and spiritual depression stalk America and the price for survival often appears to be more than we are able to pay. As the glacier-like ghetto spreads, "runsmanship" becomes the newest sport. But it cannot go on forever. Arithmetic, time, the fourteenth amendment, the spirit of the age, and four-lane highways are against it.

But the most disgraceful, the most shameful and the most tragic problem is silence. In too many places we are a community of silent onlookers in the face of brutality and in the face of man's exploitation of man.

We have allowed race baiters, hoodlums, demagogues, anarchists, and misguided super patriots blandly singing "God Bless America" to disrupt domestic tranquility and threaten the very foundations of our society.

We must speak up and act, from the President down to the humblest among us, for the sake of the image, the concept, and the very existence of this country. The need is critical for honest, effective communications between all Americans. Communication is non-existent in many areas and satisfactory in none.

We are faced with a total crisis in the heart of America. Before the end of the seventies, this country must make a decision which will echo down the long corridors of time. It must choose how it will respond to the petitions of the dispirited, disinherited, and the disadvantaged. It must decide whether to fulfill the dream of America which was promised but never fully realized. Here again Washingtonians can play an important part. Just as I said in January, our national capital is a reservoir of unused, underused and misused human resources. In the international community, in representatives of national organizations, in the transit daytime community among the proud 800,000 who call Washington home, there are some of the world's most talented people.

ADDRESS BY AMBASSADOR TO INDIA, DANIEL P. MOYNIHAN

Mr. PERCY. Mr. President, it is with much pleasure that I call the attention of my colleagues to the text of an address made in Bombay on April 9, 1973, by our distinguished Ambassador to India, Daniel P. Moynihan. I am certain that my colleagues will share my delight in Mr. Moynihan's alternately light hearted and hard hitting remarks. We have every reason to expect that his presence in India will serve to strengthen relations between India and the United States.

I ask unanimous consent to print Ambassador Moynihan's remarks in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS TO THE INDO-AMERICAN CHAMBER OF COMMERCE, BOMBAY, INDIA, APRIL 9, 1973

(By U.S. Ambassador Daniel P. Moynihan)

It is the seeming ineluctable lot of a new Ambassador to be asked repeatedly what he thinks of the nation to which he is newly assigned: what he thinks of its people, its food, its climate, and such like.

These enquiries are never addressed with any large expectation of eliciting information. It is assumed that the new comer hasn't got any ready answer, but that he will come through with some muffled courtesy. (Save possibly on the subject of the weather!)

For an American, however, this experience, on arriving in India, is just possibly different. It has, in any event, been for me.

First, to that omnipresent subject of the weather. I was raised on the sidewalks of New York, and I assure you that no Bombay summer, no Himalayan winter holds any terror for a son of Gotham. I may come to repent this imprudence, but it is bred into any true New Yorker. We have the worst weather in the world, interspersed with the best. As a matter of fact, we tend in general to have the very worst and the very best of everything. Ours is not what the Romans would have described as a *via media*. But then neither exactly is that India's way, which is almost the first fact that makes an American, or at least a New Yorker, feel at home here.

But there are many further facts, of which quite the most relevant is that to have grown up in the 20th Century United States, especially in the urban United States, is to have been continuously in contact with Indians: their dress, their food, their religions, their politics. Sometimes these are Indian visitors. Far more often they are merely Americans who happen to have come from India. We are now, as we have always been, a nation of immigrants, and increasingly our immigrants are from this part of the world also.

And so it comes easily to me to respond to the question, How do I like India. There is much that is different here, but also much that is familiar. On the occasion that I presented my credentials to your distinguished President Mr. V. V. Giri we sat down at one point for that inevitable and always welcome cup of tea and got to talking about what you might call family things. I mentioned to him my close acquaintance in the United States with the daughter of a great friend of his from the days of the liberation struggle. "A daughter to me!" the President exclaimed in his warm and generous way, and proceeded to talk about her and her family. And surely she is just that; but she is also one of the dearest friends and neighbors my wife and I have at home. There is scarcely a day that she is not in our house, or we in hers. Her husband is among the most distinguished of American scholars. At their dinner table the politics and culture of India are as normal-seeming subjects as the weather in Cambridge. I shall forebear to suggest which is the stormier: my point simply is that India is no distant land in America. To the contrary, it is the land from which many Americans have come. Its restaurants, its manufactures, its religions, its culture (perhaps especially its music) are part of our way of life.

To be sure, the Asian presence generally in the United States is now very noticeable. On Thursday of this week I had the honor to address the Indian National Defense College in New Delhi; a superb group of officers, who treated me with great courtesy, and then subjected me to some very tough questioning. So tough, that I decided to question them back. My subject was domestic developments in the United States, and so I ask *them* what ethnic group did they think had the highest combined educational-occupational status in the United States. It took quite a while before a bright brigadier came up with the correct answer: Chinese. After that it was not so difficult to elicit the correct answer for second highest: Japanese. (One colonel trying to be friendly had ventured the answer "Irish." I replied, that the Irish were first only in civic-mindedness, a notoriously ill-paid profession.)

It would be difficult now to state with accuracy just how many Americans are of Indian descent, but some notion may be had from the fact that there are 300,000 persons with Indian passports, which is to say persons not yet American citizens, or not intending to become such, residing in the United States. The number of Indian "immigrants" has been rising steadily. This year our consular officials will grant some 20,000 immigration visas—five times the number of just five years ago—and some 34,000 visas of other kinds.

Anyone much associated with American universities will know that Indian students and scholars are very much part of that community. But I was surprised to learn that

Indian students make up the *largest* single contingent of foreign students in America. I would have sworn that Canada, with which we share thousands of miles of a virtually nonexistent border, would have provided the largest number of "foreign" students, for there is a great moving back and forth between Canadian and American universities; but no, the largest group comes from India.

It is moreover a most distinguished group. Seven thousand are pursuing post-graduate study at the Master's and Doctoral levels, most of them in engineering and sciences. Similarly, there are about 900 Indian scholars teaching or doing research in the United States. This is the third largest group of foreign scholars, exceeded only by those from the United Kingdom and from Japan.

This statistic of 11,000 Indian students in the United States contrasts with the figure of only 1500 Indian students in the United Kingdom and 350 in the Soviet Union, two great industrial nations, each with close ties to India.

I need hardly say that your students and scholars are welcome in America. They enrich our lives: we hope that we enrich theirs. May their numbers grow.

I could wish the return flow of Americans to India were more vigorous than it has been in recent years. In all of India there are only some 2004 resident Americans, which is to say Indian residents in the United States out number their counterparts by 150 to 1. In 1972 there were fewer than 300 American students here, a fact which I must say surprised me.

Even so, there are some 55,000 tourists who come to India each year from the United States. If the management of the Taj Mahal Hotel will allow me to mention their competition, I came to Bombay in part to help dedicate the new Oberoi-Sheraton Hotel, an event which brought a great deal of pleasure to me and, as Finance Minister Chavan's remarks would suggest, to the Government of India as well. There are, of course, many Indians who in return visit the United States as tourists. All in all, I think we can say that we have here an exchange relation of great importance both to the economy and to the cultures of our two nations.

The most important of these exchange relations is, of course, that of trade. Here, however, I pass from subjects that are well known and understood both in the United States and India, to matters not so well known.

It is not so well known, in the United States, for example, that the United States is India's largest trading partner. In 1972 we bought 17.5 per cent of India's exports: more than any other nation.

I am sure this fact is well known in India. However, I would not be surprised if it were less widely known that the proportion of Indian trade with the United States has been growing. During the past decade, as India's overall economic growth rate averaged about 3.7 per cent, and overall trade grew by 4.5 per cent, exports to the United States have grown by about 5.4 per cent per year, which is to say almost half again as rapidly as the Indian GNP. Further, India now enjoys quite a *surplus* in its trade with the United States.

We may all hope that this exchange of goods and services and people will grow and grow and grow. There is no one thing more impotrant for the future relations of our two countries.

The United States wishes this exchange to grow. Just Wednesday, Honorable Peter M. Flanigan, the President's advisor on foreign trade matters, told a committee of our Congress that the Administration's forthcoming trade bill will definitely contain a request for authority to extend generalized preferences to countries such as India, and that the Administration intends to extend such preferences.

We must be clear on one thing, however. The United States finds itself in a deficit position with respect to foreign trade with which it must be concerned. We cannot import if we do not export. And we cannot export if tariff or non-tariff barriers are raised aaginst our goods and services. There have been too many such barriers in the world, and the time is past when anyone would wish to see them perpetuated.

Any nation which enjoys a surplus in its trade with the United States must expect us now to be actively and concretely concerned to obtain equal access to their market, even as they have equal access to ours. We cannot accept the "least favored nation" status to which we have often been relegated by some governments, animated either by fiscal or political considerations. We can no longer accept the non-tariff barriers which keep us out of such markets.

I might add, and I hope I will be understood, that we are not any the less complacent about what might be termed "non-tariff barriers" to the free flow of persons between our country and others. Each nation has an absolute right to establish any rules it wishes with respect to such matters, but the time has come when we must take note of what rules are formally or informally established.

But let me not dwell on what to you, as international traders, will be self-obvious facts. Let me dwell on what a new and more open international trading world can mean to India.

Here are some numbers. In 1972 the Gross National Product of the United States was 864,000 crores. In 1973 it will be some 950,000 crores, a growth in one year of 86,000 crores. I am told the GNP of India was some 47,600 crores in IFY 1972–73. This Indian GNP includes, of course, exports to the United States. In 1972 our total United States imports—which is to say the exports of other nations—came to some 41,700 crores. If we assume that U.S. imports will grow by about 10 per cent, commensurate with roughly the same growth in GNP, in 1973 U.S. imports will be some 45,900 crores.

In other words, this year the United States will import an amount of goods roughly equivalent to the GNP of India.

Now India in 1972 sent us 319 crores of goods, or 0.8 per cent of our total imports. Our total imports are now likely to grow by 4,200 crores. If India merely maintains its share of this growth, that is to say 0.8 per cent, its exports to the United States in 1973 will grow by 34 crores to 353 crores.

If, however India, were to double its share of the growth alone, that is to say receiving 1.6 per cent of the growth, it would add 67 crores to the 1972 level of exports to the United States.

I stress these figures because they are, as it were, available to India without displacing any present traders with the United States. While the American economy is growing, the growth of one nation's exports need not be at the expense of another nation's.

But consider this possibility. If India were to double its share of the American import market, rising to 1.6 per cent—surely not a vast proportion—its sales to the U.S. in 1973 would approximate 720 crores, an increases of 401 crores over 1972.

These are not imaginary numbers: we are not talking about play money. This growth is going to take place, and many nations are going to benefit from it. One of these nations ought to be India. And on the basis of a decade of solid performance, one of those nations *can* be India. All that the United States asks in return is equal treatment and equal access for our side of the exchange. I have no doubt that this will be forthcoming, and that year from now a meeting such as this will gather in even more auspicious circumstances.

Thank you.

SWEDISH PARLIAMENT TO DEBATE ATOMIC POWERPLANT DANGERS

Mr. GRAVEL. Mr. President, I have just been informed by Dr. Hannes Alfven at the Royal Institute of Technology in Stockholm that on May 15, the Swedish Parliament will open debate on the hazards of atomic powerplants. Pressure in Sweden for a nuclear power moratorium appears to be increasing, as it is in this country.

The Swedish Parliament is apparently ready to face some of the serious security and health problems which accompany nuclear electricity.

In contrast, the U.S. Congress has not debated the wisdom of developing civilian atomic power since 1954.

It is time for Congress to recognize that civilian nuclear powerplants are definitely not the same as nuclear submarine reactors.

Just one successful attempt at sabotage on a civilian nuclear powerplant, or one severe accident, could ruin agriculture and water supplies in an area as large as the State of California, force the evacuation of some major cities, industrial centers, and defense installations, cause massive unemployment and economic chaos overnight, and take a grisly toll in cancer and birth defects in years later.

Civilian atomic powerplants are the only kind of generating plants whose vulnerability to sabotage makes President Nixon's statement on March 6, 1973, all too true: This country could be destroyed by terrorists.

It is easy to understand the innocent hope of the 1954 Congress that nuclear submarine reactors could be adapted and enlarged for civilian use on land, but 19 years later, the effort has outrageously compromised national security and public safety.

Therefore it is urgent for the 1973 Congress to reexamine the many obsolete assumptions about the so-called peaceful atom. I ask my colleagues to give careful consideration to S. 1217, a bill to phase out the operation, construction, and export of civilian nuclear powerplants by 1980. Safe, available replacements for all present and projected atomic power are described in my introductory remarks in the RECORD of March 14, pages 7741–7742.

BOBBY SEALE FOR MAYOR?

Mr. KENNEDY. In the 1960's, our cities sweltered in the heat of discontent and riot. Every American was disturbed by the acts of violence that erupted from the frustration of years of discrimination. That was the time when we had to search ourselves for answers to the questions these rioters and protesters raised. It was also the time when an organization called the Black Panther Party was created. Born from the civil rights movement of the 1960's, the Black Panther Party was thought to be much more reactionary than traditional organizations like the NAACP or SCL. Like it or not the Panthers taught many meaningful lessons during this violent era.

When our young protesters were told to work within the system, many of them listened. And Bobby Seale, the former chairman **of the Black Panther Party,** is one of those who heeded that appeal. He is an example of what the discontented youths of the 1960's can do and are doing in the decade of the 1970's. Presently, he is campaigning to become the mayor of Oakland, Calif.

In the Washington Post, May 7, 1973, Roger Wilkins graphically describes the goals that Mr. Seale has set for himself. He clearly demonstrates that Bobby Seale understands the impact political institutions have upon America's communities. The problems of housing, education, and jobs can be solved easier by becoming politically aware and participating in the political process.

I am happy to see Mr. Seale make the change. I hope that his example will steer even more of our youth and discontented to begin the work within the system, to begin to work for America. Together, we can truly make America the type of country our forefathers had intended for us to be.

I believe every Member of the Senate will profit from reading this article and I ask unanimous consent to have the article printed in the RECORD.

There being no objection, the article was ordered to be prnted in the RECORD, as follows:

BOBBY SEALE FOR MAYOR?

(By Roger Wilkins)

There is something poignant now, in looking back at the young black leaders of the 1960s—some of whom were feared and despised as no Americans since the days of Dillinger. There was Julian Bond of Georgia—out of the Student Nonviolent Coordinating Committee and an outspoken opponent of the war—now a respected member of the Georgia State legislature and one of the hottest items on the lecture circuit. There was Andrew Young of the Southern Christian Leadership Conference, now the first black congressman from the old Confederacy since reconstruction. And now, there is Bobby Seale running for mayor of Oakland. Bobby Seale for mayor?

Seale is a complicated man. When he was a child his father batted him around a little and when he grew up he became a stand-up comedian and a sheet metal worker. He spent some time around a college, but most of his wisdom came from the streets. When he got serious about the problems of poor blacks, he took a job with the Neighborhood Youth Corps and worked with the children of Oakland. That was in the mid-1960s—a time when the police and members of the poorest black communties were rubbing each other raw.

Black youngsters all over the North, watched television and saw Dr. King and others gassed and hosed and bitten by police dogs. Occasionally, they would hear of someone being killed. They heard of great civil rights advances too, but they still slept four to a bed. There were not enough jobs for their fathers and what jobs there were did not bring in enough money. There were still rats in the kitchen, miserable schools and the food and the clothing were thin. Hopelessness turned to profound alienation when it looked as if no efforts, no matter how large, would change a thing. The alienation became the rage that set the cities aflame. Whites became fearful and the police viewed themselves as the line between black anarchy and the retention of civilization. Young blacks viewed the police as the bearers of the scepter of white oppression.

That was as true in Oakland—a desolate Cleveland West—as it was in most other American cities in those days. It was in that environment that Seale went to work for the Youth Corps to try to do something for the young black poor. It was like trying to move mountains with toothpicks. "Many of the brothers," he later wrote, "really dug the poverty program and the way I ran it." But he thought the young people should learn more than the poverty program could teach them and he listened to Huey P. Newton, who said, "They should be taught by people who are really concerned with the brothers and not by those old-time racists who are trying to control them and misguide them away from unifying black people and serving black people." Newton and Seale agreed that a new black organization both of and from the black community should be created to protect and serve that community.

To accomplish that end, they sat down one day and Newton dictated and Seale copied down the Ten Point Platform and Program of the Black Panther Party for Self Defense. That document called for many things, but mainly it called for freedom, food, an end to the robbery by whites of the black community, for decent education, for housing and for an end to police brutality. It ended with the declaration of independence. Then, Huey said, "Who'll be chairman?" Bobby answered that it didn't matter to him, so Huey said, "You be chairman and I'll be minister of defense." And, so an organization was born that they thought would teach young people self reliance and service and would serve as a shield against white oppression.

Inevitably, the police came to the core of their consciousness and the gun became the symbol of their toughness and their seriousness. But, guns couldn't put butter on the table, black people in jobs or good houses on the streets where they lived. The rage grew into a kind of intellectual hysteria and the iron discipline of the early days in Oakland couldn't hold as the idea spread across the country. The movement attracted some of the most idealistic of the young street-wise intellectuals, but it also attracted some thugs. The gun as organizing tool and rallying symbol, mixed with the frustration and the rage, brought death to some of them and ultimately became the undoing of the old Panthers. Some of them were killed and others went to jail. They were feared and hunted and Newton and Seale became folk heroes to tens of thousands of young blacks all over the country.

Finally though, Huey was sent to prison and Bobby was indicted for conspiracy to riot in Chicago and for murder in New Haven. The Chicago indictment was unjustified. He didn't even know his "co-conspirators" and had only been in town long enough to make one speech. He screamed in the courtroom for his constitutional rights, was bound, gagged, shackled and cited for contempt. Ultimately, the case against him was dropped. In New Haven, in a case growing out of internecine Panther warfare as the organization was crumbling, the jury couldn't agree to his complicity in a murder and the judge decided that there would be no second trial. The old Panther organization was virtually crushed in a series of police raids in cities across the country in the winter of 69–70. Newton got out of prison because of defects in the case against him.

Conditions hadn't changed, but the two old Panthers had. They still cared about the poor, but they put away the gun and began in earnest a series of service program in Oakland. Much of the rhetoric was gone and some of their most inflammatory colleagues were either in prison or in exile. These two young men had started a movement that had engaged the imagination of a whole generation of black youngsters—had engendered a spirit of revolution and violence that far outstripped their own original ideas or even their actions. But in the end, the politics of the gun and revolution by the black "lumpenproletariat," as Seale calls the black street people, had failed.

Through all of that, and for all of his rhetoric, Bobby Seale always seemed very human. I never thought he was a killer and he always argued that the Panthers were not racist and I believed him. Now, he's turned down from the politics of frustration and rage and is working within the system. He probably won't win the runoff with the incumbent mayor, but suppose he does? The conditions that produced the intellectual frenzy of the 1960s still exist. What could Mayor Seale do about them? The central question still remains: what are idealistic young blacks who hate the oppression suffered by their mothers, fathers, brothers and sisters to do? The gun, at least as it was used by the old Panthers is not the answer. Nor is the individual explosion of a Mark Essex on top of a motel in New Orleans an answer. Nor are heroin and alcohol. Elective politics only works when there is a substantial base of white support for what the successful black politician is trying to do. The hostility of the Nixon administration has shattered that.

So, the lessons of the failures of the old Panthers have been learned. They and other activists have been turning to conventional politics. Oppression of blacks continues and the systematic destruction of the hopes and futures of tens of thousands of black children all over the country goes on space. If the turn to conventional politics doesn't work, then what? It is a question to haunt the nights of the sturdiest spirit.

PREDATOR CONTROL

Mr. McCLURE. Mr. President, perhaps the greatest dilemma in dealing with environmental questions is finding and maintaining a true balance between man and his surroundings, be it cityscape, suburb, or the outer edges of true wilderness. And in any of those environments, there are habitat pressures that squeeze one species on another, but man is the only species that can manage those pressures both to his advantage and to the advantage of feral animals. He can create a balance. There are those among us who have forgotten that man is indeed part of "the environment;" that man's needs for survival are equally important as those of any of the wild animals which surround him. These people have not begun to understand that concept of balance.

I am pleading a case for predator control, and I have no doubt that anyone who takes such a position will be forever branded in some quarters as a staunch "antienvironmentalist."

If I were making an appeal for control of the rat populations that plague our cities, there would be no such brand, no such charge. There is no hue and cry from those who live in our city ecological systems demanding that all antirat programs be banned. There is no standard charge that there is something inherently evil in controlling the Norway rat. There is no effort to slur or discredit the motives of those who take the position that rats do untold damage to man. Yet the rat is a real part of an ecosystem, and there are concerted efforts to control the species, because, quite simply, this animal has encroached on man's habitat.

I am, however, making an appeal for control of coyote and feral dog populations, which, unmanaged, have wrought terrible damage on the sheep ranches of Idaho, Wyoming, Nevada, Montana, and Utah.

No one I know likes the idea of using chemical compounds to control predators. Farmers and ranchers have long seen the potential environmental dangers of careless use of toxic agents, but after 15 months of the absolute ban on this method of predator control, we have learned a grim lesson: the balance has been tipped disastrously. Our sheepmen have paid dearly, and soon the effects of that painful tribute will be felt by the housewife through the upward spiral of lamb prices.

I have received scores of letters which spell out in human terms the economic suffering brought about by the administration's ill-conceived predator control policies announced by the President, February 8 of last year. And no one can be more eloquent in illustrating the depth of the hardships than the sheepmen themselves. I have copies of several of these letters, and ask unanimous consent that they be printed at the end of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. McCLURE. Mr. President, John Keithley of Midvale, Idaho wrote simply:

> I have advised my son to go into business. . . . This means the end of an agricultural enterprise (family) which began on this ranch in 1873. I will be the last generation to work this place. Why? I was forced out of the sheep business by coyotes.

Buck Howland of Cambridge, Idaho, tells us of an equally painful situation in which he was forced out of sheep raising—in his case, a 70-year family business.

> The loss from predators and dogs was the greatest reason for my decision.

Buck wrote me that—

> On three different instances in the past few years, there has been a loss of 60, 17, and 16 losses in one night, known to be coyote kills.

Other south Idaho sheepmen, like Tommy Hubbard, Cecil Kellar, Wayne Schlehuber, Melvin Munk, must now try to convert range use for cattle, but even then, the same dangers exist.

Munk, of Rockland, Idaho, who has been forced to convert his range warns—

> If the coyote numbers continue to build up, they will also endanger the cattle industry.

Obviously, the ban on the use of chemical agents to control harmful predators must be lifted, or an option found that is equally effective.

The alternative is continued hardship for the West's sheepmen and cattlemen, a hardship that will surely be felt in America's retail marketplace.

I would also like to bring to the Senate's attention something that demonstrates a paradoxical situation which we constantly encounter: In many instances, the Federal Government has exempted itself from harsh regulations it fosters and enforces. It has come to my attention that USDA's Beltsville Agriculture Research Center near Washington, D.C., has a situation much akin to the one suffered by sheepmen in the West. The research center has seen considerable sheep kills in the last 2 years, due to wild or free-running dog packs. I understand that in one kill, researchers found an entire experimental group of purebred sheep slaughtered by wild dogs. I further understand that to deal with the situation, baited poison is among controls used on these predators.

I would ask that if this holds true, why can the Federal Government use this method of predator control on Federal lands, when Idaho sheepmen and cattle ranchers cannot?

EXHIBIT 1

IDAHO WOOL GROWERS ASSOCIATION,
December 21, 1972.

Hon. Senator JAMES McCLURE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR McCLURE: We are sending to you a number of letters from sheepmen in Idaho who have either gone out of the business of sheep raising or have been seriously damaged due to the predator problem. As you know, sheep losses are mounting due to predators—particularly coyotes—and there doesn't seem to be any solution in sight to control these predators.

The presidential executive order banning the use of toxicants dealt our industry a severe blow. This was increased by the order of Secretary Ruckelshaus in banning the shipment of toxicants. We were also seriously damaged with the closing down of our bait station in Idaho which had operated for a long time in Pocatello.

I have the original of each of these letters in our files in the Boise office. You will note that many of these are small growers, but a number of them are also the larger sheep operators. In the case of Simplot Livestock their numbers are down some 7,000 head; and according to John Basabe, Manager, it will be impossible for them to stay in this business unless these losses can be held within reason.

Some environmentalists may question the accuracy of the statements made in these letters. We can assure you that these are the feelings and sentiments of the sheepmen listed. We have many others who are in a like position. It seems that the sheep industry is fighting for its very existence in our state.

Over 80% of the sheep in Idaho are grazing on public land, and the argument presented by some environmentalists that only 3% of the livestock in the nation are grazed on public land do not hold for our western states.

We are hopeful that something can be done to save the sheep industry—especially in the western states.

These letters are provided to you that you might have some first hand information from bona fide sheepmen in Idaho for your reference file.

Thanks for your consideration and help.

Sincerely,
IDAHO WOOL GROWERS ASSN.,
L. M. WILLIAMS,
Executive Secretary.

FIRST BANK & TRUST OF IDAHO,
Malad City, Idaho, December 12, 1972.

Mr. L. M. WILLIAMS,
Idaho Wool Growers Association,
Boise, Idaho

DEAR LEN: Thank you for your letter of November 17, 1972 concerning coyote and predator controls. We are definitely concerned with the present predator control because it is vital to the survival of our great sheep industry.

We have a number of loans with the larger sheep men in the State of Idaho and the death losses from predators is becoming a major problem. If the present trend continues, we will be forced to liquidate their accounts in order to protect our interests, but we will be reluctant to pursue this course of action.

I have been in the sheep industry for over 40 years. Each year the problem has been more acute. Our expansion loans to sheep men have been limited in order to evaluate the future of the sheep industry.

We are strongly in favor of the Idaho Wool Growers supporting a predator control program to eliminate one of the major problems to our sheep men.

We feel the sheep business is an important industry and any contribution or help we can give please contact our bank in Malad.

Very truly yours,
LAWRENCE JONES,
President.

NOVEMBER 28, 1972.

Mr. Little is deceased; so most of our sheep were sold in 1961. However, I kept 100 ewes (just because I liked them). These I tried to keep near the ranch house, but after about 8 years I gave up.

Coyotes came from all direction. Each year they ate over ½ the lambs and an old ewe now and then. So I gave up.

MYRN H. LITTLE.

My daughter is married to Bill Brailsford Jr., and they lost some 375 lambs to coyotes this past season. So they are very concerned.

NOVEMBER 21, 1972.

Thank you for your letter of November 16 concerning our sheep losses because of predators.

In the last two years we have lost approximately 4,000 ewes and lambs because of coyotes. This year alone we lost approximately 2,500.

The coyotes have gotten so thick now we cannot operate any more.

JOHN BASABE.

DECEMBER 12, 1972.

After 40 years in the sheep business, it was a hard decision to sell our sheep, but the predator and labor problems required us to do so.

We feel that coyotes and predators were a major problem to our sheep business, resulting in considerable losses. I am strongly in favor of a strict predator control program and I would be glad to render any help I can to promote this cause.

LAWRENCE JONES.

DECEMBER 7, 1972.

A notarized statement from Highland Livestock Co. of Emmett by Robert Naylor which he provided to the Forest Service showing his losses from lambing to shipment August 15 and from August 15 to November 1.

During this period he lists a total of 780 head of ewes and lambs. They were divided as follows: losses to cougar—89 ewes and 81 lambs; to bear—39 ewes and 56 lambs; to coyotes—57 ewes and 206 lambs; and to poisonous plants—11 ewes and 87 lambs. This covered the period to August 15 when the lambs were shipped.

There were 5,100 ewes with lambs, 1,400 yearling and dry ewes, and 7,500 lambs with the 5,100 ewes. Total 14,000 head and 7 bands—after the lambs were shipped there were 6,900 head in 4 bands and from August 15 to November 1 they listed 16 ewes to bear, 110 to coyotes, and 28 to poisonous plants.

The notarized statement of this statement had been provided to Forest Service and a copy is on file in the Idaho Wool Growers Association office.

The Boise National Forest is the range where these sheep are grazed.

IDAHO WOOL GROWERS ASSOCIATION,
L. M. WILLIAMS,
Executive Secretary.

DECEMBER 8, 1972.

This is in regard to your request for information on why I was forced to go out of the purebred sheep business.

I had questioned the wisdom of going out for a period of some years, but as the family had been in this business for at least 70 years it was a hard choice to make.

The loss from predators and dogs was the greatest reason for my decision. This season's health problem helped make the decision to quit.

On three different instances in the past few years there has been a loss of 60, 17 and 16 loss in one night, known to be coyote kills.

In 1971 I lost 40% of my lambs by coyotes, and when the trouble started again this spring, that was the biggest factor in my decision.

These losses have helped influence L. D. Warfield and Andy Lay to quit. Three of my neighbors, Frank Shirts, Cecil Kellar and Wayne Schleuber have been hit hard this fall. The last I heard Wayne had lost 40.

I lost a few calves this spring from coyotes and the worry now is whether this business will be unprofitable in the future if something is not done to stop the increase of coyotes.

BUCK HOWLAND.

NOVEMBER 20, 1972.

In answer to your letter, we went out of the sheep business because of the coyotes. During the last week we had the sheep, we lost five sheep to them and they were right over the hill from the house. We wrote to the Predator Control when we sent in our check, and complained that nothing was being done in this area, and they sent a trapper out, who looked over the situation and as far as we know, did nothing. At least nothing was accomplished. Until there is an outbreak of rabies in the coyotes, we don't expect anybody to do anything to help the situation, because of this new government protection of them. Our neighbor has kept his sheep and took the losses. He said he had 200 lambs this spring, and at last report several weeks ago, had only 80 left. During the last two weeks, we have seen three coyotes, and they are starting to move in close to the house in the winter and spring. We can see no future for the sheepman in this area until something is done, so we went out of the business.

TOMMY HUBBARD.

NOVEMBER 20, 1972.

I was forced out of the sheep business by coyotes. I was running 500 purebred suffolks at my peak. We were advised by the Government planners to fence our range and run loose to cut labor and become more efficient. This we did.

Predators were under control and it worked good. Then gradually the predator control was eased and our losses started to climb. In my last year of operation I lost 20% of the ewes and their lambs. I now have a great investment in sheep tite fenced range I have no use for.

To say the least I am very bitter about the good (?) advice I received on how to run a bunch of sheep. I got taken every way.

JOHN C. KEITHLEY.

P.S. I have advised my son to go into business with a MBA which he is in the third year of school. This means the end of an agriculture enterprise (family) which began on this ranch in 1873. I will be the last generation to work this place.

NOVEMBER 20, 1972.

My sheep operation has been greatly reduced because of the coyote problem in the Rockland Valley.

I can no longer send the lambs out with the ewes in the spring. I have to wean the lambs and feed them in the feed lot. This is an added expense and additional labor.

This fall I had to bring the sheep in off the range early because of losses to coyotes. Even when I had the sheep in the fields the coyotes still worked on them. I finally had to bring the herd in every night to the house.

I am now feeding the herd hay at the home place because the coyotes are so bad and numerous. This is an extra month of feeding that I just can't afford.

I am sure that next spring will be much worse unless some poisoning is done this winter.

I will be unable to turn even the ewes out next spring. This will force me to sell the sheep and convert the range to cattle at a loss of grazing capacity.

If the coyote numbers continue build up they will endanger the cattle industry. They are already running in packs of 4 to 5 and I know of two cattle ranchers that have lost calves (new born) from coyote packs. The ranchers are Farold Nelson and Melvin Nelson. Both are interested in helping and getting help to reduce the number of coyotes.

MELVIN R. MUNK.

NOVEMBER 24, 1972.

Another convention has come and gone and a very successful one it was. I really enjoy attending to hear the latest about the business even though I no longer have any sheep. After having had a ranch flock for over 40 years the coyotes, at least, succeeded in putting us out of business. When coyotes kill 20% of a lamb crop along with 5 or 6% of the ewes with costs being what they are it is time to change. The change to cattle is not without its problems with predators also. We lost 4 calves killed by coyotes last spring.

Lew, I hope the association can influence someone to understand the seriousness of predators. There are those who think they can live on blue sky, clear water, bare ground and love without any improvement upon mother nature's methods. Perhaps the worm will turn we hope.

VARD CHATBURN.

NOVEMBER 23, 1972.

I was glad to get your letter of the 16th and to know that my old friends are still fighting for the good cause of predator control or balance of nature. I was doubly glad for the letter as I was in the hospital with a heart attack. I am better and home now.

Lew, there is no question, the coyotes put me out of the registered sheep business. Coyotes got about one third of the lamb crop in 1968 and 1969. I also had a loss of about 10% of young ewes. Incidents of coyotes killing young ewes occurred regularly. In a 3 nights period 6 ewes were killed or put another way $360 of breeding stock was killed. The government trapper caught 9 or 10 coyotes in about 2 weeks including the "professional coyote" that killed the six ewes. We had used 1080 bait in the right season, so there was no way left, but to quit.

Coyotes are increasing without the sheepmen to control them. The result here now is no pheasants to enjoy or hunt and almost no deer. But of course the environmentalist will not believe the truth or are too dumb to try.

Other sheepmen to quit are Jerry Balderson, Pete Gilman, Glen Peterson, John Stover and many others all of the Council area.

In meetings with the local people of planning interest we find multiple use and balance of nature results in the best return to all. Such fantastic ideas as "save the coyote" certainly gives sanctuary to a killer of good game and livestock and defeats the "true environmental desire of the majority". Let us get the facts from the local people and save Idaho from a "wilderness mess".

ANDY LAY.

NOVEMBER 21, 1972.

I am somewhat reluctant to provide the following information since it is difficult for me to believe what has happened during the past year in the way of ewe and lamb losses, it seems like a nightmare. Consequently, I can appreciate the inability of someone that has not been near these losses to be able to digest and realize what has and is happening and to believe what I have experienced.

During 1971 I concluded our lamb losses to predators to be fifty and the ewe losses thirty-five. Although not severe it was the largest loss to predators that I had experienced in my association of twenty years in the sheep business. As a young boy, in the '30's I had heard my father talk about losing 50 to 100 lambs to the band of coyotes, but I did not get the impact of it until I had my own experience in 1972.

Prior to turning out on the grazing lands this spring I had prepared myself to expect to lose 150 lambs to predators. During the months of April and May our losses from all causes were 550 lambs or 12% of our lamb crop. In past years our maximum loss has been about 150 lambs, and most years less than 100.

I calculated the loss causes of the 550 lambs as follows:

(1) 150—disease, poisonous plants, malnutrition, etc.

(2) 50—tularemia (Experienced a heavy tick infestation)

(3) 350—predators.

I am satisfied that a portion of the losses within the 150 were from predation also but I have attempted to be conservative about the predator losses and not exaggerate the issue.

During the past 20 years we have purchased ewe lambs each year for replacement purposes and this year I did not purchase any lambs. My mind and my heart wouldn't allow it. I have been working and planning towards solutions for some of our problems in the sheep business such as labor and the economics by range improvement and fencing but the predator problem at this point is more than I can overcome with the knowledge and ability that is available to me.

MAURICE GUERRY, Jr.

NOVEMBER 28, 1972.

I understand from Andy Lay that you are gathering information on predator losses. You may be able to use these figures. They are the result of a 1971 survey among the producers in the Upper Country Pool.

There were 8,000 head of sheep owned by 60 producers, 8 of whom reported no losses and 8 more did not respond.

The total loss from all causes was 707 head broken down as follows: Coyotes 304, Dogs 97, other predators 30, and all other causes 276.

As you can see the coyote loss alone in our small pool amounted to well over $6,000 in 1971. This also came at a time when our pool sold its wool for the lowest price in our history.

I hope you will be able to use some of this information.

CHAD GIBSON,
Extension Agricultural Agent.

DECEMBER 1, 1972.

Yes, I went out of the sheep business due to the number of lambs I lost for a period of three years.

The way it looks here in our locality we will have no deer herd for the same reason if something is not done to control the coyote. I hated to have to sell my sheep because I liked to raise them, but I guess some people like coyotes and the damage they do.

RAY MCCAMMON.

DECEMBER 3, 1972.

Yes, we did sell the sheep on the account of the coyotes. There are a lot of them and you would have to be right out there all the time.

You have to have the cows in close while calving, or they'll get the calves, too.

They have gotten a dozen of my fryers this year, too.

Mr. Chaince Gidel who lives down closer to Orofino, the coyotes got a baby calf last winter and it wasn't far from the house.

We were riding after cattle and two coyotes were after a mother deer and fawn. We took after them and got them off from her. The poor deer's tongue was hanging out. The fawn just dropped right down by a log. The mother turned and ran right after the coyotes with us. It was really something, but the coyotes are really hard on deer too.

Sure would be nice to get rid of them.

Mr. and Mrs. GLEN PHILLIPS.

THE NEW WORLD FRONTIER

Mr. MUSKIE. Mr. President, several weeks ago, Mr. P. A. Gorman, chairman of the Board of the International Paper Co., spoke before the Colby Institute of Management at Colby College in Waterville, Maine. I ask unanimous consent that his remarks be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

THE NEW WORLD FRONTIER

(By P. A. Gorman)

It is a great pleasure for me to be here this evening. As you may know, my company has been deeply involved with the State of Maine and its forests for a long time. For as long as we've been a company, in fact. Personally, I know of few places that can claim the beauty and grandeur one finds in this state.

I am particularly pleased to be able to talk to you here on the campus of Colby College. Colby exemplifies a meeting ground which combines the needs of youth, of business and the environment. Its growth as an educational and cultural center is proof of its service to youth. These annual management seminars—now in their 22nd year—have been serving the business community well. Colby's dedication to the environment is amply demonstrated not only by its extensive arboretum and bird sanctuary right here on campus, and its Colby Marston Bog project in the Belgrade Lake area, but also by the fact that it has been one of the first colleges in the nation to offer a major in environmental studies.

The conjunction is symbolic. Our environment and our economic structure cannot be separated, and the strategic directions that both must take should be forecast by the needs of our people at least 30 years from now. Colby students of today will be more at the heart of that populace than others of us here in this room.

Today we are somewhat in the position of Alice, lost in the woods of Wonderland, who chanced upon the Cheshire Cat.

"Would you tell me please," asked Alice, "which way I ought to go from here?"

"That depends on where you want to go," replied the cat.

"I don't much care where," said Alice.

"Then," said the cat, "it doesn't matter which way you go."

Which way we go—particularly with regard to the environment—does matter. It matters a great deal. And what matters most is that we decide where we want to go—or perhaps more accurately, where *we must go*. We're dealing with the strategic side of tomorrow.

We are facing a new world frontier, where nations compete vigorously with each other not to capture territory or men's minds as in the past, but to earn the favor of the world's industrial and consumer purchasers—a frontier where we, as Americans are importing nine out of ten home radios, fifty percent of our nails, and, among other things, one out of six of our new cars.

Competing on the new frontier has become a complex process, indeed: a process deeply involving each nation's own standard of living for its people, its economic policies, the effectiveness with which it allocates its natural and human resources, and the efficiency with which it converts those resources to goods and services to which others attach value.

One very potent force within this new world frontier is the matter of environmental concern. Within the last decade people throughout the world, and in this country especially, discovered that, in the drive for a constantly higher standard of living, our physical environment has been degraded. So, with some confusion, we all set out, in multiple directions, to "do something"—clean the air, save the forests, eliminate all potential hazards.

The issue has been clouded with emotion. As Herbert Stein, chairman of President Nixon's Council of Economic Advisors, said recently: "Decision makers are constantly struggling against sentimentality, prejudice and myopia. People start from the presumption that since a better environment is a good thing, anything that improves the environment is a good thing, regardless of the cost."

But environment is not just scenery. It involves the relationships between the physical world and man's social, economic, technical and philosophical patterns. A change in any part affects all the others.

I think it is time we slowed down a little to be sure of where we are going, what we're going to get, what it will really cost, and who will pay for it on this new world frontier, we need to examine not only the original dollars required to meet our goals, but also the long-range effects on our social and economic structure—and where, if at all, we may have to compromise.

Because this overall question is enormously complicated, I would like to address myself this evening to just two aspects in which this state and my company have parallel interest: First, the reduction of contaminants in our air and waterways; and second, the conservation and development of our forest resources. I believe we are trying to go farther and faster with the first than is advisable, and not nearly far or fast enough with the second.

There is no question that there has been a degradation of the physical environment, and in some areas a serious degradation, from an outpouring of more material into our air and waterways than nature can process and absorb on its own.

Certainly further degradation must be stopped. Here in Maine, this has long been recognized. Corrective action by both the people and the industry of this state has managed to reverse the trend in many of Maine's principal waterways.

Nationally, the petroleum industry is spending an average of $1.5 million each and every day on environmental protection. In the past two years, the chemical industries spent more than $1.5 billion for pollution abatement. The hard pressed iron and steel industry during the past 5 years has poured more than three billion dollars into ecology betterment. Electric power companies spent $650 million anti-pollution dollars in 1971 and upped the figure substantially in 1972.

The forest oriented industries have been a leader in this effort. International Paper alone—has spent or committed some $145 million for this purpose.

Totally, the nation's pulp and paper companies have spent over $1 billion for environmental controls, and another $1 billion is planned.

Industry, of course, is not alone. Governments at all levels are involved. And this is only the beginning.

The Council on Environmental Quality has estimated that between 1971 and 1980, a total cost of $92 billion will be needed in capital investment by industry and governments to meet air, water and solid waste requirements. Additional cumulative operating costs of these facilities will bring the total cost to $194 billion by 1980—and, of course, the operating costs at a rate of $10 billion a year continue indefinitely.

These estimates were in 1971 dollars. Inflation has *already raised* the figures and will again. Even these staggering amounts may be too low, since nobody knows exactly what future standards should be, or if the proper technology can be developed within this time span.

Who pays for all this? Until now, it has been mostly industry. But let me quote William D. Ruckelshaus, head of the Environmental Protection Agency:

"So far, there has been little real public dislocation. It is easy to be in favor of clean air and water as long as there doesn't appear to be a price to pay. We are now coming to the point where the public is going to have to start paying."

Ultimately the public, you and I, are going to pay for it in higher prices for goods and higher taxes for government facilities. Maybe it won't seem very much each time if a child's school pad goes from 19 to 23 cents, a can of paint goes from $7 to $8, gasoline rises two or three cents a gallon—*or even* if we have to pay *ten* percent more to the IRS or the village tax board every April. Multiply these little things by the hundreds for every individual, and then the cost of environmental improvement really hits home.

And there, I think, we are at a crucial moment. In many areas, we do not know whether the environmental benefits will justify the costs. In many cases, we do not know what the environmental benefits will be, regardless of cost. In many cases we have leapt to a conclusion before we looked carefully at these matters. We have legislated or regulated before all the facts were known. The implications for this new world frontier of ours are enormous.

Speaking very literally, every emission, even including the breath we exhale, can be considered a pollutant. I submit that too little research has been done to define, in terms of our current society, at what point any material really becomes a pollutant.

Today it's been generally accepted that the greatest single cause of air pollution is the automobile, and that auto emissions must be reduced. The Air Resources Board of California—the state that has the longest experience with adverse effects of automotive pollution—said in a 1969 report that if we can again achieve the air quality of the early Forties, that would be quite acceptable to human health and comfort. To reach that standard, the Board said, the three principal auto emissions would have to be reduced by approximately 83%. But Washington, responding to emotional pressure from a vocal minority, mandated a 95% reduction.

As far as I know, no case was made for the health necessity of the additional increment. Studies made by government agencies as well as private consultants indicate that the extra 12% "improvement" nationally will add another $4 billion every year to motorists' out-of-pocket costs, and possibly create some driving hazards. Costs of this kind, it must be noted, hit proportionately hardest at those least able to afford them. Remember that this, and similar expenses in other areas, will be in addition to the approximately $200 billion I mentioned earlier for basic facilities.

In our own case, we have found that a 95% reduction in air and water contaminants from paper production is technically feasible, although meeting that standard is shaving our already slim returns even further. The removal of each additional one percent becomes increasingly prohibitive. Removing the last five percent—and neither the necessity nor the desirability of a so-called "zero discharge" has been demonstrated—would certainly price essential products out of the market.

Financial resources of any business and even of governments are limited. We are really talking about a large-scale reshuffling of our economic resources. If we must be prepared to spend hundreds of billions to improve the physical environment, we must be equally prepared not to spend an equal amount for other purposes, and to accept the social dislocations that may result. I am sure that few people have yet considered what they may have to give up in return.

They fail to recognize the truth—that people—and only people—pay for all of this. The people pay in higher prices, or higher taxes or lower dividends, or a combination of all three. Therefore, before we rush to change our lives, before we spend these vast resources, I believe we should spend a small fraction of them to determine, definitely, and accurately what the real dangers might be, at what point they really become dangerous, and the best way to stabilize below that point. Then, let's do what is necessary, based on knowledge, not fear or emotion.

On this new frontier, we cannot just wander. Unlike Alice, we'd better know where we have to go—and if necessary, pause long enough to learn the best way to get there. Otherwise, we may lose our way.

If on this aspect, we have been moving forward with too little knowledge, in another area we have a great deal of knowledge and we seem to be moving back from it. That is the question of how to get the most effective use of our forest lands—for the benefit of the whole society.

Good healthy forests are vital to our civilization. They will always be necessary to generate the oxygen that keeps our atmosphere in balance, to help maintain ground water systems, to provide recreation for people and a haven for wildlife—and to supply to our people vital products for which there are no substitutes. Obviously, they must be maintained. And our experience shows they very definitely can be maintained while meeting the nation's growing needs for forest products.

This country uses a great deal of wood. In 1971, consumption of timber products in the United States, according to the Department of Agriculture, was about 13 billion cubic feet. Luckily, unlike most other major natural resources, the forests are renewable, and new growth is running about 8% ahead of the amount cut. Were everything to remain static—our population and our usage—there would be no problem.

But population and per capita use are growing. Assuming a continuation of current trends, the annual demand for forest products by the year 2000 is conservatively projected to reach 23 billion cubic feet, an increase of 75% over current levels. Can that need be met?

Since it takes at least 25 years to grow a merchantable tree, we are already late in making the decisions that will affect the timber supply at the end of this century, only 27 years from now.

We have a choice of two main directions. We can limit the demand or we can increase the yield.

The U.S. Forest Service has said that if we continue at our 1970 overall levels of forest management, total domestic supplies of softwood-sawtimber will fall 20 billion board feet short of projected demands by the year 2000.

Almost half of the total annual timber harvest goes into home-building and construction. Available housing now is below the amount considered necessary. To meet a reasonable standard of housing for our increased population, perhaps twice as much lumber, plywood and other wood construction materials will be required annually as was produced yearly in the Sixties. There are no currently known effective substitutes for wood in housing, not technically, economically or ecologically.

We could decree that the new housing rate of the future is to be no greater, or perhaps even less, than that of the past—and if that means intolerable crowding of people, so be it.

We could also decree that total consumption of paper must not pass current levels, that per capita use must decline. In this civilization we are surrounded by paper from our birth certificate to our death certificate. We might ask which uses of paper the public will choose to give up first—newspapers, magazines, school books, grocery bags, business records, bathroom tissue, stationery? But would these actions be the real answer to the problem?

Of course, we probably would not have to ration anything. Supply and demand interaction would raise the price of forest products sufficiently high to limit demand.

Recycling has been offered as a possible solution. The technology is not now available except in limited areas. The economics are not yet practical. They both may become more so in the future. When they are, they may take some of the pressure off the supply problem. But recycling would offer little help in construction and other wood uses.

The situation is compounded by the possibility of far less forest land being available in the future.

Currently 51% (392 million acres) of all land classified as forest in the country is owned by federal and state governments. Only about one third of that (142 million acres) is available for commercial tree production.

Other forest land is being nibbled away. In recent years, up to one million acres of forest has disappeared annually due to conversion to farms, highways and other uses, as well as to the steady expansion of urban areas. The expansion of the wilderness system being advocated by preservationists, and apparently getting a receptive ear in some segments of government, could represent a major loss.

The wilderness system established in 1964 by Congress included last year some ten and a half million acres. Another four and a half million acres have been classified as "primitive areas" with essentially the same restrictions. And right now, 100 million acres more—or 13% of the total forest of the United States—are being considered for permanent withdrawal as wilderness.

I think it is time for reconsideration of this concept.

Putting a man into solitary confinement does not prolong his life—nor that of a tree. Consider some of the restrictions of the wilderness concept. No roads of any kind; no vehicles of any kind; no structures of any kind; no access—and therefore no way of fighting fire or disease and insect infestation. The Forest Service has said that because of access problems in the Federal commercial forests, more wood is lost to fire, insects and disease in the area under its jurisdiction than the entire amount cut for commercial purposes. In totally restricted wilderness, that problem is compounded. Even aside from those hazards, trees age and die, and instead of being put to productive use, must be left to decay pointlessly.

This is not conservation—this is waste.

Nor can it be justified as a trade-off for recreation. With no roads, no eating or sleeping facilities, no sanitation, no replenishment of supplies, no assistance if help is needed, potential visitors to the wilderness are limited to those with the taste and the stamina for hardship. This discriminates needlessly—it eliminates most families with children, most people over thirty, most urban dwellers untrained for the wilds. In short, while our supplies grow tighter, the wilderness advocates are asking that some 15% of our total forest land base be restricted solely for a very narrow aspect of recreation for the benefit of less than one percent of the population. Perhaps never before in history have so few done so much to deny access to so many.

In addition to withdrawal of forest land from productive use, pressures are being generated to reduce the current levels of timber cut in federal commercial forest. This is perhaps the most significant single influence on the current timber supply, and underlies in large measure the rapidly rising cost of construction lumber. Even with the events of this past week, we are a long way from managing our nation's forests productively. And now proposals are cropping up to restrict the amounts and techniques of harvesting even on private lands.

If we continue down this road, not only can we not meet the needs of the next generation, we cannot even continue to adequately supply our current population.

Luckily, there is another road . . . to increase the yield to levels that will supply our future needs adequately. It is already clearly proven that this can be done without destroying the forest. In fact, we know that—with intensive management, the nation's forests can meet supply requirements and actually improve the forest resource.

Industry-owned forests represent less than 9% of the total U.S. Forest—and provide nearly a third of the total supply of forest products. Effective management of the land has increased both yield and new growth sharply. On public lands, the growth of new wood averages 26 cubic feet per acre per year; in the industrial forests it averages 52 cubic feet. That gap has been increasing steadily for years.

Effective management means assuring more new growth than is harvested, whether by even-age harvesting and replanting, as in the South, or by selective cutting and thinning to aid natural regeneration as is done here in the Northeast. It means controlling erosion; protecting against fire and disease; enriching the soil; developing new genetic strains of trees that grow faster and yield more usable fiber. And at the same time, providing more access for recreation and improved habitat for wildlife.

It also means reduction of waste in forest resources. Small trees once considered as weeds, chips and slabs from sawmills, shavings and other residues are today all being used in the paper-making process. Some 25% of the wood fiber now being used in papermaking comes from material once left behind. As many of you here in Maine know, we even use bark and material recovered in the manufacturing process to reduce our fuel consumption.

With the continuation and refinement of these intensive management practices,—within the concept of effective management of this uniquely renewable resource—the forest industries expect to increase the annual growth on its lands by 50% over current levels at the turn of the century.

The obvious answer is the extension of intensive management techniques to the federal and state forests. More than half the nation's merchantable softwood timber lies in the commercial lands under federal management. These lands do not provide their proportionate share of yield and growth. They can and should.

But there is a peculiar myopia, on the part of both government and public, in this regard. These federal lands are viewed as a dormant resource, to be saved indefinitely. By failing to use it properly, we are not saving it, we are wasting it.

Currently, Forest Service budgets and permissable harvests are being reduced. The proposed cut of some $70 million in the current budget from funds for forest roads on federal lands will mean that far more than that value in useful timber will be lost every year to fire and other devastation.

There is a noticeable slowdown in the time it takes to arrange for harvesting in the national forest. Too much time is being taken up in placating the emotional attacks from professional environmentalists. Wheels that used to spin are grinding to a halt.

The bitter paradox within this myopia is that everybody really wants the same thing—to insure the perpetuation of the resource. But given the needs of the American people, the resource can only be perpetuated and improved if it is effectively managed, not if it is locked up and left to die.

Since it takes three decades or more for the effects to be really felt, we are significantly overdue in applying the knowledge now at hand to all our lands.

Does it seem strange for a representative of private industry to encourage more direct economic competition from government? Perhaps so. But I am talking about a unique and valuable national resource that should and must be managed to meet the needs of the nation, not to quiet the clamor of an uninformed, if well intended minority.

The need and the potential ability to increase the supply for coming generations is utterly clear. There is no necessity whatever for this country to develop a "forest products crisis" that might parallel our current "energy crisis", which has been created partially by the conflict between the need for power and the cry to "improve the environment at any cost."

Ladies and Gentlemen, this is the time to stop, look and plan.

You here in Maine have a vital stake in this question. Forests cover 88% of your land—17 million acres, or 17 acres for each of your one million people. Forest oriented operations represent 38% of your state's manufactured products, or close to a billion dollars with a value of three and a half times the total cash farm income, almost 60% as much as total retail sales. Nearly one out of every four jobs in Maine is directly or indirectly dependent on the forests. Per capita income for people employed in paper and allied fields is $7,935 per year compared with $3,257, the average income for all workers in your state. The forest oriented industries of Maine are among the few that have clear growth potential. Many of your other industries are declining.

Decisions are now being made, in Washington, in Augusta, Maine, and in some other state capitals, that could limit the best use of forest lands, public and private. Nowhere will those decisions have a greater impact than here in Maine. Without productive use of this great renewable resource, the economic vitality of your great state may be in jeopardy indeed, the state of Maine and each of its citizen are very much a part of this new world frontier.

In the interests of future generations and ourselves, pollution must be alleviated and the use of our forests improved. But in closing, I would like to repeat that I think the facts clearly show that we are moving too fast with too little knowledge in matters of air and water control, and much too slowly in applying the knowledge we have already gained in forest management. Fortunately, it's not too late to determine what we really need and how far and how fast we must go to get it.

The Cheshire Cat was right, of course. If you don't care where you go, it doesn't matter what direction you take. We have too much at stake not to care. We want a better environment *and* a sound economic structure. Clearly we can have both, but, we may get neither unless we consider all of the interrelated issues in the context of this new world frontier which surrounds us. Thank you.

WHAT DOES SECOND AMENDMENT MEAN TODAY?

Mr. KENNEDY. Mr. President, guns and their proper role in modern society have been the topic of public debate for many recent years. A central theme in that debate has developed because reasonable observers interpret the second amendment to the Constitution in different ways. Observers on both sides of the gun controversy are somewhat victimized by the confusion about the so-called right to bear arms.

On May 5, the Evening Star-News published an outstanding account of the second amendment and its meaning today. Written for the Star-News, by S. I. Hayakawa, this column expertly points to the problems caused by too many firearms in modern society. Mr. Hayakawa also notes that we should—

> Try to decide together how to interpret the words of 1790 in the context of the densely populated, technological world of 1973, in a way that will insure both our freedoms and our safety.

This is clearly a worthwhile treatment of the issue relating constitutional authority to private gun ownership and I commend it to each Member of this Senate.

For that reason, I request unanimous consent to print in the Record "What Does the Second Amendment Mean Today," from the Star-News of May 5, 1973.

There being no objection, the article was ordered to be printed in the Record, as follows:

What Does Second Amendment Mean Today?

(By S. I. Hayakawa)

The Second Amendment to the Constitution of the United States remains one of the least understood parts of that document. It says, "A well-regulated Militia, being necessary to the security of a free State, the right of the people to keep and bear Arms shall not be infringed." What does it mean?

What does "militia" mean? Funk & Wagnalls Standard College Dictionary says of the word, "U.S. Able-bodied male citizens between 18 and 45 years of age not members of the regular military forces, and legally subject to call for military duty."

The American colonists had no use for standing armies. The Declaration of Independence makes opprobrious reference to King George's army. What the colonists wanted for themselves was a citizens' army—parttime soldiers. Hence in post-revolutionary America all able-bodied men were militia members. Their effectiveness in an emergency depended on their having fire-arms conveniently at hand and being ready to use them.

Today, of course, we live in a different world. Instead of local citizens' armies, we have a huge standing army and a National Guard trained by the federal government in sophisticated weapons unsuited for private possession. Certainly the widespread ownership of firearms, originally needed for national defense, can no longer be justified on this basis. Wars are bigger now, and infinitely more technological.

But the fundamental ambiguity of the Second Amendment remains a topic of intense debate. What does it mean for us today?

Currently there are two contrary interpretations, which may be described as the national view and the individualist view. The national view states that since the purpose of the amendment was to provide for strong local militias, the right of the individual citizen to keep and bear arms need be protected only as long as he is a member of a militia.

The individualist position, however, is that the maintenance of a militia is only one of the purposes of the Second Amendment. They say that it also safeguards the right of the individual to protect himself not only against dangerous intruders on his home and property, but also against government oppression. The thought of government oppression is important here because in the early days of our country people were extremely distrustful of centralized government, which they saw as leading almost inevitably to tyranny.

I have received many letters in response to my two columns in support of the bill introduced by Rep. John Dingell, R-Mich., to forbid the sale of cheap handguns known as "Saturday night specials." It is interesting to note how often this ancient fear of centralized tyranny remains a concern for some of my correspondents, who feel that a bill forbidding the sale of any kind of gun must lead inevitably to the forbidding of all guns in private hands—which in turn would leave the nation helpless against Fascist or Communist dictatorship.

The few courts that have passed judgment on the proper interpretation of the Second Amendment have been divided in their interpretations. Some have supported the national view that the right to keep and bear arms is conditional upon the existence of a militia. Other courts have said that the individual's right to bear arms cannot be infringed. Another unresolved question is whether the federal or state government is responsible for regulating this right—if, indeed, it is held that individuals have such a right.

The Supreme Court has not passed on these issues. Meanwhile, we are faced with the puzzling question: How does the Second Amendment apply to our 20th century society?

It might help to try to be extensional—as the semanticists say. In other words, fact-minded. What did the word "arms" mean to people in 1790 at the time the amendment was adopted? Flintlocks, surely. It must have included the famed Kentucky rifle. Also duelling pistols.

But breechloading had not been invented. Nor had the metallic case. Nor the revolver. Automatic pistols and submachine guns were still a century or more away, as were bazookas and fragmentation bombs.

What we should all be doing—advocates as well as opponents of gun controls—farmers, hunters, woodsmen as well as terrified city-dwellers—is to try to decide together how to interpret the words of 1790 in the context of the densely populated, technological world of 1973, in a way that will ensure both our freedoms and our safety.

Meanwhile, the people with bumper-stickers saying, "When guns are outlawed, only outlaws will have guns," can relax. No one is trying to "outlaw" the private possession of firearms.

DEPARTMENT OF DEFENSE INDEPENDENT RESEARCH AND DEVELOPMENT REPORT

Mr. McINTYRE. Mr. President, section 203, paragraph (c) of the 1971 Department of Defense Appropriation Authorization Act—Public Law 91–441—requires the Department of Defense to submit an annual report to the Congress on independent research and development and bid and proposal costs. I ask unanimous consent to have the following documents printed in the RECORD:

First. The language of section 203, Public Law 91–441.

Second. Copy of letter of transmittal dated March 14, 1973, from the Assistant Secretary of Defense for Installations and Logistics, and the report for calendar year 1972.

Third. Copy of DOD instructions dated September 27, 1972, for completing I.R. & D. project technical evaluation forms.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SEC. 203, PUBLIC LAW 91–441

SEC. 203. (a) Funds authorized for appropriation to the Department of Defense under the provisions of this or any other Act shall not be available after December 31, 1970, for payment of independent research and development or bid and proposal costs unless the work for which payment is made has, in the opinion of the Secretary of Defense, a potential relationship to a military function or operation and unless the following conditions are met—

(1) the Secretary of Defense, prior to or during each fiscal year, negotiates advance agreements establishing a dollar ceiling on such costs with all companies which during their last preceding fiscal year received more than $2,000,000 of independent research and development or bid and proposal payments from the Department of Defense, the advance agreements thus negotiated (A) to cover the first fiscal year of each such contractor beginning on or after the beginning of each fiscal year of the Federal Government, and (B) to be concluded either directly with each such company or with those product divisions of each such company which contract directly with the Department of Defense and themselves received more than $250,000 of such payments during their company's last preceding fiscal year;

(2) the independent research and development portions of the advance agreements thus negotiated are based on company submitted plans on each of which a technical evaluation is performed by the Department of Defense prior to or during the fiscal year covered by such advance agreement; and

(3) no payments for independent research and development or bid and proposal costs are made by the Department of Defense to any company or product division with which an advance agreement is required by subsection (a)(1) of this section, except pursuant to the terms of that agreement.

(b) In the event negotiations are held with any company or product division with which they are required under subsection (a)(1) of this section, but no agreement is reached with any such company or product division, no payments for independent research and development or bid and proposal costs shall be made to any such company or product division during the fiscal year for which agreement was not reached, except in an amount substantially less than the amount which, in the opinion of the Department of Defense, such company or product division would otherwise have been entitled to receive, subject to appeal by such company or product division under regulations to be prescribed by the Secretary of Defense.

(c) The Secretary of Defense shall submit an annual report to the Congress on or before March 15, 1971, and on or before March 15 of each succeeding year, setting forth—

(1) those companies with which negotiations were held pursuant to subsection (a)(1) of this section prior to or during the preceding fiscal year of the Federal Government, together with the results of those negotiations;

(2) the latest available Defense Contract Audit Agency statistics, estimated to the extent necessary, on the independent research and development or bid and proposal payments made to major defense contractors, whether or not covered by subsection (a)(1) of this section during the preceding calendar year; and

(3) the manner of his compliance with the provisions of this section, and any major policy changes proposed to be made by the Department of Defense in the administration of its contractors' independent research and development and bid and proposal programs.

(d) The provisions of this section shall apply only to contracts for which the submission and certification of cost or pricing data are required in accordance with section 2306(f) of title 10, United States Code.

(e) Section 403 of Public Law 91–121 (83 Stat. 204) is hereby repealed.

ASSISTANT SECRETARY OF DEFENSE,
Washington, D.C., March 14, 1973.

Hon. SPIRO T. AGNEW,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: The Secretary of Defense has requested that I prepare and submit to you the report of Independent Research and Development and Bid and Proposal costs required under Section 203, Paragraph (c) of the 1971 Department of Defense Appropriation Authorization Act (PL 91–441). This Section requires the submittal of an annual report to the Congress on or before March 15 each year setting forth—

(1) those companies with which negotiations were held pursuant to subsection (a)(1) of this Section prior to or during the preceding fiscal year of the Federal Government, together with the results of those negotiations.

(2) the latest available Defense Contract Audit Agency statistics, estimated to the extent necessary, on the Independent Research and Development or Bid and Proposal payments made to major defense contractors, whether or not covered by subsection (a)(1) of this Section during the preceding calendar year; and

(3) the manner of his compliance with the provisions of this Section, and any major policy changes proposed to be made by the Department of Defense in the administration of its contractors' Independent Research and Development and Bid and Proposal programs."

The report is in three parts corresponding to the three items quoted above. Parts I and II were compiled from detailed data pertaining to individual companies. This detailed company information is very sensitive and is not included in the report; however, it will be made available for review.

Sincerely,

HUGH MCCULLOUGH,
Acting Assistant Secretary of Defense (Installations and Logistics).

REPORT TO THE CONGRESS ON INDEPENDENT RESEARCH AND DEVELOPMENT COSTS AND BID AND PROPOSAL COSTS

PART I

Companies with which negotiations were held pursuant to Section 203 prior to or during the preceding fiscal year of the Federal Government and the results of those negotiations.

In accordance with the above requirement the attached Schedule A provides data pertaining to the negotiations conducted in the Government's fiscal year 1972.

PART II

Latest available Defense Contract Audit Agency statistics, estimated to the extent necessary, on the Independent Research and Development (IR&D) or Bid and Proposal (B&P) payments made to major defense contractors, whether or not covered by Subsection (a)(1) of this Section [203, PL 91–441] during the preceding calendar year.

The statistics required are provided in the attached DCAA report. The report shows total IR&D and total B&P costs incurred by the contractors reviewed, the amount accepted or recognized by the Department of Defense and the DoD share. In addition, total sales of the contractors are shown along with the portion representing DoD sales.

The amount listed on Page 1 under the column heading "Amount Accepted by Govt." represents the sum of the ceilings negotiated with individual contractors as well as the sum of amounts recognized for other contractors who had no advance agreements. These accepted amounts are not the costs reimbursed by the DoD but are the amounts that the DoD recognizes for allocation to all the contractors' business. The DoD portion is shown under the column headed "DoD share."

On pages 2 and 3 of the report the totals shown on page 1 are broken down to show, respectively, the portions applicable to contractors covered by advance agreements and the portions applicable to contractors for which advance agreements were not required.

We would like to call attention to the note at the bottom of page 1. A revision to the Armed Services Procurement Regulation which has now become effective requires contractors to allocate overhead costs to IR&D and B&P effort. Some contractors were already doing so, others were not. The effect is to increase the apparent cost of performing IR&D and B&P effort. This does not necessarily increase contract costs; but rather, reflects a more accurate method of allocating overhead costs to contract work.

In the report furnished last year we advised that the cost principles in the Armed Services Procurement Regulation had been revised to include, in their definitions of IR&D and B&P certain technical costs not previously included. These revisions were not yet effective in 1971 and we therefore furnished data on certain other technical effort associated with IR&D and B&P. The changes have, since, became effective and separate data for these technical costs are therefore not included in this report.

It will be noted that data for both 1971 and 1972 are furnished. It has been the practice to update data previously furnished because latest year figures include significant amounts of estimated information. The 1971 figures presented here have had most of the estimated data replaced with actual data. The report furnished next year will similarly update the 1972 data furnished herewith.

A complete explanation of the information contained in the report is provided in the foreword which precedes Page 1. You will note that the criteria for selecting major defense contractors is identical to that in last year's report, but the number of contractors meeting the criteria has dropped slightly from last year (84 to 77). This reflects the decrease in overall defense procurement that has taken place.

SUMMARY OF INDEPENDENT RESEARCH AND DEVELOPMENT AND BID AND PROPOSAL COSTS INCURRED BY MAJOR DEFENSE CONTRACTORS IN THE YEARS 1971 AND 1972

FOREWORD

This summary report presents the latest available Defense Contract Audit Agency (DCAA) statistics, estimated to the extent necessary, on the independent research and development (IR&D) and bid and proposal (B&P) payments made to major defense contractors. The statistical data are submitted for inclusion in the annual report to be submitted by the Secretary of Defense to the Congress on or before 15 March 1973, in accordance with paragraph (c), Section 203, Public Law 91–441. The data set forth in this statistical summary report are similar in nature to the information previously furnished to the Office of the Assistant Secretary of Defense (Installations and Logistics) (OASD (I&L)), for contractor fiscal years 1970 and 1971.

The summary on page 1 is an overall presentation of IR&D and B&P costs incurred by 77 major defense contractors during their fiscal years 1971 and 1972, amounts accepted by the Government, and the Department of Defense (DoD) share of amounts so accepted. The column "Amount Accepted by the Government" contains amounts considered allowable and allocable to all contractor work performed—Government and commercial. The DoD share of the costs accepted each year is the contractor's actual allocation of such costs to DoD work. In addition, this summary shows related sales achieved by the 77 contractors, comprising 167 reporting divisions and/or operating groups.

The defense contractors represented in this summary are those who had an annual auditable volume of costs incurred of $15 million or more as of 31 December 1972, and other contractors who, although not meeting the auditable volume criterion, required 4,000 or more man-hours of DCAA's direct audit effort per year. As in prior DCAA reports, contractors specifically excluded from this summary are construction companies; educational institutions; foreign contractors and overseas operations of U.S. contractors; Government-owned-contractor-operated (GOCO) plants; insurance companies; Job Corps Training Center contractors; major laboratories (Jet Propulsion Laboratory, California Institute of Technology; Massachusetts Institute of Technology; Applied Physics Laboratory, Johns Hopkins University; etc.); marine transport contractors; and military medicare contractors. The contracting activities incurred nominal or no IR&D and B&P costs. Details in support of the summary are contained in a separate statistical report, designated "FOR OFFICIAL USE ONLY," copies of which are available through OASD (I&L) or DCAA.

DCAA obtained the IR&D and B&P cost and sales data from contractors' records, but such data do not necessarily represent audited amounts. Included in the costs shown are amounts accepted by the Government in overhead negotiations and through advance agreements. Where actual cost and sales data were not available, as in the case of calendar year contractors who had not completed the closing of their books for 1972, DCAA auditors obtained reasonable estimates. It should be noted that the contractor sales shown do not necessarily equal total contractor sales, but rather the sales of the individual contractor divisions and/or operating groups that are listed in DCAA's detailed supporting report. DCAA did not attempt to determine the reasons for increases or decreases in contractor costs and sales between the years 1971 and 1972.

Defense Procurement Circular 90, dated 1 September 1971, revised the cost principles applicable to IR&D and B&P (Armed Services Procurement Regulation, Section XV, Part 2, Paragraphs 15-205.3 and 15-205.35). The principles, incorporated by ASPR Revision 11, dated 28 April 1972, required that IR&D and B&P costs include an allocation of all applicable indirect costs except general and administrative expense. This requirement was to be effective for all contracts entered into at the beginning of the first fiscal year of the contractor which started on or after 1 January 1972. Note A contained in the schedule on Page 1 shows the amount of burden applied to IR&D and/or B&P costs as a result of this new requirement for those contractors who had not previously burdened such costs prior to the year 1972.

The summary on Page 2 indicates the extent of advance agreements in effect during either one or both years. The summary on Page 3 shows costs not subject to advance agreements.

SCHEDULE A.—I.R. & D./B. & P. REPORT—PT. I

NEGOTIATIONS COMPLETED IN FISCAL YEAR 1972 AND RESULTS OF THOSE NEGOTIATIONS

[Dollar amounts in thousands]

Contractors' fiscal year	Number of companies	Total program dollars proposed by contractors			Total advance agreement ceiling dollars negotiated by DOD			Estimated DOD share of ceiling dollars negotiated		
		I.R. & D.	B. & P.	Total	I.R. & D.	B. & P.	Total	I.R. & D.	B. & P.	Total
1971	50	$702,164	$363,405	$1,065,569	$550,238	$313,344	$863,582	$274,877	$223,488	$498,365
1972	48	622,319	358,863	981,182	497,343	306,394	803,737	294,096	222,032	516,128
1973	10	43,540	31,867	75,407	30,593	25,546	56,139	20,629	22,101	42,730

Note: 1973 data represents only those negotiations that were completed in the Government's fiscal year 1972. Additional negotiations were completed in the last half of calendar year 1972 and these will be included in the report for next year. 1971 ceiling dollars and DOD share of ceiling dollars include an amount allowed by the contracting officer for a contractor which has appealed the contracting officer's decision. The case is now in the U.S. Court of Claims.

SUMMARY OF INDEPENDENT RESEARCH AND DEVELOPMENT AND BID AND PROPOSAL COSTS INCURRED AND SALES ACHIEVED BY MAJOR DEFENSE CONTRACTORS FOR CONTRACTOR FISCAL YEARS 1971 AND 1972

[In millions of dollars]

	1971			1972		
	Costs incurred	Amount accepted by Government	DOD share	Costs incurred	Amount accepted by Government	DOD share
Independent research and development (I.R. & D.)	703	568	354	776	620	400
Bid and proposal (B. & P.)	428	390	265	469	432	304
Total I.R. & D. and B. & P. costs	1,131	958	619	1,245	1,052	[1]704
Sales:						
Total Government and commercial		32,065			31,061	
Total DOD			19,568			18,385

[1] Included in the 1972 DOD share of I.R. & D. and B. & P. costs is an amount of $32,000,000 representing burden applied to such costs for the 1st time under the requirements of ASPR 15-205.3 and 15-205.35 (revision 11, Apr. 28, 1972) by those contractors who had not previously followed this practice. Additionally, it should be noted that an amount of $8,000,000 was allocated to other than DOD contracts because of this new requirement. The $32,000,000 DOD share does not necessarily represent an increase in total costs absorbed by DOD contracts since this burden may have otherwise been allocated to direct costs of DOD contracts had it *not been applied* to I.R. & D. and/or B. & P. costs.

PART III

The manner of his compliance with the provisions of this section, and any major policy changes proposed to be made by the Department of Defense in the administration of its contractors' Independent Research and Development and Bid and Proposal Programs.

Last year it was reported that new forms for use in conducting technical evaluations were being developed. These forms have now been issued for use by all technical evaluation teams. A copy of each form is attached to this report.

Except for the above no significant changes have been made in our policies for implementation of the IR&D/B&P legislation. We believe the policies are resulting in full compliance with the law.

MEMORANDUM FOR THE I.R. & D. TECHNICAL EVALUATION GROUP

Subject: Instructions for Completing IR&D Project Technical Evaluation Forms (DD Form 1855 and DD Form 1856).

The enclosed instructions have been prepared to provide assistance in the completion of the IR&D Project Technical Evaluation Forms dated 1 May 1972.

Kindly circulate these instructions to all persons within your organization who may have a need to know how to complete the forms.

ELLIOTT B. HARWOOD,
Deputy Assistant Director,
(Plans and Policy).

INSTRUCTIONS FOR IR&D PROJECT TECHNICAL EVALUATION (DD FORM 1855)

ITEM AND INSTRUCTIONS

Date—Place date on which evaluation is completed in this block.

1. Indicate full Company/Division name and company fiscal year.

2. Self explanatory.

3. Given in Tabular Synopsis of project being evaluated. Abbreviated as necessary.

4. Give name, e.g., Maj J. G. Doe, and full organizational symbol, e.g., AFRPL/MKED.

5. Self explanatory.

6. Mark each square that is appropriate. Thus, if you are personally familiar with the particular project, indicate so in "c" in addition to answering the questions for "a" and "b".

7. Indicate your qualifications for rating this project on a scale ranging from minimal qualifications ("a") to most qualified ("d"). In answering this question note that a "d" work on projects similar to the one being evaluated, whereas, a "c" evaluator only has specific knowledge of current work going on in the general technical area of the project.

8. This is the most important section of the evaluation form. If the objective statement is not given, vague, or too broad for a meaningful evaluation, check block "a" beside the objective and do not complete the rest of the form. If the project duplicates known work, be sure to provide specific information, such as contract number, report number, and so forth. The requested funding information is given in the tabular symposis in the technical plan. Note that progress is not rated for new projects and only progress is rated for completed projects.

9. Include any comments that might be of value either to the government negotiator and technical personnel or to the contractor. Comments are particularly desired when a project is rated high or low or its designation is questioned.

10. Indicate the category into which you feel this technical effort falls. Codes a, b, c, and d, are the four categories of IR&D effort. Since the contractors recovery for an IR&D project may differ depending on its designation, please indicate which of these four categories is appropriate. If the project is not IR&D, but falls into categories g, i, j, k, l, m, or n, the contractor should not include it in his IR&D, but will recover his costs through different overhead category Costs for B&P effort (category e) are also recovered by the contractor provided they are within the negotiated B&P ceiling. If the project is Effort in Support of a Contract or Grant (f) or Unplanned Effort (h), the costs will not be reimbursed by the DOD as overhead. If you feel the project falls into any category other than the one chosen by the contractor, please provide supporting comments in Section 9.

11. Indicate the potential relevance of the project to your agency (DOD or NASA, whichever is appropriate).

COMPLETION OF DD FORM 1856

The individual project evaluations on completed DD Forms 1855 are summarized on the DD Form 1856. The ratings should be collected by project and each individual rating should be included on the summary form, along with the weighted average project scores for current year plans and for progress.

An example of a properly completed Form 1856 is included as attachment 1. The first column is for project number. The first line of the listing for a project includes project number, title, and funding for current and past year. The individual evaluations are listed on the lines immediately following the project title. The evaluator's organization; objective, approach, resources, and progress scores; the information from blocks 5, 6, 7, 10, and 11 of DD Form 1855 are listed for each evaluation. The evaluator's name is not listed, since the contractor will be provided a copy of the form 1856. Funding is listed only on the line on which project title is listed. The average current year plan score is listed in the current year funding column and the average progress score is listed in the prior year funding column; both in the line immediately below funding data. Individual project comments from block 9 on the DD Form 1855 are assigned codes numbering from 1 up to the total number of comments and are included on the back of the form or on a separate page.

The codes in Column 8 for objective, approach, resources, and progress should include both the number and letter code (i.e., "3e" rather than "3" or "e" under "Approach"). Projects should be listed in some meaningful order, such as the order they appear in the technical plan. Projects which were not evaluated should be listed in the appropriate position, with the comment "not evaluated" in the space provided for evaluation results. This will facilitate revision of the ratings if evaluations of those projects can be subsequently obtained.

Mr. McINTYRE. Mr. President, this is the third year of reporting, and it covers the second full year of implementation since section 203 was enacted. When I reported to the Senate last year on May 11, 1972, I stated, and I quote:

> . . . in my opinion the Department of Defense is doing a commendable job of implementing the provisions of section 203. The documents which I have provided for the record attest to the extensive efforts which have been made to establish and place in operation the required organization and procedures. DOD has even gone beyond the letter of the law by creating a centralized data bank in the Department of Defense which makes knowledge of contractor I.R. & D. efforts available to major Defense organizations. At the same time, Mr. President, it is generally agreed that this program is still in a shakedown period and requires more time to achieve a high degree of efficiency.
>
> The problems which have been encountered, as reported by Defense, by GAO, and by industry bear additional study as the provisions of section 203 are further implemented. I intend to continue to employ the GAO to assist in this process and to seek solutions to these and any other new problems which may arise as experience is gained.
>
> I will continue to monitor the performance of the Department of Defense to insure effective compliance with the provisions of section 203, and to report to the Senate as appropriate.

Following my statement of last year, the Armed Services Committee requested the Comptroller General, by letter dated June 5, 1972, to conduct a further examination of the actions taken by the Department of Defense to implement section 203, and of the effects of that implementation in order to provide the committee with a more current and complete status. This examination was required to include the sampling of the activities of additional contractors who were not previously covered. The Comptroller General was requested to submit a report of findings, including appropriate comments and recommendations, for consideration by the committee of any further actions which may be appropriate in conjunction with the review of the fiscal year 1974 budget. I ask unanimous consent that the letter and the report of the Comptroller General, B–167034, dated April 16, 1973, be printed at this point in the RECORD.

SUMMARY OF INDEPENDENT RESEARCH AND DEVELOPMENT AND BID AND PROPOSAL COSTS INCURRED BY MAJOR DEFENSE CONTRACTORS FOR CONTRACTOR FISCAL YEARS 1971 AND 1972

[Dollar amounts in millions]

	1971				1972			
	Costs incurred	Amount accepted by government	DOD share	Number of contractor divisions	Costs incurred	Amount accepted by government	DOD share	Number of contractor divisions
WITH ADVANCE AGREEMENTS								
Independent research and development (I.R. & D.)	$680	$546	$350	138	$736	$583	$386	133
Bid and proposal (B. & P.)	397	360	247	136	415	381	275	133
Total I.R. & D. and B. & P. costs	1,077	906	597		1,151	964	661	
WITHOUT ADVANCE AGREEMENTS								
Independent research and development (I.R. & D.)	22	21	4	29	40	37	14	34
Bid and proposal (B. & P.)	31	30	18	31	54	52	29	34
Total I.R. & D. and B. & P. costs	53	51	22		94	89	43	

There being no objection, the letter and report were ordered to be printed in the RECORD, as follows:

COMPTROLLER GENERAL OF
THE UNITED STATES,
Washington, D.C.

Hon. JOHN C. STENNIS,
Chairman, Committee on Armed Services, U.S. Senate.

DEAR MR. CHAIRMAN: In accordance with your request of June 5, 1972, we have further examined the matters discussed in our April 17, 1972, report entitled "Implementation of Section 203, Public Law 91–441, on Payments for Independent Research and Development and Bid and Proposal Costs."

Due to time limitations, we did not obtain formal comments from the Secretary of Defense, although we did discuss the report with Defense officials.

As agreed to by your office, we are sending copies of the report to the Chairman of the House and Senate Government Operations Committees, the House and Senate Appropriations Committees, and the House Armed Services Committee.

We are also sending copies to the Director, Office of Management and Budget; the Secretary of Defense; the Executive Secretary, Council of Defense and Space Industry Associations; and the seven contractors we reviewed.

Sincerely yours,
ELMER B. STAATS,
Comptroller General of the United States.

(Report to the Committee on Armed Services, U.S. Senate; by the Comptroller General of the United States)

PAYMENTS FOR INDEPENDENT RESEARCH AND DEVELOPMENT AND BID AND PROPOSAL COSTS—DEPARTMENT OF DEFENSE

ABBREVIATIONS

ASPR—Armed Services Procurement Regulation.
B&P—bid and proposal.
CODSIA—Council of Defense and Space Industry Associations.
DOD—Department of Defense.
GAO—General Accounting Office.
IR&D—independent research and development.
NASA—National Aeronautics and Space Administration.
PMR—potential military relationship.

DIGEST

Why the study was made

On June 5, 1972, the Chairman of the Senate Committee on Armed Services requested the General Accounting Office (GAO) to further examine matters discussed in its report entitled:

"Implementation of Section 203, Public Law 91–441, on Payments for Independent Research and Development and Bid and Proposal Costs" (B–167034, April 17, 1972).

In that report, GAO stated that the effectiveness of the actions taken by the Department of Defense (DOD) and the effects of section 203 could not be measured because enough time had not elapsed since the law was enacted.

In accordance with the Committee's interests, GAO directed this examination to determining DOD's progress in implementing the law, the impact of the potential military relationship test on contractors, and the reasonableness of the application of this test.

The Committee also requested that GAO determine whether the contractors' concern about the constraints implied by the relevancy test are valid or whether it is only the threat of these constraints causing concern.

Due to time limitations, GAO did not obtain formal comments on this report from the Secretary of Defense, although it did discuss the report with DOD officials and they agreed generally with GAO's findings and recommendations. Their comments have been noted in the report where appropriate.

Background

Section 203 places certain conditions, restrictions, and requirements on DOD's payment of independent research and development (IR&D) and bid and proposal (B&P) costs to defense contractors after December 31, 1970. Among other things. It requires that:

Funds authorized for appropriation to DOD shall not be available for payment of IR&D or B&P costs unless the Secretary of Defense determines that the work for which payment is made has a potential relationship to a military function or operation.

DOD negotiate advance agreements to establish dollar ceilings on such costs with all companies which, during the last preceding year, received more than $2 million of IR&D or B&P payments from DOD.

IR&D portions of the negotiated advance agreements be based on company-submitted plans that are technically evaluated by DOD prior to or during the fiscal year covered by the agreement. (See p. 6.)

Findings and conclusions

The potential military relationship provision of section 203 continues to be vague. As interpreted and applied by DOD, it has had no measurable effect on DOD's ceilings or on IR&D or B&P payments. (See p. 10.)

DOD has taken a number of steps to improve its surveillance and administration of major contractors' IR&D and B&P activities. For example, it has:

Established an IR&D Policy Council, delegated responsibility for determining potential military relevancy for IR&D projects to the IR&D Technical Evaluation Group, and delegated responsibility for determining potential military relevancy for B&P efforts to the negotiator.

Issued regulations to require the negotiation of advance agreements, relevancy determinations, and technical evaluations by the military services.

Issued standard forms for the military services to use in performing technical evaluations.

Conducted an internal servicewide review of IR&D and B&P management and control. (See p. 7.)

Notwithstanding general DOD policy guidance, the lack of specific directives has permitted inconsistent implementation among the services. These inconsistencies and other problems in developing and negotiating IR&D and B&P advance agreements persist.

Although advance agreements are now negotiated on a more timely basis, most agreements are not negotiated before costs are incurred. (See p. 19.)

Negotiation procedures are neither uniform nor consistent; negotiators' files are frequently incomplete and do not specify the basis for determining the ceilings. (See p. 23.)

There is little evidence that technical evaluations are adequately considered in negotiating ceilings or that they are used to motivate contractors to improve performance. (See p. 15.)

Not all negotiators are conforming with the intent of the Armed Services Procurement Regulation which prohibits cost sharing within the ceiling limitation. (See p. 21.)

After-the-fact reviews to determine relevancy, especially for B&P efforts, are excessively delayed; more timely reviews should be made to provide additional data for negotiating the subsequent year's ceiling. (See p. 25.)

Contractors frequently are not given adequate feedback concerning results of technical evaluations. (See p. 21.)

Comments on the impact of the law were obtained from the Council of Defense and Space Industry Associations and from individual contractors. (See p. 27.) Contractors feel that sufficient time has not elapsed to accurately assess the full impact of section 203 or DOD's implementation of it. They are concerned, however, that "the law will have a detrimental effect upon the national interest." They are particularly concerned about the repressive effect that the potential military relevancy requirement may have on innovative IR&D. However, neither the Council of Defense and Space Industry Associations nor any of the companies contacted provided GAO with specific evidence to validate these concerns.

Recommendations to the Secretary of Defense

DOD should:

Issue guidelines to the services to insure more consistent determinations of potential military relevancy. (See p. 14.)

Continue to emphasize the desirability of negotiating advance agreements either prior to cost incurrence or early in the contractor's fiscal year and to seek alternative means of solving this problem. (See p. 20.)

Establish uniform negotiation procedures and policies for negotiators to aid in the consistent and equal treatment of contractors. (See p. 25.)

Establish guidelines that uniformly recognize, during ceiling negotiation, the technical quality of contractors' IR&D programs with reward or penalty, as appropriate. (See p. 18.)

Require the services to maintain negotiation files which record the rationale and show the dollar effect of the factors considered in establishing the ceiling. (See p. 25.)

Insure compliance with the intent of the Armed Services Procurement Regulation which prohibits cost sharing within the ceiling. (See p. 22.)

Perform after-the-fact reviews as soon as possible after the contractor's fiscal year ends to provide additional data for subsequent negotiations. (See p. 26.)

Matters for consideration by the committee

In its prior report, GAO suggested that the Congress clarify section 203. Since then, however, the Government's support of IR&D and B&P has been the subject of several intensive studies.

GAO does not recommend that any changes be made in the law at this time, pending thorough consideration of the results of these studies and the suggestions for improvements and alternative actions which emanated from them. GAO plans to use these studies and to continue its examination of the area, considering such matters as:

Recommendations on IR&D and B&P by the Commission on Government Procurement and dissenting positions.

Recommendations from a study by DOD's IR&D Policy Council.

Possible inequities to the Government when contractors develop products under IR&D programs in defense/space cost centers and market them in commercial cost centers.

Concerns of industry that some smaller companies receive inequitable treatment.

Alternative means of insuring equitable allocation of IR&D and B&P costs. (National Aeronautics and Space Administration officials are concerned about the impact that DOD's relevancy test could have upon them and their contractors.)

Upward trends in contractors' B&P expenditures and a corresponding reduction in innovative IR&D, which could possibly adversely affect the national industrial technology base. (See p. 37.)

CHAPTER 1. INTRODUCTION

Independent research and development (IR&D) is that part of a contractor's research and development program initiated by the contractor; it is not directly sponsored by, or required in the performance of, a contract, grant, or similar agreement. In an IR&D program, a contractor directs its resources to any effort it feels necessary to maintain or advance the company's technology.

Bid and proposal (B&P) costs are those costs the contractor incurs in preparing, submitting, and supporting bids and proposals for potential contracts. B&P effort is conducted at the discretion of the contractor to convince the buyer that the contractor is the most acceptable supplier for a particular product.

The Department of Defense (DOD) treats IR&D and B&P costs as indirect costs (overhead items). Accordingly, DOD and other Government agencies bear part of the contractor's IR&D and B&P costs by applying overhead costs to contracts, grants, or similar agreements. The extent to which DOD absorbs these costs depends on the business mix (the ratio of DOD sales to other Government/commercial sales) of each contractor. Therefore, if a contractor's work is primarily for DOD, DOD will generally absorb the major portion of the contractor's IR&D and B&P costs.

I.R. & D. and B. & P. costs

DOD's share of total costs incurred by major defense contractors for their IR&D and B&P efforts increased steadily (as did DOD sales) from $459 million in 1963 to $778 million in 1969. In 1970 and 1971 these costs decreased (as did DOD sales) as shown in the table below. DOD sales continued to decrease in 1972, but DOD's share of IR&D and B&P costs went up during 1972.

TOTAL COSTS FOR I.R. & D. AND B. & P.

[In thousands of dollars]

Cost element[1]	1968	1969	1970	1971	1972
Cost incurred	1,286	1,412	1,318	1,252	1,245
Amount accepted by Government	1,057	1,191	1,093	1,038	1,052
DOD's share	673	778	714	673	704
Sales to DOD	22,275	22,692	21,315	19,655	18,385

[1] Cost data includes varying amounts of other technical effort

A summary of pertinent IR&D and B&P cost information for the seven contractors that we reviewed is included in appendix IV.

Provisions of Public Law 91–441

The Congress enacted Public Law 91-441 on October 7, 1970. Section 203 of the law placed certain conditions, restrictions, and requirements on DOD for paying IR&D and B&P costs to defense contractors after December 31, 1970. Among other things, section 203 provides that:

Funds authorized for appropriation to DOD shall not be made available after December 31, 1970, for payment of IR&D or B&P costs unless the Secretary of Defense determines that the work for which payment is made has a potential relationship to a military function or operation and unless:

The Secretary of Defense, prior to or during each fiscal year, negotiates advance agreements establishing a dollar ceiling on such costs with all companies which during their last preceding fiscal year received more from DOD.

The IR&D portions of the negotiated advance agreements are based on company-submitted plans that are technically evaluated by DOD prior to or during the fiscal year covered by the agreement.

CHAPTER 2. DOD ACTIONS TO IMPLEMENT THE LAW

In implementing section 203, DOD issued Defense Procurement Circulars Nos. 84, 86, 87, and 90. These circulars were to furnish guidance on the negotiation of advance agreements and to amend the Armed Services Procurement Regulation (ASPR) 15–205.35 and 15–205.3 concerning IR&D and B&P costs. On April 28, 1972, the provisions of the circulars were incorporated into ASPR.

DOD Insrtuction 5100.66, published on February 29, 1972, (1) prescribed the role, mission, and composition of the IR&D Policy Council and (2) assigned responsibilities and outlined procedures for the technical evaluation and review of IR&D programs.

The IR&D Policy Council is responsible for developing and securing the Secretary of Defense's approval of policy and guidance for the IR&D program and realted B&P activities. The Council determines the proper level of DOD support required, outlines IR&D and B&P goals, establishes the mechanisms to be used to increase or decrease the overall level of effort, provides the guidance necessary to insure valid potential relevancy determinations, determines appropriate negotiation policies, and responds to congressional inquiries.

The IR&D Policy Council consists of its Chairman, the Director of Defense Research and Engineering; the Assistant Secretaries of Defense (Installation and Logistics, and Comptroller); and the Assistant Secretaries for Research and Development and for Installation and Logistics from the Army, the Navy, and the Air Force. Representatives of the National Aeronautics and Space Administration (NASA) and the Atomic Energy Commission participate as observers.

The IR&D Technical Evaluation Group (formerly the Armed Services Research Specialists Committee) is composed of a chairman appointed by the Director of Defense Research and Engineering and three IR&D departmental managers—one each from the Army, the Navy, and the Air Force. This group is responsible for establishing criteria, methodology, and evaluation forms to be used by the military departments for the technical evaluations and ratings of IR&D programs.

These evaluations determine the relevance and quality of each IR&D project and categorize each project as research or development in accordance with the ASPR definition.

The IR&D Technical Evaluation Group is also responsible for:

Establishing uniform procedures for debriefing companies whose IR&D programs have been reviewed.

Determining the standard format for submitting companies' IR&D project descriptions.

Establishing a schedule for submission of companies' IR&D brochures.

Establishing procedures for providing the Defense Contract Administration Services with technical evaluations of company-submitted IR&D project descriptions to support their negotiation of advance agreements required by law.

Establishing an annual schedule for onsite reviews of contractors' facilities.

Establishing procedures for providing the Department-designated negotiator with a technical evaluation of each IR&D program to be used in determining the IR&D advance agreement with each company.

Assisting contracting officers on an as-needed basis in determining the relevance of B&P effort.

DOD has also issued standard forms for use by the military departments in the performance of technical evaluations.

Since enactment of the legislation, DOD has increased the number of advance agreements negotiated with companies and cost centers from 104 in 1970 to 125 in 1971 and to 122 in 1972, thereby increasing visibility over contractors' IR&D and B&P efforts.

In September 1971 the IR&D Policy Council organized a working group to provide the Council with a concise definition of IR&D—including its objectives (as seen by DOD, other Government agencies, and industry), its accomplishments, its deficiencies, and any impediments to the realization of the defined objectives.

The working group submitted its report, including recommendations for corrective action, to the Council for review in November 1972. GAO was advised by the Chairman of the working group that, except for the recommendations, the report has been approved. A copy of the working group's draft report, without the recommendations, was informally released to the General Accounting Office on January 15, 1973.

CHAPTER 3. REQUIREMENT FOR POTENTIAL MILITARY RELATIONSHIP

In our April 1972 report we noted that section 203 failed to provide criteria for determining when a project was considered to have a potential military relationship (PMR) or any indication as to what the provision was intended to achieve. We found in our current review that DOD still had not issued uniform criteria for determining PMR. As a result, the services have inconsistently applied the PMR provision.

The seven contractors we visited had experienced no measurable change in the amount of DOD's reimbursement for their IR&D and B&P effort as a result of the PMR requirement. DOD officials advised us that the PMR provision has had no effect on the ceiling negotiated with any contractor during either 1971 or 1972.

Lack of clarity in law

In September 1972 an official from the Directorate of Defense Research and Engineering pointed out that the law was not as clear as it might be concerning PMR and that it was inconsistent with the present administration's policy of encouraging more research and development.

Several contractors included in our review also commented on the lack of clarity in the law. One contractor claimed that the PMR review was largely subjective and unproductive because of the unclear definition of relevancy. Another maintained that relevancy standards should be developed if the test was to be continued so industry could take appropriate and consistent action to satisfy the criteria of such a test.

Lack of DOD criteria

Although DOD has initiated actions to improve its surveillance and administration of IR&D and B&P activties, it has not developed uniform criteria for determining PMR.

DOD Instruction 5100.66 delegated to the IR&D Technical Evaluation Group the responsibility for establishing criteria and methodology for uniform PMR determinations of IR&D. The DOD contracting officer was delegated responsibility for PMR of B&P.

The instruction did not provide definite criteria for the services to apply in determining whether IR&D and B&P projects meet PMR requirements. This probably was due to the lack of clarity in the law and the difficulty of delineating objective criteria for determining PMR.

Technical evaluators acknowledge that the determination is purely judgmental. Of about 1500 IR&D projects and tasks proposed by the 7 contractors in 1971 and 1972, about 97 percent were determined to have PMR. Those projects determined to not have PMR had no effect on the ceilings negotiated or on DOD's payments to the contractors for IR&D costs.

Air Force PMR criteria

The Air Force recognized the need for a uniform interpretation of PMR. An informal document prepared by the Air Force entitled "Guidelines for Potential Relationship Determination for IR&D Projects" contained the following statement:

"Section 203 requires that IR&D payments by the DOD be made only for work which has a potential relationship to a military function or operation. Obviously, if potential relationship is taken in its broadest sense, *almost any R&D effort could qualify,* since military functions and operations involve at least incidentally almost every aspect of human life. But it seems clear that *Congress intended to eliminate DOD payment* for those IR&D efforts whose relationship to military functions or operations is remote or incidental.

"In order to obtain a consistent determination of the potential relationship, for the varied technologies represented in the programs, this paper defines the degree to which a potential relationship must exist to be considered within the intent of the law."

Following this statement was a matrix and a discussion of the basic considerations in determining PMR. Clearly, the Air Force matrix was designed to identify projects which were only incidentally related to a military function or operation to eliminate DOD's cost for those projects.

Under the matrix, all projects must have *substantial* military application before they can be termed potentially relevant. However, some projects can have substantial military application and still be termed not relevant if another Government agency is responsible for that field of research and development.

Such a determination, however, is not always upheld. For example, a technical evaluator determined that a space shuttle project was nonrelevant. The Office of the Director, Defense Research and Engineering, overruled this determination and said that the space shuttle project had PMR. We believe the Air Force matrix would support the technical evaluator's determination since NASA had prime responsibility for the space shuttle project.

DOD has not directed that the military services use the Air Force matrix and criteria but is considering such a policy. In our opinion, the Air Force matrix, if properly applied, would provide a greater degree of consistency in relevancy determinations. The other services have voluntarily adopted the matrix or similar criteria for a guide when evaluating the relevancy of IR&D. Even so, PMR application is inconsistent.

Inconsistent PMR determinations

In 1971 and 1972 the Army considered one contractor's NASA projects relating to deep space applications to be relevant. However, the Air Force considered similar deep space IR&D efforts of another contractor to be nonrelevant.

In another instance, Navy evaluators considered as relevant a marine sciences project which concentrated on developing an understanding of the water environment and pollution in the New York area. The evaluators considered the project relevant because the Navy had a social responsibility to protect the environment in areas where it has bases and because information on coastal environment was important to the Navy in amphibious-warfare planning. However, the project's contractor did not consider it to have PMR; we believe that application of the Air Force's PMR matrix would confirm the contractor's opinion.

AIR FORCE MATRIX FOR DETERMINING PMR

Is the DOD precluded, by law or otherwise from funding such R. & D.?	What is the nature of the military requirement for the end product?	What will be the application of the end product?	Is another Government agency responsible for this field of R. & D.?	Conclusion: Is the I.R. & D. project potentially relevant?
Yes				No.
No	Urgent			Yes.
No	None (not used by military).			No.
No	Routine	Primary military.		Yes.
		Primarily nonmilitary but has substantial military application	Yes	No.
			No	Yes.
		Only incidental military application		No.

At another location, the contracting officer requested assistance from the Defense Contract Audit Agency to determine relevancy for B&P projects. The audit agency, in turn, requested help from the Air Force plant representative. The plant representative examined nine projects and determined that six were relevant. The audit agency, on the other hand, determined that four of the six deemed relevant by the plant representative were not relevant and that one of the three considered not relevant was relevant.

Conclusion

These inconsistencies demonstrate the need for better PMR criteria to be applied consistently on a servicewide basis for both the contractor's IR&D *and* B&P efforts. The military services are not using the same criteria; at the time of our review, there was no DOD requirement that uniform PMR criteria be developed.

Uniform criteria would provide contractors with consistent treatment under the law and with a clearer understanding of DOD's basis for evaluating their IR&D and B&P efforts. This would help contractors manage their programs and would provide them with additional information to determine the scope of their IR&D and B&P efforts.

Recommendation

We recommend that DOD issue guidelines to the services to insure more consistent determination of PMR.

CHAPTER 4. EFFECT OF TECHNICAL EVALUATIONS ON NEGOTIATED CEILINGS

Section 203 requires that DOD technically evaluate each contractor's proposed IR&D program. The evaluation should give the negotiator a basis for judging the quality of the contractor's efforts against a standard and other contractors in similar product areas. The evaluation is to be considered in negotiating the IR&D dollar ceiling included in the advance agreement.

DOD's IR&D Technical Evaluation Group is responsible for insuring that technical evaluations are performed and that the results are communicated to the cognizant service negotiator. DOD generally recognizes that the technical quality of a contractor's program should have some effect on the level of DOD funding. However, DOD has not provided the necessary guidance to specify how the technical quality rating will be recognized or how the contractor should be rewarded or penalized. Nor has DOD insured that all contractors will receive equal treatment under the law. As a result, each service has its own view concerning the significance of the technical evaluation and how the results will be considered in negotiating an advance agreement.

The proposed 1971 and 1972 IR&D programs of the seven contractors were technically evaluated. In three instances negotiator's records did not identify the effect, if any, that the technical rating had on the ceiling negotiated, nor were the negotiators able to identify or quantify the impact it had on the ceiling. For the other four contractors, the negotiator stated that he considered the technical evaluation but felt that the change from last year's rating did not warrant an increase or decrease in the contractor's program.

Use of technical evaluations

The Army regulation governing technical evaluations stated that it is the intent of the Government to reward high quality effort with higher than normal support and low quality effort with lower than normal support. The regulation recommended a level of support commensurate with the technical quality of the IR&D program—identified in such terms as minimum, average, and maximum—but not quantified.

The Army member of the IR&D Technical Evaluation Group advised the Army negotiator who was negotiating the IR&D ceiling for one contractor that, on the basis of a cursory examination of the 1972 program and considering the 1971 evaluation, a tentaive rating of "good" was assigned. The contracting officer took the position that the evaluation did not jusify increasing or decreasing the ceiling. Army regulations, however, do not provide any guidelines as to what a good rating should support.

The Navy has not issued any guidelines which prescribe the technical rating system to be used or how the results of a technical review will be considered in negotiating a ceiling.

In negotiating a contractor's 1972 ceiling, the Navy considered the contractor's program to be "average to good" and rated several areas "superior." The contractor's 1972 ceiling was about 6 percent higher than its 1971 ceiling. Ceilings negotiated increased from 1970 to 1972 by almost $2 million while DOD sales decreased by about $143 million during the same period as shown below.

[In thousands of dollars]

	Program year		
	1970	1971	1972
Proposed program	34,000	35,000	35,000
Ceiling negotiated	27,750	28,000	29,660
Sales to DOD	739,215	618,040	[1] 596,000

[1] Contractor estimate.

The responsible Navy negotiator informed us that the technical evaluations were one of several factors considered during negotiations. However, he could not identify or quantify the impact they had on the ceilings.

The Navy also negotiated another contractor's 1972 ceiling. On the basis of the 1971 technical evaluation, the program was considered "average or slightly above average." The 1972 *negotiated ceiling* increased about 8 percent over the 1971 ceiling, but sales to DOD decreased slightly. The Navy negotiator informed us that, although the technical evaluation was considered during negotiation, it was not reasonable to quantify these factors.

During 1972 the Air Force negotiators were instructed to adjust the negotiation position by stated percentage rates to recognize a change in a contractor's technical evaluation rating. This was to provide contractors with an incentive to improve the technical quality of their IR&D programs.

For the three contractors we reviewed who had negotiated ceilings with the Air Force, the change in the technical rating was insufficient to warrant a change in the negotiation position.

We also examined statistics concerning advance agreements with contractors other than those seven we reviewed. However, we were not able to establish any meaningful or consistent pattern of correlation between technical ratings and adjustments in the negotiated ceilings.

According to the DOD IR&D study group's November 1972 report, most contractor officials felt that one of the principal weaknesses in the IR&D ceiling negotiation procedures was the lack of reward and motivation for the technical quality of their programs. The contractors said that the negotiations did not sufficiently emphasize the technical quality of their IR&D programs. The study group recognized that all contractors did not receive equal treatment and that quantification, at least to some degree, of the process for determining the Government's negotiation position would alleviate some of these problems.

Conclusions

To treat all contractors consistently and equitably and to acknowledge the technical quality of the proposed IR&D programs, DOD should issue guidelines that prescribe a quantified means for adjusting the level of DOD support on the basis of the technical quality of the IR&D program. The guidelines should also reward or penalize a contractor for changing the quality of its effort.

Recommendation

DOD should establish guidelines that uniformly recognize, during ceiling negotiations, the technical quality of contractors' IR&D programs with reward or penalty, as appropriate.

CHAPTER 5. OTHER PROBLEM AREAS

Delays in negotiating advance agreements

Section 203 requires DOD to negotiate an advance agreement with each major defense contractor to establish a dollar ceiling for IR&D and B&P costs. The negotiated ceiling limits the amount of IR&D and B&P costs that the Government will pay. It also provides some assurance to the contractor that its IR&D and B&P costs will be recovered and that disputes concerning the reasonableness of allocability of the costs will be minimized or avoided. Section 203 states that such agreements will be negotiated prior to or during the contractor's fiscal year. To be most effective, such agreements should be negotiated prior to cost incurrence.

Our April 1972 report stated that DOD was aware of the problems associated with delays in negotiating advance agreements and was attempting to bring about earlier negotiations of 1972 agreements by requiring earlier submissions of proposed programs, better scheduling of technical evaluations, etc.

The following table shows how long it took to negotiate advance agreements with contractors in 1971 and 1972.

TIMELINESS OF CEILINGS NEGOTIATED

	Army		Navy		Air Force		DSA		Total	
	1971	1972	1971	1972	1971	1972	1971	1972	1971	1972
Negotiated prior to contractor's fiscal year		1		2		3				6
Negotiated during contractor's fiscal year:										
1 to 3 months		1	5	9	3	18			8	28
4 to 6 months	1	5	13	25	9	20	2	2	25	52
7 to 9 months	2		8	5	12	10	1	2	23	17
10 to 12 months	6	1	13	1	39	14	5	2	63	18
Total	9	7	39	40	63	62	8	6	119	115
Negotiated subsequent to contractor's fiscal year			3		3			1	−6	1
Total advance agreements	9	8	42	42	66	65	8	7	125	122

DOD has made considerable progress in the timeliness of advance agreements. Approximately 33 advance agreements were negotiated during the first 6 months and 86 were negotiated during the last 6 months of the contractor's 1971 fiscal year. During 1972, however, 80 were negotiated during the first 6 months and 35 during the final 6 months.

Nevertheless, many contractors are still incurring substantial program costs before negotiation. For example, the 1972 advance agreement for one of the contractors we reviewed was not signed until November 21, 1972, less than 6 weeks before the end of the year covered by the agreement. The 1971 advance agreement for the same contractor was not signed until December 30, 1971.

The timeliness of negotiations could be improved by using multiyear agreements. Both the Army and the Air Force used multiyear agreements during 1972. Three of eight 1972 advance agreements negotiated by the Army and 8 of 62 advance agreements negotiated by the Air Force included the contractor's 1973 IR&D and B&P programs.

The timeliness of the technical evaluation may directly affect the negotiation date of the advance agreement since this information should be available for use by the negotiator. When current technical evaluations are not available, the Air Force inserts a clause in the agreement which provides that the negotiated ceiling represents an interim agreement pending an evaluation of the contractor's current year program. The clause provides that, if the current year's technical rating is less than the rating used in the interim agreement (usually the previous year's rating), the Air Force can reopen the agreement to negotiate an appropriate reduction.

Recommendation

DOD should continue to emphasize the desirability of negotiating advance agreements either prior to cost incurrence or early in the contractor's fiscal year. DOD should also seek alternate means of solving this problem, such as using more multiyear agreements and using prior year evaluations for current year negotiations with subsequent adjustments (upward as well as downward) as necessary.

Need for consistency in technical evaluation debriefing procedures

There is no uniform policy as to whether a debriefing will be given to a contractor following an onsite technical review. As a result, each service has a different practice. The Navy does not debrief the contractor, but the Air Force conducts a detailed briefing. The Army practice is somewhere in between.

Six of the seven contractors included in our review received an onsite technical evaluation during 1972. The seventh contractor had received an onsite review in late 1971. Only two of the seven contractors were given both a timely and a meaningful debriefing, another contractor was given a general debriefing 6 months after the evaluation, and four contractors did not receive any debriefing.

The onsite review provides DOD with firsthand knowledge of the quality of IR&D efforts and maintains technical communication between DOD and the contractor. If properly conducted, the onsite review, coupled with more detailed debriefing procedures, can give the contractor valuable insight into how a major customer views its IR&D efforts. The contractor can then improve the quality and change its IR&D programs to better meet the needs of DOD.

After our review the Office of the Director of Defense Research and Engineering implemented a policy whereby each contractor will be debrifed when the onsite technical review is completed. The debriefing will include a discussion of the quality of the contractor's IR&D program, covering any major problems and what should be done by the contractor to improve its program.

In view of the action taken by that Office, we are not making any recommendation.

Cost sharing

ASPR 15-205.35, as revised in April 1972, states in section (d) (1) (D) that:

Ceilings are the maximum dollar amounts of total costs for IR&D work that will be allowable for allocation to all work of that part of the company's operation covered by an advance agreement. Within the ceiling limitations contractors will not be required to share IR&D costs * * *.

This section of ASPR was to assure the contractor that DOD would accept an allocable share of the contractor's IR&D costs which do not exceed the negotiated ceiling. We recognize that contractors frequently spend more than the agreed ceiling, presumably where such expenditures are expected to benefit the company in the long run. To the extent that the ceiling is exceeded, the contractor must absorb the excess cost.

The Navy is practicing a form of cost sharing by requiring the contractor to exceed the ceiling negotiated. Fr example, the Navy negotiated a ceiling of $29.7 million with one contractor on the basis of the contractor's proposed program of $35 million for 1972. The Navy said it expected the contractor to spend $32.7 million, or $3 million above the negotiated ceiling. The Navy negotiator stated that he felt the contractor would exercise better program control because of its increased financial participation. He stated that, if the contractor did not spend the full $32.7 million, this would be considered in the negotiation of the subsequent year's ceiling.

We were advised that the Navy negotiates all of its advance agreements with similar understandings.

In our opinion, this practice has the effect of negotiating two ceilings, one for the contractor which requires cost sharing and a lower one for DOD reimbursement purposes. We believe that it is the company's prerogative to exceed a ceiling if it so desires, but the Navy practice of forcing cost sharing is contrary to the ASPR provision.

Recommendation

DOD should insure compliance with the intent of the ASPR provision which prohibits cost sharing within the ceiling.

Need for consistent negotiation procedures and records

We examined numerous negotiation records to determine the various factors used to establish contractors' ceilings. We found that negotiators' files are frequently incomplete, and do not specify how ceilings are determined. The files may show the factors considered but do not show the dollar effect of each factor. These factors also vary among and within the services; these inconsistencies have resulted in inequities to some contractors.

In its draft report, the IR&D Policy Council recognized the need to develop uniform negotiation guidelines, criteria, and policies for negotiators to insure similar treatment for all contractors. Contractors have stated that this is a major weakness in DOD's administration of IR&D.

The IR&D Policy Council's findings support our observations. The following information was extracted from its draft report.

The factors considered by the DOD in reviewing contractors to determine reasonableness of IR&D and B&P costs included a four year historical review and one to three year projections of the following data submitted by each contractor:

IR&D costs.

B&P costs.

Sales.

Allocation Base Data.

Customer Mix.

Product Line Information.

Mix of Contracts.

Burdening Procedures.

IR&D Technical Effort.

B&P Technical Information.

Other data considered include the following:

Departmental Budgets.

General Business Trends.

Reliability of Contractor Estimates.

Potential Relationship of Contractor Program to DOD Needs.

Technical Evaluation.

Ceilings.

Use of these factors helps provide some uniformity of approach to determining the reasonable level of governmental participation in contractor's programs. The weights given to the factors identified above vary considerably, however, between Departments, among contractors, reviewed, and from year to year.

Procedurally, all contractors are supposed to receive uniform treatment of their IR&D and B&P costs. The same data are requested from all contractors; the negotiation objectives are derived from the analysis of these data.

Despite procedural intent, all contractors may not, in fact, receive uniform treatment. Each service considers the factors described above in different ways. For all services, the considerations are basically subjective, and thus the danger of inconsistency is great. No overall guidelines have been developed within or between the services. It appears, for instance, that the ceilings established in recent years by Navy negotiators have been generally somewhat higher in proportion to proposed programs than those established by Army and Air Force negotiators. Furthermore, even within the Services, treatment has not always been consistent. In the case of the Air Force, for example, the major factor considered in establishing the government's negotiation position has been the previous year's ceiling of the contractor. This policy has tended to perpetuate any inequities already existing.

The negotiation process also results in IR&D reimbursement being partially based on the effectiveness and tenacity of the contractor's negotiator. A contractor with an excellent technical program, but an agreeable negotiator, will accept a lower relative ceiling than a contractor with a poorer program and a more aggressive negotiator. This may result in cancellation of a portion of an excellent program and expansion of the poor program over a period of years. Quantification (to at least some degree) of the process for determining the government's negotiation position would alleviate this problem.

Recommendations

The IR&D Policy Council's draft report clearly outlines the problems confronting negotiators in their attempts to establish reasonable ceilings. We recommend that, in accordance with the Policy Council's suggestion, DOD establish uniform negotiation procedures and policies for negotiators to aid in the consistent and equal treatment of contractors. We also recommend that DOD require the services to maintain negotiation files which record the rationale and show the dollar effect of the factors considered in establishing the ceiling. Such records would provide a documentary reference against which a contractor's progress in technical merit and other factors could be measured and used in future negotiations.

PMR reviews

Section 203 states that payments cannot be made unless IR&D and B&P projects have PMR. Tests for PMR are made on a before-the-fact and an after-the-fact basis. Before-the-fact reviews are performed to determine the relevancy of proposed projects and to establish a dollar ceiling for such costs. Because the contractors' proposed program changes throughout the year, after-the-fact PMR reviews are performed to give final assurance that the costs spent on PMR projects equal or exceed DOD's allocable share.

The before-the-fact review of B&P is inadequate; it appears to be of little help to the negotiator. The lack of detailed B&P data submitted by a contractor is a problem inherent with the nature of B&P itself. The contractor is not fully cognizant of all B&P projects which may develop during the year, and those anticipated may be postponed or may not materialize. We noted that no before-the-fact PMR determinations were performed for about 16 percent of the 1972 advance agreements negotiated by the Army, the Air Force, and the Defense Supply Agency.

Timing of after-the-fact reviews depends to a great extent on the contractor because the Government cannot perform such reviews until the contractor submits after-the-fact data. Time limits have not been established for the submission of a contractor's after-the-fact data or for when DOD will perform its after-the-fact tests.

Conclusion

After-the-fact reviews are seldom completed in time to be of much value to a contractor or to a negotiator in establishing the subsequent year's advance agreement ceiling.

At the present time, contractors have no real assurance that DOD will share in the cost of certain projects, especially B&P, because they may or may not be considered to have PMR. This is not known until the after-the-fact reviews have been performed.

Recommendation

In conjunction with our recommendation that advance agreements be negotiated prior to cost incurrence (see p. 20), we also recommend that DOD perform after-the-fact relevancy reviews as soon as possible after the close of the contractor's fiscal year to provide additional data for subsequent negotiations.

CHAPTER 6. INDUSTRY VIEWS ON THE TREATMENT OF IR&D AND B&P COSTS UNDER PUBLIC LAW 91–441

Comments of contractors visited

We asked the seven contractors to give their views on DOD's implementation of section 203 and the impact of the law on their IR&D and B&P programs. Comments on the law's impact are in some respects preliminary, since audits have not been completed and amounts of recovery have not been finalized.

Some of the contractors noted that the requirements of section 203 are more restrictive than previous requirements. Although most of the contractors would not state that DOD has used the law to negotiate reduced ceilings for IR&D and B&P, they were concerned about the strong authority the statute gave DOD. Contractors cited DOD's authority to decide ceilings; if the contractors do not accept DOD's ceiling, they are limited to no more than 75 percent of the amount to which they are otherwise entitled as determined by the contracting officer.

The contractors feel that the most repressive aspect of the law is the PMR or relevancy requirement which the statute added. They believe that the requirement is not susceptible to precise definition or interpretation.

No contractor identified specific projects which had been dropped from IR&D programs as a result of the PMR requirement; however, they generally agreed that new projects had been screened out by contractors in favor of those projects which tended to satisfy a near-term military requirement. They feel that limiting the independence of IR&D is not in the best national interests and that the requirement should either be dropped or broadened to encompass any project undertaken in the Government's interest.

All of the contractors replied that DOD's efforts to insure compliance have increased the amounts of time and money spent by the companies and DOD.

PMR

The contractors believe that the PMR requirement is unclear and subject to arbitrary interpretation. For example, one contractor expressed the need for a reasonable, realistic set of guidelines, since the national interest would be served best by a rule-of-reason or, even more so, by complete elimination of the relevancy test.

Another contractor stated that, since no instructions or definitions have been published, DOD personnel have used a limited interpretation, imposing an immediate requirement for a DOD product only. This contractor believes that limiting its technological efforts to military needs will not be in the best interests of the Government or the Nation in the long run. Other contractors expressed similar sentiments.

We asked the contractors if the PMR test had forced them to drop IR&D and B&P projects. One contractor replied that it had not undertaken certain new IR&D projects and had not spent what it might otherwise have spent on established projects because of the PMR provision. The contractor did not wish to provide specific examples.

None of the other contractors reported that they had dropped projects because of the PMR requirement. However, one contractor reported that it was screening out projects in the planning stages and that its technical people were undoubtedly not proposing efforts they might have proposed if, in their opinion, it would be difficult to prove PMR. This contractor suggested that section 203 be modified to allow reimbursement for any project which has a potential Government relationship.

Another contractor stated that, in the long run, the PMR requirement may inhibit initiation and request for authorization of projects directed to solutions of nonmilitary problems. A third contractor saw an added deterrent to the pursuit of opportunities for applying defense/aerospace technologies to solution of problems in the civil sector.

Military Relevancy and NASA

One contractor foresaw a potential problem when a contractor's work is for both DOD and NASA. For a number of years DOD and NASA have recognized the commonality of procurements by joining in the negotiation of overhead and advance agreements. There frequently is a disparity between the amount of IR&D and B&P effort applicable to a specific customer in a given year and in the overhead base upon which such costs are allocated to the customer. However, DOD, NASA, and industry have recognized that these disparities are temporary and, in the long run, application of IR&D and B&P costs through overhead would result in equitable treatment to all parties.

Under the relevancy requirement, some costs incurred for related IR&D and B&P for DOD or NASA in a given year, although otherwise acceptable, may not be reimbursed. If such costs exceed the share allocable to that particular customer on a percentage-of-sales basis and cannot be shared by the other customer because of nonrelevancy, they could be disallowed. According to this contractor, the problem is further compounded when a contractor does work for other Government agencies as well.

Another contractor stated that the PMR requirement was unreasonable in that B&P expenditures did not parallel the sales mix in any given year. In 1 year, one-third of this contractor's sales were to NASA and most of the B&P expenditures were for proposals for military aircraft. If IR&D and B&P costs allowed to be allocated to NASA had been limited to projects that had NASA relevance, the contractor's ability to bid on the military aircraft programs would have been restricted. Similarly in a later year, 80 percent of sales were to DOD and most B&P funds were expended on a NASA program. If this program had not had military application, the contractor's effort would have been adversely affected.

Reduced IR&D and B&D Ceilings

Although none of the contractors flatly stated that DOD had used the law to reduce its IR&D and B&P payments, some were concerned that this has been the effect. A contractor informed us that it had been subjected to arbitrary disallowances of otherwise reasonably incurred and allocable IR&D and B&P costs on DOD contracts. The contractor said this is contrary to DOD's policy of reimbursing contractors for DOD's share of such expenditures.

The other contractors are also concerned with the strong authority available to DOD. One contractor noted that, although the law does not specifically provide for arbitrary levels in the amount of allowable IR&D and B&P costs, its implementation results in such a policy.

This contractor said that DOD negotiators have unfair leverage because DOD's implementation procedures provide that a major contractor without an advance agreement not receive more than 75 percent of the amount to which the company would be entitled with an advance agreement. The contractor also cited an appeal procedure which it considered less fair than the normal recourse to the Armed Services Board of Contract Appeals. It also pointed to a clause in the advance agreement which calls for a downward-only adjustment in the ceiling if the technical rating is lower than a stipulated rating based on prior experience.

Another contractor stated that it has accepted reduced ceilings as a result of negotiations conducted in a reasonable and businesslike manner. Nevertheless, the contractor is concerned with the extent of authority the statute and ASPR grant to DOD.

Advance ceiling on B&P

Several contractors advised us that the requirement for including a B&P ceiling in the advance agreement is unrealistic.

One contractor believes that the requirement for an advance agreement ceiling on B&P costs is not equitable; that B&P efforts cannot be determined months in advance; and that, by attempting to do so, the contractor's bidding efforts are limited during a given year.

A second contractor also believes that B&P should not be part of the advance agreement. Unlike B&P, IR&D programs are planned in advance, primarily on the basis of prior years' successes and failures, and are susceptible to planning and control. Actual B&P efforts required during any year, however, may differ greatly from what was planned. Major requests for proposals may be issued, canceled, or reissued in a time frame *which* was not anticipated in the planning, budgeting, and negotiation of advance agreements. The results could cause a serious overrun of the negotiated ceiling.

Increased Administrative Costs

All seven contractors advised us that the increased emphasis on technical evaluations and PMR reviews had increased administrative costs for them and DOD. Four of the seven contractors furnished estimates which showed, cumulatively, increased annual costs of between $500,000 and more than $1 million. The other three contractors did not attempt to quantify the amount that their expenditures have risen.

One contractor is concerned with increases in indirect costs attributable to the voluminous documentation and the expensive professional time devoted to the IR&D reviews DOD requires. The contractor contends that annual expenditures have very little, if any, positive impact on the productivity of IR&D and B&P programs but, nevertheless, have increased three-fold since implementation of the new statute.

Another contractor said that the law placed more emphasis on the technical evaluation of the contractor's IR&D program. Since the rating is one of the factors considered in setting the dollar ceiling in the advance agreement, the contractor has to display its work to the DOD evaluators in sufficient depth and detail to receive an equitable rating. Generation of this technical documentation involves a much greater iterative effort between investigators and the administrative staff, with substantial increased costs not readily susceptible to quantitative measurement.

A third contractor stated that, in addition to preparing an additional brochure to satisfy the advance PMR review, it has to analyze each IR&D and B&P project actually performed to permit postaudit of its potential relationship.

A fourth contractor estimated that it has incurred between $50,000 and $100,000 in additional annual costs because of the law, but it feels that it now has beetter management control of its programs.

A fifth contractor stated that it is spending a great deal of time complying with demands for (1) preparing preliminary and final technical brochures, (2) furnishing data for the DOD IR&D technical data bank, (3) responding to technical, administrative, and auditing requirements, (4) communicating with all levels of Government in support of IR&D, and (5) presenting and arguing relevancy of projects. The contractor stated that this effort could cost up to $750,000 in some years.

Views of Council of Defense and Space Industry Associations

The Council of Defense and Space Industry Associations (CODSIA) advised us on November 21, 1972 (see app. II), that sufficient time has not elapsed to fully assess all implications of section 203. Industry has experienced only the negotiation of advance understandings, not the full cycle of actual cost recovery. Nevertheless, CODSIA finds that certain significant trends are continuing.

CODSIA believes that it has become increasingly clear that the statute will detrimentally affect the national interest and that this effect is contrary to recent concern expressed by some members of Congress and the executive branch. CODSIA cited, as an example, the President's mesage on science and technology which stressed the need for technology advancement in solving many of the critical domestic and environmental problems facing the Nation.

CODSIA stated that its member companies continue to question the need for a statutory constraint or limitation on selected segments of overhead costs—in particular, on IR&D and B&P costs. The companies feel that the natural forces of competition, close management controls, and Government scrutiny insure the reasonableness of IR&D and B&P expenditure levels.

PMR requirement

CODSIA believes that the PMR requirement has a repressive effect on highly innovative research and development and that appropriate corrective action should be taken. Its arguments were similar to those of the contractors we visited.

1. A narrow interpretation of PMR inevitably reduces the focus of projects to those emphasizing today's military problems.
2. The PMR test materially restrains the solution of critical problems in nondefense areas.
3. The PMR test seriously impedes and erodes the independent ingredient in contractor-funded research and development programs and proposal efforts which may contribute to high-priority national objectives.
4. The program content is affected because proposed projects are screened out by company management at an early stage to make the program responsive to the requirements of section 203.

Arbitrary Reduction of Proposed Costs

CODSIA believes that, although the Congress desired an improved understanding and control of IR&D and B&P costs, it recognized that continuing such efforts was in the national interest.

According to CODSIA, its companies feel that DOD has interpreted the legislation as a mandate from the Congress for continued yearly reductions in the national total of such expenditures, irrespective of national needs and priorities. CODSIA feels that DOD has used this assumed mandate to establish internal pricing objectives which result in arbitrarily imposed ceilings. This often results in cost sharing of otherwise reasonably incurred and allocable IR&D and B&P expenses. This, coupled with threat of a penalty for failure of agree, has resulted in a reduction in the total amount of recovery.

CODSIA submitted tables showing that real dollar totals for IR&D have declined about 8 percent since 1969. However, the direct man-hour effort has decreased by 24 percent over 3 years. Recognizing the growing national need, CODSIA believes that this decline in technical effort should not be compounded by a narrow interpretation of congressional desires.

Technical Evaluation

CODSIA informed us that using brochures for reviews required considerable time and effort of scientists and engineers and cost much more than onsite reviews. There is evidence that onsite evaluations result in a substantially better understanding by the Government of a contractor's technical activities.

Because DOD's technical ratings are used in establishing dollar ceilings for IR&D work, CODSIA believes the key problem to be solved is how DOD and the contractors can obtain an economical but effective review of at least the key elements of a contractor's program. CODSIA supports DOD in looking for improvements in this area.

Our evaluation of industry comments

Our review showed that the statute in general and the PMR requirement in particular have not had any measurable effect on DOD's reimbursements to defense contractors for their IR&D and B&P expenditures. DOD's payments declined in 1970 and 1971, and CODSIA views this decline as a result of the repressive effect of section 203. A recent DOD study, however, attributed these reductions in IR&D and B&P spending to economic conditions. Our analyses of the correlation between increases and decreases in contractors' sales to DOD and payments for IR&D and B&P supports the DOD study.

Where contractors have accepted reduced ceilings in the negotiation process, it cannot be conclusively determined that these reductions are any more attributable to DOD's interpretation of the law than to economic considerations or the quality of the proposed program. The PMR requirement has not affected the dollar amounts of the negotiated ceilings. This was true for the seven contractors we visited and we were advised that this has been the case for every contractor with an advance payment.

Since enactment of section 203, contractors have referred to vital projects in the national interest which have been dropped from proposed programs because of the PMR requirement. None of the seven selected contractors or CODSIA, however, provided specific examples to support such comments.

We specifically inquired at three companies identified for us by CODSIA. However, company officials could not or would not provide examples of projects they had screened out as nonrelevant, as had been cited in CODSIA's letter. We were advised that company projects had generally been eliminated because (1) short-range payoff potential was lacking, (2) an excessive amount of resources were required to implement the projects, or (3) the projects were not in line with the company's business plan.

We concur that clarification of the intent of the PMR requirement would be helpful. As stated in our April 1972 report, almost any project could be determined to have PMR, even though it may be primarily for commercial or nondefense purposes. We could find no evidence, however, that the requirement has had a repressive effect in view of the lack of dollar impact on contractors' ceilings.

The contractors' contention that IR&D and B&P efforts are emphasizing short-term military needs to the detriment of long-range technology may be valid, whether due to PMR or economic considerations. This appears to be a legitimate concern which we are considering for further study. (See p. 37.)

CHAPTER 7. RECOMMENDATIONS

Although considerable work is being done to comply with section 203, numerous problems still exist. We recognize that some improvements can be made within the law, and we are making recommendations to DOD. We are also recommending to the Committee that any changes in the law be deferred.

Recommendations to the Secretary of Defense

We recommend that DOD improve the administration of contractors' IR&D and B&P programs by:

Giving guidance to the services which will lead to greater uniformity in determinations of PMR. Such consistent treatment of contractors will provide them with a basis for being more responsive to DOD's requirements in formulating and managing their programs. (See p. 14.)

Emphasizing timely negotiation of advance agreements, prior to cost incurrence or early in the contractor's fiscal year, to provide the contractor and DOD with an understanding of the costs the Government will accept for reimbursement. (See p. 20.)

Establishing uniform negotiation procedures and policies so contractors will receive consistent treatment regardless of which service acts as negotiator. (See p. 25.)

Establishing guidelines that require a quantification of the technical quality of contractors' programs to be uniformly recognized in the negotiation of ceilings with reward or penalty as appropriate. (See p. 18.)

Requiring the services to maintain complete negotiation files which record the rationale and show the dollar effect of the factors considered in establishing the ceiling. (See p. 25.)

Eliminating the practice of requiring contractors to spend more than the agreed-to ceiling, since ASPR prohibits cost sharing. (See p. 22.)

Providing for more timely review of contractors' after-the-fact data, especially of B&P costs, to aid the contractors in expeditiously completing their transactions in a businesslike manner and to provide a basis for subsequent negotiations. (See p. 26.)

Recommendations to the Committee

Our April 1972 report suggested that the Congress clarify section 203. Since issuance of that report, however, the Government's support of IR&D and B&P has been the subject of several intensive studies. Although there obviously are many problems associated with determining DOD's optimum share of contractors' IR&D and B&P, no clear-cut alternative has been devised which would warrant any change in the present statute at this time.

We therefore are recommending that changes in the law be deferred pending thorough consideration of these studies and the suggestions for improvements and alternative actions emanating from them. We plan to use the studies and to continue our examination of the area, considering such matters as:

Recent recommendations by the Commission on Government Procurement which, if implemented, would affect all Government agencies and their acceptance of contractors' IR&D and B&P programs. (See app. III.)

Recommendations under consideration by the IR&D Policy Council to improve DOD's management of its IR&D and B&P programs.

Inequities that may arise when contractors spin off to commercial cost centers products developed under IR&D efforts in cost centers primarily engaged in defense/space work, wherein DOD and NASA absorb most of the IR&D costs.

Concerns expressed by representatives of smaller companies not required to enter into advance agreements about the inequity of applying DOD's formula approach to determine the reasonableness of their IR&D and B&P expenditures. They feel that the cent sales and IR&D and B&P costs incurred, is inadequate for young, fast-growing companies. They contend that their right to appeal for an advance agreement is too burdensome and costly. Our study did not include such companies. We plan to look into this matter.

Alternative means of insuring equitable allocation of IR&D and B&P costs. NASA officials are concerned about the impact that DOD's relevancy test could have on NASA and its contractors. Contractors have expressed concern that, if other Federal agencies applied their own relevancy tests to IR&D and B&P, it could lead to accounting complexities and exclusion from any Government reimbursement of some IR&D and B&P costs believed by the contractor to be legitimate.

Concerns of Government agencies and contractors about the trend toward increased short-term IR&D and B&P efforts with a corresponding reduction in longer range and innovative research and development. Reasons cited for this trend include the relevancy requirement, tighter Government scrutiny of IR&D, excess capacity in the defense/areospace industry, and the discretion given defense contractors to interchange IR&D and B&P effort. We want to consider whether the influence of these factors on IR&D and B&P programs has reduced the contractors' incentives for innovative technical effort.

We believe that our examination of such areas of concern will assist the Congress in any future assessment of section 203.

CHAPTER 8. SCOPE OF REVIEW

Our review was directed primarily to determining DOD's progress in implementing section 203, the impact of the relevancy test on contractors, and the reasonableness of the test's application. We also inquired into contractors' concerns to determine whether the restrictions implied by the relevancy test are valid or whether it is only the threat of this constraint causing concern.

Our review covered the treatment of IR&D and B&P efforts at seven major defense contractors—one under the direction of the Army, two under the Navy, three under the Air Force, and one under the Defense Supply Agency. Two contractors were carryovers from our 1971 review, and five were new contractors to provide the coverage requested.

We examined DOD's policies, practices, and procedures for compliance with the legislation. We reviewed records and obtained information from officials responsible for the management and administration of IR&D and B&P in DOD; the Departments of the Army, the Navy, and the Air Force; and the Defense Supply Agency. We also reviewed statistics concerning negotiated advance agreements for 1971 and 1972, contractors' data, and Defense Contract Audit Agency reports. We held numerous discussions with appropriate DOD, military, and contractor personnel at both the field and headquarters levels.

We obtained the views of CODSIA and of contractors included in our examination. We examined the Commission on Government Procurement's recommendations concerning IR&D and B&P and the results of a DOD study directed by the IR&D Policy Council.

Due to time limitations, we did not obtain formal comments on this report from the Secretary of Defense, although we did discuss the report with DOD officials. They agreed in general with our findings and recommendations, and we noted their comments where appropriate.

APPENDIX I

U.S. SENATE,
COMMITTEE ON ARMED SERVICES,
Washington, D.C., June 5, 1972.

Hon. ELMER B. STAATS,
Comptroller General of the United States,
General Accounting Office,
Washington, D.C.

DEAR MR. STAATS: Reference is made to your report number B–167034 dated April 17, 1972, covering Independent Research and Development as implemented by the Department of Defense pursuant to Section 203 of the Fiscal Year 1971 Military Procurement Authorization Act.

The subject report indicated that because DOD implementation had not been completed when the review was made, it was still too early to make a conclusive evaluation of either the actions taken or the effects of the provisions of Section 203. To provide the Committee with a more current and complete status of implementation of Section 203, it is requested that a further examination of these matters be conducted, including the sampling of the activities of additional contractors who were not previously covered.

A report of findings, including appropriate comments and recommendations, should be submitted by March 1, 1973, for consideration of any further actions which may be appropriate in conjunction with the review of the fiscal year 1974 budget. The report also should address recommendations made in the previous report, which have not been acted upon by the Congress, if such recommendations are still valid in the light of more current and complete information.

Sincerely,

JOHN C. STENNIS.

APPENDIX II

COUNCIL OF DEFENSE AND SPACE
INDUSTRY ASSOCIATIONS (CODSIA),
November 21, 1972.

Mr. OSMUND T. FUNDINGSLAND,
Assistant Director, Procurement and Systems Acquisition Division, U.S. General Accounting Office, Washington, D.C.

DEAR MR. FUNDINGSLAND: This is in response to your letter of August 23, 1972 requesting the views of the Council of Defense and Space Industry Associations (CODSIA) on Section 203, Public Law 91–441, concerning Independent Research and Development (IR&D) and Bid and Proposal (B&P) costs, and related implementation by the Department of Defense.

Our CODSIA letter of January 31, 1972 to Mr. Lincicome of the GAO, advised that sufficient time had not then elapsed to assess accurately all of the effects of Section 203 and DoD's implementation. Sufficient time still has not elapsed to assess fully all of the implications. Industry has experienced only the negotiation of advance understandings, not the full cycle of actual cost recovery from such understandings. Nevertheless, certain trends continue which are of such significance that consideration should be given to them promptly.

Responsive to your inquiry on the law, it has become increasingly clear that the statute will have a detrimental effect upon the national interest. This effect is contrary to the more recently expressed concerns of the Executive Branch as well as by members of the Congress. For example, in his historic Message to the Congress, March 16, 1972 on Science and Technology, the President stressed the need for technology advancement in solving problems not only for defense but for increased productivity in our national economy and for solution of many of our critical domestic and environmental problems which face the nation. Also in respect to the law, our member companies continue to question the need for a statutory constraint or limitation on selected segments of overhead costs and, in particular, on IR&D and B&P costs. The natural forces of competition, close management controls, and government scrutiny, assure the reasonableness of IR&D and B&J expenditure levels.

We indicated in our January 31, 1972 letter that some evidence of potentially harmful effects of the legislation and DoD's implementation were emerging. Some of these effects are now clearer as contractors continue to encounter the problems discussed below. It is urged that appropriate action be taken promptly to correct these inequities.

1. THE REPRESSIVE EFFECT OF THE REQUIREMENT FOR A POTENTIAL MILITARY RELATIONSHIP UPON HIGHLY INNOVATIVE R&D

A most serious concern regarding statutory and regulatory constraints is the repressive effect of statutory requirement that IR&D and B&P have a "potential relationship to a *military* function or operation."

Any attempt to determine the usefulness of IR&D and B&P work on the basis of a military relationship test inevitably focuses on *today's* military problems. This leads to a progessively restrictive interpretation of what constitutes "related" IR&D and B&P and therefore places undue emphasis on meeting only the known military requirements. Such a narrow interpretation is evidenced by DoD determinations that IR&D and B&P costs are not "potentially relevant" when the customer is non-military even though the product or service does not have a definite potential relationship to a military function or operation.

Additionally, the potential relationship test will materially restrain the solution of critical national domestic problems in such fields as pollution, transportation, health, and housing. Through recent activities, mentioned earlier, the legislative and executive branches have recognized that technological advance is vital to solving these domestic problems as well as providing for a strong economy, both of which impact on the security of the United States. Therefore, an anomaly exists in the military relationship test of P.L. 91–441 that, whether intended or not, seriously impedes and erodes the vital independent ingredient in contractor funded research and development programs and proposal efforts which may contribute significantly to attaining these high priority national objectives.

The GAO report of April 17, 1972 errs in its conclusion that the test requirement has had no negative effect on non-military oriented effort "because the cost of projects found to be non-related has been relatively insignificant." The report did not deal with the fact that the content of IR&D and B&P programs can be adversely affected prior to their formal submission for DoD scrutiny and evaluation. Proposed IR&D is screened-out as non-related by company management at an early stage of its IR&D program formulation in order to make its program responsive to the requirements of P.L. 91–441. It does not take long before the system becomes conditioned. Engineers and scientists will then more and more refrain from proposing work which may be difficult to prove to be "potentially related." It is this cumulative, repressive effect that industry regards as highly inimical to the national interests, and irreconcilable with increasing Congressional and Presidential concerns to stimulate the transfers of defense technology to the solution of problems in the civilian sector and to encourage private sector research and development.

In summary, the restrictive nature of the statutory requirement is contrary to broader national interest. It is strongly recommended that the statute be amended to replace the military relationship test with a requirement for potential relationship *to the interest of the U.S. Government.*

2. ARBITRARY REDUCTION OF CONTRACTOR'S PROPOSED IR&D AND B&P PROGRAM COSTS RECOVERABLE UNDER GOVERNMENT CONTRACTS

It is clear that while Congress desired an improved understanding and control of IR&D and B&P expenditures recoverable under DoD contracts, it further recognized that continuance of such efforts is in the national interest. Unfortunately, experience shows that many DoD people are laboring under the impression that Congress in desiring better "control" has, in fact, mandated a continuing yearly reduction in the national total of IR&D and B&P costs reimbursed to contractors irrespective of national needs and priorities. With this assumed "mandate" as a guide, and despite long established DoD technical evaluation criteria and allowability criteria, such reductions have been primarily accomplished by establishing internal DoD pricing objectives which result in arbitrarily imposed ceilings which often result in cost sharing of otherwise reasonably incurred and allocable IR&D and B&P expenses.

The selective use of this arbitrary technique, coupled with the threat of "failure to agree" (discussed in our letter of January 31, 1972), results in a reduction in the total amount of IR&D and B&P costs recovered under DoD contracts.

The actual dollar reductions reflect only part of the real impact of these cost reductions upon technical effort. As shown in the attached chart (TAB A), the dollar totals for IR&D and B&P have declined some 8% (in real dollars) since 1969. However, the additional effects of increased costs for labor and materials and rising overhead rates (as a consequence of the decline in business level) have combined to reduce the direct manhour effort by 24% over the three years. This serious decline in technical effort is a very disturbing trend, especially when recognized as being a reduction of a vital national resource.

In summary, in view of the growing recognition of the national need to maintain and advance technology, the inevitable attrition of technical effort due to rising costs must not be compounded by narrow interpretation of Congressional desires.

3. TECHNICAL EVALUATION OF IR&D PROGRAM

The April 17 GAO report states: "In view of the time and cost required to make onsite reviews, we believe that after a contractor's program has once been subjected to a thorough onsite review, the annual reliance thereafter on paper (brochure) reviews augmented periodically with on-site reviews, is a reasonable practice." This conclusion overlooks the fact that much time and effort are spent endeavoring to state, clearly and concisely, the objective and technical approach being pursued by a contractor's principal scientists and engineers. As a consequence, the total costs, in many cases, for brochure preparation, publications, and supporting services, far exceed the more visible costs normally associated with on-site reviews. Conversely, the lack of discussion and the corresponding need to anticipate and address the evaluator's every question, when the paper (brochure) review is the only medium of communication, usually result in inadequate reviewer understanding. Further, the government reviewer's ability to offer constructive comment on the contractor's work is limited to a sentence or two on his IR&D project evaluation form, and such comments may never reach the contractor. There is evidence that on-site evaluations results in a substantially better understanding by the government of contractor's technical activities than can be drawn solely from brochures and related data banks.

It is clearly in the national interest to provide for an effective two way flow of technical evaluation information. The use of the DoD established technical rating by the DoD negotiators in establishing dollar ceilings for IR&D work makes this imperative. Thus, the key problem to be addressed is how to obtain an economical but effective review of at least the key elements of a contractor's IR&D program. It is understood that the DoD is now considering improved ways of conducting technical evaluations, and our member companies strongly support improvement in this area.

We have not provided specific examples to support our comments since such case examples frequently would require disclosure of information which companies consider private. In all probability, some examples may have already been furnished to GAO representatives during the selected company audits now underway. However, other individual member companies of the CODSIA will be pleased to furnish your field auditors with such examples if that should be necessary.

CODSIA appreciates the opportunity to comment once again upon Section 203, P.L. 91–441 and its implementation, and to have our letter made a part of the GAO report to Congress. CODSIA representatives will be available to discuss our letter and to clarify any aspects. Please do not hesitate to contact us if you desire further information.

Very truly yours,

James G. Ellis,
Defense Liaison Department, Motor Vehicle Manufacturers Assn.
J. A. Caffiaux,
Staff Vice President, Electronic Industries Assn.
Karl G. Harr, Jr.,
President, Aerospace Industries Assn.
Joseph M. Lyle,
President, National Security Industrial Assn.
George E. Lawrence,
Executive Vice President, Scientific Apparatus Makers Assn.
Robert E. Lee,
President, National AeroSpace Services Assn.
Edwin M. Hood,
President, Shipbuilders Council of America.
John C. Beckett,
WEMA.

Appendix III

RECOMMENDATIONS ON IR&D AND B&P AND DISSENTING POSITIONS AS SUMMARIZED BY THE COMMISSION ON GOVERNMENT PROCUREMENT

Recommendation 10. Recognize in cost allowability principles that independent research and development (IR&D) and bid and proposal (B&P) expenditures are in the Nation's best interests to promote competition (both domestically and internationally), to advance technology, and to foster economic growth. Establish a policy recognizing IR&D and B&P efforts as necessary costs of doing business and provide that:

(a) IR&D and B&P should receive uniform treatment, Government-wide, with exceptions treated by the Office of Federal Procurement Policy.

(b) Contractor cost centers with 50 percent or more fixed-price Government contracts and sales of commercial products and services should have IR&D and B&P accepted as an overhead item without question as to amount. Reasonableness of costs for other contractors should be determined by the present DOD formula with individual ceilings for IR&D and B&P negotiated and trade-offs between the two accounts permitted.

(c) Contractor cost centers with more than 50 percent cost-type contracts should be subject to a relevancy requirement of a potential relationship to the agency function or operation in the opinion of the head of the agency. No relevancy restriction should be applied to the other contractors.

Dissenting position 1

A number of Commissioners[1] do not support the concept presented as the Commission position, although they accept the opening paragraph and subparagraph (a) of Recommendation 10. They believe that the propriety and feasibility of subparagraphs (b) and (c) are questionable. Their opinion is that subparagraph (b), if adopted, would result in increased costs of between $50 million and $100 million annually. Furthermore, it may encourage contractors to realign their organizations in order to quality under the 50-percent rule, thus leading to even greater annual DOD costs for IR&D.

Under subparagraph (c), a number of small companies (particularly those engaged in research and development work) may fail to qualify under the 50-percent rule and thus would become subject to the test of relevancy. They conclude that this subparagraph would complicate administration of the program and would penalize these small business firms.

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[1] Commissioners Chiles, Holifield, Horton, Staats, and Webb.

Dissenting Position 1 is intended to retain the current DOD procedure covering IR&D and B&P costs, which was adopted pursuant to Section 203 of the Fiscal Year 1971 Military Procurement Authorization Act. Subparagraph (d) was added in the dissenting position to enable the Government to obtain assurance that IR&D and B&P costs are allowable, as explained below.

Dissenting Recommendation 10. Recognize in cost allowability principles that IR&D and Bid and Proposal expenditures are in the Nation's best interests to promote competition (both domestically and internationally), to advance technology, and to foster economic growth. Establish a policy recognizing IR&D and B&P efforts as necessary costs of doing business and provide that:

(a) IR&D and B&P should receive uniform treatment, Government-wide, with exceptions treated by the Office of Federal Procurement Policy.

(b) Allowable projects should have a potential relationship to an agency function or operation in the opinion of the agency head. (These will be determined in the negotiation of advance agreements with contractors who received more than $2 million in IR&D and B&P payments during their preceding fiscal year.)

(c) Agency procurement authorization and appropriation requests should be accompanied by an explanation as to criteria established by the agency head for such allowances as well as the amount of allowances for the past year.

(d) A provision should be established whereby the Government would have sufficient access to the contractor's records for its commercial business to enable a determination that IR&D and B&P costs are allowable.

(e) In all other cases, the present DOD procedure of a historical formula for reasonableness should be continued.

(f) Nothing in these provisions shall preclude a direct contract arrangement for specific R&D projects proposed by a contractor.

Dissenting Position 2

One commissioner [2] believes that in addition to the prime and dissenting recommendations mechanisms exist that, if adequately explored, may offer reasonably acceptable solutions to the IR&D dilemma.

He believes the current IR&D process is an attempt to balance the need to stimulate innovation against the need for reasonable control over the funds channeled into such R&D endeavor, and the argument that funds spent to finance IR&D effort cycle back into the economy is in many ways valid and desiring of much broader understanding.

To meet this objective he proposes eleven alternative devices that should be explored on a test case basis, either singly or in various combinations, by various agencies to determine their suitability as mechanisms to replace the current IR&D and B&P procedure. Commissioner Sampson also recommends that these alternatives be explored.

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[2] Commissioner Sanders.

APPENDIX IV

SUMMARY OF PERTINENT I.R. & D. AND B. & P. COST INFORMATION FOR THE 7 CONTRACTORS REVIEWED

[Dollar amounts in millions]

Contractor, responsible negotiating organization, and year	Month of final agreement: Month	Month of final agreement: Year	Proposed program	Negotiated ceiling: Amount	Negotiated ceiling: Percent of program
A—Army:					
1970	May	1970	$39	$37	94
1971	October	1971	39	37	94
1972	April	1972	39	34	87
B—Navy:					
1970	August	1970	34	31	90
1971	August	1971	35	31	89
1972	June	1972	35	33	93
C—Navy:					
1970	June	1970	9	8	85
1971	March	1971	7	7	99
1972	March	1972	9	8	89
D—Air Force:					
1970	March	1970	45	35	76
1971	December	1971	$35	$28	81
1972	April	1972	39	34	86
E—Air Force:					
1970	August	1970	31	26	83
1971	June	1971	32	26	81
1972	December	1971	32	28	87
F—Air Force:					
1970	December	1970	6	6	89
1971	December	1971	7	6	82
1972	November	1972	11	7	66
G—Defense Supply Agency:					
1970	December	1970	3	2	61
1971	December	1971	6	5	84
1972	July	1972	6	6	100

APPENDIX IV

SUMMARY OF PERTINENT I.R. & D. AND B. & P. COST INFORMATION FOR THE 7 CONTRACTORS REVIEWED—Continued

[Dollars in millions]

Technical evaluation: Score	Technical evaluation: Scale used	Sales[1]: Total sales	Sales[1]: DOD sales	Sales[1]: DOD percent	Percentage of ceiling to total sales
Not available	Not available	$758	$577	76	5
2.4	4 point	758	583	77	5
Not available	Not available	780	645	83	4
(2)	(2)	973	739	76	3
(2)	(2)	770	618	80	4
(2)	(2)	740	596	81	4
54.8	100 point	103	72	70	8
63.0	100 point	116	69	60	6
7.12	10 point	165	95	58	5
3.68	5 point	409	288	70	9
3.70, 6.50	5 and 10 point	513	413	81	5
Not available	10 point	745	562	75	5
3.7	5 point	760	735	97	3
3.62	5 point	714	673	94	4
6.41	10 point	647	600	93	4
3.56	5 point	176	173	98	3
3.44, 6.09	5 and 10 point	166	161	97	4
7.55	10 point	216	212	98	3
3.0	5 point	73	52	72	3
3.0	5 point	75	53	71	7
2.7	5 point	80	56	70	8

[1] 1972 sales are estimates.

[2] A composite technical evaluation score was *not furnished* to the Navy contractor negotiator.

Mr. McINTYRE. Mr. President, I have introduced a substantial volume of information for the RECORD which will be available for the convenience of the Senate. However, at this time I would like to summarize the significance of these documents and highlight their contents.

First, to summarize the financial data reported by the Department of Defense, the amount of payments to contractors for I.R. & D. and B. & P., and including OTE for comparability, as reported a year ago, was $754 million for 1969, $714 million for 1970, and $673 million for 1971. The Department of Defense estimated that 1972 would be within a few percentage points of the amount reported for 1971.

The revised amount for 1971 is $668 million, which is approximately the same as the $673 million estimated for 1971 last year, and covers 77 contractors. On a comparable basis, the current estimate for 1972, covering the same 77 contractors, amounts to $738 million, an increase of $70 million over 1971. The Department of Defense has provided an analysis titled "Comparison of 1971–72 I.R. & D., B. & P., OTE and Reconciliation of Differences." I ask unanimous consent that this analysis be printed at this point in the RECORD.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

COMPARISON OF 1971–72 I.R. & D., B. & P., OTE AND RECONCILIATION OF DIFFERENCES

[In millions of dollars]

	1971 preliminary, 84 contractors	1971 final, 77 contractors	1972, 77 contractors	1971–72 difference (decrease), (7) contractors
I.R. & D. + B. & P.-DOD share	$627	$619	$704	$85
OTE costs-DOD share	46	49	34	(15)
Total-DOD share	673	668	738	70

Reconciliation of differences

IR&D+B&P+OTE:	
Difference in Total DOD Share 1971 to 1972	$70
Less: Increase due to burdening in 1972	$32
Net increase in IR&D/B&P due to increased expenditures	$38
Percent of increase over 1971 (38÷668)	5.7
IR&D+B&P (excludes OTE):	
Difference in Total DOD share 1971 to 1972	$85
Less: Increase due to burdening	$32
Increase due to reclassifying OTE expenses to IR&D/B&P	$12.44
Net increase due to increased expenditures	$41
Percent of increase over 1971 (41÷619)	6.6

1. Part 2 of the IR&D/B&P Report to Congress provides data on the IR&D/B&P costs of defense contractors and the amounts reimbursed by the Department of Defense (DOD share). The report furnished a year ago covered 84 contractors while the report furnished this past March included information on 77. The reduction from 84 to 77 is due to the fact that in 1972 fewer contractors either incurred $15 million or more of auditable cost or required 4000 or more manhours of DCAA audit effort.

2. The report of last year (84 contractors) showed that for 1971 the DOD share for IR&D/B&P was $627 million. In addition, information on OTE was also furnished showing a DOD share of $46 million. This made a total of $673 million.

3. In the report recently furnished the 1971 data was updated. This later information shows the DOD share of IR&D/B&P to be $619 million as compared to the $627 million above. The change reflects not only revised information but the reduced number of contractors. Information on OTE also has been updated and shows the DOD share to be $49 million as compared to $46 million. Thus the updated total for DOD share of IR&D/B&P/OTE is $668 million.

4. The 1972 data furnished in the latest report shows the IR&D/B&P share for DOD to be $704 million. Information received on OTE shows the DOD share to be $34 million. Adding this to the IR&D/B&P makes a total of $738 million as compared to the $668 million for 1971. These figures ($738 million for 1972 and $668 million for 1971) are directly comparable since they pertain to the same 77 contractors.

5. The increase in the total IR&D/B&P/OTE from 1971 to 1972 is caused by two factors. The first is an increase of $32 million in burdening as explained in note "A" on page 1 of the DCAA report. The remainder, $38 million, reflects some increased expenditures of contractors for IR&D and B&P and a slight decrease in OTE expenditures. The net effect is a 5.7% increase, but the validity of this comparison is questionable since IR&D/B&P costs include some OTE costs that do not relate to IR&D/B&P costs. A better comparison would be to consider only the IR&D/B&P costs for each year.

6. The difference between IR&D/B&P costs for 1971 and 1972 is $85 million when OTE is excluded. Analysis of this increase shows that it includes the $32 million of additional burden as discussed above and also includes $12 million that has been reclassified from OTE to IR&D/B&P. The remaining $41 million represents increased expenditures for IR&D and B&P or a 6.6% increase of these costs over 1971. It appears reasonable to conclude that the 6.6% is about the amount required to offset increases caused by inflation.

7. It will be noted that while these increases for burdening, for OTE reclassification, and for inflation were taking place, contractors were experiencing a reduction in sales, both to the government and to other contractors. This smaller base for distributing costs caused the ratio of IR&D/B&P costs to sales to increase. In the short term, such fluctuations are to be expected, but when contractors do not demonstrate the ability to find new business, subsequent IR&D/B&P ceilings negotiated by the DOD will have to be reduced to a level corresponding to the lower levels of business activity.

8. The present cost principles with their revised definitions of IR&D and B&P are proving to be effective in causing OTE to be purged of IR&D and B&P type costs. These new cost principles became effective for most contractors in 1972. In some few cases the new cost principles did not become effective until 1973. In any event all contractors are now required to comply with these regulations. Under the circumstances, IR&D or B&P expenses are not expected to be found classified under other account names (generally referred to as OTE) in the future. If they are, the costs will be reclassified into the IR&D or B&P accounts before they are considered for allowance.

9. With IR&D and B&P costs properly classified there is no longer any reason to continue gathering information under the heading of "Other Technical Effort" (OTE). The term is not well defined, but vaguely refers to a wide variety of overhead efforts that require some type of technical support. The DCAA has therefore planned to discontinue accumulating this information in the future.

Mr. McINTYRE. Mr. President, from this DOD analysis it is apparent that the relationship between the 1971 and 1972 amounts is much closer than a simple comparison of dollar amounts would indicate. In fact, the Department of Defense advises informally that aside from increases due to inflation, the estimate for calendar year 1973 should approximate that reported for 1972.

It is also noteworthy that total expenditures for 1972 of $738 million are lower than the $754 million reported for 1969. If inflation is taken into account, the amount for 1972 would be significantly lower than this $16 million difference.

The Department of Defense also states that no significant policy changes have been made involving implementation of the I.R. & D./B. & P. legislation, and the existing policies are resulting in full compliance with the law.

Mr. President, let me quote the recommendations made in the General Accounting Office report concerning matters to be considered by the Armed Services Committee, and I quote:

> In its prior report, GAO suggested that the Congress clarify section 203. Since then, however, the Government's support of IR&D and B&P has been the subject of several intensive studies.
>
> "GAO does not recommend that any changes be made in the law at this time, pending thorough consideration of the results of these studies and the suggestions for improvements and alternative actions which emanated from them. GAO plans to use these studies and to continue its examination of the area, considering such matters as:
>
> Recommendations on IR&D and B&P by the Commission on Government Procurement and dissenting positions.
>
> Recommendations from a study by DOD's IR&D Policy Council.
>
> Possible inequities to the Government when contractors develop products under IR&D programs in defense/space cost centers and market them in commercial cost centers.
>
> Concerns of industry that some smaller companies receive inequitable treatment.
>
> Alternative means of insuring equitable allocation of IR&D and B&P costs.
>
> Upward trends in contractors' B&P expenditures and a corresponding reduction in innovative IR&D, which could possibly adversely affect the national industrial technology base."

Mr. President, from the volume of material that I have provided for the RECORD, and from the statements that I have made it is clear that substantial and satisfactory progress has been made during the past year in further implementing the provisions of section 203. It is also clear, however, that while there is general satisfaction to date in the Department of Defense and in industry, with some qualifications, as stated in the GAO report, additional time is needed to complete the implementing actions and acquire more experience as a basis for any changes which may be indicated as necessary to existing law. The General Accounting Office is in agreement with the need for additional time, and has expressed its intention to continue with its examination of this subject.

I will continue to monitor the performance of the Department of Defense and report to the Senate as appropriate.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is concluded.

ORDER FOR TIME LIMITATION ON S. 590

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at such time as S. 590, a bill to require that future appointments of certain officers in the Executive Office of the President be subject to confirmation by the Senate, is called up and made the pending business before the Senate, there will be a time limitation thereon of 2 hours, to be equally divided between the Senator from Illinois (Mr. PERCY) and the Senator from Missouri (Mr. SYMINGTON); that there be a time limitation on any amendments, debatable motions, and appeals of one-half hour on each, and that all time be divided and controlled in accordance with the usual form.

The PRESIDING OFFICER. Without objection, it is so ordered.

The text of the unanimous-consent agreement reads as follows:

Ordered, That, during the consideration of S. 590, a bill to require that future appointments of certain officers in the Executive Office of the President be subject to confirmation by the Senate, debate on any amendment, debatable motion, or appeal shall be limited to 30 minutes, to be equally divided and controlled by the mover of such and the manager of the bill: *Provided*, That in the event the manager of the bill is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or his designee.

Ordered further, That on the question of the final passage of the said bill debate shall be limited to 2 hours, to be equally divided and controlled, respectively, by the Senator from Illinois (Mr. Percy) and the Senator from Missouri (Mr. Symington).

ORDER FOR TIME LIMITATION ON S. 70

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at such time as S. 70, a bill to promote commerce and establish a Council on Energy Policy, is called up and made the pending business before the Senate, there be a time limitation for debate thereon of 2 hours, the time to be equally divided and controlled between the Senator from South Carolina (Mr. Hollings) and the Senator from New Hampshire (Mr. Cotton); that the time on any amendment thereto, debatable motion or appeal be limited to 30 minutes; provided, however, that on an amendment by the Senator from Minnesota (Mr. Humphrey), there be a 1-hour limitation, the time to be equally divided between the mover of the amendment and the manager of the bill, the Senator from South Carolina (Mr. Hollings), and that all time be divided and controlled in accordance with the usual form.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR TIME LIMITATION ON REA FINANCING CONFERENCE REPORT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on the conference report on the REA Finance bill there be a time limitation of 20 minutes, to be equally divided between and controlled by the distinguished Senator from South Dakota (Mr. McGovern) and the distinguished Senator from Vermont (Mr. Aiken).

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR GRIFFIN TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow, after the two leaders or their designees have been recognized under the standing order, the distinguished Senator from Michigan (Mr. Griffin) be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR CONSIDERATION OF THE REA CONFERENCE REPORT AND A VOTE THEREON TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that, following the remarks of the Senator from Michigan (Mr. Griffin) on tomorrow, the Senate proceed to the consideration of the conference report on the REA financing bill and that a vote occur on that conference report at 11:45 a.m.

This would mean, Mr. President, that quite possibly there would be a little more than 20 minutes on the conference report.

Mr. President, I, therefore, modify the time limitation on the conference report to provide that the time limitation on the debate on the conference report be limited to not less than 20 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR CONSIDERATION OF LEAD-BASED PAINT POISONING PREVENTION ACT TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that, following the vote on the motion to invoke cloture on tomorrow—in the event the motion to invoke cloture does not prevail—the Senate proceed to the consideration of Calendar No. 121, a bill to amend the Lead-Based Paint Poisoning Prevention Act, and that upon the disposition of that bill, the Senate proceed to the consideration of Calendar No. 122, a bill to establish a National Institute on Health Delivery Care; that the unfinished business be temporarily laid aside and remain in a temporarily laid aside status until the close of business tomorrow or until Calendar No. 122 has been disposed of, whichever is the earlier.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, it is my understanding that there is no opposition to either of these bills, Calendar No. 121 or Calendar No. 122, and that in reality they were cleared for unanimous consent action. However, the author of the bill, S. 607, has a statement he wishes to make on the bill.

It may very well be that statements would also be made on the second bill, S. 723, Calendar No. 122.

Mr. President, I have no further unanimous-consent requests at this time.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the program for tomorrow is as follows:

The Senate will convene at 11 a.m. After the two leaders or their designees have been recognized under the standing order, the distinguished assistant Republican leader, the Senator from Michigan (Mr. Griffin), will be recognized for not to exceed 15 minutes.

At no later than the hour of 11:25 a.m., the Senate will proceed to the consideration of the conference report on the REA financing measure.

A vote will occur on the adoption of the conference report at 11:45. That vote, although the yeas and nays have not been ordered, will be a rollcall vote. The time for the vote, being 15 minutes, will expire at 12 o'clock noon.

At the hour of 12 o'clock noon, the Senate will resume its consideration of the unfinished business, S. 352, the so-called Voter Registration Act, and the 1 hour for debate on the motion to invoke cloture will begin running at 12 o'clock noon. At 1 p.m., a mandatory quorum call will begin. Upon the establishment of the presence of a quorum, the Senate will then proceed to the automatic vote on the motion to invoke cloture. That vote will occur at 10 or 15 minutes after 1 p.m. tomorrow.

If the vote on the motion to invoke cloture should fail, the Senate will then proceed to the consideration of S. 607, an amendment to the Lead-Based Paint Poisoning Prevention Act. That bill will be followed by S. 723, a bill to establish a National Institute of Health Care Delivery. Other business may also be transacted tomorrow.

The unfinished business will remain in a temporarily laid aside status until the disposition of those two measures or until the close of business tomorrow, whichever is the earlier.

If the motion to invoke cloture is adopted, the Senate will then proceed to the consideration of the unfinished business, in accordance with the rule, to the exclusion of other business.

ADJOURNMENT TO 11 A.M.

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 11 a.m. tomorrow.

The motion was agreed to; and at 5:48 p.m., the Senate adjourned until tomorrow, Wednesday, May 9, 1973, at 11 a.m.

NOMINATIONS

Executive nominations received by the Senate May 8, 1973:

Diplomatic and Foreign Service

Charles S. Whitehouse, of Virginia, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of Laos.

In the Marine Corps

First Lt. William D. Rusinak, U.S. Marine Corps, for appointment to the grade of captain.

In the Air Force

The following-named officers for promotion in the U.S. Air Force, under the appropriate provisions of chapter 839, title 10, United States Code, as amended:

LINE OF THE AIR FORCE

Major to lieutenant colonel

Aaron, George B., [redacted].
Abbott, Joseph S., Jr., [redacted].
Abel, Jerry L., [redacted].
Abel, David R., [redacted].
Abernathy, John B., [redacted].
Acker William L., Jr., [redacted].
Adams, Floyd P., [redacted].
Adams, James H., [redacted].
Adams, Robert S., [redacted].
Adams, Thomas R., [redacted].
Adams, Willis A., [redacted].
Adcox, Alfred W., [redacted].
Agnor, Albert S., III, [redacted].
Ahlborn, John F., [redacted].
Aho, Arthur C., Jr., [redacted].
Akerlund, Edward T., [redacted].
Akers, Ronald L., [redacted].
Akin, John C., [redacted].
Albertson, Robert L., [redacted].
Albrecht, John R., [redacted].
Albrecht, Ronald L., [redacted].
Alewine, Martin A., Jr., [redacted].
Alexander, Fernando, [redacted].
Alexander, Jack L., [redacted].
Alexander, Jimmie M., [redacted].
Alley, Gerald W., [redacted].
Allington, Maynard F., [redacted].
Allred, Ralph L., [redacted].
Allsman, Gerald F., [redacted].
Ames, Ivan G., [redacted].
Anderson, Alan H., [redacted].
Anderson, Arthur H., [redacted].
Anderson, Calvin C., [redacted].
Anderson, Dana R., [redacted].
Anderson, Floyd R., [redacted].
Anderson John S., [redacted].
Anderson, Marcus A., [redacted].
Anderson, Neil R., [redacted].
Anderson, Philip J., [redacted].
Anderson, William G., [redacted].

Andrews, John F., [redacted].
Andrews, Leonard E., [redacted].
Anessi, Thomas J., [redacted].
Angell, Jerry W., [redacted].
Anonsen, Charles E., [redacted].
Applegate, James E., [redacted].
Armistead, Samuel E., Jr., [redacted].
Armstrong, Wallace O., [redacted].
Arnau, Robert R., [redacted].
Arnold, Albert G., [redacted].
Ashley, Clifford B., [redacted].
Ashley, Donald L., [redacted].
Atkinson, Corinne G., [redacted].
Atterberry, Edwin L., [redacted].
Aunan, Wallace N., [redacted].
Ayres, James H., [redacted].
Baca, Manuel J., Jr., [redacted].
Bache, Ronald H., [redacted].
Baer, Richard T., [redacted].
Bagwell, Robert E., [redacted].
Bailey, Bruce M., [redacted].
Baird, Orville B., [redacted].
Baird, Richard L., [redacted].
Baker, Charles L., [redacted].
Baker, Duane A., [redacted].
Baker, William E., [redacted].
Bale, William F., [redacted].
Ball, James P., [redacted].
Bald, Ronald L., [redacted].
Baltzell, Robert E., [redacted].
Banholzer, Alfred E., II, [redacted].
Banner, Hastings W., [redacted].
Bannon, Paul W., [redacted].
Banta, John W., [redacted].
Barbay, Lawrence, [redacted].
Barbel, Richard C., [redacted].
Barckhoff, Richard L., [redacted].
Barger, James S., [redacted].
Barger, Philip J., [redacted].
Barikmo, Norman M., [redacted].
Barker, Cole W., [redacted].
Barlow, Robert C., [redacted].
Barndt, Stephen E., [redacted].
Barnes, John C., [redacted].
Barnes, Thomas B., [redacted].
Barnes, William A., [redacted].
Barnette, Benjamin H., Jr., [redacted].
Barnt, Pat E., [redacted].
Barnum, Charles W., Jr., [redacted].
Barrett, Archie D., [redacted].
Barrett, John C., [redacted].
Barry, Daniel P., [redacted].
Bartels, Allan E., Jr., [redacted].
Bartlett, Ronald A., [redacted].
Bartlett, Russell H., [redacted].
Basel, Gene I., [redacted].
Bass, Stanley A., [redacted].
Bates, John A., [redacted].
Bates, Neil G., [redacted].
Bathke, Robert K., [redacted].
Batts, James S., [redacted].
Baumann, Paul K., [redacted].
Baumann, Walter G., [redacted].
Bavousett, Conrad L., [redacted].
Baxter, Robert H., [redacted].
Bays, Brooks G , [redacted].
Beale, Robert E., [redacted].
Beck, Lyle A., [redacted].
Beckett, Ronald C., [redacted].
Beckham, Donald D., [redacted].
Beeble, Peter, [redacted].
Beers, Alva E., [redacted].
Belcher, Ronald H., [redacted].
Belford, Willis A., Jr., [redacted].
Bell, William D., [redacted].
Belles, Robert G., [redacted].
Benet, Lorenzo P , Jr., [redacted].
Bennett, William T , Jr., [redacted].
Benson, Frederick J. R., [redacted].
Bergman, Erwin, [redacted].
Bergstein, Robert A., [redacted].
Bernd, David P., [redacted].
Bernert, George W., [redacted].
Bethea, Herman R., [redacted].
Beyer, Douglas A., [redacted].
Bigelow, Daniel J., [redacted].
Bigham, Larry J., [redacted].
Billy, George J., [redacted].
Binford, Richard L., [redacted].
Bingham, Jack E., [redacted].
Birchman, Clifton A., [redacted].
Bird, John R., [redacted].
Birt, Joseph A., [redacted].
Bischoff, Keith M., [redacted].
Bishop, Erastus N., [redacted].
Bishop, Richard F., [redacted].
Bishop, Warren E., [redacted].
Bithell, Wayne, [redacted].
Bitton, John B., [redacted].
Bjornson, Loren F., [redacted].
Blackwell, James R., [redacted].
Blair, George A., [redacted].
Blaisdell, Allan C., [redacted].
Blaker, William A., [redacted].
Blanch, Claude, C., [redacted].
Blankenship, Jesse L., [redacted].
Blanton, William, I., Jr., [redacted].
Blaufuss, Philipp R., [redacted].
Blaylock, Bobby G., [redacted].
Blom, Roger L., [redacted].
Boatwright, Charles A., [redacted].
Bohlen, George A., [redacted].
Bond, Doyle H., Jr., [redacted].
Bond, Parker L., [redacted].
Bond, Robert L., [redacted].
Bond, Ronald A., [redacted].
Bonner, William T., Jr., [redacted].
Bonnette, John C., [redacted].
Borland, Jack G., [redacted].
Boston, Leo S., [redacted].
Boulware, Robert H., [redacted].
Bourcier, Lucien E., [redacted].
Bourgeois, Gerald F., [redacted].
Bowen, Phillip K., [redacted].
Bower, James N., [redacted].
Bowlden, Max S., [redacted].
Bowles, Neil H., [redacted].
Bowman, Robert M., [redacted].
Boyd, John T., [redacted].
Bozeman, Gerald E., [redacted].
Bracken, Edward R., [redacted].
Bradach, Bernard, [redacted].
Bradberry, Harold E., [redacted].
Bradbury, John N., [redacted].
Braden, Robert H., [redacted].
Bradley, Bruce V., [redacted].
Bradley, Edgar A., [redacted].
Bradley, Martin G., [redacted].
Bradley, Mitchell H., [redacted].
Bradshaw, John B., [redacted].
Brahan, Marvin L., [redacted].
Branan, Carl K., [redacted].
Branby, Harlan E., [redacted].
Branch, James A., [redacted].
Branch, Leonard J., [redacted].
Brandau, Robert E., [redacted].
Brandli, Henry W., [redacted].
Branham, Ruel K., [redacted].
Brant, Raymond F., [redacted].
Brashear, William J., [redacted].
Braun, Cecil O., [redacted].
Brazelton, Douglas W., [redacted].
Breaud, Alfred A. Jr., [redacted].
Brecher, James D., [redacted].
Breedlove, William D, Ill. [redacted].
Brees, Anton D., [redacted].
Brestel, Max C., [redacted].
Brewer, George A. III, [redacted].
Bridges, John R., [redacted].
Briggs, Roger M., [redacted].
Bright, Mahrlon R., [redacted].
Brininstool, Edward P., [redacted].
Britos, Peter J., [redacted].
Brittain, Charles R., [redacted].
Broberg, Paul W., [redacted].
Brockman, Lawrence E. Jr., [redacted].
Brog, David, [redacted].
Brookbank, David A., [redacted].
Brooks, Donald L., [redacted].
Brooks, Kenneth L., [redacted].
Brooks, Richard L., [redacted].
Brooks, William W., [redacted].
Broske, Bernard J., [redacted].
Broussard, Ray E., [redacted].
Brown, Billy J., [redacted].
Brown, Charles L., [redacted].
Brown, Clarence E. Jr., [redacted].
Brown, Donald N., [redacted].
Brown, James T. Jr., [redacted].
Brown, Ralph L., [redacted].
Brown, Richard A., [redacted].
Brown, Richard C., [redacted].
Brown, Robert M., [redacted].
Brown, Troy M., [redacted].
Brown, Walter T., Jr., [redacted].
Bruce, Robert B., [redacted].
Brunton, Jack D., [redacted].
Bucciarelli, Marco A., [redacted].
Buckland, Frank P., Jr., [redacted].
Bucko, Edward P., [redacted].
Buddi, John F., Jr., [redacted].
Budzowski, Benjamin M., [redacted].
Buglewicz, Francis J., Jr., [redacted].
Bumgarner, Robert R., [redacted].
Burbey, Gene P., [redacted].
Burer, Arthur W., [redacted].
Burger, Jack T., [redacted].
Burke, Donald M., [redacted].
Burkett, Theodore J., [redacted].
Burnthorne, Bryan R., [redacted].
Burton, Kenneth E., [redacted].
Busbee, John H., [redacted].
Bush, Clarence H., Jr., [redacted].
Bush, Kenneth, [redacted].
Bussell, Gerald Q., [redacted].
Bustle, Lawrence E., Jr., [redacted].
Butcher, Donald S., [redacted].
Butcher, Paul C., [redacted].
Butera, James L., [redacted].
Butkewicz, Peter J., [redacted].
Butler, Gregory J., [redacted].
Butler, Henry M., III, [redacted].
Butschek, Robert J., [redacted].
Byrd, William C., [redacted].
Byrus, Robert L., [redacted].
Cable, Dick A., [redacted].
Cahoon, John E., Jr., [redacted].
Caldwell, Troy L., [redacted].
Caley, Don C., [redacted].
Calkin, Maynard S., Jr., [redacted].
Callis, David M., [redacted].
Calvert, Donald R., [redacted].
Cameron, Alex D., [redacted].
Campbell, Ralph N., [redacted].
Canney, Paul J., [redacted].
Cannon, Daniel P., [redacted].
Canterbury, George A., Jr., [redacted].
Caras, Franklin A., [redacted].
Cardosi, John C., [redacted].
Carleton, Joseph M., Jr., [redacted].
Carlson, Milo L., [redacted].
Carlton, James E., [redacted].
Carney, Jack L., [redacted].
Carr., Benny M., [redacted].
Carr, Bruce L., [redacted].
Carr, Richard E., [redacted].
Carroll, Gary K., [redacted].
Carroll, Harvey C., Jr., [redacted].
Carson, Harold E., Jr., [redacted].
Carson, James D., [redacted].
Carter, Donald M., [redacted].
Carter, William T., [redacted].
Cassell, Gerald G., [redacted].
Cassidy, Philip E., [redacted].
Castleberry, Allan R., [redacted].
Cataldi, Robert R., [redacted].
Cattee, Eugene P., [redacted].
Caven, Charles A., [redacted].
Cavoli, Chester C., [redacted].
Chadwick, Peter D., [redacted].
Chambers, Jerry L., [redacted].
Chambers, William R., [redacted].
Chaney, Clyde, [redacted].
Chaney, Robert E., [redacted].
Chansler, William A., [redacted].
Chapin, Charles T., [redacted].
Chapman, George E., [redacted].
Charles, Cecil M., [redacted].
Chase, Arthur L., [redacted].
Chase, Franklin L., [redacted].
Chase, Paul N., [redacted].
Chason, Lloyd R., [redacted].
Chatfield, George A., Jr., [redacted].
Chavez, Gabriel V., [redacted].
Ching, Norman Y. S., [redacted].
Chiorino, Silvio B., [redacted].
Choate, Robert N., [redacted].
Chrisman, Clifford C., [redacted].
Christensen, Gary W., [redacted].
Christensen, Richard W., [redacted].
Christensen, Russell N., [redacted].
Christie, Vernon W., Jr., [redacted].
Christman, Donald O., [redacted].
Christy, Frank J., [redacted].
Chubbuck, Robert M., [redacted].
Church, Larry D., [redacted].
Ciambrone, Thomas W., [redacted].

Cimini, Guido J., [redacted].
Clair, Carl F., [redacted].
Clarey, Wilbur B., [redacted].
Clark, Arthur C., [redacted].
Clark, Charles R., [redacted].
Clark, Chester G., [redacted].
Clark, Don A., [redacted].
Clark, Gaylord W., [redacted].
Clark, Henry F., [redacted].
Clark, Milton M., [redacted].
Clark, Phillip D., [redacted].
Clark, Richard R., [redacted].
Clark, Robert N., [redacted].
Clarke, David K., [redacted].
Clarke, Herbert P., [redacted].
Claymore, Paul T., [redacted].
Cleary, Patrick J., [redacted].
Clements, Douglas M., [redacted].
Clever, Larry A., [redacted].
Cobeil, Earl G., [redacted].
Cochrane, John H., [redacted].
Coffey, Robert T., [redacted].
Coil, James R., [redacted].
Colburn, Gerry R., [redacted].
Cole, Alan B., [redacted].
Colebaugh, Norman L., [redacted].
Coleman, Charles E., [redacted].
Colglazier, Benton W., [redacted].
Collier, Edward M., [redacted].
Collins, Jesse E., Jr., [redacted].
Collins, Thomas S., [redacted].
Collipi, Thomas S., [redacted].
Colter, Craig G., [redacted].
Colyer, James A., [redacted].
Comley, Ronald E., [redacted].
Condon, James C., [redacted].
Cone, Ronald L., [redacted].
Connet, David C., [redacted].
Conover, John A., [redacted].
Conran, Philip J., [redacted].
Conry, James M., [redacted].
Cook, Lee R., [redacted].
Cook, Margaret E., [redacted].
Cooke, Ralph M., [redacted].
Cool, Gary D., [redacted].
Cooley, Robert B., [redacted].
Coolidge, John K., [redacted].
Cooney, Joseph E., [redacted].
Coons, Ezra D., [redacted].
Cooper, Leroy D., [redacted].
Cooper, Sheldon H., [redacted].
Coppi, Quintin J., [redacted].
Corder, Charles V., Jr., [redacted].
Corley, Parris L., [redacted].
Cornelius, William H., Jr., [redacted].
Cornell, David M., [redacted].
Corrada, Candido J., [redacted].
Corry, George R., [redacted].
Costello, Raymond P., [redacted].
Cothran, Thurman D., Jr., [redacted].
Couch, Willard A., Jr., [redacted].
Coutlakis, Gus J., [redacted].
Couture, Marcel A., [redacted].
Cowles, John H., [redacted].
Cox, Billy W., [redacted].
Cox, James W., [redacted].
Coyle, Harold S., Jr., [redacted].
Craft, Richard L., [redacted].
Craig, James T., Jr., [redacted].
Craig, Michael P., [redacted].
Craigo, Bobby L., [redacted].
Crandall, Donald C., [redacted].
Crist, Robert B., [redacted].
Critchley, Harry R., Jr., [redacted].
Crook, Richardson H., [redacted].
Cross, Charles A., [redacted].
Cross, Richard W., [redacted].
Crotts, Larry W., [redacted].
Crowley, Harry L., Jr., [redacted].
Crowley, Richard T., [redacted].
Croxton, Donovan C., [redacted].
Crum, Fred B., [redacted].
Crumroy, Otto F., Jr., [redacted].
Cruson, James E., [redacted].
Culbreth, Winton W., [redacted].
Cunningham, William F., Jr., [redacted].
Cuny, Leroy G., [redacted].
Curtis, Alan M., [redacted].
Curtis, Frank W., [redacted].
Cushenberry, Anthony S., [redacted].
Custer, Gomer C., [redacted].
Cutler, Harold G., [redacted].
Cyrus, Jack R., [redacted].
Dabrowski, Charles T., [redacted].
Dahl, Arne H., [redacted].
Dallenbach, Donald A., [redacted].
Dalton, Donald J., [redacted].
Damoth, Donald R., [redacted].
Daniels, Preston J., [redacted].
Darcey, Edward H., [redacted].
Daughtrey, Robert N., [redacted].
Davey, Thomas J., Jr., [redacted].
Davidson, Alfred H., III, [redacted].
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Schira, John A., Jr., xxx-xx-xxxx.
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Schmidheiser, Clarence A., [redacted].
Schmidt, Francis J., [redacted].
Schmidt, Frank J., Jr., [redacted].
Schneider, John R., [redacted].
Schob, Walter J., Jr., [redacted].
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Scholz, Joachim E., [redacted].
Schoonover, Donald J., [redacted].
Schornak, Thomas R., [redacted].
Schoeder, John G., [redacted].
Schuessler, Patricia A., [redacted].
Schuler, Erich E., [redacted].
Schultz, Sterling E., [redacted].
Schurr, Roger D., [redacted].
Schwalm, C. Bickard, [redacted].
Schwartz, Thomas, [redacted].
Schwehm, Paul J., [redacted].
Schweigerdt, David H., [redacted].
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Scott, Glyndon V., [redacted].
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Scow, Roger D., [redacted].
Scrivano, Peter J., [redacted].
Seaton, John D., [redacted].
Seats, John H., [redacted].
See, Marion J., Jr., [redacted].
Seech, John R., [redacted].
Seely, Richard R., [redacted].
Segrest, Claude H., Jr., [redacted].
Seh, Robert H., Jr., [redacted].
Seifert, William K., [redacted].
Seinwill, Ronald W., [redacted].
Sentman, Lyle A., [redacted].
Senyk, Joseph M., [redacted].
Serur, John, [redacted].
Severance, Donald M., Jr., [redacted].
Shackelford, Billy F., [redacted].
Shanahan, Joseph F., [redacted].
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Shannon, Donald H., [redacted].
Sharp, James C., [redacted].
Shaw, Russell E., [redacted].
Shearer, Edwin H., [redacted].
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Shelton, Richard L., [redacted].
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Shepherd, Glade E., [redacted].
Shepherd, Ralph V., [redacted].
Sherman, Vincent J., [redacted].
Shershun, Carroll S., [redacted].
Shibata, Eighi, [redacted].
Shipley, Dale F., [redacted].
Shirley, Millard G., [redacted].
Shockey, Samuel H., Jr., [redacted].
Shoemaker, Rollin R., [redacted].
Shows, Jesse L., [redacted].
Shroeder, Robert J., [redacted].
Shults, John N., [redacted].
Shumate, Arthur K., [redacted].
Shuster, Steve, [redacted].
Shuttleworth, Jack M., [redacted].
Siau, Francis L., III, [redacted].
Sibert, Robert C., [redacted].
Sickenberger, William L., [redacted].
Sicola, Philip J., [redacted].
Siderius, Jerome D., [redacted].
Sievertson, John F., [redacted].
Siferd, Raymond E., [redacted].
Silver, Edward D., [redacted].
Simanek, Ferdinand A., [redacted].
Simmons, John F., [redacted].
Simmons, Ross W., [redacted].
Simmons, Warren L., [redacted].
Simon, Jerry, [redacted].
Simons, Richard W., [redacted].
Sims, Bobby J., [redacted].
Sims, Hiram L., [redacted].
Sinclair, Vivienne C., [redacted].
Sinclair, Waymon L., [redacted].
Singer, Ronald M., [redacted].
Sink, James R., [redacted].
Sisco, Sanford L., [redacted].
Skinner, Eleanor L., [redacted].
Skinner, William B., [redacted].
Slatcher, James R., [redacted].
Sloan, Harold J., [redacted].
Smart, David E., [redacted].
Smiley, Kenneth S., Jr., [redacted].
Smiley, Ralph P., [redacted].
Smith, Carl D., [redacted].
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Smith, Gerald J., [redacted].
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Smith, Harold C., [redacted].
Smith, Horace D., [redacted].
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Smith, Kruger B., [redacted].
Smith, Leonard H., [redacted].
Smith, Odell F., [redacted].
Smith, Paul G., [redacted].
Smith, Richard W., [redacted].
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Smith, Thomas J., Jr., [redacted].
Smith, William K., [redacted].
Smyser, Craig H., [redacted].
Snide, Thomas W., [redacted].
Snow, William M., Jr., [redacted].
Snyder, Charles A., [redacted].
Snyder, Donald, [redacted].
Soderberg, Adolph D., [redacted].
Solana, Frank J., [redacted].
Solberg, Harold A., [redacted].
Solkey, Arthur R., [redacted].
Solomon, Neal P., [redacted].
Songer, Hubert D., Jr., [redacted].
Souers, John R., [redacted].
Soule, Covert A., [redacted].
Soule, Ronald J., [redacted].
Souvignier, Douglas R., [redacted].
Sparks, William L., [redacted].
Speerschneider, Lyle J., [redacted].
Spence, George D., [redacted].
Spencer, James E., [redacted].
Spezia, Jimmie V., [redacted].
Spiers, Joseph K., [redacted].
Spotswood, David T., [redacted].
Squires, Edward A., [redacted].
Squires, John C., [redacted].
Stallings, William T., [redacted].
Stambaugh, William S., [redacted].
Stamm, James D., [redacted].
Stammerjohn, Howard N., [redacted].
Stanley, Darrell, L., [redacted].
Starr, Leonard N., [redacted].
Staten, James D., [redacted].
StClair, Gilbert K., [redacted].
Steadman, Milton A., [redacted].
Stebleton, Lawrence A., [redacted].
Steeves, Thomas W., [redacted].
Steinkamp, Henry W., Jr., [redacted].
Stemler, Rodger L., [redacted].
Stempson, James A., [redacted].
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Stockton, Douglas W., [redacted].
Stone, Fred S., [redacted].
Stone, Ralph E., [redacted].
Stoner, William J., [redacted].
Stoob, John C., [redacted].
Stoops, David E., [redacted].
Stover, Jack W., [redacted].
Stowell, Dibrell C., [redacted].
Strand Roger, F., [redacted].
Strandhagen, Harry I. Jr., [redacted].
Strange, John E. Jr., [redacted].
Stratford, John J., Jr., [redacted].
Straughan, Walter C., Jr., [redacted].
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Stringer, Harvie L., [redacted].
Strome, Richard H., [redacted].
Stroup, David M., [redacted].
Stuckey, Savery G., [redacted].
Suiter, William P., [redacted].
Sullivan, Dennis J., [redacted].
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Survil, Edward J., [redacted].
Sutton, Glenn H., [redacted].
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Wingert, Charles J., [redacted].
Winter, Malcolm D., [redacted].
Winterfield, Louis A., [redacted].
Wirin, William B., [redacted].
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Wofford, Travis, [redacted].
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Worch, Peter R., [redacted].
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Wright, James H., III, [redacted].
Wright, William E., [redacted].
Wucher, Jerome M., [redacted].
Wundermann, Charles R., [redacted].
Wyse, David L., [redacted].
Yackiel, Thomas F., [redacted].
Yarrish, Joseph, [redacted].
Yaryan, John S., Jr., [redacted].
Yearsley, William R., [redacted].
Yee, Edmund C. H., [redacted].
Yingling, William A., [redacted].
Yingst, H. S., [redacted].
Yochum, Henry M., II, [redacted].
Yohe, Robert S., [redacted].
Yoshizawa, Tadashi, [redacted].
Young, Carl E., [redacted].
Young, James G., [redacted].
Young, Reid C., [redacted].
Young, Thomas C., [redacted].
Yount, John F., [redacted].
Yovin, Joseph A., Jr., [redacted].
Zahm, John E., [redacted].
Zahn, Harry F., III, [redacted].
Zoeb, Paul D., [redacted].
Ziegler, Daniel H., [redacted].
Zielinski, Chester A., Jr., [redacted].
Zinnecker, Bennett B., [redacted].

CHAPLAINS

Arrendell, Cammid O., [redacted].
Barrett, Bruce E., [redacted].
Bartone, Donald E., [redacted].
Browne, Vincent T., [redacted].
Brucato, Robert A., [redacted].
Bumpus, Anthony J., [redacted].
Chace, Alston R., [redacted].
Collins, John A., [redacted].
Dinkel, Julian G., [redacted].
Downing, Don, [redacted].
Fahey, Kevin C., [redacted].
Gerdes, Everett E., [redacted].
Gower, Robert G., [redacted].
Hargrafen, John I., [redacted].
Holland, Thomas D., [redacted].
Johnson, Carrol L., [redacted].
Jones, Douglas O., [redacted].
Jordan, James E., [redacted].
Kelley, Benjamin F., [redacted].
Labinger, Marvin L., [redacted].
Marshall, Gerald H., [redacted].
McCausland, Joseph E., [redacted].
McGahren, Joseph J., [redacted].
Millian, Ronald A., [redacted].
Morgan, Guy, [redacted].
Ofsdahl, Donald C., [redacted].
Parker, James P., [redacted].
Payne, S. Jack, [redacted].
Pearson, Roger H., [redacted].
Rice, Jerry L, [redacted].
Rushe, George M., [redacted].
Seiber, Richard A., [redacted].
Shea, John F., [redacted].
Steege, Mark W., [redacted].
Thurman, James M., [redacted].
Ullrich, Donald W., [redacted].
Wantz, Earl B., [redacted].
Warren, William H., [redacted].
Way, Robert B., [redacted].

NURSE CORPS

Bergeron, James E., [redacted].
Bernard, Dorothy M., [redacted].
Blakely, Lorraine M., [redacted].
Bower, Ronald A., [redacted].
Brady, Eugene P., [redacted].
Byron, Lois J., [redacted].
Candella, Josephine M., [redacted].
Codella, Gloria, [redacted].
Condon, Charles R., [redacted].
Dohrman, Marjorie J., [redacted].
Deptula, Geraldine B., [redacted].
Dohrman, Marjorie J., [redacted].
Farrar, Catherine L., [redacted].
Farrell, Barbara L., [redacted].
Francescotto, Paula, [redacted].
Furfure, Joseph A., [redacted].
Gengler, Rita E., [redacted].
Gotsch, Geneva, [redacted].
Hilbert, Arlene M., [redacted].
Hiltz, Roland D., [redacted].
Hollen, Marriane R., [redacted].
Hosmer, Marilyn E., [redacted].
Howland, Richard J., [redacted].
Joyce, Claire S., [redacted].
Kallinick, Dolores M., [redacted].
Kelley, Burness, V., Jr., [redacted].
Lane, Joy A., [redacted].
Lawrence, Annie L., [redacted].
Liebeck, Maye L., [redacted].
Lienemann, Patricia A., [redacted].
Linn, Robert E., [redacted].
Lynch, Marv C., [redacted].
Marabito, Margaret, [redacted].

Matheson, Billie G., [redacted].
McAllister, Biddie R., [redacted].
McIlquham, Corrine J., [redacted].
McKay, Winifred L., [redacted].
Morgan, Richard T., Jr., [redacted].
Nelson, Ethel A., [redacted].
Newman, Lawrence S., [redacted].
Obarr, Joyce E., [redacted].
Peck, Paul M., [redacted].
Perry, Alan J., [redacted].
Peterson, Roger M., [redacted].
Ruotsala, Eila M., [redacted].
Sartorius, Edith G., [redacted].
Schnepper, Patricia A., [redacted].
Smilek, Franklin R., [redacted].
Smith, Alma M., [redacted].
Spores, Kathleen D., [redacted].
Stroup, Louise, [redacted].
Sukey, Edith G., [redacted].
Sutcliffe, Delia A., [redacted].
Tod, John L., [redacted].
Welsh, Dorothy M., [redacted].
Whitfield, Gloria M., [redacted].
Whitley, Helen B., [redacted].
Willis, Elvira G., [redacted].
Youtzy, Cynthia A., [redacted].

MEDICAL SERVICE CORPS

Batiste, Harold E., Jr., [redacted].
Briggs, Edward, [redacted].
Brown, Dewey F., [redacted].
Brown, Duane C., [redacted].
Brown, Ross C., [redacted].
Burton, Donald E., [redacted].
Clark, Gerald R., [redacted].
Cox, Willis D., [redacted].
Coyne, Enda R., [redacted].
Freistedt, Calvin H., [redacted].
Fresques, Frank J., [redacted].
Fudge, Forest W., [redacted].
Glenn, Clark L., [redacted].
Gregory, Joseph B., [redacted].
Hill, Robert D., [redacted].
Jacquin, John H. [redacted].
Johnson, Glenn E., [redacted].
Katz, Stewart H., [redacted].
Kennedy, Charles L., [redacted].
Lensch, John P., [redacted].
Marquis, Don B., [redacted].
Nestor, Aloysius F., [redacted].
Parker, Lester B., [redacted].
Perri, Frank J., [redacted].
Poole, Nathan E., [redacted].
Redman, Ronald A., [redacted].
Riley, John F., [redacted].
Rowney, Stanley V., [redacted].
Slivka, William R., [redacted].
Small, Arthur H., [redacted].
Smith, Thomas L., [redacted].
Sorem, David N., [redacted].
Tamse, Jacob G., Jr., [redacted].
Ussery, Wendell O., [redacted].
Walker, Kenneth C., [redacted].
Matson, John R., [redacted].
Yeomans, Richard C., [redacted].

VETERINARY CORPS

Brown, Richard J. [redacted].
Flentge, Robert L., [redacted].
Lynn, Marvin, [redacted].
New, Albert E., [redacted].
Vanriper, Donald C., [redacted].
Wood, David H., [redacted].

BIOMEDICAL SCIENCES CORPS

Black, Gerald N., [redacted].
Bottom, Bobby D., [redacted].
Braatz, James H., [redacted].
Briggs, Thomas H., Jr., [redacted].
Bruce, Jean H., [redacted].
Burns, Carol H., [redacted].
Coyne, Robert V., [redacted].
Devincentis, Joseph G., [redacted].
Dunsky, Irving L., [redacted].
Endicott, James E., [redacted].
Farrell, Hugh R., [redacted].
Gasaway, Donald C., [redacted].
Greene, Omar V., Jr., [redacted].
Gunter, James J. [redacted].
Hamlyn, Hugh W., [redacted].
Harkleroad, Lionel E., [redacted].
Hill, Sherwood S., [redacted].
Hodges, James M., [redacted].
Kilton, Roger M., [redacted].
Kingsley, Willard E., [redacted].
Kuchta, John C., Jr., [redacted].
Lahood, George A., [redacted].
Mabson, William E., [redacted].
Margolis, Hannah S., [redacted].
Maxwell, Muriel O., [redacted].
Mockler, Nedd D., [redacted].
Moll, Marlene J., [redacted].
Morton, Dorthea J., [redacted].
Nikolewski, Robert F., [redacted].
Page, Carolyn T., [redacted].
Pilmer, Richard B., [redacted].
Ramirez, Jose B., [redacted].
Sears, William J., [redacted].
Silva, Donald G., [redacted].
Steffen, Robert, [redacted].
Suggs, Harry J., [redacted].
Targove, Bertram D., [redacted].
Taschner, John C., [redacted].
Wexler, Seymour, [redacted].
Wilder, Nelson E., [redacted].

The following-named Air Force officers for reappointment to the active list of the Regular Air Force, in the grade indicated, under the provisions of section 1210 and 1211, title 10, United States Code:

LINE OF THE AIR FORCE

To be major

Wilson, William E., Jr., [redacted].
Zamkoff, Leonard J., [redacted].

William E. Wilson, Jr., 549207942, for appointment in the temporary grade of lieutenant colonel, under the provisions of section 8444, title 10, United States Code, with date of rank to be determined by the Secretary of the Air Force.

IN THE ARMY

The following-named officers for promotion in the Army of the United States, under the provisions of Public Law 92–129.

ARMY PROMOTION LIST

To be colonel

Adessa, Anthony J., [redacted].
Ahearn, David C., [redacted].
Allen, James R., [redacted].
Alley, Wayne B., [redacted].
Ambrose, Thomas J., [redacted].
Anderson, Paul F., [redacted].
Atkinson, Frank W., [redacted].
Austin, Maynard H., [redacted].
Bagby, Herschel H., [redacted].
Bagnal, Charles W., [redacted].
Bailey, Rusian B., [redacted].
Ballantyne, John L., [redacted].
Baughman, Larry J., [redacted].
Beasley, Horace B., [redacted].
Beekman, Gerald R., [redacted].
Bell, Wiley W., [redacted].
Belteau, Robert J., [redacted].
Benedit, Edward B., [redacted].
Bente, James A., [redacted].
Bethea, John D., [redacted].
Bournes, William V., [redacted].
Brannon, William W., [redacted].
Bremer, James H., [redacted].
Brewer, John F., Jr., [redacted].
Brewington, Charlie, [redacted].
Brill, James H., [redacted].
Broadhurst, Hugh H., [redacted].
Brooks, Leo A., [redacted].
Brown, Frederic J., [redacted].
Brown, Howard E., [redacted].
Brown, John P., [redacted].
Bruns, Bernard W., [redacted].
Bryan, Lawrence E., [redacted].
Bunyard, Jerry M., [redacted].
Busck, Albert A., [redacted].
Campbell, James E., [redacted].
Cannon, Sammy J., [redacted].
Carrell, Robert P., [redacted].
Carroll, Anthony, [redacted].
Chamberlain, William, [redacted].
Chandler, Victor E., [redacted].
Cheaney, Frank H., Jr., [redacted].
Churchill, Jack B., [redacted].
Claybrook, John H., [redacted].
Clingempeel, William, [redacted].
Cluxton, Donald E., [redacted].
Coleman, Richard C., [redacted].
Colombo, James L., [redacted].
Cook, Ralph J., Jr., [redacted].
Corbett, Cleveland, [redacted].
Corley, Robert J., [redacted].
Creed, William H., [redacted].
Crocker, Merle M., [redacted].
Culton, William H., [redacted].
Dawson, George R., [redacted].
Decamp, William S., [redacted].
Demuynck, Jack E., [redacted].
Deverill, Arthur P., [redacted].
Dewey, Arthur E., [redacted].
Digison, Donald K., [redacted].
DiSmore, William E., [redacted].
Dombrowsky, Albert, [redacted].
Donahue, Robert J., [redacted].
Doran, Fred R., [redacted].
Dorsey, Frank J., [redacted].
Dotson, Richard F., [redacted].
Dribben, Charles P., [redacted].
Dunne, William A., [redacted].
Durany, John A., [redacted].
Dyke, Charles W., [redacted].
Early, Felix L., Jr., [redacted].
Ebaugh, Irvin E., [redacted].
Elliott, Wayne H., [redacted].
Ellis, James N., [redacted].
Erickson, Alfred H., [redacted].
Eubanks, James M., [redacted].
Evans, Robert B., [redacted].
Evans, Winston K., [redacted].
Everhart, Tommy L., [redacted].
Everhart, Tommy L., [redacted].
Evrard, James A., [redacted].
Eyman, Robert F., [redacted].
Falter, Vincent L., [redacted].
Ferris, Gordon F., [redacted].
Fields, Charles E., [redacted].
Fincham, Jack L., [redacted].
Finley, Thomas R., [redacted].
Fleich, Raymond L., [redacted].
Forman, Robert C., [redacted].
Fox, John C., [redacted].
Franklin, Charles D., [redacted].
Franklin, Joseph P., [redacted].
Frechette, Joseph P., [redacted].
Gallant, George W., [redacted].
Galloway, Gerald E., [redacted].
Gardner, Jack J., [redacted].
Garibay, Raul A., [redacted].
Gibney, John V., [redacted].
Glasgow, Robert E., [redacted].
Glore, Ray C., [redacted].
Godwin, Ralph L., [redacted].
Gooch, Kaye W., [redacted].
Granger, John D., [redacted].
Grant, Samuel J., Jr. [redacted].
Gray, George B., Jr., [redacted].
Green, Albert P., [redacted].
Greenlaw, Kenneth N., [redacted].
Greenquist, James C., [redacted].
Griffin, Bobby P., [redacted].
Griffin, Guilford W., [redacted].
Hammaker, Charles A., [redacted].
Hand, Lee H., [redacted].
Hand, Robert P., [redacted].
Harrick, Stephen R., [redacted].
Harris, John R., [redacted].
Hastings, C. Frederick, [redacted].
Hatch, Henry J., [redacted].
Hawley, Richard S., [redacted].
Hayward, Barton M., [redacted].
Healy, Thomas F., [redacted].
Heath, Harry D., [redacted].
Heflin, Henry S., Jr., [redacted].
Heiss, John L., III, [redacted].
Hertel, Robert G., [redacted].
Hetherly, James H., [redacted].
Higgs, Irwin L., [redacted].
Hobby, Thomas K., [redacted].
Hodges, Albert P., [redacted].
Holden, William B., [redacted].
Holland, David K., [redacted].
Holmes, Arthur, Jr., [redacted].
Honor, Edward, [redacted].
Houy, Edward W., Jr., [redacted].
Howitz, Ivan H., Jr., [redacted].
Hudachek, John W., [redacted].
Huebner, Robert W., [redacted].
Hufnagel, David A., [redacted].

Hutchison, Jarold L., [redacted].
Hyde, Richard C., [redacted].
Ingram, Harvie T., [redacted].
Irwin, Thomas G., [redacted].
Isaacson, Roger M., [redacted].
Islin, John A., [redacted].
Jacobs, Kenneth R., [redacted].
Jameson, John G., Jr., [redacted].
Jenkins, William M., [redacted].
Johns, Harvey B., Jr., [redacted].
Johnson, Ernest B., [redacted].
Johnson, Frank P., [redacted].
Johnson, Harold R., [redacted].
Johnstone, Homer Jr., [redacted].
Jones, Albert F., [redacted].
Jones, Bernard P., [redacted].
Joy, Jesse D., Jr., [redacted].
Joy, Robert S., [redacted].
Joyce, Robert M., [redacted].
Judah, Floyd G., Jr., [redacted].
Kanamine, Theodore, [redacted].
Kaser, William T., [redacted].
Kasson, Darrell D., [redacted].
Katayama, Robert N., [redacted].
Keith, Norman A., [redacted].
Kelley, Philip G., Jr., [redacted].
Kempf, Neil H., [redacted].
Kidwell, Birtron S., [redacted].
Kilgore, James A., [redacted].
Kitis, Richard A., [redacted].
Kloke, John G., [redacted].
Knoebel, Frederick, [redacted].
Koen, Clyde H., Jr., [redacted].
Kotas, Nicholas S., [redacted].
Kramer, John C., [redacted].
Kunze, Melton H., [redacted].
Khasigroch, John F., [redacted].
Labarbera, Albert, [redacted].
Labarrie, John H., [redacted].
Langford, Richard J., [redacted].
Lawrence, William A., [redacted].
Lewis, William E., [redacted].
Lichtenwalter, Leon, [redacted].
Lilley, Aarun I., Jr., [redacted].
Lindberg, Charles F., [redacted].
Lowrey, Patrick R., [redacted].
Lynch, Gordon P., [redacted].
Maddox, Chesley B., [redacted].
Magill, Henry P., [redacted].
Magruder, Lewis F., [redacted].
Mahaffey, Fred R., [redacted].
Maloney, James P., [redacted].
Manning, Thomas J., [redacted].
Marchut, Chester E., [redacted].
Martin, David O., [redacted].
McBrier, Robert W., [redacted].
McCaffree, Robert J., [redacted].
McDowell, Chester W., [redacted].
McGahee, Mack M., [redacted].
McGillicoddy, Corne, [redacted].
McKenzie, Culin W., [redacted].
McKinney, John W., [redacted].
McKnight, James R., [redacted].
McNair, Carl H. Jr., [redacted].
McNealy, Richard K., [redacted].
McNeill, Charles L., [redacted].
Mehl, Walter J., [redacted].
Meinhardt, Harry P., [redacted].
Mennona, Edward, [redacted].
Meredith, Alvin L., [redacted].
Mitchell, Corwin A., [redacted].
Mitchum, Dwyer K., [redacted].
Mode, Albert K. Sr., [redacted].
Mollichelli, Edward, [redacted].
Moreau, Donald M., [redacted].
Morgan, Ernest R., [redacted].
Morrissey, Robert J., [redacted].
Mountel, Robert A., [redacted].
Murphy, Donald C., [redacted].
Myers, Lawrence S., [redacted].
Neal, Robert W., [redacted].
Nelson, Lennart N., [redacted].
Noble, James E., [redacted].
Norcross, John C., [redacted].
Odonnell, Matthew B., [redacted].
Odonohue, John D., [redacted].
Olsen, Edmond J., Jr., [redacted].
Orr, Carson D., [redacted].
Overdahl, Norman L., [redacted].
Paige, Emmett, Jr., [redacted].
Palastra, Joseph T., [redacted].
Pannier, Leon G., Jr., [redacted].
Parmenter, Russell, [redacted].
Patterson, James N., [redacted].
Peck, Darrell L., [redacted].
Petrenko, Glenn, [redacted].
Petterson, Charles, [redacted].
Philipp, Ronald E., [redacted].
Pilk, Jack R., [redacted].
Pinhram, David C., [redacted].
Poe, Donald E., [redacted].
Pogoloff, Boris, [redacted].
Pollard, Arnold R., [redacted].
Poor, William T., [redacted].
Poorman, Donald C., [redacted].
Porter, Bobby B., [redacted].
Pratt, Joseph B., [redacted].
Prince, Ivan R., Jr., [redacted].
Pruitt, James R., [redacted].
Putnam, Lawrence H., [redacted].
Ralph, James R., Jr., [redacted].
Ramsay, Donald A., [redacted].
Rehman, Donald I., [redacted].
Richards, David A., [redacted].
Rife Byard N., [redacted].
Riley, Leonard J., [redacted].
Roberts, George W., [redacted].
Roddy, Patrick M., [redacted].
Rodney, Richard M., [redacted].
Ropp, Ralph E., [redacted].
Roscher, William G., [redacted].
Royals, Gerald E., [redacted].
Runion, Roger O., [redacted].
Russell, Donald N., [redacted].
Rutkowski, Joseph F., [redacted].
Samouce, Warren A., [redacted].
Schiesser, Charles, [redacted].
Schultz, Paul E., [redacted].
Schuver, Rudy P., [redacted].
Selby, Carman T., [redacted].
Shallcross, George, [redacted].
Shields, Roger J., [redacted].
Short, Frisco W., [redacted].
Simkus, Anthony P., [redacted].
Simmons, John E., [redacted].
Singletary, R. M., [redacted].
Skaff, Joseph J., [redacted].
Skeen, Henry G., [redacted].
Small, Harold I., [redacted].
Smith, James D., [redacted].
Smith, James D., [redacted].
Smith, Scott B., [redacted].
Solomon, Robert D., [redacted].
Spinks, Raymond F., [redacted].
Stewart, Bernard L., [redacted].
Stillions, Eugene L., [redacted].
Stockelman, James C., [redacted].
Stone, Howard F., [redacted].
Stotser, George R., [redacted].
Stouffer, Clair J., Jr., [redacted].
Strong, William R., [redacted].
Stubblebine, Albert, [redacted].
Swygert, Donald R., [redacted].
Tanner, Eugene P., [redacted].
Taylor, Arthur E., Jr., [redacted].
Thrasher, Billy J., [redacted].
Tipton, John H., Jr., [redacted].
Todd, Edgar F., [redacted].
Toepel, Adalbert E., [redacted].
Toner, Francis J., [redacted].
Tow, James L., [redacted].
Turner, James M., Jr., [redacted].
Turner, Robert C., [redacted].
Tyson, Wallace S., [redacted].
Underhill, George R., [redacted].
Underwood, Bibb A., [redacted].
Utegaard, Rolf W., [redacted].
Vancamp, Joseph L., [redacted].
Vance, Larkin B., [redacted].
Varnum, Charles S., [redacted].
Vivaldi, Joseph R., [redacted].
Vorhies, Harold W., [redacted].
Vuono, Carl E., [redacted].
Wagner, Louis C., Jr., [redacted].
Walker, Jack A., [redacted].
Wallace, Robert J., [redacted].
Wallis, Charles R., [redacted].
Walton, Ben L., [redacted].
Warren, William R., [redacted].
Watson, Robert W., [redacted].
Webb, Harold T., [redacted].
Wells, Don R., [redacted].
Wenn, Kenneth L., [redacted].
Whelan, William E., [redacted].
Willcox, Edward C., [redacted].
Williams, Cyrus L., [redacted].
Williams, James A., [redacted].
Williams, Royce C., [redacted].
Wilson, Dwight L., [redacted].
Wisdom, Donald A., [redacted].
Withers, George R., [redacted].
Woodhansee, John W., [redacted].
Wooley, Wilson C., [redacted].
Wootten, James P., [redacted].
Young, James L., [redacted].
Zimmer, Charles E., [redacted].
Zorn, Jack L., [redacted].

CHAPLAIN

To be colonel

Adickes, Donald K., [redacted].
Brennan, John F., [redacted].
Ettershank, John P., [redacted].
Hulme, John W., [redacted].
McCullagh, John P., [redacted].
Murphy, James J., [redacted].
Quelch, Theodore W., [redacted].
Wichmanowski, Walter, [redacted].

WOMEN'S ARMY CORPS

To be colonel

Hinton, Edith H., [redacted].
Rossi, Lorraine A., [redacted].

MEDICAL CORPS

To be colonel

Bagg, Raymond J., Jr., [redacted].
Bivens, Hollis E., [redacted].
Brownlee, William H., [redacted].
Burham, William A., [redacted].
Bzik, Karl D., [redacted].
Canales, Luis, [redacted].
Cataldo, Joseph R., [redacted].
Cooper, Neill S., Jr., [redacted].
Dinapoli, Raphael J., [redacted].
Doane, David G., [redacted].
Franger, Alfred L., [redacted].
Fulton, Nolen W., Jr., [redacted].
Gamber, Herbert H., [redacted].
Gardner, Richard M., [redacted].
Gastineau, Robert M., [redacted].
Gregory, Kelly G., [redacted].
Gunderson, Carl H., [redacted].
Hagen, Raoul O., [redacted].
Hernandez, Fragoso I., [redacted].
Herrick, Clyde N., [redacted].
Herrington, Peter N., [redacted].
Huott, Archer D., [redacted].
James, Frank K., Jr., [redacted].
Lafollette, Bruce F., [redacted].
McDowell, Frank, Jr., [redacted].
McDowell, Milton K., [redacted].
Mears, William W., [redacted].
Mendelson, Janice A., [redacted].
Meyer, James A., [redacted].
Montegut, Ferdinand, [redacted].
Moten, Franklin C., [redacted].
Muir, Robert W., [redacted].
Nelson, Ronald A., [redacted].
Newton, John K., [redacted].
Nowosiwsky, Taras, [redacted].
Ness, Donald D., [redacted].
Nusynowitz, Martin, [redacted].
Park, Robert C., [redacted].
Pettera, Robert L., [redacted].
Pitcher, James L., [redacted].
Raffety, John E., [redacted].
Reeder, Maurice M., [redacted].
Rich, Norman M., [redacted].
Scheetz, Walter L., [redacted].
Siegal, David L., [redacted].
Simsen, Donald A., [redacted].
Sollie, Stanley C., [redacted].
Stewart, James L., Jr., [redacted].
Tomlinson, Fred B., [redacted].
Treasure, Robert L., [redacted].
Valpey, Jack M., [redacted].
Wegleitner, Mark J., [redacted].
Wettlaufer, John N., [redacted].
Whaley, Robert A., [redacted].
Zurek, Robert C., [redacted].

MEDICAL SERVICE CORPS

To be colonel

Bigham, Harral A., [redacted].
Burris, Carshal A., [redacted].
Copeland, Francis A., [redacted].

Fisher, James B., [redacted].
Gilley, William F., [redacted].
Howlett, Byron P., Jr., [redacted].
Huncharek, John, [redacted].
Kershner, Edward C., [redacted].
Krueger, George R., [redacted].
Lask, Alphonse F., [redacted].
Meadow, Seymour, [redacted].
Patch, Charles E., Jr., [redacted].
Pearson, William G., [redacted].
Schiavone, Albert L., [redacted].
Territo, Joseph R., [redacted].
Thompson, John M., Jr., [redacted].

ARMY NURSE CORPS

To be colonel

Decker, Julia E., [redacted].
Frazier, Doris, [redacted].
McLean, Mary F., [redacted].
Nichols, Glennadee, [redacted].
Pishak, Irene R., [redacted].

ARMY MEDICAL SPECIALIST CORPS

to be colonel

Westhoven, Mary F., [redacted].

VETERINARY CORPS

To be colonel

Trevino, Gilberto S., [redacted].
Warne, Robert J., [redacted].

DENTAL CORPS

To be colonel

Amando, Donald S., [redacted].
Brudvik, James S., [redacted].
Burger, Robert B., [redacted].
Call, Robert I., [redacted].
Cureton, William S., [redacted].
Cutcher, William S., [redacted].
Dash, Carl L., [redacted].
DiPietro, Girard J., [redacted].
Duncan, Bernard, [redacted].
Fronsdahl, Donald E., [redacted].
Gamble, Glen S., [redacted].
Hall, James B., [redacted].
Lucksinger, Henry C., [redacted].
Olson, Robert A., Jr., [redacted].
Parris, Sam H., [redacted].
Ross, Lincoln A., Jr., [redacted].
Shannon, Charles J., [redacted].
Shaver, Lloyd F., Jr., [redacted].
Smith, Paul E., [redacted].
Vatral, John J., [redacted].
Young, Leslie, Jr., [redacted].
Zingale, Joseph A., [redacted].

The following-named officers for promotion in the Regular Army of the United States, under the provisions of title 10, United States Code, sections 3284 and 3299:

ARMY PROMOTION LIST

To be lieutenant colonel

Strum, Major, [redacted].

ARMY PROMOTION LIST

To be major

Dalton, Joel P., [redacted].
Priest, William W., [redacted].
Schwendinger, Charles J., [redacted].
Shephard, David A., [redacted].

MEDICAL SERVICE CORPS

To be major

Collman, Richard H., [redacted].

ARMY NURSE CORPS

To be major

Ebert, Maureen A., [redacted].

DENTAL CORPS

To be major

Laduzenski, Eugene, [redacted].

ARMY PROMOTION LIST

To be captain

Anthony, Henry G., Jr., [redacted].
Beamer, Ralph D., [redacted].
Bolz, Farrell, [redacted].
Booterbaugh, Jaul L., [redacted].
Bratcher, Arnold T., [redacted].
Brockington, Anthony, [redacted].
Brown, Clyde C., [redacted].
Carthage, Phillip G., [redacted].
Clemens, Judd L., [redacted].
Crawford, David H., [redacted].
Cummings, Charles G., [redacted].
Daniels, Jerry W., [redacted].
Delaney, Russell J., [redacted].
Edwards, Kenneth P., [redacted].
Elders, James F., [redacted].
Engel, Joseph J., [redacted].
Evans, Melvin R., [redacted].
Fields, Harold D., [redacted].
Fortenberry, Cleveland, [redacted].
Gerald, Stuart W., [redacted].
Gibson, Stephen C., [redacted].
Grassa, Alfred E., [redacted].
Hagler, Ralph L., Jr., [redacted].
Harrell, Gary W., [redacted].
Harris, Nick C., [redacted].
Harvard, Albert F., [redacted].
Huchun, Kim, [redacted].
Jackson, Jesse Jr., [redacted].
Johnston, Clifford, [redacted].
Keane, John M., [redacted].
Kearns, Philip F., [redacted].
Lackey, Jimmie R., [redacted].
Lambert, John D., [redacted].
McCoy, James P., [redacted].
McWherter, Patrick, [redacted].
Monahan, Carole, [redacted].
Pettit, Ronald B., [redacted].
Pomeroy, Charles J., [redacted].
Raschke, Phillip E., [redacted].
Rodgers, Patrick J., [redacted].
Roland, Clarence H., [redacted].
Shaw, Robert W., [redacted].
Skolochenko, Steven, [redacted].
Smart, Richard F., [redacted].
Starr, Donald J., [redacted].
Stubbs, Fred J., [redacted].
Stutts, Marvin E., [redacted].
Szubo, Bela III, [redacted].
Szymanski, James G., [redacted].
Thomas, Edward R., [redacted].
Tison, Joseph T., [redacted].
Vandel, Robert H., [redacted].
Vanzant, James W., [redacted].
Vogt, Robert V., [redacted].
Wilson, Edward L., [redacted].
Woods, Gerry W., [redacted].
Workman, Earsal C., [redacted].
Yeager, Robert W., [redacted].
Zwirner, Adolf A., [redacted].

MEDICAL SERVICE CORPS

To be captain

Bearce, Gerald, [redacted].
Hrubetz, John E., [redacted].

DENTAL CORPS

To be captain

Divita, Carl L., [redacted].
Wampole, Harry S., [redacted].

VETERINARY CORPS

To be captain

Gordon, John C., [redacted].
Henry, Charles W., Jr., [redacted].
Kolaja, Gerald J., [redacted].
Volkmann, Heiko W., [redacted].

ARMY MEDICAL SPECIALIST CORPS

To be captain

Liu, George K., [redacted].

ARMY NURSE CORPS

To be captain

Brown, Barbara D., [redacted].
Dingbaum, Herbert H., [redacted].
Guilbeault, Jeanne, [redacted].
Jones, Jane A., [redacted].
McArthur, Kathleen, [redacted].
Oliver, Randall L., [redacted].
Shaffer, Suzanne E., [redacted].
Wimmer, Sidna P., [redacted].

IN THE ARMY

The following-named officers for promotion in the Reserve of the Army of the United States, under the provisions of Title 10, Sections 3370 and 3383:

ARMY PROMOTION LIST

To be colonel

Anderson, C. A., Jr., [redacted].
Baker, Cornelius O., [redacted].
Bealke, F. C., Jr., [redacted].
Bunting, Wilber I., [redacted].
Capp, Clifton C., [redacted].
Fee, Richard W., [redacted].
Flynn, Donald L., [redacted].
Foster, Ruric W., [redacted].
Harpainter, Robert, [redacted].
Jackson, Wayne P., [redacted].
Jacobs, Gordon B., [redacted].
Landrith, G. S., Jr., [redacted].
Liebschutz, S. J., [redacted].
Mittelstadt, R. J., [redacted].
Ramsey, Eugene H., [redacted].
Ryan, Clifford G., [redacted].
Trubitt, Hillard J., [redacted].
Wiggins, M. L., Jr., [redacted].
Yonis, David, [redacted].

CHAPLAIN

To be colonel

Hanson, Kenneth C., [redacted].
Parsons, Forest L., [redacted].

ARMY NURSE CORPS

To be colonel

Amend, Elfrieda L., [redacted].
Anderson, Betty J., [redacted].
Anspach, Imogene, [redacted].
Antonucci, H. H., [redacted].
Arola, Mamie I., [redacted].
Balog, Margaret L., [redacted].
Barnum, Eva J., [redacted].
Barthelemy, Irene L., [redacted].
Battle, Cecilia G., [redacted].
Beaudry, Betty A., [redacted].
Behnke, Bernice I., [redacted].
Berglund, Lora E., [redacted].
Bittenbender, L. K., [redacted].
Bonner, Eillen M., [redacted].
Bowman, Esther L., [redacted].
Brown, Alice P., [redacted].
Bryant, Stella G., [redacted].
Burkhardt, Barbara, [redacted].
Bynum, Jessie W., [redacted].
Cargill, Eddie M. W., [redacted].
Chalmers, Wilma G., [redacted].
Chambers, Dorothy E., [redacted].
Clorite, Dorothy L., [redacted].
Condon, Joanna A., [redacted].
Coopersmith, L. B., [redacted].
Culver, Margaret J., [redacted].
Delcarlo, Marianne, [redacted].
Dickens, Merlyn M., [redacted].
Eicherly, E. E., [redacted].
Fager, Mary V., [redacted].
Fish, Doris M., [redacted].
Fisher, Virginia M., [redacted].
Flickinger, William, [redacted].
Fry, Doris J., [redacted].
Guerrero, P.G., [redacted].
Guthrie, Carol, [redacted].
Harder, Helen I., [redacted].
Hermeler, Lois C., [redacted].
High, Jane, [redacted].
Homewood, Vera M., [redacted].
Kennedy, Eunice J., [redacted].
Kleca, Joan M., [redacted].
Kletke, Lucy E., [redacted].
Ligon, Ester R., [redacted].
Macritchie, Mary G., [redacted].
Martin, Ruby M., [redacted].
McKenzie, Mary A., [redacted].
McKeon, Doris P., [redacted].
McKimmon, Cecelia M., [redacted].
Mogan, Mary M., [redacted].
Moore, Alice R., [redacted].
Mulqueen, Mary G., [redacted].
Nally, Barbara V., [redacted].
O'Donnell, Mary I., [redacted].
Panek, Nellie A., [redacted].
Platt, Joyce A. H., [redacted].
Regus, Mary L., [redacted].
Richardson, Marion, [redacted].
Ritchie, Jean M., [redacted].
Satake, Irene A., [redacted].
Shawver, Leslie E., [redacted].
Sheehan, Jane P., [redacted].
Shugart, Ernestine, [redacted].
Skiffington, Mary M., [redacted].
Smith, Mildred A., [redacted].
Stoops, Frances M., [redacted].
Sullivan, Anne E., [redacted].
Taczy, Margaret, [redacted].
Talbert, Virginia, [redacted].

Timms, Sarah E., [redacted].
Voorsanger, E. L., [redacted].
Walker, Minnie S., [redacted].
Walstead, Pernell I., [redacted].
Weinman, Wilda M., [redacted].
Wilkins, Mary L., [redacted].
Young, Helen J., [redacted].
Zachar, Hazel Y., [redacted].
Zalabak, Dorothy E., [redacted].
Zarnick, Florence A., [redacted].

DENTAL CORPS

To be colonel

Bargo, Everett V., [redacted].
Blancher, Robert B., [redacted].
Brown, Paul R., Jr., [redacted].
Burton, John R., [redacted].
Capouya, Morris N., [redacted].
Caradine, John F., [redacted].
Corriveau, William, [redacted].
Day, Warren E., [redacted].
Drechsel, R. H. W. Jr., [redacted].
Dupree, Louis J., Jr., [redacted].
Ebner, Deane A., [redacted].
Goldschmid, James D., [redacted].
Gordon, Kenneth K., [redacted].
Hamilton, Palmer L., [redacted].
Hanley, C. J., Jr., [redacted].
Hoopingarner, J. W., [redacted].
Ketcham, William S., [redacted].
Kirsch, Mitchell, [redacted].
Kmen, Walter J., [redacted].
MacDonald, E. T., [redacted].
Marchbanks, W. H., [redacted].
Matta, Jose N., [redacted].
McCormick, J. P., [redacted].
McCullough, William, [redacted].
Melendez-Gonzalez, R., [redacted].
Morris, Frank C., [redacted].
Overbey, Robert M., [redacted].
Parker, C. E., Jr., [redacted].
Pearce, Jacob A., [redacted].
Rushmore, Richard C., [redacted].
Salatich, P. B., Jr., [redacted].
Schoessler, Richard, [redacted].
Schwartburg, E. S., [redacted].
Silfies, J. H., Jr., [redacted].
Singer, Burton H., [redacted].
Skoney, Charles E., [redacted].
Smith, Charles M., [redacted].
Sosna, Morton M., [redacted].
Synodis, John S., [redacted].
Thornton, Richard S., [redacted].
Traxler, Fred W., [redacted].
Vollmer, Eugene J., [redacted].
Whitney, Alonzo M., [redacted].
Williamson, Bious W., [redacted].

MEDICAL CORPS

To be colonel

Aldis, Henry, [redacted].
Arkins, John A., [redacted].
Atkinson, Roy J., [redacted].
Baker, Eugene M., Jr., [redacted].
Batcheller, D. E., [redacted].
Brandetsas, Peter G., [redacted].
Bunch, Littleton J., [redacted].
Burnett, George H., [redacted].
Cobb, Alton B., [redacted].
Crago, John A., [redacted].
Crudo, Frank S. Jr., [redacted].
Dabbs, Clyde H., [redacted].
Daugherty, Joseph F., [redacted].
Davis, Harry R., [redacted].
Diehl, Leonard R., [redacted].
Dill, James E., [redacted].
Doane, David G., [redacted].
Finney, Joseph C. J., [redacted].
Ford, Charles P., Jr., [redacted].
Garrison, J. M., Jr., [redacted].
Gould, Russell L., [redacted].
Green, John E., Jr., [redacted].
Greth, Carlos V., [redacted].
Grosenbaugh, C. H., [redacted].
Gutierrez, Oscar F., [redacted].
Haley, R. C., Jr., [redacted].
Haltiwanger, E., Jr., [redacted].
Harris, Walter P., [redacted].
Harvin, James S., [redacted].
Holt, Leslie G., [redacted].
Holyoke, Edward D., [redacted].
Hubbard, Benjamin A., [redacted].
Hyde, John R., [redacted].
Inman, Fred C., [redacted].
Kilgore, William E., [redacted].
Kistler, Philip E., [redacted].
Krause, Manfred E., [redacted].
Lackey, Dixon A., Jr., [redacted].
Lahti Richard E., [redacted].
Landis, Richard M., [redacted].
Lindsay, Kenneth E., [redacted].
Lopez-Plascencia, J., [redacted].
Loucks, James E., [redacted].
MacDonald, Murdo G , [redacted].
MacDonald, Neil A., [redacted].
Majoska, Alvin V., [redacted].
Marienfeldt, Hans F., [redacted].
May, Lloyd P., [redacted].
McConnell, Graham S., [redacted].
McLaughlin, J. F., Jr., [redacted].
Morris, Robert G., Jr., [redacted].
Odesky, Louis T., [redacted].
Pines, Stuart S., [redacted].
Rodriguez, Roberto, [redacted].
Rosario, Victor M., [redacted].
Rosendale, Albert F., [redacted].
Rugani, Peter R., [redacted].
Saloom, Albert G., [redacted].
Sandberg, Douglas H., [redacted].
Sargent, John P., [redacted].
Sillman, Eugene, [redacted].
Slesinski, Frank A., [redacted].
Sprenger, Thomas R., [redacted].
Steinkruger, V. W., [redacted].
Strong, L. C., Jr., [redacted].
Taylor, Vann S., [redacted].
Urban, Stanley T., [redacted].
Warwick, Warren J., [redacted].
Young, Roscoe C., [redacted].
Zone, Robert M., [redacted].

MEDICAL SERVICE CORPS

To be colonel

Erdeljon, Charles U., [redacted].
Foy, John V., [redacted].
Hassell, Joe W., [redacted].
Henson, Ellis G., [redacted].
Kolgaklis, Theodore, [redacted].
Ozaki, Ronald H., [redacted].
Schultz, Harvey L., [redacted].
Stuart, Kenneth, [redacted].

ARMY MEDICAL SPECIALIST CORPS

To be colonel

Case, Beatrice L., [redacted].
Clinkingbeard, J. R., [redacted].
Gross, Marie L., [redacted].
Maguire, Majorie C., [redacted].
Schnebly, Martha E., [redacted].
Slade, Mary C. H., [redacted].
Spelbring, Lyla M., [redacted].
Sweeney, Cora W. B., [redacted].
Thompson, Marian E., [redacted].
Warren, Anne, [redacted].

VETERINARY CORPS

To be colonel

Bertolet, Roy D., [redacted].
Brown, Walter W., [redacted].
Ford, Duane F., [redacted].
Thornberry, Robert, [redacted].

The following-named officers for promotion in the Reserve of the Army of the United States, under the provisions of title 10, sections 3366, 3367, and 3383:

ARMY PROMOTION LIST

To be lieutenant colonel

Argabright, W. V., [redacted].
Badders, Richard G., [redacted].
Beckett, G. W., Jr., [redacted].
Bras, Armando, [redacted].
Brazenor, R. G., Jr., [redacted].
Brown, Benny J., [redacted].
Butler, Thomas J., Jr., [redacted].
Carlan, Ralph W., [redacted].
Chancellor, H. C., Jr., [redacted].
Chapa, Alfonso, [redacted].
Clark, Gilman L., [redacted].
Craig, James T., [redacted].
Dellaqualia, Louis J., [redacted].
Drennon, C. C., Jr., [redacted].
Edmondson, Jack L., [redacted].
Ernst, Adolph H., Jr., [redacted].
Frice, Gene M., [redacted].
Harris, William I., [redacted].
Humphrey, Carl H., [redacted].
Ivey, Marvin L., [redacted].
Jackson, Gary D., [redacted].
Kirkland, Glynn D., [redacted].
Krinke, Gordon C., [redacted].
Kruger, Arthur J., [redacted].
Le Claire, James F., [redacted].
Mickelson, Duane E., [redacted].
Modeas, Harry G., [redacted].
Mueting, James A., [redacted].
Myrick, Ronald E., [redacted].
Parker, Charles R., [redacted].
Parks, John R., [redacted].
Paul, James H., Jr., [redacted].
Petno, Carl J., Jr., [redacted].
Potteric, H., Jr., [redacted].
Raymond, William V., [redacted].
Rodgers, Wayne R., [redacted].
Roeder, Frederick W., [redacted].
Sanders, Louis F., [redacted].
Shertzer, James A., [redacted].
Smith, Harry E., Jr., [redacted].
Spangler, David A., [redacted].
Thompson, Allen L., [redacted].
Tillman, Robert J., [redacted].
Todd, James P., [redacted].
Tollin, Milroy J., Jr., [redacted].
Tracy, Richard T., [redacted].
Trapp, George A., [redacted].
Unger, Andrew J., [redacted].
Wills, Homer L., [redacted].

ARMY NURSE CORPS

To be lieutenant colonel

Christ, Linda N., [redacted].
Farrell, John D., [redacted].
Fugowski, Helen T., [redacted].
Gallagher, Helen V., [redacted].
Giroux, Marguerite, [redacted].
Hovey, Thomas C., Sr., [redacted].
Kasselman, Mary J., [redacted].
King, Joyce W., [redacted].
Konz, Amelia F., [redacted].
Land, Margaret A., [redacted].
McDowell, Patricia, [redacted].
McKool, Grace, [redacted].
Miller, Arlean V., [redacted].
Motherway, F. L., [redacted].
Nakamoto, Annie C., [redacted].
Roy, Frances L., [redacted].
Spivack, Marie D., [redacted].
Springmier, Joyce L., [redacted].
Tate, Mary E., [redacted].
Varklet, Marian, [redacted].
Veazie, Ylene W., [redacted].
Zilonka, Bernice M., [redacted].

DENTAL CORPS

To be lieutenant colonel

Floyd, Daniel E., [redacted].
Martinez-Chinea, E., [redacted].
McKinney, Ralph V., [redacted].

MEDICAL CORPS

To be lieutenant colonel

Hospers, William D., [redacted].
Prezio, Joseph A., [redacted].
Printen, Kenneth J., [redacted].
Scharff, Louis, III, [redacted].

MEDICAL SERVICE CORPS

To be lieutenant colonel

Addison, Jeff M., [redacted].
Agustin, Benjamin, [redacted].
Baird, John B., Jr., [redacted].
Boldt, Lavaughn A., [redacted].
Bone, Bobby G., [redacted].
Butler, John C., [redacted].
Cacciotti, Natalino, [redacted].
Comitos, Nicholas, S., [redacted].
Cox, Russell K., [redacted].
Cross, Leroy B. Jr., [redacted].
Curry, Carl H., [redacted].
Elliott, James T. I., [redacted].
Etten, John F., [redacted].
Evans, Peter Jr., [redacted].
Goodin, Leonard P., [redacted].
Greenfield, Gerald, [redacted].
Hall, James L., [redacted].
Hastings, Harry D., [redacted].
Hemecker, Ralph C., [redacted].
Hilton, Howard G., [redacted].

Jackman, George T., [redacted]
Jeffers, Donald A., [redacted]
Josehart, Harold E., [redacted]
Kelley, Robert E., [redacted]
Kemp, Harold L., [redacted]
Labrecque, Joseph L., [redacted]
Lock, John H. A., [redacted]
Mason, Jaque V., [redacted]
McHardy, Louis W., [redacted]
McLaren, C. R., [redacted]
Muirhead, James A., [redacted]
Olson, Clarence F., [redacted]
Roisum, Robert C., [redacted]
Roseman, Arnold S., [redacted]
Rosenthal, Charles, [redacted]
Terrell, Leroy S., [redacted]
Timour, John A., [redacted]
Tucker, Guy H. Jr., [redacted]
Vick, James A., [redacted]
Ward, William S., [redacted]
Williams, Earl M., [redacted]
Willis, George M., [redacted]
Wiser, Rey L., [redacted]
Wotring, Robert W. J., [redacted]
Young, John H. Jr., [redacted]
Ziegler, H. E. Jr., [redacted]

ARMY MEDICAL SPECIALIST CORPS

To be lieutenant colonel

Haag, Charles M., 208-18-7559.
Hartman, Charles W., [redacted]
Santosespada, Carme, [redacted]
Ulrich, Frank T., [redacted]

VETERINARY CORPS

To be lieutenant colonel

Sawyer, John C., [redacted]

The following officers for appointment in the Reserve of the Army of the United States, under the provisions of Title 10, U.S.C., Sections 591, 593, and 594:

MEDICAL CORPS

To be lieutenant colonel

Bailey, Richard H., [redacted]
Bradford, Thomas G., [redacted]
Campbell, John B., [redacted]
Didier, Edward P., [redacted]
Vaughn, James W., [redacted]

The following-named officers for appointment in the Army of the United States, under the provisions of Title 10, U.S.C., Section 3494:

MEDICAL CORPS

To be lieutenant colonel

Conteras, Jose J., [redacted]
Diaz, Miguel G., [redacted]
Gleichauf, John G., [redacted]
Kovacic, Joseph J., [redacted]

The following-named Army National Guard officers for appointment in the Reserve of the Army of the United States, under the provisions of Title 10, U.S.C., Section 3385:

ARMY PROMOTION LIST

To be colonel

Andrews, Eric H., [redacted]
Cook, Ernest W., Jr., [redacted]
Dabadie, Joseph L., Jr., [redacted]
Healey, Joseph A., [redacted]
Hinrichs, Warren W., [redacted]
Johnson, Walter L., [redacted]
Jones, Robert Q. [redacted]
Mulrooney, Francis T., [redacted]
Scholl, Sidney J., Jr., [redacted]
Sherman, Harold S., [redacted]
Stewart, Edwin P., [redacted]
Stone, Richard B., [redacted]
Tatnall, Phillip R., [redacted]
Tucker, Harold J., [redacted]
Ueberroth, Arthur J., Jr., [redacted]
Wolf, John W., Jr., [redacted]

MEDICAL CORPS

to be colonel

McLaughlin, Max V., [redacted]
Tillman, William F., [redacted]

The following-named Army National Guard officers for appointment in the Reserve of the Army of the United States, under the provisions of Title 10, U.S.C., Section 3385:

ARMY PROMOTION LIST

To be lieutenant colonel

Bennett, James F., [redacted]
Birch, Robert D., [redacted]
Darby, Harry C., [redacted]
Davis, Jack R., [redacted]
Decatur, James A., [redacted]
Della Bitta, Larry H., [redacted]
Engel, William F., [redacted]
Fretterd, James F., [redacted]
Grady, Russell, J., [redacted]
Herbst, Richard D., [redacted]
Jarrell, Richard P. M., [redacted]
Larkin, Richard G., [redacted]
Lockwood, Roy L., [redacted]
McLeod, Claude H., [redacted]
McPhaul, Elbert Jr., [redacted]
Moody, Charles H., [redacted]
Nielsen, Chris, Jr., [redacted]
Schueler, Donald A., [redacted]
Stark, James M., Jr., [redacted]
Tidler, John W., [redacted]
White, James E., [redacted]
Williams, Lawrence C., [redacted]
Wood, Bobby G., [redacted]
Yearout, James L., [redacted]
Zalopany, Peter E., [redacted]

EXTENSIONS OF REMARKS

A SALUTE TO ST. JOHN'S HOSPITAL DURING NATIONAL HOSPITAL WEEK

HON. JAMES R. JONES

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 8, 1973

Mr. JONES of Oklahoma. Mr. Speaker, today, as a continuation of my tribute to the hospitals in my district during National Hospital Week, I would like to salute the historical accomplishments of the Sisters of the Sorrowful Mother and their institution, St. John's Hospital.

Gen. John J. Pershing broke ground for St. John's Hospital and School of Nursing, Inc., in 1920, and the doors of the 50-bed hospital were opened in 1926 to serve the community of Tulsa—then an oil-boom town. But the Sisters of the Sorrowful Mother, the Catholic order which owns and operates the hospital, had a monumental struggle to place even these few beds at the city's disposal.

The hospital continued to expand, as one unit after another was completed and put into service. In 1926, admissions were close to 2,000. By 1936, they were over 5,000; and in 1945 almost 11,000 patients were admitted.

During the 10-year period 1943–53 hospital admissions doubled, and the polio epidemic of the early 1950's saw 10 iron lungs in simultaneous use at St. John's, with additional chest respirators to help out. Bed space was short in all areas—cots lined the halls in the obstetrical department and waiting rooms were converted into patient rooms.

The Salk vaccine has brought polio under control; and research has made iron lungs a thing of the past. St. John's has continued to build, and is now up to 552 beds. Their technical people and equipment are top quality. Their medical staff is talented and dedicated. All of this is used to save lives that could not have been saved a decade—or even a few years—ago. Just last month a 4-hour-old infant, critically ill with hyaline membrane disease—where the lungs are unable to open after contracting—was successfully treated, and has gone home to his happy parents.

The only iron lungs you see at St. John's now are historical objects; but history is repeating itself in the crowded conditions. Again waiting rooms are sacrificed for patient bed space, and the demand for more and more diagnostic services and outpatient treatments has also cut down on room for beds.

But the Sisters of the Sorrowful Mother and others in administrative positions at the hospital have been busy. There has been a logical progression of building plans, and early in 1971 the Tulsa Area Health and Hospital Planning Council approved the construction of a 14-level medical-surgical tower. This North Tower, which will bring total beds to 603—with the capability of going to 723—is being built with no interruption to patient care. Nor will their vital programs of teaching and research be lessened.

A leader in medical education, St. John's achieved a 100-percent quota on filling their intern slots this last year. They also take an active participation in residency programs and maintain a school of nursing, school of medical technology, and school of radiological technology.

Voluntary charity is an important part of this hospital's philosophy. Last year over 19,000 visits were recorded from patients unable to afford a private physician.

Their last increase to patients on semiprivate rooms was in 1969, and in March of 1970 for some intensive care rooms.

An affirmative action employer, over 30 percent of St. John's employees are blacks, and educational opportunities are offered to each of their 1,700 plus employees. They were awarded the "Employer of the Year" distinction by the Oklahoma Rehabilitation Association for employment of the handicapped.

Earlier this year—just 53 years to the exact day from their first groundbreaking—and even using the same shovel used by Gen. John G. Pershing—ground was broken for St. John's North Tower. Completion date for this project is scheduled for late 1975.

For the record, it is important to point out that private financing has been arranged. Funds to repay the $40.8 million—which includes all associated loan costs—will be obtained by St. John's through an amount set aside monthly for depreciation. Moneys have been earmarked for this purpose since 1969, and these funds are now invested so that accumulated interest is continually added to the original and ongoing investment. This loan is the second largest Federal Housing Authority-insured hospital loan in the United States. Ten banks have already been lined up by the Lomas & Nettleton Co., national mortgage banker, to issue Government National Mortgage Association Certificates.

Planning never stops at St. John's Hospital, and they are achieving the seemingly impossible task of a coexistence between economics and progress.

UNIVERSITY OF TEXAS AT AUSTIN STUDENT NEWSPAPER WINS KUDOS

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 8, 1973

Mr. PICKLE. Mr. Speaker, with praise and awards being bestowed on various newspapers and newsmen, I want to point out that the University of Texas student newspaper, the Daily Texan, has also been singled out as an outstanding paper.

Today, on the heels of awards for Watergate reporting, the American press stands tall in the saddle.

Mr. Speaker, awards for the Daily Texan are a yearly affair, considering that the University of Texas at Austin paper has been cited for outstanding journalism for 3 years in a row. I ask that the full story on this paper's distinction be placed in the RECORD as follows:

DAILY TEXAN WINS AWARDS IN JOURNALISM COMPETITION

(By Gayle Reaves)

For the third consecutive year, The Daily Texan has swept the field in the annual Southwestern Journalism Congress awards for college newspapers, winning 11 first place spots.

The awards were announced Friday night in Dallas.

The Texan accumulated more than twice the number of total points in judging as the second place paper from Oklahoma State University. North Texas State University in Denton placed third.

Editor David Powell and fall managing editor Cliff Avery received the first place award for the best single issue, for the Nov. 8 Texan reporting the results of national, state and local elections.

First place in the best spot news category was taken by staffers Bill Bray, Mark Peel, and Bruce Powell for their story on the riot in Travis County Jail last fall.

Texan staffers took first and second places in the best general news category. Steve Renfrow took top honors with his coverage from South Dakota of presidential hopeful Sen. George McGovern on election eve and John Triplett placed second with an advance story on the debate in the Texas House over insurance reform during last summer's fourth special session.

Texas photographers landed several of the awards. John Van Beekum's work took first place in general photographs and second in feature photographs. First place in sports photographs went to The Texan's Mike Fluitt, as well as second in general photographs.

Other Texan first place awards were taken by Mark Sims in Page 1 makeup, Quin Mathews for best editorial page, Cicely Wynne in movie reviews and Suzanne O'Malley for best magazine article.

First and third places in the special editions and supplements category were taken by Texan staffers. Steve Hogner and Suzanne Schwartz took first with their New Students Edition, and Avery and Dotty Griffith won third with the supplement on primary elections.

The Texan supplement, Pearl, was named the best general readership campus magazine.

SENATOR JESSE HELMS PAYS TRIBUTE TO YOUNG AMERICANS FOR FREEDOM

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 8, 1973

Mr. SYMMS. Mr. Speaker, on April 14 of this year, I had the pleasure to introduce Senator JESSE HELMS of North Carolina, at a dinner held in his honor. The dinner was hosted by a local chapter of Young Americans for Freedom. This organization—YAF—devoted a great deal of time and resources to Senator HELMS' campaign and to mine.

Senator HELMS' speech that evening was a glowing tribute to this organization of dedicated young conservatives. In these times when political principles have taken a distant back seat in the American political scene, I feel that my colleagues in the Congress should have the benefit of Senator HELMS' thoughts. Consequently, I am including in my remarks the text of the Senator's speech:

REMARKS BY SENATOR HELMS

Greetings. The past decade was a topsy-turvy era on American campuses. And I cannot escape the notion that things are a bit topsy-turvy here this evening. We have got three things reversed.

First, I am here to be honored by you. But *you* are the people who have earned the highest reward to which any American can aspire—you have earned the heartfelt gratitude of the American people—because you have been willing to stand up and be counted for principles that deserve to survive.

There is another thing reversed tonight. I am privileged to be your guest tonight because I am a Senator. But I would not be a Senator had it not been for the wisdom, energy and dedication of citizens like you.

And there is another paradox about this evening. As regards the future, any good that I may do in the Senate will not be nearly as significant as the good that you and others like you can do for our troubled Nation.

Let me elaborate upon these three points.

You—the high-principled young men and women in the Young Americans for Freedom, have been front line fighters in the most serious, most bitter, most important struggle that ever confronted the American educational system. You have been fighters—and you have won.

In the 1960's, on campus after campus, the pattern was the same. One after another, a relatively small band of left-wing extremists sought to capture control of one institution after another, for the purpose of turning it into a politicized instrument for waging war against American society.

On campus after campus the extremists met little resistance from spineless faculty and administrators.

And on campus after campus the militants found their task made easier by the apathy of the silent majority of students. Most students were serious but docile. They wanted to get on with their studies, but they did not understand that there are times when people must struggle for their rights—indeed, fight for their very honor.

But on campus after campus there was a small but determined band of dedicated young Americans ready to fight for the freedom of their institutions. Through the Young Americans for Freedom, the silent student majority found its voice.

From one end of this Nation to the other, while the major news media were mesmerized by the antics of the student leftist, the young Americans for Freedom were organizing the fight for freedom. While the drama of the past decade was being acted out, student leftists got the headlines and the television coverage, and the satisfaction of being the darlings of the media.

But if and when any honest history of the past decade is written, conservative students will get the credit for having won the fight, for having calmed the storm. The leftists won the publicity, but they lost the war. The conservatives wanted to be effective, and they won the lasting gratitude of the silent majority of their own generation.

That is one reason why I think it is you, not I, who deserve all the honors we can give. But there is another, more personal reason why I want to honor you tonight. The plain truth is that I would not be a Member of the United States Senate were it not for the hard work and valuable counsel I received in my campaign from young men and women like you.

When I allowed myself to get talked into running for the Senate, I knew two things. I knew I needed help. And I knew I wanted the kind of help that dedicated young American conservatives can give.

I got it. I shall never forget those lonely days, early in our campaign last year—those days when we were groping for the handle, trying to put together a campaign organization with very little money and with scarcely more hope.

And then was when a call came from Atlanta, from a young friend who said, simply: "Do you need me, sir?"

You bet I needed Harold Herring, and he was there within a couple of days with a new bride, and with his sleeves rolled up, ready to go to work on what had already been declared by the pundits as a "hopeless cause."

I had met Harold some years ago, when he was a college sophomore. He had come to my office at the television station asking for help in his efforts to promote YAF. It seemed to me at the time—and it still does—that it was a remarkable thing for one so young to undertake, in North Carolina, a cause that was unquestionably worthy yet so impossibly remote in terms of potential success.

But, then, the very fabric of America has been spun of impossible dreams that came true.

So I am proud that Harold Herring is still standing by my side, and I by his, to this very day. He is my very competent and efficient Administrative Assistant. I need not identify Harold to you as a former State Chairman of YAF for North Carolina and Georgia; a former member of YAF's national board of directors, and a former southern regional representative of YAF.

Two other splendid Young Americans for Freedom are members of my Senate staff. They are:

Charlie Black, now a legislative assistant on our Senate staff, worked tirelessly in our campaign last year. Charlie is a former national director of YAF, and a former director of chapter services in the national YAF office, and a former state YAF chairman in Florida.

George Dunlop, a former YAF state vice-chairman for North Carolina, who is now our Senate field representative for Eastern North Carolina.

Other YAF leaders who served last year in key positions in our campaign are:

David Adcock, a member of the National Board of Directors and a former State Chairman of North Carolina YAF served as our State Youth Co-ordinator.

Bill Saracino, a member of the National Board of Directors and former State Chairman of California YAF served as a Special Assistant.

Tim Baer, the State Chairman of Florida YAF served as Field Representative for the Piedmont area of our state.

Jim Minarik, a member of the National Board of Directors served as Director of Scheduling.

Fil Aldridge, the Southern Regional Representative of YAF served as an Advance Man.

Pat Reilly, Western Regional Director of New York YAF served as Special Assistant to me in last year's campaign.

Three other full-time members of our campaign staff were chapter level leaders of YAF.

So, as you can see, our campaign last year and our Senate staff this year have been delightfully infiltrated by YAF people.

It is, as the Prince of Denmark once observed, a consummation devoutly to be wished, and vive la the infiltration.

I am not one of those persons who was thirsting to get into the Senate. This is so, because I do not believe government is as important as it thinks it is, and I do not think government should be as important as it has become.

But because our government is so big and powerful;

Because our government is up to its elbows in everyone elses business;

Because our government is up to its jowls in granting favors;

Because our government is so confoundedly meddlesome;

Because of all these reasons, there never is a shortage of people who want to help a person get elected to the Senate.

There always are a lot of people who think that if they help you get elected, you will help them in their scramble for government favors. They want the government to do profitable things for them.

But there are *never* enough people who want to help someone get into the Senate so that the Senate will do less.

There *never* are enough people who believe, as Lord Balfour believed, and as I believe, that the politician's duty is to tell people what government *cannot* do.

But the fact that, today, I am a Member of the Senate, testifies to the fact that in 1972, at least in North Carolina, there were enough people like Young Americans for Freedom—people who believe in honest government for the country, instead of more government for themselves.

And I am not the only man in the Senate today who benefited from the help of dedicated conservative young people. Jim Buckley of New York is another. Pete Domenici of New Mexico is another. Jim McClure of Idaho is another. And there are others.

The fact that there are as many conservatives as there are in the Congress is powerful testimony to the effectiveness of organized conservative young people.

And that is a second reason why, in this topsy-turvy world. *I* should be honoring *you*.

But there is a third reason why I should be honoring you. It is this. I know that you can do more for the country outside of government than I can do from inside government.

I am not being modest.

I mean what I say.

As a conservative, I have always been deeply skeptical of the power of government to solve the problems of individuals and societies. And nothing I have seen thus far in my tenure in Washington has changed my mind.

The government is now proving that it cannot control what some bureaucrat thinks is the "rational" price of a pork chop. Are you surprised about that? I am not!

The government cannot run local schools better than local people can. Are you surprised by that? I am not!

The government cannot spend and spend and spend and spend without decreasing the value of the dollar and increasing the price of everything else. Are you surprised about that? I am not!

We conservatives understand that government is a blunt instrument. A wise man has recently written that government can do only two things—it can wage war and inflate the currency. But when government bites off much more than that, it is biting off more than it can chew.

Government today pretends to be a cure-all for every ailment, real or imagined, that people have. I think it is more accurate to say that, all too often, government is the disease for which it pretends to be the cure.

And I think the most important social task in the United States today is to drum this truth into the consciousness of the American people and the politicians they must try to endure.

And this is where Young Americans for Freedom comes in.

As members of Young Americans for Freedom, you are not the "property" of any party.

You are free from entagling alliances in the sense that you can speak out for principles, with a persistence and a consistency that our parties cannot match.

Today your job is to tell the truth to government, and to tell the truth about government to the American people.

We in this city can easily forget how hard it is for people elsewhere to understand the reality behind Washington appearances. Most Americans are too busy with their private lives to pay close attention to the details of government. And as we well know, Americans certainly cannot rely on the news media to give them the truth.

Am I exaggerating? I think not. Just consider the matter of the current budget—Mr. Nixon's budget submitted for fiscal year 1974.

Now, to hear the liberals in Congress tell it, you would think the President had drastically cut federal spending.

And to hear the liberal media tell it, you would think the President was repealing the New Deal and the Great Society all in one fell swoop.

For once I wish I could believe what the liberal politicians and their media friends are saying. But, as usual, they are wrong—dead wrong.

The facts—the facts that the mass of Americans do not get to hear—are very different.

Here are some facts!!

The new budget does not cut spending drastically. It does not cut spending at all.

The new budget calls for an *increase* of *$19 billion* over the last budget. That is a staggering sum.

In fact, this $19 billion *one-year* increase is *larger* than the *total* of *all* federal spending in the one hundred and twenty-six years from 1789 through 1906.

Let me emphasize this.

If you took all the federal spending—every dollar of it—from the year we ratified the Constitution, through the entire nineteenth century, and six years into the twentieth century, and piled all those dollars up, you would have a pile of dollars no bigger than the pile of dollars by which the 1974 budget exceeds the 1973 budget.

Do you want some more facts?

This new budget calls for a *planned deficit* of $13 billion. The deficit probably will be closer to $20 billion. But, just for fun, let's suppose the deficit is kept to "only" $13 billion. Do you realize that it was not until the second year of the second World War—until 1942—that the total annual tax receipts of the U.S. Government in any year equalled the sum of this year's *planned* deficit.

That is right. In no year prior to 1942 did federal receipts exceed $13 billion.

Do you want still more grim facts about this so-called "austerity" budget?

Try this fact.

Today the Soviet Union has a larger standing Army, a larger strategic arsenal and more ongoing military programs than we have.

But under this new Nixon budget we will spend more than 50 percent more for *domestic* programs than for the defense of this country.

Think of it!

The facts prove that we need a stronger defense. The facts prove that domestic spending programs have failed. Yet the new Nixon budget increases *domestic* spending relative to defense spending.

Do you want even more facts about this so-called "austerity" budget? Consider this.

Seven percent of this budget will be spent just to pay interest on the national debt. We will spend as much this year in interest on the national debt as FDR spent in the first four years of the New Deal.

Why are we paying so much on the debt? Because the debt is so large.

Why is it so large? Because more than one-fifth of the national debt has been piled up just since 1968!

Now, I have only burdened you with this recitation of appalling statistics to emphasize two points.

First, we are not even close to winning the battle for smaller, more responsible government.

Second, the terrible facts about our serious condition are not really getting through to the American people.

There are precious few people in this country who stand for the politics of public principle as opposed to the politics of private gain. There are precious few people who can be counted on to stand against the tide of liberal opinion, the tide of liberal distortion. And we also need to stand against the tide of propaganda that always comes from whatever group is in power.

I know some people will think it rude of me to mention this. Some people think it is disloyal to inject a note of reality into the Administration's presentation of its new budget as a great roll-back of Federal spending.

Well, I am just sorry. I was not sent to the Senate to be a cheer leader for half-measures.

I was not sent here to serve a particular party or a particular administration or a particular President. I campaigned as a man loyal only to certain principles and I was sent here to defend those principles. And that is why I feel so at home here tonight.

Young Americans for Freedom are young Americans free from the old bankrupt ideologies that have produced the fat, flabby, swollen and nearly bankrupt government of today.

You are free to serve as keepers of the American conscience. You are free to fight the loneliest fight of all—the fight for the spiritual values that alone make a nation worth serving—or worth saving.

The problem, as I say, is to get the facts across to the American people.

I have illustrated this problem with reference to runaway spending, a problem that is no where near to being solved. But I do not want you to think that I think spending is the most fundamental problem facing this country.

Far from it. The passion for spending money—the frantic belief that money can solve the deepest longings of our lives—only reflects a more basic problem.

Somehow, many Americans have come to believe that we can spend our way to national greatness and strength.

But the frantic way our government spends money attests more than just misguided political thinking. The full budget reflects a spiritual emptiness that is the gravest threat to the Nation.

No nation can spend its way to greatness and strength, any more than an individual can become better by amassing material possessions. If America is to continue to be great, it will be because some people care enough to stand for the principles that made her great. These principles—limited government; freedom; self-reliance; and love of God—must be the special concern of organizations like Young Americans for Freedom.

And that is why I say things are topsy-turvy when you gather to honor me. I know full-well that Senators are less important, less valuable, less essential than dedicated citizens armed with the philosophy of freedom. There is always a full set of Senators. But there is not always a full battalion of people, like yourselves, ready to defend the politics of principles.

None of us can *forecast* our destiny. But we *can* (—and we *must*—) decide what we want to *be*, and what we want to try to *do*.

You have *done* this. But it is not a one-time decision. Life is a *continuous series* (of judgments) and *decisions*. Not a day passes without each of us being required to look to our conscience, (and our ideals,) and our *principles*.

I claim no particular qualification for offering advice. I can simply tell you what has worked for me.

This is not to suggest that I am any paragon of *success*, and *certainly* not of *wisdom* or *virtue*. But I *do* enjoy a certain sense of *serenity* in terms of not *worrying* about decisions.

Long ago, I adopted a set of *governmental, economic* (and *personal*) principles which I *believe* were *right*. Many who have *disagreed* with me have called me all sorts of names—none of which has ever bothered me. Sticks and stones, (as the saying goes,) may break my *bones*—and all the rest of it.

I do not intend to *sermonize*, but let me *suggest*, (my young friends,) (with all of the *earnestness* and *sincerity* in me,) that you must *begin* with an *absolute faith* in God!! Don't be *reluctant* (or ashamed) to practice your *faith*, or to *articulate* it—*because* . . . We *never* stand *taller*, than we are on our *knees*, asking *guidance* and *forgiveness*.

I mentioned our unpredictable *destiny* a moment ago. None of us has *any assurance* (whatsoever) that we will even be here tomorrow morning, or even five *minutes* from now.

And it doesn't really matter. What *really* matters is how we *spend* these next minutes, (or hours,) or years. Or, (more accurately,) it matters how we *"invest"* our time, rather than merely spend it.

Nobody knows (*better than I*) that there's nothing *"great"* about Jesse Helms. I have never *pretended* that there is. But *each* of you has the potential of greatness of spirit. You have *most* of *your* years ahead of you—*most* of your opportunities lie *ahead*. Live (every day) with your *conscience*, and with your *principles*—and never "follow the *crowd*" simply to be *"following* the crowd." Find out, (*first*,) where the crowd is *"going"*—and *then* decide if *that's* where *you* want to go.

So, I come here tonight to express my *gratitude* for what you are, but—more importantly—what you can *be* . . . and what can *mean* to a *great* nation which *desperately needs* your *character* and *dedication*.

Thank you for having me here tonight. And, most of all, from the bottom of my heart, I thank you for being what you are—proven servants of the Nation, and a beacon of hope for the future.

God bless you.

JOURNALIST FROM FLORIDA WINS PULITZER AWARD

HON. LOUIS FREY, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 8, 1973

Mr. FREY. Mr. Speaker, Mr. Clark Hoyt, a fine journalist from Miami, Fla., is one of this year's winners of the Pulitzer prize.

Mr. Hoyt won the coveted award for his responsible investigative reporting of the events surrounding the composition of last year's national democratic ticket.

I am proud to say that I know Mr. Hoyt personally.

My contact with him and my knowledge of his fine reporting abilities stem from his previous assignment with the Knight newspaper chain.

Mr. Hoyt covered the Florida beat for the Miami Herald for 2 years and I found his reporting to be as accurate and responsible during that time as it was during the assignment which won him the Pulitzer.

I know my colleagues join me in congratulating Mr. Hoyt and the Knight Washington Bureau Chief, Mr. Robert Boyd, for winning this highest of journalism awards.

COAST GUARD PROTECTION OF FISHING VESSELS

HON. MARGARET M. HECKLER

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 8, 1973

Mrs. HECKLER of Massachusetts. Mr. Speaker, one of the most worthwhile functions of the U.S. Coast Guard is the surveillance of vessels which might interfere with U.S. fishing vessels in the great expanses of our Atlantic and Pacific coastal waters. It is of special importance to me since this activity represents the life work of many of my constituents.

According to testimony given in hearings held recently by the Committee on Merchant Marine and Fisheries, Adm. Chester R. Bender, commandant of the Coast Guard, stated that the number of boardings of foreign-flag vessels was 18 for calendar year 1971; 33 for 1972; and two for 1973, as of March 23. These figures do not include routine inspections made with permission of the foreign vessel's master. I believe this to be a significant accomplishment, considering that the Coast Guard is charged with many other varied duties—ranging from search and rescue to oceanography, meteorology and polar operations. I am gratified to learn that the high endurance cutters—HEC—involved in the ocean station service will be able to spend even more time on the fisheries patrol because of the gradual phasing out of the ocean station program. This is in conformity with an amendment I sponsored during the appropriation process in the last Congress, which granted $1,000,000 for the purpose of close coastal patrol.

While I appreciate the continued increase in the number of cutter-days for fisheries patrol, I must express concern over the decommissioning of the Coast Guard cutters *Mendota* and *Escanaba*, whose recent responsibilities were mainly focused on the close coastal patrol, and the transfer of two of the newer cutters from Boston to Seattle. It must be noted that three of the remaining six cutters stationed in New England are 36 years old, some 11 years over the 25-year nominal age planned for such vessels. I hope that the Coast Guard has firm plans for a proper replacement program. Men who risk their lives daily on the high seas deserve the full protection that only the Coast Guard can provide.

Those who share the concern of the fishing and lobster fleets are confident that the Coast Guard will continue its 190-year record of proved accomplishment, and will always be prepared to meet the responsibility of protecting U.S. vessels in home fishing areas, and on the high seas.

IT IS TIME TO STOP THE BOMBING AND BEGIN BUILDING AGAIN HERE AT HOME

HON. ROBERT N. C. NIX

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 8, 1973

Mr. NIX. Mr. Speaker, I have introduced a Joint Resolution 536, which would cut off all appropriated moneys for bombing in Cambodia and Laos.

I have specifically restricted my resolution to Cambodia and Laos in order to spotlight what I believe to be the President's lack of constitutional authority to carry out such bombing in Cambodia.

In addition, it seems to me that the bombing in Cambodia and Laos, but more especially in Cambodia, has not achieved its objectives.

For instance, in Cambodia insurgent troops continue to advance against the Cambodian Army irregardless of our air support. They are now 2 miles from downtown Phnom Penh. If they continue to advance at all they would walk our bombing into Phnom Penh.

The bombing costs at least $4.5 million a day and we have been bombing for at least 11 weeks. The cost of such bombing will soon approach $300,000,000 for bombs and gasoline. Damage to our planes has not been figured into these cost figures.

Beyond the question of the bombing as an instrument for winning the hearts and minds of the Cambodian people is the issue of whether or not the President has the constitutional authority to carry out such bombing.

If the President has the authority to carry out military action on this occasion in Cambodia by virtue of his office, he can begin a battle anywhere, anytime, with anyone.

The usual props for constitutional presidential combat are not present.

American troops, property or lives are not in danger.

The Tonkin Gulf resolution has been repealed.

The SEATO agreement according to Secretary Dulles' testimony before the Senate Foreign Relations Committee at the time of ratification hearings was not designed to deal with internal subversion. We have had no consultations with the remaining and active member countries belonging to the SEATO pact and Cambodia, a protocol state, a nonmember has declared its neutraility as to SEATO.

We have no agreement with Cambodia, certainly not a treaty ratified by the Senate.

There has been no congressional action committing us to the defense of Cambodia. In fact in section 7(b) of the Special Foreign Assistance Act of 1971, as amended the Congress specifically stated:

> (b) Military and economic assistance provided by the United States to Cambodia and authorized or appropriated pursuant to this or any other Act shall not be construed as a committment by the United States to Cambodia for its defense.

The same section forbids the introduction of American military personnel, intelligence personnel, or even police into Cambodia. Yet the President feels that he is within the letter of the law in introducing mass bombing into Cambodia even though he is forbidden to send American policemen under our AID programs.

The issue is one relating to our own Constitution and not to international law for which a precedent can be found for any national action.

Litigating such an issue as the President's authority to conduct military operations in these circumstances would be so time-consuming that the point of Presidential authority would be academic by the time the decision was handed down.

Therefore, I have introduced Joint Resolution 536 in order to stop the spending of Federal funds for bombing which will have the effect of stopping it. I would point out to Members of the House that the Secretary of State has referred to the defeat of such measures in the past as authority for Presidential action. I hope therefore, that Members consider carefully this resolution and that it is enacted to end destruction in Cambodia and Laos.

It is time to stop the bombing and begin building again here at home. We need and need badly funds spent on destruction for programs for Americans and America.

I would also like to point out to Members that my Subcommittee on Asian and Pacific Affairs will hold hearings on the Cambodian situation tomorrow, May 9, beginning at 10:30 a.m. and on May 10, beginning at 9:30 a.m. in room 2255 of the Rayburn Building.

COLTON ELECTRICAL DEPARTMENT HONORED FOR 5-YEAR ACCIDENT-FREE WORK RECORD

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 8, 1973

Mr. BROWN of California. Mr. Speaker, my home town, the city of Colton, recently was honored by the American Public Power Association for the astonishing safety record maintained by Colton's electrical department. The department has now gone for 5 straight years without a single accident, which I am sure you will agree is an enviable record.

The APPA may envy Colton's record, since the association's members are all city-owned electricity systems, but they overcame their envy and gave Colton this special award. Only five other similar awards were given out in the entire Nation, I might add.

Mr. Speaker, as we consider various industrial safety legislation which may come up this year I think we might keep in mind Colton's record. More than 54,000 man-hours were put in just last year by the electrical department—that's just in 1 year, mind you—and not a single accident in 5 years. I, for one, am going to be just a little bit more skeptical when some of these industry representatives tell me that proposed safety laws are unrealistic, or that a certain level of accidents "can't be avoided." I am going to tell them to go look at the electrical department of the city of Colton, and then come back and tell me what they can and cannot do.

Before I sit down, Mr. Speaker, I think I should add that a record like Colton has achieved does not come about without some very dedicated and competent work from both the leadership and employees of the department. I have been a member of the International Brotherhood of Electrical Workers for over 20 years, and I have some familiarity with the field. Therefore, I would like to take this opportunity to commend Superintendent Harold Preece and every one of the workers in the department for the superior jobs which they have obviously been doing. And I hope that I will have the opportunity to stand up here 5 years from now to announce that they have doubled their record.

PULITZER PRIZE WINNER ROGER BOURNE LINSCOTT

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 8, 1973

Mr. CONTE. Mr. Speaker, yesterday's announcement of the 1973 Pulitzer Prize brings to national and international attention what we in the Berkshires of Massachusetts have long recognized, the talent of Roger Bourne Linscott, associate editor of the Berkshire Eagle and former editorial page editor of that same fine newspaper.

Mr. Linscott, who has captured the Pulitzer Prize for editorial writing, is well known in my hometown of Pittsfield, Mass., for the thoughtful and thought-provoking articles that daily flow from his pen.

Speaking as one who has been the subject of Mr. Linscott's essays on more than one occasion, I can testify that his observations are always forthrightly put, incisive and based on all of the knowledge of a situation that he can gather.

Although Roger Linscott does not work in invective, his gentlemanly articles are often far from gentle—not skirting an issue but hitting it headon.

The Pulitzer Committee characterized his work in this way in announcing the criteria on which it based Mr. Linscott's award:

> For distinguished editorial writing, the test of excellence being clearness of style, moral purpose, sound reasoning and power to influence public opinion in what the writer conceives to be the right direction, due account being taken of the whole volume of the editorial writer's work for the year.

A native of Winchester, Mass., Mr. Linscott is a Harvard graduate. After discharge from the Navy, following duty in the South Pacific during World War II, he joined the staff of the New York Herald Tribune. At the Tribune, he was the author of the "On the Books" column in the weekly book review.

He came to the Eagle in 1948 and has been on the staff ever since that time. This past December he was promoted from editorial page editor to associate editor.

I know that all of my distinguished colleagues join me in extending congratulations to this fine journalist.

THE 25TH ANNIVERSARY OF ISRAEL

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 8, 1973

Mr. HARRINGTON. Mr. Speaker, "Next year in Jerusalem"—those words, fervently spoken each year at the feast of Passover, were once just a hope, a dream.

Now that the dream has become a reality, and the state of Israel is celebrating its 25th birthday, the words are still spoken. They are said in gratitude by those Jews who, once homeless and despairing, have found a home in Israel. They are said in joy by those Jews who, content to live outside Israel, see Jerusalem as their spiritual home, the place where the soul can rest. And they are said in expectation by those Jews who, eager to leave countries where they cannot practice their faith, must surmount obstacles before they can come to the Promised Land.

Israel is 25 years old. That fact in itself is remarkable—a testimony to the courage and endurance of the nation.

For sheer physical survival in a land surrounded by countries which resent the very existence of Israel has been a demanding, constant problem and has consumed a good deal of the nation's energies.

Yet despite what seemed to be almost insurmountable political, economic, and geographical problems; despite three wars, Israel has not only survived but prospered.

Out of a barren land, the Israelis have created a flourishing, healthy state which can proudly take its place among the nations of the world.

The Israelis have made the Negev Desert bloom. They have also built a viable economy and a rapidly growing industrial capacity. In the last 5 years, Israel's industrial output has more than doubled and its currency reserves have hit an all-time high of $1.2 billion, Newsweek magazine reported.

There have been some problems, of course—problems faced by any society coming of age: poverty, inflation, tensions created by attempting to integrate people of diverse social and cultural backgrounds. Yet the Israelis recognize these problems and are making serious attempts to solve them.

But the greatest, and most tragic, problem is that there is still no lasting peace. As Prime Minister Golda Meir once observed:

> Israel has known only armistice lines until 1967, and since then, only cease fire lines. We have never known frontiers of peace.

It is sad to see, as Israel celebrates its 25th birthday, the tanks and heavy artillery going through the ancient streets of Jerusalem, sad to note that Israel must spend roughly half its budget on defense.

The Israelis have had enough of war. They want peace.

Israel will "not rest until the cherished peace has been established between us and our neighbors," Deputy Premier Yigal Allon said at birthday celebrations at Safad, scene of some of the most bitter fighting in the 1948 War of Independence.

The Israelis richly deserve a chance to live in a society free from hostility, free from fear.

We sincerely hope the next 25 years will bring that peace.

RECOGNITION OF CONGRESSMAN SHUSTER

HON. DON H. CLAUSEN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 8, 1973

Mr. DON H. CLAUSEN. Mr. Speaker, I rise today in recognition of my good friend and colleague from Pennsylvania, Mr. SHUSTER.

In my judgment, the gentleman from Pennsylvania is one of the truly bright, capable young freshmen whose presence in the Congress represents a valuable asset not only to the people of his congressional district but to the Nation as a whole.

It is truly unfortunate that Mr. SHUSTER's many constituents did not have the opportunity to witness his recent participation in the debate on the House version of S. 502—the Federal Aid Highway Act of 1973. His eloquent, effective, and persuasive performance on the floor was, in my judgment, a key factor in maintaining the integrity of the Highway Trust Fund through passage of the Wright-Clausen amendment of the Public Works Committee-approved bill.

This, however, is only part of the story of BUD SHUSTER's talented and capable service in the Congress. I have had an opportunity to view his performance in a variety of complex, challenging situations, and I am sure that I speak for the entire membership of the House Public Works Committee when I say that Congressman SHUSTER is a well-respected, hard-working, and dedicated Member whose keen insights and sound judgments are highly valued. We who hold senior ranking positions on the Public Works Committee will be calling on Congressman SHUSTER more and more in the future to accept a broader leadership role in advancing legislation through our committee.

As one who originally cosponsored his membership on the House Public Works Committee, it gives me great pleasure to note the outstanding performance of the distinguished Representative of Pennsylvania's Ninth Congressional District.

FREEING THE CHANNELS OF INFORMATION

HON. FRANK HORTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 8, 1973

Mr. HORTON. Mr. Speaker, the events of recent months point up the urgent need for Congress to assume responsibility in freeing the channels of communication in Government. The Government's obligation to keep the public informed fully and currently has been undergoing serious erosion. Our society is now facing a crisis in Government, a crisis caused to a large extent by the executive branch's increasing reluctance to trust the judgment of the people or their representatives in Congress. The misuse of the doctrine of executive privilege, the failure to effectively administer the Freedom of Information Act, the harassment of newsmen, the overclassification of information, and the continued closing of advisory committees in contravention of the law are all part of one pattern designed to shield the executive branch from the purview of the public. The future health of our society requires this state of affairs to be terminated. The time has come for Congress to assume its constitutional responsibility.

To this end, I have authored several legislative proposals to open up the channels of information. A most important one involves a major strengthening of the Freedom of Information Act. Hearings are now being held on this proposal, H.R. 4960, as well as legislation introduced by Congressman MOORHEAD of Pennsylvania, and on Monday I presented the following statement in support of this important issue:

STATEMENT OF CONGRESSMAN FRANK HORTON ON H.R. 4960, AMENDING THE FREEDOM OF INFORMATION ACT, BEFORE THE FOREIGN OPERATIONS AND GOVERNMENT INFORMATION SUBCOMMITTEE, MAY 7, 1973

Mr Chairman, I welcome your scheduling of hearings on H.R. 4960 and H.R 5425 to amend the Freedom of Information Act. Both H.R. 4960, which I co-sponsored with you and several other members, and H.R. 5425, which you have authored, are designed to strengthen the public's right to be informed of their government's activities. Nothing can be more essential to the safeguarding of our democratic society—now in the midst of a severe shock.

George Washington stated that secrecy was a form of deceit. How true those words ring today when executive privilege, security classification, executive secrecy, and harassment of newsmen have been orchestrated to a degree unknown before in our society in an effort to conceal wrongdoing from Congress and the public.

Our form of government—in fact the foundations of our society—rest upon an informed citizenry and their representatives in Congress. To participate effectively in the decision-making process and to maintain a watchful eye over those who administer the laws, Congress and the public require access to information which they believe necessary and pertinent. This is even more true today than it was 100 or 200 years ago because the management of our society has come to be centered to an increasing degree in the Federal Executive Branch. What is worse, perhaps, is that until recently, at least, there has developed an acceptance in the public and in many Members of Congress that secrecy in government—not to mention central direction of government—are good and essential activities

I hope that this state of mind will now change in light of current events and that Congress and the public will now exert their rights fully—as conferred upon them under the Constitution—to obtain all the information they require

To this end *this* subcommittee has held a series of hearings recently on legislation coauthored by Congressman Erlenborn and myself which sets necessary and narrow limits on the use of executive privilege. Soon this subcommittee plans to issue a report recommending changes in the security classification system. And, here today, we are exploring the means in these hearings to strengthen the hand of the people to find out what their government is doing.

Some seven years ago our Government Operations Committee initiated the Freedom of Information Act. This law provides that all information in the possession of Federal agencies *shall be made* available to the public except information falling within nine specific categories (e.g., classified data, internal communications, investigatory files, trade secrets). This constituted an important breakthrough—one not yet attempted by any other country if I am not mistaken. In hearings held last Congress which explored the administration of this Act, we were informed that the Act has served the public well on many occasions. Without question, vastly greater amounts of information are now being made available to the public than occurred prior to the law's passage. But, the hearings also brought to light many problems and failures in the administration of the Act. Among these failings were:

Serious bureaucratic delays in responding to requests for information.

Need of individuals to pursue cumbersome and costly legal remedies.

Inadequate record-keeping by agencies.

Undue specificity required in identifying records.

Narrow interpretation of the Act, thereby excluding greater amounts of information from disclosure.

Imprecise wording of statutory language, leading to inconsistency in interpretation and a restrictive interpretation of the Act's provisions.

Promulgation of legally questionable regulations.

Overclassification of millions upon millions of government documents.

Following closely on the heels of these findings was the Supreme Court decision in *EPA* v. *Mink*. This decision, in my opinion, sadly misinterpreted the Freedom of Information Act and the intent of Congress in enacting it. Two exemptions incorporated into the Act provide that a Federal agency has the discretion to withhold information if it is classified for national security purposes under statute or executive order or if it constitutes an internal agency communication which would not have to be disclosed in a court of law. Overturning a lower Federal court order upholding a request by 33 Members of Congess for information in the Government's possession concerning the Amchitka nuclear test explosion, the Supreme Court held (1) that the lower court's finding that the exemption could not be used as a shield for withholding was erroneous and that the government agencies involved could withhold such information on the basis of the above two claimed exemptions and (2) that the lower court could not challenge an agency's classification of documents and was not required to challenge an allegation that documents were properly withheld on the basis of the internal communication exemption.

This decision of the court cannot be allowed to stand, nor can we continue to permit the Freedom of Information Act to be administered in its present form.

To meet these objections, I have introduced H.R. 4960.

Title I of this bill overturns the *Mink* decision and directs a Federal court to look behind an agency's claim of security classification or internal communication and decide for itself whether a requested document meets the narrow requirements of the law regarding exemption from public disclosure. Moreover, the title seeks to put a stop to the practice of some agencies which have commingled exempt material with non-exempt information in order to screen the entire lot from public view. The courts are authorized to make those portions of a document public which are not covered by an exemption unless to do so would seriously distort the meaning or seriously jeopardize the integrity of the exempt portions.

Title I also amends three existing exemptions under the Freedom of Information Act to further narrow their application and to further clarify their meaning.

One such amendment would restrict trade secrets and other commercial or financial information to those instances in which some other law specifically confers an express grant of confidentiality and in which the agency in receipt of the information specifically confers an express written pledge of confidentiality. This amendment is designed to overcome the practice under the existing exemption to (1) confer confidentiality on the basis of the Freedom of Information Act itself, (2) to exercise the exemption in cases of other types of confidential or privileged information, and (3) to extend confidentiality solely on the basis of a claim for protection made by the supplier of information rather than under an express grant of confidentiality. At this point, Mr. Chairman, I urge your subcommittee to seek the views of other witnesses on the ramifications of my proposed amendment on the protection of trade secrets.

A second amendment narrows the internal communication exemption which has been widely used to date to withhold information from the public. The amendment would limit the exemption to internal memos or letters which contain recommendations, opinions, and advice supportive of policymaking processes. This is the primary area, I believe, which such an exemption is designed to protect.

The third amendment seeks to alter the exemption on investigatory records compiled for law enforcement purposes. This exemption has also been widely used to conceal information by extending its coverage to include inactive or closed investigative material, as well as that which, if revealed, would not hinder effective law enforcement. The amendment narrows coverage under the exemption to investigatory records to the extent that their production would constitute a genuine risk to enforcement proceedings, or a clearly unwarranted invasion of personal privacy, or a threat to life.

Improving the contents of a law without enhancing enforcement procedures will be of little or no benefit, however. To accomplish the latter, therefore, Title II of H.R. 4960 creates a seven-member commission—four members to be appointed by Congress and three by the President for a term of 5 years—to assist the Federal courts in determining whether requested information is being properly withheld by an agency under the Freedom of Information Act. As has been recognized by courts and other authorities, such assistance is essential because the courts at present lack sufficient time or expertise in many instances to enforce the act effectively. In addition to the courts, the bill also authorizes Congress, committees of Congress, the Comptroller General of the United States, and Federal agencies to petition the commission for a review of an agency's denial of information. An individual citizen may also obtain a review by the commission if three members of the commission agree to a review. Authority to enforce the Freedom of Information Act would remain with the courts and the findings of the commission would only be advisory.

However, a commission finding that an agency has improperly withheld information from the public shall constitute prima facie evidence before the court that information has been improperly withheld. This shall have the effect of placing the burden of proof upon the agency in the court proceedings to show that its action in refusing to make information available is consistent with the law.

Finally, H.R. 4960 provides in Title III for certain additional amendments to the Freedom of Information Act which, as a result of subcommittee hearings last Congress, were found to be necessary if the public is to have access to all the information it is entitled to. These amendments first, lay down reasonable time limits for an agency to respond to a request for information, second, authorize a court to award reasonable attorney's fees and court costs to private parties who have been found to have been improperly denied information by a Federal agency, third, direct a court to enjoin an agency's improper withholding of information, and fourth, require agencies to file annual reports with the appropriate committees of Congress detailing their administration of the Freedom of Information Act.

Mr. Chairman, almost seven years ago Congress took a giant step toward throwing the doors of informational freedom open to the public. Disclosure of information was to be the rule, not the exception; the burden of disclosure was to take precedence over the burden of concealment. Regretfully, these requirements have all too often been ignored or interpreted too narrowly. The state of our society today and the need to maintain effecrestraints upon a giant Federal bureaucracy require that more stringent steps be taken. I believe enactment of H.R. 4960, amending the Freedom of Information Act, together with that on executive privilege, will go far to correct existing imbalances.

Mr. Chairman, a number of excellent proposals are pending before this subcommittee. I am confident that with the leadership of Chairman Moorhead, my colleagues Mr. Moss and Mr. Erlenborn, and indeed all the members of this subcommittee, a tremendously important piece of legislation will emerge from these hearings.

U.N. DIPLOMATIC DEADBEATS SHOUT: "CHARGE"

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 8, 1973

Mr. RARICK. Mr. Speaker, diplomatic deadbeats from the United Nations have been using their diplomatic pouches to carry around an abundance of unpaid bills and fixed parking tickets, and according to reports local New Yorkers are "up in arms."

An international incident may be brewing on Manhattan Island. Businessmen, doctors, shopkeepers, and telephone company officials who have extended credit to the U.N. crowd want to get their money, but in many cases the deadbeats have skipped town leaving a string of unpaid bills blowing in the breeze. U.S. embassies abroad have been pressed into service as collection agencies to try to recover at least some of the money from the foreign governments.

More than a dozen individual diplomats are reported to be in danger of having their residential telephone service disconnected for nonpayment. Some missions are said to have run up thousands of dollars in telephone bills, and refused to pay them for several months.

The U.S. taxpayer ends up footing the bill for the U.N. crowd's bad debts. The business people who sold them goods on credit can declare the loss as an "UN-collectable debt" on their income taxes.

In addition to their financial habit of ripping off local business people, the neo-international citizens are accused of using their diplomatic immunity to flount United States and local laws. Police report that during the past 26 months a total of 7,982 parking tickets have been issued to the 1,300 diplomatic-licensed cars in New York. Most diplomatic cars are not ticketed out of courtesy. So the ones that do receive citations are in flagrant violation of the law and present a hazard to local citizens—such as parking in front of fire hydrants.

The U.N. internationalists consider themselves a breed apart from the laws governing the rest of society. They are working for peace, not justice, law, and order.

Rather than ticketing the world citizens' automobiles, New York police may serve the safety of the city better by towing them away. And while they are at it—tow the entire U.N. away—to Moscow, Havana, Peking, or Hanoi. However, the diplomatic deadbeats may find it more difficult to live on credit there.

The related newsclippings follow:

[From the Evening Star and Daily News, May 5, 1973]

U.N. DIPLOMATIC DEBTS

UNITED NATIONS, N.Y.—U.N. missions of several foreign governments and more than a dozen diplomats are in danger of having their telephone service cut off because of unpaid bills, U.S. officials warned today.

And New Yorkers "are up in arms over undisciplined and dangerous parking practices" such as leaving diplomatic cars at fireplugs, a U.S. report to the U.N. Committee on Host Country Relations said. It disclosed that, starting June 1, it will be harder for U.N. diplomats to get their parking tickets fixed.

This was the second time in less than a year that the United States has complained formally to the committee about the conduct of certain U.N. diplomats and missions. Out of diplomatic courtesy, however, the offenders were not named.

A U.S. complaint to the committee last June stressed unreasonably large imports of tax-exempt liquor and cigarettes by U.N. missions and diplomats. The implication was that the goods were being resold.

William E. Schaufele Jr., a U.S. official at the United Nations, said most large imports have dropped off, although, "in certain instances, very large orders seem to continue."

The latest complaint stresses unpaid bills. "Diplomats have left New York leaving strings of unpaid bills, unpaid loans, unpaid credit card accounts and unpaid medical bills," Schaufele said. "I am not exaggerating when I say, frankly, that the situation is most serious.

"Telephone service is essential to our

work, yet there are several missions in New York today on the verge of having their telephone service cut off," he continued.

"One mission owed $5,000 in March and still owes $3,000; another did not pay its phone and Telex bill for seven months. There are more than a dozen individual diplomats today who are in danger of having their residential phones cut off."

In some cases, the problem is the long time it takes for foreign governments to transfer money to their people in New York. U.S. embassies in some foreign capitals have had to press for payment of the unpaid bills, U.S. sources said.

On an average night in Manhattan, 20 cars with "DPL" diplomatic plates are found parked overnight in front of fire hydrants, Schaufele said, adding: "Human life is at stake. Parking in front of fire hydrants is just not an acceptable practice in New York."

He reported that police issued 7,982 parking tickets to diplomatic cars in New York during the past 26 months, but this covered only the most flagrant violations. "Most DPL cars are never ticketed," he explained.

He also reported that 63 of the 1,300 diplomatic-licensed cars in New York are driving around with expired 1972 plates.

LINDA FUGATE, CHATTANOOGA, WINS FIRST PLACE IN TENNESSEE'S "ABILITY COUNTS" SURVEY CONTEST

HON. LAMAR BAKER

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 8, 1973

Mr. BAKER. Mr. Speaker, a high school senior from Chattanooga, Miss Linda Fugate, has won first place in the 25th annual "Ability Counts" survey contest cosponsored by the Governor's Committee on Employment of the Handicapped, the State department of education, the Disabled American Veterans, and the Tennessee State Labor Council, AFL–CIO.

Linda, who attends Redbank High School in Chattanooga, won a $1,000 cash scholarship for her report on the subject: "Employment of the Handicapped: Tomorrow's Challenge." In addition to placing first in the State competition, her report was judged second best in the Nation and she received a $600 prize during the annual meeting of the President's Committee on Employment of the Handicapped last week in Washington.

All Tennessee has reason to be proud of Linda Fugate. She not only understands the problems of the handicapped and their role in today's society, she works constantly to improve their everyday enjoyment of life. She works with deaf people who attend the White Oak Baptist Church in Chattanooga. She uses sign language to interpret songs and sermons. She also translates daily news broadcasts into sign language for the benefit of the deaf.

It is my privilege to bring her prize-winning report to the attention of my colleagues. I submit Linda Fugate's report, "Employment of the Handicapped: Tomorrow's Challenge," in the RECORD, as follows:

EMPLOYMENT OF THE HANDICAPPED: TOMORROW'S CHALLENGE

(By Linda Fugate)

A child is born with a clubfoot. In ancient times this child would have been left to die of starvation and exposure, along with any others who were considered weak or defective. The mentally retarded were once locked in dungeons or exhibited as public spectacles. The old were abandoned as soon as they were of no use to their people.

Yet today we believe that every human being born into the world has the right to live a full and meaningful life, regardless of his handicaps. We dream of a world where the blind, the deaf, the lame, and all other handicapped people can find a useful place in our society and enrich our lives by their own happiness. This dream is yet unfulfilled. It is tomorrow's challenge.

The first phase of this challenge is to find jobs for the handicapped. The ancients realized correctly that a society cannot long exist supporting the helpless. Yet employment of the handicapped does much more for the individual than for the group: it is the only way to give the handicapped person the sense of independence and security which everyone needs.

Employers are more willing to hire the handicapped today than ever before because of the drastic reduction in absenteeism, in turnover, and in accidents noted when the handicapped are given a chance. Many employers also observe that disabled people tend to be more proud of their jobs; therefore, they try harder to do their best work than do other employees. However, there are still many barriers to be overcome in finding jobs for the handicapped. The main barriers are the lack of understanding, the time and effort required for selective placement, the extra time and expense of job orientation, and the unusual risks of some handicaps. This last barrier is being overcome to some extent by better placement and by the good safety records of the handicapped, but it is still a problem in some cases.

These barriers are greatest to those with the severest handicaps. Consequently, only one-third of the blind are employed; one-half of the paraplegics; one-fourth of the epileptics; and one-seventh of those with cerebral palsy. Disabled veterans and the handicapped from extreme poverty situations also present a special challenge, for they may need encouragement and motivation to overcome their frustrations.

Yet if the handicapped are sometimes frustrated, we must not be. Remember that Beethoven, Thomas Edison, and Alexander Graham Bell were deaf; Magellan and Handel were lame; John Milton was blind; and Franklin D. Roosevelt was paralyzed. Truly it is ability that counts, not disability. Let us continue the work that has already been started in bringing out the ability of the handicapped. It may take some extra effort to learn sign language for the deaf, or to count taxi fare for a mentally retarded person on the job, or to move a blind person's work station closer to the door, but or efforts will be amply rewarded.

The second phase of our challenge is to train the handicapped for and to place them in the jobs found for them. Chattanooga is fortunate to have four major organizations for training and/or employing the handicapped: Vocational Rehabilitation Center, Abilities Incorporated, Goodwill Industries, and Orange Grove Center. The Vocational Rehabiliation Center identifies the handicapped, refers them to proper agencies, and provides funds from state and federal sources to pay for training and other services. This center helped 12,000 people in 1972. Abilities Incorporated, organized and managed by Mr. Mize Lawrence, a Korean War amputee, provides very practical on-the-job training and employment for about 60 people at present in a sheltered workshop. Goodwill Industries provides a variety of useful services which include pre-vocational evaluation, work conditioning and training, placement in other work opportunities, and either temporary or permanent employment in its own sheltered workshop. This workshop also employs about 60 people at present.

Orange Grove Center is another valuable service agency rendering assistance especially to the mentally handicapped. Orange Grove has approximately 475 students in its structured school program, 275 workers in on-the-job training and the sheltered workshop, and 80 people who received training at Orange Grove now working in the community.

The really great challenge of vocational training is to coordinate the many organizations across the country which work with the handicapped and link them with federal agencies working on matters concerning the handicapped, so the voices of the disabled will be heard. This is the ultimate goal of the Physically Handicapped Subcommittee of the President's Committee on Employment of the Handicapped.

The final consideration of our challenge is social. First, the handicapped person must accept his own disability and have the will to succeed; second, the public must be aware of and accept the handicapped. Chattanooga is a prime example of public awareness and interest. Almost every industry in Chattanooga hires some handicapped people. Brock Candy Company has won a state award and the national American Legion Award for employment of the handicapped. Chattanooga is blessed with Hamilton County and Chattanooga classes for educable mentally retarded, the Siskin's 365 Club, Moccasin Bend Psychiatric Hospital, whose work in chemical therapy has been phenomenal, and many others. But we have more than organizations here—we have people who care. People from about six counties in our area have just given approximately $80,000 to the March of Dimes Telerama. Recently Shoney's Restaurant gave one day's profits to the mentally retarded, and the Psi Kappa Chapter of the Alpha Phi Omega is planning a "Bike Hike" for the Chattanooga-Hamilton County Mental Health Association next May. Yet the way is only being paved. Do we really understand the epileptic? Do we accept the alcoholic? Do we respect the mentally retarded janitor? This is tomorrow's challenge.

POSTAL SERVICE ISSUES STAMP HONORING COPERNICUS

HON. THADDEUS J. DULSKI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 8, 1973

Mr. DULSKI. Mr. Speaker, the opening feature of Nicolaus Copernicus Week was the issuance of a special commemorative stamp honoring the great son of Poland, Nicolaus Copernicus, whose theory about the universe changed the course of science.

Nicolaus *Copernicus*, whose baptismal name was Mikolaj Kopernik, was born 500 years ago in Torun, Poland, and the scientific communities throughout the world lead the way this year in honoring his pioneering contributions to modern science.

In recognition of the quincentennial, the U.S. Postal Service issued a special 8-cent commemorative stamp at a formal ceremony in the auditorium of the National Museum of History and Technology, at the Smithsonian Institution.

The stamp was designed by Alvin Eisenman, modeled by Howard C. Mildner, and engraved by Albert Saavedra and Arthur W. Dintaman.

At the stamp ceremony, David Challinor, Smithsonian Assistant Secretary for Science, presided. The excellent invocation was given by the Very Reverend Walter J. Ziemba, president-rector of Saint Mary's College and Seminary, Orchard Lake, Mich.

The official welcome was extended by the Secretary of the Smithsonian, S. Dillon Ripley, and the honored guests were introduced by Daniel J. Boorstin, Director of the National Museum.

GREETINGS FROM POLAND

Greetings from Poland were extended by Janusz Groszkowski, honorary chairman of the Copernican Quincentennial Symposium.

The principal address was by Murray Comarow, Senior Assistant Postmaster General, substituting for Postmaster General E. T. Klassen. Mr. Comarow presented special souvenir albums to the honored guests and received in turn special albums from Poland presented by Mr. Groszkowski.

The response was by Peregrine White, of the National Academy of Sciences, which cooperated fully with the Smithsonian Institution in arranging the well-attended and inspiring weeklong scientific symposium.

It is fitting at this point to express my sincere commendation and appreciation to both the Smithsonian and the National Academy for their all-out effort and cooperation in giving national—and international—recognition to the Copernicus quincentennial. No stone of potential was left unturned.

Mr. Speaker, Nicolaus Copernicus Week—designated by President Nixon for the week of April 23 as a result of my legislation—now is history, but the memory lingers on. The interest and response to the Copernican quincentennial have been most gratifying.

Without question, the honors paid this year to Poland's famous son have done much to enhance the relationship and understanding between our two countries and, particularly, to convey to our citizens the depth and wealth of Polish heritage.

Mr. Speaker, as part of my remarks, I include the texts of Mr. Comarow's speech, Father Ziemba's invocation, two scientific dedications, and two newspaper articles:

SPEECH BY MURRAY COMAROW, SENIOR ASSISTANT POSTMASTER GENERAL, AT COPERNICUS STAMP CEREMONY, APRIL 23, 1973

One of the more pleasant rituals of our society, it seems to me, is to honor a great man or woman with a humble, useful postage stamp.

Copernicus, whose awesome presence we evoke today, is undoubtedly smiling his approval from the heavens he set straight.

This great Pole is generally perceived as the man who moved the Earth from its starring role at center stage to its more appropriate position as a minor spear-carrier in the wings. He was more than that.

He was a theologian, an economist, a diplomat, a physician, and a humanitarian. He took degrees:

1. In mathematics and astronomy from Cracow
2. In canon law from Bologna
3. In law from Ferrara
4. In medicine from Padua

As an economist he advised the King of Poland on monetary and tariff reforms. As a diplomat, he was involved in Poland's relations with the Teutonic Knights.

As a theologian, he saw himself as God's servant: this man, obsessed with the pursuit of scientific truth, yet found time to settle Polish peasants on abandoned farms, and work among the poor as a physician.

BUT NOT A STAMP COLLECTOR

I trust you will not feel let down if I tell you what Copernicus was not. He was not a stamp collector.

It is true that stamps had not yet been invented—the word comes, as you know, from the impression or "stamp" of a seal into soft wax—but still, such a man . . . well.

Copernicus' theory that the Earth revolved around the sun was roundly condemned, of course, by the establishment of his day, and well beyond. But too late, for this man was as practical as he was wise. He delayed publishing his great book for some years, and when he did, in 1540, he dedicated it to Pope Paul III.

Even so, Martin Luther called Copernicus "a fool who wishes to reverse the entire science of astronomy." And the Vatican did not remove his works from its index of prohibited books until 1822.

Now, of course, he is claimed by all. Germans say that he is really a German. Italians point out that he studied in Italy. Greeks say that their astronomer Aristarchus had the idea 2,000 years before Copernicus. Other nations have yet to be heard.

It puts me in the mind of Louis Agassiz's remarks that "Every great scientific truth goes through three stages. First, people say it conflicts with the Bible. Next, they say it has been discovered before. Lastly, they say they have always believed it."

COPERNICUS STANDS TALL

No matter. These competing claims cannot diminish this great man of the Renaissance. He belongs to all of us, in his towering genius, and his simple humanity.

Not that we necessarily deserve him. The first edition of his immortal book sold seven copies. Today, distinguished scientists, diplomats, and artists join with the rest of us to salute him.

The world will honor Copernicus in many ways this year. This beautiful stamp, designed by the brilliant Alvin Eisenman of the Yale School of Art, is our way, our tribute, at this ceremony.

This is an unusual occasion. The Citizens Stamp Advisory Committee, which agreed on Copernicus, rarely goes beyond our national borders for stamp subjects.

Nor do men of science often find themselves on our stamps, I'm afraid, although we did do one on Albert Einstein a few years ago.

Today we remind ourselves that there are minds which transcend national boundaries. Some call this the Age of Aquarius. It might better be called the Age of Copernicus.

INVOCATION BY FATHER WALTER J. ZIEMBA, PRESIDENT–RECTOR OF SAINT MARY'S COLLEGE AND SEMINARY, ORCHARD LAKE, MICH.

God of the House of Jacob, Yahweh, Adonai, Father who art in Heaven, Lord, Hope and Strength of all who trust in You, bow our heads and bend down to listen to our prayer.

You Who in the beginning created the inverted bowl of the heavens and this spinning ball of earth, who said "Let there be light," shed Your Light upon us as we gather on this great day of special joy to mark the five-hundredth anniversary of the birth of one of your gifted genius-children—Mikolaj Kopernik: Nicolaus Copernicus.

Divine Master, You make blessings to fall from the heavens, You give clouds to prepare the rain for the earth, You make the grass to grow on the mountains, and see to it that herbs are for the service of all.

You bless and sanctify, open Your hand, and all are filled with good; and if You turn away Your Face, all shall be troubled. You have made all men to Thy own image and likeness; You have made our American nation a member of the world's family of nations; You have blessed its people with physical resources, technical know-how, and potential wisdom to sustain prosperity.

We want to obey Your every wish, the Law by which we move along the way of Your providence. We gather as your family Your children, to give You thanks and invoke Your blessings. How often in the past we realized that we are but reeds swaying in the wind, as we searched for stability that only Your grace can give us.

Heavenly Friend and Companion, through life man has learned so much: that life is always both a tear and a smile, a joy and a pain, a blessing and a cross, a coming and a going, a living and a dying, a losing and a finding.

Through the genius-talents for your son, Nicolaus Copernicus, posterity has been endowed with new and fresh insights into Your creation, has been given a new world-picture new power for progress. Through his searching and creative mind, You taught us new respect for Your laws—in the universe, in nature, among men, among nations of men.

For Copernicus, Life was a rock and God's law a chisel with which he carved that rock in Your image and likeness, who stood in Your sunlight and drew light from Your Law, who knew that man can muffle the drum or loosen the strings of the lyre, but that none can command the skylark not to sing.

Inspire us, Bountiful and Provident Creator, as you did your servant Nicolaus, with the courage to face truth, to harmonize astronomy with theology and philosophy with science; inspire us with the strength to give evidence, as did your servant Nicolaus, of our sense of responsibility for the common good of all, to make crystal clear our will for peace and harmony with all, to preserve and revere the rich and hallowed cultural and religious traditions of our forefathers—as did your servant Nicolaus of his Polish forefathers—so worthy of our imitation, to remember, as did your servant Nicolaus, that to work is to fulfill a part of God's dream for this earth and the total universe, to love those who nourished our needs and helped shape our life's foundation stones, and to fear nothing save that knowing what is the truth and what is right, we fail to do it.

Give unto all of us the grace to serve You courageously, together, working in redemptive charity toward the religious advent of Your eternal kingdom, wherein as Isaias said, "The eyes of the blind shall be opened, and the ears of the deaf shall be unstopped; then shall the lame man leap as the hart, and the tongue of the dumb shall be free, and the redeemed shall come with praise, and everlasting joy shall be upon their heads." We ask these blessings; we ask Your blessing. Amen.

THE QUINCENTENNIAL—A FESTIVAL OF RENEWAL

(By Dr. Wilton S. Dillon, Smithsonian Director of Seminars)

What is night, and how is it produced? This seemingly elementary question brought forth some revolutionary answers by a man who, born 500 years ago, is being honored all over the small planet which produced him.

The quincentennial of the birth of the father of modern astronomy, Nicolaus Copernicus, now is reflected in a commemorative stamp issued today by the U.S. Postal Service. It gives further recognition of our intellectual debts to the man who dared to say that the earth revolves around the sun, and thus paved the way for modern space exploration. An American unmanned space observatory called Copernicus already orbits the earth with its ultraviolet telescope. UNESCO and the International Council for Scientific Unions have declared 1973 Copernicus Year. Recent issues of the Congressional Record and proclamations of governors of a number of American states give new energy to public education about the meaning of the Copernican revolution for modern mankind, and a recognition of the cultural patrimony of Americans of Polish ancestry. The Polish-American Congress has helped to stimulate continent-wide tributes in many American communities.

The first day of issue ceremony of the Copernicus stamp launches a major international symposium, "The Nature of Scientific Discovery, under auspices of the National Academy of Sciences and the Smithsonian Institution. The symposium, organized in cooperation with the Copernicus Society of America, is embellished by exhibitions of Renaissance treasures from Cracow, Polish crafts and graphich, medals, film premieres, newly commissioned music by Leo Smit, Sir Fred Hoyle, and Leon Kirchner, public forums on innovation in technology and education, a visual presentation by Charles Eames, and a new portrait of Copernicus by Leonard Baskin—in short, a Renaissance cultural festival in modern idiom. The U.S. National Commission to UNESCO has joined with the Smithsonian in sponsoring "Education Day honoring Copernicus April 26. Under separate auspices, Copernicus will receive further tribute this week with a Kennedy Center concert of traditional and contemporary Polish music, and Polish Day activities near the Washington monument.

MAN BEHIND TRIBUTES

Who was the man behind these tributes, and why the celebration?

Born Mikolaj Kopernik or Niklas Kopernik in Torun, Poland, February 19, 1473, the Renaissance genius, best known by his Latin name, represents nothing less than the origin of modern science, a half-millennium of progress in understanding the physical universe.

(Serious students of Copernicus in English should consult the works of Prof. Edward Rosen, City University of New York, who will be honored this week by the Copernicus Society of America for his new biographical work on Copernicus contained in Rosen's *Three Copernican Treatises*. New York. Farrar, Strauss, and Giroux, 3rd edition, 1971. See also Rosen's article, "Copernicus' Place in the History of Astronomy," *Sky and Telescope*, February, 1973.)

Left fatherless at age 10, Nicolaus was brought up by his mother's influential brother, the Bishop of Warmia, and at age 18, in 1491, started his studies at the royal Jagiellonian University in Cracow, then the capital of Polish kings. There he learned from the observational and computational tools (exhibited today in the Smithsonian) which helped launch his diverse career. He studied canon law at Bologna, medicine at Padua, and received a doctorate from Ferrara before returning to Poland in 1505, where he spent his adult life as canon for the Cathedral of Frauenburg (now Frombork). There, starting in 1512, he wrote *Concerning the Revolutions of the Heavenly Spheres*, published in Nuremberg in 1543—the work destined to overthrow the long-held view that the earth was the center of the universe. His masterwork, printed the year of his death, acted like a delayed time bomb exploding scientific and religious dogmas. Protestant and Catholic authorities were more comfortable with seven centuries' acceptance of Ptolemy's geocentric theory that the sun and planets moved around a fixed earth. Invention of the telescope helped confirm Copernicus' theory.

HIS MATHEMATICAL SKILLS

Though centuries before computer technology evolved to help astronomers, Copernicus produced tables in his *De Revolutionibus* which reflect his decades of penetrating reflection and precise computation. His mathematical skills also were reflected in a treatise on coinage which anticipated Gresham's Law.

Though anticipated himself by a Greek astronomer, Aristarchus, 2000 years earlier, Copernicus was the first man to work out the numerical details so that the positions of the planets could be predicted in a sun-centered system. Before Copernicus, the prevailing common sense idea was that the sun, after rising in the east in the morning, and passing nearly overhead at noon, disappeared from sight in the west and then went behind or below us to produce night. But Copernicus calculated that the sun was at absolute rest: night occurs at those places where, as the planet rotates on its axis once every 24 hours, the light from the sun is cut off by the opaque bulk of the earth itself. Kepler, Galileo, and Newton extended his revolutionary theory to produce the foundations of modern science. Celestial motions no longer could be explained in terms of strivings inherent in matter itself.

By assigning the earth its true place in the cosmos, Copernicus, according to Prof. Rosen, made an imperishable contribution to cosmological thought. He serves as an important reminder of the curiosity, discipline, and versatility needed today in an epoch marked by social and intellectual fragmentation. Some blame science and technology for environmental problems and fail to recognize that new Copernican revolutions are required to solve them. Copernicus' legacy provides a focus and a model for individual and cultural renewal. As a churchman, patriot, physician, economist, diplomat, mathematician and painter—in addition to his work as astronomer—Copernicus combined gifts which still can pop up in new combinations in new generations, within the same individual. The persistence of the Copernican spirit may be analogous to the survival of the Polish nation and the overseas carriers of Polish culture who make up Polonia.

"In an age of specialization, the tribute to Copernicus, who embodies the Renaissance ideal, should have special meaning for the continuing education of modern Americans, and other people in the world who need such reminders of the interdependence of learning," S. Dillon Ripley, Secretary of the Smithsonian Institution, recently wrote. "Though identified with Poland, Copernicus transcends ethnic and national origins."

The Smithsonian Magazine observed that Copernicus has become one of the immortals. (Special articles on Copernicus appear in both the March and April, 1973 issues.) He is one of the names like Plato, Shakespeare, and Leonardo da Vinci, which shed a permanent glow of glory on the nations which can claim them for their own. German and Italian cultures contributed to making Copernicus a great European. (Coincidentally, the first day of issue of our stamp to Copernicus falls on Shakespeare's birthday.)

BASIS FOR HUMILITY

Yet, along with national pride in his achievements, the Copernican legacy brings with it a basis for humility. "Psychologically, Copernicus' contribution to man's self-image was far more important even than his epochal correction of astronomers' ideas," the *New York Times* observed in a birthday tribute. "His work exposed the folly of human arrogance. Before Copernicus, men could imagine their home planet was the center of the universe and mankind thus the focal point of creation. Today, after centuries of development of Copernican ideas we know that the earth and this solar system are a relatively unimportant byway in a universe with billions of stars and of similar solar systems."

And for what Copernicus means to earthbound truth-seekers today, in the face of declining public support for science. Prof. Owen Gingerich of the Smithsonian Astrophysical Observatory and Harvard University, wrote: "From his 'remote corner of the world' Nicolaus Copernicus set into motion not only the earth, but the entire spirit of inquiry that has so richly increased our understanding of the universe. But the ultimate reason for the anniversary celebration—and indeed its challenge—is a rededication to preserve the fragile freedom of inquiry and the resources that make inquiry possible." Prof. Gingerich serves as editor of a volume, "The Nature of Scientific Discovery," to be published next year by the Smithsonian Press. (See also his "The Copernican Celebration," in *Science Year, The World Book Science Annual*, 1972, Field Enterprises Educational Corporation, and "Copernicus and the Foundation of Modern Science," *UNESCO Courier*, 1973.)

Another legacy of United States participation in Copernicus Year will be a popular book of essays on Copernican and quasi-Copernican revolutions being assembled under the auspices of the National Academy of Sciences and the editorship of Prof. Jerzy Neyman of the University of California, Berkeley. Destined for the general public and younger students, this new work will give further testimony to the universal man who made such an "imperishable contribution" to human thinking about the cosmos.

Such thinking may be as practical as survival. "If a man is not to disappear he must learn to know himself and the universe through which his planet soars," Neil Armstrong said. "Copernicus lifted eyes to the stars and this one year birthday party hardly seems long enough."

COPERNICUS—DEDICATION BY KENNETH F. LEWALSKI, RHODE ISLAND COLLEGE

It is good to be reminded on this anniversary of Copernicus how much a single individual can do to bring about a change in the consciousness of man . . . an occasion to reflect upon the power of mind . . . an eternal monument to the power of ideas in history. As a man of the Renaissance. Copernicus was both a scientist and humanist. He represents our continuing quest for an integrated understanding of man and nature. a harmony between science and society, and the mastery of man over himself and his universe.

[From the AM–POL Eagle, Buffalo, N.Y., Apr. 26, 1973]

POSTAL SERVICE DEDICATES COPERNICUS STAMP

The U.S. Postal Service Monday officially dedicated a commemorative stamp to the memory of Nicholaus Copernicus.

The Smithsonian Institution & National Academy of Sciences in Washington sponsored a symposium observing the 500th Copernican anniversary.

The seven-day ceremony was launched Sunday night with a concert featuring a cantata, Copernicus, Narrative and Credo, composed by Leo Smith of the State University of Buffalo.

Rep. Thaddeus J. Dulski (D., Buffalo), who introduced the congressional resolution that designated this week as Nicholaus Copernicus Week, was on hand at the dedication at the Institute.

A pen which was used by President Nixon to sign the resolution, Mr. Dulski announced, had been sent to him by the president, and he, in turn, will give it to the Buffalo & Erie County Historical Society.

The dedication was made by Murray Kamarow, senior assistant postmaster general. A number of bound volumes of the first day was presented by Mr. Kamarow to Ambassador Witold Trampczynski.

Guests at the ceremony included Dr. Matt A. Gajewski, of the Buffalo Board of Education, Arthur Koscinski and Chester Kendra, all members of Adam Plewacki American Legion Post Stamp Society in Buffalo.

Also attending were the following: Buffalo Committee, Dr. Francis Siemankowski, Buffalo State College; Fred Jablonski, Buffalo Copernicus Exhibit Committee; Chester Jarmusz, also Buffalo Copernicus Exhibit Committee.

[From the Buffalo (N.Y.) Evenings News, Apr. 24, 1973]

COPERNICUS STAMP UNVEILED AT POSTAL SERVICE CEREMONY

(By Roland Powell)

WASHINGTON.—The U.S. Postal Service Monday officially dedicated a commemerative stamp to the memory of Nicolaus Copernicus.

Copernicus, born Feb. 19, 1473, in Torum, Poland, is best known for the theory that the earth rotated around the sun instead of being the center of the universe.

His 500th anniversary observance includes a current symposium here sponsored by the Smithsonian Institution & National Academy of Sciences.

The week-long ceremonies were launched Sunday night with a concert featuring a cantata, "Copernicus, Narrative and Credo," composed by Leo Smith of the State University of Buffalo . . . held in the Smithsonian's National Museum of History & Technology. Among those on hand was Rep. Thaddeus J. Dulski (D. Buffalo) who introduced the congressional resolution that designated this week at Nicolaus Copernicus Week.

Mr. Dulski announced that the pen used by President Nixon to sign the resolution had been sent to him by President Nixon and he, in turn, would give it to the Buffalo & Erie County Historical Society.

The dedication was made by Murray Kamarow, senior assistant postmaster general. Mr. Kamarow presented a number of bound volumes of the first day to members of the Smithsonian, the National Academy of Sciences and to Ambassador Witold Trampczynski.

Guests at the ceremony included Dr. Matt A. Gajewski, of the Buffalo Board of Education, Arthur Koscinski and Chester Kendra, all members of Adam Plewacki American Legion Post Stamp Society in Buffalo.

WAR SCARS

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 8, 1973

Mr. RANGEL. Mr. Speaker, now that the Vietnam war is officially over, and words such as "honor" and "victory" are bandied about with increasing frequency, it is time to face reality. The harsh reality of the difficult adjustment ahead for our Vietnam veterans.

In the New York Post of April 18, Harriet Van Horne wrote an interesting and necessary column entitled "War Scars." Is is now submitted for this body's collective interest.

WAR SCARS

(By Harriet Van Horne)

One of the solemn idiocies of war is trying to add up the total cost in dollars and sense, and ignoring the agonizing cost in shattered lives, national despair and a demoralized military system.

The Pentagon, ever modest in its public calculations, has estimated the cost of the Vietnam war at $110 billion. That's a staggering sum, all right, but it's only the beginning.

The Pentagon estimate takes no account of the billions in aid to Saigon, Cambodia and Laos. It ignores the long range cost of veterans' benefits and medical care, which will eventually total $220 billion. It ignores the loss to the Gross National Product of the 55,000 war dead, currently written off as a waste of $33 billion in human labor.

It was not a lovely war, and Robert Lekachman, the distinguished economist, has said that the ultimate cost of our Vietnam adventure will be $400 billion, *plus*.

A good part of that plus is the damage to human lives—to the fighting men and their families, to the society that produced them and must now share their anguish, their reentry pains. Some terrible truths about the mental suffering of Vietnam vets are finally beginning to surface. We shall ignore them at our peril.

For years to come, these men will constitute one of our most serious social problems. For theirs are the sort of problems that cannot be cured by college on the GI bill, or by a few months of "rap sessions" with a psychotherapist.

"Vietnam veteran syndrome" is a new phrase born of peace and entering the language as a scream in the night.

To say that our veteran population is alienated, is to understate the matter. Dr. Robert Jay Lifton, the Yale psychiatrist who has made an 18-month study of servicemen's psychoses, says the men are "hurting" and desperately in need of help. Sadly, a great many of them avoid contact with the Veterans' Administration because it is linked in their minds to the military establishment, which they have come to hate and distrust.

One of the scarring aspects of the Vietnam war, Dr. Lifton has written, was that it offered "no honorable encounter, no warrior grandeur." Instead there was a malignant obsession with body counts. "Only killing could affirm power, skill and worth," the psychiatrist notes.

Killing for the sake of killing has left deep scars in the veterans' minds. Many are violence prone and their drug addiction is a particularly vicious kind.

The Federal Prison Authority estimates that 30 percent of the nation's prison population now consists of Vietnam veterans. From 23 to 27 per cent of Vietnam-era veterans admitted to psychiatric care have attempted suicide. Several psychiatrists have said that they expect the suicide rate among veterans to increase as the years pass. The memories, the guilt, the bitterness do not recede under the influence of home cooking and the love of a good woman.

I was impressed—and deeply troubled—by a sensitive article in the current Redbook on Vietnam Veterans by Catherine Breslin. One telling anecdote says all you need to know about war nerves: A young woman, having left her bed in the night, silently returned to the side of her sleeping husband. The pressure on the mattress woke him. Barely conscious, he struck her fiercely, breaking her nose.

A psychologist, James Smith, is quoted as saying that "No group in America is potentially as dangerous as the veterans."

A psychiatric researcher at Harvard studied 60 ex-Marine enlistees for a period of two years. During that time, two were indicted for murder and five for attempted murder. Later, the researcher, Charles Levy, was consulted in eight widely scattered trials of veterans who had committed major crimes, including murder, kidnaping and rape. Their control had snapped, in every case, during a "flashback condition" in which they felt themselves completely and unaccountably back in Vietnam.

Society, one observer has said, requires nothing of the Vietnam veteran except "invisibility." We are guilty about this war and morally responsible for the young Americans sent to fight it. Dr. Lifton has summed up our mood perfectly: "Even Americans who have not seen Vietnam feel something of a national descent into Existential evil, a sense that the killing and dying done in their name cannot be placed within a meaningful system . . . The result is a widespread, if vague, feeling of lost integrity at times approaching moral-psychological disintegration."

A bitter, four-page newspaper comes to my desk occasionally, published by Vietnam Veterans Against the War. Says a recent issue, "Home with honor—what kind of joke is that?" Is it an honor to stand in the unemployment lines, to starve while going to school on the pinched and begrudging GI bill? the editorial asks.

Miss Breslin worries that there are not enough benefits, enough therapists, enough jobs. It's an enormous, soul-destroying problem. And the basic question must be stated: Is there enough concern, enough love, enough decency in this land to cope with the Post-Vietnam Syndrome?

REPEAL THE SECOND LAW OF THERMODYNAMICS

HON. CRAIG HOSMER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 8, 1973

Mr. HOSMER. Mr. Speaker, it is common these days to receive pontifical suggestions for the relief of the energy crisis. Mostly these have us turning to solar power or geothermal sources or controlled hydrogen fusion and the like at once, without an intervening period of research and development. A man in England is selling do-it-yourself kits whereby methane gas to run automobile engines is generated from manure power. The opposite side of this coin is the proposition of conserving and reusing energy. The demand for new energy is thus cut back or eliminated by the conservation and reuse of old energy, usually in the form of Btu's which have been salvaged. As explained in the following article from Nuclear News magazine for May, written by Bill Minkler, all these things can set in motion the necessary prerequisites for legislative repeal of the Second Law of Thermodynamics:

OUR TOWN'S FUEL CRISIS—SOLVED

(By Bill Minkler)

Two months ago I told you about our town's fuel shortage, and how we shivered all winter. Now we've solved the problem and can face next winter without fear.

Our solution is based on an established electrical engineering technique, which, in case you haven't heard of it, I shall now describe. This will be today's science history lesson, so please take careful notes. There will be a quiz at the end of the hour.

When electricity was discovered in 1800 by Alessandro Volta and his young assistant Thomas Wattson, it was shown that electric current is the flow of electrons along a wire. Early motors, toasters, iron, etc. had only one wire, which carried electrons from the power company to the appliance. The used electrons were simply dumped into the air.

No atmospheric pollution resulted from this, because the electrons rose quickly to the stratosphere and formed an invisible cloud, which we now call the Van Allen belt.

However, since the electrons were being discarded after one use, and since natural matter contains less than 0.03 percent electrons by weight, an acute electron shortage developed. A separation plant was established at Oak Ridge, Tenn., to strip electrons from matter by gaseous diffusion for distribution to power companies. Heavy elements were used, as these contain more electrons per atom than light elements. But since known heavy element deposits were quite limited, it was feared that electricity was doomed. The convenient automatic appliances, with their familiar single black wire, would soon disappear.

Fortunately, a young genius from New Jersey named Thomas Edison got the idea—why not use two wires? One to carry electrons to the appliance, and the other to recycle them back to the generator. Edison's scheme proved so successful that it was adopted immediately.

With the electron population thus stabilized, the gaseous diffusion plant was needed only for expansion and makeup of irrecoverable losses. And Edison soon devised a way to eliminate it altogether. He found that by attaching a third wire to an appliance, and tying the other end of the wire to a sewer pipe, electrons would rise out of the ground to the appliance along this third wire by jet pump action. The rise rate was greater than sufficient to make up all losses, and so he termed this phenomenon "electron breeding." From thenceforward Edison's three-wire concept was designed into all large appliances, and the diffusion plant was turned over to the government for experiments on an obscure metal called uranium that will probably never amount to anything.

Recalling Edison's success at conserving electrons, the engineers at our local Gas Co. said, why not adapt his method to conservation of BTU's—the tiny particles of heat energy we had been throwing away after one use just as early appliance users had thrown away electrons?

Realizing that BTU's don't travel on wires, the engineers researched ways of capturing and storing them. They found that the best way is to pick the used BTU's off the floor with insulated tweezers and pack them in thermos jugs. By soaking them in water first to remove their labels and then crushing them underfoot, it is possible to pack two or three million used BTU's into a one-gallon container.

Neighborhood Recycle Centers have been established, manned by authentic recycle workers in sweatshirts and beards. All of us flock their with our weekly buckets of BTU's (except the French restaurant on Main Street, which brings calories—these must be packed separately). Since March our town's seasonally adjusted fuel consumption has dropped 90 percent, and the Town Council has voted to repeal the Second law of Thermodynamics.

WATERGATE EDITORIALS

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 8, 1973

Mr. MICHEL. Mr. Speaker, two editorials from the Peoria Journal Star, one from the April 30, 1973, edition entitled "Nixon's Timing Problem" and the second from the issue of May 2, 1973, entitled "Watergate Lynching Parties" discuss some aspects of this Watergate mess in a down-to-earth, commonsense manner which is typical of so many of our grassroots newspapers and I include both editorials in the Record at this point:

Watergate—Nixon's Timing Problem

(By C. L. Dancey)

The fun and games these days for those who, a year ago, were calling Mr. Nixon a murderer and a warmonger who had no intention of ending the war, center around whether or not he was sinful last August when he accepted White House Aide Dean's assurance that the Watergate burglary did not involve anyone in the White House.

It ranges from those who argue, in tune with the way they argued about the China visit being a fraud and the Russian treaty talks a pretense-that-would-never-happen, that Nixon was probably the author of the Watergate "bugging"—or "covered up" and tried to dismiss it when he did find out about it—to those who say he was a chump to believe Dean and proceed as if nobody near him was touched by it.

The presumption that Nixon authored or knew about the plan is akin to the presumption 20 years ago that the Truman administration had to have somebody who was responsible for Alger Hiss, and that the Soviet "spy" couldn't be operating at a top echelon "all alone."

If you supported Senator Joseph McCarthy's line of reasoning in 1952, you could reasonably take the same attitude today and find Nixon "guilty" by the process of "guilt by association," and proceed with his "character assassination," ala Carl Rowan and others.

If you denounced these methods as immoral, sinful, and a clear violation of American basic principles, you really are obliged to give Mr. Nixon the same benefit of the doubt as you demanded then.

It doesn't work that way in practice, of course, but it does in principle—and when the practice is reversed to suit political prejudices, we have to recognize that it is unprincipled action.

But what about the "cover up," which innocently or deliberately was fostered by Mr. Nixon? That is a legitimate charge, although the language may be strong. He certainly did belittle the whole matter, dismiss the idea that it might require investigation of his own official family, etc.?

That action does not commend him highly.

Does the criticism of his belittling the matter commend most of the present baying hounds of the Senate any better, however?

Let us go back to the scene of the "crime"—to last August, when the best evidence currently available tells us that Mr. Nixon was told the White House was "clean" or "safe" in the Watergate affair—which had just broken.

What was he doing last August?

It was the climax of a whole series of carefully executed chess moves, with all of them somewhat up in the air at the same time for the grand finale—the Russian arms treaty, the breakthrough to diplomatic ties with China, the opening phase of real peace negotiations with Hanoi, and the election itself dead ahead.

Can you think of a political figure on the scene today who at such a critical juncture in the labors of four years as head of state would have said: "Drop everything, and give this Watergate burglary the first priority! Announce a full White House investigation—and don't worry about the Chinese, the war, the Russian treaty, or the election and its effect on our success at this juncture in any of these matters."

Who would not have said: "Get this Watergate thing on the backburner, as best you can, where it will do the least possible harm, while we finish the job in Vietnam and this Chinese-Russian-Vietnamese triple play."

Would you believe Charles Percy would have taken the first or the second course?

Hubert Humphrey?

Ed Muskie?

George McGovern?

Ted Kennedy, of all people!

Who?

Who among the critics?

Can you honestly find one that you truly believe would have gambled last August with the state of the world to make a grand personal gesture about a piece of political spying at Democratic headquarters by four "buggers?"

I can't.

Then, what kind of standard are we talking about, and where is the Superman we seek to bring to power?

Even Abe Lincoln put the Civil War and freedom for the slaves ahead of investigating Lafayette Baker (another over-zealous "spy.")

Watergate Lynching Parties

(By C. L. Dancey)

There is one demand in the Watergate case that is totally impossible and unreasonable, and the commentators who have been fostering it (and the politicians) need to be remembered for their irresponsibility.

These are the demands to have "the President" clear up the whole thing by "naming names" and spelling it all out.

Such an action on his part would extend the very "executive power" and violate the limitations of powers that said commentators and politicians have been howling about.

It would make the chief executive, suddenly, the prosecutor, judge and jury over a criminal matter. Among other things, it would make a constitutional trial virtually impossible and thereby guarantee acquittals for anyone accused after such a massive public "conviction."

The President cannot pre-empt the grand jury.

He has no such authority, and if he did so, the same critics would then, indeed, crucify him for such an irresponsible and arrogant act—and they would be right, for a change.

As it stands, the legal process has been mightily abused—but it is that legal process which has been grinding away and moving this matter forward.

We do not cure the real evils—or imagined evils—of this affair by abandoning due process.

In their fervor people forget that the real "crime" involved in the Watergate charges is precisely that—a violation of process.

"Bugging" to get information is what is alleged here.

Eavesdropping *on the* opposition is what this is all about.

It hardly improves the morality of operations if we corrupt due process totally in pursuing that case.

At this point, Watergate is the Crime of the Century because it is the News Story of the Month . . . and it is the News Story of the Month in part, because the world is rather quiet for a change, and the Congress isn't doing anything but make hay out of it either.

But if there is any legal process here involving the President, it is not his proclaiming "guilty verdicts" by fiat instead of by judicial trial—it would have to be one with the President as defendant—in an impeachment proceedings.

If Congress wants to pursue this case, that is the only possible proper and Constitutional way they can do so . . . and that would chain them rather quickly to much more restrained and responsible "due process" as well.

The circus approach to Watergate is becoming as disgraceful as the bugging of the INN was in the first place.

It is not improving the moral climate of our government and our society—it is corrupting it still further.

We've gone all the way through the McCarthy Method now, from "guilt by association" to "character assassination" to demands for "guilt by accusation" without trial.

Let's do it right. Political lynching hardly elevates the participants, and will have a future, soberer evaluation. Some folks grabbing for headlines these days may find that when they thought they were building their careers—they were disqualifying themselves for future consideration.

It is time to remember the advice Ralph Waldo Emerson gave to the Phi Beta Kappa society when he was asked to talk about the "duties" of the American scholar—and instead of proclaiming them the leaders and the wave of the future, he advised them to keep their perspective to recognize that "a pop-gun is still a pop-gun even when the ancient and honorable of the earth proclaim it to be the crack of doom . . ."

PROFESSORS, POLITICS, AND THE GOVERNMENT

HON. DOMINICK V. DANIELS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 8, 1973

Mr. DOMINICK V. DANIELS. Mr. Speaker, the autumn edition of the Midwest Quarterly featured an article by Clifford E. Landers and Arthur E. Nudelman entitled "Professors, Politics, and the Government" in which the two men offered some challenging views on the Ph. D. glut.

Mr. Speaker, Dr. Landers is a distinguished member of the political science faculty at Jersey City State College and his views are highly respected in the academic world. I know that my colleagues will find the article he coauthored well worthy of their time.

The article follows my remarks:

[From the Midwest Quarerly, vol. XIV, No. 1, autumn 1972]

PROFESSORS, POLITICS, AND THE GOVERNMENT

(By Clifford E. Landers and Arthur E. Nudelman)

The United States has established a tradition of underutilizing certain of its natural resources while nonetheless maintaining a high level of material prosperity, a luxury available only to a fortunate few of the world's nations. The paradox of poverty in the midst of plenty has become a hoary cliché to Americans long accustomed to vast surpluses of grain rotting in storage while hundreds of thousands at home and tens of millions abroad suffer from malnutrition.

For all its profligateness, however, America has historically maximized its use of its one most irreplaceable natural resource—the brainpower of its citizenry. Endowed by its Creator with roughly the same proportion of genius as any other nation, the U. S. has extended educational opportunity to a larger percentage of its population than any other country, with results which are obvious to the most casual observer. If nations in the third world can be said to suffer from intellectual underdevelopment (*i.e.,* failure to tap their resources of potential brainpower), the United States today reflects the opposite tendency. It has unconcernedly generated a population explosion among highly specialized personnel which could conceivably undermine the very system which produced it.

Origins of the problem. While it is an exaggeration to say that American government functions from one crisis to another, governmental machinery in this country does seem to respond more rapidly and more decisively when faced with what decisionmakers perceive as a threat. Wartime acts are the obvious example, but even in peacetime the tendency is still evident. For our purposes the relevant case is the Soviet sputnik of 1957. Beeping its way across the then-uncrowded heavens it touched off a revolution of major proportions in the higher education system of the United Staes, a revolution which even now has yet to run its full course.

Faced with the Russian *fait accompli,* the U.S. responded in the only way it knew, in a manner which had served so well in the past—it appropriated money. A seemingly endless cornucopia opened up for educational undertakings even remotely related to "national defense"— and what wasn't? The National Defense Education Act among its multitudinous provisions set aside funds to train teachers in many fields but especially in mathematics, the physical sciences, and foreign languages—not coincidentally three of the hardest hit fields in the current academic recession which we shall discuss later. In a kind of educational defense mobilization the nation geared up to produce scholars in the fields which the government deemed "critical."

It took a few years; mobilization never takes place immediately. But by the mid-1960's our graduate schools had begun pouring out record numbers of Ph.D.'s in all fields, with the concentration in the NDEA-impacted fields mentioned above. In an expanding economy unparalleled in this century there were jobs for all, and some positions even went begging in the rush to lure bright young Ph.D.'s into government posts, defense industries, and teaching. The euphoria lasted three or four years, but like the stock market in 1929 it was to come crashing down almost, it seemed, overnight. By late 1969 the situation was clear for all to see; suddenly many a new doctoral sheepskin had become the ironic symbol of shattered dreams. As one embittered Ph.D in physics remarked after months of fruitless searching for employment. "With that diploma and a dime you can make a phone call."

In the last two years the academic recession has worsened, and it has not yet bottomed out. In 1970 this country produced 27,000 new doctors of philosophy; last year the figure was almost 30,000, despite the ready evidence of a job shortage. Theoretically doctoral programs require about three years to complete, but the average time is 5.7 years because the majority of students take a job and finish their dissertation away from graduate school. It will probably be 1974 before the nadir is reached and supply-demand curves begin to approximate rational proportions. Those who have already started Ph.D. programs will want to finish them, while even now graduate school enrollment, *mirabile dictu,* was up by one percent in 1971, according to the Council of Graduate Schools. Admittedly the growth rate has declined from the 7.5 percent it averaged from 1968 to 1970.

What are the new Ph.D.'s finding when they leave the campus and seek a job? To quote from one disillusioned mathematician, "B.A.+M.A.+Ph.D.=0." Take the case of Betty B., a 25-year-old Ph.D. in math who lives in Houston. After applying at four colleges, ten junior colleges, and three high school districts in the area, she contemplated secretarial work and even a job as a waitress before she found a position teaching undergraduate engineering students at her alma mater. Considering the discrimination against females which exists even in Academia, she feels herself lucky.

Less fortunate is a 32-year-old Ph.D in political science who has been out of work since September of 1971. He is in a field (Latin American government) in which demand has dropped while NDEA funding was increasing output. A former assistant professor at a well known state university, he is now hopefully applying to schools which two years ago he would have considered a stopgap at best.

Experts predict things will get worse before they get better. Lewis B. Mayhew of Stanford foresees 67,000 doctorates annually by 1980, while the need for new teachers with the Ph. D. is actually declining. Allan M. Cartter, one of the nation's foremost authorities in the field, has stated that curtailment of college expansion during the next decade means that replacement of personnel during the coming twenty years will be dependent on death and retirement only—about two percent per annum, hardly a bright prospect for those now starting out.

The effects of the crunch are manifold, but some of the more obvious which may come about include lower starting salaries for new Ph. D.'s, larger teaching funds, more rigorous publication demands, especially on younger professors, and in some schools a diminution of academic freedom stemming from the reluctance of academicians to speak up for rights lest they be thrown into a hostile job market.

Painful as these effects are on the individuals involved, the consequences for the nation are even more ominous. For the first time in its history America is facing a period when unemployment among the highly trained threatens to outstrip joblessness among the unskilled and semiskilled. Already the national unemployment rate—slightly over six percent at this writing—is surpassed by physicists and some other physical science categories.

What happens to the "overeducated" who become unemployed? During the Depression many of them succumbed to the lure of communism, an alternative today thoroughly discredited. In the 1970's the alienated turn elswehere. As one young history professor on the West Coast told me. "If (this college) ever went under and I couldn't find another job, I think I'd become a full-time revolutionary." A romantic, a visionary? Perhaps. But the fact is indisputable that modern technology has made Everyman a potential terrorist, and even undergraduate chemistry majors have the knowledge and access to materials needed to construct a plastic bomb. Embittered, disillusioned, angry at "the System," the jobless academician might become the likely dupe of terrorists, anarchists, and other anti-Establishment forces.

We do not mean to overdramatize. Perhaps not one out of a hundred would find such a path appealing, but despair can be a politicizing force, and many who were apolitical in their laboratories and classrooms would become radicals after months of futile search searching for a non-existent job. Can any system, however smug and secure, afford the luxury of creating hundreds and even thousands of malcontents, many possessing the intellect and training to wreak havoc within that system? The lesson of history is clear on one point: revolutions are engendered by the intelligenstia, a scion of the middle class.

Post-1945 developments have given the period the label Age of the Guerilla. Algeria, North Vietnam, Cuba—all underline the role of the irregular in bringing down an established government. This is not likely to happen in America, but Watts, Newark, and other urban riots point up the inescapable conclusion that a small group, even a leaderless mob, can create disorder far out of proportion to its numbers. Latin America provides numerous illustrations of the use of "symbolic violence"—e.g., exploding a bomb at midnight in a soccer field—aimed at reminding the authorities of what might have been, the same explosion during an intertionalized violence. Although American campuses are quiet at the moment—some would say forebodingly so—the possibility for renewed radicalization still exists, and what better leader than an ex-academician?

The problem, then, is more than just a small number of unemployed Ph. D.'s. Besides the obvious humanitarian question involved, there is the hard-to-answer contention that any society which casts on the discard heap its most highly trained and intelligent members forfeits any claim to their support. Comparisons are indeed odious, but one recalls Nazi Germany's refusal to utilize Jewish intellectuals even where no suitable substitute existed, and Hitler's prejudice against "Jewish physics" may have cost him the secret of the atomic bomb and hence the war. Can America simply cut adrift large numbers of its specialized talent to sink or swim during the next decade or so? If it does so, it is at its own risk.

Some proposals. First it must be recognized that the so-called glut of Ph. D.'s is an artificial creation. There is no true surplus, merely underutilization. During the 1960's, simultaneously with its effort to generate more Ph. D.'s quickly, the U.S. educational system allowed its student/professor ratio to slip disastrously. In the period 1965–70 the ratio increased ten percent, meaning that the average professor was meeting 33 students for every 30 he had taught just five years before. By merely maintaining the ratio of 1965 this country could have created another 50,000 teaching jobs and obviated unemployment in higher education. That this was not done is to the discredit of a system which pays lip service to constant upgrading of its institutions. Priorities at that time were such that the war in Southeast Asia and the race to the moon must take precedence. Today the war is winding down and the moon bears an American flag, but the student/professor ratio continues to worsen. The chance has been lost, and a recessionary economy precludes anything but a holding action in higher education.

Solutions have been proposed, but most are half-measures at best. One such idea is to restructure the curriculum so students can get a Bachelor's degree in three years instead of four. Commendable, certainly, but hardly the answer to the difficulties outlined above. Ronald Peieris, a physicist with the Brookhaven National Laboratory, has gone so far as to advocate the elimination of the Ph. D. degree—not the course work, just the degree itself. By eliminating the degree, he contends, the student would gain greater flexibility and avoid overspecialization, thereby increasing his acquaintance with a variety of fields and broadening his employability.

Without going into the merits of this proposal, we must admit that the Ph. D. degree does in general encourage "knowing more and more about less and less" and sorely needs reforming. The median number of years spent in acquiring Ph. D. in English is 9.7, four more than the national average for all fields. One can but stand in awe at the perseverance of those who finally win their union card. But whatever its defects, the Ph. D. is here to stay; competing degrees such as the Doctor of Arts are foredoomed to second class status. Part of the problem, to be sure, is to find some method of eliminating the glaring shortcomings of existing doctoral programs while retaining their positive features, but that is not the main thrust of this essay.

Ultimately the supply and demand curve will exert its inexorable sway over higher education as it does over all economic activities, but until then there is an urgent need to take steps to ameliorate the problem. Loath as we are to suggest a further extension of the federal bureaucracy, truth compels us to argue that only the federal government has the resources to deal with a situation of this magnitude. The states, faced with dwindling funds and rising demands, could not act effectively even if tight-fisted legislatures were in the mood to expand appropriations to colleges which many feel to be breeding grounds for radicals and anarchists. Business has traditionally restricted its participation to endowments and foundation largesse. In short, only federal government has the wherewithal to meet the challenge.

For political reasons the government must approach the problem gingerly. To the average taxpayer, already financially overburdened and constantly on the verge of revolt, higher education has a rather low priority. Barring another Russian space spectacular such as landing men on Mars, it is unlikely that American colleges and universities will witness another windfall such as marked the period 1958–65. The approach, then, should stress utilization of a vital national resource, the providing of jobs for those willing to work. This is something which the average American understands and sympathizes with; many now living benefited from such techniques during the Depression and acknowledge with gratitude the role of goverment in helping them weather a time of personal and national crisis.

Some may term the following program ruthless, and admittedly it does entail a carrot-and-stick approach. Federal funds should be phased out as quickly as possible in those fields such as physics and foreign languages which burgeoned under the impact of NDEA but are now overcrowded. Why encourage more students to seek a Ph. D. in fields already blessed with a surfeit? Funds could be rechanneled into fields where there is still a shortage, few though they are. One such area is Black Studies, where increased spending might have a desirable side effect politically. Another possibility is using such freed money for construction of medical schools and encouraging Ph. D.'s in chemistry, biology, and related fields to retool themselves for medicine; a sort of Job Corps could be established to help them make the transition with a minimum of fuss. The U.S. desperately needs M.D.'s, while Ph. D.'s are a dime a doctorate; here is a way of meeting two large-scale national problems simultaneously. Political opposition might be expected from more conservative elements of the American Medical Association but could be overcome if public opinion were mobilized behind the proposal. This should not be difficult once the urgency of the predicament was made clear.

Government intervention created the alleged glut of Ph. D.'s by encouraging expansion of graduate school programs and by fostering output beyond the foreseeable demand. It is only reasonable, then, to ask government to take the lead in helping quell the onrushing flow of excess doctorates, but cutting down the supply—however necessary—is a basically negative approach. There *is* something the federal government can do in a positive direction: it can undertake to restore the numerical balance between professor and student which was lost in the frantic rush of expansionism in the 1960's. First step in this direction would be a requirement that future federal grants-in-aid for higher education go only to those institutions which could demonstrate that they did not exceed a stipulated maximum level of undergraduate students per professor; seminars of three and five students could not be used to skew the figures and make the overall university ratio more respectable. By adopting this approach the government would gear its aid program to reduced student/faculty ratios and promote the hiring of additional instructional staff.

But this alone would not be enough, for it might be merely an *ad hoc* measure unless an ongoing national commitment were made to quality higher education. As James Cicarelli has pointed out ("The Government and the Economy," this QUARTERLY, Winter, 1972), the U.S. government reacted to the Great Depression by passing the Employment Act of 1946, which in effect pledged that it would be a "*de facto* employer of last resort." Our proposal is to extend this promise upward to include the professionals as well as the blue collar workers who have been the traditional beneficiaries of such a policy. During the Depression the government created writers' projects and other activities for those whose training and background fitted them for mental rather than physical labor. We suggest that the federal government fund a permanent agency somewhat on the model of the Works Progress Administration to investigate the chronic problems that confront America.

How would it work? In aims and concepts it would resemble the massive effort the nation made in landing an American on the moon, but it would not cost $25 billion, nor even a tenth that much. With appropriation of $500 million and provision for additional funding where necessary, this country could set in motion a major attack on some of its perennial social problems—urban blight, poverty, the ghetto, pollution, and yes, even racism. There is no guarantee that we would solve any of these within five or ten years even with a crash program such as we envision, nor should the public be misled into expecting quick solutions to problems that in some instances have taken hundreds of years to come to fruition. But the existence of a department-level entity called, say, the Department of National Goals (DNG) would help assure that our efforts at healing these open sores on the body politic did not depend on the vagaries of any one administration. The fate of the War on Poverty and the Alliance for Progress offers mute testimony to the wisdom of installing such safeguards.

The DNG would establish a continuing research center to study problems, employing highly trained personnel in many fields. Urban blight, for example, is a question which calls into play the specialized knowledge of sociologists, economists, demographers, political scientists, health service workers, pedagogues, biologists (how do you get rid of rats?), psychologists—the list is virtually endless. In effect the DNG would be the employer of *last resort* for academicions as the WPA was for manual workers, but the benefits accruing to the nation would be vastly more far-reaching. The social ills that beset America will never be eliminated without the kind of massive moral commitment which we describe, and is any price too great to pay for an end to prejudice, for example?

If it falls within the capitalist ethic to pay U.S. senators, among others, not to grow cotton or alfalfa, we contend it is equally justifiable to pay professors not to teach. A kind of nationwide "brain bank" might be established, analogous to the soil bank which has existed for decades. Professors would be paid to keep themselves on reserve in case they were needed by the government; in the meantime they could pursue whatever research they wished during their extended sabbatical. Every two or three years they would have the option of returning to teaching, taking a job in the DNG or continuing in the brain bank. The total cost of such a program would be less than the annual expense currently underwritten by the government in supporting the soil bank and would serve to maintain a far more precious resource than corn or barley.

A utopian scheme? Quite possibly. But Social Security, Medicare, and other advances in social legislation were all similarly denounced while in the idea stage. And the unhappy alternative to governmental intervention is a steady decline in the quality of university instruction as class size continues to mount, a loss of self-esteem for thousands of "overtrained" savants reduced to driving taxis or working as plumbers' assistants, and an unpardonable reneging on the unwritten national promise to reward hard-won skills by utilizing them with humaneness and dignity in the common interest.

TRADE DEFICIT AND OUR PRODUCTION-COST INFLATION

HON. O. C. FISHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 8, 1973

Mr. FISHER. Mr. Speaker, one of the Nation's most respected authorities on international trade is O. R. Strackbein, president of the Nationwide Committee on Import-Export Policy. At a time when the Congress is dealing with this subject, a statement prepared by Mr. Strackbein on various aspects of this problem should be helpful.

The statement follows:

TRADE DEFICIT AND OUR PRODUCTION-COST INFLATION

(By O. R. Strackbein)

The trade deficit of 1972 at $6.4 billion was a rude reminder that governmental efforts to reverse our adverse trade trend were so far a failure. That the second devaluation of the dollar will be effective toward restoring our trade balance is doubtful.

The deficit, it should be made known, was much wider than our official trade statistics reflected. Our competitive position has been much weaker for some years than official import and export statistics revealed. Instead of a $6.4 billion deficit in 1972 our deficit in terms of private competitive foreign trade was in the magnitude of $13-$14 billion. Yet, even on the basis of our official statistics we swung from a surplus of $4.4 billion in 1967 to a deficit of $6.4 billion in 1972. This was a swing of nearly $11 billion in five years.

In 1972 our deficit with Japan was $4 billion according to our official statistics. However, that figure leaves out of account the cost of bringing our imports from Japan to this country. Total 1972 imports from Japan are shown at $9 billion. If the freight and marine insurance costs had been added, as they should have been, the deficit would have been that much higher. These charges were in the magnitude of some 20%, so that in 1972 our deficit was nearer $6 billion than the reported $4 billion in our trade with Japan. The swingabout was rapid. Even on the official basis our deficit in 1965 was only $334 million. In 1970 it was $1.2 billion and in 1972 $4 billion.

However, there are other areas of the world where our trade deficit is also large. Canada, for example, exported $2.5 billion more to us in 1972 than we sent to Canada. This was a record deficit, and was double our deficit in 1969.

We also had a record deficit in our trade with West Germany in 1972. It was $1.4 billion compared with $800 million in 1971 and $290 million in 1970. The rise, again, was rapid.

American industry has been accused by relative inefficiency in relation to the industry in the countries with which we suffer a deficit, other than Canada. Unquestionably productivity has risen more rapidly in Japan, West Germany and Italy than in the United States, but they were playing catch-up ball in terms of technology and their progress was measured from a lower base than ours. This is also true of wage rates, which is to say they rose faster in Japan, etc., but here, too, they started from a much lower base. In dollars and cents our rates went up more than in those countries.

MAJOR CAUSE OF HIGHER U.S. COSTS

American wage levels are usually blamed for our higher costs but wage increases have had causes of their own, as we shall see, quite aside from collective bargaining.

Federal budgetary outlays, combined with those of the States, and Local government, have mounted steeply in recent years. Since these outlays are outside of our productive system they inevitably increase the cost of production, just as do the outlays for national defense and veteran benefits, and, indeed all governmental expenditures.

It will therefore be enlightening to examine the trend in these outlays. The following Table gives the Federal, State and Local outlays for public social welfare programs over a period of years:

FEDERAL, STATE, AND LOCAL SOCIAL WELFARE EXPENDITURES UNDER PUBLIC PROGRAMS

[In millions of dollars]

	1950	1955	1960	1965	1970	1971
Social insurance	4,947	9,835	19,307	28,123	54,653	66,075
Public aid	2,496	3,003	4,101	6,283	16,476	21,819
Health and medical	2,064	3,103	4,464	6,246	9,568	10,620
Veterans programs	6,856	4,834	5,429	6,031	9,018	10,420
Education	6,674	11,167	17,626	28,108	50,332	55,542
Other social welfare	448	619	1,139	2,066	4,606	5,305
Total	23,508	32,640	52,293	77,175	145,350	170,752

Source: Statistical Abstract of the United States, 1972, Table 451, p. 278.

In 1971 the Federal share of the total combined expenditures was an estimated $92 billion or 54.1%. In 1965 it was 66.4%. State and Local outlays have risen very rapidly.

From this table we can see the sharp increase in outlays for welfare programs in this country. From 1965 through 1971 the Federal outlay rose from $37 billion to $92 billion, or by nearly 150%. State and Local outlays increased from $39 billion in 1965 to $78 billion in 1971, or a doubling of the amount. The two combined (Federal and State and Local) rose from $77 billion in 1965 to $170 billion in 1971.

Expenditures for National Defense and Veterans Benefits also increased during this period, moving upward from $55.3 billion in 1965 to $89.1 billion in 1972. This was an increase of $33.8 billion or 60%.

Expenditures for welfare programs, like those for national defense, do not directly increase the output of goods in our factories, mines or from our farms. They therefore come to rest in our economy as costs that must be borne by the goods we do produce.

The next Table will show our expendituers for National Defense and Veteran Benefits, and their relation to the total Federal budget and to the Gross National Product:

DEFENSE EXPENDITURES—NATIONAL DEFENSE AND VETERAN BENEFITS

[Dollar amounts in billions]

	1950	1955	1960	1965	1970	1972
Total Federal outlays	$43.1	$68.5	$92.2	$118.4	$196.8	$236.6
National defense and veterans benefits	21.9	44.6	51.3	55.3	88.9	89.1
National defense only	13.1	40.2	45.9	49.5	80.2	78.0
Percent of total Federal budget	30.4	58.7	49.8	41.9	40.8	33.0
National defense as percent of gross national product	4.6	10.2	9.3	7.6	8.3	7.2

Source: Statistical Abstract 1972, table 397, p. 248.

At the height of the Viet Namese conflict national defense represented 45% of the total Federal budget and 9.7% of the Gross National Product. The 45% had, however, declined to 33% of the total budget in 1972 and to 7.2% of the GNP.

It is possible to relate these nonproductional expenditures to the output of our industries, agriculture and mines. The next table will show the gross product of our producing operations as represented by agriculture, mining, contract construction and manufacturing:

GROSS PRODUCT BY INDUSTRY

[In billions of dollars]

	1950	1955	1960	1965	1970	1971	1972
Agriculture	20.8	19.8	21.7	25.4	30.8	26.5	29.1
Mining	9.2	12.3	12.7	13.5	16.8	54.2	57.8
Contract Construction	12.7	18.0	22.7	31.6	45.8		
Manufacturing	83.8	120.8	144.4	198.5	253.2	223.2	248.3
Total	126.5	170.4	201.5	269.0	346.6	303.9	335.2

Source: Statistical Abstract, United States 1972, table 511, p. 314; "Survey of Current Business," March 1973, table 7, p. 15.

From this table we see an increase in the gross product of our producing operations from $269 billion in 1965 to $303 billion in the recession year 1971, or $34 billion. This was an expansion of 12.6% whereas the expenditure for social welfare programs, Federal, State and Local, rose by $93 billion or by 120%. If the increase in Defense expenditures is added the $93 billion grows to $127 billion or nearly four times as much as the $34 billion increase in the industrial sector. ('72 State and local expenditures not on hand.)

In other words, as a consequence of these rising expenditures our industrial sector was made to carry an added burden of $127 billion in 1972 beyond the burden it carried in 1965. Except for rising productivity and population increase this burden came to rest on the industrial sector as that much additional cost of production.

In the next table the cost of our social welfare programs is compared with the gross product of the industrial sector (including agriculture, mining and contract construction as well as manufacturing):

FEDERAL, STATE, AND LOCAL SOCIAL WELFARE EXPENDITURES UNDER PUBLIC PROGRAMS AS PERCENT OF THE GROSS PRODUCT OF INDUSTRY

[Dollar amounts in billions]

	1950	1955	1960	1965	1970	1971
Gross product of industry	$126.5	$170.9	$201.5	$269.0	$346.6	$303.7
Social welfare expenditures, Federal, and State, and local	25.3	32.6	52.3	77.1	145.3	170.3
Percent of social welfare outlays to gross product of industry	20.0	19.1	25.8	28.9	41.9	56.2

Source: Statistical Abstract 1972, table 511, p. 314, p. 278. "Survey of Current Business," March 1973, table 7, p. 13.

Here we merely have an affirmation of what the previous Tables demonstrated, namely that the social welfare expenditures were running very fast compared with the growth of the industrial sector. This fact of itself would forecast higher costs of production. From 28.9% of the gross industrial product in 1965 the social welfare expenditures rose to 56.3% in 1971, a veritable doubling in the proportion.

The following table will show the relation of Defense and Veteran outlays to our gross industrial product:

DEFENSE EXPENDITURES, INCLUDING VETERANS BENEFIT AS PERCENT OF GROSS PRODUCT OF INDUSTRY

[Dollar amounts in billions]

	1950	1955	1960	1965	1970	1972
Gross product of industry	$126.5	$170.9	$201.5	$269.0	$346.6	$335.2
Defense and veterans expenditures	21.9	44.6	51.3	55.3	88.9	89.1
As percent of gross product of industry	17.3	26.2	25.0	20.5	25.6	26.6

Source: Statistical Abstract 1972, table 397, p. 248; Survey of Current Business, March 1973, table 7, p. 15.

Our defense and veterans outlay was 26.6% of our industrial product in 1972. We next combine defense and veterans outlays with the outlay for social welfare and compare the combination with the gross industrial product.

SOCIAL WELFARE EXPENDITURES, FEDERAL, STATE, AND LOCAL DEFENSE EXPENDITURES, PLUS INCLUDING VETERANS' BENEFITS AS PERCENT OF GROSS PRODUCT OF INDUSTRY

[Dollar amounts in billions]

	1950	1955	1960	1965	1970	1971
1. Social welfare and defense expenditures	$45.4	$77.2	$103.5	$132.4	$234.2	$259.8
2. Gross product of industry	126.5	170.9	201.5	269.0	346.6	303.2
Percent line 1 is of line 2	35.9	45.0	51.3	51.0	67.6	85.6

Source: Statistical Abstract, 1972, table 451, p. 278; table 511, p. 314; "Survey of Current Business," March 1973, table 7, p. 13.

This table shows the 1971 expenditures for social welfare, Defense and Veterans benefits, to be equal to 85.6% of the product of industry or well over half again as high a proportion as in 1965. Naturally our production costs snowballed and our competitiveness in world markets declined.

These several tables, of course, leave out other public expenditures of our government, Federal and non-Federal. These have also increased.

Total expenditures, Federal, State and Local, in 1965 were $186.9 billion. In 1971 they had risen to $341 billion; and, of course, ran to a still higher level in 1972 and will go upward yet farther in 1973. The Federal expenditures alone in 1972 exceeded those of 1971 by $20 billion and will increase by some $35–$40 billion more in 1973, reaching some $268 billion. State and Local expenditures have also increased since 1971. These galloping increases were the forerunners of our rising deficits in foreign trade.

The effect of the outlays on production costs should, of course, have been foreseen. The increase in total public expenditures from 1965 to 1971 was $155 billion, or equal to half the total gross industrial product. A simplistic but quite correct conclusion would be that wages would rise in the order of 50% since those who work at production carry the burden of the outlay for public employees. As previously noted, however, rising productivity would offset the higher costs of production to some extent.

Average wages in the manufacturing establishments did rise from $2.62 per hour in July 1965 to $3.56 in 1971. This was an increase of 36%. Output per man-hour increased from 98.3 in manufacturing in 1965 to 111.6 in 1971 where 1967 equals 100. This was a rise of 13.5% and would be expected to retard the increase in production cost attributable to wages to that extent. By March 1973 the average hourly manufacturing wage was $3.97, or still upward, as public expenditures also continued to rise. The latter, indeed, would be expected to generate the rise in wages.

EFFECT OF PUBLIC OUTLAYS ON PRODUCTION COSTS

If doubt exists about the effect of public outlays for non-productional activities, such as social welfare and national defense, it may help to use an example. Let us say that 1,000,000 are employed at producing all that we eat, wear, live in, move around in, i.e., all the consumer goods that we use plus all the capital goods needed to produce these goods; and, again, let us assume that this total employment produces $10 billion worth of such goods.

Employee compensation, let us say, would be $7.5 billion. Then let us assume further that there were no government outlays of any kind. (Actually in 1972 the number of governmental workers, Federal, State and Local was 13.29 million. The number employed in manufacturing, agriculture, mining and contract construction was 26.5 million. In other words, government workers number 50% of those employed in the private industry field.)

Now make a switch and assume that alongside of the million workers in the field of production were 500,000 governmental workers. The total employment would therefore be 1,500,000 in these two groups. We would now have 1,500,000 producing what the 1,000,000 produced before, so to speak. The added 500,000 would not increase the product of the million workers, although there might be some roundabout increase in production because of governmental services. These 500,000 governmental workers, let us assume further, would be paid as much per capita as the production workers in industry. Their wages would then be $3.75 billion per year. This would bring the total wage bill to $11,250 billion ($7.5 billion plus $3,750 billion).

With the volume of goods remaining the same, or virtually so, the cost would rise 50%, or more or less, if labor compensation was not to fall behind. This is to say wages must rise 50% minus the amount that productivity had increased. There was an actual increase in manufacturing wages of 36% (i.e., from $2.62 in 1965 to $3.56 per hour in 1971). Productivity, as we saw, had increased 13.5%. This must be deducted from the 50% if costs were to remain steady. The 50% would thus be reduced to some 36.5% or equal the actual wage rise. (Sources: Stat. Abs., 1972, Table 361, p. 225; Table 965, p. 585; Survey of Current Business, December 1965, p. S–15 and March, 1973, p. S–15.)

Should governmental employment as assumed in the example, continue to rise, perhaps reaching 1,000,000 workers in a decade while industrial employment remained steady, the public outlay for employees would be as high as in the private industrial field. The total bill for employee compensation would then be $15 billion, and the goods produced would cost twice as much as they would if governmental employment were zero. This is simply to say that a relative increase in governmental outlay in relation to the level of production of goods, will also increase the cost of the goods. The relationship would approximate our calculation but would vary according to productivity of the workers in the private production sector. No precise mathematical relationship should be expected.

Consumer prices, moreover, rose at a similar magnitude, with some time lag as might be expected. In 1965 the consumer price index, where 1967 equals 100, stood at 94.5. In 1971 it had risen to 121.3. From there it continued upward to 128.6 in February 1973.

The increase in 1971 had been 28.3% over 1965. By February 1973 it had risen by 36%. This, once more, was in keeping with the rise in wages (taking into account the time lag of price increases) and the increase in governmental employment, which rose 33%, from 1965 to 1972. While wages had risen by 50% the accompanying rise in productivity, which was 13.5%, as already noted, should have retarded the increase in production cost. (See Stat. Abs., 1972, Table 565, p. 348, and Sur. of Cur. Bus., March 1973, p. S-8).

IMPORT COMPETITION

As we face import competition increasing costs in this country greatly affect our competitive standing. Inasmuch as employee compensation represents from 75% to 80% of corporate cost of its product output, any factor that increases wages substantially also increases costs substantially unless productivity also increases in proportion. The cost of government greatly affects production costs for reasons already set forth.

The next Table gives the number of employees in the productional activities of the private economy and in the government, Federal, State and Local:

EMPLOYMENT—1965-72

[In thousands]

	1965	1972
Agriculture	4,761	3,472
Mining	638	607
Contract construction	3,178	3,521
Manufacturing	18,105	18,933
Total	26,682	26,533
Government, Federal, State, local	9,942	13,290

Source: (Survey of Current Business, December 1965, pp. S-12, 13; March 1973, p. S-13).

Notable in this Table is the stationary character of employment in the industrial sector (as assumed in one of our examples) (26,682,000 in 1965 and 26,533,000 in 1972), while public civilian employment increased from 9,942,000 to 13,290,000 in the same period, an increase of 3,348,000 or 33%. Public employment, in other words, rose from 37% of the number employed in the industrial sector in 1965 to 50% in 1972. Other things being equal production costs should have risen an average of 50%, subject, to repeat, to the offsetting affects of rising productivity. (From 1965-1971 employment in wholesaling and retailing and in the service industries, such as medical, hotels, laundries, motion pictures, etc., increased 24%, thus adding further cost burdens).

CONCLUSION

The extent to which we are committed to such high governmental expenditures so long will we need restrictions on imports. These are advantaged by low foreign wages compared with our own and by the great rise in productivity in other industrial countries, guided by our technology. When our outlays for social welfare, defense, etc. rise more sharply than the foreign we suffer a competitive disadvantage. Our industries, agriculture and mines will find foreign competition insuperable as long as foreign wages continue to lag woefully, thus retarding the purchasing power at home that would reduce dependence on exports, and as long as foreign productivity continues to rise faster than ours as their technology advances toward our level.

Realignment of currencies under the circumstances should be regarded only as temporary expedients, not as long-range remedies.

If our rising public expenditures are to continue, import quotas as a means of containing the damage that imports inflict on our production represent the better instrument of regulation. Quotas may be designed to be both flexible and adjustable in keeping with needs and conditions confronting different industries. As a regulatory instrument they are the most manageable and responsive of the various alternatives.

RARICK REPORTS TO HIS PEOPLE: THE FEDERAL POLICEMAN, SPEAK SOFTLY AND CARRY A COMPLIANCE GUIDELINE

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 8, 1973

Mr. RARICK. Mr. Speaker, a month or so ago the Federal Bureau of Investigation gave the American public the good news that for the first time in 17 years, crime in the United States declined. Even though the drop was slight, just 3 percent, it was hailed at all levels as some sort of major breakthrough in law enforcement. The U.S. Attorney General heralded it "a day we have been looking forward to for many years."

Certainly, any reduction in the soaring crime rate in this country should be welcomed. But if we look a bit more closely at the report, there is more cause for alarm than rejoicing.

While property crimes, those involving burglary, auto theft and theft of more than $50, did take a slight dip, violent crimes are still on the rise. Murder was up 4 percent, rape up 11 percent, and assault up 6 percent. Robbery was the only crime of violence that was down during 1972—and then only 4 percent. Crimes that people fear most, violent attacks on their physical person, still pose a threat to their safety and well-being.

The former executive director of the President's Crime Commission said:

> The real test (in crime reduction) is whether people in any city feel safer than 1, 3 or even 5 years ago.

His conclusion, and the feeling of many people across the country, is NO. People still do not feel it safe to walk the streets of our cities at night.

Another significant part of the FBI's 1972 crime picture was that while serious criminal activity was going down in the large metropolitan cities, it was making gains in the suburbs and in rural areas. Several explanations have been offered as to why this is true.

One theory is that crime in the cities has simply peaked, and suburbs offer richer pickings. Another is that brighter street lighting and more visible police patrols are driving people out of the inner cities to commit their crimes in the surrounding areas.

As with most statistics, crime figures are susceptible to manipulation. A much more accurate gage of crime in our cities are the daily headlines that continue to bombast us with reports of violent crimes and lawlessness. Considerable controversy surrounds much of the crime reporting, especially in light of the pressure that police agencies are under from bureaucratic funding agencies to make federally funded programs look good on paper. Suspensions have been raised in several areas of under-reporting of crime.

Pressure from Washington is being exerted over local law enforcement agencies to an increasing degree. Congress funded and set up the multi-billion-dollar, string-pulling bureaucracy called the Law Enforcement Assistance Administration in 1970. Under political pressure from the people back home to "do something about rising crime," Congress responded with a heavy dose of Federal money and Federal control of local police activities. The political impulse always seems to be to do something, even if it is wrong. Massive expenditures of Federal money has really done little to make our streets any safer from the criminal element that roams them—protected by defacto Supreme Court decisions and LEAA guidelines that tie the hands of the police. What the flow of funds from the LEAA has accomplished is to condition local police departments to expect Federal money and to expand their budgets with these additional funds. The money, rather than upgrading law and order to combat crime at the local level, has been used as a level to force compliance with Washington bureaucratic edict.

New guidelines continue to handcuff police and do nothing related to crime in the conventional sense. The LEAA leadership is more concerned with experimenting with theories of social justice and favorable news reports than with giving the American people a top-notch, effective police force. According to a late edict from LEAA published in the FEDERAL REGISTER, continued funding of local police programs has nothing to do with whether or not the local authorities have taken positive action to control crime or make our streets safe. Now our police departments are threatened with the cutting off of Federal funds if they do not hire short people.

The LEAA says now that minimum height requirement used by most departments across the country are discriminatory in that employment opportunity may be denied to many Puerto Ricans, Mexican Americans, Japanese Americans, and women because they are not tall enough. In the same order, State and local law enforcement agencies were instructed to take special steps to recruit minorities to work in jails and prisons "even if they are located in suburbs or rural areas where minorities do not live." The directive did not explain how this would be accomplished. However, it may be presumed that busing of the new recruits may be ordered to achieve this "minority balance" the bureaucrats desire.

The nearly $1 billion that the LEAA will dole out to 40,000 federally controlled police departments, correctional institutions and courts across the country is moving us toward a nationally controlled police force. The new breed of Washington oriented policeman has been dubbed the "Fed-Cop". "Un-police" may be more appropriate, since much of the money and efforts are spent on non-police related activities.

Our police departments are being used for sociological experimentation not only by the Federal Government, but such progressives as the tax-exempt Ford Foundation are now getting into the act. In the summer of 1970, the Ford Foundation launched the Police Foundation with a $30 million allocation and a 5-year plan to effect change in existing law enforcement procedures.

Since 1971 the Police Foundation has spent about $6.6 million in a wide range of tax-free foundation-directed programs. In the Foundation's progress report called Experiments in Police Improvements, the aim of the huge amounts of spending is described as developing "better ways of doing the police job and to promote police and public support of those ideas and practice." So, not only is the Ford Foundation money going to experiment with ways to change the present system of police activity, it is also being spent as a public relations tool to lobby for implementing those experiments into law.

For the Ford Foundation to get into the area of "improving" police activities is in itself a paradox. It looks as if now the Ford Foundation is working both sides of the law and order street. In the past, tax-free money from this Foundation has found its way into the bank accounts of a number of radical groups whose subversive activities have been directed against the police to evade law and order. The same source of money that financed street demonstrations and the anti-police activities of the last few years, is now being used for the announced purpose of funding better law and order techniques. Rather than implementing the public's demand for sterner law enforcement, the programs of the Police Foundation are aimed at liberal changes which are of questionable value.

The Ford Foundation's staff has been nosing around over 100 major police and sheriff's departments with seed money in hand. And a number of departments have taken the bait. But as with Federal money, tax-free Foundation money also carries with it strings of control.

In many of the cities which have accepted Police Foundation money, advisors and controls, the local police officers have assumed more the role of social engineer and tour director with their activities directed by college professors and other "eminently qualified educators." One "police recruitment of new kinds of people: women, non-law enforcement college graduates, minorities and civilian professionals and technicians." Management experts and psychologists are becoming the new prototype of the Un-Police.

Department management by people trained in law enforcement work is being criticized as "undermining both the quality of police forces and their delivery of police services." Not only is the Foundation attempting to recruit "new kinds of people," but "to develop new selection systems for police officers, to provide new promotion and lateral entry opportunities for police administrators." What this "lateral entry" has meant in Dallas and some other cities that have taken foundation money and accepted the programs, is that outside authorities and social scientists have been brought in to make department policy.

Dallas police officers are being trained by "eminently qualified educators" at SMU under yet another police foundation grant. Rather than being a policeman to enforce laws enacted by the authorized legislative body of Texas, the new Fed-Cops are "visualized as elite team of diagnosticians, general practitioners and specialists who treat social ills" within the community.

The foundation experts admit that "key foundation project personnel can be given regular status within the municipal civil service, personnel and pension systems." This "lateral entry" of non-law enforcement experts into police ranks in upper management positions is supposed to free the cop on the beat to do a more effective job of enforcing the laws. More police will be in the field while the unexperienced experts carry out policy and guidelines from the Police Foundation and the taxpayers subsidized Law Enforcement Assistance Administration.

But, rather than being allowed and encouraged to do the job that the citizens expect from the police, the new un-policeman is pressed into playing the role of social worker and public apologist to the lawbreaker. Public attitudes must be changed before the new Fed-Cop is fully accepted, the Police Foundation admits. It is presently spending some more of its tax-exempt money to look for some system of new measures which can substantially change police and public ideas about what good police performance is.

Reducing the rising rate of violent crimes in this country is evidently not accepted as a proper measurement. "Experiments in Police Improvements" admits that the Police Foundation "is now trying to develop formal alternatives to arrest, booking and prosecution" of lawbreakers. What the foundation is attempting is to deceive the public into believing that black is white and that crime is being curbed by not arresting those who commit the crimes.

What federally controlled police programs, as well as those dictated by foundations, boils down to is that our police are expected to be a nonfighter of crime at a time when law enforcement by the courts is at an all time high in permissiveness. Our police are being told to "speak softly and carry a big law book." In fact, it has been suggested by experts that if we abolish the crimes there will be no criminals. This way the police can show a crime reduction.

Police power under the Constitution, with rare exception, has historically been reserved for the State and local governments under the guardian eye of the local citizen where it should be. I am reminded of a statement made a number of years ago by former FBI Director J. Edgar Hoover, when he warned against Federal control of police.

> America has no place, nor does it need a national police force. Effective law enforcement is basically a local responsibility. Law-abiding citizens and local officials should vigorously oppose attacks against law enforcement and the devious moves to negate local authorities and replace it with Federal police power.

Now, more than ever before, our local police need strong support from local citizens if they are to remain independent and to carry out the mission of retaining law and order.

If you want to keep your local police yours—then defend them and cooperate with them fully. Your local police wear a gun so that you do not need to.

DR. WLADISLAW KOLAKOWSKI RECEIVED THE GRAND CROSS OF THE ELOY ALFARO INTERNATIONAL FOUNDATION OF THE REPUBLIC OF PANAMA

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 8, 1973

Mr. WOLFF. Mr. Speaker, one of my constituents, Dr. Wladislaw Kolakowski, editor and publisher of the "Copernicus Portfolio," celebrating the 500th anniversary of the birth of Nicolaus Copernicus, has been honored by the Eloy Alfaro International Foundation of the Republic of Panama, with the top honor—the Grand Cross and Diploma, "in recognition of his outstanding contribution to mankind in the field of science and humanities, in keeping with the aims, ideals, principles and purposes of the Eloy Alfaro International Foundation of the Republic of Panama."

Among the group of distinguished individuals who have been similarly honored in the past are: former Presidents Franklin D. Roosevelt, Herbert Hoover, Dwight D. Eisenhower, Vice President SPIRO AGNEW, Senator HUMPHREY, Governor Nelson A. Rockefeller, Governor Harriman, Senators MANSFIELD, J. WILLIAM FULBRIGHT, SYMINGTON, President Kennedy, President Nixon, President Truman, who typify the caliber of those individuals holding this high honor.

I, too, was honored by the Eloy Alfaro International Foundation in Washington, D.C., with the former Speaker, Mr. McCormack making the investiture, several years ago.

Dr. Kolakowski is actively participating in the quincentennial observances. As chairman of the Copernicus Portfolio Committee, he has prepared historical documentation to enable all levels of our society to enjoy and understand the achievements of Nicolaus Copernicus.

The Portfolio presently consists of six lithographs, beautifully and artistically done. The contribution of Copernicus to our space exploration and scientific accomplishments cannot be overestimated, and the recognition being given to this pioneer, the father of modern science, is reflected in these art work.

The Copernicus Portfolio had its beginning in the National Shrine of Our Lady Of Czestochowa, Pauline Fathers, Iron Hill and Ferry Road, Doylestown, Pa., where Dr. Wladislaw Kolakowski received encouragement and inspiration from Very Reverend Michael M. Zembrzuski, O.S.P. Vicar General-Director, who was then in charge of national Copernicus activities.

The Copernicus Portfolio has been given distinguished acknowledgements from such personages as President Nixon, Kurt Waldheim, Secretary-General of the United Nations, and has received an Apostolic Blessing from Pope Paulus VI.

The Trade Mark insignia "Quincentennial of Copernicus 1473–1973" for the project Copernicus Portfolio, originated by Dr. W. Kolakowski, was adopted in the form of a stylized globe of the world on which is superimposed the face of Nicolaus Copernicus, to signify the influence of Copernicus on the world. The theme of the insignia will be recurrent throughout the entire project of the Copernicus Portfolio.

Dr. Wladislaw Kolakowski, born in Baltimore, Md. holds honorary degrees from London College of Applied Science, doctor of business administration; Sheffield University, London, doctor of economy; University Degli Studi "CD," Rome, consular degree. He is a professional philatelist, member of the leading philatelic societies, has published over 100 works, received the Bronze Medal for his "Groszy Overprints" research book in 1956 at the International Philatelic Exhibition in Literature in New York. He is a member of the United Nations Association, a Consul, Knights of Malta, received the C.I.S.C.A.—International Guild of the Star and Silver Cross—Grand Cross with four stars from Pope John XXIII, and for his work on the Copernicus Portfolio, was awarded an honorary doctor of fine art degree from Marconi University in Italy. Alliance College, Cambridge Springs, Pa., present location of the National Copernicus Committee, has endorsed the Copernicus Portfolio in its February 1973 issue of Copernicus Newsletter, as follows:

> The value and importance of the Copernicus Portfolio is inestimable as a visual record for future generations, of the progress of our times. Descriptive illustrations recording important events of the past, present and knowledgeable predictions making up the Copernicus Portfolio will be released from time to time at irregular intervals, closing the era of 500 years, on January 1, 1974.

MORE SUPPORT FOR ALL-YEAR DAYLIGHT TIME

HON. CRAIG HOSMER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 8, 1973

Mr. HOSMER. Mr. Speaker, I am pleased to share with the membership the following support for what is coming to be known as "Enlightened Time." It is all year daylight saving time, the subject of editorial support by KNXT which serves the Los Angeles-Long Beach metropolitan area. KNXT's editorial screened on April 28 and 29 follows:

Year-Round Daylight Saving Time

(Broadcast: April 28 and 29, 1973)

> Tonight, we will all turn our clocks ahead one hour and go on daylight saving time. In other words, if you go to bed at midnight, be sure to set your clock to 1 AM. But where was daylight saving when we needed it all winter?
>
> During the past few months, while a major energy crisis began to develop, we had to turn our lights on an hour early in the evening, because we did not have daylight saving time. When days were short, we battled traffic going home after dark, instead of doing it more safely in daylight.
>
> Furthermore, twice a year we have to go through this confusion of "spring behind, fall ahead"—or whatever the slogan is that tells us which way to reset all the clocks in the house.
>
> Congressman Craig Hosmer and more than two dozen others in the House are sponsoring a bill to establish year-round saving time, and it's a good idea.
>
> Hosmer said it would reduce crime, reduce traffic accidents, save electricity and fuel, and give us more time for outdoor recreation. That's a lot of benefit for a relatively easy change. All we have to do is set the clock ahead an hour and leave it there all year round.
>
> This is an idea long talked about. Maybe now the energy crisis will help bring it to life. It can happen if you let your Congressman know that you support daylight saving all year long.

TWENTY-FIFTH ANNIVERSARY OF ISRAEL

HON. THOMAS M. REES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 8, 1973

Mr. REES. Mr. Speaker, I would like to take this time to add my sentiments of joy to those expressed on the occasion of the 25th anniversary of the State of Israel.

Israel today is a nation which exemplifies its creation, born of the same spirit which has kept alive the Jewish people. Oppression has, rather than diminishing the Jew's will to survive, strengthened it and fostered the spirit of nationhood. It is a spirit of independence, graced by a love of learning and a respect for history. This spirit has built a nation and produced leaders and scholars equal to the task of guiding it. While 25 years is but a moment in the scope of Jewish history, these past two and a half decades have seen the fulfillment of the Biblical injunction, "Next year in Jerusalem."

Yet the Israeli experience is still an experiment in nationhood. Seldom has a country asked so little from the community of nations and been so dependent upon its own human and material resources of support; and never, in the history of mankind, has its success been so pronounced.

Mr. Speaker, I think we, through our actions of support for the State of Israel, can insure that the experiment of the past 25 years will continue, and in so doing, promote the qualities of nationhood—courage and justice—which Israel embodies.

Time, I think, is on Israel's side. So long as the spirit which created the Jewish state endures, Israel will serve as a homeland to Jew and non-Jew alike.

THE ATLANTIC UNION RESOLUTION

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 8, 1973

Mr. CRANE. Mr. Speaker, Virginia Czuba, a senior at Maria High School in Chicago, Ill., participated in the Washington workshops program last month. As part of her assignment, she researched the question of the Atlantic Union resolution. Students of today, recognizing that they will be the leaders of tomorrow, have a keen interest in decisions which will affect the future of our country and the world. I am pleased to share with the Members this very interesting and impressive report by a talented young student:

The Atlantic Union Resolution

(By Virginia Czuba)

> The Atlantic Union Resolution is the latest in a series of attempts to form a single world government. Many early sovereigns, among whom are Caesar Augustus, Alexander the Great, and Napoleon Bonaparte, sought conquest of other nations and acquisition of a single world-encompassing empire. The idea developed through time into colonization and imperialism. Yet once the world became totally known to man, the idea lay fallow.
>
> A new awareness of the one-world concept was brought about by President Woodrow Wilson. President Wilson advocated a League of Nations to preserve post-World War I peace. However, critics in the Senate prevented United States participation, and the League, possessing only nominal jurisdiction, collapsed.
>
> But other Americans carried forth the idea of a world union. Wendell Wilkie, in 1943, wrote *One World*, a ringing declaration of the need for international cooperation and understanding. Though the book was a best-seller, the United States was involved in World War II, and neither time nor funds were available to develop such an idea. He continued to fight for his theory, and succeeded in coercing the Republicans to publicly support a postwar peace organization.
>
> Willkie saw partial fulfillment of this dream when World War II ended in August, 1945. The United Nations was formed to preserve international peace and security and to provide a forum for diplomatic discussions. One of the component parts, the International Court of Justice, was planned to settle disputes between member nations. But the UN could not singlehandedly stop Soviet Russia's desire for more land. The European nations watched with increasing alarm as the Soviet Union expanded westward into Europe. They sought to block this expansion in a way more definite than any that the United Nations could provide. Thus, the North European nations and the United States and Canada met in April, 1949, and signed the North Atlantic Treaty, forming NATO.
>
> The NATO Treaty reaffirms the Charter of the United Nations, but advances to unite

the North Atlantic nations in a closer economic and military unit. The Treaty's focal point is the defense of the 16 member nations. (This number has since been reduced to 14.) The Treaty states the particular reason for the Organization in Article 5:

"The parties agree that an armed attack against one or more of them in Europe shall be considered an attack against them all."

As a demonstration of their close affiliation with the UN, the NATO members agreed to proceed to the UN Security Council and let it decide upon the action to be taken.

NATO is also an attempt at "economic collaboration".[1] It hopes to open free trade routes between the member nations, and provide stability to the currencies of each. In addition, the Treaty provides for the establishment of a NATO Council to guarantee the execution and enforcement of every point in the Treaty.

As the world progressed through the 50's and into the 60's, the industrial nations of the free world desired additional economic stability. The Common Market experiment was conducted by 6 European powers in 1957, and the result became known as the Europeon Economic Community. (Their number has since increased to 10.) The purpose of the EEC, or Common Market as it is generally referred to, is to provide for an increased, stable economy by opening all European markets to all European goods. This has easily been accomplished by the removal of all intra-Market commercial barriers.

The Organization for Economic Cooperation and Development (OECD) strove for goals similar to those of the EEC, but the OECD was primarily established in the interest of expanded industry. Formed in 1961, it is an attempt by the free-world industrial nations to raise economic growth, rate of employment, and standards of living to the highest levels possible.

During the post-World War II years, the United States Congress became increasingly aware of the strong economic, cultural, and democratic ties between the European nations and the United States. These ties covered areas above and beyond the commonalities of either the UN or NATO. Clarence K. Streit, aware of the criticism that the UN was receiving as early as 1948, proposed the Union of Atlantic nations into one supra-national government. As both the UN and NATO seemed to be losing their binding force and power, proponents of the Atlantic Resolution kept it alive in Congress.

As Clarence Streit moved on to become the founder of the International Movement for Atlantic Union, the new Representative from Illinois succeeded him. In 1960, Paul Findley began championing the Atlantic Union cause, and continues to do so even at the present time.

The Resolution, which has appeared in any number of instances during any one year, authorizes the creation of an Atlantic Union delegation. The 18-member delegation is to be chosen by the President, the President of the Senate, and the Speaker of the House, each man choosing six. There is to be no official instruction given to any delegate, in order to provide flexibility to the convention. These delegates will meet with similar delegations in an Atlantic Convention, designed to explore the possibilities of such a Union. This Union would take the place of NATO, and would be founded on basic Federal principles.

At this time, the Resolution needs further clarification. The member nations must have two prerequisites: 1) They must recognize the inherent individual liberties of each of their citizens. This is an assurance that the nations involved are acting in the interest of the citizens and not as a satiation of their desire for more power or territory. 2) They must have a parliamentary form of government. This stipulation rules out all those nations which are democratic in name but oligarchic in form.

Federal principles means that each nation must be willing to give up a certain amount of its sovereignty in order to cooperate in the proposed parliamentary government. Each government would be subject to the laws and decisions of the Union government, and would be represented in the Union in much the same way as the dual-House government of the US.

Representative Findley (R.-Ill.), along with the other supporters of the Union, view the Resolution as the solution to many problems. Economic instability plagues most of the Atlantic nations; Communism continues to spread; nuclear arms increase in number on the Sino-Soviet frontier. Nothing can be done about these problems by either the UN or NATO because they lack the binding force necessary to impose decisions on member nations.

Mr Findley and his followers contend that the Atlantic Union will provide that missing force, and will increase the total strength and effectiveness of the world democracies. They do not feel that there will be any friction between the United States and Europe. In fact, they contend that:

"(the Europeans) recognize full well that our presence in Europe is a very important stabilizing factor in the relationships between East and West." [2]

They also are of the opinion that the combined economies of the industrial nations of North America and Europe will stabilize the world's economy. The total assets in gold of the Union would equal $27.9 billion, while the foreign claims on Union gold would be reduced to $20.7 billion. The intra-Union trade and the combined gold reserves would greatly reduce the foreign claims upon the members' gold supplies. Thus, the probability of a world-wide depression would be greatly reduced.[3]

Regarding the Sino-Soviet nuclear buildup, supporters of the Union contend that the combined democracies would constitute a very definite check on the two Communist powers. They agree that the combined nuclear strength of the proposed Union members is considerable, and that the two powers are unwilling to tangle with a third, possibly stronger government.

Peter H. Frelinghuysen (R., N.J.) and Edward J. Derwinski (R., Ill.) lead the House fight against the Resolution. Along with other members, they argue that the proposal should not even be considered at this time. Their arguments follow.

Firstly, the nationalism in Europe is too strong to allow the transference of loyalties from the national to the supranational government. This is quite evident in DeGaulle's withdrawal of French troops from NATO in 1966. If France could not even feel a sense of loyalty to NATO, how could she be expected to freely surrender even more of her sovereignty to the Union government.

Secondly, the United States is greeted with suspicion in the European community. The European nations feel that joining in an organization with the United States is like asking for political and economic subservience. They fear that the U.S. will take away their European markets and decrease their economic status.

A second argument against the Resolution is that the decisions of the Union would be binding upon ALL members, regardless of their previous policies. This takes away a very large part of the nation's autonomy, a part that most nations are unwilling to part with.

Finally, Frelinghuysen charges that the appointment of the delegates by the three top government officials cast a semi-official aura about the delegation. In that way, the delegation loses its spontaniety, its flexibility, and becomes another hindrance to the Convention. In order for the delegation to properly perform its duties, the members *must* be able to follow their own convictions.

Mr. Derwinski supplies a workable solution to the crises in our peace organizations. He wrote a series of recommendations for the Foreign Affairs Committee (House) while serving as one of the members of the United Nations delegation from Sept. 22 to Dec. 21, 1972. Among the most worthy of mention here are:

"1. (It is recommended) that the United States press within the United Nations system for administrative and financial reform, including measures to speed the activities of the General Assembly.

2. The Department of State end its excessive control of the U.S. Mission to the United Nations thereby giving the U.S. Representative, the delegates, and the staff the flexibility to more effectively implement U.S. policy in the United Nations. When instructions are transmitted the Department should insure that such instructions are fully coordinated within the bureaucracy.

3. The Department of State should take positive action which is clearly necessary to end the comparative isolation of the U.S. Mission to the United Nations from the policymaking machinery of the Department of State. A beginning could be made by requiring the Assistant Secretary of State for International Organization Affairs to be present in New York during the entire session of the General Assembly. This is his major responsibility . . ." [4]

In my opinion, the idea of an Atlantic Union has some merit and deserves further consideration—in about 15 more years. It seems that no country is ready to surrender precious self-government at this time, and will not be for some time.

It appalls me to think that no consideration has been given to the opinions of the nations other than those in Europe and North America. For example, how do the newly independent African nations feel about the monopoly on the world's wealth which will come about as a result of the Union? Has any provision been made to settle the conflicting treaties within the Union? What about the UN? Will it become a puppet to the Union, inasmuch as the Union will have 15 votes? And, finally, is the Union itself a direct challenge to the authority of the UN?

I don't think that these questions are easily answered, nor are they easily ignored. I think that before any more proposals on the Atlantic Union are brought before the Congress, these questions Must be answered.

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[1] North Atlantic Treaty, Article 2.

[2] George S. Springsteen, Deputy Ass't. Sec'y. of State, appearing before the House Foreign Affairs Committee, Sept. 22, 1972.

[3] At the present time, the world claims upon US gold total $46 billion, while US reserves total only $10.9 billion. Thus, the instability rate is 4.2:1, with an even 1:1 being stable. It is evident, therefore, that unless something is done to alleviate the present U.S. financial strain, the nation will be plunged into another depression.

[4] Edward J. Derwinski, Report 76-079, May 31, 1972.

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HOUSE BUNGLED PRICE CONTROLS

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 8, 1973

Mr. HARRINGTON. Mr. Speaker, on April 16, the House of Representatives had the opportunity to mandate effective price controls when we considered the Economic Stabilization Act. Instead, we passed a straight extension of the President's authority to implement an economic stabilization program.

The wholesale price index rose by almost 25 percent on an annual basis in March, and the President has thus far refused to take the actions that will be required to get this significant problem under control.

In a situation like this, it might be a good idea for us all to pause and consider the reasons for our failure to pass the legislation the consumers and workers of this country need and want.

Mr. Albert Hunt recently had an article in the Wall Street Journal outlining what actually happened within the walls of the Congress, writing in detail about events with which few of our constituents are familiar. I insert that article in the RECORD at this time, both for my colleagues, and for any constituents who may be interested.

The article follows:

HOW THE DEMOCRATS BUNGLED THE PRICE ROLLBACK

(By Albert R. Hunt)

WASHINGTON.—On March 28, Cost of Living Council Director John Dunlop spent an uncomfortable morning with House Banking Committee Republicans. They told him that Phase 3 was in deep political trouble, that Congress was itching to legislate tougher price controls and that the administration seemed headed for a certain political defeat in the House.

Michigan's Garry Brown, one of the Congressmen present, remembers the admonitions. "We generally told him the administration's request for a simple extension of wage-price control authority was dead," he recalls.

Three weeks later, however, the simple extension of the Economic Stabilization Act requested by the administration, sailed through the House unscathed. All Democratic efforts to impose price ceilings and rollbacks, and to otherwise toughen up the controls program were defeated overwhelmingly.

The most common explanation for this surprising turnabout is that the House caved in to the business lobbyists who swarmed over Capitol Hill. And lobbying certainly was a key factor. But even more important was the bungling of the House Democrats. Without their political ineptitude, it's doubtful the administration could ever have won its victory.

Indeed, the Democratic defeat can serve as a case study of how intramural wrangling and weak leadership can sometimes turn certain victory into sharp defeat. Responsibility in this case must rest on the strife-ridden House Banking Committee, which managed to turn the legislation into a political liability, and House Speaker Carl Albert, who failed to lead effectively.

"Carl Albert was more concerned about getting votes for extending the west front of the Capitol than with the controls bill," says one bitter House Democrat. "That's real priorities for you."

"We never dreamed the Democrats could pull us through by fouling up so badly," confesses one administration official.

Initially, the controls legislation seemed tailor-made for White House foes in Congress, Phase 3 plainly wasn't working and the public clamor for tougher controls was growing by the day. The legislation would be considered right in the middle of the highly visible consumer meat boycott, and at a time when wholesale prices registered their most shocking rise in over 22 years.

The Nixon administration's own lobbyists were bringing back ever more gloomy news to their downtown bosses. The Senate had passed a bill imposing some mandatory rent controls, and inflation was heating up even more as the House took up the measure. "Realistically, we had given up on our simple extension," recalls one administration lobbyist. "Most of us felt the House was going to do something horrendous that would make the Senate bill look great in comparison."

Even Wilbur Mills, probably the shrewdest analyst of congressional sentiment, flatly predicted the House would approve severe price rollbacks and a freeze. When the House Banking Commttee held hearings last month, most of its Democrats agreed on a bill that would roll back prices and interest rates to March 16 levels, then impose those levels as ceilings. Almost half the committee's Republicans also were anxious to approve a tough bill.

The bill, as drawn up by committee Democrats, had its share of problems. First, the freeze was to be of indefinite duration, and could be lifted by the President, on a case-by-case basis, only when he found it was causing "gross inequities." Then too, as originally written, the measure seemed likely to cause political and economic difficulties by including raw agricultural products and even market interest rates in the rollback. Further, the legislation encroached on the jurisdiction of other congressional committees in setting up a vast consumer counsel office and moving to regulate credit for commodity futures trading.

Despite all this, the legislation was given a fair chance of making it through the House—until the committee actually started to write the bill in public session. This, in an uproarious session, some committee members started competing to see who could sound and act the toughest in going after the "price gougers."

The clear winner was Chicago Democrat Frank Annunzio, who proposed rolling back all food prices to May 1, 1972, levels. With support from a few conservative Republicans anxious to kill the bill, and urban Democrats fearful of consumer protests, the panel approved this measure 23 to 11. Nobody was more surprised than Mr. Annunzio. "I never would have offered it, if I thought it would carry," he later admitted.

At this point, the House Democratic leadership stepped in. Realizing that such a severe measure never could pass the floor, Mr. Albert and others worked feverishly overnight with some committee members to repair the damage. The next day the Democrats endorsed a proposal which "only" rolled back all prices and interest rates to levels prevailing Jan. 10, the last day of Phase 2. "In that emotional atmosphere, we really believed this was a moderate proposal," recalls one distressed Democrat.

This version got through the banking panel, but immediately ran into a roadblock at the more conservative Rules Committee, which must clear all legislation for House action. Typically, the Democratic response was to quickly improvise a patchwork substitute that rolled back most prices and non-market interest rates to March 16 levels. This cleared the Rules Committee, but by this time the whole situation was in shambles.

"You have to be very sensitive when you start to formulate important legislation like this," notes Rep. Thomas Ashley (D., Ohio), a senior member of the banking panel. "When things start to go wrong, there tends to be a snowball effect. By the time we got this bill to the floor the damage was irreparable."

One of these insensitivities was the absolute exclusion of Republicans all along the way, even though a number of moderate and liberal GOP lawmakers favored a tough controls bill. These Republicans played almost no role in the Banking Committee's deliberations, and only at the last minute were they informed of the substitute bill before the Rules Committee. "We were never given a chance to vote for a viable alternative to Phase 3," complains Rep. Margaret Heckler (R., Mass.).

As a result, in an almost unprecedented show of unanimity, all House Republicans teamed up with a number of disgusted Democrats to defeat the substitute in a procedural vote and pave the way for the simple extension the President sought.

While the Banking Committee clearly mishandled the legislation, the House Democratic leadership did little to straighten things out. Although Speaker Albert and his cohorts said all along that the controls measure was a "priority" item for Democrats, the leadership permitted the situation to steadily deteriorate.

When House leaders finally did step in to try and correct the foulups, they vacillated back and forth between different strategies, ignoring the substance of any legislation. "The leadership has always let the committees handles these things and they just can't break this cord," complains Rep. Thomas Rees (D., Calif.).

It may be argued that Congress simply can't legislate effectively in an area so complex as specific controls covering the whole economy. If so, the leadership shouldn't have encouraged such a bill in the first place. In any event, once the legislative process begins, and a committee proves itself unable to deal with the complexities involved, then the function of effective leadership should be to straighten matters out.

But that isn't the way it worked this time, which points out a much bigger problem. Earlier in this session, the House Democratic leadership received deserved credit for pushing through important procedural changes, which were intended to promote a more effective and responsive House. But these leaders still lack any real program, even in such a gut Democratic area as economic controls.

As long as this is true, the White House will continue to win most of its battles with the Democratic Congress. With opponents like this, it's tough to lose.

CONGRATULATING THE STATE OF ISRAEL ON ITS 25TH ANNIVERSARY

HON. LOUIS FREY, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 8, 1973

Mr. FREY. Mr. Speaker, I join my colleagues in congratulating the State of Israel on its 25th anniversary.

Israel and its people represent a microcosm of the world, a representation of man's basic desire to live in freedom and the century-long struggle by the Jewish people to overcome all obstacles to achieve that freedom should stand as a symbol to all mankind.

It is refreshing, indeed, inspiring to know that after these many years of overcoming tremendous odds, the State of Israel is achieving its goal of freedom of religion and freedom to pursue a free and peaceful life.

The Jewish people have paid tremendous personal costs in their efforts to achieve a life with dignity and if Israel can do this as a small nation surely we can do likewise.

The success and freedom of the State of Israel and its efforts to insure an even better life for its people should be an inspiration and example to us all.

WESLEY COMMUNITY HOUSE CELEBRATE 70TH ANNIVERSARY

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 8, 1973

Mr. MAZZOLI. Mr. Speaker, it is with a special sense of pride that I call the attention of the membership to the 70th anniversary of the Wesley Community House in Louisville, Ky.

Through its many years of service to the Louisville community, the Wesley Community House has made a unique and valuable contribution to the quality of life of all the individuals with whom it has worked.

Whether it be in the areas of transportation, housing, day care or recreational activities, this community house has earned a reputation for service and assistance to whomever was in need of its facilities.

Mr. Speaker, I ask that the article on the Wesley Community House which appeared in the April 27 issue of the Louisville Courier-Journal be printed at this point in the Record.

The article follows:

Wesley Community House To Mark 70th Anniversary

(By Yvonne Eaton)

When Wesley Community House marks its 70th anniversary with a special program Sunday, those attending may find that the needs of the community have changed throughout the years but the house's basic purpose has not.

"Trite as it may seem," Wesley House's purpose, said Miss Helen Mandlebaum, director, "is helping people help themselves—just being available" to help them.

Miss Mandlebaum, who has been with the agency since 1938 and has served as director for 15 years, recalled that in earlier years there was much emphasis on cooking and sewing, but "today anybody can bake a cake out of a package."

Today, housing in the community is a concern of the agency. Miss Mandlebaum said that Wesley Community House, 801–809 E. Washington, works closely with Butchertown, Inc., for better housing.

The immediate community served by Wesley House is an area roughly bounced by the Ohio River, Beargrass Creek, Broadway and Jackson, which includes Butchertown.

In recent months transportation has become a real need for older citizens, whom the agency did not serve so much in earlier years as it does now.

The neighborhood supermarket closed, Miss Mandlebaum said, which left senior citizens without a place to shop, and the area has no drugstore. So the agency began running a bus twice a month for groceries and medical supplies for senior citizens.

To help keep some youngsters in Woerner Junior High School, 1418 Morton, the agency has arranged for a small bus to transport between eight and 15 youngsters to school for the past five months.

When Wesley Community House was started in 1903 by the Board of City Missions of the Methodist Women's Home Mission Society of the Louisville Conference, it was a missionary-type settlement for the immediate neighborhood, but today people come from all over.

"Many come for the fun of coming" and participating in the social, recreational, cultural and educational activities offered by the agency, Miss Mandlebaum said. In 1973, there are 2,000 members—male and female—from all over Jefferson County, ranging in age from infants to senior citizens.

And the agency, she said, believes in "crossing all kinds of lines—economic, social, cultural and racial."

There are about 120 volunteers with diverse backgrounds coming each week to teach crafts to senior citizens, to provide transportation for senior citizens, to work with boys and girls, to help fill whatever need there is.

In addition to the volunteers, there are 35 full-time staff members and 19 part-time staff members. And three of the staff members live at Wesley Community House, which Miss Mandelbaum thinks is probably the only resident settlement in this part of the country now. Four other staff members live in the immediate community.

Still funded in part by the United Methodist Church, the agency now receives more than 65 per cent of its funds from Metro United Way. It also receives money from dues and fees which are paid, if a person can afford to pay.

The 1973 general budget, Miss Mandelbaum said, is $166,041. In addition, the agency has a budget of $94,352 for its day care center, which was begun in 1965 and which is funded largely through Metro United Way and Community Coordinated Child Care of Louisville and Jefferson County.

Wesley Community House also receives a $35,000 grant through the Kentucky Crime Commission to operate a group home at 817 E. Main.

Last year 354 campers used the facilities at Camp Merry Ledges, near Corydon, Ind., which the agency opened in 1956.

Since 1947 Wesley Community House has also had an extension program in a nearby neighborhood, and since 1950 this program has been conducted at Grace Immanuel United Church of Christ at 1612 Story Ave.

One of the agency's earliest organizations—the mothers club which began about 1905—is still in existence.

Not only have the programs expanded throughout the 70 years at Wesley Community House, but so have the facilities.

By 1907 the agency moved from 834 E. Jefferson to larger quarters at 809 E. Main, and then to its present location in 1925 where a gymnasium was built in 1928. In 1952, property directly behind Wesley House, on Shelby and Franklin, was given to the settlement for a playground.

In the earliest years the main emphasis was on work with women and children, although men attended the Sunday School and gospel services. But today, whatever the need, the agency seeks to meet it or to help a person establish contact with some agency which helps in the situation.

The 70th anniversary program Sunday, beginning at 3 p.m., at Wesley Community House, will center on the programs and services offered.

"We are still interested in helping people become better citizens," Miss Mandlebaum said.

THE RETURNING VIETNAM VETERANS

HON. JAMES J. HOWARD

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 8, 1973

Mr. HOWARD. Mr. Speaker, the March 1973 edition of the United Methodist Relay, the official publication of the United Methodist Church's New Jersey area featured a most informative article concerning our esteemed colleague, Dominick V. Daniels of the 14th District of New Jersey and a speech he gave on Sunday, February 11 at the Trinity United Methodist Church of Jersey City on the subject of the returning Vietnam veteran. All of us know that Mr. Daniels has played a leading role in programs designed to benefit Vietnam era veterans and as chairman of the Select Labor Subcommittee he had written special provisions into his manpower bill for these veterans.

His views are so valuable that I ask that article alluded to be inserted following my remarks. I know that all Members of this House will find Mr. Daniels' views of interest.

The article follows:

Hon. Dominick Daniels Speaks At Trinity On Returning GI's

NNJ.—On Sunday morning, Feb. 11, the congregation of Trinity Church, Jersey City, welcomed to its service the Hon. Dominick Daniels, local congressional representative. Mr. Daniels came in response to the invitation of the Rev. David A. Winslow, the minister.

Rep. Daniels chose the day before the release of the first American POW's to discuss what the Vietnam war had meant to the United States in human terms. He pointed out that the plight of the returning G.I. is one of the most difficult of this century. After other wars, the soldiers were welcomed home with parades and aid. But many of these men come home with no marketable skills, few manpower training programs, and to public apathy about the war, or open hostility to it. Soldiers suffer *from both* Doves and Hawks. The Hawks resent the fact that the war was fought too weakly; The Doves react against the soldiers because they represent the war visibly.

The Congressman pointed out that 500,000 G.I.'s have returned with a drug abuse problem, and 200,000 have returned severely disabled. This latter figure is higher than in previous wars because medical care was swifter and closer in many cases, saving lives, but unable to save maimed limbs.

Only 20 per cent of the returnees, he said, are presently using the G.I. bill educational opportunities, as compared with 50 per cent in previous wars. Daniels pointed out that this, together with the generally poor skills held by the G.I.'s is making employment difficit to find, adding additional problems to their lives.

The Representative urged churches to look for ways to help the Vietnam vets in their communities. Finding jobs and job training for them is a big job in which the governmental agenices could use the assistance of private citizens. G.I.'s with drug problems need special care and attention while they try to overcome the habit, which the community can provide. Citizen participation in all aspects of G.I. rehabilitation is crucial.

This war has produced one-quarter million unemployed vets, a potential source of unrest in low-income and low-employment areas. Rep. Daniels urged all church people to search out ways to help vets, and to let their representatives in the Congress know that they have a concern for these men who have served in this war, which is "different from any other."

ASK NOT

HON. JAMES ABDNOR

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 8, 1973

Mr. ABDNOR. Mr. Speaker, the announcement made Sunday, May 6, 1973, that an agreement to end the 69-day-old armed occupation of Wounded Knee, S. Dak., comes to me and the people of my district as most welcome news.

The people of South Dakota, and many of my colleagues as well accept this news somewhat apprehensively; however, earlier announcements of negotiated settlements have proved false, and cause us to wait for further evidence that the volatile situation is finally ended before expressing any great sense of relief.

As I understand the agreement, a disarmament will occur this Wednesday. Then the news media, and the Nation will again direct their attention elsewhere.

It is my hope, however, that the Nation, and this body does not entirely forget about Wounded Knee. Hopefully, the problems that have been defined by this confrontation will be solved by understanding and by legislation that addresses itself to problems that exist on our Indian reservations.

Hopefully, a lesson in law enforcement will have been learned, and a similar situation will not be allowed to paralyze the Pine Ridge Reservation, or anywhere else in this Nation again.

Hopefully, those who sustained losses will not be forgotten by the Government whose action and inaction contributed to the circumstances that allowed those losses to occur.

To exemplify the loss that has been sustained because of Wounded Knee, I insert into the CONGRESSIONAL RECORD an editorial which appeared in the Bennett County Booster II, Martin, S. Dak., describing the losses sustained by George Coats, who lived near Wounded Knee. The editorial puts his loss in the perspective of our national priorities.

The editorial follows:

ASK NOT

We now possess a more complete understanding of the oft-repeated cliche, "Ask not what your country can do for you, ask what you can do for your country."

Residents of this area of the United States saw this graphically portrayed in a series of incidents that reached a climax Sunday night, April 15, one and one-half miles north of Wounded Knee.

The series of incidents began many years ago when a group of international criminals unleashed a sneak attack on Pearl Harbor in the Hawaiian Islands in 1941 and destroyed a large part of the United States Pacific fleet.

It plunged the United States into war with Japan in order to keep a group of renegades from over-running this nation and subjugating its people.

The nation's young men were mobilized into an armed force that put a stop to any ambitions for world domination.

Among those who answered the call to the defense of his country was George Coats. He didn't desert to Canada or Sweden. When his country called, he felt an obligation to risk his life in order to help provide protection for his fellow Americans.

He entered military service November 2, 1943, and on May 7, 1944, he was sent to the Pacific theatre of operations where he served honorably and with credit to himself and his country.

George was honorably discharged from service to his country on January 5, 1946, following the end of hostilities.

Upon his return to civilian life, George set about building a future for himself and his family. Being part Indian he was able to obtain leases on Indian trust land on the Pine Ridge reservation near Wounded Knee. He borrowed some money to buy cattle and set up a ranching operation.

Through many hardships and toil and sweat, George was able to build a fairly successful ranching business. He bought some land of his own, paid taxes, paid the interest on his note, provided for his family and was able to pay some back on the principal of his loan.

Then one day in February, 1973, a group of renegades led by national criminals moved into the areas near George's home and seized the village of Wounded Knee.

This group of law breakers had no respect for the rights of any one, taking what they wanted, when they wanted, regardless of who was hurt.

They began to take George's cattle, a few at a time, even though the renegades who occupied the village were surrounded by federal marshals and other police officers.

A total of 43 head of George's herd, on which he still owes money, had been stolen when one night George noticed four armed thieves from among the Wounded Knee invaders attempting to drive some more of his cattle away.

George tried to stop them, when the rustlers turned on him, opening fire on him and his home in which was his wife and two children. The situation was tense but surely he could get help from the United States law enforcement officers who were just one-half mile away. George sent his young son to ask for help.

"Sorry," was the reply," but we have no authority to go any closer to Wounded Knee than this point."

George and his family were able to escape with their lives but as the Coats left, the renegades set fire to George's home, completely destroying all his family's belongings, his ranch outbuildings, and some hay—while his country looked on unconcerned. The Coats family loss exceeds $50,000.

A later statement by Willis Selden of the U.S. Justice Department was that "if the location was outside the 'DMZ' (demilitarized zone) the Federal Bureau of Investigation would be investigating by now or have completed its investigation.

"However," he continued, "nothing can be done until hostile armed forces are out of the neighborhood."

George and the other Americans who were sent to defeat the Japanese didn't have to wait "until the hostile forces are out of the neighborhood." The American boys, risking their lives and many of them giving their lives, drove the hostile forces out of the neighborhood. But when his country had an opportunity to help George protect his home and his family, and had ample force available to do it, George's country deserted him.

"Ask not what your country can do for you. . . ."

America must know that it can do for George Coats, the Oglala Sioux tribal government, and those who lost their time, property, and money because of the seige at Wounded Knee.

CLARIFYING THE IMPOUNDMENT ISSUE

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 8, 1973

Mr. ASHBROOK. Mr. Speaker, while I do not believe that Presidents should impound funds, I am amused by congressional critics who protest the use of this device as though it were a new and reprehensible weapon. Actually, impoundment as an Executive tactic dates back many years, with the Democrat administrations of the 1960's not at all bashful in continuing its use. To settle the matter once and for all time, the constitutionality of this issue should be thoroughly debated and resolved. In the meantime, let the record show that impoundment did not originate with the Nixon administration.

I insert at this point my Washington Report of April 18, 1973, which deals with this problem:

THE "IMPOUNDMENT" ISSUE

One of the basic reasons why most people tend to be turned off by politics and politicians in general is the tendency to mislead and manipulate issues. I believe public officials should take a stand on issues. I respect those who take firm stands, fight for their cause through thick and thin and are consistent. At the same time, I find particularly unfortunate a growing way of life in politics, "Issue Development."

I have never been one to point the finger at the other side and say, "They do it." Republicans and Democrats alike utilize "issue development" as a weapon in their arsenal to get public support. Last year, for example, I noted that many of my fellow Republicans were now pointing with pride to the same policies which they had viewed with alarm under Lyndon Johnson. Certain issues have developed a special ring and have become generally known to the public—environment, civil rights, poverty, law and order.

During this session, it is very obvious that the Congressional Democrats are trying to develop an issue which I do not believe deserves public acceptance. That is their increasing reference to the so-called "impoundment of funds" issue. President Nixon is viewed by critics as arbitrary, a one-man government, a virtual dictator who has decided to spend or not spend. On close examination, this is not the fact at all.

First, impoundment is nothing new. It has been done as far back as the administration of Thomas Jefferson and virtually every president at one time or another simply refused to spend money appropriated by the Congress. Recent examples: in the Truman Administration, he impounded funds rather than build a super carrier. Ike impounded

ABM funds, President Kennedy impounded funds for the B–70 bomber, and LBJ impounded highway funds. These are only single examples of what has been a general tendency. In the Eisenhower years, for example, Ike took the position of no new starts in Public Works and would not implement projects authorized and funded by the Congress.

I do not happen to believe Presidents should impound funds, but the Congress has been totally irresponsible in many areas and the simple fact is that necessary cuts have been made by the device of not spending money authorized and appropriated by the Congress.

The Democrats should not make an issue on impoundment. By comparison with the two previous administrations, the money now being withheld by the Nixon Administration is only two-thirds of the level held back in the last year of the Johnson Administration. The Nixon average of approximately 5 percent is still less than the 5.4 percent of the budget which LBJ held back during his years and much less than the impoundment of funds during the Kennedy years. President Kennedy's administration held back 6 percent of appropriated funds.

Thus, it can be seen that this issue is really not an issue—at least as far as the political context is concerned. I happen to believe that it is a constitutional issue and should be properly debated as to whether or not the Executive has this authority. However, any effort to make politics out of impoundment simply falls short.

The simple fact, as stated before in this column, is that the President also has a responsibility. When the Congress cannot add, the President must subtract. Subtraction often comes in a way which can honestly be questioned—in this case, impoundment of funds. A debate on this issue should be put in its proper historical context. At any rate, my Democratic friends should honestly tell the public that impoundment did not originate with Richard Nixon.

TRIBUTE TO CLYDE ARBUCKLE, SAN JOSE HISTORIAN

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 8, 1973

Mr. EDWARDS of California. Mr. Speaker, on May 18, the Citizens Advisory Committee of the City of Santa Clara, Calif., will honor Clyde Arbuckle, San Jose historian and a dedicated student and teacher of local and early California history.

Mr. Arbuckle first became San Jose historian in 1945 and also served at that time as city curator of the Statehouse Museum at the Santa Clara County Fairgrounds. A few years later he began teaching courses in history at local colleges and universities and adult education programs.

Serving as the president of the Conference of California Historical Societies comprised of 200 organizations across the State, he helped make the historical groups of California a cohesive, vital organization. In addition, he has served on the board of directors of California Pioneers of Santa Clara County since 1946, as founding secretary of the San Jose Historic Landmarks Commission, and as Grand Noble Humbug, of Yerba Buena Chapter of the Ancient and Honorable Order of E. Clampus Vitus, a group of lovers of Santa Clara history.

Unselfishly, Mr. Arbuckle has contributed his time and energies to many voluntary activities and community services. As a speaker who has both a remarkable wealth of knowledge and delightful sense of humor, he is in great demand. His enthusiasm and genuine love of history have made the past come alive for hundreds of people in Santa Clara County and served as an inspiration to many young historians.

GOLDEN JUBILEE MASS AT NEUMANN SHRINE

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 8, 1973

Mr. EILBERG. Mr. Speaker, I am pleased to announce that the Reverend Francis J. Litz, C.SS.R. will con-celebrate mass at St. Peter's Church in Philadelphia on Saturday, May 19, on the occasion of his golden jubilee in the priesthood.

The mass is also in celebration of the 10th anniversary of the beatification of Bishop John N. Neumann, fourth bishop of the Philadelphia Archdiocese.

Father Litz has contributed a great deal to the development of the Neumann Museum in Philadelphia and has extensively traveled throughout the United States lecturing on the accomplishments of Bishop Neumann.

At this time I enter into the Record a short biography of the Reverend Francis J. Litz:

> Golden Jubilee Mass at Neumann Srhine
>
> On Saturday, May 19, 1973, 11:00 a.m., Rev. Francis J. Litz, C.SS.R., Vice Postulator for the Canonization of Blessed John Neumann, C.SS.R., will con-celebrate Mass at St. Peter's Church, 5th St. & Girard Ave., Philadelphia, Pa., on the occasion of his Golden Jubilee in the Priesthood.
>
> This Mass will also mark the 10th Anniversary of the Beatification of Bishop John N. Neumann, Fourth Bishop of the Philadelphia Archdiocese from 1852–1860.
>
> Rev. Francis (Frank) Litz was born July 7, 1898, in Philadelphia and attended St. Boniface School, Diamond and Hancock Sts., where he graduated in 1911. He then entered the Redemptorist Preparatory at North East, Pa., and was ordained to the Priesthood in 1923 at Esopus, N.Y., by Archbishop J. Hayes.
>
> After eight years as a young priest on the Lower East Side of Manhattan, N.Y., Father Litz, at age 31, was made Pastor of St. Mary's Church in Buffalo, N.Y., where under his enthusiastic encouragement, the Novena in honor of Our Lady of Perpetual Help attracted close to 10,000 people each Wednesday.
>
> From 1939 until the end of World War II, Father Litz was the Pastor of his home parish St. Boniface in Philadelphia. The next five years he worked in the country section of Saratoga Springs, helping to establish the parish at Gansevoort, N.Y.
>
> In 1950 he was again called upon to be Pastor this time in Our Lady of Perpetual Help parish East 61st St., Manhattan, N.Y., where he developed a Redemptorist Mission Band for the Italian-Americans in the parish and another for Spanish-speaking people.
>
> Rev. Francis Litz was sent to St. Peter's in Philadelphia in 1956 where he was named to be Vice Postulator for the Canonization of Blessed John Neumann and has since then directed the development of the Neumann Museum, the restoration of the Lower Church with beautiful stained glass windows, depicting the high points of the career of Blessed Neumann. The remains of the Bishop, exhumed for identification before Beatification were enshrined in a crystal casket under the main altar.
>
> During the past seventeen years, Father Litz, as Vice Postulator has traveled, lectured and preached in almost every Church and Catholic School in Philadelphia, in many parts in Pennsylvania, New Jersey, New York and many other regions of the USA. He has given talks to many societies and organizations on the heroic life and virtues of Bishop John Neumann. Due to his untiring zeal and co-operation from many sources the Beatification of Blessed Neumann was accomplished. Father Litz also made many thousands of visits to hospitals and is being very ably assisted by Rev. Bernard Krimm, C.SS.R.

THE NEED FOR A NEW MANNED BOMBER

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 8, 1973

Mr. CRANE. Mr. Speaker, much has been said in recent days against the development of a new manned bomber; namely, the B–1 aircraft.

Many of those who have urged us to cancel plans to develop this bomber, such as Senator George McGovern, have argued that such bombers are obsolete and that the Soviet Union has abandoned the development of new aircraft of this type.

Those who express this view seem unaware of the fact that the Soviet Union is building a new long-range bomber, which is known by its NATO code name, "Backfire."

This new bomber has an unrefueled range of between 4,300 and 6,000 miles, which places it definitely in the strategic aircraft category.

Aviation Week and Space Technology magazine notes:

> Since all NATO targets can be covered from Russia by an aircraft with a combat radius of 2,000 miles, strategists from the West believe "Big Swinger" was designed specifically with U.S. targets in mind.

The manned bomber, in addition, is far from obsolete. Gen. Bruce K. Holloway, former commander of the Strategic Air Command, notes that—

> The bomber is the only strategic system which can be applied across the spectrum from show of force (as in the Cuban crisis) to jungle combat (as in Viet Nam), to conventional conflict (as in Korea), to nuclear holocaust and post-attack conditions.

In a recent article with regard to the manned bomber, Human Events discussed a number of the essential features of the proposed B–1 aircraft.

The article noted:

> This aircraft will penetrate Soviet defenses flying 700 miles per hour at tree top level . . . it will carry almost three times as much nuclear firepower as the B–52 . . . it will use shorter runways and less fuel than the B–52s and can thus "scramble" from a much wider selection of American airfields.

In addition, states Human Events:

The B–1 will offer a very small and confused radar image to defense controllers and will incorporate vastly improved ECMs and decoys. Some of its decoys will actually carry nuclear warheads.

The debate over the B–1 will occur during the current session of the Congress. It is essential that those who will make decisions in this area familiarize themselves with the facts concerning the B–1, as well as concerning Soviet advances in this field.

I wish to share the article concerning the whole question of the manned bomber which appeared in Human Events of December 23, 1972, with my colleagues, and insert it into the RECORD at this time:

THE MANNED BOMBER ISSUE FLIES AGAIN

WILL THE RUSSIANS BEAT THE FREE WORLD TO IMPORTANT STRATEGIC OPTIONS?

"Many will recall Mr. Khrushchev's famous remark in 1957: 'Bombers are obsolete. You might as well throw them on the fire.' In view of Russia's continued reliance on their manned bombers, one wonders whether Khrushchev made this comment as a matter of conviction or in an effort to influence U.S. national defense policy."—Rep. Robert Price (R.-Tex.) in the House of Representatives

For years, those opposing maintenance of America's fleet of B–52s and development of the new B–1 manned strategic bomber have said the long-range bomber is obsolete.

To support their argument they like to point out that the Soviet Union has supposedly abandoned bomber development to concentrate on building up its force of intercontinental and submarine-launched ballistic missiles.

Sen. George McGovern, one of the leading advocates of unilateral American disarmament, has stated: "The minimal Soviet effort on strategic effort on strategic bombers indicates that they place little emphasis on that form of delivery."

In the absence of any Soviet disclaimers and in spite of the warnings of those who watch Soviet strategic developments closely, such statements have become widely accepted. Just last week Jerome H. Kahan, formerly with the U.S. Arms Control and Disarmament Agency, wrote in the Washington Post:

"The United States is developing a new generation strategic bomber, while the USSR has shown no evidence of a comparable program."

The trouble with Mr. McGovern's assumption (and it is echoed by many others in the highly organized "peace lobby") is that it implies "if the Russians aren't doing it, why should we?"

It is obviously fallacious (and would be disastrous) to predicate our weapons development simply on what the Soviets do or do not do. But in the case of strategic bombers, it is beside the point.

The plain fact is, the Soviet Union is building a new long-range bomber. Known by its NATO code name, "Backfire," the aircraft is a product of the famous Tupolev design group, which has created Russia's supersonic transport and several other reliable bomber designs.

American observers, who have followed the covert development of this plane for some time, have dubbed it "Big Swinger" because of its moveable wing design (similar to our FB–111).

This needle-nosed Soviet bomber is powered by two gigantic Kuznetsov NK 144 turbofan engines (with afterburners) and has an unrefueled range of between 4,300 and 6,000 miles, which places it definitely in the strategic aircraft category. *Aviation Week & Space Technology* magazine notes:

"Since all NATO targets can be covered from Russia by an aircraft with a combat radius of 2,000 miles, strategists in the West believe 'Big Swinger' was designed specifically with U.S. targets in mind."

Test and evaluation prototypes of Backfire have been flying for several years in a program shrouded in secrecy exceptional for even the Russians. The Soviets may have wanted to achieve a "technological surprise" with Backfire similar to the one they pulled with their supersonic Foxbat fighter.

But the West has been rapidly gathering intelligence on the new bomber. Last year, one of the Backfire prototypes was discovered while being refueled in flight from a giant Myasishchev Mya–4 Bison tanker. After its "drink" the Backfire streaked away on a 10-hour flight.

Aviation Week reports "production of operational aircraft has begun," and now there are at least 20 Backfires completed or on the production line. The production model of the aircraft has been modified with lengthened wings (to improve range) and further cleaning of the fuselage to improve aerodynamics.

Backfire has a speed at altitude in excess of Mach 2 and a limited supersonic dash capability when flying "on the deck" to penetrate radar and anti-aircraft defense.

In a typical example of Soviet adaptation of "civilian" research and development technology, the Backfire's powerful in-fuselage twin engines are the ones originally developed for the Tupolev Tu–144 supersonic transport.

Little is known of the Backfire's armament, but the Soviets are believed to be working on an improved air-to-surface strategic missile to use with it. This would be a stand-off weapon, similar to the U.S. short-range attack missile (SRAM), a supersonic nuclear missile now being fitted to the Strategic Air Command's B–52s and FB–111s.

These stand-off weapons permit bombers to strike their targets without flying into the heavy defense areas around them.

The soviets now have three stand-off missiles operational, evidence they have never really abandoned the manned-bomber concept. One is the somewhat crude Kangaroo. Another is the Kipper, designated mainly as an anti-ship missile.

The third is a much more sophisticated missile, the Kitchen. An outgrowth of this missile may be destined for use with Backfire.

Backfire presents substantial evidence that the Soviets intend to copy the U.S. "nuclear triad" mix of bombers, ICBMs and sub-launched missiles more fully. Much discussion in Soviet military and political circles has centered around the degree of flexibility the manned bomber affords in confrontation situations and this has added momentum to the development of the new aircraft.

Because of this, manned bombers will now emerge as a much more important factor in the current round of SALT talks than had at first been expected.

The Soviets never really lost sight of the efficacy of bombers. They pushed a number of strategic bomber projects during the 1950s and 1960s, none of which really panned out.

In fact, some of the great secrecy surrounding Backfire stems from a Soviet reluctance to chance any more embarrassments like its two former strategic bomber projects. There were both Myasishchev designs—the huge Mya-4 Bison, with its curious design mixture of the modern and the antique, and the truly formidable-looking Bounder.

Both of these planes developed what the Soviets vaguely referred to as "short-comings" and never became operational as strategic bombers. The Bounder has been used for "research," while the Bison has been used for "maritime reconnaissance" and tanker service.

The less than praiseworthy performance of these two planes in a strategic bomber role bolstered the arguments of those in the Soviet military who maintained that no manned aircraft, however fast, could successfully penetrate a modern air defense.

However, this argument did not take into consideration "penetration aids," electronic devices to fool radar, mislead homing anti-aircraft missiles, and allow for precise navigation while flying close to the ground at high speeds.

Meanwhile, the United States, capitalizing on its advanced electronics know-how, has succeeded in bringing penetration aids and electronic countermeasures (ECMs) to new heights.

In doing so, we have succeeded in making the B–52, a plane designed in the 1940s, a continuing and awesome threat. The bag of penetration secrets in the B–52 has so discomfitted Moscow that it has been the target of a terrific espionage effort in this country and anywhere the giant aircraft are based.

For several years now, every American aircraft shot down in North Viet Nam but still somewhat intact has been shipped back to Soviet laboratories for examination of its electronics devices. The highest priority item (and one so far not delivered, fortunately) has been to get hands on a B–52.

As the Soviets have become stronger and achieved equality if not superiority in strategic weapons, they have become more disposed to throw their weight around. They quickly discovered that missiles, which you either fire or don't fire, don't have that certain quality of coercion the Soviets like so well.

A manned bomber, however, possesses that quality in abundance.

It allows a very precise control over events in a power play scenario. The Kremlin saw this very clearly during the Cuban missile crisis of 1962. One of the most tangible evidences of the American power that made Khrushchev back down was the B–52.

For one solid month, every hour of the day, the Strategic Air Command "leaned on" the Soviet Union with clouds of B–52s on the periphery of the Russian air defense radar. Soviet air defense controllers couldn't look at their boards without seeing the blips.

Gen. Bruce K. Holloway, former commander of SAC, notes that "the bomber is the only strategic system which can be applied across the spectrum from show of force (as in the Cuban crisis), to jungle combat (as in Viet Nam), to conventional conflict (as in Korea), to nuclear holocaust and post-attack conditions."

This admirable flexibility from a politico-military standpoint sometimes obscures a very important military economic advantage of the manned bomber: It must be defended against.

It is estimated the Soviets spend at least 15 per cent of their defense budget to counter our bombers. One of the priority functions of new Soviet fighters, like the Foxbat, is combat radius that will enable them to engage incoming bombers before they launch stand-off weapons. One of the priority targets of Soviet missile submarines off our coasts in SAC airfields. (Our B–52s have already been dispersed because of this threat.)

For this reason, development of the B–1 is of primary importance. This heir to the gabulous legacy of the B–52 will severely compound Soviet defense problems:

It will penetrate Soviet defenses flying 700 miles per hour at tree top level, guided by terrain-reading radar and an automatic pilot.

It will carry almost three times as much nuclear firepower as the B–52.

It will use shorter runways and less fuel than the B–52 and can thus "scramble" from a much wider selection of American airfields.

It will offer a very small and confused

radar image to defense controllers mainly because it will be obscured by "ground clutter" (radar images of trees, buildings, etc.)

It will incorporate vastly improved ECMs and decoys. Some of its decoys (cruise missiles that appear to be bombers on radar screens) will actually carry nuclear warheads.

On the other side of the ledger it must be noted that Backfire will present problems for American air defense. And at the moment, that defense is in a pretty sad state.

In fact, because of rapid development of Backfire, upgrading of the U.S. Aerospace Defense Command (ADC) is a top priority item for the Air Force. It will take most of this decade to bring the system up to a standard where it will be proof against Backfire.

Procurement of three main items is involved:

1. The so-called IMI (improved manned interceptor), probably the McDonnell Douglas F-15 air-superiority fighter.

2. Boeing E-3A airborne warning and control system (AWACS) aircraft (modified Boeing 707s) to enhance early warning and control IMI squadrons.

3. An "over-the-horizon backscatter (OTHB) radar system which could detect Soviet bombers virtually from take-off.

This will involve an initial investment of between $4 and $5 billion and yearly operating costs of about $800 million. But it is vitally needed to counter Backfire or its successor, for it seems certain the Soviets will put the same kind of developmental energy into long-range bombers that they have put into their navy in the past decade.

One reason for this development may be to offset any SALT II agreements on offensive strategic missiles.

The Soviets know that our air defense has declined sharply since the heydays of the late 1950s when there were about 240,000 people in ADC. Now there are about 100,000.

Where there were once 67 active-duty aircraft squadrons there are now seven (plus 19 Air National Guard units serving part time).

Where there were once 116 long-range radar squadrons there are now 57.

The primary interceptor in ADC service now is the 13-year-old F-106—no match for Backfire.

Despite all the glitter of ballistic missiles, the bomber age is not over. Both our Defense Department and the Soviets realize this. The question is: does Congress?

The battle for the B-1 and for our ailing air defense will be fought in the coming session of Congress. The development of the Backfire demands the upgrading of our bomber defense, while the proven flexibility of the manned bomber demands production of the B-1.

In fact, everything possible should be done to enhance the formidability of so important a deterrent.

REFLECTIONS OF ECOLOGY THROUGH EDUCATION

HON. MARJORIE S. HOLT

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 8, 1973

Mrs. HOLT. Mr. Speaker, during the week of April 9, the Frederick Sasscer Junior High School in Upper Marlboro, Md., observed Earth Week. Their program entitled, "Reflections of Ecology Through Education" was a most innovative and educational program.

The diversified activities of this week ranged from a junk art contest to a student debate on the desirability of congressional action to limit the number of automobiles a family can own. In addition, the students collected over 900 pounds of aluminum for recycling. Representatives from business, public utilities, governmental agencies, and environmental groups participated in the program and were available for informal discussion with the students.

I would like to take this opportunity to commend the students and faculty of Frederick Sasscer Junior High for the content of their program and for the balanced approach they have taken in creating awareness of our environmental problems. The presentation of all sides of the complex environmental questions undoubtedly resulted in a meaningful educational experience for all involved parties.

I salute this program and wish it every success in the future.

DOES THE NIXON BUDGET DO JUSTICE TO THE NATION'S HUMAN SERVICE NEEDS?

HON. DAVID C. TREEN

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 8, 1973

Mr. TREEN. Mr. Speaker, the following article by Mr. Wayne Valis, which recently appeared in the Catholic Virginian, asks the question: "Does the Nixon Budget Do Justice to the Nation's Human Service Needs?" This has been a widely debated question and I believe Mr. Valis' answer to this question merits the attention of my colleagues.

I include the article at this time:

[From the Catholic Virginian, Apr. 27, 1973]

DOES THE NIXON BUDGET DO JUSTICE TO THE NATION'S HUMAN SERVICE NEEDS?

(By Wayne H. Valis)

The President's proposed 1974 budget is one designed to move America toward prosperity without war and, hopefully, without inflation. To achieve these goals the President is cutting back on programs that don't work and concentrating efforts on those that do. He is also reforming many programs so that through revenue-sharing people will have greater control over their own lives. In his latest speech on the budget, the President warned that unless his efforts to control expenditures are successful, Americans will face an increase of as much as 15 per cent in their income tax.

Government at all levels—federal, state, and local—now takes 32 per cent of the entire national—meaning your—income. This figure was barely 20 per cent in the mid-1950s. The federal government's slice of the personal income pie has doubled from 10 per cent in 1950 to over 20 per cent. Government has mushroomed and expanded out of control, and it is now almost impossible to keep track of government programs. In 1963, for example, there were only 160 individual grant programs, in 1973 there are over 1,000.

The President is now attempting to fulfill his campaign pledge to hold down federal spending in order to prevent an income tax increase. To do this, he proposes: (1) a leaner federal bureaucracy (113 programs have been marked for reduction, termination, or reform into special revenue-sharing); (2) a greater reliance on state and local governments to make their own decision (with the creation of new special revenue-sharing programs this year, the President seeks to turn over $6.9 billion to state and local governments which they might spend as they wish on education, law enforcement, manpower training and community development; and (3) ultimatley proposes greater freedom for the American people to make their own decisions about what is best for them.

Unless spending is brought under control now, inflation is bound to soar. This is especially true in prosperous periods, which the U.S. economy is now in. Inflation, as we have all learned, is the cruelest tax of all, cutting into the pocketbook of the average working man and robbing him of financial gains he has made. Inflation strikes most cruelly at the elderly, the poor, and those on fixed incomes. In addition, inflation has potentially disasterous effects on the U.S. position in world trade and the international money markets. For example, the two recent devaluations of the dollar were due largely to American inflation. In addition, if inflation is allowed to continue unchecked the government will be forced to borrow more and more money to pay for the new programs, thus forcing up interest rates for homeowners and businessman alike.

In order to understand the battle over the budget it is important to realize that total spending *is being increased* by a substantial $18.9 billion from 249.8 billion in fiscal year 1973 to $268.7 billion in fiscal year '74. From accounts in the media one might think the President had taken a meat axe to the budget, especially to the "starved" human resources, or social sector.

There has been so much confusion about the relative proportion of federal expenditures on the defense budget versus the budget for social and "human resources" that some facts are in order. *Fact:* the defense budget today has been reduced to its lowest level since the end of World War II. Total defense spending (FY 1974) amounts to 29.2 per cent of the budget, or 6.2 percent of the total gross national product (GNP), compared to 43.9 per cent of the budget as recently as 1968, and 8.8 per cent of GNP in 1964, and 9.4 per cent of GNP in 1961. *Fact:* while the 1974 defense budget is $600 million more than it was six years ago, spending for social programs has more than doubled, from $72.8 billion to $153.4 billion. *Fact:* allowing for inflation, the defense budget has *dropped* in buying power by 31 per cent since fiscal 1968. The charge against the President's proposed budget that "cuts come at the expense of the poor and the elderly" is totally false and reflects the failure of the President's critics to do their homework.

The facts are that the President's budget contains 66 per cent more to help the poor than was the case four years ago, 67 per cent more to help the sick, 71 per cent more to help older Americans, and 156 per cent more to help the hungry and malnourished. Because the President has eliminated some familiar programs with many special interest group friends, especially in the press, there are no grounds for accusing him of a lack of compassion for the unfortunate or needy.

A careful case-by-case analysis of the affected programs will prove that the President's cuts, terminations and freezes are absolutely justified.

The Office of Economic Opportunity (OEO) is to be broken down and its functions given to other appropriate government agencies. The Community Action Programs (CAP) will cease June 30, 1973, and will be replaced by revenue-sharing. These actions have been widely criticized, despite the fact that CAP has failed to help the poor. Although set up with the best of intentions, CAP now spends 78 per cent of all its funds on administrative costs and to pay the salaries of those who are supposed to help the poor. Only 22 per cent is spent on the poor themselves. It is this form of "trickle down" program that the President is attempting to end.

Not all OEO money is wasted or spent on bureaucracy and administration, however. Some money does get through the pipeline, and some even has important results. For example, the militant American Indian Movement (AIM) which recently violated the law and occupied Wounded Knee, S.D., has been well-financed by OEO. AIM has been receiving generous OEO grants for the last four years, a substantial proportion of which probably helped them to occupy Wounded Knee. On June 21, 1972, AIM received $113,000 from OEO, $60,000 of which was spent for "survival schools."

This is just one of many instances where federal money has been used to fund radical groups. The familiar argument that budget cuts will "drive the poor to violence" seems to be exactly the reverse of the actual situation. In fact, the government has been financing radicals who attempt to organize the poor, often for violent ends. This must be stopped.

In a lighter vein, OEO's CAP has financed two-month trips to Europe, South America, Asia and Africa (at $60,000) for "underprivileged" youngsters. One commentator noted: "It's too bad they missed Australia."

The President's actions will see to it that OEO's useful functions are merely shifted to other agencies, but that programs such as those described above will be ended.

For the entire manpower training programs sector, the President proposes cuts of a modest 9.3 per cent. This reflects almost entirely the phasing out of just one program—the Public Employment Program (PEP), which evaluative studies show is a very inefficient way to combat unemployment, especially of disadvantaged, hard-to-employ groups.

Most PEP jobs slots would have been funded by local or state governments, even had there been no PEP. Not surprisingly, the characteristics of PEP's 150,000 employees is anything but a profile of the disadvantaged, poor population. For example, 78 per cent were graduates of high school or college, "including many old, retired military officers who slipped in under a veterans preference clause that was supposed to apply to Vietnam veterans!" Thus the Administration's treatment of manpower programs is in line with available evidence of program cost-effectiveness.

Perhaps the most important cuts are those in the housing area. Urban renewal and Model Cities will be phased out and HUD-subsidized housing programs "frozen" for 18 months. A lot is at stake in this battle, since the HUD budget for 1974 has grown to $4.8 billion, with an additional $7.4 billion in "carry-over" funds to "finance already approved Model Cities, urban renewal and related projects at current levels for several years to come."

Recent studies have indicated that, unless halted or slowed by presidential or congressional action, spending for low-income housing programs alone will reach $7.5 billion by fiscal 1978. One report states that "long-term commitments to pay for housing already completed or started would cost . . . at least $65 billion and possibly as much as $92.7 billion over the next 40 years." Interest charges alone on housing-related debt service will total $41.4 billion during this period.

The administration has charged that these expenditures primarily have benefited developers and speculators rather than the poor, and have "tended to undermine the capacity of local government to respond to the needs of their citizens." Kenneth R. Cole Jr., director of the President's Domestic Council, described federal housing programs as "inequitable, wasteful and ineffective in meeting housing needs."

No doubt the Administration had the now infamous Pruitt-Igoe public housing project in mind, among others, when it reached such a conclusion.

Pruitt-Igoe, designed to be one of the showpieces of low-rent housing programs, was built to house 10,000 low-income residents of a rapidly deteriorating St. Louis neighborhood. Constructed at a cost of over $75 million dollars, the 60-acre site contained 33 high-rise units which were widely regarded as excellently constructed buildings.

Problems arose from the outset. The project's residents included many drug addicts, and crime, violence and vandalism soon became rampant. It also became apparent that too many people with too many problems had been crowded into too small an area. As the situation deteriorated, HUD planners and St. Louis officials resorted to the ultimate remedy. First, 24 of the 33 units were closed, and the population of Pruitt-Igoe was reduced to 2,000. Since it is widely known that vacant buildings attract the worst elements in society, HUD realized that something had to be done with the empty buildings.

Showing the creativity for which bureaucracy is justly famous, a demolition program was begun in early 1972. Several of the high-rises were immediately blown up and "an indeterminate number" were slated to have their top seven stories lopped off. The cost of this creative solution: $38 million, which, when added to construction costs, brings total costs to about $114 million, or $57,000 per Pruitt-Igoe resident.

In an interview, [ex]Rep. John S. Monagan, D-Conn., said, "We are destroying it in order to save it. It sounds like something out of Jonathan Swift, or better yet, Voltaire. It's a satire on the public housing program, the ultimate proof that nobody wants it."

Those who would contend that Pruitt-Igoe's high cost is an exception should note former HUD Secretary George Romney's estimate that a $17,500 apartment unit built under the usual 40-year interest-subsidy program will cost the taxpayer between $108,358 and $141,854 during the 40-year span.

The most severe and damaging charges against federal low-income housing programs, however, are the allegations of widespread fraud and corruption. Probes of such charges have resulted in grand jury hearings in nine cities, and indictments have already been returned in New York, Philadelphia, Chicago and Detroit.

In the four cities where indictments have been returned, FHA officials, realtors, contractors, builders and accountants have been indicted on a wide variety of counts, including bribery, falsification, conspiracy to defraud, conflict of interest and income tax evasion.

The U.S. House of Representatives' Government Operations Committee reported that "incompetent administration" *in Detroit alone* could cost up to $200 million. In Detroit high-ranking local HUD officials and FHA officials were in collusion on a variety of schemes involving default and foreclosure of over 20,000 FHA-insured homes—and it is the same in many other cities.

The fraud and corruption victimize not only the taxpayer, but also the poor, and therein lies an even more scandalous tale. Marginal and deteriorating neighborhoods are "blockbusted" by real estate dealers, who acquire houses, most of them in various stages of decay, at extremely cheap prices. The houses are given inexpensive facelifts, and then reappraised at unrealistically high levels by local FHA appraisers (many of whom are local realtors).

The FHA then backs inflated mortgages on the deteriorating, over-priced homes, which, are then sold to poor people—quite often, by design, to the worst risks realtors can find. This process has led to the mass abandonment of entire neighborhoods by low-income owners, largely black and Puerto Rican, who either can no longer afford or who simply are unable to maintain and keep their houses. At this point, as one study notes, "Once the mortgage is in serious default, the private lender holding the note will foreclose on the property, and HUD, as the guarantor, must pay the lender and take possession."

In this tragic and expensive way HUD has become the largest slumlord in the U.S. owning thousands of unprofitable homes throughout the country. In fact, HUD is now the largest home owner in several U.S. cities.

Urban renewal has been an equally dismal and costly failure, resulting in profitable land and real estate speculations for the rich, but the displacement of over one million (mostly poor) people from their homes. The great majority of these displaced poor people were black or Puerto Rican, and less than half ever received Federal housing to replace their destroyed homes.

One of the major defects with HUD, and many other governmental, social programs, is that it often substitutes political values for market (economic) forces. An amusing, if expensive, illustration took place in December, 1972, in Wyoming.

For political reasons, HUD decided to bring urban renewal to downtown Cheyenne (population 40,000) despite the fact that it is an uncrowded, unpolluted, lovely little town built right on the edge of the prairie. One of the major programs was the construction of a parking lot designed to relieve congestion in the "center city" business district. For three years federal and city officials planned the lot, which was to accommodate 171 cars. Finally, at a cost of $300,000, the lot was opened to the public. There was only one problem: nobody came.

Unfortunately the urban renewal lot was further away from the heart of the business district than the old-fashioned, "congested," metered parking spaces, and, consequently, people wouldn't use it. Realizing the potential for embarrassment, the city council lowered the monthly parking fee from $12 to $7. Alas, to no avail. After six full weeks of operation the total revenues brought in were 75 cents. A telling case of the futility of attempting to replace the law of supply and demand by bureaucratic decree.

The entire housing program has reached enormous proportions. It has grown in bits and pieces, with far too little hard-headed economic analysis of its provisions. The time is long since past for a halt in these programs and, at least, a pause for consideration of the entire program. The President's proposed housing subsidy freeze is directed to this purpose and should be supported.

Another program which deserves trimming is that of farm subsidies. Originally introduced to keep the price of agricultural goods at moderately high levels, farm subsidies have more than succeeded, which should now be clear to anyone who has been even near a grocery store during the last year. Each passing day brings news of still higher food prices, while farm income last year reached $19 billion, an all-time record. Farm subsidies "support" food prices by preventing lower prices—and are one of the main causes of soaring food prices to the consumer. The President's efforts to end this situation by cutting farm price supports by $694 million should be ardently supported.

The examples cited here are but a handful of the programs which have failed. The point, however, is clear: the President's budget is an attempt to keep faith with the American people. If a tax rise is to be averted and inflation checked, as the President has pledged, then fiscal discipline is needed. Combine the necessity for fiscal responsibility with the growing awareness that government has, in many instances, become unresponsive, unmanageable and counterproductive, and the proposed budget should be interpreted as a start, in Mr. Nixon's words, "to get government off your back and out of your pocket."

The President's proposed "new Federalism," as embodied in his bold revenue-sharing initiatives, is an attempt not only to restore fiscal discipline, to reorder American political life. Upon his success or failure in this effort rests the possibility for humane, responsive and responsible government in the 1970's.

THE 25TH ANNIVERSARY OF THE FOUNDING OF ISRAEL

HON. HENRY HELSTOSKI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 8, 1973

Mr. HELSTOSKI. Mr. Speaker, I rise to commemorate the 25th anniversary of the State of Israel. People the world over celebrate this culmination of the dream of a people without a country for so many centuries. The anniversary is particularly significant in light of the tremendous opposition faced by the Jewish people over the centuries.

Ancient Hebrews entered the "land of Israel" about the 18th century B.C. when the patriarch Abraham led his people to what was then called Canaan. The Hebrew people settled around the periphery of the Canaanite civilization, and were captured along with their neighbors during the Egyptian attacks of the 14th century B.C. Four hundred years later Moses led the Hebrews in exodus from Egypt back to the Promised Land.

From the last valiant stand of the Jewish defenders against the Roman conquerers at Masada in A.D. 73, until May 15, 1948, there was no Jewish nation in Palestine. A series of conquerors and empires controlled Palestine and the few Jews who remained in the land. The remainder of the Jewish people were in "diaspora"—scattered throughout the world, but without loss of their identity. It was from this diaspora that the Jews returned to Palestine to reestablish an independent Jewish state.

It was traditionally held that the return to the promised land would be accompanied, symbolically, by the appearance of the Messiah, but in the late 19th century the concept of a political return began to develop and gain acceptance. In 1895 Theodore Herzel wrote "Der Judenstaat," a political treatise on the establishment of a Jewish state that became the expression of political Zionism and a basis for the creation of Israel.

Political Zionists were at first divided on where to establish the Jewish state, but finally agreed on Palestine after considering and rejecting such areas as Uganda, Somalia, South America, and other possibly more practical but less emotionally attractive areas. World War I saw the consolidation of the Zionist movement under the leadership of Dr. Chaim Weizmann, who was later to become the first president of Israel.

November 2, 1917, saw the official British policy on Palestine enunciated in what has come to be called the "Balfour Declaration:"

> His Majesty's Government view with favour the establishment in Palestine of a national home for the Jewish people . . . nothing shall be done which may prejudice the civil and religious rights of existing non-Jewish communities in Palestine, or the rights and political status enjoyed by Jews in any other country.

This, with the mandate for the Palestine region awarded to the United Kingdom by the League of Nations in 1922 constitutes the international legal sanction for Zionism.

Jews begin emigrating to the Palestine area under pressure of discrimination in their adopted lands. In 1909 the city of Tel Aviv was founded, serving as the headquarters of the growing community of Jews in Palestine. Immigration increased after World War I to the point that officials feared conflict from the resulting cultual imbalance. Jews considered the Balfour Declaration a mandate for a national home: the British envisioned a protected community within the Palestine state; the Arabs viewed the immigration as another invasion of alien cultures.

Conflict was staved by the common enemy in the Axis during World War II, when Jew, Arab, and British served side by side against Germany. After the war, the battle lines were drawn by the General Assembly plan partitioning Palestine into separate Jewish and Arab States.

With the Israeli proclamation of statehood and the British withdrawal in May, 1948, the Arabs launched an attack they claimed was justified by Israeli acquisition of territory beyond the partition plan boundaries.

In 1956, the Israeli nation was faced with another Arab attack, commonly known as the Suez crisis. Again, a U.N. sponsored cease-fire ended the visible conflict after the Israeli defense forces had demonstrated their mobility, efficiency, and competence in their attempt to end the Egyptian practice of excluding Israeli ships from the canal and to curtail raiders from the Sinai area by destroying their bases.

In 1967, the young State of Israel again met the threat to its existence posed by its Arab neighbors after the removal of the U.N. emergency force by Egyptian request and the increasingly violent threats against Israel by radical Arab leaders. Again they demonstrated their efficiency and tactical courage, to the embarrassment of the Arabs.

What is perhaps the most impressive and significant of all is that Israel, itself a developing nation beseiged on all sides, engaged in a farflung program of assistance to other developing countries. Believing that the gap in living standards between prosperous and poor nations is a danger to international stability and peace, Israel sent hundreds of instructors, advisers, and survey missions, as well as builders, to dozens of countries in Africa, Asia, and Latin America.

They continue to do so today. Israel serves as a beacon light to other emerging nations of the world. Surrounded by enemies, Israel has prospered, accomplishing miracles in farming and building in its quarter century of existence. She has successfully defended herself against attack, becoming a power to be reckoned with in only 25 years.

Mr. Speaker, I am certain that Members of this Congress will join to congratulate the leaders and people of the State of Israel on the celebration of their 25th anniversary, and look forward to more years of successful development and contribution to the world.

Thank you.

DRINAN VERSUS NIXON

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 8, 1973

Mr. DRINAN. Mr. Speaker, on May 7, 1973, I, together with three of my colleagues and an active-duty serviceman, filed suit in the Federal district court in Boston, Mass., against the President, the Secretary of Defense, and the Secretary of the Air Force. In the suit, I, together with Congressman JOHN J. MOAKLEY, GERRY E. STUDDS, and MICHAEL HARRINGTON, and Alc. James H. Hayden, seek a judicial declaration that the actions of the Nixon administration are in violation of article I, section 8, clause 11 of the Constitution of the United States, various congressional enactments, the Paris accords, and principles of international law.

My coplaintiffs and I are presently awaiting a hearing date to be set by Judge Tauro of the district court in Massachusetts.

Mr. Speaker, because of the interest which has been generated in this lawsuit, I thought it would be helpful for my colleagues to reprint in the CONGRESSIONAL RECORD a copy of the affidavit and complaint filed in this case in the U.S. District Court for the District of Massachusetts.

The affidavit and complaint follow:

[U.S. District Court for the District of Massachusetts]

COMPLAINT

(Robert F. Drinan, Michael J. Harrington, John J. Moakley, and Gerry E. Studds, individually and in their capacity as Members of the United States House of Representatives, and Airman First Class James H. Hayden, Plaintiffs, v. Richard M. Nixon, President of the United States, Elliot L. Richardson, Secretary of Defense, and Robert C. Seamans, Jr., Secretary of the Air Force, Defendents)

I. NATURE OF THE ACTION

1. Plaintiffs seek a determination that the aerial combat operations currently being conducted in Cambodia by military personnel under the direction of the defendants are in violation of domestic and international law.

II. JURISDICTION

2. This is a civil action seeking a declaratory judgment pursuant to Title 28 U.S.C. § 2201 *et seq.* and appropriate equitable relief, if necessary, pursuant to Title 28 U.S.C. §§ 1331(a) and 1361, adjudging that the military operations currently being conducted in Cambodia under the direction of defendants are in violation of domestic and in-

ternational law, and that the defendants may not engage in any such future activities in Cambodia or elsewhere in Indochina without specific Congressional authorization and then only to the extent and in a manner permitted by international law. Jurisdiction is conferred upon this Court by Title 28 U.S.C. §§ 1331 and 1361; Title 5 U.S.C. §§ 701–706; Article I, Section 8, Clause 11, and Article I, Section 2, Clause 5 of the Constitution of the United States and the Fifth Amendment thereto. The matter in controversy involves rights, privileges and immunities valued in excess of $10,000 exclusive of interest and costs.

III. PLAINTIFFS

3. Plaintiff Robert F. Drinan is the duly elected Member of the United States House of Representatives from the Fourth Congressional District of Massachusetts, residing at 140 Commonwealth Avenue, Newton, Massachusetts.

4. Plaintiff Michael J. Harrington is the duly elected Member of the United States House of Representatives from the Sixth Congressional District of Massachusetts, residing at Bayview Road, Beverly, Massachusetts.

5. Plaintiff John J. Moakley is the duly elected Member of the United States House of Representatives from the Ninth Congressional District of Massachusetts, residing at 1812 Columbia Road, Boston, Massachusetts.

6. Plaintiff Gerry E. Studds is the duly elected Member of the United States House of Representatives from the Twelfth Congressional District of Massachusetts, residing at 16 Black Horse Lane, Cohasset, Massachusetts.

7. The above-named four plaintiffs, hereinafter referred to as "Congressional Plaintiffs", have been deprived by the action of the defendants of their Constitutional right and obligation to participate, with other Members of Congress, in deciding where American forces are to be committed to combat. In addition, they are entitled to a determination as to the legality of defendants' actions complained of herein, under their Constitutional duty to determine whether a resolution of impeachment is called for.

8. Plaintiff JAMES H. HAYDEN, is an Airman First Class, serving in the United States Air Force, residing at 23 Hartford Street, Bedford, Massachusetts. He is currently assigned to duties at L. G. Hanscom Field, Massachusetts, and his present tour of duty is due to expire on September 21, 1975. Plaintiff Hayden believes that defendants' activities complained of herein are illegal and that, if forced to participate directly therein, he may be deprived of life or liberty without due process of law, either by being killed or taken prisoner in illegal combat operations, or by being disciplined for disobeying an illegal order.

IV. DEFENDANTS

9. Defendant Richard M. Nixon is the President of the United States and, upon information and belief, is personally responsible for the decision to commence aerial combat operations in Cambodia on February 16, 1973, and to continue such operations.

10. Defendant Elliott L. Richardson is the duly appointed Secretary of Defense, continuing to serve in that capacity pending his confirmation as Attorney General. As Secretary of Defense, he is the official responsible for executing the President's decision to commit American forces to combat in Cambodia.

11. Defendant ROBERT C. SEAMANS, JR. is the Secretary of the Air Force and, in that capacity, is the civilian official directly responsible for and in control of the bombing operations being conducted by the United States Air Force in Cambodia.

V. THE INCIDENTS AT ISSUE

12. On February 27, 1973, the United States signed, in Paris, the Agreement On Ending The War And Restoring Peace In Vietnam, Article 20(b) of which obliges the United States to put an end to all military activities in Cambodia.

13. On March 29, 1973, pursuant to the terms of the above Agreement, the last American serviceman was withdrawn from the Republic of Vietnam, and the last American prisoner of war captured during the Vietnam war was released on April 1, 1973.

14. Since February 16, 1973, despite the termination of American combat activities in Vietnam, defendants have ordered United States Air Force personnel to engage in intensive aerial bombardment of Cambodia. Such bombardment continues to this day, at levels reaching 250 sorties per day, including as many as 50 to 70 sorties by B–52s.

15. On information and belief, the bombing in Cambodia is for the sole or primary purpose of intervening in a civil war and is being conducted on a "saturation" basis, resulting in great and irreparable damage to civilian life and property and in the death, mutilation or displacement of vast numbers of Cambodian civilians.

16. The Secretary of State, William B. Rogers, who must be presumed to speak in such matters with the authority and approval of one of the defendants herein, President Nixon, stated to the Senate Foreign Relations Committee on April 30, 1973, that "we have had to intensify our air combat support, at the request of the Cambodian Government, due to the heightened military offensives by Communist Forces". Dept. of State Press Release No. 124, p. 2. The Secretary's Statement, and his accompanying memorandum "On Presidential Authority to Continue United States Air Combat Operations in Cambodia" make it clear that current United States policy is to continue such operations until "Communist Forces" in Cambodia, internal as well as external, have been bombed into submission. Dept. of State Press Release No. 125.

17. As widely reported in the press, within the past few days Ambassador William H. Sullivan, our negotiator in Paris, and President Nixon himself, have served notice on the other side that, if, in our judgment, they do not comply fully with the terms of the Paris Accords, we reserve our right to resume military operations, presumably in Vietnam and Laos.

18. Not only are the bombing of Cambodia and the threat of resumption of military activity elsewhere in Indochina totally devoid of any Congressional authorization, express or implied, but Congress has repeatedly stated its firm desire to see all military activity by the United States in Indochina come to a complete halt, subject only to the safe withdrawal of all U.S. forces from Vietnam and the return of all prisoners of war, both of which conditions have been fulfilled. See, e.g., Title VI of PL 92–156, the "Mansfield Amendment".

VI. CAUSES OF ACTION

19. Defendants' actions in ordering American military forces to engage in combat operations in Cambodia, all without the authorization of Congress, are in violation of Article I, Section 8, Clause 11 of the Constitution, which confers the exclusive power to authorize war upon the Congress. The resumption of U.S. military activities elsewhere in Indochina, which has been imminently threatened, would likewise be in violation of Congress' warmaking powers under the Constitution.

20. Defendants' actions referred to in par. 19 above are, or would be, in direct violation of PL 92–156 and other specific Congressional mandates.

21. Defendants' actions in Cambodia are in violation of international law.

22. Plaintiffs have no adequate remedy at law.

Wherefore, plaintiffs pray that this Court:

1. Declare that defendants' actions in ordering U.S. forces into combat in Cambodia are in violation of Article I, Section 8, Clause 11 of the Constitution and of Title VI of PL 92–156 and other specific Congressional enactments.

2. Declare that defendants' actions in ordering U.S. forces into combat elsewhere in Indochina, without prior Congressional authorization, would be in violation of Article I, Section 8, Clause 11 of the Constitution and of Title VI of PL 92–156 and other specific Congressional enactments.

3. Declare that defendants' actions referred to in pars. 1 and 2 above are, or would be, in violation of the Agreement On Ending The War And Restoring Peace In Vietnam of January 27, 1973.

4. Declare that the manner in which the bombing operations in Cambodia are currently being conducted is in violation of the Nuremberg Principles and the body of international law known as the Laws of War.

5. Grant, if necessary, appropriate equitable relief enforcing its declaratory judgments, and

6. Grant such other and further relief as to it may seem just and proper.

Dated: Boston, Massachusetts, May 7, 1973.

PETER WEISS,
ALAN ROSENBERG,
Attorneys for Plaintiffs.

[U.S. District Court for the District of Massachusetts]

AFFIDAVIT

(Robert F. Drinan, Michael J. Harrington, John J. Moakley, and Gerry E. Studds, individually and in their capacity as Members of the United States House of Representatives, and Airman First Class James H. Hayden, *Plaintiffs*, v. Richard M. Nixon, President of the United States, Elliot L. Richardson, Secretary of Defense, and Robert C. Seamans, Jr., Secretary of the Air Force, *Defendants*)

STATE OF NEW YORK SS: COUNTY OF NEW YORK

Peter Weiss, being duly sworn, deposes and says;

1. I represent the plaintiffs herein, and I make this affidavit in support of their motion for a declaratory judgment that the continuation of United States military activity in Cambodia and elsewhere in Indochina is in violation of domestic and international law, and for such equitable relief as the Court may deem appropriate.

2. As stated by Secretary of State William P. Rogers before the Senate Foreign Relations Committee on April 30, 1973, the United States has conducted air combat operations in Cambodia subsequent to the conclusion of the Agreement on Ending the War and Restoring Peace in Vietnam on January 27, 1973, and intends to continue such operations.

3. On April 27, 1973, Senator Stuart Symington, Chairman of the Subcommittee on U.S. Security Agreements and Commitments Abroad of the Senate Foreign Relations Committee, released a previously classified staff report of the Subcommittee, "U.S. Air Operations in Cambodia: April 1973", dated April 27, 1973, by James G. Lowenstein and Richard M. Moose, two members of the Committee's staff, based on field investigations during the period immediately prior to its preparation. According to this report,

a. The aerial bombardment of Cambodia by fighter bombers and B–52s of the U.S. Air Force has increased steadily from an average daily rate of 23 tactical sorties and 5 B–52 sorties during the period from February 16 to February 28, 1973, to an average daily rate of approximately 180 tactical and gunship sorties and 58 B–52 sorties by April 18.

b. These bombing missions are directed by the U.S. Embassy in Phnom Penh, on the basis of antiquated maps which make it impossible to observe elementary standards of safety in preventing loss of civilian life and property.

c. Although these air strikes were originally aimed primarily at interdiction of North Vietnamese supply routes leading to South Vietnam, by the first part of April the vast preponderance of such strikes were aimed against Cambodian insurgent forces engaged in a civil war with the U.S.-backed regime of Marshal Lon Nol.

4. As stated by the Court of Appeals for the District of Columbia Circuit in *Mitchell* v. *Laird*, 41 LW 2526, on March 20, 1973, the Congressional plaintiffs herein "have a duty under the Constitution to consider whether defendants in continuing the hostilities [are committing] high crimes and misdemeanors so as to justify an impeachment of the individual defendants, pursuant to the United States Constitution, Art. I, Sec. 2, Clause 5." 41 LW 2526, at p. 2527; Slip Opinion, p. 3.

5. The doctrine of the First Circuit, as enunciated in *Massachusetts* v. *Laird*, 451 F.2d 26 (1971), is that questions concerning the legality of "Presidential" wars are justiciable and that, in a situation where the executive branch is engaged in a war to which the legislative branch is clearly opposed, a court "might well" hold that the Constitution has been breached.

6. Whatever Congressional authorization may have existed at one point for American military operations in Indochina became inoperative with the signing of the Paris Accords last January and the subsequent withdrawal of U.S. grand forces from Vietnam and release of U.S. prisoners of war held by the enemy. Congress not only has failed to condone, expressly or implicitly, the resumption of bombing in Cambodia on February 16, but has repeatedly declared its firm disapproval of any military operations in Cambodia in support of the Lon Nol Government or any other Cambodian Government. Thus,

a. Title VI of the Military Procurement Authorization for Fiscal 1972 (PL 92–156), known as "The Mansfield Amendment," declared it to be "the policy of the United States to terminate at the earliest practicable date all military operations of the United States in Indochina, and to provide for the prompt and orderly withdrawal of all United States military forces at a date certain, subject to the release of all American prisoners of war held by the Government of North Vietnam and forces allied with such Government and an accounting for all Americans missing in action who have been held by or known to such Government or such forces."

b. Title VI of the Draft Extension Act of 1971 (PL 92–129) contained virtually identical language, but in terms of "the sense of Congress," rather than "the policy of the United States."

c. All six military appropriations bills enacted since the Camodian invasion of 1970 have contained the following language, commonly known as the "Fulbright Proviso":

". . . nothing [herein] shall be construed as authorizing the use of any such funds to support Vietnamese or other free world forces in actions designed to provide military support and assistance to the government of Cambodia or Laos: Provided further, that nothing contained in this section shall be construed to prohibit support of actions required to insure the safe and orderly withdrawal or disengagement of U.S. Forces from Southeast Asia, or to aid in the release of Americans held as prisoners of war." PL 91–441, 84 Stat. 905; PL 91–668, 84 Stat. 2020; PL 92–156, 85 Stat. 423; PL 92–204, 85 Stat. 716; PL 92–436, 86 Stat. 734; PL 92–570, 86 Stat. 1184.

d. The Foreign Assistance Act of 1971 (PL 92–226) contains a number of provisions, known as "The Cambodian Assistance Limitations", which clearly express the concern of Congress lest the United States become more deeply involved in the Indochina quagmire through support of the Cambodian government. Specifically, the number of U.S. personnel authorized to be present in Cambodia at any one time is limited to two hundred (22 U.S.C. § 2416) and the President is required to submit quarterly reports to Congress containing the amount of funds obligated in or for Cambodia and their purpose (22 U.S.C. § 2415(f)). Even more significantly, 22 U.S.C. § 2415(g) provides that the foreign aid authorization for Cambodia "shall not be construed as a commitment by the United States to Cambodia for its defense."

Combat air operations over Cambodia are exempted from these limitations, but the legislative history of PL 92–226 leaves no doubt that the sole purpose of such exemption was to prevent any possible jeopardy to the continuing withdrawal of U.S. forces from Vietnam (Senate Report No. 92–431, U.S. Code Cong. & Admin. News, 92nd Cong., 2nd Sess., pp. 1896–1899.)

7. Article 20 of the Agreement on Ending the War and Restoring Peace in Vietnam imposes a solemn obligation on the United States to recognize "the independence, sovereignty, unity, and territorial integrity" of Cambodia, to "put an end to all military activities in Cambodia" and to allow the internal affairs of Cambodia to be settled by its people without foreign interference. Even if it were true that the government of North Vietnam is interfering in a significant way in the civil war now raging in Cambodia—a point on which the Senate Foreign Relations Subcommittee Report, mentioned in Paragraph 3 above, casts considerable doubt—this would not relieve the United States of its obligations under Article 20 of the Agreement. The Act of the International Conference on Vietnam, signed in Paris on March 2, 1973 by the United States and a number of other countries, provides, in Article 7(2), that "in the event of a violation of the Agreement or the Protocols . . . the parties signatories of the Agreement and Protocols shall either individually or jointly consult with the other parties to this Act, with a view to determining the necessary remedial measures." Thus, continuing U.S. aerial bombardment of Cambodia constitutes a violation of the treaty obligations assumed by the United States in Paris on January 27, 1973 and March 2, 1973.

8. Regardless of the legality or illegality of current United States military operations in Cambodia under the Constitution and the Paris Accords, the manner in which such operations are being conducted is in violation of the body of international law condemning the mass destruction of the lives and property of innocent civilians, including the Nuremberg Principles and the applicable provisions of the Hague and Geneva Conventions.

9. Under Article I, Sec. 8, Clause 11 of the Constitution, vesting power to declare war in the Congress, the Congressional plaintiffs are entitled to a determination whether the military activities being conducted in Cambodia under the direction of defendants constitute a usurpation of that power.

10. Under Article I, Sec. 2, Clause 5 of the Constitution, the Congressional plaintiffs are entitled to a determination whether the military activities being conducted in Cambodia under the direction of defendants are in violation of domestic and international law, so as to justify their impeachment for high crimes and misdemeanors.

11. Plaintiff Hayden, a member of the United States Air Force whose current tour of duty is not scheduled to terminate until September 1975, may, at any time prior thereto, receive orders involving him in the conduct of military operations in Indochina. He holds the belief that the current operations in Indochina, as well as possible future operations, are illegal, and seeks judicial corroboration thereof. He is entitled to such a determination because if, in fact, such operations are illegal he would, in the absence of the requested judicial determination, be placed in the intolerable position of either subjecting himself to punishment for disobeying his military superiors or failing in his duty to disobey illegal orders. In addition, if plaintiff is ordered to participate directly in combat in Indochina, pursuant to illegal orders, he would be subject to the loss of his life or liberty in violation of his rights under the Fifth Amendment.

12. As has been widely reported in the press, within the past several days, President Nixon has announced that he may order U.S. combat operations in or over Vietnam to resume if the other side to the Indochinese conflict does not comply fully with the terms of the Paris Accords.

13. Upon information and belief, the daily cost of the U.S. combat operations in Cambodia, at their current level, is in excess of $1,000,000.

14. No prior request for the same or similar relief has been made by the plaintiffs herein to any court. A request for similar relief was made by Congresswoman Elizabeth Holtzman in the United States District Court for the Eastern District of New York on April 18, 1973; *Holtzman* v. *Richardson*, 73 Civ. 537. That proceeding is currently pending.

15. Because of the emergency nature of this application, it would be impossible to proceed by Notice of Motion. Moreover, the need for expeditious relief renders it impossible to await the service of defendants' answer prior to seeking judgment.

PETER WEISS.

ENVIRONMENTAL PROTECTION ACT OF 1973

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 8, 1973

Mr. DINGELL. Mr. Speaker, I am today introducing legislation to amend the National Environmental Policy Act of 1969 by enlarging the capability of citizens to prosecute legal actions in cases where present law inhibits such actions.

The bill which Congressmen ECKHARDT, MCCLOSKEY, BREAUX, STUDDS, and I are introducing is a counterpart to a bill introduced in the Senate by Senators HART and MCGOVERN and a number of their colleagues. It has received support from a wide selection of public organizations: conservation groups, consumer groups, labor unions, environmental groups, and others.

It was almost exactly 4 years ago that our committee began hearings on the legislation that ultimately became the National Environmental Policy Act of 1969. Events since that time have indicated the validity of the premise upon which NEPA was based: That citizen involvement in environmental decisionmaking improves the quality of the decisions made, and that accessibility or accountability of the decisionmaker is an important element in the process.

The bill which we are introducing today takes the next important step in as-

suring that the decisionmakers remain fully accountable. It counteracts a tendency, already visible within the bureaucracy, to treat the National Environmental Policy Act as a formula requiring paper compliance and little if any active and positive consideration of the environmental significance of proposed Federal actions.

For the information of my colleagues, I ask to have reprinted in the RECORD a strong letter of support for the proposed bill, together with a copy of the bill which we are introducing today.

The documents follow:

COMMITTEE FOR THE ENVIRONMENTAL PROTECTION ACT

MAY 3, 1973.

Hon. JOHN D. DINGELL,
Hon. ROBERT ECKHARDT,
House of Representatives,
Washington, D.C.

DEAR MESSRS. DINGELL AND ECKHARDT: Environmentalists and public interest lawyers around the country consider the passage of the Environmental Protection Act of 1973 to be one of the highest priorities in this session of Congress. We appreciate your action on introducing this bill in the House of Representatives.

The Environmental Protection Act of 1973 provides a necessary tool for citizen participation in the prevention of environmental degradation. With respect to suits against federal agencies, existing statutes impose, in our view, excessive limitations on judicial review of administrative actions. Suits against private parties under traditional common law nuisance are severely limited by the need to show special damages. This bill is designed to resolve those problems.

The following groups have either testified in favor of similar legislation in the last session of Congress or otherwise indicated their support for the principles embodied in the act: Aviation Consumer Action Project, Center for Science in the Public Interest, Environmental Defense Fund, Fisherman's Clean Water Action Project, Fund for Animals, Izaak Walton League, Maryland Wilderness Association, National Parks and Conservation Association, National Wildlife Federation, Natural Resources Defense Council, The Wilderness Society, Trout Unlimited.

We, the undersigned, wish to convey our strong support and concern for this vital legislation.

Most sincerely,

Americans for Democratic Action.
Arizonans for a Quality Environment.
Campaign Clean Water.
Citizens Committee on Natural Resources.
Common Cause.
Emergency Committee on the Transportation Crisis.
Environmental Action, Inc.
Environmental Policy Center.
Friends of the Earth.
Marvin L. Goldberg, chairman, Federation of American Scientists.
Metropolitan Coalition for Clean Air.
Michigan Student Environmental Federation, Doug Scott, Washington Representative.
League of Women Voters of the United States.
National Coalition on the Transportation Crisis.
Northern Virginia Conservation Council.
Oil, Chemical and Atomic Workers Union.
Sierra Club.
Zero Population Growth.

(Contact: Doann Haines, Jim Conroy, Environmental Action, Inc., 833-1845.)

H.R. 7592

A bill to amend the National Environmental Policy Act of 1969 to provide for citizens actions in the United States district courts against persons responsible for creating certain environmental hazards

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the National Environmental Policy Act of 1969 (42 U.S.C. 4321-4347) is amended by adding at the end thereof the following new title:

"TITLE III—ACTIONS TO PROTECT ENVIRONMENTAL QUALITY

"SUBTITLE A—GENERAL PROVISIONS

"SHORT TITLE

"SEC. 301. This title may be cited as the 'Environmental Protection Act of 1973'.

"FINDINGS AND PURPOSES

"SEC. 302. (a) The Congress finds and declares that each person is entitled by right to the protection and enhancement of environmental quality and that each person has a responsibility to contribute to the protection and enhancement of the environment as a trustee for the benefit of future generations.

"(b) The Congress further finds and declares that it is in the public interest to provide each person with an adequate remedy to protect environmental quality from impairment and degradation.

"DEFINITIONS

"SEC. 303. As used in this title.

"(1) The term 'environmental quality' means those aspects of life and those objectives which are delineated in section 101(b) of this Act and which it is the purpose of this Act to protect.

"(2) The term 'federal agency' means the executive departments and independent establishments of the United States and corporations primarily acting as instrumentalities of the United States.

"(3) The term 'includes' or 'including' should be read as if the phrase "but is not limited to" were also set forth.

"(4) The term 'person' means an individual, partnership, corporation, unincorporated association or organization; or a department, agency, or instrumentality of the United States, a State or political subdivision of a State, the District of Columbia, the Commonwealth of Puerto Rico, or a territorial possession of the United States.

"PROCEDURE

"SEC. 304. (a) Suits may be brought under this title by any person or persons who are adversely affected or aggrieved by the action or activity which is the subject of the suit or who speak knowingly for the environmental values asserted in such suit.

"(b) When two or more actions, at least one of which is brought under this title and all of which involve the same defendant and a common question of law or fact, are pending in two or more jurisdictions, such pending proceedings, upon application of any party reasonably made to the court of one such jurisdiction, may, if the court so decides, with the concurrence of the courts of the other jurisdictions concerned, after giving due consideration of the convenience of parties and witnesses and the order in which the suits were originally filed, be consolidated for trial by order of such court. The court granting such order of consolidation shall give prompt notification thereof to the other courts having jurisdiction of the cases covered thereby. Nothing in this subsection shall be construed to preclude consolidation in any case not specifically referred to in this subsection.

"(c) Upon clear and convincing evidence offered by any defending party in a suit under this title that a temporary restraining order or preliminary injunction will result in irreparable damage to such party, the court may condition the issuance of such order or injunction upon the plaintiff or plaintiffs giving security to cover the costs and damages that may be incurred and suffered by such party if relief is wrongly granted. Such security shall not be required if, in the judgment of the court, imposition would unreasonably hinder the plaintiff or plaintiffs in the maintenance of the suit, would tend unreasonably to prevent a full and fair hearing on the action or activity complained of, or would otherwise not be in the public interest. Except as provided in this subsection, no bond shall be required by the court of any plaintiff in a suit under this title.

"(d) In a suit under this title, the court may appoint a master to take testimony and to make a report. The court or master, as well as the parties to the suit, may subpena expert wtinesses and have the assistance of nationwide service of process for the production of records, documents, and other information reasonably necessary for just disposition.

"(e) Any suit under this title shall be supported by the affidavits of not less than two technically qualified persons stating that to the best of their knowledge the action or activity complained of will or reasonably may impair or degrade environmental quality.

"(f) The costs of litigation, including reasonable attorney's and expert witness fees, may be apportioned to the parties whenever the court determines that such an award is appropriate.

ACTUAL NOTICE

"SEC. 305. (a) The Administrative Office of the United States Courts shall establish an environmental registry under the direction of the Director. The Director shall list the names and addresses of all persons in the United States who request to be listed as persons (1) interested in environmental quality and the protection and preservation of the environment from impairment or degradation; and (2) who wish to receive the notice provided under subsection (b) of this section as to actions pending in one or more geographical regions. The Director shall operate the environmental registry, maintain materials relating to the rights recognized in this title, and provide for payment of membership fees to cover the cost of the notice provided under subsection (b) of this section.

"(b) Upon the filing of the original complaint in a suit under this title, the clerk of the court in which such suit is filed shall promptly send a copy of the complaint and attached exhibits and affidavits to the Director. Upon receipt, the Director shall promptly send a notice of such pending litigation to each person listed in the environmental registry as of that date. The notice shall state—

"(1) the names of the parties to the action;

"(2) the date on which the complaint was filed;

"(3) the name and address of the court in which the suit is pending;

"(4) the allegations in the complaint and the relief requested, in summary form; and

"(5) the procedure for obtaining expeditiously a copy of the documents in the suit, including the cost of a reproduction copy. Upon receipt of a copy of an original complaint pursuant to this subsection, the Director shall also cause a copy of such complaint, or a summary thereof, to be published in the Federal Register.

"(c) Any person who is entitled to bring a suit under this title may, in accordance with applicable rules of civil procedure, intervene as of right as a plaintiff in any suit under this title with respect to any questions of law or fact in common with the original complaint. In deciding the timeliness of applications to intervene, the court shall consider the operation of the notice provisions referred to in subsection (b) of this section and shall insure that there is adequate opportunity to respond to the notice provided.

"(d) The Director shall submit annually to the Congress, together with copies of the annual report required to be submitted under section 604(a)(4) of title 28, United States Code, a statement of the number of actions brought under this title, the number of such actions dismissed, settled, or brought to trial, and the number of such actions which appear to arise out of the same transaction or occurrence as any previous suit under this title or any other Federal statute relating to environmental quality.

"LIMITATIONS

"SEC. 306. (a) No suit may be brought under this title against the Congress of the United States.

"(b) Nothing in this title shall be construed to affect the specific statutory obligations of any Federal agency or any other person—

"(1) to comply with criteria or standards of environmental quality;

"(2) to coordinate or consult with any other Federal or State agency; or

"(3) to act or refrain from acting contingent upon the recommendations or certification of any other Federal or State agency,

to the extent that such obligations are more protective of environmental quality than those arising under this title.

"OTHER REMARKS

"SEC. 307. Nothing in this title shall be construed to restrict any right or remedy which a person may have under any other provision of law or at common law, to seek relief or redress to protect himself or environmental quality.

"SUBTITLE B—SUITS TO REVIEW ACTIONS OF FEDERAL AGENCIES

"APPLICABILITY

"SEC. 311. (a) A person, on his own behalf or on behalf of other persons similarly situated, may maintain a suit in accordance with this title for review of an action of a Federal agency, including promulgation or failure to promulgate a rule or regulation, if—

"(1) such agency action allegedly constitutes an impairment or degradation of environmental quality under subsection (b);

"(2) such agency action allegedly constitutes a major action significantly affecting the quality of the human environment within the meaning of section 102 of this Act; and

"(3) such suit seeks enhancement of environmental quality through agency action more protective of environmental quality.

"(b) An action of a Federal agency constitutes an impairment or degradation of environmental quality if—

"(1) with respect to action taken pursuant to the Clean Air Act (42 U.S.C. 1857 et seq.), or the Federal Water Pollution Control Act (33 U.S.C. 1151 et seq.), the agency action fails to comply with any explicit substantive or procedural requirements for the protection of environmental quality prescribed for agency action in such statute;

"(2) with respect to action taken pursuant to any other Federal statute—

"(A) such action fails to comply with any explicit substantive or procedural requirements for the protection of environmental quality prescribed for agency action in such statute, or

"(B) notwithstanding that such action is consistent with such requirements, to the extent that the agency has discretion in the matter—

"(i) the environmental and economic costs of the action exceed the benefits to be derived from such action, or

(ii) the agency fails to select, within the limits of its discretion, an alternative to the action in question which creates less risk of environmental damage, is of comparable social (including environmental) benefit, does not involve unreasonable additional costs, and meets a similar need; or

"(3) with respect to any action taken, such action is in violation of a Federal agency standard, order, permit, or other regulation for the protection of environmental quality.

"(c) A suit under this subtitle may be brought without regard to the amount in controversy in any district court of the United States in which venue is appropriate under section 1391 of title 28, United States Code; except that if such suit concerns a specific agency action under a Federal statute which includes a provision for review of any such action affecting environmental quality under such statute, the suit shall be brought in conformity with the venue requirements and time limitations of such provisions.

"REMEDY

"SEC. 312. (a) The court shall grant whatever equitable relief is necessary to prevent impairment or degradation of environmental quality, including declaratory judgments and mandatory or prohibitive injunctive relief, upon an affirmative finding with respect to paragraphs (1), (2), and (3) of section 311(a).

"(b) The court is authorized to grant interim equitable relief in suits under this subtitle. Such relief may include relief against any agency pending the completion of agency procedures leading to an agency action or against any person whose activities may be prohibited, controlled, or authorized by such agency action.

"(c) The court may refer the parties or remand the action in any suit maintained under this subtitle to the administrative and regulatory procedures provided by other law or regulation. The court shall order such reference or remand upon a finding that expeditious and informed resolution of the action would be advanced by reference or remand in whole or in part. Nothing in this subsection shall be deemed to prevent the granting of interim equitable relief necessary to protect the rights recognized in this title.

"(d) If an action is remanded under subsection (c), the court may direct the agency in question to take additional evidence subject to such terms and conditions as the court may prescribe. The court may also take additional evidence itself in any suit under this title if it determines that the taking of such evidence will most effectively and efficiently protect the rights recognized in this title.

"(e) In a suit under this subtitle any determination of questions of fact by a Federal agency and agency action, findings, and conclusions based on such determination shall be presumed to be correct unless such presumption is rebutted by a preponderance of the evidence.

"(f) In a suit under this subtitle, all questions of law shall be determined by the court. There shall be no presumption as to the correctness of agency determinations of questions of law.

"(g) Except as otherwise provided or as otherwise required to effect the provisions and purposes of this title, the provisions of chapter 7 of title 5, United States Code (relating to judicial review), shall apply to all suits under this subtitle.

"SUBTITLE C—SUITS TO ENFORCE AGENCY REGULATIONS AND TO ENJOIN ENVIRONMENTALLY HARMFUL ACTIVITY

"APPLICABILITY

"SEC. 321. (a) A person, on his own behalf or on behalf of other persons similarly situated, may maintain a suit in accordance with this subtitle for declaratory or temporary or permanent equitable relief, including mandatory relief, to protect environmental quality from activity if—

"(1) such activity allegedly constitutes an impairment or degradation of environmental quality under subsection (c);

"(2) such activity allegedly constitutes a major action significantly affecting the quality of the environment;

"(3) such suit seeks enhancement of environmental quality through activity more protective of environmental quality; and

"(4) such activity allegedly affects interstate commerce.

"(b) A suit under this subtitle may be maintained against any person to the extent permitted by the eleventh amendment to the Constitution of the United States, except that no suit may be brought under this subtitle against any Federal agency.

"(c) An activity constitutes an impairment or degradation of environmental quality of—

"(1) where standards, orders, permits, or other regulations for the protection of environmental quality issued by a Federal agency are applicable to the activity in question; or where standards, orders, permits, or other regulations issued by a State or political subdivision thereof, pursuant to the Clean Air Act (42 U.S.C. 1857 et seq.), or the Federal Water Pollution Control Act (33 U.S.C. 1151 et seq), are applicable to such activities; such activity is in violation of such regulations; or

"(2) where no such standards, orders, permits, or regulations are applicable—

"(A) the environmental and economic costs of the activity exceed the benefits to be derived from such activity; or

"(B) the defendant can accomplish the purpose of such activity in an alternative manner which creates less risk of environmental damage, is of comparable social (including environmental) benefit, and does not involve unreasonable additional costs.

"(d) A suit under this subtitle may be brought without regard to the amount in controversy in any district court of the United States in which venue is appropriate under section 1391 of title 28, United States Code. Such jurisdiction shall be concurrent with that of the courts of the several States.

"REMEDY

"SEC. 322. (a) The court shall grant such relief as is necessary to prevent impairment or degradation of environmental quality upon an affirmative finding with respect to paragraphs (1), (2), (3), and (4) of section 321(a).

"(b) The court may grant interim equitable relief where required and for such period of time as is necessary to protect the rights recognized in this title.

"(c) The court may refer the parties or remand the action in any suit maintained under this title to the administrative and regulatory procedures provided by other law or regulation. The court shall order such reference or remand upon a finding that expeditions and informed resolution of the action would be advanced by reference or remand in whole or in part. Resort to such procedures shall not be required if such suit is maintained to enforce administrative regulations as provided in section 321(c)(1). This subsection shall not be construed to limit the authority of the court under subsection (a) or (b).

"NOTICE

"SEC. 323. (a) No suit may be commenced under this subtitle—

"(1) until the plaintiff has given notice of intention to commence such suit to—

"(A) the defendant;

"(B) the attorney general of the State or States in which the activity which is the subject of such suit has occurred; and

"(C) the Council on Environmental Quality; except that upon a showing by the plaintiff of irreparable harm, this notice requirement may, in the discretion of the court, be waived or modified; or

"(2) if a Federal or State agency is diligently pursuing a suit for relief similar to that sought by the plaintiff, under this subtitle or otherwise; except that such plaintiff may intervene as a matter of right in any such suit to protect the rights recognized in this title.

"(b) In any suit brought under this subtitle, any government agency whose jurisdiction extends to the environmental impact of the activity in question may, if not a party, intervene as a matter of right.

"COORDINATION WITH STATES

"SEC. 324. (a) No suit may be brought under this subtitle with respect to an activity which is specifically authorized or approved by the government of any State or political subdivision of such State. This subsection is inapplicable if such activity (1) results in or reasonably may result in a significant effect on environmental quality outside such State or political subdivision, or (2) is in violation of standards, orders, permits, or regulations referred to in section 321 (c) (1).

"(b) If a judgment is rendered under this subtitle against a political subdivision of a State, such State shall assume financial responsibility for any expenses which are incurred as a result of such judgment if the laws of such State limit the capacity of the political subdivision to raise the revenues needed to pay such expenses. In any suit which might lead to any such judgment, the State shall be joined as a party."

FOUNDATIONS AND WOMEN: A POOR RECORD

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 8, 1973

Ms. ABZUG. Mr. Speaker, I would like to draw the attention of my colleagues to the testimony of Prof. Franziska Hosken, delivered before the House Ways and Means Committee on Friday, April 20.

Professor Hosken testified on the subject of the employment and grant-making policies of our Nation's foundations. As you will discover in reading her testimony, the foundations of America, while receiving the benefits of tax-exempt status, practice blatant discrimination in the hiring of professional staff, in the appointment of women and minorities to their boards and in the types of activities which receive their funds.

I hope that the members of the Ways and Means Committee and all Members of the House will pay particular attention to this matter, and I include at this point in the RECORD Professor Hosken's excellent statement:

FOUNDATIONS AND WOMEN: A POOR RECORD

I am grateful for the opportunity to testify on behalf of the National Organization for Women. My name is Fran Hosken; I am a journalist in urban affairs and write for many papers including the *Christian Science Monitor* and as correspondent at large for the *Architectural Forum*. I am a professor of urban studies at the University Without Walls in Roxbury, Mass., and I am a member of the Housing Committee of the National Urban League, and chairperson of the New Towns Subcommittee. I hold a professional degree in architecture from Harvard.

Today I speak for N.O.W., the largest civil rights organization for women, founded in 1966 with over 500 chapters in every state of the union.

The purpose of this testimony is to seek redress for continuing illegal discrimination by tax free institutions, specifically universities and grant-making foundations. Women of all races and minority men are compelled to pay the taxes these institutions do not pay and therefore they subsidize them. Also the federal government subsidizes these same institutions every time that a donor deducts his or her contribution to one of them. These same institutions continue to exclude women and minority men illegally from equal participation as staff, as students, as teachers, as administrators, and especially on their policy making boards, except occasionally as tokens.

Taxes have increased enormously and they have increased out of all proportion for the lowest paid sector of the population. The large majority of the lowest paid work force is women. Women will not tolerate this doubly discriminating situation any longer. The participation of women in the labor force is constantly increasing.

In 1920 only 23% of the labor force were women.

In 1970 only 38% of the labor force were women.

Today only 43% of all workers are women.

While women are increasing rapidly among workers in less skilled jobs according to Labor Department statistics they are decreasing in the professions on the managerial level, and in all decision making jobs: precisely in the areas where a great deal of education is required.

Women furthermore according to the Department of Labor are underutilized in relation to their educational achievement and inadequately represented in the leading professions. Discrimination at higher education institutions and professional schools is very much to blame for this, especially at the prestigious private universities that take the lead (see education chart).

Universities have been ordered to comply with the Equal Employment legislation, Title VII of the Civil Rights Act of 1964, as amended, and specifically by making Affirmative Action Plans. But these plans, especially in the case of the large prestigious private universities, for instance at Harvard (which has an endowment of over two billion dollars) have had hardly any positive results (my case study of the group complaint I initiated against the Graduate School of Design at Harvard will serve as an example. A year long investigation by the Civil Rights Office of the Department of Health, Education and Welfare resulted in showing not only that my complaint was justified at the GSD but that discrimination exists throughout the university but especially in the administration and graduate schools. The case study is on file in Mr. Martin's office or may be obtained from me.) Yet in only very isolated cases has the Civil Rights Office of the Department of Health, Education and Welfare moved against any universities to temporarily withhold government funds.

Tax free foundations, especially the largest ones, led by the Ford Foundation (with a capital of almost three billion dollars) give millions annually to universities, educational institutions and institutes (all tax free) without requiring that the recipients observe employment laws and take effective affirmative action.

Women, a voting majority (51.3% of the population) are almost totally excluded from foundation boards and executive positions and therefore from all decision-making by foundations. Women are quite under-represented in all higher salaried staff positions in all foundations, but especially at the largest one, (the Ford Foundation). Foundations use their enormous wealth and power against women by omitting equal employment clauses in their funding of programs and institutions. My case study of the Ford Foundation where I applied for a job clearly shows discrimination. My analysis of foundation annual reports shows an almost total absence of women on all foundation boards and staffs. Both studies are on file and may be seen in Mr. Martin's office or can be obtained from me.

Almost all tax free educational and grant making institutions show a similar situation: a total absence of women, especially in well paid decision making positions. One result is that grants almost invariably go to men and/or organizations run by men. Scholarship granting organizations and honor societies of all kinds almost entirely exclude women from their decision making bodies, and consequently from their honors and grants. Until quite recently many prestigious scholarships were only available to men, though their donors and organizations are tax free that is subsidized by women.

Statistics show that 27.1% of the budgets of private universities and 24.7% of the budgets of public universities come from foundation grants according to the National Association of State Universities and Land Grant Colleges.

While public moneys and contracts may not be used where discrimination exists, foundation grants, though they are publicly subsidized, continue to go to universities even if HEW withholds public funds due to the institutions' non-compliance with the law. On top of that universities and foundations while they actively discriminate and break the law, continue to enjoy tax exemptions worth billions of dollars—taxes that have to be made up by those who suffer most from this discrimination: women. That is, women are compelled to finance their own exclusion from society and from education and from all well paid decision making jobs.

It is not the intention of the tax-free status of the universities and foundations to give them the license to illegally discriminate. It is not in the interests of Congress to permit the arrogant administrators, especially of the large rich private universities (led by Harvard) and the enormously wealthy powerful foundations (led by the Ford Foundation) to subvert not only the responsibility and mandate of being granted tax privileges but in addition to wilfully subvert the equal employment legislation of the land. We must again remind the lawmakers that large corporations have accepted equal employment legislation and that women are a majority of the electorate.

Women due to discrimination are unable to advance in the labor force though they work in ever larger numbers. The taxes women must pay as the largest group of the working poor are among the highest in the land. As Fortune Magazine in the December issue states in an article "The Right Kind of Tax Reform" by Richard Armstrong (based on numerous technical studies including the Brookings Institute) "One group clearly discriminated against by the present tax system is the working poor—families are paying a tax of 50 percent—a rate not reached again until the highest bracket."

As shown above, these working poor are by a large majority women and especially the growing number of women-headed families. According to Labor Department statistics the earning gap between similarly employed men and women which is a staggering monument of discrimination is getting even worse. The median income of women was 63.9% of the median income of men in 1955. But the 1970 statistics show women earn only on the average 59.4% for equal work of similarly employed men.

We submit that this committee should address itself to these urgent problems that are responsive to tax legislation in general and specifically to the tax exemptions granted to the educational institutions and grant making foundations who break the law and keep women from attaining equal educational administrative and decision making positions. We submit the country can no longer tolerate the loss of talent resulting from the wilful illegal exclusion of women. Foundation administrators reserve especially the prestigious well paid decision making jobs to their own "in group." One look at the present foundation presidents, trustees and decision makers and their counterparts at private universities confirms this statement. The president of the Ford Foundation Mr. McGeorge Bundy, his administrative vice president, Mr. Arthur Trottenberg, are former Harvard Deans.

The former president of Harvard is now president of the Andrew W. Mellon Foundation, Mr. Nathan Pusey, and the examples of exchanges between foundation and university administrators are endless: all excluding women in the entire educational establishment and funding process which discriminates against women and minorities yet women must support these institutions with their taxes.

We ask to have the tax-free status of the universities and foundations reexamined and suspended until such time as they make some realistic and fundamental changes and become the open and equal institutions they were meant to be: they must honestly carry out their responsibilities to the nation and to all the citizens, female and male, black, brown and white, for which they were granted the tax privileges they enjoy. Specifically we ask that the same clauses that apply to public moneys should apply to foundation funds so they cannot be used where discrimination exists. Foundations should be made responsible for carrying out this mandate or lose their tax exemptions.

The best way to allow women to enter the mainstream of American professional life is to require the private foundations and the tax exempt institutions to stop practicing discrimination. If they refuse, their tax exempt and tax deductible status should be terminated by the Internal Revenue Service in the same manner in which the IRS has terminated tax deductible status for private schools and colleges which practice racial or religious discrimination.

Universities and foundations as tax exempt, publicly subsidized institutions must by any and all means, including affirmative action and with the help of N.O.W., materially enlarge immediately the participation of women on their boards, in all decision making positions, on their staffs and student bodies on pain of jeopardizing their tax exemptions. And the same goes for minorities. Women's organizations can provide large numbers of qualified candidates.

It is especially important that not another generation of young women be sacrified to the discriminatory, illegal self-serving policies of exclusion practiced by the administrators at universities and foundations.

This nation and the democratic process is in serious trouble if it continues to discriminate against women who have a voting majority. Most of all we can no longer afford to permit the talents of over half the population to go un-used or under-used. Women must actively participate in the future of the country: they are the country's greatest hope for peace. Women if they are to fully develop their abilities in our society must first of all be guaranteed equal access to all educational institutions and positions and to all foundation moneys supporting education because without education they cannot succeed. Women as a voting majority will not tolerate their exclusion for the benefit of a few. But most of all Congress must realize that the nation can no longer tolerate such a loss.

LEGISLATING ENERGY DRAIN: TWO SIDES OF ENVIRONMENTAL REFORM

HON. SPARK M. MATSUNAGA

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 8, 1973

Mr. MATSUNAGA. Mr. Speaker, at a time when environmental concerns are so critical and require so much of our legislative efforts, it is important not to overlook potential environmental harm which proposed solutions may themselves create.

Recently Dr. Richard E. Marland, head of Hawaii's Environmental Quality Control Office, offered an illumination of the problems caused when the diseconomies of certain controls overweigh the economies, both in a monetary and an environmental sense.

In the belief that Dr. Marland's thoughts will prove beneficial to my colleagues, especially as they relate to the need for careful balancing of all environmental gains against all costs, I submit an excerpt from Dr. Marland's speech for inclusion in the Record:

Energy Needs in Coping With Environmental Problems, a Presentation to the Seminar, "Energy, the Ultimate Environmental Problem?" April 13, 1973

(An excerpt of a Speech by Dr. Richard E. Marland, Interim Director, Office of Environmental Quality Control, State of Hawaii)

As one may judge from the title of this paper, our efforts to control pollution of our water, air and land place a new and significant demand on the energy resources of the world. With few exceptions the processes which we are applying to waste water treatment, removal of air pollutants from factory and automobile emissions and the improved management of our solid wastes all call for energy input.

An obvious result of these new demands is the further depletion of our existing sources of energy. Thus, as environmentalists, we find ourselves on the horns of a dilemma. On the one hand, we seek to implement energy-consuming practices and processes which will preserve the quality of our environment, and on the other, we seek to conserve the dwindling supplies of non-renewable energy sources. Further, to complicate the problem, one cannot simply decide that the importance of one aspect is so great that we should ignore the other.

. . . Another area of potential solutions to our problem lies in more careful cost-benefit analysis of environmental benefits which require energy input. In this respect, I refer to an ecological cost-benefit, not only an analysis in terms of dollars. Let me cite one example, but a very important one,

The City and County of Honolulu is about to start construction of the long-awaited waste water treatment plant on Sand Island. Careful study of this system has produced the following facts:

1. The existing discharge of raw wastes is unacceptable. The pollution is harmful to our waters, threatening to our health, and aesthetically repugnant to society.
2. Treatment to the extent called "advanced primary" has been agreed upon by competent scientists and engineers. This degree of treatment will prevent environmental degradation to the receiving waters, remove the threat to human health and provide an aesthetically acceptable system.
3. Federal law now requires that this waste discharge be subjected to "secondary" treatment, without regard to other extenuating circumstances.

No one would argue against the application of the primary degree of treatment as having a favorable ecological cost-benefit. However, let us look at the energy costs of the alternative treatment processes. It may help us to establish a basis for obtaining an exemption from the arbitrary requirement of secondary treatment at this location.

The planned system of advanced primary treatment will require an annual energy input of 12,864,000 kilowatt hours at a cost of $225,000.00, and requiring 22,450 barrels of fuel—all this over and above the current energy utilization. If secondary treatment with hypochlorite generation as now required is added, the increase alone for these additions would be 17,200.000 kilowatt hours of power, costing $300,000.00, and requiring an additional 30,000 barrels of fuel oil per year.

There is little doubt in my mind that the benefits to our environment from increasing the degree *of treatment* in no way justify the more than double energy demand and economic cost. In fact, there is a stronger case for alleging that the application of secondary treatment plus chlorination would result in environmental harm.

Surely, conservation minded citizens should not accept this excessive cost in wasted energy, We hope the Federal Government will agree.

THE OPPORTUNITY FOR BLACK BUSINESS IN CLEVELAND, 1973

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 8, 1973

Mr STOKES. Mr. Speaker, the necessity to develop minority business is a subject upon which there is agreement among disadvantaged people and members of the establishment. James C. Davis is a distinguished Cleveland attorney and a senior partner in a prestigious law firm. He is chairman of the Greater Cleveland Growth Association, the organization which works to stimulate business development in the Cleveland area.

Jim Davis has always had a real interest in minority affairs. Several years ago he spoke to the Cleveland Bar Association. He urged the white establishment to work for a community in which people of both races could "live together harmoniously in mutual respect and prosperity.'" Recently, he spoke to the annual meeting of the Cleveland Business League, a group of black businessmen. He described the racial progress which had been made in Cleveland since his earlier speech and discussed the prospects for continued progress and the expansion of minority business. I am sure his remarks will be of interest to my colleagues. The full text of his speech follows:

THE OPPORTUNITY FOR BLACK BUSINESS IN CLEVELAND, 1973

(By James E. Davis)

In appraising the opportunity for black business in Cleveland in 1973, one must examine the present in light of the past and thereby seek to forecast the future. Where we are today is the inevitable result of where we were yesterday and our experiences of both today and yesterday, provide our best guide to where we will find ourselves tomorrow.

Just seven years ago I spoke to the Cleveland Bar Association on the subject "Cleveland's White Problem." At that time, I made clear my belief that probably the most fundamental problem confronting 20th century America was—how masses of black and white people—suddenly crowded together in major cities of this country—could come to live together harmoniously in mutual respect and prosperity. At that time—I said:

"Cleveland's present community image is not good, either at home or abroad. Its failures in urban renewal, its loss of business, its shrinking population * * * are obvious for all to see. At this moment, no one can deny that Cleveland is pointed down, not up * * *."

Further I then said:

"No observer of the Cleveland scene can fail to be aware of the conflicting charges and countercharges about the causes for Cleveland's present plight and who is responsible for them. The Mayor [then Mayor Locher] blames the Federal Government, the Federal Government castigates the Mayor, the white *community* blames the Negro who vigorously reciprocates. The business community charges responsibility to the political establishment and the politicians charge businessmen with trying to take over city hall."

I believe that what I said then was a fair thumb nail sketch of Cleveland in 1967. In that same speech I further said:

"We must either improve the seaworthiness of the vessel or go down with the ship. But the Cleveland ship need not go down. It is inherently sound if the present creeping dry rot can be halted and the necessary restorative repairs made."

How did we reach that low state—and what has been done about it? And, where do we—as black and white business and professional people—go from here?

In 1967, Cleveland's black population was four times as large as it had been at the beginning of World War II. Moreover, since World War II, over 200,000 whites had left Cleveland. As a result, not only was there a four time increase in the actual black population of Cleveland, but the black proportion of Cleveland's total population increased even more. By 1967, it had reached some 38% to 40% of the city's total. A relationship which has remained fairly level since that time.

Most of this tremendous black migration into Cleveland came from rural areas of the country. It was part of a massive shift in the Nation's black population from predominantly rural areas to the inner cities of the Nation's industrial centers.

This massive influx into the black communities of Cleveland and other northern industrial centers was dislocating and disruptive to social and economic life and to existing political alignments and accommodations. Educational facilities became more inadequate and more segregated. Not enough housing was available—and—due to overcrowding and—in part—to inexperience with city living by many of the new migrants—much of the housing that was available rapidly deteriorated. Not enough jobs could be found, Unemployment soared—welfare rolls rose sharply. Police-citizen relationships were at a low ebb.

And then came the riots, the burnings and large scale civil disturbances—not only in Cleveland—but in Detroit, Chicago, Washington, D.C. and other major American cities.

That was a time when only radicals seemed to be heard—both radical blacks and radical whites. The riots were destructive—they produced bloodshed and death—they increased racial polarization and hatred—but they did accomplish one constructive result. And in my judgment—only one.

These disturbances served for the first time to awaken much of our white population to the breadth and depth of our interracial problems. As a result, both white and black leadership have since seen the need to work together to find their solution.

In Cleveland, the years since 1967 have witnessed increased recognition in both the white and black communities that the problems which we face are basically not white problems or black problems, but common problems—in the face of which blacks and whites must rise or fall together.

It was his recognition which made possible the election and reelection of the first black man to serve as mayor of a major American city—and a city—where the majority of the population was white. It was this recognition which brought home to white business leadership the need to strengthen the black economic base, to strengthen black business.

No matter that Carl Stokes was succeeded in office by a white Mayor—no matter that as a result of political controversy between Mayor and Council leadership increased political racial polarization resulted. The net effect of the Stokes years must be recognized as productive of an affirmative improvement in the climate for black business. They stand as irrefutable proof, that even politically, black leadership will be accepted by substantial segments of the white community on an equal basis with white leadership provided the black leadership is devoted to the mutual good of our people as a whole. Once black and white leaders proved their ability to work together in the steam heated political areas—it was evident that they certainly could do so in the less emotionally charged area of business and the professions.

The years since 1967 have shown a substantial improvement in the white business community's understanding of the problems of black business. The white businessman has come better to understand that the black businessman wants to stand on his own feet and wants to achieve his own success—that given fair opportunity—he can do both. That white paternalism the black businessman neither wants nor needs. True, this understanding is not yet universal—what is important—is that it exists and is growing.

More and more, white businessmen have come to realize that the black man, just as the white man, desires position, status, and self-respect—that each of us, without regard to the color of his skin, wants to be somebody—and to be recognized as such—and each of us wants these achievements to come through the use of his own capacity and effort—not as a paternalistic reward.

What is required—and what black business has the right to expect from white society, government and business—is the creation of a climate in which the black business or professional man has a fair opportunity to achieve his own salvation. Further the realization has been growing in the white community that a healthy, self-sufficient black business economy contributes substantially to the success of white business.

As a result, since 1967, substantial efforts have been made by the white business community in Cleveland to open opportunity for leadership and economic success for black business and professional men and women. Admittedly, the substantially of the effort has not yet fully achieved the desired result. However, the problems are much easier of recognition than they are of immediate solution—but progress has been—and is being—made.

Increasingly, black business and professional men have emerged and been accepted as leaders in the counsels of our major business and professional organizations.

Perhaps the largest professional organization in Cleveland is the Cleveland Bar Association, and certainly the principle organization of Cleveland business is the Greater Cleveland Growth Association. Blacks have assumed and successfully discharged responsible staff positions in both of these organizations. Blacks are represented in increasing numbers in the governing councils of both organizations. Here, the voice of black leadership is today heard with increasing effectiveness, where seven years ago, it was simply not present.

In 1968, the Greater Cleveland Growth Association was organized through a combination of the Chamber of Commerce and the Greater Cleveland Growth Board. One of the motivations which underlay the creation of the Growth Association was a recognition—on the part of white Cleveland business—that if Cleveland was to go forward, Cleveland business had to concern itself with a much broader spectrum of social and political problems than normally had been the concern of the Chamber of Commerce or the Growth Board. The white business community recognized that the problems of minority enterprise—primarily black business—were truly of concern to business as a whole in the Cleveland community.

It was recognized that minority businessmen and women did not enjoy equal opportunity in obtaining financing—particularly in the extension of credit by commercial banks and that, to a substantial degree, black business did not receive equal acceptance in white markets. In its efforts to equalize opportunity in these areas, the Growth Association utilized its affiliate, the Greater Cleveland Growth Corporation.

The efforts of the Growth Corporation to aid minority business have been directed first, to provide technical, financial, and educational assistance to existing minority businessmen. Second, to encourage and aid in the creation of new minority businesses—and third, to assist existing minority businessmen to expand their current operations. In pursuing these objectives, the Growth Corporation has worked closely with Cleveland's commercial banking community and with the Small Business Administration of the Federal Government.

Today, most of Cleveland's commercial banks have officers who specialize in loans to minority owned businesses. Many of these specialists from the commercial banks participate in the Growth Corporation's Loan Review Committee which is made up of representatives of Cleveland's nine largest banks. This committee affords a channel, which never existed before, through which the problems of Cleveland's black business can be made known, under favorable circumstances, to Cleveland's commercial banking community.

During the three years ending in 1971, Cleveland banks—in many instances with the support of the Small Business Administration—provided loans to minority small businessmen in the amount of approximately $5,000,000. In the same period, through the efforts—and the financial assistance of the Growth Corporation—145 small businesses obtained financing in excess of $4,500,000. Admittedly, this provision of nearly $10,000,000 in financing to minority business is only a door opener." However, it is the opening of a door which for many years has been tightly closed to black business.

Another "door opener" has been provided by the Annual Business Opportunities Exposition which the Growth Corporation has coordinated since 1970. These expositions have been trade shows in reverse. In these expositions, Cleveland's large predominantly white controlled business firms—have supported demonstrations of the products they wish to buy—not sell. This has given black business the opportunity to learn the extent of the local market both for existing products and for those new products for which production capability exists.

Another "door opener" which the Growth Corporation has provided for black business is a free counseling services designed to aid a businessman properly to evaluate his business, plan sales and marketing programs—install necessary accounting procedures and develop financial projections and statements.

Fair appraisal of the future of Cleveland's black business requires evaluation of what has been learned from these first openings of the doors of equal opportunity.

In the first place, we have learned that black people are much the same as white people. Some are smart—some are not so smart. Some are industrious—some are lazy. Some are honest—some are not. In short, people are people, no matter what may be the color of their skins.

As the result of the first lesson, we have learned a second one. No matter how business opportunity be equalized—business success depends on business aptitude—but most important on hard work. Just as was the case with white men and women who started businesses, so it has proved to be with black businessmen or women. No amount of cash or credit—no amount of market opportunity—and, no amount of business counseling can make a success of a black business where the proprietor lacks aptitude for the business or is unwilling to work long hard hours to make it a success.

In order to check Cleveland's experience, the Growth Association sent teams of black and white business and professional men to study black business in Atlanta, Chicago, and Los Angeles. In each city, the experiences were the same as ours. In each city, experience showed that it was not fruitful to advance credit or expend time and money to create or assist black business until it had demonstrated its ability to gain at least a business foothold through the aptitude and industry of its proprietor.

In short, if we are to have a healthy black business community—we should follow the precept of the Lord—and help most those who have shown the ability to help themselves.

Before I close, I want to talk to you briefly about Cleveland and its future as a strong, healthy community. It is in the future of Cleveland that all business and professional people—black and white alike—have their principal stake. I believe in Cleveland. I believe in the desire and ability of the business and professional leadership of Cleveland working with leaders of government to move our city ahead. The fact that Cleveland business has responded to the challenge of the Greater Cleveland Forward campaign and has already pledged 80% of the goal of $4,820,000—with new pledges constantly being received—is proof positive that Cleveland business will support, not just with words, but with hard cash—the future of our city.

The Cleveland Forward Funds are being used solely for the purpose of insuring Cleveland's future. Hopefully, the studies which they are making possible will produce a major hub jet airport for Cleveland—an airport which will bring some 70,000 new jobs to our city and will once again make Cleveland one of the major transportation centers of the United States.

These funds are also a principal source of the efforts of the Growth Corporation to provide special aid to minority business. They have also provided a major effort to keep existing businesses of all kinds in Cleveland and to attract new job producing business to Cleveland. Through extra staff work made possible by these funds, the Growth Association has been able to assist State, county, and local governments in the development of programs and improvements for Cleveland's overall growth and progress.

Despite the growth of our suburbs—I believe that if we but look around us—we will see that Cleveland is truly about to be reborn.

One whose only observation of Cleveland was made seven years ago, would never recognize our city today. At that time there was no Cleveland State University—no community college—no Erieview Tower—no investment plaza—no Central National Bank Building—no Cleveland Trust Tower—no Park Centre. Similarly, if we could see Cleveland seven years from now, it would again be so changed as to be unrecognizable. The new development now underway, such as the Justice Center and the Bond Court Hotel—and developments now realistically to be expected such as the Terminal Tower Development—with a new state office building, new hotel and new downtown department stores, gateway, revitalization of the stadium and hopefully improvements at playhouse square—all show—Cleveland's dry rot has been arrested. Our ship is no longer sinking and certainly—today our course is pointed up—not down.

True the developments to which I have just referred are primarily in downtown Cleveland, and one may fairly ask what do these do for the areas of Cleveland's inner city which are still depressed? This is a fair question. But bear in mind that no part of our city—East side—West side—South side—Hough—or Glenville—can prosper unless the entire city moves forward. The fact that downtown is being reborn is proof positive that institutions and individuals are willing to bet heavily on Cleveland's future. These investments involve smart money and lots of it. They carry a message we can believe in.

I am distressed about one thing however—and I would be less than frank if I did not mention it tonight. The Greater Cleveland Growth Association, the only major business organization directing its efforts to the overall economic good of the entire community—black and white alike—has mounted, and is implementing, the Greater Cleveland Forward program with the purposes which I have just outlined. Although the Association has some 5,000 members, very few—very few—of these members are black business or professional men. Further, very few—very few—black businesses have contributed to this campaign. In my judgment, this is not a healthy situation—and reflects no credit on black business and professional men and women.

Rejection of white paternalism and assertion by black business and professional people of their right and ability to be recognized and rewarded according to their own merits and with equal opportunity should carry with it the responsibility to join with their white brethern in the support of joint efforts for the common good.

At the time I announced the Greater Cleveland Forward campaign, I suggested to the white business community that if we expected credibility for its views and programs, we should put its dollars where its mouth had been. I assure you tonight that I firmly support equal opportunity for black dollars.

At the outset of these remarks I stated my belief—expressed seven years ago—that the most fundamental problem which confronts our city and our country, is how we as blacks and whites can come to live together harmoniously with mutual respect and common prosperity—this is still my belief.

I am convinced that during the past seven years we, in Cleveland, have made substantial progress toward the achievement of that goal. We are still a long way from the end result—we still are embroiled in substantial racial polarization—we whites and blacks do not yet either fully understand or fully trust each other—but we are making progress. We are talking together. Increasing numbers of us are trying. The very fact that you have invited me to speak to you tonight—and that I was willing to speak and speak frankly—is clear evidence that we are moving forward.

In our trips to Atlanta, Los Angeles and Chicago, we found that in each of those cities—white business and professional leaders, and black business and professional leaders, were increasingly meeting together to discuss and identify community problems—problems of special interest to each group and those held in common and to identify solutions which both whites and blacks could support. In each city, we were told—by black and white leaders alike—that in this type of communication and solution lay the greatest hope for the eventual elimination of racial animosities and the achievement of forward progress for their cities.

Our own experience confirms that of Atlanta, Chicago, and Los Angeles. More and more, through the Cleveland Bar Association, the Growth Association, the Growth Corporation and other groups—we have been able to gather in one room representative black and white leaders who are increasingly able to speak frankly and with understanding to each other. This type of communication continues to grow and as understandings improve—continues to be more effective. We, blacks and whites alike, must support and extend these efforts.

The great middle groups of blacks and whites alike hold most of their basic goals in common. They both want equal opportunity to achieve productive work commensurate with their skills and with equivalent rewards. They both want equal opportunity for decent and suitable housing. They both want equal opportunity for appropriate education for their children. They both wish to live in peace and security—free from violence and radical assault. And finally, they both want to maintain themselves and their families and raise their children in an atmosphere where all may achieve and be afforded that respect and recognition which by their own efforts they can earn and achieve.

The fundamental problem which all of us must strive to overcome is that even though blacks and whites hold these basic goals in common, so long as they work separately, polarized by misunderstanding and racial animosity—the goals will not be reached. It is my belief—and I hope that I am correct—that in Cleveland today, enough of the leaders in both the black and white communities have come sufficiently to understand that their goals are the same—that they will be motivated to continue to work closer and closer together until these goals have actually been realized.

Only then will Cleveland fulfill its potential and provide the opportunity which all of us—black and white alike—have the right to look forward to.

WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY

HON. GILBERT GUDE

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 8, 1973

Mr. GUDE. Mr. Speaker, as many of my colleagues know, I have long been deeply concerned over the present operation of the airport facilities for the Washington Metropolitan region. Under the ownership of the Federal Aviation Administration, jet traffic and passengers have been "shoe horned" into Washington National Airport, a facility constructed at a time when commercial jet traffic was, to the majority of citizens, science fiction.

Dulles International Airport was constructed at the taxpayers expense to be the jetport for this city. While it certainly has grown, in terms of numbers of flights, from the time it opened to the public, it remains woefully underutilized. Further, Maryland's Friendship International has suffered greatly due to the unrealistic favoritism shown National and Dulles by the FAA.

I have introduced legislation, H.R. 5509, to help solve this problem. This measure would transfer National and Dulles to the Washington Metropolitan Area Transit Authority, and would empower WMATA to negotiate with the State of Maryland for Friendship, assuming Maryland wished to sell it. In this way, all of our regional airports could be brought under single ownership and operation, assuring a better distribution of air traffic and assuring local citizen input into the operation.

At this point, I would like to include in the RECORD the text of that legislation for the information of my colleagues:

H.R. 5509

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Washington Metropolitan Area Transportation Act of 1973".

STATEMENT OF FINDINGS AND PURPOSES

SECTION 1. The Congress finds that (1) an adequate and economically sound transportation system or systems, including airport operation and management, serving the Washington metropolitan area is essential to commerce among the several States, and among such States and the District of Columbia, and to the health, welfare, and safety of the public; (2) economics and improvement of service will result from the unification of airport operations as well as from integration of other transportation facilities within the Washington metropolitan area; (3) the Washington Metropolitan Area Transit Authority is a body corporate and politic organized pursuant to interstate compact among the States of Maryland and Virginia and the District of Columbia, with the consent of Congress, to plan, develop, finance, and operate improved transit facilities in the Washington metropolitan area transit zone; (4) an appropriate solution to the current problems in airport operations and management is unified public ownership and operation of airport facilities within the Washington metropolitan area; and (5) to these ends it is necessary to enact the provisions hereinafter set forth.

TITLE I

CONSENT TO COMPACT AMENDMENT

SEC. 101. (a) The Congress hereby consents to amendments to articles II, III, and XII of title III of the Washington Metropolitan Area Transit Regulation Compact (D.C. Code, sec. 1-1431 note) substantially as follows:

(1) Section 2 of article II is amended by striking out "transit" where the same is found, and inserting in lieu thereof in each instance "transportation".

(2) Section 3 of article III is amended (A) by striking out "and Fairfax" and inserting in lieu thereof "Fairfax and Loudoun"; and (B) by striking out "and Prince Georges" and inserting in lieu thereof "Prince Georges and Anne Arundel".

(3) Section IV of article II is amended by striking out "Transit" and inserting in lieu thereof "Transportation." Any and all laws referring to the Washington Metropolitan Area Transit Authority are similarly amended.

(4) The first sentence of section 5(a) of article III is amended to read as follows: "The Authority shall be governed by a Board of nine Directors consisting of three Directors for each signatory."

(5) Section 56 of article XII is amended by adding at the end thereof the following paragraph:

"(f) The Authority may acquire and operate the terminal facilities, and all functions incident thereto, of National Airport, Dulles International Airport, and Friendship International Airport and may acquire and operate air transportation services and facilities within the zone. Nothing in this paragraph shall be construed as granting to the Authority the right or power to acquire or operate any air transportation service extending from any point within the zone to any point outside of the zone.

TITLE II

TRANSFER OF FEDERAL INTEREST

SEC. 201. (a) There is transferred to the Washington Metropolitan Area Transportation Authority all right, title, and interest of the United States and to National Airport, in Washington, District of Columbia, and to Dulles International Airport, in the Commonwealth of Virginia.

(b) So much of the real and personal property, records, assets, and liabilities of National Airport and Dulles International Airport, as the Director of the Office of Management and Budget determines are used, held available, or to be made available in connection with the operation of such airports are transferred to the Authority.

(c) No contract for services or supplies, leases, or other agreements lawfully entered into before the date of enactment of this Act by the officials of National Airport or Dulles International Airport shall be invalidated by the enactment of this Act.

TITLE III

PURCHASE OF FACILITIES AT FRIENDSHIP AIRPORT

SEC. 301. (a) The Authority is authorized to enter into negotiations for the acquisition of all real and personal property of the State of Maryland at Friendship Airport.

(b) All costs of such acquisition shall be financed by issuance of Authority bonds, which bonds shall be subject to Federal guarantees as provided in title I of the National Capital Transportation Act of 1972 (Public Law 92-349, 86 Stat. 464). Such bonds shall be in addition to those bonds authorized by Public Law 92-349.

TITLE IV

EFFECTIVE DATE: DISTRICT OF COLUMBIA AUTHORIZATION

SEC. 401. (a) The transfer provided for in section 2 of this Act shall take effect on and after the day next following that day on which all signatories to the Washington Metropolitan Area Transit Regulation Compact have ratified the amendments to the compact substantially as set forth in the first section of this Act.

(b) The Commissioner of the District of Columbia is authorized and directed to enter into and execute on behalf of the District of Columbia amendments, substantially as set forth in title I of this Act, to the Washington Metropolitan Area Transit Regulation Compact with the Commonwealth of Virginia and the State of Maryland.

SOFT-HEADED JUDGES AND PROBATION OFFICERS

HON. BEN B. BLACKBURN

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 8, 1973

Mr. BLACKBURN. Mr. Speaker, when President Nixon in March called on "soft-headed judges and probation officers" to show as much concern for the victims of crime as the criminals, some people in the press jumped on him. An article in this month's issue of First Monday, edited by John Lofton, Jr. and published by the Republican National Committee, strikes back with facts and figures of interest to all my colleagues. I would like to include the article in the RECORD:

SOFT-HEADED JUDGES AND CRIME: WHO'S RIGHT, THE PRESIDENT OR TOM WICKER AND MILTON VIORST?

("The time has come for soft-headed judges and probation officers to show as much concern for the rights of innocent victims of crime as they do for the rights of convicted criminals."—President Nixon in a national radio address, March 10, 1973)

Since the President has the temerity, the unmitigated gall to suggest a Skull-Thickness-Rating (STR) of less than rock-hard for those judges and probation officers who show more concern for the rights of convicted criminals than for the rights of their innocent victims, a few people, obviously soft on the soft-headed judge issue, have become a little bent out of shape.

Washington Star-News columnist Milton Viorst cavalierly dismissed as "blatant nonsense" the idea that soft-headed judges have anything to do with crime in the streets; N.Y. Timesman Tom Wicker denounced the President's entire law and order speech as "most depressing," lamenting that it was the "usual American political response to the fear of crime rather than to the hard fact of crime itself."*

What are the facts? Are there soft-headed judges? Probation officers? And if so, does their soft-headedness—that is, their refusal to make the punishment fit the crime—exacerbate or ameliorate the crime problems? Whose STR rating is most solid? The President's? Milton Viorst's? Tom Wicker's? Read about the following crime surveys and reach your own conclusions. You might even want to let Mr. Viorst and Mr. Wicker know how you feel.

Philadelphia Survey. The Philadelphia Inquirer this past February ran the results of a seven-month, sophisticated computer analysis of the way violent crimes were handled in the courts in that city during 1971. The survey was based on the cases of 1,034 persons indicted for murder, rape, aggravated robbery and aggravated assault and battery.

Included in the findings of the Inquirer survey were the following facts and figures:

There is no evidence to support the argument that long prison sentences deter crime

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*The problem with this form of argumentation is that it really says nothing. Using this illogical formulation, Wicker could just as easily be denounced for the usual knee-jerk, ultra-liberal appeal to the fears of those who are afraid of those who respond only to the fear of crime rather than responding to the hard fact of crime itself.

"because judges have not been imposing long sentences for some time. In those isolated cases in which long sentences are meted out, they are seldom served. (The Inquirer defined a long sentence as five years or more for a violent crime.) Although the defendant had a prior police record in 78 percent of the cases, several dating back to the 1930s, many for other serious crimes, fewer than half a dozen had served more than five years for one offense."**

Defendants who pleaded guilty or were convicted were given probation or a suspended sentence in 39 percent of the cases. "Remember, too," the Inquirer survey points out, "that these offenders were charged with the most serious crimes committed in the city—murder, rape, aggravated robbery or aggravated assault and battery."

Of the 19 judges surveyed who handled 20 or more cases, one judge placed defendants on probation or gave them suspended sentences in 69 percent of the cases. (Tom, Milt—an STR rating, please.)

Judges handed out sentences of one year or less in 54 percent of the cases where a defendant pleaded guilty or was convicted of a serious crime. Sentences of more than five years were handed out in only 10 percent of the cases. In fact, the survey shows, 11 of the 19 most active judges "did not impose a single sentence of more than five years." Two judges sent all their defendants to jail for one year or less. (STR?)

Judges who decided cases without a jury found the defendant guilty of at least one charge in 59 percent of the cases, but found him guilty of the major charge in only 37 percent of the cases. (STR?)

In a section headlined "How to Commit Murder and Avoid Jail," the *Inquirer* survey showed: A parent who kills his child will probably be put on probation; an adult who kills someone else's child probably will be sent to jail, but not for long: a parent who kills at least two of his children probably will be sent to jail for a longer time than someone who kills one child yet his sentence is still likely to be shorter than the sentence an armed robber receives for a series of holdups in which no one is injured.

The Philadelphia paper's investigation found that there were elements of first degree murder—according to statements made during trials by judges or assistant district attorneys—in 29 percent of the second degree murder cases in the study. In some of these cases, the judges were clearly reluctant to go along with the sentencing recommendations of the district attorney's office, but bowed to pressure—for one reason or another—to eventually accept them, (STR?)

What is happening in the City of Brotherly Love in most rape cases, the Inquirer survey shows, is:

"Once convicted or found guilty, a rapist has a better than 50–50 chance of being placed on probation rather than sent to prison. In fact, a robber is more likely to be sent to prison than a rapist.

"Persons who plead guilty or are convicted of rape are sent to jail in 44 percent of the cases, while persons who plead guilty to robbery are sent to jail in 69 percent of the cases.

"Even when a convicted rapist is sent to jail, it is seldom for very long." (STR?)

As for robbery—the crime most on the increase and the one "many Philadelphians fear most"—the survey shows that despite the fact that robbers are more likely to have prior records than murder, rape and assult defendants, the courts are continually placing these repeat offenders on probation with the result being that they are soon arrested for new crimes.

"Persons convicted of armed robbery who are sent to jail receive prison terms of one year or less in 38 percent of the cases," the survey shows. "Even in instances where victims of unarmed robberies were hurt and required hospitalization, judges were still likely to impose relatively short sentences on the offenders." (STR?)

Of those robbers sent to prison, 61 percent received minimum sentences of one year or less. In only seven percent of the cases did the judges impose a sentence of more than five years.

"But what might be even more revealing about the way serious offenders are dealt with by Philadelphia criminal courts," says the survey, "is the fact that 31 percent of those persons who pleaded guilty or were found guilty of aggravated robbery were placed on probation." (STR?)

New York City Survey. A New York State Commission of Investigation interim report on the operations of the "Special Narcotics Parts" of the New York City Supreme Court shows that of the 1,966 defendants involved in narcotics felony cases from Sept. 5, 1972 to March 22, 1973, 59 percent sentenced received no jail term.

"Even taking into consideration those sentenced to the custody of the Narcotics Addiction Control Commission, better than two out of every five defendants have walked out of court with no incarceration of any kind," the report declares. "These sentences support the conclusion that judges in New York City apparently do not consider narcotics felonies to be serious crimes warranting substantial jail sentences and the removal of narcotics peddlers from our streets." (STR?)

But the problem of lenient sentencing for narcotics violators goes far beyond New York City. A recent study by the Bureau of Narcotics and Dangerous Drugs (BNDD) reveals that over 25 percent of the February convicted violators were not even sentenced to jail; more than 70 percent of those accused of violations were freed on bail for a period of three months to one year between the time of arrest and the time of trial. "Many of the examples of post-arrest trafficking activity show subsequent violations which occurred only days and sometimes hours after release," the study notes. (See boxes for examples.)

Chicago Study. The Chicago Tribune reports on a Chicago Crime Commission survey which shows less than seven percent of the persons arrested for crimes in the Windy City in 1972 were indicted or formally charged and less than three percent of those were sentenced to jail terms. Crime Commission President Lee Schooler describes the situation as "appalling" and says the survey proves that "one of the most serious factors contributing to violent crimes is the gap that exists between the number of arrests and convictions.

DECLINE IN SERIOUS CRIME PROVES PRESIDENT'S DEMOCRAT CRITICS WRONG

"(Restoring respect for law and order) will be the first priority of the Nixon Administration. You give me the chance and we will stop the rise of crime in America."—Richard Nixon, Buffalo, New York, October 7, 1968.

Since making that pledge approximately four and a half years ago, President Nixon has waged a relentless and successful battle against crime in the United States. According to the latest announcement by the Deparment of Justice, serious crime in America declined by three percent in 1972. This represents the first decline in 17 years.

Specifically, the Justice Department pointed out that in 1972:

Robbery, the violent crime most likely to strike the unsuspecting person on the street, declined four percent.

Burglary, auto theft and larceny of $50 or more decreased by approximately four percent nationwide.

Ninety-four major cities reported actual decreases in serious crime, compared with 53 cities in 1971, 22 cities in 1970, and 17 cites in 1969.

With these facts in mind, it is extremely interesting to note some of the statements made by President Nixon's critics.

"The Administration has repeatedly claimed that the crime increase is tapering off, for the most serious crimes. These claims are a cruel hoax. . . ."—Sen. George McGovern, press release, Aug. 28, 1972

"The tragic prospect we face is for another backward step on crime. . . . We need better leadership on law and order, and we need it right away."—Sen. Edward Kennedy, speech at California State Democratic Party Fundraiser, Feb. 19, 1972.

"The fact is that law enforcement has been going downhill in America under this Administration's Department of Justice."—Sen. Hubert Humphrey, press release, Feb. 22, 1972.

Obviously, the facts show these Democrats to be wrong.

The reduction in crime can be attributed to an overwhelming commitment by the Nixon Administration to make America a safer place to live. This commitment can probably best be illustrated by reviewing the following statistics showing some of the budget increases for the Department of Justice during the Nixon Administration.

Criminal Division: The budget has been increased 157 percent from $4,559,000 in FY 1969 to $11,708,000 in FY 1974.

Law Enforcement Assistance Administration (the agency which specializes in assisting State and local governments in the fight against crime): In FY 1969, the LEAA was funded at the $59,407,000 level. Approximately 15 times that amount has been requested for FY 1974—*$891,124,000*.

Bureau of Narcotics and Dangerous Drugs: The budget has been increased by 318 percent from $18,533,000 in FY 1969 to $77,400,000 in FY 1974.

Federal Bureau of Investigation: The FY 1974 request of $366,506,000 is a 67 percent increase over the FY 1969 figure of $219,591,000.

U.S. Attorneys and Marshals: The budget has been increased 135 percent from $42,376,000 in FY 1969 to $99,528,000 in FY 1974.

Antitrust Division: The FY 1974 request of $13,019,000 is a 56 percent increase over the FY 1969 figure of $8,352,000.

Civil Rights Division: The budget has been increased 137 percent from $3,028,000 in FY 1969 to $7,179,000 in FY 1974.

Perhaps nowhere in this country has the decrease in crime been more dramatic than in Washington, D.C. In his 1968 campaign, this city was of particular interest to the President:

"There is another area where the Federal Government can not only play a leading role—but where it has the opportunity to make a dramatic demonstration of its concern with the problem of crime, its commitment to new solutions and the efficacy of its proposals. That is in Washington, D.C.—the nation's capital where the authority of the Federal Government is great and its prerogatives many," he declared in New York on May 8, 1968.

The latest District of Columbia crime statistics reveal that the President's concern has been transmitted into effective action. Overall, serious crime decreased 26.9 percent in 1972. (The decrease in 1971 was 13 percent). Specifically, the Crime Index figures revealed that in 1972:

Burglary decreased 32 percent.

Auto theft decreased 33 percent.

Robbery decreased 31 percent.

Larcency $50 and over decreased 18 percent.

**If a partisan note might be allowed. The survey shows that a Republican judge is "slightly more likely" to convict a person charged with a serious crime than a Democrat judge, "slightly more likely" to impose a longer jail term than his Democrat counterpart.

Murder decreased 11 percent.

Aggravated assault decreased 2 percent. Democratic rhetoric aside, President Nixon has fulfilled his campaign pledges and as a result, America's streets are a safer place to walk.

SELLING AMERICA'S FINEST PRODUCT

HON. CLAIR W. BURGENER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 8, 1973

Mr. BURGENER. Mr. Speaker, believing very strongly that the true story of the United States of America has not been adequately told to the rest of the world, I commend to each Member of Congress, and indeed to the entire Nation, a most perceptive and thought provoking speech on the subject. This address was given in Salt Lake City, Utah, on April 11, 1973. It was delivered by Mr. Arthur Meyerhoff, a distinguished citizen who has spent a lifetime in the essential art of persuasion.

I am convinced Mr. Meyerhoff gives sound advice and the action can result in a more accurate world understanding of our Nation, if we will but heed his words.

The speech follows:

SELLING AMERICA'S FINEST PRODUCT

(By Arthur E. Meyerhoff, chairman of the board, Arthur Meyerhoff Associates, Inc.)

(Text of a speech deliverd to the Fifth Annual Brotherhood Award Dinner of the National Conference of Christians and Jews, Hotel Utah, Salt Lake City, Utah, April 11, 1973.)

I am one of those people that sociologists, political scientists, educators, novelists and others have referred to during the past twenty years as "hucksters," "men in gray flannel suits," "Madison Avenue boys," and "hidden persuaders."

No, we haven't been exactly spoiled by flattery. The late Bernard DeVoto referred to advertising as "a cult, a system of magic practiced by magicians, witch doctors, sorcerers, and shamans." Arthur Schlesinger, Jr. offered us the cheerful news that our work "has been successful in retarding the arts, tarnishing the virtues, and confusing the manners of our country."

Advertising is nothing more than the arts of persuasion practiced in mass media.

And persuasion is practiced in almost every human endeavor—the doctor with a good bedside manner, the professor whose classes are crowded, the baby with a sweet smile, and even the little coed who wiggles her way across the campus. But it is the skilled people in advertising who practice persuasion in depth scientifically.

Many people think advertising means a page in a newspaper or an irritating interruption in their favorite television program. They don't understand that advertising of some breed or shade is being practiced all the time by all people, in all media, and for all purposes, and the skills developed by advertising people are widely used in propaganda for good and bad purposes.

A little freedom symbol on the side of a stone wall can be an advertisement, too.

Two things led me to write my book, *The Strategy of Persuasion*. The first was the experience of a lifetime in attempting to show schools, public service organizations and Government how to make use of advertising and public relations skills in support of their activities. The second thing was the crucial propaganda problem that is facing our country today. And while my subject this evening deals primarily with my frustrations in working with the United States Information Agency, I hope you will see the parallel as it applies to the Conference of Christians and Jews and their approach to the job of selling brotherhood.

For some years now, I—and many other Americans—have been deeply concerned about the way our country's image is being interpreted abroad.

In the thirty years since World War II, we have helped to feed both friend and foe. The U.S. Government has spent in excess of 100 billion dollars for foreign aid. We have no imperialistic nor expansionist designs whatsoever, yet the enemies of freedom have successfully labeled us "imperialists." By using the skills of persuasion and propaganda, they have organized anti-U.S. demonstrations all over the world and have convinced millions of people everywhere that America has conducted a "criminal war of aggression" in Viet Nam.

There is evidence to indicate that our fallen prestige is due, in part, to the fact that in dealing with our international tensions, our government's informational service, the United States Information Agency, follows the same methods that were developed in the horse and buggy days.

Consequently, they have not developed the craftsmanship to cope with the rapidly expanding mass media communications systems, nor have they taken advantage of the new selling skills to achieve a better understanding of what the United States represents to the freedom and self-determination of other governments. On the other hand, our ideological competitors and the destructive forces of our country are developing professionalism in making more use of mass media for propaganda purposes. In actual practice, they are using the new psychological skills to persuade, and I am afraid that our information agency is not.

Many Americans don't realize that a propaganda offensive can pack the lethal power of that snake called a python—and can coil and choke just as effectively, too. Now, everybody knows about H-bombs, that a 5-megaton bomb will knock out a city, and a 50-megaton bomb will knock out a county. But what they don't understand is that a megaton of effective propaganda, repeated over a period of time, can knock the resistance out of a continent—or of the world itself.

Charles Brower, former head of the fourth largest advertising agency in the country, BBDO, once gave a speech with a 46-word title. Here is the title:

"When in the Hell is the United States of America Going to Stop Acting Like a Rube at the Fair—and Start Using the Advertising and Public Relations Skills with which it Abounds to Win the Cold War which it is Presently Losing Like Nobody's Business."

More and more Americans in recent years have been asking this question: "What is wrong with the way we are being interpreted abroad?" Our peaceful intentions, our humanitarian acts, and our desires for freedom everywhere should be products that are easy to sell. But we have a competitor that is setting our friends against us all over the world, using the very selling skills that were perfected by the advertising profession in the United States. Our military can cope with the enemies of freedom in a clash of firearms, but we are dropped pitifully in our tracks in any war of words. Word-fighting, you see, is not a specialty of our army. Propaganda is a highly specialized science and one simply doesn't turn the job over to amateurs.

Why aren't we using the skills of mass persuasion in improving our image abroad? Actually what paralyzes us are not sinister forces in our government that are secretly the enemies of freedom. My studies indicate that the real resistance stems largely from sociologists, political scientists, educators, and journalists who lack an understanding of the process of advertising and find it fashionable to express an indiscriminate hostility to all advertising and selling.

In an ideal world the United States would have no need to advertise the advantages of freedom or the democratic way of life. Everyone would be intelligent, educated and able to recognize the truth at once. No enemies would dedicate themselves to misinterpreting our motives, but unfortunately this is not quite the best of all possible worlds, and silent merit does not sell itself right away. It usually takes a promoter. To be virtuous is fine, but you need to advertise, too. This may sound cynical, but believe me, I speak not as a theorist, but as an ex-newspaperman and advertising executive with forty-five years of highly practical experience.

It is generally believed that knowledge and education are the best protection against being influenced by propaganda. However, I have worked with heads of schools, colleges and public service organizations, helping them apply advertising and promotion skills to their own purposes, and I find them remarkably naive in this area.

For example, our organization had the assignment of rewriting an introduction in a booklet of exercises designed specifically for professional ball players. It was written by a Ph.D. in one of the leading universities. Here is an excerpt from his introduction:

"This program has been created to satisfy an imperative need which has existed at all levels since its inception. The need for a year around conditioning regime specifically oriented for baseball players, based upon proven scientific experimentation, statistical preciseness, kinesiological and physiological surety, and divorced from the many traditional empiricisms and professional naivete."

Beautifully stated, but we couldn't find a ball player who understood it.

Our job was to put this thought into simple language that a ball player can understand, and in a way that will make him want to use the program. Here is the way we rewrote the introduction:

"An experienced baseball trainer, working with university scientists, has at last developed a training program that exactly fits your needs as a ball player. The program of exercises illustrated in this book has been tested and it works."

We don't try to win literary awards. Our aim is to get results by presenting the message in the simplest possible way.

A survey of college men reveals a remarkable pile of prejudices against advertising and selling. Three-fourths of the college men thought that selling at best was a job; at worst, a racket. Many students charged that sales work is "forcing people to buy things they don't need." A Yale student said that selling was both too frustrating and prostituting. An Oregon youngster, who was trying to be open-minded, said he wouldn't mind selling a product of "profound significance to the consumer." But he'd never found such a product!

Many people in the State Department and the United States Information Agency have not emerged from the rarefied atmosphere of the academic world and still quiver in horror at the thought of mass persuasion as practiced by the advertising profession. No wonder they are fumbling their number one job—improving our image in the world. Any effort to convey ideas through selling skills represents "indoctrination" or "brain-washing" to them.

These people, as you see, are suffering from hardening of the opinions. They heard some half-truths and have decided once and forever that all advertising and public relations men are unscrupulous people.

Obviously, then, as an advertising man I must be very unscrupulous. Well, maybe I am. Let me mention at the outset some of my very insidious ideas.

I favor igniting a conflagration of *truth,* for example, so that it burns its way through all international curtains. I favor a murderous, withering attack against ideological misconceptions. I favor shooting out some explosive facts—favorable to these United States—so that they will be heard distinctly everywhere and by everyone. I favor stirring up certain suppressed desires in submerged people around the world—desires for *freedom* and *brotherhood* and *free speech*.

Our diplomats and information services are eminently qualified to deal with intellectual leaders and diplomats, or people they refer to as "opinion leaders," yet carefully avoid modern techniques for persuading the mass of people to accept an idea.

We are flunking the simplest test of common sense. We are overlooking the fact that the masses are not necessarily influenced by a few leaders, but that the leaders can be influenced by the masses.

If we examine history, we must admit that our democratic truths once had to be disseminated as a selling message in the day of Patrick Henry and the Federalist Papers and repeated over and over again—otherwise they would never have been accepted. Imagine that! Even our own nation once had to be sold a bill of goods—a wonderful bill of goods called democracy.

On the basis of our skill in selling our products through mass media, we have built the most prosperous society in history; yet we have not effectively applied our sales techniques to selling ourselves and our ideas to other countries. Therefore, we have not adopted a persuasive program of truth which would offset the propaganda of the enemies of freedom with their unscrupulous exploitation of the techniques of manipulating men's minds.

Over the years, whenever a leader in our industry has urged that we use our advertising talent to win the propaganda battle, the same official objection has come from our government information agency: that you cannot sell government ideals the way you sell soap.

This statement was reiterated by a former head of the United States Information Agency. He said, in part: "I am quick to concede that the American advertising industry is a highly skilled and effective force in the American marketplace. But I hasten to say that it is a naive person indeed who assumes that because a man is a top salesman of soap or deodorant he is automatically an expert at selling ideals or a political outlook." The selection of "soap and deodorant" as an illustration was not only unkind, but also showed a lack of objectivity as well as a deep-seated emotional resistance to any approach involving the use of salesmanship to sell government ideals.

Well, of course you don't sell ideals the way you sell soap and deodorant! Neither do you sell Cadillac cars the way you sell soap. Inherent in the product is the means for selling that product. Naturally, a good salesman adjusts his technique to his product or idea—and to the people he is trying to sell.

Advertising men make their living finding out how to reach people and developing the right words and symbols to get people to act in a predictable way—whether those symbols happen to be words or pictures or music.

Of course, I don't condone all advertising and advertising men. Some of them produce material in bad taste and do not always adhere to the highest ethics. By that same virtue, some mothers are alcoholics and beat their kids—but I don't condemn motherhood as a consequence. The better advertising is imaginative and informative, and I think you will agree it can be pleasant and even fascinating—yes, and astonishingly successful at times. Yet, in my many contacts with the United States Information Agency, I find no one in a responsible position with any experience in the arts of persuasion as practiced in the United States.

With their backgrounds in journalism, education and foreign affairs, it is easy to see why officials of the USIA emphasize Voice of America news broadcasts, information centers, lending libraries, and efforts to improve the cultures of people. Yet they have not designed these activities to present a direct, convincing story that will bring masses of people to the side of the Free World.

USIA's avowed aim is to tell the truth about what goes on in the United States through its own news facilities. Of course, the truth of what goes on in the United States—as you and I know it—has far more to offer to the world than the controlled societies can offer. In spite of our problems, no rational man would exchange our way of life for that of the man behind the Iron Curtain. And yet, there is a fallacy in the USIA approach.

The USIA believes that by getting into the news business along with the free press of the world, and broadcasting the news, as they say, "warts and all," people in foreign countries will understand our policies and how our free society works. Unfortunately, news does not always reflect the truth of what goes on in our country as a whole, nor does it illustrate our humanitarian purposes.

In fact, we know that the events which make the headlines are the events that are unusual. That's *why* they are in the headlines. If riots and scandals were common occurrences, they would not be given such heavy coverage. When we hear of unusual or newsworthy events, we automatically contrast them with what is normal and familiar. My research overseas indicates that people who know virtually nothing about life in the United States cannot do this. They believe the events they hear about are typical and commonplace. Because they do not understand how our free press operates, they get a picture of our country overwhelmed by crime and dissension.

And yet we have the spectacle of the USIA broadcasting day after day, throughout the world, stories of crime and scandal in the United States. Yes, these unpleasant events do happen, but do they represent the real United States that you and I know? I don't think they do.

There are many more law-abiding citizens than there are law-breakers. There are infinitely more responsible teenagers than wild or delinquent teenagers. There are many more enduring marriages than divorces. Yet none of this is news.

It is a sad fact that the truth is not usually news. And news does not necessarily reflect the truth.

The constructive things about our society and what it represents to the welfare of others don't seem to be newsworthy and can be completely overshadowed by the violence in the daily headlines.

You cannot sell an idea or product by emphasizing the flaws in it. The flaws often are so fascinating that they overshadow the vast benefits that the product has to offer.

A few people are killed annually by slipping in their bathtubs, but if you are trying to popularize bathing you'd better dwell on the well-known advantages of bathing rather than the rare, though interesting, accidents. This does not mean that you suppress facts—but you simply do not confuse a newsfunction with a selling function. Giving the statistics of people killed in bathtubs is a news function, but telling the advantages of bathing is a selling and advertising function.

There is hardly a product or an event that doesn't have its negative factor—and I imagine that even Utopia has its shortcomings. But in selling we emphasize the positive benefits a product has to offer. The news headlines about what goes on in our country have no more relationship to the benefits we have to offer to people throughout the world than the internal problems of a family have to do with their charitable acts in community. One does not ask a humanitarian if he quarrels with his wife.

I have been advocating that our government should get out of the news business and get into the selling business; that is, that our information agency should no longer attempt to cover the news for the people of the world. This vital function is best left in the hands of the free press of the world, the non-governmental commercial news services that do such a magnificent job of serving the Free World. And for those behind the Iron Curtain who do want news, there are Radio Free Europe and Radio Liberty—both privately operated broadcasting operations that are, by some reports, more effective than Voice of America.

There is no question of the responsibility and dedication of the men who staff the upper echelons of the USIA. Some of them gave up prominent positions and good incomes to work for the government. Many of them have extensive experience in journalism and foreign affairs and invaluable knowledge of certain areas of the world. But because of their training, their output is long on information and short on persuasion and selling.

An important difference between advertising and journalism—between copywriting and news writing—is the type of reaction each tries to get.

A news story usually gives the facts about a certain event, or tells what is happening in a certain situation. But the objective news story is supposed to inform, and not supposed to sell.

On the other hand, a good advertising campaign is designed to sell. And people do not resent it as long as it is clear that you are trying to sell—what they resent is the slanting of the news, with the purpose of promoting a point of view.

I believe that the Voice of America can increase its coverage tremendously and get far greater results by putting on programs that people want to listen to rather than the long-winded, boring dissertations that are now being broadcast throughout the world. Then, to intersperse these programs with brief selling messages (call them spot announcements, if you will), emphasizing in an interesting way some of the good things that our society represents. Unfortunately, the personnel of the Voice of America was so loaded with newsmen and educators that it was almost impossible to gain their sympathy or interest in the idea.

Any American will grant that in a court of law each side should, without distorting facts, be as persuasive as possible. We accept this as proper. We'd be quick to fire our lawyer if he kept stressing the spectacularly negative aspects of our case. The opposition uses every emotional trick in the book. But our own counsel persists in citing only so-called news facts, sometimes highly damaging to us—and conscientiously refuses to use professional techniques to persuade the jury of the world.

I recommend, in all seriousness—let American advertising and selling techniques operate abroad for a couple of years, preferably in some country where our diplomatic prestige has been slipping.

Once our strategy has proven itself in one limited location, I am confident that Americans will demand the expansion of such persuasive techniques to a world-wide front. The USIA stands to risk little—except an embarrassing success.

Leonard Marks, a former pragmatic head of the United States Information Agency, thought enough of my studies and recommendations to send me on an inspection mission abroad. Subsequently, a test program was planned under the auspices of the American Association of Advertising Agencies. Three of the most outstanding advertising men in the United States consented to serve with me in developing this program.

As this test program was being planned, there was a change of administration. Henry J. Loomis, a career government employee, whose primary education was as a research physicist, was selected to administer the United States Information Agency. His antagonism toward any approach involving advertising techniques was immediately manifested. I think, all told he gave me five minutes in his office. Although he has since passed on to assignments in public broadcasting, through his influence the program was tabled, and any effort to revive it has been completely ignored by the United States Information Agency.

I would like to say here that I believe that the National Conference of Christians and Jews, with their noble aims, can get the cooperation of a knowledgeable local advertising agency to volunteer their services in helping them to accomplish their aims.

One area that seems worthwhile studying is to consider covering fewer subjects in order to do a more effective job on the more important ones. As time goes on, manufacturers often add items to their line—and then discover that their sales are down because their most important products are being neglected. Periodically, they have a housecleaning, cutting down the number of items that they market, with good results. In other words, using the target approach instead of scattering their shots.

I would also like to suggest that they take a good look at their vocabulary to see if it cannot be brought down to the level of the average man on the street in order to increase their coverage. Frequently, the insiders of a movement use a vocabulary that is understandable to the insiders but which goes over the heads of those who are not associated with the organization.

As a further suggestion, slogans could be invented that would in effect be selling messages for brotherhood and disseminated to the mass media.

And if I may take another liberty, I would like to talk briefly about your name. The name, National Conference of Christians and Jews, seems to me to be what I would call a working title without a definite appeal, and has the connotation of a negotiating group which is conferring, but which has not settled on its objectives.

From our point of view, we like to have a name that states the purposes of the organization, such as "Christians and Jews for Brotherhood." As an example of what some organizations have done, I cite the following:

Citizens for Better Environment.

Crusade of Mercy.

Head Start Program.

Travelers' Aid.

Little Brothers of the Poor, Friends of the Elderly.

Operation Bootstrap.

Youth for Christ.

Your organization has a marvelous product to sell. The United States of America has a marvelous product to sell.

My message is simple. Why not get the best qualified people into the act to help make the sale?

It is high time to call in the experts—not the Hollywood version of the Madison Avenue huckster, but the trained, imaginative, dedicated men who have proved they have precisely the skills to make people yearn for what is good—and motivate them to obtain it.

BROADCAST PIONEER ESSEX DIES

HON. WILMER MIZELL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 8, 1973

Mr. MIZELL. Mr. Speaker, just recently one of the great pioneers of the broadcasting industry, Harold Essex, died in his beloved city of Winston-Salem.

As I said on the day he died, Harold Essex and I were friends for a long time, and through that most rewarding association I came to know him as a man of great dedication and skill in his profession and as a man who held deep convictions that strengthened his life and the lives of those around him, especially the young people with whom he was so actively involved and whom he influenced so much for good.

I knew him as a man who loved his fellow man, his community, and his country, and did his best to enrich them all, and as a man who in his own way was one of the most outstanding public servants in the history of the area I am privileged to represent.

Mrs. Mizell and I joined with thousands of people whose lives have been touched by Harold Essex, either personally or through his broadcasting career, in expressing our deepest sympathy to his family and in mourning the loss of one of the finest men I have ever known.

The Winston-Salem Journal and the Twin City Sentinel published stories on the day of Mr. Essex' death, April 11, and in those stories provided some of the rich details of his life. I would like to insert the text of these articles in the RECORD for my colleagues' information and reflection.

The articles follow:

[From the Winston-Salem (N.C.) Journal, Apr. 11, 1973]

BROADCAST PIONEER ESSEX, DIES

William Harold Essex, a leader in the broadcasting industry for more than 30 years and president of Triangle Broadcasting Corp. here, was found dead yesterday morning in his car in front of the Glade Street YWCA, several blocks from his office. He was 68.

A spokesman for the broadcasting company said Mr. Essex was apparently on his way to work at the company's new headquarters here when he was stricken.

He pulled his car over to the side of Glade Street near the walkway of the YWCA and remained under the wheel. He put the car in park but did not turn off the ignition.

Mr. Essex' body was discovered shortly afterwards by passersby.

His body was taken to Forsyth Memorial Hospital, where his family physician, Dr. John R. Bender, said the cause of death was apparently a heart attack.

The funeral will be at 11 a.m. Friday at Volgers Main Street Chapel. Burial will be in Forsyth Memorial Park.

Mr. Essex had watched the broadcast industry grow from small radio stations to giant television-radio complexes.

A native of Stokes County, he was the son of Alexander Jacob and Lyda Essex. He was a graduate of Hickory High School and the University of North Carolina.

His career started in 1927, when for six months he worked on a semi-weekly newspaper in Hickory. After that he worked for a year as a member of the news staff of the Hickory Daily Record.

After traveling about the country and promoting circulation for a number of newspapers, Mr. Essex joined the staff of the Greensboro Record, where he served as telegraph editor. Later, he was named managing editor and general manager.

While in Greensboro, Mr. Essex became acquainted with radio. He presented news over WNRC, predecessor of Greensboro's WBIG.

In 1930, he moved to Chicago as promotion manager of the Chicago Daily Times.

When the Times became affiliated with WBBM, he became Chicago's pioneer newscaster, and he conducted newspaper promotion campaigns over the radio station.

In 1939, Gordon Gray, then president of Piedmont Publishing Co. and Radio Station WSJS, picked Mr. Essex to be director of operations of station WSJS and Gray's FM station W41MM on Clingman's Peak.

Mr. Essex was named manager in 1924, vice president of Piedmont Publishing Co. in charge of radio in 1946, and a director of Piedmont in 1948.

In 1953, when WSJS–TV went on the air, he became its general manager, giving up that job last year when the station was sold.

He recalled once that he had entered the broadcasting in 1927 after his graduation from college when he worked for a newspaper which owned a radio station.

He said he got the play-by-play of a baseball game off a news printer and then described it over the air.

He was a member of committees and boards of the National Association of Broadcasters, the National Broadcasting Co. and the N. C. Association of Broadcasters.

When WSJS–TV was sold to Multimedia of Greenville, S.C., last year, he remained with Triangle Broadcasting Corp., which had separated from Piedmont Publishing Co.

Triangle continues control of WSJS-Radio and its FM affiliate and the television cable operation here.

Because of the funeral, Dick Barron, executive vice president of Triangle Broadcasting Co., said the business office and the telecable office will be closed all day Friday.

Mr. Essex has been awarded many honors, including the Abe Lincoln Award presented to him this year.

He was inducted into the N. C. Association of Broadcasters' Hall of Fame last October in Wilmington.

He was chairman of the Beverage Control Board and of the North Carolina Council of the National Council on Crime and Delinquency.

He was also a member of the First Presbyterian Church, Salem Lodge No. 289 and the Oasis Temple. He was also a member of the Forsyth Country Club and the Twin City Club.

Mr. Essex and his wife, the former Margaret Teague, lived at 2427 Fairway Drive.

The family requests that any memorials be made to a charity of the donor's choice.

[From the Twin City (N.C.) Sentinel, Apr. 11, 1973]

RADIO-TELEVISION PIONEER, HAROLD ESSEX, DIES AT 68

(By Bill East)

William Harold Essex, a pioneer in the radio and television industry and president of Triangle Broadcasting Corp. here, was found dead in his car in front of the Glade Street YMCA this morning.

Mr. Essex, 68, apparently was on his way to work at the company's new headquarters at Summit and Fifth streets when he was stricken.

He pulled his car over to the side of Glade Street near the walkway to the YWCA and remained under the wheel. He put the car in park but did not turn off the ignition.

He was believed to have been dead when passers-by discovered his body. The cause of death was not immediately determined.

His body was at Forsyth Memorial Hospital pending announcement of funeral arrangements.

Mr. Essex was a nationally known figure in the broadcast field who watched the industry grow from small radio stations to the giant television-radio complex of today.

"I've enjoyed every minute of it," Mr. Essex told a friend at a club meeting only a few weeks ago.

Mr. Essex was born Sept. 26, 1904, in Stokes County to Alexander Jacob and Lyda Essex. He was educated at Hickory High School and the University of North Carolina at Chapel Hill, where he was graduated in 1927.

He started his career in the days when many newspapers had their own radio stations. His joint association with newspapers left a mark on him that made him want his radio and television stations in later years to have strong news coverage.

He worked for the Hickory Daily Record as a reporter. Then he went to the Greensboro Record successively as a reporter, managing editor and general manager. All the time he was working with radio.

He was serving as promotion manager (and in radio, too) with the Chicago Daily Times—and admittedly hoping for an opportunity to come back to his home territory in North Carolina—when he got a job offer from WSJS.

On September 1, 1939, he moved to a corner desk in what is now the newsroom of the Journal and Sentinel to assume responsibility for building up the sales business of the growing radio station.

Mr. Essex frequently kidded with his associates in the newspaper field about his former close connection with newspapers, claiming that he intended to stay in radio because "it is a new and growing field and I intend to be in on the ground floor."

Less than three years later, Gordon Gray, then president of Piedmont Publishing Co. and Radio Station WSJS, picked Mr. Essex to be director of operation of Station WSJS and Mr. Gray's frequency modulation station W41MM on Clingman's Peak.

Mr. Essex' association with the pioneering frequency-modulation station started a long list of "firsts" with which he was associated in the broadcast industry.

"An idea isn't necessarily good because it's an idea," Mr. Essex once told the Winston-Salem Lions Club about the broadcast industry. "It's got to work and to work right and there must be a good result from it."

He recalled that he had entered the broadcasting field first in 1927 after his graduation from college when he worked for a newspaper which owned a radio station.

He said he got the play-by-play of a baseball game off a news printer and then described it over the air, making a listener feel as though he was actually there.

He said that today's television, which takes the viewer to the plate with the batter, "is the new idea for today . . . one which technology permitted and which the viewer thoroughly enjoys."

When television came on the horizon after World War II, it was preordained that Mr. Essex would be on the ground floor.

But he insisted on one principle: he would not go into television until he could give Winston-Salem and the surrounding territory "a station we can all be proud of."

Because of that, some stations got onto the air earlier than WSJS-Television, but Mr. Essex later quipped, "I doubt if any station was as ready to go on as we were when the time came."

From the time that WSJS-Television went into its spot on the dial in the early 1950s, Mr. Essex joined in solving its growing pains.

He became a key member of committees and boards of the National Association of Broadcasters, the National Broadcasting Co. and the N.C. Association of Broadcasters.

A close associate of Mr. Essex said last year, "When we wanted some calm, deliberate good thinking, we always got Harold Essex on the telephone."

He helped to bring the television cable business to Winston-Salem and when it arrived, he said, "I guess we've done about everything now."

When WSJS-Television was sold to Multimedia of Greenville, S.C., officially last year, Mr. Essex remained with Triangle Broadcasting Corp.

The corporation continued control of WSJS-Radio and its frequency modulation affiliate and the television cable operation here.

WSJS had kept its offices at Broadcast House on Coliseum Drive (where the television station was changed to WXII) until recently when it moved to the former IBM building at Summit and Fifth streets.

Mr. Essex had a long list of honors, but the one he told associates he cherished most was being inducted into the N.C. Association of Broadcasters' Hall of Fame last October in Wilmington.

He noted that the Hall of Fame also had such notables as David Brinkley, Grady Cole, Billy Graham, Andy Griffith, Kay Kayser, Ray Reeve and Edward R. Murrow.

"That's big company," he said.

Mr. Essex lived with his wife, the former Margaret Teague, at 2427 Fairway Drive. He once said he enjoyed living in Ardmore. He served in 1948 as the second president of the Ardmore Community Club.

He also has been active in the development of the Alcohol Beverage Control system here from its inception and was elected in 1971 as the system's chairman.

BRONX HOSPITAL HELPS TERMINAL CANCER PATIENTS

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 8, 1973

Mr. BINGHAM. Mr. Speaker, Calvary Hospital of the Bronx is located in my congressional district. The outstanding work which this hospital performas in caring for terminal cancer patients is a shining example of dedication and public service. It is the only hospital in New York State devoted exclusively to the care of the terminally ill cancer patient, and it follows a firm policy of admitting patients without regard to their religious affiliation or their ability to pay.

The New York Times recently published a fine feature article on Calvary Hospital, and I include it in full in the RECORD:

CALVARY GIVES TERMINAL PATIENTS AN "INTEGRATED" APPROACH TO DEATH

(By J. C. Barden)

All of the patients who are admitted to Calvary Hospital in the Highbridge section of the Bronx have three things in common: They are medically indigent; they have cancer; they have a life expectancy of three to six weeks.

Yet 15 percent of the more than 700 patients admitted to the hospital every year are discharged and many more live for months past their predicted death dates.

Calvary is the only hospital in the state devoted exclusively to the care of the terminally ill, and the purpose of the 110-bed hospital, according to the associate administrator, William A. Oliff, is "to give patients the best quality of life possible during their last days and help them die with dignity and grace; clean, out of pain, and, if possible, with all fear of death removed."

To achieve this, Calvary has developed what it calls "an integrated approach to death" in which the medical and nursing staffs, the chaplains and visiting clergymen, and the social service staff work together to meet the physical, spiritual and psychological needs of the dying.

The concept has worked so well that it has resulted in the seemingly miraculous comebacks by those thought to be near death. "A dying patient often takes a renewed interest in life when he finds people genuinely concerned about him," Mr. Oliff explained.

FOUNDED IN 1899

Nearly all of those discharged from Calvary are still terminally ill, however, and many of them return to the hospital "when it is time for them to die," Mr. Oliff said.

At a time when more and more hospitals are instituting programs to care for the dying. Calvary is dealing with death under a concept developed over a period of years and in a tradition that began in 1899 when the institution was founded by a group of Irish Catholic lay women as a home for the destitute dying of cancer.

It was known then as "The House of Calvary," a name selected by the founders because of its association in Christianity with death and eternal life. Calvary was the hill on which Jesus was crucified.

Owned by the Roman Catholic Archdiocese of New York, Calvary admits patients without regard to faith or ability to pay. The hospital is remunerated in some cases, however, by Medicare, Medicaid and private insurance policies. (In 1971, the deficit was $504,165.)

THE PATIENTS ARE TOLD

A visitor to Calvary, at 1600 Macombs Road, would not suspect it is an institution for the terminally ill. The radio in the visitors' lounge is tuned to a station with upbeat music, rambunctious children defy exasperated parents to play in the hallways (visitors are welcome eight hours a day), and doctors and nurses joke with patients about their love lives.

The Calvary concept of care begins with frankness. Calvary found long ago what recent surveys have shown—that the dying prefer to know their fate. Many patients admitted to Calvary have never previously been told that they have cancer, much less that they are going to die.

"They're told they're coming here to rest, or to a place where they can get better care, whatever euphemism is handy," said Dr. Anthony R. Riario, one of Calvary's five full-time doctors on a patient-care staff of more than 200.

Dr. Michael J. Brescia, president of the medical staff, said that if a patient did not know his diagnosis, or his expected fate, he would be told by his doctor at Calvary "after a strong personal bond has been established."

Dr. Brescia, a big man with an affable manner, let a visitor accompany him one afternoon on his hospital rounds. Almost as soon as the two stepped off an elevator, the doctor was with *his first patient.*

An unshaven man of about 60 who had undergone extensive face and neck surgery was sitting on a sofa in the hallway and conversing with a nun by means of a note pad. The nun was Sister Agnes Connors of the Dominican Sisters of the Sick Poor, known at the hospital as Sister Visitor because of her daily visits with the patients. (The names of the patients used are fictitious.)

YOU LOOK LIKE A BUM

"Hi, Bill," said Dr. Brescia, draping his arm around the man's shoulders. He ran his fingers lightly along Bill's neck, then the stubble of his beard, and asked: "Why didn't you shave this morning? You look like a bum. I bring a visitor down here and you haven't even shaved."

Bill smiled broadly, and later Dr. Brescia said he should be able to go home soon.

In the first room the doctor entered, a man of about 70 named Rodrigues was asleep, breathing oxygen through a mask and receiving food and antibiotics intravenously.

Standing near the bed, Dr. Brescia said: "Here is a man whose quality of life is not worth keeping him alive, but his wife wants him alive at all costs. [He later said Mr. Rodrigues felt the same way.] She has been here day and night since they brought him in."

Outside the room, a small, elderly woman was standing across the hallway staring at the doctor. "Mrs. Rodrigues," Dr. Brescia said to the woman, and motioned for her to come over. "How long has your husband been here?"

She answered in Spanish. "Three weeks, she says," Dr. Brescia interpreted, "and she hasn't left the hospital. She sleeps in a chair." Dr. Brescia, like some others on the hospital's staff, has learned a little Spanish because of the number of Spanish-speaking patients and employes.

Down the hallway, out of range of Mrs. Rodrigues's hearing, Dr. Brescia said: "I am not proceeding in what I feel is the correct way in this case [by doing everything medically possible to keep Mr. Rodrigues alive], but with the overwhelming pressure of her faith, I couldn't do anything else."

Mr. Rodrigues died within a few days without showing improvement.

In another room, an 81-year-old woman was asleep with covers to her chin.

"This lady," said the doctor, "the quality of her existence is nothing. She is riddled with cancer. She is unable to appreciate anything. I presented her case to my colleagues and she will continue to get the essential things for life and all the drugs she needs to ease her pain. But there will be no heroic measures taken to save her life. She is dying the way I want someone I love to die. When I go home at night I feel good about this patient."

When possible, Calvary patients decide whether they are to be kept alive as long as medically possible. This has been a long-time Calvary policy, and last January the American Hospital Association recommended it as a policy for all hospitals.

If the condition of a patient at Calvary is such that he cannot give an informed opinion about how he wants to die, his family is consulted, and if there is no family, the doctors often must make the decision. The hospital's policy is to administer proven drugs and treatment so long as there is a possibility of meaningful life.

HELPING PATIENTS

Miss Maureen Flannery, the young director of the social service department, said that one of the primary roles of her staff and the clergymen at Calvary is helping the dying patients and their families "bridge the communications gap" that sometimes develops.

The Rev. John D. Mitchell, the Calvary chaplain, told of a 58-year-old woman who was prepared to accept death and was only upset because her husband and children were unable to do so.

"They would come and say, 'You're looking fine, you're looking great, everything is going to be O.K., and this disturbed her. After I counseled with them and told them how she felt, they accepted the situation and everything was fine."

Although there are nursing homes in the state and across the country that care exclusively for the dying, Calvary is the only hospital in the state that admits only the terminally ill, according to the State Department of Health. And the American Hospital Association, in Chicago, said that it did not know of any other hospitals that admitted only the dying.

Since Calvary patients are medically indigent, they have not always received the best attention. Miss Flannery, the Calvary social service director, said:

"Many of the patients who come here have never known what it is to be cared for. I walked into the room of a new patient not long ago and called her by name and introduced myself and she started crying. I said, 'What's wrong?' She said, 'I've been in hospitals for two years and that's the first time anyone ever called me by my name.'"

REMARKS OF CONGRESSMAN HOWARD W. ROBISON

HON. HOWARD W. ROBISON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 8, 1973

Mr. ROBISON of New York. Mr. Speaker, last month I introduced a bill in Congress which called for stiffer penalties for the "high-echelon" drug trafficker. At that time it was my hope that this piece of legislation would put an end to our present state of affairs in which, for a variety of reasons, these key members of the illicit narcotics distribution system have been getting light or suspended sentences or have been released on probation in many judicial jurisdictions throughout the United States.

This is particularly true in my own State of New York. Just recently, a Gannett News Service survey produced the following statistics from a statewide sampling:

> For upstate New York: 70% of all offenders indicted in major drug cases were allowed to plead guilty to reduced charges. As little as 30% of all accused drug pushers are sentenced to jail or state prison.
>
> For New York City: only 45% of defendents sentenced in New York City ever land in prison.

The net effect of this practice is to release many of the big-time pushers to continue their criminal enterprise on our streets throughout the Nation. It has been proven that the certainty of punishment is the only effective deterrent to potential criminals. Surely, these statistics demonstrate to the drug trafficker that they have not been running much of a risk in the past few years.

More often than not, those who are caught for drug code violations are experienced criminals. I include some statistics prepared by the Bureau of Narcotics and Dangerous Drugs to illustrate that many of these offenders have previous records. In a sampling of figures from a BNDD survey, the following statistics came to light:

64 percent have prior felony arrests.

40 percent have prior drug arrests.

20 percent have prior drug convictions.

This evidence tends to suggest that their latest arrest is a further episode in a continuing criminal career.

We still have a long way to go in solving the Nation's drug problem. It is obvious that past judicial practices have had little impact in encouraging drug traffickers to stop dealing in drugs. To be effective in our enforcement, we must make sure that a uniform method of sentencing is established to help stem the flow of heroin in our country.

I think that all Members of Congress share the belief that, if stronger penalties are to be effective, they must be unyielding and clearly understood by the potential violators. My proposal addressed this part of the problem. An additional aspect of my proposal was for judicial spotlighting. This procedure would require that the Justice Department release, on a monthly basis, all information for convictions of narcotics traffickers including the length of the prison sentence and the name of the judge who handed down the sentence. The main purpose of this section of the bill was to demonstrate the certainty of punishment to present and potential narcotics traffickers, as well as spotlight judges who continually hand down short or suspended sentences to the big-time pushers of hard drugs.

I hope that in light of these recent figures, that Members of Congress will give my bill thorough consideration. We must be sure that those persons who are making a living from encouraging and supplying addiction are dealt with in the most expeditious and effective manner, both to prevent them from selling drugs in the future and to express societal contempt for their actions.

Our present laws have proven to be ineffective in dealing with the problem. We must take steps to minimize the chance a given offender has of repeating his crime, and we must also establish a sentence that would be sufficiently severe as to discourage potential criminals from again committing the same offense.

Hopefully, I have demonstrated my feelings about the need for further action relating to drug traffic. Heroin addiction is not an easy issue to resolve. If we hope to eliminate this problem, we must attack it on the fronts of public education, rehabilitation, treatment, international control, and strict law enforcement. To make inroads on this dilemma, all of these areas must be made more effective in practice and more far-reaching in scope.

H.R. 6272 follows:

H.R. 6272

A bill to amend the Controlled Substances Act to increase the penalty under that act for the illegal distribution of certain drugs by high echelon pushers

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Section 401(b)(1)(A) of the Controlled Substances Act (21 U.S.C. 841(b)(1)A)) is amended—

(1) by inserting after "person" each time it occurs the following: ", unless such person is a high echelon pusher,".

(2) by inserting immediately before the last sentence thereof the following: "A high echelon pusher who violates this paragraph shall be imprisoned not less than twenty years, or for life, and, notwithstanding any other provision of law, the court shall not suspend the sentence of such pusher under this paragraph, or give such pusher a probationary sentence, nor shall such pusher be eligible for parole during the term of such imprisonment."

SEC. 2. Section 102 of such Act (21 U.S.C. 802) is amended by adding at the end thereof the following:

"(26) The term 'high echelon pusher' means any person engaged in a conspiracy to import, smuggle, or purchase for further distribution a controlled substance in schedule I or II which is a narcotic drug."

SEC. 3. The Attorney General shall release to the public each month a statement which shall identify each high echelon pusher convicted of an offense under section 401(b)(1)(A) of the Controlled Substances Act during the preceding month, together with the sentence imposed with respect to such conviction, the name of the judge imposing such sentence, and the factual allegations of the indictment relating to such offense.

IMPACT OF THE RAIL CRISIS ON FARMERS AND THE FERTILIZER INDUSTRY

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 8, 1973

Mr. PICKLE. Mr. Speaker, more often than not we read articles and stories concerning the economic loss of businesses because of the freight car shortage problem. Lately, the situation has been worsened due to the demand for cars to move Soviet-purchased grain to port.

I've stated before the effect on the economy the car shortage has had. Food and lumber prices have risen, and one can trace part of these increases to the transportation problem. Another area of concern is the fertilizer industry. It's debatable whether or not farmers will be able to get sufficient fertilizer for their crops which will drive food prices up again if they can't meet production demands.

The following two articles from the Christian Science Monitor show the impact which the rail crisis is having on farmers and the fertilizing industry. I would like to insert them into the RECORD for other Members' information:

The article follows:

U.S. FERTILIZER INDUSTRY IS PINCHED—MATERIAL CARS ARE IN SHORT SUPPLY

(By Martin Skala)

LAKELAND, FLA.—Handicapped by a domestic rail car shortage and tight supplies of key raw materials, the U.S. fertilizer industry is straining to meet a soaring demand for its products.

Although unusually wet weather in the Midwest farm belt has been a key factor in holding back spring plantings of wheat, corn, and other feed grains, farm groups and government officials are concerned that transportation bottlenecks may prevent farmers from obtaining as much fertilizer as they need in the coming weeks.

Adequate supplies of crop nutrients are vital to the success of the Nixon administration's drive to reduce food prices by bringing idle farm acreage into production and boosting farm yields.

As farmers strive to take advantage of higher grain and livestock prices and booming export demand, fertilizer use this year could jump as much as 8 to 10 percent, according to industry projections. An excessively wet spring season, coupled with the diversion of thousands of rail cars to ship grain to the Soviet Union, may keep this potential from being realized.

NORTH FLORIDA BIND

The Fertilizer Institute estimates that as many as 4,000 covered hopper cars normally used to ship bulk fertilizers are tied up moving grain to overloaded Gulf and East Coast ports.

Freight-car shortages are especially critical in northern Florida, center of the nation's phosphate rock industry, the raw material in tightest supply. Florida phosphate producers, who mine more than one-third of the world's output of this essential ingredient of most "high analysis" fertilizers, are "sold out" in a booming seller's market that is taxing the industry's productive capacity.

"We've had to ration supplies to major overseas customers, and are having trouble shipping the rock that is available," says William W. Chadwick, president of the Phosphate Rock export Association (Phosrock).

Mr. Chadwick views the transportation bind as a major deterrent to increasing the association's $100 million-a-year export business.

Phosrock, a legal cartel set up to control export prices and allocate overseas markets among member companies, recently had to turn down millions of dollars of orders from customers in Germany, the United Kingdom, and Eastern Europe.

Because of a worldwide shortage of phosphorous, some fertilizer producers in Canada and Western Europe have had to curtail their operations. They can't get enough phosphate chemicals with which to make blended fertilizers containing nitrogen and potash. In some cases, shortages of natural gas, the basic feedstock for nitrogen fertilizers, are slowing down the delivery of finished product.

Despite the premium prices obtained on export business, most phosphate producers are trying hard not to shortchange the domestic market.

International Minerals & Chemicals Corporation (IMC), for example, expects to fill most of its U.S. orders on time, provided the rail car pinch does not get worse. Under normal conditions most of this fertilizer moves during a six-week period in mid-spring.

RAINS EASE DEMAND

By delaying fertilizer applications, the heavy rains in the Midwest are "giving us a chance to accumulate rail cars and catch up on shipments," says the company's economist, D. Teleki.

Like the rest of the Florida phosphate industry, International Minerals did not anticipate the strong surge in demand for phosphates which began to develop a year ago.

During the late 1960's, excess capacity and sagging prices discouraged Florida producers from investing in new facilities. Ambitious expansion plans of state-owned fertilizer companies in Morocco, Israel, and the Spanish Sahara threaten to create fierce competition for profit-oriented U.S. exporters. A shake-out ensued, with major producers such as Armour, Continental Oil, and Cities Service dropping out of the phosphate business.

The pessimistic forecasts proved unwarranted. The "green revolution" in developing nations of Asia and Latin America, combined with the emergence of Eastern Europe and China as sizable importers of plant nutrients, caused demand to shoot up dramatically. While Phase 2 inflation controls were in effect, export prices of phosphate chemicals surged 30 percent and more ahead of domestic quotes, which were under controls.

UNITED STATES PRESSURED TO ACT ON RAIL FREIGHT-CAR SHORTAGE

(By Philip W. McKinsey)

WASHINGTON.—The railroad industry's perennial crisis, the freight car shortage, is in full flower again—and this year it's worse than usual.

Compounded by the demand for freight cars to move Soviet-purchased grain to port, shortages of rolling stock are not just causing their usual quota of inconvenience and frustration. Instead, the ripple effect is spreading far through the economy, interfering with the administration's economic policies by worsening pressures on sky-high lumber and grain prices and threatening longer-range consequences by raising questions whether farmers will be able to get the fertilizer they need for expanded plantings this year.

As a result, the administration and Congress may finally be galvanized into taking new action to help railroads expand their car fleets.

EMPTY CARS HOARDED

Freight car shortages are nothing new. Sen. Warren G. Magnuson (D) of Washington, chairman of the Senate Commerce Committee, recalls that the first meeting of the committee he attended as a freshman senator 28 years ago dealt with the boxcar shortage. And it was an old issue even then. Mr. Magnuson notes that the first case tackled by the Interstate Commerce Commission (ICC) 82 years ago was a petition from a group of North Dakota farmers who couldn't get boxcars to move their grain to market.

Usually the crunch is caused by the same factors that are creating the current pinch. Demands for cars to move grain siphon off cars for other shipments, especially the standard boxcars that also are the backbone of the transportation of lumber from forest to market. As the pressure tightens wary shippers make it worse by ordering more cars than they need on the assumption that they won't get as many as they ask for, and by hoarding empty cars until the loads they are waiting for are ready on the assumption that once they let a car go they might not see another for a long time.

BUSY WINTER

ICC regulations over the past few years have increased the cost of such defensive maneuvers and improved the overall utilization of the existing freight car fleet. But in the face of the extraordinary demand of the Russian wheat shipments, this hasn't been nearly enough.

The railroads have had a busy winter. They carried 204 billion ton-miles of freight in the first quarter of this year, more than 9 percent above last year's rate. And their grain hauls are up 40 percent.

But across the Midwest grain elevators are chock full awaiting any kind of freight car, even inappropriate open hopper cars, to move their grain to port. Some are facing bankruptcy.

Many farmers are in a similar fix: Not only are they unable to get their grain to market to take advantage of current high prices, but also they are watching their grain deteriorate as it lies out in the open because there is no room for it in the grain elevators.

WHEAT SHIPMENTS INCOMPLETE

Much of the Russian grain is still to be shipped; the contracts call for shipments to be completed by May 31.

Although this year's demand was clearly unusual the crunch has added to the perennial pressures on both Congress and the administration to do more than they have yet to either augment the nation's freight car fleet or at least increase its effective use.

The administration isn't willing to go as far as congressmen and senators from affected states. It will press for creation of a national car-control system to improve utilization of existing cars, a step that could significantly increase the availability of freight cars, even though it doesn't sound dramatic.

Officials believe that regulatory changes might help, too—for example, by permitting railroads to set lower rates in times of offpeak traffic. But experience has shown that such changes are difficult, if not impossible, to get through Congress.

WATERGATE CHRONOLOGY

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 8, 1973

Mr. HARRINGTON. Mr. Speaker, the daily volume of news, opinion, quotations, and alleged facts about the Watergate episode is enough to bury any of us in detail we cannot possibly absorb. The facts, for one who is not intimately involved in any aspect of the situation, seem to disappear in the sheer magnitude of data.

A segment of the hour-long WTOP program, "Agronsky and Company," on the Watergate, put together by Gil Butler of WTOP news, puts the facts of the matter together in a nutshell. I would like to insert the text of Mr. Butler's segment at this time.

The text follows:

Gil Butler—WTOP News

Mitchell slide. The day after the Watergate breakin, then Nixon Campaign Director John Mitchell quickly denied any official sanction for the affair, he said:

Quote slide. They were not operating either in our behalf or with our consent.

Ziegler slide. At the White House, press Secretary Ronald Ziegler declined to give any Presidential reaction:

Quote slide. The President would not comment on a third rate burglary, certain elements may try to stretch this beyond what it is.

Agnew slide. Vice President Agnew raised the possibility of a Democratic plot.

Quote slide. What I'm saying is that someone set these people up and encouraged them to embarrass the Republican Party.

Nixon slide. President Nixon spoke out for the first time on August 29th based on an investigation by his counsel John Dean.

Quote slide. No one in the White House staff, no one in this administraton presently employed was involved in this very bizarre incident . . . what really hurts is if you try to cover it up.

Kleindienst slide. Defending his investigation of the Watergate, Attorney General Richard Kleindienst compared it to the Kennedy assassination probe.

Quote slide. Anybody who has a fair mind would be able to conclude that this has been the most comprehensive, deep, thorough investigation that the FBI has ever made with the exception of the Kennedy Assassination.

Ziegler slide. Press Secretary Ziegler, stung by continued disclosures in the Washington Post, was moved to say on October 16th:

Quote slide. It was shoddy and shabby Journalism based on hearsay, character assassination, innuendo, and guilt by association.

McGruder slide. Jeb Stuart McGruder, now mentioned in news reports as a participant in the planning for Watergate, had this to say last October:

Quote slide. Listen, when this is all over, you'll know that there were only seven people who knew about the Watergate and they are the seven who were indicted by the grand jury.

Scott slide. Senator Hugh Scott emerged from a meeting with the President last month to report Mr. Nixon had told him:

Quote slide. I have nothing to hide, the White House has nothing to hide, I repeat: We have nothing to hide, and you are authorized by me to make that statement.

Ziegler slide. Press Secretary Ziegler was still defending the President's counsel John Dean on March 26th.

Quote slide. I specifically deny as absolutely false that Dean had prior knowledge of the bugging. The President has absolute, total confidence in Dean.

Mitchell slide. Linked to Watergate planning by conspirator James McCord, John Mitchell on March 29th:

Quote slide. I have previously denied any prior knowledge of or involvement in the Watergate affair, and again reaffirm such denial.

Nixon slide. Then, on the 17th of this month, the President changed his position, no longer did he maintain no White House aides were involved.

Quote slide. I can report today that there have been major developments in the case concerning which it would be improper to be more specific now, except to say that real progress has been made in finding the truth.

Niyon slide. Later, Ziegler said the President's April 17th statement is the operative one, all previous statements are inoperative.

This is Gil Butler, Eyewitness News.

OSHA SETS PESTICIDE STANDARD

HON. DOMINICK V. DANIELS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 8, 1973

Mr. DOMINICK V. DANIELS. Mr. Speaker, the Occupational Safety and Health Administration recently set temporary emergency standards to protect farmworkers from the grave health hazards caused by exposure to pesticides.

This action is long overdue and should be a major contributor to a substantial reduction in the number of deaths and serious illnesses suffered by this group of American workers.

I commend to the attention of my colleagues a May 1 article about this subject in the Wall Street Journal and insert it at this point in the Record:

Temporary Rules To Shield Farmworkers From Pesticide Ills Issued by Labor Unit

Washington.—The Labor Department issued temporary standards designed to protect farm workers from harmful exposure to pesticides.

The standards, which take effect June 18, set "reentry" periods of two to 14 days controlling how long workers must stay out of a crop area after pesticides have been used. The rules cover six fruit crops plus tobacco, and 21 chemicals. In addition, employers must post warning signs and require protective clothing for workers.

Pesticides pose a "grave danger" particularly to migrant farm workers, said John Stender, assistant labor secretary for the department's Occupational Safety and Health Administration. Exposures cause an estimated 800 deaths and ill effects to 80,000 workers a year, he said.

The "emergency" standards will be replaced in six months by permanent rules reflecting further studies. The department has issued only one other emergency health standard, covering asbestos exposure.

As a result of the new pesticide rules, two public-interest groups said they agreed to drop a lawsuit seeking to force the department to act. "It is a good standard insofar as it is a good precedent for the future," said Miriam Guido, a staff attorney of the Migrant Legal Action Program, a plaintiff in the lawsuit along with the National Health Law Program, Los Angeles. However, she said, the standard should cover other pesticides and more crops, and further studies are needed to be certain the reentry times are long enough.

The crops covered by the standards are oranges, lemons, grapefruit, peaches, grapes, apples and tobacco. The pesticides are azinphosmethyl (sold under the brand name Guthion), carbophenothion (Trithion), demeton (Systox), diazinon, dimethoate (Cygon) dioxation (Delnav), disulfoton (Disy-Ston), EPN, ethion, imidan (Prolate), malathion, methyl parathion, mevinphos (Phosdrin), monocrotophos (Azodrin), naled (Dibrom), oxydemethonmethyl (Meta-Systox R), parathion, phosalone (Zolone), phosphamidon (Dimicron), TEPP and trichlorfon (Dylox).

The reentry periods vary depending on the crop, the pesticide and the weather.

On Capitol Hill yesterday, Rep. J. Kenneth Robinson (R., Va.) predicted there will be "wholesale disregard" for the standards, which he contended are unfair. The Congressman insisted there isn't any evidence of an "emergency" that would require the expedited action on interim standards.

TAX REFORM: FROM THE VIEWPOINT OF A SELF-MADE MAN

HON. FRANK HORTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 8, 1973

Mr. HORTON. Mr. Speaker, especially in this era of budget ceilings and resource crises, a great deal of discussion is being devoted to the structure of our tax system, both in terms of its equitability and its ability to produce revenues adequate to meet the needs of the Nation. The recent submission to Congress of a tax reform proposal by the administration has helped to continue public attention to this issue.

During the Easter recess, I talked with a gentleman who has spent a great deal of time and thought on the issue of taxation of investment income and taxation of persons in high income brackets. While his viewpoint is a controversial one, he speaks with authority because he is a man whose fortune is self-made.

Maurice B. Frank, hotelman, philanthropist, real estate investor, horse breeder and author, has dedicated a great deal of his energy in the past few years to helping himself and others gain maximum benefits from some of the more controversial provisions of the Internal Revenue Code. His efforts to provide legal tax sheltered investments to others are a theme of his life at this point and are very well described in a recent autobiography he has written entitled "Success Is a Crime." I first met Maurice Frank several years ago through my very close friend Herman Schwartz, who is from my home community of Rochester and who is the publisher of "Success Is a Crime."

Because of the high level of current controversy over tax reform proposals, some of which would dissemble the tax-sheltering that Mr. Frank has so successfully pursued, I thought my colleagues would be interested in reading a recent article that appeared in the Palm Beach Post-Times. In this article, Mr. Frank outlines his views on tax reforms and on the essence of incentive in the American economic system.

Mr. Speaker, I should like to insert this article into the Record at this point:

Tax Reforms Called Destructive to Incentive

(By Maurice B. Frank)

With all the talk of tax reform going on, I am reminded of the story going the "rounds" during the F.D.R. days.

A man riding in a taxi in Washington happened to say to the driver that Roosevelt was talking about raising taxes for the war effort to the end that the government would seize all income over $50,000 per year. The cab driver replied that he thought it was a "great idea." The passenger then said, facetiously, he heard a prominent Senator had suggested that everything over $10,000 should go for taxes, to which the cab driver retorted, "They can't do that, I make more than $10,000."

Much has been said about tax reforms, but mostly by people wasting no time on thinking. Do they not realize if tax-free bonds were eliminated, as has been suggested, all the public improvements using this form of financing, with the municipality paying only about half the normal interest rate, would have to be subsidized by the city, county, state or government? The enormous amount of money they formerly saved by issuing tax-free bonds would then be spread over thousands of small taxpayers.

Millions of blue collar workers own stocks and homes. Shall we eliminate capital gains, which take only as much as 35 per cent on their once-in-a-while gains, and raise it to 70 per cent? If the ordinary man who bought a house 20 years ago for $20,000 suddenly decides to sell it for the $80,000 it's now worth and rent an apartment for his declining years, should he pay 70 per cent tax on the profit, as the reformers suggest?

Now, let's talk about depreciation. Thousands of middle income people are buying condominium apartments. Remove the tax incentive of deducting depreciation, interest and taxes, and you remove the primary reasons for their sale. When construction stops, thousands of people stop working, car sales decline and those people who build them go on relief. Then what? Taxes go up at the state and federal levels . . . who pays them? The little man? Yes!

I presume we could change the tax laws in such a way as to catch those approximately 1,000 people in the United States who avoid paying taxes on their income, and when we do, let's prepare to pay 100 times or more as many dollars into our state and government coffers. It will come from the pockets of those who are screaming the loudest.

Let us not forget that most of the fortunes of great names in American history have already been wiped out with inheritance taxes or grants to worthy charities for the benefit of all mankind. Had these same beneficiaries of the government's present method of taxation not built the hospitals and universities, and furnished the hundreds of millions of dollars for research and other charities, the government would have had to spread the cost over millions of its citizens.

In their absence, it would make our country a far more unattractive place in which to live, trying to get even with a thousand people who admittedly have it easier than the rank and file general public. Let us not cut off our nose to spite our face! This thousand will finally turn over most of their money to the government in estate taxes or charity, and in the meantime keep the "wheels of progress" moving, investing in business ventures that employ thousands. Break them and you break the country.

Every man strives to become a millionaire. Remove that incentive by making it impossible and you remove the reason for America becoming great. Let us not forget most of our millionaires started with nothing. Just a few had their millions left to them, because our tax laws won't permit it to happen.

One third of our municipal bonds are owned by individuals.

Hundreds of irresponsible politicians are screaming, "Soak the rich. Let's get those few people who pay no taxes". But let them not forget that in so doing they may wreck the whole economy and themselves, but most of all, their constituents, who are looking at the hole instead of the doughnut.

Reams of publicity have appeared about the so called inequity of our tax laws, which have been written and rewritten by "thinking" congressmen and senators and their tax advisors. Can they possibly be "the nitwits" some writers accuse them of being? These very writers, if at all successful, are availing themselves of some form of tax shelter, or if earning $50,000 per year, would be paying over half of it to the government, plus all the other hidden taxes and in state, county and city taxes as well.

As one Supreme Court Justice once said, "To evade taxes is a crime, not to avoid them is a sin." Tax shelters are not available only to the super rich. One third of all municipal bonds are being purchased by individuals, from all walks of life in denominations as small as $1,000.

As for real estate tax shelters in the form of limited partnerships, one can invest as little as $5,000, but one should be in a fifty per cent bracket to get the most advantage from such an investment. Don't be misled into thinking that all the published statements are true, that it is a one-way street for the wealthy or for any other investor in a real estate limited partnership. I deal in them but always point out to my partners that a piece of property which we buy must be held for 16 years to avoid recapture—if sold or foreclosed before that time, most of the benefits taken are wiped out in the "year of the happening". So in effect the taxpayer merely borrowed the money he deferred in taxes and it becomes payable in its entirety that year. None of the writers bother to say anything about recapture of depreciation. A perfect case in point was my advent into the tax shelter business in 1965.

I sold my four Holiday Inns, which I started in 1949, for $3,300,000. The downpayment of $500,000 on my sale was not enough to pay my first installment on my income tax, mostly on account of that little used word "accelerated depreciation," which merely means putting back what you borrowed.

Philip Stern in his latest book says that a computerized survey by two prominent Brookings Institution economists reveals that by simply doubling the rate on capital gains $14 billion could be raised. They are probably conservative in their estimate, but most of the billions would come from the rank and file population and not the 1,000 people he would like to see clobbered.

The bright economists, unnamed, are also quoted as saying that another $21 billion could be saved if the joint return were eliminated, and then blithely move on to the charitable deduction and mortgage interest deduction, the elimination of which he says is scare talk to frighten churches, colleges, hospitals, and universities, and why not? Billions have been donated yearly to these worthy causes.

Eliminate this so called tax loophole and the government picks up the tab and spreads it on everyone, or shall we simply close them? Mr. Stern concludes his book with the statement, "End these billions of tax welfare for the rich." Once that's done we can all talk sensibly about personal deductions and exemptions.

Unfortunately, governments don't work that way. Sure, a way might be found to get even with these people and destroy their ability to keep the wheels of progress moving, but as for the government giving that money back in any form to the rank and file, forget it. Governments raise taxes, they don't lower them. As our taxi driver friend said, "They can't do that. I make more than ten thousand a year."

If Washington takes a good hard look at that $35 billion they could pick up, they may do it. It won't take long to think of a way to spend it, but as for turning it back to the little guy, forget it.

Our economists who came up with that statement may have a problem finding a hospital in their later years or an endowed university for their children, but what the hell, we soaked the rich, didn't we?

As I said earlier, most of our wealthy people started from scratch. Let's not conspire against our sons and grandsons. Give them a chance to become wealthy, if they earn it. Destroy incentive and you destroy the country.

VOLUNTEER FIREMEN HONORED

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 8, 1973

Mr. WOLFF. Mr. Speaker, recently the citizens of my home community of Great Neck, N.Y., had the opportunity to honor a group of volunteer firemen for acts of courage and heroism. The men they honored exemplified not only the best traits of people in their field, but also the best traits of our people. It is in this light that I would like to join with the people of Great Neck, and all Americans in recognizing the tremendous service that volunteer firemen perform for their communities, and I would like to recommend that my colleagues take note of the following editorial which appeared in the Great Neck Record, and the article which details some of the actions which were specifically honored:

THANKS TO OUR FIREMEN

Members of the *Vigilant Fire* Company honored nine of their own at their recent dinner-dance at Temple Emanuel, and it behooves us all to add our own words of appreciation, admiration and gratitude for a service which does in fact often make the difference between life and death. There are few jobs in society that make that kind of difference, but firemen still operate at that real-life level where a job well done can mean that a man, woman or child will live and not die. And here in Great Neck, where we are served by volunteer fire companies, the fireman who saves a life may be doing so at considerable risk to his own and with absolutely no recompense.

And so to First Lieut. James Dunn, to Chief Michael Okon, to Capt. Edward Canfield, to Fireman Edwin Holic, to Freman Robert Lincoln Sr., to Fireman Lee A. Ielpi, to Second Assistant Chief Frank Gilliar Jr., to Fireman George Psarudakis and to Fireman Leon Kane, we at the Record want to extend the deepest thanks of an entire community for a job so well and so vitally done. We hope that in your lifetimes you will encounter friends and neighbors who will serve you as selflessly in times of need as you have served all of us.

VIGILANTS HONOR NINE VAMPS

Nine members of the Vigilant Fire Company received credit where credit was due at the company's recent 68th annual dinner-dance at Temple Emanuel. This was the first year the company has made formal awards, and Chief Michael Okon said he hopes to make it a tradition.

Medals of Valor went to four firemen for fire rescues in which lives were saved. Fireman Edwin Holic received his medal for evacuating seven tenants from a boarding house on Park Pl. where fire broke out on March 1, 1971.

Captain Edward Canfield received his medal for rescuing a fellow fireman during the fire at Bernard's hair salon on Aug. 14, 1971. Under extreme heat and smoke conditions, Capt. Canfield located the fireman, whose air mask had expired.

Capt. Okon said First Lieut. James Dunn each earned a medal for a joint rescue of an elderly woman in a first floor apartment at 12–14 Bond St. which caught fire on July 5, 1965. The two firemen braved extreme heat and smoke conditions to find the unconscious woman, whom they brought to safety and revived by mouth-to-mouth resuscitation.

The Fireman of the Year Award went to Fireman Robert Lincoln Sr. for "constant active devotion to duty beyond the normal requirements." Lincoln was captain of the company from 1938 to 1940, assistant chief in 1941, company treasurer from 1967 to date, exempt president from 1970 to date, and fund drive chairman in 1970, 1971, and 1972.

The Ambulance Award for "outstanding effort to preserve human life" was made to four men for their performance while serving on the ambulance crew. The four men made extraordinary efforts to resuscitate patients while on ambulance calls. They are Fireman Lee A. Ielpi, Second Assistant Chief Frank Gilliar Jr., Fireman George Psarudakis and Fireman Leon Kane.

HOUSING AND URBAN DEVELOPMENT

HON. PATSY T. MINK

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 8, 1973

Mrs. MINK. Mr. Speaker, within a very short time urban development has developed a mythology, a series of cliches which has too often led its supporters and detractors to extremes of optimism and pessimism. On one hand now you have the disillusioned who are willing to give up the whole effort and on the other you have those whose views are embodied in the President's budget, who are willing to oblige them by terminating or radically deemphasizing urban development programs.

In a recent address to the Hawaii Chapter of the National Association of Housing and Redevelopment Officials—NAHRO—Mr. John B. Williams, president of NAHRO, challenged the mythology surrounding urban development and the discriminatory nature of the Nixon budget. In a lucid, well-constructed and considered address, Mr. Williams points to the success our Federal housing programs have had and urges that the Federal commitment to desperately needed low and middle income housing can ill afford the moratorium that is now in progress.

Mr. William's address is eloquent testimony on the implicit costs of the Nixon budget. The poor and those struggling to get by will be sacrificing the necessities of life and dignity to achieve Nixon's fiscal responsibility. I offer Mr. William's comprehensive and perceptive examination of housing and the wider issue of urban development here for your consideration:

HOUSING AND COMMUNITY DEVELOPMENT CRISIS—1973 MYTHS AND REALITIES, PROBLEM AND RECOMMENDATIONS

Mr. Chairman, honored guests, ladies and gentlemen.

I want to share with you today some of my concerns as to the current picture we are facing in the housing and urban renewal policies and programs of this nation. While some of the politicians may argue that the crisis of our cities has passed, your national officers in NAHRO believe that this is not the case. For we have been in continuous communication with the 1100 communities which are now involved in community development programs throughout our 50 states.

Believe me, these communities are facing major dilemmas in how they can continue to execute their present commitments and plan future priorities in providing "a decent home and a suitable living environment for *every* American family."

Policies and actions out of Washington in the past four months have been highly disruptive, poorly conceived, and ill-timed in their execution, as the Administration, after four years in office, only now begins its tardy evaluation of past programs in order to shape future directions and Federal policy. The Administration's continuous use of catch-phrases—such as "local determination of priorities" . . . "all is peaceful in the cities" . . . and "urban renewal is a total failure"—have only served to disguise the many successes of urban renewal efforts. They have provided an excuse for termination of community development programs and a halt to those particular federally assisted housing programs benefitting the nation's poor, the elderly, and disadvantaged minorities.

Simplistic cliches and Federal funding time-lags have only served to disrupt the cities and bring a sudden halt to the progress that has been made in the past decade toward improved comprehensive community development programs.

First of all, I want to sketch for you a more exact picture of the crippling effects of the Administration's program terminations and housing moratoriums—and to document the effects of the gap occurring between vital urban needs and the uncertain and proposed low-levels of future Federal funding.

Secondly, I wish to refute a whole mythology that has developed concerning the alleged failure of urban renewal and community development efforts.

Thirdly, I want to summarize some of the immediate problems facing localities using urban renewal programs.

And finally, I will share with you NAHRO's recommendations to deal with them.

I am a proud man . . . and I believe, in touch with reality.

As each day I read newspaper articles and other reports on the attitude toward the social programs at work in this country, I personally and collectively resent the opinion that these programs have failed. Quite the contrary, I know that *the vast majority* of these programs are succeeding.

I resent the wholesale slaughter of these social programs.

I strongly resent the implications that the administrators of these programs are threatened by change, and not objective enough about the current programs. In truth, we are not wedded to the present way of doing things. We are professionals ready to accept the challenge of creating inventive methods to solve existing problems.

If you listen closely, you will hear the funeral march being played. It is playing for us. Those of us involved in these social programs are expected to willingly climb into our coffins while we are still alive and progressive enough to improve on the programs already in progress. Let's not oblige the mortician!

What sense does it make to fail the entire class because a small percentage of students can't pass the course? Nothing is perfect . . . we all admit that fact. Subsidized housing methods—and the entire approach to redevelopment itself—can be improved. But we don't need and can't accept an 18-month dead-halt while evaluating how to improve on the approach.

There are desperate people out there counting on us. We, in redevelopment, cannot turn our backs on them just when they have learned what "hope" and "trust" mean. The disadvantaged have no place else to turn. Let us continue our endeavor while we refine and improve the system.

Whether that refinement is called "new federalism" or "special revenue sharing" or "housing allowances," its success will depend ultimately on how deeply it involves *all* segments of the public and private sectors.

We know that to have successful housing and community development programs requires the involvement from the steps of the White House to the ghettos of America. To spell it out . . . a network of active participation from the President, the Congress, to the state governments, mayors, city councilmen, public and private officials and *all* the people of our local communities.

Most important, we know that the Federal government should not and cannot abdicate its moral domestic responsibility and leadership role in providing a decent home for each citizen. Yet it appears that this is precisely what is happening.

Previous Administrations and Congress, over a period of years, have developed agreed-upon housing goals to meet the nation's needs . . . 26 million new and rehabilitated units projected over a 10-year period. Housing production, which requires a long lead-time, has been gradually stepped up. It has been only in this past year, however, that we are finally beginning to approach a level of home building which can bring us within the realm of achieving the 10-year goals established in 1968.

More than 700,000 units of subsidized housing have been produced under the Section 235 homeownership and Section 236 rental programs during the past five years since passage of the 1968 Housing Act . . . almost as many as had been produced in the preceding 30 years. Yet they have in effect been declared failures by this Administration, primarily because of a few distorted and sensationalized instances of difficulty. Thus 35 years of increasing concern and effort to relieve the housing plight of the nation's less fortunate citizens has been brought to a halt.

The Administration's proposed 1973–74 budget would now impound 392 million dollars in Congressionally approved but unused contract authorizations, and calls for no new authorizations for these programs.

If the Administration's effort to control inflation calls for a reduction in overall Federal spending, I personally believe that such a reduction should be fairly and *evenly spread throughout the economy, and in consultation with Congress.* I feel that the current moratorium is inequitable with respect to low and moderate income housing. Families in those categories are the ones least able to sustain a reduction in economic assistance—yet they are being asked to bear a major brunt of the Administration's current efforts.

Progress is *not* going backwards. From a high of 25% during the recession year of 1970, federally subsidized housing can be expected to shrink to less than 10% of "total starts" by the end of fiscal 1974. All because of the decision of January 5, 1973.

Statistics are cold, even when they are dealing with life and death social issues. However, it is necessary for clear understanding to face *these* statistics.

The housing units committed to contract or approved and in the pipeline before the moratorium took effect, will provide a level of new construction starts of 250,000 units next year.

But, there are some disturbing facts to consider. These quarter million units projected for the coming fiscal year represent a

27% deficit from the current year. While this reduced level is supposed to be maintained through the following fiscal year, I wonder what really happens in fiscal 1975, if there are no new commitments planned and authorized in fiscal 1974?

If the present moratorium should extend much beyond the next 6 months, by the end of fiscal 1974, the nation will have fallen 45% behind in its efforts to keep up with the 10-year housing goals Congress approved in 1968.

Failure to make good on anticipated new-housing starts that would have been spread over the remainder of fiscal 1973 and the following two years could result in a direct loss to the economy of 7.5 billion dollars in new-housing construction, plus an additional loss of 12 billion dollars from related facilities and services.

The total economic impact of an extended moratorium would be a loss of more than 19 billion dollars . . . and 2.2 million man-years of employment.

These national figures are almost too large to have any meaning. In short, the freeze could cripple the whole 1968 Housing Act. More important, it is a crushing blow to the hopes of millions of Americans. Unemployment in the construction field and related services, plus manufacturing businesses, would rise to tragic proportions. Thousands of families and elderly citizens will remain ill-housed and out of work . . . unable to contribute to our economy and forced to seek public assistance requiring increased taxes for welfare.

Let me illustrate the specific effects of the impoundment and moratorium by citing a few examples of its impact on several local communities.

The Washington, D.C., area faces a special dilemma. In response to specific Federal encouragement, Metropolitan Washington last year became the first urban area in the nation to plan its subsidized housing needs on a region-wide basis, with concentrations of housing in the suburbs as well as the city. Last June, as a bonus for that pioneering effort, the Department of Housing and Urban Development pledged the area sufficient subsidies to cover 6,247 units. As recently as two months ago, local and Federal officials were actively negotiating the program's implementation.

Now, with an estimated 100 million dollars worth of housing promised and some 12,000 families on waiting-lists for public housing, the status of the whole program remains in doubt.

In Georgia, the suspension of all subsidy programs will cost private industry an estimated 383 million dollars in lost business over the next 18 months, including 44 million dollars in the city of Atlanta.

Nine counties in the Oakland-San Francisco Bay Area stand to lose 355 million dollars in construction and more than 26,000 jobs in the next year if the housing moratorium stands. There were 16,600 units of federally subsidized housing in the Bay Area pipeline when the Housing Secretary shut off the valve.

The New York State Division of Housing will have to halt plans for 27 projects with 7,500 apartments which were ready to go into construction but were awaiting approval for Federal subsidy. According to Abrum Hyman, Deputy Commissioner of the New York State Division of Housing, during the next 18 months they won't be able to go ahead with plans for another 20,000 units because they can't be built without Federal funds. To quote Mr. Hyman, "When it gets to construction, that's the end of the road. It will take 36 to 40 months to get going again. Developers won't sponsor projects when they know subsidy is not available."

Nationwide, the loss of some 500,000 units of assisted housing over the next two years will have serious consequences for our efforts to revitalize our cities, regardless of whether we have special revenue sharing or continue with urban renewal and other categorical aid programs. The ability of our cities to survive as fit places to live will depend on how well we are able to address housing needs, particularly low and moderate-income housing needs.

Some low-moderate income housing programs for low and moderate income families have been poorly administered by the government's bureaucratic approaches and deficient operations. In some few places there has been waste and corruption. But it is ridiculous and destructive to try and cure these problems with meat ax tactics. It would seem that the appropriate way for a civilized nation to conduct responsible government would be to not truncate these vital, but perhaps imperfect, existing programs until viable alternatives have been created.

Studies have clearly shown that federally-assisted housing—be it public housing, the 235, 236, 312 or 117 programs—incorporates generally effective methods which have helped this nation achieve its housing goals, and benefitted many low-income families, the very people who these programs were designed to serve. Even as other government-assisted FHA mortgage insurance subsidy programs with provisions for tax deduction allowances, have housed and benefitted well-to-do families.

From our years of experience, it is obvious that without the direct Federal subsidy, it will be impossible for developers to build except for the middle and upper-income market.

The anti-inflation efforts of the Administration appear to protect the economically and socially privileged, rather than improve the performance of the economy in serving the poor and disadvantaged of our society.

Let me address some comments now to a whole mythology that has developed concerning the alleged failure of urban renewal. These myths are as follows:

1. *Myth:* Urban renewal is only a big city problem.

Reality: Urban renewal is active in nearly 1,000 communities in every state, with ¾ of the localities with a population below 50,000.

2. *Myth:* Urban renewal is a narrow program.

Reality: Urban renewal encompasses all of the major elements required to revitalize local communities.

Removes slums and blight.

Stimulates housing development, especially for low and moderate income families.

Rehabilitates the existing housing stock.

Conserves and preserves the existing housing stock: code enforcement.

Provides supporting public and community facilities.

Revitalizes the community's commercial capacity.

Generates additional industrial capacity.

Utilizes undeveloped land.

Utilizes inappropriately developed land.

Assists in the development of new towns-in-town.

Enhances the community's environmental quality.

Provides additional cultural opportunities.

Affords additional recreational opportunities.

Facilitates the development of related economic and social programs.

Encourages historic preservation.

Demolishes unsafe buildings.

Sustains areas through interim assistance.

3. *Myth:* Urban renewal is a piecemeal, categorical program.

Reality: Urban renewal is being used in many localities not as an isolated response to a particular problem, but as a consolidated, comprehensive strategy for community-wide development.

4. *Myth:* Urban renewal focuses on only a few activities (mainly reviving central business districts), involves a long lead time, and is not people-oriented.

Reality: Based on evolving experience, urban renewal has undergone a series of legislative and administrative changes which concentrate more attention on housing and jobs, accelerate program results, and respond to human needs:

More emphasis on existing housing stock: 1964–65 Legislative amendments.

Redirection to housing and jobs: National Urban Renewal Goals: Administrative Policy, 1968.

More emphasis on low and moderate income housing: Proxmire amendment.

Assurance of adequate replacement housing: Weicker Amendment.

Citizen participation: HUD Administrative Policies.

Acceleration of program results: Neighborhood Development Program (NDP)—Housing and Urban Development Act of 1968.

Increased assistance to displaced families and businesses: Uniform Relocation Act of 1971.

More responsibility to local communities and less by Federal government: Proclaimer Policy.

5. *Myth:* Urban renewal has a totally disruptive impact on local communities, adding few positive aspects to community life.

Reality: Urban renewal has only begun to demonstrate its positive economic, social, and physical by-products in terms of:

Generating non-Federal investment.

Increasing the local tax base.

Creating new jobs.

Improving the general economy of the community and neighborhood.

Expanding the availability of public facilities.

Raising the quality of neighborhood environment.

Influencing the progress and environment of areas surrounding renewal activity.

Multiplying the number and quality of social service programs.

6. *Myth:* Urban renewal is public funds used to support public activity.

Reality: Urban renewal is a generator of private investment, encouraging private sponsorship and ownership, and stimulating private activity in areas which would otherwise be neglected.

These myths have served to retard our efforts in effectively evaluating present programs. As professionals, we stand always ready to learn from the successes and failures of our renewal efforts. While much of the criticism of urban renewal can be attributed to the fact that the few failures of programs always gain prominent attention, while the more numerous successes and benefits go unnoticed, it is my belief that urban criticism stems mainly from the current lack of a comprehensive analysis of the nation's urban renewal programs. This analysis should be an integral function and priority of our national administration. It is unfortunate and poor management that the Administration has had more than four years to complete such analysis, but is only now beginning to conduct this review.

Without such an analysis, we lack the tools to properly evaluate past efforts and shape future Federal policy.

Because of this lack of knowledge, of data, studies and evaluation of the impact of urban renewal and community development programs, it is our intention in NAHRO—with the assistance of yourselves and other of our local professional associates scattered in hundreds of communities across our nation—to erase these myths by informing the National Administration of the realities we find in our local communities. Your data is already coming in, and it will be summarized and presented to the Administration and Committees of Congress forthwith.

I will now highlight what I believe to be the major current problems confronting localities brought about by the Administration's moratorium and recent actions:

1. *The abrupt termination of new urban renewal activity as of June 30, 1973.*

This program termination will have serious effects on hundreds of communities which planned new activities during the next fiscal year. These will have to be curtailed, delayed, or even cancelled.

In addition to postponing or eliminating scheduled new activities, the termination will also result in the lack of planning for future programs and therefore create a "leadtime gap" for scheduling new activities in the future.

One of the rationales for this termination is that $5.7 billion in urban renewal appropriations remain unspent and available for use by cities during FY 74. This is a false figure in view of the fact that a large portion of this money has been committed/spent by localities, though grants have not been paid on these amounts to date. For NDP alone, the lag between appropriation and grant payout by HUD can be two years, though a locality has most of that money obligated many months before grant payout. The lag for conventional programs is much longer and also does not mean that the money hasn't been committed/spent by localities.

2. *Suspension of new activity for concentrated code enforcement and neighborhood improvement under the Section 117 program.* In Fiscal Year 1973, the Administration did not allocate any funds from the Title I urban renewal appropriation for Section 117 activities. The Fiscal Year 1974 HUD budget continues to ignore code enforcement.

This lack of funding can most generally be attributed to the expressed reluctance on the part of the Administration to provide adequate financial support for programs scheduled for eventual consolidation into a community development block grant program. This will mean not simply a loss of continuity in program activity, but also will result in an accompanying loss to the field of the trained specialists who have gradually built up the competence to give the program momentum and make it work, and delay in conserving localities' housing supply.

3. *The impoundment and eventual termination of the Section 312 rehabilitation loan program.*

The Citizens Planning and Housing Association of Baltimore, Maryland has termed this program "the most important housing program in Baltimore City." This is a statement which has been echoed nationally in support of "this program within a program" which provides direct loans for rehabilitation activities.

HUD estimates show that the program is working; only 4% of 312 loans are over 90 days delinquent in payment, and only 40 homes have had to be repossessed over the eight year life of the program. Yet this program has continually been the victim of impoundments of appropriated funds. In addition, recent stringent rehabilitation loan priorities established by HUD have reduced its effective coordination with other community development activities.

The absence of funds for Section 312 is particularly damaging to local officials in that it destroys their capacity to continue with programs already underway and destroys their credibility with property owners in communities.

4. *The announcement of administrative regulations limiting acquisition and rehabilitation activities under urban renewal.*

Administrative regulations issued by HUD within the past three months have had the effect of crippling outgoing renewal programs. Those regulations all but eliminated acquisition from the NDP program for the next year. The Department has also required rehabilitation alternatives to the 312 loan program prior to Federal approval of local programs.

The practical effect of these policies is to emasculate greatly the programs and permit minimal activity in the cities during the next year.

5. *The imposition of the moratorium on new commitments for Federally-assisted low and moderate income housing, which affects housing planned on urban renewal sites and for relocation.*

Renewal projects have programmed into their plans, the reuses of significant land for Federally-assisted low and moderate income housing. HUD has never been willing to commit the necessary number of units when the projects were approved. As a result of the current housing moratorium, many units will not be approved for renewal projects.

In addition to violating the urban renewal plans, possibly forcing localities to violate statutory requirements for those units, the moratorium will result in many families, including relocatees from HUD-assisted projects, not being adequately housed.

Special care has been taken in the past few years to involve the community in renewal projects, and a great level of expectation has been generated as a result. The effects of these problems can therefore be serious, damaging and longlasting, reducing the credibility of government (Federal and Local) in the eyes of the people.

I think we should be taking this time during the moratorium to reaffirm or reidentify for the American people the nation's real housing needs, particularly the need for low and moderate-income housing. I would urge you to give your support to the new National Ad Hoc Housing Coalition, which is doing that very thing.

I believe that we should look closely at the proposal for community development revenue sharing to see what opportunities it offers and how it could be improved or refined both through the legislative and administrative process.

The most immediate problem is the method chosen for making a transition from our existing categorical aid programs to special revenue sharing. In fact, there appears to be no transitional plan.

The major categorical aid programs such as Model Cities and urban renewal are to be terminated as of June 30. Special revenue sharing is not supposed to start until a year later.

In the meantime, we are told, local community development efforts are to limp along as best they can with whatever money is on hand as of June 30. Furthermore, severe restrictions have been placed on the money that is available. Local public agencies will not be able to acquire new land; wherever possible, existing projects are to be closed out and staff capability reduced. I think this is the wrong way to go about it.

We need a decent interval of transition in which cities can continue at their own option to use the categorical aid programs to continue necessary activities. The magnitude and scale of the community development needs of our cities are too urgent. We can't afford to lose a year or more of new activity.

The categorical aid programs *must* be allowed to continue *at the same time* special revenue sharing is being initiated and all the kinks are being ironed out.

In addition to seeking a decent period of transition, I think we ought to seek safeguards in the use of these special revenue sharing funds. For example, we ought to be skeptical of any automatic pay-out, such as now exists for general revenue sharing.

While we would favor a formula that assures a community a certain basic grant to carry out a development program, we do not favor a dole-out which gives money away without some specific plan of action.

Since funds will be short to begin with, we ought to make sure the money goes where it is most needed. Cities should have to make application for these funds, certainly not in as detailed a form as they now have to make for urban renewal and other categorical aid programs, but, at a minimum, showing what their development needs are and how they intend to meet them.

In short, while we favor the flexibility and local autonomy, a checks-and-balance Federal review is essential to insure that the true needs of *all* our citizens are being met. If this new program is not carefully devised, we may find ourselves trading excellent social and economic programs of the past for nothing more than a glorified public-works program.

I also think that we should be proposing a much more equitable level of funding for community development revenue sharing. The 2.3 billion dollars proposed for fiscal 1974–75—when revenue sharing is to begin—barely keeps us even with where we are today. It doesn't take into account ever-rising costs nor the fact that our categorical aid programs are already on a starvation budget.

In comparison, the final 1974 defense-spending plan marks a jump of 4.7 billion dollars over the current year—which is twice the amount proposed for special revenue sharing—even though the United States is out of the Vietnam war and the 2.2 million Americans in uniform will be the smallest number in 24 years.

While we turn our backs on the humanities, we are at the same time pumping more money into military spending. Consider an 81.1 billion dollar spending program for national defense in the next fiscal year.

This will rank second only to the record of 81.6 billion dollars for fighting around the globe and developing the first atomic bomb in 1945.

Furthermore, a still bigger defense budget totaling 85.5 billion dollars . . . an additional 4.4 billion dollar increase . . . is forecast for fiscal 1975.

Where is our social conscience?

What are our priorities?

In God's name, how can we find resources to expand our defense budget and propose to redevelop North and South Vietnam while we remain blatantly insensitive to our very own?

Unless we wake up to the fact that the mandate of last November was to build and not to destroy, to help and not to hinder, to address problems and not to avoid them, we will have misread the spirit of the American people. We have a unique opportunity to fashion well-conceived and workable solutions which will clearly define our Federal commitment to housing. We must meet this challenge in a spirit of compassion and understanding.

Let us not be guilty of underestimating the intelligence of the American people by minimizing their ability to be extremely articulate on matters which reflect their well-being . . . housing, quality environment and employment.

I have no crystal ball, and I do not want to be an alarmist. But the reality of past experience reminds us . . . lest our memories be so short . . . that frustration in these areas brought blood to our streets before.

Let us unite and avoid a reinvitation to disaster.

We, as professionals, offer the weight of our long experience. We intend to make that experience count.

SENATE—*Wednesday, May 9, 1973*

The Senate met at 11 a.m. and was called to order by Hon. GAYLORD NELSON, a Senator from the State of Wisconsin.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Almighty God, whose rulership transcends all earthly realms, rule over our hearts and minds in this place. May all lesser loyalties be subordinated to our love of Thee. May every human law be subject to Thy divine law written in hearts and revealed in Thy Word. Forgive our sins and overrule our ignorance. Show us the way to advance Thy kingdom on Earth. And may goodness and mercy, wisdom and strength be in us this day and in all the days to come. When our work is done, may we hear Thee say, "Well done, good and faithful servant."

We pray in the name of Him who went about doing good. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The second assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., May 9, 1973.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. GAYLORD NELSON, a Senator from the State of Wisconsin, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. NELSON thereupon took the chair as Acting President pro tempore.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 5383. An act to authorize appropriations for the Coast Guard for the procurement of vessels and construction of shore and offshore establishments, to authorize appropriations for bridge alterations, to authorize for the Coast Guard an end-year strength for active duty personnel, to authorize for the Coast Guard average military student loads, and for other purposes;

H.R. 5451. An act to amend the Oil Pollution Act, 1961 (75 Stat. 402), as amended, to implement the 1969 and 1971 amendments to the International Convention for the Prevention of the Pollution of the Sea by Oil, 1954, as amended; and for other purposes; and

H.R. 5452. An act to extend and make technical corrections to the National Sea Grant College and Program Act of 1966, as amended.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (S. 1379) to authorize further appropriations for the Office of Environmental Quality, and for other purposes.

The ACTING PRESIDENT pro tempore (Mr. NELSON) subsequently signed the enrolled bill.

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred to the Committee on Commerce:

H.R. 5383. An act to authorize appropriations for the Coast Guard for the procurement of vessels and construction of shore and offshore establishments, to authorize appropriations for bridge alterations, to authorize for the Coast Guard an end-year strength for active duty personnel, to authorize for the Coast Guard average military student loads, and for other purposes; and

H.R. 5451. An act to amend the Oil Pollution Act, 1961 (75 Stat. 402), as amended, to implement the 1969 and 1971 amendments to the International Convention for the Prevention of the Pollution of the Sea by Oil, 1954, as amended; and for other purposes.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Tuesday, May 8, 1973, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

REORGANIZATION OF FOREST SERVICE REGIONAL OPERATION

Mr. MANSFIELD. Mr. President, this morning, when I appeared before the Appropriations Subcommittee on the Interior, chaired by the distinguished Senator from Nevada (Mr. BIBLE) I asked the committee to give the most serious consideration to doing all within its power to overturn the order issued by Secretary of Agriculture Butz on April 24, which reduced the number of Forest Service regions from nine to six and transferred the headquarters of Forest Service Region No. 1 at Missoula, Mont., to Denver, Colo., approximately 1,000 miles away.

May I say that this, I think, is a most serious and costly misconception of the part of the Federal Government. In this connection I would point out that the Colorado State Senate, a few days ago, passed a resolution by a vote of 29 to 4 asking the Forest Service not to transfer the affected additional personnel to Denver.

Not only is Missoula, Mont., involved, but Ogden, Utah, is also involved, as is Albuquerque, N. Mex.

Mr. President, believe it or not, some of the functions of the regional headquarters at Albuquerque, N. Mex., have been moved as far away as Atlanta, Ga. How that will look in the scheme of regionalization being put into operation by this administration, I do not know. But all I want to say, Mr. President, is that this is not decentralization of government but rather a new and aggravated kind of centralization on a regional basis at the expense of the States.

If the Government really wants to decentralize, it should move many of its offices and bureaus out of Washington, D.C., and the metropolitan area, where they are an octopus and where they are running hog wild.

Mr. President, I ask unanimous consent that the statement I made before the Subcommittee on Department of the Interior Appropriations concerning the phasedown of region No. 1 of the Forest Service, and also on MHD and the energy crisis, as well as other aspects of my testimony, which will be printed in the hearing record, be printed also in the CONGRESSIONAL RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

JOINT STATEMENT—SENATORS LEE METCALF AND MIKE MANSFIELD: INTERIOR APPROPRIATIONS—FISCAL YEAR 1974

We would like to submit for the record the recommendations of Senator Metcalf and myself on the remainder of items of interest to Montana.

With respect to the Forest Service, the prime consideration is to release impounded funds and bring the funding level up to that intended by Congress. According to the OMB figures of 14 April of this year, the Administration is holding $664.4 million in Forest Service funds. Virtually every program of the Forest Service is affected, from personnel to road and trail construction and from wilderness management and research to insect and disease control. In the Administration's new budget, additional cuts are made.

We cannot think of a more short-sighted approach to the critical problem of caring for or harvesting a precious renewable resource like our forests. We are not talking about a bureaucratic shuffling of papers, or storage of vehicles, or the guarding of a fence. We are talking about the care of living, growing things which represent a precious asset for this and future generations. Just as no farmer would cure a problem in his fields with further neglect, so we should not be meeting the many problems of our forests with impoundments, budget cuts and counterproductive closures of installations.

Special attention should be made to the restoration of cuts for personnel. They are desperately needed for timber sales and management if the expanded harvest announced by the President is to have any real impact on relieving the current lumber crisis. They are also needed to conduct the necessary environmental impact statements if we are to have a truly meaningful survey of areas which might be upgraded into Wilderness areas.

Personnel are also needed for the valuable SEAM program. SEAM, or Surface Environment and Mining, is a cooperative effort of federal agencies, States, the Northern Great Plains Resource Program and the mining industry to produce needed minerals without undue harm to the environment. Coal seams thick enough for exploitation underlie 34 million acres of the 11 Western States. Land distributed by surface mining has increased 30 per cent in the last seven years. Pressures to extract minerals other than coal have also grown in recent years. We must move swiftly to control this mining boom, and SEAM can be a valuable tool in that effort.

Also needed are funds for the FALCON (Forestry, Advanced Logging, and Conservation) program. The aim of this program is development of timber harvesting techniques for environmentally sensitive areas. Congress has already appropriated $5 million for it; the OMB has impounded all of the funds. We urge restoration of these funds and whatever else is necessary to do the research on regeneration, water, soils and logging techniques. We need to explore alternative methods of getting logs out of the forests, such as use of helicopters, balloons and aerial cable systems.

Other areas needing funding include reforestation, forest roads and trails, forest fire prevention, recreational facilities at the Libby Dam, forest research at the University of Montana in Missoula and Montana State University in Bozeman, acquisition of the valuable American Bar property near Helena for a bird sanctuary and the French property on Beaver Creek, also near Helena, for a fish and wildlife preserve.

Turning to appropriations items in the Interior budget, we draw your attention first to the needs of our Indian citizens.

With regard to Indian education, Mr. Chairman, we make our requests in accordance with the Conference Committee's admonition of last year that "funds appropriated for public schools shall be available for construction when it has been determined that local school authorities have incurred bonded indebtedness for the construction of local schools to the fullest possible extent, in accordance with applicable State laws and have otherwise levied maximum school taxes as permitted by State law.

We ask for appropriations for construction of the following schools for Indian children in Montana.

Heart Butte, at the southern edge of the Blackfeet Reservation, has long needed an elementary school. The district has no bonding capacity whatever. At present, 195 pupils (of which 189 are Indian children) attend classes in a ramshackle, patchwork building that should be condemned. The District has requested $2,000,000 for a new school, remodeling, a teacherage, sewer improvements, etc. Efforts to secure funding under Public Law 815 have been unsuccessful.

Hays on the Fort Belknap reservation in north central Montana has a bonding capacity of $16,000. The school district desperately needs to improve and modernize its elementary school for 120 pupils. We reiterate our request of last year for $400,000 for this purpose.

In 1972 we asked the Committee to approve an appropriation of $428,000 to expand and modernize the grade school at Lame Deer operated by Public School District Number Six. The Committee recommended and the Senate agreed but the amount was unfortunately deleted in conference. (You will perhaps recall that the Administration requested $230,000 in Fiscal 1973 to plan a high school. It is our understanding that the Northern Cheyenne have now agreed on a site and that the Bureau of Indian Affairs expects shortly to let a contract for the design.)

Of the 340 pupils in the elementary school, 322 are Indian children. The present facilities consist of a sound building that is too small, supplemented by several trailers, all of which are terribly crowded. Lame Deer has a bonding capacity of $38,000. We believe that their request for an addition to the existing school should have a high priority.

We should remind the committee that at some time in the future the school district's ability to sustain indebtedness or levies will no doubt improve with the development of coal on the Northern Cheyenne Reservation. At present, however, the Tribe is attempting to secure a review of coal leases that have been purchased in order to assure protection of the reservation from environmental damage. The review could take years. Until this is settled, the district is unable to help itself.

Mr. Chairman, the Committee will recall that the Senate last year deleted $70,000 for assistance to Brockton High School on the Fort Peck Reservation, but that the sum was restored in conference. The appropriation permitted the District to complete its plan for a new building. They ask $1,300,000 for construction, site development, furnishings and architectural-engineering costs and contingencies. We hope that the Committee will approve this sum so that the pupils, who are housed in what has been described as a building unfit for pigs or cattle, can attend classes in a safe and proper facility. The District has a bonding capacity of $56,000 which it intends to use for teacher housing.

It is our understanding that representatives of the Pryor Elementary School District will speak to the Committee in behalf of a request for appropriations. The District has a bonding capacity of $89,000, and a current indebtedness of $25,900. We hope that the committee will find it possible to approve their request.

We would like to conclude this portion of our testimony with a strong appeal for the Committee's assistance in obtaining the release of all of the appropriation provided in Fiscal 1973 for the Rocky Boy's Elementary School. The Congress approved $450,000 and the entire amount has been impounded. The Office of Management and Budget has said it will release $125,000 after 1 July. The School District, with a bonding capacity of $8,200, is wholly unable to provide for capital improvements, as the Congress has recognized. The $450,000 appropriation was the second increment of a total of $1,050,000 approved by Congress to permit planning and construction of an elementary school.

The Rocky Boy's Elementary School has earned nationwide praise for its remarkable work in Bilingual Education. Under the leadership first of Bert Corcoran and now of Superintendent Gerald Gray, parents, teachers and pupils have written and illustrated, and printed in their own offset press, textbooks and story books in English and Cree used for instruction in the school. The existing facility is a beehive of activity with every foot of space in use from seven in the morning when the school is opened until ten at night when it is closed. The new building will be ready to open in September. The $450,000 is needed for construction for a lagoon, for furnishings for the school, for teacher housing and site development.

As was true last year, there is an enormous backlog of applications for allocations under Public Law 815. Of the unfunded total of $288 million, $41.3 million represents applications to construct schools for Indian children. The Administration requested $19 million for P.L. 815 in FY 1974, but has said it wishes to expend two-thirds of it for construction of schools for military-connected children. If this is done, the $7.6 million remaining would fund less than one-fifth of pending requests.

Busby School, a boarding school for Indian children now operated by the Northern Cheyenne under contract to the BIA, has asked for an additional $109,000 in operating money for FY 1974, to permit improvements in curriculum, to hire more teachers and other purposes. The BIA budget does not include this sum but we hope the Committee will see fit to favor the addition.

Finally, the Administration has requested the same amount that was appropriated in Fiscal 1973 for Johnson-O'Malley programs, a total of $23,247,000, of which $1,080,000 would be allocated to Montana. Our State Department of Public Instruction informs us that our needs will be adequately met with such an appropriation. We hope it will be approved.

In other matters, Mr. Chairman, we call your attention to the wealth of historic sites and ghost towns which are worthy of preservation. We hope the Committee will see that such preservation is adequately funded and that the funding will come early enough to protect the sites from the ravages of time and vandals.

We are also concerned about the delay incurred in building the Big Horn Canyon Road to service the recreation area which has been created around the Yellowtail Dam. The road, which now extends north from Lovell, Wyoming, should be extended at least to Fort Smith at the site of the dam itself—and ultimately on to Billings.

Like 10 Vacuum Cleaners

One of the things both government and business have discovered in recent years is that administrative fragmentation often is more efficient than monolithic unity.

The American Management Association, serving business, calls this the "unit president" concept. The chain of command is kept intact, but the top administrator of each unit is in full charge of that unit. He plans that unit's future with his subordinates, who in turn are in full charge of their units, and so on down the line to the lowest level.

That means the company president has less authority over the lowest unit than the foreman. If the president interferes with the foreman's management, the president makes a major mistake.

The idea is to delegate authority for management and planning because it's been discovered, people like to take responsibility for planning their work and seeing to it that it's done. The result is greater efficiency, higher output and more job satisfaction. It's a form of organized fragmentation, and it works.

Come we now to the federal government, which evidently believes in disorganized fragmentation.

A few years ago some thinkers in Washington thought it would be nice to get government out of the District of Columbia and back to the provinces. (The thinkers in Moscow, it might be noted, occasionally are smitten by similar thoughts.)

So 10 regional administrative units were set up in such outlying spots as Denver and San Francisco and Boston. This was getting government back to the people to make it more efficient and responsive.

It was a stab at doing right, but now, under the guise of efficiency, the regional administrative binge is having exactly the opposite effect which the unit president—or organized fragmentation—concept postulates.

First bureaucracy is dispersed to the 10 regions, and then—in direct violation of the principle of getting government back to the people—the regional headquarters suck in the outlying bureaucracy like 10 vacuum cleaners.

If the federal government was truly interested in getting government back to the people, it would further fragment administrative controls.

But now Missoula and other regional Forest Service headquarters are being closed so the Forest Service ". . . improve its efficiency and effectiveness in carrying out its resource management, research and state and private forestry programs," in the words of Secretary of Agriculture Earl L. Butz.

Butz has smashed the administration's own theory of making government responsive. He has violated every management principle by his administration diktat. And he has sugar coated this monumental blunder with drivel.

[From the Sunday Missoulian, Apr. 29, 1973]

FOREST SERVICE

On the same day the announcement was made that three Forest Service regional offices—including Missoula's—were being recycled off to Denver and other more efficient spots, the chief of the Forest Service announced that 1.8 billion more board feet would be cut on federal forests this year than last.

Each announcement lent poignancy to the other. If some of the demand for more wood hits western Montana forests and would lead to timber mining in some areas, the dialogue about it will have to be conducted between here and Denver rather than between here and here. Distance from the ground helps foolish men do foolish things, and makes protest concerning any action more difficult.

The key question facing Missoula forest products employes and environmental buffs is not the loss of local payroll. It is this: What administrative tentacles will link western Montana to Denver? What administrative conduits will be laid so that communications concerning all aspects of forestry will be efficient and responsive?

Despite claims that this reorganization off to Denver is being done for more efficiency, that crucial communications question remains unanswered. Until an answer is forthcoming, the real uncertainty and heartache about all this will persist.

EXECUTIVE OFFICE OF THE PRESIDENT, OFFICE OF MANAGEMENT AND BUDGET,
Washington, D.C., May 4, 1973.

Hon. MIKE MANSFIELD,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MANSFIELD: I looked into the matter of Forest Service regional boundaries immediately following our conversation the other evening.

It turns out that the decision to alter the boundaries and the regional office locations had already been made and was announced on April 24. I am assured that your views on the matter were on record and had been considered in the decision. I also understand that your office was notified prior to official announcement. You will shortly receive an explanatory reply to your letter to the President outlining the reasons for the decision and the expected benefits.

There appears to be little inclination either in the Department or in OMB to reopen this decision so recently announced. However, I am sure that the Department will do all it can to minimize the potential adverse consequences in your area, and, if you wish, I would be pleased to arrange for Assistant Secretary of Agriculture Long and Chief McGuire of the Forest Service to meet with you to provide a detailed explanation of the reasoning behind this decision and a briefing on their transition plans.

I'm sorry I cannot be of more assistance in this particular matter.

Sincerely,

JOHN C. SAWHILL,
Associate Director.

U.S. SENATE,
OFFICE OF THE MAJORITY LEADER,
Washington, D.C., May 8, 1973.

Hon. EARL L. BUTZ,
Secretary, Department of Agriculture,
Washington, D.C.

DEAR MR. SECRETARY: In connection with the proposed centralization of national forest supervision announced on 24 April 1973, you are hereby requested to make available the following information.

1. Each and every study, report and analysis with all of the supporting evidence, which shows the efficiencies (or inefficiencies) of the proposal to transfer regional offices and personnel, and consolidate or change national forests.

2. For Region 1 for the fiscal years 1971, 1972, 1973 through 1 April 1973 separately by years:

(a) travel by individuals and purpose from Regional office to one or more Forest offices including time, distance, mode of travel and cost for the portion from the Regional office to first stop. Please show comparable cost under proposed change.

(b) travel by individuals and purpose from each national forest to Regional office with data as above. Please make similar comparison as above.

3. Decsribe facilities to be vacated or abandoned by move, cost, value, etc., and the cost of new facilities in Denver and Portland and the net financial impact. Show cost to move equipment, etc.

4. By job title list personnel affected by proposed transfer.

(a) show estimated cost to transfer, including movement of household goods, sale of home, relocation expense and cost to move family, etc.

(b) for each position to be "abolished" show results of various inspections over past four years that discuss the position and summarize whether they recommended strengthening or abolishing position.

(c) for each position to be transferred show results of various inspections over past four years that discuss position and summarize whether they recommended transfer and the reasons therefor and whether they recommended transfer as now planned.

5. Based on the proposal, show analysis of how cost of doing business and effectiveness will be changed by making the changes advocated.

6. One part of your proposal suggests that New Mexico, which has five national forests, be attached to the proposed Atlanta Region. However, Alaska, which has three national forests, is proposed to remain as a Region. Please list the most direct mileage by the most expeditious modes of transportation from:

(a) Atlanta to each New Mexico forest headquarters.

(b) Albuquerque to each New Mexico forest headquarters.

(c) Denver to each New Mexico forest headquarters.

Show the differences in time and cost for each and time as above.

(d) Distance from Missoula to each forest headquarters in Region 1 as now existing.

(e) Same information from Denver or Portland to each forest in proposed revision.

Show the differences in time and cost for each.

(f) Show distance and time from Juneau to each Alaska national forest.

(g) Show same data from each Alaska national forest to Portland.

Show distance in time and cost for each.

(h) Show the key elements of business for each national forest in Alaska, Region 1, and New Mexico, and using time to travel, distance and cost explain the logic of retaining the Alaska "Region" rather than attaching to Portland, the logic of attaching New Mexico to Atlanta rather than leaving as is or attaching to Denver, and the logic of attaching Region 1 forests to Denver and Portland, rather than leaving "as is."

In summary, we want a full and complete explanation of all pertinent facts that demonstrate the efficiency of your proposal. If such studies were not made prior to the date when this proposal was ordered into effect and these data would have to be developed specially to answer our request, any such question can be answered by the statement "Do not know." However, you are advised that the absence of such studies and hard cost and benefit analyses will be considered as extremely significant factors in weighing whether the proposed revamping of the Forest Service structure advances or significantly retards efficient operation of these public assets in the national interest.

We will appreciate a reply at your earliest convenience. Please send a copy of your response to Senator Alan Bible, Chairman, Subcommittee on Interior and Related Agencies, Senate Committee on Appropriations.

Very truly yours,

MIKE MANSFIELD,
U.S. Senate.
LEE METCALF,
U.S. Senate.

U.S. SENATE,
Washington, D.C., May 3, 1973.

THE PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: We were extremely disappointed to learn that the Department of Agriculture has decided to adjust its regional organization to fit within the standard federal region structure and thus phase out the regional offices at Ogden, Utah, Albuquerque, New Mexico, and Missoula, Montana, and the experiment station headquarters at Ogden and Asheville, North Carolina

We respectfully request that this proposal be reconsidered. Although the new regional concept is sold as an economy move to increase efficiency and effectiveness in managing the national forests, we see it as a negative action which will result in less staff responsibility for more area, increased bureaucracy, and the creation of more distance between the forest managers and the users.

We can understand the logic of concentration in the standard regional offices of those organizations which exist to administer programs emanating from Washington. But the essential program of the Forest Service is to manage national forest land areas, and the present locations were chosen because they were most convenient to those areas. It does not seem wise to us to destroy this convenience simply to satisfy the theoretical desire to get all regional offices in one place.

Because of the serious effect these proposed changes will have on our states' economies, we have met with Department of Agriculture officials to try to resolve this problem. Now we must turn again to you to urge that this order be rescinded.

As you know, from the very beginning of the Forest Service, these regional offices have been located in Ogden, Albuquerque and Missoula. Region I headquarters at Missoula, Montana is one of the most active regions where there are mounting demands for increased timber sales requiring additional on-the-ground management of the forests. Moving the headquarters from Missoula to Denver as proposed would create very difficult problems of communication and transportation. This would place this large Region some eight hundred miles away from Denver. In addition, Region I operates the smokejumper school and the Forest Fire Research Laboratory and associated research facilities at both Montana Universities at Bozeman and Missoula. This proposed move would be an economic blow to this western Montana city and would not provide any great economic benefit to the government. It would, in fact, reduce the proper management of one of the nation's busiest national forest areas.

Of all the announced changes in the regional reorganization of the Forest Service, the relocation of the Albuquerque office to Atlanta is the most nonsensical. The abolition of a regional office that has successfully administered over 20 million acres of forest land since 1908 is completely unwarranted. It would be impossible for Atlanta to successfully administer New Mexico's forest which contain half of the region's total acreage, from over 1,500 miles away. It is equally unlikely that New Mexico will receive the proper representation from the Atlanta region since the areas have completely different topographic, climatic and forestry problems.

Another case in point is the Intermountain Region, which includes all of Utah, southern Idaho, western Wyoming, all of Nevada and a tiny segment of California. For the most part, this is Great Basin country with high temperatures in the summer, moderately cold ones in winter and precipitation amounts that are less than generous. These factors, plus a general similarity of soil have created plant groupings that lend themselves to the same general management techniques. To split the Intermountain Region would run the risk of taking a team of experts, skilled in managing one particular vegetative situation and scattering team members to where they would no longer be effective. This is hardly an efficient use of taxpayer monies. In addition, closing the Ogden Regional Headquarters will leave the Ogden Federal Building almost empty, leaving a very bitter taste in the mouths not only of the Forest Service employees, but also of the local voters.

We cannot accept the explanation that the regional Forest Service offices must conform to the standard Federal regional structural concept. Since the Forest Service's objective is to administer forests, its regional offices must be located where the majority of the forests are.

Again, we strongly urge that this proposal be reconsidered and that practical values be put above theoretical conformity.

Sincerely,

Wallace F. Bennett,
Mike Mansfield,
Pete V. Domenici.

April 28, 1973.

The President,
The White House,
Washington, D.C.

Dear Mr. President: On my return to the city from an official visit to Mexico, I was very disturbed and disheartened to learn that the Secretary of Agriculture had announced the U.S. Forest Service Regional reorganization during the Easter recess. You may recall that I discussed this matter with you at our last breakfast meeting.

In my estimation this effort to adjust this agency's regional organization to fit with the standard Federal regional structure is unwise and unnecessary. As I recently indicated to you, I am very much opposed, not only because it would mean the closing of the Region I headquarters at Missoula, Montana, but it will create similar problems elsewhere in the west. Moving the headquarters from Missoula to Denver will create some very difficult problems of communication and transportation. Region I, which administers one of the largest National Forest areas, would be some eight hundred miles away from Denver, which now administers Region II.

The Forest Service can be logically exempted from the Federal regional structure because of the nature of its business. Our National Forests are a renewable resource and require continual on the ground management. At a time when there are greater demands on our National Forests it is necessary that the administrative and operational personnel be located in close proximity. Also National Forests are scattered throughout the nation, and they are not uniformly located so as to conform to the United States regional structure.

This proposed reorganization is inefficient, and I cannot envision any financial savings whatsoever. Candidly, I feel that whoever developed this plan is not aware of the resources or the land area involved. You may remember that on your trip to Libby Dam in Montana you flew over a part—a very small part—of Region I's area.

I cannot let this matter rest, and I will be discussing the situation with my colleagues. In your capacity as Chief Executive you can perform a much needed service, in full accord with your policies, by rescinding the Secretary's order.

Respectfully,

Mike Mansfield.

April 24, 1973.

Senators Mansfield and Metcalf said the announcement by the Nixon Administration that the Regional Forest Service Office at Missoula will be transferred to Denver "is another example of this Administration's distorted view of our natural resource priorities.

"This is not an economy move, but rather a stupid, shortsighted, ill-advised decision which will hinder the proper management of forest resources which are basic to the economy of Montana and the nation," the Montana Senators said in a statement from their Washington offices.

"President Nixon's budget ax has now fallen on an effective facility for the management of important timber resources.

"The personnel most familiar with forest management problems and programs and who have first-hand knowledge and experience will now be required to make decisions in an urban area far from the forest resource they must manage.

"The transfer of management from the immediate vicinity of programs and from the center of the resource will only result in misunderstanding and additional bureaucratic red-tape."

Another important factor, according to the Montana Senators, is that the citizens living in the Forest Service area will not be able to present their views effectively to the officials who will make the decisions.

"Instead, they will have to travel some 800 miles to Denver to present their views, which in our opinion is not in line with the Nixon Administration's policy directive that the government should be close to the people," the Senators said.

"Previous Administrations have considered the Forest Service facilities at Missoula as an outstanding example of how a Federal agency can work with the local citizens in the effort to establish sound management policies and practices.

"But this Administration doesn't want citizen participation in the decision-making process on managing the resources of our national forests.

"The Regional Office in Missoula, along with the fire control center, the forestry research center and the School of Forestry, University of Montana, are important groups attempting to solve many of the problems of forest management."

"This effective team must not be dismantled," the Senator said. "Instead, it would be economically sound to continue the various forest service and university facilities in the same community, and near the center of the resource that they must protect and manage for our benefit and for future generations."

"We will fight this move. We will not stand by and approve a closure decision made by a so-called management expert who doesn't know the difference between chip wood and a tree."

Lee Metcalf,
U.S. Senate.

Statement of Senator Mike Mansfield (D. Montana) Interior Appropriations—Fiscal Year 1974

Mr. Chairman, it is always a pleasure to appear before the Subcommittee on Interior Appropriations because this is one of the appropriations bills which has significant influence on my State of Montana. Montana is a large rural state with an abundance of natural resources. The management of these resources by the Federal government is of vital concern. There are two items I wish to address myself to this morning. Senator Lee Metcalf joins me in expressing our concern and will appear before the Subcommittee tomorrow, May 10th.

Mr. Chairman, I also bring with me a prepared statement on behalf of Senator Metcalf and myself on a number of items in the Interior Appropriations Bill for Fiscal Year 1974. I ask that these recommendations be made a part of the record of this hearing at the conclusion of my remarks.

Now, I turn to a matter of extreme concern and overriding importance to the Montana Congressional Delegation. During the Easter recess, the Secretary of Agriculture announced the reorganization of the U.S. Forest Service regional operation, reducing nine regions to six to conform with the existing Federal regional complex. At the outset, such action may appear useful. However, anyone aware of the activities of this Federal agency immediately recognizes that such a reorganization is ridiculous, impractical, and will not save the Federal Government one cent. I am sure that my sentiments are shared by my colleagues from the States of Utah, New Mexico, and North Carolina, all of whom are being hard hit by such action.

Region I which is located at Missoula, Montana, and has been since the Forest Service established its regional system. Region I administers one of the most active national forest areas in the Nation. There are great demands for increased timber sales, improved management. Several important research facilities are located in the area. The Administration now proposes to move the Regional Headquarters to Denver and consolidate Region I and II. Denver is some 800 to 900 miles away without direct public transportation between the two points. The other regional headquarters under this plan in the area is Portland, which is equally inaccessible. There is no way in which I can be convinced that the affairs of Region I can be administered more efficiently from Denver. There are indications that the residents of Denver are not too happy about absorbing this new influx in a city experiencing some serious growth problems.

The problems and day to day business of Region II will obviously receive more attention because of their near proximity. Region I will suffer and become a stepchild. Incidentally, the Colorado State Senate passed a Resolution by a vote of 29 to 4 asking the Forest Service not to transfer the affected additional personnel to Denver.

Region I is made up of the State of Montana, northern Idaho, eastern Washington, and the grasslands in North Dakota and northern South Dakota. Region I headquarters in Missoula administers 26,126,940 acres of National Forest lands. There are 16 national forests within its jurisdiction, 10 in my State, five in Idaho, and one in Washington. The vast majority of the national forests in Montana are in western Montana and if we look at a map we can see that Missoula is the logical, central location. Region II administers 20,000,000 acres of national forest. There are 186,000,000 acres in the entire national system of forest lands. The United States is a very large landholder and it does not seem unreasonable to ask that they continue to be administered from nine regional headquarters. Building up an even larger administrative monster in Denver, in addition to the one in Washington, D.C., is not going to simplify matters. Such action takes away more responsibility and action from local authority.

This is not decentralization of gov't but rather a new and aggravated type of centralization on a regional basis at the expense of the states. If the gov't wants to really decentralize it ought to move many of its offices and bureaus out of Washington, D.C. and the metropolitan area where they are an octopus and where they are running hog-wild.

I do not know what the lumber industry thinks about this move but, if the national forests in Western Montana and Idaho, and nearby areas are to be properly administered, with necessary management, timber sales, surveillance and research, it is going to have to be from the Regional Headquarters in Missoula.

The proposed move of the Regional Headquarters from Missoula would admittedly be a severe economic blow but, in any other terms, it is also very impractical. The activities of the Forest Service are not the same as other Federal agencies. This agency is involved with the day-to-day management of a renewable resource and, if these personnel are to do a good job, they can't do it from afar. That is just exactly what would happen if the administrative arm of the agency is moved to Denver. There are rumors that the Department wants to move more personnel into the forests for on-the-ground management. I think this is an excellent plan but that does not mean that regional administrative management should be from afar. Movement of some personnel now in the regional office into the individual national forests would be useful.

The U.S. Forest Service has been an active and innovative Federal agency for most of its lifetime and I am now concerned with an obvious effort to clip its wings. If given the proper budget and number of personnel, I am confident that they will provide the management of this great national resource that the citizens of this Nation deserve.

My colleague, Senator Metcalf, and I are adamantly opposed to this reorganization plan for the Forest Service. It is ridiculous to think that it can be effectively made to conform with the overall Regional plan for other Federal activity. One of the fallacies of the computer age in which we live is that everything can conform to an IBM card but not necessarily to people. I ask why not? I think that the members of the Committee know that one of the difficulties we encounter in the legislative process is how to apply national legislation and regulations to the urban and rural, the large and the small, the corporate interests, and the individual. We must have accommodation and I firmly believe that the activities and purposes of the U.S. Forest Service are unique and the present regional setup should be maintained.

After discussing this matter with my concerned colleagues, it is quite apparent that Congress is going to have to take some appropriate action to prevent this reorganization. I propose that the Appropriation Bill for the Department of the Interior and Related Agencies, Fiscal Year 1974, include language in the text of the bill prohibiting the use of any existing funds or those appropriated in the new bill for purposes of reorganizing the Regional operations of the U.S. Forest Service. I intend to pursue this matter through other avenues, but I am confident that a restriction through the appropriation process is the most immediate.

If there are questions about the current effectiveness of the Regional setup, then I suggest a special Commission to review the Regional operations to determine their usefulness. Such a study group should include the Federal agencies, Congress, the lumber industry, and the environmentalists. Such a study should be a prerequisite before any Regional reorganization proceeds.

Mr. Chairman, before proceeding to another subject I ask permission to include in the record of this hearing a series of clippings and correspondence pertinent to U.S. Forest Service Reorganization.

MHD AND THE ENERGY CRISIS

Mr. Chairman, I would now like to turn to another subject of tremendous importance to Montana. The "Energy Crisis" is demanding a considerable amount of attention in recent weeks. Any number of solutions are being offered.

One of the most often discussed new sources of energy is the vast deposits of low-sulphur coal in Eastern Montana and our neighboring states of North and South Dakota and Wyoming. The people of the Big Sky Country are alarmed at the potential of unregulated and poorly planned extraction of these resources. The need for preplanning, reclamation, and other controls are not matters of concern to this Committee other than to impress upon you the need to provide the appropriate Federal agencies with sufficient financial resources to plan and monitor developments in this area.

My purpose this morning is to restate the sentiment of my colleagues and many others—these coal deposits are not the only and most immediate answer to the energy crisis. Most of the information available to me indicates that the real answers to the crisis are a combination of improved practices of conservation and expanded research in new areas of energy production.

If the coal resources of Eastern Montana are to be developed with proper planning and reclamation, this should be done with a maximum of efficiency and a minimum effect on our water resources and the environment. It is for this reason that I appeal to the Subcommittee to increase the funds appropriated for research and development of the magnetohydrodynamics process most frequently referred to as MHD. There are a number of processes which can use low sulphur coal but none more efficiently than MHD. This promises to be the cleanest coal energy system, providing better utilization and a minimum requirement for water which is such a precious resource in the West. MHD technology has not come along as far as I had hoped, due in part to inadequate interest and support within the Administration. The time has come to proceed rapidly to the pilot scale laboratory state of experimentation. I concur in recommendations that a minimum of $8 million be appropriated for this program in the next Fiscal Year. I believe the Administration has requested $3 million. It is time that we move forward—the prospects are encouraging. No other source of power generation is available before another five to eight years.

Extraction of coal can proceed to feed less efficient systems now in operation, but only at the expense of the eastern half of the Nation's fourth largest state. I do not intend to let this happen. I am confident that people of Montana stand behind me in this regard. MHD provides a far more efficient utilization of these resources. It is my hope that the Subcommittee will increase funds requested for MHD research and development in the next Fiscal Year to a level of $8 million.

Senator Metcalf will appear tomorrow and intends to reinforce what I have said today. In addition, he will introduce a panel of experts who will report on what has been done in MHD, where we are going, and how best the Federal Government can support this effort.

Thank you.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Does the acting minority leader desire recognition?

Mr. GRIFFIN. No, Mr. President.

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Michigan is recognized for not to exceed 15 minutes.

Mr. GRIFFIN. I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, will the distinguished Senator from Michigan yield me 1 minute?

Mr. GRIFFIN. I yield.

REFERRAL OF H.R. 5452 TO COMMITTEE ON COMMERCE AND COMMITTEE ON LABOR AND PUBLIC WELFARE

Mr. MANSFIELD. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on H.R. 5452.

The ACTING PRESIDENT pro tempore laid before the Senate a message from the House of Representatives on H.R. 5452, which was read twice by its title.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that H.R. 5452, to extend and make technical corrections to the National Sea Grant College and Program Act of 1966, which passed the House of Representatives yesterday and is now at the Senate desk for reference, be jointly referred to the Committee on Commerce and the Committee on Labor and Public Welfare, since a like Senate bill has already been so referred.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MANSFIELD. I thank the distinguished acting minority leader.

Mr. GRIFFIN. I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. McGOVERN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

VICTORY FOR CONGRESS

Mr. MUSKIE. Mr. President, yesterday, the U.S. District Court for the District of Columbia handed down a significant decision which upheld the intent of Congress to assure adequate financial resources to clean up the Nation's waterways in the next decade.

The court, in deciding City of New York against Ruckelshaus ordered EPA to allot the full $11 billion in construction grant funds authorized by Congress last year over the President's veto. As we know, the President had ordered withholding of $6 billion of these allotments. In reviewing that action, the court stated:

> The language of the pertinent sections of the Act, read in the light of their legislative history, clearly indicates the intent of Congress to require the Administrator to allot, at the appropriate times, the full sums authorized to be appropriated by § 207. Hence, this Court has no choice other than to declare that § 205(a) of the Act requires the Administrator to allot among the states $5 billion for fiscal year 1973 and $6 billion for fiscal year 1974.

This court decision is a victory for the Congress, for the cities, for the American people, and for clean water.

I ask unanimous consent that the full text of the decision be printed in the RECORD at this time.

There being no objection, the text of the decision was ordered to be printed in the RECORD, as follows:

[U.S. District Court for the District of Columbia, Civil Action No. 2466–72]

OPINION

(The city of New York, on behalf of itself and all other similarly situated municipalities within the State of New York, Plaintiff, the city of Detroit, Plaintiff-Intervenor, v. William D. Ruckelshaus, as Administrator of the United States Environmental Protection Agency, Defendant)

This is an action for a declaratory judgment and mandamus to compel the defendant, William D. Ruckelshaus, until recently Administrator of the United States Environmental Protection Agency ("the Administrator") to comply with the Federal Water Pollution Control Act Amendments of 1972, 86 Stat. 816 (hereafter termed "the Act").[1] Plaintiff is the City of New York, suing on behalf of itself and all similarly situated municipalities within the State of New York. The City of Detroit has been granted leave to intervene as a party plaintiff seeking the same relief. The action is brought pursuant to § 505(a) of the Act and 5 U.S.C. §§ 701–706; jurisdiction is alleged on the grounds of 28 U.S.C. §§ 1331, 1332, and 1361.

Plaintiff and plaintiff-intervenor allege that § 205(a), taken together with § 207, of the Act requires the Administrator to allot among the states the sums of $5 billion for fiscal year 1973 and $6 billion for fiscal year 1974, thereby making such sums available for obligation on sewage treatment works construction approved by the Administrator for federal funding. It is further alleged that the Administrator has violated this statutory requirement by promulgating, at the express direction of the President of the United States, a regulation, effective December 8, 1972,[2] which allotted among the states for fiscal years 1973 and 1974 "sums not to exceed $2 billion and $3 billion respectively." The case is now before the Court on plaintiff's motion to determine that this suit may be maintained as a class action, defendant's motion to dismiss, and the motions of plaintiff and plaintiff-intervenor for summary judgment.[3] Also before the Court for consideration are the pleadings, oppositions, affidavits, and arguments by counsel in open Court.

The Court's characterization and analysis of the issues in the case will be clearer if the mechanism set up under the Act for funding the construction of sewage treatment works is briefly outlined. The Act reverses the normal procedure whereby sums are appropriated by Congress and thereafter contractually obligated by the appropriate agency. Instead, Congress has, in § 207, authorized certain specific sums to be appropriated to carry out the purposes of Title II of the Act, Grants for Construction of Treatment Works. The Administrator is required by § 205 to allot the sums among the states according to a time schedule and needs formula set up under the Act.[4] (Whether the full sums authorized to be appropriated must be allotted or only a portion of them—the size of the portion being within the Administrator's discretion—is the central issue disputed by the parties.) Once allotted, the sums become available for obligation, i.e., contract authority exists up to those amounts. The Administrator reviews grant applications submitted by States and municipalities for federal funding of particular waste treatment projects to determine whether they satisfy criteria set forth in the Act, e.g., in § 204. Once the Administrator approves the plans, specifications, and estimates for a project, a contractual obligation arises to pay the federal share allocable to that project.[5] Funds are then appropriated to liquidate the obligations as they fall due; the final step, actual disbursement of the funds, is then made. It is clear from this sequence that *allotment* is not tantamount to *expenditure* or even commitment of the funds.

Another feature of the Act which is of some importance in the resolution of issues before the Court is the reallotment provision in § 205(b)(1) of the Act. Once allotted to a State, sums are available for obligation for approved projects there "for a period of one year after the close of the fiscal year for which such sums are authorized." If for any reason the sums allotted are not fully obligated within that period, they are to be reallotted "generally on the basis of the ratio used in making the last allotment of sums under this section." Such reallotted sums remain available for obligation and are added to the State's allotment for the next fiscal year. Any sums authorized but not allotted at the appropriate time are lost to the State under the provisions of this Act. Thus, by refusing to allot the full sums authorized, the Administrator controls the absolute amount (as opposed to the rate) of spending without regard to the standards set forth in, e.g., § 204, for determining whether sums should be obligated.

Having set forth the framework of the Act within which the dispute now before the Court has arisen, the Court will proceed to the issues. First to be dealt with are jurisdictional issues raised in the defendant's motion to dismiss and his opposition to plaintiff's motion for summary judgment. Defendant contends that this Court lacks the requisite jurisdiction because the doctrine of sovereign immunity bars the suit and because the action fails to present a justiciable case or controversy. The Court does not agree with these contentions and will deal with them only briefly.[6]

Two well-settled common law exceptions to the doctrine of sovereign immunity are set forth in two cases cited by defendant, *Dugan v. Rank*, 372 U.S. 609, 621–22 (1963), and *Larson v. Domestic & Foreign Commerce Corporation*, 337 U.S. 682, 689–90 (1949); and plaintiff's action falls squarely within the exception covering suits challenging actions by federal officers which go beyond the scope of their statutory powers. Defendant is not aided by the general rule set forth in *Land v. Dollar*, 330 U.S. 731, 738 (1947), to the effect that where the judgment sought "would expend itself on the public treasury or domain, or interfere with the public administration," the suit is in reality brought against the sovereign; for as subsequent discussion will reveal, the relief sought by plaintiff in the action does not require the expenditure of unappropriated public funds (or indeed of any public funds at all), nor will it interfere with the lawful exercise of defendant's discretionary powers under the Act.

A second reason for rejecting the sovereign immunity defense as a bar to this action is the fact that plaintiff is seeking review in part on the basis of the Administrative Procedure Act, 5 U.S.C. §§ 701–706; the rule in this Circuit is that the A.P.A. constitutes a waiver of sovereign immunity in actions to which it applies. *Scanwell Laboratories, Inc. v. Shaffer*, 137 U.S. App. D.C. 371, 385, 424 F. 2d 859, 873 (1970); *Constructores Civiles de Centroamerica, S.A. v. Hannah*, 148 U.S. App. D.C. 159, F. 2d 1183 (1972). Defendant has sought to distinguish *Scanwell* by contending that there was no question there of any "disposition" of government funds, whereas the instant case presents a "demand" for such funds. As already indicated, this argument must fail because defendant has misconstrued the nature of the relief sought. Plaintiff is demanding only that funds be *allotted* as, in its view, Congress required.

Defendant contends that this action fails, for two reasons, to present a justiciable case or controversy. First it is argued that the action is hypothetical and premature and hence does not fall within the limits of federal court jurisdiction as defined by Article III of the Constitution.

It is true that Article III confines federal courts to the adjudication of cases and controversies and forbids the rendering of advisory opinions. *Golden v. Zwickler*, 394 U.S. 103, 108 (1969). Where a declaratory judgment is sought, the plaintiff must show a "substantial controversy between parties having adverse legal interests of sufficient immediacy and reality" to warrant its issuance. *Maryland Casualty Company v. Pacific Coal & Oil Company*, 312 U.S. 270, 273 (1941). Defendant contends that because plaintiff has no guarantee that projects for which it seeks funding under the Act will be approved, refusal to allot, and thus make available for obligation, the full amounts authorized to be appropriated in § 207 of the Act does not amount to action that is adverse to any real or immediate interests of plaintiff. This argument fails on several grounds. Plaintiff has filed an affidavit of the Commissioner of the Department of Water Resources for the City of New York averring that the City has received approval from the United States Environmental Protection Agency (EPA) for two waste treatment projects, and that because of the reduced allotments, plaintiff's share of available federal funds "will permit only a token start toward completion." (Affidavit of Martin Lang dated April 3, 1973, 115–6).[7] Defendant has not disputed these assertions of fact. Even were plaintiff's grant application still under study, however, there would be more than a merely speculative injury; for as affidavits filed by both plaintiff and plaintiff-intervenor indicate, the reduction in allotments has resulted in serious planning delays that will necessarily retard the development of sewage treatment facilities. (Affidavit of Martin Lang, dated February 8, 1973, 111; affidavit of Gerald Remus, dated March 15, 1973, 112). The seriousness of the planning problem was understood by Congress. It was one of the reasons for utilizing the device of allotment, thereby making funds available for obligation, in lieu of the ordinary appropriations procedure.

Congressman William Harsha, one of the managers of the bill, observed during debate on a proposed amendment to H.R. 11896[8] which would have substituted the normal appropriations process for the allotment mechanism that "it is essential that the States, the interstate agencies and the cities have both the ability for and a basis for long-range planning, construction scheduling and financing waste treatment plants, including the sale of bonds that they have to sometimes negotiate." CONGRESSIONAL RECORD, vol. 118, pt. 9, pp. 10757–10758. When there is uncertainty concerning how much will be allotted in a given year, municipalities cannot properly plan the scale of projects for which to seek federal funding.

Still another way in which plaintiff is injured by the Administrator's refusal to allot the full amount of the sums authorized to be appropriated by § 207 lies in the permanent loss of funds not allotted at the appropriate time. Such funds cannot thereafter be made available for obligation even if grant applications which, in the Administrator's determination, meet all the requirements of the Act are submitted and the current allocations are insufficient to pay the authorized federal share.

Considering all of the ways in which plaintiff's interests are imminently threatened by the Administrator's action under challenge here, it seems clear that there exists an injury sufficiently concrete to create a real controversy in which plaintiff has a genuine stake; and in ruling on the legality of the Administrator's action alleged to be the cause of this injury, the Court is not rendering a mere advisory opinion.

Defendant's other ground for urging the Court to find the subject matter of this action nonjusticiable is the contention that the matter at issue is a "political question" which the Court is barred from considering by reason of the doctrine of separation of powers. Certainly it is true that this Court could not decide a case if it presented a political question. *Powell v. McCormack*, 395

Footnotes at end of article.

U.S. 486, 518 (1969); *Coleman v. Miller*, 307 U.S. 433 (1939). Criteria to be used in determining whether a political question is presented have been set forth by the Supreme Court in *Baker v. Carr*, 369 U.S. 186, 217 (1962). There Mr. Justice Brennan, writing for the majority, declared:

"Prominent on the surface of any case held to involve a political question is found a textually demonstrable constitutional commitment of the issue to a coordinate political department; or a lack of judicially discoverable and manageable standards for resolving it; or the impossibility of deciding without an initial policy determination of a kind clearly for nonjudicial discretion; or the impossibility of a court's undertaking independent resolution without expressing lack of the respect due coordinate branches of government; or an unusual need for unquestioning adherence to a political decision already made; or the potentiality of embarrassment from multifarious pronouncements by various departments on one question."

The Administrator contends that at least two of the considerations listed by Mr. Justice Brennan are applicable to the instant case, namely, (1) something "very close" to a "textually demonstrable" commitment of power to control spending in the grant of executive power in Article II of the Constitution; and (2) a "lack of judicially discoverable and manageable standards for resolving" the question whether particular expenditures should be made. Even assuming arguendo that the Constitution gives to the President and his subordinates unreviewable authority to determine whether particular expenditures authorized by Congress should be made at a particular time, it is clear that the instant case presents none of the problems cited by the defendant. Counsel's position on this point must fail simply because he has not correctly characterized the issue before the Court. The Court is not being called on to determine whether the Administrator should spend any given amount of money for sewage treatment works. Rather the Court is being asked by plaintiff to require the Administrator to perform what it alleges to be a purely ministerial duty under the Act, that of allotting—and thus making available for obligation—the sums authorized to be appropriated in Section 207 of the Act.[9] There is no "textually demonstrable constitutional commitment" of this responsibility to the executive branch, and there is no difficulty in discovering standards for resolving the issue before the Court. Either the Administrator is required by the Act to allot the full amount of the sums authorized to be appropriated in § 207 or he is not so bound.

The Court is not overstepping its authority in deciding this question, for as our Court of Appeals recently declared: "In our overall pattern of government, the judicial branch has the function of requiring the executive (or administrative) branch to stay within the limits prescribed by the legislative branch." *National Automatic Laundry and Cleaning Council* v. *Schultz*, 143 U.S. App. D.C. 274, 280, 443 F.2d 689, 695 (1971). Even more recently, the Eighth Circuit Court of Appeals, citing *inter alia* the opinion in *National Automatic Laundry* determined that a challenge to the legality of a decision by the Secretary of Transportation to defer obligation of funds already apportioned to the State of Missouri under the Federal-Aid Highway Act of 1956, as amended, 23 U.S.C. § 101 *et seq.* (1970), presented a justiciable issue. The question was whether the Secretary had any discretion at all so to act. *The State Highway Commission of Missouri* v. *Volpe*, Civil No. 72-1512 (8th Cir., April 2, 1973).

It seems clear, then, that for the reasons given and on the basis of the authorities cited, this Court is not barred from reaching the merits of this case either by the doctrine of sovereign immunity or by a lack of a justiciable case or controversy. *Hence, it is appropriate now to proceed to the question raised in plaintiff's summary judgment motion, i.e., whether the Administrator had discretion to refuse to allot the sums authorized to be appropriated in § 207 of the Act, or—put the other way around—whether allotment of those sums is a purely ministerial act. The Court may resolve this question on summary judgment because the defendant, in his Statement submitted pursuant to Local Rule 9(h), has not set forth any specific facts showing that there is a genuine issue for trial. See* Rule 56(e), F. R. Civ. P.

Resolution of the issue whether the Administrator is required under the Act to make the allotments in question here turns primarily on the meaning of § 205(a) and § 207 of the Act, which read as follows:

"ALLOTMENT

"SEC. 205. (a) Sums authorized to be appropriated pursuant to section 207 for each fiscal year beginning after June 30, 1972, shall be allotted by the Administrator not later than the January 1st immediately preceding the beginning of the fiscal year for which authorized, except that the allotment for fiscal year 1973 shall be made not later than 30 days after the date of enactment of the Federal Water Pollution Control Act Amendments of 1972. Such sums shall be allotted among the States by the Administrator in accordance with regulations promulgated by him, in the ratio that the estimated cost of constructing all needed publicly owned treatment works in each State bears to the estimated cost of construction of all needed publicly owned treatment works in all of the States. For the fiscal years ending June 30, 1973, and June 30, 1974, such ratio shall be determined on the basis of table III of House Public Works Committee Print No. 92-50. Allotments for fiscal years which begin after the fiscal year ending June 30, 1974, shall be made only in accordance with a revised cost estimate made and submitted to Congress in accordance with section 516(b) of this Act and only after such revised cost estimate shall have been approved by law specifically enacted hereafter.

"AUTHORIZATION

"SEC. 207. There is authorized to be appropriated to carry out this title, other than sections 208 and 209, for the fiscal year ending June 30, 1973, not to exceed $5,000,000,000, for the fiscal year ending June 30, 1974, not to exceed $6,000,000,000, and for the fiscal year ending June 30, 1975, not to exceed $7,000,000,000."

In urging its interpretation of these sections, plaintiff places emphasis on the phrase "shall be allotted" in § 205(a), contending that the use of "shall" rather than "may" makes plain the mandatory character of this section. The Administrator defends his interpretation (namely, that he has discretion to decide how much to allot) primarily on the grounds that H.R. 11896, the bill from which § 205 and § 207 of the Act are derived, was amended in conference by the insertion of the phrase "not to exceed" before each of the sums specified in § 207 and by the deletion of the word "all" before the phrase "Sums authorized to be appropriated" in § 205(a); both amendments, it is contended, are substantive changes meant to give the Administrator the discretion to withhold allotments as he has done. Given the arguments of the parties, a "plain meaning" analysis is obviously inadequate to the task at hand. Rather, the Court must examine the relevant legislative history to determine whether Congress intended to give the Administrator the kind of discretion he claims to have under the Act. *The Wilderness Society v. Morton*, Nos. 72-1796, 1797, 1798 (U.S.App.D.C., February 9, 1973), slip op. at 22.

Of particular importance are the views of sponsors of the legislation in question. See, e.g., *First National Bank of Logan, Utah* v. *Walker Bank and Trust Co.*, 385 U.S. 252, 261 (1966); *Schwegmann Bros.* v. *Calvert Distillers Corp.*, 341 U.S. 384, 395-95 (1951); *Kansas City, Mo.* v. *Federal Pacific Electric Co.*, 310 F.2d 271, (8th Cir. 1962), *cert. denied*, 371 U.S. 912, and 373 U.S. 914. *Specifically, the Court can properly look to the expressed views of Congressman William Harsha, who is the ranking minority member of the House Committee on Public Work, which reported H.R. 11896, and who was also the bill's floor manager and a member of the conference committee which worked out the final language of the Act, and the views of Senator Edmund Muskie, who is Chairman of the Senate Subcommittee on Air and Water Pollution, which reported the Senate version, S. 2770, and who was floor manager of that bill and a member of the conference committee. It was Congresman Harsha who sponsored the amendments on which the Administrator relies.*

An examination of pertinent portions of congresional debates quoted by both plaintiff and defendant reveals that *Congressman Harsha intended his amendments not to make any substantive change in the bill but rather to clarify* (or "emphasize," to use his own term) the point that the Administrator was to have discretion regarding the *obligation and expenditure* of funds authorized to be appropriated under the Act. Thus, in explaining his amendments, Congressman Harsha said: "I want to point out that the elimination *of the* word 'all' before the word 'sums' in section 205(a) and insertion of the phrase 'not to exceed' in section 207 was intended by the managers of the bill to emphasize the President's flexibility to control the *rate of spending.*" CONGRESSIONAL RECORD, volume 118 part 25, page 33754 (emphasis added). Moreover, it is clear from an exchange of remarks by Congressman Robert Jones of Alabama, Chairman of the conference committee, Congressman Gerald Ford of Michigan, and Congressman Harsha, that this intent was made known to the House, which later voted in favor of the legislation as amended. That exchange is recorded as follows:

"Mr. GERALD R. FORD. Mr. Speaker . . . I think it is vitally important that the intent and purpose of section 207 is spelled out in the legislative history here in the discussion on this conference report.

"As I understand the comments of the gentleman from Ohio [Harsha], the inclusion of the words in section 207 in three instances of "not to exceed" indicates that is a limitation. More importantly that it is not a mandatory requirement that in 1 year ending June 30, 1973, there would be $5 billion and the next year ending June 30, 1974, $6 billion and a third year ending June 30, 1975, $7 billion *obligation or expenditure?*

"Mr. HARSHA. I do not see how reasonable minds could come to any other conclusion than that *the language means we can obligate or expend up to that sum*—any thing up to that sum but not to exceed that amount. * * *

"Mr. GERALD R. FORD. Mr. Speaker, I would like to ask the distinguished chairman of the House conferees whether he agrees with the gentleman from Ohio (Mr. HARSHA).

"Mr. JONES of Alabama. . . . My answer is "yes." Not only do I agree with him, but the gentleman from Ohio offered this amendment which we have now under discussion in the committee of conference, so there is no doubt in anybody's mind of the intent of the language. It is reflected in the language just explained by the gentleman from Ohio (Mr. HARSHA).

"Mr. GERALD R. FORD. Mr. Speaker, this clarifies and certainly ought to wipe away any doubts anyone has. *The language is not a mandatory requirement for full obligation and expenditure up to the authorization figure in each of the 3 fiscal years.*" *Id.*, at page 33755 (emphasis added).

Footnotes at end of article.

The Administrator is not supported in his interpretation of the Act's legislative history by citing remarks of Congressman Harsha concerning authority for Executive "impoundment" of funds. During the debates on H.R. 11896, Congressman Harsha took note of recent impoundments by the Executive branch of moneys allocated among the States under the Federal-Aid Highway Act of 1956, and made the following observation:

"[T]he Committee on Public Works is acutely aware that moneys from the highway trust fund have been impounded by the Executive. Expenditures from the highway trust fund are made in accordance with similar contract authority provisions to those in this bill. Obviously *expenditures and appropriations* in the water pollution control bill could also be controlled. However, there is even more flexibility in this water pollution control bill because we have added "not to exceed" in section 207, as I indicated before.

"Surely, if the administration can impound moneys from the highway trust fund which does not have the flexibility of the language of the water pollution control bill, it can just as rightly *control expenditures from the contract authority produced in this legislation by that same means." Id.*, at page 33754 (emphasis added).

The impoundments of Federal-Aid Highway Act moneys referred to by Congressman Harsha were of funds already allotted, i.e., the controls were being exercised at the obligation level rather than at the allotment level.[10] Thus, these comments tend to support the position of the plaintiff rather than that of the defendant in regard to which administrative functions are discretionary and which are mandatory under the Act which this Court is called on to construe. It seems obvious from the remarks just quoted that, as Senator Muskie observed:

"Under the amendments proposed by Congressman WILLIAM HARSHA and others the *authorizations for obligational authority* are "not to exceed" $18 billion over the next 3 years. Also, 'all' sums authorized to be obligated need not be committed, though they must be allocated. These two provisions were suggested to give the Administration some flexibility concerning the obligation of construction grant funds." *Id.*, at page 33694 (emphasis added).

The President appears to have concurred in the views of the sponsors concerning § 205 and § 207 of the Act, for in his message explaining his veto of the bill, he stated:

"Certain provisions of . . . [the bill] confer a measure of *spending discretion and flexibility* upon the President, and if forced to administer this legislation I mean to use those provisions to put the brakes on budget-wrecking expenditures as much as possible.

"But the law would still exact an unfair and unnecessary price from the public. For I am convinced . . . that the pressure for full funding under this bill would be so intense that funds approaching the *maximum authorized* amount could ultimately be claimed and paid out, no matter what technical controls the bill appears to grant the Executive." CONGRESSIONAL RECORD, volume 118, part 28, page 37055 (emphasis added).

In other words, the President believed that the Act required the Administrator to allot the full amount authorized, and he feared that once the Administrator had made the allotments, he might be under great pressure to approve grant applications up to the amount of the allotments. Congress, believing that the needs to which the Act was addressed were sufficiently urgent that expenditure of the full amounts authorized might be necessary,[11] and believing further that the Administrator was given sufficient discretion to avoid any hasty and improvident obligation of funds, passed the bill over the President's veto.

The question whether the entire amount should be *obligated* is, of course, not before this Court. The only question is whether the full allotments must be made, and the answer to that on the basis of the foregoing review of the sponsors' comments seems clear. The language of the pertinent sections of the Act, read in the light of their legislative history, clearly indicates the intent of Congress to require the Administrator to allot, at the appropriate times, the full sums authorized to be appropriated by § 207.[12] Hence, this Court has no choice other than to declare that § 205(a) of the Act requires the Administrator to allot among the states $5 billion for fiscal year 1973 and $6 billion for fiscal year 1974.

The only question remaining for decision is whether plaintiff's action may be maintained as a class action on behalf of all similarly situated municipalities within the State of New York. Defendant has opposed maintenance of this suit as a class action solely on the ground that plaintiff does not satisfy subsection (a)(3) and (a)(4) of Rule 23, Fed. R. Civ. P., i.e., it is contended that plaintiff's claim is not typical of those of the proposed class members and that plaintiff cannot adequately represent the class. The Court does not find these points well taken. Differences in amounts which various municipalities might receive from the State allotment have no bearing on the legal issue of whether the allotment as a whole should be increased. Neither can such differences make the City of New York something less than an adequate representative of the class as required by Rule 23(a)(4). Competition for shares of a common fund does not bar a class action on behalf of all competitors when the relief sought would lead to an increase in the total amount of that fund. *Berman* v. *Narragansett Racing Association*, 414 F.2d 311, 317 (1st Cir. 1969), *cert. denied*, 396 U.S. 1037 (1970). The Court finds that plaintiff satisfies all the requirements of Rule 23(a) and 23(b)(1)(A), (b)(1)(B), and (b)2; accordingly, the suit can be maintained on behalf of the proposed class.

OLIVER GASCH, *Judge*.

Date May 8, 1973.

FOOTNOTES

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[1] This action was originally brought against William D. Ruckelshaus, who was serving as Administrator at that time. During the pendency of the action, Mr. Ruckelshaus resigned and his successor has not yet been appointed and confirmed. By operation of Rule 25(d), Fed. R. Civ. P., the Acting Administrator is automatically substituted as the defendant. The action continues unabated unless the new Administrator comes forward with evidence showing such a discontinuance of his predecessor's policy as to make the action moot. See Rule 25(d), 1961 Notes of the Advisory Committee on Rules; 3B J. Moore, Federal Practice, § 25.09 [3], at 25–402 (2d ed. 1969). Since no such showing has made in the instant case, the actions of Mr. Ruskelshaus are chargeable to the Acting Administrator for purposes of this action, and the Court's order is binding upon the Acting Administrator and his successors in office.

[2] 37 Fed. Reg. 26282, § 35,910–1(a) (1972.

[3] The contentions of the plaintiff-intervenor are substantially the same as those made by the plaintiff. In the interest of brevity, references throughout will be solely to the plaintiff unless the context requires otherwise.

[4] According to § 205(a) sums are to be allotted among the States "in the ratio that the estimated cost of constructing all needed publicly owned treatment works in each State bears to the estimated cost of construction of all needed publicly owned treatment works in all of the States." Congress has supplied the figures for determining the ratios to be used for the fiscal years ending June 30, 1973, and June 30, 1974. (Table III of House Public Works Committee Print No. 92–50). For subsequent fiscal years, the allotments are to be made in accordance with a revised cost estimate submitted by the Administrator to Congress and "approved by law specifically enacted hereafter."

[5] Section 202(a) sets the federal share of the cost of construction of projects, as approved by the Administrator, at 75 percent. Section 203 of the Act specifies that the Administrator's approval creates contractual obligations on the part of the United States.

[6] It should be noted that these same contentions were made recently in motions to dismiss by the defendant in three consolidated civil actions before Judge Jones of this Court. *Local 2677, American Federation of Government Employees* v. *Phillips*, Civil Action Nos. 371–73, 375–73, and 379–73 (D.D.C., April 11, 1973). In those suits, as in the instant case, plaintiffs were challenging the actions of a federal officer on the ground that they were in violation of his statutory authority; Judge Jones rejected the defendant's contentions and proceeded to the merits of the case.

[7] Attached as Exhibit "B" to the affidavit is a copy of a letter dated March 1, 1973, from Gerald M. Hansler, Regional Administrator, EPA, announcing approval of the plaintiff's grant application for the two projects.

[8] H.R. 11896 was the House version of the bill later enacted as P.L. 92–500, 86 Stat. 816, the provisions of which are disputed in the instant case.

[9] For this reason the instant case is distinguishable from *Housing Authority of San Francisco v. U.S. Department of Housing and Urban Development*, 340 F. Supp. 654 (N.D. Cal. 1972), cited by the Administrator. In *Housing Authority* the Court found the issue presented to be nonjusticiable because it found in the statute in question a legislative "intention of allowing spending discretion in the executive" and "no manageable standards for determining whether the discretion had been abused." 340 F. Supp. at 656.

[10] It should be noted that the Court of Appeals for the Eighth Circuit has construed the Federal-Aid Highway Act as requiring obligation of allotted funds, and has thus declared the impoundments referred to by Congressman Harsha to be illegal *State Highway Commission of Missouri v. Volpe*, — F. 2d —, Civil No. 72–1512 (8th Cir., April 2, 1973).

[11] The central purpose of the Act as set forth in the first section is to effectuate "the national goal that the discharge of pollutants into the navigable waters be eliminated by 1985." § 101(a)(1). Congressman Harsha recognized that achieving this goal might well require spending the entire $18 billion authorized to be appropriated; and he observed: "To say we can't afford this sum of money is to say we can't afford to support life on earth." CONGRESSIONAL RECORD, vol. 118, pt. 28, p. 37056.

[12] As previous discussion has indicated, pp. 10–12, *supra*, this construction of the Act does not infringe upon any prerogative of the Executive branch. The Court is thus not confronting any delicate constitutional question of the kind which Mr. Justice Brandeis, in *Ashwander v. Tennessee Valley Authority*, 297 U.S. 288, 345–48 (1936), counseled courts to avoid. Hence defendant's reliance on *Ashwander* as authority for the proposition that the Act should be construed so as to enhance his powers at the expense of those of the Congress is not well taken.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now proceed to the consideration of the REA Conference Report, S. 394, with the vote to occur on that conference report at 11:45 a.m.

The Senator from South Dakota will submit the report.

RURAL ELECTRIFICATION FINANCING—CONFERENCE REPORT

Mr. McGOVERN. Mr. President, I submit a report of the committee of conference on S. 394, and ask for its immediate consideration.

The ACTING PRESIDENT pro tempore. The report will be stated by title.

The legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 394) to amend the Rural Electrification Act of 1936, as amended, to reaffirm that such funds made available for each fiscal year to carry out the programs provided for in such Act be fully obligated in said year, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by all the conferees.

The ACTING PRESIDENT pro tempore. Is there objection to the consideration of the conference report?

There being no objection, the Senate proceeded to consider the report, which reads as follows:

Conference Report

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 394) an Act to amend the Rural Electrification Act of 1936, as amended, to reaffirm that such funds made available for each fiscal year to carry out the programs provided for in such Act be fully obligated in said year, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House to the text of the bill, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment insert the following:

That it is hereby declared to be the policy of the Congress that adequate funds should be made available to rural electric and telephone systems through direct, insured and guaranteed loans at interest rates which will allow them to achieve the objectives of the Rural Electrification Act of 1936, as amended, and that such rural electric and telephone systems should be encouraged and assisted to develop their resources and ability to achieve the financial strength needed to enable them to satisfy their credit needs from their own financial organizations and other sources at reasonable rates and terms consistent with the loan applicant's ability to pay and achievement of the Act's objectives. The Rural Electrification Act of 1936, as amended (7 U.S.C. 901–950(b)), is therefore further amended as hereinafter provided.

Sec. 2. Title III of the Rural Electrification Act of 1936, as amended, is amended by striking out all of sections 301 and 302 and inserting in lieu thereof the following new sections:

"Sec. 301. Rural Electrification and Telephone Revolving Fund.—(a) There is hereby established in the Treasury of the United States a fund, to be known as the Rural Electrification and Telephone Revolving Fund (hereinafter referred to as the "fund"), consisting of:

"(1) all notes, bonds, obligations, liens, mortgages, and property delivered or assigned to the Administrator pursuant to loans heretofore or hereafter made under sections 4, 5, and 201 of this Act and under this title, as of the effective date of this title, as revised herein, and all proceeds from the sales hereunder of such notes, bonds, obligations, liens, mortgages, and property, which shall be transferred to and be assets of the fund;

"(2) undisbursed balances of electric and telephone loans made under sections 4, 5, and 201, which as of the effective date of this title, as revised herein, shall be transferred to and be assets of the fund;

"(3) notwithstanding section 3(a) of title I, all collections of principal and interest received on and after July 1, 1972, on notes, bonds, judgments, or other obligations made or held under titles I and II of this Act and under this title, except for net collection proceeds previously appropriated for the purchase of class A stock in the Rural Telephone Bank, which shall be paid into and be assets of the fund;

"(4) all appropriations for interest subsidies and losses required under this title which may hereafter be made by the Congress;

"(5) moneys borrowed from the Secretary of the Treasury pursuant to section 304(a); and

"(6) shares of the capital stock of the Rural Telephone Bank purchased by the United States pursuant to section 406(a) of this Act and moneys received from said bank upon retirement of said shares of stock in accordance with the provisions of title IV of this Act, which said shares and moneys shall be assets of the fund.

"Sec. 302. Liabilities and Uses of Fund.—(a) The notes of the Administrator to the Secretary of the Treasury to obtain funds for loans under sections 4, 5, and 201 of this Act, and all other liabilities against the appropriations or assets in the fund in connection with electrification and telephone loan operations shall be liabilities of the fund, and all other obligations against such appropriations or assets in the fund arising out of electrification and telephone loan operations shall be obligations of the fund.

"(b) The assets of the fund shall be available only for the following purposes:

"(1) loans which could be insured under this title, and for advances in connection with such loans and loans previously made, as of the effective date of this title, as revised herein, under sections 4, 5, and 201 of this Act;

"(2) payment of principal when due (without interest) on outstanding loans to the Administrator from the Secretary of the Treasury for electrification and telephone purposes pursuant to section 3(a) of this Act and payment of principal and interest when due on loans to the Administrator from the Secretary of the Treasury pursuant to section 304(a) of this title;

"(3) payment of amounts to which the holder of notes is entitled on insured loans: *Provided*, That payments other than final payments need not be remitted to the holder until due or until the next agreed annual, semiannual, or quarterly remittance date;

"(4) payment to the holder of insured notes of any defaulted installment or, upon assignment of the note to the Administrator at his request, the entire balance due on the note;

"(5) purchase of notes in accordance with contracts of insurance entered into by the Administrator;

"(6) payment in compliance with contracts of guarantee;

"(7) payment of taxes, insurance, prior liens, expenses necessary to make fiscal adjustments in connection with the application, and transmittal of collections or necessary to obtain credit reports on applicants or borrowers, expenses for necessary services, including construction inspections, commercial appraisals, loan servicing, consulting business advisory or other commercial and technical services, and other program services, and other expenses and advances authorized in section 7 of this Act in connection with insured loans. Such items may be paid in connection with guaranteed loans after or in connection with the acquisition of such loans or security thereof after default, to the extent determined to be necessary to protect the interest of the Government, or in connection with any other activity authorized in this Act;

"(8) payment of the purchase price and any costs and expenses incurred in connection with the purchase, acquisition, or operation of property pursuant to section 7 of this Act.

"Sec. 303. Deposit of Fund Moneys.—Moneys in the fund shall remain on deposit in the Treasury of the United States until disbursed.

"Sec. 304. Financial Transactions of the Fund.—(a) The Administrator is authorized to make and issue interim notes to the Secretary of the Treasury for the purpose of obtaining funds necessary for discharging obligations of the fund and for making loans, advances and authorized expenditures out of the fund. Such notes shall be in such form and denominations and have such maturities and be subject to such terms and conditions as may be agreed upon by the Administrator and the Secretary of the Treasury. Such notes shall bear interest at a rate fixed by the Secretary of the Treasury, taking into consideration the current average market yield of outstanding marketable obligations of the United States having maturities comparable to the notes issued by the Administrator under this section. The Secretary of the Treasury is authorized and directed to purchase any notes of the Administrator issued hereunder, and, for that purpose, the Secretary of the Treasury is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as amended, and the purposes for which such securities may be issued under such Act, as amended, are extended to include the purchase of notes issued by the Administrator. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes shall be treated as public debt transactions of the United States: *Provided, however*, That such interim notes to the Secretary of the Treasury shall not be included in the totals of the budget of the United States Government and shall be exempt from any general limitation imposed by statute on expenditures and net lending (budget outlays) of the United States.

"(b) The Secretary of the Treasury is authorized and directed to purchase for resale obligations insured through the fund when offered by the Administrator. Such resales shall be upon such terms and conditions as the Secretary of the Treasury shall determine. Purchases and resales by the Secretary of the Treasury hereunder shall not be included in the totals of the budget of the United States Government and shall be exempt from any general limitation imposed by statute on expenditures and net lending (budget outlays) of the United States.

"(c) The Administrator may, on an insured basis or otherwise, sell and assign any notes in the fund or sell certificates of beneficial ownership therein to the Secretary of the Treasury or in the private market. Any sale by the Administrator of notes individually or in blocks shall be treated as a sale of assets for the purposes of the Budget and Accounting Act, 1921, notwithstanding the fact that the Administrator, under an agreement with the purchaser or purchasers, holds the debt instruments evidencing the loans and holds or reinvests payments thereon as trustee and custodian for the purchaser or purchasers of the individual note or of the certificate of beneficial ownership in a number of such notes. Security instruments taken by the Administrator in connection with any notes in the fund may constitute liens running to the United States notwithstanding the fact that such notes may be thereafter held by purchasers thereof.

"Sec. 305. Insured Loans; Interest Rates and Lending Levels.—(a) The Administrator is authorized to make insured loans under this title and at the interest rates hereinafter provided to the full extent of the assets available in the fund, subject only to limitations as to amounts authorized for loans and advances as may be from time to time imposed by the Congress of the United States for loans to be made in any one year, which amounts shall remain available until expanded: *Provided*, That the Congress in the annual appropriation act may also authorize the transfer of any excess cash in the fund for deposit into the Treasury as miscellaneous receipts: and *Provided further*, That any such loans and advances shall not be included in the totals of the budget of the United States Government and shall be exempt from any general limitation imposed by statute on expenditures and not lending (budget outlays) of the United States.

"(b) Insured loans made under this title shall bear interest at either 2 per centum per annum (hereinafter called the 'special rate'), or 5 per centum per annum (hereinafter called the 'standard rate'). Loans bearing the special rate shall be available only for an electric or telephone borrower which meets either of the following conditions:

"(1) has an average consumer or subscriber density of two or fewer per mile, or

"(2) has an average gross revenue per mile which is at least $450 below the average gross revenue per mile of REA-financed electric systems, in the case of electric borrowers, or at least $300 below the average gross revenue per mile of REA-financed telephone systems, in the case of telephone borrowers: *Provided, however*, That the Administrator may, in his sole discretion, make a loan at the special rate if he finds that the borrower:

"(A) has experienced extenuating circumstances or extreme hardships; or

"(B) cannot, in accordance with generally accepted management and accounting principles, produce net income or margins before interest at least equal to 150 per centum of its total interest requirements on all outstanding and proposed loans with an interest rate greater than 2 per centum per annum on the entire current loan, and still meet the objectives of the Act, or

"(C) cannot, in accordance with generally accepted management and accounting principles and without an excessive increase in the rates charged by such borrowers to their consumers or subscribers, provide service consistent with the objectives of the Act.

"(c) Loans made under this section shall be insured by the Administrator when purchased by a lender. As used in this Act, an insured loan is one which is made, held, and serviced by the Administrator, and sold and insured by the Administrator hereunder; such loans shall be sold and insured by the Administrator without undue delay.

"Sec. 306. Guaranteed Loans; Accommodation and Subordination of Liens.—The Administrator may provide financial assistance to borrowers for purposes provided in the Rural Electrification Act of 1936, as amended, by guaranteeing loans, in the full amount thereof, made by the Rural Telephone Bank, National Rural Utilities Cooperative Finance Corporation, and any other legally organized lending agency, or by accommodating or subordinating liens or mortgages in the fund held by the Administrator as owner or as trustee or custodian for purchases of notes from the fund, or by any combination of such guarantee, accommodation, or subordination. No fees or charges shall be assessed for any such guarantee, accommodation, or subordination. Guaranteed loans shall bear interest at the rate agreed upon by the borrower and the lender. Guaranteed loans, and accommodation and subordination of liens or mortgages, may be made concurrently with a loan insured at the standard rate. The amount of guaranteed loans shall be subject only to such limitations as to amounts as may be authorized from time to time by the Congress of the United States: *Provided*, That any amounts guaranteed hereunder shall not be included in the totals of the budget of the United States Government and shall be exempt from any general limitation imposed by statute on expenditures and net lending (budget outlays) of the United States. As used in this title a guaranteed loan is one which is made, held, and serviced by a legally organized lending agency and which is guaranteed by the Administrator hereunder.

"Sec. 307. Other Financing.—When it appears to the Administrator that the loan applicant is able to obtain a loan for part of his credit needs from a responsible cooperative or other credit source at reasonable rates and terms consistent with the loan applicant's ability to pay and the achievement of the Act's objectives, he may request the loan applicant to apply for and accept such a loan concurrently with a loan insured at the standard rate, subject, however, to full use being made by the Administrator of the funds made available hereunder for such insured loans under this title.

"Sec. 308. Full Faith and Credit of the United States.—Any contract of insurance or guarantee executed by the Administrator under this title shall be an obligation supported by the full faith and credit of the United States and incontestable except for fraud or misrepresentation of which the holder has actual knowledge.

"Sec. 309. Loan Terms and Conditions.—Loans made from or insured through the fund shall be for the same purposes and on the same terms and conditions as are provided for loans in titles I and II of this Act except as otherwise provided in sections 303 to 308 inclusive.

"Sec. 310. Refinancing of Rural Development Act Loans.—At the request of the borrower, the Administrator is authorized and directed to refinance with loans which will be insured under this Act at the interest rates provided in section 305 any loans made for rural electric and telephone facilities under any provision of the Consolidated Farm and Rural Development Act."

Sec. 3. Section 3(f) of the Rural Electrification Act of 1936, as amended, is repealed.

Sec. 4. Section 405 of the Rural Electrification Act of 1936, as amended, is further amended by striking subsection (e) in its entirety and by inserting in lieu thereof a new subsection (e), as follows:

"(e) Thereafter, the cooperative-type entities and organizations holding class B and class C stock, voting as a separate class, shall elect three directors to represent their class by a majority vote of the stockholders voting in such class; and the commercial-type entities and organizations holding class B and class C stock, voting as a separate class, shall elect three directors to represent their class by a majority vote of the stockholders voting in such class. Limited proxy voting may be permitted, as authorized by the bylaws of the telephone bank. Cumulative voting shall not be permitted."

Sec. 5. The second sentence of section 406(a) of the Rural Electrification Act of 1936, as amended, is further amended by striking "from net collection proceeds in the rural telephone account created under title III of this Act" immediately after the word "appropriated".

Sec. 6. Subsection (a) of section 407 of the Rural Electrification Act of 1936, as amended, is amended by striking out "eight" in the second sentence and inserting in lieu thereof "twenty", and by striking out all of the third sentence.

Sec. 7. Section 407 of the Rural Electrification Act of 1936, as amended, is amended by adding a new subsection (c) as follows:

"(c) Purchases and resales by the Secretary of the Treasury as authorized in subsection (b) of this section shall not be included in the totals of the budget of the United States Government and shall be exempt from any general limitation imposed by statute on expenditures and net lending (budget outlays) of the United States."

Sec. 8. Subsection (a) of section 408 of the Rural Electrification Act of 1936, as amended, is amended (a) by inserting the words "or which have been certified by the Administrator to be eligible for such a loan or loan commitment," immediately following the term "this Act," where it first appears; and (b) by adding at the end thereof the following sentence: "Loans and advances made under this section shall not be included in the totals of the budget of the United States Government and shall be exempt from any general limitation imposed by statute on expenditures and net lending (budget outlays) of the United States."

Sec. 9. Subsection (b) of section 408 of the Rural Electrification Act of 1936, as amended, is amended by striking out all of paragraph (3) and inserting in lieu thereof a new paragraph (3) reading:

"(3) Loans under this section shall bear interest at the 'cost of money rate.' The cost of money rate is defined as the average cost of moneys to the telephone bank as determined by the Governor, but not less than 5 per centum per annum."

Sec. 10. No funds provided under the Rural Electrification Act of 1936, as amended, shall be used outside the United States or any of its territories.

Sec. 11. The right to repeal, alter, or amend this Act is expressly reserved.

Sec. 12. This Act shall take effect upon enactment.

And the House agree to the same.

That the Senate recede from its disagreement to the amendment of the House to the title of the bill and agree to the same.

George McGovern,
James B. Allen,
Hubert H. Humphrey,
Geo. D. Aiken,
Robert Dole,
Managers on the Part of the Senate.

W. R. Poage,
Frank A. Stubblefield,
Bernie Sisk,
Frank E. Denholm,
Charles M. Teague,
William C. Wampler,
George A. Goodling,
Managers on the Part of the House.

Mr. McGOVERN. Mr. President, I ask unanimous consent that the printing of the report as a Senate report be waived.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. McGOVERN. Mr. President, both the Senate bill and the House amendment had a common objective, to restore the rural electric and telephone programs to operation. Their approach to this objective, however, differed in many respects, and I ask unanimous consent to insert a list of those differences in the Record at this point.

There being no objection, the list of differences was ordered to be printed in the Record, as follows:

Differences Between S. 394, as Passed by the Senate, and the House Amendment Thereto

The Senate bill requires that REA direct rural electric and telephone loans be made in the full amount appropriated therefor.

The House amendment—

(1) creates a revolving fund with unlimited borrowing authority, and requires insured rural electric and telephone loans to be made and sold to the full extent of the assets in the fund, subject only to limitations imposed by Congress;

(2) provides that such insured loans will bear interest at five percent or at two percent if the borrower—

(A) has an average subscriber density of two or fewer per mile; or

(B) has an average gross revenue of at least $450 below the average (for electric borrowers) or $300 below the average (for telephone borrowers); or

(C) has experienced extenuating circumstances or severe hardship; or

(D) cannot produce net income before interest of at at least 150 percent of its total interest requirements and still meet the objectives of the Act; or

(E) cannot without an excessive rate increase provide service consistent with the Act. (Note: The amendment specifically conditions (C), (D), and (E) on the "sole discretion of the Administrator".)

(3) authorizes the guarantee of rural electric and telephone loans made by other lenders;

(4) forgives interest on REA borrowings from the Treasury under section 3(a) of the Rural Electrification Act of 1936;

(5) provides for separate elections by commercial and cooperative stockholders of Telephone Bank of three directors by each group and prohibits cumulative voting in such elections (as currently prohibited by by-laws);

(6) raises limit on telephone debentures to twenty (instead of eight) times paid-in-capital and retained earnings;

(7) provides for appropriation from the Treasury general fund (instead of the Rural Telephone Account) of capital for the Rural Telephone Bank;

(8) authorizes Telephone Bank loans to applicants who have not previously borrowed from REA;

(9) provides that Telephone Bank loans shall bear interest at the cost of money to the bank, but not less than five percent (in lieu of a range of rates based on ability to pay).

(10) prohibits the use outside the United States of funds provided under the Rural Electrification Act of 1936;

(11) repeals the requirement that telephone debentures contain a disclaimer of federal guarantee; and

(12) provides that transactions in "interim notes" under section 304(a), insured obligations under section 304(b), loans and advances under section 305(a), and guaranteed loans under section 306 "shall not be included in the totals of the budget of the United States Government and shall be exempt from any general limitation imposed by statute on expenditures and net lending (budget outlays) of the United States."

Mr. McGOVERN. Mr. President, the conference substitute generally follows the House amendment; but differs from it in one major respect, and that is that the mandatory language of section 305 directing the Secretary to make loans was removed. This was done upon the assurance of the Secretary of Agriculture, speaking for the administration, that during each of the next 3 years an REA program at levels not less than budgeted for fiscal year 1974 will be operated under the provisions of this bill, and that not less than $105 million—$80 million for the electric program and $25 million for the telephone program—will be made available at the 2-percent rate. I ask unanimous consent that the letter of the Secretary of Agriculture be inserted in the Record at this point.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Department of Agriculture,
Washington, D.C., May 8, 1973.

Hon. W. R. Poage,
Chairman, House Committee on Agriculture, Washington, D.C.

Dear Bob: I am pleased to provide you and the members of the conference committee the Administration's position on the REA financing bill now in conference, S. 394. As I told you during our meeting in your office last Thursday, speaking for the Administration, we can assure you that during each of the next three years an REA program at levels not less than budgeted for Fiscal Year 1974 will be operated through the REA under the authority of S. 394 as finally passed and that not less than $105 million—$80 million for the electric program and $25 million for the telephone loan program (of new loans)—will be made available at the 2% rate.

This commitment is conditioned on but one cardinal principle—mandatory language relating to criteria in Section 305 be stricken from the legislation. Further, there will be no legislative direction with respect to hardship cases beyond the criteria set forth in the House-passed bill. As you know, the Secretary would, of course, have authority to exceed this minimum level for 2% loans.

On behalf of the Administration and every American, I want to thank you and the conferees for your efforts to achieve constructive legislation which will ensure a viable rural electric and telephone system.

Sincerely,

Earl L. Butz,
Secretary.

Mr. McGOVERN. Mr. President, the program level budgeted for fiscal 1974 is $758 million, consisting of $618 million for electric loans and $140 million for telephone loans. Under the terms of the letter this would mean at least $105 million for loans at a 2-percent rate of interest, and at least a balance of $653 million for loans at 2 or 5 percent.

Mr. President, the important point to keep in mind on this conference is that the Senate conferees largely accepted the House bill with one change, that we drop the mandatory requirement that the administration especially objected to, and that has been replaced with the one to which I have referred.

I am convinced on the basis of conversations we had with the Secretary of Agriculture yesterday that this bill, if passed by the Senate and the House, will not be vetoed. I think it is the strongest possible rural electrification bill we can pass in the Senate that is veto-proof. It should have the support of the administration; every indication is that it does. I believe it provides a reasonable level of financing for both our rural electric system and our rural telephone systems. I am hopeful the conference report will be overwhelmingly adopted by the Senate and that action will follow in the other body very shortly.

Mr. DOLE. Mr. President, the distinguished Senator floor leader on our side, the Senator from Vermont (Mr. Aiken), has authorized me to proceed.

I concur in the statements made by the distinguished Senator from South Dakota. I would also urge Senators to act favorably in considering the conference committee report on S. 394.

As a member of the conference, I can testify to the diligent efforts of every member of that conference, and I also would make special note in praise of the efforts of Secretary of Agriculture, Mr. Butz, and others on his staff for their efforts, flexibility, and reasonableness which brought about the agreement that I believe, as already indicated, has provided a good REA and RTA bill. It does provide for adequate funding. Certainly rural America needs this legislation. It provides the financial means to make power and communications available to our farmers and rural residents.

The conference report assures the continuation of loans on an insured and guaranteed basis through a special REA account in the Treasury. The majority of the loans made will be insured loans at 5-percent interest rate, or guaranteed loans at commercial rates of interest. A limited number of insured 2-percent loans will be made to REA's and rural telephone companies in sparsely populated areas or for extreme hardship circumstances.

This is an area in which there was considerable discussion, but in the end, because of the efforts of the conference and because of the willingness to cooperate by Secretary Butz, that matter was resolved, as pointed out by the Senator from South Dakota.

I would urge Senators to adopt the conference report. There never has been any doubt in my mind about the administration commitment to both REA and RTA.

I share the view expressed that this measure will not be vetoed. It meets the requirements of the administration. I believe, with the Secretary of Agriculture's strong endorsement, with the letter he willingly provided the committee, he indicates the commitment many of us hoped for.

Mr. President, I reserve the remainder of my time.

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. McGOVERN. Mr. President, I yield such time as he may require to the Senator from Alabama.

Mr. ALLEN. I thank the distinguished Senator.

Mr. President, as a member of the conference committee, I recommend to the Senate this report and its adoption by the Senate. I feel that this is an outstanding bill, a bill that will meet the needs of the REA program throughout the country. It is a 3-year authorization. It allows the Rural Electrification Co-ops to have long-range plans.

I want to commend the administration which, through Secretary of Agriculture, Mr. Butz, indicated from the very start a sincere desire to arrive at a sound solution of this matter. They cooperated in every way with the conference committee, and we have come up with an excellent bill, in my opinion.

Over a 3-year period, it authorizes a total of $758 million each year, divided $140 million for rural telephones and $618 million for electric co-ops.

Of the $618 million for electric co-ops each year, at least $80 million shall be at 2 percent, and of the $140 million for rural telephones each year, at least $25 million shall be at 2 percent.

This is a well-rounded program, a program that electric co-ops and electric telephone systems throughout the country can depend upon.

I think it is an excellent recognition of the role that the Rural Electrification Administration throughout the country and the rural telephone systems are playing. It evidences a sincere desire on the part of the administration to see that electricity is carried into all of our rural areas and also that the rural areas of this country get the benefit of telephone systems.

I recommend the adoption of the conference report.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. ALLEN. I yield.

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. McGOVERN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. PERCY. Mr. President, I am most pleased to vote in favor of the conference report on S. 394 this morning. The conferees are to be congratulated on coming up with this final version which should satisfy all parties involved.

The legislation recognizes the need for continuing financial assistance for rural electric and telephone cooperatives which is provided, but also recognizes the fact that the cost of money to the Government has gone up and those cooperatives that can afford to more fairly pay their own way should do so.

As provided in the conference report, $763 million will be made available for fiscal 1974 with the understanding from the Secretary of Agriculture that at least this amount would also be made available in fiscal 1975 and in fiscal 1976. This amount is broken down by providing $618 million for rural electric cooperatives and $145 million for rural telephone cooperatives; $80 million of the rural electric funds would still be available at 2 percent and $25 million of the rural telephone funds at 2 percent for those cooperatives in shakier financial condition. However, all other cooperatives would either get money at 5 percent or an insured loan at the cost of money.

I think this is a fair resolution of this problem. The funds needed will be provided but more on the ability-to-pay basis. I commend the conferees and I am pleased to vote for the conference report.

Mr. TOWER. Mr. President, I am pleased today to support the conference report on S. 394, a bill which I feel will provide an adequate rural electric and telephone program. My past experience with Texas cooperatives has illustrated the tremendous assistance provided to rural areas by such cooperatives. I am extremely pleased that it was possible to arrive at an effective program which is palatable to electric and telephone cooperatives as well as to those who administer the Rural Electric and Telephone Administration.

After the announcement of major procedural changes in December, I began looking into possible alternatives which would still provide money to those cooperatives who cannot afford to pay more than 2-percent interest. These cooperatives are primarily ones still serving truly rural areas which require many miles of line to serve a few customers. This report provides for these low interest loans. It also provides authority for insured and guaranteed loans under the Rural Electric Administration Act rather than the rural development legislation. While I strongly support the concepts of the Rural Development Act of 1972, I feel the problems facing electric cooperatives can best be solved by the original programs outlined in the REA Act.

Since the December announcement, representatives of Texas electric and telephone service companies have contacted me providing information concerning their desires for a workable program. I understand those needs and have supported a program much like the one we now have before us which provides needed funds for continued expansion of services at a smaller cost to the Federal Government.

Adequate capital, obviously, is the prime consideration if we are to continue the excellent record of service by these rural cooperatives. Legislation which provides adequately for the needs of all parties concerned is desirable in all programs, and generally results in more effective administration and more successful results in the long run. I commend the members of the Committees on Agriculture of the Senate and the House of Representatives, and those members of various cooperatives who have been so helpful and cooperative in working out a program which promises to become a major plus factor in the success of the rural electric program of the future.

The ACTING PRESIDENT pro tempore. Under the previous order, the hour of 11:45 having arrived, the Senate will proceed to vote on the conference report on S. 394. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from California (Mr. TUNNEY) is necessarily absent.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

I further announce that, if present and voting, the Senator from California (Mr. TUNNEY) and the Senator from Mississippi (Mr. STENNIS) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BROCK) and the Senator from Arizona (Mr. GOLDWATER) are detained on official business.

The result was announced—yeas 93, nays 3, as follows:

[No. 124 Leg.]

YEAS—93

Abourezk
Aiken
Allen
Baker
Bartlett
Bayh
Beall
Bellmon
Bennett
Bentsen
Bible
Biden
Brooke
Buckley
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Chiles
Church
Clark
Cook
Cotton
Cranston
Curtis
Dole
Domenici
Dominick
Eagleton
Eastland
Ervin
Fannin
Fong
Fulbright
Gravel
Griffin
Gurney
Hansen
Hart
Hartke
Haskell
Hatfield
Hathaway
Helms
Hollings
Hruska
Huddleston
Hughes
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Long
Magnuson
Mansfield
Mathias
McClellan
McClure
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Roth
Saxbe
Schweiker
Scott, Pa.
Scott, Va.
Sparkman
Stafford
Stevens
Stevenson
Symington
Taft
Talmadge
Thurmond
Tower
Williams
Young

NAYS—3

Case
Ribicoff
Weicker

NOT VOTING—4

Brock
Goldwater
Stennis
Tunney

So the conference report was agreed to.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Leonard, one of his secretaries.

ANNUAL REPORT OF CIVIL SERVICE COMMISSION—MESSAGE FROM THE PRESIDENT

The PRESIDING OFFICER (Mr. NUNN) laid before the Senate a message from the President of the United States, which, with the accompanying report, was referred to the Committee on Post Office and Civil Service. The message is as follows:

To the Congress of the United States:

I hereby transmit the Civil Service Commission's annual report for fiscal year 1972.

The past year was one of significant initiatives in the field of Federal personnel management. Persistent challenges such as simplifying the complexities of the appeals system and broadening the scope of labor-management bargaining were effectively addressed. The first full year of operations under the Intergovernmental Personnel Act showed impressive results, as State and local governments responded enthusiastically in working with Federal agencies to improve personnel resources. Substantial progress was also made in carrying out the Equal Employment Opportunity Act of 1972, strengthening our commitment to employment practices which are scrupulously fair to all our people.

We can be grateful for the cooperation from all sectors and levels of government which made this record possible. And we can be proud that Federal personnel management not only enables us to serve the public more effectively but also stands as a respected model for all employers.

RICHARD NIXON.

THE WHITE HOUSE, *May 9, 1973.*

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer (Mr. NUNN) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(The nominations received today are printed at the end of Senate proceedings.)

VOTER REGISTRATION ACT

The PRESIDING OFFICER (Mr. NUNN). Under the previous order, the hour of 12 o'clock having arrived, the Senate will resume the consideration of the unfinished business, S. 352, which the clerk will state.

The assistant legislative clerk read as follows:

S. 352, to amend title 13, United States Code, to establish within the Bureau of the Census a Voter Registration Administration for the purpose of administering a voter registration program through the Postal Service.

The PRESIDING OFFICER. Under the previous order, the hour allocated before the Senate proceeds to vote on the cloture motion will be equally divided and controlled by the Senator from Wyoming (Mr. MCGEE) and the Senator from Hawaii (Mr. FONG).

Who yields time?

Mr. McGEE. Mr. President, I yield to the Senator from Ohio (Mr. TAFT) for a unanimous-consent request.

Mr. TAFT. Mr. President, I ask unanimous consent that the amendments, under my name, now at the desk, on S. 352, be considered as presented and read for the purposes of rule XXII.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McGEE. Mr. President, I now yield to the distinguished majority leader for 3 minutes and then to the Senator from Washington (Mr. JACKSON).

Mr. MANSFIELD. Mr. President, before the Senate votes a third time on a motion to invoke cloture on the pending voter registration proposal, I think it might be of benefit to all Senators to consider for a moment just what is here at stake. While it is true that the pending bill is fully in accord with the movement toward a broader based democracy, more secure civil liberty guarantees, and expanded enfranchisement that the Senate to its everlasting credit has led in recent years, it seems to me frivolous that those who oppose this measure would seek to refuse to consider its disposition unless two-thirds of the Senate agree.

Is this such an issue of enormous overriding importance that requires opponents to resort to unlimited debate as a means of denying the opportunity for the majority to work its will? I think not.

I have now listened to the debate for the past few weeks and am frank to say that I am simply at a loss to understand the opponents' fear with respect to this pending bill. What is to be feared, it is asked, by assuring to citizens the broadest possible opportunity to participate in the exercise of the most precious right a citizen has—the right to have his voice heard; the right to vote.

Certainly no Senator will say that he fears democracy. Why, then, should he fear a vote on this bill? It has been thoroughly considered, not only in committee, but here on the floor. Few proposals in my memory have been subjected to such protracted debate, to such close scrutiny, to such careful investigation. S. 352 has been the pending business of the Senate for a month. Clearly, every Senator has had the time and the opportunity to determine whether this bill does, indeed, serve to improve upon this Nation's practice of democracy.

If there is a problem of apathy abroad in our land—an apathy which causes millions of Americans to refrain from exercising their rights as Americans, does that constitute a reason for apathy here in the Senate of the United States? Is that reason for this body to shrug its collective shoulders and do nothing? I think not.

The role of the Senate is to lead. We have effectively exercised that role in the past. Let us do so now. I would ask Senators to join me in voting cloture on this issue today so that we might proceed to a vote on the merits of the bill itself.

I urge the Senate to say "no" to this resort to unlimited debate on this issue. If ever the demands forced upon us by rule XXII have been overdone, it has been with the extended debate on the voter registration bill.

Mr. McGEE. Mr. President, I now yield 4 minutes to the distinguished Senator from Washington (Mr. JACKSON).

Mr. JACKSON. Mr. President, voter registration laws began to appear in the statutes of the various States during the latter part of the 19th century, they had quick impact. Up to that time, Americans had a relatively admirable record of participation in the Nation's electoral process, twice exceeding an 80 percent turnout. Since 1900, we have not seen 70 percent. Last year we barely saw a 50-percent turnout.

Voter registration, I believe our history will show, came into being concurrent with a heavy influx of immigrants, especially immigrants from Eastern Europe. Voter registration laws were undoubtedly well meant. They were meant to insure honesty in our elections, for instance. But they were also largely intended to restrict the exercise of the ballot—to deny the vote to these new Americans, and to some who had been around a long time as well. It worked and it worked well, as our dismal record of voter participation clearly demonstrates.

This is not the 19th century. America has come a long way in the past 73 years. I have no doubt but that descendants of some of the very immigrants at whom early registration laws were largely aimed are sitting in this Chamber today. We have come that far. But those old laws are, in very many places still working to restrict the access of many working people, of poor people, of aged people, of the infirm and of rural people to the voting booth. And this is so despite the fact that the Nation and this Senate have moved constantly toward an expansion of the franchise, toward a broadening of the base of our participatory democracy.

In 1976, concurrent with our next Presidential election, this Nation will celebrate the bicentennial of the Declaration of Independence. Just how we will celebrate is, perhaps, a good question. But, Mr. President, I can think of no better way to mark that occasion than to demonstrate at the polls that democracy has not withered but has grown. I hope for a record turnout of voters in that election year, and I believe this bill can facilitate the realization of that goal by making sure our citizens are not denied their rights as Americans.

Too often, we encounter officials who consider voting to be a privilege. It is not. It is a right firmly rooted in the Constitution. It is the right of every American 18 years of age or older. But for millions, it is a right difficult to exercise, because of archaic and obsolete registration laws which, if they did have a useful purpose at one time have outlived that purpose. Registration laws are a means of manipulating the electoral processes. Let us be done with manipulation of our political system. It is time to take affirmative action to enroll more Americans in the system.

There is much talk these days, Mr. President, about the need to preserve and protect our political institutions—the means by which we the people govern ourselves. Well, here is a bill, S. 352, which will help to do just that.

Opponents of this bill have raised, time after time, the potential of fraud. But, Mr. President, we have a record of testimony from people long and closely associated with election administration which holds that fraud is not a major problem in the registration process, even when registration is permitted by mail. No, fraud is something that originates with and takes place, because election officials permit it, inspire it, sponsor it. The hearing record of our Committee on Post Office and Civil Service supports this conclusion, as does our experience if we reflect on it. Let us cease this debate and demonstrate our faith in the process and our faith in the people.

Mr. SYMINGTON. Mr. President, will the Senator yield 30 seconds?

Mr. JACKSON. I yield.

Mr. SYMINGTON. Mr. President, I would like to associate myself with the wise and constructive remarks just made by the distinguished Senator from Washington.

Mr. JACKSON. I thank my good friend from Missouri.

The PRESIDING OFFICER. Who yields time?

Mr. MOSS. Mr. President, I yield 4 minutes to the Senator from Ohio.

Mr. SAXBE. Mr. President, I do not rise to debate the merits of S. 352, the Voter Registration Act. I am more concerned with the Senate attending to the business of Government and not wasting its time by stuffing the legislative conduit with verbal garbage designed to impede final votes on this or any bill.

Last session, a bill to which I was very much opposed came to the floor. At that time, this body once again chose to implement the filibuster as a tactic to indefinitely delay a vote. Seeing the hopeless situation before them, proponents of that bill called for three unsuccessful cloture votes. And, despite the fact that I was opposed to the legislation, I voted in favor of ending prolonged debate.

I cast my vote in this manner, because I am more interested in getting to the issue at hand rather than to stymie the legislative process. I cannot emphasize strongly enough the immediate need for this body to throw out our time consuming and antiquated rules and develop a workable system of procedural efficiency.

One of my first undertakings as a U.S. Senator was joining an unsuccessful effort to change rule XXII. I believed then and still resolve that if we continue to shackle ourselves with the filibuster, we must lower the requirement for ending debate to 51 percent of those present and voting. It is inconceivable to me that, since 1917, this body has entertained 71 cloture votes—of which only 12 were successful.

Today at 1 o'clock, the Senate will attempt, for the third time, to invoke cloture on S. 352. It is my hope that two-thirds of my colleagues present and voting will agree with me that this bill deserves an up or down vote, so that the majority of the U.S. Senate can determine its destiny.

I ask my colleagues who either favor or oppose this measure to join me in voting to invoke cloture on the extended debate so that we can get on with the business of the Senate.

Mr. MOSS. I yield myself 5 minutes.

Mr. President, I, too, cast my first vote in the Senate on the amendment of rule XXII, because of my beliefs about it then, and those beliefs exist today.

The obstructionist tactics of the opponents of this bill have now reached the point of absurdity. We have been debating the bill on the Senate floor since April 10, and we still have not had the opportunity to vote on the merits. Earlier this year, the committee held extensive hearings on the subject of voter registration in which all viewpoints were solicited and considered.

Last year, the Senate debated at great length a bill similar to the one before us now. Our committee also held comprehensive hearings on voter registration back in 1971. In addition, study after study has been held on the subject—going all the way back to the 1963 President's Commission on Registration and Voting Participation.

The Senate surely has had ample opportunity to inform itself on the subject of voter registration, and it is time we voted on the merits of the bill before us. It has become obvious that a majority of the Senate wishes to vote on the bill, but opponents of the measure have droned on and on with a filibuster that thwarts the will of the majority. If there ever were a time that cloture should be voted—that time is now.

I believe that the Senator from Ohio (Mr. TAFT) argued the case for cloture very cogently in the debate on May 3. Allow me to quote from the remarks of the distinguished Senator from Ohio:

> The matter has been fully discussed, and the problems well understood by all Members of the Senate. We have been engaged in debate now for many days. For that reason it would be defeating the will of the majority of this body not to exercise the right to vote for cloture on this measure at this time.
>
> In taking this position, I am not saying that in all instances when cloture is proposed I would vote for cloture. Indeed in many instances I have not, because I have felt there were facets of the measure involved which had not been made clear. But in this instance, it seems to me that the issues are clearly drawn, and therefore it would be my position, regardless of my ultimate position on the bill, to vote for cloture.

Senator TAFT has expressed a position that strikes me as eminently reasonable. Further debate on S. 352 surely serves no useful purpose. By now, the Senate is fully informed on the proposal, and the issues are clearly drawn. The only conceivable purpose of the filibuster is obstruction—pure and simple.

Mr. President, one should note that, despite the lack of democratic spirit displayed by the opponents of this bill, they have at least displayed an admirable consistency. Opponents of S. 352 would deny to millions of Americans the right to exercise their political franchise. In fully consistent fashion, they would also deny to the Senate the right to exercise its will on the merits of the bill before us. I urge my fellow Senators to vote in favor of this cloture motion, which would enable us to vote freely on the issue of voter registration by mail.

There is no need for me to again state the strong arguments in favor of this bill. I have made these arguments during the committee hearings on the bill, and again on the Senate floor. But I would like to clear up one point concerning my home State.

Opponents of this measure have cited Utah as an example of a State with a high level of voter registration, and concluded that Utah proves that a measure such as S. 352 is unnecessary. As Senator from the State of Utah, let me say that just the opposite conclusion should be drawn from Utah's experience. For the experience of my State illustrates what can be done through modern, liberal, voter registration laws.

I am proud to say that the State of Utah traditionally has had one of the top percentages of voter turnout in the Nation. In 1972, Utah ranked third in turnout with 69.4 percent, or more than 13 percentage points higher than the Nation as a whole. One of the reasons for this wider participation is the high degree of public spirit among the citizens of Utah. But another important factor is Utah's progressive voter registration laws. In such matters as residency requirements and the preelection time period open for registration, Utah's laws are more liberal than most other States. As a result, approximately 90 percent of the eligible voters in Utah were registered before the last election. I am certain that if the bill before us is enacted, Utah will have an even higher registration and turnout. Registration by mail will be particularly helpful to those citizens who live in rural areas at some distance from the place of registration.

If the provisions in this bill will be advantageous to the citizens of Utah, they will be a positive boon to citizens in States with more outmoded registration laws; because, unfortunately, many State governments have been dragging their feet for years, and there is little promise of progress in the future. Because of the lack of positive action in many States, it has become apparent that we will be able to increase voter participation significantly only through national legislation. From the experience of the State of Utah, I know what can be accomplished by encouraging voter participation. There is no reason why we cannot do the same on a national scale.

Mr. McGEE. Mr. President, may I ask how much time remains?

The PRESIDING OFFICER. The Senator from Wyoming has 12 minutes remaining; the Senator from Hawaii has 30 minutes remaining.

Mr. McGEE. I yield 4 minutes to the distinguished Senator from Kentucky.

Mr. HUDDLESTON. Mr. President, I feel compelled to speak on behalf of cloture on the major issue before this body today, inasmuch as I participated in the campaign for voter registration by mail in my State. The system in practice in Kentucky has demonstrated not only that it can work but that it will work.

Mr. President, just 1 year ago, the League of Women Voters' educational fund completed a comprehensive analysis of this Nation's voter-registration system—or what we know as our voter-registration system. It was not a small sample survey by any means, but an in-depth study covering 47 States, approximately 250 communities, more than 2,000 interviews with persons involved in the electoral process, and observation in person of more than 900 registration and polling places in the United States.

The report of the League of Women Voters gave new emphasis to the unanimous conclusion of many previous registration studies—that the process of registration itself discourages both registration and voting.

Let me quote from the league's report:

> In the presidential election of 1968, 73 million Americans or approximately 60 percent of the total population of voting age actually voted for a candidate of their choice; 47 million or approximately 40 percent did not cast a ballot. Compared with other democratic countries, this voting rate of American citizens is embarrassingly low. For example, the rate at which voters in Italy have participated in elections in the last 10 years has regularly approached 90 percent. Canada records a voting rate of approximately 75 percent to 80 percent, and in the last 25 years West German citizens have voted at rates which range between 78 percent and 87 percent.

In sum, Mr. President, the league study indicated that millions of American citizens fail to vote—not necessarily because they are disinterested but because of the enfranchisement problems in the present election system. Ironically, perhaps, many lose their right to vote for Senators, Congressmen, and other public officials not because they are uneducated, black, poor, or aged, but because they are a part of the American mainstream in the second half of the 20th century. They are mobile people, moving with their jobs, moving to better neighborhoods, serving their country in a location away from home, going to college, or exercising other rights or duties as American citizens.

Registration is the first step in the voting process. And, as the league study has shown, it is the most crucial step as well. We know, for instance, that about 90 percent of registered citizens do vote.

Let me quote again from the league's report of April 1972:

> Observations of registration places and examination of formally stated registration practices provide some dramatic examples of the problems citizens encounter in trying to register.

The first problem that the citizen is likely to encounter will be finding the registration office. He may well have to travel a considerable distance from his home to a central registration office (except perhaps during the last month of registration for a particular election when he is more likely to find facilities in his neighborhood). In 40 percent of the communities studied, however, no additional registration places were opened even during these rush months. Since 54 percent of the registration places were not accessible by convenient public transportation, 24 percent lacked convenient parking, and 52 percent were not clearly identified as a registration or elections office, the prospective registrant may well be frustrated before he arrives.

Once he has located the registration office, the prospective registrant may find that it is not open for registration. In 29 percent of the communities, registration closes more than 30 days prior to an election. Even if he arrives before the registration deadline, the office may be closed since 77 percent of the communities studied had no Saturday registration and 75 percent of the communities had no evening registration during non-election months. While 52 percent of the communities did have additional registration hours during election months, 30 percent of these still had no additional Saturday hours and 17 percent had no additional evening hours.

The league study is just one of several that have pointed out the need for both election reform in general and registration reform in particular through Federal legislation. It is only one of several well-documented studies which make it incontrovertibly clear that the problems associated with the registration processes in use in the States constitute a major roadblock in the way of an expanded electorate.

Mr. President, the time has come to act in this body to sweep away these archaic barriers which serve to restrict the practice of true representative democracy in this country. Let us vote to vote on this issue. Let us face up to the responsibility we have as Members of the Senate. Let us demonstrate that the Senate of the United States does believe in our system of participatory democracy.

The PRESIDING OFFICER. Who yields time?

Mr. FONG. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from Hawaii is recognized.

Mr. FONG. Mr. President, I have before me a resolution from the Florida State Association of Supervisors of Elections, Inc. It reads as follows:

RESOLUTION

Whereas, S. 352 introduced in the Senate of the United States during the First session of the 93rd Congress would authorize postcard registration of electors, and

Whereas, Florida has an efficient method of registering electors through duly elected county supervisors of elections whose offices are conveniently located in each of the sixty-seven (67) counties of the Sunshine State, and

Whereas, a Federal postcard registration system would constitute a duplication of effort resulting in a waste of taxpayer moneys, and

Whereas, postcard registrations under such a Federal system would be difficult of administration because some would be illegible, others incomplete and others impossible to process for other reasons, and

Whereas, registration under a mailing system without a single personal appearance by an elector for the purpose of taking an oath could lead to widespread fraud in voter registration, and

Whereas, it has not been shown that postcard registration would increase voter participation at elections;

Now, therefore, be it resolved that the State Association of Supervisors of Elections after diligent study and serious consideration does hereby go on record as being opposed to S. 352 and the method of postcard voter registration described therein.

Unanimously adopted in convention assembled at Daytona Beach, Florida, this 9th day of February, 1973.

BLANCHE M. WORK,
President.
MARJORIE CARMICHAEL,
Secretary.

Mr. President, there is no denying the right of registration of any American citizen who desires to register to vote; no one is denied the opportunity to register. There is no denial of the right to vote of any American citizen. If one listens to the proponents of this bill one would think that millions of Americans have been denied the right to register; that they have been prevented and precluded from registering; that they cannot get to the registrar to register to vote; that registration is such an onerous task that a national post card registration system that will cost in excess of $100 million per election year is needed.

Mr. President, we know that any man who wants to register to vote can register. For a State election he has 2 years to register and for a Presidential election he has 4 years to register. Certainly within that time he should be able to find some time, a few minutes, to go down to the office of the registrar in his county, State, or city to register.

Mr. President, this bill is not needed. It is a bad bill. It is a bill which will open the opportunity for a lot of fraud. Anyone who wants to register need only seek a registrar, and in many States the laws are so lenient the man can register whenever he wishes to register. In many cases if a person wishes to register and is unable to get to the registrar, he need only call the registrar and they will send someone to him.

This bill is wasteful because it duplicates the efforts of the States. Heretofore registration has been left to the States. We are here imposing a national registration system on top of what is being done on the State level by State officials.

The voter mail registration system will cost $100 million every time the cards are sent out. This bill will not materially increase the number of registrants.

Much has been said that 62 million Americans did not vote in the last Presidential election. The primary reason why the 62 million Americans did not vote is not because they were not registered. Many of those who were registered did not vote. Many of them did not register because they did not want to do so.

A survey made in 1968 by the Census Bureau of 50,000 households showed that of those not registered to vote in 1968, 53.3 percent, over one-half, did not register because they were not interested in politics. The Census Bureau surveyed 50,000 households. This is unlike the Gallup poll or the Harris poll where there is a survey of 1,500 Americans or 1,200 Americans and by extrapolating the remarks of 1,200 or 1,500 people the American public stands for this or that.

Here we have in 1968 a survey of 50,000 households. If we estimate approximately these persons in each household, this was a survey of approximately 150,000 Americans.

What did the survey find? It showed that of the 50,000 households, 26,000 households did not register to vote. So the question was asked of these 26,000 households: Why did you not register? Of the 26,000 households that did not register, more than 53 percent said they did not register because they were not interested in politics.

Mr. President, if we take into consideration the 10 percent that did not register because they were not qualified to register, because they did not meet the residence or citizenship requirements, it will be found that this 53 percent would increase to 60 percent of those surveyed; so here we have 60 percent of the more than 50 percent of the people who did not register in the 1968 elections saying they did not register because they were not interested in politics. If they are not interested in politics, registering them or trying to register them by mail will not increase the number of registrants substantially.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. FONG. Mr. President, I yield myself 2 additional minutes.

The PRESIDING OFFICER. The Senator is recognized for 2 additional minutes.

Mr. FONG. Mr. President, in addition, this bill will encourage a great amount of fraud. Let us see how this system would work. A person would send in a post card. The postman would leave 3 or 4 post cards at every one of the 88 million addresses in the United States. To be sure he catches everyone he has to leave three or four cards at each address. Anyone who wished to do so could fill it out, saying he is an eligible voter. He could sign any name to the card.

The registrant sends the card to the registrar who registers the name on his voter register and sends back a receipt to the man who sent the post card. This receipt is prima facie evidence, according to the bill, that the holder of the receipt is an eligible and lawful voter.

So when he presents that post card on election day at the voting booth, there is no question that he is a qualified voter and can vote.

Mr. President, you can see that anyone having a number of these post cards could——

The PRESIDING OFFICER. The 2 minutes of the Senator have expired.

Mr. FONG. I yield myself 3 minutes more.

You can see, Mr. President, that anyone having a number of these post cards can go down and vote a number of times, and the registrar would not know whether he is the person or is not the person he says he is. This law will open up the opportunities for fraud. We will be registering people who never existed. We will be registering people who are away, just by sending their names in. We will be registering people who have passed on and who were citizens prior to the time of their death. It can be seen that many opportunities for fraud will be present.

The bill injects the Federal Government directly into the election process of each State and each local election. This bill provides that if there is an election of delegates to a national political party Presidential nominating conventions or caucuses to elect delegates to a convention, it is subject to the provisions of the National Post Card Registration Act.

Heretofore, this has always been left to the States. In elections of delegates to the national conventions to nominate a Presidential candidate these State conventions have been carried on by the respective political parties in the States. If one is a Republican, he registers as a Republican, and if he is a Democrat, he registers as a Democrat. He votes in the Democratic primary election or Democratic State conventions or in the Republican primary election, or Republican State convention. He is required to be a member of that political party. The bill eliminates that requirement and may wreck our political party system.

Here we have a registration system which will not close until 30 days before the election. It gives no time whatsoever for the registrars to determine whether a card sender is a bona fide registrant or not. Here we have a system which provides that a man who is neither a Democrat nor a Republican can register and vote in the Democratic——

The **PRESIDING OFFICER**. The time of the Senator has expired.

Mr. **FONG**. I yield myself 1 minute.

He will vote in the party election of that State political party convention, injecting the Federal Government into the political parties of the States.

Besides, this bill compromises the integrity and reputation of the Census Bureau by making a very real political agency, a subsidiary of the Census Bureau should be kept free from political influence. We know of a number of people who refuse to answer census questions because they feel it is an invasion of their privacy. If this political agency is made a part of the Census Bureau, we will find there will be more objections to answering questions when the census taker comes around.

The **PRESIDING OFFICER**. Who yields time?

Mr. **FONG**. I yield to the distinguished Senator from Alabama whatever time he requires, Mr. President.

Mr. **ALLEN**. I thank the distinguished Senator from Hawaii.

Mr. President, the issue the Senate will decide in just a few minutes will be whether or not the debate on the registration by post card bill shall be cut off. In other words, shall cloture be invoked?

Mr. President, consideration by the Senate of this bill is not holding up Senate consideration of any other bill pending before the Senate. For example, on yesterday, this bill remained before the bill only 1 minute, just long enough to lay it down and then lay it aside to take up other matters.

There are numerous amendments and motions that need to be made with respect to this bill. I would hope that the motion to send the bill to the Judiciary Committee or another motion to send it to the Rules Committee might be made. What possible reason, other than that these cards are to be sent through the post office system, could there be for sending this bill in the first instance to the Committee on Post Office and Civil Service? This is a bill having to do with registering voters by post card.

Let us see what the rules of the Senate say on that subject. Rule XXV says that the Committee on Rules and Administration shall have jurisdiction over all matters of legislation having to do with the election of the President, Vice President, or Members of Congress; corrupt practices; contested elections; credentials and qualifications—the very matter considered by this bill—Federal elections generally.

It would be the purpose of the Senator from Alabama to file a motion, if this bill is allowed to be debated further, to send the bill to the Committee on Rules and Administration; failing that, to send it to the Judiciary Committee, which would have been a much more logical committee to have received the bill in the first instance.

How does the Committee on Post Office and Civil Service get jurisdiction of this bill? By the fact that tens of millions of cards are to be sent through the post office system to recipients. They are to be sent out in junk-mail fashion, not addressed to anyone, without regard to whether recipients are already qualified voters, without regard to whether recipients have any desire to vote. They are to be broadcast throughout the length and breadth of this country. The postman on the various routes has the right to decide how many of these cards are to be left at these various addresses, because the bill says that there shall be a sufficient number of these cards left at every mail postal address throughout the country.

If this measure were sent to the Committee on Rules and Administration or to the Committee on the Judiciary, there could be carved out of this bill the original sending of cards throughout the country, and thereby save tens of millions of dollars each year. It would still have the concept of post card registration, because the cards could be left at post offices, at mayors' offices, at county offices, and anybody who wanted to come in and pick up a card would be entitled to do so.

Mr. President, I have been impressed by the fact that in all the debate on this bill not a single bit of evidence, not one single comment, has been made about the support of this measure by a single local citizen, by any member of a board of registrars in any city or county throughout the country. There is no clamor throughout the country for this bill. I do not believe there is a single Senator on the floor at the present time, with one exception, who is in favor of this bill. Where is the great public support for the bill? It just does not exist. Throughout the country very few people know about this legal monstrosity—a bill that is not needed, a bill that at best would create second-class citizenship for the registrants under the measure, because it does not purport to qualify a registrant to vote in city, county, or State elections.

If a person goes to the voter registrar now and registers, he is qualified to vote in every election that might be held, whether it be county, State, or Federal. Under the terms of the pending bill, a registrant would be allowed to vote only in Federal elections—that is, for President, Vice President, U.S. Senator, U.S. Representative, and possibly I believe it is broad enough to cover delegates to national conventions. However, when a voter, who has qualified under the pending bill by having his card dumped with thousands of others in the laps of local registrars, goes in to vote, all he is qualified to do is to vote in Federal elections.

Every election now does not involve merely a Federal election. What about county and State elections? What about elections held on the same day that involves both a Federal and local election? Would the election official at the booth say to the fellow that he is qualified under the postcard registration bill? Would he say, "Go in and vote for the Federal officials. However, do not vote for the State candidates, because you are not qualified to vote for them. You cannot vote for the county judge or the sheriff because you are not qualified to do that."

Why should we create two separate classes of voters? Why not let a person go before the local board of registrars, present himself in person, and say, "I am 18 years of age. I am a resident citizen of this county and of such and such a precinct, and I want to register."

That is all he has to do. Mr. President, is that so onerous a task, to require a person who is interested enough to want to vote to go in and register in person?

The distinguished Senator from Wyoming says that there are a whole lot of barriers that are presented to anyone who wants to register. What barriers are presented: They say, "Well, they are not open all day long. They are open on just certain days, and it is hard for someone to go in and register."

Mr. President, I think any person could find out when the board of registrars meets and could go in and register without too much trouble. He does not have to take any literacy test. He does not have to have any qualifications. He does not have to demonstrate the ability to read or write. All he has to do is go in and show that he is 18 years of age and wants to register to vote.

So, Mr. President, there is no barrier to prevent people from registering and voting if they want to vote. And if there are barriers, they are at the State and local level and ought to be corrected at the local level and, we ought not to impose this indignity—because that is what it is—upon our local boards of registrars who are doing an outstanding job, it would seem to the Senator from Alabama.

I feel that it is the failure of people who are registered to vote but who do not care enough to go to the polls that is the cause of the low turnout, rather than their inability to register, because they can register. We do not need another vast Federal bureaucracy, a bureaucracy, I might say, that is opposed by the Census Bureau in which this bureaucracy would be lodged. It is opposed by the Justice Department. It is pointed out that it would pave the way for fraud and corruption in the registration process. And, Mr. President, what good would it accomplish? How many people would register under this plan and get only half of a voting privilege, which is in a national election and not in the State and local election? How many people would avail themselves of that opportunity?

We have had a system like this in the great State of Texas for 30 years, even looser than this system, because from time to time they print coupons in the local newspapers. All that a prospective registrant has to do is to cut out this coupon—just as one would do if he wanted to send in for a sample of toothpaste—and send it in to the board of registrars, and they are registered, or he could send them a postcard or a letter.

How has this worked in the last 30 years in the State of Texas? It has worked to the extent that in 1970 63 percent of the Texans who are eligible to vote are registered to vote with that loose and free system that they have in the State of Texas.

Conversely in the State of Utah, Mr. President, which does not have this system, how many are registered out there, because of the interest of the citizens and because of their desire and determination to exercise their rights and privileges as a citizen? How many people are registered out there without the benefit of postcard registration? At least 98.4 percent of them are registered. That is well nigh perfect, it would seem to the Senator from Alabama. Yet, under the pending bill, Mr. President, there would be broadcast throughout the length and breadth of Utah hundreds and thousands of these postcards to try to catch that 1.6 percent of the ciizens of Utah who are of voting age.

It would seem to the Senator from Alabama that that is certainly an overkill in the very highest degree.

I dare say that no matter how many tens of thousands or hundreds of thousands of cards are sent out in Utah, they could not improve on this 98.4 percent.

So, Mr. President, the bill is not needed. There is no occasion for ending the debate because there are many motions that still need to be made.

Mr. President, I note in the whip's notice that is sent out by the distinguished assistant majority leader each day that the statement is made that if the cloture motion fails, another motion will be filed. That will make it four times.

Without that little bit of information given up by the whip, it could well be argued that this being the third vote on a cloture motion, it could well be considered to be an up-and-down vote on the merits. And some Senators who might possibly be against the bill, but who might want to vote for cloture, might possibly without this bit of information go ahead and vote against the cloture motion, hoping that the leadership would withdraw the bill from further consideration.

Since the Senator from Alabama has had the honor and the privilege of representing the people of Alabama in the U.S. Senate, there have been a number of issues on which cloture motions have been filed.

I ask unanimous consent that this compilation of cloture motions, the number and the bill as to which the motion was filed, be printed in the RECORD.

There being no objection, the compilation was ordered to be printed in the RECORD, as follows:

1969—91ST CONGRESS, 1ST SESSION

S. Res. 11 (amending Senate rules relating to cloture).

2 cloture motions presented and voted on. Pages 13, 50, 97, 103 in the Journal.

1970—91ST CONGRESS, 2D SESSION

S.J. Res. 1 (constitutional amendment on direct popular election).

3 cloture motions presented,

2 cloture motions voted on,

1 cloture motion vacated.

Pages 858, 868, 906, 910, 934, 937 in the Journal.

Conference report on H.R. 17755—Dept. of Transportation appropriations.

2 cloture motions presented and voted on.

1971—92D CONGRESS, 1ST SESSION

S. Res. 9 (amend Senate rules relating to cloture).

4 cloture motions presented and voted on. Pages 92, 97, 108, 114, 127, 140, 155, 161 in the Journal.

H.R. 6531 (military pay and Selective Service).

1 cloture motion presented and voted on. Pages 452–465 in the Journal.

S. 2308 (emergency loan guarantees to business).

4 cloture motions presented.

3 voted on, and 1 vacated.

Pages 548, 552, 560, 564, 573, 579 in the Journal.

H.R. 6531—Conf. rept. (military pay, etc.).

1 motion presented and voted on.

Pages 666–670 in the Journal.

H.J. Res. 1005 (continuing approps.).

1 motion presented, *not* voted on.

Page 1113 in the Journal.

1972—92D CONGRESS, 2D SESSION

S. 2515 (equal employment opp.).

3 motions presented.

Pages 61, 77, 137 in the Journal.

S.J. Res. 241 (U.S.-Soviet agreement).

2 motions presented.

Pages 940–944 in the Journal.

S. 3970 (consumer protection).

3 motions presented.

Pages 1032, 1053, 1076 in the Journal.

H.R. 13915 (equal educational opp.).

3 motions presented.

Pages 1180, 1189, 1192 in the Journal.

1973—93D CONGRESS, 1ST SESSION

S. 352 (Post Card Voter Registration).

3 cloture motions presented.

(April 17, May 1, and May 7).

Mr. ALLEN. Mr. President, I find that in 1969, the 91st Congress, two cloture motions were filed as to Senate Resolution 11, an amendment of the Senate rules relating to cloture.

In 1970, three cloture motions were presented on a constitutional amendment on direct popular election. The motion failed and after the third time the bill was brought down.

On a conference report on H.R. 17755, the Department of Transportation appropriations, two cloture motions were presented and voted on.

In the more than 4 years that the Senator from Alabama has observed the proceedings in the Senate, there is only one instance in which a cloture motion has been filed on four times.

That was in 1971, on Senate Resolution 9, to amend the Senate rule relating to cloture.

So on all of these other measures, three was the limit. But I note from the information given by the majority whip that if cloture is not invoked on this vote, we will have the opportunity of voting again. Mr. President, it occurs to the Senator from Alabama that if a Senator is in fact opposed to this bill, at every opportunity he has, he would vote, in effect, to kill the bill.

The PRESIDING OFFICER (Mr. NUNN). All the time of the Senator from Alabama has expired.

Mr. ALLEN. I thank the Chair, and I thank the distinguished Senator from Hawaii.

Mr. McGEE. Mr. President, what is the time situation remaining on the two sides?

The PRESIDING OFFICER. The Senator from Wyoming has 9 minutes remaining. The Senator from Alabama has consumed the time in opposition.

Mr. McGEE. Mr. President, I have agreed to hold some time for the Senator from Tennessee (Mr. BROCK), and I shall continue to do that in the few minutes that remain. While doing so, I shall take a moment to say one or two things as we conclude this round of the discussion on this measure.

First, I would like to mention in particular once more the discrepancy between the voting records of our fellow democracies in most of the rest of the world, particularly in Western Europe, and our own. The percentage who turn out and vote in Canada, Great Britain, Belgium, Holland, Germany, France, and Italy is invariably higher than ours, with similar parliamentary situations, and we are entitled to ask why.

Again, we have to consider the alternatives. Is it because Americans are not as good citizens? Is it because Americans are not as responsible as European citizens in a democracy? Or is there some other explanation?

Mr. President, I for one am firmly convinced that Americans are at least as good citizens, and in my judgment better. Then what is the difference?

The difference, Mr. President, is simple. In our sister democracies, the government takes the responsibility for seeing that all the citizens get registered—all of them. In the United States, we seek out the individual citizen and say, "If you do not get registered yourself, on your own initiative, you do not get registered and you do not vote." That is the difference.

All we need to do is address ourselves, in this body, to the question of whether we ought to be caught trying to redress that point of emphasis. I am sorry that my colleague from Alabama has left his seat, because I wanted to make a point in regard to his remarks in these last few minutes, and that is the relevant point that he made about the right of a citizen to initiate his own registration and vote, that if the citizen cares enough, let him go down and register, and then he can vote.

I petition my colleague from Alabama to consider the principle that is at stake there. In the Senate of the United States, there are more than 60 Senators who have registered. They have made a special effort to qualify for the right to vote in this body on this subject. And yet even that does not work. What hope have we, from these tactics of those who are opposing the bill, to believe they want anybody else to vote? More than 60 Senators have said they want the right to vote on voter registration, and yet that right is being denied. Since the 6th of April it has been denied.

We have been ready to turn to all kinds of other legislation. We have agreed to turn to some. We are not trying to stop the wheels of the legislative process; we are seeking only, Mr. President, to preserve for the Members of this body the right to follow up their registrations, which the Senator from Alabama has so graciously agreed ought to be at their initiative.

They have exercised their initiative, and now they are saying, "We want to vote." And yet the opponents of this measure are hiding behind the screen of unlimited debate, of delaying tactics, denying the right of other Members of this body to stand up and be counted.

Mr. President, I submit in all sincerity that the majority leader was exactly right as he addressed himself to this question a few moments ago, when he said that the time has run out on any excuse for further deliberation.

Of course, there are differences of opinion on this measure. Of course, it is not a perfect bill. Someone else could write a better one than I could. Others could write many different kinds of bills. But this is the bill that the committee, as a result of its hearings and after the suggestions of other colleagues in this body, has been able to agree upon as the one that comes closest to the need, and that is the measure that 60 or more Senators out of the 100 simply want the right to vote on.

For those who fear the bill, for those who shout "fraud," for those who shout "indifference," I say they all ought to vote "nay," and stand before their peers and their constituents on that negative vote. But instead, they seek to stand behind the screen of the rhetoric of delaying actions.

So, Mr. President, I say the time has come for this body to act. I think the Members of this body have a right to say to the Senator from Alabama, "We are registered to vote, and now we want you to put your action where your oratory has been, and give us that right to vote."

That is the issue. The issue applies to the people of this country and it applies to the Members of this body. We ask only for the right to vote.

We are saying to all in public office, "We must be responsible. Let them know where we stand. Do not hide. Do not maneuver. Do not sidestep or sidetrack."

And yet the Senate is caught, at this moment, doing precisely that, at the very moment when the Senate is being called upon to rise to new heights, to reassert its responsibilities in the American governmental process. At that very moment, we are being denied the chance to move.

I can say to my friend from Alabama that not only will there be another cloture vote, if necessary, if that makes any difference to him, and apparently it does not, there will be another one, and then another and then another, because the people demand that we persevere in this effort. The position in which we find ourselves stands in such stark contradiction to the principle of the right to register so that one might have the right to vote that we shall persevere until Senators themselves secure that opportunity which should be theirs to cast their ballots for or against this particular bit of legislation.

Mr. President, it has been a very long course these last 2 or 3 weeks. As I look around the Chamber to see where the missing speaker is, I have to recount how long that course has been. But I would say that whatever else has occurred in these last days, I have not heard a single new argument nor a single new statistic. All I continue to hear are those same worn out statistics from 1968, and reference to the record of Texas, where they did not turn out and vote even though they were registering by post card. But I have yet to hear the Senator from Alabama or the Senator from Hawaii point a finger at the Texas experience and say that they committed fraud with post cards, that they committed fraud with coupons. All they talk about is that people did not vote, anyway, with them. Well, they do vote in Europe. They do vote for some reason. The difference is that there, the government bears the burden of seeing to it that the people get registered. Here we leave it up to the individual. We have to broaden the base of citizen participation in our elections.

Mr. BROCK. Mr. President, I am a cosponsor of this legislation, and I believe quite strongly that it works to the best interest of the people, does not inherently benefit one or the other party, and is drawn with considerable care so as to minimize the potential for fraud.

I must say that I have spoken in this chamber on S. 352 more times than I would have liked to, and I believe even the distinguished senator from Wyoming, who often seems never to tire of talking about this bill, would have preferred to have gotten on to other business long ago.

We have talked out the various technical points in this bill at great length, and it is my opinion that every objection which has been raised by the opponents of the bill has been adequately answered by those of us who favor it.

Therefore, I shall not at this time engage in another technical discussion. Instead, I want to make a more general point, and it is this:

Too many people are confused, disillusioned and alienated from the political process in our country today. In increasing numbers they are becoming cynical about the system. Few warning signals on the horizon could be more ominous, for when faith in the system erodes, the system itself is in grave danger.

Those of us in this body, and all the political leaders in our country, must demonstrate to the people that they, the people, are still sovereign in America, that their representative government does in fact represent them, that they do count for something, their voice can be heard.

In this brief moment, I can but allude to the reasons for the alienation the people feel—debilitating massness in our mass society, stultifying bureaucracy that seems unpenetrable, the breakdown of traditional moralities, all of these are underlying causes.

But I do know that what is needed is reform. Reform, across a broad spectrum of the political process, so that we can really have popular government.

I addressed this body yesterday to suggest some very comprehensive reforms in our campaign practices laws. I believe it is essential that we do something to show the people that a political campaign can be an honest business.

I am fighting for other reforms too—of the way the Congress spends the people's money, for one; what we do to our children when we carry them all across the map just to get to school, for another. But the common thread is to make us more responsive to people.

We define over $200 million of the people's money as the "relatively uncontrollable" part of the Federal budget, and then wonder why they are cynical.

We bus their children, and everyone knows that if the people could vote on it, there would be no busing—but they cannot, they cannot do anything to stop it, and we wonder why they are cynical.

S. 352 fits very well into the pattern of reforms I seek, for it maximizes the ability of people to participate in the process. It is a good bill, a sensible reform, and a meaningful demonstration to the people that we do care about their vote and their opinion.

Mobility is one of the effects of massness, and because of their mobility thousands of people are disenfranchised today. S. 352 will help. Redtape is one of the symptoms of massness, and thousands of people do not register because it is too confusing to figure out how. S. 352 will help.

One further point. I believe the people feel that their Senators ought to be able to vote yes or no on the measures that come before them. I agree, and I suggest to my colleagues that we pass this cloture motion and proceed to vote today on whether or not we shall have reform.

CLOTURE MOTION

The PRESIDING OFFICER (Mr. ALLEN). Time for debate having expired, the hour of 1 p.m. having arrived, under the unanimous-consent agreement pursuant to rule XXII, the Chair lays before the Senate the pending cloture motion which the clerk will state.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close the debate upon the pending bill, S. 352, a bill to amend title 13, United States Code, to establish within the Bureau of the Census a Voter Registration Administration for the purpose of administering a voter registration program through the Postal Service.

Mike Mansfield, Robert C. Byrd, William D. Hathaway, Harold E. Hughes, George McGovern, John O. Pastore, Edward G. Brooke, George D. Aiken, Robert P. Griffin, Daniel Inouye, Lee Metcalf, James Abourezk, William Proxmire, Gale McGee, Alan Cranston, and Joe Biden.

CALL OF THE ROLL

The PRESIDING OFFICER (Mr. ALLEN). Pursuant to rule XXII, the Chair now directs the clerk to call the roll to ascertain the presence of a quorum.

The legislative clerk called the roll, and the following Senators answered to their names:

[No. 125 Leg.]

Abourezk
Aiken
Allen
Baker
Bartlett
Bayh
Beall
Bellmon
Bennett
Bentsen
Bible
Biden
Brock
Brooke
Buckley
Burdick
Byrd,
Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cook
Cotton
Cranston
Curtis
Dole
Domenici
Dominick
Eagleton
Eastland
Ervin
Fannin
Fong
Fulbright
Goldwater
Gravel
Griffin
Gurney
Hansen
Hart
Hartke
Haskell
Hatfield
Hathaway
Helms
Hollings
Hruska
Huddleston
Hughes
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Long
Magnuson
Mansfield
Mathias
McClellan
McClure
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Saxbe
Schweiker
Scott, Pa.
Scott, Va.
Sparkman
Stafford
Stevens
Stevenson
Symington
Taft
Talmadge
Thurmond
Tower
Tunney
Weicker
Williams
Young

The PRESIDING OFFICER. A quorum is present.

The question before the Senate now is, Is it the sense of the Senate that debate on S. 352, a bill to amend title 13, United States Code, to establish within the Bureau of the Census a voter registration for the purpose of administering a voter-registration program through the Postal Service, shall be brought to a close?

The yeas and nays are mandatory under the rule, and the clerk will call the roll.

The Chair admonishes the Senate that this is a very crucial vote, and we would like to have as much quiet as possible, so that interested Senators can hear the results of the vote and keep their own tabulations.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

The yeas and nays resulted—yeas 67, nays 32, as follows:

[No. 126 Leg.]

YEAS—67

Abourezk
Aiken
Bayh
Beall
Bellmon
Bentsen
Bible
Biden
Brock
Brooke
Burdick
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cook
Cranston
Eagleton
Fulbright
Gravel
Hart
Hartke
Haskell
Hatfield
Hathaway
Hollings
Huddleston
Hughes
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Long
Magnuson
Mansfield
Mathias
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Saxbe
Schweiker
Stafford
Stevenson
Symington
Taft
Tunney
Williams
Young

NAYS—32

Allen
Baker
Bartlett
Bennett
Buckley
Byrd,
Harry F., Jr.
Cotton
Curtis
Dole
Domenici
Dominick
Eastland
Ervin
Fannin
Fong
Goldwater
Griffin
Gurney
Hansen
Helms
Hruska
McClellan
McClure
Roth
Scott, Pa.
Scott, Va.
Sparkman
Stevens
Talmadge
Thurmond
Tower
Weicker

NOT VOTING—1

Stennis

The PRESIDING OFFICER (Mr. ABOUREZK). On this vote, the yeas are 67 and the nays are 32. Two-thirds of the Senators present and voting having voted in the affirmative, the motion is agreed to.

The bill is now open to amendment, and under the rule, cloture having been voted, each Senator is entitled to a total of 1 hour's debate on the bill.

Who yields time?

If there be no amendment to be offered, the question is on the third reading——

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. TAFT. Mr. President, I call up my unprinted amendment now at the desk and ask for its immediate consideration and reading.

The PRESIDING OFFICER. The clerk will state the amendment.

The legislative clerk read the amendment, as follows:

On page 9, line 19, after the word "voting" insert the following: "or registers to vote with the intention of voting more than once, or votes more than once in the same Federal election".

The PRESIDING OFFICER. How much time does the Senator yield himself?

Mr. TAFT. I yield myself 2 minutes.

Mr. President, this amendment would make voting more than once or registering to vote with the intention of voting more than once in the same Federal election a Federal crime. It would be subject to a fine of not more than $10,000 or imprisonment of not more than 5 years, or both, under section 408 of the voter registration by mail bill.

The potential problem of double voting has escalated lately because Congress and the Federal courts have eased residence requirements, thereby making it easier for persons to qualify to vote. The liberalization of residence requirements is certainly a positive step. However, the isolated few who might be tempted to cheat should not be allowed to take advantage of the new situation.

The Honorable Ted W. Brown, Ohio's secretary of state, has pointed out to me that when this form of cheating crosses State lines it is difficult, and sometimes it may be impossible, to prosecute. My amendment would remedy this situation and thus fill a gap in present election laws.

Mr. McGEE. Mr. President, I yield myself such time as may be necessary.

We have discussed this amendment at some length, and I would certainly urge its adoption, and am willing to accept it. That is permissible in the parliamentary procedure.

The PRESIDING OFFICER. The parliamentary situation is that the amendment cannot be accepted, but it can be voted on.

Mr. McGEE. I accept it anyway. Let us vote on it. I do not insist on the yeas and nays, unless another Senator wishes to do so.

Mr. TAFT. Mr. President, I have no intention of asking for the yeas and nays unless another Senator desires to call for them.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Ohio.

Mr. FONG. Mr. President, the minority has no objection to the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Ohio.

The amendment was agreed to.

Mr. TAFT. Mr. President, I call up my amendments No. 104 and ask that the clerk read them.

The PRESIDING OFFICER. The clerk will read the amendments.

The legislative clerk proceded to read the amendments (No. 104).

Mr. TAFT. Mr. President, I ask unanimous consent that reading of the amendments be discontinued, inasmuch as they have been printed.

The PRESIDING OFFICER. Without objection, it is so ordered.

Amendments No. 104 are as follows:

On page 6, line 10, after the word "the" insert the following: "positive identification and voter".

On page 6, line 14, after the word "registration." insert the following: "Registration forms shall also include a statement of the penalties provided by law for attempting fraudulently to register to vote under the provisions of this chapter.".

Mr. TAFT. Mr. President, I yield myself 2 minutes.

The PRESIDING OFFICER. The Senator from Ohio is recognized for 2 minutes.

Mr. TAFT. Mr. President, this amendment would provide for the inclusion in registration forms of such matter as State law requires and the administration determines appropriate to ascertain positive identification of the voters. It also would require the inclusion in the forms of a statement of the penalties provided by law for attempting fraudulently to register.

The first provision would emphasize the importance of requesting some information in the registration form which could be used to check the voter's identification. For example, a request in the form for a social security number or a driver's license could be required by the Voter Registration Administration. The committee indicated its agreement in principle with this type of provision on page 10 of the committee report.

Of course, the administration could not mandate under any circumstances that the receipt of such information be made a requirement for voting in an election. Nevertheless, such information would be received from most voters and would provide a positive check against fraud.

The second provision would serve as a deterrent against fraud by warning recipients of the registration forms of the penalties involved if they attempt to register fraudulently.

I believe that these provisions will help to eliminate abuses of the voter registration by mail system.

Mr. McGEE. Mr. President, again we discussed this matter as a tightening operation in general. In the committee we considered this matter of not specifying the specific tightening steps so that the new registration administration would have some latitude to apply the best combination of devices that would help to cinch this point. However, in the light of the dialogs we have had and my own discussions with the distinguished Senator from Ohio, I certainly find no objection to the proposals. They are very constructive. They get to the point we are all addressing ourselves to.

Mr. TAFT. Mr. President, I thank the Senator for his comment. I would simply say that I, of course, have not specified the exact procedural steps. I thought it was wise to indicate the desirability of some type of identification.

Mr. FONG. Mr. President, I have no objection.

The PRESIDING OFFICER (Mr. ABOUREZK). The question is on agreeing to the amendments of the Senator from Ohio (putting the question).

The amendments were agreed to.

Mr. ERVIN. Mr. President, I ask for the yeas and nays on final passage.

The yeas and nays were ordered.

Mr. ERVIN. Mr. President, I wish to speak briefly in opposition to the bill. I have been a Member of the Senate for more than 18 years. In my considered judgment this is the most unwise legislative proposal ever made to the Senate during my more than 14 years of service.

I think that there are three fatal defects in this piece of legislation.

In the celebrated case of Texas v. White, Chief Justice Salmon P. Chase gave the best nutshell definition of the purpose of the U.S. Constitution when he said that the Constitution and all its provisions looks to an indestructible Union composed of indestructible States.

The proposed legislation would do more to destroy the federal system of Government than any other piece of legislation that has been proposed in this body since I have had the honor to be a Member of the U.S. Senate. The seeds of destruction of the federal system of Government are in this proposed legislation.

Throughout the history of this Nation, the power to pass upon the qualifications of those who shall vote in Federal as well as State elections has been vested in local election officials. This bill not only takes away that power from local election officials in respect to Federal elections, but it also contains in it a proposal that they bribe the States to adopt the provisions of this bill in State elections.

Mr. President, whenever we concentrate the control over the electoral process of this country and the control over who is going to vote in the exercise of this process in one bureau in Washington, as this proposed legislation does, we destroy the power of the States to maintain their sovereignty.

This bill is destructive of the concept that we shall have an indestructible union composed of indestructible States, because it carries within it the seeds of destruction of the power which has always been vested in the States and which must always be vested in them if we are to have a fair system of elections.

This bill in effect makes some virtually faceless bureaucrats in the Bureau of the Census the rulers over the 184,000 separate election precincts in the United States. It is a symbol of the most virulent form of Potomac fever that our Nation has witnessed. The vote for cloture indicates that the bill will pass the Senate by a very substantial majority, and it indicates that Senators are coming to the conclusion that the people who have sent them here—that is the people of their States—have not got enough sense to manage their own affairs and that that power must be transferred to some bureaucrats up on the banks of the Potomac River.

That is the first serious objection to the bill. There is another serious objection.

If America is ever destroyed as a viable nation, it is going to be destroyed as a result of the solicitude of those who exercise legislative power for those who are unwilling to do anything to help their country rather than for the people who are willing to do something to help build up their Nation.

In the average State it takes a man about 15 minutes before a registrar, no more than that, and sometimes less, to register to vote.

The pending bill is in effect a proposal that we put power in the hands of people who do not care enough about their country to take a few minutes once in a lifetime to appear before a registrar and establish their qualifications to vote.

I think it is about time that we do something in this country for the benefit of the people who love their country and who are willing to undergo the inconvenience of spending 10 or 15 minutes out of a lifetime in going before a registrar and manifesting their love of country by registering in person.

Mr. President, I can neither demonstrate sorrow nor shed crocodile or political tears over any person who does not care enough about his country, who does not care enough about his duties to his nation, and who does not care enough about the precious rights which his nation has given him to go and register in person.

The third serious objection to the bill is that it is an open invitation to people who are willing to do so to steal the election of a President of the United States or the election of a U.S. Senator or a U.S. Representative. If people are too lazy to take the trouble to go in person and register or are so lacking in interest in their country's welfare to take the trouble to do so, they are not going to determine their own votes, someone else will determine for them how their votes are cast.

Mr. President, this bill ought to be entitled, "A bill to encourage the most colossal election frauds." Any person can register anyone else under the pending bill. He can procure the registration of people who do not even exist.

To be sure, there has been some small fraud in elections in times past. This is illustrated by the story of the two men who went into the cemetery to copy names off the gravestones, and then cast absentee ballots in their names. But there was a modicum of honesty even in such people. John Doe and Richard Roe went into the cemetery on such an errand one time. John Doe was reading the names off the gravestones and Richard Roe was copying them down.

They got to a gravestone that said, "Sacred to the Memory of Isadore Tscherenstein."

Richard Roe said, "Wait a minute, read that name again. That's a long name; we can divide it into two parts and have two ballots instead of one."

But John Doe said, "Oh, no, if I'm going to have anything to do with this, it's got to be honest."

There is no way, under this bill, for a registrar to determine whether a man whose name purports to be signed to one of these postal cards has ever come into being, or whether he is sleeping in the cemetery. If the registrar gets notice of a fraud, he has to write a postal card or letter about it to some unelected, and unanswerable official who sits in the Bureau of the Census and who is under no obligation to do anything. This bill is an open invitation to steal the election of the President, the elections of Senators, and the elections of Congressmen. I think, and I say this deliberately, that I am satisfied it is the most unwise legislative proposal which has been made to this body since I became a Member of it.

There is absolutely no way to detect fraud. There is absolutely no way to determine whether a person who signs one of these purported postal cards has even ever been born, or whether he is sleeping in the tongueless silence of the dreamless dust in some cemetery. To be sure, the Attorney General of the United States can bring a civil action, but the election will be over before the case can be tried.

People ought to be required to pay just a little bit for their precious rights, and the general public ought to have a system under which registrars can determine whether a person who applies by postal card for registration even exists, or whether he is qualified. There are no safeguards whatever in this bill. And the tragedy is that the history of this Nation shows that men who will not steal your money, men who will not defraud you of your property, are willing to steal your vote and to defraud the public by stuffing the ballot boxes with votes of people who are not entitled to vote, and who, under this bill, do not even have to exist.

So I reiterate that I think I would do my country a grave injury if I were to vote for a bill which makes such a foul assault upon the federal system, which shows so little consideration for people who do love their country and places the control of that country in the hands of people who would trifle with the welfare of their country, and which opens the door to frauds in elections which the wildest dreams have not yet visualized.

Mr. STEVENS. Mr. President, it has been with great reluctance that I have opposed a bill that has the support of the chairman of our Committee on Post Office and Civil Service.

I tried to eliminate from this bill the provisions of section 404 which require that the States maintain their registration procedures until a time not later than 30 days immediately prior to any Federal election.

It is physically impossible for my State to comply with that provision. I have great respect for the chairman of our committee and those who support this bill, but I can state that in the 5 years I have been in this body, I have never received as many telephone calls or visitors or as much arm-twisting to change a vote; and I for one hope it does not happen again, as I think that such tactics just solidify a person's feelings concerning his own interpretation of legislation.

I have checked this provision many times with our Lieutenant Governor, who is the official who maintains our election procedures, and he, too, believes that this provision will destroy the registration system of the State of Alaska. Because of the fact that we are one-fifth the size of the whole United States, we deal each election with voting that is held in places as far apart as Jacksonville and Detroit, as New Orleans and San Francisco; we cannot, with the means available for communication today, namely, the Postal System, use a post card registration system and comply with that section.

I have pointed this out repeatedly. I have been in contact with those people who met in New Orleans, representing the election officials of all the States. They concur, I am informed, in that belief. I have worked long and hard with the Senator from Massachusetts (Mr. KENNEDY) on the bill that we authored to give the States an option to use additional procedures to increase voter registration.

It is a strange day, I think, when with five lines in a bill that pertains to a postcard registration system, the Senate would overrule three Supreme Court cases that are not yet 90 days old, without even thinking about it, and without knowing what we are doing. The Arizona case, the New York case, and the Georgia case are thrown out the window despite the fact each represents an honest attempt of State election officials to comply with the Supreme Court's opinion; to permit the people of those States to register, to set up procedures whereby they can in fact encourage registration. And, through our Alaska registration system, we have increased participation in voting in the State of Alaska.

I am sorry to say I shall have to vote against this bill, and I hope I will have an opportunity again to vote against it. It moves in the wrong direction, in my opinion, to compel the States to do something in the name of increasing voter participation which will in fact destroy the existing systems of registration in those States.

Mr. COTTON and Mr. BIDEN addressed the Chair.

The PRESIDING OFFICER (Mr. ABOUREZK). The Senator from Delaware is recognized.

Mr. BIDEN. Mr. President, I rise in support of this legislation. I had no intention of speaking today, but in the light of the fact that the distinguished senior Senator from North Carolina, for whom I have the greatest respect, and who I think knows more about the Constitution than any other Senator, rose with such eloquence to point out three fatal flaws in this legislation, it is because I have such respect for him that I rise to respond, as inadequate as the response might be on the spur of the moment, to the three objections he has pointed out.

First, the Senator from North Carolina states that this measure, in effect, runs contrary to the whole concept of our federal form of Government, in that it will move against an indestructible union by weakening the participation of the States or the say of the States in the electoral process.

As I understand the bill, the States are still going to have the determining responsibility as to whether or not someone is legally registered, whether or not there is fraud, or whether or not there has been any attempt to prostitute the process. So I do not quite understand that objection.

Second, with regard to the question of fraud, there can be a great deal of fraud under the present form of registration in our Federal elections. It seems to me that there is no greater possibility of fraud in this bill than we now have. But the third and most important point that I am a bit confused on, and would like to speak to, is that the senior Senator from North Carolina points out that, for those people who do not care enough about their country to take 15 minutes to register, perhaps we should not go out of our way to help them to be able to register. It seems to me that the logical extension of that argument would be that those people who failed to learn how to read and write years ago should, in fact, not have been allowed to vote because they did not care enough about their country to learn how to read and write, to go through the process which, in days gone by, was required of them in order to qualify to register to vote.

Mr. President, it is a great hardship, in my State, and in other States, for many working men and women to get the opportunity to find that 15 minutes, when many of the polling places are only open between the hours of 9 and 5 and are located in one central spot in the middle of a county and thus not readily accessible to them, and when many States do not, in fact, take the time to advertise when their mobile units will be available.

So it does not seem to me it is as simple as that 15 minutes might sound, because it is difficult for many people in certain areas of the country, and in certain segments of the economy, to be able to find that time, although it may be very simple for me to find the time.

Therefore, with all due respect, I think that there is just cause for us to pass this legislation, that it does increase the franchise, that it does not in any way endanger the rights of the individual States, nor does it add to the possibility of any additional fraud.

Thank you very much, Mr. President.

Mr. COTTON. Mr. President, I desire to express a few sentiments about this measure which is about to pass the Senate and which I think carries a significance far beyond the realization of many members of this body and, certainly, far beyond the realization of many of our citizens. In the first place, let me say that, as usual, I was deeply impressed by the words of the distinguished Senator from North Carolina (Mr. ERVIN). I have never known him to speak in the Senate that he did not speak to the point, that his words were not weighed and measured, thoughtful and logical, and most worthy of the closest attention of every Senator.

If he was ever right in his life, he was correct in every word he said here in the Senate this afternoon. I compliment him and associate myself with every word that he said.

However, Mr. President, there has been one thing the Senator from New Hampshire has noted throughout this long debate, one thing that, so far as he has been able to note, has not been disputed. It is recognized that there is not a Member of this body, or a good American citizen anywhere, who does not deplore the fact that such a small percentage of Americans go to the polls and vote. On that, we all agree. We all agree that every reasonable step should be taken to encourage and to bring about a wider use of the franchise and also a more intelligent use of the right of suffrage.

But, there is one human trait that if we stop and think about it, if my colleagues will let their minds go back over their experience since childhood, the one human trait that is universal is the fact that the cheaper we make a thing the less people value it, and that the poorest way to obtain a greater percentage of voting on the part of the people is to make the privilege of voting seem to them something that is so easy and so casual and so cheap that it is not worthwhile.

I have watched that through many, many years. In my own State, I have watched steps taken that have led, in my opinion, to a weakening of our system. As a member of my own State legislature, I found myself in a small minority—I was not so accustomed to it then as I have been since I came to the Senate—but I found myself a member of a small minority which spoke and protested in our own State legislature against the expansion of the privilege of absentee voting. We started by adopting a State law that permitted absentees—those who were out of the State, or who were ill and had a doctor's certificate that they were ill and were unable to go to the polls—to vote for President and Vice President of the United States.

But we were very careful, Mr. President, not to extend that to local offices. It did not seem to us that people who had resided out of the State, or spent most of their time out of the State, or in traveling, even though they rightfully retained their voting residence in the State and had been gone for years, were really competent to decide on local, county, or municipal candidates. So we restricted it to the right of absentees, and those confined by illness, to cast their vote for

President and Vice President of the United States.

Then the next step was, we broadened it so that they could vote for all the candidates on the ballot. I opposed it for the reasons I have just stated. But it carried.

The next step we took, which I opposed most vigorously, was to provide in our State law that people who went to the supervisors of the check list or the town clerk—have forgotten what public official it was—and simply asserted that they might be out of town on election day, that they were planning to be out of town, or business was going to take them out of town, would be permitted to vote in advance and have their votes deposited.

Then it was, of course, provided as a part of that measure that they could have it done by having the official come to their homes.

So that year by year—this is what I predicted on the floor of the legislature in my own State many years ago, and it has been proved true—2 or 3 weeks before an election, the Democrat town or city or ward committee and the Republican town or city or ward committee start gathering votes, going to people's houses with a justice of the peace or a person qualified to take their statement and receive their ballot. All the person need do is say, "I expect that I shall be out of town on election day."

So that year by year, more and more votes are being collected in advance from people in perfectly good health, who very likely may be perfectly able to go and cast their votes on election day.

I predict that some day we will have a scandal out of that; because enough chicanery can go on at the public polling place, with watchers of both parties and representatives of all candidates, without having people cast their ballots casually in their kitchens.

The interesting thing—I still am talking about my own experience before I came to Washington—is that every step we took in my own State to make it easier for people to vote, easier for more people to vote, less trouble for them to vote, the smaller percentage of votes were cast on every succeeding election, year by year. It did not increase the exercise of the franchise.

To be sure, one can say that the population was increasing. One may question that as the reason. But the fact remains that every step we took in my State—and I regret most of them and fought against them in the legislature—every step we took to make it easy and casual and simple and no trouble and only a matter of a few minutes, at their convenience, to cast their vote, the less votes were actually cast.

Now we come to the situation here in the Federal Government. I well remember when we started down the line of making it easy for people to vote. First we dispensed with the necessary qualifications of being able to read and write. I cast my vote for that under one of the civil rights bills, but I did it reluctantly. But I recognized that many of our citizens had been discriminated against for many years; that many of our citizens, particularly of the black race, had been subjected to unreasonable tests of literacy.

I well remember, years and years ago, a certain friend of mine, a Senator, saying:

> In my State we keep the people of a certain race from voting because we ask them to read, before the election officials, certain printed documents. If they can't read them, they can't vote. Once in a while, along comes a college professor or college president, who obviously can pass. Then we ask him to interpret a rather obscure and much-debated provision in the State constitution. You can't interpret it, I can't interpret it, and he can't interpret it. So he doesn't vote.

So I was willing to vote for it, as a temporary matter, but I hope that it is not going to be permanent. I cast my vote to strike down the test of literacy in the matter of permitting citizens to vote, in order that those who had been discriminated against and in order that those who had not been given a reasonable and equal opportunity for an education would have the power of the ballot and the right—the sacred right that every American citizen has—to vote.

I hope, however, that when these conditions are adjusted—as I trust and pray they will be in years to come—so that equal educational opportunity is available and is used by all, we will again in the States require a literacy test.

I believe it was James Madison who made the prediction, at the time of the adoption of the Constitution, that this Republic would stand or fall and the day would come when its future would be determined on the intelligence of its electorate.

Mr. DOMINICK. Mr. President, will the Senator yield?

Mr. COTTON. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. Each Senator has 1 hour.

Mr. COTTON. I have not used much of that time.

The PRESIDING OFFICER. The Senator has used 16 minutes.

Mr. COTTON. I yield.

Mr. DOMINICK. I have been listening very thoughtfully to what I think is a very good speech. I also listened to Senator JACKSON, prior to the cloture vote, urge that we should vote for cloture.

The thing that bothers me all the way through is that we are dealing with a registration bill, and those who are in favor of this bill keep talking about how you are going to make it so that more people will vote. But the fact is that in my State approximately 90 percent of the people register, and I regret to say that of those who register, only about 80 percent vote. I do not know how many registrants we had in the 1972 election, but I would think it was a great deal; and I believe the figures indicate that of those registered, only 50 percent or 60 percent voted.

For the life of me, I cannot see why this bill is going to do anything to get people to vote. If they do not like the candidates or if they are busy, they simply are not going to bother to exercise their franchise. Putting in this post card type method of voting, which leads to obvious fraud in every direction, in every major city in the country, and it seems to me it is an invitation to fraud, it is just plain poppycock so far as trying to get more people to vote.

Does the Senator have figures on how many people were registered and did not vote last time?

Mr. COTTON. I do not have those figures available because I did not anticipate I would be speaking on this matter this afternoon. However, the figures are rather appalling.

Mr. DOMINICK. My reason was that only about 50 percent of those who were eligible to vote actually voted. I do not know how many of those were registered. If the figures of my State are high, and I believe they are, if you have only 80 or 90 percent registered you have a bigger drop between those registered and voting than you do those eligible and registered. So this is not doing a particle of good. I hear such pious speeches from the other side about what a great boon this is to the public. I do not see where it is a great boon. It seems to me we are dealing with semantics that do not make much sense.

I intend to vote against the bill.

Mr. COTTON. I have just had brought to my attention page 4 of the minority views submitted by the distinguished Senator from Hawaii (Mr. FONG) on this measure. The Senator's estimate of the voter turnout in the 1972 election is confirmed by item four on that page which indicates that:

> The national average of voter participation in the 1972 presidential election was only 55.6 per cent. Some 44.4 per cent of eligible voters failed to vote despite the provisions of the 1970 Voting Rights Act which made it easier to vote by (1) requiring residency of only thirty days for presidential elections; and (2) allowing absentee voting in presidential elections.

Mr. DOMINICK. I thank the Senator.

Mr. COTTON. I thank the Senator for his observation.

Mr. President, I do not wish to take too much time of the Senate, but in order to make sure I get across the point I want in the RECORD let me recapitulate. I have already mentioned how in my own State we began to erode the importance of the ballot by absentee voting and by liberalizing the laws of absentee voting. Then, here in Washington we started in by abolishing the literacy test. At about the same time, as I remember, we made another change. Previously we had permitted people who live in this country who cannot read or write in the English language to vote if they could read and write in their own language. To me that seemed to be a dangerous precedent. The next step we took was to weaken, undermine, and practically abolish any residency requirement. Voters can easily go into any community in this country without establishing any real and substantial period of residency, and register. It used to be that a year's residency was required in my State, and in some States it was 6 months. There was a residency period required and to protect that voter from losing his vote it was provided if he had not lived there quite long enough to vote he did not lose the right to vote in his last place of residence until he had been in the community long enough to establish his residence in the new location.

We took the step not long ago and practically abolished residency for people to cast their votes on local matters. They can cast their votes in matters of vital importance in the town or city. They can vote on a bond issue; they can put their town in debt; they can vote in all kind of matters of great local importance. Under the act passed by Congress not long ago, we cut another protection away from intelligent voting and away from impressing upon people that there is something more than a casual act involved in exercising the sacred right of franchise in the first republic of our kind on earth.

Again I repeat, Mr. President, each time we have taken these steps, the percentage of those who exercise the right to vote has been less. Now we come to what I hope will be the end of the road. I cannot think of anything else that has been done to cheapen and take away the respect of people for the right of franchise.

This bill is certain to pass within a few hours, or very shortly. It simply means that by sending a post card and registering one obtains the right to vote. I am one of the oldest Members in years of service in this body. It has been a long time since I cast my first vote. The day after tomorrow I will be 73 years of age, but I have never forgotten the day I went back to the little mountain village in northern New Hampshire where I was born and raised. I went back there as a senior in college, first to register and then I stayed 2 days longer to cast my first vote. I was 22 years old. I remember I went back to that little village and I went before the supervisors of the district. Every one of them knew me; they knew my family; they knew my father; they knew my mother, and they knew my grandfather and my grandmother. They had known me from childhood and they knew I was a senior in college. Do not think for a single minute that those old gentlemen who were supervising elections in that little town of New Hampshire did not bring a card on which was a provision of the State constitution. They handed it to me and they asked me to read it aloud to them to demonstrate that I was literate, that I could read and write. I do not know that nowadays a senior in college could do it, but in those days we assumed they could do that.

The point was that that was one of the requirements and I was required to comply. Then, I signed an affidavit that I had lived in that town for 6 months and in the State a year. I fulfilled the requirement. My name was written on the list and 2 days later, rather proudly, I marched in and cast my first vote. It meant something to me. It was a ceremony.

Not long ago we opened up the voting to all over 18 years of age—which I supported—so that all the young people who are naturally interested in public affairs, according to the demonstrations that take place, who are very vocal and sometimes almost violent in their feelings about public issues and their country, could vote.

We made it easy for them to vote, but there was a distressingly and surprisingly small percentage of them who did vote.

Mr. President, day after day I have listened on this floor to Senators who have insisted that the great virtue of this measure is to increase the exercise of the right of franchise; and I say it will have just the opposite effect, because it cheapens and makes more casual the process of voting. It will not only open the way to all kinds of fraud, as has been emphasized, but it will cheapen the voting process in the eyes of the American people.

Some things are important. The proudest day, I dare say, in the life of every Member of this body was when he was escorted up the aisle and stood on the steps of that rostrum and held up his hand and for the first time was sworn and took the oath of office as a Senator of the United States.

I am sure there is not a Member of this body who will not recall that first time—as well as the others, but particularly that first time—as long as life lasts. Then he signed the book. Then he was given the pen with which he signed the book, and kept it, I would wager other Senators have kept it, as have I, as a cherished possession.

I say to you, Mr. President, that if you want people to exercise the right of franchise, you should not make it so casual and so cheap and so easy so as to make them, especially young people, feel it is not an important function.

That is why I have not hesitated to vote against cloture. I have listened to some on the floor who have rambled on and said, "Certainly, I do not object to people disagreeing with me, but let's vote." As a matter of fact, there was not a Member of this body who did not know that when we got to a vote what was going to happen. But I feel such apprehension, Mr. President, about the effect of what is going to happen and about the fact that it will not accomplish the thing that we all wish it would accomplish, but will work exactly the opposite, that it did not strain my conscience one bit to stand up and vote against cloture, and I would continue to vote against cloture until kingdom come, because I regard this as one of the most disastrous measures the Senate has ever had before it and will ever have.

Why do they not go a step further, Mr. President? When an alien comes to this country, we make him make application for citizenship. We make him file for his first papers. Then a period elapses, and he has to file for his second papers. We make him go before the court, and he is examined and asked questions as to who is President of the United States, who his Senator is, and who his Congressman is. He is very lucky if he knows, because very few people do. But he is asked questions about our form of government. His character is examined. His reputation is examined. He has to be examined, and then he holds up his hand, he renounces allegiance to the country of his birth, the country from which he came, and he is sworn in as a citizen of the United States of America.

I do not know what other Senators do, but so long as I have been in Congress, both in the House and in the Senate, I have always had a list of the new citizens. I have written them letters. I did not ask them to please vote for me because they have become citizens. I may have had that thought in mind, but I have written them letters, congratulating them as citizens of this great Republic and welcoming them as citizens. That has been a custom in my office for as long as I have been in Congress.

Why do we not fix it so that we can just send them postcards? Why do we not fix it so that someone who wants to be a citizen can send a postcard to the clerk of the court or to the court itself and tell the court that he would like to be a citizen? Then let him be one. Does anyone believe that he would be as good a citizen, even if he were a fit person? Of course, we could get any kind of person—a Communist or anyone else—but does any one believe he would value his citizenship as much as when he goes before the court, is examined, and takes an oath renouncing his allegiance to the country whence he came, pledging his allegiance to the United States of America and to defend it against all enemies, foreign and domestic?

It would impress him even a little more, if he were to go through some formality before he became a citizen, if he had lived somewhere for a reasonable time as a part of the community to demonstrate his desire to vote, such as by appearing personally.

I say that every time we cheapen the vote and make more easy and more casual the privileges of citizenship and the privileges of the franchise, we do not increase the percentage of people who vote, but that is the surest way of decreasing it.

I know that those who support the bill are supporting it with the highest possible motives, and with the desire that we all share, namely, that more persons will be able to and will exercise their right to vote. But I venture to predict that it will have the opposite effect, because down through the years, every time we have thrown down the bars, taken away the ceremony, and made the requirements easy, we have cheapened the sacred right, and people are not so eager to exercise it.

Mr. President, how much time have I remaining?

The PRESIDING OFFICER. The Senator has 25 minutes remaining.

Mr. COTTON. It is this sort of action on the part of Congress and on the part of the Senate that reconciles me to the fact that my time must of necessity be limited. Whether I retire at the end of this term or whether I start another term, I will have completed 20 years in this body and 8 years in the other body. I shall soon be gone.

I have loved and valued my association with Members of this body, the finest men I have ever been privileged to know, regardless of where it was. However, Mr. President, this is the usual complaint. It is perhaps the generation gap. Year by year, I have seen the deepest and best principles of this great Republic eroded by many of the sincere but hasty actions taken in this body. And of all the actions I have seen taken, the one that we are about to take today, in my opinion, is the worst, the most dangerous, the most disastrous.

I hope that someday the pendulum will swing the other way. I hope that after we have succeeded—let me be frank, I hope that we do succeed in striking down forever the barriers between races and groups, and the ethnic groups in this country.

I am as anxious as anyone else in the Senate to see every child, whatever be its origin, have the same opportunity and exercise the same opportunity for health and education. And when that is done, I hope that we will remember what James Madison said and restore a literacy test for those who are going to vote.

I hope that the pendulum will some day swing back. I predict that if this Republic is to endure, it will swing back.

Mr. President, there are some things on which I believe the Senator from New Hampshire can claim to be an expert. One of them is on the appropriations we make each year for health, education, and welfare. I have worked harder, and many long years, and have put my heart more into the work of that committee to open wide the doors of opportunity for people to have health and education and a right to a decent life, than in all of the other work I have done in the nearly 28 years I have spent in Congress.

I will not let anyone stand up and say that NORRIS COTTON is so conservative that he has no compassion. I am not going to let anyone stand up and say that I am not consumer-minded, because on my other committee I have cosponsored and worked on some of the soundest consumer bills we have ever passed. I am not going to let anyone stand up and say that I have not tried whenever I could do so to see that there are hospitals and institutions to care for the young and the old and that there are opportunities for the old.

I think it was my honor as a Member of the other body many years ago to introduce the first bill to let those on social security have a larger ceiling on what they were allowed to earn, providing they did not earn it in the same capacity they pursued while they were working and had an active life.

I bitterly fought against our prolonging human life and putting older people on the shelf to die of unhappiness, bitterness, and loneliness.

I want to say here and now that if this happens to be the last chance I have to speak on the floor of the Senate—and with my 73d birthday coming the day after tomorrow, it could be the last chance any one of these days—I believe in progress. I believe in meeting the changing times of this great Nation and the needs of its ever-increasing population. I believe in opportunity for the white and the black, for the rich and the poor. However, I also believe that every time we cheapen the processes of the exercise of a citizen's function in government and make it casual so that it is the mere getting and signing of a post card and take away the formality, we take away that citizen's respect, and we cheapen that privilege in his life. And that is what this is bound to do. And that is why I must vote against it.

Mr. PERCY. Mr. President, would the Senator yield for a brief comment.

The PRESIDING OFFICER (Mr. SAXBE). The Chair would like to point out that a Senator is not supposed to yield except for a question. Each Senator has 1 hour.

Mr. PERCY. Mr. President, I ask that I be recognized on my own time, and I intend to speak for only 2 or 3 minutes.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. PERCY. Mr. President, even though I may differ on occasion with my distinguished friend, the Senator from New Hampshire, I would be the first to say that in my judgment the Senator from New Hampshire will be speaking on this floor for many years to come, and he will be speaking with the same articulate voice and with the same vigor and enthusiasm for the things he believes in. And he will be fighting those things he does not believe in with conscientious and deliberate thought.

I would like to say that if at any time anyone would ever want to question whether the Senator from New Hampshire is progressive with respect to the human rights and needs, the Senator from Illinois would point out, after the 6 years he has spent in the Senate, that the Senator from Illinois has many times come to the Senator from New Hampshire for his counsel and help, whether it was with regard to the young or the old, the physically handicapped, or whatever the need might have been.

As a powerful member of the committees on which he serves, the Senator from New Hampshire is a distinguished Member of this body who has fought for the rights of individuals through the years.

However the Senator votes on the pending measure, I intend to vote for it.

In his record of a lifetime of public service, including his many years of service in this body and in the other body, the Senator from New Hampshire would not have to explain any vote he has cast in the judgment of the Senator from Illinois. His record has been sound and convincing. He has consistently found ways in which to assist those who need the help of the Government, although he has always encouraged those who could do so to stand on their own feet and has encouraged those who needed help to try to get on their own feet as quickly as they could.

I support the pending legislation, and I support the right of the Senator from New Hampshire to differ with me, as he has in this case.

Mr. COTTON. Mr. President, I express my deep appreciation to the distinguished Senator from Illinois for his kind words. They mean very much to me, and I am deeply touched by them and appreciate them.

AMENDMENT NO. 100

Mr. TAFT. Mr. President, I call up my amendment No. 100 and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. TAFT. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with, in view of the fact that it has been printed, and a copy is on the desk of each Member.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TAFT's amendment (No. 100) is as follows:

On page 8, line 15, strike out the word "may" and insert in lieu thereof the word "shall".

On page 8, line 16, after the period insert the following: "Whenever the State official is advised in writing by any member of a county, city, or other election authority designated and authorized by State law to issue election ballots that there is reason to believe that in the area over which such authority has jurisdiction, individuals who are not qualified electors are attempting to register to vote under the provisions of this chapter, he shall notify the Administration and submit to the Administration his evaluation of the validity of such written advice."

On page 8, line 17, delete the word "such".

On page 8, line 18, delete the following: "as it deems appropriate".

Mr. TAFT. Before proceeding to discuss this amendment, I wish to give recognition to the Senator from New Hampshire for a very thoughtful and provocative discussion of this measure. As I have already indicated in the debate on the bill, I have many serious reservations about it. I have felt, however, that we had had a very full discussion on the bill, and therefore on the last two cloture votes I have gone along with voting for cloture, to bring this measure to consideration and disposal by the Senate. But the Senator from New Hampshire, in his vast experience and wisdom, has pointed out, I think, the dangers that may exist with regard to the possibilities of fraud in the system that is being proposed in this measure. I have not as yet decided for my own account whether those dangers are so great that they more than vitiate the advantages that may accrue in encouraging registration by citizens who might not otherwise register.

The amendments that I have already proposed, which have been so graciously accepted by the chairman of the committee and the ranking minority member of the committee, comprise, I think, some constructive steps in attempting to eliminate possible dangers in the bill. It is hard, however, to foresee all such dangers. I have one other amendment besides the one I have currently called up which I shall discuss at further length in this connection, but let us discuss for a moment Amendment No. 100, which is presently before us.

The first line of the amendment would require, rather than authorize, a State official who has reason to believe that registration fraud has been committed in his jurisdiction to notify the Voter Registration Administration which is set up by this bill, and to request its assistance to prevent the fraudulent registration in question.

The practical effects of the change would be to get the Voter Registration Administration involved in more instances where the State official has reason to believe that fraud has occurred, and to allow an action by other interested citizens to mandamus a State official in cases concerning registration fraud, so that the responsible official could be made to notify the Voter Registration Administration, or called to account for his failure to do so. Without such a provision in the bill, it seems to me that the language of the bill which says that the State official, if he has reason to believe that there is fraud, may notify the administration, would not permit the ordinary processes of mandamus against a public official to carry out his duties and would leave above question the final decision of the State voter registration official on that question.

I do not think things should be left on that basis. I think any citizen should be in a position to require, if the official has reasonable cause to proceed, that he should proceed.

Since this bill makes attempts to register fraudulently a Federal offense, it is certainly appropriate to involve the Federal Voter Registration Administration in alleged fraud situations on a regular basis rather than a sporadic one.

The second part of the amendment is designed to make clear that a member of any duly authorized election authority—that would be of either party, generally the Secretary of State or other top voting official and/or members of the boards of election of the particular voting units involved under the definition of "units" in the bill—would be charged with bringing alleged registration fraud to the attention of the Voter Registration Administration. Judging from the bill's definition of "State official," I believe that this was the committee's intent, but I wanted to discuss the matter and bring it up by introducing this amendment because I think there could be some confusion here unless we adopt the amendment or establish some legislative history in this connection. I believe it is imperative that any member of an election board be considered a "State official" so that, regardless of party, he, or any individual, for that matter, can notify the Voter Registration Administration if he thinks that fraud is occurring.

If the Senator from Wyoming wishes to comment on this point, I yield to him for that purpose.

Mr. McGEE. Yes. I think the Senator from Ohio makes an important point, and that is that the intent of this measure be unequivocal, and particularly in the second part of the amendment, which he is addressing himself to now—that is, that any member of the election board, regardless of party and regardless of what stage it may be, may be properly regarded as a State official in the intent of the law itself.

I think that is important. I agree with the Senator completely that there should be no loophole there through which someone might slip by exception and the effort be ruled out of order.

I think this colloquy should leave no doubt that the intent is mutual, that is, the expectation of the Senator from Ohio and the intent of the committee in drafting the legislation.

Mr. TAFT. So the language "State official," in the opinion of the Senator, is broad enough so that it covers what might be considered a local official, such as the local registration authority?

Mr. McGEE. Yes, that is the intent of the legislation.

Mr. TAFT. I thank the Senator.

Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. TAFT. Would it be appropriate, at this point, to ask by unanimous consent that all after line 2 of the amendment presently pending be deleted from the amendment and withdrawn?

The PRESIDING OFFICER (Mr. SAXBE). That would be in order. Does the Senator so desire?

Mr. TAFT. I ask unanimous consent that the language on page 1, line 3, through page 2, line 3, of the amendment be deleted and no longer considered a part of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TAFT's amendment—No. 100—as modified, is as follows:

On page 8, line 15, strike out the word "may" and insert in lieu thereof the word "shall".

On page 8, line 17, delete the word "such".

On page 8, line 18, delete the following: "as it deems appropriate".

Mr. TAFT. The part of the amendment which I have not yet discussed would have the effect of assuring that the Voter Registration Administration would give reasonable and expeditious assistance in all cases of alleged fraud reported to it, rather than providing whatever degree of assistance it deems appropriate in each case. The present bill allows the Administration too much administrative discretion—in fact, unlimited administrative discretion—to decide what assistance it will provide to prevent fraudulent registration. The result could be charges, justified or unjustified, of politically motivated action by the Administration.

This amendment helps to assure that the Administration is systematically notified of alleged fraud and involved in fraud prevention activities. Therefore, it provides one more protection to help insure honest elections.

Mr. President, that completes my statement on the amendment. I am glad to yield the floor.

Mr. McGEE. Mr. President, on my own time, let me make only one point.

With regard to what remains, now, of the particular amendment being offered, the only uncertainty on the part of the committee in terms of the sternness of the language requiring the appropriate State official to report to the National Voter Registration Administration acts that would require investigation in the event of fraud, and the only reservation that we had about that, was that if we made it mandatory that they report, a State registrar might be a little slower to appeal for help, for the reason that it might be a doubtful, 50–50 case, and he would not want to make the appeal if he was uncertain. So our hope was that the permissive language might induce him, in case of doubt, to appeal to the Federal Government administration for that kind of assistance to eliminate fraud.

But I am willing to accept the suggestion. As between "shall" and "may," in the matter of the intent of this particular amendment, it is just a matter of degree.

Mr. TAFT. I thank the Senator. The thing that worried me, as I indicated in discussing the amendment a moment ago, is that if the word "may" is used, and if the expression is absolute, it seems to me that any person claiming that a State official has reason to believe that there is fraud being attempted or being engaged in could not in any way challenged a State official's refusal to take action. There is no sanction, as I see it, even with the word "shall" involved, to go ahead and prosecute a State official for failing to act. That is not my intention, but without the word "shall," it seems to me that no individual citizen has a right to claim that the officer is engaged in misfeasance or nonfeasance of his public duty and to require by a court mandamus suit that the official contact the Voter Registration Administration. That is the sole intent of the amendment.

Mr. McGEE. Yes. That is perfectly agreeable to me.

Mr. TAFT. I thank the Senator.

The PRESIDING OFFICER (Mr. SAXBE). The question is on agreeing to the amendment of the Senator from Ohio.

The amendment was agreed to.

AMENDMENT NO. 102

Mr. TAFT. Mr. President, I call up my amendment No. 102 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

On page 6, line 17, after the word "mailed" insert the following: ", using certified mail,".

On page 11, line 20, after the word "postage" insert the following: "and fees".

Mr. TAFT. Mr. President, I appreciate the agreement of the chairman of the committee and the minority member of the committee to the proposals that I have made to date. This one, I understand, is somewhat more controversial.

By way of notice to Senators present, and others, I would say that I expect to ask for the yeas and nays on this amendment when there appears to be a sufficient number of Senators in the Chamber to approve the seconding of that motion.

Mr. President, this amendment would require that the notice to a voter indicating that he is registered be sent by certified mail.

I believe that sending these notices by certified mail would substantially reduce fraud under the mail registration system. It would force the postman to deliver the card to the exact address and force someone at that address to take responsibility for accepting it. If a large number of cards were sent to the same address, the postman would certainly notice the kind of establishment located at that address—particularly if it is an unlikely type of establishment to receive voter registration notices because it is probably not the residence of a particular individual, such as a cemetery or a garage. Even though the exact addressee would not have to sign for each card, the signature requirement would still be a major deterrent against fraud because the signer could be linked as an accomplice to any fraud involving the addressee. The certified mail requirement would also prevent registration notices from "floating around" unclaimed—for example, from simply being left in mailboxes which are accessible to passersby.

The amendment would also help to prevent fraud by election officials, simply because the senders of the certified notices would have a greater chance of getting caught if they participated in attempts to vote or to register an applicant fraudulently.

Mr. President, I want to emphasize that point particularly, because I take with some degree of credibility the statements that this bill, if passed, will not result in a major attempt by citizens to falsely register to vote. Most people are basically honest. We can move on that assumption. The dangers lie, as experience has shown, that fraud could be committed by the individual who is the voting official involved, or by the precinct leaders in particular precincts in the large cities, or by the voting official on a board of elections—they are the ones, if fraud is going to be committed in any significant way, who would falsely registers the voters in large numbers.

This requirement of certified mail would require that when the application comes in to the individual who is to send out the application and to make possible the registration, that person take the responsibility for registering and sending out that certification in the mail; so that if some individual's name on that mail, when it goes out, is not the voter's himself, it is the official's in charge of responding to the original application.

The certified mail approach is in keeping with the bill's aim of placing as little burden as possible on the applicant for registration. In my state, those who register by mail, because they are located out of the county in which they desire to vote, must have their application notarized. In contrast to this approach, which involves a visit to a notary public, the certified mail approach requires only that someone at the designated address sign for the registration notice.

Some will probably argue against this amendment by citing horror stories pertaining to the possibility that the certified mail requirement would overburden the post office and completely undermine its operations.

That is not the view of the Post Office Department itself. The department has informed my staff that it does not expect my amendment, if adopted, to present any crippling problems so far as it is concerned. It has no objection to the amendment.

I realize that this additional protection will not come free. In my estimation, my amendment would have cost $26 million in the 1972 presidential election. But this does not seem to me to be too high a price to pay, if we adopt this method of registration, in order to avoid the possibilities that the election may miscarry as a result of fraud. I believe strongly that as part of any registration system we adopt, we should include all reasonable measures which would protect the democratic process. This amendment is such a measure because of its workability and its potential for stopping abuses of the new registration system.

I urge the Senate to adopt it.

Mr. McGEE. Mr. President, will the Senator from Ohio yield?

The PRESIDING OFFICER (Mr. STEVENS). Does the Senator from Ohio yield to the Senator from Wyoming?

Mr. TAFT. I yield.

Mr. McGEE. I should like to say in regard to the pending amendment, on registering the replies from the registrant, sending them by registered mail, that the committee weighed this one also very carefully. I would feel compelled to oppose it in the legislation, and to say that in light of the tightening up of the procedures on possible fraud that the Senator from Ohio has already introduced in his constructive way, and which we have adopted in this body, it would tend to make it a bit less important to consider this particular amendment.

Even so, the amendment has an understandable base because it reflects the anxiety we all feel about the procedures.

It would seem to the chairman of the committee, however, that a registered mail response of roughly 35 cents is a cost factor that we should be able to afford because this is a very important undertaking, but that probably it does not insure or tighten that much to make it worth the "candle." I say that for the reason that in a registered mail process, as the Senator well knows, anyone can sign for it at the other end, at that residence. It would not tighten that part of it, but it would require that someone be there at that residence which could actually require—theorizing on it for a moment—that several return efforts would have to be made over a period of days on the deliveries in order to get it properly received if, for example, there is only one resident or two at the apartment, and they both had jobs during the time of regular deliveries, and that sort of thing. It is simply that the pending amendment probably does not carry its weight in impact against fraud that the tightening measure already introduced by the Senator from Ohio would have. Thus, I would have to oppose the amendment.

I would also urge, since there are a few more Senators now in the Chamber, that if the Senator would like to ask for the yeas and nays, we can possibly round up some other Senators out in the cloakrooms.

Mr. TAFT. Mr. President, I ask for the yeas and nays on my amendment.

There was not a sufficient second.

Mr. TAFT. Let me respond for just a moment to the remarks of the distinguished Senator from Wyoming.

First, the mail that is involved under this amendment, rather than being registered mail, is certified mail. This involves a far lower cost than registered mail and fewer safeguards—no insurance, armed guards, and so forth—than required by certified mail. The charge by the Post Office Department for certified mail is 30 cents per mailing.

Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. TAFT. Mr. President, my amendment would not require a certification of the application by the voter. Rather, it would require certification only of the certificate going back to the applicant, giving him the right to present that certificate as his registration to vote when he comes to the polling place.

So that the original mailing sent out by the governmental unit is not certified, nor is the application by the individual certified. Rather, it is simply the actual sending out of the certificate giving the individual the right to vote that would be required to be mailed by certified mail.

Of course, the Senator from Wyoming is correct in saying that under the certified mail procedures, if the certification is sent to an address at which no one is present to sign, the Post Office Department will return it once to that address later. Under the certified mail procedure, if no one was available at the address to sign on the second attempt to deliver, a notice would be left to come to the post office of the address. If no successful delivery or pick-up were made within 15 days after the mail was originally sent, there would be a return of that mail, unclaimed, to the sender, so that it would go back to the Federal officials or to the voting official involved.

Incidentally, the period before elections for which registration is closed, in most States, would provide sufficient time so that we would assure that each individual who made an application and was to receive it by certified mail would have two attempts to deliver to his residence, with notifications and time to pick up the certificate at the post office. It seems to me to be a reasonable and sensible requirement.

Mr. FONG. Mr. President, I rise to oppose the amendment.

We are now adding another $26 million to the approximately $100 million it would cost to send out these cards. To what avail? The address on the certified mail is not the one who must sign for it. In a certified mail delivery, any person at the address can sign for it.

So this is not going to help materially in obviating fraud, and on that basis I oppose the amendment.

The PRESIDING OFFICER. Who yields time?

The question is on agreeing to the amendment of the Senator from Ohio. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Missouri (Mr. SYMINGTON), and the Senator from California (Mr. TUNNEY) are necessarily absent.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

I further announce that, if present and voting, the Senator from California (Mr. TUNNEY) would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Arizona (Mr. GOLDWATER) and the Senator from Wyoming (Mr. HANSEN) are necessarily absent.

The result was announced—yeas 38, nays 57, as follows:

[No. 127 Leg.]

YEAS—38

Aiken
Baker
Bartlett
Beall
Bellmon
Bennett
Brock
Buckley
Byrd, Harry F., Jr.
Cook
Cotton
Curtis
Dole
Domenici
Dominick
Ervin
Fannin
Griffin
Gurney
Hatfield
Helms
Hruska
Mathias
McClellan
McClure
Packwood
Percy
Roth
Saxbe
Scott, Va.
Sparkman
Stafford
Stevens
Taft
Thurmond
Tower
Weicker
Young

NAYS—57

Abourezk
Allen
Bayh
Bentsen
Bible
Biden
Brooke
Burdick
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cranston
Eagleton
Eastland
Fong
Fulbright
Gravel
Hart
Hartke
Haskell
Hathaway
Hollings
Huddleston
Hughes
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Long
Magnuson
Mansfield
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Nunn
Pastore
Pearson
Pell
Proxmire
Randolph
Ribicoff
Schweiker
Scott, Pa.
Stevenson
Talmadge
Williams

NOT VOTING—5

Goldwater
Hansen
Stennis
Symington
Tunney

So Mr. TAFT's amendment (No. 102) was rejected.

Mr. JAVITS. Mr. President, I yield myself 3 minutes.

Mr. McGEE. Mr. President, will the Senator yield, on my time?

Mr. JAVITS. I yield.

Mr. McGEE. Mr. President, so far as we know on this pending measure, there are no other speakers or amendments that are to be called up that we have been notified about on the two sides.

Mr. BELLMON. Mr. President, I may have an amendment.

Mr. McGEE. Mr. President, I will withdraw the speech I was about to make that we would be able to go to a third reading right away. I thank the Senator for yielding.

Mr. JAVITS. Mr. President, it is well known that I am in favor of the pending bill and I have voted consistently that way right along. I am gratified that the Senate will finally have an opportunity to vote on this measure, which will be a significant step toward increasing voter participation and strengthening our democratic system.

The PRESIDING OFFICER. The bill is open to amendment.

Mr. McGEE. Mr. President, the Senator from Oklahoma had a question.

Mr. BELLMON. Mr. President, I have had a discussion with the author of the bill. I was going to bring up an amendment to try to make it plain that it was the intent of Congress that if the Census Bureau was to use social security identification numbers, it would have to be by permission of the individual involved.

Mr. McGEE. Mr. President, the amendment of the Senator from Ohio has tightened up the process and nailed down the identification.

Mr. BELLMON. In light of that, Mr. President, I will not offer the amendment.

Mr. McGEE. Mr. President, as far as I know, we are ready for third reading.

The PRESIDING OFFICER. If there be no further amendment to be offered, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, and was read the third time.

Mr. DOMENICI. Mr. President, today I intend to vote in the negative on S. 352, the Voter Registration Act. I am opposed to this bill because I disagree with its proponents who label it "progressive." On the contrary, although it has an admirable purpose and some desirable features, on the whole, it is no improvement on existing procedures.

This is a conclusion I have not reached on my own. While I agree with the objection outlined by the distinguished Senator from Hawaii (Mr. FONG) in part II of Senate report 93–91, my decision on this bill is based to a large degree on research I have done on the impact this bill would have on registration processes in my home State of New Mexico.

My research has resulted in letters from the two people who are responsible for registration for both major political parties in New Mexico. Both are strongly opposed to the major provisions contained in S. 352 and have urged me to vote against its enactment.

For example, Mrs. Emma Gonzales county clerk of the County of Bernalillo, reports that—

> Two sets of records would have to be maintained. One set would be for national elections, and one for state, local, special, and municipal elections. The result would be additional costs, additional clerks needed, and more room needed for expansion.

Mr. Edward S. Phinney, the top Democratic member of the Bernalillo County Board of Registration reports that—

> The easy accessibility of the post card application could result in duplicate registrations and fraudulent registrations and thereby increase the workload of local registration officials in disposing of them.

I ask unanimous consent that these letters from which I have quoted be printed in their entirety in the CONGRESSIONAL RECORD at the conclusion of my remarks.

Even if it were not for these reports from persons I know and trust and whose opinions I value, the other glaring deficiencies outlined in Senator FONG's minority views convince me that S. 352 is not an appropriate vehicle for achieving the desirable objective of increased voter participation. I join Senator FONG and others opposed to this bill in urging that other efforts be continued to devise a suitable vehicle for achieving greater voter participation.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

COUNTY OF BERNALILLO,
Albuquerque, N. Mex., April 30, 1973.
Sen. PETE DOMENICI,
U.S. Senate,
Washington, D.C.

DEAR PETE: As custodian of the voter registration records in Bernalillo County, New Mexico, I urge you to vote against S. 352.

I have read the bill and feel that it would cause many hardships with its implementation. We believe that such a bill, as is presently structured, is certainly not necessary. Following are some of the reasons for my objection to said bill:

1. Two sets of records would have to be maintained. One for national elections, one for state, local, special, and municipal elections. Result: additional cost, additional clerks needed, more room needed for expansion.

2. New Mexico State laws provide for deputy registrars. You might say that we have wide open registration since deputy registrars are appointed to handle registrations within the boundaries of their own precincts or wards. They may also register voters anywhere in the county. Deputy registrars contact people in their own precincts who are not on the voter rolls.

3. The bill provides for postcard registration forms to be delivered to postal delivery patrons forty-five (45) days before the close of state voter registration. This would pose a serious problem in that the tremendous influx of applications would be taking place at the last minute.

We would anticipate a tremendous amount of duplications. This will cause extra computer time after so much clerical work has gone into the application. Checking for duplicate, as well as fraudulent registrations, would be an additional burden not only to those charged with the responsibility of maintaining the voter records, but also to the citizen taxpayer.

Again, I urge you to vote against said bill.

Sincerely Yours,

EMMA GONZALES,
County Clerk.

COUNTY OF BERNALILLO,
Albuquerque, N. Mex., April 30, 1973.
Hon. PETE V. DOMENICI,
U.S. Senator,
Washington, D.C.

DEAR SENATOR DOMENICI: I have reviewed the material on S. 352 provided me by your Albuquerque office. Based on an analysis of this material I believe that S. 352 would provide no apparent improvement in the registration process in New Mexico, and could possibly result in degradation of this process for the following reasons:

1. No impediment to registration exists in New Mexico. Residency requirements have been reduced to 42 days before any election at which registration is required. Registration closes 42 days before the election and is open at all other times.

2. Adequate registration officers are available. New Mexico law allows any qualified elector to become a registration officer. Theoretically, New Mexico could have 400,000 registration officers.

3. New Mexico is rapidly converting to computer prepared registration lists for use at the polling place. These lists replace cumbersome books of registration certificates and result in speeding up the time the voter is required to be in the polling place. S. 352 proposes going back to these cumbersome registration certificates at the polling place.

4. Post card application and subsequent registration certificate mailings could possibly overburden a presently less than timely postal delivery system.

5. The availability of trained personnel to handle a complete reregistration every two years is questionable. It takes time to train personnel in the handling of registration materials and in data capture if a computer system is being utilized. Even with ample Federal funding, the utilization of these people would be temporary because their skills are not needed except at registration time.

6. The elimination of personal contact between the voter and the registration officer *would* increase the complexity of the registration procedure.

7. The easy accessibility of the post card application could result in duplicate registrations and fraudulent registrations and

thereby increase the workload of local registration officials in disposing of them.

8. S. 352 would increase the cost of elections which would subsequently increase the tax burden for the taxpayer.

If registration is being denied to citizens or is being made difficult or complex for them, I would recommend that Congress broaden the provisions of the Civil Rights Act.

If the Congress believes S. 352 is absolutely necessary, I recommend that the day of a Federal election be a national holiday, only Federal candidates appear on the ballot, polling officials be provided by the Federal government, and the entire cost of the Federal election be borne by the Federal government.

If I may be of further assistance to you in this matter, please do not hesitate to contact me.

Sincerely,

EDWARD S. PHINNEY,
Democratic Member.

SENATOR RANDOLPH SUPPORTS BILL WHICH WILL ASSIST AMERICANS IN THEIR CITIZENSHIP RESPONSIBILITY

Mr. RANDOLPH. Mr. President, we shall vote today on final passage of the Post Card Registration bill. I have been an active participant in this effort within the Post Office and Civil Service Committee and in the Senate to secure enactment of a measure which will aid our citizenry in their exercise of the process of the vote through practical registration practices, and then, and importantly, the use of the ballot which is a franchise of freedom.

The able chairman of the committee, (Mr. McGEE) and other members, have my thanks for their work to realize our goal.

Mr. President, I voted for cloture on all three occasions. Now we can come to grips with a decision on S. 532. On the rollcall it is my belief that a substantial number of Senators will vote in the affirmative.

Mr. THURMOND. Mr. President, earlier today the Senate voted to end debate on one of the most dangerous pieces of legislation considered by the Congress in many years. By the narrowest margin possible, 67 to 32, rule 22, to invoke cloture, was adopted with regard to S. 352, the Voter Registration Act.

The implicit danger of this legislation is described in the Post Office and Civil Service Committee's own report, as follows:

> By the simple process of filling out a postcard form and mailing it to the local registration agent, the applicant avoids the . . . requirements presently in existence in most states.

Thus the State laws that have been enacted over many years to protect the voting process from fraud, would be simple and expediently avoided. Additionally, this bill would establish another Federal agency in the already bulging Federal bureaucracy—the Voter Registration Administration—at a minimum cost of more than $100 million to operate.

Mr. President, it is clear that this legislation is just another attempt by some Members of Congress to remove voter registration qualifications and procedures from the States. However, in this case the arguments are not that individual civil rights are being violated but that State voter registration laws do not meet the convenience of some of our Nation's eligible voters.

The argument most often propounded in favor of this bill is the low participation by Americans in the voting process. However, there has been no evidence that mass registration will increase turnouts at the polls. To the contrary, conclusions from a 1968 Census Bureau report indicate that 60 percent of those eligible who did not register in the 1968 Presidential election were "not interested, never got around to registering, or disliked politics."

Mr. President, by far the most dangerour aspect of this legislation is that mass registration by postcard would multiply the opportunities for fraud in elections. Postcards would be dispensed at local post offices in the same way that stamps are disbursed, except the registration cards would be free. This raises the very distinct possibility that a card could be sent to every address and placed in every post office box. Thus, it would be almost impossible to control fraudulent registration.

If the Senate passes this dangerous and unnecessary legislation, it is my hope the House will stop it, but if it does not, I hope the President will veto it. I feel that our election process—the cornerstone of our Democratic society—is at stake. Federal intervention in the election process for the sake of convenience is uncalled for and should not be tolerated.

The PRESIDING OFFICER. The bill having been read the third time, the question is, shall it pass? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Kentucky (Mr. HUDDLESTON), the Senator from South Dakota (Mr. McGOVERN), and the Senator from California (Mr. TUNNEY) are necessarily absent.

I also announce the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

I further announce that, if present and voting, the Senator from California (Mr. TUNNEY), the Senator from South Dakota (McGOVERN), and the Senator from Kentucky (Mr. HUDDLESTON) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Arizona (Mr. GOLDWATER) and the Senator from Wyoming (Mr. HANSEN) are necessarily absent.

The result was announced—yeas 57, nays 37, as follows:

[No. 128 Leg.]

YEAS—57

Abourezk
Bayh
Bellmon
Bentsen
Bible
Biden
Brock
Brooke
Burdick
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cook
Cranston
Eagleton
Fulbright
Gravel
Hart
Hartke
Haskell
Hathaway
Hollings
Hughes
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Long
Magnuson
Mansfield
Mathias
McGee
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Saxbe
Schweiker
Stevenson
Symington
Williams

NAYS—37

Aiken
Allen
Baker
Bartlett
Beall
Bennett
Buckley
Byrd, Harry F., Jr.
Cotton
Curtis
Dole
Domenici
Dominick
Eastland
Ervin
Fannin
Fong
Griffin
Gurney
Hatfield
Helms
Hruska
McClellan
McClure
Nunn
Roth
Scott, Pa.
Scott, Va.
Sparkman
Stafford
Stevens
Taft
Talmadge
Thurmond
Tower
Weicker
Young

NOT VOTING—6

Goldwater
Hansen
Huddleston
McGovern
Stennis
Tunney

So the bill (S. 352) passed as follows:

S. 352

An act to amend title 13, United States Code, to establish within the Bureau of the Census a Voter Registration Administration for the purpose of administering a voter registration program through the Postal Service

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Voter Registration Act".

SEC. 2. (a) Title 13, United States Code, is amended by adding at the end thereof the following new chapter:

"Chapter II—VOTER REGISTRATION ADMINISTRATION

"Sec.
"401. Definitions.
"402. Establishment.
"403. Duties and powers.
"404. Qualifications and procedure.
"405. Registration forms.
"406. Distribution of registration forms.
"407. Prevention of fraudulent registration.
"408. Penalties.
"409. Financial assistance.
"410. Regulations.
"411. Saving provisions.

"§ 401. Definitions

"As used in this chapter—

"(1) 'Administration' means the Voter Registration Administration;

"(2) 'State' means each State of the United States, the political subdivisions of each State, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, and the District of Columbia;

"(3) 'Federal office' means the office of the President, the Vice President, an elector for President and Vice President, a Senator, a Representative, or the Delegate to the Congress;

"(4) 'Federal election' means any biennial or quadrennial primary or general election and any special election held for the purpose of nominating or electing candidates for any Federal office, including any election held for the purpose of expressing voter preference for the nomination of individuals for election to the office of President and any election held for the purpose of selecting delegates to a national political party nominating convention or to a caucus held for the purpose of selecting delegates to such a convention;

"(5) 'State election' means any election other than a Federal election; and

"(6) 'State official' means any individual who acts as an official or agent of a government of a State or political subdivision thereof to register qualified electors, or to conduct or supervise any Federal election in a State.

"§ 402. Establishment

"(a) There is established within the Bureau of the Census, Department of Commerce, the Voter Registration Administration.

"(b) The President shall appoint, by and with the advice and consent of the Senate, an Administrator and two Associate Administrators for terms of four years each, who may continue in office until a successor is qualified. An individual appointed to fill a vacancy shall serve the remainder of the term to which his predecessor was appointed. The Associate Administrators shall not be adherents of the same political party. The Administrator shall be the chief executive officer of the Administration.

"§ 403. Duties and Powers

"The Administration shall—

"(1) establish and administer a voter registration program in accordance with this chapter for all Federal elections;

"(2) collect, analyze, and arrange for the publication and sale by the Government Printing Office of information concerning elections in the United States (but this publication shall not disclose any information which permits the identification of individual voters);

"(3) provide assistance to State officials concerning voter registration by mail and election problems generally;

"(4) obtain facilities and supplies and appoint and fix the pay of officers and employees, as may be necessary to permit the Administration to carry out its duties and powers under this chapter, and such officers and employees shall be in the competitive service under title 5, United States Code;

"(5) appoint and fix the pay of officers and employees for temporary services as authorized under subchapter II of chapter 1 of this title for temporary employees of the Bureau of the Census;

"(6) provide the Congress with such information as the Congress may from time to time request, and prepare and submit to the President and the Congress a report on its activities, and on voter registration and election generally in the United States, immediately following each biennial general Federal election; and

"(7) take such other action as it deems necessary and proper to carry out its duties and powers under this chapter.

"§ 404. Qualifications and Procedure

"(a) An individual who fulfills the requirements to be a qualified voter under State law and who is registered to vote under the provisions of this chapter shall be entitled to vote in Federal election in that State, except that each State shall provide for the registration or other means of qualification of all residents of such States who apply, not later than thirty days immediately prior to any Federal election, for registration or qualification to vote in such election.

"(b) Whenever a Federal election is held in any State, the Administration may, upon the request of any State official, furnish officers and employees and such other assistance as the Administration and the State official may agree upon to assist State officials in the registration of individuals applying to register in that State under the provisions of this chapter.

"§ 405. Registration Forms

"(a) The Administration shall prepare voter registration forms in accordance with the provisions of this section.

"(b) Printed registration forms shall be designed to provide a simple method of registering to vote by mail. Registration forms shall include matter as State law requires and as the Administration determines appropriate to ascertain the positive identification and voter qualifications of an individual applying to register under the provisions of this chapter, to provide for the return delivery of the completed registration form to the appropriate State official, and to prevent fraudulent registration. Registration forms shall also include a statement of the penalties provided by law for attempting fraudulently to register to vote under the provisions of this chapter.

"(c) A registration notification form advising the applicant of the acceptance or rejection of his registration shall be completed and promptly mailed by the State official to the applicant. If any registration notification form is undeliverable as addressed, it shall not be forwarded to another address but shall be returned to the State official mailing the form. The possession of a registration notification form indicating that the individual is entitled to vote in an election shall be prima facie evidence that the individual is a qualified and registered elector entitled to vote in any such election but presentation of the form shall not be required to cast his ballot.

"(d) Registration forms may be prepared in a language other than English.

"§ 406. Distribution of Registration Forms

"(a) The Administration is authorized to enter into agreements with the Postal Servive, with departments and agencies of the Federal Government, and with State officials for the distribution of registration forms in accordance with the provisions of this section.

"(b) Any agreement made between the Administration and the Postal Service shall provide for the preparation by the Administration of sufficient quantities of registration forms so that the Postal Service can deliver a sufficient quantity of registration forms to postal addresses and residences in the United States and for the preparation of an ample quantity of such forms for public distribution at any post office, postal substation, postal contract station, or on any rural or star route.

"(c) The Postal Service shall distribute the registration forms to postal addresses and residences at least once every two years not earlier than forty-five days or later than thirty days prior to the close of registration of the next Federal election in each State.

"(d) The Administration is authorized to enter into agreements with the Secretary of each Military Department of the Armed Forces of the United States for the distribution of registration forms at military installations.

"(e) This section shall not be construed to place any time limit upon the general availability of registration forms in post offices and appropriate Federal, State, and local government offices pursuant to agreements made under this section.

"§ 407. Prevention of Fraudulent Registration

"(a) In addition to taking any appropriate action under State law, whenever a Senate official has reason to believe that individuals who are not qualified electors are attempting to register to vote under the provisions of this chapter, he shall notify the Administration and request its assistance to prevent fraudulent registration. The Administration shall give reasonable and expeditious assistance in such cases, and shall issue a report on its findings.

"(b)(1) Whenever the Administration or a State official determines that there is a pattern of fraudulent registration, attempted fraudulent registration, or any activity on the part of any individuals or groups of individuals to register individuals to vote who are not qualified electors, the Administration or a State official may request the Attorney General to bring action under this section. The Attorney General is authorized to bring a civil action in any appropriate district court of the United States or the United States District Court for the District of Columbia to secure an order to enjoin fraudulent registration, and any other appropriate order.

"(2) The district court of the United States or the United States District Court of the District of Columbia shall have jurisdiction without regard to any amount in controversy, of proceedings instituted pursuant to this section.

"§ 408. Penalties

"(a) Whoever knowingly or willfully gives false information as to his name, address, residence, age, or other information for the purposes of establishing his eligibility to register or vote under this chapter, or conspires with another individual for the purpose of encouraging his false registration to vote or illegal voting, or pays or offers to pay or accepts or offers to accept payment either for registration to vote or for voting, or registers to vote with the intention of voting more than once or votes more than once in the same Federal election shall be fined not more than $10,000, or imprisoned not more than five years, or both.

"(b) Any person who deprives, or attempts to deprive, any other person of any right under this chapter shall be fined not more than $5,000, or imprisoned not more than five years, or both.

"(c) The provisions of section 1001 of title 18, United States Code, are applicable to the registration form prepared under section 405 of this chapter.

"§ 409. Financial Assistance

"(a) The Administration shall determine the fair and reasonable cost of processing registration forms prescribed under this chapter, and shall pay to each appropriate State an amount equal to such cost per card multiplied by the number of registration cards processed under this chapter in that State.

"(b) The Administration is authorized to pay any State which adopts the registration form and system prescribed by this chapter as a form and system of registration to be a qualified and registered elector for State elections in that State. Payments made to a State under this subsection may not exceed 30 per centum of the amount paid that State under subsection (a) of this section for the most recent general Federal election in that State.

"(c) Payments under this section may be made in installments and in advance or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments.

"§ 410. Regulations

"The Administration is authorized to issue rules and regulations for the administration of this chapter. Such regulations may exclude a State from the provisions of this chapter if that State does not require a qualified applicant to register prior to the date of a Federal election.

"§ 411. Saving provisions

"(a) Notwithstanding any other provision of this chapter, any State that adopts the Federal assistance post card form recommended by the Federal Voting Assistance Act of 1955 (50 U.S.C. 1451 et seq.) with respect to any category of its electors (1) shall, insofar as such electors are concerned, be deemeed to be in full compliance with the provisions of section 405 and (2) shall be eligible to receive payments of financial assistance from the Administration, as provided in section 409, on account of the simplified and greater voting opportunities thereby granted to such electors.

"(b) Nothing in this chapter shall be construed to prevent any State from granting less restrictive registration or voting practices or more expanded registration or voting opportunities than those prescribed by this chapter.

"(c) Nothing in this chapter shall be construed to limit or repeal any provision of (1) section 202 of the Voting Rights Act Amendments of 1970 (42 U.S.C. 1973aa–1), relating to expanded opportunities of registering to vote and voting for electors for President and Vice President; or (2) the Federal Voting Assistance Act of 1955 (50 U.S.C. 1451 19, et seq.)."

(b) The table of chapters of title 13, United States Code, is amended by adding at the end thereof the following:

"11. Voter Registration Administration_ 401".

SEC. 3. (a) Section 3202(a) of title 39, United States Code, is amended—

(1) by striking out "and" at the end of clause (4);

(2) by striking out the period at the end of clause (5) and inserting in lieu thereof "; and"; and

(3) by adding at the end thereof;

"(6) mail relating to voter registration pursuant to sections 405 and 406 of title 13."

(b) Section 3206 of title 39, United States Code, is amended by adding the following new subsection:

"(d) The Voter Registration Administration shall transfer to the Postal Service as postal revenues out of any appropriations made to the Administration for that purpose the equivalent amount of postage, as determined by the Postal Service, for penalty mailings under clause (6) of section 3202(a) of this title."

(c) Section 404 of title 39, United States Code, is amended—

(1) by striking out "and" at the end of clause (8);

(2) by striking out the period at the end of clause (9) and inserting in lieu thereof "; and"; and

(3) by adding at the end thereof the following new clause:

"(10) to enter into arrangements with the Voter Registration Administration, Bureau of the Census, for the collection, delivery, and return delivery of voter registration forms."

SEC. 4. Section 5316 of title 5, United States Code, is amended by adding at the end thereof the following new paragraph:

"(132) Administrator and Associate Administrators (2), Voter Registration Administration, Bureau of the Census."

SEC. 5. There are authorized to be appropriated such sums as are necessary to carry out the provisions of this Act.

Mr. McGEE. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. McGEE. Mr. President, I only want to take 1 minute, but I just wanted to express my appreciation to a great many people on both sides of the question for their gentlemanly conduct and the thoughtful and constructive approach that they have taken in dealing with this measure.

I particularly want to pay tribute to the members of the committee, to the senior Senator from West Virginia (Mr. RANDOLPH), who did yeoman service here on the floor; to the Senator from North Dakota (Mr. BURDICK), who helped to spell the chairman on these long, long hours on the Senate floor; to the junior Senator from Utah (Mr. MOSS) for his assistance on the floor at all times; to the Senator from South Carolina (Mr. HOLLINGS), who likewise devoted long hours to helping perfect the bill and discussing it, with all of its ramifications, with many Members of this body.

Then, on the minority side, I pay tribute to the distinguished ranking minority member of the committee (Mr. FONG), who was always very patient and understanding, even if we disagreed on the bill, and made it possible to move along with dispatch; to the Senator from Alaska (Mr. STEVENS), who is now in the chair, who, as a member of the committee, continually offered his constructive suggestions in connection with the legislation; to the Senator from Oklahoma (Mr. BELLMON), who took his stand as a cosponsor of the legislation and, in the light of his efforts, made a real contribution to the final measure that came out; and finally, to the Senator from Ohio (Mr. SAXBE), who, as the newest member of the committee, helped to expedite the final action on it.

There are others almost too numerous to single out who, by their own efforts, have helped to move this measure along. One of those surely is the Senator from Tennessee (Mr. BROCK), who, in the very beginning, testified in relevant ways, during the committee's careful hearings, on the parts of this legislation that actually were aimed at reducing fraud and at the same time were combined with intensifying citizen participation. His own experience in this State, his experience here in this body, and his new role in this body all finally moved him to be most constructive as we sought to bring out a piece of legislation that might help to close some of the gaps that seem apparent in voter participation in our own country.

There are others whose services could not be described in this short time, such as the majority leader, with his great patience and perseverance in helping us to keep this thing moving along and finally disposing of it, and the majority whip, who made every effort to respect all of the interests on both sides, and yet exercise his determination to do what he thought was right in his responsible role as the assistant majority leader.

Finally, I would have to mention the Senator from California (Mr. CRANSTON), who receives no acclaim in any public way, who runs around with a pencil and a computer—which is his mind—and keeps a complete record on everyone's past voting record, future voting record, and apparently even their innermost thoughts, as we have sought to try to understand the misgivings some Senators had, and the inclinations as to voting that they ultimately expressed. Without that kind of total, energetic, and tireless involvement, it would be very difficult for anyone in this kind of undertaking in legislation to try to move on.

So, with those comments, Mr. President, I want to express my appreciation to this body. I believe the Senate revealed here today its capability of standing up and being counted, in spite of differences of opinion about the substance of merit of particular bits of legislation.

Mr. BROCK. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. Mr. President, before yielding, will the Senator yield to me for a unanimous-consent request?

Mr. McGEE. Mr. President, I yield to the majority whip for a unanimous-consent request.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that it be in order at this time to order the yeas and nays on S. 590, introduced by the Senator from Illinois (Mr. PERCY). It is my understanding that he wants the yeas and nays ordered on that measure.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia? The Chair hears none, and it is so ordered.

Mr. ROBERT C. BYRD. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. McGEE. Mr. President, I yield to the Senator from Tennessee.

Mr. BROCK. I appreciate the Senator's yielding.

Mr. President, as usual, the Senator from Wyoming is too gracious in his compliments of others and understates his own case; but there is no Member of this body who is more responsible for this legislation than the Senator from Wyoming. He has done, I think, a uniquely fine job. He has conducted himself with a great deal of dignity and a great deal of understanding and compassion for those who might have disagreed with him, and I commend him for a job well done.

Mr. McGEE. I thank my colleague for his warm remarks.

Mr. FONG. Mr. President, I rise to thank the distinguished chairman of the committee for his patience, for his understanding, and for the work that he has done on this bill. Although we disagreed very strongly on the provisions of the bill—we of the minority do not believe the bill is going to do the job—we still want to pay tribute to the Senator from Wyoming for his understanding, for his courtesy, and for his patience.

I commend the members of the committee, both on the majority and on the minority, for helping us to bring to the floor the bill which has just passed. I think we have not yet seen the last of this measure, and I presume we will have a chance again to debate it on the floor of the Senate; but whatever may be its outcome in the final analysis, I want to say that the minority has put up a very good fight; the majority has won; and I pay my tribute to the Senator from the great State of Wyoming, and also to the staff members who helped so very much in presenting this bill: Mr. David Minton, who has worked so very hard on the bill—I understand he will not be with us much longer; he is going downtown to enter the private practice of law. He has been a very competent staff director and counsel. I have valued his judgment and advice and I wish him great success—and also Mr. Clyde DuPont on the minority, worked tirelessly on this bill and who has helped us tremendously.

Again, Mr. President, my appreciation to the Senator from Wyoming for his courtesy and patience.

Mr. McGEE. Mr. President, I have wanted to make a special statement in regard to the chief counsel and director of the committee. This is his last moment as a member of the Senate committee staff. This act today will now officially separate him, so that he might go into the private practice of law.

I must say that all who have known him and worked with him have found that dependability and thoroughness in understanding the multitude of overlaps and labyrinths and mysteries that interlace the federal system somehow seem to have been mastered by him, in sorting them out and making them take on meaning in these years; and believe me, it is going to leave a massive gap on the committee staff. I say that with all due respect to those who will succeed him, because they would be the first to attest to that gap. I hope they are able to close the gap as rapidly as he did when he was a young fellow.

But now, in his tender "old age," he can look back as an elder statesman on a path strewn with many significant pieces of legislation which have enhanced the role of Federal employees, which have, hopefully at least, laid the foundations for a new postal structure that, given its time, and the chance to proceed during that time, will be destined to become an effective system.

Mr. President, the Senate will lose one of its most valuable and devoted employees this month when David Minton, for the last 4 years staff director and counsel of the Post Office and Civil Service Committee, leaves the staff to enter private law practice here in Washington. In fact, Government itself will suffer a loss. He is a Democrat, but his deepest and strongest motivation stems from a vigorous, nonpartisan dedication to good government. I personally will miss his logical and persuasive advice and counsel.

David Minton began his Senate career in 1962 as a research assistant on the committee whose chairman was then the late Senator Olin D. Johnston, of South Carolina. He moved rapidly from assignments in routine committee business to legislation, where his ability to perceive the real question at issue and to make that question clear to others attracted the attention of the chairman and other committee members. He studied the history of postal and Federal employee legislation, noted trends, and advocated changes.

Upon the death of Senator Johnston, Minton was named committee counsel by former Senator A. S. "Mike" Monroney, Senator Johnston's successor. During the years between 1965 and 1969, with increased legislative responsibility, he became what is in Washington today a rare bird—a lawyer thoroughly conversant with the intricacies and details of postal and civil service law. This is a truly complex field where expertness is frequently limited to one or two areas. Few can claim complete mastery. I think Minton comes as close as anyone.

David Minton has served as staff director and counsel since my appointment as chairman in 1969, bringing to his job an explosive sense of humor, sound legislative background, political savvy, and a very effective brand of Texas diplomacy. He is a native of Denton, Tex., and a graduate of North Texas State University. He holds a masters degree in history and an LL.B. degree from the University of Texas.

During his career on the committee staff, he has worked on legislation involving money in the hundreds of millions. Yet, he says, in looking back, he is most gratified by his part in advising the committee on the survivor's annuity provisions of the Civil Service Retirement Amendments of 1969. These provisions, which I introduced, were not very costly to the Government. Affecting only a few hundred families a year, they are not what we would consider a major legislative achievement. They liberalized the survivor annuity benefits of the widows and children of certain deceased Federal employees, raising their benefits from a pittance to sums which substantially help them get along.

David Minton's work on the Postal Reorganization Act of 1970 to make truly independent the Postal Rate Commission—the regulatory agency succeeding Congress as the Nation's postal ratemaker—will be long remembered by students of the act. For hindsight shows that a strong stand to insure the independence of this body was the right stand. The establishment of the independent Rate Commission has been demonstrated to be one of the measure's wisest provisions. Those of us on both sides of the aisle who worked to insure the independence of the Commission will recall David Minton's advice on this really important issue.

Mr. President, I join David Minton's many other friends on Capitol Hill, in the Civil Service Commission, in the Postal Service, and everywhere our committee work is observed in wishing him success in his new position. We will miss him.

Mr. RANDOLPH. Mr. President, it has been my privilege to know and evaluate the knowledgeable and certainly the diligent work of David Minton as the staff director of our committee, so ably chaired by the distinguished Senator from Wyoming (Mr. McGee) of the Post Office and Civil Service Committee.

It is not just a pleasantry for me to stand in this Chamber, but a privilege to join my colleagues, the Senator who chairs the committee, and the Senator who is the ranking minority member of the committee, and have, for the Record, the facts spelled out by the words we speak, of our genuine appreciation for, in a sense, the counsel which has been given to us, as Members, by David through the years.

It is in nowise a partisan approach that he has taken to matters on our legislative agenda. He has made his talents available to all the members of the committee. We are a small committee from the standpoint of numbers in membership, being as small as any standing committee of the Senate. We are rather like a family. Yet, within the structure of the committee, there has come to all of us that feeling that Dave, when we call him to come and talk with us, or when we ask for his counsel in our sessions, executive and otherwise, was always eager and never reluctant to share his expertise.

In his new assignments, private rather than public in nature, I am sure that all of us wish for him continued success and service.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, May 9, 1973, he presented to the President of the United States the enrolled bill (S. 1379) to authorize further appropriations for the Office of Environmental Quality, and for other purposes.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, what is the pending business?

The PRESIDING OFFICER (Mr. Brooke). There is no pending business before the Senate at the moment.

Mr. MANSFIELD. I thought that S. 607 would come down automatically?

The PRESIDING OFFICER. That was only if the cloture motion failed.

Mr. MANSFIELD. I thank the Chair.

AMENDMENT OF LEAD-BASED PAINT POISONING PREVENTION ACT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 121, S. 607, which I understand has been cleared on both sides.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

S. 607, to amend the Lead-Based Paint Poisoning Prevention Act, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Labor and Public Welfare with an amendment to strike out all after the enacting clause and insert:

That (a) section 101(a) of the Lead Based Paint Poisoning Prevention Act is amended by striking out "units of general local government in any State" and inserting in lieu thereof "public agencies of units of general local government of any State and to private nonprofit organizations in any State".

(b) Section 101(b) of such Act is amended by striking out "75 per centum" and inserting in lieu thereof "90 per centum".

(c) Section *101* of such Act is amended by adding at the end thereof the following new subsection:

"(e) The Secretary is also authorized to make grants to State agencies for the purpose of establishing centralized laboratory facilities for analyzing biological and environmental lead specimens obtained from local lead based paint poisoning detection programs.".

(d) Section 101 of such Act is further amended by adding at the end thereof the following new subsection:

"(f) No grant may be made under this section unless the Secretary determines that there is satisfactory assurance that (A) the services to be provided will constitute an addition to, or a significant improvement in quality (as determined in accordance with criteria of the Secretary) in, services that would otherwise be provided, and (B) Federal funds made available under this section for any period will be so used as to supplement and, to the extent practical, increase the level of State, local, and other non-Federal funds that would, in the absence of such Federal funds, be made available for the program described in this section, and will in no event supplant such State, local, and other non-Federal funds.".

Sec. 2. (a) Section 201 of the Lead Based Paint Poisoning Prevention Act is amended by striking out "units of general local government in any State" and inserting in lieu thereof "public agencies of units in general local government in any State and to private nonprofit organizations in any State".

(b) Section 201(a)(2) of such Act is amended to read as follows:

"(2) the development and carrying out of procedures to remove from exposure to young children all interior surfaces of residential housing, porches, and exterior surfaces of such housing to which children may be commonly exposed, in those areas that present a high risk for the health of residents because of the presence of lead based paints. Such programs should include those surfaces on which nonlead based paints have been used to cover surfaces to which lead based paints were previously applied; and".

(c) Section 201 of such Act is amended by adding at the end thereof the following new subsection:

"(c) Any public agency of a unit of local government or private nonprofit organization which receives assistance under this Act shall make available to the Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, for purposes of audit and examination, any books, documents, papers, and records that are pertinent to the assistance received by such public agency of a unit of local government or private nonprofit organization under this Act."

Sec. 3. Section 301 of the Lead Based Paint Poisoning Prevention Act is amended to read as follows:

"FEDERAL DEMONSTRATION AND RESEARCH PROGRAM

"Sec. 301. (a) The Secretary of Housing and Urban Development, in consultation with the Secretary of Health, Education, and Welfare, shall develop and carry out a demonstration and research program to determine the nature and extent of the problem of lead based paint poisoning in the United States, particularly in urban areas, including the methods by which the lead based paint hazard can most effectively be removed from interior surfaces, porches, and exterior surfaces of residential housing to which children may be exposed.

"(b) The Secretary of Health, Education, and Welfare shall conduct appropriate research on multiple layers of dried paint film, containing the various lead compounds commonly used, in order to ascertain the safe level of lead in residential paint products. No later than October 1, 1973, the Secretary shall submit to Congress a full and complete report of his findings and recommendations as developed pursuant to such programs, together with a statement of any legislation which should be enacted or any changes in existing law which should be made in order to carry out such recommendations.

Sec. 4. (a) Title III of the Lead Based Paint Poisoning Prevention Act (42 U.S.C. 4801 et seq.) is amended—

(1) by adding at the end thereof the following:

"FEDERAL HOUSING ADMINISTRATION REQUIREMENTS

"Sec. 302. The Secretary of Housing and Urban Development (hereafter in this section referred to as the 'Secretary') shall establish procedure to eliminate as far as practicable the hazards of lead based paint poisoning with respect to any existing housing which may present such hazards and which is covered by an application for mortgage insurance or housing assistance payments under a program administered by the Secretary. Such procedures shall apply to all such housing constructed prior to 1950 and shall as a minimum provide for (1) appropriate measures to eliminate as far as practicable immediate hazards due to the presence of paint which may contain lead and to which children may be exposed, and (2) assured notification to purchasers of such housing of the hazards of lead based paint, of the symptoms and treatment of lead based paint poisoning, and of the importance and availability of maintenance and removal techniques for eliminating such hazards. Such procedures may apply to housing constructed during or after 1950 if the Secretary determines, in his discretion, that such housing presents hazards of lead based paint. The Secretary may establish such other procedures as may be appropriate to carry out the purposes of this section. Further, the Secretary shall establish and implement procedures to eliminate the hazards of lead based paint poisoning in all federally owned properties prior to the sale of such properties when their use is intended for residential habitation."; and

(2) by inserting after "PROGRAM", in the caption of such title, a semicolon and the following: "FEDERAL HOUSING ADMINISTRATION REQUIREMENTS".

(b) The amendments made by subsection (a) of this section become effective upon the expiration of ninety days following the date of enactment of this Act.

Sec. 5. Section 401 of the Lead Based Paint Poisoning Prevention Act is amended to read as follows:

"PROHIBITION AGAINST USE OF LEAD-BASED PAINT IN CONSTRUCTION OF FACILITIES AND THE MANUFACTURE OF CERTAIN TOYS AND UTENSILS

"Sec. 401. The Secretary of Health, Education, and Welfare shall take such steps and impose such conditions as may be necessary or appropriate—

"(1) to prohibit the use of lead based paint in residential structures constructed or rehabilitated by the Federal Government, or with Federal assistance in any form, after the date of enactment of this Act, and

"(2) to prohibit the application of lead based paint to any toy, furniture, cooking utensil, drinking utensil, or eating utensil manufactured and distributed after the date of enactment of this Act."

Sec. 6. Section 501(3) of the Lead Based Poisoning Prevention Act is amended to read as follows:

"(3) the term 'lead based paint' means—

"(A) prior to December 31, 1973, any paint containing more than five-tenths of 1 per centum lead by weight (calculated as lead metal) in the total nonvolatile content of liquid paints or in the dried film of paint already applied;

"(B) after December 31, 1973, any paint containing more than six one-hundredths of 1 per centum lead by weight (calculated as lead metal) in the total nonvolatile content of liquid paints or in the dried film of paint already applied, except that if prior to December 31, 1973, the Secretary, based on studies conducted in accordance with section 301(b) of this Act, determines that another level of lead, not to exceed five-tenths of 1 per centum, is safe, then such other level shall be effective after December 31, 1973.".

Sec. 7. (a) Section 503(a) of the Lead Based Paint Poisoning Prevention Act is amended (1) by striking out the word "and" and inserting in lieu thereof a comma, and (2) by inserting before the period a comma and the following: "and $30,000,000 for the fiscal year ending June 30, 1974, and for each of the next three succeeding fiscal years".

(b) Section 503(b) of such Act is amended (1) by striking out the word "and" and inserting in lieu thereof a comma, and (2) by inserting before the period a comma and the following: "and $40,000,000 for the fiscal year ending June 30, 1974, and for each of the next three succeeding fiscal years".

(c) Section 503(c) of such Act is amended (1) by striking out the word "and" and by inserting in lieu thereof a comma, and (2) by inserting before the period a comma and year ending June 30, 1974 and for each of the the following: "and $5,000,000 for the fiscal next three succeeding fiscal years".

(d) Section 503(d) of such Act is amended by striking out all matter after the semicolon and inserting in lieu thereof "any amounts authorized for one fiscal year but not appropriated may be appropriated for the succeeding fiscal year,".

(e) Title V of the Lead Based Paint Poisoning Prevention Act is amended by adding at the end thereof the following new sections:

"ELIGIBILITY OF CERTAIN STATE AGENCIES

"Sec. 504. Notwithstanding any other provision of this Act, grants authorized under sections 101 and 201 of this Act may be made to an agency of State government in any case where State government provides direct services to citizens in local communities or where units of general local government within the State are prevented by State law from implementing or receiving such grants or from expending such grants in accordance with their intended purpose.

"ADVISORY BOARDS

"'Sec. 505. (a) The Secretary of Health, Education, and Welfare, in consultation with the Secretary of Housing and Urban Development, is authorized to establish a National Childhood Lead Based Paint Poisoning Advisory Board to advise the Secretary on policy relating to the administration of this Act. Members of the Board shall include residents of communities and neighborhoods affected by lead based paint poisoning. Each member of the National Advisory Board who is not an officer of the Federal Government is authorized to receive an amount equal to the minimum daily rate prescribed for GS–18, under section 5332, title V, United States Code, for each day he is engaged in the actual performance of his duties (including traveltime) as a member of the Board. All members shall be reimbursed for travel, subsistence, and necessary expenses incurred in the performance of their duties.

"(b) The Secretary of Health, Education, and Welfare, in consultation with the Secretary of Housing and Urban Development, shall promulgate regulations for establishment of an advisory board for each local program assisted under this Act to assist in carrying out this program. Two-thirds of the members of the board shall be residents of communities and neighborhoods affected by lead based paint poisoning. A majority of the board shall be appointed from among parents who, when appointed, have at least one child under six years of age. Each member of a local advisory board shall only be reimbursed for necessary expenses incurred in the actual performance of his duties as a member of the board."

Sec. 8. Section 314(e) of the Public Health Service Act is amended by inserting at the end thereof the following new paragraph:

"No funds appropriated pursuant to the authorization of this subsection shall be available for lead based paint poisoning control of the type authorized under the Lead Based Paint Poisoning Prevention Act (84 Stat. 2078)."

Mr. KENNEDY. Mr. President, I urge the Senate to approve S. 607, because it amends Public Law 91–695—the Lead-Based Paint Poisoning Prevention Act—to provide $300 million over the next 4 years in the battle against childhood lead poisoning. This is essentially the same measure unanimously approved by the Senate last June. Only because Congress adjourned before the House could act on this measure, are we faced with the need to act again at this time.

There are two compelling reasons why the Senate must enact legislation to continue the fight against childhood lead-based paint poisoning.

First—we know how to treat and cure sick children who are lead poisoned. All we need to do is go out and find the children who have high blood lead levels. Once we find them, doctors can treat them and prevent the damage caused by neglect and inadequate care.

The second reason why we must continue Federal support to combat this disease is equally compelling. We need this legislation, because we know how to prevent lead-based paint poisoning. Children get sick when they swallow small chips of peeling paint from the walls of deteriorating homes that have been covered with paints containing lead or lead compounds. Furniture, eating utensils, and toys are also known as the source of lead poisoning in children. By removing lead from paint on surfaces accessible to young children, the hazards of lead-based paint poisoning are eliminated.

The bill before the Senate today—S. 607—was unanimously approved by the Health Subcommittee and the full Committee on Labor and Public Welfare. It authorizes $75 million each year until 1977 to support Federal programs that will begin to curb the damage caused by this disease. These are programs that will extend the services currently authorized under Public Law 91–695, enacted in January 1971.

Under this bill $30 million is authorized for the Department of Health, Education, and Welfare to continue awarding grants to local community organizations, both public and private—for screening and testing young children who may be lead sick.

The bill also authorizes $40 million a year for the Department of Health, Education, and Welfare to make grants to public and private organizations to continue with the attack to eliminate the hazards of lead-based paint poisoning. Physicians know that while early treatment can erase the effects of lead intoxication, it does no good to hospitalize a child for lead sickness and, after treatment, return him to the same conditions that caused the disease in the first place.

Although dwellings that are most likely to present a hazard for lead poisoning are also confronted with problems of sanitation and general disrepair it is essential that we begin to eliminate the threat of lead poisoning wherever possible.

We know that many materials and techniques are available to cover up those surfaces that have been coated with lead-based paints. But, the most efficient and effective method for completing that task is the target of continuing study. For that reason—this bill authorizes $5 million a year for the Department of Housing and Urban Development and the Department of Health, Education, and Welfare to research the nature and extent of the problem of lead poisoning and to determine methods for effectively removing the hazard of lead poisoning from interior residential surfaces.

During hearings before the Health Subcommittee last year, representatives of the paint industry expressed their concern for defining feasible limits of lead contained in residential paints. As a result, the committee approved an amendment authorizing the Department of Health, Education, and Welfare to continue research on the various lead compounds commonly used in paints and to report to the Congress any results that may affect the provisions of this act.

Young children are sickened today, because of lead used in paints applied to homes 30 to 40 years ago. For that reason this legislation is primarily designed to seek relief for their suffering. Since we know, however, that the elimination of lead in paint can prevent the spread of this disease to future generations of American children and in that way we can reduce the recurrence of the disease in children who are sick today, this bill would require a limit of 0.06 percent lead content in paints intended for interior residential surfaces. Under this bill, the new limit would go into effect January 1, 1974. In the meantime, the Department of Health, Education, and Welfare is conducting studies to verify the lower limit. Existing FDA regulations require interior residential paints to contain no more than 0.5 percent lead. The committee accepted an amendment authorizing the lower limit to be enacted by January 1, 1974, unless the ongoing health, education, welfare studies provide results, submitted to the Congress by October 1, 1973, that justify a different level.

During 1971, the Bureau of Community Environmental Management—the office within the Department of Health, Education, and Welfare that has primary responsibility for lead poisoning programs—conducted neighborhood surveys in 27 cities across the country to lead levels of children in high-risk areas. school-age children.

During that survey, Federal health experts examined 2,309 children in 999 homes in such cities as Nashua, N.H., Salt Lake City, Utah, and Spokane, Wash. At least 73 percent of those homes were found to have at least one interior surface with a very high lead content. And, up to 95 percent of those homes proved hazardous when the exterior surfaces were examined. Not surprisingly therefore, 9 percent of the children in this survey were found to have elevated blood lead levels. This is an alarming rate of incidence for any disease.

Medical records show that today's cases of childhood lead poisoning are 10 times greater than those of polio when that disease was a dreaded national epidemic. Our Nation committed the resources needed to conquer polio. We must begin now to do the same for lead poisoning.

Last January, lawyers representing the Philadelphia coalition against childhood lead paint poisoning, presented statistics to a Federal judge showing 89 deaths in that city between 1950 and 1970, attributable to lead paint poisoning. Based on that data and other evidence U.S. District Judge Donald W. Van Artsdalen ruled that the danger to children from lead-based paint is immediate and continues each day that HUD sells a house. Thus, the judge ordered the removal of all lead-based paint in 1,200 federally owned residences in Philadelphia.

The costs of lead poisoning are borne by the whole community. This malady produces tragic wastes of human resources, institutionalization of victims, and mounting burdens on municipal health facilities and finances. No one benefits from lead poisoning except owners of deteriorating property who find it unprofitable to keep their properties in good repair.

At least 400,000 children suffer with lead poisoning.

Only 12,000 to 16,000 children actually receive treatment, and half of them are left mentally retarded.

About 200 young children die from lead poisoning each year.

Though lead-based paint poisoning accounts for only 5 percent of all accidental poisonings of preschool children, this disease accounts for up to 70 percent of all deaths due to poisoning among preschool-age children.

Ten years following the signing of the Declaration of Independence, Benjamin Franklin recorded his long experience with the effects of lead poisoning. In a letter to a close friend in July 1786, he complained that—

> This mischievous effect from lead is at least above sixty years old; you will observe with concern how long a useful truth may be known and exist before it is generally received and practiced on.

Though the "useful truth" about lead-based paint poisoning in children has been known for much of the time since Mr. Franklin wrote those words, we have not yet "generally received or practiced on" that knowledge. It would indeed be gratifying if substantial successes against childhood lead poisoning will have been achieved before the 200th anniversary of the Nation's celebration of independence.

I strongly urge every Member of this Senate to vote for S. 607, which amends the Lead-Based Paint Poisoning Prevention Act. With the approval of this measure we can continue the Federal fight against this needless, but tragic, disease.

Mr. SCHWEIKER. Mr. President, on the Calendar of Business of the Senate is S. 607, a bill to amend the Lead-Based Paint Poisoning Prevention Act. This bill will enable us to continue and increase the attack on the terrible disease of lead-based paint poisoning. I urge my colleagues in the Senate to pass it.

Lead paint poisoning is a totally preventable disease which has been recognized as a serious health hazard only within recent years. In many parts of our country, particularly in deteriorating areas of our cities, the disease is nearly epidemic in proportion. Tragically, the victims of this preventable disease are almost invariably children. Nearly 400,000 children are affected by lead paint poisoning each year and another 200 less fortunate children are killed by this disease annually. Those children who do survive the disease often never fully recover. Repeated ingestion of lead-painted substances can lead to mental retardation, cerebral palsy, optic atrophy, and impairment of intellectual ability. The most common victims of this disease are children between the ages of 1 and 6. Many of the small children affected by lead paint can be helped if their condition is promptly diagnosed and treated.

Of course, the treatment accomplishes little if the children are again confronted by lead paint when they return to their homes after having received medical attention.

An example of the need for this legislation was recently shown in Philadelphia, where the Television and Radio Advertising Club of Philadelphia sponsored an outstanding public service campaign to alert people to the dangers of lead paint poisoning. From January 15 through February 2, 1973, nearly every radio and television station made periodic announcements and reports on the dangers of lead paint in older housing and warned residents of such housing their children could be exposed to lead paint. Public service announcements and comments by well-known public affairs and news personnel on the radio and television stations were included in the lead paint information campaign. I was pleased to take part in this campaign.

In addition to altering the citizens of Philadelphia to possible dangers of lead paint poisoning, the television and radio campaign publicized a telephone number of the public health service of Philadelphia, and encouraged any parents who were concerned about the possibility of their children having lead paint poisoning to call that number for information about how to receive free lead paint poisoning tests. Numerous people responded to this announcement and did contact the health department. The statistics are illuminating.

The city health department received 2,211 calls as a result of the campaign and expected to test 3,800 children. By the end of March the city had tested 1,362 children and found that 378 of them had elevated blood lead levels, a symptom of lead paint poisoning.

These figures reveal the dimensions of this preventable disease. Nearly 30 percent of the children tested as a result of the project sponsored by the Television and Radio Advertising Club of Philadelphia had signs of lead poisoning. These results are comparable to the findings of the city in its own lead paint program, where just over 30 percent of all the children tested in the city were found to have signs of lead poisoning. Those children who are tested receive medical treatment immediately and in most cases can be saved from the deadly results of this tragic disease. The alarming fact is that even with this special media campaign only several thousand children have been tested and treated. This means that there are still hundreds of thousands of children in Philadelphia alone who are at risk and who have not been tested or treated. As many as 30 percent of these children could have signs of lead poisoning, which, if left untreated, could destine them for a life of impaired mental and physical abilities or worse.

Philadelphia is only one of the cities in Pennsylvania and throughout the country where lead paint poisoning is a serious and largely untreated menace. The experience there underlines the need for the legislation which the Senate will consider today to expand our ability to deal with this childhood hazard.

I want to publicly commend the Television and Radio Advertising Club of Philadelphia, and the club's president, Eugene McCurdy, general manager of WPVI–TV, for initiating and carrying out this important lead paint poisoning campaign. It was an impressive public service, with considerable benefit to the citizens of Philadelphia.

I have long been concerned with the need to provide a solution and an end to the very serious problem of lead paint poisoning. In the 91st Congress, I introduced legislation to provide civil penalties for the use of lead-based paint in certain dwellings. I was gratified when the prohibition of the use of lead-based paint was adopted as an amendment to the Housing and Urban Development Act of 1970.

The signing into law of the Lead-Based Paint Poisoning Prevention Act on January 13, 1971, a bill which I strongly supported in the Labor and Public Welfare Committee and on the Senate floor, enabled the Federal Government to assist communities in diagnosing, treating, and preventing lead paint poisoning. The bill which we are now considering will markedly increase the scope and effectiveness of this effort. Also, I am pleased that the committee has incorporated in the bill two amendments which I offered. One is to prohibit the application of lead-based paint to any toy, furniture, cooking utensil, drinking utensil, or eating utensil. The other requires that in certain housing sold or insured by the Federal Housing Administration, the property be inspected for lead-based paint to which children may be exposed, and the hazard removed.

This bill deserves the full support of the Senate, and I am hopeful that we might count on its early passage by the House and enactment.

Mr. BEALL. Mr. President, as a member of the Health Subcommittee, I strongly support S. 607, the Lead-Based Paint Poisoning Amendments of 1973.

The legislation authorizes $75 million for each of the next 4 years for an expanded effort to prevent lead-based poisoning and to detect youngsters with lead poisoning so that they might receive the proper medical attention.

The $75 million would be divided as follows: $30 million for testing and screening purposes; $40 million for a hazard elimination program; and $5 million for research and demonstration programs.

Lead-based paint poisoning is a serious problem to many of the Nation's children, particularly to children living in housing built prior to the 1940's, when lead-based paint was commonly used for interior purposes. Such housing is often prevalent in inner-city areas.

The sad fact is that lead-based paint poisoning according to testimony from Dr. J. Julian Chisolm of Baltimore, probably the leading expert in the country in lead-based poisoning, is entirely preventable and if detected early enough, is entirely curable.

S. 607 restricts the allowable limits of lead in paints by writing into the law the 0.5 percent lead content limit established by the Food and Drug Administration's regulations which became effective January 1 of this year and by requiring a lower lead content level of 0.06 percent, effective January 1, 1974. Although there was considerable testimony with respect to the need for the lower limit, there was also considerable concern expressed, particularly by smaller paint manufacturers, with the lower limit.

The committee reached a compromise in this provision by legislating the lower limit effective in 1974, but also providing that if the HEW study demonstrated that the lower limit was not needed, that a different level could be established. *However, in no event could the content level* exceed 0.5 percent.

The lead poisoning screening provisions are critical because, undetected, both physical and mental damage and even death to children can result. For over a year now I have been working with the administration and Dr. Chisolm in an effort to persuade the administration to permit the use, at least on an experimental basis, of a pinprick screening test for childhood lead poisoning, developed by Dr. Chisolm. This is most important for the test presently employed is difficult to perform and costs about $25 per child. On the other hand, Dr. Chisolm's test can be done on the spot and costs about $1.

As the Baltimore News American commented in an editorial, this cost "is low enough to allow health agencies to step up the pace of detection programs in a meaningful way." I considered offering an amendment to the pending bill, while it was in committee, to authorize this test. In lieu of this, however, Senator KENNEDY agreed to meet with HEW officials and me to see if we could secure approval of the test. Following the meeting, Senator KENNEDY and I wrote Secretary Weinberger on this matter and I am pleased that the Secretary, in a March 27 letter to me, indicated that—

> We concur with the recommendations that a full field demonstration of the protoporphyrin test should be carried out to determine its value as an effective and economical method for screening . . . because of the potential cost effectiveness of this test, if it can be validated in field use, I am requesting the Office of the Assistant Secretary for Health to explore possible sources of support for adequate demonstration and evaluation.

I ask unanimous consent that the exchange of letters between the Secretary and Senator KENNEDY and myself be included in the RECORD along with an editorial from the Baltimore News American.

I am hopeful that the department will find funds to enable Baltimore to experiment on this new test.

There being no objection, the items are ordered to be printed in the RECORD, as follows:

THE SECRETARY OF HEALTH, EDUCATION, AND WELFARE,
Washington, D.C., March 27, 1973.

Hon. J. GLENN BEALL, Jr.,
U.S. Senate,
Washington, D.C.

DEAR SENATOR BEALL: Thank you for your letter of February 22 which was co-signed by Senator Kennedy, in which you urge a full scale field demonstration of Dr. Chisholm's pin prick screening test for childhood lead poisoning.

We selected a macro blood lead measurement as the test for use in child screening programs because this test accurately measures blood lead directly over the entire significant range—say, upward from about 10 micrograms of lead per milliliter of whole blood to at least 100 micrograms per milliliter. (The threshold of medical concern is about 40 micrograms of lead per milliliter of whole blood, and a blood level of 80 micrograms per milliliter or more establishes unequivocal lead poisoning.) Dr. Chisholm's protoporphyrin test, an indirect test which measures an organic metabolic product resulting from lead absorption (rather than measuring metallic lead), was rejected because close correlation of test results with blood lead levels could not be achieved at levels below 60 micrograms of lead per 100 milliliters of whole blood.

We have worked closely with Dr. Chisholm and are aware of his improvements to the protoporphyrin test which have brought the accuracy threshold down to 50 micrograms of lead per 100 milliliters of blood. This improvement greatly enhances the potential utility of the test as a substitute for direct blood lead measurement in screening programs. We concur with your recommendation that a full field demonstration of the protoporphyrin test should be carried out to determine its value as an effective and economical method for screening.

We need to maintain uniform standards for communities supported under the grant programs; thus, until the practicality of Dr. Chisholm's test has been demonstrated in general use, we cannot rewrite the grant regulations to permit or encourage its use in all forty grant communities. We believe it is essential to conduct and evaluate a field demonstration of the protoporphyrin test simultaneously with direct blood lead measurements to demonstrate its scientific accuracy as well as its effectiveness and economic advantages in general community use. Because of the potential cost-effectiveness of this test, if it can be validated in field use, I am requesting the Office of the Assistant Secretary for Health to explore possible sources of support for adequate demonstration and evaluation.

Your continuing interest in the childhood lead poisoning prevention program is very much appreciated.

Sincerely,

CASPAR W. WEINBERGER,
Secretary.

FEBRUARY 22, 1973.

Hon. CASPAR W. WEINBERGER,
Secretary, Department of Health, Education, and Welfare, Washington, D.C.

DEAR MR. SECRETARY: For some time, we have been concerned about the HEW standards for screening children for possible lead paint poisoning. In view of the limitations on funding for this very worthwhile effort, one would expect to find HSMHA actively seeking alternatives to the expensive and tedious blood lead test which is now used. But this apparently is not the case.

Dr. J. Julian Chisolm of Baltimore is probably our nation's leading authority on lead paint poisoning among children. He has published numerous articles, testified before the Senate Health Subcommittee and been appointed by President Nixon as an adviser on the subject. He also has developed a simple and inexpensive pin-prick test for lead poisoning. It compares favorably with the conventional blood lead test, which, incidentally, he helped develop for HEW following passage of PL 91–695, the Lead Paint Poisoning Prevention Act.

Last year, the Baltimore City Health Department was denied permission to use Dr. Chisolm's test for its screening program of inner city children, even after the city's request was cut from $329,000 to $150,000. The reduced funding and requirement to use the more expensive testing procedure meant that only about 20 per cent of the children would be tested. When Senator Beall wrote to HEW about this decision, Secretary Richardson replied that for various reasons, it was "not yet an acceptable method for grant supported programs."

In light of subsequent developments which strongly indicated that Dr. Chisolm's method was achieving comparable results, this matter was brought to the attention of the Health Subcommittee in January when we considered S. 607, to set standards on lead content in paint. The subcommittee concurred that this was a subject deserving further investigation, so Dr. Chisolm, Dr. John Zapp and Dr. Robert Novick, director of the Bureau of Community Environmental Management, were invited to a meeting with members of the Health Subcommittee on February 5.

Dr. Chisolm said his protoporphyrin test is now considered accurate down to 50 micrograms of lead per 100 millilitres of blood, and he advised Dr. Zapp of at least three publications which have reported on his method and supported its validity.

At present, a concentration of 40 micrograms or more is considered evidence of undue absorptions of lead. Screening for this level can, at present, only be done by the cumbersome blood lead test. The question now seems to be whether HEW should consider an economical mass screening method that is accurate down to 50 micrograms, which is considered the threshold for possible lead poisoning. There are several things to be said about this proposal, not the least of which is the fact that the present guidelines were set up by the surgeon general, with Dr. Chisolm's assistance, at a time when there was no other accurate method of detecting lead poisoning.

First, the blood lead test is time-consuming as well as costly and difficult to perform. Thus, it will take a considerable time to complete the screening of children in even a single neighborhood, and it will be a much longer time before the child is retested. In fact, Baltimore has yet to begin tests under last year's grant (made in June) because a technician has not yet been trained for this difficult laboratory analysis. On the other hand, Dr. Chisolm's method enables the tester to take a pin-prick sample and analyze it on the spot. A child who shows a positive reaction would be given the standard blood lead test. Other children could be retested more frequently and at a fraction of the cost of the present method (about one dollar per test vs. $15).

Second, lead poisoning among children is very seasonal, and precipitous elevations usually occur during the summer months. Thus, there is a need for testing children regularly (HSMHA Reports of February, 1971, recommends 4-week intervals).

Third, according to the same HSMHA Reports, "In some cities, undue exposure to and absorption of lead among children may be so prevalent that an overwhelming number of those screened are found to have blood lead levels of 40 micrograms or more." It is generally agreed that once a child's blood lead level gets above 40 micrograms, it is virtually impossible to get it back down to that level because of other ever-present sources of lead contamination (dust, exhaust fumes, etc.). However, these children should be continuously screened to guard against further elevations above 50 micrograms.

In conclusion, it seems that a full scale field demonstration of Dr. Chisolm's test could greatly improve the future well-being of countless children, especially those in older inner city areas where many houses have surfaces covered with lead-based paints. Baltimore would be a suitable choice because it does contain many old houses, and Dr. Chisolm would be readily available to assist in supervising the work.

The Senate Health Subcommittee believes that such a demonstration would greatly serve our national interest, and we would strongly urge the Department of Health, Education, and Welfare to take whatever steps are necessary to permit a practical demonstration of this very promising test for lead paint poisoning.

With warmest personal regards.

J. GLENN BEALL, Jr.
EDWARD M. KENNEDY.

[From the Baltimore News American]

LEAD PAINT POISONING

Baltimore is being considered as the site of federally financed field testing for a simple and relatively inexpensive method to detect lead paint poisoning in children.

If the U.S. Department of Health, Education and Welfare does select this city for the pilot program, it will be an appropriate choice. The new method, involving a pinprick to obtain a drop of blood for analysis on the spot, was developed by Dr. Julian Chisolm, a Baltimore pediatrician and an authority in the field.

Sen. J. Glenn Beall, Jr., R-Md., is pressing HEW to adopt Dr. Chisolm's procedure and try it out in a large field study. The prospects seem good for HEW acquiescence.

Although paints for interior use have been free of lead for many years, lead paint poisoning remains a hazard in older neighborhoods where chips from peeling walls are eaten by small children.

Serious brain damage can result even if the victim lives.

The cost of Dr. Chisolm's test, about $1, is low enough to allow health agencies to step up the pace of detection of programs in a meaningful way. We hope that Sen. Beall will be successful in persuading HEW to test the method here, the home of the man who developed it and a city where lead-paint poisoning is as great a danger as anywhere in the country.

The committee amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

SENATE CONFIRMATION OF CERTAIN OFFICERS IN EXECUTIVE OFFICE OF THE PRESIDENT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 108, S. 590.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

S. 590, to require that future appointments of certain officers in the Executive Office of the President be subject to confirmation by the Senate.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

The PRESIDING OFFICER. Who yields time?

Mr. PERCY. Mr. President, I yield myself 10 minutes.

The PRESIDING OFFICER. The Senator from Illinois is recognized for 10 minutes.

Mr. PERCY. Mr. President, S. 590 would require that, following the effective date of this act, appointments by the President to fill the offices of Executive Secretary of the National Security Council, the Executive Director of the Domestic Council, and the Executive Director of the Council on International Economic Policy be made subject to the advice and consent of the Senate. With respect to the first two offices, the application of this requirement is prospective and the present incumbents would not be affected. In the case of the Executive Director of the Council on International Economic Policy, this requirement would apply only if the International Economic Policy Act of 1972 is extended beyond its present expiration date, June 30, 1973, and no individual would be permitted to serve in such office after that date unless he has been so appointed.

The objective of this bill is to insure that the Senate will have an opportunity to inquire as to the fitness of officials in the Executive Office of the President who have important operational and policymaking responsibilities. Under existing law, appointments to these offices do not require Senate confirmation.

Mr. President, S. 590 was unanimously ordered reported by the Committee on Government Operations on the date of its introduction, January 29. I am pleased that our distinguished chairman, Senator Ervin, and seven other members of our committee—Senator Brock, Senator Chiles, Senator Javits, Senator Metcalf, Senator Muskie, Senator Roth, and Senator Saxbe—have joined me in cosponsoring the bill.

Mr. President, I think it is notable that by April 11, four standing committees of the Senate reported this bill. The report from the Government Operations Committee was filed on Fedruary 26. The Government Operations Committee has general jurisdiction over questions of Government organization and operation, and specific jurisdiction over the Domestic Council, which was created by Reorganization Plan No. 2 of 1970.

The bill was referred to the Foreign Relations Committee for its general oversight in the foreign relations field and its interest in the National Security Council, and its specific jurisdiction, which it shares with the Banking Committee, over the International Economic Policy Act of 1972 (Public Law 92–412) which created the Council on International Economic Policy. The bill was reported favorably by the Foreign Relations Committee on March 12.

The bill was then referred to the Committee on Banking, Housing and Urban Affairs because of its specific jurisdiction over the law creating the Council on International Economic Policy, and that committee reported the bill favorably on March 15. The bill was then referred to the Armed Services Committee because of its jurisdiction over the National Security Act and the National Security Council, and that committee reported the bill without recommendation on April 10.

Mr. President, I think it is somewhat ironic that so simple a bill should have to wend its way through such a tortuous maze. It is also a compliment to the essential merit of the bill that it did so with such strong support in three committees, and in such a relatively short time. The Armed Services Committee report indicates that, in light of the time limit—30 days—included in the unanimous-consent agreement, the committee recommended that the bill be reported without recommendation.

Our action today to require confirmation of the next occupants of these three statutory posts will mean the ranking officers of all the component offices comprising the Executive Office of the President will be subject to appointment by and with the advice and consent of the Senate.

The Senate's right to advise and consent in the appointment of officers of the United States is stated in article 2, section 2, clause 2 of the Constitution. The meaning of the clause is that important officers of the United States are to be appointed subject to State advice and consent, but that what are termed "inferior officers" need not be.

What seems clear is that the Constitution delegates to Congress, as a part of the system of checks and balances, the right to confirm officers appointed by the President.

The source of my concern is simply that a number of important posts have been created in the Executive Office of the President which are not subject to Senate confirmation.

At the outset of this Congress, I identified six such posts, five in the EOP, and another in an independent agency, the Cost of Living Council, which when first established was part of the EOP. They were the Director of the Office of Management and Budget, the Executive Director of the National Security Council, the Executive Director of the Domestic Council, the Executive Director of the Council on International Economic Policy, the Director of Consumer Affairs, and the Director of the Cost of Living Council. None were subject to confirmation.

Today the situation is, I am glad to say, quite different. The Senate passed S. 421 on January 23, 1973, requiring confirmation of the Executive Director of the Cost of Living Council. The bill has not been passed by the House but this particular bill is supported, I am glad to say, by the administration.

Last week the Senate passed the conference report on S. 518, which requires the confirmation of the Director and the Deputy Director of the Office of Management and Budget. The functions of the Office of Consumer Affairs have now been transferred to the Department of Health, Education, and Welfare by Executive order, and while Mrs. Knauer retains the title of Assistant to the President, the functions officially assigned her are conducted in the departmental context, eliminating a need for confirmation.

Essentially, then, we are left with three ranking, important posts in the Executive Office of the President which are not subject to confirmation, while the heads of nine such offices are subject to confirmation.

Within the Executive policymaking and decisionmaking structure, these three officers, and the agencies they manage, have become extremely important. The impact on the American people of decisions made by these officers is potentially profound. They are certainly more important than the vast majority of the 13,960 civilian appointments, and an overall total of 248,706 appointments including military appointments confirmed by the Senate in the 92d Congress.

The cumulative result of the creation within the Executive Office of the President of posts not subject to confirmation has been to insulate from Congress these key officials and the functions they perform. Congress should insist on the right to confirm these three officials, whose effect on the formulation and implementation of policy, and the administration of the laws is by comparison so great.

EXECUTIVE SECRETARY OF THE NATIONAL SECURITY COUNCIL

The Executive Secretary of the National Security Council is required to be appointed by the President under the National Security Act of 1947 as amended. There is now no Executive Secretary, even though the functions of the National Security Council have grown beyond those initially intended by the Act, and even though the Nixon administration, the funds appropriated for the Council staff, and the size of the staff itself have grown under the present administration enormously. The Council itself has become less and less important. In the Government Operations Committee report on page 3, footnote 2, the Council is noted as having met 37 times in 1969, 23 times in 1970, 13 times in 1971, and 6 times in 1972. Those data were based on a preliminary report from the NSC staff. The final information shows that the Council met only 3 times last year.

Though the Council itself is now considered by some of marginal or nearly insignificant importance, the staff, directed by Dr. Kissinger, has expanded from 48 full-time permanent positions in fiscal year 1969 to a total of 140 full-time staff in fiscal year 1973. And the budget of the NSC staff has increased from $792,000 in fiscal year 1969 to $2,762,000 in fiscal year 1973.

Thus, in 1973, the White House national security operation is vastly different from that envisaged by the 1947 act. That act foresaw a small staff, headed by an Executive Secretary, serving as a supporting staff for an active National Security Council. Instead we have a very substantial staff serving as the President's own national security policy and operations arm headed by a Presidential assistant with a very broad range of responsibilities which make him in some respects a supercabinet officer.

Legally, it is quite normal procedure for Dr. Kissinger to conduct himself as Chief of the Council staff. Indeed, if 50 U.S.C. 402(c) is read literally, the legality of the staff is questionable, on two grounds: First, because the statute states that only the Executive Secretary may appoint and fix the compensation of such personnel as may be necessary to perform such duties as may be prescribed by the Council in connection with the performance of its functions; second, because the NSC staff seldom serves the Council itself, but serves instead the President through his Special Assistant for National Security Affairs, who, in turn, serves the President. Thus the concept of an active National Security Council served by a staff has become a legal fiction in the name of which funds are appropriated for this very potent agency.

S. 590 recognizes the changed status of the NSC staff by requiring Senate confirmation for its chief administrative officer, the Executive Secretary. At the same time we hope it will have the effect of restoring responsibility for managing the NSC staff to the official designated by law to do so, or that legislation will be proposed by the administration to update our law to bring it in accord with actual practices.

EXECUTIVE DIRECTOR OF THE DOMESTIC COUNCIL

The Domestic Council was established by authority of Reorganization Plan No. 2 of 1970. At the time, the President explained the breadth and importance of this new White House office which to a considerable degree would be the domestic counterpart of the National Security Council, and noted that it would be provided with an institutional staff.

Reorganization Plan No. 2 provided that the Council will be supported by a staff under an Executive Director who will also be one of the President's assistants. On the basis of his dual status as Presidential assistant, the Council's Executive Director was to be exempted from Senate confirmation.

The House Government Operations Committee reported a resolution disapproving the plan. One of the committee's primary objections to the plan was the provision authorizing appointment of an assistant to the President as Executive Director of the Council. This is contrary to the Reorganization Act, which requires that officers authorized by reorganization plans be either confirmed by the Senate or be in the competitive Civil Service. The House committee also objected to the fact that this plan rendered the Executive Director and his staff beyond accountability to Congress. Large and important areas of domestic concern could be completely concealed from the legislative branch, the committee noted.

Time has shown the Executive Director of the Domestic Council has become a highly important official of Government with a very broad range of authority over the implementation of congressionally mandated programs, and that the concerns expressed by our colleagues in the House Government Operations Committee have proven to be well founded.

EXECUTIVE DIRECTOR OF THE COUNCIL ON INTERNATIONAL ECONOMIC POLICY

The post of Executive Director of the Council on International Economic Policy was established by authority of the International Economic Policy Act of 1972 section 208.

At the time the Committee on Foreign Relations considered the bill, several Senators expressed strong reservations that the Council was an agency with the capacity to develop and promote its own views on issues, not a mere staff group writing neutral papers for policymakers.

Now the administration has sent up a bill, S. 1636, to amend the International Economic Policy Act to give permanent authorization to the Council on International Economic Policy. The message accompanying the bill indicates that the Office of the Special Representative for Trade Negotiations is intended to be absorbed by the CIEP, and that the Special Trade Representative and his two deputies, all three holding the rank of ambassador and confirmed by the Senate, be made subordinate to the Council's Executive Director, who is not subject to Senate confirmation. I believe this situation speaks for itself. The Executive Director of the CIEP is an important policy official, and he will become more important if S. 1636 is passed. I strongly recommend that we require the Executive Director's confirmation, and I again point out that both the Foreign Relations Committee and the Banking Committee concur in that judgment.

In conclusion, Mr. President, I wish to make it clear that none of the sponsors of this legislation, and none of the committees that have reviewed it, intend the bill to intervene between the President and his personal staff who directly assist him in the performance of his duties as Chief Executive. Nor is the bill directed in any critical manner toward the incumbents of the offices of Executive Director of the Domestic Council, or Executive Director of the Council on International Economic Policy, nor against the President's Adviser for National Security Affairs, who acts as Executive Secretary of the National Security Council. But our committee has concluded that it is both constitutionally proper, and sound public policy, that the position here involved be made subject to Senate confirmation, because the officers in question have responsibilities well beyond those of personal advisers or consultants to the President. Each of the three posts affected has an operating function conferred by or developed from law or reorganization plan. And those holding those posts can in no way be considered inferior officers as the term is used in the Constitution. For these reasons I urge passage of the bill.

The PRESIDING OFFICER. Who yields time?

Mr. PERCY. Mr. President, I yield back the remainder of my time.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum. I ask that the time be charged against Mr. SYMINGTON's time.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, on behalf of Mr. SYMINGTON, I yield back his remaining time.

The PRESIDING OFFICER. All time has been yielded back.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is: Shall it pass? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Alaska (Mr. GRAVEL), and the Senator from California (Mr. TUNNEY) are necessarily absent.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

I further announce that, if present and voting, the Senator from Alaska (Mr. GRAVEL) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Arizona (Mr. GOLDWATER) and the Senator from Wyoming (Mr. HANSEN) are necessarily absent.

The Senator from Delaware (Mr. ROTH) is detained on official business.

The result was announced—yeas 72, nays 21, as follows:

[No. 129 Leg.]

YEAS—72

Abourezk
Aiken
Allen
Baker
Bayh
Bentsen
Bible
Biden
Brock
Brooke
Burdick
Byrd,
  Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cook
Cranston
Eagleton
Eastland
Ervin
Fong
Gurney
Hart
Hartke
Haskell
Hatfield
Hathaway
Hollings
Huddleston
Hughes
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Long
Magnuson
Mansfield
Mathias
McClellan
McClure
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Nunn
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Saxbe
Schweiker
Sparkman
Stafford
Stevens
Stevenson
Symington
Talmadge
Weicker
Williams

NAYS—21

Bartlett
Beall
Bellmon
Bennett
Buckley
Cotton
Curtis
Dole
Domenici
Dominick
Fannin
Griffin
Helms
Hruska
Packwood
Scott, Pa.
Scott, Va.
Taft
Thurmond
Tower
Young

NOT VOTING—7

Fulbright
Goldwater
Gravel
Hansen
Roth
Stennis
Tunney

So the bill (S. 590) was passed, as follows:

S. 590

An act to require that future appointments of certain officers in the Executive Office of the President be subject to confirmation by the Senate.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, effective with respect to appointments made after the date of the enactment of this Act, the Executive Secretary of the National Security Council (established by section 101 of the National Security Act of 1947) and the Executive Director of the Domestic Council (established by section 203 of Reorganization Plan Numbered 2 of 1970) shall each be appointed by the President by and with the advice and consent of the Senate.

SEC. 2. If provisions of the International Economic Policy Act of 1972 (title II of Public Law 92–412) are extended beyond June 30, 1973, the Executive Director of the Council on International Economic Policy shall be appointed by the President by and with the advice and consent of the Senate, and no individual shall serve in such office after June 30, 1973, unless he has been so appointed.

Mr. PERCY. Mr. President, I move that the vote by which the bill was passed be reconsidered.

Mr. MANSFIELD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, for the information of the Senate, there will be no further votes this afternoon.

ENERGY POLICY ACT OF 1973

Mr. MANSFIELD. Mr. President, I ask unanimous consent at this time that the Senate turn to the consideration of Calendar 109, S. 70; that it be laid before the Senate and made the pending business for tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered, and the clerk will state the bill by title.

The assistant legislative clerk read the bill by title, as follows:

A bill (S. 70) to promote commerce and establish a Council on Energy Policy, and for other purposes.

PROGRAM

Mr. STAFFORD. Mr. President, I ask the majority leader to yield for the purpose of asking what the schedule is for the remainder of the day and for tomorrow.

Mr. MANSFIELD. Mr. President, I am delighted to yield to the acting Republican leader and to state that what is now the pending business will not be taken up tonight, but will be taken up first thing tomorrow.

It is hoped that that bill will be followed by S. 373, a bill having to do with the separation of Federal powers and to protect the legislative function by requiring the President to notify the Congress whenever he impounds funds, and so forth, and then it is hoped that that bill will be followed by S. 14, a bill to amend the Public Health Service Act.

That is about the best I can say at this time.

ORDER FOR ADJOURNMENT UNTIL 10 A.M.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 10 o'clock tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATORS TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there be separate 15-minute special orders for tomorrow for the distinguished Senator from Michigan (Mr. Griffin), the distinguished Senator from West Virginia (Mr. Robert C. Byrd), and the Senator from Montana now speaking.

The PRESIDING OFFICER. Without objection, it is so ordered.

POSSIBILITY OF NO SESSION FRIDAY

Mr. MANSFIELD. Mr. President, the reason for coming in early tomorrow is that if we can clear the calendar sufficiently well, it would be the intention of the joint leadership not to meet on Friday. Of course, events will determine whether or not that occurs.

CONVENTION FOR SAFETY OF LIFE AT SEA—REMOVAL OF INJUNCTION OF SECRECY

Mr. MANSFIELD. Mr. President, as in executive session, I ask unanimous consent that the injunction of secrecy be removed from six amendments to the Convention for the Safety of Life at Sea, 1960—Executive I, 93d Congress, first session—transmitted to the Senate today by the President of the United States, and that the amendments to the Convention with accompanying papers be referred to the Committee on Foreign Relations and ordered to be printed, and that the President's message be printed in the Record.

The PRESIDING OFFICER. Without objection, it is so ordered.

The message is as follows:

To the Senate of the United States:

I herewith transmit for the advice and consent of the Senate six amendments to the Convention for the Safety of Life at Sea, 1960.

These amendments were adopted at London on October 12, 1971 by the Assembly of the Inter-governmental Maritime Consultative Organization (IMCO) and are the outcome of recommendations of the Maritime Safety Committee of IMCO directed toward improvement of safety of navigation. The regulations as amended would provide for improved radio-telephone watch procedures, more modern radio-telephonic devices, and more detailed procedures for operation of such devices. In addition, the insertion of a new regulation on routing specifies an increased role for IMCO in establishing and coordinating routes and increased enforcement responsibility for the contracting governments.

For the information of the Senate, I am also transmitting the report of the Department of State with respect to the amendments.

I recommend that the Senate give swift and favorable consideration to all of these amendments.

Richard Nixon.

The White House, *May 9, 1973.*

ORDER OF BUSINESS

Mr. HARRY F. BYRD, JR. Mr. President, what is the pending business?

The PRESIDING OFFICER. The pending business is S. 70, a bill to promote commerce and establish a Council on Energy Policy.

DISPOSAL OF NAVAL VESSELS

Mr. HARRY F. BYRD, JR. Mr. President, the Subcommittee on General Legislation of the Senate Committee on Armed Services held followup hearings on naval vessel disposals after receiving notification that loaned vessels approved by this committee were being stricken from the register and sold.

Last year's loan bill had certain amendments which the executive branch strongly opposed. The amendments required that first loaned vessels must be returned to U.S. custody at the expiration of the loans and second, the executive branch may not extend any loan without congressional approval.

After passage of the bill last year, the Navy changed its policy of loaning ships to foreign countries and instituted a new policy under which vessels on loan are stricken from the Naval Vessel Register and sold to the recipient nation under the provisions of the Foreign Military Sales Act.

By so doing, the Navy bypasses the Congress and unilaterally disposes of U.S. major combatant ships and smaller vessels, without approval of the Congress.

I submitted today the subcommittee's report for the approval of the full committee.

In so approving it, it approved the legislation which I have introduced today.

Since the enactment of the loan bill last year Public Law 92–270—the Navy has stricken and sold 16 major combatant vessels which had been authorized as loans. This has been accomplished without consultation and without congressional approval.

The subcommittee report which the Armed Services Committee approved today, in effect, recommends simply that section 7305 of title 10 to prohibit the sale of any vessel stricken from the Naval Register under the Foreign Military Sales Act. The amendment requires that striken major combatant vessels be disposed of under the competitive bids procedures as the law requires, or by authorizing legislation.

Mr. President, what has happened in pursuance of the policy that has been in existence for some time which requires that the Navy request the approval of the Congress in regard to the loaning of certain ships to friendly or allied nations, is that when the Congress last year placed restrictions on those loans of which the Navy disapproved, the Navy then completely bypassed Congress by selling ships to foreign countries.

Certainly it is not very logical, Mr. President, for the law to require that the Navy come to Congress for approval to make loans of naval vessels when apparently there is a loophole in the law which permits the Navy to make the sale of those vessels without coming to Congress.

The proposal I have introduced in the Senate today, which was approved by the Armed Services Committee this morning, in effect would require the Navy to come to Congress before it can dispose of our combat vessels.

I happen to be one of those Senators who favor the loan proposals. I happen to be one of those who feel that we should utilize our surplus ships to help our allies and to help friendly nations. But I disapprove of the Navy circumventing Congress and disposing of ships without the approval of the elected representatives of the people of the Nation who have financed the building of those ships.

I have a list of ships which have been on loan to other countries and which in recent months have now been sold to those countries without any competitive bidding and without the approval of Congress, and the action was taken so as to get around the restrictions which Congress last year placed on the Navy.

Mr. President, I ask unanimous consent that the list of the 16 ships and the dates of sale be printed in the Record.

There being no objection, the list was ordered to be printed in the Record, as follows:

Loaned Ships Stricken and Sold

NAME, COUNTRY, STRIKE DATE, SALE DATE

Springer, submarine, Chile, September 1, 1972; September 7, 1972.

Sandlance, submarine, Brazil, September 1, 1972; October 12, 1972.

Cabot, carrier, Spain, August 1, 1972; December 5, 1972.

Capp, DD, Spain, October 1, 1972; December 27, 1972.

Taylor, DD, Spain, October 1, 1972; December 27, 1972.

Converse, DD, Spain, October 1, 1972, December 27, 1972.

Jarvis, DD, Spain, October 1, 1972; December 27, 1972.

McGowan, DD, Spain, October 1, 1972; December 27, 1972.

Bergall, submarine, Turkey, February 1, 1973; February 15, 1973.

Hugh Purvis, DD, Turkey, February 1, 1973; February 15, 1973.

Bronson, DD, Turkey, February 1, 1973; February 15, 1973.

Forrest Royal, DD, Turkey, February 1, 1973; February 15, 1973.

Harwood, DD, Turkey, February 1, 1973; February 15, 1973.

Ban Balkenberg, DD, Turkey, February 1, 1973; February 15, 1973.

Irwin, DD, Brazil, March 15, 1973; April 11, 1973.

Hancock, DD, Brazil, February 15, 1973; April 11, 1973.

Sixteen ships authorized for loan by our committee have been stricken from register and sold.

VOLUNTARY INDUSTRY ACTIVITY RESULTING FROM INJURY DATA

Mr. MAGNUSON. Mr. President, I invite the attention of the Senate to a most valuable statement by Dr. Walter Ames Compton, M.D., the chief executive officer of Miles Laboratories to the Food and Drug Law Institute. In the statement entitled, "Voluntary Industry Activity Resulting From Injury Data," Dr. Compton sets forth a philosophy for the safety of consumer products which I find to be an enlightened and constructive statement defining corporate responsibility.

Unlike many industry leaders, Dr. Compton does not regard the new product safety law and the gathering of product safety data as intrusions upon the private preserve of business, but a welcome opportunity for improvement of products to serve the community. He sees reasonable safety regulation as a means of bringing the standards of design responsibility within each industry up to the levels of the most responsible members of the industry, rather than pulling down performance through market pressures to the lowest common denominator of safety.

I ask unanimous consent that the text of Dr. Compton's statement be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

VOLUNTARY INDUSTRY ACTIVITY RESULTING FROM INJURY DATA

(By Walter Ames Compton, M.D.)

I have been asked to speak with you today on the subject of Voluntary Industry Activity Resulting From Injury Data. There is no question that there has been a marked acceleration in current times—both as to a notably increased awareness and interest in product safety by the public and a concerted effort by public, government, and private organizations to gather more product injury data and make it available to the consumer.

I welcome this opportunity to share with you my views on this sensitive and critical subject which deserves the just concern of the business community. It is sensitive and critical because in product injury we are dealing with the possible impairment or destruction of our most valuable national asset—people. It deserves the just concern of our business community because we are the springwell from which the product comes and we have both the right and the obligation to exert constructive thought and action to ensure that sound and realistic safety standards are achieved for products; to ensure that the retrieval of product injury data is meaningful and constructive and more importantly, to make sure that such data is promptly made available to, and used by industry.

We then come to the assigned title of my talk and what has to be the whole objective of gathering product injury.—

What should industry do with the product injury data?

First, it might be well to emphasize a few salient facts. I could speak about possible business community instinctive negative reaction to the government gathering injury data relating to the use of our products; about potential for abuse; about the propensity so commonly seen for making shallow political capital out of product injury data headlines.

Putting these areas aside, the facts we must acknowledge are that safety problems do exist in a large number of industry products, people are being injured by products and organizations—an example of which is the data reporting system known as the National Electronic Injury Surveillance System—are gathering this injury data and making it available for the use and interest of all concerned.

An even more pertinent fact is that the President, on October 27, 1972, signed into law the Consumer Product Safety Act of 1972. The first sentence of that Act reads:

"The Congress finds that . . . an unacceptable number of consumer products which present unreasonable risks of injury are distributed in the commerce."

The Act establishes an independent Consumer Product Safety Commission of five members to be appointed by the President and confirmed by the Senate. This Commission is granted newly-created Federal authority to regulate all consumer products and components thereof. Despite the broad term "all consumer products there are numerous articles the Act does not cover, such as motor vehicles, firearms, aircraft, or food, drugs, devices or cosmetics as defined in the Federal Food, Drug, and Cosmetic Act. The exemption of drugs is limited since the Commission does have a degree of authority over the packaging of drugs under the Federal Poison Prevention Packaging Act.

Probably I need not point out that exclusion of drugs under this new Act does not imply that drug safety is no problem—or a lesser problem. All here I am sure are well aware that the Federal Food, Drug and Cosmetic Act, and the Regulations issued thereunder, already provide ample authority to mandate safety of drugs. The high standards, and properly so, required of the drug industry to distribute only products of maximum attainable purity and quality together with standards of safety and efficacy are, of course, already a matter of law and regulatory government procedure. An injury data retrieval system and a responsible implementation program as to such data is an inescapable fact of business, not only in the area of food, drugs, and cosmetics but consumer products in general as well.

Another fact is that the consumer is no longer, if he ever was, a silent unknown end-recipient of our products. He is now more and more effectively demanding to be heard and is being heard, and I assert that this is a healthy and desirable development.

The phenomenon of so-called consumerism has served notice that in many cases, existing standards of products are found wanting by society, and that industry is being called to a needed accounting.

I submit that *responsible* members of industry will not be fearful of subjecting their products to such an accounting. They will welcome standards of product safety and a system of monitoring product injuries and data accumulation as to such injuries; and that manufacturers who, in the past, may have thought it expedient or desirable to cut corners and to ignore concern for the consumer will now most properly, more than ever before, be called to task.

With acknowledgment of the facts of life as to product safety standards and data accumulation as to product injuries, it makes sense forthrightly and intelligently to respond.

As businessmen, we must be prepared to take a more active, and a constructive role in the public debate on the regulatory issues. If industry does not, we can fully expect decision-making on such issues to be to that degree more erratic and less scientific. If the news media possess and communicate more data than industry members affected by regulations, it is reasonable to expect them to be more influential in the regulatory process. However, if there be knowledgeable, constructively motivated participation by industry to improve the *quality* of regulation, I do believe that we can gain the confidence of the public in the regulatory process and thus achieve a better sense of direction to the regulations.

I submit that if there, in fact does, exist a problem on the part of industry as to the utilization of product injury data, it is largely due to a lack of knowledge as to the purpose and motive of such an injury data retrieval program or perhaps a misguided impression that a data reporting system such as N.E.I.S.S. is an improper form of industry surveillance. Such a program is, of course, a form of surveillance but it produces data which, if the businessman will accept and evaluate with an objective mind, can only be to his benefit. It is my experience most businessmen, given the opportunity to use reliable market research data which indicates an existing area of dissatisfaction on the part of the consumer with resultant loss of profit, will leap at the chance to eliminate the element of dissatisfaction with resultant better customer satisfaction and then increased profit as a normal fallout. It is with this frame of mind that the businessman must approach the product injury data retrieval systems. He must not rely solely on N.E.I.S.S., but *must be* imaginative and innovative in devising sources of his own. Then, after he gets the information comes the real test of how to use it efficiently.

It is an inescapable fact that in industry we can expend huge sums in research and product development, set up elaborate marketing program, solve the problem of manufacturing and distribution but that the real measure of success comes when we receive the answer from the user-public as to how the product performed and what, if any, defects or deficiencies came about during its use. And that is the whole essence of the importance of injury data retrieval programs.

Congress, speaking for the public, in enacting the Consumer Product Safety Act might be said simply to have put us on notice that industry has not met expectations in providing safe consumer products. This is but a broad statement of dissatisfaction, and in order for the private business sector to respond we must know more about what the public conceives of as our failures so that we can apply our resources to their correction. The role that national injury data banks can play is obvious. It is through the feedback from N.E.I.S.S. and other sources, certainly not the least important of which is the individual consumer inquiry which each of us constantly receives as to our products, that information on actual field performance is secured to allow us to re-design, reformulate, or relabel our products and thus avoid a repetition of injury associated with use. While the foreseeability of such injury was not there when the responsible manufacturer marketed the product he thus has been put on notice and has both moral and legal responsibility to act.

The business which participates in a good injury data retrieval program and then establishes an internal organization to act on such data will be alert to areas of emerging public concern as well as to specific problems of the individual company's product; the lag time in taking corrective measures will be correspondingly minimized.

We have not yet realized Utopia. It is unrealistic to expect that all product-related injuries can be eliminated. Just as medicinal substances, if active and useful, are not and can never be either wholly safe or wholly effective, so instruments designed to cut inanimate objects will cut people; devices designed to generate heat will produce burns. Our burden as manufacturers must be, as nearly as we can, to try to anticipate the eccentricities of human behavior and to design into our products tolerances for misue based on actual consumer experience rather than idealized instruction manuals. By efficient injury data systems, together with an internal organization to evaluate and act, we are in a better position to conform the product to that sort of practical consumer experience.

To focus on common consumer abuses, in-depth studies will provide invaluable clues as to the steps which are likely to be more effective. Even with priorities established for in-depth reporting under the N.E.I.S.S. system, or by the Injury Information Clearing House provided for in the Consumer Product Safety Act, businessmen will undoubtedly find it advantageous to continue to provide private funding for in-depth studies of special significance to their own prdoucts especially when the product safety questions presented are of perhaps lesser national or general priority.

There is another reason for the creative use of product safety data which is both a service to the public and at the same time self-serving to corporate interests. Regulatory actions are likely to be drawn broadly—particularly in the initial stage. Because it is the business community that has product development technology as well as exposure to consumer experience, industry so is in a unique position to complement the regulatory process by suggesting means for more precise regulations. When it is possible to do so, we should assist government in determining that action which will achieve the deired objective at a minimal cost and least disruption to the commercial sector. If it can be shown that a desired result can be achieved with a less costly regulatory action, then this should prevail. The only way to do so is to have, and effectively present, better and more persuasive data. Again, the basic data banks of the N.E.I.S.S., the Product Safety Commission's Clearinghouse and other sources will be invaluable in these efforts.

I have been specifically requested to discuss the question how corporations might organize to respond to product safety data. While not either presuming to impose my own organizational concepts on others, or representing that there is any one organizational plan which is suitable to all corporations, there *are* some *generalizations* which we have found useful as a starting point for internal planning:

1. The review of product-associated injury data should be *systematic*—a specifically assigned responsibility in the corporation, under which proper performance and systematic review is the direct responsibility of top management.

2. The personality of the persons with this assignment is extremely important. Imagination, organizational abilities, and the ability to take on the internal "establishment" when necessary, are especially important.

3. The review of product-associated injury data is, in most cases, more susceptible to interdisciplinary task force operations. Such a task force might include representatives of Legal, Quality Control, Product Development, Data Processing, and Medical disciplines, to name some of the obvious choices.

4. The person or task force with product-associated injury data monitoring responsibility will not wish to confine himself only to the national public data sources. The National Safety Council, consumer inquiry or complaint letters, Poison Control Centers, and trade associations all can prove to be useful sources of information. Consumer correspondence, particularly, is frequently overlooked as an excellent source of information and in this the assigned executive should regard himself as the public's ombudsman.

5. Those with product-associated injury data responsibilities will want to organize appropriate trade association groups to assemble collective data and to provide mechanisms for voluntary standard-making activities. The Trade Association should also be encouraged to monitor and report on the current activities of the Consumer Product Safety Commission and the Commission's Advisory Committee.

6. An additional source of guidance and useful data which has been given substantial attention by the N.B.C.C.A.'s Subcouncil on Product Safety is the *insurance industry*. Individual insurers of businesses are uniquely interested in encouraging reductions in product-associated injuries, and at the same time are likely to be highly practical, highly competent advisors. *Their advice should be actively sought and used.*

Turning back for a moment to my earlier observation as to the need of constructive input by the business community in regulatory decisions, I would stress that the legislative framework established by the Product Safety Act offers extraordinary opportunities to those who are capable of designing products which make a significant contribution to consumer safety. In the past, manufacturers who designed safety into their products at higher cost were faced with price competition by less safety-conscious manufacturers. Often the safety-quality aspect was not readily apparent in the product and so consumers, too often thus allowed price to be the overriding consideration—through ignorance of the safety issues involved.

With the new Consumer Safety Act we have a mechanism which will enable manufacturers to initiate standard-making procedures with which all will need to comply. If the new Consumer Safety Commission does its job, consumers can be expected to achieve a new and considerably higher level of awareness of safety—not only in the use of consumer products, but also as an increasingly important quality consideration in purchasing.

It is clear from the legislative requirements of the Act that product safety standards will not be adopted simply because it is possible to make the product safer. It will be essential to show that utility is not jeopardized, and that the economic cost of the standard is justified in terms of the likely contribution to reduction in injuries. Again, the role of product safety data banks is quite important. It is against these sources that proposed standards may be measured. Corporate research and development units seeking more safe products would do well to establish internal priorities based on a thorough analysis of such injury data sources.

In conclusion, the passage of the Product Safety Act and the ongoing existence of a new government agency whose sole concern is product safety does more than change the regulatory climate in which business people operate. New opportunities have been created which will provide profit benefits to those who are able to discern the opportunities and to organize themselves accordingly. In this sense, realization of problems becomes simply a definition of opportunity and using product injury data positively is no more than one of the initial considerations of any corporation whose intention is to prosper in our current regulatory and social environment.

More than any other single quality, the *proper use* of product safety data is a function of proper attitude to the new regulatory environment. If it is the feeling of your organization that reports of product-associated injuries provide a marketing research tool which can better insure the delivery of safe and efficacious products for the consumer you are probably in a position to profit in the new regulatory system. If, on the other hand, you find yourself preoccupied with the thoughts that the new act is inflationary or unwarranted, or of little likely benefit to the consumer, I would suggest to you that Congress has already conclusively decided these issues and should no longer be a matter for debate. There is no new frontier here of business conduct which has been legislated; there is no new discovery that it is essential to know if your product is safe—or if it is capable of harm—what you do is to discover, define and correct that potential for harm. Really, the moral commitment to consumer safety was made when we elected to become a member of industry. Reasoned legislation and enactment of just regulations must be viewed as a restatement of that commitment. To react otherwise is sheer folly. I submit to you that the opportunity is ours—let us not permit it to slip away or to become distorted by misunderstanding or inactivity.

TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there be a brief period for the transaction of routine morning business, with statements therein limited to 3 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. Nelson) laid before the Senate the following letters, which were referred as indicated:

Report on Exchange Stabilization Fund

A letter from the Secretary of the Treasury, transmitting, pursuant to law, a report on the Exchange Stabilization Fund, for fiscal year 1972 (with an accompanying report). Referred to the Committee on Banking, Housing and Urban Affairs.

Proposed Legislation From Department of Labor

A letter from the Secretary of Labor, transmitting a draft of proposed legislation to extend and improve the Nation's unemployment compensation programs, and for other purposes (with accompanying papers). Referred to the Committee on Finance.

Reports of Comptroller General

A letter from the Comptroller General of the United State, transmitting, pursuant to law, a secret report on "The SAM-D Missile Program" (with an accompanying report).

Referred to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Evaluation of the Office of Economic Opportunity's Performance Contracting Experiment", dated May 8, 1973 (with an accompanying report). Referred to the Committee on Government Operations.

PROPOSED LEGISLATION FROM THE SECRETARY OF TRANSPORTATION

A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to authorize the head of an executive department, a military department, an agency, or an independent establishment in the executive branch to render emergency assistance in certain circumstances (with accompanying papers). Referred to the Committee on Government Operations.

PERMANENT RESIDENCE STATUS FOR CERTAIN ALIENS

A letter from the Acting Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders entered relating to the granting of permanent residence status to certain aliens (with accompanying papers). Referred to the Committee on the Judiciary

REPORT ON CERTAIN DEFECTOR ALIENS

A letter from the Acting Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders entered in the cases of certain defector aliens (with accompanying papers). Referred to the Committee on the Judiciary.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. CANNON, from the Committee on Rules and Administration, without amendment:

S. Res. 102. Resolution authorizing the printing of additional copies of the report entitled "Development in Aging: 1972 and January-March 1973" (Rept. No. 93-140);

S. Res. 103. Resolution authorizing additional expenditures by the Committee on the Judiciary for routine purposes (Rept. 93-141);

H. Con. Res. 109. Concurrent resolution providing for the printing of remarks of tribute to the late President of the United States, Lyndon Baines Johnson (Rept. No. 93-142);

H. Con. Res. 126. Concurrent resolution to provide for the printing of one thousand additional hearings entitled "Year-Round Schools" (Rept. No. 93-144); and

H. Con. Res. 156. Concurrent resolution to provide for the printing of one thousand additional hearings entitled "Corrections, Federal and State Parole Systems", parts VII-A and VII-B, serial 15, Ninety-second Congress (Rept. No. 93-143).

By Mr. CANNON, from the Committee on Rules and Administration, with amendments:

S. Res. 96. Resolution authorizing the Committee on Interior and Insular Affairs to expend additional funds from the contingent fund of the Senate (Rept. No. 93-145); and

S. Res. 101. Resolution authorizing supplemental expenditures by the Committee on the Judiciary for an inquiry and investigation relating to the representation of citizen interests (Rept. No. 93-146).

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following favorable reports of nominations were submitted:

By Mr. NUNN, from the Committee on Armed Services:

Howard H. Callaway, of Georgia, to be Secretary of the Army.

The nomination was reported with the recommendation that the nomination be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

By Mr. THURMOND, from the Committee on Armed Services:

Robert C. Hill, of New Hampshire, to be an Assistant Secretary of Defense.

The nomination was reported with the recommendation that the nomination be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

Mr. HARRY F. BYRD, JR. Mr. President, from the Committee on Armed Services, I report favorably the nomination of one Navy vice admiral, four lieutenant generals in the Army, and one lieutenant general in the Marine Corps to be placed on the retired list in those respective grades; the promotion of three Army major generals to lieutenant general, one Air Force major general to lieutenant general, one rear admiral to vice admiral, and two major generals to lieutenant general in the Marine Corps, and 61 rear admirals in the Navy for permanent promotion in that grade. I ask that these names be placed on the Executive Calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations, ordered to be placed on the Executive Calendar, are as follows:

Maj. Gen. Leo J. Dulacki and Maj. Gen. Herbert L. Beckington, U.S. Marine Corps, for commands and other duties determined by the President, for appointment to the grade of lieutenants general while so serving.

Maj. Gen. Joseph G. Wilson (major general, Regular Air Force) U.S. Air Force, to be assigned to a position of importance and responsibility designated by the President, in the grade of lieutenant general;

Lt. Gen. Julian Johnson Ewell, Army of the United States (major general, U.S. Army);

Lt. Gen. William Raymond Peers, Army of the United States (major general, U.S. Army);

Lt. Gen. Willard Pearson, Army of the United States (major general, U.S. Army); and

Lt. Gen. Richard Thomas Cassidy, Army of the United States (major general, U.S. Army), to be placed on the retired list in the grade of lieutenant general;

Maj. Gen. William Robertson Desobry, Army of the United States (major general, U.S. Army);

Maj. Gen. Richard Joe Seitz, Army of the United States (major general, U.S. Army); and

Maj. Gen. Raymond Leroy Shoemaker, Army of the United States (major general, U.S. Army), to be assigned to positions of importance and responsibility designated by the President, in the grade of lieutenant general;

Vice Adm. Thomas J. Walker III, U.S. Navy, for appointment to the grade of vice admiral, when retired;

Rear Adm. Thomas R. Weschler, U.S. Navy, for commands and other duties determined by the President, for appointment to the grade of vice admiral while so serving;

William J. Kotsch, and sundry other officers, for permanent promotion to the grade of rear admiral in the Navy;

Lt. Gen. Hugh M. Elwood, U.S. Marine Corps, when retired, to be placed on the retired list in the grade of lieutenant general; and

By Mr. MAGNUSON, from the Committee on Commerce:

Richard O. Simpson, of California, Lawrence M. Kushner, of Maryland, Constance E. Newman, of the District of Columbia, and Barbara H. Franklin, of New York, to be Commissioners of the Consumer Product Safety Commission.

The above nominations were reported with the recommendation that they be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

Mr. MAGNUSON. Mr. President, from the Committee on Commerce, I also report favorably sundry nominations in the Coast Guard which have previously appeared in the CONGRESSIONAL RECORD and, to save the expense of printing them on the Executive Calendar, I ask unanimous consent that they lie on the Secretary's desk for the information of Senators.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations, ordered to lie on the desk, are as follows:

Glen N. Armitage, and sundry other officers, for permanent promotion in the Coast Guard Reserve.

The above nominations were reported with the recommendation that they be confirmed subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. MANSFIELD:

S. 1754. A bill for the relief of certain named individuals. Referred to the Committee on the Judiciary.

By Mr. MANSFIELD (for himself and Mr. METCALF):

S. 1755. A bill for the relief of the Mondakota Gas Co. Referred to the Committee on the Judiciary.

S. 1756. A bill to authorize the Secretary of the Interior to designate the Beartooth Highway, Montana and Wyoming, as the James E. Murray Memorial Parkway, and for other purposes. Referred to the Committee on Public Works.

By Mr. YOUNG:

S. 1757. A bill to amend the Fair Labor Standards Act of 1938 to treat certain laundry and cleaning enterprises in the same manner as other retail enterprises under that Act. Referred to the Committee on Labor and Public Welfare.

By Mr. SCOTT of Pennsylvania (for himself and Mr. JAVITS):

S. 1758. A bill to implement the Convention on the Prevention and Punishment of the Crime of Genocide. Referred to the Committee on the Judiciary.

By Mr. BAKER:

S. 1759. A bill authorizing further appropriations to the Secretary of the Interior for services necessary to the nonperforming arts functions of the John F. Kennedy Center for the Performing Arts, and for other purposes. Referred to the Committee on Public Works.

By Mr. McCLELLAN:

S. 1760. A bill for the relief of Diana Cecelia Marinkovic Blanco. Referred to the Committee on the Judiciary.

By Mr. MAGNUSON (for himself, Mr. Cotton, and Mr. Inouye) (by request):

S. 1761. A bill to foster fuller U.S. participation in international trade by the promotion and support of representation of U.S. interests in international voluntary standards activities, and for other purposes. Referred to the Committee on Commerce.

By Mr. MAGNUSON (for himself and Mr. Cotton) (by request):

S. 1762. A bill to amend section 27 of the Merchant Marine Act of 1920, to provide a monetary penalty for the transportation of merchandise in violation of the coastwise laws. Referred to the Committee on Commerce.

S. 1763. A bill to amend the Rail Passenger Service Act of 1970, as amended, to provide financial assistance to the National Railroad Passenger Corporation, and for other purposes. Referred to the Committee on Commerce.

By Mr. JAVITS:

S. 1764. A bill to amend section 46 of the Internal Revenue Code of 1954 to provide for greater flexibility in fixing the investment tax credit rate. Referred to the Committee on Finance.

By Mr. BAYH:

S. 1765. A bill to establish an independent Board of Parole, to provide for fair and equitable Federal parole procedures, to study the parole procedures provided for released prisoners, and for other purposes. Referred to the Committee on the Judiciary.

By Mr. BAYH (for himself, Mr. Brooke, Mr. Abourezk, and Mr. Clark):

S. 1766. A bill to require periodical financial disclosure by officers and certain employees of the Federal Government, to establish criminal penalties for unfair campaign practices, to strengthen presidential campaign financing laws, to amend the Federal Election Campaign Act of 1971, and for other purposes. Referred to the Committee on Rules and Administration.

By Mr. CURTIS:

S. 1767. A bill to amend the Federal Water Pollution Control Act. Referred to the Committee on Public Works.

By Mr. MUSKIE:

S. 1768. A bill to establish a Commission on Mental Health and Illness of the Elderly, and for other purposes. Referred to the Committee on Labor and Public Welfare.

By Mr. MAGNUSON (for himself, Mr. Cotton, and Mr. Weicker):

S. 1769. A bill to establish a U.S. Fire Administration and a National Fire Academy in the Department of Housing and Urban Development, to assist State and local governments in reducing the incidence of death, personal injury, and property damage from fire, to increase the effectiveness and coordination of fire prevention and control agencies at all levels of government, and for other purposes. Referred to the Committee on Commerce.

By Mr. HUMPHREY:

S. 1770. A bill to establish a National Domestic Development Bank to provide an alternative source of credit to State and local governments for the purpose of financing public and quasi-public facilities of all types, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. SPARKMAN:

S. 1771. A bill for the relief of Miss Ros Melinda Padilla Cortes. Referred to the Committee on the Judiciary.

S. 1772. A bill to amend the black lung benefits provisions of the Federal Coal Mine Health and Safety Act of 1969 to extend these benefits to miners who incur silicosis in iron mines, and for other purposes. Referred to the Committee on Labor and Public Welfare.

By Mr. HARRY F. BYRD, JR. (for himself and Mr. Hughes):

S. 1773. A bill to amend section 7305 of title 10, United States Code, relating to the sale of vessels stricken from the Naval Vessel Register. Referred to the Committee on Armed Services.

By Mr. MAGNUSON (for himself, Mr. Cotton and Mr. Inouye) (by request):

S. 1774. A bill to amend the Federal Trade Commission Act and the Export Trade Act as amended to deal with unfair competition in imports, to provide for clarification of law, for prior Federal Trade Commission clearance of export trade associations, and for other purposes. Referred to the Committee on Commerce.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. SCOTT of Pennsylvania (for himself and Mr. Javits):

S. 1758. A bill to implement the Convention on the Prevention and Punishment of the Crime of Genocide. Referred to the Committee on the Judiciary.

Mr. SCOTT of Pennsylvania. Mr. President, at the present time, the Genocide Treaty is on the Executive Calendar awaiting Senate action. I am today introducing, on behalf of Senator Javits and myself, the implementing legislation for that treaty.

I ask unanimous consent that the bill be appropriately referred and that a section-by-section analysis of the bill be printed in the Record.

There being no objection, the analysis was ordered to be printed in the Record, as follows:

Sectional Analysis

Sec. 1 of the bill would add to title 18, United States Code, a new chapter 50A, Genocide, consisting of new sections 1091 and 1092:

Proposed section 1091 of title 18 contains definitions of some of the terms used in the Convention, in order to comply with the principle that criminal statutes should have a sufficient degree of certainty to make it clear without judicial interpretation just what acts are punishable.

Clauses (1)–(4) define the groups which the statute is intended to protect in terms of the characteristics which distinguish them from the rest of the population of the larger society of which they are a part. The larger society can be either a nation or the international community of nations.

Clause (5) defines "substantial part" in terms of its numerical significance to the group as a viable force. The term is used in proposed section 1092 defining the offense of genocide in order to comply with the understanding of the Senate Committee on Foreign Relations concerning the intent provision of Article II of the Convention. Senate Ex. Rep. 93–5, pp. 6–7.

Clause (6) defines children as dependent persons under 18 years of age.

Proposed section 1092 of title 18 creates the crime of genocide, tracking substantially the language of the Convention, except for the use of the terms "without justifiable cause" and "substantial part", and except for subsection (a)(3), which defines genocide by "mental harm" as the willful causing without justifiable cause of the permanent impairment of the mental faculties.

The term "without justifiable cause" is included to make it clear that certain acts, such as justifiable acts of war or acts done justifiably in self defense against domestic insurrection, do not constitute the crime of genocide.

The use of the term "substantial part" is explained in the discussion of clause (5) above.

The definition of genocide by "mental harm" complies with the second understanding of Senate Ex. Rep. 93–5. The definition also details precisely the means used to cause the impairment, in order to avoid a claim of impairment based on incidental or hypothetical mental harm. Not only must the act be willful and without justifiable cause, but it must be calculated to cause dysfunction. "Mental faculties" is amplified and focused in terms of mental processes, nervous system, and motor functions.

Genocide by killing and bodily harm use the Convention terminology entirely, since killing and assault are recognized crimes.

Subsection (a)((4) defines genocide by "inhumane treatment" and clarifies the ambiguity of the Convention's phrase "conditions of life."

Subsection (a)(5) defines genocide by imposed birth control as the willful imposition of measures intended to prevent the natural group increase "as a means of effecting the destruction of the group as such".

Subsection (a)(6) defines genocide by repatriation as the willful and forcible transfer of the children of the group as a means of effecting the destruction of the group.

Subsection (b) proscribes attempted genocide and public incitement to genocide, in order to comply with Article III of the Convention. In this regard, it is unnecessary to proscribe complicity in genocide, as required by Article III, since this inchoate offense would be covered, 18 U.S.C. 2 (principals), and 18 U.S.C. 3 (accessory after the fact).

Subsection (b) also sets forth the penalties for genocide and related offenses. Like the penalties for violations of other criminal statutes, increased penalties are provided if death results.

Section 2 of the bill would provide that the remedies in it are the exclusive means of enforcing the rights based on it, thus excluding civil remedies, but would also express the Congressional intent not to preempt State law in the field.

Section 3 of the bill would express the sense of the Congress that extradition treaties negotiated (pursuant to Article VII of the Convention) shall provide protection for Americans against double jeopardy for genocidal acts committed abroad if they have been proceeded against in the United States or if the United States intends to exercise its jurisdiction. See Senate Ex. Rep. 93–5, p. 11–12. This section is included because the draft statute would make it possible for the United States to assert jurisdiction over citizens of this country in cases of alleged genocide where the facts giving rise to the case took place outside United States territory. As a result it is possible that there may be situations where both the United States and another country will have jurisdiction to try someone for the same alleged offense. The statutes of the United States are not directed to the issue of who exercises jurisdiction, but leave the answer to the text of the extradition treaty involved. 18 U.S.C. 3184. See, for example, Treaty of Extradition with Brazil, 15 U.S.C. 2094, Art. V., which is the source of the language for this section. The Secretary of State is directed to ensure that future extradition treaties which treat genocide as an offense for which extradition may be granted shall reserve to the United States in cases where double jurisdiction exists the right to try its own citizens rather than grant extradition. Clause (b) of the section is, as a matter of policy, presently included in all extradition treaties.

By Mr. BAKER:

S. 1759. A bill authorizing further appropriations to the Secretary of the Interior for services necessary to the nonperforming arts functions of the John F. Kennedy Center for the Performing Arts, and for other purposes. Referred to the Committee on Public Works.

Mr. BAKER. Mr. President, I am today introducing, for appropriate referral, a bill that would extend the authorization for Federal support of the nonperforming arts functions of the John F. Kennedy Center for the Performing Arts.

This legislation was proposed by the administration, and I am pleased to sponsor it on their behalf.

The present authorization for nonperforming arts activities—maintenance, security, and information and interpretive services—expires on June 30, 1973. This new proposal would provide an open ended authorization. While I believe it is generally more appropriate for the Congress to specify dollar authorizations over specific periods of time, the Congress should give this proposal very careful consideration.

The Department of the Interior estimates that it will need approximately $2,400,000 in fiscal 1974 to carry out the Center's nonperforming arts functions, with the annual cost expected to rise to $2,600,000 by fiscal 1978.

Mr. President, to give my colleagues a fuller understanding of this legislation, I ask unanimous consent that a copy of the bill, together with a copy of a letter from Assistant Secretary of Interior Nathaniel P. Reed, and a chart showing the expected spending levels under the proposed legislation, be inserted at this point in the CONGRESSIONAL RECORD.

There being no objection, the bill and material were ordered to be printed in the RECORD, as follows:

S. 1759

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the second sentence of subsection (e) of section 6 of the John F. Kennedy Center Act (72 Stat. 1698), as amended, is amended to read as follows: "There are hereby authorized to be appropriated such sums as may be necessary for carrying out this subsection."

U.S. DEPARTMENT OF THE INTERIOR,
Washington, D.C.

Hon. SPIRO T. AGNEW,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: Enclosed is a draft of a proposed bill "Authorizing further appropriations to the Secretary of the Interior for services necessary to the nonperforming arts functions of the John F. Kennedy Center for the Performing Arts, and for other purposes."

We recommend that the bill be referred to the appropriate committee for consideration, and we recommend that it be enacted.

Section 10 of the Public Buildings Amendments of 1972 (86 Stat. 216, 222), approved June 16, 1972, added a new subsection (e) to section 6 of the John F. Kennedy Center Act, as amended. The new subsection directed the Secretary of the Interior, acting through the National Park Service, to provide maintenance, security, information, interpretation, janitorial, and all other services necessary to the nonperforming arts functions of the John F. Kennedy Center for the Performing Arts. It authorized sums as may be necessary to carry out these functions, but only for the fiscal year ending June 30, 1973.

The enclosed draft bill would amend the appropriation authorization in subsection 6(e) to delete the language limiting the authorization to fiscal year 1973, thus permitting the National Park Service to continue to receive appropriations after 1973 for carrying out nonperforming arts functions for the Center.

This Department looks forward to providing the maintenance, security, and other services and to developing a public interpretive program similar in quality to the services and programs for other memorials in the Washington, D.C., area, such as the Washington Monument, Lincoln Memorial, and Jefferson Memorial.

On October 4, 1972, this Department entered into an agreement with the Board of Trustees for the Kennedy Center whereby interpretation and information services, maintenance services, and utilities and janitorial services, as related to the nonperforming arts functions, would be supplied by the Secretary.

The Center is currently estimated to be valued at more than $70 million, and visitation to the Center surpassed 2.5 million visits in fiscal year 1972, with 15,000 to 20,000 visitors per day during peak periods. This visitation is exclusive of that solely connected with the performing arts functions of the Center. We estimate that to provide quality maintenance, security, and interpretation befitting this memorial to a former President would require a total of $2,400,000 in the first year following enactment of the proposed bill. This amount would be required for the nonperforming arts functions alone. An additional $586,000 will be incurred for the expenses attendant to utilities and other services associated with performing arts functions, but we would be reimbursed for those expenses by the Board of Trustees of the Center. During the fifth year following enactment and thereafter, annual costs to this Department under section 6 of the Act are expected to reach $2,600,000.

To maintain and interpret the nonperforming arts functions of the Center at the proper standard for the public will require about 80 permanent employees and 15 man-years of seasonal personnel. The permanent personnel include 12 guards and 13 U.S. Park Police officers as well as building engineers, carpenters, a plasterer, a painter, gardeners, plumbers, and electricians. The total annual cost for personnel services and benefits is estimated to be $990,000. Other costs attributable to nonperforming arts functions include uniform allowances, utilities, and a janitorial contract.

We urge timely and favorable action on the enclosed proposal in view of the approaching expiration of the appropriation authorization with which the proposed bill deals.

The Office of Management and Budget has advised that there is no objection to the presentation of this draft bill from the standpoint of the Administration's program.

Sincerely yours,
NATHANIEL P. REED,
Assistant Secretary of the Interior.

U.S. DEPARTMENT OF THE INTERIOR

EXTENSION OF THE JOHN F. KENNEDY CENTER NONPERFORMING ARTS FUNCTIONS

	1st year	2d year	3d year	4th year	5th year
Estimated expenditures and obligations:					
Personnel services, including benefits	$990, 000	$990, 000	$990, 000	$990, 000	$990, 000
Uniform allowance	4, 000	4, 000	4, 000	4, 000	4, 000
Utilities	550, 000	550, 000	550, 000	550, 000	550, 000
Janitorial contract	507, 000	507, 000	507, 000	507, 000	507, 000
Other supporting costs	349, 000	449, 000	549, 000	549, 000	549, 000
Total operating costs	2, 400, 000	2, 500, 000	2, 600, 000	2, 600, 000	2, 600, 000
Total man-years:					
Permanent	82	82	82	82	82
Seasonal	15	15	15	15	15

By Mr. MAGNUSON (for himself, Mr. COTTON, and Mr. INOUYE) (by request):

S. 1761. A bill to foster fuller U.S. participion in international trade by the promotion and support of representation of U.S. interests in international voluntary standards activities, and for other purposes. Referred to the Committee on Commerce.

Mr. MAGNUSON. Mr. President, I introduce by request, for appropriate reference, a bill to foster fuller U.S. participation in international trade by the promotion and support of representation of U.S. interests in international voluntary standards activities, and for other purposes, and ask unanimous consent that the letter of transmittal, statement of purpose and need, and the section-by section analysis be printed in the RECORD with the text of the bill.

There being no objection, the bill and material were ordered to be printed in the RECORD, as follows:

S. 1761

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. This Act may be cited as the International Voluntary Standards Cooperation Act of 1973".

SEC. 2. The Congress finds that participation in the development of international voluntary standards and appropriate use of such standards by United States industry can contribute significantly to the growth of international trade and prosperity. The Congress further finds that the effectiveness of United States participation in the development and adoption of voluntary standards is increased by cooperation between Government and industry in standards matters and that such cooperation can be improved by providing within the Government a focus for international voluntary standards activities. The Congress, therefore, declares that the purposes of this Act are to promote and support adequate representation of the United States interest in international voluntary standardization activities, in a manner consistent with maintaining and fostering competition in commerce, for the benefit of producers, distributors, employees, users, consumers, and the general public; to promote international trade through mutually appropriate implementation of international voluntary standardization agreements; and to improve the balance of trade and balance of payments of the United States.

SEC. 3. As used in this Act—

(a) "Secretary" shall mean the Secretary of Commerce.

(b) The term "voluntary standards" shall mean engineering and commodity voluntary standards for products, processes, procedures, conventions, test methods, and the physical, functional, and performance characteristics thereof where acceptance and use of such standards by all persons or by a specified class of persons is not required by State or Federal law or regulation.

(c) The term "international voluntary standard" shall mean a voluntary standard deevloped for use within the territory of two or more countries.

(d) The term "international standards assurance system" shall mean an agreement between competent governmental or nongovernmental bodies in two or more countries which provides for the mutual recognition of national or regional programs to assure that a product, process, convention, or test method, or the physical functional, or performance characteristic thereof complies with an identified international voluntary standard.

(e) "International standardization activities" shall mean the negotiation, development, adoption, or utilization of international standards assurance systems.

(f) "Antitrust laws" shall mean those laws defined as such in sections 12 and 44, title 15, United States Code, and the Federal Trade Commission Act, sections 41–58, title 15, United States Code, including all amendments to such laws and Acts, and any other laws of the United States on antitrust and unfair methods of competition.

SEC. 4. The Secretary is hereby assigned principal responsibility within the Federal Government for international standardization activities. He shall:

(a) Identify international standardization activities which may substantially affect the commerce of the United States and wherein participation by domestic organizations is insufficient to assure that the interests of the United States are adequately protected.

(b) Provide for appropriate participation by private or governmental bodies of the United States in such standardization activities.

(c) Encourage the use of international voluntary standards within the United States where he determines that it is in the public interest to do so.

SEC. 5. In performing his functions under this Act the Secretary shall:

(a) Inform and consult with the Secretary of State, with respect to any contemplated action which involves the international relations of the United States.

(b) Assure that optimum use is made of private capabilities and resources.

SEC. 6. (a) The Secretary is authorized to establish arrangements to provide for appropriate representation of United States interests in international standardization activities through private nonprofit organizations. Arrangements established under this subsection shall include provision to assure that the interests of producers, suppliers, distributors, users, consumers, employees, and the general public are adequately represented. Such arrangements shall include guidelines for private organizations representing United States interests in international standardization activities under this Act to insure that the negotiating positions of such organizations will be in the public interest and shall provide a reasonable opportunity to the Secretary or his designee to review the proposed negotiating positions of such organizations to determine that they are in the public interest.

(b) The Secretary (1) is authorized to conduct such investigations and studies by contract or otherwise as may be necessary to carry out his functions under this Act, and (2) shall, in cooperation with affected parties, examine the potential impact on international trade and the balance of trade and balance of payments of the United States, of international standards assurance systems and related activities.

(c) The Secretary may enter into grants, contracts, or other arrangements (including the supplying of services of Government employees) to assist any private nonprofit organization in the performance of international standardization activities in furtherance of an arrangement established under subsection (a) of this section.

(d) Where United States participation in international standards assurance systems is deemed to be in the public interest, the Secretary may establish a system for the evaluation and accreditation of private domestic organizations which seek to confirm their technical capability to conduct tests or to evaluate the test procedures used by others for the purpose of documenting compliance with a standard: *Provided, however,* That prior to establishing such evaluation and accreditation system the Secretary shall:

(1) consult with affected private organizations and the Committees established under section 12, and

(2) publish in the Federal Register a notice of his intent to establish such a system. Such notice shall include a brief description of the proposed system and an invitation for any person, within thirty days or such other time as the Secretary designates after the date of publication of such notice, to submit comments with regard to the proposed system.

(e) Notwithstanding the provisions of Revised Statutes, section 3648, the Secretary may make payments in advance of the performance of service or the delivery of articles but he shall regulate the timing and amount of such payments with the objective of minimizing the time elapsing between disbursement from the Treasury and use of the funds by the recipient.

SEC. 7. In each determination of the public interest as required by sections 4, 6, 9, 12, and 13 of this Act, among the factors to be considered shall be the following:

(a) The technical adequacy of and need for any proposed international voluntary standard or international standards assurance system and whether such standard or system is appropriate and reasonably limited to meeting the need.

(b) The effects of the international standardization activity on the public and occupational health and safety or the quality of the environment, taking into account applicable public health, safety, or environmental quality regulations, directives, and standards.

(c) The extent to which an international voluntary standard or international standards assurance system being considered is supported by affected producers, suppliers, users, distributors, consumers, employees, and the general public.

(d) The effects on the balance of trade and balance of payments of the United States. *Provided, however,* That the public interest finding shall not be made if the international standardization activity is inconsistent with the antitrust laws.

SEC. 8. Where the Secretary determines, after consultation with affected private organizations and the committees established under section 12, that private participation in international standardization activities under arrangements established under section 6(a) has been insufficient to serve the purposes of this Act, he shall establish arrangements and procedures for governmental participation in international standardization activities to the extent necessary.

SEC. 9. Unless it is not in the public interest to do so, the Secretary shall list, under a classification system to be devised by him, each international voluntary standard, international standards assurance system, or any modification thereof negotiated or developed pursuant to this Act. Each listed standard and a full description of each listed international system shall be available to the public, preferably from one or more of the private organizations involved in its development. If such standards and standards systems are not available privately, the Secretary shall make them available: *Provided, however,* That prior to listing an international voluntary standard or an international standard assurance system the Secretary shall—

(1) consult with affected private organizations and the Committees established under section 12, and

(2) publish in the Federal Register a notice of his intent to list such standard or system. Such notice shall include a brief description of the standard or system and an invitation for any person, within thirty days or such other time as the Secretary designates after the date of publication of such notice, to submit comments with regard to the listing of the standard or system.

SEC. 10. (a) Each department and agency of the Federal Government shall encourage appropriate use of applicable international voluntary standards listed pursuant to section 9 and shall give appropriate recognition to international standards systems listed pursuant to section 9 in the procurement of supplies or services for its use.

(b) Any department or agency of the Federal Government may provide technical assistance to the Secretary on a reimbursable or nonreimbursable basis and may supply special technical services of its employees to assist private nonprofit organizations in the performance of international standardization activities under this Act. The Secretary shall be currently informed of any special technical services of employees furnished by a department or agency of the Federal Government in assisting private nonprofit organizations in the performance of international standardization activities.

SEC. 11. (a) The Secretary may establish such policies and prescribe such rules, regulations, and procedures as he may deem necessary for the administration of this Act and to carry out the functions authorized hereunder.

(b) Where information is furnished or services rendered under section 6(d) and section 9, he may establish reasonable fees or charges therefor. Amounts received as a result of such fees or charges may be deposited to the credit of the appropriation or fund against which the cost of performing the services was charged.

SEC. 12. (a) To provide policy guidance and to assist the Secretary in carrying out his responsibilities under this Act, there shall be established (1) an Interagency Committee on Standards Policy consisting of members representing the Departments of Agriculture, Defense, Justice, Interior, State, Housing and Urban Development, Commerce, Labor, Treasury, Health, Education, and Welfare, and Transportation, the General Services Administration, the National Aeronautics and Space Administration, the Federal Communications Commission, the Atomic Energy Commission, the Environmental Protection Agency, the Federal Trade Commission, and such other agencies as the Secretary deems advisable, and (2) a Public Committee on International Standards Policy consisting of members representing consumers' organizations, users, manufacturers, suppliers, distributors, employees, environmental organizations, and experts in international standards and standards assurance systems. The Secreatry or his representative shall be the Chairman of the Committees.

(b) The Secretary may also consult with the Committee in considering whether a particular international standardization activity would be in the public interest, and in any event shall consult with the Committees concerning an international standardization activity upon the request of a member of either Committee who shall be kept advised of all proposed international standardization activities pending before the Secretary.

SEC. 13. (a) The Federal Trade Commission may at any time petition the Secretary of Commerce for the removal of a voluntary international standard listed under section 9 on the grounds that such standard is contrary to the public interest, giving due regard to the provisions of section 7 of this Act.

(b) The petition shall contain facts and information supporting the action requested.

(c) After receipt of the petition, the Secretary will initiate an informal hearing under section 553 of title 5, United States Code, on the issues raised in the petition. The Secretary shall designate a hearing examiner and give reasonable notice of the hearing, an opportunity for interested persons to participate in the hearing through the submission of written data, views, or arguments, and, if requested by the Federal Trade Commission, the Secretary shall hold a hearing in which interested persons shall have a reasonable opportunity to present the same orally in an appropriate manner. The testimony in any such hearing shall be reduced to writing, shall be filed in the Office of the Secretary, and, together with written submissions, shall constitute the record. After consideration of all relevant matter presented upon such record, the hearing examiner will make findings of fact and conclusions of law. Such findings and conclusions, together with the record, shall be reviewed by the Secretary who shall make a decision based on the record whether or not to delist the voluntary international standard as requested by the petitioner, such decision shall include findings and conclusions of the Secretary.

(d) The Federal Trade Commission, through its own attorneys, may file, within sixty days after the publication of the decision of the Secretary not to delist a voluntary international standard, a petition with the United States District Court for the District of Columbia for a judicial review of such decision. The Secretary shall file in the court the record of the informal hearing conducted under section 553 of title 5, United States Code, including the findings and conclusions of the hearing examiner and the decision of findings and conclusion of the Secretary. Upon the filing of a petition the court shall have jurisdiction to review the decision of the Secretary not to delist a voluntary international standard in accordance with chapter 7 of title 5 of the United States Code, including that provision that the decision of the Secretary be supported by substantial evidence on the basis of the entire record before the court (including any additional evidence adduced). Upon a showing that the decision of the Secretary is not supported by substantial evidence on the record taken as a whole, the voluntary international standard so listed may be ordered removed by the court and other appropriate relief granted.

SEC. 14. No international standardization activity engaged in by any person, entity, or organization, with or without participation or approval by governmental bodies of the United States, shall be exempted or immunized from the operation of the antitrust laws.

SEC. 15. On or before the 31st day of January of each year, the President shall transmit to the Congress an annual report for the preceding fiscal year. Such reports shall include a comprehensive statement of the activities under this Act and may include such recommendations as the President deems appropriate. The Secretary, with the assistance of the Committees established in section 12, shall provide such information and assistance as the President may require for the preparation of the report.

SEC. 16. (a) Each recipient of moneys under a grant or contract awarded pursuant to this Act shall keep such records and make such reports as the Secretary may prescribe, including infomation on the total cost of the approved program and the portion of the cost which is supplied by other sources. In the case of moneys received in advance of performance, such records, and reports shall identify the unearned balance of advances on hand, the liabilities and obligations outstanding under such grant or contract, and the application of the funds received.

(b) The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access to any books, documents, papers, and records of the recipient that are pertinent to its voluntary standards activities under this Act for the purpose of audit or to determine whether a proposed international voluntary standard or international standards system is in the public interest.

SEC. 17. The negotiation, development, or listing of any voluntary standard or international standards assurance system pursuant to this Act shall not affect any law or any order, requirement, or regulation promulgated by an agency of the Federal government, nor shall this Act preempt in any way international military standardization activities conducted by the Department of Defense.

SEC. 18. Review of any determinations made by the Secretary pursuant to section 6(d) or section 9 of this Act may be had in the manner provided in title V, chapter 7 of the United States Code.

SEC. 19. Nothing in this Act shall be construed to supersede the provisions of sections 2 and 4 of the Act of March 16, 1968 (Public Law 90-268), which amends section 302(f) of the Act of June 30, 1949 (41 U.S.C. § 252).

SEC. 20. There are hereby authorized to be appropriate such sums as may be necessary to carry out the provisions of this Act. Appropriations to carry out the provisions of this Act may remain available for obligation and expenditure for such period or periods as may be specfied in the Acts making such appropriations.

THE SECRETARY OF COMMERCE,
Washington, D.C., April 5, 1973.

Hon. SPIRO T. AGNEW,
U.S. Senate,
Washington, D.C.

DEAR MR. PRESIDENT: Enclosed are four copies of a draft bill:

"To foster fuller United States participation in international trade by the promotion and support of representation of United States interest in international voluntary standards activities, and for other purposes." to be cited as the "International Voluntary Standards Cooperation Act of 1973," together with a statement of purpose and need in support thereof.

We have been advised by the Office of Management and Budget there would be no objection to the submission of our draft bill to the Congress and further that its enactment would be consistent with the Administration's objectives.

Sincerely,

———— ————,
Secretary of Commerce.

STATEMENT OF PURPOSE AND NEED

The Nations which engage in substantial international trade are largely those which we term "industrialized." One significant element of their industrialization has been the adoption and use of engineering and manufacturing standards which are the building blocks of successful production.

The establishment and use of standards permits decentralization of manufacturing plants, locating them most advantageously with respect to energy sources, raw materials, labor force and markets thereby enabling the greatest number of companies, large and small, to share in industrial activity. The existence of standards fosters innovation and the establishment of new businesses by assuring both the entrepreneur and the customer that new products meet accepted norms. It allows specialization of labor and also facilitates control and automation of production processes. Voluntary adoption of standards by United States industry has stimulated the growth of the American economy.

Just as the use of standards has stimulated our domestic economic growth, the growth of international trade may also be stimulated by use of such standards internationally. Differences in language, legal systems and terminology, plus the distance between buyer and seller, constitute obstacles which are smoothed when there are mutually understood standards which describe products that the purchaser can specify and the seller can supply. The development of an effective system of international standards requires the participation and cooperation of all interested parties. Under such a system of international standards, all nations would be able to exploit their special skills and technologies so as to participate more fully in world economic activity, benefiting not only themselves but other nations as well.

The development of an international system of standards would provide the atmosphere in which the United States could trade in world markets on an equal footing with other nations, not handicapped by standards that are incompatible with our own.

Recognition of the need for harmonization of national standards has led to the creation of international standards bodies of a non-treaty nature, notably the International Organization for Standardization and the International Electrotechnical Commission. These organizations work to produce international standards compatible with the needs of their members. Many of the national bodies represented in these international standards organizations receive policy guidance and funds from their governments. The notable exception is the United States where the federal role in international standards activities has been largely one of providing technical information and the services of technical experts.

Where there has been U.S. participation in international non-treaty standards work, the support provided to the U.S. member bodies has generally come from those U.S. firms which see a relationship between specific international standards and their business success. This has two consequences.

First, participation in the development of international standards work has been uneven, with effective participation in some areas, such as automatic data processing, while other areas have received little support.

Inadequate U.S. participation in international standards development tends to place American goods at a disadvantage in the market places of the world. Differences in European and American color television standards were dramatically emphasized when satellite communication became possible. Complex converters had to be introduced to allow interchange of programs. Moreover, U.S. television programs cannot be taped here and fed directly into transmitters of European origin. Adoption by the Europeans of a color television system incompatible with ours is estimated to have cost U.S. industry many million of dollars.

A second consequence of the largely private nature of the support given to U.S. international standardization activities is that the impact of standards upon small firms, consumers, and U.S. foreign policy objectives often receives insufficient attention. An objective long-range approach to international standards development is clearly needed since the goals are sometimes public as well as private, as in cases where the issue of safety arises. The bill would provide for appropriate participation by all affected U.S. interests in international standardization activities, thus promoting international trade while assuring that the legitimate interests of consumers and small businesses are protected. Cooperation with foreign standards-making bodies, with provision for appropriate policy guidance by the Secretary of Commerce, as provided in the bill will best foster development of international standards which serve the public interest.

European countries striving to reduce intra-European trade barriers began efforts to coordinate standards at the regional level in the early 1960's. Members of the national standards bodies of the Common Market and EFTA nations formed the European Standards Coordinating Committee (CENEL).

More recently, the United Kingdom, France, and Germany formed a Tripartite Committee to bring together the authority of these governments and the technical knowledge of the national standards bodies in the effort toward total harmonization in the standards area. A final draft of the Tripartite Accord on Electronic Components was completed in April 1970. This Accord describes the rules for a "total harmonization" scheme for electronic components. It includes provisions for agreeing on common standards; rules for the operation of an international quality assurance system; and finally a system of applying a "mark of conformity" indicating compliance with the rules of the Accord. The membership in the Accord is presently restricted to Western European countries.

Several features of this Accord may point out the general pattern for other classes of products. First, the Accord calls for an "authorized institution" in each country to operate the harmonized system. The makeup of this institution can be either governmental, private, or a combination of both, but it must be authorized to speak with authority on behalf of all interests in the country, government and industry. The "authorized institution" must provide for product testing by approved laboratories to assure compliance with the applicable standard and for the use of a mark or stamp certifying that the tested product conform to the standard. The mark of conformity must be accepted by all participating countries without further testing.

This type of harmonization of national standards between countries can serve to expand international trade between the participating nations. However, exclusive arrangements for product testing and certification procedures become non-tariff barriers against those nations which are not participating because those products which do not bear an accepted mark of conformity from an authorized institution may have to undergo the expense of further testing.

Ideally, the best system for international certification of compliance with an approved standard would be self-certification by each manufacturer. This would provide the simplest and most economical method of operating such a system and would involve a minimum of governmental involvement. A system of self-certification would require an effective sanction for improper certification. While self-certification best promotes international trade, national certification by an authorized institution accepted in each of the participating nations may also serve to promote international trade provided that participation in the certification system is open to nationals of all countries. Participation in such a system requires a much higher degree of coordination and cooperation between government agencies and private standards bodies than presently exists. The bill would enable the United States interests to participate effectively in the development of such international certification arrangements.

The Department of Commerce, as well as many other government agencies, have traditionally provided technical support to the activity of U.S. industry in voluntary developing engineering standards for the United States. Since 1921 the National Bureau of Standards has provided industry and commerce of the United States with substantial technical and administrative assistance in the development and publication of standards for products and commodities and of simplified practices directed at the reduction of sizes and styles. Professional personnel of the government have served on technical committees of many domestic standardization bodies and a limited number of international committees have led in the development of technically competent engineering standards oriented principally to performance criteria.

The Department also has general responsibilities for fostering foreign and domestic commerce. However, there is no specific authorization which focuses the governmental involvement in international standards work in the Department. The authority to establish procedures for working with the private sector in the field of international standards are not clearly spelled out in existing legislation. A purpose of this bill is to provide these mechanisms needed for U.S. interests to participate effectively in the development of voluntary international standards.

The Department of Commerce would serve as a focus for the efforts of the Federal Government. There are, however, many Federal agencies concerned with the engineering standards, so that the Federal role would involve more than the Department of Commerce alone. Today, the Interagency Committee for Standards Policy assists in establishing Federal policy in the standards area.

Activities under the proposed leigslation will expand the need for a unified Federal policy. The bill would establish an interagency committee to supplant the existing committee. This committee and a committee composed of representatives of consumers' organizations, users, manufacturers, suppliers, distributors, environmental organizations and experts in international standards and standards assurance systems would provide policy guidance to the Secretary and assist him in carrying out his functions under the bill.

The proposed legislation would clarify the authority of the Department of Commerce to promote voluntary international standardization activities. It would also provide authority for the issuance of grants to qualified private non-profit organizations for the promotion and development of international standards. Only where development of standards through private participation is shown to be inadequate to protect the public interest would the Secretary of Commerce assume a larger role.

This expanded role of the Government in stimulating the development of compatible international standards is necessary if barriers to the interchange of goods and services are to be minimized and a competitive free economy in the world market maintained. An effort to increase common or compatible international standards, to reconcile standards differences, and to help develop as broad a trade base as possible in international markets is essential. The proposed legislation is aimed at supporting the development of a strong and growing trade in present markets and markets of tomorrow through early and effective participation in international standards activities, on the part of U.S. industry, professional organizations, representatives of the consumer, and the Federal Government.

The proposed legislation will enable the Federal Government to foster U.S. participation and cooperation with foreign standards-making bodies in their standards activities. By means of such cooperation and participation, its basic purpose is to encourage and promote the generation or adoption of standards compatible with American interests.

It is estimated that Commerce activities under the proposed legislation will require funding of $1,000,000 in the first full year of operation.

SECTION-BY-SECTION ANALYSIS

Section 1 provides that the short title of the Act is the "International Voluntary Standards Cooperation Act of 1973".

Section 2 states that the Congress finds that participation in the development of international voluntary standards and appropriate use of such standards by United States industry can contribute significantly to the growth of international trade and prosperity. The Congress further finds that the effectiveness of American participation in standards activity is increased by cooperation between Government and industry and that such cooperation can be improved by providing a focus within the Government for these activities. The Congress declares that the purposes of the Act are to promote and support adequate representation of United States interests in international standardization activities for the benefit of producers, distributors, employees, users, consumers, and the general public; to promote international trade through mutual appropriate implementation of international voluntary standardization agreements; and to improve the balance of trade and balance of payments of the United States.

Section 3 defines certain terms used in the Act. The term "voluntary standards" is defined to include engineering and commodity standards.

Section 4 formally designates the Department of Commerce as the focus for international standardization activities within the Federal Government. The Secretary is responsible for identifying international standardization activities which may substantially affect American commerce, assure sufficient American representation in standards activities in an appropriate manner, and encourage use of international voluntary standards within the U.S. where he determines it is in the public interest to do so.

Section 5 requires the Secretary of Commerce in performing his functions under the Act to inform and consult with the Secretary of State regarding any contemplated action involving the international relations of the United States and to assure that optimum use is made of private capabilities and resources.

Subsection 6(a) authorizes the Secretary to establish arrangements for United States representation through private nonprofit organizations and provides that such arrangements contain certain minimum safeguards to protect all affected persons including consumers. The arrangements include guidelines for private organizations representing United States interests in international standardization activities under this legislation to insure that the negotiating positions of such organizations will be in the public interest. Such guidelines shall also provide a reasonable opportunity for the Secretary or his delegate to review the proposed negotiating positions of such organizations to determine that they are in the public interest.

Subsection 6(b) authorizes the Secretary to conduct any investigations and studies by contract or otherwise as may be necessary to carry out his functions under the bill. The Secretary is also required in cooperation with affected parties to examine the potential impact of international standards assurance systems and related activities on international trade and the balance of payments in the United States.

Subsection 6(c) authorizes the Secretary to make available financial assistance, including the services of Government employees, to assist competent private nonprofit organizations in the performance of their international standardization activities under the arrangements established under subsection 6(a).

Under subsection 6(d), when United States participation in international standards assurance systems is deemed to be in the public interest, the Secretary of Commerce may establish a system for the evaluation and accreditation of testing laboratories or for organizations which oversee the work of testing laboratories. However, prior to establishing such a system the Secretary shall consult with affected private organizations and the Committees established under section 12 and shall publish in the Federal Register a notice of his intent to establish such a system. Such notice shall include a description of the proposed system and an invitation to submit comments within thirty days or any other period designated by the Secretary with regard to the proposed system. This section is designed to meet those situations in which a nationally recognized certification body is required as a condition for a country's participation in a reciprocal international certification system and in which United States participation is deemed in the public interest.

Subsection 6(e) provides for means of payments in advance of the performance of service or the delivery of articles in international standardization activities.

Section 7 states certain factors which must be considered in determining questions of public interest under the Act. These factors are the technical adequacy of and need for a standard, the effects of the international standards activity on the public and occupational health, safety or the quality of the environment, the support a proposed standard or standards assurance system enjoys from affected producers, suppliers, users, distributors, consumers, employees, and the general public and the effects of a proposed standard or standards assurance system on the balance of trade and the balance of payments of the United States. A general proviso is included that there shall be no public interest determination if the standard is inconsistent with the antitrust laws.

Section 8 requires the Secretary, after consultation with affected private organizations and the committees established under section 12, to establish arrangements for governmental participation in international standardization activities where private participation in such activities has proved insufficient to serve the purposes of the Act.

Section 9 establishes a listing procedure whereby the Secretary shall list, if it is in the public interest to do so and under a classification system to be devised by him, each international voluntary standard, international standards assurance system or any modification thereof negotiated and developed under the Act. To make the standards available to the general public, the Act requires that the established standard and a full description of each listed international system shall be available to the public through private organizations or the Federal Government. This section also provides that prior to listing an international voluntary standard or an international standards assurance system, the Secretary is required to consult with affected private organizations and the Committees established by section 12 and to publish notice of his intent to list such a standard or system in the Federal Register. The Act provides such notice shall include a description of the standard or system and an invitation within thirty days or any other period designated by the Secretary following publication of the notice to interested persons to file comments concerning the listing of the standard or system.

Subsection 10(a) encourages use of standards developed under the Act and listed by the Secretary in Federal procurement.

Subsection 10(b) authorizes Federal agencies to participate in the standardization activities on a reimbursable or nonreimbursable basis and specifically authorizes these agencies, with the knowledge of the Secretary, to provide the technical services of its employees to assist private nonprofit organizations in performing their activities under the Act.

Subsection 11(a) authorizes the Secretary to establish policies and procedures to administer the Act.

Subsection 11(b) provides that the Secretary may charge for the evaluation of laboratories performed under subsection 6(d) and for the supplying of lists or full texts of standards under section 9. It also authorizes him to use the fees received to reimburse the appropriation or fund which supported the service performed.

Section 12 establishes two committees to assist the Secretary by providing policy guidance and assistance in implementing this proposed Act. An Interagency Committee on Standards Policy of representatives of the Departments of Agriculture; Defense; Justice; Interior; State; Housing and Urban Development; Commerce; Labor; Treasury; Health, Education, and Welfare; and Transportation; the General Services Administration; the National Aeronautics and Space Administration; the Federal Communications Commission; the Atomic Energy Commission; the Environmental Protection Agency; the Federal Trade Commission; and such other agencies as the Secretary deems advisable is established. The second committee established is a Public Committee on International Standards Policy consisting of representatives of consumer organizations, users, manufacturers, suppliers, distributors, employees, and experts. The Secretary will be free to consult with the committees on the question of public interest determination and shall consult with the committees concerning any international standardization activity upon the request of a member of either committee.

Subsection 13(a) provides that the Federal Trade Commission, giving due regard to the provisions of section 7, may at any time petition the Secretary of Commerce for the removal of a voluntary international standard listed under section 9 on the grounds that such standard is contrary to the public interest.

Subsection 13(b) provides that the petition shall contain facts and information supporting the action requested.

Subsection 13(c) requires the Secretary to initiate an informal hearing under section 553 of title 5, United States Code, on the issues raised in the petition. The Secretary shall designate a hearing examiner and give reasonable notice of the hearing and an opportunity for interested persons to participate in the hearing through submission of written comments or, if requested by the FTC, through oral presentations. The record is composed of a written record of the testimony in any such hearing and the written submissions. The hearing examiner then makes findings of fact and conclusions of law. The Secretary reviews these findings and conclusions together with the record and decides whether to delist the standard. The Secretary's decision shall include his findings and conclusions.

Subsection 13(d) allows the FTC, through its own attorneys, to file, within sixty days after publication of the Secretary's decision, a petition with the U.S. District Court for the District of Columbia for judicial review of such decision. The Secretary then files with the Court the record of the informal hearing, including the findings and conclusions of the hearing examiner and the Secretary. The Court shall have power to review the decision of the Secretary in accordance with chapter 7 of title 5, United States Code. The standard for review is that the decision must be supported by substantial evidence on the basis of the entire record before the Court, to include any additional evidence adduced. Upon a showing that the decision of the Secretary is not supported by substantial evidence on the record taken as a whole, the standard so listed may be ordered removed by the Court and other appropriate relief granted.

Section 14 provides that no international standardization activity engaged in by any person, entity or organization, with or without participation or approval by governmental bodies of the United States, shall be exempted from the operation of the antitrust laws.

Section 15 requires the President to submit to Congress on or before the 31st day of January of each year an annual report for the preceding fiscal year. Such reports shall include a comprehensive statement of the activities under the Act and may include such recommendations as the President may deem appropriate. The Secretary shall provide such information and assistance as the President may require for the preparation of the report.

Subsection 16(a) provides that each recipient of moneys under a grant or contract awarded under the Act shall keep such records and make such reports as the Secretary may prescribe to include information on the total cost of the approved program and the portion of the cost which is supplied by other sources. In the case of moneys received in advance of performance, such records and reports shall identify the unearned balances of advances on hand, the liabilities and obligations outstanding under such grant or contract and the application of the funds received.

Subsection 16(b) provides that the Secretary and the Comptroller General of the United States or their duly authorized representatives shall have access to any books, documents, papers, and records of the recipient that are pertinent to its voluntary standards activities under the Act for the purpose of audit or to determine whether a proposed international voluntary standard or international standards system in the public interest.

Section 17 provides that the negotiation, development, or listing of any voluntary standard or international standards system pursuant to the Act shall not affect any law or order, requirement or regulation promulgated by an agency of the Federal government. Further, the Act shall not preempt in any way international military standardization activities carried on by the Department of Defense.

Section 18 specifies that review of any determinations made by the Secretary pursuant to section 6(d) or section 9 may be had in the manner provided in chapter 7 of title 5 of the United States Code.

Section 19 provides that nothing in the Act is intended to modify or repeal P.L. 90-268, which prohibits the Federal Government from discriminating among steamship carriers by unnecessarily specifying sizes for containers.

Section 20 authorizes such appropriations as may be necessary to carry out the purposes of the Act and provides that such appropriations may remain available for obligation and expenditure for such periods as may be specified in the appropriation act.

By Mr. MAGNUSON (for himself and Mr. COTTON) (by request):

S. 1762. A bill to amend section 27 of the Merchant Marine Act of 1920, to provide a monetary penalty for the transportation of merchandise in violation of the coastwise laws. Referred to the Committee on Commerce.

Mr. MAGNUSON. Mr. President, I introduce by request, for appropriate reference, a bill to amend section 27 of the Merchant Marine Act of 1920, to provide a monetary penalty for the transportation of merchandise in violation of the coastwise laws, and I ask unanimous consent that changes in existing law be printed in the RECORD with the text of the bill, together with the letter of transmittal.

There being no objection, the material

was ordered to be printed in the RECORD, as follows:

S. 1762

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of section 27, Merchant Marine Act of 1920, as amended (46 U.S.C. 883), is further amended by deleting the word "thereof" where it first appears and by inserting in lieu thereof "of the merchandise (or the value thereof to be recovered from any consignor, seller, owner, consignee, agent or other person or persons so transporting or causing said merchandise to be transported)".

THE SECRETARY OF THE TREASURY,
Washington, D.C., March 30, 1973.
Hon. SPIRO T. AGNEW,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: There is transmitted herewith a draft bill, "To amend section 27 of the Merchant Marine Act of 1920, to provide a monetary penalty for the transportation of merchandise in violation of the coastwise laws."

Section 27 of the Merchant Marine Act of 1920, as amended (46 U.S.C. 883), generally prohibits the transportation of merchandise between points in the United States in vessels other than vessels built and documented under the laws of the United States or owned by citizens of the United States. Presently the exclusive penalty for violations of the section is the forfeiture of the merchandise involved. Seizing the merchandise creates enormous administrative problems such as storage of the merchandise, disposition of perishable cargoes, transportation of bulk shipments, and assignment of Customs personnel to make necessary arrangements. The proposed legislation would as an alternative to the seizure of the merchandise provide for the assessment of a monetary penalty on the value of the merchandise against the vessel owner, agent or operator, or against persons such as the consignee, with a commercial interest in the importation. As under existing law, the Secretary of the Treasury would be authorized to remit or mitigate any penalty or foreiture assessed under the section.

The Department urges enactment of the proposed legislation in order to provide Customs officials with a more effective and administratively easier means of enforcing section 27 of the Act.

There is enclosed a comparative type showing the changes that would be made in existing law by the draft bill.

It will be appreciated if you will lay the enclosed draft bill before the Senate. A similar proposal has been transmitted to the House of Representatives.

The Department has been advised by the Office of Management and Budget that there is no objection from the standpoint of the Administration's program to the submission of this proposed legislation to the Congress.

Sincerely yours,

GEORGE P. SHULTZ.

COMPARATIVE TYPE SHOWING CHANGES IN EXISTING LAW MADE BY PROPOSED BILL

Changes in existing law proposed to be made by the bill are shown as follows (existing law proposed to be omitted is enclosed in brackets, new matter is underscored):

Section 27 of the Merchant Marine Act of 1920, as amended (46 U.S.C. 883).

Sec. 27. That no merchandise shall be transported by water, or by land and water, on penalty of forfeiture [thereof] *of the merchandise (or the value thereof to be recovered from any consignor, seller, owner, consignee, agent or other person or persons so transporting or causing said merchandise to be transported)* between points in the United States, including Districts, Territories, and possessions thereof embraced within the coastwise law, either directly or via a foreign port, or for any part of the transportation, in any other vessel than a vessel built in and documented under the laws of the United States and owned by persons who are citizens of the United States, or vessels to which the privilege of engaging in the coastwise trade is extended by section 18 or 22 of this Act: . . .

By Mr. MAGNUSON (for himself and Mr. COTTON) (by request):

S. 1763. A bill to amend the Rail Passenger Service Act of 1970, as amended, to provide financial assistance to the National Railroad Passenger Corporation, and for other purposes. Referred to the Committee on Commerce.

Mr. MAGNUSON. Mr. President, I introduce by request, for appropriate reference, a bill to amend the Rail Passenger Service Act of 1970, as amended, to provide financial assistance to the National Railroad Passenger Corporation, and for other purposes, and ask unanimous consent that the letter of transmittal and statement of need be printed in the RECORD with the text of the bill.

There being no objection, the bill and material were ordered to be printed in the RECORD, as follows:

S. 1763

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 305 of the Rail Passenger Service Act of 1970 (45 U.S.C. 545) is amended by adding a new subsection to read as follows:

"(c)(1) When the Corporation cannot acquire by contract, or is unable to agree with the owner of property as to the compensation to be paid for, any right of way, land or other property (except right of way, land or other property of a railroad or property of a State or local government or other public agency) required for the construction of tracks or other facilities necessary to provide intercity rail passenger service, it may acquire the same by the exercise of the right of eminent domain in the District Court of the United States for the district in which the property is located, or in one such court in the event a single property is located in two districts.

"(2) The Corporation shall file with the complaint, or at any time before judgment, a declaration of taking containing or having annexed thereto—

"(A) A statement of the public use for which the property is taken.

"(B) A description of the property taken sufficient for the identification thereof.

"(C) A statement of the estate or interest in the property taken.

"(D) A plan showing the property taken.

"(E) A statement of the amount of money estimated by the Corporation to be just compensation for the property taken.

"(3) Upon the filing of the declaration of taking and of the deposit in the court, to the use of the persons entitled thereto, of the amount of the estimated compensation stated in the declaration, the property shall be deemed to be condemned and taken for the use of the Corporation and title shall vest in the Corporation in fee simple absolute, or in any lesser estate or interest as specified in the declaration, and the right to just compensation for the property shall vest in the persons entitled thereto. Just compensation shall be ascertained and awarded in the proceeding and established by judgment. The judgment shall include, as part of the just compensation awarded, interest from the date of taking to the date of payment at the rate of six per centum per annum on the amount finally awarded as the value of the property on the date of taking. Interest shall not be allowed, however, on the amount deposited in the court.

"(4) Upon the application of the parties in interest, the court may order that the money deposited in the court, or any part thereof, be paid forthwith for or on account of the just compensation to be awarded in the proceeding. If the compensation finally awarded exceeds the amount of the money received by any person entitled to compensation, the court shall enter judgment against the Corporation for the amount of the deficiency.

"(5) Upon the filing of a declaration of taking, the court may fix the time within which, and the terms upon which, the parties in possession are required to surrender possession to the Corporation. The court may make such orders in respect of encumbrances, liens, rents, taxes, assessments, insurance, and other charges, if any, as shall be just and equitable."

SEC. 2. Section 308(b) of the Rail Passenger Service Act of 1970 (45 U.S.C. 548(b)) is amended by striking the date "January 15" and inserting in lieu thereof the date "March 15".

SEC. 3. Section 402 of the Rail Passenger Service Act of 1970 (45 U.S.C. 562) is amended by adding a new subsection (d) to read as follows:

"(d)(1) If the Corporation and a railroad are unable to agree upon terms for the sale to the Corporation of property (including interests in property) owned by the railroad and required for the construction of tracks or other facilities necessary to provide intercity rail passenger service, the Corporation may apply to the Commission for an order establishing the need of the Corporation for the property at issue and requiring the conveyance thereof from the railroad to the Corporation on reasonable terms and conditions, including just compensation. Unless the Commission finds that—

"(A) conveyance of the property to the Corporation would significantly impair the railroad's ability to carry out its obligations as a common carrier, and

"(B) the obligations of the Corporation to provide modern, efficient, and economical rail passenger service can adequately be met by the acquisition of alternative property (including interests in property) being offered for sale to the Corporation by the railroad, or available to the Corporation by the exercise of its authority under section 305(c) of this Act,

the need of the Corporation for the property shall be deemed to be established and the Commission shall order the conveyance of the property to the Corporation on such reasonable terms and conditions as it may prescribe, including just compensation.

"(2) The Commission shall expedite proceedings under this subsection and, in any event, issue its order within 120 days from receipt of the application from the Corporation. If just compensation has not been determined on the date of the order, the order shall require, as part of just compensation, interest at the rate of six per centum per annum from the date prescribed for conveyance until just compensation is paid."

SEC. 4. Section 404(b) of the Rail Passenger Service Act of 1970 (45 U.S.C. 564(b)) is amended by (1) striking paragraph (3) thereof and inserting in lieu thereof the following:

"(3)(A) Subject to the conditions prescribed in subparagraphs (B) and (D) of this paragraph, if at any time after June 30, 1973, the Board of Directors of the Corporation determines that the continuation of a train operated in the basic system on June 30, 1973, will impair the financial ability of the Corporation adequately to provide other intercity rail passenger service, the Corporation may discontinue the train. In making its determination, the Board shall consider the existing and potential patronage and profitability of the service, and the importance of the service to other intercity rail passenger service being provided by the Corporation.

"(B) If the discontinuance of a train between two points designated by the Secretary in his 'Final Report on the Basic National Rail Passenger System' of January 28, 1971, as points between which intercity passenger trains shall be operated would reduce the frequency of service between the two points below one train per day in each direction (if daily trains were scheduled between the points on June 30, 1973), or below three trains per week (if trains were scheduled only three times per week between the points on June 30, 7973), the discontinuance must be approved by the Secretary.

"(C) In deciding whether to approve the discontinuance of a train under subparagraph (B) of this subsection, the Secretary shall consider the importance of service between the two points to other intercity rail passenger service being provided by the Corporation; the adequacy of other transportation facilities serving the same points; the existing and potential patronage and profitability of the service; the relationship of the public benefits from a continuation of the service to the impairment of the Corporation's ability adequately to provide other intercity rail passenger transportation: and the need for rail passenger service over the route as part of a balanced transportation system. The decision of the Secretary shall not be reviewable in any court.

"(D) At least 45 days prior to the discontinuance of a train under this subsection, the Corporation shall mail to the Governor of each State in which the train in question is operated and post in every station, depot, or other facility serviced thereby notice of the proposed discontinuance. The Corporation may not discontinue the train if, at least 15 days prior to the date specified for discontinuance, a State, regional, or local public agency requests continuation of the service and, within 90 days following the date specified for discontinuance, agrees to reimburse the Corporation for a reasonable portion of any losses associated with the continuation of service beyond the notice period."; and

(2) striking the words "paragraph (3)" in paragraph (4) and inserting in lieu thereof "paragraph (3) (D)".

Sec. 5. Section 601 of the Rail Passenger Service Act of 1970 (45 U.S.C. 601) is amended (1) by striking the words "There is authorized to be appropriated to the Secretary in fiscal year 1971, $40,000,000, and in subsequent fiscal years a total of $225,000,000, these amounts" in subsection (a) and inserting in lieu thereof the words "There are authorized to be appropriated to the Secretary such amounts as necessary,"; and (2) by striking the words "There is authorized to be appropriated to the Secretary $2,000,000 annually," in subsection (b) and inserting in lieu thereof the words "There are authorized to be appropriated to the Secretary such amounts as necessary, to remain available until expended,".

Sec. 6. Section 602 of the Rail Passenger Service Act of 1970 (45 U.S.C. 602) is amended (1) by inserting after the word "prescribe," in subsection (a) the words "with the approval of the Secretary of the Treasury,"; (2) by changing the first sentence of subsection (d) to read as follows: "The aggregate unpaid principal amount of securities, obligations, or loans outstanding at any one time, which are guaranteed by the Secretary under this section, may not exceed $500,000,000."; and (3) by adding a new subsection (g) to read as follows:

"(g) Notwithstanding any other provision of this Act, a guarantee may not be made of any security, obligation, or loan, the income from which is not included in gross income for the purposes of chapter I of the Internal Revenue Code of 1954."

Sec. 7. Section 801 of the Rail Passenger Service Act of 1970 (45 U.S.C. 641) is amended to read as follows:

"Sec. 801. Adequacy of Service.

"(a) The Commission is authorized to prescribe such regulations as it considers necessary to assure that the quality of service and accommodations offered passengers on board trains and at other facilities used in intercity rail passenger service is adequate, taking into account the safety regulations applicable to that service. The Commission may not prescribe regulations applicable to the Corporation that relate to the scheduling or frequency of service, or the number or type of cars in a train, or that otherwise conflict with the service characteristics established by the Secretary for the basic system.

"(b) Any person who violates a regulation issued under this section shall be subject to a civil penalty of not to exceed $500 for each violation. Each day a violation continues shall constitute a separate offense."

Secretary of Transportation,
Washington, D.C., April 25, 1973.

Hon. Spiro T. Agnew,
President of the Senate,
Washington, D.C.

Dear Mr. President: There is transmitted herewith a proposed bill:

"To amend the Rail Passenger Service Act of 1970, as amended, to provide financial assistance to the National Railroad Passenger Corporation, and for other purposes."

On March 15 I transmitted a "Report to Congress on the Rail Passenger Service Act" as required by section 806 of the Rail Passenger Service Act of 1970 (hereinafter the "Act"). That Report recommended the following legislative changes:

Eliminating review by the Interstate Commerce Commission (the "ICC") of discontinuances of service required by the basic system.

Clarifying the ICC's jurisdiction over the adequacy of Amtrak service to exclude those aspects relating to quantity of service.

Authorizing open-ended appropriation authority and increasing loan guarantee authority to $500 million.

Changing the date of Amtrak's Annual Report to Congress to March 15 to coincide with the reporting date prescribed for the Department and the ICC.

In addition to carrying out the above legislative recommendations, the proposed bill would provide authority by which Amtrak can acquire the property it needs to operate efficiently. It would grant Amtrak the right of eminent domain with respect to private property not owned by a railroad. In the case of property owned by a railroad, it would authorize the ICC to order conveyance to Amtrak, subject to certain determinations.

AUTHORIZATION REQUESTS

Section 5 of the proposed bill would amend section 601 of the Act to provide general appropriation authorizations. The March 15 Report estimated that a Federal grant of $93 million would be required to underwrite Amtrak's losses from operations in FY 1974. As the Report also indicated, however, more than the usual amount of uncertainty exists in estimating Amtrak's financial requirements. The uncertainties include such factors as future contract negotiations and projections of fares, ridership, and costs. In recommending general, rather than specific, appropriation authorizations, the Report noted:

"While there is always some built-in uncertainty in estimating appropriation requirements and, therefore, authorization requirements, the problem is particularly troublesome in the case of Amtrak. Normally, Government activities can be limited to conform to the amount of the appropriation. In the case of Amtrak, however, the Government is funding the difference between revenues and costs, both of which are subject to many contingencies which cannot always be accurately estimated. If an authorization were specified and it proved to be inadequate, it would be necessary not only to obtain a supplemental appropriation but, prior to that, a separate bill to increase the authorization."

Section 6 of the proposed bill would amend section 602(d) of the Act to increase the loan guarantee authority to $500 million from the existing level of $200 million. This is necessary to permit Amtrak to upgrade motive power and passenger cars and to improve facilities and rights-of-way in FY 1974 and succeeding fiscal years.

The bill would also amend section 602(a) to require that loan guarantees be approved by the Secretary of the Treasury, and add a new subsection (g) to section 602 to prohibit the guarantee of tax exempt obligations. These proposed amendments incorporate policies applicable to other Federal loan guarantee programs.

DISCONTINUANCE OF TRAINS

The estimated Federal grant requirement of $93 million for FY 1974 assumes, among other things, that service between Chicago-Florida, N.Y./D.C.-Kansas City, and Richmond-Newport News will be discontinued, and that certain adjustments will be made in the Chicago-Kansas City segment of the Chicago-Houston service. In order to keep within the financial plan for FY 1974, these services must be discontinued expeditiously. Section 404(b) (3) of the Act, however, requires Amtrak to follow the procedures of section 13a of the Interstate Commerce Act to discontinue a train. These procedures have built-in delays which would thwart the timely discontinuance of service. As stated in the Secretary's Report:

"The Section 13a discontinuance procedure was designed *to apply to a rail* passenger service being provided by a private industry without subsidization by the Federal Government. In that context, determinations by ICC as to public convenience and necessity for the service and as to undue burden on commerce of a continuation of service (the ability of the carrier to internally subsidize) were appropriate. Amtrak, however, is not such a carrier. Its entire operation is reviewed annually by the Executive Branch and the Congress. It has only some long-term prospect of becoming a self-sustaining entity and is heavily subsidized by the Federal Government at the present time. The amount of the Federal subsidy is directly related to the operating losses of Amtrak, and these losses stem from providing uneconomic service. Therefore, the discontinuance procedure should be changed to avoid the necessity to perform an uneconomic service, through an extended period of litigation, at substantial cost to the general taxpayer. At the same time, Amtrak would have greater latitude to be inovative in providing its services."

Accordingly, section 4 of the proposed bill would amend section 404(b) (3) of the Act to permit Amtrak to discontinue trains without an ICC proceeding. It is intended that Amtrak continually examine the performance of each route, and that a complete review of all routes be undertaken at least once a year by the Board of Directors. If the potential and actual performance of a train indicates that the continuation of the service is not warranted in terms of the criteria contained in the amendment to section 404 (b) (3)—including the loss per passenger mile—the Board of Directors should initiate action to discontinue the train. Under existing law, Amtrak may discontinue new or experimental service at any time prior to the end of two years of continuous service. The Board would be expected to examine periodically the continuation of these trains in accordance with the same criteria.

If, however, the discontinuance of a train constitutes the discontinuance of service between points specified in the basic system, the discontinuance would become effective only with the Secretary's approval. In deciding whether to approve a discontinuance, the Secretary would have to consider the economic, transportation, and public benefit effects of the service. His decision would not be reviewable by the courts.

ADEQUACY OF SERVICE

Section 801 of the Act authorizes the ICC to "prescribe such regulations as it considers necessary to provide safe and adequate service, equipment, and facilities for intercity rail passenger service." This language creates a conflict between the ICC and the Secretary with respect to the regulation of railroad safety, and with respect to the service characteristics of the basic system established by the Secretary in his Report to Congress of January 28, 1971, which prescribed the basic system and its service characteristics.

THE SAFETY ISSUE

In the Federal Railroad Safety Act of 1970, the Secretary's authority to regulate railroad safety was expanded to encompass the regulation of "all areas of railroad safety". Since the Federal Railroad Safety Act was enacted only 14 days prior to the Rail Passenger Service Act, it is not reasonable to assume, in the absence of a clear expression of intent, that the Congress intended that both the Secretary and the ICC were to regulate railroad safety. In construing section 801, we believe that, rather than conferring safety regulatory authority on the ICC, the Congress was establishing a safety limitation on the exercise of the ICC's power to regulate the adequacy of service. Under this interpretation of the section, the ICC in prescribing its own regulations with respect to adequacy of service would be required to take account of safety regulations prescribed by the Secretary. Section 7 of the proposed bill would amend section 801 of the Act to make explicit this interpretation of the ICC's responsibility in the area of railroad safety.

THE SERVICE CHARACTERISTICS ISSUE

In directing the Secretary to establish the basic system for rail passenger service in the United States, Congress directed in section 201 of the Act that the Secretary identify the "basic service characteristics of operations to be provided within the basic system, taking into account schedules, number of trains, connections, through car service, and sleeping, parlor, dining, and lounge facilities." In his Report to Congress of January 28, 1971, the Secretary prescribed certain minimum service characteristics covering all of the facets of service specified in section 201.

In setting these characteristics of service, the Secretary stated that it was his intention "to preserve Corporation discretion". This intention was fully consistent with the Congressional declaration, set forth in section 301, that the Corporation's purpose was "to provide intercity rail passenger service, employing innovative operating and marketing concepts so as to fully develop the potential of modern rail service".

To interpret section 801 in a manner which would make it consistent with sections 201 and 301, one must conclude that the Congress did not intend to confer authority upon the ICC either (1) to prescribe regulations as to the quantity of service to be provided by Amtrak, which could seriously impair the exercise of the management judgment necessary to the achievement of "innovative operating and marketing concepts", or (2) to prescribe regulations which would conflict with the service characteristics of the basic system as established by the Secretary.

Section 7 of the proposed bill would amend section 801 to make this interpretation explicit by (1) restating the ICC's regulatory authority and limiting it to the quality of service and accommodations offered passengers on board trains and at other facilities used in rail passenger service, and (2) excluding from the ICC's jurisdiction the authority to promulgate regulations applicable to the Corporation that relate to the scheduling or frequency of service, or the number or type of cars in a train, or that otherwise conflict with the service characteristics established by the Secretary for the basic system. Thus, the ICC could not require that sleeping cars, lounge cars or food service be provided in conflict with service characteristics prescribed by the Secretary; but the ICC could prescribe standards for heating air conditioning, and other amenities that affect the quality of service offered the passenger in the sleeping car, lounge car, or diner.

FACILITATING THE ACQUISITION OF PROPERTY BY AMTRAK

Amtrak is presently leasing terminal and other facilities from various railroads. These facilities are not always best adapted to Amtrak's needs, nor is the lease always the most economical means by which Amtrak could fulfill its requirements for a facility. Often it would make more economic sense for Amtrak to build a new facility at a different location. Frequently, however, the only suitable alternative property sites are owned by the railroad which is the lessor of the existing facility. Under these circumstances, there is little economic incentive for the railroad to make alternative property sites available to Amtrak. The result is that Amtrak cannot acquire the property it needs at a reasonable price.

In those instances in which Amtrak has attempted to purchase property from owners other than a railroad, it has found its bargaining position impaired because of its relatively inflexible site requirements. For this very reason, railroads have generally been granted the right of eminent domain under State law. Most, if not all, other public utilities are also vested with the power of eminent domain. The rationale for delegating this sovereign power to a privately-owned corporation rests on the public service obligations of the public utility. Granting a utility the right of eminent domain assures that the utility can acquire the property necessary to perform its public service mission at a reasonable price. The judicial review which is exercised through the condemnation proceeding assures that the property being taken is in fact needed for a public purpose and that just compensation is being paid for the property acquired.

There is a precedent for the grant of the right of eminent domain by the Federal Government. For example, it has granted the right to natural gas companies certificated by the Federal Power Commission (15 U.S.C. § 717f(h)).

Section 1 of the proposed bill would amend section 305 of the Act to grant the right of eminent domain to Amtrak; but it would specifically preclude the use of the power to acquire property owned by a railroad or by a State or local government.

Because a railroal is also providing a public transportation service as a common carrier, the Department believes that some mechanism should be established to weigh the requirements of Amtrak against the requirements of the railroad as to the use of a particular site. As a substitute for granting Amtrak power to take a railroad property under eminent domain, section 3 of the bill would add a new subsection (d) to section 402 of the Act prescribing a procedure by which the ICC can assess the public interest aspects of competing claims for the use of the property.

Under this procedure, whenever Amtrak and a railroad are unable to agree upon the terms for the sale of property, Amtrak could apply to the ICC for an order establishing Amtrak's need for the property and requiring its conveyance to Amtrak on reasonable terms and conditions, including just compensation. Unless the ICC found (1) that conveyance of the property would significantly impair the railroad's ability to carry out its common carrier obligations, and (2) that the obligations of Amtrak to provide modern, efficient, and economical rail passenger service could adequately be met by the acquisition of alternative properties, the ICC would be required to order the conveyance of the property to Amtrak upon terms and conditions established by the ICC. To assure expeditious resolution of the controversy and timely implementation of Amtrak's plans, an order would have to be issued within 120 days from the ICC's receipt of the application from Amtrak.

ANNUAL REPORTING DATE

Section 308(b) requires Amtrak to submit an annual report to the President and to the Congress by January 15 of each year. Section 308(c) requires the Secretary and the ICC to transmit their annual reports by March 15 of each year. Amtrak, the ICC, and the Department are required to submit legislative proposals to the Congress in connection with their annual reports. Because the Federal Government is heavily involved in funding the operation and capital improvement of Amtrak, the reports should be prepared during the same period of time. The Federal budget and legislative cycle argues for the March 15 date. A common reporting date also permits the Congress to have before it three contemporaneous reports at the time it is considering legislative action. Section 2 of the proposed bill would amend section 308 to establish a reporting date of March 15 for Amtrak.

The Office of Management and Budget advises that this proposed legislation is consistent with the Administration's objectives.

Sincerely,

CLAUDE S. BRINEGAR.

By Mr. JAVITS:

S. 1764. A bill to amend section 46 of the Internal Revenue Code of 1954 to provide for greater flexibility in fixing the investment tax credit rate. Referred to the Committee on Finance.

VARIABLE INVESTMENT TAX CREDIT

Mr. JAVITS. Mr. President, I introduce a bill to establish a variable investment tax credit, to replace the fixed, 7 percent investment tax credit available to business at the present time. The bill is intended to give us greater flexibility in administering fiscal policy, and to encourage a higher level of capital formation. It gives the President authority to reduce the investment tax credit—one of the principal stimuli to business fixed investment—to as low as 1 percent or raise it as high as 15 percent. But, there is written into the bill a provision similar to the provision for respecting Presidential reorganization plans, so that no such change in the investment tax credit could be made if either House of Congress disapproves of the action within 60 days.

Mr. President, we face a very crucial time for our economic policy, a time which will once again test the President to the same degree as did the events leading up to phase I of the wage and price control program. I refer, of course, to the fact that the economy is nearing the limit of its potential; unless the proper steps are taken, we can find the economy careening out of control into a demand-pull spiral which will make previous periods of inflation pale by comparison. Even if the proper steps are taken, we face a difficult transition period as we attempt to resolve the competing goals of economic growth, high employment, and price stability.

My bill is intended to help the President and the country through this and future transition periods. What this bill says to the businessman, in effect, is that his new plant or his more efficient machine could vary as much as 14 percent in price, according to the needs of the economy for stimulating, or dampening, business investment. What it says to the American public is that we could have a better handle on this major source of economic growth in order to control more effectively the vagaries of the business cycle. By adding to our arsenal of economic policy weapons, and by being able to pinpoint the effects of policy changes, we could also avoid some of the unpleasant side effects of monetary and fiscal policy, such as excessively high interest rates, severe disintermediation from certain financial institutions, and crippling cutbacks in Federal spending.

I believe this bill can be administered with little, if any, impediment to business planning. Sensible businessmen already take the characteristics of the business cycle into account when making investment plans. They know, for example, that market conditions, interest rates, the availability of labor, price trends and the overall productivity of plant are affected by upswings and downswings in economic activity. Many, if not all, of these phenomena can now be closely predicted. A variable investment tax credit would likewise follow a logical cycle of either stimulating, or being neutral with regard to, capital investment. Since changes in the credit might have to come at times when congressional approval could not be immediately forthcoming, the direct procedure which is set forth in the bill imparts a greater degree of certainty to the investment tax credit than even under present law.

Finally, there are important international factors in this bill. Adoption of a variable investment tax credit, with an upper limit as high as 15 percent, will undoubtedly provide a powerful stimulus to plant modernization whenever the state of the economy permits. And this bears a direct relation to our international competitiveness; a nation depends upon a high rate of capital formation to remain competitive in international trade. The U.S. suffers one of the lowest rates of capital formation in the entire 20 nations of the OECD, a fact which cannot help but contribute to the poor showing in our trade account.

Mr. President, it is a politically advantageous thing to blame the administration whenever business slowdowns throw people out of work, or when an overheated economy drives prices up. And yet the business cycle is a fact of life.

The job of economic policy is to make the troughs of the cycle as mild and short as possible. My bill would give the President—under congressional control—an additional, efficient, and sophisticated tool to do the job. By providing at times for an investment tax credit as high as 15 percent, it would also raise the overall level of capital formation whenever this could be done without throwing the economy off the track. I urge my colleagues to give it favorable consideration.

Mr. President, I ask unanimous consent that the text of the bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1764

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 46 of the Internal Revenue Code of 1954 (relating to tax credit for investment in depreciable property) is amended by—

(1) striking out "seven percent" in subsection (a) (1) and inserting "a percentage (determined under subsection (f))", and

(2) inserting at the end thereof the following new subsection:

"(f) DETERMINATION OF PERCENTAGE.—

"(1) IN GENERAL.—The percentage referred to in paragraph (1) of subsection (a) shall be seven percent, except that the percentage may be reduced to not less than one percent or increased to not more than fifteen percent by the President, subject to disapproval by either House of Congress, in accordance with the provisions of this subsection.

"(2) CHANGE IN PERCENTAGE BY PRESIDENT SUBJECT TO DISAPPROVAL BY THE CONGRESS.—In order to change the percentage rate under this section, the President, upon the recommendation of the Council of Economic Advisers, may transmit to the Congress a proposed new rate within the limits fixed by paragraph (1), the message to be delivered to both Houses of the Congress on the same day and to each House while it is in session. The message shall specify the proposed new rate, the proposed effective date, and the reasons for the change. The change in rate shall take effect at the time specified by the President (whether before or after the date on which the message is submitted to the Congress), but the change shall be terminated as of its effective date if, between the date of delivery of the message proposing the change and the end of the first period of sixty calendar days of continuous session of the Congress after such date, either House passes a resolution stating in substance that such House does not favor the proposed new rate. For purposes of this paragraph, continuity of session is broken only by an adjournment of Congress sine die, and the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of the sixty-day period.

"(3) Exercise of rulemaking power of the Senate and the House of Representatives.—The succeeding paragraphs of this subsection are enacted by Congress as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such they shall be deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of resolutions described in paragraph (4); and they shall supersede other rules only to the extent that they are inconsistent therewith. They are enacted with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner and to the same extent as in the case of any other rule of that House.

"(4) Resolution.—For the purpose of the succeeding paragraph of this subsection, 'resolution' means only a resolution of either House of Congress, the matter after the resolving clause of which is as follows: 'That the ——— does not favor the proposed investment tax credit rate transmitted to Congress by the President on ———.', the first blank space therein being filled with the name of the resolving House and the second blank space with the date on which the President's message proposing the rate was delivered.

"(5) Referral of resolution.—A resolution shall be referred to the Committee on Ways and Means of the House of Representatives or the Committee on Finance of the Senate (except that it may not be made after the committee has reported a resolution with respect to the same proposed rate), and debate thereon shall be limited to not more than one hour, to be divided equally between those favoring and those opposing the resolution. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to. If the motion to discharge is agreed to or disagreed to, the motion may not be renewed, nor may another motion to discharge the committee be made with respect to any other resolution with respect to the same proposed rate.

"(6) Consideration of resolution.—When the committee has reported, or has been discharged from further consideration of, a resolution, it is at any time thereafter in order (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of the resolution. The motion is highly privileged and is not debatable. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to. Debate on the resolution shall be limited to not more than 10 hours, which shall be divided equally between those favoring and those opposing the resolution. A motion further to limit debate is not debatable. An amendment to, or motion to recommit, the resolution is not in order, and it is not in order to move to reconsider the vote by which the resolution is agreed to or disagreed to.

"(7) Debatability of motions.—Motions to postpone, made with respect to the discharge from committee, or the consideration of, a resolution and motions to proceed to the consideration of other business shall be decided without debate. Appeals from the decisions of the Chair relating to the application of the rules of the Senate or the House of Representatives, as the case may be, to the procedure relating to a resolution shall be decided without debate."

(b) The amendment made by subsection (a) shall apply with respect to taxable years ending after the date of enactment of this Act.

By Mr. BAYH:

S. 1765. A bill to establish an independent Board of Parole, to provide for fair and equitable Federal parole procedures, to study the parole procedures provided for released prisoners, and for other purposes. Referred to the Committee on the Judiciary.

PAROLE REORGANIZATION AND REFORM ACT OF 1973

Mr. BAYH. Mr. President, today I am introducing the Parole Reorganization and Reform Act of 1973, which is designed to restructure and reform the U.S. Board of Parole. While this bill will directly affect only those offenders who are incarcerated in the Federal prison system, it should serve as a useful model to the States in their efforts to improve parole procedure. The Federal prison system has traditionally been viewed as a leader in prison reform, and I hope that this bill will place the U.S. Board of Parole in a similar position of leadership.

Since its inception 95 years ago in New York, parole has become an integral part of correctional and rehabilitative efforts. As currently constituted, there are three principal elements in the parole process: First, the courts and the prison system which supply information about individual offenders; second, the Parole Board which uses that information to decide who should be released, under what conditions of parole, and when to revoke parole; and third, the probation officers who supervise parolees as well as probationers. The legislation which I am introducing today touches all parts of the process but deals chiefly with the Parole Board because it has primary responsibility.

During fiscal 1972, the Board held 12,677 hearings and made an additional 4,556 determinations based upon written progress reports. This tremendous volume of decisions was accomplished by eight Board members and eight hearing examiners on a budget of $994,360. Such an enormous number of decisions reached with such minimal resources has tended to result in methods of action which often appear arbitrary or casual. The Board has not established detailed rules or standards to guide its decisionmaking process; neither does it follow the philosophy of stare decisis, developing general standards on a case-by-case basis. The most specific decisional standard is the statutory provision that the Board "may in its discretion" release a prisoner on parole if it finds "a reasonable probability that such prisoner will live and remain at liberty without violating the laws" and that "such release is not incompatible with the welfare of society." The Board has never publicly stated any substantive principles that guide it in making this determination, nor has it publicly listed the criteria which it considers.

The Parole Board does not make decisions as a group. Instead, each case is decided by an individual member, who does not consult with his colleagues. Memoranda relating to the factors considered in releasing eligible prisoners are not prepared. The Board does not articulate the reasons for any particular determination, nor does it inform prisoners why parole was denied.

It is hard to believe that any administrative agency would make decisions in such a haphazard fashion, yet the Parole Board openly admits to these practices. In a pamphlet published by the Board entitled "Functions of the United States Board of Parole," the decisionmaking process is described as follows:

> Voting is done on an individual basis by each member and the Board does not sit as a group for this purpose. Each member studies the prisoner's file and places his name on the official order form to signify whether he wishes to grant or deny parole. The reasoning and thought which led to his vote are not made a part of the order, and it is therefore impossible to state precisely why a particular prisoner was or was not granted parole.

The hearing process is as casual as the decisionmaking process. According to testimony before a House judiciary subcommittee, parole hearings are usually conducted in the Federal institution by a hearing examiner, and only occasionally by a Board member. Hearings typically last from 10 to 15 minutes, although some testimony indicated that hearings are more likely to last between 2 and 5 minutes. Present at the hearing along with the Parole Board official are the prisoner, the prison counselor, and a stenographer. The prisoner is never represented by counsel. After the hearing, when the prisoner has left the room, the examiner dictates his recommendation to the stenographer.

Because no transcript is prepared, this recommendation serves as the only record of the parole hearing.

Because hearings are so short, heavy reliance must be placed upon the prisoner's file. Yet one witness at the House hearings testified that he was advised by an examiner that each man's record could be adequately appraised in 5 minutes. Furthermore, although the contents of the file are crucial, the prisoner is not allowed to review the file to insure its accuracy. The same witness testified that—

> This is in itself disturbing, because prison files are not consistent or accurate records. I have seen black men listed as white and Harvard graduates listed with borderline IQ's.

While there is serious dispute over the extent of access a prisoner should have to his own file, the Administrative Conference of the United States has supported relatively broad disclosure. In testimony before the House subcommittee, the Conference recommended that:

> The prison counselor should disclose the file to the prisoner or his representative in advance of the parole hearing, except for any information as to which disclosure is clearly unwarranted or which has been determined by the sentencing judge to be improper. The prisoner should be given an oral summary or indication of any relevant adverse information which is not directly disclosed to him.

While many of the Board's practices are open to serious criticism, the courts have generally refused to intervene in the parole decisionmaking process. In certain areas related to the procedure for revoking parole and conditions of parole as imposed by the Board, courts have felt more free to attempt reform. However, even in these peripheral areas of the parole process, the Board has resisted judicial intervention.

The Board maintained until 2 years ago that it has exclusive jurisdiction in the area of parole. In *Sobell* v. *Reed*, 327 F. Supp. 1294 (S.D.N.Y. 1971), a review of one of the Board's decisions, the Chairman of the Parole Board refused to appear in court to testify, arguing that the court had no power in the parole area. The court flatly rejected that claim and rebuked the Board in language which clearly points to the need for thorough reform in this area:

> But it is urged that the Board's action is outside the court's power of review. It would be surprising, and gravely questionable, if Congress has meant to confer such final authority upon any administrative agency, particularly one that makes no pretense to learning in constitutional law. It would be bizarre to hold, as the Government's position ultimately entails, that assertions of constitutional rights like those made here may be overridden without ever being faced and decided by any tribunal of any kind. But there is no occasion to become upset over such implications. The Government's position is not soundly based.

In Sobel against Reed, the issue was the infringement of the plantiff's first amendment right to freedom of speech by overly restrictive conditions of parole. In an earlier case, *Reed* v. *Butterworth*, 297 F. 2d 776 (D.C. Cir. 1961), the court threw out a Board decision because it refused to follow the parole revocation procedures which Congress envisioned when it enacted the parole statute. The court further indicated that the Board's refusal to follow these procedures was a matter of long standing, and its warning was clear:

> The Parole Board apparently still has the notion, which we criticized in *Fleming* v. *Tate* [156 F. 2d 848 (D.C. Cir. 1946)], that revocation hearings are mere formalities, and the result a foregone conclusion. As long as the Board evidences this philosophy by denying fundamental procedural safeguards, we will be compelled to order new hearings, and, in cases of grievous injustice, to order such further relief as the circumstances may warrant.

Mr. President, while individual court cases have brought relief to a few plaintiffs and reform to isolated areas of board practice, they have not established a full range of constitutional rights and statutory guarantees. The criticisms made by the courts are still valid. The legislation which I am introducing today clarifies the rights of prisoners and parolees. It specifies in detail the scope of the Parole Board's discretion and the responsibilities of courts for judicial review. Let me discuss a few of the major reforms proposed in this legislation.

RESTRUCTURED, INDEPENDENT PAROLE BOARD

Since the effectiveness of any reform depends upon the organization mandated with implementing that reform, restructuring of the Parole Board itself is the first priority. My bill establishes a national board which will perform the appeals and policymaking functions of the Board of Parole. In turn, the national board sets up four regional boards which will conduct parole determination and parole revocation hearings. This decentralization of the decisionmaking process will alleviate the oppressive caseload currently borne by each member of the Board of Parole.

Additionally, the Board is taken out of the Department of Justice and established as an independent agency within the executive branch. I feel that the Board should be able to exercise its discretion free from the influence of the prosecutor and the prison administrator. Because it is essential that the Board be composed of highly qualified personnel, the bill also provides that Board appointees represent different areas of expertise in the criminal justice field.

ELIGIBILITY FOR PAROLE

The bill retains the present practice which leaves the date of eligibility for parole substantially in the hands of the sentencing authority. In general, a prisoner may be considered for parole only after serving one-third of his maximum term. However, unlike the present practice, the bill creates a presumption of parole. The Parole Board must grant parole to eligible prisoners unless there is substantial reason to believe that a prisoner will engage in further criminal conduct or will not conform to conditions of parole. This is intended to circumscribe the wide discretion presently exercised by the Board. A similar presumption of parole was recommended by the National Commission on Reform of the Federal Criminal Laws. Another new judge or sentencing jury to specify that persons convicted of murder accompanied by certain aggravating circumstances be sentenced to prison with no possibility of parole.

HEARING PROCEDURE AND FREQUENCY

The proposed legislation specifies the frequency of parole hearings and other reconsiderations of the prisoner's status. An effort was made to balance the right of the prisoner to have his progress frequently judged against the administrative realities of implementing such a right. Therefore, my bill provides that each prisoner must be given a hearing at least every 2 years after an initial parole rejection. Additionally, I have accepted the recommendations of the association of the bar of the city of New York, which include a right to counsel at all parole hearings, a written transcript of all hearings, and the publication of criteria for granting, denying, and revoking parole. While some experts do not recommend formalized hearing procedures and written, reasoned decisions, I believe that the parole process has suffered over the years from too little formal structure. I accept the judgment of the bar of the city of New York that the key problem with the parole process is the Board's overly broad discretionary power:

> The present rules are extremely scanty, with the result that the Parole Board possesses today almost unbridled, and unreviewable powers. The problem, as we noted before, is even greater than in the area of probation, where the power over prisoners is exercised within the judicial structure. There is no such control over the Parole Board, whose members are not necessarily lawyers, and whose procedures are loose, to say the least. (A.B.C.N.Y. Report on the Title 18 revision recommended by the National Commission on Reform of the Federal Criminal Laws.)

SUPERVISION WHILE ON PAROLE

Three separate issues are raised when a prisoner is placed on parole: The conditions of parole, the procedure for revoking parole, and the amount of time a parolee should serve when he is returned to prison after a parole revocation. The freedom of the Parole Board to establish conditions of parole presents extremely difficult problems. On the one hand, the Board must retain sufficient flexibility to meet the individual needs of the parolee. On the other hand, the parolee must be protected from unrealistic or abusive conditions of parole. While the proposed legislation allows the Board substantial freedom in this area, it does specify some general guidelines for the Board's consideration. In addition, it requires the Board to supply the parolee with a written list of conditions at the moment of release. Since the courts have already expressed an interest in this area, the bill relies on judicial review to correct any abuses.

Parole revocation proceedings have received considerable attention in the courts. As recently as June 29, 1972, the U.S. Supreme Court in *Morrissey* v. *Brewer* (40 LW 5016), reviewed in detail the rights constitutionally required at such hearings. The Court declared that in parole revocation hearings, minimum standards of due process include: Written notice of the claimed violations of parole; disclosure to the parolee of the evidence against him; the opportunity to be heard in person and to present witnesses and documentary evidence; the right to confront and cross-examine witnesses; a "neutral and detached" hearing officer; and a written statement by the fact-finders as to the evidence relied upon and reasons for revoking parole. This legislation incorporates these due process requirements.

In addition, it prohibits arbitrary and unreasonably long imprisonment prior to hearing. My bill also requires that counsel be appointed if the parolee is indigent.

Under current law, a parole violator who is returned to prison is given no credit for the time he has spent "on the street" successfully fulfilling his parole conditions. The prisoner's paroled status may continue during good behavior until his maximum sentence expires. However, if he is returned to prison, his maximum sentence is not reduced by the time he spent on parole. This is extremely unfair, and ironically places a greater burden on the model prisoner who is released early in his sentence than on other prisoners who are considered worse risks and consequently are released at a later point in their sentence. To rectify this injustice, I have accepted the recommendation of the National Commission on Reform of the Federal Criminal Laws that a portion of a parolee's time on the street, prior to parole violation, should be subtracted from his maximum sentence. As a result, the consequences of parole violation would be no more serious for the model prisoner than for the prisoner released later in his term.

APPEAL

The proposed legislation provides a formal, internal process of review. Prisoners or parolees who are dissatisfied with Regional Board determinations may appeal to the National Board. Considerations of administrative efficiency weighed heavily in reaching the conclusion that a written appeal would be adequate. Finally, the bill requires that the Parole Board initiate a study of parole services and report to Congress annually with recommendations for reform.

Mr. President, last year the Parole Board made 17,233 determinations. 6,174 individuals were granted parole, 1,418 warrants were issued against parole violators, and 12,076 people remained under the Board's supervision. Fair and equitable procedures must be instituted to protect the rights of these individuals. As the U.S. Court of Appeals for the District of Columbia said over 25 years ago in *Fleming* v. *Tate*, 156 F. 2d 848 (D. C. Cir. 1946):

> The parole system is an enlightened effort on the part of society to rehabilitate convicted criminals. Certainly no circumstance could further that purpose to a greater extent than a firm belief on the part of such offenders in the impartial, unhurried, objective, and thorough processes of the machinery of the law. And hardly any circumstance could with greater effect impede progress toward the desired end than a belief on their part that the machinery of the law is arbitrary, technical, too busy, or impervious to facts.

The legislation which I am introducing today is designed to achieve the kind of parole system that was recommended so many years ago. My bill also reflects many of the reforms suggested by Congressmen Kastenmeier and *Railsback*, and the numerous witnesses who appeared before House Judiciary Subcommittee No. 3 to discuss the problems of parole during the last session of Congress. I urge my colleagues to give prompt and favorable consideration to adopting these long overdue reforms of our parole system.

I ask unanimous consent that the bill and a summary be printed in the Record at the conclusion of my remarks.

There being no objection, the bill and summary were ordered to be printed in the Record, as follows:

S. 1765

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Parole Reorganization and Reform Act of 1973."

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BOARD OF PAROLE; PAROLE PROCEDURES, CONDITIONS, ETC.

Sec. 101. Chapter 311 of title 18 of the United States Code (relating to parole) is amended to read as follows:

"*Chapter 311.*—PAROLE

"Sec.
"4201. Board of Parole; members; terms of office; etc.
"4202. Authority of the Board of Parole.
"4203. Administrative powers of the Board of Parole.
"4204. Time of eligibility for release on parole.
"4205. Release on parole.
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"4218. Parole revocation hearing.
"4219. Appeals to the National Board.
"4220. Fixing eligibility for parole at time of sentencing.
"4221. Young adult offenders.
"4222. Warrants to retake Canal Zone violators.
"4223. Report.
"4224. Definitions.

"§ 4201. Board of Parole; members; terms of office; etc.

"(a) There is hereby established, as an independent establishment in the executive branch, a Board of Parole to consist of a National Board and four Regional Boards.

"(b) The National Board shall be composed of nine members appointed by the President by and with the advice and consent of the Senate. Each of the Regional Boards shall be composed of three members appointed by the President by and with the advice and consent of the Senate. A vacancy in either Board shall be filled in the manner in which the original appointment was made.

"(c) Not more than five members of the National Board and not more than two members of each Regional Board shall be of the same political party (as determined by the last voting registration within the four years immediately prior to appointment). There shall be at least one member of the National Board appointed from each of the following categories, and each of the Regional Boards shall consist of members appointed from any three of these categories:

"(1) individuals who have been imprisoned in a Federal or State prison, released on parole, and discharged from such parole;

"(2) attorneys having experience in the field of criminal justice;

"(3) social or behavioral scientists expert in the field of criminal studies;

"(4) individuals experienced in the education or training of handicapped or disadvantaged persons;

"(5) individuals having supervisory experience in law enforcement, as defined in section 3781(a) of title 42, United States Code; and

"(6) individuals having experience as guards or correctional officers in a correctional institution or facility, as defined in section 3781(1) of title 42.

"(d)(1) Except as provided in paragraphs (2), (3), and (4), the members of both the National Board and the Regional Boards shall be appointed for terms of six years.

"(2) Of the members of the National Board first appointed under this section—

"(A) three shall be appointed for terms of two years,

"(B) two shall be appointed for terms of three years,

"(C) two shall be appointed for terms of four years, and

"(D) two shall be appointed for terms of five years from the effective date of this title.

"(3) Of the members of each of the Regional Boards first appointed under this section—

"(A) one shall be appointed for a term of one year,

"(B) one shall be appointed for a term of three years, and

"(C) one shall be appointed for a term of five years, from the effective date of this title.

"(4) Any member of the Board of Parole who is appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed only for the remainder of such term. A member may serve after the expiration of his term until his successor has taken office.

"(5) The President shall from time to time designate one of the members of the National Board to serve as Chairman of the Board of Parole and shall delegate to him the necessary administrative duties and responsibilities. The Chairman of the Board of Parole shall designate one of the members of each Regional Board to serve as Chairman of such Regional Board. The Chairman of each Regional Board shall have such administrative duties and responsibilities with respect to the Regional Board as may be necessary to carry out the purposes of this chapter. The term of office of the Chairman of the Board of Parole and of the Chairman of each Regional Board shall be not less than three years, but not more than six years, as specified at the time of designation as Chairman.

"(6) Each Regional Board shall have such geographical jurisdiction as the National Board may provide in order to assure efficient administration.

"(7) The respective rates of pay for members of the Board of Parole (other than the Chairman of the Board of Parole) shall be equal to the maximum rate, as in effect from time to time, for GS-17 of the General Schedule of section 5332 of title 5. The rate of pay of the Chairman of the Board of Parole shall be at the rate prescribed for level III of the Executive Schedule.

"§ 4202. Authority of the Board of Parole

"(a) The National Board shall have such powers and shall perform such functions and duties as may be provided for the Board of Parole or the National Board under this chapter or under any other provision of law.

"(b) Except as otherwise specifically provided by law, when so authorized by the National Board, any member or agent of the Board of Parole may take any action which the National Board is authorized to take.

"(c) The Regional Boards shall conduct parole determination hearings (in accordance with section 4209) and parole revocation and parole modification hearings (in accordance with section 4218) and perform such other functions and duties as may be provided under this chapter.

"§ 4203. Administrative powers of the Board of Parole

"(a) The National Board shall have the power to—

"(1) appoint and fix the compensation of personnel of the Board of Parole;

"(2) procure temporary and intermittent services to the same extent as is authorized by section 3109(b) of title 5;

"(3) prescribe such administrative rules and regulations as may be necessary for the operation of the Board of Parole;

"(4) utilize, with their consent, the services, equipment, personnel, information, and facilities of other Federal, State, local, and private agencies and instrumentalities with or without reimbursement therefor;

"(5) without regard to section 529 of title 31, United States Code, enter into and perform such contracts, leases, cooperatives agreements, or other transactions as may be necessary in the conduct of its functions, with any public agency, or with any person, firm, association, corporation, educational institution, or nonprofit organization;

"(6) accept voluntary and uncompensated services, notwithstanding the provisions of section 665(b) of title 31;

"(7) request such information, data, and reports from any Federal agency as the Board of Parole may from time to time require and as may be produced consistent with other law;

"(8) arrange with the heads of any other Federal agency for the performance by such agency of any function of the Board of Parole, with or without reimbursement; and

"(9) request probation officers and other individuals, organizations, and public or private agencies to perform such duties with respect to any person released on parole as the National Board deems necessary for maintaining proper supervision of, and assistance to, such persons: *Provided*, That in no case shall a probation officer or other individual caseworker maintain an average daily caseload in excess of fifty individuals.

"(b)(1) The Board of Parole shall have power to issue subpenas requiring the attendance and testimony of witnesses and the production of any evidence that relates to any matter with respect to which the National Board or any Regional Board is empowered to make a determination under this chapter. Such attendance of witnesses and the production of evidence may be required from any place within the United States at any designated place of hearing within the United States.

"(2) If a person issued a subpena under paragraph (1) of this subsection refuses to obey such subpena or is guilty of contumacy, any court of the United States within the judicial district within which the hearing is conducted, or within the judicial district within which such person is found or resides or transacts business, may (upon application by the Board of Parole) order such person to appear before the National Board or any Regional Board to produce evidence or to give testimony touching the matter under investigation. Any failure to obey such order of the court may be punished by such court as a contempt thereof.

"(3) The subpena of the Board of Parole shall be served in the manner provided for subpenas issued by a United States district court under the Federal Rules of Civil Procedure for the United States district courts.

"(4) All process of any court to which application may be made under this section may be served in the judicial district wherein the person required to be served resides or may be found.

"(c) Upon the request of the Chairman of the Board of Parole, each Federal agency is authorized and directed to make its services, equipment, personnel, facilities, and information available to the greatest practicable extent to the Board in the performing of its functions.

"(d) The National Board may delegate to the Regional Boards such powers as may be appropriate other than—

"(1) the power to establish general policies for the Board of Parole, and

"(2) the power to prescribe administrative rules and regulations.

"(e) Except as otherwise provided by law, any action taken by the National Board or any Regional Board shall be taken by a majority vote of all individuals currently holding office as a member of the National Board or the Regional Board taking the action.

"§ 4204. Time of eligibility for release on parole

"(a) Whenever confined and serving a definite term of over one hundred and eighty days, a prisoner shall be eligible for release on parole after serving one-third of such term or after serving fifteen years of a life sentence or of a sentence of over forty-five years unless the crime was murder and the following aggravating circumstances occurred:

"(1) the prisoner was previously convicted of another murder;

"(2) at the time the murder was committed, the prisoner also committed another murder;

"(3) the murder was especially heinous, atrocious, cruel, or manifested exceptional depravity by ordinary standards of morality and intelligence; or

"(4) the victim was the President of the United States or other high public servant.

Unless the sentencing judge or sentencing jury specify otherwise, a prisoner who was convicted of a murder that was accompanied by one or more of the above aggravating circumstances shall not be eligible for parole release. As used in this paragraph, "term" shall mean, in the case of consecutive sentences, the sum of the sentences, and in the case of concurrent sentences, the term of the longest sentence.

"(b)(1) Any prisoner whose eligibility for release on parole is fixed under section 4220 (a)(1) at the time of sentencing shall be eligible for release on parole as provided in that provision.

"(2) Any prisoner whose eligibility for release on parole is specified under section 4220 (a)(2) at the time of sentencing to be at such time as the Regional Board may determine shall be eligible for release on parole no less than ninety days after the date of his imprisonment or on such other date prior thereto as the Regional Board may determine.

"(c) Any prisoner not referred to in subsection (a) or (b) (including a prisoner released on parole and subsequently reimprisoned) shall be eligible for release on parole ninety days after the date of his imprisonment or on such other date prior thereto as the Regional Board may determine.

"§ 4205. Release on parole

"The Regional Board shall release a prisoner on parole upon the date of his eligibility for parole (as prescribed by section 4204) unless the Regional Board determines that he should not be released on such date, or that he should be released on a later date, for one or both of the following reasons:

"(1) there is substantial reason to believe that the prisoner will engage in further criminal conduct; or

"(2) there is substantial reason to believe that the prisoner will not conform to such conditions of parole as may be established under section 4212.

"§ 4206. Certain prisoners not eligible for parole

"Nothing in this chapter shall be construed to provide that any prisoner shall be eligible for release on parole if such prisoner is ineligible for such release under any provision of law.

"§ 4207. Factors taken into account in parole determination

"In making a determination under section 4205, the Regional Board may take into account any of the following factors:

"(1) the prisoner's ability and readiness to assume obligations and undertake responsibilities;

"(2) the prisoner's family status, including whether his relatives display an interest in him or whether he has other close and constructive associations in the community;

"(3) the prisoner's employment history and his occupational skills;

"(4) the prisoner's vocational, educational, and other training;

"(5) the adequacy of the prisoner's plans or prospects upon release;

"(6) any recommendations made by the sentencing court;

"(7) the prisoner's conduct during his term of imprisonment;

"(8) the prisoner's behavior and attitude during any previous experience of probation or parole, and the recency of such experience;

"(9) the availability of community resources to assist the prisoner; and

"(10) any other factor which the Regional Board determines to be relevant if, prior to the parole determination hearing held under section 4209, the Regional Board has provided the prisoner with adequate and timely written notice of such factor.

"§ 4208. Information considered by the Regional Board

"In taking into account the factors specified in section 4207 the Regional Board shall consider the following information:

"(1) any reports prepared by any institutional caseworker relating to the prisoner's personality, social history, and adjustment to authority;

"(2) any recommendations which the staff of the facility may make;

"(3) any official report of the prisoner's prior criminal record, including a report or record of earlier probation and parole experiences;

"(4) any presentence investigation report;

"(5) any recommendation regarding the prisoner's parole made at the time of sentencing by the sentencing judge or thereafter;

"(6) any reports of physical, mental, or psychiatric examination of the offender; and

"(7) such other relevant information concerning the prisoner as may be reasonably available.

"§ 4209. Parole determination hearing; time

"(a) In making a determination relating to release on parole under section 4205, the Regional Board shall hold a hearing (referred to in this chapter as a 'parole determination hearing') at which a member of the Regional Board shall preside.

"(b) In the case of any prisoner eligible for parole on a date provided by section 4204, an initial parole determination hearing shall be held at a time prescribed by the Regional Board. Whenever feasible, such time shall be not later than sixty days before such date of eligibility as provided by section 4204, and in the case of a prisoner referred to in section 4204(b)(2) the time of such hearing shall be not later than thirty days following such prisoner's imprisonment.

"(c) In any case in which release on parole is denied at any parole determination hearing a further parole determination hearing shall be held not later than two years following the denial.

"§ 4210. Setting release date

"In no case shall the Regional Board set any date for the release of a prisoner on parole which is more than one year following the date of the parole determination hearing at which such release date is set.

"§ 4211. Procedure of parole determination hearing

"(a) Within a reasonable time prior to any prisoner's parole determination hearing, the Regional Board shall (1) provide the prisoner with written notice of the time and place of the hearing and (2) make available to the prisoner any file or report or other document to be used by the Regional Board in making its determination.

"(b) Clause (2) of subsection (a) of this section shall not apply to any file, report, or other document, or any portion thereof which—

"(1) is a diagnostic opinion which might seriously disrupt a program of rehabilitation; or

"(2) contains sources of information which may have been obtained on a promise of confidentiality.

Whenever the Regional Board finds that this subsection applies to any file, report, or other document, or any portion thereof, to be used by the Regional Board in making its determination, the Regional Board shall state such finding (including the reasons therefor) on the record and shall provide the prisoner (or any representative of the prisoner referred to in subsection (c)(2) of this section) with written notice of such finding (including the reasons therefor). Whenever feasible, the Regional Board shall make available to the prisoner the substance of any information contained in any file, report, or other document, or any portion thereof, to which this subsection applies, except that specific names may be withheld in the case referred to in paragraph (3).

"(c)(1) At any time prior to the parole determination hearing and after having received written notice of such hearing, a prisoner may consult with his attorney, and by mail (or otherwise as provided by the Regional Board) with any person concerning such hearing.

"(2) The prisoner shall, if he chooses, be represented by an attorney or by an employee of the Federal Bureau of Prisons or by any other qualified person, unless he intelligently waives such representation. Such attorney may be retained by the prisoner or appointed pursuant to section 3006A of title 18, United States Code.

"(d) The prisoner shall be allowed to appear and testify on his own behalf at the parole determination hearing.

"(e) A full and complete record of the parole determination hearing shall be kept, and not later than thirty days after the date of the hearing the Regional Board shall (1) notify the prisoner in writing of its determination and (2)—

"(A) furnish the prisoner with a formal notice stating with particularity the grounds on which such determination was based, indicating which of the factors specified in section 4207 were taken into account, and indicating the conclusion of the Regional Board with respect to such factors taken into account, and

"(B) In the case of a denial, furnish the prisoner with a formal notice of the date prior to which he shall be entitled under section 4209(c) to another parole determination hearing. Where that date is more than one year from the present date, the Regional Board must state which factors in section 4207 motivated the Regional Board's determination.

"§ 4212. Conditions of parole

"(a) The Regional Board shall impose such conditions of parole as it deems reasonably necessary to insure that the parolee will lead a law-abiding life or to assist him in doing so. In every case the Regional Board shall impose as a condition of parole that the parolee not commit any criminal offense during his parole. The Regional Board may require as a condition of parole that the parolee reside in or participate in the program of a community service center, or similar facility, for all or part of the period of parole if the Attorney General, or director in the case of such similar facility, certifies that adequate treatment facilities, personnel, and programs are available. If the Attorney General, or director in the case of such similar facility, determines that the parolee's residence in the center, or participation in its program, should be terminated, because his residence or participation adversely affects the rehabilitation of other residents or participants, he shall so notify the Regional Board, which shall thereupon make such other provision with respect to the parolee as it deems appropriate. A parolee residing in a community service center may be required to pay such costs incident to residence as the Regional Board deems appropriate.

"(b) In imposing conditions of parole, the Regional Board shall consider the following:

"(1) there should be a reasonable relationship between the condition imposed and the prisoner's previous conduct and present situation;

"(2) the conditions should provide for the minimum deprivation of liberty and freedom of association; and

"(3) the conditions should be sufficiently specific to serve as a guide to supervision and conduct.

"(c) Upon release on parole, a prisoner shall be given a certificate setting forth the conditions of his parole.

"§ 4213. Period of parole

"(a) In the case of any parolee released on parole, the period of time to be served on parole shall end upon the expiration of the maximum term for which he was sentenced, reduced by the amount of parole good time allowed as a reduction under section 4214, except that in the case of any prisoner deemed as if released on parole under section 4164 (relating to mandatory release), the period of time to be served on parole shall be the period provided by section 4164, reduced by the amount of parole good time allowed as a reduction under section 4214. The parole of any parolee may, at the discretion of the sentencing authority, run concurrently with any period of imprisonment, parole, or probation under any other Federal, State, or local sentence. In the case of any parolee who has intentionally refused or failed to respond to any request, order, or warrant of the Board of Parole during any time, and for any reason which the Regional Board determines to be invalid, the period of time to be served on parole may be extended for such period as the parolee so refused or failed to respond.

"(b) The parole of any prisoner sentenced before June 29, 1932, shall be for the remainder of the term specified in his sentence, less good time allowances provided by section 4161 through 4165 of this title.

"§ 4214. Parole good time

"(a) Except as provided in subsection (b), the Board of Parole shall allow each parolee whose record of conduct shows that he has faithfully observed all the conditions of his parole a reduction from his parole, computed as follows:

"(1) five days for each month of parole, if the period (determined as of the date of release on parole) is more than six months but not more than one year;

"(2) six days for each month of parole, if such period of parole is more than one year but less than three years;

"(3) seven days for each month of parole, if such period of parole is more than three years but less than five years;

"(4) eight days for each month of parole, if such period of parole is more than five years but less than ten years;

"(5) ten days for each month, if such period of parole is ten years or more.

"(b) Reduction from parole for good conduct may be forfeited or withheld by the Board of Parole only if the Regional Board finds a violation of the conditions of parole pursuant to a hearing as provided in section 4218.

"(c) Any reduction forfeited or withheld under the preceding subsection may be restored by the Regional Board at any time.

"§ 4215. Discharge from parole

"(a) The Board of Parole may terminate the parole of any parolee or may release him from any condition of parole imposed under section 4212 at any time after the expiration of one year of parole, if warranted by the conduct of the parolee and the ends of justice.

"(b) Upon the expiration of the period of time to be served on parole, as provided by section 4213, the Board of Parole shall terminate the parole of any parolee.

"(c) Upon the termination of the parole of any parolee, the Board of Parole shall issue a certificate of termination to such parolee and to such other agencies as the Board of Parole may determine.

"§ 4216. Aliens

"When an alien prisoner subject to deportation becomes eligible for parole, the Board of Parole may authorize his release on condition that he be deported and remain outside the United States. Such prisoner, when his parole becomes effective, shall be delivered to the duly authorized immigration official for deportation.

"§ 4217. Time for revocation of parole; period of reimprisonment; retaking parolee

"(a) The Regional Board may revoke the parole of any parolee under section 4218(e) or (f) at any time prior to the expiration of the period of time to be served on parole, except in such cases as an extended period may be reasonably necessary for the adjudication of matters arising before such expiration as a result of an approved request by the parolee for postponement of his compliance with any order or warrant of, or any other action taken by, the Regional Board under subsection (c).

"(b) No order issued under section 4218 (e) or (f), including an order resulting in imprisonment, shall apply for any period following the expiration of the period of time to be served on parole as prescribed by section 4213, except that an order may also apply for the extended period referred to in subsection (a).

"(c) In the case of any parolee believed to have violated a condition of his parole, the Regional Board may—

"(1) order such parolee to appear at a revocation hearing not later than twenty-one days from the date of the issuance of the order;

"(2) retake the parolee by means of a warrant issued and executed as provided in this section; or

"(3) take such other action as may be appropriate. Any order or warrant issued under this section shall be issued as soon as practicable following the date of the alleged violation of the condition of parole.

"(d) A warrant for the retaking of a parolee who has violated a condition of his parole may be issued only by the Regional Board, or at least two members thereof, and only prior to the last date on which parole may be revoked as provided by subsection (a).

"(e) Any officer of any Federal penal or correctional institution, or any Federal officer authorized to serve criminal process within the United States, to whom a warrant for the retaking of a parole violator is delivered, shall execute such warrant by taking such prisoner and returning him to the custody of the Regional Board.

"(f) A parolee retaken under this section may be returned to the custody of the Attorney General and imprisoned if the Regional Board determines, after a preliminary hearing, that there is substantial reason to believe that the parollee will not appear for his parole revocation hearing under section 4218 when so ordered. The preliminary hearing shall be held as soon as possible following the retaking of the parolee; and the parolee shall be advised of the charges against him and shall be allowed to testify at such hearing.

"§ 4218. Parole revocation and modification hearing

"(a) If any parolee (other than a parolee referred to in subsection (f)) retaken or ordered to appear under section 4217 contests the revocation of his parole, a hearing (hereinafter referred to in this chapter as a 'parole revocation hearing') shall be held (1) on the date specified in such order or (2) not later than twenty-one days after the date of execution of the warrant for his retaking, whichever is later. Such hearing shall be held at a place reasonably near the location where the alleged violation of parole occurred. At least one member of the Regional Board shall be in attendance at such hearing.

"(b) Prior to the parole revocation hearing, the Regional Board may, subject to section 4217(f), impose such interim modifications of the conditions of parole as may be necessary.

"(c) Upon the issuance of an order or the execution of a warrant under section 4217, the Regional Board shall provide the parolee with written notice of—

"(1) the conditions of parole he is alleged to have violated;

"(2) the time, date, place, and circumstances of the alleged violation;

"(3) the time, date, and place of the scheduled hearing; and

"(4) his rights under this section.

"(d) The hearing procedures shall include—

"(1) proper and timely opportunity for the parolee to examine any evidence on which the order or warrant is based;

"(2) representation by an attorney (retained by the prisoner or appointed pursuant to section 3006A of title 18, United States Code), or such other qualified person as the parolee shall retain, unless the parolee intelligently waives such representation;

"(3) opportunity for the parolee to appear and testify on his own behalf;

"(4) opportunity for the parolee to compel the appearance of witnesses and to confront and cross-examine witnesses; and

"(5) maintenance of a full and complete record of the hearing.

"(e) If the Regional Board finds substantial reason to believe that the parolee violated a condition of his parole, the Regional Board shall inform the parolee in writing not later than ten days after such hearing, stating with particularity the bases of such finding. In such case the Regional Board many order that—

"(1) the parolee receive a reprimand and a warning;

"(2) parole supervision and reporting be intensified;

"(3) the parolee be required to conform to one or more additional conditions of parole imposed in accordance with the provisions of section 4212;

"(4) parole good time allowed under section 4214 be forfeited or withheld.

"(f) In the case of any parolee retaken or ordered to appear under section 4217 on the grounds of an alleged act constituting a violation of parole, for which such act the parolee is charged with a criminal offense under any authority of law, no hearing shall be held but the Regional Board shall make a determination with respect to the revocation of such parolee's parole within a reasonable time after final order or judgment has been entered by the trial court having jurisdiction over the criminal offense. If such parolee is found not guilty or acquitted by such trial court or if the charges against him have been dismissed, the order or warrant issued under section 4217 shall be rescinded. If the parolee is convicted of such criminal offense, such conviction shall constitute prima facie evidence of the violation of the conditions of parole by such parolee, and the Regional Board may make any order referred to in subsection (e) and may, in addition, order that the parolee be reimprisoned.

"§ 4219. Appeals to the National Board

"(a) A parolee whose parole is revoked or who is subject to an order issued under section 4218(e) (3) or (4), may appeal the determination or order by submitting a notice of appeal not later than fifteen days after being informed of such revocation and by submitting appeal papers not later than forty-five days after being so informed. Such appeal shall be considered by no less than three members of the National Board. The parolee shall be allowed to consult with an attorney or any other person concerning such appeal. The National Board shall decide the appeal within a reasonable period of time and shall inform the parolee in writing of its decision and the reasons therefor. Any member of the Regional Board who was present at the parole revocation hearing may present to the National Board such materials as he deems relevant.

"(b) Whenever a prisoner is denied release on parole under section 4205, whenever conditions of parole are imposed or significantly changed under section 4214, or when an order is issued under section 4218(e) (3) or 4218(e) (4), the prisoner or parolee may appeal not later than fifteen days after his being informed of such denial or conditions and by submitting appeal papers not later than forty-five days thereafter. Such appeal shall be considered by no less than three members of the National Board. The prisoner or parolee shall be allowed to consult with an attorney, an employee of the Bureau of Prisons, or any other person concerning such appeal. The National Board shall decide the appeal within a reasonable period of time and shall inform the prisoner in writing of its decision and the reasons therefor.

"§ 4220. Fixing eligibility for parole at time of sentencing

"(a) Upon entering a judgment of conviction, the court having jurisdiction to impose sentence, when in its opinion the ends of justice and best interests of the public require that the defendant be sentenced to imprisonment for a term exceeding one year, may (1) designate, in the sentence of imprisonment imposed, a minimum term at the expiration of which the prisoner shall become eligible for parole, which term may be less than, but shall not be more than one-third of the maximum sentence imposed by the court, or (2) the court may fix the maximum sentence of imprisonment to be served in which event the court may specify that the prisoner may become eligible for parole at such time as the Board of Parole may determine.

"(b) If the court desires more detailed information as a basis for determining the sentence to be imposed, the court may commit the defendant to the custody of the Attorney General, which commitment shall be deemed to be for the maximum sentence of imprisonment prescribed by law, for a study as described in subsection (c) hereof. The results of such study, together with any recommendations which the Director of the Bureau of Prisons believes would be helpful in determining the disposition of the case, shall be furnished to the court within three months unless the court grants time, not to exceed an additional three months, for further study. After receiving such reports and recommendation, the court may in its discretion (1) place the prisoner on probation as authorized by section 3651 of this title, or (2) affirm the sentence of imprisonment originally imposed, or reduce the sentence of imprisonment, and commit the offender under any applicable provision of law. The term of the sentence shall run from the date of original commitment under this section.

"(c) Upon commitment of a prisoner sentenced to imprisonment under the provisions of subsection (a), the Director, under such regulations as the Attorney General may prescribe, shall cause a complete study to be made of the prisoner and shall furnish to the Board of Parole a summary report together with any recommendations which in his opinion would be helpful in determining the suitability of the prisoner for parole. This report may include but shall not be limited to data regarding the prisoner's previous delinquency or criminal experience, pertinent circumstances of his social background, his capabilities, his mental and physical health, and such other factors as may be considered pertinent. The Board of Parole may make such other investigation as it may deem necessary. It shall be the duty of the various probation officers and Government bureaus and agencies to furnish the Board of Parole information concerning the prisoner, and, whenever not incompatible with the public interest, their views and recommendations with respect to the parole disposition of his case.

"§ 4221. Young adult offenders

"In the case of a defendant who has attained his twenty-second birthday but has not attained his twenty-sixth birthday at the time of conviction, if, after taking into consideration the previous record of the defendant as to delinquency or criminal experience, his social background, capabilities, mental and physical health, and such other factors as may be considered pertinent, the court finds that there are reasonable grounds to believe that the defendant will benefit from the treatment provided under the Federal Youth Corrections Act (18 U.S.C., chap. 402) sentence may be imposed pursuant to the provisions of such Act.

"§ 4222. Warrants to retake Canal Zone parole violators

"An officer of a Federal penal or correctional institution, or a Federal officer authorized to serve criminal process within the United States, to whom a warrant issued by the Governor of the Canal Zone for the retaking of a parole violator is delivered, shall execute the warrant by taking the prisoner and holding him for delivery to a representative of the Governor of the Canal Zone for return to the Canal Zone.

"§ 4223. Report

"The Board of Parole shall investigate the services provided to paroled prisoners and shall submit to Congress an annual report which shall include recommendations for reforming the services currently provided. The initial report shall be submitted not later than twelve months after the effective date of this title.

"§ 4224. Definitions

"As used in this chapter—

"(a) The term 'prisoner' means a Federal prisoner other than a juvenile delinquent or a committed youth offender.

"(b) The term 'parole' means the legally sanctioned release of an offender from a correctional institution to the open community under temporary restrictions for the community's protection and under professional guidance and supervision directed at reintegrating him into society.

"(c) The term 'parolee' means any prisoner released on parole or deemed as if released on parole under section 4164 (relating to mandatory release)."

CONFORMING AMENDMENTS

Sec. 102. (a) (1) Section 5314, United States Code, relating to level III of the Executive Schedule, is amended by adding at the end thereof the following new item:

"(58) Chairman, United States Board of Parole." (2) Section 5108(c) (7) of title 5, relating to classification of positions at GS–16, 17, and 18, is amended to read as follows:

"(7) the Attorney General, without regard to any other provision of this section, may place a total of ten positions of warden in the Bureau of Prisons;".

(b) (1) Section 3655 of title 18, United States Code, relating to duties of probation officers, is amended by striking out "Attorney General" in the last sentence and inserting in lieu thereof "Board of Parole".

(2) Section 3006A(a) of title 18, relating to adequate representation by counsel, is amended by striking out "who is subject to revocation of parole" and inserting in lieu thereof "who is eligible for release on parole or subject to revocation of parole".

(3) Section 3006A(g) of title 18, relating to representation by counsel, is amended by striking out "subject to revocation of parole,".

(4) Section 5005 of title 18, relating to the Youth Correction Division, is amended by striking out "Attorney General" and inserting in lieu thereof "Chairman of the Board of Parole".

(5) Section 5008 of title 18, relating to officers and employees of the Youth Correction Division, is amended by striking out "Attorney General" and inserting in lieu thereof "Chairman of the Board of Parole".

(c) Section 509 of title 28, United States Code, relating to functions of Attorney General, is amended by—

(1) inserting "and" at the end of paragraph (2);

(2) striking out "and" at the end of paragraph (3); and

(3) striking out paragraph (4).

(d) Clause (B) of section 504(a) of title 29, United States Code, relating to prohibition against certain persons holding offices, is amended by striking out "of the United States Department of Justice".

EFFECTIVE DATE OF TITLE

Sec. 103. The amendments made by this title shall apply—

(a) to any person sentenced to a term of imprisonment at any time after one hundred and eighty days after the date of the enactment of this Act, and

(b) except as otherwise may be provided by rule or regulation prescribed under section 104(b), to any person—

(1) sentenced to a term of imprisonment at any time prior to the date one hundred and eighty-one days after the date of the enactment of this Act; or

(2) released on parole at any time prior to the date one hundred and eighty days after the date of the enactment of this Act.

For any purpose other than a purpose specified in the preceding provisions of this section, the effective date of this title shall be the date one hundred and eighty days after the date of the enactment of this Act.

SAVINGS PROVISIONS AND TRANSITIONAL RULES

Sec. 104. (a) Sections 4220 and 4221 of title 18, United States Code, shall not apply to any offense for which there is provided a mandatory penalty.

(b) If, by reason of any computation of (1) eligibility for parole, (2) time of entitlement to release on parole, (3) expiration of parole, or (4) parole good time, or by reason of any other circumstances, the application of any amendment made by this title to any individual referred to in section 103(b) is impracticable or does not carry out the purposes of this title, the National Board established under section 4201 of title 18, United States Code, as amended by this title, may prescribe such transitional rules and regulations for the application of the amendments made by this title to such individuals as may be fair, equitable, and consistent with the purposes of this title.

(c) Nothing in this title shall apply to, or be construed to change or affect in any way, any provision of law contained in chapter 314 of title 18, United States Code (relating to narcotic addicts).

AUTHORIZATION OF APPROPRIATIONS

Sec. 105. There are authorized to be appropriated such sums as may be necessary to carry out the purposes of this title.

Section-by-Section Analysis of the Parole Reorganization and Reform Act of 1973

Sec. 101: Amends Chapter 311 of Title 18 as follows:

Section 4201. *Board of Parole; members; terms of office.*

This section establishes the Board of Parole as an independent agency consisting of a nine member "National Board" and four "Regional Boards" of three members each. The Board, whose members are appointed by the President for six-year terms, must be broadly representative of persons who have had extensive experience in corrections, such as former parolees, correctional officers, and behavioral scientists.

Section 4202. *Authority of the Board of Parole.*

This section authorizes individual Board members to take any action which their respective Boards are authorized to take. Regional Boards are given the authority to conduct parole determination and parole revocation and modification hearings.

Section 4203. *Administrative powers of the Board of Parole.*

This section sets out the administrative powers of the Board of Parole, such as the authority to hire personnel, to utilize the services of other agencies, to prescribe necessary rules and regulations, and to enter into contracts. National Board is authorized to request the services of probation officers and "other individuals, organizations, and public or private agencies" to perform duties with respect to parolees. An average daily caseload limit of 50 is placed on individual probation officers or other caseworkers, thereby ensuring that parolees are given adequate supervision. This section also gives the Board of Parole subpoena power.

Section 4204. *Time of eligibility for release on parole.*

(a) This subsection retains the existing law which states that when a prisoner is serving a definite term of more than 180 days, he shall be eligible for parole after serving one-third of his sentence, or 15 years of a life sentence or of a sentence of over 45 years. A provision added, however, which would enable a sentencing judge or sentencing jury to specify that persons convicted of murders which are accompanied by certain aggravating circumstances be sentenced to prison with no possibility of parole.

(b) (1) This subsection establishes that any prisoner whose eligibility for release is fixed by the court at the time of sentencing shall be eligible as so provided by the court.

(b) (2) This subsection sets eligibility for parole, in cases where the court has set eligibility date as being "at any time," as being no less than 90 days after the day of imprisonment, or on such earlier date as the Board may determine.

(c) This subsection provides that any prisoners not covered by the above subsections, including any reparolee, shall be eligible for parole within 90 days of his imprisonment.

Section 4205. *Release on Parole.*

This section establishes that the Regional Board shall release a prisoner on parole unless it determines that there is substantial reason to believe that the prisoner will engage in further criminal conduct, or that the prisoner will not conform to such conditions of parole as may be established under section 4212.

Section 4206. *Certain prisoners ineligible for parole.*

This section provides that no prisoner who is ineligible for parole under any other provision of law shall be rendered eligible by the operation of this chapter.

Section 4207. *Factors taken into account in parole determination.*

This section specifically sets out factors which the Regional Board shall take into account in determining whether to release a prisoner. These factors include: the prisoner's family status; his vocational and educational training; his conduct during his term of imprisonment; and the availability of community resources to assist him.

Section 4208. *Information considered by the Regional Board.*

This section lists the sources of information which the Regional Board shall consider in making the parole determination. These sources include reports prepared by institutional case workers, official reports of the prisoner's prior criminal record, and reports of physical, mental, or psychiatric examinations of the offender.

Section 4209. *Parole determination hearing; time.*

This section requires the Regional Board to hold a parole determination hearing no later than 60 days prior to the date on which the prisoner becomes eligible for parole. This section also provides that if parole is denied at the initial hearing, a second hearing must be held within two years. If release is denied at the second hearing, subsequent hearings must be held at least every two years.

Section 4210. *Setting release date.*

This section establishes that the Regional Board must set a release date within one year following the parole release determination.

Section 4211. *Procedure of parole determination hearing.*

This section sets out the procedural requirements of a parole determination hearing, as follows:

(a) written notice of time and place of hearing;

(b) accessibility to any file or report or other document to be used by the Regional Board;

(c) consultation by the prisoner with any person prior to the hearing;

(d) representation by an attorney, or other qualified person;

(e) personal appearance and testimony by the prisoner;

(f) maintenance of full and complete record;

(g) notification of the prisoner within 14 days of the determination; and, in the case of a denial, notification of the particular grounds for the denial.

Section 4212. *Conditions of Parole.*

(a) This subsection provides that the Regional Board shall impose such conditions of parole "as it deems reasonably necessary to insure that the parolee will lead a law-abiding life or to assist him in doing so." In addition, the Regional Board may require that the parolee be assigned to either a Federal, State or private community service center.

(b) This subsection sets forth considerations the Regional Board shall make in imposing conditions of parole, such as making the conditions sufficiently specific to serve as a guide to supervision and conduct.

(c) This subsection requires that the parolee be given a certificate setting forth the conditions of his parole.

Section 4213. *Period of Parole.*

This section provides that the period of parole shall end upon the expiration of the maximum term for which the parolee was sentenced, reduced by good time parole deductions.

At the discretion of the sentencing authority, the parole period may run concurrently with any period of imprisonment, parole, or probation under any other Federal, State, or local sentence. In the case of a parolee who has intentionally failed or refused to respond to any order, request, or warrant of the Board of Parole, the period of time to be served on parole shall be extended for such period as the parolee so refused or failed to respond.

Section 4214. *Parole good time.*

This section authorizes reduction in parole for those who observe all the conditions of their parole, and establishes a schedule for parole reduction. It further provides that good time may be forfeited or withheld only if the Regional Board finds a condition violation after a hearing. The Regional Board is authorized to restore any good time which has been forfeited.

Section 4215. *Discharge from parole.*

(a) This subsection provides that the Board of Parole may terminate parole or alter the parole conditions of any parolee who has served one year of parole.

(b) This subsection requires the automatic termination of parole at the expiration of the period of time to be served on parole.

(c) This subsection requires that the Board of Parole issue a certificate of termination.

Section 4216. *Aliens.*

This section provides that alien prisoners, subject to deportation may be deported as a condition of parole.

Section 4217. *Time for revocation of parole; period of reimprisonment; retaking parolee.*

(a) This subsection provides that the Regional Board may revoke parole under section 4218 (e) or (f) at any time prior to the expiration of the parole period unless a request for postponement is approved.

(b) This subsection stipulates that no parole revocation order issued under section 4218(e) or (f) shall apply for any period longer than the period of time to be served on parole unless there was a postponement.

(c) This subsection authorizes the Regional Board to issue warrants or orders when any parolee is believed to have violated a condition of his parole.

(d) This subsection requires the approval of at least two members of the Regional Board for the issuance of a warrant.

(e) This subsection authorizes any Federal officer who is empowered to serve criminal process to execute such a warrant.

(f) This subsection provides for a preliminary hearing, and authorizes imprisonment only after a Regional Board determination of substantial reason to believe that the parolee will not appear for his parole revocation hearing.

Section 4218. *Parole revocation and modification hearing.*

(a) This subsection provides for a hearing for those whose parole is being modified or revoked for a non-criminal violation of their parole conditions.

(b) This subsection allows necessary modification of the conditions of parole when a revocation hearing is pending.

(c) This subsection sets forth the revocation notification procedure. Written notice is required.

(d) This subsection sets forth hearing procedures, such as representation by an attorney, discovery, subpoena power for the parolee, and maintenance of a full record of the hearing.

(e) This subsection enumerates the sanctions which the Regional Board may impose on a parolee when it finds substantial reason to believe he has violated a condition of his parole. The Regional Board is required to inform the parolee of the reasons for their finding.

(f) This subsection provides that when a parolee is charged with a criminal offense no hearing need be held. Conviction shall constitute prima facie evidence of the violation of the conditions of parole.

Section 4219. Appeals to the National Board.

(a) This subsection provides a written appeal procedure for those whose parole is revoked or who are subject to an order for loss of good time or for assignment to a community service center. The appeal provided by this section is to be considered by no less than three members of the National Board.

(b) This subsection provides for a written appeal procedure for those prisoners who are denied release under section 4205, those who receive conditions of parole under section 4212, or who are subject to an order issued under sections 4218(e)(3) or 4218(e)(4). Both subsections require that the National Board shall inform the prisoner or parolee of its decision and the reasons therefor in writing.

Section 4220. *Fixing eligibility for parole at time of sentencing.*

(a) This subsection sets forth the alternatives a sentencing court may use in fixing time of eligibility for parole.

(b) This subsection allows the commitment of a defendant for three months for pre-sentence study.

(c) This subsection stipulates that all prisoners be studied upon commitment and that a report be furnished to the Board of Parole. This report would include the prisoner's history and other such factors and recommendations as may be considered pertinent. It further empowers the Board of Parole to require information concerning the prisoner from Government bureaus and agencies.

Section 4221. *Young adult offenders.*

This section retains the present law regarding sentencing of youth offenders under the Youth Corrections Act.

Section 4222. *Warrants to retake Canal Zone violators.*

This section sets out procedures for the issuance and execution of warrants to retake Canal Zone parole violators.

Section 4223. *Report.*

This section requires that the Board of Parole investigate parole services and report annually to Congress its recommendations for improving services.

Section 4224. *Definitions.*

This section sets forth definitions of terms used in this chapter.

Section 102. *Conforming amendments.*

The only substantive change appears in subsection (2), which amends the Criminal Justice Act to provide for appointment of attorneys not only at parole revocation hearings, but also at release hearings.

Section 103. *Effective date of title.*

This section provides generally that the bill shall take effect 180 days after enactment.

Section 104. *Savings provisions and transitional rules.*

This section provides that whenever the application of the effective date provisions is impracticable, the National Board can prescribe necessary and equitable rules and regulations. The bill does not apply to the Narcotics Addict Rehabilitation Act.

By Mr. BAYH (for himself, Mr. BROOKE, Mr. ABOUREZK, and Mr. CLARK):

S. 1766. A bill to require periodical financial disclosure by officers and certain employees of the Federal Government, to establish criminal penalties for unfair campaign practices, to strengthen Presidential campaign financing laws, to amend the Federal Election Campaign Act of 1971, and for other purposes. Referred to the Committee on Rules and Administration.

CAMPAIGN AND ELECTION REFORM ACT OF 1973

Mr. BAYH. Mr. President, I have long been concerned with the growing public cynicism and loss of confidence in Government. More than 2½ years ago I introduced two bills aimed at establishing new standards of conduct for public officials, the Judicial Disqualification Act and the Omnibus Disclosure Act. Both were outgrowths of lessons learned during the debates over the qualifications of Supreme Court nominees.

Day after day banner headlines furnish new disclosures which continue to undermine the already shaky faith of our citizens in their Government in general, and which erode public confidence in the integrity of public officials and the electoral process in particular. The callous subversion of the political process represented by the Watergate affairs is a national tragedy of major proportions.

Too many good Americans believe the tactics of Watergate are business as usual in the political and governmental process. Bugging, burglary, bribery, and perjury are not acceptable in the political process. It is a national tragedy that such acts are accepted and associated as part of the political process in the public mind today.

I believe we in the legislative branch have an obligation to act quickly to help restore and assure faith in the integrity of all branches of our Government, our electoral process and our public officials by strengthening our laws in a manner designed to prevent recurrence of this tragedy.

I recognize that the Senate Select Committee on Presidential Campaign Practices, chaired by Senator ERVIN, has been charged not only with investigating the Watergate and associated wrongdoing, but with developing appropriate legislative remedies. However, even as the investigation continues, certain lessons have already become obvious. The need for appropriate legislation in several specific areas is already clear.

It is essential that while we await the outcome of the select committee investigation and its comprehensive recommendations for new legislation, we move forward to address those weaknesses in the law which are already apparent.

Therefore, I am today introducing a bill, the Campaign and Election Reform Act of 1973, designed to correct several specific deficiencies in current law.

The bill provides for uniform personal financial disclosure reports by all employees of the Federal Government whether in the executive, legislative or judicial branches, who have incomes of over $18,000 per year. If there are conflicts of interest, the public has a right to know.

It amends the Federal criminal laws to make it a crime for a candidate or a political party or their agent to falsely represent themselves as speaking for or acting for another candidate of political party. And it makes burglary, trespassing, and extortion Federal offenses when carried out by one candidate or party or agent thereof against another candidate or party.

This bill deals with the tremendous cost of Presidential campaigns and the problems and temptations of political fund raising.

It modifies the Presidential Election Campaign Fund Act of 1971 to increase the amount an individual can check off on his income tax for the Presidential campaign fund from $1 to $2. Furthermore, it limits total campaign spending by Presidential candidates or their parties to the greatest amount allocated from public funds to any candidate.

It changes the criminal penalties for violation of campaign reporting requirements from misdemeanors to felonies in cases where violations exceed $5,000.

And finally, it provides a procedure for the appointment of a special prosecutor by the Comptroller General when necessary to insure speedy and full prosecution of campaign reporting violations.

This bill is intended to establish new standards, new rules, and procedures to insure that future Federal elections will be as free as possible of the abuses such as those which lead to and where specifically involved in the Watergate affair. In his televised speech on Monday evening President Nixon indicated that such new standards, rules, and procedures are his goal. I hope he will give his support to this legislation.

The national tragedy we refer to as Watergate came about as the result of zealotry. No legislation can possibly provide an absolute assurance that imperfect and zealous men will not engage in illegal and unethical activity intended to corrupt the electoral process. But insofar as it is possible to do so, this bill serves to deter such activities and to insure justice.

Title I of this legislative proposal, the omnibus disclosure section, is designed to impose uniform financial disclosure requirements upon all employees and officers of the three branches of our Government who earn in excess of $18,000 per year. This title represents a reintroduction of a bill which I introduced in May 1971 and is, I believe, a crucial part of the effort to bring about increased confidence in public officials. It is designed to make full and complete reports available to any interested member of the general public at a convenient and easily accessible place. Under its provisions all Federal employees and officers earning over $18,000 must file with the Comptroller General of the United States by May 1 of each year the following information: First, the identity and value of interests in real or personal property worth more than $500; second, creditors to whom more than $1,000 is owed and the amount of each such debt; third, dealings in securities or commodities; fourth, transactions in real property; fifth, gifts of more than $100; sixth, the amount and source of each contribution to defray campaign or office expenses; and seventh, except in the case of nonincumbent candidates, the identity of each client who pays more than $1,000 to a law firm with which an individual obligated under the act is associated.

Title II contains a series of new Federal criminal statutes which would make certain actions by political parties and candidates for Federal office or any person or group acting as their agent a crime against the United States. For example, a political party or candidate or their agent who fraudulently represents himself as speaking or acting on behalf of another candidate or political party where the effect is to damage that candidate or party in a material way would violate title II. In addition, the common law crimes of burglary, criminal trespass, and extortion are made Federal crimes when they are committed by one candidate or political party or their agents against another candidate or party. Although these are, of course, presently criminal offenses in all our States and the District of Columbia, in my view recent events strongly suggest that our electoral process may well need the added protection of making such acts a Federal offense so that if we are confronted with a situation where a series of such crimes are committed in various places around the country, they can be investigated by a single agency and prosecuted efficiently.

Title III is designed to strengthen the provisions of the Internal Revenue Code which permit each taxpayer to indicate that he wants to direct certain amounts of his Federal income tax to finance Presidential election campaigns. This bill contains four substantive provisions designed to accomplish this goal. First it would raise the amount of the checkoff provision from its present $1 per person to $2—or $4 for each married couple filing a joint return. Second, it would require that the taxpayer be adequately informed about the existence of the checkoff provision and the fact that it will not increase his tax liability. My friend from Minnesota (Mr. MONDALE) has already introduced a bill (S. 109) designed to accomplish this purpose which I have cosponsored. The provision in my bill, however, goes one step further requiring that specific language be put on the first page of individual income tax forms permitting the checkoff and stating that to take advantage of the option will not increase a citizen's tax liability. The third provision of this title is designed to remove a potential barrier to the proper operation of the fund; the fact that no moneys accumulated under the checkoff plan could be spent without further appropriations by the Congress. My bill would, as did the Senate version of the bill, make such appropriations from moneys accumulated by the checkoff automatic. Finally, and most importantly, under the bill, no Presidential candidate could spend an amount which exceeded that allocated to the candidate receiving the largest amount under the checkoff system, whether he chose to receive funds from the Presidential campaign fund or not. The effect of this section would be to limit the amount that could be spent on Presidential campaigns, and make all or the bulk of the money come from public revenues—thus eliminating or sharply reducing the role that private special interests play in national political campaigns.

Finally, title IV is aimed at strengthening the reporting provisions contained in the Federal Election Campaign Act of 1971. Such provisions are needed, in my view, in light of recent events which strongly suggest that the 1971 act has not been effective. Under this title, the penalties for violating the act would be increased from their present level of a

$1,000 fine and a year's imprisonment to a fine of up to $50,000 and up to 5 years imprisonment, in cases where the violations exceed $5,000 in a 12-month period. Second, the bill would provide for the use of civil fines of up to three times the amount involved in each violation. The desirability of civil fines as an enforcement tool has been strongly suggested by the Director of the Office of Federal Elections in recent testimony before Senator Pell's subcommittee. Finally, title IV addresses an enforcement problem which current events suggest constitute a serious weakness in the act. If the Comptroller General determines that violations which have been referred to law enforcement authorities under the statute are not being promptly and properly investigated and prosecuted, he is empowered to name a special prosecutor who will have full authority to investigate the violations and to present such evidence to the courts in either criminal or civil proceedings.

Consistent with the introduction of this bill, earlier this week I cosponsored S. 1103, a bill proposed by Senator Hart, which provides for a system of public funding of congressional elections.

I believe a system of public funding such as that contained in S. 1103 and in the bill I am introducing today goes a long way toward correcting abuses which are encouraged by present campaign financing practices.

I recognize that some will consider the public financial disclosure provisions of my bill to be an unwarranted invasion of personal privacy. However, I am convinced that the loss of privacy in this particular area is a small price to pay for the increased public confidence in Government which will result.

Because of my concern about the erosion of public confidence in Government and in the integrity of public officials, I have made a full public disclosure of my assets and liabilities each year for the past 3 years. Although they are not required by current law, I have made these public financial disclosures and will continue to do so in order to indicate my good faith and my concern for the need of the voters to have access to detailed information on the financial affairs of Members of the House and the Senate.

Today, I have taken the additional step of requiring members of my staff who earn in excess of $18,000 per year to file full and complete financial disclosures with the Secretary of the Senate and to authorize public access to such disclosures.

I ask unanimous consent that the text of the bill and a section-by-section analysis be printed in the Record at this point.

There being no objection, the bill and analysis were ordered to be printed in the Record, as follows:

S. 1766

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Campaign and Election Reform Act of 1973".

TITLE I—OMNIBUS DISCLOSURE

DEFINITIONS

Sec. 101. As used in this Act—

(1) The term "Federal officer or employee" means any Member of Congress, congressional employee, Federal executive officer, Federal executive employee, candidate, Federal judicial officer, or Federal judicial employee.

(2) The term "Member of Congress" means any Member or Member-elect of the Senate or House of Representatives, and each Resident Commissioner or Resident Commissioner-elect of the House of Representatives.

(3) The term "congressional employee" means any individual (other than a Member of Congress) who is an elected officer of the Senate or House of Representatives or an employee of the Vice President, the Congress, either House of the Congress, or any Member of any committee of the Congress, and who receives compensation disbursed by the Secretary of the Senate or the Clerk of the House of Representatives at the rate of $18,000 or more per annum.

(4) The term "Federal executive officer" means the President of the United States, the Vice President of the United States, any civilian officer of the United States (other than a Federal judicial officer) appointed by the President by and with the advice and consent of the Senate or serving under a recess appointment made by the President, and any commissioned officer of any of the Armed Forces serving on active duty for a period of more than thirty days (as such terms are defined by section 101, title 10, United States Code) who receives basic pay at the rate of $18,000 or more per annum.

(5) The term "Federal executive employee" means any civilian officer or employee of any executive or military department, agency, or office of the United States, or any independent agency, corporation, or other instrumentality of the United States, who receives compensation disbursed by the United States, or by such department, agency, office, corporation, or other instrumentality, at the rate of $18,000 or more per annum and who is not included within any of the classes of individuals described in paragraphs (2), (3), (4), (7), and (8) of this section.

(6) The term "candidate" means any individual who has voluntarily qualified as a candidate in any primary election to be conducted within any State for nomination as a candidate for election as the President of the United States, the Vice President of the United States, or a Member of Congress, or who has qualified as a candidate in any general or sepecial election to be conducted within any State for election to any such position.

(7) The term "Federal judicial officer" means any justice or judge of a court of the United States (as defined by section 451, title 28, United States Code), the Tax Court of the United States, the United States Court of Military Appeals, the United States District Court for the District of Canal Zone, the District Court of the Virgin Islands, or the District Court of Guam, and any full-time United States magistrate.

(8) The term "Federal judicial employee" means any officer or employee of any court named in paragraph (7) other than a justice or judge of that court, and any officer or employee of the Administrative Office of the United States Courts, who receives from appropriated funds of the United States compensation at the rate of $18,000 or more per annum.

(9) The term "income" means each item of income from whatever source, whether or not taken into account for purposes of computing the tax imposed by chapter 1 of the Internal Revenue Code of 1954.

(10) The term "security" means any security as defined in section 2 of the Securities Act of 1933, as amended (15 U.S.C. 77b).

(11) The term "commodity" means any commodity as defined in section 2 of the Commodity Exchange Act, as amended (7 U.S.C. 2).

(12) The term "dealing in securities or commodities" means any acquisition, holding, withholding, use, transfer, disposition, or other transaction involving any security or commodity.

(13) The term "political campaign expense" means a purchase, payment, distribution, loan, advance, deposit, or gift of money or anything of value, made for the purpose of influencing the nomination for election, or election, of any candidate.

(14) The term "congressional office expense", when used with respect to a Member of Congress, includes but is not limited to, expense incurred by such Member for any of the following objects: travel to, from, and within the State or congressional district of the Member; printing and other expenses in connection with the mailing of speeches, newsletters, and reports to constituents of the Member; expenses of radio, television, and news media methods of reporting to constituents of the Member; telephone, telegraph, postage, and stationery expenses in excess of allowances provided by law; subscriptions to newspapers and other periodicals published within the State or congressional district of the Member; and staff compensation and travel in excess of allowances provided by law.

FINANCIAL DISCLOSURE REQUIREMENT

Sec. 102. (a) On or before May 1 of each calendar year, each individual who has served at any time during the preceding calendar year as a Federal officer or employee other than a candidate shall file with the Comptroller General a financial disclosure report, conforming to the requirements of this Act, for such preceding year.

(b) Within thirty days after the date on which any individual, not otherwise a Federal officer or employee, becomes a candidate, such individual shall file with the Comptroller General a financial disclosure report, conforming to the requirements of this Act, for the calendar year preceding the date on which he became a candidate.

(c) Service rendered by an individual as a congressional employee, Federal executive employee, or Federal judicial employee for a period not exceeding thirty days in the aggregate during any calendar year shall not be considered to be such service during that year for the purposes of this section.

(d) No individual shall be required by this section to file more than one financial disclosure report for any calendar year.

CONTENTS OF REPORTS

Sec. 103. (a) Each financial disclosure report required to be filed by any individual under this Act for any calendar year shall contain a full and complete statement of—

(1) the identity and value of each interest in real or personal property having a value in excess of $500 of which such individual was the owner at any time during that year;

(2) the identity of each creditor to whom such individual at any time during that year owed one or more legally enforceable financial obligations aggregating $1,000 or more, and the nature and amount of each such obligation;

(3) the value and source of each item of income, including honoraria, and each item of reimbursement for expenditure other than the exact cost of transportation, exceeding $100 in value received by such individual during that year;

(4) each dealing in securities or commodities by such individual during that year;

(5) each purchase and sale of real property or any interest therein by such individual during that year;

(6) the nature, source, and value of each gift of money or property received by such individual during that year from each source, other than his parents, spouse, and children, from whom such individual during that year received one or more such gifts having an aggregate value of $100 or more;

(7) the amount and source of each contribution received during that year by him, or to his knowledge by any other individual, political committee, or other organization or

his behalf or for his account, to defray any political campaign expense or any congressional office expense of such individual; and

(8) the identity of each client who, during that year and while such individual was a Federal officer or employee other than a candidate, paid to any law firm of which such individual is or then was a partner, or with which such individual is or then was otherwise associated professionally, one or more fees in an aggregate amount exceeding $1,000: *Provided*, That this provision shall not apply to any individual who is a Federal officer or employee solely by virtue of being a candidate.

(b) Whenever during any calendar year any individual while serving as a congressional employee receives any contribution to defray any political campaign expense or any congressional office expense on behalf of or for the account of a Member of Congress, without knowledge by such Member as to the source or amount of such contribution, such congressional employee shall file with the Comptroller General on or before May 1 of the next succeeding calendar year on behalf of such Member a financial disclosure report containing the information which such Member would have been required by subsection (a) to report if such information had been disclosed to him.

LAW FIRM CLIENTS

SEC. 104. Whenever any Federal officer or employee other than a candidate reports pursuant to paragraph (8) of section 4(a) with respect to any year the identity of any client of a law firm of which such individual is or then was a partner, or with which he is or then was otherwise associated professionally, such report shall—

(1) state whether the client so identified was a client of that firm before the date on which the individual submitting that report became a Federal officer or employee; and

(2) identify any legal or administrative action or proceeding in which the United States or any department or agency thereof was an interested party and with regard to which that client was represented by that firm during that year.

ATTRIBUTION RULES

SEC. 105. (a) For the purposes of this Act, there shall be attributed to any individual required to file a financial disclosure report the assets, liabilities, receipts, and transactions of, and gifts to—

(1) any person acting on behalf of or for the account of such individual;

(2) the spouse and minor children of such individual;

(3) any corporation of which such individual owns 50 per centum or more of the outstanding capital stock;

(4) a share of any partnership of which such individual is a partner, or with which he is associated, determined in accordance with the extent of his partnership or other interest therein;

(5) any revocable trust of which such individual was a settler; and

(6) a share of any trust or estate of which such individual is a beneficiary, determined in accordance with the present actual or actuarial value of his beneficial interest therein.

(b) Paragraph (5) and paragraph (6) of subsection (a) shall not require the disclosure by any individual of any information which he does not possess and which he is precluded by the terms of a trust from acquiring.

FORMS AND REGULATIONS

SEC. 106. The Comptroller General shall prepare and supply to individuals obligated by this Act to file financial disclosure reports, appropriate forms for such reports, and shall prescribe regulations governing the preparation of such reports. Such regulations shall (1) specify the detail in which each category of information shall be stated in financial disclosure reports filed under this Act, (2) specify the method by which the value of property and interests therein shall be ascertained for the purposes of this Act, and (3) contain such other requirements as the Comptroller General may determine to be necessary to carry out the purposes of this Act.

PUBLIC INSPECTION OF REPORTS

SEC. 107. (a) Each financial disclosure report filed under this Act shall be placed in a file which shall be established by the General Accounting Office. The Comptroller General shall prepare an appropriate index to that file to facilitate the identification of and access to all reports filed by or on behalf of each individual which are contained at any time in that file.

(b) Except as otherwise provided by this subsection, each such report so filed by or on behalf of any individual who is serving as a Federal officer or employee at the time of the filing of that report shall be maintained in such file as long as such individual serves continuously as a Federal officer or employee, and for five years after the end of such service. Each such report filed by any individual who is a candidate, or who is not a Federal officer or employee at the time of the filing of that report, shall be maintained in such file for a period of five years after the date on which that report is filed.

(c) Under such reasonable regulations as the Comptroller General shall prescribe, reports contained in that file and the index thereto shall be made available for inspection by members of the public during business hours of the General Accounting Office.

(d) The Comptroller General shall furnish to the Attorney General upon request a true and correct copy of any financial disclosure report contained in that file.

PENALTY

SEC. 108. Whoever, being an individual required by this Act to file any financial disclosure report—

(1) willfully fails to file such report within the period of time prescribed by this Act;

(2) files any such report containing any information which is false or misleading, with knowledge or with reason to believe that such information is false or misleading; or

(3) files any such report from which there has been omitted any information required by this Act or by regulations promulgated thereunder to be contained therein, with intent to conceal such information,

shall be fined not more than $20,000, or imprisoned not more than five years, or both.

CONGRESSIONAL RULES

SEC. 109. (a) This section is enacted by the Congress:

(1) As an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and this section shall supersede other rules of each such House only to the extent that it is inconsistent therewith; and

(2) With full recognition of the constitutional right of either House to change the provisions of this section (so far as relating to such House) at any time, in the same manner, and to the same extent as in the case of any other rule of such House.

(b) Rule XLIV of the Standing Rules of the Senate and rule XLIV of the Rules of the House of Representatives are hereby repealed.

EFFECTIVE DATE

SEC. 110. This Act shall take effect on the first day of the second calendar year beginning after the date of enactment of this Act.

TITLE II—CRIMINAL PENALTIES FOR UNFAIR CAMPAIGN PRACTICES

SECTION 201. Definitions—(a) The term "candidate" means any individual who has voluntarily qualified as a candidate in any primary election to be conducted within any State for nomination as a candidate for election as the President of the United States, the Vice President of the United States, or a Member of Congress, or who has qualified as a candidate in any general or special election to be conducted within any State for election to any such position.

(b) The term "political party" means—

(1) a political party;

(2) a National, State, or local committee of a political party; or

(3) a committee, association, or organization, whether incorporated or not, which directly or indirectly accepts contributions (as defined in Section 271(*b*)(*2*) of Title 26 of the United States Code) or makes expenditures (as defined in Section 271(b)(C) of Title 26, United States Code) for the purpose of influencing or attempting to influence the selection, nomination, or election of any individual to any Federal office, or the election of presidential and vice presidential electors, whether or not such individual or electors are selected, nominated, or elected.

SEC. 202. Whoever, being a candidate as defined by this section for federal office, or an employee or agent of such a candidate,

(a) fraudulently misrepresents himself or any committee or organization under his control as speaking or writing or otherwise acting for or on behalf of any other candidate or political party or employee or agent thereof on a material matter which is or may be damaging to such other candidate or political party or employee or agent thereof; or

(b) willfully and knowingly participates in or conspires to participate in any plan, scheme, or design to violate paragraph (a) hereof, shall, for each such offense, be fined not more than $50,000 or imprisoned not more than five years or both.

SEC. 203. A candidate or political party as herein defined or any agent or organization under the control of or acting at the direction of such candidate or political party who shall, either in the nighttime or in the daytime, break and enter, or enter without breaking, any office, dwelling, or other building owned, used, or occupied by any candidate or political party with the intent to break and carry away any part thereof, or any fixture or other thing attached to or connected thereto, shall be fined not more than $50,000 or imprisoned not more than five years or both.

SEC. 204. A candidate or political party as herein defined or any agent or organization under the control of or acting on behalf of and at the direction of such candidate or political party who, without lawful authority, shall enter, or attempt to enter, any public or private dwelling, building or other property owned, used, or occupied by any candidate or political party as defined in this section, or part of such dwelling, building or other property, against the will of the lawful occupant or of the person lawfully in charge thereof, or being therein or thereon shall refuse to quit the same on the demand of the lawful occupant, or of the person lawfully in charge thereof, shall be punished by a fine not exceeding $50,000 or imprisoned not more than one year or both.

SEC. 205. A candidate or political party as herein defined or any agent or organization under the control of or acting at the direction of such candidate or political party who, with intent to extort any money or other thing or value from any candidate or political party as defined in this section transmits any communication containing any threat to injure the property or reputation of the recipient of the communication or of another or any threat to accuse the recipient of the communication or any other person of a crime, shall be fined not more than $50,000 or imprisoned not more than one year, or both.

TITLE III—STRENGTHENING PRESIDENTIAL CAMPAIGN FINANCING LAWS

SECTION 301. Section 6096(a) of the Internal Revenue Code of 1954 is amended by striking out "$1" wherever it appears and inserting in lieu thereof "$2", and by striking out "$2" wherever it appears and inserting in lieu thereof "$4".

SEC. 302. The first page of an individual's income tax form shall contain in a prominent place the necessary form for an individual to make the designation provided for in section 6096(a) of the Internal Revenue Code of 1954, together with the following statement in bold type: "Designating that $2 (or $4 for a husband and wife filing jointly) shall be paid over to the Presidential Election Campaign Fund will not increase your tax liability."

SEC. 303. (a) Notwithstanding any other provision of law, no legally qualified candidate in an election (other than a primary election) for the office of President of the United States shall spend for the purposes of such election an amount in excess of the greatest amount to which the eligible candidates of a major party are entitled under section 9004(a)(1) of the Internal Revenue Code of 1954 in that election, regardless of the source of the funds used for such expenses.

(b) For purposes of subsection (a) any expenditure made by the agent of a candidate, a political committee registered under section 303 of the Federal Election Campaign Act of 1971 whose statement of organization sets forth the name of the candidate, by any person authorized in writing by the candidate to make that expenditure, or otherwise made on behalf of that candidate with his knowledge, shall be considered to have been made by that candidate.

(c) Willful violation of the provisions of subsection (a) is punishable by a fine of not to exceed $50,000, imprisonment for not to exceed 5 years, or both.

SEC. *304.* Section 9006(a) of the Internal Revenue Code of 1954 is amended by—

(1) inserting after the second sentence thereof the following: "There are hereby appropriated to the fund each fiscal year, out of any moneys in the Treasury not otherwise appropriated, an amount equal to the sum of the amounts designated during the fiscal year by individuals under section 6096 of the Internal Revenue Code of 1954 for payment into the fund.", and

(2) striking out ", as provided by appropriation Act," in the last sentence thereof.

TITLE IV—TO AMEND THE FEDERAL ELECTION CAMPAIGN ACT OF 1971

SECTION 401(a) Section 311 of the Federal Election Campaign Act of 1971 is amended to read as follows:

"(a) Any person who violates any of the provisions of this subchapter where the amount of such violations totals more than $5,000 during any twelve month period shall be fined not more than $50,000 or imprisoned not more than five years, or both.

"(b) Any person who violates any of the provisions of this subchapter where the amount involved in such violations totals less than $5,000 during any twelve month period shall be fined not more than $1,000 or imprisoned not more than one year, or both.

"(c) Any person determined under section 308(d)(1) or in any other proceeding before a district court of the United States to have violated any provision of this title shall be subject to a civil penalty not to exceed three times the amount involved in such violation."

SEC. 402. (a) Section 308 of the Federal Election Campaign Act of 1971 is amended by adding at the end thereof the following new subsection:

"(e) A copy of a referral made by the supervisory officer other than the Comptroller General to a law enforcement agency pursuant to section 308(a)(12) of this Act shall be furnished to the Comptroller General by that supervisory officer within 24 hours of such referral."

(b) Title III of such Act is amended by adding at the end thereof the following new section:

"SPECIAL PROSECUTIONS"

"SEC. 312. (a) Whenever the Comptroller General determines that violations referred to Federal law enforcement authorities under section 308 are not being promptly and properly investigated and prosecuted, he is authorized to appoint, under section 3109 of title 5, United States Code, one or more special prosecutors for the purpose of investigating such violations and presenting them to the appropriate Federal grand jury for consideration, or, in the case of civil fines, to the appropriate Federal District Court.

"(b) Notwithstanding the provisions of section 516 of title 28, United States Code, any individual appointed as a special prosecutor under subsection (a) may prosecute for any violation of the provisions of this title in the district in which the defendant indicted for such violation may be tried."

SECTION-BY-SECTION ANALYSIS OF THE CAMPAIGN AND ELECTION REFORM ACT OF 1973

TITLE I—OMNIBUS DISCLOSURE

Definitions

Section 101—This section defines fourteen terms which are used in the act.

Financial disclosure requirement

Section 102—This section requires members of all three branches of government to file a financial disclosure report with the Comptroller General on or before May 1 of each year. This disclosure requirement applies to all Federal judges and justices, the President and Vice President and all Members of Congress. The provision also applies to Federal officials and to those employees of Members of Congress, Congress itself, the judiciary, and the executive branch who receive more than $18,000 a year and have served for more than 30 days. Candidates for Congress, the presidency and vice-presidency are also required to file disclosure reports within 30 days of becoming a candidate.

Contents of reports

Section 103—The disclosure reports required must contain the following information: (1) the identity and value of interests in real or personal property worth more than $500, (2) creditors to whom more than $1,000 is owed and the amount of each such debt, (3) sources and amount of income greater than $100, (4) dealings in securities or commodities, (5) transactions in real property, (6) nature, source and value of each nonfamily gift of more than $100, (7) the amount and source of each contribution to defray campaign or office expenses, and (8) except in the case of nonincumbent candidates, the identity of each client who pays more than $1,000 to a law firm with which an individual obligated under the act is associated.

Law firm clients

Section 104—Those who list law firm clients under section 103 must state whether the client sought the services of the individual's law firm before or after he entered government. The individual must also list any administrative or judicial action in which the United States was a party and in which the client was represented by that firm.

Attribution rules

Section 105—This section attributes to any individual required to file under section 102 the assets, liabilities, receipts, transaction and gifts of (1) any person acting on the individual's behalf, (2) his immediate family, (3) any corporation of which he owns more than one half of the stock, (4) a proportional share of any partnership of which he is a partner, and (5) certain trusts and estates depending on his knowledge and interest.

Forms and regulations

Section 106—The Comptroller General shall supply forms for reports required under the act and shall prescribe regulations governing the preparation of such reports.

Public inspection of reports

Section 107—The General Accounting Office shall keep a file of financial disclosure reports, open to public inspection for a period of five years after each individual leaves government service.

Penalty

Section 108—Any individual who fails to file within the time period, files false or misleading information or omits information is subject to a $20,000 fine, or 5 years imprisonment or both.

Congressional rules

Section 109—Congress exercises its rule making power to repeal inconsistent rules of each house and to explicitly repeal Rule XLIV of the Standing Rules of the Senate and Rule XLIV of the Rules of the House of Representatives.

Effective date

Section 110—The act takes effect on the first day of the second calendar year after enactment.

TITLE II—CRIMINAL PENALTIES FOR UNFAIR CAMPAIGN PRACTICES

Definitions

Section 201—This section defines the terms "candidate" and "political party". Candidate is defined to include any person who had qualified, either by primary election or other method, to run for President, Vice President, or Member of Congress. The definition of political party is taken from current law.

Misrepresentation by a candidate or political party

Section 202—This section makes it a federal criminal offense for any candidate or political party or anyone acting as an agent of such candidate or party to represent themselves as speaking for or on behalf of another candidate or political party when the effect may be to damage that candidate or party in a material matter, or to conspire to engage in such misrepresentation. Violation of this section is punishable by a fine of up to $50,000 or up to one year imprisonment, or both.

Breaking and entering

Section 203—This section makes it a federal criminal offense for any candidate or party or agent of such candidate or party to commit the common law crime or burglary on any property owned or occupied by any other candidate or political party. Violation of this section is punishable by a fine of up to $50,000 or up to five years imprisonment, or both.

Criminal trespass

Section 204—This section makes it a federal criminal offense for any candidate or party or any agent acting on their behalf to commit the common law crime of criminal trespass on any property owned or occupied by any other candidate or political party. Violation of this section is punishable by a fine of up to $50,000 or up to one year imprisonment, or both.

Extortion

Section 205—This section makes it a federal criminal offense for any candidate or political party or any agent on their behalf to commit the common law crime of extortion against any other candidate or political party. Violation of this section is punishable by a fine of up to $50,000 or imprisonment of up to one year, or both.

TITLE III—STRENGTHENING PRESIDENTIAL CAMPAIGN FINANCING LAWS

Increased check-off

Section 301—This section increases the amount of his taxes that an individual can designated for the Presidential Election Campaign Fund from $1 to $2 ($2 to $4 for a joint return).

Notice of check-off

Section 302—This section provides that the first page of the individual income tax forms shall contain "in a prominent place" the form needed to make a designation of funds for the Presidential Election Campaign Fund, together with the following statement in bold type: "Designating that $2 (or $4 for a husband and wife filing jointly) shall be paid over to the Presidential Election Campaign Fund will *not* increase your tax liability."

Limits on spending in Presidential campaigns

Section 303—This section provides in subsection (a) that the amount that any legally qualified candidate for President may spend in the election campaign (not including primary campaigns) is limited to an amount equal to the greatest amount to which any candidate is eligible from the Presidential Election Campaign Fund, regardless of whether the candidate gets his money from the Fund or from private sources. Subsection (b) provides that expenditures made by an agent of a candidate, or a political committee of the candidate, or made on behalf of the candidate with his knowledge will be considered expenditures of the candidate. Subsection (b) also provides a criminal penalty of up to five years and $50,000 for willful violation of this section.

Permanent appropriations

Section 304—This section eliminates the requirement that funds be appropriated to the Presidential Election Campaign Fund before they are expended; the amount which taxpayers check-off will automatically be placed in the Fund. This restores the Senate passed version of the check-off.

TITLE IV—TO AMEND THE FEDERAL ELECTION CAMPAIGN ACT OF 1971

Increased criminal penalties

Section 401 (a) and (b)—This section increases the criminal penalties for violations of the Federal Election Campaign Act of 1971 when the amount of such violations in any twelve month period totals more than $5,000, from one year and $1,000 to five years and $50,000. For violations totaling less than $5,000 the present penalty remains in effect.

Civil penalties

Section 401(c)—This section provides for the first time for civil penalties for violation of the Federal Election Campaign Act of 1971 of up to three times the total amount of such violation.

Transmittal to the Comptroller General

Section 402(a)—This section requires that the officer who collects reports under the Federal Election Campaign Act of 1971 and who refers a violation under that Act to a law enforcement authority, to transmit a copy of such referral to the Comptroller General within 24 hours.

Special prosecutors

Section 402(b)—This section authorizes the Comptroller General, when he determines that a violation of the Federal Election Campaign Act of 1971 which he has referred to law enforcement authorities is not being promptly and properly investigated and prosecuted, to appoint a special prosecutor to investigate the violations and present them to an appropriate federal grand jury or federal court for consideration.

By Mr. CURTIS:

S. 1767. A bill to amend the Federal Water Pollution Control Act. Referred to the Committee on Public Works.

Mr. CURTIS. Mr. President, I am introducing today for appropriate reference an amendment to Public Law 92-500, the Federal Water Pollution Control Act Amendments of 1972. This act defines the term "point source" as any discernible, confined, and discrete conveyance, including, but not limited to, any pipe, ditch, channel, tunnel, conduit, well, discrete fissure, container, rolling stock, concentrated animal feeding operation, or vessel or other floating craft, from which pollutants are now or may be discharged.

It may be noted that the concentrated animal feeding operation is the only operation singled out and specifically named in the definition. This in itself is unjust discrimination and entirely unrealistic from a practical point of view. A concentrated feeding operation is not constructed for the purpose of conveying pollutants away from their source, as is the case with pipes, ditches, channels, and the like named in the definition.

Furthermore, any discharge from a feedlot results entirely from an act of nature, not from an intended act of the operator, as is the case with the discharge of pollutants from vessels, manufacturing plants, and other such operations via discernible, defined, and discrete conveyances enumerated in the point source definition.

If the feedlot operator does, in fact, install a pipe or other type of conveyance as a part of a confined feeding structure for the purpose of carrying pollutants from their source, or constructs a ditch, channel, or other such structure for the same purpose, said conveyance should indeed be considered a point source, and would be under the present definition without the inclusion of the feeding operation itself.

The point source definition, with the exception of the concentrated animal feeding operation, defines discernible, confined, and discrete conveyances for pollutants. The feeding operation does not fit in this category and is foreign to the definition. Therefore, it should be deleted.

After establishing the unjust discrimination against concentrated animal feeding operations by naming the feeding operation in the definition of point source, it seems only logical to put the water pollution potential of concentrated animal feeding operations, hereinafter called feedlots, in proper perspective. It is accurate to say that the water pollution potential from animal waste is only a fraction of the actual waste excreted by feedlot animals.

Tests have shown that a 1,000-pound steer will give off 15 to 16 times more solid waste than one human being. We emphasize, though, that we are talking about water pollution potential. All of the human waste is flushed down the drain, plus dishwater, bath water, laundry water, garbage, et cetera. A 1,000-pound steer does not "flush" anything, unless we have at least a 1-inch rain; and it may require more than 1 inch, depending upon the slope of the confined quarters and the condition of the feedlot surface. Most of the steer's solid waste stays in the lot and is hauled to agricultural land. Much of the liquid is lost through the atmosphere and the steer certainly does not take a bath, wash his clothes, or wash his dishes.

Following this setting of the scene, we should examine a few facts. According to the U.S. Department of Health, Education, and Welfare bulletin—"Manual of Septic-Tank Practice"—Public Health Service publication No. 526—reprinted 1969 on page No. 44—the following facts on human waste were found:

Table 8—Estimated distribution of sewage flows in gallons per day per person

[Gallons per day]

Kitchen wastes	10
Toilet wastes	25
Showers, washbasins, etc	25
Laundry wastes	15
Total wastes	75

We must keep in mind that this waste is derived from a one-family dwelling and does not include the waste given off from family members when they are not at home.

For comparison with animals, data has been obtained from research work at the Mead Field Laboratories of the University of Nebraska. The area of the State around Mead, Nebr., has an average rainfall of 30 inches per year. Actual runoff data shows that only about 10 inches—depending on frequency and volume—of this will leave the feedlot as runoff. Runoff of 10 inches per year would equal 10 acre-inches per year, or 271,524 gallons per year per acre. On the feedlot acre used in the test, there were 218 1,000-lb steers. The means that in the example there were 3.41 gallons of waste runoff per animal per day.

If we compare 3.41 gallons per steer per day to 75 gallons per human per day, we have a *pollution ratio* of 22 steers equal to 1 human being, which is vastly different from the ratio that is commonly quoted.

If we compare the animal waste to human waste using this new ratio, we find the 128,500 people in Lincoln, Nebr., for instance, would be equivalent to 2,827,000 head of cattle on feed, or nearly twice as many as the 1,581,000 head on feed in the entire State of Nebraska as of January 1, 1973.

Pollution is often stated in terms of BOD—biochemical oxygen demand. Using these terms, we find that 1 human being is equal to 10 steers as a pollution potential.

Again, using the work at the Mead Field Laboratories, 1 acre-inch of runoff from the feedlot contains 135.6 of BOD, or 10 inches of runoff amounts to 1,356 lbs of BOD per year for 218 head of cattle.

The daily figure would be 0.017 lbs of BOD per day per steer. Municipal sewage plants figure that they receive 0.17 lbs of BOD per capita per day, or ten times the amount for a steer.

Thus, it is easy to understand why the cattle feeder is disturbed when someone makes the statement that, in considering water pollution, 1 steer is the *equivalent* of 15 or 16 people. Such a statement is simply not true and, in fact, the ratio of steers to people is almost exactly reversed.

Referring again to the definition of point source contained in the Federal Water Pollution Control Act Amendment of 1972, we stress that it is unjustly discriminatory and grossly unrealistic to single out the concentrated animal feeding operation for inclusion in the definition.

It is equally frustrating to agricultural operators to operate under a statute which attempts to apply regulations and control procedures to agriculture when such regulations and controls are designed for business and industry. Again, we emphasize that discharge from a feedlot occurs only from an act of nature, meaning rainfall, which cannot be treated in the same manner as discharge from manufacturing plants and other such operations which result from intended acts of the operators.

By Mr. MUSKIE:

S. 1768. A bill to establish a Commission on Mental Health and Illness of the Elderly, and for other purposes. Referred to the Committee on Labor and Public Welfare.

COMMISSION ON MENTAL HEALTH AND ILLNESS OF THE ELDERLY ACT

Mr. MUSKIE. Mr. President, I introduce for appropriate reference the Commission on Mental Health and Illness of the Elderly Act.

For far too long, mental health has been the stepchild of the health care field. And this is especially so in the case of mental illness and the elderly. The bill I introduce today represents an important first step to help correct this situation.

Geriatric patients now occupy one of every five beds in our Nation's mental hospitals. And from 15 to 25 percent of elderly persons living in their own homes have some degree of mental impairment.

Yet our public policy is confused and contradictory when it comes to mental health of the elderly. Many elderly are "warehoused" in institutions when they could be returned to the community if proper services were available. Others are dumped into communities without adequate facilities and resources to assist them. Still others remain in their homes and apartments, cut off from the help they need.

The mental health problems of older Americans are made worse by misconceived negative attitudes. In a recent letter to me from Lee Muth, chairman, Representatives of State Mental Health Programs for the Aged, National Association of State Mental Health Program Directors, this point was forcefully stated:

> The mental and emotional well-being of the aged has been particularly neglected probably because "senility" is so often believed to be an inevitable and irreversible consequence of aging.

Too often there is a stereotype of the elderly mental patient who cannot be helped. As a result, the patient gets a cursory diagnosis, which is simply that treatment will not work.

Fortunately, there is solid evidence to dispel this myth. A November 1971 report of the Senate Special Committee on Aging, prepared at the direction of Senator CHURCH and myself, documents the fact that mental health problems of the elderly can often be substantially alleviated.

One survey of 49 psychiatric hospitals showed 75 percent of all elderly mental patients improved enough to go home within 2 months.

My bill provides the framework to make certain that this type of help would be more generally available. It would create a commission, appointed by the President, by and with the advice and consent of the Senate, which would formulate a unified national policy for the mental health of the elderly. The nine-member Commission would include at least one representative from the fields of psychiatry, psychology, social science, social work, and nursing.

This legislation provides for more than just another study. The main task of the Commission would be to develop a national policy in the field of mental health and the elderly. But it would also be charged with these duties:

Assessing future requirements for mental health facilities, manpower, research, and training to meet mental health care needs of the elderly;

Submitting an annual report to the President for transmittal to the Congress, describing major developments in the field of mental health and the elderly, identifying priority issues, and proposing recommendations for solving problems;

Evaluating present mental health programs to determine whether such programs are responsive to the needs of the elderly;

Developing priorities for programs designed to increase knowledge about various aspects of mental illness among older American; and

Cooperating with the executive and legislative branches to implement the policy proposals of the 1971 White House Conference on Aging.

The Commission established in this bill would be assisted by an Advisory Council on Mental Health and Illness of the Elderly, to be composed of nine members appointed by the President. This council would advise the Commission on policy matters relating to mental health and illness of the elderly.

Mr. President, as chairman of the Subcommittee on Health of the Elderly, I recently opened hearings on "Barriers to Health Care for Older Americans." Nowhere are barriers more apparent than in the area of mental health. The Commission that I propose in this bill would work toward tearing down these barriers.

This Nation can no longer afford to turn its back on the serious mental health problems of the elderly. My proposal gets us started on a national policy in this area and on solutions to these problems.

And I do not propose to keep this Commission in existence forever. Under my bill, the Commission would last for a period not to exceed 5 years and would terminate 60 days after the submission of its final report.

What we need is a concentrated attack on these problems and a strong commitment to their solution. My Commission would meet these objectives.

Mr. President, I ask unanimous consent that the text of this bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1768

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Commission on Mental Health and Illness of the Elderly Act".

ESTABLISHMENT OF COMMISSION

SEC. 2. There is hereby established a temporary commission to be known as the Commission on Mental Health and Illness of the Elderly (hereinafter called the "Commission"). Such Commission shall exist for a period not to exceed five years.

DUTIES OF THE COMMISSION

SEC. 3. It shall be the duty of the Commission to—

(1) develop a national policy for the proper maintenance of mental health for aged and aging persons and the care and treatment of mental illness for such persons;

(2) undertake studies to assess future needs for mental health facilities, manpower, research, and training to meet the mental health care needs of aged and aging persons;

(3) submit to the President for transmittal to Congress an annual report describing major developments concerning the treatment and care of elderly persons suffering from mental illness, identifying priority issues, and proposing recommendations for solving these problems;

(4) recognizing that proper physical health and proper mental health are inseparable, evaluate present mental health programs to determine whether such programs are responsive to the needs of aged and aging persons;

(5) develop priorities for programs designed to increase knowledge about various aspects of mental illness among aged and aging persons; and

(6) cooperate with the executive and legislative branches for the purpose of implementing the policy proposals recommended at the 1971 White House Conference on Aging.

ORGANIZATION OF THE COMMISSION

SEC. 4. (a) The Commission shall be composed of nine members to be appointed by the President, by and with the advice and consent of the Senate. The Commission shall include at least one member from each of the fields of psychology, psychiatry, social science, social work, and nursing. Each person so appointed shall, as a result of his training, experience, and attainment, be exceptionally qualified to formulate and appraise programs and activities related to aging.

(b) The President shall designate one of the members of the Commission to serve as Chairman and one to serve as Vice Chairman. Vacancies shall be filled in the same manner in which the original appointments were made. Any vacancy in the Commission shall not affect its powers, and five members of the Commission shall constitute a quorum.

POWERS OF THE COMMISSION

SEC. 5. To carry out the purposes of this Act, the Commission shall have the authority to—

(1) prescribe such rules and regulations as it deems necessary governing the manner of its operations and its organization personnel;

(2) obtain from any department, agency, or instrumentality of the United States, with the consent of the head thereof, such facilities, services, supplies, advice, and information as the Commission may determine to be required by it to carry out its duties;

(3) acquire by lease, loan, or gift, and to hold and dispose of by sale, lease, or loan, real and personal property of all kinds of necessary for, or resulting from, the exercise of authority under this Act;

(4) enter into contracts or other arrangements, or modifications thereof, with State and local governments, and institutions and individuals in the United States, to conduct programs the Commission deems necessary to carry out the purposes of this Act, and such contracts or other arrangements, or modifications thereof, may be entered into without legal consideration, without performance or other bonds, and without regard to section 3709 of the Revised Statutes;

(5) make advance, progress, and other payments which the Commission deems nec-

essary under this Act without regard to the provisions of section 3648 of the Revised Statutes;

(6) receive money and other property donated, bequeathed, or devised to the Commission, without condition or restriction other than that it be used for the purposes of the Commission;

(7) accept and utilize the services of voluntary and uncompensated personnel and reimburse them for travel expenses, including per diem, as authorized by section 5703 of title 5, United States Code;

(8) employ such officers and employees as may be necessary to carry out its functions under this Act; and

(9) obtain services of consultants in accordance with the provisions of section 3109 of title 5, United States Code, at rates for individuals not to exceed $100 per day for each day they are engaged in the performance of their duties to the Commission.

COMPENSATION OF COMMISSION MEMBERS

SEC. 6. (a) Section 5313 of title 5, United States Code, is amended by adding at the end thereof the following new paragraph:

"(22) Chairman, Commission on Mental Health and Illness of the Elderly.".

(b) Section 5315 of title 5, United States Code, is amended by adding at the end thereof of the following new paragraph:

"(95) Members, Commission on Mental Health and Illness of the Elderly (8).".

ADVISORY COUNCIL

SEC. 7. (a) There is hereby established an Advisory Council on Mental Health and Illness of the Elderly (hereinafter referred to as the "Council") to be composed of nine members appointed by the President for terms of two years without regard to the provisions of title 5, United States Code.

(b) The Council shall elect its own Chairman and Vice Chairman and shall meet at the call of the Chairman, but not less than four times a year. Members shall be appointed for two-year terms, except that of the members first appointed, five shall be appointed for a term of one year and four shall be appointed for a term of two years as designated by the President at the time of appointment. Any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall serve only for the remainder of such term. Members shall be eligible for reappointment and may serve after the expiration of their terms until their successors have taken office. A vacancy in the Council shall not affect its activities, and five members thereof shall constitute a quorum.

(c) The Commission shall make available to the Council such staff, information, and other assistance as it may require to carry out its activities.

FUNCTIONS OF THE COUNCIL

SEC. 8. The Council shall advise the Commissioner on policy matters relating to mental health and illness.

COMPENSATION OF COUNCIL MEMBERS

SEC. 9. Each member of the Council appointed pursuant to section 7 shall receive $50 a day, including traveltime, for each day he is engaged in the actual performance of his duties as a member of the Council. Each such member shall also be reimbursed for travel, subsistence, and other necessary expenses incurred in the performance of his duties.

TERMINATION

SEC. 10. The Commission shall cease to exist sixty days after the submission of its final report.

AUTHORIZING OF APPROPRIATIONS

SEC. 11. There are authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act.

By Mr. HUMPHREY:

S. 1770. A bill to establish a National Domestic Development Bank to provide an alternative source of credit to State and local governments for the purpose of financing public and quasi-public facilities of all types, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

NATIONAL DOMESTIC DEVELOPMENT BANK ACT

Mr. HUMPHREY. Mr. President, I am today introducing the National Domestic Development Bank Act. This legislation will provide new capital resources for public development, particularly by local government.

The National Domestic Development Bank will help alleviate the problems and hardships caused by a fluctuating credit market. It will help assure that programs of broad social benefit get appropriate economic support.

This National Domestic Development Bank is needed in these days when the administration has cut back on aid to local governments; when it has conjured up visions of local decisionmaking while at the same time withholding the financial wherewithal to make such local decisions real and effective.

When I first introduced this legislation in 1971, the needs of our localities and cities in the area of public development were immense and growing every day. Today, the administration's impoundment of funds and cancellation of assistance programs has severely aggravated the problems which local governments must solve.

This country's mayors, who face day to day the problems of providing and financing community needs, have made an analysis of the disorder and deprivation which the Federal budget costs on the local governments in this country. The mayors found that the budget seeks to hold down the public sector at the expense of public needs. The budget contemplates virtual elimination of health facilities construction.

It ignores the basic needs for rehabilitation and modernization of existing facilities. By failing to seek funds for the Federal solid waste program, it thrusts full responsibility for management and recycling back upon local governments.

The budget is deliberately shortsighted—repeatedly from problem to problem cutting out funds for research and demonstration. Funds for all varieties of public development are proposed to be cut. There will be no assistance for public libraries; no funds will be available for housing; the Economic Development Administration is to be terminated; model cities will be terminated; urban renewal will be terminated.

All over the country we need new housing, new schools, new courts and correctional facilities, and better means of transportation. In addition, communities are now facing the challenge of undertaking better social planning and protecting the environment on their own without the encouragement of the national administration.

Local constituents are asking for prompt, effective action. The counties, cities, townships, and other governmental bodies are eager to tackle these challenges and improve the communities which they serve. But too often they come up against a stone wall when it comes to financing their undertakings.

We must enable State and local governments to carry out the projects they so urgently desire to begin. We need to broaden their base of resources so that they can use their initiative to solve problems. And we should do so in a manner which is economically efficient.

We must not allow a shortage of funds to prevent local governments and public bodies from financing needed projects in the areas of housing, environment, school and health care facilities, and transportation. Neither must we force them to pay exhorbitant interest costs.

The National Domestic Development Bank will offer long-term loans at low rates of interest. The bank's regional offices will provide planning and technical assistance because Federal retrenchment, if allowed to proceed, will deny them acess to the best technical know-how. Representatives of local governments and economic groups will participate in the operation of these regional offices.

The bank will also make loans available to nonprofit or quasi-governmental organizations which receive Federal funds and pursue public purposes in the construction of housing, medical, and other public facilities. In addition, the bank will provide loans to businesses in economically depressed areas for development purposes and to improve job opportunities.

With strong local initiative and Federal financial help we can take real strides toward solving the crisis of the cities and meeting the expanding needs of towns and rural communities. We can finance the public projects which will provide jobs and vital facilities for our people. We can improve the environment and the quality of life for all Americans.

Cities, townships, school districts and other governing bodies desperately need new health centers, sewage treatment facilities, recreational areas, fire departments, schools, day-care centers, water purification, and treatment plants.

Yet, these same municipalities are strapped to pay for modern facilities. Money has always been a problem. It was one when I was mayor of Minneapolis over 20 years ago. Today, the lack of finances has a new urgent quality: cities are fast approaching the fiscal breaking point.

In short, with high property taxes, income taxes, increased sales taxes, wage taxes, death taxes, outmoded methods of financing public construction, and soaring operating expenses, local governments are not about to undertake public facility projects which they simply cannot afford.

But, these local governments are confronted with the hard fact that they cannot afford not to build:

A lack of public development will mean fewer jobs.

It will mean drab and unstimulating school buildings.

It will mean inadequate medical and hospital centers.

It will mean poorer services in our communities.

It will mean a cutback in the investment of private resources.

And, it will mean a continuation of the urban and rural crisis.

There is a staggering backlog of public facility construction applications awaiting the commitment of Federal funds. This was documented in hearings on March 3 and 4, 1971, before the Housing and Urban Affairs Subcommittee of the Senate Committee on Banking, Housing and Urban Affairs.

The program backlog for urban renewal amounts to more than $2.75 billion for 900 projects. The unmet demand for water and sewer facility construction totals $2.5 billion. There is a $560 million backlog in public housing—with 474 localities calling for the construction of some 263,000 units—and an unmet request from our cities for $645 million for assisted lower- and moderate-income housing. The model cities program, which held such great promise, saw only 50 percent of initial applications and 30 percent of initial program budgets approved under the original Federal budget for fiscal 1971. Our States and cities have submitted some 103 new and 14 amendatory applications for capital grants and loans to improve their mass transit systems, with a total project cost estimated at over $7.1 billion, including a Federal share of more than $2.3 billion.

The administration has impounded funds appropriated by Congress for the current fiscal year to begin construction on 145 more public works projects—$91.7 million—across the Nation. This executive branch action has also focused national concern on unmet needs for school and college assistance, hospital construction and modernization, the building of additional court facilities and correctional institutions, rural conservation and pollution abatment projects, and nationwide highway and airport development programs.

To meet the public development demands of our Nation, we need a bold and imaginative way of mobilizing capital.

The United States is a leading partner in international banks assisting the development of other nations—the World Bank, the Asian Development Bank, and the Inter-American Development Bank, with authorized capital levels ranging from $1.1 billion to $27 billion.

Why cannot these established principles of international financing be applied in our own Nation? Why cannot this assistance given to other countries to develop public facilities and an economic base, also be extended to our own cities and towns faced with the decline of public services and the outmigration of business?

The National Domestic Development Bank Act proposes that we do, in fact, direct the same form of extensive financial assistance to our critical public development needs at home. It is based on long established principles of public financing. I need only cite the precedents of the Reconstruction Finance Corporation, the Federal Land Banks, the Banks for Cooperatives, the Federal Intermediate Credit Banks, the Rural Electric Bank, and the Rural Telephone Bank.

These institutions were created to bring in capital at a time and place when the need was critical. Their financial investment success in transforming despair into opportunity for millions of Americans enabled them to evolve as independent, quasi-public organizations. The same public demand, and the same institutional organization, govern the establishment of the National Domestic Development Bank.

The National Domestic Development Bank will be a national institution sponsored by the Federal Government. But it will emphasize decisionmaking at the local level where the problems are known first hand. Communities and regions will determine their own development priorities under a comprehensive plan.

The Presidentially appointed Board of Directors will be composed of Federal, State, county, and local officials as well as representatives of the general public.

The bank's lending activities will be carried out directly through regional operating divisions. Each region will have an advisory committee broadly representative of local governments, economic groups, and the public.

The bank I propose will have a primary capitalization of $3.5 billion. This initial capital will be raised mainly through public stock subscriptions, and dividend income will be partially exempt from the Federal income tax in order to provide an incentive for investors. The lending power of the bank will be multiplied by the issuance of bonds on the national investment market.

National Domestic Development Bank loans will be made for the following purposes:

First, cities, counties, and States will be able to borrow money for basic community facilities at rates comparable to municipal bonds.

Second, 40-year loans also will be available to nonprofit or quasi-governmental organizations receiving Federal funds and pursuing public purposes for the construction of housing, medical, and other public facilities.

Third, loans over a 20-year period will be made to business organizations for economic development purposes in specially designated areas.

While financial assistance is crucial, it is not enough. To achieve sound community and economic development, the bank will offer technical assistance in the planning of projects, the coordination of other funding sources, and the integration of current Federal programs with the overall development plans of the community.

And, finally, the National Domestic Development Bank will not just help build facilities; it will also act as a protector of the environment. Too often, public development is merely a way to produce concrete shells. This bank will have a broader responsibility. It will require that every project plan guarantees that the earth, water, and air will be preserved in their natural beauty and healthfulness.

But I believe the bank must also develop the technical and financing expertise that is essential in anticipating the environmental impact of a rapidly changing and expanding technology in the United States. In addition to community and economic development, there is a basic demand in this Nation for substantially increased energy resources and for greatly improved transportation facilities and systems. An escalating pollution hazard will be the natural consequence of intensive efforts to meet these basic needs, unless effective assistance is provided to communities and our various industrial sectors to meet the environmental protection standards that will be increasingly applied and enforced by Government.

It is important, at this point, to emphasize the basic philosophy and objectives of the financing of public development under this act.

The National Domestic Development Bank will provide an orderly, continuing source of capital funds for our financially beleaguered communities.

It will allow us to tackle local financial problems in a rational and comprehensive way by eliminating the stop-start history of public construction.

It will multiply the purchasing power of Federal, State, and local revenues by amassing long-term credit commitments for public construction.

It will expedite Federal financial aid and end the application backlog problems plaguing our cities and institutions.

It will facilitate economic development in areas of this Nation confronted with high unemployment.

It is a development program for all the communities of America.

It can mean industrial parks and more jobs.

It can mean good schools, libaries, and medical and hospital centers close to the people.

It can mean an end to the deterioration of our transportation systems and the extensive development of mass transit facilities.

It can mean better police and fire departments.

It can mean parklands and clean water and well-planned waste disposal and treatment facilities.

It can mean comprehensive day care and community service centers.

It can give our people new recreational areas and campsites.

It can provide expanded adult education, job training, and cultural enrichment opportunities.

It can help produce good lower and moderate-income housing, in planned open-space residential neighborhoods.

And it can make possible an overdue start on the renewal of business centers in our small towns and core cities.

The National Domestic Development Bank Act can launch a comprehensive attack upon urban and rural blight. It can trigger new private investment and provide jobs in a slumping economy.

The list of needed public development has no end.

We have neglected public development too long. And, we have succeeded in becoming a nation that is privately wealthy but publicly poor.

The time to redress that imbalance is now.

Revenue sharing can bring only partial relief to the fiscal crisis facing our State and local governments.

In 1968, the Bureau of the Budget estimated capital financing needs for public development would reach $528 billion over a 10-year period. With inflation and a rising public demand for improved services, it is now expected that this public facility construction cost estimate will more than double within a decade.

Money costs will be higher and so will the already high price of municipal bonds. It is time that we changed our antiquated methods of financing public construction to meet the mounting needs of our growing population.

The bill I am introducing today evolved from my work with mayors, county commissioners, and other local officials, when, as Vice President, I maintained a continuous and direct liaison with local governments in the channeling of Federal assistance to meet their immediate problems.

Based on this firsthand experience, it is my firm conviction that the cost of inaction, the cost of permitting the public needs of America to pile up unmet, is too great a price to pay.

The cost to the Federal Government in establishing the National Domestic Development Bank will be a small fraction of the development value the Bank can generate.

Let us begin now on our urgent domestic agenda.

Let us begin now to shape our future, to build an America that addresses both the physical needs of our people and the spirit of man as well.

Mr. President, I ask unanimous consent that the text of the National Domestic Development Bank Act of 1973, a section-by-section analysis, and a question and answer description of the act be printed at this point in the RECORD.

There being no objection, the bill and material were ordered to be printed in the RECORD, as follows:

S. 1770

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Domestic Development Bank Act".

FINDINGS AND PURPOSE

SEC. 2. (a) The Congress hereby finds and declares that—

(1) population increases and rising demands for a safe and prosperous life have created an unprecedented demand for (A) basic community facilities, such as streets, schools, hospitals, housing, water, sewer, waste disposal, and mass transit facilities, and parks and playgrounds, and (B) economic development in urban ghettos, disaster areas, and labor surplus areas, as well as in new towns and new cities;

(2) the existing institutional structure for providing funds—the municipal bond-Federal grant arrangement—cannot provide at reasonable cost the amounts necessary to satisfy these growing demands. The financial needs of our growing communities require the full mobilization of skills and resources in all levels of government, Federal, State, and local, as well as in the private sector; and

(3) the most effective use of funds can only be made when information and technical expertise regarding engineering requirements, financial and economic factors, Federal programs and funding levels, and comprehensive area problems and planning are readily available from a single source.

(b) The purpose of this Act is to establish a national domestic development bank system which will provide an alternative source of funds for community facilities and economic development, which will involve national investment markets and all groups of investors, and which will furnish information to coordinate Federal, State, and local programs with local problems and governments.

DEFINITIONS

SEC. 3. As used in this Act—

(1) "bank" means the National Domestic Development Bank established by section 4;

(2) "State" means the States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Trust Territory of the Pacific Islands, or any agency or instrumentality thereof;

(3) "local government" means any county, municipality, or other political subdivision of a State, or any agency or instrumentality thereof, or any school or other special district created by or pursuant to State law; and

(4) "obligation" means any bond, note, debenture, or other instrument evidencing debt.

ESTABLISHMENT OF BANK

SEC. 4. (a) There is hereby created a body corporate to be known as the National Domestic Development Bank, which shall have succession until dissolved by Act of Congress. The bank, which shall not be an agency of the United States Government, shall maintain such offices as may be necessary or appropriate in the conduct of its business. For the purposes of jurisdiction and venue, the bank shall be deemed a citizen and resident of the District of Columbia.

(b) No individual, association, partnership, or corporation, except the bank, shall hereafter use the words "National Domestic Development Bank" as the name of a part thereof under which he does business.

GENERAL POWERS

SEC. 5. The bank shall have, in addition to the special authority conferred by section 8 of this Act, the power—

(1) to sue and be sued, and complain and defend, in its corporate name and through its own counsel;

(2) to adopt, alter, and use a corporate seal, which shall be judicially noticed;

(3) to adopt, amend, and repeal, by the board, such bylaws, rules, and regulations as may be necessary for the conduct of its business;

(4) to conduct its business, carry on its operations, have offices, and exercise the powers granted by this Act in any State without regard to any qualification or similar statute in any State;

(5) to lease, purchase, or otherwise acquire, and own, hold, improve, use, or otherwise deal in and with, any property, real, personal, or mixed, or any interest therein, wherever situated;

(6) to accept gifts or donations of services, or of property, real, personal, or mixed, tangible or intangible, in aid of any of the purposes of the bank;

(7) to sell, convey, mortgage, pledge, lease, exchange, and otherwise dispose of its property and assets;

(8) to appoint such officers, attorneys, employees, and agents as may be required, to determine their qualifications, to define their duties, to fix their salaries, and to require bonds for them and fix the penalty thereof; and

(9) to enter into contract, execute instruments, incur liabilities, and do all things which are necessary or incidental to the proper management of its affairs and the proper conduct of its business.

BOARD OF DIRECTORS; MANAGEMENT

SEC. 6. (a) The bank shall have a board of directors which shall initially consist of fifteen members to be appointed by the President of the United States as follows:

(1) one member to be appointed from the Federal Reserve System;

(2) four members to be appointed from among the heads of departments and agencies in the executive branch of the Government;

(3) four members to be appointed from among those who represent the public generally, one of whom shall be appointed, by and with the advice and consent of the Senate to serve as president of the bank and chairman of the board of directors;

(4) two members who are Governors of States from among nominees of the National Governors Conference;

(5) two members who are elected officials of county governments from among nominees of the National Association of County Officials; and

(6) two members who are elected officials of city governments from among nominees of the National League of Cities.

(b) (1) Directors appointed under clauses (1), (2), and (3) of subsection (a) of this section shall serve at the pleasure of the President or until their successors have been appointed.

(2) One director initially appointed pursuant to each of clauses (4), (5), and (6) shall be designated by the President of the United States to serve until the first annual meeting of the stockholders, and one director appointed pursuant to each such clause shall be designated by the President of the United States to serve until the second annual meeting of the stockholders. Vacancies occurring pursuant to this paragraph at the time of each annual meeting shall be filled by election by the stockholders at such meeting from among nominees as provided in subsection (a) of this section. Directors elected pursuant to this subsection shall serve for terms of two years. The board may appoint a member to serve for any unexpired term of any such director.

(c) The board shall hold regular bimonthly meetings and shall hold other meetings at the call of the chairman. A majority of the board shall constitute a majority for the transaction of business. Any vacancy in the board shall not affect its powers or duties.

(d) Any director who is an officer or employee of the United States shall serve without additional compensation for his services as a director.

(e) The management of the bank shall be vested in the President of the bank, subject to such policies as the board of directors shall prescribe from time to time.

INITIAL EXPENSES

SEC. 7. In order to facilitate the formation of the bank, the Secretary of the Treasury is authorized to pay initial organizing and operating expenses. There is hereby authorized to be appropriated a sum not to exceed $500,000 for this purpose.

SPECIAL AUTHORITY

SEC. 8. (a) Subject to the provisions of this Act, the bank is authorized—

(1) to make commitments to purchase, and to purchase, service, and sell, on terms and conditions determined by the bank, any

obligation (or participation therein) of a State or local government issued wholly or partly to finance the construction of basic community facilities or public works of any type;

(2) to make or guarantee loans to State and local governments to finance the construction of basic community facilities and public works of all types (including loans to nonprofit or quasi-governmental organizations and entities to finance the construction of housing, medical facilities, and other facilities which are supported by Federal or State programs and are determined by the bank to have the attributes of public facilities); and

(3) to make loans for the purpose of facilitating economic development in geographical areas designated by the Council of Economic Advisers as being low income, depressed, or labor surplus areas, disaster areas, or areas in need of direct investment to further the national public interest or other special help to stimulate economic activities within those areas.

(b) The bank shall develop criteria to assure that projects assisted by it are not inconsistent with comprehensive planning for the development of the communities in which they will be located, or disruptive of Federal programs which authorize assistance for the development of the communities in which they will be located, or disruptive of Federal programs which authorize assistance for the development of like or similar categories of projects, or inconsistent with Federal policies directed at the protection of the environment.

(c) A loan made or guaranteed under this section may not exceed the total capital cost of the project to be financed, and shall be made for a term determined by the bank; except that the term of a loan made under paragraph (2) of subsection (a) shall not exceed the life of the project or forty years, whichever is less, and the term of a loan made under paragraph (3) of subsection (a) to a private person for a project consisting primarily of profitmaking facilities shall not exceed twenty years.

(d) All obligations purchased and loans made pursuant to this section shall bear interest at a rate determined by the bank which shall be low enough to be competitive with municipal bonds.

(e) In any case in which the bank undertakes to provide assistance to a State or local government under subsection (a) for the construction of a project for which a department or agency of the Federal Government (under another law of the United States) will also provide funds—

(1) the assistance provided by the bank under subsection (a) may be in the full amount needed by the State or local government to finance such construction (including the amount of the funds which will be provided by such department or agency), with the funds to be provided by such department or agency with respect to such construction thereupon becoming payable (notwithstanding any contrary provision in the law under which they are payable) to the bank in lieu of being paid directly to such government, and

(2) the bank may accept in return (A) an obligation or obligations of such State or local government covering only the difference between such full amount and the amount of the funds which are payable with respect to such construction by such department or agency, plus (B) a commitment from such department or agency to pay the funds which are to be provided by it and are payable to the bank as described in paragraph (1),

in order to insure that such State or local government will not have to include within its debt limit that portion of the indebtedness incurred for the financing of such construction which is attributable to funds provided by the Federal Government.

(f) The bank is authorized to establish a financial and technical advisory staff for any metropolitan area upon a determination by the board that the amount of the bank's activity in such area is sufficiently large to support a full financial and technical advisory staff. The staff shall process applications and requests for assistance from that area and shall assist applicants in obtaining such assistance.

(g) Except as otherwise specifically provided in this Act, the bank may impose charges or fees for its services with the objective that all costs and expenses of its operations should be within its income derived from such operations.

REGIONAL OPERATING DIVISIONS

SEC. 9. (a) The bank shall establish regional operating divisions. Each division shall be charged with responsibility for assessing borrower eligibility, and making loans within its region or geographical area. To the maximum extent feasible, the boundaries of the regions or geographical areas respectively represented by the several regional operating divisions shall be the same as the boundaries of the areas respectively served by the regional offices of the various Federal departments and agencies.

(b) Each regional operating division shall transact all of the bank's business within its region with the assistance of the metropolitan area advisory staffs.

(c) Each regional operating division shall be supervised by a three member panel appointed by the board. In addition, an advisory committee of not less than eighteen nor more than twenty-five persons representing all governments and all socioeconomic levels within the division's region shall be appointed by the board to develop policies and guidelines for the division's activities.

TECHNICAL ASSISTANCE

SEC. 10. (a) The bank shall have, in addition to a staff adequately equipped in the field of development banking, personnel qualified to give advice in the following fields (and any other categories of advice appropriately related to the bank's activities):

(1) The Federal Government, particularly its organization and operation relating to State and local governments.

(2) All phases of all Federal-grant-in-aid programs.

(3) Methods of administering the development and operation of community facilities.

(4) Technical data and requirements in fields appropriately related to the bank's activities, including the following:

(A) roads, hospitals, schools, and airports;

(B) urban mass transit systems and bridges;

(C) housing, municipal buildings, and parks.

(D) courthouses;

(E) water and sewage facilities and air pollution controls; and

(F) commercial developments.

(b) The bank shall give any necessary technical assistance under this section to applicants for assistance under section 8. No fees for preliminary advice shall be charged; however, after an application has been accepted for processing, the bank may charge reasonable fees for continued assistance under this subsection.

(c) The bank is also authorized to undertake research and information gathering, and to facilitate the exchange of advanced concepts and techniques relating to municipal growth and development among State and local governments.

STOCK

SEC. 11. (a) The bank shall have one class of common stock, which shall have voting rights and have a par value of $100 per share. Stock shall be sold to investors throughout the country.

(b) All moneys received by the bank in return for its common stock shall be accumulated in a stated capital account. All net earnings from the operations of the bank shall annually be transferred to its general surplus account. Such dividends as may be declared shall be paid by the bank to the holders of its common stock and shall be charged against the general surplus account, but in any one fiscal year dividends shall not exceed 6 per centum of the par value of the common stock issued and outstanding and shall be payable out of the net earnings of the bank for that year.

CAPITALIZATION OF THE BANK

SEC. 12. The bank's stated capital shall be limited to $3,500,000,000, which shall be raised, insofar as it is feasible, by the sale of the bank's common stock, and the remainder shall be provided as follows:

(1) The Secretary of the Treasury is authorized to purchase obligations of the bank in the amount of $300,000,000 a year for a period of ten years. If the Secretary finds it is necessary for the successful operation of the bank to waive the payment of interest and principal for any given year such interest shall then be added to the principal of the obligation. The bank is authorized to include appropriate provisions in the instruments evidencing the obligations provided for in this paragraph. Each purchase of obligations by the Secretary under this paragraph shall be upon such terms and conditions as to yield a return at a rate not less than a rate determined by the Secretary, taking into consideration the current average yield on outstanding marketable obligations of the United States of comparable maturities. The Secretary may sell, upon such terms and conditions and at such price or prices as he shall determine, any of the obligations acquired by him under this paragraph.

(2) The Secretary of the Treasury is additionally authorized to purchase debentures of the bank in the amount of $300,000,000 on emergency call of the bank.

(3) Each public borrower from the bank at the time of receiving loans shall be required to purchase stock until it holds an amount of stock equivalent to $.50 per capita for each person within its jurisdiction or for each person expected to be served by the facility or facilities involved. The borrower shall purchase stock equal to one-twentieth of the amount of his loans until he reaches the $.50 per capita maximum requirement. For the purposes of paragraphs (1) and (2) of this section, the Secretary of the Treasury is authorized to use as a public debt transaction the proceeds of the sale of any securities hereafter issued under the Second Liberty Bond Act, as now or hereafter in force, and the purposes for which securities may be issued under the Second Liberty Bond Act, as now or hereafter in force, are extended to include such purchases. All redemptions, purchases, and sales of obligations or debentures under such paragraphs shall be treated as public debt transactions of the United States.

OBLIGATIONS OF THE BANK

SEC. 13. (a) The bank is authorized to issue and have outstanding obligations (including but not limited to the obligations and debentures described in section 12) having such maturities and bearing such rates of interest as may be determined by the bank. Such obligations may be redeemable at the option of the bank before maturity in such manner as may be stipulated therein. The amount of the bank's indebtedness outstanding at any one time shall be limited to fifty times the bank's paid-in stated capital.

(b) The Government National Mortgage Association (hereinafter referred to as the "Association") is authorized, upon such terms and conditions as it may deem appropriate, to guarantee the timely payment of principal of and interest on such obligations (other than obligations and debentures described in section 12) as shall be issued by the bank. The Association shall collect from the bank a reasonable fee for any guaranty under this subsection and shall make such charges as it may determine to be reasonable for the analysis of any obligation proposed to be issued by the bank. In the event the bank is unable to make any payment of principal of or interest on any obligation guaranteed under this subsection, the Association shall make such payment as and when due in cash, and thereupon shall be subrogated fully to the rights satisfied by such payment. The full faith and credit of the United States is pledged to the payment of all amounts which may be required to be paid under any guaranty under this subsection.

FEDERAL PAYMENTS TO THE BANK

SEC. 14.(a) With respect to such amounts of loans of the bank as may be specified in appropriation Acts, the Secretary of the Treasury is authorized to make and to contract to make, annual payments to the bank in such amounts as are necessary to equal the amount by which the dollar amount of interest paid by the bank on account of its outstanding obligations exceeds the dollar amount of interest received by the bank on account of obligations purchased or loans made by it pursuant to section 8.

(b) There are authorized to be appropriated to the Secretary of the Treasury such sums as may be necessary to carry out his functions under this Act, including such sums as may be necessary to make the annual payments required by contracts entered into by the Secretary of the Treasury pursuant to subsection (a) of this section.

FEDERAL INSURANCE OF OBLIGATIONS TO THE BANK

SEC. 15. (a) The Secretary of Housing and Urban Development (hereinafter in this section referred to as the "Secretary"), upon application by the bank, is authorized to insure any loan made by the bank under section 8(a) (including, for purposes of this section, any obligation purchased as provided in paragraph (1) thereof), and to issue a commitment for the insurance of any such loan prior to the date of its execution or disbursement thereon upon a determination that all of the applicable criteria established by or under this Act will be met with respect to such loan.

(b) The insurance of any loan under subsection (a) and any payments pursuant thereto shall be made on such terms and conditions, and in such manner and form, as the Secretary shall by regulations prescribe, and shall provide for the payment in full to the bank of the outstanding principal balance of the loan together with any unpaid interest, upon default by the borrower, in accordance with procedures set forth in such regulations.

(c) The Secretary is authorized to charge and collect premiums for insurance under this section. Such premiums shall be fixed at the lowest possible levels which are determined by the Secretary to be reasonable and sufficient to keep the insurance program under this section in a sound and secure condition and maintain the fund established by subsection (d) at a level adequate to meet all anticipated losses, but in any event shall be lower for loans made under paragraphs (1) and (2) of section 8(a) than for loans made under paragraph (3) of such section.

(d)(1) There is established a revolving fund to be used by the Secretary in carrying out his functions under this section. All premiums charged as provided in subsection (c), and all other receipts under the insurance program, shall be deposited in the fund. All payments with respect to insurance under this section shall be made from the fund. Moneys in the fund not needed for the payment of current operating expenses or the payment of insurance under the program may be invested in bonds or other obligations of, or bonds or other obligations guaranteed as to principal and interest by, the United States.

(2) There is authorized to be appropriated as initial capital for the revolving fund established by paragraph (1) the sum of $10,000,000.

(e) In the performance of, and with respect to, the functions, powers, and duties vested in him by this Act, the Secretary shall (in addition to any authority otherwise vested in him) have the functions, powers, and duties set forth in section 402 (except subsection (c)(2)) of the Housing Act of 1950.

AUDIT OF FINANCIAL TRANSACTIONS

SEC. 16. (a) The financial transactions of the bank shall be audited by the General Accounting Office in accordance with the principles and procedures applicable to commercial corporate transactions and under such rules and regulations as may be prescribed by the Comptroller General of the United States. The audit shall be conducted at the place or places where the accounts are normally kept. The representatives of the General Accounting Office shall have access to all books, accounts, financial records, reports, files, and other papers, things, or property belonging to or in use by the bank and necessary to facilitate the audit, and they shall be afforded full facilities for verifying transactions with the balances or securities held by depositaries, fiscal agents, and custodians.

(b) The expenses of any audit performed under this section shall be borne out of appropriations to the General Accounting Office, and appropriations in such sums as may be necessary for this purpose are authorized. The bank shall reimburse the General Accounting Office for the full cost of any such audit, and the General Accounting Office shall deposit sums received as reimbursed into the Treasury as miscellaneous receipts.

AUDIT REPORT TO CONGRESS

SEC. 17. A report of each such audit of the bank for any fiscal year shall be made by the Comptroller General to the President and to the Congress not later than six months following the close of such fiscal year. The report shall set forth the scope of any such audit and shall include a statement (showing intercorporate relations) of assets and liabilities; a statement of capital and surplus or deficit; a statement of surplus or deficit analysis; a statement of income and expense; a statement of sources and application of funds; and such comments and information as may be deemed necessary to keep the Congress informed of the operations and financial condition of the bank, together with such recommendations with respect thereto as the Comptroller General may deem advisable, including a report of any impairment of capital or lack of sufficient capital noted in the audit. A copy of each report shall be furnished to the Secretary of Housing and Urban Development, the Secretary of the Treasury, and the bank.

TAX EXEMPTION

SEC. 18. (a) The bank, its property, its franchise, capital reserves, surplus, security holdings, and other funds, and its income shall be exempt from all taxation now or hereafter imposed by the United States or by any State or local taxing authority: except that (1) any real property and tangible personal property of the bank shall be subject to Federal, State, and local taxation to the same extent according to its value as other such property is taxed, and (2) any and all obligations issued by the bank shall be subjected both as to principal and interest to Federal, State, and local taxation to the same extent as the obligations of private corporations are taxed.

(b)(1) Subsection (a) of section 116 of the Internal Revenue Code of 1954 (relating to partial exclusion from gross income of dividends received by individuals) is amended to read as follows:

"(a) EXCLUSION FROM GROSS INCOME.—

"(1) DOMESTIC CORPORATIONS.—Gross income does not include amounts received by an individual as dividends from domestic corporations (other than the National Domestic Development Bank), to the extent that the dividends do not exceed $100.

"(2) NATIONAL DOMESTIC DEVELOPMENT BANK.—Gross income does not include 50 percent of the amounts received by an individual during any taxable years as dividends from the National Domestic Development Bank."

(2) Such section 116 is further amended by striking out "Subsection (a)" in subsection (b) and inserting in *lieu thereof* "Subsection (a)(1)".

NATURE OF STOCK AND OBLIGATIONS

SEC. 10. (a) All obligations issued by the bank shall be lawful investments, and may be accepted as security, for all fiduciary, trust, and public funds the investment or deposit of which shall be under authority or control of the United States or of any officer or officers thereof. All stock and obligations issued by the bank pursuant to this Act shall be deemed to be exempt securities within the meaning of laws administered by the Securities and Exchange Commission, to the same extent as securities which are direct obligations of or obligations guaranteed as to principal or interest by the United States.

(b) The Federal Reserve banks are authorized and directed to act as depositaries, custodians, and fiscal agents for the bank, for its own account or as fiduciary, and such banks shall be reimbursed for such services in such manner as may be agreed upon; and the bank may itself act in such capacities, for its own account or as fiduciary, and for the account of others.

PREPARATION OF OBLIGATIONS

SEC. 20. In order to furnish obligations for delivery by the bank, the Secretary of the Treasury is authorized to prepare such obligations in such form as the board may approve, such obligations when prepared to be held in the Treasury subject to delivery upon order by the bank. The engraved plates, dies, bed pieces, and so forth, executed in connection therewith, shall remain in the custody of the Secretary of the Treasury. The bank shall reimburse the Secretary of the Treasury for any expenditures made in the preparation, custody, and delivery of such obligations.

UNITED STATES NOT LIABLE

SEC. 21. Except as otherwise specifically provided in this Act, the United States shall not be liable for any debts, defaults, acts, or omissions of the bank.

ANNUAL REPORT

SEC. 22. The bank shall, as soon as practicable after the end of each fiscal year, transmit to the President and the Congress an annual report of its operations and activities.

AMENDMENTS RELATING TO FINANCIAL INSTITUTIONS

SEC. 23. (a) The sixth sentence of the seventh paragraph of section 5136 of the Revised Statutes (12 U.S.C. 24) is amended by inserting "or obligations of the National Domestic Development Bank," immediately after "or obligations, participations, or other instruments of or issued by the Federal National Mortgage Association or the Government National Mortgage Association".

(b) Section 5200 of the Revised Statutes (12 U.S.C. 84) is amended by adding at the end thereof the following new paragraph:

"(14) Obligations of the National Domestic Development Bank shall not be subject to any limitation based upon such capital stock and surplus."

(c) The first paragraph of section 5(c) of the Home Owners' Loan Act of 1933 (12 U.S.C. 1464(c)) is amended by inserting "or in obligations of the National Domestic Development Bank;" in the second proviso immediately after "any political subdivision thereof;".

(d) Paragraph (2) of section 14(b) of the Federal Reserve Act (12 U.S.C. 355) is amended by inserting ", or any obligation of the National Domestic Development Bank" immediately before the period at the end thereof.

SEPARABILITY

SEC. 24. If any provision of this Act or the application thereof to any person or circumstance is held invalid, the validity of the remainder of the Act, and the application of such provision to other persons or circumstances, shall not be affected.

AUTHORIZATION FOR APPROPRIATIONS

SEC. 25. There are authorized to be appropriated, without fiscal year limitation, such sums as may be necessary to carry out the purposes of this Act.

SECTION-BY-SECTION SUMMARY—NATIONAL DOMESTIC DEVELOPMENT BANK ACT

Sec. 2: Sets forth the Findings of Congress which make this bill necessary; that there is an unprecedented demand for community facilities to provide for our growing population and that an alternative method for financing these facilities is imperative. It states that the purpose of the Act is to create a National Domestic Development Bank System.

Sec. 3: Contains definitions of terms used in the Act.

Sec. 4: Establishes the Bank as a body corporate and reserves the use of the name "National Domestic Development Bank".

Sec. 5: Grants the Bank the general powers of a corporation.

Sec. 6: Provides for an initial fifteen (15) member Board of Directors, to be appointed initially by the President, with the following composition.

1 representing Federal Reserve System

4 representing departments and agencies of the Federal government

4 representing the public generally (appointed by the President with advice and consent of the Senate)

2 State governors (nominated by the National Governors Conference)

2 elected officials of county government (nominated by the National Association of County Officials)

2 elected officials of city government (nominated by the National League of Cities)

Subsequently, the representatives of state and local governments will be elected from those nominated by stockholders of the Bank.

Sec. 7: Authorizes $500,000 for organizational and initial operating expenses.

Sec. 8: Outlines the special authority of the Bank:

(a) (1) To purchase obligations of state and local governments issued to finance community facilities or public works of any type

(2) To make or guarantee loans to

(a) State and local governments

(b) Nonprofit and quasi-governmental entities for financing projects supported by state or Federal programs or otherwise having the attributes of public facilities

(3) To make loans for economic development in areas designated by Council of Economic Advisers as needing government assistance.

(b) To reject any projects inconsistent with comprehensive planning for the communities being served.

(c) To loan money for up to forty (40) years for public facilities and twenty (20) years for economic development projects.

(d) To set interest rates competitive with rates on municipal bonds.

(e) To loan the entire cost of a project which is partly financed by a Federal assistance program, taking back obligations from both the local and the Federal government for their respective shares so that only the amount of the local share will be counted for its debt limit.

(f) To provide a financial and technical advisory staff for each active metropolitan region.

(g) To impose appropriate fees and charges.

Sec. 9: Provides that the Bank's lending activity will be carried out through regional operating divisions supervised by a three (3) member panel appointed by the Board of Directors. Each region will also have an advisory committee of 18 to 25 persons broadly representative of governments, and economic groups within the region.

Sec. 10: Authorizes assembly of a staff to give technical and economic advice including preliminary assistance with applications to the Bank and general advice during the construction period. In addition the Bank may undertake research and facilitate information exchange among Bank customers.

Sec. 11: Provides for one class of common, voting stock with a $100 par. Dividends in any one year may not exceed six per cent (6%) of the value of stock outstanding and must be paid out of net earnings.

Sec. 12: Capitalizes the Bank at $3.5 billion to be provided from the sale of common stock and, if necessary, by purchases by the Treasury Department of the Bank's obligations in yearly amounts of $300 million. Each public borrower must subscribe to purchase common stock in an amount equal to $.50 multiplied by the population within the jurisdiction, in increments of 1/20th of the face amount of a loan.

Sec. 13: Authorizes the Bank to sell bonds on the national market in an amount up to 50 times its stated capital to raise monies necessary to finance projects which are applied for by the users of the Bank. These bonds will be guaranteed by the Government National Mortgage Association and pledge the full faith and credit of the United States.

Sec. 14: Authorizes annual federal payments to the Bank in an amount sufficient to make up the difference between interest paid by the Bank on its obligations and the interest received from its loans to local governments.

Sec. 15: Provides for federal insurance of Bank loans, by the Department of Housing and Urban Development, and authorizes appropriations of $10 million to establish a revolving fund for this purpose.

Secs. 16 and 17: Provides for an annual audit by the General Accounting Office and a yearly report by the General Accounting Office to the Congress.

Sec. 18: Amends the Internal Revenue Code to exclude from gross income 50% of the amounts received as dividends by a stockholder during any taxable year.

Sec. 19: Makes the bonds of the Bank lawful investments.

Sec. 20: Authorizes the Secretary of the Treasury to prepare and print the Bank's bonds.

Sec. 21: Provides that the United States is not liable for debts, defaults or actions of the Bank other than those specified in the Act.

Sec. 22: Orders that an annual report be submitted to the President and the Congress.

Sec. 23: Contains technical amendments to Federal banking statutes.

Sec. 24: Provides that any invalid provision of this Act may be severed and that the remainder continues in full effect.

Sec. 25: Authorizes to be appropriated without fiscal year limits such funds as may be necessary to carry out the purpose of the Act.

THE NATIONAL DOMESTIC DEVELOPMENT BANK ACT

1. What is the National Domestic Development Bank?

The National Domestic Development Bank is a national lending institution under the directorship of federal, state, and local officials, as well as representatives of the general public. The Bank will provide a new source of capital funds to enable cities and towns to undertake a wide range of public projects.

2. What will the Bank do?

It will make 40-year loans to State and local governments to finance the construction of basic community facilities and public works of all types. Loans can also be made to non-profit organizations for housing, medical, and other public facility construction.

The Bank is also authorized to make 20-year loans to business organizations for economic development in areas designated by the Council of Economic Advisers as being labor surplus, depressed, low income, or disaster areas, or areas in need of direct investment to further the national public interest.

3. Why is this Bank needed?

First, there is a limited market for state and municipal bonds. These bonds are one of the first types of securities to be affected by tight money periods. This was made very clear during 1969–70, when many municipal bond issues had to be cancelled because the market could not absorb them. The Bank will assure that municipalities will always have a market for their securities. It will provide communities with an alternative means of financing public development.

Second, the capital financing needs of our states and cities are growing at a rapid rate. In 1968, the Bureau of the Budget estimated a ten-year need of $58 billion.

At the same time, cities are fast approaching the fiscal breaking point. Cities need new ways of obtaining development money that do not sharply increase their public debt burden, putting an additional strain on limited revenues.

4. Won't the Bank complicate public development financing?

On the contrary, the Bank will create a more simplified, flexible, inexpensive, and efficient way to raise capital. It will provide a single source where cities and towns can obtain financial and technical assistance. It will coordinate aid under various federal programs with additional financing, cutting red tape and extended application review procedures.

5. Is this an agency of the Federal Government?

No, the Bank will not be an agency of the U.S. Government and its budget will be independent of the Federal budget.

6. How much will it cost?

The cost of the Bank will be very low. Start-up costs will be $500,000 for organizing expenses and $10 million to establish a revolving insurance fund at the Department of Housing and Urban Development to insure Bank loans. In addition, Congress will need to enact annual appropriations to make up the difference between interest rates paid by the Bank on its bond issues, and the interest rate it charges to borrowers. The net cost would be minimal, however, because the Treasury would collect taxes on the earnings of Bank bonds.

7. Will the Bank have unlimited bonding capacity?

No. It can only borrow on national investment markets for lending to state and local governments and other qualified users at fifty (50) times the amount of paid-in capital stock of this corporation. In addition, the

Bank must lend at rates competitive with municipal bonds.

8. Where does the Bank's capital reserve come from?

It comes from three sources:

(1) Sale of stock to the public. One investment incentive will be the exclusion from gross income of 50 percent of dividend earnings from this stock, for Federal income tax purposes.

(2) Sale of stock to public users of the Bank. Each user must buy a small amount of stock in increments as it obtains Bank loans, until it has purchased an amount of stock equal to 50 cents per capita.

(3) The Treasury is authorized to purchase special bonds up to $300 million per year for ten years, and this money can be used for capital reserve.

9. What assurances are provided investors?

First, all bonds sold by the National Domestic Development Bank will be guaranteed by the Government National Mortgage Association, and the full faith and credit of the United States is pledged to the payment of all amounts under this guaranty.

Second, all loans made by the Bank will be insured by the Federal Housing Administration, and a $10 million insurance revolving fund is established for this purpose.

10. What interest rates will be charged to the borrowers of this Bank?

Under this bill the Bank will set interest rates at a level that is competitive with municipal bond rates.

11. Will borrowers have to come to Washington to apply for loans?

No. The Bank's lending operations will be carried out directly through regional operating divisions, coinciding basically with the regional offices of the various Federal departments and agencies.

12. Will the Bank assist in any way other than providing loans?

Yes. One of the major services of the Bank is to maintain a technical staff that can give advice on Federal programs, on comprehensive planning and administration of the development of community facilities, and on technical data and requirements relating to the facilities eligible for financing. In addition, the Bank will do research, collect information, and facilitate the exchange of ideas on new technology and improvements in public administration relating to local and regional public development.

13. What projects will the Bank help finance?

A wide range of public facility construction is possible under this Act. Some examples are:

Schools and libraries
Medical centers and hospitals
Mass transit systems
Industrial parks
Police and fire departments
Water and sewer systems and waste disposal and treatment facilities
Parks and recreation areas
Community service and day care centers
Public housing
Job-training and adult education centers
The renewal of town and city business centers.

By Mr. HARRY F. BYRD, JR. (for himself and Mr. HUGHES):

S. 1773. A bill to amend section 7305 of title 10, United States Code, relating to the sale of vessels stricken from the Naval Vessel Register. Referred to the Committee on Armed Services.

Mr. HARRY F. BYRD, JR. Mr. President, I send to the desk a bill and ask that it be received and appropriately referred.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

Mr. HARRY F. BYRD, JR. Mr. President, this proposed legislation is introduced by the Senator from Virginia and the distinguished Senator from Iowa (Mr. HUGHES).

I ask unanimous consent that the proposed legislation be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1773

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (l) of section 7305 of title 10, United States Code, is amended to read as follows:

"(l) Except as provided in subsection (a), no vessel of the Navy may be sold in any manner other than that provided by this section, or for less than its appraised value, unless the sale thereof is specifically authorized by law enacted after June 30, 1973."

SEC. 2. The amendment made by the first section of this Act shall not apply in the case of any Navy vessel with respect to which a written agreement to sale was entered into prior to June 30, 1973.

By Mr. MAGNUSON (for himself Mr. COTTON, and Mr. INOUYE) (by request):

S. 1774. A bill to amend the Federal Trade Commission Act and the Export Trade Act as amended to deal with unfair competition in imports, to provide for clarification of law, for prior Federal Trade Commission clearance of export trade associations, and for other purposes. Referred to the Committee on Commerce.

Mr. MAGNUSON. Mr. President, I introduce for appropriate reference on behalf of myself, Mr. COTTON, and Mr. INOUYE, by request, a bill to amend the Federal Trade Commission Act and the Export Trade Act as amended to deal with unfair competition in imports, to provide for clarification of law for prior Federal Trade Commission clearance of export trade associations, and for other purposes. I ask unanimous consent that the bill and the accompanying section-by-section analysis be printed in the RECORD.

There being no objection, the bill and analysis were ordered to be printed in the RECORD, as follows:

S. 1774

Be it enacted by the Senate and House of Representatives of the United States in Congress assembled,

TITLE I—AMENDMENTS TO THE FEDERAL TRADE COMMISSION ACT

Section 6 of the Federal Trade Commission Act, as amended (15 U.S.C. 46) is amended by adding the following new paragraph, designated as (i):

"(i) in addition to the other powers conferred by this Act, to order that commodities be excluded from entry into the United States whenever it finds that unfair methods of competition or unfair acts are being employed in the importation of such commodities into the United States, or in their sale by the owner, importer, consignee, or agent of either, the effect or tendency or which is to destroy or substantially injure an industry, efficiently and economically operated, in the United States, to restrain or monopolize trade and commerce in the United States, or to substantially impair competition within the United States. All orders of the Commission under this paragraph shall be submitted to the Secretary of the Treasury before publication thereof. No final order shall be issued by the Commission under this paragraph if the Secretary of the Treasury notifies the Commission within thirty days after transmittal of the proposed order to him that the exclusion from entry into the United States of the commodity in question would have or be likely to have a significant adverse effect upon the economic interest of the United States. Final orders of the Commission under this subparagraph (i) shall be issued, become final and be subject to review in the same manner as all other orders of the Commission under this act, and may be permanent or temporary, and subject to such conditions as the Commission may, in its discretion impose. The Commission, or the court having jurisdiction on appeal, may upon application or on its own motion provide for the posting of a bond in favor of the United States or such persons as the Commission or the court may designate, and stay the operation of final orders pending appeal. Upon notification to the Secretary of the Treasury of entry of a final order the Secretary shall, through the proper officers, refuse such entry, unless a stay of order has been granted under this section by the Commission or by a court having jurisdiction of an appeal from said order. No order shall be issued under this paragraph (i) with respect to any alleged unfair competition for which a remedy is provided by the Antidumping Act of 1916 (15 U.S.C. 72), the Antidumping Act, 1921, as amended (19 U.S.C. 160–171), section 303 of the Tariff Act of 1930, as amended (19 U.S.C. 1303), or section 337 of the Tariff Act of 1930, as amended (19 U.S.C. 1337)."

TITLE II—AMENDMENTS TO THE EXPORT TRADE ACT

The Export Trade Act (40 Stat. 516–17; 15 U.S.C. 61–65), is amended to read:

"SECTION 1. The words 'export trade' wherever used in this Act mean solely trade or commerce in goods, wares, merchandise, architectural services, engineering services, construction services, training services, financing services or project or general management services exported, or in the course of being exported from the United States or any territory thereof to any foreign nation; but the words 'export trade' shall not be deemed to include (i) the production, manufacture, or selling for consumption or for resale, within the United States or any territory thereof, of such goods, wares, merchandise or services, or any act in the course of such production, manufacture or selling for consumption or for resale or (ii) trade or commerce in patents, licenses, trade secrets or knowhow except such knowhow as is incidental to the sale of such goods, wares, merchandise or services.

"The words 'trade within the United States' wherever used in sections 1–5 of this title mean trade or commerce among the several States or in any territory of the United States, or in the District of Columbia, or between any such territory and another, or between any such territory or territories and any State or States or the District of Columbia, or between the District of Columbia and any State or States.

"The word 'association' wherever used in sections 1–5 of this title means any corporation or combination, by contract or otherwise, of two or more persons, partnerships, or corporations, who are citizens of, which are created and existing under the laws of the United States or any States thereof.

"Sec. 2. The export trade operations conducted by or through any association registered pursuant to section 3 of this Act and the organization of such association (including without limitation, the acquisition or ownership by any corporation of the whole or any part of the stock or other capital of the association) each substantially in conformance with an effective registration statement filed by the association with the Federal Trade Commission (hereinafter the 'Commission') in accordance with this Act (subject to any terms and conditions imposed by the Commission) shall not be subject to any of the provisions of the Antitrust Laws. For the purposes of this Act, the Antitrust Laws are those laws defined as such in sections 12 and 44, title 15, United States Code; the Federal Trade Commission Act, sections 41–58, title 15, United States Code; any other laws of the United States *in pari materia* including state laws on antitrust and unfair methods of competition; and all amendments to the foregoing.

"Associations registered with the Commission prior to the date of enactment of this Act may file a registration statement as provided herein within 90 days of enactment hereof. With respect to associations which elect to file within 90 days, the immunity conferred to such associations prior to enactment of this Act shall continue and not be enlarged or diminished until such time as the Commission makes its determination under section 3 thereof. Thereafter, immunity of such organizations shall extend as prescribed herein, unless the Commission determines that no registration should be permitted, in which case as of the date of that decision any immunity for future conduct shall cease. As to those associations which do not elect to register hereunder, immunity conferred prior to enactment of this Act shall cease 90 days after enactment hereof.

"Sec. 3. (a) Any association seeking the protection of section 2 of this Act may apply for registration by filing with the Federal Trade Commission a registration application in the form the Commission shall prescribe, setting forth the information and accompanied by the documents specified below:

"(i) copies of its certificate of incorporation, constitution, by-laws, rules, or agreements relating to the organization and operation of the association, in each instance with all amendments thereto;

"(ii) location of its offices and places of business;

"(iii) names and addresses of all officers and directors of the association or persons holding corresponding positions;

"(iv) names and addresses of all persons, partnerships or corporations who are members of the association;

"(v) description of the export trade conducted or proposed to be conducted by or through the association;

"(vi) methods by which the export trade is conducted or proposed to be conducted, including, without limitation, any agreements to sell exclusively to or through the association, any agreements with foreign persons who may act as joint selling agents, any agreements to acquire a foreign selling agent, any agreement for pooling tangible or intangible property or resourecs, or any territorial, price maintenance, or other restrictions to be included in sales, or other agreements;

"(vii) names of all countries where export trade is conducted or proposed to be conducted by or through the association;

"(viii) information to support a registration under paragraph (c) of this section and

"(ix) any other information which the Commission may require concerning the organization, operation, management, or finances of the association, the relation of the association *to other* associations and to the export trade being or proposed to be conducted; and competition or potential competition or potential competition, and effects of the asociation thereon.

Any amendment to the registration of a registered association shall be applied for and approved in the same manner as a registration application filed under this section.

"(b) Upon receipt of a registration application, the Federal Trade Commission shall immediately deliver copies of such application to the Attorney General. The Attorney General may request that the Commission provide additional information or that the Commission request the association to provide additional information. Within ninety days after the date of delivery of copies of the application to him, the Attorney General shall submit to the Commission a report on the effect which the export trade to be conducted by or through the association would likely have on competition in the United States, or upon exports by domestic nonmembers. The Commission may also request opinions on any application from other Federal departments and agencies.

"(c) After receiving the report of the Attorney General, the Federal Trade Commission shall register the association for such period of time and subject to such terms and conditions as it deems appropriate if the Commission finds that the organization and operation of the association in conformance with its registration statement is not likely to result in substantially lessening competition, or restraining the domestic or import trade of the United States, or substantially restraining exports by domestic nonmembers.

"(d) Whenever a material change occurs in the facts disclosed to the Commission by a registered export group, under section 4, such group shall within thirty days thereafter report such material change to the Commission with any documents or information relevant thereto.

"(e) The Commission may by regulation require a registered export group to submit such periodic reports as it may deem necessary to carry out its responsibilities under this Act.

"Sec. 4. (a) The Federal Trade Commission shall have exclusive jurisdiction to determine whether any material act, practice or course of conduct by a registered association in connection with export trade is not in conformance with its registration statement in which case the Commission may, on its own initiative or upon motion of the Attorney General or any interested person, in its discretion (i) require that the registration statement be amended, (ii) require that the organization or operation of the association be modified, (iii) revoke, in whole or in part, the registration of the association and/or (iv) recommend to the Justice Department prosecution of the appropriate persons, partnerships or corporations or of the association under the Antitrust Laws. Neither the Justice Department nor any other agency or department of the Government may bring suit under any of the Antitrust Laws, against any registered association or against any person, partnership or corporation, based upon the organization or export trade operations of any registered association unless a recommendation that such a suit be brought has been made by the Commission pursuant to this paragraph.

"(b) The Federal Trade Commission shall have exclusive jurisdiction to determine whether any material act, practice, or course of conduct by a registered association in connection with export trade, although in conformance with the registration statement of the association, is or has become inconsistent with the standards set forth in section 3, in which case the Commission may, in its discretion (i) require that the organization or operation of the association be modified or (ii) revoke, in whole or in part, the registration of the association.

"(c) The Federal Trade Commission shall not have exclusive or primary jurisdiction as to conduct by a registered association or its members which is not in conformity with the registration statement of the association and which has as one of its purposes or as its primary effect a substantial lessening of competition or restraining the domestic or import trade of the United States, or substantially restraining exports by domestic nonmembers.

"Sec. 5. (a) The Federal Trade Commission shall promulgate such rules and regulations as may be necessary to carry out the purposes of this Act.

"(b) This Act shall terminate and cease to be in effect as of midnight on December 31, 1978 unless extended prior thereto by act of Congress; *provided*, however, that the termination of this Act shall in no way diminish or terminate immunities granted hereby under the Antitrust Laws with respect to the organization or operation prior to the termination of this Act of any registered association."

Section-by-Section Analysis

TITLE I. AMENDMENTS TO SECTION 6 OF THE FEDERAL TRADE COMMISSION ACT

This Title would amend Section 6 of the Federal Trade Commsision Act, 15 U.S.C. 46, as amended, to authorize the Federal Trade Commission to issue an order that commodities be excluded from entry whenever the Commission finds that unfair methods of competition or unfair acts are being employed in the importation of such commodities in the United States or in their sale by the owner, importer, consignee, or agent of either, where the effect or tendency of such conduct is to destroy or substantially injure an industry, efficiently and economically operated, in the United States, or is to restrain or monopolize trade and commerce in the United States, or is to substantially impair competition within the United States.

The principal thrust of this amendment would be to transfer from the Tariff Commission to the Federal Trade Commission the responsibility for proceedings now governed by Section 337 of the Tariff Act, 19 U.S.C. 1337 (other than in cases involving infringement of patents). This amendment would also broaden the operative language of existing 337 in that unfair methods of competition or unfair acts which "restrain or monopolize trade and commerce in the United States," or "substantially impair competition within the United States," could be challenged under the new provision. Alternatively, the Federal Trade Commission, like the Tariff Commission at present, could also challenge unfair methods of competition and unfair acts if "the effect or tendency . . . is to destroy or substantially injure an industry, efficiently and economically operated, in the United States."

The amendment provides that before a Commission order that articles be excluded becomes final or is published, the Secretary of the Treasury may take into account whether the exclusion of the commodity in question would have or be likely to have a significant adverse effect upon the economic interest of the United States. If the Secretary so determines, he must so notify the Commission within thirty days of the transmittal of the order to Treasury. If the Secretary does not notify the Commission within 30 days, the order shall become final.

Orders of the Federal Trade Commission under this Title would be issued, become final and be subject to review in the same manner as all orders of the Commission under the Federal Trade Commission Act. Commission orders may be permanent or temporary, and subject to such conditions as the Commission may, in its discretion, impose.

The Commission, or the court having jurisdiction on appeal, may upon application or on its own motion provide for the posting of a bond in favor of the United States or such persons as the Commission or the court may designate, and stay the operation of final orders pending appeal. Upon notification by the Commission to the Secretary of the Treasury of the entry of a final order, the Secretary shall, through the proper officers, refuse such entry, unless a stay of the order has been granted under this section by the Commission or by a court having jurisdiction of an appeal from the order.

The amendment provides that no order shall be issued under this Title with respect to any alleged unfair competition for which a remedy is provided by the Antidumping Act of 1916 (15 U.S.C. 72), the Antidumping Act, 1921, as amended (19 U.S.C. 160–171), Section 303 of the Tariff Act of 1930, as amended (19 U.S.C. 1303), or Section 337 of the Tariff Act of 1930, as amended (19 U.S.C. 1337).

TITLE II. AMENDMENTS TO EXPORT TRADE ACT

Section 1

The amendment would make clear the inclusion of architectural, engineering, training, financing and project or general management services within the meaning of "export trade" to be conducted by or through a trade association and subject to immunity from the antitrust laws. The amendment also makes clear that intangible trade in patents, licenses, trade secrets or knowhow are not covered, except such knowhow as is incidental to goods, wares, merchandise or services enumerated in the Act, as amended. Incidental knowhow is that which is, in the ordinary course of business, sold to a customer so that the goods or services may have commercial value and may be effectively employed by the purchaser.

The amendment also provides that foreign persons or firms may not be members of an association registered under this Act.

Section 2

The amendment would extend immunity only to those who affirmatively seek its benefits by filing a registration statement pursuant to the new pre-clearance procedure in Section 3. Transitionary provisions also permit existing associations which elect to register to retain immunity under prior provisions pending Commission decision under this Act. Those associations which do not elect to register within 90 days will no longer be accorded immunity after 90 days of enactment of this Act.

In addition, by virtue of prior Commission review and clearance, this section would confer a much more specific immunity than under the present law, which gives immunity to acts or agreements which are not in restraint of trade within the United States, are not in restraint of the export trade of any domestic competitor, do not artifically or intentionally enhance or depress prices within the United States, and do not substantially lessen competition within the United States or otherwise restrain trade therein (40 Stat. 517, 15 U.S.C. 62). As amended, this section would exempt from the antitrust laws, including state laws on antitrust and unfair methods of competition, the *export trade* conducted by or through an association and the organization of that association, if "substantially in conformance with an effective registration statement" filed with the Federal Trade Commisison in accordance with the Act. Immunity under this Section is not conferred, however, to an association which engages in conduct not in conformity with its registration statement and which has as one of its purposes or its primary effect a substantial lessening of competition or restraining the domestic or import trade of the United States or substantially restraining exports by non-members.

Section 3

Section 3 provides that detailed information must be supplied in the registration statement to be filed with the Commission, concerning the organization of the association, its location, offices and members; a description of the export trade conducted or proposed to be conducted; methods by which the export trade is to be conducted and any agreements with domestic or foreign entities concerning that trade; names of all countries where export trade is to be conducted; information concerning the impact of the association or trade within the United States or on exports by domestic non-members; and the like.

These reporting requirements are a part of the proposed significant change in the Act which would condition the immunity of the Act on prior clearance and continuing approval by the Federal Trade Commission. Section 2(b) requires that after receipt of a registration application the Commission shall immediately deliver the application to the Attorney General. Within 90 days after delivery, the Attorney General shall submit a report "on the effect which the export trade to be conducted by or through the association would likely have on competition in the United States, or upon exports by domestic non-members." The Commission may also request the views of other federal departments and agencies on any application.

After receiving the report of the Attorney General, the Commission shall decide whether to register the agreement, and if so, for what period and on what terms and conditions. Before an association can be registered, the Commission must find "that the organization of the association in conformance with its registration statement is not likely to result in substantially lessening competition or restraining the domestic or import trade of the United States, or substantially restraining exports by domestic non-members."

A registered group is required to report any material changes in the facts disclosed to the Commission within 30 days, and the Commission is authorized to require the submission of periodic reports.

Section 4

This section would give the Federal Trade Commission exclusive authority to determine, on its own initiative or upon motion of the Attorney General or any interested person, whether any action by a registered group in connection with export trade is not in conformance with its registration statement. If such is the case, the Commission may (i) require that the statement be amended, (ii) require that the association modify its organization or practices, (iii) revoke the registration in whole or in part, and/or (iv) recommend prosecution under the antitrust laws to the Department of Justice. Subject to subsection (c), such a recommendation is necessary before the Department of Justice or any other government department or agency may sue such an association in connection with the export trade under the antitrust laws.

Under subsection (b), the Commission would also be given exclusive authority to determine whether any action of a registered association in export trade, although in conformance with the registration statement, is or has become inconsistent with the standards set forth in Section 3 of this Act, in which case it can require modification or can revoke the registration.

As set forth in subsection (c), the Commission would not, however, have exclusive or primary jurisdiction as to conduct by a registered association or its members which is not in conformity with the registration statement of the association and which has as one of its purposes or as its primary effect a substantial lessening of competition or restraining the domestic or import trade of the United States, or substantially restraining exports by domestic non-members.

Section 5

The Commission would be authorized to issue such rules and regulations as may be necessary to effectuate the Act. The Act shall terminate on December 31, 1978, unless extended prior thereto by act of Congress, but its termination shall in no way diminish or affect antitrust immunity concerning the organization and operation of any registered association prior to termination.

Mr. MAGNUSON. Mr. President, I am sure that the distinguished occupant of the Chair (Mr. BENNETT) will be interested in what I am about to say. This is the so-called administration trade bill. Other bills are pending—two or three other major bills—dealing with the same subject.

A part of the bill would go to the deal with tariffs, and other parts of the bill would be referred to the Committee on Commerce. But I do not think we will have trouble working out that arrangement.

I agree with much that is in the administration's bill. As to some parts of it, I do not know whether I will be in agreement, or whether the committee will; but it is obvious to me that we have got to have a trade bill, and we ought to have a get-together to see to it that a trade bill is passed in this session of Congress.

The way things are now, many of our business people who are thinking of the potentials of export, which we need, do not quite know where they stand. Some of the rules are changed; others require change. Actually we have never had a real, actual trade policy.

Other bills are pending in the Senate dealing with a great deal of tariff protection. They go from one extreme to the other; and I suppose we shall be confronted with another extreme proposal for completely free trade, with no restrictions whatsoever. We have got to sit down and get a trade bill that is somewhere in between, so that everybody will know where he is. We must have a national trade policy. Our objectives are the same: to see if we cannot do something about this problem and do something about the almost frightening balance-of-trade deficits.

That includes many other things that are involved in that, but here is a proposal that, in many respects is very good, and I hope we can all work together and see that we have a trade bill. I think it is necessary to the economy of the United States, to the solution of our world problems, and to maintain a balance.

I hope that these bills will let other countries know that we are still going to be tough traders, but in the old Yankee tradition, we can meet it, and that we are not going to be patsies in this trade matter, which I think we have been in most of the GATT meetings, after looking back on them. This will establish that once and for all.

So I am glad to introduce the administration bill, and I am sure that the distinguished present occupant of the chair (Mr. BENNETT) and the other members of the Finance Committee, while they have a lot of work to do, and we have, too, will give this very important matter the attention it deserves.

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 136

At the request of Mr. SCHWEIKER, the Senator from Kentucky (Mr. COOK), the Senator from Oklahoma (Mr. BELLMON), the Senator from Arizona (Mr. GOLDWATER), and the Senator from Tennessee (Mr. BROCK) were added as cosponsors of S. 136, a bill to authorize financial assistance for opportunities industrialization centers.

S. 1402

At the request of Mr. HARTKE, the Senator from Rhode Island (Mr. PASTORE) was added as a cosponsor of S. 1402, the National Blood Bank Act.

S. 1599

At the request of Mr. SAXBE, the Senator from Tennessee (Mr. BAKER), the Senator from Maryland (Mr. BEALL), the Senator from Kansas (Mr. DOLE), the Senator from Montana (Mr. METCALF), the Senator from Nevada (Mr. BIBLE), and the Senator from California (Mr. CRANSTON) were added as cosponsors of S. 1599, to provide for continued sale of gasoline to independent gasoline retailers.

SENATE JOINT RESOLUTION 86

At the request of Mr. BEALL, the Senator from South Dakota (Mr. MCGOVERN) was added as a cosponsor of Senate Joint Resolution 86, a resolution to suspend for 2 years Federal support of projects involving psychosurgery.

SENATE RESOLUTION 110—SUBMISSION OF A RESOLUTION RELATING TO A STUDY OF THE TREATMENT OF OUR PRISONERS OF WAR IN INDOCHINA

(Referred to the Committee on Armed Services.)

Mr. TOWER. Mr. President, on behalf of myself and the Senator from Arizona (Mr. FANNIN), I am today submitting a Senate resolution to authorize the Committee on Armed Services to conduct a study of the treatment of our POW's in Indochina. I do so because I am deeply concerned that the full story of their captivity will not otherwise become a matter of public record, and I feel it should be. Only when the public is apprised of the gruesome treatment of our men in Indochina will the American people fully appreciate their ordeal—their bravery.

I feel it equally important that the world be informed of the hypocrisy with which the North Vietnamese treated the prisoner of war question. Many of us are aware of the "Hanoi Hilton" tours conducted for the benefit of foreign visitors. But was this camp typical of those in North Vietnam? Was the condition of the prisoners in this camp typical as well? I do not believe we have at present an accurate idea of what prison life was like in North Vietnam or in other Communist prison camps. We have been given staged pictures and staged events. Behind these, however, lie the beatings, the pain, the anguish inflicted by a cruel and barbarous captor who portrays himself as a liberator from a nation of peace-and-freedom-loving people.

Mr. President, I had hoped to avoid rhetoric for I wish only to seek and expose the truth concerning the treatment of our men in Communist prison camps. But having already heard some of the stories brought back by our men, I cannot help but become incensed. I believe the public will share that feeling when the full story of the American POW is known.

The investigation authorized in this bill is not directly for the aid of our prisoners of war. Their ordeal is over—they have come home. Rather, their experience will help us prepare future servicemen should war be again forced upon us. It will be a valuable aid to the Senate in the preparation of legislation relating to prisoners of war.

Furthermore. I believe it is important that we also look into the effect visits by Americans and other non-North Vietnamese may have had on the treatment of the prisoners of war.

For these reasons, I ask the Senate to consider this resolution, and urge my colleagues to join me in urging its favorable consideration.

The resolution reads as follows:

S. RES. 110

Resolved, the Committee on Armed Services is authorized and directed to conduct an investigation and study relative to the treatment by representatives of North Vietnam and the Viet Cong of American military and civilian personnel held in confinement during the Vietnam conflict in Southeast Asia, including:

1. the extent to which representatives of North Vietnam and the Viet Cong violated the terms and provisions of the Geneva Convention on the Treatment of Prisoners of War,
2. the effect of visits by Americans and other non-North Vietnamese on the treatment of American prisoners of war,
3. the effect of prior survival and other training on the stamina and will to resist of American prisoners of war,
4. and any other relevant subject matter directly or indirectly related to the confinement of American military and civilian prisoners of war.

And the Committee on Armed Services shall, following the submission to the Senate of such interim reports as it considers appropriate, make a final report of the results of the investigation and study conducted by it pursuant to this resolution, and shall determine whether its investigation and study indicate the necessity or desirability of the enactment of new congressional legislation.

SENATE RESOLUTION 111—ORIGINAL RESOLUTION REPORTED TO PAY A GRATUITY TO LAURA M. MILLER

(Placed on the calendar.)

Mr. CANNON, from the Committee on Rules and Administration, reported the following resolution:

S. RES. 111

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Laura M. Miller, widow of William J. Miller, an employee of the Senate at the time of his death, a sum equal to seven months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

SENATE RESOLUTION 112—ORIGINAL RESOLUTION REPORTED TO PAY A GRATUITY TO MARY L. HUNT AND JAMES A. HOLLOWAY

(Placed on the calendar.)

Mr. CANNON, from the Committee on Rules and Administration, reported the following resolution:

S. RES. 112

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Mary L. Hunt, daughter, and James A. Holloway, son of Delia Holloway, an employee of the Senate at the time of her death, a sum to each equal to one-half of eight and one-half months' compensation at the rate she was receiving by law at the time of her death, said sum to be considered inclusive of funeral expenses and all other allowances.

SENATE RESOLUTION 113—SUBMISSION OF A RESOLUTION TO ESTABLISH A TEMPORARY SELECT COMMITTEE TO STUDY THE SENATE COMMITTEE SYSTEM

(Referred to the Committee on Rules and Administration.)

Mr. STEVENSON. Mr. President, earlier this year the majority leader appointed a Committee of the Conference on the Improvement of Senate Practices and Procedures. The committee has held a series of meetings and discussions in which an extensive list of proposals for strengthening the Senate were considered.

The committee has concluded that the efforts to strengthen the Senate already in progress should be supplemented by an examination of the Senate committee system and that such an examination should be conducted during the 93d Congress by a temporary select committee.

To implement our recommendations, we now introduce a resolution calling for the establishment of a committee composed of seven members, four from the majority party and three from the minority party, with a budget of $900,000. The committee is to submit a report by June 1, 1974. Unlike its House counterpart, the Senate select committee would not have the power to report out legislation.

The post-World War II years have seen an explosion of Federal activity in housing, education, control of the economy, health care financing, environmental protection, manpower training, job safety, consumer protection, revenue sharing, and many other areas. The pace of change is increasing; the issues considered by the Congress grow ever more complex and intractable. Whether all of this new wine is best poured from the old bottles of the congressional committee system is a question which ought to receive thorough and immediate consideration.

Although we have concluded that it is the question of Senate committee jurisdictions that most needs examination, we believe that the ultimate purpose of the select committee—strengthening the Senate committee system—can be achieved only if the select committee has a mandate to study all aspects of the committee system. The resolution contains such a mandate. In addition to Senate committee jurisdictions, it covers number, optimum size, and structure of Senate committees; the number of subcommittees; committee rules and procedures; media coverage of meetings; staffing; space; equipment; and other committee facilities. While the Legislative Reorganization Act of 1970 addressed all of the above areas and brought about major progress in most of them, there is strong and widespread interest within the Senate in the consideration of proposals—especially in the area of staffing—building upon the accomplishments of the 1970 act. We believe that such proposals merit the serious attention they promise to receive by the temporary select committee.

The last major realinement of Senate committee jurisdictions occurred a generation ago, when the Legislative Reorganization Act of 1946 reduced the number of standing Senate committees from 33 to 15. In the intervening years, the number of standing Senate committees has remained almost constant—increasing from 15 to 17—but the number of subcommittees of standing Senate committees has increased from 34 to over 120 in the same period.

Congressional bodies have seriously examined the question of Senate committee jurisdictions on only two occasions since 1946. In 1951, the Senate Committee on Government Operations heard testimony on the subject from a number of witnesses, but the committee made no recommendations and no action was taken. In 1966, the Joint Committee on the Organization of the Congress devoted 2,000 words to the subject in its lengthy final report (Rept. No. 1414, 89th Cong. 2d sess., July 28, 1966, pages 14–18). The joint committee made four recommendations concerning Senate committee jurisdictions. Two have been adopted—creation of a Veterans' Affairs Committee and changing the name of Banking and Currency to Banking, Housing and Urban Affairs; two have not—creation of a new Committee on Education and expansion of the jurisdiction of Aeronautical and Space Sciences to include the National Science Foundation, the Bureau of Standards, and environmental research. That is all; and, given the enormous changes which the Nation and its Government have undergone since 1946, it is not enough.

Earlier this year, the House established a temporary select committee to study the jurisdictions of its standing committees and related matters. Historically the committee jurisdictions of the two Houses have closely corresponded to one another. If the Senate fails to take action and the House study results in major changes in its committee jurisdictions, the net result could be to reduce the effectiveness of the Congress, rather than to strengthen it.

Although we have no preconceived notions about the desirability of specific realinements in committee jurisdictions, we believe there is widespread agreement within the Senate that a review is needed. The result will presumably be:

Optimum utilization of Senators' time, including more even distribution of committee workloads and minimization of jurisdictional overlaps and other forms of duplicated effort.

Optimum effectiveness of committees in the creation and oversight of Federal programs, including maximization of the extent to which areas within one committee's jurisdiction are related to one another, and maximization of the extent to which major national issues can be considered comprehensively by Senate committees.

Clear, consistent procedures for the referral of legislation falling within the jurisdiction of two or more committees.

A workable mechanism for regular review and revision of committee jurisdictions.

We recognize the difficult and delicate nature of this enterprise, an enterprise which directly affects the interests of every Senator. For the reasons enumerated above, we believe that consideration of the issue by a temporary select committee during th 93d Congress is in the best interest of the Senate.

I ask unanimous consent that the text of the resolution be printed at this point in the Record.

There being no objection, the resolution was ordered to be printed in the Record, as follows:

By Mr. Stevenson (for himself, Mr. Hathaway, Mr. Inouye, and Mr. Metcalf):

S. Res. 113

Resolved, That (a) there is established a temporary select committee of the Senate to conduct a study of the Senate committee system.

(b) The select committee shall be composed of 7 members of the Senate, 4 from the majority party and 3 from the minority party, to be appointed by the President of the Senate.

(c) The select committee shall select a chairman from among its members.

(d) A majority of the members of the committee shall constitute a quorum thereof for the transaction of business, except that the select committee may fix a lesser number as a quorum for the purpose of taking testimony. The select committee may adopt rules of procedures not inconsistent with this Resolution and rules of the Senate governing standing committees of the Senate.

(e) Vacancies in the membership of the select committee shall not affect the authority of the remaining members to execute the functions of the select committee.

Sec. 2. It shall be the function of the select committee to conduct a thorough study of the Senate committee system, the structure, jurisdiction, number and optimum size of Senate committees, the number of subcommittees, committee rules and procedures, media coverage of meetings, staffing, space, equipment, and other committee facilities, and to make recommendations which promote optimum utilization of Senators' time, optimum effectiveness of committees in the creation and oversight of federal programs, clear and consistent procedures for the referral of legislation falling within the jurisdiction of two or more committees, and workable methods for the regular review and revision of committee jurisdictions.

Sec. 3. (a) For the purposes of this Resolution, the select committee is authorized in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, (3) to hold hearings, (4) to sit and act at any time or place during the sessions, recesses, and adjourned periods of the Senate, (5) to require, by subpoena or otherwise, the attendance of witnesses and the production of correspondence, books, papers, and documents, (6) to take depositions and other testimony, (7) to procure the service of individual consultants or organizations thereof, in accordance with the provisions of section 202(i) of the Legislative Reorganization Act of 1946, as amended, and (8) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administrations, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The chairman of the select committee shall preside over meetings of the select committee, except that in his absence any other member of the select committee designated by the chairman may preside.

(c) The chairman of the select committee or any member thereof may administer oaths to witnesses.

(d) Subpoenas authorized by the select committee may be issued over the signature of the chairman, or any other member designated by the chairman and may be served by any person designated by the chairman or member signing the subpoena.

Sec. 4. For the period from the date this Resolution is agreed to through December 31, 1974, the expenses of the select committee under this Resolution shall not exceed $900,000, of *which amount* not to exceed $400,000 shall be available for the procurement of the services of individual consultants, or organizations thereof, as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended.

Sec. 5. The select committee shall submit to the Senate a report of its findings, together with such recommendations as it deems advisable, at the earliest practicable date, but not later than June 1, 1974. The select committee may also submit to the Senate such supplementary reports on the issues treated in its initial report as it considers appropriate. The select committee shall cease to exist on December 31, 1974.

Sec. 6. Expenses of the select committee under this Resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the select committee.

ADDITIONAL COSPONSORS OF RESOLUTIONS

SENATE RESOLUTION 107

At the request of Mr. Mathias, the Senator from Massachusetts (Mr. Kennedy), the Senator from Missouri (Mr. Eagleton), the Senator from Wisconsin (Mr. Nelson), the Senator from Pennsylvania (Mr. Schweiker), the Senator from Florida (Mr. Chiles), the Senator from Colorado (Mr. Haskell), the Senator from Hawaii (Mr. Inouye), the Senators from Maine (Mr. Muskie and Mr. Hathaway), the Senator from Illinois (Mr. Stevenson), the Senator from Ohio (Mr. Saxbe), the Senator from California (Mr. Tunney), the Senator from Kentucky (Mr. Huddleston), the Senator from Alaska (Mr. GRAVEL), the Senator from New Hampshire (Mr. MCINTYRE), and the Senator from Iowa (Mr. HUGHES) were added as cosponsors of Senate Resolution 107 to require due process of law in the formulation of the foreign and military policy of the United States.

SENATE RESOLUTION 109

At the request of Mr. STEVENSON, the Senator from Missouri (Mr. SYMINGTON) was added as a cosponsor of Senate Resolution 109, relating to the appointment of a special prosecutor by the Attorney General-designate.

EMERGENCY MEDICAL SERVICES SYSTEMS DEVELOPMENT ACT OF 1973—AMENDMENT

AMENDMENT NO. 120

(Ordered to be printed and to lie on the table.)

Mr. MAGNUSON. Mr. President, this is not a complicated amendment which I submit to S. 504. It would not create any new programs, and it would not impose any new burden on the budget. Its only purpose is to keep open the Public Health Service Hospitals in Seattle, San Francisco, Galveston, New Orleans, and Baltimore.

As befits legislation dealing with health care—which is truly a nonpartisan concern in the Senate—this amendment is sponsored by Members from both sides of the aisle. As the author of the amendment, I am very pleased to be joined in this effort by my distinguished colleague from Washington (Mr. JACKSON), the distinguished Senators from Texas (Mr. TOWER and Mr. BENTSEN), the distinguished Senators from Louisiana (Mr. LONG and Mr. JOHNSTON), the distinguished Senator from California (Mr. TUNNEY) the distinguished Senator from Maryland (Mr. BEALL), the distinguished Senator from New York (Mr. JAVITS), and the distinguished Senator from Maryland (Mr. MATHIAS).

WHAT THE AMENDMENT WOULD REDUCE

Mr. President, our amendment would impose four requirements on HEW:

First, it would require the Department to continue operating the Seattle, San Francisco, Galveston, New Orleans and Baltimore hospitals until such time as the Congress, by law, authorizes their closure or transfer to community use.

Second, until the Congress authorized otherwise, it would require the hospitals to continue serving all categories of patients who were eligible for care on January 1 of this year.

Third, until the Congress authorized otherwise, it would require the hospitals to continue providing a level and range of health care services and health-related activities at least as great as they were on January 1.

Fourth, and finally, it would direct the executive branch to spend all funds appropriated for these hospitals unless the other requirements of the amendment could be met with smaller expenditures.

PLANS REQUIRED BY PUBLIC LAW 92-585

Mr. President, in late 1970, the administration first suggested that the eight PHS hospitals be closed or transferred to community use. Last year, Congress enacted Public Law 92-585 which required that before HEW could close any PHS hospital it had to submit to Congress detailed plans showing how the hospital's responsibilities would be met if any of the hospitals were closed. The law required that those plans be sent to us at least 90 days before the proposed closure or transfer. The purpose of those requirements, of course, was to give Congress an opportunity to study the plans and to take appropriate action to keep the hospitals open if the plans were not satisfactory.

On March 28, we received HEW's plans for closing this July the PHS hospitals in Seattle, San Francisco, Galveston, New Orleans, Baltimore, and Boston. Also, at that time HEW indicated it intends to submit similar plans soon for the Norfolk and Staten Island hospitals. Basically, these plans call for contracting with community hospitals to provide care for primary beneficiaries of the PHS hospitals.

As I shall discuss in a few moments, the plans for Seattle, San Francisco, Galveston, Baltimore, and New Orleans are seriously deficient. Consequently, we are forced to offer this amendment.

Mr. President, before I get into the specific problems with HEW's plans for these hospitals, I want to comment on the two basic arguments advanced by HEW to justify closing the hospitals. Specifically, HEW maintains, first, that PHS beneficiaries will be better served by its proposals, and second, that the Federal Government will save money.

COURT ACTION BY BENEFICIARY GROUPS

With respect to the first argument, I would point out that beneficiary groups have filed suit in Federal court in both New York and Seattle to keep the PHS hospitals open. Obviously, then, they do not feel they would be better served under HEW's proposals.

FEDERAL GOVERNMENT WILL NOT SAVE MONEY

Now, let us look at the cost argument. According to HEW's own figures, it would cost the Federal Government $99.1 million in fiscal year 1974 operating costs to continue the six PHS Hospitals it has announced it plans to close this July. Under its plan, according to HEW, the total fiscal year 1974 operating cost would be $107.5 million. In other words, the Federal Government will have to pay $8.4 million more in fiscal year 1974 operating costs if the hospitals are closed.

Also, according to HEW's figures, the Federal Government will have to pay $7.3 million in nonreoccurring costs in fiscal year 1974 to phaseout the hospital staffs. This $7.3 million would be used for such expenses as severance pay.

In other words, the total fiscal year 1974 Federal cost of HEW's plan for closing the six hospitals will be $114.8 million. That is $15.7 million more than it would cost to continue operating the hospitals.

Now, it is true that these hospitals do need major repairs. HEW estimates the repair cost would be $36.3 million. And it is to that figure which HEW points to prove it will be cheaper to close the hospitals.

But remember that the annual operating cost of HEW's proposals will be about $8.4 million higher each year than would be the annual operating cost of continuing the six PHS Hospitals. Over 5 years, then, the savings in operating costs which would be accumulated by keeping the hospitals open would pay for the one-time repair cost of $36.3 million.

In the long run, then, the Federal Government will not save any money by closing these hospitals.

THE PROBLEMS WITH HEW'S PLANS

Mr. President, important as it is, direct patient care is only one of the functions served by the PHS Hospitals. They are also involved in health manpower training, research, and community health programs. According to the plans submitted by HEW on March 28 for the hospitals in Seattle, San Francisco, Galveston, New Orleans, Baltimore, and Boston, research that requires in-patient care will be terminated and manpower training programs will be ended.

Taken together, the hospitals covered by our amendment are now providing essential educational opportunities for 1,604 persons training for the health professions. For example, one-fourth—or about 200 students—of the University of Washington Medical School's enrollment is in training at the Seattle PHS Hospital along with more than 300 others studying for a variety of health careers. Elimination of those training opportunities could well force the University of Washington and other schools in the area to severely cut back their health science enrollments. At a time when the Nation has such serious health manpower shortages I believe it is imperative that we not eliminate available training opportunities such as these.

HEW's plans pose similarly difficult problems with respect to the community health programs now served by these PHS hospitals. In New Orleans, for example, inpatients will no longer be accepted from the model city family health clinics and HEW's plan makes no provision for an alternative source of care. In San Francisco, a PHS hospital program that now provides psychiatric services for those in the community will be terminated without alternative arrangements.

In many other cases, HEW's plan vaguely indicates that these community programs will have other sources of assistance available but does not provide any real evidence to demonstrate that will, in fact, be the case.

The Seattle hospital, for example, currently provides essential supportive services—X-ray, lab tests, et cetera—for a network of 17 community clinics that are staffed free of charge by doctors to provide free care to medical indigents. HEW's plan boldly asserts that similar support services will be provided elsewhere in the community but gives absolutely no evidence to prove that will, in fact, be possible.

The most serious problems with HEW's plans, however, are their deficiencies with respect to the arrangements that will be available for those who now receive direct inpatient care at the PHS hospitals. Let me illustrate this point by using the Seattle situation as an example.

In fiscal year 1972, the Seattle PHS hospital cared for 4,842 inpatients including about 1,100 merchant seamen, over 2,000 active or retired military personnel and dependents, 550 Indians, 87 persons referred by the free community clinics, and several hundred civilian Federal employees.

HEW proposes to contract with local hospitals to care for the seamen and other primary beneficiaries. Yet now, just a few weeks before the PHS hospital is to be closed, HEW has not yet negotiated a single contract with any community hospital. Military personnel, HEW says, are to be referred to military hospitals. However, the Department's plan gives no details as to which military hospitals. More important, the plan gives no proof that the military facilities in the Seattle area have the capacity to handle these patients. This is especially disturbing in light of information that the Madigan Army Medical Center at Fort Lewis is currently undergoing major staff reductions. Finally, HEW's plan provides no hard information at all as to where the medical indigents will receive hospitalization.

In sum, HEW is asking us and the PHS beneficiaries to trade a health care system we know is working for a package of extremely vague paper proposals.

THE WEST COAST CORRIDOR FEASIBILITY STUDY ACT OF 1973—AMENDMENT

AMENDMENT NO. 121

(Ordered to be printed and referred to the Committee on Commerce.)

Mr. MAGNUSON. Mr. President, I am submitting an amendment to S. 1328, a bill sponsored by my two colleagues from California which provides for a study of a high speed ground transportation system between the cities of Sacramento, San Francisco, Fresno, Los Angeles, and San Diego in the State of California.

My amendment would expand the scope of this study to include essentially the entire west coast. The Secretary would be directed to study not only the feasibility of the routes specified in S. 1328, but also the route from San Francisco to Vancouver, B.C., by way of Portland and Seattle.

Senator Tunney has detailed the need for moving as rapidly as possible in attempting to solve the coming crisis in transportation in the California corridor. The problems which he has mentioned are common to the entire west coast, and any study which attempts to deal with these problems would be comprehensive in its scope and should include the heavily traveled route between San Francisco, Portland, Seattle, and Vancouver, B.C.

As has been pointed out by Senator Tunney, high speed ground transportation will probably not replace the automobile or the airplane on most of these routes, but it may help share a significant part of the future burden with these types of transportation. We must move ahead in the research, development, and implementation of new modes of transportation for the heavily traveled west coast corridor. The success of the Metroliner program in the Northeast corridor is well known, and there is a possibility that some form of advanced Metroliner service would be viable for the west coast. There are differences between the two areas, however, and it may well be that the greater distances involved make this sort of program less attractive than it is in the New York to Washington area. Because of the unique problems involved on the west coast, it may well be that the long-range solution to the transit problems there will come from implementation of new concepts in surface transportation. There are a number of systems currently under study and development by the Department of Transportation, and it is highly possible that one of them could be the ideal system for use in the west coast corridor.

The study called for by this bill would be considering systems which could operate at cruising speeds in excess of 200 miles per hour. The study would consider the placement of access points in areas which would make maximum use of local mass transit systems; and environmental and energy requirements of any such system would be integral to the study.

It is most important that we plan now for the transportation needs of the future. We have already seen in the Northeast railroad crisis what can occur from haphazard unplanned growth of present transit systems. The need for long-range planning and thorough study is obvious. The leadtime for the implementation of any such system is large; most experts think that any new system could not possibly be fully operational before the year 1985. As Senator Tunney has already pointed out, "every day we waste now may cost us dearly in the 1980's."

I ask unanimous consent that the bill as proposed to be amended be printed at this point in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1328

A bill to direct the Secretary of Transportation to make an investigation and study of the feasibility of a high-speed ground transportation system between the cities of San Diego in the State of California and Vancouver in the Province of British Columbia by way of the cities of Seattle in the State of Washington, Portland in the State of Oregon, and Sacramento, San Francisco, Fresno, and Los Angeles in the State of California

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as "The West Coast Corridor Feasibility Study Act of 1973".

Sec. 2. The Secretary of Transportation is directed and authorized to make an investigation and study for the purpose of determining the social advisability, technical feasibility, and economic practicability of a high-speed ground transportation system between the cities of San Diego in the State of California and Vancouver in the Province of British Columbia by way of the cities of Seattle in the State of Washington, Portland in the State of Oregon, and Sacramento, San Francisco, Fresno, and Los Angeles in the State of California. In carrying out such investigation and study the Secretary shall consider—

(1) the various means of providing such transportation, including those under development, such as the tracked levitation vehicle;

(2) the cost of establishing and operating such a system, including any acquisition of necessary rights-of-way;

(3) the environmental impact of such a system including the future environmental impact from air and other transportation if such a system is not established;

(4) the factors which would determine the future adequacy and commercial success of any such system, including the speed at which it would operate, the quality of service which could be offered, its cost to potential users, its convenience to potential users, and its ability to expand to meet projected increases in demand;

(5) the efficiency of energy utilization and impact on energy resources of such a system, including the future impact of existing transportation systems on energy resources if such a system is not established;

(6) the ability of such a system to be integrated with other local and intrastate transportation system, both existing and planned, in order to create a balanced and comprehensive transit system within the State of California; and

(7) such other matters as he deems appropriate.

Sec. 3. In carrying out the investigation and study pursuant to this Act, the Secretary of Transportation may enter into contracts and other agreements with public or private agencies, institutions, organizations, corporations, or individuals, without regard to sections 3648 and 3709 of the Revised Statutes (31 U.S.C. 529; 41 U.S.C. 5).

Sec. 4. The Secretary of Transportation shall report the results of the study and investigation pursuant to this Act, together with his recommendations, to the Congress and the President as soon as practicable.

Sec. 5. There is authorized to be appropriated eight million dollars to carry out the provisions of this Act.

HEALTH MAINTENANCE ORGANIZATIONS—AMENDMENT IN THE NATURE OF A SUBSTITUTE

AMENDMENTS NOS. 122 AND 123

(Ordered to be printed and lie on the table, No. 122 and No. 123, printed and referred to the Committee on Finance.)

Mr. JAVITS. Mr. President, I yield myself 1 minute on another subject.

Senators will be considering tomorrow the authorizing legislation for health maintenance organizations. I will submit today, as a total substitute for the bill, an approach which endeavors to make it truly an experimental program with adequate resources, but still an experimental program, to prove what needs to be proved in respect to health care delivery.

I hope Members of the Senate will carefully study the bill as it will be considered as a committee substitute for the bill which is before the Senate. I hope, in view of the differences which have developed on the bill before the Senate, which are very sharp, that it may prove to be a way in which we may legislate with both wisdom and prudence in aid of this very important proposal.

Mr. President, I introduce and send to the desk for appropriate reference an amendment to my National Health Insurance and Health Services Improvement Act (S. 915) and on behalf of myself and the Senator from Pennsylvania (Mr. SCHWEIKER), an amendment to S. 14, both of which are identical in substance. The purpose of the amendment is twofold:

First, to substitute an amended version of S. 14—the committee reported HMO bill now pending on the Senate calendar—for title IV of my national health insurance bill—the Local Comprehensive Health Services Systems Act, which I first introduced in the 91st Congress—and express my support for the stimulation and development of financially viable prepaid group practice units, now commonly known as HMO's; and

Second, to provide the framework for a substitute HMO bill which could serve as a reasonable compromise for the Administration HMO bill (S. 972), which I introduced with the cosponsorship of Senator SCHWEIKER, and S. 14.

The major differences between S. 14 and the HMO amendment to my national health insurance bill I introduce today are:

1. Reductions in the total authorizations from $1.5 billion over 3 years for S. 14, to $705 million over 3 years for the amendment. It should be noted that the authorization levels which total $705 million are precisely the same as the authorizations in S. 14, after excluding certain authorizations for categorical programs in S. 14 as hereinafter discussed, and reducing the third year authorization for initiative awards by $75,000,000.

2. Deletion of the authorizations in S. 14 for capitation grants for HMO's, (a) for the expenses of such organization's premium differentials and (b) to fulfill the open enrollment requirement for high risk enrollees.

Whether these authorizations would be funded is highly improbable! Therefore, the amendment provides that the Secretary shall determine how existing Federal resources could be utilized to achieve the desirable goal of enabling HMO's to serve high risk enrollees and, also, report on the need—if necessary—for additional legislative authority to accomplish that end.

3. Deletion of the categorical S. 14 authorizations for the HMO entities defined as Health Service Organizations and Area Health Education Centers. Ample authority to accomplish the purposes of these specific categorical programs—Health Service Organizations and Area Health Education Centers—are included within the authorized Supplemental HMO's in S. 14 and by this amendment.

4. Rather than independent agency status, as provided in S. 14 for the Commission on Quality Health Care Assurance, its vital, well-defined role and mission is to be established within the Department of Health, Education, and Welfare. By establishing the Commission in HEW, it will be able to utilize ongoing quality assessment, control, and regulation programs, and most effectively and economically become an effective mechanism for developing the urgently needed capability to assess and monitor the quality of health care on a national scale.

5. The Federal medical malpractice reinsurance program is deleted. The inclusion of this provision in S. 14 occurred before the committee had the benefit of the recent "Report of the Secretary's Commission on Medical Malpractice." The Commission's recommendations are aimed at preventing medical injuries, deterring unnecessary malpractice claims, improving the efficiency and fairness of the claims-resolution process, and providing prompt rehabilitation and equitable compensation to medically injured persons. Also, as its final recommendation, the Commission called for creation of a nongovernmental, nonprofit organization which would be the nationwide focal point for malpractice research, information, education, and prevention activities. There is a medical malpractice crisis and it is imperative that we bring reform to this critical area based on the Commission's recommendations.

6. The power of the Secretary to waive defined mandated health benefits is expanded so that it may be based not only on the lack of health manpower in S. 14, but also to include lack of health facilities and equipment. The absence of adequate health manpower resources in a given geographic area necessary to providing a specific service within the required range of comprehensive health services is not the only critical problem an applicant for assistance may confront. The absence of adequate health facilities and equipment may also necessitate a waiver of a specific service.

The essential legislative concepts embodied in S. 14 and carried forward by this amendment are:

(1) ORGANIZATION OF MEDICAL RESOURCES

To insure that Federal assistance will effectuate real change in the health care system, the essential elements of the HMO concept are defined with great precision: (a) Provision of comprehensive medical services; (b) to a defined enrolled population; (c) on a prepayment rather than a fee-for-service basis. In the recognition that bringing such organization into the delivery of medical care is "a consummation devoutly to be wished," but may not come to pass, the flexible HMO concept, which encompasses a wide range of possibilities for methods of delivering medical care, is also authorized—supplemental HMO's. And, for example, the individual practice type HMO's—such as foundations for medical care sponsored by local medical societies—which also seek to stimulate innovation in health care delivery, are eligible for Federal support—in addition to the reserved percent of appropriations—in the event there are no qualified closed panel HMO group practice applicants.

Escalating medical costs, which have increased at twice the rate of the cost of living in the last decade; the unavailability of adequate—or sometimes of any—health care in inner-city and rural areas; fragmented and inaccessible services to many citizens in all walks of life; the prohibitive costs of serious illness; and insufficient use of preventive measures which can substantially reduce the incidence of disease and its severity, are all evidence of the problems in our Nation's health care system. The bill and my amendment seek to provide a solution through the establishment of HMO's—a legislative concept I first authored in the 91st Congress.

In his 1971 health message to Congress, President Nixon described the HMO as a vehicle which "organizes medical resources in a way that is more convenient for patients and more responsive to their needs". The HMO, the President explained, offers an alternative to forcing the consumer to thread his own way through a complex maze of separate services and specialists by making a full range of health services available through a single organization and by insuring that the most effective combination of resources is utilized. The President stressed that "in an HMO, cost consciousness is fostered. Such an organization cannot afford to waste resources—that costs more money in the short run." Thus, HMO's have a strong financial interest in preventing illness, or failing that, in treating it in its early stages, promoting a full recovery and preventing any recurrences; they are motivated to function efficiently because they must stay within predetermined budgets.

The President's statements advance the arguments for a Federal policy to encourage the formation and growth of health maintenance organizations, so that in the future the health care industry would be comprised of a substantial proportion of HMO's competing for consumers with each other and with the traditional system.

(2) SUPPLEMENTAL HMO'S

I believe there is sufficient evidence to warrant closed panel prepaid group practice as the optimum organizational form of health care delivery, and I cite testimony comparing an HMO model delivering 25 percent more outpatient visits per capita per year to enrollees for the same outpatient benefits in 1971 for $111 per capita—to fee-of-service care at $113 per capita. Thus, even though this HMO's enrollees utilize outpatient care at a great rate—25 percent—the HMO delivered it at a lower per capita cost. This experience is not unique to one HMO. There have been a number of studies relating to large groups of people found in all prepaid group practice plans.

In regard to hospital care, the Federal employees health benefits program has demonstrated repeatedly a far lower hospital utilization experience in every one of the prepaid group practice plans than in other types of health insurance programs.

I refer Senators to that 7-year study, which has been included in volume VI of the hearing record, beginning at page 2635.

To assure a response to varying local needs and capitalize on the strengths and flexibility of the pluralistic health-care system already in place, providers are encouraged to work within any one of a number of HMO settings consistent with principles and reasonable criteria which are more likely to be accepted by providers and will therefore bring about reform in the health care delivery system in the long term, but not to the degree and with the rapidity contemplated by the strictly defined HMO. For that reason, I believe that supplemental HMO Federal support should come only when all qualified applicants authorized under part A of title I of the amendment have been funded. This is not to say such HMO's are inferior—although, in fact, they do not provide one-stop care nor guarantee it to be both medically and economically more desirable to keep a population in good health, rather than simply to treat episodic illnesses as they occur—but rather such HMO applicants choose not to meet the strict definition and provide the broad range of health benefits mandated by part A of title I of the amendment.

(3) STATE LAW PROBLEM

Although the phrase "health maintenance organization" has been recently coined and thus has the appearance of a totally new concept, it is not. In the United States, examples of organizations that would meet the criteria proposed for defining an HMO have been in existence for nearly 40 years. This has given rise in some quarters—particularly among stalwarts of cherished fee-for-service private practice who are alarmed at the prospect of competition—to the argument that—if the concept is so competitive with the relatively unorganized fee-for-service system which is most prevalent in this country—it would have spread more widely than has been the case. This is untrue. The history of the development of prepaid comprehensive group practice in this country is one of constant harassment and opposition—both direct and through restrictive legislation. The efforts to block the spread of the prepaid group practice form of medical care organization have been aided by restrictive State legislation which has placed barriers in the way of group practice development without any valid social or technical reason.

The financial and organizational aspects of the bill are important—but even more important, is the Government's commitment, pursuant to section 1213 of the amendment, to using its considerable leverage to force change where voluntary change would never come. In essence, this provision overrides State law through the use of Federal power in respect to State laws which prohibit or impede the operation of community oriented, consumer sponsored, prepaid group practice units. This represents a major shift from a time when the Government was the willing partner of those forces fighting to maintain the status quo in health care organization in the United States. As the inequities in health services available under the present system have become more widely recognized, the inadvisability of maintaining a system that responds primarily to the professional interest, often at the expense of the public interest, has become manifest.

I believe that if there is to be an effective, meaningful HMO alternative in this country, restrictions must be removed relating to the formation and operation of HMO's characterized by: State laws which vest the control of health plans in the hands of the medical profession; regulations by insurance commissions which seek to adapt prepaid group practice plans to principles of insurance by blurring or ignoring the distinctions between direct service organizations and third party cash indemnity payers; common law practice of medicine rules which prohibit altogether the use of the corporate form for the provision of health services; and use of ethical sanctions by local medical societies to deter physicians from participating in prepaid group practice.

The extent of the problem of State laws that often hamper HMO development was confirmed by Elliot L. Richardson, former Secretary of the Department of Health, Education, and Welfare, when he testified before the Subcommitee on Health, Committee on Labor and Public Welfare, that:

> Many States impose legal restrictions on HMO development which will have to be overcome, for example, in the areas of licensure of health professionals and sponsorship of HMO's. Twenty-one States have even more restrictive laws, in some instances, requiring HMO's to operate under rules applicable to Blue Shield plans or insurance companies. Since HMO's operate in a different fashion from either of these, such laws make it difficult for HMO's to organize.

This is achieved and in a manner which assure that the supplanted State laws do not have HMO's free to function in a "vacuum," relieved of State and local regulations. Rather, the HMO, which otherwise conforms to State laws for incorporation and licensing of health professionals, must provide health care services in accordance with the strictly defined provisions of this act.

(4) QUALITY OF CARE

We must improve our ability to assure the public that the services they receive are of a quality which meets basic professional standards. To achieve this goal, the amendment establishes a Commission on Quality Health Care Assurance in the Department of Health, Education, and Welfare, which, in essence, would: monitor quality mechanisms, prescribe criteria and norms, certify provider quality programs, operate malpractice reinsurance programs which might be established and do research; and each health care provider certified by the Commission would be entitled to receive an annual payment to defray administrative costs associated with maintaining quality standards.

The need for assurance of quality health has been one of the great challenges of delivering health services and transcends any one form of health delivery. Therefore, the bill broadens the mandate of the Commission beyond HMO's to encompass all federally financed health care programs under the Public Health Service Act, for which legislation this committee has jurisdiction. Reform of the health care delivery system in the United States must consider means of assuring quality for consumers and this need must not be ignored by the health industry, and organizations that maintain the health of people. They must set an example providing services of the highest quality. This is the least we can expect from an affluent and humane nation.

CONCLUSION

As we focus our priorities upon the need for national health insurance we must recognize the need to augment and improve the capacity of the health care establishment to meet the increased demands which will result from any new national health program. Therefore, we must seek to find ways to improve access to health care and to control the costs and to maintain the quality of that care. In short, this amendment improves the system for delivering health care by authorizing support for the concept of organized, prepaid health care delivery systems—HMO's—which can provide a full range of services.

Mr. President, I ask unanimous consent that the summary of substitute for S. 14 and full text of my amendment be printed in the RECORD.

There being no objection, the summary and amendments were ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 122

Commencing on page 107, strike out all after the enacting clause and insert in lieu thereof the following:

"TITLE IV—HEALTH MAINTENANCE ORGANIZATIONS

"SHORT TITLE

"SECTION 1. This title may be cited as the 'Health Maintenance Organization Act of 1973'.

"CONGRESSIONAL FINDINGS

"SEC. 2. (a) The Congress finds that—

"(1) the medical care system is not organized in a manner which encourages the provision of medical care at reasonable costs;

"(2) the medical care system is oriented toward providing care once a health need has occurred rather than toward providing health maintenance and preventative health services; and

"(3) there is a serious maldistribution of medical care resources which has resulted in inadequate access to medical care in both inner city and rural areas.

"(b) The purpose of this Act is to assist in remedying these deficiencies through encouraging the establishment and utilization of health maintenance organizations, particularly in medically underserved areas by improving the system for the delivery of health care through encouragement of any support for the planning, development, and initial operation of health maintenance organizations and supplemental health maintenance organizations, particularly with the intent of improving the health of populations in medically underserved areas.

"(c) Nothing in this title, or any amendment made by this Act, shall be construed to supersede any activity relating to review of the provision of health care services under (including review and assessment of quality or quantity of such services or determination or reimbursement therefor) or to the determination of eligibility of any provider, practitioner, agency, or organization to participate under any program established under the Social Security Act.

"AMENDMENT TO THE PUBLIC HEALTH SERVICE ACT

"SEC. 3. The Public Health Service Act (42 U.S.C. 201) is amended by inserting after title XI the following new title:

" 'TITLE XII—HEALTH MAINTENANCE ORGANIZATIONS

" 'PART A—SUPPORT OF HEALTH MAINTENANCE ORGANIZATIONS

" 'DEFINITIONS

" 'SEC. 1201. For the purposes of this title:

" '(1) The term "health maintenance organization" means an entity which—

" '(A) provides as a minimum for all its enrollees (or subscribers) comprehensive health services (as defined in this section) which are uniformly available to all its enrollees (or subscribers) directly through its own staff and supporting resources or through a medical group or groups and such other additional services as may be required through other health delivery entities, or a fixed payment which (i) is to be paid on a periodic basis without regard to the frequency, extent, or kind of health service actually furnished to any particular enrollee; and (ii) is uniform for all its enrollees subject to rules and regulations regarding family rates;

" '(B) demonstrates to the satisfaction of the Secretary ability to assure that appropriate comprehensive health services are available and accessible to all its enrollees promptly and in a manner which assures continuity;

" '(C) demonstrates to the satisfaction of the Secretary financial responsibility through proof of adequate provision against the risk of insolvency;

" '(D) is organized in such a manner (as prescribed by regulations of the Secretary) that assures its enrollees a substantial role (generally defined as one-third representation in the body establishing or recommending policy) in the making of policy for the health maintenance organization, with equitable representation of enrollees from medically underserved areas, and provides meaningful procedures for hearing and resolving grievances (i) between its enrollees and the health maintenance organization (including the medical group or groups and other health delivery entities providing health services), and (ii) between the medical group or groups providing health services and other employees and the health maintenance organization;

" '(E) encourages and actively provides for its enrollees (i) health education services, (ii) education in the appropriate use of health services provided, and (iii) education in the contribution the patient can make in the maintenance of his own health;

" '(F) has organizational arrangements, established in accordance with regulations of the Commission on Quality Health Care Assurance (established under title XIII of this Act) for an ongoing quality assurance program which stresses health outcomes and assures that health services provided meet the requirements of the Commission on Quality Health Care Assurance;

" '(G) provides, in accordance with regulations of the Secretary (including safeguards concerning the confidentiality of the doctor-patient relationship), an effective procedure for developing, compiling, evaluating, and reporting to the Secretary, data (which the Secretary shall publish and disseminate on an annual basis relating to (i) the cost of its operations, (ii) the patterns of utilization of its services, (iii) the availability, accessibility, and acceptability of its services, and (iv) such other matters as the Secretary may require and disclose at least annually and in a manner acceptable to the Secretary, such data to its enrollees and to the general public;

" '(H) except for (i) out of area emergency care, and (ii) care reasonably valued in excess of the first $5,000 per enrollee per year, assumes direct financial responsibility, without benefit of insurance, on a prospective basis for the provision of the comprehensive health services defined in this section;

" '(I) has an open enrollment period, unless a waiver has been granted under section 1216, of not less than thirty days at least once during each consecutive twelve-month period during which it accepts individuals in the order in which they apply for enrollment up to its capacity, subject to the requirements of paragraph (K);

" '(J) assumes responsibility for the provision of health care services to its enrollees (and on a reimbursable basis for short-term health care services to enrolees of any other health maintenance or supplemental health maintenance organization who are temporarily outside the service area of the health maintenance or supplemental health maintenance organization in which they are enrolled) twenty-four hours a day, seven days a week, and for the appropriate availability of such services in emergencies;

" '(K) shall enroll no more than 50 per centum of its enrollees from medically underserved areas, except in rural areas as designated by the Secretary;

" '(L) provides, or makes arrangements for, continuing education for its staff;

" '(M) emphasizes the use of nurse practitioners, physician's assistants, dental therapists, and other allied health personnel and to the extent practicable and consistent with good medical practice, trains and employs such personnel in the rendering of services;

" '(N) provides to its enrollees as an option, for an additional premium, extended care facility services and dental services;

" '(O) may purchase on a fee-for-service basis unusual or infrequently used health care services for its enrollees;

" '(P) does not refuse enrollment to or expel any person for any reason concerning his health status or requirements for the provisions for the provision of health services;

" '(Q) provides for the prevention, diagnosis, and medical and psychological treatment of the abuse of or addiction to alcohol and drugs either through its own facilities or existing community facilities; and

" '(R) meets such other criteria for its organization and operations as the Secretary may by regulation prescribe, consistent with the provisions of this title.

" '(2) The term "comprehensive health services" means health services provided without limitation as to time or cost as follows—

" '(A) physician services (including consultant and referral services);

" '(B) inpatient and outpatient hospital services;

" '(C) home health services;

" '(D) diagnostic laboratory, and diagnostic and therapeutic radiologic services;

" '(E) preventive health (including but not limited to voluntary family planning, infertility services, and preventive dental care for children) and early disease detection services;

" '(F) emergency health services rendered by any provider of health care, the expense of which shall be borne by the enrollee's health maintenance or supplemental health maintenance organization;

" '(G) provision of or payment for prescription drugs (with patterns of patient drug utilization under continuous surveillance, evaluation, and review by a clinical pharmacist whose duties shall include the maintenance of a drug use profile for each enrollee);

" '(H) medical social services;

" '(I) vision care (except for eyeglasses which shall be optional) as provided by a physician skilled in the diagnosis and treatment of diseases of the eye, or by an optometrist provided such services are within the scope of his license;

" '(J) physical medicine and rehabilitative services (including physical therapy);

" '(K) mental health services utilizing existing community mental health centers on a priority basis;

" '(L) preventive diagnostic and medical and psychological treatment of the abuse of or addiction to alcohol and drugs; and

" '(M) such other personal health services as the Secretary may determine are necessary to insure the protection, maintenance, and support of human health.

" '(3) The term "medical group" means a partnership or other association or group of health professionals of whom not less than four and at least a majority shall be persons who are licensed to practice medicine or osteopathy, and such other licensed health professionals as are necessary to provide comprehensive health services and who are eligible for assistance under this Act, in conformance with requirements promulgated under section 1302, in a State and who (A) as their principal professional activity engage in the coordinated practice of their profession as a group responsibility providing services to health maintenance or health service organization enrollees; (B) if not employees or retainees of a health maintenance organization, or health service organization, pool their income from practice as members of the group and distribute it among themselves according to a prearranged salary or drawing account plan; (C) jointly use or share medical and other records and substantial portions of major equipment and professional, technical, and administrative staff; (D) share or jointly utilize such additional health and allied health professionals who may include but are not limited to psychologists and other mental health workers, optometrists, pharmacists, podiatrists, dental therapists, physician's assistants, nurse practitioners and nurse midwives, as are needed to provide comprehensive health services; and (E) arrange for and encourage the continuing education of their members in the field of clinical medicine and related areas.

" '(4) The term "enrollee" when used in connection with a health maintenance organization or supplemental health maintenance organization (as defined in part B), means an individual who has entered into a contractual arrangement, or on whose behalf a contractual arrangement has been entered into, with a health maintenance organization or supplemental health maintenance organization under which such organization assumes the responsibility for the provision of health services to such individual.

" '(5) The term "medically underserved area" means an urban or rural area or population group designated by the Secretary as an area or population group with a shortage of personal health services. Such a designation may be made by the Secretary only after consideration of the comments, if any, of (A) each State comprehensive health planning agency designated pursuant to section 314(a) of this Act covering, in whole or in part, such area, (B) each areawide comprehensive health planning agency designated pursuant to section 314 (b) of this Act, covering, in whole or in part, such area, and (C) regional medical programs established pursuant to title IX of this Act, covering, in whole or in part, such area.

" '(6) The terms "construction" and "cost of construction" include (A) the construction of new buildings, and the acquisition, expansion, remodeling, replacement, and alteration of existing buildings, and including architects' fees, and (B) equipping new buildings and existing buildings, whether or not acquired, expanded, remodeled, or altered with assistance under this title.

"'(7) The term "university health center" means a health care institution which is owned and operated by an accredited university or college of medicine or which has a written affiliation arrangement with an accredited university or college of medicine for the purpose of educating undergraduate medical students.

"'(8) The term "nonmetropolitan area" means an area no part of which is within an area designated as a standard metropolitan statistical area by the Office of Management and Budget, and does not contain a city whose population exceeds fifty thousand persons.

"'(9) The term "nonprofit provider group" means an incorporated body of health providers (including physicians, administrators, nurses, and paraprofessionals who qualify under the Public Health Service Act) that is regional in scope.

"'(10) The term "high-risk enrollee" means a person who is likely to utilize the services of a provider of health care more often than an actuarially determined average.

"'GRANTS FOR PLANNING AND FEASIBILITY STUDIES

"'SEC. 1202. (a) The Secretary may make grants, subject to the general provisions of this title, to public or private nonprofit agencies, organizations, or institutions to assist in projects for planning or studying the feasibility of developing or expanding health maintenance organizations. No project may receive more than $250,000 in grants under this section. Funds awarded under such grants shall be available for expenditure by the grantee for such period (not to exceed two years from the date of award) designated by the Secretary.

"'(b) In making grants under this section the Secretary shall give priority to those applicants who give assurances that at least 30 per centum of their total enrollment shall be persons from medically underserved areas.

"'(c) There are authorized to be appropriated to carry out the provisions of this section $10,000,000 for the fiscal year ending June 30, 1974, $15,000,000 for the fiscal year ending June 30, 1975, and $20,000,000 for the fiscal year ending June 30, 1976.

"'GRANTS FOR INITIAL DEVELOPMENT COSTS

"'SEC. 1203. (a) The Secretary may make grants, subject to the general provisions of this title, to any public or assist them in meeting the costs involved in a project for the initial development of a health maintenance organization prior to its first day of operation. No project may receive more than $1,000,000 in grants under this section.

"'(b) Sums awarded under such grant shall be available for expenditure by the grantee for not more than three years, and shall be utilized for such purposes as may be prescribed in regulations of the Secretary, including but not limited to (1) implementation of an enrollment campaign; (2) detailed design of and arrangements for the health services to be provided; (3) development of administrative and internal organizational arrangements, including fiscal control and fund accounting procedures and the development of a capital financing program; (4) recruitment of personnel and the conduct of personnel training activities; and (5) payment of architects' and engineers' fees.

"'(c) In making grants under this section the Secretary shall give priority to those applicants who give assurances that at least 30 per centum of their total enrollment shall be persons from medically underserved areas.

"'(d) There are authorized to be appropriated to carry out the provisions of this section, $15,000,000 for the fiscal year ending June 30, 1974, $25,000,000 for the fiscal year ending June 30, 1975, and $30,000,000 for the fiscal year ending June 30, 1976.

"'CONSTRUCTION GRANTS

"'SEC. 1204. (a) The Secretary may make grants, subject to the general provisions of this title, to assist any public or private nonprofit health maintenance organization or any public or private nonprofit agency, organization, or institution intended to become a health maintenance organization in meeting the cost of construction of facilities or portions of facilities for ambulatory care and capital investment for necessary transportation equipment, to be used by it for the provision of health services to its enrollees. The Secretary shall give special consideration to applications for grants for the acquisition or renovation of existing facilities. Except for exceptional circumstances, in which case up to 90 per centum of the cost of construction (as determined by the Secretary) may be authorized by the Secretary, no grant under this section for any project may exceed 75 per centum of the cost of construction of such project. No project may receive more than $2,500,000 in grants under this section.

"'(b) In making grants under this section the Secretary shall give priority to those applicants who give assurances that at least 30 per centum of their total enrollment shall be persons from medically underserved areas.

"'(c) There are authorized to be appropriated to carry out the provisions of this section, $15,000,000 for the fiscal year ending June 30, 1974, $30,000,000 for the fiscal year ending June 30, 1975, and $40,000,000 for the fiscal year ending June 30, 1976.

"'GRANTS FOR INITIAL COSTS OF OPERATION

"'SEC. 1205. (a) Where the Secretary determines that the applicant has made all reasonable attempts to meet his operating expenses (including loans and loan guarantees), he may make grants to public and private nonprofit health maintenance organizations to assist them in meeting operating deficits during the initial three-year period of their operation.

"'(b) Grants under this section shall be made only for the period beginning with the first day of the first month for which such grant is made and ending with the close of three years after such first day; and such grant with respect to any such organization may not exceed 100 per centum of such operating deficit for the first year after such first day; 67 per centum of such first year operating deficit for the second year after such first day, and 33 per centum of such first year operating deficit for the third year after such first day.

"'(c) There are authorized to be appropriated to carry out the provisions of this section, $5,000,000 for the fiscal year ending June 30, 1974, $30,000,000 for the fiscal year ending June 30, 1975, and $50,000,000 for the fiscal year ending June 30, 1976.

"'CONSTRUCTION LOANS

"'SEC. 1206. (a) The Secretary may make loans, subject to the general provisions of this title, to any public or private nonprofit health maintenance organization, or any public or private nonprofit agency, organization, or institution intending to become a health maintenance organization, to assist it in meeting the cost of construction of facilities for ambulatory care and transportation services for the provision of health services to its enrollees. The Secretary shall give special consideration to applications for loans for the acquisition or renovation of existing facilities. No loan under this section for any project may exceed 90 per centum of the cost of construction (as determined by the Secretary) of such project.

"'(b) There are authorized to be appropriated to carry out the provisions of this section, $10,000,000 for the fiscal year ending June 30, 1974, $20,000,000 for the fiscal year ending June 30, 1975, and $30,000,000 for the fiscal year ending June 30, 1976. Sums so appropriated, together with repayments of loans made under this section and any other receipts in connection with the program under this section, shall be placed in and constitute a revolving fund which shall be available to the Secretary without fiscal year limitation for use in making loans and other expenditures in the exercise of his functions under this section.

"'LOANS FOR INITIAL COSTS OF OPERATION

"'SEC. 1207. (a) The Secretary may make loans, subject to the general provisions of this title, to any public or private nonprofit health maintenance organization to assist it in meeting, for the period prescribed in subsection (b), a portion of its initial operating costs in excess of gross revenues determined under regulations of the Secretary.

"'(b) Loans under this section for initial costs of operation may be made only for the period beginning with the first day of the first month for which such a loan is made and ending with the close of three years after such first day; and such loans with respect to any project may not exceed 60 per centum of such costs of operation, for the first year after such first day; 40 per centum of such costs for the second year after such first day; and 20 per centum of such costs for the third year after such first day.

"'(c) There are authorized to be appropriated to carry out the provisions of this section $5,000,000 for the fiscal year ending June 30, 1974, $30,000,000 for the fiscal year ending June 30, 1975, and $50,000,000 for the fiscal year ending June 30, 1976. Sums so appropriated, together with repayments of loans made under this section, shall be placed in and constitute a revolving fund which shall be available to the Secretary without fiscal year limitation for use in making loans and other expenditures in the exercise of his functions under this section.

"'PART B—SUPPPLEMENTAL HEALTH MAINTENANCE ORGANIZATIONS

"'SUPPLEMENTAL HEALTH MAINTENANCE ORGANIZATIONS

"'SEC. 1208. The Secretary may make grants and loans to supplemental health maintenance organizations as defined in section 1209 from funds appropriated to authorizations under part A of this Act for the purposes described in part A in amounts not to exceed 17.5 per centum of the amounts appropriated under such part: *Provided*, That the Secretary may make such grants and loans in excess of 17.5 per centum of such amounts from funds available during any fiscal year after all applications from qualified applicants under part A have been fully funded. Such grants and loans shall be for the same purposes, and subject to the same conditions and limitation as are applicable in the case of grants and loans to health maintenance organizations (as defined in section 1201).

"'DEFINITIONS

"'SEC. 1209. For the purposes of this part and part E—

"'(1) The term "supplemental health maintenance organization" means a public or private organization which—

"'(A) provides, either directly or through arrangements with others, health services to individuals enrolled with such organization on a per captia prepayment basis;

"'(B) provides, either directly, or through arrangements with others and through institutions, entities, and persons meeting the applicable requirements of section 1861 of the Social Security Act, all those health services which a defined population might reasonably require in order to be maintained in good health, including as a minimum emergency care, inpatient hospital and physician care, ambulatory physician care, and outpatient preventive medical services;

"'(C) provides physicians' services (i) directly through physicians who are either employees or partners of such organization, or (ii) under arrangements with one or more groups of physicians (organized on a group practice or individual practice basis) under which each such group is reimbursed for its services primarily on the basis of an aggregate fixed sum or on a per capita basis, regardless of whether the individual physician members of any such group are paid on a fee-for-service or other basis;

"'(D) demonstrates to the satisfaction of the Secretary proof of financial responsibility and proof of capability to provide prompt, efficient and economical comprehensive health care services, including institutional services, efficiently, effectively, and economically and in a manner which assures continuity;

"'(E) has arrangements for assuring that the health services required by its enrollees are received promptly and appropriately and that the services which are received meet quality standards which it establishes in accordance with regulations of the Commission on Quality Health Care Assurance;

"'(F) is organized in such a manner as to emphasize local initiative and consumer and community involvement in the planning, development, and operation of such supplemental health maintenance organization and seek to insure prompt response to local initiative; and

"'(G) demonstrates to the satisfaction of the Secretary, in accordance with regulations of the Secretary, it has or will have a governing board which includes members who (i) have no financial interest in the organization other than as enrolled participants, (ii) are not receiving compensation for the provision of goods or services to the organization other than reasonable compensation for service as members of the governing board, and (iii) are neither employed by, nor members of the immediate family of, persons who have such an interest or are receiving such prohibited compensation.

"'PART B—GENERAL PROVISIONS

"'GRANTS AND LOANS

"'SEC. 1210. (a) Any loan by the Secretary shall bear interest at a rate comparable to the current legal rate of interest prevailing with respect to loans which are guaranteed under section 1211. No payment of principal on a loan shall be required for the first five years after such loan is made.

"'(b) No such loan shall be made unless—

"'(1) the Secretary is reasonably satisfied that the applicant therefor will be able to make payments of principal and interest thereon when due, and

"'(2) the applicant provides the Secretary with reasonable assurances that there will be available to it such additional funds as may be necessary to complete the project with respect to which such loan is requested.

"'(c) Any such loan shall have such security, have such maturity date, be repayable in such installments, and be subject to such other terms and conditions (including provisions for recovery in case of default) as the Secretary determines to be necessary to carry out the purposes of this title while adequately protecting the financial interests of the United States.

"'(d) No such loan shall have a term in excess of fifteen years.

"'(c) The Secretary may, for good cause, waive any right of recovery which he has by reason of the failure of a public organization to make payment and interest on a loan under this section.

"'LOAN GUARANTEES AND INTEREST SUBSIDIES

"'SEC. 1211. (a) In order to assist (1) private health maintenance organizations and health service organizations (or entities intending to become either), to carry out construction projects for ambulatory care facilities and transportation services and in the case of health service organizations communication services to be used by it for the provision of health services to its enrollees, to meet their initial development costs (for not more than three years) or to meet their cost of operation (for not more than three years), (2) university health centers, regional medical programs, and other private nonprofit provider groups in the development of area health education and service centers, and to provide working capital for the operation of such area health education and service centers as well as to subsidize the difference between income and operating expenditures, the Secretary, during the period beginning January 1, 1974, and ending with the close of June 30, 1976, may, in accordance with the provisions of this section, and subject to the general provisions of this Act (A) guarantee to non-Federal lenders making loans to such organizations for such purposes, payment of principal of and interest on such loans which are approved under this section, and (B) in the case of nonprofit health maintenance or supplemental health maintenance organizations, pay to the holder of such loans (and for and on behalf of the organization which received such loan) amounts sufficient (not to exceed 3 per centum per annum) to reduce the net effective interest rate otherwise payable on such loan. No loan guarantee or interest subsidy under this section may, except under such special circumstances and under such conditions as are prescribed by regulations, apply to or be made for an amount which, when added to any grant or other loan under this or any other law of the United States, is—

"'(i) with respect to any construction, in excess of 90 per centum of the cost of such construction,

"'(ii) with respect to initial development costs, in excess of 90 per centum of such costs, or

"'(iii) with respect to initial operating costs, in excess of 90 per centum of such costs.

No such loan guarantee may apply to more than 90 per centum of the loss of principal and interest on the loan.

"'(b) The Secretary may not approve the application of a health maintenance organization, supplemental health maintenance organization, university health center, regional medical program, or other nonprofit unless—

"'(1) he determines, in the case of a loan for which a guarantee or an interest subsidy payment is sought, that the terms, conditions, maturity, security (if any), and schedule and amounts of repayments with respect to the loan are sufficient to protect the financial interests of the United States and are otherwise reasonable and in accord with regulations, including a determination that the rate of interest does not exceed such per centum per annum on the principal obligation outstanding as the Secretary determines to be reasonable, taking into account the range of interest rates prevailing in the private market for similar loans and the risks assumed by the United States;

"'(2) the term of a loan for which a guarantee and interest subsidy is sought does not exceed twenty-five years if for construction, or fifteen years if for operating costs, or such shorter period as the Secretary prescribes; and

"'(3) he obtains assurances that the applicant will keep such records, and afford such access thereto, and make such reports, in such form and containing such information, as the Secretary may reasonably require.

"'(c) Guarantees of loans and interest subsidy payments under this section shall be subject to such further terms and conditions as the Secretary determines to be necessary to assure that the purposes of this section will be achieved, and, to the extent permitted by subsection (e), any of such terms and conditions may be modified by the Secretary to the extent he determines it to be consistent with the financial interest of the United States.

"'(d) In the case of any loan guaranteed under this section, the United States shall be entitled to recover from the applicant the amount of any payments made pursuant to such guarantee unless the Secretary, for good cause, waives his right of recovery, and, upon making any such payment, the United States shall be subrogated to all of the rights of the recipient of the payments with respect to which the guarantee was made.

"'(e) Any guarantee of a loan under this section shall be incontestable in the hands of an applicant on whose behalf such guarantee is made, and as to any person who makes or contracts to make a loan to such applicant in reliance thereon, except for fraud or misrepresentation on the part of such applicant or such other person.

"'(f)(1) There is established in the Treasury a Health Maintenance Organization, and Supplemental Health Maintenance Organization Loan Guarantee and Interest Subsidy Fund (hereafter in this section referred to as the "fund") which shall be available to the Secretary without fiscal year limitation, in such amounts as may be specified from time to time in appropriation Acts (A) to enable him to discharge his responsibilities under guarantees issued by him under this title, and (B) for interest subsidy payments authorized by this title. There are authorized to be appropriated from time to time such amounts as may be necessary to provide the sums required by the fund. To the extent authorized from time to time in appropriation Acts there shall be deposited in the fund amounts received by the Secretary as interest payments or repayments of principal on loans and any other moneys, property, or assets derived by him from his operations under this title, including any moneys derived from the sale of assets.

"'(2) If at any time the moneys in the fund are insufficient to enable the Secretary to discharge his responsibilities under this title to meet the obligations under guarantees of loans under subsection (a) or to make interest subsidy payments on such loans, he is authorized to issue to the Secretary of the Treasury notes or other obligations in such forms and denominations, bearing such maturities, and subject to such terms and conditions, as may be prescribed by the Secretary with the approval of the Secretary of the Treasury. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the issuance of the notes or other obligations. The Secretary of the Treasury is authorized and directed to purchase any notes and other obligations issued hereunder and for that purpose he is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act and the purposes for which securities may be issued under that Act are extended to include any purchase of such notes and obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this subsection. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated as public debt transactions of the United States. Sums borrowed under this subsection shall be deposited in the fund and redemption of such notes and obligations shall be made by the Secretary from such fund.

" '(g) (1) The cumulative total of the principal of the loans outstanding at any time with respect to which guarantees have been issued under this section may not exceed such limitations as may be specified in appropriation Acts.

" '(2) In any fiscal year no loan guarantee or agreement to make interest subsidy payments may be entered into under this title if the making of such guarantee of the entering into of such agreement would cause the cumulative total of—

" '(A) the principal of the loans guaranteed under this title in such fiscal year, and

" '(B) the principal of the loans for which no guarantee has been made under this title and with respect to which an agreement to make interest subsidy payments is entered into under this title in such fiscal year, to exceed the amount of grants obligated under this Act in such fiscal year; except that this paragraph shall not apply if the amount of grant funds obligated under this title in such fiscal year equals the sums appropriated for such fiscal year under this title.

" 'APPLICATION REQUIREMENTS

" 'SEC. 1212. (a) No grant, contract, loan, loan guarantee, or interest subsidy may be made under this title unless an application therefor has been submitted to and approved by the Secretary. Such application shall be in such form, submitted in such manner, and contain such information, consistent with subsection (b) (1), as the Secretary shall by regulation prescribe.

" '(b) (1) An application for a grant, loan, loan guarantee, or interest subsidy under this title shall include to such extent, in such manner and among such other matters as the Secretary may by regulation prescribe, satisfactory specification of the existing or anticipated (A) population group or groups to be served by the existing or proposed health maintenance organization or supplemental health maintenance organization described in the application, (B) enrollment for such organization, (C) methods, terms, and periods for the enrollment of enrollees, (D) nature and estimated costs per enrollee of the health care and educational services to be provided, (E) sources of professional services, and organizational arrangements for providing health care and educational services, (F) organizational arrangements for an ongoing quality assurance program in conformance with the requirements of the Commission on Quality Health Care Assurance, (G) sources of prepayment and other forms of payment for the services to be provided, (H) facilities available for an additional capital investments and sources of financing therefor, required to provide the level and scope of services proposed, (I) administrative, managerial, and financial arrangements and capabilities of such organization, (J) role for enrollees in the planning and policymaking for such organization, (K) grievance procedures for enrollees, staff, and employees, and (L) evaluation or evaluations of the support for and acceptance of such organization by the population to be served, the sources of operating support, and the professional groups to be involved or who would be affected thereby. An organization making multiple applications for assistance under this title simultaneously or over the course of time shall not be required to submit duplicate or redundant information but shall be required to update the description of the existing or proposed organization in such manner and with such frequency as the Secretary may by regulation prescribe.

" '(2) Upon completion of assistance under this title, the receipt of assistance shall make a full and complete report to the Secretary, in such manner as he may by regulation prescribe. Each such report shall include, among such other matters as the Secretary may by regulation prescribe, descriptions of plans, developments, and operations in those areas enumerated in paragraph (1) for specification in applications for assistance.

" '(c) A health maintenance organization, or supplemental health maintenance organization, other nonprofit providers, regional medical programs or university health center receiving assistance under this title shall submit to the Secretary as a condition of its continued assistance, satisfactory assurances, in accordance with such regulations as the Secretary shall prescribe, including but not limited to the following: (1) financial responsibility, and (2) development and operation consistent with the terms of this title and the plans contained in such organization's application or applications for assistance. As used in this subsection the term "financial responsibility" means the demonstrated capability of adequately carry out the purposes of the project for which the original assistance was granted.

" '(d) (1) An application for a grant, loan, loan guarantee, or interest subsidy under this title shall contain assurances satisfactory to the Secretary that the applicant will, in accordance with such criteria as the Secretary shall by regulation prescribe, enroll the maximum number of persons that its available and potential resources (as determined under regulations of the Secretary) will enable it to effectively serve; except that the applicant shall enroll no more than 50 per centum of its enrollees from medically underserved areas except in rural areas as designated by the Secretary.

" '(2) No grant may be made and no loan, loan guarantee, or interest subsidy payment may be made under this title unless the applicant demonstrates to the satisfaction of the Secretary that the applicant will or has enrolled, and will maintain an enrollment of, the maximum number of persons that its available and potential resources (as determined under regulations of the Secretary) will enable it to effectively serve, except that the applicant shall enroll no more than 50 per centum of its enrollees from medically underserved areas except in rural areas as designated by the Secretary.

" '(e) The Secretary shall have the authority after a hearing on the record to terminate or cancel any grant, loan, loan guarantee, or interest subsidy to any recipient of assistance under this title which he determines is in substantial noncompliance with any material provision of this title or after notice from the Commission on Quality Health Care Assurance that such organization has had its certificate of compliance suspended or revoked.

" '(f) Effective two years after the date of enactment of this Act, no assistance shall be given under this Act or the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963, to a provider of health care unless such provider holds a valid certificate of compliance under section 1302.

" '(g) (1) The Secretary may not approve an application submitted under section 1203, 1204, 1205, 1206, or 1207 unless the section 314(b) areawide health planning agency whose section 314(b) plan covers (in whole or in part) the area to be served by the health maintenance organization, or supplemental health maintenance organization for which such application is submitted, or if there is no such agency, the section 314(a) State health planning agency whose section 314(a) plan covers (in whole or in part) such area, has, in accordance with regulations of the Secretary, been provided an opportunity to review the application and to submit to the Secretary for his consideration its recommendations respecting approval of the application. If under applicable State law such an application may not be submitted without the approval of the section 314(b) areawide health planning agency or the section 314(a) State health planning agency, the Secretary may not approve such an application unless the required approval has been obtained.

" '(2) The Secretary shall by regulation establish standards and procedures for section 314(b) areawide health planning agencies and section 314(a) State health planning agencies to follow in reviewing and commenting on applications for assistance for health maintenance organizations.

" ' If during any fiscal year there are insufficient funds for funding all of the approved applications for assistance under this title, the Secretary shall give priority to those applications which he determines shall be most likely to be economically viable.

" 'EFFECT ON STATE LAW

" 'SEC. 1213. (a) Notwithstanding any provisions of State law which—

" '(1) require approval of a health maintenance organization, supplemental health maintenance organization or health service organization by a medical society;

" '(2) require that physicians constitute all or a majority of the governing body of a health maintenance organization or supplemental health maintenance organization;

" '(3) require that all physicians or a percentage of physicians in the local medical society be permitted to participate in rendering the services of the organization;

" '(4) require that such organization submit to regulations as an insurer of health care services;

" '(5) require that only unincorporated individuals or associations or partnerships may provide health care services;

" '(6) prohibit advertising by a professional group for recruitment of enrollees; or

" '(7) impose requirements or restrictions on a health maintenance organization or supplemental health maintenance organization in a manner, determined by the Secretary, to be incompatible with this title,

a health maintenance organization or a supplemental health maintenance organization, or other providers of health care receiving Quality Health Care Initiative Awards under this title, who otherwise conform with the laws for incorporation and laws for licensing of physicians, osteopaths, and dentists in such State shall be allowed to provide health care services in such State in accordance with the provisions of this title.

" 'QUALITY HEALTH-CARE INITIATIVE AWARDS

" 'SEC. 1214. (a) Every provider of health care which is certified by the Commission on Quality Health Care Assurance as maintaining quality control standards in compliance with the requirements set by the Commission on Quality Health Care Assurance shall be entitled to an annual payment in an amount equal to the administrative costs incurred (as allowed by the Commission) in complying with the requirements of the Commission or otherwise demonstrating in accordance with professional standards the effectiveness and utility of health maintenance organizations, and supplemental health maintenance organizations. Any provider of health care, whether or not subject to the provisions of this Act, may apply to the Commission for certification of compliance under section 1302.

" '(b) There is authorized to be appropriated to carry out the provisions of this section $25,000,000 for the fiscal year ending June 30, 1974; $50,000,000 for the fiscal year ending June 30, 1975; and $75,000,000 for the fiscal year ending June 30, 1976.

" 'LABOR STANDARDS

" 'SEC. 1215. All laborers and mechanics employed by contractors or subcontractors on all construction projects assisted under this title shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act. The Secretary of Labor shall have with respect to the labor standards specified in this section the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176) and section 2 of the Act of June 13, 1934.

" 'OPEN ENROLLMENT WAIVER

" 'SEC. 1216. Where a health maintenance or supplemental health maintenance organization demonstrates to the satisfaction of the Secretary that it has a disproportionate share of high-risk enrollees and by maintaining open enrollment it would be required to enroll a nonrepresentative cross section of the community in which it provides services, to the extent that financing is available and people are willing to enroll, and the enrollment of such disproportionate share of high-risk enrollees will jeopardize its economic viability, the Secretary may waive such requirement for open enrollment for a period of not more than three years. A health maintenance or supplemental health maintenance organization may receive more than one waiver.

" 'ACCESS TO RECORDS

" 'SEC. 1217. (a) Each recipient of Federal funds under this Act shall keep such records as the Secretary shall prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such funds, the total cost of the undertaking in connection with which such funds are given or used, the amount of that portion of the cost of the undertaking supplied by other sources, and such other records as will facilitate an effective audit.

" '(b) The Secretary of Health, Education, and Welfare and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of the recipients of Federal funds under this Act.

" 'COMPREHENSIVE SERVICES PHASE-IN

" 'SEC. 1218. The Secretary may grant a waiver to an applicant for assistance under this title, with respect to the provision of any comprehensive health service set forth pursuant to section 1201 (2)(A), (B), (C), (D), (E), (F), (G), (H), (I), (J), (K), or (L) where he determines that—

" '(1) such service cannot be provided by the applicant solely because the required health manpower, facilities or equipment to provide such service is not available; and

" '(2) the applicant has a feasible plan to provide such service at the earliest possible date, such date not to exceed three years from the date assistance under this title is first granted to such applicant.

" 'COMPREHENSIVE HEALTH SERVICES FOR INDIANS AND MIGRANT WORKERS

" 'SEC. 1219. The Secretary is authorized to contract with health maintenance organizations, supplemental health maintenance organizations, or health service organizations to provide health services to individuals who are eligible for such services from the Indian Health Service (with the consent of the Indian people served) or under section 310 of this Act.

" 'PART C—SPECIAL PROJECT GRANTS TO FACILITATE HEALTH SERVICES IN NONMETROPOLITAN AREAS

" 'SEC. 1220. (a) The Secretary is authorized to make grants to or contracts with any public or nonprofit private entity (which otherwise may not be eligible for grants or assistance under this title) to study, initiate, and evaluate projects for the delivery, or to facilitate the delivery, in nonmetropolitan areas of comprehensive health services on the prepaid basis.'

"SEC. 404. The Public Health Service Act, as amended by this Act, is further amended by inserting after title XII the following new title:

" 'TITLE XII—COMMISSION ON QUALITY HEALTH CARE ASSURANCE

" 'PART A—COMMISSION ON QUALITY HEALTH CARE ASSURANCE

" 'ESTABLISHMENT OF COMMISSION

" 'SEC. 1301. (a) There is hereby established in the Department of Health, Education, and Welfare a Commission on Quality Health Care Assurance.

" '(b) The Commission shall be composed of eleven members to be appointed by the President and with the advice and consent of the Senate from among individuals who by virtue of their service, experience, or education are especially qualified to serve on the Commission. In making such appointments the President shall appoint individuals who are representative of the health care delivery industry, private organizations engaged in developing health care quality standards which may be applicable on a national basis, and consumers not related to the delivery of health care. The terms of office of each member of the Commission shall be

" '(1) the members first appointed shall serve, as designated by the President, three for a term of one year, two for a term of two years, two for a term of three years, two for a term of four years, and two for a term of five years;

" '(2) any member appointed to fill a vacancy shall serve for the remainder of the term for which his predecessor was appointed; and

" '(3) a member shall be eligible for reappointment for one additional term.

" '(c) The President shall designate one of the members to serve as Chairman and one to serve as Vice Chairman of the Commission.

" '(d) Any vacancy in the Commission shall not affect its powers and six members of the Commission shall constitute a quorum.

" '(e) Four members of the Commission shall be consumers not related to the delivery of health care.

" 'DUTIES OF THE COMMISSION

" 'SEC. 1302. (a) The Commission shall—

" '(1) promulgate standards for qualifications of personnel, composition of medical groups, and other characteristics dealing with the adequacy of facilities and equipment;

" '(2) conduct such research and experimental programs as are determined necessary for the development of—

" '(A) criteria for new and improved quality assurance systems, and

" '(B) norms, with regard to processes, utilization characteristics, and outcomes;

" '(3) require and monitor, in accordance with criteria established based upon findings under paragraph (2), quality assurance systems for health maintenance organizations, supplemental health maintenance organizations, health service organizations, and other providers of health care subject to the provisions of this Act and the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 which shall be designed to—

" '(A) improve as well as assess the quality of health care;

" '(B) evaluate the inputs, processes, utilization characteristics, and outcomes of health care as related to individuals and population groups, and establish relationships between inputs, processes, utilization characteristics, and outcomes;

" '(C) concentrate on those illnesses which have relatively high incidence in the population and which are particularly influenced by medical treatment, rather than on unusual illnesses or conditions whose course is little influenced by therapy;

" '(D) improve as well as assesses the accessibility, availability, and acceptability of health care provided by health maintenance organizations, supplemental health maintenance organizations, and health service organizations, or other providers of health care;

" '(E) develop procedures for such systems to report through the policymaking body of the health maintenance or supplemental health maintenance, organization (or as appropriate in the case of any other provider of health care) to the membership and to the Commission on Quality Health Care Assurance; and

" '(F) take into account the need for inclusion of consumers as well as the several health care disciplines in the decisionmaking membership of the system;

" '(4) certificates of compliance to providers of health care certifying that such providers maintain an approved quality assurance system and are otherwise conforming with requirements published under this section;

" '(5) after a hearing on the record, revoke or suspend such certificate where it determines that such provider has significantly deviated from the standards approved quality assurance system, or the norms published pursuant to this section unless such deviation is justified to the satisfaction of the Commission:

" '(6) monitor reports by health care providers covered by this Act and the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963, for the purpose of assuring that the performance of such health care providers is in conformance with the approved quality assurance system and norms published under this section;

" '(7) publish objective statistical descriptions of norms accumulated through experience and results of programs conducted under this Act and the Mental Retardation Facilities and Community Mental Health Care Centers Construction Act of 1963;

" '(8) conduct a program of research and development which shall have the objectives of—

" '(A) improving the technology of assessing the quality of health care with emphasis on the outcomes of health care;

" '(B) assessing and comparing the quality of health care provided under different delivery system arrangements;

" '(C) analyzing the effects providing information to consumers and improvement in the methods of information dissemination;

" '(D) analyzing the impact of its quality assurance program upon the quality of health care for the American people; and

" '(E) coordinating the collection, assimilation and cataloging of existing information regarding quality health care assurance programs of Federal, State, and local agencies and their relationships with one another, with due regard for the protection of the confidential nature of the doctor-patient relationship;

" '(9) collect, summarize, and distribute information regarding the impact of medical services and the health status of the population of the United States;

" '(10) provide technical assistance to providers of health care in the development of quality control programs;

" '(11) study the levels, costs, and quality of health care under health care programs of the Federal Government;

" '(12) administer any medical malpractice reinsurance program hereinafter established;

" '(13) analyze the need for standardization of medical record information and facilitate the development of a system of standard medical reference mechanisms;

" '(14) prescribe a schedule of reasonable contingent fees for attorneys representing claimants in proceedings under section 1309; and

" '(15) annually report to the President and to the Congress on the conduct of activities under this title (including results of studies conducted under paragraph (11)) together with such recommendations for additional legislation as the Commission may determine appropriate.

" '(b) In developing quality health care assurance system criteria the Commission's consideration shall include but not be limited to existing State regulations, such standards as are in effect for Federal health agencies and analysis of the results of any medical malpractice reinsurance program and the results of arbitration procedures.

" 'ADMINISTRATIVE POWERS

" 'SEC. 1303. (a) In order to carry out the provisions of this Act the Commission is authorized to—

" '(1) appoint and fix the compensation of personnel of the Commission in accordance with the provisions of title 5, United States Code;

" '(2) make, promulgate, issue, rescind, and amend rules and regulations as may be necessary to carry out the functions vested in the Commission and delegate authority to any officer or employee;

" '(3) acquire (by purchase, lease, condemnation, or otherwise), construct, improve, repair, operate, and maintain, research and other necessary facilities and equipment, and related accommodations as may be necessary, and such other real or personal property (including patents) as the Commission deems necessary; to acquire by lease or otherwise through the Administrator of General Services, buildings or parts of buildings in the District of Columbia or communities located adjacent to the District of Columbia for the use of the Commission for a period not to exceed ten years without regard to the Act of March 3, 1877 (40 U.S.C. 34);

" '(4) employ experts and consultants in accordance with section 3109 of title 5, United States Code;

" '(5) appoint one or more advisory committees (including a committee for the preparation and analysis of statistics) composed of such private citizens and officials of Federal, State, and local governments as it deems desirable, to advise the Commission with respect to its functions under this Act;

" '(6) utilize, with their consent the services, equipment, personnel information, and facilities of other Federal, State, and local public agencies with or without reimbursement therefor;

" '(7) accept voluntary and uncompensated services, notwithstanding the provisions of section 665(b) of title 31, United States Code;

" '(8) accept unconditional gifts or donations of services, money, or property, real, personal, or mixed, tangible or intangible; and

" '(9) take such actions as may be required for the accomplishment of the objectives of the Commission.

" '(b) Upon request made by the Commission each Federal agency is authorized and directed to make its services, equipment, personnel, facilities, and information (including suggestions, estimates and statistics) available to the greatest practicable extent consistent with other laws to the Commission in the performance of its functions with or without reimbursement. Where the Commission determines that such services, equipment, personnel, facilities, and information cannot be made available for utilization in a manner which would enable it to expeditiously perform its duties under this Act, the Commission may establish where necessary the programs necessary to accomplish its tasks;

" '(c) Each member of a committee appointed pursuant to paragraph (5) of subsection (a) of this section who is not an officer or employee of the Federal Government shall receive an amount equal to the maximum daily rate prescribed for GS-18 under section 5332 of title 5, United States Code, for each day he is engaged in the actual performance of his duties (including traveltime) as a member of a committee. All members shall be reimbursed for travel, subsistence, and necessary expenses incurred in the performance of their duties;

" '(d) The Chairman shall be the chief executive and the administrative officer of the Commission and shall exercise the responsibility of the Commission with respect to—

" '(1) the appointment and supervision of personnel employed by the Commission;

" '(2) the distribution of jobs among the personnel of the Commission; and

" '(3) the use and expenditure of funds.

" 'COMPENSATION

" 'SEC. 1304. (a) Section 5314 of title 5, United States Code, is amended by adding at the end thereof the following new paragraph:

" '(59) Chairman, Commission on Quality Health Care Assurance.'

" '(b) Section 5315 of title 5, United States Code, is amended by adding at the end thereof the following new paragraphs:

" '(97) Members, Commission on Quality Health Care Assurance (10).

" '(98) General Counsel, Commission on Quality Health Care Assurance.'

" 'APPLICABILITY OF COMMISSION REQUIREMENTS

" 'SEC. 1305. (a) Except as provided in subsection (b) the requirements established by the Commission pursuant to section 1302 shall apply to any provider of health care receiving assistance under this Act or the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 after the date of enactment of this title.

" '(b) Any provider covered under this Act or the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963, may apply to the Commission for a temporary order granting a variance from any requirement or any provision thereof promulgated under section 1302 of this Act. Such temporary order shall be granted only if the provider files an application which establishes that—

" '(1) the provider is unable to comply with a requirement by its effective date because of unavailability of professional or technical personnel or of materials and equipment needed to come into compliance with any requirement or because necessary construction, alteration, or modernization of facilities cannot be completed by its effective date; and

" '(2) the provider has an effective program for coming into compliance with any requirement as quickly as possible with adequate interim safeguards for the protection of consumers of health care.

" '(c) The Commission is authorized to grant a variance from any of its requirements or portion thereof whenever it determines or the Secretary of Health, Education, and Welfare certifies that such a variance is necessary to permit a provider to participate in a project approved by him designed to validate new and improved techniques of health care delivery systems.

" 'REPORTS AND MAINTENANCE OF RECORDS

" 'SEC. 1306. (a) Each provider, covered under this title, shall make, keep, and preserve, and make available to the Commission and the Secretary of Health, Education, and Welfare, such records regarding activities governed by this title as the Commission, in cooperation with the Secretary of Health, Education, and Welfare, shall prescribe.

" '(b) The Commission shall prescribe rules and regulations as may be necessary with regard to inspection of the records and facilities of a provider.

" 'DISCLOSURE TO CONSUMERS OF HEALTH CARE SERVICES

" 'SEC. 1307. (a) A description of any health care plan covered by this title shall be published as required herein within ninety days after the establishment of such plan or when such plan becomes subject to this title.

" '(b) A description of the plan shall be comprehensive and shall include, in a manner designed to be understood by the average enrollee, the following:

" '(1) fees and prices;

" '(2) scope of services included in benefit packages;

" '(3) accessibility and availability of services including the location of the facilities, equipment available, hours of operation, practitioners by type and location, and amenities;

" '(4) the name and type of administration of the plan; and

" '(5) a statement of certification by the Commission.

" '(d) The Commission shall monitor the provision of information by providers of care as required by this section. In any case in which information is disclosed or disseminated under this title and is subsequently found to be insufficient, inaccurate, or inaccurately disseminated the Commission shall take such action as is necessary to assure a full retraction of the inaccurate information together with a statement of new data in a manner similar to the initial disclosure or dissemination of such information.

" '(e) The disclosure must also include procedures to be followed in presenting claims for benefits under the plan and the remedies available under the plan for the redress of claims which are denied in whole or in part.

" '(f) Every provider shall furnish a copy of the plan description (including amendments or modifications thereto) described in subsection (b), to every enrollee upon his enrollment in the plan, and cause the same to be published, in a manner prescribed by the Commission, to the general public.

" 'PENALTIES

" 'SEC. 1308. (a) (1) Whenever the Commission after reasonable notice and opportunity for hearing to the provider finds that the provider has significantly deviated from the approved quality assurance system or is engaged in practices which significantly deviate from national or regional norms as determined by the Commission, the Commission shall notify the provider, and the Secretary of Health, Education, and Welfare that such provider shall be ineligible to participate in assistance under this Act and the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 and that the certificate of approval has been suspended until such time as the provider is found to be in compliance with the requirements established under section 1302. Hearings conducted under this section shall be held, where practicable, in a location convenient to the provider of health care.

" '(2) Providers of health care, who have had their certificate suspended for a period, which the Commission determines to be unreasonable, shall have their certificate revoked and shall be liable for the repayment of part or all amounts received under this Act and the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963.

"'(3) The Commission is authorized to make arrangements with providers of health care who have had their certificates revoked, for reimbursement of amounts received under this Act and the Mental Retardation facilities and community Mental Health Centers Construction Act of 1963, including deferred payments on such terms and for such periods as are deemed equitable and appropriate.

"'(b) Any person who knowingly makes any false statement, representation, or certification on any application, record, report, plan or other document filed or required to be maintained pursuant to this Act shall upon conviction be punished by a fine of not more than $10,000 or by imprisonment of not more than six months or by both.

"'ARBITRATION

"'Sec. 1309. (a) A provider of health care that possesses a valid certificate of compliance issued under section 1302 may enter into a program for the equitable and expeditious *handling of* malpractice claims which may arise out of care and treatment of patients. Such programs shall be based upon agreements between the patients and the providers of health care to submit all disputes, not settled to the satisfaction of both parties, to binding arbitration in order to gain the benefits of such programs for patients and providers. Records of all such settlements shall be kept by each provider of health care, and submitted to the Commission in such manner as it shall prescribe.

"'(b) An agreement to submit to binding arbitration under subsection (a) must be valid in the jurisdiction in which such agreement is made and shall provide for the selection of arbitrators in accordance with rules and regulations promulgated by the Commission. For those providers who shall establish arbitration programs as specified in this section, title 9 of the United States Code shall apply to such arbitration programs if the State or States in which the provider is located has not enacted legislation providing for the finality of arbitration decisions, or for parties to enter into agreements to arbitrate prior to a dispute.

"'(c) Written findings of fact and conclusions of law shall be prepared for each arbitration proceeding held under this section. In each case the findings shall be certified by the arbitrator to the Commission. The Commission shall develop a systematic codification of all findings of arbitration proceedings undertaken pursuant to this section and shall publish such findings at least annually or more frequently at the discretion of the Commission. The Commission shall certify all findings of arbitration proceedings undertaken pursuant to this section to all appropriate State or local licensing or disciplinary boards for each such arbitration procedure under the territorial jurisdiction of such board.

"'(d)(1) Every attorney who, in connection with any proceedings under this section for personal injuries or for death or for loss of services resulting from personal injury proximately caused by medical malpractice, accepts a retainer or enters into an agreement, express or implied, for compensation for services rendered or to be rendered in such proceedings whereby his compensation is to be dependent or contingent in whole or in part upon the successful prosecution or settlement thereof, shall, within thirty days from the date of any such retainer or agreement of compensation, sign personally and file with the Commission a retainer statement of such retainer or agreement of compensation containing such information as the Commission shall require.

"'(2) An attorney retained by another attorney on a contingent fee basis as trial or appeal counsel or to assist in the preparation, investigation, or settlement of any such proceeding, shall, within thirty days from the date of such retainer, sign personally and file with the Commission a retainer statement of such retainer or agreement of compensation containing such information as the Commission shall require.

"'(3) A closing statement shall be filed with the Commission with every proceeding in which a retainer statement is required containing such information as the Commissioner shall require.

"'(4) All statements of retainer or closing statements filed with the Commission shall be confidential, and the information therein contained shall not be divulged or made available for inspection or examination except upon written order of the Chairman or the General Counsel of the Commission.

"'(5) Any attorney who charges or collects, for services rendered in connection with any proceedings described in this subsection, any fee in excess of that allowed, shall be fined not more than $1,000 or imprisoned for not more than one year, or both.

"'PUBLICATION OF CRITERIA AND NORMS

"'Sec. 1310. (a) The Commission may, by rule, promulgate, modify, or revoke any quality assurance system criterion or norm in the following manner:

"'(1) whenever the Commission upon the basis of information submitted to it in writing by an interested person, a nationally recognized standard-producing organization, the Secretary of Health, Education, and Welfare, or a State or political subdivision, or on the basis of information developed by the Commission, or otherwise available to it, determines that a rule should be promulgated in order to serve the objectives of this title, the Commission shall publish such proposed rule promulgating, modifying, or revoking a standard or criterion for a quality health care assurance system or norm in the Federal Register, and shall afford interested persons a period of sixty days after publication to submit written data or comments.

"'(2) on or before the last day of the period provided for the submission of written data or comments, any interested person may file with the Commission written objections to the proposed rule stating the grounds therefor and requesting a public hearing on such objections. Within sixty days after the last day for filing such objections the Commission shall publish in the Federal Register a notice specifying the criteria for quality health care assurance systems or norms to which objections have been filed and a hearing request and specifying a time and place for such hearing. Hearings conducted under this section shall be held, where practicable, in a location convenient to the person filing such objection.

"'(3) Within sixty days after the expiration of the period provided for the submission of written data or comments or within sixty days after the completion of any hearing, whichever is later, the Commission shall issue and publish in the Federal Register a rule promulgating, modifying, or revoking standards, criteria for quality health care assurance systems or norms, or making a determination that a rule should not be issued. Such a rule may contain a provision delaying its effective date and such period (not in excess of ninety days) as the Commission determines may be necessary to insure that affected persons will be informed of the existence of the criteria or norm and of its determinations and that they are given an opportunity to familiarize themselves with the existence of the requirements of such criteria or norm.

"'(b) Any person who may be adversely affected by the promulgation of a rule issued respecting criteria or norms under this section may at any time prior to the ninetieth day after such criteria or norm is promulgated, file a petition challenging the validity of such criterion or norm with the United States district court for the district where such person resides or has his principal place of business for a judicial review of such criterion or norm. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Commission. The filing of such petition shall not, unless otherwise stated by the court, operate as a stay of the criterion or norm. The determinations of the Commission shall be conclusive if supported by the substantial evidence in the record considered as a whole.

"'(c) (1) In the case of establishing criteria for the assimilation of objective statistical material required for the publication of norms, the Commission shall hold hearings only when it determines such hearing to be necessary.

"'(2) The Commission shall publish in the Federal Register a summary and basis for the establishment of the criteria required by paragraph (1).

"'(d) The Commission in compiling information for setting the requirements for this title shall solicit views and information from concerned entities.

"'STATE JURISDICTION AND STATE PLANS

"'Sec. 1311. (a) Nothing in this Act shall prevent any State agency or court from asserting jurisdiction under State law over any health issue with respect to which no standard, criterion, or norm is in effect under section 1302 of this Act.

"'(b) Any State which at any time desires to assume responsibility for the development and enforcement of health standards, criteria, or norms relating to any health issue with respect to which a Federal standard, criterion, or norm has been promulgated under section 1302, shall submit to the Commission a State plan for the development of such standards, criteria, or norms and their enforcement.

"'(c) The Commission shall approve the plan submitted by a State under subsection (b) or any modification thereof only if such plan—

"'(1) designates a State agency or agencies as the agency or agencies responsible for administering the plan throughout the State;

"'(2) provides for the development and enforcement of health standards, criteria, or norms relating to one or more health issues which standards, criteria, or norms (and the enforcement of which) will be no less stringent than the standards, criteria, or norms promulgated under section 1302 which relate to the same health issues;

"'(3) provides for a right to entry and inspection of all premises of providers of health care subject to the Act and the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 which includes a prohibition on advance notice of inspections;

"'(4) contains satisfactory assurances that such agency or agencies have or will have the legal authority and qualified personnel necessary for the enforcement of such standards, criteria, and norms;

"'(5) gives satisfactory assurances that such State will devote adequate funds to the administration and enforcement of such standards, criteria, and norms;

"'(6) contains satisfactory assurances that such State will, to the extent permitted by its law, establish and maintain an effective and comprehensive health program applicable to all providers of health care of the State and its political subdivisions, which program is as effective as the standards contained in an approved State plan;

"'(7) requires providers of health care in the State to make reports to the Commission in the same manner and to the same extent as if the State plan were not in effect; and

"'(8) provides that the State agency will make such reports to the Commission in such form and containing such information as the Commission shall from time to time require.

"'(d) If the Commission rejects a plan submitted under subsection (b), it shall afford the State submitting the plan reasonable notice and opportunity for a hearing before so doing.

"'(e) After the Commission approves a State plan submitted under subsection (b), it may but shall not be required to, exercise its authority with respect to comparable standards, criteria, or norms promulgated under section 1302, for the period specified in the next sentence. The Commission may exercise the authority referred to above until it determines, on the basis of actual operations under the State plan, that the standards, criterions, or norms set forth in subsection (c) are being applied, but it shall not make such determination for at least three years after the plan's approval under subsection (c).

"'(f) The Commission shall, on the basis of reports submitted by the State agency and its own inspections, make a continuing evaluation of the manner in which each State having a plan approved under this section is carrying out such plan. Whenever the Commission finds, after affording due notice and opportunity for a hearing, that in the administration of the State plan there is a failure to comply substantially with any provision of the State plan (or any assurance contained therein), it shall notify the State agency of its withdrawal of approval of such plan and upon receipt of such notice, such plan shall cease to be in effect, but the State may retain jurisdiction in any case commenced before the withdrawal of the plan in order to enforce standards under the plan whenever the issues involved do not relate the reasons for the withdrawal of the plan.

"'(g) The State may obtain a review of a decision of the Commission withdrawing approval of or rejecting its plan by the United States court of appeals for the circuit in which the State is located by filing in such court within thirty days following receipt of notice of such decision a petition to modify or set aside in whole or in part of the action of the Commission. A copy of such petition shall forthwith be served upon the Commission, and thereupon the Commission shall certify and file in the court the record upon which the decision complained of was issued as provided in section 2112 of title 28, United States Code. Unless the court finds that the Commission's decision in rejecting a proposed State plan or withdrawing its approval of such a plan is not supported by substantial evidence, the court shall affirm the Commission's decision. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

"'(h) The Commission may enter into an agreement with a State under which the State will be permitted to continue to enforce one or more health standards, criteria, or norms in effect in such State until final action is taken by the Commission with respect to a plan submitted by a State under subsection (b) of this section, or two years from the date of enactment of this title, whichever is earlier.

"'PROCEDURES TO COUNTERACT IMMINENT DANGERS

"'Sec. 1312. (a) The United States district courts shall have jurisdiction, upon petition of the Commission, to restrain any conditions or practices by a provider of health care which are such that a danger exists which could reasonably be expected to cause death or serious physical harm immediately or before the imminence of such danger can be eliminated through the enforcement procedures otherwise provided by this title. Any order issued under this section may require such steps to be taken as may be necessary to avoid, correct, or remove such imminent danger or to maintain the capacity of a continuous process operation to resume normal operations without a complete cessation of operations, or where a cessation of operations is necessary, to permit such to be accomplished in a safe and orderly manner.

"'(h) Upon the filing of any such petition the district court shall have jurisdiction to grant such injunctive relief or temporary restraining order pending the outcome of an enforcement proceeding pursuant to this title. The proceeding shall be as provided by rule 65 of the Federal Rules of Civil Procedure, except that no temporary restraining order issued without notice shall be effective for a period longer than five days.

"'(c) Whenever and as soon as the Commission concludes that conditions or practices described in subsection (a) exist it shall inform the affected provider of health care of the danger and that it shall seek relief under this section.

"'(d) If the Commission arbitrarily or capriciously fails to seek relief under this section, any person who may be injured by reason of such failure, or the representative of such person might bring an action against the Commission in the United States district court for the district in which the imminent danger is alleged to exist or the provider has its principal office, or in the United States District Court for the District of Columbia, for a writ of mandamas to compel the Commission to seek such an order and for such further relief as may be appropriate.

"'DEFINITIONS

"'Sec. 1313. For the purposes of this title, the term—

"'(1) "input measure" means assessment based on the qualifications of personnel, facilities, and equipment permitted to provide medical care;

"'(2) "process measure" means assessment based upon the conformance of medical decisions and action taken in actual episodes of care to some defined standards of medical practice;

"'(3) "utilization characteristics" means those characteristics giving information concerning the rates of usage of components of the health care system such as the length of hospital stays, the number of doctor-patient contracts, and the number of hospital admissions in a year;

"'(4) "outcome measure" means assessment of care based upon health of patients during and particularly at the conclusion of episodes of care. Standards for clinical outcome should be based solely on the results of health care;

"'(5) "Commission" means the Commission on Quality Health Care Assurance;

"'(6) "reinsurance program" means the Federal Medical Malpractice Reinsurance Program established under part B of this title; and

"'(7) "norm" means a statistical range which reflects the parameters of acceptable quality health care practices existing at the time such norm is promulgated.

"'AUTHORIZATION OF APPROPRIATIONS

"'Sec. 1314. There are authorized to be appropriated for the carrying out of the provisions of this part $15,000,000 for the fiscal year ending June 30, 1974; the fiscal year ending June 30, 1975; and $70,000,000 for the fiscal year ending June 30, 1976.

"'CAPITATION GRANTS TO ENABLE HEALTH MAINTENANCE ORGANIZATIONS OR SUPPLEMENTAL HEALTH MAINTENANCE ORGANIZATIONS TO SERVE ALL PERSONS

"'Sec. 1315. (a)(1) The Secretary is authorized to determine how appropriations under this Act or funds otherwise authorized under law, can be utilized, to make annual grants to health maintenance organizations or supplemental health maintenance organizations serving persons who cannot meet the expenses of such organizations' premiums (excluding additional premiums for high option services). The amount of such annual grants being equal to the difference between the maximum amount (as determined by the Secretary) an enrollee could reasonably be expected to pay toward the health maintenance or supplemental health maintenance organization premium and the premium for membership enrollment in such health maintenance or supplemental health maintenance organization for each such person enrolled. A health maintenance or supplemental health maintenance organization shall be eligible for grants under this subsection only during the first three years of its operation.

"' (2) In determining the amount an enrollee could pay toward the premium, the Secretary shall consider all sources (including public sources) of income available to each such enrollee.

"'(3) Grants under this section would not exceed 25 per centum of the total premium receipts for such health maintenance or supplemental health maintenance organization for the next preceding year.

"'(b)(1) Where a health maintenance or supplemental health maintenance organization proposes an increase in its premium rate and the Secretary determines that such an increase is due in whole or in part to fulfillment of the requirement for open enrollment, in that such organization has in its enrolled population a disproportionate number of high-risk enrollees, the Secretary is authorized to determine how appropriations under this Act or funds available to the Social Security Administration, as amended, can be utilized to make annual grants to such organization equal to an amount that would eliminate the need for that part of the proposed premium increase caused by such disproportionate number of high-risk enrollees in such organization. A health maintenance or supplemental health maintenance organization shall be eligible for grants under this subsection only during the first three years of its operation.

"'(2) The Secretary shall report to Congress no later than ten days after the submittal of the budget request for each year with regard to needed legislative authority, if any, to provide capitation grants to enable health maintenance organizations or supplemental health maintenance organizations to serve all persons.'

"TECHNICAL AMENDMENTS TO THE PUBLIC HEALTH SERVICE ACT

"Sec. 405. (a) Section 1 of the Public Health Service Act is amended by striking out 'titles I to X' and inserting in lieu thereof 'titles I, II and XV'.

"(b) The Act of July 1, 1944 (58 Stat. 682), is further amended by renumbering title XI (as in effect prior to the date of enactment of this Act) as title XV and by renumbering sections 1101 through 1114 (as in effect prior to such date) and references thereto as sections 1501 through 1514, respectively.

"(c) Sections 767, 768, 769, 769A, and 769B of the Public Health Service Act (added by section 107 of Public Law 92–157) are redesignated as sections 769, 769A, 769B, 769C, and 769D, respectively."

Amendment No. 123

Commencing on page 61, strike line 1 through line 16 on page 70 and insert in lieu thereof the following:

"TITLE IV—HEALTH MAINTENANCE ORGANIZATIONS

"SHORT TITLE

"SEC. 401. This title may be cited as the 'Health Maintenance Organization Act of 1973'.

"CONGRESSIONAL FINDINGS

"SEC. 402. (a) The Congress finds that—

"(1) the medical care system is not organized in a manner which encourages the provision of medical care at reasonable costs;

"(2) the medical care system is oriented toward providing care once a health need has occurred rather than toward providing health maintenance and preventative health services; and

"(3) there is a serious maldistribution of medical care resources which has resulted in inadequate access to medical care in both inner city and rural areas.

"(b) The purpose of this Act is to assist in remedying these deficiencies through encouraging the establishment and utilization of health maintenance organizations, particularly in medically underserved areas by improving the system for the delivery of health care through encouragement of any support for the planning, development, and initial operation of health maintenance organizations and supplemental health maintenance organizations, particularly with the intent of improving the health of populations in medically underserved areas.

"((c) Nothing in this title, or any amendment made by this Act, shall be construed to supersede any activity relating to review of the provision of health care services under (including review and assessment of quality or quantity of such services or determination or reimbursement therefor) or to the determination of eligibiliy of any provider, practitioner, agency, or organization to participate under any program established under the Social Security Act.

"AMENDMENT TO THE PUBLIC HEALTH SERVICE ACT

'SEC. 403. The Public Health Service Act (42 U.S.C. 201) is amended by inserting after title XI the following new title:

" 'TITLE XII—HEALTH MAINTENANCE ORGANIZATIONS

" 'PART A—SUPPORT OF HEALTH MAINTENANCE ORGANIZATIONS

" ' DEFINITIONS

" 'SEC. 1201. For the purposes of this title:

" '(1) The term "health maintenance organization" means an entity which—

" '(A) provides as a minimum for all its enrollees (or subscribers) comprehensive health services (as defined in this section) which are uniformally available to all its enrollees (or subscribers) directly through its own staff and supporting resources or through a medical group or groups and such other additional services as may be required through other health delivery entities, for a fixed payment which (i) is to be paid on a periodic basis without regard to the frequency, extent, or kind of health service actually furnished to any particular enrollee; and (ii) is uniform for all its enrollees subject to rules and regulations regarding family rates;

" '(B) demonstrates to the satisfaction of the Secretary ability to assure that appropriate comprehensive health services are available and accessible to all its enrollees promptly and in a manner which assures continuity;

" '(C) demonstrates to the satisfaction of the Secretary financial responsibility through proof of adequate provision against the risk of insolvency;

" '(D) is organized in such a manner (as prescribed by regulations of the Secretary) that assures its enrollees a substantial role (generally defined as one-third representation in the body establishing or recommending policy) in the making of policy for the health maintenance organization, with equitable representation of enrollees from medically underserved areas, and provides meaningful procedures for hearing and resolving grievances (i) between its enrollees and the health maintenance organization (including the medical group or groups and other health delivery entities providing health services), and (ii) between the medical group or groups providing health services and other employees and the health maintenance organization;

" '(E) encourages and actively provides for its enrollees (i) health education services, (ii) education in the appropriate use of health services provided, and (iii) education in the contribution the patient can make in the maintenance of his own health;

" '(F) has organizational arrangements, established in accordance with regulations of the Commission on Quality Health Care Assurance (established under title XIII of this Act) for an ongoing quality assurance program which stresses health outcomes and assures that health services provided meet the requirements of the Commission on Quality Health Care Assurance;

" '(G) provides, in accordance with regulations of the Secretary (including safeguards concerning the confidentiality of the doctor-patient relationship), an effective procedure for developing, compiling, evaluating, and reporting to the Secretary, data (which the Secretary shall publish and disseminate on an annual basis) relating to (i) the cost of its operations, (ii) the patterns of utilization of its services, (iii) the availability, accessibility, and acceptability of its services, and (iv) such other matters as the Secretary may require and disclose at least annually and in a manner acceptable to the Secretary, such data to its enrollees and to the general public;

" '(H) except for (i) out of area emergency care, and (ii) care reasonably valued in excess of the first $5,000 per enrollee per year, assumes direct financial responsibility, without benefit of insurance, on a prospective basis for the provision of the comprehensive health services defined in this section;

" '(I) has an open enrollment period, unless a waiver has been granted under section 1216, of not less than thirty days at least once during each consecutive twelve-month period during which it accepts individuals in the order in which they apply for enrollment up to its capacity, subject to the requirements of paragraph (K);

" '(J) assumes responsibility for the provision of health care services to its enrollees (and on a reimbursable basis for short-term health care services to enrollees of any other health maintenance or supplemental health maintenance organization who are temporarily outside the service area of the health maintenance or supplemental health maintenance organization in which they are enrolled) twenty-four hours a day, seven days a week, and for the appropriate availability of such services in emergencies;

" '(K) shall enroll no more than 50 per centum of its enrollees from medically underserved areas, except in rural areas as designated by the Secretary;

" '(L) provides, or makes arrangements for, continuing education for its staff;

" '(M) emphasizes the use of nurse practitioners, physician's assistants, dental therapists, and other allied health personnel and to the extent practicable and consistent with good medical practice, trains and employs such personnel in the rendering of services;

" '(N) provides to its enrollees as an option, for an additional premium, extended care facility services and dental services;

" '(O) may purchase on a fee-for-service basis unusual or infrequently used health care services for its enrollees;

" '(P) does not refuse enrollment to or expel any person for any reason concerning his health status or requirements for the provision of health services;

" '(Q) provides for the prevention, diagnosis, and medical and psychological treatment of the abuse of or addiction to alcohol and drugs either through its own facilities or existing community facilities; and

" '(R) meets such other criteria for its organization and operations as the Secretary may by regulation prescribe, consistent with the provisions of this title.

" '(2) The term "comprehensive health services" means health services provided without limitation as to time or cost as follows—

" '(A) physician services (including consultant and referral services);

" '(B) inpatient and outpatient hospital services;

" '(C) home health services;

" '(D) diagnostic laboratory, and diagnostic and therapeutic radiologic services;

" '(E) preventive health (including but not limited to voluntary family planning, infertility services, and preventive dental care for children) and early disease detection services;

" '(F) emergency health services rendered by any provider of health care, the expense of which shall be borne by the enrollee's health maintenance or supplemental health maintenance organization;

" '(G) provision of or payment for prescription drugs (with patterns of patient drug utilization under continuous surveillance, evaluation, and review by a clinical pharmacist whose duties shall include the maintenance of a drug use profile for each enrollee);

" '(H) medical social services;

" '(I) vision care (except for eyeglasses which shall be optional) as provided by a physician skilled in the diagnosis and treatment of diseases of the eye, or by an optometrist provided such services are within the scope of his license;

" '(J) physical medicine and rehabilitative services (including physical therapy);

" '(K) mental health services utilizing existing community mental health centers on a priority basis;

" '(L) preventive diagnostic and medical and psychological treatment of the abuse of or addiction to alcohol and drugs; and

" '(M) such other personal health services as the Secretary may determine are necessary to insure the protection, maintenance, and support of human health.

" '(3) The term "medical group" means a partnership or other association or group of health professionals of whom not less than four and at least a majority shall be persons who are licensed to practice medicine or osteopathy, and such other licensed health professionals as are necessary to provide comprehensive health services and who are eligible for assistance under this Act, in conformance with requirements promulgated under section 1302, in a State and who (A) as their principal professional activity engage in the coordinated practice of their profession as a group responsibility providing services to health maintenance or health service organization enrollees; (B) if not employees or retainees of a health maintenance organization, or health service organization, pool their income from practice as members of the group and distribute it among themselves according to a prearranged salary or drawing account plan; (C) jointly use or share medical and other records and substantial portions of major equipment and professional technical, and administrative staff; (D) share or jointly utilize such additional health and allied health professionals who may include but are not limited to psychologists and other mental health workers, optometrists, pharmacists, podiatrists, dental therapists, physician's assistants, nurse practioners and nurse midwives, as are needed to provide comprehensive health services; and (E) arrange for and encourage the continuing education of their members in the field of clinical medicine and related areas.

"'(4) The term "enrollee" when used in connection with a health maintenance organization or supplemental health maintenance organization (as defined in part B), means an individual who has entered into a contractual arrangement, or on whose behalf a contractual arrangement has been entered into, with a health maintenance organization or supplemental health maintenance organization under which such organization assumes the responsibility for the provision of health services to such individual.

"'(5) The term "medically underserved area" means an urban or rural area or population group designated by the Secretary as an area or population group with a shortage of personal health services. Such a designation may be made by the Secretary only after consideration of the comments, if any, of (A) each State comprehensive health planning agency designated pursuant to section 314(a) of this Act covering, in whole or in part, such area, (B) each areawide comprehensive health planning agency designated pursuant to section 314(b) of this Act, covering, in whole or in part, such area, and (C) regional medical programs established pursuant to title IX of this Act, covering, in whole or in part, such area.

"'(6) The terms "construction" and "cost of construction" include (A) the construction of new buildings, and the acquisition expansion, remodeling, replacement, and alteration of existing buildings, and including architects' fees, and (B) equipping new buildings and existing buildings, whether or not acquired, expanded, remodeled, or altered with assistance under this title.

"'(7) The term "university health center" means a health care institution which is owned and operated by an accredited university or college of medicine or which has a written affiliation arrangement with an accredited university or college of medicine for the purpose of educating undergraduate medical students.

"'(8) The term "nonmetropolitan area" means an area no part of which is within an area designated as a standard metropolitan statistical area by the Office of Management and Budget, and does not contain a city whose population exceeds fifty thousand persons.

"'(9) The term "nonprofit provider group" means an incorporated body of health providers (including physicians, administrators, nurses, and paraprofessionals who qualify under the Public Health Service Act) that is regional in scope.

"'(10) The term "high-risk enrollee" means a person who is likely to utilize the services of a provider of health care more often than an actuarially determined average.

"'GRANTS FOR PLANNING AND FEASIBILITY STUDIES

"'Sec. 1202. (a) The Secretary may make grants, subject to the general provisions of this title, to public or private nonprofit agencies, organizations, or institutions to assist in projects for planning or studying the feasibility of developing or expanding health maintenance organizations. No project may receive more than $250,000 in grants under this section. Funds awarded under such grants shall be available for expenditure by the grantee for such period (not to exceed two years from the date of award) designated by the Secretary.

"'(b) In making grants under this section the Secretary shall give priority to those applicants who give assurances that at least 30 per centum of their total enrollment shall be persons from medically underserved areas.

"'(c) There are authorized to be appropriated to carry out the provisions of this section $10,000,000 for the fiscal year ending June 30, 1974, $15,000,000 for the fiscal year ending June 30, 1975, and $20,000,000 for the fiscal year ending June 30, 1976.

"'GRANTS FOR INITIAL DEVELOPMENT COSTS

"'Sec. 1203. (a) The Secretary may make grants, subject to the general provisions of this title, to any public or assist them in meeting the costs involved in a project for the initial development of a health maintenance organization prior to its first day of operation. No project may receive more than $1,000,000 in grants under this section.

"'(b) Sums awarded under such grant shall be available for expenditure by the grantee for not more than three years, and shall be utilized for such purposes as may be prescribed in regulations of the Secretary, including but not limited to (1) implementation of an enrollment campaign; (2) detailed design of and arrangements for the health services to be provided; (3) development of administrative and internal organizational arrangements, including fiscal control and fund accounting procedures and the development of a capital financing program; (4) recruitment of personnel and the conduct of personnel training activities; and (5) payment of architects' and engineers' fees.

"'(c) In making grants under this section the Secretary shall give priority to those applicants who give assurances that at least 30 per centum of their total enrollment shall be persons from medically underserved areas.

"'(d) There are authorized to be appropriated to carry out the provisions of this section, $15,000,000 for the fiscal year ending June 30, 1974, $25,000,000 for the fiscal year ending June 30, 1975, and $30,000,000 for the fiscal year ending June 30, 1976.

"'CONSTRUCTION GRANTS

"'Sec. 1204. (a) The Secretary may make grants, subject to the general provisions of this title, to assist any public or private nonprofit health maintenance organization or any public or private nonprofit agency, organization, or institution intended to become a health maintenance organization in meeting the cost of construction of facilities or portions of facilities for ambulatory care and capital investment for necessary transportation equipment, to be used by it for the provision of health services to its enrollees. The Secretary shall give special consideration to applications for grants for the acquisition or renovation of existing facilities. Except for exceptional circumstances, in which case up to 90 per centum of the cost of construction (as determined by the Secretary) may be authorized by the Secretary, no grant under this section for any project may exceed 75 per centum of the cost of construction of such project. No project may receive more than $2,500,000 in grants under this section.

"'(b) In making grants under this section the Secretary shall give priority to those applicants who give assurances that at least 30 per centum of their total enrollment shall be persons from medically underserved areas.

"'(c) There are authorized to be appropriated to carry out the provisions of this section, $15,000,000 for the fiscal year ending June 30, 1974, $30,000,000 for the fiscal year ending June 30, 1975, and $40,000,000 for the fiscal year ending June 30, 1976.

"'GRANTS FOR INITIAL COSTS OF OPERATION

"'Sec. 1205. (a) Where the Secretary determines that the applicant has made all reasonable attempts to meet his operating expenses (including loans and loan guarantees), he may make grants to public and private nonprofit health maintenance organizations to assist them in meeting operating deficits during the initial three-year period of their operation.

"'(b) Grants under this section shall be made only for the period beginning with the first day of the first month for which such grant is made and ending with the close of three years after such first day; and such grant with respect to any such organization may not exceed 100 per centum of such operating deficit for the first year after such first day; 67 per centum of such first year operating deficit for the second year after such first day, and 33 per centum of such first year operating deficit for the third year after such first day.

"'(c) There are authorized to be appropriated to carry out the provisions of this section, $5,000,000 for the fiscal year ending June 30, 1974, $30,000,000 for the fiscal year ending June 30, 1975, and $50,000,000 for the fiscal year ending June 30, 1976.

"'CONSTRUCTION LOANS

"'Sec. 1206. (a) The Secretary may make loans, subject to the general provisions of this title, to any public or private nonprofit health maintenance organization, or any public or private nonprofit agency, organization, or institution intending to become a health maintenance organization, to assist it in meeting the cost of construction of facilities for ambulatory care and transportation services for the provision of health services to its enrollees. The Secretary shall give special consideration to applications for loans for the acquisition or renovation of existing facilities. No loan under this section for any project may exceed 90 per centum of the cost of construction (as determined by the Secretary) of such project.

"'(b) There are authorized to be appropriated to carry out the provisions of this section, $10,000,000 for the fiscal year ending June 30, 1974, $20,000,000 for the fiscal year ending June 30, 1975, and $30,000,000 for the fiscal year ending June 30, 1976. Sums so appropriated, together with repayments of loans made under this section and any other receipts in connection with the program under this section, shall be placed in and constitute a revolving fund which shall be available to the Secretary without fiscal year limitation for use in making loans and other expenditures in the exercise of his functions under this section.

"'LOANS FOR INITIAL COSTS OF OPERATION

"'Sec. 1207. (a) The Secretary may make loans, subject to the general provisions of this title, to any public or private nonprofit health maintenance organization to assist it in meeting, for the period prescribed in subsection (b), a portion of its initial operating costs in excess of gross revenues determined under regulations of the Secretary.

"'(b) Loans under this section for initial costs of operation may be made only for the period beginning with the first day of the first month for which such a loan is made and ending with the close of three years after such first day; and such loans with respect to any project may not exceed 60 per centum of such costs of operation, for the first year after such first day; 40 per centum of such costs for the second year after such first day; and 20 per centum of such costs for the third year after such first day.

"'(c) There are authorized to be appropriated to carry out the provisions of this section $5,000,000 for the fiscal year ending June 30, 1974, $30,000,000 for the fiscal year ending June 30, 1975, and $50,000,000 for the fiscal year ending June 30, 1976. Sums so appropriated, together with repayments of loans made under this section, shall be placed in and constitute a revolving fund which shall be available to the Secretary without fiscal year limitation for use in making loans and other expenditures in the exercise of his functions under this section.

"'PART B—SUPPLEMENTAL HEALTH MAINTENANCE ORGANIZATIONS

"'SUPPLEMENTAL HEALTH MAINTENANCE ORGANIZATIONS

"'SEC. 1208. The Secretary may make grants and loans to supplemental health maintenance organizations (as defined in section 1209) from funds appropriated pursuant to authorizations under part A of this Act for the purposes described in part A in amounts not to exceed 17.5 per centum of the amounts appropriated under such part: *Provided*, That the Secretary may make such grants and loans in excess of 17.5 per centum of such amounts from funds available during any fiscal year after all applications from qualified applicants under part A have been fully funded. Such grants and loans shall be for the same purposes, and subject to the same conditions and limitations as are applicable in the case of grants and loans to health maintenance organizations (as defined in section 1201).

"'DEFINITIONS

"'SEC. 1209. For the purposes of this part and part E—

"'(1) The term "supplemental health maintenance organization" means a public or private organization which—

"'(A) provides, either directly or through arrangements with others, health services to individuals enrolled with such organization on a per *capita* prepayment basis;

"'(B) provides, either directly, or through arrangements with others and through institutions, entities, and persons meeting the applicable requirements of section 1861 of the Social Security Act, all those health services which a defined population might reasonably require in order to be maintained in good health, including as a minimum emergency care, inpatient hospital and physician care, ambulatory physician care, and outpatient preventive medical services;

"'SEC. 1209. For the purpose of this part and part E—

"'(C) provides physicians' services (i) directly through physicians who are either employees or partners of such organization, or (ii) under arrangements with one or more groups of physicians (organized on a group practice or individual practice basis) under which each such group is reimbursed for its services primarily on the basis of an aggregate fixed sum or on a per capita basis, regardless of whether the individual physician members of any such group are paid on a fee-for-service or other basis;

"'(D) demonstrates to the satisfaction of the Secretary proof of financial responsibility and proof of capability to provide prompt, efficient and economical comprehensive health care services, including institutional services, efficiently, effectively, and economically and in a manner which assures continuity;

"'(E) has arrangements for assuring that the health services required by its enrollees are received promptly and appropriately and that the services which are received meet quality standards which it establishes in accordance with regulations of the Commission on Quality Health Care Assurance;

"'(F) is organized in such a manner as to emphasize local initiative and consumer and community involvement in the planning, development, and operation of such supplemental health maintenance organization and seek to insure prompt response to local initiative; and

"'(G) demonstrates to the satisfaction of the Secretary, in accordance with regulations of the Secretary, it has or will have a governing board which includes members who (i) have no financial interest in the organization other than as enrolled participants, (ii) are not receiving compensation for the provision of goods or services to the organization other than reasonable compensation for service as members of the governing board, and (iii) are neither employed by, nor members of the immediate family of, persons who have such an interest or are receiving such prohibited compensation.

"'PART B—GENERAL PROVISIONS

"'GRANTS AND LOSSES

"'SEC. 1210. (a) Any loan by the Secretary shall bear interest at a rate comparable to the current legal rate of interest prevailing with respect to loans which are guaranteed under section 1211. No payment of principal on a loan shall be required for the first five years after such loan is made.

"'(b) No such loan shall be made unless—

"'(1) the Secretary is reasonably satisfied that the applicant therefor will be able to make payments of principal and interest thereon when due, and

"'(2) the applicant provides the Secretary with reasonable assurances that there will be available to it such additional funds as may be necessary to complete the project with respect to which such loan is requested.

"'(c) Any such loan shall have such security, have such maturity date, be repayable in such installments, and be subject to such other terms and conditions (including provisions for recovery in case of default) as the Secretary determines to be necessary to carry out the purposes of this title while adequately protecting the financial interests of the United States.

"'(d) No such loan shall have a term in excess of fifteen years.

"'(e) The Secretary may, for good cause, waive any right of recovery which he has by reason of the failure of a public organization to make payment and interest on a loan under this section.

"'LOAN GUARANTEES AND INTEREST SUBSIDIES

"'SEC. 1211. (a) In order to assist (1) private health maintenance organizations and health service organizations (or entities intending to become either), to carry out construction projects for ambulatory care facilities and transportation services and in the case of health service organizations communication services to be used by it for the provision of health services to its enrollees, to meet their initial development costs (for not more than three years) or to meet their cost of operation (for not more than three years), (2) university health centers, regional medical programs, and other private nonprofit provider groups in the development of area health education and service centers, and to provide working capital for the operation of such area health education and service centers as well as to subsidize the difference between income and operating expenditures, the Secretary, during the period beginning January 1, 1974, and ending with the close of June 30, 1976, may, in accordance with the provisions of this section, and subject to the general provisions of this Act (A) guarantee to non-Federal lenders making loans to such organizations for such purposes, payment of principal of and interest on such loans which are approved under this section, and (B) in the case of nonprofit health maintenance or supplemental health maintenance organizations, pay to the holder of such loans (and for and on behalf of the organization which received such loan) amounts sufficient (not to exceed 3 per centum per annum) to reduce the net effective interest rate otherwise payable on such loan. No loan guarantee or interest subsidy under this section may, except under such special circumstances and under such conditions as are prescribed by regulations, apply to or be made for an amount which, when added to any grant or other loan under this or any other law of the United States, is—

"'(i) with respect to any construction, in excess of 90 per centum of the cost of such construction,

"'(ii) with respect to initial development costs, in excess of 90 per centum of such costs, or

"'(iii) with respect to initial operating costs, in excess of 90 per centum of such costs.

No such loan guarantee may apply to more than 90 per centum of the loss of principal and interest on the loan.

"'(b) The Secretary may not approve the application of a health maintenance organization, supplemental health maintenance organization, university health center, regional medical program, or other nonprofit provider unless—

"'(1) he determines, in the case of a loan for which a guarantee or an interest subsidy payment is sought, that the terms, conditions, maturity, security (if any), and schedule and amounts of repayments with respect to the loan are sufficient to protect the financial interests of the United States and are otherwise reasonable and in accord with regulations, including a determination that the rate of interest does not exceed such per centum per annum on the principal obligation outstanding as the Secretary determines to be reasonable, taking into account the range of interest rates prevailing in the private market for similar loans and the risks assumed by the United States:

"'(2) the term of a loan for which a guarantee and interest subsidy is sought does not exceed twenty-five years if for construction, or fifteen years if for operating costs, or such shorter period as the Secretary prescribes; and

"'(3) he obtains assurances that the applicant will keep such records, and afford such access thereto, and make such reports, in such form and containing such information, as the Secretary may reasonably require.

"'(c) Guarantees of loans and interest subsidy payments under this section shall be subject to such further terms and conditions as the Secretary determines to be necessary to assure that the purposes of this section will be achieved, and, to the extent permitted by subsection (e), any of such terms and conditions may be modified by the Secretary to the extent he determines it to be consistent with the financial interest of the United States.

"'(d) In the case of any loan guaranteed under this section, the United States shall be entitled to recover from the applicant the amount of any payments made pursuant to such guarantee unless the Secretary, for good cause, waives his right of recovery, and, upon making any such payment, the United States shall be subrogated to all of the rights of the recipient of the payments with respect to which the guarantee was made.

"'(e) Any guarantee of a loan under this section shall be incontestable in the hands of an applicant on whose behalf such guarantee is made, and as to any person who makes or contracts to make a loan to such applicant in reliance thereon, except for fraud or misrepresentation on the part of such applicant or such other person.

"'(f) (1) There is established in the Treasury a Health Maintenance Organization, and Supplemental Health Maintenance Organization Loan Guarantee and Interest Subsidy Fund (hereafter in this section referred to as the "fund") which shall be available to the Secretary without fiscal year limitation, in such amounts as may be specified from time to time in appropriation Acts (A) to enable him to discharge his responsibilities under guarantees issued by him under this title, and (B) for interest subsidy payments authorized by this title. There are authorized to be appropriated from time to time such amounts as may be necessary to provide the sums required by the fund. To the extent authorized from time to time in appropriation Acts there shall be deposited in the fund amounts received by the Secretary as interest payments or repayments of principal on loans and any other moneys, property, or assets derived by him from his operation under this title, including any moneys derived from the sale of assets.

"'(2) If at any time the moneys in the fund are insufficient to enable the Secretary to discharge his responsibilities under this title to meet the obligations under guarantees of loans under subsection (a) or to make interest subsidy payments on such loans, he is authorized to issue to the Secretary of the Treasury notes or other obligations in such forms and denominations, bearing such maturities, and subject to such terms and conditions, as may be prescribed by the Secretary with the approval of the Secretary of the Treasury. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury taking into consideration the current average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the issuance of the notes or other obligations. The Secretary of the Treasury is authorized and directed to purchase any notes and other obligations issued hereunder and for that purpose he is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act and the purposes for which securities may be issued under that Act are extended to include any purchase of such notes and obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this subsection. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated as public debt transactions of the United States. Sums borrowed under this subsection shall be deposited in the fund and redemption of such notes and obligations shall be made by the Secretary from such fund.

"'(g)(1) The cumulative total of the principal of the loans outstanding at any time with respect to which guarantees have been issued under this section may not exceed such limitations as may be specified in appropriation Act.

"'(2) In any fiscal year no loan guarantee or agreement to make interest subsidy payments may be entered into under this title if the making of such guarantee or the entering into of such agreement would cause the cumulative total of—

"'(A) the principal of the loans guaranteed under this title in such fiscal year, and

"'(B) the principal of the loans for which no guarantee has been made under this title and with respect to which an agreement to make interest subsidy payments is entered into under this title in such fiscal year, to exceed the amount of grants obligated under this Act in such fiscal year; except that this paragraph shall not apply if the amount of grant funds obligated under this title in such fiscal year equals the sums appropriated for such fiscal year under this title.

"'APPLICATION REQUIREMENTS

"'SEC. 1212. (a) No grant, contract, loan, loan guarantee, or interest subsidy may be made under this title unless an application therefor has been submitted to and approved by the Secretary. Such application shall be in such form, submitted in such manner, and contain such information, consistent with subsection (b)(1), as the Secretary shall by regulation prescribe.

"'(b)(1) An application for a grant, loan, loan guarantee, or interest subsidy under this title shall include to such extent, in such manner and among such other matters as the Secretary may by regulation prescribe, satisfactory specification of the existing or anticipated (A) population group or groups to be served by the existing or proposed health maintenance organization or supplemental health maintenance organization described in the application, (B) enrollment for such organization, (C) methods, terms, and periods for the enrollment of enrollees, (D) nature and estimated costs per enrollee of the health care and educational services to be provided, (E) sources of professional services, and organizational arrangements for providing health care and educational services, (F) organizational arrangements for an ongoing quality assurance program in conformance with the requirements of the Commission on Quality Health Care Assurance, (G) sources of prepayment and other forms of payment for the services to be provided, (H) facilities available for and additional capital investments and sources of financing therefor, required to provide the level and scope of services proposed, (I) administrative, managerial, and financial arrangements and capabilities of such organization, (J) role for enrollees in the planning and policymaking for such organization, (K) grievance procedures for enrollees, staff, and employees, and (L) evaluation or evaluations of the support for and acceptance of such organization by the population to be served, the sources of operating support, and the professional groups to be involved or who would be affected thereby. An organization making multiple applications for assistance under this title simultaneously or over the course of time shall not be required to submit duplicate or redundant information but shall be required to update the description of the existing or proposed organization in such manner and with such frequency as the Secretary may by regulation prescribe.

"'(2) Upon completion of assistance under this title, the receipt of assistance shall make a full and complete report to the Secretary, in such manner as he may by regulation prescribe. Each such report shall include, among such other matters as the Secretary may by regulation prescribe, descriptions of plans, developments, and operations in those areas enumerated in paragraph (1) for specification in applications for assistance.

"'(c) A health maintenance organization, or supplemental health maintenance organization, other nonprofit providers, regional medical programs or university health center receiving assistance under this title shall submit to the Secretary as a condition of its continued assistance, satisfactory assurances, in accordance with such regulations as the Secretary shall prescribe, including but not limited to the following: (1) financial responsibility, and (2) development and operation consistent with the terms of this title and the plans contained in such organization's application or applications for assistance. As used in this subsection the term "financial responsibility" means the demonstrated capability of adequately carry out the purposes of the project for which the original assistance was granted.

"'(d)(1) An application for a grant, loan, loan guarantee, or interest subsidy under this title shall contain assurances satisfactory to the Secretary that the applicant will, in accordance with such criteria as the Secretary shall by regulation prescribe, enroll the maximum number of persons that its available and potential resources (as determined under regulations of the Secretary) will enable it to effectively serve; except that the applicant shall enroll no more than 50 per centum of its enrollees from medically underserved areas except in rural areas as designated by the Secretary.

"'(2) No grant may be made and no loan loan guarantee, or interest subsidy payment may be made under this title unless the applicant demonstrates to the satisfaction of the Secretary that the applicant will or has enrolled, and will maintain an enrollment of, the maximum number of persons that its available and potential resources (as determined under regulations of the Secretary) will enable it to effectively serve, except that the applicant shall enroll no more than 50 per centum of its enrollees from medically underserved areas except in rural areas as designated by the Secretary.

"'(e) The Secretary shall have the authority after a hearing on the record to terminate or cancel any grant, loan, loan guarantee, or interest subsidy to any recipient of assistance under this title which he determines is in substantial noncompliance with any material provision of this title or after notice from the Commission on Quality Health Care Assurance that such organization has had its certificate of compliance suspended or revoked.

"'(f) Effective two years after the date of enactment of this Act, no assistance shall be given under this Act or the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963, to a provider of health care unless such provider holds a valid certificate of compliance under section 1302.

"'(g)(1) The Secretary may not approve an application submitted under section 1203, 1204, 1205, 1206, or 1207 unless the section 314(b) areawide health planning agency whose section 314(b) plan covers (in whole or in part) the area to be served by the health maintenance organization, or supplemental health maintenance organization for which such application is submitted, or if there is no such agency, the section 314(a) State health planning agency whose section 314(a) plan covers (in whole or in part) such area, has, in accordance with regulations of the Secretary, been provided an opportunity to review the application and to submit to the Secretary for his consideration its recommendations respecting approval of the application. If under applicable State law such an application may not be submitted without the approval of the section 314(b) areawide health planning agency or the section 314(a) State health planning agency, the Secretary may not approve such an application unless the required approval has been obtained.

"'(2) The Secretary shall by regulation establish standards and procedures for section 314(b) areawide health planning agencies and section 314 (a) State health planning agencies to follow in reviewing and commenting on applications for assistance for health maintenance organizations.

"'(h) If during any fiscal year there are insufficient funds for funding all of the approved applications for assistance under this title, the Secretary shall give priority to those applications which he determines shall be most likely to be economically viable.

"'EFFECT ON STATE LAW

"'SEC. 1213. (a) Notwithstanding any provisions of State law which—

"'(1) require approval of a health maintenance organization, supplemental health maintenance organization or health service organization by a medical society;

"'(2) require that physicians constitute all or a majority of the governing body of a health maintenance organization or supplemental health maintenance organization;

"'(3) require that all physicians or a percentage of physicians in the local medical society be permitted to participate in rendering the services of the organization;

"'(4) require that such organization submit to regulations as an insurer of health care services;

"'(5) require that only unincorporated individuals or associations or partnerships may provide health care services;

"'(6) prohibit advertising by a professional group for recruitment of enrollees; or

"'(7) impose requirements or restrictions on a health maintenance organization or supplemental health maintenance organization in a manner, determined by the Secretary, to be incompatible with this title,

a health maintenance organization or a supplemental health maintenance organization, or other providers of health care receiving Quality Health Care Initiative Awards under this title, who otherwise conform with the laws for incorporation and laws for licensing of physicians, osteopaths, and dentists in such State shall be allowed to provide health care services in such State in accordance with the provisions of this title.

" 'QUALITY HEALTH-CARE INITIATIVE AWARDS

" 'SEC. 1214. (a) Every provider of health care which is certified by the Commission on Quality Health Care Assurance as maintaining quality control standards in compliance with the requirements set by the Commission on Quality Health Care Assurance shall be entitled to an annual payment in an amount equal to the administrative costs incurred (as allowed by the Commission) in complying with the requirements of the Commission or, otherwise demonstrating in accordance with professional standards the effectiveness and utility of health maintenance organizations, and supplemental health maintenance organizations. Any provider of health care, whether or not subject to the provisions of this Act, may apply to the Commission for certification of compliance under section 1302.

" '(b) There is authorized to be appropriated to carry out the provisions of this section $25,000,000 for the fiscal year ending June 30, 1974; $50,000,000 for the fiscal year ending June 30, 1975; and $75,000,000 for the fiscal year ending June 30, 1976.

" 'LABOR STANDARDS

" 'SEC. 1215. All laborers and mechanics employed by contractors or subcontractors on all construction projects assisted under this title shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act. The Secretary of Labor shall have with respect to the labor standards specified in this section the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176) and section 2 of the Act of June 13, 1934.

" 'OPEN ENROLLMENT WAIVER

" 'SEC. 1216. Where a health maintenance or supplemental health maintenance organization demonstrates to the satisfaction of the Secretary that it has a disproportionate share of high-risk enrollees and by maintaining open enrollment it would be required to enroll a nonrepresentative cross section of the community in which it provides services, to the extent that financing is available and people are willing to enroll, and the enrollment of such disproportionate share of high-risk enrollees will jeopardize its economic viability, the Secretary may waive such requirement for open enrollment for a period of not more than three years. A health maintenance or supplemental health maintenance organization may receive more than one waiver.

" 'ACCESS TO RECORDS

" 'SEC. 1217. (a) Each recipient of Federal funds under this Act shall keep such records as the Secretary shall prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such funds, the total cost of the undertaking in connection with which such funds are given or used, the amount of that portion of the cost of the undertaking supplied by other sources, and such other records as will facilitate an effective audit.

" '(b) The Secretary of Health, Education, and Welfare and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of the recipients of Federal funds under this Act.

" 'COMPREHENSIVE SERVICES PHASE-IN

" 'SEC. 1218. The Secretary may grant a waiver to an applicant for assistance under this title, with respect to the provision of any comprehensive health service set forth pursuant to section 1201(2) (A), (B), (C), (D), (E), (F), (G), (H), (I), (J), (K), or (L) where he determines that—

" '(1) such service cannot be provided by the applicant solely because the required health manpower, facilities or equipment to provide such service is not available; and

" '(2) the applicant has a feasible plan to provide such service at the earliest possible date, such date not to exceed 3 years from the date assistance under this title is first granted to such applicant.

" 'COMPREHENSIVE HEALTH SERVICES FOR INDIANS AND MIGRANT WORKERS

" 'SEC. 1219. The Secretary is authorized to contract with health maintenance organizations, supplemental health maintenance organizations, or health service organizations to provide health services to individuals who are eligible for such services from the Indian Health Service (with the consent of the Indian people served) or under section 310 of this Act.

" 'PART C—SPECIAL PROJECT GRANTS TO FACILITATE HEALTH SERVICES IN NONMETROPOLITAN AREAS

" 'SEC. 1220. (a) The Secretary is authorized to make grants to or contracts with any public or nonprofit private entity (which otherwise may not be eligible for grants or assistance under this title) to study, initiate, and evaluate projects for the delivery, or to facilitate the delivery, in nonmetropolitan areas of comprehensive health services on the prepaid basis.'

"SEC. 404. The Public Health Service Act, as amended by this Act, is further amended by inserting after title XII the following new title:

" 'TITLE XII—COMMISSION ON QUALITY HEALTH CARE ASSURANCE

" 'PART A—COMMISSION ON QUALITY HEALTH CARE ASSURANCE

" 'ESTABLISHMENT OF COMMISSION

" 'SEC. 1301. (a) There is hereby established in the Department of Health, Education, and Welfare a Commission on Quality Health Care Assurance.

" '(b) The Commission shall be composed of eleven members to be appointed by the President and with the advice and consent of the Senate from among individuals who by virtue of their service, experience, or education are especially qualified to serve on the Commission. In making such appointments the President shall appoint individuals who are representative of the health care delivery industry, private organizations engaged in developing health care quality standards which may be applicable on a national basis, and consumers not related to the delivery of health care. The terms of office of each member of the Commission shall be—

" '(1) the members first appointed shall serve, as designated by the President, three for a term of one year, two for a term of two years, two for a term of three years, two for a term of four years, and two for a term of five years;

" '(2) any member appointed to fill a vacancy shall serve for the remainder of the term for which his predecessor was appointed; and

" '(3) a member shall be eligible for reappointment for one additional term.

" '(c) The President shall designate one of the members to serve as Chairman and one to serve as Vice Chairman of the Commission.

" '(d) Any vacancy in the Commission shall not affect its powers and six members of the Commission shall constitute a quorum.

" '(e) Four members of the Commission shall be consumers not related to the delivery of health care.

" 'DUTIES OF THE COMMISSION

" 'SEC. 1302. (a) The Commission shall—

" '(1) promulgate standards for qualifications of personnel, composition of medical groups, and other characteristics dealing with the adequacy of facilities and equipment;

" '(2) conduct such research and experimental programs as are determined necessary for the development of—

" '(A) criteria for new and 'improved quality assurance systems, and

" '(B) norms, with regard to processes, utilization characteristics, and outcomes;

" '(3) require and monitor, in accordance with criteria established based upon findings under paragraph (2), quality assurance systems for health maintenance organizations, supplemental health maintenance organizations, health service organizations, and other providers of health care subject to the provisions of this Act and the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 which shall be designed to—

" '(A) improve as well as assess the quality of health care;

" '(B) evaluate the inputs, processes, utilization characteristics, and outcomes of health care as related to individuals and population groups, and establish relationships between inputs, processes, utilization characteristics, and outcomes;

" '(C) concentrate on those illnesses which have relatively high incidence in the population and which are particularly influenced by medical treatment, rather than on unusual illnesses or conditions whose course is little influenced by therapy;

" '(D) improve as well as assesses the accessibility, availability, and acceptability of health care provided by health maintenance organizations, supplemental health maintenance organizations, and health service organizations, or other providers of health care;

" '(E) develop procedures for such systems to report through the policymaking body of the health maintenance or supplemental health maintenance, organization (or as appropriate in the case of any other provider of health care) to the membership and to the Commission on Quality Health Care Assurance; and

" '(F) take into account the need for inclusion of consumers as well as the several health care disciplines in the decisionmaking membership of the system;

" '(4) certificates of compliance to providers of health care certifying that such providers maintain an approved quality assurance system and are otherwise conforming with requirements published under this section;

" '(5) after a hearing on the record, revoke or suspend such certificate where it determines that such provider has significantly deviated from the standards, approved quality assurance system, or the norms published pursuant to this section unless such deviation is justified to the satisfaction of the Commission;

" '(6) monitor reports by health care providers covered by this Act and the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963, for the purpose of assuring that the performance of such health care providers is in conformance with the approved quality assurance system and norms published under this section;

"'(7) publish objective statistical descriptions of norms accumulated through experience and results of programs conducted under this Act and the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963;

"'(8) conduct a program of research and development which shall have the objectives of—

"'(A) improving the technology of assessing the quality of health care with emphasis on the outcomes of health care;

"'(B) assessing and comparing the quality of health care provided under different delivery system arrangements;

"'(C) analyzing the effects of providing information to consumers and improvement in the methods of information dissemination;

"'(D) analyzing the impact of its quality assurance program upon the quality of health care for the American people; and

"'(E) coordinating the collection, assimilation and cataloging of existing information regarding quality health care assurance programs of Federal, State, and local agencies and their relationships with one another, with due regard for the protection of the confidential nature of the doctor-patient relationship;

"'(9) collect, summarize, and distribute information regarding the impact of medical services and the health status of the population of the United States;

"'(10) provide technical assistance to providers of health care in the development of quality control programs;

"'(11) study the levels, costs, and quality of health care under health care programs of the Federal Government;

"'(12) administer any medical malpractice reinsurance program hereinafter established;

"'(13) analyze the need for standardization of medical record information and facilitate the development of a system of standard medical reference mechanisms;

"'(14) prescribe a schedule of reasonable contingent fees for attorneys representing claimants in proceedings under section 1309; and

"'(15) annually report to the President and to the Congress on the conduct of activities under this title (including results of studies conducted under paragraph (11)) together with such recommendations for additional legislation as the Commission may determine appropriate.

"'(b) In developing quality health care assurance system criteria the Commission's consideration shall include but not be limited to existing State regulations, such standards as are in effect for Federal health agencies, and analysis of the results of any medical malpractice reinsurance program and the results of arbitration procedures.

"'ADMINISTRATIVE POWERS

"'SEC. 1303. (a) In order to carry out the provisions of this Act the Commission is authorized to—

"'(1) appoint and fix the compensation of personnel of the Commission in accordance with the provisions of title 5, United States Code;

"'(2) make, promulgate, issue, rescind, and amend rules and regulations as may be necessary to carry out the functions vested in the Commission and delegate authority to any officer or employee;

"'(3) acquire (by purchase, lease, condemnation, or otherwise), construct, improve, repair, operate, and maintain, research and other necessary facilities and equipment, and related accommodations as may be necessary, and such other real or personal property (including patents) as the Commission deems necessary; to acquire by lease or otherwise through the Administrator of General Services, buildings or parts of buildings in the District of Columbia or communities located adjacent to the District of Columbia for the use of the Commission for a period not to exceed ten years without regard to the Act of March 3, 1877 (40 U.S.C. 34);

"'(4) employ experts and consultants in accordance with section 3109 of title 5, United States Code;

"'(5) appoint one or more advisory committees (including a committee for the preparation and analysis of statistics) composed of such private citizens and officials of Federal, State, and local governments as it deems desirable, to advise the Commission with respect to its functions under this Act;

"'(6) utilize, with their consent, the services, equipment, personnel, information, and facilities of other Federal, State, and local public agencies with or without reimbursement therefor;

"'(7) accept voluntary and uncompensated services, notwithstanding the provisions of section 665(b) of title 31, United States Code;

"'(8) accept unconditional gifts or donations of services, money, or property, real, personal, or mixed, tangible or intangible; and

"'(9) take such actions as may be required for the accomplishment of the objectives of the Commission.

"'(b) Upon request made by the Commission each Federal agency is authorized and directed to make its services, equipment, personnel, facilities, and information (including suggestions, estimates, and statistics) available to the greatest practicable extent consistent with other laws to the Commission in the performance of its functions with or without reimbursement. Where the Commission determines that such services, equipment, personnel, facilities, and information cannot be made available for utilization in a manner which would enable it to expeditiously perform its duties under this Act, the Commission may establish where necessary the programs necessary to accomplish its tasks.

"'(c) Each member of a committee appointed pursuant to paragraph (5) of subsection (a) of this section who is not an officer or employee of the Federal Government shall receive an amount equal to the maximum daily rate prescribed for GS-18 under section 5332 of title 5, United States Code, for each day he is engaged in the actual performance of his duties (including traveltime) as a member of a committee. All members shall be reimbursed for travel, subsistence, and necessary expenses incurred in the performance of their duties.

"'(d) The Chairman shall be the chief executive and the administrative officer of the Commission and shall exercise the responsibility of the Commission with respect to—

"'(1) the appointment and supervision of personnel employed by the Commission;

"'(2) the distribution of jobs among the personnel of the Commission; and

"'(3) the use and expenditure of funds.

"'COMPENSATION

"'SEC. 1304. (a) Section 5314 of title 5, United States Code, is amended by adding at the end thereof the following new paragraph:

"'(59) Chairman, Commission on Quality Health Care Assurance.'

"'(b) Section 5315 of title 5, United States Code, is amended by adding at the end thereof the following new paragraphs:

"'(97) Members, Commission on Quality Health Care Assurance (10).

"'(98) General Counsel, Commission on Quality Health Care Assurance.'

"'APPLICABILITY OF COMMISSION REQUIREMENTS

"'SEC. 1305. (a) Except as provided in subsection (b) the requirements established by the Commission pursuant to section 1302 shall apply to any provider of health care receiving assistance under this Act or the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 after the date of enactment of this title.

"'(b) Any provider covered under this Act or the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963, may apply to the Commission for a temporary order granting a variance from any requirement or any provision thereof promulgated under section 1302 of this Act. Such temporary order shall be granted only if the provider files an application which establishes that—

"'(1) the provider is unable to comply with a requirement by its effective date because of unavailability of professional or technical personnel or of materials and equipment needed to come into *compliance* with any requirement or because necessary construction, alteration, or modernization of facilities cannot be completed by its effective date; and

"'(2) the provider has an effective program for coming into compliance with any requirement as quickly as possible with adequate interim safeguards for the protection of consumers of health care.

"'(c) The Commission is authorized to grant a variance from any of its requirements or portion thereof whenever it determines or the Secretary of Health, Education, and Welfare certifies that such a variance is necessary to permit a provider to participate in a project approved by him designed to validate new and improved techniques of health care delivery systems.

"'REPORTS AND MAINTENANCE OF RECORDS

"'SEC. 1306. (a) Each provider, covered under this title, shall make, keep, and preserve, and make available to the Commission and the Secretary of Health, Education, and Welfare, such records regarding activities governed by this title as the Commission, in cooperation with the Secretary of Health, Education, and Welfare, shall prescribe.

"'(b) The Commission shall prescribe rules and regulations as may be necessary with regard to inspection of the records and facilities of a provider.

"'DISCLOSURE TO CONSUMERS OF HEALTH CARE SERVICES

"'SEC. 1307. (a) A description of any health care plan covered by this title shall be published as required herein within ninety days after the establishment of such plan or when such plan becomes subject to this title.

"'(b) A description of the plan shall be comprehensive and shall include, in a manner designed to be understood by the average enrollee, the following:

"'(1) fees and prices;

"'(2) scope of services included in benefit packages;

"'(3) accessibility and availability of services including the location of the facilities, equipment available, hours of operation, practitioners by type and location and amenities;

"'(4) the name and type of administration of the plan; and

"'(5) a statement of certification by the Commission.

"'(d) The Commission shall monitor the provision of information by providers of care as required by this section. In any case in which information is disclosed or disseminated under this title and is subsequently found to be insufficient, inaccurate, or inaccurately disseminated the Commission shall take such action as is necessary to assure a full retraction of the inaccurate information together with a statement of new data in a manner similar to the initial disclosure or dissemination of such information.

“‘(e) The disclosure must also include procedures to be followed in presenting claims for benefits under the plan and the remedies available under the plan for the redress of claims which are denied in whole or in part.

“‘(f) Every provider shall furnish a copy of the plan description (including amendments or modifications thereto) described in subsection (b), to every enrollee upon his enrollment in the plan, and cause the same to be published, in a manner prescribed by the Commission, to the general public.

“‘PENALTIES

“‘SEC. 1308. (a)(1) Whenever the Commission after reasonable notice and opportunity for hearing to the provider finds that the provider has significantly deviated from the approved quality assurance system or is engaged in practices which significantly deviate from national or regional norms as determined by the Commission, the Commission shall notify the provider, and the Secretary of Health, Education, and Welfare that such provider shall be ineligible to participate in assistance under this Act and the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 and that the certificate of approval has been suspended until such time as the provider is found to be in compliance with the requirements established under section 1302. Hearings conducted under this section shall be held, where practicable, in a location convenient to the provider of health care.

“‘(2) Providers of health care, who have had their certificate suspended for a period, which the Commission determines to be unreasonable, shall have their certificate revoked and shall be liable for the repayment of part or all amounts received under this Act and the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963.

“‘(3) The Commission is authorized to make arrangements with providers of health care who have had their certificates revoked, for reimbursement of amounts received under this Act and the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963, including deferred payments on such terms and for such periods as are deemed equitable and appropriate.

“‘(b) Any person who knowingly makes any false statement, representation, or certification on any application, record, report, plan or other document filed or required to be maintained pursuant to this Act shall upon conviction be punished by a fine of not more than $10,000 or by imprisonment of not more than six months or by both.

“‘ARBITRATION

“‘SEC. 1309. (a) A provider of health care that possesses a valid certificate of compliance issued under section 1302 may enter into a program for the equitable and expeditious handling of malpractice claims which may arise out of care and treatment of patients. Such programs shall be based upon agreements between the patients and the providers of health care to submit all disputes, not settled to the satisfaction of both parties, to binding arbitration in order to gain the benefits of such programs for patients and providers. Records of all such settlements shall be kept by each provider of health care, and submitted to the Commission in such manner as it shall prescribe.

“‘(b) An agreement to submit to binding arbitration under subsection (a) must be valid in the jurisdiction in which such agreement is made and shall provide for the selection of arbitrators in accordance with rules and regulations promulgated by the Commission. For those providers who shall establish arbitration programs as specified in this section, title 9 of the United States Code shall apply to such arbitration programs if the State or States in which the provider is located has not enacted legislation providing for the finality of arbitration decisions, or for parties to enter into agreements to arbitrate prior to a dispute.

“‘(c) Written findings of fact and conclusions of law shall be prepared for each arbitration proceeding held under this section. In each case the findings shall be certified by the arbitrator to the Commission. The Commission shall develop a systematic codification of all findings of arbitration proceedings undertaken pursuant to this section and shall publish such findings at least annually or more frequently at the discretion of the Commission. The Commission shall certify all findings of arbitration proceedings undertaken pursuant to this section to all appropriate State or local licensing or disciplinary boards for each such arbitration procedure under the territorial jurisdiction of such board.

“‘(d)(1) Every attorney who, in connection with any proceedings under this section for personal injuries or for death or for loss of services resulting from personal injury proximately caused by medical malpractice, accepts a retainer or enters into an agreement, express or implied, for compensation for services rendered or to be rendered in such proceedings whereby his compensation is to be dependent or contingent in whole or in part upon the successful prosecution or settlement thereof, shall, within thirty days from the date of any such retainer or agreement of compensation, sign personally and file with the Commission a retainer statement of such retainer or agreement of compensation containing such information as the Commission shall require.

“‘(2) An attorney retained by another attorney on a contingent fee basis as trial or appeal counsel or to assist in the preparation, investigation, or settlement of any such proceeding, shall, within thirty days from the date of such retainer, sign personally and file with the Commission a retainer statement of such retainer or agreement of compensation containing such information as the Commission shall require.

“‘(3) A closing statement shall be filed with the Commission with every proceeding in containing such information as the Commission shall require.

“‘(4) All statements of retainer of closing statements filed with the Commission shall be confidential, and the information therein contained shall not be divulged or made available for inspection or examination except upon written order of the Chairman or the General Counsel of the Commission.

“‘(5) Any attorney who charges or collects, for services rendered in connection with any proceedings described in this subsection, any fee in excess of that allowed, shall be fined not more than $1,000 or imprisoned for not more than one year, or both.

“‘PUBLICATION OF CRITFRIA AND NORMS

“‘SEC. 1310. (a) The Commission may, by rule, promulgate, modify, or revoke any quality assurance system criterion or norm in the following manner;

“‘(1) whenever the Commission upon the basis of information submitted to it in writing by an interested person, a nationally recognized standard-producing organization, the Secretary of Health, Education, and Welfare, or a State or political subdivision, or on the basis of information developed by the Commission, or otherwise available to it, determines that a rule should be promulgated in order to serve the objectives of this title, the Commission shall publish such proposed rule promulgated, modifying, or revoking a standard or criterion for a quality health care assurance system or norm in the Federal Register, and shall afford interested persons a period of sixty days after publication to submit written data or comments.

“‘(2) on or before the last day of the period provided for the submission of written data or comments, any interested person may file with the Commission writtten objections to the proposed rule stating the grounds therefor and requesting public hearing on such objections. Within sixty days after the last day for filing such objections the Commission shall publish in the Federal Register a notice specifying the criteria for quality health care assurance systems or norms to which objections have been filed and a hearing request and specifying a time and place for such hearing. Hearings conducted under this section shall be held, where practicable, in a location convenient to the person filing such objection.

“‘(3) within sixty days after the expiration of the period provided for the submission of written data or comments or within sixty days after the completion of any hearing, whichever is later, the Commission shall issue and publish in the Federal Register a rule promulgated, modifying, or revoking standards, criteria for quality health care assurance systems or norms, or making a determination that a rule should not be issued. Such a rule may contain a provision delaying its effective date and such period (not in excess of ninety days) as the Commission determines may be necessary to insure that affected persons will be informed of the existence of the criteria or norm and of its determinations and that they are given an opportunity to familiarize themselves with the existence of the requirements of such criteria or norm.

“‘(b) Any person who may be adversely affected by the promulgation of a rule issued respecting criterial or norms under this section may at any time prior to the ninetieth day after such criteria or norm is promulgated file a petition challenging the validity of such criterion or norm with the United States district court for the district where such person resides or has his principal place of business for a judicial review of such criterion or norm. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Commission. The filing of such petition shall not, unless otherwise stated by the court, operate as a stay of the criterion or norm. The determinations of the Commission shall be conclusive if supported by the substantial evidence in the record considered as a whole.

“‘(c)(1) In the case of establishing criteria for the assimilation of objective statistical material required for the publication of norms, the Commission shall hold hearings only when it determines such hearings to be necessary.

“‘(2) The Commission shall publish in the Federal Register a summary and basis for the establishment of the criteria required by paragraph (1).

“‘(d) The Commission in compiling information for setting the requirements for this title shall solicit views and information from concerned entities.

“‘STATE JURISDICTION AND STATE PLANS

“‘SEC. 1311. (a) Nothing in this Act shall prevent any State agency or court from asserting jurisdiction under State law over any health issue with respect to which no standard, criterion, or norm is in effect under section 1302 of this Act.

“‘(b) Any State which at any time desires to assume responsibility for the development and enforcement of health standards, criteria, or norms relating to any health issue with repect to which a Federal standard, criterion, or norm has been promulgated under section 1302, shall submit to the Commission a State plan for the development of such standards, criteria, or norms and their enforcement.

" '(c) The Commission shall approve the plan submitted by a State under subsection (b) or any modification thereof only if such plan—

" '(1) designates a State agency or agencies as the agency or agencies responsible for administering the plan throughout the State;

" '(2) provides for the development and enforcement of health standards, criteria, or norms relating to one or more health issues which standards, criteria, or norms (and the enforcement of which) will be no less stringent than the standards, criteria, or norms promulgated under section 1302 which relate to the same health issues;

" '(3) provides for a right to entry and inspection of all premises of providers of health care subject to the Act and the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 which includes a prohibition on advance notice of inspections;

" '(4) contains satisfactory assurances that such agency or agencies have or will have the legal authority and qualified personnel necessary for the enforcement of such standards criteria, and norms;

" '(5) gives satisfactory assurances that such State will devote adequate funds to the administration and enforcement of such standards, criteria, and norms;

" '(6) contains satisfactory assurances that such State will, to the extent permitted by its law, establish and maintain an effective and comprehensive health programs applicable to all providers of health care of the State and its political subdivisions, which program is as effective as the standards contained in an approved State plan;

" '(7) requires providers of health care in the State to make reports to the Commission in the same manner and to the same extent as if the State plan were not in effect; and

" '(8) provides that the State agency will make such reports to the Commission in such form and containing such information as the Commission shall from time to time require.

" '(d) If the Commission rejects a plan submitted under subsection (b), it shall afford the State submitting the plan reasonable notice and opportunity for a hearing before so doing.

" '(e) After the Commission approves a State plan submitted under subsection (b), it may, but shall not be required to, exercise its authority with respect to comparable standards, criteria, or norms promulgated under section 1302, for the period specified in the next sentence. The Commission may exercise the authority referred to above until it determines, on the basis of actual operations under the State plan, that the standards, criterions, or norms set forth in subsection (c) are being applied, but it shall not make such determination for at least three years after the plan's approval under subsection (c).

" '(f) The Commission shall, on the basis of reports submitted by the State agency and its own inspections, make a continuing evaluation of the manner in which each State having a plan approved under this section is carrying out such plan. Whenever the Commission finds, after affording due notice and opportunity for a hearing, that in the administration of the State plan there is a failure to comply substantially with any provision of the State plan (or any assurance contained therein), it shall notify the State agency of its withdrawal of approval of such plan and upon receipt of such notice, such plan shall cease to be in effect, but the State may retain jurisdiction in any case commenced before the withdrawal of the plan in order to enforce standards under the plan whenever the issues involved do not relate to the reasons for the withdrawal of the plan.

" '(g) The State may obtain a review of a decision of the Commission withdrawing approval of or rejecting its plan by the United States court of appeals for the circuit in which the State is located by filing in such court within thirty days following receipt of notice of such decision a petition to modify or set aside in whole or in part the action of the Commission. A copy of such petition shall forthwith be served upon the Commission, and thereupon the Commission shall certify and file in the court the record upon which the decision complained of was issued as provided in section 2112 of title 28, United States Code. Unless the court finds that the Commission's decision in rejecting a proposed State plan or withdrawing its approval of such a plan is not supported by substantial evidence, the court shall affirm the Commission's decision. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

" '(h) The Commission may enter into an agreement with a State under which the State will be permitted to continue to enforce one or more health standards, criteria, or norms in effect in such State until final action is taken by the Commission with respect to a plan submitted by a State under subsection (h) of this section, or two years from the date of enactment of this title, whichever is earlier.

" 'PROCEDURES TO COUNTERACT IMMINENT DANGERS

" 'SEC. 1312. (a) The United States district courts shall have jurisdiction, upon petition of the Commission, to restrain any conditions or practices by a provider of health care which are such that a danger exists which could reasonably be expected to cause death or serious physical harm immediately or before the imminence of such danger can be eliminated through the enforcement procedures otherwise provided by this title. Any order issued under this section may require such steps to be taken as may be necessary to avoid, correct, or remove such imminent danger or to maintain the capacity of a continuous process operation to resume normal operations without a complete cessation of operations, or where a cessation of operations is necessary, to permit such to be accomplished in a safe and orderly manner.

" '(b) Upon the filing of any such petition the district court shall have jurisdiction to grant such injunctive relief or temporary restraining order pending the outcome of an enforcement proceeding pursuant to this title. The proceeding shall be as provided by rule 65 of the Federal Rules of Civil Procedure, except that no temporary restraining order issued without notice shall be effective for a period longer than five days.

" '(c) Whenever and as soon as the Commission concludes that conditions or practices described in subsection (a) exist it shall inform the affected provider of health care of the danger and that it shall seek relief under this section.

" '(d) If the Commission arbitrarily or capriciously fails to seek relief under this section, any person who may be injured by reason of such failure, or the representative of such person might bring an action against the Commission in the United States district court for the district in which the imminent danger is alleged to exist or the provider has its principal office, or in the United States District Court for the District of Columbia, for a writ of mandamus to compel the Commission to seek such an order and for such further relief as may be appropriate.

" 'DEFINITIONS

" 'SEC. 1313. For the purposes of this title, the term—

" '(1) "input measure" means assessment based on the qualifications of personnel, facilities, and equipment permitted to provide medical care;

" '(2) "process measure" means assessment based upon the conformance of medical decisions and actions taken in actual episodes of care to some defined standards of medical practice;

" '(3) "utilization characteristics" means those characteristics giving information concerning the rates of usage of components of the health care system such as the length of hospital stays, the number of doctor-patient contracts, and the number of hospital admissions in a year;

" '(4) "outcome measure" means assessment of care based upon health of patients during and particularly at the conclusion of episodes of care. Standards for clinical outcome should be based solely on the results of health care;

" '(5) "Commission" means the Commission on Quality Health Care Assurance;

" (6) reinsurance program" means the Federal Medical Malpractice Reinsurance Program established under part B of this title; and

" '(7) "norm" means a statistical range which reflects the parameters of acceptable quality health care practices existing at the time such norm is promulgated.

" 'AUTHORIZATION OF APPROPRIATIONS

" 'SEC. 1314. There are authorized to be appropriated for the carrying out of the provisions of this part $15,000,000 for the fiscal year ending June 30, 1974; the fiscal year ending June 30, 1975; and $70,000,000 for the fiscal year ending June 30, 1976.

" 'CAPITATION GRANTS TO ENABLE HEALTH MAINTENANCE ORGANIZATIONS OR SUPPLEMENTAL HEALTH MAINTENANCE ORGANIZATIONS TO SERVE ALL PERSONS

" 'SEC. 1315. (a) (1) The Secretary is authorized to determine how appropriations under this Act or funds otherwise authorized under law can be utilized, to make annual grants to health maintenance organizations or supplemental health maintenance organizations serving persons who cannot meet the expenses of such organizations' premiums (excluding additional premiums for high option services). The amount of such annual grants being equal to the difference between the maximum amount (as determined by the Secretary) an enrollee could reasonably be expected to pay toward the health maintenance or supplemental health maintenance organization premium and the premium for membership enrollment in such health maintenance or supplemental health maintenance organization for each such person enrolled. A health maintenance or supplemental health maintenance organization shall be eligible for grants under this subsection only during the first three years of its operation.

" '(2) In determining the amount an enrollee could pay toward the premium, the Secretary shall consider all sources (including public sources) of income available to each such enrollee.

" '(3) Grants under this section would not exceed 25 per centum of the total premium receipts for such health maintenance or supplemental health maintenance organization for the next preceding year.

" '(b) (1) Where a health maintenance or supplemental health maintenance organization proposes an increase in its premium rate and the Secretary determines that such increase is due in whole or in part to fulfillment of the requirement for open enrollment, in that such organization has in its enrolled population a disproportionate number of high-risk enrollees, the Secretary is authorized to determine how appropriations under this Act or funds available to the Social Security Administration, as amended, can be utilized to make annual grants to such organization equal to an amount that would eliminate the need for that part of the proposed premium increase caused by such disproportionate number of high-risk enrollees in such organization. A health maintenance or supplemental health maintenance organization shall be eligible for grants under this subsection only during the first three years of its operation.

"'(2) The Secretary shall report to Congress no later than ten days after the submittal of the budget requests for each year with regard to needed legislative authority, if any, to provide capitation grants to enable health maintenance organizations or supplemental health maintenance organizations to serve all persons.'

"TECHNICAL AMENDMENTS TO THE PUBLIC HEALTH SERVICE ACT

"SEC. 405. (a) Section 1 of the Public Health Service Act is amended by striking out 'titles I to X' and inserting in lieu thereof 'titles I, II, and XV'.

"(b) The Act of July 1, 1944 (58 Stat. 682), is further amended by renumbering title XI (as in effect prior to the date of enactment of this Act) as title XV and by renumbering sections 1101 through 1114 (as in effect prior to such date) and references thereto as sections 1501 through 1514, respectively.

"(c) Sections 767, 768, 769, 769A, and 769B of the Public Health Service Act (added by section 107 of Public Law 92–157) are redesignated as sections 769, 769A, 769B, 769C, and 769D, respectively."

SUMMARY OF SUBSTITUTE FOR S. 14

I. FINDINGS AND DECLARATION OF POLICY

As provided in the Administration bill (S. 972).

II. DEFINITION OF AN HMO

As provided in S. 14, requiring: a detailed comprehensive range of health benefits (except exceptionally high cost benefits can be provided as option at additional premium); degree of risk by provider without reinsurance; by medical groups on a salary or drawing account arrangement; substantial consumer representation on policy board; patient health education services; continuing education of health professionals; no more than 50% of enrollees from medically underserved areas.

III. DEFINITION OF SUPPLEMENTAL HMO

As provided in S. 14, requiring generically: serve large enrolled populations; provide comprehensive range of health benefits; and under organizational arrangements.

IV. AUTHORIZATIONS

As provided in S. 14, *except* deletes subsidy capitation grants' authorizations (and in lieu thereof authorizes Secretary to utilize existing authority from other health programs otherwise authorized under law) and HSO's and AHEC categorical program authorizations (since authorized by generically defined Supplemental HMO as above); and also, the substitute reduces the authorization for initiative awards by $75 million, which results in $705 million in authorizations over 3 years rather than $1.5 billion in S. 14.

V. PREEMPTION OF STATE LAW

As provided in S. 14, because state legal restrictions impede HMO development.

VI. COMMISSION ON QUALITY HEALTH CARE ASSURANCE

As provided in S. 14, except *established in HEW* rather than as independent agency, to determine health care "norms." The substitute also provides that Commission initiative awards can be granted where HMO's otherwise demonstrate in accordance with professional standards their effectiveness and utility.

VII. OPEN ENROLLMENT WAIVER

As provided in S. 14, *except no funding authorized* for potential increased premiums due to acceptance of high risk enrollees during required 30 day annual open enrollment period; open enrollment can be waived by Secretary if it is undue burden on HMO.

VIII. STATE STANDARDS

As provided in S. 14, so States can develop and enforce their own health care standards.

IX. MALPRACTICE

Deletes malpractice reinsurance provisions in S. 14, to provide opportunity to Congress to appropriately act on recent 'Report of the Secretary on Medical Malpractice" recommendations aimed at preventing medical injuries, deterring unnecessary malpractice claims, improving the efficiency and fairness of the claims-resolution process, and providing prompt rehabilitation and equitable compensation of medically-injured persons (not available at time of Committee action on issue).

X. WAIVER OF BENEFITS

As provided in S. 14, *except broadened* to authorize Secretary to waive specific services if lack of health equipment or facilities in addition to lack of health manpower requires it.

AMENDMENT OF SOCIAL SECURITY ACT—AMENDMENT

AMENDMENT NO. 124

(Ordered to be printed, and referred to the Committee on Finance.)

EXTENSION OF MEDICARE'S KIDNEY DISEASE COVERAGE PROVISIONS TO RAILROAD WORKERS

Mr. MONTOYA. Mr. President, last fall, the Senate added to the then pending social security bill (H.R. 1) an important amendment designed to provide medicare protection for persons suffering from chronic renal disease and for those in need of dialysis treatments or organ transplantation. Unfortunately, however, the amendment, as drafted and eventually incorporated into the Social Security Amendments of 1972—Public Law 92–603—inadvertently omitted coverage of railroad employees, their spouses, and their dependent children. It is clear from the Senate floor debate on the provision that the Senate certainly did not intend to exclude such persons from the benefits of the kidney amendment.

I submit, therefore, an amendment to H.R. 3153, a bill amending the Social Security Act to make certain technical and conforming changes, which passed the House on April 2 and is now pending before the Senate Finance Committee. My amendment is a technical amendment to section 226 of the Social Security Act. It is designed to include railroad employees, their spouses, and their dependent children as among those who would be entitled to the benefits of the medicare program in the event that they are confronted with the burdensome costs of dealing with such a catastrophic disease.

Mr. President, I ask unanimous consent that the text of the amendment be printed at this point in the RECORD. I also ask that there be printed a text showing how my amendment, if adopted, would change existing law.

There being no objection, the amendment and material were ordered to be printed in the RECORD, as follows:

H.R. 3153

On page 1, between lines 2 and 3 Section 226(e) of the Social Security Act is amended—

(1) by inserting "or would be fully or currently insured if his service as an employee (as defined in the Railroad Retirement Act of 1937) after December 31, 1936, were included in the term employment as defined in this Act" after "(as such terms are defined in section 214 of this Act)" in 2(A) thereof;

(2) by inserting "or an annuity under the Railroad Retirement Act of 1937" after "monthly insurance benefits under title II of this Act" in 2(B) thereof;

(3) by inserting "or would be fully or currently insured if his service as an employee (as defined in the Railroad Retirement Act of 1937) after December 31, 1936, were included in the term employment as defined in this Act" after "fully or currently insured" in 2(C) thereof; and

(4) by inserting "or an annuity under the Railroad Retirement Act of 1937" after "monthly insurance benefits under title II of this Act" in (2D) thereof.

CHANGES IN THE LAW

(e) Notwithstanding the foregoing provisions of this section, every individual who—

(1) has not attained the age of 65;

(2) (A) is fully or currently insured (as such terms are defined in section 214 of this Act) *or would be fully or currently insured if his service as an employee (as defined in the Railroad Retirement Act of 1937) after December 31, 1936, were included in the term employment as defined in this Act,* or (B) is entitled to monthly insurance benefits under title II of this Act *or an annuity under the Railroad Retirement Act of 1937,* or (C) is the spouse or dependent child (as defined in regulations) of an individual who is fully or currently insured *or would be fully or currently insured if his service as an employee (as defined in the Railroad Retirement Act of 1937) after December 31, 1936, were included in the term employment as defined in this Act or* (D) is the spouse or dependent child (as defined in regulations) of an individual entitled to monthly insurance benefits under title II of this Act *or an annuity under the Railroad Retirement Act of 1937;* and

(3) is medically determined to have chronic renal disease and who requires hemodialysis or renal transplantation for such disease;

shall be deemed to be disabled for purposes of coverage under parts A and B of Medicare subject to the deductible, premium, and copayment provisions of title XVIII.

NOTICE OF HEARINGS ON S. 821—THE JUVENILE JUSTICE AND DELINQUENCY PREVENTION ACT OF 1973

Mr. BAYH. Mr. President, I wish to announce that the Subcommittee on Juvenile Delinquency of the Committee on the Judiciary is continuing its hearings on S. 821, the Juvenile Justice and Delinquency Prevention Act of 1973. Last year, the subcommittee held 4 days of hearings on S. 3148, which I introduced in the 92d Congress. In this session, we have held 3 days of hearings on S. 821, a slightly revised version of S. 3148, which I introduced on February 8, 1973.

S. 821 is designed to improve the quality of juvenile justice in the United States and to provide a comprehensive, coordinated approach to the problems of juvenile delinquency.

The hearings have been scheduled for May 14 and 15, 1973, at 10 a.m. and 1 p.m., respectively, in room 2228, Dirksen Senate Office Building. The following witnesses have been scheduled to testify on May 14: Hon. Jerry J. Miller, mayor, city of South Bend, Ind., accompanied by Patrick Gallagher, director, department of public safety, South Bend; Jerry Wurf, international president, American Federation of State, County, and Municipal Employees, Washington, D.C.; Hon. Richard Hatcher, mayor, city of Gary, Ind.; William E. Aull, president, YMCA of Honolulu, Hawaii; Dr. Cecily C. Selby, national executive director, Girl Scouts of America, New York, N.Y.; and Hon. Robert Pastrick, mayor, city of East Chicago, Ind. Witnesses scheduled to testify on May 15 are: Pete Velde, Associate Administrator, Law Enforcement Assistance Administration; a representative from the Department of Health, Education, and Welfare; and Justus Freimund, Director of the National Capitol Office, National Council on Crime and Delinquency.

Any person who wishes to submit a statement for the record should notify Mathea Falco, staff director and chief counsel of the subcommittee at 225–2951.

ADDITIONAL STATEMENTS

REPEAL BREAD TAX?

Mr. SCOTT of Pennsylvania. Mr. President, some weeks back I announced my support for legislation to repeal the so-called bread tax which is generally passed on to consumers in the form of higher prices. At that time, I indicated that repeal could mean one of three things: first, a price reduction; second, no increase in price; or third, a price increase. None of these is predictable because of fluctuations in the market and differing operations among the Nation's bakeries. All Americans would like to see a price reduction, but the economic argument tends to support either a "hold-the-line" program or a small price increase. When the very existence of these bakeries is at stake, one must opt for the latter, unless and until there are significant changes in the market factors which really determine price levels.

I ask unanimous consent to print in the RECORD an editorial supporting repeal of the bread tax, from the Somerset, Pa., American's edition of April 25, 1973.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

REPEAL BREAD TAX?

Senator Hugh Scott is supporting a measure now before Congress that would repeal the "bread tax."

This tax—75 cents per bushel on wheat used for baking—was always difficult for us to understand. The tax is collected from millers and is used to pay a portion of the cost of farm subsidy payments.

The baking industry recently has been caught in an inflationary pinch. The United States wheat sale to the Soviet Union has depleted American wheat supplies and as a result the price has gone up.

At the same time, economic controls have prevented the bakers from increasing their prices accordingly.

Senator Scott, in his support of the repeal measure, says that repeal will save thousands of jobs in independent bakeries and in some cases probably will reduce the price of bread to the public.

The arguments for repeal appear to be good. Bread is an essential commodity and, like milk, one of our few really basic foods. It should not be taxed at all and especially when taxation puts the industry in a financial bind, which seems to be the case now.

The Congress should give this repeal measure full consideration.

THE PRESIDENT'S SECOND ENERGY MESSAGE AND THE CONGRESS

Mr. MOSS. Mr. President, I have read the President's energy message of 1973 and found it wanting. It is too bland, too meagre and totally lacking in the sense of urgency which must be communicated to the public in order to meet the challenge of the energy crisis.

Our supplies of energy fuels dwindle, we become more and more dependent upon foreign imports, and the long awaited message of the President provides little hope and scant help. I fail to see how the President's actions and proposals will solve the energy problem.

Let me mention three areas in which I believe the President failed in our national energy dilemma.

First, the President has not levelled with the American public on the energy situation. The President fiddles with the energy problem, but he fails to ignite the fire of concern of the American public and glosses over our failures, or calls on the private sector to solve them. To gasify coal, solve the problems of commercial oil shale development and bring solar power into use, to mention just three power sources as yet not totally available to us requires money, brains and a country willing to share an awareness of the problem and the risk of the cost. Congress has not been idle while we awaited the President's message. The 2-year study of the Interior, Commerce and Public Works Committees of the Senate is now drawing to a conclusion under the able leadership of Senator JACKSON and Senator RANDOLPH. This study has sharpened our awareness of the problem and is attempting to bring that awareness and concern to the public.

The Joint Atomic Energy Committee, under the leadership of the able Senator from Rhode Island, Senator PASTORE, has defined the problem in an honest fashion, and I commend to the Senate the report of that committee just issued. The problems of energy supply and demand are serious. They are highly complex. And, interwoven with our domestic concerns are the international aspects of the energy crisis.

The American public is faced with some hard choices. It cannot respond adequately to those choices if it is lulled into thinking that the problem is not a serious one or it is fooled by rhetoric into believing that the administration is meeting its responsibilities.

The severity of the problem cannot be overemphasized. Only through a recognition of the problem are we prodded to take appropriate action. The American public must be given the opportunity to make choices from an educated, adult concept and understanding of the total situation. We have outgrown the Pablum era of feeding the citizenry from on high. The American public deserves the truth in energy matters.

At our current rate of growth, we will need, by 1980, 10 million barrels of oil per day over and above present consumption levels. To put it in perspective, 10 million barrels per day is equivalent to the anticipated production of five new oil fields the size of Alaska Prudhoe Bay. This fuel burning society in which we live must become aware of the situation. We need to develop all of our potential.

Second, the message and plan lack direction and the necessary commitment in the area of research and development. Research and development fund proposals are inadequate. This country has demonstrated with the space program in peace time and in our war efforts in the 40's, the 50's and, unfortunately, again in the 60's a capability to move and move fast when a national exigency required it. American know-how and drive are an essential part of our self-respect, and indeed our greatness. That expertise can be called upon now if we commit ourselves to funding adequately the needed effort.

Let me give you some examples of what I consider to be a bandaid cure for a broken leg. In his 1971 Energy Message, the President called for an expanded program to convert coal into a clean, gaseous fuel, and he recommended the sum of $20 million a year for development of coal gasification.

In hearings which I conducted—July 27, 1971—as chairman of the Subcommittee on Minerals, Materials and Fuels, the President's administrative officers testified against a bill (S. 1846) which Senator JACKSON and I sponsored to accelerate the development of coal gasification pilot and demonstration plants. This bill was structured along the line of the Comsat type corporation so successful in developing rapidly our aeronautic and space sciences successes. The basis of the administration's objection to the bill was that the existing efforts of the administration were adequate. The President's June 4, 1971 Clean Energy Message announced a major new initiative in coal gasification. Yet, the President's representative, S. David Freeman, Office of Science and Technology, Executive Office of the President, testified that in his view it would be the end of the decade before we could count on having an operating commercial coal gasification plant. Do we really need 7 years to get with it?

I did not think this was good enough in 1971, and I do not think this institutional approach of the administration as reflected in the second energy speech of the President is good enough in 1973.

The second energy speech reflects a budget of token increases for coal research, and no promise that the end result of the research and development effort of the past 2 years, is any closer to fruition. A 300-percent increase looks good on paper, particularly starting from zero, but it does not seem to promise the gasifying of coal at the stepped up rate which we need.

The Summary Report of the Cornell Workshop on Energy and the Environment—publication 92–23, dated May, 1972, of the National Fuels and Energy

Policy Study (S. Res. 45)—contains the following statement with regard to the possibility of clean power from fossil fuels:

> The key technology is the conversion of coal (which is available in enormous amounts) to low sulfur gas and liquid hydrocarbons. A process for pipeline gas from weakly coking coal is now available (some 35 Lurgi gasifiers are now in operation), but the gas obtained thereby is expensive—well over $1 per million BTU's. The main developmental problem, then, is to reduce the price of clean gas from coal (or possibly from residual oil) to say, 75 cents or, better, 60 cents per million BTU's. Our panel concluded that this was a plausible goal *but that it would require heavy development of a type which is not now underway. The outlook for developing a process for liquifying coal is not very promising at present levels of effort.* (emphasis supplied)

I see no administrative efforts which could qualify as the heavy development called for by the experts at the Cornell workshop.

One more year has slipped by with the administration's penny ante ways, and we are no closer to a solution to this phase of the energy problem.

In July of 1971, the administration in a letter to Senator JACKSON said:

> The forming of a special corporation to deal only with coal gasification along the lines presented in S. 1864 is, of course, an alternative administrative mechanism that might have value in the absence of an ongoing joint effort between government and industry.

There was a flurry of newspaper announcements about gasification developments, and that was all.

At that time, I had introduced a bill, S. 2510—reintroduced in this Congress as S. 454—to accelerate development of all the so-called exotic fuels—oil shale, tar sands, solar, and so forth.

Testimony received from industry witnesses—hearing on S. 2510 November 15, 1971 (Serial No. 92–12) p. 71—presented the view that the concept of the bill was premature.

The States of Utah, Colorado, and Wyoming contain vast amounts of oil shale. The known Green River formation deposits are estimated to be capable of yielding 25 or more gallons of oil per ton and a reserve of some 600 billion barrels of oil exists in place.

With the U.S. consumption of oil rising at the rate of 8.7 percent a year, Americans are in danger of becoming dependent on unreliable foreign sources for imported oil. As an editorial in the April 27 edition of the Deseret News, Salt Lake City, Utah, states:

> It would be folly for the U.S. to wait until its fuel shortage gets even worse before we take steps toward an orderly development of oil shale reserves.

There is a long leadtime necessary in developing our heretofore unused resources, again, a forceful lead in research and development and cure of the environmental hazards is called for from the administration.

In reading the second energy message and on being briefed by the administration on its contents, I note a studied reluctance to commit funds for research and development because of a lack of trained manpower to use effectively additional moneys.

I am astonished at this position, since the President vetoed a bill (S. 635) designed to train more engineers in the very fields the administration now finds understaffed to meet the energy exigencies. I would point out that such a bill is again before the Congress introduced by Senator HANSEN and myself.

I cannot refrain from pointing out that budget cuts in the energy sector can be disastrous because of the lead time requirements from R. & D. to commercial development.

In my view it is short sighted to take from NASA, an agency with proven capability in solar energy research, and disseminate research moneys in small amounts at the college level through NSF. That kind of leisurely approach to the problem is obsolete.

In the study entitled "An Assessment of Solar Energy as a National Energy Resource" prepared by the Solar Energy Panel composed of representatives of NSF and NASA, appears on page 11 the following statement:

> Before solar energy becomes a major source of clean energy for our nation, it will require the involvement of industrial ingenuity and productive know-how to produce economic hardware and services. Some of the difficulties in achieving industry participation are: (1) most companies are looking for short term projects for their new enterprises with return on their investments in 2 to 3 years; (2) long range projects present great risk, and investment capital is very scarce unless there is a high probability of return in a major line in their business; and (3) companies will undergo major change only under crisis (they will take chances but cannot take failure).
>
> To overcome these problems several things are needed. (1) The item needed must be defined very carefully so that the direction is clear and feasibility shown. (2) The Government must make a long range commitment to assure that the interest will not wane in a couple of years. (3) The incentives must be substantial so that future profit is sufficiently assured over a period of time that makes industrial investment pay off. Further, industries must feel that the system is socially acceptable so that the public will look upon it favorably. Solar energy utilization fits into this pattern extremely well.

NASA has years of experience both in-house and through grants and contracts, on solar cells and arrays, thermal engines—turbines and others—and heat storage. Its expertise in rotating machinery as well as knowledge of aerodynamics, could be put to use in tapping such secondary solar sources as wind power and its computer facilities and programing expertise can aid in systems analysis, as applied to energy production, storage, and use.

The President's second energy message is short on the use of this in-house expertise.

Through advanced technology we learn how to do more for less. Is this not precisely our problem in the energy crisis?

Faced with a criss of the proportions we have in energy, the President has proposed modest amounts for advanced technology in energy. He indicates that a large share of such research should be conducted by the private sector. This is unrealistic.

The major thrust of nationally critical advanced technology must come from Government. We should have started this thrust in energy several years ago. Private industry is structured to react to the marketplace. Historically Government protects the longer range interests of the people and I am convinced will continue in this role. I urge the administration to recognize its responsibility to fund nationally critical advanced technology—the discipline of learning how to do more for less—the method of achieving a better life through better utilization of our resources.

In the realm of conservation of energy, the President has soft pedaled the problem. To begin with, military installations should stop converting their energy plants from available coal to hard to get oil.

And, I would ask, how much energy does the United States burn in unauthorized air strikes over Cambodia?

Conservation of energy cannot depend upon the market place alone for in that event it is the average man in middle America who suffers. Allocation of fuels must be on a fair basis. As Lee White, chairman of the Energy Task Force of the Consumer Federation of America said in testimony before the Interior Committee on May 1st—

> American consumers are accustomed to problems of one kind or another and are undoubtedly willing to adapt and to be cooperative. We are a patient lot. But the recent past has placed many burdens on the consumer, and many more are clearly visible in the short term future.

The President's second energy message is short on protecting the consumer and in meeting the short term, medium term and long term problems. The consumer is called upon to pay more for his fuel, consider himself lucky if he has fuel on a continuing basis, delay environmental safeguards, use his energy conservatively and select his source of fuel wisely.

Now I have trouble with these admonitions from Mr. Nixon since, according to a report on energy-using markets the Comptroller General dated April 6, 1973—B–178205—energy uses were as follows for 1970:

	Percent
Industry	32.0
Electrical Utilities	24.7
Transportation	24.3
Residential	13.9
Commercial	5.1

Somehow, the message of conservation is being delivered to the wrong address.

Granted the total energy scene is vast and complicated. But the situation cries out for attention.

The challenge also is to the Congress. Together, the Congress, industry, and the Executive can and should resolve the problems.

There are good bills in the hopper which reflect the best thinking of both houses. Let us get on with it.

NATIONAL ENERGY POLICY

Mr. DOMINICK. Mr. President, all of my colleagues in this body know by now that we are faced with a crisis in our energy supplies. I emphasize the word "crisis" for I do not merely mean that it is a problem to be discussed and mulled over. We need immediate solutions.

It is a crisis when we hear talk about and may fully expect gas rationing this summer or next. It is a crisis when we are told by the Secretary of the Interior that unless we drive slower, shut down our air conditioners and do other things, we will be faced with a fuel shortage.

It is a crisis when small independent businessmen are forced to close down because of a lack of supplies and watch as a lifetime of work and building a business is demolished. Such is happening in many of our States including my own. I am told of constituents in Sterling and Brighton, Colo., who have been cut back or terminated by Shell Oil or Husky Oil. I am sure there are and will be more unless we act soon.

Recently the President issued his energy message containing many worthwhile guidelines in solving our long term fuel problems and research is continuing in various areas to alleviate the expected crunch in the years to come. In my own State, the fine institution of Colorado State University was recently the recipient of a $491,000 grant from the National Science Foundation to be used in researching solar thermal systems for electric power.

We have taken one step to combat the crisis facing us by giving the President the power to establish supplies of petroleum under the Economic Stabilization Act. This, however, is only the first step. My own State legislature has jointly passed a resolution asking Congress to give top priority to implementing a National Energy Policy. I hereby request unanimous consent that that statement be entered in the RECORD as part of my remarks and urge all of my colleagues to join with me in seeking immediate solutions to the crisis confronting us all.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

SENATE JOINT MEMORIAL NO. 1

Memorializing the Congress of the United States to Define and Implement a National Energy Policy

Whereas, Educational, governmental, and industrial facilities in the State of Colorado have been shut down because of a fuel shortage; and

Whereas, This serious condition is expected to continue and worsen in the future, unless immediate action is taken to correct the causes thereof; and

Whereas, The General Assembly of the State of Colorado considers the present fuel shortage to be an immediate threat to the health, safety, and welfare of the citizens of the state; and

Whereas, Increased reliance on importation of fossil fuels presents a problem of national security and balance of payments; and

Whereas, There is a need for a national policy which will provide adequate supplies of energy at reasonable cost and protect the environment; and

Whereas, Such objectives can be achieved by private enterprise under wise governmental policy; now, therefore,

Be It Resolved by the Senate of the Forty-ninth General Assembly of the State of Colorado, the House of Representatives concurring herein:

That the Congress of the United States is hereby memorialized to give top priority to immediately defining and implementing a National Energy Policy, including objectives to:

(1) Encourage the economic and efficient use, as well as the conservation of energy by:

(a) Encouraging and supporting research into additional methods to conserve energy and decrease per capita consumption of energy; and

(b) Providing financial incentives to schools, educational institutions, and industries involved in research and education concerning energy conservation and the reduction of per capita consumption of energy; and

(c) Supporting changes in technology designed to conserve energy and more economically utilize available resources;

(2) Manage the leasing of federal lands located within the state of Colorado (which constitute thirty-five percent of the land of Colorado), so as to encourage their development for the production of energy resources giving consideration to the energy needs of Colorado's people and its environment;

(3) Provide a tax policy which would encourage exploration and development in order to increase the supply of domestic oil and gas;

(4) Encourage and facilitiate an increase of refinery and transportation capacity for petroleum products;

(5) Achieve a reasonable balance between protecting the environment and developing, processing, and transporting needed energy resources;

(6) Gradually relax price controls on natural gas, but with provisions for equitable price treatment for consumers; and

(7) Encourage the release of atomic energy blocks of land for development of nuclear power.

Be It Further Resolved, That the Congress of the United States is hereby memorialized to do all that it deems necessary to promote the development of sources of clean and efficient energy through such means as:

(1) Encouragement and support of research to determine the energy potential of resources, such as solar, geothermal, nuclear fusion and fission, oil shale, tar sands, and the gasification and liquefaction of coal;

(2) Provision for tax incentives to industries involved in such research and development; and

Be It Further Resolved, That copies of this Memorial be transmitted to the President of the United States, the President of the Senate of the Congress of the United States, the Speaker of the House of Representatives of the Congress of the United States, and the members of Congress from the State of Colorado.

THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, a number of critics of the Genocide Convention have expressed the concern that ratification of this treaty would make a wide range of activities subject to punishment under international law.

Article II of the convention defines genocide as any of the following acts committed with intent to destroy, in whole or in part, a national ethnical, racial or religious group, as such:

First. Killing members of the group;

Second. Causing serious bodily or mental harm to members of the group;

Third. Deliberately inflicting on the group conditions of life calculated to bring about its physical destruction in whole or in part;

Fourth. Imposing measures intended to prevent births within the group;

Fifth. Forcibly transferring children of the group to another group.

The Senate Foreign Relations Committee has attached and recommended two understandings to article II so as to clarify what does and what does not constitute genocide. In a number of previous statements before the Senate on this matter I have attempted to show that the Genocide Convention does not apply to many of the acts which some of its critics fear that it would. The Foreign Relations Committee has enumerated those concerns which are not covered by the Genocide Convention:

It does not alter the rules of warfare, or the obligations of parties to the Geneva Conventions on the treatment of prisoners of war and the protection of civilian persons in time of war.

It does not apply to civil wars as such.

It does not apply to discrimination, racial slurs, and insults, and the like.

It does not apply to voluntary population control measures.

It does not apply to the past.

However reprehensible such actions are, they do not constitute genocide under the terms of the Genocide Convention and the understanding attached to it.

Mr. President, I urge the Senate to ratify the Genocide Convention without further delay.

COURAGE CAN'T BE PARALYZED

Mr. PERCY. Mr. President, as you and all my colleagues in the Senate well know, I am particularly interested in the problems of the handicapped and in the value of vocational rehabilitation.

The statistics of vocational rehabilitation are very impressive: In Illinois in 1971, for example, 14,001 of the 55,288 individuals served by the Illinois Vocational Rehabilitation Agency were completely rehabilitated. No amount of statistics, no matter how impressive, however, can provide as clear and meaningful a picture of the value of vocational rehabilitation to the handicapped and to society as a whole as can case studies of rehabilitated individuals.

In the Spring issue of the Journal of American Insurance is the story of John McWethy, the midwest managing editor of the Wall Street Journal. Mr. McWethy suffered crippling injuries in an auto accident which left him paralyzed from the chest down. But with an overwhelming amount of personal determination and courage, the assistance of his wife, the services of the Rehabilitation Institute of Chicago, and the intelligence of Mr. Fred Taylor, the Wall Street Journal's managing editor, Mr. McWethy has resumed his previous role as a productive member of the business world.

John McWethy is, of course, to be congratulated for his personal triumph over his handicap. I wish also to commend Mr. Taylor for recognizing the fact that John McWethy is needed just as much now as he was before his accident.

I would like to share John McWethy's story with my colleagues. I ask unanimous consent that the article from the Journal of American Insurance be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD as follows:

COURAGE CAN'T BE PARALYZED

REHABILITATION: A CASE HISTORY

(By Dick Griffin)

John McWethy is working 30 hours a week these days at his job as midwest managing editor of the Wall Street Journal, and you better believe that is some kind of an achievement. And as if that isn't enough, McWethy also recently did the following:

He flew in an airplane, drove a car and went swimming.

He attended an editors' conference in Bermuda, overcoming the fear of facing his colleagues again.

He went to lunch with some old friends in a Chicago club.

He turned himself over in bed.

These are extraordinary things for the 60-year-old McWethy, but then he is an extraordinary person. Since Feb 22, 1971, McWethy has been paralyzed from the chest down and his hands are virtually nonfunctioning. He is a *quadriplegic*, confined to a wheelchair probably for life, unable to feel sensation in and use most of his body.

McWethy's life changed in an instant two years ago, when he dozed off at the wheel of a rented car on Interstate 70 near St. Louis. The car careened into the median strip at 70 miles an hour, rolled over and crushed the roof.

His visible injuries were minor: a few small scratches on his head, some blood dripping from an ear. But the invisible injuries were enormous. He had suffered in that tragic moment "the most severe injury a person can endure and still survive," in the words of Dr. Joel S. Rosen, Assistant Medical Director of the Rehabilitation Institute of Chicago.

McWethy's neck was broken, the spinal column dislocated and the spinal cord severely bruised at a point high in his neck. It was the bruise to the millions of vital nerve fibers in the spinal cord that was the crucial problem. It instantly paralyzed him, and his physical condition is essentially unchanged today.

But his emotional condition is something else. In these two years he has endured much and visited dark places in his mind that he wishes he had never seen. And he has found in himself a deep-seated determination and courage that seems superhuman to an observer but which Dr. Rosen describes as almost ordinary for spinal-injury victims.

McWethy was near death for days after the accident, and for months the threat of fatal infection was never far away. He learned the horror of bottomless depression and fear and self-pity, and believed he had become a burden to society and his family. He thought it would have been better to be killed in the wreck than paralyzed for life. He considered suicide. He could see no end to his catastrophe and cried easily and often and refused to talk about his massive injuries.

But at some point four or five months after the accident—no one knows exactly when—McWethy began the slow, long and very difficult climb back from despair and into the sunlight once again.

On Oct. 29, 1971, just 35 weeks and 5 days after the accident, he went home from the Rehabilitation Institute in a wheelchair, but with a gut full of determination to rebuild his life. Two days later he was back at work at the Wall Street Journal's Chicago office. He arrived, as he now does every working day, in a wheelchair and wearing special splints that convert wrist movement into gripping action of the fingers.

That first day the Wall Street Journal's editors in New York City sent a Teletype message to the paper's bureaus throughout the country: "John has won the battle."

"Quadriplegics usually do not go back to work," said an official of the Wall Street Journal's workmen's compensation insurance company. "But this man went back to work nine months after he was paralyzed."

This casualty company is experienced in the personal needs as well as the money matters of rehabilitation cases. A member of the American Mutual Insurance Alliance, the company has paid out more than $66,000 in the McWethy case, in addition to guiding his restoration program. This has included assigning a rehabilitation nurse to help serve his individual needs.

"The thing that has kept John alive and going is his work," said Mary McWethy, his wife of 35 years. "When you hear kids today downgrade work, they don't know what a lifesaver it is."

"The most important thing I had to learn," said McWethy, "was to live an inch at a time. Looking back is futile and pointless, and so is looking very far ahead."

He has accomplished so much in these two years that he has amazed the experts, but the supreme accomplishment has been getting back on the job.

"Going to work, day in and day out," said Mary. "That's the really big thing. The winter chills him to the bone, and the summer humidity makes him dizzy, but still he goes to work. He hasn't missed a day's work since he started back almost a year and a half ago."

McWethy can't handle an ordinary telephone, so Illinois Bell installed special ones in his home and office that have a hand piece mounted on a long gooseneck device at his ear level. He struggles to type at his new electric typewriter by using pencils as extensions of his largely paralyzed hands.

He's frustrated by the nuisance of dictating to a secretary. He can write with a pen, but it's a tortuous task involving both hands and his mouth to work the pen between his splinted fingers. Turning the pages of a newspaper spread out on a table before him was difficult to learn, and it still often takes him four or five tries before he succeeds. To accommodate his new needs, the Wall Street Journal lifted rugs, raised desks up on blocks, built ramps over thresholds and had a motorized lift installed at the back entrance to the building.

For insurance purposes he is considered permanently and totally disabled. But it is evident that he is carrying his own weight on the job and he's determined to continue to do so.

"Many men my age are thinking of retirement," he said. "I hope the Journal needs me forever. The most important thing is that I can think. Nothing happened to my mental machinery."

He can't edit stories with a pen or pencil, but others under him can. He can do the more important tasks: conceiving story ideas, guiding reporters in their work, interviewing and hiring young men and women as fledgling reporters.

McWethy was driving to Columbia, Mo., that February day to interview prospective employees at the University of Missouri Journalism School when the accident occurred.

"If he had been out on a Sunday drive instead of working for the Journal," said Mary, "we'd have been wiped out financially." But since he was injured in the course of his employment, he was covered by workmen's compensation insurance for both his wage loss and medical expenses. In Illinois, as in most states today, workmen's compensation provides unlimited coverage for medical expenses.

McWethy dozed off at the wheel and vaguely remembers the tires leaving the pavement and trying to steer the car back onto the road. The next thing he recalls was a nurse asking for his home phone number.

"Why should I fall asleep?" he still wonders. "It was two in the afternoon, I had a good sleep the night before, nothing to drink at lunch and had been behind the wheel only a short time. The terrible thing is, I drove carefully. Never had an accident in my life. Never a night in a hospital. I was anti-pill, never even took aspirin. Now this."

McWethy and his wife suspect the rented car may have leaked deadly carbon monoxide into the passenger compartment. It was a cold day, the heater was on and all the windows were closed. They can't prove their suspicion, but one of their sons wrote an angry letter to Detroit charging the car was defective. The manufacturer sent a team of engineers to tear the car apart piece by piece. The company said it couldn't find any defect.

"I didn't believe the hospital when they called me," said Mary. "I told them they must be mistaken. It must be somebody else. John was so close to being dead when they phoned me that they didn't want me to come. I went anyway. It was so ghastly and unreal, just a few little scratches on him.

"The worst part was realizing how helpless he is . . . was . . . and then accepting that he'll never get over it. There were so many things he could have done in retirement and they were all taken away in a moment."

"They put me in traction," said McWethy, "and it went on forever. Looking at the ceiling day after day for six weeks. It was awful."

On April 4, 1971, he was flown in a chartered ambulance plane from St. Louis to Chicago and taken to the Rehabilitation Institute of Chicago. A fierce snowstorm was raging in St. Louis and the grim weather matched his mood.

He arrived in a mood of "overwhelming despair," said an official of the Rehab. "He would just spill over crying. Treatment began immediately by the Rehab's team of physicians, therapists, psychologists, psychiatrists and nurses, but for weeks McWethy couldn't pull himself together. His body was broken and he couldn't talk about it without tears welling up in his eyes. He briefly considered suicide and wished he had been killed.

"The change didn't come overnight," said Dr. Rosen, "It seldom does."

But it did come. At the Rehab he learned to focus on his abilities, not on what he had lost. Therapists helped him strengthen what muscles he still controlled in his arms, shoulders and wrists. He learned to do the little things that suddenly became monumentally important.

"The greatest thing on Earth," McWethy says, "is learning how to do something for yourself instead of having somebody do it for you. Talk on the telephone. Drink from a glass instead of through a straw. These are priceless. It took me a month to learn how to use a fork without spilling everything before it got to my mouth. Learning to eat peas from a spoon was a dastardly experience. Soup is impossible to balance on a spoon, and it's almost worth my life to lift a full eight-ounce glass. I use a plastic tumbler. Heavy flatware, like the hotels use, sort of defeats me."

He relearned job skills, like using a phone and typewriter, writing with a pen, turning the pages of a newspaper.

"When we brought him to the Rehab," said Mary, "I was in complete despair to put him among that maze of legless, crippled, paralyzed people. I came home and wept bitterly that night. But we quickly learned that there was more courage in one broken man struggling to learn to eat than in a hundred healthy men. They seem to make cruel demands on the patients, but you learn they're trying to make them tough. They have to make them tough."

Crucial factors in successful rehabilitation, according to Dr. Rosen, are personal courage, outside support and goals to be achieved. McWethy has all three.

Some employers abandon crippled workers, said Dr. Rosen, but the Wall Street Journal stuck behind its man. Fred Taylor, the newspaper's managing editor in New York, wrote McWethy in the summer of 1971, when his editor's mood was still dark:

"As you must know, but I think it bears stating, your value to the Journal lies not in your ability to hop, skip or jump, but in your judgment of people and news, which has proved over the years to be high. We can always hire someone to hop, skip and jump if we neeed those activities."

Taylor invited him to return to work when he was ready, part-time or full-time. In time, going home from the Rehab and returning to work developed into goals that almost became obsessions.

The three McWethy children, all married and living out of state, also rallied around, as did friends and neighbors. Literally thousands of persons who knew McWethy wrote and phoned from across the country—and helped him realize his life was still worth living.

Some spouses shrink from calamities and run away from home. Others crack under the constant strain. Not Mary Helen McWethy.

"Mary has taken the brunt of it," said John. "At an age when she should be just horsing around playing bridge and doing church work, she's fixing the refrigerator and making the dishwasher work and handling the checkbook. And taking care of my many needs."

Several persons familiar with the case call her the most important factor in the successful rehabilitation of John McWethy. She cajoled and goaded him into accepting what had happened and trying to rebuild his life. In the bitter months after the accident she rarely left his side, and she stuck with him through all the grief and the terrible climb back to the sunlight.

She pushes him still, urging him to do more and criticizing him matter-of-factly when he drops a playing card or protests that an arm exercise is too much. When he expresses pessimism she quickly challenges him and counters with an optimistic statement.

The tragedy has strengthened his faith in God, John says. "When everything is dandy, you don't think much about God, I guess. But when you're lying in bed and wondering if you'll ever walk again . . . if you don't have faith, you sure grab for some. I think I had some before, and I have more now."

His home in Western Springs, Illinois, has been worked over with assistance and guidance from the Journal's workmen's compensation insurance company to serve his new needs. A motorized lift moves him between the rear porch and ground level. A long concrete walk has been poured next to the house so that he can be wheeled to the car out front. The bathtub was taken out and replaced with a shower. Rugs have been stored away. On the car roof there's a hydraulic lift that can move him in a sling between wheelchair and passenger seat of the car.

Each weekday morning a young man hired by the McWethys lifts John from his bed, dresses him, transfers him between wheelchair and car and drives him to the office and back. McWethy wears a dress shirt, tie, suit pants and windbreaker jacket to the office. But once inside the building he replaces the windbreaker with a suit coat. He wears it only until he gets upstairs to his office, where he removes the suit coat and works in his shirt-sleeves, typical newsroom dress.

"It's a little fiction to do all that, I suppose, but I think it's important not to look like a slob," he said. "That would be too easy."

He's determined to test the limits of his professional and personal abilities and is finding them to be wide despite his handicap.

When he went back to work in 1971, one of his goals was to attend the annual editors' conference in Bermuda in September 1972. He hoped he would be up to it.

A Wall Street Journal editor in New York got key information for him—how many steps would he have to be carried up at the hotel and how wide the doorways are. The English cars on the island were too small, so a Chevrolet was turned up. Commercial air transportation would have exhausted him, so the Journal sent its own Grumman Gulfstream II to Chicago to pick up John and Mary and John's brother, and took them all to Bermuda and back. For John it was a happy trip—and a boost for his self-confidence.

Another important ambition was to learn to turn himself over in bed. Every night Mary, although exhausted, had to get up and roll him over. Last May, with the help of the insurance company, John went to Denver and spent five weeks at the Craig Rehabilitation Institute, which specializes in spinal cases. He learned to turn himself over. While there, he also drove a car—specially equipped with hand controls—for the first time since his accident. And he "went swimming"—actually, floated in a pool on an inner tube.

"Craig helps give a man back some of his lost manliness," said Mary. "It was good for John's pride and self-confidence. Because of the Rehab in Chicago, and Craig and the Journal, we are far better equipped today to cope. Problems, we realize now, are temporary things. The day's troubles and little problems used to throw John into the depth of despair. Now he can accept them."

The McWethys have what they call a "massive goal," one they've had since he left the Rehab and which continues to elude them. They desperately want John to learn to transfer himself between wheelchair and car, so they can be less dependent on outsiders.

"With six months at Craig, John could possibly strengthen his arms sufficiently to be able to transfer himself," she said. "But he'd have to choose between working and full-time therapy, and the work won."

He badly misses the freedom to go out to lunch on workdays. "It would take half the day," he said. "We'd have to start an hour early to get me there. And are there any steps in the building to block me? Would the table be high enough to get the arms of the wheelchair under it? Maybe the glasses would be the wrong shape or too heavy for me to pick up. Who would cut my meat? Maybe the food would be the wrong kind and I couldn't get it into my mouth."

McWethy eats alone in his office at noontime, nibbling at half a sandwich and drinking some of his required several quarts of water ("Even water in great quantities gets to taste awful") and three pints of cranberry juice ("Yuck, I hate the stuff") to acidify his urine and avert urinary infections.

But he did get out to lunch recently with old friends, endured the problems—and had a good time.

He stays alert to threats that don't disturb most people. Respiratory ailments can be deadly because he has lost most control over his breathing and can't effectively sneeze or blow his nose. Kidney and bladder diseases are constant threats. He could break his leg or suffer acute appendicitis and feel nothing. Bed sores, or pressure ulcers, are fearsome.

If his pants bunched up under him he could develop a severe sore in as little as 30 minutes. That could put him in a hospital for a month and cost from $3,000 to $20,000 to correct.

He is cautious but not intimidated by such dangers, any more than he seems intimidated now by his physical limitations—or to be wishing hopelessly for it all to go away. And he can talk about it all now.

"Anybody who has had a spinal injury hopes for a miracle," he said quietly. "For heaven's sake I hope for one, too. But you also have to face life the way it is and do the best you can. My immobilization really hasn't changed very much since the moment I was paralyzed. Will I ever walk again? The chances seem heavily against it."

"What's done is done," said Mary. "It's obvious you don't gain anything from despair. We're really looking forward to a good life. Fortunately, John is very resourceful, and this catastrophe has made us realize how very much our friends and family and church mean to us."

NEED FOR RECYCLING INCENTIVES

Mr. MOSS. Mr. President, in spite of the widespread public support for environmental preservation through the recycling of resources, it is becoming increasingly apparent that the good will of the public needs more than congratulation by the Government. Legislation creating substantially new departures is necessary. We must make the marketing of recycled materials economically profitable on a broad scale.

Though I applaud the millions of Americans who have diligently gathered up their newspapers, tin cans, and other refuse and delivered it to the local recycling center faithfully each weekend, we must recognize that this activity only effects the supply aspect of the recycling question. Unless demand for products made from recycled materials is increased we will not solve the solid waste problem.

On April 16 I introduced the Resource Recycling and Conservation Act of 1973, S. 1593. This bill would, First, create market conditions encouraging the use of recycled products by requiring Federal purchasing of such items; second, remove tax and freight rate discriminations; third, set product durability standards; fourth, stimulate energy recovery from waste; and fifth, create loans for municipalities to tackle their solid waste problems with modern techniques.

I hope that this issue will attract prompt and serious consideration in hearings. Congress will have to take the lead, for the administration has defaulted on solid waste and recycling programs.

Mr. Barry Newman of the Wall Street Journal has written an article in the May 9 issue clearly outlining the recycling problem. I believe that Congress and the public should find this article of interest, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

Recycling Backlash

(By Barry Newman)

New York.—John Bambino is a powerfully built, 28-year old, second generation junkman. Since getting out of college and inheriting his father's business seven years ago, Mr. Bambino has been roaming around this city with two trucks and two helpers scavenging in the back alleys of apartment houses for anything worth selling.

It's a life of excruciating physical labor (he and his men load 240 tons of newsprint a month) combined with the distasteful task of coddling superintendents who grant access to their tenants' castoffs. Until recently, the work at least netted a profit. "Eight months ago we were getting $22 for a ton of newsprint," Mr. Bambino says. "Right now it doesn't pay me to work. I make as much as my men do and I have all the headaches."

Mr. Bambino is selling newsprint for $13 a ton these days, and he blames the depressed price on competition from voluntary recycling centers. "Everybody's into recycling," he says. "But there isn't any market for all this paper. There's no way I can stay in business. I'm really at the end of the line."

On a very small scale, Mr. Bambino's trials reflect what might well prove to be the chief economic consequence of the environmentally motivated recycling movement: the flooding of already existing markets for secondary materials with previously untapped supplies of urban waste.

SHIVERING AT THE THOUGHT

The prospect of depressed prices that might result from such large-scale municipal recycling is sending shivers through the country's $8 billion-a-year secondary materials industry, which currently culls its supplies from such sources as factory waste and demolition projects.

The possibility of glutting markets, moreover, has doomed many large-scale recycling efforts contemplated by municipalities beacuse consistently high prices are needed to make such attempts economically worthwhile.

A number of bills are being introduced in the current congressional session intended to salvage the situation by expanding markets for recycled materials through such means as tax incentives. But these proposals are evoking irate opposition from the nation's vast virgin-materials industries and the railroads that haul for them.

In a reversal of a policy that was once almost taken for granted, the Nixon administration has pulled back its support this year for such federal recycling incentives. The upshot has been bitter dissension within the Environmental Protection Agency.

In the midst of this furor, the general public continues to support enthusiastically the country's 4,000 or so volunteer recycling programs. However, it seems clear that these ventures, often subsidized by image-conscious industries such as can and bottle makers, do more to raise public awareness of the environmental advantages of recycling than they do to demonstrate the economic viability of recycling urban wastes on a giant scale.

NOT PROMOTING MARKETS

New York City's "Trash is Cash" program, probably the largest citizen recycling effort in the country, is a good example. "We aren't set up to help promote markets for anybody's scrap," says Steve Batty, who directs the program. "What 'Trash is Cash' is all about is helping community groups get involved in recycling on their own neighborhood level."

As such, the program might have been misnamed. Two men on a truck picked up 12,000 tons of glass, cans and newspapers last year. This was sold for about $20,000, covering only 60% of the program's costs. The rest came from businessmen's groups supported by industry. Markets for the material weren't hard to find. "When you have the glass container manufacturers giving you money," Mr. Batty says, "you hear about where you can sell the stuff."

By the end of 1973, "Trash is Cash" expects to be breaking even. Still, this feat will be performed with volunteer labor peeling labels from tin cans, crushing glass and baling newspaper. A private trucker like Mr. Bambino couldn't do the same. When private industry as well as city governments must pay union wages, the chances of breaking even on the sale of municipal wastes are slim. Even under current conditions, without the infusion of urban waste, recycled materials are at a disadvantage in the marketplace.

For one thing, recycled products cost more to make (the one notable exception being newsprint). A ton of writing paper made from recycled waste costs $20 to $30 more a ton than the same thing made from virgin pulp, according to the federal EPA. Recycled glass costs as much as $23.77 a ton to produce, compared with $18.43 for the virgin product.

A DECLINE IN RECYCLING

On the way to the factory, moreover, secondary materials cost more to ship. Rail rates for scrap steel, for instance, are $4.61 a ton, while the rate for iron ore is only $1.84 a ton over comparable distances. Virgin materials also benefit from depletion allowances, or tax benefits for the consumption of a natural resource. In the case of the steel industry, for example, it's estimated that prices would have to be 13.5% higher to produce the same profits now obtained with the help of depletion allowances.

All this has contributed to a reduction rather than an increase in the use of secondary materials over the years. In the paper industry, for one, 35% of all production was recycled in 1945. The rate of reuse in 1972 was only 21%. (Aluminum, an exception, is being recycled at a higher rate than ever from discarded cans.) But the work of collecting the cans is done almost exclusively by volunteers.)

So, despite flurries of publicity about new recycling plans in many municipalities, on a broader scope, "there is no apparent move to install resource recovery systems" in the nation's cities, according to an EPA report released to Congress at the end of February.

"We're kind of embarrassed that there are lots of environmentalists running around on the recycling issue," says Heather Ruth, who heads New York City's search for new places to put its monstrous 30,000 ton-a-day load of garbage. "We haven't yet seen a situation where all the labor we might put in would be justified by the sale price." The city is opting instead for ways to convert its waste into steam energy.

New York nevertheless is toying with selling some waste to partially lighten the tax load of disposal costs. But marketing is a problem. The city has, for instance, contracted with a small company that converts trash into compost. "It's probably true that if we doubled the current capacity, they couldn't sell the other half," Miss Ruth says. "This is probably the worst place in the world to sell compost on a per capita basis."

A city closer to agricultural markets might be able to find more compost buyers. But it would still face the possibility of glutting the market with new supplies, as New York does in an experimental curb-side pickup system for newsprint. Miss Ruth concedes that "if we really had the most effective and most widespread newspaper recycling program, we could dampen the price in this area. We're big enough to really cause a problem."

Fear of such potential disruptions has prompted trade organizations like the National Association of Secondary Materials Producers to campaign with a blizzard of literature against the creation of any recycling program that might glut existing markets for waste.

CHICKEN OR EGG?

"Collections unsupported by market outlets can actually be counterproductive to recycling," says a 1972 booklet distributed by the association. "They can only serve to weaken the entire supply-demand balance and reduce the value of recoverable solid waste below the point at which it is possible to economically collect, transport and process it."

Manufacturers, on the other hand, are reluctant to build plants that process urban wastes unless the supplies are guaranteed ahead of time. The result is a chicken-or-egg riddle: "Nobody's going to build a plant unless the city can guarantee the supply," says Robert Nathan of New York's Council on the Environment, a private group. "But the city won't produce the supply until somebody guarantees to buy it."

For the cities and the secondary material people, the best solution would be federal legislation making wastes competitive with virgin materials. Ideas in bills being drafted range from a proposal by Sen. Edmund Muskie requiring specific percentages of virgin materials in packaging to Sen. Philip A. Hart's suggestion that a tax be slapped on anything made from virgin material. The bills also ask for the equalization of freight rates for secondary and virgin shipments. Though nobody is going so far as to seek it this year, the backers of these plans envision an end to depletion allowances as the ultimate answer.

The nation's virgin-materials industries aren't full of admiration for such suggestions. The steel industry, for instance, says it will have to spend $10.35 billion by 1976 to control pollution, with very little borrowing power left to build 30 million tons of new capacity it says the country will need by 1980. Any legislation that might reduce its income in the meantime is anathema.

AFTER 700 YEARS, WHAT THEN?

"The problem isn't conservation of natural resources," says Fred Tucker, environmental chief of National Steel Corp. "We have enough iron ore to last the steel industry another 700 years. The problem is what to do with municipal solid waste."

Railroad men are equally vehement in opposition to any scheme to equalize feright rates. Robert Hamilton, executive vice president of Southern Railway Co., says virgin and scrap materials "aren't interchangeable by a damn site. They don't load the same and they don't use the same equipment. Virgin material moves in great volume from one point to another and scrap comes from everywhere."

Environmentalists and the secondary industries may have scored a point in the current railroad rate case before the Interstate Commerce Commission. With some goading from the courts, the commission is asking for statements on the environmental impact of unequal rates for recyclable material before further general increases are made final.

But this victory is more than nullified by the setback recyclers received when the Nixon administration withdrew its support earlier this month for federal legislation providing incentives for waste recovery. The administration introduced a "Hazardous Waste Management Act" at the end of February that confines the federal role to wastes that might harm health. The bill doesn't mention recycling.

Even under the current Resource Recovery Act, whose life has been extended for another year, EPA's Office of Solid Waste Management is having its budget trimmed in fiscal 1974 to $5.8 million from $30 million this year. Its staff will be reduced to 120 from 320.

This is happening despite EPA's implied endorsement of a wider federal role in its recent report to Congress on resource recovery. (The report was reportedly withheld for months before it was forwarded.) And it is happening despite EPA's previously open commitment to the encouragement of recycling through government incentives.

Explanations for the administration's stand range from behind-the-scenes industry pressure to a shift in philosophy away from federal subsidies and to a belief that the solid-waste problem is a local one. But the impact is the same. "Our use of resources is a nightmare of insanity," says one disgruntled EPA staffer. "But saying that is dangerous because I work for a President who just said we don't have to do anything about it."

Without government help, some solid waste experts say, the whole idea of recycling ought to be scrapped. One alternative is put forth by American Hoist & Derrick, the largest maker of scrap-handling equipment in the country.

The company is crushing waste from St. Paul, Minn., down to dense blocks and burying them in landfills free of flies, rats and birds. John Carroll, president of the concern, suggests it would be economical to ship these blocks to abandoned quarries and mines, with an eye toward mining them in the distant future for the material today's society doesn't consider worth recovering.

Recycling is impossible today, Mr. Carroll says, "unless you have the services of the Boy Scouts, the handicapped, prisoners and otherwise idle people" who will work for next to nothing. Without them, he says, "there isn't any method known to society in which you can separate out material routinely at high volume and at union wages and make it sensible."

WILLIAM ELY

Mr. DOMINICK. Mr. President, as a former Air Corps pilot in World War II and a member of the Senate Armed Services Committee, I want to pay tribute to a man who served this country with distinction and in a significant role in the production of aircraft components during the Second World War. I refer to Mr. William Ely of Pittsburgh, Pa. The accomplishments of Mr. Ely have recently been brought to my attention by his son-in-law, Mr. Thomas A. Gilliam of Denver, Colo., and I believe it is fitting that my colleagues be apprised today of the outstanding efforts of one man to insure that our defense supply lines would not falter during those critical days.

Mr. Ely began his professional career with Pittsburgh Plate Glass prior to World War II and was manager of the PPG plant in Belgium at the outbreak of hostilities. He escaped from Belgium just ahead of the Germans, traveled across France and returned to the United States.

At the PPG plant in Pittsburgh, Mr. Ely was placed in charge of one of the more pressing activities facing the company: the manufacture of windows and turret glass for our military aircraft. As you can well imagine, Mr. President, development schedules for the wide variety of new shapes and types of glass were demanding in the extreme, as were all of the phases of production and delivery. As an economist by early training, Mr. Ely monitored this entire production operation, using his skills in personnel management to obtain the highest performance from the production teams. In the words of one close associate during those years:

> William Ely had an intense personality; he was a perfectionist with tremendous energy who was able to obtain continuous high level performance from the entire operation. Because of his personable manner, he lost no friends and was highly regarded by all who served under him.

Mr. Ely is described by one PPG colleague as "the flywheel and the catalyst for the important wartime production effort. He could exchange ideas, stimulate, and get results."

Mr. President, to give you an idea of the importance of this man to the PPG effort, let me say that one of the most demanding jobs ever received by the company during the war was the rush production of the large greenhouse noses of our large, troop carrying gliders. This task, on top of all other production demands, placed a severe strain on everyone, but particularly William Ely. There was tremendous concern throughout the production run that the gliders would be delayed for lack of glass, and PPG had been advised that the gliders were of critical significance in the invasion of Europe. In spite of the tight schedule, I am told that not one glider was ever delayed for lack of glass. His colleagues at PPG rate this accomplishment as one of the high points of Mr. Ely's career.

I am sure that there are many other fascinating stories of the accomplishments of William Ely and others like him which have gone unnoticed by most of us over the years, and I am grateful to Mr. Gilliam and to Mr. Ely's former associate at PPG, Mr. A. D. Nutter, for bringing these facts to my attention so that I could publicly express my appreciation to Mr. Ely and all of those who served in our defense industry during that and other wars, supporting our combat forces overseas.

NEED FOR RUNAWAY YOUTH SERVICES

Mr. BAYH. Mr. President, as chairman of the Juvenile Delinquency Subcommittee and as the father of a 17-year-old boy, I have been deeply concerned about the problem of runaway children. At least 1 million young people run away from home every year. Without direction or assistance of any kind, they too often fall prey to the pusher, the hustler, or the street thug. On May 3 the Washington Post carried a story of a very recent runaway, a beautiful young high school girl who left her home in Virginia without any advance warning. She, like many young runaways, will need temporary shelter care and counseling help to facilitate a successful return home. Without these services, runaway children are often forced into criminal activity to support themselves, even temporarily; and without counseling and advice, the runaway event is usually repeated.

My Juvenile Delinquency Subcommittee conducted hearings last year on the runaway youth problem. All our witnesses emphasized the lack of adequate shelter care facilities and counseling services for these troubled young people. In response to this need, I developed the Runaway Youth Act, which passed the Senate last July as S. 2829. At the time of adjournment of the 92d Congress, the Runaway Youth Act had been favorably reported by the General Education Subcommittee of the House Education and Labor Committee.

At the beginning of the present session, I reintroduced this measure as S. 645. On May 1, 1973, the subcommittee directed that it be reported to the full Judiciary Committee. S. 645 has been cosponsored by 23 of my colleagues, and I am hopeful that it will be enacted into law in the near future.

Mr. President, at this time, I ask unanimous consent that the Washington Post article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Parents Agonize Over Missing Girl

(By Joseph D. Whitaker)

The last time Robert and Janice Shelton of Springfield saw their 16-year-old daughter, Robin Lee, was around 10 p.m. on March 7. She was lying quietly across her bed, doing homework as usual. The next morning, when Shelton stopped by Robin's bedroom before he went to work, he found an empty bed and a note:

Dad, Mom & Laurie, I'm sorry to hurt you all, but I really have to get away. I know this will hurt you, but I love Keith. I can't stand it, I really can't. Please don't worry cuz I know that God loves me and will protect me. I'm sorry. Maybe now we'll all be happy.

Robin Lee thus became one of an estimated 10,000 children between 14 and 17 years old who will run away from home in the Washington area in 1973. Half will be boys, half girls. And *the plight* of the Sheltons illustrates the agony that many of them will leave behind for their parents to experience.

"These young people are just trying to get away from the pressures of family and school and a society which says 'We'll recognize you as a person after you've graduated from college into the job market.'" said Robert Foster, of the Youth Development and Delinquency Administration at the Department of Health, Education and Welfare.

The Sheltons first searched the neighborhood, called bus stations, cab companies, and area airports, but could locate no one who had seen Robin. They finally called the Fairfax County police and reported that their child had run away.

"For a whole week, my husband and I worried so much we couldn't go to work," said Mrs. Shelton, who also has a 12-year-old daughter, Laurie. "Were frightened and worried sick." After waiting a week and not hearing from Fairfax County police investigators, Mr. and Mrs. Shelton relieved their agony by hiring a private investigator at $12.50 an hour.

"The police told us they had more cases than they could handle and that runaways are low on their list of priorities," and Mrs. Shelton. "We love our daughter and we're willing to spend the money to get her back." Nicholas R. Beltrante, director of the detective agency hired by the Sheltons, said that, increasingly agencies like his own are being retained to locate the runaway children of middle- and upper-income parents who feel they get quick results.

"Most police departments don't have the resources to send investigators across the country following a runaway child," said Beltrante, who said his agents handled more than 50 cases last year. "But I've assigned two investigators to this one case. . . ."

Beltrante said that most runaway children never go more than three to five miles away from home—although others may just as easily be found as far away as California or the state of Washington. Investigator D. O. Doss, who was assigned to Robin's case, said the Fairfax County police department receives between 85 and 90 reports of runaways daily. However, most of them return home on their own after two or three days, he said.

Det. Doss said that publicity about runaways will seldom "actually help us locate our subject." Robin's story is told here only to illustrate the runaway problem.

Several authorities said most runaways leave home in early spring (when temperatures are agreeable to camping, light dress and setting up of beach communities) and in the early fall, when school is resuming (and youths are reluctant to go back to the problems they associate with school).

Mrs. Shelton said her daughter became depressed recently when she broke up with her boyfriend. "Robin was never one to show strong emotion. We had no early indication that she was planning to run away," Mrs. Shelton said. "She accepted her parents' decisions and never rebelled." Robin, described by her mother as "very religious," is a member of Franconia Baptist Church, where she plays the organ every other Sunday for the youth choir. At Robert E. Lee High School, Robin was a high-ranking student and a cheerleader.

When she left on March 7, she took $70 of her own savings and a flight bag containing what Mrs. Shelton said was a "Sunday dress and a Sunday pair of shoes."

She also took her Bible.

THE FUEL SITUATION WORSENS IN MINNESOTA

Mr. HUMPHREY. Mr. President, the State of Minnesota continues to feel the effects of gasoline and diesel fuel shortages. I have just received the latest report on this situation—from Minnesota's Director of Civil Defense, Mr. James Erchul. The report was originally sent to the Minnesota legislature and to region 5, Office of Emergency Preparedness in Chicago, Ill. I ask unanimous consent that this message be printed at this point in the Record.

There being no objection, the message was ordered to be printed in the Record, as follows:

Department of Public Safety,
Civil Defense Division,
St. Paul, Minn., May 3, 1973.

To: Minnesota Legislature.
From: F. James Erchul, Director.
Subject: Teletype Message Regarding Fuel Situation.

The following is the teletype message which we sent to Region 5, Office of Emergency Preparedness, Chicago, Illinois, concerning the fuel situation:

A. Estimate of fuel situation:

More fuel businesses have closed. Others are limiting hours and/or amounts.

1. Gasoline—Additional closings continue to be reported.

2. Diesel fuel—Truckers report inability to secure renewals of fuel supply contracts.

B. Effects of fuel shortage on people:

Unemployment continues to rise as shortage effects are being felt by dependent industry.

C. State activity:

Fuel related bills continue to be discussed in legislature. Civil Defense continues to put extra supply together with people who are short.

D. Industry activity:

Phillips Petroleum notified service stations they are being cut 10 percent from comparable months a year ago. Standard Oil announced allocations to last year's levels. Estimated demand is 7–10 percent greater than a year ago.

E. Publicity accorded fuel shortage by news media:

News media continue to highlight stories on fuel shortage.

F. Major problems:

State is unable to determine how much petroleum suppliers intend to sell in Minnesota.

C. Comments:

Although some industry experts are predicting a, "shortfall of 2 percent in gasoline supplies," it appears it will be more than that in Minnesota.

Recommendations: Federal Government regulate a proportionate share of total petroleum supply to each State based on a historical formula.

OEP help Minnesota officials determine the marketing intentions of major suppliers.

AID TO NORTH VIETNAM OPPOSED

Mr. ROTH. Mr. President, I have just received a copy of House Resolution 58 of the State of Delaware House of Representatives. This resolution vehemently opposes payments of any kind to North Vietnam for reconstruction of that country. So the Members of this body will have an opportunity to learn the sentiment of the Delaware House of Representatives on this important national issue, I ask unanimous consent that the resolution be printed in the Record.

There being no objection, the resolution was ordered to be printed in the Record, as follows:

House Resolution No. 58

Expressing vehement disapproval to appropriating any aid for the purpose of reconstructing North Vietnam

Whereas, the members of the House of Representatives of the 127th General Assembly are adamantly opposed to the spending of money or giving of other foreign aid for the purpose of rebuilding North Vietnam; and

Whereas, to give foreign aid for the purpose of reconstructing North Vietnam undermines the courageous efforts of the Americans who died in Vietnam as well as those who were fortunate enough to return home; and

Whereas, it is the feeling of the members of the House of Representatives of the 127th General Assembly that funds available for such purposes could be utilized to a much greater effect by using such funds for domestic purposes and in helping those who served in the war to find jobs.

Now, therefore:

Be it resolved by the members of the House of Representatives of the 127th General Assembly of Delaware that the appropriating of aid for the purpose of reconstructing North Vietnam is vehemently opposed.

Be it further resolved that a copy of this resolution be forwarded to Senators William V. Roth, Jr. and Joseph R. Biden, Jr. and Representative Pierre S. duPont, IV in their respective Washington offices.

GASOLINE RATIONING

Mr. GRAVEL. Mr. President, there is no doubt that the United States is in the throes of a critical energy shortage that threatens all of us. For the past several months we have been talking about a possible gasoline shortage which will have far-reaching results.

The most serious result will, of course, be for transportation of employees to and from work. While all of us will suffer in some degree, those involved in the tourist industry for a livelihood are quite likely to be only partially employed—or not employed at all—this summer. Widespread unemployment will result in the transportation and related industries. This further emphasizes the urgency for prompt action in clearing the roadblocks for construction of the trans-Alaska pipeline.

In last night's Washington Star there appeared an article by Roberta Hornig concerning a rationing system of gasoline instituted by Amoco in the Illinois tollway system. This is merely a forerunner of things to come.

I ask unanimous consent at this time to have the article printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Fill-'er-Up Barred on Tollway

(By Roberta Hornig)

The Amoco Oil Co. has announced it will limit gasoline sales to about a half tank per car at its stations on the Illinois Tollway system, because of fuel shortages.

A company spokesman said yesterday that beginning at 7 a.m. tomorrow, Amoco stations will "temporarily" limit gasoline sales to 10 gallons per passenger car and 35 gallons of diesel fuel per truck.

The announcement of the direct rationing of gas to motorists follows Amoco's "allocation" program to all its gas stations that went into effect May 1.

Amoco Oil Co. is a subsidiary of Standard Oil of Indiana.

Standard Oil Co. of California announced yesterday that it is limiting gasoline supplies to its service stations because of "exceeding high demands."

Several other oil companies also plan to allocate gas to their stations but Amoco's move is the first time a major oil company has ordered its stations to ration gas to motorists.

Amoco has gasoline concessions on the Tollway system, which includes several toll roads with several offshots running from the Chicago area to the Wisconsin-Indiana State Toll Highway Authority, which approved the rationing plan, said it did so reluctantly, but that "it seemed to be the best alternative to assure equitable distribution of available supplies to all motorists."

An Amoco spokesman said that if the company had not initiated its nationwide allocation program to gas stations "a supply-demand imbalance would have almost certainly led to widespread runouts of gasoline and diesel fuels this summer."

Amoco decided to directly ration motorists on the Illinois road because, under its contract with the state, it is committed to keep its stations open 24 hours a day seven days a week.

Stations that come under the general allocation rules will have the option of keeping shorter hours or closing one day a week if their fuel supplies run dry, the spokesman said.

The spokesman added that gasoline is scarce with the recent lifting of the oil import quotas. One reason the lifting of the quotas has not brought in enough oil is a scramble for Middle East oil by several American companies and the Europeans and Japanese.

In another energy development, 35 senators sent a letter to President Nixon yesterday urging him to start allocating petroleum products instead of leaving it up to oil companies.

While administration energy experts are still claiming only "spot shortages" of fuel, several transportation industry officials yesterday told the Senate Banking Committee fuel shortages appear to be fairly wide spread and worsening.

The bleak energy picture was given by representatives of the bus, inland waterway, airline and railroad industries and the farmers.

Some of the key points.

A vice president of Greyhound Lines, Inc., said fuel shortages "have already had an effect on Greyhound's operations and represent a serious potential threat to the nation's transportation system."

Paul R. Ignatius, president of the Air Transport Association, said fuel shortages have already occurred at some airports and his organization has asked the federal government to release aviation fuel bonded for international flights for domestic consumption.

James R. Smith, president of the American Waterways Operators, Inc., a national trade association of transport towboats, tugboats and barges said diesel fuel shortages have so far been spotty except in the Midwest where some towboats traveling north on the Mississippi River from the Gulf Coast have been stranded in the St. Louis area because they were unable to buy fuel there.

He warned of a "ripple effect" of fuel shortages, saying 58 percent of the tonnage carried on inland waterways is fuel for other industries including electric utility.

A spokesman for the National Farmers Union said farmers are concerned about getting enough fuel for running their tractors. Two factors are at play in the Midwest: a Nixon administration request to farm 50 million more acres to bring down food prices and an extremely late planting due to the Mississippi floods. Because of the delay farmers have to work longer hours later this month and early in June to get their crops in the ground, and therefore will require more fuel faster, the spokesman said.

The New York Times quoted official sources as saying the administration expects to announce within a week a voluntary system . . . gasoline supplies and possibly other petroleum products.

A possible formula, the Times said, would be to ask major suppliers to put cutbacks of deliveries on a uniform basis—the same percentage to all customers including its own outlets.

PROBLEMS FACED BY LAW ENFORCEMENT OFFICERS

Mr. MOSS. Mr. President, ever increasing demands are placed upon today's law enforcement officers. Most of the demands are a result of an increase in crime over the past several years. But, many problems for our policemen result from an entirely unexpected source. It involves action taken by responsible citizens who desire to create a safer society.

One inconvenience for law enforcement agencies occurs, because many businessmen, as well as the general public, in an attempt to discourage burglaries, install defective alarm systems. Law enforcement agencies, with dispatch, answer burglar alarm calls regularly. When a false alarm is set off the time of several policemen is wasted in answering the call. Other police duties are postponed, neglected, or forgotten entirely. Additional law enforcement expense occurs.

We cannot blame the policemen for this problem. Rather, they must be commended for their special dedication in responding to the burglar alarm, whether real or false. And we cannot blame the entire group of citizens who is trying to protect themselves from potential burglars. But something must be done, whenever possible, to prevent the use of defective alarm systems.

The ramifications of this problem are brought out in an article entitled "False Alarms—A Major Problem to Law Enforcement," by Joseph L. Smith, assistant chief of police, Salt Lake City, Utah. It appears in the May 1973, issue of the FBI Law Enforcement Bulletin. I ask unanimous consent that excerpts from this article be printed in the RECORD.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

FALSE ALARMS—A MAJOR PROBLEM TO LAW ENFORCEMENT

(By Joseph L. Smith)

The continued rise in crime in the United States over many years has brought with it a significant increase in the installation of intrusion alarms in business, industry, and private homes.

Overall, the results of the increased number of alarms have been good. Locations which have increased their protection with alarms have generally experienced significant reductions in loss from criminal attacks. An added incentive for businesses to install alarms has been more favorable insurance rates. Because of the alarms, many more criminals have been apprehended than would otherwise be the case.

However, not all of the consequences of the increased security of alarm systems have been happy ones. A problem which has developed in direct proportion with the alarm installations is the problem of false alarms.

Most companies manufacture, install, and service very reliable systems. However, some seem more concerned with making sales than with the service and reliability of their equipment. There is no doubt that reputable manufacturers are as concerned as the police with the false alarm problem; perhaps even more because their continued existence depends upon the reliable performance of their product. False alarms due to poorly designed equipment or faulty installation are costly to manufacturers because they alienate customers and the police. Customers of alarm companies resent getting out of bed at 3 a.m. and driving to their place of business in response to a false alarm. Law enforcement officers and administrators are reluctant to tie up one or more units at a probable false alarm when their services may be badly needed elsewhere.

What is being done about the problem? Responsible manufacturers are trying to build the most reliable product possible. Knowledgeable installers are doing the best job possible. They are planning each installation carefully, taking all circumstances into account that can possibly be anticipated, and they are maintaining the integrity of the alarms by frequent service checks. Unfortunately, there are many customers who will buy the cheapest product possible to satisfy insurance requirements, and these systems are often inadequate. Neither the customer nor the company in such instances seems to worry much about maintenance. False alarms from poorly designed, maintained, and installed equipment continue to be a major problem.

LAWS AND ORDINANCES

What can law enforcement do about faulty alarm equipment and ineffective intrusion alert systems? It is possible to encourage ordinances which could hold alarm companies responsible for carefully planned, well-maintained installations. For example, if false alarms are repeatedly received from one particular location and the company failed to take corrective action, ordinances could empower the city to send its own technicians to inspect the alarm installation and correct the problem. The alarm company or the business having the installation could then be billed for the service. In addition, a fine could be levied in aggravated cases.

Several departments have asked their city fathers to pass ordinances which would prohibit telephonic alarms from terminating at a police telephone switchboard. There are at least two good reasons why they have requested this action. First, in the event of bad weather, earthquake, or disaster, the false alarms could be numerous enough to tie up most of the police telephone circuits at a time when they would be sorely needed. Second, the police would have no ready access to information identifying persons from the firm maintaining or servicing the alarm system who have the responsibility to assist in checking the premises. Many of these telephonic alarms were sold because the salesman assured the customer that a recorded telephone message would go directly into the police department switchboard.

Another major reason for false alarms is the carelessness of alarm customers and their employees. They may activate an alarm by entering or leaving their building without notifying the alarm company in advance. Naturally, the servicing agency cannot distinguish between an employee and a burglar when they receive the alarm. Here again, laws may be enacted imposing some type of penalty for repeated carelessness or indifference.

It might also be well to consider laws pertaining to the security aspect of new business construction. Building codes which would require specific intrusion detection systems in certain commercial structures could be a major step in assisting law enforcement in the control of many crimes against property.

It is suggested that the police and their legal counsel would do well to meet with and discuss any proposed ordinances with alarm company representatives prior to supporting such action. The input from the industry could be valuable and possibly even make regulation by ordinance unnecessary.

DEPARTMENTAL POLICY

Aside from the passage of laws and ordinances, what else can a law enforcement agency do to insure proper response to intrusion alarms and still provide services which may, at the same time, be needed elsewhere? The best answer to this question is probably the drafting of clear departmental policy. Again, it would be a good idea to meet with the alarm companies, not only for their ideas but to put them on notice that your department is taking a positive action which will affect them.

After the policy has been adopted, all officers of the department must be fully informed so that there will be no question as to exactly what the policy is and how it will be carried out. Next, written copies of the policy should be mailed to the alarm companies so that they, too, will know precisely what to expect from the police department. Finally, it might be a good idea to inform the business community by some means so that they will understand what they can expect from their police department and what is expected of them. Such notification to business people will also reduce the possibility of misleading representations by "fly-by-night" alarm salesmen peddling inferior products.

What should a burglar alarm response policy include? Probably the best way to answer that question is by an actual example. Any agency interested in the following summary of the Salt Lake City Police Department's burglar alarm response policy may then add to the policy or take away from it in accordance with their own needs. It is simple, but it informs police officers and radio dispatchers exactly what is expected of them.

The department responds to all burglar or intrusion alarms, and if units are not available at the time the alarm is received, they will be dispatched as soon thereafter as possible. If the units which respond to the alarm are unable to locate a point of entry into the premises and there exists no particular reason to believe that a burglar may be inside, they may immediately resume normal patrol.

However, if the dispatcher has been informed by the alarm company or answering service that an alarm service man or other persons responsible for the premises will go to the location of the alarm, one police unit will be assigned to hold at the location for no more than 15 minutes. After the expiration of 15 minutes, the unit may resume patrol if no one has appeared to assist in checking the premises.

In the event someone arrives to check the premises after the assigned unit has resumed patrol, the police dispatcher will send another unit to the scene. Also, if an emergency occurs during the 15 minutes that a unit is holding at the location of an alarm, the police dispatcher is authorized to reassign the unit to respond to the emergency.

With the enactment of ordinances and the adoption of meaningful, practical police policies, the results achieved from well planned and maintained alarm systems should be worthwhile. False alarms can be significantly reduced while more burglary arrests can be experienced by the increased assistance to police efforts.

ISRAEL'S 25TH BIRTHDAY

Mr. TOWER. Mr. President, freedom loving people around the world are this week celebrating the 25th anniversary of the state of Israel. Along with millions of Americans, Christians and Jews alike, I would like to extend my best wishes to the State of Israel and to its people in recognition of this important event.

When Israel attained recognition as a sovereign member of the international community 25 years ago, many knowledgeable scholars in the field of politics and international relations sincerely believed that its existence would be short-lived. I doubt if anybody felt that it would attain the achievements that it has made in this 25-year span. The success of Israel belongs exclusively to its people. Their courage, perseverance, and general know-how have enabled their country to be a leader in such fields as education, and science and technology. That they have achieved so much while being under the constant threat of war with their neighbors is quite remarkable and something that I have admired for many years.

The United States has been a close friend of Israel during these 25 years and I continue to believe that this support is a required prerequisite to lasting peace in the Middle East. If Israel is left defenseless by its allies, I am convinced that a recurrence of the 6-day war of 1967 will be fought.

At the same time the international community must better recognize that persecution of Jews in the world still exists despite the experience of Hitler's barbarism of 30 years ago. This is particularly so in the Soviet Union where a totalitarian dictatorship continues to maintain an official policy of religious discrimination. The State of Israel offers a new home to these captive people of the Soviet Union and everything should be done to insure that they are given total freedom of emigration.

Israel is a land of hope for millions of people, both within and outside its borders. We all hope that a settlement can soon be realized with its Arab neighbors so that mutual progress can be made in that area of the globe. With this hope, I extend a greeting of Shalom, an expression meaning both "peace" as well as the term used to greet your fellow citizen. Shalom is more than just a word, therefore, it is a feeling of hope and aspiration that is shared by not only Israel and its people but all peace and freedom loving people throughout the world.

ADMINISTRATION ACTION URGED ON GASOLINE AND FUEL SHORTAGES

Mr. HUMPHREY. Mr. President, it is urgent that the Nixon administration act now to put an emergency gasoline allocation plan into effect. Unless the administration states firm plans to deal with the gasoline and fuel shortages, I will do everything in my power to pass legislation directing that it do so. I am somewhat encouraged by reports from the meeting yesterday at which Deputy Secretary of the Treasury William L. Simon said the administraton is preparing to put such a plan into effect within a week. Today's Washington Post newspaper reported on that meeting, and I ask unanimous consent that it be printed at this point in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Plan Ready for Fuel Allocation

The Nixon administration is preparing to put an emergency fuel allocation plan into effect within a week. Deputy Secretary of Treasury William L. Simon said yesterday.

Its purpose, he said, is to assure that no section of the country, dealers or critical public services suffer more than others in the expected shortage of gasoline this summer.

Simon disclosed that a plan was nearing completion after hearing complaints from Midwestern senators whose farming constituents say they may be denied enough diesel fuel needed to run their irrigation systems and tractors this spring.

Aides said the plan would probably consist of guidelines issued to refiners and marketers. It would urge them to provide the same percentage of fuel to local dealers that they made avilable last year, the aides said.

Details of the plan are not yet completed, but Simon hopes to have it in effect within one week, the aides said. He expects to present the plan to President Nixon this weekend.

Although the initial guidelines would be voluntary, aides said Simon probably will begin setting up the machinery for a mandatory plan that would require the big oil companies to allocate fuel.

Simon last night said he has not foreclosed the possibility of beginning with a mandatory plan instead of a voluntary one. "It could be easier," he said.

Under an amendment to the law extending the wage-price control authority, the Nixon administration has authority to initiate either a mandatory or voluntary system to assure that all areas of the country get sufficient fuels to meet "vital needs." The administration had opposed that amendment when it was offered in the Senate by Sen. Thomas Eagleton (D-Mo.).

If mandatory controls are called for, however, the government must set forth its guidelines and then hold public hearings, a time-consuming process.

Behind the latest pressures are congressmen and senators representing areas farthest from the major U.S. oil sources—the Midwest and the Northeast.

The farm-state senators, meeting with Simon in Vice President Agnew's office, complained that the farmers need immediate assurance that they can buy the diesel fuel needed to operate the large motor-driven irrigation systems.

Sen. Carl T. Curtis (R-Neb.), according to an aide, told Simon at the meeting: "I feel you have the tools in spite of the shortage to allocate fuel in these farm areas If you don't, I expect to burn you at the stake."

Simon said that inventories of gasoline are 12 per cent below last year's levels. However, he said there will be no need for rationing at the retail level and predicted there will be no "severe country-wide shortage."

The overall purpose, he said, is to "share the shortage" so that no section of the country suffers unduly. "Everybody has to make some sacrifices," he said.

FUEL ALLOCATION TO FARMERS NECESSARY

Mr. DOMENICI. Mr. President, many of my colleagues and many American citizens are expressing their growing concern over the potential fuel shortage facing this country. I also am concerned. But to date, most of the concern has centered around the problems it would cause in the area of transportation. Service stations are closing for lack of an adequate supply of gasoline. We are being asked to conserve fuel in our private automobiles, and the airline industry is even faced with the possibility of reducing their air speed to conserve jet fuel.

But the fuel shortage may affect even more than our transportation. There is a possibility that it will affect the vital food supply in this country.

I have written to Interior Secretary Rogers Morton and to Agriculture Secretary Earl Butz to express the concern of many New Mexico farmers that the shortage of diesel fuel may hamper them from running their irrigation systems and tractors.

And the problem has become even more acute, because the Secretary of Agriculture has released many acres for planting which previously had been set aside.

In Curry County, N. Mex., for example, 30 percent more acreage, or 55,000 acres, have been released for planting this year. In principle, this is a step most certainly welcomed by farmers in the area.

However, my constituents have advised me that there is a real possibility that Mr. Butz' goal of increasing the food supply to foreign and domestic markets may be frustrated by a scarcity of diesel fuel and natural gas.

Distributors of fuel in Curry County are also on an allotment based upon last year's use. But last year's use did not include a 30-percent crop increase.

Deputy Secretary of the Treasury William L. Simon has pointed out that the administration may be putting an emergency fuel allocation plan into effect within a week. I am aware of this possible action.

But he also has said inventories of

gasoline are 12 percent below last year's levels. The allocations would be designed to give all sections of the country the same percentage of the fuel supply they had last year.

But I would like to point out that this would mean our farmers would be getting even less fuel than they got last year. And last year's use did not even include a 30-percent crop increase.

Without more fuel, how can the farmer till and harvest more acres and how can he run the water pumps to irrigate their land?

My concern, Mr. President, is that the announcement of increased acreage will turn out to be only an expectation if we do not find a solution to the problem of insufficient fuel supplies.

I can think of few higher priorities for use of our fuels than to help provide an adequate supply of farm products for the American and world marketplaces. We must supply the needs of our own country, and if we expect to alleviate our balance-of-payments deficit, we must produce more food than we need for exportation.

I want to stress that I praise Secretary Butz' attempts to increase our food supply by allowing our farmers to grow more crops. And I am equally sure that the American taxpayers, the American housewife, and our international economists will welcome such an increase in production.

But I warn you today, as I have warned the Cabinet officials, that we must do everything in our power to see that the promises made about an increase in the food supply are not broken because of improper management of our fuel resources.

EMERGENCY GASOLINE AND FUEL ALLOCATION

Mr. HUMPHREY. Mr. President, I wish to draw the attention of the Senate to an editorial which appeared Thursday, May 3, in the St. Paul Pioneer Press. The editorial discusses the vital question we all are debating in Washington this very moment—the urgent need for the Nixon administration to take steps to allocate gasoline and fuel oil supplies. I ask unanimous consent that this editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

ALLOCATING FUEL SUPPLIES

What can and should the Nixon Administration do about the worsening national shortage of gasoline and fuel oil? Washington officials are debating the question.

Minnesota, Wisconsin and Iowa, one of the regions hit hardest by last winter's scarcity of fuel oil, now are told there isn't enough gasoline available to meet normal summer demands.

The question before Washington officials is whether there should be government intervention in the allocation of petroleum supplies. When Congress this week extended the President's wage and price control authority for another year, it included in the law a new provision permitting supervision of gasoline and oil distribution. The Administration has not said whether it intends to use this authority, but the President's recent energy message made no such suggestion.

The alternative to government action is to let the big national oil companies divide their supplies as they see fit. This is the present situation.

Sen. Hubert Humphrey of Minnesota has proposed that Congress establish a national Emergency Fuel Allocation Board "to assure fair allocation of petroleum products to all parts of the country." Rep. Donald Fraser and others have asked President Nixon to initiate such a program immediately under the authority contained in the economic controls law just passed.

In his letter to Nixon, Fraser said: "The public interest requires that government play a key role in determining how oil is distributed and to whom. This is the only way we can minimize inconveniences and hardships to the consumer. Reliance on the free market will not solve the oil distribution problem."

He added that "energy consumption must be curbed—and through more than voluntary means. We have to start thinking about taxing automobile horsepower, for example, and insisting on strict standards of efficiency for electrical appliances."

Some 150 independent gasoline stations in the Twin Cities area have been forced to close in the past two months. The big-name brand companies are beginning to restrict allocations of gasoline to their own outlets. Major farm cooperatives, important suppliers of tractor fuel and gasoline required for agricultural production, are in trouble.

Interior Secretary Rogers Morton this week called on all Americans to restrict their driving voluntarily. He urged use of buses in the cities to go to and from work, driving 10 miles an hour below speed limits on the highways, limiting the use of auto air conditioners and other "common sense measures."

"If a majority of Americans take energy conservation seriously," said Morton, "we will not have gasoline shortages this summer." Otherwise, he declared, "we will have to consider more serious remedial measures."

The shortages already are a fact of life in Minnesota and the Midwest. Laxity in planning by the government and by the private petroleum industry, plus years of governmental policies which discouraged expansion of supplies, are partly responsible for the present situation.

Voluntary action by individual citizens to cut down gasoline consumption is called for, but governmental intervention may also prove necessary. This will become especially important if developments indicate that the Midwest does not share equitably in the national distribution of supplies by the petroleum industry.

COMMEMORATION OF THE FOUNDING OF THE STATE OF ISRAEL

Mr. MATHIAS. Mr. President, all of us who have stood before the Wailing Wall in Jerusalem have felt the awe and sense of antiquity inspired by that solemn, holy place. It is literally all that remains of the great temple destroyed by the Romans and it is also one of the last remnants of ancient Israel. It was, therefore, the uniquely appropriate place to commemorate the founding of modern Israel and to celebrate her survival through birth and infancy. A memorial torch was lighted at the Wailing Wall last Sunday on the 25th anniversary of the founding of the State of Israel. There was much joy and many festivities throughout Israel this week at the successful completion of 25 years of toil and perseverance of the creation and security of an independent Jewish state. These years have earned for the people of Israel the luxury of enjoying the fruits of life in a free nation.

I offer my congratulations to the Israeli people on this happy occasion. Americans of many faiths have always felt an indissoluble bond between our country and the State of Israel. We have in many respects a common history, mutual purposes and shared ideals. Both are nations born in war and built by immigrants. Both are dedicated to democratic and humanitarian goals. Both have transformed foreign oppression into national opportunity. In both Israel and the United States, the once homeless built a haven for the hopes of all free men.

The United States has expressed, through economic and military assistance, its firm commitment to Israel's right to exist with secure and defensible borders. The Israeli have made our aid an investment and now this desert outpost has become a valuable part of the world economy.

Israel has met and conquered numerous seemingly insurmountable challenges over the past quarter century. She has channeled her human talent and technical expertise toward solving the problems of absorbing 1½ million immigrants; establishing a modern army increasingly supplied by locally produced defense equipment; transforming an agrarian to an industrial economy; preserving and strengthening its democratic institutions; cultivating arts and sciences; and achieving many other worthy goals. Israel today represents more than a place for homeless Jews to live—it stands for a real contribution to the quality of life, not only for Jews, but for all mankind.

Last week marked the 75th birthday of one of the most inspirational leaders in the history of the state of Israel. From the days of its very inception, Israel has been blessed with the energy and enthusiasm of Golda Meir, now Prime Minister. It has been my pleasure to have met with Mrs. Meir frequently and I would like to take this opportunity to congratulate her on the success of all she has done over the years to make Israel a great and humane nation and a responsible partner in the world community. Her efforts have been an invaluable contribution in the development of the dynamic society that is today's Israel.

NATIONAL CHRISTMAS TREE

Mr. BAYH. Mr. President, I have recently received word that the national Christmas tree this year will be coming from my own State of Indiana. This certainly elicits a measure of Hoosier pride, and, while it is a bit out of season, gives pause for reflecting on the gentle spirit of Christmas.

When the national Christmas tree is lit each year it reflects a lovely mixture of natural beauty and manmade ornamentation. The tree provides a feeling of joy for Washingtonians and for the thousands of Americans who visit the National Capital each Christmas season. I am indeed pleased that this year's tree, bringing joy to so many, will be from Indiana.

There is a Hoosier—George T. Bowers—who probably is more understanding of the Christmas spirit than most. He has authored a song and a story entitled "Christopher the Christmas Tree," which carries forward that wonderful spirit in a most thoughtful manner.

The theme of "Christopher the Christmas Tree" revolves around the growth of a once scrawny evergreen, with the name of Christopher, into a huge, full tree ultimately selected to be the national Christmas tree. The morale of this song and story, which have brought smiles to thousands of young children, is the ability of this tree to strive and succeed in the greatest of tree ambitions—to be the national Christmas tree.

In this morale are lessons about the rewards which come from hard work, and the pleasure which comes from giving pleasure to others. It is a reaffirmation of the Christmas spirit. It is, indeed, a lesson for us all.

George Bowers is a creative, sensitive individual whose wonderful message is conveyed gently and effectively in his story of "Christopher the Christmas Tree." This year, when that big, beautiful *Hoosier* tree takes on the glory of the national Christmas tree, it will be for George Bowers—and the many youngsters who have enjoyed his song and story—"Christopher the Christmas Tree" spreading happiness for all.

TOWARD CLEANER WATERS

Mr. PACKWOOD. Mr. President, the last Congress saw tremendous accomplishments where our environment is concerned, not the least of which was the enactment of the Federal Water Pollution Control Act Amendments of 1972. Coming from a State which is far ahead in its efforts to clean up its waterways, I have had a continuing strong interest in seeing the Federal legislation work and in seeing my own State of Oregon stay out ahead, an example to what can be done if only the determination is there. I think the Assistant Regional Administrator for Management, Region X of the Environmental Protection Agency, has made a concise statement as to the roles each of us must play in insuring that the water pollution control bill will have the desired effect and will be a vehicle to which we as Senators may look back and point with pride as work well done and a true beginning in a long list of efforts toward ultimate successful cleanup of all our Nation's waterways. I commend to my colleagues Mr. Hurlon C. Ray's speech before the Institute of Environmental Sciences in Anaheim, Calif.

I ask unanimous consent that it be printed in the Record.

There being no objection, the speech was ordered to be printed in the Record, as follows:

Water Pollution: The Federal Role

(By Hurlon C. Ray)

There is probably not a person in this room who does not have personal knowledge of a stream, or a lake, or a bay that has suffered within his lifetime from the effects of man's pollution—perhaps, a river that was clean and beautiful, but now is polluted; or a stream where he caught fish as a kid, but now where it isn't worth wetting a line; or a lake or a bay now degraded by silt or algae, or other effects of misuse of our lands and waters.

I would guess that you have perhaps felt some sense of outrage—or at least have muttered to yourself, "Why does it have to be this way?"

This circumstance, as much as anything else—the loss of waters to pollution in our lifetime—has brought about the focus of attention to water pollution. So, it is with water pollution that we have seen the earliest concern and the earliest and most comprehensive legislation by the U.S. Congress.

Even so, this concern has come to the American consciousness almost too late. We are in the midst of an environmental crisis. This crisis does not concern just water pollution, but also air pollution, solid wastes, pesticides' use, and noise. And we are just becoming aware of the more fundamental, underlying environmental questions of urban land uses, the runaway energy requirements, forestry practices, agricultural problems and the like. In short, we now face the environmental consequences of our inattention to, if not disregard of the real-world meaning of our unending quest of past years for burgeoning economic growth spurred by our remarkable technological advances.

Now is the time that we must turn our technological know-how toward solution of our environmental problems. Anyone who reads the day's news knows we are beginning to do just that. But more needs to be done and done more expeditiously.

More important, we must dedicate a sizable chunk of our national wealth to paying the bills that applying of our technological skills to pollution control will require, if we are to right the environmental wrongs we have inflicted on ourselves in past decades.

To do this, we must build in the minds of the American public what some call the environmental ethic. In Oregon, they have a term that is more direct, more meaningful to the ordinary guy, than the high-flown term environmental ethic. They talk about liveability. The slogan is "Keep Oregon Liveable". Governor Tom McCall has a citizen advisory group including environmental activists which he calls the Committee for a Liveable Oregon. And Governor McCall means it when he says, as he has on national television, "Come and visit us often, but don't stay."

The environment was a major campaign issue when he was elected to his first term in 1966. And under his administration, Oregon stands right now as the only state in the nation that has succeeded in cleaning up a major river—the Nation's 12th largest river, the Willamette River.

But, let's turn to water pollution more specifically.

The earliest concern on water pollution centered on the public health hazards of people using water containing human sewage. The disease carried in and by waters contaminated by sewage from cities was the major concern. For some time, water pollution was a problem handled by the M.D.'s as State, County, and local health authorities.

The principle thrust of the first Federal law was the provision of Federal funds as grants to municipalities for construction of sewage treatment plants. It was passed in 1956, a short 17 years ago.

In the years that followed, the Federal pollution agencies became involved in study after study to identify the problems of water pollution, in research and technical assistance to help the States and local regulatory agencies do their jobs better, and in the supply of gradually increasing Federal grants for many purposes. The Federal role was to cooperate with and to provide assistance to state and local governments responsible for water pollution control. Significant progress was recorded, but not sufficient to catch up, let alone begin to keep up, with the growing magnitude of water pollution in our nation's waters.

More important, little progress was made in getting at the big sources of water pollution—the industries, which did the only logical thing. They dumped their wastes into the nearest waterways with little or no treatment as long as they could. Argument raged on whether those wastes were really polluting the water. The wastes were carried away, were diluted and generally were out of sight and out of mind. Studies were made to document the pollution, and counter studies were made to refute those findings. The persistent question was always the requirement that it was incumbent upon the regulatory agency to prove beyond doubt that this or that source of waste was in fact and by itself polluting the river, or lake, or bay. And the situation worsened as our economy and population continued to grow in the post World War II years.

The U.S. Congress took note of this and in 1965 and 1966 passed historic legislation—the Water Quality Act of 1965 and the Clean Waters Restoration Act of 1966. In the large view, these acts did several things. First, they recognized that water pollution was a national problem and that national goals must be set to clean up our polluted waters and to keep them clean. Second, they said that the responsibility for cleaning up our waters must continue to rest with the State and local governments. But the laws went one step farther. They said that for all interstate waters we must set water quality standards. The standards were to involve two aspects. One, water quality criteria were to be established for parameters to quantify, insofar as possible, when water was polluted and when it was not. The objective was to lay to rest the arguments as to when water was polluted. And two, the standards were to include a plan of implementation to be embodied in enforceable state laws. The implementation plans were to cover a five-year period, 1967–1972, and to identify point sources and the degree of treatment to be accorded those wastes so that water quality criteria would not be violated after 1972. All this only for the interstate waters, although the states were urged to set similar standards for the intrastate waters.

The Congress said that the States should be given the opportunity to set these water quality standards for the interstate waters and submit those standards to the Federal government for approval. Thus, they would be both State and Federal standards. All States undertook to develop the standards and virtually all were fully approved by the Federal government.

The five-year water pollution clean up program was launched in 1967. When it came to a close in 1972, it was apparent that much had been done in abatement and control of water pollution, but that we had fallen totally short of accomplishing our National goal.

In this five-year period, many things happened. The astronauts as they flew through space took note of the polluted planet earth—and documented it with photographs. And the term ecology came into vogue, although not a new concept at all. Youth became disturbed at environmental degradation that they saw all around them—and us. Earth day was launched, and environmental awareness came to all of us, young and old. The newspapers and TV found that environmental problems were newsworthy—that people really cared about the liveability of their neighborhoods, their communities, their nation.

In 1969, the National Environmental Policy Act was passed. It required the Federal establishment to look at its activities in terms of the real-world environmental consequences of Federal programs, such as new dams, freeways, and the entire wide array of Federal activities wherein significant adverse environmental impacts resulted. Many states passed similar laws, and the hard look at environmental impacts of what we do seems to be well along in the process of becoming a way of life.

The U.S. Congress, taking cognizance of the public's growing environmental concern, took a hard look at water pollution and how the five-year plan was working out, even before it came to an end. The fact that cleanup of the nation's waterways was at best a faltering effort, lead to enactment of the Federal Water Pollution Control Act Amendments of 1972—a comprehensive 98-page entirely new law replacing and expanding all previous legislation.

This new water bill is patterned after the Clean Air Act of 1970, a comprehensive law to clean up the Nation's air. For anyone who lives in the Los Angeles area, I do not need to observe that this law is touching everyone's lives. And 1972 saw the passage of three major pieces of major Federal environmental legislation in addition to the new water bill, as we called the 1972 Amendments to the Federal Water Pollution Control Act.

The first Federal law on noise control was enacted.

The first legislation specific to ocean dumping of wastes was passed, and in itself is a step toward dealing as a Nation with the international implications of water pollution in our vast sea areas.

And the first updating in 25 years of our Federal pesticide control law occurred.

It is not possible to summarize the new water bill for you today, but it is important to outline its major intent. It launches programs we are going to live with for some time. Unlike the broad provisions of previous Federal laws, it lays out in recipe-book fashion the steps required to meaningful water pollution control and abatement. It seeks not just some measure of improvement, but a turning around from polluted waterways to wholesale cleanup. It provides a system of procedures in considerable detail which must be carried out if we are to get that job done. It sets forth programs that are demanding, if not staggering, in proportion and which will impinge on every level of government and affect our way of life in the private sector of business and industry and individual responsibility. It will require the fullest dedication of our National resources. And it will offer unparalleled technological challenges and opportunities to the scientific and industrial community.

The new water bill, like previous legislation, places responsibility squarely on the shoulders of State and local governments for prevention, reduction and elimination of water pollution. But under the water bill, the Federal Government, through the Environmental Protection Agency, is empowered and directed to take action if the States do not, or cannot, fulfill their obligations under the law. But the Federal role is intended to rest in the setting of guidelines and standards as legal requirements, technical assistance through meaningful research findings, Federal funding in a variety of ways authorized by the law, and monitoring of State and local programs to assure that the requirements of the law are being carried out expeditiously and effectively.

The water bill extends all water pollution control programs to all U.S. waters, not just interstate waters, as under previous legislation. By this alone, the water pollution control effort becomes truly a National effort by eliminating the prospect of 50 States doing their thing 50 different ways for the intrastate waterways, in each State.

Another major change concerns the standards. Whereas previous Federal law called for treatment to meet instream water quality standards, the new water bill requires levels of treatment in terms of what comes out of the waste discharge pipes after treatment, as related to what our technology can provide as "best practicable" or "best available" treatment. That is, the measure is to be the "best" our technology can produce as results, not just enough to meet minimum standards in our natural waters after the wastes are received, mixed, carried away, and subjected to natural, instream processes of decomposition.

I must hasten to point out, however, that water quality standards are still part of the strategy in water pollution control. Now, all States are required to establish water quality standards for their intrastate waters and submit those standards to EPA for approval, so that they will be both Federal and State standards. More important to recognize is the fact that water quality standards are the basis for determining when controls more stringent than "best practicable" or "best available" may be necessary.

The water bill identifies at the outset the National goals to which the law is directed. The first is an achievable goal—to obtain by July 1, 1983, water across the Nation that is clean enough for swimming and other recreational uses, and clean enough for the protection and propagation of fish, shellfish and wildlife. The second, and later, goal is one which elicited considerable comment; namely, by 1985 to have no discharges of pollutants into the Nation's waters. I feel sure we would have to recognize the 1985 "no-discharge" goal as a laudable one, yet one that would most likely be beyond anything we could rightfully expect to accomplish as a practical matter, at least in that time frame. More significant to our discussion today are the deadlines set for dates prior to 1983.

All municipalities are to have in operation by July 1, 1977 treatment facilities which provide a minimum of secondary treatment. However, additional more stringent effluent treatment may be required by that date if necessary to meet water quality standards. The water bill does provide increased incentive to municipalities to meet this 1977 deadline by raising the Federal constructions grants to 75 percent and by authorizing greatly increased total funds for those grants. As you may recall, the increase in authorized funds, as spelled out by the Congress in the water bill, has not come about in total. The Administration has limited such expenditures for a number of reasons considered compelling at the moment. In any event, the level of funding now available far exceeds that which has been available in past years for assisting in construction of municipal sewage treatment works.

All industries discharging pollutants into the Nation's waters must install the "best practicable" water treatment control technology by July 1, 1977, and the "best available" technology by July 1, 1983. EPA is charged with developing guidelines for "best practicable" and "best available" technologies for the various classes or categories of industries by October of this year. As you must recognize, these terms are not specific, until defined. It is EPA's responsibility to do so.

At this time I can indicate only generally what the terms mean. "Best practicable" technology refers to that technology which is in fairly common use in a class or category of industry. "Best available" technology will refer to the performance that can be achieved by the leader in that industry group. And for each of these, the costs and economic factors, the non-water quality related environmental impacts, the energy requirements, and other such factors must be taken into consideration when defining these terms for a specific industrial category.

All this sounds very good. But the crux of the matter is how do you assure that all this will really happen. The answer is found in the water bill. It is a nationwide system of waste discharge permits embodying State-by-State the mechanisms set forth and required by EPA in guidelines for a National Pollutant Discharge Elimination System. The intent of the water bill is that each State shall develop a permit system meeting the EPA requirements and that EPA shall approve issuance of such permits by the States. In any event, no discharge of any pollutant from any point source will be allowed without a permit having been issued under this national permit system. If a State does not qualify to take over the permitting system, EPA will handle the permit program until *such time as the* State can qualify.

Finally, no system for clean up will work unless its provisions are enforceable by law. The water bill provides much new and more direct power to EPA to assure that pollution point sources will provide the degree of treatment necessary to meet the requirements spelled out in the waste discharge permits. Again, the objective is to turn the program over to the States when the States demonstrate that they have the authority under Sate law to carry out the enforcement called for under the water bill.

There is much more involved in the water pollution control programs called for under the new water bill. I have only outlined the major aspects of this comprehensive Federal legislation. What we must remember is that laws alone never accomplish a good end, no matter how worthy. It is people and our government and private institutions—our society—that make things happen.

We will clean up the Nation's waters in ten years, or by 1983, only if we collectively turn to and do the job. I am convinced that the average citizen in our country will support the costs involved, if only he is fully informed of the economic and environmental losses that are inevitable if we neglect getting along with the job.

(The Federal, State, and local governments must join in carrying out their responsibilities. Their collective role as environmental policemen is not an easy life. But enforcement, or its threat, is fundamental to water pollution control.

And finally, nothing will really be accomplished without industry and business leading the way. The absolutely necessary tools that can be *supplied only* by technology must come, through applied research provided by a motivated business and industrial community. I would hope that this Institute of Environmental Sciences, through meetings such as this, can be one of the catalysts stimulating the development and refinement of the technology we must have if we are to cope with water pollution and other environmental problems. Without the technology, all the laws on the books cannot clean up our environment.

THE URGENCY OF THE TRANS-ALASKA PIPELINE

Mr. GRAVEL. Mr. President, on May 2, 1973, the Honorable William A. Egan, Governor of my State of Alaska, testified before the Senate Interior and Insular Affairs Committee, on the urgency of getting construction underway for the trans-Alaska pipeline.

I call your particular attention to his remarks concerning the time element on construction, and on comparative construction and engineering costs of the trans-Alaska pipeline versus the proposed trans-Canada pipeline. There should be no doubt left in any reasonable citizen's mind that the trans-Alaska pipeline is the only feasible and the more economical route of the two. The Governor also details the needs for revenue which the line would generate to help the State of Alaska meet its increasing obligations and to give all Alaskans a decent standard of living. Even more important, however, are the Nation's needs for North Slope oil to help alleviate the critical energy shortage and to ease our balance-of-payments problem.

I ask unanimous consent to have Governor Egan's statement inserted in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Testimony of the Honorable William A. Egan, Governor of Alaska

Mr. Chairman. This morning you have two bills before you each relating to the construction of a crude oil pipeline in my state. With the concurrence of the chairman, I will deliver only a short summary of my views at this time, offering extended remarks for the record within the time permitted. S. 979 introduced by Alaska's Senators Ted Stevens and Mike Gravel would clear the technical and procedural obstacles which have blocked the construction of the Trans-Alaska Pipeline now for more than four years. Alternative measures, S. 993 and S. 1565 would authorize commencement of a new study on the feasibility of a Trans-Canadian Pipeline route to the American mid-west and give a right of way, across those portions of Alaska which are federally owned, from Prudhoe Bay to the Canadian border in keeping with the conclusion that such a route is feasible.

The assumptions implicit in the later proposals are at odds with economic reality. The aspirations which underlie such legislation, while understandable, would not be advanced but rather meet frustration through adoption of the legislation. No economic advantage will accrue to the American mid-west by blocking or delaying the Trans-Alaska Pipeline. All regions of America will be losers.

This morning, Mr. Chairman, I would like to address my remarks to some of the major errors and fallacies in the argument for a Canadian alternative, but before doing so I will comment briefly on S. 970. In my heart, with the overwhelming number of Alaskans who have now suffered through years of costly procedural delay, I support the measure introduced by our Alaskan delegation. Yet my judgment tells me that, at least for the time being, a measure limited to the objective of providing for a right-of-way width adequate to modern pipeline construction is most likely to secure for Alaska its long sought goal and obtain for the Nation early relief from its burgeoning energy shortages. Legislation which could in any way be viewed as circumventing the procedural requirements of the National Environmental Policy Act, however justifiable in the eyes of those intimately familiar with the project's history, would raise sources of opposition which in the present climate might considerably prolong consideration of the legislation.

Time itself is a compelling reason for proceeding with the TAPS project. The TAPS proposal, despite delays, is well along towards completion. Over $387 million has already been invested in the project including over $75 million in environmental studies. Detailed design and redesign work filling 29 volumes has been completed and filed as a project description with the Department of Interior. Route selection, surveying and testing has been readied for the construction phase. The procurement of pipe and equipment has been accomplished. Time consuming negotiations and agreements prerequisite to the complex financial and management arrangements, necessary to support the project, have been kept apace of circumstances.

Months of study were invested in the TAPS project prior to the filing of an application. Months of subsequent review by governmental agencies have been completed. The laborious process of preparing a final environmental statement has been finished. These are all steps which would have to be duplicated, with the same potential for delay, if a Trans-Canadian line were to be undertaken.

Assuming the necessary commercial organizations would step forward to sponsor the project, delays which have already beset the TAPS project are more than matched by delays which await a Canadian proposal. Additional procedural problems arising from the more complex political and economic environment of the Canadian route suggest far greater lead time on construction.

The proposed Trans-Canadian line is, in reality three lines, each with its own problems of organization and financing: Each with its own sources of potential political and legal opposition. An American organization requiring participation along the lines of the existing TAPS group would be needed for the segment of the line in Alaska. The Canadian section would be separately organized to reflect the political and economic needs and problems of the Canadian people as well as the laws relating to foreign investment in that country. Yet further arrangements would be needed to reflect the participation of established ownership regimes in the right of way from the Canadian border south.

Of these segments, the Canadian route is the most complex. There is no reason to suppose that once the TAPS route was dead, Canadian environmental groups would embrace a Trans-Canadian line.

The construction of a line would engage troublesome issues of Canadian federalism and touch the sensitive nerve of Canadian political and economic nationalism. For the past two years or more Canadian and American authorities have been attempting to negotiate an agreement which would govern the conduct of the parties in the event that an international crisis cut off sources of imported oil upon which the two countries now depend. Despite two years of effort, these discussions have failed to produce an agreement. Such an agreement would be but one prerequisite to an agreement to construct a Trans-Canadian Pipeline.

Alaskan aboriginal land claims cast a cloud over the TAPS project for several years until the complex Alaska Native Claims Settlement Act was finally approved by the President on December 18, 1971. The form of a Canadian aboriginal claims settlement is yet to be proposed. Over 400,000 acres on the Mackenzie River Valley route have been frozen by judicial decision in the Yellowknife, Northwest Territories court pending an initial determination of the merits of the claim at the trial court level expected on May 15.

After all levels of administrative review have been exhausted, a pipeline proposal is referred to the Canadian cabinet for consideration at the political level. Under Canada's parliamentary form of government, the party in power must depend for support on a minority party which has taken a sceptical view of the merits of Arctic pipeline development. Future political attitudes in the parilament and the government are necessarily problematic.

The time consuming complexity of the project is suggested by the comment of William P. Wilder, Chairman of the Board of Canadian Arctic Gas Ltd. Mr. Wilder, whose company has been planning a Trans-Canadian gas line for many months, made the following forecast earlier this month: "By the earliest that we can expect approvals—possibly late 1974 or early 75, Arctic Gas will have invested more than seven years and $50 million. Delivery of materials and construction will take another three or four years." In contrast to a 10–11 year minimum time frame necessary to a Canadian line, the completion of TAPS is no more than four years away. With the adoption of legislation, we can expect prompt action in the U.S. District Court on the one remaining issue, already reviewed once, the sufficiency of the environmental impact statement. Apelate review should be completed within a year. Up to three years are required for construction. Years of production would be lost in switching over from a largely completed Trans-Alaskan program to a Trans-Canadian program which has yet to jell into a specific concept. Those lost years are an unacceptable sacrifice considering the growing urgency of the nation's energy crisis.

But setting aside for a moment the critical impact of the passage of time, the Trans-Canadian route is still economically unfeasible. The economic feasibility of a Trans-Canadian line depends on a finding that the cost of transporting oil overland from Prudhoe Bay to Chicago does not exceed the cost of transporting that oil via the TAPS route to the West Coast by more than the refinery price differential between the West Coast and Chicago.

Because of our Nation's growing dependence on imported oil, Middle Eastern Crude will become pivotal to oil pricing in our country, and it will lay down in the United States at the Gulf Coast and at the West Coast for approximately the same cost.

That means that the refinery price of crude in the Midwest will be higher than that on the west coast to the extent of the cost of transporting that oil from the Gulf States into District 2, Walter J. Levy Associates of New York has estimated that the Midwest area covered by that district will have a net petroleum deficit by 1980 of 5,175,000 barrels per day. We estimate economies of scale involved in shipping oil in such magnitude into the Great Lake area will reduce the cost of transportation from the Gulf of Mexico to 20 to 25 cents a barrel. In order to be economically feasible with this price differential, a trans-Canadian line would have to deliver oil to the Midwest at no more than 20 to 25 cents barrel above what it would cost the trans-Alaska system to deliver the same oil to the west coast.

In examining transportation costs, the state has treated the tanker segment of the trans-Alaska line from Valdez to the west coast and the segment of a trans-Canadian line between Edmonton and Chicago as cost equipment though there is some evidence that the Edmonton to Chicago line will be substantially more costly. Giving the land route the benefit of the doubt and treating the two as comparable, any evaluation of the economic advantage of a route to the Midwest turns on one question: whether the cost of shipping oil over a pipeline running from the North Slope to Edmonton exceeds the cost of shipping over a pipeline from the North Slope to Valdez by no more than 20 to 25 cents per barrel. Calculating this expense difference as a percent of value of a pipeline, we conclude that construction of a trans-Canadian route can be no more than 20 to 25 percent above the cost of a trans-Alaska line without losing its cost feasibility.

The sponsors of TAPS have said their line will cost "more than" $3 billion. The state estimate, prepared a year ago by Tibbetts, Abbott, McCarthy and Stratton of Houston, Texas was calculated at $3.5 billion. Applying the percentage increase, an economically feasible Trans-Canadian line must be kept within a cost ceiling of $4.2 billion to $4.375 billion.

One study has come to my attention which has claimed that the Prudhoe Bay-Edmonton line could be constructed within this amount. The $3.4 billion installation costs in the study entitled "Arctic Oil Pipeline Feasibility Study 1972" was prepared in 1970–71 by a group of pipeline and general construction companies having an interest in contracting with the industry for the construction of a Trans-Canadian line. Their biases in the matter should be self-evident.

How could a cost study for a line from Prudhoe Bay to Edmonton show a lower construction cost than an identical capacity line from Prudhoe Bay to Valdez in the face of the most obvious comparisons? The Alaska line crosses 355 miles of continuous permafrost and 375 miles of discontinuous permafrost, The Canadian equivalent, as reported in the Mackenzie River study, is 482 miles and 918 miles, for a total of 1,400 miles of Canadian route permafrost compared with only 730 miles on the TAPS route. The Canadian route would require 22 pumping stations compared with only 12 on the TAPS route.

The basic difference which allows a cheaper cost estimate in the Mackenzie River study is the absence of environmental engineering. The Mackenzie River study ignores the environmental stipulations laid down by the Secretary of Interior for the TAPS line.

No special environmental measures are provided for most of the 77 river crossings and 326 stream crossings necessary to the lines construction. This was a major factor in the TAPS cost estimate.

Despite almost double the amount of permafrost to be traversed by a Canadian line, the Mackenzie River study allows no greater mileage of above ground construction than the TAPS design. This cost saving is achieved by allowing a full three feet of differential settlement instead of the more cautious one foot settlement factor allowed by the Interior Department stipulations. Above ground construction is 60–75 percent more costly than the buried pipe technique.

No permanent access road such as required by Interior Department stipulations for year round pipeline maintenance and environmental and emergency access surveillance is provided in the Canadian cost estimates. Construction costs assume only a winter ice road, though inconsistent with the construction schedule assumed in the Mackenzie River study as well.

To meet environmental safety standards, a year round access road must be built and financed. By way of cost comparison, the less than 400 miles of the TAPS route, not already paralleled by highway, costs $250–300 million.

Only a two foot gravel construction pad is provided for in the Mackenzie River study while the TAPS line specifications calls for five feet under identical circumstances. The timber pilings used for above ground construction in the Mackenzie River study allow considerably shorter ground penetration with consequent savings in cost of acquisition and transporting and loss of environmental reliability. Critical among the major gimmicks reducing estimated cost, the Mackenzie River study includes a factor of 3 percent for annual cost escalations.

This figure is totally unrealistic. Tibbets, Abbot, McCarthy and Stratton, who have given an independent review of the Mackenzie River study for the State, propose that 18% for the first year and 7% for each subsequent year is more in keeping with sound practice and construction realities. The Mackenzie River study also unreasonably assumes that the construction time needed for the 1,700 miles of Trans-Canadian line will be no more than the 790 TAPS line.

The study assumes that procurement and most contracts will be awarded even before government approvals are obtained, a most unlikely eventuality considering the history of TAPS. No allowance is given for time lost through litigation. In short, the study is self-seeing and makes no attempt to relate its calculations to the construction estimates and experience of obviously comparable projects. It is a study undertaken in a factual vacuum. Considering that on its own admission, each $50 million of underestimated costs is the equivalent of 2c per barrel in the tariff, the assumed margin at benefit is swiftly erased. The additional expense associated with the road alone is more than enough to make the Trans-Canadian line cost-inefficient.

In view of the total lack of practical realism in the Mackenzie River study, it makes more sense to develop cost figures from one of the two pipeline projects which have moved beyond the purely theoretical stage.

The Standard Oil Company of Ohio has developed a study for the Prudhoe to Edmonton segment based on the Trans-Alaska Pipeline cost experience but, of course, greatly reducing the per mile costs south of the permafrost zone. The capital cost projected in this study filed on April 19 with the Public Lands Subcommittee of the House Interior and Insular Affairs Committee is conservatively set at 5.9 billion dollars.

The other pipeline which has moved to the advanced planning stage is the proposal for a Trans-Canadian gas line. Gas Arctic, Ltd. has told the Canadian Government that they estimate cost of $5.2 billion between Prudhoe and the Manitoba-Minnesota border. Having in mind the fact that a gas line can be almost all buried and that an oil line has hydraulic and weight characteristics that impose engineering demands well beyond those suggested by a gas line, an estimated cost of crude oil line based on 25 percent over developed costs of a gas line, the accepted rule of the thumb, also suggests a crude oil pipeline cost from Prudhoe to Edmonton in the 6–7 billion dollar bracket.

As calculations submitted for the record show, the West Coast demand for crude will be more than sufficient to absorb Prudhoe Bay production. Previous figures submitted by us as prepared by Walter Levy Associates, show a Region V deficit of 2.4 million barrels per day in 1980 rising to 3.4 million barrels per day in 1985. This figure has been verified by us through comparison with a current study by the Resources Agency of the State of California showing a 2.5 million barrel a day deficit for that state alone by 1985.

Much has been made of the possibility that North Slope oil would move to Japan. This simply does not make economic sense. The demand is now demonstrably there in District V. In fact, additional imports will be needed. So long as Mid-East oil makes the world price at crude, it is far more profitable to ship Alaskan oil to the domestic market. At the same time, demand in the Midwest will be more than double Prudhoe Bay production. Of course the distribution of American shortages will have no influence on regional prices so long as no import restraints are imposed on a regional basis, a highly-improbable policy. The world price will stay the same. Even if Prudhoe Bay production were brought to Chicago, it would not greatly affect the dominant position of imported oil in making the American market price. Actually, the Trans-Alaska Pipeline system is likely to have a more favorable effect on midwestern and eastern consumer prices than a Trans-Canadian route. The price of foreign oil is fixed, not by cost of production, but by negotiations with producing nations. The American bargaining strength fixes the price. That strength is influenced by the extent of American production and by the strength of the dollar which in turn depends upon the American balance of payments position. The TAPS line is a better route on all counts. The effect of earlier completion date on balance of payments has been noted by Federal Government witnesses. Since its throughput is all American production, not mixed with Canadian, it will have a more favorable impact on balance of payments than a Canadian line as will the fact that the route will be all U.S. constructed, including the tanker portion of the route and be supported by all American investment and all American labor.

In case of national emergency, the earlier delivery and greater flexibility of the delivery system makes TAPS the superior route. Tanker transportation makes delivery to East Coast, Gulf or West Coast possible, depending upon national emergency needs.

One of the tragic features of delay on the crude oil pipeline has been the delay factor on the development of other fuel supplies for the Midwest. Consideration of the proposal for a gas line from Alaska to the Midwest, by reasons of the need for conservation of the oil resource, must await completion of the crude oil line. Delay on completion of the TAPS line has meant delay on consideration of a gas line bringing clean fuel supplies to the Midwest and accordingly the TAPS delay has exerted an upward pressure on midwestern energy costs. Measures such as S. 1565, if adopted, would deepen the natural gas shortage in the Midwest and raise consumer prices in the area as the prospect of yet further delay through the imposition of additional procedures are reflected in the market place.

Mr. Chairman, you have heard from me before the price this delay has exacted on the State of Alaska. I believe the facts show that the Nation and its midwestern heartland have also been losers in the delay on this project.

There is only one way to transport Alaska's North Slope oil to market that makes economic sense, and that is via the Trans-Alaska Pipeline. I urge this committee's favorable action on legislation that will allow construction of the Trans-Alaska Pipeline to get under way promptly.

DANGERS OF POLITICAL POWER

Mr. MATHIAS. Mr. President, last week the distinguished senior Senator from Oregon (Mr. HATFIELD) delivered an address on the moral and spiritual dimensions of the political crisis facing our Nation as a result of the Watergate revelations. Senator HATFIELD spoke forthrightly about the dangers of political power, when misused to serve only the selfish interests of those in authority. These remarks were given at the annual Chicago mayor's prayer breakfast, and the Senator specifically related his personal religious convictions to his evaluation of this political crisis.

The Senator said:

> When power becomes the end, in and of itself, power always will corrupt. Any means that sustain power become justifiable. So in the end, we can transgress upon the law, whether man's or God's, because we are accountable only to ourselves, and our ability to wield power.

Because of the timeliness of these remarks, I ask unanimous consent that the text of his address be printed in the RECORD.

There being no objection, the address was ordered to be printed in the Record, as follows:

Address by Senator Mark O. Hatfield

We have been living through days that try the soul of the nation and test the resiliency of our Republic. We have all been troubled by revelations growing out of the Watergate Affair.

All of us who hold positions of leadership, whether in the political, the economic or the religious spheres of life, must think through the meaning of the tragic affairs that have afflicted the highest leadership of our nation. However, we would always rather hide our wounds than heal them.

It is always more comfortable to believe in the symbols of righteousness than to acknowledge the reality of evil.

In our national political life, this is especially true.

And we have become adroit at manipulating religious impulses in our land to sanctify our national political life. That is the temptation of our "civil religion."

At any event such as this prayer breakfast, where we come to honor God and our religious heritage, we run the risk of misplaced allegiance, if not idolatry, by failing to distinguish between the god of an American civil religion and the God who reveals Himself in the Scriptures and in Jesus Christ.

We want to believe that our nation, and its leaders, are right, just and pure. We want to put our country beyond the reach of God's judgement. Why? Because everything is so much *simpler* then. We want to believe, in the words printed on the back of our Great Seal, that "God hath ordained our undertakings," and not believe that God also judges them.

This impulse is born out of our own lives.

We want to believe we merit God's blessing. But how hard it is to admit that we stand in need of God's forgiveness.

We would rather celebrate Easter than Good Friday. But without Good Friday, there can be no Easter.

So today, I have no intention of uttering a few platitudes about how our nation is one nation under God, and therefore, we as leaders must go home and say a prayer that God will ordain and bless the plans we have already made.

We must look to biblical religion—not civil religion—for the wisdom to guide our lives, and the life of the nation. Then we discover that our prayers must begin with prayers of repentance.

We must start talking about sin again. Sin in our personal lives, and sin in the corporate life of our country.

I know that's an old fashioned term that many people think is irrelevant to this modern age.

But if we really reflect upon the crisis that afflicts us at the national level, and the dilemmas in our own personal lives, then we come face to face with the unavoidable reality of sin.

In the words of St. John: "If we refuse to admit that we are sinners, then we live in a world of illusion and truth becomes a stranger to us." (I John 1:8)

Any of us in positions of leadership find it terribly difficult to deal with the whole concept of sin. We may be able to handle this in our personal lives well enough. We have some idea about what is right and wrong in our personal treatment of others.

But when we enter our public or professional lives, we tend to conveniently leave our thoughts about sin at home or in the church. For a leader, this is all the more true.

When we are given a position of leadership, it becomes natural, almost second nature, to avoid admitting that we may be wrong.

Confession becomes equated with weakness. The urge to self-vindication becomes enormous, almost over-powering. A politician faces this temptation in a very special way, for somehow, it has become a political maxim never to admit that you are wrong. I can attest to this from my personal experience in political life.

Now that may be wise politics. But it's terrible Christianity. In fact, it's the very opposite of biblical faith.

Herein lies the vulnerability of leadership.

For, the more one gains power, whether in business, economics, government, or religion, the greater the temptation to believe that he stands beyond the scope of transcendent judgment. This holds true for political power at all levels.

We see this especially clearly in the office of the Presidency. And every man who has held that office has known the unbelievable temptation of identifying the power of that office with self-righteousness.

When power becomes the end, in and of itself, power always will corrupt.

Any means that sustain power become justifiable.

So in the end, we can transgress upon the law, whether man's or God's, because we are accountable only to ourselves, and our ability to wield power. The roots of this temptation, however, lie not only within the hearts of those who aspire to power and vainglory, but within the attitudes in each of us here today, in our worship of political power.

There is an idolatry of the Presidency; we, as Americans, bow to the powers and prestige associated with that office in a way that can be ungodly. This makes the temptations and burdens that fall on the shoulders of any mortal who occupies that office to be almost inevitably unbearable, and corrupting.

That is why any President deserves our compassion, and needs our fervent prayers. For in certain ways he is victimized by our idolatrous expectations. He suffers burdens that no man should be expected to bear—demands of righteousness, wisdom and virtue worthy of an office of our adoration.

When this aura is perpetuated, and turned to for strength and support, the results become tragic.

There is often a cultism that springs up around personalities of power. Perspective becomes lost, and reality is distorted, as the ego is constantly massaged. The plaudits, the honor, and the unswerving allegiance can create a moral vacuum. So bribes become referred to as inappropriate gifts. Crime is reduced to misguided zeal. Lies become misspoken words.

But the fault lies with us all.

Why do we want so desperately to believe in man-centered power?

Why do we want to place such a total and uncritical faith in our institutions?

Why is it that each one of us wants to believe that God blesses America more than He blesses any other land?

I believe it is because we have let the wellsprings of deep spiritual faith in our lives run dry.

Man will always have a god. In Communist countries, where the death of God is made a tenet of government belief, the leaders and their dogma are deified so they can be worshipped.

Man has inherent instinct to worship; if God is not the source of his ultimate allegiance, he will then create his own gods. He will worship other people, or his country, or institutions, or money, or power, or fame—and all of these are different ways of worshipping himself.

As a people, we lack the firm foundations of a deep biblical faith in God; we have allowed our spiritual resources to be mocked, explained away, ignored, forgotten or reduced to mere tradition. So we have transferred our allegiance to other gods; to materialism; to nationalism; to hedonism; to all the modern forms of idolatry that make claims on our fundamental allegiance.

If we are to forsake these gods, and also reject the platitudes of civil religion, and turn to biblical faith, what do we find? We discover that our actions, and all our lives stand under God's judgment and mercy.

We are accountable to Him—accountable for the motives in our hearts, and accountable for the conditions in our land.

So our prayers must begin with repentance; individual repentance and corporate repentance:

"If my people . . . shall humble themselves and pray, and seek my face, and turn from their wicked ways . . . than I will forgive their sins, and will heal their land." (II Chronicles 7:14)

The promise is that with this repentance, and allegiance to God, comes healing, reconciliation, and new life.

We are made whole as persons, and we see that the wounds of the world can also be healed.

We can see this wholeness of life demonstrated in the person of Christ. As we receive for ourselves the love that molded His life, then our entire self can be transformed and made new.

Our whole understanding of leadership, and power, and the purpose of life is then recreated. A source of ultimate allegiance beyond the ego established in our hearts.

Then leadership is seen as the service to others.

We discover from the Scriptures that if we are to save our lives, we must lose them; we must give ourselves away for the sake of others.

We then have a standard of values that gives a basic framework of integrity for our lives, whether it be in our business or profession, or in political life in Washington. We can no longer seek power at any cost; we can no longer serve the demands of our ego; we can no longer isolate ourselves from reality, and vindicate our actions.

I am convinced that this is the only way we can guard against the vulnerability of leadership. I know of no other formula for the world's power than to give our lives over to a higher power, the power of God's love.

Of course, this can seem foolish in the eyes of the world. But there are times when each of us must choose where we give our final allegiance.

The one who follows Christ belongs to two "cities." He is in the world but must not be of the world. He is a stranger, a pilgrim. He is also a citizen of a different kingdom, he has another Master, his allegiance is to a new order from which he derives his ways of thinking, feeling and judging. His heart and thought and ties are elsewhere. He therefore cannot give ultimate allegiance to the world and its way of operating. His first duty is to be faithful to the Lord. The central life commitment for a Christian must be to the lordship of Jesus Christ.

In following this life, we are gripped by a vision of the world, and a love for all mankind.

We sense the mandate for every man to be made whole; for his physical and spiritual needs to be fulfilled, and his gifts to be expressed.

We see our swords being turned into ploughshares, and our spears into pruning hooks. "Every valley shall be exalted; every hill made low; the crooked made straight, and the rough places plain." (Isaiah 40:4)

We want justice "to roll down like a river," in the words of Amos, "and righteousness like an ever-flowing stream."

To the ears of conventional politics, this vision sounds almost irrational, irrelevant and totally unrealistic.

But the world normally regards God's word, and his truth as nonsense. The world believes in the power of power; the one who follows the life of Christ believes in the power of love.

Because of that love, we are compelled to give ourselves for the needs of others. We involve ourselves totally in the task of healing others, and healing the world.

So we find ourselves in the midst of the world, many times under conflicting demands and pressures.

Personally, I continually find it hard to know how, at any given point, to live out this calling. Frequently the way may not be clear at all. But when a difficult choice or decision is made, we must be open to wherever we may be led. And then we must rely simply on our faith rather than expect human certainly about every choice we make.

But while we may not always know all the precise answers and actions, we do know that leadership is expressed through service.

We cannot separate our allegiance to God from our love for our fellowman.

In our nation, this must especially include a love for the poor, and the dispossessed. Here again it is so easy for us to neglect the reality of God's judgment on us as a people.

We often tend to think that the millions of impoverished citizens in our land are merely an unfortunate fact of life. But God takes the suffering of the poor far more seriously.

What, for instance, was the greatest sin of the city of Sodom, which caused its destruction by God? Sexual immorality?

Listen to the words of Ezekiel, in the Old Testament: "This was the iniquity of your sister Sodom: she and her daughters had pride of wealth and food in plenty, comfort and ease, and yet she never helped the poor and wretched."

Wherever wealth abounds, and the poor continue to suffer, we must confront God's judgment.

Christ opened his public ministry by rising in the synagogue and reading these words: (from Isaiah)

"The spirit of the Lord is upon me because he has annointed me; he has seen to announce good news to the poor, to proclaim release for prisoners and recovery of sight for the blind; to let the broken victims go free, to proclaim the year of the Lord's favor."

He began to speak: "Today," he said, "in your very hearing this text has come true."

If we are gripped by this love, then we will have an unquenchable compassion for the poor and the needy.

When we consider the crisis of these days for our nation, we can learn from our history.

The thought of turning our national attention, at appropriate times, to the need for repentance should not be foreign to us.

President Abraham Lincoln had a profound sense of the sovereignty of God. He knew how the nation stood accountable to God's judgment. In the midst of the Civil War, the U.S. Senate requested President Lincoln to set aside a day for national prayer and humiliation. That might be a very appropriate action for the U.S. Senate to take today.

On April 30, 1863, three months after the Emancipation Proclamation, and three months before the battle of Gettysburg, President Lincoln composed a Proclamation for a Day of Humiliation, Fasting and Prayer.

"Whereas, it is the duty of nations, as well as of men, to owe their dependence upon the overruling power of God, to confess their sins and transgressions, in humble sorrow, yet with assured hope that genuine repentence will lead to mercy and pardon, and to recognize the sublime truth, announced in the Holy Scriptures and proven by all history, that those nations only are blessed whose God is the Lord. . . . And, Inasmuch as we know that . . . We have been the recipients of the choicest bounties of Heaven. We have been preserved these many years in peace and prosperity. We have grown in numbers, wealth, and power as no other nation has ever grown. But we have forgotten God. We have forgotten the gracious hand which preserved us in peace, and multiplied and enriched and strengthened us; and we have vainly imagined, in the deceitfulness of our hearts, that all these blessings were produced by some superior wisdom and virtue of our own. Intoxicated with unbroken success, we have become too self-sufficient to feel the necessity of redeeming and preserving grace, too proud to pray to the God that made us.

"It behooves us, then to humble ourselves before the offended Power, to confess our national sins, and to pray for clemency and forgiveness."

Rebuilding the inner strength of our nation today requires the same of us, in each of our hearts.

FECA DISABILITY BENEFITS

Mr. BAYH. Mr. President, I have introduced legislation, now pending, to make Federal Employee Compensation Act—FECA—disability benefits available to policemen and firemen injured in the line of duty. The reason for this proposal, as I explained when introducing the legislation, is to recognize the vital role filled by these public servants. Moreover, the work of law enforcement officials and firemen often involves great personal risk which these able people encounter routinely.

During the recent recess there was a perfect example in Indiana of the kind of risk taken by the public servants who would be the beneficiaries of my legislation. A Wabash, Ind., fireman, Ross Martin, put his own life on the line to save a fellow Hoosier from drowning in the Eel River. The story of this rescue was graphically related in an article written by Kurt Dove for the Wabash Plain Dealer. I request unanimous consent to include that article in the Record following my comments.

We have here, Mr. President, an act of great personal bravery and a fine example of the basis for the legislation I have offered. I think a reading of this article makes the best case possible for my bill and I commend it to my colleagues' attention. I ask unanimous consent that the newspaper article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Wabash Plain Dealer, Apr. 23, 1973]

Fireman Saves Life of Boater

(By Kurt Dove)

Wabash city fireman Ross Martin was credited with saving the life of a 22-year-old Peru man Sunday afternoon after the man's boat capsized in the rain-swollen Eel River near the Stockdale Dam just west of Roann.

The man, Roger Orpurt, 169 E. Eighth St., Peru, is in fairly good condition today at the Wabash County Hospital suffering from exposure and exhaustion.

The rescue at 4:36 p.m. Sunday ended over 30 minutes of daring rescue attempts by Martin and Wabash County deputy sheriff Charles E. (Chuck) Cable.

Firemen and county police received word Orpurt was trapped in the river at 4 p.m. Sunday. It is theorized he might have been trapped for over an hour before then. He was wearing an inflatable life preserver and was clinging to a tree branch in the swirl of water just below the dam.

The water current prevented him from going any direction, Martin said.

Martin and Cable entered the river in an attempt to reach Orpurt. Both had ropes tied around them and Martin had an inner tube with a rope around it. Both were pulled under the water and had to be pulled back to shore the first time.

When Orpurt lost his grip on the tree branch and appeared to be unconscious, Martin, despite the fact that he had swallowed a great deal of water when he pulled under during his first attempt, reentered the water.

He was successful in reaching Orpurt the second time. Several bystanders and police officers and firemen were successful in pulling Orpurt and Martin back to shore.

"Just the top of his head was showing," Martin said, "when I reached him. His head was bobbing up and down."

Martin said he attempted to keep Orpurt's head out of the water while the group was pulling them both back to shore but the current made the task impossible "about half the time."

"I was scared to death," Martin said, "especially when I was pulled under the first time."

"I just didn't feel like I could just stand there and watch him drown. I just couldn't stand there," Martin said.

Both Martin and Cable suffered rope burns and scratches in their rescue attempts. Cable was treated at the Wabash County Hospital and released.

"I was pretty tickled just to have rope burns and still get back out of there," Martin said.

Prior to Martin and Cable entering the water, attempts were made to throw Orpurt a rope but efforts proved fruitless. It soon became apparent that someone would have to enter the water and reach him.

While rescue efforts were being made from the shore, State Trooper Duane Larsh and an unidentified bystander got a boat and tried to paddle upstream to Orpurt. The pair did not get far until the swift water broke one of the oars.

The boat, Martin said, came from a nearby resident.

"We didn't think we had time to call for ours (the city fire department's)" Martin said.

It is not known how long Orpurt had been in the water prior to his discovery.

It is thought the mishap might have happened around 3 p.m. Two young men hunting mushrooms down stream saw his empty boat floating downstream and went to investigate.

When Orpurt was first seen, they called the Roann Volunteer fire department. Roann, in turn, called the city fire department and the sheriff's department.

Several people, in addition to police and firemen, stopped to lend a hand.

In addition to Martin, city firemen Ray Hart responded in the city's emergency unit and, in addition to Cable, the sheriff's department had patrolman Norval Faurot there. Three state conservation officers also responded to the call for assistance, as did several Roann volunteers.

Police have not been able to talk with Orpurt. It is not known if he was going upstream and pulled into the swirling waters by the undertow near the dam or going downstream and went over the dam when his boat capsized.

PROBLEMS FACING SMALL TOWNS

Mr. HATFIELD. Mr. President, as my colleagues are aware, a prime concern of mine is the continued economic vitality of the rural areas and small towns around the country. Too often, we address ourselves to "urban problems"—overlooking the fact that it is the continued migration from rural areas and small towns that is contributing to these problems. I feel strongly that we will not solve urban and suburban problems that are on the increase until we get at a prime contributor to this problem—the decay of small towns.

This underlies my involvement with the rural water and sewer program, for without adequate water and sewer systems no new industry can locate in our smaller towns. Therefore, young people go to larger towns in search of work, and thereby cause greater population growth in the suburbs. Remaining people in small towns often are older people, with growing numbers on fixed incomes, and they are unable to fund water and sewer programs.

Mr. President, this was called to my attention again recently by an article by David Conn in the Baker Democrat-Herald on May 4, 1973.

The article touches on an aspect of problems facing small towns, and I call it to the attention of my colleagues. Congress must not lose sight of some of these under-the-surface problems facing small towns. David Conn's article relates some of them, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PRESSURES GREAT IN SMALL TOWNS

(By David Conn)

Most city residents have wished at least once to live in a small town like Baker where living pressures are less intense.

However, the pressures one experience in living today exist everywhere, and towns like Baker are no sanctuary, according to Mental Health Clinic Director Bill Stacy.

"In a small town there are fewer resources available to people so they can cope with pressure," he said.

Stacy claims people in a small town are forced to make as many decisions as city residents, and decisions take energy, and people have only so much energy.

Young people and young married couples "have fewer socially acceptable recreation activities in a small town like Baker," he said.

Stacy indicated that young people in larger cities have a choice of places to go, but choices are limited in a small town.

Despite Baker being well-endowed with outdoor recreation, Stacy pointed out to enjoy it costs money.

"It's expensive to buy camping equipment and go camping, or to buy a camper or snowmobile or whatever," he explained.

In a city, more recreation resources are available to help a person cope with day-to-day living, Stacy added.

Since there are few socially acceptable recreation facilities available in a small town, Stacy said then obviously people are more inclined to turn to socially unacceptable methods to cope with pressure.

Young people in Baker County often turn to "prescription parties," or "salad parties," he explained, where each member of a group brings several different kinds of pills from home, mix them up, and take whatever is there to see what effect they have.

The pills consumed in a salad party may consist of bizarre combinations, like diet, tranquilizer and sleeping pills.

"This is an inexpensive way to cope with pressure," Stacy said. "Therefore, this type of activity is more likely to be found in a small town because often the young people involved cannot afford what recreation is available to them."

About 14 percent of the families in Baker County are living at or below the poverty level, compared to less than half that in the Portland area.

"There is a higher income level in the larger cities, so people have more resources available to them," Stacy said.

Small town living pressure seems to affect primarily the young, including young housewives.

"These young women with one or two children feel trapped at home in preparing meals and taking care of the kids," Stacy said.

He added, "She has few acceptable outlets if the husband is not understanding by providing diversions for her."

This situation is fairly common in the county, according to Stacy, and these women often experience stomach cramps, headaches and constipation.

"This is a strong bearing on the high divorce rate in the county," he pointed out. "The mean divorce rate per 100 marriages in the county from 1969–71 is 58.3, which is above the state average."

Union County's mean divorce rate per 100 marriages is 46.3 and Malheur County records 27.4.

Stacy said that in a larger area, housewives can go to the "Y" and choose from a wider variety of community activities.

"The YMCA is the best thing that has happened to Baker in the last several years," Stacy contends. "It is something people can use even if they cannot afford it, and they can participate as a family."

He said another good activity in Baker is the Crossroads Arts Center where a child can learn to paint, make pottery or participate in a play.

Another good facility for people without money for recreational pursuits is the county library.

THE TRADE REFORM ACT OF 1973 AND THE UPCOMING TRADE NEGOTIATIONS

Mr. JAVITS. Mr. President, today the Congress begins a historic legislative process which the world will watch with close attention. I refer to the Ways and Means Committee hearings on the Trade Reform Act of 1973. The administration has submitted this bill to the Congress after a lengthy period of consultation.

I would like to draw to the attention of my colleagues that as the Congress undertakes the lengthy process of enacting trade legislation, a parallel procedure is going forward in the European Common Market to determine the type of negotiating mandate that the Common Market negotiators will bring to GATT level ministerial talks which are scheduled to open in Tokyo this September. In the summit communique which was issued by the heads of government of the enlarged European Community in October of last year, the European Community pledged itself "to decide not later than July 1, 1973, on a global approach covering all aspects affecting trade".

Progress has been made toward developing such a global approach and in April the Commission of the European Communities prepared a memo for the Community's Council of Ministers, setting out an "overall approach to trade for the coming multilateral negotiations in GATT." The Council of Ministers will make its decisions in June.

When I met with EC Commission President Ortoli late last March, I emphasized that the decisions of the Council of Ministers would be watched closely by the U.S. Congress and would have an effect on the type of negotiating mandate the Congress granted to the President. I urged upon President Ortoli that a very broad negotiating mandate by the EEC would be helpful in terms of the U.S. Congress considering for President Nixon a broad negotiating mandate.

I ask unanimous consent that at the end of my remarks that the European Community Background Information document "GATT Negotiations: The EC Approach" be printed in the RECORD. I also ask unanimous consent that an article and an editorial which appeared in the Journal of Commerce on the EC proposed negotiating mandate be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. JAVITS. There is a final point I would like to emphasize, Mr. President, and that is that even while the Congress is considering the Trade Reform Act of 1973, meaningful trade negotiations with our major trading partners will be continuing as they have during the proceeding months. For example, the United States made its interest clearly known as the EEC Agricultural ministers hammered out an accord in late April on the new level of EEC farm prices for the coming 12 months. Following what the New York Times characterized as "one of the bitterest and most contracted session in the history of the Common Marlet," a compromise agreement was reached. The New York Times news story of April 30, 1973, on this agreement stated:

> The United States has little to complain about in the accord. What Washington feared mostly was a large increase in grain prices, which would tend to check American sales in Europe. The increase in grain prices was held to 1 percent. The United States put a good deal of pressure on the Europeans to keep the grain price increase within reasonable limits. At one point Agricultural Secretary Butz said publically that any increase at all in Common market grain prices would be most "unfortunate". The American pressures combined with the widely recognized need of the Europeans to increase livestock production was probably responsible for the decision to raise grain prices very moderately.

U.S. negotiators apparently handled this situation very well and they were aided by the inflation that is raging in Europe which makes rising food costs a particularly sensitive issue, as it is in the United States.

There is an additional area where U.S. negotiators are also making progress with the Europeans and this is in the area of "proliferating preferences." Without the pressure of U.S. officials, I doubt very much that Sir Christopher Soames who is in charge of external relations for the European Community would have stated on April 5:

> I must also make it clear that the Community does not seek to extend its policy of association and preferential trade beyond the limits which history and close geographical links have made necessary. In fact I say quite categorically that the Commission, having considered this question, has no intention of proposing any additional agreements of a preferential kind with countries which lie outside Africa, the Mediterrean Basin and the list of other developing countries referred to specifically in the Treaty of Accession.

I am not claiming that this statement represents a significant movement, but it does most certainly represent a degree of movement in the right direction.

Turning to the particularly sensitive area of reverse preferences, Sir Christopher stated:

> My next point is that we do not propose to ask for any reverse preferences from anyone. The Commission has made it abundantly clear in the paper it adopted yesterday that it believes we should not seek any preferences for our goods as against American goods or Japanese goods or those of any other trading country.

In my opinion, this also represents progress.

Finally, it should also been noted that substantial progress has been made over the past year in opening the Japanese economy to trade and investment. While these steps were long overdue, this does not mean that they are not enormously welcomed. In this respect also, let me say that the more than 35 percent realinement of the yen against the dollar since December 18, 1971 should go a long way toward narrowing our substantial trade deficit position with Japan and there are already indications that this indeed may be the case.

These are the views I wished to share with my colleagues in the Congress today as formal congressional action on the Trade Reform Act of 1973 begins.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

EXHIBIT 1

GATT NEGOTIATIONS: THE EC APPROACH

The Commission of the European Communities has prepared a memorandum for the Community's Council of Ministers, setting out an "overall approach to trade (for) the coming multilateral negotiations in GATT." GATT is the General Agreement on Tariffs and Trade.

The following text is a slightly abbreviated version of this brief prepared by the Commission:

THE BACKGROUND

The establishment of the EEC in 1958 brought about an important expansion of trade within western Europe and between the Community and the rest of the world. This was to some extent due to the effect of successive rounds of GATT multilateral trade negotiations. But the GATT system, which freed the post-war world from the arbitrary nature of the purely national trade policies of the Thirties, ceased to do justice when a large number of medium-sized or small partners were confronted by one of far greater power.

Universal equality, as expressed in the most-favored-nation rule, contrasted too starkly with the inequality which in practice existed between trading nations in terms of weight and, therefore, commercial possibilities. Hence the move toward free trade areas and customs union.

Following the establishment of the EEC, the industrialized nations—particularly Europe and the United States—agreed to mutual reductions in trade barriers, within modest limits in the Dillon Round, but on an unprecedented scale after the United States Congress passed the Trade Expansion Act (Kennedy Round).

The Community emerged from these negotiations with the lowest customs tariff of any of the major trading powers, amounting to hardly more than half the average of the original tariffs of its Member States.

The prospect and subsequent implementation of this vast work of liberalization, accompanied by almost uninterrupted economic expansion within the Community, have contributed to a remarkable expansion in international trade. This in turn has provided the basis for a high and stable level of employment and the rise in the standard of living in recent years—factors of considerable political significance.

TRADE LIBERALIZATION TO CONTINUE

It is now for the enlarged Community to continue the policy of trade liberalization to which the original Community made so significant a contribution, and which had such a profound effect on its development. Only thus will the Community live up to the international responsibilities which flow from its economic size and power.

Even before enlargement, the Community on several occasions expressed the political will to undertake wide-ranging negotiations with its trading partners. In December 1971 the Council declared that "the Community is ready (. . .) to take part in overall negotiations on the basis of mutual advantage and reciprocity and requiring an effort from all the participants." This was confirmed by the "Joint Declaration" which accompanied the limited agreement with the United States of 1972, which affirmed that it was necessary to "begin, and give active support to, wide-ranging multilateral negotiations in GATT."

In October 1972, the Summit Conference invited the Community Institutions to define an "overall approach" to this negotiation by July 1, 1973 and expressed the hope that they would be concluded before the end of 1975. It is to this end essential that all the partners should undertake the preparations necessary to ensure that negotiations can begin as soon as possible after the summer of this year.

The document which the Commission is now submitting to the Council sets out its proposals for an overall approach. Since the time is not ripe for a decision on all those negotiating points on which the Community will have eventually to take up a position, it confines itself to treating in general terms the subjects to be covered and the broad lines to be followed to arrive at results satisfactory for all those taking part.

It must, however, be clearly stated that the large-scale international action to which we aspire on trade would be seriously jeopardized if ways were not found to shield the world economy from the monetary shocks and imbalances which have occurred in the last few months. The present Memorandum deals only with trade negotiations and proceeds on the assumption that adequate machinery will be devised capable of ensuring the essential long-term equilibrium and stability in the monetary field.

GENERAL OBJECTIVES OF THE NEGOTIATIONS

A Council Resolution of December 13, 1971 noted that changes in economic relations necessitated an overall examination of the world economic structure and the conditions for a new international balance, which would enable the standard of living to be improved by expanding international economic relations and liberalizing world trade to an ever wider extent.

Starting from these general considerations, the Community's objectives in these negotiations are defined as follows:

1. To consolidate and continue the liberalization of international trade on the basis of reciprocity and mutual advantage.
2. To improve the opportunities for the developing countries to participate in the expansion of world trade and to ensure a better equilibrium between developed and developing countries as regards the opportunities for this expansion. The Community will, for its part, contribute actively to this objective without jeopardizing the advantages enjoyed by those countries with which the Community has special relations.

INDUSTRIAL CUSTOMS TARIFFS

As far as tariffs are concerned, the trade negotiations must lead to a significant lowering of customs tariffs on industrial products. The formula must be simple and generally applicable. While recognizing that mutual advantage and reciprocity must be sought in the overall outcome of the whole range of the negotiation, the aim should be to seek, so far as possible, reciprocity in each individual field, in particular as far as tariffs are concerned.

It has been suggested that the total elimination of all customs tariffs might be taken as a working hypothesis for these negotiations. In the present state of international economic relations this does not seem realistic for two main reasons. First, because of the extent of customs duties on certain products and in certain countries, which protect economic sectors that are already experiencing real difficulties in standing up to competition; and secondly because of the lack of international organization and harmonization of national policies concerning, for instance, taxation, social legislation and measures to stimulate economic development.

The formula for lowering customs tariffs must necessarily take into account the considerable differences which exist between the tariffs applied by the developed countries. Quite apart from the question of the general level of tariffs, there are also structural differences. Some countries apply tariffs of a roughly homogeneous level to all products while others apply very high tariffs to some products and much lower ones to others.

The formula adopted should aim, within the overall objective of lowering tariffs, at leveling off the differences caused by these peaks and troughs. This would have the effect of creating more equitable conditions for trade and diminishing the present inequalities in the tariff protection of the various developed countries.

This is the only approach which would make it possible to avoid a situation in which, following further reductions of customs tariffs, some would be so low that certain countries would have little hope of subsequently obtaining reductions in the higher customs duties which others would still be maintaining.

SLASHING THE PEAKS

The formula for lowering tariffs should therefore be based on the principle of the higher the tariff the greater the reduction of customs duty.

A threshold or floor should be set below which no reduction would be required, which would prevent those countries with highly diversified customs tariffs being obliged to lower them to such an extent that it would be difficult to achieve reciprocity. The formula should take into account that the real level of protection has to be calculated on the basis of the value added.

This general approach should in no way exclude the possibility of seeking during the negotiations, on a basis of reciprocity, concessions going beyond the general rule and aimed at eliminating customs duties on certain products.

The further lowering of customs tariffs inevitably involves a reduction in the preference margin from which developing countries benefit in those developed countries which have introduced the Generalized Preference Scheme.

In anticipation of the implementation of the Generalized Preference Scheme by all developed countries, the Community should take steps to improve its own scheme in accordance with the directives given by the Conference of Heads of State or Government in October 1972.

NON-TARIFF BARRIERS

The diversity of non-tariff barriers makes it unrealistic to seek a solution of a general character; there must therefore be a case by case approach.

The existence of so many types of non-tariff barriers (classified by GATT under nearly thirty chapter headings, each subdivided into a number of more or less similar individual measures applied by different countries) seems to preclude finding solutions for all the measures listed. It is therefore desirable that certain types of measures be selected on which negotiation would take place but without excluding the possibility that other barriers may be added to the list in the course of the negotiations, should this prove necessary.

Work has already begun, or will shortly begin, in GATT or the Organization for Economic Cooperation and Development, on subjects chosen by mutual agreement which will almost certainly be the object of negotiations. These consist of quantitative restrictions ,including voluntary limitation of exports), customs valuation, licensing systems, technical standards and regulations, labeling and packing, export subsidies and other aids affecting commerce, countervailing duties, and government procurement.

Reciprocity is harder to assess over non-tariff barriers than over customs duties, so a broad spread of solutions will be needed to make up a worthwhile and well-balanced package.

BUILT-IN IMBALANCES

Many similar measures are applied by a large number of countries and therefore lend themselves to multilateral solutions, whether by abolition or amendment or by agreement on greater harmony or discipline. These solutions may involve constraints of varying degrees, and may take the form in some cases of interpretive notes to the existing provisions of the General Agreement, and in others of general principles or codes of behavior.

Although it is clearly desirable to aim at the maximum degree of balance between commitments in each subject negotiated, it should be recognized that in certain subjects there are from the outset some built-in imbalances. For certain measures which are applied by only one or two countries, the solution may take the form of a single limited decision (abolition or adaptation), without there being any need to lay down general rules.

The Community will have to specify the non-tariff barriers of its trading partner which it wishes to see dealt with in the negotiations. It will no doubt be desirable to supplement the list of subjects with a limited number of other measures.

For their part, the Community and its Member States must also declare their readiness to negotiate on some of the measures they themselves apply, in seeking a multilateral or restricted solution. Since, in the nature of things, it is essentially the Member States' measures that are at issue here, they must agree in the near future on a sufficient number of negotiable measures to enable adequate reciprocity to be offered in return for those concessions which the Community will be seeking from its partners.

The solutions arrived at should be accepted by as many countries as possible if the existing imbalance between the various contracting parties is not to be worsened. It should therefore be made clear that any advantages which might derive from solutions comprising obligations going beyond the present GATT rules would be reserved for countries which in practice abide by these solutions (conditional application of the most-favored-nation clause).

With this same need for balance in mind, all the contracting parties should cease to benefit from the exemption provided by the Protocol of Provisional Application.

The agreement reached on non-tariff barriers should include appropriate machinery for consultation and the settlement of disputes. This machinery would both deal with differences in interpretation of the agreement and with any outstanding difficulties not dealt with in the negotiations or with any non-tariff barriers which may appear after conclusion of the negotiations.

EXPANDING AGRICULTURAL TRADE

The objectives of the negotiations in the agricultural sector should be in harmony with the general objectives of the negotiations but should also take into account the fundamental and specific characteristics of agriculture.

Two characteristics of the agricultural sector are the universal existence of support policies—of which the internal and external aspects are inextricably linked—and the instability of world markets. The specific objective of the agricultural negotiations should therefore be "the expansion of trade in stable world markets."

As the structural situation is at the root of many agricultural problems, there should be an undertaking, in order to attain this objective, to intensify structural reforms so that marketing policies and price policies are based to a greater extent on economic considerations.

The conditions for expanding trade would be more favorable if the stability of world markets was better assured. The best means of obtaining this objective would be the adoption of a code of good conduct covering export practices. For a number of specified products, complementary commitments could be entered into within the framework of international arrangements.

The code of good conduct on export practices should aim at introducing market disciplines with concerted action on the use and scope of the rules agreed.

For products such as cereals (wheat, flour, and feed grains), rice, sugar and the most homogeneous milk products (e.g., milk powder and butter), the Community will propose the negotiation of a price mechanism (including minimum and maximum prices) accompanied by measures covering an adjustment of supply, including measures of storage which would, among other things, facilitate the application of food aid programs.

The Community considers that the best method of applying such engagements would be by the negotiation of international arrangements. This reordering of world markets would make it possible to adjust certain elements of the import systems.

The aim of all these measures would be to promote the regular expansion of trade. For its part the Community would apply the instruments of its common agricultural policy in such a way as to ensure that the commitments thus undertaken were respected.

The problems caused by the harmonization of legislation covering both human and plant health and of the various rules on the use and treatment of products should also be covered in the negotiations.

Although the measures set out above are aimed at improving world markets which will also benefit developing countries, the developed countries should also take additional action on those products of particular interest to the developing countries. This would for example take the form of measures of a preferential character, which would give these countries a chance to increase their export revenue.

THE DEVELOPING COUNTRIES

The developed countries have agreed to take particular account in these negotiations of the interests of developing countries. That is to say, the developed countries will not only try to ensure that the developing countries do not suffer indirect disadvantages, but will also help to expand the developing countries' trade and improve their export revenue.

This was emphasized in the declaration of intent made by the Community on 13 December 1971, in the Joint Declaration by the United States and the Community in 1972 and again in the communique of the Summit Meeting in October 1972—which also states that the task will have to be accomplished without detriment to the advantages enjoyed by those developing countries with which the Community has special relations.

The Community's objective as regards the developing countries in general should be to achieve a coherent body of measures and a balanced contribution by industrialized countries.

There are, however, great differences between the levels and the opportunities of development in the various developing countries, so the Community would wish to reserve for itself the possibility of varying its action to meet the particular needs of individual countries. Such variation could relate, in particular, to the nature of the concessions made to different developing countries, to the choice of products, and to a degree or reciprocity which might be required of the more advanced developing countries.

UNITED STATES SHOULD SHARE BURDEN

In the field of generalized preferences, the Community would wish to improve the scheme which it has been applying for nearly two years now. But these improvements must be dependent upon other industrialized countries, and in particular the United States, introducing a scheme comparable in its effects with the Community scheme.

Subject to this condition, the system of generalized preferences could be improved in two ways: firstly, by including a larger number of processed agricultural products in the list of products which benefit from preferences and by increasing the margin of preference for those already included; and, secondly, by raising the quantitative ceilings and making the detailed rules of application more flexible.

The proposal mentioned earlier that there should be no reduction in duties below a certain level would mean in effect that a margin of preference for developing countries would be maintained in these special cases.

Finally, the Community reserves the right to propose to other developed countries in the course of the negotiations that by joint agreement exceptions to the general formula of tariff reduction might be introduced for a small number of products which are included in the system of generalized preferences and in which the less developed countries have a particular interest.

In the field of non-tariff barriers the developed countries should endeavor to take particular account of the interests of developing countries both in adapting rules and in reducing or abolishing certain quantitative restrictions which especially affect exports from developing countries.

In return, the developing countries could make a contribution which would be in their own interest by simplifying their administrative system for imports.

In any international arrangements to regulate the markets for certain agricultural products, the interests of the developing countries should be taken into account, in particular through efforts to lighten the burden which some of the provisions could involve for these countries. Food aid commitments can be envisaged in the context of regulation of the markets.

SAFEGUARD CLAUSE

The object of a safeguard clause must be to enable purely transitory difficulties to be overcome or to give the branches of activity concerned the period of adaptation which they need in order to adjust themselves to the requirements of international competition.

The current provisions of Article XIX (on the "escape clause") of the General Agreement should be maintained as they are. It must, however, be recognized that this Article has proved difficult to operate effectively. For this reason it might be advisable to supplement it, on the understanding that the countries concerned would retain their right to have recourse to the current provisions of Article XIX. Such a supplement to Article XIX could provide for it to be used in a selective fashion.

This new system would on the one hand involve both greater flexibility in the type of safeguard measures allowed, and a limitation in the compensatory or retaliatory rights of the third countries concerned. On the other hand any country having recourse to it would have to accept increased control procedures and requirements relating to the conversion or adaptation of the economic sectors concerned.

The scope of these supplementary arrangements might be, firstly, to prevent the measures from having a more extensive impact than is necessary, a selective application as regards the form of the measure would have to be authorized while maintaining non-discrimination as regards its substance. All imports which contribute in the same way to disorganizing the market would be dealt with in the same manner. Secondly, the character of the safeguard measure could vary, on the understanding that imports would not be restricted to a level lower than that reached during a short reference period before the measure was applied.

Recourse to these measures should be temporary, and their mode of operation should be degressive. It will be a necessary condition of the temporary nature of the measures that agreed adjustments take place during the period of recourse to them.

The right of injured countries to compensation or to compensatory withdrawal would be suspended provided all the conditions are fulfilled.

Taking into account the greater flexibility thus provided for in these arrangements, a permanent institutional supervisory mechanism consisting of independent personalities should be set up to which possible disputes could be referred. It would be necessary to make the emergency procedure really exceptional. Prior notification should be demanded in all cases.

[From the Journal of Commerce, Apr. 26, 1973]

U.S. OFFICIALS GENERALLY PLEASED BY EEC TRADE TALKS MANDATE

(By Richard Lawrence)

WASHINGTON, April 25.—Administration officials are generally pleased with the European Common Market Commission's trade negotiations mandate proposed last week in Brussels.

But the mandate, winning scant public attention here, includes points, especially in agriculture, that could prove troublesome for Washington.

The proposals, which would set Common Market policy on tariff and nontariff trade bargaining and new import "safeguard" rules, were submitted to the Common Market's nine member governments, which are expected to act by July 1.

The proposed mandate's overall tone is widely applauded here, as it urges liberalization of world trade and an expansion of international economic relations, with a plea for a special effort to open world markets to poorer nations.

LOWERING OF TARIFF

In general, the commission recommended a "significant lowering" of industrial tariffs in the forthcoming negotiations, the reduction or removal of a wide array of nontariff barriers, and new international agricultural trade rules.

It proposed more special concessions to developing countries and a new international "safeguard" provision, along the lines of U.S. thinking, to help import-sensitive industry adjust to foreign competition.

As for tariffs, the commission said, the negotiations formula must be "simple and generally applicable," but it ruled out "total elimination" of tariffs. Some industries are in competitive trouble, it explained, and, besides, nations have yet to harmonize tax, social and other policies.

The commission, however, revived an old Kennedy Round Issue that a major aim of the negotiations ought to be the "leveling-out" of tariff "peaks and troughs." The higher the import duty, it said, the greater should be the reduction.

UNITED STATES MIGHT RESIST

The U.S. is regarded as one country with a number of unusually high tariffs, although its average tariff is roughly the same as the Common Market's. "A leveling-out" formula could meet resistance here, as it did in the Kennedy Round.

To deal with nontariff barriers, the commission's recommendations closely paralleled the Nixon Administration's. The barriers, the panel said, must be negotiated "case-by-case," sometimes through international "codes of behavior."

As likely nontariff negotiation issues, it listed import quotas, voluntary export restraints, customs valuation, licensing systems, technical standards, labeling, export subsidies and government procurement practices.

Nontariff agreements, it said, should be accompanied by international "machinery" for helping countries consult on trade problems and settle disputes.

The goal of international farm negotiations, the commission said, would be "the expansion of trade in stable world markets." It proposed "structural reforms," basing marketing and price policies more on "economic considerations," a concept that U.S. officials fully endorse.

The commission also proposed negotiating a "code of good conduct" for agricultural exporters, to help assure "market stability." It did not say, however, what the code ought to comprise.

For some products—grains, rice, sugar and dairy products—the commission urged international agreements fixing minimum and maximum prices, providing for "storage" in times of oversupply and more "food aid" to the poorer countries.

The agreements, it said, would "promote the regular expansion of trade" and make it possible "to adjust certain elements of the import systems." The products cited are under the Common Market's protectionist variable import levy system.

The U.S., however, is expected to oppose new price-fixing pacts, and insist on freer market conditions, especially in grains, meat and poultry.

To help industry adjust to import competition, the commission called for more "flexible" trade rules, including approval of "selective" import restrictions against individual countries. Any quota restrictions, it said, should not reduce imports below recent levels.

Nations applying only temporary curbs while helping an industry adjust should not have to compensate others for the restrictions, the commission said, echoing a Nixon Administration proposal. It urged a permanent supervisory panel to handle trade disputes.

For the poorer nations, the commission proposed that the Common Market expand its "general tariff preferences," by enlarging present tariff quotas and giving more processed farm products free entry. The recommendations was hinged, however, on the U.S. extending general preferences to developing countries, which President Nixon has proposed.

The commission also suggested exempting from the industrial nation tariff negotiations "a small number" of goods to let the poorer countries retain their tariff preference margins.

[From the Journal of Commerce, Apr. 27, 1973]

A MANDATE FROM BRUSSELS

It almost goes without saying that if Mr. Nixon's hopes for some new kind of Atlantic Charter are to be realized in the foreseeable future, the United States, the Common Market, Canada and, as the President advocates, Japan must find some way of aligning their currently divergent trade policies.

This is not to downgrade matters involving NATO and other forms of military cooperation, or of dealing with the Organization of *Petroleum Producing* Countries, or any of the other factors cited by Mr. Kissinger in his admirable address to the Associated Press luncheon in this city on Monday. It is simply to note that unless these powers agree on compatible trade, monetary and investment policies, whatever progress they make in other directions will be of little real consequence.

Mr. Kissinger himself put his finger on this when he said "the gradual accumulation of sometimes petty, sometimes major economic disputes must be ended and replaced by a determined commitment on both sides of the Atlantic to find cooperative solutions."

Insofar as trade matters are concerned that commitment is certainly not beyond reach. Mr. Nixon has indicated that, like Barkis, "he's willing." And at Brussels last week the word was that the Common Market is willing, too.

That much was implicit, at least, in the mandate proposed in Brussels as a guide to the nine member governments in forthcoming trade negotiations. As noted in a Washington dispatch to this newspaper from Richard Lawrence on Thursday, most of the proposals fall pretty well in line with the Nixon Administration's thinking.

They contemplate a general liberalization of world trade generally, a "significant lowering" of industrial tariffs, as well as a leveling-out of their peaks and troughs, a new international code of "safeguards" for import-sensitive industries, special concessions to poorer countries and even provision for the selective import restrictions against individual countries that Mr. Nixon has been considering of late. They would also consider machinery to assist countries engaged in disputes over the so-called non-tariff barriers to trade that so nettle the United States to iron out their problems.

All this is encouraging, even though not as encouraging in all respects as Washington might like. Since the United States maintains some very high tariffs, as well as very low ones, proposals to level out peaks and valleys in the prevailing rates are not especially popular in Washington. On the other hand, Washington's proposal to move toward zero tariffs hasn't brought much response from abroad, either.

Unfortunately, the Brussels proposals are not so encouraging in the field of agriculture.

They contemplate a "code of good conduct" that agricultural exporters would presumably adopt in the interests of market stability. This last phrase is one that never fails to bother us because it covers such a multitude of sins.

In the parlance of the economic world, "market stability" is an objective of producers who want to keep prices of their products permanently at high levels. The Brussels group that produced this proposed mandate did not specify what the code of good conduct ought to entail. But tides of agricultural protectionism are still running strong in Western Europe, as witness what comes next.

What the Common Market's commission wants is more international agreements fixing maximum and minimum prices and providing for "storage" in times of oversupply and a greater degree of food aid to the poorer countries.

We have no objection to an extension of food aid programs in which other nations participate, but in all other respects we see in this proposal a move to bring all major agricultural products under commodity stabilization agreements of the type that has so distorted the coffee markets for years.

This is the kind of system under which the inefficient producer is subsidized by the consumer, and at the expense of the efficient producer which, in terms of grain and so many other important staples, means the United States.

However attractive such agreements sound in theory, past experience with them has shown that *they* have practically no effect on maximum prices, just on the minimums. Any community of trading nations electing to take this road within the context of a general trade agreement would be moving in precisely the wrong direction.

TRANSPORTING ALASKA'S OIL

Mr. BAYH. Mr. President, recently I had an opportunity to testify before the Interior Committee on legislation (S. 1565) which Senator MONDALE and I, along with nine cosponsors, have introduced relating to the best means of transporting Alaska's substantial oil and gas reserves to the lower 48 States.

Because of the importance of this issue, and since the Senate will have to act in this matter in the near future, I request unanimous consent to print a copy of my prepared statement in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

TRANSPORTING ALASKA'S OIL

Mr. Chairman, I appreciate this opportunity to testify in support of S. 1565, the North Slope Energy Resources Act, which Senator Mondale and I introduced on April 12 with six cosponsors. Since that time, 3 additional Senators have asked to be listed as cosponsors of this legislation.

I want first to emphasize my hope that we can see rapid, effective, economic and environmentally responsible use of Alaska's oil and gas resources. Moreover, because of the magnitude of this issue, because *how* the oil and gas are transported can be as important as their actual use, it is my judgment that the Congress should make the final decision on how that oil and gas should be transported to the lower 48 states.

I shall not dwell on the obvious energy shortage which confronts us today and which will be with us for some time. Mr. Chairman, you understand this issue as well as any Senator and you have provided valuable leadership in responding to the imbalance between energy supply and demand. In fact, I was pleased to join as an original cosponsor of your National Energy Research and Development Policy Act which has the worthwhile goal of once again making this country energy self-sufficient.

Let me first review my concerns about the proposed Alaskan land and sea route for delivering oil from Prudhoe Bay to the lower 48 states.

One—The Pacific region, which would be the prime beneficiary of an Alaskan pipeline, currently provides most of the petroleum it consumes. The situation in the Midwest is quite different, with demand many times local supply. Because of this a barrel of crude oil currently costs 64 cents less on the west coast than in the Midwest. If the Alaskan land-sea route is adopted that price discrepancy will more than double to $1.43 per barrel. On the other hand, if an all-land trans-Canadian route is used to deliver the oil, the present discrepancy will be halved to 32 cents.

Two—Since it is generally agreed that the natural gas from Prudhoe Bay would have to transverse Canada, it would make sense to explore fully the possibility of a single corridor for the oil and gas with significant cost savings in rights-of-way, parallel road construction and other expenses associated fuel pipelines.

Three—There have been authoritative reports that the oil companies involved in the venture are contemplating the sale of as much as 500,000 barrels per day—25 percent of the oil from Alaska—to Japan. To export oil at a time when there is a serious shortfall between domestic supply and demand strikes me as ludicrous and I have been concerned by the absence of adequate assurances from the oil companies that none of the Alaskan oil would be exported.

Four—While recognizing that it will be impossible to utilize Alaskan oil and gas without incurring some environmental damage and risk, I think we must minimize that risk, even as we consider economic factors, consumer requirements, national security, delivery dates and the overall national energy situation.

Despite my reservations regarding the proposed Alaskan land-sea oil delivery route, I recognize that there are unanswered questions about the alternative—an all-land trans-Canadian route through the Mackenzie Valley.

I am satisfied that our legislation would provide the answers to those questions, permit the Congress to resolve this matter when a full body of knowledge has been developed, and not delay to any significant degree the ultimate utilization of the Alaskan resources.

Much has been said, despite the glaring absence of proper bilateral negotiations, about what conditions would or would not be acceptable to Canada if we want to have our oil transverse that country. We do know that the Canadian Minister of Energy, Mines, and Resources said only six weeks ago: "If the Americans came back and said to us, look, we've had second thoughts on that trans-Alaska pipeline, we would like to take you up on your willingness to entertain an application about the oil line through the Mackenzie route, I think the interests of the West Coast (of Canada) would dictate that the Government of Canada should enable that kind of application to go ahead."

Mr. Chairman, that appears to be a very open-minded statement. There are others like it on the record over a two year period.

To get at the answers about the feasibility of a Canadian route, our bill would request that the Secretary of State immediately open intensive negotiations with Canada, negotiations to be completed within nine months. Quite importantly, one point for negotiations would be the willingness of Canada to step up oil exports to the United States while construction went ahead. Here we could well find a short term solution to our energy shortage.

The recently completed feasibility study by Mackenzie Valley Pipe Line Research Limited, composed of affiliates of virtually all the major oil companies, was not available when this government made its commitment to the Alaskan route. Even with this study, there is the need for an independent body of information on the economic, environmental and other implications of a trans-Canadian oil pipeline. Our bill would help develop that body of information by directing the National Science Foundation to undertake just such a study.

Here, Mr. Chairman, we come to the crucial point of our bill. This study may be adopted, under the terms of the legislation, by the Secretary of the Interior as an environmental impact statement, or as part of such a statement, under the terms of the National Environmental Policy Act. This in no way subverts NEPA, about which I know you are justly concerned and for which you may take much of the credit. Nor does it discharge the issue from the courts, something which would be most unwise.

But this would expedite matters regardless of how Congress ultimately decided to transport the oil. If the Congress favored the Alaskan route, this study could well remove the major remaining point of litigation against the Alaskan pipeline, that being the adequacy of the consideration of alternative routes under the terms of NEPA. And, if the Congress ultimately favored the Canadian route, the impact study would be in hand, forestalling further delay.

The results of the negotiations and the NSF study would be provided to the Secretary of the Interior, to this Committee, and to the corresponding Committee in the House of Representatives within nine months. Within two months after that the Secretary of the Interior would bring to the Congress specific recommendations for rights-of-way across public lands for Alaskan oil and gas.

As stipulated in the legislation, the Congress would then have the responsibility to act expeditiously to approve those rights-of-way for transporting oil and gas which the Congress, weighing all information, felt most advisable.

Let me make it clear that our proposal should not delay significantly actual use of the energy reserves, since it could remove the main point of litigation delay associated with the Canadian route might well be wiped out through increased exports from Canada.

Finally, Mr. Chairman, a brief word about the rights-of-way problems resulting from the Supreme Court's decision of April 2. Consistent with what we believe to be the goals of this Committee, we would authorize the Secretary of the Interior to grant necessary rights-of-way across public lands, except for Alaskan oil and gas, for two years. However, after the first year, the Secretary would have to provide the Committee with the information enabling you to draw together a coordinated national policy on rights-of-way across public land.

It is not my intention to take an inordinate amount of the Committee's time. I wanted simply to share with you the reasons we offered our proposal. We feel it is the most responsible course for us to take. I reiterate that we are not seeking to delay utilization of the greatly needed energy resources in Prudhoe Bay.

In closing, let me urge the Committee to protect for the Congress the final decision on this question of great amount. And to protect it in a fashion which will enable us to make a thoughtful decision with all the necessary information before us.

MAURIE JACOBS HONORED BY FELLOW CITIZENS

Mr. HATFIELD. Mr. President, one of my State's outstanding citizens is Maurie Jacobs, of Eugene. For years, he has been a tireless worker for a broad range of civic ventures aimed at improving life in Eugene.

Too often, contributions of people such as Maurie pass unrecognized. In this case, I am sure Maurie would have preferred to have it this way. A banquet honoring his many years of service to his community recently honored Maurie Jacobs for his outstanding service to his community and his State.

Under the leadership of such friends as Hale Thompson, the evening provided a warm recognition of this unique gentleman's contributions.

The Eugene newspaper provided a report of the evening, and I ask unanimous consent that this article of May 4 appear in the Record, followed by an editorial of May 6 from the Register Guard:

There being no objection, the material was ordered to be printed in the Record, as follows:

"Silent Servant" Honored

(By Dan Wyant)

It was, in the words of his wife Sylvia, a "wowie" evening. At least that's how long-time businessman Maurie Jacobs described the event at the Elks Lodge Thursday night.

More than 500 friends, associates and relatives gathered to offer a tribute to Jacobs' many community accomplishments.

"A man can't have that many virtues," he protested as testimonials flowed from speakers and members of the audience.

A Eugene resident for 36 of his 60 years, Jacobs was praised for his role in downtown redevelopment and off-street parking, for leadership in the acquisition of park lands along the Willamette River in Eugene, for his work with the State Willamette Greenway program and his efforts in Red Cross, United Appeal and Boy Scout fund drives.

The event, "An Evening with Maurie," drew an impressive number of out-of-state guests. Total attendance was 523 persons. Everyone of them rose for a standing ovation when Jacobs responded to the evening's many tributes.

From time to time Jacobs daubed away tears with a handkerchief as long-time friends recalled anecdotes from the past.

As the guests dined, toastmaster Hale Thompson read excerpts from a stack of letters and telegrams that came in Jacob's honor.

Oregon Gov. Tom McCall, who left Thursday with a delegation to Israel, pledged that he'd plant a tree in Israel in Jacobs' name.

"You've been one of the strongest warhorses in the battle to save the Willamette River," the governor wrote.

Former state Treasurer Robert Straub, who delivered the governor's greetings, said he's found no one in Oregon who measures up to the dedication, public service and quietness with which Jacobs has served.

Mayor Les Anderson of Eugene said Jacobs has the "rare quality of quiet effectiveness" which is bolstered by "an abiding faith in this community."

Portland Mayor Neil Goldschmidt, who grew up in Eugene, said he probably wouldn't be in office today if it had not been for Jacobs.

He said he turned to Jacobs for advice at more than one of the critical periods of his life.

Businessman Harry Ritchie presented Jacobs with a plaque "in recognition of meritorious leadership and unselfish service for the betterment of the community."

And County Commissioner Nancy Hayward presented a citation to Jacobs for distinguished service in acquiring park lands along the Willamette River.

Edwin Baker praised Jacobs for making Scouting "come alive for many boys and gave Jacobs a bullwhip as a token of his taskmaster approach to community fund campaigns.

Jacobs was born Dec. 18, 1912, on Chicago's west side. There, going to a park meant getting up at 4 a.m. on Sunday with his parents to catch a trolley to beat the rush.

That, said Thompson, accounts for Jacobs' long interest in parks, green grass and recreation.

Thompson said Friday that the tribute was the idea of several of Jacobs' close friends.

"There are times when you just want to do something nice for somebody," he said. "Maurie has certainly been a silent servant to the community throughout the years and we thought it was high time his contributions were recognized."

Jacobs came to Eugene in 1937 after moving to California with his parents and working for a clothing store in Portland.

The next year he and his wife opened the Sterling Furniture Co.

Their business is now M. Jacobs Fine Furniture at 725 Olive St., and is regarded as one of the West's leading furniture stores.

Flowers for the Living

Maurie Jacobs was embarrassed to happy tears Thursday night when some 500 persons gathered for a testimonial dinner in his honor and dozens of praiseful letters and telegrams were sent by other admirers who could not attend the event.

Most properly, the "evening with Maurie" emphasized the broad extent of his quietly effective civic leadership in this community during the last four decades. And, again most properly, accolades heaped upon him included praise for Sylvia Jacobs, his wife and hard-working long-time business helpmeet.

Mr. and Mrs. Jacobs would want it said here that they know a number of other area residents who should be paid special honor in abundance for community-improvement contributions made in abundance. And, as we see it, it is that quality of character as much as any other that friends and associates admire in these two fine people.

THE TRANS-ALASKA PIPELINE

Mr. GRAVEL. Mr. President, on May 1, 1973, the Honorable H. A. "Red" Boucher, Alaska's Lieutenant Governor, spoke before the Western Interstate Nuclear Board in Portland, Oreg. Mr. Boucher's remarks are very timely and serve to remind all Alaskans how fortunate we are to have our two top leaders as such effective spokesmen.

Alaskans recognize that our future lies in our ability to further our human and resource development. The long delay in constructing the trans-Alaska pipeline has had a disastrous effect upon our economy and our already precarious financial situation threatens to worsen. Our needs are great and pressing—and we ask the Congress to consider the problems of a sister State. While the State of Alaska would benefit immensely from construction of the pipeline in terms of revenue generated and employment for our citizens, the Nation would benefit even more with North Slope oil to help alleviate the critical energy shortage and to ease our balance-of-payments problem.

At this time I ask unanimous consent to have Lieutenant Governor Boucher's speech before the Western Interstate Nuclear Board printed in the Record.

There being no objection, the speech was ordered to be printed in the Record, as follows:

Speech Given on May 1, 1973, at Western Interstate Nuclear Board Meeting in Portland, Oreg.

(By Lt. Gov. H. A. "Red" Boucher, State of Alaska)

I would like to thank all of you here today for allowing me to openly discuss with each of you a subject of concern not only to Alaska, but to her sister state(s) as well. It's a question of development at a time of national need versus out-dated federal restraint in the guise of environmental protection. Does Alaska, which certainly has the capability to be a "Nation-State", have the sovereignty to decide its economic future in the face of an impending energy crisis, or are our hands tied by crippling "out-of-date and out-of-touch" Federal legislation?

Every day we see our States' sovereignty being challenged by the Federal Government in areas of concern that would appear totally irrelevant to the well being of growth and development in our own States. What may be good for California and the people of that State may not apply at all to the people in Maine. It is time that we begin to think and act on programs that benefit our sister States as they relate to these United States.

At a time when the whole nation is facing an energy crisis and should be looking toward their fellow Americans for every possible resource to provide a solution with a united singleness of purpose, we are constantly being held back by environmental emotionalism, political, see-sawing in international oil *fields*, and a lack of leadership necessary to break through to solving the energy crisis in the interim period while on-going research can be refined to produce more sophisticated means of energy. Alaska can and should join our sister oil producing States to provide the "energy bridge" that is needed for our Nation.

Because of the delays in solving the pipeline issue, exploration in the vast Prudhoe Bay area and other potential oil producing areas in Alaska is practically at a standstill. Geologists tell us that the overall potential of additional large oil reserves within the State of Alaska are a reality. Your sister State, Alaska, has the opportunity to join with our other oil producing States allowing for America to increase her "energy independence" of foreign oil fields.

Up to now we have concerned ourselves with only energy. What about the other vital products that utilize oil as an important ingredient to their final form? The use of clothing, food, plastics, and a myriad of other articles are just as vital to our daily way of life as gas and oil are to our automobiles.

Alaska was purchased in 1967, but for 50 years there was almost total neglect . . . it existed largely as a military district under the jurisdiction of the army, navy and treasury departments. Territorial status was finally granted in 1912, but Alaskans continued to choke under the yoke of federal control and outside economic royalists.

Following the long battle for Statehood, Alaskans finally had the chance for political self-autonomy, and the right to wisely develop her vast natural resources for the benefit of her people. Congress, in writing the Statehood Act, recognized that Alaska did not have the economic base to totally support State Government and provided a land-grant system which allowed the State to select 103 million acres . . . (roughly one-quarter of the total federal lands in Alaska) . . . and to sell and lease these lands as a way of generating direct economic revenue to the State treasury; thus stimulating economic development that would provide a recurring base of revenue for State Government.

Our fledgling State faced immense challenges. Poverty in the bush and the ability to provide only minimal services, in such vital areas as education and public health, were but a few of the problems that had to be solved. . . . However, despite Statehood, Alaska still functioned largely as a federal economy with the Federal Government controlling 90% of the State's land area . . . (Selection was a gradual process to be conducted over 25 years) . . . Our rate of economic growth was still largely dependent on decisions made outside of our borders. Vast sections of Alaska were set aside as National Parks, Wildlife Refuges and National Forests. The Forest Service exercised major control over our timber industry and outside economic royalists plundered our sea resources, leaving little in the way of taxes to support our new State's growth. In almost every way but superficially, Alaska was still a territory, outsiders still called the shots . . . I think it is high time that we were recognized as a responsible sovereign state and not as an economic playground for fanciful ideas. History pro-offers us an array of choices . . . If we do not make our needs known and our voices heard in a calm, forceful, and intelligent manner, others will make our choices for us.

PRUDHOE BAY DISCOVERY

Prior to 1968, the vast majority of our country looked upon Alaska as a land of igloos and polar bears . . . I recall a Wichita hotel clerk asking me in 1962 what kind of money we used in Alaska . . . They have come to know the answer to this during the past ten years . . . In fact, there are those who come to Kansas each August and wish Fairbanks and Anchorage were still trading in rubles . . . With the emergence of Alaska in 1968 as the new resource giant of North America, the long uphill battle for political and economic sovereignty seemed to be at an end. Announcement of the Prudhoe Bay discovery electrified our State and Nation. . . . Alaska and her people had a brilliant future . . .

Our Nation's growing dependency on foreign crude would be alleviated. Prudhoe Bay could change all of this. It was the first dramatic realization (ten years after Statehood was signed) of Congress' intent that the disposition of State lands would create a revenue base for State Government Prudhoe Bay seemed to fulfill this promise beyond anyone's expectations, since in production it would yield $200–$400 million annually to State Government (State budgets in the first decade of Statehood average $100–$150 million annually); furthermore, in September, 1969, the State sold off previously unsold Prudhoe Bay tracts for almost a billion dollars.

Alaska entered the seventies with the promise of Statehood seemingly fulfilled . . . The prospect of large recurring revenues (upon completion of the pipeline) to provide long-overdue services, and the preservation of our unique way of life seemed a reality. Indeed Alaska looked ready to take her position as a proud and self-sufficient member of the union.

On the premise that pipeline construction would soon begin, the State moved ahead to program and provide for her citizens critical services that are taken for granted in other states. . . . In addition, some of the most creative and innovative governmental programs enacted anywhere were brought into being. Alaska developed a revenue-sharing program, passed back benefits of resource wealth to local governments and local taxpayers . . . This at a time when revenue-sharing was just on the drawing boards in other states and on the federal level. Our school foundation program assumed a good share of the educational burden in the State, leaving increased control at the local level, and permitting municipalities to turn their attention to other pressing needs of local concern. In 1970 and 1971, Alaska moved aggressively to solve the critical problems that had faced her in the past . . . Indeed, it was a confirmation of Congress' belief that mineral wealth would provide for Alaska the revenue base to achieve true Economic Statehood.

In anticipation of a brilliant future and the orderly economic, environmental planning that would go into the construction of the pipeline, Alaska accelerated its expenditures and initiated long, overdue programs. State budget planners projected that by the mid or late 1970's, Prudhoe Bay oil would be on stream and revenues would begin to flow into the State treasury. The revenues from the Nine Hundred Million Dollar Lease sale would tie us over until the pipeline became a reality. This appeared to be a reasonable assumption. However, Alaska and her citizens were to soon learn that these are not reasonable times. National conservation groups moved to block construction of the pipeline using the 1969 National Environmental Protection Act as the tool.

An injunction against the Interior Department granting a permit was issued, and the long delay began . . . one year stretched into two years; to three years . . . we were frustrated, but then heartened, when after two years in court the Federal District Court in Washington returned a ruling in our favor. The Conservationists appealed the case, and after a six month wait, the promise of Statehood has again been delayed. The Appeals Court, in rendering a decision, has planted a legal minefield around the pipeline that could take a considerable length of time to resolve. They failed to consider the merits of the NEPA case, the main issue at stake, and ruled that a technical violation of the 1920 Mineral Leasing Act would have to be amended in Congress. The courts must address themselves to the initial environmental issues that first delayed issuance of the permit. Failure to do this could throw the entire matter before Congress which could well result in the pipeline being caught up in the environmental emotionalism that is currently very much a part of the national scene.

The chips are down . . . and the issue at stake is more than the construction of a pipeline, the issue at hand is whether or not the sovereign state of Alaska shall have the right to seek her own destiny. Influential pressure groups and the friends in Congress would say no, but Alaska has prevailed before . . . and will prevail again.

CANADIAN ALTERNATIVE

At this point, let me touch on the talk of a Canadian alternative route, which conservationists and some of their friends in Congress say would be "environmentally" more acceptable than the presently-planned Alaska route. To date, hundreds of thousands of taxpayers' dollars have been spent on studying the environmental impact of the Trans-Alaska Pipeline. No project in engineering history has been given more thorough scrutiny . . . yet, there are those in Congress who, with a stroke of the pen, would make this a reality. The Canadian alternative to the Alaska pipeline is a myth. It has no basis of economic or environmental concern . . . it is not an alternative . . . it does not exist as an alternative . . . it is a smoke screen generated by certain self-serving groups to halt the Alaska pipeline in its entirety. The national need for low sulphur Alaska crude is already apparent. The spector of increased reliance on foreign nations for this country's energies needs is hanging over our head like the sword of Damocles . . . the Canadian route as an alternative is not practical, in the best national interest of the United States, Alaska or the environment. To attempt to proceed in this direction with no basis of fact makes as much sense as sending a man to the moon in a toy rocket.

What is happening today, Ladies and Gentlemen, is that the intent of the Congress of the United States in granting Statehood to Alaska is being circumvented by organized groups. Some of them are well meaning . . . but view Alaska from afar. Others disguised as concerned environmentalists, are 1973 versions of the economic royalists that Alaska has come to know only too well . . . it is time their selfish motives were exposed nationally for what they are.

It is a fitting and proper argument that Alaska should be spared the Hap-hazard development that has plagued other parts of America. Looking at the sprawling suburbs, and teeming ghettos that exist in far too many areas in our sister states to the south, it makes sense that Alaska continues to be one of the great scenic areas of our country . . . this is a worthy goal and Alaskans are the first to recognize it. Ironically, the Alaska Pipeline could well be the very key to preservation and rational environmental planning in Alaska. Before Prudhoe Bay, Alaska had virtually no stable economic base. The short-term project was upper most in people's minds . . . spot development was the rule rather than the exception. The development of any kind of economic activity was desperately needed.

There was little thought for planning . . . because there was little money for it . . . the same pattern of casual, unplanned, sporadic and haphazard development that took place in other areas, took place in Alaska through the sixties, because of Alaska's vastness, it was almost unnoticed. Those of us who have lived in Alaska for the past ten years or longer have vocally noticed this encroachment on our scenic beauty and environment. Had Prudhoe Bay not been discovered, and that trend continued, Alaska could have in the name of short-ranged economic development followed the same path taken by other states, with equally dismal results . . . however, with the advent of the promise of the North Slope, our forty-ninth state has been given the chance to break that pattern, to plan our future, to create new methods in developing a land that can recognize the need for harmony between man and environment.

We have the time, opportunity and will to make Alaska a living example for the rest of the world. This cannot be accomplished by building a fence around the "Great Land" and cringing from the future because of the mistakes of the past. It can only be done by meeting the challenge head on. On the other end of the axis of America, our sister state, Florida, saw man on the moon because an entire nation wanted it to happen. Alaska can be the launching pad for an all out effort to reclaim America's environment. We can be a living laboratory where problems of the environment can be solved and not just talked about. Engineering, atmospheric, land and water problems solved here can be of enormous benefit to the rest of our Nation, indeed, to the rest of the world.

Alvin Toffler in his recent best seller "Future Shock" put it rather aptly . . . "In dividing the last 50,000 years of man's existence in 62 year life spans, he stated that the 800th lifetime (in which we are now living. . . .) "marks a sharp break with all past human experience, because during this lifetime man's relationship to resources has reversed itself . . . the central stupendous truth about developed economies today is that they can have—in anything but the shortest run—the kind and scale of resources they decide to have . . . it is no longer resources that limit decisions . . . it is the decision that makes the resources."

In the 801st lifetime, man will harness the energy of the solar system for his needs . . . nuclear power . . . geothermal power . . . indeed, the further harnessing of the energy of the winds and tides for mankind's needs will become areas of improving technological know-how. However, to "seek a newer world", an "energy bridge" to man's future we cannot cringe from the future because of mistakes of the past . . . the high velocity of change which man is undergoing in the 800th lifetime can be traced to many factors. Population growth, urbanization, the shifting proportions of young and old . . . all play their part . . . yet, technological advance is clearly a critical part of the network of causes: Indeed, it may be the catalyst that activates the entire network . . . We cannot and must not turn off the switch of technological progress. Only romantic fools babble about returning to a "state of nature". A state of nature is one in which infants shrivel and die for lack of elementary medical care, in which malnutrition stultifies the brain . . . to turn our back on technology would be not only stupid but immoral . . . to deliberately turn back the clock would be to condemn billions to enforced and permanent misery at precisely the moment in history when their liberation is becoming possible. We clearly need more not less technology . . . at the same time, it is undeniably true that as a nation we frequently apply new technology stupidly and selfishly . . . in our haste to milk technology for immediate economic advantage, we have turned our environment into a physical and social tinderbox . . . however, this problem will not be solved by taking shelter in the eye of the ecological hurricane . . . the winds of tomorrow and our responsibilities to one hundred million more Americans by the year 2000 are upon us.

To say that there is not an energy crisis in our country today, and there are many who do, is like standing in the middle of a railroad track and saying you are safe because a train speeding at you at a rate of a hundred miles an hour has not yet hit you. Whether it be a crisis of reserves, distribution, refining capability international politics, or what have you, America is going to need Alaska's energy in the next five years . . . and the clock is rapidly running out of the time to bring this oil to market to meet our sister states' needs. Believe you me, we understand what an energy outage means in Alaska—whether it be factory or home.

Combining rational intelligence with all the imagination we can command, let us project ourselves forcefully into the future. In doing so, let us not fear occasional error . . . the imagination is only free when fear of error is temporarily laid aside . . . in thinking about the future, it is better to err on the side of daring than the side of caution.

In Alaska, we often refer to ourselves as a "nation state" we are proud and love our beautiful state . . . environment . . . both critically harsh . . . and magnificently beautiful is more than a word to us, it is a way of life. However, we are not ready to build a fence around ourselves and call ourselves the "Last Great Frontier" while the rest of our sister states struggle with problems that we could help to solve . . . indeed most Alaskans look upon themselves as citizens of "A new frontier" . . . a "new frontier" for the creation of thoughtful plans that will result in a swing towards recognition of the need for earth and man in harmony. Let us look to the northern star for the promise of tomorrow rather than preoccupying ourselves in hopeless despair with the fears of today . . . Florida, our sister state on the other end of America saw man on the moon from her shores . . . Alaska could be the "new frontier" from which our nation launched an all-out effort to reclaim our environment. Let our generation, young and old, conservationists and men of industry alike act with rather than react from fear . . . the promise of Alaska can be the promise of America . . . be happy and thank you.

PHYSICAL AND MENTAL HEALTH PROBLEMS FACING OUR EX-POW'S

Mr. SCHWEIKER. Mr. President, on March 21, 1973, I introduced S. 1424, a bill which, among other things, provides for full health care for all former POW's and their dependents for as long as it is needed. Today's Washington Post contains an article pointing out some of the serious physical and mental health problems found among the 51 POW's processed through March Air Force Base in California: Only six of these men were considered to be in good health.

Dr. Gary Trunk is quoted as saying that some of these men may need psychiatric treatment for the rest of their lives, as a result of the stress of their long imprisonment, and the serious personal problems some have encountered upon their return home.

His statement graphically points up the need for the enactment of my bill. As I stated when I introduced this measure, we learned following the Korean conflict that many physical and psychological ailments faced by former POW's may not manifest themselves until many years after a POW's release. That is why it is so important to extend medical benefits for as long as they are needed by POW's and their families.

I ask unanimous consent that the article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Some POW's Found To Be in Poor Health

Riverside, Calif., May 8.—Of the 51 former prisoners of war processed through March Air Force Base, only six could be considered in good health and some may need psychiatric treatment for the rest of their lives, according to the facility's chief medical examiner.

Practically all the men had parasitic worms—some up to a foot long—chronic diarrhea, skin infections, an asthma-like lung condition and malnutrition, said Dr. Gary Trunk.

In a talk to the Riverside County Medical Association. Trunk said a few of the men may require psychiatric treatment for the rest of their lives because of the stress of imprisonment followed by personal problems on their return home.

The average weight loss during imprisonment was 80 pounds, he said. Before 1969, the POWs existed on about 700 calories a day, less than a fifth of the average daily requirement, he said. In that year rations were improved to give the prisoners about 1,200 calories a day and vitamin supplements, he said.

A COMMUNITY-BASED WELFARE SYSTEM

Mr. HATFIELD. Mr. President, no one is satisfied with our present welfare system. It is degrading, dehumanizing, vastly expensive, and administratively ponderous. One of the great challenges of domestic policy today is to design a system to provide for the needs of the less fortunate in a way that strengthens their sense of identity and self-respect, while at the same time strengthening the local community in which they live.

In my testimony before the Republican Platform Committee last August, Mr. President, I presented a proposal for neighborhood government, on a scale comprehensive to our citizens, to preserve the values of liberty and community upon which our country was founded. In the course of that statement I recommended pilot projects on neighborhood welfare reform corporations, working to reintegrate the needy into genuine human communities.

Another development of that same thought has been undertaken by Mr. John McClaughry. To promote a greater dialog on the promise of the community based approach to problem solving, I ask unanimous consent that Mr. McClaughry's memorandum be printed in the Record.

There being no objection, the memorandum was ordered to be printed in the Record, as follows:

A Community-Based Welfare System

(By John McClaughry)

The existing system of public welfare is under attack from all quarters. Welfare recipients and the President of the United States alike have recognized its degrading effects. Instead of encouraging human beings to make a productive contribution to their communities, and in so doing achieve a sense of worth and dignity, the present system is based on an isolated, fragmented, alienated view of man that is destructive for the individual and self-defeating for society.

The idea of the community-based welfare system is based on a premise ably stated by U.S. Senator Mark. O. Hatfield (R-Oregon) in his presentation to the Republican Platform Committee in August, 1972:

"The individual can only develop his full potential as a human being through community. This concept dates back to the twelve tribes of Israel. The ancients realized that without a sense of community and real citizen participation in the public life of the community, the individual and the family structure deteriorates . . . The need for community is instinctual. Thwarting this instinct leads to the pathological qualities encountered today, particularly the sense of rootlessness. Unless individuals are able to relate together and act publicly for the well being of the community, the individual himself will be lost."

With the virtual abandonment of President Nixon's Family Assistance Plan for welfare reform in 1972, the time is right for a new proposal, based not on manipulating human beings through a vast complex of bureaucrats, sliding scales, certifications and percentages, but on re-integrating each needy human being into a genuine human community where he can make a contribution in proportion to his ability.

The Community Based Welfare System is a real alternative to both the present discredited welfare system and the Family Assistance Plan. Its goals are to give the needy a real opportunity to achieve identity and self-respect, as well as a decent standard of living; to strengthen the work ethic of contribution in return for reward; to create new service and income opportunities; to eliminate the uncaring and clumsy hand of the welfare bureaucracy; and to help produce a stronger human community in which each individual citizen can feel he has a place.

The Community Based Welfare System would decentralize welfare administration to the community and neighborhood level. It would operate through a Community Improvement Corporation, which in many cases would be a nonprofit affiliate of an existing community development corporation (CDC). Initially a local CDC or similar group would sponsor the formation of a CIC, but once operating the control would pass to the CIC's shareholders—the persons entitled to receive welfare assistance in that neighborhood. Participation by welfare recipients would be completely voluntary.

The CIC would contract with the public welfare department for the total support of and provision of social services to its welfare members, initially in units of no more than five caseloads (375 family units). Under this contract, the public welfare department would periodically pay to the CIC a sum equal to the total assistance and administrative costs of the caseloads contracted for during that period.

Each eligible welfare recipient in the community or neighborhood would be entitled to become a shareholder of the CIC and also an employee of the CIC at a salary equal to his lawful welfare entitlement. The CIC's Board would hire such administrative and social service staff persons as they found desirable and necessary out of the contract funds available. The CIC might employ persons now employed by the welfare bureaucracy, or other persons, as they saw fit, or they could contract with a private firm for those services on the open market.

From the beginning the principle should be firmly established that child-rearing and caring for the sick and aged are highly valued and important types of work for which the basic salary is paid. Other types of work would include child care services, neighborhood cleanup, snow removal, neighborhood park and beautification projects, block club organization, school attendance and tutoring projects, and service in health care, drug abuse prevention, and crime patrol work.

Aged and handicapped persons would be offered duties conforming to their interests and capacities. Some might answer telephones or visit the sick, some might be responsible for reporting suspicious activities to the police, and some might merely sit on park benches to smile at passers-by and watch children at play. It is important that all participants be encouraged to regard themselves as employees performing useful and valued work, since most welfare recipients still retain the work ethic and are alienated and unhappy when denied the opportunity to make some worthwhile contribution.

If participants received only the base salary equal to their previous welfare entitlement, the only argument for the CIC system would be the removal of the psychological stigma associated with welfare, a strengthening of local community life, and the empowerment of participants to choose how the social services portion of the budget shall be spent. The CIC would, however, offer an additional incentive.

In any community there are many services for which there is some demand, but for which no public or private employer can afford to hire additional personnel at prevailing wage rates. Since all CIC employees already have a guaranteed base salary, the CIC could contract to provide the services of any of its employees desiring a supplementary income, and charge the other party (the local school, grocery store, parks department, etc.) only the differential rate. Thus a CDC-owned grocery in the neighborhood might employ a disabled young adult to provide security services the store could otherwise not afford, or a neighbor might pay a small sum for child care. There would, of course, have to be some limitations on the amount of supplementary income that could be so earned, and also safeguards to assure that CIC workers did not replace regular employees who would otherwise have had to be hired. Beyond some level supplementary incomes would have to be divided between the worker and the CIC, if the worker is to remain eligible for his full base salary.

The Community Based Welfare System would constitute a first step toward breaking the social isolation of individuals, in restoring their sense of personal worth, in generating personal motivation to overcome obstacles, and in re-integrating them into the larger community social structure as contributing citizens. It would reinforce the work ethic and decentralize the administration of necessary government services, while removing the degrading stigma of welfare dependency. It would not enlarge the current welfare budget.

It would give the poor a new sense of control over their destinies, instead of perpetuating their subjection to an often callous and demeaning welfare bureaucracy. It would introduce free market elements into the provision of social services, where the clients choose the vendor instead of taking what the government dictates. It would open opportunities for the supplementation of incomes through additional work, and make new services available which public and private employers cannot now afford. It would strengthen the sense of community and create a new interest in participation in community improvement by all residents.

Where there is an existing community development corporation, initiation of a CIC would be relatively simple, including fiscal accountability through established procedures. The system will work regardless of the benefit levels prescribed by state or federal legislation.

The Community Based Welfare System must be seen not as an isolated administrative technique, but as one of the building blocks of a new and decentralized America—a land where the voice of each individual can once again be heard when the decisions affecting his life are made; where power is exercised by public servants, businessmen, labor leaders, educators, and religious leaders who are close to the people and accountable to them directly; where each local community can foster the conditions without which individual liberty is an empty dream. It is time now to begin to re-create that kind of America.

(John McClaughry was a special assistant to Richard M. Nixon in his 1968 campaign and transition period and has just completed four years in the Vermont House of Representatives. He is the principal author of *Expanded Ownership*, a 1972 Sabre Foundation study suggesting ways of creating a more widespread distribution of private property ownership. His address is Box 94, Lyndonville, Vermont, 05851. The author wishes to thank Shimon Gottschalk of the Florence Heller School, Brandeis University, for his very important contribution to the development of this memorandum.)

PUBLIC FINANCING OF CAMPAIGNS: A DETERRENT TO CORRUPTION

Mr. ABOUREZK. Mr. President, I ask unanimous consent that Mr. Clayton Fritchey's very perceptive article "Public Financing of Campaigns: A Deterrent to Corruption," be printed in the Record at the conclusion of my brief remarks.

Mr. Fritchey's point is as simple as it is valid. He argues that the integrity of our political system has hit rock bottom. He points to the corrupting influence of big money as the root cause of our low standing in the public eye. And he recommends immediate enactment of a system of public financing to restore both the reality and the appearance of integrity in our system.

I could not agree more. For the incredible bargain price of about 50 cents per person Americans can buy the assurance that big private money will no longer be able to corrupt politicians. If just one special interest tax law could be defeated by the enactment of public financing legislation, that legislation would have paid for itself many times over.

As an investment in integrity, as an investment in public confidence, as an indispensable investment in a government that can examine legislation on its merits instead of the size of the campaign contributions its sponsors may be able to make, I strongly urge speedy consideration of public financing legislation by this body.

There being no objection, the article was ordered to be printed in the Record, as follows:

Public Financing of Campaigns: A Deterrent to Corruption

(By Clayton Fritchey)

Now is the time for all good men, Democrats and Republicans alike, to come to the aid of their parties—by enacting a campaign financing bill that will make it impossible for there ever to be another Watergate case.

Now, while the scandal of Mr. Nixon's multimillion dollar slush fund is fresh and vivid in the public eye, it is the right moment for the reformers in Congress to move. Who, at this point, would dare to vote against a true cleanup of campaign financing? Not even Mr. Nixon would dare veto it.

Several seemingly worthwhile steps were taken last year by Congress to establish stronger barriers against the corruption and subversion of the electoral process, but, as it is all too horribly plain to see, the Nixon forces had no difficulty in circumventing and debasing the Federal Election Campaign Act passed with such high hopes in 1971.

The lesson of the great expose now going on is that the new act simply doesn't work in practice, even though a special agency was created to implement it. This agency and the General Accounting Office have performed conscientiously.

They have uncovered numerous serious violations, and referred them to the Justice Department for prosecution. But what good is this if Justice, being Mr. Nixon's creature, refuses, as it has, to prosecute vigorously? All it has done so far is accuse the Nixon finance committee of a few derelictions, but no individuals have been charged or prosecuted. The administration has made a travesty of the reform act

Although the statute was supposed to make everything aboveboard, the Nixon team succeeded in creating a record secret slush fund, exceeding $10 million, the full ramifications of of which are still not known.

We do know, however, that all kinds of vested and predatory interests were involved. We know the money was "laundered" by slight-of-hand international transfers, by moving it around in suitcases containing hundreds of thousands of dollars in $100 bills, by illegally failing to report it and by using the hidden cash to finance Watergate and other criminal actions.

As the American people can now see, the end of this path is the utter degradation of their government. There is only one certain way of stopping it, and that is for the taxpayers, through outright congressional appropriations, to take over the privilege (the word is used advisedly) of financing all candidates for President, Senate and House. In the process, private contributions should be outlawed.

The cost to the public would be about 50 cents per person. Surely the country is worth that. Every public opinion poll shows how much Americans are concerned over the present way of financing political campaigns. In the final analysis, what is the distinction between a campaign contribution and a bribe? Even the courts have trouble defining the difference.

Year after year, Congress holds hearings on campaign reforms, but in the end it always shrinks from the ultimate step of putting the responsibility squarely on the taxpayers, where it belongs. Last year, it experimented with what looked like a promising alternative—the $1 checkoff plan—but that, too, like the new anticorruption law, has been a disappointment. There is no more realistic politician on Capitol Hill than Sen. Russell Long (D-La), chairman of the Senate Finance Committee. Foreseeing the loopholes in the 1971 reform act, he proposed public financing of last year's presidential race by letting Americans check off $1 on their income taxes to be used for campaign expenses.

It was estimated that this would provide $20 million each for the major presidential candidates, and substantial sums for minority ones.

This was not acceptable to Mr. Nixon, who rightly figured he could raise two or three times that amount from his wealthy backers.

The bill was finally passed only by postponing its effective date to 1976. Since then, Mr. Nixon's Internal Revenue Service has sabotaged the plan by excluding the checkoff from the regular income-tax form, and making the separate form hard to get. The upshot is that the checkoff is not working.

So it's time for Congress to go back to the drawing board. Complicated checkoffs and tax credits are not going to do the job. The answer is simple, straightforward appropriation of whatever amount is needed to finance federal campaigns. At the maximum, this would be less than one-tenth of 1 per cent of what Vietnam cost.

THE PRESIDENT'S ENERGY MESSAGE

Mr. BEALL. Mr. President, increasingly the people of our Nation are realizing that this country is facing a serious and growing "energy crisis." Fuel shortages are appearing almost daily throughout all parts of the land, and indications point to the fact that, unless action is taken now by all Americans, this problem is going to get worse.

I believe that the President's recent energy message marks a significant step in dealing with both the short- and long-term aspects of this situation. I hope that these initiatives will quickly be followed by other proposals from Government and the private sector alike, and that we can develop, on a nationwide scale, a massive effort to conserve our present energy and responsibly find new sources for our demands.

Mr. William O. Doub, a distinguished and most capable Commissioner of the U.S. Atomic Energy Commission, recently spoke to the Federal Power Bar Association regarding this whole matter. Although Mr. Doub's address dealt with the challenge to the legal profession of the President's energy message, I believe that the points he raises are most important to many other Americans, and I ask unanimous consent that the text of his remarks be printed in the RECORD, for the benefit of my colleagues and other interested parties.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

THE PRESIDENT'S ENERGY MESSAGE: A CHALLENGE TO THE LEGAL PROFESSION

(By William O. Doub)

To the public-at-large, the energy industries, and the federal and state agencies mandated to regulate them, this is a critical time. The energy policies pursued by the nation over the past three decades have culminated in a clash between energy and the environment. Today, we recognize the seriousness of this clash, and know that a creative accommodation will have to follow if we are to avert damage both to our economy and to our environment.

In this regard, President Nixon's recent Energy Message is a milestone in the continuing efforts to resolve this problem. It is an explicit recognition of the need for prompt action and an end to empty rhetoric. Some of the President's recommendations will no doubt lead to further debate. But, given the positive direction of his recommendations, this debate will surely be constructive.

The agenda for your conference today reflects the tone of an important part of the current debate: "Recommended Solutions to Natural Gas and Electric Power Shortages," and "Development of a National Energy Policy." Needless to say, these topics have been the subject of intense discussion for the past few years. Yet, they remain crucial and timely—particularly, for an assemblage, such as this, of attorneys and counselors to the energy industries.

The issues you have before you today have an added dimension for the Bar, for they are placing new and greater stresses on our traditional regulatory institutions to cope with exceptionally complex technological and quality-of-life problems. As the nation grapples more intensely with the inter-workings and implications of the energy-environment issue, I believe that there is a correlative duty on members of the Bar collectively to evaluate the relevance and capacity of today's institutions to handle these problems effectively.

The threshold issue is whether these problems—particularly as they relate to administrative procedures—can be expeditiously and adequately resolved by the adversary process—by the procedures and rules of practice which have proved successful to the different kinds of forums in the judicial system. Lately, much has been said about the duplication inherent in today's regulatory process: regulated companies must sometimes obtain dozens of permits before they are allowed to construct proposed facilities. Is the ultimate payoff of this duplication a benefit to the public-at-large?

There is also the matter of regulatory delays—some the responsibility of the government agencies themselves, others caused by the ineffective response of applicants and other participants to new legal and public policy requirements. Is the best answer for the nation—for the public and the regulated companies—only to initiate a concerted drive to improve the overall efficiency of existing administrative processes? Or is it also to initiate a reevaluation of the entire adversary system of regulation, and its many layers of duplication and inconsistencies, with a view toward creating a more responsive, streamlined regulatory system? With new energy policies currently being proposed, I believe that now is surely the time to undertake such a reevaluation. Indeed, this assemblage may wish to consider whether one of the results of this conference should be to set the necessary wheels in motion toward this end.

The experience of the AEC is a case in point. Under the Atomic Energy Act, the AEC's licensing process embraces two hearings—one for a construction permit, the other for an operating license. We are striving, of course, to implement these statutory requirements as efficiently as possible. Yet, it is clear that the events of the last few years have entirely changed the nature of the AEC's regulatory arena: today we are bound by law to consider complex environmental and anti-trust issues in each of our proceedings. Clearly, this wasn't contemplated by Congress when the Atomic Energy Act was passed nearly 20 years ago. The result—to borrow a currently fashionable term—is that we have been forced to "backfit" the statutory scheme of regulation with new issues that may perhaps be better resolved by a different kind of regulatory forum.

The AEC is not alone in this regard. Other federal departments, the FPC, and state regulatory agencies are facing similar problems. Are these agencies of government endowed with the kind of authority and capability to deal with complex technological and quality-of-life issues with the same effectiveness that they were able to deal with the specific narrow issues that engendered their establishment several decades ago? This, I believe, is a question most appropriately addressed to a Bar Association group such as yours, and one which I would hope you will play a central and aggressive role in resolving.

What would happen, on the other hand, if the situation created by decades-old policies continues to prevail in the future—if we do not bring about some kind of change in the nature and organization of our regulatory system? In my judgment, the problems we have recently encountered would deepen, for we are on a course toward bringing even more difficult qualitative issues into the regulatory process.

Historically, regulatory agencies have been most effective in resolving distinct issues of fact and policy—for example, choosing among alternative ratemaking techniques, determining alternatives to improve quality of utility service, and evaluating applicants competing to serve a growing market area. I believe that the environmental and consumer movements that gained momentum during the 1960s represent important qualitative issues that hold the potential to seriously entangle existing regulatory processes. In my opinion, the nation has permanently entered a new era of concern for qualitative values. It is not a fad. If we are not swift to respond with additional forward-looking institutional arrangements and procedures which reflect quality-of-life considerations, there could very well be a substantial reduction in the effectiveness of regulatory agencies at all levels of government.

One course of action is always available—that is to fight any efforts to change the existing scheme of regulation. Today, this course would be folly. The recent past has identified serious issues of common concern to all segments of the public and private sectors. These issues have exposed not only differences among the many adversaries, but a unique opportunity to reconcile these differences on the common ground that there is a need for constructive change. Each force today knows that it is interrelated with the other, and that the future of each to some degree will be affected by the other. Indeed, there have been shrill voices from both sides in the past. But now the time is ripe for both to roll up their sleeves in pursuit of common goals that will vigorously serve the overall public interest over the long-term.

What would an agenda-for-action include to serve these ends? Most important, I believe, it should include a measure of institutional reform in the regulatory process. Are there better ways to resolve qualitative issues—for example, land use and aesthetic questions—than by today's adversarial regulatory hearings? Can we formulate better groundrules to govern our hearing procedures for the benefit of all parties? I am referring not only to individual landowners and citizens groups, but to regulated and other companies which have sometimes found themselves at sensitive points of leverage and "ratcheting" under existing procedures.

These questions are significant for the energy industries, because energy is undergoing a revolutionary change in technology and public attitudes. High energy physics is now a basic part of the electric power industry. Liquefaction of natural gas and international transportation of LNG have become rather commonplace. Coal gasification and oil shale technology are similarly calling upon new kinds of processes. But, throughout these changes in production and transmission methods, it does not appear that sufficient attention is being devoted to the legal and institutional processes designed to regulate them. Indeed, it appears that sufficient effort is not being made to determine what substantive regulatory principles are necessary to achieve the national goals of the President's recent Energy Message.

The newspapers are covered each week with articles on the energy crisis. The public is obviously aware of the serious shortages experienced by much of the country last winter and the preceding years. Already some government and industry spokesmen are predicting even tighter energy supplies in the immediate future. My concern is that we must not permit this tough situation to force us into precipitous short-term regulatory actions that will only compound the problem a decade or more from now. The President has charted a course for the future, and it is against this objective that we should weigh the merits of our specific actions.

In my view, it is time to get down to basics—to examine first principles of regulation and determine whether they are now being served by relevant institutions and procedures. Does the existing scheme of regulation best serve the overall public interest and offer the essential flexibility to deal fairly with changing social values? This is the kind of question that I believe must thoroughly be considered today.

There is another issue that deserves the priority attention of a Bar Association group such as yours: energy conservation. This is an issue which has been simmering for the past few years, but one which properly has now become intense. All of us know that energy is wasted—too much horsepower, overcooling, poor construction, and so on. Much of today's waste, however, is the product of a simple lack of attention in the past. Energy has been abundant, so why should any of us live by articles of restraint? Today the tables are turned. But we are still not moving fast enough to eliminate waste. One reason is that it is not clear how we should specifically proceed. What new regulatory policies and procedures are desirable? What incentives should be promulgated? President Nixon's Energy Message points the way to some constructive solutions. It is up to all of us now to move ahead.

I believe these questions are well-suited to the analytical skills and perspective shared by members of the Bar. Indeed, at the American Bar Association annual meeting last year, I had the opportunity to address some related matters concerning my views on the collective responsibility of members of the Bar. I believe that overriding public interest issues—such as the desirability for change in existing regulatory processes—are an important part of an attorney's proper concern. I would hope that these questions will become the subject of your continuing concern during the months ahead.

STOP INFLATION—BALANCE THE BUDGET

Mr. HARTKE. Mr. President, considering the administration's budget proposal calling for such a great deficit at a time when any more rise in inflation would be critical, I believe it is my duty to offer constructive criticism.

Mr. President, I therefore, ask unanimous consent to have the following statement concerned with stopping inflation and balancing the budget, made by our former colleague, Representative Byron Johnson who was also a member of the Fiscal Division of the U.S. Bureau of the Budget during World War II, the office which helped design the economic stabilization program for World War II, printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STOP INFLATION—BALANCE THE BUDGET

President Nixon's proposal for a $13 billion deficit next year is unacceptable. It promotes more inflation. Now is the time to balance the bduget. Either cut expenditures or increase tax revenues. The war is over. It is time to stop programming inflation. It is time to put the economy on a peace-time basis. There is no "emergency" justifying such high military outlays.

Military budgets have been based on planning for two-and-a-half major wars simultaneously. There is no basis for fearing we face at the same time a war with China, a war with the USSR, and a war with some smaller third power. Congress can balance the budget by recognizing the change in international relations, and the drop in our international security requirements.

The military budget can now be cut sharply. We can pay for the increased domestic civilian needs, we can re-order priorities, and still balance the budget without a tax increase.

Inflation is likely to continue as long as there are futher federal deficits. A continuing increase in the public debt will be treated as a justification for continued inflation. This is easy to do when the President virtually ends wage and price controls. But with a balanced budget, you can demand a generally stable level of prices. The Federal Reserve System can keep the growth of the money supply in reasonable balance with the demands of national economic growth. Thus we can have expansion without inflation. But you must balance the budget.

Congress ought now to make the tax system more equitable. This is the time for fundamental tax reform. It is hard to get tax reform as part of a tax increase. It would be easier to get tax reform as part of a further tax cut. But only with still further cuts in military spending, and further true growth of the economy, will we be able to afford a new tax cut. Congress ought to review critically our defense requirements into the future. Surely international peace-making and international peace-keeping will be far less costly to Americans than trying again to be the self-appointed policemen to any part of the world. Further tax cuts are thus possible.

With a balanced budget, an effective price stabilization program is again possible. The wage-price guideposts of a decade ago were good economics. They called for prices to be generally stable, and for wage increases to reflect true increases in productivity. This remains sound economics. The end of wartime pressure permits a return to this position.

With a balanced budget and stable prices, the U.S. balance of payments difficulties would ease. U.S. goods would be increasingly competitive in world markets.

With stable prices, and with the Federal Government no longer bidding for scarce savings, interest rates should fall. Better than the recent subsidy of high interest rates for the housing expense of the few poor who were accepted, would be to cut the costs of housing for every American, by bringing interest rates down. When interest rates no longer are based on anticipations of further inflation, interest rates will fall. Every American will benefit. When more families can buy housing at interest rates they can afford, far fewer families will need any subsidy to get decent housing.

In turn, more people will be employed building more housing, and more persons will be enjoying decent housing. This will help assure full employment at productive jobs, rather than the waste of manpower and materiel in the production of military hardware which (as Pres. Kennedy said) "if we ever use it, will have failed of its purpose."

The signatures at Paris at long last make it possible to adopt such action. Some have opposed tax increases needed in the past because they opposed the war. No longer need any member vote bad economics because it appears to be good politics.

Good economics is good politics. But even more important: good economics is good statesmanship and true statecraft. Balance the Budget. End Inflation. Help cut interest rates. Help insure domestic tranquility. Peace.

MONEY FOR HIGHWAYS AND MASS TRANSIT

Mr. HARTKE. Mr. President, the Senate recently debated the propriety of using highway trust funds to finance mass transit projects. No one can doubt the need for mass transit in and around our cities. We are being choked to death by cars, and it does not take a perceptive person to realize that one of the answers to this dilemma is mass transit.

The issue, then, is not whether we need more mass transit, but how that mass transit will be funded. There are many areas of this country whose transportation needs will not be met by mass transit. Highways are not outmoded means of getting people from one place to another. They are absolutely necessary, for example, to move people from rural to urban areas.

Mr. President, an article on this subject recently appeared in the March issue of the International Operating Engineer. I ask unanimous consent that it be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

INTERSTATE HIGHWAYS AND MASS TRANSIT: WE NEED BOTH

American overland transportation needs continue to grow, yet highway construction is coming to a halt and a roadblock is in place against new financing for mass transit projects.

For the first time since 1956, and only the second time since 1916, Congress failed to pass a Federal highway funding bill. The proposed measure died in the House of Representatives last October and, although it is a high priority issue, will probably not be again considered by the full Congress until late this spring.

As a result, six states had no Federal matching highway funds by the end of 1972. By the end of this month, at least 18 states will be unable to award any new highway work. This cutback in highway construction is beginning to have severe adverse effects on thousands of cities, counties and municipalities, not just in the loss of maintenance and new construction, but in accelerating unemployment and the side effects of that unemployment.

At issue in Congress is the use of designated Federal funds derived from highway user taxes for mass transit projects. When legislators could not reach agreement in 1972, action was shelved for consideration this year by the new 93rd Congress.

Opposing factions in the Senate have already had their first confrontation. In round one, rail mass-transit boosters lost a preliminary bid to tap the highway trust fund, although they predict victory by the end of this year.

The Senate Public Works Committee rejected, eight to six, a proposal by Senators Edmund Muskie (D.-Maine) and Howard Baker (R.-Tenn.) to give city officials the option of using up to $800 million annually from the highway fund for rail and bus transit systems, as well as for roadways.

Action moves to the Senate floor this month, where some diversion of the fund is anticipated. The Senate will probably allow a diversion in urban areas, and add to the highway bill a lot of additional money from the Treasury's general revenues for rail and bus transit equipment purchases and operating expenses. The Nixon administration supports the use of both highway trust fund money and general revenue for mass transit equipment purchases, but not for a transit system's salaries and other operating expenses. Claude S. Brinegar, the new Secretary of Transportation, suggests that $1.1 billion from the highway fund be made available for urban mass transit projects in fiscal 1974.

The Senate Public Works Committee, having rejected the mass transit diversion, has approved for full Senate consideration a bill providing about $5.8 billion for highway projects in each of the next three years.

The 42,000-mile interstate system is about 80 percent finished, and much of the new funding would go toward bringing about its completion, now estimated in 1984.

The House, which last year blocked the highway trust fund raid, hasn't started work on this year's bill.

The failure to act last year is having serious reverberations at lower levels of government. Approximately $17 billion is spent each year by Federal, state and local governments on highway construction, modernization and maintenance. The Federal contribution is about one-fourth of this amount.

FUND SOURCE AND USES

Over half comes from state and local highway user tax revenues, including tolls, and the remainder, used primarily for local service roads and residential streets, is generated from other sources. The Federal share of almost all highway modernization and highway safety programs is financed through the highway trust fund in 1956 to provide a user-generated source of revenue for the Federal aid highway program. What is affected, however, is a high percentage of all these projects because they are constructed through matching funds through participating government agencies at all levels. When funding is withheld from one, others suffer.

The highway trust fund was established as a long-term commitment to build highways with taxes coming from those who use them, with construction on a "pay as you go" basis. The taxes earmarked to the trust fund include:

Motor fuel, four cents a gallon;

New trucks and trailers and certain buses, 10 percent on the manufacturer's wholesale price;

Highway vehicle tires and tubes, 10 cents a pound;

Heavy vehicle use, $3 per 1000 pounds annually on the total gross weight of vehicles rated at more than 26,000 gross weight;

Parts and accessories, 8 percent on maker's wholesale price of truck and bus parts and accessories;

Lubricating oil, six cents per gallon, if used for highway purposes.

HIGHWAY FUND "SURPLUS"

Most Americans and their representatives in Congress agree that we need both the highways and mass transit. The issue is over where the funds will come from. Those who urge use of highway funds (instead of or in addition to funding from the general fund) for mass transit point to a "huge surplus" in the highway coffers. On September 30, 1972, the cash balance was about $4.5 billion, but the Fund's obligations to the states for highway improvement work already in progress was $7.4 billion. Those familiar with the fund point out that it is like a checking account—although there may seem to be a surplus of funds, that money is already committed.

The following figures from a U.S. Treasury report show the Highway Trust Fund's estimated balance and obligational commitments through the end of its legal life, September 30, 1977.

[In billions of dollars]

Estimate	Balance in the Fund	Liability for unpaid obligations	Balance less liability for unpaid obligations
1972	4.5	7.8	−3.3
1973	5.1	7.4	−2.3
1974	6.1	8.3	−2.2
1975	6.8	8.6	−1.8
1976	7.6	8.7	−1.1
1977	8.9	7.0	1.9
1978	1.3		1.3

The interstate highway program, which has been behind schedule for some time, also has its critics. Some say that it has overly encouraged use of the automobile to the point of congestion, divided communities, and turned the landscape into "concrete jungles." As a matter of fact, the highway trust fund helps states build all highways—urban or rural—as well as farm-to-market roads, local rural roads, public lands highways, even relocation assistance, including the acquisition and rehabilitation of existing housing or construction of new housing which might be caused by roadbuilding.

There is also the cry that the government is spending all of the transportation dollar on highways and none on mass transit. That's not true.

Between 1965 and 1970, Federal obligations to mass transportation programs totaled about $1 billion. Since passage of 1970 legislation entitled "Urban Mass Transportation Act," spending has increased significantly. In fiscal 1971 and 1972, total obligations were $1 billion, and the Urban Transportation Administration expects to obligate another $1 billion to mass transit programs in fiscal 1973.

Distribution of mass transit funds is interesting. In the first seven years of Federal mass transit aid programs, about one in six projects included assistance for the public takeover of a local bus line. In all, more than 75 percent of the total funds obligated up to 1972 went to five states—California, Illinois, Massachusetts, New York and Pennsylvania—and more than 30 percent were directed to projects in the San Francisco and New York metropolitan areas.

BOTH SYSTEMS NEEDED

Organized labor joins with other groups pressing for full Federal funding of both the highway and mass transit projects, with immediate action to restore work on highway systems which have been halted due to Congress' failure to enact Highway Act funding amendments last year. A direct subsidy to mass transit projects may be the answer, although several proposals have been advanced. How much subsidy is required is something yet to be grappled with by the legislators. The Administration has taken the position that only capital costs should be covered, that is, construction and major equipment purchases, although the bill passed by the Senate last year provided for operating cost subsidy as well.

Operating Engineers, at our most recent convention, went on record as opposing any diversion of the Highway Trust Fund to non-highway expenditures. There is simply not enough money available from the highway fund to spend otherwise. The I.U.O.E. has supported, however, the funding of special bus lanes, fringe parking, and even the purchase of some buses, all of which pertain to highway usage. We are strongly opposed to the use of highway funds to operate transit systems or for the development of non-highway modes of transportation.

This stand in no way lessens our concern for the needs of mass transit nor detracts from our desire to see the development of new technology, but to pursue these mass transit goals there must be new money sources. It becomes increasingly clear that to pay for mass transit we must establish a new avenue of funding.

The AFL–CIO Executive Council has called upon Representative Wilbur Mills, Chairman of the House Ways and Means Committee, to hold hearings on the need for a new mass transit trust fund. Perhaps income for this fund could come from a nominal additional tax on gasoline or similar transportation related area.

Until such time as a new trust can be established, mass transit must be financed from general revenue funds. We must not tamper with highway funds already allocated to existing projects.

Admittedly, the source of funding for both mass transit and highway needs is very complex. But we need highways now. And we need mass transit to alleviate highway congestion and to provide new transportation alternatives in the future. Congress can and should provide the means to meet our commitments in this area. The American public should not be forced to choose one or the other; we must have both mass transit and our highways.

WHOLESALE INDUSTRIAL PRICES

Mr. HUMPHREY. Mr. President, the alarming rise in wholesale industrial prices in the last few months is one of the gravest economic problems facing this country. Industrial prices have risen at an annual rate of nearly 15 percent in the last 3 months. Yesterday the Subcommittee on Consumer Economics of the Joint Economic Committee invited three distinguished experts to discuss this problem. Their testimony contains both analysis of the causes of this inflation and suggestions for strengthening our anti-inflation policies.

It is critical that the current rise in prices be halted. Otherwise the country will shortly find itself locked into a price-wage spiral which will make the 1969–71 experience look pale by comparison.

I invite all Members of Congress to study the valuable testimony presented to the Consumer Economics Subcommittee yesterday and to join in urging the administration to take vigorous action to halt inflation. Congress has extended the broad price-wage control powers requested by the administration. Now it is up to the administration to utilize these powers in an effective manner.

I ask unanimous consent that the testimony of Walter Adams, professor of economics at Michigan State University; Robert F. Lanzilotti, dean of the College of Business Administration at the University of Florida; and Robert Nathan, of Robert Nathan Associates, before the Subcommittee on Consumer Economics of the Joint Economic Committee be printed in the Record, together with my own opening remarks at that hearing.

There being no objection, the material was ordered to be printed in the Record, as follows:

Opening Statement of Senator Hubert H. Humphrey

This morning the Subcommittee on Consumer Economics has invited three distinguished private economists to give us their perspective on prices of non-food commodities.

Several weeks ago, when we first began planning this hearing, we were aware that there was a severe problem of rapidly rising industrial prices. But we did not realize how severe. The wholesale price numbers which were released last Thursday brought the problem home with dramatic force. In the last three months, industrial prices have been rising at an annual rate of nearly 15 percent. That single statistic should serve to wake up the country to the problem that we face. Most of these recent price increases have not yet reached the consumer. But they will. In the months ahead the consumer faces the probability of sharp price increases for a wide variety of non-food commodities—clothing, appliances, furniture, fuel and many other basic items. And the poor consumer must accommodate these price increases in addition to the 8 percent price increase which has already taken place this year for food.

Wages have not been rising to keep pace with this inflation. Wage increases negotiated in the first quarter were smaller, on the average, than they were in 1972. The index of real hourly earnings has been falling steadily for the last three months.

Of course, the imbalance between prices and wages cannot continue. If prices keep going up, wages must also go up. Unless there is immediate effective action to interrupt the price-wage spiral—notice I put *prices* first there—unless there is immediate action, the country may find itself facing a price-wage spiral which will make the 1969–71 experience look pale by comparison.

The Administration has done almost nothing to cope with this urgent problem. The very limited moves announced last week seem designed to give the impression of action without actually doing anything.

Congress has extended for another year the Administration's authority to take firm action to control inflation. But the Administration has indicated that it will take no action until prices have already been raised 1½ percent on a weighted average for all the products sold by a firm. There is no limit on how much the price of an individual item can go up. And what action must a firm take if it wishes to raise prices by more than 1½ percent? It must notify the Cost of Living Council. That is all. Just notify them. There is no requirement that they must obtain approval.

I am not the only one who thinks recent actions are totally inadequate. Dissatisfaction with present policies is almost universal. For example, Pierre Rinfret, an advisor to President Nixon, has called the current policies "a continuation of a do-nothing policy... merely hoping or praying."

This morning we are going to do more than hope and pray. We are going to examine the causes of recent price increases and try to come up with remedies which are adequate to the present need.

Our first witness will be Dr. Walter Adams, Professor of Economics at Michigan State University. Dr. Adams served as President of Michigan State University in 1969. He has written books and articles on many different subjects. Most relevant to our interests this morning, he is the author of "Monopoly in America" and "The Structure of American Industry." He is widely recognized as a leading expert on the steel industry. His statement this morning will be devoted largely to the behavior of steel prices. Let me say that is an extremely timely subject, since we have read in the newspapers just yesterday that the steel industry wants to raise prices an additional 4 to 6 percent.

Following Dr. Adams, our next witness will be Dr. Robert Lanzilotti, Professor of Economics and Dean of the College of Business Administration at the University of Florida. Dr. Lanzilotti was a member of the Price Commission, where he served as a vigorous spokesman for tougher rules and regulations governing price increases. He appeared before the Joint Economic Committee at our Annual Hearings last February, and we are grateful that he has returned today to give us his assessment of the startling price developments which have taken place in just the brief three months since those hearings were held.

Our final witness will be my old friend, Robert Nathan of Robert Nathan Associates. Like Dr. Lanzilotti, Bob Nathan brings to the question of how to control prices both practical experience and professional expertise. Mr. Nathan is both a lawyer and an economist. He has been an observer or participant in economic policy ever since the days when he was Chairman of the Planning Commission of the War Production Board in World War II.

Dr. Adams, please lead off.

Statement of Dr. Walter Adams

Mr. Chairman and Members of the Committee: I appear here this morning at your invitation to discuss steel prices and how to control them in a period of inflationary pressures. The moment is opportune. Just last week, the Bureau of Labor Statistics reported the largest one-month increase in wholesale prices since 1951. Incidentally, I recall that year with some nostalgia, because I served as economic counsel to the Senate Small Business Committee during the summer of 1951, and conducted a number of studies for Senator Humphrey's Subcommittee. Then as now, we were concerned with pricing practices of the steel industry.

THE RECORD OF STEEL PRICES

The U.S. steel industry is a classic, textbook oligopoly. Domestic producers do not compete among themselves in terms of price. It is simply not the custom of the industry. Instead of price competition, they follow a regime of strict price leadership and followership—more often than not in a monotonously upward direction.

Since the end of World War II, the industry's notorious policy of constant price escalation has contributed a prime stimulus to successive inflationary movements. Thus, between 1947 and 1951, according to the Council of Economic Advisers, "the average increase in the price of basic steel products was 9 percent per year, twice the average increase of all wholesale prices. The unique behavior of steel prices was most pronounced in the mid-1950's. While the wholesale price index was falling an average of 0.9 percent annually from 1951 to 1955, the price index for steel was rising an average of 4.8 percent per year. From 1955 to 1958, steel prices were increasing 7.1 percent annually, or almost three times as fast as wholesale prices generally. No other major sector shows a similar record." After a quiescent stage during the early 1960's, characterized by the moral suasion and "jawboning of the Kennedy Administration, steel prices resumed their upward movement in 1964—on a gradual selective product-by-product basis at first, and on a general across-the-board basis in 1969. The imposition of "voluntary" import quotas in January 1969 and the Nixon Administration's refusal to engage in government-industry confrontations simply accelerated the trend.

The one factor which dampened the industry's enthusiasm for marching in lockstep toward constantly higher price levels was the burgeoning of import competition. Thus, between January 1969 and December 1968, a period of nine years, the composite steel price index increased 4.1 points—or 0.45 points per year. Starting in January 1969, however, after the U.S. State Department had successfully persuaded the Europeans and Japanese to accept "voluntary" quotas on their sales to the United States (i.e. to enter into an informal international steel cartel), imports were cut back drastically and the domestic steel prices resumed their pre-1960 climb. In the four years between January 1969 and December 1972, the steel price index rose 26.7 points—or 6.67 points per year. Put differently, steel prices increased at an annual rate 14 times greater since the import quotas went into effect than in the nine years prior thereto. Through most of this period, the policy of price escalation was pursued in the face of recession, low volume, and the idleness of roughly 25% of the nation's steel capacity.

As if the import quotas—supplemented by "Buy American" regulations and assorted trade barriers—were not enough to insulate the steel industry from competition, President Nixon approved (and later withdrew) a temporary 10 percent surcharge on imports, including steel. In doing so, he perverted the "infant industry" argument for the benefit of lusty steel giants whose rambunctious excesses had wreaked havoc with past attempts at inflation control. With his arsenal of import restraints, he neutralized the perhaps most effective lid on steel pricing, while building up additional steam in an already overheated pressure cooker. These governmental actions also penalized such major steel consuming industries as automobiles, construction equipment, and agricultural implements which found it increasingly difficult to absorb the higher prices for an essential raw material while trying to maintain their competitiveness in domestic and foreign markets.

A longitudinal study of the structure, conduct, and performance of the American steel industry, I submit, yields some rather striking conclusions: giantism in this industry is the result of massive mergers of the past; the dominant firms are neither big because they are efficient, nor efficient because they are big; their technological lethargy, especially during the 1950's, when they lagged in introducing the basic oxygen process, continuous casting, and direct reduction of steel, put them at a comparative disadvantage in world competition; their insensitive, extortionate, oligopolistic price policy displaced American steel from world markets and opened the U.S. market to erosion by imports and substitutes; and, finally, the mercantilist protectionism of the federal government compounded the problems of the industry and the nation's economy. It gave legitimacy and endurance to a cartel which could not survive without government succor and support.

PUBLIC POLICY ALTERNATIVES

According to all reliable indicators, 1973 promises to be a banner year for the steel industry. A world-wide steel boom is in full swing, and the domestic industry is operating at nearly full capacity. Of the nine largest steel producers that have reported first-quarter earnings so far, the average increase in profits for the period was 67%, more than double the average increase in sales for the quarter. (*Wall Street Journal,* May 1, 1973) Part of this spectacular increase in profits is attributable to the 4% price increase, in effect since January 1, on 45% of the industry's product mix (primarily a variety of heavy products). Yet further price increases are in the offing. According to the trade press, the industry plans to increase the price on steel sheets (a large volume item) by some 2½ to 3% about June 1, and market conditions are such that the steel oligopoly will be able to make this increase stick. The prospects, therefore, are for more of the same—the steady price escalation which is a way of life in the American steel industry.

There are three major public policy options, if efforts are to be made to stem these inflationary pressures: (1) antitrust action; (2) direct controls; and (3) import competition.

(1) Antitrust action, consisting of a comprehensive dissolution-divorcement-divestiture program, is long overdue and eminently desirable to restore competitive structure, competitive conduct, and competitive performance in this somnolent oligopoly. Realistically, however, this is a long-term remedy which cannot be counted upon to provide immediate relief. All that can be done in the short run is to insist on tough enforcement of the anti-merger laws which would prevent any further concentration of power in an already overconcentrated industry.

(2) Direct controls, viz. the reimposition of Phase I or Phase II of the Nixon game plan, is at best a temporary expedient—likely to prove disappointing in the long-run. As our sad experience with this form of statecraft has demonstrated, regulation is a negative force for right conduct. A government commission can refuse to recommend a price increase, but it cannot compel an industry to lower production costs. It has no power to force regulated firms to spend money on new plants or scrap old plants. It cannot tell firms to increase expenditures on R & D, or to be more progressive in invention and innovation. Even if a commission had a perfectly clear view of what potentially attainable cost reductions and correct conduct are, it lacks the authority to compel powerful firms to comply with its prescriptions. Regulated firms may be prevented from doing the wrong things, but they cannot be forced to do the right things in the public interest. In short, since the regulators lack the power to stop cost inflation, waste, and what economists call x-inefficiency, they cannot affectively cope with steady price inflation.

One marginal suggestion: if Phase II controls are to be reimposed, oligopoly firms should be precluded from applying for price increases as long as they operate in markets protected by tariffs and/or voluntary or mandatory import quotas.

(3) Import competition is probably the most effective short-run measure for curbing inflation—and the major steel companies are fully aware of it. Ever since import competition began to erode their insulated market in the 1960's, the major companies have demanded protectionist privileges. After invoking the archaic Anti-Dumping Act of 1921 and suffering successive defeats before the Tariff Commission, they demanded revisions of the law which would enable them to stifle foreign competition. When the Congress refused to revise the anti-dumping statute, they demanded "temporary" tariff protection. When Congress also turned down this form of protection, they demanded mandatory quotas. And now, even though "voluntary" quotas have been in effect since January 1, 1969, they are still pressing for the kind of quota legislation embodied in the Burke-Hartke bill. In this drive, incidentally, the industry seems to enjoy the full support of the United Steel Workers of America.

Curiously enough, the industry offers startlingly contradictory arguments in support of its demand for quotas. Thus, in October 1967, Mr. John P. Roche, president of the American Iron and Steel Institute, told the Senate Finance Committee that quotas were necessary because of the chronic excess capacity in the world steel industry: "It has been estimated that steelmaking capacity abroad now exceeds demand by more than 55 million tons. Countries which formerly relied on imports for their steel requirements have tended more and more to develop their own steel industries and to protect them against imported steel. Home markets of some long-established steel producers have grown less rapidly than expected. These producers have, therefore, taken increasingly to invading the markets of other producers—especially that of the United States." Joseph P. Molony of the United Steel Workers presented parallel testimony to the Finance Committee.

Contrast that position with the industry's current rationale for protectionism. By 1980, says Father William Hogan, a sympathetic observer of the industry and a consistent advocate of import quotas, the annual steel demand will require a world-wide capacity of 1.1 billion raw tons as compared to today's capacity of only 780 million tons. "Blazes, that's a short fall, with new and replacement needs, of 600 million tons," he says. (*Forbes,* April 15, 1973) What was considered only a few short years ago a *chronic world steel surplus* has suddenly become an *endemic world steel shortage*—and the way to cure it, so runs the argument, is by higher prices and higher profits which would make additional investment in steel capacity attractive. This, in turn, would require—almost as a sine qua non—a "normalization" of world trade in steel, meaning strict regulation of steel imports and the sterilization of their impact on domestic steel prices.

Such a policy, as I see it, would be an invitation to national disaster. Unlike the American steel industry, the leading steel producers of the world are subject either to a strong import discipline or a strong export discipline or both. (See attached tables) They are subject to constant exogenous pressures which force them to behave competitively, aggressively, and efficiently. Unlike their American conferes, they cannot afford the luxury of leading the quiet life and still survive.

A nation's industrial power, I submit, is not the product of governmental permissiveness and governmental coddling. The end of that road is marked "Penn Central" and "Lockheed". Industrial power is the fruit of the constant spur for efficiency and progress which is best provided in a competitive environment.

PRICE INDEX, IRON AND STEEL (SELECTED DATES)

Month and year	1957–59=100	1967=100
January 1960	102.0	98.4
December 1968	106.1	102.4
December 1969	113.9	109.9
December 1970	120.7	116.5
December 1971	129.8	125.3
December 1972	134.2	129.5
January 1973	136.65	131.9
February 1973	137.79	133.0
March 1973	138.10	133.3

Source: Based on BLS wholesale price index.

STEEL SHIPMENTS, IMPORTS, AND EXPORTS FOR THE UNITED STATES, 1960–72

[In thousands of net tons]

Year	Shipments	Imports	Imports as a percent of apparent consumption	Exports	Exports as a percent of shipments
1960	71,149	3,578	5.0	3,224	4.5
1961	66,126	3,321	4.9	2,228	3.3
1962	70,552	4,306	5.9	2,274	3.2
1963	75,555	5,665	7.2	2,556	3.3
1964	84,945	6,711	7.6	3,735	4.4
1965	92,666	10,749	10.7	2,837	3.1
1966	89,995	11,166	11.3	2,027	2.2
1967	83,897	11,924	12.7	1,971	2.3
1968	91,856	18,462	17.1	2,499	2.7
1969	93,877	14,615	14.2	5,597	6.0
1970	90,798	13,997	14.4	7,460	8.2
1971	87,038	18,930	18.4	3,155	3.6
1972	91,805	17,681	16.6	2,873	3.1

Source: "Annual Statistical Report," American Iron & Steel Institute, various years.

STEEL SHIPMENTS, IMPORTS, AND EXPORTS FOR SELECTED COUNTRIES, 1969–71

[In thousands of metric tons]

Year	Shipments	Imports	Imports as a percent of apparent consumption	Exports	Exports as a percent of shipments
Germany:					
1969	38,976	8,072	21.5	9,568	24.5
1970	37,938	8,059	21.5	8,565	22.6
1971	30,807	8,638	28.9	9,540	31.0
France:					
1969	17,822	5,959	32.6	5,478	30.7
1970	18,248	6,520	35.0	6,157	33.7
1971	18,354	5,732	32.9	6,661	36.3
Italy:					
1969	14,374	3,489	20.8	1,055	7.3
1970	14,143	4,395	25.2	1,078	7.6
1971	14,691	3,520	22.1	2,265	15.4
Benelux:					
1969	19,042	4,168	48.0	14,534	76.3
1970	18,562	4,391	51.8	14.475	78.0
1971	18,581	4,296	52.4	14,686	79.0
Japan:					
1969	58,253	129.1	.3	16,006	27.5
1970	65,368	268.3	.6	17,981	27.5
1971	63,192			24,178	38.3

Source: European and Japanese statistical yearbooks and reports, various years.

STATEMENT OF DR. ROBERT F. LANZILLOTTI

Mr. Chairman, members of the Committee, I am honored and pleased to be invited back to testify before this Committee on the continuing problem of inflation and the policy issues facing the Congress and the Economic Stabilization Program. My views on the nature of the inflation problem are essentially unchanged from my testimony before the full Commitee in February, although the short-run policy dilemma clearly has become more acute.

In February, I cautioned that "We are unquestionably entering the most difficult stage of the current inflationary process. Demand pressures will combine with, not replace, cost-push pressures." Events of the past few months have confirmed this diagnosis and have complicated the policy dilemma the nation faces, especially as it pertains to the role of direct wage and price controls.

The inflation statistics are both startling and disturbing, as shown in Table 1. From February to March alone, wholesale prices increased by 2.2 per cent and retail prices by 0.8 per cent. Of greater concern is the acceleration that has taken place both in the WPI and CPI since December, 1972. Principal attention has focused on the continued surge in food prices, but since December there also has been an acceleration in the prices of industrial goods. For example, in the three months ending March, 1973 wholesale industrial commodity prices increased at a 10.3 per cent annual rate, compared to a 2.0 per cent annual rate in the three months ending December, 1972. (Moreover, early reports available at this writing indicate that industrial prices rose by 1.4 per cent from March to April.) Similar rises are evident in other components of the WPI and CPI (Table 1).

These statistics are clear enough, but they provide only limited insight to the causes and characteristics of the current surge in inflation, and alone are an ambiguous guide to policy. More particularly, the recent advance in the inflation rate does not represent a broad cross-sectional surge of wage-price increases, which is important in deciding where we go from here in the use of wage and price controls and the proper course of economic policy in 1973.

It is my understanding that the Committee wishes to concentrate today on the behavior of non-food prices. Before turning to that area, I want to stress that the large increases in food prices over the past few months will continue to contribute to the inflationary process even after the rises abate, and as a consequence, are of special significance for purposes of economic stabilization policy in 1973. This will be due to legitimate demands for wage and salary adjustments to maintain real income positions.

TABLE I.—CHANGES IN WHOLESALE AND RETAIL PRICE INDEXES AND COMPONENTS, 1972–73

Index	Percentage change for 3 months ending[1]—			
	June 1972	September 1972	December 1972	March 1973
I. WPI: All items	4.9	6.7	9.6	12.5
A. Industrial Commodities	4.9	3.2	2.0	10.3
B. Farm products (including processed foods and feeds)	4.8	17.4	30.1	53.1
C. Consumer foods	2.7	10.0	15.8	45.0
D. Consumer finished goods	2.5	6.7	5.9	21.7
E. Consumer goods (excluding food)	2.5	3.9	−.3	7.3
II. CPI: All items	2.2	4.6	3.2	8.5
A. Commodities	2.0	5.4	2.3	12.8
B. Commodities (less food)	2.7	4.1	1.0	3.4
C. Services (not seasonally adjusted)	3.1	3.0	3.9	3.6
D. All items (less food)	3.2	3.5	2.5	3.2
E. Nondurable Commodities	.7	5.7	3.3	16.8
F. Apparel (less footwear)	.3	2.3	4.6	3.3
G. Services (less medical care, not seasonally adjusted)	2.4	3.1	3.6	3.6
H. Insurance and finance	4.6	2.8	2.8	−.5
I. Utilities and public transportation	3.9	3.2	3.2	2.9

[1] Seasonally adjusted, compounded annual rates.

Source: Bureau of Labor Statistics.

Thus, the major challenge for current stabilization policy is to prevent the food price surge from triggering another wage-price spiral later in 1973 and 1974.

In this connection, it is generally agreed that the most serious problem in the food area is the rise in meat prices. What is usually not made clear is that the rise in meat prices lies in unwise government policies designed to limit production, and to increase the prices, of feed grains. In simplest terms, when feed grains are short, their prices rise and farmers reduce livestock production. Hence, the official policy of keeping farm prices high by paying farmers for not producing as much as they could must be blamed for this part of the inflation.

In all candor, I should note that the Price Commission found no magic solution to rising food prices during Phase II, although *very early in 1972 we urged the Secretary of Agriculture to modify the planned acreage set-asides, with singular lack of success.*

In the non-food sector, many separate forces lie behind the surge of commodity price rises, including: (1) the effects of the second U.S. devaluation in February; (2) the uncertainty about the current structure of Phase III controls; (3) anticipations of another freeze, price rollbacks, and tougher controls; (4) various "catchup" increases from the relaxation of Phase II controls in January (e.g., lumber); (5) the implementation of the auto price increases which had been postponed by the Price Commission late in 1972; and (6) a general rise in aggregate demand reflected in sharp increases in consumer spending, capital outlays by business, and government expenditures, which make it easier for price increases to stick.

Since many of the influences affecting the recent surge in prices are largely transitional their pressure on prices is not likely to persist. In the case of some price increases, however (e.g., paper, textile products, machinery and equipment) serious questions can be raised about the efficacy of Phase III controls since these are not areas in which rising raw material prices are in evidence.

In short, the U. S. inflation problem has become more complicated than the situation prior to August, 1971. Because of this, policy prescription, at least for the short run, is neither simple nor clearcut. Part of the reason is that the momentum gained in reaching price and wage stability under Phase II has been lost, and there is a re-appearance of the kind of crisis atmosphere that prevailed during the early summer of 1971. This calls for firm action on economic policy to correct what appears to be a kind of "policy drift."

I remain convinced that the fundamentals of long-run price stabilization lie in the prudent use of monetary policy and fiscal policy. However, in the short run care is required in the use of these policies, especially monetary policy, so that there is not an overreaction to the current crisis with overly restrictive monetary policy, throwing the economy into a recession. Also, the President's recommended budget of $269 billion for FY 74 should provide fiscal restraint for the remainder of 1973 and early 1974, although in my opinion both monetary and fiscal policy were too expansive this past year.

Thus, the current dilemma is not only the proper mix of traditional policy instruments for 1973, but whether wage and price controls should be relaxed, tightened, left unchanged, or abolished altogether. The argument for abolishing controls completely rests on the premise that the surge in prices at wholesale and retail is largely a bulge phenomenon. The opposing view is that while a bulge problem has developed, the rises in the WPI and CPI are not all of that nature, and even if we are dealing largely with a bulge problem, it nonetheless is likely to trigger higher wage demands in 1973, which, in turn, can lead to further wage-cost push in 1973 and 1974.

From the standpoint of deciding on a safe policy course, we should examine the probable effects of the bulge hypothesis if controls are (a) abolished or (b) continued, alternatively assuming the hypothesis turns out to be correct or incorrect.

If the bulge assumption should be correct, either continuing or abolishing controls would not make much difference for price stabilization, although controls could lead to some market distortions. However, if demand is expected to ease, or supplies increase, as implied in the bulge hypothesis, then distortions from controls would be minimized.

If the bulge hypothesis turns out to be incorrect, however, abolishing controls and simply riding out the price rises implies acceptance of another click on the inflation ratchet for 1973 and beyond. Alternatively, if controls are maintained, on the assumption that the bulge hypothesis is incorrect, it can help attenuate wage-price increases.

In short, the point is that controls are still needed for the short term to prevent the bulge from causing larger problems, and may be required for the long term if the rise in prices is more than a bulge phenomenon. This is the basic rationale for continuing controls at the present time.

I do not have a particular set of economic policy changes that I am confident will take us out of the current inflation. However, I believe the mix requires some direct controls. Also, there are some lessons we can learn from errors of the past few years, especially in the agricultural policy area, as noted previously.

Aside from the inflation problem in the food sector, I see no easy solution to the problems in the industrial sector. At this juncture my views are as follows:

(1) I do not favor a general wage-price freeze for the current situation, as some have proposed. The circumstances are quite different from those preceding the freeze of 1971 and it is doubtful that another freeze would accomplish anything constructive.

(2) At the same time, I do not favor a policy of relying exclusively on monetary and fiscal policy to take us out of this crisis, since I do not expect that this policy mix will be any-more effective today than it was between 1969 and 1971.

(3) Thus, I am not in favor of dropping controls altogether. As I stated here in February, I still regard government intervention in the processes of wage and price determination as generally undesirable from an economic standpoint, but such actions still are necessary for the near term.

(4) Other actions such as agricultural policy reforms and policies to make markets more competitive will help over the long run, but will not alleviate the current problem.

(5) In the area of price controls, some tightening is called for. The pre-notification requirement should be reinstated for companies in the Tier I category so that the Cost of Living Council can be aware of price increases and their justification. Additionally, I would favor tightening the standard for price increases to limit cost passthroughs to *direct* cost increases than *total* cost increases.

(6) Some agency should be on guard to insure that the shortage situation emerging in gasoline does not produce adverse effects on the competitive structure of retail markets. This may require a program of gasoline rationing by major refiners to all customers in order to prevent independents from being pushed to the wall due to the shortages in some areas. I note that some efforts along these lines are under consideration, and believe they deserve strong support.

(7) In regard to the wage standard, it is going to be difficult to enforce the 5.5 per cent standard in the wake of the food-price surge. Therefore, I suggest consideration be given to a policy of temporary tax credits to certain individual taxpayers to make up for the loss in purchasing power due to the price rises since December. This would permit enforcement of the 5.5 per cent standard on wage adjustments, and at the same time help minimize the ratchet effect from extra "catchup" wage increases that seem imminent in 1973 bargaining.

In summary, it is regrettable that relative real income positions reached under Phase II have been altered by events since January, undermining confidence in the efficacy of Phase III controls. Catchup actions by business and labor are necessary and proper, but these need to be carefully contained for the near term by wage-price restraints to minimize the possibility of a recurrence of the 1971 crisis. Finally, high-level presentation of a candid analysis of the current economic situation, outlining the nature of the problem and the mix of economic medicine required, can help restore public confidence in economic policy.

Testimony of Robert R. Nathan

The recent sharp acceleration in industrial prices at the wholesale level points toward continued serious inflation for consumers. Prices at wholesale do have an impact on retail prices after some lag. That is precisely why precipitous skyrocketing, first of farm product prices and now of wholesale industrial prices must be a source of deep alarm.

From 1966 to 1970 all wholesale prices increased about 2.5 percent per year and the rise in industrial commodities was less than 3 percent annually. Since then the upward pace tended to quicken, but it was not until 1972 when the increase in wholesale prices really broke loose. The figures now reveal that late in 1972 and throughout the early months of 1973 the lid was blown off the general inflation and we seem to be back on a worsening inflation spiral with a vengeance.

In April industrial commodities in the wholesale price index were 9 percent higher on an annual basis than six months earlier, but in the last three months the yearly rate of rise was nearly 15 percent. The wholesale price index of finished consumer goods increased at a rate of over 20 percent in the last three months. The inflation in consumer goods, excluding food, rose at an annual rate of nearly 13 percent in the last quarter. The food price index declined fractionally in April but the total price picture is a dismal one.

The shift from Phase II to Phase III in January was timed about as badly as a wild inflationist would seek. The Chairman of the Council of Economic Advisers recently said that since it would be necessary at some date to move from Phase II to Phase III he concluded that January was as propitious a time as any. One need only have looked at two known critical facts to conclude otherwise. Prices of farm products had risen 10 percent at wholesale in November and December 1972 and it was obvious they would rise much more. Also, everyone knew that critical wage negotiations were coming up in the spring and summer of 1973. These two known facts were good reasons for not decontrolling or weakening controls in January of 1973. In fact, there was practically no reason for such a move at that time. The excuse that distortions were resulting from controls has not yet been explained in even the slightest degree. The decision was a dreadful and costly mistake.

I testified before the Joint Economic Committee in November 1972 and I expressed my horror over the possibility of a major mistaken policy decision of removing controls too soon. Now we see the folly of weakening controls in January. We have just seen a patchwork effort of trying to apply a band-aid to a severed artery. It is quite clear that the fight against inflation has been largely abandoned by the Administration. It is equally evident that the only meaningful effort to bring inflation under control will be through curtailing overall economic activity.

Apparently the Administration economists did not learn a lesson from their experiences of 1970 and 1971 when the planned and costly recession failed to really bring the inflationary spiral to a halt. They are on the brink of programming another recession which will also prove to be a failure in achieving relative price stability.

The freeze in August 1971 and the subsequent controls imposed in November as Phase II did serve in some degree to unwind the spiral—although not adequately. Regrettably, the weak and wobbly Phase III was introduced before the spiral was really broken. Now it is quite clear that we are in a new spiral.

I do not believe any serious economist would contend that the 40 percent annual rate of increase in wholesale farm prices in the last six months will continue. Nor is it likely that the recent annual rate of increase in wholesale industrial commodity prices of nearly 15 percent will accelerate or long continue. However, there is every reason to expect that inflation in 1973 will be much worse than in 1972 and that the prospect of getting down to the President's promised 2½ percent annual rate of inflation is about as likely as the proverbial snowball into hot locations.

It is interesting to note that in three months of Phase III the annual rate of increase in wholesale prices of all commodities was over three times the rate in Phase II; of industrial commodities over four times; and of consumer finished goods, excluding foods, it was over five times. This is a stormy picture from any view. It seems as though the Administration economists use both ends of strong binoculars in their economic analyses. When there is a slight improvement in price stability they look through the magnifying end of the binoculars and statements on progress are greatly exaggerated. On the other hand, when there is really bad news the officials turn their binoculars around and look through the other end, belittling the adverse trends. It seems that there is an element of self-delusion in this process as well as deception.

The probabilities are that the domestic inflationary consequences of two dollar devaluations have by no means been fully reflected in our prices. Devaluations mean that domestic prices of imported goods in the United States tend to increase. Many of the raw materials as well as components and finished products that come into the United States are selling at higher prices. Further, the devaluation will intensify foreign demand for U.S. exports and if there now were a tendency for overheating in selected sectors of the economy, the rapidly rising export demands in those industries in which domestic demands are rising rapidly could feed the fires of inflation. Looking at the overall picture, however, the continuation of the 5 percent rate of unemployment hardly indicates that aggregate demand is excessive and that the economy generally is overheated. There is no basis for concluding that the way to fight further inflation now is to slow the economic expansion and to increase the rate of unemployment. That policy would be a costly failure.

In the coming months there are going to be some very important wage negotiations. Workers cannot be expected to sit back and watch consumer prices skyrocket and still exercise great restraint in making demands for higher wages. Excessive wage increases will be regrettable from the workers' as well as the country's point of view because labor will be among the severest victims of further inflation. Yet I do not see how the union leaders can be expected to exercise restraint when the government makes foolish policy mistakes and when profits are rising at a phenomenal rate. Maybe profits are not too high but the rate of rise in profits is too high. Sadly, the spiral of inflation is mounting and labor will suffer and the economy will be weakened.

No one likes controls, but we would have been much better off had Phase II been administered more tightly and continued for several more months. At least it would have gotten us through a period of very sharp food price increases with minimum damage. It might have delayed the second devaluation which in turn would have kept import prices from rising so much. Finally, and most important of all, it would have provided the basis for more moderate wage settlements in 1973.

The real question now is whether effective controls can be restored. It is not a very pleasant choice to restore tougher controls, but in the longer run we will be much better off to have a freeze for a time—preferably retroactive for a limited period—and then move to a new tough Phase II for perhaps as long as a year, rather than do practically nothing. It would be much more difficult than it was the first time around, but the alternative of a new spiral of inflation which will be costly and damaging will bring even more painful economic ailments. Worse still would be another recession undertaken by those who still refuse to recognize the processes involved in an inflation spiral and who delude themselves into thinking that a recession will restore price stability. Of course we must prevent overheating when it threatens, but we must break the spiral by direct and drastic means.

The choices are difficult but it is better to move firmly now than to sit idly and become enmeshed in the spiral. If we do not act quickly the value of the dollar will shrink and shrink. Perhaps we will have to resign ourselves to the final use of the present dollar—namely, as premium stamps. If the inflation doesn't slow down we can probably use the present currency as S&S Green Trading Stamps commemorating Messrs. Schulz and Stein for their role in the sharp drop in the value of the dollar.

AUTO EMISSION STANDARDS

Mr. DOMENICI. Mr. President, as an American who is deeply concerned about air pollution and as a member of the Air and Water Subcommittee of the Senate Public Works Committee, I have followed very closely the debate on the 1975 auto emissions standards. Prior to the announcement of EPA's decision on April 11, 1973, I had asked my scientific advisory committee in New Mexico to prepare a report for me on the issue of automobile emission standards.

I received the report from that committee at about the same time the Air and Water Subcommittee held hearings on the EPA's decision on the 1975 auto emissions standards and I found the report to be very helpful to me in preparation for and participation in those hearings. I feel that the work of groups such as this represents significant resources which I urge my colleagues in the Senate to utilize to a greater extent. I ask unanimous consent that the report be printed in its entirety at this point in the Record.

There being no objection, the report was ordered to be printed in the Record, as follows:

Automobile Emissions Study

(By the Scientific Advisory Committee to Senator Pete V. Domenici)

Answers to Specific Questions

The opinion of the study participants regarding auto emissions is:

(1) Automobile emission standards and regulations to control emissions are necessary now. Both will become more important as time goes by.

(2) The federal auto emissions standards (levels) are reasonable in that (a) they will improve air quality in many metropolitan areas to an acceptable level and (b) they will

slow the deterioration of air quality during further industrial and population growth until other control measures can be taken.

(3) It is technically feasible to build automobile engines that can meet the federal standards. However, with only 20 months until the 1975 automobiles are due to come out, Chrysler may not make it. The approach they have chosen (piston engines and catalytic converters) and the lack of progress they have shown to date toward meeting the standards are prime factors. Consequently, their contention that a severe burden on natural and economic resources will result from the standards is partially true.

The United States Environmental Protection Agency has prepared a reply to industry's criticism of the automotive emissions standards entitled "The Federal Automobile Emission Standards: Their Purpose, Their Need, Their Impact." The study participants support the EPA position described in this reply in its entirety.

The discussion below is intended as a concise qualification and elaboration of the answers given above.

NATIONAL ACADEMY OF SCIENCES REPORT

The specific questions that were considered by our group were addressed in a vastly greater depth by the National Academy of Sciences for the Congress and the Environmental Protection Agency. The work, "Report by the Committee on Motor Vehicle Emissions," dated February 15, 1973, 140 pages, is available from the Academy. Its substance and conclusions, with which ours are in consonance, are not quoted nor summarized here because of the danger of taking them out of context as we believe the Chrysler report has done. We believe that this is the single best summary of the automobile emissions problem currently available.

STANDARDS

Federal exhaust emissions standards (Federal Register, Vol. 37, No. 221, Part II, dated Nov. 15, 1972) for light duty vehicles and required reductions from uncontrolled levels (noted as % in Chrysler report) are shown below:

FEDERAL EXHAUST EMISSION STANDARDS

Item	Amount (grams per vehicle mile) 1975	Amount (grams per vehicle mile) 1976	Required reduction from uncontrolled levels (percent)
Hydrocarbons	0.41	0.41	97
Carbon monoxide	3.4	3.4	96
Nitrogen oxides	3.1	.40	93

Federal air quality standards and those for New Mexico are shown in Table I (attached). The amount that auto emissions need to be regulated to achieve the air quality standards cited is a function of growth in the number of cars, the trend in size and type of engines, atmospheric conditions in each locality, the amount auto emissions contribute to air pollution relative to other sources, etc. Quantitative estimates of the items above have been based on insufficient data. Consequently, current and future decisions must be based on the best information available and must be accepted subject to revision as new and better information becomes available.

CRITERIA

The criteria used to establish air quality standards will influence the standards that are set. What criteria should be used depend on many variables that interact in a complex manner. The Clean Air Act defines standards as follows:

Primary—those necessary to protect public health; and secondary—those necessary to protect the public's welfare from any known or anticipated adverse effects of a pollutant.

Further the act states that:

"The promulgation of national primary and secondary ambient air quality standards shall not be considered in any manner to allow significant deterioration of existing air quality in any portion of any State."

Much of the Chrysler proposal for relaxed emission controls centers on arguments concerning those levels necessary to meet only the primary standard of protecting public health.

Whether auto emissions for 1975–76 should be based on primary or secondary air quality standards is a difficult question. Our group believes that not only should the secondary standards be used as criteria where they apply but also air quality in New Mexico, which is better than the federal standards, should not be permitted to deteriorate below existing quality.

EFFECTS

Tables II and III are listings of toxicological effects of air pollutants. They are included here to help provide some perspective on the problem.

ENGINES THAT MEET FEDERAL STANDARDS

EPA has tested three engines that meet the 50,000-mile durability requirement for emission standards. The Honda meets the requirements through vortex controlled combustion combined with small engine displacement. It provides 65 horsepower which limits its use to 1600-pound automobiles. The Mazda Wankel rotary engine, which meets the standards, is small also and requires a thermal reactor for oxidation of carbon monoxide and unburned hydrocarbons. Even these engines will require additional development if enlarged to be suitable for standard sized and larger cars. The Mercedes diesel is a fairly large engine but is noisy and emits fumes. Both characteristics are objectionable but are not covered by current standards.

AMERICAN AUTO MANUFACTURERS' APPROACH TO EMISSION CONTROL

There is great concern that the American automobile manufacturers have chosen an emergency approach with limited options in continuing with current engine technology which requires the proposed catalytic systems for controlling emissions. It is true that, having made this choice, time scales may not permit catalytic converters to be sucessfully developed and tested at reasonable cost before the 1975 deadline. However, if the standards or the time sales are relaxed at this time, it is feared that the auto manufaturers will not exert suffiient effort to solve the emission problem. The alteranatives, which might be more satisfactory, but for which there also is insufficient time, include changing over to new engine types under active investigation by the Department of Transportation as well as private agencies or converting to other fuels. (Another alternative for meeting air quality standards for which the auto manufacturers are not responsible would be to develop mass transit systems and reduce the number of private automobiles. This too is a complex problem relating to public acceptance.)

The ineffiicency of the piston engine-catalyst system is cause for concern. This system will result in the expenditure of greater amounts of gasoline at a time when the shortage of petroleum products is critical. There is no doubt that the whole matter is complex and that the interactions of one decision on another need to be examined.

COSTS

The following appears in the EPA statement on automobile emissions:

"The government sets the emission standards; industry chooses the technology."

We add, "and the public pays the costs."

At this point in time we do not believe that anyone knows whether there will be a cost gain or loss to the public. Nor do we know to what degree the public would choose to pay for clean air.

The public will have to pay the cost of automotive developments to control emissions whether in the form of catalytic converters, in new tooling for new engine types or in other forms. Also, the public will have to accept the current loss in vehicle performance resulting from the use of emission controls. It is possible that the position of the automobile manufacturers reflects their interpretation of the choice that the public would make on the basis of current cost information. Following is an attempt to tabulate a balance sheet to show how costs interact.

TABLE IV.—HYPOTHETICAL COST BALANCE SHEET

Item	Cost	Gain
New development of auto emission controls	$X	
Maintenance of auto emission controls	X	
Increased fuel cost (perhaps very important in light of energy problems)	X	
Health benefits		$X
Property benefits		X
Esthetic benefits		X
Total	XX	XX

Whether the gain will balance with the cost at the present time we are not sure. Eventually it will have to.

TRADE-OFFS AND SYSTEMS ANALYSES

The questions of automobile emissions and air quality are fraught with complex interactions. Every decision will probably be a compromise where no single feature will be optimum. For example, in internal combustion engines the air-fuel ratio that provides minimum hydrocarbon and carbon monoxide emissions causes maximum nitrous oxides emissions. Also, engines are not designed to operate with the air-fuel ratios that are the best compromise to keep emissions low. Further, if emission control and engine operation are compromised to be as favorable to both as possible, continuous maintenance and fine tuning may be necessary to avoid large scale multiplication of emissions and low engine performance.

This is a simple illustration of a general truth with far reaching implications. To understand whether a conclusion is right or wrong or partially so requires an assessment of as much of "the total system" as possible. What follows then is that effective R&D to determine the appropriate trade-offs and broad systems analyses to determine the effects are not only justified but necessary to obtain the right answers.

RECOMMENDATIONS

The study participants, speaking as scientists, engineers and as part of the public, support the federal auto emission and air quality standards and, in New Mexico, the state air quality standards which are more stringent. We believe that the position of the automobile manufacturers is not completely justifiable.

Our recommendations are as follows:

1. Support current federal standards.
2. Support the EPA position.
3. Support federal and private initiatives on fundamental engine designs that will solve the long-term emissions problem with fewer engineering and efficiency compromises.
4. Look into the possibility of providing incentives to manufacturers for meeting standards.

Intuitively and on the basis of current information we believe that the federal emission standards are reasonable, that the benefits justify the effort, and that the public will choose to pay the costs. However, we have reservations regarding Chrysler Corporation's ability to comply with the standards by 1975.

WILLIAM H. KINGSLEY, *Chairman.*
(Report edited by E. L. Harley.)

TABLE I.—AMBIENT AIR QUALITY STANDARDS

	Federal	New Mexico
A. Particulate:		
1. 24-hr average	260 μg/m^3 [1]	150 μg/m^3
2. 7-day average		110 μg/m^3
3. 30-day average		90 μg/m^3
4. Annual geometric mean	75 μg/m^3 [1]	60 μg/m^3
B. Particulate elements (30-day average):		
1. Beryllium		0.01 μg/m^3
2. Asbestos		0.01 μg/m^3
3. Heavy metals (total combined)		10 μg/m^3
C. Air contaminants:		
1. Sulfur dioxide:		
(a) 24-hr average	0.14 ppm [1]	0.10 ppm
(b) Annual arithmetic average	0.03 ppm [1]	0.02 ppm
2. Hydrogen sulfide (1-hr average)		0.003 ppm
3. Total reduced sulfur (1-hr average)		0.003 ppm
4. Carbon monoxide:		
(a) 8-hr average	9 ppm	8.7 ppm
(b) 1-hr average	35 ppm	13.1 ppm
5. Nitrogen dioxide:		
(a) 24-hr average		0.10 ppm
(b) Annual arithmetic average	.05 ppm	0.05 ppm
6. Photochemical oxidants (1-hr average)		0.06 ppm
7. Nonmethane hydrocarbons (3-hr average)	.24 ppm	0.19 ppm
D. Soiling index (annual average)		0.4 cohs/1,000 linear ft of air.

[1] Standards annotated here are primary standards only. Federal secondary standards for these items are the same as those shown for New Mexico.

TABLE II—AIR POLLUTION—HUMAN HEALTH EFFECTS

MATERIAL, CONCENTRATION, AND EFFECTS

A. Ozone[1]

1. 0.2 ppm, None.
2. 0.3 ppm, Nose and throat irritation.
3. 0.5 ppm, Decreased forced expiratory volume.
4. 0.6 ppm to 1 ppm, Impaired pulmonary function.
5. 1 ppm to 3 ppm, Intolerable.
6. 9 ppm, Severe illness.

B. Nitrogen oxides[1]

1. 1 ppm to 3 ppm, Odor threshold.
2. 10 ppm, Adverse thickening of lung lining.
3. 15 ppm, Abnormal increase of lung cells.
4. 50 ppm to 100 ppm, Bronchiolitis.
5. 150 ppm to 200 ppm, Fatal in three to five weeks.

C. Sulfur dioxide[1]

1. 0.3 ppm, Taste.
2. 0.5 ppm, Odor.
3. 1 ppm to 2 ppm, Slightly increased pulmonary flow resistance (PFR).
4. 5 ppm, 30% increase in PFR after ten minutes.
5. 13 ppm, 72% increase in PFR.

Nasal passages absorb approximately 84% of SO_2.

Particulates multiply irritation 3 to 4 times.

D. Carbon monoxide[2]

(COHb level (gas level))

1. Less than 1%, no apparent effects.
2. 1% to 2% (10 ppm), some evidence of behavioral performance effects.
3. 2% to 5% (30 ppm), central nervous system effects.
4. >5%, cardiac and pulmonary functional changes.
5. 10% to 80% (100 ppm to >750 ppm), headaches, fatigue, drowsiness, coma, death.

Rural non-smokers have a background level of 0.4% COHb.[1]

Urban non-smokers have a background level of about 2% COHb.[3]

Smokers have a background level of from 5% to 12% COHb.[3], [2]

E. Hydrocarbons[1]

"There is little evidence to indicate direct health effects of the gaseous hydrocarbons present in the ambient air."

F. Particulates[1]

Cause permanent or reversible injury dependent upon type and concentration. Synergistic effects are of considerable importance.

1. Non-viable[4]

a. Asbestos: Generally requires prolonged periods of exposure (10 to 20 years) to result in the progressive diffuse fibrosis that characterizes asbestosis.

b. Beryllium: Causes shortness of breath, cough, loss of appetite and weight loss in acute cases. In chronic cases it causes lesions of the skin, liver, kidneys, spleen, lymph nodes and lungs.

c. Carbon: In small amounts, by itself, appears to be harmless. Larger amounts can cause difficulty in breathing.

d. Coal: Appears harmless in the small amounts generally found in the usual urban atmosphere.

In coal mine workers it causes difficulty in breathing, frequent cough, expectoration of inky black sputum, severe breathlessness on exertion, can lead to emphysema and disposes one to tuberculosis.

e. Lead: Causes abdominal pain and tenderness, constipation, headaches, weakness, muscular aches and cramps, vomiting and anemia.

Lead aerosol levels appear to be increasing at 5% per year in San Diego, Calif. The primary source appears to be gasoline.

f. Mercury: Can produce abdominal pain, vomiting, diarrhea, pneumonia, renal damage, circulatory and respiratory failure, emotional instabilities.

g. Nickel: Will produce cancer in animals and man when inhaled as nickel carbonyl. One source is the exhaust from burning diesel fuel.

2. Viable[5]

a. Microorganisms: Algae and protozoa, not generally airborne. Fungi, molds, spores, can cause allergic reactions and plant diseases. Bacteria, cause diseases.

b. Pollen: Causes hayfever and other allergic reactions.

FOOTNOTES

[1] Introduction to the Scientific Study of Atmospheric Pollution. Edited by McCormac. See Air Pollution Human Health Effects Chapter.

[2] *Carbon Monoxide* by Philip Wolf. Environmental Science and Technology. Vol. 5, No. 3, March 1971.

[3] *Let's Have Clean Air*, Chrysler Corporation Booklet. December 1972.

[4] McCormac (ed), *Introduction to the Scientific Study of the Atmospheric Pollution*, pp. 97-130. See Chapter entitled Air Pollution Human Health Effects by Richard L. Masters, D. Reidel Publishing Company, Dordrecht Holland 1971.

[5] Stern, *Air Pollution*, Vol. 1, Academic Press 1968.

TABLE III—AIR POLLUTION—VEGETATION EFFECTS*

1. Sulfur dioxide

Acute injury does not occur below 0.25–0.30 ppm over an indefinite time period. Chronic injury at 0.10 to 0.30 ppm for sensitive species. No injury at 0.05 ppm.

Synergistic with ozone.

2. Ozone

Response in 1 to 2 hours at 0.05 ppm; response in 4 to 8 hours at 0.02 ppm.

3. PAN (peroxyacetyl nitrate)

Field Levels between 0.01 to 0.05 ppm will injure sensitive plants.

4. Fluorides

Accumulation in leaf tissue. Leaf concentrations of 50 to 200 ppm can produce necrosis on sensitive plants.

5. Ethylene

Dry sepal of orchid at 0.005 ppm or less.

Epinasty in tomatoes at 0.1 ppm for several hours.

6. Nitrogen dioxide

Necrotic lesions at 2–10 ppm.

Growth retardation at 0.5 ppm.

*Stern, Air Pollution, Vol. I, pg. 414.

IMPACT OF FEDERAL BUDGET CUTS AND IMPOUNDED FUNDS

Mr. GRAVEL. Mr. President, analyzing the impact of the Federal budget on a particular city or State is a very demanding and complicated process. This is especially true this year because of the many program transfers and phaseouts, and the "phasein" of proposed revenue-sharing programs.

However, such analyses are very important when considering the budget because they allow us to study the impact of budget changes on particular projects and local programs. This type information is needed to supplement aggregate budget considerations. To talk in terms of cutting millions and billions of dollars from programs is meaningless unless we know how such cutbacks affect citizens at the local level. When working with billion dollar programs, it is often easy to lose sight of the fact that cutting a program by any amount means that some citizens that previously received aid from the program, whether it be a single individual or the entire population of a city, will no longer do so.

The human resources committee of the Anchorage League of Women Voters has prepared an analysis of the impact of several sections of the proposed budget on programs in Alaska, particularly in Anchorage, our largest city. This report, compiled by a bipartisan group of individuals with insight into Federal program operations in Anchorage, illustrates the adverse impact of proposed social program budget cuts on programs, projects, and people at the local level.

I ask unanimous consent, Mr. President, that a copy of this study, and the letter transmitting it to me, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

LEAGUE OF WOMEN VOTERS,
Anchorage, Alaska, March 21, 1973.

Hon. MIKE GRAVEL,
Senate Office Building,
Washington, D.C.

DEAR SENATOR GRAVEL: The Human Resources Committee of the Anchorage League of Women Voters has compiled the enclosed information regarding the impact of federal budget cuts and impounded funds. The three basic areas concerned are Title IVa and XVI, housing and related community development, and the loss of community action agencies and related OEO functions, as well as uncategorized programs listed under "other".

Anchorage and Alaska already hard hit by Title IV and XVI cuts now face social and economic disaster with the recent federal budget cuts. Many of these programs must find separate funding which is hardly available at this time, or cease to exist. In addition, 46 persons locally and roughly 300 persons throughout the state will lose their jobs, in many cases, just one step up from the welfare rolls. Every place we have thought of turning seems to be a dry hole. *Revenue sharing is not the answer*. Not only does Alaska always lose because of its smal population (grossly out of proportion to its many problems), but we have found that municipalities which are philosophically inclined to spend its revenue sharing monies on social service programs cannot afford to do so. Those which seem best able to afford such programs are not philosophically inclined to do so.

This is but the tip of the iceberg. When the construction season descends upon us, the whole state will be in bad shape. Our concern is great as we are certain yours is. How is Alaska going to make up for these cuts? What are you planning to do about them on a federal level? We are most willing to assist you in any way possible in order that these funds so necessary to Alaska be recouped.

Sincerely,

ANN GORSUCH,
Chairman.

IMPACT OF FEDERAL BUDGET CUTS AND IMPOUNDED FUNDS

Title IVA and XVI: Virtually all state/federal matching funds for day care, which even affects some private agencies. Day care, just getting off the ground, is now floundering badly. Whole geographic areas go unserved, as do most low income families.

Local and statewide resources were just being mobilized on alcoholism, worse in Alaska than any other state. Federal matching funds were to establish rehabilitation and work programs, therapy and dry out facilities. A new uniform alcoholism act, passed in the 1972 Legislature, enabled alcoholism to be treated as a disease.

Drug information and rehabilitation programs, utilizing federal matching funds, have been cut. Over two years of cooperative work of 32 different groups and agencies is shot down.

Several smaller programs, but vital to the lower income Alaskan, were terminated, e.g. a homemaker program which assists families in social or financial crisis; pubilc health programs including planned parenthood and VD clinics.

Of the anticipated $20 million in federal matching funds, Alaska lost over $16 million. The state is unable to financially supplement these losses. A list of Title IVA/XVI contracts is attached.

OEO & COMMUNITY ACTION

Alaska has two community action agencies, one local here in Anchorage, and one statewide, known as Rural CAP, with a skeleton administration in Anchorage. We also have state wide legal services (OEO) which tends to get the cream of OEO poverty lawyers. There are other smaller programs throughout the state, most of which have been enormously successful considering the remote regions some of them work in. They include the Alaska Village Electrical Cooperative. Community Enterprise Development Corporation (which is notable for the Native cooperatives its helped establish, laying the groundwork for the Native Land Claims), the Juneau Model Cities housing program, dental care in villages, the Bethel prematernal care unit, and a Native alcoholism program.

The local CAP, which has existed in Anchorage for 7 years, acts as grantee for Head Start, the Older Persons Action Group, Alcoholism Honor Farm, Alcoholism family counseling, the Urban Native Center, the Aleskind Workshop, the Native Airport Assistance Center, and a Family Planning program. The Community Action Agency also provides direct services in housing referral (the only such program in Anchorage), emergency food and medical services, information and assistance on welfare and food stamps problems, and essentially is the only lifeline the poor have to the remainder of the community. As an example, the CAA organized the first effective Tenants Action group which succeeded not only in getting local health department officials to cite over 400 violations of local health codes, but in getting plenty of publicity in the local media concerning violations, and further taking the violations to court. The Action group is currently working to establish a Tenant-Landlord Relationship Act in the state legislature. See table attached.

Housing and related community development

(These figures relate to Anchorage only)

Water and sewer grants (water, $3.4 million; Sewer, $6.5 million). Huge areas of the borough (county) do not have on-site water and sewer facilities. We are only now in the process of getting same. VA and FHA will not approve building in areas without on-site water and sewer. Hence, our building boom will come to an abrupt halt, with all the attendant problems of unemployment (already averaging 15% and seasonally as high as 35%). Also we have no secondary sewage treatment in the whole state. Anchorage only got its first primary treatment facility last year. The local government rested heavily on federal assistance to continue its programs.

Public facility loans: Many planned public facilities, some already bonded, have been cut, including civic and recreation centers.

Open space land programs: A $3.5 million land acquisition program (already bonded) which depended upon federal sharing, has been halted.

All FHA 235 monies have been stopped. There has been an overwhelming demand for 235 housing in Anchorage because of cost of housing (materials, labor, maintenance) is astronomically high. In the last 6 months 400 families qualified for 235 housing.

Existing occupied units, 600.

Projected to 6/74, 170.

Monies lost to 6/74, ——.

170 at $34,000, $5,780,000.

All FHA 236 monies stopped. The demand for 236 housing is great. Presently 2,000 families are eligible. Existing units total approximately 900 with 840 proposed units lost due to loss of funding.

Rent supplement money cut. Anchorage has over 50% rental units. Considering unemployment figures already cited, these supplements are needed.

We have a month to month waiting list for low-rent public housing of over 400 families. All monies for such housing have been cut.

There is a crying need for single and married student housing for a fast growing local college campus. The state cannot afford to fund entirely. Projected units needed by 1980 are 1600—presently there are none.

Finally, the local school district, with 35,000 students and a budget of $50 million, will lose federal impact funds in the amount of $1 million, the balance of this school year and $1.6 million next year with a projected budget of $70 million. Due to the heavy concentration of federal employees, we are one of the hardest hit areas in the nation. The local tax payer is having to bear the brunt of this cut, along with generating $19 million of the school budget, double the amount previously generated.

The following is a list of 1972 Title IVA/XVI contracts and the total amounts of funding according to geographical census division areas:

Total cost of area of service(s)

Statewide and regional:	
Alaska homemakers, home health aide	265,000
Alaska homemakers, nutrition	38,100
Alaska legal services	160,000
Anchorage Community College, staff development	85,600
Department of Education, Ak. Skill Center	244,000
Department of Education, preschool consultant	40,000
Department of Education, vocational rehabilitation	150,000
Division of Corrections, services	2,920,000
Division of Corrections, volunteer training	38,500
Department of Law, attorney general	99,890
Division of Public Health, crippled child. Transportation	100,000
Division of Public Health, speech/hearing	25,000
Easter Seal Society-Directory social services	38,220
Films North Inc	580
Office of Comprehensive Planning, DHSS	32,000
Pioneers home	1,526,900
Richison, services for aging	111,900
RurALCAP, Alcoholism Training (Sub) [1]	30,500
Seattle Consortium, Aging Study	103,600
SEACAP, Rural Day Care	78,400
State operated schools, early child development	608,000
Tanana chiefs conference	100,000
University of Alaska, Center of Alcoh./Addict-Sub	64,000
Youth employment services	40,000
Total	6,910,190
Anchorage (census division 2:	
Alaska children's services, day care	68,000
Anchorage, Community College, day care	80,000
Anchorage Council on Drug Aid	60,000
ARCA, sheltered workshop	20,000
Boys Club of Alaska	30,000
Catholic charities, Anchorage	24,000
Chugiak children's services, day care	5,000
Chugiak children's services, training	9,500
City of Anchorage, parks and recreation	385,700
GAAoroHD, community services	1,900,000
GAABoroHD, council on Alcoholism (sub)	103,700
Diagnostic team, Alcoholism (sub)	142,300

[1] Sub refers to sub-contracts through the office of alcoholism.

Offender rehab unit (sub)	$31,500
Phoenix club (sub)	66,100
Salvation Army detox. center (sub)	559,900
Salvation Army, Halfway Houses (sub)	27,600
Studio Club (sub)	70,500
GAA community action agency, day care study	10,000
Total	3,593,300

Table of Affected Programs

(Note.—This information is by no means exhaustive but is rather that which is available as of this date, Mar. 23, 1973.)

Sources of information in this table include: Rural Community Action Agency, Greater Anchorage Area Community Action Agency, Alaska Federation of Natives, Alaska Urban Native Center, Cook Inlet Native Association, Welfare Rights Organization.

PROGRAM BUDGET AND DESTINY OF PROGRAM (WHERE KNOWN)

Rural Community Action

"Versatile money" (basically administrative and for com'y org.) $875,000, lost.

OEO Program

Copper River Dental Program, $70,000, fate unknown.

Kodiak Aging, $53,000, fate unknown.

Aleutian Planning Commission, $50,000, fate unknown.

Training Program, $30,000, fate unknown.

H.E.W. Programs: (administration by OEO)

Headstart, $813,800, transferred to HEW.

Alcoholism program, $100,000, might be picked up by state Health and Social Services.

Parent Child Center, $185,520, H.E.W.?

Pre-school Handicap Program, $16,000, H.E.W.?

Other

State Department of Alcoholism Program, $18,000, fate unknown.

Action Grant (15 Vista Vols.), $15,000, Administration says it will incease, but under which agency?

Urban Community Action (these figures are for Anchorage)

Administrative Services (for administering all programs), $90,000, lost . . . some chance of being picked up at the local level.

O.E.O. Programs: Housing referral, emergency food/medical services, assistance re welfare and food stamps, tenant action, $140,000, lost . . . some chance of being picked up at the local level.

HEW (Administration by OEO)

Head start, $212,500, transferred to HEW.

Older person's action, $60,900, transferred to HEW.

Family planning, $25,000, transferred to HEW.

Honor farm alcoholism program, $75,000 or $50,000, probably transferred to HEW.

Indian Programs

Urban Native Center: Aleskind workshop, airport assistance program, English classes, social services, $150,000, possibly transferred to HEW.

Indian manpower program, $30,000, unknown.

Supplemental services, drivers' training, $250,000, over 16 months, probably will not be refunded.

Other

Economic Development Administration, received $28,500,000 over last 6 years. $5,000,000 in applications pending; lost.

Model cities, $930,000 lost.

Indian Education Act, $11,000,000 impounded funds.

Alaska Village Electrical Cooperative, jump from 2 to 5 percent in interest on loans makes them prohibitive.

Manpower: Neighborhood Youth Corps and Operation Mainstream losing $1,500,000; Public employment program, uknown.

Indian housing program, funds frozen—6,000 homes promised over 5-year period, not one built yet.

Environment quality—Greenbelt program, $3,000,000 in frozen funds.

Regional medical, $500,000 lost, was due to go up.

Hill-Burton, $1,000,000 lost.

Welfare

Although figures are presently unavailable, we know that with the Administration's new guidelines, the vital social service programs which accompany the categorical assistance grant programs are no longer mandatory and may well not be picked up by the State.

Also, with the transfer of Aid to the Aged, Blind and Disabled to the Social Security Administration, there is a minimum payment of $130/person/month, with no assurance that the State will pick up the remainder (grants have been $250). Furthermore, eligibility requirements have been tightened so that the aged must be 65 or over, the blind must be legally blind (not able to be rehabilitated), and the disabled *totally* disabled. What is more drastic, still, is that these helpless people are no longer eligible for food stamps.

Eligibility for AFDC will be determined now every three rather than every six months, a real problem in Alaska where communication with the Bush sometimes takes a long time. The 179 fee agents throughout the state are being eliminated, further aggravating this situation. Also, state cuts in the food stamp budget may disqualify Alaska for food stamps altogether, a disastrous possibility for many and especially for much of the bush population which is almost wholly dependent on them during part of the year.

Lastly, fair hearings, which have been welfare recipients only real tool for dealing with the Administration, have been abolished, leaving these people more impotent than before.

IMPLEMENTATION OF ADVISORY COMMITTEE REFORM ACT

Mr. PERCY. Mr. President, the Congress has recently received the 1973 annual report of the President on Federal advisory committees. This report was prepared pursuant to the Federal Advisory Committee Act which became law last October 6.

As an author of this law along with Senator Metcalf and Senator Roth, I am pleased that we now have this first annual report, prepared by the Office of Management and Budget. The report is required by the act to be submitted to Congress at the end of March each year.

The OMB states in the report that by means of a thorough review during 1973, it hopes to reduce the current number of Federal advisory committees. The overlapping jurisdictions and questionably high cost of advisory committees was emphasized repeatedly in hearings on the measure held by the Intergovernmental Relations Subcommittee of the Government Operations Committee. The report reveals that three of the present Presidential advisory committees—the National Advisory Council on Adult Education, the National Advisory Council on Extension and Continuing Education, and the National Advisory Council on Supplementary Education Centers and Services—appear to have overlapping responsibilities, and that the 21 Presidential committees alone cost the Federal Government over $4 million in 1972. I would also point out that the total 1972 cost estimated for all Federal advisory committees—over $25 million—does not reflect the thousands of man-hours of time that Federal Government employees devote to working with these committees. If such costs were included, I feel certain that the total taxpayer cost of these committees would be much, much higher.

It is the hope and expectation of those of us in the Congress who worked for enactment of the Federal Advisory Committee Act, that a meaningful reduction in the number of such committees and in their cost to the Federal Government can be realized during 1973.

Implementation of the Federal Advisory Committee Act will be very helpful in creating an orderly new reporting and monitoring system for advisory committees. The act will, I believe, contribute significantly to the combined efforts of the executive and legislative branches to streamline the Federal Government by eliminating unnecesary Federal expenditure. We look forward with interest to the progress I am sure next year's report will reflect.

Mr. President, I ask unanimous consent that the summary of the text of this report be included at this point in the Record.

There being no objection, the summary was ordered to be printed in the Record, as follows:

Executive Office of the President, Office of Management and Budget,
Washington, D.C., March 29, 1973.

Memorandum for the President

Subject Annual report of Federal advisory committees to the Congress

In accordance with the provisions of the Federal Advisory Committee Act, P.L. 92-463, and Executive Order No. 11686, the first annual report to the Congress has been prepared. This report is due March 31, 1973, and is enclosed for your transmittal to the Congress.

——— ———.

Annual Report of Federal Advisory Committees

This is the first annual report for transmittal to the Congress, as required by the Federal Advisory Committee Act (P.L. 92-463), "on the activities, status, and changes in the composition of advisory committees in existence during the preceding calendar year." It presents considerable information about Federal advisory committees that was not available heretofore.

At the end of calendar year 1972, under the definition of the Act, more than 1400 Federal advisory committees were in existence under the jurisdiction of more than 50 executive branch agencies.

A significant part of the Federal Government's business is conducted with the assistance of advisory committees composed of experts from the public sector. Such committees have been used since the early days of the Republic—President Washington appointed the first advisory committee to assist him in dealing with the Whiskey Rebellion. Thereafter, advisory committees were created and operated to provide the executive branch with expertise from private citizens to aid in policymaking in the many areas of Government.

Over the years, the number of advisory

committees has increased substantially, due to the initiative of both the executive and legislative branches. This growth led President Kennedy to issue an executive order (11007) in February 1962 establishing regulations for their use. Further, experience with such committees led the President to issue an executive order (11671) in June 1972 which rescinded earlier advisory committee regulations and established a centralized management system. During the time the executive branch was establishing these new procedures, the House Government Operations Subcommittee on Legal and Monetary Affairs and the Senate Government Operations Subcommittee on Intergovernmental Relations were examining advisory committee management. Based on their examination, the Congress passed the Federal Advisory Committee Act (P.L. 92–463) which the President approved and signed on October 6, 1972.

Of the 1439 advisory committees in existence on December 31, 1972, 251 or about 18 percent were created by statute. During calendar year 1972, 211 new committees were created of which 19 were statutory. In the same year, 187 committees were terminated, making a net gain of 24 committees. The Act's applicability is broader than that of previous advisory committee regulations, and because of that, the numbers reported are not directly comparable with those previously provided to the Congress (for example, subcommittees are now reported individually: in 1972 the Federal Power Commission established two new committees having 28 subcommittees—a total of 30 new committees). In the current calendar year, we expect to reduce advisory committees to the minimum essential number.

The Federal costs for these committees, as reported by the individual agencies, totaled $25,215,882. Federal costs for individual committees in calendar year 1972 varied widely, ranging from no Federal cost for a few committees to $1,750,000 for the Department of Justice National Advisory Commission on Criminal Justice Standards and Goals. The average annual cost per committee in calendar year 1972 was $15,508.

The greatest numbers of committees were concentrated under the jurisdiction of 12 departments and agencies as follows:

Health, Education, and Welfare	367
Agriculture	172
Interior	126
Defense	95
Commerce	76
Small Business Administration	66
Transportation	55
Commission on Civil Rights	51
Federal Power Commission	47
Labor	46
State	42
National Science Foundation	41

The tabulations which follow present summary data on committee numbers and costs for the individual agencies for calendar year 1972. It should be pointed out that these data summarize advisory committee activities before the Act became effective, and that as a result, the data are subject to minor variations. Through the Committee Management Secretariat of the Office of Management and Budget, each agency has been required to submit its own annual review of advisory committees by July 2, 1973.

The annual review of each advisory committee is to determine—

(1) whether such committee is carrying out its purpose;

(2) whether, consistent with the provisions of applicable statutes, the responsibilities assigned to it should be revised;

(3) whether it should be merged with other advisory committees; or

(4) whether it should be abolished.

The results of this review will be included in the next annual advisory committee report to the Congress.

In addition, the Office of Management and Budget has issued committee management guidelines to all executive branch departments and agencies. These guidelines were issued through two documents: (1) OMB Circular A–63 on Advisory Committee Management and (2) a joint OMB/Department of Justice Memorandum on Implementation of the Federal Advisory Committee Act. These documents were issued for execution by each agency pending their review by all agencies and their reproduction in final form. They were published in the Federal register for public comment, as well.

The detailed information required by Sec. 6(c) of the Act is forwarded herewith, under separate cover, to the Congress and the Library of Congress. This detailed information approximates 6,000 pages of material. For reasons of national security, detailed information concerning one Department of Defense committee is not included in this report. Members of the public desiring information concerning specific committees may obtain it from the Library of Congress, or from the agency having jurisdiction over the committee.

ADVISORY COMMITTEE—SUMMARY DATA FOR CALENDAR YEAR 1972

Agencies	Numbers current, Dec. 31, 1972	Numbers statutory, Dec. 31, 1972	Numbers terminated, calendar year 1972	New committees, calendar year 1972		Changes in numbers, calendar year 1972	Total cost	Average cost
				Total numbers	Numbers statutory			
Presidential advisory committees[1]	[2] (21)	(12)	NA	(20)	(1)	NA	($4,214,233)	($200,678)
Executive Office of the President:								
Office of Management and Budget	4	0	0	0	0	0	[3] 386,500	96,625
Office of Emergency Preparedness	16	0	0	0	0	0	15,582	974
Council of Environmental Quality	3	0	1	1	0	0	9,300	3,100
Office of Telecommunications Policy	1	0	0	0	0	0	5,700	5,700
Office of Consumer Affairs	1	0	0	0	0	0	25,000	25,000
Office of Drug Abuse Prevention	1	1	0	0	0	0	180,000	180,000
Office of Economic Opportunity	[4] 31	0	0	27	0	27	42,950	1,385
Departments:								
Agriculture	172	80	46	5	1	−41	328,260	1,506
Commerce	76	4	7	1	0	−6	1,318,522	15,887
Defense	[5] 95	6	14	16	0	2	2,531,338	23,438
Health, Education, and Welfare	367	45	49	69	8	20	10,355,403	24,893
Housing and Urban Development	4	4	1	1	0	0	64,658	4,932
Interior	126	78	3	9	4	6	472,280	3,661
Justice	7	3	1	4	4	3	[6] 1,781,000	222,625
Labor	46	6	2	4	0	2	968,691	21,058
State	42	0	5	3	0	−2	310,162	6,599
Agency for International Development	5	0	0	1	0	1	167,500	33,500
Transportation	55	5	11	5	0	−6	537,341	8,142
Treasury	29	1	2	0	0	−2	27,958	1,864
Independent agencies:								
Administrative Conference of the United States	1	1	0	0	0	0	450,000	450,000
Atomic Energy Commission	12	2	0	0	0	0	1,084,200	90,350
Civil Aeronautics Board	2	0	3	0	0	−3	4,365	873
Environmental Protection Agency	20	3	6	8	1	2	598,416	23,016
Export-Import Bank	1	1	0	0	0	0	24,237	24,237
Federal Communications Commission	7	0	0	3	0	3	255,261	36,466
Federal Home Loan Bank Board	1	1	0	0	0	0	(7)	----------
Federal Mediation and Conciliation Service	1	1	0	0	0	0	0	0
Federal Power Commission	47	0	8	30	0	22	261,923	4,762
Federal Trade Commission	3	0	0	0	0	0	5,200	1,733
General Services Administration	31	1	1	5	0	4	69,380	2,168
Interstate Commerce Commission	3	0	0	0	0	0	1,278	426
National Aeronautics and Space Administration	17	1	1	0	0	−1	363,600	20,200
National Credit Union Administration	1	1	0	0	0	0	8,000	8,000
National Endowment for the Arts	11	1	0	0	0	0	365,975	33,270
National Endowment for the Humanities	6	1	0	0	0	0	255,460	42,532
National Science Foundation	41	1	10	7	0	−3	231,297	4,535
Railroad Retirement Board	1	1	0	0	0	0	1,400	1,400
Securities and and Exchange Commission	2	0	8	10	0	2	9,725	972
Small Business Administration	66	0	0	0	0	0	120,631	1,828
Smithsonian Institution	----------	----------	----------	----------	----------	----------	----------	----------
U.S. Arms Control and Disarmament Agency	2	0	0	0	0	0	116,607	58,304
U.S. Civil Service Commission	8	5	1	1	1	0	132,458	14,718
U.S. Information Agency	2	1	0	0	0	0	84,130	42,065
U.S. Postal Service	----------	----------	----------	----------	----------	----------	----------	----------
Veterans' Administration	6	1	7	0	0	−7	65,692	5,053

Footnotes at end of table.

ADVISORY COMMITTEE—SUMMARY DATA FOR CALENDAR YEAR 1972—Continued

Agencies	Numbers current, Dec. 31, 1972	Numbers statutory, Dec. 31, 1972	Numbers terminated, calendar year 1972	New committees, calendar year 1972		Changes in numbers, calendar year 1972	Total cost	Average cost
				Total numbers	Numbers statutory			
Selected committees, commissions, and councils:								
Advisory Council on Historic Preservation	1	1	0	0	0	0	$439,600	$439,600
American Revolution Bicentennial Commission	12	0	0	1	0	1	88,200	7,350
Cabinet Committee on Opportunities for Spanish-Speaking People	1	0	0	0	0	0	20,000	20,000
U.S. Commission on Civil Rights	51	0	0	0	0	0	669,202	13,122
U.S. Water Resources Council	1	0	0	0	0	0	1,500	1,500
Total	1,439	257	187	211	19	24	25,215,882	15,508

[1] These Presidential advisory committees are included in the numbers below for those agencies having jurisdiction.

[2] This number may be affected by some legal decisions on whether certain committees are Presidential advisory committees.

[3] $385,000 for Presidential Advisory Committee on Management Improvement.

[4] All abolished effective Feb. 1, 1973.

[5] Includes 28 committees under Secretary of Defense, Joint Chiefs of Staff, and Defense agencies; 16 committees under Air Force; 31 committees under Army; and 20 committees under Navy.

[6] $1,750,000 for National Advisory Commission on Criminal Justice and Standards.

[7] Cost of $74,893 not borne by Federal Government.

Note: Smithsonian Institution is excluded because the Smithsonian Secretary states "Given the Institution's independent authority and responsibility, it is believed that the boards and committees of the Smithsonian would not be deemed to fall within the purview of Public Law 92-463 since these groups provide advice and recommendations to the Board of Regents and the Secretary, neither of which are in the executive branch of the Federa Government."

U.S. Postal Service is excluded because its Assistant General Counsel states "In our opinion the Federal Advisory Committee Act—to the extent it grants certain advisory committee management review functions to the Office of Management and Budget to be exercised over Federal Government agencies—is one of the laws from which the Postal Service is exempted by virtue of the Postal Reorganization Act."

MORE BELLS NEEDED

Mr. MANSFIELD. Mr. President, two of our distinguished colleagues, the Senator from Kentucky (Mr. HUDDLESTON) and the Senator from South Dakota (Mr. MCGOVERN), were in a meeting in EF–100 conducting Agricultural Subcommittee hearings at the time of the final vote on S. 352. They were not informed that the vote was in progress—there are no bells in that room—but had they been here, they would have voted in the affirmative on the bill (S. 352).

I make this statement just to make certain that the record is clear as to what their intentions were, and I also wish to state that, as a result of this experience, I have requested the Sergeant at Arms to look into the possibility of setting up a system of bells, such as we have in our offices and all committees have, in EF–100, so that Senators who hold hearings there hereafter will not be caught short because of something over which they had no control, but will be in a position to be able to attend to their responsibilities on the Senate floor like the rest of us.

I am sorry that it is not possible, in view of the circumstances, to ask that both Senator HUDDLESTON and Senator MCGOVERN be recorded as having voted "yea," but I do wish to state that had they been here, their votes would have been in the affirmative, and they were not here because of official duties connected with their membership on the Committee on Agriculture and Forestry.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADJOURNMENT TO 10 A.M.

Mr. MANSFIELD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until the hour of 10 o'clock tomorrow morning.

The motion was agreed to; and at 4:54 p.m. the Senate adjourned until tomorrow, Thursday, May 10, 1973, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate May 9, 1973:

INTERNATIONAL ATOMIC ENERGY AGENCY

Gerald F. Tape, of Maryland, to be the Representative of the United States of America to the International Atomic Energy Agency, with the rank of Ambassador.

DEPARTMENT OF LABOR

Carmen Maymi, of the District of Columbia, to be Director of the Women's Bureau, Department of Labor, vice Elizabeth Duncan Koontz, resigned.

IN THE NAVY

Vice Adm. John V. Smith, U.S. Navy, for appointment to the grade of vice admiral, when retired, pursuant to the provisions of title 10, United States Code, section 5233.

HOUSE OF REPRESENTATIVES—*Wednesday, May 9, 1973*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

See that none render evil for evil unto any man; but ever follow that which is good, both among yourselves and to all men.—I Thessalonians 5: 15.

Almighty God, our Heavenly Father, who art always ready to do exceeding abundantly above all that we ask or think, grant unto us Thy wisdom and the guidance of Thy spirit in the plans and purposes of this day. May we be men and women of vision, possessed by clear minds and courageous hearts as we endeavor to carry our responsibilities and to meet the daily challenge of arduous tasks.

Increase our faith and our hope as we seek to find right solutions for our national and our international problems. Keep alive our concern for the needy in our land and gird us with confidence that we may work to build a world fellowship ruled by high principles, enduring peace, and abiding good will.

Not for ourselves alone may our prayer be;
Lift Thou Thy Word, O God, closer to Thee.
Cleanse it from guilt and wrong, teach it salvation's song,
Till earth, as heaven, fulfill Thy Holy Will.

Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Marks, one of his secretaries.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed with amendment in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 2246. An act to amend the Public Works and Economic Development Act of

1965 to extend the authorizations for a 1-year period.

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 38) entitled "An act to amend the Airport and Airway Development Act of 1970, as amended, to increase the U.S. share of allowable project costs under such act, to amend the Federal Aviation Act of 1958, as amended, to prohibit certain State taxation of persons in air commerce, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Magnuson, Mr. Cannon, Mr. Hart, Mr. Cotton, and Mr. Pearson to be the conferees on the part of the Senate.

THE SHORTAGE OF RAILROAD CARS

(Mr. PICKLE asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and include extraneous matter.)

Mr. PICKLE. Mr. Speaker, with each passing day many of us receive more and more complaints about the shortage of railroad cars. These complaints come from all over the country.

Time and time again, as a member of the *special* subcommittee investigating this problem, I have stated that the present turmoil could be traced directly to the Russian grain sale of last year. The lack of proper planning for the movement of the 422 million bushels of wheat has brought economic havoc on many businesses depending on rail shipments, and has played a big role in the rising cost of food.

Now, Mr. Speaker, we hear rumors that another big grain deal is under negotiation with Russia.

We cannot afford the same transportation snarl created by the last grain deal.

I propose that, before any grain deal with Russia is consummated, the Secretary of Transportation submit to Congress a plan for transporting the grain in a manner that does not punish shippers of other goods.

I urge Congress to act now in requiring such action by DOT before this country becomes more confused with transportation problems selling grain to Russia.

To illustrate the problem, I include an article written by Mr. Patrick Sloyan which appeared in the Baltimore News-American on April 29, 1973, in the Record:

Carriers, Nixon Policy Blamed: Rail Freight Crisis Laid to Soviet Grain Deal

(By Patrick J. Sloyan)

(At a time when the nation's economy needs speedy transportation, the country's rail freight is moving in slow motion. In this exclusive report, Washington correspondent Sloyan explains why and what it means.)

Washington.—The gigantic sale of U.S. grain to the food-short Soviet Union has triggered an American rail transportation crisis that is contributing to the rapid climb in the cost of living.

Short-sighted investment policies by the railroads and inadequate planning by Nixon administration officials have resulted in freight car scarcities that have choked the domestic supply system.

And, despite government efforts to ease the immediate crisis caused by the Russia-bound grain, experts in and out of the administration predict the situation will get worse in the coming months.

Some farm-belt congressmen are suggesting the possibility of drastic federal intervention to extricate the country from the rail mess.

"The grain dealers and railroads are making money off the Soviet deal but the rest of the economy is suffering," said Rep. J. J. Pickle, D-Texas, who has conducted a searching investigation to sort out the complex factors involved. His House Interstate and Foreign Commerce Subcommittee has pieced together information from the Department of State, Transportation, Agriculture and Commerce as well as from railroads, U.S. shippers and private grain dealers.

"This grain deal has lighted the fire of inflation more than any one thing and the administration has already approved new grain deals with the Soviet Union," Pickle said.

"I'm for the grain export but I'll be against it until something is done to set some priorities for U.S. shippers to get freight cars they need for American business."

Pickle is one of a number of influential congressmen bitter because the Soviet grain deal turned the chronic freight car shortage into a serious blow to the nation's economy.

The freight car shortage has been directly related to the soaring prices of feed grains for beef cattle and poultry and of lumber and other basic commodities. It also threatens to delay shipments of fertilizer to farmers in time for spring planting.

"It is a very serious problem," said Dawson Ahalt of the President's Cost of Living Council. "We hope the situation will level off in the coming months but we will not be in Fat City for some time."

Neither the council nor the Bureau of Labor Statistics has pinpointed the exact impact the freight car shortage has had on price increases, soaring at the highest rate in more than 20 years.

"We know it is an important factor," said one administration economist.

In May, 1972, U.S. officials, underestimating the extent of the Soviet crop failure, anticipated a sale to Russia of some $200 million in feed grains. But the Russians, in private dealings with U.S. firms, ended up buying more than 442 million bushels of grain worth more than $1 billion.

Albert Mayio, of State's Bureau of Economic and Business Affairs, insists the size of the sale "took everybody by surprise."

But Pickle and other critics contend the administration made a bad error in failing to keep detailed information on the progress of the grain negotiations.

The congressman contends such information was crucial in preparing the nationwide rail system for the unprecedented impact of the grain movement.

According to the Interstate Commerce Commission (ICC), the size of the grain deal permitted U.S. firms to make large contracts for covered hopper cars—the ideal rail transport for grain. Because of the Midwest location of wheat farms, more than 90 per cent of the Soviet sale is being funneled through Gulf ports.

Since 1880, according to ICC records, there has been a national freight car shortage. Over the years, Congress has voted a variety of subsidies and tax breaks to encourage railroads to build more freight cars. But it was not enough.

Currently, there is demand for 16,000 more covered hopper cars a week than the railroads have available.

As a result, many Midwestern farmers are watching their grain rot, unable to ship it to market. Many small time grain elevator operators are going broke, according to James Krzyminski, of the Council of Farmer Co-operatives.

"They're being squeezed out of the market," said Sen. Hubert H. Humphrey, D-Minn. "This has been a major factor in pushing up the price of food."

Freight traffic has been so high that most railroads are reporting record loads and their most profitable four months in U.S. history.

At the same time, the railroads warn that the shortage of locomotive power has been worsened by the scarcity of diesel fuel.

Despite record carloadings, the railroads argue they are not making enough profits. The industry has asked the ICC to grant a 5 per cent boost in freight rates.

Most government officials involved place the freight car shortage blame on railroad inefficiency.

Even with a freight car surplus, Thomas Byrne, chief of the ICC railroad section, insists there would still be a transportation crisis.

"We know from our field checks that the carriers are not doing a good job," Byrne said. "Cars are not being pulled for four or five days after they are released by shippers because of congestion."

Railroad yards around Chicago, St. Louis, Kansas City and other major terminals have become nightmares. The ICC has reports of instances when moving a car from one point to another in the same yard took 12 days. In some cases, it took as much as 26 days for the car to travel 50 miles.

Whole train sections of grain have arrived at such jammed ports as Houston, Texas, with no waybills to identify owners.

These unidentified cars must be shunted aside, causing further delays in yards already congested with empty cars. An average of 54 ships were waiting at Houston at any given time as long as three weeks to a month.

Pickle estimates that the U.S. government must pay as much as $75,000 a day to U.S. flag vessels in delay subsidies.

Some railroads are using open-top cars for grain and other products, resulting in rain damage to commodities because of severe Midwestern weather.

"The railroads just haven't modernized enough to meet this situation," Byrne said. "Some of it is very basic—some tracks are so bad that trains must slow to five miles an hour. There is not enough planning in using locomotives efficiently."

Railroad efforts to reduce costs by eliminating office and yard workers has worsened the situation, according to the Congress of Railway Unions. The union group reports that improperly maintained tracks are collapsing under the record loads, causing a sharp increase in derailments.

The ICC has cracked down on shippers using cars as cheap warehouses by increasing the penalty for failing to unload cars soon after they arrive.

"That makes some shippers mad as hell," said one industry official. "They race to get the cars unloaded and they watch them sit there for a couple of weeks before the railroad hauls them away."

The administration has organized a task force of transportation, agriculture and other agency officials to travel around the country to unclog rail bottlenecks.

Most experts predict the Soviet grain shipments will not be completed until June or later. Meanwhile, administration officials anticipate the Soviets will buy another $500 million worth of grain later this year.

At the same time the fertilizer industry in Florida contends it is short 4,100 freight cars to ship products to the farmers. "This is a crisis time for us," said an industry spokesman.

Chairman Warren Magnuson, D-Wash. of the Senate Commerce Committee is preparing legislation to provide up to $2 billion in federal guarantees on loans railroads could make to improve the freight car system. But new cars would take at least two years to appear.

A more immediate problem is setting priorities for shippers to get freight cars. Currently, the American Association of Railroads has attempted to do this with a freight car clearing house.

Magnuson wants the government to create its own computerized system for tracing and distributing freight cars.

Pickle and others in Congress are talking about legislation granting the government emergency powers over the freight car network—at least until the current strain is eased.

"It may come down to having some sort of railroad czar until the problem clears up," Pickle said.

MAJORITY LEADER THOMAS P. O'NEILL HAILS COURT DECISION VOIDING IMPOUNDMENT

(Mr. O'NEILL asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. O'NEILL. Mr. Speaker, a Federal court has voided a Nixon administration impoundment of $6 billion in water pollution control funds.

This is the administration's largest single impoundment. The court's decision does much to discredit this tactic as a means of thwarting the will of Congress. It upholds the constitutional right of Congress to share in the setting of national priorities.

In his opinion, Judge Gasch wrote:

> The act clearly indicated the intent of Congress to require the administrator to allot . . . the full sums authorized to be appropriated.

Last year Congress authorized $11 billion in contract authority for fiscal 1973–74. President Nixon vetoed the bill, and then Congress passed it over his veto.

Refusing to be halted even by a two-thirds vote of Congress, President Nixon declined to carry out the law, announcing that he would make available only $5 billion for the 2 years.

This was a typical use of impoundment by President Nixon to thwart the will of Congress.

The court's ruling has nullified this practice, and I hope the administration will have the grace to abandon such use of impoundment altogether.

AMERICA'S YOUTH KNOW ABOUT PROFITEERING: FIFTH GRADE STUDENT

(Mr. MADDEN asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. MADDEN. Mr. Speaker, this morning, I received a letter from Nickolette Mathews, a fifth-grade student from Dyer, Ind., concerning profiteering in food prices. As a fifth-grade student, no doubt, he is more interested in food costs than in the profiteering in all commodities from automobiles, furniture, clothing, pharmaceutical products, interest rates, and so forth.

It is unfortunate that the news media does not call attention to the fact that in the summer of 1970, the Congress passed legislation, by a large majority, giving the President power to immediately control inflation by placing a curb on the rise of prices, including wages, food, interest, and restricting any further rise in the cost of living pertaining to all necessities of life.

Evidently the President's advisers and campaign contributors, with the 1972 election in the offing, had more influence with the executive department than the Congress. This legislation which the Congress passed to halt inflation was not acted upon by the White House and, 13 months later, the President came out with his celebrated television talk declaring a 90-day freeze. This freeze was a failure. Then he inaugurated phase II and phase III, propagandized as going to halt inflation. Up to now both phase II and III have not been effective.

I ask unanimous consent to include young Nickolette's letter with my remarks:

DYER, IND.,
April 30, 1973.

Hon. RAY J. MADDEN,
Congressman, First Congressional District of Indiana, Washington, D.C.

DEAR SIR: I am a student in 5th grade and attending St. Joseph's School. I would like to discuss a problem with you. It is about the prices of food and other products.

I went to the store with my mother and compared the prices with other manufactures prices. I found out that frozen vegetables cost more than fresh vegetables.

You find a nice juicy delicious-looking steak at a $1.50 a pound. You are willing to pay the price but when you get it home to cook it, the other side has a lot of fat on it. You pay about $4.00 for a steak that is just fat because you can't see the other side!

Also, the price of gas, it's going up to 70¢ a gallon this summer, as I found out from the nearest gas station to my house. It's not that there is a shortage of gas, but the companies are holding gas back so you can get more money! We have a family of 7, everyone in our family is involved in something different. So you burn up a lot of gas that costs so much money that you can barely spare money to pay for other things. My mother and father are about to park their cars and use bikes instead.

I think we should do something about prices now not ten years from today when nothing might be done about it! Enclosed is a newspaper clipping that tells the prices of foods in different months. Please pay some attention to this because it is costing our family so much!

Sincerely,

NICKOLETTE MATHEWS.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

U.S. HOUSE OF REPRESENTATIVES,
Washington, D.C., May 9, 1793.

Hon. CARL ALBERT,
The Speaker,
House of Representatives,

DEAR MR. SPEAKER: I have the honor to transmit herewith a sealed envelope from the White House, received in the Clerk's Office at 5:00 P.M. on Tuesday May 8, 1973, and said to contain a Message from the President transmitting draft legislation entitled "Disaster Preparedness and Assistance Act of 1973."

With kind regards, I am

Sincerely,

W. PAT JENNINGS,
Clerk, House of Representatives.
By W. RAYMOND COLLEY.

DISASTER PREPAREDNESS AND ASSISTANCE ACT OF 1973—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 93–98)

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Public Works, and ordered to be printed:

To the Congress of the United States:

I am today submitting for the consideration of the Congress the Disaster Preparedness and Assistance Act of 1973. This legislation has resulted from a comprehensive review of all our disaster assistance activities as called for under Public Law 92–385, enacted last August.

A major objective of this bill is to consolidate the responsibility for disaster assistance, reducing the number of Federal agencies involved in these efforts, eliminating overlapping responsibilities and distributing benefits on a more equitable basis. Reorganization Plan No. 1 of 1973, in which the Congress has already concurred, provides the organizational structure for achieving this consolidation under the Secretary of Housing and Urban Development. This new legislation would also do a great deal to strengthen the role of State and local governments and of private institutions in meeting this important challenge.

In addition, as its name clearly implies, this bill would place greater emphasis on protecting people and property against the effects of disasters before they occur. In this same connection, I would call once again for prompt enactment of the Flood Disaster Protection Act of 1973 which I submitted to the Congress several weeks ago.

The Disaster Preparedness and Assistance Act of 1973 represents a comprehensive new approach to a very crucial problem. To ease the transition to this new system, I propose that during its first year of operation a special Federal grant of $250,000 be provided to each State to help it increase its disaster preparedness and assistance capabilities.

Last year set a new record for the number of disasters which had to be formally declared by the President of the United States—48 in all. Already this year, spring floods and tornadoes have brought tragedy to many areas of our country.

While we cannot fully control the occurrence and the impact of disasters, we must do all we can to prepare for them, to prevent them, and to mitigate and remedy their effects. The legislation I am submitting today can help us do all these things more efficiently and more effectively and I strongly urge its prompt enactment.

RICHARD NIXON.

THE WHITE HOUSE, *May 8, 1973.*

CIVIL SERVICE COMMISSION'S ANNUAL REPORT FOR FISCAL YEAR 1972—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Post Office and Civil Service and ordered to be printed:

To the Congress of the United States:

I hereby transmit the Civil Service Commission's annual report for fiscal year 1972.

The past year was one of significant initiatives in the field of Federal personnel management. Persistent challenges such as simplifying the complexities of the appeals system and broadening the scope of labor-management bargaining were effectively addressed. The first full year of operations under the Intergovernmental Personnel Act showed impressive results, as State and local governments responded enthusiastically in working with Federal agencies to improve personnel resources. Substantial progress was also made in carrying out the Equal Employment Opportunity Act of 1972, strengthening our commitment to employment practices which are scrupulously fair to all our people.

We can be grateful for the cooperation from all sectors and levels of government which made this record possible. And we can be proud that Federal personnel management not only enables us to serve the public more effectively but also stands as a respected model for all employers.

RICHARD NIXON.

THE WHITE HOUSE, *May 9, 1973.*

CONFERENCE REPORT ON S. 394, RURAL ELECTRIC AND TELEPHONE LOANS

Mr. POAGE submitted the following conference report and statement on the bill (S. 394) to amend the Rural Electrification Act of 1936, as amended, to reaffirm that such funds made available for each fiscal year to carry out the programs provided for in such act be fully obligated in said year, and for other purposes:

CONFERENCE REPORT (REPT. NO. 93–169)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 394) An Act to amend the Rural Electrification Act of 1936, as amended, to reaffirm that such funds made available for each fiscal year to carry out the programs provided for in such Act be fully obligated in said year, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House to the text of the bill and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment insert the following:

That it is hereby declared to be the policy of the Congress that adequate funds should be made available to rural electric and telephone systems through direct, insured and guaranteed loans at interest rates which will allow them to achieve the objectives of the Rural Electrification Act of 1936, as amended; and that such rural electric and telephone systems should be encouraged and assisted to develop their resources and ability to achieve the financial strength needed to enable them to satisfy their credit needs from their own financial organizations and other sources at reasonable rates and terms consistent with the loan applicant's ability to pay and achievement of the Act's objectives. The Rural Electrification Act of 1936, as amended (7 U.S.C. 901–950(b)), is therefore further amended as hereinafter provided.

SEC. 2. Title III of the Rural Electrification Act of 1936, as amended, is amended by striking out all of sections 301 and 302 and inserting in lieu thereof the following new sections:

"SEC. 301. RURAL ELECTRIFICATION AND TELEPHONE REVOLVING FUND.—(a) There is hereby established in the Treasury of the United States a fund, to be known as the Rural Electrification and Telephone Revolving Fund (hereinafter referred to as the "fund"), consisting of:

"(1) all notes, bonds, obligations, liens, mortgages, and property delivered or assigned to the Administrator pursuant to loans heretofore or hereafter made under sections 4, 5, and 201 of this Act and under this title, as of the effective date of this title, as revised herein, and all proceeds from the sales hereunder of such notes, bonds, obligations, liens, mortgages, and property, which shall be transferred to and be assets of the fund;

"(2) undisbursed balances of electric and telephone loans made under sections 4, 5, and 201, which as of the effective date of this title, as revised herein, shall be transferred to and be assets of the fund;

"(3) notwithstanding section 3(a) of title I, all collections of principal and interest received on and after July 1, 1972, on notes, bonds, judgments, or other obligations made or held under titles I and II of this Act and under this title, except for net collection proceeds previously appropriated for the purchase of class A stock in the Rural Telephone Bank, which shall be paid into and be assets of the fund;

"(4) all appropriations for interest subsidies and losses required under this title which may hereafter be made by the Congress;

"(5) moneys borrowed from the Secretary of the Treasury pursuant to section 304(a); and

"(6) shares of the capital stock of the Rural Telephone Bank purchased by the United States pursuant to section 406(a) of this Act and moneys received from said bank upon retirement of said shares of stock in accordance with the provisions of title IV of this Act, which said shares and moneys shall be assets of the fund.

"SEC. 302. LIABILITIES AND USES OF FUND.—(a) The notes of the Administrator to the Secretary of the Treasury to obtain funds for loans under sections 4, 5, and 201 of this Act, and all other liabilities against the appropriations or assets in the fund in connection with electrification and telephone loan operations shall be liabilities of the fund, and all other obligations against such appropriations or assets in the fund arising out of electrification and telephone loan operations shall be obligations of the fund.

"(b) The assets of the fund shall be available only for the following purposes:

"(1) loans which could be insured under this title, and for advances in connection with such loans and loans previously made, as of the effective date of this title, as revised herein, under sections 4, 5, and 201 of this Act;

"(2) payment of principal when due (without interest) on outstanding loans to the Administrator from the Secretary of the Treasury for electrification and telephone purposes pursuant to section 3(a) of this Act and payment of principal and interest when due on loans to the Administrator from the Secretary of the Treasury pursuant to section 304(a) of this title;

"(3) payment of amounts to which the holder of notes is entitled on insured loans: *Provided*, That payments other than final payments need not be remitted to the holder until due or until the next agreed annual, semiannual, or quarterly remittance date;

"(4) payment to the holder of insured notes of any defaulted installment or, upon assignment of the note to the Administrator at his request, the entire balance due on the note;

"(5) purchase of notes in accordance with contracts of insurance entered into by the Administrator;

"(6) payment in compliance with contracts of guarantee;

"(7) payment of taxes, insurance, prior liens, expenses necessary to make fiscal adjustments in connection with the application, and transmittal of collections or necessary to obtain credit reports on applicants or borrowers, expenses for necessary services, including construction inspections, commercial appraisals, loan servicing, consulting business advisory or other commercial and technical services, and other program services, and other expenses and advances authorized in section 7 of this Act in connection with insured loans. Such items may be paid in connection with guaranteed loans after or in connection with the acquisition of such loans or security thereof after default, to the extent determined to be necessary to protect the interest of the Government, or in connection with any other activity authorized in this Act;

"(8) payment of the purchase price and any costs and expenses incurred in connection with the purchase, acquisition, or operation of property pursuant to section 7 of this Act.

"SEC. 303. DEPOSIT OF FUND MONEYS.—Moneys in the fund shall remain on deposit in the Treasury of the United States until disbursed.

"SEC. 304. FINANCIAL TRANSACTIONS OF THE FUND.—(a) The Administrator is authorized to make and issue interim notes to the Secretary of the Treasury for the purpose of obtaining funds necessary for discharging obligations of the fund and for making loans, advances and authorized expenditures out of the fund. Such notes shall be in such form and denominations and have such maturities and be subject to such terms and conditions as may be agreed upon by the Administrator and the Secretary of the Treasury. Such notes shall bear interest at a rate fixed by the Secretary of the Treasury, taking into consideration the current average market yield of outstanding marketable obligations of the United States having maturities comparable to the notes issued by the Administrator under this section. The Secretary of the Treasury is authorized and directed to purchase any notes of the Administrator issued hereunder, and, for that purpose, the Secretary of the Treasury is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as amended, and the purposes for which such securities may be issued under such Act, as amended, are extended to include the purchase of notes issued by the Administrator. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes shall be treated as public debt transactions of the United States: *Provided, however*, That such interim notes to the Secretary of the Treasury shall not be included in the totals of the budget of the United States Government and shall be exempt from any general limitation imposed by statute on expenditures and net lending (budget outlays) of the United States.

"(b) The Secretary of the Treasury is authorized and directed to purchase for resale obligations insured through the fund when offered by the Administrator. Such resales shall be upon such terms and conditions as the Secretary of the Treasury shall determine. Purchases and resales by the Secretary of the Treasury hereunder shall not be included in the totals of the budget of the United States Government and shall be exempt from any general limitation imposed by statute on expenditures and net lending (budget outlays) of the United States.

"(c) The Administrator may, on an insured basis or otherwise, sell and assign any notes in the fund or sell certificates of beneficial ownership therein to the Secretary of the Treasury or in the private market. Any sale by the Administrator of notes individually or in blocks shall be treated as a sale of assets for the purposes of the Budget and Accounting Act, 1921, notwithstanding the fact that the Administrator, under an agreement with the purchaser or purchasers, hold the debt instruments evidencing the loans and holds or reinvests payments thereon as trustee and custodian for the purchaser or purchasers of the individual note or of the certificate of beneficial ownership in a number of such notes. Security instruments taken by the Administrator in connection with any notes in the fund may constitute liens running to the United States notwithstanding the fact that such notes may be thereafter held by purchasers thereof.

"Sec. 305. Insured Loans; Interest Rates and Lending Levels.—(a) The Administrator is authorized to make insured loans under this title and at the interest rates hereinafter provided to the full extent of the assets available in the fund, subject only to limitations as to amounts authorized for loans and advances as may be from time to time imposed by the Congress of the United States for loans to be made in any one year, which amounts shall remain available until expended; *Provided*, That the Congress in the annual appropriation act may also authorize the transfer of any excess cash in the fund for deposit into the Treasury as miscellaneous receipts: and *Provided further*. That any such loans and advances shall not be included in the totals of the budget of the United States Government and shall be exempt from any general limitation imposed by statute on expenditures and net lending (budget outlays) of the United States.

"(b) Insured loans made under this title shall bear interest at either 2 per centum per annum (hereinafter called the 'special rate'), or 5 per centum per annum (hereinafter called the 'standard rate'). Loans bearing the special rate shall be available only for an electric or telephone borrower which meets either of the following conditions:

"(1) has an average consumer or subscriber density of two or fewer per mile, or

"(2) has an average gross revenue per mile which is at least $450 below the average gross revenue per mile of REA-financed electric systems, in the case of electric borrowers, or at least $300 below the average gross revenue per mile of REA-financed telephone systems, in the case of telephone borrowers: *Provided, however*, That the Administrator may, in his sole discretion, make a loan at the special rate if he finds that the borrower:

"(A) has experienced extenuating circumstances or extreme hardship; or

"(B) cannot, in accordance with generally accepted management and accounting principles, produce net income or margins before interest at least equal to 150 per centum of its total interest requirements on all outstanding and proposed loans with an interest rate greater than 2 per centum per annum on the entire current loan, and still meet the objectives of the Act, or

"(C) cannot, in accordance with generally accepted management and accounting principles and without an excessive increase in the rates charged by such borrowers to their consumers or subscribers, provide service consistent with the objectives of the Act.

"(c) Loans made under this section shall be insured by the Administrator when purchased by a lender. As used in this Act, an insured loan is one which is made, held, and serviced by the Administrator, and sold and insured by the Administrator hereunder; such loans shall be sold and insured by the Administrator without undue delay.

"Sec. 306. Guaranteed Loans; Accommodation and Subordination of Liens.—The Administrator may provide financial assistance to borrowers for purposes provided in the Rural Electrification Act of 1936, as amended, by guaranteeing loans, in the full amount thereof, made by the Rural Telephone Bank, National Rural Utilities Cooperative Finance Corporation, and any other legally organized lending agency, or by accommodating or subordinating liens or mortgages in the fund held by the Administrator as owner or as trustee or custodian for purchases of notes from the fund, or by any combination of such guarantee, accommodation, or subordination. No fees or charges shall be assessed for any such guarantee, accommodation, or subordination. Guaranteed loans shall bear interest at the rate agreed upon by the borrower and the lender. Guaranteed loans, and accommodation and subordination of liens or mortgages, may be made concurrently with a loan insured at the standard rate. The amount of guaranteed loans shall be subject only to such limitations as to amounts as may be authorized from time to time by the Congress of the United States: *Provided*, That any amounts guaranteed hereunder shall not be included in the totals of the budget of the United States Government and shall be exempt from any general limitation imposed by statute on expenditures and net lending (budget outlays) of the United States. As used in this title a guaranteed loan is one which is made, held, and serviced by a legally organized lending agency and which is guaranteed by the Administrator hereunder.

"Sec. 307. Other Financing.—When it appears to the Administrator that the loan applicant is able to obtain a loan for part of his credit needs from a responsible cooperative or other credit source at reasonable rates and terms consistent with the loan applicant's ability to pay and the achievement of the Act's objectives, he may request the loan applicant to apply for and accept such a loan concurrently with a loan insured at the standard rate, subject, however, to full use being made by the Administrator of the funds made available hereunder for such insured loans under this title.

"Sec. 308. Full Faith and Credit of the United States.—Any contract of insurance or guarantee executed by the Administrator under this title shall be an obligation supported by the full faith and credit of the United States and incontestable except for fraud or misrepresentation of which the holder has actual knowledge.

"Sec. 309. Loan Terms and Conditions.—Loans made from or insured through the fund shall be for the same purposes and on the same terms and conditions as are provided for loans in titles I and II of this Act except as otherwise provided in sections 303 to 308 inclusive.

"Sec. 310. Refinancing of Rural Development Act Loans.—At the request of the borrower, the Administrator is authorized and directed to refinance with loans which will be insured under this Act at the interest rates provided in section 305 any loans made for rural electric and telephone facilities under any provision of the Consolidated Farm and Rural Development Act."

Sec. 3. Section 3(f) of the Rural Electrification Act of 1936, as amended, is repealed.

Sec. 4. Section 405 of the Rural Electrification Act of 1936, as amended, is further amended by striking subsection (e) in its entirety and by inserting in lieu thereof a new subsection (e), as follows:

"(e) Thereafter, the cooperative-type entities and organizations holding class B and class C stock, voting as a separate class, shall elect three directors to represent their class by a majority vote of the stockholders voting in such class; and the commercial-type entities and organizations holding class B and class C stock, voting as a separate class, shall elect three directors to represent their class by a majority vote of the stockholders voting in such class. Limited proxy voting may be permitted, as authorized by the bylaws of the telephone bank. Cumulative voting shall not be permitted."

Sec. 5. The second sentence of section 406 (a) of the Rural Electrification Act of 1936, as amended, is further amended by striking "from net collection proceeds in the rural telephone account created under title III of this Act" immediately after the word "appropriated".

Sec. 6. Subsection (a) of section 407 of the Rural Electrification Act of 1936, as amended, is amended by striking out "eight" in the second sentence and inserting in lieu thereof "twenty", and by striking out all of the third sentence.

Sec. 7. Section 407 of the Rural Electrification Act of 1936, as amended, is amended by adding a new subsection (c) as follows:

"(c) Purchases and resales by the Secretary of the Treasury as authorized in subsection (b) of this section shall not be included in the totals of the budget of the United States Government and shall be exempt from any general limitation imposed by statute on expenditures and net lending (budget outlays) of the United States."

Sec. 8. Subsection (a) of section 408 of the Rural Electrification Act of 1936, as amended, is amended (a) by inserting the words "or which have been certified by the Administrator to be eligible for such a loan or loan commitment," immediately following the term "this Act," where it first appears; and (b) by adding at the end thereof the following sentence: "Loans and advances made under this section shall not be included in the totals of the budget of the United States Government and shall be exempt from any general limitation imposed by statute on expenditures and net lending (budget outlays) of the United States."

Sec. 9. Subsection (b) of section 408 of the Rural Electrification Act of 1936, as amended, is amended by striking out all of paragraph (3) and inserting in lieu thereof a new paragraph (3) reading:

"(3) Loans under this section shall bear interest at the 'cost of money rate.' The cost of money rate is defined as the average cost of moneys to the telephone bank as determined by the Governor, but not less than 5 per centum per annum."

Sec. 10. No funds provided under the Rural Electrification Act of 1936, as amended, shall be used outside the United States or any of its territories.

Sec. 11. The right to repeal, alter, or amend this Act is expressly reserved.

Sec. 12. This Act shall take effect upon enactment.

And the House agree to the same.

That the Senate recede from its disagreement to the amendment of the House to the title of the bill and agree to the same.

W. R. Poage,
Frank A. Stubblefield,
B. F. Sisk,
Frank E. Denholm,
Charles M. Teague,
William C. Wampler,
George A. Goodling,
Managers on the Part of the House.

George McGovern,
James B. Allen,
Hubert H. Humphrey,
George D. Aiken,
Robert Dole,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE ON CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 394), an Act to amend the Rural Electrification Act of 1936, as amended, to reaffirm that such funds made available for each fiscal year to carry out the programs provided for in such Act be fully obligated in said year, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The conference substitute differs in substance from the House amendment to the text of the bill only in that—

(1) the mandatory language of section 305 of the House amendment was removed;

(2) provision is made for the transfer of excess cash in the fund created by the bill into the Treasury as miscellaneous receipts pursuant to annual appropriation Acts;

(3) refinancing of loans made under the Consolidated Farm and Rural Development Act will be on an insured basis at the interest rates provided in section 305 of the Rural Electrification Act of 1936, as added by this bill, so that they will not be subjected to an effective interest rate higher than now required of them under the Consolidated Farm and Rural Development Act;

(4) the word "possessions" is changed to "territories" to make the language consistent with the original Act.

The substitute is totally different from the Senate bill, except that its objective, like that of the Senate bill, is to restore the rural electric and telephone loan program to operation.

The Senate bill required that REA direct rural electric and telephone loans be made in the full amount appropriated therefor.

The Conference substitute—

(1) creates a revolving fund with unlimited borrowing authority, for the making of insured rural electric and telephone loans;

(2) provides that such insured loans will bear interest at five percent or two percent. Two percent loans are available only if the borrower—

(A) has an average subscriber density of two or fewer per mile; or

(B) has an average gross revenue of at least $450 below the average (for electric borrowers) or $300 below the average (for telephone borrowers); or

(C) has experienced extenuating circumstances or severe hardship; or

(D) cannot produce net income before interest of at least 150 percent of its total interest requirements and still meet the objectives of the Act; or

(E) cannot without an excessive rate increase provide service consistent with the Act. (Note: The substitute specifically conditions (C), (D), and (E) on the "sole discretion of the Administrator".)

(3) authorizes the guarantee of rural electric and telephone loans made by other lenders with interest at rates agreed upon by borrowers and lenders;

(4) requires loans made for rural electric and telephone facilities under the Consolidated Farm and Rural Development Act to be refinanced under the Rural Electrification Act of 1936 at the request of the borrower;

(5) forgives interest on REA borrowings from the Treasury under section 3(a) of the Rural Electrification Act of 1936;

(6) provides for separate elections by commercial and cooperative stockholders of the Telephone Bank of three directors by each group and prohibits cumulative voting in such elections (as currently prohibited by by-laws);

(7) raises limit on telephone debentures to twenty (instead of eight) times paid-in-capital and retained earnings;

(8) provides for appropriation from the Treasury general fund (instead of the Rural Telephone Account) of capital for the Rural Telephone Bank;

(9) authorizes Telephone Bank loans to applicants who have not previously borrowed from REA;

(10) provides that Telephone Bank loans shall bear interest at the cost of money to the bank, but not less than five percent (in lieu of a range of rates based on ability to pay).

(11) prohibits the use outside the United States of funds provided under the Rural Electrification Act of 1936;

(12) repeals the requirement that telephone debentures contain a disclaimer of federal guarantee; and

(13) provides that transactions in "interim notes" under section 304(a), insured obligations under section 304(b), loans and advances under section 305(a), and guaranteed loans under section 306 "shall not be included in the totals of the budget of the United States Government and shall be exempt from any general limitation imposed by statute on expenditures and net lending (budget outlays) of the United States."

The mandatory provisions of section 305 of the House amendment were deleted in view of the following letter from the Secretary of Agriculture:

Department of Agriculture,
Washington, D.C., May 8, 1973.

Hon. W. R. Poage,
Chairman, House Committee on Agriculture,
Washington, D.C.

Dear Bob: I am pleased to provide you and the members of the conference committee the Administration's position on the REA financing bill now in conference, S. 394. As I told you during our meeting in your office last Thursday, speaking for the Administration, we can assure you that during each of the next three years an REA program at levels not less than budgeted for Fiscal Year 1974 will be operated through the REA under the authority of S. 394 as finally passed and that not less than $105 million—$80 million for the electric program and $25 million for the telephone loan program (of new loans)—will be made available at the 2% rate.

This commitment is conditioned on but one cardinal principle—mandatory language relating to criteria in Section 305 be stricken from the legislation. Further, there will be no legislative direction with respect to hardship cases beyond the criteria set forth in the House-passed bill. As you know, the Secretary would, of course, have authority to exceed this minimum level for 2% loans.

On behalf of the Administration and every American, I want to thank you and the conferees for your efforts to achieve constructive legislation which will ensure a viable rural electric and telephone system.

Sincerely,

Earl L. Butz,
Secretary.

The minimum annual loan levels agreed to by the Administration pursuant to the above letter of May 8 from Secretary Butz applies only to new loans beginning in fiscal 1974. The Conferees, therefore, expect that the amount of any loans made during FY 1973 for rural electric and rural telephone facilities under any provisions of the Consolidated Farm and Rural Development Act, and which are refinanced pursuant to Section 310 of S. 394, will not be charged against, subtracted from, or constitute any part of the annual loan programs for subsequent years agreed to by Secretary Butz in his aforementioned letter.

While the Secretary's letter only discusses the program level beginning with the 1974 fiscal year, the conferees expect that loans will be made beginning with the effective date of this Act and that for the balance of the current fiscal year the same general program level and formula will be followed.

Since January 1, 1973, loans for rural electrification and rural telephone facilities have been processed pursuant to Section 306(a)(1) of the Consolidated Farm and Rural Development Act. Under this Act the Secretary of Agriculture is required to submit all such loan applications for review and comment to multijurisdictional substate areawide general purpose planning and development agencies which have been officially designated as clearinghouse agencies under OMB Circular A-95, and to county and municipal governments having jurisdiction over the area in which the proposed facilities will be located.

In the case of loans for rural electrification and rural telephone facilities, this requirement serves no useful purpose, and imposes unnecessary delays on loan approval procedures. It has never been applied to Rural Electrification Act loan programs. One of the principal purposes of S. 394 is to reinstate a rural electrification and rural telephone loan program which will operate free of these requirements for review by units of local government and local multijurisdictional planning agencies.

It is the specific understanding and the clear intent of the conferees that direct loans, insured loans, and loan guarantees, approved pursuant to the Rural Electrification Act of 1936 as amended, shall not be subject to review by any such multijurisdictional substate planning or development agency or commission or by any unit of local government, or by any federal agency other than the Rural Electrification Administration.

The conferees also point out that REA is not a rate-making or regulatory agency but is a lending agency, and accordingly, there is nothing contained in this bill which would require telephone borrowers to raise the rates charged to their subscribers in order to come up to a statewide average for subscriber rates. To the contrary, it is the hope of the conferees that this legislation will enable telephone borrowers to continue to provide telephone service consistent with the objectives of the REA Act without being required to raise rates to their subscribers. The rate-making field is traditionally reserved to the state regulatory commissions and S. 394 does nothing to change that.

W. R. Poage,
Frank A. Stubblefield,
Bernie Sisk,
Frank E. Denholm,
Charles M. Teague,
William C. Wampler,
Geo. A. Goodling,
Managers on the Part of the House.
George McGovern,
James B. Allen,
Hubert H. Humphrey,
George D. Aiken,
Robert Dole,
Managers on the Part of the Senate.

RURAL ELECTRIFICATION ACT AMENDMENTS

(Mr. POAGE asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. POAGE. Mr. Speaker. I am happy to report to the House that conferees have reached agreement on S. 394, amending the Rural Electrification Act and assuring an ongoing program that will bring improved electric power and telephone service to millions of Americans.

By way of background, the necessity for this legislation arose when the administration on January 1 of this year terminated the 2-percent loan program established by an act of Congress in 1936.

For more than 4 months there has been almost continuous consideration both in the House and Senate of ways to preserve the basic feature of this most worthy program. There was early agreement that the bulk of the systems could afford to pay 5-percent interest and would gladly do so if the money was available but that some systems must continue to receive 2-percent money. That is the essence of what is provided in this new legislation, the first major revision of the law aside from the addition of the telephone program and telephone bank to the original act.

The Senate passed a bill that directed reinstatement of the old program. Faced with the certainty of a veto of such legislation and with little likelihood this could be overridden, the House evolved a bill which met all of the major objections of the administration and at the same time seems to us to meet all of the legitimate needs of the local systems. The language of the measure to which the conferees have agreed is essentially that of the House bill—with one important change that we believe has virtually assured Presidential approval.

The conferees agreed to drop the mandatory provisions in the bill which would have directed the Administrator to continue to make 2-percent loans where needed. In return Secretary Butz has given us a letter pledging on behalf of the administration that 2-percent loans will be made to all associations which meet the criteria of need to the extent of $80 million for electric power systems and $25 million for telephone systems, and that 5-percent money will be available to the bulk of the applicants, bringing the total to $758 million each year for the next 3 years in accordance with the administration's budgetary request for fiscal year 1974. In addition, guaranteed loans at the going rate of interest to the extent which may be fixed by the Congress in the appropriations bills will be available.

All the conferees, both Democrats and Republicans, have signed the report, and I am hopeful that it can be brought up on the House floor tomorrow and promptly adopted. This will enable the bill to go to the White House so it could be signed by the President by May 11 in time for the 38th anniversary of the REA program.

I include a copy of Secretary Butz' letter to be printed in the RECORD at this point:

DEPARTMENT OF AGRICULTURE,
Washington, D.C., May 8, 1973.

Hon. W. R. POAGE,
Chairman, House Committee on Agriculture, Washington, D.C.

DEAR BOB: I am pleased to provide you and the members of the conference committee the Administration's position on the REA financing bill now in conference, S. 394. As I told you during our meeting in your office last Thursday, speaking for the Administration, we can assure you that during each of the next three years an REA program at levels not less than budgeted for Fiscal Year 1974 will be operated through the REA under the authority of S. 394 as finally passed and that not less than $105 million—$80 million for the electric program and $25 million for the telephone loan program (of new loans)—will be made available at the 2% rate.

This commitment is conditioned on but one cardinal principle—mandatory language relating to criteria in Section 305 be stricken from the legislation. Further, there will be no legislative direction with respect to hardship cases beyond the criteria set forth in the House-passed bill. As you know, the Secretary would, of course, have authority to exceed this minimum level for 2% loans.

On behalf of the Administration and every American, I want to thank you and the conferees for your efforts to achieve constructive legislation which will ensure a viable rural electric and telephone system.

Sincerely,

EARL L. BUTZ,
Secretary.

CALL OF THE HOUSE

Mr. McKINNEY. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. O'NEILL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 130]

Anderson, Ill.
Andrews, N.C.
Ashley
Badillo
Biaggi
Buchanan
Carter
Chisholm
Clark
Crane
Cronin
de la Garza
Diggs
Fish
Fountain
Fraser
Frelinghuysen
Gettys
Gibbons
Gray
Green, Oreg.
Guyer
Harsha
Heckler, Mass.
Jones, Tenn.
Ketchum
King
Lehman
Lott
Martin, N.C.
McKay
Melcher
Michel, Ill.
Murphy, N.Y.
Nichols
Obey
Powell, Ohio
Price, Tex.
Railsback
Reid
Reuss
Rogers
Roncalio, Wyo.
Rooney, N.Y.
Rosenthal
Satterfield
Saylor
Sisk
Skubitz
Snyder
Spence
Steelman
Steiger, Wis.
Symington
Teague, Tex.
Vander Jagt
Waldie
Wolff
Yatron

The SPEAKER. On this rollcall 374 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

DIRECTING THE SECRETARY OF DEFENSE TO FURNISH CERTAIN INFORMATION

Mr. HÉBERT, from the Committee on Armed Services, reported the following privileged resolution (H. Res. 379, Rept. No. 93-170) which was referred to the House Calendar and ordered to be printed:

H. RES. 379

Resolved, That the Secretary of Defense be, and he is hereby, directed to furnish the House of Representatives within ten days after the adoption of this resolution the following data:

(1) The number of sorties flown by United States military airplanes, for bombing purposes, over Cambodia during the period January 27, 1973, through April 30, 1973.

(2) The number of sorties flown by the United States military airplanes, for bombing purposes, over Laos during the period January 27, 1973, through April 30, 1973.

(3) The tonnage of bombs and shells fired or dropped on Cambodia by United States military forces during the period January 27, 1973, through April 30, 1973.

(4) The tonnage of bombs and shells fired or dropped on Laos by United States military forces during the period January 27, 1973, through April 30, 1973.

(5) The number and nomenclature of airplanes lost by the United States over Cambodia or its territorial waters during the period January 27, 1973, through April 30, 1973.

(6) The number and nomenclature of airplanes lost by the United States over Laos during the period January 27, 1973, through April 30, 1973.

(7) The number of Americans killed, wounded, captured, and missing in action while participating in flights over Cambodia and Laos during the period January 27, 1973, through April 30, 1973.

(8) The cost incurred by the United States as a result of all bombing and shelling carried on by the United States in or over Cambodia and Laos during the period January 27, 1973, through April 30, 1973, including the cost of bombs and shells, ships, and airplanes employed during such period, salaries of United States military personnel, during such period, involved in operating and maintaining such ships and airplanes, cost of equipment destroyed or damaged while participating in bombing missions over Cambodia and Laos, and all other expenses attributable to such bombing and shelling during the period January 27, 1973, through April 30, 1973.

(9) The number of sorties flown by United States military airplanes, for purposes other than bombing, over Cambodia and Laos during the period January 27, 1973, through April 30, 1973.

(10) The cost incurred by the United States as a result of all actions, other than bombing, carried on by the United States in or over Cambodia and Laos during the period January 27, 1973, through April 30, 1973, including the cost of airplanes employed during such period, salaries of United States military personnel, during such period, involved in operating and maintaining such airplanes, cost of equipment destroyed or damaged while participating in all activities, other than bombing, over Cambodia and Laos, during the period January 27, 1973, through April 30, 1973.

(11) The number and rank of United States personnel performing ground duty in Cambodia and Laos on both a temporary and permanent basis, including combat, advisory and support capacities, during the period January 27, 1973, through April 30, 1973.

(12) The location of United States personnel participating in ground or ground to air activity in or over Cambodia and Laos, including combat, advisory, and support capacities, during the period January 27, 1973, through April 30, 1973.

(13) The nature of the activity of United States ground personnel in Cambodia and Laos during the period January 27, 1973, through April 30, 1973.

(14) The order of battle of all forces, both combat and noncombat, in Cambodia and Laos, including North Vietnamese, ARVN, Viet Cong, American, and indigenous, delineating their current deployment and location.

(15) The number of sorties flown by United States military airplanes, for bombing purposes, over Cambodia and Laos during the period October 30, 1972, through January 27, 1973.

(16) The tonnage of bombs and shells fired or dropped on Cambodia and Laos by United States military forces during the period October 30, 1972, through January 27, 1973.

(17) The tonnage of bombs dropped, and the number of sorties flown by United States military airplanes over Cambodia and Laos emanating from bases in Thailand during

the period October 30, 1972, through January 27, 1973.

(18) The authority under what law, if any, for United States military activity in Cambodia and Laos since January 27, 1973.

(19) The extent of involvement of United States embassy personnel in United States military operations in or over Cambodia and Laos during the period January 27, 1973, through April 30, 1973.

Mr. HÉBERT. Mr. Speaker, I call up House Resolution 379 by direction of the Committee on Armed Services, and ask for its immediate consideration.

The Clerk read the resolution.

(For text of H. Res. 379, see prior proceeding of the House of today.)

Mr. HÉBERT (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the resolution be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

Mr. GROSS. Mr. Speaker, reserving the right to object, I know nothing about this resolution. Is it proposed to take some time to explain the resolution?

Mr. HÉBERT. We will have all the the time to explain it, and it will all be explained to the gentleman's satisfaction, I am sure.

Mr. GROSS. I thank the gentleman, and withdraw my reservation.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. HÉBERT. Mr. Speaker, on May 3, 1973, a privileged resolution was referred to the Committee on Armed Services directing the Secretary of Defense to furnish the House of Representatives, within 10 days, certain specified information. The information was requested in the form of 19 specific questions. These questions essentially involved information concerning military activities in and over Cambodia and Laos during the period January 27, 1973, through April 30, 1973.

As my colleagues are aware, under the rules of the House, a privileged resolution must be acted upon by the designated committee within 7 legislative days after its referral. This circumstance, together with the fact that the House is scheduled to act on Thursday, May 10th, on the second supplemental appropriation bill for fiscal year 1973, prompted the Committee on Armed Services to act quickly in reporting back to the House on the subject matter of this privileged resolution.

I am happy to advise that the Committee on Armed Services on Tuesday, May 8, 1973, conducted hearings in open session, at which time the Department of Defense witnesses responded in detail to each of the 19 questions raised in House Resolution 379.

I will not, at this time, inject my personal views in respect to the subject matter of the resolution. However, I think it pertinent to point out that the responses by departmental witnesses were sufficiently detailed so that the committee unanimously agreed that the request for information had been, in fact, satisfied. Therefore, the committee, a quorum being present, by a recorded vote of 36 yeas and no nays, ordered House Resolution 379 to be adversely reported to the House of Representatives.

I am attempting to expedite the printing of the transcript of the hearing. However, pending the availability of that printed committee document, I believe it would be helpful if I share with the Members of the House the information provided by the Department of Defense. I therefore ask unanimous consent to revise and extend my remarks at this point in the RECORD to permit me to include the responses provided by the Department to the 19 questions embodied in House Resolution 379.

Mr. Speaker, I would also include at this point in the RECORD a memorandum provided by the Department of Defense discussing Presidential authority to continue U.S. air combat operations in Cambodia.

Mr. Speaker, I hold here in my hand the answer to these 19 specific questions as relating to Cambodia, which I understand is the subject of discussion now in many areas of the House. These 19 questions were asked in a resolution proposed by the gentleman from California (Mr. LEGGETT) and a number of cosponsors.

Each question was answered fully. Each member of the committee in open session was given an opportunity to discuss the answers to each of the questions. And after full and open discussion it was decided that all the things requested in the resolution had been met, the information is in the hands of the committee. However, in order to anticipate the vote coming on Thursday, the Committee on Armed Services is now putting in the record, after the unanimous consent request which was just granted, this literature. In addition to this, which is available to every Member in the CONGRESSIONAL RECORD, I have here in my hand the entire printed proof sheets on the entire hearing that will be available tomorrow to each Member, and if possible I hope it will be delivered to each Member's office so that each Member of the House when confronted with a vote on this very critical issue will be in position of having all the facts relating to Cambodia. The Deputy Assistant Secretary who presented the information on behalf of the Department of Defense, in reply to the question, "Is this all?" said, yes, all the information was provided. So we have everything here before us, I do not believe that any Member can properly say that he was denied any information as relating to Cambodia.

Of course, the answer as to how each Member should vote on this issue is up to their own consciences. I will support the President and the Committee on Appropriations when this comes to a vote. But I just want the Members to know that all of the information available to us has been presented.

(The material referred to is as follows:)

QUESTIONS RAISED BY H. RES. 379 AND RESPONSES BY DEPARTMENTAL WITNESSES

Question 1: The number of sorties flown by United States military airplanes, for bombing purposes, over Cambodia during the period January 27, 1973, through April 30, 1973.

Answer: 12,136.

Question 2: The number of sorties flown by the United States military airplanes, for bombing purposes, over Laos during the period 27 January 1973 through 30 April 1973.

Answer: 8,985. Since the Laos ceasefire on 22 February 1973, 88 attack sorties have been flown in Laos in response to RLG requests.

Question 3: The tonnage of bombs and shells fired or dropped on Cambodia by United States military forces during the period January 27, 1973, through April 30, 1973.

Answer: 82,837 short tons.

Question 4: The tonnage of bombs and shells fired or dropped on Laos by United States military forces during the period January 27, 1973, through April 30, 1973.

Answer: 63,082 short tons. Since the Laos ceasefire on 22 February 1973, 1,038 short tons have been expended in Laos.

Question 5: The number and nomenclature of airplanes lost by the United States over Cambodia or its territorial waters during the period January 27, 1973, through April 30, 1973.

Answer: 1 USAF OV–10. 1 USAF F–4. In addition, on May 4, 1973, a USAF A–7 was lost due to mechanical difficulties. The pilot was recovered in good condition.

Question 6: The number and nomenclature of airplanes lost by the United States over Laos during the period January 27, 1973 through April 30, 1973.

Answer: 1 EC–47.

Question 7: The number of Americans killed, wounded, captured, and missing in action while participating in flights over Cambodia and Laos during the period January 27, 1973, through April 30, 1973.

Answer: KIA—9. MIA—2.

Question 8: The cost incurred by the United States as a result of all bombing and shelling carried on by the United States in or over Cambodia and Laos during the period January 27, 1973, through April 30, 1973, including the cost of bombs and shells, ships and airplanes employed during such period, salaries of United States military personnel, during such period, involved in operating and maintaining such ships and airplanes, cost of equipment destroyed or damaged while participating in bombing missions over Cambodia and Laos, and all other expenses attributable to such bombing and shelling, during the period January 27, 1973, through April 30, 1973.

Answer: Based upon cost factors covering munitions, fuel, aircraft attrition and certain amounts paid to crews while in flight status, the following costs were incurred by the United States January 27, 1973 through April 30, 1973 for bombing operations over Laos and Cambodia:

Cambodia	$159, 482, 375
Laos	99, 190, 719
Total*	$258, 673, 094

*Includes the following aircraft losses:

Cambodia: 1 OV–10 (7 April 73). 1 F–4 (18 April 73).

Laos: 1 EC–47 (4 February 73).

Question 9: The number of sorties flown by United States military airplanes, for purposes other than bombing, over Cambodia and Laos during the period 27 January 1973 through 30 April 1973.

Answer: Cambodia—6,181; Laos—5,439; Total 11,620.

Question 10: The cost incurred by the United States as a result of all actions, other than bombing, carried on by the United States in or over Cambodia and Laos during the period January 27, 1973, through April 30, 1973, including the cost of airplanes em-

ployed during such period, salaries of United States military personnel, during such period, involved in operating and maintaining such airplanes, cost of equipment destroyed or damaged while participating in all activities, other than bombing, over Cambodia and Laos, during the period January 27, 1973, through April 30, 1973.

Answer: The cost incurred by the United States for air operations other than bombing over Cambodia and Laos during the period January 27, 1973 to April 30, 1973 is as follows:

Cambodia	$18, 973, 000
Laos	14, 728, 000
Total	33, 701, 000

These costs do not cover most manpower costs, nor the cost of overseas base support, pipeline, and CONUS support, which would change little, if at all. Any attempt to break the figures down more precisely would require a great deal of time and effort, and would entail many arbitrary assumptions.

These costs are in terms of total resources consumed and have no direct relationship to the transfer authority requested. The transfer authority covers only operating costs (excluding munitions) and then only that increment of operating costs above the amounts currently included in the budget. Thus, there is no proper comparison that can be made between the transfer authority and the computed cost of air sorties using cost factors per sortie.

Question 11: The number and rank of United States military personnel performing ground duty in Cambodia and Laos on both a temporary and permanent basis, including combat, advisory and support capacities, during the period January 27, 1973 through April 30, 1973.

Answer: a. *Cambodia.* No US personnel assigned to Cambodia perform either combat or advisory functions. US military personnel are assigned to three agencies in Cambodia as follows:

(1) *Military Equipment Delivery Team, Cambodia (MEDTC).* There are 79 military personnel authorized in Cambodia in the FY 1973 Joint Manpower Program for the MEDTC, which is directed by an Army Brigadier General. A breakdown of the current authorized MEDTC manning is as follows:

Grade:	*Number*
O–7	1
O–6	5
O–5	12
O–4	20
O–3	4
O–2	1
E–9	1
E–8	1
E–7	18
E–6	5
E–5	9
E–4	2
	79

(2) *Political/Military Section.* There are two Army lieutenant colonels assigned to this section.

(3) *Defense Attache Office (DAO).* There are 21 military personnel presently assigned to the DAO in Phnom Penh. Included in the 21 personnel are one officer and four enlisted men who man a communications circuit for the DAO. A breakdown of the remaining 16 personnel is as follows:

Grade:	*Number*
0–6	2
0–5	3
0–4	5
Warrant officer	1
E–7	1
E–6	2
E–4	2

b. *Laos.* There are 170 US military personnel authorized in Laos. There are no US military personnel performing in a ground combat role. A breakdown of the current authorized manning is as follows:

Grade	Defense attaché office	(DAO augmentation)
0-6	2	
0–5	4	13
0–4	1	15
0–3	1	7
Warrant officer	1	4
E–9		1
E–8		3
E–7	5	17
E–6	1	37
E–5	1	36
E–4		21
Total	16	154

Question 12: The location of United States personnel participating in ground or ground to air activity in or over Cambodia and Laos, including combat, advisory and support capacities during the period 27 January 1973 through 30 April 1973.

Answer: a. *Cambodia.* There are no combat or combat advisory personnel in Cambodia.

(1) Military Equipment Delivery Team, Cambodia. Duties performed at an administrative facility located adjacent to the US Embassy, Phnom Penh. Members occasionally travel to outlying areas as a routine part of their MAP duties.

(2) Defense Attaché Office. Duties primarily performed at the US Embassy, Phnom Penh. Occasionally, members of this office travel to outlying areas to obtain information necessary to the performance of attaché duties or function aboard command and control aircraft.

(3) Political/Military Section. Personnel perform their duties at the US Embassy, Phnom Penh.

b. *Laos.* There are no US military personnel engaged in a ground combat role in Laos.

(1) Defense Attaché Office. Duties performed primarily at the US Embassy Compound, Vientiane, Laos. Occasionally, members of this office travel to outlying areas to obtain information necessary to the performance of attaché duties.

(2) Attaché Augmentation Personnel are quartered at: Pakse; Savannakhet; Vientiane; Luang Prabang; and Long Tieng.

Question 13: The nature of the activity of United States ground personnel in Cambodia and Laos during the period January 27, 1973 through April 30, 1973.

Answer: a. *Cambodia.*

(1) The function of the Military Equipment Delivery Team, Cambodia (MEDTC) is to administer the Military Assistance Program for Cambodia, to supervise the delivery of military equipment, and to assure that the equipment is properly cared for and used for its intended purpose.

(2) The basic function of the political/military section is to monitor the self-defense program as well as liberation and nation-building programs. It is responsible for both military and civil aspects of provincial reporting. It also coordinates with MEDTC and the Embassy economic section on all programs of a political/military nature. The chief of the section, a Foreign Service officer, is the third ranking member of the Embassy staff.

(3) The Defense Attaché Office (DAO) personnel perform the normal attaché observation and reporting functions. The office also maintains required communications circuits.

b. *Laos.*

(1) The personnel assigned to the Defense Attaché Office (DAO) in Vientiane perform the normal attaché observation and reporting functions.

(2) Attaché Augmentation personnel perform in advisory and training capacities.

Question 14: The order of battle of all forces, both combat and non-combat, in Cambodia and Laos, including North Vietnamese, ARVN, Viet Cong, American, and indigenous, delineating their current deployment and location.

CAMBODIA

Answer:

(1) Total order of battle (All numbers approximately)

a. *Enemy:*	
1. Combat (a) KC/KI	30, 000–35, 000
(b) VC/NVA	8, 000
2. Rear Service/Adm NVA/VC	32, 000
b. *GKR:*	
1. Army Combat	180, 000
2. Combat Service Support	16, 500
3. Air Force	5, 500
4. Navy	5, 500
c. GVN	0
d. US	100

(2) Deployment (Based upon personnel).

KC/KI

Military region 1—⅕; 2—½; 3—⅒; 4—⅒; 5— ; PPSMR—⅒.

VC/NVA (Combat)

Military region 1—⅓; 2— ; 3—⅙; 4—⅙; 5—⅙; PPSMR—⅙.

VC/NVA (Rear Service)

Military regions North East/South East.

FANK

Military region 1—⅛; 2—¼; 3—⅛; 4—⅛; 5— ; PPSMR—¼.

LAOS

(1) Order of battle (All numbers approximate)

a. *Enemy*	
1. Combat:	
(a) NVA	40, 000
(b) PL	20, 000
2. Adm Services/Command Support:	
(a) NVA	48, 000
(b) PL	7, 000
b. RLG (Appropriate):	
1. Combat and Combat Support	65, 000
2. Adm Services	25, 000
Total	90, 000
c. GVN	0
d. US	170

2. Location (Combat Forces):

	Northern Laos	Southern Laos
NVA	3/8	5/8
PL	2/3	1/3
RLG	5/8	3/8

Question 15: The number of sorties flown by United States military airplanes, for bombing purposes, over Cambodia and Laos during the period of October 30, 1972 through January 27, 1973.

Answer: Cambodia—2,092; Laos—8,713.

Question 16: The tonnages of bombs and shells fired or dropped on Cambodia and Laos by United States military forces during the period October 30, 1972, through January 27, 1973.

Answer: Cambodia—15,114 (S/T); Laos—34,925 (S/T).

Question 17: The tonnage of bombs dropped, and the number of sorties flown by United States military airplanes over Cambodia and Laos emanating from bases in Thailand during the period October 30, 1972 through January 27, 1973.

Answer: Sorties: Cambodia, 986; Laos, 8,122.

Tonnage (S/T) Cambodia, 7,801; Laos, 32,897.

Question 18: The authority under what law, if any, for United States Military activity in Cambodia and Laos since January 27, 1973.

Answer: For some years, the President as Chief Executive and Commander-in-chief has used both military and diplomatic means to advance the often stated purpose of terminating the conflict in Southeast Asia in a manner which would:

(1) Prevent the forecful imposition of a communist government in South Vietnam;

(2) Protect our remaining forces in South Vietnam; and

(3) Obtain release of our prisoners of war.

(See the President's announcement of proposals which formed the basis for the Paris Agreement—May 8, 1972.)

The President has the constitutional authority to pursue these goals under the provisions of Article II, Sections 1 and 2, of the Constitution. The decision in the recent case of *Mitchell* v. *Laird* in the U.S. Court of Appeals for the District of Columbia makes it clear that the President has the constitutional power to pursue all of these purposes.

The Agreement on ending the war and restoring peace in Vietnam signed on January 27, 1973 embodied a plan for the termination of the conflict to which the parties agreed. The actual termination of the conflict, however, remained contingent on the implementation of the Agreement.

Years before the Paris Agreement, the conflict for control of South Vietnam had spread into Laos and Cambodia. Cambodian territory was used by the North Vietnamese for essential lines of communication. It was in large measure the restrictions on these lines of communication which permitted the strengthening of the South Vietnamese military posture; a strengthening that contributed to the North Vietnamese decision to undertake meaningful negotiations. Cambodia was and is now in every sense an integral part of the battlefield in the conflict for control of Sotuh Vietnam. Should the North Vietnamese be permitted to gain control of Cambodia, it would permit them to establish a staging area from which to renew large-scale attacks aimed at accomplishing a military take-over in South Vietnam.

Consequently, at the time the Vietnam Agreement was concluded, the United States made clear to the North Vietnamese that the armed forces of the Khmer Government would suspend all offensive operations and that the United States aircraft supporting them would do likewise. We stated that, if the other side reciprocated, a *de facto* cease-fire would thereby be brought into force in Cambodia. However, we also stated that, if the communist forces carried out attacks, government forces and United States air forces would have to take necessary counter measures and that, in that event, we would continue to carry out air strikes in Cambodia as necessary until such time as a cease-fire could be brought into effect. These statements were based on our conviction that it was essential for Hanoi to understand that compliance with Article 20 of the Agreement would have to be reciprocal.

Despite the fact that the Government of Cambodia did, in compliance with Article 20 of the Paris Agreement, unilaterally declare a cease-fire, the forces attacking the Government of Cambodia continued the conflict, and, indeed, substantially increased the tempo of their offensive.

That implementation of the Paris Agreement has not yet been accomplished in full, particularly with respect to the provisions of Article 20 as they relate to Cambodia. Consequently the conflict in that portion of the battlefield continues. It follows that the President's authority to use military, political and diplomatic means to fully terminate the conflict must also continue. The mere signing of the Paris Agreement on a plan for terminating the conflict could not in itself terminate such authority.

Question 19: The extent of involvement of United States Embassy personnel in US military operations in or over Cambodia and Laos during the period 27 January 1973 through 30 April 1973.

Answer: a. *Cambodia*. U.S. military operations have been conducted in two categories: tactical and strategic air operations and delivery of equipment to the Cambodian Armed Forces under the US Military Assistance Program.

(1) Prior to 28 April 1973, Embassy personnel (usually the Defense Attache's Office in coordination with the Ambassador) validated specifically and individually all GKR airstrike requests. Effective 29 Apr., TACAIR strikes were made subject to a more general validation process to ensure faster response to GKR requests. B–52 strikes in the Freedom deal area (northeast Cambodia) were also subjected to the general validation process. Other B–52 strikes continue to receive Embassy validation on a case-by-case basis.

(2) The Defense Attaché's Office, Phnom Penh, provides daily combat situation reports based primarily on information provided by the GKR Ministry of Defense.

(3) As Chief of the Country Team, the US Ambassador is charged with directing all US activities in country, including certain aspects of the MAP function.

(4) The US Ambassador evaluates and passes on GKR requests to changes in the level of US actions and thereby monitors the requests.

b. *Laos*. There were no United States Embassy personnel directly engaged in military activity in or over Laos. US Embassy personnel do on occasion provide advice to the Laotian Armed Forces and have been involved in validating and transmitting requests for air support.

PRESIDENTIAL AUTHORITY TO CONTINUE U.S. AIR COMBAT OPERATIONS IN CAMBODIA

The purpose of this memorandum is to discuss the President's legal authority to continue United States air combat operations in Cambodia since the conclusion of the Agreement on Ending the War and Restoring Peace in Vietnam on January 27, 1973 and the completion on March 28, 1973 of the withdrawal of United States armed forces from Vietnam and the return of American citizens held prisoner in Indochina. The memorandum also discusses the background of the Agreeemnt of January 27 and the purposes of various United States actions in order to clarify the legal issues.

For many years the United States has pursued a combination of diplomatic and military efforts to bring about a just peace in Vietnam. These efforts were successful in strengthening the self-defense capabilities of the armed forces of the Republic of Vietnam and in bringing about serious negotiations which culminated in the Agreement on Ending the War and Restoring Peace in Vietnam, signed at Paris on January 27, 1973.[1] This Agreement provided for a cease-fire in Vietnam, the return of prisoners, and the withdrawal of United States and allied armed forces from South Vietnam within sixty days. The Agreement (in Article 20) [2] also required the withdrawal of all foreign armed forces from Laos and Cambodia and obligated the parties to refrain from using the territory of Cambodia and Laos to encroach on the sovereignty and security of other countries, to respect the neutrality of Cambodia and Laos, and to avoid any interference in the internal affairs of those two countries. This Article is of central importance as it has long been apparent that the conflicts in Laos and Cambodia are closely related to the conflict in Vietnam and, in fact, are so inter-related as to be considered parts of a single conflict.

At the time the Vietnam Agreement was concluded, the United States made clear to the North Vietnamese that the armed forces of the Khmer Government would suspend all offensive operations and that the United States aircraft supporting them would do likewise. We stated that, if the other side reciprocated, a *de facto* cease-fire would thereby be brought into force in Cambodia. However, we also stated that, if the communist forces carried out attacks, government forces and United States air forces would have to take necessary counter measures and that, in that event, we would continue to carry out air strikes in Cambodia as necessary until such time as a cease-fire could be brought into effect. These statements were based on our conviction that it was essential for Hanoi to understand that continuance of the hostilities in Cambodia and Laos would not be in its interest or in our interest and that compliance with Article 20 of the Agreement would have to be reciprocal.

Footnotes at end of article.

It has recently been suggested that the withdrawal of all U.S. armed forces from South Vietnam and the return of all U.S. prisoners has created a fundamentally new situation in which new authority must be sought by the President from the Congress to carry out air strikes in Cambodia. The issue more accurately stated is whether the constitutional authority of the President to continue doing in Cambodia what the United States has lawfully been doing there expires with the withdrawal of U.S. armed forces from Vietnam and the return of American prisoners despite the fact that a cease-fire has not been achieved in Cambodia and North Vietnamese troops remain in Cambodia contrary to clear provisions of the Agreement. In other words, the issue is not whether the President may do something new, but rather whether what he has been doing must automatically stop, without regard to the consequences even though the Agreement is not being implemented by the other side.

The purposes of the United States in Southeast Asia have always included seeking a settlement to the Vietnamese war that would permit the people of South Vietnam to exercise their right to self-determination. The President has made this clear on many occasions. For example, on May 8, 1972, when he made the proposals that formed the basis for the ultimately successful negotiations with North Vietnam, he said there were three purposes to our military actions against Vietnam: first, to prevent the forceful imposition of a communist government in South Vietnam; second, to protect our remaining forces in South Vietnam; and third, to obtain the release of our prisoners.[3] The joint communique issued by the President and Mr. Brezhnev in Moscow on May 29, 1972[4] in which the view of the United States was expressed said that negotiations on the basis of the President's May 8 proposals would be the quickest and most effective way to obtain the objectives of bringing the military conflict to an end as soon as possible and ensuring that the political future of South Vietnam should be left for the South Vietnamese people to decide for themselves, free from outside interference. The recent opinion of the United States Court of Appeals for the District of Columbia Circuit in *Mitchell* v. *Laird* makes it clear that the President has the constitutional power to pursue all of these purposes. In the words of Judge Wyzanski the President properly acted "with a profound concern for the durable interests of the nation—its defense, its honor, its morality."

The Agreement signed on January 27, 1973 represented a settlement consistent with these objectives. An important element in that Agreement is Article 20 which recognizes the underlying connections among the hostilities in all the countries of Indochina and required the cessation of foreign armed intervention in Laos and Cambodia. The importance of this article cannot be overestimated, because the continuation of hostilities in Laos and Cambodia and the presence there of North Vietnamese troops threatens the right of self-determination of the South

Vietnamese people, which is guaranteed by the Agreement.

The United States is gratified that a cease-fire agreement has been reached in Laos. It must be respected by all the parties and result in the prompt withdrawal of foreign forces. In Cambodia it has not yet been possible to bring about a cease-fire, and North Vietnamese forces have not withdrawn from that country. Under present circumstances, United States air support and material assistance are needed to support the armed forces of the Khmer Republic and thereby to render more likely the early conclusion of a cease-fire and implementation of Article 20 of the Agreement. Thus, U.S. air strikes in Cambodia do not represent a commitment by the United States to the defense of Cambodia as such but instead represent a meaningful interim action to bring about compliance with this critical provision in the Vietnam Agreement.

To stop these air strikes automatically at a fixed date would be as self-defeating as it would have been for the United States to withdraw its armed forces prematurely from South Vietnam while it was still trying to negotiate an agreement with North Vietnam. Had that been done in Vietnam, the Agreement of January 27 would never have been achieved; if it were done in Cambodia, there is no reason to believe that a cease-fire could be brought about in Cambodia or that the withdrawal of North Vietnamese forces from Cambodia could be obtained. It can be seen from this analysis that unilateral cessation of our United States air combat activity in Cambodia without the removal of North Vietnamese forces from that country would undermine the central achievement of the January Agreement as surely as would have a failure by the United States to insist on the inclusion in the Agreement of Article 20 requiring North Vietnamese withdrawal from Laos and Cambodia. The President's powers under Article II of the Constitution are adequate to prevent such a self-defeating result. It is worth noting that in reaching a similar conclusion, the report entitled "Congress and the Termination of the Vietnam War" recently prepared for your Committee by the Foreign Affairs Division of the Congressional Research Service, arrived at the same general conclusion as to the President's Constitutional power.

One must recognize that the scope and application of the President's powers under Article II of the Constitution are rarely free from dispute. Under the Constitution, the war powers are shared between the Executive and Legislative branches of the Government. The Congress is granted the powers "to provide for the common defense", "to declare war, grant letters of marque and reprisal, and make rules concerning captures on land and water", "to raise and support armies", "to provide and maintain a navy", "to make rules for the government and regulation of the land and naval forces", and 'to make all laws which shall be necessary and proper for carrying into execution the foregoing powers . . ."[5] On the other hand, the Constitution provides that "the executive power shall be vested in a President," that he "shall be Commander-in-Chief of the army and navy of the United States," and that "he shall take care that the laws be faithfully executed."[6] The President is also given the the authority to make treaties with the advice and consent of two thirds of the Senate, to appoint ambassadors with the advice and consent of the Senate, and to receive ambassadors and other public ministers.

The proceedings of the Federal Constitutional Convention in 1787 suggest that the ambiguities of this division of power between the President and the Congress were deliberately left unresolved with the understanding that they were to be defined by practice. There may be those who wish the framers of the Constitution would have been more precise, but it is submitted that there was great wisdom in realizing the impossibility of foreseeing all contingencies and in leaving considerable flexibility for the future play of political forces. The Constitution is a framework for democratic decision and action, not a source of ready-made answers to all questions, and that is one of its great strengths.

There is no question but that Congress should play an important role in decisions involving the use of armed forces abroad. With respect to the continuation of U.S. air combat activity in Cambodia, what is that role? The Congress has cooperated with the President in establishing the policy of firmness coupled with an openness to negotiation which has succeeded in bringing about the Agreement of January 27 and which can succeed in securing its implementation. This cooperation has been shown through consultations and through the authorization and appropriation process. The Congress has consistently rejected proposals by some members to withdraw this congressional participation and authority by cutting off appropriations for necessary military expenditures and foreign assistance. The Congress has also enacted several provisions with specific reference to Cambodia.[7] The President's policy in Cambodia has been and continues to be fully consistent with these provisions.

It was, of course, hoped that the Agreement signed at Paris on January 27 would be strictly implemented according to its terms, including the prompt conclusion of cease-fires in Laos and Cambodia and the withdrawal of foreign troops from those two countries. What has happened instead is that, in Laos, the cease-fire has been followed by continuing communist stalling in forming the new government and, in Cambodia, the communists responded to the efforts of the Khmer Government to bring about a *de facto* cease-fire with a fierce, general offensive. North Vietnamese forces remain in Laos and Cambodia and continue to infiltrate men and war material through these countries to the Republic of Vietnam. North Vietnamese forces in Cambodia continue to participate in and to support Communist offensive operations.

United States air strikes in Laos were an important element in the decision by North Vietnam and its Laotian allies to negotiate a cease-fire in Laos. If United States air strikes were stopped in Cambodia despite the communist offensive, there would be little, if any, incentive for the communists to seek a cease-fire in that country, and the temptation would doubtless be great for North Vietnam to leave its troops and supply lines indefinitely in Laos and Cambodia. Such a situation would be the opposite of that prescribed by Article 20 of the Vietnam Agreement and would so threaten the viability of the settlement in Vietnam and the right to self-determination of the South Vietnamese people as to be totally unacceptable to the Republic of Vietnam and to the United States. In light of these facts, it seems clear that the argument that the Constitution requires immediate cessation of U.S. air strikes in Cambodia because of the Paris Agreement is, in reality, an argument that the Constitution which has permitted the United States to negotiate a peace agreement—a peace that guarantees the right of self-determination to the South Vietnamese people as well as the return of United States prisoners and withdrawal of United States armed forces from Vietnam—is a Constitution that contains an automatic self-destruct mechanism designed to destroy what has been so painfully achieved. We are now in the process of having further discussions with the North Vietnamese with regard to the implementation of the Paris Agreement. We hope these discussions will be successful and will lead to a cease-fire in Cambodia.

FOOTNOTES

[1] LXVIII, *Bulletin*, Department of State, No. 1755, February 12, 1973, p. 169.

[2] "(a) The parties participating in the Paris Conference on Vietnam shall strictly respect the 1954 Geneva Agreements on Cambodia and the 1962 Geneva Agreements on Laos, which recognized the Cambodian and the Lao people's fundamental national rights, i.e., the independence, sovereignty, unity, and territorial integrity of these countries. The parties shall respect the neutrality of Cambodia and Laos.

"The parties participating in the Paris Conference on Vietnam undertake to refrain from using the territory of Cambodia and the territory of Laos to encroach on the sovereignty and security of one another and of other countries.

"(b) Foreign countries shall put an end to all military activities in Cambodia and Laos, totally withdraw from and refrain from reintroducing into these two countries troops, military advisers and military personnel, armaments, munitions and war material.

"(c) The internal affairs of Cambodia and Laos shall be settled by the people of each of these countries without foreign interference.

"(d) The problems existing between the Indochinese countries shall be settled by the Indochinese parties on the basis of respect for each other's independence, sovereignty, and territorial integrity, and non-interference in each other's internal affairs."

[3] *Bulletin*, Department of State, May 29, 1972, p. 747.

[4] *Bulletin*, Department of State, June 26, 1972, p. 899.

[5] U.S. Constitution, Article I, Section 8.

[6] U.S. Constitution, Article II, Sections 1 and 2.

[7] For example, Sec. 7 of the Special Foreign Assistance Act of 1971 (Pub. L. 91–652, Jan. 5, 1971, 84 Stat. 1942) and Sections 655 and 656 of the Foreign Assistance Act of 1961, as amended (added by Section 304(b) of Pub. L. 92–226, Feb. 7, 1972, 86 Stat. 29).

Mr. LEGGETT. Mr. Speaker, will the gentleman yield?

Mr. HÉBERT. I yield to the gentleman from California.

Mr. LEGGETT. Mr. Speaker, I want to thank the chairman of the full committee for yielding to me, and for handling this matter as promptly as the gentleman has. I think we have had a thorough exposure with respect to the questions and the answers thereto. I think we have got a lot of raw material from which the Members may draw their own conclusions. I am not going to argue the merits of those conclusions at this point. I understand the chairman is now going to move to table the resolution, and to that I have no objection.

MOTION TO TABLE OFFERED BY MR. HÉBERT

Mr. HÉBERT. Mr. Speaker, I offer a motion to table House Resolution 379.

The Clerk read as follows:

Mr. HÉBERT moves to table House Resolution 379.

The SPEAKER. The question is on the motion to table offered by the gentleman from Louisiana (Mr. HÉBERT).

The motion to table was agreed to.

A motion to reconsider was laid on the table.

RENEGOTIATION AMENDMENTS OF 1973

Mr. MURPHY of Illinois. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 388 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 388

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 7445) to amend the Renegotiation Act of 1951 to extend the Act for two years. After general debate, which shall be confined to the bill and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. MURPHY of Illinois. Mr. Speaker, I yield 30 minutes to the distinguished gentleman from California (Mr. DEL CLAWSON) pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 388 provides for an open rule with 2 hours of general debate on H.R. 7445, a bill to extend the Renegotiation Act for 2 years, until June 30, 1975.

The Renegotiation Act provides that the Renegotiation Board is to review the total profit derived by a contractor during a year from all of his renegotiable contracts and subcontracts in order to determine whether or not his profit is excessive. The Board is empowered to eliminate excessive profits. In 1972 the level of excessive profit determinations made by the Board was $40.2 million which was returned to the general fund.

The Committee on Ways and Means estimates that the cost of the bill will be $5,000,000 per year.

The renegotiation process allows an after-the-fact review of the profits on renegotiable contracts and subcontracts relating to the national defense and space efforts. This process provides a further check on the reasonableness of the prices that the Federal Government has to pay in order to maintain its defense commitments.

Mr. Speaker, I urge adoption of House Resolution 388 in order that we may discuss and debate H.R. 7445.

Mr. DEL CLAWSON. Mr. Speaker, I yield myself such time as I may consume.

House Resolution 388 is the rule under which we will consider H.R. 7445, the Renegotiation Act Amendments of 1973. This rule is a simple open rule with 2 hours of general debate.

The purpose of H.R. 7445 is to extend for 2 years the Renegotiation Act, which expires on June 30, 1973. This act enables the Government to recapture excessive profits on certain Government contracts.

The Renegotiation Board, reviews the total profit derived by a contractor during a year from all his renegotiable contracts. If the Board finds that profit is excessive, it is empowered to recover those excessive profits. Only contractors with renegotiable sales exceeding $1,000,000 for a fiscal year must file a report with the Renegotiation Board. Renegotiable contracts are defined as those with the following agencies: Department of Defense, the Army, the Navy, and the Air Force, the Maritime Administration, the Federal Maritime Board, the General Services Administration, the National Aeronautics and Space Administration and the Atomic Energy Commission, and Federal Aviation Administration.

The level of excessive profits determinations in recent years has been as follows: fiscal year 1969—$21,400,000; fiscal year 1970—$33,500,000; fiscal year 1971—$65,200,000 and fiscal year 1972—$40,200,000.

The Committee on Ways and Means estimates that the cost of this bill will be $5,000,000 per year for the administration expenses of the Renegotiation Board.

Mr. Speaker, I know of no opposition to this rule and urge its adoption.

Mr. Speaker, I have no further requests for time.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. DEL CLAWSON. I yield to the gentleman from Iowa.

Mr. GROSS. I should like to observe that this is a completely open rule. It neither waives points of order nor prohibits amendments, and this is most unusual because it deals with a matter of the Committee on Ways and Means.

I hope, and I think I speak for at least a few Members of the House, that this is a forerunner of good things: that we may have more open rules dealing with more legislation from the Ways and Means Committee.

Mr. Speaker, I thank the gentleman for yielding.

Mr. DEL CLAWSON. I thank my friend, the gentleman from Iowa. He is correct. This is the second open rule we have had out of the Ways and Means Committee this year. I share the same view.

Mr. MURPHY of Illinois. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mrs. GRIFFITHS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 7445) to amend the Renegotiation Act of 1951 to extend the act for 2 years.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 7445, with Mr. PIKE in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentlewoman from Michigan (Mrs. GRIFFITHS) will be recognized for 1 hour, and the gentleman from Pennsylvania (Mr. SCHNEEBELI) will be recognized for 1 hour.

The Chair recognizes the gentlewoman from Michigan.

Mrs. GRIFFITHS. Mr. Chairman, the renegotiation process is designed to eliminate excessive profits from Government contracts and related subcontracts in national defense and space programs. In the absence of legislation, the Renegotiation Act will expire on June 30, 1973. The bill before us today, H.R. 7445, extends the Act for an additional 2 years, or until June 30, 1975. The bill makes no other amendments to the act.

Let me give a brief summary of the renegotiation process before discussing the need for a continuation of the Renegotiation Act. As I indicated the purpose of renegotiation is to eliminate excessive profits on military and space-related Government contracts. The act authorizes the Renegotiation Board to review the total profit derived by a contractor during a year from all of his renegotiable contracts and subcontracts in order to determine whether or not the profit is excessive. The Board is empowered to eliminate those profits found to be excessive in accordance with factors set out in the statute. Thus, renegotiation is determined not with respect to individual contracts but with respect to all renegotiable contracts and subcontracts during a year.

Contractors with renegotiable sales in excess of the $1 million statutory minimum for a year must file a report with the Renegotiation Board. "Renegotiable" sales are those with the Departments of Defense, Army, Navy, and Air Force, the Maritime Administration, the Federal Maritime Board, the General Services Administration, the Federal Aviation Administration, and the Atomic Energy Commission. Various types of contracts are exempt from renegotiation, some on a mandatory basis such as those for standard commercial articles and those with State or local governments. In addition, the Board has discretion to exempt certain types of contracts, such as those outside the United States and where profits can be determined with reasonable certainty when the contract price is established.

Mr. Chairman, the Committee on Ways and Means had three general reasons for wanting to extend the Renegotiation Act at this time.

In the first place, modern military and space procurement is characterized by changing technical requirements and increasing complexity. The nature of the procurement often means that there is a lack of established market costs or prices to guide Government procurement personnel. As a result, negotiated contracts—in other words, contracts that are not formally advertised—are used for the bulk of this procurement.

For example, negotiated Department of Defense military contracts accounted for 90 percent of the value of the Department's military procurement in fiscal 1972, which was a continuation of the relative high percentage that increased from 82 percent in 1965 to 87 percent in 1967 and to 89 percent in 1970. In addition, negotiated NASA contracts have represented 99 percent of the value of NASA's procurement for fiscal year 1970, 1971, and 1972, as compared to 91 percent in fiscal 1961. As I indicated earlier, the renegotiation process is an after-the-fact review to eliminate excessive profits which may arise on procurement occurring under these conditions.

A second factor which indicates the need to extend the Renegotiation Act is the continued relatively high level of defense-related procurement. To illustrate, military procurement by the Department of Defense rose from $28 billion in 1965 to a peak of $44.6 billion in 1967. Since that time, it has declined slightly to $43.8 billion in 1968 and $42 billion in 1969, and then to $36 billion in 1970 and $34.5 billion in 1971. In 1972, the level increased again to $38.3 billion. Moreover, although the military procurement level has declined somewhat since 1967, the level of overall defense-related procurement—which includes more than just military procurement—is expected to remain at a relatively high level for the near future.

A third reason for extending the Renegotiation Act is due to the normal time lag between the time a contract is awarded and the time renegotiation filings are made and finally screened by the Renegotiation Board. This means that contracts awarded during recent years attributable to the Vietnam conflict will continue to be reported in filings with the Board during the next 2 years. For example, although total military and space procurement declined from fiscal 1967 to fiscal 1971, the level of renegotiable sales reviewed by the Board increased substantially from $33.1 billion in fiscal 1967 to $51.6 billion in fiscal 1971.

The time lag is also reflected by the overall increase in the number of filings above the $1 million floor received by the Board—from 3,737 in fiscal 1967 to a peak of 5,267 in fiscal 1971, before declining somewhat to 4,874 in fiscal 1972. Furthermore, the level of excessive profit determinations made by the Board rose during fiscal 1967 to fiscal 1971—from $16 million in fiscal 1967 to a recent high of $65.2 million in fiscal 1971—the highest since 1958. The fiscal 1972 level of $40.2 million was higher than any year since 1960.

For these reasons, the Committee on Ways and Means concluded that in view of the continued level of our defense effort and the nature of much of defense and space-related procurement, the Renegotiation Act should be extended again.

Because the nature of the renegotiation process is such that it relies heavily on human judgment in its determinations, the committee thought it best to ask for only a 2-year extension at this time—from June 30, 1973, to June 30, 1975.

Your committee expects this 2-year extension of the Renegotiation Act to be used by the Committee on Ways and Means to further review the renegotiation process, and to study specific recommendations made in recent studies as well as those which are expected soon. At least two congressionally sponsored reports have been made containing recommendations with respect to the operations of the Renegotiation Board, one by the House Committee on Government Operations and the other by the Commission on Government Procurement. In addition, the General Accounting Office has been conducting a review of the operations of the Renegotiation Board and the renegotiation process. This report and recommendations are expected to be sent to Congress in the near future.

Mr. Chairman, the Committee on Ways and Means concluded that further analysis of the various recommendations is needed before any substantive changes are made in the Renegotiation Act and that no significant review can be completed before the present termination of the act on June 30. Besides, the GAO report has not as yet been submitted to Congress.

The Committee on Ways and Means therefore, decided that so much of the 2-year period under the bill's extension as is needed should be utilized to thoroughly analyze these and other reports on the renegotiation process. Your committee therefore, has requested a study of the various reports and recommendations—existing and forthcoming—by the staffs of the Joint Committee on Internal Revenue Taxation and the Renegotiation Board.

Mr. Chairman, it is expected that this combined study will be completed in sufficient time prior to the next expiration date of the Renegotiation Act, as extended by H.R. 7445, so that your committee will be able to adequately review it.

Finally, Mr. Chairman, I would like to point out that the Renegotiation Board has reported that in the next 2 years it will greatly reduce the backlog of cases resulting from the procurement buildup for Southeast Asia. The Ways and Means Committee believes that with this factor largely out of the way, it will provide a better perspective to determine the character and extent of the future role for renegotiation at the end of the 2 years.

Mr. Chairman, the bill, H.R. 7445, was reported unanimously by the Committee on Ways and Means and I urge its adoption by the House.

Mr. SCHNEEBELI. Mr. Chairman, I support H.R. 7445, a bill extending the Renegotiation Act of 1951 for a period of 2 years, until June 30, 1975.

The Renegotiation Board requires contractors in the aerospace and defense industries to file reports on their profits with the Renegotiation Board if their receipts under contracts covered by the act exceed $1 million. The Renegotiation Board reviews these findings and can "renegotiate these contracts if the aggregate profits a contractor has received during the year are determined excessive." When such a finding is made, the contractor must refund a portion of his profits to the Government. The act contains a number of exceptions, including competitively bid construction contracts, contracts and subcontracts for raw materials or agricultural commodities, and contracts and subcontracts with common carriers, public utilities and tax-exempt organizations. Additionally, the Board itself is authorized to exempt certain contracts, and has exempted contracts for the sale of so-called stock items.

In determining whether a contractor's profits are excessive, the Board takes into account a variety of factors.

These factors include the individual contractor's efficiency, the extent of the risk he assumes, the character of the business, including the complexity of manufacturing techniques, the amount and source of capital employed in the venture, and other relevant factors. While various analytical techniques have been developed, no mechanical test can be applied, and the issues must ultimately be resolved by the exercise of judgment—admittedly somewhat subjective—by the Board.

A number of studies have either been undertaken or are in process that bear on the operations of the Renegotiation Board. In particular, the House Government Operations Committee held hearings in the 91st Congress and issued a report in December 1971 on the efficiency and effectiveness of Renegotiation Board operations. Additionally, the report of the Commission on Government Procurement gave consideration to the operations of the Board and developed recommendations. Finally, the General Accounting Office is currently studying the operations of the Renegotiation Board and will be completing its report in the near future.

These studies, and recommendations made pursuant to these studies, raise several issues. Among these are whether or not the act should be made permanent, or at least extended for longer periods of time than in the past; whether or not the minimum level for filing should be increased or lowered from the present $1 million figure; and whether or not the renegotiation process should be extended to all government contracts rather than confined to agencies essentially concerned with aerospace and defense.

The studies, including the GAO study which will soon be submitted, deserve the most careful consideration, in light of the future role that should be assigned to renegotiation. During the 2-year extension provided by this bill, the committee has directed the staffs of the Joint Committee on Internal Revenue Taxation and the Renegotiation Board to make a comprehensive review and in-depth study of the reports and recommendations that have been made. At that time, when the wind down of our efforts in Southeast Asia has been completed and any backlog in procurement requirements satisfied, we will have a better perspective of the future needs for renegotiation.

The 2-year extension in the present bill meets these objectives and will insure a timely review of the entire process. In the interim, the necessity for a continuation of the present law is clear. The high level of space-and-defense-related procurement through negotiated contracts makes some after-the-fact review of aggregate profits on all contracts for a fiscal year appropriate. From 1953 through 1972, the Board has made 4,333 determinations of excessive profits, totaling $1,-

135,737,153, while contractors reported voluntary refunds and price reductions of $1,371,630,024. During the same period, the total expenses for operations of the Board totaled $67,676,836.

The heavy burden for defense and aerospace expenditures borne by the American taxpayer makes it desirable to extend the act for this 2-year period while we undertake a comprehensive review of our future needs. By that time, the backlog of renegotiable contracts stemming from the Vietnam effort will be reduced, we will have had an opportunity to evaluate recent improvements in administrative procedures instituted by the Board, and our study of the recent and current reports and recommendations on the renegotiation process will have been completed. For these reasons, I urge all of my colleagues to join me in supporting this legislation.

Mr. DONOHUE. Mr. Chairman, I most earnestly urge and hope that this bill H.R. 7445, to extend the Renegotiation Act for 2 more years, until June 30, 1975, will be speedily and resoundingly approved by the House this afternoon.

In summary this bill, among other things, authorizes the Federal Government to recover excess profits on certain Government contracts, provides for a flexible, instead of the 4 percent statutory, interest rate on excess profits, and transfers jurisdiction of renegotiation cases to the court of claims from the tax court.

Mr. Chairman, the primary objective of this measure is to keep the profits of manufacturers and others doing business with the Federal government from getting beyond regulatory control and going beyond reasonable and equitable limits. There is no desire or intention of any kind, through the operation of this legislation, to prevent any reputable firm or businessman from making a legitimate profit on their production or investment or to subject them to any unjust or unwarranted harassment. To the contrary, the fundamental purpose of the measure is to try to insure that justice prevails for both the manufacturer and the taxpayer. Mr. Chairman, the record will show that the past operations of the Renegotiation Board have returned well over a hundred million dollars of excess profits to the American taxpayer. It is authoritatively estimated that, over the next 2 years, for an administrative cost of some $10 million, the taxpayers will recover between $25 to $50 million of excess profits, if this bill is adopted. Such a recovery, especially in this period of economic distress, would certainly be in the national interest and provide the taxpayers with some timely and substantial evidence that the Congress is really concerned with the proper and prudent spending of their money. Therefore I urge the Members of this House to give this bill their full support.

Mr. BROYHILL of Virginia. Mr. Chairman, I support H.R. 7445, to extend the Renegotiation Act of 1951 for 2 more years, through fiscal 1975.

The chairman and the ranking minority member of the Committee on Ways and Means have stated effectively the case for continuation, and I certainly do not want to belabor the points they have made so well. But I would like to comment briefly on what I believe to be key aspects of the issue before us.

First, it seems clear that extension of the act at this time is in the national interest. Procurement through negotiated contracts for space and defense purposes continues at a high level, making it important to maintain some after-the-fact review of contractors' profits for a fiscal year.

The really significant question, therefore, appears to be the length of the extension period.

The proposals which have been made in respect to renegotiation have truly "run the gamut." Some want to put it on a permanent basis. Others would like to see it done away with, entirely and immediately. And between those two extremes range many intermediate recommendations.

In order to assess these disparate views, we need a great deal of information, and fortunately we are getting it. A number of studies have been made, or are still being conducted, of the renegotiation process. Reports on inquiries by the House Government Operations Committee and the Commission on Government Procurement were issued recently. And the findings of a probe by the General Accounting Office soon will be released. In addition, the Renegotiation Board itself has undertaken a reevaluation of its policies and procedures, and has set in motion a program designed to improve and accelerate its operations.

In light of this activity, a 2-year extension of the act seems highly appropriate. Within this period, we will have time to review the renegotiations process, making maximum use of the results of the studies recently completed or still underway.

In order to help in this regard, the staffs of the Renegotiation Board and the Joint Committee on Internal Revenue Taxation have been asked to analyze the various reports and recommendations, and to provide us with pertinent material as soon as practicable.

With this information in hand, we will have a much better perspective on all aspects of renegotiation—the act, the Board, and the process itself. Meanwhile, our course seems clear. We should pass the bill before us.

Mr. BROOKS. Mr. Chairman, I rise in support of the bill, H.R. 7445, to extend the Renegotiation Act of 1951, as amended, for 2 years, because I support the concept of renegotiation and I foresee a continuing need for it. However, I find it necessary to qualify my support for a simple 2-year extension of the Renegotiation Act, because of the extreme limitations of the current renegotiation process.

During the 92d Congress, the Government Activities Subcommittee, of which I am chairman, conducted an extensive investigation into Renegotiation Board operations. The subcommittee's investigation revealed some shocking inadequacies in the present process. For example, because of the many exemptions that have become part of the Renegotiation Act over the years, billions of dollars escape the renegotiation process altogether. In 1969, $30 billion escaped renegotiation. Of the top 100 defense contractors, only one or two—and sometimes none—undergo actual renegotiation each year.

Even after a company's profits have been renegotiated, it is usually left with a substantial profit margin in terms of profits as a percentage of sales, and tremendous profits measured as a percentage of net worth. Return on net worth of 100 percnt is not uncommon, and it occasionally reaches as high as 1,000 percent.

As a result of the subcommittee's investigation, the Government Operations Committee issued a report in December 1971, which contained a number of recommendations designed to make the renegotiation process more effective.

The General Accounting Office has just recently issued a report of its investigation of the Renegotiation Board. This report contains many of the same recommendations as our report. In addition, earlier this year, the Commission on Government Procurement made a number of recommendations that it thought would improve the renegotiation process.

With all these reports and recommendations, Congress has plenty of information upon which to take action to put some teeth into the renegotiation process. I strongly urge the appropriate committees in Congress to lose no time in considering these recommendations. There is no need to wait for the expiration of the 2-year extension which we are now considering before Congress takes action to revitalize the renegotiation process.

Mr. Chairman, at present the American public has only a shadow of protection against excessive profits for defense contractors. I support continuation of the current process only for the purpose of allowing time to mold the Renegotiation Board into an effective organization and into a powerful deterrent against excessive defense profits.

Mr. GONZALEZ. Mr. Chairman, I am very much in favor of extending the Renegotiation Board and I have been perhaps the most persistent supporter of the too-often-ignored Board. I feel that its continued existence is extremely important because it remains an effective safeguard against the misuse of public funds, and fulfills the trust placed in us by the American people to expend tax dollars to benefit the many, not enrich the few.

This board is needed because excessive profits are produced despite the efforts and intentions of both parties negotiating the contract. The continued high-level of defense procurement argues for the retention of renegotiation, and the Renegotiation Board pays its own way many times over.

At this point I am taking the liberty of inserting my remarks before the House Ways and Means Committee last week in support of the extension of the Renegotiation Act of 1951:

EXTENSION OF THE RENEGOTIATION ACT OF 1951

(Testimony of Congressman HENRY B. GONZALEZ before the House Ways and Means Committee May 2, 1973)

Mr. Chairman and distinguished members of the committee, I greatly appreciate this opportunity to present my views on the Renegotiation Act.

As this committee is well aware, the Renegotiation Act was enacted in 1951, and has been extended ten times, usually for a period of two years. In the absence of further legislation originating from the Ways and Means Committee,the act will expire on June 30th.

The Renegotiation Act established an independent board to review the profits of certain firms contracting with defense, space and several other Federal agencies. The Board causes excessive profits to be returned to the Treasury. Contractors whose total yearly receipts and accruals exceed $1 million on prime contracts or subcontracts which are subject to renegotiation are required to file with the Board (as are manufacturers' representatives whose commissions and fees exceed $25,000 a year). The type of contract may vary from cost-plus-incentive-fee to firm fixed-price. The contracts may be for bombs, aircraft servicing, office machines, trousers, diodes, missile parts, or wooden boxes.

Since its inception, the Board has recouped $1.1 billion in excessive profits. In addition, $1.4 billion in voluntary refunds and price reductions made to the contracting agency have been reported to the Board.

BASIS OF MY SUPPORT FOR RENEGOTIATION

Mr. Chairman, I have been perhaps the most persistent supporter of the too-often-ignored Renegotiation Board. I presented extensive testimony the last time this committee held hearings on renegotiation, in 1968, and recommended several amendments to strengthen the Board and expand its purview.

I have supported the Renegotiation Board in the past because of my feeling that for some contractors to take advantage of our sometimes urgent, and always over-riding, need to provide for the common defense to make excessive profits was a heinous affront to the people of the United States, and especially to those families whose relatives made personal sacrifices to serve the nation as members of its armed forces.

I have supported the Renegotiation Board because it remains an effective safeguard against the misuse of public funds, and fulfills the trust placed in us by the American people to expend tax dollars to benefit the many, not enrich the few.

I continue to support renegotiation because I cannot perceive that the need to watchdog profiteering on defense and related contracts has diminished. We may have withdrawn our ground troops from Vietnam, but for the first time in our history defense spending is increasing in a year when we are supposedly at peace.

PRINCIPAL REASONS FOR EXTENDING RENEGOTIATION

The Ways and Means Committee has never failed to recommend that the Renegotiation Board be extended, and I am confident that the Committee will again see fit to continue this unique agency.

The three principal reasons this committee persuasively presented for extending the act in 1971, and at previous extensions, are still valid. Let me review these arguments.

First, the very nature of defense and aerospace contracts sometimes produces excessive profits despite the best efforts and intentions of both parties negotiating the original contract. Few contracts are awarded by the advertised bid process; in fiscal 1970, 89 percent of defense contracts and 99 percent of NASA contracts were negotiated This occurs because our government frequently needs materials not produced in the commercial market place, and because sometimes esoteric requirements can only be met by designing products incorporating technological innovations. In these cases, estimates of costs made by a contractor and accepted by a procurement official have no basis in experience, and may prove to be very inaccurate years later when the contract is being delivered. The Renegotiation Board conducts our only after-the-fact review of these contracts.

Secondly, the continued high level of defense procurement argues for the retention of renegotiation. Military manpower requirements have squeezed out procurement needs in recent years. Because of the expense of maintaining many mn in Vietnam and, more recently, because of the pay raises necessary to implement the all-volunteer army military manpower costs have risen sharply. In order to keep the total defense budget at a level acceptable to Congress and the American people, procurement costs have been cut back in a relative sense. We are told that the procurement pipelines is backlogged with many requests which are essential to our future defense posture.

In addition, the two or three year lag before contracts complete the renegotiation process means that the Board will still be reviewing Vietnam contracts for several years.

The third reason advanced in support of the Renegotiation Board is that it pays its own way many times over. In fiscal 1972, the Board reports finding $40.2 million in excessive profits. Voluntary refunds and price reductions reported to the Board by contractors, which are indications of the deterrent value of the Board, totaled $9.4 million in the past fiscal year. The total expenses of the Board in FY72 were $4.7 million, most of which went for salaries of its 223 employees. The Renegotiation Board must be the most strikingly cost-effective agency in the Federal government.

RENEGOTIATIONS IS NOT ONEROUS

Filing for renegotiation has long been accepted by contractors as a condition of doing business with certain Federal agencies. I believe most observers would have to agree with me that the statutory requirements are now more than reasonable, and the Board's implementation more than fair to the contractor.

The Board characterizes its proceedings as "informal and nonadversary," aimed at reaching mutual agreement with contractors on returning those profits determined to be excessive.

As a matter of fact, 9 out of 10 recent filings have been accepted upon preliminary screening. This means the Board clears contractors without even running its own audit of the cost figures they submit. Since it is how contractors define their costs which determine the level of their profits, this practice is quite permissive.

The figures seem to show that even contractors with excessive profits feel the Board is fair. Less than 8 percent of the Board's determinations of excessive profits have been appealed to the courts.

Much of the burden on contractors has been eased over the years by Congress. With two minor exceptions, the many amendments to the 1951 act have relaxed requirements and exempted more and more defense business from renegotiation. It was recently estimated that $11 to $13 million a year in prime contracts are now exempt.

Any burden in renegotiation has also been progressively eased by the Board itself, through its permissive exemptions and other rule-making functions. Some relaxations are just and proper, recognizing the peculiarities contractors can face in fulfilling defense contracts; others, it seems to me, subvert the intention of renegotiation.

For example, last year the Board responded to a Presidential request to encourage small businesses in this manner: the Board doubled from $40,000 a year to $80,000 the amount of excessive profits that would be allowable. $80,000 a year in *excessive* profits is $1500 a week in *excessive* profits. Can we explain to the American people why it is okay to make $1500 a week in unearned, undeserved profits but not to make $1600 a week? This is so arbitrary it is preposterous. No excessive profits from public funds in any amount should be countenanced by Congress or by any administrative agency. Is it truly our policy to say that profiteering is okay, just don't be overly greedy

MY RECOMMENDATION

Mr. Chairman, since I became aware of the Renegotiation Board and its functions in 1966, I have made over 36 statements printed in the Congressional Record explaining the hows and whys of profiteering and the role of renegotiation. I introduced legislation in the 90th, 91st, and 92nd Congresses. At this Committee's hearings in 1969, I delivered 73 pages of testimony and presented 6 amendments to strengthen the Board.

I will forego a repetition of all my findings and proposed amendments, and confine myself today to one recommendation. I respectfully request that this committee extend the Renegotiation Act for five years, to allow us to evaluate, in detail and with all due deliberation, the substantial recommendations for changing the renegotiation process which have resulted from three recent, outside, independent examinations of the Board—one by the House Government Activities Subcommittee, one by the Commission on Government Procurement, and the other by the General Accounting Office.

I have, until now, supported legislation to make the Renegotiation Board a permanent agency. Its function to safeguard the public purse will not cease. It needs permanence in order to recruit and keep expert staff. It needs the security, independence and status which permanence would provide in order to pursue its function vigorously.

It has been the position of this committee that because of the "high degree of subjectivity on the part of the renegotiators." Congress should review the Renegotiation Act every two years or so. The recent examinations of the Board point out that the staff suffers from a lack of clear guidelines; I think this behooves us to clarify the statutory criteria for defining excessive profits.

The figures seem to show that even contractors with excessive profits feel the Board is fair. Less than 8 percent of the Board's determinations of excessive profits have been appealed to the courts.

Much of the burden on contractors has been eased over the years by Congress. With two minor exceptions, the many amendments to the 1951 act have relaxed requirements and exempted more and more defense business from renegotiation. It was recently estimated that $11 to 13 billion a year in prime contracts are now exempt.

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For example, last year the Board responded to a Presidential request to encourage small businesses in this manner: the Board doubled from $40,000 a year to $80,000 the amount of excessive profits that would be allowable. $80,000 a year in *excessive* profits is $1,500 a week in *excessive* profits. Can we explain to the American people why it is okay to make $1,500 a week in unearned, undeserved profits but not to make $1,600 a week? This is so arbitrary it is preposterous. No excessive profits from public funds in any amount should be countenanced by Congress or by any administrative agency. Is it truly our policy to say that profiteering is okay, just don't be overly greedy?

Nearly all laws we enact in Congress require human judgment in implementation. It is indeed a laudatory goal that we review them at frequent intervals. But our workload does not seem to permit this, even in matters as significant as renegotiation. Our opportunity to "periodically review" renegotiation has really only revolved around whether or not to extend the act for short periods; it has been a review in name only. At the last two-year extension, neither body of Congress held public hearings. I understand that the press of weighty matters before this committee at that time only permitted the extension to be considered in one executive session, sandwiched between two other measures.

When the Renegotiation Act comes up for renewal every two or three years, there is a laudable desire by Congress to let the Board know before June 30 whether it lives or dies. This process in the past has not given us time for full consideration of the claims of deficiencies or inequalities in renegotiation.

This year, instead of extending the Board for two years and in 1975, when defense and related procurement will undoubtedly still be high, perhaps extending the Board for another two years, I propose that we extend the Board now for five years. Five years is not a magic figure for an extension of the Renegotiation Act; it is one of the recommendations of the Commission on Government Procurement, and I think it is a wise one.

In proposing a five year extension, it is my hope that this innovation would cause us to undertake a searching examination of renegotiation, not when we are under the gun to extend an agency before it dies, but when we have time for full deliberation of all the issues. And there are substantial, unaddressed issues which have been raised about the practice of renegotiation.

RECENT EXAMINATIONS OF RENEGOTIATION

It might appear, since no legislation has yet been introduced in this Congress, that there is no concern or understanding of renegotiation. This is far from the case.

I myself have not yet filed a bill on renegotiation because I have not been able to reevaluate my bill from the 92nd Congress in light of two recent studies, and a third study which has not yet been released.

The first study I am referring to was prepared by the House Government Activities Subcommittee and submitted to the House on December 16, 1971. This report recommends 12 major changes aimed at strengthening renegotiation.

Also, the report of the Commission on Government Procurement, released in December 1972, touched upon the Renegotiation Act. The Commission made four recommendations on renegotiation, including that *all* government contracts be renegotiated.

Finally, the General Accounting Office has concluded an extensive examination of the Renegotiation Board, and the Comptroller General is due to submit its report to us any time now. We can hardly do more than extend the Renegotiation Act until we have this report, and until we can evaluate and weigh them all.

It is my hope, Mr. Chairman, that we not just make another short term extension of the Renegotiation Act, but that we set in motion a process for a through review of renegotiation.

UNADDRESSED ISSUES

From my study of renegotiation over the years, I consider these the important issues Congress should deal with:

Why, in the last three years, are more and more filings (on a percentage basis) cleared at headquarters after a preliminary screening, instead of being assigned to the regional boards to examine the accuracy of submitted cost data? Is this due to the inadequate staffing of the Board, or does it signify a relaxation in standards?

Why do only a few of the top 100 defense contractors, who perform three-fourths of the total business, get renegotiated? Are the renegotiation procedures or staff lacking in sophistication? Should contract by contract renegotiation be instituted?

Why have no objective internal guidelines been prepared by the Board defining the statutory criteria for determining whether profits are excessive? If the criteria are not clear enough for guidelines, why has Congress not been asked to clarify its intentions?

Are excessive profit requirements stringent enough? The Government Activities Subcommittee found that even after determinations of excessive profits, the Board allowed half of these contractors to retain profits which gave them a return on net-worth of over 76.3 percent (which is the percentage return enjoyed by the most profitable company listed in the 1971 Fortune directory of the five hundred largest industrial corporations). Is it proper that defense business can be so much more profitable than industrial business?

Why aren't procurement officials alerted about those contractors who have made excessive profits?

Is it still appropriate that contractors costs and expenses be based on IRS definitions and not the accounting standards used during procurement, especially in view of the establishment of the Cost Accounting Standards Board?

Mr. Chairman, I believe these are crucial issues. Additional and serious issues were raised by the report of the House Government Activities Subcommittee. And the expected report of the Comptroller General will undoubtedly describe further areas of concern.

I trust the Ways and Means Committee will provide leadership in evaluating these issues and initiating appropriate legislation.

Thank you.

Mrs. **GRIFFITHS**. Mr. Chairman, I have no further requests for time.

The **CHAIRMAN**. The Clerk will read.

The Clerk read as follows:

H.R. 7445

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 102(c)(1) of the Renegotiation Act of 1951 (50 U.S.C. App., sec. 1212(c)(1)) is amended by striking out "June 30, 1973" and inserting in lieu thereof "June 30, 1975".

The **CHAIRMAN**. If there are no amendments to be proposed, under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. PIKE, Chairman of the Committee of the Whole House on the State of the Union, reported that the Committee having had under consideration the bill (H.R. 7445) to amend the Renegotiation Act of 1951 to extend the act for 2 years, pursuant to House Resolution 388, he reported the bill back to the House.

The **SPEAKER**. Under the rule, the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill is ordered to be engrossed and read a third time, and was read the third time.

The **SPEAKER**. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. **MAYNE**. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The **SPEAKER**. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas, 388, nays 0, not voting 45, as follows:

[Roll No. 131]

YEAS—388

Abdnor
Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Andrews, N.C.
Bevill
Biester
Bingham
Blackburn
Blatnik
Boggs
Boland
Bolling
Bowen
Brademas
Brasco
Bray
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton
Butler
Byron
Camp
Carey, N.Y.
Carney, Ohio
Casey, Tex.
Cederberg
Chamberlain
Chappell
Chisholm
Clancy
Clark
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cochran
Cohen
Collier
Collins
Conable
Conlan
Conte
Conyers
Corman
Cotter
Coughlin
Crane
Culver
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, Ga.
Davis, S.C.
Davis, Wis.
Delaney
Dellenback
Dellums
Denholm
Dennis
Dent
Derwinski
Devine
Dickinson
Donohue
Dorn
Downing
Drinan
Dulski
Duncan
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fish
Fisher
Flood
Flowers
Flynt
Ford, Gerald R.
Ford, William D.
Forsythe
Andrews, N. Dak.
Annunzio
Archer
Arends
Armstrong
Ashbrook
Ashley
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gaydos
Gettys
Giaimo
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Grasso
Green, Pa.
Griffiths
Gross
Grover
Gubser
Gude
Gunter
Haley
Hamilton
Hammerschmidt
Hanley
Hanna
Hanrahan
Hansen, Idaho
Hansen, Wash.
Harrington
Harsha
Harvey
Hastings
Hawkins
Hays
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Hillis
Hinshaw
Hogan
Holifield
Holt
Holtzman
Horton
Hosmer
Howard
Huber
Hudnut
Hungate
Hunt
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jordan
Kastenmeier
Kazen
Keating
Kemp
Kluczynski
Koch
Kuykendall
Kyros
Landgrebe
Landrum
Latta
Lehman
Lent
Litton
Long, La.
Long, Md.
Lott
Lujan
McClory
McCloskey
McCollister
McCormack
McDade
McEwen
McFall
McKinney
McSpadden
Macdonald
Madden
Madigan
Mahon
Mailliard
Mallary
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Aspin
Bafalis
Baker
Barrett
Beard
Bell
Bennett
Bergland
Mayne
Mazzoli
Meeds
Metcalfe
Mezvinsky
Milford
Miller
Mills, Ark.
Mills, Md.
Minish
Mink
Minshall, Ohio
Mitchell, Md.
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Myers
Natcher
Nedzi
Nelsen
Nichols
Nix
O'Brien
O'Hara
O'Neill
Owens
Parris
Passman
Patman
Patten
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Podell
Powell, Ohio
Preyer
Price, Ill.
Pritchard

Quie
Quillen
Railsback
Randall
Rangel
Rarick
Rees
Regula
Rhodes
Riegle
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncallo, N.Y.
Rooney, Pa.
Rose
Rostenkowski
Roush
Rousselot
Roy
Roybal
Runnels
Ruppe
Ruth
Ryan
St Germain
Sandman
Sarasin
Sarbanes
Satterfield
Scherle
Schneebeli
Schroeder
Seiberling
Shipley
Shoup
Shriver
Shuster
Sikes
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Snyder
Stanton, J. William
Stanton, James V.
Stark
Steed
Steele
Steelman
Steiger, Ariz.
Stephens
Stokes
Stratton
Stubblefield
Stuckey
Studds
Sullivan
Symington
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Teague, Calif.
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Treen
Udall
Ullman
Van Deerlin
Vanik
Veysey
Vigorito
Waggonner
Walsh
Wampler
Ware
Whalen
White
Whitehurst
Whitten
Widnall
Wiggins
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wright
Wyatt
Wydler
Wylie
Wyman
Yates
Young, Alaska
Young, Fla.
Young, Ga.
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion
Zwach

NAYS—0

NOT VOTING—45

Anderson, Ill.
Badillo
Biaggi
Buchanan
Carter
Cronin
de la Garza
Diggs
Dingell
Foley
Fountain
Fraser
Frelinghuysen
Gibbons
Gray
Green, Oreg.
Guyer
Hébert
Jones, Tenn.
Karth
Ketchum
King
Leggett
McKay
Melcher
Michel
Murphy, N.Y.
Obey
Price, Tex.
Reid
Reuss
Roncalio, Wyo.
Rooney, N.Y.
Rosenthal
Saylor
Sebelius
Sisk
Spence
Staggers
Steiger, Wis.
Teague, Tex.
Vander Jagt
Waldie
Wolff
Yatron

So the bill was passed.

The Clerk announced the following pairs:

Mr. Rooney of New York with Mr. Anderson of Illinois.

Mr. Teague of Texas with Mr. Cronin.

Mr. Yatron with Mr. Saylor.

Mr. Obey with Mr. Steiger of Wisconsin.

Mr. Fountain with Mr. Buchanan.

Mr. Gibbons with Mr. Guyer.

Mr. Gray with Mr. Michel.

Mr. Hébert with Mr. Carter.

Mrs. Green of Oregon with Mr. Price of Texas.

Mr. Murphy of New York with Mr. Frelinghuysen.

Mr. Staggers with Mr. Sebelius.

Mr. Rosenthal with Mr. de la Garza.

Mr. Roncalio of Wyoming with Mr. Vander Jagt.

Mr. Karth with Mr. Spence.

Mr. Biaggi with Mr. King.

Mr. Leggett with Mr. Badillo.

Mr. Reid with Mr. Jones of Tennessee.

Mr. Diggs with Mr. McKay.

Mr. Dingell with Mr. Melcher.

Mr. Fraser with Mr. Sisk.

Mr. Reuss with Mr. Foley.

Mr. Wolff with Mr. Waldie.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mrs. GRIFFITHS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentlewoman from Michigan?

There was no objection.

INTEREST PAYMENTS ON TIME AND SAVINGS DEPOSITS

Mr. YOUNG of Texas. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 371 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 371

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 6370) to extend certain laws relating to the payment of interest on time and savings deposits, to prohibit depository institutions from permitting negotiable orders of withdrawal to be made with respect to any deposit or account on which any interest or dividend is paid, to authorize Federal savings and loan associations and national banks to own stock in and invest in loans to certain State housing corporations, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from Texas (Mr. Young) is recognized for 1 hour.

Mr. YOUNG of Texas. Mr. Speaker, I yield 30 minutes to the gentleman from Ohio (Mr. Latta) pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 371 provides for an open rule with 1 hour of general debate on H.R. 6370, a bill to extend laws relating to payment of interest on time and savings deposits. H.R. 6370 extends the authority of the program, sometimes referred to as regulation Q, until September 30, 1975.

The bill authorizes Federal savings and loan associations and national banks to invest in, or make loans or loan commitments to State-chartered housing corporations.

H.R. 6370 also extends the authority of the Federal Deposit Insurance Corporation—FDIC—to cover interest rates paid on deposits by certain nonfederally insured banks. The effect of this provision will be to bring nonfederally insured institutions under the Federal interest rate limitations.

No new costs are anticipated as a result of this legislation.

Mr. Speaker, temporary rate control authority must be continued if stability in the volume of funds available for home mortgage financing is to be maintained. I urge adoption of House Resolution 371 in order that we may discuss and debate H.R. 6370.

Mr. LATTA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 371 provides for the consideration of H.R. 6370, to Extend Certain Laws Relating to the Payment of Interest on Time and Savings Deposits. This is an open rule with 1 hour of general debate.

The purpose of this bill is to extend Federal regulations over certain financial instiutions.

Section 1 extends for 28 months existing authority of the Federal financial regulatory agencies to establish flexible ceilings on rates paid on time and savings deposits. The present authority expires on June 1, 1973.

Sections 2 and 3 will enable the Federal Deposit Insurance Corporation and the Federal Home Loan Bank Board to regulate the rate of interest paid by nonmembers savings and loan associations, cooperative banks, and by banks in Massachusetts, the accounts of which are not insured by the FDIC. The Committee on Banking and Currency adopted this approach, after removing from this bill a section prohibiting NOW accounts. NOW accounts are, in effect, interest paying checking accounts now being offered by savings banks in Massachusetts and New Hampshire. Under this bill, the NOW accounts will continue, but under regulation, which will attempt to insure that they do not upset the competitive balance in the industry.

Section 4 authorizes Federal savings and loan associations and national banks to invest in or make loans to State housing corporations.

Mr. Speaker, I urge the adoption of this rule.

Mr. YOUNG of Texas. Mr. Speaker, I have no requests for time.

Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. PATMAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 6370) to extend certain laws relating to the payment of interest on time and savings deposits, to prohibit depository institutions from permitting negotiable orders of withdrawal to be made with respect to any deposit or account on which any interest or dividend is paid, to authorize Federal savings and loan associations and national banks to own stock in and invest in loans to certain State housing corporations, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from Texas (Mr. Patman).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 6370, with Mr. Pike in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the

gentleman from Texas (Mr. PATMAN) will be recognized for 30 minutes, and the gentleman from New Jersey (Mr. WIDNALL) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Texas.

Mr. PATMAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, let me say a few words about the so-called NOW accounts or to use their formal title, the Negotiable Order of Withdrawal. NOW accounts are offered by mutual savings banks in Massachusetts and New Hampshire. They are, in essence, checking accounts on which interest is paid, as some of the opponents of NOW accounts correctly point out. Or, to be more legally precise, they are third party transfer accounts which means nothing more than the fact that a NOW account customer can write a check on his NOW account to another person, which makes it a third party transfer.

The funds within a NOW account which remain on hand and available for use by the mutual savings bank continue to draw interest, whereas, obviously, when the funds are withdrawn through a NOW account draft, such funds cease to receive any interest income.

The NOW account experiment, in my opinion, is a good one. There is no reason in the world why a financial institution, as a competitive weapon, should not be able to pay interest on a checking account if they so desire to do so. It would be horrible indeed if this Congress, if the Federal Government were to tell a State and a financial institution properly chartered and registered within that State that they could not as a State matter offer such accounts.

But leaving the legal issue aside for a moment, let us look at the economics of the situation. These accounts, as I have said, are for all practical purposes accounts on which interest is paid. The burden of proof rests on those who would oppose such accounts, but no place in the hearing record on this legislation can anyone point out that—

The financial institutions offering NOW accounts have been placed in jeopardy;

That sizable amounts of funds have been transferred from other institutions into institutions offering NOW accounts and, therefore, jeopardizing the former institution;

That mutual savings banks have had to raise interest charged on home mortgage lending; or

That the institution offering a NOW account on which interest is paid has, as a result, placed itself in jeopardy.

I repeat, Mr. Chairman, and this is the crucial question: Unless the opponents of those institutions which offer NOW accounts can make a case either legally or economically against the issuance of NOW accounts, or more specifically the payment of interest on demand deposits or on what in effect is a demand deposit, then this Congress should in no way impede the utilization of this type of financial arrangement which has introduced an element of competition between financial institutions in an industry which, as we know, certainly lacks significant competitive relationships.

Out of an abundance of precaution and, in my opinion, wisdom, your committee did provide a means whereby if this NOW account situation gets out of hand for whatever reason, the Federal Government will have on hand the proper tools to deal with it. This is done through sections 2 and 3 of the bill which allows the Federal financial regulatory agencies, namely, the Federal Deposit Insurance Corporation and the Home Bank Board the complete authority to regulate the rates of interest and dividends paid by mutual savings banks and savings and loan associations under certain criteria. This authority, I repeat, Mr. Chairman, will give the Federal regulatory agencies all of the power needed to make sure that there is no disruptive occurrences as a result of these NOW accounts which would adversely effect either other types of financial institutions as far as their solvency is concerned, costumers who have accounts in financial institutions, or the home mortgage market lending activities of financial institutions.

Mr. Chairman, in my opinion, this experiment on so-called NOW accounts should continue and the committee amendment to this effect, which strikes section 2 of this original bill as introduced, should be supported.

Mr. Chairman, I rise in support of the committee amendments which would strike section 2 of H.R. 6370 as introduced. A vote in favor of the committee amendment would allow the continuation of the NOW account experiment as it exists in Massachusetts and New Hampshire. In my opinion, all Members should support the committee amendment.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Chairman, what did the gentleman mean by the expression, "If these NOW accounts get out of hand"? What did the gentleman mean by that?

Mr. PATMAN. Some claim they will jeopardize the solvency of the institutions. I do not think they will. Some contend they will favor some institutions over others, which I do not think they will because it is absolutely open competition. It is open and aboveboard competition. Therefore I do not predict that any of these bad things will happen. If they were to happen, there is the Federal Home Loan Bank Board and the Federal Deposit Insurance Corporation which could step right in as provided in section 2 and 3 of the bill.

Mr. GROSS. And do what?

Mr. PATMAN. And do what is necessary to stabilize the situation.

Mr. GROSS. Yes, but do what? Give us some example of what the gentleman thinks they will do if this "gets out of hand." What will be done to remedy the situation?

Mr. PATMAN. Here is an outstanding example. Suppose some banks would get to paying too much interest and jeopardize the solvency of the institution. That should not be permitted. That should be stopped immediately. If it is a member of the Federal Deposit Insurance Corporation, the bank would be subject to their jurisdiction immediately and that would be stopped. Or the Federal Home Loan Bank Board could enter into the situation and stop it. In other words there is provision against anything happening that would be detrimental to the solvency of the particular banks we are dealing with.

Mr. GROSS. But the bill or the legislation does not specify what the nature of the remedy will be or what the nature of the supervision will be?

Mr. PATMAN. No, that is in existing law.

Mr. GROSS. Mr. Chairman, the gentleman spoke of competition. I am informed by the small commercial bankers in Iowa that mutual savings banks do not post the reserves required of commercial banks, nor do they pay the taxes imposed upon commercial banks.

Would the gentleman respond to that?

Mr. PATMAN. Does the gentleman mean the savings and loan associations? Is the gentleman making the statement that they do not pay taxes?

Mr. GROSS. No, I am not. I am stating what has been told to me. Since the gentleman from Texas has gone into the subject of competition, those to be benefited by this legislation on all fours in this matter of meeting the requirements imposed upon commercial bankers?

Mr. PATMAN. Mr. Chairman, I appreciate the gentleman asking that question. The fact is, the savings and loan associations, I believe, in many instances, pay more taxes than the banks for this reason:

The banks have many deductions. Take, for instance, a loan which a bank makes, and they make millions of dollars in loans, they immediately get a 2.4-percent deduction on the possibility of a loss on those loans.

At the end of the year, they have had, we will say, no losses at all. They still get the 2.4 percent.

I remember when we had the Lockheed case up over here, and they wanted several million dollars to help out these crippled concerns such as Lockheed. We had 24 banks which represented the Lockheed Co., and Members asked the question: "Well now, under the law these banks, the 24 banks here are sitting on the front seat, they have one-third of the banking resources of the Nation, and our records here disclose that they accumulated over a billion dollars free of charge by a tax deduction of 2.4 percent where they did not have any loss. Why do they not use part of that billion dollars to take care of the company instead of asking Congress to appropriate $250 million?"

One banker spoke up. He said, "Well, we are holding that for a rainy day."

One of the Members said, "Well, do you not think that we are going through a hurricane right now?"

They wanted them to use it now, but they would not use it. We went ahead and we adjusted because we were forced to. Just as with Rolls-Royce in England, the British Government was told if they did not do it—we went ahead and forced through a bill with $250 million limit and let the Senate know that we would not go any further than that. If they did not want this, that is all we would do, but they did accept it that night.

I think this is a good settlement. That shows how banks have an advantage over savings and loans associations.

Mr. MOORHEAD of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Pennsylvania (Mr. MOORHEAD).

Mr. MOORHEAD of Pennsylvania. Mr. Chairman, I thank my chairman for yielding to me.

The distinguished gentleman from Iowa asked whether there was any specific authority or regulation in the bill itself. I am sure the Chairman will agree with me that in section 3, page 4, line 17, it provides:

> Including specifically the authority to regulate the rates of interest.

Therefore, if the FDIC decided to regulate the interest rates now actually down to zero or close to it, there would be no competitive advantage.

Mr. PATMAN. That is correct.

Mr. WYLIE. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Ohio (Mr. WYLIE).

Mr. WYLIE. Mr. Chairman, my question is, if the Chairman would explain to me, how could the allowing of NOW accounts possibly encourage competition to benefit insured banks and savings and loans.

I am referring to the fact that by allowing NOW accounts, as would be permitted by existing law, if not prohibited by amendment today, we legalize a special class with special advantages, in my judgment.

Under present law, for example, a commercial bank cannot pay interest on a checking account, and a savings and loan institution cannot have a checking account. Under this setup the mutual savings institutions in the State of Massachusetts can pay interest on a checking account. Does that not give them a competitive advantage?

Mr. PATMAN. The gentleman's question is a good question. There is no reason why it would be immoral or a conflict of interest or a violation of any business principle or any principle for people to get interest on demand deposits. It was done to kind of prevent competition more than anything else. We should not prevent competition. We should let the people get interest on demand deposits if they can do it in a way that would be safe and solvent for the institution, and it can be.

Mr. WYLIE. Will the gentleman yield for one more question?

Mr. PATMAN. I yield for one more question.

Mr. WYLIE. Would the distinguished chairman of the Committee on Banking and Currency be in favor of allowing commercial banks to pay interest on checking accounts and allowing savings and loan institutions to have checking accounts on which interest could be paid, so that there would not be any unfair competition?

Mr. PATMAN. I am not advocating that. Eventually, possibly, they will be given the right for the people to get competitive rates among all financial institutions. Now we are dealing with a very simple question involving only two States, Massachusetts and New Hampshire, where they have mutual savings banks.

Mr. WYLIE. That is the point I am making.

Mr. PATMAN. Wait a moment. This does not include the whole Nation. This would be a good way for the Congress to observe, to watch and carefully consider this, if we pass this measure. If it turns out to be bad or wrong we can repeal it. We are fortunate in that it does not include so much of the area of the country that it would be disastrous if it turned out to be a bad example.

Mr. WYLIE. I thank the gentleman.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from California.

Mr. ROUSSELOT. I thank the gentleman for yielding.

In answer to the question of the gentleman from Ohio, as to whether the NOW accounts that have been allowed in Massachusetts and New Hampshire are competitive. The regulatory bodies in those States evidently felt that it was not undue competition. NOW accounts were originally allowed to provide an added service to the customer. An individual who had a savings account in those mutual savings banks in Massachusetts and New Hampshire was merely being accommodated by allowing him to draw a few checks. This was very carefully brought out in the testimony before the subcommittee, as the gentleman from Ohio knows. Some of the banking profession and the State authorities in these two States decided they wanted to give the benefit to the customer.

Mr. PATMAN. Will the gentleman cease for just a moment, please? I have used more time than I thought. We have only 1 hour of debate on this. That means I have 30 minutes. I have used too much of that now, because other Members want to be heard. The gentleman's side has 30 minutes, so if he would use part of those 30 minutes it would be appreciated. It would be unfair for me to take more time.

Mr. ROUSSELOT. If the gentleman will yield further, basically this was done in Massachusetts and New Hampshire as an accommodation to the customer, who wanted to draw one, two or three or five checks a month against a savings account. Massachusetts mutual savings banks had a 15-cent charge per check. So basically it is an accommodation to the customer, to the consumer. I believe we should support consumer-oriented services. I thank my chairman for yielding.

Mr. PATMAN. I must insist that the gentleman not take more of my time.

I am sorry, but we just cannot do it.

Mr. Chairman, I reserve the balance of my time.

Mr. WIDNALL. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the bill which the Committee on Banking and Currency brings before the House today has been the subject of careful consideration by both the subcommittee and full committee. The Subcommittee on Bank Supervision and Insurance held extensive hearings including witnesses from all quarters on all aspects of the bill. The record of these hearings has proved most informative and useful to all Members.

To a great degree, there is agreement on the provisions of H.R. 6370. These include an extension in time of the Federal authorities to impose ceilings on the payment of interest on time and savings deposits, as well as a broadening of that authority to include nonmember, nonfederally insured financial institutions in the Commonwealth of Massachusetts. The reason that only Massachusetts is affected at this particular juncture is that it is the only State presently covered by the exemption allowed for States in which regulatory agencies duplicate the Federal regulatory authority; Massachusetts also meets the 20-percent test of time and savings deposits in nonfederally insured institutions as a percentage of all time and savings deposits in the State.

Section 4, which provides a means of making more private funds available to State housing corporations in order to support the production of low- and moderate-income housing, met with no opposition in either subcommittee or full committee. Briefly, this provision was designed to assist the work of these State-chartered housing corporations by authorizing Federal savings and loan associations and national banks to invest in or make loans to these corporations. I would reiterate the observation of the committee's report that this allows needed flexibility in making these investments and loans while maintaining the soundness of the financial structure of the participating institutions.

The one bone of contention, as I am certain all my colleagues will know by now, is on the question of what action, if any, should be taken by Congress with regard to the so-called NOW account. The NOW account is an interest-bearing savings account which is subject to withdrawal by negotiable or transferable order, presently being offered under State law by savings banks in both Massachusetts and New Hampshire.

As this bill was reported out of the Bank Supervision and Insurance Subcommittee, the clean bill, H.R. 6370, included a statutory prohibition against the use of these accounts. This provision was in addition to the broadening of Federal Deposit Insurance Corporation authority to control interest rates paid by the institutions which presently offer NOW accounts, but it was by no means clear at that point which approach—statutory or regulatory—would be selected by the Full Committee on Banking and Currency.

Of the subjects covered by H.R. 6370, this has been the most controversial; accordingly, it was the one which received the most attention in the hearings. There was an impressive line-up of administration and agency witnesses, as well as representation from all sectors of the financial community. It was made clear, as Governor Mitchell of the Federal Reserve Board later observed in testimony before the Senate Banking Committee, that an "intolerable situation" exists in Massachusetts and New Hampshire with regard to the competitive equity among financial institutions. What was not made clear, however, was any single solution acceptable to all parties involved—the commercial banks, saving and loan associations, and mutual savings banks. In speaking for the Federal Reserve Board, Governor Mitchell then outlined a proposal including interest-bearing family accounts with money transfer services, to be allowed on an equitable, competitive basis by all financial institutions, subject to regulation by appropriate Federal authorities. I mention testimony before the Senate Committee because at the time hearings were held on the House side, the Federal Reserve Board had not yet established a position on this question.

Likewise, the Federal Deposit Insurance Corporation, in presenting a list of possible options, favored the broader, regulatory approach. I would observe that, at this time, FDIC has not gone as far as to advocate the effective repeal of present prohibitions against paying interest on demand deposits, even on household accounts.

Deputy Under Secretary Smith, of the Treasury Department, has proposed a wait-and-see solution to this problem until the Hunt Commission proposals come forth from the administration. In developing his argument, Mr. Smith supported more strongly the idea of using Massachusetts and New Hampshire as "laboratory experiments" to determine the use and value of NOW accounts by individuals, as well as their effect on the competitive situation among various types of financial institutions in those States.

It is this later question—that of competitive equity—which has fueled the fire that has raged over this bill. In answering that question, we must now choose between the statutory and regulatory approaches, and in making that choice look toward the immediate effects within the perspective of the coming legislative proposals adopted from the report of the Presidential Commission on Financial Structure and Regulation, the so-called Hunt Commission.

The NOW account is a hybrid, not fitting wholly into the mold of the demand deposit—on which interest payment is prohibited by statute—or the straight savings account—on which interest payment is subject to regulation.

One month ago, when the full committee acted on this question, it was much less clear that the FDIC, the agency which prospectively has primary responsibility for setting interest rates on NOW accounts, would take an active role in meeting this challenge. I voted to impose a statutory prohibition against any use of negotiable or transferable instruments to draw out funds from an interest-bearing account.

In this past month, I have received a great deal of information from all sides—a continuation of the hearing process. One of the major concerns alluded to repeatedly was that of the great growth in the dollar volume in NOW accounts and the drain from other financial institutions to mutual savings banks. The trend over the first 6 months of experience showed a gain of $10 to $12 to over $15 million per month. However, from the beginning of March to the beginning of April the gain was only some $8.5 million, from $71.5 million to approximately $80 million. An estimate made by the Federal Reserve Bank of Boston that these totals would reach $1 billion within a year has since been withdrawn. And it has now been made clear by the report of the committee and the reaction of the FDIC that regulatory action could be taken to meet any disruptive competitive imbalance which may result from the use of NOW accounts.

In sum, I would now say in retrospect, that the experience and developments of this past month show the committee's action of choosing the regulatory solution rather than the statutory prohibition to be appropriate. I believe that this approach will be successful in providing an atmosphere in which the financial community can continue to operate soundly during this period in which we await action on the Hunt Commission proposals. I shall support the entire bill as reported by the Committee on Banking and Currency.

Mr. WIDNALL. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio (Mr. J. William Stanton).

Mr. J. WILLIAM STANTON. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, the debate here today on this legislation has taken a very similar course to that which was taken in the committee regarding the fact that the entire emphasis is on section 2 of this bill, and in regard to what we commonly refer to as the NOW accounts.

Mr. Chairman, a couple of hours ago one of our colleagues asked me what we actually mean by regulation Q, and so in the few minutes I have allotted to me I simply want to say that of course the primary purpose of this legislation and the reason that the committee has brought it to the attention of the Members is to extend what we commonly refer to as regulation Q which expires on June 30, through September 30, 1975. Regardless of how you may feel or desire to vote with respect to NOW accounts, I want the Members to know that the committee was unanimous in the need for this legislation to extend regulation Q, and that we will fully support this bill regardless of what amendments may be passed or not passed.

I think that I should also add that regulation Q came into effect in 1966 through the Committee on Banking and Currency which recognized at that time the tremendous outflows of savings, especially in the savings and loan industry, which were put in an uncompetitive position and the need for legislation so as to insure that enough money would go to the home building industry. So the Congress in its wisdom passed regulation Q, and it has been extended, and we believe that it should be extended until September 30, 1975.

Mr. WIDNALL. Mr. Chairman, at this time I yield 5 minutes to the gentleman from California (Mr. Rousselot).

Mr. ROUSSELOT. Mr. Chairman, I rise in support of this bill as it is being presented to the Committee of the Whole House today. I support the committee amendment, to eliminate the absolute and unwarranted prohibition against the NOW accounts that exist in the States of Massachusetts and New Hampshire.

Mr. Chairman, I thought that the representatives of the U.S. Treasury, the Home Loan Bank Board, and other regulatory representatives under questioning made it absolutely clear that the savings accounts known as NOW accounts presented no drastic threat to the financial institutions of this country. As a matter of fact, these regulatory authorities presented facts from the statistics of the U.S. Treasury Department and Federal Reserve Board to show that NOW accounts actually provide a "competitive innovation," for the consumer who has such savings account. And the Treasury Department and the administration, I thought, made an excellent case that we should not intervene and override ruthlessly the States of Massachusetts and New Hampshire to prevent them from trying to serve their depositors in a meaningful way. The savings account customer is merely allowed to write one, two, three, four, or more checks a month against that NOW account and according to reliable reports most customers do not average more than six to seven withdrawals a month. In the case of the Massachusetts savings banks they are charged 15 cents per check so that the customer is not engaged in an unsound practice.

I felt the Treasury made an excellent case, and so I voted along with the majority of this committee to eliminate unnecessary prohibition against the States of New Hampshire and Massachusetts from being allowed to permit the mutual savings banks in those States from keeping these type accounts.

The U.S. Treasury said:

> We do not see a competitive disruption of any magnitude if indeed there is a competitive disruption.

Now, many of the Members I am sure have heard from some of their commercial bank representatives at home—and and I have heard from some of them—claiming that there is going to be great fear and panic in the marketplace if we allow these two little States to continue the NOW accounts. The claim is that there are going to be drastic amounts of money, that will literally run from their mutual saving banks in the States of Massachusetts and New Hampshire.

I wish to say—and I generally support the position of our good free enterprise oriented commercial banks in this country—that in my humble opinion those who have made that kind of statement have misstated the case. These voices caused undue alarm and fear that should not exist. I am going to continue, as one member of this committee, to support the U.S. Treasury's position which has said this whole issue of rate differential and all related matters will be fully considered by our Committee on Banking and Currency when the Department of the Treasury brings to us their recommendations as they relate to the Hunt Commission. I believe that that is a very logical position and deserves support.

The effort to eliminate the total prohibition against these kinds of savings accounts is a meritorious one. Let me tell you why—because the NOW account merely helps the saver who just wants to write one or two or three checks a month against his account. Anybody who wishes to have a very active checking account will not naturally be drawn to this kind of a savings account, because it is, frankly, too expensive. At 15 cents a check in the case of the Massachusetts savings banks. It is not economical to write very many checks. It is just a convenience to the saver. It is much more profitable to use a regular commercial bank checking account, and the overwhelming number of high use checking account customers will utilize the full service bank.

I am sure we will hear many statements here today that "oh, we had better be careful about this terrible NOW account that has crept into the system." Do not be fooled by that kind of argument. I do not believe that it is a logical argument to say that older people or younger people who are the main users of this kind of account in Massachusetts or New Hampshire, who do not feel they need a regular checking account, should be denied the use of this very simple service of the mutual savings banks. The great fear that it is going to be the "nose under the tent," and is going to create a great disaster in the money markets of the country is just another ghost story. The mutual savings banks in these two States are merely trying to serve their customers. In a truly innovative way.

Mr. PATMAN. Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts (Mr. MOAKLEY).

The CHAIRMAN. The gentleman is recognized.

Mr. MOAKLEY. Mr. Chairman, my purpose in speaking here is just to put the NOW account in its proper perspective. Let us go back to 1935 when the Mutual Savings Banks started in Massachusetts. They had the option of either insuring their own accounts or getting under the Federal umbrella. They chose to go it alone; they did not need such help at that time. They have had a great history in Massachusetts—no scandals, no closures. All of a sudden, because of the recent Supreme Court decision in Massachusetts allowing NOW accounts, we in the halls of the Congress are given a matter to vote on which does not belong here. It belongs in the Commonwealth of Massachusetts where it currently is reposing before the Massachusetts House of Representatives.

I think that this should not be a battle between the commercial banks and the savings banks. It is a battle between the consumer and the banks to do away with the NOW accounts in Massachusetts. Mr. Chairman, that would mean that we would be taking $1 million a week away from the depositors who are currently enjoying the NOW accounts. I think this is wrong.

I should like to quote from Walter Wriston, who is the chairman of the First National City Bank:

> One reason dollars "went abroad" was a monument to our regulation. American banks are prohibited from paying interest on demand deposits, such as a checking account for an individual. In fact, this is the only country in the world where you don't do that. When people found that foreign banks would pay interest on demand deposits, they sent their money abroad.
>
> Now, if we want to "bring these dollars home," we should change our law and pay interest on demand deposits. That's one thing that could be done.

Mr. Chairman, I feel we are out shooting mosquitoes with elephant guns. This is a Massachusetts problem. The Treasury Department and the FDIC and the Federal Reserve, all these organizations are against the prohibition of the NOW account. Even the Bank Commissioner of the Commonwealth of Massachusetts, who is opposed to NOW accounts, said she had authority to regulate them and hoped section 2 would not be reinserted in the bill.

Since I represent part of the Commonwealth of Massachusetts I hope some of the Members will listen to one who knows where it's at. I hope the bill passes without section 2 being inserted into the bill.

Mr. BURKE of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. MOAKLEY. I yield to the gentleman from Massachusetts (Mr. BURKE).

Mr. BURKE of Massachusetts. Mr. Chairman, I wish to associate myself with the remarks of my esteemed colleague, the gentleman from Massachusetts (Mr. MOAKLEY).

Mr. DRINAN. Mr. Chairman, will the gentleman yield?

Mr. MOAKLEY. I yield to the gentleman from Massachusetts (Mr. DRINAN).

Mr. DRINAN. Mr. Chairman, I also associate myself with the remarks of the distinguished gentleman from Massachusetts (Mr. MOAKLEY), who is from Boston. He is an authority on this matter. This is a matter for the State of Massachusetts. It has been sustained by the court of Massachusetts. I have received over 1,000 letters from consumers who are very pleased with the service given them by the savings banks of Massachusetts. I hope the position of the distinguished gentleman from Massachusetts (Mr. MOAKLEY) and the committee will be sustained.

Mr. MOAKLEY. Mr. Chairman, I would like to add that existing data indicate 44 percent of all the NOW accounts represent transfers from existing accounts within the same bank. It is estimated, that of the remaining 56 percent, approximately 30 to 35 percent would have been new regular savings accounts at the same savings banks were it not for NOW accounts.

I hope the bill is passed without section 2 being reinserted.

Mr. BURKE of Massachusetts. Mr. Chairman, I would be remiss in my responsibilities to the people whom I serve in Massachusetts if I did not take this occasion to again urge my colleagues to support negotiable orders of withdrawal. As a Representative from one of the few States which currently offers NOW accounts, I have had the opportunity to witness the great benefits which my constituents have gained through the use of this innovative system. It is estimated that $50 million will be paid to NOW depositors in Massachusetts this year. If NOW accounts were to be discontinued, the savings institutions would simply keep that money—money which they are more than happy to offer to their depositors—it would be the holders of NOW accounts, middle and low income individuals who would suffer the loss. I have received thousands of letters from the senior citizens in my district. These people are living on fixed incomes and are desperately in need of the additional income which they can receive from the interest on these accounts. These are people who do not have adequate means of transportation and who find it extremely difficult to make the trip to the bank each time that the rent is due or each time that they must meet medical expenses. It would be a great hardship for these senior citizens to have to return to regular savings accounts which would demand their presence at each transaction. Mr. Chairman, we owe a great deal to our senior citizens and to the working men and women of this Nation and I urge that full support be given to the continuance of negotiable orders of withdrawal.

Mr. WIDNALL. Mr. Chairman, I yield 6 minutes to the gentleman from Pennsylvania (Mr. JOHNSON).

Mr. JOHNSON of Pennsylvania. Mr. Chairman, the Congress today is faced with a very, very important decision. We are to make a decision here today as to whether we are going to permit a trend in this Nation which when it finally reaches its fruition, will completely revise banking as we have known it. We, in fact, will be making all banks in the United States commercial banks. That will be the net effect of this. I think it is an ominous trend. Now is the time to stop it, here today.

Here is how it started. In Massachusetts, the mutual savings banks, as well as New Hampshire, have contrived what they call the most innovative, attractive, helpful, and glamorous device called negotiable orders of withdrawal or NOW accounts. In short, it is a device to permit checking withdrawals against time deposits.

In committee, I pointed out that no matter how we slice it or doll it up or dress it up, the device is a checking account in a mutual savings bank and against, of all things, a savings account. The Massachusetts Supreme Court found a loophole in their law and said it is a legal device despite the fact that our national law does not permit banks to pay interest on checking accounts.

This bill was introduced by the gentleman from Rhode Island (Mr. ST GERMAIN) to outlaw the practice and stop it in its tracks. The plea was made to let Massachusetts and New Hampshire do it, that it is working out well there, and the mutual savings people want it. But, of course, they want it. If that is permitted in Massachusetts and New Hampshire, it will spread all over the United States and we will then have a situation where every checking account in every bank will be subject to interest. Let us say this plan is found to be permissible nationwide.

I say that it will mean a drying up of mortgage money, because a lot of savings banks and savings and loan associations, all these institutions, if they are going to have their deposits subject to check, then we must pass stringent reserve requirements which will mean that they will have to keep a portion of their savings accounts in reserve against these checking accounts, which ultimately will dry up a good share of the mortgage market, and these institutions are set up to make mortgage loans on homes.

In the State of Pennsylvania we have one of the finest mutual savings banks in the United States called the Philadelphia Saving Fund Society. Its assets are over a billion dollars. Why is that institution so great? Because people have faith in it. They know it is secure; that it is loaning money on good first mortgages and is taking care of poor people in their savings accounts, and people love the bank and trade with it. They have confidence in it.

Now, all of a sudden this bank wants to become a commercial bank. It wants to have checking accounts and, of all things, it wants to pay interest on them.

As I said in my opening remarks, I think this is an ominous trend. We are going to end up with a drying up of mortgage money and the Federal Government then will have to step in.

If this amendment to allow NOW accounts prevails, the net result will be nationwide, all banks will pay interest on checking accounts. This will revive all the evils of banking that caused the bank crashes of 1933.

Previous to 1933, payment of interest on checking accounts was widespread and banks were required to maintain very low reserves at that time, so that there was no liquidity to cover the runs on banks.

It goes without saying that if NOW accounts are allowed, stringent reserves requirements will be necessarily imposed on the savings banks. Also, nationwide, as all banks pay interest on checking accounts, they will have to make money in some other way. How are they going to make money to pay the interest they are going to pay on those accounts? It will just mean that the interest on a mortgage will have to go up so that the banks will get enough money on this side of the ledger to pay the extra cost on the other side of the ledger.

In other words, the banks will have to make money somewhere. They will make it by raising the cost of mortgage money, which could well skyrocket to 9 percent.

Therefore, I say that we are going to hit this amendment head on pretty soon. I think it is dangerous and ominous. If we are going to reduce all banks to commercial banks, all right, we will do it, but let the Committee on Banking and Currency study it and come in with a bill that everybody is a commercial bank. Let everybody pay interest on checking accounts, but let us set up stringent reserve requirements and make them all pay income tax, pay State income tax just as commercial banks do and be put upon the same footing as national banks so that there is no competitive advantage.

It is said that there is no competitive advantage. How can we say that they are not competing unfairly when the Massachusetts system, to cover a checking account in Massachusetts, it is better than a checking account, it pays 5¼ percent.

What are all the financial institutions in the country going to do if all of a sudden they pay interest on checking accounts? They will certainly have to get the money somewhere through higher interest rates on mortgages.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Pennsylvania. I yield to the gentleman from California (Mr. ROUSSELOT.)

Mr. ROUSSELOT. Mr. Chairman, I want to make sure the gentleman is familiar with the figures developed in our Committee on Banking and Currency hearing. The commercial banks in Massachusetts from June of 1972 to the end of the year had a growth rate of 8 percent in deposits. The mutual savings banks only had a growth rate of 4 percent on deposits. This is exactly during the time that the NOW accounts were in existence, so the gentleman's great fear that substantial amounts of savings would leave commercial banks has been answered on the basis of the actual statistics from the money market in that State. So again I state on the record no such fear of disruption is justified.

Mr. WIDNALL. Mr. Chairman, I yield 4 minutes to the gentleman from Connecticut (Mr. MCKINNEY).

Mr. McKINNEY. Mr. Chairman, this bill from the very beginning is wrong. Here we go again with the banking business of America putting on another band-aid, another piece of tape over the most legislatively confused and regulated business in the United States.

For 17 months the administration has had in its hands the Hunt Commission Report and its recommendations on what should be done to the banking business in the United States.

For 17 months the committee has had the same piece of information in front of it, that could have been converted to legislation.

Instead, we sit here in the Congress of the United States arguing over what one court did to one type of bank in one State, Massachusetts. Not only do we have the State legislatures in the banking business; we have the Congress in the banking business; and now we have the courts in the banking business.

Another thing that bothers me, Mr. Chairman, is that the bill calls for 28 months. That means we can allow the system to continue with the same chaos and the same confusion we have had for the past few years. It seems to me if the Committee on Banking and Currency is ever going to sit down and do its job this committee should limit this bill to 12 months on this extension, and I will offer an amendment to that point.

Let us consider the banking business. We are told by the commercial banks one thing. We are told by the savings banks another thing. We are told by the savings and loan institutions even another. What do any of us know? Nothing.

This is an argument in the Congress of the United States, on the basis of what two States in New England are doing, which would control the entire banking business of the country, and it is a ludicrous argument.

I would suggest to Members I believe the NOW accounts in Massachusetts are not good. They do not require things I consider to be good banking. I used to be, before I came here, a director of a bank.

I do believe it is pretty ridiculous for the Congress of the United States to sit here and to try to regulate and change what a court in Massachusetts has done only within that one State.

The real issue before the House of Representatives and the other body, here in Washington, is facing up to the total confused mess we have made in the banking business in this country, by going at it with just this approach of a band-aid, a piece of tape, and a last minute piece of legislation to act in one single case in one single State out of 50.

Mr. WIDNALL. Mr. Chairman, I have no further requests for time.

Mr. PATMAN. Mr. Chairman, I yield 7 minutes to the gentleman from Rhode Island (Mr. ST GERMAIN).

Mr. ST GERMAIN. Mr. Chairman, we had quoted to us in the full committee and again on the floor today an excerpt from an article which appeared in the U.S. News & World Report which was based on an interview with Walter Wriston, chairman, First National Citibank. This excerpt, as I say, has been quoted quite frequently at this point on the issue of the NOW accounts by the proponents of the NOW accounts and the opponents to the prohibition.

I took the time to read the entire article. The article is in an interview with Mr. Wriston. The title of the article is "The New Dollar: Meaning of Devaluation at Home and Abroad."

The excerpt happens to be taken out of context. There was no further discussion of this particular point. Mr. Wriston was contacted and I asked if he would elaborate. I read from a letter from Mr. Wriston to me as chairman of the Subcommittee on Bank Supervision and Insurance:

> DEAR MR. CHAIRMAN: Citibank favors the payment of interest on demand deposits within an environment of competitive equality. This means simply that institutions paying such interest on deposits should be subjected to the same taxation, the same reserve requirements and the same supervisory rules and regulations.
>
> Since the U.S. News and World Report interview was concentrated on international money flows, these competitive caveats were not spelled out but were always implicit.
>
> Sincerely,
>
> WALTER W. WRISTON,
> *Chairman of the Board.*

This should dispose of the arguments proponents who have been using this partial quotation.

In essence, he agrees with Chairman Burns of the Federal Reserve Board and Governor Mitchell of the Federal Reserve Board who state that the situation in Massachusetts is an intolerable one.

Governor Mitchell does state that he advocates a type of family account, limited with reserve requirements, and a ceiling on the interest that is to be paid, but also that this should be within the context of an overall overhaul of the laws and regulations that regulate our financial institutions.

Mr. Chairman, the other three sections bate very shortly when a committee amendment will be considered. That will be one of the crucial votes today. However, I think we should not lose sight of the fact that the bill does encompass a great deal other than the NOW account situation.

Section 1 deals with regulation Q, which was originally adopted in 1966 during the tight money crunch.

We now find at this very time that there is a shortage, a growing shortage of housing money. Housing starts have experienced a reduction. It is more important than ever that we maintain this interest rate differential in order to continue the flow of funds to thrift institutions, particularly the savings and loan institutions, whose primary purpose is to provide money for home purchasers.

Mr. Chariman, the other three sections in the bill which I will outline are as follows: There is a section which would bring banks in Massachusetts the accounts of which are not insured by the FDIC under the regulation of the FDIC. The following section brings under Home Loan Bank Board regulatory authority nonmember savings and loan associations and cooperative banks.

With such regulation, many of the problems we are faced with today would not have come about, because there would not have been a court deciding what the banking laws of Massachusetts should be; it would be decided by the FDIC, and the FDIC has regulations that prohibit checking accounts. Mr. Chairman, there is no reason for one State out of 50 to be outside the jurisdiction of the FDIC and the Home Loan Bank Board. All financial institutions should be treated equally in this matter.

Finally, there is a section which was requested by the delegation from Florida which deals with a newly created State-chartered housing corporation in the State of Florida. It allows the financial institutions in Florida the necessary powers to participate with the corporation in providing housing for the low and moderate income.

There was no testimony in opposition to this section. It was unanimously adopted in subcommittee as well as in the full committee, and I foresee no problem with this section.

Mr. Chairman, I would state that with respect to regulation Q, the reason we put in a lengthy extension is that, in fact, we are awaiting with bated breath the recommendations from the administration in so far as the Hunt Commission report is concerned. I must also state that we have run out of breath quite a few times waiting. When Treasury testified before us, they stated that they would have preliminary proposals by mid-April. We all read just recently, within the past week, that the top policy committee dealing with the Hunt Commission report adjourned wihout reaching any conclusions. The forecast is that it will be a considerable period of time before we do, in fact, get these recommendations.

So it is more important than ever that we extend regulation Q authority as provided for by section 1 for a lengthy period of time. We have already done it on several different occasions. If it is found that we want to address ourselves to the problem of revising in substantial form existing laws and regulations governing our financial institutions, it can be done despite the fact that we have today extended regulation Q for this lengthy period of time.

Mr. PARRIS. Mr. Chairman, NOW accounts—negotiable orders of withdrawal—are truly checking accounts which pay interest. In fact, one mutual savings bank in Massachusetts advertises them as being "5¼ percent better than a check." Call it what you will, NOW accounts are interest-bearing checking accounts. I do not see how Congress can condone the existence of these accounts without a thorough study of the implications. What we are doing here is infringing on a 40-year statutory prohibition on the payment of interest on checking accounts, a law going back to the Banking Act of 1933. Commercial banks are under the ban of that law on checking accounts, and yet competitors of commercial banks are doing the thing banks are prohibited from doing.

The Congress decided in 1933 that the payment of interest on checking accounts is bad, and we should go slow in setting aside that law. I am not saying that the law should not be changed. What I am saying is that if the door to interest-bearing checking accounts is opened, it should be done in the light of careful assessment of all the ramifications of such a change, and not via the backdoor of so-called NOW accounts.

The implications of paying interest on checking accounts touches nearly everything in the financial system. For example, it affects monetary policy, the competitive equality among different types of financial institutions, the stability of the financial system, depositor protection, and the flow of funds to housing and many other important areas of the economy.

Those who argue that NOW accounts are in the consumer interest, should look at the other side of the coin. It may be to some consumers' benefit to get interest on checking accounts, but it would force up borrowing costs to most other consumers who have to depend on credit. It is one sided to say that some individuals as depositors are benefited by a return on checking accounts or a higher return on savings deposits when that return is produced by a corresponding increase in loan rates to others. The persons who will gain most from deposit interest are the more affluent, whose savings exceed their mortgage and other debt, or who have no debt. But those needy persons who are struggling to own a home, or to pay a landlord's mortgage through rent, are the ones who will lose, and they are consumers too. I think we should look at both sides of this question. You cannot raise the deposit costs of financial institutions without raising borrowing costs or causing other maladjustments.

Then, too, I think we sometimes forget that mortgage loans require a generally stable type of deposit. Demand money should not be put into long-term mortgages. If savings accounts take on the characteristics of checking accounts, the financial institutions will have to put those funds into highly liquid and high yielding short-term investments in order to meet demand withdrawals and to meet the higher costs of operation. Accordingly we can look for a decline in thrift institution support of the housing markets, and this is certainly not in the public interest.

I would like to note that in most States there are no reserve requirements on the deposits of mutual savings banks. Only a handful of the 17 States in which mutual savings banks operate require any liquidity reserves at all, and these are generally at a very low level, usually 3 to 5 percent. Contrast this with the Federal reserve requirements on commercial bank checking accounts, which range from 8 to 17½ percent. It is obvious that NOW account operations provide a very unfair competitive edge for mutual savings banks over commercial banks; but more than that, in terms of liquid assets, they do not offer the same depositor protection that commercial bank checking accounts do.

Moreover, at 5¼-percent interest, mutual savings banks in Massachusetts pay ¾ of 1 percent more to attract deposits than commercial banks can pay on regular passbook savings; and, of course on checking accounts commercial banks are forbidden to pay any interest at all. The competitive inequity is obvious.

I am not trying to be a spokesman for the commercial banks, but I am trying to be fair to all financial institutions which serve our economy. Commercial banks perform vital services for all of us in making funds available for consumers, for small businessmen, for municipalities, and for homeowners. Unbiased consideration of the NOW account issue clearly requires that the competitive ground rules among the various types of financial institutions be equal. Certainly the public would benefit under such conditions. But again, a number of actions have to be taken concurrently. Piecemeal action on individual aspects of competition among financial institutions, such as authorizing NOW account operations without accompanying responsibilities, will produce new and greater imbalances in our financial system. Such piecemeal action is unhealthy for the financial system, but equally so for the public, because the public is made up not only of depositors, but of borrowers.

Mr. Chairman, I strongly urge the Congress to defeat the committee amendment to eliminate section 2 of H.R. 6370. The public interest is at stake. In the name of homeowners and all borrowers from our financial institutions, I urge the Congress to sustain the prohibition of interest-bearing NOW accounts, by retaining section 2 in H.R. 6370.

Mr. FRENZEL. Mr. Chairman, H.R. 6370, except for the controversial questions of NOW accounts, is a needed piece of legislation with wide, general acceptance. With or without NOW accounts, I urge its speedy passage.

The NOW has become larger than life in Congress. NOW accounts have not, and probably will not, ruin, or even hurt, commercial banks. On the other hand, as presently allowed, NOW accounts are no general bonanza for consumers.

I personally see no reason for Federal Government interference at this time, and therefore, will oppose the St Germain amendment. My position is more a matter of States rights than an endorsement of NOW accounts.

The Commonwealth of Massachusetts, the sole regulatory agency, has requested that Congress not interfere. The Treasury asks that we not act because it wants a complete overhaul of the banking system, such as that proposed by the Hunt Commission. I think that Treasury is right. We do need a complete system review, rather than another band-aid job. Massachusetts is right, too. I would not want this Congress legislating local Minnesota matters and so, absent a real threat to the system, I support the right of the State to manage its own affairs.

Testimony in committee did not indicate serious harm to competing financial institutions. Machinery exists to control the situation in case of serious and sudden trouble. Deposit growth in commercial bonds in Massachusetts seems to be healthy. The strictly localized NOW experiment is worth observation, particularly because it does not seem to be hurting anyone.

Therefore, Mr. Chairman, I support the Treasury in its desire to review the Hunt Commission recommendations. I support the right of Massachusetts to do its own thing. But, while I support the NOW experiment, I have no illusions that this vote is a great consumer note. It may lead to real and widespread consumer benefits, but these benefits can only come from total system revision which would provide greater competition between all institutions in all States.

Mr. Chairman, I urge support for the committee amendments, but whether it prevails or not, I urge a "yes" vote on the bill, H.R. 6370.

Mr. TAYLOR of Missouri. Mr. Chairman, both the savings and loan associations and the banking institutions of this Nation have provided a commendable and much needed service. Each in its own way has contributed much to the well being of individuals and the economic betterment of business and industry. Yet today, we are being asked to approve legislation that would discriminate against one even though it would enhance the services of the other.

At issue is whether or not the savings and loan companies will be permitted to provide negotiable orders of withdrawal, commonly referred to as NOW accounts. Needless to say, such an account is identical to paying interest on a checking account and I need not point out that banks are prohibited by law from paying interest on checking accounts.

Furthermore, the savings and loan associations are not required to maintain the same reserves as do the banks nor do they have the heavy tax burden that the banks are required to bear.

Mr. Chairman, I say this without malice or rancor against the savings and loan organizations for I think that they have much to offer and are a necessary part of the economic life of these United States. However, I do feel that approval of this legislation would eventually tend to dry up the mortgage money that is so vital to the housing program of this Nation.

I would like to point out that the subcommittee reported this bill with language to ban NOW accounts and it was only included by the full committee on a vote of 19 to 17. This is hardly a forceful endorsement. Mr. Chairman, I plan to vote to delete the NOW portion of the bill and I encourage my colleagues to do likewise.

Mr. CLEVELAND. Mr. Chairman, I wish to explain for the RECORD my feelings concerning legislation we are now considering, H.R. 6370. The purpose of this legislation is to extend certain laws relating to the payment of interest on time and savings deposits, to prohibit depository institutions from permitting negotiable orders of withdrawal to be made with respect to any deposit or account on which any interest or dividend is paid—NOW accounts—to authorize Federal savings and loan associations and national banks to own stock in and invest in loans to certain State housing corporations, and for other purposes

I understand that the subcommittee of the Banking and Currency Committee which first considered this matter reported it favorably. However, the full committee then deleted the sections which would prohibit NOW accounts by a vote of 19 to 17. This indicates that opinion is divided on the central issue of the NOW accounts, which are interest-bearing savings accounts subject to withdrawal by negotiable or transferable order. They are presently being offered by savings banks in both Massachusetts and my own State of New Hampshire.

A large number of bankers have spoken to me personally about this issue. They have fully acquainted me with both sides of the issue.

I have come to the conclusion that I have no objection to permitting savings banks to provide checking accounts to their customers. The payment of interest on the balances of these accounts, however, trouble me. First, since comercial banks cannot do this, the savings banks would have an unfair competitive advantage. Second, if more and more of the savings banks' assets are committed to the NOW accounts, I am not sure banks could continue paying as much as 4 percent or more, as some of them are doing without running into problems.

After lengthy conferences and discussions I have had in regard to this matter with banks in my district, it seems to me that the ultimate solution to this particular problem is to place the savings institutions and the commercial banks on more equal competitive footing in respect to all points of difference between the institutions. My understanding is that there is increasing support for this objective. I hope that the Committee on Banking and Currency will take appropriate action in the near future so that our banking institutions can compete on an equal footing with the competitive advantage this would ultimately give to their customers.

Mr. Chairman, when we come to vote on the committee amendment, which is in controversy, I intend to vote "present." My reason for doing this is that I am an officer, a director, and a stockholder in a small bank in my hometown of New London, N.H. This bank, the New London Trust Co., is a State-chartered bank and essentially a commercial bank, although we do provide savings accounts and certificates of deposit. I will also vote "present" on final passage, if there is a vote, and for the same reason.

I wish to make this statement for the RECORD to clarify my reasons for voting "present" and to report for the RECORD my involvement with the banking institution so there can be no misunderstanding concerning a possible conflict of interest.

On past occasions I have voted "present" on banking legislation and on other occasions I have not. In view of the rather sharp differences of opinion between the commercial banks and savings banks in my State, however, regardless of the issues of this legislation, I think that my vote of "present" is appropriate.

Mr. RARICK. Mr. Chairman, briefly some of the debates on this legislation appeared to offer the individual American relief from the free use of his funds by the monolithic control of the international banking community.

I refer to the efforts to remove the regulation from the rate of interest paid by nonmember savings and loan associations, cooperative banks, and certain State banks on what has been referred to as NOW accounts. Unfortunately, the right of bank customers to be able to receive interest on their checking accounts was regarded by some colleagues as so alien that it was considered a threat to the organized banking institution.

One thing is certain, such a change would constitute a threat to the power of the ever tightening centralized control over all of the banking institutions in our country but it would also represent a banking reform by allowing the customer to draw interest on the use of the funds in his account by the banking community.

I have no doubt that had the committee amendment been adopted, overnight the NOW account approach would have immediately spread into other States.

This practice constitutes no threat to the working people of America, but only to the banking cartel which wants to continue using the people's money without any payment for the privilege.

What would be wrong with making our Federal Reserve paper currency bear interest, since it represents notes of indebtedness from the Government or why not provide that U.S. savings bonds, which bear interest be made negotiable? Why is it that only the bankers are to be entitled to interest accruing to them on our credit and not the people who produce the wealth of this country? The prospect of working people obtaining interest on accounts similar to NOW, is like the collection of withholding taxes by the Federal Government without allowing interest to be paid to the taxpayer.

Recently I attended a function at the Federal Deposit Insurance Corporation here in Washington which was also attended by members of the Federal Reserve Board. One Federal Reserve Board member utilized the informality of the occasion to lobby for congressional support of legislation to put full control of all money lending institutions in the United States under the regulation of the Federal Reserve Banking System. However, my host for the evening, a retired banker of some stature, was quick to explain what a mistake it would be to give the Federal Reserve a controlled money monopoly.

The bill before us far exceeds the intent of the original program protecting the rights of depositors and the financial stability of banking institutions. It can easily be considered a standardizing vehicle for conditioning nonmember savings and loan associations, cooperative banks and independent banks into accepting one fully nationalized banking system.

I feel that it is past time for Congress to reassume its rightful role under article 1, section 8, clause 5, of the U.S. Constitution rather than continue to delegate our sacred responsibility to professional banking cartels. Therefore, I intend to cast my people's vote in opposition to this legislation.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

H.R. 6370

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

EXTENSION OF AUTHORITY FOR THE FLEXIBLE REGULATION OF INTEREST RATES ON DEPOSITS AND SHARE ACCOUNTS IN FINANCIAL INSTITUTIONS

Section 1. Section 7 of the Act of September 21, 1966 (Public Law 89-597), is amended by striking out "June 1, 1973" and inserting in lieu thereof "September 30, 1975".

PROHIBITION OF CERTAIN ACTIVITIES BY DEPOSITORY INSTITUTIONS

Sec. 2. (a) No depository institution shall allow the owner of a deposit or account on which interest or dividends is paid to make withdrawals by negotiable or transferable instruments for the purpose of making transfers to third parties.

(b) For purposes of this section, the term "depository institution" means—

(1) any insured bank as defined in section 3 of the Federal Deposit Insurance Act;

(2) any State bank as defined in section 3 of the Federal Deposit Insurance Act;

(3) any mutual savings bank as defined in section 3 of the Federal Deposit Insurance Act;

(4) any savings bank as defined in section 3 of the Federal Deposit Insurance Act;

(5) any insured institution as defined in section 401 of the National Housing Act;

(6) any building and loan association or savings and loan association organized and operated according to the laws of the State in which it is chartered or organized; and for purposes of this paragraph, the term "State" means any State of the United States, the District of Columbia, any territory of the United States, Puerto Rico, Guam, American Samoa, or the Virgin Islands;

(7) any Federal credit union as defined in section 101 of the Federal Credit Union Act; or

(8) any State credit union as defined in section 101 of the Federal Credit Union Act.

(c) Any depository institution which violates this section shall be fined $1,000 for each violation.

EXTENSION OF AUTHORITY OF FEDERAL DEPOSIT INSURANCE CORPORATION OVER INTEREST RATES PAID ON DEPOSITS BY NONINSURED BANKS

Sec. 3. Section 18(g) of the Federal Deposit Insurance Act (12 U.S.C 1828(g)) is amended by—

(1) inserting in the second sentence thereof "or dividends" immediately after "the payment and advertisement of interest"; and

(2) striking out in the tenth sentence thereof "(1)", and by further striking out in such sentence ", and (2) there does not exist under the laws of such State a bank supervisory agency with authority comparable to that conferred by this subsection, including specifically the authority to regulate the rates of interest and dividends paid by such noninsured banks on time and savings deposits, or if such agency exists it has not issued regulations in the exercise of that authority"

EXTENSION OF AUTHORITY OF FEDERAL HOME LOAN BANK BOARD OVER RATES OF INTEREST AND DIVIDENDS PAID ON DEPOSITS, SHARES, AND WITHDRAWABLE ACCOUNTS BY NONMEMBER SAVINGS AND LOAN ASSOCIATIONS AND COOPERATIVE BANKS

Sec. 4. The third sentence of section 5B(a) of the Federal Home Loan Bank Act (12 U.S.C. 1425b(a)) is amended by striking out "(1)", and by further striking out ", and (2) there does not exist under the laws of such State a bank supervisory agency with authority comparable to that conferred by the first two sentences of this subsection, including specifically the authority to regulate the rates of interest and dividends paid by any such association or bank on deposits, shares, or withdrawable accounts, or if such agency exists it has not issued regulations in the exercise of that authority".

FEDERAL SAVINGS AND LOAN ASSOCIATIONS AND NATIONAL BANKS

Sec. 5. (a) The Congress finds that Federal savings and loan associations and national banks should have the authority to assist in financing the organization and operation of any State housing corporation established under the laws of the State in which the corporation will carry on its operations. It is the purpose of this Act to provide a means whereby private financial institutions can assist in providing housing, particularly for families of low or moderate income, by purchasing stock of and investing in loans to any such State housing corporation situated in the particular State in which the Federal savings and loan association or national bank involved is located.

(b) Section 5(c) of the Home Owners' Loan Act of 1933 (12 U.S.C. 1464(c)) is amended by adding at the end thereof the following new paragraph:

"Without regard to any other provisions of this subsection, any such association whose general reserves, surplus and undivided profits aggregate a sum in excess of 5 per centum of its withdrawable accounts is authorized to invest in, to lend to, or to commit itself to lend to any State housing corporation incorporated in the State in which the head office of such association is situated, in the same manner and to the same extent as the statutes of such State authorize a savings and loan association organized under the laws of such State to invest in, to lend to, or commit itself to lend to such State housing corporation, but the aggregate amount of such investments, other than loans and loan commitments, of any such association outstanding at any time shall not exceed one-fourth of 1 per centum of the total assets of such association, and uninsured loans and commitments of any such association outstanding at any time shall not exceed 1 per centum of the total outstanding loans made or purchased by such association."

(c) Paragraph seven of section 5136 of the Revised Statutes (12 U.S.C. 24) is amended by adding at the end thereof the following: "Notwithstanding any other provision of this paragraph, the association may purchase for its own account shares of stock issued by any State housing corporation incorporated in the State in which the association is located and may make investments in loans and commitments for loans to any such corporation: *Provided*, That in no event shall the total amount of such stock held for its own account and such investments in loans and commitments made by the association exceed at any time 5 per centum of its capital stock actually paid in and unimpaired plus 5 per centum of its unimpaired surplus fund."

Sec. 6. The provisions of this Act shall take effect on the thirtieth day after the date of its enactment, except that the amendments made by sections 1 and 5 shall take effect on the date of enactment of this Act.

Mr. PATMAN (during the reading). Mr. Chairman, I ask unanimous consent that further reading of the bill be dispensed with and that the bill be printed in the Record and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

COMMITTEE AMENDMENTS

The CHAIRMAN. The Clerk will report the first committee amendment.

The Clerk read as follows:

Committee amendment: Page 2, strike out line 7 and all that follows thereafter through line 13 on page 3.

Mr. *JOHNSON* of Pennsylvania. Mr. Chairman, I rise in opposition to the committee amendment.

Mr. Chairman, I have previously spoken in general debate on what I consider to be this very, very important decision we are being asked to make here today. I will repeat that we are being called upon to make a decision as to whether or not we are going to revolutionize the banking industry as we have known it since 1933.

There is no question but what previous to that time the situation which prevailed in banking all over the United States helped to precipitate the depression. Why? Because banks with no great reserve requirements were paying interest on checking accounts, and when the time came for a run on the bank, at a time when it needed some liquidity, they did not have it because there was no requirement that they must have it.

Here we are now today with a proposition where we will refer back to pre-1933 days when all the banks will be required to pay interest on checking accounts. I know they will say today "No. This is nothing but permitting checking on a savings account" up in Massachusetts and New Hampshire.

But that is not the issue before us today. The issue is will we permit it in Massachusetts? If we do, it will spread to Pennsylvania and all over the United States. That is the issue.

You people here today have that question in mind. Do you want banks to go back to pre-1933 or do you want that delicate balance, as we call it, that we have today to prevail.

I will just say this: If this amendment is allowed to prevail striking out the prohibition against NOW accounts, you are going to see an exodus of funds from the New England States into Massachusetts and New Hampshire. In fact, one State banking official estimated that in not too long a period of time $1 billion *worth of funds* from his State will gravitate to Massachusetts and New Hampshire and give these banking institutions and mutual savings banks a frightfully unfair competitive advantage.

I say it is a dangerous thing to permit this to start in the United States. However, if we feel that we must have it and that we should go back to pre-1933 and permit interest to be paid on checking accounts, then let us do it in a sound businesslike legislative way.

Let us hold exhaustive hearings on it, let us study the effect of pre-1933. Let us study what the effect would be for even paying interest on checking accounts, and then we will have to, as I say, impose strict requirements insofar as some of these institutions are concerned so that in times of stress that there will be liquidity in them to cover them, and bring the bank through such periods.

Mr. Chairman, there is more to this than just this simple idea of let us permit these innovative ideas to take place in Massachusetts, that is not the real thing, the real thing is that if we permit it there then it can well become nationwide, and it will be a thing that will come back to haunt us.

Mr. MOORHEAD of Pennsylvania. Mr. Chairman, I rise in support of the committee amendment, and I also rise in support of the administration which supports this amendment. I also rise in support of the consumers who benefit from this type of an account.

I say that I rise in support of the administration's position, because the Deputy Under Secretary of the Treasury, Mr. Smith, who appeared before our committee, said "we have in Massachusetts and New Hampshire"—and let us recognize we are only dealing with Massachusetts and New Hampshire—he said "we have in Massachusetts and New Hampshire a laboratory experiment—a laboratory experiment which will provide us an opportunity to see whether the permiting of negotiable orders of withdrawal out of interest-bearing accounts is indeed a feasible undertaking." This purpose, I might add, is certainly possible with our Federal system where we have some 50 States, each of them running their own affairs, to see if they can teach us something that will be of benefit to the other 48 States.

The same competitive situation that my colleague, the gentleman from Pennsylvania (Mr. Johnson) said applies in Massachusetts—and yet every Representative from the State of Massachusetts who has spoken here today has indicated support of this proposition. They believe that their State of Massachusetts, and I say we should permit them to do so.

They believe that a young family that only draws a few checks a month should be permitted to have this kind of an account, and they also believe that older families who also draw a few checks a month should have this type of account.

I believe that the committees in the Congress should observe this process, and see if in the future maybe we should abolish these kinds of accounts or maybe we should extend them to commercial banks and savings and loan associations. But, as Mr. Smith from the Treasury Department said:

> The only way we are going to get a real answer to that question is to permit this experiment to continue.

Fear has been expressed that this can spread to other States and it would be disastrous in one way or another. The witnesses from the FDIC clearly dispelled this fear. They said that even today they could prohibit these accounts in Massachusetts and New Hampshire. They could limit them to Massachusetts and New Hampshire, they could extend them to other States, including commercial and savings and loan associations.

In other words, if by any chance—and all of the evidence is to the contrary—but if by any chance these particular NOW accounts should expand—and the gentleman from California cited the figures to show that they are no longer expanding, they are expanding at a lower rate than the commercial banks in Massachusetts—but if perchance—and I do not believe it will occur—but if perchance we are wrong then we have armed the FDIC in section 2 of our bill—if this amendment is adopted—and section 3 of the original bill—with plenty of ammunition and power to regulate interest rates, as the FDIC witnesses said, down to zero.

So, I believe that we should support the committee, we should support the administration, and we should support the experiment which will benefit consumers.

Mr. STARK. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to speak for a moment in favor of the committee amendment and see if I can bring some perspective to this. As a recent banker I have had a great deal of experience with this and I was very well informed about the harm these NOW accounts could do to the great banking and savings and loan systems of this country. We started a little bank in California in the face of some of the very large bank competition such as the $16 billion Bank of America which is opposed to this and Wells Fargo, with some $10 billion who are opposed to this.

Further I am speaking for some of the people in Massachusetts and some in New Hampshire who want these NOW accounts who are mostly people of modest income. The average balance of the accounts last February was $1,900. Consider for a moment some of the accounts in California which run probably average $5,000 to $8,000. The number of checks these people wrote in an average month was 5.3. I had a bank with 60,000 accounts in it and our people wrote 30 checks a month. We allowed them to write those free, because we made so much money on those accounts that we could allow it. In Massachusetts, they pay 15 cents a check and they earn 5¼ percent on their savings, on which many of these people live.

The American Bankers Association and the California Bankers Association and the Savings and Loan League have written in opposition to this, but I say we are here to represent the people of Massachusetts who are benefited from one of the innovative situations in the banking industry to happen in 300 years.

I hate to see the banking system, which has invested its money in such companies as the Pennsylvania Railroad, Lockheed, and the recent Equity Funding Corp., pressure us and have us say we are going to deny the 37,000 people in Massachusetts the chance to earn a fair return on their money in the savings banks which use their money to finance housing in Massachusetts.

It is a clear-cut vote. Either we vote for the consumers of this country who finally have had a fair shake from some banks or we will vote for the banking lobby. I do not think there is any other choice.

I ask my fellow Members of Congress to vote for the consumers.

Mr. STUDDS. Mr. Chairman, will the gentleman yield?

Mr. STARK. I yield to the gentleman from Massachusetts.

Mr. STUDDS. Mr. Chairman, I hate to involve myself in a controversy between bankers, but I want to mention one class which has not been mentioned and that is people. This is a consumer issue; it is a people issue. My friend, the gentleman from Massachusetts (Mr. Drinan), referred to the volume of mail we have been receiving on this. This mail predominately is not from bankers and banks, but it is from people. For instance I have one letter in my hand which says:

> Dear Sir: I am one of your constituents. I wish to vote for NOW accounts.
>
> I opened an account and find it very helpful, as I am 70 years old, and a double amputee. I get around the house in a wheelchair. So with this account I do not have to travel around.
>
> My account is too small to have a checking account and pay a service charge.
>
> With this it is very handy when one makes a few checks a month.

I have another letter which reads in part as follows:

> These NOW accounts are so very convenient, especially for we older citizens, who find it hard to get out.
>
> In this way we can enjoy the convenience of writing a check and still not lose our interest which means a great deal to us.

By and large these are elderly people and people of no great means. I commend the gentleman from California for fighting for this innovation in the banking industry and for urging this Congress not to stifle it but to encourage it.

Mr. STARK. I thank my friend, the gentleman from Massachusetts, for his remarks.

Mrs. HECKLER of Massachusetts. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, as a Representative from Massachusetts, I am, of course, thoroughly familiar with the whole question of NOW accounts. While our distinguished colleague from Ohio may have indicated that this is a Massachusetts amendment, the committee amendment, which I fully support, is not really a Massachusetts amendment, unless the gentleman wishes to annex New Hampshire to the territory of Massachusetts, which we will very willingly accept. Of course, my colleagues from New Hampshire would object to that.

I feel that the negotiable orders of withdrawal constitute a very significant convenience for the consumer in Massachusetts and New Hampshire, the two States where they are available. A number of these depositors are either senior citizens, or the very young, the small saver who benefits from the slightly better return that the NOW account gives him on his savings. I believe that there is a definite social goal to be served by continuing NOW accounts, and it is because of the undeniable benefit that the NOW account provides, and which the people of Massachusetts have recognized, that I support the continuation of NOW accounts, and I support the committee amendment.

There is in fact a larger issue which the Congress should address itself to, beyond the question of negotiable orders of withdrawal. Although NOW accounts are an innovation, one that I support, I do so only to the extent that they will not weaken our financial structure or our economy. In justice to all of the entities in the banking community and in the interest of all citizens, I contend that the proper approach in Congress to the question of competitive balance should be the consideration and implementation of the recommendations of the Hunt Commission. The weakness of the bill today is that it is piecemeal legislation, dealing with only one part of a very complex subject.

It seems to me, as of now, that the Treasury Department, which has promised to bring forward a package of legislation implementing a financial reorganization, is long overdue in its response to the Hunt Commission report.

In the interim, however, where is the danger in continuing the NOW accounts? It has been claimed, but not proven, that the advent of negotiable orders of withdrawal in Massachusetts and New Hampshire have resulted in a competitive imbalance. This is, of course, a serious question, and if I believed that NOW accounts have resulted in injury to the banking system, or if the accounts were unwise for the people of Massachusetts and New Hampshire, I would not support them. There is a potential for damage, but it has not been realized.

In what I hope is the brief interlude between the time we vote and the time when the Treasury Department comes forth with its recommendations for creating a realistic and modern financial structure, should we deny the small consumer, the small saver who is enjoying his NOW account, the opportunity to benefit from this innovation?

I believe that in the absence of a clear case of damage, and in the absence of proof that we have destroyed competitive balance, we should vote for the committee amendment, because we should not take away a consumer benefit that already exists. At the same time, let us get to work on the larger issue, which is the restructuring of the whole system, to provide flexibility for all of the banking institutions. I want the administration to send to Congress, as fast as possible, its recommendations for this restructuring. Let the NOW accounts continue, under careful observation, to forestall any damage that might result, especially to the small commercial banks and the savings and loan institutions.

Mr. DRINAN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, in Massachusetts we vote differently, and in Massachusetts we bank differently, and if I may say so, we do both better.

Today we can vote for the creative invention of Massachusetts and also vote for the banking policy of the Nixon administration, because both of them converge today.

The Treasury has supported the committee position. The Treasury has supported the NOW account, which is the creative device of some people in Massachusetts. This is really a very tiny issue. In all candor, it is almost ridiculous that we should be arguing here and spending this amount of time on the $71 million which are on deposit in NOW accounts in Massachusetts. These deposits are in some 56 savings banks and total less than one half of one percent of the total banking deposits in Massachusetts.

How many transactions go through these NOW accounts? 5.3 average transactions per month. This arrangement is for the elderly and for the young who have no substantial savings. It has already been mentioned here today that the average balance in the NOW accounts is $1,920. The NOW account benefits the consumers, but the consumer is so used to inadequate service by the banks that he is not even aware of the benefits he can get under the NOW account.

This NOW account is a third market between the traditional savings and the checking account. The NOW accout supports every major study of banking over the past generation, all of which have concluded we should remove from the banking industry the traditional monopoly they have had.

This NOW account is innovative. It is creative. It is useful. It should not be extinguished today.

I urge the Members to have the best of both worlds, to have the creative imagination of Massachusetts and to support the banking policies of the Nixon administration.

Vote to sustain the NOW account.

Mr. SARASIN. Mr. Chairman, I rise in opposition to the committee amendment.

Mr. Chairman, I sat out there and listened to the debate today, and I was reminded of a very recent debate which came before the legislative body of the State of Connecticut when I was a member of that body. During that debate, a debate I considered to be rather vicious from both sides, the commercial banks and the savings banks fought each other tooth and nail, a few years ago, and spent a great deal of their customers' money in an effort which did not accomplish anything for the people who had money in their institutions.

It was an attempt by the people in the savings banks in Connecticut to obtain a competitive advantage over commercial banks and savings and loan institutions.

I see that happening here today with the NOW account, which was a device to get around a prohibition that prevented savings banks from issuing checking accounts in the first instance. Now, under the NOW account scheme, they can issue checking accounts and pay interest on them, something which is not offered or available to commercial banks.

That is what is important. The commercial banks are required to set up higher reserves. The commercial banks are not allowed to offer as much interest as the savings banks on regualr savings. Commercial banks pay taxes under a different formula. They certainly would be put at a great competitive disadvantage.

I believe the answer is clear. If we are going to do anything for the customer, let us give the same rights to all institutions; let us allow the commercial banks as well as the savings banks and savings and loan institutions to offer this kind of interest on checking accounts.

It sounds like a noble scheme. Why are we not allowing everybody to do it? We would not be, if we accept the committee amendment.

This is especially significant in Connecticut. We are vitally affected by what happens in Massachusetts, with which we share the longest border of our State. The commercial banks and savings banks worked out an accommodation. The legislature has passed legislation to implement that accommodation. The amendment before us today, if passed, would destroy that accommodation.

For many reasons, which the Members have heard here, this is in fact class legislation designed only to help one kind of institution and not all of them. I urge a "no" vote on this legislation.

Mr. PATMAN. Mr. Chairman, I wonder if we can agree on a time to vote, say in 10 minutes? How many Members would like to be heard? Fifteen minutes?

Mr. Chairman, I ask unanimous consent that debate close in 20 minutes on this amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mr. ST GERMAIN. Mr. Chairman, reserving the right to object——

Mr. PATMAN. Wait just a minute.

Mr. Chairman, I ask that the last 5 minutes, as traditional, be given the chairman of the committee.

Mr. ST GERMAIN. Mr. Chairman, I object. All other Members have been heard, and I should like to have 5 minutes.

MOTION OFFERED BY MR. PATMAN

Mr. PATMAN. Mr. Chairman, I move that debate close on this amendment in 20 minutes.

The CHAIRMAN. The question is on the motion offered by the gentleman from Texas.

Mr. CHAPPELL. Mr. Chairman, I should like to offer a substitute, that the time before voting be 30 minutes.

The CHAIRMAN. Would the gentleman from Texas, for the benefit of the Chair, please restate his motion?

Mr. PATMAN. Yes, Mr. Chairman.

I move that all debate conclude in 20 minutes on this amendment only, and all amendments thereto, and that the last 5 minutes be reserved.

Mr. GROSS. Mr. Chairman, I object and make a point of order.

The CHAIRMAN. The last part of the motion is not in order, the Chair will advise the gentleman from Texas.

The question is on the motion offered by the gentleman from Texas (Mr. Patman) that all debate on the pending amendment close in 20 minutes.

The motion was agreed to.

The CHAIRMAN. Members standing at the time the unanimous consent agreement was entered will be recognized for 1½ minutes each.

The gentleman from Florida (Mr. Chappell) is recognized.

Mr. CHAPPELL. Mr. Chairman, I hope that all of us recognize here that the bill itself has the prohibition against NOW accounts written into it and that the committee amendment seeks to take that prohibition of NOW accounts out of the bill. So I rise to speak against the committee amendment and for the proposition that we ought to prohibit the NOW accounts.

Mr. Chairman, our banking system has been worked out to provide maximum stability of our financial institutions and maximum safety for our depositors. There was a time when we did not have stability and safety. Interest on savings accounts is allowed for a good reason—to encourage stable sums for lending for housing and other purposes. Likewise interest on checking accounts is prohibited for a like good reason—to better encourage saving yet give convenience to annual accounts.

If you, today, want to undo the stability which we have in the system, then you will vote for the amendment, but if you want to contribute to sound banking principles, if you want to maintain the liquidity which is so essential to the system, if you want to retain the safe and proper margin of safety for the depositors in our banking system, and if you want to maintain a reasonable equity between the various institutions and types of institutions, you will vote no on this amendment.

Mr. Chairman, I urge that every one of us vote no on this committee amendment.

Mr. LANDRUM. Mr. Chairman, will the gentleman yield?

Mr. CHAPPELL. I yield to the gentleman from Georgia (Mr. Landrum).

Mr. LANDRUM. Mr. Chairman, does the gentleman say that in order to prohibit the use of the NOW account as a checking account, we have to vote "no" on this amendment?

Mr. CHAPPELL. The gentleman is exactly correct. If the gentleman wishes to vote against NOW accounts, he will vote no on this amendment, because the committee amendment seeks to take that prohibition out of the bill.

Mr. LANDRUM. The committee amendment would do away with what was originally section 2 in the bill; is that right?

Mr. CHAPPELL. The gentleman is correct.

Mr. LANDRUM. And section 2 prohibited the NOW accounts?

Mr. CHAPPELL. The gentleman is exactly correct.

Mr. Chairman, I urge a "no" vote on the amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota (Mr. Frenzel).

(By unanimous consent, Mr. Frenzel yielded his time to Mr. Patman.)

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts (Mr. Moakley).

Mr. MOAKLEY. Mr. Chairman, there have been a lot of charges around here that this is unsound banking procedure, and it just seems strange to me that all of the fine regulatory agencies, the Department of Treasury, the Federal Reserve System, the Federal Deposit Insurance Corporation, and the Federal Home Loan Bank Board, are all against the prohibition of NOW accounts, and these are the agencies that deal directly with them.

Mr. Chairman, I would like to read a statement from Freyda Koplow, who is the Massachusetts Commissioner of Banking. She said as follows:

> The problem only exists in Massachusetts because federal regulatory agencies have the right to do things within the other states that can prevent any disruption.
>
> I think that (in Massachusetts) we can cooperate and try to come up with a compromise that will be acceptable to everyone . . .
>
> I strongly object to any interference in rate control in Massachusetts by the federal government, because the banks are not under its jurisdiction in any way and this would be a violation, I believe, of states rights.

Mr. Chairman, I would also like to bring to the attention of the membership the fact that the Senate Banking Committee voted 60 to 0 against the prohibition of NOW accounts.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa (Mr. Gross).

(By unanimous consent, Mr. Gross yielded his time to Mr. St Germain.)

The CHAIRMAN. The Chair recognizes the gentleman from California (Mr. Rousselot).

Mr. ROUSSELOT. Mr. Chairman, I rise in support of the committee amendment. It was given careful consideration in the subcommittee of which I am the ranking member.

We took extensive testimony from the ones in Massachusetts. All of this verbal flap about the fact that there is going to be great intermediation and millions of dollars are going to run from commercial banks to the mutual savings banks in Massachusetts and New Hampshire is, in my opinion, false.

In the State of Massachusetts, where this competition has existed since last June, the commercial banks increased their deposits by 8 percent. The mutual savings banks have only increased their savings deposits by 4 percent. The documentation for the comparative deposit growth is on page 34 of the committee's hearings. So this great concern that there is going to be tremendous damage done to the commercial banks, is not borne out by the facts.

Also the gentleman stated that there is an attempt to avoid Federal law. Well, that is not true. As a matter of fact, section 3 of this legislation will allow the FDIC to make a determination and act to prevent federally regulated financial institutions from going to far afield. The mutual savings banks have stability in the States of Massachusetts and New Hampshire because, in answer to my good friend from Florida, there are substantial liquidity requirements. It is false to say that there are no liquidity requirements for the mutual savings banks in the two States in question. Therefore the continuation of the NOW accounts will not create instability in the marketplace.

The CHAIRMAN. The time of the gentleman has expired.

The Chair now recognizes the gentleman from Connecticut (Mr. McKinney).

(By unanimous consent, Mr. McKinney was allowed to yield his time to Mr. Rousselot.)

Mr. ROUSSELOT. I thank the gentleman from Connecticut.

I wish to say that the State of Massachusetts has carefully regulated all of its banking institutions and so has the State of New Hampshire. The statement here today that we are only protecting a special group in Massachusetts is totally unfair. We are merely trying to allow 37,000 savers to be allowed the right of a simple convenience with their own money by a group of financial banks that show business initiative.

The answer to the gentleman from Pennsylvania is: if a State does not wish to have this kind of saving account, its regulatory authorities can disallow it or its State legislature can disallow it.

Mr. WYLIE. Will the gentleman yield?

Mr. ROUSSELOT. I will not yield to my friend at this time because we are very much limited under the debate cutoff.

This so-called great threat, that all other States are suddenly going to be swept into financial chaos by this type of savings account is an unfair and unsubstantiated charge. If you sincerely believe that each individual State should make its own judgment, then nothing else will change by voting for the committee amendment. We are just saying; leave the market as it is now and allow the Hunt Commission report to come to us with recommendations for the Treasury Department. We will make another judgment on a long-range basis instead of trying to do it on the floor here today.

Mr. Chairman, I support the committee amendment. I hope my good friends who believe in the concept of letting the local State governments do their own legislative and administrative work will support this committee amendment.

The CHAIRMAN. The Chair recognizes

the gentleman from California (Mr. Teague).

Mr. TEAGUE of California. Mr. Chairman, I take this time for the purpose of asking a question of the gentleman from Pennsylvania (Mr. Johnson).

What tax advantages, if any, do the institutions which are now permitted to use the NOW system have over the regular commercial banks?

Mr. JOHNSON of Pennsylvania. Will the gentleman yield?

Mr. TEAGUE of California. I yield to the gentleman.

Mr. JOHNSON of Pennsylvania. No exact figures were presented to the committee as to the tax advantage of being a mutual savings bank. However, it is axiomatic that the tax advantages are substantial, very, very, very substantial. It varies in the different States. Of course, the Federal tax on a mutual savings institution is minimal.

So as I pointed out in general debate, if we permit this situation where mutual savings banks become like commercial banks, then they should also step up and pay the same Federal taxes that the commercial banks do.

Mr. TEAGUE of California. I thank the gentleman.

The CHAIRMAN. The Chair recognizes the gentleman from Oregon (Mr. Dellenback).

Mr. DELLENBACK. Mr. Chairman, I have sought this time only for the purpose of indicating to the Members of the House that, like a number of other Members of the House, I own a number of shares in a commercial bank. It is a small bank. I invested in it at the time it was organized years ago. My interest is a very small percentage of the bank's capital.

I am not on the Committee on Banking and Currency. Out of my obligation to my constituents I intend to vote on this bill because I feel that, rather than having that type of a minor interest—and I do not have any idea whatsoever what the effect of this legislation could be on that bank—cause me to fail my constituents and withdrawing from a vote under those circumstances my best course of action is to disclose the fact of this ownership to the House, and then vote on the matter on the basis of the conclusion I shall have come to after concluding the careful attention I have been giving to the debate.

Mr. Chairman, that is the purpose of my making this statement.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio (Mr. Wylie).

(By unanimous consent, Mr. Wylie yielded his time to Mr. St Germain).

The CHAIRMAN. The Chair recognizes the gentleman from Michigan (Mr. Brown).

Mr. BROWN of Michigan. Mr. Chairman, I have listened to this debate with a great deal of interest. It seems to me there are at least a few things somewhat strange in nature which should be observed. One is that when I find the gentleman from California and the gentlewoman from Massachusetts on the same side of a question, I immediately have reservations, and then when I add to that the fact that the administration is supporting a Massachusetts position, I am prompted to be doubly suspect.

Mr. Chairman, there is no question that the earth is not going to rise or fall on the basis of the issue before us now, but it should be remembered when we are talking about State's rights and Federal rights that had it not been for the original banking law and judicial decisions the very debate we are having today would not have occurred. So to the extent that the Federal Government is stepping in, if this amendment is defeated, by outlawing NOW accounts, really all we are doing is correcting a situation that we caused many years ago.

I think it should be remembered also that if the Hunt Commission report and recommendations had been brought before this body by this time it would have clarified and corrected any inequities that may exist and the present debate would be unnecessary.

I think, contrary to the administration, that rather than permitting the status quo to continue, since that status quo is only a status quo of the last 2 years, we should vote "no" and defeat the committee amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania (Mr. Moorhead).

Mr. MOORHEAD of Pennsylvania. Mr. Chairman, what we have today is, I think, a breath of fresh air flowing into the somewhat stodgy and definitely overregulated banking industry. I believe that we in the Congress should encourage rather than stifle innovation in the banking industry. I believe as the administration says that this is an experiment limited at the present time to Massachusetts and New Hampshire which we can observe, and if it is bad a year from now we can outlaw it across the United States. If it is good, as I think it will be, because I think it is good for the consumers, and I think good banking, then we can expand it so that the savings and loan and commercial banks across the United States can use this consumer-oriented banking device.

So I would say to my colleagues that for the benefit of the consumers, without any adverse effect on the commercial banks, because its real effect would be in Massachusetts—and the Representatives from Massachusetts on both sides of the aisle have spoken in favor of the committee amendment, that we should support the committee, we should support the administration, and we should support this innovation for consumers.

The CHAIRMAN. The gentleman from Pennsylvania (Mr. Johnson) is recognized.

Mr. JOHNSON of Pennsylvania. Mr. Chairman, in general debate I said I had a chart which is an indication of what is going on in Massachusetts. I know the Members cannot see it, but in the picture there is a check, and underneath it, it says:

> This is not a check; it is something 5¼ percent better. It looks like a check; you use it like a check; but it is not a check. It is a withdrawal order for a totally new kind of savings account that gives you a full 5¼ percent interest. We call it the all-in-one account because it gives you all the convenience of a checking account and all the interest of a regular savings account.

Those are the ads that are appearing in Massachusetts.

How would a Member like to be a little bank on one side of the street, a commercial bank, and have a mutual savings bank on the other side of the street? If they are paying 5¼ percent interest on a checking account, where are we going to go with our money? We are going to go right across the street to this mutual savings bank where we will have a checking account and we will be able to get interest on it as well.

I say this is one of the most unfair things and the most disadvantageous thing that has come into the banking system in my time. We fought it in 1933. We corrected it then. We saved the Nation's banks for 45 years, and now it is creeping back in again. It is a dangerous trend in this country, and we have a good chance today to stop it.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Pennsylvania. I yield to the gentleman from California.

Mr. ROUSSELOT. Does not that check that the gentleman is displaying indicate that it has to be drawn on a commercial bank?

Mr. JOHNSON of Pennsylvania. The gentleman can read it if he wants to.

Mr. ROUSSELOT. I think the gentleman will find it has been drafted on a commercial bank check.

Mr. JOHNSON of Pennsylvania. The fact is they are advertising in Massachusetts that they will give you a checking account in a mutual savings bank and pay you 5¼ percent interest. I do not know how one can gloss it over and doll it up. That is what it is.

Mr. ROUSSELOT. My only point is that the check drawn against the NOW account is written on a commercial bank check.

The CHAIRMAN. The gentleman from Rhode Island (Mr. St Germain) is recognized.

Mr. ST GERMAIN. Mr. Chairman, the word "consumer" has crept into this debate rather extensively and understandably so. However, I might say that when the legislation on a Consumer Protection Agency came before the Committee on Government Operations, the subcommittee I was on, I voted for and supported a strong Consumer Protection Agency within the Federal Government. No one can accuse me of being anticonsumer. What we have got to remember is that there are consumers at both ends of this. It is the consumer depositor who puts his money in. It is the consumer borrower who wants to purchase a home who is usually the fellow who cannot afford to put $1,000 or $2,000 into a checking account. He can just about scrape up that down payment 5 or 10 percent. He will be forced to pay a higher rate of interest if these accounts are allowed to exist.

In addition, the mutual savings banks will have to invest their money not in home mortgages but in higher yield investments to pay this type of interest.

Let us at this point explode the myth and burst the bubble. When I first introduced this legislation, I went to a reception one evening with these mutual savings bankers from Massachusetts. A mutual savings banker said to me:

> What are you doing putting that legislation in? Let us alone in Massachusetts. All we want to do is get demand deposit accounts, and then we will do away with the NOW accounts.

I quote from the transcript of the hearings during my questioning of Mrs. Koplow, the Banking Commissioner in the State of Massachusetts:

> Mr. ST GERMAIN. Ms. Koplow, is it correct that if the Federal Government doesn't interfere with the NOW accounts at this time, then the commercial banks and the mutual savings banks in Massachusetts may reach an agreement which would permit the mutuals to offer non-interest-bearing demand deposits if they maintain liquidity reserves?
>
> Ms. KOPLOW. That is the proposal we have made to them.
>
> Mr. ST GERMAIN. Was that agreed to by the mutuals?
>
> Ms. KOPLOW. Yes, sir.
>
> Mr. ST GERMAIN. So now we are cutting through all the fog and all the mustard.
>
> What the mutuals are looking for here is a regular demand account with no payment of interest to the depositors.
>
> Ms. KOPLOW. I couldn't make that interpretation for them, but in the compromise proposal they said that they would adopt the compromise proposal that I made.
>
> I also came down and offered it to the Coordinating Committee of the agencies in Washington. And at that time we had an agreement in principle from all parties.
>
> Mr. ST GERMAIN. But the point is that there would be no payment of interest on these demand deposit accounts?
>
> Ms. KOPLOW. That is correct.

I say to the Members of this House, unless we defeat the committee amendment and vote "no" on the next vote, we will within a short period of time see the Massachusetts legislature go along because the compromise will then be reached between the mutuals, and they will have the clout, and the commercials and we will have demand deposits allowed by the mutuals in Massachusetts. These will be demand deposit accounts with no payment of interest whatsoever.

Mr. ANNUNZIO. Mr. Chairman, will the gentleman yield?

Mr. ST GERMAIN. I yield to the gentleman from Illinois.

Mr. ANNUNZIO. Mr. Chairman, I thank the gentleman for yielding.

I associate myself with the remarks of the gentleman which correct the erroneous impression that we can afford at this time to carry on an experiment in America. We have a banking system we can be proud of. We have commercial banks which have their responsibilities and savings and loans which have their responsibilities, and if we want to help the consumers in this country I feel as strongly as the gentleman does that we should vote "no" and outlaw the NOW accounts.

Mr. ST GERMAIN. Let us recall one thing. In the State of Massachusetts the mutual savings banks are not just a tiny segment. They have 44 percent of the deposits in the State. The commercials have 38 percent. The S. & L.'s have 6 percent. That is why the increase in the mutuals was not as large as that of the commercials.

The CHAIRMAN. The Chair recognizes the gentleman from Texas (Mr. PATMAN).

Mr. PATMAN. Mr. Chairman, let us evaluate the entities of the financial institutions. There are about 13,500 banking institutions, there are about 6,500 savings and loans, and there are more than 500 mutual savings banks, and there are 23,000 credit unions.

Mr. Chairman, I feel if we are considering the consumers in this vote we should not overlook the credit unions. There are 23,000 and they have 25 million members. Every seventh American citizen is a member of a credit union so we cannot overlook them. They have more in their favor than all the other financial entities combined and they are I think great American citizens. They are the plain people of our country. They are the people who build our country in time of peace and the people who save our country in time of war. They are always members of a construction gang and never members of a wrecking crew.

So if we want to cast a good, safe vote in the interest of the United States of America I ask the Members please to consider voting with the committee and voting "aye" for this amendment, and in that way I believe we will have justice done and we will never regret it. It affects only two States and it is a wonderful time to have an experiment granted. If it should get out of hand of course the Federal Home Loan Bank Board and the Federal Deposit Insurance Corporation can come in and regulate any situation that gets out of hand. I believe this will be in the interest of the country.

Mr. WYLIE. Mr. Chairman, there is an honest difference of opinion on this amendment as evidenced by the fact that it was deleted from the bill in committee by a 19-to-17 vote. However, it seems to me this is pure and simple class legislation. It was referred to as class legislation by the gentleman from California (Mr. ROUSSELOT) but I look at it as class legislation in a different light.

If we do not prohibit the NOW account—and it started in Massachusetts, which has a separate, distinct banking system, separate and distinct from all of the other 49 States in the United States—and the NOW account has now spread to New Hampshire, then it seems to me as though we are passing class legislation for the State of Massachusetts. I think in the interest of uniformity we ought to support the St Germain position. This is not States rights; this is State—singular—rights. If all of the other States in the United States were permitted to have financial institutions which could offer checking accounts bearing interest, then I would be for it, because that would be States rights. It would be uniformly applied to all 50 States. But under existing Federal law, a commercial bank which is insured by the Federal Deposit Insurance Corporation cannot pay interest on a checking account. A savings and loan, which is insured by the Federal Savings and Loan Insurance Corporation, cannot have a checking account.

I think that maybe a group of Harvard Business School students—and I certainly do not mean to take anything away from them—sat around one Saturday evening in Harvard Square and figured out a way to get around the Federal law prohibiting interest on time deposits and they found it through the NOW account. It is ingenious.

The NOW accounts were disapproved by the commissioner of banks in Massachusetts. The Supreme Judicial Court of Massachusetts ruled that the Massachusetts savings banks had the right to offer NOW accounts.

My position is that if the NOW account is such a good thing, why do we not here today pass a law which would allow every State in the United States to have NOW accounts? Why do we not pass a law which would allow the commercial banks to pay interest on their checking accounts, and allow the insured savings and loans to have interest-bearing checking accounts? It may be that this is the way it will come out after implementation of the so-called Hunt report, but if Federal regulation of financial institutions is necessary—and I believe that it is—it ought to be applied uniformly to all 50 States.

I yield to the gentleman from Massachusetts.

Mr. MOAKLEY. Mr. Chairman, I thank the gentleman for yielding.

This is class legislation. This is discriminatory legislation against the Commonwealth of Massachusetts who, back in 1935 when all other States were clamoring to get underneath the Federal umbrella to be protected by the Federal Deposit Insurance Corporation, had the guts and gumption and foresight to do it themselves. They insured their own savings accounts. This is why Massachusetts is unique. In many ways Massachusetts has been a leader, and I think it is a leader now in the banking industry.

All of the fears that have been thrown around this Chamber——

Mr. WYLIE. Mr. Chairman, the gentleman is using my time. I refuse to yield further. I thought I was yielding for the purpose of a question.

The point I want to make is that we are, by passing this law, if we do not prohibit the NOW accounts, giving additional advantage by Federal law to the separate banking system in Massachusetts. I do not suggest that the Massachusetts system is necessarily all that bad, but, as I say, it seems to me if we are going to legalize this practice, and continue the interest and checking account regulation of commercial banks and savings and loans, let us then apply it uniformly to all 50 States. If it is good for Massachusetts, maybe it will be good for all the rest of the States.

Mr. MOAKLEY. Mr. Chairman, my purpose in speaking is simply to put the negotiable order of withdrawal—NOW accounts—issue in its proper perspective.

I suppose I can best accomplish the objective by laying before you the "real" facts relative to this issue.

Undoubtedly the most important facts to be considered are: First the fact that NOW accounts only affect two States—Massachusetts and New Hampshire; and second, NOW accounts provide a tremendous service to the consumer.

My State, Massachusetts, first began use of the NOW accounts in May of 1972, when the Supreme Judicial Court of Massachusetts ruled in favor of the consumer on the question of are "NOW accounts checking accounts."

In the majority opinion, the court in answer to the previous question said "No"—NOW accounts are not checking accounts as defined by Federal law.

The exact language was—

> If . . . a depositor of the bank, on making a withdrawal, has the option of requesting cash, or a treasurer's check or of purchasing a money order . . . according him a fourth option of drawing a check on his own account . . . is a distinction without a difference.

However, to me, the real issue regarding NOW accounts is not whether NOW accounts are checking accounts nor is a question of who will prevail in the battle between the commercial and the mutual savings banks to protect their respective monetary interests.

No, to me the question is simply will the consumer—the guy who invariably gets hurt by big business battles be denied the tremendously beneficial service rendered by those banks who offer NOW accounts.

For too often the consumer is the innocent victim whenever it comes to who shares in the wealth of the country, but this is one time I feel confident that we, the Members of the 93d Congress, we will not turn our back on the consumer by voting to reinstate section 2 of H.R. 6370.

In response to those critics of NOW accounts who maintain that they should be abolished, because of alleged potential injurious impact to competing financial institutions, let me again put forth the facts—which as you will note tend to prove the exact opposite.

Existing data indicates that 44 percent of all NOW account deposits represent transfers from existing accounts within the same bank.

Of the remaining 56 percent it is estimated that approximately 30 to 35 percent would have been new regular savings accounts at the same savings banks were it not for NOW accounts.

Furthermore, total deposits at NOW account banks grew slightly over 4.3 percent compared to a growth rate of 4.2 percent in the non-NOW account banks.

Also noteworthy is the fact that there is no indication whatever that NOW accounts will tend to raise the mortgage rates in Massachusetts. In fact, if NOW accounts bring more money into their institutions as suspected, then the net effect would be to have a reduced rate on mortgage money.

So, as you can see there is clearly no justification to the criticism aimed at NOW account service.

Presently, there are some 40,000 to 50,000 consumers who are now benefiting from the use of NOW accounts.

These consumers receive some $1 million per week in interest payments and yet there are those who would want to deny them this truly innovative service.

To conclude, Mr. Chairman, I can only further say that to vote for the reinstatement of section 2 is not only contrary to the expressed consent of the committee-approved bill, but more significantly, it is a vote against the consumer.

I yield back any remaining time I might have.

The CHAIRMAN. The question is on the committee amendment.

The question was taken; and the chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. PATMAN. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 98, noes 264, "present" 29, not voting 42, as follows:

[Roll No. 132]

AYES—98

Abzug
Addabbo
Anderson, Calif.
Aspin
Barrett
Bennett
Biester
Bingham
Blackburn
Bolling
Broomfield
Brown, Calif.
Burgener
Burke, Calif.
Burke, Mass.
Burlison, Mo.
Burton
Carney, Ohio
Chisholm
Clay
Cohen
Conte
Conyers
Corman
Cronin
Daniels, Dominick V.
Dellenback
Dellums
Dent
Derwinski
Dingell
Drinan
Eckhardt
Edwards, Calif.
Eilberg
Fish
Foley
Ford, Gerald R.
Focsythe
Frenzel
Gaydos
Giaimo
Goldwater
Grasso
Green, Pa.
Griffiths
Gude
Hansen, Idaho
Hébert
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Holtzman
Howard
Karth
Kastenmeier
Koch
Kyros
Lent
McClory
McKinney
Macdonald
Martin, Nebr.
Matsunaga
Mazzoli
Mink
Mitchell, Md.
Moakley
Mollohan
Moorhead, Pa.
Nedzi
Nix
O'Neill
Patman
Podell
Rarick
Rees
Rinaldo
Robison, N.Y.
Rooney, Pa.
Rousselot
Roybal
Sarbanes
Schroeder
Seiberling
Shoup
Staggers
Stark
Stratton
Studds
Sullivan
Symington
Van Deerlin
Ware
Whalen
Yates
Young, Ga.

NOES—264

Abdnor
Adams
Alexander
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Arends
Ashbrook
Bafalis
Baker
Beard
Bell
Bergland
Bevill
Biatnik
Boggs
Boland
Bowen
Brademas
Brasco
Bray
Breaux
Breckinridge
Brinkley
Brotzman
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Burke, Fla.
Burleson, Tex.
Butler
Byron
Carey, N.Y.
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clancy
Clark
Clausen, Don H.
Cochran
Collins
Conable
Conlan
Cotter
Coughlin
Crane
Culver
Daniel, Dan
Daniel, Robert W., Jr.
Danielson
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Denholm
Dennis
Devine
Donohue
Dorn
Downing
Dulski
Duncan
du Pont
Erlenborn
Esch
Eshleman
Evans, Colo.
Fascell
Findley
Fisher
Flood
Flowers
Flynt
Ford, William D.
Frey
Froehlich
Fulton
Fuqua
Gettys
Gilman
Ginn
Gonzalez
Gray
Gross
Gubser
Gunter
Haley
Hamilton
Hammerschmidt
Hanley
Hanna
Hanrahan
Hansen, Wash.
Harrington
Harsha
Harvey
Hastings
Hawkins
Hays
Henderson
Hicks
Hinshaw
Holifield
Holt
Horton
Hosmer
Hudnut
Hungate
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jordan
Kazen
Keating
Kemp
Kluczynski
Kuykendall
Landgrebe
Landrum
Latta
Leggett
Lehman
Litton
Long, La.
Long, Md.
Lott
Lujan
McCloskey
McCollister
McCormack
McDade
McEwen
McFall
McSpadden
Madigan
Mahon
Mallary
Mann
Maraziti
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Mayne
Meeds
Metcalfe
Mezvinsky
Michel
Milford
Miller
Mills, Ark.
Mills, Md.
Minish
Mitchell, N.Y.
Mizell
Montgomery
Moorhead, Calif.
Morgan
Moss
Murphy, Ill.
Natcher
Nelsen
O'Hara
Owens
Parris
Passman
Patten
Pepper
Perkins
Pettis
Peyser
Pickle
Poage
Powell, Ohio
Price, Ill.
Pritchard
Quie
Railsback
Randall
Rangel
Regula
Rhodes
Riegle
Roberts
Robinson, Va.
Rodino
Roe
Rogers
Roncallo, N.Y.
Rose
Rostenkowski
Roush
Roy
Runnels
Ruth
Ryan
St Germain
Sandman
Sarasin
Satterfield
Scherle
Schneebeli
Sebelius
Shipley
Shriver
Shuster
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Snyder
Spence
Stanton, J. William
Stanton, James V.
Steele
Steed
Steelman
Steiger, Ariz.
Stephens
Stubblefield
Stuckey
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Treen
Udall
Ullman
Vanik
Vigorito
Waggonner
Wampler
White
Whitehurst
Whitten
Widnall
Wiggins
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Wright
Wyatt
Wylie
Young, Alaska
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion
Zwach

"PRESENT"—29

Armstrong
Camp
Clawson, Del
Cleveland
Collier
Edwards, Ala.
Goodling
Grover
Hillis
Hogan
Huber
Hunt
Jones, N.C.
Jones, Okla.
Mailliard
Minshall, Ohio
Myers
O'Brien
Pike
Preyer
Quillen
Ruppe
Smith, N.Y.
Teague, Calif.
Walsh
Winn
Wydler
Wyman
Young, Fla.

NOT VOTING—42

Ashley
Badillo
Biaggi
Brooks
Buchanan
Carter
Delaney
Dickinson
Diggs
Evins, Tenn.
Fountain
Fraser
Frelinghuysen
Gibbons
Green, Oreg.
Guyer
Jones, Tenn.
Ketchum
King
McKay
Madden
Melcher
Mosher
Murphy, N.Y.
Nichols
Obey
Price, Tex.
Reid
Reuss
Roncalio, Wyo.
Rooney, N.Y.
Rosenthal
Saylor
Steiger, Wis.
Stokes
Teague, Tex.
Thompson, N.J.
Vander Jagt
Veysey
Waldie
Wolff
Yatron

So the committee amendment was rejected.

Mr. PATMAN. Mr. Chairman, the other committee amendments are just changing section numbers. I ask unanimous consent that they be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The CHAIRMAN. The Clerk will report the committee amendments.

The Clerk read as follows:

> The committee amendments:
>
> Page 3, line 18, strike out "3" and insert in lieu thereof "2".
>
> Page 4, line 12, strike out "4" and insert in lieu thereof "3"
>
> Page 4, line 25, strike out "5" and insert in lieu thereof "4".
>
> Page 5, line 5, strike out "Act" and insert in lieu thereof "section".
>
> Page 6, immediately after line 20, insert the following new section heading: "Effective Date".

Page 6, line 21, strike out "6" and insert in lieu thereof "5".

Page 6, line 23, strike out "5" and insert in lieu thereof "4".

Mr. PATMAN. Mr. Chairman, since the first committee amendment failed, these others should be voted against.

The CHAIRMAN. The question is on the committee amendments.

The committee amendments were rejected.

AMENDMENT OFFERED BY MR. M'KINNEY

Mr. McKINNEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. McKINNEY: Page 2, line 6, strike "September 30, 1975" and insert in lieu thereof "June 1, 1974".

Mr. ST GERMAIN. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Connecticut (Mr. McKINNEY).

Mr. Chairman, the provision commonly known as regulation Q is to establish an interest rate differential fund to encourage the depositing of funds in the thrift institutions of our country who are charged primarily with providing mortgage financing for home purchases.

During the money crunch of 1966, we came up with an amendment to establish a differential to assure mortgage loan money will be available to those individuals who wanted to purchase homes. This differential insures an adequate supply of money in savings and loan associations for this purpose. On this point, exclusive of interest credited to accounts, this flow of funds into savings and loan associations totaled $1.6 billion in March of 1973. This figure is 40.2 percent below the comparable figure of $2.7 billion a year ago. It is important that this section be retained. Why the extended period of time? We have been waiting and waiting and waiting for the administration to come up with their recommendations on the Hunt Commission report, and each time a date would come up where they had promised to send the recommendations up there would be a new extension. We can, at the time those recommendations finally do come up, amend this section, but in the meantime until there is a revision, there is no sense for us in the Congress, as we have been doing every year, holding hearings and having an emergency situation develop by June 1 to pass an extension of regulation Q. Therefore we should have regulation Q in there for an extended period of time to give us an opportunity to have hearings on these recommendations that will be forthcoming from the administration.

For that reason I urge the Members to vote down this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Connecticut (Mr. McKINNEY).

The amendment was rejected.

AMENDMENT OFFERED BY MR. HARRINGTON

Mr. HARRINGTON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HARRINGTON: Page 6 after line 24 insert a new section to read as follows:

SEC. 7. Section 2(b) of Public Law 90–505 (12 U.S.C. 371(b)) is amended by adding at the end thereof the following sentence:

"Notwithstanding the foregoing, in those States in which a State bank supervisory agency has authorized or authorizes financial institutions not regulated by a Federal supervisory agency to accept a deposit or account on which interest or dividends are paid and which is subject to withdrawal by draft, the Federal supervisory agency shall permit the payment of such rate of interest on time and savings deposits necessary to eliminate any differential between that rate and the rate of interest authorized for time and savings deposits by such State bank supervisory authority or the Federal Deposit Insurance Corporation."

Mr. HARRINGTON. Mr. Chairman, I suppose part of the urgency for this amendment has been somewhat eroded by the vote which just occurred.

Mr. J. WILLIAM STANTON. Mr. Chairman, will the gentleman yield?

Mr. HARRINGTON. I yield to the gentleman.

Mr. J. WILLIAM STANTON. I wonder if the gentleman realizes the House action we just took reaffirms the original subcommittee action on this legislation which has the effect of outlawing the NOW account.

Mr. HARRINGTON. I do.

Mr. J. WILLIAM STANTON. And the gentleman's amendment would be now to allow NOW accounts the same for commercial banks.

Mr. HARRINGTON. No. The purpose of my amendment is to make sure that we eliminate or at least reduce the competitive imbalance created by allowing savings banks to offer a higher interest rate on savings accounts than commercial banks in Massachusetts.

The amendment is directed only to those States in which NOW accounts can be offered by mutual savings banks. Such banks in Massachusetts now pay 5¼ percent interest on savings deposits, while commercial banks are allowed to pay only 4½ percent interest on savings deposits.

My amendment is designed to eliminate that differential. It is not related to the prohibition of NOW accounts.

All this really does is—and, as I say, the passage of the amendment that we have recently voted on to some extent diminishes the competitive imbalance is—to allow commercial banks in Massachusetts and in States where NOW accounts exist to pay the same interest rates presently offered by savings banks. It would eliminate this disparity of ¾ of 1 percent, and this would go in the direction of rectifying that imbalance.

It is offered as a new section of the existing bill, and it is in no way to be confused as being a part of the previous question. It is for that reason I offer it at the end of the bill as a new section of the legislation.

Mr. JOHNSON of Pennsylvania. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, as I previously have said in debate, our banking system exists in what we might call a very delicate balance. One of the reasons for regulation Q is to permit mutual savings banks to pay a higher rate of interest on savings than the commercial banks do. Why is that necessary? Because we want savings accounts. We want people to place their savings in these mutual savings banks and savings and loan institutions so that there will be money available to loan on first mortgages on homes. That is the reason for the differential, and I say it is a good reason, and it is one we should respect and keep.

What this amendment does is it will permit—I believe in his State—commercial banks to pay the same interest on savings deposits as do savings and loans and mutual savings banks. There again we are upsetting what we in this Congress in our wisdom in years gone by have set up regulation Q to correct: a differential. I believe this amendment is a step in the wrong direction.

Mr. ST GERMAIN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, just a few minutes ago, we voted for the continuation of regulation Q. It establishes the interest rate differential. This particular amendment would do away with the differential, and, as I said earlier, the reason for the differential is to attract money into the mutual thrift institutions whose primary purpose is to provide mortgage money for home purchases. This is requested by a group of commercial banks, but when we go to a commercial bank, first we see the window where they have the insurance being sold, and then the credit loans, commercial loans, and maybe within an hour we can find the mortgage department, because most commercial banks are not too interested in providing mortgage money to home purchasers.

Therefore, we have established regulation Q for that reason, in order to continue to provide money in this country for people who want to purchase homes.

I am constrained and forced to ask that this amendment be voted down.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts (Mr. HARRINGTON).

The amendment was rejected.

Mr. BURLISON of Missouri. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to propound a question to the managers of the legislation. Is it not true that this legislation places a limitation on the rate of interest that a bank or a lending institution may pay on the savings account?

Mr. PATMAN. On time and savings deposits, the gentleman is correct.

Mr. BURLISON of Missouri. It is not true, on the other hand, that there is no limitation set on what a bank may charge in interest on loans made to its borrowers?

Mr. PATMAN. No, not on using the money in the reserve deposits. Of course they have lots of power there. They cannot pay interest on demand deposits. In other words, $250 billion they get the use of free.

Mr. BURLISON of Missouri. Is it not then highly discriminatory against the depositors or maybe I should call them consumers when they are regulated as to what they may draw in interest while at the same time the bank has no regulation on what it may charge the people in interest?

Mr. PATMAN. That is correct. It is even worse on time deposits. They can create or manufacture money up to 33⅓ times as much.

Mr. BURLISON of Missouri. Then why do we have that in this legislation? Is that not a good argument to vote against the bill?

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. PIKE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 6370) to extend certain laws relating to the payment of interest on time and savings deposits, to prohibit depository institutions from permitting negotiable orders of withdrawal to be made with respect to any deposit or account on which any interest or dividend is paid, to authorize Federal savings and loan associations and national banks to own stock in and invest in loans to certain State housing corporations, and for other purposes, pursuant to House Resolution 371, he reported the bill back to the House.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. SCHERLE. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 376, nays 4, answered "present" 18, not voting 35, as follows:

[Roll No. 133]

YEAS—376

Abdnor
Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Arends
Ashbrook
Ashley
Aspin
Bafalis
Baker
Barrett
Beard
Bell
Bennett
Bergland
Bevill
Biester
Bingham
Blackburn
Blatnik
Boggs
Boland
Bolling
Bowen
Brademas
Brasco
Bray
Breaux
Breckinridge
Brinkley
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burton
Butler
Byron
Carey, N.Y.
Carney, Ohio
Casey, Tex.
Cederberg
Chamberlain
Chappell
Chisholm
Clancy
Clark
Clausen, Don H.
Clawson, Del
Clay
Cochran
Cohen
Collins
Conable
Conlan
Conte
Conyers
Corman
Cotter
Coughlin
Crane
Cronin
Culver
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Dellenback
Dellums
Denholm
Dennis
Dent
Derwinski
Devine
Dickinson
Diggs
Dingell
Donohue
Dorn
Downing
Dulski
Duncan
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fish
Fisher
Flood
Flowers
Flynt
Foley
Ford, Gerald R.
Ford, William D.
Forsythe
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gaydos
Gettys
Giaimo
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Grasso
Gray
Green, Pa.
Griffiths
Gross
Gubser
Gude
Gunter
Haley
Hamilton
Hammerschmidt
Hanley
Hanna
Hanrahan
Hansen, Idaho
Hansen, Wash.
Harrington
Harsha
Harvey
Hastings
Hawkins
Hays
Hébert
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Hinshaw
Holifield
Holt
Holtzman
Horton
Hosmer
Howard
Hudnut
Hungate
Hunt
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jordan
Karth
Kastenmeier
Kazen
Keating
Kemp
Kluczynski
Koch
Kuykendall
Kyros
Landgrebe
Landrum
Latta
Leggett
Lehman
Lent
Litton
Long, La.
Long, Md.
Lott
Lujan
McClory
McCloskey
McCollister
McCormack
McDade
McEwen
McFall
McKinney
McSpadden
Macdonald
Madden
Madigan
Mahon
Mailliard
Mallary
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mayne
Mazzoli
Meeds
Metcalfe
Mezvinsky
Michel
Milford
Miller
Mills, Md.
Minish
Mink
Minshall, Ohio
Mitchell, Md.
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Myers
Natcher
Nedzi
Nelsen
Nichols
Nix
O'Hara
O'Neill
Owens
Parris
Passman
Patman
Patten
Pepper
Perkins
Pettis
Peyser
Pickle
Poage
Podell
Powell, Ohio
Preyer
Price, Ill.
Pritchard
Quie
Railsback
Randall
Rangel
Rees
Regula
Rhodes
Riegle
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncallo, N.Y.
Rooney, Pa.
Rose
Rostenkowski
Roush
Rousselot
Roy
Roybal
Runnels
Ruppe
Ruth
Ryan
St Germain
Sandman
Sarasin
Sarbanes
Satterfield
Scherle
Schneebeli
Schroeder
Sebelius
Seiberling
Shipley
Shoup
Shriver
Shuster
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Snyder
Spence
Staggers
Stanton, J. William
Stanton, James V.
Steed
Steele
Steelman
Steiger, Ariz.
Stephens
Stokes
Stratton
Stubblefield
Stuckey
Studds
Sullivan
Symington
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Teague, Calif.
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Towell, Nev.
Treen
Udall
Ullman
Van Deerlin
Vanik
Vigorito
Waggonner
Wampler
Ware
Whalen
White
Whitehurst
Whitten
Widnall
Wiggins
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Wright
Wyatt
Wydler
Wylie
Yates
Young, Alaska
Young, Ga.
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion
Zwach

NAYS—4

Burlison, Mo.
Drinan
Rarick
Stark

ANSWERED "PRESENT"—18

Armstrong
Camp
Cleveland
Collier
Grover
Hillis
Hogan
Huber
Jones, N.C.
Jones, Okla.
O'Brien
Pike
Quillen
Smith, N.Y.
Walsh
Winn
Wyman
Young, Fla.

NOT VOTING—35

Badillo
Biaggi
Brooks
Buchanan
Carter
Delaney
Fountain
Fraser
Frelinghuysen
Gibbons
Green, Oreg.
Guyer
Jones, Tenn.
Ketchum
King
McKay
Melcher
Mills, Ark.
Murphy, N.Y.
Obey
Price, Tex.
Reid
Reuss
Roncalio, Wyo.
Rooney, N.Y.
Rosenthal
Saylor
Steiger, Wis.
Teague, Tex.
Tiernan
Vander Jagt
Veysey
Waldie
Wolff
Yatron

So the bill was passed.

The Clerk announced the following pairs:

Mr. Rooney of New York with Mr. Gibbons.
Mr. Teague of Texas with Mr. Frelinghuysen.
Mr. Yatron with Mr. Saylor.
Mr. Obey with Mr. Steiger of Wisconsin.
Mr. Fountain with Mr. Carter.
Mr. Murphy of New York with Mr. Jones of Tennessee.
Mr. Roncalio of Wyoming with Mr. Badillo.
Mr. Wolff with Mr. McKay.
Mr. Fraser with Mr. Vander Jagt.
Mr. Rosenthal with Mr. Buchanan.
Mr. Brooks with Mr. Price of Texas.
Mr. Delaney with Mr. King.
Mrs. Green of Oregon with Mr. Guyer.
Mr. Biaggi with Mr. Melcher.
Mr. Reid with Mr. Reuss.
Mr. Tiernan with Mr. Waldie.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. PATMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous matter on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

PERSONAL ANNOUNCEMENT

Mr. FOLEY. Mr. Speaker, I was unavoidably absent today on rollcall No. 131. Had I been present, I would have voted "yea."

MINORITY VIEWS ON H.R. 6646, PEANUT BILL

(Mr. GOODLING asked and was given permission to adddress the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. GOODLING. Mr. Speaker, I object strongly to H.R. 6646, the peanut bill which will waste another $8.6 million of the taxpayers' money.

In my estimation it simply strengthens the chains that tie growers and the entire peanut industry to the dark ages of agriculture to the detriment of all concerned. It would stymie the movement of this commodity toward brighter horizons already experienced in other sectors of agriculture where enlightened farm programs permit farmers to produce for the marketplace instead of the government warehouse.

H.R. 6646 essentially prevents the USDA from making some needed program changes that it has already announced for the 1973 crop peanut program. These are changes that do not go as far as I feel is needed, but reflect a thorough study by the Department of the peanut situation and consideration of views of growers, Members of Congress, peanut shellers, manufacturers, and others interested in this commodity.

One change, announced by the Department in early April, was elimination of the Commodity Credit Corporation sheller purchase progam begun in 1943. Under the sheller purchase program, CCC essentially assures the sheller a ready market for low-quality peanuts but provides no direct benefit to producers. Elimination of this program would lessen Government involvement and be a step forward in encouraging the peanut industry to orient itself more to the marketplace.

The second change announced in April was that there would be a $50 per ton discount on peanuts found to have visible aflatoxin mold in purchases made by CCC. Peanuts contaminated with aflatoxin are not suitable for human consumption, and meal made from the peanuts is not suitable for livestock or poultry feed in this country. I personally see no reason why aflatoxin-infected peanuts should be purchased by the Government at all.

However, since the discovery of the presence of aflatoxin in peanuts in the early 1960's, the Government has taken a number of steps which have helped the industry assure that high quality peanuts would be marketed for human consumption. One of the steps taken by USDA permitted growers to place peanuts with aflatoxin under loan with no discount. Also, the Government acquired peanuts with aflatoxin from shellers—at a discount—under the sheller purchase program. This was perhaps a necessary step at the time, in that it helped the industry while it was learning to deal with a new and difficult problem. But progress has been made. The industry has since learned how to accurately detect aflatoxin in peanuts, how to separate the contaminated kernels, and how to assure that only top quality peanut products reach the consumer.

So, after 8 years or so, it is high time for the Government to bow out and for the industry to assume full responsibility for producing a quality product for the consumer. Unfortunately, H.R. 6646 would negate this move toward industry self-sufficiency by making the same Government price support available for contaminated peanuts as for peanuts suitable for food use.

Finally, it is estimated that enactment of H.R. 6646 would result in the forced expenditure of $8.6 million in fiscal year 1974. In these times, when we are attempting to set Government priorities with great prudence and prevent tax increases, this hardly seems to be a wise expenditure of tax dollars.

When H.R. 6646 was reported to the House, I joined with four of my colleagues on the Committee on Agriculture in minority views on this bill.

Since we will be considering this bill soon, I include the text of our minority views in the Record at this point:

H. Rept. 93–163—Minority Views

STATEMENT

We believe that this bill, which calls for the forced spending of an additional $8.6 million on the 1973 peanut program, is completely unjustified.

BACKGROUND

The U.S. Department of Agriculture on February 14, 1973, proposed three changes in the 1973 peanut price support program. Later it announced it would implement these changes, with one exception. H.R. 6646 would compel USDA to rescind two changes.

The peanut price support law directs USDA to support prices at a level of at least 75 percent of parity on peanuts from no less than 1,610,000 acres. Prices are supported by purchases and nonrecourse loans. Growers have increased peanut yields from 940 to 2,212 pounds per acre during the last 20 years. Progressively more peanuts are being produced than can be sold at the support price. The result: USDA losses now run nearly $100 million annually.

USDA originally proposed that the 1973 peanut program expenses be reduced by $22.5 million through three administrative actions which would have:

1. Eliminated the sheller purchase operations which guarantee a government market for lower quality peanuts.

2. Eliminated government purchases of peanuts containing aflatoxin, an undesirable compound which shows up in peanuts grown in certain areas, thus restricting their market to the export trade or for non-edible use in the United States.

3. Required the grower to pay grading, handling, and storage fees on peanuts placed under warehouse storage loans. These previously have been assumed by the Commodity Credit Corporation.

Later, USDA modified its original position and decided to continue the purchase of aflatoxin peanuts at a discount of $50 per ton. The Department also raised the price support level. The net effect of these modifications was to reduce expenditures on the 1973 peanut program by only $16.2 million. The way this is calculated is as follows:

USDA testified on March 6, 1973, that the elimination of the sheller purchase program was designed to save $4.2 million. By making aflatoxin peanuts ineligible for price supports, another $12.5 million would be saved. Finally, $7.6 million would be saved by requiring peanut farmers to reassume grading, handling, and storage costs. This totals $24.3 million, but overlapping costs between the aflatoxin and sheller purchase program brought the total to $22.5 million.

Thus, when USDA later modified its original position by adopting a discount system on aflatoxin peanuts and a general price support increase, it was able to reduce 1973 expenditures by approximately $16.2 million.

The purpose of H.R. 6646, quite simply, is to force the restoration of $8.6 million of the already-reduced $16.2 million saving on the 1973 program. It would do so by mandating that the Secretary could neither change the sheller purchase program nor the method of supporting aflatoxin-infected peanuts.

REFORM NEEDED

It seems incredible to us that the peanut grower and processor groups lobbying for this legislation would attempt to use a program as lacking in public benefit as the peanut program is to attempt another "forced expenditure" issue in the face of our huge and chronic Federal deficit.

We therefore oppose this bill, which would require the reinstitution of the sheller purchase program and full support of aflatoxin-infected peanuts at the same rate as regular peanuts, because these actions are contrary to both the public interest and to the long-run interest of the peanut industry. The forced restoration of the $8.6 million, which this bill would mandate, would be a direct and additional taxpayer burden for a program that already is onerous to the public.

GAO STUDY

Our contentions are reinforced by a recently released report by the Comptroller General of the United States entitled "Need Intensifies To Amend Legislation To Reduce Government Losses On The Peanut Price-Support Program."

That report shows clearly that the ever-increasing cost of the peanut program cannot be justified at this time—especially when control of government spending is a national goal. As is true of several other of the commodity programs, the peanut program originated during the 1930's as a temporary measure but is still with us today in nearly the same form. It is our opinion that the three specific changes the Department originally proposed relative to the 1973 crop peanut program should have been carried out in their entirety in keeping with the Comptroller General's recommendations on the peanut program.

The Comptroller General's report further states that under the present peanut program, the projected losses to the U.S. Government will be almost double for 1973–77, reaching $537 million, compared to the losses sustained ($279 million) by the government during 1967–71. It makes absolutely no sense to us for Congress to act in a fashion contrary to the recommendations set forth in the GAO report by passing H.R. 6646 because it is clearly evident that government losses on the peanut program should be reduced, not increased as this bill requires.

We feel a case has clearly been made that H.R. 6646 is neither in the best interests of the peanut industry nor the national taxpayers.

CONCLUSION

The peanut program cries out for reform, not for the forced restoration of $8.6 million. In terms of government farm programs, $8.6 million may not seem like a lot of money, but to taxpayers, long oppressed by expensive and ineffective subsidy programs designed to artificially drive up consumer prices, this bill is more than just "peanuts."

It should be convincingly rejected by the House as a signal that the peanut program needs to be modernized and made more compatible with the public interest.

Charles M. Teague.
George A. Goodling.
Wiley Mayne.
Paul Findley.
Lamar Baker.

COMMENTS OF MR. OWENS ON ESTABLISHING AN OFFICE OF CONGRESSIONAL OMBUDSMAN

(Mr. OWENS asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. OWENS. Mr. Speaker, I am introducing today for myself and Mr. Breaux, Mr. Breckinridge, Mr. de Lugo, Mr. Gunter, Ms. Holtzman, Mr. Moakley, Mr. Stark, Mr. Studds, Mr. Thornton, Mr. Won Pat, and Mr. Young of Georgia a bill which would establish an Office of Congressional Ombudsman.

The Congressional Ombudsman would be responsible only to Congress, much like the Congressional Research Service and the Government Accounting Office. He would, principally, do casework referred to him by Members of Congress, with the help of a staff trained in the different casework areas; that is, social security, veterans, and military. Because staff members would become expert in the law, regulations, and procedures in a given area, they could move more intelligently and more effectively than a caseworker in our individual office.

The caseworker would do his or her work in the name of the individual Congressman or Senator who referred the staff members would become expert in case to the Ombudsman's Office. Information on the results would be released only to the Member or Senator who referred the case originally and who could then communicate directly with his constituency. The decision of whether or not to refer the case to the Ombudsman's Office would be completely that of the Member or Senator. There would no access to the Ombudsman except by specific referral from a Member or Senator.

The most obvious benefit to our individual offices would be the freeing of staff caseworkers to devote more time to other pressing needs. But the greater purpose would be that, in this time of increasing impersonalization of government, the Ombudsman could achieve, generally, a higher degree of justice for those constitutents who are genuinely entitled to some relief but whose cases our individual offices lack the expertise, time and power to pursue.

In addition, the legislation I am introducing directs the Congressional Ombudsman to report to Congress every year on patterns of abuse in agencies, administrative obstacles, and problems, and laws which cause confusion or difficulty. Because of his daily work with the agencies, he would be in a unique position to suggest how the operation of the agencies could be improved to assure more fairness to the public. This report would be available to the legislative committees and could be of great importance to Congress in discharging its oversight responsibilities. With this continually updated information, Congress could move periodically to update the bureaucracy and assure a greater degree of responsiveness.

The Office of Congressional Ombudsman would be established along lines very similar to the Office of Technology Assessment. The Ombudsman would be chosen by a 12-man board. The board would consist of six Senators—three from each party—and six Representatives—again three from each party. The chairmanship of the board would alternate between Members of the two Houses of Congress each session. While the Ombudsman office would not be given specific subpena power, as is the Office of Technology Assessment, there are provisions in the bill to insure that information necessary to solving a specific case can be obtained.

I believe the assistance provided by the Congressional Ombudsman would be of immeasurable help to each of us. Our constituents would be better served and greater justice assured to each; our offices would be freed for other responsibilities. And we would have expert advice on a continuing basis on how to improve, mechanically, the Federal bureaucracy. I submit to the Congress that those three benefits will justify many times over the costs of setting up another agency. It is essential if we are to continue to fulfill our legislative responsibilities because the confused government agencies are causing citizens to seek our assistance in greatly increasing numbers.

THE REPUBLIC OF CHINA

The SPEAKER pro tempore (Mr. McFall). Under a previous order of the House, the gentleman from Mississippi (Mr. Lott), is recognized for 60 minutes.

GENERAL LEAVE

Mr. LOTT. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous matter on this special order today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. LOTT. Mr. Speaker, I have requested time this afternoon to discuss, along with a number of my colleagues, the necessity of keeping close relations with our friend and ally the Republic of China.

Our ties to the Republic of China go back many years. Dr. Sun Yat-sen, the father of the Republic of China, received support from individuals in the United States to overthrow the corrupt Manchu dynasty and establish the Republic of China. In its 61-year history, the Republic has had to face many challenges—the overthrow of the warlords, the Japanese invasion and World War II, and the Communist insurgency. It had to remove itself from the mainland and set up its government on Taiwan—an area that had been under Japanese colonial rule for many years, but the free Chinese persevered. On Taiwan, the Pescadores and the offshore islands, they have built a society that is one of the freest in Asia. That society also has the second highest standard of living in that part of the world. The free Chinese, with the help of American economic and military assistance, built a society in which there could be both progress and respect for the best of the centuries old Chinese culture.

Free China is one of those very few countries where the United States has been able to phase out its economic assistance program. In 1965 the American economic assistance program ended. Since that time the free Chinese have aided other developing countries through their own small but effective foreign assistance program. The free Chinese have served as an example for Asia and other developing areas that a free economic system can work. They serve as proof that hard work can succeed.

As I have said, the relationship between the United States and the Republic of China has been that of friends and allies. American Presidents, be they Democrat or Republican, have continually attested to that friendship. Recently, the President has embarked on a program to lessen tensions with the People's Republic of China. The President has said that such moves are not and will not be at the expense of our old friends such as the Republic of China. This is an important point to remember. We all hope that the President's efforts succeed but we must not cast asunder those who are our proven friends. The cause of world stability would not be enhanced by any such action.

The United States is allied with the Republic of China by the Mutual Defense Treaty of 1954 and by the Formosa resolution. However, our ties to the free Chinese are more numerous and broader than these two documents. American scholars and Chinese scholars on Taiwan regularly exchange views. Many American universities have cooperative programs with universities in Taiwan. American churches sponsor missionaries in Taiwan. For many years the Republic of China and the United States have engaged in thousands of official and unofficial cultural exchanges. Recently, a cultural troupe from the Republic of China has been touring the United States. All these and many others have allowed two free peoples to get to know and understand each other better.

My other distinguished colleagues will be discussing, in greater detail, some of the points that I have raised and will also add a number of other dimensions to our discussion. Before yielding to another colleague, I wish to urge the U.S. Government to do nothing to compromise the freedom of the Republic of China and its people. They have been our friends too long to allow that to happen. Our relationship with them is not only that of nation to nation, but also of people to people. Neither we nor the free Chinese will gain by any weakening of that special relationship. I trust that acts of our Government—be they acts of commission or omission—will do nothing to jeopardize the freedom of these friends.

As part of my statement, I wish to insert in the Record several articles and editorials which have appeared recently attesting to the economic and political progress of the Republic of China, and then I will yield to my colleagues.

I also wish to urge the Members of this body to join in sponsoring a concurrent resolution expressing the sense:

H. Con. Res. —

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that the United States Government, while engaged in a lessening of tensions with the People's Republic of China, do nothing to compromise the freedom of our friend and ally the Republic of China and its people.

[From the U.S. News & World Report, Nov. 13, 1972]

TAIWAN, "ORPHAN" OF ASIA—MAKING GOOD ON ITS OWN

Taipei, Taiwan.—Nationalist China—abandoned and ignored by two thirds of the world—is showing remarkable signs of self-reliance.

A visitor to Taiwan expecting to find resignation and despair discovers, instead, a fever of rising expectations and stimulating economic expansion.

It was not supposed to be this way. Generalissimo Chiang Kai-shek and the others who rule this island only 90 miles from the Communist mainland had been written off as doomed. Expulsion from the United Nations a year ago was considered by many as the beginning of the end.

Other setbacks followed. In February, U.S. President Nixon made his historic visit to Taiwan's archenemies in Peking. More recently, two of the world's major powers—West Germany and Japan—acknowledged the Communists as the rulers of mainland China's 780 million people.

In the space of 24 months, the diplomatic score sheet has been reversed and, at latest count, 77 nations recognize Peking while a dwindling minority of 47, including the United States, maintains ties with the Taipei regime.

RESILIENCE, CHINESE STYLE

It is the security treaty with the U.S., plus their own resilience, that has permitted the 15 million people of "Free China" not only to survive, but thrive. A close-up look at Taiwan today shows this:

Downtown Taipei, the capital and dominant city, is experiencing a facelifting and construction boom as new office buildings and hotels go up. Apartments, unsalable a year ago, now are moving so fast that developers are chastised by friend and relatives for not saving some for them.

In Taipei and elsewhere on the island, new factories are being built and existing ones expanded to broaden the industrial base.

Exports and imports are expected to approach 5.5 billion dollars this year, easily surpassing the level of the mainland which has 50 times as many people. Real economic growth may match the 11.4 per cent increase of 1971, one of the highest in history.

Life, for most people, gets visibly easier. Motorcycles are replacing bicycles. Air-conditioned taxis are appearing. Stores are crowded with free spenders. One of three families now owns a television set. Membership in a golf club is the newest status symbol.

Taiwan's economic performance in the first eight months of 1972 verges on the unbelievable. Compared with the same period last year, industrial production has risen 27 per cent; new construction is up 39 per cent, and trade has ballooned 46 per cent.

YANKS ARE COMING

"What might have been the worst year on record is shaping up as the best year ever for most local businessmen and virtually every American company here," says Earl Glazier, president of the Taipei American Chamber of Commerce.

More than 100 American firms, including such "blue chips" as Eli Lilly, Gulf Oil, Singer, General Instruments, RCA and International Business Machines, have committed over 300 million dollars—40 per cent of all foreign-investment approvals. None is pulling out. Many are expanding. And others are coming in.

The push is on in everything from tableware to steel and nuclear power, with heavy play in electronics, petrochemicals and motor vehicles.

Ford Motor Company, for example, is preparing to invest millions of dollars in an engine and assembly plant. National Distillers is spending more than 16 million to increase production in one polyethylene plant and to build a second one. Most U.S. electronics firms—and all the major ones are represented here—have expansion plans. One company promises to double output within two years—then double it again.

SPECTACULAR PROFITS

The big attractions are easy to pinpoint. Incentives, such as a five-year tax holiday and a ban on strikes, are appealing. Wages, ranging between $50 and $60 a month, are roughly one quarter of those in Japan and one twelfth of U.S. levels. Profits can be spectacular.

"Many foreign companies recover their initial investment in two or three years. After that, it's mostly gravy," a Taipei banker says.

"For the five-year term in which most American executives think and plan, no country in Asia can match Taiwan," adds a U.S. businessman.

Manufacturing already provides a quarter of all national production, far overshadowing the 17.7 per cent share of agriculture. Forecasts call for average growth of 9.5 per cent annually in real terms for the four years ending in 1976, at which point Taiwan will have joined the advanced industrial nations of the world. Per capita income then would be around $500—several times that of Chinese on the mainland.

"I have the utmost confidence in the Republic of China, its people, its political and economic future, and its future as an industrial base," says Ross Siragusa, chairman of Admiral Corporation.

And so, it appears, do many Japanese businessmen.

The Japanese have more than 400 companies here, and their investments of roughly 125 million dollars already approved are second only to the Americans'. No new Japanese capital has been coming in openly since Tokyo's recognition of Peking, but only seven small companies have pulled out. The rest are staying, camouflaged in some cases by a new name or undercover partnership with local Chinese.

The Chinese Nationalists at first reacted violently to Japan's diplomatic switch.

World War II-style, anti-Japanese propaganda was revived in Taiwan amid angry charges of "perfidy" and "ingratitude." Threats of economic retaliation were made. But few here took these outbursts at face value.

"We're witnessing a stage play—part Chinese opera, part Japanese *kabuki*," says a U.S. banker. "Once the verbal fireworks are over, you'll discover old deals enduring and new ones being made."

The Japanese Embassy here has been downgraded to a consulate. However, neither resident diplomats nor businessmen and their families—3,800 in all—have left. They and their property enjoy special police protection, and there are no signs of confiscation or sanctions on the horizon.

Japan's Foreign Minister, Masayoshi Ohira, announced while visiting Washington on October 19 that mainland China did not object to Japan's continued economic and cultural ties with the Chinese Nationalists on Taiwan despite the establishment of diplomatic relations between Tokyo and Peking.

Both Taiwan and Japan would have much to lose from a closed-door policy. Japanese tourists—256,000 last year—make up nearly 50 per cent of all visitors to Taiwan. Japanese trading companies handle half or more of the island's imports and exports. And Japan accounts for one quarter of Taiwan's total trade, second only to the U.S., which is responsible for one third.

NEW DAY COMING

Important changes are likely—even overdue—in this situation. Chief beneficiaries of trade diversification are expected to be the United States and Western Europe.

"The Europeans are pouncing on Taiwan like ferrets, eager to invest, loan and trade—often at our expense," says an American official, citing the 60 per cent rise in exports and 39 per cent hike in imports so far this year in Taiwan's European trade.

Opportunities are opening up for the U.S., too. Local buyers, switching from Japan to some degree, are becoming less price conscious and more interested in quality.

Easy credit also helps.

"The U.S. Export-Import Bank is currently studying our 300-million-dollar shopping list," says a senior Nationalist official. "This is aside from the 330-million-dollar loan early in October for our second nuclear power plant."

The nuclear-power deal, part of which once might have gone to Japan, is considered the hardest kind of evidence that the U.S. intends to stand by its commitment to Taiwan.

"The Nationalists have weathered their crisis in amazing style," says a senior U.S. diplomat. "They have abandoned the myth that they are legally the Government of all China, and have accepted the reality of their position. They are calm, cool and confident. Any uneasiness is reserved for the longer term."

BEHIND THE SILVER LINING

An obvious question, rarely stated openly is: How long can such a good thing last?

Economically, there are serious problem areas. These include inflationary pressures, an impending labor surplus, heavy dependence on exports and uncertainty about some foreign markets plus continuing reliance on outside capital to keep the boom well fueled.

Politically, significant changes are under way. A succession has, in effect, taken place with Generalissimo Chiang, 85, passing a large share of control onto his son.

And the son, Premier Chiang Ching-kuo, is making modest concessions to the Taiwanese, who make up 85 per cent of the island's population.

"For the first time there's a modernist in charge here—and he has political muscle," says a senior Taiwan official.

In pondering Taiwan's future, experts say the outlook is good and prosperity undeniably is spreading. But as an American diplomat points out:

"However well the Nationalists are adjusting, it must be uncomfortable to know their fate rests in the hands of others—particularly the U.S."

[From the New York Times, Jan. 12, 1973]

TAIWANESE INVESTORS SHOW A NEW CONFIDENCE

(By Donald H. Shapiro)

TAIPEI, TAIWAN.—An American importer visiting Taiwanese textile mills a year ago found the Taiwanese preferred to keep their finances relatively liquid rather than reinvest in needed new machinery. The gloomy atmosphere stemmed more from Taiwan's expulsion from the United Nations and other diplomatic difficulties, he said, than from the newly imposed American textile quota.

On a recent trip he encountered an entirely changed situation. The spirits of the businessmen he met were high and they were again confident enough to be putting money into extensive upgrading of plants. Most entrepreneurs appear to have concluded that, at least for the present, Taiwan's political stability and economic health will not be threatened.

A number of foreign investors seem to have reached the same conclusion. After a "wait and see" period that began with President Nixon's announcement in July, 1971, that he would visit Communist China, the flow of new investment inquiries and applications increased markedly.

It is estimated, however, that foreign investment approved here in 1972 will fall $30-million short of the $160-million obtained the year before. On the other hand, several sizable projects were being prepared for submission to 1973. The Government is optimistic that the economy can attract the $10.4-billion in investment—10 per cent of it from foreign sources, projected as required under the new four-year plan going into effect this month.

In line with this, growth in gross national product last year equalled or exceeded the 11.4 per cent attained in 1971, according to estimates, to bring the G.N.P. to more than $7-billion.

Production for export accounted for an estimated 38 per cent of the G.N.P., compared with 34 per cent in 1971, an unusually high figure for a developing country. And Taiwan's over-all trade grew by more than 40 per cent—the 1971 gain was 36 per cent—to surpass $5.6 billion while ringing up a record surplus of $300 million.

Other growth factors included $500 million added to gold and foreign exchange reserves, up to $1.5 billion. Industrial production increased by 26 per cent (21 per cent in 1971), with textiles and electronics as the leading industries, and per capita income rose from $329 a year to an officially estimated $372. On the strength of these indications, the Government finished 1972 with a budget surplus for the second straight year.

Role of Japanese

Taipei, Taiwan.—Japan is one of the major reasons for Taiwan's optimism, Japanese investment dropped from $28-million in 1970 to $12-million in 1971 and to $6-million last year; but the prospects for an increase in Japanese investment have been made bright by a political shift.

Japanese business interests had lowered their profile in Taiwan as Tokyo maneuvered to establish diplomatic relations with Peking. But the Japanese have now concluded that they can continue to do business with Taiwan without endangering their new links with China.

Taiwan, a market for more than $1-million of Japanese exports last year, is a more important trading partner today than China, and Japanese business interests have decided that trade with the Chinese can be developed only at a relatively slow pace.

A few small companies withdrew from Taiwan but there has been no exodus by the major Japanese concerns. A resurgence of Japanese business activity is expected with the establishment of two "civic organizations," which will carry out virtually all the duties of embassies.

The Japanese organization is called "The Exchange Association" while the Taiwan counterpart is called "The Association of East Asian Relations." Each will have offices in the other's country to assist travel and trade between Taiwan and Japan.

The Exchange Association forecasts that trade between Japan and Taiwan will rise steadily over the next few years at an annual rate of up to 10 per cent.

Taiwan has taken steps to ease the entry of businessmen from other countries that do not have diplomatic relations with Taipei.

[From the Chicago Tribune, Feb. 5, 1973]

Harder Work

The Nationalist Chinese government has devised a useful formula in its present international adversity, reports its vice president, C. K. Yen, who spoke to the Chicago Chinese community on Jan. 28. Mr. Yen summed up the formula as "hard work at the moment, and harder work when the challenges become stronger."

This is a sound program. It involves making a strong, consistent daily effort, yet holding in reserve the extra ounce of energy and courage needed for life's occasional crisis. Mr. Yen's people have followed the principle with notable success—both as a nation and as individuals striving upward in communities thruout the free world. Mr. Yen's advice is worth remembering in a world in which hard work sometimes seems to be out of fashion.

In this period of time we must do all within our power to see that this country does not turn its back on this friend and ally.

Mr. DERWINSKI. Mr. Speaker, will the gentleman yield?

Mr. LOTT. I am happy to yield to the distinguished gentleman from Illinois (Mr. Derwinski).

Mr. DERWINSKI. Mr. Speaker, I think it most appropriate that the Members of the House of Representatives discuss this vital subject this afternoon.

Mr. Speaker, I would digress for just a moment from the subject at hand so that I might commend the gentleman from Mississippi (Mr. Lott) for leading us in this discussion. And I do so to point out to the critics of the House that here under our seniority system we have extreme flexibility, so that we can have a freshman Member of the Congress take the leadership, as the gentleman from Mississippi now is doing, in world affairs. I wish to associate myself with the remarks of the gentleman.

Mr. Speaker, at the time that President Nixon originally announced that he would travel to Peking, he stated:

> I want to put our policy in the clearest possible context. Our action in seeking a new relationship with the People's Republic of China will not be at the expense of our old friends.

The "old friends" to which he referred were the Republic of Korea and the Republic of China, or Taiwan.

Taiwan's location in the shadow of Communist China leaves her particularly vulnerable to international pressure. For nearly 25 years the United States has committed itself to helping her resist that pressure. Five Presidents have affirmed again and again an American dedication to the preservation of freedom for the 15 million Taiwanese people.

In 1954 the United States signed a mutual defense treaty with the Republic of China that was ratified by the U.S. Senate with little dissent. Since that time we have steadfastly provided weapons, training, and moral support to free China.

In 1970, for instance, Vice President Agnew and President Chiang of the ROC met to discuss Taiwanese defense. At that time the administration firmly pledged to stand by the mutual security pact. President Nixon personally wrote Chiang after accepting the Red Chinese invitation to visit the mainland, and assured him that we would stand by all our military commitments. In March 1972, Assistant Secretary of State Marshall Green attempted to reassure free Chinese leaders by pledging that "faithfully honoring all our commitments remains a cornerstone of U.S. policy."

In the light of developments since the ouster of the government of the ROC from the U.N. it is particularly important that the United States continue its traditional policy of support for Free China.

Additionally, Taiwan has been expelled—with no more justification than its ouster from the U.N. General Assembly—from international organizations such as the LLO and from observer status at the general agreement on tariffs and trade negotiations.

Mr. Speaker, we seem finally to be on the road to peace with honor in Southeast Asia. In order to achieve that goal we had to stand by a commitment even when it began to lose political popularity and in the face of a dreadful cost of lives and men. In the light of our refusal to cut and run from Indochina, what sense would it make to abandon our pledges to Taiwan? Would such a move do any more for U.S. credibility abroad than abandonment of our commitment to freedom and self-determination in Southeast Asia would have?

For nearly a quarter of a century this Nation has stood behind the 15 million remaining free Chinese. This is no time to talk about ending that commitment. The United States cannot and should not return now to its policy of attempting to isolate the Communist Chinese regime. Let us not, however, sacrifice our friends and allies in the name of accommodation. To abandon strong and dependable friends to obtain a few concessions from a new and unproven "friend" would indeed be a very questionable move.

Mr. Speaker, at this point in my remarks, I include an article from the Indianapolis Star of February 28, 1973, entitled "The Peking Agreement":

The Peking Agreement

With the American participation in the Vietnam war now coming to an end, it was to be expected that Washington and Peking would begin to take additional steps to improve their relations, in furtherance of a process President Nixon started on his ice-breaking journey to China one year ago this month.

But the news brought back from the Orient this time by America's Marco Polo—Dr. Henry Kissinger—is surprising for the giantness of the next step in the emerging Sino-American rapprochement.

The two nations are establishing diplomatic relations in everything but name. Those "liaison offices" to be set up in each other's capital will function as embassies and their chiefs will function as ambassadors—they just won't be called that. By this convenient piece of diplomatic obfuscation, Kissinger and his Chinese hosts managed to skirt the major remaining issue dividing these two giants of East and West: the status of the Nationalist Chinese regime on the island of Taiwan.

With every other government in the world, the Communist Chinese have uncomprisingly insisted that diplomatic relations be severed with Taiwan before formal relations could be established with Peking. But, uncharacteristically, the Maoist Chinese have made an exception for the U.S. They've done a little horse-trading, worthy of the most skilled wheeler-dealer in a Western parliament. And contrary to the dire predictions of many a critic, Mr. Nixon has been able to pull off a normalization of relations with mainland China without ditching this nation's honorable commitment to the freedom of 14 million persons on Taiwan. This looks like another bright foreign-policy feather in the cap of the Nixon-Kissinger team.

The Chinese no doubt have their motives for accepting at this time a continued American presence in the Pacific. One speculation given much currency has to do with the fear of the massed Russian armies on the border, and the general desire of the Chinese that the Americans act as a counter-weight to expanding Soviet influence in Asia. For its part, the U.S. derives many practical benefits from opening the door to China again. Both nations may eventually benefit from increased economic trade, although projected exchanges are still just a minuscule portion of overall U.S. trade.

The U.S. range of foreign policy options is increased considerably by an end of attempts to "isolate" the world's most populous nation. It will have to be made clear to the Russians, however, that the latest big step in the China policy is in no way a step back from improved Washington-Moscow relations, which is an equally essential component of the new multi-polar politics of detente.

In evaluating the growing contacts between the United States and Communist China, it is impossible to ignore one especially troubling question: How much further can the United States go in this direction without receiving from Peking an ultimatum on the issue of Taiwan? At a press conference following his return to Washington, Kissinger emphasized that the United States continues "to maintain diplomatic relations with Taiwan," and that there "exists no immediate plan for any withdrawals" of American troops from the island. This is reassuring. But it is likely that Communist China will eventually insist that the United States abandon the Nationalist regime, which would be a high price to pay for the dubious friendship of a totalitarian country whose philosophy is the antithesis of America's respect for individual freedom and the dignity of man.

Mr. ICHORD. Mr. Speaker, will the gentleman yield?

Mr. LOTT. I am happy to yield to the distinguished gentleman from Missouri (Mr. ICHORD).

Mr. ICHORD. Mr. Speaker, there is no doubt in my mind that the most thrilling story in modern history is the history of the American Revolution in the 18th century. As a rather serious student of the revolutionary period of our history, I have long discounted the various economic theories concerning the cause of our struggle for independence from England and I believe that this revolution can best be described as a struggle of free men to remain free. The subsequent history of what has happened in this country since that time is unsurpassed in all the annals of world history. We have encountered our problems in every age but we have always risen to solve these problems and progress has been a cornerstone of our society. This has happened in my opinion, Mr. Speaker, because we have always been granted the freedom to compete and achieve.

There is another story of somewhat lesser magnitude but with the same thrilling ring taking place on the little island of Taiwan which is about the size of the State of Maryland. In spite of the serious setback experienced by free China in international relations brought about by the action of the United Nations, this small island in 1972 enjoyed its greatest economic growth in history showing a gross national product growth of 11 percent—the highest in all Asia. Perhaps the most miraculous statistic is that this island with slightly more than 15 million people surpassed the mainland of China with 750 million people in total foreign trade in 1972.

Taiwan's total foreign trade of almost $6 billion in 1972 is expected to reach $7.5 billion in 1973, even further ahead of her neighbors on the shores of China. Taiwan's 44-percent growth in foreign trade last year was the highest in the world. Per capita income in free China—now the third highest in Asia behind only Japan and Singapore—has increased by 102.2 percent in the last 10 years and is now over four times that of mainland China. Mr. Speaker, these comparative statistics must tell us a very clear story about the relative merits of a free system compared to a totalitarian system.

Mr. Speaker, I would be remiss if I did not also point out some of my concerns about the balance of trade between Taiwan and the United States. While total trade between our two countries increased by 42 percent in 1972 it is a fact that Taiwan's exports into the United States rose by 44 percent while imports from the United States increased by only 38 percent and all of which created a U.S. deficit of $450 million in the balance of trade.

However, I am happy to note that they are aware of our concern over this imbalance and have taken certain steps to try to narrow the gap. Two buying missions have already been sent this year to the United States at the initiative of the Republic of China to investigate increased purchases of U.S. goods and negotiate long-term buying contracts. In January of this year the ROC removed import controls on some 319 items, many of which can only be imported from the United States and/or Europe. In February their Government announced that their NT dollar would be revalued by 5 percent in response to the devaluation of the U.S. dollar in another effort to give U.S. exporters an additional advantage over their two main competitors in Taiwan, Germany and Japan. Efforts are being made to increase U.S. exports to Taiwan in 1973 to over $1,250 million which is intended to reduce the trade deficit $100 million from last year to $380 million this year.

In a real sense, Mr. Speaker, Taiwan realizes that her life depends on her economic growth and she looks very healthy at the present time.

Mr. RANDALL. Mr. Speaker, will the gentleman yield?

Mr. LOTT. I am happy to yield to the distinguished gentleman from Missouri (Mr. RANDALL).

Mr. RANDALL. Mr. Speaker, it seems to me there has been tendency during this period of euphoria over Washington-Peking exchanges to almost forget an old and trusted friend in the mad pursuit of one we remember who has in the past been treacherous and hostile.

I regret that so much of the reporting coming out of Red China today seems to gloss over the fundamental evils of the Communist system while at the same time ignoring the fundamental strengths of the Republic of China on Taiwan.

For instance, on Taiwan all religious beliefs are protected and encouraged to thrive. Buddhist, Moslem, Christian and Jew, Confucianist and Taoist—all are alive and well as religious and ethical concepts being practiced by the 15 million people who make up the population of free China. Temples, churches, and mosques abound and are amply filled by the faithful throughout Taiwan Province.

In Communist China on the other hand the very opposite is true. Only one religion—the thoughts of Chairman Mao and Maoist communism—is tolerated. All others are suppressed as enemies of the state. Most of those who were once religious leaders on the mainland have been either imprisoned, exiled, or executed. The handful of churches or temples still standing are officially viewed as mere museum pieces to be opened occasionally for the benefit of some gullible tourists done as a sort of spirit of tokenism.

Then let us not forget that in the Republic of China both English and Chinese language newspapers enjoy extensive press freedom while the publications on the Communist mainland are entirely state controlled and reflect only those points of view espoused by Mao Tse-tung and those around him.

In mainland China the people have no voice. They are not allowed free expression. They may not assemble freely. They cannot choose their own careers or their type of endeavor. They are not at liberty to decide for themselves where they might prefer to live. Their very housing is assigned to them by the all-powerful, single voice of the state. They have only a rubberstamp vote for the single Communist Party ticket. To attempt to cast a ballot for any but those chosen by the state exposes the voter to severe punishment. Criticism of the government or Communist system is forbidden. All creative independence is stifled. The artist paints only that which the state dictates he may paint. The writer puts down only that which the state dictates he may write. The teacher teaches only that which the state dictates he may teach. The philosopher may not depart for an instant from Mao's philosophy. The historian must record only the Communist version of history, never mind the facts of the matter.

The people of the Republic of China participate in free elections. They are permitted to discuss public affairs. They are encouraged to exercise their creative imagination and talent and are able to move about the country without hindrance so long as they obey the basic disciplines of law and order.

When Americans take time to weigh the relative merits of the systems of government followed by the two Chinas they can reach only one conclusion if they truly believe in the principles of freedom: the Republic of China must not be forgotten, as our longtime and trusted friend and courageous ally. The truth is that it is the only Chinese alternative to the fundamental evils of the Communist world.

Mr. LOTT. Mr. Speaker, I thank the gentleman from Missouri (Mr. RANDALL) for his remarks, and I believe that they are most appropriate.

Mr. SIKES. Mr. Speaker, will the gentleman yield?

Mr. LOTT. I am happy to yield to the distinguished gentleman from Florida (Mr. SIKES).

Mr. SIKES. Mr. Speaker, I am very happy to congratulate the distinguished gentleman from Mississippi (Mr. LOTT) on the leadership the gentleman is showing in this most important area, and it is a very important area. I wish to add just to supplement what the gentleman in the well and others have said, that it is appropriate that we in the House take this time to reaffirm the close bond of friendship which exists between the United States and the Republic of China.

Since my visit to mainland China in

1946 before the Communist takeover, and in subsequent visits to the island of Taiwan following the relocation of the Government of free China, I have voiced strong support for the contribution to democratic processes being made by those valiant people.

It may never have been more important to express that support than it is today. Questions continue to arise regarding the U.S. view toward Taiwan. There should be no question of our attitude of continued support of the Government and people of the Republic of China.

There have been expressions by responsible leaders in and out of Congress in our country which leave doubts about the degree of support and friendship which Taiwan can count on from the United States. In Congress there should be solid expression of support, not indications of vacillation toward our friend and ally, the Republic of China. In this I feel we have a moral obligation. Taiwan has been our steadfast friend throughout.

It seems to be administration policy to snuggle closer to the Communists at the expense of our long-term allies and friends. Unfortunately this has caused a chain reaction whereby other countries now are declaring their friendship for Communst China even at the cost of breaking relations with free China. This policy has caused the government of Taiwan and other governments worldwide to seriously evaluate whether Taiwan can preserve freedom if world nations continue to trade them off for the sake of expediency.

I am told by those who recently have visited Taiwan there is a high degree of confidence in the future. Asked by some Americans how the Republic of China managed to survive the indignity of expulsion from the United Nations, a Chinese official answered, "By working hard." Asked how China would manage if the United States abandons them, the answer was, "By harder work."

This is the tenor of the thinking of the people on that island, Mr. Speaker. They have survived centuries of hardship, occupation by foreign powers, disease, famine, and political turmoil. Yet they survive.

In recent years, Taiwan has taken its fair share of responsibility in world affairs. Instead of taking U.S. foreign aid, it terminated that program in 1965 and now gives assistance to other nations.

Instead of asking for a handout of U.S. military assistance, the Republic of China now largely buys its military equipment from the United States asking only for reasonable credit terms. And, unlike a great many of our so-called friends, free China pays its bills on time.

There is no question the Republic of China is a good neighbor.

But it is more than that. Speaking on purely pragmatic grounds, the Republic of China is now the ninth largest trading partner of the United States, purchasing almost 41 percent of its imported goods from our country. In addition, a trade mission from Taiwan recently visited the United States seeking means to purchase even more from us even though this would reduce the balance-of-payments deficit which is in their favor. This is almost unheard of in international trade relations, yet Taiwan took this rare step in an effort to be an even better customer than at present.

There is stability in the government at Taiwan. The people of the island are far better off today than 10 years ago and infinitely better off than their countrymen who are held captive by the Communist regime at Peking.

Taiwan's economy is growing at a real rate of 11 percent a year. Personal income is growing at about 7 percent a year. The educational system is flourishing, with almost 28 percent of the total population presently in school. Unemployment is almost unheard of, although underemployment still is a problem. Everywhere one travels on Taiwan, growth is evident in the amount of construction by both the government and private capital. U.S. investments continue to pour into the country as do investors from Japan and Europe.

It is small wonder the Communists on the mainland resent the continued existence of a free China. It is a sore spot for them to have a capitalist democracy flourishing within the shadow of their Communist government and outstripping their Communist regime in all save regimentation.

This is what the struggle over Taiwan is all about. Just as it is embarrassing for the Communists in Berlin to look over the wall and see the progress being made by the people of West Germany, so it is embarrassing for the Communists at Peking to peer across the straits and see a flourishing, and economically strong, free China.

Let us not play into Red China's hand by jeopardizing steadfast alliances for uncertain gains.

The friendship of Red China for us is a tenuous thing, if indeed it exists at all. Red China has been the source of much of our problem in Southeast Asia. Red China is committed to world communism and to the destruction of the capitalist system of government. I see nothing which justifies a change in the close alliance and friendship we have maintained with the Republic of China. We welcome Communist China's friendship. I hope that it will be expressed in a more tangible way in the years to come. One such way would be an expression of good will toward all the free nations of Asia, including Taiwan.

Mr. LOTT. I thank the gentleman from Florida.

Mr. LANDGREBE. Mr. Speaker, will the gentleman yield?

Mr. LOTT. I yield to the gentleman from Indiana.

Mr. LANDGREBE. Mr. Speaker, I also wish to congratulate the gentleman from Mississippi for requesting this time to give special consideration to our friends in Taiwan.

Mr. Speaker, I am pleased to participate in this special order this afternoon to also make known my support for continued close relations with our ally, the Republic of China on Taiwan. My distinguished colleagues have spoken of the great progress that has taken place on Taiwan. During my own two visits to Taiwan—one in 1969 and then again in 1970—I had opportunity to personally observe the enthusiasm and dedication and the progress of those wonderful people. I think this is important but there is also another aspect of our relations with the Free Chinese that I wish to give some attention. This aspect is the strategic importance of the island of Taiwan itself.

In 1945, Gen. Douglas MacArthur stated that in his opinion the island of Taiwan was key to control of the Philippines, Japan, and Korea. In the view of Admiral McCain, Taiwan, plus the other island nations on the perimeter of Asia, form a defense perimeter which is of vital *importance* to the interests and defense of the United States.

Saul Cohen, a leading geopolitical scholar, has written that—

> Taiwan is strategically important to the integrity of offshore Asia (Japan, Philippines, etc.).

Furthermore, Cohen places Taiwan in what he calls "the trade-dependent maritime geostrategic region." In simpler terms, this is basically those parts of the world that are geographically and economically strategic to the interest of the United States.

The Chinese and Japanese have long realized the importance of the island of Formosa—Taiwan. The Australian W. G. Goddard, in his book "Formosa: Study in in Chinese History," has written of Li Han, a figure in 17th century China that—

> (He (Li Han) saw Formosa lying athwart the sea routes from the Indies to China and Japan, as holding the key to the passage from south China to Japan, and as controlling the lanes to the lands beyond the Pacific.
>
> Li Han believed that whoever held Formosa held the trade of the western Pacific, and history proved him right. A Japanese *shogun*, a Chinese emperor, and a Dutch governor sought his help and alliance, as they knew that their own security depended, to a great extent, on the friendliness of whoever held Formosa.

From the above, it is easy to see the great strategic importance of Taiwan. American interests in the Pacific and Asia have a long history. Any abandonment of the free Chinese would do irreparable damage to our strategic position in the Pacific and in the entire world. Retreat from the defense perimeter of which Taiwan is such an integral part is retreat to the territory of the United States itself.

Mr. MARTIN of North Carolina. Mr. Speaker, will the gentleman yield?

Mr. LOTT. I yield to the gentleman from North Carolina.

Mr. MARTIN of North Carolina. Mr. Speaker, I also wish to commend the distinguished gentleman from Mississippi for his effort in behalf of the special order this afternoon.

Mr. Speaker, I rise today in support of the Republic of China, an ally of long standing which has contributed greatly to the cultural richness of our own country. To do so has special meaning for me, having just recently enjoyed the exquisite pleasure of the company of His Excellency, Ambassador and Madame Shen, and his associate, General Hu.

While I support efforts to diffuse and improve relations between Washington and Peking, and any other nation, and while it seems obvious to me the peace of the world depends to a measurable extent on those better relations, I cannot see that as ending, or even seriously diminishing, our relationships with the Republic of China. The realities of world politics dictate many actions of government and there are some who would say those realities should cause this country to scuttle the relationship we have maintained for 60 years with the Republic of China. To me that would be folly. The Republic of China is an economic power of considerable importance in Asia, far out of proportion to the geographic area under its effective control or to the population of the island of Taiwan.

Economic progress on Taiwan has been substantial. Trade between the United States and the Republic of China has been significant, and is growing. The Republic is a strong competitor among the nations of the western Pacific in the economic marketplace, a factor of importance to those nations trading with the countries of the Far East.

America has a stake, not only in the peace of East Asia, but also in the economic progress of the region. Our friendship with the Republic of China serves both purposes, serving to balance power relationships in the area and to increase competition in the export markets of the Far East.

An American commitment to continued friendship with the Republic of China, a commitment of which this special order is a continuing part, may entice both the Republic of China and the People's Republic of China to coexist without resort to hostilities. The history of recent Sino-American relations has shown the ability of once-hostile nations to adjust to a new spirit in a changing world. This is more difficult, certainly, in the case of two hostile governments claiming sovereignty over the same territory, but we can at least hope the future will see progress toward forebearance across the Formosa straits. It would be in the best interests of both Taipei and Peking, as well as in the best interests of the United States.

That being said, it is a deeply felt honor to join my colleagues today in this tribute and expression of support to our staunch and dependable ally, the Republic of China.

Mr. BLACKBURN. Mr. Speaker, will the gentleman yield?

Mr. LOTT. I yield to the gentleman from Georgia.

Mr. BLACKBURN. Mr. Speaker, the spotlight of world attention is now focused on the People's Republic of China and the 750 million people who live under that Communist regime on the mainland of China. It is American foreign policy which is largely responsible for this turn of events. Visa applications to visit the People's Republic are running in the thousands. Athletic teams, student groups and various other segments of our society continue to be invited by the Red Chinese Government, including a delegation of women headed by actress Shirley MacLaine who, in her efforts to make it "representative" has packed it with so many representatives of various dissident minority groups that it is probably as unrepresentative of the true character and composition of American society as it is possible to imagine.

It is understandable that people should be falling over themselves to get to mainland China. People are always intrigued by the exotic and unknown. After its long years of being a closed society, people are going to want to see it.

Today we are paying well deserved tribute to "the girl we left behind"—the Republic of China. A faithful ally, a monument to freedom and the achievements attainable by free men, the Republic of China has faced desertion and ignominy with a grace, dignity, determination, and fairmindedness that should serve as a lasting example to many who call themselves world powers. Consider the following recent statements by some of her leaders:

> The United States can always count on us as a worthy ally.
>
> We understand that the United States, as a superpower, has global responsibilities that may have dictated these actions. While we do not like what has happened, we are open-minded about it.

Betrayed by her longtime friends and drummed out of the family of nations, it would be more than understandable by current world standards if she had accepted the veiled invitation to alliance extended by the Soviet Union—if she had played both sides against the middle to help assure her future salvation. But here is what her leaders say on that score:

> We have no illusion about the Soviet Union. Despite overtures from the Kremlin to establish relations with the Republic of China, we will never do so. Any rumors that we might do so are unfounded.

My friends, a nation which has every good reason to use the United States as others of our allies have used us over the years has, instead, bent almost unprecedented effort to cooperate with us and fit our best interests into her planning.

Taiwan has enjoyed a favorable balance of trade vis-a-vis this country. In a magnanimous and unheralded move to narrow that gap in our favor, the Republic of China early this year sent a trade mission to New York specifically to seek ways of rectifying the trade imbalance. Among the results of the mission were the following:

First. Letters of intent were signed presaging the purchase of $800 million worth of grain over the next 3 years.

Second. U.S. sellers will be guaranteed minimum percentage share of the market for certain commodities imported by Taiwan.

Third. Some items will be purchased exclusively from the United States.

Fourth. U.S. exporters were given a list of items which importers in Taiwan wanted to import from Japan and which the Import Board turned down. This serves a double purpose of reducing Taiwan's trade deficit with Japan and her trade surplus with the United States.

Fifth. The Government of the Republic of China agreed to finance a merchandise exhibit by U.S. exporters in order to encourage purchase of U.S. goods by its own citizens.

Sixth. Assurances have been given by officials of the Nationalist Chinese Government that tariffs will be reduced.

When in history has a small nation made such an unselfish gesture in behalf of the United States. It would be unprecedented even if we were on the best of terms. It is fantastic when we remember the cavalier treatment the Republic of China has received at our hands in recent months.

How many people in the United States know about this amazing example of loyalty and generosity. Very few. They all know about our wheat deal with Russia. They all know about every ping-pong player and panda bear that has visited here from mainland China. How can the press argue credibly that it displays no bias when there prevails such a marked disparity in the attention given events of equal merit and import. Only an incredible political bias against the kind of freedom which permits them to trade in bias in the first place can explain such inequities.

I want to give fair warning today to representatives of the press that I consider this special order of immense importance in restoring balance to our international relation. A news blackout such as we have seen in the past of similar discussions by a sizable segment of the membership of this Congress will be regarded as further evidence that the fourth estate is guilty of a deliberate indifference to fair play.

Mr. SYMMS. Mr. Speaker, will the gentleman yield?

Mr. LOTT. I yield to the gentleman from Idaho.

Mr. SYMMS. Mr. Speaker, I thank the gentleman for yielding and congratulate him on his efforts this afternoon to provide to us as a new Member of Congress some leadership in this area. I was just wondering if the gentleman, in his studies and research of the situation of the United Nations, had given any consideration to the possibility that we might consider now moving the headquarters of the United Nations to Peking and letting them pay for the 40-percent share that we bave been paying for the past 25 years.

Mr. LOTT. I think it is a very interesting idea that should be explored.

Mr. SYMMS. I think it might be worthwhile.

Mr. LOTT. I thank the gentleman from Idaho.

Mr. MOORHEAD of California. Mr. Speaker, will the gentleman yield?

Mr. LOTT. I yield to the gentleman from California.

Mr. MOORHEAD of California. Mr. Speaker, I should like to join with the many friends of Taiwan and free China in their remarks, and I thank the distinguished Member from Mississippi for supporting our allies of so many years.

Mr. Speaker, one of the most amazing success stories is the great economic growth and political stability of the free Chinese on Taiwan and their other islands. The free Chinese have been a concrete example of the efficacy of a free economic system in building a higher standard of living for all its people.

The United States has helped guarantee the efforts of the free Chinese in overcoming the adversities that have faced them. The United States, in 1954, signed a mutual defense treaty with the Republic of China. This treaty continues to be beneficial to both the United States and the Republic of China. It is in the interest of the United States to stand behind its commitments. Our commitment to the freedom of the people of the Republic of China has long been an important cornerstone to our foreign policy—a cornerstone which numerous other countries, both large and small, have respected us for. It has also been an expression of the American people's strong desire to stand beside the free Chinese in the world of nations.

I do not think that it is the policy of the U.S. Government to abrogate that treaty, but as Prof. Allen Whitling of the University of Michigan has written:

> On the question of the treaty, I would like to paraphrase General MacArthur's words: treaties are never abrogated; they just fade away. And they do this by failures of reiteration rather than by denunciation.

The good professor then suggests that the U.S. Government allow our treaty with the Republic of China to erode. And I think this is the danger—the gradual erosion of our treaty with the free Chinese.

The American people have expressed themselves numerous times on their support for the free Chinese. We, as Members of Congress, should express that support by not allowing our mutual defense treaty with the Republic of China to fade away. The U.S. Government should continue the wise policy of Presidents Eisenhower, Kennedy, and Johnson in voicing support for the free Chinese and keeping all our commitments to them.

The abrogation of the mutual defense treaty with the Republic of China would both seriously undermine the freedom of the free Chinese and destroy the value of other American commitments. The U.S. Government allowing the treaty to erode would also seriously weaken the value of the U.S. treaty commitments to other people and nations. The freedom of a people is too precious a belonging to allow it to erode away. A nation's freedom can be compromised without a shot ever being fired. I urge the U.S. Government not to allow this to happen in the case of the free Chinese.

It is important that the American people work for peace among all nations of the world and that we work to reduce tensions throughout the world. It is, however, most necessary for us to keep our allies who have stood beside us for many years and who we know will be with us in times of adversity.

Mr. BLACKBURN. Mr. Speaker, will the gentleman yield?

Mr. LOTT. I yield to the gentleman from Georgia.

Mr. BLACKBURN. Mr. Speaker, I just want to make one observation. It strikes me as rather odd that on an occasion as important as this, when matters of such magnitude as this subject matter can be discussed on the floor of the House, there should be such little attention from the press gallery. I think it is grossly unfair to the American public to have just one side of this issue presented to them in the press. If I had any observation to make about the events here this afternoon, I would want it to be noted that the attendance in the press gallery is considerably less than it is when persons who are speaking on the other side of this issue are in attendance and speaking.

It is noticeable when some elements in the Congress see fit to take special orders it is difficult for any additional people even to get into the press gallery, so it is quite obvious that the political leanings of the persons who seek special orders have a great deal to do with their press coverage and I think that is really not fair to the American public.

Mr. LOTT. I think the gentleman's point is very well taken.

Mr. Speaker, I yield now to the gentleman from Indiana (Mr. MYERS).

Mr. MYERS. Mr. Speaker, I have recently returned from a brief visit to the Orient, which included several days in Taipei. While this was not an official visit, I took the opportunity of getting better acquainted with the officials of this amazing government and of discussing the current condition of their country and their views on world affairs.

I must confess that I came away with greatly increased admiration for the almost unprecedented experiment that is taking place on that relatively small island, hardly larger than the State of Maryland with a population of 15 million people.

In many respects the energy, the enthusiasm, the hearty spirit and the sheer hard work which one sees all around him are reminiscent of what frontier America must have been at its most robust. The dedication to freedom, honor, and productivity which characterize this Nation and its people is certainly reminiscent of the America of past generations. But there are significant differences. The pioneers of America faced many hardships; there is no question of that. And they faced the threat of the powerful British Empire. But our early founders were separated from their antagonists by thousands of miles of ocean in an age when plying that ocean was a tedious and dangerous proceeding. They enjoyed the support of a powerful European ally in France. They had a continent of vast, untapped resources upon which to draw.

The Republic of China, on the other hand, has carved a niche for itself in the history of free peoples by facing down a giant totalitarian state which lies not more than 3 short miles from its outermost territorial limit, the island of Quemoy, an island, which, until last week, was shelled regularly from mainland China on the odd days of the week. In this age of aeronautics and advanced technology which render even vast expanses of water meaningless as defense perimeters, the achievements of the Republic of China are nothing short of miraculous. To fly over the island one is forced to conclude that every available inch of usable space has been put to some productive use. Yet each year, the gross national product of Taiwan, the standard of living, the volume of foreign trade, every significant measure of economic progress, goes up. Indeed, she has now exceeded her gigantic mainland antagonist in the volume of her foreign trade and ranks second only to Japan in the entire Orient in terms of per capita income and standard of living.

And her progress continues despite the fact that over the past year she has been deserted by former allies and humiliated before the world. Unfortunately, though perhaps unavoidably, the United States has played a significant role in bringing about the current precarious international situation which faces the Republic of China on Taiwan.

That is why I am pleased to participate in this special order—in order to seek some means of reestablishing a balance between the need for opening relations with the Communist regime of mainland China and the need for preserving the freedom and integrity of our very vulnerable but courageous ally on Taiwan.

In the course of my visit in Taipei, I have hit upon an idea which it seems to me offers great opportunity, not only for restoring Taiwan as a full partner in the family of nations, but for resolving problems of long standing in some of the developing nations and improving our own relations with those nations.

The Republic of China is, if not the only nation, certainly one of very few which has outgrown the need for U.S. economic aid which it once received. Even more to its credit is the fact that it now furnishes substantial technical assistance and even some economic aid to other underdeveloped nations around the world. It has much to offer such nations, having only recently been in that category itself. It has much to offer, too, in terms of the fact that it has so successfully solved many of the problems which plague underdeveloped nations. It has a wide variety of climatic conditions—mountains, tropic, temperate grain producing regions—limited mineral resources, rapid urbanization, and many of the other plights of newly emerging nations.

It has dealt with tremendous success with the problem of land reform. It has achieved an equitable balance between its rural and urban standards of living. It has pioneered in the field of export reprocessing areas for augmenting its industrial capacity and rectifying its trade deficit.

I have long had an interest in the problem of U.S. relations with Latin America. It is distressing to me that our relations with the nations of Latin America seem to be deteriorating at a time when it is of utmost importance that we have strong allies in that region. The much vaunted Alliance for Progress has failed miserably in goals which were set out for it.

In analyzing why our relations with Latin America seem to grow worse and worse—why an effort at cooperation such as the Alliance for Progress should have failed—it occurs to me that there is one primary reason. The nations of Latin America fear us because of our size and because of certain instances of exploitation in which our Government or business interests associated with our country have engaged in past history. The Alliance for Progress failed because the nations of Latin America saw it as a threat rather than the promise of hope that it was intended to be.

No nation in Latin America is going to undertake such badly needed programs as land reform because we urge them to. What reason have they to take our advice? What do we know about land reform? It is a Yankee trick to weaken the power of their leaders, disrupt their economy, and redistribute the wealth. Thus, they have backed away from our proffered aid and into the arms of world communism which speaks to them in their own language while disguising its true intent.

What can we do about this situation? The answer seems almost too obvious once one encounters the skill and the attitude of the Chinese people in Taiwan. Let the Republic of China take the lead in bringing technical asistance to these nations. When her representatives talk to Latin American officials about successful land reform they are speaking from experience. They know that it can be accomplished without depriving those who now own the land of their property rights and their own fair share of the wealth. They know it need not destroy those in power if those in power have freedom and the true interests of their people at heart. And they can talk about land reform without being suspected of ulterior motives. After all, of what possible interest could it be to a small Asian nation like the Republic of China whether or not a nation in Latin America undertakes land reform? They can be motivated only out of a genuine desire to be helpful.

It is the same with virtually any program of technical assistance one cares to suggest. Officials and technicians from Nationalist China can go anywhere and offer any kind of help without being accused of imperialist motivations.

I have talked with leading officials of the Republic of China about such a plan and they are ready, willing, and enthusiastic about undertaking it to the limits of their ability. Cooperation and assistance from the United States can vastly increase their ability to undertake such a task.

What would be the outcome? For one thing, the Republic of China would be undertaking a role which could win for it new respect and admiration among the nations of the world and help to guarantee the continued existence and progress of this bastion of freedom, as a measuring stick by which to compare the achievements—or lack thereof—of the Communist regime on the mainland. If communism is ever to be eradicted from the world it will be because its accomplishments in behalf of the people cannot measure up to those achievable by free governments. Unfortunately, the grain, machinery, and other technical assistance we have provided the U.S.S.R. over the years has permitted them to appear much more successful in meeting the needs of their people than they ever could have been without that help. It is time we took steps to see that communism is judged on its own merits and by its own achievements—that it stands on its own two feet or fails—as I believe it will—because it cannot achieve.

Another result, obviously, would be the benefits which would accrue to the nations that were recipients of this kind of assistance program. Such aid could enhance the economic stability and productivity of the developing nations.

Finally, such a cooperative effort between the United States and the Republic of China should redound to the benefit of our relations with nations which presently view us with apprehension and distrust. It would demonstrate the sincerity of our purpose and the integrity of our motivations. If it were successful, it should contribute in a solid, measurable degree to stability in international relations and a greater potential for world peace.

Whether or not all of these potential benefits can be realized—indeed, even if the beneficial results prove minimal—I am convinced it would be a worthwhile undertaking. I commend it to the attention of the State Department and such others, including private business interests, as may be in a position to help effectuate such a policy and who share my concern, not only for the future of Taiwan, but the future of our own country and the world in general.

For my own part, I intend to pursue every avenue available to me in seeking the implementation of such a policy and I urge interested colleagues to work with me to that end.

Mr. LANDGREBE. Mr. Speaker, will the gentleman yield?

Mr. LOTT. I yield to the gentleman from Indiana (Mr. LANDGREBE).

Mr. LANDGREBE. Mr. Speaker, I would like to direct my questions and my comments to my colleague, the gentleman from Indiana (Mr. MYERS).

Would the gentleman from Indiana consider or agree that perhaps he is offering what might be called a new plan for China, for the Republic of China, here today in this rather quiet Chamber? Is it possible that the gentleman is suggesting the "Myers plan" of assistance in our relationship with the Republic of China?

Is something like this possibly being born at this moment?

Mr. MYERS. If the gentleman from Mississippi will yield, I will answer the gentleman's question.

Mr. LOTT. Yes, I yield to the gentleman from Indiana (Mr. MYERS).

Mr. MYERS. Mr. Speaker, in answer to my colleague, the gentleman from Indiana (Mr. LANDGREBE) I have no pride of authorship here. Inasmuch as the Marshall plan was somewhat of a failure, I surely do not want this to be called the "Myers plan." However, I do not think it is at all similar to the Marshall plan.

Mr. Speaker, it is simply the fact that I was very much impressed with the enthusiasm of the people and with the job that the people of the Republic of China have done. I was impressed by their energy and their enthusiasm. They are out working hard and they have moved from a position of zero to being one of the leading nations of the world today in almost every area, and they are now in a position where they might be able to give that same kind of leadership and that same kind of assistance to other nations which are still undeveloped.

Mr. Speaker, I believe that our efforts, as all of us here know, have been made only to give help to other countries, but they have been misunderstood, and by removing this factor of our efforts, by allowing the Republic of China to assume the role, with our assistance behind them, we might be able to accomplish and satisfy the need, the very important need, in the world and thereby do something different.

Yes, I agree with the gentleman, but again it is not pride of authorship: it is just the idea of trying to help other people in the world.

Mr. LANDGREBE. Mr. Speaker, if the gentleman will yield just a little further——

Mr. LOTT. I yield to the gentleman from Indiana (Mr. LANDGREBE).

Mr. LANDGREBE. I will say to the gentleman that my comments were not meant to embarrass the speaker in any way. I do not mean to embarrass my good friend, the gentleman from Indiana, but, rather, to give a title or a name to this plan that the gentleman is proposing here.

If the gentleman would permit me, I would like to put together a series of questions, and the gentleman can give me a simple yes or no answer or he can elaborate.

I think what the gentleman said to us was that it was his observation that the Republic of China is ready, willing, and able to help other nations at this time with technical and other sorts of information, advice, and technical aid, and in so doing, they would strengthen themselves. In other words, they are capable of much greater leadership than they have had the opportunity so far to expound or produce, and in so doing, there would be growth through giving; the Republic of China, our good friends, would even become a greater nation, more productive, and more progressive, and they would also be a shining example to the world, particularly to the slave world, of the prosperity and the power of a free people when given that opportunity to be free under a democratic form of government.

Of course, our cooperation in the United States with the great Republic of China in this plan would clearly demonstrate the sincerity of our own country in wanting to help those people who want to help themselves as they go forth and to help other people throughout the world. Would that be a fair summary of what you are hoping to accomplish?

Mr. MYERS. Will the gentleman yield further?

Mr. LOTT. I yield to the gentleman.

Mr. MYERS. I think you summed it up very well. I cannot say that the Government of the Republic of China has taken an official position on my proposal. We did not discuss it officially. However, a number of the members of the National Assembly of the Republic of China were in conversation and we discussed such proposals as this and other things. They are very appreciative of the assistance particularly that the United States has given them for the last 20 years and now feel in a position to help other countries and wish to repay us in that way. That is what we are trying to talk about here. They can do this and are willing to. This would be a vehicle whereby they can accomplish what they want to do to help other developing nations.

Mr. LANDGREBE. If I may respond briefly, in consideration of my concern for the good people of the Republic of China and for the free and loving people around the world, I simply say thank you, Congressman MYERS, for presenting to us this plan which I still insist we refer to as the "Myer plan" even against your objections.

Mr. MYERS. I thank my colleague for the authorship and the credit; but again, here is a small nation that has done a tremendous job in raising itself with its own bootstraps. They are willing to help other countries, and I think we should give them assistance so that they may do it.

Again I thank my colleague from Mississippi for taking this hour. It is very beneficial and certainly important that we here recognize the contribution that the Republic of China can make to the world.

Mr. LOTT. I certainly would like to thank the gentleman from Indiana and my distinguished colleague. He has come here with a real fine proposal and one which should be investigated further. His trip in that country emphasized to him as to others who have realized in the past a great economic development has taken place in the Republic of China and Taiwan. This is a matter that we should pursue further.

Again I thank him for his suggestions and appreciate the fact that we have had this large number of Members of the House of Representatives participating in this special order this afternoon. I think it is a very important issue and one we cannot turn our backs on at this time.

Mr. ZABLOCKI. Mr. Speaker, I am happy to have this opportunity to join with my colleagues in an expression of tribute and support for the 12 million people of the Republic of China on Taiwan.

Since October 10, 1911, when Sun Yat-sen began the overthrow of the last Chinese empire, the people of China have struggled for the very difficult and elusive goal of freedom. Against the enormous odds of a global depression, then the Japanese occupation of World War II, and later the civil war of the late 1940's, the free Chinese have never despaired in the ultimate vindication of their capacity to govern themselves and to freely choose their own destinies. Mr. Speaker, I submit that the vindication of the free Chinese is a vindication of the dream of all free men.

Since those fateful days of 1949 and 1950 when 2 million souls crossed the straits to their last enclave of freedom on Taiwan, the free Chinese have endured untold hardships to keep the idea of liberty alive in the Chinese culture. In an evacuation far more massive than Dunkirk, these brave Chinese left their ancient homes on the mainland in crowded boats, facing weeks of hunger and a very uncertain future.

During the first year of exile, millions were jobless and inflation was rampant. The Communist Chinese had every confidence that the Republic would collapse in a matter of months. While Gen. Chiang Kai-shek valiantly strove to reorganize their exiled government, our own State Department all but abandoned any hope for their survival in its Asian white paper of August 1948, and subsequent vacillating policies. In this darkest hour of their national life, only the free Chinese believed they were in a unique position to inspire a new affirmation of freedom in the context of their ancient culture.

When, by sheer determination and courage, the free Chinese survived this critical period, aid from the United States and other allies was once again forthcoming. Beginning in 1951, our Government supplied over $1.4 billion in economic assistance to the Republic over the next 14 years. Mr. Speaker, in my judgment this investment was one of the most prudent we have ever made.

At the present time, as popular sentiment for the relaxation of tensions with the People's Republic of China flourishes —and rightly so—there is some danger that we may forget our continuing commitment to Taiwan and the progress of its people.

The Sino-American detente which has developed over the past few months may truly be one of history's most important relationships. Certainly the 800 million Chinese who inhabit the mainland could no longer be ignored by us or the rest of the world.

Too quickly, however, some have become enamored of the Chinese "model" for development—forgetting the coercive methods used by the People's Republic for changing Chinese society.

I submit that there is an even more impressive model of economic development and progress to be seen on Taiwan. Taiwan is one of the very few countries in the developing world which has created conditions of access to production for small farmers. The average farm size is just over 2 acres—hardly more than a garden to an American farmer. Yet the income of farm families has increased 250 percent since 1950.

Four-fifths of the industrial jobs on Taiwan are located outside the capital of Taipei in small cities and market towns—sparing the Republic of China the problems caused by massive urbanization in many other less-developed countries.

Most of Taiwan's "factories" employ fewer than 10 workers. Today the country is a fully employed economy even though it is 15 times more densely populated than some South American countries plagued with widespread unemployment.

During the 1960's the per capita income of the average citizen on Taiwan grew twice as fast as many other developing countries. Last year it increased a phenomenal 13 percent.

The general prosperity of the free Chinese in recent years stand as eloquent testimony to the initiative and energy of the citizens of the Republic as well as the viability of their institutions and their government. Chinese rice growers have increased their yield per acre by 41 percent over 1950 levels. Taiwan today cannot only feed itself, but is able to export over 200,000 tons of rice each year to Japan and other rice-short countries in Asia. Exports of every sort of product from mushrooms to motor scooters make the balance of trade for the Republic the envy of Asia.

This economic "miracle" has been accomplished because of enlightened economic and social policies and programs by the Government. The average citizen of Taiwan has been given a stake in the development of his society and has demonstrated the will and discipline needed for progress. I submit that countries which are looking for a "model" of development should look to Taipei—not to Peking.

This prosperity, combined with the ever resurgent national spirit of the free Chinese, provides abundant new proof of the axiom that political and economic freedom must always exist in tandem, and that wherever the former is cherished, the blessings of the latter are readily apparent.

Because of the success of Taiwan, it no longer receives any foreign economic assistance from the United States. Because of its defense needs, however, the United States is continuing to provide military assistance.

In the Foreign Assistance Act of 1973, which was sent to Congress last week, the Republic of China is programed to receive $71.5 million in security assistance.

Of that total, $5.7 million is for supply operations related to about $19 million in still-undelivered military goods authorized in prior years. An additional $500,000 is for military training.

The bulk of the aid is in the form of $65 million in military credit sales. It is a tribute to the economic progress of Taiwan that the country has moved from grant military aid to sales this year.

Whatever the form in which this U.S. aid is given, it represents our Nation's continuing expression of commitment to the people of Taiwan.

In his 1973 foreign policy message—released last week—the President stated that while moving to normalize relations with Peking, the United States has maintained its policy of friendship "for the 15 million people of Taiwan. We retain diplomatic ties, commitments under the Mutual Defense Treaty of 1954, and close economic ties with them."

This declaration of esteem and support should remind all Americans of our friends and allies on Taiwan, and of our dedication to their continued economic progress and freedom.

Mr. Speaker, in the spring of 1963, 10 years ago this month, our late President John F. Kennedy proclaimed in the city of Berlin a bond of common identity with all freedom-loving people. He said on that occasion that all free men were citizens of Berlin and could take pride in the boast; "Ich bin ein Berliner." In this same spirit we take pride today in standing with the brave people of free China. For wherever men overcome adversity and tyranny in the pursuit of liberty, there is where our moral support must be proclaimed. Their struggle is our struggle.

It is, therefore, in our common interest and security that the United States must continue full cooperation with our friendly allies throughout the world.

Mr. BEARD. Mr. Speaker, on many occasions during the 1960 and 1968 presidential election campaigns, Richard Nixon pledged that if elected he would maintain our commitments spanning more than 20 years to the Government of Taiwan, or free China. In the light of recent negotiations with the Peking regime, some experts on our China policy have begun to express misgivings that the United States may give up its pledges of support to the Chiang Kai-shek government as a concession toward promoting closer relations with the Communists.

I believe such action would be a dreadful mistake because, in effect, it would return us to the same one-China policy which many recognized as unrealistic. Although the administration has been criticized for excessive ardor in making concessions to Peking, its basic goal of seeking accommodation as a step toward peace is one in which the vast majority of Americans concur. However, it makes no more sense to abandon relations with or commitments to Taiwan than it would to suddenly reverse our policy of negotiating with Peking.

Those Americans who have traditionally opposed our Far Eastern policies and particularly our old policy of isolating the so-called Peoples' Republic of China, always criticized that policy as unrealistic in recognizing only Chiang Kai-shek's government. What we should do, they told us, was to recognize the real international political situation and establish relations with both Chinas.

The United States has finally begun to adopt the "two China policy" as was advocated. However, I strongly oppose those who would try to tell us that this policy is wrong also, and that we should withdraw troops and recognition from Taiwan as a step toward formalizing diplomatic relations with the mainland, as has Britain. There is no justification for claims that our one-China policy was wrong only in its commitment to the wrong China.

The British move in March 1972 involved the closing of its Taiwan consulate and the statement that it recognized the island as essentially a province of the mainland. For the United States to move in this direction would be an incredible betrayal of our pledges to the courageous free Chinese people, who for 20 years have maintained their independence and worked to build one of the most developed countries in Asia.

It is unthinkable that the United States would unilaterally repudiate its pledges of support to defend Taiwan simply to ease relations with the Communists.

Senator Strom Thurmond, supporting the President's decision to visit Red China last year, stated that he favored the trip because it would let the Communist leaders know that we sincerely wanted peace.

This same sense of political realism was present in the statement of Secretary of State Rogers in August 1971 announcing U.S. backing for two Chinas in the United Nations:

> Both in Asia and elsewhere in the world we are seeking to accommodate our role to the realities of the world today. Our objective is to contribute, in practical terms, to the building of a framework for a stable peace.

Mr. Speaker, it is important and necessary to attempt to ease relations with Peking, but in doing so we must take care not to compromise our support for the freedom of the people of Taiwan. We have ended our one-China policy and adopted a position which more clearly recognizes, as Secretary Rogers noted, the existing international situation. To go back to a one-China policy, to ignore our ally, Taiwan, would be a truly tragic move and one which in the long run would diminish the opportunity of international stability or world peace.

Mr. ROUSSELOT. Mr. Speaker, the gentleman from Mississippi (Mr. Lott) is to be complimented for bringing this important issue before the House of Representatives today. Many of us in this House of Representatives realize that the Republic of China, Taiwan, is one of the strongest nations in the Pacific economically, philosophically, and spiritually, and they have continued to support the United States in its effort to defend freedom around the world. I am personally grateful that the gentleman from Mississippi has given us this very adequate opportunity to show our continued support for the Republic of China.

Mr. Speaker, in a speech which he delivered before the Comstock Club in Sacramento, Calif., on March 26, 1973, Mr. James C. H. Shen, Ambassador of the Republic of China to the United States, discussed conditions in his country and on the mainland in the wake of President Nixon's visit to Communist China and the subsequent admission of Red China to the United Nations.

Ambassador Shen stated that the economy of the Republic of China has continued to prosper. The gross national product increased 11 percent between 1971 and 1972 to reach a level of approximately $7.2 billion, U.S. currency. Per capita income increased 8.6 percent to $372 U.S. currency. Total foreign trade increased about 43 percent during 1972 to a level of nearly $5.6 billion U.S. currency. This is nearly a half billion dollars more than Red China has been able to generate with 50 times the population of the Republic of China. This is a fact which those people who have been forecasting great economic gains resulting from trade with Red China should keep in mind. There simply is nothing in Red China resembling a consumer market for American goods, and there is not likely to be such a market in the foreseeable future.

Turning his attention to conditions on the mainland, Ambassador Shen noted that recent visitors to Red China have gotten a much different impression from that which has been conveyed to the American people by the news media. Congressman Ford, our distinguished minority leader, observed that the entire society of 800 million people is "being taught the glories of the People's Liberation Army and of world revolution." "There is only one word for it," he said, "scary."

In marked contrast to news accounts of the joyful dedication with which the Chinese people approach the building of a totalitarian state, noted author James Michener has reported that, "Communist China is the most frozen-faced society I have ever seen. I met no one who greeted me voluntarily with a smile. The people are regimented beyond belief." Mr. Shen said that purges and internal turmoil continue and that Mao has yet to complete the process of gaining effective control over the mainland.

At this point, Mr. Speaker, I should like to insert into the Record some excerpts from Ambassador Shen's remarks:

Where Does Free China Stand Today?

(A speech by Mr. James C. H. Shen, Ambassador of the Republic of China to the United States, at a luncheon meeting of the Comstock Club, Sacramento, California, on March 26, 1973)

I have looked forward with great pleasure to my visit to your beautiful city by the bank of the Sacramento River, which has the second largest Chinese community in California. I want to thank you in utmost sincerity for extending to me this opportunity.

Communist China has been very much in the news, receiving ultra generous treatment in the U.S. press since a bouncing little ping pong ball caught people's fancy in April 1971. American newspapers have since devoted columns after columns of space publicizing life on the mainland under Communist rule, from the Great Wall to the communes, from acupuncture to pandas. The New York Times recently even reviewed nine books on Maoist China in a single issue of its Book Section, a phenomenon rarely seen in U.S. journalism.

Meanwhile, as a result of a series of diplomatic somersaults on the part of a number of countries since late 1971, the Republic of China has been pushed into the corner, so to speak. Only a few have cared enough to wonder what is going to happen tomorrow, next month, or next year to the 15 million Chinese on Taiwan.

The year 1971 was certainly an eventful one for the Republic of China. On July 15, 1971, President Nixon stunned a world TV audience by announcing, out of the blue, that he had accepted an invitation to visit Peiping. Three months later, the United Nations made a mockery of the U.N. Charter by voting the Chinese Communist regime into the world organization, a regime which the U.N. itself had condemned as an aggressor for its armed intervention in the Korean War. This illegal, immoral action left us with no alternative but to withdraw from the United Nations.

In the face of these diplomatic reverses, it is natural for some people to ask: To what extent has Nationalist China been affected by these changes?

Firstly, it would not be entirely true if I were to say that these diplomatic setbacks have left no impact on us whatsoever. For one thing, they have produced a bandwagon psychology among some of the nations. A total of 37 erstwhile friends, including some whose friendship we had thought was iron-firm, such as Greece, Japan, Turkey, Australia, New Zealand, and more recently Spain, have shifted their diplomatic recognition from the Republic of China to Maoist China.

We were shaken and anguished, to be sure, but we had been forewarned. Foreseeing what was about to happen, President Chiang Kai-shek had, a few months previously, counseled the nation "to remain calm in face of adversity," and "to be steadfast with dignity and self-reliant with vigor." Consequently, when the storm broke, there was little gnashing of teeth, or wringing of hands. Everybody quickly set his shoulders to the wheel again. There is a proverb of unknown origin which says: "The test of courage is to bear defeat without losing heart," and this seems an apt summation of Taiwan's response.

One reliable yardstick with which to measure a nation's stamina is its economy. Instead of stagnation and slowdown, there has been growth and prosperity on Taiwan during the past year and a half. Our gross national product last year reached an all-time high of US$7.18 billion, registering a real growth of 11 per cent over 1971. Industrial production was up 36.6 per cent. Per capita income rose to US$372, up 8.6 per cent over 1971.

The Republic of China started its sixth 4-year Economic Development Plan this year, calling for an investment of US$9.2 billion. By the time this plan is completed in 1976, our per capita income is expected to reach US$500.

The fact that the diplomatic reverses have had little appreciable impact on our overall economy is reflected in the rising curves of the economic graphs for 1972. Our foreign trade for 1972 totalled US$5,581 million, an increase of 42.9 per cent over 1971. Exports totalled US$3,051 million, up 48 per cent and imports totalled US$2,530 million, up 37 per cent, both breaking previous records. The favorable balance reached the total of US $520 million, up 140 per cent over 1971.

I know people in California are interested in trade with Asian countries. Last year the United States remained Taiwan's leading trade partner, as in 1971. The two-way trade between our two countries amounted to US $2,094 million, as against US$1,477 million for 1971. Exports from Taiwan were valued at US$1,272 million against imports at US $822 million, giving the Republic of China a favorable trade balance of US$450 million, as compared with US$288.7 million in 1971.

Japan, which recognized Maoist China last September, has continued to trade with Taiwan, but the volume is expected to shrink as we divert more and more of our purchases to other countries. We have a mission now touring the United States offering to buy more American products.

Our trade with the Western European countries also registered a considerable increase last year totalling US$563 million, with exports at US$334 million as against imports of US$229 million. But it is nowhere near our trade with your country.

Taiwan over the years has become a good place for people to invest their money. Despite our diplomatic setbacks, new capital has been coming in. External investments (from foreign as well as overseas Chinese sources) in Free China totalled US$131 million in 1972, the second highest figure since the first million dollar foreign investment came in 1952.

The continued inflow of foreign capital reflects the growing confidence of foreign investors in the economic viability of the Republic of China, and also their confidence in its political future. Since 1952, a total of 1,600 separate investment items, aggregating US$850 million, have been received in Taiwan, of which US$350 million came from the United States.

Now, let us take a brief look at conditions in Maoist China. Congressman Gerald Ford, the minority leader of the U.S. House of Representatives, who visited mainland China in June 1972 with the late Congressman Hale Boggs, uttered a warning after his return to Washington. Addressing a convention of the American Trial Lawyers Association recently, Congressman Ford said the United States should be "cautious" of recent friendly exchanges with Maoist China. The United States, he said, must not forget that despite its current "diplomacy of smiles," Communist China's goal of world revolution has not changed.

The Congressman from Michigan gave the American public some more of his perceptive observations on life in general within China mainland. He said he was exposed to a series of "shocks" in his tour, and described Maoist China as "a society of some 800,000,000 people, all being continuously indoctrinated and all laboring devotedly in line with the teaching of Mao Tse-tung, all being taught the glories of the People's Liberation Army and of world revolution. There is only one word for it—scary."

A majority of the American journalists, from TV, radio and print media, who have visited mainland China since the thaw began are fond of pointing out the uniformity and drabness of the people's blue cotton-padded clothes—"Mao's Blue Ants"—but it has fallen on only a small number of more observant special correspondents to record their impressions of another aspect of uniformity, the uniformity of smilelessness. "Communist China," reported James Michener in an article published in the Reader's Digest, "is the most frozen-faced society I have ever seen. I met no one who greeted me voluntarily with a smile. The people are regimented beyond belief."

Sometimes a few words, such as "most frozen-faced society," speak volumes. One of the reporters who knows China well and knows the Chinese as some of the smilingest people asked me why the Chinese on the mainland have changed. I said: "The answer is simple. Have you ever visited a prison, any prison, anywhere? Do you remember finding a smiling face among the inmates?"

That partly explains why Hongkong is overflowing with refugees from the mainland. The exodus from Maoist China exceeded 28,000 in 1972 alone, more than the number of East Germans escaping to West Germany through the Berlin Wall.

The Chinese Communists are not infrequently being depicted by their friends in the West as being in effective control of the mainland. Physically by imposition of a monolithic rule of terror and regimentation, perhaps, but certainly not by popular support. Even within its own ranks, the Communist Party is disastrously rent by feuds and purges. By self-admission, the Cultural Revolution is not exactly over. Was there ever a government that leaves the posts of the Chief Executive, the Defense Minister, the Chief of the General Staff, and half the positions of the Central Committee of the Ruling Party vacant for two, or three, or four years? That is exactly what has happened in Maoist China.

What does this mean, in practical terms? It means Maoist China is nothing but a weak regime hiding behind a facade of stability. It means that Mao Tse-tung has overtaxed himself after purging in succession two men whom he himself had designated as his heirs—Liu Shao-chi and Lin Piao—within the span of just five years, in 1966 and in 1971. It means that Mai Tse-tung simply cannot count on the loyalty of enough comrades to fill these important posts. The so-called National People's Congress has to be perpetually postponed. The Cultural Revolution has splintered the Party and the armed forces into so many warring factions that Mao finds it difficult to maneuver a majority of "yes" delegates to do his bidding.

It is against this background that President Chiang Kai-shek early this month predicted in Taipei that the possibility of a sudden crisis which might lead to the downfall of Mao Tse-tung should not be ruled out. In a message to a mass really, he said: "Mao Tse-tung is destroying Chinese culture and oppressing the Chinese people, thereby kindling the fires of the anti-Communist revolution everywhere on the mainland. A sudden earth-shaking change may occur there at any moment now"

I seem to hear some whisperings that this may be just wishful thinking, but I also recall the saying of a European patriot. Dictators, said Czechoslovakia's Thomas Masaryk, "always look good until the last minute." Mao Tse-tung certainly is a dictator.

Mr. KUYKENDALL. Mr. Speaker, I am delighted to join with my distinguished colleagues in their efforts to salute one of the old friends and allies of our Nation. The Republic of China, from its days of resistance to the invader before World War II, to its present existence on Taiwan, has consistently been a true and loyal friend of America.

I think it is timely to remind ourselves of this loyalty, and to pledge that the people of Taiwan not be abandoned as part of any agreement to recognize the government of the mainland. Certainly it is futile to pretend that the People's Republic of China does not exist, and I applaud the efforts of the Nixon administration to recognize that fact; but at the same time, let us not be so coldly pragmatic that we would abandon an old, little friend in the hope of making a big, new friend.

Our treaty obligations to the Taiwan government are as real and as binding as similar obligations to other allied nations. I consider this a highly appropriate time and place to reaffirm our support and our determination to preserve the freedom and the *friendship of* the people of Taiwan.

Mr. ROBINSON of Virginia. Mr. Speaker, I appreciate this opportunity to join in this expression of concern for our long-standing commitment of friendship and support for the Republic of China, Taiwan.

Wholly apart from the liaison which is being established with mainland China, I believe it important that we have this restatement of the firm friendship which has existed between the people of the United States and the people of the Republic of China, Taiwan.

It should be understood that the United States maintains full diplomatic relations with the Republic of China, Taiwan, and that our official relations with mainland China are of a lesser order; that we have mutual defense commitments with the Republic of China, Taiwan, which must be honored, and that there is a significant trade exchange with this Chinese nation which continues to build, and which is of major economic importance to both peoples.

With respect for our historic commitment to self-determination, Mr. Speaker, I hope we can make plain here today that we continue to support this principle with regard to the Chinese people of Taiwan, and that we recognize their right to nationhood in a form of their free choosing.

This is not the time, in my view, for us to consider modification of our freely-undertaken commitments with respect to these people. They are our friends. They compose an economic community which has proven itself viable in the vigorous competition of international trade. They have demonstrated their adaptability to the most modern methods of manufacturing. They have become, in short, an example of a good investment of our assistance—military and nonmilitary—which, under our philosophy, is directed toward the development and security of peoples demonstrating a commitment to individual freedom.

Few allies in our history have proven as reliable and resolute as the Republic of China, Taiwan, Mr. Speaker, and the people of this brave and industrious island merit fully a profession of our enduring friendship and help in the advancement of their aspirations for maintenance of their national identity, freedom from aggression and continued economic progress.

Mr. FUQUA. Mr. Speaker, I am honored today to participate with my distinguished colleagues in this special order, voicing our support for our friends, the free Chinese.

Several of my colleagues have discussed the phenomenal economic growth of the Republic of China and the better standard of living that the people there are enjoying. The Republic of China is one of those rare places where American foreign aid grants—as differentiated from military aid—have been stopped. The Republic of China continues to show the way for other developing countries around the world. James P. Grant, president of the Overseas Development Council, has given an excellent analysis of this. His statement appears in No. 6 of the "War on Hunger" series, December 1972. I include with my remarks a copy of that analysis:

TAIWAN: A CASE STUDY IN DEVELOPMENT

(By James P. Grant)

Twenty-five years ago, Taiwan with its six million people was a province in the backwash of civil war-torn China. While still recovering in 1947 from the devastation created by U.S. bombing in World War II, it received a million refugees from the Mainland. By early 1950, before the advent of the Korean War and the introduction of the Seventh Fleet into the Taiwan Straits, its prospects looked dark indeed.

Today, the major national political decisions are still made by a small group of Chinese from the Mainland. But there probably is no country between Japan and Israel in which there has been such a rate of improvement in the material and social well-being of the "little man" as in Taiwan, or where he has greater control over the important decisions affecting his immediate livelihood. Taiwan's exports, $174 million in 1960, composed mostly of rice, sugar and pineapple, have bared to over $2 billion in 1970, more than three-quarters of which is manufactured and processed agricultural goods. Exports in 1972 may well exceed those of China and of India, to make this island of 15 million people the second trading nation of Asia, following only Japan.

The gross national product of Taiwan increased four times between 1952 and 1970, and per capita income at approximately $370 was two and a half times the real per capita income of 1952. More important, this increase in national product has not only been spread broadly over both the rural and urban populations but, unlike the experience of most developing countries, income distribution has actually improved markedly. The poorest 20 percent of the rural and urban population today controls a significantly larger share of the greatly increased national income than 20 years ago. Unemployment has decreased to the point that there is a labor shortage in both rural and urban areas. Taiwan, despite its still very modest per capita income, now has an infant mortality rate, 19 per thousand, and a percentage of school-age children enrolled in primary schools, 98 percent, comparable to the statistics for the United States. And Taiwan is a graphic example of what can be done to control family size, birth rates having dropped from 46 per thousand in 1952 to 26 in 1970, bringing the growth rate down from its peak of 3.8 percent in 1951 to below 2.2 percent today.

It is true that not only have many countries had remarkable increases in output in the 1960s but also that the developing world as a whole has increased its output to an extent unprecedented in the development history of the United States and Western Europe. But we are discovering that, unlike Taiwan's record, relatively few benefits of growth are reaching the bottom 20–40 percent of the population in most countries.

THE AID FACTOR

With respect to aid, Taiwan had received unusually large amounts of well-managed economic assistance, a total of some $150 per head, by the conclusion of the economic aid program in 1965. It bears remembering, however, that other countries have had even greater extraordinary income sources without achieving the same improvements in livelihood for the poorer half. Venezuela, for example, earns $150 per person from petroleum exports in only seven months, Chile a similar amount per person from mineral exports in just 18 months. The Philippines over the same postwar period up to 1965 probably received even more per capita from the U.S. Treasury, taking into account aid, sugar quotas, special veterans' payments, war damage rehabilitation, and other such sources. Mexico has had relatively little foreign aid but has had the benefit of not only mineral resources but also of proximity to the United States market with its special opportunities in terms of large tourist receipts, ready access to vegetable produce markets and commercial loans from Wall Street. Taiwan, on the other hand, is without significant mineral resources, and cultivation is possible on less than one-third of this small and mountainous island.

Without any question, the Chinese cultural background helps to produce diligence and effective work habits in the people exposed to it. And Taiwan has had the special advantage, in addition, of much educated talent from the Mainland and, as a silver lining from colonialism, the considerable numbers of lower and middle level manpower trained by the Japanese. But it is worth recalling that Taiwan, like Puerto Rico in the 1950s and the two Punjabs in South Asia in the 1960s, did not begin to perform spectacularly until it made a series of highly important policy changes—for the rural areas in the early 1950s, and for the industrial export sector in about 1960. Even as late as 1959, it was strongly believed by most authorities that Taiwan, with its extraordinary burden of a 500,000-man army, would require major infusion of economic aid indefinitely and suggestions that with the right changes in fiscal policies Taiwan might stand on its own economic feet in five years were scoffed at and initially rejected out of hand. One of the lessons Taiwan offers today is that the importance of the right policies to the progress of developing countries should never be underestimated.

As for other developing countries, it should be emphasized that despite continued remarkable increases in output there is a growing crisis in development progress in the 1970s which will threaten the survival of many governments in Asia, Africa, and Latin America. It bears many analogies to the forces for change in Europe that culminated in the revolutions of 1848 and toppled so many European thrones.

TAIWAN EXPERIENCE RELEVANT

What is this crisis? Why is it occurring? What light does the Taiwan experience cast on the needed solutions, and how do these solutions affect the still runaway problems of population and environment? These are urgent questions for the 1970s. Fortunately there are some hopeful signs on the horizon if only developing and developed countries alike will take advantage of the experience gained in a number of countries, including Taiwan, and will act with foresight,

Clearly, development must include economic growth, particularly during an era of rapid population growth. The results in terms of economic growth in the 1960s have been impressive. The prospects for increasing output in the 1970s seem even better if international cooperation through aid, trade and investment can be maintained.

In Asia, Latin America and Africa, however, the very real achievements of the present growth-dominated strategy of development being followed by most developing countries falls seriously short of the minimum needed by those countries to cope with their problems. Most need even more rapid growth, but they also need far more. The "trickle down" theory of development is proving utterly inadequate to meet the needs of the poorer halves of their populations.

LIMITATIONS OF TRADITIONAL CONCEPTS

The limitations of traditional development concepts for the developing world are most clearly evident in Latin America which has had an unprecedented 5 percent growth in output each year for more than a decade. Open unemployment has risen steadily over the past 20 years and has probably quadrupled to over 12 percent of Latin America's work force. The grossly underemployed are probably even more numerous, and also increasing in number. This is due in part to the early start in Latin America of a population explosion unprecedented in Europe and North America—the new entrants to Mexico's work force will increase from 300,000 in 1960 to 850,000 in 1980. It is also due to foreign exchange, credit and interest policies which have favored use of equipment over labor, and to the use of Western technology designed to replace its high cost labor with machines.

The rapid increase in gross national product in the past 10 years in Brazil has benefited the upper 5 per cent greatly, whereas throughout the decade the poorest 40 percent benefited only marginally. In Mexico, too, despite unprecedented progress over the past 20 years the poorest 40 percent have benefited only marginally and there is considerable evidence that the increasing numbers of rural landless laborers are noticeably worse off today than 20 years ago when there was far more work available for fewer laborers. The story in India and Pakistan is somewhat the same, except that the full force of the population explosion has yet to be felt or their already underemployed work forces. The worsening nature of the problem is shown by the fact that the *net weekly* addition to India's work force will increase to 140,000 in 1980 as compared to the 100,000 *weekly* in 1970.

It also is worth noting that many developing communist countries, too, have had to struggle with unemployment problems as they experienced unprecedented growth. Yugoslavia did not revise its policies to increase employment but did allow large-scale emigration. As a result, some 20 percent of the adult work force has now left Yugoslavia. Cuba, on the other hand, has adopted policies to make full use of its rapidly expanding labor force but so far this has been at the cost of stagnation in output despite massive Soviet aid.

The current situation in the developing world is far from hopeless, however, despite the fact that country after country reveals this same pattern of relatively high growth rate which does not meet other major needs and which has increased disparities in distribution. This is where the Taiwan experience comes in.

That there is a potential for simultaneously achieving growth and overcoming several of these newly defined problems is perhaps best illustrated in East Asia by countries with very different political and economic systems—by China and possibly North Korea, and on the other side of the ideological barrier by Taiwan, in particular, and South Korea and the city states of Hong Kong and Singapore. Elsewhere, countries as different as Barbados, Israel, Egypt, Ceylon and Cuba, have dealt effectively with some of these problems.

Significantly, Mainland China now appears to have a pattern, about which we still know far too little, which today combines full employment, at least in the rural areas, falling birth rates, and expanded social services, with increasing national output. This coincidence of growing unemployment in most of the developing world with Peking's legitimation on the world scene means that the attractiveness of the Maoist model to many in the developing countries will not be limited just to acupuncture and "barefoot doctors" disseminating birth control information.

FROM BOTH SIDES OF "BARRIER"

Developing countries can and need to draw on experiences from both sides of what heretofore has been described as the "ideological barrier." Taiwan, South Korea, Hong Kong, and Singapore had even higher rates of increase in their work forces in the 1960s than did the South Asian countries or China, yet achieved rapid growth, drastically reduced unemployment and, at the same time, improved income distribution and dramatically reduced birth rates. Thus, in Taiwan, the income distribution gap between the upper 20 percent of the income recipients and the lower 20 percent was more than halved in the past 20 years, at a time when it was increasing in, say, Mexico, by 60 percent. These countries have successfully combined the right national policies with substantial foreign investment, access to rich country markets and, in the case of Taiwan and Korea, significant foreign aid. The principal limitation on the value of the experience for others is that they are all relatively small countries and are more properly described as working models rather than large-scale demonstration of what is possible. They also pose the issue of whether the developed countries are prepared to be as helpful in terms of the mix of aid, trade and investment as they have been in varying forms to these countries. But even if the developed countries were to withdraw behind the walls of their affluence, both large and small developing countries could profit from the experience of these countries in many areas, such as land reform and bringing effective health and educational services to their entire citizenry at low cost.

Taiwan's rural experience has been particularly unique, being qualitatively superior in degree to the successful effort in Korea. In part, this was due to the bitter experience of the Chinese authorities on the Mainland, where they learned first hand the lesson of the need for more social justice in the rural areas. This success is also partially attributable to the existence of a remarkable institution—the Joint Commission on Rural Reconstruction (JCRR), composed of Chinese and American Commissioners—which was set up at the initiative of the House Foreign Affairs Committee in the late 1940s. The JCRR had an enlightening, if discouraging, year of education on the Mainland on the importance of the rural areas, and the imperative of introducing social justice and credit and technical help for the small farmer as an integral part of programs to increase agricultural production.

In Taiwan today, the effectively enforced ceiling on farm size is 7.5 acres, as in Korea, and the average farm is 2.2 acres. Virtually every farmer is a member of his local Farmers Association, a multi-purpose co-op, which is the financial, technical and social backbone of the 800,000 farm households in Taiwan. Originally established by the Japanese as a governmental means of enforcing its will on the farmer, control of these associations was turned over to the farmers in a major move in the early 1950s at the time of the land reform program. These are now such powerful instrumentalities for the Taiwanese farmer that governmental regulation prohibits an elected official from continuing to hold office in the Association structure.

The Taiwan experience has demonstrated that social justice for the small farmer, abetted by the right price policies and by encouragement of cooperative credit and marketing, can lead to an agriculture which is both far more productive and labor-intensive than otherwise. Thus, agricultural productivity has been increasing at some 5 percent annually for 20 years. Yields per acre are much higher than in either the Philippines or Mexico, and Taiwan utilizes some six times as much labor per unit of land as Mexico, and more than twice as much as the Philippines.

The Taiwanese farmer has also benefitted from governmental decisions to bring education and health to the entire population. Thus, in Taiwan, the majority of the education subsidy is spent on the lower educational system, requiring the attendees of the senior high and college system, who are mostly from the more affluent in the society, to bear most of the costs of higher education. This contrasts with the pattern of most of Latin America, where higher education is free, benefitting the relatively affluent who can utilize it, and which does not leave enough funding for universal education for the lower income groups, particularly in the rural areas. A similar difference in emphasis is seen in health. Despite the fact that Mexico has twice Taiwan's per capita income and statistically spends more per capita on health care, Taiwan's infant mortality rate of 19 per thousand births compares favorably to Mexico's 68. Brazil, which has approximately the same per capita income as Taiwan, has an infant mortality rate of 92 per thousand births.

REAL INCOME TREBLED

As a consequence of such policies, the average rural householder with his two-acre farm owns his own land and has more than trebled his real income since 1950. His children get more than six years of education and have a life expectancy close to that of the average American. His home is electrified and he owns at least one bicycle and radio, and, like a sizeable and rapidly increasing percentage of the population, he may own a television set and a refrigerator. His multipurpose coop, in which he has an active say, is his principal source of credit and technical advice, owns the village rice mill and provides him with a major marketing outlet. His use of agricultural research and technology has helped importantly in more than doubling his agricultural output over the past 20 years. He has not only the latest in high-yielding seed and hog varieties, but also a whole range of small farm implements especially developed for his minuscule farm with its ample supply of labor. He probably utilizes more capital per acre than does the average mid-western farmer in the United States, but it is used to augment the productivity of his farm rather than to displace labor. Very importantly, rural progress in the 1950s and the 1960s has not been the result of government subsidies from taxes on the urban and industrial sectors. It has been paid for out of the Taiwanese farmer's increased production and through land reform.

Another major lesson from the Taiwan experience is that it is possible to greatly increase industrial as well as farm employment if a government will remove the persistent imbalances found in most developing countries in the prices attached to capital, labor and foreign exchange, which favor the use of equipment rather than labor. It is nonsensical that farmers in Pakistan and India until recently have been paying much less, in effect, for a 35-horsepower tractor than the farmer in Taiwan, to say nothing of a farmer in labor-scarce Iowa. Taiwan made the price of capital realistic through a set of reforms in the late 1950s and early 1960s. These policies reduced subsidies on plants and equipment through deflating exchange rates and raising interest rates. By allowing interest rates to find their natural levels of up to 25 and 30 percent in Taiwan 10 years ago and by broadening access to savings institutions, Taiwan has been able to increase rates on savings, especially among farmers and small-scale entrepreneurs. In fact, savings in Taiwan doubled between 1960 and 1970, from 12 percent of gross domestic product to 26 percent.

The effects of the application of such measures on employment in Taiwan, and Korea, are illustrated by an International Labor Organization study comparing the rubber product industry in those countries with the same industry in the Philippines and India in the mid-1960s. Investment per worker in India was given at $1,272, and in the Philippines, whose policies until recently were badly skewed to favor use of equipment over labor, at $2,645, whereas in Taiwan and Korea the figures were $756 and $626 respectively.

As the global issues of urban congestion and pollution become increasingly central over the next 10 years, the current evolving experiences in Taiwan on these problems may also prove useful. While factory emissions remain major problems in Taiwan as in most countries, Taiwan has been far more successful than most in decentralizing industry outside of its major cities, and increasingly to the smaller town and rural areas. A substantial and rising proportion of rural and small town families now have one member working in a nearby factory with its higher pay and less demanding work, thereby serving to slow rural-to-urban migration.

HOPEFUL SIGNS

There are two additional hopeful signs from the Taiwan experience. First, there are indications that the strategy that gives a fairer income distribution through a higher rate of employment actually accelerates growth. This would not be too surprising on further reflection, even though it runs counter to most current thinking which pairs off growth against improved income distribution. If a country has 20 percent of its labor force idle, putting the unemployed to work ought to accelerate growth. And unemployed labor is a developing country's most plentiful asset. Moreover, the income earned by these workers brings up demand for local products, particularly for labor-intensive goods such as food and textiles. Thus, the gross domestic product of Taiwan grew between 9 and 10 percent annually during the 1960s, while exports grew at the phenomenal rate of 35 percent annually.

A second hopeful note from the Taiwan experience is that it now may be possible to attack simultaneously several of these problems now confronting most developing countries. Thus, the right strategy to deal with the problems of unemployment and income distribution appears to favorably influence popular attitudes toward using family planning. The combination of full employment, income growth and greatly improved health and education services has led to declining birth rates in Taiwan and Korea even before the $200 per capita income level was reached and before the introduction of large-scale family planning programs in these two countries. In Taiwan, for example, birth rates dropped from 46 per thousand in 1952 to 32 in 1963, at which time a vigorous family planning program was introduced and helped continue the birth rate decline to 26 in 1970. Elsewhere, as in Barbados, Singapore, Hong Kong and parts of India, there are other illustrations of this effect on birth rates of the right pattern of socio-economic progress, but Taiwan and Korea are the principal country examples.

Applying these lessons of Taiwan in other developing countries will not be easy. Fundamental to addressing the problems of poverty, unemployment, and better social services like health care and education, is the need for a series of structural reforms. Not just little projects here and there that address the symptoms of what is wrong with society, but fundamental, far-reaching reform of social, political and economic structures to make them responsive to need. Clearly, these are very hard to effect. A land reform program, for example, requires that something be taken from the rich landlord and given to the poor tenant. A decent health system in a poor country requires changes in doctors' professional attitudes and standards to allow the use of less costly paramedics. Salary increases of factory workers may have to be slowed, both so that some of the economic benefits of increased productivity can go to the families of nonfactory labor, who constitute the majority of society, and to reduce the incentive to use costly labor-saving machinery at a time when much surplus labor is available. The prices farmers get for their products must be improved, despite protests from the city dwellers. These matters are difficult to handle in a wealthy, modern society like the United States, where Americans are still debating full employment and full health care, and the debate is even more intense, and the solutions even more difficult to achieve, in economically poor societies.

LESSONS FOR DEVELOPED COUNTRIES

The lessons from Taiwan for the developed countries also are many. The high growth rates in Taiwan have made it far easier to achieve major reforms without major violence or extreme authoritarianism. And high growth rates require more foreign exchange for machinery and for raw materials. It is no accident that every "success" story in the developing world in the 1960s which managed to combine major economic and social improvements for the whole population with high economic growth rates as in the cases of Israel, South Korea, Taiwan and Yugoslavia is a society that has had broad access to aid, investment and trade. Restructuring a society within growth is clearly much easier than restructuring a society within stagnation. Americans see in their own society how much more difficult it is to move people out of depressed industries during a period of recession than it is in a period of growth when alternative employment is open. This is certainly true for developing countries.

But there is a real dilemma in finding additional sources of foreign exchange. In the final analysis it must come from aid, trade and investment.

AN IMPORTANT TRADING PARTNER

Taiwan has become an increasingly important trading partner for the United States in recent years. Despite the end of the AID program in 1965, U.S. exports have increased from $100 million in 1960, largely financed by the U.S. Government, to nearly $600 million in 1971. U.S. imports from Taiwan, in the same period, have increased even faster, from less than $30 million to more than $800 million in 1971.

American investment in Taiwan graphically illustrates the new pattern of U.S. overseas investment to take advantage of low labor costs overseas to help meet foreign competition. A considerable portion of U.S. imports from Taiwan are for incorporation in U.S. brand name products partially manufactured or assembled in the United States, enabling these items to remain competitive in the United States and overseas with products from Japan and Europe. The employment benefits to Taiwan are substantial. A U.S. firm, General Electronics, is now the single largest private industrial employer on Taiwan.

Taiwan's trade has continued to increase in 1972. However, the unseating of Taipei from the United Nations and other political and economic developments have created uncertainties that can be expected to slow new foreign investment in Taiwan. The Japanese Government has suspended the granting of new credits to Taiwan since the vote, and Japanese business investments have slowed greatly. The dynamics of Taiwan's economy today are such, however, that it should continue to grow rapidly in 1973 and 1974, if it does not suffer major new shocks.

The problems facing the developing countries in the years ahead are so great, as they seek to maintain and increase growth rates, improve markedly the living standards of their poorer masses, slow population growth and anticipate the growing problems of the environment, that they need the benefit of every major successful experiment regardless of its ideological origin. Taiwan's experience, which was a major resource drawn on in the early 1960's by the world's agricultural researchers seeking to solve the emerging food crisis, and by the economists of the mid-1960's seeking successful growth and export models, has possibly an even larger contribution to offer other countries trying to solve their still uncontrolled unemployment, poverty and population problems.

Mr. LEGGETT. Mr. Speaker, I am very pleased to be able to join today in a discussion of our relations with the Republic of China.

Since the takeover of the mainland in 1949 by the Red army, the United States has maintained a close relationship with the Nationalist Chinese Government on the island of Formosa. In the last few years, however, we have seen this close relationship dissolve in the face of lessened tensions with the People's Republic of China.

I am in full support of the President's initiatives with the Chinese Communists. It always seemed a little absurd to me to pretend that 800 million people just do not exist. The fact of the matter is that those 800 million do exist, and whatever philosophical disagreements that we may have with the Communist Chinese it is clear that their society is not going to vanish overnight. The United States should establish an embassy in Peking, and we should do whatever we can to normalize relations with this important power.

Nevertheless, in our zeal to break the "bamboo curtain," and establish diplomatic and economic ties with the People's Republic I would hope that we do not completely neglect the other China—the China that has stood by us for so many years. I am, of course, referring to the Republic of China based in Taiwan.

Many American businessmen tend to see China as the largest market in the world, a vast land of 800 million people with considerable resources, largely undeveloped. The hope is that this vast market will be opened up to development by American technology. Unfortunately, this hope has been grossly exaggerated in the jubilation over the détente with Communist China.

The spending power of the Chinese people is low, and their government has no interest in massive imports of consumer goods. Total Red Chinese foreign trade amounted to only $5 billion, while U.S. trade exceeded $105 billion last year. Last year, two-way trade between China and the United States was about $90 million, and it is estimated that the level of trade may reach $300 million this year.

All of this is to say that while it is very good that we are on speaking terms with the Communists, let us not fool ourselves by thinking that they are going to be willing to open up the floodgates to American business and risk becoming clients of a nation that holds a very antagonistic political philosophy.

In contrast to the trade levels of the Communists, the trade between the United States and the Nationalist Chinese topped $2 billion last year, and is expected to climb even higher. More than 100 American firms have committed in excess of $360 million in investments on Taiwan, and the Chinese Nationalists are eagerly searching for more. It would be a great mistake to turn our backs on the 15 million people living on Taiwan and the thriving Nationalist Chinese economy, as we turned our backs on the 800 million on the mainland, simply because of the diplomatic breakthroughs of the last year.

Twenty years ago we made the mistake of assuming that the People's Republic was a temporary phenomenon that would fade away in time. Let us not repeat that mistake by assuming that the Republic of China is also a phenomenon that is going to vanish.

The Republic of China has achieved rapid economic growth over a period of 20 years since it started its first 4-year plan in 1953. In both 1971 and 1972 the national economy of the Republic of China grew by over 11 percent, while the GNP throughout the sixties has increased by almost 10 percent.

Along with the rapid rise of GNP and national income, per capita income has also been on the increase, at the relatively high rate of 6.4 percent per annum between 1961 and 1970, and in 1971 the per capita income increased by a whopping 8.8 percent.

It is seldom realized that Taiwan is the third largest economic trader on the Pacific Ocean, behind only Japan and California, with a gross foreign trade in excess of $4 billion. Even in the absence of U.S. economic assistance, which was ended in 1968, the Republic of China's economy has shot forward. Today this nation is universally regarded, along with Japan, as the success story of the East and the prototype for underdeveloped countries throughout the world.

In short, the Republic of China represents what the United States has been trying to achieve in Asia since 1945: A dynamic, progressive society that is constantly building and improving upon the foundations of a prosperous life for its people.

So the Nationalist Chinese appear to be here to stay. Given this reality, it would be a good idea for us to begin to develop a coherent two-China policy that recognizes the existence of both the mainland and Taiwan.

Over the long history of our relations with the Republic of China a number of American observers have expressed serious concern about the lack of political freedom in that country. Certainly, it is a little inconsistent for us to constantly criticize the complete lack of individual freedom in the People's Republic and at the same time not point out the serious limitations on civil liberties within what is commonly referred to as the "free China."

I have no doubt that serious barriers to political freedom still exist in Taiwan, but some remarkable advances have been made over the last 2 years. In sharp contrast to past elections in which nearly all seats in the national assembly were filled by mainland Chinese—to the exclusion of the Taiwanese that comprise 85 percent of Taiwan's population—in the latest election, held on December 23, 1972, nearly 90 percent of those elected to the legislative Yuan and national assembly were native Taiwanese. Of the 89 elected to the national assembly and legislative Yuan, all but 10 are Taiwanese while the number of representatives of overseas Chinese in the legislative Yuan increased by 15 members.

The new lawmakers of the Republic of China are not only predominantly of Taiwan stock, but are also relatively younger than legislators of prior administrations. More importantly, the elections were much more open than those in the past. Two independent candidates—Kang Ning-hsiang, running for the legislative Yuan, and Huang Tien-fu, running for the national assembly—were extremely critical of the Government and won their contests.

What we have developing in Taiwan, then, is a vigorous, young Republic, willing to correct the abuses of the past and ready to meet the economic demands of the future. It is vital that the United States not close the door on relations with Nationalist China at this important stage in its development of democratic institutions.

Mr. DORN. Mr. Speaker, I am glad to join my colleagues in the House of Representatives to reemphasize our support for the Republic of China. The principles and ideals of freedom, democracy, truth and justice, upon which the United States was founded, coincide, Mr. Speaker, with the ancient and honorable Chinese traditions now carried forward by the Republic of China. We welcome improved international relations, but this cannot be accomplished at the expense of old and trusted allies such as the Republic of China. The Republic has been a responsible and law-abiding member of the international community, and despite the treacherous and illegal expulsion action by the U.N., the Republic of China promptly declared its continued devotion to the true principles of the U.N. Charter. To turn our back on this loyal ally would be to reward treachery and agression. We must, Mr. Speaker, honor our commitment to freedom and decency.

Mr. Speaker, may I commend my colleagues responsible for this special order, and I am proud to call to the attention of all Americans the friendship and support of the courageous people of the Republic of China.

Mr. SPENCE. Mr. Speaker, we are living in an era of uncertainty and change in the field of international relations—an era which deeply concerns and troubles me as I know it does many of you.

Two years ago we witnessed the admission of Communist China to the United Nations, after years of opposition to such a move and without any demonstrated change in her own position or any evidence whatsoever that she will live up to the requirements of the U.N. Charter.

It was not enough that the doors of the world's peace-keeping organization were thrown open to a belligerent, totalitarian regime, in violation of the Charter, but the United Nations further ignored and perverted its own rules in order to give China's seat on the Security Council to Peking, replacing the rightful and long-recognized legal Government of China—the Republic of China.

I opposed Peking's admission to the United Nations. I believe it was an error. Officially, the U.S. Government stood by its traditional policy of opposing the admission of Peking. I am aware, however, that many people and nations who shared that stance are of the opinion that the then-impending United States-Peking summit meeting created an atmosphere in which official deeds appeared to contradict official words. Therefore, the U.S. Government is blamed for the U.N. action, despite her official opposition to it.

I am inclined to agree with that analysis. Whether or not the result was intended by official Washington, it was eminently predictable.

In the light of these recent developments in our international policies, we should today seek to reassure our true ally, the Republic of China, that we will stand firm by our commitments to her and that we will not let her people face threats to their freedom by themselves.

The people of the Republic of China deserve the highest commendation and accolades of the free world for the leadership they have exercised and the burdens they have borne with equanimity in the ongoing struggle to see that free men do not forget the real nature—the real face—of their Communist enemy. We hear voices from the United States to the effect that we should withdraw from the world and turn our attentions inward to domestic matters, but those are not the true voices of America. They do not represent the will or the desires of the American people.

As a world leader and a free nation, we cannot and should not cast aside our leadership responsibilities or abandon our many small-nation allies. We must be aware that the people of Taiwan, and of many other small democratic nations, cannot defend themselves without our support. Wherever the leaders of the free world leave a vacuum, it is clear that the Communists move in and take over. It is this process of gradualism which led to the decline of the British Empire, and we must not let history repeat itself in this fashion. It is the small island nations on the perimeter of Asia which are the key to whether or not Asians will be free or enslaved. And I firmly believe that, whatever we may be hearing to the contrary, the American people will never abandon their allies to Communist enslavement. The struggle to assure peace, freedom, and the right of self-determination to all peoples everywhere must be continued. It is a struggle in which free peoples must maintain a common and united front. It is a struggle in which there is no room for the "quitter"—no place for discouragement and doom-crying. We must help the Republic of China in this struggle. We cannot afford to let this strong ally fall to its knees.

Mr. KEMP. Mr. Speaker, a number of my distinguished colleagues today are speaking on the importance of keeping our various commitments to the free Chinese in the Republic of China. There has been a spirit of euphoria among some in the United States on the recent moves of President Nixon and Dr. Kissinger toward Red China, a country we have fought either directly or by proxy in both Korea and Vietnam. To obtain somewhat rather nebulous goals with regard to Red China, several of our colleagues on the other side of the Capitol have called for diplomatic recognition of Communist China and de-recognition of free China, repeal of the Formosa resolution, withdrawal of the few U.S. Armed Forces from Taiwan, termination of military aid to the Republic of China, reexamination of the United States-Republic of China defense treaty, and extension of most-favored-nation trading privileges to Communist China. In anybody's book, that is quite a tall order. Instead of considering the above litany, I urge another course of action. That course is founded on deliberation and prudence.

Our foreign policy and our own standing in the community of nations will be much better served by careful consideration of any future moves in regard to both free and Communist Chinas. Is it prudent to abandon a strong friend and ally in Asia—the Republic of China? Is it wise or is it folly to ignore the existence of 15 million free Chinese on Taiwan?

In many countries the local Chinese play an important role in political and economic life. Do we want them only influenced by the blandishments of communism or is it more prudent to let them continue to view the progress of a free and viable Republic of China?

Mr. Speaker, let us not get caught up in any folly that we will later regret. Our friendship and good relations with the Republic of China continues to pay handsome dividends in many ways. Let us not do anything to endanger them.

Hanson W. Baldwin, a respected military journalist, Pulitzer Prize winner and former military editor and analyst for the New York Times, has written an excellent analysis of Taiwan's strategic importance to the United States in his outstanding book, "Strategy for Tomorrow." Mr. Baldwin explains the Republic of China's major role in intelligence collection and points out that the loss of Taiwan to the free world would have a profound political influence over the rest of Asia far more adverse to our interests than any possible gains in our relations with the China mainland.

As Baldwin so rightly states:

> Recognition of a de facto two-China situation, resumption of diplomatic relations with Peking and the entry of Communist China into the United Nations must not be paid for at the cost of Taiwan. The gains would be nebulous, the costs, strategic, political, economic and moral, disastrous.

Mr. Speaker, I urge that my colleagues read this expert analysis of Taiwan's critical importance to our national security and I include at this time for their information the Taiwan section from "Strategy for Tomorrow":

TAIWAN

Taiwan, site of the Chinese Nationalist Government and focus of the so-called two-China situation in the Western Pacific, is an important link in the strategic island chain that hems in the Asiatic rimlands. Chiang Kai-shek's government and Taiwan itself have been much criticized and our support of this government maligned. Yet the politico-strategic advantages to the United States of a strong ally in Taiwan are major.

The United States does not require—in normal times—permanent base rights in Taiwan. U.S. patrol and reconnaissance aircraft are intermittently based on Taiwan and the nearby Pescadores. During Vietnam, Taiwan has provided a variety of support activities, including air transport staging fields and repair and reworking facilities for aircraft. Taiwan is also of major importance in intelligence-collection. Chinese Nationalist reconnaissance vessels and aircraft, U.S. pilotless reconnaissance drones, high-flying "spy" planes, electronic and communications-monitoring stations, and agents infiltrated into the mainland from Taiwan or the offshore islands provide tremendous amounts of pertinent military, economic and political data about the fortunes of Chinese Communism. Together with Hong Kong, Taiwan and its subsidiary islands represent by far the most important intelligence outposts in the Far East. Nor can the analyses of all the data gathered by the Chinese Nationalist intelligence experts be derided—as it has so often been in the past—by American "experts" who have dismissed Taipei's estimates as self-serving and biased. Some of them have been thus colored, but it is well to remember that the Chinese Communist order of battle in North Korea and Manchuria was first furnished, in precise detail, to the United States from Taiwan in 1950 *before* U.S. and South Korean forces had encountered the Chinese Communists in the field. Taiwan's facilities, and the knowledge that Taiwan's ports, airfields and ground area could be used if needed in time of emergency, are helpful, useful and comforting. But these facilities are not essential as U.S. bases. What is essential is the denial of Taiwan to any enemy or potential enemy. For Taiwan, under the Chinese Communists, would mean a break in the island chain; it would threaten the Ryukyus to the north and the Philippines to the south, and its loss would have a profound political influence over the rest of Asia far more adverse to our interests than any possible gains in our relations with the China mainland.

Recognition of a *de facto* two-China situation, resumption of diplomatic relations with Peking and the entry of Communist China into the United Nations must not be paid for at the cost of Taiwan. The gains would be nebulous, the costs, strategic, political, economic and moral, disastrous. Chinese Communist ambitions, keyed to a "countryside of the world," will never be sated by the seizure of Taiwan.

In a strategic sense Taiwan represents an important flanking threat to the Chinese Communist mainland positions. Taiwan and the Nationalist-held offshore islands of Quemoy and Matsu dominate the Chinese coast from Swatow through Amoy to Foochow and control the hundred-mile, wind-swept Taiwan Strait, which links the East China and South China seas. Because of its geographic position, the Nationalists' wishful but avowed intent to "return to the mainland" and the considerable strength of the Nationalist forces, Peking's military freedom of action has been considerably limited, even during the Korean and Vietnam wars. A very sizable part of the Chinese Communist Army—totaling probably 600,000 to 800,000 men out of a total ground strength of more than 2,500,000—has been constantly deployed opposite Taiwan. Recently, when the Sino-Soviet split led to shooting affrays with the Russians on the Manchurian and Sinking frontiers, it was the Chinese concentrations near North Vietnam that were thinned out and shifted northward, not those opposite Taiwan. To Peking, Taiwan represents, strategically, a deadly potential peril—a small but definite psychological and political peril to the facade of monolithic Communism on the mainland, but a major military threat.

The nationalist forces in Taiwan total more than half a million men of all services, with a militia and reserves (poorly trained, organized and equipped) of another million. The Army order of battle includes the equivalent of about 24 divisions, but only about 16 of these are full-strength and fairly well equipped—most of them with World War II infantry weapons. A limited number of surface-to-surface and antiaircraft missiles, including the Nike-Hercules, which can carry a nuclear warhead, have been furnished the Nationalists by the United States to strengthen their defensive capabilities. The Nationalist Navy of about 35,000 operates 5 destroyers, 6 frigates, many patrol boats and a sizable number of landing craft, including 27 LST's. Its training and morale can only be classified as fair to indifferent. A well-trained two-division Marine force is an amphibious spearhead. The Air Force, proven in combat in battles over the Taiwan Strait, has some highly experienced and well-trained pilots among its 85,000 personnel and, man for man, plane for plane, has considerably more combat effectiveness today than the Chinese Communist Air Force. But its aircraft are tactical, not strategic, it has defensive, but very limited, offensive strength, and more than 200 of its less than 400 combat aircraft are old and obsolescent F-86's and F-100's.

The limited offensive capabilities and strong defensive strength (the latter also a result of the formidable barrier of the Taiwan Strait) represent a deliberate policy on the part of Washington, which, when the policy was formulated, was seriously concerned about Chiang Kai-shek's constantly voiced promises to return to the mainland. A return to the mainland since China's consolidation under the Communists has actually been possible only with the help of U.S. naval, air and possibly other support. The U.S. policy of strong defensive, but limited offensive strength for Taiwan was (and is) sound, in that it is calculated to prevent the tail from wagging the dog—to insure the United States against being dragged by its heels into a war on the mainland.

But the implementation of the policy and the priority demands of Vietnam have led to a gradual deterioration of the Nationalists' defensive strength. Much of their equipment—ground, air and sea—is old, almost unserviceable and definitely obsolescent; spare parts for many World War II items are being manufactured, at considerable cost, in Taiwan. If the island and the Nationalist forces are to retain their strategic viability as a strong flanking position, opposite the heart of mainland China, it is essential that a new aid program be initiated to re-equip, in particular, the air, antiaircraft and naval forces. Taiwan must be retained as a bastion of Free World strength.

The offshore islands, which lie close to the China mainland (Quemoy is separated by a strait only one or two miles wide), are held by about 80,000 Nationalist troops, who have tunneled deeply into the native rock and heavily fortified the islands. The United States Government has correctly retained its flexibility of action and diplomatic maneuver about these islands; our commitment to Taiwan does not necessarily extend to Quemoy and Matsu. In case of Chinese Communist assaults against those islands the action that Washington might take would almost certainly depend upon the circumstances and the context of world events. During the Eisenhower administration the Communist blockade, by artillery fire and naval and air attacks, of Quemoy was broken by the rather simple expedient of furnishing to the Chinese Nationalists medium artillery capable of firing nuclear shells. The shells were *not* provided, but Peking understood the lesson; one plane could transport to Quemoy enough ammunition to doom any Communist amphibious assault. Today there probably could be no such simple answer to Communist attempts at conquest of the offshore islands. For the Communists now possess nuclear weapons and could retaliate in kind. The eventuality, for the immediate future, is unlikely, for Quemoy, in particular, is so strongly held that a Chinese Communist assault upon it—in addition to creating a political crisis in the Orient—could succeed only at the cost of thousands of lives. Ultimately, if the Chinese mainland increases in strength, these island positions—very close to the mainland, and hence vulnerable to many forms of assault—will represent a wasting asset.

But there is no such prospect for Taiwan, one of the largest islands in the Western Pacific, buttressed against attack from the mainland by many leagues of blue water. Its position has been weakened, it is true, as have all other positions in the Western Pacific, by Peking's development of nuclear weapons and particularly the mating of nuclear warheads to medium-range missiles. But active nuclear attack by Peking against Taiwan would instantly invoke nuclear retaliation, or its threat, by Washington. Taiwan, like Japan, is sheltered under the U.S. nuclear umbrella. And overt conventional attacks can be defeated, in the foreseeable future, by the Nationalists, provided their weapons systems are modernized and maintained on a basis of qualitative parity or superiority with those of the Chinese Communists.

No immediate military threat to Taiwan thus appears to exist, and U.S. efforts should be keyed to maintenance of the present strategic status quo. This means, in addition to a reasoned program of arms modernization, continuance of the economic prosperity and political stability that Taiwan has enjoyed for the past decade. It means, too, the orderly transfer of power when Chiang Kai-shek dies to his succesors (his son is the present heir apparent) without any major internal disorder or attempted coups.

There looms, too, another danger for Taiwan—now only a speck on the horizon. Worried by the Chinese rift, Moscow has permitted unofficial "feelers" in Taiwan. It is conceivable that if a Sino-Soviet war developed, Taiwan might be tempted and persuaded to undertake limited intervention, an eventuality which might involve, and would certainly worry, Washington.

Mr. COUGHLIN. Mr. Speaker, I am glad to participate in this special order this afternoon to express my support for our friend and ally, the Republic of China. While it is important to recognize and respond realistically to the changing power configurations in the world, it is also important to acknowledge longstanding ties.

Many commentators have described the progress made by the Nationalist Chinese on Taiwan. The economic progress is made possible by a free enterprise system. In the words of Journalist Scott Aiken—

> There is deliberate encouragement of free enterprise; a policy of giving the people a stake in the system's survival and success. It manifests itself, for example, in the sale of state-owned corporations to private investors.

It is heartening to read about a government in a developing country this is encouraging private ownership in order to broaden the free enterprise basis of its economy. Nationalist China might well serve as a model for other developing countries throughout the world.

At this time, I wish to place an article in the Record as follows:

Taiwan Consciously Competes With the Mainland

(By Scott Aiken)

Taipei.—The sound in Taipei today is not that of the rapid pop-pop of Chinese firecrackers, but of the more raucous cacophony of automobile horns.

This "temporary" capital of the Republic of (Nationalist) China has had a population explosion, a construction explosion, but most of all an automobile explosion.

There seems no more obvious and sure sign of the present success of the much-battered and still embittered government of President Chiang Kai-shek than the prosperity of this city.

Nearly two million of the island's 15 million citizens live in the city proper, another million in the environs. New hotels—a Hilton is about to open . . . new apartments to replace the squalid squatter slums of a decade ago, new office buildings, new boulevards, a memorial to the founder of modern China. Sun Yat-sen, all attest to the improving fortunes of the Nationalists on Taiwan.

It is ironic, but perhaps not more happenstance, that the economic boom has begun to have widespread impact at the very time that the Nationalists hopes of a "return to the mainland" have become more transparently unrealistic than ever.

No official says in direct and open words that he sees there is no future in devoting the government's full energies to overthrowing the Communists. But the expulsion of the Republic of China from the United Nations 16 months ago, President Nixon's visit to Peking a year ago and the shift of allegiance by most nations of the world from Taipei to Peking have shaken the Nationalists.

As one official said soberly: "We are realists." He could have added: ". . . now."

So while the army is the largest in the world in relation to population—almost one man of every 10 persons is in the armed forces—in other ways the people who fled the mainland in 1949 and the native Taiwanese majority are turning to other pursuits. The principal one is building up the economy.

This densely populated island is about half the size of the state of Ohio and lacks most natural resources. In short, to prosper it must both buy and sell in foreign markets. About 65% of the $7.2-million gross national product (GNP) comes from foreign trade—imports and exports together. Vice Minister of Economic Affairs Liu Shihcheng says the plan is to increase the exports' share of the GNP to 46%, half again what it is now.

At an eight-story export display center in the midst of Taipei's gaily festooned and bustling department stores are wares of more than 200 companies. Bicycles, textiles, television sets, plastic toys for the United States, shovels, hoes and other farming tools for Africa, water heaters, stoves for Southeast Asia. French importers stopped by recently to inquire about buying "a very large order" of canned mushrooms for France.

Low prices, based on low wage costs, are primary selling points at this time. But if the government emphasizes (and it does) wage stability, it also makes a genuine effort to hold down inflation, and its desire to develop more technologically based industries is going to bring real income for the average man up more rapidly.

Spreading the wealth is an accepted proposition in the government, but both the mainlanders' still jealous guard of their prerogatives and old habits, such as the tax on salt, are inhibiting factors.

But there is a deliberate encouragement of free enterprise, a policy of giving the people a stake in the system's survival and success. It manifests itself, for example, in the sale of state-owned corporations to private investors.

At first glance, this is by no means a model society, but it is at least as good, if such an ethical judgment is valid, as most of the others the United States accepts around the world. One diplomat commented: "If Chiang Kai-shek had done as well in governing the mainland, he would still be there."

Taiwan, to put it mildly, is different from the mainland. It is China, too, as both Nationalists and Communists (and Mr. Nixon) all agree.

Taipei is more disorderly, less clean, but more prosperous and relaxed than Peking is said to be.

There is pride in the system of government here as there is among the people in Peking. At this point in time both governments seem dedicated to providing the services we have come to expect of government. Government control may be no less firm here than it is in Peking, but it is less immediately obvious—and therefore less offensive to the American mentality. Which does not make the one necessarily better or worse than the other.

If the civil war for control of China is for all real purposes over, the verdict is by no means closed thereby on which system can, by our standards, provide a better life for the individual citizen.

At least the Nationalists are now competing, by necessity, rather than leaning on the dulled spear of their righteousness.

Mr. DICKINSON. Mr. Speaker, in dealing with the question of U.S. policy vis-a-vis Taiwan, it would be wise to take into consideration the views of the American public, which in the past 2 years has consistently stood behind both friendly relations with Peking and continuation of our commitments to free China.

An extensive public opinion survey done in mid-1971 by Opinion Research Corp. of Princeton, N.J., was placed in the Record on July 16 of that year by Senator Dominick. It showed that Americans favored admission of Red China to the U.N.—but not if that meant that Taiwan would be expelled. The survey further indicated support for diplomatic relations with Peking—but not at the cost of cutting off relations with free China.

More recent surveys have demonstrated little shift in public opinion as regards the latter question. The American people seem determined to stand by our country's commitments.

The Members of this House seem to reflect a similar sentiment. In October 1971 a petition signed by 336 members of this body was presented to President Nixon opposing the expulsion of Taiwan from the United Nations. The number of Members addressing themselves today to the question of our pledges to free China indicates that concern for the 15 million people of that island nation continues unabated.

American concern is probably based in part on memories of the open-door policy. That policy committed the United States to oppose foreign attempts to carve China into spheres of influence in which its people could be exploited.

Such concern is no doubt colored also by memories of how Chiang Kai-shek and the Nationalists fought so valiantly and so long against Japanese invaders and internal Communist opponents for nearly 20 years before being expelled from the mainland in 1949.

America's concern almost surely is shaped by the realization that few of our allies have more loyally supported this Nation's policy of commitment to the freedom and self-determination of Southeast Asia.

Now, as never before, Taiwan needs U.S. support. Last May Chiang Kai-shek began his fifth term as President of the Republic of China. This country has consistently supported him and the Nationalists for more than two decades against those who would seek to subject them to the same sort of rule as must be borne by the hundreds of millions of Chinese on the mainland.

Mr. Speaker, it is not my intent to criticize the administration's basic policy of promoting world peace by seeking accommodation with Peking. I firmly believe, however, that any such accommodation which tends to sacrifice Chiang and the free Chinese would be a tragic mistake and an unjustifiable repudiation of this Nation's policy of supporting freedom and self-determination for the people of Asia and the world.

Mr. COLLIER. Mr. Speaker, I welcome the opportunity to join my able colleagues on both sides of the aisle in reiterating and emphasizing support for free China.

Like all those who love freedom, liberty, and independence, not only for ourselves but for all men throughout the world, I have rejoiced when the peoples of colonial powers cut the ties that bound them to Belgium, France, Great Britain, Italy, Japan, the Netherlands, and Spain. I was just as pleased when the United States granted independence to the Philippines.

No fewer than 74 countries have gained independence since World War II ended. If freedom, liberty, and independence are to have any meaning, they must not be the sole possession of newcomers to the family of nations. It is just as important that countries whose history antedates World War II should remain free from alien domination.

There is room in the world not only for the new nations but for such ancient nations as free China, the government of which has been confined for the most part to the island of Taiwan since the Communist conquest of the remainder of China's territory.

There is room in the world for any nation whose people are truly free.

There is room in the world for any nation which promotes the material well-being of its people.

There is room in the world for any nation whose people have repeatedly and continuously demonstrated their friendship for the United States of America.

There is room in the world for any nation which stood loyally by America while ingrate nations not only refused to assist us in our fight against aggression but aided our enemies.

Mr. Speaker, there is room in the world for free China and an obligation on our part to recognize its sovereignty.

Mrs. SULLIVAN. Mr. Speaker, over the years since the Republic of China moved from the mainland to Taiwan, much has been made of the material economic gains achieved. These are, indeed, noteworthy and impressive.

However, we should not overlook the fact that on that island in the Far Pacific one finds today, without a doubt, the greatest collection of Chinese art anywhere in the world and a veritable explosion of creativity among a people whose cultural heritage is one of the most admired in the world.

Thanks to an elaborate and unstinting emphasis on education in every discipline, the per capita literacy is one of the highest in Asia, the ratio of teachers, doctors and nurses to the population challenges even the most advanced nations of the West, and every encouragement is given to the promotion of the creative arts.

Painting, calligraphy, writing, sculpturing—all are energetically pursued by this highly talented people. Despite the vast modernization of the Republic of China's industrial capacity, the handcrafts are not ignored and traditional expertise in making porcelains and other pottery, in wood carving and in a wide variety of related fields continues to receive public support and government approval.

To travel through the countryside of Taiwan is to see the natural beauty of the island enhanced by the artistic labors of man which is one of the reasons the Republic of China has enjoyed such a growing tourist boom. And the creation of parks, quiet temples and pagodas, scenic overlooks and convenient though seemingly out-of-the-way retreats has been carried out at the same time the metropolis of Taipei has been largely rebuilt. Ports of Kaohslung and Keelung have become among the most modern imaginable and scores of industrial plants and complexes have been built throughout the island.

I mention this, Mr. Speaker, because it is to the credit of the Government of the Republic of China that in building a prosperous economy they have not ignored what we might call the "finer things of life." The provision of greater material benefits for the people has not been at the expense of esthetic and spiritual benefits. The artist and artisan, as well as the engineer and construction worker or assembly line foreman, are still highly esteemed in free China's society.

It is good to know that in this hectic 20th century world there is an island of 15 million souls who are not willing to sacrifice cultural growth while striving for economic success. Too many societies, especially in the developing countries, tend to discount the needs of the spirit in trying to meet the needs of the body.

Mr. WAGGONNER. Mr. Speaker, I join my colleagues today in urging continued American support for the Republic of China.

There have been many favorable things written about the island of Taiwan, but unless one travels there and sees firsthand—as I have done—the progress which has been made, it is hard to believe. Unquestionably, amazing successes have been achieved in every area of economic and social life.

Although limited in area—14,000 square miles—and small in population, 15 million—Taiwan has achieved an economic growth in Asia surpassed only by Japan. Its economic growth rate has averaged 9 percent over the last 20 years. Gross national product is well over $6 billion and per capita income is now $470 a year, four times that of the mainland, I might add. Red China talks of land reform, but the Republic of China has actually brought it about. Seventy percent of the land on Taiwan is now privately owned, and that figure is expected to increase.

The real difference between the Republic of China and other countries who have not known the progress which Taiwan has made is in the attitude of the people themselves. Having fled the mainland to escape the Communist tyranny there, they have seen what real oppression is. Members of their families continue to live under the totalitarian yoke on the mainland. As a result of this experience with tyranny and because of the inherent nature of the Chinese people, who are a good and peace-loving people, they have dedicated themselves to individual freedom and the free enterprise system, whatever the cost. Like the early pioneers in our own country, they have overcome adversity and hardship and have shown to the world that freedom can and will prevail. Little wonder that there exists such strong ties of friendship between the people of the United States and the people of Taiwan.

Taiwan is a real bastion of freedom in Asia. All that is asked is that they be allowed to continue as such.

As the U.S. Government continues to improve relations with Red China—and I continue to have many reservations about doing so—let it not be done at the expense of the 15 million freedom-loving people of the island of Taiwan. Continued support and friendship for the Republic of China should and must be a basic tenet of U.S. foreign policy in the Far East. Our American heritage will allow no less.

Mr. CRANE. Mr. Speaker, as the United States embarks upon new policies in many parts of the world and seeks to reinterpret its responsibilities and its international role, it is essential that we not lose sight of our legal and moral responsibilities to longtime friends and allies.

The Republic of China on Taiwan is such an ally. In 1954, a Mutual Defense Treaty between the United States and the Republic of China was enacted, and this treaty remains in force. Under its terms we are pledged to assist the Government of Taiwan to defend itself against outside aggression. Without the commitment inherent in this treaty, Taiwan would be at the mercy of Communist China which has long sought to eliminate its freedom and independence.

In recent days, as our own Government has announced the opening of liaison offices in Peking and Washington with the Government of Communist China, there have been increasing calls for recognition of the regime in Peking and abandonment of our responsibilities with regard to Taiwan. It is essential that such advice be rejected.

Fortunately, there have been many voices who have begun to speak out in behalf of the free Chinese. The New York Daily News, for example, noted that—

> U.S.-Taiwan ties seem to loosen every time Americans and Red Chinese representatives exchange handclasps and blow kisses at each other. Let's not rush this courtship if it means jilting a steadfast friend and ally. Nothing we could obtain from Red China would be worth the dishonor the U.S. would suffer if it sold the Free Chinese into Communist slavery.

If the American commitment is not valid in Taiwan, it is not valid anyplace. If the people of the Republic of China cannot depend upon the treaty commitments of the United States, neither can our allies in Europe, or in any other part of the world.

In the current discussion many seem to overlook the phenomenal success story of the people and the Government of Taiwan.

Writing in the April 1972 issue of Foreign Affairs, Robert W. Barnett cites these figures:

> Taiwan's gross national product rose from $2 billion in 1960 at an annual rate of almost ten per cent, to $5.4 billion in 1970. Per capita annual income rose from $180 to $360 during the same period. The rise of Taiwan's exports was even more impressive—$164 million in 1960 to $1.248 in 1970, an annual rate of about 25 per cent. To the United States alone, Taiwan's exports rose from $19 million to $563 million, while imports from the United States rose from $113 million to $364 million.

Mr. Barnett points out that:

> During these ten years, Taiwan saw the end of U.S. economic aid, which had totaled over $1.6 billion, and Taiwan itself commenced foreign assistance programs. Taiwan consolidated all manner of economic links with the United States and Japan. It clung to its position in international organizations. And among Taiwan's leaders, economic purpose gained precedence, quietly and gradually, over big-power political and military pretension.

The fact is that Taiwan, with only 15 million people, does approximately the same $4.3 billion in foreign trade as does the Chinese mainland with 700 to 800 million people. Writing in Fortune magazine, Louis Kraar reported:

> The per capita GNP—$400—is already about four times as large as in the People's Republic. The island's exports, which range from canned mushrooms to railway cars rose 40.6 per cent last year to $1.6 billion. And although Taiwan must import large amounts of capital goods and most raw materials, it still amassed a $34 million trade surplus.

Many experts in Asia express the view that in the foreseeable future, more trade is to be had with Taiwan than with mainland China. Writing in the June 1972 issue of the Japanese monthly, Issues and Studies, Prof. Yajima Kinji stated that the average economic growth rate of the Republic of China in the 1970's will continue at more than 10 percent, and in the near future the country's per capita income will be increased from the current $330 to the target of $1,000.

Professor Kinji set forth the view that trade prospects were better in Taiwan than on the mainland and discussed the "absurd fancy and determination of Japanese industrial and commercial circles." He predicted that those folly minded Japanese would find their beautiful dreams of trade with the Communists broken and would consequently come back to the Republic of China within 2 years.

A Philippine observer, former presidential assistant Pete S. de Jesus, wrote in The Nation magazine in Manila, that Taiwan's impressive economic growth was one of "Asia's if not the world's phenomena." He wrote that,

> All over Taiwan the air is alive with the electric spark of creation.

If anything is clear, it is the success story of free enterprise on Taiwan. In addition, while the Chinese Communists have effectively eliminated Chinese religion, culture and civilization on the mainland, the free Chinese on Taiwan have a flourishing intellectual and cultural life—keeping alive the Chinese heritage.

To abandon the free Chinese would be to turn them over to the government of Mao Tse-tung, one of the most brutal in the world's history. Many Americans forget that millions of Chinese men, women and children have been murdered by Mao's Communist regime. Franz Michael, head of the Sino-Soviet Institute at George Washington University, estimates that in the first 4 years of Communist rule in China, 15 million people were killed for political reasons.

The earlier campaigns were followed by the great proletarian revolution of 1966 to 1969 which constituted the ultimate in the purging of China's intellectuals. Total estimates of those murdered by the Communists range from 34,300,000 to a high of 63,784,000.

If we abandon our commitments to the Republic of China, it is this bleak future of tyranny to which we are condemning its people. American honor demands that we live up to the commitments we have made. If we do not, the future will be bleak not only for the people of Taiwan, but for those of the entire free world.

At this time it is essential that we understand the stakes involved in this question. It is essential that we renew our pledge to the people of Taiwan.

Mr. STEIGER of Arizona. Mr. Speaker, the Republic of China has been a loyal ally of the United States for over 30 years in war and peace. They stand today in the forefront of the battle for freedom in Asia.

I am proud today to join in support of the declarations which commend the people of free China in their courageous efforts on behalf of the principles of human dignity. New American diplomatic initiatives toward Peking and the well-publicized differences between Peking and Moscow should never be permitted to obscure the fact that the free Chinese on Taiwan continue to be our oldest and staunchest friends in Asia.

It surely is no secret that both ideologically and economically, the Peking government suffers from tremendous internal complications. It is also no secret, indeed, it is very well known that the government of Taipei has brought unparalleled prosperity and political stability to the peoples of free China.

What, one may ask, accounts for this striking contrast? We see it not only in China, but in Berlin and Korea and elsewhere. We should not be afraid to state the obvious. The political and economic contrasts of these regions are a clear manifestation of the undeniable superiority of the philosophy of freedom over the philosophy of collectivism.

Of course, we seek peace. Of course, we seek more amicable relations with those who would be our adversaries. But this does not mean that we should not invoke every opportunity to lend moral support to our friends, and particularly friends as dedicated to the principles of freedom as are the citizens of the Republic of China.

Free China today stands as a shining example to freedom-loving people in all parts of the world.

For many years we were generous in our economic aid to Taiwan, as we were to many nations seeking economic recovery after the ravages of war. But nowhere was our help more appreciated and better used than in the Republic of China. Following our example, free China today lends her assistance to other nations who seek it. They are good and sympathetic teachers. Notwithstanding incredible adversity, the free Chinese nevertheless increased their industrial output by over 400 percent in a 12-year period ending in 1965 and doubled their farm production in that same time.

There is an old Chinese proverb which says that if you give a man a fish he will have fish only for dinner that night, but if you teach a man how to fish, he will have fish for the rest of his life.

Mr. Speaker, we have helped to teach free China and they have taught themselves how to enjoy the blessings of freedom. They are now helping to spread the philosophy of freedom to other underdeveloped nations and we should wish them Godspeed in their efforts.

Mr. BENNETT. Mr. Speaker, the people of Taiwan have not, in any sense, allowed their expulsion from the U.N. to dampen the phenomenal progress their island has achieved.

It is widely held that Taiwan and its system of free enterprise is an example to be followed by the nations of the underdeveloped world. A Philippine observer, former presidential assistant, Pete S. de Jesus, wrote in The Nation magazine in Manila that Taiwan's impressive economic growth was one of "Asia's if not the world's, phenomena." He wrote that—

> All over Taiwan the air is alive with the electric spark of creation.

Similarly, William Glenn, writing in Far Eastern Economic Review declares that—

> The Jeremiahs who expected Taiwan to crumble economically because of the diplomatic break with Japan are not taking sufficient cognizance of the facts. . . . The Taiwan of October, 1972, has one of East Asia's strongest economies. An island of 14,000 square miles and 15 million people, will have a gross national product in excess of $7 billion.

In a recent editorial the Jacksonville Times-Union surveyed the current situation in Taiwan and concluded that ". . . funeral oratory for Nationalist China seems indeed premature."

I wish to share this editorial, which appeared in the Times-Union of November 12, 1972, with my colleagues, and insert it into the RECORD at this time.

[From the Jacksonville Times-Union,
Nov. 12, 1972]

TAIWAN: AN "ORPHAN" MAKES GOOD

"Poor Taiwan!"

The United Nations ingloriously kicked her out, bag and baggage, a year ago. President Nixon made his historic visit to Taipei's archenemies in Peking. Japan acknowledged the Communists as rulers of mainland China's 800 million people, a serious blow considering Tokyo's economic ties with Taiwan.

A long-standing diplomatic score sheet was reversed and, as of now, 77 nations recognize Peking, while a steadily dwindling minority of 47 still maintain ties with the Chiang Kai-shek regime.

Resignation and despair, surely, should have gripped the tiny island, only 90 miles away from Red China's military might. But, when U.S. News & World Report recently surveyed the scene, the finding came almost as a shock. The magazine's report:

"Taiwan's economic performance in the first eight months (of this year) verges on the unbelievable. Compared with the same period last year, industrial production has risen 27 percent; new construction is up 39 percent; and trade has ballooned 46 percent . . .

"Exports and imports are expected to approach $5.5 billion this year, easily surpassing the level of the mainland, which has 50 times as many people.

"Life, for most people, gets visibly easier. Motorcycles are replacing bicycles. Air conditioned taxis are appearing. Stores are crowded with free spenders. One of three families now owns a television set . . .

" 'The Nationalists have weathered their crisis in amazing style,' says a senior U.S. diplomat. 'They have abandoned the myth that they are legally the government of all China, and have accepted the reality of their position. They are calm, cool and confident' . . . "

Writer William Glenn, in an article in Far Eastern Economic Review, expresses a similar sentiment.

"The Jeremiahs who expected Taiwan to crumble economically because of the diplomatic break with Japan are not taking sufficient cognizance of the facts . . .

"The Taiwan of October 1972 has one of East Asia's strongest economies. An island of 14,000 square miles and 15 million people, it will have a gross national product in excess of $7 billion this year . . .

"Technical help is available . . . so are investment funds. Overseas Chinese capital is still flowing in. So is American and European money . . ."

What has happened, simply, is that diplomacy and business are conducted by a pragmatic double standard.

Nixon "insulted" Taiwan by visiting Peking—meanwhile more than 100 American firms committed more than $300 million to help expanding operations on the island. Included are many "blue chip" U.S. firms.

Japan, likewise, broke relations with

Taipei—but more than 400 Nipponese companies still do business there and their investment is second only to the U.S. Many Japanese firms simply camouflaged their tie with a new company name or undercover partnership with local Chinese; new Japanese capital is believed still coming in, only not openly.

"No country in Asia can match Taiwan" as a place to do business, one U.S. businessman summed it up (in the U.S. News & World Report summary).

As long as such continues—and it gives every indication of doing so as political control shifts gradually from 85-year-old Generalissimo Chiang Ching to his son, Premier Chiang Ching-kuo—funeral oratory for Nationalist China seems indeed premature.

Mr. PARRIS. Mr. Speaker, participating in this special order today gives me an opportunity to applaud the moves of the Republic of China that has led to its remarkable growth. An important ingredient in this is their establishment of free trade zones in which foreign-owned factories import raw materials and other necessary products duty free and then export the products. With the hard work of the free Chinese, these zones have helped raise the standard of living for the people. Now the average family income is $1,500 a year.

A number of companies from countries besides the United States are investing in Taiwan. An Austrian combine is building a steel mill. A new shipyard is being built which will make Taiwan the 15th largest shipbuilding nation.

The economic progress of Taiwan makes most other developing countries pale in comparison. The United States has helped make much of this possible. But we must remember, as Time magazine points out, that—

> The greatest threat to Taiwan's prosperity, of course, is a cooling of its relations with the U.S.

Thus, with continued good relations with the United States, Taiwan can be expected to continue to progress. This is a useful thing to keep in mind when we hear the blandishments of other countries who may wish neither us nor Taiwan well.

I wish to conclude my remarks by inserting in the RECORD the article "Taiwan: Prosperity in Isolation" from the May 14, 1973 issue of Time.

TAIWAN—PROSPERITY IN ISOLATION

Since it was kicked out of the U.N. in 1971, Taiwan has become ever more isolated diplomatically. But its emissaries have proved adept at gaining entrée to the markets and financial centers of some of the very nations that have barred them from foreign ministries. As a result, the island country has attracted enough trade and investment to overtake even Japan in the speed of its economic growth.

Although its population of 15 million ranks only 40th in the world, Taiwan last year climbed into 20th place among all trading nations, with a giant 45% increase in its foreign commerce, to $5.9 billion (substantially larger than the foreign trade of the People's Republic of China). Its gross national product jumped 12% last year, the fastest rise in all Asia, and average family income reached $1,500, a figure exceeded among Asian countries only by Japan and Singapore. Recently seven Taiwanese trade missions were scouting for additional commercial exchanges with Western countries and swallowing nationalist pride to do so. In courting Canada, West Germany and Italy for further trade contacts, the Taiwanese teams refrain from insisting upon the term China to describe their country.

The foundation of Taiwan's economic success was laid in the late 1960s by Finance Minister K. T. Li. He pioneered the establishment of free-trade zones where foreign-owned factories can import raw materials and parts duty-free, assemble them into finished products and ship the products out as exports. Taiwan now has three such zones, each a kind of manufacturing compound. Together they will eventually employ some 90,000 Taiwanese workers in 150 enterprises. Foreign investors are also lured by cheap labor costs—one-third to one-fourth lower than in Japan—and velvet-glove treatment by the government. Foreign companies can buy factories built by the government on generous deferred-payment terms, and they encounter no red tape when they want to send their profits back home.

This policy has attracted such foreign-owned giants as Vöest, an Austrian combine that is expected to turn out $1.1 million worth of steel annually on Taiwan, and a slew of electronics firms: Sony, Hitachi, RCA, Motorola, Zenith, Admiral. Taiwan is now the chief supplier of black-and-white TV sets to the U.S. Ford Motor Co. has embarked on a $36.3 million venture with Lio Ho, a Taiwanese firm, to produce several small economy cars, selling at around $1,600, for the Asian market. The island also produces Sanyang motorcycles. Taiwan lately has switched to seeking capital-intensive heavy industry in order to stay a jump ahead of Malaysia and Indonesia, where labor costs are even cheaper. Its biggest catch: the Kaohsiung shipyard, a $27 million joint Sino-American enterprise whose annual capacity will be 1.5 million shipping tons. Together with older yards, Kaohsiung will make Taiwan the world's 15th largest ship-building nation.

The biggest threat to Taiwan's prosperity, of course, is a cooling of its relations with the U S. Taiwanese have worked hard to head off that threat, with some success. In mid-February, even as Henry Kissinger jetted to Peking to chat with Communist officials, a delegation of 20 U S. businessmen visited Taiwan, with Washington's approval, to search for new investments. Recently two high-powered Taiwanese trade delegations were in Washintgon. One, led by Y.T. Wong, director of the Board of Foreign Trade, returned home with an $800 million purchase agreement under which Taiwan will buy U.S. grain over a three-year period. It hopes in that way to head off further protectionist action, such as the "voluntary" agreement that Washington negotiated in 1971 to restrict Taiwan's textile exports to the U.S.

Mr. WYMAN. Mr. Speaker, I join with my colleagues in their concern that U.S. foreign policy toward the People's Republic of China must be premised on our continued commitment to the freedom of all people on the island of Taiwan.

Taiwan has governed itself peacefully for 25 years, and in the process has earned the admiration of the world for its economic progress, for its slow but steady enlargement of democratic institutions, and for its devotion to its own independence. We should not discourage this understandable and commendable devotion by our own repudiation of a longstanding commitment to assist in protecting the security and freedom of Taiwan.

Our basic defense commitment to the Republic of China, or Taiwan, is contained in the Mutual Defense Treaty of 1954, in which according to our constitutional processes, we pledged to meet any external attack against Taiwan and the Pescadores.

Several times since we have enlarged our relationship with Peking, President Nixon and other administration officials have given specific assurances to Taipei that the United States stands by this commitment and that our steps to improve relations with Peking are not being taken at its expense.

Specifically, President Nixon said to the American people in his radio address about his second annual foreign policy report to the Congress on February 25, 1971:

> We will search for constructive discussions with Communist China while maintaining our defense commitment to Taiwan.

In his 1971 foreign policy report to the Congress, the President praised Taiwan's economic development 5 years following the end of U.S. economic assistance to that country, and stated:

> The evolution of our dialogue with Peking cannot be at the expense of international order or our own commitments. Our attitude is public and clear. We will continue to honor our treaty commitments to the security of our Asian allies. An honorable relationship with Peking cannot be constructed at their expense.
>
> Among these allies is the Republic of China. We have been associated with that government since its inception in 1911, and with particular intimacy when we were World War II allies. These were among the considerations behind the American decision to assist the Government of the Republic of China on Taiwan with its defense and economic needs.
>
> Our present commitment to the security of the Republic of China on Taiwan stems from our 1954 treaty. The purpose of the treaty is exclusively defensive, and it controls the entire range of our military relationship with the Republic of China.
>
> Our economic assistance to the Republic of China has had gratifying results. Beginning in 1951, the U.S. provided $1.5 billion in economic assistance. Its effective and imaginative use by the Government of the Republic of China and the people of Taiwan made it possible for us to terminate the program in 1965.
>
> I am recalling the record of friendship, assistance, and alliance between the United States and the Government of the Republic of China in order to make clear both the vitality of this relationship and the nature of our defense relationship. I do not believe that this honorable and peaceful association need constitute an obstacle to the movement toward normal relations between the United States and the People's Republic of China. As I have tried to make clear since the beginning of my administration, while I cannot foretell the ultimate resolution of the differences between Taipei and Peking, we believe these differences must be resolved by peaceful means.

Mr. Speaker, I am sure that President Nixon has no intention of allowing any foreign policy of this country to betray Taiwan. And so long as we maintain in force the 1954 treaty requiring us to defend Taiwan against threats to its freedom, we can be sure that no future administration will be able, even if tempted, to forget or disregard our longstanding commitment to the millions of free people on Taiwan.

As Columnist William F. Buckley, Jr., noted in the Sunday Star and the Washington Daily News on March 22, even the purposes of Peking are served by continuation of the U.S. commitment to Taiwan under the 1954 treaty.

Buckley said:

> Consider the alternative, if the treaty were to lapse tomorrow, the day after tomorrow the Chinese mainland would be forced into a massive irredentist effort against Taiwan. But Taiwan is not defenseless, and what would result is a war of sorts, with ambiguous results unless China chose to stop everything and mount an enormous amphibious operation.

Mr. Buckley's entire column merits thoughtful consideration. It is entitled "As the World Grows Lonelier for Taiwan," and I include it in my remarks at this point:

AS THE WORLD GROWS LONELIER FOR TAIWAN

(By William F. Buckley, Jr.)

The news that David Bruce is going to Peking has been treated with great elation by the internationalist lobby. There is to begin with something wonderfully reassuring about Bruce, a debonair and competent diplomat of the old school, associated with the brighter days of a lost competence. But principally, of course, the elation was the result of this giant step towards formal diplomatic reconciliation between Red China and the United States.

Six weeks ago Sen. Henry Jackson, D.-Wash., came right out for diplomatic recognition. I do not believe, at this stage of the game, that it would shock American sensibilities if it were suggested that our diplomats and the Red Chinese have group sex together.

Granted, the price—Taiwan—is not mentioned very often by spokesmen for the Nixon administration, who are anxious to ignore, for so long as they can, the Taiwan problem. The American left, by contrasts, would love nothing better than a forthright betrayal of Chiang Kai-shek, which they would justify on grand moral grounds centered on the persecution of three students and one associate professor last June in Taipei.

I do not think there would be any objections from the left one-half of the U.S. Senate if President Nixon announced tomorrow that our defense treaty with Taiwan would lapse in 12 months, and if we proceeded to full recognition of Red China.

Nixon, on the other hand, is not anxious to betray Taiwan, and inevitably one assumes that the signals have been carefully checked out in Peking. It was only a few weeks ago that Chou En-lai, at one of those receptions at the Great Hall of the People, smiled and repeated that "only" Taiwan remained as an obstacle to formal diplomatic reconciliation. In introducing Bruce, Nixon referred to him as "Ambassador Bruce," but smiled and said that he did so only out of habit—Bruce has been ambassador to everywhere—that he would be in fact "chief of mission" in Peking.

Now this quite clearly suits the Chinese for the moment. Perhaps they believe it is as far as Nixon will go at the current moment. Perhaps they feel that there is something to be said for the defense treaty between the United States and Taiwan.

Bear it in mind that although they had every opportunity to do so, the Red Chinese diplomats in the United Nations have not raised the point that the United States, in keeping military personnel on Taiwan, is guilty of aggression. That is the logical conclusion, after all, to be drawn from the Shanghai Communique of February 1972, wherein all sides agreed that Taiwan is a province of China.

Could it be that the Chinese have not pushed Nixon for a repudiation of the treaty because it suits their purposes of the moment for the treaty to continue in force?

Consider the alternative. If the treaty were to lapse tomorrow, the day after tomorrow the Chinese mainland would be forced into a massive irredentist effort against Taiwan. But Taiwan is not defenseless, and what_would result is a war of sorts, with ambiguous results unless China chose to stop everything and mount an enormous amphibious operation.

It is quite probable that, not desiring to be forced to do any such thing, China prefers the cover of a treaty, which is a part of the historical landscape, and which blends more and more harmoniously into the glorious Red Chinese sunset, as the United States perseveres with its fawning attentions on mainland China.

Mr. HUBER. Mr. Speaker, Americans have respected the efforts of the citizens of the Republic of China in building their country until they now enjoy the second highest standard of living in Asia after Japan. The free Chinese on Taiwan, the Pescadores, and the offshore islands are continuing their efforts to build a still better life for themselves and to maintain the freedom of their country.

The long friendship between the United States and the free Chinese is well known. Not so well known is the fact that the Republic of China ranks among the top 20 trading nations of the world.

More importantly, the United States ranks as the chief trading partner with the Republic of China. Conversely, the Republic of China is one of the major trading partners with the United States. From preliminary 1972 figures, it appears that the free Chinese now rank 10th in trade with the United States. The present growth rate is expected to continue, and the Republic of China should move to seventh or eighth position in U.S. trade by 1975. Total trade then could surpass $4 billion yearly.

Total trade between the United States and the free Chinese grew 42 percent in 1972. There were large increases in American exports of utility equipment, machinery, industrial equipment and engineering goods, and trade in these goods is expected to continue very strong. Also, there were above-average gains in some chemicals. While there was a 20-percent gain in the sale of U.S.-made electrical equipment and electrical components, a much larger growth of American exports in these products is expected in 1973 and following years. Other products where potential sales gains are greatest include transportation equipment, textile intermediates, and some iron and steel products.

Currently the Republic of China has a favorable balance of payments with the United States. To balance its exports to the United States as closely as possible with imports from our country, the free Chinese have dispatched two purchasing missions to the United States this year. They are also decontrolling imports and reducing tariff rates. Furthermore, the free Chinese Government has urged its businessmen to buy less in the way of machinery, machine tools, et cetera, from Japan, and more from the United States. The U.S. Embassy estimates that U.S. exports to Taiwan can increase by 50 to 55 percent in 1973.

All these figures show that, in addition to being a friend and ally, the Republic of China is an important market for American goods. Furthermore, the future promises that they will become an even larger market for the United States. Continued support for the freedom of the Republic of China is obviously in the best interests of the United States. Cultural, economic, and governmental ties with the free Chinese are too important to compromise.

Mr. Speaker, to share with my colleagues articles which discuss the attractiveness of the Republic of China as a market for American goods and investment, I include them in the RECORD at this point:

TAIWAN, STILL MOVING AT FAST PACE, CONTINUES TO BE ATTRACTIVE MARKET

The Republic of China is maintaining its fast economic pace and continues to be an attractive market for U.S. goods and to offer many investment opportunities.

During the first half of 1972, Taiwan's economy continued to enjoy vigorous growth. Barring any natural disasters (e.g., typhoons), real GNP is expected by the U.S. Embassy in Taipei to rise between 10.5 and 11 percent for the year.

Led by a booming construction industry, overall industrial production was up 27 percent in the first half, an all-time high. While nearly all industries shared in the rapid expansion, electronics was the standout in the manufacturing sector. This industry was first in both production and export growth and in time may surpass textiles as the island's most important manufacturing sector.

Foreign trade continued its rapid gains of the previous year. Total trade in the first half increased almost 40 percent, reaching a level of U.S. $2.7 billion.

Imports from the United States during the first six months increased by more than 40 percent. For the first time in many years, they surpassed those from Japan; present indications are that the growth rate for 1972 should surpass *30* percent.

U.S. exports during the past half year were paced by large sales of machinery and equipment. The "non-electrical machinery" category showed an outstanding increase of 240 percent, bringing total U.S. sales in this sector to $161 million. Principally responsible for this increase was nuclear power equipment.

Other items showing large gains during 1972 were refined petroleum products (up 230 percent) and farm products (up 51 percent). Moderate gains were also registered in the export of electronic supplies and equipment and chemicals; on the other hand, declines were noted in textile materials and ferrous and non-ferrous metals. The former, however, had shown abnormally large growth in 1971.

Textiles remained the main export from Taiwan to the United States ($142 million). The largest gain was registered by electronics, however, primarily TV sets and components; total exports of electronic products reached $134 million.

Indications are that U.S.-Taiwan trade should continue to expand vigorously over the next few years and may possibly surpass the $4 billion level by the end of 1975. The increased emphasis on heavy industry envisaged under the sixth Four-Year Plan will require extensive outlays for heavy capital equipment, machinery, and engineering services. In addition, the plan calls for rapid development of transportation and communication facilities to strengthen the economic infrastructure.

Specific items noted in the Plan include: expansion and improvement of Keelung and Kaohsiung harbors; construction of a new harbor at Taichung; construction of Taoyuan International Airport; establishment of an airmail processing center and mechanization of parcel and mail processing; procurement of new air navigation, meteorological and microwave systems; and continued expansion of highways.

Moreover, indications are that increased attention will be given to pollution control in future years. The tariff on pollution control and water treatment equipment has been slashed almost 50 percent. The Taipei City Government is reported working on a pollution control program and the Provincial Government is also undertaking measures to reduce the high levels of pollution throughout northern Taiwan.

ADVANTAGEOUS POSITION

With the recent currency realignments and the hesitancy of the Japanese Government to provide adequate credit arrangements, American suppliers are now in an advantageous position to satisfy many of these requirements.

Moreover, with a population of over 15 million (more than Australia) and rapidly rising personal incomes, the Taiwan market should also provide increasing opportunities for expanded sales of consumer goods.

Although some uncertainties have arisen over the past year, the balance of factors still is favorable for foreign investors. Plus factors include an absence of economic nationalism, a stable domestic political scene, a growing and educated labor force (nine-year education is free on Taiwan), a positive work ethic, stable unit labor costs, a comparatively stable price level, a strong currency backed by large foreign exchange holdings, as well as many positive tax and investment incentives.

Devaluation problems, labor disputes, and nationalization threats are conspicuous by their absence. Despite basically low labor costs, it should be pointed out that real wages have, according to one international source, increased 20 percent over the past three years enabling the work force to share in the benefits of economic growth. Rapidly rising productivity, however, during the same period held the increase in unit labor costs in manufacturing to 4 percent.

In June the Government decided to ease certain restrictions on foreign investment to improve further the investment climate. Major points under the liberalization measures include: permission to import capital equipment even though it is available in the domestic market and to import a six months supply of raw materials on the restrictive list provided they are imported specifically for the investment project; permission in certain cases to convert investment loan funds (as distinct from equity investment) into local currency to meet costs of expansion; greater flexibility to investing firms in meeting the percentage of total production required for export; a relaxation on terms and conditions covering royalties for technical cooperation; and more liberal consideration of foreign investment proposals which might compete with domestic enterprise.

The Council for International Economic Cooperation and Development, in conjunction with the Ministry of Economic Affairs, published in June a new list—though not an exclusive list—of foreign investment opportunities which cover a wide range of industries. While the detailed listing is beyond the space of this report, the following ten principal industry categories are included in the list: basic metals, machinery, transportation equipment manufacturing, electronics, electric machinery and apparatus, chemicals, plastic and synthetic resins, man-made fibers, food processing, and "other" manufacturing industries.

TAIWAN CASTS A NET FOR MORE U.S. IMPORTS

Washington's judicious use of a little muscle is opening up a fast-growing preferential market for U.S. companies in Taiwan. Suddenly, trade missions from Taipei are popping up in key American cities importuning businessmen to export to Taiwan and so cut into that country's $633-million trade surplus with the U.S.

This week, a government-sponsored Taiwanese buying mission was in the U.S. negotiating three-year contracts for grain and other farm products. The purchases will assure American suppliers of the lion's share of the Taiwan market in several key agricultural commodities.

Another mission, headed by Y. T. Wong, director general of the Taiwan Board of Trade, toured the U.S. promising a warm reception to producers of machinery and other products. In Chicago, Wong and his group met with manufacturers such as FMC Corp., International Harvester, and Inland Steel at a luncheon hosted by Harris Trust & Savings Bank. John Eby, a vice-president in Harris' international department, described the Taiwanese buying pitch this way: "They are saying, 'Please come out and sell. If you are at all competitive, you will be favored.'"

Officials of the Commerce Dept. are hopeful that Taiwan's program will serve as a model for South Korea and other nations that are running lopsided trade surpluses with this country—and that are politically indebted to the U.S.

SHIFTING ORDERS

What the Taiwanese propose is to turn to the U.S. for some things they formerly bought from other countries—notably Japan, which ran a $600-million trade surplus with Taiwan last year. Wong says the shift in buying is a voluntary decision by Taiwan in line with a long-standing policy of avoiding large trade imbalances. "We should try not to have huge surpluses with any of our trading partners, especially with the U.S., our great friend," he says.

U.S. Ambassador to Taipei Walter P. McConaughy, with encouragement from both State and Commerce departments, has been stating the case more bluntly. He has been advising the government of President Chiang Kai-shek that giving the U.S. a better break in trade would help insure continued American political and military support. In response, the Taiwan government recently placed $100-million worth of contracts for plant construction and other projects with U.S. firms (BW—Mar. 24) and promised another $300-million.

For U.S. companies, Wong points out, the Taiwan market is more important than many businessmen realize. Last year, U.S. exports to the Republic of China totaled $630-million, while imports amounted to $1.29-billion. The preferential buying policy is not expected to close this trade gap, but should keep it from growing any wider. Since Taiwan's over-all trade is expanding at a 40% annual clip—with the U.S. accounting for 40% of Taiwan's exports and 30% of its imports—the emphasis on purchases from the U.S. should mean lush opportunities. Indeed, some Commerce officials believe Taiwan will become this country's sixth or seventh ranking trade partner by the mid-1970s.

THEY MEAN BUSINESS

Taiwan has set up specific purchasing targets and the administrative machinery to achieve them. In agricultural commodities the program calls for long-term commitments of up to 10 years to purchase American wheat, barley, corn, tobacco, and soybeans. This will assure the U.S. of 60% to 99% of the Taiwan market for these products, expected to total $266-million by 1975.

For 42 other categories of products, the U.S. and Canada will be sole suppliers. Included on this list are such items as sulfur, wood pulp, air compressors, some types of pipes, and oil-drilling machinery. Another 77 categories will be purchased only from the U.S., Canada, and Europe. And for an additional 21 categories, U.S. suppliers will be guaranteed minimum shares of the market ranging from 20% to 100%. To allocate these shares, the Taiwan government has an elaborate import licensing system.

U.S. officials concede that preferences for American goods in the markets of trading partners such as Taiwan run counter to the basic U.S. policy of promoting an open, multilateral trading system for all nations. Commercial arm twisting could encourage the mercantilist philosophy that is underlying the Hartke-Burke trade bill.

"We are treading on dangerous ground," concedes David H. Baker, director of the Commerce Dept.'s Office of Export Development and a chief promoter of sales to Taiwan. "We must be careful not to lend credence to the Hartke-Burke approach. But if we are to meet the competition, we must do some of these things."

Mr. CONLAN. Mr. Speaker, I am happy to join my distinguished colleagues in support of continued U.S. efforts to promote the freedom and progress of Nationalist China. While none of us should begrudge the sincere steps taken by the President to improve our relations with Communist China, it is vitally important that we all remember the freedom and well-being of the people of Taiwan.

One of the most astute observers of the situation in Asia among American journalists is Fritz Marquardt, editor of the Arizona Republic in Phoenix, who has just returned from an extended tour of important Pacific and Asian countries. In a series of columns filed during his trip, Marquardt pointed out that Taiwan is in splendid economic health, thanks to Chiang Kai-shek's farsighted land reform program 25 years ago, and that free China's foreign trade is much larger than that of the mainland Communists.

More importantly for the cause of freedom throughout the world, it is Marquardt's view that Taiwan is our key to keeping the littoral islands of Asia out of Communist hands. I share that view and strongly support the spirit of this debate today in behalf of continuing close ties between the United States and the Republic of China.

I do not sense appreciable support for formal U.S. diplomatic recognition of Peking in the Congress. Nor do I sense any support for suggestions that we jettison the 15 million free people of Taiwan. Rather, I am aware of growing feeling in this country in favor of closer relations between the United States and the Republic of China while we open the door to improved relations with the mainland.

President Nixon is one of the keenest foreign policy students ever to occupy the White House. He has historically been aware of Communist imperialism, and I cannot conceive that he would knowingly jeopardize U.S. interests by expanding relations with a Communist government at the expense of freedom-loving allies.

But the voices in favor of diplomatic recognition of Peking and increased economic and cultural ties between the United States and Red China at the expense of Taiwan are predominate in certain intellectual circles and the news media. And the President especially needs support and encouragement from those, like us, who will speak out unapologetically in behalf of maintaining our commitments to all free Asian people. That is why it is so important for us constantly to record our support for those commitments.

I insert in the RECORD at this point four columns neatly summarizing Taiwan's superior economic achievements and the complex issues of United States-China relations:

Nationalist China Hurt by "Friends" Who Deserted Her

(By Frederic S. Marquardt)

TAIPEI.—From the standpoint of Nationalist China, the international situation is bad. Country after country has broken off relations with the Chinese Nationalists on Taiwan as part of the price of achieving recognition by the Chinese Communists on the mainland.

Resentment against the defecting countries reached a peak with Japan's action in breaking off relations with Nationalist China:

"We treated the Japanese very well after they were defeated in World War II. We returned 1.6 million Japanese soldiers who surrendered to us. The Russians took 600,000 Japanese prisoners after the war and returned none of them.

"We opened our markets to Japan after the war. Mainland China drew a bamboo curtain between itself and the rest of the world.

"But Japan grabbed at the bait thrown it by Peking and withdrew its recognition from the legitimate government of China."

Jimmy Wei, newspaper publisher and head of the Chinese News Service, said the rush of nations to recognize Communist China was like the days of Westward Ho in the United States.

"It will take a little time for them to learn the real situation on the mainland," he said.

"But as the facts come out, especially as more Americans go to Peking and see for themselves, the realization will grow that they have nothing to offer the world."

Obviously, Taiwan has a lot to offer the world. Its economy is strong, and its foreign trade is much larger than Red China's. Nationalist China: Imports, $2.530 billion, exports, $3.581 billion; Red China: Imports, $1.9 billion, exports, $2.1 billion. Nationalist China figures are for 1972. The last figures available for Red China are for the year 1970.

Culturally, Taiwan is more truly Chinese than the mainland, where Christian churches have been converted into museums, Buddhist shrines have been torn down, and Confucius has been replaced with Marx.

But the real strength of Taiwan is in the people's dislike of communism and their determination to maintain their high standard of living. (Per capita income for Taiwan in 1972, $470; Red China, $117.) "I really think the people here would remove any government that made a deal with Peking at the cost of liberty or of economic well-being," said Wei.

"Let our people on the mainland get what our people on Taiwan get, and we can work things out."

"How long will that be?" I asked.

"Three to five years," he answered.

A judge on the Taiwan high court (comparable to Arizona's appellate court) said it would take 10 years to sort out the final relationships between the Nationalists and the Communists.

While there is some nervousness about how far the United States will go toward recognizing Peking, most foreign diplomats here feel: (a) the United States has a real need to keep a friendly Taiwan; and (b) Red China, fearing a Russian thrust, wants a strong American presence in Asia.

I believe the United States must keep the littoral islands of Asia out of enemy hands if it is to remain a Pacific power. Of these islands, stretching from Japan to Australia, Taiwan is the key.

The Good Earth Wisely Used

(By Frederic S. Marquardt)

SUN MOON LAKE, TAIWAN.—Half of the lake is round; half of it is shaped like a crescent. Hence, Sun Moon Lake.

Regardless of its poetic name, it must be one of the loveliest lakes in the world.

The lake is 3,000 feet above sea level. Fed by two mountain streams, its outlets were dammed back in the days of Japanese rule, before World War I.

Today it acts as a reservoir for Taiwan's urban needs, and as a source of hydroelectric power for Nationalist China's burgeoning industry.

But mainly Sun Moon Lake is a resort for vacationers or trippers from the lowland.

Although Chiang Kai-shek reportedly built the Evergreen Hotel for VIP use, the guests aren't all Very Important People.

Teachers, students, government officials and white-collar workers eat in its restaurant. Substantial meals, cooked as only the Chinese know how, are about half the price of meals in a middling American restaurant.

A road around the lake has put a lot of motor boats out of commission, but the Buddhist temples and the aboriginal village get more visitors than ever.

The 175-mile drive from Taipei is a constant brush with danger, as huge trucks, small cars and motorbikes play an endless game of "chicken" on the narrow road.

But we saw only one bad accident. A truck had almost gone through the guard rail of a bridge over one of the many rivers that pour into the China Sea.

At this time of year, the rivers aren't pouring. It's the dry season, and there isn't much water that hasn't been appropriated for irrigation purposes.

A trip from Taipei to Sun Moon Lake should convince anyone of the rich variety of crops produced on Taiwan.

In a four-hour drive, I noted plots of land devoted to rice, sugar cane, bananas, pineapples, asparagus, mushrooms, grapes, oranges, tea plants, lichee nuts, tobacco, cherry trees, and loquats.

I was told Taiwan, also produces wheat, soybeans, cabbage, peaches, apples, and papayas.

It's small wonder the Chinese on Taiwan enjoy a larger and more varied fare than the Chinese on the mainland, who must import Canadian and American wheat to avert famines.

Food production isn't a hit-and-miss affair on Taiwan.

The groundwork was laid with a vast land reform program instituted after the Nationalist government lost the mainland to the Communists in 1949.

Following the principles of Sun Yat Sen, in turn a devotee of Henry George, the government of Taiwan distributed the land to the farmers, taxed the improvements instead of the land, and adopted modern technology to improve the yield.

So well has land reform worked in Taiwan, that some 600 men and women from Asian countries have studied at the Land Reform Institute of Taiwan at Tao-yuan.

Regular sessions last two months. Special sessions are shorter.

The institute is financed jointly by the Chinese government and the Lincoln Foundation, which has its headquarters in Phoenix.

Few Sino-American efforts have combated communism in Asia more effectively than this institute, which is dedicated to the more rational use of that irreplaceable asset, the good earth.

Taiwan: Nixon's Hole Card in International Game

(By Ralph de Toledano)

It is being widely rumored in Washington that the exchange of missions between Communist China and the United States is the prelude to formal recognition and the jettisoning of the Republic of China on Taiwan.

The choice of David Bruce, a diplomat of considerable distinction and prestige in world capitals, as the chief of the American contingent in Peking has already been heralded as a step in that direction.

But however much President Nixon disconcerted both friend and foe by breaching the Bamboo Curtain and establishing a dialogue with Premier Chou En-lai, it seems hardly likely that he will once again play the maverick.

For one thing, he has nothing to gain and much to lose by giving the Red Chinese the thing they want most.

Nixon, as the world now knows, is a poker player—and he would never expose his hole card in the middle of the game.

Recognition of Red China now could only be effected if Nixon was ready to write off Taiwan. But this would require abrogation of the solemn treaty which binds the United States to come to the defense of Free China if it is attacked by the Communists.

This he has pledged not to do, and though in international politics a promise is frequently a sometime thing, the President realizes that he would be undercutting America's position in the Far East and placing in jeopardy our entire system of aliances there.

These considerations aside, the present strategy of the President is to play off Red China against the Soviet Union, thereby strengthening *his* bargaining hand with both.

The Soviets and the mainland Chinese need American economic help. But more than that, each of the powers wants American support in the game of confrontations now going on.

The Soviet Union would long since have invaded Red China were it not for its fear of the United States. Red China also is aware of United States power.

If Nixon recognized Peking and cut off Taiwan, he would in effect be announcing that this country had thrown in its lot with the Communist Chinese. He would thereby lose much of the leverage he has been able to employ in his dealings with Moscow.

At that point, Taiwan would become anchor of American power in the Far East. Could Nixon lightly surrender this? Unlike some of his critics, the President takes a long view of history. He knows that the United States can bide its time. Recognition once granted could not be withdrawn—nor would it be granted unless there was some significant quid pro quo involved in the gesture.

So Nixon will not offer it until there is something he very much needs from Peking.

The Taiwan Issue: Price of Peace Unmentioned

(By William F. Buckley, Jr.)

The news that David Bruce is going to Peking has been greeted with great elation by the internationalist lobby. There is to begin with something wonderfully reassuring about Bruce, a debonair and competent diplomat of the old school, associated with the brighter days of a lost competence.

But principally, of course, the elation was the result of this giant step towards formal diplomatic reconciliation between Red China and the United States.

Six weeks ago Sen. Henry Jackson, D-Wash., came right out for diplomatic recognition. I do not believe, at this stage of the game, that it would shock American sensibilities if it were suggested that our diplomats and the Red Chinese have group sex together.

Granted, the price—Taiwan—is not mentioned very often by spokesmen for the Nixon administration, who are anxious to ignore, for so long as they can, the Taiwan problem.

The American left, by contrast, would love nothing better than a forthright betrayal of Chiang Kai-shek, which they would justify on grand moral grounds centered on the persecution of three students and one associate professor last June in Taipei.

I do not think there would be any objections from the left one-half of the United States Senate if tomorrow the President announced that our defense treaty with Taiwan would lapse in 12 months, and if we proceeded to full recognition of Red China.

Nixon, on the other hand, is not anxious to betray Taiwan, and inevitably one assumes that the signals have been carefully checked out in Peking.

It was only a few weeks ago that Chou En-lai, at one of those receptions at the Great Hall of the People, smiled and repeated that "only" Taiwan remained as an obstacle to formal diplomatic reconciliation.

Introducing Bruce, Nixon referred to him as "Ambassador Bruce," but smiled and said that he did so only out of habit—Bruce has been ambassador to everywhere—that he would be in fact "chief of mission" in Peking.

Now this quite clearly suits the Chinese for the moment. Perhaps they believe it is as far as Nixon will go at this time. Perhaps they feel that there is something to be said for the defense treaty between the United States and Taiwan.

Bear it in mind that although they had every opportunity to do so, the Red Chinese diplomats in the United Nations have not raised the point that the United States, in keeping military personnel in Formosa, is guilty of aggression. That is the logical conclusion, after all, to be drawn from the Shanghai Communique of February 1972, wherein all sides agreed that Taiwan is a province of China.

Could it be that the Chinese have not pushed Nixon for a repudiation of the treaty because it suits their purposes for the treaty to continue in force?

Consider the alternative. If the treaty were to lapse tomorrow, the day after tomorrow the Chinese Mainland would be forced into a massive redemptive effort against Taiwan. But Taiwan is not defenseless, and what would result is a war of sorts, with ambiguous results unless China chose to stop everything and mount an enormous amphibious operation.

It is quite probable that not desiring to be forced to do any such thing, China prefers the cover of a treaty, which is a part of the historical landscape, and which blends more and more harmoniously into the glorious Red Chinese sunset, as the United States perseveres with fawning attentions on mainland China.

It is high diplomacy we are seeing here, and Nixon is well aware of it. One can only consider with horror the results of a President McGovern, ripping up the treaty, and setting into motion a collision undesired, for the time being, even by the Chinese Communists.

Meanwhile Sen. Jackson, the bastion of Democratic fortitude in the international arena, appears simply to have crumbled on the point of principle. He is asked on Face The Nation whether we should break off diplomatic relations with Taiwan.

His answer is Vintage Evasion: "Well, there will not be two Chinas. I think that talk is past us now. We can still provide for our treaty commitments, hoping that there will be a long period of negotiation between Taiwan and Peking to work out an eventual solution of that problem, but I don't see anything inconsistent in doing what I've suggested here. It's in our own national interest (to recognize mainland China), all of our main partners have now recognized Peking. . . ."

And so Taiwan endures primarily as an accidental beneficiary of complicated diplomatic developments. She has only one altogether reliable escape valve. That is to declare the island of Taiwan an independent state.

Mr. BAKER. Mr. Speaker, first, I wish to express my agreement with my other colleagues' remarks today in expressing support for our Chinese friends and allies of the Republic of China. We can all be thankful for any lessening of tensions in any part of the world that lead to a reduction of hostilities. However, we should not confuse a reduction of tensions with an abandonment of friends. Some may hope for great things in recent moves toward Communist China, but the wiser and more realistic approach is to realize that neither our interests nor those of world peace and freedom are served by abandonment of free allies and the wholesale acceptance of foreign totalitarian countries. From past history we should have learned the lesson by now never aids those goals that the American people seek in their foreign relations with other countries. But all too often, we do not learn from history. As George Santayana has said:

> Those who do not remember the past are condemned to relive it.

I urge the U.S. Government to continue our friendship with and our support of the free Chinese on Taiwan, the Pescadores, and the offshore islands. Ties between the American people and the free Chinese are of too great importance to be weakened by any shortsighted American actions.

As part of my remarks, I include an editorial from the Chattanooga News-Free Press of January 28, 1973, entitled "A Son's Vow":

A SON'S VOW

"Let me give you my word of honor that we will never enter into any negotiations with the Chinese Communists. Our decision in this respect is not based on political dispute or personal grudges. It is a matter of life or death."

The statement is by Chiang Ching-kuo, premier of Taiwan, long known as Nationalist China, The 62-year-old eldest son of President Chiang Kai-shek recently told a United Press International reporter of constant pressure that has been applied by the mainland People's Republic, Red China. For the last two decades, he says, "The Chinese Communists have sent out numerous trial balloons and started many rumors about peace talks with us."

But the son is not buying the "peace talks" pitch which he sees as a threat to the survival of the island republic established by his aging father when the Nationalists lost the mainland to the Communists in the late 1940s. He sees South Vietnam, South Korea and Taiwan as "three critical points in Asia," and "if they fall to the Communists, the entirety of Asia will go."

Chiang Ching-kuo had hoped President Richard M. Nixon would firmly support South Vietnam because of its key role in Asian security.

Touching and admirable, then, is the vow by this son of an old warrior who does not propose to be inundated by a Communist tide in Asia, who defiantly expresses the will to "go it alone," if necessary.

Across a narrow strait, the two Chinas stare at each other. Off the mainland, there is Red dictatorship. On the island, the people are free.

Mr. ZION. Mr. Speaker, as we all know change is one of the few certainties in the world in which we live. Times change, people change, nations change, and the international scene changes. Sometimes these changes take us by surprise and if we are not quick to recognize and deal with these changes we might well be engulfed by them. In the fall of 1971 the Republic of China found itself confronted with the stark reality of surprise and change as Mr. Kissinger visited China's mainland and the U.N. expelled one China and seated the other.

The Republic of China was quick to recognize that the battle lines were drawn and the war had changed. With an absolute determination to preserve the light of freedom and the traditional Chinese propensity for hard work they set out to wage an economic war with the other China which is certain to contrast the potentials of a free society as opposed to a closed society. Mr. Speaker, I believe it behooves us all to stop and consider the progress of this struggle.

As a matter of fact Taiwan has long been winning the economic war but they have significantly widened the gap in the last 2 years. Twenty years ago the per capita income in Taiwan was higher than the per capita income in mainland China is today, even if we use the figures from the mainland which are usually inflated for propaganda purposes. In the last 10 years the per capita income in Taiwan has increased by 102.2 percent which places them third in Asia behind only Japan and Singapore. The per capita income in 1972 in Taiwan was over four times that in Red China.

In 1962 free China's GNP was only $2.6 billion and by 1972 their GNP had increased to $7.2 billion, an increase of 168.3 percent. In the last 2 years the GNP for Taiwan has grown by 11 percent which is the highest increase in all of Asia and one of the highest in the entire world. The population on Taiwan has grown from 11.5 million to 15.2 million or by 32.8 percent in the 10-year period but the birth rate has fallen by 13.2 percent during the same period of time. The Government of the Republic of China is able to report almost full employment since employment has risen by 37.6 percent in the period of 1962–72.

After 9 years of keeping the lid on inflation in 1972 inflationary pressures were created because of a sharp increase of the money supply and because of the rapid influx of foreign exchange holdings and higher international commodity prices. However, they have already taken steps to lower tariffs and relax import controls on food grains and bulk commodity products in order to halt this inflationary trend.

Mr. Speaker, in 1972 Taiwan's exports reached 44 percent of their GNP as they experienced the highest foreign trade growth in the world last year. This fantastic increase in foreign trade last year caused this small nation of 15 million people to pass Communist China with 750 million people in total foreign trade and according to all estimates they will forge significantly further ahead in trade this year. Industrial production rose by 26.2 percent in 1972 which is the highest in two decades.

There is no question that the people who live in freedom on Taiwan are determined to win this economic war and from all indications they are doing just that. I certainly think it is in order for us to commend and support them in their dedicated efforts.

Mr. PRICE of Texas. Mr. Speaker, I shall not take a great deal of time recounting history or citing the long record of friendship between the United States and the Republic of China; that ground is being adequately covered here today by others.

Instead I wish to make a point that is as simple as it is true. President Theodore Roosevelt once said:

> No man is justified in doing evil on the ground of expediency.

That applies also to governments.

Ever since President Nixon went to Peking where he was received as a foreign prince who had come to pay tribute, this Nation has been infected by a Mao-craze which rivals the hula-hoop fad of the 1950's and the Beetlemania of the 1960's. Thanks to the Madison Avenue sales job by the advocates of American journalism, the truth about Communist China has given way to the romantic imagery of the People's Republic of China.

Let us return to commonsense—Communist China is still just that—the world's largest police state dominated by a government whose sole mission is to destroy Chinese culture and to impose totalitarianism upon all neighboring states in Asia, and indeed throughout the world. President Nixon was not received as a friend—the United States in the words of the Communist Chinese is still the world's bastion of imperialism, and those who would support us are labeled "running dogs." Any dreams of a rapprochement with Communist China are just that—negotiations, trade, and cultural contacts are simply new fronts of the old war. The Communists would beguile us much as the Trojans who lay in wait in the belly of a wooden horse offered to the Greeks. When the gates to the city were opened and the gift received, little did the residents realize they had brought into their city the means of their own destruction—until it was too late.

It is fashionable to talk of a dialog with Communist China—but there are too many who forget that the word dialog implies two-way conversation. There are those who would forget the record of bloodshed, brutality, and tyranny of the Communist regime which dominates China. They would amazingly rationalize away a history of mass murders and criminality which would make Hitler's record pale into insignificance. They would sweep conscience under the rug as a small price to pay for trade with Red China. In short, they would act in the name of expediency.

But this again brings to mind President Roosevelt's words:

> No man is justified in doing evil on the ground of expediency.

By contrast, we have a friend—a real friend—in the Government and people of free China. The Republic of China has voted with us in the United Nations; they have contributed heavily to the keeping of the peace and the mutual defense of American security and interests in Asia; and they have built the second most prosperous economy in all of Asia, on a free enterprise foundation achieving a per capita income second only to Japan in all of Asia. In spite of the fair-weather treatment the Chinese people have received by many nations who have recently jumped on the Peking patronage bandwagon, they have by sheer force of stamina and perseverance endured and in fact overcome adversity and have set an example of courage and accomplishment which is a model and inspiration for us all.

If the U.S. Government should ever desert free China or sell our friends "down the river" regardless of the excuse or rationale, it will be a new day of infamy and an ugly blotch upon American history. Let us continue to fully support the Republic of China with the intention that her national flag will someday soon be rightfully restored to its place of honor across the Chinese Mainland.

Mr. MONTGOMERY. Mr. Speaker, I would like to commend my colleagues on both sides of the aisle for taking this time today to point out the necessity of not forsaking our long-time ally, the Republic of China. I feel that it is very important for the Members of Congress and the American people not to become so wrapped up with our negotiations with the Peoples Republic of China that we forget the importance of preserving the freedom and independence of the Chinese people living on Formosa.

I do not want to belittle the importance of President Nixon's trip to mainland China and his talks with the Chinese Communist leaders. Mr. Nixon's trip to Peking was a very important step forward in thawing the cold war and laying the groundwork for peaceful coexistence between the United States and the major powers in the Communist bloc of nations.

Unless we are willing to talk with our so-called enemies, we will never be able to find out what each other is thinking about. Nor will we be able to carry on meaningful talks on how to limit arms and reduce tensions in the world.

However, just as it is important to come to terms with our enemies, we must also stand fast with our friends and not forsake them. Many people might ask why we should be so concerned with Nationalist China since it is such a small nation and carries no weight in world affairs. My reply would be that the size of the nation is not the important factor. The important point is the need to continue to honor our pledge of mutual security to the people of free China. If the United States is going to maintain its respect with other free nations of the world, we cannot afford to become fair weather friends of smaller countries who look to us daily for leadership.

We just cannot turn friendship off and on like water running out of a faucet and expect to maintain and deserve the respect and admiration of our other allies.

We have a longstanding commitment to the free people of the Republic of China and we must continue to honor this commitment with sincerity of purpose and determination of objective.

Mr. ARCHER. Mr. Speaker, I wish to join with my other colleagues today in urging the U.S. Government to continue our strong and friendly ties with the Republic of China and its people. I trust that our Government will do nothing to compromise the freedom of these people. The free Chinese serve as an example for other peoples of the world that through sacrifice, dedication, and hard work they can succeed in building a strong free nation.

The Republic of China has, in the past, received American economic assistance. However, since 1965, the Republic of China has not received such U.S. assistance. Through diligent labor, the free Chinese have progressed in all areas of economic life which has resulted in an increasingly better standard of living.

Though on a much smaller scale than the giant powers, the Republic of China has been and continues to give aid to developing countries in different parts of the world. The free Chinese have learned that the best means of helping other countries is not through direct grants of money. Instead, they provide training and know-how to those with whom they have agreements. In many countries of Africa they have sent agricultural teams who set up farms to teach the local people how to improve agricultural methods. The Chinese teach by example and through working alongside those they are teaching. They also organize extension courses and other programs to reach the countryside. Different types of teams such as handicraft teams and sugar mill teams have been sent to other countries.

Host governments have thanked the Republic of China for its willingness to help in their countries without becoming involved in domestic matters.

Since 1954, over 6,000 technicians from some 50 countries have received training in Taiwan. More than 1,400 Chinese technicians and specialists have been dispatched to countries in Africa, the Middle East, Southeast Asia, and Latin America. These statistics show that the free Chinese are interested in helping others. Past American economic assistance helped the Republic of China build the base necessary for sustained growth and being able to help others with small-scale assistance.

Mr. Speaker, I wish to include in my remarks the following article entitled "Taiwan's International Cooperation Program" from Intereconomics, No. 12, 1972:

TAIWAN'S INTERNATIONAL COOPERATION PROGRAM

(By C. C. Chang, Taipei)

Since the end of World War II, considerable effort has been made by advanced countries and international agencies to help developing countries through their economic and technical assistance programs. However, in many instances, they have been far from attaining their goals, as every so often they have failed to appreciate some of the basic problems inherent in the developing countries. With the tapering off of the contributions made through these aid programs in recent years, the situation calls for a serious look into the possibility of promoting economic and technical cooperation among the developing countries themselves as a parallel action to complement the aid efforts of the advanced countries and international agencies.

RAPIDLY EXPANDING COOPERATION

The Republic of China has enjoyed on its island-province of Taiwan a sustained, rapid economic growth averaging 8.7 p.c. since 1953 and 10.0 p.c. since 1962. It has gathered in the course of this continued economic progress a stock of knowledge and experience useful to other developing countries. Thus, back in 1954, it started to offer training opportunities to foreign technicians in fields in which it had achieved marked success. Its overseas economic cooperation program began in 1959 with the dispatch of an agricultural team to Vietnam and picked up tempo in 1961 when a farming demonstration team was sent to Liberia in Africa. Since then, this program has been expanding rapidly with very gratifying results.

At present, well over 1,000 Chinese specialists and technicians are participating in various technical cooperation projects through bilateral arrangements the Republic of China has made with more than 30 countries in Africa, Southeast Asia, the Middle East and Latin America. Most of the projects are for agricultural cooperation. In Africa alone, there are now 19 Chinese agricultural technical missions working in 18 host countries.

An outstanding example of the Republic of China's successful efforts at promoting international cooperation is provided by the agricultural cooperation it conducted in the Ivory Coast. A 14-man agricultural technical mission started in March 1963 a demonstration project at a selected site at Korhogo. Work during the demonstration period included reclamation of land, experimentation on new varieties of rice, improvement of cultural methods, development of irrigation and drainage facilities, introduction of simple farming machines and tools, and training of local farmers. In the space of two years, four crops of rice were harvested by the demonstration team with an average yield of 6,300 kilograms per crop, which was more than five times the previous local yield. And since the local practice used to produce only one crop of rice a year, the increase in annual yield was actually more than ten times. Equally impressive was the increased yields of upland crops, watermelons and vegetables introduced by the team.

PROMOTION OF RICE CULTIVATION

The success of this demonstration prompted the Ivory Coast to launch in the summer of 1965 a nation-wide agricultural extension plan aimed at attaining self-sufficiency in rice. To meet the increased need for Chinese personnel to assist in the implementation of the extension plan, the agricultural mission has been enlarged several times to include presently as many as 160 members. In June 1972, extension work was being carried out in 819 regions covering some 18,000 farm families with a total farm land area of 8,300 hectares, and training was completed for 19,800 agricultural workers.

The Ivory Coast, which is nine times the size of Taiwan with but one-third of its population, imported 84,000 metric tons of rice in 1966. As a result of the agricultural extension work, rice imports have been greatly reduced since 1967. The country is expected to become self-sufficient in rice in the near future.

Technical cooperation with Latin American countries began in 1963 with the dispatch of a six-member team to the Dominican Depublic to assist in its agricultural development. Currently, Chinese agricultural technical teams are working in nine countries in the western hemisphere, which number is expected to increase to 14 by the end of this year.

Everywhere they go, the Chinese agricultural missions have been successful in demonstrating, through the application of their well-tested cultural methods, impressive increases in production in rice and other crops. Except in a few cases where bilateral cooperation has been discontinued from diplomatic causes, prolongation of their service has been sought by every host country after the completion of their demonstration projects to assist in its further development efforts.

TRANSFER OF INDUSTRIAL KNOWLEDGE

Besides agriculture, cooperation has also been extended to countries on the African and European continents in the promotion of a wide range of non-agricultural projects, including sugar milling, distilling, peanut oil production, highway engineering and handicraft. Plans are under way to step up cooperation in industrial development, with special emphasis on the establishment of light industries, in which field the Republic of China has accumulated experience.

With its neighboring Asian countries, the Republic of China naturally has maintained constructive cooperative relations for geographic, cultural and economic reasons. Close economic and technical cooperation is maintained with Korea, Thailand and Vietnam, with which bilateral conferences on economic cooperation at the ministerial level are held annually to review the progress in implementing economic cooperation programs and to make and consider new cooperation proposals. The cooperation activities include the rendering of advisory and technical services, exchange of visitors for observation and consultation, transfer of technology and information, trade promotion, joint industrial ventures and conducting of training programs.

Stationed in Thailand is a Chinese agricultural technical mission working at Sappaya, Chinant Province. A leading rice exporter, Thailand is convinced that it can considerably increase its production of rice and other crops and raise the income of its farmers by emulating the Chinese cultural methods, irrigation system and farmers' organisation.

ESTABLISHMENT OF MODEL VILLAGES

Economic and technical cooperation is extended to the Republic of Vietnam in a wide range of projects. An agricultural team, now in the 13th year of its service in that war-ravaged country, is bending its efforts to assist in the establishment of model villages. Other Chinese technical groups for long-term service in Vietnam include an electric power team and two medical teams. Technical assistance has also been rendered in the fields of intrastructure (railways, postal and telecommunication services, urban planning and reconstruction, rural electrification, port construction, etc.) and industrial development (sugar cane growing and sugar manufacturing, concrete pole factory, machinery repair and maintenance, etc.).

Technical training constitutes an important factor in Chinese international cooperation. In collaboration with the US Third Country Training Program, the Republic of China has offered facilities for training of some 6,800 foreign technicians in various fields over a period of 17 years. Technicians from Thailand (2,456) make up the largest group, followed by those from Vietnam (1,822), the Philippines (577) and Korea (419).

The Chinese government also conducts independently a number of training programs either in cooperation with its own overseas technical cooperation activities or in response to specific requests from interested countries. Since 1962, a series of 13 comprehensive agricultural seminars, each lasting about five months, has been conducted for African agricultural technicians with a total attendance of 639 participants from 31 African countries. Practically all the graduates of these seminars have returned home to engage in agricultural work. One graduate, however, has become the foreign minister of his country. Recently completed was a two-year seminar for 20 Vietnamese technicians in sugar cane growing and sugar manufacture. A similar one was conducted ten years ago to coordinate with the establishment of the first sugar mill in Vietnam.

RESEARCH AND TRAINING INSTITUTES

Moreover, a number of research and training institutes have been established in the Republic of China under various regional and international cooperation programs. These include the Asian Food and Fertilizer Technology Center established under the auspices of the Asian and Pacific Council; the Asian Vegetable Center initiated by the Chinese Government and the US Agency for International Development with the support of the Republic of Korea, Thailand, the Philippines, Vietnam and Japan; the Land Reform Training Institute, a joint project of the Chinese Government and the Lincoln Foundation of the United States; and the Chinese Center for International Training on Family Planning set up jointly by the Taiwan Provincial Government and the US Population Council.

The Chinese economic and technical cooperation program has the following distinct features, which have made it highly receptible to cooperating countries and thus have brought it marked success:

Adaptability: Having recently gone through similar stages of economic development, the Republic of China can better appreciate the problems of the cooperating developing countries, and its experiences are more readily adaptable to their needs. This fact is borne out by the effectiveness of the package of Chinese agricultural techniques adopted in the great number of developing countries, in many of which similar attempts by other sources have wound up in failure or with only limited success.

Partnership: A predominant criterion in the selection of cooperation projects is their economic feasibility with regard to the means and capability of both the Republic of China and the host country concerned. The cooperating countries thus work closely together as equal partners sharing the responsibilities commensurate with their respective resources. With the cooperation projects undertaken in the nature of joint ventures, there is a complete absence of the sense of disparity in standing as is often generated by the so-called aid programs.

THE ADAPTATION TO LOCAL ENVIRONMENTS

Grassroots Contacts: The most effective way to disseminate knowledge and know-how is to get in close contact with the very people actually doing the work and convince them by showing them how to do it. The Chinese specialists and technicians adapt themselves easily to the local environments of the host countries and work shoulder to shoulder with local participants, to whom the techniques are to be imparted. Trainers and trainees mix happily together as friends, living under the same conditions and doing the same type of work.

Optimum Results at Moderate Costs: Another feature closely related with the previous one is that in conducting cooperation projects compatible with its own development experience the Republic of China is able to offer the necessary services with a minimum waste of effort, money and time. Its program can therefore produce the desired results with a comparatively modest budget, whereas a more elaborate approach may often lead to complications besides entailing a higher cost.

The Republic of China's willingness to help other developing countries with its own development experience is limited only by its available resources. But, as testified by the fruitful results of its efforts, the developing countries can certainly benefit immeasurably from stepping up cooperation among themselves.

U.S. House of Representatives,
Washington, D.C.

Dear Colleague: For decades the governments of the United States and the Republic of China have been allies and their citizens close friends. Now, our government is engaged in lessening of tensions with the People's Republic of China. We want good relations with all peoples. However, we feel we should not overlook long and true friends who have been our allies in times of stress. In consequence, we have requested time for a special order to urge the President and our government to continue to help to preserve the freedom of our friend and ally, the Republic of China and its people.

We invite you to participate with us in this Special Order on May 9, 1973, to emphasize our support for the ongoing freedom and progress of the Republic of China.

To indicate your interest in participating in this Special Order, please contact George Allen (5-9285) or Tom Anderson (5-5772).

Clement J. Zablocki.
Edward J. Derwinski.
Robert L. Sikes.
Trent Lott.

Mr. GILMAN. Mr. Speaker, our American foreign policy today is undergoing vast changes and realinement. We seem to be emerging from the cold war confrontation era. New relationships are being forged by an imaginative and creative foreign policy with the laudable objective of bringing about a generation of peace.

However, a word of caution is called for. After 20 years of pressures and tensions between the People's Republic of China and the United States, there is a tendency by our Nation to forgive, forget, and pursue a new relationship with mainland China. As the fervor of our passions for our former adversary grows, will the friendship that binds us to old allies cool?

In our headlong rush into a new era of diplomacy, will we be casting off those who stood by us in the past? Will we permit our natural desire for opening lines of communication and commerce with the People's Republic of China to overshadow our relationships and obligations to the government we have always recognized as the voice of the Chinese people, the Republic of China?

A sense of perspective is needed as Communist China and our Nation come closer together. Let us not forget the last 20 years. Let us bear in mind that in 1949, our consular officials in China were mistreated and denied diplomatic status. Let us not forget that during the Korean war, Communist China intervened spilling American blood. And in 1958, the 7th Fleet had to move into the Straits of Taiwan when China began bombarding the offshore islands of Quemoy and Matsu.

During that same period, the Nationalist Government on Taiwan was our staunch friend and faithful ally. Pause too, to consider the contrast between the two regimes. On Taiwan, there exists a free and independent country. On the mainland, there is a despotism so oppressive that hundreds of its citizens each year brave the currents to swim to Hong Kong rather than to further endure the masters of Peking.

On Taiwan, there is a thriving, strong economy, with a stable, industrious society. Taiwan was one of the first countries in the world to stop depending on U.S. foreign economic aid.

More important, the Taiwan Government has shared with us the long struggle in Asia, a common cause giving further substance to the propriety of our continuing friendship.

It is important that we open new windows on the world. But in engaging in these new initiatives, let us not turn our backs on our old friends in the family of nations.

Mr. DENT. Mr. Speaker, ever since the Nixon administration embraced a policy of closer relations with Communist China we have been subjected to a steady stream of reportage about the glorious accomplishments achieved under Mao Tse-tung's leadership.

We are told that the hundreds of millions of people on the mainland are well fed, exposed to the best of health care, free from plagues and epidemics, and generally better off than at any time in the 4,000 years of recorded Chinese history. We are even told that there are no flies or fleas. American eyewitness accounts of life in Red China admit to only one bad aspect: the complete sacrifice of any intellectual freedom. But, so the reportage goes, that is a small price to pay for a full stomach.

It is curious that in all the glowing accounts by our leading writers, columnists, and intellectuals we find so little reference to the thousands of young and often poor Chinese men and women who annually risk life and limb to flee to Hong Kong and other offshore bastions of freedom. In 1972, for example, more than 20,000 refugees escaped from the mainland by swimming a dangerous channel to Hong Kong. The personal accounts given by these souls are at variance with those appearing in our newspapers, periodicals and books. Escapees from communism express themselves as being fed up not only with intellectual stagnation but with food and clothing shortages, ruthless purges, continual police state harassment and all the evils attendant to any totalitarian state.

Also lacking in the reportage is the study in contrasts with what has been accomplished by the Republic of China. Enjoying the climate of freedom, the 15 million Chinese on Taiwan and the offshore islands have far outstripped the mainland's 750 million in economic development while maintaining the highest standards of Chinese culture and intellect.

It is anticipated that Taiwan's import-export trade volume this year, for example, will reach the seven and one-half billion dollar mark compared to Red China's likely total of perhaps five billion. Furthermore, while giving their people a per capita income third only to Japan and Singapore in all of Asia, the Government of the Republic of China is one of the few in the world without serious fiscal problems. The budget for fiscal year 1972 showed a surplus of more than $50 million and all of the figures I am using are in American dollars.

The slogan that Premier Chiang Ching-Kuo used recently when he announced that on or about July 1, 1973, the salaries of government employees would be increased, perhaps by as much as 20 percent for lower grades, sums up the major difference between a free society and a tyranny. He said the Republic of China's employees and citizens generally "live to work and not work to live."

Those of us who cherish the freedom of the American Republic must never fail to stand behind the Chinese Government that also has chosen freedom's pathway to progress. We must never let diplomatic expediency serve to undercut the Republic of China. To do otherwise would be to turn our backs on freedom's champions in Asia.

Mr. SNYDER. Mr. Speaker, a lot has and will be said here on the floor today about our need to maintain the ties of reliance and amity with the Republic of China.

Frankly, Mr. Speaker, I think much of this talk is futile. I realize that it is often desirable to put the best face possible on certain sorry or sordid situations. However, Mr. Speaker, it appears to me that the present U.S. stance vis-a-vis the Republic of China is one which no verbal cosmetics are going to render sweet-countenanced.

It is simply too well-known a fact—recognized by my colleagues here in the House and by most of the American people—that our long-time allies and friends, the Nationalist Chinese, have been left in the backwaters of American foreign policy by the activities of President Nixon in recent times. That is a bald, inescapable chapter of history.

Some of us here today criticized the President's actions, some of us cautioned against them, and some of us quietly—though perhaps apprehensively—acquiesced. Nevertheless, those actions did take place.

Call it a "stab in the back" or call it a "bold new initiative in foreign policy"—call it, as you will, what you will, but it appears to me to have the solid assent of the people and the firm promise of the President for continuing. I would venture to say—though I am by no means absolutely sure—that few will note nor many remember what we say here today to the contrary.

Let me say that I am desirous that our Nationalist Chinese friends remain friends. But, let me ask, to whom are our remarks directed? To the people of the Chinese Republic? They know better. To the Red Chinese? They have no reason to pay us any heed. To the countries of Southeast Asia or Europe? Have they any reason to believe us?

By all means, let us call for the friendship of all peoples—whatever that means—but let us not delude the unsuspecting reader of the Congressional Record into thinking that active verbs denote active backing by our Government.

Mr. HANLEY. Mr. Speaker, I am deeply pleased to participate in this special order on the Republic of China today. It is not often these days that we in the U.S. Congress have a chance to speak about our friends in the world—primarily because they are so few and far between.

As were so many of my colleagues here in the House, I was outraged last year by the expulsion of the Chinese Nationalists from the United Nations. For openers, the action was clearly illegal, since the question was of a substantive nature requiring a two-thirds vote rather than a simple majority. Beyond the legality, however, there was a moral and political question involved. Practically every slave state within the Soviet Empire has a vote in the U.N., but one democratic society, whose only apparent sin was to remain loyal to the United States, was not entitled to membership, I was furious then and I am furious now.

During the past two and a half decades, American taxpayers have been extremely generous with their hard earned dollars on behalf of less fortunate nations. In return, most of the recipients have rewarded us with a swift kick in the teeth. Many of our so-called allies in Europe have repaid our kindness by massive assaults on the dollar in the international monetary market, and a host of other nations have turned against us repeatedly in the United Nations and in other forums. One only needs to look at the recent vote on the Panama Canal to see just how many friends we really have around the globe. Throughout all this, the Republic of China has been a steadfast ally of America, and a beacon of hope to the millions of people enslaved behind the Bamboo Curtain.

I am not going to stand before you today and argue that the Republic of China has an impeccable record or a perfect government. It has not. But then neither do we or anyone else in the world. What it does have is a solid record of achievement in economic development, in education, in social improvement and in expanded freedoms. It also has a firm commitment to the freedom of all Chinese. It is, in short, the very antithesis of the Government of the Peoples Republic of China.

Mr. Speaker, one of the painful realities of international politics is the fact that, whether we like it or not, we have to deal with our antagonists—one way or another. The world is now too small to ignore any nation, no matter how large or small. But I, for one, have never seen the logic or the prudence of treating our enemies the same as or better than our friends and allies. I think this is the real question before us today.

President Nixon said at the outset of the new diplomatic initiatives with Red China that we would never make new friends at the expense of our old ones. Yet I am skeptical that this policy will obtain in our dealings with Taiwan. I am deeply concerned that the Republic of China will be lost in the shuffle, and I want my voice to be heard loud and clear that I consider the Republic of China as a firm ally who deserves our loyalty, support, and friendship.

Mr. BAFALIS. Mr. Speaker, as we all know, the past few years have brought great changes in the world political picture. Due to the outstanding and unprecedented achievements of President Nixon, communications have been established between our Nation and the People's Republic of China—the largest country in the world today with over 700 million citizens. Further, great strides have been made in our relationship with Russia and its allies in the Eastern bloc. And this year has been designated "the Year of Europe" by the President. I am sure that all my colleagues will agree with me in the statement that we are now nearer the full generation of peace envisioned by this administration than at any other time in our Nation's history. Let me now state my support of this worthy goal.

However, in our zeal to ease our relationship with mainland China I feel the United States must be very careful not to overlook our traditional international obligations and commitments to one of our most valuable allies—the Republic of China, Taiwan. As we all know, Taiwan has already suffered great indignities as a result of the vote in the United Nations which seated Red China and expelled Taiwan. Unfortunately, this incident went even so far as to remove from the U.N. building in New York the plaque which identified Taiwan as a donor to this international organization. Now, we hear those who would encourage us to forsake Taiwan as a trade partner in order to concentrate on mainland China. I simply cannot support this movement. Let us look at the facts.

First and foremost is philosophy. The Republic of Taiwan is a free society. Men and women can practice their religion, they can read and write divergent opinions, they can associate themselves with the ancient Chineses culture of the past. Mainland China is a Communist society and therein lies the greatest difference.

This decision, however, must be based on more than philosophy. Taiwan has proven to be an outstanding neighbor to the United States in the community of the world. Taiwan has not accepted any foreign aid since the year 1965. Although the Republic of China still participates in America's defense loan program, Taiwan has never defaulted on one of these loans and its present payments are all current. Furthermore, in recent history, Taiwan has always been one of the first countries to come to the assistance of the United States in times of strife—the Korean war and the Vietnam conflict. I am sure my colleagues will agree with me when I say this country of ours definitely needs more productive and self-sufficient allies like Taiwan, rather than those countries who claim to be our friends and drain us of our tax dollars only to turn against us when the chips are down.

And finally, we must evaluate this crucial decision on the basis of value as a trade partner. Many of you will be shocked to find that Taiwan is currently the United States ninth largest trading partner. With a country of only 14 million. Taiwan does approximately the same amount of foreign trade as does mainland China with over 700 million people. And, economic forecasts show Taiwan's economy growing over 10 percent each year—an astonishing rate.

Certainly, then we must say that a decision to continue our traditional relationship with the Republic of China is one that is morally right, economically sound, in fulfillment of our legal obligations, and in the best interest of our own national security.

Mr. DOWNING. Mr. Speaker, we are constantly reminded by the administration that steps by the United States toward improved relations with Red China are not being taken at the expense of the 15 million free people on the island of Taiwan.

I hope that this continues to be the unwavering, principled basis of U.S. foreign policy in the Far East.

While I must admit to certain reservations about our current diplomatic courtship of Peking, I believe with the majority of Americans that these are worthwhile initiatives if they contribute to the cause of lasting peace and justice in the world. But even at the expense of losing the ground we have gained through these recent initiatives to Peking, we must review our relationship with the Mao regime at the first hint of any threat by Red China to the political and economic freedom of Taiwan.

Our Nation has always been guided by its belief in rewarding goodness and honest success. And by any measurement, Taiwan is a bastion of freedom. For its limited area and small population, there is no other country that better exemplifies the proven principles of free enterprise and personal liberty. We must continue to reward those virtues of life in Free China with our unflagging friendship and support.

Many people have been confused by our two-headed U.S. China policy into believing that the United States and other free nations stand to benefit economically from improved relations with Peking, even if such diplomacy results in deteriorating relations with Taiwan. Only a realistic comparison of the economic and political circumstances in both Chinas can allay such nonsense.

As Father Daniel Lyons noted in his provocative booklet, "The Two Chinas"—

> Mainland China is an awesome reminder to the rest of Asia that communism is a colossal hindrance to economic development. But Taiwan is dramatic proof that free enterprise brings incomparable results.

So that we can all see in a better light a good comparison of the true economic conditions in both Chinas, and thus better understand our own politico-economic stake on the subject of United States-China relations, I insert in the RECORD, at this point, three selections that adequately summarize the point.

First is an extract dealing with economic development in Taiwan from "United States Foreign Policy 1971: A Report of the Secretary of State." Second is Father Daniel Lyons' chapter about Taiwan from his booklet, "The Two Chinas." And third is a good summary of current economic conditions in Red China by Nils Eric Brolin, in an article entitled "Is Red China an Economic Paper Tiger?" from the current issue of the Freeman:

U.S. FOREIGN POLICY 1971—A REPORT OF THE SECRETARY OF STATE

ECONOMIC DEVELOPMENTS

Loss of its place in the United Nations and a reduction in bilateral diplomatic ties have not affected the prosperity of the Republic of China (ROC) or narrowed its commercial relations with the world. Last year GNP was up 11.4 percent in real terms. Per capita income rose 13 percent. Industrial growth was up 21 percent. The rate of inflation was low.

Trade and foreign direct investment have been the two main forces behind the remarkable economic expansion of Taiwan. Last year the value of new foreign investment approved by the government was 17 percent over the 1970 level—an all-time high. European firms showed increased interest in investment there. At the end of 1971, the cumulative value of foreign investment approvals was almost two and a half times greater than at the end of 1968. In the years 1952–71, American investors have provided 40 percent of the new investment, chiefly in electronics and chemicals.

As a result of steady efforts by the ROC to encourage investment in export-oriented industries, foreign trade reached $4 billion last year. In 1971 Taiwan's trade was six and a half times its 1961 level and up 29 percent over 1970. Exports rose 33 percent over the 1970 level.

The United States, once again, was the principal trading partner of the ROC. We took 42 percent of Taiwan's exports in the first 11 months of 1971, according to its own figures, and provided about 31 percent of its imports.

Exports of the ROC to most major countries recognizing Peking expanded in 1971. Final results for that year are expected to show that exports to Canada and the United Kingdom approximately doubled.

Taiwan enjoyed a merchandise trade surplus. This, together with a surplus in invisibles trade and an inflow of foreign investment capital brought a substantial surplus to its international payments account.

Excellent trade and investment opportunities continue to exist on Taiwan. We do not foresee that the U.N. action will reduce them.

[Excerpt from the book "The Two Chinas"]

(By Daniel Lyons, S.J.)

Free China

Americans are getting used to reading about the amazing economic success of Formosa, more commonly known as Taiwan. The Reader's Digest hailed it as "Asia's Heartening Success Story" (February, 1966). The U.S. News & World Report ran an extensive article entitled "The Boom in the Other China" (March 27, 1967). The island Chinese, it pointed out, "are flourishing as never before," and it hailed Taiwan as "one of the brightest spots in Asia." Time magazine last year called it "a model for Asian economic development" (May 12).

Formosa had been an integral part of China for centuries, but it was conquered by Japan in 1895. After 50 years of Japanese occupation it still had only two cotton mills, one woolen mill (for making Japanese navy uniforms) and two jute mills. That was about all the industry it had. It was returned to Nationalist China at the close of World War II. Four years later it was all that was left of Free China, as Mao Tse-tung conquered the mainland, with substantial Soviet help. The 7 million inhabitants soon found more than a million refugees on their hands, on an island just 90 miles wide and 240 miles long. Today there are more than 13 million inhabitants. There is complete freedom of religion, and a good education has become universal.

Between 1951 and 1965, Taiwan received $1.4 billion in aid from the United States. But much of that aid was for military defense, and after 1961 it was primarily loans. By June, 1965, Taiwan voluntarily ended all economic aid from the United States, and by March, 1967, over $50 million in interest and principal had been repaid.

Mainland China is an awesome reminder to the rest of Asia that Communism is a colossal hindrance to economic development. But Taiwan is dramatic proof that free enterprise brings incomparable results. Taiwan is a very limited area for 13 million people, yet agricultural products are one of its greatest exports. On Taiwan there is prosperity instead of hunger, there is abundance instead of scarcity, and there is personal freedom instead of state domination.

It was in December, 1949, when Chiang Kai-shek landed on Taiwan with 500,000 worn-out soldiers and a million hungry refugees. Now 19 years later, Taiwan's standard of living is second only to Japan in that half of the world. Where it formerly depended on imports for survival, it now exports so much that its favorable balance of trade approaches $100,000,000 a year. Modern factories and excellent tourist hotels are popping up everywhere, and the Free Port of Kaohsiung is attracting industry from all over the world.

Thirteen million mouths require a lot of agricultural production, but Taiwan has an annual surplus of $34 million in rice, $52 million in sugar, $43 million in bananas, $20 million in canned pineapples, $24 million in canned mushrooms, $12 million in asparagus, $21 million in various other fruits, $4 million in tuna and other fish products, and $10 million in chickens and hogs. All of this is exported for hungry mouths elsewhere.

The government of President Chiang Kai-shek can be very proud of its accomplishments. Instead of stressing industrialization first, as many underdeveloped countries have tried to do, Taiwan developed its agriculture as a basis for industrialization. Chiang brought such land reform that today 85 percent of the farmers own their own land. He launched such practical programs as killing 26,600,000 rats, an enormous accomplishment when you realize that five rats eat as much as one person.

With typical Chinese ingenuity, the government of Taiwan gave the farmers a choice of selling their rice for cash or trading it for fertilizer. But it made the barter rate for fertilizer so much less than the market price that the farmers and their wives took advantage of the bargain. Chiang knew that once they had the fertilizer they would use it. He persuaded farmers and truckers to adopt rubber tires and roller bearings. How? By banning the blacktop roads to wheels with steel rims. The farmers quickly changed from oxcarts to carts with metal axles, increasing their hauling power enormously. By 1957 the ancient oxcarts with steel rims, still so prevalent in countries such as India, had disappeared from the scene. Writes Karl Brandt of Stanford University, who was a member of President Eisenhower's Council of Economic Advisers: "Taiwan is a fine example of what is humanly possible in improving an underdeveloped portion of this earth for the welfare of the inhabitants." Every country, including the United States, could learn a lot from Taiwan.

Taiwan is also a military bastion for the free world. It is very loyal to the United States, where so many hundreds of its government officials have studied. It has the best air force in the Far East, and has the finest army in Asia, 600,000 strong.

[From the Freeman]

Is Red China an Economic Paper Tiger?

(By Eric Brodin*)

In the wake of President Nixon's well-publicized trip to China in the spring of 1972, many of the world's businessmen began to get visions of a brand new market with 800 million customers. Representatives of a great many of the world's industries and export firms made their way to various trade fairs in China. At the Canton fair in the spring of 1972, for example, 16,000 foreign businessmen were present, 1,500 from Japan alone representing almost 1,000 firms. No doubt these business interests were partly responsible for the ouster of Japan's Premier Sato, and for the recent diplomatic recognition of Communist China by Japan. An early advocate of Red China's international recognition is Sweden, who at the same fair had representatives from 147 firms. The Swedish Trade Minister also was there and expressed the hope for a 100 to 200 per cent rise in Swedish-Chinese trade.

Did Nixon's visit with Chairman Mao thus open vast new trade possibilities between Communist China and the world of business beyond the "Bamboo Curtain"? We can only make guesses from some of the *statistics* published in China, from reports from recent visitors, and of course from the "gnomes of Hong Kong" who often have amazingly accurate reports from "contacts" who can freely pass from the British Crown Colony to Mainland China.

First of all, we are not even sure of the population of Mainland China, which has been variously estimated as 750 or 800 million. But numbers alone do not make China a consumer of international goods. Mainland China's foreign trade has risen from $1 billion in 1950 to $4.2 billion in 1971. This is comparable to the foreign trade of Italy, or of Yugoslavia, and some 20 per cent less than that of tiny Hong Kong with its four million, population. Even with one-fourth of the world's population, Red China's share of world trade is but two-thirds of one per cent.

Peking's income from external trade amounted in 1970 to $2.8 billion, with imports of $2.1 billion. Such imports amount to about $2.50 per person per year. Only four per cent of China's Gross National Product is ascribed to foreign trade. It is evident, *therefore*, that China may either (for economic reasons) be incapable of being a viable international trading partner, or it chooses (for ideological reasons) to be a self-sufficing economy. That the latter might be the objective is evident from many official statements which insist on self-reliance and reflect the traditional Chinese hatred of foreigners. Expressed in Maoist terminology, reliance on foreign trade is "bourgeois" thinking full of "veneration of foreign technology.

Trade patterns of Mainland China since the revolution show several changes. Foreign trade in 1966 was higher than that of 1971. It declined to $3.7 billion in 1967, then started slowly to rise again. Communist China's main trading partner in the past had been the Soviet Union—$2 billion in 1959—but by 1970 it had declined to a mere $55 million, indicating a complete reversal of Chinese foreign trade patterns. Formerly, 60 per cent of Mainland China's trade was with Communist countries; now the main trading partners are Japan ($822 million in 1970), Hong Kong ($477 million), the Federal Republic of Germany ($253 million), and Great Britain ($187 million).

And where does the United States fit into this trade picture? It is too early to know what future trade relationships may be, except that they are not likely to be very significant. United States' trade with Communist China, since restrictions began to be gradually removed in 1970, had risen by February 1972 to a mere $5 million of imports by the United States. (United States imports from Nationalist China (Taiwan) during the first nine and a half months of 1972 amounted to $2.3 billion. U.S. imports from Japan amounted to $4.9 billion in 1969, $5.9 billion in 1970.)

The problem in international trade for

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*Mr. Brodin, economic journalist and foreign correspondent, is working on his doctoral dissertation in Sweden.

Mainland China is that they have so few products which are attractive to or needed by industrialized nations; or, if they have these products, a poor or inadequately developed infrastructure makes transport and shipping difficult. If tempted to think of 800 million potential consumers, one ought to take a closer look at the internal economy of China.

China is an underdeveloped country with a per capita income among the lowest in the world. In an authoritative series of articles in November 1971, the Italian journal *Successo* estimated the annual per capita income in Red China to be between $93 and $97. Richman in *Industrial Society in Communist China* puts the figure (in 1966) at between $70 and $100, whereas the more optimistic report on China by *Business International* estimates it to be $111 in 1969, with a possible rise to $122 by 1980. (By that time, for comparison, estimated annual per capita income would be $3,600 for Australia, $4,517 for Japan, and $6,655 for the United States.)

It is evident that such income severely limits what the Chinese peasant can afford to buy from abroad. By the best estimates possible, a Chinese peasant today may have a monthly income of about $20, an industrial worker about $25. One of Red China's leading authors, Hao Jan, reports a monthly income from the Peking government amounting to $44. But, it can be argued, if foodstuff and other necessities are cheap, these statistics might not be meaningful. This does not seem to be the case, however. From visitors, and chiefly from some of the refugees who are still fleeing Communist China at about 30,000 a year, we learn that the Chinese worker (with an average wage of $24 a month) will have to work from 7 to 15 days for a sweater, 70 to 80 days for a raincoat, and three months for a bicycle or a sewing machine.

Mainland China is in desperate need of industrialization in order to become self-sufficient in the goods necessary for its citizens, let alone any surplus for export. Its "Great Leap Forward" and other economic innovations turned out to be costly mistakes for the Chinese economy. It is evident that Red China needs first of all to make technical advances in its agricultural sector, and then to expand and modernize its industrial sector. Visitors to China are invariably shown a mechanized commune and a chemical fertilizer factory—showing the priority of their interests. As in any developing society, the agricultural sector is very important; China must first feed its large and expanding population. (The rate of growth has been variously estimated at 1.4 percent to 2.5 percent per annum, and the higher figure is more probable). But it is the individualistic Chinese peasant who has been one of the chief headaches to the Communist regime, what with his opposition to communes and collectivist thinking. It is also in the agricultural sector where most charges of "sabotage" have been leveled.

"Class enemies and capitalists are always finding opportunities to try to wreck the collective economy" reports the Red Chinese theoretical journal, *Red Flag*, and this was due to the "failure of low-echelon party-cadres of following Mao Tse-tung's line." Peking's *Kwangning Daily* of November 9, 1972, reported that "capitalism has reared its ugly head in productive teams in Sinkiang Province." And according to *People's Daily* (Peking) an "evil anarchism wind" has also swept across Mongolia which has "encouraged many to lean toward capitalism." It appears that some of the "sabotage" is due to dissatisfaction among the thousands of students who are being shipped into the interior for compulsive (corrective) farm labor. *China Mail* for September 2, 1972, reports that a veritable black market in rationing cards has begun by such students "after they had been banished to the countryside."

As long as agricultural and technical improvement and changes can be determined only by the *Thoughts of Chairman Mao* (poetical though they may be) there are slim chances for any real expansion in the economy of Mainland China. The *Hopei Daily* of November 13, 1972, in a typical reaction to a farm problem: "Under the criticism and rectification campaign, sustained anti-drought efforts have led to comparatively satisfactory harvests . . . Chairman Mao's policy must be strictly observed . . . [and] vehement attacks must be launched against Liu Shao-chi. . . ."

Such ideological, rather than technical, ideas are also at work in the embryonic Chinese industry. Jonathan Unger, writing a perceptive article in *Far East Economic Review*, attributes the slow growth of Red Chinese industry to chauvinism and ideological preoccupation which prevents the Chinese from learning new methods and importing technical innovations from abroad. The chairman of Alfa-Romeo of Italy commented, during a visit to China in 1971, that the technical efficiency of a Chinese automobile plant in Shanghai was comparable to that of his own plant *in 1910*.

It will be a long time until the visions of massive trade with Mainland China by the world's businessmen and industrialists can be realized. First, the Chinese will have to abandon the unworkable ideas of Communism and the equally unworkable ideas of Chairman Mao. Until then, it is likely that Communist China will remain an "economic paper tiger."

LICO SILVA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. BROWN) is recognized for 10 minutes.

Mr. BROWN of California. Mr. Speaker, any war is going to have its share of innumerable personal tragedies, and the war in Vietnam is no exception. What I wish to do today is to tell the Members of this House of one such tragedy involving a young man from my district, Federico Silva, known to his family and friends as Lico.

Lico Silva was born in Juarez, Mex., in 1946. He came to the United States with his family when he was 10 years old and attended junior and senior high school in San Bernardino, Calif.

While still a young man, he decided to become a pastor in the Church of the Nazarene and he was well on his way to gathering a flock. Among his other activities, he would bake cookies for prisoners in the county jail and read to them from the Bible. In 1964, as the violence grew in Vietnam, his missionary spirit caused him to enlist because he wanted to help the children in that horribly devastated country. From his small paycheck he would send money home to his parents, apologizing for how little it was because he was spending so much on food and clothing for the Vietnamese children.

He was proud of his uniform and he was proud of his adopted country. He wrote his parents that he was trying to get permission to go to Hawaii to apply for American citizenship. But he never reached Hawaii. On December 18, 1965, 7 months before he was due to return to the States permanently, he and his company were returning to camp near Que Son when a Vietcong machine gun opened up on them. Lico, standing in front of his company, was cut down, dying instantly.

A friend of Lico's wrote Lico's parents about how many of the men in the company wept when they learned of his death.

Lico Silva's service to his adopted country was recognized by the following decorations and awards: the Purple Heart, Presidential Unit Citation, National Defense Service Medal, Republic of Vietnam Campaign Medal with Device, Vietnam Service Medal with one bronze star, and the Republic of Vietnam Meritorious Unit Citation Gallantry Cross Color.

Lico Silva still lives in the hearts of his parents, Mr. and Mrs. Francisco Silva, and his brothers, sisters, and many friends. In the years since then, his mother, two brothers, and 13 sisters have become American citizens. Lico Silva never had that opportunity. For that reason, Mr. Speaker, and in memory of Lico Silva and others like him, I am introducing two bills today. One will grant Lico Silva posthumous citizenship and the other, to be known as the Lico Silva Memorial Act of 1973, will grant posthumous citizenship to any person not a citizen of the United States who was killed in action while serving in the U.S. Armed Forces in Indochina.

POLITICAL RESPONSIBILITY AND WATERGATE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. PATMAN) is recognized for 40 minutes.

Mr. PATMAN. Mr. Speaker, understandably, many people who were formerly inseparable from President Nixon are now trying to put as much distance as possible between themselves and anything remotely connected with the Watergate case.

Certainly we do not want this case to be viewed in partisan terms, but at the same time we should await all the facts and all the ramifications before deciding on any arbitrary limits of responsibility. Judging from the statements of some politicians, the entire affair was carried on by a strange group of dim-witted rascals who apparently had nothing to do with what is generally considered to be the Republican Party.

In fact, we have it on the word of the Senate minority leader, HUGH SCOTT, that:

> This stupid, shabby criminal foolishness was the work of zealous amateurs whose motivation is still obscure. God only knows what they were looking for, and heaven knows what in the world compelled them to do it.

In other words, it is just a great big mystery how these "zealous amateurs" climbed so high in a Republican administration—particularly when we are assured from all sides that they really were not true Republicans.

These efforts to separate the Republican Party from the Watergate mess, which was carried on to aid the Republican Party and its standard-bearer, are quite understandable, and in keeping with human nature and that basic political instinct of survival. I do not think it would be fair to tar the great rank and file of Republicans with the unfortunate events, but we do not serve the country well if we do not place a strong degree of responsibility on political parties and their elected and appointed leaders. We can have responsible politics only when we demand that political parties and political apparatuses of any kind be responsible for the acts carried out in their name and for their benefit.

We are not talking about the wrongdoing of a single politician who might have gone sour, but of a widespread series of activities which involved the entire reelection campaign of a major political party.

In recent days, we have had a surprising number of new-found moralists standing in line for their opportunity to denounce—on national television and in other forums—the Watergate affair and everyone connected with this event. Many of these moralists are those who have basked in the glory of the recent successes of the Republican Party and who benefited either directly or indirectly from the well-oiled campaign carried on last fall.

Actually, Mr. Speaker, I rise today on a point of personal privilege. Last year, allegations concerning the Watergate affair and related events came to the attention of the Banking and Currency Committee and at the request of other members of the committee I ordered a staff inquiry into these charges.

I attempted—along with other members of the committee—to open a set of hearings into these charges and to bring certain key figures before the committee under subpena.

Our efforts were blocked at every turn. I was personally villified and attacked for even suggesting such an investigation. The staff, operating under my direction, was bitterly attacked.

One release emanating from the Republicans charged that the Watergate investigation by the committee was composed of "deliberate falsehoods, misrepresentations and slanted conclusions—all politically motivated."

"Dishonest collection of innuendo and fourth-hand hearsay" went another Republican answer to the investigation. "Scurrilous" said another GOP stalwart.

Representative BEN BLACKBURN, one of our committee members on the minority side, described the effort to investigate Watergate as "the worst kind of political smear tactic and totally without substance."

And finally, the House Minority Leader, GERALD FORD, chimed in with the suggestion that not Watergate, but the committee staff report be investigated and the staff fired.

So it went, no statement was too strong. No threat too much.

Statements issuing from the Committee to Re-Elect the President reinforced these attacks in startlingly similar tones and phrases. In the end, our Republican colleagues on the committee voted as a single bloc in oposition to investigation and subpenas.

The Washington Monthly, a magazine published in the Nation's Capital, recently explored the ill-fated effort to investigate Watergate and I quote from this article entitled, "The Watergate Story: Why Congress Didn't Investigate Until After the Election."

> That the Republicans were not depending on legal principle to bring them through is demonstrated by the amount of organization and muscle they applied to the task. The House GOP high command joined the Justice Department in lobbying for votes to kill the investigation. Minority Leader Gerald Ford held a series of pep meetings with the Republicans on the Banking Committee, but explains they were only 'to urge each member to be present for the vote.' Throughout September, Ford's lieutenant on the committee, Garry Brown, was busily trying to keep the troops in line and win over the needed number of Democratic votes.
>
> One need not dwell extensively on why the 14 Republicans voted against the investigation. A Watergate probe would affect the success of everyone running on the Republican ticket. Hope for just a share of the spoils, fear for their standing with the President's hard-nosed patronage distributors, party patriotism in the face of the spectre of McGovern—in short, all the normal political instincts—influenced them to act as congressmen have historically acted in such situations. On the day of the vote, all the Republicans met in the office of senior Republican William Widnall, and then went on to the committee meeting en masse, a splendidly martial display of party discipline and a charming echo of the age of Penrose and Tammany.

Mr. Speaker, it is obvious that had we had just a minuscule bit of support from the Republicans—rather than attacks—the so-called Watergate affair would have been revealed months ago and we would have spread the sworn testimony of the highest campaign officials on the record. This matter would have long since been cleared up and the Nation would have been better off and we could today be going about the business of government without this heavy cloud hanging over the executive branch.

The lead paragraph in a story on the front page of the October 4 edition of the Washington Post told the story:

> The House Banking and Currency Committee, after a week of heavy Republican lobbying, voted 20 to 15 yesterday against holding public hearings on the Watergate bugging incident and alleged irregularities in President Nixon's re-election campaign financing."

The same story went on to say:

> Rep. Garry Brown, (R., Mich.), the key figure in engineering the defeat, acknowledged in an interview that he worked with the Justice Department and Rep. Gerald Ford (R., Mich.), the House minority leader, to block the hearings.
>
> Brown denied a charge by Patman that the White House brought 'all kinds of pressure,' but added: 'I would have to presume that the White House wouldn't want further attention paid to this. I'm not so stupid to have to be told.'

But I do not want to be unfair to my Republican colleagues on the committee—despite their previous attacks on me and on other Democrats for attempting to carry out this investigation—because others also participated in this coverup.

From the Senate came the gentleman from Kansas (Mr. DOLE) who used national television to attack me personally and to denounce the committee's investigation. At that time, Mr. DOLE, in addition to being a U.S. Senator, was serving as chairman of the Republican National Committee. This is the same Senator DOLE who has been urging a cleanup in recent days and who has appeared repeatedly on television in an attempt to separate Republicans from the Watergate.

But, back when it counted, Senator DOLE thought it best to attack WRIGHT PATMAN and the Banking and Currency Committee and not the Watergate. I resented these attacks and I am sorry to say that they were quite successful as part of the campaign to shut up the Banking and Currency Committee and to keep the Watergate mess under wraps.

On Sunday, September 24—as we prepared to push for subpenas in the committee—Senator DOLE appeared on "Issues and Answers" on the ABC network and said:

> They don't have any issues so they keep talking about the Watergate and I don't see that there is any problem now.

Referring directly to the pending hearing in the Banking and Currency Committee, and after making personal attacks on me, Senator DOLE said:

> I assume that is why we are still in session, we could have been out of here two weeks ago or earlier if it weren't for the Democrats wanting to get up every day and make political speeches . . . and look into the Watergate.

He also said:

> I believe the American people understand that the Democrats in all their zeal to make it a big issue have probably been guilty of overkill.

In closing that national television show Senator DOLE then made a specific denial of a major fact in the Watergate case:

> There is no secret fund—I have offered to introduce an amendment to set back the reporting dates. If the Democratic Congress wants to change the law, that is one thing, but we have complied with the law, we intend to comply with the law and intend to re-elect Richard Nixon.

At that time, we had every reason to believe, contrary to Senator DOLE's statement, that the Republicans were operating with secret funds and, as the subsequent reports issued by our committee said, the fund exceeded one million dollars. In addition, the Re-Election Campaign organization has been fined for specific violations of the law and additional charges have been filed in recent days for failure to report the existence of hundreds of thousands of dollars of campaign funds.

Mr. Speaker, it was obvious that anyone who raised a question about Watergate would be threatened or attacked in some manner and these counterefforts were carried on by a variety of people in the Republican apparatus.

As the Watergate case bubbled up during the campaign last fall, charges were made about widespread corruption in the administration.

The answer to these charges was the filing of complaints with the Fair Campaign Practices Committee over the names of Republican congressional leaders. The complaint was an obvious effort to silence criticism, and to stifle discussions of the corruption of the Watergate tactics.

Mr. Speaker, I am happy that so many of these people are now standing up to denounce the Watergate affair and to talk about the corruption which many of us attempted to uncover last year. The television networks have been particularly generous in giving these Republican leaders ample time to explain their opposition and to repeat their demands for a cleanup—and to explain why Republicans should not be blamed for the wrongdoing of Republicans in high places.

Mr. Speaker, events of this nature do not happen accidentally and it is impossible that such a far-ranging series of activities could be carried on simply by a band of "zealous amateurs." We know that it would have been impossible for such activities to have continued over such a long period of time had the people of influence and power in the Republican Party made it clear that there were some ethical ground rules existing in national politics. Certainly this is a responsibility of a political party and its various leaders.

President Nixon and his advisers and his campaign apparatuses have been supported and nurtured by the hierarchy of the Republican Party. They did not develop their power and influence in isolation and it is ludicrous for those who have basked in the glory of this power to now attempt artificial separation from political responsibility.

It is regrettable that some of the influential leaders in the party with total access to the President and to everyone in the campaign apparatus did not speak up sooner and did not counsel against such tactics—particularly after the tactics had been so widely reported for months. It is regrettable that this demand for action did not come until the roof was literally caving in.

Maybe our political processes will improve after this sad affair is closed. Perhaps next time around we will not have such monolithic votes against investigations. Perhaps next time around political leaders will ask questions before attacking their congressional colleagues for seeking investigations. Perhaps next time, the news media will not be subjected to threats for carrying out its reporting functions and perhaps next time around there will be fewer knee-jerk defenses of the high and mighty and a little more factfinding.

That is why I believe political responsibility should be carefully weighed. That is why I hope we will have fewer references in coming weeks to "overzealous amateurs operating with high purposes." The Nation is mature enough to have these activities discussed as they actually happened. The system is strong; it can stand the truth.

Political responsibility—when properly insisted on by the public and the media—can do much to prevent future Watergates.

"WATERGATE" AND ME

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. ROBISON) is recognized for 30 minutes.

Mr. ROBISON of New York. Mr. Speaker, I suppose that grammarians—of the purer sort—would prefer that the title of these remarks be " 'Watergate' and 'I'," but inasmuch as these random thoughts are intended to give public airing of how the recent revelations about the "Watergate" affair have had an impact upon me, I trust they will forgive.

Mr. Speaker, in any event I offer these thoughts, now, not as a Republican, not as an incumbent officeholder, and not as a supporter of President Nixon—though I am all three such things—but as an American citizen, who deeply loves his country and who, in his years of public service, has done his best to uphold the public trust that is implicit in a viable concept of public office.

We are passing, Mr. Speaker, through a sad time for the Republic—with the developing ramifications of "Watergate" through what is, clearly, both a tawdry and tragic episode in the Republic's history. I cannot recall a time when I have been more distressed—and more depressed—by outside events impinging upon my own life and interests, than during these past 10 or so days.

One of the more-frequent questions I am being asked by the representatives of the news media since President Nixon's actions—and public explanation thereof—last week is: Do I feel I have been "hurt" by the implications of "Watergate"?

What they are thus interested in—and I understand it—is, do I think that incumbent Republicans, including myself, if running for reelection next year, will find the burden of "Watergate," with its peculiarly Republican connotations even despite the more-obvious involvement of Committee-to-Re-elect-the-President people than, except through guilt-by-association, regular Republican organizational people, too heavy burden to successfully carry? As to that question, I have been saying that, frankly, I do not know. To date—and I would here be interested in the experience of my Republican House colleagues—I have had but one letter from a constituent-family advising me that, though its members have supported me in the past, due to the implications of "Watergate," they can now no longer support either me or ". . . any Republican candidate for public office in the foreseeable future."

That is a rather far-reaching—and, I suspect, though perhaps somewhat at my own peril, an overemotional—reaction to the immediately dramatic aspects of Watergate which will, in time, abate.

Still, Mr. Speaker, I am less concerned about this effect of Watergate than—maybe—I should be.

Have I been hurt by Watergate?

Of course, I have.

But so, too—let us all note—have we, all.

And particularly so, has the Republic.

I am here reminded of old John Donne's lyrical lines—from which Ernest Hemingway drew the title of his best-known novel:

> No man is an island, entire of itself; every man is a piece of the continent, a part of the main; if a clod be washed away by the sea, Europe is the less, as well as if a promontory were, as well as if a manor of thy friends or of thine own were; any man's death diminishes me, because I am involved in mankind; and therefore never send to know for whom the bell tolls; it tolls for thee.

It is, Mr. Speaker, I suspect, the unspoken but nonetheless awareness we all share of this side of the Watergate affair that dampens the otherwise partisan enthusiasm for potential gains the innocent side might hope to garner at the expense of the guilty, and contributes to the fact that—at least so far as I can find it—there is precious little Democratic rejoicing at the fix the Republicans now find themselves in.

For it is a fact that every political scandal diminishes not merely public confidence in the institutions of government but also the public esteem in which each of us who follows a political career is held. If, up to now, as some soundings have indicated, politicians have been viewed on a sliding scale as just slightly more to be believed than used-car salesmen—and my apologies for this reference to those who are—our credibility has now undoubtedly slipped below those of that calling.

But I am less concerned, Mr. Speaker, with whatever individual problems we may have, as politicians, in shoring up our own credibility than I am in the need to restore public confidence, and trust, in the White House.

Americans have—and have always had—a very special feeling about the Presidency. There is, I sense—for I share it—an unspoken desire throughout the citizenry to keep anything tawdry, cynical, or unscrupulous away from our revered institution thought of, simply, as the White House, which is a feeling that has little to do with whoever is the occupant thereof.

Richard L. Strout, commenting on this, in a recent issue of the Christian Science Monitor, added:

> It *must* be this way, you reflect, because the United States, alone among democracies, has no fire escape, no quick exit; a parliamentary government in a crisis matter-of-factly and almost immediately uses the escape hatch built into the system: The government resigns, goes to the people; then an election; then in no time there is a new mandate, whether Mr. Nixon has a vote of confidence again or there is a new party with a clean slate.

Neither we, as a people, nor Mr. Nixon, as our President, has any such option—no similar way of wiping the slate clean.

For better or for worse, Richard Nixon—barring his death, resignation, or impeachment, for which a few already clamor—will be our one and only President for the next 3 years and 8 months, give or take a few days.

This means, then, that—quite literally—he will have to sweat out this episode, this difficult and tragic time; and so will all the rest of us.

It will not be an easy time, and our instinctive awareness of this contributes to the gloom that envelopes both Washington and Wall Street at the moment, that is probably reflected on every Main

Street in America, and that has given what can only be called the doomsday mood another of its periodic runs through our society.

I do not suppose it helps much, Mr. Speaker, to remind ourselves that we have been through periods like this before, the "Teapot Dome" scandal coming to mind most readily, though way back in 1892—when much of America's greatness lay just over the horizon—the preamble for the Populist Party dolefully declared:

> We meet in the midst of a nation brought to the verge of moral, political and material ruin. Corruption dominates the ballot box, the legislatures, the Congress, and touches even the ermine of the bench.

The point is, no matter how bad things seem at the moment, if history is any guide America is not yet on its ethical deathbed and any suggestions for last rites are most premature.

But what, Mr. Speaker, if things get worse?

President Nixon will have to use every last bit of his remaining authority and legitimacy, and all his previously recognized political skills, to try to keep them from getting worse while the investigations into "Watergate" go on. He will have to draw on every resource he has, in this effort, his best and basic resource in this regard undoubtedly being the eagerness of most Americans to have faith in the Presidency.

Can he restore and renew that faith?

For now, no one knows.

But I would submit, Mr. Speaker, we must give him every possible and reasonable chance to try to do so—for the stakes are very, very high, and his ultimate failure could only further diminish us, all.

Let us face it: There are, both at home and abroad, some vested political interests to be served both in further humiliating Mr. Nixon and, if possible, in bringing him crashing down.

As we look to the future, let us bear that fact in mind.

Am I, then, suggesting, Mr. Speaker, as did our friend, former Secretary of Defense Melvin R. Laird, that if the President were, in fact, more deeply involved in the "Watergate's" bugging episode or in its far more serious side—the obvious high-level attempts to cover it up—it would be better for the country not to know about it?

Not at all—I am not suggesting that. However, I fully appreciate what motivated Mel Laird in saying what he did along these lines, and I do not feel he should have been jumped on, by the President's critics, quite as hard as he was for having so spoken.

For I think, in many ways, the Nation—or, at least, a goodly number of its citizens—finds itself somewhat in the position of a husband who suspects, and with good reason to suspect, that his wife has been unfaithful to him. As he mulls his situation over, he finds himself more than a little reluctant to learn the truth for there is, after all, his marriage to think about—an institution most Americans, even in these less-inhibited days, deem worthy of preserving even as most of us, for the purposes of this analogy, wish to preserve the integrity of the Presidential institution. And then, of course, there are the "children" to consider—which, again for the purposes of this analogy, might be considered as a substitute phrase for our exasperatingly difficult and manifold domestic problems whose solution depends, so much, on strong Presidential leadership; as well, and even more importantly, for those foreign-policy initiatives Mr. Nixon has so far essayed with rather remarkable success but whose ultimate success—along with the world's chance for a "generation of peace"—depend, so much, on the President's capacity for now carrying them through.

This, Mr. Speaker, would be one man's view of how high the stakes are in what is far more than a contest between the "hare" and the "hounds" as, I fear, some segments of the news media would seem to make it.

Now, I do believe all the facts in this whole sorry mess should come out—and I further believe, especially now that Attorney General-designate Richardson is amenable to the appointment of a special prosecutor, that all those facts will come out.

And, though I do not believe, in the end, that it will be established that Mr. Nixon had prior knowledge of the bugging episode, or that he directly participated in and approved of the subsequent coverup attempts, it is—one supposes—possible that such knowledge and participation might eventually, be established, in which tragic event Congress would have to take whatever action it deemed appropriate, regardless of where the chips might fall.

But, until that sorry day comes—if it has to—I suggest as strongly as I possibly can, Mr. Speaker, that President Nixon is as much, if not more, entitled to the benefit of the doubt as any other one of our citizenry who is suspected of wrongdoing.

And, surely, while he who occupies the Office of President of the United States is entitled to no special protection in the event of wrongdoing, he is, perforce, as entitled as any one of us to the privilege of being considered innocent until proven otherwise.

This much would seem to be so axiomatic as not even to need to be stated. And yet, while certainly the press is entitled to all the kudos now coming its way for having prevented the "Watergate affair" from disappearing from public sight and mind as a mere "caper," that same press—and all segments of the news media—would now seem to be nearly as much on trial as is Richard Nixon.

What the press now has on its hands is not only a big scandal but the "story" of the century; and, given the way most of the working press have felt, for years, about Richard Nixon, as a person, it is fully understandable if some of those members look forward with something less than objectivity to running that story down to what seems to them to be its inevitable, and appropriate, conclusion.

As one who deeply believes in the need for a "free press" and will fight to preserve its freedoms, I as deeply hope I am wrong—and am proven wrong—in the concern I now feel over the possibility that, in this instance, those freedoms might be abused.

Neither the lowliest citizen in our land nor its most prominent citizen—its President—should be tried, and convicted, in newspaper story or headline. Justice will—and must—be served; but not that way.

Let me offer just one example of why I am concerned—though I could also point to the covers of this week's issues of both Time magazine, where a grim-visaged and scarcely confidence-inspiring caricature of the Presidential face is pictured alongside the caption. "How Much Did He Know?" and of Newsweek where an equally uninspiring caricature of the Presidential head and shoulders is shown, desperately clutching a Presidential Seal-of-Office doubling as a life preserver in a stormy sea, alongside this caption, "Can He Stay Afloat?"

These are proper questions to ask—and they are being asked by all of us—but need they be presented in quite this manner?

However, the specific instance for concern that I had in mind—and the one inspiring these comments—was the banner headline, "Dean Said Set To Tie In Nixon," that ran across the front page of this past Sunday's edition of the Sunday Star, here in Washington. That headline appeared over a story by a staff writer James Doyle to the effect that the former White House counsel had reportedly told some Newsweek writers that—

> On two occasions the President gave indication that he knew of the coverup effort and approved.

If you read on—and please note, too many people read only headlines—you would find this qualifying sentence:

> But the examples cited did not show a *direct connection* between the President and the Watergate cover-up.

And, if you read still further on—in fact, all the way over to page 4 where the story was continued—you would find this seemingly important sentence:

> As Newsweek's Nicholas Horrock and John J. Lindsay pieced it together.

The magazine said:

> It (the Dean statement) was a *self-serving tale*, tailored to give Dean *minimum exposure* to criminal charges and *maximum bargaining power* in his haggling for immunity from Federal prosecution.

I have italicized certain of the above words in order to point up my question as to whether this was, altogether—with the headline included—fair and objective reporting, which is something I am content to leave to others to decide.

One of the senior statesmen of the press, Erwin D. Canham—expressing his own concerns about all this in a recent issue of The Christian Science Monitor—has put it this way, and in far better words than I can find:

> Responsible editors are reminding themselves of the awesome issues at stake, and of

the need for caution. It has to be remembered, of course, that anybody is presumed innocent until proven guilty. Many people have been accused, but little guilt has actually been proved. And this is a time still when rumors are flying through the air like confetti at a wedding. They can't all be true. Too many get into print.

Wise news people remind themselves that their profession is as subject to error as any other. A great many people in the nation, despite current vindications, have lost confidence in the news media. Sometimes this is caused by sloppy reporting or bias. The press needs to be careful that it never falls, itself, into the pit into which its critics have tumbled. Its duty is not to itself as a business enterprise, but to the people it must inform as accurately as is humanly possible.

So a rather sobering attitude is emerging. It is especially conditioned by the terrible gravity of the present situation. American executive government must not be weakened into impotence. Nobody questions the seriousness of problems around the world, or at home. Nobody doubts the necessity of a strong presidency, working beside strong legislative and judicial branches.

But this effective government, like the press, must exist within the effective exercise of decency and balance. Open government, countervailing power, respect for, and listening to the views of others—all these are essential to protect and restore the institutions which have been so endangered.

While sensations continue to burst forth in the news, few of them are yet conclusive. It will take a lot of time to get the facts really nailed down. We will have to be patient. And in this interlude, we would do well to pass few conclusive judgments. Most of us are terribly saddened and indignant at what seems to have been going on. But it all needs to be clarified and proved out.

Government must go on. A considerable start at cleanup has been made. The press, its first elation worn off, needs to be as fair as it is vigilant. And it should seek healing for the nation's leadership, for that is what is most needed.

Thank you, Mr. Canham, for those wise words. They were needed, and I hope your colleagues will heed them.

But, finally, Mr. Speaker, besides the burdens to be carried—as I have noted—by Mr. Nixon and the press, there is a congressional responsibility to be considered, too.

That responsibility—and the burden thereof—is probably every bit as heavy as the other two.

As I see it, Congress must, first, insist upon the fullest, but fairest, possible public airing of the whole "Watergate Affair," no matter where that leads. That is our duty and responsibility—one shared with the judicial branch. If we fulfill it, we will—as the "London Observer" has remarked— "strengthen America's claim to be the most open society." And there is really no other way to restore our citizenry's faith in both the Presidency and our other political institutions.

Second, while we pursue that necessity, we, too, must give the President the benefit of the doubt.

The Congress is probably as full as the general electorate of long-term "Nixon-haters" and "Nixon-baiters"—it being no particular surprise to me, given the President's unhappy "Tricky-Dick" image of which he cannot seem to rid himself, that a recent Gallup poll found nearly half the people in the country believing Mr. Nixon either knew about the Watergate bugging in advance or tried to cover it up—but those in Congress who also tend to believe that, as I do not, must try to subordinate that feeling to a patient search for the truth.

This, again, will not be easy, I know, for some of us but, once more in light of the stakes, all of us must shun the temptation to get even, and avoid the luxury of kicking a man merely because he is, at last, down.

However, Mr. Speaker, I worry less about such possibilities than I do about the capacity of this Congress—in the collective, institutional sense—to rise to the obvious opportunities presented by the current situation.

As Mr. Canham noted, "government must go on." If, for a time—and who knows for how long?—the Presidential capacity for national leadership is diminished, it is the Congress, and only the Congress, that can take up the slack.

We cannot—we should not try to—assume the heavily-burdened responsibilities of the President. The same are uniquely his, and cannot be effectively delegated, particularly in the field of foreign-affairs. But we can—and should—stand ready to share some of the burden thereof; to lead, if need be, where the President, temporarily, cannot.

So, in conclusion, Mr. Speaker, I suggest that herein—if Congress can measure up—there is a perfect opportunity for Congress to responsibly recapture some of its eroded authority and responsibility; to play a larger role, again, in the formulation of foreign policy; to begin, as we have been thinking about, to play a more informed and self-disciplined part in the weighing and determination of national priorities; and, through our demonstration of a renewed sense of responsibility and self-discipline, to insist upon a return to the days when the United States was governed by that essential process of negotiation through which a consensus as between executive and legislative branches of our Federal Government was arrived at.

These things, Mr. Speaker, are—at a minimum—possible matters to salvage out of our current troubles. The achieving of them depends, need it be said, in large part on a new attitude toward Congress on the part of the President. I hope—and tend to believe—that such a new attitude will be forthcoming. But let us prepare, now, to extend our hands in welcome thereof since, as this is a two-way street, concessions and a demonstration of the willingness to achieve accommodation must flow in both directions.

I started out, I now note, Mr. Speaker, by wanting to talk about "Watergate and Me." But it now appears that I have ended up discussing what can only be entitled—considering the broader issues involved—"Watergate and Us."

But that is all right, I hope, since—insofar as those broader issues are concerned—we are, all, involved.

AMENDING THE SHIP MORTGAGE ACT OF 1920

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Alaska (Mr. YOUNG) is recognized for 5 minutes.

Mr. YOUNG of Alaska. Mr. Speaker, today I am introducing a bill which will amend the Ship Mortgage Act of 1920 (46 U.S.C. 922 (a) (5), to enable the State of Alaska and any other State, district, Commonwealth, or territory to create and hold preferred ship mortgages.

Since Alaska State statutes require fishermen to obtain a first lien on the collateral which secures the loan, most applicants are unable to offer any collateral other than their fishing vessel; and this creates the problem. In most cases the only first lien obtainable on a vessel is a preferred ship mortgage created and held in accordance with the Ship Mortgage Act of 1920. This act requires that, in order to have a preferred ship mortgage, the mortgagee must be a citizen of the United States. Unfortunately, a State is nowhere defined as being a citizen. This legislation will correct that oversight by enabling States to create and hold preferred ship mortgages, thereby allowing the State to make loans to commercial fishermen for the repair and rehabilitation of their vessels.

Mr. Speaker, I include a copy of the bill at this point in the RECORD.

A BILL TO AMEND THE SHIP MORTGAGE ACT OF 1920

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection D(a) (5) of the Ship Mortgage Act, 1920 (46 U.S.C. 922 (a) (5) is amended by inserting after "Reconstruction Finance Corporation" the following: "and a State, the District of Columbia, the Commonwealth of Puerto Rico or a territory of the United States".

TO REMOVE LIMITATION ON EARNINGS UNDER SOCIAL SECURITY BENEFITS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia (Mr. BLACKBURN) is recognized for 5 minutes.

Mr. BLACKBURN. Mr. Speaker, today, I am reintroducing legislation which would remove the limits on the amount a person can earn as wages and still obtain social security benefits. My bill would also provide that once a person reaches 65 and has paid into social security for at least 30 years, no social security taxes will be deducted from his pay.

Under the present law, one can earn as wages a maximum of $2,100 without a reduction in social security payments. Earned income above that figure decreases one's benefits. One dollar in benefits is withheld for every $2 that is earned above $2,100.

As you know, a person must work for 30 years in order to be eligible for full social security benefits. Many of our older citizens have worked for these 30 years but wish to continue to work on a full- or part-time basis. Yet do they not deserve to receive their social security benefits?

In 1936, when the Social Security Act was passed, the old age survivor's insurance program was established. The original concept was that this was to be an insurance program in order to provide supplemental income for our senior citizens. If this is to be an insurance program similar to that which is available in private industry, the same principles of equity should apply. Thus, the income limitation should be removed.

In private industry or even the military, a person can retire and continue to receive earned income from some endeavor without any reduction in one's benefits. This is a matter of equity which they have built up over numerous years of service.

In researching the reasons for the original implementation of this limit. I found the economic conditions of the time to be the cause. The Government was trying to encourage our older citizens to retire and make room in the labor market for younger men. In a time of depression, this was considered a very feasible way to reduce high unemployment. These conditions no longer exist today. In many of our industries, the experience and knowledge of our senior citizens would be appreciated and is needed. Furthermore, many of our senior citizens feel that they should not be forced to live out their last years in idle complacency when they would rather work and attempt to do something useful.

Another great inequity which is imposed on our older citizens is that if they choose to continue to work even though they paid into social security for over 30 years, they must continue to pay social security taxes on the money they earn. Thus, the working elderly are being discriminated against on two counts. In my opinion, this tax is equal to a "penalty tax."

Most of these elderly who are still working have been paying into social security since its inception. Thus, every month they continue to work, they reduce the Federal Government's liability to provide them with the benefits they more than deserve.

Therefore, as part of the legislation which I am introducing, I have included a provision which would prevent social security taxes from being deducted from the pay of a person who has reached 65 and has paid into social security for at least 30 years.

This House 2 years ago passed a bill which would guarantee an annual income to all citizens whether or not they wish to work. I cannot see how we can logically guarantee an income to people who may refuse to work and then turn around and penalize those who have worked for over 30 years in order to receive their full social security benefits.

For this reason, Mr. Speaker, I hope that my bill is promptly enacted into law.

KEMP LAUDS ISRAEL'S 25TH ANNIVERSARY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. Kemp) is recognized for 30 minutes.

Mr. KEMP. Mr. Speaker, after attending a luncheon yesterday with Ambassador Simcha Dinitz, I am particularly pleased to be one of many Members of Congress to take time this week to note, with great admiration, the 25th anniversary of Israel's declaration of nationhood. This milestone of one-quarter century is especially meaningful when one considers the continuing struggle that has been Israel's, since her founding.

While the idea behind the establishment of a Jewish State was not new, the effort which finally succeeded was, one could say, the final act of World War II. Within one decade, the world witnessed both the liquidation of over 30 percent of world Jewry's populaton and the creation of Israel, a Jewish homeland fulfilling the dreams of generations.

Through all of this, the development of the Israeli State in terms of the economy, reclamation of land, the success full urbanization of an agrarian country and the selfless discipline of a determined people has been chronicled, perhaps with the same legendary affection Americans use when writing of Plymouth Rock or Valley Forge. The Israelis can be justifiably proud not only of what they are, but also of what they have done and what they have given of themselves. To the homeless Jew in particular, Israel is a rebirth.

That is why efforts by my colleagues and myself on behalf of Soviet Jewry cannot be examined or judged in a void, but must be viewed with respect to Israel's presence as the redeemed promise of thousands of years. While we all would like to have the "right to leave" applied universally, it must be remembered that the bonds preventing free Jewish exit from the Soviet Union are more than political; they also represent the cultural, historical, spiritual and religious oppression the Jew has shouldered for centuries.

Mr. Speaker, a dear friend of mine, Mrs. Sadye Adler of Amherst, N.Y., has informed me of the plight of her cousin, Mrs. Sylva Zalmanson, a victim of the infamous Leningrad Trials. Pregnant when imprisoned, the frail Mrs. Zalmanson has subsequently lost her baby and her own health continues to decline steadily. Inasmuch as we all applaud the Soviet suspension of the hated education tax, I feel that a sincere effort by the Soviets to rectify past injustices are also in order, and that those such as Sylva Zalmanson, whose crime was to insist upon the human right to emigrate, be freed.

Mr. Speaker, the first 25 years have been difficult ones for the young State of Israel; difficult, but yet wonderful. The New York Times has pointed out, in an excellent editorial on May 7, that Israel "has not been allowed the luxury of meeting the challenges of peaceful construction * * *." Let us pray that we will soon see the day when anyone who wishes may journey to an Israel at peace with her neighbors; and let the celebration in Israel this week serve as a great example of the spirit and values with which we should view our own bicentennial in just 3 years.

Mr. Speaker, at this point I would like to include in the Record the New York Times editorial to which I have referred.

Shalom

In just one generation the Jewish people have experienced the deepest despair of holocaust and the most profound exhilaration of nationhood. These are epic events of our time to be measured against the chronology of millenia. Today the state of Israel marks its 25th year of existence in the modern world. This may be but a small milestone in 4,000 years of a people's recorded history, but it is an awesome human achievement of a living generation in the face of the forces arrayed against it.

A nation of despairing refugees has become a society of proud citizens of their ancient land. The problems that pressed upon earlier generations have been solved by nationhood, this solution of nationhood is what poses the problems for the generations to come.

Unreconciled still to the presence of the Jewish state, the neighboring peoples of Palestine and the Arab Middle East take solace in what they see as a historical analogy: the medieval Crusaders' states, imposed upon the Levant by aliens from Europe, only to shrivel up and disappear. Israelis know this analogy is false. The Crusading armies never saw themselves as settlers, only military conquerers. Only men came, never more than 50,000 of them, never families intent in dropping new roots. The ties, the loyalties of the Crusaders remained in feudal Europe. The 2.5 million Jews of Israel, by contrast, have left the life of the Diaspora behind them. For them there is no other home base, no place to return.

Entering its second quarter century, Israel has yet to find its chosen place in the world polity. From its immediate neighbors Israel longs for acceptance as just one more nation-state among all the others of the Fertile Crescent. Yet in the world at large, to be just one more nation-state like the others would seem to fall short of the Zionist ideal. The early visionaries of Zionism—and some of their present-day descendants retain that vision—perceived the land of Israel as a beacon for all the world, a society in which the intellectual vigor of the Jewish people could flourish for the benefit of all humanity, including those on the land before the Zionist settlers arrived. This has not come about; for its first 25 years physical survival more than enrichment of the human experience, was the challenge thrust upon modern Israel.

So far Israel has not been allowed the luxury of meeting the challenges of peaceful construction, of integrating its unique contributions with the restive humanity around. Having come this far, the people of Israel have no further need of self-justification; their only need is peace and grace to face the tasks remaining. For its 25th anniversary, peace is both the greeting and the wish of Israel: Shalom.

THE CIVIL PENTAGON

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. Flood) is recognized for 30 minutes.

Mr. FLOOD. Mr. Speaker, it is especially gratifying to a Member of Congress when one of his so-called brighter ideas is endorsed by the President of the United States. Such is the case with a proposal I made in August of 1972. That proposal was the "Civil Pentagon."

Ever since Hurricane Agnes ripped into my district in late June of 1972, I have been urging upon the Congress the need for an integrated, on-the-alert, coordinated, trained organization to sweep into an area in the face of a disaster. I have been urging the creation of a separate Disaster Assistance Agency at the Federal level. I have been urging the need for streamlining of and coordination of the Federal agencies involved in disaster relief. I have been urging the need for an end to the treatment of each disaster on an ad-hoc basis. I have been urging the need for grants and loans to private, nonprofit institutions and organizations which suffer losses as the result of a disaster. I have been urging this and much more.

I have been urging the need for a civil Pentagon—an organization which, much like the Pentagon across the river would do in case of a domestic military disaster, would coordinate all Federal assistance in the event of a natural disaster. I was therefore most pleased to see the President's message to the Congress yesterday which proposed a Disaster Preparedness and Assistance Act.

While the idea presented in that proposal is good—in fact, it is mine—it does not go far enough in substance. The inadequacies and deficiencies of that proposal will be met and corrected by a bill which I will be shortly introducing to the House of Representatives. As I stated on April 28, 1973, before the Disaster Planning Conference convened in Wilkes-Barre, Pa.:

> When I return to Washington, I will be shortly introducing legislation to create a Federal Disaster Assistance Agency. This will be the Civil Pentagon. This will be the means to full recovery. This will be the answer to the problem.

Mr. Speaker, I intend to fulfill the pledge I made that day. I include at the conclusion of my statement today the full text of my speech delivered at that conference; devoted to the Civil Pentagon and to another proposal of mine, "The National Catastrophic Disaster Insurance Act."

Lastly, let me briefly quote to you from a statement made by me on the floor of the House of Representatives on August 15, 1972 which appears in the CONGRESSIONAL RECORD on page 28265:

> We will be two hundred years old in four years. We are just babes in the woods on preparing for and handling these natural disasters; babes in the woods. We cannot be any longer. We cannot be. We cannot be.

Since I made that statement there have been disastrous tornados in Texas, Alabama, Georgia, and Virginia; massive flooding along the entire 1,400-mile length of the Mississippi River Valley; serious and destructive localized floods along the Great Lakes and even most recently in Denver, Colo.; and major storm damage along the beaches of several of our Southern States. What is more, I am sure I am leaving someone out.

Mr. Speaker, and my colleagues, this is an idea whose time not only has come, but which begs the immediate consideration of the Congress.

ADDRESS BY CONGRESSMAN DANIEL J. FLOOD

Two short months from now, those of us who weathered the terrible days of June twenty-second and twenty-third, nineteen hundred and seventy-two will pause in remembrance of a lady named Agnes. I would urge today that such remembrance be neither a self-pitying reminder of our dreadful suffering, nor a celebration of the many miles we have walked on the road to recovery. Rather, I urge that we consecrate that day as testimony to the everlasting nature of the human spirit.

Despite torrential rains—in the face of swollen streams and rivers—in spite of broken levees and shattered dreams—regardless of the loss of a lifetime's work and the destruction of thousands of homes and businesses—in the fact of this travail, the people of the Wyoming Valley have come back to fight time and time again. Ladies and gentlemen, that struggle has been nothing less than an 'exercise in gallantry', and I, for one, salute you.

But now we must carry on. Now we must learn the lessons of Agnes. Let us not make the mistake of those who came before us and could not foresee the need for disaster planning.

That lack of planning has been costly in human and material terms as any review of past disasters will show. Firstly, let us examine briefly the history of Federal Assistance for Disaster Relief. Secondly, let us observe how clearly Hurricane Agnes and her aftermath have pointed out the inadequacy of the current arrangement of disaster assistance. And thirdly, and finally, let us all direct our utmost attention to the solutions to these problems.

First the history. Federal aid in a time of disaster is nothing new. In fact, it has been in existence virtually since the government was formed. As early as 1803, the Congress enacted legislation to assist disaster victims following a fire in Portsmouth, New Hampshire. And between 1803 and 1950, succeeding Congresses approved more than one hundred separate acts granting relief after disasters. By 1950, the need was recognized to provide a uniform and continuing program of disaster assistance to state and local governments. In subsequent acts of 1966 and '69, the Congress enlarged the program to cover public facilities and assistance to individuals. By 1970, a comprehensive disaster act was put into effect by the Congress.

That act provided increased forms of relief including housing, food coupons, surplus goods, and so on. It was this public law which was in effect on June 23, 1972. For Agnes, it was not to be enough.

Agnes was unprecedented. As evidence, I present you with public law 92–385 passed by the Congress in August directly in the wake of Agnes and known as the Agnes Recovery Act. That law, which I sponsored on June 29, threw the old disaster assistance act out the window. Agnes was too great in scope and magnitude for ordinary disaster assistance and so I said on the floor of the House of Representatives on June 29, 1972, as I say here today, "the scope of the law must be made to fit the scope of the disaster." First we doubled the forgiveness on SBA and FHA disaster loans to five thousand dollars. Then we reduced the interest rates to a manageable one percent—down from better than five percent. Next we stated that already existing mortgages could be refinanced as part of the SBA disaster loan. And then we amended the law to allow assistance to private educational institutions.

And finally, we allowed the elderly and the disabled to suspend their loan repayments for their lifetime which was so important in the Wyoming Valley with its large elderly population . . . looking back now, I can say that this was a response by the Congress which we can all be proud of and thankful for.

But this was only the beginning. Money was needed to fund all these advances in the disaster relief program, and need I say more, money is a scarce commodity in Washington or anywhere else.

Nevertheless, as a longstanding member of the House Appropriations Committee, I presented to that body a two billion dollar appropriations bill to cover the assistance for Hurricane Agnes. Many a head was turned on the floor of the House when I quoted that figure. But, you know, we got every single penny. 1.3 billion went to SBA to finance the loans. 200 million went to the Office of Emergency Preparedness for temporary housing, food coupons, unemployment compensation and assistance to repair streets, bridges, buildings and utility systems—needless to say, all vitally needed in the Wilkes-Barre disaster area—30 million dollars went to the Economic Development Administration for long and short range assistance through public works projects. Sixteen million dollars went to the Appalachian Regional Development Commission to stabilize the mine subsidence danger in the anthracite region which resulted from the flooding. Twelve million dollars went to the Army Corps of Engineers for flood control works and an additional five million was used to speed up the Susquehanna River dam projects in New York State. We got every single penny for Agnes because it was widely known to be the greatest civil disaster to strike this Nation in our two hundred year history.

H. L. Mencken once said, 'No disaster is as great as the one that strikes you', but Agnes was the worst ever. Yes, Agnes was the worst ever—that is, so far. For all records, be they the number of home runs in one baseball player's lifetime or the depth of raging floodwaters, are meant to be broken. Even as we sit here this afternoon flood gauges in the Mississippi River Valley are being moved inches and sometimes feet upwards to new record levels. Someone asked me several months after the river here had receded, 'Congressman, what guarantee do we have that that much water will never come down the valley again?'

Well, the only guarantee we do have is that it will happen again! That is why we have gathered together at this conference to plan for future disasters. For at some unknown date in the years to come a flood tide equal to or greater than that of Hurricane Agnes will come down the Susquehanna River once again. We are all thus faced with a grave responsibility. For unless we do our work well here, and in future conferences, and when we return to our city council meetings or our State civil defense agencies, or even unto the privacy of our homes, unless we accept that responsibility the consequences will be catastrophic beyond repair.

For by failure to act here, we will have jeopardized the future of our children, and our children's children. And by carrying the message beyond this place to the country at large we will have rendered a service to this country for generations yet unborn. So you see, we have been blessed with the rare opportunity to serve our Nation directly and in a meaningful way. I, for one, gladly accept that responsibility, and I urge all of you to do the same.

I vividly recall a particular incident which reflects on the magnitude of Hurricane Agnes and what she did to the Wyoming Valley. I was at my disaster headquarters.

It was Monday, the day the waters went down. Two officials arrived from Washington and told me they were on their way into the valley to survey the damage to estimate what assistance would be required from the Federal Government. One was a rather elderly man, the other a fresh-faced college student. They had seen disasters before. They were experienced in their field. I did not see them for three days! And when they returned, utterly exhausted and covered with mud from head to toe, they were in a state of shock. The shock I saw in their eyes was as great as that of the victims themselves. These experts had never seen or heard of anything like it before.

That was the state of the art of disaster planning in June, 1972.

Cleisthenes, a ruler of ancient Athens, once said to his assembled subjects 'to plan is to make us like the gods, for then nothing will confront us unexpectedly'. We can do no less than the Greeks of antiquity. What I propose is a civil Pentagon—a Federal disaster assistance agency. I am vice-chairman of the Defense Appropriations Committee in the Congress. If last June I had called a certain office in the Pentagon and said an enemy missile had just wiped out the Wyoming Valley, some officer would have calmly walked over to a drawer, opened it up, and pulled out a set of plans.

Those plans would have been labeled 'Recovery Plan—Pennsylvania'. We can and should expect no less for civil disasters.

What is needed is nothing less than an integrated, coordinated, trained, on-the-alert group of experts prepared to sweep into an area in the wake of a disaster. Headquartered in Washington, each State Governors office would have a disaster action office which would be aware of problems and situations on the State and local level. The aim is to have one official at each level of government who would speak for all agencies and bureaus and offices in the wake of a disaster.

This civil pentagon—or disaster action agency—would be charged with the responsibility or preparing contingency plans for all phases of catastrophic disasters. A list of available Federal troops, aircraft, food supplies, housing units, and so on would be maintained and updated in Washington with the State offices keeping a list of available National Guard units, Reserve troops, and other key information. The disaster action agency would operate in waves. The first wave to be composed of experts in rescue operations, maintenance of civil order, establishment of temporary emergency shelters and the like.

Closely following on their heels is a second wave composed of mass feeding and food distribution expert engineers, physicians and other public health officers. Later waves would move in to assist with heavy equipment and cleanup, with home repairs, and eventually with short and long range planning aid. I think you have the idea.

The permanent staff of such a disaster action agency could be supplemented with a nationwide organization of volunteers who are on a 24 to 48 hour callup basis. They would sweep into a major disaster area as well. These would be experts as well, but experts outside of Government.

Experts with day to day experience in their particular jobs as civilians, namely psychiatrists, structural engineers, mass feeding organizers, and so on. I maintain that with major disasters such as Agnes—whose long range effects are national in scope—we can do no less than to apply the full range of assistance possible—both inside and outside of Government.

We must once and for all stop handling this problem on an ad hoc basis. What must be made available to stricken communities is nothing less than the best technical talent and managerial expertise coupled with all the Federal agencies can provide.

Instead of reacting with shock, surprise, disbelief, and depression—and this is what happens in a disaster—such a select disaster action group could swing into action with calm, with reason, with action.

What has happened to the Wyoming valley must never happen again. Never again. Let us make this area a laboratory, a model for recovery planning for disaster of such huge magnitude. There is nothing to stop such a thing from happening elsewhere—a new program can mean the difference.

Sadly, I announce today that the lessons of Agnes have gone unheeded. At this moment, fourteen hundred miles of the Mississippi River—from Illinois in the north, to the Gulf of Mexico—is above flood stage. The victims of that catastrophe will receive even less relief than we did here in the Wyoming valley. On April 20, the President signed a law ending the five thousand dollar forgiveness altogether on SBA and FHA Disaster Loans. In addition, interest on such loans will be five percent. My, my, no forgiveness and five percent interest rates. Also, by executive order on April 5, the Office of Emergency Preparedness went officially out of business. All disaster activities are now to be placed in the Department of Housing and Urban Development. When I return to Washington, I will be shortly introducing legislation to create a Federal Disaster Assistance Agency. An agency to handle disasters and nothing else. This will be the Civil Pentagon. This will be the means to full recovery. This will be the answer to the problem.

Let me turn your attention back to last June once again. In the seven states affected by Agnes, the numbers of people evacuated totaled in the millions the amount of property destroyed in the billions—the families displaced from their places of residence in the hundreds of thousands—and the number of individuals who had insurance against such a happening could be counted on your left hand. No one had insurance. This is a sad fact. In all good conscience we can never let this happen again. But it is happening again and again and again. Last month the City of Chattanooga, Tennessee was severely flooded. Three flood insurance policies were in effect. Today along the flooded Mississippi River a similar situation exists. Scott County Iowa—twelve policies. Charles County Missouri at the intersection of the Missouri and Mississippi Rivers—thirty policies.

If Mark Twain was alive today, he could sail that steamboat of his right into downtown Hannibal, Missouri where there are no flood insurance policies in effect. The sad fact is that even in flood prone areas people do not purchase flood insurance. They do not purchase coverage because the flood insurance program requires that participants seek out such protection. Further, often one cannot purchase enough protection. The five thousand dollar limitation for the contents within a business is of course absurd.

Clearly, what is needed is nothing less than a program of all risk insurance. Such comprehensive national disaster insurance would cover all perils such as flood, earthquakes, mudslides, windstorms of all types, and man-made disasters such as atomic accident. This is the anwer. This is the solution. This is the path we must take.

And I believe I have that program in the national catastrophic disaster insurance Act of 1973. That bill, introduced by me on February 27, has attracted the support and sponsorship of nearly sixty of my colleagues in the House of Representatives. These men are from the north, south, east, and west—Democrats and Republicans—Liberals and Conservatives.

And they are all joined by the conviction that the time for Federal disaster insurance has come.

This proposal will give the taxpayer what he wants—protection against loss secured at his own initiative it would provide a systematic and certain means of making payment available to the homeowner and businessman as a matter of right, and not on the basis of charity.

A fair question now is, 'alright, how will it work' well let me tell you. First, the bill creates an office within the Federal insurance administrators office in the Department of Housing and Urban Development.

The newly created Federal disaster insurance administrator would implement and administer the act nationwide.

Second, the bill creates a national disaster insurance fund. A giant all-risk pool. Into this fund go premium payments and other collected funds. Out of it come disbursements for claims made under the law and the administrative expenses of the agency.

Money flows into the fund from three sources. From a surcharge, never to exceed five percent, on all property and liability insurance premiums written nationwide. From a one percent levy on all SBA and FHA disaster loan repayments to the Treasury.

And lastly from an initial appropriation, later to be repaid to the Treasury, of one billion dollars. As a long standing member of the House Appropriations Committee, I will personally urge upon that committee the requisite one billion dollars to get the fund off the ground.

The program would work virtually automatically. The amount of premium surcharge would be determined by the Administrator. Of course, high risk areas such as Los Angeles would pay a higher surcharge than say Burlington, Vermont, a low risk area. Immediately, each and every property insurance policy would get an extra bit of coverage. That extension of coverage would protect the property owner against losses as the result of a disaster.

The States and municipalities will play a key role in this program. They will be consulted as to the particular kinds of disasters which would be covered under the act, with respect to the nature of and limits of loss or damage to be covered, with respect to the rejection of any risks which may be necessary, and lastly with respect to zoning and other land use provisions. Land use controls are very important here.

No catastrophic disaster insurance will be made available for any property which failed to meet land use and other local ordinances aimed at restricting land development or occupancy in disaster-prone areas. In those areas determined as special catastrophic disaster risk areas, reasonable efforts would be required so as to minimize excessive losses at the time of a catastrophe.

There you have it. A program of Federal disaster insurance which would insure citizens against losses which are generally uninsurable at present. However should the private insurance companies create a program like this one, the law would cease operating.

Believe me, I never expected to be in the insurance business at this stage of the game.

One last, and most vital, point. The bill contains a clause making payments retroactive to June 1, 1972. As I have stated on the floor of the House of Representatives many times, and as I repeat before you today, under no circumstances is this a giveaway. A milleninum from today, when the dust of centuries has settled over our towns and cities, archaeologists of that far off day will ask not what victories we won in battle or political life, but rather what contribution we made to the human spirit. To turn our backs on the victims of the greatest natural disaster in our history is to ignore the humanitarian principles upon which this Republic was founded. To ignore their real suffering in human and economic terms is to ignore our cherished legacy of government for the people. When the National Catastrophic Disaster Insurance Act comes before the Congress, I will insist that the victims of Hurricane Agnes not be forgotten.

This may seem to some to be impossible, and it may turn out that they were correct; however, I refuse to turn my back on those who have suffered so much.

There were those who said before June, 1972, that the Susquehanna River would never again flood Wilkes-Barre—and they were wrong. There were those who said that a massive effort at recovery would be unnecessary, that it was a small flood—and they were wrong. There were those who said that we would never get the forgiveness doubled to five thousand dollars and the interest rate down to one percent—and they were wrong. And there were those who have said that the national catastrophic disaster insurance bill would never be brought before the Congress—and they were wrong. And now there are those who say it will never be considered by the Housing Committee, that it will just die there, and I can announce today that I have received personal assurances from the Chairman of that committee that hearings will be held in the near future—and once again, those naysayers are wrong.

With this in mind, with the fervent prayer that the dark shadow of catastrophe be far apart from our and our neighbors door; but with the practical knowledge that tomorrow may bring disaster, I maintain that the scope of the law must be made to fit the scope of the disaster—and I ask your support in that effort. Thank you.

COMMUNICATION WORKERS CALL FOR INVESTIGATION OF WATERGATE

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York (Ms. Abzug) is recognized for 10 minutes.

Ms. ABZUG. Mr. Speaker, I note with great interest that the Executive Board of the Communications Workers of America has called for a full, realistic, meaningful, and impartial investigation of Watergate and President Nixon's reelection campaign, urging the AFL–CIO to spearhead that probe to determine whether or not President Nixon's resignation or impeachment should be sought.

The board observes that "if the president of an international labor union were elected or reelected after a campaign conducted the way the President's closest advisers conducted his campaign—that union president could no longer hold office. A new election would be held and a new union president would emerge."

The entire statement is worthy of careful perusal by the Members of the House, and I would like to insert it into the Record at this point:

Statement by the Communications Workers of America Executive Board on Watergate

Those who chronicle the history of America in the seventh decade of the Twentieth Century will quickly ascertain that their material on the subject of the 1972 Presidential election will read like fiction rather than fact.

If they base the chapter entitled "Watergate" on the facts given in President Nixon's speech of Monday, April 30, 1973, it would be the shortest chapter ever contained in any history book.

For that speceh failed to properly explain the horrendous events that occurred throughout the summer and fall of 1972 and continued until the present day—events which deleteriously affect every single man, woman and child in this Nation, and, indeed this world.

The President dwelt primarily on Watergate in his speech. He ignored the more serious question of the manner in which his entire campaign for re-election was conducted.

We have analyzed his speech and could find in it no explanation as to why the President was not aware in 1972 of what his trusted political allies were about. How, we ask, could he not have inquired then, "What in the world is going on and what is this Watergate scandal all about?"

The presidential election campaign seemed to us a most graphic display of how political tinkerers can abuse too much money, and too much power.

We cannot, however, fathom how the man who supervised these tinkerers, the man for whom this band of advisers did their tinkering, could not know the nature of their tactics or the results of their machinations.

On April 30 we believed that the integrity of the office of the President of the United States was at stake. The President's performance did not deter that feeling. Now, after four days of analyzing his speech, we can only conclude that Presidential integrity has given way to Presidential humbuggery. And the issue of Presidential humbuggery dwarfs even Watergate, the Teapot Dome, and every other scandal of any other President since the birth of the Republic.

The actions President Nixon has taken concerning the entire scope of the Watergate matter, up to and including his speech, raise the biting question of whether he is fit to hold the high office of President of the United States. He instilled his associates in government and in his re-election campaign with his standards and his values. Those standards and those values resulted in an almost unbelievable disdain for both the law and the rights of others, as well as for the sensibilities of the Nation. As a result, there was the Watergate. And compounding the Watergate, there was the coverup. The final action was his speech of April 30, in which he again refused to appoint a neutral prosecutor to lift the veil of secrecy from both Watergate and all of the other abuses. The American people were entitled to more than this. We were entitled to a campaign free from blatant disregard of the law covering campaign funds. We were entitled to a campaign that did not include wire-tapping and burglary. We were entitled to a real investigation of Watergate violations, by an impartial prosecutor free of any connections with the Administration.

And we were entitled to the truth from the President.

A year-long attempt by his closest associates to cover up and hide the truth has failed. And they are paying the penalties. Now Mr. Nixon appears to be making a last ditch attempt to hide the truth. For if he fails, he too must pay the penalty.

The Communications Workers of America, like most of organized labor, welcomes a full, realistic, meaningful and impartial investigation of Watergate and of the entire re-election campaign. We are indignant, because under our present laws, if the President of an International Labor Union were elected or re-elected after a campaign conducted the way the President's closest advisers conducted his campaign—that Union president could no longer hold office. A new election would be held and a new Union president would emerge.

There can be only one answer to the Nation's many unanswered questions: A comprehensive investigation by a non-partisan prosecutor.

The Executive Board of the Communications Workers of America, therefore, joins with national legislators and others of good will in both major political parties in calling for this impartial investigation.

This Board registers its disappointment in the President for so deeply underestimating the working men and women of this Nation by addressing them with a nonsubstantive defense instead of a forth-right explanation worthy of a man holding the world's most important position.

We demand to know all of the facts in this tragedy—not just those that investigators employed by the President decide to give, withhold or delay for better public relations timing.

To this end, we urge the Executive Council of the American Federation of Labor—Congress of Industrial Organizations, on behalf of the American working public and of all citizens, to use every facility at its disposal to review all aspects of the situation. The AFL–CIO should make a determination of the President's credibility and determine whether or not President Nixon's resignation or impeachment should be sought.

For our part, this Executive Board, speaking for the more than 550,000 men and women we represent, pledges to do our utmost to aid in this investigation in any manner the AFL–CIO Executive Council deems fit. For until this matter is resolved satisfactorily, neither Organized Labor nor any other segment of the nation can return fully to the agenda of other vital, unfinished business facing us as citizens of the United States and the world.

PROGRESS OF THE FREE REPUBLIC OF CHINA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota (Mr. Karth) is recognized for 10 minutes.

Mr. KARTH. Mr. Speaker, one of the most remarkable stories in the annals of man's progress against adversity has been recorded by the free Republic of China based in Taiwan in the critical period since Communist China was admitted to the United Nations and both the United States and Japan turned their diplomatic attention toward Peking.

In 1972, economic growth amounted to 11 percent, per capita income rose to $372—the third highest in Asia and four times greater than the per capita enjoyed by those mainland Chinese who live in the Red "paradise" of Mao Tse-tungland.

Of particular interest is the fact that for the first time since the Republic of China moved to Taiwan in 1949, industrial production exceeded agricultural output in terms of value. At the same time, foreign trade volume climbed to almost $6 billion—nearly 2 billion more than that realized by the vast mainland of China.

Heavy and chemical industries were such big gainers last year that light industry—which formerly dominated the nonagricultural portion of the economy—moved back to second place. In the foreign trade field, as compared to 1971, exports climbed more than 48 percent while imports jumped more than 37 percent.

It should be noted, Mr. Speaker, that the Republic of China's exports are very diversified. Principal products included textiles, leather and wood products, metal products including electrical machinery, foods and beverages, chemicals and pharmaceuticals, fishing products and nonmetallic minerals.

There is no doubt in my mind that the Republic of China will continue to forge ahead with giant economic strides providing market opportunities are not denied them. That brave island of 15-million Chinese who prefer their freedom has become a model for the entire developing world and, in contrast to the mainland, a clear demonstration that a better life for the people is more readily achieved in a free society than in a dictatorship where enterprise is stifled. Thank you.

CONTINUED DISCRIMINATION BY THE SOVIET UNION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. Daniels) is recognized for 5 minutes.

Mr. DOMINICK V. DANIELS. Mr.

Speaker, recently I joined with many concerned Members of this House and the other body to deny most favored nation status to the Soviet Union so long as that nation continued its policy of discrimination against Jews wishing to emigrate to Israel. According to some that campaign has been successful. Certainly there are appearances to that effect.

On the other hand, Mr. Speaker, it appears that the great Russian imperialists are still tightening the thumbscrews on Ukrainian nationalists who wish a lessening of the controls from Moscow. I am alarmed about the 12 years sentence given to Vyacheslav Chornovil, a Ukrainian television personality who was charged with "anti-Soviet agitation and propaganda." To me this indicates that the historic great Russian campaign of terror as a means of combating Ukrainian national feelings has been resumed.

As one who has always raised his voice in the Congress at any attempt to deny self-determination I must protest with all the vigor at my command at this retreat to the worst kind of Stalinist tactics reminiscent of the darkest days of the cold war. I would like to think that the Russian bear had become housebroken and was fit for normal diplomatic and trade relations. The Chornovil case causes me to have grave misapprehensions about the Soviet Union leadership and whether it really wants the respect of the world community.

WE ARE IN TROUBLE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from South Carolina (Mr. Davis) is recognized for 30 minutes.

Mr. DAVIS of South Carolina. Mr. Speaker, today we in this great body, the body on the other side of the hill, and all others who have been elected by the people are in trouble.

We are in trouble because of a loss of faith in the democratic form of government that has occurred because of recent investigations of alleged activities in the 1972 Presidential campaign.

I feel that in order to insure our democratic form of government that we must prove to the people that democracy does work—that justice reigns for all, and that all men are equal before the courts, no matter what our former station in life.

We are also faced with a great concern for the office of the Presidency of the United States. This office is not a man that holds it, but rather it is the personification of our Constitution, and I know that most of my colleagues along with me hope and pray to God that this office will not be tainted by the activities of others.

We do not need impeachment, but we do need to restore our faith in the Government. I have noticed recently that Attorney General designee, Elliot Richardson has said that he will seek an independent prosecutor to investigate the Watergate case and its ramifications.

Mr. Speaker, I feel that there are five qualifications for the individual that would assume this arduous task. These qualifications can be stated as:

One, he must be a man with Federal prosecutorial experience. He must know how to coordinate the instruments and investigative agencies of Government available to him, and use them with the utmost skill and honor.

Two, he must be a man of proven impartiality. There must be no nagging thought in the public's mind that any stone was left unturned, any avenue left unexplored, because of political considerations.

Three, he must be a prosecutor thoroughly experienced in the investigation and prosecution of political corruption.

Four, he must be a man with no history of partisan political activity. We cannot have a prosecutor whose motives might be suspected in any way of being political.

Five, he must be an individual in whom the public has demonstrated its support.

Mr. Speaker, one of the gentlemen mentioned in recent news accounts in my estimation meets these five qualifications and I am glad to see that he is being considered. That gentleman is the present U.S. Attorney for the State of New Jersey, Mr. Herbert J. Stern.

I have talked with several of my colleagues concerning this individual and all of them have agreed that he not only meets the time-honored test of a capable and efficient lawyer and investigator, but he meets that great test which is so important, and that is that he is impartial.

While I realize that we are going through a troubled time, it is important that we realize that we in this Government have an obligation to the people to make sure that we carry out our duties with the highest integrity because, Mr. Speaker, the basic question in Watergate is not criminal activity, but faith—faith in the Government by the people.

I feel that Mr. Stern can meet this awesome responsibility. The duty to examine the workings of our democratic Government is an awesome burden, and it is a heavy one to bear, but it must be borne and must be carried through successfully—so successfully that future generations may say "here a great battle was fought; a battle to prove that democracy can find and cure its own defects."

So, I endorse a man of proven capabilities—Mr. Herbert J. Stern, to help us work together to show to the world that democracy works and that this great republic still merits the faith and the regard of the American people.

SPEAKER ALBERT'S TESTIMONY BEFORE SELECT COMMITTEE ON COMMITTEES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. Brademas) is recognized for 5 minutes.

Mr. BRADEMAS. Mr. Speaker, one of the many responsibilities of the House of Representatives to the American people is to conduct its business as efficiently as possible. I have little doubt that virtually every Member of this House, regardless of party, recognizes the need to modernize the procedures and organization of the House of Representatives to make it a more effective legislative body. And we can be proud that this recognition has been this year translated into constructive change.

Already in the 93d Congress there have been more improvements in the internal organization and procedures of the House than in any other Congress in the 20th century. In the forefront of these reforms has been our distinguished Speaker, the Honorable Carl Albert, who, despite the considerable duties of his office, has worked hard to make the House more vigorous and effective.

At this point, Mr. Speaker, I would like to call particular attention to the appearance of Speaker Albert before the Select Committee on Committees on May 2, 1973. I understand this appearance marked the first time a Speaker of the House has testified before a congressional committee in over a century

The Speaker's testimony is pathbreaking in more than this respect, however. It is also an incisive analysis of many of the considerations facing the Select Committee on Committees, chaired by our distinguished colleague, the gentleman from Missouri (Mr. Bolling) in its study of the House committee system. Additionally, Speaker Albert urged the committee to study several specific changes in the committee system, including a mechanism whereby the Democratic Caucus and the Republican Conference could elect their leaders and decide committee assignments before the convening of Congress, thus allowing the standing committees to begin their work immediately.

Because the business of the Select Committee on Committees is of vital importance, I urge every Member to read the Speaker's statement, which I insert in the Record at this point:

STATEMENT OF HONORABLE CARL ALBERT, SPEAKER, HOUSE OF REPRESENTATIVES BEFORE THE SELECT COMMITTEE TO STUDY RULES X AND XI OF THE RULES OF THE HOUSE OF REPRESENTARIVES, MAY 2, 1973

Mr. Chairman: I consider it a privilege to have been invited to appear as the first witness before your Committee. I accepted your invitation because I believe the study you are undertaking is one that needs to be made. I wish you success in your work and I assure you of my support in efforts to improve the efficiency of the legislative process.

This study is a part of a general re-examination of the way we do business in the House of Representatives. Some changes in our operations have already been made and others are now under study.

Policy making for the national government is the major responsibility of the Congress and is of primary concern to the American people. The people of the country are entitled to have proposed legislative programs considered intelligently and in depth. They are likewise entitled to have existing programs reviewed by legislative committees to determine whether they are serving the purpose intended and, further, whether they should be continued, modified, or terminated.

The Committee is the basic work unit of the House. Committees have evolved in response to the pragmatic needs of this body. The committee system is our most crucial and vital structure. Committees are complex and have many interrelated facets.

Because the committee system plays such a vital role, the House must be constantly alert to maintaining its effectiveness and must take care to deal with it only with a full understanding of its intricacies. The commitee system is a pragmatic instrument; the House therefore should be wary of change based on theory rather than practical circumstances and needs.

I do not wish to impose the powers of my office or my personal views upon this committee. Every member of the House views the commitee system from his own unique perspective. The Speaker, however, feels the impact of the committee system in a particularly personal way as he attempts to fulfil his responsibilities to the House and to the nation.

From the Speaker's perspective I would like first to make the observation that the committee system has many virtues. It is an effective instrument for winnowing the trivial from the significant. It is an effective instrument for developing and bringing to bear on legislation the kind of expertise of which the House is justifiably proud. Committees generally do a commendable job, and it would be folly to condemn the system out of hand.

It should be noted that the Speaker has specific responsibilities with respect to the operation of Rules X and XI such as the reference of bills and other matters to committees, negotiation of the size and majority-minority ratio of committees, the appointment of select and conference committees, rulings on parliamentary inquiries relating to committees and, in this Congress for the first time in many years, participation in the assignment of members of the majority party to committees.

Of great importance, is the concern which the Speaker must have in the scheduling of legislation for floor action and the responsibility of the Leadership for the kind of product which emerges from the legislative process.

So long as I can remember, the Leadership has been confronted with the difficulty of inducing committees to conclude their work on major legislation in order that their bills can be scheduled for action by the House. This is especially true of important authorization bills. This is a problem which not only frustrates the Leadership but the Committee on Appropriations as well. Time after time, I have listened to the Chairman and other members of that Committee complain that lack of final action on authorization bills has held up action on appropriation bills. Drastic measures have been suggested; such as changing the fiscal year to end December 31st, or changing the rules to permit consideration of appropriations after a cut-off date whether the authorizations have been passed or not.

Every Speaker wishes he could bring all bills to the floor in a timely fashion, under conditions that would permit the House to consider them at reasonable length. Every Speaker feels the responsibility of bringing to the floor those measures that must be dealt with if the government is to operate in an orderly way. But in every session of Congress the Leadership is invariably faced with an overwhelming flood of measures, many of them of major importance, reported by the committees at or near the end of the session. In contrast, the Leadership spends the first few months of almost every session contacting committee after committee, week after week, literally bird-dogging for enough bills to give the House a reasonably respectable program for three or four days a week.

During the entire last session of the 92nd Congress, for example, committees of the House reported a total of 498 bills, but 80 of these, including some of the most important, were reported during the last twelve days of the session. The House was in session 135 days in 1972. Committees reported bills at an average rate of approximately 3 per day during the first 123 days although the rate was much slower than that for the first 75 days. Committees reported bills at a rate of almost seven per day during the last 12 days. Obviously, the result was a mass of legislation on the calendars at the end of the session.

I remember the closing days of the last session as a nightmare. The election was approaching. The Majority Leader was lost. We were meeting every day well into the night. We finally ran completely out of a quorum and could not even take action on a matter as important as the conference report on the Highway Bill. We failed to pass the regular appropriation bills for Foreign Aid and Labor-HEW. The result was that we adjourned, not just a session, but a Congress, with continuing resolutions in those fields. How can legislative committees, charged with policy making recommendations to the House, have any appreciable input into federal programs and activities if the government operates most, if not all, of a fiscal year on continuing resolutions?

From all this it may be understood that, to a degree at least, the Leadership is at the mercy of the committees in planning floor schedules and in disposing of the critical business of the House. Floor time is limited; the number of measures to be considered are many.

Presented with clogged calendars at the end of each session, the Speaker is faced with few and sometimes unsatisfactory alternatives in discharging his responsibilities.

One alternative is to bring bills up under suspension of the rules. We need look only to the most recent examples to see that that procedure is often unsatisfactory. For instance, we are now at the beginning of the fifth month of this session. During the entire session the Speaker has had authority to recognize members for suspension of rules on four days as against two days per month. Yet to this date the House has taken up under suspension of rules only six bills, none of which could be considered earth shaking.

What happened at the end of the 92nd Congress? At that time I was faced with the difficult situation of having to schedule more than 60 bills under the suspension of the rules. You well remember that the employment of this procedure to consider many of these bills, some of them of major importance, aroused considerable controversy. Members justifiably complained that this procedure limits debate and forbids amendments. Admittedly, it does not present the most desirable conditions for considering important legislation. It is nevertheless one of the few available techniques for bringing to the floor measures that ought to be considered when the time is short.

Another alternative forces the Leadership to choose from among many worthy measures on the calendars, those which, in their judgment, are most worthy of floor consideration. Again, members will dispute that judgment and, from their points of view, with merit. Moreover, because the time is limited, even those measures that do get to the floor must often be brought out with rules waiving points of order or limiting debate in one fashion or another.

What do we do about all this? One of the reasons why this committee was constituted was to try to get some of the answers. I made up my mind last fall that a committee of this kind should study this problem. I discussed it with the Minority Leader, and he wholeheartedly agreed.

I want now to make it clear that, while I think you have the opportunity to make important contributions to the operations of the House, I am not going to undertake to prescribe the areas within which you work, or to influence your decisions. I will be glad to discuss with your chairman or members, any important point on which you might desire my opinion. I will not, however, dictate: I will try to cooperate. If I had the answers, I would not have recommended the creation of this select committee.

I have only a very few general suggestions and comments to make, none of which you should consider binding upon you or your work.

First of all, and this is basic to your assignment, you should study the overall structure of the committee system in the House and the jurisdiction and work load of the various committees. Do we have enough committees or do we have too few or too many committees? Are some of the committees so busy that they cannot adequately consider all the subjects within the range of their jurisdiction, or give effective review of the administration of existing programs? Are other committees, by comparison, underworked? A close examination of committee work loads compared with jurisdictions may help to clarify the dimensions of this problem.

I know of no current study with respect to members and committees of the House of Representatives upon which intelligent assessment of comparative legislative activity could be made. An interesting analysis of the work load of members in the 88th Congress was included as Appendix A in the Final Report of the Joint Committee on the Organization of Congress (Senate Report No. 1414, 89th Congress, 2nd Session) filed July 28, 1966.

We are all familiar with the fact that the Joint Committee on the Organization of Congress in 1946 for the first time made a study of Senate and House Committees and their jurisdictions and in the Legislative Reorganization Act of 1946, the number of committees in the House was reduced from 48 to 19 and their subject matter jurisdiction, for the first time was described.

The Joint Committee on the Organization of Congress, created in March 1965, made a study of committee jurisdictions and the product of that Joint Committee, S. 355, as it passed the Senate March 7, 1967, contained provisions changing the jurisdiction of some committees of the House. These changes were modest but they encountered considerable opposition. In the Legislative Reorganization Act of 1970, no committee jurisdiction changes were included with respect to House committees, although some changes were made in Senate Committees.

I do not suggest the specific rearrangement of the jurisdiction of committees. That, of course, is the difficult part of your study, and it needs thorough exploration. I do suggest, however, that you might well undertake a manpower utilization survey and attempt to make some kind of assessment of the business handled by the various committees to identify areas where manpower is under-utilized and at the same time to appraise situations where committees are so busy they cannot effectively and expeditiously handle all the matters within their jurisdictions.

Let me hasten to say, I do not consider this subject susceptible of pure statistical analysis based upon the number of bills, pages of testimony, hours of committee meetings, staff hours, or any other mechanical measurement. The quality of determination of policy cannot be determined by slide rule computation.

In addition to considering the wisdom and feasibility of readjusting work loads between existing committees, you should, depending upon your findings, also examine the matter of whether we need to create new committees, to siphon off part of the burden.

There would be many who would object to the creation of more committees. This is certainly not a matter to be decided lightly. The recent history of the House committee system runs counter to that approach. During the 19th century the number of standing committees expanded until in 1913, they numbered 61. Since then the tendency has been toward fewer committees, with reductions in 1927, and most recently through the

Legislation Reorganization Act of 1946, from 48 to 19. Since 1946 the House has added only two standing committees: Science and Astronautics in 1958, and Standards of Official Conduct in 1967. It is worth noting, however, that the reduction of standing committees has been accompanied by a proliferation of subcommittees, almost 150 of them in the House in the 93rd Congress. When more and more of the legislative work is placed in subcommittees rather than in committees themselves it adds, for better or for worse, another layer between the working unit and the House itself.

If uneven work loads are indeed the basic cause of late reporting by committees, it might be worth exploring whether larger or in some cases, smaller committee memberships would alleviate the situation. The problem might also stem from insufficient staff resources, including minority staffs. All committees must, of course, have sufficient and capable professional staffs if they are to function effectively. None of these possibilities should be prejudged. All deserve serious examination.

I turn now to some collateral considerations. A very real problem which continually haunts the Leadership is the matter of physical space allocation. I hasten to add that while this is a growing burden, it should not be used as a reason for limiting the scope of your recommendations. My own experience has been that the problem will eventually continue to grow as more and more subcommittees and more and more members find it impossible to perform their obligations to the House without additional space.

If your committee finds that matters other than size, number, jurisdiction, on staff help of committees contribute to the growing tendency to be able to finish our work in a timely fashion, you should, of course, make your recommendations to the House.

It may be, for instance, that we should fix some appropriate date in a session after which committees may not report their bills. Late reporting of authorization bills, which in turn delay consideration of appropriation measures, might also be dealt with in a similar manner.

Another area which should be examined and, if necessary publicly aired, or if possible dealt with by law, is the extent to which the failure of the Executive Department to send up its reports and recommendations early in each session impedes the ability of committees to act expeditiously on matters within their jurisdiction. Many committee chairmen over the years have complained of their inability to get Executve Departments to send up their requests or to make their appearances before committees in time to get either authorization or appropriation bills disposed of before the end of the fiscal year.

A problem which is related to this whole matter has been bothering me for some time, and that is the matter of the time required to organize the House and its committees. It would be interesting to know on what date this year, every standing committee had adopted its rules and selected its subcommittees and was ready to begin its legislative business.

I have heard speakers say that they never worry much about the legislative business during the first two or three months of the first session of any Congress. It takes that long to get organized and for the committees to give any reasonable amount of consideration to the bills on their agenda. This is not without reason. We cannot expect committees to begin functioning until they and the House are organized, and we cannot expect them to begin reporting legislation without adequate study and consideration. We can never forget that excellence is more important than speed, nor can we forget that the country cannot wait indefinitely for the Congress to act. The Government must continue to operate.

In this connection another thought has intrigued me. We operate in Congress on the party system. Elections are held the first Tuesday in November. Congress convenes the first week in January. In Presidential election years, the President's term begins on the twentieth of January. The Congress provides ample funds for a transition period for the Presidency. Congress might consider a transition period for itself. The Leadership and committee assignments are all determined in fact in the caucus or conference of the two major parties. It seems to me that the members of the succeeding Congress might meet in caucus or conference and complete the recommendations of the two parties for leadership positions and committee assignments at some period between the election and the convening of Congress. The House could then not only adopt its rules and elect its officers, but it could also elect its committees when it first meets. While this may not be a subject directly within your jurisdiction, the question of the time when committees are selected may have a bearing on your study of committee jurisdiction and work load. You may want to give consideration also to setting a deadline on the time lag which any committee shall be allowed between the date when its members are elected and the date when it is organized for business.

In conclusion, may I say that I think your committee has an important job to do and can render invaluable service to the House and to the country. At a time when the equilibrium between the Executive branches of the government is strained by aggressive exercise of power by the President and the bureaucracy, it behooves us in the Congress to strengthen and to streamline our structure and procedures to preserve in the people's branch of the government the all important policy making authority vested in us by the Constitution. Important aspects of that task are vested in your committee.

You not only have my best wishes; you have my support. I wish you well in your endeavors. I will follow the progress of your study with interest.

RESTRICTING CONGRESSIONAL TENURE

(Mr. JOHNSON of Colorado asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. JOHNSON of Colorado. Mr. Speaker, today I have introduced a bill which calls for mandatory retirement of U.S. Senators and Representatives at age 70. The bill further provides that no Member of either House may serve more than 24 years in one body. Neither restriction would apply to persons now serving in Congress.

These limits are, of course, arbitrary, but they are starting points which reflect my thinking. Perhaps they are too restrictive or not restrictive enough, but I introduced them in the hope of a serious evaluation of our present philosophy regarding Congressional tenure.

In an increasing number of activities in our society, we acknowledge time and age limits for employment. We have retirement laws for others in Government service. We encourage retirement through social security. Private industry recognizes the need for an established retirement age.

The 24 year limitation I proposed is perhaps more controversial. History has not shown that longevity in office results in better representation, but with our seniority system, longevity has become an objective in itself. Many, many people are capable of serving well in the House or Senate, but elections are weighted in favor of incumbents, as we all know.

If these limits are not acceptable, I suggest we restrict the length of service on committees. Either way, we must try to provide for a spreading of responsibility to as many as possible, consistent with political stability and the utilization of acquired expertise. I believe my proposal will aid in accomplishing this goal.

I hope that the committee to which this bill is referred will conduct extensive hearings to determine the public's reaction. I have no doubt but what the people of this country will enthusiastically support legislation in this regard.

IMPACT AID AMENDMENT TO H.R. 7447

(Mrs. MINK asked and was given permission to extend her remarks at this point in the Record and to include extraneous matter.)

Mrs. MINK. Mr. Speaker, when the House takes up the rule tomorrow, May 10, to permit consideration of H.R. 7447, the supplemental appropriations bill, I intend to oppose the previous question on the rule. I urge all Members who are interested in removing the ceiling on funding for category B pupils under the Federal impact aid program to join me.

This will be our only chance to take up this issue in the House. If we succeed in defeating the motion for the previous question on House Resolution 389, providing for consideration of H.R. 7447, I will then offer an amendment to the rule which will permit the House to work its will with respect to B category children.

Unfortunately, it is necessary to amend the rule to waive points of order on my amendment. Otherwise, my amendment would be subject to the point of order that it was legislation on an appropriations bill.

Mr. Speaker, we have sought in several ways to permit this issue to be brought before the House. Congressman McFall asked the House Committee on Appropriations to lift the ceiling for the B pupils in H.R. 7447, but this was defeated on a voice vote. I then appealed before the Rules Committee for a rule waiving points of order so a floor amendment could be taken up. This was also refused. Our last chance is to move on the House floor.

The amendment I hope to offer to H.R. 7447 is simple. Its complete text is as follows:

> "On page 10, after the heading on line 13, insert the following new paragraph:
>
> "*School Assistance in Federally Affected Areas*
>
> "The paragraph under this heading in Public Law 93-25 is amended by striking out '54%' and inserting in lieu thereof '68%'."

Public Law 93-25 is the urgent appropriations bill recently enacted. It contains the amendment offered by Senator Young. The commendable intent of his amendment was to overturn the administration spending plan which would have funded both A and B category children at only 54 percent of entitlement. The Young amendment raised the funding of A pupils to 100/90 percent of entitlement by directing the release of $85 million provided in the continuing resolution which extended HEW funding after the President vetoed our appropriations bills last year.

The Young amendment, however, also imposed a congressional limit of 54 percent of entitlement on category B funding where none had existed before. I am afraid that this was not noticed when we passed the urgent appropriations bill the day before our Easter recess began.

Thus, although we increased the amount available for A pupils whose parents both live and work on Federal property, we actually reduced the available funding for B category children whose parents live off the base or other Federal property. Under the continuing resolution they could have both been funded at 73 percent of entitlement.

Our calculations are that we can have funding for B's to 68 percent and still stay within the $635 million already available under the continuing resolution except for this recent congressional act. Thus, my amendment would permit funding of B's at 68 percent. It would not increase appropriations, but only remove the Congressional ceiling. Unless we do this $66 million will be left unexpended.

This will be our last chance to help these school districts badly in need of funds. I urge my colleagues to be present when the vote on the rule is taken so that it can be defeated; and if we are successful, to vote for my amendment to the rule.

Your vote against the previous question is the key vote. Only if the previous question is defeated will I have an opportunity to amend the rulemaking in order the amendment to H.R. 7447 to lift this ceiling prohibiting funds heretofore appropriated for category B impact children.

LEGISLATION FOR VIETNAMESE ORPHANS

(Mrs. MINK asked and was given permission to extend her remarks at this point in the Record and to include extraneous matter.)

Mrs. MINK. Mr. Speaker, on May 17, 1971, I first introduced legislation to facilitate the adoption of orphans and abandoned children fathered by American servicemen in Vietnam.

The need for speeding the international adoption process exists even more intensely now than it did then.

On January 29 of this year, I reintroduced my bill as H.R. 3159, and on April 1, 32 cosponsors joined me on the need for this legislation to aid the adoption of Vietnamese-American children.

American families with love to offer to these children find themselves immersed in redtape not only from the Vietnamese emigration offices but also the American immigration offices. While we cannot interfere with the internal workings of another nation, we certainly can and should immediately do everything possible to slash the unnecessary redtape caused by our own immigration procedures that surrounds the adoption of these children.

While the anxiety of the waiting parents clearly brings our sympathy, I can only feel shame for the suffering of these poor children because of our inaction. While we let this legislation languish, many children—estimates run from 60 to 90 percent—die. They have died when they could have come to adoptive homes and received medical care. Some, of course, could not be saved; but many could.

Let me quote from a report on the Special Needs of Vietnamese Children prepared by the Brookings Institution in Washington, D.C., for the International Social Service:

> As of 1971 there were 120 registered orphanages caring for approximately 19,000 children. In addition, there are 40 estimated unregistered institutions caring for another 6,000 children. While there are therefore about 25,000 children in institutional care, the term orphanage is misleading. Well over 50 percent of the children in custodial care are neither orphans nor abandoned. They have families that have placed them in orphanages because of economic difficulty or because the adults are moving around the country as refugees or military families. . . .
>
> Although the physical and child care facilities in these orphanages are significantly better than several years ago, they still remain poor in many cases. Medical care is minimal and access to educational opportunities is very often unavailable. The infant mortality rate in institutions is very high. Some estimates are as high as 90 percent. This is attributable to: 1—poor infant care facilities and limited staff; and 2—moribund condition of abandoned infants brought into the orphanages. The future for those who do survive, furthermore, is not bright from a medical viewpoint.

And let me quote to you from a tragic letter I received from an Arizona couple who after more than a year of frustrating American redtape faced this situation:

> In November, Sister Angela sent notice that she had found us a baby boy. We later learned however, that a different child was chosen. Evidently the first one died. The mortality rate is tremendous.

This couple faced another year of redtape within the U.S. Immigration office while attempting to adopt the second child. Their love must be admired. But our bulky plodding paperwork system which leads to such sorrows must be censured.

Congress did pass a law after the Korean war which had the intentions of facilitating adoptions. However, this law, section 101(b) (1) (F) of the Immigration and Nationality Act, which permits petitions on behalf of an alien orphan to obtain a visa outside of the numerical limitations, has not relieved the problem. The petition, known among potential adoptive parents as the infamous form I–600, has itself become a roadblock of paper on the path to adoption.

In advance of adoption, the petitioner is required to provide proof of citizenship and marriage, proof of the orphan's age—very difficult in war torn nations—evidence of support including letters from employers, bank and savings account statement, copies of past income tax returns, a certified adoption decree and a certified translation of the decree, documented evidence that the orphan has been unconditionally abandoned, evidence of continued residence in the United States, fingerprints, photos of the couples, and on and on in abundant profusion of paperwork—while the baby goes without a family in a crowded disease-ridden institution. As a result of such immigration obstacles, there were only 89 adoptions of these orphans during 1971.

While the current law was intended to alleviate some of the international adoption problems, it has within it a feature which is the impetus for this mound of paperwork. The current law requires adoption before the child can be brought to the United States outside the regular visa limitations. Therefore the legal work of two nations must be done by long distance with work in each nation and the slow processing slowed even more by the miles in between.

Let me quote to you from a telephone conversation with a staff aide in this matter with a Maryland mother who along with her husband went and completed an international adoption this December:

> We could stand the waiting when we were having agency interviews. We knew they had to do their best to see if we would be good parents. But to tell you the truth, the worst of the whole experience, was the paperwork. When it came to the immigration matter we had paperwork everywhere. Papers to prove we could support the child (even though the adoption agency already had this material). Papers to prove we were married. Papers to promise that we were not going to move (outside the country). We were just buried in them. And a lot of them did not even make sense. They even wanted our fingerprints. That was the hardest part of all—although you would think it would be simple. It took us a week to find a place to take fingerprints. The agency said the police would. We went to the police station and they refused. You have to do something criminal to get them to fingerprint you. They sent us to the Immigration offices. We went there and that took a whole day of driving. When we arrived they were closing, but said they couldn't do it—only on Wednesday mornings between 9 and 11 am. So we came back six days later . . . The worst was that we had a picture and a case history of the baby. She was real to us and just waiting while all of this went on. I guess she wasn't very real to the bureaucrats.

This couple had already met the stringent requirements of a Pennsylvania adoption agency. To them, much of the paperwork seemed redundant.

Under my bill, the intent is that specific American families would not have to apply in advance for adoption. A private relief agency active in this field could designate orphans—of course, having been abandoned or released by their legal guardians—who would be brought to the United States for potential adoption. Once here the children could be introduced to potential American parents and adopted without the redtape and delay which now can take 2 and even 3 years.

You will also note that my bill, H.R. 3159, H.R. 6793 and H.R. 6794 does not place an age restriction on the adoptions of these children. The current law sets

14 as the age limit for an adoption. I do not favor an age limit. Proof of exact age from youngsters born under the hardships of a warring nation is extremely difficult to provide, at best. Further, we should anticipate that some of the children may be slow to find homes. I refer to the traditionally hard-to-place children who have physical or emotional handicaps. I have in my files letters from families who wish to adopt these older, disabled children. They are not "impossible" cases, but the wait can be a long one. Let us not presume that a child find himself hopeless in a search for an accepting home when he reaches the "ancient" age of 14.

In my own State of Hawaii, a 12-year old Vietnamese boy with one arm blown off by a war grenade was placed by the Catholic Social Services as a foster child with a private school principal and his family. The boy had come to the United States for surgery then remained, as a foster child to finish his education here at the request of his Vietnamese family. While the search for a home did take the agency several months, a family was found through a newspaper story in which the 12-year-old boy asked for a home. Let us not underestimate the love that our citizens have to offer. Let us not set artificial barriers between our citizens' compassion and the needs of children of all ages.

If we set up even more requirements and more regulations, we will defeat the very reasons for which this legislation has been offered. The reason for the legislation is to speed adoption of Vietnamese children of American servicemen. My bill is brief and to that point. To burden the law with even further regulation would be to burden our children in Vietnam with delays that serve no purpose either to them or to us.

Surely this Congress cannot set any higher priority, nor more noble one, than immediate action to speed the American adoptions of some of the nearly 100,000 children who are victims of this war. Only with the fastest possible action can we prevent even more of these babies, toddlers, and children from adding to the long list of casualities of the war.

CONSTITUTIONAL CHALLENGE

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, I believe the action of the present Executive in impounding funds authorized and appropriated by the Congress beyond authority accorded by the Congress and the termination of programs enacted by Congress and having the status of law, presents a serious constitutional challenge to the legislative authority of the Congress as provided by the Constitution.

Congress must meet that challenge and preserve and protect its prerogative as the sole legislative authority of the Federal Government. Yet, we all realize that unless the Congress imposes or accepts some ceiling upon its expenditures, in for example fiscal year 1964, the Congress is subject to political criticism by the President that the Congress is financially irresponsible and he must protect the people of the country against increased inflation or possible increased taxation.

I think we all also agree Congress must determine positively what our ceiling of expenditure is to be and not just stumble, as it were, into expenditures far in excess of the Federal revenues. I believe we can meet all those criteria by enacting in the House the bill recently passed by the other body known as the Ervin bill with the Muskie amendment adding a ceiling of $268 billion for fiscal year 1964—$700 million less than the budget the President proposed.

Consequently, I introduced in the House H.R. 6805 which is the Ervin bill with the Muskie amendment as it passed the other body. I made a statement in support of that bill before the Rules Committee on Monday, May 7. Mr. Speaker, my statement appears following these remarks:

STATEMENT OF HON. CLAUDE PEPPER

Chairman MADDEN. Congressman Pepper had long training over in the Senate and he graduated over there. So now he is in the House.

Mr. PEPPER. Thank you, Mr. Chairman, and members of the committee for the privilege of making what I shall try to keep to a brief statement before the committee on this matter pending relative to the President impounding funds authorized and appropriated by the Congress, or terminating laws without the authority of Congress duly enacted by the Congress.

I regard there being three very important and serious questions involved in this controversy between the Executive and the Congress. First I believe there is a very serious constitutional issue presented in this controversy; secondly, I believe there is a very serious political problem presented by the President having the opportunity to go before the country and tell the country that the Congress is being physically irresponsible: third, it seems to me that the great importance in respect to the public interest to show that we have a responsible Congress and that we are amenable to some kind of reasonable discipline in the expenditure of the public funds.

On January 3 of this year, I introduced a companion bill to the Ervin bill that was introduced in the Senate. That was in substance that the President within 10 days after he impounded or terminated or attempted to terminate the law should give notice to the Congress—(House bells)—would you like to terminate now, Mr. Chairman?

Chairman MADDEN. We will recess and vote and come back immediately because I think we can dispose of the witnesses in a very short time.

So immediately upon voting we will come back.

(Brief recess.)

Chairman MADDEN. The committee will be in order.

Proceed, Congressman Pepper.

Mr. PEPPER. Mr. Chairman, and members of the committee:

I don't think it is necessary for anyone to labor further the point that, within the confines and the intent of the Constitution, the Executive, any Executive, does not have the power to terminate legislation enacted duly by the Congress or to fail to carry out the laws, including appropriation laws duly enacted by the Congress.

I have had the Library of Congress to search every memorandum that pertained to the constitutional convention that they could find.

We have heard witnesses who appeared here who are able authorities in the Constitution. Nobody has ever suggested so far as I am aware, anything in the Constitution or in the deliberations of the Constitutional Convention that would justify the President in taking such action.

Surely the constitutional framers and founders never contemplated anything like that. They thought they had prevented any Executive from attempting such action by putting in the Constitution the language the President "shall take care that the laws be faithfully executed."

Now they could have said the President shall see to it that the laws are executed. But they saw some reason to add the additional language in there "shall take care," shall be careful, shall be alert, shall be concerned, shall be sure, shall take care that the laws, not just be executed, but be faithfully executed.

A faithful servant is the one who well carries out the wishes and the will of his employer.

So it seems to me that it is very clear that under the Constitution the Executive does not have the power, either to terminate legislation enacted by the Congress or to fail to carry out laws, including appropriation bills.

The only argument I have ever heard asserted to the contrary is that other Presidents have done the same thing. Well is that not the way to amend the Constitution of the United States—by violating it. I don't care how many Presidents have violated it.

If that is in violation of the Constitution, that is not a way to amend it. There is a procedure prescribed in the Constitution if anybody wishes to amend the Constitution. Of course, that procedure has not been followed in this case.

So it does seem to me appropriate that the Congress shall take account of the seriousness of this question and shall proceed in some proper way to assert the proper prerogative of the Congress under the language of the Constitution which said all, not just some, or part of, but all legislative power shall be vested in the Congress of the United States.

I said the second issue is the political one. As long as the President can go before the country and say, "I had to terminate some of those laws enacted by the Congress because I had to save *money*, because this is an irresponsible Congress you have elected up here; they spend money without any sense of restraint, of responsibility, and the effect of their excessive spending is to increase inflation and to bring about the probability of increased taxation."

That is a very telling political argument. And if Congress is going to vie with the Executive in the form of public opinion, I think we have got to answer that argument by action showing we are not an irresponsible body financially.

It would take a very rich father to be able to afford, if he had several children, each one of the children spending all the money he wanted to spend or she wanted to spend.

Yet, to a great degree we have allowed all of the committees of the Congress to spend the amount of money that they respectfully thought we should spend and the sum total many times has been in excess of the budget, perhaps maybe in excess of what the Congress, if it had taken an overall look at it, would have preferred to spend.

So I think we in action have got to deprive the President of that argument in insisting upon the preservation of our constitutional prerogative, to be the representative of the people in the enactment of their laws, including the appropriation of their money.

The third issue, as I said, as I see it, is to show that we are a responsible body.

In the first instance, on January 3, as I said, I introduced the counterpart here of the Ervin bill in the Senate. Since that time the Senate had passed the Ervin bill with an amendment imposing a ceiling.

I have introduced that bill as a counterpart here, as it passed the Senate, H.R. 6805. That is the bill that I would very respectfully recommend that our committee report out and that the House of Representatives adopt rather than the Mahon bill or any other bill which has been brought to our consideration.

There are two or three good reasons for that. In the first place, I like the approach of the Ervin bill, which I have introduced the counterpart of here, and others have, too, Mr. Pickle and Mr. Matsunaga, my colleague, and many others.

I like the approach that it makes. It assumes that the President shall carry out the Constitution, to see to it that the laws, including appropriation laws, are faithfully executed unless Congress excuses him from doing that.

Under the Ervin bill, his impounding of funds of the termination of legislation is forbidden unless Congress approves it.

Under the Constitution the President has two prerogatives in respect to the action of the legislative body. He may recommend action or non-action by the Congress, and he may veto action taken by the Congress.

Under the Constitution, I see no option other than the third one provided clearly by the Congress, he shall take care that the laws be faithfully executed.

But now then, we would say, let the President impound or terminate, if he will, but it becomes illegal under the act passed by the Senate, which was the original Ervin bill with an amendment, unless within 60 days Congress affirmatively approves the proposed modification. That is what I would consider impoundment to be: It is in the nature of a recommendation for a change in the law, like a supplemental appropriation, as it were, in respect to an original appropriation.

Whereas, the Mahon bill would impliedly say, "All right, Mr. President, you may terminate or you may impound funds provided by the Congress if we don't affirmatively disapprove within 60 days."

That gives the Executive the benefit of dissension in the Congress, delay in the Congress which might include filibuster in the other body, disagreement even of goodwill between the bodies of the Congress.

It puts in jeopardy a great constitutional principle, and it weakens us in the protection of our prerogative if we allow the President the benefit of those practical factors which might enter into the solution, the final settlement of the matter.

In the last place, the advantage of the Ervin bill, as it passed the Senate with the amendment, is that we do meet the test of fiscal responsibility. We do it without waiting for our able, joint committee on the budget to follow up its report. They have already made it, and I commend them upon the excellence of it. I had the privilege of appearing before the committee to submit my views, but I dare say that the Congress is not likely to adopt those recommendations, however meritorious they may be, in time for us adequately to deal with the 1974 budget.

Whereas, under the bill that passed the Senate, what they have done, and what we would do if we joined in it here it is already half through, as it were—is that the President recommended for fiscal 1974 a budget of $268 billion, 700 million and this bill said $268 billion.

So the President can't go before the country and say, If we adopt this bill, that "that is a spendthrift Congress." We are $700 million under the President's budget for 1974. My able colleague here and many others have pointed out, that in many instances in the past our appropriation has been less than the budget request. But for the specific year, 1974, this bill, that has passed the Senate, puts a ceiling on congressional appropriation at $700 million lower than the President requested.

What can he make of us, if we do that? How can he say then we are the irresponsible spendthrift in the government and perhaps not the Executive who would recommend nearly a billion dollars more.

The last thing it does, it provides a formula for the reduction in the funds. I have been going over this morning the recommendation of our able Joint Committee on the Budget. I have read some of the criticisms of their proposal. And they are perhaps worthy of serious consideration.

But it is very difficult to have a committee in the Congress—as Mr. Mahon said here in response to a question I put when he testified on the Mahon bill here originally. We tried it one time and Congress didn't continue the practice.

It is very difficult over here, yet we must find a way to do it. I think we all agree, to fix our own limitation.

But according to this bill that passed the Senate, they on the Budget have been able to be heard by the Congress and Congress has time to act upon those recommendations which involved many other complex matters, that we could beat all of the arguments that are put against us, political arguments, and the argument that we are not meeting our responsibilities as a responsible, fiscal body; we can meet all of those by a relatively simple formula, at least of temporary value, by using this formula of exempting certain critical areas from being cut at all; cutting all other appropriations on a percentage basis.

So that is the reason, Mr. Chairman and members of the committee, that I think it would be wiser—the Senate has already passed this bill and if we pass the Mahon or any other bill, of course, the matter will go to conference. But the Senate already passed this bill and, if we could conscientiously bring ourselves in accord with it, we would more likely expedite the solution of this matter of the enactment of whatever we pass here. And then we would probably have a greater degree of unity between the two bodies, because it is entirely possible the President is going to veto the bill anyway. We will probably need the maximum unity in the Congress if we are to make this principle stand before the Congress.

Thank you, Mr. Chairman.

ADDRESS AT UNITED CEREBRAL PALSY ANNUAL CONFERENCE

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, on the evening of May 3 at the United Cerebral Palsy annual conference at the Statler Hilton in Washington, Dr. Harry M. Zimmerman, UCPA-Max Weinstein Award winner, delivered an able and learned address on the progress that has been made in recent decades in disclosing the circumstances that influence the development of cerebral palsy. This address will be most illuminating to all those concerned, as I am and I know the Members of this House are, about the numerous victims of cerebral palsy in this country and the tragedy and challenge they present to the Nation.

I, therefore, commend Dr. Zimmerman's address to my colleagues and to all those who read this RECORD to indicate the progress that we have made in dealing with this dread disease and the imperative need there is for us to continue the best possible research into this field in the hope that relief against cerebral palsy may be found and aid for those already the victims of it may be afforded. I, therefore, insert Dr. Zimmerman's address following in the RECORD immediately after these remarks:

REMARKS BY HARRY M. ZIMMERMAN, M.D.

This occasion is perhaps a suitable time to take stock of the progress that has been made in recent decades in disclosing the circumstances that influence the development of cerebral palsy. No one can deny that great strides have been made in this direction. That research currently in progress will contribute still further to the solution of the yet remaining obscure pathogenetic factors will become apparent from my remarks that follow.

It would seem that when the eminent English surgeon, William J. Little, published his paper in 1862—just over one hundred and ten years ago—which was entitled "On the influence of abnormal parturition, difficult labours, premature birth, and asphyxia neonatorum, on the mental and physical condition of the child, especially in relation to deformities," he had mentioned two of the common factors that are often responsible for the group of entities that came to be called Little's disease or spastic diplegia and that encompass much of what is now called cerebral palsy. These factors are neonatal asphyxia and prematurity. It should be clearly borne in mind that cerebral palsy could more appropriately be called "the cerebral palsies," conditions with varied clinical manifestations and of diverse causes (many more than asphyxia and prematurity), all having one common symptom, namely some degree of paralysis.

In the 1930's the state of our knowledge regarding cerebral palsy was about what it was in William Little's time. Among the many points at issue, two gradually had emerged which engaged the attention of the best minds in the field. One was whether the cerebral injury that resulted in paralysis also invariably produced a severe degree of mental retardation—an opinion held by many at that time—and the other was whether an appreciable number of palsied children owed their deficit to genetically transmitted factors. It was my good fortune to be exposed to a number of scientists in the forefront of investigation in this field at that time, either as student or colleague. They were Bronson Crothers, Arnold Gesell, Elizabeth Lord, Winthrop Phelps, Sidney Farber, Martha Eliot and Ethel Dunham.

In a study on the correlation of behavior and neuropathology in a patient with cerebral palsy from birth injury which Dr. Gesell and I published in 1937 we concluded that the child showed remarkable integration of personality and significant approximations to normal mentality, and that considerable maturation takes place in unimpaired cerebral areas even when they are cut off from normal tactile motor communications. It seems strange indeed at this point in time that anyone would question the possibility of the preservation of normal mental function is a diplegic child, but the conclusion to our case report in 1937 was met with less than universal acceptance.

With or without mental retardation, intrauterine hypoxia, asphyxia during a difficult delivery, and neonatal anoxia, all contribute to producing cases of cerebral palsy. A peculiarly subtle form of brain injury from anoxia in the neonatal period or early childhood is one that occurs during convulsions.

In studies that my associates and I carried out intermittently in the years from

1938 to 1959 we showed that severe convulsions both in children and experimental animals resulted in brain injury. The convulsions could be mediated through hypoglycemia (low blood sugar) or hyperthermia (fever) and were particularly effective in damaging the brains of immature babies or kittens. In a summary paper which I published in 1959 it was concluded that: "Three facts have been established by these experiments. One is that convulsions, regardless of how they are initiated, produce cerebral anoxic changes which can destroy cortical ganglion cells in the cerebrum and cerebellum. A second is that hypoglycemia, even without producing convulsions, can destroy neurones by lowering glucose levels below critical points. The third fact is that the cerebral lesions described in both infants and experimental animals result from the convulsive seizures and do not cause these seizures."

The question regarding possible hereditary factors as a cause of certain malformations of the brain in palsied patients was not so readily solved. Indeed, the final word has not yet been stated on this subject. But many so-called anomalies, malformations, or maldevelopmental abnormalities that underlie cerebral palsy are not of genetic origin, as has been shown by Margolis and Kilham in different experimental animals. These investigators demonstrated that the transplacental transmission of the parvoviruses in the animals induced severe developmental defects, especially of the cerebellum. Of course, we have known for some time that the rubella virus could pass the placenta in the early months of gestation and could produce a malformed brain in the human fetus.

There is some very recent evidence to suggest that a comparable effect is produced in the human embryo with the transplacental passage of the herpes simplex virus. Intrauterine viral infections in animals have, moreover, been shown to produce aqueductal stenosis and internal hydrocephalus. Perhaps this is also true in man. It seems beyond reasonable doubt that with time more and more viral agents will be discovered that play a role in injuring the fetal brain *intra utero* and producing a diplegic infant. Infection, then, and not necessarily genetic factors may account for many cases of cerebral malformation with palsy.

Any review of the subject would be incomplete that failed to note the association of erythroblastosis, icterus gravis, jaundice of the nuclear masses of the brain ("Kernicterus" as it is called), and cerebral palsy. When Herman Yannet and I reported the postmortem findings in two neonates with cerebral jaundice in 1933, they were probably the first cases to appear in the English medical literature. Two years later we published observations on the sequelae of icterus gravis and kernicterus in a three year-old child with spasticity and athetosis. The brain was no longer jaundiced but instead, those areas that were noted to be seats of predilection for the jaundice in the first weeks of life now revealed a total absence of destruction of the nerve cells. We concluded on the basis of the evidence at hand that the bile pigment somehow escaped from the cerebral blood vessels, poured into the adjacent tissues and irreversibly damaged the brain cells. But how could the circulating bile pigment escape from the vessels? This, of course, is the old question of the blood-brain barrier. Only in the past two or three years have we been able to show that the blood vessels in the brain in the first weeks of life, and especially in the immature infant's brain, are porous to substances of such molecular size to which they become impervious later in life. It is to be noted that after two or three weeks postpartum, and forever after throughout life, the brains of individuals with severe generalized jaundice fail to develop kernicterus. The blood-brain barrier, that subtle anatomic structure that has at last yielded to electron microscopic study, is in operation in the maturing and mature brains.

Let us pause a moment to consider the causes of the many forms of cerebral palsy enumerated to this point. There is, first of all, immaturity itself. This betokens a brain in the newborn peculiarly susceptible, by its very condition of immature development, to all sorts of injury. Then there is cerebral anoxia, that which is caused by a difficult delivery, that caused by pulmonary hyaline membrane disease, and that which may result from repeated severe convulsive attacks. Then there are a host of intrauterine viral infections that selectively damage the fetal brain and lead to malformations. Finally, there is icterus gravis neonatorum, erythroblastosis fetalis, and kernicterus.

Is our recital of causes of cerebral palsy now complete? By no means. New pathogenetic factors are discovered from time to time which bear on this subject, and a suitable illustration of this is the work that was initiated in recent months by two of my colleagues, Drs. Kochen and Hirano.

These investigators, as others, have been aware that lead is a major environmental pollutant and that this heavy metal has been implicated in brain damage in early childhood. The sequelae of lead poisoning in children are known to include irreversible neurologic impairment, recurrent seizures and mental retardation. The possibility that lead may have a potentially damaging effect on the fetus was what concerned Drs. Kochen and Hirano. The fact that lead crosses the human placental barrier has been confirmed by the increasing amounts of lead present in fetal tissues with advancing gestational age and the presence of lead in umbilical cord blood.

One factor responsible for the transplacental transfer of lead may be the remarkable affinity of the red blood cells for lead. The red cell combines avidly with lead and just as readily releases it under the comparatively long-term situation of pregnancy which provides sufficient time for equilibration between maternal and fetal blood. Maternal blood lead levels may be in the subclinical range as far as overt effects in the mother are concerned, but the same levels in fetal blood could conceivably damage the immature, developing human fetal brain.

Kochen and Hirano studied these neurotoxic effects in the chick embryo and have shown that meningoceles developed in response to the intoxication with lead salts. This is the first time that this malformation involving the skull and brain coverings has been attributed to lead poisoning. The implantation of lead acetates into the brains of young rats produced alterations in the structure of the cerebral blood vessels, increasing their permeability, and these changes were accompanied by paralysis of the hind legs.

As yet, the experimental evidence with lead intoxication as a factor in human cerebral palsy is only suggestive. Much work has still to be done to establish the link beyond reasonable doubt. As an example of the new approaches into the many diverse causes of cerebral palsy, this investigation by Kochen and Hirano holds out promise for the future, to the day when the prevention and successful treatment of the "cerebral palsies" will be universal.

PERSONAL EXPLANATION

(Mr. HUDNUT asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. HUDNUT. Mr. Speaker, I was unavoidably absent yesterday when the House considered H.R. 5452, to extend and make technical corrections to the National Sea Grant College and Program Act of 1966 and H.R. 5451, Oil Pollution Act Amendments of 1973. I favor both of these bills, and would have voted yea on rollcall No. 128, and rollcall No. 129 if I had been present.

REFORMING THE POLITICAL PROCESS FOR PRESIDENTIAL ELECTIONS

(Mr. HUDNUT asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. *HUDNUT*. Mr. Speaker, one conclusion being drawn from the current revelations regarding the Watergate incident is that the political party system in American democracy is not well served by vesting responsibility for conducting a Presidential election—or reelection—campaign in an ad hoc committee independent of the national committees of the major political parties.

Both theoretically and pragmatically, the national parties and their duly constituted leadership have the professional political competence to conduct election campaigns and make sound judgments about campaign practices and policies—undoubtedly much more competence than outsiders who are brought in, or hired in, to do one particular job in one particular election. The democratic process will be best served if it is infused with political professionalism so that the parties do not become weak and impotent through lack of leadership and staff sufficiently stable enough to exert itself positively in times of threat to their own integrity. This vitality can only be insured if the national parties provide the primary opportunity for new blood to participate in the political process. Political professionals can also make mistakes or use poor judgment, but in as serious a business as politics, which is not a game but a science and an art, the experience and wisdom of leaders who know political organization from the inside should be utilized to fullest advantage.

Also, the parties, with their firmly fixed responsibilities, can be held directly accountable for what happens. National committees do not dissolve after an election, win or lose, and the public can therefore pinpoint its concerns about the way the campaign has been conducted. The opportunities for deceit, for abuse of privilege by seekers after privilege, and for corruption of the process by the machinations and intrigues of little men with self-serving ambitions and narrow vision, would be reduced by virtue of the accountability built into the two-party system.

Party professionals in my own State of Indiana are saying this. James Neal, GOP chairman in Indiana during the 1972 campaign, had this to say shortly after the election, in a letter to National GOP chairman Senator Bob Dole:

> I would like . . . to challenge the political concept which divorced the Committee for the Re-Election of the President from the Republican National Committee.

While working relationship between regular organization people and the CREP staff in Indiana was good, Neal pointed out that the "disgraceful" Watergate affair could have "serious and lingering consequences on our political system."

GOP National Committeeman L. Keith Bulen makes a similar observation:

> I have felt strongly for the past two decades that the political party organizations have been for the most part sadly neglected by office holders at all levels and by the voters themselves. The trend of candidate packaging and ad hoc one-time campaign committees and their personnel who have only incidental concern for the institution of government, is most disturbing to those who have chosen to dedicate their lives strengthening and improving the two party system.

And not only party professionals are voicing this opinion. For example, last week, on May 1, in the Washington Post, columnist David S. Broder wrote:

> In the light of the Watergate scandal, it is time to ask how we can professionalize the national party organizations and give them the strength they require to do their job. Specifically, it may be time for Congress to consider legislating a requirement that all funds spent on behalf of a candidate for President in the general election must be spent through the national committee of his party.

In view of these observations, and in order to prevent abuse of the system and misuse of private money donated to Presidential campaigns, ought not the Congress study the feasibility of strengthening current laws concerning such campaigns, with specific reference to the desirability of mandating that Presidential campaigns in general elections be funded and conducted by, with, in and through the national committees of any candidate's party? I am studying the feasibility of such legislation and would hope it might be introduced and passed by the Congress, thus bringing some overdue reform and strengthening of Federal campaign practices.

TWENTY-FIVE YEARS OF PROGRESS AND HOPE

(Mr. PODELL asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. PODELL. Mr. Speaker, this week we celebrate the 25th anniversary of the independence of the State of Israel. Many words of praise have been spoken and congratulations extended on this occasion, and I wish to take this opportunity to extend my own wishes for continued success to the people of Israel.

Israel has always held a vital place in the hearts and minds of the Jewish people. It is our ancestral home, and we have deep emotional ties to the land. We look to it as the living symbol of the accomplishments of the Jewish people. Israel is the new hope, reborn out of the ashes and despair of the Second World War.

From a land that was little better than total desert in 1948, Israel grew into a highly industrialized, modern nation. That this was accomplished under the constant threat of annihilation by the surrounding Arab States makes Israel's accomplishments nothing short of miraculous.

In 1948, Israel was importing nearly 10 times as much as she produced for her own use. Today, the ratio is down to twice as much.

We have often heard the metaphor that Israel has made gardens bloom in the desert. This is more than a metaphor: It is simple truth. The land, which was lying fallow and useless for 2,000 years, has been reclaimed and is today rich and bountiful.

One of the world's great scientific establishments, the Weitzman Institute, is located in Israel. Israel has given the world fine actors, musicians, artists, architects, elegant fashions. Israel has indeed progressed greatly in the last 25 years, and the future holds forth the prospect of continued growth.

But Israel stands not only for progress, but for hope. For without hope there can be no progress. Israel's national anthem, Hatikvah, literally means "The Hope." This nation is a symbol of hope for so many people.

It is the spiritual center for three major religions, Judaism, Christianity, and Islam. We have seen how all three faiths can live peacefully side by side in Jerusalem. And this gives us hope that someday people everywhere can conduct their lives in peace.

Israel is the hope for millions of Jews everywhere. As long as Israel exists, the Jewish people will continue to thrive. The State of Israel is a physical symbol of the strength of the Jewish people to overcome adversity.

Israel is a special hope for hundreds of thousands of Jews living in the Soviet Union, languishing until they are given permission to emigrate. The hope that Israel represents is often all they have to sustain them as they sit and wait and suffer in their oppression.

Yes, there are problems. Israel needs help to absorb the influx of thousands of Russian emigrants that come each month. She needs help to meet the needs of a growing people, to provide more housing, more teachers for the schools, more of every kind of service that a growing, modern nation requires. Most of all she needs support in her struggle against a hostile environment.

It is almost impossible to survive surrounded by 50 million hostile neighbors sworn to wage holy war against you. And yet, Israel has done so, and done so admirably. American support, from the late President Harry Truman's initial espousal of the concept of a Jewish homeland, to current loans of money for development and armaments, has been vital in keeping Israel going.

Israel needs our continued support. Not in a cloying, leech-like way. Israel is a strong nation, well able to defend herself, and meet her own needs. Rather, she needs continued American support in the United Nations, in actions against the depredations of terrorists, in encouraging the growth of a thriving civilian economy. American support does not only come in the form of Phantom jets; it comes in many more subtle forms.

The greatest hope for Israel, and indeed for the world, is for peace in the Middle East. Without a settlement of the quarter-century of conflict, the promise that Israel represents will become meaningless. The best way in which we can show our support of Israel is to help her toward a full and fair settlement of her disputes with the surrounding Arab states. We can, and we should, help Israel keep the hope alive. There could be no more fitting way for Israel to celebrate her silver anniversary than with the fulfillment of a long-cherished hope: Peace.

THE 1974 DEFENSE BUDGET REVIEW

(Mr. EDWARDS of California asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. EDWARDS of California. Mr. Speaker, below is printed the complete text of the fiscal year 1974 Defense Budget and Posture Statement of the Members of Congress for Peace Through Law, including a list of programs in which reductions are possible without jeopardizing United States or international security. Based on the judgments of a number of defense analysts and former Department of Defense officials, I feel that this proposal offers a realistic, feasible and desirable overview of the defense budget. In anticipation of the pending consideration of defense spending by the House in the next few weeks, I strongly recommend the most careful reading and consideration of these suggestions by every Member of Congress.

The text of the defense budget and posture statement follows:

The 1974 Defense Budget Review

The proposed $85 billion budget (TOA) which the Defense Department is now seeking to justify before the Congress is not what it pretends to be. It is not solely a defense budget. Rather, it is primarily a defense and foreign influence budget. It is further a budget out of touch with current political, strategic, and economic realities. And it includes requests to continue or begin funding a number of programs which increase U.S. security only marginally in comparison to cost or which do not add to the common defense at all.

The American taxpayer is now being asked to support "peacetime" military spending at a higher level than in any year during the war just ended. This is the first time in the nation's history that defense costs have risen *after a war!*

It is, therefore, essential that the public and its representatives in the Congress make a careful scrutiny of every dollar requested by DoD to ensure that it spent wisely on programs aimed at the common defense and improving, not jeopardizing, international security.

We are not against an active foreign policy. Quite the contrary, no nation with these responsibilities and the interests of the United States could fulfill those obligations without a dynamic involvement in world affairs.

But we are opposed to a militaristic foreign policy—one which seeks to score dubious political points with the instruments of force when other more enduring means of achieving peace are available. And we are even more strongly opposed to selling the American public costly and unnecessary weapons and foreign policy adventures disguised as "vital defense needs".

We feel that there are at least $15 billion worth of questionable costs and programs in the proposed budget. We believe further that a minimum of $10 billion can be cut from the Pentagon's recommendations and that such cuts will not reduce but will actually enhance U.S. security. We have proposed guidelines and target savings figures for DoD and the Congress to use in achieving these savings.

Our analysis of the FY 1974 defense budget proposals, in the context of today's realities, follows. The aim of this review has not been to engage in fruitless argument over the meaning of figures. Rather, it has been to reexamine the political, strategic, economic, and management factors by which the Defense Department seeks to rationalize its requests for funds. Our specific proposals appear at the end of this evaluation.

FOREIGN POLICY OVERVIEW

The most striking feature of the justification presented for the FY 1974 defense budget is its variance with the political and strategic realities of the present era. Though officials of the Defense Department have recently made a concerted effort to bridge this obvious reality gap with words, the fact is clear that the defense budget looks steadfastly backward and not forward.

A few examples will serve to illustrate this disparity between DoD planning assumptions and present realities.

In South Korea the U.S. maintains some 40,000 troops at a cost of about $585 million in the fiscal year concluded last June. This does not include U.S. military assistance to South Korea in the amount of $155 million for the same year This kind of force and this kind of cost is wholly at variance with any realistic assessment of the likelihood of a war in this theatre that would prejudice U.S. security. It runs counter to the facts of the successful U.S. diplomatic rapprochement with China or the improving relations between North and South Korea. It is a costly and useless garrison. On the basis of cost-risk-benefit decisionmaking, it is clearly wasteful. It also raises serious questions about the implementation of the Nixon Doctrine and how much our military assistance programs are doing to make such nations self-sufficient.

Or, another example—

On the one hand the U.S. government places sufficient trust in the Soviet Union to extend it enormous credits for the purchase of American grains. Further, American banks and business firms have sufficient confidence in the Russians to be planning to loan the U S.S.R., with U.S. government guarantees, billions of dollars for developing, piping, and shipping Soviet natural gas. Likewise, the American government is assisting U.S. industrial and trading firms to ship cotton and commercial aircraft to the Peoples' Republic of China and to undertake a host of trading agreements with such communist countries as Poland and East Germany.

We would ask: if the U.S. reposes billions of dollars worth of confidence in these 'potential adversaries,' why then is it still spending money at a higher-than-wartime rate to increase its already substantial lead in the important aspects of strategic and general purpose forces? Surely it is a form of impaired vision or madness to extend credits and loans to nations which one believes are planning and poised to strike at our vital security.

The conclusion to be drawn from this enormous discrepancy is that the Defense Department is operating on a different set of assumptions from the rest of the government. This is something we have known in the Congress for some time. Despite an intelligence apparatus that costs an estimated $5 to $6 billion a year and despite the rhetoric of "net assessment," Defense planners continue to concentrate almost exclusively on the 'capabilities' of selected nations, rather than on their 'intentions.' Hence we have a simplistic defense planning system which overvalues each tank and infantryman and undervalues political and strategic factors. Were this system not applied selectively, we might be preparing for an attack from Canada or Brazil, since they have relatively large and modern fighting forces. This is the kind of 'tunnel vision' which drives up the defense budget in an era of peace and a period of negotiation. It is these kinds of self-fulfilling 'threat analyses' and 'worst-case' assumptions which cause the obvious gap between our trade policy and our defense policy—which not only fail to aid but which often frustrate U.S. efforts to achieve further relaxation of international tensions.

It is not our intention to reduce the U.S. defense posture below acceptable levels. We quite agree with officials who point to the need for maintaining an adequate defense while undertaking complex diplomatic negotiations. We understand that 'threat analysis' and 'worst-case assumptions' are useful factors in defense planning but political and strategic conditions must be the final determinants of defense spending.

What we cannot agree with is the Defense Department's contention that the U.S. is now militarily weak. What we cannot condone is the over-valuation of adversary strength and the underplaying of the likelihood of a provocative action against the U.S. What we cannot accept is the burdensome cost of military forces being used for non-defense and often counter-productive foreign policy initiatives. What we cannot assent to is the dangerous and bankrupt notion that it is in our interest or in our capacity to defend some 65 other nations around the world.

DEFENSE MANAGEMENT AND ECONOMICS

The illusion which the Department of Defense seeks consistently to foster is that the funds it requests from Congress and the American taxpayer contribute effectively to the national defense. Even a cursory review of the budget reveals that this is not so in a high proportion of programs.

Our examination reveals considerable redundancy within services (such as the Navy's many shipbuilding programs) and considerable overlap among services (such as the multi-service close-air support mission). It reveals that there are real and potential cost overruns as a result of 'gold-plating' and the too hasty application of new technology. It reveals that there are 'modernization' costs which are actually replacement costs for unauthorized giveaways of expensive equipment (especially to South Vietnam). It reveals that there are 'pockets of fat' in the form of excessive support costs and needless manpower expenses resulting from 'grade-creep,' from a bloated top-heavy bureaucracy, and from the maintenance of high troop levels not required for either defense or contingency operations.

What is especially worrisome is that the Defense Department has felt obliged to cover up this waste by using figures which make the budget appear smaller.

It claims that defense spending has declined as a proportion of gross national product, without pointing out that the difference results from a climbing GNP not falling defense spending. It claims that inflation is a major stimulus to budget growth, without adding that defense spending has been and remains a major contributor to the wage-price spiral of the last decade. It claims that defense spending is now below federal human resource spending but ignores the fact that the human resource share of the federal dollar now includes such military-related costs as the G.I. Bill and V.A. benefits or the fact that much of the interest on the national debt includes defense-generated indebtedness. These are but a few of the ways in which figures are managed to hide true costs. We find this economic sleight of hand repugnant in an open society and we are concerned about an agency that finds it necessary to resort to such tactics.

The defense budget is made to appear smaller in relation to the federal budget as a whole by adding to the latter 'mandated' costs which do not come out of the general revenue dollar, such as Social Security and Highway Trust Fund expenditures. Senator McClellan, Chairman of the Senate Appropriations Committee, shed light on this situation recently when he pointed out that the defense budget represents 48% of the federal budget that will be considered by Congress for appropriation. He, too, called for cuts.

The military share of the federal budget looms even larger, when all defense costs are aggregated and mandated programs over which Congress and the President have no control (Social Security, Railway Retirement Fund, etc.) are excluded. Congress is being asked to appropriate $199.1 billion dollars for Fiscal 1974, attributable as follows:

Military—59% (including 6% for veterans' benefits and 12% for interest on the national debt, most of which is defense-generated).

Human Resources—19% (education, manpower, health, income security).

Physical Resources—10% (natural resources, commerce, transportation, community development, housing, agriculture, rural development).

All Other—12% (space, government operations, revenue-sharing, foreign relations, finance, pay raises, contingency funds).

Thus we have a disguised budget which seeks to do the unnecessary through means which are inefficient or not cost-effective. Such a budget does not add to the security of the U.S. in an amount proportional to the cost. Rather than increasing national security, it saps the very economic lifeblood of the country through continuing the overseas dollar drain, through the diversion of funds from socially productive spending to programs which return a smaller share of each dollar invested to the domestic economy, and through materiel giveaways, including the sale or lease of capital investment items such as ships and aircraft at a fraction of their purchase price. It is furthermore a budget purposely inflated to offset anticipated cuts.

As an eminent economist noted in the recent *Foreign Affairs*:

"Of course, if defense procurement is reduced, the demand for other goods and services—public and private—must be correspondingly increased to provide civilian employment for those formerly producing weapons. People are employed only if there is market for the goods and services they produce. But we have monetary and fiscal instruments which can stimulate demand for labor in an amount sufficient to absorb those laid off in defense establishments. Necessarily there are transition problems. Specific conversion programs are required for people with specialized skills and for localities which have in the past depended heavily on defense contracts. But cutbacks in defense procurement and reductions in the size of the armed forces are no excuse for an overall increase in unemployment. We can have full employment with any size defense budget, be it $10 billion or $100 billion. *The Comintern was wrong—making weapons is not essential to the prosperity of a free-enterprise economy.*" (Emphasis added.)

The Defense Department has been at some pains to convince the American public and the Congress that rising manpower costs and inflation have driven defense spending up. The DoD assertions would be convincing if only we could see a real effort to balance rising costs by economies elsewhere. We find no evidence of this. The few programs which are being reduced are, in the main, those nearing completion anyway.

Thus, we are led to the general conclusion that the increased defense budget proposals result from three factors:

(1) Padding in anticipation of cuts.

(2) Weapons, manpower, and support spending not justified by defense needs.

(3) Poor management of resources (whether or not required for U.S. defense).

In regard to the last factor, Secretary Richardson himself has alluded to DoD's need to "reinforce efforts toward (managerial) reform . . . improve our planning and review processes . . . emphasize accurate cost estimating . . . scrutinize stated requirements more closely to ensure that scarce resources are allocated optimally in terms of real need . . . apply technology to reduce costs as well as to increase performance . . . work with our allies to avoid wherever practical, an unnecessary duplication of a weapons acquisition process that either encourages or relies upon 'bailouts.'"

We can only conclude (and the C–5A, the F–111, F–14, LHA, and countless smaller programs provide concrete evidence) that Pentagon management of national resources has been a disaster, as Mr. Richardson's catalogue of deficiencies implies.

Finally, the Congress is often told that it should not vote to terminate or cancel programs already in the procurement phase because of the costs of terminating contracts, higher per-unit price of the system, and the expense of reopening a production line should the need arise. In other words, Congress must vote to pay for the management and design and contractual errors that result from throwing money at unproven concepts. We feel that Congress should resist this argument. Congress must force the Defense Department to adopt responsible management practices, as well as realistic strategic assumptions, so that the American public is not constantly called upon to bear the burden of bail-outs of defense contractors, to bear the burden of problemmatic weapons systems because it is cheaper to buy them than to terminate contracts and production lines, and to bear the burden of weapons which represent an over-reaction to remote or minimal threats.

AN EFFECTIVE NATIONAL DEFENSE

Our analysis of the Pentagon's proposals, when matched against existing and foreseeable international conditions and the past performance of the Defense Department, leads inescapably to the conclusion that DoD is maintaining a wartime defense posture and outlook in a time of increasing detente and peace. What this means is that the kinds of defense planning which must go on in both peace and war is being translated into defense spending. We can see no need for this. While there must be contingency plans based on 'worst-case' assumptions and orders of battle based on sober assessments of adversary strength, while attention must be given to ways of expanding U.S. forces in the event deterrence itself fails, there is no need to transform all of these plans immediately into the sinews of war and to maintain excess forces in a state of permanent readiness, for there is no nation offering us a military challenge anywhere today. Nor is one likely to in the foreseeable future, given our demonstrated will and capacity to respond with countervailing force.

These reflections lead us to the view that we can have a substantially more effective defense program at a reduced cost. To achieve this goal, we recommend, besides the management improvement objectives already suggested by Secretary Richardson:

More careful selection of design concepts for RDT&E funding.

More emphasis on austere, single-purpose, and durable weapons systems.

Clearer, nonduplicative definition of service roles and missions.

A clearer differentiation between defense planning for wartime and defense spending in peacetime.

A careful avoidance of redundancy in the name of back-up capability.

The adoption of these practical aims plus the elimination of the kinds of wasteful programs addressed further on will maintain the substantial lead which this country now has in every phase of military might but will do it in a way that is more effective and far less expensive.

The following sections address those aspects of the defense budget proposals where we feel some $15 billion in savings could be made. We call upon our colleagues in both Houses to examine these recommendations to determine which programs contribute the least to national defense in relation to their cost. Such an examination, we are confident, will reveal a minimum of $10 billion in reductions which could be effected in a manner that would improve the U.S. defense posture.

CATEGORICAL REVIEW

Strategic Forces. The proposed DOD budget makes no attempt to capitalize on the existing and long-range U.S. lead in deliverable warheads. And there is no attempt to capture the savings implicit in the ABM Treaty. Instead, the objective appears to be piling overkill on overkill, of developing weapons systems which will destabilize mutual deterrence and undercut the treaty or any chance of further gains in SALT II. The U.S. possesses in its deterrent forces the capacity to pulverize every major city of any and all potential adversaries, even after a first-strike attack. Yet the Pentagon insists that it needs more MIRV warheads, more missiles, and more delivery systems. Secretary Richardson points out that the armed might of other superpowers is growing. But he fails to add that the political likelihood of their using this might against the United States is practically nil, unless provoked by us. He fails to add that the United States retains a commanding lead in accurate, deliverable destructive power. And he fails to add that the major stimulus to the growth of adversary forces is the fear of an American attack which this incredible U.S. strategic arsenal incites.

As former Arms Control and Disarmament Director, William C. Foster, warned last fall:

"Much more could have been accomplished [at SALT] had we not fallen into the trap of believing that we would only be able to reach successful agreements by . . . building the very weapons we most needed to control. . . . All we got from using the ABM as a bargaining chip at SALT I was an agreement allowing us to build some 200 useless and expensive ABMs . . . instead of none at all. . . . We should drop the 'bargaining chip' approach. . . . We should stop those weapons programs that we clearly do not need. . . . Stopping these weapons programs in place now will not hurt our security. It may well enhance it by giving us and the Soviet Union breathing space in which to devise lasting and effective ways to stop the arms race and begin the long and already difficult task of lowering the level of arms on both sides, and of reducing the heavy economic burden of armaments. . . . Obviously, I hope the Soviet Union will match the United States by showing restraint in arms programs. Even if they did not do so at once, their present modernization program . . . would not cause immediate threat to the United States. . . . We can no longer afford the luxury of unrestrained arms building."

General Purpose Forces. Given the current political climate of the world and the very real steps toward a decade of peace, the carrier fleets, the air wings, the combat divisions and the other general purpose forces now maintained by the U.S. far exceed our own defense needs. The excess military capacity exists for political, not military, purposes.

As the economist previously cited points out:

"Of the $83 billion defense budget in fiscal 1973, only $19 billion goes for deterrence of strategic nuclear attack. The remaining $64 billion is devoted to conventional forces—ground, naval and tactical air. But against the unlikely contingency of a conventional attack on our own shores by currently hostile powers, we do not need 16 army and marine divisions, 21 tactical air force wings, 16 carrier task forces, and massive sea-lift, amphibious landing, and antisubmarine warfare capability. Nor would we need to maintain expensive overseas installations, provide military assistance to other nations, or put up with the costs and frustrations which inevitably plague military alliances . . . We do not need to keep large forces in being year after year against such an eventuality. The $64 billion now spent for conventional forces could probably be cut by more than half."

Herbert York, former Director of Defense Research and Engineering, has likewise noted:

"The people and the Congress must be made aware of the fact that most of the $100 billion per year they appropriate for the military establishment and related activities, is not for defense, but in support of current foreign policy. If some of these policies are obsolete or otherwise unnecessary, then huge additional savings are possible."

It is far from our purpose to encourage a sentiment of isolationism; we do not believe it would be desirable, even if possible. But a retrenchment from overseas military positions does not connote isolationism. It means merely recognizing the changing character of the world and moving diplomacy, which are appropriate to this altered international situation.

While war, as Clausewitz said, may be the continuation of diplomacy by other means, we object strenuously to a budget which implies that political objectives can be obtained only by military instruments. Pentagon representatives claim that these forces represent a living pledge to respond to our allies, when and if threatened. Can anyone doubt that the U.S. has the capacity or the will to respond, even when its own vital interests are not at stake, after the events of the past two decades? We question whether the American public should bear so heavy a burden for these 'foreign policy' maneuvers.

Secretary Richardson notes that the U.S. still has "fundamental differences" with other major powers, as if to suggest that differences can be resolved by the display or reckless use of military power. In truth, such demonstrations only exacerbate "fundamental differences" and make it more difficult to achieve political solutions. The major confrontations of the last quarter-century have been resolved not by wars but by diplomacy. It was political negotiation which ended the war in Korea, the Cuban missile crisis, and the open war in Vietnam. Diplomacy remains not only the effective way of settling our disputes, it is far less costly than maintaining troops for 'political' purposes. The Romans had a truism that if you want peace, prepare for war. This cliché has been taken too much to heart by planners whose short-sighted reliance on military instruments alone has blinded them to the corollary that if you prepare too much for war, you may end by inviting it unnecessarily.

But excess general purpose forces stem not only from mistaken notions about their political utility; they grow like topsy from mismanagement. A major stimulus to this growth is the failure of DoD to define service roles and missions carefully to avoid competing systems among the Army, Navy and Air Force, as occurred in the battle over responsibility for close air support. We ask why the Army is involved in fixed-wing aircraft at all and why the Air Force is buying rotary-engine aircraft? The Defense Department and the Joint Chiefs of Staff could achieve substantial savings by drawing the lines between service functions tightly enough so that this kind of redundancy and wasteful overlap is eliminated.

Research and Development. In an age of rapidly evolving technology, research and development is in many ways the heart of a strong defense. We believe that R&D should be sustained or accelerated on promising design concepts. But the effectiveness of R&D is not enhanced by funneling money into every idea that comes along. Concepts must be carefully selected and programs must be carefully monitored to make each R&D dollar effective. We do not believe that you can solve technological problems simply by throwing money at them.

The proposed budget calls for spending nearly $9 billion in R&D money, an increase of half a billion dollars from last year. We do not object to the amounts spent on R&D but to the way in which it is spent, the programs which claim the largest portion of each R&D dollar. As presently managed, our R&D program has bought us too many weapons that don't work at an excessive cost. Our experience with the C–5A, the F–111, the F–14, and the Litton destroyer program should be proof enough that hastily throwing money at advanced design concepts loaded up with inessential frills does not result in effective weapons systems.

Therefore, we have recommended slowing up R&D on a number of "new technology" systems to allow the technology to mature and to allow engineers to weed out mistakes in the R&D and T&E phases of development before DoD again commits the nation's resources to costly blunders. There is no threat so immediate as to preclude a sober and realistic approach to R&D.

Cost must be considered as a constraint in weapons design and procurement and the pace of development.

We point out, also, that successful R&D on a weapons system imposes no obligation to go into production. Decisions on production should be based on realistic evaluations of political and strategic conditions, not on fear-mongering, one-sided threat assessments. The same point was made in a recent article by a father of the modern Air Force, General Ira Eaker, who, noting the expense of modern weapons systems, suggested that the U.S. should profit from the example of other nations and build only prototypes of high technology systems, waiting until the "winds of war" might blow before producing them in quantity.

Further, we take exception to the notion of developing costly bargaining chips to awe our presumed adversaries at the arms control negotiating table. Surely, no nation doubts the technological prowess of the U.S., which has led human civilization to new heights and taken man to the moon. Rather than spend enormous sums on systems which we may later limit or scrap, the U.S. should simply place these funds in escrow and negotiate from our known technological strength.

Overseas Bases. Though there are certain U.S. communications and logistics facilities on foreign soil which cannot be readily replaced, many of our 385 major and 3,000 minor installations overseas are carry-overs from an earlier era. In an age of intercontinental missiles, sea-mobility, and air-mobility, these bases are increasingly redundant, as well as increasingly expensive in terms of the devalued dollar, inflation, and the balance of payments. Frequently these bases are justified on the ground of extremely remote contingencies, contingencies which have not materialized in a quarter of a century. It is time we gave real consideration to turning these facilities over to host nations in caretaker status, so that they will be ready for use by the U.S. or its allies should a need arise. Some of these bases are justified on "political" grounds, that they represent a pledge by the U.S. to respond to the needs of the host country. Yet, as the same time, they are increasingly less popular politically in the countries where they exist. Japan, Turkey, and the Philippines are cases in point. And can there be any doubt after Korea, after Lebanon, after Cuba, after the Dominican Republic, and after Vietnam, that the U.S. will respond, whether or not it is asked? These bases are not pledges, they are hostages which do not leave us the maneuvering room implied by a doctrine of flexible response.

Manpower. We share this administration's concern for the evil effects of a bloated and unresponsive bureaucracy. We can think of no greater candidate for trimming, in this postwar era, than the Defense Department. There is now one civilian DoD employee for every 2.2 men in uniform. The ratio of civilian and military support personnel to combat personnel is even lower. There are more officers leading or managing fewer enlisted men than ever before in modern times. Though civilians in the Pentagon are being forced to accept cuts in grade, the same is not true of the officer corps. This unwieldy support structure and top-heavy management system exert a drag on the efficiency of our fighting forces. We believe, therefore, that both civilian and military manpower levels should be reduced, especially in the area of support. We have set target figures for reduction in the area of manpower. We feel that the Defense Department should devote efforts to converting many of its civilian employees to non-defense occupations at the same time that it cuts its own overseas and CONUS base structure, possibly through a civilian counterpart to the Project Transition programs for military personnel.

Procurement. In defense planning, there is always a requirement for a "back-up" capability, but the kinds of programs envisioned in the proposed military budget go well beyond this need. They represent redundancy. Nowhere is this more evident than in ship-building programs. Not only are we modernizing small combatant ship-types at a cost which approaches their original purchase price, we are being asked to fund new vessels, such as the proposed Patrol Frigate, with essentially the same capabilities as the DE–1052 escort. And the justification offered for these programs is that the U.S. needs to protect military and merchant convoys, surely an example of preparing to fight the last war instead of the next one. Pentagon officials have pointed out with singular consistency that many of the energy resources and raw materials used by this country are imported from overseas, but we are unable to find a single case of a U.S. tanker or merchant vessel being attacked or torpedoed in the 28 years since the end of World War II. Nor do we think it at all likely that any nation would run the enormous risks of large scale retaliation which such a provocative act would surely demand. The U.S. would be better advised to solve the economic and political problems of resource importation by diplomatic means than by building fleets of expensive vessels for remote contingencies. Our shipbuilding programs represent not only redundancy but wholly unjustified expense.

Military Assistance. Secretary Richardson notes that the Defense Department has been trying "to reduce the cost of an adequate defense posture and the degree of our overseas involvement by promoting improvements in the self-defense capabilities of selected allies." We find this an admirable goal—in principle. We find, however, that U.S. military assistance has oft been used not for self-defense but for offense and internal repression, neither of which adds to U.S. or international security. More importantly, we do not find that the Defense Department has made any real effort to achieve the principle of military self-sufficiency for these selected nations. Rather, we have a military dole.

The U.S. has effectively given away 111 ships through so-called lease programs and plans to give away 50 more on the same terms in this fiscal year. The February request of the White House for $2,151 million for fiscal year 1973 military assistance items, when added to other military assistance in the Defense Appropriation, naval ship loans, gifts of defense stocks, and other resource transfers (including military cash sales) brings various forms of military assistance requested for the current fiscal year to over $10 billion. This hardly seems the way to achieve true "self-sufficiency." This assistance is for 64 countries, 27 of which permit no political opposition. This appears to us an excessive amount to lavish on military programs at a time when growing international peace and pressing claims for spending on human welfare both at home and abroad. Nor does it seem to be distributed very selectively, since nearly half the nations of the world are recipients of U.S. military largesse, above and beyond our overseas base structure. Moreover, these transfers of arms, technology, and training can only exacerbate the existing conflicts in the Third World, not prevent them. Finally, we object strenuously to the thinking which lies behind the findings of a recent GAO report wherein it was noted that equipment giveaways have been used consistently to offset cuts made by the Congress in the military assistance program.

It is time to make a reality of the rhetoric of the Nixon Doctrine. In the absence of any monolithic threat to world peace, it is imperative that the nations of the world look to their own resources for their defense.

We recommend, therefore, a modest cut of one-half billion dollars be made in the Security Assistance Program for FY 1974 as a beginning to the end of our over-involvement in the defense of other nations, an involvement which has only led the U.S. to imperil its own security without commensurate benefits. We recommend further that the funds remaining be distributed on a truly selective basis, where they will enhance our own security and that of our allies and the friends of democracy.

PROPOSALS FOR CHANGES IN FISCAL YEAR 1974 DEFENSE BUDGET

Proposed action: Weapons procurement	Requested	Recommended	Difference
1. Continue R. & D. on Trident missile; defer hull development	1,712	200	(1,512)
2. Defer construction of CVN–70	657	--------	(657)
3. Slow procurement of nuclear attack submarines	922	375	(547)
4. Cancel carrier-based ASW aircraft	546	--------	(546)
5. Curtail F–14 procurement	616	200	(416)
6. Increase patrol hydrofoil (PHM) R. & D	28	35	7
7. Increase surface effects ship R. & D	73	85	12
8. Cancel remainder DD–963 program	591	--------	(591)
9. Cancel patrol frigate (PF)	7	--------	(7)
10. Defer Poseidon conversion and MIRVing	498	--------	(498)
11. Slow R. & C. on Sea Control Ships (SCS)	29	10	(19)
Navy subtotals	5,679	905	(4,774)
12. Begin R. & D. for AMSA for 1980's; halt B–1	474	50	(424)
13. Stabilize land-based ICBM (Minuteman); halt MIRV deployment	777	50	(727)
14. Cancel Advanced Airborne National Command Post (AABNCP)	83	--------	(83)

Proposed action: Weapons procurement	Requested	Recommended	Difference
15. Slow R. & D. on advanced ballistic re-entry systems (ABRES)	95	30	(65)
16. Continue R. & D. on OTH-B radars; cancel airborne warning and control aircraft	216	6	(210)
Air Force subtotals	1,645	136	(1,509)
17. Halt current ABM procurement	402	--------	(402)
18. Cancel R. & D. on SAM-D system	194	--------	(194)
19. Curtail R. & D. on site defense of Minuteman	170	73	(97)
Army subtotals	766	73	(693)
Weapons procurement subtotals, all services	8,090	1,114	(6,976)

Proposed action: Overhead	Requested	Recommended	Savings
20. Convert 10 percent of fiscal year 1973 DOD civilian end-strength (1,012,000) to non-DOD occupations	[1] 13,500	12,150	(1,350)
21. Eliminate recomputation of retirement benefits	360	--------	(360)
Overhead benefits	13,860	12,150	(1,710)
22. Reduce ground force divisions from 16 to 13			(3,000)
23. Reduce carrier task forces from 15 to 12			(1,800)
24. Reduce USAF and USMC air wings from 24 to 21			(1,200)
25. Reduca SEA budget authority	2,900	1,400	(1,500)
26. Reduce military assistance program	1,330	830	(500)
Functional subtotals			(8,000)

[1] Outlay.

Note: Grand total—savings: Weapons procurement ($6,976,000)+overhead ($1,710,000)+functional ($8,000,000)=$16,686,000.

JUSTIFICATION OF PROPOSED CHANGES IN FY 1974 DEFENSE BUDGET

1. Trident: Longer-range Trident missile can be retrofitted in hulls of Polaris/Poseidon fleet, useful life of which extends through 1980s. To begin development of Trident submarine now is an exercise in planned obsolescence, since many in proposed class would not capture new technology of the 1980s, especially TSW technology. The trade-off of small size for a quiet power plant, requiring a much larger hull, may be in error, given potential breakthroughs in underwater detection systems.

2. CVN-70: The US attack carrier force is more than adequate to meet assigned tasks and "threats" even under worst-case planning for 1½ war contingencies. Given commanding lead of US in attack carriers and remaining long life of most CVAs now afloat, there is no justification or pressing need for another nuclear attack carrier at this time.

3. SSNs: Soviet attack submarine force is in secular decline, while US has 83 nuclear attack submarines in the water or under construction. Since the size of the US attack submarine fleet has been predicated on Soviet force levels, which are decreasing, a retrenchment is now possible.

4. S-3A: Existing carrier-based ASW aircraft adequate; long-range, shore based aircraft (new P-3C) can take over much of surveillance mission except in forward areas and are less expensive.

5. F-14: Unit cost too high and performance questionable due to complex avionics and multi-purpose mission; funds more effectively spent on R&D for austere fleet aircraft or for exploring the feasibility of a modified version of the Air Force F-15 for carrier use.

6. PHM: Navy shipbuilding and design program should emphasize larger numbers of smaller, high-speed, high-maneuverability vessels instead of making large investments in vulnerable, multi-purpose ship-types, where cost limits the numbers in each class.

7. SES: Efforts to develop such a high-performance vessel should be expanded to provide a truly advanced ship which can replace increasingly vulnerable and obsolescent ship-types.

8. DD-963: Costs rising and numbers can be reduced in proportion to proposed reductions in attack carrier fleet. Conventionally powered, the DD-963 represents a tradition-bound and very marginal approach to ASW problem. Proposed cuts in CVA force make additional units unnecessary.

9. PF: Already under attack by some naval officers, the patrol frigate makes little advance beyond DE-1052 class escorts and should be scrapped in favor of concentrating on new technology vessels. Not justified by proposed mission.

10. Poseidon MIRV & conversion: Both unnecessary and destabilizing to increase destructive potential already more than adequate to decimate USSR and PRC in second-strike; especially redundant under ABM Treaty. Longer range of Trident missile, when available for fitting in Poseidon hulls, would add to deterrent stability.

11. SCS: Primary mission as convey protectors not justified by existing or foreseeable threat, even under 'worst-case' assumptions; plethora of other roles proposed (CVA replacement, air cover for amphibious operations, etc.) offers prospect a 'jeep' carrier that is no bargain because of goldplating; needs further mission definition.

12. B-1: US bomber force (B-52) has a long useful life and remains substantially greater than Soviet counterpart, which continues to decline. Following Soviet example, China is omitting long-range bomber in favor of ICBMs. The threat to the US of the Soviet medium-range bomber force is illusory and, in any case, is no justification for building a long-range bomber follow-on to the B-52. The B-1 is a questionable design, especially in connection with the high-low modes, and the slender increment which it adds to the deterrent. Triad is highly disproportional to its cost.

13. Minuteman: Both unnecessary and destabilizing, especially under ABM Treaty, which makes every missile "good."

14. AABNCP: A 'back-up' system which is both redundant and vulnerable, the advanced airborne national command post is even more likely than its underground analogs to be "out of communications" during the crises for which it is designed, assuming that it can get and remain airborne.

15. ABRES: May give rise to 'first-strike fears' and upset deterrent stability while throwing strategic arms race into high gear again; should be slowed to give SALT II a chance.

16. AWACS: Not cost-effective in relation to minimal and decreasing bomber threat and highly vulnerable in a tactical environment, this airborne system for warning of attacking aircraft and control of responding fighters represents little real advance over the outdated SAGE system which it is designed to replace. Work on the Over-the-Horizon Backscatter radars should be pursued, especially in view of current technical problems, but a more survivable system for tactical fighter control should be sought.

17. ABM: (Safeguard) System costs grossly disproportional to marginal effectiveness in protecting Minuteman missiles;

18. SAM-D: Aimed not at protecting troops but command, communications, and logistics centers, this highly sophisticated system is very problematic as a mobile package. The 'threat' justification is a conventional war in Europe, which, even if plausible, would appear to indicate NATO cost-sharing, assuming the design is worth pursuing. Also touted as a US bomber defense or a US missile defense, it is unnecessary in the first case and of questionable effectiveness in the second.

19. SDM: An ABM system under another name and presumably therefore permissible only for National Capital; represents no real advance over current anti-ballistic missile technology; funds should be employed for R&D on more advanced technology.

20. DOD Civilians: Despite shift to All-Volunteer Army and consequent 'civilianization' for formerly uniformed jobs, the Department of Defense will be both top-heavy and over-staffed as a result of Vietnam War and its civilian staff can be cut without impairing effectiveness; indeed, efficiency should be improved as a result of omitting make-work jobs and "layering effect." Moreover, proposed reductions in troop strength will reduce support requirements.

21. Recomputation: As in most civilian pension plans, retirement benefit increases should be tied to cost-of-living raises and not to the salary increases of active duty personnel, especially as the latter will be paid on a different and higher basis in the All-Volunteer Army. While purportedly giving a fair shake to retired servicemen, this proposal, exceptionally costly over time, is unequitable for the civilian pensioner, the recipient of Social Security, and the taxpayer.

22.-24. US general purpose forces are presently maintained at a level well beyond that required for central defense, that is, defense of US territory. The extra general purpose capacity is particularly striking in view of peacetime conditions now prevailing. The excess capacity maintained over central defense requirements has been justified in terms of (1) commitments made through treaties or executive agreements, (2) contingency requirements, (3) in terms of 'political utility, and (4) in terms of the perceived need, in a theoretically short-fused nuclear age, to maintain forces in readiness, as opposed to the pre-World War II concept of maintaining a mobilization base. The experience of the last 20 years and especially the last decade has placed these justifications in a very doubtful light, inasmuch as (1) military threats from major powers have receded, (2) commitments have proven a drain on rather than a supplement to the common defense, (3) many contingencies (e.g., attack on NATO's central front or southern flank) have become increasingly remote and unlikely, (4) military force has often proved politically dysfunctional (Suez, Cuba, Congo), and (5) wars of attrition have shown that there is ample time for mobilization. Current political and military intelligence indicates that these trends will continue and grow stronger in the foreseeable future. Hence, the time is ripe for reducing force levels in consonance with realistic assessment of needs.

25. SEA: The give-aways of enormous amounts of military equipment, the civilianization of the US in-country logistics support, training, and advisory force in SVN (now estimated to number over 7,200 men), and the continued bombing of Cambodia and Laos serve to indicate that the war or wars in Southeast Asia have not ended but are only changing their outward appearance. A true US withdrawal can only be achieved by stopping the flow of US resources into this tragic area, where such resources only serve to keep the fighting going or allow new outbreaks without paying any dividends in terms of enhancing US security.

26. Military Assistance: Many of the dollars invested in this program, now retitled Security Assistance, are neither increasing US security or that or its allies. Nor are they helping the friends of democracy. Both premises and programs require re-evaluation and overhaul.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. VEYSEY (at the request of Mr.

Gerald R. Ford) for May 10 on account of conducting the National Geothermal Conference at Palm Springs, Calif.

Mr. Carter (at the request of Mr. Natcher) on account of serious illness in immediate family.

Mr. Ketchum (at the request of Mr. Gerald R. Ford) for today and tomorrow on account of official business.

Mr. Steiger of Wisconsin (at the request of Mr. Gerald R. Ford) for May 8 on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. Patman, for 40 minutes today, and to revise and extend his remarks and include extraneous material.

(The following Members (at the request of Mr. Hanrahan) to revise and extend their remarks and include extraneous matter:)

Mr. Robison of New York, for 30 minutes, today.

Mr. Sarasin, for 15 minutes, on tomorrow, May 10.

Mr. Young of Alaska, for 5 minutes, today.

Mr. Blackburn, for 5 minutes, today.

Mr. Gilman, for 5 minutes, today.

Mr. Martin of North Carolina, for 5 minutes, today.

Mr. Kemp, for 30 minutes, today.

Mr. Kemp, for 60 minutes, on May 10.

Mr. Dickinson, for 60 minutes, on Tuesday, May 15.

(The following Members (at the request of Mr. Stark) to revise and extend their remarks and include extraneous matter:)

Mr. Flood, for 30 minutes, today.

Ms. Abzug, for 10 minutes, today.

Mr. Gonzalez, for 5 minutes, today.

Mr. Karth, for 10 minutes, today.

Mr. Dominick V. Daniels, for 5 minutes, today.

Mr. Davis of South Carolina, for 30 minutes, today.

Mr. Brademas, for 5 minutes, today.

Mr. Murphy of New York, for 5 minutes, today.

Mr. Mitchell of Maryland, for 30 minutes, May 10.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Hosmer, to extend his remarks in the body of the Record, notwithstanding it exceeds two pages of the Record and is estimated by the Public Printer to cost $468.

Mr. Edwards of California and to include extraneous matter notwithstanding the fact it exceeds two pages of the Record and is estimated by the Public Printer to cost $638.

(The following Members (at the request of Mr. Hanrahan) and to include extraneous matter:)

Mr. Blackburn.

Mr. Quie.

Mr. Conte.

Mr. Steele.

Mr. Hosmer in three instances.

Mr. Kemp in three instances.

Mr. Hanrahan in two instances.

Mr. Thomson of Wisconsin.

Mr. Hunt.

Mr. Taylor of Missouri in three instances.

Mr. Zwach.

Mr. Abdnor.

Mr. Skubitz.

Mr. Bob Wilson in six instances.

Mr. Huber in three instances.

Mr. McClory.

Mr. Gude.

Mrs. Heckler of Massachusetts.

(The following Members (at the request of Mr. Stark) and to include extraneous matter:)

Ms. Abzug in five instances.

Mr. O'Hara.

Mr. Gonzalez in three instances.

Mr. Rarick in three instances.

Mr. Casey of Texas.

Mr. Ryan in five instances.

Mr. Mazzoli.

Mr. Young of Georgia in six instances.

Mr. Minish.

Mr. Patten.

Mr. Wolff in two instances.

Mr. Dominick V. Daniels.

Mr. Hébert.

Mr. Evins of Tennessee in two instances.

Mr. Riegle.

Mr. Litton.

Mr. Hungate.

Mr. Moss.

Mr. Bolling.

Mr. Waldie.

Mr. Denholm in four instances.

Mr. Udall.

Mr. Boland in two instances.

Mr. Zablocki in two instances.

Mr. Jones of Oklahoma in two instances.

Mr. Meeds.

Mr. Bennett.

(The following Members (at the request of Miss Jordan) and to revise and extend their remarks:)

Mr. Moakley in five instances.

Mr. Downing.

Mr. Brown of California in 10 instances.

Mr. Ichord.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 1379. An act to authorize further appropriations for the Office of Environmental Quality, and for other purposes.

ADJOURNMENT

Miss JORDAN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 42 minutes p.m.), the House adjourned until tomorrow, Thursday, May 10, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

895. A letter from the Acting Assistant Secretary of State for Congressional Relations, transmitting a copy of Presidential Determination 73-12 finding that the furnishing of defense articles and defense services to the International Commission on Control and Supervision in Vietnam and the International Commission for Supervision and Control in Laos will strengthen the security of the United States and promote world peace, pursuant to section 503(a) of the Foreign Assistance Act of 1961, as amended, and section 3(a)(1) of the Foreign Military Sales Act, as amended; to the Committee on Foreign Affairs.

896. A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to authorize the head of an executive department, a military department, an agency, or an independent establishment in the executive branch to render emergency assistance in certain circumstances; to the Committee on Government Operations.

897. A letter from the Secretary of Transportation, transmitting a report on progress in carrying out the provisions of title I of the Motor Vehicle Information and Cost Savings Act of 1972, concerning bumper standards, pursuant to Public Law 92-513; to the Committee on Interstate and Foreign Commerce.

898. A letter from the Chief Commissioner, U.S. Court of Claims, transmitting copies of the opinion and findings of fact of the court in Cong. Ref. Case No. 1-70, *Viorica Anna Ghitescu, Alexander Ghitescu and Serban George Ghitescu* v. *The United States*, pursuant to 28 U.S.C. 1492, 28 U.S.C. 2509, and House Resolution 324 of the 91st Congress; to the Committee on the Judiciary.

899. A letter from the Administrator, National Aeronautics and Space Administration, transmitting a report on contracts negotiated by NASA under the authority of 10 U.S.C. 2304(a)(11) and (16) during the 6 months ended December 31, 1972, pursuant to 10 U.S.C. 2304(e); to the Committee on Science and Astronautics.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. POAGE: Committee of conference. Conference report on S. 394; with amendment (Rept. No. 93-169). Ordered to be printed.

Mr. HÉBERT: Committee on Armed Services. House Resolution 379. Resolution directing the Secretary of Defense to furnish certain information (Rept. No. 93-170). Referred to the House Calendar.

Mr. TEAGUE of Texas: Committee on Science and Astronautics. H.R. 7528. A bill to authorize appropriations to the National Aeronautics and Space Administration for research and development, construction of facilities, and research and program management, and for other purposes (Rept. No. 93-171). Referred to the Committee of the Whole House on the State of the Union.

Mr. DICKINSON: Committee on Armed Services. H.R. 7139. A bill authorizing the Secretary of Defense to utilize Department of Defense resources for the purpose of providing medical emergency transportation services to civilians, and limiting Government and individual liability incident to providing such services, and for other purposes; with amendment (Rept. No. 93-172). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DANIELSON: Committee on the Judiciary. H.R. 1315. A bill for the relief of Jesse McCarver, Georgia Villa McCarver, Kathy McCarver, and Edith McCarver; with amendment (Rept. No. 93–173). Referred to the Committee of the Whole House.

Ms. JORDAN: Committee on the Judiciary. H.R. 1316. A bill for the relief of Claude V. Alcorn and 21 others; with amendment (Rept. No. 93–174). Referred to the Committee of the Whole House.

Ms. JORDAN: Committee on the Judiciary. H.R. 1323. A bill for the relief of Mrs. Rosanna Thomas (Rept. No. 93–175). Referred to the Committee of the Whole House.

Ms. JORDAN: Committee on the Judiciary. H.R. 1328. A bill for the relief of M. Sgt. Eugene J. Mikulenka, U.S. Army (retired) (Rept. No. 93–176). Referred to the Committee of the Whole House.

Mr. DANIELSON: Committee on the Judiciary. H.R. 1378. A bill for the relief of James E. Bashline; (Rept. No. 93–177). Referred to the Committee of the Whole House.

Mr. BUTLER: Committee on the Judiciary. H.R. 1694. A bill for the relief of Ossie Emmons and others; (Rept. No. 93–178). Referred to the Committee of the Whole House.

Mr. DANIELSON: Committee on the Judiciary. H.R. 1965. A bill for the relief of Theodore Barr; (Rept. No. 93–179). Referred to the Committee of the Whole House.

Mr. DANIELSON: Committee on the Judiciary. H.R. 2535. A bill for the relief of Mrs. Rose Thomas; (Rept. No. 93–180). Referred to the Committee of the Whole House.

Ms. JORDAN: Committee on the Judiciary. H.R. 2633. A bill for the relief of Col. John H. Sherman; (Rept. No. 93–181). Referred to the Committee of the Whole House.

Ms. JORDAN: Committee on the Judiciary. H.R. 2769. A bill for the relief of William R. Karsteter; with amendment (Rept. No. 93–182). Referred to the Committee of the Whole House.

Mr. THORNTON: Committee on the Judiciary. H.R. 2771. A bill for the relief of Leonard Diamond; with amendment (Rept. No. 93–183). Referred to the Committee of the Whole House.

Mr. MOORHEAD of California. Committee on the Judiciary. H.R. 3533. A bill for the relief of the estate of the late Richard Burton, SFC, U.S. Army (retired); with amendment (Rept. No. 93–184). Referred to the Committee of the Whole House.

Ms. JORDAN: Committee on the Judiciary. H.R. 3751. A bill for the relief of James E. Fry, Jr., and Margaret E. Fry (Rept. No. 93–185). Referred to the Committee of the Whole House.

Mr. BUTLER: Committee on the Judiciary. H.R. 4175. A bill for the relief of Manuel H. Silva; with amendment (Rept. No. 93–186). Referred to the Committee of the Whole House.

Mr. BUTLER: Committee on the Judiciary. H.R. 4443. A bill for the relief of Ronald K. Downie; with amendment (Rept. No. 98–187). Referred to the Committee of the Whole House.

Mr. MOORHEAD of California: Committee on the Judiciary. H.R. 4448. A bill for the relief of 1st Lt. John P. Dunn, Army of the United States, retired; (Rept. No. 93–188). Referred to the Committee of the Whole House.

Mr. MANN: Committee on the Judiciary. H.R. 4589. A bill for the relief of Roger Stanley, and the successor partnership, Roger Stanley and Hal Irwin, doing business as the Roger Stanley Orchestra; with amendment (Rept. No. 93–189). Referred to the Committee of the Whole House.

Mr. MANN: Committee on the Judiciary. H.R. 4704. A bill for the relief of certain former employees of the Securities and Exchange Commission; (Rept. No. 93–190). Referred to the Committee of the Whole House.

Mr. FISH: Committee on the Judiciary. H.R. 2508. A bill for the relief of Mr. and Mrs. John F. Fuentes; (Rept. No. 93–191). Referred to the Committee of the Whole House.

Mr. MANN: Committee on the Judiciary. H.R. 1462. A bill for the relief of John R. Poe; with amendment (Rept. No. 93–192). Referred to the Committee of the Whole House.

Mr. EILBERG: Committee on the Judiciary. S. 464. An act for the relief of Guido Bellanca; with amendment (Rept. No. 93–193). Referred to the Committee of the Whole House.

Mr. EILBERG: Committee on the Judiciary. S. 666. An act for the relief of Slobodan Babic; (Rept. No. 93–194). Referred to the Committee of the Whole House.

Mr. WIGGINS: Committee on the Judiciary. H.R. 1321. A bill for the relief of Mrs. Doninga Pettit; (Rept. No. 93–195). Referred to the Committee of the Whole House.

Mr. FLOWERS: Committee on the Judiciary. H.R. 1322. A bill for the relief of Jay Alexis Caligdong Siaotong; (Rept. No. 93–196). Referred to the Committee of the Whole House.

Mr. DENNIS: Committee on the Judiciary. H.R. 1366. A bill for the relief of Juan Marcos Cordova-Campos; (Rept. No. 93–197). Referred to the Committee of the Whole House.

Miss HOLTZMAN: Committee on the Judiciary. H.R. 1377. A bill for the relief of Michael Joseph Wendt; (Rept. No. 93–198). Referred to the Committee of the Whole House.

Mr. FLOWERS: Committee on the Judiciary. H.R. 1716. A bill for the relief of Jean Albertha Service Gordon; (Rept. No. 93-199). Referred to the Committee of the Whole House.

Mr. EILBERG: Committee on the Judiciary. H.R. 2212. A bill for the relief of Mrs. Nguyen Thi Le Fintland and Susan Fintland; with amendment (Rept. No. 93–200). Referred to the Committee of the Whole House.

Mr. WIGGINS: Committee on the Judiciary. H.R. 2215. A bill for the relief of Mrs. Purita Paningbatan Bohannon; (Rept. No. 93–201). Referred to the Committee of the Whole House.

Mr. DENNIS: Committee on the Judiciary. H.R. 5106. A bill for the relief of Flora Datiles Tabayo; (Rept. No. 93–202). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANDERSON of Illinois (for himself and Mr. Udall):

H.R. 7612. A bill to improve the conduct and regulation of Federal election campaign activities and to provide public financing for such campaigns; to the Committee on House Administration.

By Mr. ASPIN (for himself, Ms. Abzug, Mr. Boland, Mr. Breckinridge, Mr. Brown of California, Mr. Casey of Texas, Mr. Conyers, Mr. Dominick V. Daniels, Mr. de Lugo, Mr. Denholm, Mr. Dent, Mr. Foley, Mr. Forsythe, Mr. Fraser, Mr. Gibbons, Mr. Gunter, Mrs. Heckler of Massachusetts, Mr. McCormack, Mr. Moakley, Mr. McKay, Mr. Mitchell of Maryland, Mr. Owens, Mr. Perkins, and Mr. Riegle):

H.R. 7613. A bill to amend the National Traffic and Motor Vehicle Safety Act of 1966 to authorize safety design standards for schoolbuses, to require certain safety standards be established for schoolbuses, to require the investigation of certain schoolbus accidents, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. ASPIN (for himself, Mr. Rooney of Pennsylvania, Mr. Roybal, Mr. Stark, Mr. Stokes, Mr. Thompson of New Jersey, Mr. Thornton, Mr. Tiernan, Mr. Waldie, Mr. Ware, Mr. Whitehurst, Mr. Won Pat, Mr. Zablocki, Mr. Steele, Mrs. Grasso, and Mr. Kastenmeier):

H.R. 7614. A bill to amend the National Traffic and Motor Vehicle Safety Act of 1966 to authorize safety design standards for schoolbuses, to require certain safety standards be established for schoolbuses, to require the investigation of certain schoolbus accidents, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. BARRETT:

H.R. 7615. A bill to make it clear that code standards prescribed for purposes of the Federal laws relating to housing and urban development do not supersede the corresponding standards embodied in local building, plumbing, electrical, fire prevention, or related codes where the local standards are higher; to the Committee on Banking and Currency.

H.R. 7616. A bill to authorize financial assistance for opportunities industrialization centers; to the Committee on Education and Labor.

H.R. 7617. A bill to provide readjustment allowance, opportunities, early retirement benefits, health benefits, public service employment and job counseling and training opportunities, and relocation benefits to adversely affected workers separated from their employment because of defense installation and activity realinements; to the Committee on Education and Labor.

By Mr. BLACKBURN:

H.R. 7618. A bill to amend title II of the Social Security Act to permit an individual receiving benefits thereunder to earn outside income without losing any of such benefits and to amend the Internal Revenue Code of 1954 and title II of the Social Security Act to provide a full exemption (through credit or refund from the employees' tax under the Federal Insurance Contributions Act, and an equivalent reduction in the self-employment tax, in the case of individuals who have attained age 65; to the Committee on Ways and Means.

By Mr. BLACKBURN (for himself, Mr. Burke of Florida, Mr. Dorn, Mr. Haley, and Mr. Rhodes):

H.R. 7619. A bill to protect the freedom of choice of Federal employees in employee-management relations; to the Committee on Post Office and Civil Service.

By Mr. BRADEMAS (for himself and Mr. Moakley):

H.R. 7620. A bill to extend the National Foundation on the Arts and the Humanities Act; to the Committee on Education and Labor.

By Mr. BRECKINRIDGE:

H.R. 7621. A bill to amend the Communications Act of 1934 to establish orderly procedures for the consideration of applications for renewal of broadcast licenses; to the Committee on Interstate and Foreign Commerce.

By Mr. BROWN of California:

H.R. 7622. A bill to confer U.S. citizenship posthumously upon alien members of the Armed Forces of the United States who were killed in action during the Vietnam hostilities; to the Committee on the Judiciary.

By Mr. CARNEY of Ohio:

H.R. 7623. A bill to amend title 39, United States Code, to eliminate certain restrictions on the rights of officers and employees of the Postal Service, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. CLARK:

H.R. 7624. A bill to amend the Public Health Service Act to expand the authority of the National Institute of Arthritis, Metabolism, and Digestive Diseases in order to advance the national attack on diabetes; to the Committee on Interstate and Foreign Commerce.

H.R. 7625. A bill to extend through fiscal year 1974 the expiring appropriations authorizations in the Public Health Service

Act, the Community Mental Health Centers Act, and the Developmental Disabilities Services and Facilities Construction Act, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. COLLINS:

H.R. 7626. A bill to amend the Comprehensive Drug Abuse Prevention and Control Act of 1970 to establish minimum mandatory sentences for persons convicted of offenses involving narcotic drugs, to provide emergency procedures to govern the pretrial and posttrial release of persons charged with offenses involving certain narcotic drugs, to provide procedures to reach large sums of money used for narcotic trafficking, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. CONYERS:

H.R. 7627. A bill to amend the Public Health Service Act to provide assistance and encouragement for the establishment and expansion of health maintenance organizations, health care resources, and the establishment of a Quality Health Care Commission, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 7628. A bill to amend the Internal Revenue Code of 1954 to provide that interest shall be paid to individual taxpayers on the calendar-year basis who file their returns before March 1 if the refund check is not mailed out within 30 days after the return is filed, and to require the Internal Revenue Service to give information when making refunds; to the Committee on Ways and Means.

By Mr. CORMAN:

H.R. 7629. A bill to regulate trade in drugs and devices by prohibiting the dispensing of drugs or devices by medical practitioners and their participation in profits from the dispensing of such products, except under certain circumstances, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. CRONIN:

H.R. 7630. A bill to provide that daylight saving time shall be observed on a year-round basis; to the Committee on Interstate and Foreign Commerce.

By Mr. DENHOLM:

H.R. 7631. A bill directing the Secretary of the Department of Transportation to conduct a comprehensive, nationwide study of the effects of railroad abandonments to develop an effective policy to assure an adequate, economic system for the transportation of freight with emphasis on branch line facilities in the movement of agricultural commodities and prohibiting the Interstate Commerce Commission from authorizing any further abandonments of railway freight facilities until 6 months after the study has been completed; to the Committee on Interstate and Foreign Commerce.

By Mr. DENHOLM (for himself and Mr. Bergland):

H.R. 7632. A bill to amend the Uniform Time Act of 1966 to provide for daylight saving time for the period beginning May 31 through Labor Day annually; to the Committee on Interstate and Foreign Commerce.

By Mr. DENT (for himself, Mr. Williams, Mr. Morgan, Mr. Flood and Mr. Johnson of Pennsylvania):

H.R. 7633. A bill to require that a percentage of U.S. oil imports be carried on U.S.-flag vessels; to the Committee on Merchant Marine and Fisheries.

By Mr. DIGGS:

H.R. 7634. A bill to authorize certain programs and activities of the government of the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. DINGELL (for himself, Mr. Conlan, Mr. Rosenthal, Ms. Abzug, Mr. Harrington, Mr. Corman, Mr. Sarbanes, Mr. Heinz, Mr. Studds, Mr. Biester, Mr. Stark, Mr. Eckhardt, Mr. Milford, Mr. Rangel, and Mr. Gude):

H.R. 7635. A bill to encourage the movement in interstate and foreign commerce of recycled and recyclable materials and to reduce the quantities of solid waste materials in commerce which cannot be recycled or do not contain available recycled materials, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. DONOHUE:

H.R. 7636. A bill to amend section 9 of the Military Selective Service Act relating to reemployment rights of members and former members of the Armed Forces of the United States; to the Committee on Armed Services.

By Mr. ERLENBORN (for himself and Mr. Esch):

H.R. 7637. A bill to authorize a White House Conference on Education; to the Committee on Education and Labor.

By Mr. FLOWERS:

H.R. 7638. A bill to amend the Rules of the House of Representatives and the Senate to improve congressional control over budgetary outlay and receipt totals, to provide for a Legislative Budget Director and Staff, and for other purposes; to the Committee on Rules.

By Mrs. GRASSO:

H.R. 7639. A bill to authorize the President of the United States to allocate energy and fuels when he determines and declares that extraordinary shortages or dislocations in the distribution of energy and fuels exist or are imminent and that the public health, safety, or welfare is thereby jeopardized; to provide for the delegation of authority to the Secretary of the Interior; and for other purposes; to the Committee on Banking and Currency.

By Mr. GUDE:

H.R. 7640. A bill to extend through fiscal year 1974 the expiring appropriations authorizations in the Public Health Service Act, the Community Mental Health Centers Act, and the Developmental Disabilities Services and Facilities Construction Act, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. GUNTER:

H.R. 7641. A bill to extend through fiscal year 1974 the expiring appropriations authorizations in the Public Health Service Act, the Community Mental Health Centers Act, and the Developmental Disabilities Services and Facilities Construction Act, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. HAMMERSCHMIDT:

H.R. 7642. A bill to amend the Truth in Lending Act to eliminate the inclusion of agricultural credit; to the Committee on Banking and Currency.

By Mr. HASTINGS (for himself and Mr. Railsback):

H.R. 7643. A bill to amend the Controlled Substances Act to provide for the registration of practitioners conducting narcotic treatment programs; to the Committee on Interstate and Foreign Commerce.

By Mr. HASTINGS (for himself, Mrs. Boggs, Mr. Zablocki, Mr. Wright, Mr. Rangel, Mr. Aspin, Mr. Widnall, Mr. Young of Georgia, Mr. Broyhill of Virginia, Ms. Abzug, and Mr. Breckinridge):

H.R. 7644. A bill to extend through fiscal year 1974 the expiring appropriations authorizations in the Public Health Service Act, the Community Mental Health Centers Act, and the Developmental Disabilities Services and Facilities Construction Act, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. HAYS:

H.R. 7645. A bill to authorize appropriations for the Department of State, and for other purposes; to the Commitee on Foreign Affairs.

By Mr. HOSMER (for himself, Mr. Cleveland, Mr. Frenzel, Mr. Quillen, and Mr. Runnels):

H.R. 7646. A bill to amend the Federal Food, Drug, and Cosmetic Act to include a definition of food supplements, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. HOSMER (for himself, Mr. Collins, Mr. Crane, Mr. Dulski, Mr. Eshleman, Mr. Fish, Mr. Goldwater, Mr. Horton, Mr. Ketchum, Mr. Lehman, Mr. Meeds, Mr. Podell, Mr. Robison of New York, Mr. Ware, Mr. Won Pat, and Mr. Whitehurst):

H.R. 7647. A bill to provide that daylight saving time shall be observed on a year-round basis; to the Committee on Interstate and Foreign Commerce.

By Mr. JOHNSON of Colorado:

H.R. 7648. A bill to provide a mandatory retirement age for, and to limit the number of terms which may be served by, Senators and Representatives; to the Committee on House Administration.

By Mr. KYROS (for himself, Mr. Steele, Mr. McKinney, Mr. Roncallo of New York, and Mr. Sarasin):

H.R. 7649. A bill to amend the act of May 20, 1964, entitled "An Act to prohibit fishing in the territorial waters of the United States and in certain other areas by vessels other than vessels of the United States, and by persons in charge of such vessels" to define those species of Continental Shelf fishery resources which appertain to the United States, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. LUJAN:

H.R. 7650. A bill to amend the Federal Food, Drug, and Cosmetic Act to include a definition of food supplements, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. MACDONALD:

H.R. 7651. A bill to create a national system of health security; to the Committee on Ways and Means.

By Mr. McFALL:

H.R. 7652. A bill to amend the Shipping Act, 1916 in order to prohibit the practice of port equalization; to the Committee on Merchant Marine and Fisheries.

By Mr. McSPADDEN:

H.R. 7653. A bill to amend the Internal Revenue Code of 1954 to provide for the recovery of reasonable attorneys' fees, as a part of courts costs, in civil cases involving the internal revenue laws; to the Committee on Ways and Means.

By Mr. MOAKLEY:

H.R. 7654. A bill to extend and amend the Elementary and Secondary Education Act of 1965, and for other purposes; to the Committee on Education and Labor.

H.R. 7655. A bill to extend the National Foundation on the Arts and the Humanities Act; to the Committee on Education and Labor.

H.R. 7656. A bill to amend titles 39 and 5, United States Code, to eliminate certain restrictions on the rights of officers and employees of the Postal Service, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. MOORHEAD of Pennsylvania:

H.R. 7657. A bill to incorporate in the District of Columbia the American Ex-Prisoners of War; to the Committee on the District of Columbia.

By Mr. NELSEN (for himself and Mr. Fuqua):

H.R. 7658. A bill to establish a law revision commission for the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. ROBISON of New York:

H.R. 7659. A bill to amend the Federal Aviation Act of 1958, as amended, to authorize the establishment of a class of commuter air carriers, to provide for issuance of certificates of public convenience and necessity to members of that class who may apply therefor, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. RODINO:

H.R. 7660. A bill to authorize the position of crier-clerk within the judicial branch of the Government of the United States and for other purposes; to the Committee on the Judiciary.

H.R. 7661. A bill to amend section 5031 of title 18, United States Code, with respect to the applicability of juvenile delinquency proceedings in petty offense cases; to the Committee on the Judiciary.

By Mr. RODINO (for himself and Mr. McClory):

H.R. 7662. A bill to implement the Convention on the Prevention and Punishment of the Crime of Genocide; to the Committee on the Judiciary.

By Mr. ROE:

H.R. 7663. A bill to provide increases in certain annuities payable under chapter 83 of title 5, United States Code, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 7664. A bill to amend the Internal Revenue Code of 1954 to provide that amounts paid to certain related individuals shall be allowable as a deduction under the provision permitting a deduction for dependent care services necessary for gainful employment; to the Committee on Ways and Means.

By Mr. RUNNELS:

H.R. 7665. A bill to amend the Federal Food, Drug, and Cosmetic Act to include a definition of food supplements, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. SEIBERLING (for himself, Mr. Regula, Mr. Vanik, Mr. Rosenthal, Mr. Steelman, Mr. Danielson, Mr. Towell of Nevada, and Mr. Young of Georgia):

H.R. 7666. A bill to provide for the establishment of the Cuyahoga Valley National Historical Park and Recreation Area; to the Committee on Interior and Insular Affairs.

By Mr. STAGGERS:

H.R. 7667. A bill to amend the Communications Act of 1934 to require that at least one member of the Federal Communications Commission be an electrical engineer; to the Committee on Interstate and Foreign Commerce.

By Mr. JAMES V. STANTON:

H.R. 7668. A bill to require that a percentage of U.S. oil imports be carried on U.S. flag vessels; to the Committee on Merchant Marine and Fisheries.

By Mr. STARK:

H.R. 7669. A bill to require the President to furnish predisaster assistance in order to avert or lessen the effects of a major disaster in the counties of Alameda and Contra Costa in California; to the Committee on Agriculture.

By Mrs. SULLIVAN (for herself, Mr. Clark, Mr. Downing, Mr. Stubblefield, Mr. Anderson of California, Mr. Ginn, Mr. Studds, Mr. Grover, Mr. Mailliard, Mr. Ruppe, Mr. Lott, Mr. Treen, and Mr. Pritchard):

H.R. 7670. A bill to authorize appropriations for the fiscal year 1974 for certain maritime programs of the Department of Commerce; to the Committee on Merchant Marine and Fisheries.

By Mr. TALCOTT:

H.R. 7671. A bill relating to the treatment, for purposes of the Federal Unemployment Tax Act, of services performed by a student or his spouse for certain organizations operated in connection with the school, college, or university which the student is attending; to the Committee on Ways and Means.

H.R. 7672. A bill to strengthen and improve the private retirement system by establishing minimum standards for participation in and for vesting of benefits under pension and profit-sharing retirement plans, by allowing deductions to individuals for personal savings for retirement, and by increasing contribution limitations for self-employed individuals and shareholder-employees of electing small business corporations; to the Committee on Ways and Means.

By Mr. UDALL:

H.R. 7673. A bill to authorize the Secretary of the Interior to purchase property located within the San Carlos Mineral Strip; to the Committee on Interior and Insular Affairs.

By Mr. WALDIE:

H.R. 7674. A bill to require the President to furnish predisaster assistance in order to avert or lessen the effects of a major disaster in the counties of Alameda and Contra Costa in California; to the Committee on Agriculture,

By Mr. YOUNG of Alaska:

H.R. 7675. A bill to amend the Ship Mortgage Act of 1920; to the Committee on Merchant Marine and Fisheries.

By Mr. BROWN of California:

H.R. 7676. A bill to validate the conveyance of certain land in the State of California by the Southern Pacific Transportation Co.; to the Committee on Interior and Insular Affairs.

By Mr. FRENZEL:

H.R. 7677. A bill to protect the civilian employees of the executive branch of the U.S. Government in the enjoyment of their constitutional rights and to prevent unwarranted governmental invasions of their privacy; to the Committee on Post Office and Civil Service.

By Mr. HARRINGTON:

H.R. 7678. A bill to provide economic adjustment assistance to communities in which military facility closings have caused economic injury to the community, and for other purposes; to the Committee on Banking and Currency.

By Mr. MEEDS:

H.R. 7679. A bill to provide for the mediation and arbitration of the conflicting interests of the Navajo and Hopi Indian tribes in and to lands lying within the joint use area of the Hopi Reservation established by the Executive order of December 16, 1882, and to lands lying within the Navajo Reservation created by the act of June 14, 1934, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. OWENS (for himself, Mr. Breaux, Mr. Breckinridge, Mr. de Lugo, Mr. Gunter, Ms. Holtzman, Mr. Moakley, Mr. Stark, Mr. Studds, Mr. Thornton, Mr. Won Pat, and Mr. Young of Georgia):

H.R. 7680. A bill to amend the Legislative Reorganization Act of 1970 to establish an Office of Congressional Ombudsman to investigate, at the request of Members of Congress, actions and operations of the various agencies of the U.S. Government; to the Committee on House Administration.

By Mr. PATMAN:

H.R. 7681. A bill to establish a U.S. Fire Administration and a National Fire Academy in the Department of Housing and Urban Development, to assist State and local governments in reducing the incidence of death, personal injury, and property damage from fire, to increase the effectiveness and coordination of fire prevention and control agencies at all levels of government, and for other purposes; to the Committee on Science and Astronautics.

By Mr. GUDE:

H.J. Res. 545. Joint resolution to authorize the President to proclaim the last Friday of April of each year as "National Arbor Day"; to the Committee on the Judiciary.

By Mr. MATSUNAGA (for himself, Mr. Seiberling, Mr. Stark, Mr. Vanik, Mr. Waldie, and Mr. Brown of California):

H.J. Res. 546. Joint resolution repealing the Military Selective Service Act; to the Committee on Armed Services.

By Mr. BINGHAM:

H.J. Res. 547. Joint resolution proposing an amendment to the Constitution of the United States relating to the election of the President and Vice-President; to the Committee on the Judiciary.

By Mr. CONYERS:

H. Res. 391. Resolution requesting the President of the United States to appoint a special prosecutor in connection with the Presidential election of 1972; to the Committee on the Judiciary.

By Mr. DINGELL:

H. Res. 392. Resolution disapproving Reorganization Plan No. 2; to the Committee on Government Operations.

By Mr. SKUBITZ:

H. Res. 393. Resolution creating a special committee to conduct an investigation and study into the legal, political, and diplomatic status of lands which were the subject of grants from the King of Spain and from the Government of Mexico prior to the acquisition of the American Southwest as a result of the Treaty of Guadalupe-Hidalgo concluding the Mexican-American War in 1848; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

200. By the SPEAKER: A memorial of the Senate of the State of Oklahoma, relative to Tinker Air Force Base; to the Committee on Armed Services.

201. Also, memorial of the Senate of the State of Oklahoma, relative to the U.S. Postal Service; to the Committee on Post Office and Civil Service.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BROWN of California:

H.R. 7682. A bill to confer citizenship posthumously upon Lance Cpl. Federico Silva; to the Committee on the Judiciary.

By Mr. DICKINSON:

H.R. 7683. A bill for the relief of Wilma V. Hatfield; to the Committee on the Judiciary.

By Mr. RODINO:

H.R. 7684. A bill for the relief of Nicola Lomuscio; to the Committee on the Judiciary.

H.R. 7685. A bill for the relief of Giuseppe Ottaviano-Greco; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

211. By Mr. HOSMER: Petition of Mr. and Mrs. Dale B. Smith, of Long Beach, Calif., and 300 other residents of Long Beach, Calif., urging that the Long Beach U.S. Naval Station and Supply Center not be closed down; to the Committee on Armed Services.

212. Also, petition for Georgs Krikmanis, Brookline, Mass., relative to civil rights; to the Committee on the Judicary.

213. Also, petition of Mrs. Jeanette Draper, Temple Hills, Md., and others, relative to protection for law enforcement officers against nuisance suits; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

ASSISTANCE BY THE GREEN BERETS TO UNION COUNTY, S.C.

HON. STROM THURMOND

OF SOUTH CAROLINA

IN THE SENATE OF THE UNITED STATES

Wednesday, May 9, 1973

Mr. THURMOND. Mr. President, it is a pleasure for me to bring to the attention of my distinguished colleagues the outstanding civil action assistance being given to rural areas through field exercises conducted by the Green Berets of the U.S. Army.

During the first 2 weeks of March of this year, Company B, 5th Special Forces Airborne Green Beret unit from Fort Bragg conducted operation, "Orbit Run II, Field Training Exercise (FTX)," in Union County, S.C. This field training exercise had two goals. One was to provide the Green Berets with actual projects to complete for training purposes instead of simulated projects. Second, it was to help the county complete much needed facilities for the citizens in the rural communities of Union County.

Mr. President, according to the Honorable James W. Blackwood, mayor of the city of Union, the FTX was an outstanding success. Both the Army and the county benefited by this fine effort. Local National Guard units also participated and contributed to the successful accomplishment of the assigned missions, which included such recreational projects as swimming pools, basketball fields, ball parks, and tennis courts.

Mayor Blackwood advised me that the Green Berets were very impressive and won the hearts of all those citizens in Union County who were associated with them. He stated that—

> The Green Berets shall be remembered for a very long time as gentlemen and soldiers.

Mayor Blackwood singled out the company commander of Company B, for special commendation. He stated—

> Leadership by a very fine gentleman officer in the person of Captain Paul P. Mendes has been the key to the great success experienced by both the Green Berets and the citizens of Union County.

Mr. President, the Union Daily Times, which Mayor Blackwood forwarded to me, devoted a special section of its newspaper to an excellent news feature entitled "Berets Complete Orbit Run II." It presented this field training and domestic action exercise in a very interesting manner with photographs. This fine newspaper is to be commended also for its very informative article on this FTX which started with Company B parachuting into the area to commence operations.

Mr. President, I ask unanimous consent, for Mayor Blackwood's letter dated April 23, 1973, and the newspaper article published as a supplement to the Union Daily Times on March 22, 1973, to be printed in the Extensions of Remarks.

There being no objection, the material was ordered to be printed in the Record, as follows:

UNION, S.C., *April 23, 1973*.

Hon. STROM THURMOND,
U.S. Senate,
Washington, D.C.

DEAR SENATOR THURMOND: Union County was very disappointed when told you would not be able to visit during Orbit Run II FTX.

Since you are on the Armed Forces Committee we feel a follow-up to this Field Training Exercise should include you.

Also Sir, we desire to give credit to the proper ones for this very successful operation. Should it have been a failure I'm sure you would have heard from it.

Sir, the Special Forces Airborne Green Beret from JFKCMA, Fort Bragg, N.C., shall be remembered for a very long time as gentlemen and soldiers. These men visited the homes, schools, churches and clubs—from the kindergarten to the Senior Citizens Center. No age group, race or religion was denied by these men. On one Domestic Action Project (Lukesville Recreation Park) in an all black section, one man worked in a down-pour of rain he was so determined to complete an outdoor cookout pit.

This is only one example of the devotion these men of the Green Beret put forth to do a good job.

Sir, you being a leader of men, and having served in the Armed Forces know there is no way to place value on a good leader.

Leadership by a very fine gentleman officer in the person of Captain Paul P. Mendes has been the key to the great success experienced by both the Green Beret and the citizens of Union County. This young officer is everything one could ever expect in a man, soldier and leader. Knowing this man is a wealth alone.

These men have visited Union County for training purposes twice in the past, and for a November 11th parade. Union County has been acquainted with them for approximately one year. Approval of plans to be back in Union on April 26, 1973 for a Military FTX were announced two weeks ago by Captain Mendes.

The thoughts I am attempting to express did not come over night. These men are very deserving of a pat on the back for a job well done for this County.

Sir I and the people of Union County will be grateful for any thoughts you may pass on concerning Captain Mendes and the personnel of Company B 5th SFGA Fort Bragg, N.C. for their outstanding work.

We know Colonel Earl Keesling, Commanding Officer, 5th SFGA would appreciate hearing from you.

I remain your faithful servant, and if I can be of service, please let me know.

Sincerely yours,
JAMES W. BLACKWOOD,
Mayor.

[From the Union (S.C.) Daily Times, Mar. 22, 1973]

BERETS COMPLETE ORBIT RUN II

The skies of Union were filled with the drone of aircraft engines on March 1, signaling the beginning of Orbit Run II, an exercise in self-help conducted by a company of men from the 5th Special Forces stationed at Fort Bragg, N.C. As the C–130 transport made its first pass over Berry's Farm, a chill of expectation rang through the warm morning air and the first contingent of men bailed out via static line at 2,000 feet to greet the some 2,000 onlookers present for the jump. A few minutes later the second team of men stepped from the aircraft at 16,000 feet and perfected a High Altitude Low Opening (HALO) jump.

While the crowd present enjoyed watching the men land, Sgt. Griffin gave an oral explanation of the workings of the parachute and what the crowd would see as the men descended. Sgt. Griffin went into a detailed explanation and also deployed a chute on the ground so that the spectators might get a better perspective of what was happening.

Orbit Run II is an exercise in civilian-military cooperation and self help designed to provide training for both military and civilian personnel. The army, realizing the need to keep men of the Special Forces active, originated the program and has had numerous successes with it in other states. Although Union is not the first down in rural America to be visited by men of the Special Forces, it is interesting that it should be twice selected for exercises involving men of the 5th Special Forces. The first such exercise was kept secret until it was completed, September 1972. Code name for the project was Cabot Sound VI.

Upon successful infiltration into Union, men of the Special Forces were taken to the Union County Fairgrounds where they were to be housed until conmpletion of the exercise, March 22. Several projects had been outlined and immediately A-Teams were assigned to their specific details of work. Although the teams involved do not represent a full complement of men (12), they were, throughout the problem, able to function and complete their assigned tasks under the direction of Capt. Paul Mendes.

The A 23 Team was assigned to the Powell Street Swimming Pool which prior to their arrival had been closed without much hope of reopening this summer. With the help of the city of Union Utility Department and the Union County Vocational School masonry class, members of the teams set to work to repair—rebuild and paint the pool. The first item on the agenda was draining the pool and cleaning the filtration system.

Having accomplished that which looked impossible with the filtration system, members of the team and local civilians went to work on the pool proper. In deplorable condition, the pool had cracked places in it, blisters, fungus infected walls, and sharp concrete edges which caused many cuts to feet last summer. All supplies and equipment used by both civilian and military personnel alike were borrowed or bought locally by persons, industries, and civic clubs working to help their community.

Although hampered greatly by bad weather, the team accomplished the job and when the State Health Inspector examined the pool, he stated, "it was in the best condition he had seen it in years."

The pool received three coats of epoxy paint, had all ladders and hardware primed and repainted and all blisters broken and reworked. Also painted was the bath house where A-Team members replaced clothes baskets, made doors and replaced commodes. Thanks to the Union County Vocational School masonry class, crew members of the City Utility Department, and equipment loaned by local National Guard units, the Green Beret, with local help, have made it possible for Union to open the pool this summer and have provided fun for our youngsters.

The second major project conducted by members of the Green Beret was not originally scheduled; however, upon arrival in Union a need was seen and met at Lukesville.

Affectionately known by members of the A-Team as the Lukesville "can and bottle dump," members of the team set to work immediately with the help of some 200 local residents to police the field and prepare it for heavy equipment work. Prior to any work, however, Special Force members helped the residents of Lukesville to form a Men's Club which had gotten a lease on the property from United Merchants.

This project was hampered also by incessant rain and members of the team spent much time digging the heavy equipment out of the mud. Today the field, through the courtesy of the County Road Crews, has a good base of sand and top soil making the infield playable. In addition to leveling the field, the Berets helped construct a back stop and prepared an 18x18 area for a basketball court.

The residents of Lukesville, with the help of the county and the Buffalo Men's Club, learned from the Berets how they could help their community with a recreational facility that any area would be proud to have.

The third major project tackled by the Green Beret was construction of a ball park at Buffalo for the Buffalo Men's Club and the University of South Carolina, Union Campus. Before work could begin on the field, the Buffalo Men's Club procured a lease on the land from United Merchants and reached an equitable agreement with USC–U for their use of the field. Beret A-Team No. 3 then proceeded to clear the area for heavy equipment work. To stimulate interest in the work, members of the Green Beret Corps held a baseball game on the field the second day of work and local residents came out on top with a 13–3 victory over the Berets in a 9 inning tilt. The game served its purpose and for the rest of the work, local residents and kids were on hand to lend their hands to the work.

After leveling the field and removing obstructions from the outfield, sand and fill dirt were brought in to fill the gaps and holes. The old backstop was removed and replaced. In addition, a site has been leveled for the construction of a basketball and tennis court. Although again hampered by bad weather, the Berets, with the help of local townspeople, were able to complete the assigned task and the residents of Buffalo will enjoy the use of a fine field this summer as will the team from USC–U.

To date, all major projects have been completed according to Capt. Paul Mendes. "In addition to the construction work the Berets have done," said Mendes, "we have had other correlated activities with civic and service organizations in the community.

The Beret, in conjunction with Civil Defense authorities, conducted a simulated nuclear catastrophe and provided training for local CD officials in the event of a real emergency. Local groups such as the Fire Department, Rescue Squad and Boy Scouts received training in emergency first aid, transporting of victims, and emergency procedure.

Included in this instruction was repelling and evacuation of wounded persons via a medical helicopter. As each local personage completed the prescribed course of training, it was slowly realized by them that indeed they had been exposed to a learning experience that few have the opportunity to witness and gain knowledge from.

In conjunction with the Special Forces activities, local National Guard units were given and partook of the opportunity to conduct a training exercise in search and destroy tactics. Demolition experts from the Special Force Team rigged a village with booby traps and explosives simulating an actual attack. Members of local guard units attacked the village and destroyed the concentration of enemy forces. Witnessing this display were residents of Union County and the local guard units used the opportunity for recruitment and reenlistment purposes.

The final show by the Green Beret and National Guard units was held Saturday, March 17, when a display was set up at the Union County Airport. Although bad weather and high winds curtailed much of the displays and prevented the aircraft from taking off, many people were on hand. Here again National Guard units used the opportunity for recruitment and re-enlistment.

Throughout the entire exercise, members of the Green Beret spoke to several civic clubs and schools in the area. At the schools, Excelsior who extended the first invitation to the Beret, were given the opportunity to have the students jump from a kiddie parachute tower. Enjoyed by all the children, each who participated in the jump received their official parachute jump certificate.

As Orbit Runn II comes to an end, it is noted that each and every action conducted by the Green Beret could have been done earlier by local residents. Through the Berets, the city and county of Union have come to learn that with some initiative, much can be accomplished. The Beret have shown the residents how as they have done in Vietnam and the rest of the world. And, as in the rest of the world where they have left, it is up to the local residents to continue their efforts in providing a better place for their people to live.

Capt. Paul Mendes stated that throughout the entire exercise, the help received from the local people was superb and that, they, not the Green Beret, accomplished what had been done.

ABE DOLGEN HONORED

HON. JOSEPH P. ADDABBO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 9, 1973

Mr. ADDABBO. Mr. Speaker, on May 6, 1973, I was privileged to serve as chairman of the 11th annual Queens County New Frontier Regular Democratic Club dinner dance. This year's honored guest was Mr. Abe Dolgen, who is vice president of the International Ladies Garment Workers' Union, also active in varied and many charitable works including chairman of Queens Histadrut.

In his remarks to those attending the dinner, my good friend Abe Dolgen touched upon issues of social justice which I believe will be of interest to my colleagues. For that reason I am placing excerpts from his remarks in the RECORD at this point:

REMARKS BY ABE DOLGEN

To have achieved through community and political activities, a measure of esteem and recognition from your co-workers and colleagues in the cause of good liberal government is truly rewarding. Therefore I am proud to have been elected First Vice-President of the Queens County New Frontier Democratic Club and honored beyond measure to have been selected as its "Man of the Year" and its guest of honor at the Eleventh Annual Dinner Dance on May 6.

The choice of a trade union leader as guest of honor this year is recognition of the important role of organized labor.

The fight for liberal government requires vigorous year-round organization if it is to produce victories.

We are very fortunate in our district to have as co-leaders the able, energetic Sidney F. Strauss and the "Power House" Ann Schachter.

I am grateful to our distinguished Congressman Joseph P. Addabbo for serving as chairman of the Dinner Committee; also to Lillian Leight, editor of our club paper and to Leo Schwartz, our club treasurer, for spearheading the arrangements and serving as Co-Chairmen.

It is an honor to have on the roster of the Dinner Committee Borough President Manes, Congressman Rosenthal, State Senators Santucci and Gold, Assemblyman Hevesi, Councilman-at-Large Mastropieri, and Hon. Matt Troy.

As a Trade Unionist I have always believed we must fight for social justice on the political and economic fronts. Working people need agreements with good wage and work standards and benefits. They also need social and labor legislation to complement their economic gains as citizens of a democracy. They are also interested in improving our society for the benefit of all its citizens.

To me the term "New Frontier" in the name of our club expresses willingness to explore new ideas and concepts for the decade of the seventies but it does not mean discarding sound liberal principles that have served our country well in the past. Let us work in the year ahead to forge unity within our ranks. This is the key to victory for our cause.

ISRAEL: 25 YEARS AS A NATION

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 9, 1973

Mr. MAZZOLI. Mr. Speaker, the World Zionist Congress established as its goal in 1897 "the creation of a national homeland for Jews in Palestine". This goal became a reality on May 14, 1948—5 Eyar, 5708, according to the Jewish calendar.

And yet, the 25th anniversary of this momentous achievement, the silver anniversary of the establishment of the state of Israel, represents more than simply the celebration of a nation's statehood. It represents a milestone in the history of a whole people.

The story of the Jewish people has been one of a quest for homeland and for peace following centuries of homelessness and persecution.

Today, 25 years after the Jewish people began building a nation on the site of their historic homeland, the desert has bloomed. These brave people, under the leadership of some of the finest statesmen this century has produced, have developed economically, scientifically, and politically with a determination which is the essence of their spirit as a people.

And yet, these brave men and women are today still engaged in a struggle to maintain their national sovereignty and to conclude a lasting peace with their neighbors.

America, as leader of the free world, congratulates Israel on its 25th birthday, and wishes to this young country all possible joys and peace in the next quarter century.

SAN DIEGO PROUD OF ITS PARTNERSHIP WITH THE NAVY

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 9, 1973

Mr. BOB WILSON. Mr. Speaker, those of us from San Diego have always been proud of our partnership with the Navy. The sweeping realignments of bases proposed by the Navy will make San Diego the Navy's largest port, a banner our community is proud to fly. The close association the Navy and San Diego have had through the years is expressed quite eloquently in a San Diego Union editorial which I request be printed in the RECORD at this time.

The editorial follows:

IMPORTANT NEW ROLE—OURS IS FOREMOST NAVY TOWN

A review of San Diego history since the turn of the century makes clear that an ideal harbor and year-round mild weather were not the only reasons the Navy and Marine Corps established so many training and operational commands in this area. Time and again our local officials, the business community and civic-minded citizens have shown a willingness to work with the services to assure that their needs could be met in the San Diego area.

Thus, as the Navy embarks on a sweeping reorganization and consolidation of its bases, the groundwork is already laid for the transfer of many activities to San Diego. Navy and Marine Corps installations in the area have the capacity for expansion. Our harbor and its naval stations have the ability to absorb an increase in the number of ships to be home-ported here. Our community as a whole will be prepared to welcome the 13,000 civilian workers and sailors to be transferred here between now and mid-1974.

Indeed, the manpower transfers will simply return the total number of naval personnel here to the level it had reached in 1969 under the impact of the Vietnam War. The transfer of ships will bring the total number based here to a figure well below the 200 operating from San Diego at the peak of naval activity in Vietnam.

What is approaching now, however, is not a wartime fluctuation but an assignment of new responsibilities to San Diego installations which can be considered as permanent as any can be in the light of changing defense needs. The Navy, more streamlined in this time of tight defense budgets and the experiment with all-volunteer armed services, has chosen to make San Diego its primary base.

This is a tribute to the hospitality San Diego has shown the Navy in the past, as well as a challenge to our community in the future. The immediate impact may lie primarily in providing housing for new Navy families, and in revising projected public school enrollments for the 1974–75 year and beyond. In the longer range, the prospect of a continuing high level of naval traffic in our harbor adds new priority to the question of constructing a second entrance to San Diego Bay.

The economy of San Diego and its neighboring communities today is less dependent than ever before on military spending. A diversity of manufacturing and service industries and the development of research and academic institutions has made San Diego in 1973 a far cry from the pure "Navy town" it was once reputed to be. Yet the important new role which this area will play in supporting the naval strength of the United States of America in the years ahead makes San Diego the nation's foremost "Navy town" in a sense we may not have attached to the term before. We can wear the term proudly as San Diego and the Navy enter a new era of the historic partnership.

CON GAME

HON. JAMES ABDNOR

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 9, 1973

Mr. ABDNOR. Mr. Speaker, I would like to take this opportunity to share with my colleagues just another example of the widespread interest this Nation has taken in the confrontation at Wounded Knee, and why we must promptly evaluate the Indian situation.

I insert at this time an editorial from the Indianapolis News, of April 10. 1973. My distinguished colleague, the Honorable WILLIAM H. HUDNUT III, brought this to my attention and I thank him for doing so.

CON GAME

The performance of the Federal government toward the Indian militants who captured the town of Wounded Knee has been a masterpiece of liberal vacillation.

The disorder at Wounded Knee is an all-too-natural result of last year's episode when a group of hoodlums were permitted to wreck the Bureau of Indian Affairs in Washington, steal official documents, and walk off with a $66,000 bribe from weak-kneed Federal bureaucrats. Having experienced that heady success, it was all but certain the collection of troublemakers, ex-cons and convicted felons masquerading as "Indian leaders" at Wounded Knee would get the message and come back for an encore.

For some reason the liberal commentators fawning over the so-called American Indian Movement don't tell us that AIM leader Dennis Banks has been convicted 15 times of charges including assault, battery, and burglary, or that the two Bellecourt brothers—one of whom was in Indianapolis last week—have both been convicted of burglary and armed robbery. Nor do they stress that the elected tribal leadership of the Oglala Sioux have repeatedly asked that the AIM interlopers be arrested and removed from Wounded Knee.

Of the 200 or so militants involved in the takeover, fewer than 20 were members of the Oglala Sioux tribe, whose leadership they professedly want to take away from its elected chairman, Dick Wilson. Wilson says he and other members of the tribe could have thrown out the militants in nothing flat but that "the Federal government ordered me not to . . . Apparently the representatives of the Federal bureaucracy preferred to cater to and negotiate with the ex-cons.

All that is outrageous enough, but there is more. The Detroit News reports that more than half the militants at Wounded Knee were employes of social welfare groups financed with Federal money, and that AIM itself received more than $200,000 in Federal grants last year. The News quotes a Federal official as saying the Justice Department originally backed down on arresting the militants when AIM leaders threatened to publicize their Federal connections. So the takeover and violence have dragged out over the span of a month and a half.

The mess at Wounded Knee has been compounded of welfarism, permissiveness and capitulation to radical hoodlums, which should not be forgotten or written off with action against the militants themselves. The whole affair cries out for congressional investigation and mass firings of the responsible bureaucrats.

FRANCE FUELS MIDEAST TENSIONS

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 9, 1973

Mr. LEHMAN. Mr. Speaker, it is well-known that Libya has become a haven for terrorists and airplane hijackers as well as financing armed insurrections in other lands.

When France decided to sell modern warplanes to Libya, French Prime Minister Chaban-Delmas gave solemn promises that France would not allow Libya to use the Mirage jets outside of its own territory, for aggressive purposes.

Now France has chosen to ignore this pledge.

American intelligence has confirmed that at least 18 Mirage jet fighters were sent by Libya to Egypt along with the necessary ground equipment.

In addition, Egyptians posing as Libyans have been trained in France by French technicians to both fly and service these fighter planes.

If there was still any doubt about Libyan intent, it was reported today that Libyan leader Qaddafi has pledged the use of his French-built planes to aid the Palestinian insurgents in Lebanon as soon as Bierut airport was captured.

If the French Government is to have any remaining credibility with the other nations of the world, it must immediately halt all further shipments of planes, spare parts, and ground equipment to the outlaw nation of Libya.

An excellent article in the May 2 issue of the Near East Report discusses the French attitude in greater detail.

The article follows:

FRANCE LEADS AN IGNOBLE CAUSE

On the ground that Israel lacked "documentary proof," France rejected out of hand Israel's charges that Egypt has received at least 18 Mirage jet fighters from Libya, in violation of Libya's contract with France and France's own policy. Independent American sources have verified Israel's indictment, adding that Egypt has also received ground equipment and spare parts and that Egyptian pilots carrying Libyan passports have been trained in France.

The French response belies any pretense that the Pompidou government is "even-handed," the posture France assumed when Prime Minister Jacques Chaban-Delmas and his Defense Minister Michel Debré pledged to cut off Mirage deliveries if France's arms embargo of all "battlefield powers" were circumvented.

Indeed, France's behavior is entirely consistent with her deference to Arab clients, as illustrated by her role at the recent Security Council meeting, where France, along with Great Britain, pushed for the pro-Arab draft resolution to end aid to Israel and threatening economic sanctions—synchronizing with the Russian demand for Israel's expulsion. France led the outcry over Israel's alleged violation of Lebanon's sovereignty, even though Lebanon had compromised her integrity and international commitments by providing a haven and staging base for Arab terrorists.

In all this, France does violence to her conscience—and at the same time emboldens Israel's adversaries to follow her example.

Thus, Saudi Oil Minister Sheikh Ahmed Zaki Yamani warned during recent talks in Washington that his country might not be able to expand oil production to meet future Western consumption requirements because of the fear of terrorist outrages. (Secretary of State William P. Rogers is reported to have retorted that Saudi Arabia should stop subsidizing the terrorists as a first step toward curbing them.)

Fearful Europeans and Arabs seem blind to the fact that terrorism boomerangs.

The Saudi Arabian embassy in Khartoum was turned into a slaughterhouse by Black September murderers whose salaries have been paid by contributions extorted from, among others, oil countries and companies. And last week, Lebanon—haven for terrorists—became a terrorist target after Lebanese police made arrests following an attempt to smuggle bombs out of the country; when Lebanon rejected an ultimatum to release her prisoners, a time-bomb was planted at the Beirut airport.

When Arab political commentators recently crowed that Israel and the United States were becoming increasingly isolated, they were correct in a way they had not intended. They are isolated for their courage.

It appears that U.S. and Israel officials still have the temerity to spurn threats and to speak their minds honestly and openly. While the British were giving lip service to Egypt's peace initiatives, even though Egypt has not really changed its basic position, Deputy Secretary of State Kenneth Rush pledged in Teheran that the United States would maintain its firm Middle East policy "irrespective of whatever threats there are from anyone. We are not a country that bends to threats." While Britain's Delegate to the UN, Colin Crowe, was condoning Palestinian terror because it was not "official," U.S. Ambassador John Scali stated that "our energy crisis and the fact that most of the oil is in the Arab world will not ever be a determining factor in what our policy should be" in the Middle East.

Clearly, Israel confronts more than a double standard; she confronts a total absence of standards and principles. Crude expedience has always determined Soviet and Chinese Middle East policy; the amorality which increasingly rules European policy toward the area may be rationalized in the context of reliance on oil, natural geographic interests and investments which have to be protected—but it cannot be accepted or forgiven.

It has often been stated that a real peace in the Middle East will require an atmosphere of honesty and trust. The atmosphere grows more opaque and choking with each surrender by countries like France to fear and threat.

A "PERSON," THE CONSTITUTION AND THE LAW

HON. FRANK E. DENHOLM

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 9, 1973

Mr. DENHOLM. Mr. Speaker, "No person shall be deprived of the right to life, liberty, or property, without due process of law"—Article 5, U.S. Constitution.

The people of America have been taught and told—and most believe in freedom, liberty, and constitutional rights of and for the individual.

Contemporary times have brought change—civil rights, chairperson instead of chairman or chairwoman, and other emphasis of nondiscriminatory expressions of equality before the law. The fact remains that no citizen or viable combinations of human living cells has a constitutional guarantee or right to life, liberty, or property. But all are entitled to a day in court pursuant to the due process and equal protection clauses of the Constitution.

Mr. Speaker, I am introducing legislation today in an effort to more adequately define the word "person" as used in the Constitution and the laws of the United States and to secure for the aged, the blind, the crippled, the poor, the rich, the sick, the unborn the same equal protection for survival before the law that we seek for ourselves. I respectfully request that my proposal be approved and published in the definition of a "person" as follows:

H.R. —

A bill expanding the definition of the word "person" as used in the Constitution and the laws of the United States

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That title I, chapter 1, section 1, the sixth clause shall be amended to read:

The words "person" and "whoever" include corporations, companies, associations, firms, partnerships, societies, and joint stock companies, as well as individuals, and pursuant to the Constitution of the United States shall mean any animate combination of viable human cells capable of becoming an independent human being.

"PETE" HICKS—40 YEARS OF SERVICE

HON. ELLA T. GRASSO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 9, 1973

Mrs. GRASSO. Mr. Speaker, P. Francis "Pete" Hicks, of Winsted, Conn., will be honored on May 12 at a testimonial dinner given in appreciation of 40 years of tireless service to his fellow man—both as a volunteer and as a public servant.

"Pete" Hicks has served as a volunteer for the March of Dimes, an organization which, since it was founded in 1934, has brought hope and help to so many thousands afflicted with polio or birth defects. Over the years, he has served at all levels of the organization, first as Winsted chairman, then as Litchfield County fundraising director, then chairman of the Litchfield County Chapter, and finally as Connecticut State chairman for five terms. His leadership ability, enhanced by his genuine compassion for the suffering, has elevated the Litchfield County Chapter to the top position in the March of Dimes Region I which includes New England, New York, and New Jersey.

Yet, "Pete" Hicks' service to the March of Dimes has been only a part of his untiring and total service to his community and the State of Connecticut. Throughout his life, he has served his community in many official capacities. For five terms, from 1947 to 1957, he was elected mayor of Winsted. During the great flood disaster of 1955, "Pete" became known as the Flood Mayor of Winsted. His unceasingly energetic efforts resulted in the almost unbelievable transformation of his beloved city from a ravaged area to a prosperous city. But, "Pete" Hicks' service did not end after he left the mayor's office. For 16 years he has served as chairman of the Winchester Flood and Erosion Control Board which has helped construct two dams to protect the Winsted area from a repetition of the 1955 horrors.

Mr. Speaker, for 40 years "Pete" Hicks has devoted his time and energy to the service of his neighbors and fellow citizens. His unselfishness, sensitivity, and heartfelt concern are qualities that are an inspiration to all of us.

I join with his many friends in Connecticut in congratulating "Pete" for a job well done, and wish him the best for years to come.

BILL WOULD MAKE GENOCIDE A FEDERAL CRIME

HON. ROBERT McCLORY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 9, 1973

Mr. McCLORY. Mr. Speaker, at the request of the administration, and in accordance with recommendations made earlier by President Nixon, I am pleased to join today with my colleague from New Jersey (Mr. Rodino), chairman of the House Judiciary Committee, in sponsoring a measure to implement the Convention on the Prevention and Punishment of the Crime of Genocide.

Mr. Speaker, the Genocide Convention was adopted by the General Assembly of the United Nations in 1948, and was entered into force in 1951. Although not yet ratified by the U.S. Senate, the measure was the subject of hearings by the Senate Foreign Relations Committee in 1970, and again in 1971, with the result that the committee gave the convention its approval.

Mr. Speaker, the legislation which I am today cosponsoring would make it unlawful to commit enumerated crimes against persons who are identified with a national, ethnic, racial, or religious group.

I am confident that the measure is entirely consistent with our own constitutional principles.

Mr. Speaker, I should point out that the measure which my colleague and I are introducing would vest no authority or jurisdiction in any United Nations or other international body, nor would the measure have any adverse effect on any State or local laws on the same subject as the measure which we are sponsoring.

Mr. Speaker, the overall effect of this measure would be to implement the agreement which is expected that our Nation will support through ratification of the Genocide Convention by the U.S. Senate—and establish Federal law which would be consistent with the provisions of that convention.

COMPENSATORY EDUCATION AND THE MISSING CHILDREN

HON. ALBERT H. QUIE

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 9, 1973

Mr. QUIE. Mr. Speaker, on May 3, representatives from the Bureau of the Census testified before the General Education Subcommittee. Of major concern to me has been the recently announced information by the Bureau that about 5.3 million persons were missed during the 1970 census. Since census statistics form the basis for the distribution of funds under title I of the Elementary and Secondary Education Act of 1965, I am particularly concerned with the undercount of children.

Accompanying the formal testimony of the Census Bureau was the chart which I am asking to be reproduced below. That chart sets forth the net undercount of children under age 15 as determined by the Census Bureau. You will note immediately that the undercount of black children under age 5 shows the greatest error of any category for 1970, and in fact represents about a 50-percent increase in the percent of those uncounted in the 1960 census. Regrettably, figures for Spanish-surnamed Americans are not available. If they were, I suspect that they might be equally as high as those shown below.

I hope that these statistics, combined with other problems inherent in use of census data for the distribution of educational funds, will convince all Members that we must seek other alternatives if we are to reach those children most in need of compensatory educational services. Unfortunately, according to Census Bureau testimony, the rate of error cited in the charts below cannot be applied to a State, a school district, or even a region since the rate of underenumeration is different in different areas. Undercount figures below the national level are simply not available.

I invite all Members to closely examine H.R. 5163, my bill to amend title I and remove the use of census data from the distribution of compensatory education funds. Explanatory remarks on H.R. 5163 can be found beginning on page H1404 of the RECORD of March 6.

The chart follows:

TABLE 7.—ESTIMATES OF THE PERCENT OF NET UNDERCOUNT OF CHILDREN UNDER 15 YEARS OF AGE, BY AGE, SEX, AND RACE: 1940-70

[Base of percentages in the corrected population]

		White		Negro and other races		Negro	
Age and year	All classes	Male	Female	Male	Female	Male	Female
UNDER 5 YEARS							
1970:							
Unadjusted	3 5	2.6	2.2	9.2	8.6	10.4	9.9
Adjusted [1]	3.5	2.3	2.0	10.3	9.7	10.4	9.8
1960	2.2	1.9	1.1	6.9	5.5	6.6	5.1
1950	4.7	4.3	3.6	10.0	9.3	9.6	9.0
1940	7.1	6.5	6.0	16.0	14.5	16.0	14.4
5 TO 9 YEARS							
1970:							
Unadjusted	3.1	2.7	2.4	6.5	5.7	7.8	6.9
Adjusted [1]	3.1	2.4	2.2	7.5	6.6	7.7	6.9
1960	2.3	2.4	1.5	5.1	4.3	5.1	4.2
1950	3.6	3.0	2.4	10.6	8.9	10.4	8.5
10 TO 14 YEARS							
1970:							
Unadjusted	1.4	1.3	1.2	2.6	1.8	3.6	2.9
Adjusted [1]	1.4	1.1	0.9	3.5	2.7	3.5	2.8
1960	2.4	2.5	1.5	5.2	4.2	5.0	3.9
1950	1.8	1.0	1.0	6.2	6.5	7.2	6.0

[1] Adjusted estimates are based on census figures which have been adjusted for race misclassification in the complete count *and for an overstatement* of centenarians.

CONNALLY'S CONVERSION

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 9, 1973

Mr. EVINS of Tennessee. Mr. Speaker, as we all know, former Democratic Governor John Connally of Texas has switched his allegiance to the Republican Party.

Mr. Connally has held high positions as a member of the Democratic Party, including those of Secretary of the Navy and Governor of Texas. He was a close friend of former President Johnson, and at one time served in the Cabinet of President Kennedy. He served more recently in the Cabinet of President Nixon.

Certainly Mr. Connally seems to have no problems with his loyalties—and since the President has indicated that "an excess of zeal" on the part of some of his top-flight subordinates may have created problems, perhaps an adviser with Mr. Connally's attitude toward switching loyalty may be a useful asset to this administration at this critical juncture.

The Connally switch will definitely clear the air with reference to any professed loyalties to the Democratic Party.

History has shown that turncoats from Democrat to Republican have not done too well in seeking the presidency. Those who switched included a distinguished Senator from South Carolina and the late Wendell Willkie of New York—both of whom after switching, ran for President and lost.

Because of the interest of my colleagues and the American people in this matter, I place in the RECORD herewith an editorial and a column from the Washington Star-News.

The articles follow:

[From the Evening Star-News, May 3, 1973]

CONNALLY'S CONVERSION

What John Connally's formalized conversion to Republicanism finally will amount to, in the larger affairs of the country, is anybody's guess at this point. He may be headed for the highest political summit, or toward some distant dead end. But one thing seems highly probable, despite the disclaimer of elective or appointive ambition: His statement yesterday was the opening bell in a three-year wrestling match for the Republican heavyweight championship.

It will be a polite affair for quite a while, we expect. For in the other corner, Vice President Agnew is a model of discretion, warmly welcoming the silver-haired Texan to the GOP fellowship. No doubt Agnew is taking the measure of his own considerable strength and making plans to build upon it, perhaps by enlarging his new image of moderation.

And who can say how many others—silent aspirants to the Republican presidential nomination in '76—are estimating the size of "Long John" Connally this week as if their political lives depended on it? What they see are some prodigious assets: robust charisma, decisiveness, a style of super-salesmanship that he has employed with great effect as a four-term governor of Texas and presidential cabinet member. Connally comes on exceedingly strong—a bit too strong, some observers thought, in dealing with some foreign nations on economic matters, as Treasury secretary. In any case, the Republicans have acquired a new member, with far-ranging experience in government, whose energies will not be easily corralled. And one who is fully able, we suspect, to raise the financing required to support great political ambitions.

Nor is Connally short on political canniness. The timing of his party switch may turn out to be the best example of this, endearing him to a great many regular Republicans who otherwise might not have greeted him very exuberantly. For he has come to the Republican party in its darkest hour, when defectors outnumber recruits; calling for middle-road Americans to follow him away from the Democrats. In effect, he is offering to help pull the GOP out of the Watergate pit, and President Nixon surely will appreciate this expression of support even more than rank-and-file Republicans.

Connally's potential for ascent may well hinge on the depth of that appreciation, and specifically on whether he's called back to Washington for a leading role in refurbishing the image of a tarnished administration. But who knows at this juncture? More may depend on the light of developments still to come on whether the President can give a blessing beneficial to anyone in 1976.

So Connally has taken a gamble in which there are liabilities and uncertainties as well as assets. Even now President Nixon is taking

Agnew into the White House counsels—apparently giving him a much larger role in domestic decision-making. And a recent Gallup poll shows Agnew with more than double Connally's support among Republicans for the next presidential nomination. The come-lately stamp will not be easily overcome as Connally seeks support among Republicans. Some of them think he should have switched much earlier.

He has, after all been a Democrat a long time, and a most aggressive one during the Republicans' long isolation from power. But the conservative "Solid South" (including Texas) was Democratic for a century, and it preceded Connally in shifting away from the old loyalty. If he can augment the GOP's gains in his native region, and help purge his adopted party of the Watergate blight, he may be hard to stop before 1976 rolls around.

[From the Evening Star and Daily News, May 4, 1973]

CONNALLY RALLIES ROUND

(By Mary McGrory)

John Connally has made his move toward the White House while it is in a state of siege.

The Executive Mansion is, for the first time in history, occupied. FBI agents are guarding the files of a pair whom the President called, hours before the watch was put on, "two of the finest public servants it has been my privilege to know."

Every day brings its new batch of severed heads from the departments where the President had stashed away deserving campaign aides to keep an eye on suspect bureaucrats.

Republican National Committee employees are being closely questioned by the feds about their association with men who until last Monday spoke for Richard Nixon, and who are now speaking with the grand jury.

It was not, all in all, the ideal moment to announce one's conversion to the GOP. But John Connally who, like his Texas mentor, Lyndon Johnson, likes to keep his options open, had no choice.

The President has been waiting, with tapping foot, for a word of fealty from his chosen successor.

Other helpers have failed. Former Defense Secretary Melvin R. Laird said with a shudder that there were things about Watergate he didn't want to know. The Rev. Billy Graham, the President's favorite divine, failed the compassion test.

Connally, exquisitely barbered and tailored for the occasion, stepped boldly into the mire, proving to Richard Nixon that he is, in Johnson's immortal phrase, "a man you can get to the well with."

His remarks had a slight scent of camphor. They were obviously taken out of the chest where they were stored last summer after Connally became chairman for Democrats for Nixon.

The Republicans, he said, "represent the broad middle ground where we are going to have to find the solutions". That broad middle ground, in this season of floods, is under way.

Connally took a lofty view of Watergate. It will fall into the big picture, he explained. "Remember Peking" he seemed to be saying. The "great problems" to which he will address himself are the energy crisis, the trade agreements and inflation.

His arrival in the bomb shelter did not produce the general change of subject intended. The most immediate effect was on Spiro T. Agnew, who is undergoing conversion himself—or rather reconversion to orthodoxy. The vice president has been making strange noises about the morality of Watergate, threatening to resign if it seeped into the Oval Room.

With Connally now on the scene, Agnew will be driven into a competition of fidelity to the President. In one of the few actions taken at the White House this week, he had restored to him several duties which H. R. Haldeman had stripped away last winter. Apparently it was to comfort him against the advent of Connally and to indicate even-handedness.

Connally's aid to the party will probably take the form of rallying the demoralized troops around the country. At a melancholy Republican National Committee staff conference, a Texas representative urged the members to get in touch with John Connally—"he wants to hear from y'all."

Connally, who is large with the country-club and boardroom set which finds him more magnetic than Agnew, is expected to become a champion fund-raiser. Openhanded Republicans have been somewhat stingy since they found their contributions were being used as hush money for burglars.

The idea of Connally as a White House chief of staff is fading. In order to clean house, he might have to delve into past practices which cannot bear the light of day and could, ultimately, implicate the Oval Room.

With his untimely plunge, Connally has at least beat the "interloper" rap. Anyone joining the Republican party might be suspected of madness or martyrdom, but hardly of opportunism.

The President is doubtless grateful that Connally has rallied round the shredded flag. For the first time in his life, Connally may have done something that helps someone else more than it helps him. It is a sobering thought.

CLAIMS CONCERNING THE TREATY OF GUADALUPE-HIDALGO

HON. JOE SKUBITZ

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 9, 1973

Mr. SKUBITZ. Mr. Speaker, a number of persons have consulted with me, in my capacity as a member of the Committee on Interior and Insular Affairs, concerning the claims that have resulted from the provisions of the Treaty of Guadalupe-Hidalgo that concluded the Mexican-American War in 1848.

It appears, and it is alleged, that the legal, political and diplomatic status of lands that were the subject of royal grant from the King of Spain and thereafter from the Government of Mexico, prior to the consummation of the treaty, are in question, or at least deserve, further careful scrutiny. Involved here are not questions of U.S. sovereignty or its right to acquisition of the lands in the southwestern part of the country but rather the rights of the original grantees and their legal heirs.

This is not a matter that should be prejudged, based on claims now pending, however valid. In my judgment, the problem deserves careful study by an impartial body. I am, therefore, joining in the action taken by my colleague, the gentleman from California (Mr. ROYBAL) in introducing a resolution calling for the creation of a special House investigating committee to study the issues and report back to the House within 1 year.

A SALUTE TO OKLAHOMA OSTEOPATHIC HOSPITAL DURING NATIONAL HOSPITAL WEEK

HON. JAMES R. JONES

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 9, 1973

Mr. JONES of Oklahoma. Mr. Speaker, today, as part of National Hospital Week, I would like to salute the largest osteopathic hospital in the Southwest, which is located in my district. In 1943, a small group of Tulsa Osteopathic physicians saw a dream come true when they met and pledged their futures. These men formed the Osteopathic Hospital Founders Association and purchased the 60-bed 30-year-old hospital at Ninth Street and Jackson. Today, after four expansions, the Oklahoma Osteopathic Hospital has 308 beds. The attending professional staff has grown to include approximately 160 physicians. Of an employee group of 836, nursing service comprises the largest single department, with 402 employees, making Oklahoma Osteopathic Hospital one of Tulsa's 25 largest employers.

Jon R. Pirtle, associate administrator, oversees the activities of a well-equipped, modern hospital with the necessary facilities to serve a growing city. Departments of General Practice, Radiology, Internal Medicine, Surgery, Anesthesiology, Obstetrics & Gynecology, and Proctology are headed and staffed by board certified physicians. Subspecialties such as cardiology, oncology, gastroenterology, thoracic surgery, pediatrics, pathology, and many others are practiced by osteopathic physicians with many years of training and experience. In light of the osteopathic philosophy, the general practitioner maintains a key role in health care delivery. General practice makes up the largest single department of the professional staff.

Sensitive to the health care needs of a rapidly growing city, Oklahoma Osteopathic Hospital is helping to meet those critical needs in many ways. Already the largest osteopathic hospital in the Southwest, OOH is presently undergoing its fifth expansion to almost double its size. The $9.2 million project is under the direction of Mr. L. C. Baxter, executive director. The plan is dominated by a nine-level tower at the hospital's northwest corner. The first level will house enlarged emergency room facilities, physical therapy, inhalation therapy, and pharmacy. The second level is planned for an enlarged dietary department as well as educational facilities to include a new 1½ story auditorium and expanded medical library. The remainder of the high-rise tower will accommodate a new obstetrical floor and newborn nursery, 11 surgical suites, recovery areas, intensive care unit, and general patient care floors. Construction is scheduled for completion in the spring of 1975.

Another kind of building program is always in progress at Oklahoma Osteopathic Hospital: the "building of doctors" through its extensive medical education programs. Dr. F. L. Reed, director of medical education, supervises the training of up to 16 interns and 24 residents each year. In addition, the hospital is affiliated with the Kirksville College of Osteopathic Medicine for the clinical training of third year medical students.

Interns who complete their training at OOH are well prepared to begin general practice. In the course of 12 months, they have been exposed to a wide variety of pathology and have been well supervised in general patient management. If a physician's choice is to enter a specialty area of practice, his education is continued in residency training. OOH offers residencies of up to 4 years of additional training in the fields of anesthesiology, general surgery, internal medicine, neurosurgery, ophthalmology, orthopedic surgery, otorhinolaryngology, pathology, pediatrics, and radiology. The hospital and its staff make a sizable investment in these young physicians, who in turn, provide much needed health manpower to the State of Oklahoma.

THE SEA GRANT PROGRAM

HON. MARGARET M. HECKLER

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 9, 1973

Mrs. HECKLER of Massachusetts. Mr. Speaker, I am pleased to take note of the vote of increased confidence that the House showed in the national sea grant college program by the overwhelming passage of its renewal authorization. The greater amount of funding reflects well on both the value that the program has been to our Nation, and its great potential for future service in the gathering of knowledge for the proper husbandry of ocean resources.

The members of the Committee on Merchant Marine and Fisheries, and the Congress, can point with pride at this program which demonstrates the effectiveness of careful oversight of a national determination to devote substantial funding to a concept which has and will prove its vital worth to the constructive use of the great resources of the sea in a program which utilizes the cooperation of scholars, students, and the community.

Donald E. Walker, the distinguished president of the new and exciting Southern Massachusetts University in North Dartmouth, Mass., where many of my constituents are enrolled, expressed tremendous interest in participating in the sea grant activities of research, education, and advisory services.

I do hope that the Commonwealth of Massachusetts, which deservedly boasts of its proud longstanding maritime tradition and one of the world's foremost research facilities at the Woods Hole Oceanographic Institute, will soon be able to play a greater role in the further development of this very worthwhile program.

TRIBUTE TO THE REVEREND ARTHUR ROBERT BARTLETT

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 9, 1973

Mr. ANDERSON of California. Mr. Speaker, on June 1, 1973, the people of San Pedro, Calif., will honor the Reverend Arthur Robert Bartlett—a man whose life's work has been devoted to the welfare of all merchant seamen through the Seamen's Church Institute.

Reverend Bartlett was born in England, but he was 3 years old when he arrived with his parents and sister in San Pedro where he has made his home ever since.

As a youth growing up on the waterfront, among the seamen, and other port people who made Beacon Street and San Pedro the famous and colorful—and somewhat raucous—place it was, young Arthur led an active life selling newspapers and magazines, and participating in scouting, football, baseball, basketball, and gymnastics.

During the summer of 1937, when Arthur was 17 years old, he became a paid summer staff member for the YMCA, and a charter member of the Phalanx Club, the YMCA's young men's group. It was during that time in his life that he met Frances Anderson, the girl who would become his wife 5 years later.

The next year he graduated from San Pedro High School and enrolled at Trade Tech, Los Angeles, where he completed a course in aeronautical engineering.

After attending Compton College and working in the Engineering Department of the California Shipbuilding Corp. for 3 years, he entered the U.S. Army and served until 1945 with the Air Corps as a B–17 instructor and armor gunner. While in the service in 1943, he married Frances; 2 years later, in 1945, his first son, Gregory Arthur, was born.

Returning to San Pedro and adjusting to civilian life once again, he was employed as an electrician for Bethlehem Shipyard and an appliance adjuster for Southern Counties Gas Companies. In 1947, his second son, Robert Sands, was born.

As the family grew, with a third son, Timothy Charles, being born in 1949, Arthur Bartlett became increasingly active in the PTA at White Point School, and Saint Peter's Episcopal Church in San Pedro. During the early 1950's, he taught Sunday School class, was a member of the local 20–30 Club, an active Cub Scout leader, and an area Boy Scouts commissioner. In 1952, he organized Boy Scout Troop No. 611 at White Point School; in 1953, he became a lifetime member of the White Point PTA, and a junior warden at Saint Peter's Episcopal Church; and in 1954, he became church school superintendent at Saint Peter's for 3 years, church summer camp dean for 2 years, and YMCA camp counselor for 3 years.

The year 1955 represents another landmark in the life of Rev. Bartlett, as he became a volunteer for the Seamen's Church Institute—an organization designed to provide the stabilizing influences of church, home, and community to merchant seamen of all nations, creeds, and faiths.

A year later, he was a part-time employee at the institute, which led to his becoming the full-time program director in 1958. He also organized the first International Council of Seamen's Agencies conference on the west coast.

In 1960, Reverend Bartlett took a step which enlarged his already great commitment to aiding his fellowman—he became a candidate for Holy Orders, starting his theological studies at Bloy House and performing the responsibilities of lay chaplain at the Seamen's Church Institute. For the next 4 years, he attended Seminary at Bloy House, and Church Divinity School of the Pacific at Berkeley, where he was graduated in 1964, and ordained a deacon, Episcopal Church, on September 10. The following March, the Reverend Arthur Bartlett became an ordained priest and a priest associate, Order of Holy Cross.

Continuing his work at the Seamen's Church Institute, he became a member of the board of directors, International Council of Seamen's Agencies, and organized a committee for the first International Christian Maritime Agencies meeting in Rotterdam. He opened the first Long Beach Seamen's Center in a converted bus; became chaplain to the House of Hope for alcoholic women; opened Beacon House for alcoholic men.

In 1970, Reverend Bartlett was elected to the board of directors of the Southern California Halfway House Association; and he completed a summer course in alcoholic studies at the Pacific School of Religion.

This past year, 1972, the Reverend Bartlett, a grandfather three times, was elected president of the International Council of Seamen's Agencies.

Mr. Speaker, it gives me great pleasure to commend Reverend Bartlett and his many accomplishments and to call to the attention of the House of Representatives the outstanding contributions of the Seamen's Church Institute, where seamen can express joys and sorrows in an atmosphere of concern, and where seamen may become a little more whole again after months of isolation aboard ships.

ALL-YEAR DAYLIGHT TIME BILL GAINS 44 SPONSORS

HON. CRAIG HOSMER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 9, 1973

Mr. HOSMER. Mr. Speaker, I am today again introducing the bill to provide year-round daylight saving time. With the introduction of the bill today we will have 44 cosponsors of the legislation. The growing energy shortage has given us another good reason not to turn back the clocks next fall. I believe this is an idea whose time has come, and would welcome my colleagues in the House joining me in an effort to enact the proposal.

The list of cosponsors follows:

COSPONSORS

Mr. Moss of California.
Ms. Abzug of New York.
Mr. Adams of Washington.
Mr. Bell of California.
Mr. Burgener of California.
Mr. Cleveland of New Hampshire.
Mr. Corman of California.
Mr. Danielson of California.
Mr. Derwinski of Illinois.
Mr. Frelinghuysen of New Jersey.
Mr. Gude of Maryland.
Mr. Hanna of California.
Mr. Harrington of Massachusetts.
Mr. Helstoski of New Jersey.
Mr. Holifield of California.
Mr. Johnson of California.
Mr. McKinney of Connecticut.
Mr. Moakley of Massachusetts.
Mr. Mollohan of West Virginia.
Mr. Parris of Virginia.
Mr. Pettis of California.
Mr. Peyser of New York.
Mr. Podell of New York.
Mr. Rees of California.
Mr. Roncallo of New York.
Mr. Rosenthal of New York.
Mr. Roybal of California.
Mr. Wydler of New York.
Mr. Wyman of New Hampshire.
Mr. Collins of Texas.
Mr. Crane of Illinois.
Mr. Dulski of New York.
Mr. Eshelman of Pennsylvania.
Mr. Fish of New York.
Mr. Goldwater of California.
Mr. Horton of New York.
Mr. Ketchum of California.
Mr. Lehman of Florida.
Mr. Meeds of Washington.
Mr. Robison of New York.
Mr. Ware of Pennsylvania.
Mr. Whitehurst of Virginia.
Delegate de Lugo of the Virgin Islands.
Delegate Won Pat of Guam.

HIGH PRICES IN THE SUPERMARKET

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 9, 1973

Mr. LEHMAN. Mr. Speaker, the people in Dade County are becoming increasingly distressed at the rise in prices that must be contended with everytime they go to the supermarket.

While they, nor more than I, are economics experts, I do not think that it takes such an expert to realize the consequences of the Russian wheat deal. Commonsense tells you that if you no longer can rely on a supply reserve, and something happens to the crop, chances are that the forces of supply and demand are going to boost prices in every sector that has a need for wheat or wheat products.

Likewise, my constituents have a great deal of trouble seeing the sense of subsidizing farmers, and some people who are not farmers, to not grow crops.

I would like to commend the attention of my colleagues to a petition which I recently received from the Concerned Consumers of Dade County:

> We request that our Representatives in Washington urge that there be Congresisonal action taken immediately to curtail the exports of grains, soybeans, animals and meat until we can determine the effects of this year's adverse weather conditions on crops and livestock, as well as the cumulative effects of a fuel shortage and labor union wage hikes throughout the food and transportation industries upon food prices in the next two to five years. We urge an injunction against union wage increase negotiations for at least a 90-day period.
>
> We urge that subsidy money be used to support farm income and production, making it beneficial for the farmer to produce and sell first to America, selling only "true surplus" to foreign countries.
>
> We request that a Congressional investigation be instituted to determine the causitive factors of the radical meat price increase in a two-week period in mid-February; and subsequent, equally inequitable increases on all other foodstuffs. And, we would request that measures be taken to control these causitive factors.
>
> Respectfully submitted,
>
> (Mrs.) MARGE BOLDIN MILNER,
> *Chairwoman, Concerned Consumers of Dade County, and National Consumer Congress.*

THE TRUTH JANE FONDA CAN'T SEE

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 9, 1973

Mr. BOB WILSON. Mr. Speaker, "To see ourselves as others see us," as the poet Robert Burns said, is a gift many of us do not possess. Certainly Jane Fonda stands out as a prime example of this bit of verse. Unwilling to see the duplicity of her North Vietnamese comrades in her "arranged" meetings with the prisoners of war in Hanoi, she has lashed out at these valiant men as "hypocrites and liars." Frankly, I'll take these "hypocrites and liars" any day and am certain that 99 and 44/100 percent of the American people feel likewise. Whether she was duped by the North Vietnamese or went into the entire affair with eyes wide open, her behavior was inexcusable. I ask unanimous consent to include the following editorial from the Daily Californian as part of my remarks.

> THE TRUTH JANE FONDA CAN'T SEE
>
> Despite volumes of testimony by returning POWs that they were the victims of inhumane treatment and torture at the hands of their North Vietnamese captors, actress Jane Fonda refuses to believe them.
>
> So enchanted has she become with the Marxist gospel that it is beyond her comprehension the regime which she served so well as a propagandist during the war could be guilty of such reprehensible conduct.
>
> According to Miss Fonda, the POWs are "hypocrites and liars." She gives full faith and credit only to the statements of the eight POWs she met in Hanoi who were trotted out for her inspection and who insisted they had been well treated.
>
> We can understand why Miss Fonda must now resort to absurd accusations which attempt to cast doubt on the veracity of stories told by numerous POWs. Having been used as a shill by a Communist regime she blindly believed to be humanist, she does not want to admit that those rambling speeches she gave on campuses across the country, portraying the North Vietnamese as philosophical descendants of St. Francis of Assisi.
>
> Miss Fonda has been found out. She has been exposed as a sucker for the myth that all the evil in the world sprouts in the capitalist system. Her Hollywood fantasy of the North Vietnamese as paragons of virtue has been shattered by the words falling from the lips of the POWs.
>
> How disillusioning it must be to discover—and not want to admit—that the "good guys" for whom you've been rooting aren't that good.

SCHOOLBUS SAFETY

HON. DONALD G. BROTZMAN

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 9, 1973

Mr. BROTZMAN. Mr. Speaker, the House Subcommittee on Commerce and Finance of the Interstate and Foreign Commerce Committee is this week holding public hearings on schoolbus safety legislation. I am today reintroducing, with 18 cosponsors, a measure I proposed in the 92d Congress to require that schoolbuses be fitted with high backed seats and seat belts, so that this may be considered in the context of a bill of any larger scope which may ultimately be reported out by that body.

The need for legislation of this type is apparent if we look at data supplied by the National Safety Council and the Department of Transportation for the last few years. The trends evident from this data show that we can expect upward of 100 student deaths in schoolbus accidents annually in the United States, and some 4,000 student injuries.

Furthermore, it was asserted by various experts that many, if not most, of these casualties could be averted simply by extending Federal safety criteria developed for common carriers and passenger automobiles to schoolbuses as well.

There are several bills currently pending in the House which deal with the structural characteristics of schoolbuses. I agree that surely the structural integrity of the vehicles we build to carry schoolchildren is as important as that of vehicles we build to carry cross-country travelers.

However, I am particularly concerned that none of the current measures pending before the subcommittee adequately addresses the problems of seat belts and passenger seats themselves.

The National Transportation Safety Board studies several years ago indicated that many schoolbus casualties result from bodies flying about in a bus during an accident and coming into contact with hard or sharp objects.

Furthermore, the studies indicated that the installation of seatbelts in existing schoolbus seats by itself might cause more casualties than it would prevent—either from the whiplash effect or from the occupant striking the metal handholds and seat backs that are common in most schoolbuses in use today.

The best answer, then, in the opinion of the NTSB, appeared to be a combination of approaches, specifically the installation of seat belts on properly padded seats with backrests at least 28 inches high.

My bill would require that seat belts be installed in all existing and future schoolbuses. It would also direct the Secretary of Transportation to establish adequate standards for safe seats. And, finally, realizing that the retrofitting of a fleet of existing buses with this equipment will be expensive, this legislation authorizes the Congress to appropriate funds necessary to assist local schools in financing the necessary changes to existing equipment.

Hopefully, through such measures as these we will be able to greatly reduce the number of casualties our children face each year with existing school buses.

Mr. Speaker, I would like to commend the Subcommittee on Commerce and Finance and its distinguished chairman, Mr. Moss, for the energy and effort they have put into legislation surrounding schoolbus safety. As I have indicated, hearings are currently underway on this general subject in that body.

However, I again urge the members of this subcommittee to include specific measures such as these I am today introducing in any comprehensive bill which may be reported. The merit of specific provisions for occupant restraint systems and better designed seats for schoolbuses has been made clear on numerous occasions by the National Transportation Safety Board investigations and hearings I have mentioned. The sooner standards are implemented, the sooner it will be possible to reduce the annual tragedy of 100 student deaths and 4,000 student injuries in schoolbus accidents.

BATTLE OF CORAL SEA

HON. GILBERT GUDE

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 9, 1973

Mr. GUDE. Mr. Speaker, today marks the 31st anniversary of the Battle of the Coral Sea. This was the battle that stopped the southward advance of the Japanese in the Pacific and, although it could be considered a "draw" rather than a victory, it inflicted enough damage on the Japanese fleet so that the Battle of Midway, a month later, was a decided victory and, indeed, the turning point of the Pacific war.

Coral Sea was the first and only battle of its kind in which two carrier fleets fought each other through air power alone, never coming in sight of one another. The battle prevented a Japanese invasion of Australia, and because of this it has been commemorated in that country in week-long celebrations for many years.

No similar recognition was ever awarded to the Battle of the Coral Sea in this country. Indeed, it has been largely overlooked in historical accounts of the war, since it was overshadowed by the Battle of Midway. Some veterans of the Battle of Coral Sea, believing that it was too important an engagement to be thus neglected, organized in 1969 the Battle of the Coral Sea Association, Inc., and last year this organization sponsored the first American reunion in honor of the battle, held in Norfolk, Va., in May 1972, on the occasion of the 30th anniversary of the engagement. A group of 33 Australians came to the United States to attend the reunion, and the Australian Ambassador, Sir James Plimsoll, was one of the main speakers. The association plans to go to Australia in 1975 to attend the Coral Sea celebrations in that country.

Mr. Speaker, thousands of words have been written and spoken about the last world war. But on this historic date, I call the attention of my colleagues to the deeds of the men who served at Coral Sea. And I note with sorrow the recent passing of Adm. Jack Fletcher, who commanded that task force at Coral Sea.

ISRAEL

HON. JOHN E. HUNT

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 9, 1973

Mr. HUNT. Mr. Speaker, I would like to pay tribute today to Israel on the occasion of their 25th anniversary. Despite a series of conflicts, and continued hostility from neighboring Arab States, the ancient land of Canaan has seen more progress in the last 25 years than in the last 2,500.

Since its creation in 1948 Israel has absorbed every immigrant who managed to escape from East European countries.

Including settlers from other parts of the world, the total immigrant inflow is set at 1.5 million. The total population rose from 900,000 at the end of 1948 to over 3 million today.

I think it most appropriate on this occasion to insert for the RECORD, a statement by Prime Minister Golda Meir, contained in a special supplement of the May 6 edition of the Philadelphia Sunday Bulletin:

NATION'S ANNIVERSARY RECALLS PEOPLE'S TRIALS

(By Mrs. Golda Meir)

Twenty-five years are but a brief moment for a nation with a memory more than 35 centuries long. Yet for us this quarter of a century bears the quality of a wonder; the third era of independence of the Jewish people in the Land of Israel came 1,878 years after the destruction of the Second Temple in Jerusalem by the legions of imperial Rome, and only three years after the end of the Holocaust, in which German Nazis and their European collaborators murdered six million Jews—one-third of our nation.

The greatest catastrophe in the history of the Jewish people was followed by the indomitable act of national redemption. Within the span of a few years we experienced the agony of knowing our people massacred defenseless in the towns, villages and death camps in Europe; and the realization that in Israel the Jewish people is again master of its own destiny and capable of defending its own life.

For nineteen centuries the Jews lived as a dispersed and persecuted minority throughout the world. Humiliation, expulsion and slaughter were the fate of our people in the countries of Europe, the Middle East and North Africa. For all those long centuries of suffering, our people clung to the hope of Return, prayed for it, dreamt of it. Every century some returned to the Land, keeping the Jewish community here from extinction.

During the past century, the Return became a movement of national renewal. Zionism meant that Jewish life could be recreated with roots in the Land; a land that we found in large parts barren and desolate. Jews now became workers, farmers, soldiers. From a minority we were transformed into an independent society, with its own language, institutions and democratic practice. In 1948, for the first time since the first century of the Common Era, the Jewish people became independent in their own Land; the State of Israel was established and joined the family of nations.

During the 25 years of its independence. Israel has been concerned with four main human *efforts:*

First, to defend our independence and assure the survival of our nation;

Secondly, to make Israel the home for Jews from all corners of the earth, whether in need of refuge or in search of an independent Jewish identity;

Thirdly, to develop as a human society, preserving ancient Jewish values, yet responding to the needs of a modern democracy.

Fourthly, to develop our material resources and give our people a better quality of life.

Defense and survival have been a major effort in our life, because the Arab Governments have so far refused to accept our right to live as an independent nation. Persistently they have sought to put an end to the existence of independent Israel and to deprive us of our right to live as we choose. Israel has known only armistice lines—until 1967—and since then only cease-fire lines. We have never known frontiers of peace, and even between wars the Arab Governments have intermittently directed terror and violence against our people. They have violated armistice agreements and cease-fire accords. They have conducted economic warfare against us. They have launched against Israel and the Jewish people virulent propaganda riddled with ani-Semitic venom.

To assure the survival of our nation, the Israel Defense Forces have evolved as a people's army. It is an army where our sons and daughters serve, often within sight of their homes; ours is an army for which the supreme objective is not war but the prevention of war. It is not an army bound for conquest; but an army utterly zealous in the defense of our lives and independence.

Peace with our neighbors, and not war, is the paramount quest of our people.

While seeking peace, Israel continues to foster in the areas administered since 1967 the conditions which we hope will be part of the peace settlement. These are—the open frontiers between the population of Israel and the Arab population of the areas; and the Open Bridges policy which, in the summer of 1972 alone, enabled more than 150,000 Arabs from neighboring countries to visit Israel. Full conditions of peace will be realized when we can reciprocate such visits—to Amman, to Beirut, to Cairo.

Although for 25 years we have been denied peace, we have remained faithful to the central destiny of Israel: to be a haven of the Jewish people. Within three years after the independence, immigration doubled the population of Israel. By 1973 more than one and a half million Jewish immigrants had arrived. We have absorbed the Jews of Europe, refugees from the Holocaust, and the Jewish refugees from Arab countries—whose number is almost identical with that of the Arabs who became refugees during the 1948 war. We must remember that Jews had lived in Egypt, Syria, Iraq, Yemen, and Libya for over two thousand years—indeed from times preceding the Arab occupation of those lands. With the departure thence of the entire Jewish communities, the long history of the Jewish minorities in those countries is coming to an end. Perhaps this transformation of the Jews—from a minority group living on sufferance into an independent nation—is what some Arab rulers find hardest to accept.

During the past few years, after a long and bitter struggle over their rights, Jews from the Soviet Union have begun to reach Israel. The Jews of Silence, as they were known, are no longer silent; but the struggle for their rights continues. Above all, this is a struggle for national self-determination, by Jews whose single demand is to be free to leave a society which practices anti-Semitism, discrimination and suppression, and denies them the rights of national identity.

AMERICAN CIVIL LIBERTIES UNION

HON. RICHARD H. ICHORD

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 9, 1973

Mr. ICHORD. Mr. Speaker, it is most unfortunate that the average American is unaware of the amount of misinformation being circulated about the House Committee on Internal Security, which I have the responsibility to chair. For some time, a campaign of falsehoods and vilification has been directed against the committee by some unwitting and some subversive elements.

It has come to my attention that the March 1973 issue of Civil Liberties published by the American Civil Liberties Union reveals that the ACLU has singled out my Missouri colleague, the Honorable RICHARD W. BOLLING, chairman of the House Select Committee on Committees, as the most important House Members to whom letters should be directed. "Ten Reasons to Abolish HISC" are set forth in the publication and readers are urged to use "any or all of these reasons" in writing to my distinguished colleague.

It is interesting to note that the "Ten Reasons to Abolish HISC" listed in ACLU's publication are identical with those which have been circulated by the National Committee Against Repressive Legislation, a registered lobbying group which seeks to stop all inquiries whatsoever into subversive activity. Last January 9, I addressed the House as to the false charges and distortions which appear in many of these arguments. On that occasion, I also reported on the history and leadership of the NCARL. For the benefit of Members who may want to refer to my remarks they may be found in the CONGRESSIONAL RECORD of January 9, 1973, beginning on page 537.

I realize it is unpopular to speak out against an organization which purports to aid the cause of civil liberties. I do not question the right or freedom of the ACLU to publish anything it wishes, whether accurate or not, but it does seem to me it has a moral obligation to assure itself of the accuracy of alleged statements of fact about a duly constituted agency of the Government. Neither the NCARL nor the ACLU took the trouble to check its purported allegations relating to the committee prior to the publication of its charges. Had they chosen to have done so, it would have been clear to both organizations in what respect the information was inaccurate.

The effect of the ACLU action is to create in the minds of the ill-informed the impression that it is wrong for the Committee on Internal Security to investigate the activities of those seeking to destroy American institutions. The ACLU seems to believe that law enforcement agencies, courts and congressional investigative committees can be dispensed with in a civilized society. The opposite is the case. Law is not the enemy of freedom—it is its prerequisite. Where there is no law only anarchy rules. It is regrettable that the ACLU does not seem to understand this fundamental principle. I have stated previously that ACLU appears to have lost the acumen to distinguish between the words libertarian and libertine. Their action in the instant case reinforces the validity of my statement.

As chairman, my cardinal precepts for the Committee on Internal Security include the highest standards of personal and professional conduct, prompt and complete handling of investigative assignments with absolute impartiality, and no deviation from full protection of individual rights and privileges. The committee will certainly not turn its back on its House-mandated responsibilities just because of misguided critics.

Many letters and telegrams have been received by Members of Congress during recent months from individual citizens in various parts of the country who have heard that a campaign was being conducted to abolish the committee. They have written and telegramed to urge that everything possible be done to see that the committee's work be continued. These letters and telegrams are spontaneous expressions of the feelings, the concerns and beliefs of American citizens. They are not the results of an organized campaign such as being conducted by the ACLU and the NCARL.

The March 1973 issue of ACLU's publication calls on readers to write to their Congressman "urging him to vote for bills to abolish HISC" and even asking the reader to fill out a coupon printed in the publication to indicate the name of the Member of Congress to whom a letter was written and the nature of the Member's reply. The ACLU is a tax-exempt organization. Internal Revenue laws which exempt corporations and other forms of associations from the payment of income tax and provide deductible status to donors thereto, specify that "no substantial part of the activities" of these groups may be for the purpose of attempting to influence legislation. Accordingly, I have written to the Commissioner of the Internal Revenue Service calling his attention to the ACLU activity in light of its tax-exempt status.

As part of my remarks, I include the text of my letter to the Commissioner of the Internal Revenue Service:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
COMMITTEE ON INTERNAL SECURITY,
Washington, D.C. April 30, 1973.

Mr. JOHNNIE WALTERS,
Commissioner, Internal Revenue Service,
Washington, D.C.

MY DEAR COMMISSIONER: Enclosed for your information is a copy of the March, 1973 issue of *Civil Liberties* published by the American Civil Liberties Union relating to its campaign to abolish the House Committee on Internal Security.

You will note that the ACLU is sponsoring a letter-writing campaign to Members of Congress urging them to vote for bills to abolish the Committee. Further, the ACLU has requested that a coupon printed in the above-mentioned issue of *Civil Liberties* be filled in and returned to the ACLU, listing the name of the Congressman to whom a letter has been directed and indicating the nature of his reply.

It appears that the ACLU has undertaken a major lobbying effort to influence legislation. This would appear to me to possibly be in violation of regulations relating to tax-exempt organizations. Therefore, I ask that you look into this situation and furnish me with a report setting forth your comments and observations as to whether this is proper conduct for a tax-exempt organization.

With best wishes, I am
Sincerely yours,
RICHARD H. ICHORD,
Chairman.

INDOCHINA WAR

HON. GILBERT GUDE

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 9, 1973

Mr. GUDE. Mr. Speaker, citizens all around the Nation are expressing their concern and frustration over the continuation of U.S. military activity in Indochina. The bombing of Cambodia has no legal basis other than the inherent power of the Executive and the passive compliance of the Congress.

This week we have a chance to reverse this trend and begin to restore to Congress some of its constitutional war power authority. By passing the Addabbo amendment to the second Defense Department supplemental appropriations for fiscal year 1973, we will be defeating funds that would be used, directly or indirectly, to cover the U.S. bombing of Cambodia, both past and future.

As an example of citizen concern and initiative with regard to this vote, I insert in the RECORD at this point an advertisement which was placed in the Washington Post of May 8, 1973 by the Ad Hoc Committee To Stop Illegal U.S. War in Southeast Asia.

TO THE CONGRESS OF THE UNITED STATES

DON'T DECLARE WAR IN SOUTHEAST ASIA AGAIN

Federal courts have held that congressional authorization of war funds amounts to a de facto declaration of war!

HR 7-447 as approved by the House Appropriation Committee on May 3rd contains a provision authorizing the Pentagon to transfer an additional 430 million dollars in appropriated funds for war use in Southeast Asia.

Administration witnesses have testified that 130 million to 150 million dollars of the 430 million would be used to pay for bombing Cambodia!

Don't pass another "Tonkin Gulf resolution!"

President Nixon in his foreign policy report to Congress on May 3 threatens renewed hostilities against North Vietnam!

Don't give the administration authorization to go to war in Cambodia and renew U.S. participation in the war in S.E. Asia!

We've got our prisoners back! One decade of war in Vietnam is enough!

Vote to delete the Pentagon request for increased authority to transfer appropriated funds from HR 7445.

THE CHANGING OF TIME IN CHANGING TIMES

HON. FRANK E. DENHOLM

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 9, 1973

Mr. DENHOLM. Mr. Speaker, time is life—life is time. The change of the clock can change neither. All of us want more of both and the older we grow the greater the desire—with few exceptions.

In our fleeting wisdom of changing times—we have changed the time. Some want more time at the end of the day and others at the dawn of day. But there is no change in the day or night. There is only so much time like 12 inches to a foot and 3 feet to a yard—and by whatever measure we cannot change the distance from "here" to "there." And neither by whatever measure at our command can we change the fleeting time. The composite of dawn, of day, of dusk and night is life. And so it will be as long as there is a heaven and an earth. Yet, with the shift of a great majority of the people from the earthly beauty of nature to the industrial age of a frustrated society in America—we sought a longer evening of play, time away from work, the office, shop, and store. Many seek escape to the "greens," the lakes, picnics, races—all in desperate search of time. All back to the country—the out-of-doors and to the quiet of the earthly beauty of nature.

Now, the minority live on the land in our country today—closer to nature and destined to the earthly duty of the soil warmed by the sun and not by the hour of the man-geared measure of time.

The animals, the birds, the flowers, the grains, the grass, the moss and all earthly life is subject to the nature of the sun as a measure of time. And so are we.

I propose a modification of existing law in the adjusted course of time. Any arbitrary proposal to move the measure of time ahead or back will fail the satisfaction of all. However, absent of emergency, the longest days resist erratic adjustments with the least amount of impact upon nature.

I, therefore, propose to amend the existing statute to limit the so-called "Daylight Saving" time to the period commencing at Memorial Day and ending at the close of Labor Day. It is a compromise for those that seek more and those that seek less. It will hurt none. It will be appreciated by many—and particularly by the young that in darkness seek schools of knowledge in the cold mornings of autumn and winter.

Mr. Speaker, I submit for the RECORD a copy of my proposal to amend the existing law. I am hopeful the Present Statute can be amended without delay.

The publication follows:

H.R. —

A bill to amend the Uniform Time Act of 1966 to provide for daylight saving time for the period beginning May 31 through Labor Day annually

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3(a) of the Uniform Time Act of 1966 (15 U.S.C. 260a(a)) is amended by striking out "the period commencing at 2 o'clock antemeridian on the last Sunday of April of each year and ending at 2 o'clock antemeridian on the last Sunday of October of each year" and inserting in lieu thereof "the period commencing at 12:01 antemeridian on May 31 of each year and end at 12:00 midnight on the first Monday after the first Tuesday in September of each year".

SEC. 2. The amendment made by the first section of this Act shall apply in calendar years beginning after the date of the enactment of this Act.

ISRAEL'S 25TH ANNIVERSARY

HON. MARGARET M. HECKLER

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 9, 1973

Mrs. HECKLER of Massachusetts. Mr. Speaker, this week marks the 25th anniversary of a great moment in history, the establishment of the new nation of Israel.

This brave nation's courageous leaders and citizens have, over the past quarter-century, carved from the desert a bastion of freedom that should reinspire all dedicated Americans to increased respect for our own freedom and liberty. On personal visits to Israel, I have been so reinspired.

The determined dream of a Jewish national homeland has become a thriving reality. Israel is a focal point for all men and women who look upon justice and freedom as inalienable rights. I welcome this opportunity to renew my support for the preservation of this brave young member of the family of nations.

I wholeheartedly endorse America's strong bipartisan foreign policy that is committed to Israel's survival. I am proud that I have voted to provide Israel with the means of deterring aggression while we work together to explore every means of deterring a renewal of hostilities and promoting a lasting peace in the Middle East. In addition, I reaffirm my support for Soviet Jewry. While the infamous "education tax" has been suspended, I hope that Moscow will affirm the suspension as a permanent Soviet policy. The plight of Soviet Jewry must be permanently allayed.

The traditions that built the United States are being tested anew in the much smaller, but no less determined, nation of Israel. Their goals of freedom and justice deserve our support, our hope, our promise and our prayers.

U.S. PENSION PLANS: FACTS AND FRICTIONS

HON. TOM RAILSBACK

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 9, 1973

Mr. RAILSBACK. Mr. Speaker, I have long been concerned about the need for pension reform, and have sponsored legislation regarding individual plans, funding, vesting, and standards. Recently, I had the opportunity to review a very excellent four-part series in the Christian Science Monitor which presents many of my own concerns and thoughts. For the review of my colleagues, Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following:

U.S. PENSION PLANS: FACTS AND FRICTIONS—MANY RETIREES ARE DISAPPOINTED

(By David T. Cook)

BOSTON.—A pension usually isn't a promise. It's a probability.

The order of events for retiring American workers is thus sometimes: gold watch, farewell handshake, unhappy surprise.

About half of this nation's full-time nonfarm labor force—some 35 million workers—are covered by privately run pension plans.

Some of those covered will be surprised. Critics and supporters of the plans disagree on how many. But they agree that there is a difference between being covered and actually collecting benefits at retirement.

Critics charge that workers would get better benefits and fewer surprises if:

Irrevocable pension benefits were granted to workers at an earlier age and after a shorter time with an employer.

Employers amassed funds to pay for promised benefits at a more rapid rate.

Tighter federal controls were imposed on the management of pension-fund assets.

Employers were required to insure promised pension benefits with a federal corporation.

SIMPLIFIED LOOK

A simplified look at the design of a pension plan could prevent an unwelcome surprise at retirement. It may also make it easier to assess both criticism of the private pension system and legislation pending before Congress to change it.

Consider the case of Hypothetical Hotplate Company, a small manufacturing firm. Its directors decide to set up a pension plan to supplement retirement benefits their employees will get under social security.

Hypothetical officers first decide what the firm can afford to spend on a pension plan. A number of factors determine what level of benefits the firm can provide for this price.

For most U.S. firms, the rate of employee job hopping is one of the most important considerations in estimating pension costs. Employees can't collect pension benefits until they are vested. Benefits become vested when a worker is given an irrevocable right to collect a pension even if he leaves the firm before retirement.

VESTING REQUIREMENTS

The stiffer the vesting requirements, the harder it is for an employee eventually to collect benefits. Hypothetical decides to require employees be on the job 15 consecutive years and reach age 45 before their benefits become vested. A Treasury Department study indicates these vesting requirements are typical of a majority of U.S. firms.

Vesting requirements coupled with an assumed rate of employee job changing can mean that a significant but disputed number of employees will quit or be fired before their pension benefits become vested.

Recent social-security data indicates that half of all men between 60 and 64 have worked less than 15.4 years for any one employer, and so would not meet "average" vesting requirements.

In designing its pension benefits, Hypothetical Hotplate assumes some of its employees will die or be disabled before they reach retirement age and collect benefits. This is a standard assumption.

Whatever money Hypothetical sets aside to fund (pay for) pension benefits probably will be invested. The firm decides to hire a bank or other professional adviser to handle the investment of its pension funds. Most private firms make the same decision. The reason: The higher the rate of return Hypothetical's advisers achieve on invested funds, the less the firm has to pay to provide workers with a given level of benefits.

The assumed rate of return on invested pension funds is thus of major importance in setting a firm's pension benefits and costs.

Estimate of foreseeable inflation and wage hikes also are considered in determining a benefit formula. Hypothetical's benefit formula is typical. An employee's annual wage is multiplied by 1 percent. The product, expressed in dollars, is called a benefit credit.

CREDITS KEPT SEPARATE

In the firm's pension-fund accounting, each employee's annual benefit credits are accumulated separately. If a worker stays with Hypothetical Hotplate long enough for his benefits to vest, they will be paid back to him during the period of his retirement.

Critics and supporters disagree on how effective the private pension system is in providing retirement benefits to workers it covers. There is little disagreement about the system's massive size and impact.

Private pension plans have combined assets of some $157 billion, according to the latest industry figures. These assets are growing at a rate of about $10 billion a year.

Private pension coverage is concentrated among employees of manufacturing, transportation, and mining firms, according to government statistics. Sales and service workers are sparsely covered.

EFFECTIVENESS DISPUTED

The system's effectiveness in getting benefits to those it covers is disputed.

A Senate labor subcommittee study suggests only 10 percent of those enrolled in private plans stay long enough with any firm to acquire vested pension rights.

Pension-plan supporters cite a study made by the actuarial firm of A. S. Hansen. In an examination of 864 firms, Hansen found two-thirds of covered employees will wind up with vested pension benefits.

For the covered who collect, private-pension-plan benefits alone won't guarantee a comfortable living standard. According to pension-industry sources, the average annual benefit paid by private plans to retirees is $1,605.

According to the Labor Department, a retired couple in Boston living on a low budget needs $3,645 a year.

Most employees do not contribute directly to benefits they receive on retirement. Some 75 percent of all private pension plans are wholly financed by employers, according to Life Insurance Institute figures. In only 1 percent of private plans are benefits supported exclusively by worker contributions.

Businesses that fail can't support pension plans. So their plans usually terminate. Internal Revenue Service statistics show that one out of every 14 plants the IRS qualifies for tax exempt status eventually terminates.

First of a four part series. Next: the private pension system's vast pool of riches. Why are they needed and who regulates them?

PENSION PLAN CHECKLIST—I

Questions you should be able to answer about your employer's pension plan:

1. How many years of continuous service are required to collect benefits?
2. What constitutes a break in service?
3. Can a pension be collected by a former employee who at retirement is working for another firm?
4. What is the minimum retirement age?
5. How much are benefits reduced for early retirement?
6. What formula is used to determine retirement benefits?
7. Is there a survivor option, providing reduced benefits to a pensioner's spouse?

BLOWING THE WHISTLE ON SOVIET SPORTS

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 9, 1973

Mr. DERWINSKI. Mr. Speaker, this evening, the Soviet national basketball team will conclude a tour of the United States. The tour has received very favorable coverage in the sports pages, although competing for space with the professional hockey and basketball playoffs and the developing baseball season.

It has long been my contention that the United States should thoroughly expose the professionalism which exists in Soviet sports and operations. By any legitimate standards, the Soviet olympic participants should not be considered amateurs.

A recent article in the International Herald Tribune of Monday, April 23, came to my attention. In view of its significance and timeliness, I insert it into the RECORD at this point:

BLOWING THE WHISTLE ON SOVIET SPORTS

(By Dr. J. Nelson Washburn)

NEW YORK, April 22.—Whatever the outcome of the series to be played by the visiting Soviet Olympic champion national basketball team and a group of American players, including some participants from the disputed game at Munich, there should be some unfinished business on the agenda of the United States Olympic Committee board of directors at the meeting here next Friday and Saturday.

Although the former president, Clifford H. Buck, was unsuccessful in his formal protest to reverse the result of the 51–50 game at Munich, the new president, Philip O. Krumm, is not precluded from undertaking another avenue to salvage the Olympic basketball gold medal for Americans.

The USOC board of directors has long considered amateurism in terms of Olympic eligibility. The report on "Amateurism in The United States," presented to the board March 6, 1972, ran 11 pages.

Unfortunately, neither that report nor its sequel, submitted to the board July 7, 1972, contained a single word about amateur standing with respect to Olympic eligibility on behalf of Soviet athletes, including basketball players.

MISSING VERSE

Efforts to make Soviet Olympic basketball players disgorge their gold medals have been virtually ruined by backsliding exhibited by the International Olympic Committee more than two years ago. On March 14, 1971, the IOC executive board approved unanimously Rule 26 on eligibility in a watered-down form, minus the one strongly worded paragraph it had contained that ruled ineligible for Olympic competition:

"Those who have capitalized in any way on their athletic fame or success, profited commercially therefrom or have accepted special inducements of any kind to participate, or those who have secured employment or promotion by reason of their sport performances rather than their ability, whether in commercial or industrial enterprises, the Armed Services or any branches of the Press, Theatre, Television, Cinema, Radio, or any other paid activity."

In this connection, the report in Krasnaya Zvezda, central organ of the Soviet Ministry of Defense, of the Moscow reception hosted by Minister of Defense Marshal Andrei Grechko last Oct. 10 is apropos. Honored guests were Soviet Olympians who were athletes of the armed forces. Marshal Grechko promoted 11 of these armed forced athletes "dosrochno," i.e. ahead of schedule. Two captains became majors; four senior lieutenants became captains; two junior lieutenants became lieutenants; two ensigns and a junior sergeant became junior lieutenants.

One of those promoted to lieutenant was Ivan Edeshko, whose court-length pass in the disputed final three seconds set up the winning basket by Aleksandr Belov at Munich.

Although the IOC chose to extract the one tooth in Rule 26 on eligibility that applied to both 1972 Winter and Summer Olympics, the language of Rule 26 that remained was restrictive even if essentially toothless. That language, printed in the "Participant's Declaration" signed by each and every participant in the Summer Olympics at Munich, stated:

". . . For national aggrandizement, governments occasionally adopt the same methods and give athletes positions in the Army, on the police force or in a government office. . . . Recipients of these special favors which are granted only because of athletic ability are not eligible to compete in the Olympic Games."

BIG FAVORS

It will be difficult—but not impossible—to attribute to basketball skill a Soviet Army career for Ivan Edeshko. The same goes for Sergei Belov, who contributed 20 points in the 51–50 victory over the Americans. He also was promoted last Oct. 10 from junior lieutenant to lieutenant.

Nevertheless, Rule 26 still makes any national Olympic committee or national federation knowing of fraudulent "special favors" for individual members of its Olympic team responsible for such mischief, if proved. The rule also places the basketball team in jeopardy of disqualification and forfeiture of games won with its mischief-makers. On such substantial legal ground, the USOC might still cast its traditional caution to the winds and undertake a legalistic protest.

In so doing, it could, with advantage, cite the unequivocal provision in the Act of Congress that incorporated the USOC Sept. 21, 1950, the stated objective of seeking "to maintain the highest ideals of amateurism . . . particularly in connection with the Olympic Games. . . ."

The Krasnaya Zveda account of the 11 promotions proudly declared that representatives of the armed forces of the U.S.S.R. had won 34 gold, 20 silver and 19 bronze medals of 107 gold, 46 silver and 50 bronze medals taken home from Munich by Soviet Olympians. About a dozen members of the United States armed forces competed in the Olympics but their programs were loosely organized.

Some observers believe that militarization of Olympic competition as practiced by the Soviet Union under Marshal Grechko has reached the point of becoming a mass phenomenon detrimental to the Olympic ethic. It may be appropriate, with both Ivan Edeshko and Sergei Belov on American soil, for the USOC to blow the whistle on militarization of the Olympic movement and try to salvage the 1972 Olympic basketball title in the process.

RABBI COHEN'S BELIEF: PARTNERS WITH GOD

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 9, 1973

Mr. KEMP. Mr. Speaker, on Thursday, March 8, 1973, Rabbi Morris A. Cohen offered the opening prayer for the session of the House on that day. Since then he has continued to share with others his stimulating philosophy. The April 1, 1973, issue of the Buffalo Courier Express has an interesting article on the rabbi's current activities which I call to the attention of my colleagues and include at this point:

WNY's Good Listener—Rabbi's Belief: Partners With God

(By H. Katherine Smith)

Dr. Morris A. Cohen who is, Buffalo's only Orthodox Jewish rabbi, delivered the prayer at the opening of the House of Representatives on March 8. In the invocation, he prayed:

"That we may enjoy the realization of thy Divine command which summons us to manifest our partnership with the God of creation and justice".

The idea of people being partners with God in the creation of modern society and daily living is basic to Rabbi Cohen's philosophy. He deems working with God for the good of humanity and the world far more important than praising God.

Rabbi Cohen considers himself "the unsalaried rabbi of Buffalo." Seven generations of his forebears were unsalaried rabbis. Four of his brothers are rabbis, two of them army chaplains.

Rabbi Cohen deems it a privilege to share with others his theological learning and his philosophy. Also, he believes that a religious leader's utterances may be limited if his congregation controls his purse. He is a psychologist in the Buffalo Public School System. He is one of a very few American rabbis to possess the degrees of doctor of ritual law and doctor of Jewis jurisprudence.

In the opinion of this clergyman, one of the most serious defects of our society is the prevalent refusal to assume responsibility. In the West Side schools where he works, he sees children arrive on a snowy day with sneakers on their feet—no rubbers or boots. Many tell him they have had no breakfast.

"Those neglected children's parents refuse to assume responsibility for them," he stated.

He says modern Americans instead of making their own decisions, try to have their problems solved by professionals—the social worker, the counselor, or the psychiatrist. When a child is failing in school, I do not immediately suspect a mental or emotional disability. In many cases, the cause is an inadequate home environment, poverty, or substandard physical health.

"In our society," he told your Good Listener, "we are led to believe, from childhood, that we are entitled to live in a continuous state of happiness.

When adults feel depressed, they take tranquilizer or stimulant pills.

"Children, seeing their parents taking pills frequently, regard dope, when it is offered, as merely another type of pill. The young person who is not doing well in school and is not popular with his classmates seeks a shortcut to happiness through dope."

As psychological counselor of Hillel on both the UB and Buffalo State College campuses, Rabbi Cohen has known a number of couples who entered upon mixed marriages, that is marriages in which the partners are of different races or religions. He is opposed to any mixed marriage, and states that among them, the divorce rate is abnormally high.

"Partners of a racially mixed marriage are interacting with fantasy," he maintains. "They may be trying to prove they are less biased than others, or they may have chosen a partner of a different race to defy or distress their parents.

"Children of a racially mixed marriage find difficulty in identifying with either race. Children of parents reared in different religions are baffled by the different traditions of their grandparents."

It is the rabbi's conviction that the goal of education ought to be preparation for survival in modern society. He thinks many young persons who have grown up in the inner city are better prepared for this than those men and women with PhD. degrees who are unable to obtain employment in the fields for which they were educated.

The rabbi regrets that the majority of undergraduates in our schools and colleges are satisfied with merely "getting by", thereby missing the joy of doing the task at hand as well as they are able to do it.

While an undergraduate student at Yeshiva University, Morris Cohen's writings were quoted in books authored by outstanding rabbis. He obtained his master of science degree in psychology from that university, and interned as a clinical psychologist in two hospitals in New York City. For six years, he was a psychologist in New York City public schools, and for an equal period, he has been identified with the Buffalo schools.

Rabbi Cohen's wife is a Costa Rican, a teacher of Spanish literature at Canisius College. The couple has made five trips to Costa Rica and five trips to Israel.

They have an 8-year-old son, Raphael Ben Zion and two daughters, Tamar Nechama, 6, and Ayelet Hashahar, 4.

In every room of the family home at 380 Colvin Ave. are books, so readily accessible, that the intellectually curious need only stretch out a hand to reach a provocative volume.

Although he likes the idea of starting each day with prayer, he deems prayer in public schools "contrary to the U.S. Constitution as I understand it. It bans forced worship."

The Orthodox rabbi is writing a book on the psychology of the Gospels.

His affiliations include the American and New York State psychological associations, the State Assn. of School Psychologists, the Rabbinical Alliance of America, the Buffalo Board of Rabbis, Buffalo Teacher's Federation, the Political Action Committee, the Jewish Center, and the Montefiore Club of which he is an honorary member.

AND NOW THE CIA AND THE MARINE CORPS

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 9, 1973

Mr. EVINS of Tennessee. Mr. Speaker, like many Americans, I take no personal pleasure in the daily revelations in the press of the continuing chain of events in the Watergate scandal.

These revelations have now involved to greater and lesser degrees high officials in the White House, the Department of Justice, the FBI, the Department of Commerce, the State Department, the Department of Defense, and now the CIA and the U.S. Marine Corps.

Top aides at the White House have resigned—two Attorneys General have resigned—an acting FBI Director has resigned—a number of other lesser officials have resigned, while others have been convicted by the court and one imprisoned.

The disclosures seemingly go on and on, threatening to engulf the entire Government—and as these revelations continue, the faith of the American people in the Federal Government is being shaken as they read of the Watergate cancer spreading insidiously from one agency to another, touching more and more officials throughout the Government.

The recent revelations involve both the CIA and the U.S. Marine Corps, and in this connection I place in the Record herewith an editorial from the Washington Evening Star & News and other articles reporting the latest revelations concerning the CIA and the Marine Corps.

These articles follow:

Cushman Okayed CIA Aid to Hunt

(By Seymour M. Hersh)

Gen. Robert E. Cushman Jr., the Marine Corps commandant who in 1971 was deputy director of the Central Intelligence Agency, authorized the use of CIA material and research in the burglary of the office of Dr. Daniel Ellsberg's former psychiatrist, sources close to the Watergate case say.

The sources said yesterday that the general, who is now a member of the Joint Chiefs of Staff, acted at the request of John D. Ehrlichman, President Nixon's chief adviser for domestic affairs until he resigned last week.

Cushman, who left the CIA in 1971, was questioned by FBI agents late last week, the sources said, and reportedly accepted full responsibility for the decision to permit the CIA to help E. Howard Hunt Jr. and G. Gordon Liddy prepare for the break-in.

Cushman could not be reached for comment.

The federal prosecuting team in the Watergate case first learned of the burglary at the office of Dr. Lewis Fielding in an interview last month with John W. Dean III, who resigned as counsel to the President last week. Then, in grand jury testimony Wednesday, Hunt told of utilizing CIA disguises, fake identification papers, and even a "safehouse" in the Washington area that were provided by the agency's clandestine services, the so-called "dirty tricks" department.

Hunt, a 20-year CIA veteran who, along

with Liddy and five others, were arrested last year in connection with the Watergate bugging, also told the grand jury that he believed that cooperation with the CIA had been arranged by one of his superiors, Egil Krogh Jr.

At the time, according to grand jury testimony, Krogh, deputy to Ehrlichman was directly in charge of a special White House team that had been set up in the aftermath of the June 1971 publication of the Pentagon Papers to determine who was involved in the disclosure of the documents.

Krogh, who reportedly has resigned his new job as under secretary of Transportation, has sent a classified affidavit to the Ellsberg trial court Friday in which he reportedly accepted full responsibility for the burglary.

Two sources confirmed yesterday, however, that Krogh did not have the authority to deal directly with the CIA on such matters as arranging help for a clandestine operation inside the United States.

One source knowledgeable about the Hunt-Liddy burglary plan gave the following version of how the agency's cooperation was enlisted:

The CIA connection was initiated by Hunt, who had instant telephone communication with that agency and other intelligence offices through a highly secure scrambler telephone that he and Liddy ordered installed in their quarters in the Executive Office Building, next to the White House.

After being told by a CIA official that further *authority* was needed before the agency could provide any assistance, the source said, Hunt went to Krogh, who took the problem to his superior, Ehrlichman.

Then the source went on:

"Ehrlichman makes a telephone call to Cushman, and says, 'Hey, these guys need some chores done. Won't you take care of it?' Cushman says, 'OK I'll do it.' "

"There was absolutely nothing in writing," the source said. "There was only one call—just a little lean-on call by Ehrlichman. And then Hunt and Liddy began asking for safe-houses and all the rest."

At the time of Ehrlichman's alleged call, all the key intelligence agencies of the government were said to be cooperating with the Hunt-Liddy group.

[From the Evening Star and News, May 8, 1973]

THE CIA AND ELLSBERG

On and on come the ugly revelations, the almost daily disclosures of how this nation's political and judicial processes have been manipulated and corrupted. Now we learn that the Central Intelligence Agency shares heavily in the responsibility for the Ellsberg case, which if not directly related to Watergate nevertheless helped set the stage for it and is indisputably part of the same poisonous syndrome.

Start with the premise that, for its own purposes, the CIA had no interest in digging up damaging information on Daniel Ellsberg and his role in leaking the Pentagon papers in June, 1971. But the White House surely did. And someone at the White House, possibly John Ehrlichman, induced someone high at CIA, probably General Robert E. Cushman, to authorize the use of the agency's clandestine services in the burglary of the office of Ellsberg's psychiatrist. That happened in September, 1971, while Richard Helms was still head of CIA and two months before General Cushman left his post as deputy director of the agency to become commandant of the Marine Corps. Meanwhile, and just as disturbing, the head of CIA's psychological assessment unit was directed (by whom?) to cooperate with the White House in working up a psychological profile of Ellsberg.

At this point, the CIA-Ellsberg episode is subject to any number of interpretations. Loose threads and unanswered questions are everywhere. Yet even an interpretation most favorable to the agency leads to conclusions that are devastating.

The CIA, in brief, has been used and compromised and discredited in somewhat the same way that the FBI, under Patrick Gray, was used and compromised and discredited in the Watergate investigation. Perhaps it was the guiltier of the two. For the CIA lent its offices to the perpetration of a shoddy crime, to the trampling of civil liberties and to a domestic surveillance operation that by law it had no business conducting even indirectly.

It is difficult to believe that Helms, a canny and professional man, would have known all this beforehand and consented to such an improbable venture as the Hunt-Liddy burglary of the psychiatrist's office. Of course, anything is possible, as the nation has learned with relentless regularity the last few weeks.

General Cushman, even if his implication in the affair can be partially explained as unthinking, has a great deal to answer for. He is, to be sure, a distinguished military officer. He is also a longtime friend and supporter of the President's. Those two things need not have been incompatible. But in this case, apparently, they were. In the anything-goes pattern of Watergate, an otherwise decent man appears to have blocked off conscience and good judgment, and gone along with whatever the White House requested.

At first the Watergate scandal was said to be the work of a few ideological zealots. Lately, it has been fashionable to lay the blame on men close to the President with a super-loyal, ad-agency turn of mind. But the web of Watergate-Ellsberg spreads much farther than that. In the FBI, in Justice, now in the CIA, it involves men and vital institutions the American public should have had every reason to trust, but now do not. Aside from the diminished stature of the presidency itself, that is what is hardest to take.

A NEW BAY OF PIGS FOR CIA?

(By Smith Hempstone)

It is now clear that the Central Intelligence Agency has been far more deeply implicated in the Watergate-Pentagon Papers scandal than had previously been suspected.

Earlier this week, the New York Times, quoting "sources close to the Watergate case," said that Gen. Robert E. Cushman Jr., the agency's former deputy director and now commandant of the Marine Corps, authorized CIA assistance in the burglary of the office of Daniel Ellsberg's psychiatrist. The Times said Cushman, who is out of the country and has not commented publicly on the allegation, acted at the request of former presidential counselor John D. Erhlichman.

An indirect CIA connection with the Watergate Seven had been evident from the beginning of the affair last June. G. Gordon Liddy, the former White House consultant and operational chief of the bugging of Democratic national committee headquarters, had been an agent for the Federal Bureau of Investigation. E. Howard Hunt Jr., his deputy, had been the CIA agent who planned the abortive Bay of Pigs invasion.

James W. McCord had served 19 years in the CIA until his "retirement" in 1970; he became security chief of the Nixon campaign committee in 1972. Cuban-born Bernard L. Barker worked with Hunt on the Bay of Pigs invasion, acting as a link between the CIA and the army of exiled Cubans.

Frank Sturgis (alias Frank Fiorini) also was involved in the Bay of Pigs and has CIA connections. The two Cuban members of the raiding party, Eugenio R. Martinez and Virgilio R. Gonzalez, also had records of anti-Castro activity.

But the emphasis always was on a past CIA association. It was easy to believe this: Washington and Miami are full of former intelligence agents willing to undertake contract work which their colleagues within the CIA would be forbidden by law to engage in (under the National Security Act of 1947, which created the agency, CIA's activities are restricted to work abroad).

It now appears possible, even probably, that Liddy, Hunt and possibly others of the Watergate Seven had not in fact severed their relations with the intelligence community and were, indeed, operating with the knowledge and consent of the CIA.

These seemingly isolated but possibly interrelated events point to a pattern of CIA involvement:

Hunt was hired by the Robert R. Mullen & Co. public relations firm in 1970 on the personal recommendation of the then CIA Director, Richard Helms. It is still unclear as to whose payroll Hunt was on after he joined the White House staff in the summer of 1971.

In December of last year when Watergate was just beginning to heat up, Helms was fired as CIA chief and shipped off to Teheran as ambassador to Iran.

Helms' successor, James R. Schlesinger, who came to CIA from the Office of Management and Budget via the Atomic Energy Commission, has been conducting a widespread purge of the agency.

Hunt testified last week to the Watergate grand jury (according to a transcript released by attorneys for Pentagon Papers defendants Daniel Ellsberg and Anthony Russo) that the CIA provided him and Liddy with cameras, disguises, false identity papers and other "technical assistance" for the burglary of the Beverly Hills office of Dr. Lewis Fielding, Ellsberg's psychiatrist.

Hunt told of meetings with CIA agents in two of the agency's "safe houses"—secret hideaways—in this city. He also told of being given a CIA "sterile" telephone number—an unlisted number in which billings are not reflected—to call when in need of "material" assistance.

Hunt's grand jury testimony can be given a great deal of credence because in it he correctly identified Dr. Bernard Melloy as the head of the CIA's psychiatric unit. Dr. Melloy's identity previously had been a closely held secret. He is not listed in the Washington, Maryland or Virginia telephone directories, but he maintains a private office at 2520 Pennsylvania Ave., in addition to his CIA office in McLean, Va. Hunt also revealed, correctly, that Melloy's unit works up psychiatric profiles in persons "of interest" to the U.S. government. Ellsberg was the subject of one of these profiles; similar studies have been made of Fidel Castro and Leonid Brezhnev.

Although Helms was appointed head of the CIA by Lyndon Johnson in 1966. President Nixon has close personal links with the present deputy director of the CIA, Maj. Gen. Vernon A. Walters, as he had with Walters' predecessor, Gen. Cushman, the Marine Corps commandant.

Gen. Cushman was Nixon's naval aide during the former's vice presidential years. Gen. Walters was President Eisenhower's personal interpreter and accompanied Nixon on his disastrous 1958 tour of Latin America.

In short, it looks as if CIA may have been into the Watergate-Ellsberg mess up to its clandestine ears.

WELFARE SCANDAL—XVII

HON. VERNON W. THOMSON

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 9, 1973

Mr. THOMSON of Wisconsin. Mr. Speaker, Congress is finally showing some signs of recognizing the importance of controlling Federal spending. But even if we control total spending, there is a long way to go in improving the productivity of our Government programs. Foremost among the offenders as wasteful, fraud-ridden, and ineffective is our system of providing public welfare.

Clearly, both administrators and recipients contribute to the failure of our welfare system. But is the organization of our delivery system of welfare assistance which abets and encourages the waste and inefficiency. Things just must be tightened up. Greater controls must be imposed.

I am inserting into the RECORD today the 17th installment of an investigative series run recently by the Milwaukee Sentinel exposing the fantastic waste in the Milwaukee County Welfare Department. Today's installment illustrates how ineligible recipients take advantage of poor administrative controls and apply successfully for aid for which they do not qualify under the law. I hope this example spurs greater congressional awareness of the urgency for reform of our welfare system.

WOMAN RUNS TAVERN, RECEIVES AID

(By Gene Cunningham and Stuart Wilk)

A woman is receiving welfare grants under one name and operating a Milwaukee tavern and restaurant under another name.

The woman is listed as president, treasurer and agent of Inn Old Milwaukee, 101 S. Dana Ct., under the name Patricia Utecht, according to city tavern license records.

Her home address is listed as that of the tavern.

The same woman is receiving welfare grants under the name Mrs. Patricia Mitsch, 8740 S. Oak Park Dr., Oak Creek, according to Milwaukee County Welfare Department records.

Welfare records show that Patricia Mitsch's maiden name was Patricia Utecht.

Reached for comment Thursday, the woman first responded that she was "Pat" when a reporter asked for Patricia Utecht, then said she was Patricia Mitsch and did not know Patricia Utecht.

She said she lived in Oak Creek and was receiving welfare assistance.

The agent for a corporation operating a tavern in the city of Milwaukee must live in the city, according to a city licensing regulation.

Both the tavern license records and welfare records show that the woman was born on June 23, 1936.

The license application, signed by Patricia Utecht, states that no women are to be employed in the operation of the tavern, although the woman who said she is Patricia Mitsch, not Patricia Utecht, said she works there doing cleaning free of charge.

In the application, Patricia Utecht also said that she had lived for two years at 2448 N. Fratney St. prior to moving to the tavern address.

One of the former owners of that property, Mrs. Walter Bohrer, of Big Bend, confirmed Thursday that she and her husband rented to a woman Mrs. Bohrer identified as Mrs. Pat Mitsch.

Mrs. Bohrer said they rented half of a duplex they owned at the Fratney address but she could not remember for how long. She said the woman she knew as Mrs. Mitsch moved out sometime last year.

The Bohrers sold the property last November.

"I didn't know anybody by that name," Mrs. Bohrer said when queried about renting to Patricia Utecht.

The corporation headed by Patricia Utecht pays $625 a month rent for the tavern, according to records.

Records further show that the corporation paid $1,000 for stock for the tavern, $7,000 for fixtures and $7,000 for "good will of the business" when the corporation took over the tavern operations last year.

The woman is receiving assistance under Aid to Families with Dependent Children (AFDC). Her March grant was $145 plus a $146 voucher payment to Oak Park, Inc., 8720 S. Oak Park Dr., Oak Creek. The payment was for rent, according to records.

The woman's April grant will be $87 plus the $146 rent payment, according to records.

She also is getting food stamps, welfare records show.

The woman's AFDC case was opened Dec. 1, 1971. The grant includes the woman and two children.

A spokesman for Oak Park Apartments confirmed that Mrs. Patricia Mitsch rents an apartment there.

"I don't know where she works," the spokesman said. "I don't even know if she works."

Val Luljack, who rents the tavern building to Inn Old Milwaukee, Inc., told the Sentinel that Patricia Utecht tends bar at the tavern but does not live in either of the apartments above the tavern and restaurant.

He said he had been told that she lives in a South Side suburb with her children.

The following is a telephone interview with the woman in a call to the Inn Old Milwaukee.

Q. Patricia Utecht, please.

A. This is Pat.

Q. Pat, are you perhaps the one who lives down in Oak Creek—Patricia Mitsch?

A. Yes.

Q. Fine. This is . . . a reporter at The Milwaukee Sentinel. . . . We've run across some welfare records showing that you are receiving welfare payments for yourself and your children.

A. Uh-huh.

Q. Is this correct?

A. Yes it is.

Q. But do you live in Oak Creek?

A. Yes.

Q. Do you run the tavern?

A. No, my boyfriend does.

Q. But you are involved in the corporation there?

A. No.

Q. You're not involved?

A. No.

[Records show that Patricia Utecht is president, treasurer and agent of the corporation that operates the tavern.]

Q. What are you, just a bartender there?

A. No, I just come in and clean and stuff when he's not here.

Q. So you feel you really are eligible for welfare then?

A. I have no other income?

Q. You have no other income?

A. Uh-uh.

Q. In other words you work there free of charge?

A. Well, his mother helps my children with clothes and things.

Q. What we're trying to determine is outside income and eligibility for welfare. . . . But the welfare is your only source of income?

A. That's my only source . . . I know I want to go back to school but I don't drive and don't have a car. I'd have to be taken back and forth.

Q. Are you aware that your name is on the license for the tavern as president, treasurer and agent—for which you should be living in the city of Milwaukee?

A. Pat who? Mitsch?

Q. Utecht.

A. No. The Utecht girl. No this isn't. This is Pat Mitsch. There is a Pat Utecht, too.

Q. You said you were Pat Utecht.

A. No, Pat Mitsch.

Q. You are Pat Mitsch?

A. Yes.

Q. Well, then, is there at Pat Utecht there?

A. No. I don't even hardly know her. It's uh, part of the family.

Q. You were both born on the same date though.

A. I don't really know.

Q. So you are not Pat Utecht?

A. No, I'm Pat Mitsch.

Q. Was your maiden name Utecht?

A. No.

Q. It wasn't?

A. Uh-uh.

Q. But you are Pat Mitsch?

A. Yes.

[Welfare records show that Patricia Mitsch's maiden name is Patricia Utecht.]

Q. Your husband's name was Donald Mitsch?

A. No.

A. No. I don't know where you got this from.

[Welfare records show that Mrs. Mitsch's husband's name was Donald. A man who identified himself as Mrs. Mitsch's son at the Mitsch apartment said that his father's name is Donald.]

[License records show that Patricia Utecht is divorced.]

Q. Do you happen to know Pat Utecht?

A. No. I know there's an agent here, you know. Because it's a corporation.

Q. But you are not Pat Utecht?

A. No. It kinda shocked me now.

Q. When you answered the phone I asked for Pat Utecht and you said you were Pat Utecht.

A. I heard you say Patty, you know.

Q. How do I get in touch with Pat Utecht?

A. The only thing I can think of is (pause). Oh Christ—I don't know if Mother and Dad would know.

Q. I would like very much to call her and talk to her if you could give me a phone number or—

A. I have no phone number because I really don't even know her.

Q. You don't even know her?

A. No.

Q. She doesn't work at the tavern then?

A. No, uh-uh.

Q. Do you perhaps tend bar at the tavern, too, as well as cleaning?

A. No, uh-uh.

Q. So there's no Pat Utecht that works at the tavern?

A. No, uh-uh.

[Luljack said that Patricia Utecht tends bar at the tavern]

Q. You're sure you're not Pat Utecht?

A. No, uh-huh. If I was I'd tell you.

Q. When's your birthday . . .?

A. My birthday is June 23.

Q. 1936?

A. Uh-huh.

Q. And you're sure you're not the same person?

A. No.

TRIBUTE TO A DEDICATED OFFICER

HON. F. EDWARD HÉBERT

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 9, 1973

Mr. HÉBERT. Mr. Speaker, during the past 3 years, one of the most able Army officers I have known, Col. Richard L.

Fischer, Special Assistant to Jack Marsh, the Assistant Secretary of Defense for Legislative Affairs, has worked with me, other members of the committee and the committee staff. Since he has been selected to attend the Army War College, he will be leaving the Pentagon shortly.

Colonel Fischer's tenure in legislative affairs has been characterized by a complete dedication to duty and a refreshing attitude of cooperation toward the Congress. I have never known Colonel Fischer to be anything but forthright and courteous in his liaison work with the Hill. His presence in the Pentagon has made the Armed Services Committee work much easier.

It is with deep regret that I see this truly outstanding officer leave legislative affairs, but I am delighted that the Army has also recognized his potential and is sending him to Carlisle. It bodes well for our country when men of his ability are selected for advancement.

I know that all of my colleagues will join me in wishing Colonel Fischer and his family the very best in the years ahead.

ISRAEL'S 25TH ANNIVERSARY

HON. DONALD W. RIEGLE, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 9, 1973

Mr. RIEGLE. Mr. Speaker, all citizens of the world who love freedom join in congratulating the State of Israel on its 25th anniversary.

No people in history have been so persecuted or so long denied a permanent homeland. But with strength and conviction many times greater than the inhumanity and injustice encountered, the Jewish people have survived with honor and dignity. And all of us are strengthened by their example of courage, fortitude, and love of freedom.

In celebrating the 25th anniversary of the State of Israel, we acknowledge a human miracle—a land brought to life by faith, hard work, and a relentless drive for personal and cultural freedom. That such a richly diverse and creative community could emerge from a people who have suffered centuries of harassment and deprivation is, indeed, remarkable.

Yet, despite the incredible progress Israel has made in its short lifetime, it still faces enormous and continuing problems. With defense requirements absorbing 30 percent of its national budget and debt service another 20 percent, available funding for domestic needs is clearly inadequate. The growing influx of Jewish emigrants from the Soviet Union creates the need for even more human services.

These are great challenges for a young nation, and I wish Israel the very best as it acts to secure its future and create a nation where all its people are afforded the maximum chance for personal development and fulfillment.

With such a deep bond of common ideals and human values, the United States and Israel will always find their respective fates intertwined. We, together, can do much to help each other and to advance our shared ideals of brotherhood, human dignity, and cultural freedom. It is in this spirit that I again congratulate Israel on its 25th anniversary and stand with the Jewish people as we look with faith and determination to the next 25 years of the State of Israel.

SAN CARLOS INDIAN TRIBE PLACED IN AN UNFORTUNATE DILEMMA

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 9, 1973

Mr. UDALL. Mr. Speaker, an old controversy in Arizona involving the San Carlos Apache Indian Tribe, several ranching families, and the Department of the Interior is proceeding to final settlement. Unless Congress takes affirmative action, however, the settlement cannot be said to be acceptable or just. I am speaking about a controversy surrounding over 200,000 acres in Arizona known as the San Carlos Mineral Strip and a long history of Government mistakes which have placed the San Carlos Indian Tribe as well as a group of ranchers in an unfortunate dilemma. While both the Indians and the ranchers have acted in good faith, the Government made some mistakes many years ago and it is time for the Government to provide a remedy.

The dilemma we face today has its roots in actions taken during the last century. Briefly, the history goes like this: The area now known as the San Carlos Mineral Strip was originally a portion of the San Carlos Indian Reservation established in the 1870's. Believing the land to be suitable for mineral development pursuant to congressional authorization, the area in question, which comprised over 230,000 acres, was ceded to the United States in 1896 to be held in trust by the Government with net proceeds resulting from disposal thereof to be paid to the Indians.

The belief that the Indians would profit from the transaction was apparently ill-founded as 35 years later the net revenue totaled only $12,433 and the lands were withdrawn from mineral entry or disposition. Instead of restoring the area to the tribe, however, a number of actions by the Secretary of the Interior resulted in the lands being opened for grazing and permits were issued. During this period, the present occupants of Mineral Strip, or their predecessors, undertook the back-breaking job of ranching and it is these individuals who now stand to lose the benefits of their lives' work.

Obviously, the tribe was not satisfied with the situation, and the tribal government continued to press for restoration. After a couple of false starts and a short-lived lawsuit, the Secretary of the Interior recognized the validity of the tribe's claim and January 16, 1969, the lands were restored to the San Carlos Apache Tribe.

The tribe has decided that the land is now needed for its own people and has ordered that the 20 or so non-Indian ranchers vacate the premises by June 30 of this year. If they are to comply with this order, the ranchers will walk away from their homes, barns, corrals, and other ranching improvements that represent the bounty of years of plain hard work.

The story is obviously more complicated than indicated in this brief outline and I am sure that those familiar with the controversy can point to many specific occurrences to reinforce the notion that the Government's actions were often misconceived and substantial rights, on both sides, were frequently ignored. Without belittling the value of the lessons we can learn by focusing on the unfortunate history of the situation, I think we should point out that such discourse is, indeed, history and the relevant question is what we can do about it now?

It has long been apparent to me that both the Indians and the ranchers have significant rights in the area. Thus, should the question of superior rights to the land be resolved in favor of one side, the other side is entitled to compensation. The basic issue now having been resolved in favor of the San Carlos Tribe, it becomes incumbent on Congress to follow through and authorize payment to the ranchers for their losses. My colleagues, SAM STEIGER and JOHN CONLAN, have taken that step and introduced a compensation bill. Today, I join them and indicate my full support for this measure by introducing my bill to provide relief in terms of dollars, although I recognize that money alone cannot fully compensate a man who is forced to abandon a way of life buillt by his own sweat and determination.

Over the period of my involvement with this controversy and especially during the last few months, I have searched for solutions which would make it possible to protect the ranchers' way of life and still grant appropriate recognition of the tribe's right to these lands. A fully adequate solution is, apparently, not to be found, so we are left with compensation which is certainly a justified, if minimal, remedy.

Mr. Speaker, I am hopeful that the Committee on Interior and Insular Affairs will be able to take early action on this bill and I am pleased that the chairman of the Public Lands Subcommittee, JOHN MELCHER, has scheduled hearings on this matter later this week. Compared to the major legislation now pending before that committee, I suppose that the importance of this legislation may not be readily apparent. Although, it is true that the number of the affected individuals is small, I would suggest that the principle involved is enormous, as it touches on the ability of the Government to deal fairly with its people and to remedy its mistakes.

A lawyer who represented mineral strip ranchers once wrote me that his clients were "skeptical of the possibility of securing an appropriation for the relief of a handful of Western ranchers," and in the nature of these matters this kind of pragmatism is probably warranted. I am hopeful, however, that the old injustices will not be left merely partially corrected with only the San Carlos Tribe receiving relief, but that the Congress will act to insure that this other group of affected citizens, this "handful of Western ranchers," also receive equitable treatment through enactment of legislation to fully compensate them for their losses.

NOTHING WRONG WITH PENNIES FOR THE PLAYERS

HON. RICHARD BOLLING

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 9, 1973

Mr. BOLLING. Mr. Speaker, with our enormous gross national product, the Kansas City Star points out, we can afford a modest assist for the National Endowment for the Arts and the National Endowment for the Humanities. An editorial in behalf of such support which appeared in the Star of April 30 follows:

NOTHING WRONG WITH PENNIES FOR THE PLAYERS

The National Endowment for the Arts and the National Endowment for the Humanities are the first permanent incursion of the federal government into support for what can be described as cultural activities and institutions in the United States. Together, they form the National Foundation for the Arts and Humanities. Each Endowment has its staff and representative council of citizens appointed by the President.

President Johnson signed the bill establishing the National Foundation in 1965 and since then support from the Nixon administration and subsequent Congresses has been increasing. The current budgets for the two Endowments are $38 million each. The authorization now before Congress is for $80 million in 1974, $140 million in 1975 and $200 million in 1976. Now Sen. William Proxmire (D-Wis.) has offered an amendment to cut the authorizations sharply. He would put them at $60 million in 1974, $80 million in 1975 and $100 million in 1976.

Having been pretty much ignored by the federal system for most of the last two centuries, the arts and the humanities in the United States no doubt could survive under the proposed Proxmire cuts. Nevertheless, we would hate to see it. For the first time ever this country has launched on a relatively modest course of nurturing and encouraging the structures and individuals that contribute to the cultural advancement of our civilization. To lose momentum now would necessarily be a setback. The state councils that have worked effectively with the national groups could be hurt—and some of the state organizations have rather tenuous existences.

Senator Proxmire is not certain that so much money could be used efficiently and he fears it will be used to produce second-rate art. He wonders about the danger of a government takeover.

Outside the educational institutions, the foundations and the occasional native Medicis who come along from time to time, the artists and writers and musicians have had to depend on the fickle box office and not much else.

Most nations, including democratic nations have found themselves able to divert a small percentage of the national treasury to the subsidy of the arts, humanities and sciences. God knows the United States has put enough money into the sciences over the last three decades. Surely there is no reason why a few piddling dollars cannot be used to relieve a potentially fine composer from the daily drudgery of instructing unwilling pupils in the piano or an artist teaching unhappy youngsters how to draw a pussycat. Not that these aren't worthy pursuits. But contrary to romantic belief, there is no real reason why artists, writers and musicians need to suffer endlessly in poverty in order to create. Some do better on a full stomach and in a warm room.

As for government production of second-rate art, Senator Proxmire hardly can be the judge of that, nor would we let congressional committees try to fulfill that role. Great art can only be judged in the perspective of time and what might be second-rate to a Wisconsin senator in 1973 might turn out to be something else a century from now. Nor can we really become alarmed by the senator's concern about the capture of the arts and humanities by government for purposes of propaganda.

Even if government should seize these cultural qualities for evil purposes, we doubt whether anyone would look at the pictures or go to the movies or read the books. Hitler tried mightily to pervert the arts and literature for his purposes, and the only effort that got attention was the spectacular nudes that anteceded Playboy Magazine.

With its enormous gross national product, most of which goes to immediate consumer needs, and some of which goes to necessary governmental expenditures for the general welfare and defense, the U.S. can spare a pittance for the arts and humanities. Unless they prosper, what remains might not be worth very much. The proposal is not to buy or wholly subsidize culture, but merely to give it a modest assist which the country can afford to do and can't afford not to do at this stage of our history.

CONGRESSMAN DOMINICK V. DANIELS HAILS 500TH ANNIVERSARY OF BIRTH OF KOPERNIK AND 192D ANNIVERSARY OF POLISH CONSTITUTION OF 1791

HON. DOMINICK V. DANIELS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 9, 1973

Mr. DOMINICK V. DANIELS. Mr. Speaker, this is a great month for Poles and Americans of Polish descent as we observe the 500th anniversary of the birth of Mikolaj Kopernik, whose name is often westernized to Copernicus, and the 192d anniversary of the adoption of the Polish Constitution of 1791.

Mr. Speaker, the liberties of the Constitution of 1791 were not long lasting as Poland was partitioned shortly after by powerful neighboring states. But the call to freedom in that Constitution rings loud and clear across the ages. Tyrants may have conquered Polish territory but they have never conquered the Polish soul nor the Polish desire for liberty and self-government. Even today while Polish destiny is controlled by Soviet masters the Polish soul remains unfettered and all of us know that Poland will yet enjoy the blessings of freedom.

Poles and Polish-descended persons in this nation now number more than 10 million, and it can be said that no group of our fellow Americans has done more for this Nation than the sons and daughters of Poland. At this time I am proud to join with all Polonians everywhere in celebration of these two historic events.

LEE HAMILTON'S WASHINGTON REPORT OF MAY 9, 1973, ENTITLED "AFRICA"

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 9, 1973

Mr. HAMILTON. Mr. Speaker, I include my Washington Report of May 9, 1973, entitled "Africa":

AFRICA

As I traveled in Africa for the second time last week and talked with African leaders, I kept asking myself just what are the American interests in this vast continent, three times the size of the U.S. and with a population of 344 million people.

Few questions are asked a U.S. Congressman about Africa; comparatively few Americans travel in Africa; African issues seldom get much attention in the news media; and it would be a rare American indeed who could identify every country on a map of the African continent.

A glance at the statistics, though, quickly confirms that the U.S. has much more to do with Africa than most Americans might think. Even with declining worldwide aid resources, American assistance to 35 African countries grew to about $550 million last year. 2,500 Peace Corps volunteers served in 25 countries and almost 10,000 Africans studied last year in American universities. Private American investment is growing at a rate of about 15 percent each year, and now totals about $4 billion. American businessmen are seen in all corners of Africa, and our growing trade with African countries approaches $3 billion each year. Or, to state it in simpler terms, every time we drink a cup of coffee, eat a chocolate bar or vanilla ice cream, we are touched by Africa.

American interests in Africa spring from the many Americans of African descent and the long involvement of American churchmen, educators, and businessmen with Africa. With one-third of the world's independent nations in Africa (41 nations), their voice has become increasingly important in world affairs. The overwhelming preoccupation of African leaders is the economic development of their countries, a goal which is entirely compatible with American interest in stability and economic growth. As African countries develop, American interests and opportunities expand.

Despite impressive progress in maintaining political independence and generating significant economic growth, Africa faces two awesome problems: (1) Modernization; The great dream for Africans is for the development of their rich continent which contains 96 percent of the world's diamonds, 42 percent of its cobalt, 60 percent of its gold, 23 percent of its uranium, and all of the 53 most important minerals, including vast energy resources; and (2) Full participation of its black majorities in South Africa in the political and economic life of the continent.

1972 was not an especially encouraging year for Africa. Development slackened, the black-white dialogue collapsed, Western style democracy faltered (not a single country in Africa practices it, and one-third of Africa's

344 million people are under military rule), the number of refugees grew, heavy dependence upon one commodity continued in most African countries, and the universal human problems of employment, health, nutrition and education remained intractable.

Africa's immense problems of overemphasis of industrialization, neglect of agriculture, the rural exodus and subsequent overcrowding of cities, and the lack of technical skills raise tremendous obstacles to development. But improvements are being made in health and education; a bright, sturdy, impatient younger generation is emerging; and, as a sharpened realism increases the emphasis on self-reliance, the African dream remains strong, even if distant.

U.S. policy seeks to broaden political, cultural and economic ties with Africa, and it is based on several basic elements:

1. *Opposition to racial discrimination:* The governments of South Africa and Rhodesia have established elaborate political systems of white supremacy over the black majorities (in South Africa there are 3.8 million whites and 17.5 million blacks). We cannot accept the racial policies of South Africa and Southern Rhodesia which violate our national ideals and constitute an affront to our sense of justice. Although we reject the use of force as a means to bring change, and cannot solve these problems ourselves, we urge the governments to change their racial policies to support equality of opportunity for all persons.

2. *Support of self-determination:* We support the right of self-determination for the people of Africa. We should not assist Portugal, e.g. in its efforts to deny self-determination in Portuguese Africa.

3. *Support of economic development:* Most African countries need assistance at this point in their development. We should concentrate our modest amounts of aid in the fields of agriculture, education, health, transportation and communications, and provide more of our assistance through international institutions. Private U.S. investment and trade should also be encouraged.

THE WAR IN SOUTHEAST ASIA SHOULD CEASE ABSENT CONGRESSIONAL APPROVAL

HON. CHARLES E. BENNETT

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 9, 1973

Mr. BENNETT. Mr. Speaker, on April 19, I introduced the following bill which speaks for itself and which I think should be promptly enacted:

H.R. 7251

A bill to prohibit certain belligerent activities by United States personnel in Southeast Asia

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That it shall be unlawful for any military or civilian personnel of the United States to engage in any military or paramilitary belligerent activity in Southeast Asia, or to cause any other military or civilian personnel of the United States to engage in any such activity, except to defend themselves in case of attack.

SEC. 2. The provisions of the first section of this Act shall take effect on the ninetieth day after the date of its enactment but shall not apply with respect to any activity specifically authorized by an Act of Congress enacted on or after such date of enactment.

PHASE III OF THE NEW ECONOMIC PROGRAM

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 9, 1973

Mr. HARRINGTON. Mr. Speaker, last week, the President took a small step back from phase III of the new economic program by announcing that corporations with sales over $250 million whose overall prices rise more than 1.5 percent over the January 10 level must give 30 days notice to the Cost of Living Council. It does not bar such price increases. It does not go all the way back to phase II guidelines which made essentially the same public disclosure requirement of firms with sales over $100 million. And it does not begin to implement proposals considered in the Congress to freeze all prices temporarily or to place automatic controls on sectors whose prices increase by 3 percent on an annual basis in any consecutive 2-month period. In short, the new policy falls far short of what is needed to begin to solve the grave inflationary problems we face.

Hobart Rowen wrote an article, "Nixon Fails To Strengthen Feeble Phase III," which appeared in the May 6 issue of the Washington Post and which took a close, critical look at the President's new policy. It is the best summary I have yet seen of the shortcomings of the Nixon actions and I would like to insert it in the RECORD at this time for the information of my colleagues:

NIXON FAILS TO STRENGTHEN FEEBLE PHASE III

(By Hobart Rowen)

So now we have not Phase IV, but merely Phase III plus one-eighth. After weeks of debate, President Nixon took a halting, limited, disappointing step to discourage some price boosts by the biggest companies.

It is a far cry from a freeze that would bar further price increases throughout the economy, or from a return to the tough prenotification requirements of Phase II, under which all companies with sales over $100 million had to tell the government in advance of any plan to raise prices.

The new system announced Wednesday requires companies with sales over $250 million whose overall weighted average price level rises to more than 1.5 per cent over the Jan. 10 level to give 30 days notice to the Cost of Living Council. But this doesn't bar individual price hikes of substantially more than that, provided the average stays within the 1.5 per cent margin.

As former Economic Council Chairman Arthur M. Okun observes, that's a "free ride" which works out to an annual rate of increase of about 5 per cent—hardly compatible with a program whose overall goal is to limit inflation to a 2.5 per cent rate by the end of the year.

Even as things stand, the tremendous surge in first-quarter profits makes one wonder whether half of the companies subject to regulations aren't violating the rules.

A Dow Jones survey of 655 companies (pretty well paralleling those new getting the 1.5 per cent free ride) shows corporate profits up 27.8 per cent in the first quarter compared with the first three months last year. And last year's profits after taxes were up 15.5 per cent over 1971.

The Nixon program is weak not only because it lacks specific, hard-nosed measures to control inflation, but because of the obvious lack of enthusiasm for controls that is still pervasive in this administration.

It is still "as voluntary as it can be," the President said, adding: "and as mandatory as it has to be." The stress, as it has been before under the direction of free-market advocate George Shultz, is on "a responsible budget policy" to reduce inflationary pressures.

The dominant philosophy is to rely on the traditional dampening effects not only of a tight fiscal policy, but a restrictive monetary policy to reduce demand. There is a flurry of action of dubious significance to increase supplies both in food and non-food areas.

Controls are simply "the third element" in the anti-inflation program, a sort of fifth wheel, and clearly a distasteful exercise that is being tolerated because there is so much public and political backing for them.

It is this aura of contempt for the utility of wage and price controls that comes through the President's message and the additional comments of his key subordinates. "We should be mature enough to recognize that there is no instant remedy for this problem" (of sharp price increases), the President said in a patronizing way.

The fact is that the sharp price increases in February, March and April were triggered in part by the Jan. 11 lifting of Phase II controls. There is now a tendency to blame much of the rise in raw materials prices on the devaluation of the dollar in February. But it is not mentioned by Mr. Nixon that one of the elements triggering the devaluation was the loss of confidence in the dollar touched off by the shift to Phase III.

There is, of course, no "instant remedy" for inflation, but surely that doesn't mean the President is excused from constructing a carefully devised, long-range program that might have a chance for success.

The latest wholesale price index, for April, shows a jump of 1.3 per cent for industrial commodities, on top of a 1.2 per cent increase in March and 1.0 in February. That's an unbelievable 14 per cent annual rate of increase for the three months, which will begin to show up in the consumer price index later on.

New York economist Pierre Rinfret expresses a fairly common view among economists when he says that "the new program is a continuation of a do-nothing policy reminiscent of 1969. They are merely hoping or praying that something will come along and bail them out of their mistakes."

Former Economic Council member and Harvard Prof. Otto Eckstein told this correspondent that "what they've done is to make a symbolic gesture to keep the impression alive that they're still concerned about prices. We should be grateful that they have put some limit on the ability of industry to raise prices while profits are soaring, but compared to what they could have done, they've done very little."

At the Federal Reserve Board—which will have to pursue a tighter monetary policy than it believes desirable in the absence of a strong wage-price control effort, officials still think that Phase III (and one-eighth) can be made viable if Treasury Secretary Shultz and John Dunlop at the Cost of Living Council take a tough, rather than permissive, line.

My conclusion is that, given the kind of wage-price program President Nixon has chosen to follow, he should ask John Dunlop to step aside in favor of Billy Graham.

OEO FAILS THE POOR

HON. BEN B. BLACKBURN

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 9, 1973

Mr. BLACKBURN. Mr. Speaker, on March 28, 1973, an editorial appeared in the Wheeling News-Register of Wheeling, W. Va.

This editorial points out the waste and scandal that have become too common in many of OEO's programs.

This editorial also points out without a doubt the necessity of restructuring OEO.

I include this editorial in the RECORD:

OEO FAILS THE POOR

While we have disagreed with President Nixon on various matters both domestic and foreign, we support him in his efforts to do away with the wasteful, scandal-ridden Office of Economic Opportunity.

The much-trumpeted war on poverty of a few years back has been a miserable flop and even some of its staunchest supporters now are having a change of heart.

OEO has demonstrated again how well-intentioned but ill-conceived federal programs help the poor have led to corruption and demoralization. Investigation has shown that only a small fraction of anti-poverty funds ever managed to trickle down to the benefit of the poor people.

One phase of OEO's activity had to do with sponsoring Community Action Programs. Since 1964 the federal government has spent over $2.8 billion for these efforts with few success stories reported. In fact, a whopping 80 per cent of all Community Action money has been spent on headquarters salaries and overhead expenses—only 20 per cent of the money, if even that, ever found its way to the poor.

Consider these various examples of OEO's waste and scandal turned up by investigators:

In Harlem, Montana, a local attorney who was the city attorney of another community received a $20,000 salary as a "tourism specialist."

In Elizabeth, New Jersey, an employe rented a house to the Community Action project for $383 a month. He was buying it for $128 a month on a VA loan. A member of the CAA board of directors rented another house to Headstart for $225 a month. He was paying $55 a month to a realty firm for it.

In Las Vegas, Nevada, the CAA organization provided the organization for a partisan election race by the group's board chairman, and the executive director used staff members to work on his personal residence with materials he charged to the program.

In Fort Lauderdale, Florida, a community action employe and director were convicted of being part of an auto theft ring.

In Canton, Ohio, the project purchased lumber from a firm owned by a board director. One full-time staff member employed his daughter at $300 a month.

In Oklahoma, a regional project purchased a $39,500 building from the brother of one of the project lawyers. Six months earlier, the property had been appraised at $15,200.

In Nassau, New York, all project employes who declined to participate in a "March on Washington" were fired.

In Jersey City, New Jersey, the project was captured by the Black Panther Party which used the organization's funds to spread hate literature and provide bail bonds for party members arrested on criminal charges, including the bombing of police precinct houses.

In Portland, Oregon, the CAA board chairman was convicted of firebombing, as the leader of an arson gang that fired at least seven major structures.

Indeed, the list could go on indefinitely but the point has been made—OEO's record is a scandal! The federal government, over the past decade, has sought to correct many inequities in American society through a vast range of programs involving massive expenditures of the taxpayer's money. The inequities remain and we are paying the price for the failures. There must be a better way to help the truly poor and deserving needy. OEO is not the answer and President Nixon has no choice but to terminate it.

CANAL ZONE SOVEREIGNTY: REAL ISSUE IS UNITED STATES CONTROL VERSUS U.S.S.R. DOMINATION

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 9, 1973

Mr. RARICK. Mr. Speaker, the acquisition of the Canal Zone and the construction of the Panama Canal form one of the most glorious chapters of American history. Those who formulated our Isthmian canal policies in the early part of the 20th century included such leaders as Secretary of State Hay, Secretary of War Taft, Rear Adm. John G. Walker, and, above all, President Theodore Roosevelt. All of them were men who obtained facts, studied the subject, came to reasoned conclusions, and made their own decisions.

Today, conditions in our Government are different. Instead of our highest officials personally considering the vital canal policy matter they depend upon subordinates in the executive branch whose knowledge is usually superficial and whose views are governed by nebulous considerations of what they think is "policy."

An outstanding example of such inept conduct of U.S. Isthmian policy was brought to light as the result of a telegram sent by Lt. Gen. Pedro A. Del Valle, USMC, retired, on March 11, 1973, to the President in protest against the 15–21 March meeting of the U.N. Security Council in Panama in which he recommended a plan of action for the United States at its opening session.

Instead of the President acting upon that important message, it was referred for reply to the Acting Assistant Secretary of State for Public Affairs, who apparently did not know the difference between a lieutenant and a lieutenant general. As might be expected, the reply to General Del Valle's message, in line with sophistical policy assumptions instead of reasoned guidance from the highest authority, was largely irrelevant, ambiguous, and even self-contradictory, ignoring the grim realities involved in the gravely important problems of maintaining, operating, sanitating and protecting the most strategic artery of marine transportation in the world.

The latest information from the Near East is that the new Government of Libya, which is in the Soviet orbit with Egypt, has promised a multi-million dollar loan to the revolutionary government of Panama. This development serves to reemphasize the fact that the real issue over the Canal Zone is not U.S. sovereignty versus Panamanian, but continued U.S. sovereign control versus U.S.S.R. domination; and this is the question that should be debated in the Congress.

In order that the Congress and responsible agencies in the Executive may be informed, I insert General Del Valle's telegram of March 11, the State Department's reply of March 26, and the former's letter to the President of April 17, as well as a news story on the projected Libyan loan to Panama:

DEFENDERS OF THE AMERICAN CONSTITUTION, INC.,
Annapolis, Md., April 17, 1973.

Hon. RICHARD M. NIXON,
President of the United States, The White House, Washington, D.C.

DEAR MR. PRESIDENT: Thank you for having Mr. John Richardson, Jr., Acting Assistant Secretary for Public Affairs, Department of State, respond to my recent telegram reprinted in my publication, *Task Force*. Marked attached.

After carefully reading Mr. Richardson's reply, I came to the conclusion that he is no more capable of distinguishing our many "important interests in the canal" than he is capable of understanding the distinction between a "Lieutenant" and a Lieutenant General.

Inasmuch as I have been stationed in the Canal Zone, I have often visited Panama and studied its history, I am keenly aware that the United States has vital interests in the Panama Canal. As an author and publisher who has seen the repeated efforts to amend the Treaty of 1903 by other Administrations, I assure you that I am also well aware of the consequences of any treaty which surrenders our indispensable sovereign control over the Canal Zone to any government of Panama which I have ever seen or heard of.

I can further state that the people in charge of the present government in Panama today are perhaps the worst and most unreliable of all the governments I have watched come and go in that Republic. Surrender to these people means surrender of a strategic asset vital to the existence of the United States as a sovereign nation, and no amount of sophistry can alter this fact.

I am also well acquainted with the Suez Canal, having represented the I.T. & T. in Egypt and watched that canal being turned over to the mismanagement and uncertainties of the government of Egypt. The present explosive situation in the Middle East today is due in large part to our own failure to back up the proper owners of the Canal, Britain and France.

It is my fervent hope that instead of weakly surrendering to mob pressure in Panama and an artifically created "world opinion", we should hold fast to what our country built and owns and now operates, maintains and defends for the benefit of world commerce and the safety of the United States of America, so badly threatened in the Caribbean.

Those who perennially seek to build another canal have been advised by the foremost experts on the subject that all that is needed is an expansion of the present facilities in accord with existing treaty provisions in which the form "maintenance" authorizes "expansion and new construction." The only treaty revisions that are called for are for the enlargement of the Canal Zone to include the entire watershed of the Chagres River as was once recommended by General Clarence Edwards when he was in command of the U.S. Forces of the Isthmus, and for the restoration of the 1903 Treaty Rights of the United States to supervise health and sanitation in the terminal cities of Panama and Colon, and to maintain law and order in them and other areas near the Canal Zone in the event of inability or refusal of Panama to do so.

This is not a problem to be solved by emotional considerations concerning the dissatisfaction of Panamanians with the 1903 Treaty and sophistical reasoning that characterizes most State Department writings on the Canal question. Panama came into being as a result of the great movement for an Isthmian Canal. The hard fact is that our existence as a sovereign nation under God is in grave peril. As an American who has participated in seven wars, large and small it grieves me to think that everything I have fought for in my 37 years of service is going down the drain because of a rabble government which does not even represent one-fifth of its people. It is this rabble government of Panama and its collaborators in the U.S.S.R., Chile, Cuba and the State Department that want to have our canal for their own profit and benefit and our officials seem to have been mesmerized into accepting the vieys of Panamanian demagogues.

I respectfully urge you to look up the technique used by Secretary Charles Evans Hughes when he handled a comparable situation affecting U.S. rights, power and authority over the Canal Zone and Canal in 1923.

Sincerely yours,

P. A. DEL VALLE,
Lt. General U.S. Marine Corps (Ret.)
President, Defenders of the American Constitution, Inc.

DEPARTMENT OF STATE,
Washington, D.C., March 26, 1973.

Lt. P. A. DEL VALLE,
Annandale, Va.

DEAR LIEUTENANT DEL VALLE: President Nixon has asked me to reply to your expression of concern about the Panama Canal.

The United States has important interests in the canal and the question of how we may best protect them has been receiving careful attention in the Executive Branch.

Over the years Panamanian dissatisfaction with the 1903 Treaty has been a recurring source of difficulty and tension. The United States maintains a large organization in Panama for the purpose of operating the canal and it is in our own interest that this task be carried out in a peaceful and secure environment. The canal also raises broader issues of Latin American policy. Accordingly, since 1964 we have been engaged in negotiations looking toward the revision of our relationship with Panama. The negotiations, the most recent phase of which began in June 1971, have been carried on by a negotiating team headed by Ambassador Robert B. Anderson, former Secretary of the Treasury, Deputy Secretary of Defense, and Secretary of the Navy. In these negotiations it is our position that the United States will continue to operate and defend the canal for an extended period of time.

It is not possible to predict if and when agreement will be reached on a new treaty, but any treaty agreed upon by the President will, of course, be submitted to the Senate for approval in accordance with the Constitution. I am enclosing a copy of an address by Ambassador David H. Ward which gives a fuller explanation of the US position in the negotiations.

Sincerely yours,

JOHN RICHARDSON, Jr.,
Acting Assistant Secretary for Public Affairs.

A TELEGRAM FOR THE PRESIDENT

(By P. A. del Valle)

(The following telegram was dictated 11 March for delivery to President Nixon at the White House. The telegram takes deliberate aim at the highhanded and unlawful U.N. Security Council meeting at Panama, 15–21 March, and of which we report in our ALERT No. 97, 1 March. Unfortunately, our telegram was not delivered for reasons unknown at this time. Therefore a marked copy of this issue of TASK FORCE will be mailed to the President instead. Ed.)

The construction of the Panama Canal, undertaken by President Theodore Roosevelt under our historic policy for an American Canal on American soil for the American people, was one of the greatest works of man. Because of the inept conduct of our interoceanic canal policies since World War II, the continued U.S. control of this vital waterway has been jeopardized with a grave crisis of world significance threatened during the March 15–21 U.N. Security Council sessions in Panama.

The launching of the Panama Canal was the fulfillment of the prayers and aspirations of the young republic of Panama early in this century. It is still the primary reliance for wages and income for a very important part of the Panamanian population who are friends of the U.S. in this matter. They must not be betrayed in the manner that the people of Cuba were betrayed by the pretense of a clique in the U.S. State Department and their collaborators in the mass news media that represented Fidel Castro as a bulwark of freedom and as an assured friend of the U.S. Are we to allow successors of that clique in the State Department backed by the same elements in the mass news media to contrive the same type of betrayal at Panama?

The obvious way, in fact, the only dignified way to meet the crisis is for you to direct our ambassador to the U.N. to announce immediately on convening the first session of the U.N. Security Council at Panama on March 15 the following:

1. That the United States does not recognize the right of the U.N. to intervene in U.S. domestic affairs;

2. That the U.S. will not participate in meetings hostile to it where the issue is a clearly defined historic right of U.S. sovereignty;

3. That the current negotiations with Panama are terminated; and

4. That the U.S. will proceed, regardless of the Panama Government and/or the U.N., with the major modernization of the existing Panama Canal to provide for its needed increase of capacity and operational improvement under the "maintenance" provision of existing treaties, which authorizes "expansion and new construction" for such canal.

Such policy declaration will carry forward the great work of Theodore Roosevelt, thrill the Nation, and revitalize the isthmus, with enormous benefits to both the United States and Panama and interoceanic commerce.

[From the Washington Post, Apr. 27, 1973]

LIBYA LOAN TO PANAMA REPORTED

(By Jim Hoagland)

JERUSALEM, April 26.—Libya's military leader, Col. Muammar Qaddafi, has promised a multimillion dollar loan to the government of Panama, which is involved in a bitter controversy with the United States over the Panama Canal Zone, official Israeli sources said today.

Israel believes that Panama asked Qaddafi for a $100 million loan earlier this month.

It is not clear how much Libya, which has about $3 billion in monetary reserves, promised to lend Panama, or if any money has yet changed hands, the Israeli sources said.

[Close students of Libyan affairs in Washington said they were not surprised by the report about Panama.]

The Israeli sources noted that Qaddafi had promised large-scale financial aid to the African countries of Uganda and Niger when they broke diplomatic relations with Israel, but has been slow in fulfilling the commitments.

One piece of circumstantial evidence of a possible change in Panamanian policy came during last week's Security Council debate on the Middle East, where the Panamanian position was "less friendly to Israel" than in the past, one official said.

Only last month, Libya and Panama agreed to establish diplomatic relations.

The source also cited what he said were confirmed reports that Panama had contacted Japan and other countries for a large loan before getting the Libyan agreement.

Qaddafi, who has been sharply critical of American support for Israel, has said in speeches that he is supplying aid to "revolutionary" rebels in Northern Ireland and the Philippines as well as to African and Arab countries and Islamic groups throughout the world.

A THREAT TO PRIVACY: USDA ACCESS TO FARMERS' TAX RETURNS

HON. JERRY LITTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 9, 1973

Mr. LITTON. Mr. Speaker, individual privacy is fast becoming a premium in America today. Intrusions into the personal lives of many and the potential for misuse of personal data—much of which is often given voluntarily and in good faith by the citizen to his Government—have increased alarmingly. Aided by computer technology with its enormous storage and information retrieval capabilities, both government and private organizations have at their fingertips the power to compile a "profile" of an individual based on bits and pieces of data gleaned from many sources. With only a social security number or other code as a trigger, a person's most sensitive personal data can be exposed, manipulated, and misused to the detriment of the individual or for the political purposes of those in power. An example of this process of erosion of personal privacy has been unfolding the past few months, this time specifically involving the Nation's farmers.

On January 17 of this year President Nixon issued Executive Order 11697 authorizing the Department of Agriculture to inspect income tax returns filed by persons having farming operations. This order applied to returns filed for taxable years beginning on or after January 1, 1967. The President's stated purpose for the order was to allow the Department of Agriculture to obtain data about farm operations for statistical purposes only. It did not indicate specific data to be gathered. On January 23 new Internal Revenue Service regulations went into effect to implement the Executive order.

Neither the Executive order nor IRS regulations limited the type or amount of information that could be released to the Department of Agriculture. I quote from IRS regulations issued in conjunction with the Executive order:

> The Secretary of the Treasury, or any officer or employee of the Department of the Treasury with the approval of the Secretary, may furnish the Department of Agriculture (for the purpose of obtaining data as to the farm operations of such persons) with the names, addresses, taxpayer identification numbers, or *any other data on such returns or may make the returns available for inspection and*

> *the taking of such data as the Secretary of Agriculture may designate.* (Italics added).

Such blanket authority to inspect individual tax returns clearly constituted an invasion of the right of privacy of American farmers. It would allow Federal bureaucrats to rummage through confidential financial statements with no more specific motive than the desire for statistical data. Even more importantly, it would allow the Department of Agriculture—the Federal agency that controls farm policy and influences farmers' lives—to see the tax returns of individual farmers.

The opportunity for misuse of this broad Executive order was obvious. The Department of Agriculture admitted as much when its spokesman said that anyone misusing the privilege of examining tax returns would be fired.

Although I do not question the Department of Agriculture's need for statistical data, I do not believe that confidential tax returns should be the source of the information.

In testimony before the House Department Operations Subcommittee, USDA officials testified that the administration felt farm facts were so vital to American argriculture that they were willing to open up farmers' tax returns to get these facts. Yet 12 days later this same administration in releasing their new budget eliminated funds for a farm census in 1974.

Striking funds for the 1974 farm census will mean we will have an 8-year period with no major data available on agriculture. How can you open up farmers' tax returns under the disguise of needing farm facts and then 12 days later eliminate funding for the 1974 farm census?

Because of my concern over Executive Order 11697, I began a personal investigation. In several off-the-record conversations with Department of Agriculture officials, I learned that the Department had requested limited access to IRS data in 1970. In a letter to George Shultz, then Director of the Office of Management and Budget and now Secretary of the Treasury, the Department responsible for determining regulations governing access to tax returns, Secretary Hardin had requested access to certain agricultural data that could be collated with names of farm operators obtained from other sources to make a more efficient sampling list for crop estimate purposes. Secretary Hardin's letter specifically stated that he was not requesting the privilege of examining individual tax records. A sample Executive order which was restrictive was attached to Hardin's request.

The Executive order issued in January surprised Department officials because it gave them much broader powers of inspection than they had requested. Don Paarlberg, Director of Agricultural Economics for the Department, insisted that agencies under his management would not use full powers authorized by the Executive order. He wrote in reply to a letter from my colleague (Mr. ALEXANDER) of Arkansas:

> The original draft of the order (requested in 1970 by the Department) was subsequently revised and its scope was broadened during the review process in the Treasury and Justice Departments. The Department's (of Agriculture) intended use is unchanged . . . Under this order the Department seeks to acquire a list to be prepared by the Internal Revenue Service. Department employees will not examine tax returns . . . The lists of names to be acquired will be merged with other lists maintained by the Department, and the combined lists will be used in sampling for current agricultural statistics. The lists of names are prepared by computer.

Paarlberg says:

> Department employees will not examine tax returns.

Why then were provisions made in the rules and regulations governing the Executive order spelling out how USDA employees could examine individual tax returns?

Still concerned about the potential use of Executive Order 11697, I urged the Department Operations Oversight Subcommittee of the House Agriculture Committee to hold public hearings. Department of Agriculture and Internal Revenue Service officials testified before the subcommittee on March 28. Department officials admitted that they had received broader powers than necessary but were reluctant to relinquish their new authority. Harry Trelogan, Administrator of the Statistical Reporting Service, told the subcommittee that he had waited 3 years to get an order similar to No. 11697 and that he would resist attempts to challenge or rescind it.

On March 2, I introduced a bill H.R. 5867, which would prohibit inspection of income tax returns by the Department but would allow IRS to supply the USDA with the specific information they requested they want when they originally asked for access to IRS tax returns in 1970. Seven of my colleagues representing both parties joined me on March 28 when I reintroduced this bill. Several have since indicated they would like their names added to the bill as well.

Faced with growing opposition in the Congress, publicity in the press, and a second day of hearings scheduled for March 28 on the matter, the President issued a revised Executive Order No. 11709, on March 27. The revised order permitted Department inspection of farmers' tax returns in accordance with amended IRS regulations. These regulations limited the scope of the data which could be obtained compared with the regulations issued with the prior Executive order. The new regulations provide that only that "names, addresses, taxpayer identification numbers, type of farm activity, and one or more measures of size of farm operations such as gross income from farming or gross sales of farm products" will be furnished the Department and that before a Department official can inspect an individual tax return, all data other than the above must be blanked out.

In the original Executive order which was 11697 any employee of the USDA with permission of the Secretary of Agriculture was given authority to examine any and all tax returns of citizens showing farm income or expenses as long as they could justify such examinations by saying it was for statistical purposes. This made the tax return of every American farmer literally an open book to the USDA. Obviously the President realized he had erred when at the insistence of many Members of Congress he rescinded his order on March 27 and issued Executive Order 11709. However, 11709 still makes farmers' returns an open book. In the revised Executive order, any employee of the USDA with permission of the Secretary of Agriculture has the authority to examine any and all farmers' tax returns and to obtain any piece of information from such tax returns as long as that information can be construed to mean a measure of size of the farming operation of the taxpayer. Close examination of tax returns will clearly show that almost any piece of information on the return could be considered a measure of the size of the taxpayers' farming operation.

Although Executive Order 11709 is an improvement over the previous order, the basic issues remain—issues which I touched upon in my introductory remarks. Not only the privacy of farmers, but the privacy of all American taxpayers, is at stake here. Today we allow the Department of Agriculture to inspect farmers' tax returns for "statistical purposes only," as contended by the Department and the IRS; tomorrow the Commerce Department will be examining the tax records of businesmen, HEW the returns of doctors and HUD the tax data of homeowners. And who can guarantee that inspection will be for the limited and harmless sounding purpose of compiling statistics—statistics which in most cases can be obtained from other, less sensitive sources?

A question we must ask is why did the first Executive order give the USDA so much more authority than they requested especially since it involves the sensitive area of evading the confidentiality of the individual's tax returns. And second, why is the barn door left open in the amended Executive order? Perhaps it is because someone wants access to farmers' tax returns for reasons other than the expressed purpose of making crop and livestock reports and estimates. If there is no ulterior motive and we do seek to permit the USDA to use farmers' tax returns to gather farm facts for reporting then let us spell out a measure of size of farming operation that would be permissible to be turned over to the USDA rather than let the USDA look at any data which would be a measure of the size of farming operation which would, in effect, be almost any and all data on the farmers' tax return.

The confidentiality of income tax returns, and the assurance that information voluntarily provided on such forms will be carefully protected from disclosure or improper use, are basic notions underlying this country's system of collecting taxes and are deemed by the American people to be sacred trusts on the part of their Government. The potential for abuse is great making it incumbent upon us to be wary of setting a precedent which will destroy that confidentiality which is the bedrock of the tax system and the citizens' faith in that system.

The policies announced over the past few months and which I have described in the first part of my remarks, pose such a precedent-setting danger. Furthermore, the fact that the group singled out now is the American farmer—at a time when the administration has practically waged war with the farmer with its drastic agricultural budget cuts and fund impoundments—makes the policy all the more suspect.

It is particularly ironic that the administration is demanding increased information on the private lives of American citizens at a time when it—to put it kindly—has been less than forthright in providing the public with information on its activities. This lack of candor and the atmosphere of coverup is not limited to the recent scandals which have tainted the administration, but is evident in the entire Government's unwillingness to allow its activities to be scrutinized by the people it is supposed to serve. The evasiveness of governmental agencies—the Department of Agriculture included—in the face of the Freedom of Information Act is only one example of this adamant refusal by the Government to open up to the people. The Government seems to expect the people to accede to its demands that even the most sensitive personal data of an individual be open to its inspection. Has the administration forgotten that in America it is the people's right to demand information from their elected officials, not the officials' right to engage in secret bugging operations or to snoop through confidential tax records?

At a time of rapidly decreasing public confidence in the institutions of Government, any policies which invite further abuse and carry with them seeds of greater public mistrust of the Government should be halted. The act of permitting inspection of farmers' tax returns is fraught with possibilities of abuse and is in contrast to the basic American principles of personal privacy. I urge my fellow Members of Congress to join me in legislative action to safeguard not only the rights of American farmers but of all citizens.

ENVIRONMENTAL EDUCATION HEARINGS CONTINUE

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 9, 1973

Mr. BRADEMAS. Mr. Speaker, on April 17, the Select Subcommittee on Education, which I have the honor to chair, began hearings on H.R. 3927, a bill cosponsored by the gentlelady from Hawaii (Mrs. MINK), the gentleman from New York (Mr. PEYSER), the gentleman from Idaho (Mr. HANSEN), and me, to extend the Environmental Education Act for 3 years.

We heard at that time, Mr. Speaker, from a distinguished list of public figures, including Arthur Godfrey, as well as from environmentalists and educators. All of the witnesses spoke enthusiastically in favor of extending the Environmental Education Act.

At this time, Mr. Speaker, I would like to announce that the subcommittee will continue hearings on H.R. 3927 next week.

On Tuesday, May 15, at 10 a.m., in room 2261 of the Rayburn House Office Building, we shall again hear from environmentalists and other members of the public as well as from our distinguished colleagues from Minnesota (Mr. FRENZEL) and Texas (Mr. ECKHARDT).

Also scheduled to testify on that day, Mr. Speaker, are: Richard Myshak, executive director of the Minnesota Environmental Sciences Foundation; Tony Mazzocchi, citizens legislative director of the Oil, Chemical & Atomic Workers International Union (AFL-CIO); and a panel including several students, along with Thomas Offutt, vice president of the Institute for Environmental Education, and Mrs. Bessie Moore, environmental education coordinator for the Arkansas State Department of Education.

On Thursday, May 17, we shall hear from the Honorable Sidney P. Marland, Jr., Assistant Secretary for Education of the Department of Health, Education, and Welfare, accompanied by Walter Bogan, Director of the Office of Environmental Education.

I would also at this time, Mr. Speaker, like to bring to my colleagues' attention an article on environmental education written by Linda K. Lee, a member of the National Advisory Council on Environmental Education.

The article, "Environmental Education: Education That Cannot—or Can It?—Wait" was published in the April 1973 Smith Alumnae Quarterly.

I insert the article at this point:

ENVIRONMENTAL EDUCATION: EDUCATION THAT CANNOT—OR CAN IT?—WAIT

(By Linda K. Lee)

In 1970, the U.S. Office of Education published a booklet entitled *Environmental Education—the Education that Cannot Wait.* Despite Presidential rhetoric, bipartisan Congressional support and the enthusiastic efforts of some government officials, educators and concerned citizens, however, the environmental education program enacted by Congress in 1970 has waited in the anterooms of federal bureaucracy for nearly three years. Unless Congress acts before June 30, 1973, it may pass into oblivion. How it happened, from the perspective of one edge of power, is the story of this article.

"Let no man jump to the conclusion that he must take his PhD in ecology before he can 'see' his country. . . ." Aldo Leopold.

ENVIRONMENTAL EDUCATION ACT

It was in the spirit of Dr. Leopold that Congress enacted the Environmental Education Act of 1970 (Public Law 91-516). An initiative of Congressman John Brademas, an Indiana Democrat with an Oxford PhD, the Act was based on the conviction that the threat to environmental quality was in part due to a poor understanding of ecology, and a lack of resources for education in the field. The bill received bipartisan support and passed both Houses of Congress by wide margins.

President Nixon lent his verbal support for the concept, stating in the Congressional message accompanying the first report of the Council on Environmental Quality that "environmental literacy . . . will require the development and teaching of environmental concepts at every point in the educational process."

Environmental education was not to be another item in the already crowded curriculum, to rank alongside math, history or literature, but rather, in the words of the Act, part of "the educational process dealing with man's relationship with his natural and man-made surroundings."

To add this new dimension in learning, the Act established an Office of Environmental Education within the U.S. Office of Education to carry out a grant program to universities, school systems and public and private agencies. Among the activities to be encouraged were curriculum development, information dissemination, preservice and inservice training for educational personnel, and community education programs. The Act authorized a three year program with funding of $5, $15, and $25 million.

To advise the Office, the Act created an Advisory Council on Environmental Education to consist of twenty-one members with "not less than three ecologists and three students."

IMPLEMENTATION

As outlined, environmental education program did not appear to differ much from a number of other categorical education programs funded by the Congress during the 1960's. Environmental education, however, started out with at least one major handicap in Washington; the legislation was initiated on Capitol Hill, not in the executive branch. Federal officials often have a built-in resistance to new programs for fear that they will somehow intrude on previously protected "turf." This is compounded when the new program emanates from the wrong end of Pennsylvania Avenue.

It should not have been surprising, therefore, that a campaign began almost immediately to cripple environmental education. Nearly a year passed before the new Office was formally esablished; it was several months and several physical moves later before it could truly be called functional. More than a year passed before the Advisory Council was appointed and held its first meeting.

ADVISORY COUNCIL

It was into this legislative-executive tangle that unsuspecting Advisory Council appointees walked in December 1971. For Julia Brown Perry '60 of Tucson, Arizona and myself, it was quite an experience. We were neither students nor ecologists and attendance at Smith was not among the statutory descriptions of Council members who were to be ". . . appointed from the public and private sector with due regard to their fitness, knowledge, and experience in matters of, but not limited to, academic, scientific, medical, legal, resource conservation and production, urban and regional planning and information media activities as they relate to our society and affect our environment. . . ."

If our personal roles were somewhat vague, our mandate from the Congress was clear; we were to advise the Commissioner of Education on the operation of the Act, make recommendations on the allocation of funds, develop criteria to be used in making grants, and evaluate and disseminate information about funded programs.

FUNDING

By the time we first met, however, planning for Fiscal Year 1971 grants was already well underway. Since the Administration had actually opposed the enactment of the legislation, it was not about to fight to fund it. Only a last minute $2 million Congressional appropriation enabled the program to begin. In the first year, only 74 awards totaling $1.7 million (againt an authorization of

$5 million) could be made. Because of the delays, the Advisory Council had had no input into the preparation of criteria for grants but found itself summoned before an oversight hearing by the Brademas Subcommittee in April 1972 with very little to report. We had, however, elected officers, approved by-laws and established subcommittees which were hard at work on our Congressional charge.

Meanwhile, the inexorable calendar had the Office of Environmental Education preparing to send out guidelines for 1972 fiscal year funding, still without meaningful participation by the Council. At the oversight hearing, Congressman Brademas berated the Deputy Commissioner of Education for failing to consult with the Council and charged that the Office was deliberately ignoring the dictates of P.L. 91–516.

The 1972 funding situation was also precarious and the Office ended up with some $2.5 million for projects in all 50 states, Puerto Rico and the Mariana Islands. The Council itself suffered from a lack of funds. $50,000 was made available to cover travel and related expenses in holding meetings, but we had no permanent staff and had to draw upon the already burdened Office of Environmental Education for assistance in making meeting arrangements, processing travel vouchers and obtaining information on environmental education developments around the country. There was literally nothing left over to keep ourselves informed of the activities of other government agencies, or to conduct on-site visits of funded programs unless they happened to be located within the area of a full Council meeting. The Office itself never was permitted to hire a full staff complement and was working nights and weekends to meet shifting "higher level" deadlines for review of grant applications.

CONTINUED PROBLEMS

By June, 1972, the Advisory Council had prepared criteria for incorporation by the Office in project guidelines for Fiscal Year 1973, presumably the last year of the program, but we had yet to see any projects in the field. Late that month, as the 1972 awards were announced, we met in Minneapolis and had our first opportunity to visit projects operated with federal, state and local funds. This experience gave us new ideas to take back home and new perspectives for inclusion in project guidelines. By September we were back in Washington confronting a host of bureaucratic problems; a new director of the Office, new Council members to bring up to date, a new set of guidelines for advisory committees from the Office of Committee Management in HEW, and a campaign adjournment of Congress without an appropriations measure (the President vetoed the first bill) to cover the Office for Fiscal 1973. At this point, many of us wondered if we were advisors or firefighters.

ADMINISTRATION HOSTILITY

We met again this January, again not to advise but to prepare our obligatory annual report to the Commissioner of Education. Officially due on March 31, we were informed that it must be in final form early in February in order to meet "printers' deadlines." Two days after the conclusion of our meeting, the President's Budget Message to the Congress announced that no funds would be requested for the Office of Environmental Education since the Act was due to expire on June 30. What will happen to the Office after that date or to funded projects still underway is unclear. Congressman Brademas has introduced legislation extending the program for another three years with total funding of $60 million, but it is uncertain whether the Congress can complete action on the measure before June 30. Meanwhile, environmental education has become another pawn in the Executive-Congresisonal confrontation over revenue sharing versus bloc grants, impoundment and the constitutional authority of the legislative branch.

Where are we, then, as a Council each of whose members undertook the responsibility in good faith and with the conscientious intent to carry out our legislative charge?

Whatever our individual backgrounds, each of us is certainly better educated with respect to the bureaucratic environment if not the physical one. We have seen some good programs in process; we have hopes for some experimental efforts still in preparation. Certainly our belief in the need for environmental education for all age groups, through formal and non-formal processes, with public and private agency support has not lessened.

COUNCIL'S POSITION

The Council's 1973 report calls for the extension and full funding of P.L. 91–516. Only if the program is continued will we ever be able to evaluate the results of efforts such as that of the environmental public education TV project in Western Massachusetts to increase public awareness of the environmental threat to the Connecticut River Watershed; of the Tucson Audubon's program to demonstrate how man can fit into the desert environment without devastating it; of a Washington, D.C. community group's effort to mobilize citizens to evaluate the quality of their drinking water.

It is of such programs that this article should have been written. Environmental education is that important.

But at this point in time, it is difficult to assess whether the existence of the environmental education program, and of the Council itself has had any impact—positive or negative. We may, through hot air and excess paper flow, actually have had a negative impact! It is relatively easy to evaluate the impact of citizen action on a community; highway construction on parkland is or is not prevented; a recycling center collected X bottles last week. Perhaps we have learned another law of bureaucracy: the level of frustration of the participant rises in direct proportion with the level of government served.

We hope our experience as a Council is not typical. Regardless, I, for one, don't regret it. We may have won a few little bureaucratic victories—or at least put out a few fires. And I'd like to think that through our efforts and those of the Office of Environmental Education the importance of environmental education has been more clearly perceived and is more articulately supported.

PREDISASTER RELIEF

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 9, 1973

Mr. STARK. Mr. Speaker, I have today introduced a bill in the House to require the President to furnish predisaster relief to the East Bay Hills area of California. The bill is companion legislation to S. 1697, introduced by Senators CRANSTON and TUNNEY. Hearings were held in the Small Business Subcommittee of the Senate Banking, Housing, and Urban Affairs Committee, and the following is my testimony inserted into the record of those hearings:

Mr. Chairman and Members of the Committee, I am appearing before you today to voice my unqualified support for S. 1697, requiring the President to declare the East Bay Hills a Disaster Area. The evidence and testimony you will be presented today by those local and state officials most directly involved will surely be powerful and moving. I do not believe that I can better state the case. The men and women here today representing the people who stand to suffer so drastically in the event of a fire, and who must undergo serious economic hardship in preventive measures can best convey the enormous proportions of the impending tragedy.

I would like however to take this opportunity to convey to the Members of the Committee the history of attempts made to date by myself and my staff to alleviate the fire hazard. Perhaps it will then be apparent to you, as it has become to me, that Presidential action in the form of a designation of the area as one of "imminent disaster" is imperative. Without it there is little that can be done to compensate for the great financial hardships of so many. And naturally, without such a declaration the possibility and peril of impending fire disaster grows with each warm, dry spring day.

Nearly all efforts to date to secure emergency relief funds have been futile. Money is traditionally available from various sources and government agencies. For many technical reasons, however, this situation in the Hills does not qualify. Money that might have been released by HUD, by the Department of Labor, the U.S. Forest Service, the State of California, the Department of Agriculture and other smaller agencies has simply not been forthcoming. We have been forced into the realization that our disaster simply does not conform to the requirements now in the statutes for anything other than a "state of emergency". It is indeed a sad commentary that tragedy must occur before funds that would have been preventive can be released.

Beginning in late February, we initiated explorations into possible sources of aid for the area. Our first task was to build a conclusive case that the trees were indeed dead, and thus a grave threat. The only known precedent, the freeze of 1932, had caused initial damage and all the eucalyptus trees appeared dead. Within a number of years, however, they were revived so that many of those in question are demonstrated survivors of a serious frost.

We called on the Park Service and the Forest Service in this initial period for advice and evaluation. At that time we believed them to be a good potential source of aid in the event that the trees would have to be cleared. The Forest Service, of the Department of Agriculture, claimed jurisdiction in the matter and began working with state and local officials on the scene. Aerial views and infra red photos were used as evidence, but proved to be disappointingly inconclusive. Portions of the trees, themselves, were analyzed in laboratory tests and determined to be alive but still dangerously inflammable. It became apparent that so many concerned parties with conflicting standards were involved that there would be no simple resolution. An unbiased judgement would have to be made by a single party.

My Washington staff, during this same time frame, was investigating every federal agency that had relief programs even remotely related to fire disaster. The Library of Congress, the Department of the Interior, and the Public Works Committee proposed various possibilities, but all were revealed to be unsuitable. Watershed programs seemed likely to be applicable but their overall budget had been so drastically cut in recent years that no substantial funds could be made available. We were then speaking conservatively of $5 million in damages. The total budget of the Watershed programs amounted to very little more than that. Similar findings were made in all the other federal disaster relief programs.

The only conclusion to this exhaustive study was that money would have to be made available through the Office of Emergency Preparedness. This necessitated a Presidential designation of the area as an "imminent disaster". I conveyed this message to the President by letter on April 4. After a lengthy review, Governor Reagan arrived at the same conclusion on the first week of April. He declared a "state of emergency" in Alameda and Contra Costa Counties, and requested President Nixon to "declare the counties major disaster areas due to the extreme fire hazard presented by the dead trees". In this same statement he directed that a Fire Prevention Center at the East Bay Regional Park Headquarters would be established to begin fire abatement procedures. In conclusion, though, he too appealed for the availability of Small Business Administration Disaster Loans. It seemed the only recourse for private property and homeowners.

The Governor has made limited amount of funds available for land clearance, and the California Ecology Corps has been enlisted in the land clearing effort. While an earnest beginning, this is still pitifully insufficient. Estimates of damage, and of expenses to the property owners now range upwards of $5 million, and $20 million is no longer considered a liberal figure. Very few private citizens have such resources available to them. A homeowner with several dead trees on his property is faced with an extremely expensive operation, but a family living on a fixed income with even just a few trees in the yard may encounter serious financial hardships These people must be compensated, or reimbursed. And all those who have not yet made large expenditures must be assisted before that should become necessary. Time is running out. William Hildebrand, the Fire Marshall of Alameda, has set June 1 as the deadline. At that date all dead trees must be cleared from private land. Estimates range upward of $300 per tree.

As a last resort, the manpower element was explored. It was thought that the Department of Labor might have sufficient funds to deploy large groups of previously unemployed men and women into land-clearing operations. Public Service Employment has in the past given jobs to hundreds of people in projects similar to this one. This years drastic shortage of funds in the program, however, rendered this impossible. The City of Oakland could not afford to hire anyone. Public funds might have been provided for the immediate future, but under the same laws it is stipulated that no one may be hired temporarily unless the city can guarantee him continued employment when the project is completed. No such money for salaries could be found in the Okland city government.

The Neighborhood Youth Corps was then briefly considered. This possibility was even more quickly rejected—NYC's funding expires on June 30, 1973. Revenue sharing, as we are all aware, is not committed to the continuance of any program. There are no guarantees.

I am pleased to be able to report to the members of this Committee, though, that we have been able to make one small step in the area of compensation to property owners. No final decision has yet been reached but preliminary reports from the Internal Revenue Service confirm that some relief through tax deduction may be forthcoming. We do not know how much, if any, of the cost of tree removal will be deductible. But we do know that the IRS will permit any property owner to claim the difference in his property value before and after tree clearance as a single deduction. This is small consolation, but surely a beginning.

Mr. Chairman and members of the Committee, we have explored every existing avenue. Congressman Dellums, Congressman Waldie, Senator Tunney and yourself, Mr. Chairman, have done all within our power and authority to provide relief to this endangered area. The local governments, the mayors of many towns, county supervisors, state officials and innumerable citizens have worked tirelessly to avert disaster. The Governor of California, Ronald Reagan, intervened on behalf of all these people and declared the area one of "imminent disaster."

We have all answered our constituencies. We have lived up to our responsibilities as elected officials. The President has let us down. He has refused to live up to his obligations. The President turned his back on East Bay Hills residents whose homes and property are threatened by the worst Bay Area disaster since the 1906 earthquake and fire.

We now must turn to you, the members of this Committee, and to the Congress to compel the President to respond. There are no other sources of relief. Only he can make the authorization for the release of Federal Disaster Relief Funds. Small Business Administration loans, provided through the Office of Emergency Preparedness, cannot be made available unless the President so directs. On behalf of all those who are undergoing such hardship now, and who stand to be so severely afflicted in the event of fire, I cannot urge you too strongly to consider this bill favorably and work for its rapid adoption.

Thank you, Mr. Chairman.

SOVIET JEWS AND EDUCATION TAX

HON. JAMES J. HOWARD

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 9, 1973

Mr. HOWARD. Mr. Speaker, the plight of the Soviet Jew is of justified concern to many millions of Americans. Many of us in the Congress have expressed concern about the so-called education tax which is nothing more than a threat and blackmail against those who wish to emigrate.

All too often, however, we do not hear very much about what is happening in other governmental bodies, outside the Congress. In New Jersey, we are most fortunate in having a State assemblyman who has spoken out consistently in his support for the Soviet Jews. He is Assemblyman Eugene Bedell, one of the more able officials in the New Jersey State Legislature.

Mr. Speaker, under the leadership of Assemblyman Bedell, the New Jersey State Legislature on April 30, 1973, unanimously passed a resolution sponsored by Mr. Bedell memorializing Congress to withhold preferential trade treatment with the Soviet Union until the head tax on its Jewish citizens is eliminated.

Because of the grave concern in the Congress over this sensitive subject, I am including a copy of Mr. Bedell's resolution in the RECORD:

ASSEMBLY RESOLUTION NO. 2029—STATE OF NEW JERSEY

Whereas, In the Soviet Union men and women are denied freedoms recognized as basic by all civilized countries and indeed by the Constitution of the Soviet Union; and

Whereas, The government of the Soviet Union is persecuting Jewish citizens by denying them the same rights and privileges accorded other recognized religions in the Soviet Union; and

Whereas, The right to freely emigrate, which is denied Soviet Jews, is a right affirmed by the United Nations Declaration of Human Rights; and

Whereas, These violations of basic human rights are an obstacle to the development of better relations between the people of the United States and the people of the Soviet Union; now, therefore

Be it resolved by the General Assembly of the State of New Jersey:

1. That the President and the Congress of the United States are hereby memorialized to consider the plight of Soviet Jews prior to granting most-favored-nation status to the Soviet Union, and to call upon the Soviet government to end its persecution of the Jews, in accordance with the Soviet Constitution, and to permit its citizens to emigrate, as affirmed by the United Nations Declaration of Human Rights; and

2. That copies of this resolution be transmitted to the President, the Secretary of State of the United States, the presiding officer of each branch of the Congress of the United States and to each member thereof from the State of New Jersey.

CONSTITUENT CONVEYS COMMONSENSE

HON. ROBERT J. HUBER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 9, 1973

Mr. HUBER. Mr. Speaker, one of my constituents, Mrs. Vogelsang of Clawson, Mich., has rewarded Senator ROBERT GRIFFIN and me with her pithy comments on a number of the conditions faced by Americans today—problems which Mrs. Vogelsang feels could be solved or minimized with a heavy dose of commonsense.

The letter follows for the interest of my colleagues in the Federal Government:

(NOTE.—Thoughts inspired by TV programs, commercials, radio programs, newscasts, editorial comments on TV by news personnel, magazines and other people's newspapers—as we quit taking a paper over a year ago).

In the same day I heard Jack LaLanne, on his program, and a TV message with Rafer Johnson speaking on supporting the physical fitness programs in our schools. I wonder if they call 30–45 minutes a week of gym, in one of these suburban white schools, a fitness program? Then the gym teacher expects these kids to do reasonably well in the President's Award program.

If they pass and get an award I am sure it must be due to eating all these vitamin fortified cereals that most mothers I know feed their children because it's easy to fix and the children will at least be eating something. Certain government agencies won't agree with this which leads me to thoughts on food.

Just what is a wife and mother to feed her family nowadays? By the time I get through trying to plan a weeks balanced meals at a reasonable cost, that everyone in the family will like, I'm too exhausted to eat it. I have been going through this mental anguish for 10 years now and so far we have survived without FDA's help. All they do is confuse me so I've stopped listening. All these minimum weekly and daily nutritional needs don't seem to take into affect that my family hates liver and all yellow vegetables, except rutabaga occasionally, I hate spinach, they will eat scallops once a month and on and on. Apparently, those government experts just love to eat any and everything and assume the masses will follow their suggestions.

Expert—would someone define that word for me? I am tired of hearing it. I consider myself an expert in every field the government has a department for. Our home, in Clawson, is equivalent to the White House. My husband is the President. I'm the Vice President as I take over when he's gone. I am the Sec. of the Treasury—as he claims he has enough trouble earning the money and making out bills gets him nauseous—so I do the money management. I am the Sec. of State—I go about negotiating treaties between our children who go to war once a day (we have one boy 10 and one girl 7). As the Sec. of Labor—I work at keeping the house presentable and neat. As Sec. of HEW I am seeing we stay reasonably healthy, the children get to school on time and looking out for their welfare is no small task. I am the President's social secretary, which is not a big job, but once in a while he does have to relax. We share the Sec. of Agriculture job and in the summer we even employ the children. I am the Sec. of Transportation, Sec. of HUD, etc. I could continue, but I've said enough. What I want to know then—how does the government define expert? I have been married 11½ years and that has got to make me an expert on something—maybe being an idiot because in spite of all this I don't want to be a "liberated" woman.

I have no desire to go out and earn a living. I spent three years working, while in college after my father died at the end of my freshman year, to earn extra money. I worked during the summers to earn tuition, room and board. I agree with very little of Woman's Lib and I feel Congress is going a little overboard for women now. Too many jobs are being held by married women with children and for each job they hold (and a lot of these jobs are unnecessary second incomes) there is a man out of work who might have a family to try and support.

I am also tired of hearing about "assembly line boredom." Any job can be boring—even mine. I do basically the same thing every day from getting up at the same time Monday thru Friday, making beds, three meals, washing, ironing, dishes and so on. All this boredom business is a crock of you know what in my opinion.

Speaking of employment! I wonder how long it will take politicians to stop campaigning on a platform of "elect me and you'll have a job!" There will never be total employment—that is a Utopian dream, just as total equality. (It is a fine idea, but I still labor under the idea that Utopia would be an absolute bore.) Mass production and machines that can do a man's job have helped unemployment rise, but I have yet to hear anyone mention this.

This leads me to unions. I can see they have their place in a democracy and I understand that union people are now becoming more independent thinkers, but I get the impression that business profits make unions want more money and if they get an increase prices rise because they're supposed to have more money to spend and things are at a Mexican standoff and no one seems to benefit—the Vicious Circle Theory as I call it.

My husband doesn't belong to a union, but works for Ford Motor Corporation. If things keep up in his office the way they are going I am assuming an anti-unionist will become a pro white collar unionist. The business of getting ahead in a corporation is just as bad as running for Congress, unless you've had 10 years experience and are 20 years old, have a relative in high places or are prepared to kiss fannies you are just liable to sit around collecting dust even though you have that all important degree from an institution of higher learning. Doing a good job doesn't count and by the time you reach 35 you're old.

Speaking of age—if the average working slob has to retire at 65 how come everybody in Congress and the Supreme Court is hitting their prime at that age? (Maybe it takes that long to become an "expert" in government.) There seems to be a flagrant violation of age discrimination between my husband's job and the men sitting on that bench. Why shouldn't they have to retire at 65? Airline pilots have to stop flying at 60, maybe it has something to do with judgment and alertness, if this is so there should definitely be retirement for Justices for these same reasons.

My husband and I have all but stopped watching TV. The programs are lousy, but those stupid commercials are worse. What a horrible picture I draw of the so called average human being. He has dirty hair, smelly armpits, bad teeth, a congested nose, bloodshot eyes, constant headaches, bad breath, weak fingernails, constipation, bad stomachs, hemorrhoids and smelly feet to mention a few of the maladies. The place they live in is just as bad—little men in your toilet bowl to keep it clean, dirty windows, floors and carpets, dusty furniture and house atosis, but at least there is a cure for this—just building your home in a large lemon! Oh, how I long for the nice music and lovely scenery of the cigarette commercials. Personally, I resent these agencies of the government that are now demanding these ads be proven, especially of the auto industry now. Do they think we are so stupid that we actually believe all these commercials?

There are too many programs devoted to educating the pre-schooler. My children didn't watch these programs and my boy has been an all A student since first grade and my daughter is also doing well. I think this rush to have our children well educated leads to boredom in school because they know it all before they get there. I would, however, suggest TV learning as a means of eliminating all schools, therefore, we will eliminate financial problems like Detroit has and the solution to the ridiculous busing issue. It would be cheaper to supply children with TV sets than buses—even the maintenance would be cheaper.

The word repair brings Ralph Nader to mind. He wants to repair everything it seems. I'm waiting for him to have to get his nose repaired when somebody punches it. I will give the man his due, but when he can run the Corvair right off the assembly line and a few years later say he might have been wrong—the man has gone a bit far. Due to him I don't want to buy a new car. Each new car we buy goes back to the dealer more often than the last due to these recalls. I heard the other day he's checking up on eight small airplane companies—how nice.

While driving the other day I heard, on the car radio, some mention about a conviction of somebody in the Watergate Affair. Why is everyone trying to grab some headlines in this stupid farce? I think that by the election results, if nothing else, it should be evident that people really appear to feel like Rhett Buler—they don't give a damn. The average person, I feel, has enough smarts to realize that this type of campaigning has gone on probably since John Adams and someone just happened to get caught this time. People have more important things to worry about today than Watergates, like trying to keep their head above water.

A big deal is being made about Watergate and yet the "common" criminal on the street isn't as sought after as a bunch of bugs—and gun control is not the answer! If a person feels compelled to commit any type of crime he will find a weapon even if its nothing more than a metal nailfile. If it were left up to me I would rather be shot than stabbed or a saw blade run across my neck.

I realize the possibility of ending an innocent person's life exists when you have capital punishment, but holy cow the crime rate is getting ridiculous all over the world and we seem to be the only country trying to be so darn civilized we are becoming barbaric. If capital punishment doesn't appeal to you there is always the old Oriental method, as Billy Graham hinted, rapists could be castrated, thieves could have a hand cut off, etc. There is not enough money to ever make me want to become a policeman. From a layman's observation they should walk around in their own handcuffs with no bullets in their guns. Court dockets are apparently overcrowded, first offenders are out on bail committing a second crime, the jails are overcrowded, and the prisoners are rioting for various and assorted reasons and now someone wants to run the jails like hotels with visiting wives. This may be OK for the check forger, but for a murderer I wholeheartedly disagree. He is in prison for punishment, not for fun and frolic. Richard Speck and Sirhan Sirhan should have been executed immediately after their trials were over instead of undergoing psychiatric treatment. Of course a person like this is sick and I feel society would be better off wihout him (or her). Now Bobby Seale is running for mayor of Oakland, but why not?—this is a democracy and we have a constitutional government.

The word unconstitutional is beginning to grate me. It seems everything is unconstitutional nowadays in some respect and maybe some of the earthquakes are due to our forefathers (and even foremothers) spinning around in their graves. The Bill of Rights makes me wonder who's being billed for whose rights.

I am developing the attitude that if you don't contribute to society (and I don't mean the contribution of more children) you don't deserve any. But this is a whole letter in itself so I will stop here on this subject because it leads to the subject of welfare. Only one comment on this—if welfare is undignified let people refuse it and fill their stomachs with dignity. It won't be long before malnutrition sets in and then they may be forced to chew up and swallow their pride.

Swallowing goes along with food and I am not going to let Virginia Nower (phonic spelling so if it's wrong I apologize) know how I manage to feed my family the same as I did last year even with increased food costs, and I am not a hamburger fancier. I do find it funny though that IRS is so concerned about car repair costs, which is not usually a daily expense, but no one seems to be caring about food costs and eating is something my family likes to do everyday. In the Detroit metropolitan area Farmer Jack's food stores are cutting beef prices 20% for a period of time. If they are making a profit at this reduced price why can't these be the regular prices? It appears, on the surface, that normally all Jack does is get a higher profit. Profit is essential to the economy but does it have to be such a big one.

I think I have bored you enough if you are actually reading this so a few short closing comments:

Busing. I abhore the idea, but if it follows this country's normal actions it will be the person be damned so roll out the busses, with Naders and NAACP's approval, and a few years from now the educators will realize it isn't solving anything and they'll have to find some other equal way to educate the kids.

Vietnam. Too bad Sen. Goldwater didn't get elected in 1964. I still admire him.

Pollution and Ecology. We must cure tomorrow, ills that took many years to develop and if we can't cure it we'll just levy fines.

Killing of government people. At least we're not alone in this area. Pretty soon the whole world may be one big Banana Republic.

It is amazing, if one reads history, to find out that basically the middle class (of which our family is part) has gone unchanged over the years. They have borne the brunt of everyone picking on them in one way or another and yet have managed to survive to support this country in every respect from manpower to money. If nothing else, it only goes to prove they manage to survive in spite of and not because of.

MENTAL HEALTH ASSOCIATION OF ESSEX COUNTY, N.J.

HON. JOSEPH G. MINISH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 9, 1973

Mr. MINISH. Mr. Speaker, the history of care for the mentally ill in this country should be a source of embarrassment to every American. For too long the large residential psychiatric hospital has been our single resource in treating mental illness. Only 2 of 50 States have made the commitment to provide adequate mental health care—California and Kentucky.

Yet one of every two hospital beds is occupied by a mentally ill person. Mental illness is recognized by industry as the single most contributor to absenteeism and concomitant loss of business. In fact, untold millions, perhaps billions, of dollars are lost each year due to mental illness. One of every 10 Americans requires, in his life, some sort of emotional help.

Only recently has this country begun to develop new approaches to the treatment of mental illness. In the last 10 years we have financed community-based mental health programs to treat people in their communities without having to institutionalize them. For the vast majority of residential patients and individuals barely coping day-to-day, outside psychiatric hospitals, this approach has proven itself as most effective, humane, and economical.

New technologies are under study which may someday isolate causes of mental and emotional illness and lead to even more effective treatment. With new forms of prevention and treatment, we may be able to reduce significantly the impact of mental illness in this country.

The Mental Health Association of Essex County is a citizens' organization committed to improved public and private services and policies in the area of mental health. It has represented the public interest in the development and evaluation of mental health programs. It has a proud history of vanguarding the struggle for strong right to treatment laws, community-based mental health centers, improved treatment in psychiatric hospitals, and protection of patients from institutional peonage.

The Mental Health Association has entered the human services field itself, when necessary, to provide qualitative services to this county. Their program of low-cost psychotherapy was the first of its kind in the country. Their school for autistic children—Garden School—which is now sponsored by the Belleville public schools, has received international recognition. Prospect House, a partial hospitalization-psychiatric rehabilitation program, is sponsored by the Mental Health Association, which also provides ongoing day-to-day personal and family counseling services to the community.

To support the programs, this private nonprofit organization has undertaken this year a dynamic and creative approach to fund raising. They are sponsoring a gala ball at the new Newark International Airport at the TWA terminal.

I applaud these efforts and call on every citizen to support this vital organization.

THE VITAMIN BILL MAKES SENSE

HON. CRAIG HOSMER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 9, 1973

Mr. HOSMER. Mr. Speaker, 137 of our colleagues have cosponsored my bill, H.R. 643, which would prevent the Food and Drug Administration from trying to dictate what vitamins and mineral supplements Americans should or could take.

Many of us are aroused at the thought of the FDA putting unneeded restrictions and regulations on vitamins and vitamin supplements. This, in my opinion, is just another attempt by the bureaucrats to control our very lives. I am confident the majority of the American people have the wisdom and good sense to consume these items properly and beneficially.

I include as a portion of my remarks an article from Prevention magazine entitled "Were the 'Vitamin Hearings' a Hoax?":

WERE THE "VITAMIN HEARINGS" A HOAX?

(By Robert Bahr)

The longest, most expensive and most emotional hearings in the history of the Food and Drug Administration, which began in 1968, came to a conclusion in January of this year with the issuance of a series of dietary regulations.

The "defendants" in this bizarre case were nutritional supplements—vitamins, minerals, and other concentrated foodstuffs. They stood accused of being worthless. Claims that they could provide health and well-being were branded as fraudulent. People who sold them were accused of being "quacks," and those who took them, "faddists." The penalty asked by the Food and Drug Administration, which prosecuted the case, was severe restriction on the sale, formulation, and labeling of these supplements, which would be appropriate to products which have little or no value to the consumer.

The verdict, as seen in the new Dietary Supplement Regulations of 1973, was guilty as charged. Somehow, this was both surprising and not surprising.

To those who followed the hearings closely between 1968 and 1970, the long-awaited verdict was shocking for the simple reason that there was very little in the testimony to suggest that the FDA had proved its case against dietary supplements. In fact, there had been a tremendous amount of evidence presented by the experts which suggested the opposite of what the FDA set out to prove. In addition, some 55,000 aroused Americans had sent letters to the hearing clerk, blasting the FDA proposals as an unwarranted trespass against their freedom of choice.

But what made the verdict not so surprising after all is the curious fact that besides prosecuting the case, the FDA was also the jury! They and they alone decided the merits of the testimony, and then further decided what the "sentence" should be.

Now you may ask, why should a U.S. regulatory agency spend over one million dollars in tax money to put on a two-year hearing if they aren't going to pay any attention to the testimony? The answer is that the FDA only mounted the hearing as a sop to public opinion when a cry of outrage greeted their proposals, back in 1962, to impose stringent new regulations on vitamin supplements. They had no intention, originally, of holding hearings, but public opposition was so intense that at the last minute, just before the rules were to go into effect, the agency backed off and announced that it would let vitamin advocates have their "day in court."

Most of the people involved in the hearings no doubt thought they were being held in good faith. That is, that the FDA would objectively consider all the testimony from the experts, give some weight, perhaps, to opinions mailed in by the public, and then come to a sound decision. It seemed, at the time, that this is what they planned. Why else would they pay for some 90 witnesses to appear on their behalf? And if they weren't sincere, why would they let the hearings continue for 2 long years?

Were the so-called "vitamin hearings" just a mockery of justice put on at the expense of the taxpayers? This is a question you have to answer yourself. Here, we will present in boiled-down form the major features and confrontations of the hearings, in what we consider to be an objective manner. Read the testimony with an open mind, and you be the judge.

U.S. COURT TELLS FDA IT CANNOT DICTATE DIET

The FDA warmed up for its assault by making a number of raids and seizures without benefit of any regulations whatsoever to support its actions. In 1963, they seized 568 cases of Dextra sugar on charges of misbranding and ordered the manufacturer, in effect, out of existence. In court, the FDA argued that Dextra labels stating the sugar contained minerals and B vitamins—which was true—were *misleading* because people would think Dextra was better than other sugars.

U.S. District Judge Emmett C. Choate ruled against the FDA in 1964. He said the FDA brought the charges because "it is not in sympathy with its (Dextra's) use. The provisions of the Federal Food, Drug, and Cosmetic Act did not vest in the Food and Drug Administration or any other Federal agency power to determine what foods should be included in the American diet. This is the function of the market place."

Judge Choate added, "Plainly, only Congress can or should regulate the use of vitamins, and then only to prevent public injury." The FDA appealed the case to higher courts, but Choate's ruling was upheld. In effect, the decision told the FDA to keep its hands off nutritional supplements, since its only authority is to regulate the purity of foods, but not to decide that some foods may be sold and others not.

Entirely disregarding this ruling, the FDA continued to pick off small vitamin firms that could not afford to defend themselves against the Federal Government in court. In Kansas City, the agency used bugging devices to obtain evidence that two lady school teachers were demonstrating a product called Allerjoy, a milk substitute for children and adults allergeric to milk.

By 1965, protest that the agency was trampling on citizen's constitutional rights in order to put the vitamin firms out of business were so strong that the Senate Subcommittee on Administrative Practice Procedure undertook hearings. One of the witnesses, K. W. Dilling, an attorney for the National Association of Food Supplement Manufacturers and Distributors, told Senator Edward Long who headed the Committee, "This is trampling upon traditional American rights. The planting of these devices is thoroughly un-American and thoroughly reprehensible." Dilling added, "The use of 'snooping devices' is a very common practice of this agency . . . sometimes they 'bug' a whole house. It's been my experience in dealing with FDA cases that the use of these devices is extensive, general, and accepted by this agency."

When the hearings were over, Senator Long concluded, "If the FDA spent less time spying on and raiding small manufacturers of vitamins, and more time looking into the large firms which manufacture dangerous drugs like thalidomide, the situation would be greatly improved."

NEW BOGEYMAN: THE "VICIOUS FOOD FADDIST"

So the FDA changed tactics. A year later, the new FDA Commissioner, James Goddard, began talking once again about the vitamin regulations. He said in an interview that they were necessary because "avaricious and vicious food faddists and nutritional quacks were foisting worthless products on the public." In June, 1966, Goddard issued the "final" regulations.

They weren't final for long, for the day they were issued all hell broke loose. Here is what the regulations required:

Potency of supplements was not to exceed the Recommended Dietary Allowances established by the National Academy of Sciences-National Research Council.

Only certain combinations of vitamins and minerals, dictated by the FDA, would be permitted.

Manufacturers were to be prohibited from saying on a label that their product was from a natural source rather than from a synthetic one.

It was to be forbidden to state that any food or supplement was effective for the treatment or prevention of any ailment, including diseases caused by deficiency of the nutrients contained in the supplement.

It would be forbidden to state or imply that significant segments of the U.S. population are suffering from a vitamin deficiency or even face the possibility of developing such a deficiency.

Advertising dare not suggest that deficiencies can develop because ordinary foods lose nutritive value when they are grown in poor soil, or because of losses in storage, transportation, processing, or cooking.

And just in case anyone had missed the point, the regulations required this statement, known as the "crepe label," on every bottle of vitamins and minerals:

"Vitamins and minerals are supplied in abundant amounts by the foods we eat. The Food and Nutrition Board of the National Research Council recommends that dietary needs be satisfied by foods. Except for persons with special medical needs, there is no scientific basis for recommending routine use of dietary supplements."

It immediately became clear that someone at the FDA had an overactive imagination. Dr. LeRoy Voris, executive secretary of the Food and Nutrition Board of the National Academy of Sciences, said that he didn't know where the FDA got the exact phrase that his organization "recommends that dietary needs be satisfied by foods." Dr. Voris was also unaware of any communication between the FDA and Food and Nutrition Board concerning the label statement. "Nor has the Board reviewed or approved the labeling requirements," Dr. Voris added.

As for the scientific basis of the dietary allowances on which the FDA placed so much emphasis, the Food and Nutrition Board publicly commented that "*the allowances do not necessarily reflect the nutritional need of any one person or group, since these can be judged only after careful clinical, biochemical and physical evaluations have been made.*"

TOP NUTRITIONISTS JOIN ATTACK ON PROPOSALS

Other top nutritionists joined in the attack on the crepe label, and the assumptions behind it. Thomas H. Jukes, lecturer in nutrition at the University of California at Berkeley, wrote, "The first sentence (vitamins and minerals are supplied in abundant amounts by the food we eat) is a generalization which does not apply to individual cases. I do not think that any professor of nutrition would give a passing grade to a student who made such a statement." He added: "*There is a strong basis for recommending routine use of dietary supplements to make sure that overt signs and symptoms do not develop in persons who have unrecognized special needs.*"

Pediatrician George M. Owen of Ohio State University Children's Hospital said, "It is mistakenly assumed that most people in this country receive a diet adequate in all respects simply because of the abundant food supply. The fact is, that the nutritional status of the people of the United States is not known, and no one has a right to pass laws guessing at it. It is discouraging to see the Government forming regulations pertaining to matters for which scientists have not yet provided information," he concluded.

Even the United States Department of Agriculture attacked the regulations issued by its fellow agency. Assistant Agriculture Secretary George L. Mehren said the crepe label, "will give the consumer a false sense of security. . . . The most recent nation-wide survey indicates that 38 per cent of households have diets that do not meet the National Academy of Sciences-National Research Council Recommended Dietary Allowances in one or more nutrients."

Within two months after the regulations were issued in "final" form, the FDA had received 55,000 letters of protest! Consumers, nutritionists, and more than 100 food and drug companies were clamoring for a hearing. The FDA argued that a hearing was not necessary—because the 1966 regulations were not really new, but a revision of some 1962 regulations. Yes, they admitted, hearings should have been held in 1962, but since they weren't there weren't going to be any hearings now, either!

But pressure from the public continued to grow, and just two weeks before the deadline, Goddard announced that the regulations would be stayed and a hearing held.

BIPARTISAN SUPPORT FOR HOSMER BILL

On Capitol Hill, 23 Congressmen supported a bipartisan bill by Craig Hosmer of California, and Wendell Wyatt of Oregon, to prevent the FDA from putting the regulations into effect. Hosmer said on the floor of the House: "I have been told that there has never been an accidental death due to vitamin overdosage, but it is said that one person dies every three days from taking lethal doses of aspirin, which the FDA permits to go unlabeled."

Months passed, and the FDA kept postponing the hearings. Observers believed that the agency was hoping that its hot potato would cool off. Instead, it got red hot.

Not long before the hearings finally opened, a nutritional survey in New York City showed that of 642 children, 73 per cent were considered to have poor diets, based on the National Research Council's Recommended Dietary Allowances. According to the Bureau of Nutrition of the New York Department of Health, the children had low blood levels of vitamin C, vitamin B_{12} and niacin. Those who were malnourished also suffered significant reading disabilities.

Dr. George Christakis, director of the survey, urged that the children be given vitamin supplements, a stinging rebuke to the FDA.

A month later, the Citizens' Board of Inquiry into Hunger and Malnutrition in the U.S. released a 100-page report showing that the average American diet does not always provide the recommended daily vitamin-mineral requirements. "Hunger and malnutrition exist in this country, affecting many of our fellow Americans and increasing in severity and extent from year to year," the report declared. Especially among the poverty population, this study found a "high incidence of anemia, growth retardation, protein deficiencies such as marasmus and kwashiorkor and other signs of malnutrition."

A survey done by the United States Department of Agriculture in 1965 revealed that the proportion of "good" diets had *decreased* from 60 per cent to 50 per cent since the last survey had been made in 1955. The percentage of outright "poor" diets increased from 15 per cent to 21 per cent.

FDA TRIES TO "GERRYMANDER" TESTIMONY

In the glare of all this publicity, the vitamin hearings opened on May 7, 1968, to a standing-room-only audience. FDA's first witnesses, hand-picked to argue the agency's case, was Dr. Lloyd Filer, of the American Academy of Pediatrics' Committee on Nutrition. Filer is an expert on infant feeding, and the FDA intended to call upon him to support their labeling requirements for infant formulas. But Filer also happens to be one of the physicians who wrote to the agency in 1966 strongly denouncing the crepe label. The FDA took the gamble that the subject wouldn't come up—and lost.

They lost another gamble too, with Filer. The expert had recently completed a 7-page report on infant feeding. Five of those pages were important to the FDA case. The last two, however, contained a table of "Suggested Allowable Maximal and Minimal Amounts in Mineral and Vitamin Supplements for Infants." These charts recommended generally higher supplement levels than those in the FDA's proposed regulations.

Industry lawyers objected when the FDA attorney tried to introduce only the first five pages of Filer's report. As one lawyer put it, "I don't think the Government has the right to gerrymander the witness's testimony . . ."

Before the day was through, Filer managed to add a personal opinion to the record: "I think it is in restraint of trade that the manufacturer can't make a product claim on the basis of demonstrated effect." In other words, he couldn't see why a manufacturer may not claim that iron supplements prevent iron deficiency "since this is the basis for the inclusion of iron in these products. Clinical studies can be cited to support productive effectiveness."

What about label warning to avoid excesive intake of vitamin D? Filer said he felt that deficiency of the nutrient was a greater danger. To his knowledge, no one has ever died in the United States from an overdose of vitamin D. Too many warnings may frighten people into avoiding vitamin D supplementation altogether, leading to vitamin D deficiencies. And people do become ill and die from that.

THE FDA'S "WONDERFUL WITNESS"

Finally, in August of 1968, the FDA managed to get a witness who stuck by its side. He was Arthur Grollman, professor of experimental medicine at the University of Texas' Southwest Medical School. He staunchly defended the regulations as a means of "protecting consumers from wasting their money and buying something they are going to pour out into the sewer." For a while it looked like it was going to be Grollman's show all the way. He curtly brushed off references to a number of authorities holding views conflicting with his own:

Roger J. Williams, Ph.D., biochemical researcher and discoverer of pantothenic acid, who believes that individual differences determine how much of a certain vitamin people need—"Williams' theories are sort of senile ravings. I hate to see my colleague going on like this, not saying anything new, but saying it in such an inflammatory manner to mislead people."

Nobel Prize-winning biochemist, Linus Pauling, Ph.D.—"He is talking through his hat when he advocates large doses of vitamin C to ward off colds. His opinion there is no better than the Governor's." (Governor Ronald Reagan also believes in vitamin C as a preventive for colds.)

Dr. Morris Fishbein, editor of *Medical World News*, and world-famous medical journalist—"He is a well-known publicist." When industry attorney Stewart Land quoted Fishbein as saying the elderly need routine vitamin supplementation, Grollman answered, "I would not hesitate to disagree. Of course, I wouldn't say that it is *all* hogwash."

When the discussion got around to the crepe label, Grollman protested it was still not strong enough! He called for deletion of the phrase "except for persons with special medical needs." No one, he proclaimed, needs routine supplementation for any reason.

The FDA was positively delighted, but their first big bubble of success was doomed to be burst later that very day. Attorney Stewart Land introduced into the hearing a 1965 paper by Grollman, "Efficacy and Therapeutic Utility of Home Remedies," unpublished, but delivered at the New York Academy of Sciences. Land read from Grollman's paper: "An adequate and varied diet supplies the needed vitamins, but modern processes of refining foods and methods for their preparation often result in removal and destruction of their natural vitamin content." The paper also said that "milder forms of antivitaminosis still occur" and that in such cases, the ingestion of multi-vitamin preparations will prevent the effects of vitamin deficiency." Basically, it was Grollman vs. Grollman, and the winner was the soundness of the regular use of nutritional supplements.

FDA'S TOP CONSUMER "EXPERT" UNMASKED

All summer, things went badly for the FDA, and almost in desperation, their attorneys looked forward to October 11, when Sydney Weissenberg, the FDA's Associate Commissioner of Compliance—sort of the agency's police chief—was scheduled to appear. For years Weissenberg had been acting as FDA's official expert on consumer attitudes and opinions. In light of this experience, Commissioners Larrick and Goddard both accepted his assurances that consumers were being misled by vitamin firms. And at his request, they issued the vitamin regulations. Six years of headaches with vitamin regulations were built on Weissenberg's analysis of consumer attitudes towards nutritional supplements.

The day Weissenberg walked into the hearing room to tell all he knew about consumer attitudes, the air was electric. And in short order everyone was shocked speechless—especially Sydney Weissenberg.

The bad news was handed down by hearing examiner David H. Harris. After carefully re-reading the record, he said, he had decided that Weissenberg would not be allowed to testify as an expert on consumer opinions because the record was "entirely barren" of any evidence to show that Weissenberg was qualified as an expert!

He explained: "Weissenberg has not made any attempt to ascertain by survey or direct inquiry attitudes among the general public concerning particular statements involved in the labeling of special dietary foods." Weissenberg's supporters argued that he made many public appearances before consumer groups. Harris labeled them all "public relations" appearances, not surveys of public opinion.

Weissenberg was totally untrained in interpreting the state of mind of consumers, said Harris. Only people highly trained in that field can offer expert opinion, he said.

It was a major defeat for Weissenberg personally, and a violent blow to the very foundation on which the regulations were built. Weissenberg left crushed, but in two months he was back, armed with new "evidence" to support his regulations.

He introduced a series of hospital nutrition records which he said showed that hospital patients across the country are well nourished. If they don't need vitamins, neither does the rest of the population, he argued.

Somehow, attorney James Johnstone managed to get a copy of Weissenberg's hospital records, and when Weissenberg was finished, the lawyer quietly explained that the Associate Commissioner for Compliance had presented only the records which supported his case. Additional facts in the same records showed many, many cases of nutritional deficiency. Alcoholics and pregnant women particularly showed signs of iron deficiency anemia. They were uniformly treated with dietary supplements.

Then Johnstone introduced other studies, including one by the American Medical Association, which showed that from 10 to 60 per cent of pregnant women suffer from low iron levels. A memo which Johnstone had obtained from FDA investigators, written by a medical official at Chicago's Cook Hospital, said that low income groups often suffer from iron deficiency anemia. A study by the Oklahoma Department of Education's School Lunch Division showed that 30 per cent of school students *in all income groups* lack adequate iron.

A LESSON IN HOW TO MANUFACTURE "EVIDENCE"

Again Weissenberg left in defeat. But he still had one more move. And that was to come up with a "survey" of his own which would prove, without any doubt, that everything he had *wanted* to say about the gullibility of the American public was true.

Although the survey had been originally commissioned in 1966, the results were not issued to the public until very late in 1972, just a few weeks—by some strange coincidence—before the FDA also released its new dietary regulations. The thrust of the survey results—as interpreted by the FDA—was that the American public is grossly ignorant about its own health and nutrition. Why? Because the majority of us, this survey revealed, think it's a good idea to take nutritional supplements as insurance against vitamin and mineral deficiencies. How's that for a self-serving analysis?

The survey, conducted by a private organization in Philadelphia, also revealed that the more education an individual has, the more likely he is to use nutritional supplements on a regular basis. This fact, the FDA says, means that too much emphasis is placed upon nutrition in college!

Another fact revealed by the survey was that this same group of people—those with college and postgraduate degrees who make regular use of nutritional supplements and health foods—is actually *quicker* to seek medical attention for persistent symptoms than those who either do not eat health foods, or who only buy them occasionally. Quite clearly, this group of people is not taking supplements in an attempt to out-guess their doctors, or to indulge in self-medication, but rather as a kind of insurance designed to *prevent* illness.

Significantly, the FDA, in its press release, carefully avoided mentioning this finding, for the simple reason that it blows to pieces their assertion that people who take vitamins are fuzzy-headed faddists.

It shows, rather, that these people, besides being better educated, are also more concerned about protecting their health and more sensible about seeking medical attention in the face of persisting symptoms.

What it all boils down to is that the FDA, by perverting the survey findings to suit their own prejudices, sought to achieve by a public relations stroke what they could not prove scientifically in two years of testimony at their own hearings.

DECISION HANDED DOWN—BY THE PROSECUTION

Finally, in January of this year, the FDA handed down its decision. The food supplements were guilty as charged. Virtually all the restrictions which the FDA had been trying to ram down the public's throat for nearly 10 years were now elevated to the status of law. No more comments. No more discussion. Like it or lump it.

In some details, the FDA compromised on its original proposals. Gone is the requirement for a "crepe label." However, manufacturers are not permitted to state on the labels of their products that the nutrients contained in the package can be of any use whatsoever. It is not even permissible to state that the nutrients can prevent or cure a deficiency state of those very nutrients! The much-attacked "crepe label" was designed to achieve this same goal, so in effect, it is now part of the regulations.

As for the maximum permissible potency, the FDA increased some of them by up to 50 per cent. But vitamins A and D remain at the old RDA level. The point is not whether they should be at the RDA or 2 or 3 times the RDA, but that because vitamins are perfectly safe, except when taken in gigantic overdoses, the FDA has no business at all in dictating how much of them or which kind anyone should take.

In essence, then, the FDA has now made into law everything that it proposed to do before the hearings were held. As taxpayers, we could have saved a lot of money—over a million dollars, in fact—if the FDA had never held the hearings at all.

What is *your* verdict? Do you think the FDA's decision was reasonable, based on the testimony of the experts? If you do, fine. That is your right. If you don't agree, that is also your right, but the FDA says there is nothing you can do about it.

But there *is* something you can do. And that is to write your representatives in Washington and let them know how you feel about this miscarriage of justice, misuse of tax money for propaganda purposes, and the theft of your rights as a consumer.

If your Congressman is not aware of the Hosmer Bill, H.R. 643, tell him that you would like to see him become a co-sponsor. This bill would give a sharp tug on the FDA's jurisdictional leash, and prevent it from dictating dietary matters to Americans. This bill is now in the Subcommittee on Public Health and Environment. Write to Congressman Paul Rogers, Subcommittee Chairman, in the Rayburn House Office Building, and urge him to have the Hosmer Bill reported out to the floor where it can be acted upon.

It's also a good idea to send a letter to your two U.S. Senators, and urge them to sponsor and support a similar bill.

The FDA is betting that the American public, after all these years of hearings and delays, has been browbeaten into submission. If we are to call their bluff, we must all get busy and deluge our representatives in Washington with letters of protest. Their most important job is to guard against a power grab by the executive branch of the Government, and you can tell them about one of the worst examples of power grabbing in recent history.

SENIOR CITIZENS MONTH

HON. ROBERT H. STEELE

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 9, 1973

Mr. STEELE. Mr. Speaker, we are now in the midst of Senior Citizens Month, 1973, a month dedicated to more than 20 million American contributors to the high standard of living we enjoy as a Nation today.

There is an element of tragic irony in celebrating this important month, however, for while we have dedicated it to the millions of older Americans who led our country into the great prosperity we now enjoy, the fact is that the great majority of them have been left on the outside of this prosperity.

I do not believe that a more poignant illustration could be drawn of the situation faced by the citizens we are honoring this month than an illustration drawn by the hand of one so honored. I am, therefore, submitting excerpts from two recent letters of one constituent from Portland, Conn.:

DEAR CONGRESSMAN STEELE: I am appreciative of the fact that people from all over the United States are alarmed over our runaway inflation and under the circumstances. I too am very much alarmed because in reviewing my situation I have come up with the following figures, which are self-explanatory:

Cost of Living 1972

Base expenses—monthly:	
Fuel oil	$24.00
Electricity	28.00
Telephone	24.00
Garbage collection	2.50
Household insurance	18.33
Real estate tax	77.25
Water	4.25
Maintenance and repair	15.00
Total	193.33
Basic living cost—monthly:	
Food and medicines	150.00
Auto	50.00
CMS/Blue Cross	20.00
Miscellaneous (clothing etc.)	40.00
Total	300.00
Plus monthly	193.33
Total	493.33
Income:	
Social security	194.20
OAA	64.10
Net gain on food stamps	35.10
	293.20
Deficit	$200.13

"This is a rough situation. I have been forced to sell assets of extreme sentimental and monetary value principally in the form of furnishings, jewelry and clothing to meet the monthly deficit."

"In spite of the help afforded us through Title 19 (medicaid) many of the doctors whom we have had to use do not participate or will not perform under Title 19, which necessitates our carrying Blue Cross and CMS."

"Mrs. C. was hospitalized three times last year in order to prevent her arm from being amputated. Her total surgical and hospitalization costs since August 15, 1971, have exceeded $22,275. My own costs since December of 1971 are in excess of $18,100. In my case I suffer from Arteriosclerosis which has settled in my legs."

"We are up against the law of diminishing returns. Tax assessment on our home has increased from $16,000 to $24,000 although now frozen at the latest assessment. At the rate costs are climbing, we will eventually lose our home and become public charges which will cost both the state and federal government a great deal more money than our present total monthly costs."

"People in my position have, in the past, been browbeaten and frightened into acceptance of being classed as crooks, thieves, supplicants and paupers when asking for the help and which should be given them. If not for humanitarian reasons and compassion for health reasons or for an age which we must all reach in time, but from a plain and sensible economic reason, it is far better to keep people in their own homes whenever possible. Every man and woman should be granted all necessary assistance, financially and from a health standpoint to maintain a reasonable standard of living.

"I respectfully submit that time is inescapable and all of us must face up to it."

"This month I was pleasantly surprised to receive an increase in our food stamp allotment from $64 to $92 per month at a total cost of $30 out of my Old Age Assistance monthly check of $64.10. No note or letter explanation was included so I have no way of knowing if the increase was intentional, a mistake, temporary or otherwise. I will not inquire and my reasons are as follows:

"1. To qualify for Title 19 assistance I must go into the Welfare Office and submit copies of my Birth Certificate, Marriage Certificate, copies of most recent bank statements, copies of tax, telephone, garbage collection, water, electric, oil, insurance and any other receipts or evidence that I am still Alive and Do, In Fact, require that my Title 19 be continued. This occurs Once a Year.

"2. To qualify for Old Age Assistance I again must go to the Welfare Department and submit the identical documents and go through a searching questioning of each receipt etc., as in No. 1.

"3. To qualify for the Food Stamp program I again must visit the Welfare Department and submit the same documents and information as in 1 and 2 above.

"The dates are not coordinated but occur on dates that I was first certified for such assistance. The only constant is my Social Security which is beyond the reach of the Welfare Politburo."

"On Tuesday, when I took my wife to the doctor who has operated on her arm three times and for which she requires five therapy treatments per week in an effort to restore its use, the doctor discovered that a spinal disc on her right lumbar vertebrae was inflamed and on the point of rupture. This necessitated the purchase of a special corset that same day, which was done at a cost to me of $40 in cash. The Vendor stated that Title 19 would pay for this if we submitted the proper form, filled in and signed by the Doctor. The form would then go to Hartford and possibly within three weeks we could come in and pick up the corset. Our alternative was to pay out the cash or put her in the hospital which would have cost a minimum $100 per day. My wife is in agony and now getting therapy on both arm and back with the hope that another operation can be avoided. I called the Welfare Department in reference to my being reimbursed and was advised that I could be repaid the $40 by having the Vendor submit the forms as above, the Vendor then to collect the money and eventually reimburse me. The Welfare representative warned me, however, that if I did follow the above procedure that the Doctor, the Vendor and myself would be committing an illegal act. What am I supposed to do? Break the law along with my Doctor and the Vendor?"

"I have always thought in a straight line. All of the present Government Agencies who administer our laws invariably end up with Red Tape, overlapping of efforts and general inefficiency."

Mr. Speaker, those are just a few of the comments from a man whose situation I have grown increasingly familiar with over the last 2 years.

This man was a civil engineer, a professional man. He was a vital member of his community in which he lived and worked for a lifetime. He bought his own home and saved for his retirement.

Today, this man's savings are gone because of catastrophic medical expenses. Today, outrageously high property taxes and soaring inflation eat away at his limited income and tomorrow he is faced with the forced sale of his home. Tomorrow he may become a ward of the State and lose his fight to retain the dignity that he rightfully earned.

This man is one among millions whose life savings have afforded him little, if any, shield against the future—now present and now a reality.

I submit that we assume our responsibilities to the older Americans we are honoring.

In the proclamation announcing May as Senior Citizens Month, the President said:

> Government's actions on behalf of older Americans must never become mere caretaking. Rather they must be designed to free and assist senior citizens so that they can remain active and involved, in ways of their own choosing.

Senior Citizens Month is a time to recognize this goal as a responsibility and to begin assigning it the high priority it deserves, but has never had.

CONGRESSMAN WOLFF'S NEWSLETTER TO HIS CONSTITUENTS

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 9, 1973

Mr. WOLFF. Mr. Speaker, in order to keep my constituents informed of my work as their Representative in the Congress, I send each family in my district a regular newsletter. At this point in the RECORD, I should like to insert the text of my second report of the 93d Congress:

WOLFF NEWSLETTER TO CONSTITUENTS

DEAR FRIEND AND CONSTITUENT,

As a primary move in my ongoing efforts to lower food prices, I have introduced legislation, H.R. 6402, to prohibit the exportation of U.S. grains whenever our supply is inadequate to meet at-home needs. I have asked also that this embargo be expanded by Congress to include meats.

I took these actions because I am convinced the time is now to call a halt to foreign grain deals that are creating shortages and inflated prices here at home. The embargo could be lifted when we can afford to ship abroad.

Additionally, I am opposed to the administration's intent to grant the Soviet Union the distinction of Most Favored Nation status, a move aimed only at bailing out

Russia from the $4 billion she owes us for Lend Lease in World War II. In brief, what Most Favored Nation status means is the Soviet Union will repay the U.S. $700 million of its war debt and in turn will receive $700 million in agricultural credits to purchase our wheat and grain. This, too, at a time when foreign nations still owe the United States almost $46 billion in debts, some dating back as far as World War I.

My Resolution, H. Con. Res. 189, to begin calling in these debts now has gained majority bipartisan support and I am hopeful we can begin collecting what is rightfully owed us. There is no reason why we should persist in being the world's banker when these nations continue to threaten the dollar and our precious gold supply. The $46 billion owed us would go a long way towards alleviating our domestic ills—to prevent the Administration's massive budget cuts in education, veterans benefits environmental and community action programs.

Other measures I am pursuing, which I believe would lower certain food prices, include an end to the 75 cents a bushel Wheat Tax levied by the U.S. government on the miller and passed on to the consumer. Repeal of this tax—used for promotional purposes—could well result in a drop of two-cents on the retail price of a loaf of bread.

Only through complete and above-board cooperation between government and all levels of the food industry will prices be stabilized and Americans able to eliminate meatless days and sleepless nights.

WOLFF PROBES PRICE RISE FROM FARM TO TABLE

I wish I were able to report to you that America's economy is on the upswing, that inflation and cost of living increases were being curbed and that peace prevails. But, I cannot.

While the Administration fumbles over cleaning out the super-sleuths responsible for the Watergate mess, prices continue to soar, unemployment rates remain at an excessively high level and we are committing new American lives to Southeast Asia.

Recently at the Federal Building in New York City, I conducted a four-part series of Ad Hoc Congressional Conferences on food costs with the nation's retailers, wholesalers, producers and farmers, to seek out the underlying causes behind the unprecedented price increases. A great wealth of pertinent and useful information was culled from these meetings with the men of the marketplace who generally concurred that the $700 million U.S. grain deal with the Soviet Union was the principal reason for the dramatic rise in food prices. Directly affected by these exports are meats—livestock and poultry fattened on grain—and the soaring prices for dairy and bakery products, cereals, cooking fats and oils, and other food staples.

I believe that not only must these exports be halted until we have an adequate supply at home, but this nation must stop paying farmers not to produce food. An agricultural subsidy program that hands out $4 to $6 billion each year to keep land idle and non-productive is sheer folly. While the President's program for increased farm production is certainly a step in the right direction, prices never will become stabilized until the basic economic equation of supply and demand is put into proper perspective and balance. To diminish our supplies with excessive exports and inducements not to farm simply accelerates the demand and dictates the rise in both costs and prices.

Last month's meat boycott is a case in point. While it was successful at drawing greater attention to the price crisis, the thrust of the housewives' well intentioned revolt was aimed solely at cutting back demand and did not result in lower prices. Neither did the President's ill-conceived ceiling—imposed on the retail level only—at a time when meat prices were at record highs and suspiciously inflated as though the industry had had prior knowledge of the impending executive directive.

The answer lies in balancing the scales of supply and demand and in implementing across-the-board price controls on raw agricultural products—the basic link in the food chain.

VETERANS' EFFORTS QUICKEN TO ASSURE VA HOSPITAL

In the wake of the Defense Department's edict to shut down St. Alban's Naval Hospital, I have appealed to the House Committee on Veterans Affairs, of which I am the downstate N.Y. member, to amend the VA authorization bill to include funds for a study with the goal of turning the facility into a veterans hospital. I am also asking that the VA be compelled to place a hold on the property to prevent the General Services Administration from selling or releasing it to any other agency.

These proposals have gained a favorable reaction from congressional leaders and I am happy to add that I have received a pledge of "full support" from both Senator Javits and Senator Buckley for my ongoing efforts to save St. Alban's for the future care of Queens and Nassau veterans, Service personnel and their families.

The decision to close down St. Alban's came at the time when Long Island veterans organizations, servicemen and concerned public officials had finally been reassured that the Veterans Administration would take over a portion of the hospital to provide more accessible health and medical care for our nation's former and returning servicemen. The struggle to acquire these facilities had been long and arduous—it now appears the fight is not over.

I am prepared to continue the battle for as long as it takes to successfully resolve the future of St. Alban's for the benefit of our veterans, service personnel and their families who so desperately need these medical care services.

I pledge you my continued commitment to open up new resources to care for these men who have selflessly given so much in the defense of their country.

WOLFF BILL TO AID JOBLESS VIETNAM VETS

The Vietnam war has come home and with it the millions of veterans who must now fight to return to the mainstream of America and once again begin to lead enriching and productive lives.

But the going is not easy for these returning servicemen, particularly the untrained and the unskilled, who are finding it increasingly difficult to attain employment. For those wracked with drug addiction, the "cure" today consists of two weeks of detoxification. For the others who do not use drugs, the stigma of suspected use often bars them from gainful employment.

I am attacking these inequities on several fronts. I have introduced legislation (H.R. 6539) to provide tax credits for employers of veterans of the Vietnam war era and I am seeking to establish a new Subcommittee of the House Veterans Affairs Committee to specifically deal with the problems, frustrations and concerns of all Vietnam veterans. Additionally, I have legislation (H.R. 5185) pending to prevent any such callous reduction in disability benefits as was proposed by the Administration.

We must take positive steps to assess the total American sacrifice in this war by offering every available opportunity to our veterans. I find it deplorable that this nation, which demands so much from so many millions, now seems to ignore the basic needs of those most unable to readjust.

CONGRESSIONAL CONCERN CONTINUES FOR FORT WORTH FIVE

The perplexing questions surrounding the Justice Department's investigation and incarceration of the Fort Worth Five still remain unanswered while five Irish-Americans waste in jail and their families suffer undue hardship.

Recently, I testified before a Judiciary Subcommittee to demand that the Justice Department provide Congress with certain pertinent data concerning this investigation. While the law permits incarceration of recalcitrant witnesses to induce them to answer grand jury questions, clearly this provision is applicable only if investigation is continuing. (No witnesses have been called in the last six months.) If the grand jury has halted or completed its investigation of the Fort Worth Five—and it is this information I seek to ascertain—then these men should not be held any longer under this statute.

The Fort Worth Five, all New Yorkers including Thomas Laffey, a constituent of mine from Williston Park, are in jail in Texas for failing to answer questions of the grand jury investigating alleged gun-running activities to Northern Ireland. Simply, they have refused to testify, even though granted immunity from prosecution here, in fear of possible extradition pursuant to a treaty with Great Britain. Yet, they have not been accused of any crime or wrongdoing and no bail has been set.

I have never presumed to speak of the guilt or innocence of these men—that is for the courts to determine. However, I do strenuously protest the handling of the investigation by the Justice Department. I believe that these men are being treated with less consideration than convicted federal criminals and that their civil rights have been jeopardized. The totally uncooperative attitude adopted by the Justice Department firmly convinces me that Congress should promptly reevaluate the present anti-crime statutes.

THE 25TH ANNIVERSARY OF THE ESTABLISHMENT OF THE STATE OF ISRAEL

HON. EDWARD P. BOLAND

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 9, 1973

Mr. BOLAND. Mr. Speaker, this year the State of Israel is celebrating its 25th anniversary of founding.

The birth and remarkable growth of the State of Israel is perhaps the outstanding event in the Mideast following World War II. And in making it a dynamic, democratic, and powerful state, the Israeli leaders have worked a near miracle. They have amply proved to the world that the Israeli people are the proud heirs of a most ancient heritage, that of the historic Kingdom of Israel.

Perhaps no other racial or ethnic group has suffered so much and has sacrificed so much of its worldly possessions as have the Jews in their long and turbulent history. I am happy to say that none has earned its richly deserved freedom with more glory as have the Jewish people in their historic homeland.

Since those days of the Kingdom of Israel nearly all Jews lived in dispersion. During that long enforced exile the Jews suffered much. They endured proscriptions, discriminations, and lived under a multitude of inequities in many lands. But they faced their unhappy lot with exemplary fortitude.

Their spiritual and cultural heritage sustained their spirit of freedom and independence during their dispersion.

Through the centuries their rich heritage was kept alive.

Finally, after long centuries of waiting and suspense, many Jews were given the opportunity of returning to their homeland. And in May of 1948, with the proclamation of Israel's independence, they gave birth to the independent existence of the State of Israel.

Mr. Speaker, the close association between the United States and Israel is symbolized by the fact that only 11 minutes after Israel was proclaimed a sovereign state, President Harry S Truman extended recognition to her.

This Nation was thus the first to recognize the new state. Our affinity with the people of Israel comes from many sources. The American people have a long tradition of sympathy for peoples striving to attain sovereign nationhood. And we Americans harbor a genuine appreciation of the pioneering and courageous spirit that has built Israel.

Against odds considered by many to be insurmountable, the people of Israel have performed an economic and social miracle in this past quarter century.

The State of Israel this year can look back with pride and joy for being a model democratic state in a region known for its dictators while people live in abject misery. The people of Israel are very appreciative of their freedom, of the free institutions which they have created through their own ingenuity and industry, and they are extraordinarily vigilant in guarding their freedom.

Besides building a strong and powerful political state, they have done their utmost in turning the desert of the Negev into a fertile land, and the hills of Galilee into blossoming orchards. By the skillful use of science and the technical abilities of the people, Israel's leaders have transformed arid and inhospitable hills and desert plains into industrial centers and productive farmlands.

Men of vision and wisdom, courage, and confidence developed Israel's economy to its present plateau. This growth has taken place while the nation was surrounded by hostility and enmity.

Israel today stands as a tribute to faith, to courage, to strength, to ingenuity, and to perseverance. The people of Israel deserve the highest praise and the support of all who can appreciate and understand how Israel has achieved the impossible.

The outstanding political, social, and economic achievements of this small, yet determined, nation deserve the admiration of all people who honor the ideals of freedom and respect initiative and courage and resourcefulness.

After 25 years of uneasy and very busy existence, the State of Israel has already earned the right to be recognized as an honorable member of the family of nations.

Under most hazardous circumstances and trying conditions, the State of Israel has progressed steadily at a remarkable pace in the past quarter centry.

Despite the multiplicity of difficulties and dilemmas, the people of Israel face their future with increasing confidence and undiminished hope. They carry on the work of the sacred task of making Israel an ideally viable state, and under their highly educated, dedicated, and intelligent leaders and brave people they carry it on with vigorous zeal and boundless zest.

Mr. Speaker, on the 25th anniversary of the founding of Israel, I wish the Israelis patience and fortitude, peace, prosperity, and happiness in their recreated homeland, and I say "mazeltov," congratulations on the anniversary of their independence.

LEGISLATION TO MEDIATE AND ARBITRATE THE CONFLICTING INTERESTS OF THE NAVAJO AND HOPI TRIBES IN AND TO CERTAIN LANDS

HON. LLOYD MEEDS

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 9, 1973

Mr. MEEDS. Mr. Speaker, I am introducing today legislation providing for the resolution of what has been called "The Greatest Title Problem of the West."

This intertribal dispute is almost 100 years old and the current sensitive, controversial nature of the dispute is, in large part, due to the actions and inactions of the Federal Government. As a consequence, it is my feeling that the Federal Government has an obligation to make provision and to assume a large part of the burden for resolving this issue in a manner most fair and equitable to all parties.

Briefly, the history is this. In 1882 by Executive order, a reservation for the Hopi Indians was created in northern Arizona with the proviso that the Secretary might settle other Indians thereon. The area set aside was approximately 3,990 square miles in area or approximately 2½ million acres. The area was in the middle of the lands which eventually became the Navajo Reservation and, with the passage of time, the Navajos moved into the Hopi Reservation area until the Hopi were located almost solely within a tract of land surrounding their villages in the south of the reservation. Increasing conflict between the two tribes and their members was the result of this encroachment, The problem became very serious. In 1958, in an attempt to solve the problem, the Congress passed a law conferring jurisdiction on a three-judge district court to determine the relative interests of the two tribes in and to the 1882 reservation. Some intended and many believed that this would result in a final settlement of the dispute.

The court, however, in the case of Haling against Jones, confirmed in the Hopi Tribe, for their exclusive use, the area surrounding their villages comprised of approximately 650,000 acres. The court then said that they had no jurisdiction to partition the remainder and decided that the balance of the 1882 reservation, surface and subsurface, was in the joint, undivided, and equal ownership of both tribes.

The conflict between the tribes has not only gone on unabated, but has increased.

To add to the complexity of the problem we must resolve, the Hopi were given an undefined interest in a portion of the Navajo Reservation confirmed by the act of June 14, 1934, defining the boundaries of the Navajo Reservation. That act provided that the lands described were for the Navajo and "such other Indians as may already be located thereon." There were, at that time Hopi located in the area and they have some undefined interest which we must, if we are to resolve the issue, define.

Quite obviously, that settlement is best which the parties themselves agree to and accept and which is otherwise in accord with existing law. There have been many attempts in the preceding decades by the parties, sometimes voluntarily and sometimes with the strong urging of the bureaucracy, to negotiate a settlement. These attempts have not only been fruitless, but in some instances, have heightened the conflict.

Mr. Speaker, as some of the Members may recall, the House passed a bill last year seeking to resolve the problem by a legislative partition which met with the reluctant approval of the Hopi and the forthright opposition of the Navajo. In the minds of many people, such a solution will give rise to as many problems for the tribes and the Government as it solves.

Perhaps, in the end, a legislative partition will be the only solution. However, while my optimism is not unlimited, I cannot succumb to the pessimism that a settlement agreeable to the parties is unattainable. I offer this bill as a possible means to achieve that end.

Since I have, as chairman of the Subcommittee on Indian Affairs scheduled hearings on the Hopi-Navajo land dispute for next Monday and Tuesday, I will not go into detail here on the provisions of the bill.

The bill provides for the appointment of a three-man Navajo-Hopi Board of Arbitration. For a 6-month period, the Board will act as a mediator between the parties during negotiations for settlement. Sanctions are provided for the failure of the parties to participate or bargain in good faith. In the event an agreement is reached by the parties during this period, the agreement will, if in accord with existing law, be submitted via the Secretary of the Interior to the Congress. If neither House passes a resolution disapproving the agreement within a certain period, the agreement will have the force and effect of law.

In the event no such agreement is reached, the Board of Arbitration is empowered to formulate a settlement, based upon party offers, the facts, circumstances, and the law, which shall be submitted to the Congress in a similar fashion.

The bill makes provision for the consideration of ancillary problems and authorizes appropriations to facilitate the settlement of the problem.

As I have indicated, Mr. Speaker, the Subcommittee on Indian Affairs will have hearings next week on this problem. We will take testimony from the two parties and from the administration. We will be considering H.R. 5467, introduced by Mr. STEIGER of Arizona; the bill I have just introduced; and any other pertinent legislation then pending.

MARY McGRORY—A RARE TALENT

HON. JOHN E. MOSS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 9, 1973

Mr. MOSS. Mr. Speaker, truth today is a precious commodity—eloquence of phrase almost a lost art—courage to speak—the skill to do so with both candor and eloquence a rare gift.

Mary McGrory demonstrates a rarity of talent, a strength of courage and a precision of speech commanding all who will read her words a measure of attention and deserved applause.

I commend her words that follow to the attention of all my colleagues in the House:

[From the Evening Star and Daily News, May 8, 1973]

TIME TO SOUND THE BUGLE CALL?

(By Mary McGrory)

What Gen. Alexander Haig, President Nixon's new chief of staff, might do is to sound the bugle for some "whiskey-drinking, poker-playing, evil old men" to fill the decimated ranks of the White House staff.

The President has hinted that all pols are cads in the crunch—and his own record is compelling evidence on the point—but what most politicians have that was never exhibited by the clean-living Pharisees who served Nixon was a sense of limits.

They will do almost anything to get elected, but even a ward-heeler would have balked at forging cables in the name of a dead president.

An honest rogue might have suggested caution in approaching the judge with a job offer in the middle of the Pentagon papers trial.

"It wouldn't look right if it got out," he might have murmured.

Some things are sacred to the housebroken politician. J. Edgar Hoover, for instance. But the late director was apparently inveigled into giving his approval for a White House "investigation" of Daniel Ellsberg—an investigation that should have been done by the FBI.

The old man, it has been said hereabouts recently, would never have been lured into the trap that closed on his successor, L. Patrick Gray, who blindly accepted an order to conduct a patsy probe of the Watergate.

Gray was compromised, gangster-style, we have since learned. They have something on him. He burned "hot" documents passed to him in the White House by John Dean and John Ehrlichman.

In 1971, Hoover may have been compromised himself. The White House had indulged his cry for the blood of the Berrigan brothers and their friends.

So presumably the old man gave way in his turn. And the White House was literally turned into a den of thieves, something that might have shamed an old precinct worker, especially while prayer meetings were being held so ostentatiously under the same roof.

Gov. Ronald Reagan offered the thought that the men around the President were not "criminals at heart." That may be true. They were something more dangerous to a Republic. They were barbarians.

They seized the government the way the Vandals fell on Rome. They sacked and pillaged it. They tore down the temples and smashed the statues. Nothing they had not done themselves had any value. No institution, no tradition, no idea beyond power, had any meaning.

They treated the FBI like a private detective agency. They made a mockery of the Justice Department. They used the CIA as a wardrobe and camera-supply house. It is against the law for the CIA to conduct domestic operations. But for the men who wore the flag in their lapels while excoriating those who burned it, there were no laws.

Now the Marine Corps, another symbol of incorruptibility, has been dragged in. Its commandant, Gen. Robert Cushman, when he was deputy director of the CIA, gave the White House all it asked in the way of masks and wigs and false papers, "safe" houses and "sterile" phone numbers when the burglary of Daniel Ellsberg's psychiatrist was being plotted in the Executive Mansion.

"Semper Fidelis" is the motto of the corps. Cushman had served the President as a military aide, and he knew the terrain. Fidelity to the president is all that counts.

Seemliness is still eluding the men around the President, and, for that matter, the President himself. H. R. Haldeman and Ehrlichman rode to the grand jury in White House cars. It was a touch of bravado perhaps. They once owned the government, they still command its trappings. It does not cross their minds that people might be offended by the cavalier use of public property at a moment when their abuse of public trust was being attested to in courthouse a continent apart.

The emperor who presided over the most massive heist in the history of the republic—the national honor—is sitting in the ruins, issuing new decrees about executive privilege and new denials of his knowledge of what went on at his door and in his name.

Any self-respecting politician would have long since resigned.

TO HONOR OUR ELDERLY

HON. ROBERT P. HANRAHAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 9, 1973

Mr. HANRAHAN. Mr. Speaker, today I would like to say a word about our elderly. This, as I am sure you know, is Senior Citizens' Month, a special time to honor our older people.

I, for one, applaud the efforts of this Congress in the passage of the Older Americans Act Amendments in April. This is certainly a step in the right direction, and will assist our elderly where they need it the most, at the community, even the neighborhood level.

It is this community togetherness which I would like to emphasize. Our senior citizens are the backbone, the foundation of our society. And no matter how superficially youth-oriented our culture becomes, we should never forget this. Speaking of youth, I am reminded of a comment made by our eminent anthropologist, Dr. Margret Mead. She said that our youth are afraid to grow up, afraid of death, because our elderly are taken away from the living and evolving family process; the young do not have the opportunity to communicate to these older people.

I think more togetherness between old and young would benefit all people. I know of foster grandparent programs and retired senior volunteer programs where the elderly initiate contact with younger groups of children, especially orphans or foster children or youngsters in hospitals. Programs like these give the elderly a purpose, and a vehicle to communicate with the young. There are many unwanted youngsters in this country, I am sorry to say. And, there are also many unwanted oldsters.

I do not believe the parceling out of an older person into a retirement home is necessarily the answer either for them or for us. Certainly, we can say that when our elder relatives are in a retirement home, they will be with their peers, and therefore much happier. But this is not always true.

One never stops growing. What would a child do without older people to guide him? In the same way, a younger person can open the eyes of an older person. I think it would be a wonderful idea if more youngsters and youth groups actively participated in getting acquainted with the elderly of their towns and cities. The joy of communication does not run just one way, I assure you. I believe our country can use the resources of each and every individual no matter how old or how young. Our communities were envisioned to be a mixture of all, old people and young people. Webster's dictionary defined a community as "a social group of any size whose members reside in a specific locality, share government, and have a cultural and historical heritage." How can we have any heritage at all if we segregate our elderly?

All over this great land of ours, citizens are complaining about the lack of community, the lack of caring in our towns and cities. Maybe one reason is because we are not utilizing the experience and wisdom of all our human resources, particularly our elderly. Marshall MacLuhan says—

> A Community in which the elderly do not play an integral and central role is not really a community at all.

I feel, when all is said and done, that to honor our senior citizens by naming a month for them is not enough; we need to involve ourselves with our elderly, and allow them to involve themselves with us. This is real community, and the true sharing of our humanity and our heritage. Our elderly have lived where we have not, have lived when we have not; they can teach us much. And we should begin to listen.

GEORGE FOREMAN

HON. BOB CASEY

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 9, 1973

Mr. CASEY of Texas. Mr. Speaker, George Foreman, ex-Jobs Corpsman from Houston, Tex., did what others thought he could not do—George beat Joe Frazier and became world heavyweight boxing champion on January 23, 1973. I remember well that night in Jamaica.

George Foreman eloquently told his story in the article, "Don't Knock the American System to Me" and after reading it, I want to share this testimonial with my colleagues. The opportunity will exists in America for success and personal, satisfying accomplishments. With hard work and dedication, George Foreman made a dream come true. He believes in America and after reading his story, your faith will also be restored.

The article follows:

DON'T KNOCK THE AMERICAN SYSTEM TO ME!

(By George Foreman)

In my business, boxing, I know a lot about giving hard knocks, and getting them, too. That's the kind of business it is. I accept it for being that. But knocking the American system, that I can't take.

If there is give and take in life, and I know for sure there is, and some of it rough stuff, a man has to find out early in his life how much of each he has capacity for.

I found out early, though, that you don't get much of anywhere by knocking success. The really smart guy tries to find out why it works, and how he can get in that kind of action, and then tries to make it work for him.

They call me a flag-waver, and it's true. Not just that time in Mexico City in the Arena Mexicana on the night of Oct. 27, 1968. That was when I had beaten the Soviet heavyweight, Ionnis Chepulis. The referee called it a TKO, and the Olympic gold medal was mine.

There were more than 2,000 black athletes in those Olympic Games in all sports. I was afraid—even with the USA on my jersey—they might not know I was an American. And I wanted everybody to know, and to know that at that moment I was one of the happiest Americans who ever lived. So, I took the little American flag from the pocket of my robe, and waved it as I took a bow to each of the ring's four corners.

What never occurred to me then was that this little thing I did would be translated into an opposing view to the "black power" fever which was so much a part of that Olympics. It wasn't that at all. If that other way was how John Carlos and Tommy Smith felt—well, the America I came from is a free country, and they were entitled to do or say what they felt or thought. I was so proud, I was just doing what came naturally to me. It was my "thing," and thank God, it is still my "thing."

Casting about for places to put blame for the troubles a person has is an old human trait. "They" is an easier word to use than "I," when things don't go right. But in getting by an obstacle, or a trouble, or a problem, the key—and I know this because I've had them all, and still have some—is to take after it, all alone if that's the only way.

More times than not, battles have to be taken on alone. The messes a man gets into, they're the same. They didn't hunt him up; he went looking for them, whether he always knew it or not. He has to get into them himself, even if he has company at the time.

Nobody got me down in the street, for example, held my nose, and poured cheap wine down my throat when I was a kid. Not at all. I got the bottle, tipped it up, and drank it. Who would believe me if I said somebody forced me to drink that stuff? I don't force that easy. The memory of that wine is so clear to me yet that the smell of it now makes me sick to my stomach.

And when I was going about my first record-setting—which was how many windows I could break in a row without getting caught—I can't lay that idea on anybody else's doorstep. It was all my own, and I got all the way up to 200 before the Houston police thought it just might be me and looked me up to talk about it. It was quite a record, if one just wanted to look at the size of it, but it wasn't sensible or respectable to do it.

These were things that happened when I thought I had nothing going for me, but it was mostly my own attitude toward life that made it so. There was the high school there in the bloody Fifth Ward of Houston, and I dropped out of it in the ninth grade. It was my decision, not the school's. That and the other things caused my mother—bless her for all the suffering she endured for me—to have a nervous breakdown. That was my decision, being a bad guy and causing it, not hers. I had about lost faith in everything before I was even started, I guess, but she never lost faith in me.

SEEING THE LIGHT

Then, like Paul on the way to Damascus in the Bible story, my vision cleared up and the time came to make a right decision. I did it.

It was in an unlikely place, a Houston pool hall, and the TV set was on.

The man on the tube was doing one of those public service spots. It's a part of America that when a man gets famous, is a celebrity, they ask him to do these commercials about all kinds of things. Some are for causes, like fighting cancer, or helping retarded kids. This guy was recruiting, and he was saying he was once a down-and-outer himself.

Boy, was he on my wavelength, talking my language! I listened to him, half-like at first, and then he said he had this one skill, and finally got a chance to use it, and made it big. To anybody listening who needed a skill to get a job, he said, why not give the Job Corps a try?

So, I laid down that pool cue, and picked up hope. That's for me, I told myself, and they took me. There was some money in it, $30 a month, and $50 to go in the bank, and they'd send some home to my mother. Did she ever need it then!

It wasn't until then that it began to come to me what America was really all about, how there were things being done to really try to help people such as me find some way out. I was first in a Job Corps Center in Oregon, and then went to a big one, the Parks Job Corps Center, near Pleasanton in California.

It had a big company running it, Litton Industries. How come? Well, they were used to bringing people in through their employment offices and then teaching them whatever skill was needed for them to make or manufacture something. People just don't come off the street ready-made to do such work, they have to be taught. At Parks, they had courses in business machine repair, in electronics, auto mechanics, building maintenance and custodial services and how to cook. They put me in electronics, and had me putting transistor radios together.

But I was a rambunctious teenager, full of vinegar, and thought I was a pretty tough guy. Liked to fight, anywhere, anybody, the whole thing. But that wasn't the kind of place it was; it wasn't any western copy of my old Fifth Ward slum back in Houston. R. Sargent Shriver, the head of this war on poverty agency—Office of Economic Opportunity—he was telling the centers to throw the troublemakers out. I was headed out, no question about that, and to be honest about it, I didn't care all that much.

Litton Industries had put a man in there as the center director, Dr. Stephen Uslan, a fine man. When he was getting all this advice from his staff to send me packing, he said No. He said I was the kind of material the center had been set up to deal with. It wouldn't solve anything, he told them, just throwing George Foreman out. I had been thrown out of a lot of things by then, and it hadn't impressed or improved me much, was the way he put it. And then, he said the words which really turned George Foreman around.

"If he likes to fight so much," he told those staff guys, "put him in the ring down in the rec hall, and let him get it out of his system that way."

In business, you see, they can't really stand it when something won't work. They try one way, and then another, and they keep trying until they find the combination. Litton was especially good about things never tried before, and they had the guts to give it another try, and they took another swing at the George Foreman problem.

And then I found out what a long way it is from just an idea to a real, accomplished dream. I hit a lot of people, and I was awkward. I found out if I could connect, I could jolt them. I knew that, but also that I needed a lot of honing. I must have been the dullest knife in town.

But there are professionals in everything who know how to mold people, and Litton had one of them in that rec hall. His name was, and is, Charles R. "Doc" Broadus. They hadn't just hired a man and sent him down there to work in the rec hall when they got Doc. He had been in this boxing thing for 35 years or more. If I would listen to him and follow his instructions, he said, he'd get me into Golden Gloves, and maybe on the Olympic team, and then I could turn pro. He said that he thought I could be champion one day, but that I would have to make up my mind to work for it.

Now down there in Houston in the slum I came from, there wasn't too much talk about working for anything. People got money a lot of the time from being what was called smart—or from taking advantage of somebody. People walked on both sides of the line, as far as the law was concerned. But Doc said I could get it all, everything that went with it, if I was willing to work for it.

A BIG FOUR-LETTER WORD

Work is such a big four-letter word. I'd known a lot of the other four-letter words and they couldn't help anybody. This one meant sweat. It meant getting banged around. It meant being more tired than I had ever been in my life. And sore in more places, too. But when I went into Golden Gloves, I found it paid off, and I won. Then there were the Olympic trials in Toledo, Ohio, and by a hair, I made the Olympic team. Litton sent Doc Broadus and one of its executives, a onetime Air Force colonel, Barney Oldfield, down to Mexico City with me.

What I didn't know then was that as early as June, 1968 (the Olympics were in October), Barney had written to several friends of his, sportswriters, people like that, telling them to interview me in Mexico City because, he said: "George Foreman will win the gold medal, and go on to be heavyweight champion of the world."

It meant a lot to me, finding out such things, and that work was getting me closer and closer to where I wanted to be in life, and that other people were believing in me, other than my mother. And because I like kids, I found the ones who lived in slums as I had and others, too, were beginning to hang around me. They wanted to talk to me and they were paying attention to what I said. The more I won, the more they tuned me in. What a difference it makes when you first have that feeling that people are looking up to you, and not down on you!

That night after winning in Mexico City, I couldn't bear to take the gold medal from around by neck. It was my badge, my reminder. The ones around me now had been telling me the truth: Work and get with it, and you can have it all.

I had put a phone call in to my mother in Houston. She was always worrying about me getting hurt. Not the other guy, just me, her little boy, all 220 pounds of him. But I felt a desperate need to talk to her, to tell her that finally all those young boy kitchen conversations and dreams we used to have were starting to come true.

While I was talking with her, Barney waited, and when I came back to the table, he said that if it was all right with me, he was going to call the White House in Washington. He was going to remind them that this George Foreman who won in Mexico City was a Job Corpsman.

It was a program President Lyndon B. Johnson had brought about himself, and now he would surely want to see me and tell me himself how proud he was. Imagine! "Man, you're too much," I told Barney.

On Nov. 18, 1968—just three weeks later—Charles B. "Tex" Thornton, Litton's board chairman; Eugene Allen, of the Parks Job Corps Center; Barney and myself, we were walking up to the White House on our way to visit the President of the United States!

A GIFT TO THE PRESIDENT

I was carrying a little plaque I wanted to give him. I didn't know whether it was the right thing to be doing or not, but almost every time I saw pictures of him, he was giving something to somebody. I felt I owed him something. I was about to learn that whatever your heart tells you to do is always right, never wrong.

When I gave it to President Johnson, he looked so tired. The whole country kind of had him on the ropes then. To bring it back together, he'd made the big decision not to be their punching bag any more. I told him the plaque was to thank him for making the Job Corps possible—giving young Americans such as me a chance for hope, and dignity and self-respect. I saw a tear start down his cheek from his left eye. But he was sharp, too. Recovering himself, and waving the plaque at the press who were there in his Oval Office with us, he told them he was going to keep it there where they could see it everytime they came in, to let 'em know there was one person in the world who thought he had done something right!

I learned a lot about America that day: That when you're right, and do right in a big way, even the President of the United States will have you in to tell about it, and encourage you to keep on, now that you've found out what it's like. And I was standing there with him, and he had once been poor, too, and was a not-too-well-educated Texas boy who had refused many times along the way to be licked. He was going out of that White House, a man who had championed the cause of a lot of people, including me, and however bad he may have felt, I knew he could live with himself for all he had done.

Tex Thornton said he was proud of me, the way it had gone there in the White House, and he said he would always be available to me for any advice I might need, that I had only to ask. He even said he and some of his friends would put together a kind of syndicate, or association, which would back me and keep me from having to take any offers which might not be good for me in the long run. When I told him I wanted to try it alone, he respected that, and understood it, and accepted it.

Somewhere, I kept telling myself, I have to begin making my own decisions, and it might as well be now. The professional thing was on my mind, and I talked with Dick Sadler about being my manager-trainer. He had had a long string of champions the last being Sonny Liston. I had a strong feeling and admiration, for Sonny. He had had so far to come back when he started, from the hole he was in, and he did it. He came to a sad end, but in what he did, he showed all things were possible.

[Sonny Liston, who had many scrapes with the law during his life, was found dead in his Las Vegas, Nev., home in January, 1971. He had been dead for about a week. Drugs were at the scene, but the death was attributed officially to natural causes.]

Work! That word again, Dick Sadler told me about how much of it I had to take on now. He said the road ahead was bumpy, and had turns in it, lots of them. There were some places we fought in where we almost had to borrow money, or hock something, to get out of town. We had trouble getting opponents. Boxing writers were saying I fought Joe Namelesses and Bill Whozitses, and that I had to get more experience, when I couldn't get most of the ones I fought to stand up long enough to give me any. All this was what Dick Sadler had meant by work, that it could include frustration and hopelessness and fighting off giving in to them. There was wood to split. And at 6:30 in the morning, running those three-mile exercises when other people were still asleep. Then the gym, the bag—the little one and the big one—over and over.

A FINANCIAL CRISIS

I was hurting for money. I wanted to get married to Adrienne, a pretty girl I knew. A guy can't be smart enough to dodge everything. I signed some papers with some people, and I got married early in 1972 and we were very happy. Then the big chance came, and I signed for the fight with Joe Frazier for the championship in Jamaica. Right then, everything went sour in my mouth. I found that in the fight business, it's not just yourself, the guy you're fighting, and the referee in there with you—in spite of everything you try to do, you pick up partners, people who share in you, who know how to play you and your desires, and they have more to say about you than they should. When you have been living from day to day all your life, the implications of what you sign today don't look as big as they will tomorrow.

I got caught up in one of these things, not the first fighter to have it happen to him nor probably the last. But it upset me so, the only thing I could think of was quitting the ring. I meant it. The lawyers all gathered around me and begged me to go ahead; suits were filed, and finally, in a kind of desperation, they asked me if I had a friend somewhere that I trusted. They wanted to explain it all to him, they said, and then he could advise me. I remembered Litton Industries, and told them to call Barney Oldfield. It was 3 o'clock in the morning in California when he got the call from New York, and after bringing him up out of a deep sleep, they talked with him for a half hour or more.

The next day, he called me.

I told him I didn't want to fight Joe Frazier, even if I knew I could beat him. So many people had gotten their hands into my money, I didn't want to be another sad story in boxing for people to write about. I said I might as well forget the whole thing.

But Barney told me: "George, the only thing I figure you can do is go knock Joe Frazier out, and then come back and show people you can take all this. If you don't go ahead with the fight, they'll all be writing you're scared or something." He said it was a legal contract, and the important thing was to win the title and then argue.

Suddenly, it all cleared up for me. I was really fighting everybody but Joe Frazier, and he was the one to beat. "They" didn't mean anything. It was just the same old "they" to blame things on again, and I was beyond that. I had to be. What I was in was a business, and I had to treat it like a business, where contracts were contracts, and if I didn't have integrity about a contract, however bad it might be, what would I have left?

It was off to Jamaica, even though my wife, Adrienne, was pregnant, and the baby was due. On Jan. 6, there in Kingston, I heard that my baby girl, Michi Helene, had been born in far off Minneapolis. On Jan. 10, I became 24 years old. On Jan. 22, after a minute and a half of the second round and when he had been knocked down six times by me, Joe Frazier—the favorite of almost every boxing writer and odds-maker in the world—had lost his heavyweight crown, and it was mine! Bad as I had felt about not being able to be with my wife when our baby came, it was one of the things life asks of you in keeping things in focus, and I could now get home to them—a champion.

GIVING THANKS

In the delirium of the ring, I guess I thought of everyone—the ones who believed in me and had done things for me.

Among them was Johnny Unitas, the famous pro football quarterback, the one who had done the public service TV spot about the Job Corps which sent me off in this new direction.

I didn't know until after the fight that President Johnson had died while I was on the way to the stadium. They kept it from me. It gave me a chill to think back to that day in 1968, when, there in the White House, he had asked me when I thought I'd be heavyweight champion, and I said I didn't know. It made me sad to think he couldn't have lived one more day and read about what had happened in Jamaica that night. Without the Job Corps, I wouldn't have been there.

So, don't talk down the American system to me. I know what men go through to make it run. I also know that some of its rewards can be there for anybody, if he will make up his mind, bend his back, lean hard into his chores and refuse to allow anything to defeat him.

The first thing I did in my dressing room that night after the fight in Jamaica was close the door, with Doc Broadus and Barney Oldfield in there with me. I went down to the foot of the old training table, got down on my knees, and thanked my God—for everything, for everybody, and for the determination He gave me to see it through. Perhaps there are several who deserve as much as I do to be champion, and perhaps they, too, will have their chance, but none can feel any more fortunate than I do to hold the title while I can.

I can truly say I worked for it. I say, worship the opportunity this country grants to those who will really try, don't knock it.

I'll wave that flag in every public place I can.

H.R. 982 TO AMEND THE IMMIGRATION AND NATIONALITY ACT

HON. LEO J. RYAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 9, 1973

Mr. RYAN. Mr. Speaker, I regret that an assignment by the Foreign Affairs Committee made it necessary for me to be out of the country on the day H.R. 982 was considered by the House.

I am deeply concerned by the problems that have arisen because of the large number of aliens who have entered this country illegally or violated their terms of entry. Since I did not hear the debate on H.R. 982, I do not know if that measure would provide any meaningful relief from the illegal alien problem. Therefore, I cannot say positively whether I would have voted for the bill.

As I understand it, H.R. 982 proposed, in section 1, to remove an inequity that exists with respect to Western Hemisphere aliens now in this country who wish to change their alien status to that of permanent resident aliens. It would be hard to oppose this provision in light of the fact the aliens from the Eastern Hemisphere can, under existing law, effect such a change of status without the requirement that they leave and reenter the country, a requirement that applies under present law to aliens from the Western Hemisphere.

Section 2 of H.R. 982 proposes procedures under which penalties can be assessed against employers or their agents who knowingly hire aliens who have entered the country illegally, or who have entered legally but do not have the necessary clearance for entering the work force.

As a member of the Legal and Monetary Affairs Subcommittee of the House Committee on Government Operations, I have participated in hearings that seek to identify managerial and operational weaknesses in the Immigration and Naturalization Service that might have contributed to the vastly increased numbers of aliens who have entered or remained in the United States in an illegal status in the past 10 years. The statistics are overwhelming. The jurisdiction of our committee is, of course, limited under the rules of the House, to matters relating to the economy and efficiency of the Immigration and Naturalization Service. We cannot legislate in the area of controlling the influx of aliens; we can only make recommendations relating to management and operational problems of the Service. However, in fulfilling our specific responsibilities, our subcommittee has been made abundantly aware of what has come to be known as the illegal alien problem.

The illegal alien problem can take many forms. We know for a fact that aliens have, without legal documents and required examinations, slipped over the borders from Mexico and Canada, and through ports on the Atlantic, Pacific and the Gulf of Mexico, and through international airports. Once here, they have entered the labor market without right to do so; all too often they have been hired at substandard wages and worked excessively long hours by unprincipled employers who quickly learn of their illegal status. If these workers are accounted for at all under Internal Revenue laws, they make excessive dependency claims and underpay their taxes. We have reports of employers who, on the day before payday, report the presence of such aliens, who are removed by enforcement authorities and put through deportation procedures before they can collect their pay. If H.R. 982 does anything to halt these deplorable practices, then it is good legislation and worthy of my vote.

Suppose the alien cannot find employment. Welfare authorities usually look at need rather than entitlement and provide these unfortunates with food, clothing, shelter and medical care, all at taxpayer expense.

In contemplating such cases as these which I describe, we often think of the injustice done legal members of the workforce with whom the illegal aliens compete for jobs. We think of the overburdened taxpayers, who must pay increasing amounts for enforcing the immigration laws, and the expenses of detaining and expelling illegal aliens, and pay the costs of unentitled public services.

But this is not the whole picture. There is the humanitarian consideration of impoverished individuals in other countries who, lacking the opportunity to support himself and his family, risks an illegal entry to this country and exposes himself to ultimate arrest and imprisonment until such time as he can be deported—all for the sake of being exploited by an employer looking to save a dollar in labor costs. If H.R. 982 speaks to such employers in terms of sure and heavy penalties for exploiting foreign nationals, then it is a good bill.

There is also the matter of the alien who is here legally, and possessing the necessary certification for entering the labor market. His own integrity and honor, as a legal immigrant, are threatened by the tactics of those who would come here without the required legal formalities. If H.R. 982 will protect legal immigrants from such indignities, it is a good bill.

It is a sad thing that, to some persons in the lower economic strata of some foreign countries, slave labor or living on relief in the United States is more attractive than scratching out a living in their native lands. A part of this attractiveness arises from the willingness of some unscrupulous employers in this country to provide slave labor opportunities. If H.R. 982 will correct this deplorable condition, then it is a good bill.

PREDISASTER ASSISTANCE FOR ALAMEDA AND CONTRA COSTA COUNTIES

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 9, 1973

Mr. WALDIE. Mr. Speaker, I am introducing today legislation which would require the President to furnish predisaster assistance in order to avert or lessen the effects of a major disaster in the counties of Alameda and Contra Costa. These areas face a grave and widespread danger of fire due to the death of thousands of eucalyptus trees which were killed in a severe freeze last December.

Because these trees continually shed their bark and leaves, they build up a "duff" on the floor of the forest. Since the freeze, the duff has, in some areas, become as deep as 12 to 18 inches. This amounts to roughly 50 tons of highly combustible material per acre in some places.

This poses a fire hazard so great that a major disaster would be the only way to describe such an event once it had occurred. Unfortunately, the Office of Emergency Preparedness has, in the past, interpreted the "predisaster" section of the Federal Disaster Law to mean that a threat of disaster must be reasonably certain to occur within a week of the formal request for assistance in order to qualify as "imminent" under the language of the statute. The rigid interpretation requiring that such a disaster be only a week or less away, is overly and in my view, unnecessarily restrictive in a situation such as this.

I urge that, inview of the need to avert a disaster of tremendous proportions, action be taken immediately on this bill:

H.R.—

A bill to require the President to furnish predisaster assistance in order to avert or lessen the effects of a major disaster in the counties of Alameda and Contra Costa in California

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

FINDINGS

SECTION 1. The Congress finds and declares that a freeze in December of 1972 killed tens of thousands of eucalyptus trees in the counties of Alameda and Contra Costa in California, that such trees are highly combustible and threaten to cause a major disaster, that State and local resources are strained to the point where all available funds are being expended, and that immediate Federal assistance is necessary to avert or lessen the effects of such a disaster.

SEC. 2. The President is authorized and directed:

(1) to make grants to units of local government and State and local public agencies in order to assist such units and agencies; and

(2) to reimburse them for assistance furnished prior to the date of enactment of this Act,

for the purpose of carrying out fire suppression, tree removal, and reforestation activities on public and private lands located in Alameda and Contra Costa Counties in California in connection with the threatened major disaster referred to in section 1. The amount of any grant under this section may not exceed the cost actually incurred by the grantee in carrying out such activities. There are authorized to be appropriated not to exceed $11 *million* dollars to carry out the provisions of this section. Any sums so appropriated shall remain available until expended.

FEDERAL RESOURCES

SEC. 3. The President shall exercise the authority conferred on him by section 221 of the Disaster Relief Act of 1970 to assist units of local government and State and local public agencies in carrying out fire suppression, tree removal, and reforestation activities on public and private lands located in Alameda and Contra Costa Counties in California to avert or lessen the effects of the threatened major disaster referred to in section 1.

QUALITY IN LIFE: AN ELUSIVE BUT REAL VALUE

HON. CLEMENT J. ZABLOCKI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 9, 1973

Mr. ZABLOCKI. Mr. Speaker, in our modern day of almost constant and rapid change fueled by unprecedented technological discoveries and economic growth, modern man seemingly seldom has the time or takes the time to pause and reflect on the purpose and the meaning of his actions and existence. More than ever before, man seems to be preoccupied with what he is doing rather than why he is doing something.

In a recent issue of the Marquette Tribune, a weekly newspaper published and edited by students of Marquette University of Milwaukee, Wis., members of the Marquette community were invited to comment on the unique role which the university can, does, or should play in helping man preserve the quality of life in our modern society.

A reading of the following three articles which appeared in the March 28 issue of the Tribune demonstrates that, as elusive as the quest for quality in life is, there is a common desire shared alike by university administrators, faculty members, and students at Marquette University to promote the development of a God-centered, human value-oriented society.

At this time, Mr. Speaker, I insert the three articles into the RECORD, calling them to the attention of our colleagues:

STUDENTS HERE IMPELLED TO "SEARCH FOR TRUTH"

(By Rev. John P. Raynor, S.J., University President)

I was pleased when the Tribune asked me to prepare a brief article highlighting my "impressions of the future" of Marquette University. All of higher education is much concerned about the future; Marquette University is no exception. We must be constantly alert to ways and means of enhancing Marquette's strength, of eliminating or ameliorating its weaknesses, of improving it in every possible way as we look to our centennial, now just a few years away, and on into the 21st century.

But reflections on the future must be predicated upon a good grasp of the past and upon a sound understanding of the present. Both show elements of which Marquette may be proud—elements on which a promising future may be firmly based. I speak here of the very concept of Jesuit higher education, which antedates Marquette's opening in 1881 by hundreds of years. The concern for the "whole man" has been central to Jesuit education ever since the beginning of our first school at Messina nearly 400 years ago. It is central to our existence today. It will be at the crux of Marquette a hundred years from now.

Jesuit higher education does something beyond assisting its students to become skilled scientists, engineers, journalists, teachers, dentists, accountants, or any one of the dozens of professions for which they seek education here. Marquette wants also to mold the knowledge, attitudes and values of students so that they may solve problems in terms of real human consideration, so that they may convert thought to action in a God-centered, value oriented context. If Marquette impels a student in his search for truth, perhaps the search will continue until that student meets Truth itself.

This is the thrust that has had centrality in all of Jesuit higher education; it is the philosophy embraced by the Jesuits and lay people who are now setting the course on which Marquette will embrace the same philosophy in the future.

Our philosophy transcends the more immediate concerns: the financial crunch, curriculum revision, building buildings, adjusting to changing life styles, soliciting funds, guiding meaningful research and improving service to the community. Moreover, within this context everything we have done or will do by way of improving our academic and educational programs, recruiting and promoting personnel, improving the physical aspects of our campus, strengthening our professional education and our service through the professional schools, we do with the immediate objective of improving our commitment to scholarship, our dedication to truth and our concern for values in action.

We want to share our scholarship with young people; to share with them our insights into reality, of God, of nature, of men, and of all these things in full measure.

We have, especially in recent years, involved ourselves in on-going self-analysis in order to reach a good self-understanding with which to address the future. Faculty, administrators and students have been involved in the reflection and dialogue out of which has come a self-realization from which we can build a strong and truly relevant Marquette University—a University which moves ahead enthusiastically because it knows what it should be and where it should go.

A practical course of action demands that Marquette's future development be predicated upon adequate financing. As the profile we prepared for our North Central visitation indicates, very rare is the institution today—independent or tax supported—which is immune to dollar problems. Independent institutions like Marquette have particular challenges because they must depend so heavily upon tuition revenues. The increase in tuition and fees relate directly to enrollments and to the general inflationary cycle, and such cost escalations are difficult to control.

The profile also points out that the financial problems of the University directly affect the Marquette student, since tuition revenues account for only slightly more than half of Marquette's operating budget. Tuition rates have had to be increased because of inflationary pressure and because of our pledge to provide continued quality education for our students. We are working hard to extend our base of support, not only to retain and improve our excellent standing in higher education, but also to reach a point where student fees can be stabilized.

On the physical side of our assessment, it is easy to see the progress Marquette has made since the mid-60s. Before urban renewal, Marquette's campus included a variety of clusters in an ill-defined setting. We have seen an orderly and efficient grouping of structures emerge and a true campus become a reality. Moreover, renovations such as those in the Dental School and in Sensenbrenner Hall (Law School), have enabled us to improve academic progress in these areas.

Physical improvement is much in evidence on the campus and must continue for a few more years, but hopefully we are within sight of a downturn in capital expenditures which, in the not too distant future, may permit greater use of gift income for operating purposes and to strengthen further our academic offerings.

The new elements at Marquette, including some of our advance degree programs, undergraduate course improvements, student financial aids and buildings, have come by way of what the Greater Marquette Program started in the early 60s, and what "Advance" stimulated in the late 60s, and what "Advance II" hopes to accomplish by early 1974. Since the Greater Marquette Program started in 1962, almost $35,000,000 in voluntary, private support has been raised or pledged for improvements in the academic and physical environment.

"Advance II" is the closing segment of our current fund raising campaign. Marquette had attracted $18,000,000 in "Advance" support by last fall, when "Advance II" was initiated to obtain the remaining $12,000,000 toward the ultimate goal of $30,000,000 by early 1974. We still have more than $10,000,000 to go, a fund raising pace never attained before in the University's history.

The pace is important not merely to meet a goal, but to respond to a reasonable challenge to obtain for Marquette students the people and programs the University has determined as essential to sustain and improve its total academic enterprise. And we are all grateful to the friends, alumni and benefactors who have helped us achieve our goals, and who have indicated their willingness to stand with us as we move forward.

While financing is a major problem, there are others to be faced. Today, within the context of the national educational community, Marquette is one of many hundreds of colleges and universities grappling with the consequences of significant changes in the public's attitude toward post-secondary education. For many reasons, certainly with cost of education high among them, the proportion of the college student population attending independent colleges and universities has declined constantly since the early 1960s.

Thus, student recruitment efforts will be of significant importance to us in the future as we seek to maintain balanced independent-public enrollment ratios. We are grateful for student and alumni participation in recruitment efforts, and for the support parents have given us in these activities.

Related to these efforts to improve enrollment rates is our ongoing activity to help students complete their educational objectives once they have enrolled. We will continue, in the future, to look to such improvements, including counseling, financial aids, adaptations to changing life styles, greater student participation in administrative dialogue, and to upgrading facilities to meet students' non-classroom needs.

Moreover, we will continue our leadership role in encouraging the improvement of student benefits from governmental sources so that the students' freedom of choice may remain a strong, viable element in our pluralistic society.

It would be necessary to prepare lengthy volumes if I were to convey adequately all of the problems, challenges, strengths and opportunities that face us now or which will confront us in the years ahead. But the opportunities outweigh the problems, and Marquette stands ready to react to and with society to emerge more strongly as our University looks to the future.

We have an excellent student body—alert, able, of good spirit and of great promise. We have a strong faculty of which we may be very proud. We have dedicated Jesuits and lay men and women who are devoting entire lives to our philosophy and our objectives. We have thousands of loyal alumni who represent their Alma Mater well in their professions and who are willing to help provide for others the benefits that were theirs. We are blessed with hundreds of fine friends who choose freely to share in and support the work we do together.

We ask God to continue to bless our efforts because we want to and will succeed.

MARQUETTE

(By Peter E. Dobrowitz, undergraduate)

A few weeks ago, this paper ran two successive letters by readers, letters which got into an issue that seems to get lost among the new buildings, tuition increases, and basketball scores; the definition of the university "community" and its effect on student life.

On one hand, a university administrator spoke of the merits of the Marquette community, alluding to a comparison with a state-run school. Immediately following, a rather irate student seemed to polarize the "issue" by blasting the first letter and doubting the worth of the Marquette community, especially when compared to a state school.

I have been asked to react to these two letters and, I guess, take sides or present a third viewpoint. My first impression was that both letters were classic examples of the relativity of our lives and the places in which we put our values.

So, instead of trying to attack or defend so elusive a target, I want to write my impressions of life at Marquette (for I think we can at least establish that it is a highly personal experience for each individual here) and hopefully to present some random thoughts for your consideration, or at least, observation.

For me, life at Marquette is more aptly phrased "life—at Marquette." When trying to view this university as some type of organic whole, it becomes highly difficult to force labels or make any generalities, an act both previous letter-writers were somewhat guilty of. I find it much easier to consider the human experience of life a constant one which continues to continue, utilizing Marquette as some type of limiting or qualifying factor.

I find myself a goal-oriented person, thus making Marquette a means to the end I seek, i.e., I know a diploma is a necessity for the type of future I hope to mold for myself. The institution rules of this community, then, become highly annoying and at times, totally frustrating, to me. I want to move in a direction and, in the end, agree to channel that flow through the mechanics of the institution. What is involved is not a compromise of principle, but an establishment of priority.

Marquette, the material structure, means little to me. What makes Marquette a significant part of my life is not Gesu, OSA, the Warriors or the Gym for that matter. Marquette is the vehicle which has brought people together, from across the country, to come to know one another, to broaden each other's scope. As I stated before, this is a highly personal experience and while I have no comparable experience in a "state school," I might draw one differentiation between the two, Marquette has the capability of presenting, if not a Christian community, at least a truly diversified one.

In the hall where I live, better still on my floor, every part of the country is represented—New York, California, Ohio, Illinois, even Puerto Rico. Interaction, flow of ideas, broadening of scope are all things which would seem to be pluses in this school's favor. Yet, even here, experience has shown me that the human experience is as diversified as the people who partake in it . . . anywhere! Whether at the heterogenous MU, or a comparable homogenous state school, the processes of realization, growth and awareness go on.

Essentially, Marquette can be a strong influence if one chooses it to be. That organic community can stretch out from 10th Street to 18th with many stops in between and not only exist but fluorish.

For me, the Marquette community consists of those who share those processes with me on a personal level, call them my friends. The Marquette community on another level represents a microcosm of the world out there, with its bureaucratic weavings and complexities; a microcosm that I choose to deal with when I am alone, to question, to perceive.

What it boils down to then, is that Marquette is really what you make it to be, for you. To generalize, to make statements without some type of personal qualification almost forces one into this endless maze of relativity. Just by this article many of you may think this is not your Marquette. Some of you may be even wondering how we can be going to the same school, how I can be so optimistic, pessimistic, blind or out of contact with what's really going on in this place.

But that's good. To be definitive beyond yourself, under these circumstances, is to tread on unchartable territory. Someone once said life should be described as "etc." To be too definitive is to make this university one that puts periods on everything. I would much rather consider Marquette a comma.

MU LACKS MONEY, POWER, RICH ALUMNI

(By Judson B. Allen, Associate Professor, English)

Marquette University is an institution whose supreme brilliance is its ability to survive almost overwhelming obstacles—difficulties of poverty, of regional cultural status, with whatever WASP prejudices remain—and to keep something going on in the classroom which pushes some students a little higher on their various ladders than they were when they came.

We are not an elite school. We have no rich clientele. We have virtually no endowment. Per student, we spend about what each pays, and that buys desperately little. That we have survived at all is due to brilliant management, which can squeeze savings in pennies until they amount to thousands, and which can also, when necessary, spend that very large sum of money which is exactly and barely enough to keep some crucial problem from overwhelming us.

Are the students getting their money's worth? It all depends. If they are looking for an authoritative institution to give them a ticket into the upper middle class—to stamp them, like prime beef, Grade A certified suburbanite professional—they are wasting their time. There is a widespread delusion abroad in America, that college education can do something to people which expands the exclusive ranks of the top ten per cent to include about half the population. It cannot. Even mathematics is against such an absurdity, if the realities of human stupidity were not enough. The great middle will always be middle. A "C" is a "C"—even though we now are calling it a "B."

If the students are looking for a Jesuit education as their money's worth they are probably half a generation too late. Until fairly recently, the Jesuits bore the image of the praetorian guard of God, and those who came to them for education were given in full measure their elitist rigor and their praetorian morale.

Jesuits now, it seems, reject this image, and American Catholics reject the self-contained Roman cultural ghetto within which its power could be focused and used. What lingers at Marquette (and this is a very great thing in our secular world) is a happy sense of God, as the ground both of being and of knowing. To learn in this atmosphere is a good thing, but even this is fading.

What Marquette professes to be is a university. It is in terms of this profession, finally, that all questions of money's worth must be answered. The student gets his money's worth if, in coming to Marquette, he gets that educational experience for which all universities, since medieval Paris and Oxford, have stood.

There are many ways to define a university. Personally, I prefer to think of it in terms of power of a particular kind—the power of a critical mass. The university has a special kind of exciting bigness. It has enough wealth, enough books in the library, enough buildings and exotic equipment, enough bright people, enough national and international reputations and connections, enough consultations and visitors, that whenever any member of that university sets about to look up something or find out something, he always runs into more than he expected, learns more than he really intended or needed, and experiences the mind-blowing thrill that always comes from being thus a participant in concentrated power.

Marquette cannot provide this kind of experience to its faculty, nor even, consistently, to its graduate students. If it is any consolation, neither can most of the institutions in America which presently grant doctorates. But it can provide this kind of experience to many undergraduates. These, without doubt, find that they have gotten their money's worth. They come in contact with power.

In ideal terms—in utopian terms, if you will—the power in which the successful students participate is of three kinds. First and most obviously, there is the power which comes from being right—that is, from having authority in words based on research and profound investigation, and formulated by a brilliant and superbly trained mind. A physicist who wins the Nobel prize, an economist whom presidents trust and consult, a novelist who has shaped the ideal imagination of a generation, all are possessed of power. To be a member of a university is to be given access to that power.

The second kind of power is the power of a responsibility-assuming life style. This is what we are noticing when we say of a particularly impressive person that he was "born to command," or that he is a "take-charge guy." He is the kind of person who instinctively and automatically has the good idea, the plan that others follow. Universities exist to help people be like this. The university which supports, shapes, inspires, and informs its members until they have that absolutely confident competence which inspires trust and obedience in others has given them access to power.

Third and most trivial, though still important, is the power of real connections. In a true university, one can expect that many of the people one meets, young or old, either are or will someday be important and powerful. Simply to be given four years of their company is to be given lifetime access to a network of connections, helpers, access providers, and simple friends with whose help one's own personal power is enormously magnified.

If Marquette alumni over the next century remain loyal and become enormously rich, we may by then be a university wielding, and therefore providing to faculty and students alike, this kind of power. Meanwhile, the best we can do—and it is a good deal—is to be a base of operations, helping at least a few of our members participate on our behalf in that power in the world at large.

Marquette must, at least for the time being, be satisfied with this way of participating in the power which, for universities, defines true existence. Our supremely important present function, I think, is to see that at least a few of our students are pushed and coached and helped to get for themselves, and us, such honors as Rhodes, Danforth, Fulbright, and Marshall scholarships, or, in another field, the best possible contracts with professional basketball teams, or, in still another area, admission to those law schools whose graduates enter Wall Street firms and the benches of the higher federal courts.

At the faculty level, we are best served by outside honors and accomplishments. If some professor really has Nobel potential, he should be fully backed. We are not yet in a position to dignify a scholar by permitting him to wear our name; we only become so as we develop, to greater and greater prominence, members of the faculty whose names dignify us.

Marquette's best service to its students, then, is the promise to make a profoundly careful and ruthless assessment of their abilities, and then to choose the best and back them. Conscience and mercy forbid that we do this in a purely Malthusian way, but we should and do try. Those chosen will not find life easy, but they will discover that power has its compensations. Those not chosen will have the satisfaction of knowing that they have helped someone who deserved that help, and will have learned a great deal to their own good as well.

Education is ultimately a mystery; if one takes the time for it, it very often happens, under the worst as well as the best of circumstances. Student tuition doesn't pay for the education. Four years of the student's life pays for that. The tuition is really just one's ticket of admission to the place of power.

MIDDLESEX COUNTY TRAFFIC SAFETY COMMITTEE: A FINE AND ACTIVE ORGANIZATION

HON. EDWARD J. PATTEN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 9, 1973

Mr. PATTEN. Mr. Speaker, I would like to take this opportunity to commend the Middlesex County Traffic Safety Committee and its dedicated members. Under the expert leadership of Mr. Joseph Dimontavich, the traffic safety committee is now in its 18th year of service to the Middlesex County communities and the State of New Jersey.

The traffic safety committee, a division of the New Jersey State Safety Council, was first organized in 1956 and has as its members men from the county's law enforcement units, and public health and safety groups, plus other outstanding leaders of the county.

The committee is a private organization supported by business and industry for the simple purpose of helping to prevent accidents. It conducts a broad safety program throughout the county with major emphasis on the traffic problem. As can be seen in the text below, the traffic safety committee reports to responsible public officials about particular traffic hazards found on the highways and roads in Middlesex County, makes recommendations for corrective action by the local authorities, follows proposals in the State legislature relative to traffic safety, and involves itself with the drunk-driver problem.

I have included the minutes of the committee's meeting on January 24, because it is representative of the Members' concern. Mr. Speaker, I truly commend the Middlesex County Traffic Safety Committee for its deep interest, dedication, and hard work, to improve traffic safety in Middlesex County. The efforts and accomplishments of Chairman Joseph Dimontavich and his members are to be praised. The minutes follow:

MINUTES OF JANUARY 24, 1973 MEETING

Present:

Mr. Joseph Dimontavich, Chairman, Delco Remy Division, General Motors.

Officer Nazareth Barcellona, Woodbridge Police Department.

Captain Roger W. Blair, Jr., Madison Township Police Department.

Inspector Victor C. Carney, New Jersey State Safety Council.

Lieutenant Anthony Catanese, New Brunswick Police Department.

Mr. Louis Dakelman, R. P., Middlesex County Pharmaceutical Society.

Lieutenant Albert J. Dellavalle, South Plainfield Police Department.

Sergeant Joseph Di Biase, Dunellen Police Department.

Sergeant Andrew Dobrovich, Carteret Police Department.

Patrolman Jerome Fedorczyk, East Brunswick Police Department.

Captain Allan B. Forrester, New Jersey State Safety Council.

Mr. James P. Gallagher, Raritan Bay Mental Health Center.

Trooper Peter Hausch, New Jersey State Police, Garden State Parkway.

Lieutenant Paul Jerzak, Piscataway Police Department.

Mr. Harold Klein, Borough Administrator, Metuchen.

Mr. David Mayerowitz, Joyce Kilmer Civic Association.

Mr. Jay Meyers, New Jersey International Movers.

Lieutenant Chester A. O'Such, Sayreville Police Department.

Captain Joseph J. Perrino, Metuchen Police Department.

Patrolman T. D. Riley, Spotswood Police Department.

Mr. Martin W. Rosen, Driver Education, Metuchen High School.

Trooper Allan Safko, New Jersey State Police, New Jersey Turnpike.

Sergeant Barry Spilatore, South Brunswick Police Department.

Chief Dominic Spinelli, South Plainfield Police Department.

Captain Douglas Sprague, Sayreville Police Department.

Mr. John Stanik, Edison Township Public Schools.

Sergeant James Tedesco, South Amboy Police Department.

1. The meeting was called to order by Chairman Joseph Dimontavich who welcomed the members and their guests. He congratulated Lieutenant Dellavalle on his promotion and also welcomed as a new member, Mr. James P. Gallagher of the Raritan Bay Mental Health Center.

2. The minutes of the December 27, 1972 meeting were approved as mailed to all members.

3. In the absence of the Traffic Coordinator, Captain Forrester gave the Statistical Traffic Fatality Report as follows:

For the year 1972, (the final figures will not be available until January 25, 1973) Middlesex County had 84 traffic fatalities as compared with 96 for 1971, placing Middlesex County fifth on the "Traffic Fatality Record by Counties" and showing a minus 12 for 1972 over 1971. Forty-seven of the fatalities occurred on State Highways, 27 on county roads and ten on municipal streets. From January 1, 1973 to January 14, 1973, Middlesex County had one highway fatality and this places the County thirteenth on the "Record" and compares with three for the same period in 1972, showing a decrease of two. The one fatality listed for 1973 occurred on a county road.

Captain Forrester asked if any of the members could pinpoint the reason for the fine reduction in traffic fatalities for 1972 and congratulated all those persons who may have contributed to the fine reduction.

Chief Spinelli said that the credit for the fine reduction should go to the Traffic Safety Committee because it has been the basis for alerting police to the problems as they occur, and it was through the attendance of the members of the Safety Officers Association, newly formed, that has been instrumental in bringing back the safety messages to the various police departments through the Safety Officers Association.

Captain Forrester spoke of the activities of the State Police, the municipal police departments, and the educators in their efforts to avert an increase in alcohol related highway incidents after January 1, 1973 when the 18 year olds received their majority. It is most gratifying to read the figures for the early part of January, 1973 and see no indication of an increase of alcohol related highway incidents involving the 18 to 20 year olds.

4. Correspondence: Inspector Carney reported that on January 9, 1973 a letter had been sent to the Honorable Norman Tanzman, Senator. "The members of the Middlesex County Traffic Safety Committee appreciate your letter of December 11th and the inclusions which were discussed at their regular meeting of December 27, 1972

"We are very much impressed with the contents of Assembly Bill No. 1525 in that it embodied much of the recommendations contained in the proposed law as prepared by the National Committee on Uniform Traffic Laws and Ordinances. We would, therefore, seek your assistance and cooperation in any effort which would bring about introduction into law."

5. Mr. Martin Rosen said that the driver education people have been increasing the alcohol related programs in the driver education classes and he feels that this program will continue and will have its effect in producing a low number of 18 to 20 year olds involved in highway alcohol related incidents.

The members discussed the rumors concerning the reduction of penalties for violation of the drinking-driving laws. Captain Forrester said that nothing has been definitely resolved in this area; however, there are rumors to the effect that Mr. Roger Surprenant has been working on an alcohol countermeasures program and it is presumed that some of the recommendations will include a lessening of penalties wtih a provision that some rehabilitation or clinic attendance may be added.

Mr. Gallagher of the Raritan Bay Mental Health Center said that Middlesex County will be one of the counties in which the Alcohol Countermeasures Program will be carried on. The Program has not been firmed up yet but it will call for identification of the problem drinkers and some method of either rehabilitation or attendance at driver improvement classes.

Inspector Carney said that Roger Surprenant will probably include in his recommendations that New Jersey comply with the Federal Standard on Alcohol. New Jersey is deficient in two areas as far as compliance is concerned. One is that the blood alcohol level will be reduced from .15 to .10 and the other is that the surviving driver of a traffic fatality accident shall be given the test for alcohol.

Mr. Mayerowitz said that, as a representative of the Joyce Kilmer Civic Association, he has to report that the Association has been very cooperative with the Mayor and governing body of New Brunswick and they have made numerous recommendations as far as traffic safety is concerned and have seen some of the recommendations carried out. Since the inception of the Traffic Bureau in New Brunswick they have noticed a decrease in motor vehicle violations because of the increase in enforcement.

6. Inspector Carney discussed Assembly Bill No. 1525 that had been mentioned in the correspondence going to Senator Tanzman. He read A 1525 and made several side comments relative to the fact that they are working on upgrading the belts, the locks, and anchorage. The need for upgrading was apparent after seeing "Small Car Crashes" and the fact that the car seat belts were tearing away from the anchorage, and in some cases breaking. However, when the courts allow the automobile manufacturers to wait another year for the passive restraints

(air bags), it is an indication that there is a definite need for seat belt legislation to be passed now. A1525, said Inspector Carney, most nearly conforms to the recommendations made in the draft copy by the National Committee on Uniform Traffic Laws and Ordinances.

On a motion that was approved by the majority of the members present, the Secretary was instructed to write to the Assembly legislative representatives of Middlesex County stating that the Middlesex County Traffic Safety Committee endorsed Assembly Bill No. 1525.

7. Mr. Martin Rosen wished to thank the law enforcement people, on behalf of all driver education people, for the fine cooperation they received in their programs on alcohol in the schools.

Mr. Rosen said that on December 15, 1972 he attended a demonstration of driver skills and found it to be an excellent program. Lieutenant Paul Jerzak participated in the program and, although they could not get out doors and actually see the driving skills test, they were more than aware of the need for this type of an educational program, and they were notified that special equipment can be placed on a vehicle that will simulate blow outs on any of the four tires of the vehicle, and after the tests the tire is inflated automatically.

8. Inspector Carney spoke relative to a newspaper article that had been in the News Tribune and indicated that the Borough of Sayreville was once again trying to prod the State into closing up the cuts in the safety medians in those portions of Route 9 and Route 35 which run through the Borough. The Borough Council sent a petition to the State Highway Department asking that the State close off the turn offs in the medians and erect fences along the grass safety dividers which separate the north from the southbound lane on both State Highways.

The cuts in the safety dividers which allow cars and pedestrians to cross onto the opposite side of the highway present, according to police and Borough officials, a "very serious traffic hazard on the highways". Cars making U turns on the roads or crossing over from one side of the road to the center result in oncoming cars having to swerve or brake suddenly to avoid them. Pedestrians cross the roads which are heavily populated by roadside businesses and drive ins. The situations along the roads are considerably worsened during the nighttime hours or when there are inclement weather conditions. The Borough is particularly concerned with the heavily trafficked area of Route 9 across from the A & P shopping center, an area which is used extensively by pedestrians crossing the highway on their way to a local discotheque.

The same type of median cuts in Madison Township have already been blocked off by the State after protest from the Township.

Lieutenant O'Such of the Sayreville Police Department said that they made a study to eliminate certain hazards and one of the hazards was the cuts in the median on Route 9 and Route 35. On a motion that was approved by the majority of the members present, the Secretary was instructed to write a letter to the Department of Transportation stating that the Middlesex Couny Traffic Safety Committee endorses the recommendations of the Borough of Sayreville.

9. Officer Barcellona discussed the newspaper item concerning the safety car that had been briefly discussed by Captain Donnelly at the last meeting. After the discussion the members, on a motion that was approved by the majority, asked that a letter go to the manufacturers of the test car and ask him to bring the Middlesex County Traffic Safety Committee up to date on the testing that had been done on the car and any other rejections that he had received.

10. Captain Blair, Lieutenant O'Such and Sergeant Tedesco discussed the need for a training program that would include instruction on accident investigations, records and analysis of records information. The reason given was that those persons who had been trained for the traffic bureau were now being transferred and new personnel were being assigned who had no knowledge of any of the above mentioned subjects.

Chief Spinelli said that, as Chairman of the Education Committee for the Middlesex County Police Chiefs Association, he would ask if the course could be run on a county basis.

After discussing the type of course and the need for such a course, a motion was approved by the majority of the members present that a letter go to Mr. Louis R. De Carolis and ask if there would be money available to run a course, similar to the one that had been conducted by the Bureau of Highway Safety in cooperation with the New Jersey State Association of Chiefs of Police.

11. The Chairman thanked the members for their attendance and active participation in the discussions. He said the next meeting would be held on Wednesday, February 28, 1973, at 12:00 noon at Gambino's Inn, 284 Remsen Avenue, New Brunswick, New Jersey.

12. The meeting was adjourned at 2:05 P.M.

POLK BROS. BEATS INFLATION

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 9, 1973

Mr. ANNUNZIO. Mr. Speaker, Mr. Sol Polk, president of Polk Bros., one of the largest retail merchandising establishments in the United States, located in the 11th Congressional District of Illinois which I am privileged to represent, has initiated an extraordinary program to beat inflation, help our economy, and at the same time, encourage good health among all Americans.

To each of his customers who come in and make a purchase, he is giving them free—17 packets of seeds—enough to grow $150 worth—or a whole truck load of fresh vegetables. The seeds are from a long-established and well-known company—Vaughan's Seed Co. of Downers Grove, Ill.

The whole family can participate in planting a garden, in being outside in the fresh air, in harvesting the crop, in eating freshly picked vegetables, and in reaping the rewards of good health by this outdoor activity.

And $150 worth of vegetables would be a tremendous help to the average family food budget in this day and age of runaway inflation. In Chicago, during December 1972 to January 1973 alone, fruit and vegetable prices jumped 2.5 percent. Growing your own vegetables is certainly one effective way of saving your pocketbook, beating inflation, and helping the American economy along at the same time.

If everyone who gets seeds this spring at Polk Bros. plants them, we will have a bumper crop in the Chicagoland area worth several million dollars. And Polk Bros. will be responsible for bringing this prosperity to Chicagoland residents.

I want to congratulate Polk Bros.—not only for this public service—but also for their dedicated efforts to bring the consumer courteous and efficient service along with low prices on high-quality, brand-name merchandise.

In fact, Polk Bros., during its 39-year existence, has merited the Brand Names Foundation "Retailer of the Year" award three times. This is a tribute to the enthusiasm, ingenuity, and hard work that the Polk brothers—Sol and Sam—have brought to their family-run business.

Again, I congratulate Polk Bros. and extend my best wishes for their continuing success in serving the retail merchandise needs of our community and our country.

Mr. Speaker, at this point in the CONGRESSIONAL RECORD I include an article that appeared in the May 4 edition of the Chicago Tribune entitled "Polk's Promotion Plants More Than Ideas". The article follows:

POLK'S PROMOTION PLANTS MORE THAN IDEAS

Don't be concerned that master merchandiser Sol Polk has gone to seed.

Quite the contrary, the imaginative entrepreneur has latched on to one of the hottest premium items around, seeds to grow vegetables, to hypo his store traffic—and build sales.

For any purchase $25 or more, Polk is giving away a king-sized package of 17 packets of different seeds, worth $5.05, which the supplier [Vaughan's Seed Co.] and retailer say will grow $150 worth of vegetables.

Those are a lot of numbers to digest, except that a number of Polk Bros, shoppers have already decided they like the pitch.

"We've already gone thru 5,000 of them and by the end of May [the planting season], when the promotion ends, we should have given away 50,000," said Lester Bachmann, the retailer's executive vice president and Sol's right hand man.

Promotional activity, of course, is a byword at Polk.

Thru the years, the list of freebies there has indeed been a wide-ranging one, including roses, apples, wine, flags, and Santa Clauses.

For each of them, Sol and Bachmann have a different marketing rationale.

"The cost of living is on everybody's mind," explained Bachmann. "The average household is concerned with the cost of food."

This seed promotion, said the Polk executive, is a "beautiful way of beating inflation and staying healthy."

The seed item, incidentally, is the first premium ever offered by Polk that didn't have immediate visibility.

But Polk isn't bothered by that. Instead he takes a long range look at the benefits.

"There will be thousands of new family gardens and many months of bountiful harvests," Sol said. "And people will think of us." Sort of a post point-of-purchase reminder.

IN HONOR OF THE STATE OF ISRAEL

HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 9, 1973

Mr. MOAKLEY. Mr. Speaker, in honor of the 25th anniversary of the founding of Israel, I should like to express my congratulations to a proud and courageous people on its outstanding record of accomplishment.

In a scant quarter of a century, Israel

has successfully withstood external hostility and overcome enormous internal obstacles.

Coming after a devastating holocaust which took the lives of 6 million Jews, the achievements of the new state—economic, political, and social—are a remarkable testament to the human spirit.

In honoring that indomitable spirit, I should like to share with my colleagues and the American people this eloquent tribute from the Sunday Globe of May 6, 1973.

After 2000 Years, a Homeland at Last

Twenty-five years ago today . . . the 5th day of Iyyar on the ancient Hebrew calendar . . . Israel was reborn.

It was a renewal proclaimed to the world by its leader, David Ben-Gurion; a statement of promise and of hope for Jews all over the world.

(In 1948, the 5th day of Iyyar fell on May 14. For like Passover and Easter, it is a moveable celebration, corresponding this year to May 6 on the Gregorian calendar.)

Today, then, is the birthday of a modern Israel—a nation sovereign among the nations of the world.

Prime Minister Golda Meir has observed that 25 years are "but a brief moment for a nation with a memory more than 35 centuries long. Yet for us, this quarter of a century bears the quality of a wonder.

"For 19 centuries the Jews lived as a dispersed and persecuted minority throughout the world. Humiliation, expulsion and slaughter were the fate of our people in the countries of Europe, the Middle East and North Africa. For all those long centuries of suffering, our people clung to the hope of return, prayed for it, dreamt of it.

"Our vision of the future can best be summed up in the words of the Prophet Amos who lived 2800 years ago:

I will restore the fortunes of my people Israel,
And they shall rebuild the ruined cities and inhabit them;
They shall plant vineyards and drink their wine,
And they shall make gardens and eat their fruit.
I will plant them upon their land;
And they shall never again be plucked up
Out of the land which I have given them.' "

A bedrock of Israel is its Law of Return. Under it all Jews from the many lands of the diaspora (dispersion) now have a homeland. They are citizens the instant they reach Israeli soil. There has been an ingathering of fully 1,500,000 in this quarter of a century, many fleeing, many ransomed, many with dreadful tales of suffering.

Absorption has not been easy; Israel has set itself so many things to do—especially on immigration, housing, feeding, job-training, healing, teaching newcomers from dozens of lands the Biblical language that Abraham and Isaac spoke.

But there has been help. World-wide Jewry through the Jewish Agency and the United Jewish Appeal have steadily contributed. But the need, too, has grown consistently.

Of this help, the late Prime Minister Eshkol said:

"You'll find UJA money. You'll find it in every tree planted, in every piece of road, every house, every school. Scratch them a little and you'll find a dollar of UJA money at some layer."

What are these people like, who have been rebuilding a nation in an ancestral land they had occupied from the time of Adam and Eve until expelled by the Roman legions?

They vividly remind a visitor of the tales of what Americans were like in post-colonial days when they were busy building the foundations of a Republic. Their enthusiasm is literally without bounds. Everyone seems to work, work hard. There is no unemployment. They exude hopefulness and strive for incredibly difficult goals.

This was no land of milk and honey to which they had returned. Travel its Biblical length, from Dan to Beersheba, from the Upper Galilee to the Upper Negev. It was rock and swamp, desert and barrenness. Natural resources, even water, were scarce. You understand why Moses had to smite a rock to bring forth water.

What did these people do?

They drained the swamps. They anchored the dunes. They built roads—even a sort of land-Suez, Eilat to Haifa, linking the Red Sea and the Mediterranean for the first time in history. They planted trees, eucalyptus beside the native palm, by the millions. Forests are coming back.

Forbidden for centuries to own land, they took up spades and hoes and planted crops. They studied the soil and learned methods, which they now teach to the entire world of how to get amazingly increased yields. Their first cash crops were oranges. From having to ration food, they have become exporters of it.

They turned the Lake of Galilee into a national reservoir. Not easy, for Galilee is small and far below sea level, yet, via the precious national water carrier system, it is water from Galilee that makes the Negev bloom. Their scientists seek urgently to unlock the secrets of de-salted seawater and even now, have established ways to recycle the sewage of Haifa and Tel Aviv.

The salts draining down for centuries untold into the Dead Sea, lowest spot on earth (1300 feet below sea level and without an outlet) have been converted into a thriving chemical industry at Sodom. The city of Arad (to work those chemicals) has sprung up as overnight in the Judean desert.

In 1948 when David Ben-Gurion went by camel, searching a sea outlet at Eilat there were just a few mud huts there. Today it is a thriving city and resort. It is also the southern terminus of a 42-inch pipeline for shipping oil, (of which Israel itself has a pittance). The line crosses the Negev to a newly built port at Ashdod. Now bustling, a few years ago it was merely a sand dune 20 miles south of Tel Aviv.

Denied airplane parts from abroad, they built an airplane industry. It is now Israel's single largest, employing 13,500 workmen, engaged in manufacturing a 10-seat twin-jet craft.

They created the greatest medical center in the Middle East, the Hadassah Hospital.

Scientists at Technion, in Haifa, even developed know-how that made more efficient America's Apollo trips to the moon.

No wonder Israel has had visitors, more than 5 million since revival of the state. To just accommodate their increasing numbers, there are plans for 12,000 more hotel rooms—all of which, added to the housing needs, dots building cranes over much of the landscape.

The attraction is unique.

Next to soccer, archeology is the national sport. Dig almost anywhere and you will uncover something from the past—even if it is only a piece of ancient glass on the beach at Caesaria. On the shore of the Lake of Galilee they have been unearthing, at Capharnaum, the House of St. Peter. Such is the range of finds.

But above all, especially in Jerusalem, there is the knowledge that here trod an incomparable number of the great names of history. And include Bethlehem and Nazareth, to name two other places, and here came the great prophets, the patriarchs, the Biblical kings, and the Son of God.

No wonder, over all the earth, this is the land of pilgrimage of so many faiths.

NO TURNING BACK

HON. JOHN M. ZWACH

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 9, 1973

Mr. ZWACH. Mr. Speaker, I recently read a very good article on food prices by Creston J. Foster, director of communications of the American Farm Bureau Federation, which I wish every food buyer in America would have the opportunity to read.

Lacking the facilities to provide such wide readership, I would like to insert it in the Congressional Record so that its wisdom will be available to my colleagues in Congress and the many other people who read the Record:

No Turning Back

There is a possibility that American consumers may never again have some of the low food prices they have had in the past decade. Some economists are saying that food prices may level off in the last half of 1973, but none are predicting that the clock is going to be turned back to the so-called good old days when hamburger was 20 cents a pound.

There is nothing in the immediate future which indicates that wages of factory workers are going to be decreased. Certainly there isn't much hope that taxes will be cut at local, state or federal levels.

There is considerable talk about the need to curb inflation. But there seems to be few signs from Congress that federal spending will be cut to the level of government income—and it's government deficits that cause inflation. Increased money supplies chase after available goods and you have higher prices all around.

With these things in mind, why should farm prices drop? It's true that if the Administration has overreacted to increased world demand and we have a return to surplus production, farm prices would drop. However, with the prices of everything the farmer buys for production at high fixed level, how can a farmer produce at lower prices and still stay in business.

If we had a depression, wouldn't farm prices drop? Yes, they might, but in such an event, all price levels would drop as unemployment would decrease demand, especially for protein items such as meat. But with all the built-in legislative stabilization factors on the books today, it's unlikely that we would experience the severity of the Depression of the 1930s.

It might take some doing, but consumers are faced with considerable adjustment in their thinking about food prices. They can't have high wages and low food prices. Twenty-cent hamburger goes with 60-cent an hour wages. In fact, food prices haven't caught up yet with wages. In the past 20 years, wages have more than doubled while food prices have gone 44 per cent.

Other factors are working against lower farm production costs and lower food prices. Farmers are faced with considerable investment to meet the rigid standards of environmental protection controls, such as regulations controlling runoff from feedlots. These standards are being imposed at both state and national levels. Some estimate these investments to meet such standards may cost individual farmers $10,000 or more.

Farmers also are faced with an energy crisis—as are many other enterprises. Unless this crisis is met, how will farmers increase production in the face of decreasing fuel and power supplies?

These are some of the things that the

shopper should consider as she pushes her grocery cart through the supermarket.—Creston J. Foster, Director of Communications, American Farm Bureau Federation.

FOUNDING CONFERENCE FOR A NATIONAL DEFENSE ORGANIZATION AGAINST RACIST AND POLITICAL REPRESSION

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 9, 1973

Mr. ASHBROOK. Mr. Speaker, on May 3, the distinguished chairman of the House Committee on Internal Security, Mr. ICHORD, made a statement in the RECORD on the founding conference for a National Defense Organization Against Racist and Political Repression, to be held in Chicago at the Pick-Congress Hotel over the weekend of May 11–12, 1973. The chairman's statement was both timely and informative, and it is my purpose today to set forth additional background material to supplement his remarks and to further clarify the ties between this conference and its initiator, the Communist Party, U.S.A.

Literature disseminated by the founding conference and other Communist groups makes it clear that the conference is in reality a mobilization of Communist strength that has evolved from other party defense efforts, most notably the Soledad Brothers Defense Committee—later known as the Soledad Brothers Legal Committee—and the National United Committee to Free Angela Davis and All Political Prisoners.

Chairman of the Soledad Brothers Defense Committee and Soledad Brothers Legal Committee, for example, was Dr. Carlton Goodlett, a former member of the Communist Party who has remained a faithful party adherent and who is today a member of the Presidential Committee on the Soviet-controlled World Peace Council, the principal international Communist "peace" front. Goodlett has also long been active in the Peoples Coalition for Peace and Justice, cited by the Committee on Internal Security as being under the predominant influence of the CPUSA, and was a sponsor of the National United Committee to Free Angela Davis. A large number of sponsors of the upcoming founding conference in Chicago also have been affiliated with both the CPUSA-dominated PCPJ and the CPUSA-created Angela Davis defense movement.

Treasurer of the Soledad Brothers group was Prof. Linus Pauling, identified as a secret member of the CPUSA by former Party National Committee member Louis Budenz in 1952. Among the group's sponsors were Jane Fonda, who has publicly declared herself to be in favor of a Communist society; Arthur Kinoy, a faithful party supporter who serves today as vice president of the party's "legal bulwark," the National Lawyers Guild; author Jessica Mitford, an identified member of the CPUSA; CPUSA member Pete Seeger; an identified CPUSA member and NLG attorney Morton Stavis.

The national co-coordinators of the National United Committee to Free Angela Davis and All Political Prisoners—NUCFAD—were Fania Davis Jordan, sister of Angela Davis, and Franklin Alexander. Both Jordan and Alexander are self-professed members of the Communist Party. One of the co-treasurers of the NUCFAD was California attorney Vincent Hallinan, veteran CPUSA member and father of prominent party members Matthew and Terence Hallinan. Among the sponsors of the NUCFAD were the following people who are or have been at various times members of the Communist Party: Herbert Aptheker, director of the CPUSA-created American Institute for Marxist Studies and member of the Presidential Committee of the World Peace Council; Carl Bloice, who has been a member of the CPUSA National Committee; Rev. Stephen H. Fritchman, honorary co-chairman of the CPUSA-front Los Angeles Committee for Defense of the Bill of Rights; John Gallo, director of the CPUSA-front Center for Marxist Education in New York City; Dr. Carlton Goodlett; Jesse Gray, former Harlem organizer for the party; Gus Hall, party general secretary; Esther Jackson, wife of top party leader James E. Jackson; Rockwell Kent, long-time leader in the Communist Party-controlled National Council of Ameircan-Soviet Friendship; Walter Lowenfels, a sponsor of the CPUSA's "cultural" magazine American Dialog; Charlene Mitchell, member of the CPUSA National Committee; William L. Patterson, long-time member of the party national committee; Prof. Sidney Peck, one-time chairman of the Wisconsin State Committee of the CPUSA and leading activist in the November 8 Mobilization Committee, Spring Mobilization Committee, National Mobilization Committee, New Mobilization Committee, and National Coalition Against War, Racism and Repression, all of which were Communist-dominated predecessors of the Peoples Coalition for Peace and Justice, in which Peck has also been a guiding force; Jesse Prosten, a member of the board of directors of the CPUSA-controlled Chicago Committee to Defend the Bill of Rights; artist Anton Refregier, another sponsor of American Dialog; Pauline Rosen, a leading party representative in the "peace" movement and prominent activist in the party-dominated PCPJ; Prof. Carlos Russell, member of the State Committee of the CPUSA-created Freedom and Peace Party of New York State, supporter of the CPUSA-front Fort Hood Three Defense Committee and W. E. B. DuBois Clubs of America, and member of the executive board of the national Conference for New Politics, a now-defunct organization that was taken over by the Communist Party; Irving Sarnoff, leader of the CPUSA-front Peace Action Council of Southern California and member of the World Peace Council; folk-singer Pete Seeger, sponsor of American Dialog; Jack Spiegel, a member of the controlling CPUSA clique in the Chicago Peace Council; John Talbutt, an activist in party industrial concentration and trade union work; Dalton Trumbo, one of the original "Hollywood Ten;" Jarvis Tyner, national chairman of the CPUSA-controlled Young Workers Liberation League and member of the Party National Committee; Doris Brin Walker, an attorney with the NLG; Henry Winston, national chairman of the CPUSA; and Michigan State Senator Coleman Young, who refused in 1952 to affirm or deny party membership in testimony before the House Committee on Un-American Activities.

Other sponsors of the NUCFAD included Jane Fonda; self-professed Communist David Dellinger, one of the leaders of the Communist-dominated "peace" movement in the United States; Prof. Donald Kalish, another leader in the CPUSA-front Peace Action Council of Southern California who has proclaimed himself to be "far to the left" of the CPUSA; Rev. Cecil Williams, another member of the Soviet-controlled World Peace Council; and Rev. Ralph Abernathy, one of the "Presidents of Honour" of the WPC.

The Communist-front character of the Soledad Brothers Defense—Legal—Committee was made crystal clear in the May 26, 1972, issue of "Frame Up: A Weekly Trial Bulletin from the National United Committee to Free Angela Davis and All Political Prisoners." Pages 2 and 3 of this publication reflect that defense witness Valerie Mitchell—known to her friends as "Tamu," Swahili for "sweetness"—was Angela's roomate in 1970. She testified that:

> Angela moved out of their apartment in July, 1970 because *it had become a center for activities of the Soledad Brothers Defense Committee and the Che-Lumumba Club of the Communist Party*, of which both Angela and Tamu were members [Emphasis added].

Similarly, if the heavy representation of Communists in the list of officers and sponsors of the NUCFAD were not enough to convince anyone of that organization's Communist-front character there was a "Special Letter To All Committees" issued by the NUCFAD in June 1972 that was signed by the "NUCFAD National Staff." Of the eight people listed, seven—Franklin Alexander, Fania Davis Jordan, Charlene Mitchell, Kendra Alexander, Bettina Aptheker, Bob Klonsky, and Angela Davis—are known members of the CPUSA.

This document also reveals that:

> There had been discussion all across the country about the need for a national defense organization. We seem to be agreed that a national organization which sets for itself the task of freeing all political prisoners and confronting the spectre of encroaching facism [sic] in this land is not only desirable but necessary. *In organizing a broad, mass defense for Angela Davis, we have already laid the base for such a national body* [Emphasis added].

Anticipating a summer of intensive local and regional organizing for a projected national conference, the NUCFAD announced in this document that:

> Our national office in San Francisco will remain open during most of the summer to assist local people working in various regions of the country to pull these conferences together.

Another passage of particular significance is the following:

> Alternatively, we urge committees and individuals to become active in the struggles around prison conditions. These struggles, mounted in a radical way by the Soledad Brothers Defense Committee, by NUCFAD, and by many other groups, have allowed us to involve a very broad sector of the population in struggle against repression, for the treatment of prisoners reveals economic, racial and political opression [sic] on a very intense level.

Among the cases deemed important by the NUCFAD in organizing, as shown by this official NUCFAD mailing, were the cases of Billy Dean Smith, the so-called San Quentin 6, Daniel Ellsberg and Anthony Russo, and various unnamed "Attica and Tombs defendants who either are or shortly will be on trial in New York." The NUCFAD also volunteered assistance in locating the defense committees involved in these and other cases.

Significantly, among the leaders or sponsors of the Soledad Brothers Defense—Legal—Committee with ties to the CPUSA listed above, both Goodlett and Seeger are sponsors for the founding conference, as shown on official lists disseminated by the conference's organizing committee, while the following Communist leaders and sponsors of the NUCFAD, according to the same official sponsor lists, are supporting the conference: Herbert Aptheker, Carlton Goodlett, Jesse Gray, Walter Lowenfels, Charlene Mitchell, William L. Patterson, Sidney Peck, Jesse Prosten, Anton Refregier, Carlos Russel, Irving Sarnoff, Pete Seeger, Jack Spiegel, Jarvis Tyner, and Henry Winston.

Further ties between the founding conference and the Communist Party-organized NUCFAD show up in the tentative schedule for the conference currently being disseminated by the organizing committee. For example, the keynote address on Saturday, May 12, is to be delivered by Angela Davis, who was one of the members of the national staff of her own defense committee. The "chairperson" for a workshop on "Repressive Legislation" is Coleman Young, with Charlene Mitchell scheduled as "chairperson" for the workshop on "Repression of Political Organizations and Individuals." One of the scheduled participants in the workshop on "Repression and Labor" is John Talbutt; and among the scheduled speakers at a "Mass Rally" to be held on the evening of May 12 are Angela Davis and Ralph Abernathy.

Other prominent members of the Communist Party scheduled to participate in the conference, as shown by official conference literature, include Carl Braden, long a leader in the CPUSA-controlled Southern Conference Educational Fund, a Kentucky-based group that serves as a regional office for the CPUSA's National Committee Against Repressive Legislation; Rose Chernin, the executive secretary of the Los Angeles Committee for Defense of the Bill of Rights; Richard Criley, executive director of the Chicago Committee to Defend the Bill of Rights, another regional affiliate of the NCARL; and Fred Gaboury, Midwest Trade Union Secretary for the CPUSA and one of the prime movers in the Communist Party-organized National Coordinating Committee for Trade Union Action and Democracy—TUAD. Another scheduled participant is Irma Zeigas, chairwoman of the Amnesty Committee of Women Strike for Peace, an alleged "peace" group that has been heavily infiltrated by the Communist Party and consistently supported by the party since its founding in the fall of 1961.

Conference literature disseminated to date reflects sponsorship by a number of other present or past Communist Party members, in addition to those already named. They include: John J. Abt, a New York attorney and veteran member of the CPUSA; Hursel Alexander, a leading California Communist; Anne and Carl Braden; Bert Corona; Richard Criley; Angela Davis; Al Evanoff, a prominent New York labor leader and activist in PCPJ; Abe Feinglass, a Chicago labor figure also active in the Communist-dominated "peace" movement; Conrad Lynn, a New York attorney who was thrown out of the CPUSA and gravitated to other Communist groups over the years, including the SWP, and who has an unenviable record of affiliation with Communist fronts and causes; John T. McTernan, a Los Angeles attorney active in the National Lawyers Guild; Rev. William Howard Melish, who has been active in such Communist fronts as the Southern Conference Educational Fund and the National Council of American-Soviet Friendship; George B. Murphy, Jr., also active in the NCASF; Prof. John Pappademos, an editorial board member of the CPUSA's Labor Today who served as a candidate for Presidential Elector on the CPUSA ticket in Illinois during the 1972 elections; Fred Rinaldo, chairman of the Los Angeles Committee for Defense of the Bill of Rights; Frank Wilkinson, the driving force behind the Party's National Committee Against Repressive Legislation; Dr. Edward K. Barsky, long an active leader of the Communist Party-created Veterans of the Abraham Lincoln Brigade; Rose Chernin; Sarah Cunningham, a New York actress; Prof. Philip S. Foner, Lincoln University, Lincoln, Pa.; Robert Klonsky; John Howard Lawson, Communist screen writer; Lewis Moroze, active in the Plainfield Joint Defense Committee, a New Jersey group, chairman of the New Jersey Committee to Free Angela Davis, and New Jersey delegate to the 1957 16th National Convention of the CPUSA; Louise Patterson, wife of William L. Patterson; David Poindexter, a close associate of Angela Davis; John Randolph, actor and husband of Sarah Cunningham, listed above; Jessica Smith, editor of the CPUSA's New World Review; and Prof. Dirk J. Struik, also a prominent leader of the National Council of American-Soviet Friendship and supporter of innumerable Communist fronts.

Included also are several representatives of the CPUSA's "legal bulwark," the National Lawyers Guild, as well as a representative of the CPUSA-controlled Southern Conference Educational Fund. Among the organizations listed as sponsors are "Trade Unions for Action and Democracy, Chicago, Ill.," a Communist front group, and Northern Californians Against Repressive Legislation, another affiliate of the CPUSA-controlled NCARL.

Mr. Speaker, I hope that the above data will serve as a valuable supplement to the informative statement made by Chairman ICHORD and that good Americans will be alerted to the true nature of this phony antirepression conference and will recognize it for what it really is: the launching of one of the largest and most ambitious front organizations ever created by the Communist Party, U.S.A., to deceive the gullible into supporting party objectives.

POLITICAL PRISONERS IN SOUTH VIETNAM

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 9, 1973

Ms. ABZUG. Mr. Speaker, the desperate plight of political prisoners in South Vietnam is called to our attention once again, this time by prominent citizens in Japan. Their detailed allegations are contained in an excellent article which I would like to share with my colleagues:

[From the Reporter, April 1973]

AN APPEAL FROM LEADING LAWYERS AND CLERGY IN JAPAN

(By Daniel Crystal)

Leading lawyers and clergy in Japan have sent out an urgent message advising the international community concerned about human freedom and dignity that there is need for immediate action to investigate what the Thieu administration in South Vietnam is doing with the civilian prisoners held in its prisons and "tiger cages" because they opposed the war.

"What we cannot and must never overlook," their statement reads, "is that in the South, hundreds of thousands of patriots and peace-loving people have been arrested unlawfully, put in prison without trial, tortured, maltreated and now are being maimed or murdered either secretly or openly by the Nguyen Van Thieu regime, They are patriots who nurtured peace as their jewel, along with their national independence, unity and territorial integrity, more than anything else. They are men and women of all ages and of all walks of life, including distinguished men of faith, law, learning and letters, and some ex-MPs. They include also toiling workers, peasants and students of both sexes.

"They are now confined within numerous prisons and penitentiaries, such as those on Polo-Condor island (Comson) known for its notorious 'tiger cages', Phu Quoc Is., Chi Hoa, Thu Duc and others, as well as in what they disguise as 'Strategic' or now, 'New Life Hamlets' or 'Refugee Camps' all of which are no better than the Hitlerite concentration camps.

"There they are facing the most cruel tortures, maltreatment of all sorts and now, more than ever, are in danger of extermination."

Among the Japanese who signed the appeal are Mr. Toraa Ogiyama, Ex-President, The Japan Bar Association, Mr. Susum

Ozaki, Chairman, The Japan Bar Association, Civil Liberties Committee, Mr. Rinji Kondo, Ex-High Court Chief Justice, Mr. Yoichi Mohri, Ex-Chairman, Osaka Bar Association, and other distinguished educators and professionals.

The joint appeal by these legal and religious leaders of Japan calls world attention to the following:

1. In addition to the tremendous number of civilian detainees of the past, those arrested by the Thieu Administration of South Vietnam since last April have shown a very sharp increase, which although the total number is not known, is estimated to be between 20,000 and 30,000.

2. "There is almost no hope of relieving them or defending them, as even the activities of humanitarian defense organizations such as 'The Committee for a Better Prison Regime' are not being allowed now."

3. "The danger is real, now more than ever, of them being murdered or maimed from all the tortures behind curtains, even as the treaty for ending the war and restoring peace in Vietnam is being signed."

Among the specific charges made in this appeal by the Japanese dignitaries are these:

Approximately 30,000 civilians suspected of peace activities in South Vietnam have been arrested and detained since April 1972. About 5,000 of those who had been arrested in Saigon, Hue, Da Nang, Lagsia, and elsewhere were deported to prisons on Polo-Condor and Phu Hoc islands without trial.

Not less than 1,000 were either killed or wounded within the last year in the prison of Polo-Condor, Phu Quoc and Chi Hoa alone.

In the prisons of Phu Quoc and Lagsia, poisons were used for the extermination of political prisoners.

At present, these civilian prisoners are being assassinated. Detainees who have been unlawfully arrested are being screened, and diverted into the criminal prisons so that the Thieu regime should not be forced to release them as part of the Ceasefire Agreement.

The charges made by this group of Japanese jurists, lawyers, and clergy are serious in the extreme. They are painfully mindful of the appeals that were made on behalf of German and Austrian Jewry during the Nazi era. The world from hindsight laments the Holocaust. There appears to be a very real danger today of decimation of South Vietnamese of all walks of life whose essential crime in the eyes of the Thieu regime is that they supported peace and opposed that dictatorial regime.

And, in the opinion of this writer, our national honor is deeply involved in securing their release. We all rejoice that our war prisoners have been released. If peace is ever to come to Southeast Asia, it must come through national reconciliation.

This country has dirtied its hands with enough blood in South Vietnam, North Vietnam, Laos and Cambodia. We cannot evade responsibility for what is going on in the prisons of South Vietnam. We have supported the Thieu administration in every possible way. Unless we are to be regarded worldwide as hypocrites, we must make the Ceasefire Agreement work. All prisoners must be released. Our national honor demands no less.

The appeal by these distinguished Japanese lawyers, judges, clergy, and scholars should shock the conscience of us all.

They request that an international investigation team, including distinguished personalities of the U.S.A. be sent without delay to Saigon to carry out on-the-spot and thorough-going inquiries to clarify all these matters of such grave and common concern.

A similar appeal fell on deaf ears in the '30s when the slaughter was in Europe.

Where is our conscience these days—some 40 years later?

SENATOR McGOVERN APPRAISES DEMOCRATIC PARTY REFORMS

HON. JAMES G. O'HARA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 9, 1973

Mr. O'HARA. Mr. Speaker, I had the pleasure of being a participant in the opening session of the Charter Commission of the Democratic Party, held in Washington last month. The Commission was addressed by Senator George McGovern, who presented a very interesting appraisal of the reforms in the delegate selection processes that were accomplished by the 1968 and 1972 conventions.

Those reforms have been widely discussed, both within the Democratic Party and among the public generally. Senator McGovern's proposals for modification of the delegate selection reforms, and his further comments on the proposed Democratic Party Charter are provocative, stimulating, and worthy of the attention of the Members of this House.

The changes that Senator McGovern has now suggested, for the most part, head in the right direction and I would hope that they can be seriously considered before the 1974 Party Conference and the 1976 Democratic National Convention.

I include, Mr. Speaker, Senator McGovern's remarks at this point in the Record.

Remarks of Senator George McGovern

As I look over this meeting—so well attended by party members and officials and the national press—I am struck by the contrast with the first meeting four years ago of the Commission I chaired. No one paid much attention to us then. But I have the feeling, Governor Sanford, that your work will be watched much more carefully.

Your work should begin by building and improving the reforms to which, for better or worse, my name seems indelibly attached. I realize that some of the following suggestions may fall outside the strict jurisdiction of this Commission, but I believe that you cannot exercise your mandate outside the broader context of the future of all the reforms.

I start with this premise: The reforms did not fail. Never in the history of our party or any party have so many people participated in the selection of a nominee. Despite the discomfort of change and the difficulties of the campaign, I am convinced that this period will be remembered with pride by the Democrats who come after us. It was here, at this time, they will say, that this party affirmed its will to survive—to serve a new age by choosing reform over retrenchment—while the other party was stagnating in the complacency of an election landslide, which was a personal triumph for one man, but revealed in the rest of the results a deep distrust of a selfish and even corrupt conception of the public good.

So, as Democrats, we will not turn our backs on those who placed their faith in our good will and good sense. We will not turn back to the discredited practices which had sadly crept into our party. We will preserve the progress of the past four years.

But we need not pretend that the reforms were written in stone. Every sound law must be informed and improved by experience. Human rules will fail sometimes, for human beings are frail always. And the reform rules were not without some defects or errors of interpretation even as they are properly judged a general success.

Criticism of the reforms appears to fall within two broad areas—first, the problems of what proved in some cases to be a quota system for the selection of delegates—and second, the fear, shared by some Democrats, that the system operated to deprive the Convention of the work and the wisdom of the Party's most senior leaders.

In the area of delegate selection, the McGovern Commission framed the reformed rules as a remedy for past error. The guidelines did not call for quotas. An amendment was introduced to require "representation in reasonable relationship to the group's presence in the population of the state." But this passed, only after an additional amendment by Governor Leroy Collins, which read: "It is the understanding of the Commission that this is not to be accomplished by the mandatory imposition of quotas."

Yet some party members arrived at a different conclusion. Finally, after a period of intense discussion, the National Chairman agreed that a deficient mathematical percentage of affected groups on a state delegation was *prima facie* grounds for a credentials challenge.

On the one hand was the traditional view that who a representative is matters less than the fact that he or she is freely and fairly chosen. This is the ordinary meaning of representation, and it is reflected in most state election statutes and party rules.

On the other hand is the notion that a society can be represented only by a microcosm of the whole, a perfect reflection in miniature of its various groups.

This is the theory which requires a percentage quota for each group in the nation. I do not believe such a system is workable. I believe that delegates should represent people—not types of people.

And I think two specific changes in the reform rules are in order.

First, the phrase "reasonable relationship to their presence in the population of the state" should be removed from the guidelines. That will eliminate the misunderstanding that led to the imposition of quotas while leaving intact the language requiring affirmative action to insure full and fair representation. And the Commission on Delegate Selection and Party Structure, supported by this Commission, should define specifically what such action means with respect to age and sex, as the Special Equal Rights Committee did with respect to minorities.

Second, we should also seek a delegate selection ssytem that truly reflects the preferences of Democratic voters. "Widespread participation in the slate-making process" should not be construed to require surrender of the slate-making power by the presidential candidates.

The party should amend its guidelines to secure the right of presidential candidates to protect the integrity of the method that chooses delegates in their name. The same right should be granted to party organizations or any other group that decides to run a slate independently.

By these steps, I believe we can make the Democratic party more truly representative of Democratic voters. And how, beyond that, can we guarantee the participation of senior party leaders at national conventions—which was, in the minds of some, the second notable area where the reform rules were lacking?

It should be pointed out that under the guidelines, state party organizations already have the right to select 10% of each delegation to the National Convention. Few state parties did so in 1972. Yet this procedure could have provided places for major officials.

That approach, it seems to me, is superior to the proposal that members of the Congress be designated automatic delegates. It avoids conflicts with the prohibition against ex-officio appointments because under it, delegates are chosen by the party organization not solely by virtue of their public position. It also avoids embarrassment to the party in cases where Democrats in the Congress may decline to serve at the convention.

At the same time, the party should act to insure fair representation of party leaders. In 1971, the members of the National Committee were stripped of their convention voting rights, not by the Reform Commission, but by their own decision. Now we should restore those rights. This can be done within the spirit of the reforms because, for the first time in history, the National Committee is apportioned in an equitable manner. But it will require as well that the Charter Commission consider the adoption of uniform standards for election to the Committee. Today the rules vary from state to state. By framing a single standard, the Commission can assure that National Committee members are chosen in a timely manner reflecting the will of Democrats in their states—that they are not made delegates just because they are committee members, but are fairly elected as both committee members and delegates.

In many respects, the reform rules worked better than our best expectations. Everyone knows that, and no one really wants to return the party to secret caucuses, fraudulent proxies, and backroom deals. No one wants to betray those who have relied on the sincerity of the reforms. Still, the reform rules were an innovation, a voyage on an uncharted sea—and they can be improved. Today I have suggested some ways to a National Convention based, not on less reform, but on more reform of the right kind.

But a great political party does not live by nominating conventions alone. This truth, more than anything else, is what gave birth to the Charter Commission. The scope of your mandate is a recognition of the fact that our conduct of the business of the Democratic party for the next four years, will help to determine whether the people will entrust us with the conduct of public business in the next Presidential term.

So you must now raise and respond to difficult questions of party organization and purpose, I would like to examine four of them with you briefly.

First, what kind of mid-term convention should the Democratic party convene in 1974?

There are two types of issues that the mid-term convention could take up—the public policy issues that are normally the subject of political platforms, and the party policy issues that are especially relevant to Democrats committed to shaping a responsive and responsible party organization. The National Committee has the power to determine what issues will be discussed. It will control the agenda of the mid-term Convention. And I believe that agenda should be limited to pressing questions of party policy, specifically the Charter. Constitution-making is an epic undertaking. It requires careful, concentrated, unhurried consideration—precisely what the 1974 Convention must give to the Charter that will make it the important document it deserves to be. It deserves, and the public will demand, that it be treated as more than an incidental matter amid a torrent of other resolutions. Other issues are important, but they can be aired in other forums. The Founding Fathers did not meet in Philadelphia in 1787 to debate the tariff, but to devise a governmental system that could equitably set tariffs. And the Democratic party should not meet in mid-term convention in 1974 to debate every concern of any delegate, but to devise a party organization that can equitably settle disputes and set policy in the future.

Second, should the national party adopt a formal plan of enrolling dues-paying members?

Enrolled party membership has been a recurring question, and you must examine its implications carefully. For example, what rights or privileges will attach to such membership? What provision will be made for those who cannot pay dues because they are in poverty, or will not as a matter of principle? Democrats in some states have experimented with dues-paying membership without great success. Before embarking on a similar venture, we must make certain that it will sustain and strengthen the party, not narrow its base.

Third, should there be uniform rules governing state and local Democratic organizations?

During the last several years, I have met and worked with countless Democrats across America. And I have found that the state of our party organizations varies as widely as the shape of our geography. I have found also, that in our party, as in our country, there is strength in diversity. Therefore, I oppose an enforced conformity of rules except where the principles or progress of the whole party are at stake. But there is a difference between coercion and cooperation. There are places in America where people still hide the fact that they are Democrats.

There are places where the party is frail and faltering. And there should be a more effective system of cooperation among state parties, and between state parties and the national party—so the strong may strengthen the weak, and stronger Democratic organizations may better serve the public interest. I hope the possibilities and practicalities of such a system will be a priority of this Commission.

Finally, should the Democratic party be affiliated at the national level with other organizations?

I have no sure answer to this question. But I think the Charter Commission should consider more formal alliances with groups that generally share our goals, such as labor unions, certain farm organizations, and the civil rights movement. Their members have traditionally been tireless supporters of Democratic candidates. And events have shown that we cannot win without them. At a minimum the Commission should develop methods to improve our relations with like-minded non-affiliates. Actual affiliation may be a long way off, if ever, but we must insure that their voices will be heard and heeded.

Like those of us who served on the Reform Commission, you will sometimes find your task not only tough but tedious. But it is the nuts and bolts of organization, as much as anything else, that will decide the future and the fate of the Democratic Party. And just as we will succeed or fail together, so we must stand together now, putting aside selfish interests and past divisions, to perfect a party organization that will bring Democrats home because it will make this party truly a home for all of us.

I deeply believe that, as Democrats, the things which unite us are stronger than the things which divide us.

All of us want a party that will include those who have been left out of power without excluding those who have worked hard in politics.

All of us want the Democratic Party to be as democratic as our will and wisdom can make it.

And all of us want to win again—not by looking wistfully to the past—but by welcoming the future.

Democrats have made mistakes, and there is surely blame enough for everyone, including me. During the last six years, we have wasted so much of ourselves in factional dispute and disarray. Now it is our common mission to prepare, not just for the next election, but the next generation. It is our mission to preserve the proud and precious heritage of Democratic commitment, not to the privileged, but to the people—to those who earn a living with their hands, to the powerless who are poor or victims of prejudice, to our children who deserve a decent education instead of more wars that teach them how to kill.

The Democratic Party is their voice, and it must speak for them, now and in 1976 and during the years beyond. It must be a reformed party, open, responsive, and compassionate.

And in your effort to achieve that, Governor Sanford, this Commission has my enthusiastic support.

ABORTION

HON. WILLIAM L. HUNGATE

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 9, 1973

Mr. HUNGATE. Mr. Speaker, the Supreme Court's recent decision on the subject of abortion had caused some controversy. The following analysis of those decisions of the April 1973 issue of the American Bar Association Journal throws some light on the questions raised:

COURT ADOPTS ABORTION TRIMESTER RULE

The first of the abortion cases was *Roe* v. *Wade*, 410 U.S. —, 35 L.Ed. 2d 147, 93 S.Ct. 705, 41 U.S.L.W. 4213.

Suit was filed in a three-judge federal district court by an unmarried woman who was pregnant, challenging the validity of the Texas statute prohibiting abortions except when necessary to save the life of the mother. The complaint sought a declaratory judgment and an injunction, contending that the statute abridged the woman's right of personal privacy protected by the First, Fouth, Fifth, Ninth, and Fourteenth Amendments.

A physician against whom two state prosecutions were pending for violation of the abortion statute was permitted to intervene, and the district court consolidated the case with another brought by a childless married couple attacking the same statute.

The district court upheld the right of the pregnant woman and the physician to sue, but ruled that the childless couple had failed to allege facts sufficient to state a controversy and did not have standing to sue. The court ruled that the "fundamental right of single women and married persons to choose whether to have children is protected by the Ninth Amendment, through the Fourteenth Amendment," and that the antiabortion act was unconstitutionally vague. It denied an injunction. 314 F. Supp. 1217.

On direct appeal to the Supreme Court, the Court, speaking through Mr. Justice Blackmum, affirmed as to the pregnant woman but reversed as to the physician, holding that he had made no allegation of any substantial or immediate threat to any federally protected right that could not be asserted in the state proceedings.

The Court also decided that the case was not moot even though the pregnancy occurred in 1970. "Pregnancy often comes more than once to the same woman, and in the general population, if man is to survive, it will always be with us," the Court observed. "Pregnancy provides a classic justification for a conclusion of nonmootness. It truly could be 'capable of repetition, yet evading review.' "

The Court spent a considerable portion of its opinion on the history of legal and public attitudes toward abortion to demonstrate that antiabortion laws are of relatively recent vintage, most of them in the United States dating from the latter half of the nineteenth century.

The Court decided that the constitutional right of privacy, which it seemed to prefer to base on the due process clause of the Fourteenth Amendment rather than on the Ninth Amendment, was broad enough to encompass a woman's decision whether or not to terminate her pregnancy.

The right is not absolute, the Court went on, because "it is reasonable and appropriate for a State to decide that at some point in time another interest, that of health of the mother or that of potential human life, becomes significantly involved. The woman's privacy is no longer sole and any right of privacy she possesses must be measured accordingly."

"With respect to the State's important and legitimate interest in the health of the mother, the 'compelling' point, in the light of present medical knowledge, is at approximately the end of the first trimester. This is so because of the now established medical fact . . . that until the end of the first trimester morality in abortion is less than morality in normal childbirth. It follows that, from and after this point, a State may regulate the abortion procedure to the extent that the regulation reasonably relates to the preservation and protection of maternal health."

The Chief Justice and Justices Douglas and Stewart wrote concurring opinions, and Justices White and Rehnquist dissented.

The second abortion case was *Doe* v. *Bolton*, 410 U.S.—35 L.Ed. 2d 201, 93 S.Ct. 739, 41 U.S.L.W. 4233.

The case was treated separately because of the differences between the Georgia statute and the Texas statute in *Roe* v. *Wade*. The Texas statute was typical of antiabortion statutes long in effect in many states, but the Georgia statute, which was enacted in 1968, follows the provisions of the American Law Institute's Model Penal Code. In general, it makes abortion a crime, except when "performed by a physician duly licensed" in Georgia when, "based upon his best clinical judgment . . . an abortion is necessary because (1) [a] continuation of the pregnancy would endanger the life of the pregnant woman or would seriously and permanently injure her health, or (2) the fetus would very likely be born with a grave, permanent, and irremediable mental or physical defect, or ((3) the pregnancy resulted from forcible or statutory rape."

The Georgia statute also provides that the woman must reside in Georgia, that two other physicians must concur with her own physician that an abortion is necessary, that the abortion must be performed in a hospital accredited by the Joint Commission on Accreditation of Hospitals, and that at least three members of the hospital's staff must concur.

The woman who initiated the action was married, but she alleged that she was physically and economically unable to care for the child. Her application for a therapeutic abortion under the Georgia statute was denied, and she filed suit in a three-judge district court, which granted her declaratory relief. The court also held that a number of others, including physicians, nurses, clergymen, and social workers, had standing to sue but had presented no justiciable controversy. 319 F. Supp. 1048. Again speaking through Mr. Justice Blackmun, the Supreme Court modified and affirmed the holding.

Basically, the Court held unconstitutional the provisions of the Georgia statute that prohibited abortions before the ending of the first trimester of a pregnancy and struck down the provisions requiring residency in the state, J.C.A.H. accreditation, approval of a hospital committee, and the concurrence of two other physicians.

There were three opinions concurring in these two abortion cases, one by the Chief Justice that stated that he was "somewhat troubled" that the Court had taken notice of various scientific and medical data, but that he did not think it had exceeded the scope of accepted judicial notice. He also disagreed with the "sweeping consequences" attributed to the decision by the dissenting justices, saying. "Plainly, the Court today rejects any claim that the Constitution requires abortion on demand."

The second concurring opinion was by Justice Douglas, who stressed the "right of privacy" aspects of the cases.

The third concurring opinion by Justice Stewart emphasized the fact that the case was being decided on Fourteenth Amendment grounds.

Justice White, joined by Justice Rehnquist, wrote a short but vigorous dissent that called the decisions "an exercise of raw judicial power." The abortion issue, he argued, "should be left with the people and to the political processes the people have devised to govern their affairs."

Justice Rehnquist's dissent in the Texas case complained that the Court's holding was much broader than necessary to decide the case and that it was in effect a return to the philosophy of substantive due process. "The decision here to break the term of pregnancy into three distinct terms and to outline the permissible restrictions the State may impose in each one, for example, partakes more of judicial legislation than it does of a determination of the intent of the drafters of the Fourteenth Amendment," he declared.

THE BURDENS AND BENEFITS OF REPRESENTATION

HON. FRANK E. DENHOLM

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 9, 1973

Mr. DENHOLM. Mr. Speaker, the people that elect a Representative or Senator to the U.S. Congress have a right to expect that person to represent them on all matters that come before the House or Senate, respectively.

At no time in recent history has the responsibility been more clear for dedicated effort in the essential service to the people of America.

Nowhere in government service is representation more important than in the legislative process in a democracy because that is the business of the people.

I submit today for appropriate reference, proposed legislation to require the attendance of Members of Congress on not less than 75 percent of the recorded votes in the House and Senate. The language of the legislation that I have proposed is as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That it is the sense of the Congress that—

If during any period of one or more consecutive sessions of Congress, an individual holding the office of Senator or Representative fails to be recorded in person on 75 per centum of three hundred consecutive recorded or rollcall votes of the House of which he or she is a Member, taken during a session of the Congress, such office shall become vacant, and the Secretary of the Senate or the Clerk of the House of Representatives, as the case may be, shall notify the executive authority of the State from which such individual was elected of the vacancy.

This resolution shall apply with respect to any recorded or rollcall vote of the next succeeding session of the Congress after adoption.

The Congress shall have the power to enforce this resolution by appropriate legislation.

SILVER DOLLAR CITY

HON. GENE TAYLOR

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 9, 1973

Mr. TAYLOR of Missouri. Mr. Speaker, in the foothills of the Missouri Ozarks, the re-created 19th century town of Silver Dollar City continues to attract nationwide attention because of its role in preserving the culture and craftsmanship of America in the 1800's. A visitor to the city during the spring and summer months will have the rare opportunity to see craftsmen working on these now historic trades. Over two dozen crafts are practiced including glass blowing, basket weaving, woodcarving, candlemaking, gunsmithing, and blacksmithing.

One unique craft found at Silver Dollar City is the art of building chuck wagons and Conestoga wagons. The nationwide demand and interest in this 19th century mode of transportation was the subject of a page 1 story in today's Wall Street Journal.

Through the preservation of such skills our Nation's pride and heritage will be passed on to future generations. This article will be of interest to all who share my interest in preserving our cultural heritage.

The article follows:

THE BOOMING ECONOMY (OR SOMETHING) SPURS CHUCK-WAGON DEMAND

(By David P. Garino)

SILVER DOLLAR CITY, MO.—The economy is booming, and backlogs of orders are building: for machine tools, bulldozers, power shovels, cement mixers, conveyors, motor trucks. And, of course, for chuck wagons.

The nation's only wagon works can't keep up with demand. Here at Silver Dollar City, a park with a crafts-making theme in the Ozark Mountains, the current backlog is 25 chuck wagons (at $600) and pony wagons (at $450), enough to keep the works working through 1974. The shop started filling orders two years ago, and since then has sold and delivered 15 vehicles, including four new Conestoga wagons at $2,500 each.

Wagon making is one of two dozen more or less esoteric crafts practiced at Silver Dollar City; some of the others are gunsmithing, blacksmithing, basket weaving and candle making. The park was started in 1960 by Mary B. Herschend, a 73-year-old widow, and now it employs 650 workers at its peak season, May through October, when it gets most of its million yearly visitors. Mrs. Herschend and her sons Peter and Jack manage the park. Unincorporated, Silver Dollar City covers 2,000 acres along a mountain ridge near Branson, Mo.

HAND TOOLS AND A FORGE

Thomas E. (Lucky) Jones does most of the wagon building. A bearded, 47-year-old Oklahoman, Mr. Jones says he may be the only active wheelwright in the country. He learned his trade as a youth from his forebears, and he recalls operating the bellows on his great-grandfather's forge—which he inherited and now uses—at Peak Ridge, Ark. He retreated to the leisurely Ozarks after working several years in a factory in Los Angeles, where, he says, he "couldn't stand all the hubbub."

With his young apprentice, Lucky can put together a chuck wagon or a pony wagon in a month, and a Conestoga in 90 days to two months. He uses no power tools; his main implements are a mallet, knives, chisels and the iron forge. Wheel making is the most complicated and time-consuming part of wagon building. Lucky picks up a wheel to show how the spacing along the rim between the spokes must be exact—in this case 7.864 inches—or the wheel won't be round "and you start all over again."

"Any wheel is beautiful to me," he adds. "It makes me feel very big inside when I see one I've built. If there isn't someone around to build these things, kids will never know what they were." Lucky sells a lot of wheels in some 50 different sizes to people who use them as decorations and table bases. A 24-inch wheel fetches $70, a 48-incher $95.

Lucky's Conestoga wagons are built from diagrams from the Smithsonian Institution and from other details from an old reference book he keeps on hand. He has the exact, authentic specifications: height, 11½ feet; length, 19½ feet; weight, 3,600 pounds (The sturdy wagons could carry 20 tons of cargo.)

AND NEXT, RICKSHAS

His reference work says the original Conestogas were made of "genuine white oak, not red oak, nor chestnut, nor Spanish oak, nor any other one of the two dozen varieties that now pass for oak." So Lucky uses white oaks. There's *plenty* around, but the fresh-cut lumber has to be doused and sprayed with boiling linseed oil and bug killers to keep it flexible and insect free. Then it has to be dried for two to five years.

The first customer for one of his Conestogas was Roman Stegeman, who owns a museum featuring vintage cars and horse vehicles in Toas, Mo. Mr. Stegeman says he could find no other source for a Conestoga. Another wagon was purchased by a shopping center with a Western motif in Kansas Cty, Mo. And a group in Sharon Spring, Kan., bought one for the restoration of Fort Wallace.

One of the first chuck wagons was bought by Empire Gas Co. of Lebanon, Mo. The company uses it for promotion, and two years ago at a gathering after the annual meeting a buffet dinner was served from it.

Dr. Charles Kelley, a dentist from Plano, Texas, bought a pony wagon for his teenaged daughters Nancy and Mary Helen. He figured it would be safer than a mini-bike. Then he had to shell out more than $200 for a pair of mules, and, he says, "things just didn't pan out the way we thought they would. A friend of ours hitched up the mules and they took off like mad. Fortunately, he wasn't hurt."

The mules haven't been hitched up again, and Dr. Kelley is wondering now whether to sell the wagon or buy some Shetland ponies to draw it. Meanwhile, he says, "the girls have saddled and ridden the mules, so it wasn't a total loss."

If your mules are perverse, Lucky still can fix you up. For a Missouri man he is going to make a ricksha, and, he says, "you draw it and we'll make it."

U.S. ALLY IN MIDEAST—IRAN—UNDER ATTACK

HON. ROBERT J. HUBER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 9, 1973

Mr. HUBER. Mr. Speaker, Iran is one of the few remaining friends of the United States in the Middle East, and our enemies in the Communist world are only too well aware of this fact. In order to undermine the Shah of Iran, East Germany has been running a clandestine radio station broadcasting material designed to overthrow the Shah. Recently, Iran got East Germany to agree to cease this activity and in a typical Communist tactic, the transmitter was moved out of East Germany and into Iraq, which has a Communist dominated, if not controlled government, where it is now going full blast. Therefore, I believe the article from the Daily Telegraph of London of April 17, 1973, is instructive in this regard and I commend it to the attention of my colleagues:

ANTI-PERSIAN RADIO MOVES TO IRAQ IN PROPAGANDA WAR

(By John Bulloch in Beirut)

A Communist-run radio station which attacks the Shah of Persia and his Government has moved from East Germany to Iraq as the undeclared conflict between these neighboring countries intensifies.

I was told yesterday that Persian diplomats consider the move a breach of the spirit of an agreement they entered into with East Germany.

One of the provisions of that agreement, signed last December, was that Persia would open diplomatic relations with East Germany provided that the hostile broadcasts were halted.

East Germany has carried out the letter of the agreement, but has clearly breached its spirit by transferring the stations to Northern Iraq.

The clandestine transmitter, situated somewhere near the border with Persia, broadcasts 25 hours a week in Farsi, the language of Persia, Kurdish, and two other minority languages. The main news is that of the banned and exiled Tudeh, the Persian Communist party.

According to Western diplomats, establishment of the radio station in Iraq is one of the by-products of the Iraq-Soviet friendship treaty signed a year ago.

It marks increasing domination of the Iraqi Government by pro-Communist elements, rather than the more independent-minded Baath party members, who have been in control up to now.

Persia and Iraq are competing for the position of most powerful nation in the Persian Gulf area with Persia well ahead.

Iraq realises it cannot go to war with its stronger neighbour, and is therefore trying to stir up internal trouble while backing dissidents with occasional border incidents.

JANE FONDA DUPED BY HANOI

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 9, 1973

Mr. BOB WILSON. Mr. Speaker, the anger of our returned prisoners of war at the activities of Jane Fonda has begun to boil over. Subjected to the carefully orchestrated visits of Miss Fonda to the Hanoi Hilton, the POW's are now expressing their outrage at her trips to North Vietnam and her inexhaustible desire to consort with the enemy. I would like to share with my House colleagues an article from the April 3 San Diego Evening Tribune regarding the recent remarks of Navy captain, and former POW, William Franke before the Rotary Club:

EX-POW CLAIMS "JANE, BABY," DUPED BY HANOI

(By Ernie Cowan)

VALLEY CENTER.—Antiwar activist Jane Fonda was known to U.S. prisoners of war in the "Hanoi Hilton" as "Jane, baby," a returned POW said here yesterday.

"And we have no love for 'Jane, baby,'" Navy Capt. William Franke told a group of more than 50 Rotary Club members and guests.

He was shot down in August 1965 and was reported killed in action. His name never appeared on any POW lists until his release. Other pilots who saw him go down reported he couldn't have survived.

Franke said visits by "peace delegations" to North Vietnam were a source of anger for prisoners housed in the "Hanoi Hilton."

"We all felt that even in an undeclared war these people shouldn't be over there and be friendly with the enemy," Franke said.

He said Miss Fonda got what the prisoners called "Tour Alpha" and was shown what the North Vietnamese wanted her to see.

" I think Jane, baby, is a little twisted in the mind. It surprised me how a person with her background and knowledge could be so duped and deceived by those people so as to place herself in the position she is in today," Franke said.

"She is now saying the prisoners are liars and I hate to hear that from a woman that should be as educated as she is. But she did come over and she made statements and she was deceived and duped at every turn and she was shown things they wanted her to see and she believed what they told her."

Franke said Miss Fonda then came home to America and tried to discourage American soldiers from fighting and to tell the public how well the prisoners were being cared for.

"Well, she's a liar. She doesn't know anything about the situation and I think she's twisted upstairs," Franke said.

During his more-than-seven years captivity Franke said the North Vietnamese taught him to hate them.

"I don't hate the people of North Vietnam, but they taught me to hate their system and their leaders and for that reason I am against any help to that country," Franke said.

Despite being treated as "the blackest of criminals," Franke said there was organization and strength among the prisoners.

"That's all we had, was strength among the group to keep us going," he said.

At times prisoners were taken into Hanoi where pictures would be taken of them next to ruined buildings.

"We would resist these attempts at propaganda and it took 17 guards to move seven of us, and we would fight them, so that we were beaten, bloodied and manacled when we arrived," Franke said. "The photographers were not interested in pictures of us that way, so we had accomplished our purpose."

VITAMIN BILL SPONSORS NOW NUMBER 142

HON. CRAIG HOSMER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 9, 1973

Mr. HOSMER. Mr. Speaker, as of May 9, 1973, a total of 142 Members of the House have cosponsored or introduced H.R. 643 and identical bills relating to FDA regulations concerning vitamins and dietary supplements. Interest in these bills is gaining momentum as shown by the fact that on March 8 only 20 Congressmen had cosponsored them. This interest is nationwide and bipartisan. I appreciate the support of my colleagues. The list of cosponsors and sponsors follow:

CONGRESSMEN INTRODUCING IDENTICAL BILLS, AND CONGRESSMEN JOINING MR. HOSMER AS COSPONSORS—AS OF MAY 4, 1973

ALABAMA

1. Bevill, Tom (D. HR 7474).
2. Buchanan, John (D. HR 7473).
3. Edwards, Jack (R. HR 7474).
4. Nichols, Bill (D. HR 7474).

ALASKA

1. Young, Don (R. HR 6045).

ARIZONA

1. Conlan, John B. (D. HR 6043).
2. Rhodes, John J. (R. HR 3483).
3. Steiger, Sam (R. HR 6044).
4. Udall, Morris K. (D. HR 7201).

ARKANSAS

1. Hammerschmidt, J. (R. HR 6043).

CALIFORNIA

1. Anderson, Glenn M. (D. HR 5313).
2. Brown, George E. (D. HR 6787).
3. Burgener, Clair W. (R. HR 6043).
4. Clawson, Del. (R. HR 3245).
5. Corman, James C. (D. HR 7473).
6. Danielson, George (D. HR 6098).
7. Goldwater, Barry, Jr. (R. HR 6043).
8. Gubser, Charles (D. HR 4790).
9. Hanna, Richard T. (D. HR 6043).
10. Hawkins, Augustus (D. HR 6045).
11. Hinshaw, Andrew J. (R. HR 7473).
12. Hosmer, Craig (R. HR 643).
13. Ketcham, William (R. HR 6044).
14. Leggett, R. L. (D. HR 6044).
15. Moorhead, Carlos J. (R. HR 6044).
16. Pettis, Jerry L. (R. HR 894).
17. Rees, Thomas M. (D. HR 6044).
18. Rousselot, John H. (R. HR 7474).
19. Royball, Edward R. (D. HR 7241).
20. Ryan, Leo J. (R. HR 6044).
21. Sisk, B. F. (D. HR 5083).
22. Talcott, Burt (R. HR 6044).
23. Teague, Charles M. (R. HR 6044).
24. Waldie, Jerome R. (D. HR 4568).
25. Wilson, Bob (R. HR 6045).
26. Wilson, Charles (D. HR 2932).

CONNECTICUT

1. Grasso, Ella T. (D. HR 7473).
2. Steele, Robert H. (R. HR 7474).

FLORIDA

1. Bafalis, L. S. Skip (R. HR 7473).
2. Burke, Herbert J. (R. HR 6043).
3. Fascell, Dante B. (D. HR 7473).
4. Haley, James A. (D. HR 7474).
5. Lehman, William (D. HR 6787).
6. Pepper, Claude (R. HR 6044).
7. Young, C. W. Bill (R. HR 1295).

GEORGIA

1. Mathis, Dawson (D. HR 7473).

HAWAII

1. Matsunaga, Spark (D. HR 770).

IDAHO

1. Symms, Steve D. (R. HR 7474).

ILLINOIS

1. Anderson, John B. (R. HR 6043).
2. Annunzio, Frank (D. HR 6209).
3. Collier, Harold R. (R. HR 3236).
4. Crane, Phillip M. (R. HR 6043).
5. McClory, Robert (R. HR 7473).
6. Michel, Robert H. (R. HR 7473).
7. O'Brien, George M. (R. HR 6107).
8. Railsback, Tom (R. HR 6044).

INDIANA

1. Bray, William G. (R. HR 6043).
2. Hudnut, William H. (R. HR 6044).
3. Myers, John T. (R. HR 6044).
4. Zion, Roger H. (R. HR 6045).

IOWA

1. Gross, H. R. (R. HR 7473).

KANSAS

1. Shriver, Garner E. (R. HR 6044).

LOUISIANA

1. Rarick, John R. (D. HR 1617).
2. Treen, David C. (R. HR 7474).

MASSACHUSETTS

1. Studds, Gerry E. (D. HR 7474).

MICHIGAN

1. Brown, Gary (R. HR 6043).
2. Cederberg, Elford (R. HR 135).
3. Chamberlain, Chas. (R. HR 6043).
4. Conyers, John (D. HR 7473).
5. Diggs, Charles (D. HR 7473).
6. Esch, Mervin (R. HR 7473).
7. Ford, Gerald R. (R. HR 7473).
8. Hutchinson, Edward (R. HR 5789).

MINNESOTA

1. Blatnik, John A. (D. HR 5390).
2. Karth, Joseph E. (D. HR 7479).
3. Zwach, John (R. HR 6856).
4. Frenzel, Bill (R).

MISSISSIPPI

1. Lott, Trent (R. HR 7473).

MISSOURI

1. Randall, William (D. HR 4667).

MONTANA

1. Shoup, Richard G. (R. HR 6045).

NEBRASKA

1. Thone, Charles (R. HR 6044).

NEVADA

1. Towell, David (R. HR 6044).

NEW HAMPSHIRE

1. Wyman, Louis C. (R. HR 5395).
2. James C. Cleveland (R).

NEW JERSEY

1. Forsythe, Edwin B. (R. HR 6043).
2. Helstoski, Henry (D. HR 1782).
3. Howard, James J. (D. HR 6726).
4. Hunt, John E. (R. HR 6043).
5. Roe, Robert A. (D. HR 6044).

NEW MEXICO

1. Runnels, Harold (D).

NEW YORK

1. Abzug, Bella S. (D. HR 7474).
2. Addabbo, Joseph P. (D. HR 7473).
3. Brasco, Frank J. (D. HR 7473).
4. Dulski, Thaddeus (D. HR 2670).
5. Fish, Hamilton (R. HR 6043).
6. Horton, Frank (R. HR 6043).
7. Rangal, Charles (D. HR 6787).
8. Robison, Howard (R. HR 7474).
9. Roncallo, Angelo (R. HR 6787).
10. Rosenthal, Benjamin (D. HR 6044).
11. Walsh, William F. (R. HR 7474).

NORTH CAROLINA

1. Jones, Walter B. (D. HR 7473).
2. Mizell, Wilmer (R. HR 7474).

OHIO

1. Carney, Charles J. (D. HR 7473).
2. Clancy, Donald D. (R. HR 4611).
3. Minshall, William (R. HR 6044).
4. Regula, Ralph S. (R. HR 7474).
5. Seiberling, John F. (D. HR 7474).

OKLAHOMA

1. Jarman, John (D. HR 6519).

OREGON

1. Dellenback, John (R. HR 6043).
2. Wyatt, Wendell (R. HR 2483).

PENNSYLVANIA

1. Clark, Frank M. (D. HR 6043).
2. Coughlin, Lawrence (R. HR 6787).
3. Eshleman, Edwin (R. HR 7473).
4. Gaydos, Joseph M. (D. HR 7474).
5. Goodling, George A. (R. HR 6043).
6. Saylor, John (R. HR 1897).
7. Ware, John (R. HR 6044).
8. Yatron, Gus (D. HR 6045).
9. Nix, Robert (D. HR 6580).

SOUTH CAROLINA

1. Davis, Mendel J. (D. HR 7473).
2. Spence, Floyd (R. HR 7474).

SOUTH DAKOTA

1. Abdnor, James (R. HR 7473).

TENNESSEE

1. Baker, LaMar (R. HR 6787).
2. Duncan, John T. (R. HR 6043).
3. Fulton, Richard H. (D. HR 7106).
4. Kuykendall, Dan (R. HR 6787).

TEXAS

1. Archer, Bill (R. HR 6043).
2. Casey, Bob (D. HR 2263).
3. Collins, James M. (R. HR 6043).
4. Fisher, O. C. (D. HR 6043).
5. Pickle, J. J. (D. HR 7474).
6. Teague, Olin E. (D. HR 7474).
7. Wright, Jim (D. HR 6045).

VIRGINIA

1. Broyhill, Joel T. (R. HR 6043).
2. Whitehurst, G. W. (R. HR 7474).

WASHINGTON

1. Hicks, Floyd V. (D. HR 6043).

WEST VIRGINIA

1. Slack, John M. (D. HR 7474).

WISCONSIN

1. Froehlich, Harold (R. HR 7473).
2. Thomson, Vernon W. (R. HR 7474).

GUAM

1. Won Pat, Antonio B. (D. HR 6045).

A SALUTE TO THE NEWBORN SPECIAL CARE NURSERY OF ST. FRANCIS HOSPITAL DURING NATIONAL HOSPITAL WEEK

HON. JAMES R. JONES

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 9, 1973

Mr. JONES of Oklahoma. Mr. Speaker, today, as a continuation of my tribute to the hospitals in my district during National Hospital Week, I should like to cite a particular demonstration of community responsibility. As you know, there is no charitable hospital system in the State of Oklahoma. The care of the poor is therefore provided by the private hospitals.

St. Francis Hospital, a private 725-bed, 50-bassinet hospital founded by the William K. Warren Foundation, has developed an innovative service program by providing imaginative modern care to all pregnant females and to all high-risk infants through a special newborn nursery staffed with newborn specialists—neontologists. The emphasis of this effort is not the mere salvage of human life, but on salvaging quality, neurologically intact future citizens

The identified need to make such facilities available has been met by St. Francis Hospital by the establishment in 1971 of a regional newborn referral nursery to serve northeastern Oklahoma This newborn special care nursery boasts two trained newborn specialists, sophisticated monitoring and respiratory equipment, a cadre of highly motivated nurses, an active educational program and a comprehensive training facility for newborn specialists. Regional endorsement of this privately funded effort is reflected in the surge of referrals which grew in numbers from 17 in 1971 to 78 in 1972. The referral of 100 to 150 high-risk infants is anticipated in 1973. Statistics on those infants born at St. Francis Hospital indicate that newborn mortality rates have been cut in half.

The success of these private medical endeavors to provide a service to all regardless of ability to pay is greatly strengthened by the simultaneous development of perinatal research efforts through the William K. Warren Research Center, a facility adjacent to St. Francis Hospital. The provocative questions such as hyaline membrane disease, neonatal pulmonary hemorrhage, neonatal infection, fetal monitoring, and newborn energy metabolism which are being actively researched in the center, provide important clinical support for the newborn special care nursery and maternity unit.

The present newborn special care nursery can accommodate up to 14 critically ill newborn infants. The $20 million gift for further expansion of St. Francis Hospital which was announced in December of 1972 includes plans to double the size of the newborn special care nursery. Support for the perinatal efforts at St. Francis Hospital extends beyond the clinical research at the half a million dollar research center. The St. Francis Hospital Auxiliary has given the major part of the $50,000 donations from 1971 and 1972 for important support equipment in the nursery and maternity unit.

It is indeed refreshing to see a privately funded health care facility identify such a broad health need and to quietly proceed to make an impact toward rendering that need which can benefit an entire State.

SENATE—*Thursday, May 10, 1973*

The Senate met at 10 a.m. and was called to order by Hon. JAMES ABOUREZK, a Senator from the State of South Dakota.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Eternal Father, we give Thee thanks for the accomplishments of yesterday, for the rest of the night that is past and for the promise of this new day. Let this day add some knowledge or good deed to yesterday. Light up all our labors, even the small duties, by a vivid awareness of Thy presence. Give us wisdom and grace to make this world a better place and our Nation a worthier servant of Thy purposes. And when the day is done, bring us to rest with joy and peace in our hearts.

We pray in the Redeemer's name. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., May 10, 1973.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. JAMES ABOUREZK, a Senator from the State of South Dakota, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. ABOUREZK thereupon took the chair as Acting President pro tempore.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILL

Messages in writing from the President of the United States were communicated to the Senate by Mr. Marks, one of his secretaries, and he announced that on May 8, 1973, the President had approved and signed the act (S. 1494) to amend section 236 of the Central Intelligence Agency Retirement Act of 1964 for certain employees to limit the number of employees that may be retired under such act during specified periods.

EXECUTIVE MESSAGE REFERRED

As in executive session, the Acting President pro tempore (Mr. ABOUREZK) laid before the Senate a message from the President of the United States submitting the nomination of Mayo J. Thompson, of Texas, to be a Federal Trade Commissioner, which was referred to the Committee on Commerce.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Wednesday, May 9, 1973, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider nominations on the Executive Calendar.

There being no objection, the Senate proceeded to the consideration of executive business.

The ACTING PRESIDENT pro tempore. The nominations on the Executive Calendar will be stated.

DEPARTMENT OF DEFENSE

The second assistant legislative clerk read the nominations in the Department of Defense as follows:

Robert C. Hill, of New Hampshire, to be an Assistant Secretary of Defense.

Howard H. Callaway, of Georgia, to be Secretary of the Army.

NOMINATION OF HOWARD H. CALLAWAY

Mr. THURMOND. Mr. President, it is a pleasure to recommend to the Senate favorable action on the pending nomination of former Congressman Howard H. Callaway as the Secretary of the Army.

Mr. Callaway's nomination has been approved unanimously by the Senate Armed Services Committee. Early action by the Senate would facilitate this matter in view of the resignation of the current Army Secretary Robert F. Froehlke, which becomes effective May 15.

Mr. President, the nominee is a man of ability and integrity. As a cadet at the U.S. Military Academy he demonstrated outstanding leadership qualities before graduating in the top part of his class in 1949.

Following his graduation he served as an infantry lieutenant during the Korean war, earning the Combat Infantryman's Badge and other decorations.

In other words, Mr. Callaway is not only an outstanding businessman, former civic leader, and former Congressman, but he is also a man who knows the Army by virtue of his service at the Academy and in combat.

Mr. President, the Nation is fortunate to have a man of Mr. Callaway's caliber as its Secretary of the Army. President Nixon is to be commended for this outstanding appointment and I urge the Senate to act promptly in confirming this nomination.

NOMINATION OF ROBERT C. HILL

Mr. President, I rise to urge the Senate act favorably on the pending nomination of Ambassador Robert C. Hill for the position of Assistant Secretary of Defense for International Affairs.

Ambassador Hill has a distinguished record of public service as evidenced by his work within the State Department and more recently as Ambassador to Spain.

The Nation is fortunate that Ambassador Hill has consented to President Nixon's request that he reenter public life in the important position as Assistant Secretary of Defense for International Security Affairs.

This is an important and sensitive post for which the nominee is well qualified. Few men in public life have the skill and judgment already demonstrated by Ambassador Hill.

Mr. President, the nominee is a man of character and ability. It is my hope the

Senate will act expeditiously and favorably on his nomination.

Mr. President, I ask unanimous consent that Ambassador Hill's biography be printed in the Record.

There being no objection, the biography was ordered to be printed in the Record, as follows:

Biography of Robert C. Hill

Robert C. Hill, 55, a New Hampshire businessman and diplomat, who has served both the Eisenhower and Nixon administrations as Assistant Secretary of State for Congressional Relations and as Ambassador to Costa Rica, El Salvador, Mexico and Spain, has been nominated as Assistant Secretary of Defense for International Security Affairs by President Nixon. Mr. Hill began his Foreign Service career as a Vice Consul in India in 1943.

A long-time friend and political associate of President Nixon, Mr. Hill figured prominently in the President's 1968 campaign as Chairman of the Republican National Committee's Foreign Policy Task Force, member of the Republican Coordinating Committee's Task Force on National Security and Chairman of President Nixon's Campaign Foreign Policy Committee. He served as President Nixon's Ambassador to Spain from 1969 to 1972.

Born on September 30, 1917, at Littleton, New Hampshire, Mr. Hill graduated from Taft School (1938) and Dartmouth College (1942).

From 1943 through 1945, he was an officer in the U.S. Foreign Service, assigned first to Calcutta and then to U.S. Army Headquarters in the China-Burma-India Theater at New Delhi as a State Department representative with rank of Captain. In addition to his Army responsibilities, he was in charge of consular activities at the Embassy in New Delhi at that time.

In 1946, Mr. Hill became Staff Assistant to the U.S. Senate Committee on Banking and Commerce. In 1953, President Eisenhower named him Ambassador to Costa Rica at that time the youngest Ambassador to be appointed in the Foreign Service. In 1954, he became Ambassador to El Salvador, and in 1955 Special Assistant to the Under Secretary of State for Mutual Security Affairs. In 1956, he was named Assistant Secretary of State for Congressional Relations. Designated Ambassador to Mexico in 1957, he resigned in 1961, returning to New Hampshire, where he was elected to the State Legislature, 1961–'62.

Formerly President of the Peoples National Bank of Littleton, New Hampshire, Mr. Hill has served on the board of directors of several American corporations. For several years Mr. Hill was an Assistant Vice President of the W. R. Grace & Co. He has received honorary Doctor of Laws degrees from Dartmouth College, New England College, St. Mary's University, University of Dallas, and the Mexican Academy of International Law, Mexico City.

Decorated by three foreign governments, Mr. Hill is a recipient of the Grand Cross-order of Isabel la Catolica, Spain; the Aztec Eagle, First Class, Republic of Mexico; Grand Order of Merit, Republic of Peru; Order de Fraternitas, Mexico City College, Mexico City; Cuerpo de Defensores de la Republica, Mexico City; and Orden Mexicana del Derecho y la Cultura, Mexico City. He is also a recipient of the Americas Award from Rollins College, Winter Haven, Florida.

A sports enthusiast, Mr. Hill played football at Dartmouth and was Captain of his Freshman team. He enjoys tennis and squash rackets, as well as horseback riding. He raises quarter horses at his farm, Happy Hill, Littleton, New Hampshire.

Mr. Hill has made literary contributions to Orbis, Reader's Digest and the Washington Report. He is a member of Alpha Delta Phi social fraternity.

Mr. Hill is married to the former Cecelia Gordon Bowdoin of Baltimore, Maryland. They have two boys, W. Graham Bowdoin, 24 and James Bowdoin, 19.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

Mr. NUNN subsequently said: Mr. President, I am very pleased that Howard "Bo" Callaway, a distinguished Georgian, was confirmed without objection by the Senate as Secretary of the Army. I am particularly pleased that the Armed Services Committee gave his nomination rapid and unanimous support, clearing the way for the confirmation by the full Senate today.

That this favorable action was not delayed is especially significant in view of the many problems which confront the Army: the problem of discipline, the problem of mutual force reduction in Europe, and the problem of continuing readiness of our combat divisions. These are crucial problems that the new Secretary must face.

A native of LaGrange, Ga., Mr. Callaway was graduated from West Point Military Academy in 1949 and received his commission in the Regular Army. Mr. Callaway served as an infantry lieutenant during 1949–52. He is a veteran of the Korean war where he participated in three campaigns while serving as a platoon leader in the Far East Command. He was awarded the Republic of Korea Presidential Unit Citation and Combat Infantry Badge. His last 2 years in the Army were spent as an instructor at the Infantry School, Fort Benning, Ga., where he was honorably discharged December 19, 1952.

Mr. Callaway brings to his new post a distinguished career in political, educational, and civic enterprises. He was named civilian aide for the Third Army Area by former Secretary of the Army, Stanley R. Resor, December 30, 1970. He is chairman of the Council of Trustees, Freedoms Foundation at Valley Forge; former international president of the Young Presidents Organization; and Republican National Committeeman for the State of Georgia. He was the Republican candidate for the Governor of Georgia in 1966. He served in the 89th Congress and represented the third district of Georgia in 1965–66.

Mr. Callaway is a former member of the Board of Regents, University System of Georgia; the National 4–H Service Committee and trustee of the National Recreation Association. He is the president of Interfinancial, Inc. of Atlanta, and a trustee of the Ida Cason Callaway Foundation of Pine Mountain, Ga.

Mr. Callaway brings to this job a very high level of competency. He also brings to it a total dedication to his country. I am convinced that his appointment as Secretary of the Army will be good for the U.S. Army and good for the United States of America.

CONSUMER PRODUCT SAFETY COMMISSION

The second assistant legislative clerk proceeded to read sundry nominations in the Consumer Product Safety Commission.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

U.S. AIR FORCE

The second assistant legislative clerk read the nomination of Maj. Gen. Joseph C. Wilson, to be lieutenant general.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

U.S. ARMY

The second assistant legislative clerk read the nomination of Lt. Gen. Julian Johnson Ewell to be lieutenant general.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

The second assistant legislative clerk read the nomination of Lt. Gen. William Raymond Peers, to be lieutenant general.

Mr. MANSFIELD. Mr. President, may I say that personally I am distressed, disturbed if not disheartened, to note the retirement of Lt. Gen. William Raymond Peers from the U.S. Army.

General Peers is the official who conducted the intensive hearing and investigation into the Mylai massacre in Vietnam. This report has never been published, although promises had been made otherwise. Nonetheless, the investigation, it is understood, was executed with extraordinary diligence and went far to reveal the facts and circumstances of this tragic product of Vietnam that is known as Mylai.

It is my sincere hope that the retirement of General Peers is entirely voluntary and is in no way connected with the oustanding job I understand he did with respect to Mylai and his uncovering the facts relative to the grave situation that developed at Mylai and surrounding villages.

Officers who perform their duties with competence and fairness are a welcome commodity in the U.S. Army. And although I do not suggest that it applies here, there should never be a hint that such officers are treated with other than commendation for performing responsibilities capably.

Again, it is with regret I note that the name of this fine military officer has been placed on the retired list.

The ACTING PRESIDENT pro tempore. Without objection, the nominaton is considered and confirmed.

The second assistant legislative clerk read the remainder of the nominations in the U.S. Army, as follows:

Lt. Gen. Willard Pearson to be lieutenant general.

Lt. Gen. Richard Thomas Cassidy, to be lieutenant general.

Maj. Gen. William Robertson Desobry, to be lieutenant general.

Maj. Gen. Richard Joe Seitz, to be lieutenant general.

Mr. Gen. Raymond Leroy Shoemaker, to be lieutenant general.

Mr. MANSFIELD. I ask unanimous consent that these nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

U.S. NAVY

The second assistant legislative clerk proceeded to read sundry nominations in the U.S. Navy.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that these nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

U.S. MARINE CORPS

The second assistant legislative clerk proceeded to read sundry nominations in the U.S. Marine Corps.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

NOMINATIONS PLACED ON THE SECRETARY'S DESK

The second assistant legislative clerk proceeded to read sundry nominations in the Coast Guard, which had been placed on the Secretary's desk.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to and the Senate resumed the consideration of legislative business.

THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of the calendar, beginning with Calendar No. 128, and that the remainder of the calendar be considered, exclusive of Calendar No. 130.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The clerk will state the first bill.

GIUSEPPE PAUL PINTON

The bill (S. 1002) for the relief of Giuseppe Paul Pinton was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Giuseppe Paul Pinton shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper officer to reduce by one number, during the current fiscal year or the fiscal year next following, the total number of immigrant visas and conditional entries which are made available to natives of the country of the alien's birth under paragraphs (1) through (8) of section 203(a) of the Immigration and Nationality Act.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 93–136), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to grant the status of permanent residence in the United States of Giuseppe Paul Pinton. The bill provides for the payment of the required visa fee and for an appropriate visa number deduction.

NATIONAL COMMISSION ON PRODUCTIVITY AND WORK QUALITY

The bill (S. 1752) prescribing the objectives and functions of the National Commission on Productivity and Work Quality was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) it is the policy of the United States to promote increased productivity and to improve the morale and quality of work of the American worker, for the purpose of providing goods and services at low cost to American consumers, improving the competitive position of the United States in the international economy, and facilitating a more satisfying work experience for American workers

(b) The President's National Commission on Productivity shall hereafter be referred to as the National Commission on Productivity and Work Quality (hereinafter referred to as the "Commission"). The Commission shall carry out the objectives and exercise the functions hereinafter prescribed.

(c) The objectives of the Commission shall be to help increase the productivity of the American economy and to help improve the morale and quality of work of the American worker.

(d) To achieve the objectives of subsection (c), the Commission shall have the following primary functions:

(1) To encourage and assist in the organization and work of labor-management committees which may also include public members, on a plant, community, regional, and industry basis. Such committees may be specifically designed to facilitate labor-management cooperation to increase productivity or to help improve the morale and quality of work of the American worker.

(2) To conduct such research as is directly necessary to achieve each of the objectives set forth in subsection (c) when such research cannot appropriately be accomplished by other Government agencies or private organizations.

(3) To publicize, disseminate, and otherwise promote material and ideas relating to its objectives.

(e) In addition to its functions under subsection (d) the Commission shall—

(1) advise the President and the Congress with respect to Government policy affecting productivity and the quality of work;

(2) coordinate and promote Government research and technical assistance efforts relating to productivity; and

(3) provide technical and consulting assistance.

(f) In pursuing its objectives under subsection (c), and in carrying out its functions under subsections (d) and (e), the Commission shall concentrate its efforts on those areas where such efforts are likely to make the most substantial impact on—

(A) the morale and quality of work of the American worker;

(B) the international competitive position of the United States;

(C) the efficiency of government; or

(D) the cost of those goods and services which are generally considered to fulfill the most basic needs of Americans.

(g) (1) The Executive Director of the Commission shall be the principal executive officer of the Commission in carrying out the objectives and functions of the Commission under this section.

(2) The Executive Director of the Commission, with the approval of the Chairman of the Commission, is authorized (A) to appoint and fix the compensation of such officers and employees, and prescribe their functions and duties, as may be necessary to carry out the provisions of this section, and (B) to obtain the services of experts and consultants in accordance with the provisions of section 3109 of title 5, United States Code.

(3) The Commission may accept gifts or consultants in accordance with the programs which it deems desirable or for its general activities.

(h) In carrying out its activities under this section, the Commission shall consult with the Council of Economic Advisers.

(i) The Commission shall transmit to the President and to the Congress, not later than March 1 of each year, a report covering its activities under this section during the preceding calendar year. The Commission shall also, not later than January 15, 1974, and January 15 of each year thereafter during the life of the Commission, submit to the Committee on Banking, Housing and Urban Affairs of the Senate and the Committee on Banking and Currency of the House of Representatives a report describing in detail the program to be carried out by the Commission under this section during the next fiscal year. Such reports shall include an explanation of how the Commission's program has complied or will comply, as the case may be, with the provisions of subsection (f).

(j) There are hereby authorized to be appropriated such sums, not to exceed $5,000,000, as may be necessary to carry out the purposes of this section during the period ending June 30, 1974.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have in the RECORD an excerpt from the report (No. 93–138), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

EXCERPT OF REPORT

HISTORY OF LEGISLATION

S. 891 was introduced in the Senate and referred to the Committee on Banking, Housing and Urban Affairs on February 19, 1973. The Subcommittee on Production and Stabilization held hearings on March 14, 1973 and April 16, 1973 to receive testimony from the Executive Director of the Productivity

Commission, Mr. John M. Stewart; the new Chairman of the Commission, Dr. John T. Dunlop; the Honorable Jacob K. Javits, Senator from the State of New York; and the Honorable Charles H. Percy, Senator from the State of Illinois. The Subcommittee held an Executive Session on April 16, 1973, and unanimously-agreed to recommend a Committee bill to the Full Committee in lieu of S. 891.

The Banking, Housing and Urban Affairs Committee in Executive Session on April 17, 1973, voted unanimously to report the bill recommended by the subcommittee.

SUMMARY OF LEGISLATION

The Committee bill authorizes the extension of the President's National Commission on Productivity. The name of the Commission is to be changed to the National Commission on Productivity and Work Quality, with an authorization for appropriations of $5 million to be spent within a period ending June 30, 1974.

The bill states and limits the objectives of the Commission: to promote the productivity of the American economy and to improve worker morale and quality of work. The Commission has three primary means to implement these two objectives: (1) to create labor-management productivity councils, which can be of traditional World War II type now being applied in the steel industry, or of the newer quality of work type; (2) to conduct research, but only that which is directly necessary to achieve its objectives; and (3) to promote its objectives through public information work.

In addition, the National Commission on Productivity and Work Quality shall advise the President and Congress on government policies affecting productivity and quality of work, coordinate and promote research work by other government agencies and provide technical and consulting assistance to labor, indusrty, and government in order to help them increase productivity and improve the quality of working life.

The Commission shall also coordinate with the Council of Economic Advisers and submit annual reports throughout its life which document its past activities and future plans.

PURPOSE OF LEGISLATION

The primary purpose of the Committee bill is to authorize the Commission to continue its operation, but with a new focus and a new order of priorities on which to make decisions about the commitment of its limited appropriation.

This bill is different in several fundamental ways from the legislation which originally authorized the Commission.

First, in addition to pursuing the objective of helping to increase productivity, the Commission is directed to strive for improvements in the morale and quality of work of the American worker. Such efforts certainly relate to the productivity problem and may lead to productivity increases. However, because of the evidence of widespread disenchantment among American workers in both offices and factories, as well as the importance of job satisfaction in view of the amount of time spent on the job, the Committee believes that efforts by the Commission to help improve the quality of working life are justified regardless of whether there are any immediate discernable results in terms of productivity increases.

Second, the legislation sets clear priorities for the Commission's work, by mandating that it concentrate its efforts where these efforts are likely to make the most substantial impact on the international competitive position of the United States, the efficiency of government, the cost of goals and services generally considered to fulfill the most basic needs of Americans, and the morale and quality of work of American workers. For example, the assertion that health care fulfills a basic need of Americans would not be a sufficient justification in itself for a major Commission effort in the health care field. The Commission would also have to be reasonably satisfied that the activities it could undertake are likely to have a substantial impact on the cost of health care.

The Committee considers the subsection setting priorities for the Commission to be a key position of the new legislation. The Committee expects the Commission to adhere strictly to these provisions, and has included in the bill the requirement that the Commission's reports indicate how it has done so (or intends to do so, as the case may be).

The Committee does not consider the Commission to enjoy permanent status but rather expects that the Commission shall rejustify its existence in each ensuing year through the reports to be submitted under the legislation.

Based upon the hearing at which the Commission originally presented its program plans for fiscal 1974, the Committee was not satisfied that the Commission was choosing activities which would have the maximum possible impact on either productivity or the quality of American working life. The lack of concentration on matters potentially affecting America's international competitive position was of particular concern. The Committee also questioned the usefulness of some of the Commission's proposed projects for the coming fiscal year dealing with such concerns as banking, restaurants, and education. Under the new legislation, such projects could continue only if they are fashioned in a manner which can be justified in terms of the requirements relating to priorities, as established in subsection (f).

Third, the Commission's functions are altered somewhat and are more concisely delineated than they were under the original statute. As a result, the importance of the Commission's publicity function and the labor-management council effort is emphasized, as well as the necessity for the Commission to avoid duplicative research. In addition, the Commission would be required to take a more active role with respect to government efforts and policies affecting productivity and the quality of work. This role would include the provision of advice regarding the effect on productivity and work quality of existing or proposed government policies, as well as increased efforts to encourage government agencies to devote attention in every reasonable way to the achievement of the Commission's goals.

For the sake of clarity and simplicity, the new legislation is generally more concise than the legislation which originally authorized the Commission.

The Committee believes that the Commission, as redirected by this legislation, will be better able to fulfill its objectives and thus to help provide goods and services at lower cost to American consumers, improve the competitive position of the United States economy and facilitate a more satisfying work experience for American workers.

CORDON RULE

In the opinion of the Committee, it is necessary to dispense with the requirements of subsection 4 of rule XXIX of the Standing Rules of the Senate in order to expedite the business of the Senate in connection with this.

DEVELOPMENT IN AGING

The resolution (S. Res. 102) authorizing the printing of additional copies of the report entitled "Development in Aging: 1972 and January–March 1973" was considered and agreed to, as follows:

Resolved, That there be printed for the use of the Special Committee on Aging one thousand eight hundred additional copies of its report to the Senate entitled "Developments in Aging: 1972 and January–March 1973".

ADDITIONAL EXPENDITURES BY THE COMMITTEE ON THE JUDICIARY

The resolution (S. Res. 103) authorizing additional expenditures by the Committee on the Judiciary for routine purposes was considered and agreed to, as follows:

Resolved, That the Committee on the Judiciary is authorized to expend from the contingent fund of the Senate, during the Ninety-third Congress, $25,000 in addition to the amount, and for the same purposes, specified in section 134(a) of the Legislative Reorganization Act of 1946.

GRATUITY TO LAURA M. MILLER

The resolution (S. Res. 111) to pay a gratuity to Laura M. Miller was considered and agreed to, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Laura M. Miller, widow of William J. Miller, an employee of the senate at the time of his death, a sum equal to seven months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

GRATUITY TO MARY L. HUNT AND JAMES A. HOLLOWAY

The resolution (S. Res. 112) to pay a gratuity to Mary L. Hunt and James A. Holloway was considered and agreed to, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Mary L. Hunt, daughter, and James A. Holloway, son of Delia Holloway, an employee of the Senate at the time of her death, a sum to each equal to one-half of eight and one-half months' compensation at the rate she was receiving by law at the time of her death, said sum to be considered inclusive of funeral expenses and all other allowances.

ADDITIONAL FUNDS FOR THE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

The Senate proceeded to consider the resolution (S. Res. 96) authorizing the Committee on Interior and Insular Affairs to expend additional funds from the contingent funds of the Senate, which had been reported from the Committee on Rules and Administration with amendments in line 2, after the word "is", strike out "hereby"; in line 4, after the word "same", strike cut "purpose" and insert "purposes"; and, in line 6, after "August 2,", strike out "1946, as amended." and insert "1946."; so as to make the resolution read:

Resolved, That the Committee on Interior and Insular Affairs is authorized to expend from the contingent fund of the Senate, during the Ninety-third Congress, $20,000 in addition to the amount, and for the same purposes, specified in section 134(a) of the Legislative Reorganization Act approved August 2, 1946.

The amendments were agreed to.

The resolution, as amended, was agreed to.

The title was amended, so as to read: "Resolution authorizing additional expenditures by the Committee on Interior and Insular Affairs for routine purposes."

SUPPLEMENTAL EXPENDITURES BY THE COMMITTEE ON THE JUDICIARY

The Senate proceeded to consider the resolution (S. Res. 101) authorizing supplemental expenditures by the Committee on the Judiciary for an inquiry and investigation relating to the representation of citizen interests, which had been reported from the Committee on Rules and Administration with amendments on page 1, line 4, after the word "thereof," strike out "$4,091,800" and insert "$4,067,600"; and, on page 2, line 1, after "Sec. 18.", strike out "Not to exceed $145,000" and insert "From the date the resolution adding this section is agreed to through February 28, 1974, not to exceed $120,800"; so as to make the resolution read:

> *Resolved,* That Senate Resolution 56, Ninety-third Congress, agreed to February 27, 1973, is amended as follows:
>
> (1) In section 2, strike out "$3,946,800" and insert in lieu thereof "$4,067,600".
>
> (2) Renumber sections 18 and 19 as sections 19 and 20, respectively.
>
> (3) Immediately below section 17, insert the following new section:
>
> "SEC. 18. From the date the resolution adding this section is agreed to through February 28, 1974, not to exceed $120,800 shall be available for a study or investigation of the representation of citizen interests, of which amount not to exceed $2,000 may be expended for the procurement of individual consultants or organizations thereof."

The amendments were agreed to.

The resolution, as amended, was agreed to.

PRINTING OF TRIBUTES TO THE LATE PRESIDENT JOHNSON

The concurrent resolution (H. Con. Res. 109) providing for the printing of remarks of tribute to the late President of the United States Lyndon Baines Johnson, was considered and agreed to.

CORRECTIONS, FEDERAL AND STATE PAROLE SYSTEMS

The concurrent resolution (H. Con. Res. 156) to provide for the printing of 1,000 additional hearings entitled "Corrections, Federal and State Parole Systems," parts VII-A and VII-B, serial 15, 92d Congress, was considered and agreed to.

YEAR-ROUND SCHOOLS

The concurrent resolution (H. Con. Res. 126) to provide for the printing of 1,000 additional hearings entitled "Year-Round Schools," was considered and agreed to.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Does the Senator from Montana desire recognition?

Mr. MANSFIELD. No, Mr. President.

The ACTING PRESIDENT pro tempore. Does the acting minority leader desire recognition?

Mr. GRIFFIN. No, Mr. President.

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Michigan (Mr. GRIFFIN) is recognized for not to exceed 15 minutes.

Mr. GRIFFIN. Mr. President, I yield to the distinguished majority leader.

ORDER FOR TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. MANSFIELD. Mr. President, if I may be recognized temporarily, I wish to request that at the appropriate time there be a period for the transaction of routine morning business, with a limitation of 3 minutes on statements.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MANSFIELD. I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I yield back the remainder of my time.

The ACTING PRESIDENT pro tempore. The Senator from Michigan.

Mr. GRIFFIN. Mr. President, I yield back the time that has been reserved for me.

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from West Virginia (Mr. ROBERT C. BYRD) is recognized for not to exceed 15 minutes.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that my time be utilized for the transaction of routine morning business, in accordance with the distinguished majority leader's request earlier.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

TRANSACTION OF ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of routine morning business, with statements therein limited to 3 minutes for each Senator.

Is there any morning business?

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. GRIFFIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

HIGHLAND PARK OPPOSES CROSS-DISTRICT BUSING

Mr. GRIFFIN. Mr. President, on Tuesday night, the school board of Highland Park, Mich., voted overwhelmingly to adopt a resolution calling for a constitutional amendment against cross-district busing of schoolchildren. Perhaps this would not be particularly newsworthy except for the fact that the school enrollment of the Highland Park schools is 80 percent black. Highland Park is a suburban community close to the inner city of Detroit.

The thinking of the school board at Highland Park was expressed by Board President Willis Smith, who is black, and who said:

> I don't think integration is a sufficient reason for busing, particularly if the education of the student is not improved.
>
> Integration is best achieved by changing the housing patterns. It's a cop-out to move the kids around.

School Board President Smith also said that busing would dilute political gains of blacks in their own communities. He said:

> When you finally reach a point where you can correct some of the things that were harmful to black children, you lose that input by moving students out into districts that you can't control.

Mr. President, I ask unanimous consent that an article in the Detroit Free Press reporting on this interesting and important development in the Detroit area be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HIGHLAND PARK OPPOSES CROSS-DISTRICT BUSING

(By Jeanne Saddler)

The Highland Park school board voted 6 to 1 Tuesday night to support legislation or a constitutional amendment to prevent cross-district busing.

Highland Park schools have an 80 percent black enrollment.

The resolution asked the National School Board Association to urge local boards across the country to press for legislation or a constitutional amendment to preserve local school boards.

Superintendent Charles Mitchell, who is black said the board was never in favor of busing, but added that Judge Stephen Roth's integration plan was "more agreeable" when Highland Park was coupled with the Grosse Pointe school district.

Mitchell said he became "definitely opposed" to the plan when the city's schools were later paired with schools in Berkley and Clawson.

Board President Willis Smith said these districts spend less money per pupil than Highland Park.

"I don't think integration is a sufficient reason for busing, particularly if the education of the student is not improved," said Smith, who is black.

"Integration is best achieved by changing the housing patterns. It's a cop-out to move the kids around."

Smith also said busing would dilute blacks' political gains in their communities.

"When you finally reach a point where you can correct some of the things that were harmful to balck children, you lose that input by moving students out into districts that you can't control." Smith said.

Helen Field, the only dissenting board member, said she opposed the resolution because she feels the issue will be settled in the courts. Mrs. Field is white.

"I don't like to say one district isn't as good as mine, because the money they spend may be totally adequate for them," Mrs. Field said.

She said she is not in favor of cross-district busing, however.

The Highland Park school board is composed of four whites and three blacks.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 6370. An act to extend certain laws relating to the payment of interest on time and savings deposits, to prohibit depository institutions from permitting negotiable orders of withdrawal to be made with respect to any deposit or account on which any interest or dividend is paid, to authorize Federal savings and loan associations and national banks to own stock in and invest in loans to certain State housing corporations, and for other purposes; and

H.R. 7445. An act to amend the Renegotiation Act of 1951 to extend the act for 2 years.

HOUSE BILL REFERRED

The bill (H.R. 7445) to amend the Renegotiation Act of 1951 to extend the act for 2 years, was read twice by its title and referred to the Committee on Finance.

QUORUM CALL

Mr. GRIFFIN. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. GRIFFIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. Abourezk) laid before the Senate the following communications and letters, which were referred as indicated:

Supplemental Appropriation Request for Fiscal Year 1973

(S. Doc. No. 93–14)

A communication from the President of the United States, requesting a supplemental appropriation for fiscal year 1973, and an amendment to the 1974 budget (with an accompanying paper). Referred to the Committee on Appropriations, and ordered to be printed.

Report on Contracts Negotiated by the National Aeronautics and Space Administration

A letter from the Administrator, National Aeronautics and Space Administration, transmitting, pursuant to law, a report on contracts negotiated by that Administration, for the 6-month period ended December 31, 1972 (with an accompanying report). Referred to the Committee on Aeronautical and Space Sciences.

Report on Support Furnished to the Vietnamese and Other Free World Forces in Vietnam

A letter from the Acting Assistant Secretary of Defense (Comptroller), transmitting, pursuant to law, a report on support furnished to the Vietnamese and Other Free World Forces in Vietnam, for the third quarter of fiscal year 1973 (with an accompanying report). Referred to the Committee on Appropriations.

Report on Approval of Loan to Big Rivers Rural Electric Cooperative Corp., Henderson, Ky.

A letter from the Administrator, Rural Electrification Administration, Department of Agriculture, reporting, pursuant to law, on the approval of a loan to Big Rivers Rural Electric Cooperative Corp., of Henderson, Ky. (with accompanying papers). Referred to the Committee on Appropriations.

Report Under Title I of the Motor Vehicle Information and Cost Savings Act

A letter from the Secretary of Transportation, reporting, pursuant to law, information relating to Title I of the Motor Vehicle Information and Cost Savings Act of October 20, 1972. Referred to the Committee on Commerce.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the ACTING PRESIDENT pro tempore (Mr. Abourezk):

A resolution adopted by the Board of County Commissioners, County of Lake, Painesville, Ohio, expressing opposition to the proposed reduction of veterans' benefits. Referred to the Commitee on Veterans' Affairs.

REPORT ENTITLED "DEVELOPMENTS IN AGING 1972: AND JANUARY–MARCH 1973"—REPORT OF THE SPECIAL COMMITTEE ON AGING (REPORT NO. 93–147)

Mr. CHURCH. Mr. President, from the Special Committee on Aging, pursuant to Senate Resolution 251, 92d Congress, second session, I submit a report entitled "Developments in Aging: 1972 and January–March 1973."

The PRESIDING OFFICER. The report will be received and printed.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following favorable reports of nominations were submitted:

By Mr. HRUSKA, from the Committee on the Judiciary:

Albert G. Schatz, of Nebraska, to be a U.S. district judge for the District of Nebraska.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. SPARKMAN (for himself and Mr. Tower):

S. 1775. A bill to provide the home building and construction industries with the increased production of wood materials necessary to achieve the housing goals established by the Housing Act of 1949 and the Housing Act of 1968; to assure that this increased production is accompanied by a more balanced and efficient development of the national forest system and privately owned forest lands through establishment of a forest lands planning and investment fund; to regulate and control the export of timber from the United States; to amend the Export Administration Act of 1969 to establish a technical advisory committee to develop forecast indices of domestic supply and demand for certain commodities to help assure that these commodities will not be in short supply; and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs; and, if and when reported by that committee, to be referred to the Committee on Agriculture and Forestry, by unanimous-consent order.

By Mr. CLARK (for himself and Mr. Baker):

S. 1776. A bill to amend the Federal Water Pollution Control Act, as amended. Referred to the Committee on Public Works.

By Mr. SCHWEIKER:

S. 1777. A bill to amend the Federal Meat Inspection Act to prohibit the sale for human consumption of meat from horses, mules, and other equines. Referred to the Committee on Agriculture and Forestry.

By Mr. ERVIN:

S. 1778. A bill for the relief of Sureshchandra Chandulal Gandhi. Referred to the Committee on the Judiciary.

By Mr. CHILES:

S. 1779. A bill to establish in the State of Florida the Egmont Key National Wildlife Refuge. Referred to the Committee on Commerce.

By Mr. PELL:

S. 1780. A bill to prohibit discriminatory employment practices with respect to physically-handicapped persons. Referred to the Committee on the Judiciary.

By Mr. INOUYE:

S. 1781. A bill for the relief of Mr. and Mrs. B. William Magallanes. Referred to the Committee on the Judiciary.

By Mr. FONG:

S. 1782. A bill to provide that time spent by individuals interned in places operated by the U.S. Government for individuals of Japanese ancestry shall be considered creditable service for purposes of civil service retirement. Referred to the Committee on Post Office and Civil Service.

By Mr. BURDICK:

S. 1783. A bill to provide for the construction of a certain memorial along the route of the Lewis and Clark Expedition in North Dakota, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. CRANSTON (for himself, Mr. Tunney, Mr. Kennedy, Mr. Montoya, Mr. Humphrey, and Mr. McGovern):

S. 1784. A bill to authorize grants to the D–Q University. Referred to the Committee on Interior and Insular Affairs.

By Mr. HUDDLESTON:

S. 1785. A bill to amend title IV of the Rural Development Act of 1972 to provide assistance to certain rural volunteer fire departments. Referred to the Committee on Agriculture and Forestry.

By Mr. CHILES:

S.J. Res. 107. Joint resolution to redesignate the area in the State of Florida known as Cape Kennedy as Cape Canaveral. Referred to the Committee on Interior and Insular Affairs.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. SPARKMAN (for himself and Mr. Tower):

S. 1775. A bill to provide the home building and construction industries with the increased production of wood materials necessary to achieve the housing goals established by the Housing Act of 1949 and the Housing Act of 1968; to assure that this increased production is accompanied by a more balanced and efficient development of the national forest system and privately owned forest lands through establishment of a forest lands planning and investment fund; to regulate and control the export of timber from the United States; to amend the Export Administration Act of 1969 to establish a technical advisory committee to develop forecast indices of domestic supply and demand for certain commodities to help assure that these commodities will not be in short supply; and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs; and, if and when reported by that committee, to be referred to the Committee on Agriculture and Forestry, by unanimous-consent order.

Mr. SPARKMAN. Mr. President, I am introducing a bill that really belongs in the jurisdiction of two committees: one is the committee of which I am chairman; the other is the Committee on Agriculture and Forestry, of which Senator TALMADGE is the chairman.

I have discussed that matter with Senator TALMADGE, and he is agreeable to my propounding a unanimous consent request that the bill be referred to the Committee on Banking, Housing, and Urban Affairs, and when we have completed action on the bill, we will refer it to the Committee on Agriculture and Forestry.

I make such unanimous consent request.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. SPARKMAN. Mr. President, there are many in this distinguished body who have come to the conclusion in recent years, along with an increasing majority of all the American people, that there is no more pressing issue facing the United States today than the environment in which life must be sustained. I am one who so believes.

I believe, however, that the total environment of man and wild creature alike focuses not only beyond the city limits in the great out-of-doors but within the boundaries of towns and villages and cities across the land. I am persuaded that the street where a man lives, or the farmyard where a child plays, or the neighborhood where a family visits in the evening with friends is a part of that environment.

It is my contention that the environment of U.S. citizens reaches across the wide spectrum of a variety of influences and experience. A new level of consideration is being given to their interaction and their mutual dependency. It is just as important for us to consider the natural resources which will provide our homes, and their heat, and their light, and their durability as a fundamental environmental concern as it is to decide that every American family should have a decent place to live.

Members of the Senate will share with me, I am sure, a glow of satisfaction when we consider the work we did together which resulted in the Housing Act of 1968. Far back in 1949 we expressed the national goal of a decent home for every American, then in 1968 we reaffirmed that goal and stipulated that it would be the national policy to construct or rehabilitate 26 million dwelling units by 1978. In the last 5 years we have in fact built 11.176 million new houses and mobile homes; nearly 5.5 million of them in the last 2 years alone.

This is a remarkable national accomplishment unsurpassed in the history of any nation in the world. But we are still 14.824 million dwelling units short of achieving our 10-year goal—and we have only less than half the decade left. We must act to house our people. And that action means making it possible in terms of materials, labor skills, mortgage money, and national will.

Moreover we must accomplish this major undertaking with due regard for the natural environment. It is the natural environment, the forests, the fields, the mountains and the recesses of the earth which will yield their bounty for us to meet our material requirements for housing. We must treat them with the reverence they deserve as the only means to provide our physical needs. Few realize that the good Lord blessed this Nation with an unusual bounty of highly productive forest land and the world's best species and climate for timber growing.

If we are to accelerate the demand for construction materials such as lumber and plywood, steel and copper, concrete and gypsum, brick and mortar by urging increased housing we must take concurrent responsible actions to guarantee that the delivery of those products will not degrade our natural environment. In our enuthusiasm in 1968 for the concept of improved housing for everyone we failed to measure the demands we were imposing upon our natural resources. We made, for example, no provision to enable the responsible increase of annual yields from our national forests. We tried to remedy that situation in 1969 when increased housing starts had imposed sudden shortages on lumber and plywood. But we were blocked by aroused environmentalists who alleged we were going to sacrifice natural beauty for the sake of lumber and plywood manufacturers.

These well-intentioned citizens, dedicated to the idea of preserving nature and enjoying it, if possible, alone, suggested we stop making houses of lumber and plywood. They suggested that other materials could be used—aluminum, steel, plastics—to name only three substitutes which have indeed found a place in modern construction to replace wood. It is ironic that these enthusiasts for wild forests, as opposed to managed forests, asked us to do the impossible in the natural resource field. We cannot keep trees from growing—rather is it in our poor powers to create bauxite for aluminum, or from ore for steel, or petroleum for plastics. If we stop using wood, which is a renewable resource, we must shift to materials which are diminishing resources. The U.S. Geological Survey announced May 8 that the known deposits of mineral raw materials are seriously depleted and future supplies must come from deposits too deep to be mined cheaply or from potential resources yet to be discovered. The United States currently imports about a third of the 125 million tons of iron ore used annually. The report suggests that research is needed to appraise more realistically domestic deposits and to develop improved techniques for utilizing low-grade deposits and to lessen environmental impact of current mining and ore processing methods.

As to aluminium, the Nation produces only 13 percent of the 18 million tons it uses each year. Enormous low-grade resources exist but cannot be recovered without major technological breakthroughs or higher costs.

While the Geological Survey report does not treat with the plastics bases, it is obvious in terms of our national energy crisis that petroleum and its derivatives might better be used for the generation of electrical energy than to replace wood products in construction.

We can grow trees—whereas we cannot grow aluminum or steel or petroleum—and, in terms of environmental impacts, both the harvest and manufacture of timber impose few burdens on air, water, and the earth when compared to the mining and manufacture of building materials competitive with wood. And, I might add, there is substantial evidence that the manufacture and use of wood products imposes minimal requirements upon our already limited energy base.

But, in 1970, our citizens and many of us here in the Congress were less sensitive to the realities of our national resource picture than we have since become. The experience of legislation designed to grow trees in America demonstrated the fact.

The measure identified as the National Timber Supply Act of 1969, which I had the privilege of introducing in the Senate in that year, never came to the floor for consideration. It did not because the House version, although substantially modified to meet the objections of those opposed to timber harvest and forest management on public lands, failed to even obtain a rule. As a result the management of the National Forests not only did not improve in the ensuing years but, in fact, declined.

The decline in productivity from our public lands clearly designated as commercial timberlands is evidence of persistent reluctance in successive administrations, Congresses, and generations of bureaucrats to provide forest management leadership in the national interest.

All of us have hesitated to face squarely the fact that through neglect, and through the desire to be popular with preservationists, and through failure to understand that attaining housing goals means using resources, we have consigned our principal living natural resource to decadence.

And now we are faced with the bare fact that the forest upon which we have prided ourselves as a nation of conservationists have been permitted to decline in their ability to meet the needs of the people. It is not yet too late to offer the leadership which can change this downhill trend. But the hour grows late.

As a nation in 1972, the year when we built 2.95 million dwelling units and mobile homes—the largest number in a single year in history—our National Forests sold 3 billion less feet of timber than were sold in 1970 when we built only 1.87 million houses and mobile homes. It is obvious that we are not using for the public benefit the public bounty of our renewable timber resources, which can be planted, cultivated, protected, raised to maturity and harvested again and again, replenished in endless cycle. We are, rather, right now consigning this national treasure of public wood on lands designated as public commercial timber lands to eventual disaster through neglect.

The consequence of this diminished yield from public timber lands to meet our national wood fiber needs which are growing by leaps and bounds is higher prices for all wood products. Higher prices for building materials impose restraints on the kinds of houses people can afford in terms of size and comfort. These higher prices limit most severely the housing which will be made available for the people in the United States who need better housing the most—those who have low incomes and aspire for a better environment in which to rear their families.

And it should never be overlooked that while the National Forests and other Federal commercial timber lands contain 58 percent of all the softwood sawtimber which is the basic material from which housing products are made, the publicly owned commercial forests yield only one-third of all the wood produced for housing in the United States. Another third comes from the 13 percent of the sawtimber owned by forest product companies, and the remainder is furnished from the commercial forest lands up and down the length and breadth of the land which are owned by farmers and 4 million other small private landowners.

I introduced this information at this point because I think it is obvious that industry timber lands are well managed and yield the highest percentage of wood of any commercial timber lands. Their contribution is out of proportion to their extent and volume. These company lands do not require help in growing trees. It is on the National Forest lands and on the small private ownerships where wise public investments could yield substantial returns. These returns, I might add, would not only be visible and measurable in the production of mature timber at an accelerated rate but in the associated benefits which accrue from sound forest management. Recreation, watershed, fish and wildlife, and scenic beauty and other esthetic values would be enhanced by responsible stewardship of all commercial timber lands.

Every Member of this body is aware of the investigations into lumber and plywood supply and prices which were conducted by the committee I have the honor to serve as chairman. We conducted such a penetrating study in 1969; we have done it again this spring.

Let me cite once again the conclusions and recommendations of the 1969 investigation:

CHAPTER X—CONCLUSIONS AND RECOMMENDATIONS

It is the intent of this subcommittee to remove, wherever possible, those obstacles which prevent the United States from meeting the housing goals laid down by the Congress and the administration and so badly needed by the people.

As previously stated, these hearings were called to study the reasons for the current shortages and high prices of lumber and plywood, an undeniable obstacle to fulfillment of our housing goals.

The hearings confirmed the shortages, the high prices, and the deleterious effect on the homebuilding industry. They further permitted the subcommittee to isolate what it believes to be the reasons for this critical situation in lumber and plywood, and to identify a number of corrective actions that can be taken. However, it is abundantly clear that temporary measures will not be sufficient, and that close attention must be paid to solving the problems involved by industry and government at all levels.

CONCLUSIONS

1. A series of events caused the crisis to occur when it did. These include a spurt in demand after a period of relative inactivity in the market. Unusual weather conditions. Transportation problems that were made more severe by weather, a strike of dockworkers, and the residual effects of a "recession" on productive capacity and work force.

2. The underlying and basic cause of high prices is a shortage of softwood sawtimber on the market; this shortage is, at least in part, the result of an inadequate level of management of forest lands, principally by agencies of the Federal Government.

The subcommittee noted that prices paid for stumpage had reached unusually high levels, but could discern no direct cause-and-effect relationship between the price of raw material and the price of finished goods. Both price levels appear to fluctuate independently, based on supply and demand. The high prices for lumber and plywood were based on a net shortage in the market; the high prices for stumpage were based on a net shortage of timber which became acute at an earlier period and were also the result of high competitive bidding.

3. No present basic shortage of sawtimber exists; the national inventory and the growing capacity in the Nation can be made sufficient to meet both our present and future estimated needs. Substitutes, however, should be encouraged. The shortage exists in the marketplace.

4. Both short-term and long-term solutions are possible if certain counterproductive Federal policies are revised.

RECOMMENDATIONS

The following recommendations are based on suggestions put forth by witnesses during the hearings, and on conclusions reached by members of the subcommittee. So far as the subcommittee could discover, there was a general consensus among the witnesses of their desirability. The witnesses included the Nation's most knowledgeable and responsible spokesmen on the related issues.

To the administration

It should be noted here that the administration, through a task force appointed by the President, already has responded positively with a series of actions reported to the subcommittee by Secretary Romney. These steps include:

1. Submission of supplemental budget requests for the Forest Service and the Bureau of Land Management that will permit the offering of an additional 1.1 billion board feet of sawtimber during the next 15 months.

2. Issuance of a directive by the Secretary of Defense restricting procurement of softwood lumber and plywood to the minimum consistent with essential military requirements.

The committee was informed that this directive was put into effect during the period when the hearings took place.

3. Extension of Service Order 1020 and issuance of Order 1022 requiring the return of empty boxcars to railroads most heavily involved in lumber and plywood transportation.

4. Expediting of the processing of new softwood lumber standards now undergoing Government review. This standard, the committee was told, will result in more efficient use of our timber resource.

The committee recognizes the value of each of these actions and commends the President and the administration for their implementation. In addition, the committee urges the President and the administration to implement immediately the following recommendations:

1. Request that the Secretary of Agriculture instruct the U.S. Forest Service immediately to offer for sale all timber in the current allowable cut and timber not offered for sale in allowable cuts for previous years, preserving at the same time in the most feasible manner the interests of conservation, wilderness, recreation, and historic preservation. (Testimony indicated as much as 3 billion board feet could be imdiately offered, consistent with present law and administrative policies of the Forest Service.)

2. Take whatever steps are necessary to free forest-management agencies from the current restrictions on replacement of personnel involved with preparation and offering of timber for sale. (Possibilities include reassignment of manpower priorities within the Department of Agriculture and employment of outside consultants on an emergency basis.)

3. Request that the Secretary of State, in consultation with other involved departments, investigate the feasibiliy of releasing the approximately 250 million board feet of timber now awaiting shipment to Japan. (This timber could be immediately processed for domestic market and replaced at a time convenient to Japan from timber harvested in the interim.)

4. Free individuals now charged with reviewing the new lumber standards from other responsibilities until that task is completed. (Testimony from the Department of Commerce indicated this new standard could increase the yield of usable lumber from the same raw material from 4 to 6 percent; industry testimony estimated the gain could be as much as 5 to 7 percent.)

5. Support continuous research and use of new materials as substitutes for lumber in home construction and other uses.

To Federal agencies

To the Interstate Commerce Commission: The existing boxcar supply orders should be policed vigorously, and the imposition of per diem charges as authorized by law should be implemented as soon as possible. Aggressive action should be taken to bring the Nation's boxcar fleet up to safe and dependable levels. Close attention should be paid to incipient problems to allow action to be taken before car shortages reach crisis proportions.

To the U.S. Maritime Commission: Two possibilities should be immediately explored (by the Commission and by other committees in Congress) in relation to the restrictions of the Jones Act:

1. Can a geographical exemption be applied feasibly to Alaska to permit access to that State's resources by users of lumber and plywood in other States?

2. Can a product exemption for lumber and plywood be administratively applied for (*a*) all western domestic ports or alternately, (*b*) all or certain ports in Alaska?

To the Department of Commerce (and other departments or agencies now involved in the review of the new standard for lumber): The review of this standard should be completed as expeditiously as possible.

To the Department of Agriculture: The Forest Service should be instructed to:

1. Offer for sale the maximum full allowable cut on all national forests.

2. Convert as much as possible of its manpower to the preparation and administra-

tion of these sales, even if this means contracting out some of this preparation work to private consultants.

3. Offer for sale all accessible salvageable dead, dying, diseased, and damaged timber in commercial areas.

4. Assign more roadbuilding funds to those areas that will provide the greatest short-term increase in the amount of timber available for sale.

5. Implement, as soon as possible, those provisions of the Morse amendment that call for regulations to prohibit the substitution of public timber for private timber sold into export; further, to examine assignments of timber for export from Federal lands, to prevent the export volume from having an undue effect on a few producers or a small geographic area.

6. Institute programs more designed to meet the forest management needs of the future, and make submissions to the appropriate committees of the Congress at the earliest possible date with respect to long range improvement of National Forest proposed legislation.

7. Reexamine the methods under which Federal timber is appraised and sold to give assurances to the Congress and the people that this method causes the least instability in Federal timber dependent areas and the least upward pressure on prices. The Federal Government's control over timber supply should serve in the best interests of the national goals, especially in housing.

8. Review programs for increasing productivity on small private land ownerships with view toward development of more vigorous and coordinated action with efforts of private agencies.

To appropriate committees of Congress

The authority and, ultimately, the responsibility for the realinements of Federal programs that this subcommittee feels are necessary to meet our housing needs rest with Congress. Accordingly, the following recommendations are made for consideration by the appropriate committees:

To the Committee on Agriculture: The knowledge, expertise, and devotion of members of these committees have inspired the creation of agricultural programs that have made our Nation's expanding population the best fed of any in the world and our agriculture the envy of the world. In general crop yields per acre have doubled since World War II.

We recommend that these committees bring this food crop expertise to bear on the need to apply the same principles to the growing of trees to satisfy our Nation's similar critical need for adequate shelter. The high-yield forestry programs developed by industry can serve as a starting point for the creation of new techniques that can make possible the increase of wood yields that are comparable to the increase in yields of food crops.

We further recommend that these committees examine the feasibility of legislation to finance advanced silvicultural practices on Federal lands from the present and future income that these practices generate—in other words, a self-funding high-yield forestry program for the national forests. This would include the necessary facilities to enable the Forest Service to salvage as much as possible of the estimated 10 billion board feet of timber lost annually. We also suggest examination of programs to increase the yield on State lands and of encouraging better forestry practices by owners of small forest tracts.

Finally, we recommend a review by these committees of the present method of appraising and selling Federal stumpage, to determine whether this method is truly reponsive to the public interest.

We recommend that your committees examine the need for (*a*) extension of the limitation on log exports contained in the Morse amendment to the Foreign Assistance Act of 1968 beyond its present expiration date; and (*b*) broadening of the limitation.

We recommend a review by these committees of existing programs for increasing productivity of lands in small private ownerships with a view towards revitalizing them for greater accomplishments so that these lands will carry their proportionate share in supplying the timber needs of the Nation.

To the Committees on Appropriations: Members of this subcommittee are aware of the pressures and handicaps imposed on the committees on appropriations in allocating available revenues to their highest and best use.

However, because of the dangers now facing our national housing goals, and because of the unique characteristics of our Federal forest agencies as managers of a huge ongoing business enterprise that is one of the few revenue-producing arms of the Government, the following recommendations are made for their consideration:

We recommend favorable consideration of the administration's request for emergency funds and personnel to permit immediate sale of additional amounts of Federal timber.

We further recommend consideration and support by your committees for the creation of a dependable, long-term financing method for high-yield silviculture activities on the National Forests.

Precedents for such a method include the program created by Senator Russell for the Defense Department's forest activity, the forestry program of the State of Washington, and the program for the Oregon and California lands administered by the Department of Interior.

The subcommittee wishes to make it clear that it does not propose diversion of timber sale income to any purpose other than those that involve high-yield silviculture practices specifically directed toward raising the quantity and quality of wood output on National Forest commercial forest lands, and improving the growth quality of these lands as sources of timber for the future.

To the Committee on Commerce: The members of this subcommittee agree on the need for a strong merchant marine to serve the national interest, but it appeared from testimony taken during the hearings that certain applications of the Jones Act militate against the national interest in the field of housing. Accordingly, the subcommittee makes the following recommendation for your consideration:

We recommend that the ICC use its administrative powers promptly to the end of expediting the transportation of timber, lumber, and wood products so as to prevent the element of transportation from contributing to a national shortage.

We recommend that the Jones Act be reexamined in light of its effect on the price and supply of lumber and plywood in major markets of the United States; that it be reexamined particularly in the light of the apparent barrier it erects to the use of any of the great forest resources of Alaska by the people of the other States.

We further recommend consideration by your committee of (*a*) a geographical exemption from provisions of the Jones Act for the State of Alaska; (*b*) a geographical exemption from provisions of the Jones Act for timber and wood products originating in the timber States, particularly Alaska; (*c*) a special exemption for all lumber and plywood moving in interstate commerce; or (*d*) special exemptions for products shipped between certain ports in Alaska or the U.S. mainland.

I regret the necessity for telling my distinguished colleagues today that the findings of the 1973 investigation as to the causes of high lumber and plywood prices and inadequate availability are not substantially different than those of 4 years ago. The only major change was that there were certain market distortions as a consequence of the application of a cost-push inflation control system to the demand-pull inflation existing in the wood products market.

In view of the persistent nature of the problems afflicting the homebuilding industry and home buyers with respect to products from the forest and recognizing that administration failures to cope with the situation have been imposed in part by lack of adequate legislative authority, I am therefore undertaking today to rectify the lack of a suitable program to grow trees on commercial forest lands of the United States owned by the public and by small landowners.

I should make clear, Mr. President, that I am well aware that the art of politics is indeed the art of the possible. The bill I am introducing, while designed to supply wood for the needs of all the people of the United States, takes fully into account the fact that there are differences of opinion as to the proper roles for the forests of our land.

It can be anticipated that there will be differences of opinion on specific aspects of the bill. These differences have their roots in differences of individual and group orientation, in perspective, and in realities and aspirations of people at opposite ends of the economic and social spectrum. There have been compromises taking into account these many differences—therefore the bill is not an unassailable piece of legislation. The various compromises are subject to criticism from each of the interest groups related to forest uses and from those whose interests revolve around supply and price of products. Traditionally, price is the compromise between supply and demand. I am biased, I hope, toward the consumer in this bill which may help in weighing criticisms.

Within the timber dependent elements there are going to be arguments. Most have been presented to our committee already and are simply manifestations of the differences which traditionally involve the buyer and seller of any commodity. The buyer wants to buy cheaply and seller wants high prices. The timber grower, the manufacturer and the builder are all involved. Within the forest products industry there are a vast array of companies with much at stake. There are those who buy all the timber they convert to lumber and plywood—they want timber costs to be low. At the other end are manufacturers that are self-sufficient in timber. There are landowners who grow timber and a high price is their incentive to grow more.

There is another conflict between those who depend solely on Federal timber and those who can obtain logs from private lands without becoming involved in the auction system which is practiced in the national forests. There are differences between those who can export their own logs at a profit and those who are prevented from exporting logs because they buy all Federal timber.

And the differences between the "haves" and the "have nots" with respect to timber extend through the marketplace to the ultimate consumer. The home builder and home buyer, on the other hand, want to reduce the cost at their end to the minimum and fight for reduced prices of these essential products.

We are all beginning to recognize, however, that the great national need is to increase timber supply. I quote from the remarks the distinguished majority leader made on my behalf on the floor of the Senate on April 18, 1969:

> As one witness put it:
>
> The federal government holds the key to the log supply and to domestic wood prices in the way it chooses to manage its timber.

I submit that the Congress of the United States has the power and the responsibility to determine the way the Federal Government manages its timber and I trust that the way is evident in the statement I will now offer justifying the Wood Supply and National Forest Lands Investment Act of 1973. This bill will stimulate timber growing as a means of supplying the materials for building America's homes as well as improving the forest environment and stimulating the ability of forests to provide water, recreation, wildlife, and other amenities.

Mr. President, I ask unanimous consent that the bill and an explanation thereof be printed in the RECORD.

There being no objection, the bill and explanation were ordered to be printed in the RECORD, as follows:

S. 1775

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Wood Supply and National Forest Lands Investment Act of 1973".

STATEMENT OF FINDINGS

SEC. 2. (a) The Congress hereby finds that housing and general construction create a major demand upon available timber supplies in the United States because lumber, plywood, and other wood products form the basic materials in the construction of most housing and are important ingredients in almost all construction; that to meet the housing goals established by the Housing Act of 1949 and the Housing Act of 1968 there will continue to be high levels of demand for wood products, which will be difficult if not impossible to meet unless available timber supplies in the Nation are substantially expanded; that shortages in raw material supplies have caused inflationary impacts on the prices of lumber, plywood, and other wood materials in the face of rising production levels of housing and construction, and that an orderly, substantial increase in the supply of timber is both possible and desirable in the years ahead.

(b) The Congress finds that in order to meet increasing national demands for lumber and related wood products, including that needed for home building construction and general construction, it is necessary to provide for an orderly, substantial increase in the timber yield from the commercial forest lands of the Nation, including that in the National Forests; and that through intensified development and management such land is capable of producing a substantially increased yield.

(c) The Congress finds that the National Forests are the source of a substantial part of the present and future supply of timber; that the national forest system and the Nation's private forest lands can be developed in a manner consonant with the full protection of environmental values to meet the increasing demand for timber and other forest products, outdoor recreation, water supply, forage, fish and wildlife habitat, and this intensified development and management can also result in an increase in the forest resources of the Nation.

(d) The Congress finds that to achieve these goals of improved management of our forests requires an assured source of adequate funds and that this is necessary and desirable in order to provide for basic forestry investments on the Nation's private forest lands and for intensified development and protection of the national forest system lands and resources to assure greater resource yield and opportunities, and that this can be done in accordance with the policies and principles of the Organic Act of June 4, 1897 (30 Stat. 35; 16 U.S.C. 475), the Multiple Use-Sustained Yield Act of 1960 (74 Stat. 215; 16 U.S.C. 528–531), and the National Environmental Policy Act of 1969 (83 Stat. 852).

(e) The Congress finds that a substantial timber export market has developed in some of the nation's major timber and lumber producing areas;

(f) The Congress finds that because of variations in the extremely complex factors which include, but are not limited to, timber inventories, lumber production capacity, and transportation costs, within and between the various geographic timber exporting areas, the impact of these exports on the domestic supply varies from region to region;

(g) The Congress finds that in addition to their varying impacts on different geographic producing areas, timber exports are an important item in this nation's world trade and are an important factor in the beneficial import of certain wood products to this nation;

(h) The Congress finds that because of the various complex and interrelated impacts of timber exports, it is necessary to establish within the government a mechanism to monitor the supply and demand of timber and other commodities, as well as various other factors, in order for the government to intelligently exercise its authority to regulate exports from this nation.

FOREST LANDS PLANNING AND INVESTMENT FUND

SEC. 3. There is hereby established in the Treasury of the United States a forest lands planning and investment fund, hereinafter referred to as the "fund". Except as hereinafter provided, beginning July 1, 1973, there shall be credited to the fund all receipts from the sale of forest products and from any other source of revenue from the national forests and other lands administered by the Forest Service: Provided, however, That the foregoing shall not modify or repeal any provisions of law other than those provisions of law specifically repealed by this Act that authorize or direct that deposits in connection with or receipts from the sale of timber and from any other source of revenue from the national forest system be used for a specific purpose, and such deposits and receipts shall continue to be utilized for the purposes of specified by law and shall not be deposited into the forest lands planning and investment fund.

APPROPRIATIONS

SEC. 4. Moneys credited to the fund shall be available for expenditure for the purposes of this Act only when appropriated therefor. Such moneys as may be appropriated shall be available until expended and shall be in addition to any appropriations otherwise made for such purposes or for other purposes related to the national forest system or for forestry assistance to States and private forest landowners. Any money credited to the fund and not subsequently authorized for expenditure by the Congress within five fiscal years following the fiscal year in which such money was credited to the fund shall be transferred to the miscellaneous receipts of the Treasury.

USE OF FUND

SEC. 5. Moneys appropriated from the fund shall be allocated in each fiscal year for expenditure by the Secretary of Agriculture in such proportions and in such locations as he determines to be appropriate for the following purposes:

(a) (1) Planning and inventories needed for the preservation, use, or development of National Forest System resources, and

(2) Capital or basic investments made for furthering sustained yield resource management programs or for enhancing long-term public use of national forest resources. Such expenditures shall not include annual or short-term maintenance or normal operating expenditures, or construction of forest roads and trails, and may include but not be limited to the following categories of activity or investment:

(A) reforestation and stand improvement;

(B) nursery development;

(C) tree improvement;

(D) recreation construction and construction to facilitate visitor education and interpretive services;

(E) water resource development construction;

(F) construction projects for fire protection and general administration;

(G) pollution abatement;

(H) wildlife habitat improvement;

(I) range revegetation and improvement;

(J) fuel modification;

(K) watershed restoration and improvement;

(L) land status and landline location;

(M) land classification; and

(N) geometronics.

Money allocated to any unit of the National Forest System under this section shall be used in conformity with the provisions of the Act of June 4, 1897 (30 Stat. 35, 16 U.S.C. 475), the Multiple-Use Sustained-Yield Act of June 12, 1960 (74 Stat. 215, 16 U.S.C. 528–31), and the National Environmental Policy Act of 1969 (83 Stat. 852, 42 U.S.C. 4331–4335).

(b) Financial or technical assistance to States or private forest landowners in accord with such forestry assistance programs as the Secretary of Agriculture is authorized to undertake under other provisions of law; *Provided,* That no more than $25,000,000 annually shall be available from the fund to carry out such purposes.

CONTROL OF EXPORTS

SEC. 6. (a) Except as provided herein, beginning July 1, 1973, no unprocessed timber of species and grades generally used for domestic manufacture of construction lumber or plywood from Federal lands located west of the 100th meridian shall be exported from the United States.

(b) This restriction does not apply to Federal timber exported pursuant to contracts entered into prior to May 10, 1973.

(c) After public hearing and a finding by the appropriate Secretary of the department administering Federal lands referred to in subsection (a) of this section that specific quantities, grades, and species of unprocessed timber are surplus to the needs of domestic users and processors, such quantities, grades, and species may be designated by such Secretary as available for export from the United States. The appropriate Secretaries may, in their discretion, issue regulations to exclude from the limitations imposed by this section sales having an appraised value of less than $2,000 or timber which does not meet the utilization specifications of the Federal timber sale contract from which it originated.

(d) The Secretaries of the departments administering lands referred to in subsection (a) of this section shall issue rules and regulations to carry out the purposes of this section, including the prevention of substitution of timber restricted from export by this section for exported timber harvested on non-Federal lands other than lands administered by any State or the Bureau of Indian Affairs unless such timber from non-Federal lands is of a grade or species that has been declared surplus under subsection (c).

(e) Any person, individual, partnership, corporation, or association who willfully and knowingly violates the provisions of this Act shall be fined not more than $5,000 or imprisoned not more than five years, or both.

EXPORT ADMINISTRATION ADVISORY COMMITTEES

SEC. 7. (a) Section 4 of the Export Administration Act of 1969 is amended by adding at the end thereof the following new subsection:

"(f) The Secretary of Commerce, in consultation with appropriate United States Government departments and agencies and any appropriate technical advisory committee established under section 5(c) (2), shall undertake an investigation to determine which materials or commodities shall be subject to export controls because of the present or prospective domestic inflationary impact or short supply of such material or commodity in the absence of any such export control. The Secretary shall develop forecast indices of the domestic demand for such materials and commodities to help assure their availability on a priority basis to domestic users at stable prices."

(b) Section 5(c) of such Act is amended by redesignating paragraphs (2), (3), and (4) as paragraphs (3), (4), and (5), respectively, and—

(1) by inserting immediately after paragraph (1) the following new paragraph:

"(2) Upon written request by representatives of a substantial segment of any industry which processes materials or commodities which are subject to export controls or are being considered for such controls because of the present or prospective domestic inflationary impact or short supply of such materials or commodities in the absence of any such export controls, the Secretary of Commerce shall appoint a technical advisory committee for any grouping of such materials or commodities to evaluate technical matters, licensing procedures, worldwide availability, and actual use of domestic production facilities and technology. Each such committee shall consist of representatives of United States industry and government. No person serving on any such committee who is representative of industry shall serve on such committee for more than two consecutive years. Nothing in this subsection shall prevent the Secretary from consulting, at any time, with any person representing industry or the general public regardless of whether such person is a member of a technical advisory committee. Members of the public shall be given a reasonable opportunity, pursuant to regulations prescribed by the Secretary of Commerce, to present evidence to such committees.";

(2) in paragraph (4) thereof, as redesignated by this subsection, by striking out "such committee" and by inserting in lieu thereof "committee established under paragraph (1) or (2)"; and

(3) in paragraph (5) thereof, as redesignated by this subsection, by striking out "such committee" the first time it appears therein and inserting in lieu thereof "committee established under paragraph (1) or (2)".

MISCELLANEOUS

SEC. 8. The objective of management of the commercial forest lands of the National Forest System which have not been withdrawn from timber utilization by statute or administrative regulation shall be to make an optimum contribution to the forest products needs of the Nation both for domestic consumption and for an advantageous trade base for support of the Nation's balance of trade position, with due consideration of environmental impacts and requirements for other uses of National Forest resources, and subject to the provisions of the Act of June 4, 1897 (16 U.S.C. 475), the Act of June 12, 1960 (16 U.S.C. 528–531), and the Act of January 1, 1970 (42 U.S.C. 4331–4335). Timber cultural programs, rotation, stocking, and old growth management policies shall be developed with recognition of these national needs, stocking and productivity levels of commercial forest lands in other ownership categories, and needs for maintenance of regional or local economic support.

SALE OF TIMBER FROM THE NATIONAL FOREST SYSTEM

SEC. 9. (a) In connection with the sale of timber and other forest products from the National Forest System or the issuance of permits for use of National Forest System lands, the Secretary of Agriculture is authorized and directed to require such contractors and permittees to install or take such measures as he deems desirable to minimize adverse environmental impacts that might result from the contracted or permitted activity, including requirements for location and construction specifications of roads, other transportation facilities or other developments necessary for the utilization or enjoyment of products purchased or uses authorized: *Provided*, That (1) the costs of such measures shall be recognized in determining the appraised value of the product to be sold or the amount of the permit fee, or (2) the appraised value may be determined without allowance for such costs but with contractual provision for credit to the contractor's account at specified rates as the specified installations or services are performed by the contractor. Costs of surveys, plans and specifications for such roads, other transportation facilities or other developments which are provided in advance of contract or permit award shall be set aside from payments made by the contractor or permittee into a special fund which is hereby appropriated for expenditure on preparation of similar surveys, plans and specification in advance of award of additional sales of products or issuance of permits.

(b) When payments under a contract or permit are specified at a rate per unit of measure, the Secretary of Agriculture is authorized to require the purchaser or permittee to provide a measure satisfactory to the Secretary of the outturn or volume of use to which unit rates apply. The cost of such measurement service shall be recognized in determining the appraised value of the product to be sold or the amount of the permit fee. If measurement service satisfactory to the Secretary is not feasible, the contractor or permittee may be required to make deposits under the provisions of section 5 of the Act of April 24, 1950 (16 U.S.C. 572) to cover the cost to the United States of performing such measurement.

REPORTS

SEC. 10. (a) In carrying out the provisions of this Act, the Secretary of Agriculture shall submit to the Congress (1) within one year from the date of enactment of this Act a program for the development and management and environmental protection of all National Forest System resources, and (2) within two years a program for the development of all the Nation's forest lands for high resource yields and environmental protection including reference to farm and other small woodlands.

(b) The Secretary shall report annually to the Congress on the operation and effectiveness of this Act.

REPEAL

SEC. 11. The Act of March 4, 1913 (37 Stat. 843; 16 U.S.C. 501), is hereby repealed.

EXPLANATION OF WOOD SUPPLY AND NATIONAL FOREST LANDS INVESTMENT ACT OF 1973

The Wood Supply and National Forest Lands Investment Act has been drafted to provide the means to cope with the shortages of wood products which have been interfering with the progress of the National Housing Program. Without corrective action these shortages will continue to be serious constraints on the rate of home construction activity in future years.

In spite of prophesies of timber famine since the early part of the century, a tight supply of lumber and associated wood products resulting in large and rapid price increases and local shortages is, except for wartime dislocations, a new experience for domestic consumers. The first evidence of this problem came in the last half of 1968 and in early 1969. A moderately increased pace of housing construction resulted in sharply increased prices for lumber and plywood. In March 1969 a Senate Banking Subcommittee held hearings on the problems in lumber pricing and supply. That Subcommittee's subsequent recommendations on how to cope with these problems require only minor updating to be applicable to the Subcommittee's most recent hearings of March 1973 on the same subject.

In the second quarter of 1969, lumber and plywood prices collapsed along with home construction as a result of the credit crunch. Popular interest in timber supply problems also dropped dramatically. With the recovery of housing activity to a new record year in 1972, lumber and plywood shortages and pricing problems came back with expanded breadth and intensity. It should now be evident that whenever home construction is at a healthy rate of activity, there will be supply problems and upward pressures on lumber and plywood prices.

The housing industry has difficulties over lumber supply because the domestic lumber industry has very little ability to increase production in response to even generous price incentives. The Senate Banking Subcommittee hearings of 1969 and 1973 clearly indicate that inability to expand domestic production is due to raw material limitations—logs and stumpage. These raw material difficulties are not indicative that the nation's timber inventory has been drawn to a dangerously low ebb.

The recently released Forest Statistics of 1970 compiled by the Forest Service show that for coniferous sawtimber total inventory was reduced by only 5 percent in the 18 years between 1952 and 1970. The gross rate of softwood sawtimber removals was 2.5 percent of inventory, but in 1970 the net inventory reduction (after allowance for growth) was 0.4 percent. On the basis of growing stock which takes into account trees down to 5 inches in diameter and tree volumes to a 4 inch top, total softwood volume increased by 5 percent between 1952 and 1970; for 1970 gross removals were 2.2 percent of inventory, but growth exceeded removals so that there was a net increase in inventory of 0.3 percent. These relationships between inventory, growth and removals conclusively demonstrate that inability to expand log production is not due to an unsatisfactory state of the nation's sawtimber or growing stock inventories. What is indicated is that ways must be found to manage this huge timber resource (1905 billion board feet of softwood sawtimber) so that more than 2.5 percent of its volume can be harvested annually, and its growth percent will be raised to exceed the harvest rate.

Where to put the effort to improve the timber growth and yield is readily apparent. More than one half of the national softwood sawtimber inventory is in the national forests, and almost two-thirds is on public lands including the national forests. The lumber and plywood to be used in the next twenty years predominantly has already attained sufficient size to be included in the sawtimber inventory. The rate of sawtimber harvest on private lands can not be increased materially without adverse effects on the productivity of this ownership class. The public lands and particularly the national forests are the only possible domestic source of increased supplies of softwood sawlogs for approximately the next twenty years.

In testimony before the Subcommittee last month, the Chief of the Forest Service reaffirmed that timber harvest rates on the national forests could be increased by as much as 50 percent if timber cultural needs were fully and stably financed. The Wood Supply and National Forest Lands Investment Act would establish the means for such financing. This bill would also include funding provisions for investments to facilitate use of other national forest resources. Since planning is required to make such investments effectively and efficiently, to meet requirements in the National Environmental Policy Act, and to make sound land use priority decisions, the bill includes funding provisions for planning activities. The bill does not cover funding for the regular recurrent day to day administration, nor for road and trail construction and maintenance.

SMALL PRIVATE TIMBERLAND HOLDINGS

The other possible source for increased domestic timber supply is the close to 300 million acres or almost 60 percent of commercial forest land in small ownerships. On the average these lands are poorly stocked and are being given little if any attention for timber production other than fire protection. Incentives and assistance to increase stocking and improve management for timber production is needed in the interest of national timber supply. Such measures must be undertaken in the 1970's in order to have tree sizes and growing stock volumes to support materially increased harvest rates in the early part of the next century. This bill provides for financial support and technical assistance for timber production on small private forest land holdings.

LOG EXPORTS

The continuing growth in the volume of logs being exported to Japan primarily from the State of Washington, but also from Oregon and California, is of great concern to those affected by the national lumber and related wood products supply problem. In the export areas, the Japanese have been extremely aggressive in their log buying practices during recent months. The impacts from log export activity have recently been investigated in depth through field hearings of the Subcommittee on International Finance. The issues have also been covered in other recent hearings of the full Committee. The Wood Supply and National Forest Lands Investment Act would terminate export of unprocessed timber from Federal lands west of the 100th meridan by July 1, 1973. Provision is made for determinations by the Secretaries of departments administering western Federal timber lands, after public hearings, to permit export of quantities, grades and sizes of logs which are surplus to domestic needs. These Secretaries are directed to issue regulations to prevent substitution of timber restricted from export for exported timber cut from non-Federal lands other than lands administered by any State or the Bureau of Indian Affairs.

FOREST LANDS PLANNING AND INVESTMENT FUND

The bill would establish in the Treasury a forest lands planning and investment fund into which receipts from the national forests would be deposited, except for those which by law are to be used for a specific purpose, or which are authorized by law to be collected for a specific purpose. Thus, the payment of 25 percent of receipts to the States for the benefit of counties (16 U.S.C. 500) would not be disturbed. The bill contains a specific provision to repeal the Act of March 4, 1913 (16 U.S.C. 501) which makes 10 percent of National Forest receipts available for expenditure for roads and trails. The established budgetary practice is to merge these funds with the appropriations for Forest Development Roads authorized in the Federal Aid Highway Act. Hence, there is no longer need for or significance to this receipts fund for forest roads. Collections of required deposits from timber purchasers such as for brush disposal (16 U.S.C. 490) and sale area betterment (16 U.S.C. 576) would continue.

The moneys deposited in this fund would be made available for expenditure through the regular appropriation process. Appropriated funds would be available until expended. Money deposited in the fund which is not appropriated within five fiscal years following the fiscal year in which credited would be transferred to miscellaneous receipts of the Treasury.

National forest receipts expected to run in the neighborhood of $400 million annually during the remainder of the 1970's. With repeal of the 10 percent road fund, annual deposits into the fund would be approximately $300 million.

EXPENDITURES FROM THE FUND

The Secretary of Agriculture would be authorized to allocate moneys appropriated from the fund in such proportions and in such locations as he determines appropriate for three purpose categories: 1) for planning and inventories for the National Forest System; 2) for capital or basic investments on the National Forest System for furthering sustained yield resource management or for enhancing long term public use; and 3) for financial or technical assistance to States or private forest landowners in accord with such forestry assistance programs as the Secretary of Agriculture is authorized to undertake under other provisions of law, but not in excess of $25 million annually.

Investment categories listed in the bill for National Forest System lands include timber cultural measures, recreation and visitor education construction, construction for fire and general administration, pollution abatement, wildlife habitat improvement, range revegetation and improvement, fuel modification, watershed restoration and improvement, and land record, survey and classification activities. Specifically excluded are expenditures for annual or short-term maintenance, normal operating expenditures, or construction of forest roads and trails. All expenditures shall be in conformity with the provisions of the Act of June 4, 1897 (30 Stat. 215; 16 U.S.C. 475), the Multiple Use-Sustained Yield Act of June 12, 1960 (74 Stat. 215; 16 U.S.C. 528–531), and the National Environmental Policy Act of 1969 (83 Stat. 852; 42 U.S.C. 31–4335).

Thus, the fund is primarily for long term investment to develop productivity of all national forest resources. No use priorities are specified. There are no limitations on the discretion of the Secretary of Agriculture in determining proportions and locations in fund allocations, other than the 25 million dollar limitation on the amount which may be expended on State and private forestry assistance.

TIMBER POLICY

The bill would clear up possible misunderstandings by establishing that the objective of management of the commercial forest lands of the National Forest System, not withdrawn from timber utilization by statute or administrative regulation, shall be to make an optimum contribution to the forest products needs of the nation both for domestic consumption and for an advantageous trade base for support of the nation's balance of trade position, with due consideration of environmental impacts and requirements for other uses of national forest resources, and subject to the provisions of the Act of June 4, 1897 (16 U.S.C. 475), the Act of June 12, 1960 (16 U.S.C. 528–531), and the Act of January 1, 1970 (42 U.S.C. 4331–4335).

The definition of sustained yield in the Act of 1960 was deliberately quite broad to apply to all renewable resources. Section 7 of this bill would provide additional directives to the portion of the National Forest System which is commercial forest land and has not been withdrawn from timber utilization by statute or administrative regulation. These directives would be supplemental and subsidiary to rather than superseding the Multiple Use-Sustained Yield Act of 1960. They identify considerations such as domestic consumptive needs, levels of stocking and productivity of commercial forest lands in other ownership categories and need for maintenance or regional or local economic support to be taken into account in the development of National Forest timber policies.

The need for support of the nation's trade base and balance of payments position is also mentioned. While current and short range supply and price relationships make is necessary to restrict log exports from Federal lands, the long range objectives for National Forest timber productivity should include support of the Nation's trade base and balance of trade position. These optimum timber productivity objectives for the available commercial timberlands of the National Forest System are to be pursued with adequate safeguards for environmental quality and for other resource requirements.

FACILITATING PROVISIONS

Two provisions to facilitate administration of contracts and permits for sale of forest products or for use of National Forest System lands are included in the bill. In section 8 (a) requirements are authorized in contracts and permits for installation of or measures to minimize adverse environmental impacts resulting from contracted or permitted activity, including requirements for location and construction specifications of roads, other transportation facilities or other developments required for the utilization or enjoyment of products purchased or uses authorized. Recognition of the costs of such measures would be taken either 1) in determining the appraised value of the product to be sold or the amount of the permit fee. (2) if the appraised value is determined without allowance for such cost, by a contractual provision for credit to the contractor's account at specified rates as the specified installations or services are performed by the contractor. Costs of surveys, plans and other specifications for roads or other developments which must be accomplished in advance of contract or permit award would be set aside from payments made by the contractor or permittee into a special fund which would be made available for expenditure for preparation of similar surveys and plans in advance of award of additional sales or products or issuance of permits.

Over the years the Forest Service has required timber purchasers and permittees to do clean up work and restore any impact caused by wear and tear of their activities on National Forest lands and improvements. The concepts of actions necessary for this purpose have expanded greatly with the growth of concern over maintenance of environmental quality as exemplified by the National Environmental Policy Act (42 U.S.C. 4331–4335). Because of this enlarged scope, it is advisable to give statutory recognition to the practice of requiring purchasers and permittees to offset environmental impacts of their activities.

Established procedures for control of location and construction specifications for roads, other transportation facilities and other developments on the National Forests are also included in this authorization in order to avoid any possibility of jeopardizing these practices by failure to give them coverage in legislation in this subject matter field. The Forest Service has been exercising controls over roads or other facilities needed by forest products purchasers or permittees for utilization of products purchased or uses authorized as a necessary part of the protection of National Forest lands from adverse environmental impacts. The costs of performing such contractual requirements must necessarily be taken into account in appraising the value of products offered for sale or in the determination of a permit fee. For road construction, a system is now in operation under which the appraisal is made on the basis the roads are in place and provision is made to credit the purchaser's account for stipulated amounts as he completes construction to specifications. This procedure would be given statutory recognition.

The authorization to maintain a revolving fund for the conduct of road survey and design specifications would greatly simplify and expedite the continuous task of sale and permit preparation. These survey and designs are an essential part of prevention of adverse environmental impacts from transportation or other developments installed by National Forest purchasers or permittees. Since the work should be performed prior to the competitive offering of sales or permits, a statutory authorization is necessary to establish an arrangement which is the equivalent of payment by the purchaser or permittee for the survey and design phase of his road construction or development activity. A special fund is necessary for collection of such costs because the work must be performed at government expense before award of the contract or permit can be made. Other special funds which are authorized so that the Forest Service may require timber purchasers to pay for work it performs are for brush disposal (16 U.S.C. 490) and for road maintenance (PL 88–657).

Most National Forest Timber is sold under contracts which establish a payment rate per unit of measure to apply to quantities measured as the timber is removed by the purchaser in log form. This measurement service (scaling), subject to the following described exception, has over the years been performed by government employees. In western Oregon, Washington and southwestern Alaska where the services of independent log scaling and grading bureaus are available, the Forest Service will accept bureau scale if furnished by the purchaser. These bureaus are non-profit associations of log buyers and sellers. The Forest Service does not require a purchaser to provide bureau scale but most purchasers elect to do so.

Scaling is a part of log production and hence its cost is recognized in determining appraised timber values. The procedures to utilize bureau scale for timber sale contract purposes thus eliminates a duplicate cost to the government and reduces the government's employment requirements. Section 8(b) of the bill would establish opportunities to develop comparable scaling arrangements throughout the National Forest System by requiring purchasers to supply scaling services satisfactory to the Secretary of Agriculture or to make deposits to cover the cost to the government of performing the measurements. It would eliminate the need for expenditure of appropriated funds to perform scaling services. It would set up incentives for timber purchasers to organize to provide an independent scaling service acceptable to the Secretary of Agriculture. It would give the Secretary full powers to establish specifications for such a scaling system and it places him in a position to keep performance at a satisfactory level.

SUMMARY

The Wood Supply and National Forest Lands Investment Act of 1973 would establish practical means to improve the supply of lumber and wood related products needed for the nation's housing. The actions required necessarily center on improvement of growth and yield for the National Forest System, through investment in timber cultural programs and by modernization of timber management policies. The bill provides practical safeguards against impacts of timber growing and timber harvesting activities on environmental quality or other resource uses through provision for investment for these purposes. The bill also provides for the long range project of increasing growth and stocking on small private forestland ownerships so as to have a more ample timber supply in the next century. Finally, the bill includes two procedural measures which will facilitate the effectiveness of current appropriations for the conduct of national forest timber sales.

By Mr. CLARK (for himself and Mr. Baker):

S. 1776. A bill to amend the Federal Water Pollution Control Act, as amended. Referred to the Committee on Public Works.

Mr. CLARK. Mr. President, today I am introducing a bill providing for a 1-year extension of the pilot operator training program for wastewater treatment plants, set up under section 104 (g) (1) of the Federal Water Pollution Control Act.

The program was introduced first by Senator Muskie and Senator Scott of Pennsylvania, and was incorporated into the 1970 Water Quality Improvement Act. Kept alive by continuing resolutions during 1972, it was then included in the Water Pollution Control Act, to be continued through fiscal 1973. The bill I am introducing would continue the program at the same level of funding through fiscal year 1974.

Approximately 16,000 operators of wastewater treatment plants have been trained under the Environmental Protection Agency pilot operator training programs and 4,200 have been enrolled in field study courses. The total cost of 120 grants involving trainees from all 50 States has been approximately $3,225,000. Agencies in my own State of Iowa have received $276,000 and have trained approximately 380 operators, as well as 100 individuals involved in field study.

This program is the only operator training program operated solely by EPA, though the Agency administers four others through interagency agreements. Two of those four are scheduled for termination. Thus, whatever happens to the 104(g) (1) program, the number of people being trained will be cut sharply.

In March of 1972, when EPA forecasted manpower and training needs, the greatest need indicated was for more trained operators. The number of operators engaged in wastewater treatment in 1971 was 49,300; the requirements in 1976 were forecast to be 92,900—an 88 percent increase. In addition, many plants are being upgraded with new and more sophisticated equipment, and their current operators need additional training. It is likely that the Federal Water Pollution Control Act Amendments of 1972 will increase these needs. And studies by EPA, the Government Accounting Office and Harbridge House, Inc., show that understaffing and undertraining of operators are already creating problems. Yet training programs are being cut back

The Administrator of EPA endorsed this extension of section 104(g) (1) along with another request in a letter to Chairman Randolph of the Public Works Committee, and I ask unanimous consent that his letter be included in the Record following these remarks.

I am pleased to offer this legislation which will assure continuation of this valuable EPA program on behalf of Senator Baker and myself.

There being no objection, the letter was ordered to be printed in the Record, as follows:

U.S. Environmental Protection
Agency,
Washington, D.C., March 29, 1973.

Hon. Jennings Randolph,
Chairman, Committee on Public Works, U.S. Senate, Washington, D.C.

Dear Mr. Chairman: Section 104(g) (1) of the Federal Water Pollution Control Act Amendments of 1972 provides that the Administrator of the Environmental Protection Agency shall finance pilot programs of manpower development and training and retraining of persons for maintenance of treatment works and related activities. Section 104(g) (2) authorizes the Administrator to enter into agreements to develop and maintain an effective system for forecasting the supply of, and demand for various occupational categories for pollution prevention, reduction, and elimination. A report to Congress on these activities, among others, is required by December 31, 1973, under section 104(g) (4).

The authorization of appropriations in section 104(u), however, covers only fiscal year 1973. In view of the fact that the report to Congress is not required until the end of the calendar year, we believe that the figure "1973" was an inadvertent error and that funds should be authorized through fiscal year 1974.

Accordingly, we recommend that this apparent oversight be corrected so as to authorize the funds for fiscal years 1973 and 1974. A draft of a proposed amendment which would accomplish this is enclosed.

Sincerely yours,
William D. Ruckelshaus,
Administrator.

By Mr. SCHWEIKER:

S. 1777. A bill to amend the Federal Meat Inspection Act to prohibit the sale for human consumption of meat from horses, mules, and other equines. Referred to the Committee on Agriculture and Forestry.

Mr. SCHWEIKER. Mr. President, I introduce for appropriate reference a bill to amend the Federal Meat Inspection Act to prohibit the sale for human consumption of meat from horses, mules, and other equines.

This measure is intended to stop the flow from Pennsylvania and other States of horses destined for human consumption. Pennsylvania law, for instance, currently prohibits the sale of horse meat for human consumption. But this has not stopped outsiders from buying up our horses at auctions and shipping them out of State for slaughter. The future of domestic saddle horses in Pennsylvania and throughout the United States is threatened by such practices.

My bill would prohibit the transportation in interstate commerce of any equine carcass or meat food product destined for human consumption. It would protect Pennsylvania or any other State from being the market places for the horse meat fanciers of the world. In recent months thousands of Pennsylvania horses have been transported to Canada, slaughtered, and exported to France, where horse meat is considered a delicacy. My bill would put an end to this inhumane profiteering.

There are health hazards involved in the human consumption of these animals. Horses in Pennsylvania are not raised to be eaten by humans. They receive medication, such as anti-parasite inoculations, which could prove harmful to humans. We have a responsibility to protect unsuspecting consumers here and abroad.

Mr. President, the Philadelphia Inquirer recently published an enlightening series of articles on this problem. I ask unanimous consent that one of these articles, along with the text of my bill, be printed in the Record at the conclusion of my remarks.

There being no objection, the bill and article were ordered to be printed in the Record, as follows:

S. 1777

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 10 of the Federal Meat Inspection Act (21 U.S.C. 610) is amended by adding at the end thereof a new paragraph as follows:

"Notwithstanding any other provision of this or any other Act, ninety days after the date of enactment of this paragraph it shall be unlawful for any person to sell, transport, offer for sale or transportation, or receive in interstate commerce any horse, mule, or other equine with the knowledge that such horse, mule, or other equine is to be slaughtered and any part or product thereof sold or offered for sale for use as human food; or to sell, transport, offer for sale or transportation, or receive in interstate commerce any carcass or any part of the carcass of any horse, mule, or other equine intended for use as human food; or to transport, sell, or offer for sale for human consumption any meat food product of any horse, mule, or other equine. The Secretary is authorized to issue such rules and regulations for the enforcement of this paragraph as he deems necessary."

A New National Phenomenon: Horses Slaughtered for Food

(By Wendell Rawls, Jr.)

The American riding horse—the dream of millions of children—is being slaughtered by the tens of thousands to serve the worldwide demand for cheap meat.

As recently as a year ago, the killing of horses for human consumption was almost non-existent in the United States. Now they are being shipped to U.S. and Canadian slaughterhouses at the rate of 20,000 a month.

And the demand from meat packers is accelerating so rapidly that it is driving the price of riding horses beyond the means of most American families.

Few persons—even among horse dealers and traders—are aware of the widespread killing of horses. But a month of intensive research by The Inquirer has shown that meat packer representatives—known in the trade as "killer-buyers"—are attending horse auction after auction throughout the United States.

Armed with enough money to outbid most small dealers, the killers can buy all the horses they want at auctions like the one in nearby New Holland, Pa. Within 24 hours, the horse that was alive in New Holland is slaughtered at a plant in Canada. And one day later, it is placed on a plane to Paris or Tokyo.

Although record beef prices have created some demand for horsemeat in the United States, the real market is abroad. Six slaughtering plants serving the market are in Canada and six are in the United States.

Indeed, the pressure for riding horses has become so intense there is even the threat of extinction.

"There is going to be a day, not too far off, when you won't see today's pleasure horse," said Duane Jewell of the U.S. Department of Agriculture's statistical reporting service.

"There will be expensive, registered show and race horses."

The possibility of extinction also concerns Mrs. Nila Conover, a New Jersey riding instructor.

"The killers," she said, "buy mares in foal or with foal by their side as quickly as they buy a 10-year-old gelding. So, not only are they slaughtering horses, they are slaughtering chances for reproduction."

The simple economics of young unregistered horses adds to the threat, said Dr. Paul DeLay, a USDA equine disease researcher.

"The horse nobody wants or can afford is the horse that will be slaughtered," he reasoned. "And the young horses are in a limbo of usefulness.

That, along with diminishing acreage for horses, "will leave only the best horses in the hands of the richest people," Dr. DeLay said.

"And those people will not have much patience with the common everyday saddle horse. I guess it will be gone."

But even before the demise of the saddle horse may come the demise of the small-time horse dealer.

Ed Cassidy, a Farmington, N. J., trader is one such businessman.

"Dealers like me, those who trade in lower priced horses for beginning riders, children, women, saddle and trail clubs, we'll be out of business inside two or three years," he said in an interview, "Maybe sooner.

"This winter (seasonally a time of low prices) I had to pay $250 and up for the same type horse that cost $140 at last year's peak prices," Cassidy said. "By the time I truck it and feed it and try to make a little profit, that $140 horse is now a $300 horse.

"Soon, it's gonna be a $500 horse, then a $1,000 horse and nobody will pay that kind of price for an unregistered, ordinary saddle horse and I will be out of business."

Surveys by the American Horse Council substantiate Cassidy's fears, according to Mike Nolan, spokesman for the group.

"Our surveys disclose that 60 percent of the horses in this country are owned by people with an annual incomes of $9,000 or less," Nolan said. "Obviously, they cannot afford high-priced, high-quality stock."

Nor can they easily afford the rising costs of stabling and feeding horses. The normal boarding fee for a horse in the New Jersey-Pennsylvania area is between $75 and $100 a month. Even people who own stabling facilities have to meet inflated feed and hay bills. Some horsemen say they have paid $120 a ton for hay this year, compared with $35 a ton last year.

New Jersey dealer Cassidy, discussing such expenses, said he recently bought a 6-month-old colt at an auction "just to save it from the killers," and then asked rhetorically:

"Now what am I going to do with it? It can't do anything but eat for the next 18 months and that will cost somebody a lot of money before they take the first ride on him.

"Not many people are going to put out that kind of money for a six-months-old, unregistered horse," he said.

Regardless of the reason, the price of horsemeat is feeling the stress of a dwindling supply.

Less than a year ago, according to slaughterhouse officials, horsemeat on the hoof sold from 5 cents to 12 cents a pound. In the last two weeks, Canadian slaughterhouses have paid 22 cents a pound.

In other words, a 1,000 pound horse (and that is about average or a little less) was worth $220 dead. It was worth less alive.

France, the major importer of horsemeat from both Canada and the United States has 1,600 retail "boucheries chevalines" (horse butcher shops) with customers willing to pay more than $2.50 a pound for certain cuts. The same cuts in beef cost twice as much there.

Three weeks ago, horsemeat sold for 79 cents a pound in Portland, Oreg., butcher shop. The price climbed to 85 cents a pound and housewives stood in line to buy it. (Horsemeat for human consumption is illegal in Pennsylvania.)

At the Harvard Faculty Club in Boston, the 12-ounce (horse) dinner steak, with mushroom sauce, salad, potato, another vegetable and beverage is $3.

"Sometimes we've scratched it from our menu," said club manager Charles Coulson, "but people kept asking, "Where's our horsemeat?" I guess it's here to stay."

Jules Pepin, president of a Canadian slaughterhouse, Jean Demars, Inc., of Gentilly, Que., said his company ships virtually all its fresh horsemeat to France, by air. The customer willingly pays freight costs, he said.

"The demand is so great we can hardly keep up with it," he said. "We are buying all the horses we can get."

That amounts to between 18,000 and 20,000 a year, he estimated, the norm for 11 of the 12 known slaughterhouses in the United States and Canada. The other plant, in Charlemagne, a suburb of Montreal, can slaughter 200 a day—52,000 a year if the plant closes on weekends.

The 12 plants, then, will kill about 230,000 horses for human consumption this year, thought to be a significant increase over last year.

The USDA estimates that 77,000 horses were slaughtered for human consumption in five U.S. plants between July 1, 1971, and June 30, 1972. That is an average of 15,400 a plant.

Since then, a sixth plant has been built (in Fort Worth) and the demand for horsemeat has risen sharply.

Saddle horses in the United States, according to the most liberal count, number between 3.5 million and 4 million. (There are no exact figures available; the USDA stopped counting horses 13 years ago.)

Beyond the quarter million horses to be slaughtered for people to eat, another 400,000 can be expected to die of natural or accidental causes. And an even larger number will be killed in the nation's 1,200 or more animal rendering plants for pet food, protein, bone meal and dried blood fertilizer.

With such demand, the prices for slaughter horses "are about twice as high as last year," said Duane Strother, president of the Central Nebraska Packing Co. in North Platte.

In addition to providing horsemeat for the tables of Europe and the gourmets of the Harvard Faculty Club, the Nebraska operation also sells to the owners of greyhound racing dogs in the United States and Mexico.

Horsemeat for racing dogs, Stother said, is chopped and carefully controlled for fat, making it suitable for humans.

"We just sell it," Strother said. "What happens to it after that, I have no way of knowing. But it is safe for humans if they want it."

Dr. Clair Terrill, a USDA researcher studying ways to increase the efficiency of livestock production, sees some long-range significance to the trend toward horsemeat consumption.

"We are just seeing the beginning symptoms of the day when there will not be enough food to feed the world's population," he said. "The United States certainly has a much greater potential for food production, of course, but the day will come when a starving person will sell a child for something to eat.

"By then, the slaughter of horses and other pets will already have passed," he added. "But right now, everybody wants meat, and if beef is not available, or affordable, more horses will be eaten."

Michel Lauzier, general manager and accountant for Cofranca Import-Export Inc., which operates three slaughterhouses, two in Canada, one in the United States, discounted suggestions that too many horses are being killed.

"Well, let's see," he said, toying with a ballpoint pen. "Say there are 10 million horses in the United States and we kill 100,000 of them. That's one percent. There's no danger in that."

Actually, the American Horse Council (which is more generous than the USDA) says the United States has only 8 million equine animals, including mules, donkeys, burros, ponies and about 40 registered breeds such as thoroughbred, and standardbred.

Mules and donkeys are not permitted to be slaughtered for human consumption in either the United States or Canada. Ponies are considered too small and registered horses too expensive.

Cofranca's buyers are major competitors in bidding for the horses that are suitable for slaughter. According to Lauzier, the company has contracts with more than 20 buyers in the United States. They are advanced $10,000 and more a week to bid at auctions.

The small, independent horse dealer complains of financial defenselessness against the killer who never fears a money shortage.

Cofranca pays the killer for the horses he buys, plus a $10-a-head bonus and between 65 cents and 95 cents a mile for transporting the horses to slaughterhouses.

One killer-buyer estimated his payment for about 30 horses at about $1,100. He generally makes larger deliveries twice a week, he said.

Another buyer. Roger Lareau, of Quebec, said he has trucked as many as 185 horses a week into Canada for slaughter. He says they are all "bad, no good."

Some dealers, however, see Lareau as a "menace," claiming he buys the best horse he can get for the money and that he has bought as many as 210 in one sale.

Ed Cassidy regards each truckload of horses driven from auction to slaughterhouse as a hazard to an "American tradition."

In America's not too-distant past, a horse was worth more than a man's life. They hanged horse thieves.

Horses pulled plows and carriages. They carried mail and circuit riding preachers. They herded cattle and trampled battlefields. They matched speed on a track, and pranced up Main Street.

But today, they are helping to feed the world. And tomorrow they may join the buffalo.

By Mr. CHILES:

S. 1779. A bill to establish in the State of Florida the Egmont Key National Wildlife Refuge. Referred to the Committee on Commerce.

Mr. CHILES. Mr. President, today I am introducing a bill which would authorize the Secretary of the Interior to establish Egmont Key National Wildlife Refuge in the State of Florida. Identical legislation has been introduced by members of the Florida house delegation to preserve the historical, natural and recreational values of Egmont Key.

Recently the General Services Administration recommended that most of the Key of 295 acres was excess to the needs of the U.S. Coast Guard, which presently occupies the land. Under the provisions of the measure I am introducing, the northern tip of the island, 55 acres, will remain in Coast Guard hands for the continued use of the 125-year-old lighthouse and other navigational aids.

Egmont Key, which lies in the mouth of Tampa Bay, 1½ miles off the nearest land, still has much of the original wilderness of coastal Florida, and is not connected to the land by a bridge or causeway. It is the nesting and resting place for several scarce species of shore birds and contains an exceptional variety of natural habitats, and has been used informally for recreational purposes for many years.

Egmont Key has often played a role in the history of Florida and of the United States. During the Seminole War, many Indians were impounded on the island before being sent to the American West. During the Civil War, the key was the land base of the Federal squadron blockading Tampa Bay, and it served as a refuge for runaway slaves and escaping northern sympathizers. During the Spanish-American War, Fort Dade was built on the island, accompanying Fort De Soto on nearby Mullet Key in the defense of Tampa Bay.

Certainly the heavily populated Tampa Bay region would benefit from preserving this island in the enduring manner that Federal protection would provide; and I hope that the measure will receive early favorable consideration.

By Mr. PELL:

S. 1780. A bill to prohibit discriminatory employment practices with respect to physically handicapped persons. Referred to the Committee on the Judiciary.

Mr. PELL. Mr. President, during the past decade a great deal of progress has been made toward the goal of eliminating discriminatory treatment of persons. The Federal Government, State and local governments, and many parts of the private sector have acted to eliminate discrimination in employment, in education, in housing, and in other areas. It has indeed become clear national policy that discrimination based on race, religion, and sex shall not be permitted.

There is, however, an additional area of discrimination that I believe deserves far more attention than it has been given: discrimination against the physically handicapped. As is the case with most discriminatory practices, discrimination against the handicapped is most often not a conscious policy, but an accumulation of unthinking acts. The result, nonetheless, is the same in that the physically handicapped are confronted daily with obstacles to personal fulfillment that have nothing to do with their physical handicaps.

One of the most serious discriminatory barriers confronting the physically handicapped is job discrimination. In the past, it was a common practice to shut the handicapped away in special workshops. In more recent years, many employers have come to realize that a physical handicap does not preclude a person from efficient and gainful employment, working side by side with other workers. Many enlightened employers have made special efforts to hire the physically handicapped.

In spite of these efforts, however, discrimination against the physically handicapped continues. The result is that the Nation is deprived of the full talents and abilities of physically handicapped individuals, and the physically handicapped themselves suffer an unnecessary additional burden.

It is for this reason that I am today introducing a bill which would amend title VII of the Civil Rights Act of 1964 to prohibit discriminatory practices against physcally handicapped persons. I hope that the Congress will give expeditious consideration to this measure.

By Mr. FONG:

S. 1782. A bill to provide that time spent by individuals interned in places operated by the U.S. Government for individuals of Japanese ancestry shall be considered creditable service for purposes of civil service retirement. Referred to the Committee on Post Office and Civil Service.

CIVIL SERVICE BENEFITS FOR JAPANESE AMERICANS INTERNED DURING WORLD WAR II

Mr. FONG. Mr. President, I introduce today a bill designed to provide that time spent by individuals interned in places operated by the U.S. Government for individuals of Japanese ancestry during World War II shall be considered creditable service for purposes of civil service retirement.

Mr. President, as you know, the Social Security Amendments of 1972 provide for noncontributory social security wage credits—wage credits which would be counted as though they were wages covered by soial seurity—for persons of Japanese anestry who were at least 18 years of age for the period they were interned by the United States during World War II.

The amount of the credits is based on the Federal minimum wage at the time of internment or the individual's prior earnings, whichever is larger.

In cases where the credits established insured status for social security benefits, or increases in benefits, the credits are applicable to benefits payable after December 1972.

Although the social security provision dealing with the internment of Americans of Japanese ancestry has been interpreted to apply only to U.S. citizens of Japanese ancestry, I have been informed by Acting Commissioner Arthur E. Hess that the Social Security Administration is presently reexamining the interpretation of the provision to determine if noncitizens of Japanese ancestry who were interned during World War II may also qualify to receive the wage credits.

Mr. Hess informs me that to date less than 100 individuals have applied for the wage credits. After these individuals apply for wage credits, their period of internment is verified by the Social Security Administration through governmental records that were kept on internees during World War II.

Mr. President, my bill is designed to give the same type of wage credits for civil service retirement purposes to those Americans of Japanese ancestry who were interned during World War II. In other words, my bill will give the same treatment to those covered by civil service retirement as presently extended to those covered by social security. It asks for no more.

Mr. President, I ask unanimous consent that the bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1782

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 8332(b) of title 5, United States Code, is amended—

(1) by striking out "and" at the end of paragraph (8);

(2) by striking out the period at the end of paragraph (9) and inserting in lieu thereof a semicolon and the word "and"; and

(3) by adding immediately below paragraph (9) the following new paragraph:

"(10) without regard to sections 8334(c) and 8339(h) of this title, any period of time an individual was interned, from December 7, 1941, through December 31, 1946, at a place within the United States operated by the Government of the United States for individuals of Japanese ancestry."

(b) Section 8332 of such title is amended by adding at the end thereof the following new subsection:

"(l) The Commission shall accept the certification of the Secretary of Defense or his designee concerning any period of time for which an individual is to receive credit as service for the purpose of this subchapter of the type referred to in subsection (b)(10) of this section. The weekly rate of basic pay of an individual during any such period of time shall be determined as follows:

"(1) in the case of any such individual not employed prior to such time, 40 multiplied by the minimum hourly rate or rates in effect at any such time under section 206(a)(1) of title 29; and

"(2) in the case of any such individual employed prior to such time, 40 multiplied by the greater (A) of the highest hourly rate received during any such employment, or (B) the minimum hourly rate or rates in effect at any such time under such section 206(a)(1)."

(c) Section 8333(b) of such title is amended by adding at the end thereof the following new sentence: "Any period of time for which an individual receives credit as service of the type referred to in section 8332(b)(10) of this title shall be deemed to be creditable civilian service during which that individual was subject to this subchapter before he or his survivors were eligible for annuity under this subchapter based on separation."

SEC. 2. Entitlement of an individual to an annuity or survivor annuity, or to the redetermination of any such annuity, as a result of the enactment of the amendments made by the first section of this Act, shall be effective on the later of (1) the first day of the first month commencing at least 30 days after the date of enactment of this Act, or (2) the first day of entitlement to payment provided by subchapter III of chapter 83 of title 5, United States Code.

By Mr. CRANSTON (for himself, Mr. TUNNEY, Mr. KENNEDY, Mr. MONTOYA, Mr. HUMPHREY, and Mr. MCGOVERN):

S. 1784. A bill to authorize grants to the D-Q University. Referred to the Committee on Interior and Insular Affairs.

Mr. CRANSTON. Mr. President, I am introducing today for appropriate reference, a bill to authorize the Commissioner of Education to provide urgently needed financial assistance to D-Q University in California. I am pleased to be joined in introduction of this legislation by my colleagues JOHN V. TUNNEY, EDWARD M. KENNEDY, JOSEPH M. MONTOYA, HUBERT H. HUMPHREY, and GEORGE MCGOVERN. This measure is identical to a bill already introduced in the House by Congressman EDWARD R. ROYBAL, of California.

The bill is historic in that it would, for the first time in the history of this Nation, provide Federal support for an institution of higher learning that is not only dedicated to Mexican Americans and native Americans, but founded, developed, and operated solely by Mexican Americans and native Americans. Although there are presently privately owned and operated Chicano institutions of higher learning in Texas, Colorado, and elsewhere, none approaches the degree of educational services offered and projected by D-Q University. And, while recently a Navajo community college has been established by the Federal Government, there has previously been no lasting Federal commitment made for a comprehensive program of self-directed higher Indian education.

D-Q University is engaged in the following projects:

A program to plan and develop the areas of curriculum, campus administration, and student services.

A program to provide special services to students through counseling, tutoring, and basic institutional information.

A program to provide student financial assistance.

Three programs in bicultural and bilingual teacher training for instruction from elementary through community college levels.

By the end of the 1972-73 academic year, it is anticipated that D-Q University will have delivered comprehensive educational services for 750 individuals in vocational or degree-granting programs. The university has programs on the following levels in an effort to provide a full range of educational services:

On campus instruction at basically the associate of arts degree—community college—level.

Prevocational and vocational training through community operated agencies.

A community education center that functions similarly to an extension school and continuing education.

Contract education, the D-Q version of the college without walls concept in self-determined and self-directed instruction.

The general program of instruction has resulted from the institutional focus on innovative means for the access to educational resources, flexibility in curriculum, and utilization of community resources.

The main campus of D-Q University is located some 8 miles northeast of Davis, Calif., on a 649-acre site declared surplus to the Federal Government by the General Services Administration on July 17, 1970. The deed was formally transferred to the university at dedication ceremonies held on the site on April 2, 1971. Since then, D-Q University has undergone considerable change and growth that has been financed largely by foundations and private contributions. However, title to the land is vested in D-Q University solely upon the condition that the university develop a comprehensive program of higher education before the expiration of 30 years.

My bill would assure that required development by providing financial aid comparable in amounts and in purpose to aid that the Federal Government has provided black institutions of higher learning in the United States since the era of Reconstruction after the Civil War. Federal aid has been extended to 120 such black institutions.

In concrete terms, my bill would authorize Congress to appropriate $35 million in the aggregate to be granted by the Commissioner of Education to D-Q University over a 5-year period. The funds will be used for capital expenditures for the construction of proper facilities, employment of instructional and administrative personnel, and the provision of student services. These structures and services are critical to fulfilling both the aims of D-Q University and the requirements that must be met before D-Q University can take title to the land provided by the Federal Government.

This bill would enable D-Q University to assume a role as a national learning and cultural center for Indian and Chicano students as envisioned by its founders and by the Federal Government. The university would also serve as a learning center for others having a special interest in matters affecting Indian and Chicano people and their communities. With enactment of my bill D-Q University would grow from an academic student body of 70, which it presently has, to a projected 1,500 students.

Mr. President, the following is a breakdown of what my measure would authorize for D-Q University. I ask that it be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

RECAPITULATION

	Fiscal year—					
	I	II	II	IV	V	Totals
I. Administration and instruction	753,710	907,955	1,146,656	1,358,249	1,468,412	5,634,982
II. Library	524,785	227,096	157,464	262,968	213,365	1,385,678
III. Cafeteria	93,760	66,698	191,835	101,355	105,988	559,636
IV. Site development	360,291	317,270	352,187	391,313	439,705	1,860,766
V. Student services	180,170	207,347	250,773	331,480	326,894	1,296,664
VI. Student housing and union	36,200	216,400	63,200	216,000	63,200	595,000
VII. Construction	10,000	9,438,750	1,188,000	8,613,000	330,000	19,579,750
VIII. Operating expenses	150,610	103,000	114,550	142,000	147,150	657,310
IX. Miscellaneous	278,300	2,251,400	305,900	271,400	328,900	1,435,900
Grand totals	2,387,826	13,735,916	3,770,565	11,687,765	3,423,634	35,005,686

Mr. CRANSTON. When I first introduced this measure in the last Congress, I pointed out that even a cursory examination of statistical data on the education of Chicanos and Indians in the United States indicated the need for such an institution. The data reveal a picture of rampant discrimination, poor achievement, and human tragedy.

At that time, it was shown that both ethnic groups failed to complete their high school educations at an alarmingly high rate. They failed at a rate much higher than Anglo-American students, and both ethnic groups represent a small number of students in our institutions of higher learning. Spanish-speaking students either drop out of college or fail to enter college at a rate of 75 percent, compared to about 50 percent for all ethnic minorities and 45 percent for Anglo-Americans.

Statistics on Indian education show the same grim picture. The Special Subcommittee on Indian Education of the U.S. Senate cited in 1969 that—

The dropout rate for Indians was twice the national average.

More than one out of every five Indian men have completed less than 5 years of schooling.

Only 18 percent of the students in Federal Indian schools go on to college; the national average is 50 percent.

Only 3 percent of Indian students who enroll in college graduate; the national average is 32 percent; and

Only one of every 100 Indian college graduates will receive a master's degree.

Since then, I do not believe conditions have improved substantially. It is the intention of D–Q University's founders that the university will provide concrete solutions to these long-standing problems by developing educational methods to replace those that have apparently not worked for Indians and chicanos in the past.

Mr. President, in California alone, the State Department of Education has estimated that there are some 18,000 Indian students and 700,000 Chicano students attending kindergarten through 12th grade in public schools. With proper Federal funding, D–Q University will become a major training center producing bilingually and biculturally trained teachers to go back into the public schools. Through their help, Chicano and Indian students will have the opportunity to achieve their full educational potential in the public schools.

Mr. President, I do not stand alone in what I believe D–Q University can accomplish. The California State Assembly and many local California governments have expressed their complete support and enthusiasm for D–Q University as a unique educational institution that will benefit California and the Nation. As examples of this support for D–Q University, I ask unanimous consent that a resolution of the Assembly State Legislature adopted on March 1, 1973, and a resolution of the city of Davis adopted on August 28, 1972, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

RESOLUTION RELATIVE TO D–Q UNIVERSITY

Whereas, The principle of equal educational opportunity has been a national goal since the enactment of the first Civil Rights Act of 1897; and

Whereas, The principle of equal educational opportunity has been further reinforced by the Civil Rights of 1957 and 1964 and executive orders; and

Whereas, Court decisions by the Supreme Court of this nation have clearly enunciated these rights as the supreme law of the land; and

Whereas, The first Americans and those of Spanish surname suffer from the highest deprivation of equal educational opportunity, having the highest dropout rates and the lowest achievement rates in schooling of all segments of the American population; and

Whereas, There is a need to provide methods and systems of education unique to and relevant to these two communities; and

Whereas, The State of California has enacted legislation to conform to and provide leadership in the area of equal opportunity for all citizens of this state; and

Whereas, The first national center for native American and Chicano education has been founded through a federal grant of land to D. Q. University in California; and

Whereas, Congress in its wisdom is considering proposals for the authorization and appropriation of National Fiscal Resources for the Development of this first university system for indigenous Americans; now, therefore, be it

Resolved by the Assembly of the State of California, That this body go on public record in support of D. Q. University as a unique human educational resource for the people of the State of California and of the nation.

CITY OF DAVIS RESOLUTION

Whereas, the City of Davis recognizes that its greatest resources are its investment in Human and Capital resources and that the future of the community is measured by its willingness to support its commitment to the education of its children at all levels, and

Whereas, the City of Davis places in priority the support of our local institutions and our local resources, and

Whereas, D–Q University, a Native American and Spanish speaking Institution of Higher Education is located within the sphere of resources of this city, and

Whereas, this University is seeking a commitment from Congress for appropriate funding;

Therefore, be it resolved that the City of Davis hereby urges the passage of H.R. 16094 and Companion Bills authorizing grants to D–Q University for five years, said City recognizing that such benefits to D–Q U. are in fact benefits to this community,

Be it further resolved, that this City urge passage of H.R. 16094 and Companion Bills, with all possible speed and that a copy of this RESOLUTION be post-haste forwarded to:

Hon. Edith Green, House Select Committee on Education, Washington, D.C.

Hon. Edward Roybal, M.C., Rayburn House Building, Washington, D.C.

David Risling, Jr., Chairman of the Board of D–Q University, P.O. Box 409, Davis, Ca. 95616.

Mr. CRANSTON. Mr. President, I believe that this legislation can benefit all Americans. By providing financial assistance to D–Q University we will move closer to finding solutions to problems that hold millions of Indians and Chicanos in a degrading cycle of ignorance and poverty. We will help these citizens find their own means of becoming self-supporting and thus help the Nation relieve the great burden of costly welfare and unemployment rolls. Mr. President, I look forward to Congress' favorable action on this measure.

At this point I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1784

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That it is the purpose of this Act to provide grants for the construction of facilities and the development and improvement of the curriculum of the D–Q University in order that it will be fitted to assume a role as a national learning and cultural center for Indian and Chicano students, as well as for others having a special interest in matters affecting Indian and Chicano people and communities.

SEC. 2. The Commissioner of Education is authorized to make grants during the period beginning with the date of enactment of this Act and ending June 30, 1978, to the D–Q University to be used for its development and improvement, including the construction of facilities, employment of instructional and administrative personnel, and provision of student services. Such grants shall be subject to such terms and conditions as the Commissioner may prescribe.

By Mr. HUDDLESTON:

S. 1785. A bill to amend title IV of the Rural Development Act of 1972 to provide assistance to certain rural volunteer fire departments. Referred to the Committee on Agriculture and Forestry.

Mr. HUDDLESTON. Mr. President, the small, volunteer fire departments provide an invaluable and essential service in many of our rural areas. In fact, in many farm and rural areas, they provide the only fire protection available. With the growing costs of firefighting equipment and the general increases in the cost of living, which have restricted private contributions, many of these fire departments are hard pressed to maintain their equipment and services.

I am, consequently, introducing legislation to assist these fire departments. The legislation is simple. It would amend title IV of the Rural Development Act of 1972 to increase the authorization for fire protection activities from $7 to $17 million and it would specify that such funds could be used for the purchase of firefighting equipment and training necessary to operate such equipment. Such funds would be available to fire departments in rural towns, villages, and similar entities with populations between 200 and 2,000.

Title IV of the Rural Development Act was passed in recognition of the fact that rural development is unlikely to progress with adequate fire protection services. In promoting those services, we should certainly build upon the bases which we already have—in this particular case, upon the small, volunteer fire departments which now exist. This legislation seeks to do just that.

Mr. President, similar legislation has been introduced in the House of Representatives, and I hope the Congress will soon move to act on this in order to insure needed fire protection in our rural areas.

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 371

At the request of Mr. Tower, the Senator from Colorado (Mr. Dominick) was added as a cosponsor of S. 371, to provide that certain provisions of the Natural Gas Act relating to rates and charges shall not apply to persons engaged in the production or gathering and sale but not in the transmission of natural gas.

S. 783

At the request of Mr. Chiles, the Senator from California (Mr. Tunney) was added as a cosponsor of S. 783, to establish the Everglades-Big Cypress National Recreation Area in the State of Florida.

S. 971

At the request of Mr. Taft, the Senator from California (Mr. Tunney) was added as a cosponsor of S. 971, the Home Preservation Act of 1973.

S. 1018

At the request of Mr. Tunney, the Senator from Rhode Island (Mr. Pell), the Senator from Michigan (Mr. Hart), and the Senator from California (Mr. Cranston) were added as cosponsors of S. 1018, the National Olympic Commission Act of 1973.

S. 1423

At the request of Mr. Robert C. Byrd, the Senator from Alabama (Mr. Sparkman) was added as a cosponsor of S. 1423, to amend the Labor Management Relations Act, 1947, to permit employer contributions to jointly administered trust funds established by labor organizations to defray costs of legal services.

S. 1565

At the request of Mr. Mondale, the Senator from Iowa (Mr. Clark), the Senator from Wisconsin (Mr. Proxmire), the Senator from Maine (Mr. Hathaway), the Senator from Rhode Island (Mr. Pell), the Senator from Iowa (Mr. Hughes), the Senator from New Jersey (Mr. Case), the Senator from Minnesota (Mr. Humphrey), and the Senator from Maine (Mr. Muskie), were added as cosponsors of S. 1565, the North Slope Energy Resources Act of 1973.

S. 1588, S. 1589, S. 1590, S. 1591, AND S. 1592

Mr. MANSFIELD. Mr. President, on behalf of the Senator from Washington (Mr. Magnuson), I ask unanimous consent that the Senator from New Hampshire (Mr. Cotton) be added as a cosponsor of the following bills:

S. 1588—to amend section 502(a) of the Merchant Marine Act, 1936.

S. 1589—to amend the Communications Act of 1934 to provide that licenses for the operation of a broadcast station shall be issued for a term of 5 years, and to establish orderly procedures for the consideration of applications for the renewal of such licenses.

S. 1590—to give effect to the International Convention on Conduct of Fishing Operations in the North Atlantic, signed at London under date of June 1, 1967, and for other purposes.

S. 1591—to give effect to the International Convention for the Conservation of Atlantic Tunas, signed at Rio de Janeiro May 14, 1966, by the U.S.A. and other countries, and for other purposes.

S. 1592—to provide for the conservation, protection, and propagation of species or subspecies of fish and wildlife that are presently threatened with extinction or likely within the foreseeable future to become threatened with extinction, and for other purposes.

The PRESIDING OFFICER. Without objection, it is so ordered.

S. 1694

At the request of Mr. Moss, the Senator from Nevada (Mr. Bible), and the Senator from Rhode Island (Mr. Pastore), were added as cosponsors of S. 1694, the Fair Marketing of Petroleum Products Act.

S. 1727

At the request of Mr. Inouye, the Senator from Arizona (Mr. Goldwater), and the Senator from Hawaii (Mr. Fong) were added as cosponsors of S. 1727, to incorporate the Pearl Harbor Survivors Association.

SENATE RESOLUTION 114—SUBMISSION OF A RESOLUTION AUTHORIZING THE PRINTING OF THE ANNUAL REPORT OF THE NATIONAL FOREST RESERVATION COMMISSION

(Referred to the Committee on Rules and Administration.)

Mr. TALMADGE submitted the following resolution:

S. Res. 114

Resolved, That the Annual Report of the National Forest Reservation Commission for the fiscal year ended June 30, 1972, be printed with an illustration as a Senate document.

AMENDMENT OF SMALL BUSINESS ACT—AMENDMENT

AMENDMENT NO. 125

(Ordered to be printed, and to lie on the table.)

Mr. EAGLETON. Mr. President, on behalf of myself and my colleague, the senior Senator from Missouri (Mr. Symington), I submit an amendment, intended to be proposed by us, jointly, to S. 1672, to amend the Small Business Act.

The purpose of this amendment is to correct a serious inequity in the administration's disaster relief loan programs which finds two Federal agencies administering similar programs in the same communities but operating under sharply conflicting guidelines.

On the one hand, the Small Business Administartion, which makes loans to homeowners and small businessmen, interprets the new disaster relief amendments (Public Law 93–24) as permitting loans at the old 1 percent interest rate with $5,000 forgiveness in the case of disasters occurring prior to date of enactment of the new amendments, April 20, 1973.

On the other hand, the Farmers Home Administration, which makes loans to farmers reads the law as abolishing any further 1 percent loans except for certain disasters which occurred in 1972. It is, therefore, offering only 5 percent loans regardless of the fact that the Missouri disaster occurred before the new law came into effect.

Unfortunately, the act in question does not address this situation with respect to FHA loans in the same explicit language used with respect to SBA loans. However, the intent, as I understood it, was to put the two programs on exactly the same footing. That was what the amendment which brought SBA into the act in the first place was all about—an effort to avoid a situation in which one individual is treated differently than another in the same circumstances.

In fact, that is what is happening today in Missouri and in other States affected by the recent Mississippi and Missouri floods. A small farmer who was wiped out by the flood is eligible for only a 5-percent loan with no forgiveness feature. But the man who sells him feed and equipment right next door can get a 1-percent loan with the first $5,000 forgiven. Even more inequitable, the farmer who raises cattle can receive only a 5-percent loan to help repair his losses while the feedlot operator to whom he sells the cattle qualifies for the far more generous SBA loan.

This is an intolerable situation. Nothing can justify such blatant discrimination among disaster victims or rationalize the penalties levied on farmers merely because their small business is of a slightly different charatcer than farm processors or farm middlemen. Measured by need, they are all of one class—disaster victims—and they deserve equal treatment.

Shortly after the disastrous floods hit Missouri, I queried the Office of Emergency Preparedness on what forms of assistance could be made available to Missourians. I was informed at that time that because the date of the floods predated enactment of the new law, Missouri would be eligible for 1-percent loans from both SBA and FHA.

Frankly, I am convinced that the FHA interpretation of the new disaster relief law is arbitrary and contrary to what Congress intended. I have called on the President to take administrative steps to conform the FHA interpretation of the law to that of SBA or, as an alternative, to transfer responsibility for all disaster relief loans to SBA.

Because it is uncertain what action, if any, will be taken by the administration, I am taking this opportunity to introduce an amendment which would deal with the problem legislatively.

Very simply, my amendment would require the FHA to adopt the SBA interpretations of the new law and to make available to qualified applicants in areas hit by disasters prior to April 29, 1973, loans at the old 1-percent interest rate with the $5,000 forgiveness feature.

I think it is essential that Congress take this step to relieve the deep sense of injustice felt by those in the flooded States who have fallen afoul of this bureaucratic conflict. Congress cannot allow to stand a policy which makes second-class citizens of our farmers.

ADDITIONAL COSPONSOR OF AN AMENDMENT

AMENDMENT NO. 18 TO S. 371

At the request of Mr. TOWER, the Senator from Colorado (Mr. DOMINICK) was added as a cosponsor of amendment No. 18, to S. 371.

NOTICE OF HEARINGS ON S. 1599, S. 1694, AND S. 1723

Mr. MOSS. Mr. President, The Consumer Subcommittee of the Senate Commerce Committee will hold hearings on S. 1599, S. 1694, and S. 1723 on May 21, 29, and 30. The May 29 hearing will be in Chicago, the others in Washington, D.C.

Persons interested in testifying should notify the committee staff in order to reserve time for their appearances.

ADDITIONAL STATEMENTS

LAW AND ORDER FOR THE FBI

Mr. PROXMIRE. Mr. President, events have been moving with great rapidity at the FBI recently. It was just a year ago that J. Edgar Hoover died, and L. Patrick Gray was named to serve as Acting Director. Now, as a result of his connection with the Watergate situation, Mr. Gray has resigned as Acting Director, and Mr. William Ruckelshaus has been named to that post.

The post of FBI Director is subject to Senate confirmation. Mr. Gray's name was not submitted to the Senate until he had been serving as FBI Director for 9½ months. Mr. Ruckelshaus' name has not been submitted, and there is no indication that the President plans to submit it.

Mr. President, the United States Code imposes strict limits on temporary appointments for officials subject to Senate confirmation. Sections 3345, 3347, and 3348 of title 5, when taken together provide:

> When the head of an Executive department or military department dies, resigns, or is sick or absent . . . . the President may direct . . . . another officer of an Execuive deparment or military department, whose appointment is vested in the President, by and with the advice and consent of the Senate, to perform the duties of the office until a successor is appointed . . . .
>
> A vacancy caused by death or resignation may be filled temporarily under section 3345, 3346 or 3347 of this title for no more than 30 days.

When J. Edgar Hoover died, Patrick Gray was elevated from his position as Assistant Attorney General for the Civil Division—a position subject to Senate confirmation. His appointment, therefore, fell within sections 3345–3347, and was subject to the 30-day limitation.

I wrote the U.S. Comptroller General about this last year, asking him to determine whether, in his opinion, the 30-day limitation was applicable to the Gray appointment. His finding was clear:

> Our opinion is that the service of Mr. Gray as Acting Director of the Federal Bureau of Investigation is subject to the provisions of 5 U.S.C. 3346–3349, and that his continued service in that position is prohibited since he has performed the duties thereof in excess of 30 days.

Mr. President, that was on February 22, 1973. Mr. Gray has since resigned, and Mr. Ruckelshaus has been named to act as FBI Director.

The question naturally arises, is Mr. Ruckelshaus subject to a time limitation also? The answer is unquestionably yes, but it may be either 30 or 40 days, depending on which statute is applicable.

Mr. Ruckelshaus has been detailed to the FBI from his post as Administrator of the Environmental Protection Agency. As such, he has been detailed from a position "whose appoinment is vested in the President, by and with the advice and consent of the Senate," as that language is used in 5 U.S.C. 3347. However, since the Environmental Protection Agency is not, in the strict sense, an executive department, it may be that section 3347 would not apply at all to the Ruckelshaus appointment. If that is the case, then Mr. Ruckelshaus' appointment can only be justified as a recess appointment.

The Senate was on its Easter recess at the time the Ruckelshaus designation was announced. Section 5503 of title 5 covers recess appointments. That provides:

> (b) A nomination to fill a vacancy [as a recess appointment] . . . shall be submitted to the Senate not later than 40 days after the beginning of the next session of the Senate.

Mr. President, the Ruckelshaus appointment can be legally justified only under one of these two provisions. Giving the President the benefit of the more liberal statute, Mr. Ruckelshaus can serve temporarily for a maximum of 40 days—and no more—from the date the Senate returned from its Easter recess. This would give the President until June 9, 1973, to either submit Mr. Ruckelshaus' name to the Senate, or find someone else for the job. Otherwise, Mr. Ruckelshaus' continued service beyond that time will be illegal.

Mr. Ruckelshaus has an excellent reputation. He has demonstrated genuine independence as a courageous, tough-minded environmental administrator.

The process of confirmation, however, will make the Senate a partner in the Ruckelshaus appointment and provide at least some degree of responsibility and authority for his appointment independent of the President.

The country has had enough of illegality and deliberate law flaunting by high officials in the Watergate case. To have any Justice Department investigation of Watergate conducted by an FBI Director who held office illegally would be the final cruel irony.

I have today written President Nixon to make him aware of this. I am confident that he will insure that the FBI Director is in compliance with the law in every respect.

Mr. President, I ask unanimous consent that my letter dated May 9, 1973, to President Nixon be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MAY 9, 1973.

THE PRESIDENT OF THE UNITED STATES,
Washington, D.C.

DEAR MR. PRESIDENT: In connection with your designation of Mr. William Ruckelshaus as Acting Director of the Federal Bureau of Investigation, I wish to call your attention to several sections of the United States Code.

Sections 3345, 3347 and 3348 of Title 5 provide in part:

"When the head of an Executive department or military department dies, resigns, or is sick or absent . . . the President may direct . . . another officer of an Executive department or military department, whose appointment is vested in the President, by and with the advice and consent of the Senate, to perform the duties of the office until a successor is appointed. . . .

"A vacancy caused by death or resignation may be filled temporarily under section 3345, 3346 or 3347 of this title for not more than 30 days."

Section 5503 of Title 5 provides:

"(b) A nomination to fill a vacancy/as a recess appointment/ . . . shall be submitted to the Senate not later than 40 days after the beginning of the next session of the Senate."

Under the more liberal of these two provisions—and these are the only two provisions which allow for temporary appointments for officials subject to Senate confirmation—Mr. Ruckelshaus would be permitted to serve on a temporary basis until June 9, 1973 (40 days from the date the Senate returned from its Easter recess). He may serve beyond that date only if his nomination of FBI Director is submitted to the Senate.

In pointing this out, I do not mean to impugn Mr. Ruckelshaus in any way. He has an excellent reputation, and he has demonstrated his ability in serving as a courageous, tough-minded environmental administrator.

However, if Mr. Ruckelshaus is to serve more than 40 days it is essential that he be required to go through the confirmation process. This process will make the Senate a partner in the Ruckelshaus appointment and provide assurance to the public that he is qualified to serve as FBI Director.

I am enclosing a copy of a recent opinion by the U.S. Comptroller General in connection with Mr. L. Patrick Gray's temporary service as head of the FBI. The Comptroller General held that that service should have been limited to 30 days, and that his service beyond that time was in violation of the United States Code.

Sincerely,

WILLIAM PROXMIRE,
U.S. Senator.

THE CIVILIAN SCIENCE AND TECHNOLOGY ACT OF 1973

Mr. DOMINICK. Mr. President, last week I introduced S. 1686, the Civilian Science and Technology Act of 1973. I did not at that time have the bill printed in the RECORD. However, because of the great interest this legislation has generated, it would be most helpful to do so at this time. Therefore, I ask unanimous consent that the text of S. 1686 be printed at the conclusion of these remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1686

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Civilian Science and Technology Policy Act of 1973".

DECLARATION OF POLICY

SEC. 2. The Congress hereby finds that—

(1) Federal funds for science and technology represent an investment in the future, which is indispensable to sustained national progress;

(2) the Nation's scientific and technical resources, including manpower, can contribute significantly to meeting America's human needs in such priority problem areas as health care, poverty, public services, public safety, pollution, economic growth and productivity, housing, education, transportation, nutrition, communications, and energy resources;

(3) Federal funds for civilian research and development activities have grown substantially in recent years;

(4) greater attention should be given to improving the design, execution, and coordination of adequate programs for the application of science and technology to civilian needs;

(5) the national problems described in clause (2) of this section are so complex and interdependent that a single agency within the executive branch of the Government is necessary for the planning, analysis, and development of policies and programs with respect to the application of science and technology to civilian needs and civilian research and development activites priorities;

(6) particular attention ought to be given to the economic, sociological, psychological, legal, administrative, and institutional factors which affect the application of science and technology to civilian needs and the role of the Federal Government in altering these factors; and

(7) strong participation by State and local governments is essential to the successful solution of many civilian problems, and in developing programs for the application of science and technology to civilian needs and to setting civilian research and development activities priorities.

DEFINITIONS

SEC. 3. As used in this Act—

(1) The term "civilian research and development activities" means all nondefense research and development activities as determined pursuant to regulations of the Director of the Foundation after consultation with the Director of the Office of Management and Budget.

(2) The term "Council" means the Intergovernmental Science and Technology Advisory Council established under section 201.

(3) Science and technology are employed jointly to indicate the close interaction with regard to programs and policy. Science is defined broadly as the study of physical, biological, social, and individual behavior using scientific method. Technology is the application of scientific knowledge to the solution of problems or meeting of human needs.

(4) The term "the application of science and technology to civilian needs" means research and development activities and the application of new and expanding technology to the solution of problems in the fields of health care, poverty, public services, public safety, pollution, economic growth and productivity, housing, education, transportation, nutrition, communications, and energy resources.

(5) The term "Director" means the Director of the National Science Foundation.

(6) The term "Foundation" means the National Science Foundation.

(7) The term "standard Federal region" means each of the following regions:

(A) Region I: Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, and Vermont.

(B) Region II: the Commonwealth of Puerto Rico, New Jersey, New York, and the Virgin Islands.

(C) Region III: Delaware, the District of Columbia, Maryland, Pennsylvania, Virginia, and West Virginia.

(D) Region IV: Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, and Tennessee.

(E) Region V: Illinois, Indiana, Michigan, Minnesota, Ohio, and Wisconsin.

(F) Region VI: Arkansas, Louisiana, New Mexico, Oklahoma, and Texas.

(G) Region VII: Iowa, Kansas, Missouri, and Nebraska.

(H) Region VIII: Colorado, Montana, North Dakota, South Dakota, Utah, and Wyoming.

(I) Region IX: Arizona, California, Hawaii, and Nevada.

(J) Region X: Alaska, Idaho, Oregon, and Washington.

(8) The term "State" includes, in addition to the several States of the Union, the District of Columbia, the Commonwealth of Puerto Rico, and the Virgin Islands.

TITLE I—NATIONAL CIVILIAN SCIENCE AND TECHNOLOGY POLICY AND PRIORITIES

PROGRAMS AUTHORIZED

SEC. 101. (a) In order to strengthen the Nation's capabilities to formulate national science policies and priorities, the National Science Foundation is authorized and directed to—

(1) undertake programs to assess national problems and the potential of science and technology to contribute to the solution of such problems in order to identify priorities for civilian research and development activities;

(2) conduct and support studies and analyses designed to identify and assess alternatives available for the application of science and technology to civilian needs, and, insofar as possible, determine and compare the probable costs, benefits, and impacts of such alternatives;

(3) initiate and maintain a program to collect and analyze information concerning civilian research and development activities carried on by public agencies and private concerns and the application of science and technology to civilian needs; and

(4) make information collected under this subsection avaliable for use in the formulation of policy and the development of research and development activities priorities.

(b) In carrying out activities authorized in this title, the Foundation shall give particular attention to the economic, sociological, psychological, legal, administrative, political, environmental, and institutional factors which affect the application of science and technology to civilian needs, and to the role of the Federal Government in influencing such factors.

CONSULTATION AND COORDINATION

SEC. 102. (a) In carrying out the provisions of this title, the Foundation shall—

(1) Consider the advice of the Intergovernmental Science and Technology Advisory Commission established under title II;

(2) consult with such other individuals and organizations as may be appropriate; and

(3) coordinate its activities under this title with other departments and agencies undertaking or responsible for activities relevant to this title.

(b) Upon the request of the Director of the Foundation, the heads of Federal departments and agencies shall, insofar as practicable, provide the Foundation with information and reports necessary to carry out the provisions of this title.

TITLE II—INTERGOVERNMENTAL SCIENCE AND TECHNOLOGY ADVISORY COUNCIL

ESTABLISHMENT

SEC. 201. (a) There is established in the National Science Foundation an agency to be known as the Intergovernmental Science and Technology Advisory Council.

(b) The Council shall be composed of twenty-two members to be appointed as follows:

(1) Twenty members, two from each of the standard Federal regions, shall be appointed by the President, by and with the advice and consent of the Senate.

(2) The Director of the Foundation.

(3) The Director of the Office of Technology Assessment.

In making appointments under clause (1) of this subsection, the President is requested to consider the appointment of individuals who, by reason of education, experience, or interest, are especially qualified to serve on the Council.

(c) The term of office of each member of the Council appointed under clause (1) of subsection (b) shall be three years; except that—

(1) the members first taking office shall serve as designated by the President, six for a term of one year, eight for a term of two years, and six for a term of three years; and

(2) any member appointed to fill a vacancy occurring prior to the expiration of the term to which his predecessor was appointed shall be appointed for the remainder of such term.

(3) Each appointed member of the Council shall, while serving on business of the Council, be entitled to receive compensation at a rate not to exceed the daily rate prescribed for GS-18 of the General Schedule under section 5332 of title 5, United States Code, including traveltime, and while so serving away from his home or regular place of business he may be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as the expenses authorized by section 5703(b) of title 5, United States Code, for persons in Government service employed intermittently.

FUNCTIONS OF THE COUNCIL

SEC. 202. (a) The Council shall advise and assist the Foundation in—

(1) identifying and defining civilian problems at the State, regional, and local levels and the environment in which solutions to these problems must be provided;

(2) identifying areas of highest priority for study, assessment, and development of policy alternatives by the Foundation under this title; and

(3) finding ways to facilitate the transfer and utilization of results of civilian research and development activities so as to maximize the application of science and technology to civilian needs.

(b) The Council is authorized to—

(1) assist the Director of the Foundation, as appropriate, in setting national civilian research and development activities priorities after consideration of the application of science and technology to civilian needs in accordance with title I;

(2) assist the States, including the furnishing of technical assistance, in establishing State science advisory programs pursuant to section 301 and in developing appropriate intergovernmental science and technology programs in accordance with title III;

(3) review grant applications submitted under title III and assist the Director of the Foundation in establishing regulations for the making of such grants;

(4) develop and furnish to the States, at their request, advisory guidelines for the establishment of civilian research and development activities priorities within each State and within each standard Federal region;

(5) establish procedures for the coordination among interested individuals, groups, institutions, and organizations within the State and within each standard Federal region of civilian research and development activities within that State or region;

(6) review and evaluate the effectiveness of programs and activities assisted under this Act; and

(7) prepare and furnish to the Director of the Foundation for incorporation into the annual report of the Foundation to the Congress, a report of the activities of the Commission under this Act, together with such recommendations for additional legislation, as the Commission deems appropriate.

(c)(1) The Council shall annually elect a chairman from among its regional members; and the Council shall meet at the call of the Chairman, but not less than four times a year.

(2) The Foundation shall make available to the Council such information and assistance as may be required to carry out its functions under this section.

PERSONNEL

SEC. 203. (a)(1) The Director, after consultation with the Council, shall appoint an Executive Secretary who shall perform such duties as the Council may determine. The appointment may be made without regard to the provisions of title 5, United States Code, governing appointments in the competitive service.

(2) Section—of title 5, United States Code, relating to level—of the Executive Schedule is amended by adding at the end thereof the following new item:

"( ) Executive Secretary, Intergovernmental Science and Technology Advisory Council."

(b) The Council is authorized to appoint and fix the compensation of such additional employees, not to exceed employees in any fiscal year, and prescribe their functions and duties, as may be necessary to carry out the provisions of this title.

(c) The Council may obtain the services of experts and consultants in accordance with the provisions of section 3109 of title 5, United States Code.

SEC. 204. Each department, agency, and instrumentality of the executive branch of the Government, including independent agencies, is authorized and directed to furnish to the Commission, upon request made by the Chairman or Vice Chairman, such information as the Commission deems necessary to carry out its functions under this Act.

APPROPRIATIONS AUTHORIZED

SEC. 205. There are authorized to be appropriated such sums, not to exceed $350,000 in any fiscal year, as may be necessary to carry out the provisions of this title.

TITLE III—GRANTS FOR STATE AND REGIONAL SCIENCE AND TECHNOLOGY PROGRAMS

STATE SCIENCE AND TECHNOLOGY GRANTS

SEC. 301. (a) The Director of the National Science Foundation, after consultation with the Intergovernmental Science and Technology Advisory Council, is authorized to make grants of up to $100,000 to the States to pay the Federal share of the cost of establishing the office of the chief executive of the State an Office of State Science and Technology.

(b) No grant may be made under this section unless an application is submitted at such time in such manner and containing or accompanied by such information as the Director after consultation with the Council requires. Each such application shall contain provisions to assure that—

(1) the office for which assistance is sought under the application will (A) be headed by an official who by reason of education and experience is qualified to advise the chief executive of the State and other State and local public officials on the application of science and technology to civilian needs relating to that State or locality and (B) have sufficient authority consistent with State law to carry out any functions assigned to that office pursuant to this title; and

(2) the State will assume the cost of the office established pursuant to this title no later than two years after the year in which the application is made.

(c) The Director shall approve any application which meets the requirements of subsection (b), and shall not disapprove any application without affording an opportunity for a hearing.

LIMITATION ON GRANTS

SEC. 302. No payment may be made to any State under this title unless that State has an application for the establishment of a State Office of Science and Technology approved under section 201(c).

INTERGOVERNMENTAL SCIENCE AND TECHNOLOGY GRANTS

SEC. 303. (a) The Director, after consultation with the Intergovernmental Science and Technology Advisory Council, is authorized to make grants to pay the Federal share of the cost of science and technology programs in accordance with the provisions of this title.

(b) Each standard Federal region—

(1) in which at least two States or at least one-half or more of the States in that region, whichever is greater, has an office of science and technology which meets the requirements of section 301, and

(2) which desires a grant under this section to be used only in States within that region which have such an office,

may submit an application for a grant under this title at such time, in such manner, and containing or accompanied by such information as the Director after consultation with the Council requires.

(c) Each State which—

(1) has an office of science and technology which meets the requirements of section 301; and

(2) does not desire to participate in the application of the region in which it is located;

may submit an application for a grant under this title at such time, in such manner, and containing such information as the Director after consultation with the Council requires.

(d) The Director shall approve applications for grants under this section in the following priority:

(1) Regional applications submitted under subsection (b).

(2) State applications submitted under subsection (c).

(e) Each application submitted under this section shall provide—

(1) a description of the regional, State, or local programs, as appropriate, for—

(A) the application of science and technology to priority civilian needs; and problems, including but not limited to health care, poverty,public services, public safety, pollution, economic growth, housing, education, energy, transportation, nutrition, and communications; and

(B) the support of civilian research and development activities.

(2) in the case of an application for an intergovernmental grant, procedures for cooperation and consultation between the States and localities within the region that will benefit from the program for which application is made, and in the case of all applications, procedures for coordination with and assistance from the Intergovernmental Science and Technology Advisory Council;

(3) assurances that the provisions of title VI of the Civil Rights Act of 1964 will be implemented;

(4) assurances that procedures will be established to provide the Foundation with all relevant information necessary for the Foundation to comply with the provisions of the National Environmental Policy Act of 1969;

(5) assurances that the applicant will pay from non-Federal sources the remaining costs of such program;

(6) such fiscal control and fund accounting procedures as may be necessary to assure proper disposal of and accounting for Federal funds paid to the applicant (including such funds paid by a State or regional agency to any agency of a political subdivision of such State) under this title; and

(7) provisions for making such reasonable reports in such form and containing such information as the Director may reasonably require to carry out his functions under this title and for keeping such records and for affording such access thereto as the Director may find necessary to assure the correctness and verification of such reports.

(f) The Director shall approve any application that meets the requirements of subsection (e) of this section and shall not disapprove any application without affording an opportunity for a hearing.

(g) The Director is encouraged to enter into contracts for payments of grants under this section for a period of not to exceed three years.

(h) Not more than 15 per centum of the sums appropriated pursuant to subsection 305(a) may be expended in any single Federal region and not more than 5 per centum of the sums appropriated pursuant to subsection 305(b) may be expended in any single State.

RESEARCH AND DEVELOPMENT COORDINATION WITHIN STATE

SEC. 304. (a) Whenever a Federal department or agency enters into a contract, or makes a grant or other arrangement, concerning civilian research and development activities in any State which has an office of science and technology meeting the requirements of subsection 301, such department or agency is encouraged to establish and carry out procedures for the full consultation with that office of science and technology, including an opportunity by the State office of science and technology to review and comment on any such contract, grant, or other arrangement.

(b) The head of each department and agency to which this section applies is authorized to consult with the Intergovernmental Science and Technology Advisory Council to carry out the provisions of this section.

PAYMENTS

SEC. 305. (a) The Director shall pay to each applicant, which has an application approved under this title, the Federal share of the sums expended by the applicant under the application for the purposes set forth therein.

(b) The Federal share for any fiscal year shall be 80 per centum.

(c) Payments under this title may be made in installments over more than one year and in advance or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments.

APPROPRIATIONS AUTHORIZED

Sec. 306. (a) There are authorized to be appropriated to make grants under section 301, $5,000,000 for the fiscal year ending June 30, 1974, and for the succeeding fiscal year.

(b) There are authorized to be appropriated to make grants under section 304, $25,000,000 for the fiscal year ending June 30, 1974, and $50,000,000 for the succeeding fiscal year.

(c) There are authorized to be appropriated such sums, not to exceed $250,000 in any fiscal year, as may be necessary for administrative expenses incident to carrying out the provisions of this title.

(d) Sums appropriated pursuant to this section shall remain available until expended.

THE CLOSING OF FOREST SERVICE REGIONAL OFFICES

Mr. MOSS. Mr. President, yesterday I appeared before the Interior and Related Agencies Appropriations Subcommittee to ask the subcommittee to take what I realize is very drastic action. But the situation which called forth my request is one which can only be met by strong and shocking measures, because the Nixon administration refuses to listen to any well-reasoned, thoughtful arguments, or to consider any obvious conclusions, presented in the usual way, through the usual channels.

Yesterday I asked that the appropriation bill which the subcommittee will report for fiscal 1974 contains specific language preventing the Forest Service from using any funds appropriated by the bill to adjust its regional organization to fit the standard Federal regional structure.

I do not like the idea of limiting the use of funds in appropriations bills—but let me tell you why I felt it should be done in this instance.

The Forest Service recently announced that its regional office structure, which for many years had been established on the basis of 10 regional offices, would be telescoped into 6 regional offices, and that it would phase out the present regional set-ups in Ogden, Utah; Missoula, Mont.; Albuquerque, N. Mex.; and Ashville, N.C. The rationale given for this adjustment was that it would be more "efficient" and "economical" to bring the Forest Service regional organization into conformity with the administration's standard regional concept.

Mr. President, the philosophy underlying the standard regional concept is based on centralizing regional offices of all Federal programs into six urban locations. Perhaps for those Federal programs whose objectives are to raise the welfare of urban residents, this regional concept is sound.

However, it is not sound for these agencies whose objective is to manage natural resources in an environmentally effective manner. It is sound only to maintain those offices where the resources are. The Forest Service is entirely a resource-management agency. In the instance of the Ogden, Utah office, it is located in the very heart of the Intermountain National Forests. It should be left there.

It cannot be argued that it is more efficient, or even more economical, to administer those forest lands from 500 miles away in Denver, Colo., where it is proposed that many of the Ogden activities will be moved.

I have opposed the Forest Service reorganization plan vigorously and publicly, as have my distinguished colleagues from Montana, Senator Metcalf and Senator Mansfield. We have brought all of the pressure we could to bear on the Department of Agriculture and on the Forest Service to prevent the order from being put into effect. However, under what I am sure was extreme pressure from the Nixon administration, through the Office of Management and Budget, the order was effected on April 26. It was announced by the Forest Service that the Ogden regional office would be closed out over a period of perhaps a year, and that of the approximately 400 employees now there only 90 would be left in a small forest ranger's office, a greatly reduced research facility, and a zone service office.

I have tried for some time to get from the Forest Service the studies and estimates it was using to decide whether it would be more "economic" and "efficient" to telescope the 10 regional offices into 6, but was told such studies were not available as they were "tentative."

After the decision was made, I then asked the General Accounting Office for an analysis of the Forest Service studies. At first I was told by a GAO spokesman that the studies were still "tentative" and not available for release, but after persisting that I could not understand how the Forest Service could close out four regional offices on the basis of "tentative" studies, I was finally advised on May 1 that the Forest Service would make the studies available for GAO for analysis and that such an analysis would be completed as quickly as possible and sent to me. As of today, I have not received the analysis.

When I do, I intend to use it to ask many questions which have not been asked about how the changes will affect the cardinal goals of the Forest Service—the management and conservation of our great forest resources and the protection of our environment. I also want to see in dollars and cents the "economies" which will be effected and have spelled out to me the "efficiency" which will result.

Again, may I say that I realize I have asked the subcommittee to take strong and unusual action in limiting spending funds in an appropriation bill—but the expressed wishes of Members of the Senate and the House have fallen on deaf ears in the executive department and I know of no way to assure that an executive department will listen except to tighten the purse strings. Arrogance in the executive branch—unwillingness of the executive branch to heed the will of Congress—must be brought under some reasonable restraint and control.

One of the ironies of the order moving the Forest Service regional office personnel from Ogden to Denver is that while the Ogden residents sincerely want the Forest Service and all of its staff to stay in their city—Denver wants them to stay out.

Ogden holds that there are no finer people than those who dedicate their lives to the management and conservation of our forest lands, and they are delighted to have them filling up the splendid Federal building built there about 10 years ago, and living in homes and apartments throughout the town and in Weber County.

Denver, on the other hand, holds that it has no room for an estimated 100 Forest Service families in their metropolitan area, and wishes they would not come.

In fact, the Colorado State Senate approved a memorial to Congress by a vote of 20 to 9 asking that plans to relocate the Ogden Forest Service office and personnel in Denver be reconsidered, on the basis that the State's Population Policy Act of 1972 calls for discouraging population patterns that center economic activity in one area of the State.

I ask unanimous consent that the UPI story out of Denver, headlined "We Don't Want Forest Service, Coloradans Say," and carried in the Ogden Standard Examiner on May 5 be printed in the Congressional Record at the close of my remarks.

I furthermore ask that the Nixon administration give consideration to the views of the two communities most involved in the relocation plans for the Intermountain Regional Forest Service Office.

Please listen.

There being no objection, the article was ordered to be printed in the Record, as follows:

We Do Not Want Forest Service, Coloradans Say

Denver.—The Colorado Senate said no thanks Friday to a U.S. Forest Service plan to relocate personnel in Denver, but it invited federal employes to consider living in other areas of the state.

Rural legislators said they would be happy to play host to the government workers, and one lawmaker issued a special invitation for them to relocate in Colorado Springs.

"We haven't quite built a fence yet around Colorado Springs," said Sen. George Jackson, a Republican from that city. "We're still rural down there, you know. We could absorb very nicely in our community this high type of employe. We've got a Forest Service headquarters there, and it might fit nicely into the program."

RECONSIDER

The Senate voted 20–9 to approve a memorial to Congress asking that plans be reconsidered that would force the relocating of an estimated 100 families in the Denver metropolitan area.

The relocation stems from tentative plans calling for the closure of Forest Service offices in Missoula, Mont., Ogden, Utah, and Albuquerque, N.M.

Sen. Hugh Fowler, R-Littleton, sponsor of the memorial, cited the state's Population Policy Act of 1972 which calls for discouraging population patterns that center economic activity in one region of the state.

"The point is that there is a superior government acting in such a way that they will frustrate the lawful policy of this state," Fowler said.

"It wasn't long ago that we were not only welcoming this activity, but we were encouraging it. We were spending a lot of money, millions of dollars, going out to the federal government and to the industry across the nation inviting them to come here. The policy of the state now has changed."

PUT UP FENCE

Fowler said the governor jokingly said a couple of years ago that Colorado was starting to put up a fence around the state.

"Well, this body has erected a legislative fence by saying that our policy is we will no longer encourage impaction in crowded areas," Fowler said. "Are we going to follow through on what we said our policy is and express our dismay at this action by the federal government or are we going to sit here like the Schmoo and take whatever is handed out to us without objection."

Sen. Dan Noble, A-Norwood, amended the memorial to serve as an invitation to relocate in small cities, towns or rural areas of Colorado.

"Denver doesn't want these people, but there are areas within this state that do want and need this type of individual," he said. "They are good people, they (have a) good, solid income, they are a good tax base, and it's non-polluting. If the people in the metropolitan area don't want them, I think we should try to place them into some of these rural communities that do."

THE HANDICAPPED AT WORK: TOMORROW'S CHALLENGE

Mr. DOLE. Mr. President, last week a number of persons throughout the United States assembled in Washington for the annual meeting of the President's Committee on Employment of the Handicapped.

Among those attending was Miss Kim Hornbaker from my State of Kansas. She came as first-place winner of Kansas "ability counts" essay contest sponsored by the Governor's Committee on Employment of the Handicapped. The theme of this year's contest was "The Handicapped at Work: Tomorrow's Challenge."

The essay was to be written after gathering facts from interviews and field trips to firms employing the handicapped or facilities providing service to the handicapped. The basic idea was to explore the needs of the handicapped, know what goals must be set in order to meet their needs, and the way in which each community plans to achieve these goals.

Kim made several excellent points in her essay and hopefully gained valuable knowledge—knowledge which will become more important later on when Kim and her peers become community leaders, opinion molders, and employers.

I commend Miss Hornbaker on her outstanding essay and ask unanimous consent that it be printed in the RECORD.

There being no objection, the essay was ordered to be printed in the RECORD, as follows:

THE HANDICAPPED AT WORK: TOMORROW'S CHALLENGE

Today the handicapped are no longer the outcasts of our society. This statement stems from the fact that no longer are the handicapped helpless. More and more they are becoming a useful part of society because they are being trained by organizations on the local, state, and federal levels to hold productive jobs. Those trained are aware that they have potential and aptitude despite their handicaps, and they are anxious to awaken able-bodied people to this same fact. Much is being done to help these people.

Many organizations have sprung up recognizing the needs of the handicapped. Locally, the social welfare offices seek to help the handicapped in their day-to-day problems. These offices serve to find jobs for their applicants. State-wide organizations are the Governor's Committee on Employment of the Handicapped, the State Employment Service, the Commission for the Blind, the State Department of Health and many, many others including the rehabilitation centers for the physically and mentally handicapped. All of these either seek to prepare the disabled or mentally restored for a job or help in job placement. They encouraged all to hire the handicapped. On the national level there are even more organizations trying to promote the disabled including the President's Committee on Employment of the Handicapped. But even with all this help, the handicapped are not getting equal opportunities as they should.

The following is a case of job discrimination because of physical handicaps in the line of library science. Kathleen O'Leary having obtained an M.L.S. degree in 1970 and having four years experience in college libraries, though completely deaf, was repeatedly turned down when she applied for a job at other libraries. Her excellent professional training in this area and past experience was continually overlooked. Many other cases of job discrimination of this type can be produced, but some have found hope.

Carrie Esther Hammil was stricken with multiple sclerosis. Esther is totally blind, her hearing ninety-five percent gone, and she is confined to a wheel chair. After diagnosis and many problems having been encountered, Esther finally graduated from the University of Arizona with senior class honors. Her career as a teacher began when she taught as a substitute. Later she accepted a full-time position. Many more can give similar experiences where they finally received jobs but even more cannot. The obvious question is why?

The true key to placing the handicapped is essentially that of changing employer and public attitudes. People must be made to recognize the ability of the handicapped. A positive approach toward the disabled rather than a negative approach must be obtained. This is simply that "what a man cannot do is not as important as what he is capable of doing."[1] Proper placement can give an employer a valuable employee, whether physically or mentally handicapped.

There are many advantages in hiring the handicapped. The first reason is that these people will be dedicated workers who will stay with their jobs. Secondly, these people are usually specifically qualified for a certain job while often other workers with no disabilities are chosen over the handicapped simply because they are not disabled. Even though these workers may have poor work habits or lack of training, they many times are still chosen over the more qualified handicapped. The third reason is that the disabled employee also has more reason for pride in his work because of the odds which he has to overcome. Also this worker will attack his job with enthusiasm and interest even though they may be unskilled, service, or repetitive tasks. And finally, many of these people are eager to work, to prove themselves to society and themselves. How do they explain their plight? "Wherever there is prejudice, it is not only those who are discriminated against who suffer, but usually the society as a whole, because the society did not use its resources well."[2]

STUDENT FREEDOM OF CHOICE ACT

Mr. ERVIN. Mr. President, on Tuesday, May 8, 1973, Senator ALLEN and I introduced S. 1737, a bill to amend the Civil Rights Act of 1964 to provide for freedom of choice in student assignments in public schools.

Mr. President, I ask unanimous consent that the text of S. 1737 be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1737

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Student Freedom of Choice Act".

SEC. 2. The Civil Rights Act of 1964 (42 U.S.C. 1971–1975a–1975d, 2000a–2000h–6) is amended by adding at the end thereof the following new title:

"TITLE XII—PUBLIC SCHOOL—FREEDOM OF CHOICE

"SEC. 1201. As used in this title—

"(a) 'State' means any State, district, Commonwealth, territory, or possession of the United States.

"(b) 'Public school' means any elementary or secondary educational institution, which is operated by a State, subdivision of a State, or governmental agency within a State, or any elementary or secondary educational institution which is operated, in whole or in part, from or through the use of governmental funds or property, or funds or property derived fom a governmental source.

"(c) 'School board' means any agency which administers a system of one or more public schools and any other agency which is responsible for the assignment of students to or within such system.

"(d) 'Student' means any person required or permitted by State law to attend a public school for the purpose of receiving instruction.

"(e) 'Parent' means any parent, adoptive parent, guardian, or legal or actual custodian of a student.

"(f) 'Faculty' means the administrative and teaching force of a public school system or a public school.

"(g) 'Freedom of choice system' means a system for the assignment of students to public schools and within public schools maintained by a school board operating a system of public schools in which the public schools and the classes it operates are open to students of all races and in which the students are granted the freedom to attend public schools and classes chosen by their respective parents from among the public schools and classes available for the instruction of students of their ages and educational standings.

"SEC. 1202. No department, agency, officer, or employee of the United States empowered to extend Federal financial assistance to any program or activity at any public school by way of grant, loan, or otherwise shall withhold, or threaten to withhold, such financial assistance from any such program or activity on account of the racial composition of the student body at any public school or in any class at any public school in any case whatever where the school board operating such public school or class maintains in respect to such public school and class a freedom of choice system.

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[1] President's Committee on Employment of the Handicapped, *Guide to Job Placement of the Mentally Retarded,* (Washington: U.S. Government Printing Office, 1964), p. 4.

[2] Anonymous, "Overdue," *Wilson Library Bulletin,* Wm. Eshelman (ed.), Volume **XLVI,** (June 1972), p. 924

"Sec. 1203. No department, agency, officer, or employee of the United States empowered to extend Federal financial assistance to any program or activity at any public school by way of grant, loan, or otherwise shall withhold, or threaten to withhold, any such Federal financial assistance from any such program or activity at such public school to coerce or induce the school board operating such public school to transport students from such public school to any other public school for the purpose of altering in any way the racial composition of the student body at such public school or any other public school.

"Sec. 1204. No department, agency, officer, or employee of the United States empowered to extend Federal financial assistance to any program or activity of any public school in any public school system by way of grant, loan, or otherwise shall withhold or threaten to withhold any such Federal financial assistance from any such program or activity at such public school to coerce or induce any school board operating such public school system to close any public school, and transfer the students from it to another public school for the purpose of altering in any way the racial composition of the student body at any public school.

"Sec. 1205. No department, agency, officer, or employee of the United States empowered to extend Federal financial assistance to any program or activity at any public school in any public school system by way of grant, loan, or otherwise shall withhold or threaten to withold any such Federal financial assistance from any such program or activity at such public school to coerce or induce the school board operating such public school system to transfer any member of any public school faculty from the public school in which the member of the faculty contracts to serve to some other public school for the purpose of altering the racial composition of the faculty at any public school.

"Sec. 1206. Whenever any department, agency, officer or employee of the United States violates or threatens to violate section 1202, section 1203, section 1204, or section 1205 of this Act, the school board aggrieved by the violation or threatened violation, or the parent of any student affected or to be affected by the violation or threatened violation, or any student affected or to be affected by the violation or threatened violation, or any member of any faculty affected or to be affected by the violation or threatened violation may bring a civil action against the United States in a district court of the United States complaining of the violation or threatened violation. The district courts of the United States shall have jurisdiction to try and determine a civil action brought under this section irrespective of the amount in controversy and enter such judgment or issue such order as may be necessary or appropriate to redress the violation or prevent the threatened violation. Any civil action against the United States under this section may be brought in the judicial district in which the school board aggrieved by the violation or threatened violation has its principal office, or in the judicial district in which any school affected or to be affected by the violation or threatened violation is located, or in the judicial district in which a parent of a student affected or to be affected by the violation or threatened violation resides, or in the judicial district in which a student affected or to be affected by the violation or threatened violation resides, or in the judicial district in which a member of a faculty affected or to be affected by the violation or threatened violation resides, or in the judicial district encompassing the District of Columbia. The United States hereby expressly consents to be sued in any civil action authorized by this section, and expressly agrees that any judgment entered or order issued in any civil action shall be binding on the United States and its offending department, agency, officer, or employee, subject to the right of the United States to secure an appellate review of the judgment or order by appeal or certiorari as is provided by law with respect to judgments or orders entered against the United States in other civil actions in which the United States is a defendant.

"Sec. 1207. No court of the United States shall have jurisdiction to make any decision, enter any judgment, or issue any order requiring any school board to make any change in the racial composition of the student body at any public school or in any class at any public school to which students are assigned in conformity with a freedom of choice system, or requiring any school board to transport any students from one public school to another public school or from one place to another place or from one school district to another school district in order to effect a change in the racial composition of the student body at any school or place or in any school district, or denying to any student the right or privilege of attending any public school or class at any public school chosen by the parent of such student in conformity with a freedom of choice system, or requiring any school board to close any school and transfer the students from the closed school to any other school for the purpose of altering the racial composition of the student body at any public school, or precluding any school board from carrying into effect any provision of any contract between it and any member of the faculty of any public school it operates specifying the public school where the member of the faculty is to perform his or her duties under the contract.

A FULLER USE OF OUR COAL RESOURCES

Mr. YOUNG. Mr. President, we are all becoming increasingly alarmed over the energy crisis confronting this Nation. This crisis is not limited to any particular source of energy. Shortages confront us in every area.

In North Dakota we have the largest supply of lignite coal of any State in the Union. These supplies are just beginning to be utilized. At the present time, we have three huge REA-financed steam generating plants located in western North Dakota utilizing these abundant supplies of lignite coal.

This week the Bureau of Mines and the University of North Dakota conducted a lignite symposium on the campus of the University of North Dakota in Grand Forks. Mr. Carl Bagge, president of the National Coal Association, delivered one of the major speeches at this symposium. I ask unanimous consent that this be printed in the Record as a part of my remarks.

In his speech, Mr. Bagge points out the very critical need for additional research in seeking ways for a fuller use of our coal resources. His remarks are most timely and I am sure they will be of interest to every Member of the Senate.

There being no objection, the remarks were ordered to be printed in the Record, as follows:

New Day Dawns for Great Plains Coals

(Remarks of Carl E. Bagge)

It is a privilege and an honor to be here tonight at this symposium. Anyone connected with the energy industry in this country today, and anyone concerned with our future supplies of energy, comes to the West with the same sort of respectful awe that Ebenezer Scrooge might feel on a visit to Fort Knox. The coal reserves of the West represent a repository of energy so enormous, and to date so little developed, that we as a nation have only begun to realize their potential.

The vast coal reserves of the West are a key not only to our continued prosperity and comfort, but to our national security and perhaps our very survival as a major world power.

A few years ago—entirely too few, as it turns out—that statement would have been dismissed as the ravings of either a zealot or a chamber of commerce secretary. Today it is so widely recognized as to be almost a cliche—but a cliche which loses none of its truth through repetition.

The present energy crisis did not burst upon us without warning. There were warnings aplenty, but we as a nation pressed onward heedlessly toward trouble.

Consequently, today we are importing a quarter of our petroleum, and increasing that share almost day by day. To pay for that oil, we are throwing our international trade out of balance, and have twice devalued the dollar in moves caused at least in part by our petroleum imports.

Moreover, after two decades of shortsighted wellhead price regulation, we are running out of natural gas, and are preparing to compound the damage to our trade balance by importing vast amounts of liquefied natural gas, and to make synthetic gas in this country from imported petroleum feedstocks.

Most of the additional oil we must import is not available from Canada or Venezuela, our chief suppliers in the past. We must turn to the Middle East, where some governments are openly hostile to the United States, and where many of the producing countries are either nationalizing the oil industry outright or demanding larger and larger shares of ownership. Since Western Europe and Japan are even more dependent than we are upon Middle East oil, higher prices may be only the least troublesome result we can anticipate. There are some reports already that Saudi Arabia, which has been a friendly and reliable source of oil for the United States, has suggested certain alterations of our foreign policy in return.

How much longer will it be before more Middle East countries make such suggestions—and before they become not suggestions, but requests and then demands? And if that happens—let me be optimistic and say "if", not "when"—what are our alternatives

These are the prospects, economic and diplomatic, which President Nixon addressed in slightly more veiled and diplomatic language in his April 18 energy message. The Persian Gulf lies nearly half a world away from Grand Forks, but in this seminar you are discussing one of our prime alternatives.

The thrust of the President's message was a recognition of the need to make America more nearly self-sufficient in energy resources. He said we have the capacity and resources to avert a major crisis if only we take the proper steps, and take them now.

The first thing to be done in attacking a complex problem is to list your assets, and the President began his list with these words:

"More than half of the world's total reserves of coal are located within the United States. This resource alone would be enough to provide for our energy needs for well over a century."

He went on to take notice of the fact that the extraction and use of coal is so beset by environmental problems that less than 20 per cent of our energy needs are met by coal and the health of the entire coal industry is seriously threatened.

He spoke of coal's problems, saying that if the use of coal is further reduced, "we would have to increase our oil imports rapidly with all the trade and security problems this would entail."

Mr. Nixon noted that coal production has been limited by competition from natural gas at prices held down by unrealistic federal price regulation at the wellhead, and by environmental concerns, mine health and safety regulations, and by uncertainty over federal and state strip mining regulations.

While recognizing all these problems, the President said, "I urge that highest national priority be given to expanded development and utilization of our coal resources."

So far, so good. But I must say in candor that the coal industry does not feel the President went far enough, or did enough good.

He did urge customers to use coal when they can. He urged governors to make this easier by delaying secondary air quality regulations where health concerns are not involved. He urged state utility commissions to allow utilities to pass along to customers, as part of the fuel charge, the costs of pollution control equipment, including both stack scrubbers to remove sulfur dioxide and coal gasification equipment.

However, the President made no recommendation for increased research funds for coal, beyond the fairly modest amounts proposed in the 1974 budget. For coal research and development this comes to only $120 million, even including mine health and safety research and a previously uncommitted $21 million fund in the Department of the Interior. The total for coal research is $200 million less than the Atomic Energy Commission is alloted next year for work on the Liquid Metal Fast-Breeder Reactor alone.

I do not suggest taking away a nickel of the funds for the fast-breeder reactor. I think we are going to need that machine eventually. But even its staunch advocates say that it is 20 to 30 years away from commercial application—and when we get it, it will be just another way to make electricity. Except as it might free other fuels for other uses, it will not help our urgent need for hydrocarbon fuels for transportation, home heating and industrial use.

Somehow, the scale of spending proposed for coal research does not jibe with the concept of making increased development of coal our highest national priority.

Mr. Nixon did declare that when additional research is shown to be essential, he will do his best to provide the funds. That's fine as far as it goes—but it does seem to allow more funds now for investigation of promising new lines of research which may have been pigeonholed because of the cheeseparing finacing of coal research in the past. Researchers cannot make a case for a stepped-up program until they have made a beginning—and this approach seems to allow no new beginnings.

I bring up this point at a lignite symposium because research has a direct bearing on the future of coal in the West. The future looks good by any rational standard. However, several things are necessary to turn the great promise of Western coal into performance, and one of them is expanded and accelerated research. For proof of this, we need look no further than the fact that the need for synthetic gas from Western coal is already upon us, while our domestic research gasification methods is still in the pilot plant stage.

The vast reserves of coal in the West have been known and used locally ever since the demand for *fuel outstripped* the handy supply provided by the buffalo. However, except for essentially local markets, there was little development of Western coal. Ironically, the current increase in the use of Western coal is based at least in part not upon research, but upon the lack of it—the lack of proved and commercially available devices for removing sulfur oxides from the stack gases of plants burning the higher sulfur coals of the Middle West.

This has opened new markets for low-sulfur coals from Wyoming and Montana—markets which were formerly out of reach, because of freight costs. With aggressive use of unit trains and with the economies attainable by surface mining thick seams, Western coal producers are serving utilities more than a thousand miles away, instances like Iowa, Minnesota, Illinois, and are bidding for markets even further east.

This eastward movement may be replacing high-sulfur coal from established mines, and in due course it will have to compete against local coals used with stack scrubbers, when that technology is available for control of sulfur oxides.

But meanwhile, Western coal is winning new customers in areas that would flabbergast any old-time coal man. For example, a new power plant at Avinger, in East Texas—the erstwhile stronghold of natural gas—will be supplied with coal from a mine at Gillette, Wyoming, 1,483 miles away. That's a movement southeastward into new territory, and it's a long-term contract. Another company has contracted to supply a power plant at Muskogee, Oklahoma, from a mine in Campbell County, Wyoming.

The West Coast, of course, has been reaching out to tap Western coal reserves via long-distance power transmission. From the great generating stations of the Four Corners area to the Mohave plant in Nevada and northward to the Pacific Power and Light plant at Centralia, Washington, Western coal is being translated into electric power and is moving west.

In these cases a little more research is involved—the studies which made possible the long-distance transmission of power at high voltages, and the Consolidation Coal Company research of more than a decade ago which developed the coal pipeline which feeds the Mohave plant from the Black Mesa mine. Essentially, however, these beginnings of new demand for Western coal do not reflect results of any recent research into new methods of mining and using coal.

It is time, therefore, for the nation to address itself seriously to the steps necessary to allow fuller utilization of Western coal. Indeed, it is far past time, and we must redouble our effort in order to make up some of the years we have lost.

Lignite, like some fine French wines, does not travel well. Neither is it readily substitutable for other coals in existing power plants.

Therefore, it has not benefited so directly from the rising demand for fuel in other areas. But lignite has some great advantages—it is present in marvelous abundance, and it is easily accessible at reasonable cost.

For lignite, then, as well as for other Western coals, intensive research is overdue. As you know, modest gasification research is under way. I was privileged to attend the dedication last August of Consolidation Coal Company's pilot plant at Rapid City, South Dakota, where the CO_2 Acceptor process is undergoing tests and further development. Early engineering estimates indicate this will be one of the most economical methods of creating high-Btu gas from coal, and we are following its progress with great interest.

That pilot plant will operate for two and a half years, and then a decision will be made on whether to go ahead with a larger unit. Then construction of that unit will take additional time.

As you know, this is only one of several processes under development. The Institute of Gas Technology is operating a pilot plant for the HY-GAS process at Chicago, and the National Coal Association's affiliate, Bituminous Coal Research, has developed the BI-GAS process for which a pilot plant is being built at Homer City, Pennsylvania. All these are financed by the Office of Coal Research and the American Gas Association. The Bureau of Mines is in the pilot plant stage with its Synthane process at Bruceton, Pennsylvania, and has another process, called Hydrogasification, under test in its laboratories.

The Division of Engineering of the National Research Council recently prepared a report for the Office of Coal Research, evaluating coal gasification processes. It recommended that pilot plant work should go forward on these processes in the pilot plant stage, and more work be done on the Hydrogasification process. It set a timetable which would bring these projects to a point of decision in 1975—the decision being construction of a large-scale demonstration plant. The plant should operate satisfactorily for one year, the National Academy said. Presumably, at that point government research would cease and industry would step in with commercial-scale plants.

This is to my mind a fairly leisurely schedule, though the National Academy apparently considers it consistent with its first recommendation, which says, "Modern technology should be developed and applied as rapidly as possible to coal-gasification plants."

There is a saying in Washington these days that you can't make problems disappear by throwing dollars at them. I don't know how we can be sure of that in coal research—it certainly has never been tried. Some dollars for bets on research long-shots, and to speed up the promising research already under way, might well be the best investment our nation has made since the Louisiana Purchase.

The need for more research is underscored, paradoxically, by the fact that major companies are going ahead without it. At least two major gas firms are investing hundreds of millions of dollars in coal gasification plants in New Mexico which are based on the German-developed Lurgi process. They will add a methanation process to the Lurgi system if one can be developed, but they are going ahead regardless. Obviously, their need for gas is so great they cannot wait to see if a more efficient or economical system can be developed.

Gasification is not the only new prospect for Western coal. We also need research to develop processes for producing synthetic petroleum from coal.

Coal-based petroleum is vital to America's future not only for the domestic-based energy supply it would provide us, but because it would give us needed leverage in our negotiations with the oil-producing states of the Middle East.

Unless we have an adequate alternative to our steadily increasing dependence on oil from the Middle East, and our pending heavy reliance on liquefied natural gas from Algeria and perhaps elsewhere in that region—and from Russia—we will stand in grave danger of losing our independence in foreign affairs. When the volatile and often hostile governments of the Middle East have the power to control a major part of our energy supply, it is putting great trust in human nature to believe they will not use that control for their own purposes.

Even if we are not subjected to that kind of pressure in terms of policy, we are certain to be under heavy economic pressure. Already the nations of the Organization of Petroleum Exporting Countries are negotiating higher prices, and demanding more control of their petroleum production through either increased shares of ownership or outright nationalization. Moreover, we are competing for that oil against Western Europe and Japan, which not only sends the price up but raises the prospect of some damaging future confrontation either with the supplying nations or between the consuming nations.

Finally, and at the very least, we are already spending so much for foreign oil that our international payments are dangerously out of balance. This has already led to devaluation of the dollar—which in turn leads the OPEC nations to raise prices again, and the spiral continues.

I began this speech with a remark about a figurative visit to Fort Knox. If we continue along the path we have begun, and import oil and gas at the rates now being forecast, anyone who wants to inspect the contents of Fort Knox a few years from now will have to visit the Persian Gulf.

These are the reasons, or at least some of them, that the President called for a new energy policy in which we depend as much as possible upon our domestic resources. While we in the coal industry do not believe he went far enough nor fast enough, he has recognized the prime importance of developing and using our coal reserves. We hope the Congress will take him at his words rather than his deeds.

Mr. Nixon did say one more thing about coal which I have not mentioned. He called for speedy passage of a strip mining and reclamation bill, so that the industry will know the rules under which it must operate, and can proceed with its plans.

We at the National Coal Association support this stand. We support federal legislation to help the states do a better job of reclamation, and we hope Congress passes a reasonable bill as soon as possible. We know that mined land can be effectively reclaimed, because responsible coal companies are doing it, not only in the East but in the more challenging conditions of the West. Of course they have made mistakes in the past, when they were learning not only the necessity but the methods of returning land to productive use. They have also learned from those mistakes, and resolved not to repeat them.

An outstanding example of industrial citizenship was the joint declaration last fall by all the companies surface mining lignite in North Dakota, pledging themselves to good reclamation practices. As an example of one company's policy, I was struck by reading the testimony of my good friend Otes Bennett, president of The North American Coal Corporation, to the North Dakota Water Commission last February. Mr. Bennett said that North American as a matter of policy removes and saves the topsoil before mining. Afterward, any remaining highwall is reshaped to match the surrounding terrain, the topsoil is replaced, tilled, fertilized and seeded. The result is gently rolling terrain which blends with adjacent land and can be traversed by farm machinery. His company has announced a policy of restoring land to an equal if not more valuable condition than before mining, and in the course of this plan it intends to spend far more than the surface value of the land.

I would like to call this policy to the attention of those environmental critics of surface mining who claim surface coal mine operators are out only to loot the land, and at the most will create only a few showplaces to exhibit to visiting Congressmen. If these are showplaces, they will be some of the biggest on record, covering multiple thousands of acres.

North American has agreed to reserve 2.5 billion tons of lignite to supply future gasification plants of Michigan Wisconsin Pipe Line Company in five coal reserve areas.

Michigan Wisconsin has applied for water rights from Lake Sakakawea and the Missouri River to supply its proposed gasification plants, and I understand that the state is considering this application along with other possible applicants. Without endorsing or lobbying for the Michigan Wisconsin case to the detriment of any others, I would like to review some of the highlights of the proposal to show the dimensions of the future for North Dakota lignite.

The company estimates the cost of developing the necessary mines would exceed $1 billion, and the investment in coal gasification plants would surpass $5 billion. Just one plant, producing 250 million cubic feet of gas per day and consuming 10 million tons of lignite a year, would represent a capital cost of $459 million for the plant, mine and gas and water pipelines. It would have a total payroll of more than $12.5 million a year and would employ more than 1,000 persons.

The pipe line company says its first plant may be in operation by 1980, and it might build at least three more plants at two-year intervals. On the basis of the first four plants, this coal gasification complex would furnish more than 7,700 jobs, create $117 million a year in direct payrolls and indirectly generated funds, and furnish more than $14 million a year in additional tax revenues to the state of North Dakota. This would have a terrific impact in North Dakota, where both population and employment declined by more than 2 per cent in the '60's and where median family income is less than 82 per cent of the national average.

Gentlemen, that can be the shape of the future—and I am sure this vast project will not be the only one using North Dakota lignite. Multiply it by the other plants which can be based on the great coal reserves of the Powder River and Fort Union deposits, and on other Western coal deposits. Consider gasification plants, synthetic oil plants, electric utility plants, and general industry.

But the future will not arrive unbidden. We need accelerated research to make it possible. We need a strip mine law which regulates but does not prohibit responsible surface mining. We need the Department of the Interior to resume coal leasing on public lands. We need to rethink our attitude toward the environment, so that we give proper weight also to concerns of national security and economics in attaining an adequate energy supply. We need national policies which give reasonable assurance of a market for synthetic fuels if we are to attract the necessary financing.

But we as a nation can do these things. We should have started earlier, but at least we can start now. We can make a truly great new day dawn for Western coal—great for the West, and great for America.

TRIBUTE TO AN EDUCATION

Mr. CHILES. Mr. President, I follow with lively interest every constructive and progressive development in the field of mass learning. Education is the peculiar and distinctive achievement of our American system of freedom under law. No other system of governmental organization has approached ours in the general diffusion of knowledge among all the people.

Today I would like to pay tribute to a fine, American educator who has been a great force for good in the future building of American educational institutions.

The occasion for this tribute is the marking of the 25th anniversary of Dr. Stanley J. Drake as president of Fort Lauderdale University in Fort Lauderdale, Fla.

Dr. Drake was so dedicated to the further building of all educational institutions, five of those at the higher levels, that they conferred upon him honorary doctorates for his accomplishments. These honorary degrees were the Ph. D., D.B.A., Sc. D., and L.L.D. On Founder's Day—March 8, 1973—his own university conferred upon him an honorary doctor of laws degree.

Dr. Drake was the founder and first president of the American Association of Presidents of Independent Colleges and Universities that today has a membership of about 500 schools. Today Dr. Drake holds the office of secretary of this fine and fast-growing educational institution.

He is a charter member of the American Association for Higher Education, a member of the International Association of University Presidents, the Comparative and International Education Society, the International Platform Association, and the American Association of University Administrators.

He is the founder of the Alpha Beta International Honorary Commerce Society.

As a dedicated Esperantist who speaks the international language, he is a member of the following Esperanto associations: The Esperanto League for North America, the British Esperanto Association, the American Association of Teachers of Esperanto, the International Society of Esperantist Teachers, the Universal Esperanto Association, and the Esperanto Society of Florida. He is president of the Esperanto Society of Fort Lauderdale.

Dr. Drake is a member of Rotary International and has served on the board of directors of the Fort Lauderdale Rotary Club.

ASSURANCE FOR FARM FUEL SUPPLIES

Mr. DOLE. Mr. President, a most serious and potentially devastating crisis is approaching Midwestern America. In recent weeks I have voiced alarm at impending fuel shortages which threaten the agricultural heart of the Nation. Other Senators have also addressed this issue. We have expressed our concern in various ways—by passing legislation to deal with it, by statements to the Senate, and in meetings and communications with executive branch officials.

Last Tuesday, at the request of myself and 15 other Senators from Great Plains and Rocky Mountain States, a meeting was held with Deputy Treasury Secretary William Simon and Acting Office of Emergency Preparedness Director Darrell Trent. The purpose of the meeting was to express—as clearly and forcefully as possible—the absolute necessity for assuring prompt and adequate agricultural fuel supplies.

Again and again at this meeting, the Senators present emphasized that agricultural operations—planting, plowing, fertilizing, harvesting—must be carried out according to nature's timetable, not man's. They cannot be put off to suit a farmer's convenience or to compensate for outside circumstances.

And this is the danger of the present fuel situation. The spring planting season in the Midwest—already delayed by heavy rain—is almost here. The wheat harvest has begun in Texas and will be underway in Kansas in 30 days. When the fields are ready, the tractors must roll and operations must begin. If fuel shortages keep the tractors from running, there will be no crops. Farmers cannot wait a week or 2 weeks to receive their fuel. They must have it when they need it, or it is of no use to them.

And if farmers cannot plant their crops or if the harvest is ruined or cut back, then we will face a crisis in America which will make the recent rise in food prices look like unbridled prosperity. For example, a short corn and feed grain crop brought about by fuel shortages at the planting season in the next few weeks will send meat prices soaring beyond the worst nightmares of today's shoppers.

NATIONAL PROBLEM

This is not simply a regional problem or a situation facing one sector of the economy. It is a problem which concerns every American—from the farmer in Kansas who wants to plant his crops to the housewife in New York City who wants a variety of products and reasonable prices at the supermarket.

VOLUNTARY ALLOCATION PROGRAM

Today, Secretary Simon appeared before the Senate Banking, Housing and Urban Development Committee and announced a program for the allocation of crude oil and refinery products.

I feel this program falls far short of meeting the crisis which confronts us. In fact, I would hardly call it a program. It is merely an exercise in the discredited and disproven tactic of "jawboning."

The farmers of America cannot burn voluntary guidelines and suggested priorities in their tractors. They must have fuel—gasoline, diesel oil, and LP gas—and they must have it at the right time. And that time is now.

Voluntary guidelines and threat of more stringent measures cannot guarantee the fuel our farmers need. A Washington bureaucracy cannot know whether farmers are receiving the supplies they need when they need them. And even if violations of the voluntary guidelines are detected, remedial action would come too late to do any good.

America's food supplies are too important to depend on a voluntary, bureaucratic fuel allocation plan. This plan needs more than a jawbone behind it. It requires strong teeth and a big stick to assure and require compliance.

MANDATORY CONTROLS REQUIRED

Perhaps a voluntary system would be adequate for other economic interests which can survive brief periods of fuel shortages. But farmers must have the protection and assurance of mandatory controls.

Congress has provided the authority for these controls, and it must be exercised if our Nation is to avoid one of the most widespread and tragic disasters in its history—a real, nationwide food shortage.

SCHUYLER CHAPIN NAMED GENERAL MANAGER, METROPOLITAN OPERA

Mr. McGOVERN. Mr. President, Mr. Schuyler G. Chapin has just been named general manager of the New York Metropolitan Opera. Mr. Chapin, who has been serving as acting director of the Met is the first American to be named as general manager in 90 years.

Recently, it was the pleasure of Mrs. McGovern and me to be the guests of Mr. and Mrs. Chapin for an outstanding opera at the Met. We were most impressed by the spirit and competence Mr. Chapin conveyed. I wish him well in his important new assignment.

Yesterday's Washington Post carried a story by Nancy L. Ross relative to Mr. Chapin's appointment. I ask unanimous consent that the article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

An American Heads the Met

(By Nancy L. Ross)

Schuyler G. Chaplin, a native of New York, was named general manager of New York's Metropolitan Opera yesterday.

Chapin becomes the first American in 90 years to hold the post—one of the most powerful in the music world. He was given a three-year contract.

Chapin had won wide praise—unusual for any general manager at the prima donna-infested Met—as acting general manager since July, 1972. That was when his Swedish predecessor, Goeran Gentele, was killed in an auto accident shortly after taking over from Sir Rudolf Bing, who ruled the Met with an iron hand for more than two decades.

The announcement ends many months of speculation, during which the names of a number of leading musical figures, including Maria Callas, were mentioned as candidates.

An American, Henry Abbey, served as the Met's first general manager in 1883. (Another American, Herbert Witherspoon, was appointed in 1935 but died six months before his first season was to begin.)

At a press conference following the board meeting, the new general manager announced that soprano Beverly Sills, star of the Met's Lincoln Center neighbor, the New York City Opera, would make her long-awaited debut at the Metropolitan April 7, 1975, in Rossini's "Siege of Corinth." Difficulties between Sills and Bing had delayed her appearance there.

Chapin also voiced continuing support of the Opera at the Forum, better known as the Mini-Met. This program, in which contemporary and old chamber operas are produced cheaply for small audiences by lesser known musicians, was initiated by Gentele. At present Chapin is still searching for a new home for the Mini-Met

During his first season as general manager the Metropolitan will stage six new productions, including Berlioz's epic "The Trojans" and Verdi's "Sicilian Vespers," never before seen at the Met. The four other new productions are Rossini's "The Italian Woman in Algiers," Offenbach's "The Tales of Hoffman," Wagner's "Gotterdammerung," and Mozart's "Don Giovanni."

In making the announcement yesterday, Chairman of the Board Lowell Wadmond and George S. Moore, president of the Metropolitan Opera Association, declared, "We believe Mr. Chapin's appointment ushers in a new era of expansion and achievement for the Metropolitan."

The directors hailed Chapin's record over the past year as "outstanding." They noted he had successfully carried out Gentele's plans for a new production of "Carmen," as well as the Look-In concerts for children with Danny Kaye and Opera at the Forum.

Before becoming assistant manager of the Met under Gentele, Chapin was successively a vice president of Columbia Records, vice president in charge of programming at Lincoln Center and an associate of conductor Leonard Bernstein in the latter's company, Amberson Productions.

LAW DAY ADDRESS, SENATOR ROBERT TAFT, JR., AT CHATTANOOGA, MAY 3, 1973

Mr. BROCK. Mr. President, on May 3, 1973, our colleague, Senator Robert Taft, Jr., delivered a Law Day address in Chattanooga, Tenn. That speech contained a thorough and cogent analysis of three issues which we must effectively cope with in this session of Congress; namely, the existence and boundaries of executive privilege, legislative immunity, and newsman's privilege. These issues bear directly upon the viability of our Democratic form of government. Senator Taft's analysis points out the interrelationship of these issues as a source of public confidence as opposed to despair and distrust.

In order to afford my colleague the opportunity to share the thoughts expressed in that speech, I ask unanimous consent that it be printed in the Record.

There being no objection, the speech was ordered to be printed in the Record, as follows:

Law Day Speech—Chattanooga

No concern weighs heavier on the minds of our elected representatives today than the growing climate of doubt among our people as to the veracity and vitality of our democratic form of government. The distress of our people has been heightened by the performance of our government in the first four months of this year in which political selfishness and distrust between the branches of our government has run rampant. This temper of doubt and distrust has filtered down to the people and they are, properly, alarmed.

A democratic government imperiled by loss of faith of its people cannot survive. The insecurity and uncertainty which will begin to pervade our lives will ultimately lead to disillusionment and societal chaos. Those of us who have been elected by the people have a sacred trust which requires us to put aside partisan politics and through a spirit of cooperation and adherence to truth, to set ourselves to the task of rebuilding the faith of our people in their government and in themselves as a country. One of the first priorities in accomplishing this task is that of encouraging free flow of information to and among the people and so as to develop a spirit of candor, cooperation, and confidence between the three co-equal branches of government.

Three legal institutions which we have seen threatened in this delicate balance of order and trust are those of Executive privilege, Legislative privilege, and Newsmen's privilege. All have erupted in the last two years to result in highly emotional clashes between the three branches of our government.

I. EXECUTIVE PRIVILEGE

One of the ramifications of the rapidly unfolding Watergate affair has been the explosive clash between the authority of Congress to investigate and the privilege of the Executive to withhold information, the disclosure of which is not in the public interest because of such considerations as military secrets, alternative proposals in raw memo form, and unsubstantiated charges about individuals. In his March 12, 1973, statement, President Nixon barred present and former members of his staff from testifying before the Senate Committee investigating the Watergate incident. As such, the President appeared to be extending the privilege to hitherto untrammeled areas, namely, to prevent disclosure of potentially politically embarrassing details as distinguished from security sensitive matters. The privilege appeared to undergo an even greater expansion in the hands of Attorney General Kleindienst who testified on April 10, 1973, that it might apply to the 2.5 million employees of the Executive branch of the government and, furthermore, that it applied to anything the President desired and could only be effectively countermanded by impeaching, convicting, and removing the Chief Executive from office. This position may have theoretical validity but it is not practically viable at all. The concentration of public opinion and Congressional attention upon these statements has caused some members of Congress to charge that an attempt was being made by the Chief Executive to thwart efforts by a co-equal branch of our federal government to obtain information either of a documentary or testimonial nature and, thereby, divest the Congress of its Constitutional investigating powers.

What has failed to be noted is that in the same statement of March 12, the President did reassert the general policy of his administration regarding the use of Executive privilege—that it will not be used as a shield to prevent embarrassing information from being made available but will be exercised only in those particular instances in which disclosure would harm the public interest. On May 24, 1969, in a memorandum to cabinet officers and heads of agencies, the President stated:

"The policy of this administration is to comply to the fullest extent possible with Congressional requests for information. While the Executive branch has the responsibility of withholding certain information, the disclosure of which would be incompatible with the public interest, this administration will invoke this authority only in the most compelling circumstances and after a rigorous inquiry into the actual need for this exercise."

These seemingly contradictory statements created confusion and uncertainty as to the administration's intention, resulting in an increasing air of distrust between the Executive and Legislative branches of government.

The President clarified his position and defused the animosities that were developing, when he subsequently announced that the White House staff, as well as other members of the Executive branch of government, would be available to testify before the Senate Committee investigating the Watergate regarding matters relevant to that issue with the proviso that the privilege would remain available on areas of information necessary to protect the integrity of the Presidential decision-making process. In this manner a workable arrangement was established which allowed for the effective functioning in these areas of both branches of government. Doubtless, however, we have not seen the last of confrontations over Executive privilege.

While the proponents of the authority of Congress to investigate and the proponents of the privilege of the Executive to withhold information tend to treat their own rights as if they were engraved in stone, the truth of the matter is that neither power is explicitly defined in the Constitution. Rather they are powers inherent in the terms "Legislative" and "Executive," as understood by the drafters of the Constitution. Based upon the doctrine of separation of powers and the inherent power of the Executive, Executive privilege has been asserted in the withholding of information residing in the Executive from the public, from the legislature, or from the Judiciary on the basis that disclosure of the information would not be in the national or public interest for reasons discussed. As such, Executive privilege runs directly counter to the powers asserted by the Congress to make inquiry into the administration of the laws it makes and to be properly informed in order to fulfill it's law making function.

The use of Executive privilege is not a new development. On April 2, 1792, this right appeared first to have been given definition by President Washington and his Cabinet. According to notes kept by Secretary of State, Thomas Jefferson, the following conclusions were reached:

"We had all considered, and were of one mind, first, that the House was an inquest and, therefore, might institute inquiries. Second, that it might call for papers generally. Third, that the Executive ought to communicate such papers if the public good would permit and ought to refuse those, the disclosure of which would injure the public; consequently we were to exercise a discretion. Fourth, that neither the committee nor House had a right to call on the head of a department, who and whose papers were under the President alone; but that the committee should instruct their chairman to move the House to address the President."

In 1796, the President implemented this theory by refusing to give the House copies of the instructions to Chief Justice Jay for negotiating the Jay Treaty, together with the correspondence and documents relative to it.

The privilege in its various forms has been exercised by many Presidents over the years including Presidents Roosevelt, Truman, Eisenhower, Kennedy, Johnson, and Nixon. The privilege is sparingly used however. For example, Secretary of Defense Laird in the first four years of the Nixon administration, made 86 separate appearances before Congressional committees, engaging in over 327 hours of testimony. By contrast, there were only three occasions during the first term of the administration when Executive privilege was formally invoked in the Executive branch in response to a Congressional request for information. (There were 24 informal declinations of requests to appear or provide information.) There are no statutes at present which directly regulate Executive privilege practices, and in the history of Executive privilege, no definitive challenge to the Executive branch has been made in court.

That the Congress needs and has the right to information in aid of its legislative and inquiry functions is indisputable. Also virtually incontrovertible is the concept that there is a core Article II power which enables the President, in the interest of the National welfare, to withhold information even from the Congress. Between the two, there lies a zone of uncertain parameters which gives rise to the current struggles between the two political branches.

Strictly speaking, demands for information on matters outside the Constitutional authority of Congress, such as Fifth Amendment prohibitions, do not raise questions of Executive privilege, since any person, whether private individual or public officer, may refuse to give information which Congress has no authority to demand.

The term "Executive privilege" is more properly applied to the right, if any, of the Executive department to withhold witnesses or information, not privileged under the rules of evidence, which relate to a subject within the legitimate authority of Congress, on the ground that disclosure would hinder discharge of the Constitutional powers of the Executive. As President Nixon has stated:

"Without such protection, our military security, our relations with other countries, our law enforcement procedures, and many other aspects of the national interest could be significantly damaged and the decision-making process of the Executive branch could be impaired."

With respect to his personal staff, the President elaborated:

"This tradition rests on more than Constitutional doctrine: it is also a practical necessity. To insure the effective discharge of the Executive responsibility, a President must be able to place absolute confidence in the advice and assistance offered by the members of the staff. And in the performance of their duties for the President, those staff members must not be inhibited by the possibility that their advice and assistance will ever become a matter of public debate, either during their tenure in government or at a later date. Otherwise, the candor with which advice is rendered and the quality of such assistance will inevitably be compromised and weakened. What is at stake, therefore, is not simply a question of confidentiality but of the integrity of the decision making process at the highest level of our government."

In the Watergate matter, however, we appear largely to be dealing with an issue involving politically embarrassing details as distinguished from security sensitive matters. In such a case, the public interest could only be served by a complete disclosure of all facts relevant to the issues of that investigation. By announcing that his staff will be available to testify before the Senate investigating committee, the President was living up to his previously announced policy that Executive privilege will not be used as a shield to prevent embarrassing information from being made available. It is vital that he continue this policy. However, should questioning before the committee go beyond the issues of the Watergate matter and infringe upon substantive matters the disclosure of which would be contrary to the public interest, it would then be proper to assert the protection of the privilege.

In order for the separation of powers system to work, we must strive for free flow of information between these co-equal branches of government and an appreciation of the inherent needs of both branches in order to function effectively. The authority of Congress to investigate and the power of the Executive to withhold information are neither absolute nor mutually exclusive. To say where the one ends and the other begins is impossible, nor in my judgment is the Congressional power to investigate superior to the Executive privilege. The founding fathers did not prefer Congress over the President. Excessive investigation may wreck the Executive branch, but undue secrecy may seriously cripple the Legislature and promote official arrogance and inefficiency as well as fiscal laxity. While government by abusive investigation may not be government, government without investigation power might easily turn out to be Democratic government no longer. This delicate balance between the need of Congress for information and that of the Executive branch for a certain amount of operating privacy and classification of security material must be maintained if our government is to go on.

As so often in the past, the resolution of the Executive privilege issue in the Watergate matter has to be worked out by the two political branches of our government in a mutually satisfactory arrangement so as to avoid a stultifying impasse. The fact that resolution appears to have been possible, at least in principle, seems to vindicate again the system of checks and balances so carefully woven into the fabric of the Constitution by the framers, and gives hope that the present elected and appointed officials as well as future ones also will measure up to this difficult task. The solution to the dilemma lies in the recognition of the fact that the Executive and Legislative branches belong to the same government and are supposed to function as partners. As with most disputes, they can be resolved only by a rule of reason with the public good as the paramount consideration.

II. LEGISLATIVE IMMUNITY

The same philosophy must be applied to the conflict which has arisen with respect to the "Speech or Debate" or "No Account" Clause of Article I, Section 6 of the Constitution, inasmuch as it is designed to protect members of Congress from intimidation by the Executive and Judiciary through the use of judicial inquiry into Legislative activity.

During its last term, the Supreme Court decided two cases, *United States vs. Gravel* and *United States vs. Brewster* in which the Court so restricted the immunity given to members of Congress by the "Speech and Debate" Clause that we are restricted as to how and whether we can any longer independently acquire information in respect to activities of the Executive branch or inform constituents of their findings without risking criminal prosecution or civil suit. Not only are these decisions unduly restrictive, but they raise grave concerns that a member's statements or even votes on the floor or in committee may subject him to accountability by the Executive or Judicial branch, or by private individuals.

The criticism by Justice Brennan, in his dissent of the majority opinion in the *Gravel Case*, seems to me to be compelling:

"In holding that Senator Gravel's alleged arrangement with Beacon Press to publish the Pentagon Papers in not shielded from extra-senatorial inquiry by the 'Speech or Debate' Clause, the Court adopts what for me is a far two narrow view of the legislative function. The Court seems to assume that words spoken in debate or written in Congressional reports are protected by the Clause so that if Senator Gravel had recited part of the Pentagon Papers on the Senate floor or copied them into a Senate report, those acts could not be questioned 'in any other place.' Yet because he sought a wider audience, to publicize information deemed relevant to matters pending before his own committee, the Senator suddenly loses his immunity and is exposed to Grand Jury investigation and possible prosecution for the republication. The explanation for this anomalous result is the Court's belief that speech or debate encompasses only acts necessary to the internal deliberations of Congress concerning proposed legislation. Here, according to the Court, private publication by Senator Gravel through the cooperation of Beacon Press was in no way essential to the deliberations of the Senate. Thus, the Court excludes from the sphere of protected legislative activity, a function that I suppose lay at the heart of our Democratic system. I speak, of course, of the Legislator's duty to inform the public about matters affecting the administration of government. This 'informing function' falls into the class of things generally done in the session of the House by one of its members in relation to the business before it, was explicitly acknowledged by this Court in previous decisions."

It cannot be doubted that the inquiring or informing function of Congress is one of the most important responsibilities of legislative office. The words of Thomas Jefferson take on contemporary significance:

"That in order to give the will of the people the influence it ought to have, and the information which may enable them to exercise it usefully, it was a part of the common law, adopted as the law of this land, that the representatives, in the discharge of their functions, should be free from the cognizance or coercion of the coordinate branches, Judiciary and Executive; and that their communication with with constituents should be of right, as of duty also, be free, full, and unawed by any."

This privilege was similarly described by James Wilson, an influential member of the Committee of Detail which was responsible for this specific provision of the Constitution:

"In order to enable and encourage a representative of the public to discharge his public trust with firmness and success, it is indispensably necessary that he should enjoy the fullest liberty of speech, and that he should be protected from the resentment of everyone, however powerful, to whom the exercise of such liberty may on occasion offend."

The intent of the framers of our Constitution could not be more clear. The "Speech and Debate" Clause was incorporated specifically into the Constitution to guarantee our Legislators freedom in performing the duties of their office, from voting, to informing the public, without threat of judicial, Executive, or other interference.

Two safeguards were incorporated into our Constitution in order to protect against the transgressions of Congressmen. They can be disciplined by the body of which they are a member and they can be disciplined by the electorate at the next election. These safeguards do not threaten the delicate balance of our institutions. I believe it is clear that the "Speech and Debate" Clause requires that inquiry into behavior of members of Congress in carrying out their public duties remains within the exclusive jurisdiction and responsibility of the legislative branch.

Apparently the Supreme Court not only disagreed with this interpretation of the intent of the founding fathers but proceeded further to limit the scope of the immunity from interrogation implicit in the clause to members of Congress regarding the performance of legislative acts such as voting and deliberative and communicative proceedings, and ruled out all such immunity on behalf of aides, sources, and private publishers in questioning concerning possible violation of federal law and procurement of private republication of information. While the Court decided that Senatorial aides enjoyed the same immunity as their legislator-employers, it proceeded so to restrict the immunity enjoyed by the Senator as to make it largely worthless to the Senator or his aide.

It decided in the *Gravel Case* that the acquisition of information and preparation for a legislative hearing and the publication of the hearing thereafter are *not* protected activities. Under the Supreme Court view, no activity is protected except the narrowly defined casting of a vote or the giving of a speech before the House or in Committee. No preparatory act leading up to a protected activity would be immune under the clause. Under such a proscription, sources of information would hesitate to communicate with Congressmen for fear of disclosure and the legislative aides would be restrained in their efforts to seek out details important in preparation of the Legislator. For example, a Watergate Committee Senator might be called to testify in the civil suit which was initiated by the Democrats as to sources he has encountered.

Congressional privilege based upon an expressed Constitutional provision to encourage the free exchange of ideas and information can hardly be less extensive than the Executive privilege which has no express statutory or Constitutional basis. Yet, Executive privilege has been extended to the activity of persons whose relationship to the President is far more remote than the relationship of an aide to a Senator. The need for protecting the confidential relationships between the President and his aides, as the government has asserted in defending the Executive privilege, is equally applicable to the need for protecting the relationship between Senators and their aides and committee staff working under members' direction. Once the intimate relationship between the Senator and his staff is appreciated, it must be made clear that the Legislative function includes all activities which are of a service to the people, and this must include the entire scope of activity of a Senator in performing his office from that of casting his vote on the Senate floor to that of informing the people of the present state of activity in their government. The distinction in the *Brewster Case* between protected and non-protected activity is indeed unfortunate and illustrates a lack of appreciation of what is essential to the legislative function.

In the aftermath of the *Gravel* and *Brewster* Cases, what can Congress do to salvage its privilege? The simple answer is that there is nothing in the Supreme Court's unduly narrow interpretation of the "Speech or Debate" Clause in the *Gravel* and *Brewster Cases* which precludes Congress from enacting appropriate legislation which will fully protect the legislative powers and prerogative of Congress. Neither case implied that Congress may not Constitutionally change existing law to immunize such activities as within the legislative scope. On March 22, 1973, Senator Ervin submitted Senate Bill 1314 which would bring the scope of legislative immunity back within the Constitutionally intended boundaries. Congress has sole authority to enact the criminal laws of the United States and to immunize legislatively related activities. By way of illustration, if Congress Constitutionally can enact an immunity shield for newspapermen to protect their sources, a shield which I support with a few proper limitations, can there be any doubt of its authority to enact appropriate Congressional shield legislation? Both Congress and the press share the duty to inform the public about matters affecting the administration of government. The press, in performing this duty, discharge the First Amendment protected responsibilities; Congress, in performing its duty, discharges its duty of consideration and enacting legislation and its traditional constitutional role as an "inquest."

In enacting Congressional immunity legislation, Congress, both gives effect to the "Speech and Debate" Clause of the Constitution and safeguards the concept of separation of powers vital to the independent functioning of Congress as a co-equal branch of government. It is my belief that if the doctrine of legislative privilege and immunity is to perform its essential historical function of eliminating the fear of the investigation and trial of charges by the Executive and Judicial branch, thus providing for effective, free, and unchanneled discharge of legislative duties, it must be broadly construed and interpreted, and liberally applied to the realities of the operation and conduct of a modern legislative system.

III. NEWSMEN'S PRIVILEGE

The third area of testimonial privilege which has become of great concern to our country is that of professional newsmen and the extent to which they have the privilege to conceal confidential sources. I, for one, hail the advent of a vigorous and free press and happily bid farewell to shabby yellow journalism. The Supreme Court in *Branzburg vs. Hayes* held that the First Amendment to the Constitution does not provide newsmen with a privilege to withhold confidential information from a Grand Jury. What is involved is the right of the Press to gather and publish and that of the public to receive news from wide-spread diverse and oftentimes confidential sources. The enforcement of subpoenas which would lead to the disclosure of confidential news sources would result in a depletion of such sources without which investigative reporting would be severely, if not totally, hampered. A competing consideration, of course, is the right of litigants to procure evidence in civil and criminal actions as well as the right of Congress to develop evidence in its hearings.

At the invitation of the Court, Congress is considering passing legislation providing reporters with such protection from press subpoenas. Many states have already enacted such legislation. Due to increasing public pressure there have been to date 60 newsmen shield bills introduced during this first session of the 93rd Congress and more expected. These bills can probably be classified in two categories, either absolute or qualified privilege. The first will give reporters total, unqualified, immunity against having to disclose their confidential sources. All bills falling into this category of absolute shield legislation are based on the assumption that anything less than complete protection for newsmen sources and information is worse than no protection at all. This approach, however, does ignore the competing consideration of the interest of the public and the right of parties to procure evidence in felonious criminal litigation and in defamation cases.

In an effort to overcome the criticism leveled against bills offering absolute immunity, I have joined with Senator Weicker on a bill which offers protection *only* to sources not to information. This distinction is a crucial one, and makes the Weicker proposal more similar to existing State shield statutes than to other proposed federal legislation. Critics have contended that a reporter should be required to turn his information over to the law. Under our proposal, it is hoped to satisfy such critics in that only that information, whether in the form of notes, tapes, or films which might identify the source, are protected.

Our measure establishes three criteria which must be met to the satisfaction of a Federal Judge before a newsman can be compelled to identify his source: That the source is of direct relevance to the action involved in the trial, that the information is not reasonably available from alternative means and that the case involves a major crime. The bill would require reporters to disclose sources only in cases of murder, forceable rape, robbery, aggravated assault, burglary, grand larcency, auto theft, kidnaping, airplane hijacking, and major breaches of national security.

There is no question that there is need for a qualified newsman's privilege. Justice Douglas in his dissenting opinion in *Branzburg* stated that:

"Today's decision will impede wide open and robust dissemination of ideas and counterthought which a free press both fosters and protects and which is essential to the success of intelligent self-government. Forcing a reporter before a Grand Jury will have retarding effects upon the ear and pen of the press. Fear of exposure will cause dissidents to communicate less openly to trusted reporters and fear of accountability will cause editors and critics to write with a more restrained pen. If what the Court sanctions today becomes set as law, then the reporters main function in America's society will be to pass on to the public the press releases which the various departments of government issue."

What is involved is the public's right to be kept informed of what is going on in society. The public has an interest in the free flow of news. If the press in this country is not to serve as a mere sounding board for official press releases and propaganda, it must be able to protect its informants. Protection of confidential sources of information relates directly to the credibility of newsmen in the eyes of his sources. This affects the ability of a reporter to keep the public informed.

There is a strong argument that there are occasions when the life of an individual or the community is so clearly endangered that no citizen can be exempt from giving information. Our qualified privilege bill attempts to deal with such serious situations. As a matter of fact, newsmen generally do cooperate with lawmen in criminal cases. It is a rare reporter who does not tip off the local law enforcement agencies to such matters that cross his attention, and there are many Prosecuting Attorneys who have expressed concern that the Supreme Court decision is going to cut off this important source since the reporter himself now will be under the same handicaps as the authorities.

Even so, we must acknowledge that there would be some abuses of the qualified privilege but by no stretch of the imagination could these abuses be so frequent or so serious as to endanger the survival of the Democracy. A press hobbled by the *Branzburg, Pappas,* and *Caldwell* decisions could.

Based upon the English experience and our own colonial experience, the framers of our Constitution sought to guarantee the integrity of our government in establishing the independence of co-equal branches of government and insuring the free flow of information to the people. Secrecy in government should be abhorred. The President's wise conclusion to use Executive privilege only in the interest of the public welfare indicates an acceptance of this principle. The re-establishing of the proper boundaries of legislative privilge would encourage Legislators and their staff to continue to conduct a thorough investigation and analysis of issues confronting our society. The legislators will then act upon the true realities involved in each instance as well as keep their constituents well informed of the workings of their government. Based upon a qualified newsman's privilege, the press will continue to have effective networks of confidential sources which will insure the most informed and accurate reporting of the news. All of these privileges play a vital part in the checks and balances necessary to the functioning of a free and Democratic society.

THE OVER-THE-COUNTER DRUG CULTURE

Mr. MOSS. Mr. President, millions of Americans have become dependent upon drugs. I am not referring to hard drugs, but to pills to soothe your stomach, capsules to cure your cold, or antidotes to ease that slight pain in your back, head, or anywhere else that it might occur.

Much of this widespread drug dependency is the result of massive advertising campaigns designed to distort the truth and woo the pained consumer into the false belief that anything and everything can be cured by downing a little mystery substance produced by the miracles of modern science.

In many cases, it simply is not true. The public needs the truth about modern over-the-counter drugs, yet the truth is often hard to come by. Propaganda, on the other hand, is not only easy to come by, it is hard to avoid.

I recently came across a newsletter that could be very useful to the general public. It gives a factual, well-researched, layman's explanation of various drugs, their useful purposes, and points out the areas where they are not useful. The newsletter was produced by an organization called Consumer Action. Now, located in New York City. Because I believe that the public desperately needs such information, I ask unanimous consent that the newsletter be printed in the Record.

There being no objection, the newsletter was ordered to be printed in the Record, as follows:

CAN'S (CONDENSED) DRUG DICTIONARY

The information below is based on research and interviews done by CAN members Irmgard Hunt and Maryann Napoli, with help from Gay Lord. In creating this version it was impossible to include all the in-depth information they gathered. (Our space here is limited.) Prices on over-the-counter (OTC) items mostly come from local New York chain drugstores. Prices on Rx items come from several friendly, though not necessarily representative, neighborhood pharmacies, and will not only vary from state to state, but from store to store on any block in any city. As a consumer aid, where Rx brand names are used, we've tried where possible, to include the generic name besides it in (parentheses).

ANALGESICS, MILD

Mild analgesics are pain relievers. For mild pain. In addition, some analgesics also reduce fever and swelling. The only analgesics that perform all 3 functions are the salicylates: salicylamide, acetylsalicylic acid (aspirin).

A second group reduces only pain and fever (not inflammation): phenacitin, acetaminophen.

For more on these, see under "Aspirin."

A third group, the strongest "mild" analgesics, reduce only pain; codeine (a narcotic), propoxyphene (non-narcotic).

Propoxyphene hydrochloride is the painreliever in Darvon. Because of its limitations, propoxyphene is combined with aspirin, phenacitin and caffeine in a second drug called Darvon Compound, meant to be taken when more than just pain relief is required.

Now the question arises. How effective is Darvon at relieving pain?

A lot of doctors must think it's pretty effective, because according to one source, Darvon is the most frequently prescribed drug in America.

And yet . . . both the "AMA Drug Evaluation, 1971" and "The Physicians Desk Reference" list a roster of adverse reactions from vomiting, dizziness, and impairment of mental ability, to (from excessive doses) coma and convulsion. On the other hand, one pharmacist reassured us that the list of possible perils from almost any drug can sound fairly creepy (if you call that reassurance) but that the chance of actually getting the bad effects are generally rare. Nonetheless, we found enough doubts cast about Darvon to make us wonder why it is "the most frequently prescribed drug in America." For instance—a recent Mayo Clinic study in which aspirin proved to be more effective than Darvon and seven other popular analgesics.

Mild analgesics are not as strong or addictive as narcotics, though all (including aspirin) may be poison if taken improperly. Poisoning can be acute or, more commonly, can take the form of chronic intoxication—which sounds like fun but isn't, and which results from taking high doses for a long time.

These drugs range in price from generic aspirin (at a low of $.17 per 100) to Darvon ($7.95/100) to Talwin—with its own list of side effects (at an average of $15 per 100). We are not able to evaluate pain killers in detail nor on the other hand are we prudish enough to tell you to suffer unaided through intense pain. We do suggest you try aspirin first (it's not the "little nothing" of a drug that its everyday use might lead you to believe). Further, before you take a stronger pain killer, question your doctor about price and other risks, if, at the time, you're in a position to care. (Or to talk.)

ANTIACIDS

They're anti-acids. What they do is neutralize excess acid produced by the stomach. However, they also stimulate the stomach to produce *more* acid. Which also has to be neutralized. So, to compensate for the increase you have to take a little excess antacid. In any case, experts believe that the OTC preparations contain such small amounts of neutralizer that their effect is short-lived.

A widely-used medical school textbook decries the inappropriate use of antacids by both doctors and laymen. On the other hand, it concludes, "when they are truly indicated, they are often used too casually to be of value." In general, some doctors feel they are only "truly indicated" in cases of ulcers or pre-ulcerous conditions, in which case you should see your doctor.

Of the hundreds of OTC antacids available (it's a $104 million-a-year business) there are all sorts of combinations. Some have as many as six ingredients. *Alka Seltzer* ($1.87 per 100) combines an antacid and aspirin, a combination which apparently is not needed to treat mild indigestion—and besides, aspirin isn't so great for some tummies.

Gelusil ($1.69 per 100) adds aluminum salts, which (according to CU) have "no proven therapeutic advantage," and *Di-Gel* ($1.69 per 100) adds simethicone, which may be helpful in that it breaks up gas bubbles, if that's what ails you. If it is, there's also *Mylanta* ($1.55 per 100 or/$1.39 for 12 oz. liquid) which combines simethicone with an effective antacid combination (aluminum hydroxide and magnesium by hydroxide) and is recommended by many doctors specifically "for the relief of flatulence" (which is what you call gas after you've been to medical school).

However, there's a lot of debate about the need for added ingredients which some feel are just an added expense. Further, there's the theory that the simpler products are actually better. Such plain antacids include *Tums, Bell-Ans, Rolaids* (average $.88 per 75 tablets), though tablets, in general, are less effective than liquids.

Consumers Union feels that of all the antacids around, none has been proven better than precipitated chalk, i.e., Calcium Carbonate Precipitate, USP. You can buy 8 oz. of it for $1.65. Chalk, however, causes constipation in some people, which, CU says, can be offset by also using Magnesium Oxide USP (8 oz. $1.25) or Magnesium Carbonate USP (8 oz. $.90) but at that rate, we'd say you're better off with an unchalky branded product.

ANTIBIOTICS

Anti-biotic means "against life" which is a funny name for a life-saver, which antibiotics can often be. They're chemicals that derive from molds or bacteria and that kills or inhibit the growth of other bacteria. Each antibiotic has its own spectrum; that is, it's effective against some forms of bacteria and completely ineffective against others. No antibiotic, however, is effective against common viruses, and yet . . . they are most often prescribed for flu colds and upper respiratory diseases—all virus diseases *against which they are entirely ineffective.**

If you want to talk about drug abuse, the conversation ought to begin with antibiotics. It's been estimated that 75% of those prescribed are unnecessary. According to Dr. Harry Dowling, former chairman of the AMA Council on Drugs, "it is doubtful that the average person has an illness that requires treatment with an antibiotic more often than once every five or ten years."

Even where an antibiotic is justified, the prescription of the wrong one is, unfortunately, not uncommon. For this reason, if there's a doubt about what bug you have, you ought to ask that a culture be taken (where that's possible) to be sure your infection is in fact bacterial), and then to make sure you get the drug that will hit the bacteria you've got. If you do take an antibiotic, take the full number your doctor prescribes. Less than that may not kill the bacteria, but may simply anger it, so it comes back determined to get you.

The use of antibiotics should always be measured on a benefit to risk ratio. Because there are very real risks. 15% of the population is allergic to antibiotics. 5% are sensitive to penicillin, some so severely that even trace amounts (*e.g.*, residues in foods) are potentially fatal. Allergies can build up with exposure. Tomorrow you can become allergic to penicillin because you took it unnecessarily today. (Tomorrow you may need it to save your life and be unable to take it because you're allergic.)

There are other risks, too. Overuse of antibiotics can breed drug-resistant strains of bacteria. It was fear of this that led the FDA to ban these drugs from cattle feed—a ban slated to go into effect this year. It was felt that drug-resistant bacteria could be passed from cattle meat to people and do a lot of us in.

Then, too, antibiotics destroy some of helpful bacteria normally found in our bodies which act to protect us. There is then the danger that other (harmful) bacteria or fungi will take over. When this happens in the intestine the results may be anything from cramps and nausea (not uncommon side effects) to *severe* diarrhea. Adelle Davis advises a vitamin B compound supplement and plenty of yogurt can help your stomach keep its balance. A special risk for women is a side effect of vaginitis, again the result of a drug-caused bacterial imbalance in the vagina. Because this effect is so common, many doctors suggest that women with a history of vaginitis use a vaginal medication (as a preventive) along with antibiotics.

*Though in some cases a doctor may feel antibiotics are indicated to prevent secondary infections.

ASPIRIN

Acetylsalicylic acid is truly a miracle drug. It was discovered in a chemical extracted from willow bark in the 1760's, and found to reduce fever and swelling and to relieve minor pain and tension headaches. It still does these things better than almost anything, though, over 200 years later, we still don't know why. But we're working on it. Meanwhile, the thing we call aspirin continues to work for us.

While evidence keeps mounting that aspirin needs no accompaniment, aspirin combinations continue to promote their superiority. Most doctors will tell you that the sole ingredient that makes these combinations work is the aspirin they all contain ("the ingredient doctors recommend most"). Further, the manufacturers of *Anacin, Bufferin* and *Excedrin* (all combination products) are currently under fire from the FTC for "misleading claims" that one product is faster, stronger, purer or less upsetting than the others. In fact, the extra ingredients may increase the possibility of side effects or allergic reactions.

In the case of Bufferin's claim ("twice as fast as aspirin") tests showed that although it is absorbed into the bloodstream faster, there was nothing to indicate that the speed of pain relief was significantly increased. If your bloodstream happens to be impatient, you may pay $1.10 for 100 Bufferin, as opposed to $.17 to $.39 for 100 generic aspirin or $.69 for 100 branded Bayer.

Adding caffeine to aspirin gives you Anacin. For that bonus you pay $1.29 per 100. We asked Whitehall Laboratories (the makers of Anacin) to tell us why they put it in there, and were told that it "acts as an uplift" and "raises your mood," and though they admit they can't prove physiologically *why* it works better than plain aspirin, their own tests prove that it *does*. The amount of caffeine in two Anacin, by the way, is equivalent to that in a half cup of brewed coffee, so if you find the combination helpful, you might try two plain aspirin with a half cup of brewed coffee.

On the other hand, there's this: A recent study showed caffeine actually inhibits aspirin's fever-reducing ability.

Excedrin ($1.36 per 100) is aspirin combined with caffeine (the merits of which are noted above) plus two other analgesics: salicylamide (considered a less effective pain reliever than aspirin) and acetaminophen (roughly equivalent to aspirin, but lacking its anti-inflammatory action). Acetaminophen's chief merit is that it can be taken by those allergic to aspirin (an advantage which is, of course, cancelled out by combining it *with* aspirin).

So much for extra added ingredients. Now—what about the extra added prestige of a national brand name?

The FTC says there is no recognized clinical study to show that a 5 grain Bayer Aspirin tablet is any better than any other 5 grain aspirin tablet. (The study Bayer promotes on television is the company's own, and as such, not officially "recognized.")

Bayer Aspirin costs somewhere between two to four times as much as other aspirin. The proof offered that it's worth it seems fairly marginal, if not downright baroque on many counts. However, their much-better-than-USP standards for limiting irritants and for speed of disintegration (30 seconds as opposed to 5 or more minutes) are indeed impressive—at least 'til you read through the sentence structure and find that so are the standards for many (though *not* all) generic versions.

If price difference is no obstacle, then, send for Bayer's free booklet (Dept. M, 90 Park Avenue, NYC 10016) and let them try to convince you to grin and Bayer it.

Consumers Union, for one, remains unconvinced. They feel you're better off buying the least expensive USP aspirin you can find—just don't buy it in large economy sizes, since it can deteriorate over time, clues to which are a vinegary smell and a tendency to crumble.

Caution: Aspirin is a truly potent drug. According to Dr. Richard Farr, head of the Department of Allergy and Clinical Immunology at the National Jewish Hospital in Denver, one in 500 people react adversely to it, and allergy can develop at any time. Symptoms may mirror an asthma attack, which may occur up to 3 hours after taking the pill, and may recur even after the drug is discontinued. Others get hives, and still others may hemorrhage. Dr. Farr suggests that those with ulcers, asthma, blood clotting problems and recurring sinus trouble are likely candidates for an aspirin reaction. He feels the drug should not be taken for one week before surgery or when labor is imminent, and that it should be used with great caution during the first 3 months of pregnancy. This is not meant to scare you forever off aspirin, but to warn you to use it with discrimination, and to keep it out of children's reach. (Flavored aspirin is the drug most frequently involved in childhood poisoning. A single dose of 10 grams—33 tablets—may be fatal to an adult.)

"COLD REMEDIES" ANTIHISTAMINES ET AL.

As everybody's grandmother once said, "If you leave a cold alone, it lasts a week, but if you treat it, it lasts only seven days." And that's still about the size of it. Americans spend over $500 million a year for cold remedies, and recent FDA evaluations seem to conclude that we aren't getting our money's worth.

First of all, none of these products are "remedies" in the sense that remedy implies cure. At best they help relieve symptoms—in itself a laudable goal—but one not to be confused with either cure or prevention, of which none exist. When you have a cold, you're sick, and if you don't take care of yourself, you can get sicker. And that, since time immemorial, is that.

Dr. Linus Pauling sold a lot of books and a lot of Vitamin C by claiming that several grams of it a day can reduce your chance of catching cold and/or reduce a cold's duration and severity. If you want to conduct your own experiment, comparison shop for vitamins. The price range for the same milligrammage is indeed appalling.

Now, about antihistamines.

What they are is—anti-histamines. Chemicals that work against the effects of histamines, which are natural substances released by certain cells and tissues in your body in response to irritation. Histamines produce secretions, inflammation and dilation of blood vessels. Antihistamines dry up most secretions and shrink things back to size.

Pollens and other allergens are irritants that set off histamines, and therefore these drugs are useful in treating hay fever and other allergies—allergies which, by the way, are often thought to be colds or "sinus trouble," the symptoms often being identical.

Some antihistamines can also suppress travel sickness and morning sickness. They can also suppress you. Slow your reflexes and make you drowsy or unable to concentrate. Therefore they should not be taken before driving (or final exams). Given this particular side effect, antihistamines also show up as a major ingredient in most OTC sleeping pills (see Non-Barbiturates). On the other hand, some antihistamines, including *Coriciden* ($3.98 per 100), have caffeine to counter this natural drugging effect. But in any case, antihistamines and alcohol do not mix.

The antihistamine in *Contac* ($1.69 for 10) is chlorpheniamine, which is combined with a large dose of a mucous membrane decongestant, and with belladonna alkaloids and related compounds, all of whose goals is to create drought in your T-zone.

As to the use of antihistamines for colds, the FDA concludes that "the majority of carefully controlled studies . . . disclosed no alleviation of symptoms or shortening of duration of symptoms of colds."

Further, some doctors feel that some OTC products are too strong, that they may over-dry the mucous membranes thereby causing more irritation to already irritated tissue.

(While you might want to take your sinuses to Arizona, the goal is not to turn your sinuses *into* Arizona.) In general, if antihistamines are called for, your doctor can prescribe one in the right strength for you, probably at a money-saving price. If you're buying OTC, ask you druggist what's mildest and simplest. Some drugstore house brands are, and are also less expensive.

Further notes: At an interview after last December's Senate hearings on drugs, Dr. William I. Hewitt, chairman of the Division of Infectious Diseases at UCLA Medical School, warned that patients should avoid fixed combinations unless they need all the ingredients. "For example," he said, "there's no need for an antihistamine unless the individual has a running nose. Some fixed combinations—Coriden, for instance—contain the average amount of aspirin to be taken every four hours. But the patient who takes the tablet that often will receive a higher dosage of antihistamine than is needed every four hours, assuming he needs antihistamine at all."

Nyquil ($.94 for 10 oz.), heavily promoted on television as a "night-time cold remedy," has an even more interesting ingredient story. According to Dr. Donald C. Labracque, former research director of Vic Laboratories, makers of Nyquil, "it puts people to sleep because it contains 25% alcohol." He suggested a glass of sherry would be as effective. We'd suggest it's a lot more fun. And make ours Harvey's, on the rocks.

DIURETICS

"Diuretics are used to reduce the volume of extracellular fluid in order to eliminate edema or prevent its development. They enhance urinary excretion of sodium (salt) and water, and inhibit reabsorption of sodium into the body." All of which means they get rid of bloat by making you powder your nose a lot.

The fluids in our body are maintained at a very delicate balance (50% of a fat man's weight is fluid, and about 70% of a thin man's). When this balance is upset (when excess water is retained) treatment may be required. The cause may be pregnancy, monthly ovulation, the effects of operations, burns or other trauma, congestive heart failure and kidney disease. In any case you find you're retaining excess water, see your doctor.

Of the 6 different groups of prescription diuretics, the most commonly given pills are the thiazides and related compounds. Their dosage should be carefully regulated as they may also rob the body of potassium, causing "hypokalemia" (potassium deficiency) whose symptoms are muscular spasms (in bad cases, paralysis), weakness, dizziness and irregular heartbeat. Doctors recommend increasing your intake of foods containing potassium (oranges, bananas, wheat germ, etc. and vegetables such as broccoli and kale). Hypokalemia can occur with all of the thiazides. There's no marked difference between them in that regard.

The onset and duration of the flood, however, varies slightly from product to product. With *Esidrix, HydroDiuril* and *Oretic* (hydrochlorothiazide) diuresis occurs in a few hours and lasts about 12 hours. With *Renese* (polythiazide) the onset occurs within 2 hours and lasts up to 48. Other popular Rx's are *Diuril* (chlorothiazide), and *Enduron* (x methyl clothiazide). Thiazides should be used with great discrimination (if at all) during pregnancy, and should be prescribed only by a doctor who knows your complete history. (Some existing conditions, and some other drugs, may contraindicate diuretics.)

The OTC diuretics are mostly herbal preparations—and a whole other thing. Herbs and teas have long been used as folk-medicine diuretics. The ingredients of modern-day *Diuraid* ($2.98 for 100) are based on an ancient recipe: asparagus, uva ursi (dried leaves of the mountain box), buchu (dried South American shrub leaves), corn silk, oil juniper and licorice. Two more interesting herbs in *Hydrex* ($3.49 for 90) are couch grass (witch grass) and extract hydrangea (dried shrub root). Rexall's herbal potion sells at 60 for $1.54, which, if we remember our fractions, makes it least expensive. All labels here warn against use in cases of high blood pressure induced by kidney disorders or with organic or systemic disease.

There are also OTC chemical diuretics. For instance, Pamprin (24 for $1.12), which is made from 25 mg. Pamabrom (the only chemical diuretic that can be sold over-the-counter), 125 mg. Phenacetin Salicilamide (an analgesic) and Pyrilamine Maleate (an antihistamine). The product's brand manager still considers it mostly a diuretic. Taken four to five days before menstruation, he says it helps relieve tension, cramps, etc., which are caused by extra fluid stored in the cells. Pamabrom is their own "discovery," but they do sell it to manufacturers of similar OTC pills, for instance Trandar (24 for $1.35)!

HEMORRHOID PREPARATIONS

Hemorrhoids are varicose veins in the worst possible place. These swollen veins, which slow down blood circulation, can be internal, where they may bleed but won't hurt, or external, where they may bleed and hurt a lot. They can be caused by chronic constipation, by straining to move bowels, or by the forceful expulsion that may result from taking laxatives. Pregnancy or a chronic cough can cause them and so can strenuous physical exercise. Sometimes nothing "causes" them; they just happen. Usually, they go away by themselves in time, at least the minor ones, once proper bowel function is restored or other causes removed. However, self-treatment in more severe cases may prolong or aggravate the condition, whereas a doctor can often prevent it from becoming severe. Occasionally, external hemorrhoids break open and may require surgery.

To relieve pain, doctors recommend taking warm 15-minute baths three or four times a day. Sitz baths (mini-bathtubs that fit over the toilet seat) allow you to confine the bathing to what needs to be bathed.

As for OTC products, suppositories are considered generally useless in that they bypass external hemorrhoids and don't do anything to stop the bleeding of the internal ones.

The "AMA Drug Evaluation" tells us that the ingredients of the ointments are usually an anesthetic (Benzocain, Pontocain, Nupercain) which may be helpful in relieving external pain. The use of things like bismuth salts, menthol or peppermint camphor is considered "irrational," as is Peruvian Balsam, a mild antiseptic with parasitical action, whose presence is "supported more by tradition than by convincing data." Other ingredients may be belladonna (to check secretion), optimum (as analgesic), vitamins (?) and a weak antiseptic.

Preparation H (1 oz., $1.45), a concoction of live yeast cells ("Bio-Dyne"), shark liver oil and phenylmercuric nitrate (an antiseptic and a no-no; see Skin Medication) seemed to us to be a definitive over-the-counter con. The manufacture's medical director explained the ingredients: Shark liver oil contains vitamins A and D which may be beneficial to the skin. (According to a pharmacological text, vitamin A has been applied to burns and wounds "for reasons that do not bear scientific scrutiny.") The live yeast cells are supposed to increase the oxygen intake of the blood, which, he told us, increases healing of cell tissue. (A process which, if you believe in the theory, could be accomplished by Vitamin E oil—if you believe in the theory.) Probably the most useful ingredient is the ointment base, whose function might be as easily filled by Vaseline.

Anusol ($1.57 an oz.) contains cocoa butter (a skin softener and protector) and zinc oxide (prevents friction and absorbs moisture which in turn "discourages the growth of bacteria"). *Anusol HC* (Rx) adds hydrocortisone (an anti-inflammatory). The AMA feels one of the most sensible preparations is *Rectal Medicane* ($1.59 for 1½ oz.) and its HC version. It contains an anesthetic, antiseptic, emollient and protectant, plus the optional HC. *Wyanoids* (Rx) are warned against because they contain belladonna, of which its label also bears dire warnings.

HYPNOTICS (RX)

Call them sleeping pills, sedatives, "sopors" or "downs," they come in two forms, barbiturates and non-barbiturates. And contrary to popular opinion, non-barbiturate does not mean non-addicting.

BARBITURATES

There's *Seconal* (sodium secobarbital), *Nembutal* (sodium pentobarbital), *Amytal* (sodium amobarbital), *Tuinal* (sodium secobarbital and sodium amobarbital) and *Luminal* (Phenobarbital), which are known, among other things, as Butals, Yellow Jackets, Amys and Twotes. (We didn't hang around that street corner long enough to learn the rest.) With a prescription, you can buy these drugs for as little as $.84 per 100.

Barbiturates are depressants, producing anything from mild sedation to coma. They're used as sedatives and/or minor tranquilizers. As with all such drugs, they don't "cure" anxiety or insomnia and may in fact obscure the underlying psychological causes. All these drugs can be habit forming, and withdrawal symptoms can be dangerous, painful and severe, involving convulsions, hallucinations and delusions. Those who use these drugs "for fun" quickly develop a tolerance and need larger and larger doses. Such users commit three times as many violent crimes as do heroin addicts, and may develop paranoid and delusionary behavior. Barbiturate poisoning has become a major factor in urban medical centers, either in suicide attempts or in accidental overdoses caused by drug-induced confusion (you take one and forget you did, so you take another and forget you did, so you . . .).

800,000 pounds of barbiturates are produced in America each year, which translates into 33 capsules for every man, woman and child, or 132 per average family. The teenagers aside, Mommy is more likely to take them than Daddy, especially if she also has a job. Projections indicate that 8% of all working women in the U.S. use them regularly.

And further, the same study shows that 19% get them "by means other than prescription" and 39% use them "not according to doctors' directions."

A similar group of sedatives are the Chloral Hydrates USP, branded as Felsules and Noctec.

NONBARBITURATES (SOPORIFICS)

These include *Doriden* (glutethimide), sometimes called "Ciba," and *Quaalude* (methaqualon).

Measure for measure, these are less potent than the barbiturates but death from an overdose is just as possible, if not more so (e.g., Doriden). Prolonged use can lead to dependence. Withdrawal symptoms are more severe than withdrawal from opiates and may resemble epilepsy, with grand mal convulsions lasting up to three days, which may lead to coma and death. Interaction with alcohol or opiates may also be fatal.

Side effects are drowsiness, lethargy and hangover, or a paradoxical "high"—restlessness and excitement. The combination down/up cool/buzz makes these drugs the new tops on the street scene, outmoding the souped up schizz of speed and the mystic psychosis of peyote and acid, and leaving to the Over-30 the rose-colored grasses of marijuana and hash, which seem, in retrospect, the Pink Lady's of the drug scene.

LAXATIVES

Americans are obsessed with "regularity." Nice people (we firmly believe) go to the bathroom every day. It's the healthy thing to do. A recent FDA study showed that 2/3 of us believe that, and so, in an effort to be nice and "healthy," we do indeed try to "go every day"—a definitive exercise of mind over matter. Nature, it so happens, doesn't work that way. And doctors confirm that "regular" varies from person to person, and for some can be defined as once or twice a week. But who's counting?

And yet, there are 500 brands of laxatives in our drugstores and we buy $210 million worth of them every year. Some of them claim to be gentle enough for children, some claim to be gentle enough for Grandpa and now, for all you female separatists, we have *Correctol*, "the woman's gentle laxative" (for your more delicate large intestine?) with added (are you ready?) moisturizers.

One thing ought to be made clear at the start. Measuring the relative gentleness of laxatives is like measuring the relative smallness of elephants. Even a small elephant is big. And even a gentle laxative is harsh. *Serutan* ("'Natures' spelled backwards") notwithstanding, there is no such thing as a natural, or totally harmless, laxative. In fact, in many cases laxatives do more harm than good. They can rob the body of essential nutrients, and their overuse or misuse can irritate and inflame the colon, cause hemorrhoids, chronic constipation, and dependence. Further, continued use can mask a serious underlying problem. If that problem happens to be appendicitis, a laxative may cause a rupture and peritonitis, and if the one doesn't kill you, the other well may.

An occasional laxative for temporary constipation may be acceptable, but better still, just relax, drink more liquids and "let nature take its course," which isn't just dumb advice, since tension is a cause of constipation. Try prunes, figs, apricots or bran (an absence of roughage and/or fluids is a major cause of constipation). If you must take a laxative, the mildest they come is Milk of Magnesia, of which there's *Phillips* (12 oz., $.88) or Milk of Magnesia USP (12 oz., $.49). Also Senna Tea USP (10 oz., $.72).

If constipation is caused by dry hard stools, diocytl sodium sulfocuccinate N.F. in the form of an oral capsule softens stools by allowing water and fats to permeate them, and doesn't cause the kind of instant diarrhea you often get from laxatives. The difference in price betwen the generic drug and the brand name (Colace) is enough to make the mind boggle. These capsules may be taken by children over 6 years old (ask your pediatrician). And take note: The chronic use of laxatives, enemas or suppositories for children may be psychologically as well as physically damaging.

NARCOTICS (STRONG ANALGESICS)

All narcotics are subject to control under the federal narcotics law. They are prescribed on special numbered prescription pads, copies of which must be officially filed. Narcotics are used medically to combat severe pain and all are addicting if taken over a period of time—a period which may be as short as three days.

Codeine and morphine are both compounds of opium, which is found in poppy plant seeds. (Raw opium is rarely used.) Morphine is the strongest natural narcotic around. It kills pain often without producing sleep. It causes euphoria in some, discomfort in others and mental fuzz in everyone. Dull continuous pain is relieved more effectively than sharp intermittent pain, but in sufficiently high doses, morphine can kill even the severe pain of terminal illness. In higher doses, it can also kill you.

The semi-synthetic morphine derivatives are close in effect. These include Dilaudid (hydromorphine) and Numorphan (oxymorphine). Heroin is also in this group. And there's nothing to say about it that hasn't been said.

Totally synthetic (and less expensive) drugs resembling morphine include Demerol (meperidine), Nisentil (alphaprodine), Levo Dromoran (levorphanol) and Methadone. These analgesics are more commonly given for pain relief and are also addicting. Methadone has been given to heroin addicts as "maintenance" and to prevent withdrawal symptoms which are severe and can be fatal. Unfortunately, in some cases, so can methadone.

PLACEBO

A placebo is a dummy pill made of an inert substance. In drug testing, placebos made to look exactly like the real drug are used as controls. Neither the patient nor the doctors know which group has been given which pills. (This is known as a "double blind test.") Often placebos come up with a remarkable cure rate, as they did in the Mayo Clinic's recent study of prescription painkillers—underscoring the fact that mental attitude has a lot to do with the effectiveness of drugs. Very often a doctor's communication of confidence in a particular drug is enough for many patients to believe it will work. The same principle applies to over-the-counter drugs, and in some cases it may be that the advertising claims instill the confidence.

SKIN CREAMS

For dermatitis, first aid, burns

Eczema and psioriasis are common skin diseases for which several OTC products claim to offer "relief." The symptoms are red patches and white scales, whose duration may be brief or chronic and whose causes are still unknown. In their more virulent forms they defy all medical science, let alone a "cure" by drugstore glop.

Two widely-advertised drugstore glops are *Tegrin* (2 oz., $3.17) and *Psorex* (2 oz., $2.98). Ingredients of both are allantoin (an antiseptic and possible allergen) and, in Tegrin, a "specially refined coal tar derivative" which may or may not be the same thing as *Psorex's* "Coal Tar U.S.P." At any rate, from what we know of coal tar from our study of cosmetics, coal tar itself is a likely allergen, though the AMA Drug Evaluation considers it useful in treating dermatitis. Both products promise temporary relief from symptoms, *Tegrin* backing up its claim with test results showing its relief rate was, among other things, "excellent in 45.3% cases." When pressed for further information, like what kind of cases, and whose test, they refused to comment. Home treatment for such skin problems can often do more harm than good (you're putting harsh chemicals on irritated skin) so see a dermatologist! This only safe do-it-yourself remedy is watery soaks and compresses.

According to CU, first aid ingredients which may cause possible irritation or allergy include the cumulative mercury compounds (anything with the word "mercury" in it), silver compounds (silver nitrate, et. al.), sulfonamids, antihistamines, antibiotics and local anesthetics such as Benzocaine and Nupercaine. Further, they say phenols (carbolic acid) may also penetrate the skin, causing systemic reactions. Though phenols show up in Listerine Antiseptic, Listerine says they've had no complaints, but laymen wouldn't necessarily relate a systemic reaction to what they've put on a cut a week ago.

Isopropyl alcohol USP is considered a very adequate and gentle antiseptic, "devoid of allergic effects," and may be used for cleaning around—never in—wounds. Since all antiseptics should be kept out of wounds, the hard-to-control sprays and aerosols should be avoided.

Bis-phenols (hexachlorophene, bithionol) are proven effective against staph germs (a common cause of skin infection) but are controversial, especially since they can enter the blood stream through open wounds and burns, though this seems of more concern for infants. But for this reason, hexachlorophene is now sold Rx only.

No OTC burn ointment seems to have anything good to be said about it. Ice cold water is the best and soundest way to treat a burn and relieve immediate pain. Keep it up as long as you can stand it. And after that if you're still having problems, see a doctor. Burns over large areas should be treated by a doctor immediately, no matter how seemingly casual they may be. Vitamin E, so says the underground press, can help prevent burn scarring, but should probably not be put on a brand new red hot burn. Check your doctor. He may think it's nonsense but at least get his assurance that it won't be harmful. Then it's up to you. (For acne treatments and other "cosmetic" skin products, send $1.00 for our back-issue on cosmetics.)

SLEEPING PILLS (OTC)

There are more than 90 non-prescription sleep aids for sale and at least 100 sedatives or "relaxants." Often the only difference between the two kinds of pills are the bottles they come in and the way they're advertised.

Typical ingredients are methapyriline hydrochloride (an antihistamine), scopalimin (a mild sedative derived from belladonna, which tends to depress the central nervous system), occasionally salicylamide (an analgesic), sometimes bromides (ammonium, potassium or sodium) and in *Compoz*, B vitamins and "extract of passion flower."

The effectiveness of these products is open to discussion. FDA Commissioner Charles Edwards says a pill of 50 mg methapyriline and .5 mg scopalomin is no more effective in tests than a placebo, and the AMA adds that antihistamines are unreliable as sedatives (they may sometimes act as stimulants) and that most people acquire a tolerance to them. Further, Dr. Edwards states that the dosage level of scopalomin in most sleep tablets is such that it "may not contribute much to the hypnotic effect, but may be toxic to susceptible individuals." According to a University of Pennsylvania study, scopalomin can also produce "blurred vision, increased pressure in the eye, urinary retention and, at high doses, mental confusion, excitement, delirium." Bromides are of limited usefulness because of their cumulative toxicity—the body stores them and the store may reach toxic levels. Overuse or overdosage may produce "untoward reaction" including "behavioral abnormalities."

Widely advertised products include *Compoz* ($2.19 for 30), *Sominex* ($1.25 for 16), *Sleep-Eze* ($1.57 for 26) and *Nytol* ($3.49 for 76), compared to drugstore house brands, for instance Rexall's ($1.80 for 100).

A quick glance at a Sominex label is enough to make us start losing sleep. "Caution: discontinue in case of dizziness, blurring of vision or rapid pulse," the latter, not-very-restful state is a not-uncommon side effect we hear, through others have compared the sensation of these drugs to that of being put out by an anesthetic. We are further cautioned by the label that the product is "not for prolonged use." On this, as on other bedtime questions, we're inclined to think it's a good idea not to start anything you can't finish.

STIMULANTS

Caffeine

Over-the-counter "ups" include *No Doz* ($1.59 for 100), *Vivarin* ($3.59 for 80), *Comeback* $.98 for 24) and, for comparison, Rexall's *Wake-eze* ($.89 for 100). What's "up" about these products is caffeine, a natural stimulant found in coffee (5½ oz. Brewed: 100 mgs.; instant: 75 mgs.), tea (5½ oz.: 75 mgs.) and cola (10 oz.: 25–37 mgs.). Keep those mgs. in mind while you read the caffeine content on the following drug labels: *No Doz* (1 tablet, 100 mgs), *Vivarin* (1 tablet, 100 mgs.), *Comeback* (1 tablet, 75 mgs.) and *Wake-eze* (1 tablet, 100 mgs.).

If you want to check out the sheer economics of it all, consider Vivarin. Each pill equals two small cups—or one mug—of coffee, or 80 mugs for $3.59. Now consider Taster's Choice coffee: 120 cups for $1.87. The comparison isn't entirely fair because Vivarin's other (and only other) ingredient is sugar (dextrose), which, if you happen to take it in your coffee, might up the price by a few mills. (Vivarin, by the way, contains no cream.)

Comeback contains two analgesics, and Wake-eze is pure caffeine.

Caffeine is also found in small amounts in products advertised basically as analgesics (e.g., APC, Anacin, Midol and Cope) and in antihistamines as a counteractant to their drugging effects.

Amphetamines

Ups, speed, pep pills: amphetamines. By Rx only (or so they say), some are *Dexedrine* ($2.66 per 100) and *Benzedrine* ($2.26 per 100), which are twice as strong as Dexedrine.

Amphetamines can make you feel good. On the other hand, they can kill you. Short of that, they can cause mental illness and get you hooked faster than heroin. Side effects include irritability, restlessness, insomnia, rapid heart beat and dry mouth. Withdrawal symptoms are extreme depression and lethargy. By injection, amphetamines are much more likely to be lethal.

In 1971, America produced 12 billion doses of amphetamine. Manufacturers wanted to increase that by 70% last year, but the Justice Department stepped in and cut production by 40%, and may cut it 50% more in 1973. Half the legally-made amphets and all the illegal stuff goes to the black market and then into making home cooked speed, which often contains such other homey things as baking powder, quinine and epsom salt.

According to a California study, one out of five American adults admits to long term use of the drug, abuse often starting as early as the 5th and 6th grades. High schools are becoming just that—"high" schools—15–20% of the kids are on it. The army has become the biggest buyer, and so, apparently, has the Haut Culture. The New York Times recently told tales of our local Dr. Max Jacobson whose list of (alleged) legal speed freaks included some of your (allegedly) favorite Beautiful People, some of whom (allegedly) had to be hospitalized for extreme withdrawal symptoms, several of whom (allegedly) had complete mental breakdowns, and at least one of whom (allegedly) died from amphetamine residues. Neither the FDA nor the AMA has taken action to prevent Jacobson from practicing. The FDA once seized his stock of federally controlled drugs, an action that is currently being contested before the courts. As of this writing, the use of amphetamines is under official re-examination.

TRANQUILIZERS (RX)

Minor anti-anxiety drugs, relaxants

The fact that mind-changing drugs work seems to confirm the connection between mind and body. That a tranquilizer, a chemical fed to and metabolized by the body, can alter a state of mind seems to indicate that states of mind themselves are, in some way chemical. Nobody really knows. Nor do they know why these drugs have an anti-anxiety effect. But they do. In a recent double blind test, 50% of the patients given a tranquilizer improved significantly. However, 50% of the patients given a placebo improved significantly. Which may prove that if the trouble is all in your mind, so is the cure. On the other hand, it's generally agreed that these drugs do restore calm and bring relief from worry, tension and anxiety.

There are, however, two kinds of anxiety—there's anxiety and then there's anxiety. Some anxiety is a normal, healthy reaction to an abnormal, unhealthy situation. In which case the situation, not the reaction, should be changed. Within bounds, emotions like anger and grief are better expressed and felt than masked and numbed. On the other hand, if your tension, anxiety and anger leave you with a more or less constant state of jitters, or if you're prone to sudden, inexplicable "panic,' you probably ought to be taking therapy or analysis along with (if not instead of) your pills.

If its occurred to you to question the Womens Lib premise that women in American society live under special stress, you might note that a Ladies Home Journal study shows that the majority of users of every kind of drug, except non-barbiturate sedatives, are women.

Caution: Tranquilizers are not without possible side effects and may become habit forming with prolonged use. They should not be taken with alcohol, antihistamines or other sedatives.

The most popular tranquilizers (and their generic equivalents) are Valium (diazepam), Librium (chlordiazepoxide) Miltown and Equanil (both meprobamate). The price difference between a brand name and a generic version can be as high as $6 or more per 100.

MAJOR ANTIPSYCHOTIC DRUGS

Most of these drugs are phenothiazines: Thorazine (chlorpromazine hydrochloride), Mellaril (thioridazine), Compazine (prochloroperazine) and Serpasil (reserpine). While you may have come across a drug like Compazine sometime or other in everyday life (it's used to counter nausea and to counter vomiting), you probably haven't used it in the strengths (e.g., 25 mg. capsules) that make it qualify as a major tranquilizer.

These drugs are basically used in the treatment of psychotic states, and have proven to be fairly miraculous for those with acute schizophrenia (about 1% of the population). They soothe and sedate, reducing anxiety, hostility, paranoid symptoms, hallucinations and delusions, often allowing patients to leave hospitals and lead fairly constructive lives. Because of unpleasant side effects—slurred speech, tremors, restlessness, jerky movements, liver impairment and, for reserpine, possible impotence, among others—these drugs are probably the least misused, at least where the user has anything to say about it.

Recently, charges have been made by institutionalized patients and prisoners that they have been unfairly, unnecessarily and unendurably drugged. Some prison doctors have warily confirmed this, and some psychoanalysts, notably R. D. Laing, have decried the practice as chemical violation. This view was not shared by an assistant professor of psychiatry at Columbia Presbyterian Hospital whom we interviewed. He felt that the trouble with institutional care is a lack of medical and nursing personnel (there are 200 patients to one doctor at some state institutions)—a ratio that leads to a general neglect of the individual patient. It may then happen that some are kept on drugs for too long, but on the other hand, others who need the drugs may not be getting them. He doubts that there is an intentional "drug-them-all" policy, at least in the hospitals with which he's familiar.

If such drugs are ever called for, they are usually taken over a long period of time and comparison pricing can be important. Some drug-stores, for instance, pay $39.50 for 1000 25 mg tablets of Serpasil, whereas the generic reserpine costs only $2.25 per 1000 and is available from several reputable firms.

RESPONSIVENESS WITH FISCAL RESPONSIBILITY: REFORMING THE FEDERAL BUDGETARY PROCESS

Mr. MATHIAS. Mr. President, there are many serious problems facing the Congress at this time. Three of the most pressing are: First, the need for wise expenditure of public moneys, and the related need for a means of considering our national priorities; second, the requirement that fiscal responsibility be maintained; and third, the question of the division of power between the executive branch and Congress.

These three problems come together in the consideration of the procedures Congress employs in passing the Federal budget. The procedure we have followed in the past may only be described as chaotic. Appropriations bills are considered seratim, as if they were unrelated to available revenues and unrelated to the total amount of expenditures. The size of the Federal budget and the amount, or even the existence, of a surplus or deficit are almost mystical events; we find out about them only at the end of a session by totaling up the amounts we have appropriated and comparing this total to estimated revenues. As far as the Congress is concerned, the budget is not planned. Instead, like topsy, it just grows. And without planning there can be no rational consideration of competing national priorities, nor can the final budget be fiscally sound except, again, by accident. This lack of a coherent congressional budgetary process has legitimized for many concerned citizens the President's attempt to seize Congress' power over the purse.

The call for reform of our budget procedures has recently been enunciated in many quarters. Many Members of both Houses pleaded for it during the spending ceiling debate last year. It was one of the most frequently mentioned points in the hearings of the ad hoc Committee on Congressional Reform, co-chaired by Senator STEVENSON and myself last December. Further, many media people in their comments on the conflict between the Executive and Congress over the budget have noted the need for such reform. The recognition of this need led me to sponsor, with Senator STEVENSON, S. 905, which proposed systematic and rational budget procedures, and with a bill sponsored by Senator BARTLETT, which aims at the same goal.

For these reasons, I was pleased when I examined the report of the Joint Study Committee on Budget Control, which was released on April 18. I consider the recommendations contained in this report to be a major step toward a sound and rational alternative to our present budgetary process. We may need to modify some of the details of some specific recommendations, but the general thrust and goals of the proposals certainly deserve our strong support.

RECOMMENDATIONS OF THE JOINT COMMITTEE

The Special Joint Committee recommends a number of basic changes in our procedures. It proposes the creation of a special budget committee in each House, one-third of the members of which would be drawn from the appropriations committees, one-third from the tax committees, and one-third from the legislative committees generally. The two committees would be served by a highly professional, nonpartisan staff headed by a legislative budget director.

At the beginning of each session, the House Budget Committee would report a concurrent resolution which would provide overall limitations on budget outlays and new budget authority, provide for the appropriate level of revenue collections and level of the public debt, and divide up the maximum permitted budget outlays and new budget authority among the various subcommittees of the appropriations committees. Allocations would also be made to other committees having jurisdiction over budget outlays and new budget authority. In addition, the resolution would also contain a surplus or deficit figure which the committee deemed appropriate for the year.

Action on this resolution would be required to be completed by May 1, in order to permit sufficient time for consideration of appropriations bills. If the resolution were not passed by May 1, the limitations on outlays and budget authority, the estimated receipts and projected deficit or surplus and the allocation which the President provides in his budget which are covered by any appropriation, tax, or public debt bill would be treated as the applicable limitations or estimates, until Congress passes a concurrent resolution. In the fall, the Congress would consider a second concurrent resolution which would contain final limits and estimates corresponding to those in the first resolution.

Since the first resolution will be considered early in the session, little information will be available on new programs. Therefore, the first resolution would contain a contingency fund to cover new programs and the possible expansion of existing programs. The amounts in the contingency fund would be allocated in the second concurrent resolution. In order to provide some leeway in making the allocations to the *Appropriations Committees' subcommittees*, a special reserve of up to 2 percent of the amount allocated to the Appropriations Committees would be established for these committees to allocate among the various programs as they act on appropriations bills.

The limitations provided in the concurrent resolutions would cover all existing spending and budget authority not just that presently going through the Appropriations Committees. The Joint Study Committee also recommends that, in the case of congressional action providing new program funding, all budget outlays be provided through the Appropriations Committees, except in the case of trust funds created by the levying of a new tax.

In order to insure that a choice would be made among competing priorities, a rule of consistency would be imposed on floor amendments. If an amendment increasing funds for any purpose were offered to the resolution on the floor, the amendment would also have to provide for a commensurate decrease in other categories, or alternatively an increase in the overall limitation with provision for either a debt or tax increase.

To be sure that the limitations in the concurrent resolutions are maintained, the Joint Study Committee proposes a number of rules changes. The Congress would not be able to consider any appropriations bill until it completed action on the first concurrent resolution—or until May 1, when the budegt limitations would become effective. Amendments to the limitations on budget outlays and new budget authority would only be permitted in the concurrent resolutions. Any appropriation measure or other bill affecting expenditures or new budget authority which calls for more to be spent or appropriated than provided in the most recent concurrent resolution would not be permitted. Compliance with these rules and the rule of consistency would be obtained by enabling individual members to raise points of order if the rules are not complied with. These points of order could be waived only in the case of a rule to that effect approved by a two-thirds vote of the House or the Senate.

Finally, the Joint Study Committee recommends certain improvements in appropriations and tax procedures. Included among these is one of the key proposals of the entire package. It is anticipated that, after the second concurrent resolution is acted upon, it may be necessary to provide additional funds for spending in the current year. In this case there would be a final wrapup appropriations bill. If estimated receipts plus the appropriate deficit, as specified in the second concurrent resolution, did not equal estimated expenditures, a surcharge would be imposed on personal and corporate income taxes. The surcharge which would be applicable in the next year would be sufficient to bring about this balance.

EFFECTS OF THESE PROPOSALS

The recommendations of the Joint Study Committee would, if accepted, have a number of significant effects. First, the proposed new budget procedures would force the Congress to annually reassess our national priorities. This would happen in two ways. The allocation of outlays and new budget authority to broad categories in the concurrent resolution would permit the Congress to decide at the outset of a session how the competing demands of national defense and human needs should be balanced. In addition, the limits placed on these broad policy categories would require the consideration of competing priorities within each category. This would, I believe, lead to a more diligent assessment of how well existing programs are working and the elimination of those programs which are not accomplishing their purpose.

Second, the committee's proposals would meet the need for fiscal responsibility. The Congress would decide at the beginning of the year how much we can afford to spend, what our likely revenues are, whether the level of taxes should be adjusted, how much money should be allocated to various program categories, and what is the permissible level of deficit or surplus. Then, once we have made these decisions, we would be forced to live within their limitations. The requirement that, if at the end of the year we find that revenues plus the permissible deficit do not equal projected spending, a tax surcharge would be imposed, will insure against the kind of runaway deficits we have experienced in recent years. Additionally, the new procedures are attractive because they are neutral among the conflicting views of what is sound fiscal policy contained in the Congress. That is, the procedures do not require a budget surplus nor preclude a deficit.

They simply demand that we assess at the outset the economic condition of the country, decide what level of deficit or surplus conditions require, and then stick to that decision. Thus, we would be justified in resisting Presidential attempts to impound funds not only by the Constitution, as we are now, but also by sound and responsible budgetary procedures.

A third effect of the proposed procedures is that they would help to halt the growth of the uncontrollable portion of the budget and would limit the future use of backdoor spending. It is difficult to see how we can either reconsider our priorities or guarantee fiscal responsibility if, as is true of the spending estimate for fiscal 1974, approximatelly 75 percent of the spending is associated with items not to be considered in the appropriations process. The proposed requirements that in the future permanent appropriations—other than those for trust funds—only be permitted in appropriation bills and that backdoor spending only be made available in such amounts as are provided in advance in appropriation bills, will hopefully permit us to control the uncontrollable.

I believe that the proposals made by the joint study committee are sound and reasonable. I, therefore, urge the Committee on Government Operations to swiftly consider S. 1641, introduced by Senator MCCLELLAN to implement the proposals, and report the bill to the Senate as soon as is possible. I would also like to offer some final thoughts that relate to this matter. It is proposed that the

Senate Budget Committee be composed of 15 members, with 5 members from the Appropriations Committee, 5 from the Finance Committee and 5 from the other committees. Since this committee will probably be as important as any other committee of the Senate, and since the consideration of the concurrent resolutions will be among the most important actions taken each year, I believe it is crucial that we insure that this committee will be broadly representative of the Senate as a whole. Specifically, when we note that in the present Congress 44 Members of the Senate are in their first term, it is important that steps be taken to guarantee that some of the more junior members of both parties will be on the committee.

The Joint Study Committee recommends that the two Budget Committees should be served by a joint, professional, nonpartisan staff. I have long been concerned about the lack of adequate staff given to the minority in Congress. If, however, there is any place that a staff should not be divided along partisan lines, it is here. It must be made clear, however, that if such a joint staff is created, it must indeed be nonpartisan, serving equitably every committee member regardless of party affiliation.

One point that the committee's recommendations do not specifically cover are tax expenditures. Tax deductions and credits are allocations of Federal funds in much the same way that direct expenditures are. If we are going to have an overview of Federal expenditure, we should consider the whole budget, including tax expenditures. I hope, therefore, that either the Budget Committees or some other committee of the Congress will conduct a systematic and regular review of tax deductions and credits, estimating their cost and assessing whether their continuation is necessary or desirable.

Finally, I believe that the recommendations for the reform of Congress budget procedures contained in the report of the Joint Study Committee call attention to the need for another great reform effort: a comprehensive study of the jurisdictions of the committees of the Senate. The last major revision of committee jurisdictions took place more than a quarter of a century ago. Both the country and the Congress have changed much since then.

Many new and pressing policy questions have arisen in that period. If we are to allocate funds to broad policy areas at the beginning of each session and then entrust the various committees with deciding among competing program priorities within those areas, it seems crucial that, as far as possible, we centralize jurisdiction over each policy area within a single committee. Only then can a rational and informed choice be made among competing priorities. I would, therefore, again urge creation of a temporary select committee to study the committee system, along the lines proposed by Senator BROCK and myself in Senate Resolution 89.

If the Congress adopts the budgetary reforms proposed by the Joint Study Committee and realines the jurisdictions of its committees, I believe we will have taken a giant step toward restoring the Congress to the coequal status the Founding Fathers intended for it, permitting us to again fully meet the responsibilities imposed on us by the Constitution and to merit the full faith of the American people in the legislative branch.

NORMALIZING RELATIONS IN SOUTH ASIA

Mr. KENNEDY. Mr. President, nearly a month ago, on April 17, the Governments of India and Bangladesh issued a joint declaration "to promote jointly the processes of normalization in the subcontinent and to solve humanitarian and other problems arising out of the armed conflict of 1971." After many months of diplomatic logjam over the release of Pakistani POW's in India—and the exchange of minority populations between Pakistan and Bangladesh—the joint declaration knocked away old positions, and opened fresh possibilities in fostering a major advance in relations among the countries of South Asia. This was particularly true, in light of Pakistan's basically positive response to the joint declaration in the immediate period after April 17.

Since then, however, little progress has been made. In fact, recent reports, that Pakistani police have raided the homes of hundreds of Bengalis living in Pakistan, seems to complicate the situation considerably.

Hopefully, some effort can be made by the United Nations and the international community to salvage the hope of the joint declaration. Hopefully, also, our own Government will appropriately offer its good counsel to encourage a resolution of the people problems in South Asia and the normalization of relations among all countries in the area.

Mr. President, earlier this week a Special Envoy of the Bangladesh Prime Minister visited Washington and also spoke to the National Press Club on developments in South Asia. I ask unanimous consent that the text of his address, and a recent article from the Boston Globe, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

STATEMENT OF MR. M. R. SIDDIQI, SPECIAL ENVOY OF THE PRIME MINISTER OF BANGLADESH

Mr. President, ladies and gentlemen: I deem it a great honour and privilege to be able to meet and talk to you today at the National Press Club. I have had the privilege of knowing many of you personally during our liberation struggle. I had the honour of representing my country in the USA during the later part of that momentous period. I recall with gratitude the great role played by the media in this country during that time in support of our just cause presenting to the world what was actually happening inside Bangladesh. Your reports and comments roused the conscience of the world. We are grateful to you. We are also grateful to this great country for the support, help and assist we received. Immediately after our liberation we were confronted with colossal problems in the solution of which we have received and are still receiving generous help and assistance from the United States of America.

I am sure you are aware of the magnitude and complexity of our problems. We are engaged in rebuilding the war ravaged economy of our country. By nature we are a peace loving people and we are fully conscious that sustained progress can only take place in an environment of peace and harmony within and without. Our policy, therefore, has been to develop friendly relations with all countries on the basis of sovereign equality and mutual respect. In pursuance of this policy we extended our hand of friendship to Pakistan for resolving the outstanding issues through negotiation between our two countries on the basis of sovereign equality. But unfortunately no positive gesture was made by the Pakistani authorities, as Pakistan has not yet recognized the new realities in the Subcontinent. Although Bangladesh is the aggrieved party we never took a rigid stand on the question of the settlement of our problems. It is Bangladesh which has always taken all possible initiatives to create areas of understanding for achievement of ultimate goal of peace and cooperation. In their effort to isolate issues of humanitarian concern from political ones Bangladesh and India took the initiative in November last for releasing the wives and children of the Pakistani prisoners of war and civilian internees. It is again Bangladesh which first took the initiative in declaring its willingness and eagerness to repatriate to Pakistan all Pakistanis in Bangladesh expressing the hope that this would facilitate the return of the Bangalees in Pakistan to their homeland. It is again India and Bangladesh which took the initiative through the Joint Declaration of April 17 for a major breakthrough in the resolution of the humanitarian problems that confront the three countries of the Subcontinent. We hoped that it would create a climate of peace for resolution of other problems. In taking all these initiatives Bangladesh was always actuated by humanitarian consideration.

You will appreciate, ladies and gentlemen, that this offer could not be made sooner. Immediately after the general election in Bangladesh the new Parliament met and the Parliament had to be taken into confidence in the matter.

In this Joint Declaration we have made an attempt to solve the various humanitarian problems still plaguing the Subcontinent. We have offered to repatriate the bulk of the Pakistanti POWs, all the 93,000 with the exception of 195 wanted for trial on criminal charges in Bangladesh. Even though Pakistan has not given up its posture of hostility after a lapse of nearly 1½ years of the war, the Joint Declaration of Bangladesh and India has unilaterally decided to send back the POWs. We have also asked Pakistan to take back its citizens who are residing in Bangladesh now and intend to go back to their country. Some 260,000 Pakistanis of Non-Bangalee origin have refused to accept or owe allegiance to the new country. They unlike the large majority of such people who have accepted the new State, have expressed their desire to be sent back to Pakistan. Legally they are Pakistani citizens committed to the ideology of Pakistan. We have asked Pakistan to allow the repatriation of 300,000 Bangalees who are detained in Pakistan as hostages. These innocent people were in Pakistan when Bangladesh and Pakistan formed one state and even though they have been asking for permission to leave for home they are being denied this privilege by Pakistan.

Let me tell you a little more about this distressed group of people. These are the 300,000 Bangalees who are languishing in Pakistan forgotten by the world community. They are an innocent lot who had violated no provision of international or Pakistani law, have always been faithful to their duties, harboured no ill-will towards the local population and were in no way responsible for the developments during the period March to December, 1971. Yet for the last 16 months they have been unlawfully detained in Pakistan against their will and have been denied the most elementary human rights provided for in the Declaration of Human Rights. Pakistan's treatment of the Bangalees is in gross violation specifically of the Articles 2, 7, 9 and 13 of the Declaration. The Bangalees in Pakistan are suffering untold privations and passing their days in fear and apprehension under constant threat of starvation and in complete insecurity and uncertainty about their future. They are desperately counting their days when they would be able to return to their homeland and be united with their near and dear ones. There is no Geneva Convention which can protect or guarantee the minimum of humane behavior to these helpless thousands. They rely entirely on the conscience of mankind and it is for you, ladies and gentlemen of the press, to take up their cause and impress the people of the world to bring an end to their sufferings. To add to their sufferings the Pakistani authorities are now threatening that they will be trying about a thousand Bangalees if the trial of the POWs is held in Bangladesh. The fact that these trials are threatened to be held after the announcement by Bangladesh of its decision to try 195 Pakistani POWs makes it evident that these trials are nothing but a political reprisal and naked blackmail.

I may draw your attention to the distressing news flashed by Reuter this morning on the fate of Bangalees in Pakistan. Police raids in the dead of night have taken thousands of innocent Bangalees captives and they have been removed to camps. We know from the fate of some 25,000 Bangalee soldiers that civilians have also now been placed in concentration camps. This is a most unfortunate development and it reflects a hostile and vengeful state of mind. This is more unfortunate because it has been done at a time when we are trying to break the impasse and making all endeavours to reduce tension in the region. It was world conscience which stood up against the massacre of a people some 1½ years back. I would only hope that the conscience of the world again will persuade Pakistan to desist from such a heinous course of action.

A word on the trial of 195 POWs will not be out of place here. The crimes committed by the Pakistani Army in Bangladesh in 1971 were described by one of the newspapers of this country as "crimes against humanity unequalled since Hitler's time." We have throughout maintained that such crimes should not go unpunished. We carried out elaborate investigations on such crimes. On completion of such investigation we have decided to bring to trial only a limited number of senior officers against whom prima facie charges have been established. This is not intended to wreak vengeance. We want this trial to become a constant reminder to future generations that crimes of this nature do not pay. International morality is as much involved in such a trial as it was involved at Nuremberg. Moreover, the fact that international jurists of eminence would be invited to observe the trial and that foreign counsels would be admitted to defend the accused should leave no doubt among discerning observers about the motive and nature of the trial. Any support for Pakistani demand for dropping the trial would be tantamount to appeasement of criminals which cannot be endorsed by world conscience even on the pretext of political expediency.

It is a matter of principle that Bangladesh cannot negotiate with Pakistan except on the basis of sovereign equality. Within this framework Bangladesh continuously searched for ways and means to reduce tension in the Subcontinent and the recent declaration is a clear manifestation of this constructive approach. The initiative that the world public opinion was looking for has been made. The onus now is entirely on Pakistan, and the people of the world would best serve the cause of peace by persuading Pakistan to respond to the Joint Declaration constructively and hasten the process of defreezing the stalemate in the Subcontinent. As the Guardian aptly commented in its editorial of April 18, "all the propaganda in the world will not save Mr. Bhutto from wholesale opprobrium if he spurns or fudges it."

[From the Boston Globe, May 9, 1973]

Time To Help the Bengali Refugees

(By Darius S. Jhabvala)

WASHINGTON.—He is a tawny, stocky man with a round face that breaks out easily into a smile; he speaks slowly and softly; but the message he conveys is a powerful one.

He is Mustafizur Rahman Siddiqi, special envoy of Sheik Mujbir Rahmen, who recently arrived here for talks with American officials.

Now Mr. Siddiqi is not a highfalutin politician or lawyer or a high-powered salesman. But he does know something about the Nuremberg and Eichmann trials and the Universal Declaration of Human Rights.

So, his message to Americans is simple and clear: Help, so that Pakistan will let my people go.

His people are some 175,000 Bengalis (300,000 by Bangladesh's estimate) who have been trapped in Pakistan and are the cruel victims of political machinations.

"They are an innocent lot who have violated no provision of international or Pakistani law, have always been faithful to their duties, harbored no ill will towards the local population and were in no way responsible for the developments during the period March to December, 1971," Mr. Siddiqi explained.

Yet for the last 16 months, he said, these people have been unlawfully detained in Pakistan against their will and have been denied the most elementary human rights.

Few, if any, in the subcontinent can erase the horrors of 1971 when President Yahya Khan ordered Gen. Tikka Khan to brutally put down the secessionist move.

In the new scheme of affairs under President Bhutto, the former president was put out in disgrace but Tikka Khan, is Pakistan's chief-of-staff.

The tragedy that befell the Bengalis in those days can at least partially be blamed on the international community, including the major powers and not the least the United States, for not staying the hands of Yahya Khan.

The fate of the Bengalis in Pakistan is now linked to the 90,000 Pakistani prisoners of war held by India since Pakistan's defeat in war and to the large Bihari minority in Bangladesh, many collaborated with the Pakistani Army.

Of greater concern to Pakistan is the expected trial in Bangladesh of 195 senior officers of the Pakistani Army against whom prima facie charges of "crimes against humanity" have been established after elaborate investigations.

India and Bangladesh have offered to repatriate the Pakistani POWs and those Pakistanis in Bangladesh if Pakistan would reciprocate with the release of Bengalis in Pakistan.

With an obvious eye to the trial of the 195, Mr. Bhutto has seen fit not to accept the offer, even though it would go a long way towards not only redressing human suffering but improving the atmosphere in the region.

So far, the US has stood by silently and there is no indication as yet that it is prepared to take a public stand even in the name of humanitarianism.

Mr. Siddiqi is now here and he said he hopes to see the President before returning to his homeland. Couldn't this be the time to help the Bengali refugees and restore to balance the tilt of 1971?

COMPREHENSIVE FIRE LEGISLATION

Mr. WEICKER. Mr. President, the 30,000 Connecticut firefighters have achieved an outstanding reputation for leadership in fire protection efforts. I am therefore proud to join Senators MAGNUSON and COTTON in introducing legislation to enhance the training and resources available to firefighters in Connecticut and other States.

S. 1769, the Fire Prevention and Control Act of 1973, is the first omnibus bill to provide comprehensive Federal assistance to State and local firefighting units. This legislation is the product of recommendations of a 2-year study by the National Commission of Fire Prevention and Control.

To assure that national attention and resources are focused on the Nation's fire problem, this legislation would create a U.S. Fire Administration within the Department of Housing and Urban Development. The Fire Administration would coordinate programs at the Federal, State, and local levels for the development and evaluation of solutions to the fire problem. Within the Fire Administration, a National Fire Academy would offer specialized training for personnel from all fire protection agencies. In addition, a program of bloc grants would be available to any fire department, whether volunteer or professional, for developing master plans, for upgrading firefighting equipment, and for local efforts to emphasize fire prevention.

S. 1769 would also provide increased Federal support of fire research and fire safety education programs, the development of a comprehensive National Fire Data System to aid local fire companies, and full funding of the rural fire protection program authorized under the Department of Agriculture.

The Fire Prevention and Control Act of 1973 would preserve the autonomy of the State and local fire departments, which would retain their initiative as innovative and vigorous parts of the community. In providing a significant opportunity for all firefighting units to improve their services and activities, this bill will further assist the development of master plans for regional agencies and mutual aid associations.

The National Fire Commission estimates that more than half of the 12,000 lives and much of the $11 billion lost in fires each year could be saved through a greater effort in the fire prevention and fireman training programs. With the stakes this high, it is certainly imperative that the Congress devote early consideration to comprehensive fire legislation.

Mr. President, at the request of Senator MAGNUSON, I ask unanimous consent that the bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1769

A bill to establish a United States Fire Administration and a National Fire Academy in the Department of Housing and Urban Development, to assist State and local governments in reducing the incidence of death, personal injury, and property damage from fire, to increase the effectiveness and coordination of fire prevention and control agencies at all levels of government, and other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That:

This Act may be cited as the "Fire Prevention and Control Act of 1973".

FINDINGS AND PURPOSES

The Congress finds that a comprehensive national fire prevention and control program is necessary in order to reduce the number of fatalities, personal injuries, and property losses resulting from destructive fire. The Congress finds that, while by their very nature, responsibilities for reducing fire losses rest chiefly at the State and local levels, the Federal Government must help the fire services of our nation to develop solutions to fire problems. The Congress finds that more attention needs to be given by the fire services at the local levels to fire prevention, public education, and fire safety design rather than fire suppression, and deems it desirable and necessary for governments at all levels to cooperate with and assist public and private agencies. The Congress finds that fundamental research into the physical and chemical phenomena of fire must be recognized as a necessary and essential part of all fire research and be appropriately funded.

Therefore, the Congress declares that the purposes of this Act are to provide a national fire prevention and control program, including fire safety education and training programs; to establish a national fire data system; to establish a fire research and development program; to establish a burn and smoke injury treatment program; and to provide assistance to State and local governments to implement model programs in fire prevention and control. It is the intention of the Congress to supplement rather than supplant existing programs of research, training, and education, and to encourage new and improved programs and activities by State and local governments.

Additionally, the Congress declares a purpose of this Act to be the establishment of a United States Fire Administration within the Department of Housing and Urban Development to administer the provisions of this Act, and, in so doing, to carry out an effective national fire safety overview responsibility. Congress declares that it shall be the responsibility of the United States Fire Administration to provide leadership and advocacy in solving the fire problem and to help guide efforts by keeping Federal, State, and local agencies informed of related efforts in both the private and public sectors, encouraging cooperation, and promoting interest in areas of research or action that have been neglected. The Congress also declares that the United States Fire Administration shall be responsible for providing an evaluation of the national fire problem from a position solely concerned with the reduction of personal injury and of life and property loss.

TITLE I—UNITED STATES FIRE ADMINISTRATION

SEC. 101. (a) There is hereby established within the Department of Housing and Urban Development, under the general authority of the Secretary, a United States Fire Administration (hereafter referred to in this Act as "Administration").

(b) The Administration shall be composed of an Administrator and a Deputy Administrator, who shall both be appointed by the President, by and with the advice and consent of the Senate, and four Assistant Administrators. The Administrator shall be the executive head of the agency and shall exercise all administrative powers, including the appointment and supervision of Administration personnel. The four Assistant Administrators shall comprise the Assistant Administrator for the National Fire Academy, the Assistant Administrator for the National Fire Data System, the Assistant Administrator for Research and Development, and the Assistant Administrator for State and local Program Assistance.

(c) It shall be the duty of the Administration to exercise all of the functions, powers, and duties created and established by this Act, except as otherwise provided.

SEC. 102. The Administration shall exercise its functions and responsibilities in five general areas, as follows:

(1) assume the responsibility of surveying the entire fire problem, to evaluate progress in fire prevention and control measures, to assess new problem areas, and to evaluate the cost and impact of possible solution alternatives (whether research, legislative, or operational) so as to provide a reasonable basis for resource allocation;

(2) recommend actions which can be taken by Federal, State, and local governments and private organizations and individuals to improve and strengthen fire prevention and control;

(3) act as a coordinator of studies of fire protection methods and assist local jurisdictions in adapting findings to their fire protection planning. In carrying out this function, the Administration may utilize the cooperation of other Federal agencies, such as but not limited to the National Bureau of Standards and the United States Forest Service, and of private fire protection organizations;

(4) cooperate with and render technical, informational, and financial assistance to other Federal departments or agencies, to States, units of general local government, combinations of such States or units, or other public or private agencies, organizations, or institutions in matters relating to fire prevention and control, especially in the areas of research, training, public education, and fire safety design.

(5) undertake studies and research in matters relating to fire prevention and control, especially in the areas of training, public education, and fire safety design.

SEC. 103. The Administration is authorized to enter into contracts with Federal, State, and local governmental agencies and private organizations, institutions, and individuals in order to assist in carrying out its functions and responsibilities.

TITLE II—NATIONAL FIRE ACADEMY

SEC. 201. (a) There is hereby established within the United States Fire Administration under the general authority of the Administrator, a National Fire Academy (hereafter referred to in this Act as "Academy") to facilitate specialized training in areas subject to the jurisdiction of fire protection agencies; to assist State and local jurisdictions in the planning and implementation of their first protection programs; to assist and encourage the dissemination of information on fire prevention and control; and to encourage fire protection agencies to give greater attention to fire prevention measures.

(b) The Academy shall be under the direct supervision and administration of an Assistant Administrator.

SEC. 202. (a) To facilitate education and training, the Academy shall:

(1) promote and encourage eligible individuals to pursue careers as administrators of fire service organizations at all levels; and provide specialized courses for fire service officers and officer candidates;

(2) assist States, counties, and local communities in the development of training programs for firemen;

(3) develop model programs and curricula and carry out programs of instructional assistance and special workshops, seminars, conferences, course materials, demonstration projects, and other such educational devices that are necessary, for the purpose of introduction and dissemination of information gained from investigation, research, and development concerning the areas of fire prevention, fire detection, and fire control;

(4) develop fire service extension programs to encourage and assist States, counties, and local communities to improve the quality of training for fire prevention and control and to provide continuous training and operational programs in fire fighting techniques and procedures concerning the utilization of fire fighting equipment, fire suppression and other areas related to fire fighting in general; and to provide special instructors for State and local training programs;

(5) promote and assist universities, community colleges, and other institutions of learning, in planning, developing, strengthening, improving, and carrying out programs and projects concerning fire administration;

(6) develop courses to educate practicing architects, engineers, and designers in the basics of fire safety design;

(7) accredit fire service extension programs, fire administration programs, and training programs for firemen;

(8) analyze and disseminate information to States, counties, and local communities with respect to firefighting equipment, firefighting techniques, fire services administration, and other areas related to firefighting; and to establish and maintain educational programs and develop educational materials for the purpose of informing the public of fire hazards and fire safety techniques, and to encourage avoidance of such hazards and use of such techniques; and to evaluate, assist, and encourage State, county, and local community programs for fire safety education of the public;

(9) sponsor fire safety education courses for educators to provide a teaching cadre for fire safety education;

(10) develop, gather, and disseminate to State and local arson investigators information on arson incidents and on advanced methods of arson investigation;

(11) assist in the interchange of information among individual fire services and private organizations, institutions, and individuals concerning new or superior technology for coping with fires or furthering fire prevention;

(12) develop educational materials in cooperation with the Department of Transportation on the problems of transporting hazardous materials and disseminate this information to every fire jurisdiction; and cooperate with the United States Coast Guard to develop educational materials on marine fire safety to supplement the materials currently available;

(13) cooperate with the United States Forest Service to develop more effective fire safety education materials for forest and grassland protection;

(14) develop educational materials appropriate to each occupational category that has special needs or opportunities in promoting fire safety;

(15) join appropriate private advertising and fire protection organizations to sponsor in all the appropriate communications media a campaign of public service advertising to promote public awareness of fire safety;

(b) The Academy, in exercising its functions and responsibilities under subsection (a), shall give due consideration to the development of methods for encouraging all sectors of the economy to cooperate with the

Academy in achieving the purposes of this Title.

SEC. 203. (a) The Academy is authorized to accept contracts and grants from Federal, State, and local governmental agencies and other entities, and grants and donations from private organizations, institutions, and individuals.

(b) The Academy may establish fees and other charges for services provided by the Academy.

(c) Amounts received by the Academy under this section shall be in addition to any amounts which may be appropriated to it under section 721 of this Act.

(d) The Academy is authorized to enter into contracts with Federal, State, and local governmental agencies and private organizations, institutions, and individuals in order to assist in carrying out its functions and responsibilities.

SEC. 204. (a) The Academy shall establish a National Fire Academy Advisory Board (hereafter referred to in this Act as "Advisory Board") which it may consult before taking any action under this Title. The Advisory Board shall be appointed by the Administration and shall be composed of nine members, one of whom shall be appointed Chairman by the Administration and each of whom shall be qualified by training and experience in one or more of the fields applicable to fire prevention and control within the jurisdiction of the Administration. The Advisory Board members shall be selected on the basis of providing a broad public and private representation of the fields applicable to fire prevention and control within the jurisdiction of the Administration.

(b) Each member of the Advisory Board shall serve for a term of two years and may be reapppointed by the Administration.

(c) The Advisory Board shall meet at the call of the Academy, but not less often than four times during each calendar year.

(d) The Advisory Board may propose courses of action and programs and make recommendations to the Academy for its consideration, and may function through subcommittees of its members. All proceedings of the Advisory Board shall be public, and a record of each proceeding shall be available for public inspection.

(e) Members of the Advisory Board who are not officers or employees of the United States shall, while attending meetings or conferences of the Advisory Board or while otherwise engaged in the business of the Advisory Board, be entitled to receive compensation at a rate to be fixed by the Administration but not exceeding $100 per diem, including traveltime, and while away from their homes or regular places of business, they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code. Payments under this subsection shall not render members of the Advisory Board officers or employees of the United States for any purpose.

SEC. 205. For the purpose of carrying out the functions of the Academy, the Administration shall provide physical premises and facilities for the Academy.

TITLE III—NATIONAL FIRE DATA SYSTEM

SEC. 301. (a) There is hereby established within the United States Fire Administration under the general authority of the Administrator, a National Fire Data System (hereafter referred to in this Act as "System") to help place solutions to the fire problem on a firmer foundation of scientific data and to provide data for a continuing review and analysis of the fire problem including identification of emerging problems, measurement of the effectiveness of current programs and new programs, and guidance for allocation of resources and for direction in both operational and research programs.

(b) The System shall be under the direct supervision and administration of an Assistant Administrator.

SEC. 302. The System shall collect in one place all data deemed useful by the Administration, including death and injury statistics relating to fire fighters and others, property loss information, information concerning causes, locations, and numbers of fires, and other appropriate data. The data may be incorporated into a standard data processing and information retrieval system for all data collected pursuant to this Act.

SEC. 303. The System is authorized to utilize Federal, State, local, and private data and information, data systems, surveys, and results as part of its over-all function.

SEC. 304. The System is authorized to standardize data collection and standards among Federal, State, and local governments and private organizations, to create and implement a network of uniform state fire data systems, and to seek to eliminate unnecessary duplication of effort by the collectors of data relating to fire prevention and control.

SEC. 305. The System shall make the data available in appropriate form to Federal agencies, State and local governments, private organizations, industry and business, and other interested persons.

SEC. 306. The System is authorized to cooperate with Federal agencies, State and local governments, private organizations, industries and business, and interested persons concerned with the collection of fire-related data and information.

SEC. 307. The System is authorized to enter into contracts with Federal, State, and local governmental agencies and private organizations, and individuals in order to assist in carrying out its functions and responsibilities.

TITLE IV—RESEARCH AND DEVELOPMENT

SEC. 401. It is the purpose of this Title to provide for and encourage research and development for the purpose of improving fire prevention and control and developing new methods and technology for fire prevention and control.

SEC. 402. The functions and responsibilities of the Administration that are created by this Title for carrying out the purpose of this Title shall be under the direct supervision and administration of an Assistant Administrator for Research and Development.

SEC. 403. In order to carry out the purpose of this Title, the Administration shall exercise functions and responsibilities as follows:

(1) evaluate the total area of fire research needs in the Federal, State, and local government sectors and the private sector, including but not limited to the physics and chemistry of fire, technological problems, behavioral problems, and medical problems; and advise the Office of Management and Budget of the conclusions reached as to what programs should receive what level of support;

(2) act as a source of information as to what fire research is being pursued in the Federal, State, and local government sectors and the private sector; and disseminate or make available research information and results to all fire researchers, with particular emphasis on the purposes of benefitting other researchers and avoiding duplication of research;

(3) develop and maintain a bibliography on fire research references throughout the world to facilitate the exchange of research information; and prepare abstracts, digests, indexes, microfilms, and other reproductions of research information as determined by the Administration to be appropriate.

(4) seek, in an advisory capacity, to coordinate existing and future research programs in the Federal, State, and local government sectors and the private sector so as to hasten the achievement of results and to avoid duplication of research;

(5) assume responsibility for Federal interagency coordination of fire research programs, encourage interagency transfer of research technology, and organize a Federal interagency committee with appropriate representation to carry out this responsibility.

(6) sponsor and encourage research into promising but highly unconventional solutions to fire problems; and encourage Federal government programs of fire research for which no non-government alternatives exist;

(7) make grants to, or enter into contracts with, public agencies, institutions of higher education, or private organizations to conduct research, or special or experimental projects pertaining to the purposes described in this Title, including the development of new or improved approaches, techniques, systems, equipment, and devices to improve and strengthen fire prevention and control;

(8) make continuing studies and undertake programs of research to develop new or improved approaches, techniques, systems, equipment, and devices to improve and strengthen fire prevention and control;

(9) sponsor and encourage the development of fundamental research into the phenomena of and test methods concerning ignition, fire growth, fire spread, smoke, toxic gases, flame inhibition, and flame retardancy; and sponsor and encourage the development of a sound body of scientific and engineering theory concerning fire;

(10) monitor the progress of research and development in early warning fire detection systems and automatic fire extinguishing systems in both industry and government; and encourage additional support for such research and development where needed;

(11) sponsor and encourage research on fire fighting equipment and personal protective equipment for fire fighters; and encourage innovation among manufacturers of fire fighting and related equipment;

(12) sponsor and encourage, in the area of fire service personnel, research on problems concerning productivity measurement of fire department personnel, analysis of job categories and skills required under varying conditions, reduction of injuries to fire service personnel, the most effective fire prevention efforts by fire service personnel, and other problems concerned with improving the operational and management capabilities of the fire services determined by the Administration to require attention;

(13) sponsor and encourage research into human behavior involving fire and reaction to fire, with special attention to be devoted to the behavior of the arsonist;

(14) sponsor and encourage research into new methods of public education in fire prevention.

SEC. 404. All grants for research shall be awarded on the basis of an assessment and evaluation by the Administration of the contribution the grants may make to achieving a significant reduction in personal injuries and the loss of life and property from fire.

TITLE V—GRANTS FOR STATE AND LOCAL PROGRAM ASSISTANCE

SEC. 501. (a) All grants made under this title shall be made under the direct supervision and administration of an Assistant Administrator for State and Local Program Assistance.

(b) The Assistant Administrator for State and Local Program Assistance is authorized to enter into contracts with Federal, State, and local governmental agencies and private organizations, institutions, and individuals in order to assist in carrying out his functions and responsibilities.

PART A—PLANNING GRANTS

SEC. 502. It is the purpose of this part to encourage States and units of general local government to prepare and adopt comprehensive Master Plans for Fire Protection based on their evaluation of State and local problems of fire prevention and control.

SEC. 503. The Administration shall make planning grants to the States for the establishment and operation of State fire prevention and control planning agencies (hereafter referred to in this title as "State Fire Agencies") for the preparation, development, and revision of the State Master Plans for Fire Protection required under section 509 of this title. Any State may make application to the administration for such planning grants within twelve months of the date of enactment of this Act.

SEC. 504. (a) A grant made under this part to a State shall be utilized by the State to establish and maintain a State Fire Agency. Such Agency shall be created or designated by the chief executive of the State and shall be subject to his jurisdiction. The State Fire Agency and any regional planning units within the State shall, within their respective jurisdictions, be representative of the fire protection and control agencies, units of general local government, and public agencies maintaining programs to prevent and control fire.

(b) The State Fire Agency shall—

(1) develop, in accordance with Part B, a comprehensive State-wide Master Plan for fire protection for the improvement of fire prevention and control throughout the State;

(2) define, develop, and correlate programs and projects for the State and the units of general local government in the State or combinations of States or units for improvement of fire prevention and control; and

(3) establish priorities for the improvement of fire prevention and control throughout the State.

(c) The State Fire Agency shall make such arrangements as such Agency deems necessary to provide that at least 80 per centum of all Federal funds granted to such Agency under this part for any fiscal year will be available to units of general local government or combinations of such units to enable such units and combinations of such units to participate in the formulatiton of the comprehensive State Master Plan for Fire Protection required under this part or to formulate their own respective Master Plans for Fire Protection. The Administration may waive this requirement, in whole or in part, upon a finding that the requirement is inappropriate in view of the respective fire prevention and control planning responsibilities exercised by the State and its units of general local government and that adherence to the requirement would not contribute to the efficient development of the State Master Plan for Fire Protection required under this part. In allocating funds under this part, the State Fire Agency shall assure that major cities and countries within the State receive planning funds to develop comprehensive Master Plans for Fire Protection and coordinate functions at the local level. Any portion of such 80 per centum in any State for any fiscal year not required for the purpose set forth in this part shall be available for expenditure by such State Fire Agency from time to time on dates during such year as the Administration may fix, for the development by it of the State Master Plan for Fire Protection required under this part.

SEC. 505. A Federal grant authorized under this part shall not exceed 90 per centum of the expenses of the establishment and operation of the State Fire Agency, including the preparation, development, and revision of the Master Plans for Fire Protection required by Part B. Where Federal grants under this part are made directly to units of general local government as authorized by section 511, the grant shall not exceed 90 per centum of the expenses of local planning, including the preparation, development, and revision of Master Plans for Fire Protection required by Part B.

SEC. 506. Funds appropriated to make grants under this part for a fiscal year shall be allocated by the Administration among the States for use therein by the State Fire Agency or units of general local government, as the case may be. The Administration shall allocate $20,000 to each of the States; and it shall then allocate the remainder of such funds available among the States according to their relative populations.

PART B—GRANTS FOR FIRE PREVENTION AND CONTROL PURPOSES

SEC. 507. (a) It is the purpose of this part to encourage States and units of general local government to carry out programs and projects to improve and strengthen fire prevention and control.

(b) The Administration is authorized to make grants to States having comprehensive State Master Plans for Fire Protection approved by it under this part, for—

(1) Fire prevention and control, including the development, demonstration, evaluation, implementation, and improvement of methods, devices, facilities, and equipment designed to improve and strengthen fire prevention and control and reduce the incidence of fire.

(2) Public education-relating to fire prevention and control, including education programs in schools and programs to improve public understanding of and cooperation with fire prevention and control.

(3) The recruiting of fire prevention and control personnel and the education and training of personnel in fire prevention and control; including but not limited to assistance for attendance at National Fire Academy courses, with authorization to include in such assistance the costs of transportation, tuition, teaching materials, and accommodations.

(4) The purchase of personal protective equipment for fire service personnel.

(c) The amount of any grant made under this part may be up to 75 per centum of the cost of the program or project specified in the application for such grant. Effective July 1, 1974, at least 40 per centum of the non-Federal funding of the cost of any program or project to be funded by a grant under this section shall be of money appropriated in the aggregate, by State or individual unit of government, for the purpose of the shared funding of such programs or projects.

(d) Not more than one-third of any grant made under this section may be expended for the compensation of personnel. The amount of any such grant expended for the compensation of such personnel shall not exceed the amount of State or local funds made available to increase such compensation. The limitations contained in this subsection shall not apply to the compensation of personnel for time engaged in conducting or undergoing training programs or to the compensation of personnel engaged in research, development, demonstration, or other short-term programs.

SEC. 508. Any State desiring to participate in the grant program under this part shall establish a State Fire Agency as described in Part A of this Title and shall within twelve months after approval of a planning grant under Part A submit to the Administration through such State Fire Agency a comprehensive State Master Plan for Fire Protection formulated pursuant to Part A of this Title.

SEC. 509. The Administration shall make grants under this Title to a State Fire Agency if such Agency has on file with the Administration an approved comprehensive State Master Plan for Fire Protection (appropriately revised or made current, when necessary, within the preceding three years) which conforms with the purposes and requirements of this Title. Each such Master Plan for Fire Protection shall—

(1) provide for the administration of such grants by the State Fire Agency,

(2) provide that at least 75 per centum of all Federal funds granted to the State Fire Agency under this part for any fiscal year will be available to units of general local government or combinations of such units for the development and implementation of programs and projects for the improvement of fire prevention and control;

(3) adequately take into account regional needs of fire protection and the needs and requests of the units of general local government in the State and encourage local initiative in the development of programs and projects for improvements in fire prevention and control and provide for an appropriately balanced allocation of funds between the State and the units of general local government in the State and among such units;

(4) incorporate innovations and advanced techniques and contain a comprehensive outline of priorities for the improvement and coordination of all aspects of fire prevention and control dealt with in the Master Plan for Fire Protection, including descriptions of: (A) general needs and problems; (B) existing systems; (C) available resources; (D) organizational systems and administrative machinery for implementing the Plan; (E) the direction, scope, and general types of improvements to be made in the future; and (F) to the extent appropriate, the relationship of the Plan to other relevant State or local fire prevention and control plans and systems;

(5) Provide for effective utilization of existing facilities and permit and encourage units of general local government to combine or provide for cooperative arrangements with respect to services, facilities, and equipment;

(6) provide for appropriate review of procedures of actions taken by the State Fire Agency disapproving an application for which funds are available or terminating or refusing to continue financial assistance to units of general local government or combinations of such units;

(7) demonstrate the willingness of the State and units of general local government to assume the costs of improvements funded under this part after a reasonable period of Federal assistance;

(8) demonstrate the willingness of the State to contribute technical assistance or services for programs and projects contemplated by the statewide comprehensive Master Plan for Fire Protection and the programs and projects contemplated by units of general local government;

(9) set forth policies and procedures designed to assure that Federal funds made available under this Title will be so used as not to supplant State or local funds, but to increase the amounts of such funds that would in the absence of such Federal funds be made available for fire prevention and control;

(10) provide for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting of funds received under this part; and

(11) provide for the submission of such reports in such form and containing such information as the Administration may reasonably require.

Any portion of the 75 per centum to be made available pursuant to paragraph (2) of this section in any State in any fiscal year not required for the purposes set forth in such paragraph (2) shall be available for expenditure by such State Fire Agency from time to time on dates during such year as the Administration may fix, for the development and implementation of programs and projects for the improvement of fire prevention and control and in conformity with the State Master Plan for Fire Protection.

SEC. 510. State Fire Agencies shall receive applications for financial assistance from units of general local government and combinations of such units. When a State Fire Agency determines that such an application is in accordance with the purposes stated in section 507 and is in conformance with any existing statewide comprehensive Master

Plan for Fire Protection, the State Fire Agency is authorized to disburse funds to the applicant.

SEC. 511. Where a State fails to make application for a grant to establish a State Fire Agency pursuant to Part A of this Title within six months after the date of enactment of this Act, or where a State fails to file a comprehensive Master Plan for Fire Protection pursuant to Part A within six months after approval of a planning grant to establish a State Fire Agency, the Administration may make grants under Part A and Part B of this Title to units of general local government or combinations of such units: *Provided, however*, That any such unit or combination of such units must certify that it has submitted a copy of its application to the chief executive of the State in which such unit or combination of such units is located. The chief executive shall be given not more than sixty days from date of receipt of the application to submit to the Administration in writing an evaluation of the project set forth in the application. Such evaluation shall include comments on the relationship of the application to other applications then pending, and to existing or proposed plans in the State for the development of new approaches to and improvements in fire prevention and control. If an application is submitted by a combination of units of general local government which is located in more than one State, such application must be submitted to the chief executive of each State in which the combination of such units is located. No grant under this section to a local unit of general government shall be for an amount in excess of 90 per centum of the cost of the project or program with respect to which it was made.

SEC. 512. (a) The funds appropriated each fiscal year to make grants under this part shall be allocated by the Administration as follows:

(1) Eighty-five per centum of such funds shall be allocated among the States according to their respective populations for grants to State Fire Agencies.

(2) Fifteen per centum of such funds, plus any additional amounts made available by virtue of the application of the provisions of section 511 of this Title to the grant of any State, may, in the discretion of the Administration, be allocated among the States for grants to State Fire Agencies, units of general local government, or combinations of such units, according to the criteria and on the terms and conditions the Administration determines consistent with this Act. Any grant made from funds available under paragraph (2) of this subsection may be up to 75 per centum of the cost of the program or project for which such grant is made. The limitations on the expenditure of portions of grants for the compensation of personnel in subsection (d) of section 507 of this Title shall apply to a grant under such paragraph. Effective July 1, 1974, at least 40 per centum of the non-Federal funding of the cost of any program or project to be funded by a grant under such paragraph shall be of money appropriated in the aggregate, by State or individual unit of government, for the purpose of the shared funding of such programs or projects.

(b) If the Administration determines, on the basis of information available to it during any fiscal year, that a portion of the funds allocated to a State for that fiscal year for grants to the State Fire Agency of the State will not be required by the State, or that the State will be unable to qualify to receive any portion of the funds under the requirements of this part, that portion shall be available for reallocation to other States under paragraph (1) of subsection (a) of this section.

SEC. 513. All grants under Part B of this Title shall be awarded on the basis of an assessment and evaluation by the Administration of the contribution the grants may make to achieving a significant reduction in personal injuries and the loss of life and property from fire.

TITLE VI—FUNCTIONS OF CERTAIN OTHER FEDERAL AGENCIES

SEC. 601. (a) Sections 101 through 104 of the Fire Research and Safety Act of 1968 (Sections 278f and 278g of title 15, United States Code), amending the Organic Act of the National Bureau of Standards, are amended by striking out Sections 101 through 104 (the present sections 278f and 278g of title 15, United States Code) and by substituting therefor:

"§ 278f. Fire research and safety program; functions of Secretary of Commerce

The Secretary of Commerce (herinafter referred to as the 'Secretary') is authorized to—

(a) Conduct directly or through contracts research into the physical and chemical phenomena of fire, including but not limited to phenomena of and test methods concerning ignition, fire growth, fire spread, smoke, toxic gases, flame inhibition, and flame retardancy; research into standards of fire safety for materials and of fire safety design for construction; and research for the purpose of developing a sound body of scientific and engineering theory concerning fire.

(b) Conduct directly or through contracts or through the assistance of the United States Fire Administration or obtain from the United States Fire Administration, when necessary to provide support or background for research conducted under subsection (a),

(1) investigations of fires to determine their causes, frequency of occurrence, severity, and other pertinent factors;

(2) research into the causes and nature of fires, and the development of improved methods and techniques for fire prevention, fire control, and reduction of death, personal injury, and property damage;

(3) fire information reference services, including the collection, analysis, and dissemination of data, research results, and other information, derived from this program or from other sources and related to fire protection, fire control, and reduction of death, personal injury; and property damage;

(4) projects demonstrating application of fire safety principles in materials and in construction.

"§ 278g. Same; general provisions

With respect to the functions authorized by section 278f of this title—

(a) The Secretary may arrange with and reimburse the heads of other Federal departments and agencies for the performance of any such functions, and, as necessary or appropriate, delegate any of his powers under this section or section 278f of this title with respect to any part thereof, and authorize the redelegation of such powers.

(b) The Secretary may perform such functions without regard to section 529 of Title 31.

(c) The Secretary is authorized to request any Federal department or agency to supply such statistics, data, program reports, and other materials as he deems necessary to carry out such functions. Each such department or agency is authorized to cooperate with the Secretary and, to the extent permitted by law, to furnish such materials to the Secretary. The Secretary and the heads of other departments and agencies engaged in administering programs related to fire safety shall, to the maximum extent practicable, cooperate and consult in order to insure fully coordinated efforts.

(d) The Secretary is authorized to establish such policies, standards, criteria, and procedures and to prescribe such rules and regulations as he may deem necessary or appropriate to the administration of such functions or this section, including rules and regulations which provide for fiscal control, sound accounting procedures, and periodic reports to the Secretary regarding the application of funds paid under section 278 of this title."

(b) For the purpose of carrying out subsection (a), there is authorized to be appropriated the sum of $3,000,000 for the fiscal year ending June 30, 1974, and for succeeding fiscal years such sums as the Congress might authorize.

(c) The provisions of subsection (a) shall be carried out under the laws pertaining to the Department of Commerce and the National Bureau of Standards, and, with the exception of sections 714 and 716, shall not be subject to Title VII of this Act or any conflicting provisions of this Act.

SEC. 602. (a) The Secretary of Health, Education, and Welfare shall establish within the National Institutes of Health a program to augment their current sponsorship of research on burns and burn treatment. Under the augmented program, the National Institutes of Health shall—

(1) sponsor and encourage the establishment throughout the nation of a total combined number of 25 additional burn centers, which shall comprise separate hospital facilities providing specialized burn treatment and including research and teaching programs, and in general hospitals, burn units, which comprise specialized facilities used only for burn victims;

(2) provide training and continuing support of specialists to staff the 25 additional burn centers and burn units;

(3) sponsor and encourage the establishment in general hospitals of 90 burn programs, which comprise staffs of burn injury specialists;

(4) provide special training in emergency care for burn victims in general hospitals;

(5) augment sponsorship of research on burns and burn treatment;

(6) administer and support a systematic program of research concerning smoke inhalation injuries.

(b) For the purpose of carrying out subsection (a), there is authorized to be appropriated the sum of $2,500,000 for the fiscal year ending June 30, 1974, and for succeeding fiscal years such sums as the Congress might authorize.

(c) The provisions of subsection (a) shall be carried out under the laws pertaining to the Department of Health, Education, and Welfare and the National Institutes of Health, and, with the exception of sections 714 and 716, shall not be subject to Title VII of this Act or any conflicting provisions of this Act.

SEC. 603. (a) For the purpose of providing incentive to the fire insurance industry to lower fire insurance premiums, as well as aiding fire prevention and control, the Federal Insurance Administration shall establish in cooperation with the United States Fire Administration a program to provide low-cost insured loans to homeowners and businessmen for the purpose of installing in their premises appropriate types of fire protection equipment, comprising mainly early warning fire detection systems and/or automatic fire extinguishing systems.

(b) For the purpose of carrying out subsection (a), there is authorized to be appropriated the sum of $2,000,000 for the fiscal year ending June 30, 1974, and for succeeding fiscal years such sums as the Congress might authorize.

(c) The provisions of subsection (a) shall be carried out under the laws pertaining to the Department of Housing and Urban Development and the Federal Insurance Administration, and, with the exception of sections 714 and 716, shall not be subject to Title VII of this Act or any conflicting provisions of this Act.

TITLE VII—ADMINISTRATIVE PROVISIONS

Sec. 701. The Administration is authorized, after appropriate consultation with representatives of States and units of general local government, to establish such rules, regulations, and procedures as are necessary to the exercise of its functions and are consistent with the stated purposes of this Act.

Sec. 702. The Administration may delegate to any officer or official of the Administration, or, with the approval of the Secretary, to any officer of the Department of Housing and Urban Development such functions as it deems appropriate.

Sec. 703. The functions, powers, and duties specified in this Act to be carried out by the Administration shall not be transferred elsewhere in the Department of Housing and Urban Development unless specifically hereafter authorized by the Congress.

Sec. 704. In carrying out its functions, the Administration, or upon authorization of the Administration, any member thereof or any hearing examiner assigned to or employed by the Administration, shall have the power to hold hearings, sign and issue subpoenas, administer oaths, examine witnesses, and receive evidence at any place in the United States it may designate.

Sec. 705. Section 5314 of Title 5, United States Code, is amended by adding at the end thereof:

"(58) Administrator, United States Fire Administration."

Sec. 706. Section 5315 of Title 5, United States Code, is amended by adding at the end thereof:

"(95) Deputy Administrator, United States Fire Administration."

Sec. 707. Section 5316 of Title 5, United States Code, is amended by adding at the end thereof:

"(131) Assistant Administrators, United States Fire Administration."

Sec. 708. Subject to the civil service and classification laws, the Administration is authorized to select, appoint, employ, and fix compensation of such officers and employees, including hearing examiners, as shall be necessary to carry out its powers and duties under this Act.

Sec. 709. The Administration is authorized, on a reimbursable basis when appropriate, to use the available services, equipment, personnel, and facilities of the Department of Housing and Urban Development and of other civilian or military agencies and instrumentalities of the Federal Government, and to cooperate with the Department of Housing and Urban Development and such other agencies and instrumentalities in the establishment and use of services, equipment, personnel, and facilities of the Administration. The Administration is further authorized to confer with and avail itself of the cooperation, services, records, and facilities of State, county, municipal, or other local agencies.

Sec. 710. Whenever the Administration, after reasonable notice and opportunity for hearing to an applicant or a grantee under this Act, finds that, with respect to any payments made or to be made under this Act, there is a substantial failure to comply with—

(a) the provisions of this Act;

(b) regulations promulgated by the Administration under this Act; or

(c) a plan or application submitted in accordance with the provisions of this Act; the Administration shall notify such applicant or grantee that further payments shall not be made (or in its discretion that further payments shall not be made for activities in which there is such failure), until there is no longer such failure.

Sec. 711. (a) In carrying out the functions vested by this Act in the Administration, the determination, findings, and conclusions of the Administration shall be final and conclusive upon all applicants, except as hereafter provided.

(b) If the application has been rejected or an applicant has been denied a grant or has had a grant, or any portion of a grant, discontinued, or has been given a grant in a lesser amount than such applicant believes appropriate under the provisions of this Act, the Administration shall notify the applicant or grantee of its actions and set forth the reason for the action taken. Whenever an applicant or grantee requests a hearing on action taken by the Administration on an application or a grant, the Administration, or any authorized officer thereof, is authorized and directed to hold such hearings or investigations at such times and places as the Administration deems necessary, following appropriate and adequate notice to such applicant; and the findings of fact and determinations made by the Administration with respect thereto shall be final and conclusive, except as otherwise provided herein.

(c) If such applicant is still dissatisfied with the findings and determinations of the Administration, following the notice and hearing provided for in subsection (b) of this section, a request may be made for rehearing, under such regulations and procedures as the Administration may establish, and such applicant shall be afforded an opportunity to present such additional information as may be deemed appropriate and pertinent to the matter involved. The findings and determinations of the Administration, following such rehearing, shall be final and conclusive upon all parties concerned, except as hereafter provided.

Sec. 712. (a) If any applicant or grantee is dissatisfied with the Administration's final action with respect to the approval of its application or plan submitted under this Act, or any applicant or grantee is dissatisfied with the Administration's final action under section 710 or section 711, such applicant or grantee may, within sixty days after notice of such action, file with the United States court of appeals for the circuit in which such applicant or grantee is located a petition for review of that action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Administration. The Administration shall thereupon file in the court the record of the proceedings on which the action of the Administration was based, as provided in section 2112 of Title 28, United States Code.

(b) The determinations and the findings of fact by the Administration, if supported by substantial evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Administration to take further evidence. The Administration may thereupon make new or modified findings of fact and may modify its previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact or determinations shall likewise be conclusive if supported by substantial evidence.

(c) Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Administration or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of Title 28, United States Code.

Sec. 713. Unless otherwise specified in this Act, the Administration shall carry out the programs provided for in this Act during the fiscal year ending June 30, 1974, and the five succeeding fiscal years.

Sec. 714. To insure that all Federal assistance to State and local programs under this Act is carried out in a coordinated manner, the Administration is authorized to request any Federal department or agency to supply such statistics, data, program reports, and other material as the Administration deems necessary to carry out its functions under this Act. Each such department or agency is authorized to cooperate with the Administration and, to the extent permitted by law, to furnish such materials to the Administration. Any Federal department or agency engaged in administering programs related to this Act shall, to the maximum extent practicable, consult with and seek advice from the Administration to insure fully coordinated efforts, and the Administration shall undertake to coordinate such efforts.

Sec. 715. The Administration may arrange with and reimburse the heads of other Federal departments and agencies for the performance of any of its functions under this Act.

Sec. 716. The Administration is authorized:

(a) to conduct evaluation studies of the programs and activities assisted under this Act;

(b) to collect, evaluate, publish and disseminate statistics and other information on the condition and progress of fire prevention and control in the several States; and

(c) to cooperate with and render technical assistance to States, units of general local government, combinations of such States or units, or other public or private agencies, organizations, or institutions in matters relating to fire prevention and control.

Sec. 717 (a) Payments under this Act may be made in installments, and in advance or by way of reimbursement, as may be determined by the Administration.

(b) Not more than 12 per centum of the sums appropriated for any fiscal year to carry out the provisions of this Act may be used within any one State except that this limitation shall not apply to grants made under Title IV of this Act.

Sec. 718. The Administration is authorized to appoint such technical or other advisory committees to advise the Administration with respect to the administration of this Act as it deems necessary. Members of such committees not otherwise in the employ of the United States, while attending meetings of the committees, shall be entitled to receive compensation at a rate to be fixed by the Administration but not exceeding $100 per diem, and while away from home or regular place of business they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of Title 5, United States Code, for persons in the Government service employed intermittently.

Sec. 719. (a) Nothing contained in this Act or any other Act shall be construed to authorize any department, agency, officer, or employee of the United States to exercise any direction, supervision, or control over any fire department or any other fire protection agency of any State or any political subdivision thereof.

(b) The Administration shall condition the availability of each grant under this Act upon the compliance by the applicant or grantee with the requests, if any, made by the National Fire Data System for the submission of data to the System.

(c) The Administration shall condition the availability of each grant to a State under this Act, except Part A of Title V, upon the compliance by the State with the requests made by the National Fire Data System for participation in the creation and continued implementation of a network of uniform state fire data systems.

(d) Notwithstanding any other provision of law, nothing contained in this Act shall be construed to authorize the Administration (1) to require, or condition the availability or amount of a grant upon, the adoption by an applicant or grantee under this Act of a percentage ratio or quota system to achieve racial or ethnic balance or balance between the sexes or to eliminate racial or ethnic imbalance or imbalance between the sexes in any fire protection agency, or (2) to deny or discontinue a grant because of the refusal of an applicant or grantee under this Act to adopt such a ratio or system. However, the Administration shall condition the availability of each grant under this Act, except Part A of Title V, to a State or unit of general local government or to any other employer of fire service personnel upon the adoption by such applicant or grantee of an affirmative general program to achieve or maintain fair and equal employment and promotion opportunities for racial and ethnic minorities and for both sexes.

(e) The Administration shall condition the availability of each grant to a unit of general local government upon the adoption by the unit of a home fire inspection program comprising inspection for fire safety of all premises used for personal residence or abode within the jurisdiction of the unit.

SEC. 720. On or before September 30, 1974, and each year thereafter, the Administration shall report to the President and to the Congress on activities pursuant to the provisions of this Act during the preceding fiscal year. In such reporting, the Administration, as a result of its evaluating and coordinating functions, shall advocate and recommend which research, education, training, and other programs at the Federal, State, and local levels are deserving of continued or increased support, encouragement, and assistance from those public and private entities concerned.

SEC. 721. For the purpose of carrying out this Act, except Title VI, there is authorized to be appropriated the sums of $5,000,000 for the fiscal years ending June 30, 1974 and $50,000,000 for the fiscal year ending June 30, 1975, $128,000,000 for the fiscal year ending June 30, 1976, and for succeeding fiscal years such sums as the Congress might authorize.

SEC. 722. (a) Each recipient of assistance under this Act shall keep such records as the Administration shall prescribe, including records which fully disclose the amount of disposition by such recipient of the proceeds of such assistance, the total cost of the project or undertaking in connection with which such assistance is given or used, and the amount of that portion of the cost of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit.

(b) The Administration and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for purpose of audit and examinations to any books, documents, papers, and records of the recipients that are pertinent to the grants received under this Act.

TITLE VIII—GENERAL PROVISIONS

SEC. 801. If any provision of this Act or any amendment made thereby or the application thereof to any person or circumstances be held invalid, the remainder of the Act and the application of the provision to other persons not similarly situated or to other circumstances shall not be affected thereby.

CONGRESSIONAL ACTION AGAINST SECRECY

Mr. MUSKIE. Mr. President, on Tuesday and Wednesday of this week, two distinguished Members of Congress testified to joint Senate hearings on executive privilege and Government secrecy. Both Senator HAROLD E. HUGHES of Iowa and Representative PATSY T. MINK of Hawaii strongly and specifically recommended legislative action to assure congressional control over executive secrecy and to monitor the frequent abuses of secrecy with which we are, again, becoming sadly familiar.

I ask *unanimous consent that* the statements they presented to the Subcommittee on Intergovernmental Relations of the Committee on Government Operations, and to the Subcommittees on Separation of Powers and on Administrative Practice and Procedure of the Committee on the Judiciary be printed in the RECORD for the benefit of all those interested in congressional action against unjustified secrecy.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR HAROLD E. HUGHES, MAY 8, 1973

EXECUTIVE PRIVILEGE AND GOVERNMENT SECRECY

It is a privilege to appear before these distinguished subcommittees to offer a few personal observations as a Senator and former Governor about the overriding danger to our free institutions of secrecy in government. We of the present Congress and our predecessors have let this matter slip too long. We cannot allow the secrecy in government that has been built *up* through the years to remain built *in* for future generations.

It is self-evident that, without an unacceptable level of government secrecy, Watergate scandals that now rock the nation could never have taken place.

The hazard is that, in our immediate preoccupation with the sordid criminality of Watergate, we might lose sight of the fact that the secrecy we associate with Watergate is pervasive throughout our government operations and that it is imperative that we take decisive, corrective measures while the iron is hot.

In this light, the present series of joint hearings by these subcommittees assume an extraordinary importance to the preservation of our free institutions.

The extended concept of "executive privilege," of course, has become one of the key fronts for administrative secrecy. So far as having any basis in the Constitution or in statute, the concept is, as Senator Ervin has so aptly put it, "executive poppycock." So far as it has worked out in a practical way in our government, it would be more appropriately termed "executive cover-up."

The basic issue before us is one of information—information withheld from the Congress on one pretext or another and information withheld from the people on alleged grounds of national security.

"The people's right to know" is not a pious shibboleth; it is the cornerstone of our democracy.

Under our tripartite system of government, the determination of national priorities cannot be the executive's private piece of pie. But this is what secrecy in government makes possible—and this is what we are seeing today and have seen before in the administration of both foreign and domestic policy.

The only ones to benefit from secrecy are those with something to hide—mistakes, waste, corruption, or indefensible policies. If decisions cannot stand the light of public and Congressional scrutiny, those decisions are probably wrong.

James Reston of the *New York Times* put it well: "We deeply, almost instinctively, believe that the success of any group of people in dealing with their common problems rests on their knowledge and understanding of the problems to be solved, and on their intelligence, judgment, and character in meeting those problems. And the conclusion drawn from this is that the intelligence of the people, if well informed, will probably produce more satisfactory solutions than any leader or small band of geniuses is likely to produce."

One way we get this knowledge and understanding is through free communications media, and in the protection of the First Amendment many of you members of these subcommittees have given the nation invaluable service. While the Watergate mess was festering, some segments of the press were slumbering or intimidated, but other segments were working night and day uninhibited by threats and undeceived by cover-ups. In due time, the entire communications establishment, to its credit, rallied to the cause—of bringing out the truth.

Since the Constitution vests in the Congress all legislative power, the Congress needs all information necessary and proper to do its work of developing laws and overseeing their proper execution. Our need to know is total. I sometimes wonder whether the Executive Branch could paralyze the Congress even more effectively by giving us too much information rather than too little, but that is not the problem we face at the present time. No one would want to see a copy of every memo, every document, every file on a major policy question.

But we do have the right to make inquiries and to demand fully documented answers to our questions.

A few weeks ago, I had an opportunity, along with several other members of Congress, to participate in a conference on "The Congress and the Executive: The Constitutional Question." The interchange among scholars, former officials, and current officeholders was enlightening and provocative. I was particularly impressed with comments on executive privilege by Professor Raoul Berger of Harvard Law School, who was also testified before your committees. Professor Berger said in this Conference, as he testified before these Subcommittees, that executive privilege is a myth without constitutional warranty and urged that we not sanctify it or make it respectable by legislation.

I hope you will bear his carefully researched conclusions in mind when considering legislation that deals with this question of executive privilege. It is clear to me that bad history has been used to justify bad practices of withholding information.

Executive privilege is a license to kill—not people, but information, investigations, and ultimately the truth. These committees exposed the logical absurdity of the present Administration's position when it obtained the shocking admission from the now-resigned Attorney General that executive privilege could be extended to every federal employee.

Unlimited use of executive privilege is the first step toward no-holds-barred government.

It is one thing for the President to authorize his closest advisers not to testify about their confidential advice to him, but quite another to forbid them to tell what they know to responsible authorities. Yet this Administration tried to forbid Clark Mollenhoff from telling what he knew about the Air Force's efforts to fire Ernest Fitzgerald for his courageous exposures of waste and inadequacies in the C–5A program. And when the President in a news conference admitted firing Fitzgerald, his own press secretary contradicted him. How can we get at the truth, which in this case as well involves a possible violation of existing laws governing employees' rights, when executive privilege—read executive cover-up—is invoked?

Our hope for a prompt and thorough investigation of the Watergate scandals was seriously threatened by the White House announcement last week that present and former White House officials were to invoke executive privilege in connection with conversations with the President, conversations with each other involving communications with the President, and Presidential papers—"all documents produced or received by the President or any members of the White House staff."

It seems inconsistent and wrong for the President to rule out any immunity from prosecution for these men and yet grant this blanket immunity from testifying on the documents which flow into or out of the White House. We want to get lawbreakers, wherever they have been employed. The offenses under investigation are very serious—felonies—with sizable fines and lengthy jail terms for those who may be convicted.

Let us be very blunt about this. Public opinion polls indicate that there is a widespread suspicion in this country that the President himself may have had some knowledge of these events. While there is no evidence to support this and most of us don't believe it, we do need to know the truth. And until we get a full explanation of what happened, our mere uncertainty will undermine the power and prestige of the Presidency. For the good of the President and the people alike, executive privilege must not be allowed to obstruct full disclosure and justice.

Senator Fulbright has already discussed with you some of the problems which the Foreign Relations Committee has had in obtaining information about American agreements with and commitments to other nations. Several proposals have been offered to circumvent this secrecy.

Even in areas not at all involving national security, this Administration has clamped a lid of secrecy on information of great interest to the Congress. For example, it took lengthy litigation to secure release of the Garwin Report for the Office of Science and Technology, which pointed out major deficiencies in the proposed SST.

Let me mention just three other areas where information has been denied to members of the Armed Services Committee, despite the evident utility of such information for the Committee.

Although Pentagon planning is on a five-year basis, and the services admit scheduling procurement outlays for ten years, the Congress is told of budget plans only one year at a time. Thus, each year we buy camels after looking only at their noses.

Requests for long-range plans are routinely denied on the grounds that they are for "internal planning" purposes only. No one would want to deny the President the right to change his mind about future budgets, but I believe the Congress has a right to have access to the same information in order to safeguard the interests of taxpayers.

Secrecy also continues to surround U. S. activities in Indochina. We are told that the North Vietnamese are violating the January cease-fire agreement, but we are denied the facts about what the United States has done or is doing which might prompt such violations. For example, my office has been trying for two months to secure a list of the equipment and materials furnished to South Vietnam under the terms of the cease-fire agreement, which permits only piece-for-piece replacement. Still I have no answer, despite the requirement that these deliveries be sent through control points in Vietnam with the information furnished to the Control Commission and thus to the parties to the agreement.

In other words, our government is reluctant to prove to us that we are not ourselves violating the terms of the agreement. Before we are asked to support increased funds to finance this war, we deserve to be told how the existing money has been spent.

A third issue is that of secret activities, such as those performed by the CIA. No one would deny the need to preserve secrecy about the means by which information is obtained on a potential enemy's military capabilities and intentions. But when, instead of gathering intelligence, we intervene secretly in the internal politics of other countries, as in Chile, or when we conduct secret wars, as in Laos, the Congress has a right to know and to pass judgment on these activities.

I am sure you will consider these problems in developing legislation to increase the availability of information to the Congress.

The other aspect of the secrecy question is that of classification—the denial of information to the public at large. Once again, no one would deny the need to protect our own defense secrets. Existing laws already provide deserved penalties for disclosing information vital to the national defense with the intent or effect of harming this country's security.

As we all know, much of the information now classified does not deserve the secret stamp. One set of data with which I have been particularly concerned is the bombing and casualty figures on the war.

Each year that I have been a member of the Senate Armed Services Committee, I have asked the Defense Department for monthly American air combat sorties and bomb tonnage figures for each of the several countries of Indochina. These have been provided, albeit with some discrepancies, but with a classification of "secret."

Why should this information be withheld from the American people? The people bombed know what has happened to them; Hanoi radio reported sortie figures. The only ones who did not know whether or how much we have been bombing in Laos or Cambodia or North Vietnam were the people of the United States, who were being asked to pay for and support this military strategy.

Even today, bombing figures are still aggregated for all of Southeast Asia, and historical figures have yet to be released.

Perhaps more disturbing is the Pentagon's policy of concealing casualty figures. The public has been given only the vaguest information on the number of Americans killed in Laos. Recently, I received a reply from the Defense Department to a question on the number of Americans killed and wounded in Laos, Cambodia, and Thailand during the past three years. This information, important as it may be to understanding continued American involvement in this war, is classified "Confidential." I believe the people have the right to know this information.

One responsible and unobjectionable way of getting such information released, in my view, is for the Congress to require it by law. I have already proposed legislation permitting the Congress to declare that the disclosure of certain information now given to the Congress on a classified basis would not be harmful to the national interest and requiring that it be made public by the Executive Branch. While my proposal deals specifically only with the facts on combat air activities and U.S, casualties, it could be amended in the future to cover other materials now classified.

The abuses of secrecy came home to me most clearly last year during my involvement in the investigation of the unauthorized bombing raids conducted under the command of Air Force General John Lavelle. It took weeks of probing testimony to pry the facts about the bombing out of the Pentagon. Although the Defense Department had allegedly conducted a thorough investigation of the matter, the Armed Services Committee was able to get at the truth, in my opinion, only because we had to act on pending nominations. If we had not had this lever, we might still be in the dark.

Another discovery in the Lavelle case, strikingly similar to what we are reading in the papers today, was evidence of a massive cover-up of information. In fact, far more energy appears to have gone into the efforts to conceal the facts in this case than to take corrective actions to see that such violations can never happen again. The Air Force took strong action—removal from command—once it had evidence of General Lavelle's misconduct. But official comments for several weeks referred only to a "resignation" for personal and health reasons. Only persistent efforts by the Congress forced the Pentagon to begin to reveal the full story.

Surely we have reached a sad state of affairs in this country when the gut reaction of people is to disbelieve their government. But the evidence of deceit is too plentiful to be ignored.

Perhaps the more urgent problem for the Congress right now is to prevent the adoption of new laws which strengthen the classifiers and undermine the public's right to know. Senator Muskie has done a valuable service by ferreting out the new proposals from the 600-page proposed Criminal Code Reform Act, and in calling public attention to what amounts to America's first official secrets act.

This proposed new law strikes me as another shocking attempt by the Administration to manipulate the media: what the White House can't control, it now seeks to punish. The legislation would make it a penalty to release, receive, or publish classified information, regardless of intent or actual injury. In effect, this law would give each man with a rubber stamp a jail key for anyone who disagrees with him. The result would be a stifling censorship by classification.

If this law had been in effect in the past, no doubt there would have been energetic prosecution of those who first told us about My Lai, or General Lavelle's illegal bombing, or the deficiencies of programs like the C–5A.

And if it should become law, you know as well as I that it would not be used to prosecute the Pentagon official who leaks word that, say, the Russians are building some missile twice as good as ours. Instead, it would be used against the man who tells a reporter that the F–14 can't take off from a carrier with a full bomb load or that the CIA is fighting a secret war in the Philippines.

Not only would the source of the information be punished; the reporter and his publisher could go to jail as well. They could not even argue in their defense that the material had been improperly classified.

If we are to eliminate unnecessary classification, we also have to oppose efforts to fortify existing secrecy with such powerful, repressive weapons.

I might add that I resent Executive Branch innuendoes that the Congress cannot keep secrets which are provided to it. I for one am not aware of any instance where a Congressional "leak" harmed the vital interests of this nation. And I would challenge the Executive to show that there were more non-damaging disclosures from this end of Pennsylvania Avenue than from the other. This is a false issue, and no excuse for denying information to the Congress.

Recent history gives numerous examples of the dangerous consequences of secrecy in weakening the bonds of trust and cooperation within the government and with the people. The efforts by officials to protect themselves and conceal their mistakes is more likely to be a crime, against the national interest, than the attempt to expose such cover-ups.

I would offer only a few more suggestions in conclusion. I am pleased to be a cosponsor of Senator Muskie's proposed amendments to the Freedom of Information Act since they strengthen the rights of citizens and put the burden of proof for concealment on the government.

Although I am reluctant to grant an executive privilege which never should have been asserted, I hope that any legislation you may develop will make any denial of information difficult to invoke and ultimately remediable by some appeal, either to the Congress or the Courts.

On the question of declassification, I have already suggested one possible route: direct legislation if nothing else will avail. A regular process would, of course, be preferable, and along those lines I would favor a third-party public information review board with broad investigative powers like those of the General Accounting Office and composed of members who can exercise professional judgment on the competing requirements of national security and the public interest. Such people would be those with prior experience in journalism and public affairs.

In the long run, the more we unclog the channels of information, the more likely we are to build a vigorous and responsive democracy. Unexamined policies are not worth having; we need open policies, openly arrived at, and tested by informed public debate.

Testimony by Representative Patsy T. Mink, May 9, 1973

Mr. Chairman and distinguished members of the Subcommittee, I am delighted to have this opportunity to testify on behalf of the adoption of S. 1520. As a co-sponsor of this legislation in the House, I believe its adoption is essential if we are to preserve the Freedom of Information Act.

Unfortunately, the Freedom of Information Act has been placed under concerted attack by the Executive Branch of our government. The Executive has received considerable support from the Judicial Branch in this regard. Therefore, if we are to restore the purposes of the Act, it will be necessary for Congress to enact sound and strong legislation requiring full disclosure of government information to the people of the United States.

In 1972 when I spoke before a House Subcommittee, I favored a judicial watchdog system for freedom of information. When the Executive refused to disclose information, the matter could be appealed to a court. The court would examine the documents in camera to see whether full or partial disclosure should be required. In this, I placed my trust in the independence and integrity of the judicial system.

Subsequent events, however have brought me to the reluctant conclusion that this protection would be inadequate. I believe that Congress itself must grasp the power to disclose governmental information when the Executive and Judicial branches will not.

When Congress enacted and the President signed the Freedom of Information Act in 1967 its purpose was to require the disclosure of all Federal government information to any member of the public. The only exceptions to the law's disclosure requirement were materials included in nine exemptions listed in the Act.

Of these nine exemptions, the first has proved most vexatious. This applies to matters that are "specifically required by Executive order to be kept secret in the interest of the national defense or foreign policy." The national security exemption, originally intended by Congress to be narrowly construed and implemented, has instead been enlarged and expanded by the Executive Branch to encompass virtually any information the Executive desires to withhold.

Under the slipshod and illicit procedures devised by the Executive to withhold information under the national defense exemption, an army of bureaucrats has been allowed to classify and withhold information at will. According to newspaper reports of the Ellsberg trial, the man who originally classified them "Top Secret" acted on his own authority and judgment. The only training or instruction he ever had in security matters was watching "a movie which had the theme 'Beware of blondes who are excessively friendly—they may be Russian spies.'"

In 1971, 32 other Members of Congress and I filed the first Freedom of Information Act suit ever to reach the United States Supreme Court. As members of the public, and as lawmakers who had to vote on funds for a dangerous nuclear test, we sought information on that test prepared by the government's environmental agencies which are responsible by law for informing the public on environmental hazards. The Executive Branch opposed us every inch of the way. When the U.S. Court of Appeals was audacious enough to insist that the documents be examined in camera by a lower court to see which ones should be released, the Executive Branch sought Supreme Court review of even this threat of intrusion on its right to withhold.

On March 6, 1972, the Supreme Court agreed to review the Appeals Court decision. Two days later the Executive Branch issued an order revising its security classification system. Henceforth, documents were to be separately classified on a paragraph-by-paragraph basis to facilitate declassification in the event it was needed. This ratified one of the contentions of my suit, that the documents I sought could not be classified in their entirety merely by being stapled to a Secret document.

On January 22, 1973, the Supreme Court issued its decree in the Mink case, which proved to be a disaster for Freedom of Information. In essence, it upheld everything the Executive had done to withhold this information from the Congress and the public. The most damaging part of the decision was the nullification of the doctrine of judicial review. The court held there was no requirement for an *in camera* inspection of documents to see whether they could be withheld. It said that the simple statement of the Executive that they were classified would suffice. Thus there would be no check or guard against arbitrary Executive efforts to hold back embarrassing or sensitive materials.

The court's preoccupation with national security secrecy was further illustrated on February 5, 1973, when the Chief Justice sent to the Congress 77 proposed new rules for evidence for use in the Federal courts. One of those rules, number 509, sought to apply the grossly expanded "national defense" loophole to bar any such evidence in Federal courts. Under this proposed rule, any attorney representing the government could object to the production of a record on the grounds that disclosure would be "contrary to the public interest." In effect, this would bar disclosure of all government documents unless the private citizen or other plaintiff was able to prove that disclosure was in the public interest. Fortunately, Congress has deferred the otherwise automatic implementation of this and other controversial rules sought by the court.

I might mention another example of Executive efforts to build upon the new-found secrecy power it has gained through palpably erroneous interpretations of the national defense loophole in the Act. Last October, Congress approved legislation declaring that meetings of the hundreds of government advisory committees "shall be open to the public." We provided, however, that this requirement would not apply to meetings where discussions are held of matters exempted under the Freedom of Information Act from public disclosure. Predictably, the government has seized upon this tiny loophole to close these "open" meetings. Apparently, before the administrators will obey our 1972 law we will have to tighten up the Freedom of Information Act.

S. 1142 would make these necessary revisions. One change would amend section 3 to enlarge the right of the public to Federal information. Section 3 would also be amended to require all agencies to furnish any information or records to Congress, or any committee or subcommittee thereof, upon request. This is along the lines of an existing 1928 statute which requires the production of information upon the request of any 7 members of the Committee on Government Operations.

This change is a logical and essential step. But I would go further. I would urge that if Congress is to become a truly co-equal branch of government, that we must have equal access to government information. This means the establishment of a principle that Congress has the right to all information and its classification or release.

As elected officials each of whom has a constituency of at least half a million people, we have as much right to decide which information shall be released to the public as faceless appointed officials whose only qualification is that they watched spy movies. Members of Congress should be entitled to any Executive Branch information upon request by any 10 members classified or not. I would only require that Members be responsible for the safe custody of this classified information. If members should want to obtain its declassification so as to enable its release to the public, I propose a new mechanism for Congressional determination of de-classification. I propose the appointment of a special joint committee of the House and Senate. This committee would have the lawful power to declassify security information. If a member obtained information and wished to have it declassified he could refer it to the committee for a required swift decision. Closed hearings or consultations with the Executive branch could be held by the committee prior to its decision. The key factor would be that Congress, the elected representatives of the people, should have this power to declassify.

I feel that the appointment of an outside commission or body for this purpose would be an inadequate remedy. Neither should it be required that a Congressional Resolution be passed by the entire membership of the House or Senate for release of information. Free access of information gathered by our tax dollars is a public right and power to decide this issue.

A House bill contains a provision which is well-deserving of consideration for inclusion in legislation you may approve in this field. It imposes a mandate that a court "shall enjoin" refusal to release government information not exempted from disclosure under the Act. This is an improvement over the Act's current permissive authority to enjoin.

Our bills provide for the payment of attorney's fees and court costs to be a successful litigant under the Act. I feel this should be extended to costs and fees at any level in which the litigant is upheld by the Court and not only in cases where the final decision is in favor of the litigant. I believe that certainly in the *Mink* case our costs should have been reimbursed by the government. Where the Supreme Court remanded the case, I believe that all costs and fees ought to be covered by the government. That is a small price to pay for freedom of information.

In addition, our bills fail to change the existing definition of national security information exempted from mandatory disclosure. We should require that any such information be separately classified by its own executive order, rather than apply one general order as authority to classify all documents. Further, the test of whether the material is secret "in the interest of the national defense or foreign policy" allows too much leeway for the Executive. We should specify in the exemption that only materials whose disclosure would damage current foreign policy activities, or reduce the nation's ability to defend itself against military attack, would be exempt.

It seems to me that strong limitations against secrecy must be invoked by Congress. We have to guard against our inadvertently contributing to the suppression of information from the American people and from Congress. I urge this Subcommittee to work towards the highest standards for openness in all aspects of our government operations. Secrecy must only be tolerated in cases where release of the information will seriously jeopardize our national security or endanger the stability of our foreign relations. Embarrassment of the Executive such as providing internal arguments made against a policy should never be a reason to keep a report secret. The public should be advised of all sides of an issue. The executive must not be characterized as a propaganda agent of its decisions. Executive policies should be able to stand the light of a full public review. All the facts should be made available to the public. We cannot rest until our laws are perfected to safeguard this fundamental principle of a free society.

MAGNITUDE OF THE TASK BEFORE CONGRESS

Mr. MATHIAS. Mr. President, as Congress proceeds along its daily schedule, it is occasionally useful to remind ourselves of the magnitude of the task before us. The President has submitted a budget which foresees the expenditure of $268.7 billion. The President's budget envisions a deficit of approximately $13 billion in the coming fiscal year, following the $24 billion deficit which appears likely for the current fiscal year. This deficit financing comes at a time when there are uneasy indications that inflationary pressures are rapidly increasing in many sectors of our economy.

With the end of the fiscal year on June 30, some 300 major Federal programs will expire unless their authorization and appropriation is renewed. That process of renewal will involve, in many cases, major debates concerning the structure, size, and general wisdom of particular programs. And all of these programs which Congress decides to continue must be fitted within the $268 billion overall spending ceiling to which the Senate has committed itself.

As we proceed with this task before us, we must also be cognizant that many individuals and organizations in the private sector of our economy already are confronting critical decisions which hinge upon the shape of Federal programs in the months and years ahead. If these individuals and organizations are to make their decisions wisely, then we within the Federal Government must press ahead on the agenda before us in a cooperative and positive atmosphere of confidence, respect and good faith.

In this spirit I would ask unanimous consent that a summary of the programs which expire on June 30 be printed in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

SUMMARY OF MAJOR PROGRAMS WHOSE AUTHORIZATIONS OR APPROPRIATIONS EXPIRE JUNE 30, 1973

Agriculture—food stamp program.

Department of Defense—military enlistment bonuses.

Department of Defense—military procurement.

Department of Defense—military research and development.

Department of Defense—construction.

Housing and Urban Development—mortgage interest subsidy payments to middle income families.

Housing and Urban Development—experimental program of low income housing allowances.

Banking—authority of the Federal Reserve Banks.

Housing and Urban Development—authority to insure mortgages for low income families.

Housing and Urban Development—National Housing Act.

Housing and Urban Development—authority to insure mortgages for lower and moderate income.

Banking—Council on International Economic Policy.

Banking—Asian Development Bank.

Education—education projects on drug abuse and drug dependency, community programs, research, etc.

National Endowment for the Arts and Humanities.

Education—grants for guidance counselling, school libraries, special education programs, etc.

Education—payments to local educational agencies for the education of children of low income families.

Education—special grants for education of handicapped children.

Labor—occupational safety and health.

Education—Environmental Education Act.

Labor—Emergency Employment Act of 1971.

Office of Economic Opportunity—Economic Opportunity Act of 1964.

VISTA.

Labor—Manpower Development and Training Act of 1962.

Drugs—international narcotics control.

Radio Free Europe.

United States Information Agency.

Peace Corps.

Department of State.

Overseas Private Investment Corporation.

Alliance for Progress.

Foreign Assistance Act of 1961.

United Nations Relief and Works Agency.

Saline Water Conversion Program.

Flammable Fabrics Act.

Motor Vehicle Safety Act.

Corporation for Public Broadcasting.

Health, Education and Welfare—various alcoholism programs.

Community Mental Health Center.

Family Planning and Population Growth.

Health, Education and Welfare—modernization of hospitals.

Health, Education and Welfare—allied health professions.

Health, Education and Welfare—community mental health centers.

Health, Education and Welfare—areawide health planning.

Health, Education and Welfare—programs of health services for domestic migrant agricultural workers.

Railroad Retirement Act of 1937.

Development of low emission vehicles.

Clean Air Act.

Solid Waste Disposal Act.

Law Enforcement Assistance Administration.

Coast Guard.

Highway Trust Fund.

Office of Environmental Quality.

Public Works and Economic Development Act of1965.

John F. Kennedy Center for the Performing Arts.

National Aeronautics and Space Administration.

National Science Foundation.

Renegotiation Act of 1951.

Public Debt limit.

Maternal and Child Health Services.

LABOR AND THE ENVIRONMENT

Mr. CRANSTON. Mr. President, recently I was invited to speak before the Fourth Biennial Statewide Planning Conference sponsored by California Tomorrow, a California-based environmental planning organization.

I took this opportunity to remind environmental leaders that they must make every effort to cast off the stigma of elitism and to be more sensitive to the needs and desires of working men and women. Over the past several years, as the environmental movement has gained in strength and effectiveness, a most unfortunate misunderstanding has developed between environmentalists and labor.

This misunderstanding has the work-working man and woman opposed to many environmental actions because they believe these actions will mean a loss of jobs and a limitation on recreational opportunities. I believe it is essential that we correct this misunderstanding, for it is clearly not true that environmental quality necessitates a cutback in jobs or recreational opportunities.

We need to encourage a coalition of organized labor, minorities and environmentalists that is strong enough to insure that the benefits of a clean environment accrue to everyone and that the job rights of millions of workers are protected.

Mr. President, I would like to share these thoughts with my colleagues, and I ask unanimous consent that a copy of my speech be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

CALIFORNIA TOMORROW STATEWIDE PLANNING CONFERENCE, SAN FRANCISCO, WEDNESDAY, APRIL 25, 1973

I am delighted to be here in San Francisco this *morning* to join with all of you in the fourth biennial statewide planning conference sponsored by California Tomorrow.

I regret that I could not have been here yesterday as well.

I don't know whether there is any magic in the number four, but it seems that this fourth statewide planning conference offers us a unique opportunity to evaluate how far we've come and whether, as the topic of the conference asks, the pieces fit together.

We have had some concrete victories this past year at the ballot box and in the State legislature.

And there has been a good deal of activity in the Congress, with more yet to come.

Thus it is appropriate that we stop for these two days and assess where we are and whether we want to redirect the ways things are moving—now that they are finally moving.

Before I discuss the role of the Federal Government in environmental planning, I'd like to comment on what I think may well be the most significant aspect of our movement toward a national, comprehensive system of environmental planning.

I see two extremely important changes in our thinking, our conceptual models.

The first, I think, is the increasingly widespread view of the earth as an ecological whole, with a balance of natural forces that is more easily upset than was previously thought, and with resources that are very definitely finite.

This change of thinking is occurring in the minds of the general public—the average citizen who has had little or no scientific training and little personal involvement with the environmental movement.

I have no official public opinion polls to cite as proof that this change is occurring.

But I am convinced from talks with countless Californians that there is an important attitudinal change underfoot.

Certainly, the passage of proposition 20 last November is evidence that large numbers of Californians are in favor of better land use planning, and the preservation of what is left of California's unmatched scenic coastline.

The fact that Californians are more sensitive to environmental issues and, indeed, the fact that the California Coastal Zone Conservation Commission now exists, can in large measure be credited to the efforts of an organization like California Tomorrow.

It has contributed much to an environmental awakening throughout the State, has led us in an "environmental consciousness-raising" if you will, and continues to prod us toward thinking in terms of *comprehensive*, rather than single-purpose, planning.

It is certainly significant that increasing numbers of Americans are more conscious of the limits that surround our taking of mother Earth's bounty, and our continuous alterations of her lands:

This does not mean that the battle for conservation has been won.

Far from it.

But it does mean that small victories are more numerous.

We may be able to preserve the upper Newport Bay, for instance, a particularly good example of the growth of new, more comprehensive values:

What was slated to be developed for its "highest and best use" in traditional terms—expensive private homes and boat docks along dredged-out canals—will now be preserved as a wildlife habitat, one of the last remaining salt water marshes along the Southern California coastline.

My Washington staff is exploring what steps will be most effective to insure the preservation of this environmentally priceless place.

But if we are to continue to win skirmishes in the larger environmental battle, it is absolutely essential that the environmental movement purge itself of those attitudes and insensitivities that make it so vulnerable to the charge of elitism.

I think, in the past, this accusation has been all too accurate, and it has led to some bitter divisions between environmentalists and other groups in society:

Notably labor and minority groups.

This leads me into what I consider the second major change evidenced over the past year—the realization that workers and environmentalists are not at odds, but in fact, share many common goals.

This new attitude is, as yet, largely confined to the "vanguard" of the labor and environmental movements, but it should be nurtured and expanded.

The commitment toward this goal which emerged from the California AFL–CIO conference on "Jobs and the Environment" here in San Francisco last December was an extremely important first step.

It is certainly at the heart of the kind of planning envisioned by the California Tomorrow plan.

In this vein, I think it is quite legitimate to question whether "no growth" is a meaningful goal.

It says to workers and minorities that the primary benefits of a clean environment will go to the already affluent.

It says to the many men and women who depend totally on jobs in the defense, aerospace, construction and highway industries that their jobs—and their very livelihoods—are less important than a clean environment, a city park, a few thousand acres of wilderness hundreds of miles away.

It says to the 500,000 unemployed in California that their chances of getting another job are slim at best.

It says to those who are just now enjoying the leisure and the resources so long enjoyed by the middle and upper income groups, that their jeeps and their motorcycles and their campers are damaging rare desert flowers and, their use therefore, must be severely restricted.

My point is that many in their zeal to inhibit what appears to be a suicidal growth syndrome have been insensitive to the legitimate needs and desires of the working man and the poor.

I do not, however, believe that environmental quality necessitates a cutback in jobs or recreational opportunities.

Rather, it points to the need for all of us to move away from single-purpose environmental planning toward more comprehensive planning which considers social, economic and environmental factors.

We should seek ways to improve our environment by creating more jobs rather than jeopardizing jobs.

We can do that through mass transit, pollution control programs, and water purification projects, all of which can add to productive labor.

Let us say to construction workers and defense, military and aerospace workers: We believe in your right to a job.

We will work to guarantee you alternative employment before any further cutbacks are made.

We will insist that environmental impact statements and military and defense planning take into account the effects unemployment and social dislocations have on the people involved.

Let us talk not only of environmental impact, but about social and economic impact as well.

In the final analysis, environmental reform will succeed only if it is part of an overall program of social and economic reform.

We need to encourage a coalition of organized labor, minorities, and environmentalists that is strong enough to insure that the benefits of a clean environment accrue to everyone and that the job rights of millions of workers are protected.

The concern for a better life and a better world is the concern of us all.

Several environmental planning bills are now pending in the Senate Interior and Insular Affairs Committee that stand a good chance of moving in the 93rd Congress.

One is my bill to create the California desert national conservation area (S. 63) and to provide additional staff and resources to enable the California office of the Bureau of Land Management to speed up its on-going study of the desert and its resources.

I think this is a particularly important bill.

While it is "single purpose" in the sense that it focuses only on the 16 million or so acres in south-eastern California that are largely in the jurisdiction of the Bureau of Land Management, it is also an area that needs immediate special attention.

With millions of Los Angeles area residents in search of recreational land, the desert has become one of the most heavily used, and most easily scarred, of the open space areas around Los Angeles.

It has become imperative, as I am sure many of you already know, to provide some kind of plan for the desert, allowing various activities wherever the land can support them. Including the use of recreational and off the road vehicles.

Since introducing the bill last January, my office has been deluged with letters from many individuals and organizations who believe my bill would prohibit off road vehicles in the desert.

This is definitely not the intent of the bill, nor is it the intent of the Bureau of Land Management, so far as I can determine.

What we do intend, however, is the development of a plan which will set aside those areas of the desert that can support off the road vehicles and restrict these vehicles to those areas.

I cite this as an example of the kind of issue that can so easily blossom in the minds of the owners and users of off road vehicles into an antienvironmentalist feeling, just as is often the case when we talk about preserving our last remaining virgin areas as wilderness.

Because the environmental movement has in the past been too insensitive to the needs and desires of the working man, it has been viewed by the working man as an effort to lock up all the remaining open space for the sole benefit of back packers.

It is up to the environmental movement to better communicate that the preservation of these lands is for the benefit of everyone, just as it is imperative that all outdoorsmen—including off the road vehicle enthusiasts—be made more aware of the irreversible harm that may come from their use of certain, fragile lands.

The other very significant piece of legislation pending in the Senate is of course, the land use policy and planning assistance Act of 1972, S. 268.

This is the major land use planning bill sponsored by Senator Henry M. Jackson, Chairman of the Interior Committee, which passed the Senate last year but stalled in the House.

Senator Jackson is already pushing the bill toward early Senate action this year.

This is a complex bill which will certainly require lengthy consideration in the Senate.

Already a number of amendments have been proposed, including one by Senator Gaylord Nelson which would place some restrictions on the activities of land developers.

It will be interesting to see in what form this legislation emerges from the Interior Committee.

At that time, I would appreciate having your comments and suggestions so that I can best represent California's interest and can help to "make the pieces fit" from California's point of view.

In closing let me say that I see the primary roll of the Federal Government in all of this as helping to shift the focus of planning away from the primarily local to the regional, State and the National.

The Federal Government while seeing to it that we have adequate security—must take the lead in developing an alternative to our present military and defense-dependent economic system.

It must encourage a peacetime economy that is consistent with environmental quality.

It must provide the funds to clean up the environment and at the same time to provide jobs and income security.

And, ultimately, it is the job of the Federal Government to make sure that the pieces fit together, that the decisions we make are based not only on today's needs and priorities, but on tomorrow's as well, and on the economic, social and environmental needs of tomorrow's citizens.

Most importantly, the Federal Government must underscore the attitude which California Tomorrow has pioneered and fostered— that the *future is now*. And that the paths we choose to take today will largely determine our future in the Golden State and in our Nation and in our world.

PUBLIC LAW 92–140

Mr. McCLELLAN. Mr. President, the 92d Congress enacted Public Law 92–140, of which I was the principal sponsor, to amend the Copyright Act to extend copyright protection to recordings and tapes. I introduced this legislation because of the widespread unauthorized duplication of tapes. The Congress has been informed that the volume of pirated tapes has reached $200 million a year in sales.

During the consideration of this legislation in the Congress certain opponents of my bill suggested that the legislation was unconstitutional. I am pleased that there has been a final judgment that the statute is constitutional. Assisant Attorney General Henry E. Petersen and the Criminal Division of the Department of Justice are now undertaking a vigorous program to implement the provisions of this legislation. A Federal grand jury in New Mexico recently returned a 48 count indictment—the first under the statute. Additional indictments are anticipated.

I have received a letter of April 20th from Joseph T. Sneed, Deputy Attorney General, advising me of the Department's program to enforce Public Law 92–140. In view of the general interest in this subject I ask unanimous consent that the letter from the Deputy Attorney General be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

OFFICE OF THE
DEPUTY ATTORNEY GENERAL,
Washington, D.C., April 20, 1973.

Hon. JOHN L. MCCLELLAN,
Chairman, Subcommittee on Patents, Trade-Marks and Copyrights, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: The Attorney General has asked me to reply to your letter of March 23, 1973, expressing your concern over the escalation of the volume of illegal duplication of sound recordings in violation of the amendment to the Copyright Act which became effective last year.

Soon after the effective date of Public Law 92–140, the Criminal Division of the Department under the leadership of Assistant Attorney General Henry E. Petersen instituted a vigorous program to implement the provisions of the new Act. In furtherance of this program, contact was established with industry sources to open lines of communication and to procure the benefits of the experience of the industry in its long standing battle to combat the debilitating effects of record piracy upon the legitimate sound recording industry. The Recording Industry Association of America has been particularly helpful and cooperative in this undertaking.

Currently, the Criminal Division is undertaking to distribute to all United States Attorneys and to the Federal Bureau of Investigation a comprehensive explanation of the new law and the methods by which the Government hopes to meet the swelling tide of illicit sound recordings. When this manual of operating procedure and law is distributed, it will be accompanied by a letter to all United States Attorneys urging them to give high priority to the prosecution of these offenses. Similarly, the Federal Bureau of Investigation, despite the heavy burdens cast upon it in the investigation of crimes involving more violent activity, is giving a substantial measure of its time and efforts to this important undertaking. In view of your expressions of concern, however, I will advise the Federal Bureau of Investigation of your interest and urge even greater investigative effort. The dissemination of the document referred to above will do much to facilitate the investigation of these offenses and to indicate the importance which this Department attaches to their prosecution.

In the proposed revision to the Criminal Code, recently introduced in the Senate as S. 1400, it is proposed to upgrade the offense of infringing the copyright in a sound recording from its present status as a misdemeanor to that of a Class E felony; persons committing such offenses would then be subject to a penalty of up to three years. This provision in the bill also reflects the seriousness with which this Department views the commission of offenses involving the infringement of sound recording copyrights.

I am pleased to be able to report that such a vigorous prosecutive program is being followed by the Criminal Division in this field. Thank you for your interest and concern in this area of the law.

Sincerely,

JOSEPH T. SNEED,
Deputy Attorney General.

COMPUTERS AND PRIVACY: CONTINUING QUESTIONS OF CIVIL LIBERTIES AND INVASION OF PRIVACY AS THEY RELATE TO DATA PROCESSING

Mr. ERVIN. Mr. President, the Constitutional Rights Subcommittee's concern with matters of privacy and Government data continues to provoke widespread public interest and debate. More and more, governmental and private groups, from high school classes to computer professionals, are seeking information and guidance on how to reconcile individual privacy with Government data banks.

I have been asked to appear before many of these groups, but I know I would not have hours enough in the day to satisfy all requests. For that reason I am grateful that members of the Constitutional Rights Subcommittee staff are willing to lift some of the burden from me.

Recently Dorothy Glancy, assistant counsel on the subcommittee staff, appeared before the American Association of Motor Vehicle Administrators at a conference in Chicago. One of the largest computer data systems in the country is the driver safety registry run by the U.S. Department of Transportation, and consisting of data banks, most on computers, in all the States. Every driver in the United States is in this system, and in some States the computer contains information on the most minor of infractions including even parking tickets. I believe that her talk is of interest to all citizens and for that reason I ask unanimous consent that it be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

COMPUTERS AND PRIVACY: CONTINUING QUESTIONS OF CIVIL LIBERTIES AND INVASION OF PRIVACY AS THEY RELATE TO DATA PROCESSING

I was thinking this morning about what my boss, Senator Sam Ervin, might have to say to you about computers and privacy if he were here. Computers always seem to remind Senator Ervin of his first job. It was right after he finished high school and was working on a construction crew. On the first day he was pushing a wheelbarrow and his boss called out and asked what he was doing. "They told me to carry dirt in this wheelbarrow," Sam replied. The boss called down, "You put that right down, boy. You know you don't know anything about machinery."

Neither Senator Ervin nor I pretend to have the kind of expertise that you ladies and gentlemen have in the field of data processing and computer science. But we do know something about privacy and constitutional rights. It is about our civil libertarian concerns relating to privacy and individual liberties that I would like to talk with you this morning.

Many of you undoubtedly share many of these concerns about privacy. And all of you surely realize that the importance of these civil libertarian concerns to politicians like Sam Ervin and staff people like myself is likely, sooner or later, to show up in legislation affecting the uses to which computers are and are not going to be put.

Before I talk about some of these specific civil libertarian concerns and the legislative responses to these concerns which are presently under consideration in the Congress, let me tell you a little about the policy-makers who will be enacting legislation affecting the future usage of computers.

To begin with, politicians are, by and large, generalists like Sam Ervin. They simply do not have a sophisticated understanding of electronic data processing.

A great deal has been spoken and written in recent months about an "information-starved" Congress, about the incapacity of the Congress to deal with sophisticated matters of cost-benefit analysis, budgetary planning and the like. For whatever reason, Congress has been unwilling to appropriate unto itself the vast analytic capabilities of electronic data processing. One result of this incapacity has been a seepage of power over fiscal planning away from the legislative branch into the executive.

I will not take time at this juncture to go into the complicated issues of impoundment and executive privilege. But I would like to point out the ironic situation in which Senators and Congressmen find themselves vis-a-vis controlling the uses to which computers are to be put. In relation to the executive branch, in relation to private industry, in relation to just about every policy-making group of comparable size, the Congress is, for all practical purposes, computerless.

Right now Congress has only three computers for which it spends slightly over one million dollars—including equipment, rentals, maintenance and personnel. These three computers are used primarily for housekeeping functions, not as policy planning support systems. In addition, the General Accounting Office has one computer augmented by access to leased computer time and certain computers of executive agencies. The Library of Congress has two computers, one of which is used in doing research for the Congress. The Government Printing Office also has one computer for administrative tasks. In sum, the Congress' yearly use of computer amounts to around nine million dollars—as compared with two billion dollars' worth of computer capabilities in the executive branch.

The simple fact is that the legislators who will be dealing with the difficult decisions about the uses to which computers should and should not be put are not only woefully under-equipped but also relatively naive technically. One has to begin with the realization that these policy-makers lack many of the basic tools to understand and to evaluate the sophisticated systems which you are responsible for running.

In addition, one must realize that Senator Ervin and his 534 colleagues are politicians. They are elected representatives from all over the nation and are and ought to be responsive to the many and varied interests of the American people who elect them.

Privacy is one of those interests of the American people that crops up all the time—

in letters from citizens to their Senators and Congressmen, when a Senator goes to shake hands at the factory gate, in editorials, in complaints and even lawsuits for invasion of privacy. For example, a recent survey conducted by Time Magazine and the American Federation of Information Processing Societies showed that of the respondents:

54% believe that computers are dehumanizing people and turning them into numbers.

62% were concerned that some large organizations keep information about millions of people.

53% feel that computerized files might be used to destroy individual freedom.

58% feel that computers will be used in the future to keep people under surveillance.

It is against such a background of public concern about privacy that politicians like Senator Ervin find themselves in the position of making policy choices about the ways computers and electronic data processing will be used. It seems to me that it is vitally important in making these policy choices that there be *some* sort of mutual understanding, or at least communication between the computer people and the politicians and others concerned about civil liberties. It is of course important that the policymakers understand the problems and potential of computers from your expert point of view. But it is just as important for you to understand the kinds of constitutional, civil libertarian concerns which motivate policymakers like Senator Ervin to propose legislation safeguarding privacy and individual liberties by restricting the use of computerized information systems.

On the most basic level one must begin by understanding that these civil libertarian concerns are not nightmares dreamed up by a bunch of ivory tower academics sitting around imagining the worst about computers. Rather they are expressed fears which time and again come from members of the general public who object to invasions of their privacy, to depersonalization, to lack of due process—all of which they feel are the result of computerized information on their lives.

It may be useful to stop a moment and think a little about just what that catchword "privacy" involves, because it really is shorthand for a variety of different considerations.

It seems to me that when we talk about privacy, we are really talking about our control of information about ourselves—who knows what about us.

If you really think about it, there is something a bit peculiar about discussing the privacy of a lonely man stranded on a desert island without hope of rescue. Privacy becomes relevant only when we are able to grant or deny access to others.

For example, your house is private, but only because it has doors, windows and window shades to allow the world in or to keep it out. The effectiveness of your privacy at home, of course, also depends in large measure on the laws which entitle you to exclude unauthorized persons.

Yet privacy is more complicated than a door which can be opened and shut to control information about ourselves. Privacy also involves subtle modulations in the quality of that information. I may not care whether or not you all know that I am ill, but I would feel uncomfortable—that my privacy is being invaded—if you all knew the nature of my illness. And at the same time a friend who knows what my illness is would be an unwelcome interloper in the hospital where I prefer to suffer from my illness in private.

As you can see, when we talk about privacy, we are expressing our concern that some segment or segments of our lives be protected from uninvited eyes, ears, and minds, that we have some measure of control over what *the rest of the world* knows about us.

I, and many of my civil libertarian cohorts, believe that this sense of control over information about ourselves is a vital, if not indispensable, cornerstone for our humanity. For when you get right down to it, it is only by being able to control the amount and kind of information which others have about us that we are able to enter into relationships of mutual respect, trust, friendship and love. Professor Charles Fried speaks of privacy as the essential context of human interaction that "creates the moral capital which we spend in friendship and love."

The capacity of computers to collect more information, to store and interrelate more different bits of information, and to disseminate such information to more people with greater speed and efficiency than was ever dreamed possible twenty years ago—all of these attributes of computers quite naturally lead people to fear that soon there may be no more privacy, that the individual may no longer be able to control what is and is not known about him or her.

Some of these fears about dehumanizing computers may seem to be unrealistic nightmares to those of you who work with computers all of the time. And yet, real or unreal, these fears about the power of the computer to interfere with the control individuals exercise over information about themselves are the stuff out of which legislation is made.

Remember those 535 politicians in Washington, D.C., who have virtually no access to, and relatively little knowledge of, the technical aspects of computers. It is their job as elected representatives to respond to the felt concerns of their constituents and to enact legislation which will protect those aspects of individual liberty which the American people feel are endangered and ought to be protected.

Let me briefly catalogue for you some of those civil libertarian concerns and certain of the legislative responses which have been proposed to deal with them.

For the sake of clarity, it is sometimes helpful to think about civil libertarian concerns about computerized information systems in terms of two related operations: data collection and data dissemination.

Clearly, if the law forbids the collection of any information about anybody, there would be no privacy problem. But the fact of the matter is that the exigencies of modern life require that a certain amount of information be gathered both by the government and by private groups in order for our complexly interrelated social, economic and legal systems to operate. The difficult questions involve how much and what kinds of data ought to and ought not be gathered and in what ways. Do we want to put the information into computers or don't we?

In some instances, certain kinds of information have been declared off limits to computers or anybody else. Self-incrimination is an example. The framers of our Constitution decided at the very founding of this nation that there should be an absolute prohibition on compelling criminal defendants to give information incriminating to themselves. They enshrined this prohibition in the fifth amendment because they felt that the sanctity of human personality deserved no less protection from overzealous information gatherers.

Senator Ervin, as chairman of the Constitutional Rights Subcommittee for which I work, has for many years been concerned with government data gathering about the private lives of government employees. Since 1966 Senator Ervin has introduced legislation designed to restrict governmental collection of data about the private lives of federal employees. This legislation would prohibit requirements that federal employees and applicants for federal employment disclose their race, religion, or national origin. It would prohibit coercion of federal employees to submit to questioning about their religion, personal relationships or sexual attitudes through interviews, psychological tests or polygraphs.

This federal employee privacy legislation grew out of hearings held by the Constitutional Rights Subcommittee and numerous complaints from federal employees about invasions of their privacy by bureaucrats asking them to respond to statements such as the following:

Everything is turning out just like the prophets of the Bible said it would.

I loved my father.

I am very strongly attracted by members of my own sex.

I am very religious (more than most people).

I believe there is a Devil and a Hell in afterlife.

Once in a while I feel hate toward members of my family whom I usually love.

I wish I were not bothered by thoughts about sex.

There is a fair chance that this federal employee privacy legislation will pass both houses of Congress this session. If and when it does pass, this legislation will represent some of the first legislation since the fifth amendment which seeks to protect individual privacy by prohibiting the collection of certain kinds of information from individuals.

It is interesting to note by way of contrast that efforts by citizens to curb government data collection about individuals through litigation have been almost uniformly unsuccessful. There have been, for example, numerous court challenges to the Census, but so far the courts, all the way up to the Supreme Court, have been unwilling to place restraints on governmental information gathering, including questions about whether you have false teeth, and whether you have a flush toilet in your home, not to mention personal financial information. It has been just about a decade since the Supreme Court implicitly approved the compulsory decennial census in *U.S.* v. *Richenbacher*. A quick look at constituent mail indicates that the pressure is mounting for legislative curbs on the nature and amount of information which the Census Bureau can require citizens to supply about themselves.

Related both to information gathering and information dissemination is the difficult issue of the universal identifier, for which the Social Security Number is the most likely candidate in this country. The debate about whether or not the Social Security Number or some other unique identifier should be used to identify individuals for all sorts of governmental and non-governmental recordkeeping purposes continues, with no clear resolution in sight.

It is undeniable that increasing use is being made of this number at all levels of government—from driver registration to dog licenses. For the most part, use of the Social Security Number has spread by administrative fiat, rather than by explicit legislative authorization. Sooner or later the Congress is going to have to come to a difficult policy decision about whether or not the Social Security Number (or some other number) should be used as a data-gathering peg upon which to hang all of the information gathered by both governmental and private organizations about each of us.

It may be useful to note at the outset of this discussion that the idea of a universal identification number for all citizens is not a particularly novel idea. Such numbers were introduced in Sweden in 1947; in Israel in 1948; in Norway in 1964; in Finland in 1965; in Denmark in 1968. A number of other countries are preparing to introduce them, such as Argentina, the Benelux countries, both East and West Germany, Japan, South

Korea, Spain and Switzerland. This is not an altogether unimpressive list.

But the fact that other nations have adopted such a system of individual identification numbers is not determinative of the issue as to whether this country should adopt such a system. I happen to feel that there are very strong arguments against the use of such a universal identifier in this country.

Historically, our ancestors came to the New World to get away from their pasts. Many of them were criminals, prisoners, fugitives from justice. They sought in this country and in Canada a new start, a place to begin building a life all over again. As the east coast became crowded and people began to feel locked in by past actions and past mistakes, they went West. That is how this country was built—by people moving away from old lives and starting again in the frontier where the past could not catch up with them. It seems to me that there is something to be said for being able to leave the past behind, for starting anew. And that would not be possible if one were forever after followed about by a variety of computerized data hinged on his or her Social Security Number.

Individual citizens from all over the country have written to the Senate Subcommittee on Constitutional Rights expressing such concerns about the widening use of Social Security Numbers as universal identifiers. From Rhode Island, a citizen writes:

"I am extremely apprehensive of the widespread use of one number to represent all sorts of transactions. . . . How long will it be before one person needing to know only this number will be able to retrieve information which must at least be considered privileged if not none of their business?"

Another citizen enclosed a letter from his employer which declared:

"Whether or not you and I like it, in this computer age we are rapidly becoming numbers instead of individuals for, as you know, you are a number at the bank, not an individual, and your bank number is on every statement you get. Similarly, you are a number on your tax return, namely your Social Security number, and, whether or not you know it, you are obligated to furnish every corporation in which you own stock with your Social Security number and, if you fail to furnish the same, you are subject to fine and/or imprisonment. There is no privacy in a Social Security number. The wages and that type of information are private but the number is not.

"Our mailing list, in this age of computers, is based on Social Security numbers and therefore it is essential that the list contain it. We are sorry that you consider this an invasion of your privacy and, while it is true the postal authorities don't need your Social Security number, we have to use it in connection with the mailing of the various enclosures from the Company. This is true from the President of the Company to the last employed mail clerk."

A Californian complained about the use of Social Security Numbers on voter registers:

"It is my belief that adequate safeguards against election frauds exist without using Social Security numbers on public records. Such use can negate the right of privacy, and deter the citizen from exercising his constitutional rights."

A man from Texas wrote us:

"In my last scrap with them (the police), the jailor made an outspoken guarantee that I would be refused and denied a hearing before a judge and would stay in jail and rot until I gave my Social Security number. This flies in the face of the Constitution like nothing I have ever seen."

From Idaho a lady writes:

"When the first use of Social Security numbers began it broke the faith, because we were promised the numbers would never be used except in direct connection with social security. I have been asked for my Social Security number by my bank, by merchants, and here in Idaho it is used and connected with my drivers license, even though I cannot see what driving has to do with Social Security or vice versa . . . ."

A promise is to be kept and a government should keep faith stronger than any person. Not everyone is of course opposed to the use of Social Security Numbers for non-social security purposes. And we will have the benefit of hearing from some of the proponents later today. But bear in mind that there is a significant segment of the population which vehemently opposes the use of any one single identifier to enable computerized information systems to keep track of virtually everything we have ever said or done—from travelling to Chicago, to buying a car on credit, to giving blood to the Red Cross.

It seems to me that the public's concern about data collection is at least in part related to the not unreasonable fear that mistakes will be made, that the computer will record inaccurate data in our dossiers which we will never be able even to find out about, much less correct. Who among us has never encountered an error in a bank statement, credit card or department store bill? Remember how many acrimonious telephone calls, letters and even personal trips it took to get the matter straightened out? Are you certain that it is in fact straightened out?

Concerns such as these led to the passage of the Fair Credit Reporting Act in 1970. Most of you are probably familiar with the terms of the Act, especially since the Federal Trade Commission, which issues regulations under that Act, has decided that Driver's License Registries are consumer reporting agencies subject to the Act. Briefly, the Act provides for consumer rights of notice, access and challenge to credit reports disseminated by consumer reporting agencies.

The implementation of the Fair Credit Reporting Act has met with mostly favorable reaction. Most of the Act's critics with whom I have talked seem to point to provisions which they feel need to be strengthened.

For example, many consumer advocates feel that the consumer's right to access should go beyond merely being told the contents of his file. Many feel that consumers should be given written, as opposed to oral, reports about their credit records. In addition, some feel that an agency such as the Federal Trade Commission should be allowed to see the actual consumer credit record files to assure that the report given to the consumer accurately reflects his file.

There also is some pressure to modify the medical information exemption, to allow disclosure at least to the consumer's physician.

Another area of possible change is the notice of investigation requirement. There are those who feel that this provision should be broadened to require specific notice of the details and scope of the investigation.

Because of the relative success of the Fair Credit Reporting Act, a number of proposals have been made to require similar rights of notice, access and challenge in regard to records about individuals compiled by the federal and state governments.

One of my favorite suggestions for extension of the notice-access-challenge requirements of the Fair Credit Reporting Act is "Truth in Snooping" legislation to require full written notice by anybody who wants to spy on the activities of anybody else.

Probably the most controversial area of civil libertarian concerns involves the dissemination of information once it has been collected. There is a kind of appeal to the argument: "Well, we have the information, why not use it?"

The answer is of course: "Because the dissemination of certain information is harmful."

Civil libertarian concerns about the harmful consequences of disseminating information about individuals are perhaps most sharply focused these days on criminal justice information, specifically arrest records and narcotics user registries. The mere fact that an individual's name is recorded as a narcotics user or as having been arrested is enough to deprive that individual of job opportunities, insurance, credit and many other important rights and benefits—all without a trial, without witnesses, without a chance to defend himself; in short, without due process of law.

The dissemination of "raw" arrest-only information—without any indication of whether the individual arrested was ever charged much less convicted of a crime—perhaps through the National Crime Information Center, to which most of you have access, is an area of particular concern. Satistics collected by the President's Commission on Law Enforcement and the Administration of Justice indicate that general round-up arrests are so common in ghetto areas that a black urban male stands a 90% chance of being arrested at least once during his lifetime. That increased incidence of arrest means that dissemination of such raw arrest data serves to reinforce patterns of racial discrimination, which tend to deprive blacks of an equal opportunity in areas of employment, credit and the like. This lack of decent employment, credit and the like tends to lead to criminal behavior. And so the circle goes.

Lawsuits have been brought successfully in some individual cases to prevent dissemination of records of arrests without any disposition of the case. But for every such successful lawsuit there are hundreds, even thousands, of others which should be but never will be brought for lack of resources.

It now appears that a legislative solution may be the only realistic answer to routine deprivation of due process through the dissemination of arrest records. Senator Ervin and others in Congress are considering legislative controls on the dissemination of raw arrest records through the NCIC system now under control of the Department of Justice. Requirements that raw arrest records not be collected at all; that such raw arrest records not be disseminated without an accompanying record of disposition; that records of arrests be expunged after 30 days, or 60 days or one year; that raw arrest records be disseminated only for statistical purposes; and many other options are up for consideration. I expect that something will be done about this problem in the relatively near future. Maybe you have some suggestions.

NCIC now, of course, requires a signed contractual agreement from users, pledging compliance with NCIC security and confidentiality guidelines. It is interesting to note the chain reaction that has occurred in response to this effort to protect NCIC information from misuse. The New York Police Department reportedly has drawn up over 400 separate contracts pledging ocnfidentiality which it is forcing all those who get NCIC criminal justice information through the New York Police Department to sign. The potential permutations and combinations of agreements and cross-agreements among the over 154 jurisdictions which according to LEAA have computerized criminal justice information systems are staggering. This situation suggests that there really is a need, if only in the name of efficiency, for national legislation regulating the dissemination of criminal justice information.

Some have suggested that the proper solution to the general problem of governmental data collection and dissemination is a new watchdog agency to exercise general supervision over governmental data banks. It seems to me, however, that the creation of such a "Computer Czar" would serve only to superimpose an additional costly layer of bureaucracy over the already unwieldy system of overlapping federal agencies.

Another, more technical, solution to the general problem of data dissemination which has great appeal to some of us is the possibility of assuring confidentiality through mandatory software. In other words, the suggestion has been made that the legislature prescribe a certain package of software controls which must be in use at all times on a given information system.

But, I told you at the beginning that I do not know much about machinery. It is your turn to tell me what you think about the kinds of civil libertarian concerns I have raised this morning.

ROMANIAN INDEPENDENCE DAY

Mr. PROXMIRE. Mr. President, today should be recognized as the most important holiday for the people of Romania, since May 10 marks three great events in Romanian history.

The first was on May 10, 1866, when the Romanian dynasty was founded by proclaiming Charles, Prince of Hohenzollern—Sigmaringen, a scion of the southern and Catholic branch of the Prussian royal family, Prince of Romania in Bucharest. This event had great significance to the Romanian people, because it represented the successful outcome of the nation's long struggle to gain the right of electing as its sovereign a member of one of the western non-neighboring royal families. By putting an end to the strife and rivalry among native candidates to the throne, this event ushered in a period of tranquillity.

The second great event to fall on May 10 occurred 11 years later, in 1877, when Romania won its independence in the midst of the Russo-Turkish war. The young Romanian Army, together with the Russians, was able to defeat the Turks in a battle that severed the old and outdated bonds that linked Romania with the Ottoman Empire. The proclamation of independence was confirmed at the Congress of Berlin of 1878, which conferred Europe's official recognition.

The third historic event took place 4 years after independence, on May 10, 1881, when the Romanian people raised their country to the rank of a kingdom. On that day Charles I was crowned, by the will of his people, the first King of Romania, opening an era of prosperity lasting over six decades.

For over 100 years the 10th of May has been the foremost holiday in Romanian tradition. I feel it is appropriate that we who are fortunate enough to live in the free world help to commemorate this date which Romanians, who are currently prohibited from overtly celebrating this holiday in their Communist-controlled homeland, cannot observe. Let us salute the people of Romania who can only observe their own past struggle for freedom and independence in silence.

THE YALE UNIVERSITY POLITICAL UNION HONORS SENATOR ERVIN

Mr. RIBICOFF. Mr. President, on May 6, 1973, the Yale University Political Union honored a distinguished Member of this body as the recipient of the fourth annual A. Whitney Griswold Award—North Carolina's Senator SAM J. ERVIN, JR.

The Yale Political Union, one of the most prominent campus political forums in the country and the largest student organization of that great university, established the A. Whitney Griswold Award 3 years ago in memory of its late president. The award is given annually to the man who has most exemplified in his career the ideals of dedicated public service and distinguished statesmanship considered so important by the late President Griswold.

Mr. President, the senior Senator from North Carolina is such a man. SAM ERVIN has long been known by us in the Senate and by the people of North Carolina as a man tireless in industry and devoted in service. Defender of the constitutional principles and individual liberties which have made our Nation great, Senator ERVIN is a worthy recipient of the honor bestowed upon him by the Yale Political Union.

SELF-DETERMINATION IN PUERTO RICO

Mr. JACKSON. Mr. President, on April 12, 1973, the American Society of International Law held its 67th annual meeting here in Washington, D.C. During the course of the proceedings, the Resident Commissioner of Puerto Rico, Mr. Jaime Benitez, delivered a very interesting paper entitled "Self-Determination in Puerto Rico."

I believe my colleagues will be interested in reading this discourse on the evolution of Commonwealth status for Puerto Rico, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SELF-DETERMINATION IN PUERTO RICO

(By Jaime Benitez)

As a form of government the *Estado Libre Asociado* or to use the English title the Commonwealth of Puerto Rico, reflects a cultural, economic, social, political process of long duration. It also embodies an explicit program of political pioneering initiated after the end of World War II.

Historically, the quest for an autonomous polity, united to a much larger metropolitan power to which the Puerto Rican community relates affectionately, as well as in common interests, citizenship, vicinity and joint achievements, goes back to the foundation of the Autonomist Party in 1887. As a determination of creative political action of our times, it was in 1948 that the Popular Demicratic Party—then as now the majority party in Puerto Rico—searching for a way out of the two dead-end alternatives of integration or separation, proposed building a new political reality: a lasting association with the U.S. to be established along lines mutually acceptable.

The 1948 date is highly significant. The Popular Democratic Party, founded in 1938 by a great charismatic leader, Luis Muñoz Marín, had formulated an all-encompassing program of social reform. The PDP promised to tackle the problems of destitution, unemployment, ignorance, human injustices, besetting "the real human being of flesh and bones who lives and dies in Puerto Rico" and to use the electoral process to that purpose. To side-step the divisive issue of political status the PDP pledged a moratorium on political ultimates.

In the 1940 elections the PDP scored an unexpected but undecisive victory. After a highly successful if controversial four years administration that victory was rendered complete in the elections of 1944.

In cooperation with the last American Governor, the brilliant New Deal planner, Rexford G. Tugwell (1941–1946), with the full support of Presidents Franklin D. Roosevelt and Harry S. Truman, and with the enthusiastic backing of the Puerto Rican electorate, Muñoz Marín and his followers as well as an extraordinary team of competent and devoted administrators initiated a broad social, industrial, educational, governmental reconstruction. It was pursued unflinchingly and progressively. The war itself permitted the accumulation of capital as well as emergency measures which in turn facilitated new departures from traditional patterns.

The 1948 general elections were the first to be held after the war and the pledge against political ultimate goals was no longer tenable. The colonial system was in process of liquidation everywhere.

Puerto Rico found inself in a paradoxical situation, in many ways in the exact opposite condition of communities in the Near East, the Far East, Africa which were coming out of a colonial status. It also differed from the large majority of the communities in Latin America. In standards of living, in trained manpower, in human opportunities, in social, cultural, educational and economic development, in democratic procedures, Puerto Rico found itself much ahead and in fact at a completely different level from all the societies that later were to be identified as the Third World.

Furthermore, within a structure which technically and juridically could be called colonial, Puerto Rico had in fact achieved a higher stage of social development than that prevailing in many of the so-called independent nations. It was engaged in a process of internal decolonization normally regarded by colonies as a goal to be pursued after separation from the metropolis. What economic analysts were to call the *take off period* had already taken place in Puerto Rico. The upward spiral in Puerto Rico's economy was feasible basically because of our exceptional relationship with the United States. The task ahead for Puerto Rico was to retain, safeguard and enhance those exceptional conditions and at the same time achieve political autonomy. What are those exceptional conditions?

1. The basic social, civic, economic, educational, rights of American citizenship as they are backed-up by Federal resources, Federal legislation and Federal courts.

2. The rights and duties of common defense with the stability and the solidarities inherent in such common responsibility.

3. The free access of Puerto Ricans to mainland job opportunities and the free access of Puerto Rican goods to mainland marketing opportunities.

4. The Jones Act of 1917 excluded Puerto Rico from direct Federal taxation and created thereby a Federal tax free zone which facilitated necessary industrial development in Puerto Rico.

5. The Jones Act also provided that "all taxes collected under the internal-revenue

laws of the United States on articles produced in Puerto Rico and transported to the United States, or consumed in the island shall be covered into the Treasury of Puerto Rico."

6. Refunding provisions existed also concerning income derived from tariff duties on articles imported into Puerto Rico.

All of these conditions were highly favorable to Puerto Rico. They had become inextricably interwoven in the fabric of Puerto Rican life. All six were part and parcel of basic freedoms, aspirations, achievements and facilities in Puerto Rico. Under Statehood some would be lost. Under Independence others would be lost. It was essential for Puerto Rico to retain them all. They were indispensable for Puerto Rico's continued growth and development and for the furtherance of its own cultural and political autonomy. Obviously a perfect symbiosis could not be achieved. But basic directives towards these objectives could be formulated. The PDP took such a program directly to the electorate.

Following an overwhelming victory at the polls, Governor Luis Muñoz Marín and Resident Commissioner Antonio Fernós Isern as principal leaders of the Popular Party, took their proposals to President Truman and to the leaders of the Congress of the United States. Approval of the basic ideas were finally enacted "in the nature of a compact" in Public Law 600, signed by the President on July 3, 1950.

Public Law 600, required previous approval by the people of Puerto Rico in a referendum. The referendum was held June 4, 1951 and the law was accepted by a vote of 387,016 for and 119,169 against. Subsequently delegates to a Constitutional Convention were elected in August 1951. The Constitutional Convention recessed after approving the Constitution of Puerto Rico on February 1952. That Constitution was approved further by the electorate in referendum held March 3, 1952 by a vote of 374,649 to 82,923. The Congress accepted the Constitution through a second public law involving an inconsequential modification, which the Constitutional Convention accepted. On July 25, 1952 Governor Muñoz Marín proclaimed the Constitution:

"Which a democratic and great-hearted people have forged for themselves and by which they have attained their political majority in the form of the Commonwealth of Puerto Rico."

The opportunity for self-determination both for and against Commonwealth is inherently built into the Commonwealth system. Puerto Rico's has exerted repeatedly its self-determination in favor of Commonwealth Status. Two referenda and a Constitutional Convention were preconditions to its establishment. After Commonwealth, general elections have been conducted regularly every four years; six in all. All have reaffirmed the validity of the basic principles of Commonwealth.

The results of our latest general election are particularly significant. On November 7, 1972 the electorate, which includes for the first time all persons 18 years old and over, returned to office the PDP by a decisive majority. In 1968 the New Progressive or Statehood Party had won the governorship, the House of Representatives and the Resident Commissioner by a plurality of votes after pledging themselves to pursue a program of administrative and economic reforms and to respect Commonwealth. In the 1972 elections the PDP claimed that the Statehood or New Progressive Party had violated its status pledge. The PDP presented the defense of the Commonwealth Status and its advancement as one of its main issues. The Independence Party called for an all out participation. There were no abstentions or boycotts. 85% of the electorate participated. On the straight party ticket vote the returns were as follows:

PDP (Pro Commonwealth)	609,670
PNP (Pro Statehood)	524,039
PIP (Pro Independence)	52,070
All other parties	4,940
Total	1,190,165

Aside from the "daily plebiscite" of living together in peace, progress and social solidarity, which Ernest Renan describes as the ultimate test of the collective will and in addition to the electoral evidence already mentioned, self-determination was directly and specifically exercised on July 23rd, 1967. Puerto Rico held then a Plebiscite on the precise issue of Commonwealth, Statehood or Independence. Over 60% of the voters cast their ballots in favor of the Commonwealth. The Plebiscite Act and the ballot provided that a vote for Commonwealth involved:

"The reaffirmation of the Commonwealth . . . as an autonomous community permanently associated with the United States and for the development of Commonwealth to a maximum of self-government compatible with a common defense, a common market, a common currency and the indissoluble link of the citizenship of the United States."

Commonwealth Status is open ended and is neither static nor perfect. It is a continuing process. It provides the people of Puerto Rico with a flexible political structure within which their spiritual, social, economic and personal life may continue to advance in civilized, livable, worthwhile, meaningful ways. The great majority holds that these objectives can be achieved best in Puerto Rico and for Puerto Ricans with an autonomous society united in free, voluntary, fruitful and permanent association with the United States.

The ultimate validation of Commonwealth is that it safeguards and advances the fulfillment of human rights, the full exercise of political freedoms, the public responsibility for economic development, the commitment to social justice, the orderly change of laws, institutions and structures through effective use of the democratic process, and that thru that democratic process Puerto Rico has created and established its own chosen and preferred form of government. It is a form of government that maintains the frontier personality, avoids the pitfalls of nationalism, keeps options of improvement open and facilitates living together persons with diverging political aspirations.

Are the people of Puerto Rico to be told that what they have proudly endorsed as "Puerto Rico's own contribution to the struggle of man to achieve freedom, dignity and self-fulfillment in the Caribbean, based on the principles of autonomy, social interdependence and self-determination" is to be dismissed as being below standards and achievements supposedly prevailing in one hundred and thirty other communities. If so, on what evidence?

Political relationships and structures are unsatisfactory the world over. Many of them, if not all, rest upon assumptions and premises that science, technology, interlocking economies as well as overflowing populations and shifting values has rendered grossly defective. A sadder, and not particularly wiser mankind approaches the end of the 20th Century without adequate political instruments thru which to channel, foster and protect in the years ahead and in a shrinking world the values of human solidarity, tolerance of differences and political responsibility.

Perhaps the greatest theoretical merit of the architects of Commonwealth lies in their valiant effort to work out a political status which would fit the needs and aspirations of the people of Puerto Rico rather than have such needs and aspirations forced into preordained forms of political status which for Puerto Rico would be crippling and unacceptable.

The changing realm of political relations and of political structures does not offer one single model of perfection or of immutability. Change, conflict and despair are too much with us to excuse thinking, opining or believing that Utopia is around the corner.

Those of us who represent Commonwealth are fully aware of its shortcomings. We are committed to a program that would extend its range of responsibilities and would effect a more perfect union with the United States.

We are committed further to accomplish these additional goals during the term of our responsibility in the same spirit of mutual understanding and trust that has distinguished our previous achievements. Therefore we are glad to discuss the values and limitations of Commonwealth at any and all academic, international, cultural or professional levels. At the same time there is only one political forum authorized to make changes and to pass judgment upon Commonwealth. That forum which has heretofore expressed its full endorsement of the principles of Commonwealth is constituted by the people of Puerto Rico.

IMPLEMENTING LEGISLATION FOR THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, yesterday Senator SCOTT of Pennsylvania introduced *S. 1758*, a bill to implement the provisions of the Genocide Convention.

I hope that critics of the genocide treaty will give this legislation careful consideration, since it shows their worst fears to be unfounded.

The International Convention on the Prevention and Punishment of the Crime of Genocide is not self-executing. Thus, when the United States ratifies the Genocide Convention, it will also be necessary to pass this bill which authorizes the execution of its provisions. This legislation is clearly in full accord with the provisions of the Constitution which guarantees due process under law, protects individual liberties through the Bill of Rights, and prohibits cruel and unusual punishment. A careful study of S. 1758 assures us that ratification of the Genocide Convention will not fulfill the fears of its critics. Our national sovereignty will not be tampered with nor will our Constitution and individual rights be usurped.

I hope that consideration of this bill will be helpful in the consideration of the treaty which it implements as an indication of how domestic law might be shaped to fulfill our treaty obligations.

Mr. President, I urge the Senate's support for this legislation and swift ratification of the Genocide Convention.

NO-KNOCK SEARCHES AND GOVERNMENTAL LAWLESSNESS

Mr. ERVIN. Mr. President, 3 years ago Congress enacted a provision which I predicted would be a "giant step in conversion of our free society into a police state." That provision, section 879 of title 21 of the United States Code, permitted Federal narcotics agents to enter the private homes of American citizens like thieves in the night without notice and without warning.

I joined a number of my colleagues in strenuously objecting to this most dangerous no-knock search provision—Controlled Substances Act of 1970. We were outraged by this blatant invasion of the fourth amendment prohibition on unreasonable searches. We predicted that such a provision would lead to intolerable abuses when law enforcement officers faced with the frustrating task of enforcing our narcotics laws are tempted to avoid the requirements of traditional search procedures and resorted to this new authority.

When the Senate considered this bill we spent hours debating warrant provisions of the no-knock section. How, we asked, could a police officer, while miles away from a house, predict and swear in an affidavit that his life will be endangered or that narcotics will be destroyed when he reaches the home?

We were assured that law enforcement officers and Federal judges, unlike ordinary mortals, are capable of predicting the future. We were told that this sort of authority was absolutely essential and that the whole narcotics enforcement strategy depended on making this exception to fourth amendment rules, centuries old. This attitude was expressed by Mr. Myles Ambrose of the Department of Justice most recently when he attempted to justify no-knock searches by Federal narcotics agents. According to Mr. Ambrose—

> Drug people are the very vermin of humanity . . . occasionally we must adopt their dress and tactics.

In other words, in order to capture criminals, the law enforcement agencies must act criminally—a little lawbreaking does wonders for law and order.

Four recent cases convince me that some law enforcement agents have, indeed, acted like common criminals. Innocent homeowners have been terrorized and all Americans are the victims. The newspaper articles which follow describe incidents involving no-knock raids against the Pine family in Winthrop, Mass., on January 10, 1973, the Majette family in Portsmouth, Mass., on January 26, 1973, the Giglotto family and the Askew family in two separate incidents in Collinsville, Ill., on April 29, 1973.

Unfortunately, these four cases are not the only examples of abuses by law enforcement agents of fourth amendment rights. In December of 1970, I brought to the attention of the Senate similar cases of no-knock searches of innocent homeowners in Arizona and Virginia. In June of 1971 there was the infamous Kenyon Ballew case in Maryland. Mr. Ballew was shot in the head when he attempted to resist a no-knock search.

Although the Majette and Pine incidents and the 1970 and 1971 cases involve State police, all of these illustrate the dangers of no-knock raids. In every one of the recent cases law enforcement agents kicked in the door of a private home and entered with weapons drawn in search of illegal narcotics. In all four they had entered the wrong home and terrorized the occupants. In almost every case the occupants thought the law enforcement agents were criminals. In at least one case the occupants likened the raids to Nazi Gestapo tactics, but they all qualify in that regard.

By far the most outrageous of the four incidents involved Federal agents in the Giglotto and Askew raids in Collinsville, Ill., about a week ago. According to the Washington Post, agents of the Office of Drug Abuse Law Enforcement—DALE—of the Department of Justice entered two houses without warrants, kicked in the doors without warning, shouting obscenities, and threatened the inhabitants with drawn weapons. The Giglottos and Askews were terrified and only temporarily relieved when the agents left after discovering they had entered the wrong house.

No-knock searches are bad enough, especially where the search takes place on the wrong house. But a no-knock search without a warrant is totally unjustifiable and, indeed, is clearly illegal under the Federal no-knock statute. If the facts in the Post story are correct and these two no-knock searches were conducted without warrants, this means that certain agents of the Department of Justice see themselves as above the law.

The New York Times, commenting editorially about the Collinsville incidents and certain disclosures in the Watergate case, suggests that such governmental contempt for the law is subverting the whole American system of justice. Unfortunately, the unbridled desire for law and order is resulting in the greatest crime of all—abuse of justice and law by those sworn to uphold it. No crisis of street crime warrants subverting the Constitution.

I am reminded of the words of Justice Brandeis in his classic dissent in the wiretapping case of *Olmstead* v. *United States* (1928), 277 U.S. 438, 485:

> . . . If the Government becomes a lawbreaker it breeds contempt for law; it invites every man to become a law unto himself; it invites anarchy. To declare that in the administration of the criminal law the end justifies the means—to declare that the Government may commit crimes in order to secure the conviction of a private criminal—would bring terrible retribution. Against that pernicious doctrine this court should resolutely set its face."

Every Senator in this Chamber and especially every law enforcement officer should ponder Justice Brandeis' teaching. I fervently believe that if we do not react quickly and without mercy against this government lawlessness that our republican form of government is in mortal danger. Furthermore, my mail suggests that citizens are outraged by the Collinsville raids and will support responsible congressional action against such governmental lawlessness.

I would like to draw the Senate's attention to a number of letters I have received from concerned citizens about these events which appear at the conclusion of my remarks.

One letter written by an attorney from Raleigh, N.C., summarized citizen outrage on these no-knock searches. In describing his feeling concerning the Collinsville events he said the following:

> The words "appalling" and "shocking" immediately came to mind but are too trite to express my true feelings. What I truly feel is repulsion and horror at what is described, especially when I realize that this atrocity was perpetrated in *my* name, by Federal agents supposedly representing *my* government, and in the name of justice. . . .
>
> I want my children to know that ours is still a government which respects the rights of individuals and that people who conduct themselves in the manner described in this article do not "get away with it". For the sake of every American, I hope that you will not only investigate this matter but—if the facts are as reported—will see that all those responsible are required to answer for their misconduct.

I have written to Mr. Myles Ambrose, of the Department of Justice, who directs the Office of Drug Abuse law enforcement, for an explanation of the Collinsville incidents. I pray that he has a satisfactory answer for, if he does not, I plan to introduce legislation repealing or modifying the Justice Department's authority to conduct no-knock searches and hope Members of the Senate will join me in that endeavor.

Mr. President, I ask unanimous consent that the newspaper articles described above, the letters from concerned citizens, and a letter I have written to Mr. Myles Ambrose of the Department of Justice concerning the Collinsville raids be printed in the Record.

There being no objection, the articles and letters were ordered to be printed in the Record, as follows:

[From the New Orleans (La.) Times-Picayune, Jan. 14, 1973]

Fifteen Armed Men Smash Doors

Winthrop, Mass.—At 10 a.m. Wednesday, Bill Pine recalled, he was upstairs asleep. His wife, Phyllis, was in the bathroom getting dressed and their 13-year-old daughter, home sick from school, was downstairs watching television.

Mrs. Pine looked out the window of their single-family house and saw a man running down the driveway headed for the front door.

Melody went to open it but never got a chance, her mother said Saturday. The glass and wood shattered in the front door and back door. And suddenly 15 men in street clothes were standing in the living room with drawn guns.

The men turned out to be police who had mistaken the Pine's home for another address where they later found an alleged drug factory.

NO COMMENT

The state police, who led the raid, have declined comment on the incident involving the Pines but have promised a statement Monday. Local and federal agents also have declined comment, but the Pines recall their 15 minutes at gunpoint with fear and anger.

"Oh, my God, they've come to kill us," Mrs. Pine remembered saying as she spoke of the incident Saturday. Mother and daughter were pushed onto a couch and five men raced toward the staircase.

Pine, 38, who works nights in a print shop, was awakened by his daughter's screams. He gave this account:

"I sat up in bed and there was a gun at my head, and I heard someone say, 'Don't move.'

THOUGHT OF KILLINGS

"I saw the man's eyes and the gun, and all I could think of was the mass killings by the Manson gang in California.

"I jumped up anyway and was pushed into the other bed room and pinned against the window with my back to the intruders. Now I was fully awake and knew there were five to eight guns pointed at my back.

"Someone asked me what my name was, and I replied 'Bill.' Three times I asked them who they were and what was going on.

"The confrontation lasted about 15 minutes, then I sensed things began to relax. I turned around and there was surprise on their faces. They went into full retreat. I heard someone downstairs say 'State Police.' My fear turned to rage."

ASKS EXPLANATION

Pine trailed the police downstairs and followed them outside in his undershorts, demanding an explanation.

By that time police had found the house they were after—the one next door on the quiet residential street, lined with one-family homes and apartment buildings.

Pine said that one Boston policeman came back and commented, "Look, I'm sorry we made a mistake."

Pine also said he was told by one officer that "two of the undercover men were rookies and a little gung-ho. They started before they should have."

ARRESTS MADE

When police officially announced the raid, they said it capped a 2½-month investigation. They said they arrested Jean Cataldo of Winthrop; James DiStefano, 29, of Malden, and Thomas Bradford, 30, of Wells, Maine, on a variety of drug charges, seized $50,000 worth of heroin and broke up a heroin processing plant that was doing $1 million a year business.

Conducting the raid were federal narcotics agents, state police and officers from six local police departments.

Mrs. Pine, 38, said she wanted to talk about the incident to expose actions that reminded her of police state dealings where "might makes right."

She said, "It's unbelievable how they can investigate a case for 2½ months and then knock down the wrong door."

Pine said his landlord had repaired the doors, smashed out in below freezing temperatures, and had sent the bill to police.

[From the Greensboro (S.C.) Daily News, Jan. 14, 1973]

AGENTS MOVED IN FOR DRUG BUST—AT WRONG HOUSE

WINTHROP, MASS.—At 10 a.m. Wednesday Bill Pine recalled, he was upstairs asleep. His wife, Phyllis, was in the bathroom getting dressed and their 13-year-old daughter, home sick from school, was downstairs watching television.

Mrs. Pine looked out the window of their single-family house and saw a man running down the driveway headed for the front door.

Melody went to open it but never got a chance, her mother said Saturday. The glass and wood shattered in the front door and back door. And suddenly 15 men in street clothes were standing in the living room with drawn guns.

The men turned out to be police who had mistaken the Pine's home for another address where they later found an alleged drug factory.

DECLINED COMMENT

The state police, who led the raid, have declined comment on the incident involving Pine but have promised a statement Monday. Local and federal agents also have declined comment, but the Pines recall their 15 minutes at gun-point with fear and anger.

"Oh, my God, they've come to kill us," Mrs. Pine remembered saving as she spoke of the incident Saturday. Mother and daughter were pushed onto a couch and five men raced toward the staircase.

Pine, 38, who works nights in a print shop, was awakened by his daughter's screams. He gave this account:

"I sat up in bed and there was a gun at my head, and I heard someone say, 'Don't move.'

"I saw the man's eyes and the gun, and all I could think of was the mass killings by the Manson gang in California.

FULLY AWAKE

"I jumped up anyway and was pushed into the other bedroom and pinned against the window with my back to the intruders. Now I was fully awake and knew there were five to eight guns pointed at my back.

"Someone asked me what my name was, and I replied 'Bill.' Three times I asked them who they were and what was going on.

"The confrontation lasted about 15 minutes, then I sensed things began to relax. I turned around and there was surprise on their faces. They went into full retreat. I heard someone downstairs say 'State Police.' My fear turned to rage."

Pine trailed the police downstairs and followed them outside in his undershorts, demanding an explanation.

By that time police had found the house they were after—the one next door on the quiet residential street, lined with one-family homes and apartment buildings.

APOLOGIZED

Pine said that one Boston policeman came back and commented, "Look, I'm sorry we made a mistake."

Pine also said he was told by one officer that "two of the undercover men were rookies and a little gung-ho. They started before they should have."

[From the Charleston (S.C.) News and Courier, Jan. 14, 1973]

POLICE RAID TERRORIZES FAMILY

WINTHROP, MASS.—The Pine family—38-year-old William, his wife and their 13-year-old daughter, Melody—are still shaken by the memory of the moment when 15 armed men burst into their home without explanation and held them at gunpoint for a terror filled quarter of an hour.

It was, as it turned out, a drug raid by plainsclothes state and local police from several towns. The problem was that after a 2½-month investigation, they raided the wrong house.

The house they wanted was across the driveway from the Pines' residence.

Not until they had left his home, Pine said, did the men identify themselves as police or say what they wanted.

It happened at 10 a.m. Tuesday, Pine, who had worked all night, was asleep upstairs and Mrs. Pine had just finished dressing when Melody looked out of the window and saw a man running toward the front door.

As she went to open it, the wooden door was smashed in. Simultaneously, the rear door also burst open in a spray of splinters and broken glass.

Mrs. Pine was confronted by 15 men with drawn guns in her living room.

She and her daughter, who was home sick from school, were roughly pushed onto a couch and held at gunpoint while several men rushed upstairs.

"Oh, my God, they've come to kill us!" she thought.

Melody had the same fear. She screamed, "You are going to kill us!" and jarred Pine out of his slumbers.

"I sat up in bed," he said Saturday. "There was a gun at my head and I heard someone say 'Don't move.' "

Five or six men, all armed stood in his bedroom.

"Quite honestly, I thought my family and me were going to be killed," Pine said. "I kept thinking about Charles Manson and Sharon Tate and all those other things."

Although warned not to move, Pine said he jumped up anyway "and was pushed into the other bedroom and pinned against the window with my back to the intruders." He said he knew "there were five to eight guns pointed at my back."

After about 10 minutes, Pine said he sensed a change in the atmosphere.

"I turned around and there was surprise on their faces. They went into full retreat."

Pine, dressed only in his underwear, ran outside after them demanding an explanation.

"When I ran after them they told me they made a mistake, and that they were police," Pine said. "My fear began to turn to rage."

He called Winthrop police headquarters and spoke to Chief David Rice who, he said, was "very sympathetic."

"He tried to calm me down and said if I wanted to sign a formal complaint, I should come and see him," Pine said. "We haven't decided that yet."

He said he is worried about possible retaliation.

"We were thinking about possible repercussions," Pine said. "If a gang of so-called police can come in and just break down doors, there's no telling what they might do if you get their wrath up, and quite honestly we were very apprehensive about saying anything."

Winthrop police referred queries about the incident to the state police who led the raid. A state police spokesman said everyone connected with the raid was off for the weekend and, that he knew nothing about the matter.

Pine is philosophical about the question of compensation for the broken doors and the mental anguish his family went through.

"If there is any compensation I can get out of this, any satisfaction . . . it would be at least to deter any other incidents like this happening, from people being victims of circumstances," he said.

"If we can at least help in any small way, that would be reward enough for us. My wife and daughter are very shook up about it."

Mrs. Pine, who is under a doctor's care, said she wanted to tell about the incident because it resembled a police state action.

"It's unbelievable how they can investigate a case for two and a half months," she said, and then knock down the wrong door."

[From the New York Times, Jan. 15, 1973]

WRONG-HOUSE RAID TERRIFIES FAMILY

WINTHROP, MASS., January 14.—Fifteen burly policemen, carrying rifles and handguns, broke down two doors and poured into the home of the William Pine family last Tuesday.

It was 10 A.M., and Mrs. Pine was caring for her 13-year-old daughter, Melody, who was home from school recovering from a mild illness; Mr. Pine, a 38-year-old night worker, was upstairs sleeping.

The men wore no uniforms, did not offer any identification and did not speak, Mrs. Pine said today in an interview, except for a few brusque orders followed by a rough shove to the living room couch.

Bewildered, Mrs. Pine and her daughter screamed over and over: "Please don't kill us, please don't kill us."

"Just don't move," came the only reply.

THE WRONG HOUSE

State and Federal agents and the narcotics squads of several communities had been surveying the house next to the Pine residence for the last two and a half months, where they believed a lucrative heroin factory was in operation. When the time came, they raided the wrong house. They realized the mistake in time to make the proper arrests, however, and to confiscate thousands of dollars worth of illegal drugs.

Police officials have declined comment, except to say there would be a thorough investigation.

"I thought they were all maniacs that had come to kill us," Mrs. Pine said. "I could only think of Poland or the Olympics, that they came to get us because we are Jewish."

"They never told us who they were or that they were police officers even after they left," she said. "I didn't know police operated like that in America. I'm ashamed that this could happen here."

During World War II, German storm troopers in Poland routed her grandmother and grandfather from their beds and annihilated the family, Mrs. Pine said. She said she first heard the story as a little girl and it filled her with terror.

Mr. Pine, who had been sleeping almost three hours, said he was awakened by the screams of his family. Suddenly, he said, he saw several guns trained on him and felt a gun barrel pressed against his temple.

"Don't move!" one of the men shouted. "Get up slowly and keep your hands over your head."

OUTDOORS IN UNDERSHORTS

Mr. Pine rose and the men—most dressed neatly and conservatively—pushed him out of the master bedroom and into the next room. They asked him his name. Then they suddenly rushed out of the room. Mr. Pine followed them downstairs and out the door wearing only his undershorts in the morning cold, asking over and over who they were and what they wanted.

Then one of the men turned toward Mr. Pine and said, "State Police."

Mr. Pine said one of the officers later came back to apologize. "He said that two overanxious rookies had moved too soon and made the mistake," Mr. Pine related. "That's a little ridiculous."

Mr. Pine said he was uncertain what legal action, if any, the family would take.

The police apparently did have a warrant, but for 30 Underhill Avenue, a green house. The Pine family lives at 32 Underhill, also a green house—now with two new doors.

[From the New York Times, Jan. 16, 1973]

UNREASONABLE SEARCH

At 10 o'clock of a weekday morning fifteen men, armed to the teeth, break into the home of the William Pine family in Winthrop, Mass., by smashing the doors. Mrs. Pine and her teen-age daughter, in uncomprehending terror, plead for mercy. Her husband, who holds a night job, awakens in his upstairs bedroom to stare into the muzzle of a gun. Through Mrs. Pine's panicked mind flashes the almost forgotten story, told to her as a little girl, of how Nazi stormtroopers had routed her grandparents out of bed in their native Poland and murdered them thirty years ago.

The armed intruders, however, were not fascist thugs; neither were they desperate bandits. They were merely Massachusetts state police officers in civilian dress on a narcotics raid—at the wrong address.

The incident should be a danger flag to police commanders throughout the country. In how many other states or communities would it be possible for law-enforcement officers, in mufti, to perpetrate a similar outrage, without identifying badges or any effort to let the occupants know that the break-in was actually an authorized search? The fact that such police procedures can happen at all—even leaving out the inevitability of monstrous error of the type that occurred in the Pine household—raises serious questions about those occasional reports of shootouts between raiding policemen and civilians. Had Mr. Pine owned a gun, could he have been blamed for opening fire in the face of unknown armed invaders?

"I didn't know police operated like that in America," said Mrs. Pine. "I'm ashamed that this could happen here." Police chiefs everywhere should include the episode in their order of the day—as an example of an abuse of police power that must not happen again.

[From the New York Times, Jan. 30, 1973]

VICTIMS OF MISTAKEN RAID SUE POLICE FOR $1 MILLION

BOSTON, January 29.—An attorney for a Winthrop woman and her daughter filed a $1-million suit Monday in Federal District Court in connection with a mistaken police narcotics raid on their home.

Mrs. Phyllis Pine and her daughter, Melody, 13 years old, also asked for $10,000 damages each from 10 defendants, including the state public safety commissioner; the Boston police commissioner; the police chiefs of Winthrop, Chelsea, Revere, Malden and Lynn; three state troopers, and "other officers unknown."

The suit contended that about 10 state and local policemen broke down the front and rear doors of the Pine home Jan. 10, searched the house without a warrant, pointed guns at Mrs. Pine and her daughter, struck them on the arms and pushed them onto a couch.

Police officials have said that the raid was a mistake and that members of the Pine family were not assaulted.

[From the Ledger-Star, Jan. 26, 1973]

NARCOTICS SQUAD BREAKS IN DOOR OF WRONG APARTMENT; APOLOGIZES

(By Jack Armistead)

PORTSMOUTH.—"I was half asleep. It scared me so bad that I'm still nervous."

Mrs. Anna Majette, 50, of the 1400 block of Barbour Drive, was explaining the way she felt after Portsmouth Police Narcotics Squad detectives broke her door down about 3:20 a.m. today by mistake.

"You are all wrong," Mrs. Majette told police.

Police were indeed wrong and have apologized to Mrs Majette for the inconvenience, according to Police Chief Calvert L. Warren.

Mrs. Majette lives in apartment "J" in the Ida Barbour Apartments on Barbour Drive. Detectives were supposed to go to apartment "A", a police spokesman said.

Mrs. Majette said she heard loud knocking on her front door and then breaking glass.

She said she opened her bedroom door and by this time a policeman was already at the top of the stairs with a gun drawn.

"The policeman said they had heard a lot of reports about this house and I said, 'This house?' "

Mrs. Majette said she asked the detectives if they had a search warrant and they did.

"But the search warrant said apartment 'A', 1420 Barbour Drive and this apartment is '5,' " she said she told police.

Mrs. Majette said the detective apologized.

"I said it's too late to be sorry now," Mrs. Majette said.

While they were in her apartment, Mrs. Majette said she was asked if she knew the occupants of the other apartment.

"No I don't know them," she answered.

"I was so shook up. It's a good thing I didn't have a gun," Mrs. Majette said, adding that she hasn't been able to sleep since police left.

"I can't sleep because my door is broken and I can't lock it," she said.

After police left her apartment, Mrs. Majette said a detective came back by there again.

"He said 'I just wanted to let you know we got the people,' " Mrs. Majette said.

Mrs. Majette said she told the detective. "Mister, I don't care."

She lives with her 18-year-old son.

In the meantime, police did visit the other apartment.

They arrested the occupant there and charged him with possession of heroin.

Police identified the accused as William Thomas (Tow Bag) Bailey, 33.

Bailey appeared in Municipal Court today on the charge and his case was continued until Feb. 16. His bond was set at $2,000.

According to a spokesman, raids at the wrong addresses do occur every once in awhile but not frequently.

"I was on a raid one time and we got the wrong house. We broke in, went upstairs to a bedroom, and found a half deaf and blind couple that didn't even know we entered the house," the spokesman said.

[From the Washington Post, Apr. 30, 1973]

THE NIGHT OF TERROR: "WE MADE A MISTAKE"

(By Dennis Montgomery)

COLLINSVILLE, Ill., April 29.—Herbert Giglotto, 29, and his wife, Louise, 28, had gone to bed at about 8 p.m.

"At about 9:30 we hear this crash. We hear this screaming. I take about three steps out of my bed and I see these hippies with guns," Giglotto recalled today. "I told my wife, 'My God, we're dead.'"

Across town at another home Donald Askew, 40, had just sat down to dinner with his wife, Virginia, 37, and their 16-year-old son, Michael. He looked out the window. he remembered, and saw several armed men in the yard.

Seconds later, he said, the men were at the door, trying to kick it in. Askew called to his wife to phone the police. She fainted. Askew told his son to run for his life.

The armed men who forced their way into the Askew and Giglotto homes last Monday were conducting narcotics raids. They came on the raids with no warning and apparently no warrant. They left when the raids turned out to be a mistake.

Myles J. Ambrose, director of the federal Drug Abuse Enforcement Program and a special assistant attorney general, said today it is his "understanding" that the men were agents from the program's St. Louis office.

Paul Cigliana, Collinsville police chief, confirmed that the raids were conducted by a "strike force" of federal narcotics agents from the St. Louis office.

Cigliano said he believed that policemen from some municipal police forces in the area also participated but he added, "I don't think there were too many of them."

Cigliana said no policemen from his department were involved. A spokesman from the Madison County sheriff's office said, "As far as I know there was no cooperation from this department."

Federal narcotics officials from the St. Louis office could not be reached Sunday, but had declined comment earlier. Askew said the men gave him the telephone number of the office to verify their identities.

Two days after the raids, Ambrose issued a statement: "I have directed an inspection team to thoroughly investigate this matter. If any federal agents have acted improperly, appropriate action will be taken. Under no circumstances will I permit my agents to violate anyone's constitutional rights."

Contacted at his Chevy Chase, Md., home, Ambrose said today, "The investigation is being conducted. When I have all the facts I will take appropriate action."

Ambrose, asked whether the investigation is top priority, said, "You bet your sweet life it is."

Before the raiders left without apologies, Giglotto said he and his wife had been threatened, bound, insulted and their apartment left in shambles.

"I've never had anything to do with narcotics," Giglotto, a boilermaker, said. "I hate it. I've never had anything to do with drugs and my wife never has."

The men did not identify themselves, he said, and showed no warrant. "They knocked me down across the bed and handcuffed me and my wife. They had our hands behind our backs. I was in my underwear and she was in her negligee."

"Just shut your mouth or I'll kill you," Giglotto quoted one agent as saying after he was asked to identify himself. The man reportedly told Mrs. Giglotto he would kill her husband if she did not tell him where the drugs they sought were hidden.

With 15 raiders in the room and more downstairs, Giglotto said his wife was pleading for his life. Giglotto asked, "Please look at my identification before you kill me."

None did, he said. He added the only identification the Giglottos were shown was a gold badge flashed by one of the intruders. Only Mrs. Giglotto caught a glimpse of it.

As they lay trussed across the bed, Giglotto said, another raider walked up the stairs and announced, "Oh, I think we made a mistake."

They had torn the house apart and found nothing. The front room was a shambles, littered with books, overturned furniture and a smashed television set. Released from his handcuffs, Giglotto tried to put on his pants, he said, but a raider ripped them out of his hands.

"They were as rude leaving as they were coming," Giglotto said. He said he followed them downstairs, demanding an explanation, shouting: "My God, you just kicked in my door, threatened to kill me and my wife, can you tell me what's happening?"

Giglotto said one of the armed men turned and replied, "Shut your mouth, boy."

Askew said the raid on his home began as they were beginning a late dinner after he had stayed overtime at the service station he runs in East St. Louis.

Askew thought his son had been in a fight with some other teen-agers and the men he saw in the yard were coming to kill him.

As he held the front door, Askew said Sunday, two men knocked down the back door and leveled two riot guns at him. A man at the front door flashed a gold badge and Askew let them in.

Five men, all dressed as hippies, searched the house, looking for a suspect, Askew said.

Mrs. Askew, lying on the couch, revived. She saw the men with the guns and fainted again. When she revived again one of the raiders told her, "Take it easy, lady. We're really federal officers."

Askew said the men were polite. "Outside of kicking the door and scaring the —— out of us, they were all right."

Satisfied the man they sought was not in the Askew home, one of the intruders said, "We just got a wrong tip." The men refused, however, to let Mrs. Askew call the police, and showed no other identification.

The Askews have filed a $100,000 damage suit in U.S. District Court at Springfield. The Giglottos are to meet with their lawyer Monday morning to determine what course to take.

[From the New York Times, Apr. 30, 1973]

Law and Order

"There are those who say that law and order are just code words for repression and bigotry. "This is dangerous nonsense," President Nixon declared last month as he unveiled harsh new anticrime proposals, "Law and order are code words for goodness and decency in America."

As if the unfolding Watergate scandals were not enough, two fresh disclosures over the weekend further serve to underscore the extent to which goodness and decency have been despoiled in this country through the perversion of justice that poses as law and order today in Washington.

In the small southern Illinois town of Collinsville, it was revealed, two families were terrified one night last week by unkempt men shouting obscenities who kicked down doors, overturned furniture and threatened them with guns. The men were Federal narcotics agents, acting apparently without warrants. After discovering they had entered the wrong houses, the agents withdrew without apologies. These were not isolated incidents. A Massachusetts family suffered similar indignities at the hands of errant narcotics agents last January.

The Administration's haphazard approach to law and order which leads to such outrageous abuses of the rights of ordinary citizens does not extend to all who may be suspected of criminal activity. Government sources in Los Angeles reported that top-ranking officials of the Justice Department have turned down a request by the Federal Bureau of Investigation to continue authorized electronic surveillance that they say had begun to penetrate connections between the Mafia and the teamsters' union, whose president, Frank E. Fitzsimmons, is the Nixon Administration's stanchest ally in all of labor.

To ride roughshod over the constitutional rights of citizens in the reckless pursuit of one class of criminal when failing to use every available legitimate means to detect possible crime among those who enjoy favor in high places subverts the American system of justice. There can be no order when those entrusted with law enforcement themselves show contempt for the law. Law and order under such conditions become code words for repression and hypocrisy.

Raleigh, N.C.

Senator Sam Ervin,
U.S. Senate,
Washington, D.C.

Dear Senator Ervin: Since having read an article in Sunday's *News and Observer*, a copy of which is enclosed, I have been considering how to express myself. The words "appalling" and "shocking" immediately came to mind but are too trite to express my true feelings. What I truly feel is repulsion and horror at what is described, especially when I realize that this atrocity was perpetrated in *my* name, by federal agents supposedly representing *my* government, and in the name of justice.

It is shocking enough to consider conduct such as that described when it is attributed to criminals who might themselves be acting under the influence of drugs. It is unforgivable when done by narcotics officers under the guise of governmental authority. I have had my children read this article, in the hope that they may not become guilty of the complacency which I believe is shared by many—the misplaced belief that things like the Gestapo and NKVD "cannot happen here." Their reaction seemed to be that nothing would be done with those responsible and that they would probably "get away with it." I hope and pray for this country that my children are wrong. The men described in the article apparently acted without a search warrant—and whether with warrant or not their reported conduct was reprehensible and entirely unbecoming federal agents—and they should be required to answer for their conduct.

I want my children to know that ours is still a government which respects the rights of individuals and that people who conduct themselves in the manner described in this article do not "get away with it." For the sake of every American, I hope that you will not only investigate this matter but—if the facts are as reported—will see that all those responsible are required to answer for their misconduct.

——— ———.

Morehead, City, N.C.

Senator Sam J. Ervin, Jr.,
Room 337, Old Senate Office Bldg.,
Washington, D.C.

Dear Senator Ervin, Your reputation as a defender of due process leads me to believe you are as disturbed as anyone over the continuing disregard of citizens' rights by the Federal Bureau of Narcotics and Dangerous Drugs—the latest case being the treatment of the Giglottos in Collinsville, Illinois (Agnews, also).

I am 58, a graduate engineer and management consultant, and I believe I am a reasonable, thinking, mature person. I try to keep perspective, and would like to have your opinion of the dangers to people's rights if attitudes and behavior on the part of Federal personnel shown in the Watergate case, the Giglotto case, and others you probably are more aware of than I, are not rooted out quickly and thoroughly.

I am thinking of offering to participate in a class-action suit on behalf of all citizens who feel endangered by such Federal activities. Is this feasible? Or advisable?

——— ———.

New York, N.Y.

Senator Sam Ervin,
U.S. Senate,
Washington, D.C.

Dear Senator Ervin: Among the mounting scandals in the Nixon administration it is difficult to single out one for particular censure. But the incredible, lawless Gestapo tactics reported in yesterday's *Times* on the part of narcotics raiders is downright terrifying. There have been other similar raids in the past, and many more by *local* officials. Also, one may assume that these reported cases were considered exceptional because the "wrong" houses were broken into at gunpoint without warrants; how many more cases have there been of similar "proper" raids which resulted in arrests and/or silenced or discredited complainants? More basically, whether or not a home being raided is the "right" one, such activities are illegal without warrants and even with warrants assault, terrorism, and vandalism are not allowed!

Anyone involved in these raids should be fired on the spot, and anyone who authorized, suggested or knew about them should be fired also. Everyone involved should face criminal prosecution.

I write to you because these activities seem to me intimately related to the attitude of Nixon and his Watergate friends—the arrogation of dictatorial powers to an executive capable of mounting terrorist raids on citizens, burglarizing Daniel Ellsberg's medical files, and subverting the recent national election!

——— ———.

Greensboro, N.C.
May 1, 1973.

Dear Senator Ervin: I know you are very busy but I also know you always make time to pay attention to the things which affect the liberty of we Americans. You are our great defender of our liberties, and I respect you for it.

I'm sure you have read the article I'm enclosing but just wanted you to know I am very much concerned about this and what can be done to prevent it happening again and again.

My very best wishes to you in your every endeavor.

——— ———.

Smithfield, N.C.

Hon. Sam Ervin,
U.S. Senate,
Washington, D.C.

Sir: As must surely be the case with many thousands of Americans today, I am becoming more and more suspicious of some of the elected officials and those directly under their power who are controlling the directions in which this country moves. I have served as a minister of education in the United Methodist Church for six years, dealing primarily with youth and young adults. For about five or six years now it seems that young people are being dealt with only out of necessity and never out of genuine concern. Almost daily it becomes more dangerous for Americans who don't share the same beliefs of our chief executive.

I just returned from Washington Monday after spending five days at the National Explorer President's Congress at the Sheraton-Park Hotel. We had the opportunity to speak with several reporters and congressmen and that didn't help much to ease my feelings. Then upon reading Sunday's News & Observer, Raleigh, I found the enclosed article. Since then I have not been able to find any follow-up news concerning this event. It bothers me deeply that such things go on in America; and I question how much more, and worse, goes on that never makes the newspapers.

Why I'm writing you about this is not absolutely clear to me, except maybe that you are one politician that I feel can be trusted and will be worthy of whatever faith is put in you and your decisions. What is now going on concerning this incident? Will the American people forget this happened and lose their outrage as they did with Kent State, with college students who participated in "peace marches" two years ago, and as they seem to be doing with Watergate? If you can supply me with any information to help answer some of my questions or ease some of my doubts it will be greatly appreciated.

Enclosed find clipping from The Smithfield Herald, May 1, 1973, covering your presence at Davidson College. The youth and young adults of North Carolina believe in Sam Ervin. We trust you, have faith in you, and are proud that you are our senator.

——— ———.

SAM J. ERVIN, Jr.,
U.S. Senate,
Washington, D.C.

DEAR SENATOR ERVIN: In today's paper I find many things that disturb me greatly. For some reason our country's government has turned to lawless means to produce a beneficial end. I am referring to certain tactics used by law enforcement agencies. Two families' in Collinsville, Illinois, were threatened and beaten by federal drug agents. These were innocent people—the agents made a mistake. They crashed into these families' houses without warrants, but more distressing they were brutal to these people.

I am the first one to admit that the drug problem is a menace to America; however, only communist societies justify their ends by harsh and unjustified means. History has shown that countries with these policies are alienated from their citizens.

I am not a law breaker of any kind and most Americans are the same way. Has the day come when these Americans will have to barricade their homes and arm themselves in fear of their government?

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WINSTON-SALEM, N.C.

HON. SAM J. ERVIN, Jr.,
U.S. Senate,
Washington, D.C.

MY DEAR SENATOR ERVIN: Attached is a copy of a news article appearing in the Winston-Salem Journal and Sentinel for Sunday, April 29, 1973.

If this story is true and correctly reported, it represents an alarming situation. Even one's home is no longer safe.

When did our Government assume it could invade the privacy of the home without proper warrants? When did our Government assume it could treat people the way the people in the article were treated?

What are you as a representative of the people going to do about this kind of business? What steps are you going to take?

Watergate by comparison with this invasion of privacy of the home is an old maid's tea party. We are getting pretty sick and tired of you politicians making such a big issue of Watergate. Let's protect the people in their homes first, then clean up Watergate.

——— ———.

NEW BERN, N.C.

DEAR SENATOR: I'm very concerned over the incidents described in the attached articles. If my memory is correct, we had similar mistakes made months ago.

Is there any way to provide some stiff penalties for such mistakes? It seems to me that law enforcement officers should really have to do their "homework" or have absolute facts before they go busting into someone's home or suffer severe consequences for not being absolutely sure on who they're busting in on.

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APRIL 30, 1973.

Senator SAM J. ERVIN Jr.
Senate Office Building,
Washington, D.C.

DEAR SIR: The incidents in the enclosed clipping show a striking parallel to the "Bellew incident" which occured at Silver Springs Maryland in 1971.

The three incidents should illustrate that the "No Knock" law is a bad piece of legislation.

None of the top officials or their immediate aides are sensitive to the voting public. This seems to me to be a dangerous abuse of authority.

What can you as a member of the United States Senate do about this situation

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WINSTON-SALEM, N.C.

Senator SAM ERVIN,
Senate Office Building,
Washington, D.C.

DEAR SENATOR ERVIN: Please allow me to take a few minutes from your busy schedule so that you may read the enclosed article that appeared on P. 1. *Sunday Journal and Sentinel,* Winston-Salem, N.C., 29 April 1973. Realizing you to be the leading authority of *our* Constitution and a person who dearly loves the principles that our country symbolizes, I am certain that you will be as shocked as I.

Before you get the impression that I am a "radical" bent on destroying the police image allow me to tell you something about myself. I am a disabled veteran of the Viet Nam war who is completing his first year of Law School at Wake Forest University. Although I have never fully understood why I left part of my physical body in the mud of Viet Nam, I have tried to insulate myself from stark reality by fantasizing that the effort was to support principles that founded our Nation almost two hundred years ago. What has happened to these principles in our Nation?! Daily, I am appalled at the increasing "Gestapo" tactics and hunger for power shown by the current Administration. President Nixon seems to stereotype anyone who dissents from his policy as a "radical" bent on destroying the country. If the principles exemplified by the current Administration are indicative of this County's future. I suppose I am a "radical". I am a radical who wishes to see that individual freedom and security are protected by the Constitution. I only hope that we can survive long enough to re-establish these forgotten principles.

Changing the subject somewhat; Senator Ervin, I am extremely pleased with the work that you are doing for the people of this Nation. I can honestly say that you make me proud to be a North Carolinian. Let us hope that more representatives will show the courage and leadership that you have while in office.

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BIG SPRING, TEXAS.

DEAR SENATOR ERVIN: As a permanent resident of North Carolina (I am stationed in Texas in the USAF), I would like to voice my feelings to you, my Senator, concerning the "drug" raids on private citizens (innocent) in Collinsville, Ill., carried on illegally by federal agents from the Office for Drug Abuse Law Enforcement. These raids are an outrage and those responsible should be punished. This certainly is not a good example of law and order, is it? Please do what you can.

P.S. My wife and I think you are an outstanding congressman.

Thank you,

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HIGH POINT, N.C.

DEAR SENATOR ERVIN: Yesterday morning before going to Church, I started to read the Greensboro paper and while reading the main headline article I was aghast at what it contained. This kind of thing done by our own government is wrong and to me a very serious matter.

I have always been a strong Law and Order man, and I did approve of the No-Knock provision in enforcement of Narcotics Laws, but this is a clear abuse and in a callous manner, of such laws.

Does it take something like this to show how our federal agents operate with suspects? I am not one for coddling criminals at any time, but even they have some rights to be treated decently when being apprehended. I would not approve of this kind of treatment even if they had been at the right houses.

How could the Narcotics Agents have been so stupid to have hit two wrong houses in the same town? I would like to know if they had a Warrant for each house. The attached articles does not say.

This is the kind of thing that I wish something would be done to correct this kind of treatment of people. I know the Watergate thing is serious, but in my opinion it is political, whereas this kind of treatment of people, especially innocent people, is something much more dangerous to our way of life than Watergate.

This is not the first instance I have read about, but this is the first I am writing to the Congress about. I believe the ATF Agents have had similar instances in the past in enforcing firearms laws. Such action is not right either. Like the man in the article said this is Gestapo tactics, or SS Stormtrooper action. Such should not be allowed to continue and I do hope you will do something about it. May I hear from you on this?

I have always supported you in the past and will do so next year. Almost all the time I agree with your views, but I know you are fair and interested in individual rights. This is such a case.

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PEEKSKILL, N.Y.

DEAR SENATOR ERVIN: I wish to call your attention to the brutal and unconstitutional tactics employed by the Office of Drug Abuse Law Enforcement. According to an article in the New York Times of April 29, agents of that office recently terrorized two families in Collinsville, Illinois, after breaking into their homes without warrants.

The frightening thing is not that it happened to two innocent families, but that it happened at all. It is alarming that agents of the Federal government even contemplate the use of such measures against its own citizens. There is no legal or moral justification whatever for Gestapo tactics in the United States of America. Even the effort to rid ourselves of the scourge of hard drugs does not justify and is not well served by this horrible abuse of authority.

To say that violent raids conducted without warrants are unconstitutional is to understate the case by several orders of magnitude. These particular raids, and the training programs for the agents who participated in them, ought to be subject to immediate Congressional investigation. It is clearly in order to introduce corrective legislation to prevent and punish such abuses in the future.

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GREENSBORO, N.C.

Hon. Sam Erwin,
U.S. Senate, Washington, D.C.

Dear Sir: I have today read about federal narcotics agents breaking and entering without warrant and seemingly by mistake into two families' private residences in Collinsville, Illinois, terrifying these families, threatening to kill them, assaulting and abusing them without cause or provocation.

I am shocked; I am appalled! If this could happen there, it could happen in Greensboro to me or to you. Of course druge abuse, especially at the distribution level, is a severe problem and menace to us all and must be uncovered and prosecuted as best it can be. However, if disregard for innocent citizens such as in this case is more common than by accident, other means must be used; federal and state agents may not abridge our rights to safety and privacy within the home.

Please look into this situation to see if it is becoming a common practice. I feel that the supervisors of these federal agents should be checked on and reprimanded as necessary and if it be that this entrance without warrant and forcibly accomplished has become federal policy that those in charge be brought to public account.

I look forward also to your continued efforts investigating the Watergate Scandal. It appears that the end justifies the means in certain parts of the Executive Branch and it is imperative that such actions be brought to the surface for the public view.

Thank you for your efforts.

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BRYN MAWR, PA.

Senator Sam Ervin,
U.S. Senate Office Building,
Washington, D.C.

Dear Senator Ervin: I wish to applaud your conduct of the Watergate investigation. While this subject certainly deserves complete investigation, I believe an even larger danger lies in the recent actions of Federal Narcotics agents in Collinsville, Ill.

You are probably aware that these agents broke into two homes without warrants or authority. Gestapo tactics such as this deserve a thorough Congressional investigation. I earnestly hope that you will pursue this matter.

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Committee on the Judiciary,
Washington, D.C., May 7, 1973.

Mr. Myles J. Ambrose,
Special Assistant Attorney General, Drug Abuse Law Enforcement Office, Department of Justice, Washington, D.C.

Dear Mr. Ambrose: I have just read of a recent incident involving the search by agents of the Office of Drug Abuse Law Enforcement (DALE) of the homes of Mr. and Mrs. Herbert Giglotto and Mr. and Mrs. Donald Askew of Collinsville, Illinois. My knowledge of the situation is limited to the information reported in the *Washington Post* on April 30th.

I am particularly concerned about the manner in which the search was conducted. According to the *Post* story the agents of DALE entered the two houses without warrants, kicked in the doors without warning, shouting obscenities and threatened the inhabitants with guns. The Giglottos and Askews were terrified and only temporarily relieved when the agents left after discovering they had entered the wrong house.

Please answer the following specific questions concerning these incidents:

(1) To what extent is the account in the *Post* article accurate?

(2) Along with a specific description of any inaccuracies in the *Post* story, please also provide me with the factual background which lead the DALE agents to resort to a warrantless, no-knock search?

(3) I assume that this search was conducted pursuant to section 879 of Title 21 of the United States Code. If not, please provide me with the correct statutory authority.

(4) Please provide me with the DALE rules, regulations, orders, directives or policy statements governing the conduct of its agents while engaging in search and seizure with or without warrants. Please also provide me with any information on disciplinary action taken by DALE against the agents involved in these incidents.

(5) How many no-knock warrants have been requested by DALE and the Bureau of Narcotics and Dangerous Drugs since the passage of section 879? How many such warrants have been granted? How many were executed? If you do not have precise figures please provide estimates of the total numbers and estimates of the frequency with which requests for such warrants are granted.

(6) How many warrantless, no-knock searches have been conducted since the passage of section 879? If no precise figures exist please provide estimates.

(7) Of the total number of no-knock searches both with and without warrants, how many have resulted in complaints by citizens such as the Askews and Giglottos? Please provide a list of such complaints as well as a brief description of the factual circumstances surrounding each complaint.

Your prompt personal attention to this matter will be much appreciated. With all kind wishes,

Sincerely yours,

Sam J. Ervin, Jr.,
Chairman,.

THE PROPOSED DEMOLITION OF THE WAR MEMORIAL NATATORIUM IN HONOLULU

Mr. INOUYE. Mr. President, I would like to bring to the attention of the Senate a matter of grave concern to the people of Hawaii. It involves the War Memorial Natatorium in Honolulu, Hawaii. There has been a proposal to demolish this historic structure as part of the Waikiki Beach improvement project.

I firmly support efforts to preserve the War Memorial Natatorium from falling prey to the current demolition project. As I believe we have destroyed enough of pre-World War II Hawaii, I am fully supportive to current efforts to preserve, restore, and improve this historic landmark. The War Memorial Natatorium was dedicated on August 24, 1927, in memory of those individuals who lost their lives during World War I. Over the years, the Natatorium became a popular and unique saltwater swimming facility. The public swimming pool was more than just a place for competitive swimming. It was utilized for informal recreation as well as for swimming instruction and organized athletic competition for both young and old in Hawaii. The Natatorium has been placed on the Hawaii Register of Historic Structures and an application is being processed to have it placed in the National Register of Historic Structures.

In 1949, the State of Hawaii turned the Natatorium over to the city and county department of parks and recreation for maintenance and upkeep. Unfortunately, this historic and unique structure was grossly neglected over the years and is badly in need of repairs. The State of Hawaii, the city and county of Honolulu and the U.S. Army Corps of Engineers are in favor of demolishing the structure to expand the beach space on Waikiki Beach. However, I do not believe that destruction of the Natatorium is the only alternative to resolving this problem. Proponents of the movement to preserve the Natatorium include the Natatorium Preservation Committee, the Engineering Association of Hawaii, and various veterans groups. The supporters of this movement believe that if properly restored, the Natatorium could be utilized for aquacade shows, musical concerts, or theatrical plays, as well as maintain its swimming facilities for public use.

Many of the historic structures that were constructed when Hawaii was still a territory of the United States have been destroyed to make way for commercial ventures and other development projects. If we continue to permit such adverse changes to occur, we stand to lose much of the heritage and history of old Hawaii. I hope that this never becomes a reality.

THE TIMBER EXPORT ADMINISTRATION ACT

Mr. CRANSTON. Mr. President, on February 28, Senator Church and I joined Senator Packwood in introducing the Timber Export Administration Act of 1973. S. 1033 puts an immediate ban on the export of Federal timber and phases out log exports from State and private lands over 3 years. Senators Abourezk, Domenici, Hartke, McGovern, Mondale, and Tunney have since become cosponsors of S. 1033.

I believe this legislation is essential to cool down lumber prices and protect American jobs and businesses. Recently on May 5, the New York Times came out in support of S. 1033. This editorial marks a departure for the Times which traditionally opposes trade restrictions. The reasons why the Times supports a ban on log exports are succinctly put and I believe they should be shared with the entire Senate. I ask unanimous consent that the Times editorial of May 5, be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

TIMBER!

The skyrocketing price of lumber has induced the Nixon Administration to appoint a task force whose job will be to plan an increase in the timber cut of the national forests; and it is all too predictable that any increased timber cut will be at the expense of the forests themselves. Such a course would be indefensible and unnecessary.

The United States is currently exporting some 5.5 billion board feet of softwood logs and lumber, 85 per cent of it to Japan. It need only curtail that practice sharply to ease the supply for Americans.

Senator Packwood of Oregon is pressing for a measure that could at the same time increase the supply of wood for domestic needs and prevent the national forests from being raped. He wants a restriction not only on the export of all logs from the national forests but, in a phased program, from state and privately owned forests as well. His bill would allow for a controlled resumption of such exports whenever a drop in domestic demand warranted such action.

This newspaper took the opposition stand, on liberal trade grounds, when a similar ban was proposed in 1968. But the situation now is far graver than it was then; prices are much higher; the need for housing more desperate and the danger to the forests now more acute and therefore less tolerable. The classic argument for free trade is persuasive, but we feel it has to be balanced against the fact that no country can for long afford to export raw materials in seriously short supply at home.

Even less cogent is the case against an export ban that rests on the need to restore this country's balance of trade. Against the 5.5 billion board feet of logs which the United States now exports, 9 billion board feet of finished lumber from Canada are being imported. The proposed reduction in export of raw logs could only improve a trade balance that now operates on the nonsensical basis of selling cheap to Japan and buying dear from Canada.

COAL AND AMERICA'S FUTURE

Mr. MOSS. Mr. President, the Congress and the American public face some hard decisions in the next year on the energy crisis, not the least of which will be how we meet the challenge of coal and its use.

Coal is essential in our groping for a way out of the energy dilemma.

No one in the Senate understands the problem of coal and the environmental effects of its use better than Senator RANDOLPH of West Virginia.

In an illuminating speech before the American Mining Congress at Pittsburgh, he defines the problem and its challenge. I ask unanimous consent that the speech be printed in the RECORD for the benefit of the Senate.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

ENERGY AND AMERICA'S FUTURE

AN ENERGY-ENVIRONMENTAL POLICY IS NEEDED FOR AMERICAN ENERGY SUPPLIES

It is gratifying to be invited to address this 1973 Coal Convention of the American Mining Congress.

During the next two years, the Congress, your industry—and others—and the American people will be extensively involved in evaluating the status of our national quest for sufficient energy supplies to meet our country's economic requirement—consistent with Federal and State environmental policies.

At issue is the adequacy of the commitment by government, industry, and the public toward simultaneous achievement of environmental *and* energy goals—for both of these goals are currently jeopardized.

However, I offer the following words of warning: Don't become absorbed in the debate over whether or not government has overreacted on the environmental issues and miss the forest. For we are in an energy crisis.

REALISM IS NEEDED

Without question, there is need for realism in our country's structuring and implementation of environmental policies. While some of the prevailing policies may be unduly restrictive—until they are rescinded or amended—they are the law of the land, and must be taken seriously.

Admittedly, we—the United States of America—have NOT done well in finding a suitable or equitable balance between energy and the environment. There is blame on all sides. Whatever the cause, the long-term success of Federal environmental policies is threatened. Equally, our vital energy base, our economy, and our security—our *national* security—are seriously endangered.

Why? Because the respective spokesmen for environmental and economic interests have made insufficient efforts to sit down together—to reason together. Instead they have performed in the role of pressure groups seeking to make the Congress an arbitration board. I say that, through discussion—in a spirit of compromise—there must be developed a consensus on immediate and long-term environmental objectives that mesh—NOT clash—with our country's energy policies.

PRESIDENT NIXON'S 1973 ENERGY MESSAGE

On April 18, President Nixon transmitted to the Congress his much delayed Message Concerning Energy Resources. And, last Tuesday, the Senate Committee on Interior and Insular Affairs held hearings on the President's Energy Message. This Senator and other ex-officio members for the Senate's National Fuels and Energy Policy Study participated in this hearing.

Senator Henry Jackson of Washington, Chairman of the Interior Committee, and this Senator from West Virginia, Chairman of the Public Works Committee, co-sponsored the study resolution. And, I give you assurance that this Senate study is making real progress. Our work over many months enabled us to better evaluate the President's message.

Frankly, ladies and gentlemen, I was disappointed by the tone of that document from the White Houes. It had too much "business as usual" ring, even in the face of crisis. I have not heard anything that gives me reason to change in any substantial degree the opinions I expressed in the Senate within hours of receipt of the President's Energy Message.

Although the Message of April 18, 1973, is considerably more ambitious than was his "clean energy" message of June, 1971, this newer one fails to define the elements of a real fuels and energy policy *in the nation's interest*. It more appropriately can be viewed as a declaration of intent. But it clearly is not a meaningful description of the national policy which this country needs so critically.

Now, the Congress, as provided for in our Constitution, must formulate our country's energy priorities in the establishment of a true National Fuels and Energy Policy. And, the Executive Branch must assume its Constitutional function to implement and administer statutory policies or recommend their modification.

There are several areas that require immediate attention by the Congress: emergency or strategic supplies; oil import controls; and the development of new energy technologies.

EMERGENCY POWERS

The President's message provides recognition of anticipated short-falls in supplies of basic energy resources and their conversion products; however, it does not include a proposal for assuring that essential uses are satisfied during periods of curtailment of energy supplies such as gasoline, diesel fuel, heating oils, or low sulfur fossil fuels.

The Economic Stabilization Act of 1973, which was signed by the President last week, contains a limited mechanism for allocating available fuel supplies during emergency situations or shortages. Senator Jackson's proposed Emergency Fuels and Energy Allocation Act of 1973 (S. 1570), would provide more extensive authority for this purpose. The issue is not whether shortages will occur but how to deal with them.

OIL IMPORTS

A principal thrust of the President's Message is abolition of the Mandatory Oil Import Quota Program; it is to be replaced by a permit program and license fee. As I understand the new program 1973 levels of imports are assured. Also, initially the fees are to apply to future increases in imports. However, over the next seven years the fees will be extended to all imports as a discentive against imports.

Two aspects of this proposal disturb me: First, it has all the signs of a revenue measure rather than a proposal to manage or limit oil imports. And, second, the President proposes to create this program by Executive Order—not by statute—without an input or review by the Congress. Without question both these aspects of the President's oil import program deserve careful Congressional scrutiny.

GUNS VERSUS BUTTER

There is another point, however, that must be mentioned.

The administration seems to show too little concern for the foreign policy and economic implications of extraordinarily large imports of oil and liquefied natural gas. For this is occurring at a time when we are on the brink of entering into an era of cut-throat competition for limited international energy supplies with our allies in Europe and Japan.

Now, consider with me these evaluations and estimates by some usually reliable North American economic sources:

Energy imports this year will cost $7 billion and will rise to at least $9 billion next year—and will cost between $11 billion and $15 billion by 1975. Under current trends, North African and Arabic countries will accumulate $150 billion to $200 billion from 1980 to 1985. These countries could store up money reserves exceeding those of ALL world central banks combined, unless investment opportunities are provided internationally for this capital.

Now, isn't this incredible? Some economic authorities doubt whether the U.S.A. can afford to pay such annual bills overseas without the consequences of depression or a generally reduced living standard—and possibly worse conditions.

In other words, our current course endangers our economic position as a world power as well as our national security.

If we are so deficient in energy supplies at home that we may have to place more than 50% of our reliance on foreign oil and gas, how reliable will be our national defense?

We, in the U.S.A., are coming back to that big question—that big confrontation, namely, "guns versus butter". But, in actuality, there never has been a nation so rich that it did not have to come to a facing of the question; "How many guns and how much butter?"

How many people know that even though our country's fuel need for defense is the lowest in 13 years, we still are having trouble filling the demand at that scaled-down level? Notwithstanding, our Navy and our bombers consume petroleum products as if they were water in their wide and questionable sweeps over Indochina.

What is disturbing, however, is the fear creeping in on us from outside our borders that there is a danger of seizure of Middle East energy supplies by force of arms; this probably would trigger World War III.

This frightening potential makes it clear that our first priority must be positive Federal initiatives in energy conservation. Our second priority must be prompt development of new energy technologies and energy supplies from domestic American sources.

Our national interest—perhaps even our

national survival—demands that we as a Nation take positive steps to be more energy self-sufficient. It is essential that we maximize the extent to which our needs can be met from secure sources by increased development of all types of domestic supplies, and by more efficiency in energy usage.

An energy company executive observed that it is important for us to remember that our dilemma is man-made—and that we still have abundant American energy sources to draw upon. In oil and gas, we are reminded, we have a very large potential resource base remaining to be developed offshore and in Alaska. There are also huge potential reserves in the shale deposits in the Rocky Mountain area—and nearby in Canada in its tar sands.

Our coal reserves are vast, and, although coal is in a clash with environmental law and regulatory administration and enforcement, it can be a real contributor to our domestic energy supplies and emergency reserve. Coal can be, and should be, an important near-term source of clean synthetic fuels through gasification and liquefication. However, the cost of either oil or gas from coal or lignite or shale will be higher than what we have been accustomed to. Nevertheless, these secure resources are awaiting development at home. This certainly beats reliance for energy—and security—on foreign sources.

NEW ENERGY TECHNOLOGIES

From press reports, I am encouraged to believe that the President's Message would support increased Federal funding of new coal based energy technologies. For they are needed to assure the over-all viability of domestic energy supplies.

Yet, the President took a very bland approach to the necessary rejuvenation of coal. The President's Message continues to place the burden for the development of new energy technology on the private sector.

Coal is generally recognized as the only domestic alternative to oil imports. At stake is the essential role of this domestic resource in our future energy economy.

The President's Message does little to build upon existing programs which are already constrained by inadequate funding. The thrust is to continue the Federal government's previous bias toward nuclear energy research. The cornerstone of the Administration's proposals is a $21 million Department of the Interior "Central Energy Fund."

This limited approach by the Administration convinces me that the Federal Energy Management Project proposed by Senator Jackson and Magnuson and myself, on March 19, is an absolute necessity. The National Energy Research and Development Policy Act of 1973, is a step in the right direction toward joint government-industry demonstration, on a commercial basis, of new energy technologies.

Yet, the one word that most aptly summarizes National Coal Policy is "uncertainty." The present situation was cogently described, last August, by the National Coal Association's Executive Vice President as one of—

"Uncertainty about the continued viability of the coal industry in the face of this Nation's increasing dependence on oil imports; uncertainty about coal's present and future markets due to the increasingly restrictive environmental regulations with no commensurate development of the technology necessary to meet those standards; uncertainty about the ability of coal companies faced with declining productivity and onerous price controls to attract the necessary capital to insure not only their growth, but their continued existence in a capital-intensive industry; uncertainty about mining methods and the ability of coal producers to tap the vast stores of coal found in this country; and uncertainty about the resolve of the Nation to swiftly develop a comprehensive national energy-environmental policy which will help solve these problems."

In short, time is of the essence. Unless we immediately come to grips and resolve these issues this situation can be expected to deteriorate further.

The current lack of definitive Federal policy guidelines has acted to create a constrained and semiretired coal industry which is unable to respond with the capital, production, and economic vigor necessary to support a new big synthetic gas and oil industry, as foreseen.

Even if it were possible, it would be unrealistic and fool-hardy to consider placing our domestic coal industry in mothballs, awaiting the ultimate development of environmentally acceptable means for the extraction and use of coal. The industry is a high-cost, complex, skilled-labor industry, reactive to public policy and market demands. Provided the uncertainties are removed from public policies, the coal industry is capable of assuming its vital role in our future energy economy.

Beginning on June 6, I will convene hearings on factors affecting the use of coal in present and future energy markets. These hearings are to be held by the Senate's Energy Study and were announced this morning by Senator Jackson.

CONCLUSION

The challenge is there—the question is our national acceptance and commitment to meet our energy requirements consistent with environmental policies.

As a Nation, we are now being called upon to exercise stewardship over our natural resources in unprecedented ways. I am reminded of the words of the philosopher George Santayana who once wrote that, "Those who do not understand history are doomed to repeat it." As a country, we have learned to our sorrow the wisdom of this statement, particularly with regard to the irrecoverable degradation of our environment. As a Nation, we have a choice between repeating the mistakes of the past and responsible stewardship over our natural resources.

Those of us in the Congress, who have primary legislative responsibilities, are aware that laws alone will not insure the protection and enhancement of environmental quality. We also must have the full cooperation and participation by both the public and private sectors as well as the consumer, himself.

One factor is clear to me, namely, that the Administration should change priorities with decisiveness and dispatch. I say this because I see so little evidence of program adjustments to enable an ultra-high priority attack to be made on problems at the center of the energy crisis.

It is an absolute must that our country be made far more energy self-sufficient. In doing so, we must shift some defense, space, and nuclear programming and funding to non-nuclear energy programs in order to shore up the energy base.

What good are military machines and space vehicles unless we have sufficient energy to build them—replace them or their parts—and to operate them?

And what kind of country will be ours if our limited energy supplies must go largely to the military?

May I suggest that you cogitate on those questions!

THE BYRD AMENDMENT ON VETERANS MEDICAL SCHOOLS

Mr. PROXMIRE. Mr. President, this morning the Subcommittee on HUD, Space, Science, veterans of the Appropriations Committee marked up the budget estimates for which it has responsibility in the second supplemental appropriation bill. In addition to the items submitted by the administration for consideration, the subcommittee considered an amendment to the budget of the Veterans' Administration, which was presented to the subcommittee by our distinguished majority whip, ROBERT C. BYRD of West Virginia.

Senator BYRD's amendment proposed an appropriation of $25 million to implement Public Law 92–541, $15 million of which was for implementing subchapter I of the bill and $10 million for the entire bill. In support of the Byrd amendment were Senators ALAN CRANSTON, the senior Senator from California, and his distinguished colleague from West Virginia, chairman of the Senate Public Works Committee, Senator JENNINGS RANDOLPH.

Under subchapter I of Public Law 92–541, there is authorized $175 million for a pilot program to be carried out over a 7-year period which will, in effect, establish eight new medical schools in locations contiguous to Veterans' Administration hospitals. In subchapters II and III a total of $50 million a year for 7 years, aggregating $350 million, would be available for assistance to existing medical schools and other health facilities as well as expanding VA hospital education and training capacity.

The subcommittee felt it should have further information concerning the use of the funds before acting on the request of Senator BYRD and the other Senators who cosponsored his amendment. In view of this, the subcommittee deferred action on the amendment, but it did so without prejudice.

The proposed amendment can be considered by the full Appropriations Committee when it marks up the second supplemental bill on Tuesday morning, May 15.

REFORM OF THE AMERICAN PATENT SYSTEM

Mr. McCLELLAN. Mr. President, the Congress, and particularly the Senate Subcommittee on Patents, Trademarks, and Copyrights, have been engaged in consideration of legislation for the reform of the American patent system. The subcommittee during the 92d Congress reported legislation for a modest general revision of the patent laws, but no further action was taken partly due to a substantial difference of opinion among the members of the Committee on the Judiciary concerning certain provisions of the legislation.

A major factor in delaying action by the Congress has been the inability of the executive branch to agree on an administration position concerning proposals for the reform of our patent system. On September 21, 1972, the minority leader and I wrote a joint letter to the President in which we urged him to direct the appropriate departments of the executive branch "to undertake renewed efforts to formulate an administration position on patent law revision." We expressed the hope that the President would communicate his recommendations upon the convening of the 93d Congress since these issues have been under study in the executive branch for a protracted period.

The administration has not yet submitted its recommendations, and I have been unable as chairman of the subcommittee to ascertain when the Congress may anticipate receiving such recommendations. The distinguished senior Senator from Michigan (Mr. HART) has introduced S. 1321, for the general revision of the patent laws, and has requested subcommittee consideration of that legislation. In addition, the American Bar Association and the American Patent Law Association have formulated their recommendations for a general revision of title 35. Under these circumstances it may be necessary for the subcommittee to process patent revision legislation without the benefit of any further contribution by the executive branch.

The May 1973 issue of Fortune contains an article by Mr. Robert G. Hummerstone, "How the Patent System Mouse Traps Inventors." Mr. Hummerstone has carefully researched the subject of patent reform and his article is an informative statement of the various points of view. Mr. Hummerstone reviews the many problems confronting the patent system and presents certain of the recommendations of the Commissioner of Patents, Mr. Robert Gottschalk. Commissioner Gottschalk has warned that confidence in the patent system has been undermined and that "We can't Mickey Mouse around while faced with technological challenges from other countries."

Mr. President, in view of the importance of this subject to our economy and technological development, I request unanimous consent that the article from Fortune be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HOW THE PATENT SYSTEM MOUSETRAPS INVENTORS

(By Robert G. Hummerstone)

The U.S. patent system has traditionally held out glittering promise, to schoolboys who dream of becoming Edisons and to grown-up investors searching for another Xerox or Polaroid. As the reward for building that better mousetrap, a U.S. patent confers a legal monopoly for seventeen years, during which the patent holder can try to get rich by extracting as much profit from his discovery as the market will allow.

In truth, the patent system has traditionally been full of pitfalls as well. The courts have great leeway on deciding what constitutes authentic "invention," and despite many attempts at definition, decisions are still as subjective as they were more than a century ago. To add to the uncertainty, judges seem to be influenced by the changing tides of public opinion about business. The Supreme Court threw out only about 40 percent of the patents that came before it during the business expansion just after the Civil War, but about 85 percent in 1890 (when business was in bad repute and the Sherman Antitrust Act was passed). There was a similar shift in judicial opinion after the business boom of the 1920's collapsed. "When the public is down on business, patents go with it," says Robert F. Peck, a patent attorney at Polaroid Corp.

Now patents are once again being subjected to very strict tests in the courts. From 1966 to 1971, according to a study by Professor Irving Kayton of George Washington University Law School, federal courts of appeal invalidated 69 percent of the patents brought before them, the highest percentage since the mid-Fifties. And last year the Supreme Court decided against the patent holders in two precedent-setting cases. In *Deepsouth vs. Laitram* the court ruled, five to four, that Deepsouth Packing Co. was not infringing Laitram Corp.'s patents by manufacturing components of a patented shrimp-deveining machine in the U.S., completing all but the final stages of assembly, and then shipping the parts out of the country for final assembly and sale. Laitram had never contended that its patent rights extended outside the U.S., but it had believed that its patent would protect it from such an obvious end run around the law. In the second case, the court ruled that computer software is not a "process" as defined by the Patent Act of 1952, and that if Congress wants software covered by patents, it will have to change the law.

As if an extremely strict interpretation of the patent law were not enough of a problem for inventors, the courts have outlawed licensing arrangements by which patent owners have sought to gain the maximum possible leverage from their inventions. For example, a patent holder used to be able to require that the licensee, to get a license on one patent, must also sign up for licenses on a "package" of other patents. The holder might specify that the licensee could not challenge the validity of the patent while the license was in force. Both these practices have been struck down, and both the Federal Trade Commission and the Antitrust Division of the Justice Department have served notice that they will move against any licensing practices that allow a patent owner to control commerce beyond the boundaries of his patent grant.

Inventors and patent lawyers are thoroughly alarmed at the drubbing they have been taking in the courts. They have an ally in Robert Gottschalk, the U.S. Commissioner of Patents, who warned recently that confidence in the patent system "has been shaken by a series of court decisions running in a tide against the patentee, and undermining the freedom and certainty so essential to effective patent licensing and effective functioning of the patent system." Gottschalk fears that businessmen caught in "unfair" and "irrational" court decisions "will hesitate to go back to the laboratory and invest more money in reliance on a patent system that lets them down." And the commissioner warns: "We can't Mickey Mouse around while faced with technological challenges from other countries."

Although the point cannot be proved one way or the other, a good argument can be made that the Supreme Court's standards for patentability are somewhat more stringent than Congress intended, and have been ever since that 1966 decision in *Graham vs. John Deere* described on the opposite page. It also seems reasonable to assume some connection between the effectiveness of patent protection and the level of investment in research and development. And if the discovery of new technology is impeded by unwise patent policy, everybody suffers, including those consumers the FTC and Justice have set out to protect through a vigorous enforcement of antitrust law.

POLAROID IS NOT WORRIED

But there is no agreement among experts in patent law that the hostility of the courts toward patents has been pronounced enough to damage the economy—at least so far. Polaroid's Robert Peck says, for example, "I've always assumed that if we are truly innovative we will have protection." Alan Ward, director of the FTC's Bureau of Competition, points to "the complete lack of empirical evidence that antitrust is a bar to technological development."

In any event, since the question of what constitutes invention is ultimately subjective, inventors have no good recourse from the standards being used by the courts. Patent attorneys generally agree that the *letter* of the law—that the invention not be "obvious . . . to a person having ordinary skill in the art"—is about as fair as possible. The only way to change the interpretation of the law is to change the Court. In this connection, the patent bar takes solace from the fact that all four Nixon appointees dissented from the decision in *Deep-south*. Although that particular case dealt with a rather special point of patent law, lawyers consider it something of an index of judicial attitudes.

While waiting for a friendlier Court, a majority of the patent community has joined in an effort to restore the inventor's traditional freedom in licensing. Legislative proposals were drawn up by a group of Pennsylvania patent lawyers and introduced by Senator Hugh Scott in 1970 as a series of amendments to a relatively noncontroversial bill to streamline the patent system. Backed by the Patent Office and its parent, the Department of Commerce, by most of the patent bar, and by the National Association of Manufacturers, the Scott amendments would specifically legalize a number of controversial licensing practices and generally permit any arrangements that are "reasonable under the circumstances to secure to the patent owner the full benefit of his invention and patent grant."

WHERE LAWS COLLIDE

The Scott amendments, which have been vigorously debated before the Senate subcommittee on patents, trademarks, and copyrights, demonstrate quite clearly the natural and fundamental antipathy between those legal monopolies granted by the Patent Office and the restrictions of the Clayton and Sherman antitrust acts. For example, inventors through the years have quite often charged lower royalties for licensees who got in on the ground floor of development. In doing so, a patent holder may be merely developing the market for his product with a view to maximizing his long-term profit. Patent lawyers agree that it is the intention of patent law that the inventor be able to control the product cycle through licenses just as he would be able to do if he could afford to develop and market the product himself.

But the Justice Department argues that a large corporation might use preferential royalty rates, or other licensing wrinkles, in order to fix prices or stifle competition in ways never intended by the patent law. It might favor a competitor that was powerful enough to develop a competing product, but exclude everybody else from the market. In the drug industry, for example, patentees used to be fond of writing into licenses that the pharmaceuticals could not be sold in bulk, but only in small (and therefore more expensive) dosages. According to the FTC, competitors sometimes agreed to pay small royalties even though they could have developed variants of the drug themselves. In such a case, the patent is something of a subterfuge, and the agreement as to conditions of sale becomes a pretext for price fixing.

Licensing agreements may also be used to *avoid* innovation. In fact, the FTC's Alan Ward says, "I've seen more agreements not to innovate than to innovate." He mentions in particular a cross-licensing arrangement under which the auto manufacturers agreed to share pollution-control technology. Four years ago the Justice Department filed a complaint charging that the arrangement took away incentive to compete and that, in several instances, the manufacturers had got together and agreed to hold back on introducing new pollution controls. The defendants denied Justice's allegations, but nevertheless agreed to a consent decree dissolving their cross-licensing arrangement. The state of California has since filed suit against them for triple damages.

ANTITRUST'S FREE HAND

Both the FTC and the Justice Department have been working to defeat the Scott amendments. They contend that the amendments would legalize some licensing practices that are now clearly illegal. They argue, further, that other licensing agreements vary in intent and effect and so should not be governed by sweeping statutory rules. Each license must be judged in light of its particular circumstances, says Richard H. Stern, chief of the Patent Section in the Justice Department's Antitrust Division. A licensing practice that would be forbidden to a company dominant in its field might be permissible for a small company or an individual inventor.

If the Justice Department concluded, for example, that the sole purpose of a "field-of-use" license covering only one product line was to cut down on competition, it might well take the case to court. On the other hand, if Justice concluded that such licenses were necessary to bring a new invention to the market, it would not challenge the arrangement, at least not at first. Similarly, most sliding royalty scales are judged individually by this "rule of reason." The Scott amendments, however, would allow such arrangements in all cases, regardless of their effect on competition.

Stern argues that the patent bar is muddling issues, seeking exemptions from antitrust to compensate for the fact that so many patents get thrown out by the courts. The patent bar itself is far from unanimous in its support of the Scott amendments. Polaroid's Peck calls them "a giant step backward." Marshall Dann, a lawyer for Du Pont and president of the American Patent Law Association, supports the amendments but thinks they "go overboard." On the other hand, no patent attorney is exactly happy about the great leeway now permitted the FTC and Justice—particularly since they have, in the past, challenged licensing arrangements in which the benefit to the patentee was indisputable and the threat to competition rather nebulous. The landmark decision against differing royalty rates was the 1966 case of *LaPeyre vs. FTC*. The company had based royalties for its patented shrimp-peeling machine on the price of hand labor in the Gulf of Mexico, where the machine was first put into use. Later, when the machine was used for the smaller pandalid shrimp of the northwest Pacific coast, LaPeyre tried to double the royalty, since the workers being displaced by the machine were making at least twice the Gulf Coast rate. The FTC successfully argued to the Fifth Circuit Court that LaPeyre, by charging the higher rates, was illegally discriminating, against Northwest canners. But the Northwest canners, argue critics of the decision, were put to no new competitive disadvantage by the machine. LaPeyre, by licensing, was merely collecting the reward for invention that would have been otherwise available had it used its new machine to go into the Northwest canning business on its own.

THROUGH A PINHOLE GAUGE

Quite apart from the superior flexibility of case law to statute, the FTC and Justice like the present system for another obvious reason: given the attitude of the Supreme Court on antitrust, they are odds-on to win. The patent bar would agree with an assessment of the Court's position offered last year by former Federal District Judge Simon H. Rifkind, who was co-chairman of a 1966 President's Commission on the Patent System: "The antitrust laws are invariably given an expansion reading, as expansive as the language will tolerate. The words of the patent statute, in contrast, to my reading, seem to be extruded through a pinhole gauge."

The Nixon Administration finds itself on both sides of the battle over licensing, with the Commerce Department lobbying for its version of the Scott amendments while Justice and the FTC campaign against them. The White House has so far taken no position at all. The amendments were voted down in subcommittee in 1971 by a margin of three to two and will probably be reintroduced in some form this year. Their prospects for passage are not bright unless they can be redrafted to attract broader support—perhaps by defining licensing freedoms in ways that seem less susceptible to abuse.

In the meantime, patent reform has been stymied in Congress. A veteran New York patent attorney complains: "The American Patent Law Association devoted innumerable man-hours—unpaid at that—to patent-law reform. And it all went down the drain because of those damned Scott amendments."

The basic reform bill provided for a number of modest procedural shortcuts that would make obtaining a patent somewhat simpler and cheaper. The average patent now pends for two years, and the inventor's legal fees can run into thousands of dollars. The bill would not, however, clear up the biggest single bottleneck: the creaky manual search system that dates back to 1836. Despite the thousands of computer-related patents that lie in the files, attempts to computerize the Patent Office's own operations have thus far largely failed. Patent lawyers and the 1,100 examiners who rule on applications can spend days determining whether a particular gadget has already been invented.

While the system certainly needs to be simplified, Commissioner Gottschalk argues that it also needs strengthening. In Germany and Japan, less than a third of patent applications are approved, compared to 70 percent in the U.S. As might be expected foreign patents are far likelier to stand up in court. Says one Washington attorney: "The lawyers get their patents in a closed-door hearing before some young kid working as an examiner to put himself through law school. You couldn't get a license for a television channel that way. Then they're shocked when the judge doesn't uphold them."

Gottschalk recommends the institution of some sort of adversary procedure to weed out bad patents before they are granted. One possibility is the German system of "opposition," allowing a six-month period before the patent is issued for competitors to bring forth evidence against granting. As a backup to this system, one official at the Justice Department has suggested a "public patent counsel," who would be empowered to argue against the granting of patents in selected "important" cases. Since a patent lawyer for a big company has more time to make a thorough search than does the patent examiner, Justice would also like to see applicants file briefs making their own patent searches available to the examiners.

WHICH SIDE IS FRAUDULENT?

Still other innovations may be needed to deal with the newest problem to bedevil the patent system: an epidemic of fraud charges—most of them thought to be spurious—against patent holders. The trend began after the Supreme Court ruled in 1965 that excluding competition from the market by a fraudulently obtained patent is a violation of the antitrust laws and punishable by triple damages. Since much may be gained and nothing lost, lawyers now routinely allege fraud whenever they defend a patent-infringement suit. To help get to the bottom of these charges, the Justice Department would like to require every individual—lawyer, inventor, or company executive—involved in prosecuting a patent application to sign an oath or other statement affirming that all pertinent information has been disclosed. A somewhat less inclusive oath is now required only from the inventor.

A chief complaint of the patent bar is that the average judge knows little about technology and less about the process of invention. There seems to be good basis for this complaint. The law is applied so unevenly that while nearly 50 percent of patents are affirmed in the Midwest's Seventh Circuit Court of Appeals, the nearby Eighth Circuit has upheld only one patent since 1966. To ensure that complex patent cases are heard by judges who understand them, a number of plans have been put forward for setting up special patent courts. A leading California patent attorney, Richard L. Gausewitz, has recommended trying all cases before "patent-experienced judges"—as in the British system. Gottschalk and most of the patent bar favor some such arrangement.

THE COST OF UNCERTAINTY

In the end, of course, an invention will be an invention only if the Supreme Court says it is. But if the patent community could agree on a package of major reforms and push them through Congress, it is possible that patents would become more credible even to the courts. Reforms would at least eliminate some of the aggravation, uncertainty, and expense of the present system, which grants patents generously with one hand and takes them away with the other. For the large corporations that own more than half of all patents, the greatest cost of the system is its uncertainty. The most seasoned patent lawyer is frequently unable to predict with any confidence whether a multi-million-dollar investment in a new product will be protected by the patent law. As for that other main client of the Patent Office, the lone-wolf inventor is hardened to uncertainty, but he often cannot afford the expense of a patent-infringement suit. If his opponent is one of those major corporations, he will be facing ranks of lawyers and professional witnesses, men who make a living by solemnly affirming that contested inventions either were or were not "obvious" to persons skilled in the art. Both the lone wolves and the corporations would benefit from a system that granted fewer patents but stronger ones.

EMIGRATION FROM THE SOVIET UNION

Mr. KENNEDY. Mr. President, the difficulties encountered by Soviet citizens who wish to leave their homeland—often to join family members and friends overseas—have long been an active concern of many Americans and also of the Judiciary Subcommittee on Refugees, on which I serve as chairman. Apart from the overall issue of free emigration to Israel and other countries, the subcommittee has focused a great deal of attention on the flow of Soviet emigrants to the United States and the kinds of efforts our own Government is putting forth to expedite and facilitate this movement.

On February 8, I addressed a letter of inquiry to Secretary of State Rogers regarding Soviet emigration. In light of the continuing congressional and public interest in this issue, I ask unanimous consent to have printed in the Record a recent statement reflecting some voluntary migration agency concerns over emigration to the United States, and my exchange of correspondence with the Department of State.

SENATOR KENNEDY COMMENTS ON EMIGRATION OF JEWS AND OTHERS FROM SOVIET UNION—MAY 6, 1973

Senator Edward M. Kennedy, Chairman of the Judiciary Subcommittee on Refugees, today charged the Nixon Administration with "broken promises in fulfilling its commitment to expedite the emigration of Jews and others from the Soviet Union to the U.S.

"Some 18 months ago, after growing congressional and public appeals, Attorney General Kleindienst finally announced his willingness to exercise his authority, under Section 212(d)(5) of the Immigration and Nationality Act, to parole Soviet Jews and others into the United States. While the Administration should be commended for the progress made in recent months, the record will also show that the implementation of the Attorney General's decision has never been fully carried out, and continues to be bogged down in a litany of good intentions and red-tape.

"The time is long overdue," said Senator Kennedy, "for our government to expeditiously fulfill its commitment to those in the Soviet Union who are looking to our country for comfort and hope, and to their relatives and friends here who have waited so long."

Senator Kennedy noted that on April 5 six private voluntary migration agencies—representing the American Council of Voluntary Agencies in New York—submitted an "urgent recommendation" to Attorney General Kleindienst on facilitating the movement of Soviet emigrants to the United States, so as to save "time and expenses" and avoid "many personal hardships" for the refugees. Subsequent appeals for action also stated that Soviet Jews and others wishing to come to the United States—often to join relatives in this country—"are not being processed expeditiously."

Senator Kennedy said: "These appeals for help by the voluntary agencies have not even been acknowledged, let alone answered. It distresses me that such conditions exist within our government. It underscores once again the Administration's frequent insensitivity to people problems of great concern to many Americans. Tokenism and lip service toward humanitarian needs is not enough. What is needed today is responsible action to meet these needs."

Senator Kennedy made his comments in releasing the text of some recent correspondence he has had with the Department of State regarding emigration from the Soviet Union. In a February 8 letter to Secretary of State Rogers, Senator Kennedy inquired about emigration procedures to the U.S., about U.S. funding to facilitate the emigration and resettlement of Soviet emigrants, and about the Department's views and initiatives on the Soviet government's emigration tax.

On March 13, the Department responded to Senator Kennedy's inquiry about the Soviet emigration tax, which has since been waived by the Soviet government. Among other things, the March 13 letter:

Suggested that in some cases the emigration tax was as high as $30,000;

Suggested, based on Soviet sources, "that approximately 90% of those leaving are not affected by the requirement to pay exit fees, having had neither the advanced nor the technical education for which repayment is required";

Noted that "the Soviet government continues to be highly arbitrary in deciding who is allowed to depart, and many applicants for emigration have been fired from their jobs, expelled from institutions of higher learning, or otherwise harassed";

Suggested "that the United Nations represents the most appropriate forum for bringing the plight of Soviet Jewry to the attention of world public opinion"; and

Said that "the fundamental human right of emigration . . . has been raised with the Soviet government".

On April 20, the Department responded to Senator Kennedy's inquiries about emigration procedures to the U.S. and about U.S. funding to facilitate the emigration and resettlement of Soviet migrants. Among other things, the April 20 letter noted:

That "there are currently some 2,200 immigrant visa cases pending at the American Embassy in Moscow . . . the total number of persons involved could be as high as 9,000";

That "the Embassy in Moscow processed about 400 immigrant visa applications in 1972 and about 80 in the first two months of 1973";

That the United States Refugee Program (USRP) in Europe currently contributes $135.00 per capita for the immediate care and transportation of Soviet emigrants to resettlement areas, mainly Israel; and

That $50,000,000 appropriated by the Congress last year is being used to "broaden the scope of this assistance".

Senator Kennedy said that the Department of State's response to his inquiries were "far from adequate", and that the Subcommittee would continue to pursue this issue of great concern to many Americans.

TEXT OF SENATOR KENNEDY'S LETTER TO SECRETARY OF STATE ROGERS

FEBRUARY 8, 1973.

Hon. WILLIAM P. ROGERS,
Secretary of State,
Department of State.

DEAR MR. SECRETARY: As you know, Congressional and public concern continues over the difficulties encountered by citizens of the Soviet Union who wish to emigrate elsewhere. Over the years the Judiciary Subcommittee on Refugees has closely followed this issue, especially as it relates to Soviet citizens who wish to come to the United States, and the Subcommittee's interest continues.

In light of conflicting information in the press and elsewhere, and in order to help clarify the record on current developments relating to emigration from the Soviet Union, I would like to request the Department's comments and views in at least three areas.

The first area concerns emigration to the United States. In this connection, it would be helpful if the Department could supply the Subcommittee with a definitive elaboration on the various procedures for the admission or conditional entry of Soviet citizens, the kinds of assistance rendered by our government in behalf of the applicants, and the guidelines governing the placement of names on what is called the "representation list". Also what is the current number of pending applicants for admission or conditional entry into the United States, and the range of waiting periods before applicants are able to emigrate?

Secondly, it would be helpful to the Subcommittee if the Department could provide the definitive information on the various humanitarian programs and funding by our government to facilitate the emigration and resettlement of Jews and other citizens of the Soviet Union. Also, what are the contributions of other governments to this effort?

And thirdly, what is the current status of the Soviet government's emigration tax, and what are the Department's views on this issue of concern to many Americans? What is our government's overall policy toward emigration from the Soviet Union, and what recent initiatives have been taken by our government to encourage a greater respect in the Soviet Union for a right taken for granted in so many other countries?

Because of the broad and currently active Congressional and public interest in the issue of Soviet emigration, I am extremely hopeful that the information requested can be made available to the Subcommittee at an early date.

Many thanks for your consideration.

Sincerely,

EDWARD M. KENNEDY,
Chairman, Subcommittee on Refugees.

DEPARTMENT OF STATE'S FIRST RESPONSE TO SENATOR KENNEDY'S LETTER OF FEBRUARY 8, 1973

MARCH 13, 1973.

Hon. EDWARD M. KENNEDY,
Chairman, Subcommittee on Refugees, Committee on the Judiciary, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Secretary Rogers has asked me to reply to your letter of February 8 concerning Soviet citizens who wish to emigrate.

You asked for the Department's comments and views in three areas. A response to the first two (emigration to the United States and humanitarian programs) is in preparation and will be sent to you shortly. Meanwhile, I am glad to provide the following information concerning the third area, the Soviet exit fees.

In August 1972 the Soviet Government began to require applicants for emigration having an advanced or technical education to "reimburse" the state for the costs of their schooling—the more advanced or technical the individual applicant's schooling the higher the reimbursement fee. Although the regulations were put into effect immediately after their announcement, the text (including set schedules of fees) was not published until late January 1973. (A copy is enclosed). The fee schedules set up a sliding scale based on type of educational institution, number of years spent at each institution and degrees obtained. A holder of a Doctor of Science degree obtained at the University of Moscow, for example, might have to pay up to $30,000. The published regulations take account of an individual applicant's length of work in establishing the amount he is assessed: the amount of the assessment may be reduced proportionately to the years he has worked.

However, Soviet Deputy Interior Minister Boris T. Shumilin stated, in an interview of December 26, 1972, that some emigrants have been freed from making any part of th's payment in view of their financial status. He also asserted that approximately 90% of those leaving are not affected by the requirement to pay exit fees, having had neither the advanced nor the technical education for which repayment is required. (The Department is not able to confirm this percentage since the Soviet Government does not publish relevant statistics. As far as the Department can determine, these fees apply to all "educated" individuals, whether Jewish or not, who seek to emigrate from the Soviet Union to non-communist countries.)

We are encouraged to note that the overall monthly rate of Jewish emigration permitted by Soviet authorities continued to rise in 1972. The total for the year (in excess of 31,000) is more than double the 14,000 figure of 1971. Only 1,000 were permitted to leave in 1970. However, the Soviet Government continues to be highly arbitrary in deciding who is allowed to depart, and many applicants for emigration have been fired from their jobs, expelled from institutions of higher learning, or otherwise harassed.

We believe that the United Nations represents the most appropriate forum for bringing the plight of Soviet Jewry to the attention of world public opinion. Our representatives have spoken out in the past concerning the Soviet denial of the right to emigrate and we intend to continue to do so at the United Nations and in other forums.

In a September 17, 1972 speech delivered at a public rally in Washington, D. C. gathered to protest Soviet exit visa fees, US Ambassador to the United Nations George Bush stated: "I can assure you that our Government will continue to expend every ounce of energy we can to convey to others this deep commitment to the elimination of discrimination and to the principle that all people have a fundamental right to emigrate." Mr. Bush added that: "We will not rest until families are reunited, until people all around this globe are guaranteed the basic freedoms that the conscience of the world has promised."

I can assure you that the United States Government deeply sympathizes with the plight of those who are denied the fundamental human right of emigration. This matter has been raised with the Soviet Government, and you may be assured that our steadfast commitment to the principles contained in the Universal Declaration of Human Rights has been made known to the Soviets.

Sincerely yours,

MARSHALL WRIGHT,
Acting Assistant Secretary for Congressional Relations.

DECREE

Decree of the Presidium of the Supreme Soviet of the USSR concerning reimbursement of state expenditures on education by citizens of the USSR departing for permanent residence abroad. The presidium . . . resolves "to establish that citizens of the USSR, departing for permanent residence abroad (with the exception of those departing for socialist countries) are obliged to make reimbursement for state expenditures on education in schools of higher learning, in internships, and in military academies and for the receipt of corresponding academic degrees. The limits and conditions for the reimbursement of the indicated expenditures will be determined by the Council of Ministers."

In conjunction with the UKAZ of Presidium of Supreme Soviet of the USSR of 3 August 1972 "On Reimbursement of Government Expenses on Education by Citizens of USSR Departing for Permanent Residence Abroad", the Council of Ministers of USSR decrees:

1. To affirm the (accompanying) instruction devised by the Ministries of Finance, of Higher and Specialized Secondary Education and of Internal Affairs of USSR concerning the amounts and procedures pertaining to reimbursement by citizens of USSR departing for permanent residence abroad of government expenditures on education in institutions of higher learning, aspirantura, ordinatura, adyunktura and on receipt of scholastic degrees.

2. To grant to the Ministry of Finance in conjunction with the Ministry of Internal Affairs the right, in exceptional cases, given validating conditions, (V isklyuchitel'nykh sluchayakh pri nalichi uvazhitel'nykh prichin) partially or completely to exempt citizens departing for permanent residence abroad from reimbursement of government expenditures on education in institutions of higher learning, aspirantura, ordinatura, adjunktura and on receipt of corresponding scholastic degrees.

SCHEDULE OF FEES

Text of the Instruction of the Council of Ministers of the USSR of August 3, 1972 establishing the schedule of reimbursement of government expenditures on education by citizens of the USSR departing for permanent residence abroad

1. Citizens of USSR departing for permanent residence abroad make reimbursement for government expenditures on education in institutions of higher learning of USSR in following amounts:

	(A)	(B)	(C)	(D)	(E)	(F)
Moscow State University	12.2	2.4	4.9	7.3	9.8	-----
Other universities	6.0	1.2	2.4	3.6	4.8	-----
Engineering-technical, engineering-economic and higher military training institutions	7.7	1.5	3.1	4.6	6.1	-----
Agricultural and forestry	5.6	1.1	2.3	3.4	4.5	-----
Medical, pharmaceutical, dental and physeducational	8.3	1.4	2.8	4.2	5.6	7.0
Economic, law, pedagogical, historical-archival institutes and institutes of culture	4.5	0.9	1.8	2.7	3.6	-----
Institutes and faculties of foreign languages	6.8	1.4	2.8	4.1	5.5	-----
Institutes of art (conservatories, dramatics, art, literature)	9.6	1.9	3.8	5.7	7.7	-----

Note: Letters in parentheses denote column headings which are explained in full in paragraph 7. Amounts cited are in thousands of rubles.

2. Supplementary to the reimbursement of government expenditures envisioned by Article 1, there is to be levied on those persons completing aspirantura, ordinatura, adyunktura or holding scholastic degrees.

(A) On persons having completed aspirantura, ordinatura, adyunktura but not having defended dissertations—1.7 for each year of study;

(B) On persons awarded the degree Candidate of Sciences—5.4;

(C) On persons awarded the degree Doctor of Sciences (in addition to sum specified in subparagraph (B) of this article)—7.2;

3. Following citizens of USSR departing for permanent residence abroad are exempted from reimbursement specified by Articles 1 and 2 of this instruction;

(A) Invalids of first and second class—(completely). Invalids of third class may be exempted from indicated reimbursement in amounts up to 50 percent;

(B) Men who have attained 60 years of age and women who have attained 55 years of age—completely;

(C) Men employed not less than 25, 15 and 8 years and women employed not less than 20, 12 and 6 years—75, 50 and 25 percent, respectively;

(D) Persons who have completed higher educational institute, aspirantura and adyunktura without interruption of employment—in the amount of 50 percent;

(E) Persons who have contracted marriage with citizens (subjects) of foreign governments—in amounts from 25 to 50 percent, taking into account their material circumstances, but persons married prior to 3 August 1972—completely;

(F) Persons who have completed higher education institutions as nonresident students, as well as those who have received the Candidate of Science degree without passing through the course of aspirantura, ordinatura and adyunktura—in the amount of 75 percent.

Citizens of USSR departing for permanent residence in developing countries may be exempted from reimbursement of government expenditures on education in an amount of 70 percent in addition to reductions specified in this article, and persons who have contracted marriage with citizens (subjects) of those countries in an amount up to 80 percent, and in individual cases—completely.

Partial or complete exemption from reimbursement of expenditures on education and receipt of academic degrees is determined by the Ministry of Finance of USSR in conjunction also with the Ministry of Internal Affairs of USSR and given the other validating conditions.

4. Receipt of monies indicated in Articles 1–3 of this instruction is accepted by branches of Gosbank for credit to the Union Government Budget.

5. Preparation and issuances of visas to persons departing for permanent residence abroad are undertaken by offices of Ministry of Internal Affairs after presentation by these persons of receipts given by branches of Gosbank for payment of monies in reimbursement of government expenditures on education.

6. This instruction does not apply to citizens of USSR departing for permanent residence in socialist countries.

(signature block) Ministry of Finance/Ministry of Higher and Specialized Secondary Education/Ministry of Internal Affairs.

7. Explanation of alphabetical symbols in Paragraph 1. above.

A: Completing of studies at higher educational institutions or completion of the final course of instruction.

B: Applies to education in the duration of one year.

C: Applies . . . two years.

D: Three years.

E: Four years.

F: Five years.

DEPARTMENT OF STATE'S SECOND RESPONSE TO SENATOR KENNEDY'S LETTER OF FEBRUARY 8, 1973

APRIL 20, 1973.

Hon. EDWARD M. KENNEDY,
Chairman, Subcommittee on Refugees,
U.S. Senate.

DEAR MR. CHAIRMAN: On March 13 I wrote you concerning the third area of questions you asked in your letter of February 8. This letter responds to the first two areas.

Emigration to the United States. Soviet citizens who wish to emigrate to the United States must first obtain Soviet exit visas. This is the only real obstacle to their coming, but it is often a substantial one. In many cases, the local Soviet authorities simply do not reply to applications. The time that an applicant must wait for an exit visa varies from four months to forever. Some applicants receive exit permission on their first application, but permission is often refused several times, with reapplications generally allowed no sooner than one year from the date of the last refusal. Some recent successful applicants had been trying for up to ten years.

We place on the Representation List the names of persons who seek to join close relatives resident in the United States and who have been refused Soviet exit visas at least once. This list is presented periodically to senior Soviet officials with the request that permission to leave the Soviet Union be expedited.

There are currently some 2,200 immigrant visa cases pending at the American Embassy in Moscow. Some of these cases include an unknown number of dependents, so that the total number of persons involved could be as high as 9,000. These cases include persons who have applied for exit permits, persons whose American sponsors have written to the Embassy, and persons on whose behalf petitions have been received from the U.S. Immigration and Naturalization Service (INS). Many of the pending cases in the files of our Embassy have been there for years because exit visas have not yet been granted. Some of the cases are not active because there has been no recent indication that the applicant still actively wishes to emigrate.

When Soviet citizens who wish to emigrate to the U.S. notify our Embassy that they have received exit visas, they are provided the necessary information and advice by our consular officers. If possible the Consular Section completes the necessary procedures and issues the immigrant visa in Moscow. The average processing time (from receipt of exit permission to actual departure from the USSR) is about one month, but most of this is time the emigrant needs to wind up his personal affairs and prepare to travel. When necessary it is shortened to as little as one day. In no case has a would-be emigrant been prevented from leaving the USSR by U.S. visa processing requirements.

Some visa applicants who are not eligible for immigration visas for technical reasons would be eligible for conditional entry processing under Section 203(a)(7) of the Immigration and Nationality Act. The processing of these applicants is initiated in Moscow and completed in Western Europe for either conditional entry or parole (whichever is appropriate). The average waiting time in Western Europe is about one week. During that time the voluntary agency which assumed sponsorship of the individual or family provides necesary care, maintenance, and assistance under a contract with the U.S. Refugee Program (USRP). USRP also provides transportation loans for onward travel through the Intergovernmental Committee for European Migration (ICEM).

The Embassy in Moscow processed about 400 immigrant visa applications in 1972 and about 80 in the first two months of 1973. (A substantial portion of the latter cases were pre-processing for conditional entry or parole action by INS.)

Humanitarian Programs. USRP, through contracts with the American Joint Distribution Committee (AJDC) and ICEM, has been providing transportation and maintenance assistance to Soviet citizens emigrating to other countries. The majority of these are Jews going to Israel. USRP currently contributes $40 per capita towards the care of these refugees while transiting Western Europe and $95 per capita towards the ICEM transportation loan for the trip from Western Europe to Israel. We have concluded agreements with U.S. voluntary agencies for programs which will increase the amount and broaden the scope of this assistance, utilizing the $50,000,000 which Congress appropriated for this purpose. These programs include the enlargement of a transit center in Vienna, reception in resettlement countries, and, in Israel particularly, aid for training, education, temporary housing, and some permanent housing.

Except for Israel, we know of no other government which provides direct assistance for these refugees. Members of ICEM, of course, participate through the funds ICEM contributes to the travel loan.

I hope that this information will be helpful to you and the Committee. If you have any further questions, please let me know.

Sincerely yours,

MARSHALL WRIGHT,
Congressional Relations.

REPEALING THE SELECTIVE SERVICE SYSTEM

Mr. CRANSTON. Mr. President, on May 2 and 3, hearings were held by the Senate Appropriations Subcommittee on HUD, Space, Science and Veterans to determine the advisability of repealing the Selective Service Act. Mr. John Hancock, executive secretary of the National Council to Repeal the Draft, spoke eloquently and well on why this act should be revoked. I agree with him completely that the Selective Service System is a costly and needless one that infringes on the civil liberties of millions of young Americans. It is a $55-million-a-year bureaucracy that has lost its raison d'etre. It should be abolished promptly.

I ask unanimous consent that Mr. Hancock's testimony be printed in the RECORD.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

STATEMENT OF JOHN HANCOCK, EXECUTIVE SECRETARY, NATIONAL COUNCIL TO REPEAL THE DRAFT

1. INTRODUCTION

Mr. Chairman and members of the committee, I am John Hancock, the Executive Secretary of the National Council to Repeal the Draft. I am serving in this capacity while on leave from a professorship at the California State University at Hayward. I have taught courses on conscription, have testified on the draft before platform committees of both major parties, and, with my wife, have organized the California-based Parents Against the Draft.

The National Council has been in operation since 1969 and has as its objective the repeal of the Military Selective Service Act. It is composed of key individuals from 48 organizations including such diverse groups as the American Civil Liberties Union, the Young Men's Christian Association, the Americans for Democratic Action, and the Young Americans for Freedom, as well as representatives from many churches. Some of our sponsors are Mrs. Martin Luther King, Jr., Professor Milton Friedman, Bishop William Davidson, and labor leader Emil Mazey. As the diversity of our support suggests, our opposition to conscription is independent of our views on foreign policy and of our political ties or beliefs. This is an issue that transcends party and philosophy.

We are most pleased at the progress which has been made in recent months toward eliminating reliance on the Selective Service System and urge you to take the next step by refusing to fund the System for the 1974 Fiscal Year. The remainder of my testimony will be aimed at demonstrating that this "next step" is indeed a reasonable and logical one.

2. CRITIQUE OF THE SELECTIVE SERVICE STANDBY PROPOSAL

During the next fiscal year, Selective Service plans to *register and classify* approximately 1,900,000 young men. The claim is made that these actions are those required of the System by the Military Selective Service Act. Sections 3, 4, and 10(h) are referred to as justification for the continued operation. Section 3 requires registration, section 4 requires classification *and examination,* and section 10(h) was designed to provide continued service by military Reserve officers whose specialty is the operation of the System.

Although the Act says that registered men are to be classified and examined "as soon as practicable", the Acting Director of Selective Service stated in February that he will not require examinations during the next fiscal year. If this is his legal option, then he could reject the classification process as well. Furthermore, he probably should since classifications not based on examinations are of dubious validity. The most recent *Semiannual Report of the Director* makes this point well since it indicates that 73% of the men failed their examinations during the first half of the current fiscal year.

Registration when there are no inductions has caused problems in the past and no doubt will again. Some young men will assume that they don't have to register and others will not—either out of principle or oversight. Many addresses of those who do register will soon be out-of-date due to the high mobility of the age group and the lack of urgency to report address changes.

In summary, of the three functions—registration, classification, and examination—Selective Service does choose to register even though its records will be inaccurate, does choose to classify despite the obvious invalidity which will occur, and does not choose to examine despite the law.

3. ANALYSIS OF THE COSTS OF THE STANDBY SYSTEM

Now let's turn to the costs. It is commonly assumed that the cost of Selective Service for Fiscal 1974 is the budgeted amount—$55 million. However, the true costs to the government are considerably more than that. Rental of Selective Service office space does not come out of this budget but is paid for by the GSA. During the next year, this item will cost an additional $15–17 million. A great deal more money will be expended by law enforcement agencies in pursuit of violators of the Act. In March, there were 14,500 draft cases under indictment, investigation, or review for possible investigation. Costs attributable to the Act will be incurred by the FBI, the U.S. Attorneys, the public defenders, the courts, the prisons, the probation departments, and the parole agencies.

While this backlog will decrease in the next year, it will probably not disappear since new violators will constantly be added to the roll. This one failed to register, that one failed to report an address change, this one didn't fill out a questionnaire properly, and so on. As of last July, over 20% of the total criminal cases pending with the Department of Justice were draft-related! It is impossible to determine precisely the law enforcement costs attributable to this law but there is no doubt it is a significant amount. When the costs of rent and law enforcement are added in, it may well be that the true costs are twice the budgeted costs for the agency.

4. ANALYSIS OF THE START-UP TIME REQUIRED FOR A DRAFTING SYSTEM

Any proposal to stop funding Selective Service immediately raises the question of how long it would take to institute inductions in some future crisis. One response to this question was given in 1950 when the Secretary of Defense said to the House Armed Services Committee: "If the Act is permitted to die and an emergency should suddenly require its reenactment later, seven full months after enactment would elapse before we had the machinery capable of effecting inductions (at a substantial rate)." In 1973, Selective Service estimates this start-up time to be "an optimistic six months." It is interesting to compare these estimates with the actual start-up times of the past when drafting had begun with no previous act in force. There have been three such periods in this century.

(1) *The World War I Draft.* From 1903 on, the General Staff and the War College had been making plans to enlarge the Army. These plans included a draft and advance preparations were made for it. War was declared on April 6, 1917, the draft bill became law on May 18, registration took place on June 5, and the first inductees went to camp on September 5. The total time from the signing of the bill until the first men were inducted was 110 days—less than four months.

(2) *The 1940 Peacetime Draft (later the World War II Draft).* Preparations for this draft were begun in 1926 by the Joint Army and Navy Selective Service Committee. This committee wrote a proposed draft law, prepared regulations and forms, and trained several hundred Reserve officers to be able to operate the System. The draft bill became law on September 16, 1940, registration took place on October 16, and the first men were inducted on November 18. The time from the signing of the bill until the first men were inducted was 63 days—just over two months.

(3) *The 1948 Peacetime Draft (later the Korean and Vietnam War drafts).* The World War II draft act was allowed to expire in

March of 1947. During the next 15 months, Maj. Gen. Lewis B. Hershey headed an Office of Selective Service Records. Selective Service's own history notes: "Because of minute planning by the planning group of the national headquarters of the Office of Selective Service Records and the training program previously described, the newly created (Selective Service) agency was ready to swing into immediate action as soon as General Hershey was appointed director . . ." The draft bill became law on June 24, 1948, General Hershey was appointed director shortly thereafter, registration was not held on one day as in previous drafts but was stretched out from August 30 to September 18, and the first man was inducted on November 2. The total time was 131 days—almost four and one-half months.

Several conclusions can be drawn from these experiences:

First, as a part of overall contingency planning for wartime mobilizations, there has always been a group of military men preparing for each draft long before it was requested by the Congress. (Currently some 850 Reserve officers are studying Selective Service as their Reserve specialty.)

Second, Selective Service's estimate of a start-up time of six months is not supported by its experience. The history of the agency shows that it has never taken this long to start a draft and has taken as little as two months.

Third, other factors undoubtedly affect the speed with which initial inductions are obtained. The System reacted slowly in 1917 because of the inadequacy of training facilities. With World War II already raging in Europe and with the trained Reserve officers ready to operate the System, drafting began rapidly in 1940. In 1948, it would appear that there was little pressure to draft quickly because of the slowness in registration, the lengthy period for registration, and the little use of the draft immediately after it was instituted (only three monthly calls and a total of 30,000 men inducted during the first 26 months the law was in effect).

Based on this history, *it is reasonable to assume that the Department of Defense will continue to assign the duty of preparing for the "next" draft to a group of officers, and that the start-up time for that draft could be as low as two months.*

Before leaving this subject, there is one more period which should be examined. Following the three months of drafting in November and December of 1948, and January of 1949, draft calls were eliminated until after the outbreak of the Korean War. During this standby period of 17 months, registration, classification, and examinations continued. The Korean War began on June 24, 1950, with American troops involved from the beginning. Despite the standby condition, it was August 30—67 days after the war broke out—that the first men were inducted. When referring to this period, Selective Service states that it was able to induct within two months. It did deliver the first men 51 days after the draft calls were issued, but this is hardly a remarkable performance for a nation at war with a standby system in operation.

A comparison of the performance of the agency under the two conditions described indicates that *it has taken about two months to commence inductions with or without a standby Selective Service System in operation.* The paradox is explained by the existence of the contingency planning group. The bill can be written, the forms and procedures can be made ready, and the Reserve manpower trained months in advance of need.

Since the difference in start-up time under the two conditions—with and without a standby system—is not significant, the question of costs of the two procedures becomes paramount. Clearly, it is more economical to provide planning for possible inductions with 850 part-time Reserve officers than with 4340 full-time System employees. Therefore, we believe that a zero budget for Selective Service can be justified since these Reserve officers' salaries can be funded through the Department of Defense as they were prior to the last fiscal year.

DRAFT START-UP TIMES
WITH NO STANDBY SELECTIVE SERVICE SYSTEM

Year	Date bill signed by President	Date first men inducted	Number of days between bill-signing and first inductions
1971	May 18	Sept. 5	110
1940	Sept. 16	Nov. 18	63
1948	June 24	Nov. 2	131

WITH A STANDBY DRAFT SYSTEM

Year	Date Korean war commenced	Date first men inducted	Number of days between outbreak of war and first inductions
1950	June 24	Aug. 30	[1] 67

[1] 51 days from the date the draft call was issued.

5. STATEMENT FROM GENERAL ANDERSON

One of the sponsors of the National Council to Repeal the Draft, Maj. Gen. LeRoy H. Anderson, U.S. Army (Ret.), has submitted a statement to the Congress on the proposed continuation of the Selective Service System. General Anderson commanded the 81st Tank Battalion under General Patton in World War II, is a former Member of the House of Representatives, and is a former Member of the House Armed Services Committee.

Examining the situation from a military point of view, he concludes that the continuation is not necessary for the security of the United States. Of particular interest is his reference to the size of the military reserves. Never before has this country been as well prepared in terms of trained manpower available on demand. Such availability is consistent with the current policy which requires the use of the Reserves and National Guard before draftees in any future emergency.

His statement is inserted at this point:

STATEMENT OF MAJ. GEN. LEROY H. ANDERSON, U.S. ARMY (RET.)

I have examined the proposal for the continued operation of the Selective Service System during the 1974 Fiscal Year. It is my understanding that the System is planning to register and classify some 1,900,000 young men during that period and that $55 million has been requested of the Congress for that purpose. It is my belief that such operations and such expenditures are *not* necessary for the security of the United States.

RATIONALE FOR THE STATEMENT

The shift to the all-volunteer force has been accomplished well ahead of the President's schedule and, considering the magnitude of the problem, with a minimum of difficulty. Secretary Richardson's recent announcement that "it would not be necessary to extend the draft induction authority beyond its expiration date of July 1," indicates that the Department of Defense foresees no use of Selective Service in the future. With the adoption of the Nixon Doctrine and the Congressional decision to offer adequate wages to first-term enlisted men, the only condition under which this country is likely to need draftees again would be if it became involved in a lengthy, large-scale, conventional, ground war. Every indicator suggests the probability of this happening to be extremely remote. Only last month Deputy Defense Secretary Clements, in explaining the proposed *90% reduction* in the strategic goods stockpile, stated that "the President and the National Security Council are now thinking in terms of a one-year emergency." It is clear that no such lengthy ground war is anticipated by those charged with the nation's security.

Nuclear weapons, new technologies, and new strategies have created military situations ranging from nuclear attack to guerrilla warfare. Considering these changes, it is almost inconceivable that a massive land war, with a requirement for millions of footsoldiers, will ever again develop. Nevertheless, a brief examination of the nation's military manpower capability for such a war is in order.

The President of the United States commands an active armed force of over 2¼ million men. On his own initiative, he may call up 1 million men from the Ready Reserves. With the consent of the Congress, 1½ million additional Ready Reservists and 500 thousand Standby Reservists could also be activated. Finally, many of the 600 thousand retired servicemen could be recalled to active duty. Thus, approximately 5½ million men—selected, trained, and experienced—are available at the outset of hostilities. By way of contrast, this number exceeds by 2 million the maximum U.S. force size during the Vietnam War and approaches the size of the U.S. forces one year after World War II began. In my opinion, these 5½ million troops would be able to provide the necessary lead time to institute a draft in the unlikely event that one were needed.

It should be noted that the presence of an active draft mechanism is no substitute for the trained reserves. The continuation of the registration and classification functions do not provide a single soldier ready to meet a sudden emergency. It is only after men have completed their training that they are able to contribute to military effectiveness.

Another crucial factor in this analysis is the start-up time required for a drafting agency to produce men ready for training. The history of Selective Service indicates this time to be only a matter of weeks. With the aid of reserve officers who had been studying conscription methods for several years, the first draftees were inducted exactly 9 weeks after the 1940 peacetime draft bill became law. With today's modern computer technology, that time could be shortened considerably.

At the time of any massive mobilization, the primary problem is not the acquisition of raw manpower, but the providing of facilities, supplies and equipment for the manpower which is available. If the 5½ million men were activated and another 1¼ million men volunteered for the war (far less than the number who volunteered in 1942), the number of men on active duty would be tripled without the use of a single draftee. The problems of logistics and support for such a force would be severe indeed.

Finally, it must be said that there is even a possibility that a continuation of the proposed standby draft may hurt the preparedness of the armed services. The decades of easy and cheap procurement of manpower by the use of the draft have fostered an attitude in the use of personnel which is often wasteful and extravagant. As Assistant Defense Secretary Kelley has stated:

"As long as you have something like the draft that you always use, it is easy to go to the well and make up your deficiencies . . . An involuntary organization has a very high tolerance for waste in the human area . . . The ability to reach into the draft well and pick out whatever numbers you need can cover a lot of sins of underutilization of manpower, of misuse of manpower, of poor management."

When men were procured by a draft, military and civilian leaders did not need to concentrate on the correction of such abuses or on matters pertaining to enlistment or retention of military personnel. The existence of the proposed active standby draft may well cause continued neglect of these areas of personnel management. Only when Selective Service is dismantled will this danger be removed.

6. CONCLUSION

Last week the *Washington Post* carried a letter from the Assistant Secretary of Defense for Manpower and Reserve Affairs, Roger T. Kelley, in which he stated that "it has been demonstrated that we don't need the draft to meet our peacetime military requirements" and that the all-volunteer force "is a better military force than its draft-heavy predecessor of four years ago." Under such conditions the burden of proof for continued funding of Selective Service must be on those who propose it.

With the Congress faced with a budgetary ceiling, unnecessary programs must be eliminated if vital ones are to survive. I would submit that no evidence has been offered that the standby draft is necessary or desirable and that much evidence exists that it is not.

Thank you very much.

THE SO-CALLED BETTER SCHOOLS ACT OF 1973

Mr. MONDALE. Mr. President, the Minnesota State Department of Education estimates that about $9 million in Federal funds will be lost to State schools if the administration's revenue sharing proposal replaces the present categorical funding system.

The biggest cut in the proposed system will be in the area of "support services." These include teacher training, school lunch and milk programs, equipment purchasing, library support, experimental projects, and State administration funds. The present funding has allocated nearly $17 million to "support services." Revenue sharing is expected to return about $8.2 million, a reduction by one-half over the current program.

I would like to share with my colleagues just one of numerous letters I receive daily concerning the disastrous impact of the so-called Better Schools Act of 1973. The letter is from Mr. Edwin Cain, Federal Programs Coordinator of the State of Minnesota. Mr. Cain's office has spent some time gathering information about the impact of this administration proposal. He claims the chart designed by the U.S. Office of Education does not indicate a true picture of the revenue which will be lost in Minnesota if this bill becomes law.

Mr. President, I express my concern with Mr. Cain about this bill and ask unanimous consent that his letter be printed at the end of my statement, together with its enclosures.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF EDUCATION,
St. Paul, Minn., April 17, 1973.

Hon. WALTER MONDALE,
Old Senate Office Building,
Washington, D.C.

DEAR FRITZ: My office has spent the last week gathering information concerning the impact of the *Administration's* educational revenue sharing bill (H.R. 5823/S. 1319) on the school children of Minnesota. The chart designed by the U.S. Office of Education which appears in the March 20, 1973 issue of the CONGRESSIONAL RECORD, pages 8649–8650 does not indicate a true picture of the revenue which will be lost in Minnesota if this bill becomes law.

The USOE chart is based on the F.Y. 1973 estimated budget of the President and does not reflect those programs he has arbitrarily eliminated nor the monies which have been impounded. While the USOE chart shows an estimated increase for Minnesota under the Better Schools Act, our comparison with F.Y. 1972 categorical programs shows an actual loss of $9,113,849.

The legal-sized chart, which is enclosed, first lists the categorical programs, then shifts them into the five areas of support as shown in the revenue sharing bill for comparison purposes.

As a Department, we are not opposed to federal program consolidation to insure more effective utilization of resources; however, we are opposed to a bill which reduces dollars and eliminates programs for our most needy children under the guise of grant consolidation.

We appreciate your continuing support of education in Minnesota, and enlist your support in assuring us that the children in Minnesota will not be deprived the necessary services to insure a good education.

Cordially yours,

EDWIN E. CAIN,
Federal Programs Coordinator.

(NOTE.—Categorical grant chart referred to is not printed in the RECORD.)

ADMINISTRATION'S REVENUE SHARING BILL EMERGES AS BETTER SCHOOLS ACT

The President's Educational Revenue Sharing Bill was introduced in both the House and Senate with scathing remarks by the Republican sponsors. Senator Peter Dominick (Colorado), the ranking Republican member on the Senate Education Subcommittee stated there was no opportunity for advise or guidance by congressional leaders in the development of the legislation.

Dominick said that he hoped hearings would be held to provide Office of Education officials with "a set of priorities in education structured by elected officials instead of those faceless ghosts in the White House." Congressman Alphonzo Bell (R-Cali.) stated, "I am introducing the Bill in part because of my obligation as ranking republican on the General Education Subcommittee of the Committee on Education and Labor includes the presentation of administration legislation. . . . I, for one, am deeply concerned about the overall reduction in Elementary and Secondary Education funding reflected by the administration budget for the Better Schools Act."

The Better Schools Act, as explained by HEW Secretary Caspar W. Weinberger, would fold 32 existing categorical education programs into a single aid package, but would include the funds for only seven of these programs. If the states were to designate funds for library services, for example, they would be forced to take money from school lunch resources, programs for the handicapped, or one of the other programs receiving funds.

The federal resources would be received by the Governor of each state and allocated to school districts on a complex formula established by the legislation. While it would continue subsidies based on children living on military bases or other federal property, the proposal would change the distribution formula in a way that would hurt a number of states (including Minnesota). It would eliminate entirely subsidies based on children whose parents work at government installations but live in taxable private dwellings.

Each state would receive an allocation under a formula that multiplies its population of economically disadvantaged children by a specified expenditure index. In distributing the monies to school districts, the state would first fund districts with disadvantaged students totaling at least 5,000 or 15% of their enrollments. School districts would then be required to target the monies on the most disadvantaged schools within their boundaries.

In earlier testimony Secretary Weinberger advised Congress that it would be Revenue Sharing or nothing for education in F.Y. 1974. The mood of Congress, however, appears to be that cuts in education will not be tolerated. "it is no longer Republican against Democrat, but Congress versus the President" stated Senator Walter Mondale.

ANALYSIS OF BETTER SCHOOLS ACT

The educational revenue sharing legislation has been changed to the Better Schools Act to reflect the fact that it does not specify revenue amounts. The funding mechanism which the bill provides however, must be taken in conjunction with the budget recommendations of the President for F.Y. 1974 in order that the measure may be fully understood. The full amount of money now specified by the Administration as being available under Revenue Sharing for 1974 is $2,770,000,000.

The funding mechanism provides that the first allocation under the bill will be for Impact Act category A students. The Administration proposes to terminate funding of Impact Aid category B students for 1974. Payments for category A students under the new bill are determined by a new formula which would result in a reduction in the national total of A category funds by approximately $37,000,000 under budget level.

Three percent of the total Revenue Sharing amount is provided for the total educational allotment to serve the outlying territories and the Department of Interior.

Of the allocation remaining 60% or approximately $1.5 billion is earmarked for educationally disadvantaged children. This earmarking now holds harmless for F.Y. 1974 all states and local districts at not lower than fiscal 1973 funding levels. This earmarking, however, does not include the monies to the state agencies for the administration of the disadvantaged program. States will pass through the money for disadvantaged students to local districts in several stages, including the use of a new formula which gives priority to districts with concentrations of children in poverty of at least 15% of the total student population or 5,000 students. This factor would significantly reduce the number of school districts served by these monies.

After the SAFA, territories, and disadvantaged funds have been passed through under the specific formulas, the remaining monies are allocated to the states by school population, to be used 43% for vocational education, 15% for handicapped children, and the remainder for supporting services. Funding in the categories for handicapped and vocational education appear to be at approximately the same levels as current distributions.

The category for supportive services is designed to support at least seven existing categories including Title V ESEA. These categories are listed on the accompanying table. As is shown, comparison of the expenditure levels for 1972 with the levels proposed in the Revenue Sharing bill indicates a shortage of approximately $250 million in the supportive services category. This shortfall is not readily apparent because of the inclusion of $244 million in school lunch funds in the revenue sharing budget, which item has never before been carried in the USOE budget.

The funds for the bill would be administered by the governor of the state, "except that a specified single state agency shall be responsible for such administration" if the governor "determines that the law of such state so provides".

States may transfer up to 30% of the amounts allotted to vocational or handicapped education to any of the other categories except the SAFA category.

PROGRAMS TO BE CONSOLIDATED WITH PASSAGE OF BETTER SCHOOLS ACT

EDUCATION SPECIAL REVENUE SHARING

A. Disadvantaged earmark

1. Local education agencies (ESEA, Title I–A).
2. Neglected and delinquent children (ESEA, Title I–A).
3. Migratory children (ESEA, Title I–A).
4. Incentive grants (ESEA, Title I–B).
5. Grants for high concentrations of poor children (ESEA, Title I–C).

B. Handicapped earmark

1. Grants to States (EHA, Part B).
2. Set-aside from Title I (Section 103(a)(5), ESEA).
3. Set-aside from Title III (Section 305(b)(8), ESEA).
4 Set-aside from Vocational Education (Section 122(c) (3), VEA).

C School assistance in federally affected areas earmark

1. Local education agencies (Section 3, P.L. 81–874).
2. Sudden and substantial attendance increases (Section 4, P.L. 81–874).
3. Assistance for school operations in cases of certain disasters (Section 7, P.L. 81–874).
4. Assistance for school construction in cases of certain disasters (Section 16, P.L. 81–815).

D. Vocational education earmark

1. State advisory councils (Part A, VEA)
2. State vocational education programs (Part B, VEA)—disadvantaged set-aside.
3 Research grants to States (Part C, VEA).
4. Exemplary programs and projects (Part D, VEA).
5. Residential vocational education (Part E, VEA).
6. Consumer and homemaking education (Part F, VEA).
7. Cooperative vocational education programs (Part G, VEA).
8. Work-study programs for vocational education students (Part H, VEA).
9. Smith-Hughes Act.

E. Supporting services earmark

1. Title III, ESEA
2. National School Lunch Act.
3. Child Nutrition Act of 1966.
4 Education Professions Development Act (Part B–2).
5. Grants to States for Education (Sections 304–308 Adult Education Act).
6. Special programs relating to Adult Education for Indians (Section 314 Adult Education Act).

(The following programs were formerly included under the Education Special Revenue Sharing Act of 1971. The President's Budget for F.Y. 1974 proposes termination of these programs, however, funds from the Supportive Services Category may be used by the States to fund these activities.)

7. Title II, ESEA.
8. Title V, ESEA
9. Title III, NDEA.
10. School Milk Program (To be terminated).

FUND SHARING COSTLY TO STATE

(By Bruce Nelson)

Minnesota will lose $9 million in federal education aids if the Nixon administration's revenue sharing proposal becomes law, a state Education Department official said Monday.

Edwin Cain, federal programs director for the department, told the state board that the revenue sharing plan would force the department to make major program cutbacks, including the dismissal of a number of department employes.

The federal-state revenue sharing program would replace the present categorical funding system and would have the state distribute the funds on its own.

For example, Cain said Minnesota would receive $8.1 million for use in "support services," which include teacher training, school lunch and milk, school equipment purchasing, library development and experimental projects.

The state will receive $16.5 million for programs that would fall into that category, Cain said.

"Nixon has engineered things in such a way that it can't be said that he is eliminating programs," Cain said. "What will happen is that state departments will be forced to make reductions because they will have less money from the federal government."

Cain said more than 100 persons are employed in state department positions that are funded through the support services category. If the revenue sharing plan is adopted, he said many of them will lose their jobs.

In another area of federal education funding, one in which 60,000 disadvantaged youngsters receive assistance in Minnesota schools, the differences between the present aid and the revenue sharing proposal is only $100,000, 2½ per cent of the total program cost.

Cain said the department has not received a "letter of credit" from the federal government which is usually sent out every quarter to assure that the Title I money will be paid. He said he has been assured that the letter will be sent, but does not know how much money will be available for the program in the final quarter of the fiscal year.

"I'm not sure just what this means in the battle between the President and Congress over school financing," Cain said. "But it is causing some headaches."

Cain said members of the state's congressional delegation have told him that Congress is not apt to adopt Nixon's revenue sharing plan without making major changes. He said spokesmen for the administration have warned that all education funds will be cut off July 1 if the bill is not passed.

"So what we're talking about is at best a reduction in aids of $9 million, and at worst a total elimination of federal funds," Cain told the board.

COMPARISON 1973 VERSUS EDUCATIONAL REVENUE SHARING 1974

[Distribution of 3 percent to all other areas]

	Disadvantaged		SAFA		Handicapped		Vocational education		Support		Total	
	1973	Revenue sharing	1973	Revenue sharing	1973	Revenue sharing	1973	Revenue sharing	1973	Revenue sharing	1973	Revenue sharing
Alabama	37,500	38,062	1,248	845	2,296	2,840	8,865	7,632	10,663	7,277	60,571	56,65[illegible]
Alaska	2,781	2,846	24,594	16,555	1,191	268	884	721	958	687	30,409	21,076
Arizona	10,413	10,639	10,898	10,160	1,217	1,478	4,334	3,971	3,805	3,787	30,667	30,034
Arkansas	23,122	23,442	1,581	1,048	1,724	1,514	4,880	4,070	6,056	3,880	37,363	33,955
California	128,309	128,142	34,469	31,608	9,909	15,213	35,465	40,886	25,534	38,984	231,686	254,833
Colorado	12,167	12,376	3,551	2,947	2,094	1,792	5,254	4,815	4,482	4,591	27,548	26,520
Connecticut	13,063	13,263	2,009	1,745	2,368	2,340	5,032	6,289	4,670	5,996	27,142	29,634
Delaware	2,918	2,980	14	17	851	454	1,315	1,220	1,487	1,163	6,585	5,835
Florida	34,727	35,569	6,977	6,953	4,229	4,899	14,062	13,167	13,943	12,555	78,938	73,143
Georgia	43,818	44,500	2,143	1,770	2,658	3,726	11,460	10,015	14,198	9,549	74,477	69,560
Hawaii	4,068	4,137	8,571	10,185	651	627	1,801	1,670	2,285	1,593	17,375	18,207
Idaho	3,697	3,749	1,490	1,039	610	606	2,099	1,630	1,977	1,554	9,873	8,578
Illinois	74,316	75,396	5,532	4,669	7,944	8,711	18,982	23,411	17,935	22,322	124,708	134,510
Indiana	20,537	20,885	1,212	1,035	4,055	4,220	11,157	11,341	10,227	10,814	47,189	48,295
Iowa	16,184	16,408	210	113	1,863	2,261	6,246	6,076	6,696	5,793	31,198	30,651
Kansas	10,247	10,630	5,163	4,544	1,959	1,740	5,055	4,676	4,621	4,458	27,045	25,848
Kentucky	34,353	34,782	96	71	2,136	2,569	8,344	6,903	9,425	6,582	54,354	50,908
Louisiana	33,833	34,679	875	802	3,581	3,166	9,582	8,508	12,248	8,112	60,170	55,267
Maine	6,330	6,423	2,190	1,761	987	789	2,638	2,121	2,487	2,022	14,632	13,116
Maryland	21,668	22,083	5,797	5,923	2,765	3,160	7,613	8,492	6,244	8,097	44,086	47,754
Massachusetts	26,521	26,897	5,852	3,588	5,011	4,284	10,521	11,513	10,381	10,978	58,286	57,260
Michigan	59,373	60,144	4,091	4,360	8,008	7,456	17,577	20,037	13,926	19,105	102,975	111,103
Minnesota	23,883	24,241	1,459	1,514	2,606	3,199	8,303	8,598	8,764	8,198	45,015	45,751
Mississippi	39,259	39,239	1,555	935	1,537	1,932	5,930	5,192	8,302	4,950	56,623	52,848
Missouri	25,392	25,841	2,869	2,455	3,564	3,601	10,006	9,679	9,316	9,229	51,147	50,805
Montana	4,125	4,197	5,126	3,694	684	597	1,970	1,605	1,720	1,530	13,625	11,624
Nebraska	7,942	8,076	3,293	2,435	976	1,179	3,463	3,169	3,393	3,022	19,067	17,880
Nevada	1,228	1,259	2,326	2,124	448	384	1,124	1,032	984	984	6,111	5,783
New Hampshire	2,294	2,334	1,101	736	723	576	1,887	1,548	1,760	1,476	7,764	6,668
New Jersey	48,887	49,623	5,695	4,985	6,021	5,472	11,663	14,707	9,742	14,023	82,108	88,809
New Mexico	9,148	9,348	11,387	9,449	850	945	2,904	2,538	3,096	2,420	27,685	24,700
New York	213,429	216,246	6,795	7,242	14,678	13,269	28,451	35,661	28,623	34,003	291,977	306,421
North Carolina	56,781	57,468	2,270	1,774	4,319	4,028	13,532	10,825	15,384	10,322	92,286	84,417
North Dakota	5,127	5,185	4,981	3,029	657	533	1,897	1,433	1,983	1,366	14,645	11,556
Ohio	46,538	47,289	1,690	1,637	8,523	8,583	21,453	23,067	17,831	21,994	96,036	102,571
Oklahoma	18,654	18,929	5,660	3,877	1,759	1,947	6,324	5,232	5,890	4,989	38,286	34,975
Oregon	11,071	11,257	1,425	1,043	1,936	1,627	4,796	4,373	4,092	4,169	23,320	22,469

	Disadvantaged		SAFA		Handicapped		Vocational education		Support		Total	
	1973	Revenue sharing	1973	Revenue sharing	1973	Revenue sharing	1973	Revenue sharing	1973	Revenue sharing	1973	Revenue sharing
Pennsylvania	69,630	70,627	1,063	1,013	9,256	8,903	23,500	23,927	21,191	22,814	124,640	127,285
Rhode Island	5,261	5,345	2,884	2,539	897	683	2,251	1,834	1,663	1,749	12,956	12,150
South Carolina	32,866	33,293	2,972	2,171	2,257	2,191	7,304	5,888	8,825	5,614	54,224	49,156
South Dakota	6,033	6,120	4,604	3,297	746	570	1,976	1,531	2,024	1,460	15,383	12,978
Tennessee	34,233	34,739	664	470	2,616	3,050	9,991	8,197	10,532	7,816	58,036	54,272
Texas	87,259	88,789	11,704	8,407	8,226	9,138	26,106	24,558	22,224	23,415	155,518	154,306
Utah	4,640	4,714	1,958	1,657	927	951	3,150	2,555	3,326	,436	14,001	12,312
Vermont	2,506	2,544	6	7	916	356	1,359	958	1,249	914	6,036	4,778
Virginia	35,203	35,773	7,050	5,818	3,269	3,647	11,049	9,802	10,763	9,346	67,334	64,386
Washington	16,081	16,339	7,708	7,578	2,600	2,678	7,120	7,198	5,575	6,863	39,084	40,656
West Virginia	19,394	19,641	35	30	1,256	1,347	4,586	3,619	4,690	3,451	29,961	28,088
Wisconsin	19,161	19,517	976	615	3,681	3,659	9,805	9,834	8,167	9,377	41,790	43,002
Wyoming	1,562	1,594	1,824	1,226	487	280	1,083	753	1,068	718	6,024	4,572
District of Columbia	11,185	11,341	222	280	1,102	500	1,606	1,343	1,518	1,280	15,633	14,744
All others	47,135	46,371	2,133	1,018	2,919	4,946	8,513	13,293	11,032	12,675	71,753	78,304
Total	1,524,061	1,545,711	231,998	194,794	158,744	164,878	437,173	443,110	418,976	422,501	2,770,949	2,770,992
COMPARISON 1973 VERSUS EDUCATIONAL REVENUE SHARING 1975												
Alabama	37,500	37,392	1,248	913	2,296	2,823	8,865	7,586	10,663	7,233	60,571	55,945
Alaska	2,781	4,269	24,594	17,879	1,191	267	884	716	958	683	30,409	23,813
Arizona	10,413	15,012	10,898	10,972	1,217	1,469	4,334	3,947	3,805	3,764	30,667	35,165
Arkansas	23,122	21,314	1,581	1,132	1,724	1,505	4,880	4,045	6,056	3,857	37,363	31,853
California	126,309	122,037	34,469	34,137	9,909	15,121	35,465	40,638	25,534	38,748	231,686	250,681
Colorado	12,167	13,887	3,551	3,183	2,094	1,781	5,254	4,786	4,482	4,563	27,548	28,200
Connecticut	13,063	13,319	2,009	1,885	2,368	2,326	5,022	6,251	4,670	5,960	27,142	29,741
Delaware	2,918	4,152	14	18	851	451	1,315	1,213	1,487	1,156	6,585	6,990
Florida	34,727	53,354	6,977	7,509	4,229	4,870	14,062	13,087	13,642	12,479	73,938	91,298
Georgia	43,818	45,414	2,143	1,911	2,858	3,704	11,460	9,954	14,198	9,491	74,477	70,474
Hawaii	4,068	4,597	8,571	11,000	651	618	1,801	1,660	2,285	1,583	17,375	19,458
Idaho	3,697	3,463	1,490	1,123	610	603	2,099	1,620	1,977	1,544	9,873	8,353
Illinois	74,316	71,914	5,532	5,043	7,944	8,658	18,982	23,269	17,035	22,187	124,708	131,072
Indiana	20,537	23,166	1,212	1,118	4,055	4,194	11,157	11,272	10,227	10,748	47,189	50,500
Iowa	16,184	14,920	210	122	1,863	2,247	6,246	6,039	6,696	5,798	31,198	29,087
Kansas	10,247	12,180	5,163	4,908	1,959	1,729	5,055	4,647	4,621	4,431	27,045	27,896
Kentucky	34,853	28,652	96	77	2,136	2,553	8,344	6,861	9,425	6,542	54,354	44,685
Louisiana	32,883	52,018	975	866	3,581	3,147	9,582	8,456	12,248	8,063	60,170	72,551
Maine	6,330	6,174	2,190	1,902	987	784	2,638	2,108	2,487	2,010	14,632	12,978
Maryland	21,668	27,637	5,797	6,397	2,765	3,141	7,613	8,440	6,244	8,048	44,086	53,662
Massachusetts	20,521	25,037	5,852	3,875	5,011	4,258	10,521	11,443	10,381	10,911	58,286	55,524
Michigan	59,373	51,345	4,091	4,709	8,009	7,411	17,577	19,916	13,926	18,990	102,975	102,371
Minnesota	23,883	23,835	1,459	1,636	2,606	3,180	8,303	8,546	8,764	8,148	45,015	45,345
Mississippi	39,299	35,963	1,555	1,010	1,537	1,920	5,930	5,160	8,302	4,920	56,623	48,973
Missouri	25,392	29,923	2,869	2,651	3,564	3,580	10,006	9,620	9,316	9,173	51,147	54,947
Montana	4,125	4,803	5,126	3,990	684	594	1,970	1,595	1,720	1,521	13,625	12,503
Nebraska	7,942	8,893	3,293	2,630	976	1,172	3,463	3,150	3,393	3,003	19,067	18,848
Nevada	1,228	1,888	2,326	2,294	448	382	1,124	1,026	984	978	111	6,567
New Hampshire	2,294	2,641	1,101	794	723	572	1,887	1,538	1,760	1,467	7,764	7,013
New Jersey	48,987	42,336	5,695	5,384	6,021	5,439	11,663	14,618	9,742	13,938	82,108	81,714
New Mexico	9,148	13,304	11,387	10,205	850	939	2,904	2,523	3,096	2,406	27,385	29,377
New York	213,429	187,523	6,795	7,821	14,678	13,189	28,451	35,445	28,623	33,797	291,977	277,775
North Carolina	56,781	45,742	2,270	1,916	4,319	4,004	13,532	10,760	15,384	10,259	82,286	72,681
North Dakota	5,127	4,496	4,981	3,271	657	530	1,897	1,424	1,983	1,358	14,645	11,080
Ohio	46,538	49,993	1,690	1,768	8,523	8,531	21,453	22,927	17,831	21,861	96,036	105,081
Oklahoma	18,654	18,313	5,660	4,187	1,759	1,935	6,324	5,201	5,890	4,959	38,286	34,595
Oregon	11,071	12,380	1,425	1,127	1,936	1,617	4,796	4,346	4,092	4,144	23,320	23,615
Pennsylvania	69,630	66,405	1,063	1,094	9,256	8,849	23,500	23,782	21,191	22,676	124,640	122,806
Rhode Island	5,261	5,588	2,884	2,742	897	678	2,251	1,823	1,663	1,738	12,956	12,570
South Carolina	32,866	28,446	2,972	2,345	2,257	2,177	7,304	5,852	8,825	5,580	54,224	44,400
South Dakota	6,033	5,822	4,604	3,560	746	566	1,976	1,522	2,024	1,451	13,383	12,922
Tennessee	34,233	33,695	664	508	2,616	3,031	9,991	8,147	10,532	7,768	58,036	53,150
Texas	87,258	101,908	11,704	9,080	8,226	9,082	26,106	24,409	22,224	23,273	155,518	167,752
Utah	4,640	4,899	1,958	1,789	927	545	3,150	2,539	3,326	2,421	14,001	12,594
Vermont	2,506	2,501	6	7	916	354	1,359	952	1,249	908	6,036	4,723
Virginia	35,203	37,957	7,050	6,284	3,269	3,625	11,049	9,742	10,763	9,289	67,334	66,898
Washington	16,081	17,177	7,708	8,185	2,600	2,662	7,120	7,154	5,575	821	39,034	41,999
West Virginia	19,394	16,415	35	33	1,256	1,339	4,586	3,597	4,690	3,430	29,961	24,814
Wisconsin	19,161	23,671	976	664	3,681	3,637	9,805	9,775	8,167	9,320	41,790	47,067
Wyoming	1,562	2,134	1,824	1,324	487	279	1,083	749	1,068	714	6,024	5,200
District of Columbia	11,185	10,382	222	302	1,102	497	1,606	1,335	1,518	1,273	15,633	13,788
All others	47,155	46,091	2,133	1,100	2,919	4,916	8,513	13,213	11,032	12,598	71,753	77,918
Total	1,524,061	1,536,371	231,998	210,378	158,744	163,879	437,173	440,426	418,976	419,941	2,770,949	2,770,992

CONCLUSION OF MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, has the time allotted under all of the orders expired?

The ACTING PRESIDENT pro tempore. All of the time on all the orders has been yielded back.

Is there further morning business? If not, morning business is closed.

ENERGY POLICY ACT OF 1973

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now proceed to the consideration of the unfinished business, S. 70, which the clerk will state by title.

The assistant legislative clerk read the bill by title, as follows:

A bill (S. 70) to promote commerce and establish a Council on Energy Policy, and for other purposes.

The Senate proceeded to consider the bill, which had been reported from the Committee on Commerce with an amendment to strike out all after the enacting clause and insert:

SHORT TITLE

That this Act may be cited as the "Energy Policy Act of 1973."

FINDINGS

SEC. 2. The Congress hereby finds and declares that—

(a) there are many Federal agencies, created at different times and for different purposes to handle specialized problems, all directly or indirectly involved in the establishment of energy policy;

(b) there is no comprehensive national energy policy but instead Federal energy activities consist of a myriad of laws, regulations, and inactions resulting in narrow, short-range, and often conflicting decision-making by individual agencies without adequate consideration of the impact on the overall energy policy, nor future national energy needs; and

(c) as a consequence of not having a comprehensive national energy policy, the Nation faces mismanagement of energy resources, unacceptably high adverse environmental impacts, inadequate incentives for efficient utilization and conservation of energy resources, shortages of supply, and soaring energy prices.

DECLARATION OF PURPOSES

SEC. 3. Congress declares that—

(a) It is the purpose of this Act to protect and promote the interest of the people of the United States as energy users by establishing a Council on Energy Policy.

(b) A Council on Energy Policy is needed to—

(1) serve as a central point for the collection, analysis, and interpretation of energy statistics and data necessary to formulate policies for wise energy management and conservation and to anticipate social, environmental, and economic problems associated with existing and emerging energy technologies;

(2) coordinate all energy activities of the Federal Government, and provide leadership to State and local governments and other persons involved in energy activities; and

(3) prepare, after consultation with other interested organizations and agencies, a long-range comprehensive plan (hereinafter referred to as the "Energy Plan") for energy development, utilization, and conservation to foster improvement in the efficiency of energy production and utilization, reduction of the adverse environmental impacts of energy production and utilization, conservation of energy resources for the use of future generations, reduction of excessive energy demands, and development of new technologies to produce clean energy.

DUTIES OF FEDERAL AGENCIES

SEC. 4. (a) The policies, regulations, and public laws of the United States shall be interpreted and administered to the fullest extent possible in accordance with the policies set forth in this Act; and

(b) All agencies of the Federal Government shall to the fullest extent possible—

(1) utilize a systematic, interdisciplinary approach which will insure the integrated use of both physical and social sciences in producing, conserving, and utilizing the Nation's energy resources;

(2) submit to the Council on Energy Policy established by this Act for comment all legislative recommendations and reports, to the extent that such recommendations and reports deal with or have a bearing on energy matters;

(3) gather data and information pursuant to guidelines promulgated by the Council on Energy Policy; develop analytical techniques for use in the management, conservation, use, and development of energy resources, and make such data available to the Council on Energy Policy;

(4) recognize the worldwide and long-range character of energy concerns and, where consistent with the foreign policy of the United States, lend appropriate support to initiatives, resolutions, and programs designed to foster international cooperation in anticipating and resolving energy-related problems;

(5) include in every recommendation or report to Congress on proposals for legislation and other major Federal actions having a significant effect on energy availability or use a detailed statement by the responsible official on whether such a proposal or action is consistent with the Energy Plan formulated by the Council on Energy Policy pursuant to this Act. If such proposal or action is not consistent with such plan, the statement shall also contain a detailed justification for the proposal or action;

(6) prepare, if required by guideline promulgated by the Council on Energy Policy, an energy resource statement by the responsible official on the effect of the proposed activity on the Nation's overall energy posture.

ESTABLISHMENT OF A COUNCIL

SEC. 5. (a) There shall be created in the Executive Office of the President a Council on Energy Policy (hereinafter referred to as the "Council"). The Council shall be composed of three members who shall be appointed by the President to serve at his pleasure by and with the advice and consent of the Senate. The President shall at the time of nomination designate one of the members of the Council to serve as Chairman. Each member shall be a person who, as a result of his training, experience, and attainment, is well qualified to analyze and interpret energy trends and information of all kinds; to appraise programs and activities of the Federal Government in light of the energy needs of the Nation; to be conscious of and responsive to the environmental, social, cultural, economic, scientific, and esthetic needs and interests of the Nation; and to formulate a national energy plan and recommend national policies with respect to wise energy management. No more than two members of the Council shall be members of the same political party.

DUTIES OF COUNCIL

SEC. 6. (a) The Council shall serve as the principal adviser to the President and the Congress on energy policy and shall exercise leadership in the formulation of Governmental policy concerning domestic and international issues relating to energy.

(b) The Council shall make recommendations to the President and the Congress for resolving conflicts between the policies relating to energy of different Federal agencies.

(c) The Council shall develop within eighteen months after the date of enactment of this Act and thereafter shall annually update an Energy Plan for energy development, utilization, and conservation in the United States to carry out the purposes as stated in section 3 of this Act. Copies of such plans shall be distributed on January 1 of each year to the President, to the Congress, and to all Federal and State agencies concerned with energy, and upon request to local agencies and nongovernmental entities.

(d) The Council shall promptly review all legislative recommendations and reports sent to Congress and the accompanying energy resource statements of Federal agencies, to the extent that such recommendations and reports have a bearing on energy matters. If the Council disapproves such an agency report or recommendation, it shall send to the Congress and the involved Federal agency a statement in writing of its position and the reasons therefor.

(e) The Council shall keep Congress fully and currently informed of all of its activities. Neither the Council nor its employees may refuse to testify before or submit information to Congress or any duly authorized committee thereof.

(f) (1) Whenever the Council submits any budget estimate or request to the President or the Office of Management and Budget, it shall concurrently transmit a copy of that estimate or request to the Congress.

(2) Whenever the Council submits any legislative recommendations, or testimony, or comments on legislation to the President or the Office of Management and Budget, it shall concurrently transmit a copy thereof to the Congress. No officer or agency of the United States shall have any authority to require the Council to submit its legislative recommendations, or testimony, or comments on legislation, to any officer or agency of the United States for approval, comments, or review, prior to the submission of such recommendations, testimony, or comments to the Congress.

(g) The Council shall conduct annual public hearings on the Energy Plan and may hold public hearings when there is substantial public interest in other pending matters.

(h) Within six months after the enactment date of this Act and after published notice in the Federal Register and opportunity for comment, the Council shall promulgate guidelines for the preparation of energy resource statements by other Federal agencies. Such guidelines shall be implemented by all Federal agencies within six months after promulgation by the Council. Such guidelines are to be designed to avoid duplication of effort, distinguish between regulatory and nonregulatory activities, contain criteria for determining when an activity is a major Federal activity that affects energy availability and specify the content and nature of the analysis to be required in the energy resource statements. The provisions of this subsection and paragraph (6) of subsection 4(b) of this Act shall be enforceable by the Council only. Nothing contained herein shall be construed as authorizing any court to grant injunctive or other relief to any person for failure to comply with such provisions.

(i) In carrying out its collection, analysis, and interpretation of energy statistics function, the Council shall, as quickly as possible and after appropriate study, promulgate guidelines for the collection and initial analysis of energy data by other Federal agencies, after published notice in the Federal Register and opportunity for comment. Such guidelines shall be designed to make such data compatible, useful, and comprehensive. Where relevant data is not now available or reliable and is beyond the authority of other agencies to collect, the Council shall recommend to the Congress the enactment of appropriate legislation. Pending congressional consideration, the Council may gather such data directly. The Council shall have the power to require by special or general orders any person to submit in writing such energy data as the Council may prescribe. Such submission shall be made within such reasonable period and under oath or otherwise as the Council may direct.

ADMINISTRATIVE PROVISIONS

SEC. 7. (a) In exercising its powers, functions, and duties under this Act the Council shall—

(1) consult with representatives of science, industry, agriculture, labor, conservation organizations, State and local governments, and other groups, as it deems advisable; and

(2) employ a competent, independent staff which shall utilize, to the fullest extent possible, the services, facilities, and information (including statistical information of public and private agencies and organizations, and individuals, to avoid duplication of effort and expense, thus assuring that the Council's activities will not unnecessarily overlap or conflict with similar activities authorized by law and performed by other agencies.

(b) Members of the Council shall serve full time and the Chairman of the Council shall be compensated at the rate provided for level II of the Executive Schedule Pay Rates (5 U.S.C. 5313). The other members of the Council shall be compensated at the rate provided for level IV of the Executive Schedule Pay Rates (5 U.S.C. 5315).

(c) The Council may employ such officers and employees as may be necessary to carry out its functions under this Act. In addition, the Council may employ and fix the compensation of such experts, consultants, or contractors to conduct detailed studies as may be necessary for the carrying out of its functions under this Act in accordance with section 3109 of title 5, United States Code (but without regard to the last sentence thereof).

ENERGY REPORT

SEC. 8. The Council shall prepare and submit to the President and the Congress on or before January 1, 1974, and annually thereafter, an energy report to accompany the Energy Plan. This report shall include—

(a) an estimate of energy needs of the United States for the ensuing ten-year period to meet the requirements of the general welfare of the people of the United States and the commercial and industrial life of the Nation;

(b) an estimate of the domestic and foreign energy supply on which the United States will be expected to rely to meet such needs in an economical manner with due regard for the protection of the environment, the conservation of natural resources, and the implementation of foreign policy objectives;

(c) current and foreseeable trends in the price, quality, management, and utilization of energy resources and the effect of those trends on the social, environmental, economic, and other requirements of the Nation;

(d) a catalog of research and development efforts funded by the Federal Government to develop new technologies, to forestall energy shortages, to reduce waste, to foster recycling, and to encourage conservation practices: and recommendations for developing technology capable of improving the quality of the environment, increasing efficiency, and protecting employee health and safety in energy industries;

(e) recommendations for improving the energy data and information available to the Federal agencies by improving monitoring systems, standardizing data, and securing additional needed information;

(f) a review and appraisal of the adequacy and appropriateness of technologies, procedures, and practices (including competitive and regulatory practices), employed by Federal, State, and local governments and nongovernmental entities to achieve the purposes of this Act; and

(g) recommendations for the level of funding for the development and application of new technologies, as well as new procedures and practices which the Council may determine to be required to achieve the purposes of this Act and improve energy management and conservation together with recommendations for additional legislation.

PUBLIC ACCESS TO INFORMATION

Sec. 9. (a) Copies of any communications, documents, reports, or information received or sent by any member of the Council shall be made available to the public upon identifiable request, and at reasonable cost, unless such information may not be publicly released under the terms of subsection (b) of this section.

(b) The Council or any officer or employee of the Council shall not disclose information obtained under this Act which concerns or relates to a trade secret referred to in section 1905 of title 18, United States Code, except that such information may be disclosed in a manner designed to preserve its confidentiality—

(1) to other Federal Government departments, agencies, and officials for official use upon request;

(2) to committees of Congress having jurisdiction over the subject matter to which the information relates;

(3) to a court in any judicial proceeding under a court order formulated to preserve the confidentiality of such information without impairing the proceedings; and

(4) to the public in order to protect their health and safety after notice and opportunity for comment in writing or for discussion in closed session within fifteen days by the party to whom the information pertains (if the delay resulting from such notice and opportunity for comment would not be detrimental to the public health and safety).

In no event shall the names or other means of identification of injured persons be made public without their express written consent. Nothing contained in this section shall be deemed to require the release of any information described by subsection (b) of section 552, title 5, United States Code, or which is otherwise protected by law from disclosure to the public.

AUTHORIZATION

Sec. 10. (a) There are authorized to be appropriated to carry out the provisions of this Act not to exceed $1,000,000 for the fiscal year ending June 30, 1974, $2,000,000 for the fiscal year ending June 30, 1975, and $4,000,000 for each fiscal year thereafter.

(6) All sums appropriated under this Act shall remain available for obligation or expenditure in the fiscal year for which appropriated and in the fiscal year next following.

PRIVILEGE OF THE FLOOR

Mr. HOLLINGS. Mr. President, I ask unanimous consent that counsel for the Committee on Commerce, Mr. Henry Lippek, and my legislative assistant, Ms. Mary Jo Manning, be granted the privilege of the floor during the discussion on this bill.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that amendment No. 95, which incorporates the minimum language changes which the distinguished Senator from Washington (Mr. Jackson), who momentarily will be on the floor to describe, be agreed to as a substitute for S. 70 as reported by the Committee on Commerce, and that the bill as thus amended be treated as original text for the purpose of further amendment.

Mr. GRIFFIN. Mr. President, reserving the right to object—and I do not know that there will be objection—we are waiting for the distinguished Senator from Kansas (Mr. Pearson) to arrive on the floor. Perhaps the Senator will withhold that request until I can see that it is agreeable with him.

Mr. HOLLINGS. That is very agreeable, Mr. President.

Let me make a preliminary statement while we are waiting for the Senator from Kansas.

The ACTING PRESIDENT pro tempore. Does the Senator withdraw his request?

Mr. HOLLINGS. I withdraw my request.

Mr. President, it is now essential to create a single entity with the capability for examining the entire energy picture. A single entity is needed for the formulation of overall energy policy recommendations and the coordination of Federal energy activities. Currently we have more than 60 Federal agencies that have a significant role in energy policy development. In fact, virtually every major agency of the Federal Government is involved in energy policy in one way or another. Conflicting and inconsistent policies by various agencies have exacerbated the current energy situation.

For example, it has been suggested that the Interior Department has attempted to encourage domestic production of natural resources while the Treasury Department activities have operated, perhaps inadvertently, to encourage foreign exploration. There are increasing signs that the Nation may be facing shortages of gasoline at a time when emission controls are implemented by the automobile industry in a way that tends to reduce gasoline mileage. New refineries are not built in the United States often because of public opposition and short supplies of crude oil. Such situations have created a climate of uncertainity and confusion in the Nation.

Enactment of S. 70 would bring focus and direction to Federal energy activities. It is a necessary first step for alleviating the Nation's energy problems.

Mr. President, S. 70 would establish a three-member Council on Energy Policy. The Council would improve Federal capabilities for obtaining reliable and credible information, coordinate the energy activities of the Federal Government, and prepare a long-range comprehensive plan for energy development, utilization, and conservation. This proposal would provide a single place for Congress and the President to seek energy information and policy recommendations. It assures that a single entity would have responsibility for examining the overall energy picture.

The Council on Energy Policy would provide sophisticated analyses of policy alternatives and would formulate recommendations for national energy policy. It would be responsive to both the President and the Congress. The Council would not assume the duties of existing agencies, but rather would be a policy adviser such as the Council of Economic Advisers or the Council on Environmental Quality. In addition, once the policy choices have been made within the executive or legislative branches, the Council would formulate an energy plan to serve as a basic blueprint for other agencies to better carry out their assigned tasks in a coordinated fashion.

The Council would also publish an annual energy report. This report would accompany the energy plan and it would include statistical data, energy supply and demand trends, and recommended legislation.

Let me emphasize at this point, while we are awaiting the attendance on the floor of the distinguished Senator from Kansas, that he has had a long interest in these matters and is a primary sponsor of S. 70. The program proposed by S. 70 started about 6 years ago, under the direction of the distinguished Senator from Washington (Mr. Magnuson), the chairman of our Commerce Committee. I was holding hearings on the Federal Power Commission with respect to the brownouts and blackouts. I continued holding these hearings, listening to not only the Federal Power Commission, but the Atomic Energy Commission and the other interests involved, and I was constantly coming to the point, as other Senators were, during these hearings, of asking, Where is the policy and what is the policy?

Realizing the need for one single agency to coordinate energy activities and recommend an energy policy in this Government, I began working with other interested Senators. They included the Senator from Kansas, who only 2 years ago introduced a bill similar to S. 70; our distinguished friend, the junior Senator from Washington (Mr. Jackson); together with the distinguished Senator from West Virginia (Mr. RANDOLPH), chairman of the Committee on Public Works, who established the national fuels and energy policy study.

So this particular proposal for a Council on Energy Policy has been under consideration for approximately 2 years. We have conferred with and I have had valuable guidance from all of these gentlemen and also from the chairman of the Joint Committee on Atomic Energy, the Senator from Rhode Island (Mr. PASTORE).

So this measure represents the work product of an intensive effort over a 2- to 3-year period with the participation of various committees in Congress that are interested in energy. We now have a proposal to centralize energy policymaking and responsibility in this Government. We tried to keep this bill as clean as we could and it does not solve all problems. Important considerations with respect to energy research and development, with respect to materials and conservation, with respect to the allocation or perhaps rationing of various fuel supplies that may be necessary must be dealt with in greater detail in other legislation.

There are many, many elements involved in the energy question, and this measure reposes within the executive branch of the Government a National Council on Energy Policy.

I will continue on for just a moment, because I know the distinguished Senator from Montana has an amendment which, as the manager of the bill, I am willing to agree to. It has been hammered out and worked out with the General Accounting Office, but I am sure the Senator from Kansas would like to make his comments before going into the amendment of the Senator from Montana, so let me just state this:

In developing this legislation, the Commerce Committee worked closely with the members of the National Fuels and Energy Policy Study established pursuant to Senate Resolution 45. Following the reporting of S. 70 by the Commerce Committee, floor consideration was deferred to afford additional opportunity for the study members to examine this proposal and submit any comments prior to floor debate.

The National Fuels and Energy Policy Study members have recommended a minimum of changes which would: First, clarify the intention of the bill that the Council on Energy Policy would be a policy advisory group to the President, using his authority to coordinate Federal energy functions; second, clarify the intent of the bill—the Council would promulgate guidelines for the collection of energy information and would be a focal point for policy analysis of energy data; and third, amend the intent of the bill to reinforce the advisory relationship between the Council and the President. To avoid confusion during floor consideration of this measure, I submitted an amendment to S. 70—amendment No. 95—which incorporates these language changes. So each Member can have in one instrument the bill in its entirety.

This amended version of S. 70, bill was circulated in a letter by several Senators. I ask unanimous consent to have that letter printed in the RECORD at this point. The several Senators interested in the development of a satisfactory measure are Senators MAGNUSON, JACKSON, PASTORE, RANDOLPH, and myself.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

COMMITTEE ON COMMERCE,
Washington, D.C., May 2, 1973.

DEAR COLLEAGUE: On Tuesday, March 27, the Commerce Committee reported without a dissenting vote S. 70, a bill to establish a Council on Energy Policy. (Rept. No. 93-114)

It is our hope that floor consideration of this bill can occur early next week. We believe this legislation is a necessary first step toward establishing a comprehensive national energy policy. It would bring focus and direction to Federal energy activities by placing a single 3-member council in charge of strengthening Federal data collection capabilities, coordinating Federal energy activities and formulating a comprehensive long-range plan for energy production, utilization and conservation. The Council would not have regulatory authority but it would prepare guideliness for other agencies to better carry out their assigned tasks.

By ageement of the Committee Chairmen of the Committees with jurisdiction over the energy policy area, S. 70 was held on the calendar for 30 days to provide an opportunity for review by other concerned committees. We are happy that the members of the National Fuels and Energy Policy Study have examined the proposal and recommended minimum changes in the language of S. 70 as reported. Enclosed is the amended version of the bill that incorporates these recommended changes.

If you have any questions or wish to cosponsor this legislation, please have your staff contact Henry Lippek of the Commerce Committee Staff at 5-9321.

Sincerely yours,

ERNEST F. HOLLINGS.
JENNINGS RANDOLPH.
WARREN G. MAGNUSON.
HENRY M. JACKSON.
JOHN O. PASTORE.

Mr. HOLLINGS. Mr. President, over a week ago we circulated this particular amendment. I have been waiting for the distinguished Senator from Kansas (Mr. PEARSON), who has now arrived on the floor, to ask unanimous consent that the worked-out amendment, amendment No. 95, be agreed to as an amendment in the nature of a substitute for S. 70 that was reported by the Commerce Committee and that the bill as thus amended be treated as original text for the purpose of amendment.

Mr. PEARSON. Mr. President, I have no objection.

The ACTING PRESIDENT pro tempore. Without objection, the amendment in the nature of a substitute is agreed to, and the bill as thus amended will be treated as original text.

The amendment in the nature of a substitute, as agreed to, reads as follows:

That this Act may be cited as the "Energy Policy Act of 1973".

FINDINGS

SEC. 2. The Congress hereby finds and declares that—

(a) there are many Federal agencies, created at different times and for different purposes to handle specialized problems, all directly or indirectly involved in the establishment of energy policy;

(b) there is no comprehensive national energy policy but instead Federal energy activities consist of a myriad of laws, regulations, and inactions resulting in narrow, short range, and often conflicting decisionmaking by individual agencies without adequate consideration of the impact on the overall energy policy, nor future national energy needs; and

(c) as a consequence of not having a comprehensive national energy policy, the Nation faces mismanagement of energy resources, unacceptably high adverse environmental impacts, inadequate incentives for efficient utilization and conservation of energy resources, shortages of supply, and soaring energy prices.

DECLARATION OF PURPOSES

SEC. 3. Congress declares that—

(a) It is the purpose of this Act to protect and promote the interest of the people of the United States as energy users by establishing a Council on Energy Policy.

(b) A Council on Energy Policy is needed to serve as a focal point for—

(1) the collection, analysis, and interpretation of energy statistics and data necessary to formulate policies for wise energy management and conservation and to anticipate social, environmental, and economic problems associated with existing and emerging energy technologies;

(2) the coordination of all energy activities of the Federal Government, and provide leadership to State and local governments and other persons involved in energy activities; and

(3) the preparation of, after consultation with other interested organizations and agencies, a long-range comprehensive plan (hereinafter referred to as the "Energy Plan") for energy development, utilization and conservation to foster improvement in the efficiency of energy production and utilization, reduction of the adverse environmental impacts of energy production and utilization, conservation of energy resources for the use of future generations, reduction of excessive energy demands, and development of new technologies to produce clean energy.

DUTIES OF FEDERAL AGENCIES

SEC. 4. (a) The policies, regulations, and public laws of the United tSates shall be interpreted and administered to the fullest extent possible in accordance with the policies set forth in this Act; and

(b) All agencies of the Federal Government shall to the fullest extent possible—

(1) utilize a systematic, interdisciplinary approach which will insure the integrated use of both physical and social sciences in producing, conserving, and utilizing the Nation's energy resources;

(2) submit prior to the review process established pursuant to the Budget and Accounting Act of 1921, as amended, to the Council on Energy Policy established by this Act for comment all legislative recommendations and reports, to the extent that such recommendations and reports deal with or have a bearing on energy matters;

(3) gather data and information pursuant to guidelines promulgated by the Council on Energy Policy; develop analytical techniques for use in the management, conservation, use, and development of energy resources, and make such data available to the Council on Energy Policy;

(4) recognize the worldwide and long-range character of energy concerns and, where consistent with the foreign policy of the United States, lend appropriate support to initiatives, resolutions, and programs designed to foster international cooperation in anticipating and resolving energy-related problems;

(5) include in every recommendation or report to Congress on proposals for legislation and other major Federal actions having a significant effect on energy availability or use a detailed statement by the responsi-

ble official on whether such a proposal or action is consistent with the Energy Plan formulated by the Council on Energy Policy pursuant to this Act. If such proposal or action is not consistent with such plan, the statement shall also contain a detailed justification for the proposal or action;

(6) prepare, if required by guidelines promulgated by the Council on Energy Policy, an energy resource statement by the responsible official on the effect of the proposed activity on the Nation's overall energy posture.

ESTABLISHMENT OF A COUNCIL

SEC. 5. (a) There shall be created in the Executive Office of the President a Council on Energy Policy (hereinafter referred to as the "Council"). The Council shall be composed of three members who shall be appointed by the President to serve at his pleasure by and with the advice and consent of the Senate. The President shall at the time of nomination designate one of the members of the Council to serve as Chairman. Each member shall be a person, who as a result of his training, experience, and attainment, is well qualified to analyze and interpret energy trends and information of all kinds; to appraise programs and activities of the Federal Government in light of the energy needs of the Nation; to be conscious of and responsive to the environmental, social, cultural, economic, scientific, and esthetic needs and interests of the Nation; and to formulate a national energy plan and recommend national policies with respect to wise energy management.

DUTIES OF COUNCIL

SEC. 6. (a) The Council shall serve as the principal adviser to the President on energy policy and shall exercise leadership in the formulation of Government policy concerning domestic and international issues relating to energy.

(b) The Council shall make recommendations to the President and the Congress for resolving conflicts between the policies relating to energy of different Federal agencies.

(c) The Council shall develop within eighteen months after the date of enactment of this Act and thereafter shall annually update an Energy Plan for energy development, utilization, and conservation in the United States to carry out the purposes as stated in section 3 of this Act. Copies of such plans shall be distributed on January 1 of each year to the President, to the Congress, and to all Federal and State agencies concerned with energy, and upon request to local agencies and nongovernmental entities.

(d) The Council shall promptly review all legislative recommendations and reports sent to Congress and the accompanying energy resource statements of Federal agencies, to the extent that such recommendations and reports have a bearing on energy matters, and it shall send to the President and the involved Federal agency a statement in writing of its position and the reasons therefor.

(e) The Council shall keep Congress fully and currently informed of all of its activities. Neither the Council nor its employees may refuse to testify before or submit information to Congress or any duly authorized committee thereof.

(f) The Council shall conduct annual public hearings on the Energy Plan and may hold public hearings when there is substantial public interest in other pending matters.

(g) Within six months after the enactment date of this Act and after published notice in the Federal Register and opportunity for comment, the Council shall promulgate guidelines for the preparation of energy resource statements by other Federal agencies. Such guidelines shall be implemented by all Federal agencies within six months after promulgation by the Council. Such guidelines shall be implemented by all Federal agencies within six months after promulgation by the Council. Such guidelines are to be designed to avoid duplication of effort, distinguish between regulatory and nonregulatory activities, contain criteria for determining when an activity is a major activity that affects energy availability and specify the content and nature of the analysis to be required in the energy resource statements. The provisions of this subsection and paragraph (6) of subsection 4(b) shall be enforceable by the Council only. Nothing contained herein shall be construed as authorizing any court to grant injunctive or other relief to any person for failure to comply with its provisions.

(h) In carrying out its collection, analysis, and interpretation of energy statistics function, the Council shall, as quickly as possible and after appropriate study, promulgate guidelines for the collection and initial analysis of energy data by other Federal agencies, after published notice in the Federal Register and opportunity for comment. Such guidelines shall be designed to make such data compatible, useful, and comprehensive. Where relevant data is not now available or reliable and is beyond the authority of other agencies to collect, then the Council shall recommend to the Congress the enactment of appropriate legislation. Pending congressional consideration, the Council may gather such data directly. The Council shall have the power to require by special or general orders any person to submit in writing such energy data as the Council may prescribe. Such submission shall be made within such reasonable period and under oath or otherwise as the Council may direct.

ADMINISTRATIVE PROVISIONS

SEC. 7. (a) In exercising its powers, functions, and duties under this Act the Council shall—

(1) consult with representatives of science, industry, agriculture, labor, conservation organizations, State, and local governments, and other groups, as it deems advisable; and

(2) employ a competent, independent staff which shall utilize, to the fullest extent possible, the services, facilities, and information (including statistical information) of public and private agencies and organizations, and individuals, to avoid duplication of effort and expense, thus assuring that the Council's activities will not unnecessarily overlap or conflict with similar activities authorized by law and performed by other agencies.

(b) Members of the Council shall serve full time and the Chairman of the Council shall be compensated at the rate provided for level II of the Executive Schedule Pay Rates (5 U.S.C. 5313). The other members of the Council shall be compensated at the rate provided for level IV of the Executive Schedule Pay Rates (5 U.S.C. 5315).

(c) The Council may employ such officers and employees as may be necessary to carry out its functions under this Act. In addition, the Council may employ and fix the compensation of such experts, consultants, or contractors to conduct detailed studies as may be necessary for the carrying out of its functions under this Act in accordance with section 3109 of title 5, United States Code (but without regard to the last sentence thereof).

ENERGY REPORT

SEC. 8. The Council shall prepare and submit to the President and the Congress on or before January 1, 1974, and annually thereafter, an energy report to accompany the Energy Plan. This report shall include—

(a) an estimate of energy needs of the United States for the ensuing ten-year period to meet the requirements of the general welfare of the people of the United States and the commercial and industrial life of the Nation;

(b) an estimate of the domestic and foreign energy supply on which the United States will be expected to rely to meet such needs in an economic manner with due regard for the protection of the environment, the conservation of natural resources, and the implementation of foreign policy objectives;

(c) current and foreseeable trends in the price, quality, management, and utilization of energy resources and the effects of those trends on the social, environmental, economic, and other requirements of the Nation;

(d) a catalog of research and development efforts funded by the Federal Government to develop new technologies, to forestall energy shortages, to reduce waste, to foster recycling, and to encourage conservation practices; and recommendations for developing technology capable of improving the quality of the environment, increasing efficiency, and protecting employee health and safety in energy industries;

(e) recommendations for improving the energy data and information available to the Federal agencies by improving monitoring systems, standardizing data, and securing additional needed information;

(f) a review and appraisal of the adequacy and appropriateness of technologies, procedures, and practices (including competitive and regulatory practices), employed by Federal, State, and local governments and nongovernmental entities to achieve the purposes of this Act; and

(g) recommendations for the level of funding for the development and application of new technologies, as well as new procedures and practices which the Council may determine to be required to achieve the purposes of this Act and improve energy management and conservation together with recommendations for additional legislation.

PUBLIC ACCESS TO INFORMATION

SEC. 9. (a) Copies of any communications, documents, reports, or information received or sent by any member of the Council shall be made available to the public upon identifiable request, and at reasonable cost, unless such information may not be publicly released under the terms of subsection (b) of this section.

(b) The Council or any officer or employee of the Council shall not disclose information obtained under this Act which concerns or relates to a trade secret referred to in section 1905 of title 18, United States Code, except that such information may be disclosed in a manner designed to preserve its confidentiality—

(1) to other Federal Government departments, agencies and officials for official use upon request;

(2) to committees of Congress having jurisdiction over the subject matter to which the information relates;

(3) to a court in any judicial proceeding under court order formulated to preserve the confidentiality of such information without impairing the proceedings; and

(4) to the public in order to protect their health and safety after notice and opportunity for comment in writing or for discussion in closed session within fifteen days by the party to whom the information pertains (if the delay resulting from such notice and opportunity for comment would not be detrimental to the public health and safety).

In no event shall the names or other means of identification of injured persons be made public without their express written consent. Nothing contained in this section shall be deemed to require the release of any information described by subsection (b) of section 552, title 5, United States Code, or which is otherwise protected by law from disclosure to the public.

AUTHORIZATION

SEC. 10. (a) There are authorized to be appropriated to carry out the provisions of this Act not to exceed $1,000,000 for fiscal year ending June 30, 1974, $2,000,000 for fiscal year ending June 30, 1975, and $4,000,000 for each fiscal year thereafter.

(b) All sums appropriated under this Act shall remain available for obligation or expenditure in the fiscal year for which appropriated and in the fiscal year next following.

Mr. JACKSON. Mr. President, I support amendment No. 95 which has been proposed by the junior Senator from South Carolina (Mr. HOLLINGS) to S. 70, a bill to establish a Council on Energy Policy.

In accordance with an agreement among the committee chairmen, S. 70 has been held on the calendar to afford an opportunity for it to be reviewed by the members and ex-officio members of the Senate Interior Committee conducting a study of national fuels and energy policy. A number of those members discussed with the sponsors of S. 70 their concern that the bill as reported might place the proposed council in an untenable situation. In its capacity as an advisory body to the President, it would participate closely in Executive decisions. If it could not do so, its ability to provide the knowledgeable advice on energy matters and continuous surveillance of the national energy system would be severely constrained.

The bill as reported, however, also assigned the Council a close advisory role to the Congress and in several ways made it extraordinarily independent of Presidential control. Members of the fuels and energy study recognized that each of these functions are greatly needed in national energy policy:

The President needs intimate, expert advisors on energy matters;

The Congress needs better decision-making information on energy; and

There is a need for an independent voice to raise issues and criticize the performance of government and industry in the energy field.

The members believed that the second two functions could be inconsistent with the role of a Presidential advisory body established in the Executive Office. They felt that all three responsibilities could not be carried out faithfully and agressively by the same agency.

Amendment No. 95 makes a number of changes in the bill which clarify the primary role of the Council as an advisory body to the President. They resolve the problems posed by the bill as reported, and I shall support both the amendment and the bill in its amended form.

I wish to point out that the Federal Government until now has never been coherently organized to implement a coordinated national energy policy. As our development of such a policy goes forward, weaknesses in the existing organization will be recognized and must be corrected. The measure before us, S. 70, deals with one important aspect of energy organization. It does not complete the job of creating an organizational mechanism capable of meeting the energy crisis we face.

Mr. HOLLINGS. Mr. President, it was over 2 years ago, prior to even the introduction of the pending bill, that the Senator from Kansas saw a need and worked on that need and introduced a bill in 1972 which contributed significantly to the measure pending before the Senate today.

I now yield to the distinguished Senator from Kansas.

Mr. PEARSON. Mr. President, I ask unanimous consent that the minority staff director of the Commerce Committee, Arthur Pankopf, and minority staff counsel, John C. Kirtland, be given the privilege of the floor during the consideration of the pending measure.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. PEARSON. Mr. President, I would like to thank the distinguished Senator from South Carolina whose leadership and diligence has been responsible for bringing this measure to the floor promptly and with a sense of urgency that we have all felt about this particular legislation.

Let me say at this time that the pending bill, S. 70, is one that I strongly support. It is, as the distinguished Senator from South Carolina (Mr. HOLLINGS), indicated, based in part on legislation which I introduced last year and which was reintroduced this year. However, it is based more squarely indeed upon his own proposal.

I want to compliment the Senator not only for holding the hearings but also for bringing this matter to the attention of the Senate at the earliest possible moment.

The measure would create a three-member Council on Energy Policy. It would centralize the collection and analysis of energy information. It would be charged with the duty to coordinate energy activities of the Federal Government and to prepare long-range plans for the development, utilization, and conservation of energy resources.

The Council would serve as the principal advisory body to the President and to the Congress in the formulation of a coordinated, comprehensive energy policy.

The need for the Council is apparent from the hearing record. As I am sure the distinguished Senator from South Carolina has already brought to the attention of the Senate, there are today more than 60 departments, agencies, boards, commissions, offices, and bureaus of the executive branch that have statutory responsibilities which relate to energy policy.

There is no centralized planning or advisory body, no structured method of analyzing or acting upon overall energy needs. Both Congress and the President must depend upon the counsel of officials whose duties in formulating energy policy relate only to fragmented parts of the total picture.

Mr. President, I should like to indicate to the Senate at this time that the administration is opposed to this measure. Shortly before the committee's action in reporting favorably on the bill, the distinguished ranking minority member, the Senator from New Hampshire (Mr. COTTON), received from Mr. William E. Timmons, Assistant to the President, a statement on the merits of the proposal. I have the permission of the distinguished Senator from New Hampshire to have the letter from the White House under date of April 10, 1973, printed in the RECORD. I should also like to ask unanimous consent that that letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
Washington, D.C., April 10, 1973.

Hon. NORRIS COTTON,
U.S. Senate,
Washington, D.C.

DEAR NORRIS: The Senate is currently considering enactment of S-70, a bill to establish a Council on Energy Policy, which was reported out of the Senate Commerce Committee on March 27. The bill had been previously introduced in the last Congress and was reintroduced in this session.

The President fully recognized the need for a comprehensive national energy policy. Accordingly, the President in February of this year appointed Secretary Shultz, John Ehrlichman and Henry Kissinger as a Special Committee on Energy. The Committee has the mandate to study the energy situation, develop national policy, both for the short and the long term, for the President, and to see that resulting Presidential policy decisions are implemented in the various existing departments and agencies having responsibility for, or acting on matters which affect, the supply of and demand for energy.

Also in February, the President appoined Charles J. DiBona as Special Consultant to the President to work with the Special Committee on Energy to ensure that all major energy issues and actions are brought before the Committee for review and to provide the Committee with such information, recommendations and advice as may be necessary to assist the Committee in its work.

The Committee and Mr. DiBona have now been working together for seven weeks. In this period, he has hired a staff of five professionals (one economist, one physicist, one lawyer, one political scientist and one M.B.A.), with one additional economist to join shortly. The staff has so far been intensively engaged in reviewing and analyzing the work of the various federal agencies relating to energy matters and is presently preparing both short and long range issues for Presidential decision. It is expected that within the next few weeks, some of these decisions will be announced in the President's Energy Message. Thereafter, in addition to ensuring that the decisions made by the President are fully and properly implemented, the staff will monitor ongoing energy problems, coordinate energy activities throughout the federal government and continue to develop a comprehensive energy policy.

As the performance of these tasks requires, additional professionals, qualified in the areas they will be addressing, may be added to the staff.

The President's appointment of Secretary Shultz, John Ehrlichman and Henry Kissinger reflects his desire to establish an organization responsive to him, having his confidence, and capable of advising him both on policy and technical questions, at the highest level of the Executive branch. Furthermore, unlike the Council on Energy sought to be established by S-70, the existing organization is engaged solely in substantive work, unburdened by the lack of flexibility and initiative so characteristic of bureaucracies. Finally, the size of the present staff will be governed by what is required to solve the problems it will face. The size of the Council's staff, on the other hand, will undoubtedly be limited only by the $4M appropriation provided for in three years, under S-70.

In summary, the Administration feels that there is an existing organization which is already performing the same functions proposed to be performed by the Council under S–70, and that enactment of S–70 and the creation of the Council thereunder would therefore be duplicative and counter-productive.

It is expected that the President will issue an Executive Order in the near future in order to formalize the existing arrangement and to confirm his confidence therein.

If you wish any additional information on the functions and operations of the President's Special Committee on Energy and the Office of the Special Consultant, I will be happy to arrange a meeting for this purpose among you, Mr. DiBona and myself.

I am sending letters similar to this to other selected leaders.

Sincerely,

William E. Timmons,
Assistant to the President.

Mr. HOLLINGS. Mr. President, I yield now to the distinguished Senator from Montana (Mr. Metcalf).

The ACTING PRESIDENT pro tempore. The Senator from Montana is recognized.

AMENDMENT NO. 109

Mr. METCALF. Mr. President, I call up my amendment No. 109.

Mr. President, I modify my amendment at this time. My amendment No. 109 amends S. 70. So, under the unanimous-consent agreement that was just entered into, S. 70 has been amended by the Hollings substitute.

I, therefore, ask unanimous consent that amendment No. 109 be submitted to the Hollings substitute by adding, "on page 13, at line 4, strike "section 10", and insert "section 11." So, it is the same amendment.

The ACTING PRESIDENT pro tempore. The amendment is accordingly modified.

The amendment as modified is as follows:

On page 13, after line 2, of the amendment of the Senator from South Carolina, (Mr. Hollings), numbered 95 insert the following:

MONITORING OF ENERGY STATISTICS AND ANALYSIS

"Sec. 10. (a) The Comproller General of the United States shall continuously monitor and evaluate the operations of the Council including its reporting requirements. Upon his own initiative or upon the request of a committee of the Congress or, to the extent personnel are available, upon the request of a Member of the Congress, the Comptroller General shall (1) conduct studies of existing statutes and regulations governing Federal energy program, (2) review the policies and practices of Federal agencies administering such programs, (3) review and evaluate the procedures followed by such agencies, in gathering, analyzing, and interpreting energy statistics, data, and information related to the management and conservation of energy, including but not limited to data related to energy costs, demand, industry structure, environmental impacts and research and development, and (4) evaluate particular projects or programs. The Comptroller General shall have access to such data from any public or private source whatever, notwithstanding the provisions of any other law, as is necessary to carry out his responsibilities under this Act and shall report to the Congress at such times as he deems appropriate with respect to Federal energy programs, including his recommendations for such modifications in existing laws, regulations, procedures, and practices as will, in his judgment, best serve the Congress in the formation of a national energy policy.

(b) In carrying out his responsibilities as provided in subsection (a) of this section, the Comptroller General shall give particular attention to the need for improved coordination of the work of the Federal Government related to energy policies and programs and the attendant need for a central source of energy statistics and information.

(c) The Comptroller General or any of his authorized representatives in carrying out his responsibilities under this section shall have access to any books, documents, papers, statistics, data, information, and records of any private organization relating to the management and conservation of energy, including but not limited to energy costs, demand, supply, reserves, industry structure, environmental impacts, and research and development. The Comptroller General may require any private organization to submit in writing such energy data as he may prescribe. Such submission shall be made within such reasonable period under oath or otherwise as he may direct.

(d) To assist in carrying out his responsibilities, the Comptroller General may sign and issue subpenas requiring the production of the books, documents, papers, statistics, data, information, and records referred to in subsection (c) of this section.

(e) In case of disobedience to a subpena issued under subsection (d) of this section, the Comptroller General may invoke the aid of any district court of the United States in requiring the production of the books, documents, papers, statistics, data, information, and records referred to in subsection (c) of this section. Any district court of the United States within the jurisdiction in which the private organization is found or transacts business may, in case of contumacy or refusal to obey a subpena issued by the Comptroller General, issue an order requiring the private organization to produce the statistics, data or information; and any failure to obey such order of the court shall be punished by the court as a contempt thereof.

"(f) Reports submitted by the Comptroller General to the Congress shall be available to the public at reasonable cost and upon identifiable request, except that the Comptroller General may not disclose to the public any information which could not be disclosed to the public by the Council under the provisions of section 9(b) if the information were held by the Council."

On page 13, line 4, strike "Sec. 10", and insert "Sec. 11".

Mr. METCALF. Mr. President, this is a great advance in our consideration of energy, energy supplies, and energy resources. The bill is long overdue. It is essentially an information bill, a bill that coordinates the activities of the agencies of the executive departments.

The bill does such things as directing the council to keep Congress fully and currently informed of all its activities. It provides that the council shall have annual and public hearings and studies. It provides that they should also appear and testify before the committees of Congress, and so forth. Nevertheless, in all of this gathering and disseminating of energy information and energy control, there just is not any way that the Congress can coordinate its own activities on energy at this time.

We have in the Comptroller General, the Government Accounting Office, an arm of the Congress that does give us the information and makes studies and analyses and furnishes the information and makes periodic reports to the Congress.

When I first looked at the bill, I suggested that the Comptroller General be directed to have additional energy studies and additional information gathered.

The present Comptroller General, Mr. Staats, for whom I have the greatest respect, stated that this is not a matter involving the function of the Comptroller General, and that he would rather have the job of analyzing and reporting and making reports. So, I removed that idea of direction and giving the power to the Comptroller General.

Of course, if he had a need for additional information, at the request of the Congress he would have the authority to gather it. Essentially that is what my amendment does.

I have gone over it with the Comptroller General, with the staff of the manager of the bill, the Senator from South Carolina (Mr. Hollings), and with the staff of the junior Senator from Washington (Mr. Jackson) and the senior Senator from Washington (Mr. Magnuson).

I think that we have reached an idea whereby Congress will get more information out of this. Congress will have the authority to handle this matter of information in a way that it can use it and that meets with the agreement of the Comptroller General and the authors of the bill.

I submit the amendment.

Mr. HOLLINGS. Mr. President, I have no objection to agreeing to the amendment offered by the distinguished Senator from Montana (Mr. Metcalf).

It is important for Congress to improve its own capability for monitoring the collection of energy statistics and data. This amendment would assure that the General Accounting Office has the authority and the power to review the effectiveness and efficiency of the information gathering activities of the Council on Energy Policy. The amendment would not give the General Accounting Office operating responsibilities and thus, it would assure the continuance of the independence and objectivity that is so necessary for the GAO to continue to effectively execute its responsibilities.

For these reasons I have no objection to the acceptance of this amendment, as modified so as not strike out the S. 70 authorization clause.

As I understood the Senator, the amendment as modified would not strike the authorization clause from S. 70. I think, as it was first drawn, as amendment 109, it would have had the effect of striking the authorization clause; but if I correctly understood the Senator's remarks, he has added his section so as not to strike the authorization clause which is on page 13 of the bill.

Mr. METCALF. Yes. I tried to make it conform. There was never any mention to strike the authorization clause, and I now have tried to make the amendment conform to the amendment of the distinguished Senator from South Carolina on the bill. I merely inserted an additional section, which would be an information section for the Congress.

Mr. HOLLINGS. I thank the Senator from Montana. He has done a very valuable thing, because during the drafting and formulation of S. 70 as reported, the Council would have advised both Congress and the President. This was a situation that the Senator from Kansas (Mr. Pearson) pointed out that we should be particularly careful about, that we could not have the Council directly responsible to both the executive and legislative branches.

But once we removed that problem by adopting amendment No. 95, Senator Pearson and Senator Jackson, after consulting with the National Fuels and Energy Policy study are in agreement, that the GAO can properly strengthen congressional oversight capabilities over the Council on Energy Policy. This amendment will give Congress improved decisionmaking information on energy and permit independent evaluation and criticism of Government and private activities in the energy field.

I think one thing that should be emphasized, Mr. President, at this particular point, is that subpena power by the General Accounting Office is included in Senator Metcalf's amendment 109 to secure energy information from industry and Government. This subpena power is also given to the Council in S. 70. On page 20, lines 10 to 13, the bill provides:

> The Council shall have the power to require by special or general orders any person to submit in writing such energy data as the Council may prescribe.

The general order authority would run to industries as a group, requiring the disclosure of certain information; a special order, which is a subpena, would go to a particular party or corporation or industry and requiring a specific piece of information. So there should not be any misunderstanding; it was not put in in the sense of a subterfuge, or in order not to use the heinous word "subpena." The intent is clear: By the term "special order," the intent of Congress means just that, that the Council and now the GAO would have subpena power, to secure all energy information from all sources, consistent with constitutional protection from unreasonable searches, in order to carry out the vital purposes of S. 70.

I yield now to my distinguished colleague from Kansas.

Mr. PEARSON. Mr. President, I concur with the distinguished Senator from South Carolina. The bill as originally drawn raised some questions in my mind about an independent agency actually serving two masters. The amendment now accepted by the Senator from South Carolina improves or helps along that particular problem; and I might say I am very pleased to join in accepting the amendment. I think it aids in a fine way defining the congressional role, without doing violence to the independence of the agency. I congratulate the Senator from Montana on his amendment.

Mr. METCALF. I thank the Senator.

Mr. President, may I have an opportunity——

Mr. HOLLINGS. I yield to the Senator from Montana.

Mr. METCALF. I should like at this time to have printed in the Record a statement by the Senator from Washington (Mr. Jackson), who was chairman of the Energy Policy Joint Subcommittee of the Committee on Public Works, and to read from it a couple of paragraphs:

> Today, the Congress has no single source of such information concerning energy policy. Some data is entirely unavailable. Much available information includes assumptions which cannot even be detected.
>
> The General Accounting Office, as an arm of the Congress, has the inherent capability to collect and analyze energy information to support policy decisions. The amendment being proposed would strengthen the Comptroller General's role in the energy area and empower him to acquire data essential for energy decisions.

I ask unanimous consent that the entire statement of Senator Jackson, together with a letter addressed to Senator Magnuson from the Comptroller General of the United States regarding the history of this amendment and how the compromise amendment 109 was worked out, be printed in the Record.

There being no objection, the statement and letter were ordered to be printed in the Record, as follows:

Statement of Senator Jackson

Mr. President, the amendment offered by the Senator from Montana (Mr. Metcalf) would take the first step toward resolving another inadequacy of existing Federal energy policymaking.

From the outset of the Interior Committee's study of a National Fuels and Energy Policy, it has been evident that there is insufficient reliable information about many aspects of the energy system to support policy decisions. The need for better information is particularly acute in the Congress.

Congressional policy decisions are usually very complex involving many intangible and abstract factors. The information upon which such decisions are based requires not only extensive data but also many judgmental assumptions. The data must be complete and accurate and the assumptions must be objective and unbiased if the decisions are to be sound.

Today, the Congress has no single source of such information concerning energy policy. Some data is entirely unavailable. Much available information includes assumptions which cannot even be detected.

The General Accounting Office, as an arm of the Congress, has the inherent capability to collect and analyze energy information to support policy decisions. The amendment being proposed would strengthen the Comptroller General's role in the energy area and empower him to acquire data essential for energy decisions.

The Interior Committee presently has two major studies under way of existing Federal energy data collection, one by the GAO and another by the Legislative Research Service. When the results of these studies are available, it will be possible to define the specific needs for additional data collection, analysis, dissemination in the Federal Government. Until then, the authority provided in this amendment will permit the Comptroller General, utilizing the existing data collection system and the authority granted in the amendment, to begin to provide the Congress with better information for decisions which are too urgent to be deferred.

Washington, D.C.

Hon. Warren G. Magnuson,
Chairman, Committee on Commerce,
Washington, D.C.

Dear Mr. Chairman: This refers to your letter of May 2, 1973, requesting our views on an amendment proposed by Senator Metcalf to be offered to S. 70, 93d Congress. The amendment provides that the General Accounting Office would be a central source of energy statistics, and would have as its purposes assistance to the Council on Energy Policy (which would be created by S. 70) in carrying out its duties, and assistance to the Congress in the formulation of national energy policy. While we agree that a need exists for a central Government agency to gather and analyze information on energy, we are convinced, for the reasons set forth below, that assignment of this responsibility to our Office is not a desirable means of achieving this purpose.

Our Office, as noted, would be charged with the responsibility of assisting the Council on Energy Policy created, by section 5(a) of S. 70, in the Executive Office of the President. We do not believe that this kind of responsibility should be assigned to the General Accounting Office. As an independent agency of the legislative branch, the General Accounting Office is responsible for reviewing the effectiveness and efficiency of programs carried out by executive agencies, including the proposed Council, and for reporting the results of its reviews to the Congress. If we are to maintain both the independence and objectivity necessary for performance of these functions, and the reputation for independence and objectivity which lends credibility and authority to our reviews, we must scrupulously avoid becoming involved in carrying out an executive branch responsibility. If there is to be created a central agency charged with gathering, analyzing and interpreting data on energy, we believe that it should be in the executive branch.

The draft of Senator Metcalf's amendment you sent us proposed the establishment by statute of a separate and quasi-independent Bureau within this Office. The internal organization of the General Accounting Office is, we believe, best left to the discretion of the incumbent Comptroller General. We understand the amendment introduced by Senator Metcalf on May 3 does not contain this provision.

We note that one function proposed, in addition to assisting the Council, would be to assist the Congress in the formulation of national energy policy. We can perform this function under existing statutory authority. In this respect, we have recently been requested by the Chairman of the Senate Committee on Interior and Insular Affairs to study the feasibility of establishing a Federal data bank to perform essentially the same function which would be performed by the proposed Bureau. We are also making an effort in general to review the energy programs of the Government. These efforts will, we expect, provide useful insight into the problem of energy data, with which the amendment seeks to deal.

As an alternative to the amendment proposed by Senator Metcalf, I have developed a substitute approach which would provide a specific mandate to the GAO to monitor the energy statistics and analysis programs of the executive branch which I have discussed with Senator Metcalf. The language reflecting this alternative is attached.

Also, we suggest that there be included in S. 70 a provision giving the Council subpoena power. See for example the language of 10(d) in our above-mentioned enclosure.

Sincerely yours,
Elmer B. Staats,
Comptroller General
of the United States.

Mr. HOLLINGS. Mr. President, I move the adoption of the amendment.

The PRESIDING OFFICER. Do Senators yield back their time?

Mr. HOLLINGS. I yield back the remainder of my time.

Mr. METCALF. I yield back the remainder of my time.

The PRESIDING OFFICER. All remaining time having been yielded back, the question is on agreeing to the amendment of the Senator from Montana.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. HOLLINGS. Mr. President, the distinguished Senator from Washington (Mr. JACKSON) will be along momentarily. The distinguished Senator from Minnesota (Mr. HUMPHREY) has an amendment that he had at one time wished to propose. I am not clear at this point whether he will insist upon that amendment. Frankly, it brings up a very important point, but we would have to oppose the amendment, because we think it is too important an initiative to be included just as an amendment to this particular energy policy bill.

I am very hopeful, with the colloquy between the two distinguished Senators, that we will be able to forgo that amendment at this time, but we certainly would welcome the colloquy or the discussion on the particular matter of emergency fuel allocation, especially this summer, in the light of the crisis which we are now facing.

Mr. President, as we await their return to the floor, I might emphasize at this point that some years ago, in 1952. President Harry S Truman appointed the President's Materials Policy Committee. It was a very auspicious five-member commission with a staff or more than 100 experts. It studied for 2 years, and came out with a report of more than five volumes, one entire volume being devoted to the subject of energy alone.

After that extensive study the Paley Commission, 20 years ago, had this to say:

> In the past, government has dealt with energy problems largely on a piecemeal basis with separate programs for coal, gas, for petroleum, for electricity, and for atomic energy, with each usually handled by one or more separate agencies operating under one or more separate legislative authorizations.
>
> The Commission is strongly of the opinion that the Nation's energy problem must be viewed in its entirety and not as a loose collection of independent pieces involving different sources and forms of energy. So numerous and vital are the interrelations among all sectors of the energy field, that problems in any one sector must be dealt with always in full consideration of the effects on all other sectors. The aim must be to achieve a constant pattern of policies and programs throughout the entire energy field.

With that charge, after a blue ribbon commission study, 20 years later we are still in the same position, hoping for one agency of government to coordinate and formulate an energy policy.

Now, unless some other Senator present wishes to speak——

Mr. MOSS. Mr. President, will the Senator yield?

Mr. HOLLINGS. I yield to the Senator from Utah.

Mr. MOSS. Mr. President, I thank the Senator for yielding to me.

Mr. President, having served for many years on the Interior Committee, remaining as an ex officio member of the National Fuels and Energy Policy Study, and continuing to serve on the Senate Commerce Committee as chairman of the Consumer Subcommittee, I have studied the needs of the American people with regard to energy. Time and again regulatory initiatives have developed in the executive branch which show absolute lack of coordination for use of our various natural resources and the impact of these decisions on the American consumer.

The Nation has supplies of coal that are sufficient for hundreds of years. There is enough uranium to meet demands for the foreseeable future. The supplies of natural gas and oil might be sufficient until the next century if improved recovery and better exploration methods are developed. The Nation has not run out of basic resources but there are problems which lead us to talk of an energy crisis.

First we must look at short term capacity difficulties. Some parts of the Nation have experienced electric brownouts and blackouts because transmission systems are inadequate, equipment has failed, or new powerplants are not completed on time. The real problem in the electric utility industry is that demand is doubling every 10 years or less. This means that in each 10-year period the industry must build anew what it has constructed over its entire previous supply.

Similar short-term capacity problems have arisen with low-sulfur oil and coal. But the Nation faces more than short-term capacity problems. A second increasingly urgent problem is pollution. The environmental effect of energy utilization is enormous. Strip mining for coal is devastating large areas of the Nation. Oil shipments over water last year resulted in more than 10,000 oil spills.

Powerplants rank with the automobile as the Nation's worst polluter. Air pollution from fossil-fuel plants caused over $8 billion in health and property damage last year—$40 for every consumer in the United States. Nuclear plants, while not a source of conventional air pollution present radioactive pollution problems. Normal operation requires disposal of radioactive materials somewhere on this planet.

Our Nation has a structural and institutional bias which causes the consumption of too much energy, too fast, and too wastefully. There is no coherent national energy policy. Too often energy policy is decided on an ad hoc basis in response to one problem after another, without any adequate consideration of the overall picture. Many energy programs have remained fundamentally from the beginning of this century.

At that time the primary goal was national industrialization and the conquest of the West. Programs were adapted to encourage maximum production of energy to fuel the Nation's developing economy. Today national goals are far different. They are attempting to improve the quality of life and protect the environment. Earlier policies which served the Nation so well must now be redirected to meet today's problems.

Then, too, the price of energy has not generally reflected its true social costs. It has not included the cost of air and water pollution control or the cost of ravaging our land.

Demand was artificially elevated. To compound the problem, rate structures are promotional in character. Price per unit declines with greater usage. Often residential customers subsidize large commercial and industrial customers. Large energy customers are thus encouraged to use as much as possible. In addition, many utilities spend heavily on advertising, allowing such expenditures to be passed on to customers, which is absurd when many areas of the country are experiencing electricity, oil, or gas shortages and when increasing energy production means further environmental degradation.

In remedying the Nation's energy difficulties, we must protect the consumer and guard against windfall profits to powerful vested interests.

The most critical consumer problem today is the energy problem. And S. 70 a bill to establish a Council on Energy Policy, is the important first step toward establishing a comprehensive national energy policy. More than 60 different Federal agencies are involved in energy policymaking. Each agency was established at a different time for a different purpose to handle a specialized problem. And each agency has a relatively narrow charter. Thus, due to a lack of coordination, differing Federal agencies institute conflicting policies.

Although the United States has a small percentage of the world's population, it uses almost 40 percent of the world's energy. We cannot continue to consume such a large share of the world's fuel resources without encountering the serious problems.

S. 70 would meet the needs of this Nation for energy conservation, for reduction of adverse environmental impacts, for promoting the development of new energy sources, and for coordinating the established Federal energy activities. At the same time the three-member Council on Energy Policy would embark upon a long-range plan of energy utilization to improve energy production and utilization. A monitor such as the Council on Energy Policy would fulfill the need for the development of sound energy policies similar to the objectives of the Council of Economic Advisers and the Council on Environmental Quality in getting direction to our economic and environmental needs.

Mr. President, I urge passage of S. 70. I think it is needed at this time. It can bring us a long way toward getting a sensible and sound energy policy in this country which we need so desperately at this time.

Once again, I thank my colleague for yielding me this time.

Mr. HOLLINGS. Mr. President, I now yield to the distinguished Senator from Minnesota (Mr. HUMPHREY) who wishes to call up an amendment.

AMENDMENT NO. 116

Mr. HUMPHREY. Mr. President, I call up my amendment No. 116 and ask that it be stated.

The ACTING PRESIDENT pro tempore. The amendment will be stated.

The legislative clerk read as follows:

At the end of the bill insert the following:

EMERGENCY GASOLINE AND FUELS ALLOCATION BOARD

SEC. 9. (a) The President shall, after public hearing, conducted with such notice, under such regulations, and subject to such review as the exigencies of the case may be, in his judgment, make appropriate, provide for the establishment of priorities of use and for systematic allocation of supplies of petroleum products including crude oil in order to meet the essential needs of various sections of the Nation and to prevent anticompetitive effects resulting from shortages of such products.

(b) To expedite the implementation of directives by the President, as authorized by this section, there shall be created in the Executive Office of the President an Emergency Gasoline and Fuels Allocation Board (hereinafter referred to as the "Board"). The Board shall be composed of five members who shall be appointed by the President by and with the advice and consent of the Senate. The members of the Board shall serve through the duration of authorities provided for under this resolution. The President shall designate one of the members of the Board to serve as Chairman. The members shall be representative of the production, transportation, protection, and use and consumption of all fuel resources, and of executive departments and agencies having a significant responsibility in these respective areas.

(1) Regular meetings of the Board shall be held at least twice each month, with emergency meetings scheduled on the call of the Chairman.

(2) Three members shall constitute a quorum, and decisions of the Board shall be made by majority vote.

(c) In order to carry out the provisions of this resolution, the Board is authorized to—

(1) appoint and fix the compensation of personnel of the Board in accordance with the provisions of title 5, United States Code;

(2) make, promulgate, issue, rescind, and amend rules and regulations as may be necessary to carry out the functions vested in the Board and delegate authority to any officer or employee;

(3) employ experts and consultants in accordance with section 3109 of title 5, United States Code;

(4) appoint one or more advisory committees composed of such private citizens and officials of Federal, State, and local governments as it deems desirable, to advise it with respect to its functions under this resolution;

(5) utilize, with their consent, the services, equipment, personnel, information, and facilities of other Federal, State, and local public agencies with or without reimbursement therefor;

(6) accept voluntary and uncompensated services, notwithstanding the provisions of section 3676 of the Revised Statutes;

(7) accept unconditional gifts or donations of services, money, or property, real, personal, or mixed, tangible or intangible;

(8) take such actions as may be required for the accomplishment of the objectives of the Board; and

(9) make contracts with public or private nonprofit entities to conduct studies related to the purposes of this resolution.

(d) Upon request made by the Board, each Federal agency is authorized and directed to make its services, equipment, personnel, faclities, and information (including suggestions, estimates, and statistics) available to the greatest practicable extent consistent with other laws to the Board in the performance of its functions with or without reimbursement.

(e) Each member of a committee appointed pursuant to clause (4) of subsection (a) of this section who is not an officer or employee of the Federal Government shall be compensated at the rate prescribed for GS-18 under section 5332 of title 5, United States Code, for each day he is engaged in the actual performance of his duties (including traveltime) as a member of a committee. All members shall be reimbursed for travel, subsistence, and necessary expenses incurred in the performance of their duties.

(f) (1) The Board or any duly authorized subcommittee or member thereof may, for the purposes of carrying out the provisions of this section, hold such hearings, sit and act at such times and places, administer such oaths, and require by subpena or otherwise the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents as the Board or such subcommittee or member may deem advisable. Any member of the Board may administer oaths or affirmations to witnesses appearing before the Board or before such subcommittee or member. Subpenas may be issued under the signature of the Chairman or any duly designated member of the Board, and may be served by any person designated by the Chairman or such member.

(2) In the case of continuancy or refusal to obey a subpena issued under paragraph (1) by any person who resides, is found, or transacts business within the jurisdiction of any district court of the United States, such court, upon application made by the Attorney General of the United States at the request of the Chairman of the Board, shall have jurisdiction to issue to such person an order requiring such person to appear before the Board or a subcommittee or member thereof, there to produce evidence as so ordered, or there to give testimony touching the matter under inquiry. Any failure of such person to obey any such order of the court may be punished by the court as a contempt thereof.

(g) Section 5314 of title 5, United States Code, is amended by adding at the end thereof the following new paragraph:

"(59) Chairman, Emergency Gasoline and Fuels Allocation Board."

(h) Section 5315 of title 5, United States Code, is amended by adding at the end thereof the following new paragraph:

"(96) Members, Emergency Gasoline and Fuels Allocation Board (4)."

(i) Specific policy objectives to be carried out by Presidential directive and Board actions shall include, but not be limited to, the following:

(1) The importation of crude oil in sufficient amounts to meet the input requirements of coastal refineries, simultaneous with the allocation of adequate domestic crude supplies to inland refineries and guaranteed on a long-term basis in order to encourage the expansion of refining capacity;

(2) The importation of number 2 fuel oil in amounts sufficient to build up stocks for the next heating season;

(3) The importation of finished gasoline to east and gulf coasts under conditions that insure that domestic product which would otherwise be distributed in those markets is channeled for delivery to inland shortage areas;

(4) The allocation of sufficient supplies of diesel and other fuels to railroads, electric utilities, and motor transport to provide essential services;

(5) Under any policy or practice of allocations by refiners to marketers, any reduction of supplies by a refiner to any customer whom he has supplied regularly over a reasonable past period shall be in line with quotas established by the Board utilizing this base period in which regional supplies and demands were in approximate balance, and the same percentage reduction shall be applied to all customers of such refiner, regardless of whether such customers market under the refiner's brand name or their private brand names;

(6) As an alternative to price controls on fuels and to meet emergency fuel shortages in the absence of refinery expansion, it shall be a general policy to permit expanded importation of crude oil and gas and to encourage maximum gasoline yields by domestic refiners.

(j) The Board shall implement specific programs to promote—

(1) the expansion of domestic refinery capacity consistent with reasonable requirements of environmental protection; and

(2) public awareness of the dimensions of the fuel shortage crisis in the United States, and voluntary action to curtail nonessential use of private transportation and of living conveniences requiring electric power.

(k) The Attorney General is directed to take such steps as may be necessary to assure that during the existing fuel shortage emergency, marketing practices by major refiners and fuel allocation policies by the Government of the United States are not detrimental to the maintenance of a viable competitive domestic petroleum industry and do not result in a foreclosure to independent marketers of supplies from major oil companies.

(l) The authorities provided for in this resolution shall be effective through the fiscal year ending June 30, 1975.

(m) There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this section.

Mr. HUMPHREY. Mr. President, first, I should like to make a brief statement with reference to this amendment, but I want initially to compliment and commend my distinguished colleague from South Carolino (Mr. HOLLINGS) for the excellent job that he and his committee have done in preparing this important legislation to coordinate the energy activities of the Federal Government. The Energy Policy Act of 1973 would establish a three-member Council on Energy Policy in the executive office of the President.

This is much needed. It represents a solid and constructive base on which we must develop our energy policy program.

Such a mechanism is clearly needed to assure that a single entity within government will have responsibility for examining the overall energy picture. A major cause of America's present energy dilemma is the lack of a comprehensive national energy policy. At the present time more than 60 different Federal agencies are involved in energy matters. Each entity has a narrow focus and there is little coordination among them. This inevitably results in narrow, short range and conflicting decisionmaking.

A Council on Energy Policy would go a long way toward remedying this bureaucratic maze, and toward bringing a broad viewpoint into the area of energy decisionmaking. The proposed Council would function much like the Council of Economic Advisors does in the area of economics. It would centralize the collection and analysis of energy information; it would provide a single place for Congress and the executive branch to seek energy information to better formulate policies in this vital area; in addition, the Council would publish a yearly energy report containing statistical data, energy supply and demand trends and recommended legislation.

The proposed Council on Energy Policy would not have regulatory authority, but it would prepare guidelines to help the Federal Government carry out its assigned tasks in this area.

Mr. President, in order for the Federal Government to respond appropriately to the energy crisis facing the Nation, it must have a way of coordinating the activities of the Federal agencies and it must establish a rational energy policymaking mechanism. The bill of the distinguished junior Senator from South

Carolina is a step in this direction and I urge its adoption.

But, Mr. President, while the bill goes a long way toward helping the Federal Government make long range policy decisions in the field of energy, it makes no mention of a grave and vital concern to the Nation at this very moment; namely, the current gasoline and fuel oil shortages.

Right now, thousands of small businessmen across the country—independent terminal, tank truck and gas station operators—and their more than 100,000 employees are being ruined financially, or facing the possibility of ruin, by the action of several major oil companies to cut off their supplies of gasoline.

I have been taking testimony for the last 2 weeks, on the subject of the gasoline shortage and the fuel shortage, in the Subcommittee on Consumer Economics of the Joint Economic Committee. That testimony is both frightening on the one hand and discouraging on the other.

The Office of Emergency Preparedness said its latest surveys show 562 gasoline stations across the country have closed because of short supplies and another 1,376 are threatened with closing.

In my State of Minnesota alone, in the past several weeks, more than 100 gas stations have been forced to close because of this situation and many more are having to cut back the amount of gasoline they can sell, or the hours they are open.

Many of these stations serve our rural areas and our farmers. Likewise, six to seven major transport companies in Minnesota are facing curtailment of service due to inadequate supplies of fuel. And farmers across the State are finding it increasingly difficult to get fuel for their tractors, thus creating uncertainty with respect to the farmer's ability to carry out his crop plan.

Some people insist that there is no shortage of gasoline and fuel oil and that it is only a figment of imagination. But it is happening—happening in Minnesota right now. It also is happening in other Midwestern States, in New England, and in parts of Florida—areas that depend very heavily on the independent distribution network.

It has been estimated that the shortfall of gasoline nationwide is between 2 and 5 percent. In other words, there is 2 to 5 percent less gasoline available than is demanded. But do not be deluded by this. In States such as mine, States that are highly dependent on independent gasoline marketers, and as such at the mercy of the big oil companies, the percentage of shortage right now is much higher.

Barring extraordinary measures, the relatively mild gasoline shortage expected this summer will become markedly worse each summer for at least 4 or 5 years. This is because output from domestic refineries is limited to about its present level for that period. Several new refineries are now in the planning stage, but they cannot be completed before late 1976 or early 1977. And gasoline imports are severely limited by very tight supply conditions overseas.

The shortfall, therefore, can be expected to grow by about the growth in demand. Although several unknowns will affect demand, it probably will increase by at least 5 percent per year, unless much more effective gasoline conservation is undertaken. Thus, a 5-percent shortage this summer could turn into a 10-percent shortage next summer and a 15-percent shortage by 1975, with correspondingly greater shortfalls in hard-hit regions. Before this happens, remedial action clearly must be taken.

Meanwhile, far from curtailing their own operations because of the gasoline shortage, the big oil companies are opening new stations of their own and competing to expand as fiercely as ever. This is happening at a time when the profits of the major oil companies for the first quarter of 1973 are up by very large margins over a year ago.

Of the companies that have reported, the figures are: Occidental Oil, up 70 percent; Sohio, up 48 percent; Exxon, up 43 percent; Amerada Hess, up 25 percent; Phillips, up 22 percent; Getty, 21 percent; Gulf, 19 percent; Texaco, 15 percent; and Continental, 12 percent.

Those are very substantial figures, may I add, that relate to the profits we see today in fuel and in gasoline.

Many of us in Government who are familiar with the fuel oil question, and indeed many of the people in the industry itself, had hoped that the administration's recent action in relaxing oil import quotas would have a favorable effect on the supply situation of fuel. That action, however, instead has resulted in a hardship as regards our independent refineries and those whom they serve.

The people in the industry tell me the reason for this is that since the major oil companies are permitted unlimited supplies of crude oil, they no longer are dependent on these smaller refiners for a percentage of their supply. In other words, whereas the majors formerly had to trade domestically produced crude oil to the independents in exchange for the independents' import licenses, or "tickets," they no longer have to do so.

They no longer need the tickets, to import the crude, so the independents are stuck with no crude and thousands of worthless import licenses. They are unable to use the tickets to import their own crude because, for the most part, they operate inland refineries and there are no pipelines or other means to get the oil from the ports to the refineries. This is a case where the independent refineries, which supply much of the fuel oil in Minnesota and the Upper Midwest, are totally dependent on the major refineries, and now the majors, since they are assured adequate supplies from abroad, will not sell to the independents.

The major oil companies now control about 95 percent of the oil used in this country. They control 68 percent of the retail gas outlets. If the majors are allowed by this administration to use the present fuel shortage for their own purposes and allocate petroleum products according to their own formulas and priorities, they will push that 68 percent higher and could end up monopolizing every phase of the oil production and distribution system.

Are we as a Nation going to distribute our dwindling gasoline and fuel oil supplies fairly and equitably, or are we going to look the other way while the big companies use the energy crisis to stamp out competition? Are we going to permit the thousands of persons whose lives depend on the independent distribution system to go under at this time? Are we going to permit the gasoline market to be dominated by only a handful of major integrated companies?

I say to you, Mr. President, that we cannot and must not permit this to happen. As Minnesota's State Director of Civil Defense James Erchul said recently in hearings before my Consumer Economics Subcommittee on this very subject, "to avert disaster we need help now."

He and others pointed out that the hardships from the gasoline shortages are not shared equally. People in most metropolitan areas near oil distribution hubs are able to get gas. The empty pumps are concentrated in certain parts of the country—and it looks like this situation will get worse before it gets better. Witnesses before my committee testified that supplies to the independent dealers already have been cut back by about 25 percent nationwide with more cutbacks expected.

Mr. President, one of the most serious deficiencies of the President's recent energy message is that it made no provision for a fair method of allocating fuels that are in short supply. For this very reason we in Congress amended the Economic Stabilization Act to take this into account. The amendment, as enacted—Public Law 93-28—authorizes the President to act to prevent anticompetitive practices in the petroleum industry.

Mr. President, the newly granted authority in the Economic Stabilization Act is a step in the right direction, but it clearly does not go far enough, nor is the language strong enough. To insure Presidential action on this very urgent matter, the language of the law must be made mandatory, instead of being left up to the discretion of the President. The administration, we must remember, opposed that specific amendment to the Economic Stabilization Act, as did the oil industry.

Mr. President, on Tuesday, May 8, Deputy Secretary of the Treasury William L. Simon met with a group of Senators from the Midwest and the Northeast areas of the country—areas that are most feeling the present gasoline shortage. Mr. Simon assured them that the Nixon administration is preparing to put an emergency fuel allocation plan into effect within a week. Its purpose, he said, is to assure that no section of the country, dealers or critical public services suffer more than others in the shortage of gasoline.

Sources indicate that the initial guidelines would be voluntary, although details of the plan are not yet completed or announced. But sources say the administration has not ruled out the possibility of a mandatory plan instead of a voluntary one.

Mr. President, in my opinion it is vital that the administration act immediately to force the big oil companies to equitably allocate fuel to assure that all sections of the country get sufficient fuels to meet "vital needs."

I am pleased to note that some major companies already have adopted their own allocation systems and that a vice president of Atlantic-Richfield is said by the press to agree with me that Federal allocation will be needed. I say that it is needed now.

In closing on the subject of allocation, let me say that I am well aware of the problems encountered in trying to regulate supplies in a complex industry like petroleum. I have instructed members of my staff and the Joint Economic Committee staff to consult with the oil people about these difficulties. Congress should provide the mandate for an allocation system, and the method of allocation should be worked out between business and government without delay.

In addition to providing for fair allocation of supplies in the future, I believe that we should demand a vigorous investigation by the antitrust authorities of the major oil companies' recent and present behavior toward the independent gasoline and fuel oil marketers.

It is obvious that concerted action is being taken by the major companies that is substantially reducing competition in gasoline distribution, whether or not this is being achieved through conspiracy. When the majors force thousands of independent shortage terminals, jobbers and filling stations out of business, they are eliminating price competition from the industry, for only the independents engage in regular price competition.

Moreover, one of the witnesses at my subcommittee hearings on gasoline, Prof. Fred Allvine, of Georgia Tech, provided some very striking circumstantial evidence of joint action by the majors to halt price competition and jack up prices in four western cities for which he has data. In mid-August 1972, the vigorous price competition that had prevailed in these markets suddenly stopped, and prices became bafflingly stable overnight. There are indications from the trade press and Professor Allvine's private conversations that false rumors of an impending price freeze were spread by some firms to impel dealers to raise their prices.

There also are indications that supplies to the independent dealers were tightened at this time, and that the 20 major oil companies with retail outlets in these markets ceased simultaneously to pay support to their own stations for waging price wars.

Professor Allvine stated:

> For the past 37 weeks (through April 22) in comparison to the prior 37 weeks, the average price of major-brand gasoline increased by 3.5 cents per gallon in Los Angeles, 2.4 cents in Portland, 3.9 cents in Seattle, and 2.4 cents in Phoenix. Price increases of this magnitude have been fairly general throughout the country. For example, the price of gasoline to major-brand dealers for 100 cities has increased by about 2.1 cents per gallon for 1973 in comparison to the same period for 1972. This means pump price increases of around three cents per gallon. The general stabilization of wholesale prices to dealers also occurred around mid-August 1972. . . The additional cost to the public for gasoline runs close to $2 billion per year.

Contacts by the JEC staff with appropriate officials of the Justice Department indicate no apparent intention of initiating any action either against specific actions of the major firms or against the elimination of competition in general. The Federal Trade Commission is now considering whether to investigate the recent anticompetitive actions in the petroleum industry. This does not offer much hope. I think it is time that we demand an intensive investigation of the circumstances of the widespread change in pricing behavior and the broad cutoff of supplies to the independents.

Mr. President, it is absolutely essential that the major oil companies be made to think of the good of the country. It is absolutely essential that they be stopped from cutting off supplies to the independent gasoline marketers—thereby driving up the price of gasoline, and causing an emergency situation in some areas of this great Nation. Mr. President, this is not a matter that can be left up to the discretion of the President. Under the Eagleton amendment to the Economic Stabilization Act the President was given the authority to act to help alleviate this situation. Now we must make it mandatory that he do so.

For these reasons, I am today calling up an amendment to S. 70, the bill of the distinguished Senator from South Carolina. My proposal mandates that an Emergency Fuels Allocation Board be created in the Executive Office of the President. Such a board is to be equipped with full enforcement powers to insure that dwindling petroleum products are equitably allocated to all areas of the Nation. My proposed legislation also requires the President to act to prevent anticompetitive practices in the petroleum industry.

I simply want to say at this point that I have discussed the matter of my amendment, which provides for an Allocation Board, with the distinguished Senator from South Carolina (Mr. HOLLINGS) and also with the distinguished Senator from Washington (Mr. JACKSON). The bill before us sets up a council. I do not believe we ought to tamper with that. I recognize the merit of the bill. I have been informed by the Senator from Washington (Mr. JACKSON) that a bill is being reported, or was reported this morning, from the Committee on Interior and Insular Affairs that will accomplish the very objectives that my amendment has in mind, a bill with mandatory allocation.

I would prefer, therefore, to work with the Senator from Washington, and he has assured me we will work together on this measure. If there are any amendments needed we will try to work them out. I also have had the assurance of the distinguished Senator from South Carolina on this matter.

Mr. President, I yield to the Senator from Washington.

The PRESIDING OFFICER. The Senator from Washington is recognized.

Mr. JACKSON. Mr. President, I commend the distinguished Senator on his statement concerning amendment No. 116, which is an amendment dealing with the allocation of fuels in short supply.

I can say to my good friend from Minnesota and the distinguished Senator from South Carolina, the manager of the bill, that this morning the Committee on Interior and Insular Affairs ordered reported to the Senate S. 1570, a bill dealing with fuel allocations, covering largely the same area that the Senator from Minnesota has mentioned.

I concur with the Senator from Minnesota that the provisions of amendment No. 116 should be considered in connection with the Senate action which I hope will be early next week on S. 1570. The bill as we reported it is mandatory, and I would point out that in its statement of objectives in section 102 it provides:

> OBJECTIVES
>
> SEC. 102. In implementing the authority granted under this Act the President shall take such actions as are necessary to achieve the following specific objectives—
>
> (a) protection of public health, safety, and welfare;
>
> (b) maintenance of all public services;
>
> (c) maintenance of essential agricultural operations, including crop plantings, harvestings, and transportation and distribution of food and livestock;
>
> (d) preservation of an economically sound and competitive fuels and energy industry, including the competitive viability of the independent producing, refining, marketing, and distributing sectors of the energy industry;
>
> (d) equitable distribution of fuel at equitable prices among all regions and areas of the United States and all classes of consumers;
>
> (e) economic efficiency; and
>
> (f) minimization of economic distortion, inflexibility, and unnecessary interference with market mechanisms.

I agree wholeheartedly with the Senator from Minnesota on the emergency that exists in this area, and especially to bring about an equitable distribution of available petroleum supplies, in all of its forms, throughout the United States. The logistics of the oil industry are very complicated. In the interior of the United States there is not the refining capacity, and unless appropriate legislation is passed, the middle section of the United States, remote from the coast, could be seriously harmed by reason of the unavailability of refined products. I believe, and the whole purpose of the legislation that we reported, and it is consistent with all that the Senator from Minnesota is proposing, is to bring about a system of equitable burden sharing, and rationing shortages where there is not enough to go around.

It would take a long time to go into all the reasons now, but I commend the distinguished Senator from Minnesota. I believe we can work together and come to the floor of the Senate next week with legislation that will further implement the so-called Eagleton amendment which, as the Senator from Minnesota indicated, does not include all of the urgent problems we must deal with, and without delay.

I thank the Senator.

Mr. HUMPHREY. I thank the Senator from Washington. The Senator's bill, S. 1570, of course, gets right at the problem, the problem to which I have addressed my amendment today. The difference is that the Humphrey amendment, which has many cosponsors, and I will consult with the cosponsors of the amendment, sets up some machinery. I think that is less important than the mandatory provisions found in S. 1570, but these are matters we will work out together in the legislative process.

The Senator from Washington has

been a leader in this whole effort of the energy crisis. I respect his knowledge of this subject and I believe that since the legislation reported from the Committee on Interior and Insular Affairs deals with the allocations rather than an overall energy policy such as S. 70 deals with, it is only fitting and proper that the proposal I have before the Senate now be held up and worked into the bill reported by the Senator from Washington. I am going to do that. However, first I yield to the distinguished Senator from South Carolina.

Mr. HOLLINGS. Mr. President, I wish to commend my distinguished colleague from Minnesota. He is an expert on the energy crisis, especially in the area of allocation. That is the real problem. I associate myself with everything he stated. Particularly I commend him for his understanding of trying to arrive at a comprehensive national policy on energy, and that we not confuse it with the more immediate problem of emergency fuel allocation. I am sure, as Chairman of the Fuels and Energy Policy Study, the distinguished Senator from Washington (Mr. JACKSON) will bring forward that bill and we will want to meld together the thoughts and proposals of both Senators into one measure that will enable an emergency board to carry out its functions and to meet the crisis this summer. In addition, the Senator from Kansas has a measure along the same lines.

I yield to the Senator from Minnesota so that he may yield to the Senator from Kansas.

The PRESIDING OFFICER. The Senator from Kansas is recognized.

Mr. PEARSON. Mr. President, I congratulate the Senator from Minnesota and the Senator from Washington for the action taken this morning. I, too, have an amendment which does not differ in thrust and purpose from the amendment offered by the Senator from Minnesota, in that it provides for an allocation of petroleum products which can assure an uninterrupted supply for public and private services, as well as a supply to insure adequate future availability for the Nation.

I am not going to call up my amendment today, but I do desire to discuss briefly the problems confronting the Nation's farmers and inland refineries in this regard.

Mr. President, it is now clear that there will be a gasoline shortage this summer. Indeed, gasoline supplies are already so tight that a number of independent jobbers and nonbrand name distributors have had to curtail or terminate sales outlets because of lack of supplies.

The size of the gap between demand and supply is not yet known, but shortages will occur and because of this, special actions are going to be necessary. These range from measures to conserve the use of gasoline, to actions by the executive branch to allocate existing supplies.

In establishing allocation programs it is essential, I believe, that priority uses be properly recognized. Equal allocations to all distribution points will not assure equal availability to consumers, nor would such a program deal with the special needs of certain sectors of the economy.

For example, due to the structure of the distribution system in agricultural areas, an across-the-board allocation program to all distribution outlets across the Nation based on last year's marketing patterns could well worsen, rather than alleviate, the problem of adequate gasoline and diesel supplies to farmers. And should we encounter a shortage of fuel supplies on the farm, the adverse consequences would be staggering.

There are, indeed, increasingly disturbing signs that there will be fuel shortages on the farm this summer and fall unless special action is taken. Farm fuel needs are going to be extremely high during the next few month. This results first of all from the fact that farmers are being called upon to increase production. Secondly, due to peculiar weather conditions last fall, this winter, and on into this spring, farmers have not been able to carry on much of their fieldwork on schedule. For example, from Iowa to Kansas wet weather conditions have kept farmers out of the fields beyond the normal dates for seedbed preparation and planting. As soon as the weather clears and conditions make it possible for farmers to work, they will have to operate around the clock in many areas, to make up for lost time. As a result, farm fuel consumption is going to increase dramatically.

I want to emphasize that we face an extremely critical situation. Timing is of the utmost importance. A delay of just a few days during planting and harvesting can have extremely adverse impact on food production.

But in the face of this increased fuel need on the farm, supplies appear to be short. For example, cooperatives which are the major source of supply of fuel to farmers have less refined fuel on hand than last year at the same time. This is due to the fact that their fuels come from inland refineries which have been able to operate at only 75 percent to 85 percent of capacity, because of their inability to trade their import quota tickets for domestic crude. The problem is compounded by the fact that only a few of the major oil companies in addition to the cooperatives have to-the-farm distribution systems. Thus, unlike the city consumer, the farmer in most areas has a very limited number of distribution outlets that he can rely on for fuel. If one or more of these outlets is short, food production is threatened.

Certainly we want to take all steps possible to protect fair, competitive relationships. At the same time, we must keep the overall national interests in mind, and it is absolutely essential that in the national interest we do whatever is necessary to assure adequate fuel supplies to the farmer. If agricultural production is curtailed to any significant degree because of this fuel shortage, the impact on the consumer would be most extreme. Food prices would increase sharply and actual shortages of a number of commodities would likely occur.

Therefore, in administering an allocation of fuels program, we must establish priorities which recognize the necessity of maintaining public and private services, with particular attention to the very special needs of agriculture.

I think that the Senator from Washington in bringing forth S. 1570 is going to go a long way in helping to solve the problem and not fragment it any more than it is.

The PRESIDING OFFICER. Does the Senator from Minnesota withdraw his amendment?

Mr. HUMPHREY. I intend to do so but before I do I wish to urge on the leadership of the Senate to call up S. 1570 for action as rapidly as possible because there is an urgency here. I think this is the proper way to legislate. I believe S. 70 has a specific purpose, which I highly commend.

I do not want to add to that bill legislation or amendments even if they could be adopted, that would jeopardize that measure.

We are fortunate to have as a member of the Fuels and Energy Committee the Senator from Washington (Mr. JACKSON) who has spent so much time and devoted so much effort with his staff to produce this kind of legislation that we need to get at this immediate, critical problem. He has been a leader in the entire subject of energy. I want to work on the team. My purpose here is not just to get an amendment sponsored by the Senator from Minnesota but to get a policy.

I also commend the Senator from Kansas, who is always a constructive Senator, who wants to work with the Senator from Washington and me. I think we can perfect legislation to accomplish these purposes.

Therefore, Mr. President, I ask unanimous consent to withdraw my amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. BAYH. Mr. President, I had intended to support the amendment offered by the Senator from Minnesota (Mr. HUMPHREY) to establish an Emergency Gasoline and Fuels Allocation Board had it been brought to a vote.

This proposal, also introduced as a joint resolution, has the admirable goal of making certain that energy shortages, which are a painful fact of life, be shared equally across the country. The proposal would also protect the competitive position of independent distributors and retailers by assuring them of a proportionate share of available gasoline.

In my own State of Indiana we have been faced with the refusal by certain major oil companies to continue sales to some independent operators. This is not only seriously anticompetitive, it can be disastrous for regional economies and can deny fuel to those who have previously relied on independent dealers.

Moreover, Indiana is among those States which have been hit by deliberate decisions on the part of major oil companies to shutdown certain affiliated operations. This is being done because of the higher profitability of selling in regions closer to refineries, and is contrary to responsible public policy.

We are talking, Mr. President, not about mundane matters of consumer convenience, but about serious threats that farmers will not have the diesel fuel required for spring plowing and planting. If farmers in Indiana and elsewhere do not have the fuel to plant their acreage many family farmers will be threatened with financial ruin.

Beyond this the long-term effects of inadequate planting on food prices will be highly inflationary and work against fulfillment of the promise that prices will soon be leveling off. The chain reaction that will be set in motion if Indiana and neighboring farmers are unable to buy adequate supplies of diesel fuel will be felt in the marketplace months from now and the consumer cry will be fierce.

We must have assurances that fuel supplies will be allocated on a considered and orderly basis of national priorities. No one industry or region should be made to bear the brunt of the fuel shortage. This is a national problem, requiring national solutions, and it is to this end that I want to urge early affirmative action to rectify this situation and express my appreciation for the action of the Interior Committee in reporting a relevant constructive measure to the Senate just this morning.

Mr. HOLLINGS. Mr. President, the distinguished Senator from Washington has provided us with improvements to S. 70. Were it not for his leadership and guidance, this would not have been the bill that we now have before us. It was considered by his committee, and various amendments were incorporated by amendment No. 95.

Since there are no further amendments, and preparatory to getting a third reading, I want to touch on two particular points as manager of the bill, because I do not think the record would otherwise be complete. We have done our homework. We have considered all sides, and there has been tremendous input from both sides of the aisle and leadership by the Senators from Washington (Mr. MAGNUSON and Mr. JACKSON), as well as the Senator from Rhode Island (Mr. PASTORE) and the Senator from West Virginia (Mr. RANDOLPH); but the question arose at the hearings conducted during the 3-year course of S. 70 that this bill would in some way inhibit the creation of a Department of Natural Resources.

The hearings on S. 70 have amply demonstrated that the creation of the Council on Energy Policy is not inconsistent with the President's program to create a Department of Natural Resources. If it is the administration's position that we should wait until we get a Department of Natural Resources to attack our energy problems, we have being doing that successfully. We have been waiting. I have been a cosponsor of a proposal to create a Department of Natural Resources for 6 years. But other than getting a few early hearings on this proposal, there has been little movement to date.

There are crosscurrents within the Congress and within the committee structure and we must be realistic and realize that it is going to take some time to create such a Department. In fact in our view the creation of such a Department, which has been bogged down for many years in Congress, may well be facilitated by the establishment of a Council on Energy Policy. But even if we had a Department of Natural Resources in existence today, the creation of a Council on Energy Policy would in my view still be essential.

We see that the foreign policy of the Nation is very much enmeshed with energy policy because imports are supplying an increasing share of our energy supply. But the Department of State is not part of the Department of Natural Resources.

As we import more energy, balance of payments considerations of concern to the Treasury Department become a significant aspect of energy policy. Tax incentives administered by the Treasury Department, such as depletion allowances, foreign investment tax credits, and intangible drilling expense deductions all have a significant impact on energy production, yet the Department of the Treasury is not part of the Department of Natural Resources.

Major opportunities exist for energy conservation depending upon the Department of Housing and Urban Development's building and insulation standards. If the Department of Transportation encourages mass transit instead of highway construction or rail shipments instead of truck or air shipments, major energy savings can occur, yet HUD and DOT would not be part of the Department of Natural Resources.

In the last few years, oil companies have become increasingly diversified raising questions about antitrust enforcement. For example, major oil companies control more than 72 percent of the Nation's natural gas production, 25 percent of the Nation's coal production, and over 50 percent of the Nation's uranium reserves. Thus the Justice Department's Antitrust Division plays a significant part in energy policy, yet the Justice Department is not part of the Department of Natural Resources. I could go on; regulatory agencies, the Maritime Administration, the Department of Commerce, and virtually every other major agency of the Federal Government is concerned with energy policy in one way or another. In fact some of the most important energy policy decisions are made by agencies that are not normally regarded as energy agencies. These agencies are not part of the Department of Natural Resources. For this reason it is essential, we believe, that we create a Council which has the capability of examining the overall energy picture. We need a single agency that has responsibility for all energy policymaking and coordination, that is the purpose of our consideration of S. 70 today.

Addressing now the communication that has been inserted by the Senator from Kansas (Mr. PEARSON) from William E. Timmons, the Assistant to the President, giving the administration's stand or position on this bill, the letter summarizes as follows, and I quote from the Timmons letter:

> The administration feels that there is an existing organization which has already performed the same functions proposed to be performed by the Council under S. 70 and that the enactment of S. 70 and the creation of the Council thereunder would therefore be duplicative and counterproductive.

At this point, Mr. President, I ask unanimous consent to insert into the RECORD a letter from Mr. Robert P. Mayo, Director of the Bureau of the Budget, dated July 7, 1969.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D.C., July 7, 1969.

Hon. HENRY M. JACKSON,
U.S. Senate,
Washington, D.C.

DEAR SENATOR JACKSON: We have reviewed carefully the provisions of your bill, S. 1075, which are designed to strengthen Federal capabilities to respond to problems of environmental quality.

The President certainly shares the concern of the Congress and the public as to the need for improved environmental management. The President's serious concern over the problems of environmental quality is reflected in his establishment by Executive Order 11472 of the Environmental Quality Council and the Citizens' Advisory Committee on Environmental Quality. He has assigned to the Office of Science and Technology the responsibility for providing advice, assistance, and staff support to the President and the Environmental Quality Council. He has further directed that the Office of Science and Technology be strengthened to provide the diverse professional capabilities needed for objective assessments of a wide range of environmental quality problems. This staff capability in the Executive Office of the President is to provide for assessing environmental problems, analyzing long term trends in the environment, evaluating the adequacy of Federal programs, and assuring that environmental considerations are adequately taken into account in proposed Federal programs and actions.

Establishment of the Environmental Quality Council, chaired by the President, assures the highest possible level of attention of departments and agencies to problems of the environment and provides the framework within which to improve coordination among agencies in their environmental programs.

Establishment of the Citizens' Advisory Committee provides a clear channel for getting independent information and advice from the non-Governmental community and for relationships with the many voluntary organizations that have an interest and stake in the improved management of the environment. In addition, the assignment of responsibility to the Office of Science and Technology provides a ready access through the President's Science Advisory Committee to many experts in a variety of fields in the universities, industry, and other sectors who can assist in addressing environmental problems.

S. 1075 as amended would establish a national environmental policy, authorize studies and research related to environmental quality, require an annual report from the President, and establish a Board of Environmental Quality Advisers in the Executive Office of the President. With respect to the policy statement, Mr. Hughes' June 13, 1969, letter noted that there is already a large body of policy with respect to the environment, that a comprehensive statutory statement of policy in this area could be helpful to the President and the Environmental Quality Council, and that the Council will take up the question of a national policy at one of its earliest meetings. The proposed statement in title II of general functions that operating agencies are authorized to carry out with respect to the environment appears to be a useful reaffirmation of authorizations in this important area. An annual report on the environment, along the lines provided for in title III, would appear to be a useful periodic assessment of important problems which could be made available to the Congress and the public. We believe a number of changes should be made in titles I and II. The attachment reflects the changes that appear to be essential if legislation along the lines of S. 1075 is to be enacted at this time.

With respect to title III we believe that establishment of the proposed Board of Environmental Quality Advisers would be undesirable. Such action would further complicate the organization and functioning of the Executive Office of the President. Furthermore, the establishment in the Federal Government of an additional body to deal with overall environmental problems would diffuse responsibility rather than provide the sharp focus now required and now provided for in the President's actions. These actions represent the President's best judgment as to the mechanisms that are required at this point in time for addressing environmental problems. It is recognized that additional changes may be required after there has been experience with the newly established mechanisms.

If the Congress wishes to legislate in support of these actions we would have no objection to providing a statutory basis for assignment of appropriate responsibilities to the Office of Science and Technology. This action could be accompanied by provision of an additional position of a presidentially appointed Deputy Director in OST who could devote full time to environmental quality problems if the committee deemed it useful. These steps would make very clear congressional support for the President's action while, at the same time, avoiding the undesirable consequences of establishing a new organization.

It should be emphasized that the arrangements established by the President are designed to preserve the flexibility in the organization and staffing of the Executive Office that is necessary if the President is to have an opportunity to use the resources available to him for effective action. As you are well aware, this basic principle with respect to organization of the Executive Office has been endorsed by knowledgeable and thoughtful persons in the Congress and elsewhere.

The attached copy of S. 1075 has been marked up to reflect the essential changes discussed above. If the bill were modified in this way, we believe it could provide useful assistance for the President.

Sincerely,

ROBERT P. MAYO, *Director*.

Mr. HOLLINGS. This letter commented on S. 1075—91st Congress, first session—the bill that established the Council on Environmental Quality. The Administration stated:

> We believe that establishment of the proposed [Council on Environmental Quality] would be undesirable. Such action would further complicate the organization and functioning of the Executive Office of the President. Furthermore the establishment in the Federal Government of an additional body to deal with overall enviromental problems would defuse responsibility rather than provide the sharp focus now required and now provided for in the President's action.

However, Mr. Nixon did not veto the bill which established the Council on Environmental Quality. In fact, when the President signed the bill on January 1, 1970 he endorsed it as his own and ushered in the decade of the 1970's as the decade of the environment.

Because of the broad public support for the creation for the Council on Energy Policy, I believe that the President will not only sign but also endorse the creation of such an Energy Council so that we can effectively fight the energy problems facing the Nation.

However, in his energy message that President Nixon delivered to the Congress on April 18, 1973, the President proposed the following organizational change within the Government to improve energy policymaking. We are not hastily passing this measure this morning unmindful of the President's recent energy message. Here is exactly what it provided:

It directed the Secretary of the Interior to strengthen his Department's organization on energy; created a new Office of Assistant Secretary for Fuels and Minerals in Interior; Interior is to strengthen its capability for gathering and analyzing energy data; Interior is to have an Office of Energy and Conservation. The Department, by Executive order, is given power to direct oil policy. By Executive order the President has formalized a White House Fuel Office dealing with energy matters. It created a new Division of Energy and Science within the OMB. It proposed to develop a policy on energy and natural resources.

As a newly made student of energy policy in America, if I had to take that document and find out who formulates energy policy, rather than becoming informed and saying, "Now that I have this message, I know where we are headed in this Government," in essence I have been further confused. Rather than effective leadership and coordination, the opposite has occurred.

This was most graphically illustrated February 7 and 8 when the Commerce Committee held hearings on S. 70 and on May 1, 1973 when the Senate Interior and Insular Affairs Committee and the National Fuels and Energy Policy study held the primary hearings on the President's energy message. None of the members of the President's Special Committee on Energy were available to present testimony. Those people which had primary responsibility for the energy message and energy policy were not available to answer the questions by Members of the Senate. Secretary Shultz was specifically invited but could not attend because of other commitments.

Finally Mr. President, the responsibility for formulating energy policy recommendations has shifted at least five times during the past year among various people in the administration. During the President's first term, Peter Flannagan coordinated energy activities. In November 1972, Dr. Kenneth Lay was appointed Deputy Assistant Secretary of Interior for Energy. At the same time Mr. James E. Akins, Director of the State Department's Office of Fuels and Energy prepared drafts of the President's energy message. In January, 1973 the President appointed Secretary of Agriculture, Earl L. Butz, to be counselor to the President for natural resources. In February 1973, the President appointed Presidential Advisers George Shultz, Henry Kissinger, and John Ehrlichman as a Special Committee on Energy. Finally the President appointed Mr. Charles DiBona as Special Consultant to the President on Energy. With energy policy responsibility shifting so frequently among officials who are primarily concerned with other responsibilities, it is no wonder that the President failed to take bold new initiatives to deal with the Nation's emerging energy crisis.

The President's message to the Congress on April 18, 1973, contained much rhetoric but little substance. The magnitude of the energy crisis and the numerous delays in developing the President's energy message lead us to believe that a very significant program to solve the Nation's energy crisis would be recommended, but unfortunately, the administration's response has been deficient. There is little support for increased energy research and development, there are no effective recommendations for energy conservation, the message made no mention of the critical gasoline shortage facing the Nation, it simply recommends the decontrol of new natural gas prices without any assurance whatsoever that there would be an improvement in supplies, and there was no recommendation for the creation of an effective high level energy policy advisory mechanism.

Of special concern to the consideration of S. 70 is the President's appointment of a Special Committee on Energy. By Executive Order 11712, three assistants to the President, John D. Ehrlichman, Henry A. Kissinger, and George P. Shultz were specifically named and constituted as a Special Committee on Energy.

The two remaining members of the President's Special Committee cannot undertake a comprehensive and systematic approach to the Nation's energy problems, nor effectively coordinate Federal energy activities. In an April 12, 1973 editorial, Hobart Rowen stated:

> Treasury-Secretary George Shultz is already spread too thin as Mr. Nixon's chief economic policymaker and spokesman, and as the key figure in dealing with international monetary crises and world trade.

Of course, Dr. Henry Kissinger has broad responsibilities in other areas that preclude sufficient attention to energy matters. Mr. Ehrlichman has resigned his post in the administration. Consequently high-level energy policymaking is currently crippled and unable to devote sufficient time to this important problem.

In order to remedy the grave shortcomings of the existing energy organization structure, I believe enactment of S. 70 is essential. S. 70 would create a full-time three-member Council. It would be supported by an expert staff with experience, competence, and judgment to interpret trends and developing problems in the energy area. The Council would have responsibility for examining the Nation's overall energy picture and to make recommendations and reports to the President and the Congress. It would have a capability to perceive emerging problems and raise the alarm rather than simply belatedly responding to crisis. It would have an institutional memory with the capability for securing comprehensive, compatible and reliable energy information. Finally it would have continuity beyond the time when policy decisions are made to oversee the implementation of new policies and provide routine feedback and recommendations for adjustment.

We have now worked out a comprehensive energy policy proposal here on the floor, with one general direction, and ask for the approval of this approach. But I want to emphasize that we have not developed this bill casually or callously, but have addressed the particular issues that have been raised over the past several years.

Mr. PEARSON. Mr. President, will the Senator yield?

Mr. HOLLINGS. I yield.

Mr. PEARSON. One other matter I think needs some legislative history as to the intent of the language in the bill. I make reference to page 18, lines 12 to 14, further identified in subsection (e) of section 6.

There it states that neither the council nor its employees may refuse to testify before or submit information to Congress or any duly authorized committee thereof.

I would think that this would raise serious constitutional questions regarding the doctrine of executive privilege which today finds itself in such a turbulent climate.

We ought to note that there are no definite judicial decisions on the existence, extension, or exercise of executive privilege. Nor have we had any legislative action, although the Senator from Maine (Mr. Muskie), the Senator from North Carolina (Mr. Ervin), and I think the Senator from Arkansas (Mr. Fulbright) have all made proposals. It is a doctrine that has grown up on the constitutional basis by custom and by the interpretation of each President that has come along.

I think this fact ought to be clear. And I think that the manager of the bill will agree with me that this language is meant to impose upon the board and others the obligation of the fullest disclosure and cooperation with the Congress itself. It is not meant to negate any constitutional privilege in regard to executive privilege.

Mr. HOLLINGS. Mr. President, the Senator from Kansas has stated the matter correctly. This bill does not repeal the Constitution, and if executive privilege is invoked and constitutionally upheld, then that would limit the Council's duty to provide information.

This language spells out that we expect the Council on Energy Policy to cooperate with Congress and provide energy information much like the Council on Environmental Quality or the Council of Economic Advisors provides information to Congress on their areas of expertise. We simply thought we should spell out that we want the Council to be accountable to Congress.

We have had members come and testify. And as I state, whatever executive privilege there is between the President and the members of this Council, that would have to be adhered to.

However, I am not convinced that the Council's activities would ever be of such a sensitive nature or involving national security matters so as to call into play any question of executive privilege.

If the issue does arise between the Council and Members of Congress, then the courts would have to resolve the matter.

Mr. President, I ask unanimous consent that the names of Senators Ribicoff, Nelson, Pell, Bayh, Case, Haskell, and Hughes, as well as the other cosponsors of S. 70, as reported, also be listed as cosponsors of amendment No. 95.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MAGNUSON. Mr. President, we need hold Federal leadership in establishing a coherent national energy policy. A Council on Energy Policy would bring focus and direction to Federal energy activities by placing a single, three-member council in charge of strengthening Federal data collection capabilities, coordinating Federal energy activities, and formulating a comprehensive long-range plan for energy production, utilization, and conservation. A Council on Energy Policy, as a high-level, prestigious agency, can provide sophisticated analysis of policy alternatives so that the Nation can move toward alleviating its energy difficulties in the most systematic and beneficial way. The Council would not assume the duties of existing agencies, but it would be a policy adviser, such as the Council of Economic Advisers or the Council on Environmental Quality. But once the policy choices have been made by the President or the Congress, the Council would formulate guidelines under which existing agencies would be better able to carry out their assigned tasks.

This legislation has been in the works for a long time. As has been pointed out, in 1952 the Paley Commission report was filed and it stated in part:

> In the past, government has dealt with energy problems largely on a piecemeal basis with separate programs for coal, gas, for petroleum, for electricity, and for atomic energy, with each usually handled by one or more separate agencies operating under one or more separate legislative authorizations.
>
> The Commission is strongly of the opinion that the nation's energy problem must be viewed in its entirety and not as a loose collection of independent pieces involving different sources and forms of energy. So numerous and vital are interrelations among all sectors of the energy field, that problems in any one sector must be dealt with always in full consideration of the effects on all other sectors. The aim must be to achieve a consistent pattern of policies and programs throughout the entire energy field.

This report illustrates that 20 years ago we first saw the need for a Council on Energy Policy and if it was needed then it is desperately needed today.

The Commerce Committee worked closely with the members of the National Fuels and Energy Policy Study established pursuant to Senate Resolution 45. The hearings last session on the predecessor of S. 70 were joint hearings conducted by the Commerce Committee, the Interior and Insular Affairs Committee, and the members of the Senate Resolution 45 study. This session it was my pleasure to invite the members of the study to again participate in the hearings on S. 70. Throughout this period the staffs of the two committees have been in close consultation.

In addition, a bill similar to S. 70, H.R. 1258, has been introduced by the gentleman from California, Mr. Van Deerlin, the gentleman from Massachusetts, Mr. Conte, and is supported by 50 additional cosponsors. Consequently they are also moving in the House side with legislation quite similar to the bill we are considering this morning.

A broad spectrum of interests supported the enactment of S. 70 at committee hearings. The proposal was supported by petroleum companies, by environmentalists, by minerals companies, by public interest groups, and by professional engineering societies. There seems to be universal agreement that a mechanism must be formulated to establish a rational national energy policy to assure the continued availability of adequate supplies of energy, the protection of the consumer, and the achievement of related national goals.

Only the administration has opposed the enactment of S. 70. It claims there is an existing organization, the Special Committee on Energy composed of Treasury Secretary George Shultz, Foreign Affairs Advisor Henry Kissinger, and until last week, Domestic Affairs Advisor John Ehrlichman. Such an ad hoc committee, which cannot devote sufficient attention to energy matters, is totally inadequate.

I believe it is essential that a full time high-level advisory council is urgently needed to assure congressional accountability, public access to information, and a statutory mandate.

Therefore, I urge that this legislation be enacted now.

Mr. HOLLINGS. Mr. President, I also ask unanimous consent that an exchange between the distinguished Senator from Indiana (Mr. Bayh) and myself relative to his position and support of this particular bill be printed in the Record.

There being no objection, the exchange was ordered to be printed in the Record, as follows:

> Mr. Bayh. Mr. President, I would like to address a question to the distinguished author and floor manager of this legislation. Among the energy problems that concern me, and a point which I think this bill addresses implicitly, is the nature and thoroughness of research and development of new energy sources. Is it fair to assume that a logical follow-up to this legislation will be a sharper focus, and increased funding, for energy R&D?
>
> Mr. Hollings. The Senator from Indiana is quite correct. There is a clear need, to which we have already begun addressing ourselves, to place a greater emphasis on energy research and development.
>
> Mr. Bayh. The responsiveness of the Senator from South Carolina to this problem is indeed refreshing. I must observe that the Administration has, with a single exception of dubious merit—the fast breeder reactor, been extremely tight-fisted with funds for energy R&D. While spending in this area will not solve the energy shortage this year or next, it is imperative we move now to meet the demand that we know will be there in the future.
>
> I am particularly anxious to see effective, environmentally sound use of the substantial coal reserves which we have in Indiana and in many other states. I have heard a number of good things about the feasibility of developing commercial applications of coal gasification and magneto hydro dynamics (MHD), which is itself a form of gasification. Does the Senator from South Carolina have any sense of whether we will be able to increase funding in fiscal 1974 for research and development of these two energy modes?
>
> Mr. Hollings. There are pending a number of specific proposals for increased Federal spending for energy research and development, including proposals directed to the two areas you mention. I know the Senator from Indiana is himself a sponsor of such legislation. I think it fair to say that both gasification and MHD are quite worthy of our attention and that there is growing

sentiment for additional spending in these areas.

Mr. BAYH. Permit me one final comment. I want to assure my friend and colleague that I am ready and anxious to work with him in the Appropriations Committee, where we both sit, to increase funding for energy R&D, if we have the authorizations to do so. This can be done without violating our spending ceiling by diverting funds from other less important, and some downright wasteful, programs.

I am convinced that the clean burning of coal—not the relaxation of air pollution standards—can be a truly positive response to the growing gap between energy demand and supply. The Council on Energy Policy, which this bill would create, can be a valuable and important mechanism in permitting us to use our coal responsibly and effectively.

The PRESIDING OFFICER. The question is on agreeing to the amendment in the nature of a substitute as amended.

The amendment was agreed to.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

Mr. PERCY. Mr. President, I am opposed to the passage of S. 70 for three reasons, though I realize it will pass overwhelmingly: First, it is a piecemeal approach to the energy policy problem, which we should consider in the much more comprehensive context of a new Department of Energy and Natural Resources. Second, S. 70 seems almost completely resource and producer oriented. I have not been able to find a single use of the word "consumer," and no mention is made of the need to shape national energy policy with consumers in mind. Third, the bill creates another office in the Executive Office of the President, adding still another formal layer of bureaucracy between the President and the Departments, in spite of the fact that the President much earlier this year assigned an informal three-man energy policy group to implement his energy policy goals.

As the President made clear in his recent energy policy message, he intends to submit legislation soon to create a Department of Energy and Natural Resources. Senator JACKSON and I have had discussions with the administration about the submission of this bill. We expect to have it in draft form very shortly. If the bill were passed, and I believe there would be substantial support for it, it could provide the same technical support for decisionmaking that this Council proposes, and it could perform the same policy functions as well.

The administration is well aware of the critical need to coordinate national energy policy and the President has established a coordinating group in the White House to do so. I believe it is premature to force on him a Council on Energy Policy before his energy organization plans are even submitted for hearings and discussion.

The Commerce Committee report contends that an energy council is needed to facilitate the creation of a Department of Natural Resources. It contends that even if a Department of Energy and Natural Resources existed today, the creation *of a Council on* Energy Policy would still be necessary. I disagree, first because I believe it is more appropriate to include a strong policy function in the context of an Energy and Resource Department with the actual power to affect policy, and second, because such White House coordinating councils have a mixed record of sucess. The different degrees of influence of the Council on Environmental Quality and the Council of Economic Advisers demonstrates the mixed success with which such groups have been met. The President, in my view appropriately, has by his Reorganization Plan No. 1 of this year eliminated the Office of Science and Technology, the Office of Emergency Preparedness, and the National Aeronautics and Space Council, citing the difficulty of maintaining personal contact with a proliferation of formalized White House policy groups. We could not force him to utilize and make effective a formal White House office that he does not want.

I find a major flaw in the bill in its lack of concern for the energy consumer.

I grant that a major effort of national energy policy should be to maximize resources and supplies, and great emphasis should also be given to research and development and to practical application of research and technological findings.

But the consumer is the one who pays. I believe consumers do not now have the information necessary in order for them to make intelligent decisions about the amounts of energy in all forms that they are using in their homes and offices. How many consumers have any idea at all of the relative energy drains of one brand of refrigerator as against another? What is the actual monthly energy cost of a new, more powerful, air conditioner? We have for so long been an energy-rich nation that we have developed very bad energy habits. But I believe that consumers are now beginning to want to know much more about the energy uses reflected in their monthly electric, gas, fuel oil, and gasoline bills. The Office of Emergency Preparedness, in an October 1972 staff study entitled, "The Potential for Energy Conservation," made an excellent start in identifying some of the areas for major potential savings. A concerted energy conservation effort based on consumer information and participation could do a great deal to ease the extreme shortages of fuels we are facing. S. 70 does not reflect any of these kinds of concerns.

Mr. BAYH. Mr. President, there is no doubting that one of the main reasons we are facing our current energy shortages, and can foresee shortages in the next 5 years, is the absence of effective Federal planning during the past 5 years. Having left energy regulation, planning, and the allocation of fuel resources to a myriad of Federal departments and agencies, the administration failed to do the kind of solid projections which might have prevented the current situation.

The legislation under consideration, the Energy Policy Act of 1973, offers a means for preventing a recurrence of past errors, and I am pleased to rise in support of this bill. The Senator from South Carolina (Mr. HOLLINGS) has effectively taken the lead in this measure and he deserves our thanks for his forward-looking approach.

By establishing a White House level Council on Energy Policy this measure should provide the mechanism for effective coordination of all Federal actions in this area. Moreover, in addition to serving as a central point for information, the Council can provide planning which takes into account the many factors, including environmental criteria, consumer requirement, that together make a comprehensive energy policy.

The need for such a council is perhaps best shown in the total inadequacy of the President's energy message delivered to the Congress last month. The high point of that message was the termination of the out-dated oil import quota policy, something a number of us have been advocating for many months.

The rest of the message, however, was sorely lacking in substance. Where we needed concrete suggestions to meet energy demand on both short term and long term bases, we found only lipservice.

Too little concern about research and development of new energy sources.

Too great a reliance, and too much gambled, on the fast breeder reactor.

Too quick a readiness to relax air pollution standards, instead of the necessary mandate to develop clean methods for burning coal.

These were the essence of the energy message; an essence unsatisfactory to meeting the reasonable desire of the American people to have clean, affordable energy.

I am supporting this measure because I regard it as a positive step forward in giving us the ability to cope with long-range energy questions.

Previously I have authored, with the Senator from Minnesota (Mr. MONDALE) the North Slope Energy Resources Act to permit expeditious use of Alaska's oil and gas reserves in the Midwest, where the gap between energy supply and demand is greatest.

Also, I was pleased to join with the chairman of the Interior Committee (Mr. JACKSON) in his strong, greatly needed approach to energy research and development. This bill, the National Energy Research and Development Act, has the specific goal of making this Nation once again energy self-sufficient within a decade. That measure goes hand in hand with the bill now before us.

Moreover, working on my own, and with several of my colleagues, I have been directing attention to meeting short-term energy needs in Indiana and other Midwest States by assuring us of our fair share of available energy resources.

Mr. President, I hope this measure is enacted speedily and that it is the first of several bills we can pass this year to deal with the energy shortage in a balanced, responsible manner.

This is the beginning of the response to the hope I expressed on the floor 2 months ago when I said:

> I hope, Mr. President, that we will seek to meet energy needs in a manner that encourages public understanding of the need to make efficient use of our energy sources, to protect the environment, and to balance our energy sources, to protect the environment, and to balance our priorities in a thought-

ful, responsible fashion. We must move beyond easy words to hard decisions, and we must do that with an eye not only to providing the energy we need, but with an eye to making certain our planet is habitable for our children and our children's children.

SENATOR RANDOLPH SUPPORTS S. 70, TO ESTABLISH A COUNCIL ON ENERGY POLICY

Mr. RANDOLPH. Mr. President, for several years there has been a generally recognized need to reorganize the Federal energy programs and restructure their administration. In recent months, proposals have centered around establishment of a Department of Energy and Natural Resources.

As recently as April 18, 1973, in President Nixon's message concerning energy, the administration indicated its intent to propose legislation creating such a department.

At the same time, the Chief Executive announced creation of a Special Presidential Committee on Energy to coordinate Federal energy policies. This Committee, created by Executive order, was to be composed of John D. Ehrlichman, Henry A. Kissinger, and George P. Schultz. In the interim, one member of this vital Committee already has moved out of the Government. A National Energy Office in the Executive Offices of the President, also was established to back up the Energy Committee, which still must be staffed.

The difficulty with this whole approach is the lack of its accountability to the Congress. I continue to believe that the Congress is the appropriate body to formulate national energy policies. It would be a mistake to in any way delegate this responsibility to the Executive without retaining some degree of accountability for the coordination or formulation of Federal energy and fuels policies. Therefore, I support the Council on Energy Policy created by Senator Hollings' bill, S. 70, as amended.

I take this opportunity to commend the leadership and the cooperation of our distinguished colleague from South Carolina. He has been both patient and persevering in the process of bringing this measure to the Senate for action by this body. Last year, he accepted advice offered by some of us that he delay action on his measure in the Commerce Committee so that the Senate's Fuels and Energy Policy Study Group in the Interior Committee could have time to review various proposals for Federal organizations to handle energy problems and programs. The wisdom of his decision and the evidence of his cooperation are reflected in the amendments to his bill offered in the nature of a committee substitute and accepted in Senate action. I commend the foresight and the interest and concern manifested by Senator Hollings in the development of this significant legislation dealing with the vital subject of energy policy and administration.

Consistently, over the last 2½ years, since I proposed and the administration opposed a National Commission on Fuels and Energy, the executive branch has attempted to provide a focus for the coordination of Federal energy policies. However, the Executive maneuvering has changed pattern so often that I doubt whether anyone can recite the full history of events. As recent as January 1973, the Department of the Interior set up an Energy Board the function of which eventually was to coordinate energy policies in all branches of the Federal Government. The Board was to be chaired by Interior Secretary Morton and consist of four or five assistant secretaries. Ultimately, the Board was to reside in the then proposed Department of Natural Resources. However, after several revisions, there came into being the Special Presidential Committee on Energy.

Now, the Congress, in S. 70, is undertaking to provide a statutory basis, and public accountability, for energy activities of the Federal Government. However, as the President's Advisory Council on Executive Reorganization pointed out, Federal energy organization should reflect a comprehensive and coherent approach, not only to the formation of energy policy, but also to the promotion and regulation of energy resource development activities, including deep water ports, refineries, and powerplants, to name a few activities.

Considering the critical nature of such a reorganization for national economic, environmental, and societal well-being, I believe such an undertaking must be the joint responsibility of the Congress and the executive branch. In providing a mechanism for Federal energy policy coordination in S. 70, the Congress also must undertake careful consideration of the benefits and disadvantages of the various other proposals for reorganization and restructuring Federal activities and programs in the field of energy.

These eventual decisions are but a part of the broader discussion of the ramifications of national energy policy as relate to the consumer, environmental quality, national security, and the national economy.

NEEDED: EFFECTIVE SOLUTIONS TO THE FUEL CRISIS

Mr. RIBICOFF. Mr. President, the Energy Policy Act of 1973, which is being voted on today is of crucial importance to our Nation's future well-being. I am pleased to be a cosponsor of this needed first step to establish a comprehensive national energy policy, and I am confident that the proposed Council on Energy Policy can be the basis for a systematic nationwide effort to tackle the energy crisis.

The energy crisis is no longer a prediction, As anybody who has paid a fuel bill recently or has pulled away from a gas pump knows, it is already here. Americans are facing shortages of fuel oil, gasoline and other petroleum products right now. While these shortages have not yet meant unheated homes or empty gas tanks, they already mean higher prices.

I am particularly concerned about what this means for Connecticut. In the past, Connecticut and the rest of New England have been shortchanged repeatedly by national energy policies that have kept our prices artificially high.

Homeowners, schools, hospitals and other public institutions have been hurt as their fuel costs have steadily gone up. Small businessmen who run gas stations or fuel oil dealerships have been hurt as their supplies have become erratic or nonexistent.

Independent gasoline dealers provide 22 percent of all consumer needs in this country. But today they are being driven out of business because the major oil companies will not sell gasoline to them. Independent gasoline refineries are refining way below their capacity because these same majors won't provide them with the crude oil. It has been asked whether the oil companies are not helping create an artificial fuel shortage in order to squeeze out the independents. For it is these independent dealers who have been putting a brake on higher prices, and have been a competitive force in the marketplace. With the independents gone, what is to prevent the major oil companies from exercising monopolistic control over all petroleum products?

It is time for the coordination of Federal energy activities and the formulation of plans and programs for better energy production, utilization and conservation. In any new energy programs, Connecticut and New England must get a fair shake.

There are certain basic requirements which must be met if Connecticut and New England are to be protected:

First, all import quotas and tariffs on foreign oil should be dropped. While the administration has said it will drop the quota system, it has substituted tariffs instead. All this can do is drive up prices in every nonproducer State in the country.

Second, we must protect the independent fuel dealer who is the best guarantee of a freer market and lower prices for consumers. We have to assure that the oil supplies of this Nation are not tightly controlled by the giants. It is these so-called "majors" who control the price from the wellhead to the refinery and then to the gas station pump through their own production and distribution systems. We must prevent the small independent distributor from being squeezed out during a time of shortage by insuring that any shortage is shared. Fuel must be allocated fairly to all regions and all suppliers.

Third, we must have adequate storage of petroleum products. It is shocking to realize that today there is only a 5-day supply of oil on hand. And this is made up of oil in the pipelines and in transit. The United States is the only industrial Nation in the world without any substantial storage facilities. We must store at least a 30-day supply of petroleum products to insure against sudden disruptions in foreign supplies and to guard against other emergencies.

Fourth, we must develop a better system of mass transit. The use of a single bus takes 36 private cars off the road. For years I have sought in the Senate to free money in the multibillion dollar highway trust fund for funding mass transit. The savings in energy consumption, not to mention the easing of road congestion and pollution, would be enormous.

Fifth, our Government must take the initiative in consulting with other oil importing States to form a unified bloc to deal with the oil producing cartel of nations. I recently spoke on the need for the President to begin negotiations immediately with our Western European allies and Japan to counter the bargaining power of the oil-rich nations. I can only hope that newspaper reports that Japan will not cooperate in such an approach were in error. It would be tragic if the consuming countries were to start an energy race, bidding against each other for petroleum as prices spiral. The stakes are too high to permit the setting of prices and the availability of supplies in the United States to be decided by a handful of Arab sheiks and oil magnates.

Besides my cosponsorship and support of S. 70, the legislation before us today, I have already taken a number of specific steps to find solutions to this increasingly serious situation.

On January 11 of this year, I cosponsored the New England States Fuel Oil Act to permit unlimited imports of No. 2 home heating oil.

Last February I sought and received assurance from the administration that its new Oil Policy Committee would establish a special subcommittee to deal with Connecticut and New England's particular problems. This has been done, and this subcommittee has already met.

On March 5, I joined the distinguished senior Senator from Alaska (Mr. Stevens) in introducing Senate Resolution 74, in calling on President Nixon to begin negotiations with major oil consuming nations to organize together to bargain on a government-to-government basis with oil-producing States.

On April 26, I cosponsored S. 1599, introduced by the distinguished senior Senator from Ohio (Mr. Saxbe). This bill would provide for continued sales by major oil companies of gasoline to independent gasoline retailers at the same percentage levels as in the period from July 1, 1971, to June 30, 1972.

On May 2 I joined Senator Humphrey in his Senate Joint Resolution 98 to assure fair petroleum products allocation to the entire country.

On May 7 along with a number of my colleagues, I signed a letter to President Nixon urging him to use the authority granted him by the Congress in the Economic Stabilization Act to allocate crude and petroleum products, so that healthy competition of the small independent refiners and gasoline marketers will not be eliminated by the major oil companies.

But before these measures can be enacted and carried out, serious problems facing Connecticut oil dealers and communities today must be solved. Two specific situations recently came to my attention in which I was able to be of prompt help. On May 2 I asked William E. Simon, Deputy Secretary of the Treasury and chairman of the Oil Policy Committee, to take immediate action to avert a potential serious fuel crisis in Norwich, Conn., and to help a Kensington, Conn., independent gasoline dealer threatened with a cut off of gasoline supplies. The very same day Mr. Simon personally spoke to the heads of Texaco, Exxon and an independent terminal operator to ensure heating oil supplies for Norwich this winter.

I realize, however, that many other small businessmen and communities also face disastrous fuel shortages. In order to build on the success of Mr. Simon's cooperation and effectiveness in these matters, I wrote him yesterday requesting the creation of a new Office of Emergency Fuel Allocation under his jurisdiction. The procedures I outlined in my letter will provide a simple effective avenue of relief for independent marketers and communities faced with fuel crises.

I hope that my suggestions will be incorporated into the fuel allocation program that the administration will soon announce. This office would be authorized to act in emergency situations where independent refiners and marketers are unable to obtain sufficient supplies to remain in business. Also, prompt relief should be afforded by the Office to communities threatened with the disruption of essential public services. The Office would be empowered to order that adequate supplies be sold at reasonable prices to these persons and communities from any reserve supply established by the allocation program.

It is by steps such as these that any fuel shortages will be shared equitably and the interests of the consuming public will be protected.

I ask unanimous consent that a copy of my letter to Mr. Simon, along with S. 70, Senate Joint Resolution 98, S. 1599, and Senate Resolution 94 be printed in the Record at this point.

There being no objection, the material was ordered to be printed in the Record, as follows:

U.S. Senate,
Committee on Government
Operations,
Washington, D.C., May 7, 1973.

Hon. William E. Simon,
The Deputy Secretary of the Treasury, Department of the Treasury, Washington, D.C.

Dear Bill: As you know, I deeply appreciate your prompt and effective action on behalf of a number of Connecticut firms and communities faced with serious fuel shortages.

But we both realize that these situations are not isolated instances and should not be handled on an ad hoc basis. Shortages and price increases affecting small businessmen, consumers and communities are recurring daily throughout the country. Accordingly, I believe new procedures should be established to provide for speedy remedies to these growing problems. Certainly, such a mechanism will be necessary to resolve disputes under the allocation formula which I understand the President will shortly announce.

Building upon your effective actions in the Connecticut cases, I propose that you establish a new Office of Emergency Fuel Allocation under the Oil Policy Committee within the Office of the Deputy Secretary of the Treasury. This office would be headed by a director with an adequate staff and authority to mediate and adjust disputes over supply cutbacks and price increases. The mission of the office would be to encourage prompt, voluntary compliance with allocation formulas through informal consultation.

The Office would be authorized to receive complaints from independent refiners and marketers, and state and local governmental units whose supplies of gasoline or fuel oil have ben reduced, or prices increased in violation of the allocation formulas and standards.

The Office should also be authorized to act in emergency situations where independent refiners and marketers are unable to obtain sufficient supplies to remain in business. Also, prompt relief should be afforded by the Office to communities threatened with the disruption of essential public services. The Office would be empowered to order that adequate supplies be sold at reasonable prices to these persons and communities from any reserve supply established by the allocation program.

The procedures should emphasize speed and simplicity. Long complex forms and lengthy legal proceedings should be avoided. This will promote compliance with the formulas and assure efficient distribution of petroleum products.

If a dispute cannot be satisfactorily resolved through these informal procedures, then the Director of the Office should be authorized to send a public letter to the person or company refusing to comply with the formula, describing the violation, and urging prompt corrective action.

My proposal has several advantages. First, it provides a simple effective avenue of relief for independent marketers and communities faced with a fuel shortage. Second, the informal procedures outlined have already proven successful in several cases in my home state. I believe it can work in other communities and states. Finally, it is consistent with the voluntary, market-oriented allocation program you are establishing.

As in the past, I will be pleased to work closely with you in the implementation of this proposal.

With best wishes,
Sincerely,

Abe Ribicoff.

S. 70

Be it enacted of the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Energy Policy Act of 1973".

FINDINGS

Sec. 2. The Congress hereby finds and declares that—

(a) there are many Federal agencies, created at different times and for different purposes to handle specialized problems, all directly or indirectly involved in the establishment of energy policy;

(b) there is no comprehensive national energy policy but instead Federal energy activities consist of a myriad of laws, regulations, and inactions resulting in narrow, short range, and often conflicting decision-making by individual agencies without adequate consideration of the impact on the overall energy policy, nor future national energy needs; and

(c) as a consequence of not having a comprehensive national energy policy, the Nation faces mismanagement of energy resources, unacceptably high adverse environmental impacts, inadequate incentives for efficient utilization and conservation of energy resources, shortages of supply, and soaring energy prices.

DECLARATION OF PURPOSES

Sec. 3. Congress declares that—

(a) It is the purpose of this Act to protect and promote the interest of the people of the United States as energy users by establishing a Council on Energy Policy.

(b) A Council on Energy Policy is needed to serve as a focal point for—

(1) the collection, analysis, and interpretation of energy statistics and data necessary to formulate policies for wise energy management and conservation and to anticipate social, environmental, and economic problems associated with existing and emergency energy technologies;

(2) the coordination of all energy activities of the Federal Government, and provide leadership to State and local governments and other persons involved in energy activities; and

(3) the preparation of, after consultation with other interested organizations and agencies, a long-range comprehensive plan (hereinafter referred to as the "Energy Plan") for energy development, utilization and conservation to foster improvement in the efficiency of energy production and utilization, reduction of the adverse environ-

mental impacts of energy production and utilization, conservation of energy resources for the use of future generations, reduction of excessive energy demands, and development of new technologies to produce clean energy.

DUTIES OF FEDERAL AGENCIES

SEC. 4. (a) The policies, regulations, and public laws of the United States shall be interpreted and administered to the fullest extent possible in accordance with the policies set forth in this Act; and

(b) All agencies of the Federal Government shall to the fullest extent possible—

(1) utilize a systematic, interdisciplinary approach which will insure the integrated use of both physical and social sciences in producing, conserving, and utilizing the Nation's energy resources;

(2) submit prior to the review process established pursuant to the Budget and Accounting Act of 1921, as amended, to the Council on Energy Policy established by this Act for comment all legislative recommendations and reports, to the extent that such recommendations and reports deal with or have a bearing on energy matters;

(3) gather data and information pursuant to guidelines promulgated by the Council on Energy Policy; develop analytical techniques for use in the management, conservation, use, and development of energy resources, and make such data available to the Council on Energy Policy;

(4) recognize the worldwide and long-range character of energy concerns and, where consistent with the foreign policy of the United States, lend appropriate support to initiatives, resolutions, and programs designed to foster international cooperation in anticipating and resolving energy-related problems;

(5) include in every recommendation or report to Congress on proposals for legislation and other major Federal actions having a significant effect on energy availability or use a detailed statement by the responsible official on whether such a proposal or action is consistent with the Energy Plan formulated by the Council on Energy Policy pursuant to this Act. If such proposal or action is not consistent with such plan, the statement shall also contain a detailed justification for the proposal or action;

(6) prepare, if required by guidelines promulgated by the Council on Energy Policy, an energy resource statement by the responsible official on the effect of the proposed activity on the Nation's overall energy posture.

ESTABLISHMENT OF A COUNCIL

SEC. 5. (a) There shall be created in the Executive Office of the President a Council on Energy Policy (hereinafter referred to as the "Council"). The Council shall be composed of three members who shall be appointed by the President to serve at his pleasure by and with the advice and consent of the Senate. The President shall at the time of nomination designate one of the members of the Council to serve as Chairman. Each member shall be a person, who as a result of his training, experience, and attainment, is well qualified to analyze and interpret energy trends and information of all kinds; to appraise programs and activities of the Federal Government in light of the energy needs of the Nation; to be conscious of and responsive to the environmental, social, cultural, economic, scientific, and esthetic needs and interests of the Nation; and to formulate a national energy plan and recommend national policies with respect to wise energy management.

DUTIES OF COUNCIL

SEC. 6. (a) The Council shall serve as the principal adviser to the President on energy policy and shall exercise leadership in the formulation of Government policy concerning domestic and international issues relating to energy.

(b) The Council shall make recommendations to the President and the Congress for resolving conflicts between the policies relating to energy of different Federal agencies.

(c) The Council shall develop within eighteen months after the date of enactment of this Act and thereafter shall annually update an Energy Plan for energy development, utilization, and conservation in the United States to carry out the purposes as stated in section 3 of this Act. Copies of such plans shall be distributed on January 1 of each year to the President, to the Congress, and to all Federal and State agencies concerned with energy, and upon request to local agencies and nongovernmental entities.

(d) The Council shall promptly review all legislative recommendations and reports sent to Congress and the accompanying energy resource statements of Federal agencies, to the extent that such recommendations and reports have a bearing on energy matters, and it shall send to the President and the involved Federal agency a statement in writing of its position and the reasons therefor.

(e) The Council shall keep Congress fully and currently informed of all of its activities. Neither the Council nor its employees may refuse to testify before or submit information to Congress or any duly authorized committee thereof.

(f) The Council shall conduct annual public hearings on the Energy Plan and may hold public hearings when there is substantial public interest in other pending matters.

(g) Within six months after the enactment date of this Act and after published notice in the Federal Register and opportunity for comment, the Council shall promulgate guidelines for the preparation of energy resource statements by other Federal agencies. Such guidelines shall be implemented by all Federal agencies within six months after promulgation by the Council. Such guidelines are to be designed to avoid duplication of effort, distinguish between regulatory and nonregulatory activities, contain criteria for determining when an activity is a major Federal activity that affects energy availability and specify the content and nature of the analysis to be required in the energy resource statements. The provisions of this subsection and paragraph (6) of subsection 4(b) shall be enforceable by the Council only. Nothing contained herein shall be construed as authorizing any court to grant injunctive or other relief to any person for failure to comply with its provisions.

(h) In carrying out its collection, analysis, and interpretation of energy statistics function, the Council shall, as quickly as possible and after appropriate study, promulgate guidelines for the collection and initial analysis of energy data by other Federal agencies, after published notice in the Federal Register and opportunity for comment. Such guidelines shall be designed to make such data compatible, useful, and comprehensive. Where relevant data is not now available or reliable and is beyond the authority of other agencies to collect, then the Council shall recommend to the Congress the enactment of appropriate legislation. Pending congressional consideration, the Council may gather such data directly. The Council shall have the power to require by special or general orders any person to submit in writing such energy data as the Council may prescribe. Such submission shall be made within such reasonable period and under oath or otherwise as the Council may direct.

ADMINISTRATIVE PROVISIONS

SEC. 7. (a) In exercising its powers, functions, and duties under this Act the Council shall—

(1) consult with representatives of science, industry, agriculture, labor, conservation organizations, State, and local governments, and other groups, as it deems advisable; and

(2) employ a competent, independent staff which shall utilize, to the fullest extent possible, the services, facilities, and information (including statistical information) of public and private agencies and organizations, and individuals, to avoid duplication of effort and expense, thus assuring that the Council's activities will not unnecessarily overlap or conflict with similar activities authorized by law and performed by other agencies.

(b) Members of the Council shall serve full time and the Chairman of the Council shall be compensated at the rate provided for level II of the Executive Schedule Pay Rates (5 U.S.C. 5313). The other members of the Council shall be compensated at the rate provided for level IV of the Executive Schedule Pay Rates (5 U.S.C. 5315).

(c) The Council may enploy such officers and employees as may be necessary to carry out its functions under this Act. In addition, the Council may employ and fix the compensation of such experts, consultants, or contractors to conduct detailed studies as may be necessary for the carrying out of its functions under this Act in accordance with section 3109 of title 5, United States Code (but without regard to the last sentence thereof).

ENERGY REPORT

SEC. 8. The Council shall prepare and submit to the President and the Congress on or before January 1, 1974, and annually thereafter, an energy report to accompany the Energy Plan. This report shall include—

(a) an estimate of energy needs of the United States for the ensuing ten-year period to meet the requirements of the general welfare of the people of the United States and the commercial and industrial life of the Nation;

(b) an estimate of the domestic and foreign energy supply on which the United States will be expected to rely to meet such needs in an economic manner with due regard for the protection of the environment, the conservation of natural resources, and the implementation of foreign policy objectives;

(c) current and foreseeable trends in the price, quality, management, and utilization of energy resources and the effects of those trends on the social, environmental, economic, and other requirements of the Nation;

(d) a catalog of research and development efforts funded by the Federal Government to develop new technologies, to forestall energy shortages, to reduce waste, to foster recycling, and to encourage conservation practices; and recommendations for developing technology capable of improving the quality of the environment, increasing efficiency, and protecting employee health and safety in energy industries;

(e) recommendations for improving the energy data and information available to the Federal agencies by improving monitoring systems, standardizing data, and securing additional needed information;

(f) a review and appraisal of the adequacy and appropriateness of technologies, procedures, and practices (including competitive and regulatory practices), employed by Federal, State, and local governments and nongovernmental entities to achieve the purposes of this Act; and

(g) recommendations for the level of funding for the development and application of new technologies, as well as new procedures and practices which the Council may determine to be required to achieve the purposes of this Act and improve energy management and conservation together with recommendations for additional legislation.

PUBLIC ACCESS TO INFORMATION

SEC. 9. (a) Copies of any communications, documents, reports, or information received or sent by any member of the Council shall be made available to the public upon identifiable request, and at reasonable cost, unless such information may not be publicity released under the terms of subsection (b) of this section.

(b) The Council or any officer or employee of the Council shall not disclose information obtained under this Act which concerns or relates to a trade secret referred to in section 1905 of title 18, United States Code, except that such information may be disclosed in a manner designed to preserve its confidentiality—

(1) to other Federal Government departments, agencies and officials for official use upon request;

(2) to committees of Congress having jurisdiction over the subject matter to which the information relates;

(3) to a court in any judicial proceeding under court order formulated to preserve the confidentiality of such information without impairing the proceedings; and

(4) to the public in order to protect their health and safety after notice and opportunity for comment in writing or for discussion in closed session within fifteen days by the party to whom the information pertains (if the delay resulting from such notice and opportunity for comment would not be detrimental to the public health and safety). In no event shall the names or other means of identification of injured persons be made public without their express written consent. Nothing contained in this section shall be deemed to require the release of any information described by subsection (b) of section 552, title 5, United States Code, or which is otherwise protected by law from disclosure to the public.

AUTHORIZATION

SEC. 10. (a) There are authorized to be appropriated to carry out the provisions of this Act not to exceed $1,000,000 for fiscal year ending June 30, 1974, $2,000,000 for fiscal year ending June 30, 1975, and $4,000,000 for each fiscal year thereafter.

(b) All sums appropriated under this Act shall remain available for obligation or expenditure in the fiscal year for which appropriated and in the fiscal year next following.

SENATE JOINT RESOLUTION 98

Joint resolution relating to nationwide gasoline and oil shortages

Whereas the Nation is threatened by an immediate crisis in fuel supplies; and

Whereas there are serious shortages of gasoline, heating oil, and diesel fuel in parts of the Midwest and Northeast which have resulted in the closing of schools, the suspension or limitation of industrial operations, and thousands of homes without heat, serious cutbacks in railroad and motor transportation, the closing of independent gas service stations, and electric power shortages during peak use periods; and

Whereas thousands of oil dealers and suppliers are threatened with bankruptcy because their supply of fuel has been terminated; and

Whereas the combination of petroleum product shortages and relaxation of price controls has already raised prices substantially; and

Whereas major oil companies have instituted systems of gasoline rationing in the marketing of thier products; and

Whereas the President's recent action to remove the limit on the power of the Oil Import Appeals Board to issue hardship allocations, while commendable, will not bring relief to the Midwest and other inland areas due to limited supplies of domestic crude oil and to the prohibitive cost of foreign finished products as well as increasing prices of foreign crude oil; and

Whereas there is at present no comprehensive national energy policy; and

Whereas the lack of such policy has resulted in the mismanagement of energy resources, unacceptably high adverse environmetal impacts, inadequate incentives for efficient utilization and conservation of energy resources, shortages of supply, and soaring energy prices; and

Whereas notwithstanding such national policies respecting the protection, development, and allocation of energy resources as may be recommended in a message to the Congress from the President or provided for in legislation enacted by the Congress, there exists an emergency fuel shortage requiring that certain extraordinary measures be taken by the Government of the United States to address transportation, heating, and power requirements in the Nation; and

Whereas it is contended that no Federal agency has authority to allocate fuel except with a declaration of a national emergency; and

Whereas immediate action should be taken by the Government of the United States to establish a system on an emergency basis for the equitable allocation of scarce petroleum products to assure that all areas of the Nation obtain a fair share of available petroleum supplies and to prevent anti-competitive practices in the petroleum industry: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the President shall, after public hearing, conducted with such notice, under such regulations, and subject to such review as the exigencies of the case may, in his judgment, make appropriate, provide for the establishment of priorities of use and for systematic allocation of supplies of petroleum products including crude oil in order to meet the essential needs of various sections of the Nation and to prevent anti-competitive effects resulting from shortages of such products.

(b) To expedite the implementation of directives by the President, as authorized by this resolution, there shall be created in the Executive Office of the President an Emergency Fuels Allocation Board (hereinafter referred to as the "Board"). The Board shall be composed of five members who shall be appointed by the President by and with the advice and consent of the Senate. The members of the Board shall serve through the duration of authorities provided for under this resolution. The President shall designate one of the members of the Board to serve as Chairman. The members shall be representative of the production, transportation, protection, and use and consumption of all fuel resources, and of executive departments and agencies having a significant responsibility in these respective areas.

(1) Regular meetings of the Board shall be held at least twice each month, with emergency meetings scheduled on the call of the Chairman.

(2) Three members shall constitute a quorum, and decisions of the Board shall be made by majority vote.

SEC. 2. (a) In order to carry out the provisions of this resolution, the Board is authorized to—

(1) appoint and fix the compensation of personnel of the Board in accordance with the provisions of title 5, United States Code;

(2) make, promulgate, issue, rescind, and amend rules and regulations as may be necessary to carry out the functions vested in the Board and delegate authority to any officer or employee;

(3) employ experts and consultants in accordance with section 3109 of title 5, United States Code;

(4) appoint one or more advisory committees composed of such private citizens and officials and officials of Federal, State, and local governments as it deems desirable, to advise it with respect to its functions under this resolution;

(5) utilize, with their consent, the services, equipment, personnel, information, and facilities of other Federal, State, and local public agencies with or without reimbursement therefor;

(6) accept voluntary and uncompensated services, notwithstanding the provisions of section 3676 of the Revised Statutes;

(7) accept unconditional gifts or donations of services, money, or property, real, personal, or mixed, tangible or intangible;

(8) take such actions as may be required for the accomplishment of the objectives of the Board; and

(9) make contracts with public or private nonprofit entities to conduct studies related to the purposes of this resolution.

(b) Upon request made by the Board, each Federal agency is authorized and directed to make its services, equipment, personnel, facilities, and information (including suggestions, estimates, and statistics) available to the greatest practicable extent consistent with other laws to the Board in the performance of its functions with or without reimbursement.

(c) Each member of a committee appointed pursuant to clause (4) of subsection (a) of this section who is not an officer or employee of the Federal Government shall be compensated at the rate prescribed for GS–18 under section 5332 of title 5, United States Code, for each day he is engaged in the actual performance of his duties (including traveltime) as a member of a committee. All members shall be reimbursed for travel, subsistence, and necessary expenses incurred in the performance of their duties.

(d) (1) The Board or any duly authorized subcommittee or member thereof may, for the purposes of carrying out the provisions of this resolution, hold such hearings, sit and act at such times and places, administer such oaths, and require by subpena or otherwise the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents as the Board or such subcommittee or member may deem advisable. Any member of the Board may administer oaths or affirmations to witnesses appearing before the Board or before such subcommittee or member. Subpenas may be issued under the signature of the Chairman or any duly designated member of the Board, and may be served by any person designated by the Chairman or such member.

(2) In the case of contumacy or refusal to obey a subpena issued under paragraph (1) by any person who resides, is found, or transacts business within the jurisdiction of any district court of the United States, such court, upon application made by the Attorney General of the United States at the request of the Chairman of the Board, shall have jurisdiction to issue to such person an order requiring such person to appear before the Board or a subcommittee or member thereof, there to produce evidence as so ordered, or there to give testimony touching the matter under inquiry. Any failure of such person to obey any such order of the court may be punished by the court as a contempt thereof.

SEC. 3. (a) Section 5314 of title 5, United States Code, is amended by adding at the end thereof the following new paragraph:

"(59) Chairman, Emergency Fuels Allocation Board."

(b) Section 5315 of title 5, United States Code, is amended by adding at the end thereof the following new paragraph:

"(96) Members, Emergency Fuels Allocation Board (4)."

SEC. 4. Specific policy objectives to be carried out by Presidential directive and Board actions shall include, but not be limited to, the following:

(a) The importation of crude oil in sufficient amounts to meet the input requirements of coastal refineries, simultaneous with the allocation of adequate domestic crude supplies to inland refineries and guaranteed on a long-term basis in order to encourage the expansion of refining capacity;

(b) The importation of number 2 fuel oil in amounts sufficient to build up stocks for the next heating season;

(c) The importation of finished gasoline to east and gulf coasts under conditions that insure that domestic product which would otherwise be distributed in those markets is channeled for delivery to inland shortage areas;

(d) The allocation of sufficient supplies of diesel and other fuels to railroads, electric utilities, and motor transport to provide essential services;

(e) Under any policy or practice of allocations by refiners to marketers, any reduction of supplies by a refiner to any customer whom he has supplied regularly over a reasonable past period shall be in line with quotas established by the Board utilizing this base period in which regional supplies and demands were in approximate balance, and the same percentage reduction shall be applied to all customers of such refiner, regardless of whether such customers market under the refiner's brand name or their private brand names;

(f) As an alternative to price controls on fuels and to meet emergency fuel shortages in the absence of refinery expansion, it shall be a general policy to permit expanded importation of crude oil and gas and to encourage maximum gasoline yields by domestic refiners.

SEC. 5. The Board shall implement specific programs to promote—

(a) the expansion of domestic refinery capacity consistent with reasonable requirements of environmental protection; and

(b) public awareness of the dimensions of the fuel shortage crisis in the United States, and voluntary action to curtail nonessential use of private transportation and of living conveniences requiring electric power.

SEC. 6. The Attorney General is directed to take such steps as may be necessary to assure that during the existing fuel shortage emergency, marketing practices by major refiners and fuel allocation policies by the Government of the United States are not detrimental to the maintenance of a viable competitive domestic petroleum industry and do not result in a foreclosure to independent marketers of supplies from major oil companies.

SEC. 7. The authorities provided for in this resolution shall be effective through the fiscal year ending June 30, 1975.

SEC. 8. There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this resolution.

S. 1599

A bill to provide for the continued sale of gasoline to independent gasoline retailers.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) no person engaged in commerce in the business of refining petroleum into gasoline and furnishing gasoline to retail distributors of gasoline for sale to the public shall fail to furnish gasoline to independent retail distributors of gasoline, whether or not franchised by such person, at wholesale prices in reasonable quantities as long as he continues to furnish gasoline to retail distributors of gasoline which are wholly owned by him or operated under a franchise granted by him.

(b) It shall constitute, prima facie, a violation of the provisions of subsection (a) for any such person—

(1) to fail, during any calendar month beginning after the date of enactment of this Act, to deliver to independent retail distributors of gasoline a percentage of the total gallons of gasoline delivered by him to all retail distributors of gasoline during that month which is lower than the percentage of the total gallons of gasoline delivered by him to all retail distributors of gasoline during the period of July 1, 1971, to June 30, 1972, which was delivered by him to independent retail distributors of gasoline during that period, or

(2) to sell gasoline to independent retail distributors of gasoline at a price during any such month which is greater than—

(A) the average price at which he sold gasoline to such distributors during the period of July 1, 1971, to June 30, 1972, increased by

(B) a percentage equal to the percentage by which the average price for gasoline sold during that month to retail distributors of gasoline which are wholly owned by, or operated under a franchise granted by, that person exceeds the average price for gasoline sold to such distributors during the period of July 1, 1971, to June 30, 1972.

SEC. 2. Violation of the provisions of subsection (a) of the first section of this Act constitutes an unfair practice in commerce in violation of the provisions of section 5(a)(1) of the Federal Trade Commission Act.

S. RES. 94

Resolution requesting the President to enter into negotiations with major oil importing countries to establish an international organization of oil importing countries and to establish common practices and policies affecting oil pricing, importation, and consumption.

Whereas the world presently faces a serious energy crisis;

Whereas the major oil producing countries in certain parts of the world have combined to utilize their resources for their own economic and political advantage;

Whereas these countries have utilized this advantage to control world oil prices and to force their national policies on the rest of the world;

Whereas the major oil consuming and importing countries have not combined in a similar manner to prevent an energy crisis and to insure the free flow of oil;

Whereas the United States is currently experiencing a major energy crisis; and

Whereas the United States has felt strong political and economic pressures brought by these oil producing countries: Now, therefore, be it

Resolved, That the President is requested to enter into negotiations with the major oil importing countries for the purposes of establishing an international organization of oil importing countries and establishing common practices and policies affecting oil pricing, importation, and consumption.

Mr. HART. Mr. President, just as there are a number of different congressional committees with responsibility for supervising the development of our Nation's energy needs, the executive branch has a multitude of agencies concerned with energy development.

Studies by the Commerce Committee of the Senate indicate that more than 60 different Federal agencies are involved in making energy policy decisions. Each of these agencies was established at a different time and for different purposes. And each has a narrow focus. The lack of cordination among them often results in conflicting Federal policies.

This diffusion of responsibility developed during a time when the Nation's energy supplies were ample and when there was little concern with the protection of the environment. In the last few years all that has changed.

Energy shortages have become common. Electric power brownouts and blackouts occur with unnerving frequency during peak demand periods. Natural gas, the cleanest of the fossil fuels, has been so aggressively marketed by pipeline companies in the last two decades that the available supply cannot meet the needs in many regions of the country. Coal and oil prices have soared and sufficient quantities of low-sulfur fuels, so necessary to protect the environment, are often not available. Independent oil and gasoline dealers are facing extinction because major petroleum companies, citing limited supply, refuse to sell them the supplies necessary to meet the demands of their customers.

Despite the Nation's vast technological and planning capabilities, and despite the potential abundance of natural resources, the United States still faces an energy shortage.

We have potentially recoverable oil reserves sufficient to meet the demands for 65 years. There are potentially recoverable natural gas reserves sufficient to meet demands for 50 years. Coal reserves commercially accessible with current mining methods could meet the needs of the next 300 years. Available uranium reserves would meet our total electric power needs for 25 years. Recoverable oil shale reserves would meet our oil needs at present levels for 35 years after natural oil reserves are exhausted. Thus, at present rates of consumption our potential energy reserves are sufficient to meet the demands for at least 200 years; and we have not yet thoroughly explored such technologies as solar fusion and geothermal sources. The materials are available and the scientific capability can be developed to meet our long-term energy goals. The problem is to produce that energy at environmentally and economically viable costs.

The immediate problems which confront the Nation—short-term capacity difficulties, meeting energy requirements while complying with environmental standards, and the structural bias which encourages wasteful consumption of energy—demand the development of a sound policy coordinated at the highest levels of Government.

We have no coherent national energy policy nor a mechanism for formulating one. The continuation of ad hoc decisions by individual agencies in response to specific problems without consideration of the overall picture is no longer tolerable.

These are the needs to which S. 70 would address itself. This legislation of which I am a cosponsor would establish a Council on Energy Policy similar to the Council of Economic Advisers or the Council on Environmental Quality. The Council on Energy Policy would be responsive to both the executive and legislative branches in that it would formulate an energy plan coordinating all energy activities of the Federal Government. This element of responsiveness to both the executive and legislative branches is critical to the formulation of sound energy legislation.

Particularly important is the Council's role in making recommendations to the President and to the Congress for resolving conflicting statutory energy policies of Federal agencies.

Mr. President, I join with my colleagues in urging passage of this important legislation.

Mr. JAVITS. Mr. President, while I am generally sympathetic to the thrust of the President's recent energy message, I had hoped that more emphasis would be given to the need to conserve energy. There is little in the President's message which addresses the demand side of the energy equation, rather the message is weighed with proposals designed to increasing supply.

I do note that since the release of the President's energy message Deputy Secretary of the Treasury William Simon and the Secretary of the Interior Rogers Morton have been addressing themselves forcefully to the need to conserve energy with particular reference to gasoline.

I have had an exchange of correspondence with the Secretary of the Treasury George Shultz on the need to take measures to conserve our consumption of petroleum products. Since this exchange of letters is germane to issues now before the Congress, I ask unanimous consent that this exchange in correspondence be printed at this point in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follow:

THE SECRETARY OF THE TREASURY,
Washington, D.C., May 1, 1973.

Hon. JACOB K. JAVITS,
U.S. Senate,
Washington, D.C.

DEAR JACK: Thank you for your letter of April 12, expressing your concern about public and industry awareness of the implications of the energy crisis.

You are right. The energy crisis has come upon the public unawares although warnings had been coming from industry people for some time. In recent months, the problem has been given a great deal of attention in the media. The recent series of articles in the *New York Times* is but one example of many I have seen. But I agree with you that the subject deserves and must get even more public discussion.

We want the President's Energy Message to get as wide a distribution as possible since it clearly sets forth the problem and our approach to a solution. In addition to the positive measures designed to increase our energy supply, public and industry cooperation in energy conservation will be very important, as the Message emphasizes.

The Office of Energy Conservation, which will be established in the Department of the Interior, will conduct research and work with consumer and environmental groups in their efforts to educate consumers. Also the Department of Commerce, the Council on Environmental Quality and the Environmental Protection Agency will be working to develop a voluntary system of energy efficiency labels for major home appliances. EPA will soon release the results of its tests of fuel efficiency in automobiles, and the President, in the Energy Message, has again supported the use of Highway Trust Funds for mass transit.

I trust we will have your help in spreading the word.

With best regards,
Sincerely,

GEORGE P. SHULTZ.

U.S. SENATE,
Washington, D.C., April 12, 1973.

Hon. GEORGE P. SHULTZ,
Secretary, Department of the Treasury,
Washington, D.C.

DEAR GEORGE: I had a very good chat with Bill Simon on a letter I wrote him concerning the energy crisis.

I would like to raise one matter on energy with you personally. I think that the American public must begin to be made aware of how the energy crisis is going to impact on their lives; and especially the wheels they ride on.

I find it highly paradoxical that this year when a record number of automobiles will be built—automobiles which will have very low mileage per gallon of gasoline—is also a year when a gasoline shortage is beginning to re-appear.

In the case of automobiles our production patterns and pollution standards are contributing directly to the energy shortage we are facing, to our deteriorating balance of payments position as regards imports of petroleum products and in turn adversely affecting our national security by increasing our dependence on Middle Eastern oil.

Something clearly has to give, and the American public and American industry should be made aware of the consequences. It is my feeling that by 1976 a major storm among the people might be brewing, caused by shortfalls in domestic refinery capacity in the United States which in turn could lead to increasingly severe home heating oil and gasoline shortages. Yet at the same time our automobile production patterns threatens to make worse these very dangers.

It would be my hope that the President, in his upcoming energy message would begin to educate the American people and American industry of these new realities. It is my feeling that such an education campaign is not only economically sound but socially essential.

With warm regards,
Sincerely,

JACK.

QUORUM CALL

Mr. HOLLINGS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. On whose time?

Mr. HOLLINGS. On our time.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the name of the Senator from New Mexico (Mr. DOMENICI) be added as a cosponsor of the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HOLLINGS. Mr. President, I ask for the yeas and nays on passage.

The yeas and nays were ordered.

The PRESIDING OFFICER. Do Senators yield back their time?

Mr. HOLLINGS. I yield back the remainder of my time.

Mr. PEARSON. I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. BIDEN). All remaining time having been yielded back, the question is, Shall the bill pass? On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Nevada (Mr. CANNON), the Senator from Alaska (Mr. GRAVEL), the Senator from Iowa (Mr. HUGHES), the Senator from Kentucky (Mr. HUDDLESTON), and the Senator from New Jersey (Mr. WILLIAMS) are necessarily absent.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

I further anounce that, if present and and voting, the Senator from Iowa (Mr. HUGHES), the Senator from Alaska (Mr. GRAVEL), and the Senator from New Jersey (Mr. WILLIAMS) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Florida (Mr. GURNEY) and the Senator from Alaska (Mr. STEVENS) are necessarily absent.

The Senator from Nebraska (Mr. CURTIS) is absent on official business. If present and voting, the Senator from Nebraska (Mr. CURTIS) would vote "nay."

The result was announced—yeas 79, nays 12, as follows:

[No. 130 Leg.]

YEAS—79

Abourezk
Aiken
Allen
Baker
Bayh
Beall
Bentsen
Bible
Biden
Brock
Brooke
Burdick
Byrd,
Harry F., Jr.
Byrd, Robert C.
Case
Chiles
Church
Clark
Cook
Cranston
Dole
Domenici
Dominick
Eagleton
Eastland
Ervin
Fong
Fulbright
Goldwater
Griffin
Hart
Hartke
Haskell
Hatfield
Hathaway
Hollings
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Long
Magnuson
Mansfield
Mathias
McClellan
McClure
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pearson
Pell
Proxmire
Randolph
Ribicoff
Roth
Saxbe
Schweiker
Scott, Pa.
Sparkman
Stafford
Stevenson
Symington
Taft
Talmadge
Thurmond
Tunney
Weicker
Young

NAYS—12

Bartlett
Bellmon
Bennett
Buckley
Cotton
Fannin
Hansen
Helms
Hruska
Percy
Scott, Va.
Tower

NOT VOTING—9

Cannon
Curtis
Gravel
Gurney
Huddleston
Hughes
Stennis
Stevens
Williams

So the bill (S. 70) was passed, as follows:

S. 70

An act to promote commerce and establish a Council on Energy Policy, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act maybe cited as the "Energy Policy Act of 1973".

FINDINGS

SEC. 2. The Congress hereby finds and declares that—

(a) there are many Federal agencies, created at different times and for different purposes to handle specialized problems, all directly or indirectly involved in the establishment of energy policy;

(b) there is no comprehensive national energy policy but instead Federal energy activities consist of a myriad of laws, regulations, and inactions resulting in narrow, short range, and often conflicting decisionmaking by individual agencies without adequate consideration of the impact on the overall energy policy, nor future national energy needs; and

(c) as a consequence of not having a comprehensive national energy policy, the Nation faces mismanagement of energy resources, unacceptably high adverse environmental impacts, inadequate incentives for efficient utilization and conservation of energy resources, shortages of supply, and soaring energy prices.

DECLARATION OF PURPOSES

SEC. 3. Congress declares that—

(a) It is the purpose of this Act to protect and promote the interest of the people of the

United States as energy users by establishing a Council on Energy Policy.

(b) A Council on Energy Policy is needed to serve as a focal point for—

(1) the collection, analysis, and interpretation of energy statistics and data necessary to formulate policies for wise energy management and conservation and to anticipate social, environmental, and economic problems associated with existing and emergency energy technologies;

(2) the coordination of all energy activities of the Federal Government, and provide leadership to State and local governments and other persons involved in energy activities; and

(3) the preparation of, after consultation with other interested organizations and agencies, a long-range comprehensive plan (hereinafter referred to as the "Energy Plan") for energy development, utilization and conservation to foster improvement in the efficiency of energy production and utilization, reduction of the adverse environmental impacts of energy production and utilization, conservation of energy resources for the use of future generations, reduction of excessive energy demands, and development of new technologies to produce clean energy.

DUTIES OF FEDERAL AGENCIES

SEC. 4. (a) The policies regulations, and public laws of the United States shall be interpreted and administered to the fullest extent possible in accordance with the policies set forth in this Act; and

(b) All agencies of the Federal Government shall to the fullest extent possible—

(1) utilize a systematic interdisciplinary approach which will insure the integrated use of both physical and social sciences in producing, conserving, and utilizing the Nation's energy resources;

(2) submit prior to the review process established pursuant to the Budget and Accounting Act of 1921, as amended, to the Council on Energy Policy established by this Act for comment all legislative recommendations and reports, to the extent that such recommendations and reports deal with or have a bearing on energy matters;

(3) gather data and information pursuant to guidelines promulgated by the Council on Energy Policy; develop analytical techniques for use in the management, conservation, use, and development of energy resources, and make such data available to the Council on Energy Policy;

(4) recognize the worldwide and long-range character of energy concerns and, where consistent with the foreign policy of the United States, lend appropriate support to initiatives, resolutions, and programs designed to foster international cooperation in anticipating and resolving energy-related problems;

(5) include in every recommendation or report to Congress on proposals for legislation and other major Federal actions having a significant effect on energy availability or use a detailed statement by the responsible official on whether such a proposal or action is consistent with the Energy Plan formulated by the Council on Energy Policy pursuant to this Act. If such proposal or action is not consistent with such plan, the statement shall also contain a detailed justification for the proposal or action.

(6) prepare, if required by guidelines promulgated by the Council on Energy Policy, an energy resource statement by the responsible official on the effect of the proposed activity on the Nation's overall energy posture.

ESTABLISHMENT OF A COUNCIL

SEC. 5. (a) There shall be created in the Executive Office of the President a Council on Energy Policy (hereinafter referred to as the "Council"). The Council shall be composed of three members who shall be appointed by the President to serve at his pleasure by and with the advice and consent of the Senate. The President shall at the time of nomination designate one of the members of the Council to serve as Chairman. Each member shall be a person, who as a result of his training, experience, and attainment, is well qualified to analyze and interpret energy trends and information of all kinds; to appraise programs and activities of the Federal Government in light of the energy needs of the Nation; to be conscious of and responsive to the environmental, social, cultural, economic, scientific, and esthetic needs and interests of the Nation; and to formulate a national energy plan and recommend national policies with respect to wise energy management.

DUTIES OF COUNCIL

SEC. 6. (a) The Council shall serve as the principal adviser to the President on energy policy and shall exercise leadership in the formulation of Government policy concerning domestic and international issues relating to energy.

(b) The Council shall make recommendations to the President and the Congress for resolving conflicts between the policies relating to energy of different Federal agencies.

(c) The Council shall develop within eighteen months after the date of enactment of this Act and thereafter shall annually update an Energy Plan for energy development, utilization, and conservation in the United States to carry out the purposes as stated in section 3 of this Act. Copies of such plans shall be distributed on January 1 of each year to the President, to the Congress, and to all Federal and State agencies concerned with energy, and upon request to local agencies and nongovernmental entities.

(d) The Council shall promptly review all legislative recommendations and reports sent to Congress and the accompanying energy resource statements of Federal agencies, to the extent that such recommendations and reports have a bearing on energy matters, and it shall send to the President and the involved Federal agency a statement in writing of its position and the reasons therefor.

(e) The Council stall keep Congress fully and currently informed of all of its activities. Neither the Council nor its employees may refuse to testify before or submit information to Congress or any duly authorized committee thereof.

(f) The Council shall conduct annual public hearings on the Energy Plan and may hold public hearings when there is substantial public interest in other pending matters.

(g) Within six months after the enactment date of this Act and after published notice in the Federal Register and opportunity for comment, the Council shall promulgate guidelines for the preparation of energy resource statements by other Federal agencies. Such guidelines shall be implemented by all Federal agencies within six months after promulgation by the Council. Such guidelines shall be implemented by all Federal agencies within six months after promulgation by the Council. Such guidelines are to be designed to avoid duplication of effort, distinguish between regulatory and nonregulatory activities, contain criteria for determining when an activity is a major Federal activity that affects energy availability and specify the content and nature of the analysis to be required in the energy resource statements. The provisions of this subsection and paragraph (6) of subsection 4(b) shall be enforceable by the Council only. Nothing contained herein shall be construed as authorizing any court to grant injunctive or other relief to any person for failure to comply with its provisions.

(h) In carrying out its collection, analysis, and interpretation of energy statistics function, the Council shall, as quickly as possible and after appropriate study, promulgate guidelines for the collection and initial analysis of energy data by other Federal agencies, after published notice in the Federal Register and opportunity for comment. Such guidelines shall be designed to make such data compatible, useful, and comprehensive. Where relevant data is not now available or reliable and is beyond the authority of other agencies to collect, then the Council shall recommend to the Congress the enactment of appropriate legislation. Pending congressional consideration, the Council may gather such data directly. The Council shall have the power to require by special or general orders any person to submit in writing such energy data as the Council may prescribe. Such submission shall be made within such reasonable period and under oath or otherwise as the Council may direct.

ADMINISTRATIVE PROVISIONS

SEC. 7. (a) In exercising its powers, functions, and duties under this Act the Council shall—

(1) consult with representatives of science, industry, agriculture, labor, conservation organizations. State, and local governments, and other groups, as it deems advisable; and

(2) employ a competent, independent staff which shall utilize, to the fullest extent possible, the services, facilities, and information (including statistical information) of public and private agencies and organizations, and individuals, to avoid duplication of effort and expense, thus assuring that the Council's activities will not unnecessarily overlap or conflict with similar activities authorized by law and performed by other agencies.

(b) Members of the Council shall serve full time and the Chairman of the Council shall be compensated at the rate provided for level II of the Executive Schedule Pay Rates (5 U.S.C. 5313). The other members of the Council shall be compensated at the rate provided for level IV of the Executive Schedule Pay Rate (5 U.S.C. 5315).

(c) The Council may employ such officers and employees as may be necessary to carry out its functions under this Act. In addition, the Council may employ and fix the compensation of such experts, consultants, or contractors to conduct detailed studies as may be necessary for the carrying out of its functions under this Act in accordance with section 3109 of title 5, United States Code (but without regard to the last sentence thereof).

ENERGY REPORT

SEC. 8. The Council shall prepare and submit to the President and the Congress on or before January 1, 1974, and annually thereafter, an energy report to accompany the Energy Plan. This report shall include—

(a) an estimate of energy needs of the United States for the ensuing ten-year period to meet the requirements of the general welfare of the people of the United States and the commercial and industrial life of the Nation;

(b) an estimate of the domestic and foreign energy supply on which the United States will be expected to rely to meet such needs in an economic manner with due regard for the protection of the environment, the conservation of natural resources, and the implementation of foreign policy objectives;

(c) current and foreseeable trends in the price, quality, management, and utilization of energy resources and the effects of those trends on the social, environmental, economic, and other requirements of the Nation;

(d) a catalog of research and development efforts funded by the Federal Government to develop new technologies, to forestall energy shortages, to reduce waste, to foster recycling, and to encourage conservation practices; and recommendations for developing technology capable of improving the quality of the environment, increasing efficiency, and protecting employee health and safety in energy industries;

(e) recommendations for improving the energy data and information available to the Federal agencies by improving monitoring systems, standardizing data, and securing additional needed information;

(f) a review and appraisal of the adequacy and appropriateness of technologies, procedures, and practices (including competitive and regulatory practices), employed by Federal, State, and local governments and nongovernmental entities to achieve the purposes of this Act; and

(g) recommendations for the level of funding for the development and application of new technologies, as well as new procedures and practices which the Council may determine to be required to achieve the purposes of this Act and improve energy management and conservation together with recommendations for additional legislation.

PUBLIC ACCESS TO INFORMATION

SEC. 9. (a) Copies of any communications, documents, reports, or information received or sent by any member of the Council shall be made available to the public upon identifiable request, and at reasonable cost, unless such information may not be publicly released under the terms of subsection (b) of this section.

(b) The Council or any officer or employee of the Council shall not disclose information obtained under this Act which concerns or relates to a trade secret referred to in section 1905 of title 18, United States Code, except that such information may be disclosed in a manner designed to preserve its confidentiality—

(1) to other Federal Government departments, agencies and officials for official use upon request;

(2) to committees of Congress having jurisdiction over the subject matter to which the information relates;

(3) to a court in any judicial proceeding under court order formulated to preserve the confidentiality of such information without impairing the proceedings; and

(4) to the public in order to protect their health and safety after notice and opportunity for comment in writing or for discussion in closed session within fifteen days by the party to whom the information pertains (if the delay resulting from such notice and opportunity for comment would not be detrimental to the public health and safety).

In no event shall the names or other means of identification of injured persons be made public without their express written consent. Nothing contained in this section shall be deemed to require the release of any information described by subsection (b) of section 552, title 5, United States Code, or which is otherwise protected by law from disclosure to the public.

MONITORING OF ENERGY STATISTICS AND ANALYSIS

SEC. 10. (a) The Comptroller General of the United States shall continuously monitor and evaluate the operations of the Council including its reporting requirements. Upon his own initiative or upon the request of a committee of the Congress or, to the extent personnel are available, upon the request of a Member of the Congress, the Comptroller General shall (1) conduct studies of existing statutes and regulations governing Federal energy programs, (2) review the policies and practices of Federal agencies administering such programs, (3) review and evaluate the procedures followed by such agencies, in gathering, analyzing, and interpreting energy statistics, data, and information related to the management and conservation of energy, including but not limited to data related to energy costs, demand, industry structure, environmental impacts and research and development, and (4) evaluate particular projects or programs. The Comptroller General shall have access to such data from any public or private source whatever, notwithstanding the provisions of any other law, as is necessary to carry out his responsibilities under this Act and shall report *to the Congress* at such times as he deems appropriate with respect to Federal energy programs, including his recommendations for such modifications in existing laws, regulations, procedures, and practices as will, in his judgment, best serve the Congress in the formulation of a national energy policy.

(b) In carrying out his responsibilities as provided in subsection (a) of this section, the Comptroller General shall give particular attention to the need for improved coordination of the work of the Federal Government related to energy policies and programs and the attendant need for a central source of energy statistics and information.

(c) The Comptroller General or any of his authorized representatives in carrying out his responsibilities under this section shall have access to any books, documents, papers, statistics, data, information, and records of any private organization relating to the management and conservation of energy, including but not limited to energy costs, demand, supply, reserves, industry structure, environmental impacts, and research and development. The Comptroller General may require any private organization to submit in writing such energy data as he may prescribe. Such submission shall be made within such reasonable period under oath or otherwise as he may direct.

(d) To assist in carrying out his responsibilities, the Comptroller General may sign and issue subpenas requiring the production of the books, documents, papers, statistics, data, information, and records referred to in subsection (c) of this section.

(e) In case of disobedience to a subpena issued under subsection (d) of this section, the Comptroller General may invoke the aid of any district court of the United States in requiring the production of the books, documents, papers, statistics, data, information, and records referred to in subsection (c) of this section. Any district court of the United States within the jurisdiction in which the private organization is found or transacts business may, in case of contumacy or refusal to obey a subpena issued by the Comptroller General, issue an order requiring the private organization to produce the statistics, data, or information; and any failure to obey such order of the court shall be punished by the court as a contempt thereof.

(f) Reports submitted by the Comptroller General to the Congress shall be available to the public at reasonable cost and upon identifiable request, except that the Comptroller General may not disclose to the public any information which could not be disclosed to the public by the Council under the provisions of section 9(b) if the information were held by the Council.

AUTHORIZATION

SEC. 11. (a) There are authorized to be appropriated to carry out the provisions of this Act not to exceed $1,000,000 for fiscal year ending June 30, 1974, $2,000,000 for fiscal year ending June 30, 1975, and $4,000,000 for each fiscal year thereafter.

(b) All sums appropriated under this Act shall remain available for obligation or expenditure in the fiscal year for which appropriated and in the fiscal year next following.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I yield briefly to the distinguished Senator from South Dakota (Mr. ABOUREZK).

AUTHORIZATION OF APPROPRIATIONS FOR INDIAN CLAIMS COMMISSION

Mr. ABOUREZK. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 721.

The PRESIDING OFFICER (Mr. HASKELL) laid before the Senate the amendment of the House of Representatives to the bill (S. 721) to authorize appropriations for the Indian Claims Commission for fiscal year 1974, and for other purposes", which was to strike out all after the enacting clause, and insert:

> That there is authorized to be appropriated to carry out the provisions of the Indian Claims Commission Act (25 U.S.C. 70), during fiscal year 1974 a sum not to exceed $1,200,000.
>
> SEC. 2. Section 1 of the Act of November 4, 1963 (77 Stat. 301), as amended (25 U.S.C. 70n–1), is further amended by striking out "$1,800,000" and by inserting "$2,700,000".

Mr. ABOUREZK. Mr. President, on March 6, 1973, the Senate passed with committee amendments, S. 721, to authorize appropriations for the Indian Claims Commission for fiscal year 1974, and for other purposes.

The purpose of S. 721 is to authorize appropriations for the expenses of the Indian Claims Commission for fiscal year 1974. This is in accordance with the provisions of Public Law 92–265 which extended the life of the Indian Claims Commission until April 10, 1977, and stated that the Commission must seek annual authorizations for appropriations.

On May 7, 1973, the House passed S. 721 with a committee amendment increasing the expert assistance revolving loan fund by $900,000. According to the accompanying House Report No. 93–112, these additional funds would be necessary to expedite the work of the Commission as the tribes would require the additional resource to retain expert assistance and witnesses to go forward with their cases. These borrowed funds will be repaid at 5-percent interest. This section amends the act of November 4, 1963, adding $900,000 to the presently authorized $1,800,000.

In considering S. 721, the House struck out all after the enacting clause and substituted in lieu thereof the provisions of H.R. 4967, as passed.

Mr. President, I have cleared this amendment with the ranking minority member, the senior Senator from Arizona, and, therefore, move that the Senate concur in the House amendments to S. 721.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from South Dakota.

The motion was agreed to.

EXECUTIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of executive business.

There being no objection, the Senate proceeded to the consideration of executive business.

U.S. DISTRICT COURT

Mr. HRUSKA. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of a nomination reported earlier today by the Committee on the Judiciary.

The PRESIDING OFFICER. Without objection, it is so ordered.

The second assistant legislative clerk read the nomination of Albert G. Schatz, of Nebraska, to be a U.S. district judge for the district of Nebraska.

The **PRESIDING OFFICER.** Without objection, the nomination is considered and confirmed.

LEGISLATIVE SESSION

Mr. **ROBERT C. BYRD.** Mr. President, I ask unanimous consent that the Senate return to the consideration of legislative business.

There being no objection, the Senate resumed the consideration of legislative business.

ORDER OF ADJOURNMENT UNTIL 10 A.M. TOMORROW

Mr. **ROBERT C. BYRD.** Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 10 o'clock a.m. tomorrow. If the Senate completes action today on S. 373, it would be the intention of the leadership to vacate this order and have the Senate go over until Monday.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

(Later in the day this order was vacated and an order was entered for the Senate to adjourn from today until 12 noon on Monday, May 14, 1973.)

IMPOUNDMENT OF FUNDS

Mr. **ROBERT C. BYRD.** Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 115, S. 373.

The **PRESIDING OFFICER.** The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 373) to insure the separation of Federal powers and to protect the legislative functioning by requiring the President to notify the Congress whenever he impounds funds, or authorizes the impounding of funds, and to provide a procedure under which the Senate and House of Representatives may approve the President's action or require the President to cease such action.

The **PRESIDING OFFICER.** Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Government Operations with amendments to strike out all after the enacting clause and insert:

TITLE I—IMPOUNDMENT CONTROL PROCEDURES

Section 1. The Congress finds that—

(1) the Congress has the sole authority to enact legislation and appropriate moneys on behalf of the United States;

(2) the Congress has the authority to make all laws necessary and proper for carrying into execution its own powers;

(3) the Executive shall take care that the laws enacted by Congress shall be faithfully executed;

(4) under the Constitution of the United States, the Congress has the authority to require that funds appropriated and obligated by law shall be spent in accordance with such law;

(5) there is no authority expressed or implied under the Constitution of the United States for the Executive to impound budget authority and the only authority for such impoundments by the executive branch is that which Congress has expressly delegated by statute;

(6) by the Antideficiency Act (Rev. Stat. sec. 3679), the Congress delegated to the President authority, in a narrowly defined area, to establish reserves for contingencies or to effect savings through changes in requirements, greater efficiency of operations, or other developments subsequent to the date on which appropriations are made available;

(7) in spite of the lack of constitutional authority for impoundment of budget authority by the executive branch and the narrow area in which reserves by the executive branch have been expressly authorized in the Antideficiency Act, the executive branch has impounded many billions of dollars of budget authority in a manner contrary to and not authorized by the Antideficiency Act or any other Act of Congress;

(8) impoundments by the executive branch have often been made without a legal basis;

(9) such impoundments have totally nullified the effect of appropriations and obligational authority enacted by the Congress and prevented the Congress from exercising its constitutional authority;

(10) the executive branch, through its presentation to the Congress of a proposed budget, the due respect of the Congress for the views of the executive branch, and the power of the veto, has ample authority to affect the appropriation and obligation process without the unilateral authority to impound budget authority; and

(11) enactment of this legislation is necessary to clarify the limits of the existing legal authority of the executive branch to impound budget authority, to reestablish a proper allocation of authority between the Congress and the executive branch, to confirm the constitutional proscription against the unilateral nullification by the executive branch of duly enacted authorization and appropriation Acts, and to establish efficient and orderly procedures for the reordering of budget authority through joint action by the Executive and the Congress, which shall apply to all impoundments of budget authority, regardless of the legal authority asserted for making such impoundments.

Sec. 2. (a) Whenever the President, the Director of the Office of Management and Budget, the head of any department or agency of the United States, or any officer or employee of the United States, impounds any budget authority made available, or orders, permits, or approves the impounding of any such budget authority by any other officer or employee of the United States, the President shall, within ten days thereafter, transmit to the Senate and the House of Representatives a special message specifying

(1) the amount of the budget authority impounded;

(2) the date on which the budget authority was ordered to be impounded;

(3) the date the budget authority was impounded;

(4) any account, department, or establishment of the Government to which such impounded budget authority would have been available for obligation except for such impoundment;

(5) the period of time during which the budget authority is to be impounded, to include not only the legal lapsing of budget authority but also administrative decisions to discontinue or curtail a program;

(6) the reasons for the impoundment, including any legal authority invoked by him to justify the impoundment and, when the justification invoked is a requirement to avoid violating any public law which establishes a debt ceiling or a pending ceiling, the amount by which the ceiling would be exceeded and the reasons for such anticipated excess; and

(7) to the maximum extent practicable, the estimated fiscal, economic, and budgetary effect of the impoundment.

(b) Each special message submitted pursuant to subsection (a) shall be transmitted to the House of Representatives and the Senate on the same day, and shall be delivered to the Clerk of the House of Representatives if the House is not in session, and to the Secretary of the Senate if the Senate is not in session. Each such message may be printed by either House as a document for both Houses as the President of the Senate, and Speaker of the House may determine.

(c) A copy of each special message submitted pursuant to subsection (a) shall be transmitted to the Comptroller General of the United States on the same day as it is transmitted to the Senate and the House of Representatives. The Comptroller General shall review each such message and determine whether, in his judgment, the impoundment was in accordance with existing statutory authority, following which he shall notify both Houses of Congress within 15 days after the receipt of the message as to his determination thereon. If the Comptroller General determines that the impoundment was in accordance with section 3679 of the Revised Statutes (31 U.S.C. 655), commonly referred to as the "Antideficiency Act", the provisions of section 3 and section 5 shall not apply. In all other cases, the Comptroller General shall advise the Congress whether the impoundment was in accordance with other existing statutory authority and sections 3 and 5 of this Act shall apply.

(d) If any information contained in a special message submitted pursuant to subsection (a) is subsequently revised, the President shall transmit within ten days to the Congress and the Comptroller General a supplementary message stating and explaining each such revision.

(e) Any special or supplementary message transmitted pursuant to this section shall be printed in the first issue of the Federal Register published after that special or supplemental message is so transmitted and may be printed by either House as a document for both Houses, as the President of the Senate and Speaker of the House may determine.

(f) The President shall publish in the Federal Register each month a list of any budget authority impounded as of the first calendar day of that month. Each list shall be published no later than the tenth calendar day of the month and shall contain the information required to be submitted by special message pursuant to subsection (a).

Sec. 3. The President, the Director of the Office of Management and Budget, the head of any department or agency of the United States, or any officer or employee of the United States shall cease the impounding of any budget authority set forth in each special message within sixty calendar days of continuous session after the message is received by the Congress unless the specific impoundment shall have been ratified by the Congress by passage of a concurrent resolution in accordance with the procedure set out in section 5 of this Act: *Provided, however*, That Congress may by concurrent resolution disapprove any impoundment in whole or in part, at any time prior to the expiration of the sixty-day period, and in the event of such disapproval, the impoundment shall cease immediately to the extent disapproved. The effect of such disapproval, whether by concurrent resolution passed prior to the expiration of the sixty-day period or by the failure to approve by concurrent resolution within the sixty-day period, shall be to make the obligation of the budget authority mandatory, and shall preclude the President or any other Federal officer or employee from reimpounding the specific budget authority set forth in the special message which the

Congress by its action or failure to act has thereby rejected.

SEC. 4. For purposes of this Act, the impounding of budget authority includes—

(1) withholding, delaying, deferring, freezing, or otherwise refusing to expend any part of budget authority made available (whether by establishing reserves or otherwise) and the termination or cancellation of authorized projects or activities to the extent that budget authority has been made available,

(2) withholding, delaying, deferring, freezing, or otherwise refusing to make any allocation of any part of budget authority (where such allocation is required in order to permit the budget authority to be expended or obligated),

(3) withholding, delaying, deferring, freezing, or otherwise refusing to permit a grantee to obligate any part of budget authority (whether by establishing contract controls, reserves, or otherwise), and

(4) any type of Executive action or inaction which effectively precludes or delays the obligation or expenditure of any part of authorized budget authority.

SEC. 5. The following subsections of this section are enacted by the Congress:

(a) (1) As an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such they shall be deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of resolutions described by this section; and they shall supersede other rules only to the extent that they are inconsistent therewith; and

(2) With full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner, and to the same extent as in the case of any other rule of that House.

(b) (1) For purposes of this section, the term "resolution" means only a concurrent resolution of the Senate or House of Representatives, as the case may be, which is introduced and acted upon by both Houses at any time before the end of the first period of sixty calendar days of continuous session of the Congress after the date on which the special message of the President is transmitted to the two Houses.

(2) The matter after the resolving clause of a resolution approving the impounding of budget authority shall be substantially as follows (the blank spaces being appropriately filled): "That the Congress approves the impounding of budget authority as set forth in the special message of the President dated , Senate (House) Document No. ———."

(3) The matter after the resolving clause of a resolution disapproving, in whole or in part, the impounding of budget authority shall be substantially as follows (the blank spaces being appropriately filled): "That the Congress disapproves the impounding of budget authority as set forth in the special message of the President dated , Senate (House) Document No. —— — (in the amount of $ ———)."

(4) For purposes of this subsection, the continuity of a session is broken only by an adjournment of the Congress sine die, and the days on which either House is not in session because of an adjournment of more than three days to a day certain shall be excluded in the computation of the sixty-day period.

(c) (1) A resolution introduced, or received from the other House, with respect to a special message shall not be referred to a committee and shall be privileged business for immediate consideration, following the receipt of the report of the Comptroller General referred to in section 2(c). It shall at any time be in order (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of the resolution. Such motion shall be highly privileged and not debatable. An amendment to the motion shall not be in order, and it shall not be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(2) If the motion to proceed to the consideration of a resolution is agreed to, debate on the resolution shall be limited to ten hours, which shall be divided equally between those favoring and those opposing the resolution. Debate on any amendment to the resolution (including an amendment substituting approval for disapproved in whole or in part or substituting disapproval in whole or in part for approval) shall be limited to two hours, which shall be divided equally between those favoring and those opposing the amendment.

(3) Motions to postpone, made with respect to the consideration of a resolution, and motions to proceed to the consideration of other business, shall be decided without debate.

(4) Appeals from the decisions of the Chair relating to the application of the rules of the Senate or the House of Representatives, as the case may be, to the procedure relating to a resolution shall be decided without debate.

(d) If, prior to the passage by one House of a resolution of that House with respect to a special message, such House receives from the other House a resolution with respect to the same message, then—

(1) If no resolution of the first House with respect to such message has been introduced, no motion to proceed to the consideration of any other resolution with respect to the same message may be made (despite the provisions of subsection (c) (1) of this section).

(2) If a resolution of the first House with respect to such message has been introduced—

(A) the procedure with respect to that or other resolutions of such House with respect to such message shall be the same as if no resolution from the other House with respect to such message had been received; but

(B) on any vote on final passage of a resolution of the first House with respect to such message the resolution from the other House with respect to such message shall be automatically substituted for the resolution of the first House.

(e) If a committee of conference is appointed on the disagreeing votes of the two Houses with respect to a resolution, the conference report submitted in each House shall be considered under the rules set forth in subsection (c) of this section for the consideration of a resolution, except that no amendment shall be in order.

(f) Notwithstanding any other provision of this section, it shall not be in order in either House to consider a resolution with respect to a special message after the two Houses have agreed to another resolution with respect to the same message.

(g) As used in this section, the term "special message" means a report of impounding action made by the President pursuant to section 2 of this Act or by the Comptroller General pursuant to section 6 of this Act.

SEC. 6. If the President, the Director of the Office of Management and Budget, the head of any department or agency of the United States, or any officer or employee of the United States takes or approves any impounding action within the purview of this Act, and the President fails to report such impounding action to the Congress as required by this Act, the Comptroller General shall report such impounding action with any available information concerning it to both Houses of Congress, and the provisions of this Act shall apply to such impounding action in like manner and with the same effect as if the report of the Comptroller General had been made by the President: *Provided, however,* That the sixty-day period provided in section 3 of this Act shall be deemed to have commenced at the time at which, in the determination of the Comptroller General, the impoundment action was taken.

SEC. 7. Nothing contained in this Act shall be interpreted by any person or court as constituting a ratification or approval of any impounding of budget authority by the President or any other Federal employee, in the past or in the future, unless done pursuant to statutory authority in effect at the time of such impoundment.

SEC. 8. The Comptroller General is hereby expressly empowered as the representative of the Congress through attorneys of his own selection to sue any department, agency, officer, or employee of the United States in a civil action in the United States District Court for the District of Columbia to enforce the provisions of this Act, and such court is hereby expressly empowered to enter in such civil action any decree, judgment, or order which may be necessary or appropriate to secure compliance with the provisions of this Act by such department, agency, officer, or employee. Within the purview of this section, the Office of Management and Budget shall be construed to be an agency of the United States, and the officers and employees of the Office of Management and Budget shall be construed to be an agency of the United States, and the officers and employees of the Office of Management and Budget shall be construed to be officers or employees of the United States.

SEC. 9. (a) Notwithstanding any other provision of law, all funds appropriated by law shall be made available and obligated by the appropriate agencies, departments, and other units of the Government except as may be provided otherwise under this Act.

(b) Should the President desire to impound any appropriation made by the Congress not authorized by this Act or by the Antideficiency Act, he shall seek legislation utilizing the supplemental appropriations process to obtain selective rescission of such appropriation by the Congress.

SEC. 10. If any provision, of this Act, or the application thereof to any person, impoundment, or circumstance, is held invalid, the validity of the remainder of the Act and the application of such provision to other persons, impoundments, or circumstances, shall not be affected thereby.

SEC. 11. The provisions of this Act shall take effect from and after the date of enactment.

TITLE II—CEILING ON FISCAL YEAR 1974 EXPENDITURES

SEC. 201. (a) Except as provided in subsection (b) of this section, expenditures and net lending during the fiscal year ending June 30, 1974, under the budget of the United States Government, shall not exceed $268,000,000,000.

(b) If the estimates of revenues which will be received in the Treasury during the fiscal year ending June 30, 1974, as made from time to time, are increased as a result of legislation enacted after the date of the enactment of this Act reforming the Federal tax laws, the limitation specified in subsection (a) of this section shall be reviewed by Congress for the purpose of determining whether the additional revenues made available should be applied to essential public services for which adequate funding would not otherwise be provided.

SEC. 202. (a) Notwithstanding the provisions of any other law, the President shall, in accordance with this section, reserve from expenditure and net lending, from appropriations, or other obligational authority otherwise made available, such amounts as may be necessary to keep expenditures and net lending during the fiscal year ending June 30, 1974, within the limitation specified in section 201.

(b) In carrying out the provisions of subsection (a) of this section, the President shall reserve amounts proportionately from new obligational authority and other obligational authority available for each functional category, and to the extent practicable, subfunctional category (as set out in table 3 of the United States Budget in Brief for fiscal year 1974), except that no reservations shall be made from amounts available for interest, veterans' benefits and services, payments from social insurance trust funds, public assistance maintenance grants under title IV of the Social Security Act, food stamps, military retirement pay, medicaid, and judicial salaries.

(c) Reservations made to carry out the provisions of subsection (a) of this section shall be subject to the provisions of title I of this Act, except that—

(1) if the Comptroller General determines under section 2(c) of title I, with respect to any such reservation, that the requirements of proportionate reservations of subsection (b) of this section have been complied with, then sections 3 and 5 of title I shall not apply to such reservation.

(d) The provisions of section 3 of title I of this Act shall not apply to any impoundments or reservations made under title II insofar as they prohibit reimpounding or reservation.

(e) In no event shall the authority conferred by this section be used to impound funds, appropriated or otherwise made available by Congress, for the purpose of eliminating a program the creation or continuation of which has been authorized by Congress.

Sec. 203. In the administration of any program as to which—

(1) the amount of expenditures is limited pursuant to this title, and

(2) the allocation, grant, apportionment, or other distribution of funds among recipients is required to be determined by application of a formula involving the amount appropriated or otherwise made available for distribution, the amount available for expenditure (after the application of this title) shall be substituted for the amount appropriated or otherwise made available in the application of the formula.

Mr. ERVIN. Mr. President, I ask unanimous consent that the following members of my staff be permitted the privilege of the floor to assist me during the consideration of this measure: Robert Smith, William Goodman, and Walter Nolan.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PERCY. Mr. President, I ask unanimous consent that Mr. Robert Vastine, counsel to the Committee on Government Operations, be granted the privilege of the floor during the deliberations on the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MUSKIE. Mr. President, I ask unanimous consent that during the consideration of the pending business, Allen Fromm and James Hall, of the committee staff, be given the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent that during the consideration of the pending business, Mr. John White, of my staff, have the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ERVIN. Mr. President, I ask unanimous consent that the committee amendment in the nature of a substitute be agreed to and that the bill as thus amended be treated as original text for the purpose of further amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Is there further amendment?

Mr. ERVIN. Mr. President, this legislation is the result of more than 2 years of intensive study and work, first by the Judiciary Subcommittee on Separation of Powers and by the Government Operations Committee, both of which I am honored to serve as chairman.

I introduced S. 373 on January 23, 1973. Fifty-three Senators joined me in sponsoring it.

The cosponors of S. 373 as originally introduced were Mr. Bayh, Mr. Bentsen, Mr. Bible, Mr. Brooke, Mr. Burdick, Mr. Clark, Mr. Cranston, Mr. Robert C. Byrd, Mr. Cannon, Mr. Case, Mr. Chiles, Mr. Church, Mr. Eagleton, Mr. Eastland, Mr. Fulbright, Mr. Gravel, Mr. Hart, Mr. Hartke, Mr. Haskell, Mr. Hatfield, Mr. Hathaway, Mr. Hollings, Mr. Huddleston, Mr. Hughes, Mr. Humphrey, Mr. Inouye, Mr. Jackson, Mr. Javits, Mr. Kennedy, Mr. McClellan, Mr. McGee, Mr. McGovern, Mr. McIntyre, Mr. Magnuson, Mr. Mansfield, Mr. Mathias, Mr. Metcalf, Mr. Mondale, Mr. Montoya, Mr. Moss, Mr. Muskie, Mr. Nelson, Mr. Nunn, Mr. Pell, Mr. Proxmire, Mr. Randolph, Mr. Ribicoff, Mr. Sparkman, Mr. Stafford, Mr. Symington, Mr. Talmadge, Mr. Tunney, Mr. Weicker, and Mr. Williams.

I would like to recognize the outstanding staff work that has been done on this bill, first by the staff and consultants of the Subcommittee on Separation of Powers: Prof. Philip B. Kurland of the University of Chicago School of Law, the chief consultant; Prof. Arthur S. Miller of the George Washington University National Law Center, consultant; Walker F. Nolan, Jr., counsel; and Rufus L. Edmisten, chief counsel and staff director.

For the Government Operations Committee, staff work was done by W. P. Goodwin, Jr., and Eli E. Nobleman, professional staff members, and Robert Bland Smith, Jr., chief counsel and staff director.

In addition, the committee is indebted to Louis Fisher of the Congressional Research Service of the Library of Congress; to Harry Littell, chief legislative counsel to the Senate; and to Thomas Foxwell, the committee's printer, for their valuable assistance in perfecting this legislation.

Also, very important contributions were made by Ralph Nader and two of his assistants, Alan Morrison and Thomas Jacks, and by former Congressman Brooks Hays. These gentlemen made suggestions that were incorporated by the committee in this bill.

Mr. President, I also would like to pay special tribute at this point to Senators Percy, Javits, Chiles, Ribicoff, Metcalf, and other members of the Committee on Government Operations, for the excellent contributions they have made to this legislation.

Mr. President, this legislation is very much improved over the original version of the impoundment bill, which I first introduced in 1971 and which was reintroduced as S. 373 this year. It is an outstanding example of the legislative process at work, for the committee has devised through its deliberations and hearings what I believe to be the best approach to controlling impoundments and Federal expenditures.

This impoundment legislation is the outgrowth of hearings conducted in March of 1971 by the Subcommittee on Separation of Powers, and many of the improvements are the result of extensive joint hearings conducted this year by the Subcommittee on Separation of Powers and the Ad Hoc Subcommittee on Impoundment of Funds of the Government Operations Committee, which was very ably chaired by Senator Chiles.

It reflects the growing concern in Congress about the use of impoundments by the Executive to nullify or seriously curtail programs that have been enacted into law by the Congress. Impoundment goes to the very heart of the doctrine of separation of powers, for the Constitution very clearly gives to the Congress the power of the purse, which it exercises through appropriation legislation, and to the President the duty to faithfully execute those laws. This is an issue which goes far beyond partisan politics or the merits or demerits of programs enacted by Congress, for it involves the balance of powers established by the Founding Fathers as a check against unbridled power in any branch of the Federal Government.

It recognizes that the only way under the Constitution that a President can disapprove an act of Congress is by a veto. It recognizes the somewhat cumbersome requirement of a veto of a bill with some 50 programs in it because the President disapproves of only one or two of those programs. And it recognizes that throughout the history of the Nation impoundments have been made by Presidents under varying circumstances.

So it provides, in effect, that whenever the President or any head of a department or agency of the United States or any officer or employee of the Federal Government impounds any obligational authority, the President shall report that action to both Houses of Congress within 10 days after it occurs.

To take care of the contingency that the President may fail to make such a report, it provides that the Comptroller General can make such report to the Congress in the event the President fails to make it.

It provides that in either of these events, the Comptroller General, who is an arm of Congress, shall advise both Houses of Congress as to whether or not, in his judgment, the impoundment is authorized by any statutory authority conferred by Congress upon the executive branch of the Government.

It provides that if the Comptroller General rules that the impoundment is pursuant to the Antideficiency Act, that will end the matter. If he rules it is sustained by any other statutory authority, the matter can still be subject to congressional action under the provisions of the bill. And of course it covers impounding action which the Comptroller General or the Congress finds to be without statutory authority.

The bill provides that at any time within 60 days the Congress may pass a resolution ratifying the impoundment in a particular case; that in that event, the impoundment becomes binding on the Congress.

It provides that in the event Congress fails to take affirmative action ratifying the impoundment within the 60-day period, it becomes the duty of the President to expend the funds which have been appropriated.

It provides an expedited procedure for voting on the impoundment of budget obligatory authority, whether made by the President or by the Comptroller General, so as to expedite the consideration and determination of the matter within the 60-day period.

It also provides that in the event Congress is unwilling to wait for 60 days, Congress may, by affirmative vote, adopt a concurrent resolution disapproving of the impoundment.

The distinguished Senator from New York (Mr. JAVITS) proposed several very fine amendments to this bill. One of them provides that if the President wants to make an impoundment, he does not have to go to the extent of actually making the impoundment; that if he thinks an appropriation is too large or the purpose of an appropriations unwise, he can come to Congress and ask for the rescinding of the appropriation or the reduction of the appropriation or the elimination of the program by the supplemental appropriation process.

This bill is a result of the study which the Senate Subcommittee on Separation of Powers of the Judiciary Committee and the Government Operations Committee have made, the former subcommittee having studied this problem for more than 2 years. During this time the Subcommittee on Separation of Powers has taken testimony from knowledgeable persons, and the Ad Hoc Subcommittee on Impoundment of Funds of the Government Operations Committee, sitting together with the Subcommittee on Separation of Powers, has conducted joint hearings. This bill is the result of the combined minds of the members of both committees.

In addition to that impoundment feature, it contains a spending ceiling for the fiscal year 1974 totaling $268 billion.

It is an entirely workable bill. And I would like to take this occasion to say that this bill has received contributions from Prof. Philip H. Kurland, professor of constitutional law at the University of Chicago; Prof. Arthur S. Miller, professor of constitutional law at the George Washington University; Louis Fisher, who has made a great study in this field and is an expert in the field of Government financing. In addition, we have taken the testimony of numerous persons, too numerous to mention, who have made valuable suggestions. For example, former Representative BROOKS HAYS pointed out that in the original bill provided that Congress would have to vote each impoundment up or down in its entirety.

At the instance of former Representative Hayes, the bill has been changed to provide that Congress can approve or disapprove in whole or in part each impoundment.

Senator RIBICOFF made many fine contributions to our bill in the form of amendments and in preparing section 1 which sets forth in eloquent fashion on constitutional, legal, and factual foundations underlying the bill.

I would also like to say that the amendment has many contributions made by both the members of the subcommittee and of the Government Operations Committee. If it were in my power, I would designate the distinguished Senator from Maine (Mr. MUSKIE) and the distinguished Senator from Illinois (Mr. PERCY) as the chief cosponsors of the bill. Each of them has made invaluable contributions to it.

I would also like to say that Senators RIBICOFF, METCALF, CHILES, HUDDLESTON, NUNN, and JAVITS made other great contributions to the bill. And also, although they do not favor the bill as strongly as I do and are partly opposed to it, we are indebted to Senators GURNEY, ROTH, and BROCK for pointing out deficiencies in the original proposal which have been corrected in this bill.

This bill, I think, will signify two things. In the first place, it will establish for the first time in the history of this Nation an orderly procedure whereby the President of the United States can call to the attention of the Congress without resorting to the veto, corrections which he thinks ought to be made in appropriations and in programs. It also provides that the Congress shall retain the power of the purse. It gives an orderly procedure by which the President can apply to the Congress, as a result of the Javits amendment, for a modification of the laws to conform to the ideas of the Executive.

It establishes a spending limit which would indicate that Congress is prepared to do all it can to set the financial house of the Federal Government in order. And every one of us knows that is a consummation devoutly to be wished for.

Mr. President, I ask unanimous consent that the following items be printed at this point in the RECORD:

First. The text of S. 373, as amended;

Second. A section-by-section analysis of S. 373, as amended;

Third. A synopsis of S. 373, as amended;

Fourth. A statement I made on April 9, 1973, urging the House of Representatives to approve the amendment on impoundment which was added by the Senate to the dollar devaluation bill;

Fifth. A statement I made on April 5, 1973, before the House Committee on Rules on H.R. 5193 and S. 373; and

Sixth. A speech I made on April 24, 1973, at a meeting of the Executive Club in High Point, N.C., in which I outlined what seems to me to be the path to fiscal responsibility which should be followed by Congress.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 373

A bill to insure the separation of Federal powers and to protect the legislative function by requiring the President to notify the Congress whenever he impounds funds, or authorizes the impounding of funds, and to provide a procedure under which the Senate and House of Representatives may approve the President's action or require the President to cease such action

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—IMPOUNDMENT CONTROL PROCEDURES

SECTION 1. The Congress finds that—

(1) the Congress has the sole authority to enact legislation and appropriate moneys on behalf of the United States;

(2) the Congress has the authority to make all laws necessary and proper for carrying into execution its own powers;

(3) the Executive shall take care that the laws enacted by Congress shall be faithfully executed;

(4) under the Constitution of the United States, the Congress has the authority to require that funds appropriated and obligated by law shall be spent in accordance with such law;

(5) there is no authority expressed or implied under the Constitution of the United States for the Executive to impound budget authority and the only authority for such impoundments by the executive branch is that which Congress has expressly delegated by statue;

(6) by the Antideficiency Act (Rev. Stat. sec. 3679), the Congress delegated to the President authority, in a narrowly defined area, to establish reserves for contingencies or to effect savings through change in requirements, greater efficiency of operations, or other developments subsequent to the date on which appropriations are made available;

(7) in spite of the lack of constitutional authority for impoundment of budget authority by the executive branch and the narrow area in which reserves by the executive branch have been expressly authorized in the Antideficiency Act, the executive branch has impounded many billions of dollars of budget authority in a manner contrary to and not authorized by the Antideficiency Act or any other Act of Congress;

(8) impoundments by the executive branch have often been made without a legal basis;

(9) such impoundments have totally nullified the effect of appropriations and obligational authority enacted by the Congress and prevented the Congress from exercising its constitutional authority;

(10) the executive branch, through its presentation to the Congress of a proposed budget, the due respect of the Congress for the views of the executive branch, and the power of the veto, has ample authority to affect the appropriation and obligation proaffect the approprition and obligation process without the unilateral authority to impound budget authority; and

(11) enactment of this legislation is necessary to clarify the limits of the existing legal authority of the executive branch to impound budget authority, to reestablish a proper allocation of authority between the Congress and the executive branch, to confirm the constitutional proscription against the unilateral nullification by the executive branch of duly enacted authorization and appropriation Acts, and to establish efficient and orderly procedures for the reordering of budget authority through joint action by the Executive and the Congress, which shall apply to all impoundments of budget authority, regardless of the legal authority asserted for making such impoundments.

SEC. 2. (a) Whenever the President, the Director of the Office of Management and Budget, the head of any department or agency of the United States, or any officer or employee of the United States, impounds any budget authority made available, or orders, permits, or approves the impounding of any such budget authority by any other officer or employee of the United States, the President shall, within ten days thereafter, transmit to the Senate and the House of Representatives a special message specifying—

(1) the amount of the budget authority impounded;

(2) the date on which the budget authority was ordered to be impounded;

(3) the date the budget authority was impounded;

(4) any account, department, or establishment of the Government to which such impounded budget authority would have been available for obligation except for such impoundment;

(5) the period of time during which the budget authority is to be impounded, to include not only the legal lapsing of budget authority but also administrative decisions to discontinue or curtail a program;

(6) the reasons for the impoundment, including any legal authority invoked by him to justify the impoundment and, when the justification invoked is a requirement to avoid violating any public law which establishes a debt ceiling or a spending ceiling, the amount by which the ceiling would be exceeded and the reasons for such anticipated excess; and

(7) to the maximum extent practicable, the estimated fiscal, economic, and budgetary effect of the impoundment.

(b) Each special message submitted pursuant to subsection (a) shall be transmitted to the House of Representatives and the Senate on the same day, and shall be delivered to the Clerk of the House of Representatives if the House is not in session, and to the Secretary of the Senate if the Senate is not in session. Each such message may be printed by either House as a document for both Houses as the President of the Senate, and Speaker of the House may determine.

(c) A copy of each special message submitted pursuant to subsection (a) shall be transmitted to the Comptroller General of the United States on the same day as it is transmitted to the Senate and the House of Representatives. The Comptroller General shall review each such message and determine whether, in his judgment, the impoundment was in accordance with existing statutory authority, following which he shall notify both Houses of Congress within 15 days after the receipt of the message as to his determination thereon. If the Comptroller General determines that the impoundment was in accordance with section 3679 of the Revised Statutes (31 U.S.C. 665), commonly referred to as the "Antideficiency Act", the provisions of section 3 and section 5 shall not apply. In all other cases, the Comptroller General shall advise the Congress whether the impoundment was in accordance with other existing statutory authority and sections 3 and 5 of this Act shall apply.

(d) If any information contained in a special message submitted pursuant to subsection (a) is subsequently revised, the President shall transmit within ten days to the Congress and the Comptroller General a supplementary message stating and explaining each such revision.

(e) Any special or supplementary message transmitted pursuant to this section shall be printed in the first issue of the Federal Register published after that special or supplemental message is so transmitted and may be printed by either House as a document for both Houses, as the President of the Senate and Speaker of the House may determine.

(f) The President shall publish in the Federal Register each month a list of any budget authority impounded as of the first calendar day of that month. Each list shall be published no later than the tenth calendar day of the month and shall contain the information required to be submitted by special message pursuant to subsection (a).

SEC. 3. The President, the Director of the Office of Management and Budget, the head of any department or agency of the United States, or any officer or employee of the United States shall cease the impounding of any budget authority set forth in each special message within sixty calendar days of continuous session after the message is received by the Congress unless the specific impoundment shall have been ratified by the Congress by passage of a concurrent resolution in accordance with the procedure set out in section 5 of this Act: *Provided, however,* That Congress may by concurrent resolution disapprove any impoundment in whole or in part, at any time prior to the expiration of the sixty-day period, and in the event of such disapproval, the impoundment shall cease immediately to the extent disapproved. The effect of such disapproval, whether by concurrent resolution passed prior to the expiration of the sixty-day period or by the failure to approve by concurrent resolution within the sixty-day period, shall be to make the obligation of the budget authority mandatory, and shall preclude the President or any other Federal officer or employee from reimpounding the specific budget authority set forth in the special message which the Congress by its action or failure to act has thereby rejected.

SEC. 4. For purposes of this Act, the impounding of budget authority includes—

(1) withholding, delaying, deferring, freezing, or otherwise refusing to expend any part of budget authority made available (whether by establishing reserves or otherwise) and the termination or cancellation of authorized projects or activities to the extent that budget authority has been made available,

(2) withholding, delaying, deferring, freezing, or otherwise refusing to make any allocation of any part of budget authority (where such allocation is required in order to permit the budget authority to be expended or obligated),

(3) withholding, delaying, deferring, freezing, or otherwise refusing to permit a grantee to obligate any part of budget authority (whether by establishing contract controls, reserves, or otherwise), and

(4) any type of Executive action or inaction which effectively precludes or delays the obligation or expenditure of any part of authorized budget authority.

SEC. 5. The following subsections of this section are enacted by the Congress:

(a)(1) As an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such they shall be deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of resolutions described by this section; and they shall supersede other rules only to the extent that they are inconsistent therewith; and

(2) With full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner, and to the same extent as in the case of any other rule of that House.

(b)(1) For purposes of this section, the term "resolution" means only a concurrent resolution of the Senate or House of Representatives, as the case may be, which is introduced and acted upon by both Houses at any time before the end of the first period of sixty calendar days of continuous session of the Congress after the date on which the special message of the President is transmitted to the two Houses.

(2) The matter after the resolving clause of a resolution approving the impounding of budget authority shall be substantially as follows (the blank spaces being appropriately filled): "That the Congress approves the impounding of budget authority as set forth in the special message of the President dated ———, Senate (House) Document No. —."

(3) The matter after the resolving clause of a resolution disapproving, in whole or in part, the impounding of budget authority shall be substantially as follows (the blank spaces being appropriately filled): "That the Congress disapproves the impounding of budget authority as set forth in the special message of the President dated ———, Senate (House) Document No. ——— (in the amount of $———)."

(4) For purposes of this subsection, the continuity of a session is broken only by an adjournment of the Congress sine die, and the days on which either House is not in session because of an adjournment of more than three days to a day certain shall be excluded in the computation of the sixty-day period.

(c)(1) A resolution introduced, or received from the other House, with respect to a special message shall not be referred to a committee and shall be privileged business for immediate consideration, following the receipt of the report of the Comptroller General referred to in section 2(c). It shall at any time be in order (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of the resolution. Such motion shall be highly privileged and not debatable. An amendment to the motion shall not be in order, and it shall not be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(2) If the motion to proceed to the consideration of a resolution is agreed to, debate on the resolution shall be limited to ten hours, which shall be divided equally between those favoring and those opposing the resolution. Debate on any amendment to the resolution (including an amendment substituting approval for disapproval in whole or in part or substituting disapproval in whole or in part for approval) shall be limited to two hours, which shall be divided equally between those favoring and those opposing the amendment.

(3) Motions to postpone, made with respect to the consideration of a resolution, and motions to proceed to the consideration of other business, shall be decided without debate.

(4) Appeals from the decisions of the Chair relating to the application of the rules of the Senate or the House of Representatives, as the case may be, to the procedure relating to a resolution shall be decided without debate.

(d) If, prior to the passage by one House of a resolution of that House with respect to a special message, such House receives from the other House a resolution with respect to the same message, then—

(1) If no resolution of the first House with respect to such message has been introduced, no motion to proceed to the consideration of any other resolution with respect to the same message may be made (despite the provisions of subsection (c)(1) of this section).

(2) If a resolution of the first House with respect to such message has been introduced—

(A) the procedure with respect to that or other resolutions of such House with respect to such message shall be the same as if no resolution from the other House with respect to such message had been received; but

(B) on any vote on final passage of a resolution of the first House with respect to such message the resolution from the other House with respect to such message shall be automatically substituted for the resolution of the first House.

(e) If a committee of conference is appointed on the disagreeing votes of the two Houses with respect to a resolution the conference report submitted in each House shall be considered under the rules set forth in subsection (c) of this section for the consideration of a resolution, except that no amendment shall be in order.

(f) Notwithstanding any other provision of this section, it shall not be in order in House to consider a resolution with respect to a special message after the two Houses have agreed to another resolution with respect to the same message.

(g) As used in this section, the term "special message" means a report of impounding action made by the President pursuant to section 2 of this Act or by the Comptroller General pursuant to section 6 of this Act.

Sec. 6. If the President, the Director of the Office of Management and Budget, the head of any department or agency of the United States, or any officer or employee of the United States takes or approves any impounding action within the purview of this Act, and the President fails to report such impounding action to the Congress as required by this Act, the Comptroller General shall report such impounding action with any available information concerning it to both Houses of Congress, and the provisions of this Act shall apply to such impounding action in like manner and with the same effect as if the report of the Comptroller General had been made by the President: *Provided, however,* That the sixty-day period provided in section 3 of this Act shall be deemed to have commenced at the time at which, in the determination of the Comptroller General, the impoundment action was taken.

Sec. 7. Nothing contained in this Act shall be interpreted by any person or court as constituting a ratification or approval of any impounding of budget authority by the President or any other Federal employee, in the past or in the future, unless done pursuant to statutory authority in effect at the time of such impoundment.

Sec. 8. The Comptroller General is hereby expressly empowered as the representative of the Congress through attorneys of his own selection to sue any department, agency, officer, or employee of the United States in a civil action in the United States District Court for the District of Columbia to enforce the provisions of this Act, and such court is hereby expressly empowered to enter in such civil action any decree, judgment, or order which may be necessary or appropriate to secure compliance with the provisions of this Act by such department, agency, officer, or employee. Within the purview of this section, the Office of Management and Budget shall be construed to be an agency of the United States, and the officers and employees of the Office of Management and Budget shall be construed to be officers or employees of the United States.

Sec. 9. (a) Notwithstanding any other provision of law, all funds appropriated by law shall be made available and obligated by the appropriate agencies, departments, and other units of the Government except as may be provided otherwise under this Act.

(b) Should the President desire to impound any appropriation made by the Congress not authorized by this Act or by the Antideficiency Act, he shall seek legislation utilizing the supplemental appropriations process to obtain selective rescission of such appropriation by the Congress.

Sec. 10. If any provision of this Act, or the application thereof to any person, impoundment, or circumstance, is held invalid, the validity of the remainder of the Act and the application of such provision to other persons, impoundments, or circumstances, shall not be affected thereby.

Sec. 11. The provisions of this Act shall take effect from and after the date of enactment.

TITLE II—CEILING ON FISCAL YEAR 1974 EXPENDITURES

Sec. 201. (a) Except as provided in subsection (b) of this section, expenditures and net lending during the fiscal year ending June 30, 1974, under the budget of the United States Government, shall not exceed $268,000,000,000.

(b) If the estimates of revenues which will be received in the Treasury during the fiscal year ending June 30, 1974, as made from time to time, are increased as a result of legislation enacted after the date of the enactment of this Act reforming the Federal tax laws, the limitation specified in subsection (a) of this section shall be reveiwed by Congress for the purpose of determining whether the additional revenues made available should be applied to essential public services for which adequate funding would not otherwise be provided.

Sec. 202. (a) Notwithstanding the provisions of any other law, the President shall, in accordance with this section, reserve from expenditure and net lending, from appropriations, or other obligational authority otherwise made available, such amounts as may be necessary to keep expenditures and net lending during the fiscal year ending June 30, 1974, within the limitation specified in section 201.

(b) In carrying out the provisions of subsection (a) of this section, the President shall reserve amounts proportionately from new obligational authority and other obligational authority available for each functional category, and to the extent practicable, subfunctional category (as set out in table 3 of the United States Budget in Brief for fiscal year 1974), except that no reservations shall be made from amounts available for interest, veterans' benefits and services, payments from social insurance trust funds, public assistance maintenance grants under title IV of the Social Security Act, food stamps, military retirement pay, medicaid, and judicial salaries.

(c) Reservations made to carry out the provisions of subsection (a) of this section shall be subject to the provisions of title I of this Act, except that—

(1) if the Comptroller General determines under section 2(c) of title I, with respect to any such reservation, that the requirements of proportionate reservations of subsections (b) of this section have been complied with, then sections 3 and 5 of title I shall not apply to such reservation.

(d) The provisions of section 3 of title I of this Act shall not apply to any impoundments or reservations made under title II insofar as they prohibit reimpounding or reservation.

(e) In no event shall the authority conferred by this section be used to impound funds, appropriated or otherwise made available by Congress, for the purpose of eliminating a program the creation or continuation of which has been authorized by Congress.

Sec. 203. In the administration of any program as to which—

(1) the amount of expenditures is limited pursuant to this title, and

(2) the allocation, grant, apportionment, or other distribution of funds among recipients is required to be determined by application of a formula involving the amount appropriated or otherwise made available for distribution, the amount available for expenditure (after the application of this title) shall be substituted for the amount appropriated or otherwise made available in the application of the formula.

Amend the title so as to read: "A bill to insure the separation of Federal powers and to protect the legislative function by requiring the President to notify the Congress whenever he, the Director of the Office of Management and Budget, the head of any department or agency of the United States, or any officer or employee of the United States, impounds, orders the impounding, or permits the impounding of budget authority, and to provide a procedure under which the Senate and the House of Representatives may approve the impounding action, in whole or in part, or require the President, the Director of the Office of Management and Budget, the department or agency of the United States, or the officer or employee of the United States, to cease such action, in whole or in part, as directed by Congress, and to establish a ceiling on fiscal year 1974 expenditures".

SECTION-BY-SECTION ANALYSIS OF S. 373

SECTION 1

Section 1 states certain findings by the Congress regarding the legal authority under which the President may impound appropriated funds and obligational authority, and the extent to which the practice has been used.

It states that Congress has authority to enact legislation, to appropriate monies, to make all laws necessary and proper for carrying into execution its own powers, and to require that funds appropriated and obligated by law be spent in accordance with such law.

The section states that the only legal authority for the Executive to impound budget authority is that expressly delegated by statute, such as the Antideficiency Act in which Congress delegated to the President authority in a narrowly defined area, to establish reserves.

In spite of the lack of constitutional or broad statutory authority, the section states that the Executive has impounded many billions of dollars of budget authority in a manner contrary to and not authorized by the Antideficiency Act or any other act of Congress. These impoundments have been made without a legal basis and have totally nullified the effect of appropriations and obligation authority enacted by the Congress and have prevented the Congress from exercising its constitutional authority.

The section further states that the Executive has ample authority to affect the appropriation and obligation process without the unilateral authority to impound budget authority. Therefore, the enactment of this legislation is necessary to clarify the limits of existing legal authority to impound and to establish efficient and orderly procedures for reordering budget priorities through joint action by the Executive and the Congress.

SECTION 2

Subsection 2(a) provides that whenever the President or any other officer or employee of the United States, specifically including the Director of the Office of Management and Budget, impounds or orders, permits, or approves the impounding of budget authority, he shall transmit within 10 days a special message on the impoundment to both Houses of Congress.

The term "budget authority" is a comprehensive term applying not only to funds appropriated but also to other forms of obligation authority. The term is described in *The Budget of the United States Government, Fiscal Year 1974,* at page 315:

"*Budget authority*—Government agencies are permitted to enter into obligations, requiring either immediate or future payment of money, only when they have been granted authority to do so by law. The amounts thus authorized by Congress are called *budget authority* (BA).

"Budget authority controls the obligations to be incurred, and for most accounts the amount of the authority is related to the obligations expected to be incurred during the year. In some cases—especially construction (other than water resource projects), research, and procurement—budget authority is requested and granted to finance the full cost of each project at the time it is started, regardless of when obligations are expected to be incurred, and the expected time of completion.

"Budget authority usually takes the form of appropriations which permit obligations to be incurred and payments to be made. Some budget authority is in the form of contract authority which permits obligations, but requires an appropriation or receipts "to liquidate" (pay) these obligations. There is also authority to spend debt receipts; such budget authority permits the use of borrowed money to incur obligations and make payments. Where such authority pertains to the use of Treasury borrowing, it is authority to spend public debt receipts; authority for a Government agency to borrow directly from the public or from a Government-administered fund available for investment, is authority to spend agency debt receipts."

The special message of the President shall specify

(1) the amount of budget authority impounded;

(2) the date on which the budget authority was ordered to be impounded;

(3) the date the budget authority was impounded;

(4) any account, department, or establishment of the Government to which such impounded budget authority would have been available for obligation except for such impoundment;

(5) the period of time during which the budget authority is to be impounded, including not only the legal lapsing of budget authority but also administrative decisions to discontinue or curtail a program;

(6) the reasons for the impoundment, including any legal authority invoked by the President to justify the impoundment and, when the justification invoked is a requirement to avoid violating any public law which established a debt or spending ceiling, the amount by which the ceiling would be exceeded and the reasons for the anticipated excess; and

(7) to the maximum extent practicable, the estimated fiscal, economic, and budgetary effect of the impoundment.

Subsection (b) provides that each special message shall be transmitted to the House and Senate on the same day, and shall be delivered to the Clerk of the House or the Secretary of the Senate should the respective House not be in session. The message may be printed as a document for both Houses.

Under subsection 2(c), a copy of each special message shall be transmitted to the Comptroller General on the same day as it is sent to the Congress. The Comptroller General shall review each impoundment and report to Congress within 15 days his determination whether the impoundment was in accordance with existing statutory authority.

If the Comptroller General determines that the impoundment was made in accordance with the Antideficiency Act (31 U.S.C. 665), no further congressional action will be in order and the impoundment will stand. In all other cases, the Comptroller General shall advise the Congress whether the impoundment was in accordance with other statutory authority, and the provisions of sections 3 and 5 shall apply to the impoundment.

Subsection 2(d) provides that the President shall notify Congress and the Comptroller General within 10 days if any information contained in a special impoundment message is subsequently revised.

Subsection 2(e) provides that each special and supplementary message shall be printed in the first issue of the Federal Register published after the message is submitted.

Subsection 2(f) provides that the President shall publish in the *Federal Register* by the tenth of each month a list of any budget authority impounded as of the first of that month.

SECTION 3

Section 3 provides that the Executive shall cease the impounding of budget authority set forth in each message within 60 days of continuous session after the message is received unless Congress ratifies the impoundment by concurrent resolution. Congress may also disapprove any impoundment in whole or in part prior to the expiration of the 60 days, and the impoundment shall cease immediately to the extent disapproved. The effect of either a disapproval or a failure of Congress to act within the 60-day period will be to make the obligation of the budget authority mandatory and shall preclude the reimpounding of the budget authority set forth in the message.

SECTION 4

Section 4 defines impounding of budget authority to include four types of actions:

(1) withholding, delaying, deferring, freezing, or otherwise refusing to expend any part of budget authority made available (whether by establishing reserves or otherwise) and the termination or cancellation of authorized projects or activities to the extent that budget authority has been made available.

(2) withholding, delaying, deferring, freezing, or otherwise refusing to make any allocation of any part of budget authority (where such allocation is required in order to permit the budget authority to be expended or obligated),

(3) withholding, delaying, deferring, or otherwise refusing to permit a grantee to obligate any part of budget authority (whether by establishing contract controls, reserves, or otherwise), and

(4) any type of Executive action or inaction which effectively precludes or delays the obligation or expenditure of any part of authorized budget authority.

SECTION 5

Section 5 establishes the procedure for consideration of a concurrent resolution either approving or disapproving an impoundment. It prescribes the substantive content of the resolutions and provides that they shall not be referred to a committee and that they shall be privileged business for immediate consideration following the report of the Comptroller General pursuant to section 2 (c). Motions to proceed to the consideration of a resolution shall be highly privileged and not debatable, amendments to the motion shall not be in order, and it shall not be in order to move to reconsider the vote by which the motion is agreed to or disagreed to. Debate on a resolution shall be limited.

SECTION 6

Section 6 provides that whenever the President, the Director of OMB, agency and department heads, or any other Federal officer or employee, takes or approves any impounding action within the purview of this Act, which the President fails to report to the Congress as required by this Act, the Comptroller General shall report such action to both Houses of the Congress, and it shall have the same effect, under the provisions of the Act, as if the impounding report had been made by the President; but the 60-day period during which the Congress may act and after which impoundments must cease shall be deemed to commence at the time the Comptroller General has determined that the impoundment action was taken.

SECTION 7

Section 7 provides that nothing contained in the Act shall be interpreted by any person or court as constituting a ratification or approval of any impounding of budget authority by the President, or any other Federal employee, in the past or future, unless done pursuant to statutory authority in effect at the time of such impoundment.

SECTION 8

Section 8 expressly empowers the Comptroller General, as a representative of the Congress, through attorneys he chooses, to bring a civil action against any department, agency, officer or employee of the United States in the United States District Court for the District of Columbia to enforce the provisions of this Act, and expressly authorizes the court in such action to enter any decree, judgment or order which may be necessary or appropriate to secure compliance with the provisions of the Act. It provides further that for the purposes of this section, the Office of Management and Budget shall be considered to be an agency of the United States and its officers or employees are to be considered officers or employees of the United States.

SECTION 9

Section 9(a) provides that, notwithstanding any other provisions of law, all funds appropriated by law shall be made available and obligated by the appropriated agencies, departments and other units of the Government, except as may otherwise be prescribed under the Act.

Section 9(b) provides that if the President desires to impound any appropriation made by the Congress, which action is not authorized by the Antideficiency Act, he must seek legislation through the supplemental appropriations process to obtain selective recission of such appropriation by the Congress.

SECTION 10

Section 10 contains a separability clause which provides that if any provision of the Act, or the application thereof to any person, impoundment or circumstance, is held invalid, such holding shall not affect the remainder of the Act and the applicability of such provision to other persons, impoundments, or circumstances.

SECTION 11

Section 11 provides that the provisions of the Act shall take effect upon enactment.

Title II

Title II, entitled Ceiling on Fiscal Year 1974 Expenditures, provides a $268 billion ceiling on Federal expenditures for Fiscal Year 1974 and a mechanism by which the Executive Branch can reduce expenditures for that ceiling level if appropriations exceed it.

The purpose of this title is to make the mechanism for reducing expenditures below the spending ceiling consistent with the anti-impoundment procedures outlined in Title I of the legislation.

SECTION 201

Section 201(a) provides that during Fiscal Year 1974 expenditures and net lending under the budget shall not exceed $268 billion.

Section 201(b) provides that in the event that the estimates of revenues that the Treasury Department expects to receive during Fiscal 1974 are increased as the result of tax reform legislation enacted by the Congress after the enactment of this legislation, the spending ceiling shall be reviewed by the Congress for the purpose of determining whether the additional revenues made available shall be applied to essential public services for which adequate funding would not otherwise be provided.

SECTION 202

Section 202(a) gives the President the authority to reserve from expenditures and net lending and from appropriations or other obligational authority such funds as are necessary to keep expenditures and net lending during Fiscal Year 1974 under the spending ceiling.

Section 202(b) provides that the President in reducing expenditures and net lending under the spending ceiling shall cut amounts proportionally from new obligational authority available for each functional category and to the extent practicable for each subfunctional category (as set out in the *United States Budget in Brief for Fiscal Year 1974*) except that he shall not cut from the funds set aside for interest, veterans' benefits and services, payments from social insurance trust funds, public assistance maintenance grants under Title IV of the Social Security Act, food stamps, military retirement pay, Medicaid, and judicial salaries.

Section 202(c) provides that the President in making cuts to bring expenditures and net lending under the spending ceiling shall be subject to the impoundment provisions of Title I of this bill, except if the Comptroller General determines that the cuts proposed by the President to bring expenditures and net lending under the spending ceiling meet the proportionate requirements of Subsection 202(b), then Sections 3 and 5 of title I of this Act shall not apply.

Section 202(d) provides that the provisions of Section 3 of title I which prohibit re-impounding of funds shall not apply to the cuts made by the President in order to bring expenditures and net lending under the spending ceiling.

Section 202(e) provides that in no event shall the authority given to the President under title II be used for the purpose of eliminating a program the creation or continuation of which has been authorized by the Congress.

SECTION 203

Section 203 provides that in the case of expenditures reduced in order to meet the spending ceiling requirements, the same formula as authorized in the program shall be applied to the reduced amount.

Synopsis of S. 373, as Amended

The following is a synopsis of the provisions of the Government Operations Committee's amendment to S. 373, which is in the form of a substitute.

S. 373, as amended, recognizes that the power of the purse belongs to Congress, and that the President's only authority to impound is that delegated to him by statute, such as the Antideficiency Act (31 U.S.C. 665). It also recognizes that the only way that the President can disapprove an act of Congress is by a veto.

It provides that whenever the President or any other officer or employee of the United States, specifically including the Director of the Office of Management and Budget, impounds or approves the impounding of budget authority, the President shall report that action to both Houses of Congress within 10 days after it occurs.

To take care of the contingency that the President may fail to make such a report, the Comptroller General shall make the report to the Congress in the event that the President fails to do so.

Whenever an impoundment is reported to Congress, the Comptroller General, who is an arm of Congress, shall advise both Houses of Congress as to whether or not, in his judgment, the impoundment is authorized by any statutory authority conferred by Congress upon the executive branch.

If the Comptroller General determines that the impoundment is pursuant to the Antideficiency Act, that will end the matter and the impoundment will stand. If he rules that it is sustained by any other statutory authority, the matter will still be subject to congressional action. If he determines that the impoundment is without any statutory authority, it becomes subject to congressional action.

At any time within 60 days the Congress may pass a resolution ratifying the impoundment in a particular case. In that event, the impoundment becomes binding.

If Congress fails to take affirmative action ratifying the impoundment within 60 days, it becomes the duty of the President to expend or obligate the funds which have been appropriated.

In the event that Congress is unwilling to wait for 60 days, it may adopt a resolution disapproving the impoundment, either in whole or in part. If Congress votes to disapprove an impoundment, then it becomes the duty of the President to expend or obligate the funds to the extent that the impoundment is disapproved.

The bill provides an expedited procedure for voting on the impoundment within the 60-day period.

The President need not go to the extent of impounding funds if he disapproves all or part of an appropriation. He can ask Congress to rescind or reduce the appropriation by the supplemental appropriation process.

All appropriations made available shall be expended or obligated unless impounded in accordance with the provisions of the bill.

The Comptroller General would be authorized to sue in the United States District Court for the District of Columbia, using attorneys of his own selection, to enforce the provisions of the bill.

The bill provides a ceiling of $268 billion for Federal expenditures during the 1974 fiscal year, and it provides that the President may make proportional cuts in controllable categories of the Budget in order to keep spending within the ceiling.

Reservations made proportionately shall be reported to Congress, as must any other impoundment. However, if the Comptroller General determines that the cuts are made in accordance with the proportional provision of the bill, no further action would be made by Congress.

Statement by Senator Sam J. Ervin, Jr., Urging the House of Representatives To Approve the Amendment on Impoundment Which Was Added by the Senate to the Dollar Devaluation Bill

After more than two years of hearings, study, and revisions, the Senate Subcommittee on Separation of Powers and the Senate Committee on Government Operations fashioned a bill on executive impoundment of appropriated funds which the Senate Committee on Government Operations has reported to the Senate. This bill is well phrased to make secure the power which the Constitution gives to the Congress rather than the President—the power of the purse.

The reasons which support this statement are set forth in succinct fashion in an exhibit attached to this statement.

This bill was incorporated in the form of an amendment, and was added to the Dollar Devaluation Bill by a Senate vote of 70 to 24.

The purpose of this statement is to urge that the House approve this Senate amendment.

I wish to point out why this Senate amendment should be adopted by the House rather than H.R. 5193. H.R. 5193 takes an approach to this problem similar to that taken by a bill introduced by me before the hearings, study, and revisions mentioned above.

1. H.R. 5193 is inadequate because it applies to the President alone. The Senate amendment corrects this defect by making its provisions applicable to executive departments, agencies, officers, and employees as well as the President. It specifically provides that the Office of Management and Budget shall be construed to be an agency of the United States, and that its officers and employees shall be construed to be officers and employees of the United States within the purview of the amendment.

2. Like my original bill, H.R. 5193 has no sanction whatever, and for that reason, cannot be enforced if the President elects to disobey it. On the contrary, the Senate amendment expressly provides that the Comptroller General, acting as an arm of the Congress, may sue any department, agency, officer, or employee of the United States who impounds funds in the United States District Court for the District of Columbia to enforce the provisions of the amendment, and that such District Court is empowered to issue any decree or order necessary or appropriate to compel any department, agency, officer, or employee of the United States to comply with the provisions of the amendment. This provision is absolutely neccessary to make the power of Congres to resist illegal impoundments effective. The Supreme Court has held in many cases that the heads of departments or agencies and officers and employees of the federal government are subject to suit. There is doubt whether the President is subject to suit.

3. The Senate amendment provides for the first time in history an orderly method by which judicial interpretations of impoundment questions can be obtained. It contains an express provision that in lieu of resorting to the drastic remedy of impoundment, a President may ask the Congress to abolish or decrease an appropriation already made.

4. The Senate amendment is designed to minimize the number of impoundment issues on which the Congress will act. For example, it provides that the President will report any impoundment to both Houses of Congress within ten days after it is made, and at the same time will make a similar report to the Comptroller General, who is an arm of the Congress and an expert in the field of federal appropriations. I digress to note that H.R. 5193 may be inoperable if the President fails to report an impoundment action. The Senate amendment takes care of this situation by providing that if the President fails to report to the Congress an impoundment action, the Comptroller General shall report such impoundment action, and the machinery set up by the amendment will operate regardless of whether the impoundment action is reported by the President or the Comptroller General in case of the President's failure to make a report.

It provides that the Comptroller General will give to the Congress within 15 days after he receives such report an opinion as to whether or not the impoundment is in harmony with the Anti-Deficiency Act or any other act of Congress. It further provides that if the Comptroller General is of the opinion that the impoundment is sanctioned by the Anti-Defiicency Act, no further action will be taken by the Congress. The Anti-Deficiency Act is designed to permit prudent management of appropriated funds. It states, in substance, that any funds which are to be spent over a period of a year or more must be allocated by the Executive so as to make it as certain as possible that the funds will last for the period of contemplated expenditure, and that there should be no necessity for a deficiency appropriation. The Anti-Deficiency Act further provides that the Executve can effect savings in three instances: (a) Where a change in requirements of a project renders the expenditure of the entire appropriation unnecessary; (b) where greater efficiency in carrying out a project renders the expenditure of the entire appropriation unnecessary; and (c) where developments between the time an appropriation is made and the time for its expenditure make the expenditure unnecessary. An illustration of this last instance is found in the fact that during the Second World War, Congress, which anticipated a prolonged war, appropriated funds to expand military hospitals thinking that multitudes of other American soldiers would be wounded. The war came to an unexpected end, and President Truman refrained from spending funds appropriated to expand military hospitals. The Senate amendment provides that where the Comptroller General informs both Houses of Congress that the impoundment is supported by some statutory provision other than the Anti-Deficiency Act, or where he informs both Houses of Congress that the impoundment is without support in any act of Congress, the provisions of the amendment shall apply to such impoundment, and the impoundment shall cease unless Congress expressly ratifies the President's action within 60 days. Since Congress has such high respect for the opinion of the Comptroller General, it is likely that the ratification of the President's action will usually follow as a matter of course where the Comptroller General rules that the impoundment action of the President is supported by some act of Congress other than the Anti-Deficiency Act.

5. Unlike H.R. 5193, the Senate amendment provides that any Congressional Resolution relating to an impoundment will be a privileged matter, and will not be referred to a committee. It seems to me that this is wise because the appropriation which has been impounded, in whole or in part, has been twice considered by House and Senate Committees—once when they passed on the bill authorizing the appropriation and again when they passed on the bill making the ap-

propriation. Sending the proposition a third time to a committee not only delays action, but is totally unnecessary.

6. The most important distinction between H. R. 5193 and the Senate amendment lies in the fact that under H. R. 5193 the impoundment will be effective unless the Congress expressly vetoes it. Whereas under the Senate amendment, the impoundment will be ineffective unless the Congress expressly ratifies it. In my judgment, the Senate amendment's provision on this point is essential if the Congress is going to retain and exercise the power of the purse. Why do I say this? The answer to this question may be summarized as follows:

(a) After committee consideration in each House, Congress passes a bill authorizing an appropriation by a majority vote of both Houses. If he elects to do so, the President can veto this authorization bill, and Congress can override his veto by two-thirds vote in each House of Congress. Hence, the Congress may be compelled to vote twice on the authorization bill.

(b) After passing the authorization bill, as set forth in (a) above, and after committee consideration in each House, Congress must pass an appropriation bill. If he elects to do so, the President can veto the appropriation bill, and render it ineffective unless Congress overrides his veto by a two-thirds vote in both Houses. Hence, Congress may be compelled to vote four times, twice on the authorization bill and twice on the appropriation bill before it finally legislates a particular appropriation for a particular purpose.

(c) After Congress has voted as many as four times to have a certain expenditure made, the President impounds the funds appropriated for such expenditure. Under the Senate amendment, the votes on the authorization and appropriation bills would end the matter unless the Congress affirmatively voted within 60 days to ratify the President's impoundment action. It is not so under H.R. 5193 for the reasons set forth below.

(d) Under H.R. 5193, the President's action in impounding appropriated funds, despite as many as four Congressional votes to the contrary, would be binding on the Congress unless the Congress passed a resolution by a majority vote of both Houses informing the President, in effect, that Congress desired the appropriated funds to be expended in accordance with this four times previously expressed intention. Under H.R. 5193, Congress could not even vote on this resolution unless it was first considered by the Committees on Appropriations of the House and Senate, and approved by them. Why give these Committees—as important as they are—the power to thus nullify the will of Congress as expressed in the votes on the authorization and the appropriation bills?

(e) While H.R. 5193 calls the resolution of Congress a "Concurrent Resolution", it is obvious that the resolution is a "Joint Resolution", and would require its submission to the President for his approval. If he did not approve of it, it would be subject to his veto. Thus H.R. 5193 would enable one-third plus one of the membership of each House of Congress to nullify an appropriation previously authorized twice by the authorization bill and previously made twice by the appropriation bill, and previously approved by a majority of both Houses of Congress and previously approved by two-thirds vote of both Houses overriding vetoes. Why give one-third plus one of either House of Congress the power to thus nullify the repeatedly expressed will of the Congress.

(f) Some people contend that calling a resolution a "Concurrent Resolution" rather than a "Joint Resolution" exempts the resolution from a Presidential veto. This is not so. Congress can no more make a "Joint Resolution" a "Concurrent Resolution" by so designating it than it can convert an onion into a flower by calling it a rose.

(g) What I have just said is fully sustained by the words of Section 7 of Article I of the Constitution, which provides that "Every **** Resolution **** to which the concurrence of the Senate and House of Representatives may be necessary (except on a question of Adjournment) shall be presented to the President of the United States; and before the same shall take effect, shall be approved by him, or being disapproved by him, shall be repassed by two thirds of the Senate and House of Representatives, according to the rules and limitations prescribed in the case of a bill." Under H.R. 5193, the resolution vetoing the impoundment is a "Joint Resolution" and not a "Concurrent Resolution". This is true because the resolution, if adopted, would have legislative effect, i.e., it would nullify the Presidential impoundment. This is made plain by the following statement which appears on pages 32 and 33 of Volume II entitled "The Powers Of The President" of Bernard Schwartz' A Commentary on the Constitution of the United States:

"Under Article I, section 7, 'Every Bill' and 'Every Order, Resolution, or Vote to which the Concurrence of the Senate and House of Representatives may be necessary' must be presented to the President for his approval or veto. It would be hard to conceive of language which more clearly requires that all Congressional action be sent to the White House. Yet, despite the breadth of the organic language, it is settled that not every measure passed by the Congress must be presented. In the first place, by the very terms of the provision, the requirement does not apply to measures affecting only a single House, such as those relating to procedure or organization, as well as resoluions of such House alone which have no legislative effect. In addition, it is settled that a proposed constitutional amendment passed by the two Houses need not be presented to the President. This has been established since 1798, when Justice Chase stated that 'The negative of the President applies only to the ordinary cases of legislation. He has nothing to do with the proposition, or adoption, of amendments to the Constitution.'

"More important than these exceptions to the requirement of Presidential approval is that concerning so-called 'concurrent resolutions.' Though the organic language on the matter expressly covers 'Every Resolution' passed by both Houses, it has long been settled that only so-called 'joint resolutions' need be sent to the President. As it has been interpreted by Congressional practice itself, a joint resolution is any resolution which has the force of law. The term, 'concurrent resolution', is applied to resolutions which have no legislative effect, but are merely hortatory or expressive of the opinion of the Houses, or involve only legislative mechanics, such as printing matters, setting up joint committees, and the like.

"The test of whether a resolution passed by both Houses must be sent to the President is whether it contains matter which is properly to be regarded as legislative in its character and effect. If it does, it is a joint resolution which must be presented for Presidential approval: if it does not, it is a concurrent resolution, which need not be. Regardless of form, no resolution of the two Houses can be given any legislative effect, if it has not been approved by the President, or passed by the required majority over his negative."

The Constitution gives Congress the power of the purse. The Senate amendment will make effective the Congressional power of the purse. H.R. 5193 will not.

Even under our Constitution, Congress may have to vote four times—twice on the authorization bill and twice on the appropriation bill—to make its will effective. Why put it in the power of the President to require it to vote two more times—once on the so-called concurrent resolution, and again on overriding a veto of the so-called concurrent resolution? Congress ought not to put it within the power of the President to make it vote six times to make its exercise of its constitutional power of the purse effective.

For these reasons, I urge the House to adopt the Senate amendment and thus make the Congressional power of the purse as effective as the Constitution contemplated it should be.

Statement by Senator Sam J. Ervin, Jr., Before the Committee on Rules, House of Representatives on H.R. 5193

Mr. Chairman and Members of the Committee, I thank you for the opportunity to appear today and testify about one of the most important issues confronting the Congress—impoundment of appropriated funds by the President.

Impoundment goes to the very heart of the doctrine of separation of powers, for the Constitution very clearly gives to the Congress the power of the purse, which it exercises through appropriation legislation, and to the President the duty to faithfully execute those laws.

This is an issue which goes far beyond partisan politics or the merits of particular programs enacted by Congress, for it involves the balance of powers established by the Founding Fathers as a check against unbridled power in any branch of the Government. I have voted against many of the programs for which the President has impounded funds, but I do not believe that we should allow him to nullify acts of Congress by executive fiat. There is not one syllable in the Constitution authorizing such action.

As you know, the Senate yesterday voted overwhelmingly in favor of an amendment I offered to the Dollar Devaluation Bill that is virtually identical to S. 373, the impoundment control procedures act, as reported by the Senate Committee on Government Operations on Tuesday.

The bill approved by the Committee is very much improved over the original version of the impoundment bill which I first introduced in 1971 and which was very similar to H.R. 5193, one of the bills before you today. The Senate bill is an outstanding example of the legislative process at work in the Senate, for the Committee has devised through extensive hearings and deliberations what I believe to be a very fine approach to controlling impoundments and Federal expenditures.

The Senate legislation is the outgrowth of hearings conducted in March of 1971 by the Senate Judiciary Subcommittee on Separation of Powers. The many improvements in the bill, which I will outline in a moment, are the result of thorough joint hearings held this year by the Subcommittee on Separation of Powers and the Ad-hoc Subcommittee on Impoundment of Funds of the Government Operations Committee.

When I first introduced an impoundment bill, on June 9, 1971, it embodied the same fundamental section contained in H.R. 5193, the bill introduced by the distinguished Chairman of the House Appropriations Committee, Mr. Mahon. That section authorized Executive impoundments unless the Congress affirmatively acted to disapprove each impoundment within 60 days.

At that time I had not studied this matter sufficiently to know the most effective way in which to secure to Congress that which the Constitution gives Congress—the power of the purse. The Mahon bill would require Congress to act not only originally, but a second time, to override what amounts to a line-item Presidential veto of appropriations acts. In other words, Congress would have to act twice before a single penny of the impounded appropriations would be spent. Congress has already acted in the exercise of its constitutional power when it passes an appropriation bill. It should not be required to act a second time.

The Senate bill allows the President to impound funds for up to 60 days unless Congress disapproves the impoundment in whole or in part. If Congress does not act within the 60-day period, the President's authority expires, and it becomes his duty to obligate the funds. If the Congress ratifies the impoundment during the 60 days, the impoundment stands. If Congress disapproves the impoundment in whole or in part, then the President must obligate the funds to the extent disapproved.

My approach puts the burden on the President to make his case to the Congress for each impoundment. The Mahon approach puts the burden on the Congress to make its case for overriding an impoundment. Since the Congress has already exercised its constitutional power in passing the appropriation act, and since the Constitution puts a duty on the President to faithfully carry out laws, I am convinced that the President should have the burden of justifying an impoundment. My approach puts the duty of executing the laws where the Constitution puts it—on the President.

The Senate bill contains findings, which are based on the hearings conducted this year, that the President has no constitutional power to impound, and that his only authority to do so is that expressly delegated to him by statute. Therefore, both the Senate bill and the Mahon bill undertake to delegate authority to impound funds. The Senate bill does this in a more limited fashion. It grants the President sufficient authority to manage Federal expenditures, but it maintains in a strong way the Constitutional power of Congress to establish priorities in the budget. I am afraid that Congress will be abdicating too much of its authority under the Mahon approach—something we have done far too much of in the past.

I would strongly urge this Committee to look favorably on the basic approach taken in S. 373 and the bills introduced in the House of Representatives by Representative Pickle and others.

In addition, there are many improvements which should be made in either of these proposed impoundment bills, and I will review the changes the Committee has made in S. 373.

DEFINITIONS

First, the Committee has substituted for the word "funds" the phrase "budget authority" which has a more comprehensive meaning and is used by the Office of Management and Budget to refer to all appropriations and budget authority. The term is adequately defined in a section-by-section analysis of S. 373, which I will submit for the record at the end of my remarks.

The Committee also changed the definitions of impoundments to include any Executive action or inaction which effectively precludes or delays the obligation or expenditure of any part of authorized budget authority.

The use of "budget authority" and the inclusion of Executive inaction as well as action are intended to make the legislation cover all types of appropriations and obligations enacted by Congress and all types of Executive activity or inactivity that has the effect of impounding.

Also, the Committee has included language to make the bill applicable to actions of any officer or employee of the United States, specifically including the Director of OMB, as well as to the actions of the President.

ROLE OF THE COMPTROLLER GENERAL

The Committee also included in its bill several functions for the Comptroller General.

He would screen impoundments submitted by the President and determine if they are in accordance with existing statutory authority. If he determines that they are in accordance with the Antideficiency Act, the provisions of the bill would not apply and the impoundment would stand. In all other cases, the impoundment would be subject to the 60-day period provided in section 3 of the bill.

Having the Comptroller General review impoundments and screen out those which are in accordance with the Antideficiency Act will eliminate the Congress having to review each of thousands of routine reservations, and it can concentrate on those which are of questionable validity.

The Comptroller General also would be charged with the duty to report to the Congress any time he ascertains that the Executive has made an impoundment and not reported it to the Congress as prescribed in the bill. Needless to say, any Member of Congress can request the Comptroller General to investigate any suspected impoundment. If the Comptroller General determines that an unreported impoundment has been made, then the 60-day period would be deemed to have commenced on the date on which, in his opinion, the impoundment action was taken.

The Comptroller General would be expressly authorized, as the representative of Congress, to sue in the United States District Court for the District of Columbia to enforce the provisions of the bill. He could select his own attorneys to represent the Congress, therefore not having to rely on the Justice Department, which can be expected to side with the President.

The Comptroller General is an arm of the Congress, and the Committee felt that he could act as the agent of Congress in screening out impoundments authorized by the Antideficiency Act from the approval process, and in representing the Congress in Court in order to enforce the provisions of the bill.

PRECLUSION OF REIMPOUNDING

The Committee also inserted a provision in Section 3 of the bill that would preclude the reinstitution of an impoundment or any part thereof that has been disapproved by Congress. Several witnesses at our hearings voiced concern that the President would be able simply to keep reimpounding the same funds, thus making a mockery of the legislation. This provision in section 3 is intended to close that loophole.

NO RATIFICATION OF PRIOR IMPOUNDMENTS

Section 7 of the Committee bill provides that nothing contained in the bill shall be interpreted as ratifying or approving any impoundment, past or present, unless done pursuant to statutory authority in effect at the time of the impoundment. Section 11 provides that the provisions of the bill shall become effective on the date of its enactment.

These sections read together mean that the bill would not apply to funds that are impounded prior to its enactment, but that nothing in the bill is meant to prejudice any of the pending lawsuits which challenge the President's authority to impound.

PRESIDENT TO SEEK RESCISSION

The Committee adopted a provision which obligates the President not to impound funds except as authorized under the bill, and to seek selective rescission of appropriations through the supplemental appropriations process if he desires to impound beyond the authority granted under the bill.

SPENDING CEILING

Title II of the Senate bill contains a ceiling of $268 billion for Federal expenditures during the 1974 fiscal year, and it establishes procedures by which the President can cut programs proportionately in order to keep within the ceiling.

This title is a very important addition to the bill, and I think that it strengthens it very much. It signals to the Nation that the Congress is not spendthrift, and that when we control the practice of impounding funds, we do not advocate runaway spending by the Government.

The provisions of title II allow the President to make proportional cuts in functional and, to the extent practicable, subfunctional programs (as set out in the *Budget in Brief*). If the Comptroller General determines that the cuts were made in strict compliance with the proportional provision, then congressional action on those cuts will be precluded. However, if the Comptroller General determines that the cuts are not proportional, then the provisions of the bill governing ordinary impoundments will apply, and the 60-day period will commence to run.

CONCLUSION

In conclusion, I think that the enactment of an impoundment bill incorporating the basic features of the measure passed by the Senate will establish for the first time in the history of this Nation an orderly procedure whereby the President of the United States can call to the attention of the Congress, without resorting to the veto, corrections which he thinks ought to be made in appropriations and in programs. It also will provide that the Congress shall retain the power of the purse. It will give an orderly procedure whereby the President can apply to the Congress for a modification of the laws to conform to the ideas of the Executive.

It establishes a spending ceiling which would indicate that Congress is prepared to do all it can to set the financial house of the Federal Government in order, which is a consummation devoutly to be wished for.

Mr. Chairman, I submit for inclusion in the record a copy of Amendment No. 77 to S. 929, which is identical to the text of S. 373 as reported by the Senate Government Operations Committee. Also, I submit a section-by-section analysis of that amendment, and three newspaper accounts of the Senate's action in approving this legislation yesterday afternoon.

I thank you for the opportunity to testify on this very important issue, and I strongly urge the passage of a strong impoundment control bill.

THE PATH TO FISCAL RESPONSIBILITY

(Speech by Senator SAM J. ERVIN, JR., Apr. 24, 1973)

As you all know, there is a great conflict going on in Washington between the Congress and the Executive branch of the Government. Some commentators have referred to this conflict as a "constitutional crisis" although I do not believe that it has grown to this proportion. Nevertheless, the daily newspapers and television reports clearly reflect the nature of the struggle over such issues as executive privilege and the battle of the budget.

I have been personally involved in several facets of the struggle between the legislative and the executive branches in my capacities as chairman of the Senate Government Operations Committee, of the Subcommittees on Separation of Powers and on Constitutional Rights, and of the Select Committee on Presidential Campaign Activities which is investigating the so-called "Watergate" incident among other aspects of the 1972 presidential campaign.

Tonight I would like to give you some facts about the efforts of the Congress to put the Federal financial house in order.

Since there is much misinformation abroad in the land in respect to this vital matter, I should like to point out that during my entire service in the Senate I have consistently supported a balanced budget. I have stood for economy in government as steadfastly as anyone in our country. I wish to make it clear that I have not changed my views in this regard. As a matter of fact, I am far more economical in my attitude toward the Federal budget than is the President.

If every other Member of Congress had voted as I did during the last eighteen years, our Government would have reduced its outlays by 200 billion dollars. It is tragic that the Government has incurred deficits in all but seven of the last 44 fiscal years.

In all fairness to Congress, however, I do not think it is entirely to blame. The American people must share some of the blame, and I might add that President Nixon is not without fault in this matter, although I am pleased that he has recognized the urgency of putting our Nation's finances in order.

In recent years, the President has submitted requests to the Congress for the expenditure of funds far in excess of what Congress finally authorized, and deficits during his first administration amounted to an estimated 111.7 billion dollars. If Congress sticks to his budget requests for the 1974 fiscal year, we will incur additional deficits of approximately 29.7 billion dollars by June 30, 1974.

The tragedy is that in recent years neither the President nor the Congress has taken effective action to curb this deficit spending. In the opening days of the first Nixon administration, there was a flicker of hope that the President would support a balanced budget. The philososphy died out early as Mr. Nixon announced that he really adheres to the Keynesian theory of economics. From then on, his administration began to incur deficits which made other spenders look like pikers.

I should like to point out that I did not favor President Nixon's revenue-sharing bill which Congress passed last session and which will cost the taxpayers more than 33 billion dollars. The Treasury has nothing to share with the states except a deficit—a national debt of 473 billion dollars that is expected to grow to 505 billion dollars by June 30 of this year.

Nor did I favor the President's proposed "guaranteed annual income" bill which Congress did not pass and which would have greatly increased expenditures for welfare programs.

Nor do I favor the President's request that Congress appropriate monies to give to North Vietnam, an enemy nation which committed atrocities against American servicemen who were prisoners of war.

Nor do I favor any of his requests for foreign aid. For too long we have substituted foreign aid for wise diplomacy.

A few weeks ago the President sent his budget message to Congress along with the admonition that if it was increased, there would have to be new taxes. By implication, Congress has been painted as a spendthrift and the President as a crusader against unnecessary federal spending.

I am concerned that the President has dealt with this problem in a manner that would make it appear that if it were not for Congress, many of our country's financial troubles would fade away. The truth is that Congress is not composed of wild-eyed spendthrifts, nor is the President the embattled crusader against wasteful spending that he would have you believe. What is going on is really a disagreement between the President and the Congress over spending priorities and his authority to pick and choose what programs he will fund and what programs he will not fund.

The problem is a constitutional one and not one of partisan politics. It is a question of whether our Government will continue to be one of separated powers with checks and balances, as envisioned by the Founding Fathers, or whether we will continue down the road toward one-man rule.

Imagine for a moment that we had a very liberal President who decided that we did not need a national defense. Do you think that Congress would stand idly by while he impounded funds for our armed forces and placed our Nation in a defenseless position? The thought that such power would exist in the hands of such a man is frightening.

This conflict is also functional and not ideological. It can be resolved satisfactorily if Congress will grab the bull by the horns and reform itself, especially its own procedures for dealing with the budget and expenditures. Progress is being made in this direction every day, and I am very pleased to have a part in it.

About two and a half years ago I became very concerned about the constitutional problem that is known as "impoundment" of funds which have been appropriated by Congress. The Senate Subcommittee on Separation of Powers conducted extensive hearings on this subject, during which it was revealed that the Nixon administration had impounded more than 12 billion dollars in appropriated funds. Today the figure is more than 14 billion dollars.

Impoundment goes to the very heart of the doctrine of separation of powers, for the Constitution very clearly gives to the Congress the power of the purse, and to the President it gives the duty to faithfully execute the laws by which the Congress appropriates money out of the Federal Treasury.

Impoundment is an issue which reaches far beyond partisan politics or the merits of particular programs enacted by Congress. It represents a direct challenge to the doctrine of separation of powers established by the Founding Fathers as a check against unbridled power accumulating in any one branch of the Government. I have voted against many of the programs for which the President has impounded funds, but I do not believe that we should allow him to nullify acts of Congress by executive fiat. There is not one syllable in the Constitution which authorizes the President to exercise such power.

As a result of the hearings on impoundment conducted in 1971, I drafted a bill which will put reasonable restraints on the President. In fact, it would for the first time specifically authorize him to impound funds, but it would require him to do so in accordance with very stringent procedures that will insure Congressional review of his actions.

My bill was reported by the Government Operations Committee on April 3. It is an excellent example of our legislative process at work, for through extensive hearings and committee deliberations, it was very much improved over the original version I introduced in 1971.

For one thing, my impoundment bill contains a provision, which was added by the Government Operations Committee, of which I am Chairman, which will establish a spending ceiling of 268 billion dollars for the next fiscal year—a figure that is 700 million dollars less than President Nixon has requested in his budget.

The bill also contains a provision that will allow the President to make proportional cuts in certain federal programs in order to keep expenditures within the ceiling. This would apply to all programs except the so-called "uncontrollables" such as interest on the national debt and veterans benefits.

This spending ceiling already has been passed by the Senate by an overwhelming vote of 88 to 6, and the impoundment provisions of my bill were approved by a resounding vote of 70 to 24. These actions were taken on April 4 when I offered the entire package as an amendment to the Dollar Devaluation Bill. That legislation is now pending in the House of Representatives, and if the spending ceiling amendment is removed in the conference between the House and Senate, I will bring my bill to the floor again at the first opportunity.

The very substantial vote for the spending ceiling in the Senate demonstrates that Congress cares very much about the financial problems of the Government and intends to do something about it. The vote in favor of impoundment control procedures demonstrates that Congress cares very much about its own powers under the Constitution. Taken together, these votes demonstrate that Congress intends to act soon to control federal spending while at the same time establishing a check against any more power accumulating in the President.

I would like to point out that my impoundment bill is not meant as a mandate to spend, spend, spend. Nothing could be more foolish, for such a position stands contrary to my very devotion to fiscal responsibility. My bill is designed to establish a reasonable procedure under which the President could impound funds for 60 days, at the end of which he must stop impounding unless Congress approves of his action.

Of course, the establishment of a spending ceiling and impoundment control procedures must be viewed in the light of the compelling need to extensively reform the congressional budgeting process.

Last Wednesday I introduced the Congressional Budgetary Procedures Act of 1973, which is intended to bring about this reform.

The congressional procedures with respect to spending the taxpayers' dollar are, to say the least, in dire need of a major overhaul, and have been for quite some time. It has been 52 years since Congress has done anything about shaping its basic tools for controlling Federal expenditures. We are now spending nearly 100 times as much as when that last reform was made.

Allow me briefly to describe the key provisions of my budgetary procedures bill.

First, it establishes a standing Committee on the Budget in each House of Congress, and an Office of the Budget, a nonpolitical, nonpartisan entity to provide the Budget Committee with whatever information is needed with respect to revenues, expenditures, presidential budget requests, the general state of the economy, and a myriad of fiscal-related data including aggregate budget outlays enacted to date.

Second, it provides that the Budget Committee of each House of Congress shall report a concurrent resolution dealing with the fiscal situation. Among other things, this resolution would establish a spending ceiling for the fiscal year. It would estimate federal revenues and an appropriate level of national debt. This resolution will insure that Members of Congress who advocate increased federal spending will have to do so in the harsh light of the realization that resources are limited, a fact which often seems to escape many of them.

The resolution relating to the fiscal year shall be reported not later than March 30 in the year in which the fiscal year begins, and a resolution to revise the first ceiling must be reported not later than September 30. The purpose of these limitations is to speed up the appropriations process, for Congress often does not finish work on appropriations bills until well after the fiscal year has begun.

In addition, my bill would require that legislation authorizing new programs or activities be enacted no later than the last day of April preceding the start of the fiscal year in which these new programs would begin.

This limitation is a simple device designed to allow responsible fiscal planning and control of the budget. The essence of any budget, whether that of a family or of a nation, is advance planning. No budget for any period can be adhered to if sudden decisions to spend in completely new directions are made within that period.

Finally, my bill would establish controls on so-called "backdoor" federal spending. Backdoor spending means, simply, congressional action allowing obligation of funds without a meaningful review by the Appropriations Committees of the House and Senate. It includes such things as contract authority, borrowing authority, and mandatory appropriations which are loosely referred to as "permanent appropriations". In short, backdoor spending is spending outside the jurisdiction of the Appropriations Committees. Somehow, this kind of spending must be controlled if Congress is ever to be considered fiscally responsible.

My budgetary procedures bill would provide a permanent method of controlling federal expenditures, and it would take over where a stop-gap spending ceiling, such as is in my impoundment bill, leaves off. The spending ceiling is a holding action, such as the proverbial Dutch boy with his finger in the dike. If we are to regain full congressional control over the power of the purse, then Congress must reform its procedures, and I think my bill will provide a useful tool for that task.

Of course, there are several efforts underway in the Congress to come up with meaningful reform proposals. Last fall, in the midst of heated debate over whether to establish a spending ceiling and to give the President unchecked power to cut appropriations to stay within the ceiling, the Congress established a Joint Study Committee on Budget Control, which recently made its initial recommendations, most of which are along the lines of the bill which I introduced.

Before we get carried away in the euphoria that at last something will be done to curb the cost of government, we ought to recognize that the battle will not be easily won. What has triggered all of this tight-fisted talk of late is simply an overdue recognition of some hard economic facts. The Eisenhower, Kennedy, Johnson and first Nixon administrations, with rare exceptions, spent more than revenues provided. Inflation has crept to record levels. We are faced with a shortage of revenue with which to meet a myriad of competing federal programs.

Despite these problems, however, I feel that the great majority in Congress very earnestly wants to get a handle on the federal budget. We want to exercise the power of the purse in a reasonable and responsible manner. To accomplish this will take a lot of political courage and cooperation, but there is no higher priority than restoring fiscal responsibility to our government.

It should be recognized, however, that politically established kingdoms have a way of enduring virtually all storms, and it will take a major reorientation for this nation to move in a new direction.

As we undertake to reorient our thinking and processes in dealing with federal fiscal policies, we must bear in mind that the Constitution is the very finest document ever to come from the mind of man. The President and I both took the same oath of office in that we swore to protect and defend the Constitution of the United Staes. I see nothing inconsistent in my efforts both to protect and defend our system of government while at the same time restoring fiscal responsibility to its operation.

In these efforts, I solicit your help, for in large measure the future well being of our Government and the protection of our basic freedoms depend on every American.

Thank you very much.

Mr. ERVIN. Mr. President, the distinguished Senator from Maine (Mr. Muskie) made valuable contributions to the impoundment features of the bill and also valuable contributions in setting forth expenditure limitations for the next fiscal year in the amount of $268 billion.

Mr. President, I yield the floor.

Mr. HARRY F. BYRD, JR. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MUSKIE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MUSKIE. Mr. President, I support S. 373, a bill introduced by the Senator from North Carolina (Mr. Ervin), which would provide a procedure for determining illegal impoundments and which would keep Federal expenditures during fiscal year 1974 under a ceiling of $268 billion.

The Senator from North Carolina has already explained title I of his legislation which deals with the anti-impoundment procedures. I concur wholeheartedly with his statements and, for that reason, I will not discuss title I at this time.

Title II of his bill, which provides for the spending ceiling, is the amendment to the impoundment legislation I introduced April 3 in the Committee on Government Operations. That amendment, after some modification, was adopted by the committee by an overwhelming majority. It is the same amendment that passed the Senate, 88–6, on April 4.

The $268 billion spending ceiling in S. 373 is a reasonable and responsible figure. It is $700 million less than the figure requested by the President in his fiscal 1974 budget.

It is another illustration that Congress is responsible in its efforts to keep Federal spending under control. A $268 billion budget will insure continued economic growth, but it will prevent Federal spending from reaching a level which would add additional fuel to the fires of inflation.

Enactment of this spending ceiling would be consistent with the efforts of the Congress over the past 4 years to cut the President's budget proposals. Let us not forget that the President has never submitted a balanced budget to the Congress. Let us not forget that the accumulated Federal debt in the past 5 years has been greater than the accumulated Federal debt in the previous 25 years. And let us not forget that the Congress has cut every one of the President's budget proposals—for a total savings of $20 billion in appropriations.

Title II of S. 373 contains two other important elements.

First, it would allow the Congress to review the spending ceiling in the event that tax reform legislation it enacts after the ceiling is set increases the amount of revenue that the Treasury will receive during fiscal 1974. That legislation would allow the Congress to determine whether the additional revenues made available should be applied to essential public services for which adequate funding would otherwise not be provided.

Second, title II outlines a procedure for reducing Federal expenditures to the level of the spending ceiling that is consistent with the impoundment procedures in title I of the amendment.

It requires the President to make proportional cuts from the funds available for controllable expenditures in each functional category and, to the extent practicable, in each subfunctional category, in order to reduce expenditures beneath the spending ceiling. None of those cuts should come from the funds set aside for interest, veterans' benefits and services, payments for social insurance trust funds, public assistance maintenance grants under title IV of the Social Security Act, food stamps, military retirement pay, medicaid and judicial salaries.

Because under title II, the cuts recommended by the President would bring spending under the spending ceiling are subject to the impoundment provisions in title I, the President must send a message to the Congress detailing his recommended cuts. If the Comptroller General determines that the cuts have been made proportionately across the board, then the President could go ahead and make those cuts. In the event the Comptroller General determines that the President has not proposed cuts that are consistent with the requirement that he make proportionate cuts, then his recommended cuts would be subject to the same procedures as any other impoundment and would have to cease after 60 days unless the Congress affirmatively approved the cuts.

Title II of S. 373 also has specific safeguards to guard against any cuts proposed by the President for the purpose of meeting the spending ceiling being used for the purpose of eliminating a program the creation or continuation of which has been authorized by the Congress.

Mr. President, this title II was hammered out in an open committee meeting of the Government Operations Committee. In it we have sought to meet the questions raised by the Senator from Florida (Mr. Chiles), the Senator from Georgia (Mr. Nunn), the Senator from Delaware (Mr. Roth), and the Senator from Tennessee (Mr. Brock). All of them joined in support of the spending ceiling title of this amendment.

In its deliberations, the committee also took note of the outstanding work being done by the Senator from Montana (Mr. Metcalf) in his Subcommittee on Budgeting, Management, and Expenditures which is considering measures to reform the overall budgeting procedures. It was the clear intent of the committee that the action it took on a 1-year spending ceiling amendment should in no way impair the important work of Senator Metcalf's subcommittee.

The spending ceiling amendment is the product of careful and detailed deliberations by the Committee on Government Operations. It has been carefully drafted so that it complements the impoundment provisions in title I of this amendment. It reflects the view of the members of the Committee on Government Operations that a spending ceiling amendment should not be enacted by the Congress unless it is accompanied by strong anti-impoundment provisions. And it passed the Senate 88–6 on April 4 as an amendment to the par value bill.

It again deserves the support of the Senate.

I ask unanimous consent that there be included at this point in the Record a section-by-section analysis of title II of the bill.

There being no objection, the analysis was ordered to be printed in the Record, as follows:

Section-by-Section Analysis of Title II

Title II, entitled Ceiling on Fiscal Year 1974 Expenditures, calls for a $268 Billion ceiling on Federal expenditures for Fiscal Year 1974 and provides a mechanism by which the Executive Branch can reduce expenditures for that ceiling level if appropriations exceed it.

The purpose of this Title is to make the mechanism for reducing expenditures below the spending ceiling consistent with the anti-impoundment procedures outlined in Title I of the legislation.

Section 201(a) provides that during Fiscal Year 1974 expenditures and net lending under the budget shall not exceed $268 Billion.

Section 201(b) provides that in the event that the estimates of revenues that the Treasury Department expects to receive during Fiscal 1974 are increased as the result of tax reform legislation enacted by the Congress after the enactment of this legislation, the spending ceiling shall be reviewed by the Congress for the purpose of determining whether the additional revenues made available shall be applied to essential public services for which adequate funding would not otherwise be provided.

Section 202(a) requires the President to reserve from expenditures and net lending and from appropriations or other obligational authority such funds as are necessary to keep expenditures and net lending during Fiscal Year 1974 under the spending ceiling.

Section 202(b) provides that the President in reducing expenditures and net lending under the spending ceiling shall cut amounts proportionately from new obligational authority and other obligational authority available for each functional category and, to the extent practicable, for each subfunctional category (as set out in the U.S. Budget in brief for Fiscal Year 1974) except that he shall not cut from the funds set aside for interest, veterans' benefits and services, payments from social insurance trust funds, public assistance maintenance grants under Title IV of the Social Security Act, food stamps, military retirement pay, Medicaid, and judicial salaries.

Section 202(c) provides that the President in making cuts to bring expenditures and net lending under the spending ceiling shall be subject to the impoundment provisions of Title I of this bill, except if the Comptroller General of the United States determines that the cuts proposed by the President to bring expenditures and net lending under the spending ceiling meet the proportionate requirements of Subsection 202(b), then Sections 3 and 5 of Title I of this Act shall not apply.

Section 202(d) provides that the provisions of Section 3 of Title I which prohibit reimpounding of funds shall not apply to the cuts made by the President in order to bring expenditures and net lending under the spending ceiling.

Section 202(e) provides that in no event shall the authority given to the President under the spending ceiling Title be used for the purpose of eliminating a program the creation or continuation of which has been authorized by the Congress.

Section 203 provides that in the case of formula grant programs which must be reduced in order to meet the spending ceiling requirements, the same formula as authorized in the program shall be applied to the reduced amount.

Mr. MUSKIE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARRY F. BYRD, JR. Mr. President, the pending legislation is a very important bill. I find much in the act before us that is wise and desirable. I know, too, that it has received careful and close attention by the distinguished senior Senator from North Carolina (Mr. ERVIN).

It is very seldom that the Senator from Virginia and the Senator from North Carolina reach different conclusions in regard to legislation before the Senate. Certainly I have never served with an individual for whom I have greater admiration and affection than I do for the distinguished senior Senator from North Carolina.

I find this a difficult bill on which to reach a judgment. There are aspects of it that I feel are highly desirable. For example, the legislation would require the President to report to Congress within 10 days after an impoundment of funds. I think there should be such a report coming to the Congress.

The legislation also places a ceiling of $268 billion on spending for fiscal 1974.

Mr. President, I favor a ceiling on expenditures. I think this ceiling is too high. The President has advocated a ceiling slightly higher than that provided by the pending bill.

While I favor a ceiling, this ceiling, and the President's, is too high under the conditions facing the United States today.

It is my strong conviction that the No. 1 problem facing the United States in this year of 1973 is the badly deteriorated and deteriorating position of the Government's finances. The American dollar is continuing to lose value.

There have been two formal devaluations of the dollar within a period of 14 months. The last devaluation was in February.

Mr. President, during the Easter recess I was in Europe and spent some time in Germany and in England. I talked with a vast number of people.

I found that the second devaluation has had a significant adverse impact on the United States. The first devaluation was taken pretty much in course and in stride by the Europeans. But the second devaluation has had a marked impact.

The formal devaluation results from what has already taken place—namely that the purchasing power of the dollar has decreased. The dollar has lost some of its value and, in my judgment, it is continuing to lose value because of the inflation which has taken place in this country; and the major course of the inflation is huge Government spending, the continued huge Government deficits.

Mr. President, until we are able to reduce and eventually eliminate deficit financing, we will continue, in my judgment, to have inflation. Inflation is a hidden tax. It hurts all Americans. We are taking money from the pockets of the people in an indirect way by the continued huge deficits that the Government has been running.

This ties in with the pending legislation. In recent months the Nixon administration has begun to see the consequences of some of its own acts. It has become alarmed, and justifiably so, over the tremendous Government deficits. Because of that alarm, and because of that concern it has begun to tighten up on the expenditure of funds, funds appropriated by the Congress. The pending bill is directed toward that tightening up process. It would require additional spending, and prevent the tightening up.

Mr. President, 4 years ago when President Nixon first took office, in 1969, he made clear that he had been elected on a platform to bring some economy to Government, to bring some stability to the Government's financial situation, and to attempt to put the Government's financial house in order.

During the campaign of 1968 he condemned in harsh terms the budget deficits of the administration of President Johnson. I joined him in the condemnation of the Johnson deficits. I worked with President Nixon during the first 2 years of his administration in an effort to get Government spending under some sort of control.

Then we come to January of 1971, and the administration at that point reversed its course. It said then that Government deficits are desirable. It said in January 1971, that we need more Government deficits in order to overcome some of the unemployment problems. The administration submitted to the Congress an admittedly unbalanced budget. It did so again the next year and it did so again this year.

From the press, the radio, and the newspapers, one would think that the administration has advocated a reduction in Government spending. The facts do not bear this out. Indeed, the facts show that the fiscal 1974 budget submitted by the administration to the Congress is $19 billion more than will be spent in the current fiscal year. It represents an increase of more than 8 percent in Government spending. I do not call that tightening up. I say that is business as usual.

Government officials themselves have estimated that during this fiscal year, the Government will have the largest Federal funds deficit in the history of the Nation, with the exception of those 4 wartime years in the 1940's when the United States was engaged in mortal combat on two fronts, in Europe and the Pacific, and at a time when the United States had 12 million men under arms. Except for that period, the 4-year period ending June 30, 1974, will show the highest deficit of any such period of time in the history of our country.

During that 4-year period ending June 30, 1974, the accumulated Federal funds deficit will exceed $120 billion.

I repeat, during the 4-year period ending June 30, 1974, the accumulated Federal funds deficit will exceed $120 billion.

A year from now, Mr. President, the national debt, according to the Treasury Department estimates, will exceed $500 billion; and of that total, $120 billion, or approximately 25 percent, will have been incurred during the 4-year period ending June 30, 1974.

Now let us look at the interest on the debt, a matter that affects every taxpayer, every American.

The interest on the debt, in the budget which Congress is now working on, is $26.1 billion. That is the amount of money that the American taxpayers are called upon to pay in interest charges on the national debt: $26.1 billion.

Let us look at that in another way. That $26 billion of interest charges is more than double the amount paid in interest for fiscal year 1966.

The interest on the national debt—just the interest—is a figure equal to almost one-third of the total expenditures of the Government for national defense.

Let us look at the interest charge in still another way. Of every personal and corporate income tax dollar paid into the Federal Treasury by the American people, 17 cents goes for one purpose: to pay the interest on the national debt.

I cite these figures which dramatize that our Government's finances are in a tragic condition. The more we pile up the debt, the more deficit spending we go into, the more the wage earners of this Nation are going to be adversely affected.

The bulk of the taxes to operate the Government comes from those in the middle economic group and those in the lower economic group.

They are the ones who are most hurt by the tremendous Government spending. I submit that our Government, both Congress and the executive branch, have been engaged in an orgy of public spending for quite a while now.

After shifting gears in January of 1971, the academicians in the administration began to become worried about the spending Frankenstein that the administration itself had helped to create.

Those theorists are fine people, but they sold themselves and then sold the President on the theory, in 1971, that you can turn Government spending on and off like a water spigot. They have begun to see now that you cannot do that, that once you encourage this huge Government spending, it takes Herculean effort to stop it.

At least they have seen the error of their ways and they are making an effort to stop it by withholding spending of some of the sums appropriated and reducing the rate of expenditures.

The way I look at the question of congressional power of the purse is this: The real power Congress has is the power not to appropriate.

That power goes back nearly a thousand years, when the representatives of the people in Britain became exercised about the extravagances of their king and took upon themselves the power of the purse which, in essence, is the power not to give the king unlimited funds.

So that the power the U.S. Congress has is the power not to appropriate.

Once Congress appropriates, then, to a considerable degree, the power of the purse passes out of the hands of Congress and into the hands of the Chief Executive, because it is the Chief Executive who can determine—and he is about the only person who really can determine it—the timing of the expenditures and the degree of the expenditures.

So, I cannot agree with the argument of those of my colleagues who contend that the President must spend all the money the Congress appropriates. I do not believe that is logical.

The President is on dubious, shaky, and questionable ground, however, when he attempts, by withholding expenditures, to eliminate entire programs that Congress has approved. But, where he seeks to reduce the rate of spending, then it seems to me that is within his constitutional prerogative. I admit that there is a gray area here from the constitutional point of view.

For many reasons, I should like to support the pending legislation, but I have reached the conclusion that the overriding factor—certainly so far as the Senior Senator from Virginia is concerned—is the need to get Government spending under control.

I have seen little indication that Congress is willing to do that. I have detailed the evidence that, until recently, the administration has given little evidence, also, that it would do that.

In having to vote either for or against the legislation before us, I have reached the conclusion that I must vote against it. It would force more spending.

I say again that there are various aspects which are desirable and wise, in my judgment. But overall, what we would be saying and what we will be saying, if and when this legislation is passed, is that the President must spend every dollar that Congress appropriates.

I do not believe that is wise, desirable, sound, or necessary.

Congress itself is greatly to blame for the condition in which the Government finds its finances today. Some way or other Congress must reorganize itself in its handling of public funds.

Let us look at the system we use.

There are 13 different appropriation bills, all of them handled separately—no connection one with the other. Frequently Congress adjourns and goes home in November or December without even knowing the total amount of the funds which it has appropriated.

I am not persuaded that the new budget proposal brought in by the Joint Budget Committee is a sound one. It may be an improvement over the present system, although I am not certain of it, but it may be an improvement.

However, it has one fatal flaw: It gives the Joint Budget Committee the right to determine just what deficit will be appropriate under existing conditions.

So, as a practical matter, what it is saying is that while we feel there must be changes in the present budgetary system, and while we are recommending changes in it, we are giving ourselves a way out by reserving to ourselves the right to determine just what the deficit figure should be.

So, if Congress does not want to reduce spending and does not want to increase revenues, all it needs to do is to say, "Well, under existing conditions, a $35 billion deficit is appropriate."

So, Mr. President, I cannot see that Congress really is making any substantial effort effectively to revise our budgetary procedures.

I cannot see that Congress is making any effective effort to get spending under control.

That being the case, the only chance we have to get spending under control is for the administration to take a careful view of expenditures and to limit, wherever possible, the expenditure of appropriated funds.

If this measure is enacted, Congress will be saying to the President, in effect, "By law, you must spend every dollar we appropriate." I do not think that is reasonable or sound.

I say again that the power of the purse that Congress has is the power not to appropriate. Once it appropriates funds, it loses considerable control over those funds, and the timing of expenditures is determined by the executive branch.

I say again that I think the executive branch is on shaky and questionable constitutional grounds when it eliminates entire programs, even though I personally favor the elimination of some of these Government programs.

But I do not think it is reasonable for Congress to take the view that the President cannot make any savings and cannot make any effort to achieve economy in the operation of Government and must spend all the money Congress sees fit to appropriate.

Other aspects of the pending measure give me concern. I would feel much better about this proposal if incorporated in it was the original proposal of the able Senator from North Carolina (Mr. ERVIN), when, on June 7, 1971, he introduced S. 2027, which would require the President to notify Congress within 10 days whenever he impounded funds appropriated for a specific purpose or project. Then Congress would have 60 days to pass a resolution disapproving the amendment.

Since that time, however, the proposed legislation has been changed so that the proposal now provides that the impoundment action by the President shall cease at the end of 60 calendar days, unless Congress approves the action by concurrent resolution. Thus, the bill provides for affirmative approval, instead of a resolution of disapproval, and it places upon the administration the burden to attract adequate congressional support for its withholding of funds. I think the other way, the original way proposed by the able Senator from North Carolina, is far better.

I understand that, later in the day, the able senior Senator from Delaware will present an amendment to reverse the process and go back to the original proposal of the Senator from North Carolina; namely, that it would require congressional action disapproving the impoundment of funds.

Another aspect of the proposed legislation that gives me concern is that Congress is placing upon and delegating to the General Accounting Office a great deal of new authority. Not only does the measure call upon the Comptroller General to review each withholding message and determine whether the withholding was made in accordance with the law under section 8 of title I, the Comptroller General also is empowered to select attorneys to go to court to compel the administration to spend. Specifically, the section-by-section analysis of section 8 in the report states:

> The Committee added this section to expressly empower the Comptroller General, as the representative of Congress through attorneys of his own selection, to sue any department, agency, officer, or employee of the United States in a civil action in the United States District Court for the District of Columbia to enforce the provisions of this Act. Such court is expressly empowered to enter in such civil action any decree, judgment, or order which may be necessary or appropriate to secure compliance with the provisions of this Act by such department, agency, officer, or employee.

So Congress would be establishing new machinery, with the employment of additional attorneys, to try to force the spending of more tax funds.

Taken on balance, I feel that I cannot support this measure today and shall cast my vote in the negative when the roll is called.

I have some facts and figures I should like to insert in the Record.

The expenditures of Government have gone up sharply. I think the public is not aware of the huge increase in spending. I think the public is not aware of the grave deterioration in the value of the dollar. I think the public is not aware of the huge interest charges that have been placed upon the American people by the continued deficit spending of the Federal Government.

Mr. President, I ask unanimous consent to have printed at this point in the Record a table I have prepared showing receipts and expenditures for fiscal years 1968 through 1974; another table showing deficits in Federal funds and interest on the national debt for the 20-year period 1955–74, inclusive, and a third table showing U.S. gold holdings, total reserve assets, and liquid liabilities to foreigners. In that connection, I point out that 15 years ago—a very short period of time—the Government's total assets were $24.8 billion, with liquid liabilities to foreigners of $15.8 billion.

As of December 1972 our total assets, most of them in gold, were $13.2 billion, not much more than one-half of what it was 15 years ago; and our liquid liabilities to foreigners are now $79 billion.

There being no objection, the tables were ordered to be printed in the Record, as follows:

DEFICITS IN FEDERAL FUNDS AND INTEREST ON THE NATIONAL DEBT, 1955–74 INCLUSIVE

[In billions of dollars]

	Receipts	Outlays	Surplus (+) or deficit (−)	Debt interest
1955	58.1	62.3	−4.2	6.4
1956	65.4	63.8	+1.6	6.8
1957	68.8	67.1	+1.7	7.3
1958	66.6	69.7	−3.1	7.8
1959	65.8	77.0	−11.2	7.8
1960	75.7	74.9	+.8	9.5
1961	75.2	79.3	−4.1	9.3
1962	79.7	86.6	−6.9	9.5
1963	83.6	90.1	−6.5	10.3
1964	87.2	95.8	−8.6	10.7
1965	90.9	94.8	−3.9	10.3
1966	101.4	106.5	−5.1	12.0
1967	111.8	126.8	−15.0	13.4
1968	114.7	143.1	−28.4	14.6
1969	143.3	148.8	−5.5	16.6
1970	143.2	156.3	−13.1	19.3
1971	133.7	163.7	−30.0	21.0
1972	148.8	178.0	−29.2	21.8
1973 [1]	154.3	188.4	−34.1	24.2
1974 [1]	171.3	199.1	−27.8	26.1
20-year total	2,039.5	2,272.1	232.6	264.7

[1] Estimated figures.

Source: Office of Management and Budget and Treasury Department.

	Fiscal year—						
	1968	1969	1970	1971	1972	[1] 1973	[1] 1974
RECEIPTS IN BILLIONS							
Individual income taxes	69.0	87.0	90.0	86.0	95.0	99.0	112.0
Corporate income taxes	29.0	37.0	33.0	27.0	32.0	34.0	37.0
Total	98.0	124.0	123.0	113.0	126.0	133.0	149.0
Excise taxes (excluding highway)	10.0	11.0	10.3	10.5	9.1	9.4	9.6
Estate and gift	3.0	3.5	3.6	3.7	5.2	4.6	5.0
Customs	2.0	2.3	2.4	2.6	3.2	3.0	3.3
Miscellaneous	2.5	3.0	3.4	3.9	3.5	4.0	4.1
Total, Federal fund receipts	116.0	143.0	143.0	134.0	149.0	154.0	171.0
Trust funds (social security retirement, highway)	38.0	44.0	51.0	54.0	60.0	71.0	85.0
Total	154.0	188.0	194.0	188.0	209.0	225.0	256.0
EXPENDITURES IN BILLIONS							
Federal funds	143.0	149.0	156.0	164.0	178.0	188.0	199.0
Trust funds	36.0	36.0	40.0	48.0	54.0	62.0	70.0
Total	179.0	185.0	196.0	212.0	232.0	250.0	269.0
Unified budget surplus (+) or deficit (−)	−25.0	+3.1	−2.0	−24.0	−23.0	−25.0	−13.0
Federal funds deficit	27.0	6.0	13.0	30.0	29.0	34.0	28.0

[1] Estimated Figures.

U.S. GOLD HOLDINGS, TOTAL RESERVE ASSETS AND LIQUID LIABILITIES TO FOREIGNERS

[Selected periods in billions of dollars]

	Gold holdings	Total assets	Liquid liabilities
End of World War II	20.1	20.1	6.9
Dec. 31, 1957	22.8	24.8	15.8
Dec. 31, 1970	10.7	14.5	43.3
Dec. 31, 1971	10.2	12.2	64.2
Dec. 31, 1972	10.5	13.2	79.0

Source: U.S. Treasury Department.

Mr. HARRY F. BYRD, JR. Mr. President, I yield the floor.

Mr. ERVIN. Mr. President, will the Senator yield?

Mr. HARRY F. BYRD, JR. Mr. President, I yield to the Senator from North Carolina.

Mr. ERVIN. Mr. President, I commend the Senator from Virginia for his excellent and absolutely correct analysis of the very tragic situation in which the fiscal affairs of this Nation find themselves at this particular hour.

Also I wish to assure the Senator from Virginia that I will cooperate with him in any way possible to reduce expenditures for the coming fiscal year below the $268 billion ceiling set forth in table 2 of the bill.

I certainly agree with the Senator from Virginia that it would be possible to reduce those expenditures by several billion dollars below that amount. I would certainly cooperate with him in an effort to do so.

Mr. HARRY F. BYRD, JR. I thank the distinguished Senator from North Carolina. Through the years we have worked together to reduce and get under some control the expenditures of Government.

Mr. ERVIN. Yes. I know of no Member of the Senate during the time I have been here who has been more dedicated to the idea that during ordinary times it is uneconomic for a government to operate in the red instead of in the black than the distinguished Senator from Virginia.

It always seems to me that in time of war or grave economic distress neither the President should recommend nor Congress should countenance appropriations if they cannot be covered in full by the financial resources that are available to the Government during the period of time that those expenditures are to be spent. I have stood by the Senator from Virginia to fight for that principle on many occasions in the past, and I know that we will stand together to fight for that principle on many occasions in the future.

Mr. HARRY F. BYRD, JR. We will stand side by side. I thank the Senator.

Mr. TAFT. Mr. President, as I understand it, S. 373 is essentially the same as the Bellmon-Taft-Ervin amendment that the Senate added to the devaluation bill.

I support this legislation now as much as I did then. The need to impose the spending ceiling contained in this bill is even more acute now, since we are getting closer to the beginning of the new fiscal year and the appropriations process must move forward.

The Senator from Oklahoma (Mr. Bellmon) and I first introduced legislation dealing with the related questions of a spending ceiling and impoundments as amendments to the Economic Stabilization Act extension. I brought up the issue again in the form of an amendment to the rural water and sewer bill, and S. 373, in modified form, was finally passed as an amendment to the devaluation bill. Yet we still have no similar legislation from the House of Representatives. Because affirmative action on S. 373 today might improve the chances of expediting consideration for this type of legislation in the other body, such action is of great importance.

The original Bellmon and Taft amendments would have required Congress to override, rather than affirm, Presidential impoundments. I believe that this is a more workable and practical approach than the approach taken in S. 373. Nevertheless, I will support S. 373 regardless of whether this change is made. The importance of resolving the impoundment question, so that Congress and the President can give more undivided attention to their proper roles in the process of shaping the budget responsibly, certainly outweighs any problems which might result from the possible structure deficiency in S. 373.

I commend the Senator from North Carolina (Mr. ERVIN), and the entire Government Operations Committee, for utilizing their expertise in this difficult legislative area to develop technically sound legislation which the Senate can accept so overwhelmingly. I hope that we will be able to do as well with the question of fundamental congressional budget reform, which must be a top priority for the Congress in the days ahead.

Mr. HUMPHREY. Mr. President, I am a cosponsor of S. 373. I have joined with the Senator from North Carolina during the past 2 years in trying to stop this practice of impoundment. I strongly support S. 373, the Federal Impoundment Control Procedure Act. First this legislation would insure the separation of powers between the Congress and the Executive by requiring the President to notify the Congress when he impounds congressionally appropriated funds. Second, the legislation provides a procedure under which the Congress of the United States would exercise its rightful duty, to approve or disapprove Presidential impoundment. Third, the legislation would also set a budget ceiling for fiscal year 1974 expenditures.

Mr. President, what we are considering on the floor of the Senate today is nothing less than the right of Congress to maintain vigilance and control over the power of the purse.

All of us are familiar with article I, section 1 of the Constitution that says no money shall be drawn from the Treasury but in consequence of appropriations made by law. This section granted to the Congress the power of the purse.

But, Presidetial impoundment of funds effectively negates that power. And, under the type of impoundment practiced by the Nixon administration, funds are withheld not to effect savings, not as directed by Congress, not as Commander in Chief, but because the President has unilaterally decided to impound money for programs that are not his priorities. It is little more than a method of substituting Executive will for congressional purpose.

The impoundment of funds is Executive arrogance.

It encroaches upon the constitutional prerogatives of Congress.

It violates the separation of powers.

And it gives the President an item veto—neither sanctioned by the Constitution nor granted by Congress.

It is, in short, illegal.

The President has claimed all sorts of constitutional arguments as a basis for impoundment. But what he ought to do is level with the American people, tell the people exactly what he is doing, and what really is in contention.

And, what is in contention here is that Congress has changed and challenged the President's priorities.

Congress has and will cut defense military procurement, and foreign aid. It has increased funds for housing community facilities, water and air pollution, poverty programs, education and health.

Mr. President, the Congress has acted to meet this constitutional crisis—a crisis I might add—deliberately fueled by the Nixon administration.

On April 4, 1973, we passed this same legislation as an amendment to the dollar devaluation bill. It received an overwhelming vote of confidence.

IMPOUNDMENT INFORMATION AMENDMENT

Mr. President, I have had a strong interest in this legislation. Last year, I sponsored an impoundment information amendment that successfully passed the Congress and was signed into law by the President.

But, in all candor, Mr. President, I must say that the administration has treated that amendment and its requirements in a cavalier fashion. It has not complied with either the letter or the spirit of the act.

On May 9, the Office of Management and Budget submitted the second impoundment information report. The impounded fund total is almost the same as in the initial report, filed on February 5, 1973—$8.4 billion.

Mr. President, I ask unanimous consent that this report be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HUMPHREY. On February 8, 1973, I reported to the Senate that the first OMB report was "incomplete—full reasons for the impoundment were not specified and little information is given as to when the Congress and the public can expect the funds to be released."

I must say today that the same charge I made in February is still accurate with this latest report.

The latest report is incomplete, filled with assertions based on assertions, and is of such dubious quality that it can provide little policymaking information to the Congress.

The original Impoundment Information Act, passed in the last session of Congress, specified the contents of the special message which the President must submit whenever he impounds funds.

For example the President has to indicate the amount of budget authority impounded, the date for impoundment, the period of time during which impoundment would take place and when they could be released, the reason for the impoundment, and the estimated fiscal economic, and budgetary effect of the impoundment.

Yet, instead of the Office of Management and Budget making a conscious effort to specify this information for the Congress, the OMB has attempted to use every trick in the book to limit the information and its assessment of the effects of impoundment.

To my mind, this is but another example of Executive arrogance—an arrogance that must be dispelled from Government.

Mr. President, the Ervin impoundment bill addresses this problem of information and assessment of information directly.

It clearly specifies new guidelines so that there will be little mistake on the part of the President or his Office of Management and Budget as to what Congress intends.

Mr. President, as long as the present attitude in the Office of Management and Budget continues, the Congress will likely have to write detailed reports and detailed legislation specifying limits of executive discretion.

Another part of the Ervin bill adresses itself to congressional control over the purse. This section prescribes a procedure for congressional consideration of all Presidential impoundments. Under the bill, unless the Comptroller General determines that an impoundment is made in accordance with the Anti-Deficiency Act or a proportional reservation system—similar to the Jordan amendment the Senate considered in its last session—the President must cease impoundment within 60 days. Impoundment of funds can continue, however, if Congress ratifies that impoundment by passing a concurrent resolution.

Mr. President, this section is a strong provision. And it is a sensible provision. In legislation I submitted to establish an Office of Budget Analysis and Program Evaluation, S. 1030, I suggested that the Comptroller General be given authority to make a prior determination on impoundments before any congressional action. I am gratified to note that the Government Operations Committee has recommended a similar procedure in this legislation.

And, I believe that the committee would not be exercising its responsibility to the Senate if it did not report to the Senate the strongest possible language and procedure for impoundment disapproval. The committee has done its job. It has measurably strengthened the hand of the Congress. And at the same time, it has done so in a fiscally responsible manner—clearly preserving the prerogatives of the Congress and denying to the President an unconstitutional item veto.

SPENDING CEILING

Finally, Mr. President, the legislation before the Senate would establish a spending ceiling of $268 billion. This ceiling is below the Presidential request ceiling of $268.7. And, it is consistent with the ceiling recommended by the Joint Economic Committee.

I support a spending ceiling. I do not think that the concept of a spending ceiling is an issue before the Congress. We may disagree on how high or how low, but the concept has become accepted.

However, we must, keep in mind three other things besides simply enacting a ceiling.

First, we must place restrictions on that ceiling so that it does not become a license to impound or a license to cut the heart out of programs. The committee bill accomplished this purpose through the procedure proposed last session—the Jordan amendment of proportional cuts.

Second, we must not forget that merely setting a ceiling does not relieve us of our responsibility for setting priorities.

The question we must always keep in mind is not what is the figure but what will the money be spent for—What are the priorities? What are the policies? What are the programs?

NATIONAL PRIORITIES

I have submitted a resolution, Senate Concurrent Resolution 14, which goes directly to the priority question. Simply, the resolution calls upon the relevant committees of Congress to examine the military, foreign aid and space budgets and to take action on a comprehensive tax reform while making funds from these two sources available for meeting our pressing domestic needs.

Mr. President, I ask unanimous consent that a copy of the national priorities resolution be printed at this point in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. HUMPHREY. Third, Congress must establish a budget control and evaluation mechanism so that the Congress may be adequately equipped to analyze the budget, to recommend ceilings, to control outlays and new obligational authority.

I have testified before the Joint Study Committee on the Budget and before Senator METCALF's Subcommittee on Budget, Management, and Expenditures—to offer my thinking on this subject. And, I have read the report of the Joint Study Committee. I am in agreement with much of the thrust of that report. I do however have very strong and serious reservations about the makeup of the budget committees, the rules under which it would operate, and the role of the individual Senators once a budget committee becomes operative.

The one thing I believe we must do, however, Mr. President, is to state our case to the American people.

We simply cannot let the American people be propagandized into accepting the Nixon administrations' line that Congress is the big spender.

I note, for example, that the New York Times on April 25, 1973, published an article by Roy Ash, Director of the Office of Management and Budget, an article I consider to be manifestation of the attack upon the integrity and responsibility of the Congress currently being orchestrated by the propaganda arm of the White House.

I ask unanimous consent that the article "Helmsman on the Right Course" be printed at this point in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 3.)

ADMINISTRATION PROPAGANDA KIT

Mr. HUMPHREY. Mr. President, on April 4, 1973, it was first reported that the Nixon administration had mobilized its expensive public relations apparatus for an attack on the "spendthrift" Congress. Speech writers for administration political appointees were given a detailed set of guidelines on how to write speeches warning of tax increases and decrying the "irresponsible" Congress.

I have obtained a copy of this public relations kit called "The Battle of the Budget, 1973," and I see that Mr. Ash takes his cues very well.

Let me give a few examples:

Under "Key Facts about the Budget Fight" the propaganda kit states:

> At the present rate of growth, the budget of the Federal Government will be over $1 trillion—the size of our entire economy today—by the 1990's.

Mr. Ash paraphrases:

> And well before the end of the century it would mean a trillion-dollar Federal budget: A Federal establishment as big as our entire economy is at present.

The suggested Q and A section of the kit answers a question on "Compassion for the poor and elderly" with this information:

> We are budgeting 66 percent more to help the poor than was the case four years ago; 67 percent more to help older Americans; and 156 percent more to help the hungry and malnourished. Mr. Ash states President Nixon is currently budgeting 66 percent more to help the poor than did President Johnson, 67 percent more to help the sick, 71 percent more to help the aging, and more than 130 percent more to help the hungry and undernourished.

Included in the section on polls is information from Gallup, Harris, Market Opinion Research, and Sindlinger. Mr. Ash managed to use three of these four polls in his article.

The "Basic Spending Speech" says:

> If the budget cuts recommended by the Administration are reversed, it will mean a 15 percent increase in income taxes.

Mr. Ash states:

> The route that the big spenders in the Congress threaten to take would mean a 15 percent surcharge on every American's income tax.

Mr. Ash's article is an example of the half-truths being directed at the American people from the White House. He points out that benefits for the sick and elderly have increased, but he does not point out that the President opposed the social security increases that raised these benefits.

He points out that Americans do not want a 15-percent tax increase, but he fails to say that this is a totally phony number manufactured to scare the American people.

He points out that confidence for the future is high, but he fails to report the findings of the University of Michigan's Survey Research Center that consumer sentiment has plunged sharply in the last few months, more than erasing gains in confidence recorded in the first three quarters of last year.

He points out that in the last election the President was returned to office by a large majority, but he fails to mention that the Democrats remained in firm control of the Congress and made substantial gains in elections for Governor and State legislatures.

The entire thrust of the propaganda kit prepared in the White House is to create two myths in the minds of people.

The first myth is the allegation that Congress is a big spender. Briefly, it goes something like this:

> Last year, the President proposed a $250 billion budget, but the Congress wanted to spend $261 billion. The American people should support the President in restraining Congress.

Now look at the facts.

The President's original fiscal year 1973 budget proposed spending $246 billion. He later raised this figure to $250 billion to include additional funds for Vietnam and Hurricane Agnes victims, plus several smaller items. Another $2.6 billion resulted from an administration request to shift fiscal 1972 general revenue-sharing funds into fiscal 1973. Still another $1.6 billion was due to an uncontrollable increase in interest payments on the public debt.

Congress increased social security benefits by $2.8 billion—partially offset by increased social security taxes—established black lung benefits of about $1 billion and increased revenue-sharing payments by $1 billion. Most of the remaining "unconstrained" spending growth is a projection of what the social services grant program would have cost if Congress had not put a $2.5 billion ceiling on it during the last session.

Thus, of the potential $15 billion increase in fiscal 1973 spending over the President's original budget proposals, roughly $6½ billion is Presidential spending initiatives, $1½ billion is uncontrollable spending increases, $5 billion is congressional spending initiatives, and $2 billion is imaginary cost increases for the social service grant program.

Finally, it is a fact that more than one fourth of the total debt—at least $100 billion—has been added through Nixon administration deficit spending and unbalanced executive budgets. I trust this lays the myth of the budget busting Congress to rest.

The second myth concerns the hypothetical 15-percent income tax increase. The administration would have us believe that any tampering by Congress will bust the budget and force a tax increase.

First of all, any reasonable person knows that we can increase spending in some areas, provided we decrease it in others. The Senate has already approved a budget ceiling for fiscal 1974 that is lower than the President requested, so this is no longer an issue.

Second, the 15-percent is totally phony because it is based on the idea that if the President were unable to save $11 billion in the 1973 budget, $19 billion in 1974, and $24 billion in 1975, the tax surcharge would result.

A recent Joint Economic Committee staff study showed that $8 billion of the claimed saving in 1973 and another $8 billion for 1974 are merely statistical manipulations—not real dollar savings. The 1975 numbers are so tenuous and imprecise that it is impossible to determine the extent of any real saving.

Third, in an attempt to protect its big business friends, the administration assumes that the individual income tax is the only tax that could be increased—totally ignoring any increase of corporate tax in a year in which big corporations are enjoying record profits. Furthermore, this administration has turned a deaf ear to closing tax loopholes that would increase Federal revenues without increasing the burden on the average taxpayer.

I object to this entire propaganda campaign being conducted by the White

House. It is demeaning and unworthy of the executive branch of our Government.

Senator MUSKIE and I recently released a report from the General Accounting Office which affirmed my belief that the preparation of the "Battle of the Budget" kit violated public law.

We have written to the Attorney General asking that he immediately investigate this matter and take appropriate legal action if he finds wrongdoing.

The Treasury, Post Office and General Government Appropriations Act of 1973 states that—

> No part of any appropriations . . . shall be used for publicity or propaganda purposes designed to support or defeat legislation pending before the Congress.

The American people need to know the whole truth about the struggle over the 1974 budget, not just the half truths being conveyed by administration spokesmen.

Mr. President, I hope that the Senate will pass S. 373 by an overwhelming vote.

Congress must retain the power over the purse.

Congress must retain decisionmaking power and authority over legislative priorities.

Congress must take a meaningful step toward reasserting its power and responsibility.

EXHIBIT 1

OFFICE OF MANAGEMENT AND BUDGET—BUDGETARY RESERVES IN EFFECT AS OF APRIL 14, 1973

APRIL 27, 1973.

The report set forth below is submitted pursuant to the Federal Impoundment and Information Act, as amended. In accordance with that act, the report is being transmitted to the Congress and to the Comptroller General of the United States, and will be published in the FEDERAL REGISTER.

ROY L. ASH, *Director*.

BUDGETARY RESERVES AS OF APRIL 14, 1973

Introduction.—The Director of the Office of Management and Budget, under authority delegated by the President, is required to apportion funds provided by the Congress. The apportionments are required under the Antideficiency Act (31 U.S.C. 665) and generally are for the current fiscal year. Under the law, such apportionments limit the amounts which may be obligated during specific periods.

The Antideficiency Act authorizes the withholding of funds from apportionment to provide for contingencies; or to effect savings made possible by or through changes in requirements, greater efficiency of operations, or other developments subsequent to the date on which the funds were made available. There are also occasions when specific provisions of law provide that the funds should be available for use over periods longer than 1 year; in such cases, they generally are not fully apportioned in the current year, and the unapportioned part is withheld, to be released later for use in the next year or years. Thus, some amounts are withheld from apportionment, either temporarily or for longer periods. In these cases, the funds not apportioned are said to be held or placed "in reserve." This practice is one of long standing and has been exercised by all recent administrations as a customary part of financial management.

On occasion, the Congress has explicitly required that an amount be placed in reserve pending an administrative determination of need (e.g., the 1973 Agriculture-Environmental and Consumer Protection Appropriation Act—Public Law 92-399). Most reserves, however, are established upon the initiative of the executive branch based on an operational knowledge of the status of the specific projects or activities. For example, when the required amounts of work can be accomplished at less cost than had been anticipated when the appropriation was made, a reserve assures that savings can be realized and, if appropriate, returned to the Treasury. In other cases, specific apportionments sometimes await: (1) Development by the affected, (2) completion of studies for the effective use of the funds, including necessary coordination with the other Federal and non-Federal parties that might be involved, (3) establishment of a necessary organization and designation of accountable officers to manage the programs, or (4) the arrival of certain contingencies under which the funds must by statute be made available (e.g., certain direct Federal credit aids when private sector loans are not available).

From time to time, additional reserves are established for such reasons as the necessity to conform to the requirements of other laws. As example is the executive's responsibility to stay within the statutory limitation on the outstanding public debt.

Since the report as of January 29, 1973, the total of reserves has been reduced by more than $250 million. Of the total released, over two-thirds was in response to the development or completion by the responsible agencies of approved plans, designs, and specifications. The remainder was in part applied to offsetting a portion of the costs of pay raises and in part resulted from reestimates of obligations, balances, and receipts.

The total of all current reserves is 3.4 percent of the total unified budget outlays for fiscal year 1973 (as estimated in the 1974 budget). The comparable percentage at the end of fiscal years 1959 through 1961 ranged from 7.5 percent to 8.7 percent. At the end of fiscal year 1967, it stood at 6.7 percent. At the end of 1972, it was 4.6 percent. But a range in the neighborhood of 6 percent has been normal over most of the last decade.

Report required by law.—This report is submitted in fulfillment of the requirements of the "Federal Impoundment and Information Act," as amended, which provides for a report of "impoundments," and certain other information pertaining thereto. This report lists the budgetary reserves which were in effect as of April 14, 1973.

The Antideficiency Act requires that all apportionments be reviewed at least quarterly, and that reapportionments be made or reserves be established, modified, or released as may be necessary to further the effective use of the funds concerned. Thus, in answer to item No. 5 of the Federal Impoundment and Information Act, the period of time during which funds are to be in reserve is dependent in all cases upon the results of such later review.

The remainder of this report lists, by agency, all accounts for which some funds are reserved. An asterisk (*) identifies those accounts added to the listing since the last report (i.e., such accounts contained no reserves on January 29, 1973). Reserve entries which have been superseded (i.e., increased, decreased, or eliminated) since January 29, 1973, by a subsequent apportionment action and are no longer in effect appear in parentheses. Entries not in parentheses indicate the most current apportionment and reserve action. The listing:

Presents the amount currently apportioned for the current fiscal year;

Presents the amount currently in reserve;

States whether the amount reserved will be legally available for obligation in the next fiscal year;

Indicates the date of the reserve action and the effective date of the current reserve;

Presents a code which relates to the reason for the current reserve action, without necessarily exhausting all possible reasons.

Presents a code which indicates the estimated fiscal, economic, and budgetary impact of the current reserve.

Codes used in the remainder of this report relating to the reasons for and estimated fiscal, economic, and budgetary impact of the reserve actions are described on the following pages. In some cases, the standard explanations given have been modified slightly from those used in the January 29 report. Such modifications have been made for the sake of clarity.

REASON FOR RESERVE ACTION

Code

1. "To provide for contingencies" (31 U.S.C. 665(c)(2)).

2. "To effect savings whenever savings are made possible by or through changes in operations, or other developments subsequent to the date on which such (funds were) made available" (31 U.S.C. 665(c)(2)).

3. To reduce the amount of or to avoid requesting a deficiency or supplemental appropriation in cases of appropriations available for obligation for only the current year (31 U.S.C. 665(c)(1)). This explanation includes amount anticipated to be used to absorb or partially absorb the costs of recent pay raises grant pursuant to law.

4. "To achieve the most effective and economical use" of funds available for periods beyond the current fiscal year (31 U.S.C. 665(c)(1)). This explanation includes reserves established to carry out the congressional intent that funds provided for periods greater than 1 year should be so apportioned that they will be available for the future periods.

5. Temporary deferral pending the establishment of administrative machinery (not yet in place) or the obtaining of sufficient information (not yet available) properly to apportion the funds and to insure that the funds will be used in "the most effective and economical" manner (31 U.S.C. 665(c)(1)). This explanation includes reserves for which apportionment awaits the development by the agency of approved plans, designs, specifications.

6. The President's constitutional duty to "take care that the laws be faithfully executed" (U.S. Constitution, art. II, sec. 3):

6a.—Obligation at this time of amount in reserve is likely to contravene law regarding the environment; or the amount in reserve is being held pending further study to evaluate the environmental impact of the affected projects (activities) as required by law.

6b.—Existing tax laws and the statutory limitation on the national debt are not expected to provide sufficient funds in the current fiscal year to cover the total of all outlays in that year contemplated by the individual acts of Congress.

6c.—Action taken consistent with the President's responsibility to help maintain economic stability without undue price and cost increases.

6d.—Amount apportioned reflects the level of obligations implicitly approved by the Congress in its review of and action on the appropriation required to liquidate obligations under existing contract authority.

6e.—Other. See footnote for each item so coded.

7. The President's constitutional authority and responsibility as Commander in Chief (U.S. Constitution, art. II, sec. 2).

8. The President's constitutional authority and responsibility for the conduct of foreign affairs (U.S. Constitution, art. II, sec. 2).

9. Other. See footnote for each item so coded.

10. Not applicable or no reason required. (In most cases where a previous reserve has been apportioned in its entirety.)

ESTIMATED FISCAL, ECONOMIC, AND BUDGETARY EFFECT

I. Same effect as set forth in the most recently submitted budget document, of which this item is an integral part.

II. The change from the previous reserve is expected to contract the budgetary impact of this program and contribute to the reduction of inflationary pressures.

III. The release or reduction of the previous reserve will facilitate use and expenditure of the available funds consistent with current program needs and economic conditions in the area affected.

IV. Other. See footnote for each item so coded.

V. Not applicable or no explanation required. (In most cases where a previous reserve has been apportioned in its entirety.)

SUMMARY OF BUDGETARY RESERVES—AS OF APR. 14, 1973

[Dollars in millions]

Agency	Amount as of Jan. 29, 1973	Amount as of Apr. 14, 1973	Agency	Amount as of Jan. 29, 1973	Amount as of Apr. 14, 1973
Executive Office of the President	3	3	Atomic Energy Commission	316	316
Funds Appropriated to the President	127	126	Environmental Protection Agency	2	2
Department of Agriculture	1,497	1,483	General Services Administration	261	261
Department of Commerce	181	178	National Aeronautics and Space Administration	33	30
Department of Defense—Military	1,899	1,716	Veterans Administration	71	69
Department of Defense—Civil	118	53	Other Independent Agencies:		
Department of Health, Education, and Welfare	35	34	National Science Foundation	62	62
Department of Housing and Urban Development	529	510	Small Business Administration	51	51
Department of the Interior	482	480	All other	52	52
Department of Justice	36	36			
Department of State	6	5			
Department of Transportation	2,937	2,924	Total	8,723	8,456
Department of Treasury	24	24			

Less than $500,000.

BUDGETARY RESERVES—AS OF APR. 14, 1973

[Dollars in thousands]

[General notes.—Amounts in parenthesis ( ) indicate actions superseded by later apportionment actions. An asterisk (*) indicates an account added to the list since the last report]

	Amount apportioned	Amount in reserve	Available beyond fiscal year 1973?	Date of reserve action	Effective date of reserve	Reason for reserve action (see code)	Estimated fiscal, economic, and budgetary effect (see code)
Executive Office of the President:							
Council on Environmental Quality: Salaries and expenses	(2,230)	(320)	No	Jan. 12, 1973	Jan. 12, 1973	5	I
	2,265	285	No	Feb. 27, 1973	Feb. 27, 1973	5	I
Council on International Economic Policy: Salaries and expenses	(300)	(700)	No	Nov. 28, 1972	Nov. 28, 1972	5	I
	800	200	No	Mar. 12, 1973	Mar. 12, 1973	5	I
National Security Council: Salaries and expenses	(2,637)	(125)	No	Aug. 4, 1972	Aug. 4, 1972	5	I
	2,712	50	No	Mar. 30, 1973	Mar. 30, 1973	5	I
Special Action Office for Drug Abuse Prevention: Salaries and expenses	6,315	2,027	Yes	Aug. 21, 1972	Aug. 21, 1972	4, 5	I
Funds Appropriated to the President:							
Appalachian Regional Commission: Appalachian regional development programs	340,263	65,000	Yes	Sept. 22, 1972	Sept. 22, 1972	5, 6c	
Agency for International Development: Prototype desalting plant	(1)	20,000	Yes	Apr. 7, 1972	July 1, 1972	5	I
The Inter-American Foundation	(8,000)	(41,624)	Yes	Jan. 10, 1972	July 1, 1972	4, 6e [3]	I
	5,000	40,652	Yes	Mar. 12, 1973	Mar. 12, 1973	4	I
Department of Agriculture:							
Office of the Secretary	(11,312)	(583)	No	Jan. 26, 1973	Jan. 26, 1973	6b	I
	11,424	472	No	Apr. 9, 1973	Apr. 9, 1973	6b	I
Office of the Inspector General	(18,774)	(450)	No	Jan. 26, 1973	Jan. 26, 1973	6b	I
	18,974	250	No	Apr. 3, 1973	Apr. 3, 1973	6b	I
Office of the General Counsel	(6,913)	(13)	No	Jan. 26, 1973	Jan. 26, 1973	6b	I
	6,926		NA	Apr. 3, 1973	Apr. 3, 1973	10	V
Office of Management Services	(5,534)	(6)	No	Jan. 26, 1973	Jan. 26, 1973	6b	I
	5,540		NA	Apr. 3, 1973	Apr. 3, 1973	10	V
Agricultural Research Service	200,402	8,464	No	Jan. 26, 1973	Jan. 26, 1973	6b	I
Construction	3,598	1,720	Yes	Jan. 26, 1973	Jan. 26, 1973	4, 6b	I
Animal and Plant Health Inspection Service	(323,410)	(2,055)	No	Jan. 29, 1973	Jan. 29, 1973	1, 5, 6b, 6e [3]	I
	328,734	738	No	Mar. 21, 1973	Mar. 21, 1973	1, 5, 6b, 6e [3]	I
Cooperative State Research Service	(88,388)	(3,530)	No	Jan. 26, 1973	Jan. 26, 1973	6b, 5, 6e [3]	I
	(91,748)	(1,530)	No	Mar. 8, 1973	Mar. 8, 1973	5, 6b	I
	90,401	1,500	No	Apr. 3, 1973	Apr. 3, 1973	6b	I
Extension Service	(190,427)	(5,053)	No	Jan. 26, 1973	Jan. 26, 1973	5, 6b, 6e [3]	I
	(192,428)	(3,053)	No	Mar. 19, 1973	Mar. 19, 1973	5, 6b	I
	192,481	3,000	No	Apr. 12, 1973	Apr. 12, 1973	6b	I
National Agricultural Library	(4,408)	(6)	No	Jan. 26, 1973	Jan. 26, 1973	6b	I
	4,416		NA	Apr. 12, 1973	Apr. 12, 1973	10	V
Statistical Reporting Service	(25,042)	(267)	No	Jan. 26, 1973	Jan. 26, 1973	6b	I
	25,300	9	No	Apr. 9, 1973	Apr. 9, 1973	6b	I
Economic Research Service	(18,689)	(337)	No	Jan. 26, 1973	Jan. 26, 1973	6b	I
	19,002	24	No	Apr. 12, 1973	Apr. 12, 1973	6b	I
Commodity Exchange Authority	2,894	12	No	Jan. 26, 1973	Jan. 26, 1973	6b	I
Packers and Stockyards Administration	(4,014)	(43)	No	Jan. 26, 1973	Jan. 26, 1973	6b	I
	4,057		NA	Apr. 3, 1973	Apr. 3, 1973	10	V
Farmers Cooperative Service	(2,060)	(115)	No	Jan. 26, 1973	Jan. 26, 1973	6b	I
	2,075	100	No	Apr. 3, 1973	Apr. 3, 1973	6b	I
Foreign Agricultural Service:							
Foreign Agricultural Service	(28,932)	(117)	No	Jan. 26, 1973	Jan. 26, 1973	6b	I
	29,049		NA	Apr. 3, 1973	Apr. 3, 1973	10	V
Salaries and Expenses, Special foreign currency program	1,000	2,240	Yes	Jan. 26, 1973	Jan. 26, 5973	4	I
Agricultural Stabilization and Conservation Service:							
Rural environmental assistance	15,000	210,500	Yes	Jan. 26, 1973	Jan. 26, 1973	6b	I
Water Bank Act program	8,489	11,391	Yes	Jan. 26, 1973	Jan. 26, 1973	6b	I
Emergency conservation measures	20,000	3,670	Yes	Dec. 30, 1972	Dec. 30, 1972	1	I
Rural Development Service	394	6	No	Jan. 26, 1973	Jan. 26, 1973	6b	I
Dairy and beekeeper indemnity program	7,294	2,500	Yes	Jan. 26, 1973	Jan. 26, 1973	4	I
Commodity Credit Corporation: Limitation on administrative expenses	(37,034)	(2,866)	No	Jan. 26, 1973	Jan. 26, 1973	1, 6e [3]	I
	39,900		NA	Mar. 30, 1973	Mar. 30, 1973	10	V

Footnotes at end of table.

	Amount apportioned	Amount in reserve	Available beyond fiscal year 1973?	Date of reserve action	Effective date of reserve	Reason for reserve action (see code)	Estimated fiscal, economic, and budgetary effect (see code)
Department of Agriculture—Continued							
Rural Electrification Administration:							
Loans	283, 972	456, 103	Yes	Jan. 26, 1973	Jan. 26, 1973	2, 6b, 6c	I
Salaries and expenses	16, 661	153	No	Jan. 26, 1973	Jan. 26, 1973	6b	I
Farmers Home Administration:							
Rural water and waste disposal grants	30, 000	120, 00	Yes	Jan. 26, 1973	Jan. 26, 1973	6b, 6c	I
Rural housing for domestic farm labor grants	(850)	(2, 947)	Yes	Jan. 26, 1973	Jan. 26, 1973	5, 6b	I
	2, 176	1, 621	Yes	Jan. 31, 1973	Jan. 31, 1973	5, 6b	IV[13]
Mutual and self-help housing grants	3, 729	832	Yes	Sept. 22, 1972	Sept. 22, 1972	4	I
Salaries and expenses	(117, 914)	(1, 317)	No	Jan. 26, 1973	Jan. 26, 1973	6b	I
	119, 285		NA	Apr. 3, 1973	Jan. 26, 1971	10	V
Rural housing insurance fund	2, 021, 000	133, 000	Yes	Jan. 26, 1973	Jan. 26, 1973	4, 6b	I
Soil Conservation Service:							
Conservation operations	170, 003	3, 607	Yes	Jan. 26, 1973	Jan. 26, 1973	6b	I
River basin surveys and investigations	14, 344	156	Yes	Jan. 26, 1973	Jan. 26, 1973	6b	I
Watershed planning	9, 256	569	Yes	Jan. 26, 1973	Jan. 26, 1973	6b	I
Watershed and flood prevention operations	140, 287	17, 412	Yes	Jan. 26, 1973	Jen. 26, 1973	6b	I
Great Plains Conservation Service	18, 265	74	Yes	Jan. 26, 1973	Jan. 26, 1973	6b	I
Resource conservation and development	25, 371	7, 929	Yes	Jan. 26, 1973	Jan. 26, 1973	6b	I
Agricultural Marketing Service:							
Marketing Services, no-year	(1, 360)	(700)	Yes	June 27, 1972	July 1, 1972	4	I
	1, 591	940	Yes	Mar. 16, 1973	Mar. 16, 1973	4	I
Marketing services annual	(37, 115)	(236)	No	Sept. 22, 1972	Sept. 22, 1972	6b	I
	37, 392		NA	Mar. 13, 1973	Mar. 13, 1973	10	V
Payments to States and possessions	1, 600	900	No	Sept. 22, 1972	Sept. 22, 1972	6b	I
Perishable Agricultural Commodities Act fund	(1, 353)	(10)	Yes	June 27, 1972	July 1, 1972	4	I
	1, 384	140	Yes	Mar. 13, 1973	Mar. 13, 1973	4	I
Food Nutrition Service: Food stamp program	2, 336, 896	158, 854	No	Dec. 20, 1973	Dec. 20, 1972	1, 6e[3]	I
Forest Service:							
Forest protection and utilization, annual	(390, 919)	(22, 105)	No	Jan. 26, 1973	Jan. 26, 1973	6b	I
	394, 491	18, 105	No	Mar. 23, 1973	Mar. 23, 1973	6b	IV[14]
Forest protection and utilization no-year	9, 208	615	Yes	Sept. 8, 1972	Sept. 8, 1972	4	I
Construction and land acquisition	43, 401	12, 602	Yes	Jan. 26, 1973	Jan. 26, 1973	6b	I
Youth Conservation Corps	3, 500	2, 097	Yes	Jan. 26, 1973	Jan. 26, 1973	4	I
Forest roads and trails and roads and trails for States	(157, 848)	(280, 380)	Yes	Jan. 26, 1973	Jan. 26, 1973	4, 6b	I
	159, 830	278, 398	Yes	Mar. 29, 1973	Mar. 29,1973	4, 6b	I
Assistance to States for tree planting	1, 119	15	Yes	Jan. 26, 1973	Jan. 26, 1973	6b	I
Brush disposal	(18, 328)	(18, 558)	Yes	Nov. 14, 1972	Nov. 14, 1972	4	I
	19, 628	12, 258	Yes	Apr. 3, 1973	Apr. 3, 1973	4	I
Forest fire prevention	261	134	Yes	Nov. 14, 1972	Nov. 14, 1972	4	I
Department of Commerce:							
Social and Economic Statistics Administration:							
Salaries and expenses	(33, 787)	(1, 500)	No	Nov. 24, 1972	Nov. 24, 1972	2, 6b	I
	34, 564	722	No	Mar. 28, 1973	Mar. 28, 1973	6, 6b	I
1974 Census of Agriculture	(4)	1, 360	Yes	Nov. 24, 1972	Nov. 24, 1972	2, 4	I
Economic Development Administration:							
Planning, technical assistance and research	29, 000	2, 488	No	Jan. 18, 1973	Jan. 18, 1973	2, 6b	I
Development facilities	211, 109	8, 891	No	Jan. 18, 1973	Jan. 18, 1973	2, 6b	I
Regional Action Planning Commissions: Regional development programs	(44, 553)	(1, 116)	Yes	Nov. 24, 1972	Nov. 24, 1972	5	I
	44, 575	1, 094	Yes	Mar. 28, 1973	Mar. 28, 1973	5	I
Domestic and International Business:							
Trade adjustment assistance	21, 000	18, 681	Yes	Jan. 4, 1973	Jan. 4, 1973	1	I
Spokane Ecological Exposition	2, 689	811	Yes	Nov. 24, 1972	Nov. 24, 1972	4, 5	I
International Activities, Inter-American Cultural and Trade Center	100	5, 359	Yes	Sept. 29, 1972	Sept. 29, 1972	4, 5	I
Office of Minority Business:							
Minority business development, no-year	36, 065	16, 768	Yes	Jan. 26, 1973	Jan. 26, 1973	2, 4, 6b	I
Minority business development, annual	(9, 935)	(1, 188)	No	Nov. 24, 1972	Nov. 24, 1972	2, 6b	I
	10, 009	1, 114	No	Mar. 28, 1973	Mar. 28, 1973	2, 6b	I
National Oceanic and Atmospheric Administration:							
Salaries and expenses	(228, 780)	(12, 323)	No	Jan. 26, 1973	Jan. 26, 1973	2, 6b	I
	232, 436	8, 984	No	Mar. 29, 1973	Mar. 29, 1973	2, 3, 6b	I
Research, development, and facilities	(121, 481)	(31, 762)	Yes	Jan. 26, 1973	Jan. 26, 1973	2, 4, 6b	I
	120, 983	32, 260	Yes	Mar. 28, 1973	Mar. 28, 1973	2, 4, 6b	I
Satellite operations	38, 282	1, 000	Yes	Jan. 26, 1973	Jan. 26, 1973	5	I
Administration of the Pribilof Islands	(3, 032)	(200)	No	Jan. 26, 1973	Jan. 26, 1973	2, 6b	I
	3, 090	412	No	Mar. 29, 1973	Mar. 29, 1973	2, 6b	I
Promote and develop fishery products and research pertaining to American fisheries.*	(7, 053)	(3, 297)	Yes	Feb. 19, 1973	Feb. 19, 1973	4, 5, 6a	I
	7, 191	3, 559	Yes	Mar. 29, 1973	Mar. 29, 5973	4, 5, 6a	I
Patent Office: Salaries and expenses	(66, 353)	(1, 247)	No	Jan. 26, 1973	Jan. 26, 1973	2,6b	I
	67, 380	220	No	Mar. 28, 1973	Mar. 28, 1973	2, 6b	I
Office of Telecommunications: Research, analysis and technical services	5, 316	1, 435	Yes	Dec. 28, 1972	Dec. 28, 1972	2, 4, 6b	I
National Bureau of Standards:							
Plant and facilities	2, 450	1, 850	Yes	Nov. 24, 1972	Nov. 24, 1972	2, 4, 6b	I
Research and technical services, annual	(50, 400)	(7, 895)	No	Dec. 28, 1972	Dec. 28, 1972	2, 6b	I
	51, 273	7, 022	No	Mar. 28, 1973	Mar. 28, 1973	2, 6b	I
Research and technical services, no-year	2, 000	8, 812	Yes	Nov. 24, 1972	Nov. 24, 1972	5, 6b	I
Construction of facilities	138	740	Yes	Jan. 26, 1973	Jan. 26, 1973	4, 6b	I
Maritime Administration:							
Ship construction	421, 810	50, 000	Yes	Jan. 18, 1973	Jan. 18, 1973	4, 6b	I
Research and development	24, 901	5, 000	Yes	Jan. 18, 1973	Jan. 18, 1973	4, 6b	I
Salaries and expenses	(25, 010)	(700)	No	Nov. 24, 1972	Nov. 24, 1972	2	I
	25, 582	127	No	Mar. 27, 1973	Mar. 27 1973	2	I
Maritime training	(8, 324)	(150)	No	Nov. 24, 1972	Nov. 24, 1972	2	I
	8, 433	41	No	Mar. 27, 1973	Mar. 27, 1973	2	I
State marine schools	2, 428	127	Yes	Nov. 24, 1972	Nov. 24, 1972	4	I
Department of Defense—Military:							
Personnel: Reserve personnel, Marine Corps	(71, 950)	(5, 106)	No	Nov. 17, 1972	Nov. 17, 1972	5	I
	74, 206	2, 850	No	Feb. 15, 1973	Feb. 15, 1973	5	I
Procurement:							
Aircraft procurement, Army, 1972–74	(53, 049)	(2, 825)	Yes	Nov. 20, 1972	Nov. 20, 1972	4	I
	53, 049		NA	Feb. 5, 1973	Feb. 5, 1973	10	I
Missile procurement, Army, 1973–75*	1, 016, 100	2, 500	Yes	Feb. 5, 1973	Feb. 5, 1973	4	I
Other procurement, Army, 1972–74	(146, 583)	(21, 726)	Yes	Nov. 20, 1972	Nov. 20 1972	4	I
	146, 583		NA	Feb. 5, 1973	Feb. 5, 1973	10	I
Shipbuilding and conversion, Navy, 1971–75	1, 031, 900	145, 672	Yes	Nov. 24, 1972	Nov. 24, 1972	4	I
Shipbuilding and conversion, Navy, 1972–76	938, 300	427, 212	Yes	Nov. 24, 1972	Nov. 24, 1972	4	I
Shipbuilding and conversion, Navy, 1973–77	2, 263, 500	777, 100	Yes	Nov. 24, 1972	Nov. 24, 1972	4	I

Footnotes at end of table.

BUDGETARY RESERVES—AS OF APR. 14, 1973—Continued

[Dollars in thousands]

[General notes.—Amounts in parenthesis ( ) indicate actions superseded by later apportionment actions. An asterisk (*) indicates an account added to the list since the last report]

	Amount apportioned	Amount in reserve	Available beyond fiscal year 1973?	Date of reserve action	Effective date of reserve	Reason for reserve action (see code)	Estimate fiscal, economic, and budgetary effect (see code)
Department of Defense—Military—Continued							
Military construction:							
Army	(1, 199, 739)	(127, 706)	Yes	Nov. 24, 1972	Nov. 24, 1972	5	I
	1, 271, 632	79, 814	Yes	Feb. 23, 1973	Feb. 23, 1973	5	I
Navy	(719, 073)	(127, 584)	Yes	Jan. 8, 1973	Jan. 8, 1973	5	I
	(706, 308)	(140, 349)	Yes	Mar. 6, 1973	Mar. 6, 1973	5	I
	741, 970	104, 687	Yes	Mar. 7, 1973	Mar. 7, 1973	5	I
Air Force	(364, 331)	(123, 924)	Yes	Jan. 8, 1973	Jan. 8, 1973	5	I
	(367, 656)	(120, 599)	Yes	Feb. 2, 1973	Feb. 2, 1973	5	I
	(410, 379)	(77, 876)	Yes	Mar. 29, 1973	Mar. 29, 1973	5	I
	425, 173	63, 082	Yes	Apr. 9, 1973	Apr. 9, 1973	5	I
Defense agencies	(24, 580)	(58, 565)	Yes	Jan. 10, 1973	Jan. 10, 1973	5	I
	24, 730	58, 415	Yes	Feb. 15, 1973	Feb. 15, 1973	5	I
Army National Guard	(20, 939)	(25, 327)	Yes	Jan. 8, 1973	Jan. 8, 1973	5	I
	(25, 081)	(21, 185)	Yes	Feb. 5, 1973	Feb. 5, 1973	5	I
	31, 249	15, 016	Yes	Mar. 8, 1973	Mar. 8, 1973	5	I
Air National Guard	11, 805	7, 268	Yes	Jan. 15, 1973	Jan. 15, 1973	5	I
Army Reserve	(40, 163)	(15, 465)	Yes	Jan. 8, 1973	Jan. 8, 1973	5	I
	(46, 414)	(9, 214)	Yes	Feb. 5, 1973	Feb. 5, 1973	5	I
	48, 519	7, 109	Yes	Mar. 8, 1973	Mar. 8, 1973	5	I
Naval Reserve	(10, 731)	(25, 750)	Yes	Nov. 24, 1972	Nov. 24, 1972	5	I
	(10, 883)	(25, 598)	Yes	Feb. 14, 1973	Feb. 14, 1973	5	I
	(9, 947)	(26, 535)	Yes	Feb. 27, 1973	Feb. 27, 1973	5	I
	19, 108	17, 373	Yes	Mar. 14, 1973	Mar. 14, 1973	5	I
Air Force Reserve	(8, 919)	(988)	Yes	Dec. 19, 1972	Dec. 19, 1972	5	I
	8, 524	1, 384	Yes	Mar. 1, 1973	Mar 1, 1973	5	I
Civil Defense: Research, shelter survey nd marking	23, 397	1, 080	Yes	July 27, 1972	July 27, 1972	5	I
Special foreign currency program:							
Defense, 1971–73	8, 075	2, 426	No	Dec. 18, 1972	Dec. 18, 1972	5	I
Defense, 1972–74	7, 025	2, 477	Yes	Dec. 18, 1972	Dec. 18, 1972	5	I
Defense, 1973–75	3, 000	400	Yes	Dec. 4, 1972	Dec. 4, 1972	5	I
Department of Defense—Civil:							
Corps of Engineers:							
General investigations	58, 992	5, 150	Yes	Jan. 26, 1973	Jan. 26, 1973	2, 6b	I
Construction	(1, 262, 891)	(94, 033)	Yes	Jan. 26, 1973	Jan. 26, 1973	1, 6b	I
	1, 287, 801	69, 033	Yes	Mar. 9, 1973	Mar. 9, 1973	1, 6b	IV[15]
Operation and maintenance	433, 799	16, 000	Yes	Jan. 26, 1973	Jan. 26, 1973	6b	I
Flood control, Mississippi River and tributaries	110, 798	1, 750	Yes	Jan. 26, 1973	Jan. 26, 1973	6b	I
Panama Canal: Canal Zone Government, capital outlay	7, 089	700	Yes	Sept. 8, 1972	Sept. 8, 1972	5	I
Wildlife conservation:							
Army	515	330	Yes	Dec. 13, 1976	Dec. 13, 1972	1	I
Navy	58	30	Yes	Nov. 21, 1972	Nov. 21, 1972	1	I
Air Force	(101)	(31)	Yes	June 28, 1972	July 1, 1972	1	I
	111	47	Yes	Apr. 12, 1973	Apr. 12, 1973	1	I
Department of Health, Education, and Welfare:							
Health Services and Mental Health Facilities:							
Indian Health Facilities	(43, 960)	(4, 623)	Yes	Jan. 26, 1973	Jan. 26, 1973	5	I
	44, 253	4, 330	Yes	Apr. 6, 1973	Apr. 6, 1973	5	I
National Institutes of Health: Buildings and facilities	14, 843	2, 000	Yes	Aug. 15, 1972	Aug. 15, 1972	5	I
Office of Education:							
Higher education, annual	355, 200	10, 000	Yes	Jan. 26, 1973	Jan. 16, 1973	5	I
Higher education, no-year	234, 359	1, 889	Yes	Nov. 30, 1972	Nov. 30, 1972	5	I
Educational activities overseas, special foreign currency program	3, 282	16	Yes	Apr. 6, 1972	July 1, 1972	5	I
Social and Rehabilitation Services	31, 767	200	No	Dec. 11, 1972	Dec. 11, 1972	6b	I
Social Security Administration: Limitation on construction (trust fund)	33, 860	12, 095	Yes	Apr. 27, 1972	July 1, 1972	4, 5	I
Special institutions: Howard University	54, 046	3, 714	Yes	Jan. 24, 1972	July 1, 1972	5	I
Department of Housing and Urban Development:							
Housing production and mortgage credit: Nonprofit sponsor assistance	1, 100	6, 686	Yes	Jan. 26, 1973	Jan. 26, 1973	5, 6b, 6c	
Community development:							
Open space land program	(50, 000)	(50, 050)	Yes	Jan. 26, 1973	Jan. 26, 1973	6b, 6c	I
	(72, 000)	(28, 050)	Yes	Mar. 6, 1973	Mar. 6, 1973	6b, 6c	IV[16]
	72, 319	27, 730	Yes	Mar. 8, 1973	Mar. 8, 1973	6b, 6c	IV[16]
Grants for basic water and sewer facilities	100, 000	400, 175	Yes	Jan. 26, 1973	Jan. 26, 1973	6b, 6c	I
Rehabilitation loan fund	71, 539	50, 000	Yes	Jan. 26, 1973	Jan. 26, 1973	6b, 6c	I
Public facility loans	42, 896	20, 000	Yes	Jan. 26, 1973	Jan. 26, 1973	6b, 6c	I
Office of Interstate Land Sales Registration: Interstate land sales	(5)	2, 341	Yes	Jan. 26, 1973	Jan. 26, 1973	4	I
Departmental Management: Administrative operations fund*	350, 834	3, 432	No	Feb. 16, 1973	Feb. 16, 1973	2, 6b	I
Department of the Interior:							
Bureau of Land Management: Public lands development roads and trails	4, 363	12, 961	Yes	Sept. 8, 1972	Sept. 8, 1972	6d	
Bureau of Indian Affairs: Construction	45, 377	31, 467	Yes	Jan. 26, 1973	Jan. 26, 1973	6b	I
Bureau of Outdoor Recreation: Land water conservation	312, 223	269, 590	Yes	Jan. 26, 1973	Jan. 26, 1973	6b	I
Territorial affairs: Trust Territories of the Pacific Islands	63, 903	10, 000	Yes	Jan. 26, 1973	Jan. 26, 1973	6b	I
Geological Survey:							
Surveys, investigations, and research	(190, 205)	(3, 000)	No	Jan. 12, 1973	Jan. 12, 1973	6b	I
	193, 488	1, 072	No	Mar. 23, 1973	Mar. 23, 1973	3, 6b	I
Payments from proceeds, sale of water, Mineral Leasing Act of 1920	(6)	24	Yes	Sept. 8, 1972	Sept. 8, 1972	4, 5	I
Bureau of Mines: Drainage of anthracite mines	200	3, 700	Yes	June 27, 1972	July 1, 1972	4, 5	I
Bureau of Sport Fisheries and Wildlife:							
Migratory bird conservation account (receipt limitation)	12, 249	2, 981	Yes	Jan. 26, 1973	Jan. 26, 1973	6b	I
Federal aid in wildlife restoration	(43, 400)	(7, 053)	Yes	May 16, 1972	July 1, 1972	4, 5	I
	43, 400	7, 878	Yes	Feb. 16, 1973	Feb. 16, 1973	4, 5	I
Federal aid in fish restoration and management	(16, 200)	(3, 234)	Yes	May 16, 1972	July 1, 1972	4, 5	I
	15, 753	2, 404	Yes	Feb. 16, 1973	Feb. 16, 1973	4, 5	I
National wildlife refuge fund	4, 603	4, 123	Yes	Nov. 16, 1972	Nov. 16, 1972	4, 5	I
Proceeds from sales, water resources development projects*	15	4	Yes	Feb. 16, 1973	Feb. 16, 1973	4, 5	I
National Park Service:							
Parkway and road construction	39, 500	50, 949	Yes	Jan. 26, 3973	Jan. 26, 1973	6b, 6d	I
Construction	67, 652	39, 499	Yes	Jan. 26, 1973	Jan. 26, 1973	6b	I
Bureau of Reclamation:							
General investigations	22, 790	1, 850	Yes	Jan 26, 1973	Jan. 26, 1973	6b	I
Loan program	19, 894	930	Yes	Jan. 26, 1973	Jan. 26, 1973	6b	I
Construction and rehabilitation	261, 404	18, 025	Yes	Jan. 26, 1973	Jan. 26, 1973	5, 6b	I
Operation, maintenance and replacement of project works, North Platte project	(7)	97	Yes	Sept. 22, 1972	Sept. 22, 1972	6e*	I
Lower Colorado River Basin development fund	26, 515	3, 000	Yes	Jan. 26, 1973	Jan. 26, 1973	6b	I
Upper Colorado River Basin fund	60, 090	10, 450	Yes	Jan. 26, 1973	Jan. 26, 1973	5, 6b	I
Office of Water Resources Research: Salaries and expenses	14, 304	2, 040	No	Jan. 26, 1973	Jan. 26, 1973	6b	I
Office of the Secretary: Saline water research	22, 400	6, 675	Yes	Jan. 26, 1973	an. 26, 1973	6b	I

Footnotes at end of table.

	Amount apportioned	Amount in reserve	Available beyond fiscal year 1973?	Date of reserve action	Effective date of reserve	Reason for reserve action (see code)	Estimated fiscal, economic, and budgetary effect (see code)
Department of Justice:							
Bureau of Prisons: Buildings and facilities	65, 514	36, 411	Yes	Jan. 26, 1973	Jan. 26, 1973	5, 6b	I
Department of State:							
Office of Foreign Affairs:							
Acquisition, operation, and maintenance of buildings abroad	42, 122	2, 125	Yes	Nov. 24, 1972	Nov. 24, 1972	4	I
Acquisition, operation, and maintenance of buildings abroad, special foreign currency programs	5, 713	2, 950	Yes	Jan. 3, 1973	Jan. 3, 1973	5	I
International organizations and conferences: International conferences and contingencies.	3, 224	325	Yes	Nov. 25, 1972	Nov. 15, 1972	4	I
Educational exchange:							
Center for Cultural and Technical Interchange Between East and West	(6, 000)	(200)	No	Nov. 22, 1972	Nov. 22, 1972	5	I
	6, 200		NA	Mar. 16, 1973	Mar. 16,1973	10	V
Educational exchange fund, payment by Finland, World War I debt	377	25	Yes	Nov. 15, 1972	Nov. 15, 1972	4	I
Department of Transportation :							
Office of the Secretary: Transportation, planning, research and development	31, 163	8, 300	Yes	Jan. 18, 1973	Jan. 18, 1973	4, 6b	I
U.S. Coast Guard:							
Operating expenses	(550, 400)	(10, 500)	No	Jan. 18, 1973	Jan. 18, 1973	2, 6b	I
	560, 700	200	No	Mar. 14, 1973	Mar. 14, 1973	3	I
Acquisition, construction and improvements	149, 685	11, 736	Yes	Jan. 18, 1973	Jan. 18, 1973	4, 6b	I
Reserve training	(30, 465)	(1, 270)	No	Jan 18, 1973	Jan. 18, 1973	2, 6b	I
	31, 135	600	No	Mar. 14, 1973	Mar. 14, 1973	3	I
Research, development, test, and evaluation	15, 468	3, 000	Yes	Jan. 18, 1973	Jan. 18, 1973	4, 6b	I
Alteration of bridges	(3, 550)	(10, 550)	Yes	Jan. 18, 1973	Jan. 18, 1973	4, 6b	I
	5, 750	8, 350	Yes	Apr. 13, 1973	Apr. 13, 1973	4	IV[17]
Federal Aviation Administration:							
Operations	(1, 180, 393)	(6, 000)	No	Jan. 18, 1973	Jan. 18, 1973	2, 4, 6b	I
		(4, 000)	Yes				
	1, 183, 331	6, 400	Yes	Mar. 30, 1973	Mar. 30, 1973	4	I
Facilities and equipment (airport and airway trust fund)	319, 962	207, 631	Yes	Jan. 18, 1973	Jan. 18, 1973	4, 6b	I
Research, engineering, and development (airport and airway trust fund)	57, 493	10, 000	Yes	do	do	4, 6b	I
Civil supersonic aircraft development	800	2, 153	Yes	do	do	4, 6b	I
Civil supersonic aircraft development termination	4, 161	3, 575	Yes	Jan. 23, 1973	Jan. 23, 1973	4, 6b	I
Construction, National Capital airports*	7, 035	4, 000	Yes	Mar. 30, 1973	Mar. 30, 1973	4	
Federal Highway Administration:							I
Highway beautification*	39, 902	98	Yes	Mar. 18, 1973	Mar. 18, 1973	4	I
Darien Gap Highway	20, 000	545	Yes	Jan. 18, 1973	Jan. 18, 1973	4, 5	I
Federal-aid highways	4, 467, 000	2, 477, 372	Yes	Jan. 8, 1973	Jan. 8, 1973	6c	I
Right-of-way revolving fund	50, 000	122, 782	Yes	Jan. 18, 1973	Jan. 18, 1973	4	I
National Highway Traffic Safety Administration:							
Traffic and highway safety	(76, 885)	(2, 927)	No	Jan. 19, 1973	Jan. 19, 1973	1	
	77, 250	2, 669	No	Mar. 16, 1973	Mar. 16, 1973	1	I
Construction of compliance facilities	(9)	9, 018	Yes	Jan. 19, 1973	Jan. 19, 1973	4, 5	I
Trust fund share of highway safety programs	(80, 924)	(1, 073)	No	do	do	1, 5	I
	81, 032	966	No	Mar. 16, 1973	Mar. 16, 1973	1, 5	I
Federal Railroad Administration:							
Bureau of Railroad Safety*	6, 950	56	No	do	do	3	I
High-speed ground transportation research and development	42, 979	15, 000	Yes	Jan. 19, 1973	Jan. 19, 1973	4, 6b	I
Grants to the National Railroad Passenger Corporation	103, 100	10, 000	Yes	do	do	4, 6b	I
Urban Mass Transportation Administration:							
Urban mass transportation fund	980, 000	20, 000	Yes	Jan. 17, 1973	Jan. 17, 1973	4, 6b	I
Department of the Treasury:							
Office of the Secretary:							
Construction, Federal Law Enforcement Center	1, 840	21, 517	Yes	June 28, 1972	July 1, 1972	5, 6b	I
Expenses of settlement of War Claims Act of 1928	(22)	(2)	Yes	May 30, 1972	July 1, 1972	2	I
	22	2	Yes	Mar. 16, 1973	Mar. 16, 1973	2	I
Bureau of the Mint: Construction of mint facilities	1, 784	2, 517	Yes	Aug. 21, 1972	Aug. 21, 1972	5	I
Atomic Energy Commission:							
Operating expenses	2, 861, 569	307, 750	Yes	Jan. 19, 1973	Jan. 19, 1973	2, 5, 6b	I
Plant and capital equipment	542, 871	8, 530	Yes	Jan. 19, 1973	Jan. 19, 1973	2, 5	I
Environmental Protection Agency: Operations, research, and facilities	108, 434	1, 780	Yes	Jan 4, 1973	Jan. 4, 1973	5	I
General Services Administration:							
Real property activities:							
Sites and expenses, public building projects	38, 387	22, 206	Yes	Jan. 26, 1973	Jan. 26, 1973	4	I
Construction, public building projects	133, 213	234, 309	Yes	Jan. 26, 1973	Jan. 26, 1973	2, 4	I
Property management and disposal: Operating expenses, no-year	4, 418	4, 000	Yes	Nov. 30, 1972	Nov. 30, 1972	4	I
General Activities: Indian tribal claims, Office of the Administrator	(1, 000)	(800)	No	Nov. 30, 1972	Nov. 30, 1972	1	I
	1, 536	264	No	Mar. 30, 1973	Mar. 30, 1973	3	I
National Aeronautics and Space Administration: Research and development	(2, 864, 358)	(32, 515)	Yes	Sept. 13, 1972	Sept. 13, 1972	2, 4, 5, 6b	I
	2, 867, 073	29, 800	Yes	Feb. 20, 1973	Feb. 20, 1973	2, 4, 5, 6b	I
Veterans Administration:							
Medical prosthetic research	(75, 824)	(4, 818)	Yes	Jan. 26, 1973	Jan. 26, 1973	5	I
	76, 994	3, 648	Yes	Feb. 15, 1973	Feb. 15, 1973	5	I
Medical administration and miscellaneous operating expenses	27, 952	837	No	Jan. 26, 1973	Jan. 26, 1973	1	I
Construction, major projects	65, 993	60, 000	Yes	Dec. 20, 1972	Dec. 20, 1972	5	I
Construction, minor projects	50, 000	5, 000	Yes	Dec. 20, 1972	Dec. 20, 1972	5	I
Other independent agencies:							
District of Columbia:							
Loans for capital outlay, metropolitan areas sanitary sewage work funds	6, 252	300	Yes	Aug. 7, 1972	Aug. 7, 1972	4	I
Loans for capital outlay, sanitary sewage	28, 000	4, 285	Yes	Aug. 7, 1972	Aug. 7, 1972	4	I
Loans for capital outlay, water fund	8, 433	2, 360	Yes	Aug. 7, 1972	Aug. 7, 1972	4	I
Loans for capital outlay, general fund	137, 000	6, 758	Yes	Jan. 26, 1973	Jan. 26, 1973	4	I
Federal Communications Commission: Salaries and expenses	(35, 443)	(460)	No	Sept. 5, 1972	Sept. 5, 1972	5	I
	35, 905		NA	Feb. 8, 1973	Feb. 8, 1973	10	V
Federal Metal and Nonmetallic Mine Safety Board of Review: Salaries and expenses	75	85	No	Sept. 8, 1972	Sept. 8, 1972	1	I
Federal Trade Commission: Salaries and expenses	29, 874	400	No	Sept. 21, 1972	Sept. 21, 1972	5	I
Foreign Claims Settlement Commission: Salaries and expenses	693	50	No	Nov. 14, 1972	Nov. 14, 1972	1	I
Payment of Vietnam and USS Pueblo prisoner of war claims	23	150	Yes	Sept. 2, 1972	July 1, 1972	1	I
American Revolution Bicentennial Commission: Commemorative activities fund	3, 960	5, 690	Yes	Nov. 28, 1972	Nov. 28, 1972	5	I
International Radio Broadcasting: International radio broadcasting activities	38, 520	275	No	Nov. 6, 1972	Nov. 6, 1972	2,6e[10]	I
National Science Foundation:							
Salaries and expenses	611, 273	60, 400	Yes	Jan. 18, 1973	Jan. 18, 1973	2,5, 6b	I
Scientific activities, special foreign currency program	5, 000	2, 000	Yes	Jan. 18, 1973	Jan. 18, 1973	2	I
Railroad Retirement Board: Limitation on Railroad Unemployment Administration fund.	8, 568	4, 820	Yes	July 1, 1972	July 1, 1972	6e[11]	I
The Renegotiation Board: Salaries and expenses	4, 842	45	No	Sept. 5, 1972	Sept. 5, 1972	5	I
Small Business Administration:							
Salaries and expenses	(107, 232)	(3, 217)	No	Nov. 24, 1972	Nov. 24, 1972	1, 2, 6b	I
	107, 732	2, 717	No	Mar. 28, 1973	Mar. 28, 1973	2, 6b	I
Business loan and investment fund	593, 678	48, 017	Yes	Jan. 26, 1973	Jan. 26, 1973	2, 4, 6b	I
Temporary Study Commissions:							
Commission on executive, egislative, and judicial salaries; salaries and expenses.	(25)	(75)	No	Jan. 11, 1973	Jan. 11, 1973	5	I
	50	50	No	Apr. 4, 1973	Apr. 4, 1973	5	I
Commission on the Organization of the Government for the Conduct of Foreign Policy: *salaries and expenses.*	(12)	200	No	Nov. 30, 1972	Nov. 30, 1972	5	I

Footnotes at end of table.

BUDGETARY RESERVES—AS OF APR. 14, 1973—Continued

[Dollars in thousands]

[General notes.—Amounts in parenthesis ( ) indicate actions superseded by later apportionment actions. An asterisk (*) indicates an account added to the list since the last report]

	Amount apportioned	Amount in reserve	Available beyond fiscal year 1973?	Date of reserve action	Effective date of reserve	Reason for reserve action (see code)	Estimated fiscal, economic, and budgetary effect (see code)
Other independent agencies—Continued							
Tennessee Valley Authority: Tennessee Valley Authority Fund	94, 564	22, 318	Yes	Jan. 26, 1973	Jan. 26, 1973	6a, 6b, 6c	1
United States Information Agency:							
Salaries and expenses, special foreign currency program	12, 186	2, 533	Yes	Nov. 22, 1972	Nov. 22, 1972	4	1
Special international exhibitions	5, 827	667	Yes	Nov. 22, 1972	Nov. 22, 1972	4	1
Special international exhibitions, special foreign currency program	391	6	Yes	Nov. 22, 1972	Nov. 22, 1972	4	1
Water Resources Council: Water resources planning	6, 486	863	Yes	Jan. 26, 1973	Jan. 26, 1973	2, 5, 6b	1

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[1] Funds have not been apportioned while awaiting the completion of negotiations with the Government of Israel.

[2] Public Law 92–571, "Making further continuing appropriations for fiscal year 1973, and for other purposes," includes a limitation on obligations of $5 million. The reserve will remain in effect until Congress completes final action on its annual limitation on the Foundation's activities.

[3] Public Law 92–399, "Agriculture-Environmental and Consumer Protection Appropriation Act, 1973" requires the creation of certain reserves pending such circumstances as the provision of matching funds by the States, the determination of qualified and necessary projects, the determination of the availability of qualified personnel and the determination of need.

[4] The Census of Agriculture has been postponed until 1977 to coincide with the economic censuses.

[5] Fees deposited to the interstate land sales account are used only to the extent funds are not sufficient in the appropriation for salaries and expenses, housing production and mortgage credit programs.

[6] The Department of the Interior has no present plans for the use of these funds which are available only for the development of water wells on public lands.

[7] No improvements are currently necessary (see footnote 8).

[8] 66 Stat. 754 requires that certain miscellaneous revenues be deposited in a special fund to provide for the replacement of the project works and to defray annual operating and maintenance expenses when necessary.

[9] Construction is deferred pending evaluation of the alternatives of lease versus direct construction.

[10] Public Law 92–544, "Department of State Appropriation Act, 1973" provides these funds for the activities of a commission. However, Public Law 92–394, "United States Information and Educational Exchange Act of 1948, Amended" authorizes funds in this account to be spent only on grants.

[11] 45 U.S.C. 361 authorizes the Railroad Retirement Board to use funds from the unemploymen trust fund of 0.25 percent of the taxable payroll of railroad workers for the administrative expenses of operating the railroad unemployment insurance fund. The amount apportioned represents the actual requirements. If the remainder of this formula-based authorization (currently in reserve) is not needed, it will be returned to the unemployment trust fund.

[12] The Commission is not yet in operation.

[13] The level of obligations for the account will be approximately $1.5 million above the budget estimate for fiscal year 1973 due to a reestimate of actual commitments incurred prior to the beginning of the 18-month housing moratorium.

[14] The level of obligations for the cooperative forest fire control program will be approximately $4 million above the budget estimate for fiscal year 1973 in order to maintain equitable funding to the States.

[15] The level of obligations for this account will be approximately $25 million above the budget estimate for fiscal year 1973 in order to take emergency actions designed to diminish flood damage in the Great Lakes basin.

[16] The level of obligations in this account will be approximately $22 million above the budget estimate for fiscal year 1973 due to a final accounting of actual commitments incurred prior to the beginning of the 18-month housing moratorium.

[17] The level of obligations in this account will be approximately $2.25 million above the budget estimate for fiscal year 1973 in order to provide the Federal share of funds required to make the necessary alterations at the site of a recent shipping accident.

Source: Federal Register, vol. 38, No. 89—Wednesday, May 9, 1973 [FR Doc. 73–8930 Filed 5–8–73; 8:45 am].

EXHIBIT 2

[From the CONGRESSIONAL RECORD, Mar. 6, 1973]

SENATE CONCURRENT RESOLUTION 14—SUBMISSION OF A CONCURRENT RESOLUTION RELATING TO NATIONAL PRIORITIES

(Referred to the Committee on Government Operations.)

Mr. HUMPHREY. Mr. President, I am introducing today a resolution on national priorities that I believe will help prevent an era of retrenchment and retreat on the pressing domestic problems in our country.

This resolution would call for a fiscally responsible Federal budget for fiscal 1974 while at the same time placing the Congress clearly on record for reduced military expenditures and a reformed tax system. It would provide a means for meeting our domestic needs in public employment, health care, urban rehabilitation, rural economic development, housing, education, and pollution control.

Mr. President, this resolution squarely challenges the assumption that, in a time of peace, the United States must have a bigger and higher military budget. It certainly is an ominous sign that at the time when the energies so long postponed by the Vietnam war should be turned to the problems at home, the fiscal year 1974 budget ushers in an era of domestic retreat.

We saw the same thing happen after the Korean war in the 1950's. We should have moved ahead then—on our domestic problems. We did not, and in part, the problems of the 1960's resulted from the indifference of the 1950's.

We simply cannot allow that to happen in the 1970's.

Under my resolution, we can take the first step toward meeting the responsibilities of the 1970's.

This resolution expresses the sense of Congress that $5 to $7 billion can be pared from the military budget in such areas as weapons procurement, weapons research and development, and by economizing in foreign assistance and space programs, and that through the elimination of unwarranted tax preferences in the internal revenue code another $5 to $7 billion in revenues can be produced.

We can use these funds to promote full employment, quality education and health care, environmental protection, safe and improved living conditions in urban and rural areas, and equal opportunity for all Americans.

We can do these things while at the same time providing, through a fiscally responsible Federal budget, for the promotion of national security, stable prices, and tax justice. We can place the additional dollars realized through the paring of nonessential defense expenditures and the elimination of unwarranted tax preferences, into programs to meet vital domestic human needs.

In short, through a rearrangement of priorities, we can fund some of the programs that the Nixon administration refuses to fund.

And, we can do so without increasing the Federal deficit.

Mr. President, I am asking for nothing more than that the Congress apply the same standards toward defense, space, military assistance, and tax subsidy budgets that the President has applied to domestic programs.

We have streets that need repair. We have critical air and water pollution problems to solve. We have poverty and racial injustice to overcome. We have massive housing and transportation problems. We have serious health needs and educational needs.

These are the priorities before us. These are the challenges of our time. And we must seize the opportunity now to target Federal funds effectively in serving these vital national interests. That is the purpose of my national priorities resolution.

I ask unanimous consent that a copy of my resolution be printed at this point in the RECORD.

There being no objection, the concurrent resolution was ordered to be printed in the RECORD, as follows:

S. CON. RES. 14

Resolved by the Senate (the House of Representatives concurring), Expressing the sense of Congress that certain economizing and tax reform measures shall be taken to assure through a fiscally responsible Federal Budget for Fiscal 1974 effective action to promote national security, stable prices, tax justice, full employment, quality education and health care, environmental protection, safe and improved living conditions in urban and rural areas, and equal opportunity for all Americans.

Whereas the Constitution of the United States places the power of the purse in the Congress of the United States and requires the President to "take care that the laws be faithfully executed," and

Whereas it is in the national interest that the Legislative and Executive Branches work in harmony to promote prosperity and opportunity for the American people, and

Whereas the priorities, revenue policies and spending decisions of Federal Government play a critical role in assuring the health of the economy, equal opportunities for all citizens, a secure national defense, and a high quality of public services, and

Whereas control of inflation requires fiscal responsibility, the avoidance of unjustified deficit spending and the most prudent use of taxpayers' dollars, and

Whereas the Federal Budget for Fiscal 1974 and future budget projections call for the expansion of military programs but the elimination or drastic reduction of some $14 billion in domestic programs annually notwithstanding the cessation of hostilities in Vietnam, and

Whereas it is estimated that the Administration's budget requests for military, foreign assistance and space budgets can be reduced by between $5 to $7 billion without danger to our national security and without jeopardizing our international commitments, and

Whereas it is recognized by Treasury Department officials, the appropriate Committees of Congress and recognized experts that minimal, long overdue tax reform can produce $5 to $7 billion in new revenues and without increasing the tax burden of the average taxpayer, and

Whereas unilateral elimination or reduction by the Executive of federal domestic programs, contrary to law, without thorough evaluation of those programs by the Legislative Branch neither serves the national interest nor complies with the spirit or letter of the Constitution: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of Congress that (1) equally rigorous economies shall be applied by Congressional review to military, foreign assistance, space programs, and unwarranted tax preferences.

(2) Congress shall set as a target for action by the relevant committees with respect to the proposed Federal Budget for Fiscal 1974.

(a) the realization of savings of $5 to $7 billion by paring unneeded weapons procurement, weapons research and weapons development, by reducing excessive forces in the military, and by economizing in foreign assistance and space programs, and (b) the elimination of unwarranted tax preferences in the Internal Revenue Code, to produce additional revenues of $5 to $7 billion.

(3) These budgetary resources—all within a fiscally responsible and non-inflationary budget ceiling as developed by the Congress—shall be redirected to promote full employment, quality education and health care for citizens, environmental protection, safe and improved living conditions in urban and rural areas, and equal opportunities for all Americans, with particular but not exclusive emphasis given to providing for health care and national insurance coverage of health care costs for all Americans, expanded public service job opportunities, improvements in public assistance and social services programs, increased federal assistance for housing, education, and the rehabilitation of urban areas, adequate law enforcement, the promotion of rural economic development, and new programs designed to improve the living conditions of American working families.

Exhibit 3

[From the New York Times, Apr. 25, 1973]

The Helmsman on the Right Course

(By Roy Ash)

Washington.—Sir Winston Churchill once remarked: "What's the use of being a famous race and nation if, at the end of the week, you can't pay your housekeeping bill?"

By most of the usual statistics, the second Nixon Administration is off to an excellent start. More than 82 milllion of our men and women are at work. Our average per capita income rose by almost 8 per cent last year. Unemployment is down from 6 per cent to 5.1 per cent.

The gross national product is currently exceeding $1.2-trillion—and we are growing at a rate of almost 7 per cent. Because the country is already so enormous, this means that just the increment added to our economy this year will be as great as the entire economy of Italy.

The Nixon policies have succeeded in reducing the rate of inflation from 6.7 percent when the President took office to 2.9 per cent today. Despite the rise in food prices, it is a meaningful truth that the United States still has one of the slowest rates of inflation in the world.

Confidence for the future is high. America's morale is also high. Now more than ever, our people are proud of their heritage, proud of their country, proud of their communities, proud of their role in the world, proud of their championing of freedom.

At the helm, Americans have a realistic President who knows where he is going as well as the right course for the nation.

"The difference is between change that works and change that doesn't work," he said during the 1972 Presidential campaign.

But it takes discipline to hold out for what is right in the face of persons who would yield to any popular expediency to the nation's detriment.

For example, when the President pledged to hold the Federal spending line at $250 billion in fiscal 1973 and $268 billion in fiscal 1974, he was greeted by howling cries of sour grapes by some members of Congress and in segments of the media.

But let's look at the facts. The Federal budget, which stood at some $100-billion in 1965, has increased two and a half times in less than a decade. Surely it can be perceived what a continuation of this rate of increase would mean to America in the 1970's, 1980's and 1990's? It would mean higher taxes and higher prices for one thing. And well before the end of the century it would mean a trillion-dollar Federal budget: a Federal establishment as big as our entire economy is at present.

The American people are able to envision what will happen. The Harris Poll recently found 59 per cent of the people in agreement with the statement that "President Nixon is right in saying that inflation cannot be controlled unless Federal spending is cut to the bone." The Market Opinion Research Poll finds 74 per cent in favor of holding down taxes rather than spending more money for unworkable social programs.

The route that the big spenders in the Congress threaten to take would mean a 15 percent surcharge on every American's income tax—and on this one, the Sindlinger Polls finds only 16.8 per cent willing to pay the tax to support such programs.

Why then do the critics persevere? Surely, they can measure the fact that President Nixon is currently budgeting 66 per cent more to help the poor than did President Johnson, 67 per cent more to help the sick, 71 per cent more to help the aging, and more than 130 per cent more to help the hungry and undernourished?

The fact is that some people—a hardcore minority—are still campaigning for Senator McGovern—not the man, but the giveaway programs that were central to the movement.

The fight that is still being waged in America is not the battle of the budget but a rearguard action of a new minority trying to ignore an election in which they were repudiated by 62 per cent of the American people.

All of those who support the President's position on the budget battle must now raise voices, as they did so convincingly last November, against the bankrupting of America. The battle is being waged on Capitol Hill. If you really care about your family budget, it's time you let your Congressman know where you stand on runaway Federal spending.

For wage earners, now is income.

Wage-earners should look at how much Federal taxes they are paying now and ask whether they are willing to pay more taxes next year. You'll have to pay more if the budget busters in Congress have their way.

Mr. ROTH. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. ROTH. Mr. President, I ask unanimous consent that further reading of the amendment may be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the Record.

The amendment, ordered to be printed in the Record, is as follows:

On page 12, line 20, delete all after the word "shall", and all through page 13, line 14. In its place, insert "immediately cease the impounding of any budget authority set forth in each special message, or any portion thereof, if, within sixty calendar days of continuous session after the date on which the message is received by the Congress, the specific impoundment, or any portion thereof, shall have been disapproved by a majority vote of both the Senate and the House of Representatives in a concurrent resolution in accordance with the procedures set out in section 5 of this Act. The effect of such disapproval shall be to make the obligation of that specific budgetary authority mandatory, and shall preclude the President or any other Federal officer or employee from reimpounding the specific budget authority set forth in the special message which the Congress by its disapproval has thereby rejected."

On page 15, delete line 8 and all through line 14, and renumber subsequent sections accordingly.

Mr. ROTH. Mr. President, I ask unanimous consent that my assistant, Nathan Hayward, be permitted to remain in the Chamber during the debate and vote on the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROTH. Mr. President, my amendment is very short and straightforward. It would provide that the President is required to cease any impoundment only if within 60 days after receipt of the impoundment message, Congress disapproves the impoundment of any portion by passing a concurrent resolution.

This amendment is identical to a measure I proposed when we considered S. 373 as an amendment earlier this year.

For Congress to be really responsible I feel we must reverse the major thrust of title I of the bill, which says impoundments must cease after 60 days unless Congress specifically approves of them.

I do not intend to debate this amendment extensively. The Senate has considered my proposal at the earlier time after some extensive dialog. At the same time I want to stress the importance of this language.

I would like to join with my colleague, the senior Senator from Virginia, in stating my great concern over runaway Federal spending. We face a serious erosion in public confidence today, for our economy has floundered in the wake of rampant and persistent inflation.

I agree that the White House cannot completely blame Congress nor can Congress put all the blame on the White House, because we are jointly responsible for the continuation of large Federal deficits.

Budgetary reform is absolutely essential. Last year we had a serious debate on the question of a spending ceiling. In the final analysis, Congress turned it down even though both the House and the Senate had adopted its own version. I was pleased though, that even without a ceiling for fiscal year 1973, Congress did set up a joint committee of 32 Members to make specific recommendations on how we can get a firmer handle on Federal spending.

I have been honored to serve as a member of the joint committee. As Members of the Senate well know, this committee has come forth with its final recommendations and a bill embodying its thinking has been introduced by Senator McClellan.

We have been derelict in the past, and I am hopeful that this will be the year we establish a legislative budget and set the priorities within it.

In addition, there are 15 other proposals before the Subcommittee on Budgeting of the Government Operations Committee. The Senator from Montana (Mr. Metcalf) has called for a markup on these bills and hopefully the full committee will report legislation soon.

Frankly, I regret that we are acting today on the impoundment bill, because of its close interrelationship with these other budgetary measures. It would be better if we were to postpone any action on this legislation, until after Congress has decided what it is going to do on the whole problem of the Federal budget.

But in any event, if we are going to proceed with the impoundment legislation, I think we should reverse the approach and make it necessary for Congress to disapprove any impoundments rather than to say that the impoundment fails unless Congress acts affirmatively.

I strongly agree with the senior Senator from Virginia when he says that Congress shares the responsibility for large deficits with the White House. The record of heavy deficits in the past several years is a national disgrace, for which the public is paying through higher prices. For that reason I think, if we are going to limit impoundments, we ought to do so by allowing the President to act when he is trying to be fiscally responsible.

This bill could put the President in a very difficult spot. We live all the time with a legislated debt ceiling, which the President, under the Constitution, is required to obey. Yet under this legislation we are saying that he cannot exercise his obligation to adhere to that ceiling by impounding funds overspent by Congress, unless the Congress specifically approved. We are putting the President on the horns of a dilemma. If he does not live within the debt ceiling, he is violating his congressional directive. On the other hand, he could not impound without affirmative approval from Congress.

I do not intend to engage an extensive debate, but I should point out that my amendment endorses the same approach taken by the chairman of the House Appropriations Committee, a distinguished Member of the other House and a member of the same party as the principal sponsors of this legislation today.

I agree with the chairman of the House Appropriations Committee that this is a sound approach. If we are going to limit impoundments it will give the President authority to act when necessary to keep a fiscally sound house. At the same time it will enable Congress to disapprove any such impoundment, if it so chooses, within the same 60-day limit.

Mr. ERVIN. Mr. President, I find myself in agreement with the views of my distinguished friends Senator Roth of Delaware, and Senator Byrd of Virginia, to the effect that during recent years both the President and the Congress have been irresponsible in financial matters, in that the President has recommended, and the Congress has enacted, programs and appropriations which both the President and the Congress knew would only be financed by deficit financing.

I also share in large measure the concern which both of my friends have expressed about the necessity of Congress taking affirmative steps to set its financial activities in order.

The point that I am urging in respect to the impoundment bill is that this bill is designed to protect something which is more valuable to the people of the United States than money. That is the Constitution of the United States.

The Constitution of the United States vests the power of the purse in Congress alone, subject to the power of the President to veto any bill authorizing an appropriation or any bill which makes an appropriation that he deems unwise. When the President exercises the veto power, Congress has the power under the Constitution to override his veto by a two-thirds majority vote of both Houses of Congress. There is not a syllable in the Constitution which gives the President any power to impound any money.

The President ought to welcome the passage of S. 373 in its present form, because for the first time in our history it sets up a procedure by which impoundments can be made and can be regulated, as in the pending bill, because the President is given in effect, the power of an item veto. The veto power as set forth in the Constitution was a sufficient check in this respect in the early days of the Republic, when Congress appropriated only sufficient funds to pay the salaries of a few Federal officials, and the country had to maintain a small Army and a small Navy. That process by way of veto is not sufficient to deal with a condition by which Congress enacts an authorization bill or an appropriation bill which deals with, say, 50 programs, and the President thinks that one of the programs is unwise, but has to veto all the other 49 programs in order to veto the one program of which he disapproves.

I say that this bill is necessary to preserve the Constitution. The sad truth is that beginning about the first of this year the President undertook to usurp and exercise powers denied to him by the Constitution and to impound funds which had been appropriated by Congress, with his approval in most instances, for the fiscal year which began last July 1 and will end on June 30 of this year.

I believe in economy in government. I think the President made a fundamental mistake, however, in attempting to nullify appropriations made by Congress for the current fiscal year, when his actions necessitated the impounding of funds which had been committed, in many instances, to States or local subdivisions of government. Such commitments having been made on the face of the fact that when Congress appropriates money and the President signs the bill into law, the people are the beneficiaries of those appropriations or the object of those appropriations and have a right to believe that the Government will keep its plighted word as set forth in the appropriation bill.

We have had during recent days four judicial decisions, one of them taking the position that the President in impounding certain funds or attempting to curtail certain programs, has exceeded his legal and constitutional powers.

One of those cases is a case decided by the U.S. Circuit Court of Appeals for the Eighth Circuit. That decision held that the action of the administration in impounding highway trust funds was illegal.

Another of those cases is a decision in the U.S. District Court of Minnesota which held that the act of the administration in impounding disaster loan funds was illegal.

Another of those decisions is the decision of the U.S. district court sitting in the District of Columbia that the termination of the OEO programs by the President without the consent of Congress is illegal.

The fourth is a decision just handed down by the U.S. district court sitting in the District of Columbia that the impoundment of water pollution control funds was illegal.

Mr. President, when I first started to study this impoundment question in 1971, I introduced a bill containing a provision similar to that proposed by the amendment of the distinguished Senator from Delaware, that an impoundment of funds should be valid unless it was affirmatively vetoed by the Congress within 60 days.

After I studied this subject of impoundment and received the advice of competent constitutional and legal scholars in respect to it, I abandoned that concept. And for that reason I introduced a bill, which has been amended, to provide that an impoundment of funds or obligational authority by the President is illegal, unless sanctioned by the Antideficiency Act or unless Congress affirmatively ratifies the impoundment within the 60-day period.

Mr. President, I would like to state to the Senate very briefly why I changed the provision of the bill from a veto by the Congress to the requirement that there be an affirmative ratification of the impoundment by the Congress. We have an expression down in North Carolina that the people ought not to make monkeys of themselves. And I think that this amendment, if adopted, would mean that the Senate more or less would be making monkeys of themselves.

In the first place, as I stated at the outset, Congress has the undoubted power of the purse under the Constitution. It is conceivable that Congress might have to vote four times before it could make it obligatory upon the executive branch of the Government to spend a single penny of the appropriated funds in a given instance. If the amendment offered by my good friend, the Senator from Delaware, were to be adopted, it is conceivable that Congress would have to vote six times before it could require the executive branch of the Government to spend a single penny of funds appropriated by Congress.

Why do I say that? Before Congress makes an appropriation, it passes, after committee consideration in both Houses, by a majority vote in both Houses a bill authorizing the Congress to make an appropriation. This authorization bill has to be passed the first time by a majority vote of both Houses to be valid. After it has passed both Houses by a majority vote, the authorization bill can be vetoed by the President. Then Congress has to vote a second time by a two-thirds majority vote of both Houses to make the authorization bill effective.

So, we have two possible votes under the Constitution in respect to an authorization bill, a bill which merely authorizes Congress subsequently to make an appropriation.

After these two votes which may be had under the Constitution in its present form, Congress has to pass an appropriation bill. The appropriation bill receives committee consideration in both Houses of the Congress and must be passed in the first instance by a majority of both Houses of Congress. So, that is the third vote we have under the Constitution.

After the appropriation bill is passed by a majority vote of both Houses of Congress, the President is empowered by the Constitution to veto an appropriation bill. If he does this, Congress must then pass the appropriation bill a second time, and by a two-thirds majority vote in both Houses of the Congress. This makes it possible that we may have to have four votes by both Houses of the Congress to make an appropriation bill effective.

Now, under the bill which would require an affirmative ratification by a majority vote of both Houses of the Congress in the event the President impounds funds, the first four votes, including the two overriding the vetoes, would require the President to spend the appropriated funds which had been four times either authorized or appropriated by Congress unless Congress within 60 days were to affirmatively ratify the impoundment.

In other words, the bill would make it possible for Congress to exercise the power given it by the Constitution after it had to vote four times to have its exercise of the power made effective.

If the amendment of the distinguished Senator from Delaware were to be adopted, Congress would have to vote a fifth time. It would have to vote by a majority vote to approve for the fifth time the expenditure of funds which Congress desires to have made.

Under the Constitution, which has to be respected, four previous votes could be had. Why should we have a fifth vote unless Congress is going to rescind what it has already said four times that it desires to do?

That does not stop the voting. The amendment of my friend from Delaware calls the fifth measure a concurrent resolution. I say with all due deference to all concerned that it is not a concurrent resolution, It is a joint resolution, and I say that because it has a legislative effect.

I find support for this position from a strange source: the Deputy Attorney General of the United States. When the Subcommittee on the Separation of Powers of the Committee on the Judiciary and the Government Operations Committee were considering my bill, when it had a provision in it identical with that which the Senator from Delaware proposes by his amendment, Deputy Attorney General Sneed said this:

> I also view the "concurrent resolution" feature of the bill as raising constitutional doubts, because it constitutes an effective exercise of legislative power not subject to Presidential veto. This bill varies from legislation such as the Reorganization Act and the Federal Pay Comparability Act of 1970, under which Executive action reported to Congress becomes effective if neither House objects. Under this bill the Executive action is "ratified" only if Congress takes affirmative action by adopting a concurrent resolution approving the impoundment.
>
> Although it is not to be expected that the President would veto approval of an impoundment if it were accomplished in the form of a joint resolution, nevertheless approval is congressional action which relieves the President from the restrictions of a statute and hence is necessarily legislative in character. If it were not of a legislative nature the dispensation would not even be within the competence of Congress. Article I, section 7, clauses 2 and 3, prescribe the manner in which Congress shall take action of a legislative nature. The measure must be passed, or concurred in, by both Houses and presented to the President. Indeed, Article I, section 7, clause 3, of the Constitution, which requires presentation to the President of "every Order, Resolution or Vote to which the concurrence of the Senate and the House of Representatives may be necessary," was included in the Constitution to save the President's veto power from being circumvented by giving legislative proposals a name other than "bill."

These statements by Deputy Attorney General Sneed appear on pages 369 and 370 of hearings on this bill, and sustain my position that after Congress has voted a fifth time to have the Executive spend money, the President can veto the so-called concurrent resolution, and then Congress has to express its will for the sixth time, and for the third time by a two-thirds majority of both Houses over a Presidential veto.

My good friend from Delaware thinks that he can avoid the Constitution by calling this joint resolution a concurrent resolution. He can no more do that than I can make an onion a flower by calling it a rose.

In further substantiation of my position that this so-called concurrent resolution is a resolution which must be submitted to the President for approval or veto, I read these words from what is perhaps the latest voluminous discussion of the Constitution, by Bernard Schwartz. They appear in volume II of his book on the Constitution entitled, "The Powers of Government." I read from pages 32 and 33:

> Under Article I, section 7, "Every Bill" and "Every Order, Resolution, or Vote to which the Concurrence of the Senate and House of Representatives may be necessary" must be presented to the President for his approval or veto. It would be hard to conceive of language which more clearly requires that all Congressional action be sent to the White House. Yet, despite the breadth of the organic language, it is settled that not every measure passed by the Congress must be presented. In the first place, by the very terms of the provision, the requirement does not apply to measures affecting only a single House, such as those relating to procedure or organization, as well as resolutions of such House alone which have no legislative effect. In addition, it is settled that a proposed constitutional amendment passed by the two Houses need not be presented to the President. This has been established since 1798, when Justice Chase stated that "The negative of the President applies only to the ordinary cases of legislation. He has nothing to do with the proposition, or adoption, of amendments to the Constitution."
>
> More important than these exceptions to the requirement of Presidential approval is that concerning so-called "concurrent resolutions." Though the organic language on the matter expressly covers "Every Resolution" passed by both Houses, it has long been settled that only so-called "joint resolutions" need be sent to the President. As it has been interpreted by Congressional practice itself, a joint resolution is any resolution which has the force of law. The term, "concurrent resolution," is applied to resolutions which have no legislative effect, but are merely hortatory or expressive of the opinion of the Houses, or involve only legislative mechanics, such as printing matters, setting up joint committees, and the like.

I digress from reading to emphasize that this is an important point to be observed, because it points out the distinction between resolutions which require Presidential approval and resolutions which do not.

I resume reading:

> The test of whether a resolution passed by both Houses must be sent to the President is whether it contains matter which is properly to be regarded as legislative in its character and effect. If it does, it is a joint resolution which must be presented for Presidential approval; if it does not, it is a concurrent resolution, which need not be. Regardless of form, no resolution of the two Houses can be given any legislative effect, if it has not been approved by the President, or passed by the required majority over his negative.

What I have quoted from the remarks of Deputy Attorney General Sneed and from the book of Bernard Schwartz makes it as clear as the noonday sun in a cloudless sky that the resolution which the amendment calls for is, in the constitutional sense, a joint resolution which must be presented to the President for his approval or veto, and which must be passed over his veto by a two-thirds majority of both Houses if the President vetoes it.

So I say in all seriousness, in a very familiar North Carolina idiom, that the Senate would be making a monkey of itself if it adopted a resolution that requires the Senate to vote six times by either a majority or a two-thirds majority of both Houses of Congress to make effective its power of the purse and compel the Executive to spend a single penny of appropriated funds.

It is a serious enough difficulty to have to pass an authorization bill twice, once by a two-thirds majority over a veto, and an appropriation bill twice, once by a two-thirds majority over a veto. The Senate and Congress should not make monkeys of themselves by adopting an amendment which would require two more votes.

Therefore, I sincerely hope that the Senate will reject the amendment.

Mr. ROTH. Mr. President, I should like to get the yeas and nays on my amendment.

The PRESIDING OFFICER (Mr. JOHNSTON). Does the Senator wish to make that motion?

Mr. ROTH. I do not believe there are sufficient Senators in the Chamber to do so, so I shall delay my request.

Mr. President, I ask unanimous consent that the amendments be considered en bloc inasmuch as there are two parts to it.

The PRESIDING OFFICER. Is there

objection to the request of the Senator from Delaware?

Mr. ERVIN. I have no objection.

The PRESIDING OFFICER. Without objection, the amendments will be considered en bloc.

Mr. ERVIN. Does the Senator wish to request a quorum call now?

Mr. ROTH. I would like to reply briefly first.

Mr. President, during the prior debate on the impoundment legislation, this question was considered at great length.

I have great respect for the Senate's leading constitutional expert, the distinguished Senator from North Carolina (Mr. Ervin), but I would point out that in our earlier discussion on this issue, the Parliamentarian ruled that a concurrent resolution would not require Presidential action.

In any event, my amendment would not require a fifth or sixth vote on the entire spending bill. The average appropriation involves many different line items covering many different departments. For example, one includes agriculture, the environment, consumer protection, and so forth. But should the President be forced to impound, it is highly unlikely that he would impound an entire appropriation bill.

So, to argue that we will have to vote a fifth or sixth time is, in my judgment, contrary to fact. We will have a much narrower issue to debate, that is true, but I, for one, think it is perfectly proper that Congress be forced to say yea or nay upon any specific impoundment challenged. This is not a waste of time.

I have already pointed out what I feel to be a major inconsistency. In title I, we provide that if the President withholds funds under the Antideficiency Act, Congress would not be required to take further action.

We also provide in title II of this legislation that for fiscal year 1974, impoundments made to stay within a spending ceiling would not be subject to congressional challenge.

Mr. President, now that a sufficient number of Senators seem to be in the Chamber, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. ROTH. But, Mr. President, as I was saying, we have taken account of both the antideficiency and spending ceiling statutes, but neglected to give the President the necessary leeway to comply with a debt ceiling, should Congress mandate spending that would breach the legal debt limit.

We should be willing to vote any number of times if it becomes necessary, to show that we are aware of our responsibilities and are not acting without prudence.

We are not hesitating to vote two different times on this legislation. We adopted this bill as an amendment to the par value modification bill just about a month ago, yet no one seems to be complaining that we are considering it again as a separate bill. We should not shirk our responsibilities simply because they might require some additional votes.

I believe, Mr. President, that this legislation will be immeasurably strengthened if my amendment is adopted and I urge its adoption.

I yield back the balance of my time.

The PRESIDING OFFICER (Mr. Bartlett). The question is on agreeing to the amendments en bloc of the Senator from Delaware (Mr. Roth).

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Nevada (Mr. Bible), the Senator from Nevada (Mr. Cannon), the Senator from Alaska (Mr. Gravel), the Senator from Iowa (Mr. Hughes), and the Senator from California (Mr. Tunney) are necessarily absent.

I also announce that the Senator from Mississippi (Mr. Stennis) is absent because of illness.

I further announce that, if present and voting, the Senator from California (Mr. Tunney) and the Senator from Alaska (Mr. Gravel) would each vote "nay."

Mr. GRIFFIN. I announce that the Senator from New Hampshire (Mr. Cotton), the Senator from Arizona (Mr. Fannin), the Senator from Florida (Mr. Gurney), and the Senator from Alaska (Mr. Stevens) are necessarily absent.

The Senator from Nebraska (Mr. Curtis) is absent on official business.

The Senator from New Mexico (Mr. Domenici) is detained on official business.

If present and voting, the Senator from Nebraska (Mr. Curtis) and the Senator from New Mexico (Mr. Domenici) would each vote "yea."

The result was announced—yeas 30, nays 58, as follows:

[No. 131 Leg.]

YEAS—30

Aiken
Allen
Baker
Bartlett
Beall
Bellmon
Bennett
Brock
Buckley
Byrd, Harry F., Jr.
Cook
Dole
Dominick
Fong
Goldwater
Griffin
Hansen
Helms
Hruska
McClure
Pearson
Roth
Saxbe
Scott, Pa.
Scott, Va.
Stafford
Taft
Thurmond
Tower
Young

NAYS—58

Abourezk
Bayh
Bentsen
Biden
Brooke
Burdick
Byrd, Robert C.
Case
Chiles
Church
Clark
Cranston
Eagleton
Eastland
Ervin
Fulbright
Hart
Hartke
Haskell
Hatfield
Hathaway
Hollings
Huddleston
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Long
Magnuson
Mansfield
Mathias
McClellan
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pell
Percy
Proxmire
Randolph
Ribicoff
Schweiker
Sparkman
Stevenson
Symington
Talmadge
Weicker
Williams

NOT VOTING—12

Bible
Cannon
Cotton
Curtis
Domenici
Fannin
Gravel
Gurney
Hughes
Stennis
Stevens
Tunney

So Mr. Roth's amendments were rejected.

Mr. ERVIN. Mr. President, I move that the Senate reconsider the vote by which the amendment was rejected.

Mr. MUSKIE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

Mr. MANSFIELD. Mr. President, will the Senator yield without losing his right to the floor?

Mr. BELLMON. Mr. President, I yield to the majority leader.

The PRESIDING OFFICER. The Senator from Montana is recognized.

Mr. MANSFIELD. Mr. President, if I may have the attention of the Senate, I would like to ask unanimous consent that there be a time limitation of 30 minutes on each amendment, the time to be equally divided between the manager of the bill, the Senator from Maine in this instance, and the sponsor of the amendment, under the usual rule.

The PRESIDING OFFICER. Is there objection?

Mr. GRIFFIN. Mr. President, reserving the right to object—and I do not intend to object—I want to say that as far as I know, on our side there is only one amendment still to be offered, the amendment of the Senator from Oklahoma. If there are other amendments I am not aware of them. As far as I know this would be a satisfactory arrangement and it would enable us to complete the bill this afternoon. As I understand it, we are going over until Monday if we finish the bill today.

Mr. MANSFIELD. The Senator is correct, although, if possible, there is another bill we would like to get through today, but there are no further votes after this bill.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. JAVITS. I have heard it is proposed to bring up the HMO bill on Monday.

Mr. MANSFIELD. That is correct.

Mr. JAVITS. I find myself in difficulty on that, and I would like to discuss the matter with the leadership.

Mr. MANSFIELD. I would just as soon discuss it now in the open, because the calendar is once again getting bare. We would like to lay that bill before the Senate today and make it the pending business for Monday. We will not be in session tomorrow. That is about the only way we can operate. This is a bill of some significance.

Mr. JAVITS. It is not a matter of convenience to me. I am due to conduct hearings on the drug situation for the Committee on Labor and Public Welfare in New York. Hearings are scheduled, witnesses are scheduled, and so forth. This is not a matter of personal convenience.

Mr. MANSFIELD. But the Senator must be aware of the fact that the business of the Senate in the Senate must take precedence. We have a calendar to take care of. I think it is a matter of taking up these things as they come along and I hope that as always the distinguished Senator understands the position in which the joint leadership finds itself.

Mr. JAVITS. I will discuss the matter with the leadership.

The PRESIDING OFFICER. Is there objection to the request of the majority leader?

Mr. GRIFFIN. Mr. President, reserving the right to object—and I do not think this is probably necessary—but what if there should be an amendment to an amendment?

Mr. MANSFIELD. I would say 20 minutes on an amendment to an amendment, motions, and the like.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. MANSFIELD. Is the Senator from Oklahoma going to ask for the yeas and nays on his amendment?

Mr. BELLMON. Yes.

Mr. MANSFIELD. I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. May we have the amendment stated first?

Mr. MANSFIELD. Mr. President, I ask that it be in order at this time to ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays on final passage.

Mr. GRIFFIN. Mr. President, if the Senator will withhold that, I understand the Senator from Oklahoma is going to ask for a division of the question on final passage.

Mr. MANSFIELD. I withhold the last request.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

Mr. BELLMON. Mr. President, I send to the desk an amendment.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. BELLMON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the Record.

The amendment, ordered to be printed in the Record, is as follows:

On page 21, line 6, following the period at the end of the sentence insert the following: "In subsequent years, after the submission of the Budget of the United States Government and after considering the recommendation of the President for each fiscal year (beginning with the fiscal year ending June 30, 1975), the Congress shall, by law, prescribe a limit on the total amount of expenditures and net lending to be made by the United States Government during such fiscal year.".

On page 21, line 22, strike the following: "during the fiscal year ending June 30, 1974,".

At the end of the bill, insert the following section:

"Sec. —. (a) Except as provided in subsection (b) it shall not be in order, in either the House of Representatives or the Senate, to consider any bill or joint resolution making appropriations for any fiscal year, beginning with the fiscal year ending June 30, 1975, prior to the date of the enactment of a law prescribing, pursuant to section 201, a limit on the total amount of expenditures and net lending to be made by the United States Government during such fiscal year.

"(b) Subsection (a) shall not apply with respect to any appropriation requested by the President if, in submitting the request for such appropriation, the President certified that an emergency requires the prompt enactment of legislation making such appropriation.

"(c) Subsection (a) shall not be construed to preclude the holding of hearings or other consideration by any committee of the House of Representatives or the Senate, or any joint committee of the two Houses, with respect to proposed expenditures and proposed new obligational authority and loan authority set forth in the Budget of the United States Government submitted by the President for any fiscal year.

"(d) This section is enacted by the Congress—

"(1) as an exercise of the rulemaking powers of the Senate and House of Representatives, respectively, and as such they shall be considered as part of the rules of each House, respectively, or of that House to which they specifically apply, and such rules shall supersede other rules only to the extent that they are inconsistent therewith; and

"(2) with full recognition of the constitutional right of either House to change such rules (as far as relating to the procedure in such House) at any time, in the same manner and to the same extent as in the case of any other rule of such House."

The PRESIDING OFFICER. Who yields time?

Mr. BELLMON. Mr. President, I yield myself 10 minutes.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

Mr. BELLMON. Mr. President, I understand the yeas and nays have been ordered on the amendment.

The PRESIDING OFFICER. The Senator is correct.

Mr. BELLMON. Mr. President, the purpose of the amendment is very simple. I shall not delay the Senate. The amendment would amend title II of S. 373, which presently establishes a spending ceiling of $268 billion for fiscal year 1974. Title II also requires that in the event this ceiling is exceeded, the President would be directed to reduce spending proportionately in all but a few uncontrollable budget items. The title makes good commonsense and its approach has been approved by the Senate on several occasions.

My amendment is quite simple to understand. It would extend title II to make it permanent legislation for future fiscal years. This amendment states that in subsequent years after the budget has been submitted by the President, the Congress shall, by law, prescribe a limit on the total amount of expenditures to be made by the Federal Government before any appropriations bills can be enacted. In my view, what is a good and proper mechanism to control Federal spending for fiscal year 1974, is also a proper mechanism for future years as well.

Mr. President, the idea of an annual spending ceiling is not unique. Many Senators have gone on record in favor of an annual spending ceiling. A congressional spending ceiling was recommended by the President in his January 31st Economic Report to the Nation. The Interim Report of the Joint Committee on Budget Reform states,

> To be effective, ceilings should be established promptly at the outset of the session, prior to consideration of legislative actions which affect the budget.

Let me remind the Senate that this amendment was enacted by an overwhelming vote as a perfecting amendment to the Ervin amendment to the devaluation bill only several weeks ago on April 4. At that time, with the support of Senator Ervin and other members of the Government Operations Committee, over 70 Senators joined in supporting this proposal. The Senate realized then that enactment of this amendment would guarantee that a congressional mechanism would be available to control Federal spending for not only fiscal year 1974, but also for future years as well.

At that time, we recognized that the Joint Committee and Senate Government Operations Committee were working on this matter, and if a better reform proposal were reported, this matter could be quickly changed and the proposal of the interim committee or Government Operations Committee adopted.

Let us be honest with ourselves. I hope that this Congress will be able to improve and perfect its procedures for considering spending bills—to enact extensive reforms of the budgetary process. But realistically viewed, that day may be a very long way off. In the meantime, Congress will be faced with a very serious problem in the future years beyond fiscal year 1974 by preventing executive impoundment through enactment of this permanent congressional mechanism to control Federal spending.

It is my conviction that enactment of this proposal would effectively answer the immediate demand for greater congressional discipline in Federal spending. But it would only represent a first step toward reform. Much more must be done. As a new member of the Appropriations Committee, I have come to the realization that a complete revamping and overhaul of the appropriations process must be undertaken, but such a change may take many months to enact. The Joint Committee on Budget Reform and the Senate Government Operations Committee should be congratulated for their efforts.

There is no more important work for the 92d Congress than the studies on budgetary reform presently being undertaken by these committees. However, in my view, it makes common sense to enact now, with Senator Ervin's permanent anti-impoundment measure, a permanent assurance to the American taxpayer that the Congress intends to assume fiscal responsibility and restraint by enacting an annual spending ceiling. The real issue is who is going to control Federal expenditures, the Congress or the President. In my view, if the Congress had properly met its responsibility by asserting restraint over the Federal budget, then the administration would never have felt the necessity to engage in the withholding of Federal appropriations. With any measure to restrict the Executive's impoundment practices, we must also enact new, improved procedures in the budgetary process in order to better enable the Congress to control Federal spending.

Enactment of this amendment would give us a total reform measure, restricting both the impoundment practices of the President, and on the other hand giving Congress a mechanism to annually control Federal spending until such time that extensive reforms of the budgetary process can be developed and enacted by the Congress in order to hold spending at or below the ceiling and hopefully within anticipated revenues.

Mr. President, as a former Governor of a State which once faced financial chaos, but which now operates in a fiscally responsible manner, I know that government can put its financial house in order. I know, also, that government officials need certain tools and restraints to help them resist the constant pressures to do more and more and tax less and less. Congress needs these tools and restraints now. I urge adoption of an annual spending ceiling which must be established before any appropriations bills can be enacted for future years, as well as for fiscal year 1974. This coupled with an anti-impoundment measure in order to insure that the congressional directive is followed, is the best hope the Congress has to reassert its constitutional role and hold the line on Federal spending. Based on this premise, I urge adoption of this amendment.

Let me say again that if the Joint Committee on Budget Reform of the Government Operations Committee develops a better proposal to control Federal spending, I will be the first person to support it and urge its enactment. At present the only opportunity the Congress has to control Federal expenditures is title II of the Ervin bill, which applies to fiscal year 1974, but which I would like to apply to fiscal years beyond the current fiscal year. That is the whole purpose of the amendment.

I reserve the remainder of my time.

Mr. MUSKIE. Mr. President, I yield myself 5 minutes.

Title 2 of the pending bill establishes a ceiling for the 1974 fiscal year, and the ceiling is limited to that year for a very special reason. The question of considering a permanent mechanism for dealing with spending and with spending ceilings has been underway and is underway at the present time.

I hold in my hand the report of the Joint Study Committee on Budget Control, which on April 18 completed some 3 months of study, following 6 or 7 days' of hearings. That report is reflected in legislation which has been introduced by the distinguished Senator from Arkansas (Mr. McClellan), aimed at establishing a permanent mechanism to bring the budget under control and to establish spending ceiling.

In addition, in the Committee on Government Operations, the Subcommittee on Budgeting, Management, and Expenditures has been working since the first of the year on the same subject. It has held 7 days of hearings. It is considering 16 different pieces of legislation. It is considering the recommendations of the Joint Study Committee on Budget Control. It has before it the legislation developed by the Joint Study Committee on Budget Control, and it is about to begin markups on this legislation next week.

It was in full realization of the activities of these other committees of the Senate that title II of the bill was limited specifically and deliberately to establishing a ceiling for the 1974 fiscal year. We understood fully that it would not be possible to handle the 1974 problem on the basis of legislation that had not yet been developed.

For that reason title II is limited to one fiscal year. But in view of the fact that the long-term problem is now being handled and is being considered, it seems to me extremely premature to undertake to write into this bill a permanent mechanism with which that committee would have to deal before it recommended a substitute to the Senate.

So it is for that reason that we oppose the amendment, not because of its objective. I think the last time we considered this proposal there was a clear indication that the Senate subscribed to the objective of bringing our fiscal affairs and budget processes under control. I have no doubt the work that is underway in the Metcalf subcommittee will lead to the mechanism necessary for the purpose of setting spending ceilings. All I urge to the Senate is that we wait until we get the recommendations of that subcommittee and the full Committee on Government Operations before we take action to deal with the long-term problems.

Mr. President, I ask unanimous consent that there be included in the Record at this point a description of the work of still another committee of the Senate, the Appropriations Committee, which is found in the National Journal for April 21, 1973. This represents the work of the Senate Appropriations Committee, under the leadership of the Senator from Arkansas (Mr. McClellan) to put our fiscal affairs in order.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Congress Report/$267.1 Billion Spending Limit Set by Senate Appropriations Committee

(By Andrew J. Glass)

The Senate Appropriations Committee has set a spending ceiling for fiscal 1974 of $267.1 billion, a decrease of about $1.6 billion from President Nixon's budget.

The ceiling, announced April 17 by Sen. John L. McClellan, D-Ark., the committee chairman, is neither final nor binding. It could rise or fall as a result of spending actions by the House, amendments advanced on the Senate floor, budget modifications by the President or reappraisals on the part of the 13 individual Senate appropriations subcommittees.

Nonetheless, even these tentative ceilings mark an innovation in the long-standing procedures of the 24-member Senate Appropriations Committee. They also represent yet another facet of the continuing struggle between the White House and the Congress to attain mastery over the budget-making and spending process. (*For a report on the current status of the budget battle, see Vol. 5, No. 15, p. 527.*)

The projected spending ceiling is 0.6 percent below the level set by the President in his January budgetary recommendations to Congress. It is also $900 million less than the $268-billion ceiling fixed by the Senate April 5. That figure was incorporated into pending legislation sanctioning the dollar devaluation—the proposed Par Value Modification Act (S. 929)—through an amendment sponsored by Sen. Edmund S. Muskie, D-Maine.

In a statement, McClellan said: "I realize that these reductions appear to be minimal—and they are—but if achieved, we will at last, in slight measure, be holding the line on spending."

COMMITTEE PROCEDURE

McClellan compiled his figures by requesting each of the subcommittee chairmen to review their respective segments of the federal budget and to recommend publicly "the minimum amount which (their) subcommittee felt would be required to economically carry out for fiscal 1974 the essential programs and functions of government over which (their) subcommittee has jurisdiction."

Chairmen of five of the 13 appropriations panels projected cuts in Administration requests totalling nearly $5.5 billion. The largest single individual cut, $3 billion, was set by McClellan himself in his capacity as chairman of the Appropriations Subcommittee on Defense.

A source close to McClellan, who asked not to be identified by name, said the cut represented an over-all target and was reached without undertaking an item-by-item scrutiny of proposed spending for new weapons systems and other military procurement.

The source said that a detailed examination of the defense budget will be postponed until after the House and Senate Armed Services Committees act on the defense authorization bill and the measure is passed by both chambers.

Another large cut was pledged by Sen. William Proxmire, D-Wis., who chairs the subcommittee which deals with spending for housing, urban development, space, science and veterans.

Howard E. Shuman, Proxmire's administrative assistant, said the Senator examined his segment of the budget in detail before arriving at an over-all reduction of $1 billion. Among the factors, Sherman said, were:

A major cut in administrative expenses for the HUD Department, based on the proposition that Administration-ordered freeze on new housing and community development subsidies should result in concomitant reductions in HUD's Washington and field staffs;

Outright deletion of the space shuttle program, a $457-million saving in outlays for fiscal 1974, to be offset in part by an increase in spending for space sciences and applications.

(However, in a separate interview with *National Journal,* Proxmire said he held little hope of being able to halt the space shuttle's development. He said that the program would "quite likely go through by a wide margin.")

LIMITATIONS

Chairmen of two subcommittees said they planned to exceed the Administration's request by an aggregate of some $3 billion. Increases were projected in spending for agriculture; environmental control: consumer protection; labor and related manpower services; and health, education and welfare.

Sen. Warren G. Magnuson, D-Wash., whose subcommittee handles manpower, health, education and welfare spending, told McClellan that he anticipated tacking $2.2 billion to the authorization bill on top of Administration estimates, resulting in $771 million in additional outlays for fiscal 1974.

This includes $600 million more in budget authority for education, $550 million more for health services and an additional $300 million for biomedical research at the National Institutes of Health.

Hospital construction programs would be increased $200 million; $300 million would be added to the Labor Department's manpower budget, and an added $250 million in library resources aid would be provided.

McClellan said that the chairmen of the remaining six subcommittees pledged that they would strive to hold their over-all appropriations bills within the Administration's budget request.

Only some 60 per cent of the total budget is screened by the House and Senate Appropriations Committees. The remaining 40 per cent, or about $116 billion in fiscal 1974, is not subject to congressional action this year. It is comprised mainly of permanent appropriations, such as interest on the national debt, and trust fund authorizations, such as social security.

Long-term reforms

Meantime, the Joint Study Committee on Budget Control, spurred by the White House challenge, recommended a far-reaching set of procedural reforms in dealing with the budget.

The 32-member House-Senate group, composed exclusively of senior representatives from both bodies, unanimously approved the proposed changes April 16. Legislation implementing the plan was introduced in both chambers April 18 (HR 7130).

However, the reforms if enacted, could not take effect until the fiscal 1975 budget proposals come before Congress next January.

The committee's plan would permit the lawmakers to set an annual ceiling on federal outlays, determine their own spending priorities and gear expenditures to planned deficit and taxation levels.

PROVISIONS

Under the proposed system, new budget committees would be created in the House (21 members) and the Senate (15 members). Each group would be made up equally of members of the Appropriations Committees, the revenue-raising committees (Ways and Means in the House, Finance in the Senate) and legislative committees.

Early in each session, the budget committees would prepare a concurrent resolution providing for an overall ceiling on budget outlays and new budget authority. In addition, the panels would allocate subceilings based on the recommendations of the Appropriation Committees. The recommendations would also cover so-called backdoor spending authority now exercised by several legislative committees.

If action on the resolution was not completed by May 1, then the Presidential budget submitted in January would automatically determine the various spending ceilings.

The resolution could be amended on the House or Senate floor. But any proposal to increase funds for a program or governmental activity would have to provide for a commensurate decrease in another spending category or, alternatively, an increase in the spending ceiling, with built-in provisions for higher taxes or a larger national debt. This "rule of consistency" could be waived only by a two-thirds majority.

Another concurrent resolution would be drafted late in the session. With its passage, a wrap-up appropriations bill would be drafted which would carry a semi-automatic tax surcharge. The surcharge would be triggered after Congress determined how much of a budget surplus or deficit was in order in view of prevailing economic conditions.

COCHAIRMAN'S VIEWS

In an interview with *National Journal*, Rep. Al Ullman, D-Ore., co-chairman of the budget study panel, said:

"What we have done is probably the most significant thing going on up here. . . .

"I anticipate the floor debate to begin by the end of May. We have a few things working for us and we wouldn't be where we are without them.

"The politics of a veto override vote are wrong. Nobody wants to ride pell-mell over the budget. So the only real answer is to get back to priorities. Congress has got the authority and it can pick it up anytime it wants to. It abdicated the budget priorities to the President a long time ago and it is now ready to take them back."

Mr. MUSKIE. So, Mr. President, the effort is underway here in the Congress. It is a credible effort, in my judgment. It has already yielded fruits, and I think it will result in a permanent mechanism. Until the shape of that mechanism is proposed by a committee which has been working on the problem for several weeks and months, the Senate ought to withhold its judgment on what the permanent shape of the control mechanisms should be.

It is for that reason that I urge rejection of this amendment.

I yield to the Senator from Georgia.

Mr. NUNN. Mr. President, I would like to associate myself with the remarks regarding this amendment just made by the Senator from Maine. Again, I commend the Senator from Oklahoma for his amendment in the sense that it would create a permanent type ceiling, but again I would object to it because we do have this matter under consideration. As the Senator from Maine has outlined, we have our opportunity and every reason to come up with a permanent mechanism on which the Government Operations Committee, the Senator from Arkansas (Mr. McCLELLAN), the Senator from Maine (Mr. MUSKIE), and many other Senators are working.

So I want to object to this particular amendment now, as I did before. Although it was incorporated over my objection, I feel we would be well advised to wait until we have before us a well-thought-out permanent mechanism, rather than to insert at this point a mechanism which we all know does not have proper sanction and details to get the job done as far as a mechanism for self-discipline in staying within any kind of a budget ceiling is concerned. I urge the defeat of this amendment for those reasons.

Mr. MUSKIE. Mr. President, I thank the distinguished Senator from Georgia.

Mr. BELLMON. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER (Mr. BARTLETT). The Senator from Oklahoma has 10 minutes remaining.

Mr. BELLMON. Mr. President, I yield myself an additional 3 minutes.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized for 3 additional minutes.

Mr. BELLMON. Mr. President, I believe that I am in accord with both the Senator from Maine and the Senator from Georgia who has spoken in favor of a well-thought-out method of holding our Federal spending in line. However, I am not in agreement with him when he states that the fact that the committee has met and has held hearings and is going to have a mark-up session means that it will produce a bill. If the Committee does report such a bill, I will be the first to support it. In title II we have a procedure for holding our spending in line for fiscal year 1974. As far as I am concerned, this procedure which has been authored by Senator MUSKIE, is a good procedure. If we can improve upon it, we should do so.

The purpose of my amendment is that if for any reason Congress fails to act, there is no reason why we cannot keep the same system for the fiscal years beyond 1974.

Any extensive reform measure adopted by Congress would nullify this action. However, if we do not legislate on this matter for any reason during this session of Congress, we will find when we come back in January to appropriate funds for fiscal year 1975 that we will not have the mechanism to use that the Senate adopted and made effective for fiscal year 1974.

Many obstacles can impede the legislative process. It may be a long time before we know whether we have a bill. Therefore, I believe that we need to go ahead and make certain that the Congress has the same procedure available for fiscal years 1975 and beyond that we have for fiscal year 1974.

Mr. President, I am willing to yield back the remainder of my time.

Mr. MUSKIE. Mr. President, I yield myself 1 minute.

The PRESIDING OFFICER. The Senator from Maine is recognized for 1 minute.

Mr. MUSKIE. Mr. President, I say to the distinguished Senator from Oklahoma that the fact that the Committee on Government Operations produced this bill with title II including this ceiling and the fact that the Senate has already adopted it once and is ready to adopt it another time is evidence, I think, of our determination to bring our fiscal affairs under control.

I think there is a sufficient commitment to assure the Senate that the Committee on Government Operations will produce the legislation out of the Subcommittee on Budgeting, Management, and Expenditures as we have in the case of this legislation.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. MUSKIE. Mr. President, I yield myself 1 additional minute.

The PRESIDING OFFICER. The Senator from Maine is recognized for 1 additional minute.

Mr. MUSKIE. Mr. President, as we address ourselves to this problem of undertaking the handling of the U.S. budget and the appropriations process, we find it to be a difficult problem. I do not think it is a sound principle simply to write into a piece of legislation a mechanism that looks good on its face, but which has not been examined in hearings and which cannot stand up under such examination—especially in light of the fact that such intensive examination is under way and is about to produce results. I just do not think this is sound.

Mr. President, I am willing to yield back the remainder of my time.

Mr. BELLMON. Mr. President, would the Senator yield for a question?

Mr. MUSKIE. Mr. President, I am happy to yield for a question.

Mr. BELLMON. Mr. President, the Senator from Maine has said that we should not take this action without careful consideration. We have considered the matter sufficiently to adopt it for fiscal year 1974, is that not correct?

Mr. MUSKIE. The Senator is correct. However, that is a temporary mechanism for the 1 year. That is the very reason that we should study the complexities of the matter and try to develop a long-term mechanism.

Mr. BELLMON. Mr. President, will the Senator yield further?

Mr. MUSKIE. I yield.

Mr. BELLMON. If we adopt the amendment for fiscal 1974, the amendment would make it applicable to 1975, unless the committee came up with something better. If it is a good enough procedure for 1974, why can it not be applied until a better procedure is adopted?

Mr. MUSKIE. I understand that the Senator believes deeply in his proposal. As far as I am concerned, I do not think it is sound legislative process to establish a benchmark at which the committee, which has been studying the problem for a month, should aim. This is one Senator's idea, developed on the floor of the Senate, without benefit of hearings, without benefit of committee discussion, without benefit of reports from the agency, without the kind of legislative process which is our business. It is not our business to write a bill first and then ask the committees to challenge it. The way the system works is to ask the committees to propose legislation; then we act on the basis of hearings and markups and the legislation we produce.

The Senator's proposal would turn the whole process around. If we were to apply that principle to every legislative subject that comes before us, we would be very busy little men, trying to undo what we do from day to day, and relying on committees to save us from our own errors.

Mr. BELLMON. The Senator from Maine has implied that the bill on which we are acting is the product of one Senator's mind. This is not the case at all. The bill has come from committee. If it is a good bill, let us make it apply to future years until we can get something better.

Mr. MUSKIE. We now have other bills before the same committee. The committee made the decision to limit this bill to 1 year. The committee refused to apply it on a permanent basis. So the Senator can hardly argue that the committee is the authority for extending it beyond the 1 year. The committee decided to limit it to 1 year because what is involved in any long-term answer to the problem is the question of channeling the whole appropriations and budget process in a way that will produce rational results.

We can debate the whole thing for 1 year and not discipline ourselves. But that does not necessarily make it the answer for the future. That is why the committee limited the bill to 1 year.

Mr. BELLMON. Mr. President, I yield back the remainder of my time.

Mr. MUSKIE. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment of the Senator from Oklahoma (Mr. BELLMON). The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Nevada (Mr. BIBLE), the Senator from Nevada (Mr. CANNON), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Alaska (Mr. GRAVEL), and the Senator from Iowa (Mr. HUGHES) are necessarily absent.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

Mr. GRIFFIN. I announce that the Senator from New Hampshire (Mr. COTTON), the Senators from Arizona (Mr. FANNIN and Mr. GOLDWATER) and the Senator from Alaska (Mr. STEVENS) are necessarily absent.

The Senator from Nebraska (Mr. CURTIS) is absent on official business.

If present and voting, the Senator from Nebraska (Mr. CURTIS) would vote "yea."

The result was announced—yeas 37, nays 52, as follows:

[No. 132 Leg.]

YEAS—37

Aiken
Allen
Baker
Bartlett
Beall
Bellmon
Bennett
Brock
Brooke
Buckley
Byrd,
  Harry F., Jr.
Case
Cook
Dole
Domenici
Dominick
Fong
Griffin
Gurney
Hansen
Helms
Hruska
Mathias
McClellan
McClure
Packwood
Pearson
Percy
Roth
Saxbe
Schweiker
Scott, Pa.
Stafford
Taft
Thurmond
Weicker
Young

NAYS—52

Abourezk
Bayh
Pentsen
Biden
Burdick
Byrd, Robert C.
Chiles
Church
Clark
Cranston
Eagleton
Eastland
Ervin
Hart
Hartke
Haskell
Hatfield
Hathaway
Hollings
Huddleston
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Long
Magnuson
Mansfield
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Nunn
Pastore
Pell
Proxmire
Randolph
Ribicoff
Scott, Va.
Sparkman
Stevenson
Symington
Talmadge
Tower
Tunney
Williams

NOT VOTING—11

Bible
Cannon
Cotton
Curtis
Fannin
Fulbright
Goldwater
Gravel
Hughes
Stennis
Stevens

So Mr. BELLMON's amendment was rejected.

Mr. MUSKIE. Mr. President, I move that the vote by which the amendment was rejected be reconsidered.

Mr. JAVITS. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER (Mr. HELMS). The bill is open to further amendment.

Mr. ROTH. Mr. President, I ask unanimous consent that the question be divided.

The PRESIDING OFFICER. To which question does the Senator refer?

Mr. ROTH. On the final vote—titles I and II.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Delaware? The Chair hears none, and it is so ordered.

The bill was ordered to be engrossed for a third time and was read the third time.

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays on both votes, on title I and on title II.

The yeas and nays were ordered.

Mr. MANSFIELD. Mr. President, in view of the fact that the last vote was held such a short while ago, I ask unanimous consent that the two succeeding votes take no more than 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, I shall not detain the Senate. I have some comments on the bill, in light of certain court decisions which tend to hold that the President is obligated to spend money which we have appropriated for specific purposes.

I have supported S. 373 and I continue to support because the Congress needs a mechanism whereby it can prohibit impoundments across a wide variety of programs without the necessity of court action in particular areas.

However, I would like to point out that the courts over the last year have ruled that specific impoundments and terminations are illegal and have clearly shown that when Congress says that it wants funds obligated and spent that is the law.

On June 19, 1972, Judge Becker of the U.S. District Court for the Western District of Missouri in the case of State Highway Commission of Missouri against Volpe ruled that the Secretary of Transportation had no authority to withhold highway funds under the Federal-Aid Highway Act and issued an injunction prohibiting such action. The judgment was based on section 101(c) of title 23 United States Code which provided as follows:

> "(c) It is the sense of Congress that under existing law no part of any sums authorized to be appropriated for expenditure upon any Federal-aid system which has been apportioned pursuant to the provisions of this title shall be impounded or withheld from obligation, for purposes and projects as provided in this title, by any officer or employee in the executive branch of the Federal Government, except such specific sums as may be determined by the Secretary of the Treasury, after consultation with the Secretary of Transportation, are necessary to be withheld from obligation for specific periods of time to assure that sufficient amounts will be available in the Highway Trust Fund to defray the expenditures which will be required to be made from such fund."

The decision in the Volpe case was upheld by the U.S. Court of Appeals for the Eighth Circuit on April 2, 1973.

In another case Local 2677, the American Federation of Government Employees et al. against Phillips, decided April 11, 1973, Judge Jones of the U.S. District Court for the District of Columbia, ruled that Howard Phillips, the Acting Director of OEO could not take any further action which went toward the termination, abolition or dissolution of OEO or the Community Action Agencies. This case was decided on the basis of the wording of the Economic Opportunity Amendment of 1972 which showed the congressional intent to continue OEO and Community Action at least through June 30, 1974. The fact that money had not yet been appropriated for these activities for fiscal 1974 was not held to justify termination of the agency in the face of express language in the authorization law.

Finally on Tuesday May 8, 1973 in the

case of City of New York against Ruckelshaus, Judge Gasch of the U.S. District Court for the District of Columbia ruled that the full amounts under the Federal Water Pollution Act of 1972 for sewage treatment facilities must be allotted in accordance with the congressional intent.

From these cases it is evident that when Congress intends that funds shall be spent or programs carried out, the courts will enforce that mandate. However, this bill will give us a chance to deal with this problem under a well regulated procedure and it should owe a more useful purpose.

I ask unanimous consent that copies of these decisions be placed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

[In the U.S. District Court for the western district of Missouri, central division, civil action No. 1616]

The State Highway Commission of Missouri v. John A. Volpe, Secretary of Transportation of the United States, and Caspar W. Weinberger, Director of the Office of Management and Budget of the United States

(Formal judgment confirming judgment for plaintiff orally rendered and entered June 19, 1972, issuing writ of mandamus, injunction and for declaratory judgment)

Now on this 19th day of June 1972, this civil action was called for trial on the amended complaint pursuant to notice and order setting the action for trial. The plaintiff appeared by its counsel, Robert L. Hyder, Esquire, and Michael McCabe, Esquire. The defendants appeared by their counsel, Stuart E. Schiffer, Esquire, and Kenneth Cranston, Esquire.

Counsel for the defendants suggested the succession of Caspar W. Weinberger to the original defendant George Shultz as Director of the Office of Management and Budget of the United States. Thereupon on motion of counsel for defendants, it was ordered pursuant to Rule 25(d), F.R.Civ.P., that Caspar W. Weinberger be, and he was, in his official capacity, substituted as party defendant for the original defendant George Shultz.

The second, third and fourth defenses of the answer of defendants were taken up, submitted and denied. In this connection it was concluded that (1) the plaintiff does not lack standing to maintain this action, (2) the Court does not lack jurisdiction over the subject matter of the action and (3) the complaint does not fail to state a claim upon which relief can be granted.

On the initiative of the Court the unnumbered last paragraph of the first defense of the answer was stricken as redundant, surplusage, and an impermissible form of qualified general denial in the context of the pleadings in this case.

With approval of the Court the parties stipulated that the record of the evidentiary hearing and arguments of June 24, 1971, in this cause be considered as part of the argument and evidence offered this day on the amended complaint without prejudice to any objection, motion, argument, legal contention and factual contention therein made, so that it should not be necessary for any party to reoffer at the trial any evidence offered on June 24, 1971.

Then this action was called for trial by the Court, without a jury. Plaintiff and defendants answered ready for trial. Opening statements were made by counsel for the plaintiff and defendants. Evidence in chief of the plaintiff was offered and received. The plaintiff rested. Then the defendants moved for dismissal under Rule 41(b) F.R.Civ.P., on the ground that on the facts and the law plaintiff is not entitled to relief, which motion was denied. The defendants offered evidence in chief and rested. The plaintiff rested without offering evidence in rebuttal. The issues were thereupon submitted by the parties for decision. Thereupon the following findings of fact and conclusions of law were made by the Court:

JURISDICTION

On the subject of jurisdiction it was found and concluded that the Court has jurisdiction to hear and determine the issues under each of the following statutes independently:

(1) Section 1361, Title 28, U.S.C.A., relating to actions in the nature of mandamus to compel an officer of the United States to perform a duty owed to the plaintiff.

(2) Chapter 7, Title 5, U.S.C.A., judicial review of administrative agencies, including Sections 702, 703, 704, 705, and 706.

VENUE

On the subject of venue it is found that venue of this action is properly laid in this district and that the defendants do not claim lack of venue.

REMEDIES AVAILABLE

The remedies available under Section 1361, Title 28, U.S.C.A., include mandamus, prohibitory injunction, mandatory injunction and declaratory judgment in the nature of mandamus.

The remedies available under Chapter 7, Title 5, U.S.C.A., include (1) holding unlawful and setting aside of agency action that is arbitrary, an abuse of discretion, or otherwise not in accordance with law or in excess of statutory jurisdiction, authority, limitations or short of statutory right (§ 706) and (2) any form of legal action including declaratory judgment and writs of prohibitory or mandatory injunction (§ 703). Cf. *Citizens to Preserve Overton Park* v. *Volpe*, 401 U.S. 402, 28 L.Ed. 2d 136, 91 S. Ct. 814.

On the question of finality of the agency action under review, and exhaustion of administrative remedies, it is found and concluded that the agency action under review is final and that no unexhausted administrative remedies exist. Cf. § 704, Title 5, U.S.C.A.

On the question of adequacy of other remedies at law, it is found and concluded that plaintiff has no remedies in court at law or otherwise except those available in this action.

STANDING TO MAINTAIN THIS ACTION

Under federal law, the Constitution of Missouri and the statutes of Missouri, the plaintiff has standing to maintain this action as the state agency invested with exclusive and plenary powers and duties on behalf of the State of Missouri to receive and administer all federal highway funds and apportionments. Section 226.010 to 226.190 R.S. Mo. inclusive, particularly Sections 226.020, 226.150, 226.190 R.S. Mo.; Sections 29, 30(a) and 30(b), Article 4, Constitution of 1945; Section 101, Title 23, U.S.C.A., defining "State highway department."

DECISION ON THE MERITS

In order to accelerate the construction of the Federal-aid highway systems, including the National System of Interstate and Defense Highways ("Systems" hereinafter) and to provide for the prompt and early completion of the entire System simultaneously, the Congress of the United States enacted, and has from time to time amended, Title 23, United States Code, a comprehensive Federal-Aid Highway Act ("Act" hereinafter), Title 23, U.S.C.A.

To insure continuing adequate federal-aid moneys for completion of the System, Congress created the Highway Trust Fund ("Fund" hereinafter). Historical Note, § 120, Title 23, U.S.C.A. The defendant Secretary of Transportation of the United States ("Secretary" hereinafter) has been given the functions, powers and duties to administer the Fund in accordance with the Act, which provides a comprehensive plan and precise standards for apportioning the Fund annually, and for obligation of the Fund by state highway commissions in accordance with the Act. Sections 101 and 215 inclusive, Title 23, U.S.C.A.

Anticipating the possibility of executive or administrative impoundment or withholding of the apportioned Fund for legally impermissible reasons, Congress undertook to avoid such unauthorized action by making its intent clear and unambiguous in paragraph (c) of § 101, Title 23, U.S.C.A., which reads as follows:

"(c) It is the sense of Congress that under existing law no part of any sums authorized to be appropriated for expenditure upon any Federal-aid system which has been apportioned pursuant to the provisions of this title shall be impounded or withheld from obligation, for purposes and projects as provided in this title, by any officer or employee in the executive branch of the Federal Government, except such specific sums as may be determined by the Secretary of the Treasury, after consultation with the Secretary of Transportation, are necessary to be withheld from obligation for specific periods of time to assure that sufficient amounts will be available in the Highway Trust Fund to defray the expenditures which will be required to be made from such fund."

Paragraph (c) is now a part of the Act, Title 23, U.S.C.A., and is to be read and construed in the context of the comprehensive plan for administration of the Fund and the Act. Even if paragraph (c) were absent, the intent of the Act would be the same.

The record establishes without controversy that the Secretary with the approval of his co-defendant has from time to time by administrative action effectively withheld from the plaintiff, The State Highway Commission of Missouri ("Missouri" hereinafter), the obligation of sums lawfully apportioned to the State of Missouri from the Fund. Presently Missouri is forbidden by administrative action of the Secretary from obligating over $80,000,000 of the apportionment for the fiscal year 1973. (Apportioned funds for a coming fiscal year may be obligated in the preceding fiscal year under the Act.) The practice of ordering the withholding of obligation of parts of the apportionments has continued for a number of years, without reference to any fixed period of time. Often the withholding was done on a quarterly basis. Presently the withholding is fixed on an annual basis.

The effect of this practice, and of the current withholding of obligation by Missouri of prior apportionments and a large part of its apportionment from the Fund for the fiscal year 1973, has caused great and incalculable injury to Missouri because of continuing inflation of highway costs, and interruption of efficient obligation of the funds apportioned to Missouri. Missouri has provided proof of this injury beyond the customary burden of proof by a preponderance of the evidence.

As a part of this proof, Missouri has established that it is and has been able, ready and willing, and desires and has desired, to obligate its apportionment from the Fund but is and has been prevented from doing so by the defendant Secretary, with the approval of his co-defendant Director. In this connection Missouri has proven that presently and in the past it has deevloped plans and projects which would be approved under the Act, and regulations made pursuant thereto, except for the withholding of the obligational authority by the Secretary. Therefore Missouri is entitled to relief if the action of the Secretary in withholding from obligation is unauthorized, without his discretion, arbitrary or otherwise illegal.

The Secretary claims that the law invests in him discretion to withhold from time to time authority for Missouri to obligate its unexpended apportionments. The Secretary concedes that the apportionments can readily be paid by the Fund from the ample moneys presently therein. If the Secretary lawfully possessed the discretion he claims Missouri should be given no relief. It has been concluded, however, that the current, as well as the past and possible future, withholding of obligational authority for the reasons relied on by the Secretary has been, is and will be, unauthorized, and without the lawful discretion of the Secretary.

The reasons advanced by the Secretary for the current and past withholding of obligational authority are foreign to the standards and purposes of the Act and the Fund. The reasons relied on are related to the prevention of inflation of wages and prices in the national economy. These reasons are impermissible reasons for action which frustrates the purposes and standards of the Act, including but not limited to those in Section 109. Title 23, U.S.C.A. Therefore it is not within the discretion of the Secretary to withhold obligational authority from Missouri and judicial relief should be granted to Missouri. *Citizens to Preserve Overton Park* v. *Volpe,* 401 U.S. 402, 28 L.Ed. 2d 136, 91 S.Ct. 814, § 706, Title 5, U.S.C.A.

The appropriate relief to which Missouri is entitled includes prohibitory or mandatory injunction, and declaratory judgment. § 703. Title 5, U.S.C.A. It also includes mandamus. § 1361, Title 28, U.S.C.A. Missouri has no other adequate judicial or administrative remedy except this action. Therefore judgment will be entered granting an injunction, a writ of mandamus and a mandamus and a declaratory judgment.

JUDGMENT GRANTING INJUNCTION

It is therefore

Ordered and Adjudged that the defendants and each of them and their subordinates be, and they are hereby, enjoined and restrained now and in the future from withholding from Missouri, directly or indirectly, any authority to obligate its apportionment of Highway Trust Funds, for the fiscal year 1973 for any reason or reasons relating to the prevention or control of inflation in the national, regional or local economies, or in wages or prices in the nation, or any region or locality therein, or any combination of such reasons.

JUDGMENT GRANTING WRIT OF MANDAMUS

For the foregoing reasons, in addition and independently, it is hereby further

Ordered and Adjudged that the defendant John A. Volpe, and his subordinates, be and they are hereby, commanded to annul and revoke by official act in writing the current announcements, orders, directives, limitations, regulations and other official written and printed documents and evidences of withholding of authority of Missouri to obligate its apportionment from the Highway Trust Fund for the fiscal year 1973.

DECLARATORY JUDGMENT

For the foregoing reasons, it is hereby further

Declared and Adjudged that the currently effective, and past official actions of the Secretary of Transportation, and his subordinates, in withholding authority from Missouri to obligate any apportionment from the Highway Trust Fund for reasons related to the prevention or control of inflation in the national, regional or local economies, or in wages and prices in the nation, or any region or locality therein, is unauthorized by law, illegal, in excess of lawful discretion and in violation of the Federal-Aid Highway Act.

RETENTION OF JURISDICTION

It is further Ordered that this Court retain jurisdiction of this action for the purpose of making and entering such further orders and judgments and taking other judicial action necessary, or desirable, to implement and enforce the judgments herein, and any one or more of them.

ORDER ON COSTS

It is Ordered that each party bear its or his own costs in this Court.

WILLIAM H. BECKER, *Chief Judge.*
Kansas City, Missouri, August 7, 1972.

[In the United States District Court for the Western District of Missouri, Central Division, Civil Action No. 1616]

STATE HIGHWAY COMMISSION OF MISSOURI, PLAINTIFF, v. JOHN A. VOLPE, SECRETARY OF TRANSPORTATION, AND CASPAR W. WEINBERGER, DIRECTOR, OFFICE OF MANAGEMENT AND BUDGET, DEFENDENTS

ORDER

Defendants having orally moved for a stay of the judgment entered by this Court on pending appeal, and the Court having considered the entire record in this action, and it appearing to the Court that good cause exists for the granting of defendants' motion, it is, this 19th day of June, 1972, hereby

Ordered that defendants' motion for a stay of the judgment be and hereby is granted and the judgment of this Court is hereby stayed pending disposition of the appeal filed by defendants.

WILLIAM H. BECKER, *Chief Judge.*

[U.S. District Court for the District of Columbia, Civil Action No. 2466–72]

OPINION

(The city of New York, on behalf of itself and all other similarly situated municipalities within the State of New York, Plaintiff, the city of Detroit, Plaintiff-Intervenor, v. William D. Ruckelshaus, as Administrator of the United States Environmental Protection Agency, Defendant)

This is an action for a declaratory judgment and mandamus to compel the defendant, William D. Ruckelshaus, until recently Administrator of the United States Environmental Protection Agency ("the Administrator") to comply with the Federal Water Pollution Control Act Amendments of 1972, 86 Stat. 816 (hereafter termed "the Act").[1] Plaintiff is the City of New York, suing on behalf of itself and all similarly situated municipalities within the State of New York. The City of Detroit has been granted leave to intervene as a party plaintiff seeking the same relief. The action is brought pursuant to § 505(a) of the Act and 5 U.S.C. §§ 701–706; jurisdiction is alleged on the grounds of 28 U.S.C. §§ 1331, 1332, and 1361.

Plaintiff and plaintiff-intervenor allege that § 205(a), taken together with § 207, of the Act requires the Administrator to allot among the states the sums of $5 billion for fiscal year 1973 and $6 billion for fiscal year 1974, thereby making such sums available for obligation on sewage treatment works construction approved by the Administrator for federal funding. It is further alleged that the Administrator has violated this statutory requirement by promulgating, at the express direction of the President of the United States, a regulation, effective December 8, 1972,[2] which allotted among the states for fiscal years 1973 and 1974 "sums not to exceed $2 billion and $3 billion respectively." The case is now before the Court on plaintiff's motion to determine that this suit may be maintained as a class action, defendant's motion to dismiss, and the motions of plaintiff and plaintiff-intervenor for summary judgment.[3] Also before the Court for consideration are the leadings, oppositions, affidavits, and arguments by counsel in open Court.

The Court's characterization and analysis of the issues in the case will be clearer if the mechanism set up under the Act for funding the construction of sewage treatment works is briefly outlined. The Act reverses the normal procedure whereby sums are appropriated by Congress and thereafter contractually obligated by the appropriate agency. Instead, Congress has, in § 207, authorized certain specific sums to be appropriated to carry out the purposes of Title II of the Act, Grants for Construction of Treatment Works. The Administrator is required by § 205 to allot the sums among the states according to a time schedule and needs formula set up under the Act.[4] (Whether the full sums authorized to be appropriated must be allotted or only a portion of them—the size of the portion being within the Administrator's discretion—is the central issue disputed by the parties.) Once allotted, the sums become available for obligation, i.e., contract authority exists up to those amounts. The Administrator reviews grant applications submitted by States and municipalities for federal funding or particular waste treatment projects to determine whether they satisfy criteria set forth in the Act, e.g., in § 204. Once the Administrator approves the plans, specifications, and estimates for a project, a contractual obligation arises to pay the federal share allocable to that project.[5] Funds are then appropriated to liquidate the obligations as they fall due; the final step, actual disbursement of the funds, is then made. It is clear from this sequence that *allotment* is not tantamount to *expenditure* or even commitment of the funds.

Another feature of the Act which is of some importance in the resolution of issues before the Court is the reallotment provision in § 205(b) (1) of the Act. Once allotted to a State, sums are available for obligation for approved projects there "for a period of one year after the close of the fiscal year for which such sums are authorized." If for any reason the sums allotted are not fully obligated within that period, they are to be reallotted "generally on the basis of the ratio used in making the last allotment of sums under this section." Such reallotted sums remain available for obligation and are added to the State's allotment for the next fiscal year. Any sums authorized but not allotted at the appropriate time are lost to the State under the provisions of this Act. Thus, by refusing to allot the full sums authorized, the Administrator controls the absolute amount (as opposed to the rate) of spending without regard to the standards set forth in, e.g., § 204, for determining whether sums should be obligated.

Having set forth the framework of the Act within which the dispute now before the Court has arisen, the Court will proceed to the issues. First to be dealt with are jurisdictional issues raised in the defendant's motion to dismiss and his opposition to plaintiff's motion for summary judgment. Defendant contends that this Court lacks the requisite jurisdiction because the doctrine of sovereign immunity bars the suit and because the action fails to present a justiciable case or controversy. The Court does not agree with these contentions and will deal with them only briefly.[6]

Two well-settled common law exceptions to the doctrine of sovereign immunity are set forth in two cases cited by defendant, *Dugan v. Rank*, 372 U.S. 609, 621–22 (1963), and *Larson v. Domestic & Foreign Commerce Corporation*, 337 U.S. 682, 689–90 (1949); and plaintiff's action falls squarely within the exception covering suits challenging actions by federal officers which go beyond the scope of their statutory powers. Defendant is not aided by the general rule set forth in *Land v. Dollar*, 330 U.S. 731, 738 (1947), to the effect that where the judgment sought "would expend itself on the public treasury or domain, or interfere with the public administration," the suit is in reality brought against the sovereign; for as subsequent discussion will reveal, the relief sought by

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Footnotes at end of article.

plaintiff in the action does not require the expenditure of unappropriated public funds (or indeed of any public funds at all), nor will it interfere with the lawful exercise of defendant's discretionary powers under the Act.

A second reason for rejecting the sovereign immunity defense as a bar to this action is the fact that plaintiff is seeking review in part on the basis of the Administrative Procedure Act, 5 U.S.C. §§ 701–706; the rule in this Circuit is that the A.P.A. constitutes a waiver of sovereign immunity in actions to which it applies. *Scanwell Laboratories, Inc. v. Shaffer*, 137 U.S. App. D.C. 371, 385, 424 F. 2d 859, 873 (1970); *Constructores Civiles de Centroamerica, S.A. v. Hannah*, 148 U.S. App. D.C. 159, F. 2d 1183 (1972). Defendant has sought to distinguish *Scanwell* by contending that there was no question there of any "disposition" of government funds, whereas the instant case presents a "demand" for such funds. As already indicated, this argument must fail because defendant has misconstrued the nature of the relief sought. Plaintiff is demanding only that funds be *allotted* as, in its view, Congress required.

Defendant contends that this action fails, for two reasons, to present a justiciable case or controversy. First it is argued that the action is hypothetical and premature and hence does not fall within the limits of federal court jurisdiction as defined by Article III of the Constitution.

It is true that Article III confines federal courts to the adjudication of cases and controversies and forbids the rendering of advisory opinions. *Golden v. Zwickler*, 394 U.S. 103, 108 (1969). Where a declaratory judgment is sought, the plaintiff must show a "substantial controversy between parties having adverse legal interests of sufficient immediacy and reality" to warrant its issuance. *Maryland Casualty Company v. Pacific Coal & Oil Company*, 312 U.S. 270, 273 (1941). Defendant contends that because plaintiff has no guarantee that projects for which it seeks funding under the Act will be approved, refusal to allot, and thus make available for obligation, the full amounts authorized to be appropriated in § 207 of the Act does not amount to action that is adverse to any real or immediate interests of plaintiff. This argument fails on several grounds. Plaintiff has filed an affidavit of the Commissioner of the Department of Water Resources for the City of New York averring that the City has received approval from the United States Environmental Protection Agency (EPA) for two waste treatment projects, and that because of the reduced allotments, plaintiff's share of available federal funds "will permit only a token start toward completion." (Affidavit of Martin Lang dated April 3, 1973, 115–6).[7] Defendant has not disputed these assertions of fact. Even were plaintiff's grant application still under study, however, there would be more than a merely speculative injury; for as affidavits filed by both plaintiff and plaintiff-intervenor indicate, the reduction in allotments has resulted in serious planning delays that will necessarily retard the development of sewage treatment facilities. (Affidavit of Martin Lang, dated February 8, 1973, 111; affidavit of Gerald Remus, dated March 15, 1973, 112). The seriousness of the planning problem was understood by Congress. It was one of the reasons for utilizing the device of allotment, thereby making funds available for obligation, in lieu of the ordinary appropriations procedure.

Congressman William Harsha, one of the managers of the bill, observed during debate on a proposed amendment to H.R. 11896[8] which would have substituted the normal appropriations process for the allotment mechanism that "it is essential that the States, the interstate agencies and the cities have both the ability for and a basis for long-range planning, construction scheduling and financing waste treatment plants, including the sale of bonds that they have to sometimes negotiate." Cong. Rec., vol. 118, pt. 8, p. 10757. When there is uncertainty concerning how much will be allotted in a given year, municipalities cannot properly plan the scale of projects for which to seek federal funding.

Still another way in which plaintiff is injured by the Administrator's refusal to allot the full amount of the sums authorized to be appropriated by § 207 lies in the permanent loss of funds not allotted at the appropriate time. Such funds cannot thereafter be made available for obligation even if grant applications which, in the Administrator's determination, meet all the requirements of the Act are submitted and the current allocations are insufficient to pay the authorized federal share.

Considering all of the ways in which plaintiff's interests are imminently threatened by the Administrator's action under challenge here, it seems clear that there exists an injury sufficiently concrete to create a real controversy in which plaintiff has a genuine stake; and in ruling on the legality of the Administrator's action alleged to be the cause of this injury, the Court is not rendering a mere advisory opinion.

Defendant's other ground for urging the Court to find the subject matter of this action nonjusticiable is the contention that the matter at issue is a "political question" which the Court is barred from considering by reason of the doctrine of separation of powers. Certainly it is true that this Court could not decide a case if it presented a political question. *Powell v. McCormack*, 395 U.S. 486, 518 (1969); *Coleman v. Miller*, 307 U.S. 433 (1939). Criteria to be used in determining whether a political question is presented have been set forth by the Supreme Court in *Baker v. Carr*, 369 U.S. 186, 217 (1962). There Mr. Justice Brennan, writing for the majority, declared:

"Prominent on the surface of any case held to involve a political question is found a textually demonstrable constitutional commitment of the issue to a coordinate political department; or a lack of judicially discoverable and manageable standards for resolving it; or the impossibility of deciding without an initial policy determination of a kind clearly for nonjudicial discretion; or the impossibility of a court's undertaking independent resolution without expressing lack of the respect due coordinate branches of government; or an unusual need for unquestioning adherence to a political decision already made; or the potentiality of embarrassment from multifarious pronouncements by various departments on one question."

The Administrator contends that at least two of the considerations listed by Mr. Justice Brennan are applicable to the instant case, namely, (1) something "very close" to a "textually demonstrable" commitment of power to control spending to the grant of executive power in Article II of the Constitution; and (2) a "lack of judicially discoverable and manageable standards for resolving" the question whether particular expenditures should be made. Even assuming arguendo that the Constitution gives to the President and his subordinates unreviewable authority to determine whether particular expenditures authorized by Congress should be made at a particular time, it is clear that the instant case presents none of the problems cited by the defendant, Counsel's position on this point must fail simply because he has not correctly characterized the issue before the Court. The Court is not being called on to determine whether the Administrator should spend any given amount of money for sewage treatment works. Rather the Court is being asked by plaintiff to require the Administrator to perform what it alleges to be a purely ministerial duty under the Act, that of allotting—and thus making available for obligations—the sums authorized to be appropriated in Section 207 of the Act.[9] There is no "textually demonstrable constitutional commitment" of this responsibility to the executive branch, and there is no difficulty in discovering standards for resolving the issue before the Court. Either the Administrator is required by the Act to allot the full amount of the sums authorized to be appropriated in § 207 or he is not so bound.

The Court is not overstepping its authority in deciding this question, for as our Court of Appeals recently declared: In our overall pattern of government, the judicial branch has the function of requiring the executive (or administrative) branch to stay within the limits prescribed by the legislative branch." *National Automatic Laundry and Cleaning Council* v. *Schultz*. 143 U.S. App. D.C. 274, 280, 443 F.2d 689, 695 (1971). Even more recently, the Eighth Circuit Court of Appeals, citing *inter alia* the opinion in *National Automatic Laundry* determined that a challenge to the legality of a decision by the Secretary of Transportation to defer obligation of funds already apportioned to the State of Missouri under the Federal-Aid Highway Act of 1956, as amended, 23 U.S.C. § 101 *et seq.* (1970), presented a justiciable issue. The question was whether the Secretary had any discretion at all so to act. *The State Highway Commission of Missouri* v. *Volpe*, Civil No. 72–1512 (8th Cir., April 2, 1973).

It seems clear, then, that for the reasons given and on the basis of the authorities cited, this Court is not barred from reaching the merits of this case either by the doctrine of sovereign immunity or by a lack of a justiciable case or controversy. *Hence, it is appropriate now to proceed to the question raised in plaintiff's summary judgment motion, i.e., whether the Administrator had discretion to refuse to allot the sums authorized to be appropriated in § 207 of the Act, or—put the other way around—whether allotment of those sums is a purely ministerial act. The Court may resolve this question on summary judgment because the defendant, in his Statement submitted pursuant to Local Rule 9(h), has not set forth any specific facts showing that there is a genuine issue for trial. See* Rule 56(e), F. R. Civ. P.

Resolution of the issue whether the Administrator is required under the Act to make the allotments in question here turns primarily on the meaning of § 205(a) and § 207 of the Act, which read as follows:

"ALLOTMENT

"SEC. 205. (a) Sums authorized to be appropriated pursuant to section 207 for each fiscal year beginning after June 30, 1972, shall be allotted by the Administrator not later than the January 1st immediately preceding the beginning of the fiscal year for which authorized, except that the allotment for fiscal year 1973 shall be made not later than 30 days after the date of enactment of the Federal Water Pollution Control Act Amendments of 1972. Such sums shall be allotted among the States by the Administrator in accordance with regulations promulgated by him, in the ratio that the estimated cost of constructing all needed publicly owned treatment works in each State bears to the estimated cost of construction of all needed publicly owned treatment works in all of the States. For the fiscal years ending June 30, 1973, and June 30, 1974, such ratio shall be determined on the basis of table III of House Public Works Committee Print No. 92–50. Allotments for fiscal years which begin after the fiscal year ending June 30, 1974, shall be made only in accordance with a revised cost estimate made and submitted to Congress in accordance with section 516(b) of this Act and only after such revised cost estimate shall have been approved by law specifically enacted hereafter.

"AUTHORIZATION

"SEC. 207. There is authorized to be appropriated to carry out this title, other than sections 208 and 209, for the fiscal year ending

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Footnotes at end of article.

June 30, 1973, not to exceed $5,000,000,000, for the fiscal year ending June 30, 1974, not to exceed $6,000,000,000, and for the fiscal year ending June 30, 1975, not to exceed $7,000,000,000."

In urging its interpretations of these sections, plaintiff places emphasis on the phrase "shall be allotted" in § 205(a), contending that the use of "shall" rather than "may" makes plain the mandatory character of this section. The Administrator defends his interpretation (namely, that he has discretion to decide how much to allot) primarily on the grounds that H.R. 11896, the bill from which § 205 and § 207 of the Act are derived, was amended in conference by the insertion of the phrase "not to exceed" before each of the sums specified in § 207 and by the deletion of the word "all" before the phrase "Sums authorized to be appropriated" in § 205(a); both amendments, it is contended, are substantive changes meant to give the Administrator the discretion to withhold allotments as he has done. Given the arguments of the parties, a "plain meaning" analysis is obviously inadequate to the task at hand. Rather, the Court must examine the relevant legislative history to determine whether Congress intended to give the Administrator the kind of discretion he claims to have under the Act. *The Wilderness Society v. Morton*, Nos. 72-1796, 1797, 1798 (U.S. App. D.C., February 9, 1973), slip op. at 22.

Of particular importance are the views of sponsors of the legislation in question. See e.g., *First National Bank of Logan, Utah* v. *Walker Bank and Trust Co.*, 385 U.S. 252, 261 (1966); *Schwegmann Bros.* v. *Calvert Distillers Corp.*, 341 U.S. 384, 395-95 (1951); *Kansas City, Mo.* v. *Federal Pacific Electric Co.*, 310 F. 2d 271, (8th Cir. 1962), *cert. denied*, 371 U.S. 912, and 373 U.S. 914. *Specifically, the Court can properly look to the expressed views of Congressman William Harsha, who is the ranking minority Member of the House Committee on Public Work, which reported H.R. 11896, and who was also the bill's floor manager and a member of the conference committee which worked out the final language of the Act, and the views of Senator Edmund Muskie, who is Chairman of the Senate Subcommittee on Air and Water Pollution, which reported the Senate version, S. 2770, and who was floor manager of that bill and a member of the conference committee. It was Congressman Harsha who sponsored the amendments on which the Administrator relies.*

An examination of pertinent portions of congressional debates quoted by both plaintiff and defendant reveals that *Congressman Harsha intended his amendments not to make any substantive change in the bill but rather to clarify* (or "emphasize," to use his own term) the point that the Administrator was to have discretion regarding the *obligation and expenditure* of funds authorized to be appropriated under the Act. Thus, in explaining his amendments, Congressman Harsha said: "I want to point out that the elimination of the word 'all' before the word 'sums' in section 205(a) and insertion of the phrase 'not to exceed' in section 207 was intended by the managers of the bill to emphasize the President's flexibility to control the rate of spending." Congressional Record, volume 118, part 25, page 33754 (emphasis added). Moreover, it is clear from an exchange of remarks by Congressman Robert Jones of Alabama, Chairman of the conference committee, Congressman Gerald Ford of Michigan and Congressman Harsha, that this intent was made known to the House, which later voted in favor of the legislation as amended. That exchange is recorded as follows:

"Mr. Gerald R. Ford. Mr. Speaker . . . I think it is vitally important that the intent and purpose of section 207 is spelled out in the legislative history here in the discussion on this conference report.

"As I understand the comments of the gentleman from Ohio [Harsha], the inclusion of the words in section 207 in three instances of "not to exceed" indicates that is a limitation. More importantly that it is not a mandatory requirement that in 1 year ending June 30, 1973, there would be $5 billion and the next year ending June 30, 1974, $6 billion and a third year ending June 30, 1975, $7 billion *obligation or expenditure?*

"Mr. Harsha. I do not see how reasonable minds could come to any other conclusion than that *the language means we can obligate or expend up to that sum*—any thing up to that sum but not to exceed that amount. * * *

"Mr. Gerald R. Ford, Mr. Speaker, I would like to ask the distinguished chairman of the House conferees whether he agrees with the gentleman from Ohio (Mr. Harsha).

"Mr. Jones of Alabama. . . . My answer is "yes." Not only do I agree with him, but the gentleman from Ohio offered this amendment which we have now under discussion in the committee of conference, so there is no doubt in anybody's mind of the intent of the language. It is reflected in the language just explained by the gentleman from page 33755 (emphasis added).

"Mr. Gerald R. Ford. Mr. Speaker, this clarifies and certainly ought to wipe away any doubts anyone has. *The language is not a mandatory requirement for full obligation and expenditure up to the authorization figure in each of the 3 fiscal years.*" *Id.*, at page 33755 (emphasis added).

The Administrator is not supported in his interpretation of the Act's legislative history by citing remarks of Congressman Harsha concerning authortiy for Executive "impoundment" of funds. During the debates on H.R. 11896, Congressman Harsha took note of recent impoundments by the Executive branch of moneys allocated among the States under the Federal-Aid Highway Act of 1956, and made the following observation:

"[T]he Committee on Public Works is acutely aware that moneys from the highway trust fund have been impounded by the Executive. Expenditures from the highway trust fund are made in accordance with similar contract authority provisions to those in this bill. Obviously *expenditures and appropriations* in the water pollution control bill could also be controlled. However, there is even more flexibility in this water pollution control bill because we have added "not to exceed" in section 207, as I indicated before.

"Surely, if the administration can impound moneys from the highway trust fund which does not have the flexibility of the language of the water pollution control bill, it can just as rightly *control expenditures from the contract authority produced in this legislation by that same means.*" *Id.*, at page 33754 (emphasis added).

The impoundment of Federal-Aid Highway Act moneys referred to by Congressman Harsha were of funds already allotted, i.e., the controls were being exercised at the obligation level rather than at the allotment level.[10] Thus, these comments tend to support the position of the plaintiff rather than that of the defendant in regard to which administrative functions are discretionary and which mandatory under the Act which this Court is called on to construe. It seems obvious from the remarks just quoted that, as Senator Muskie observed:

"Under the amendments proposed by Congressman WILLIAM HARSHA and others the *authorizations for obligational authority* are "not to exceed" $18 billion over the next 3 years. Also 'all' sums authorized to be obligated need not be committed, though they must be allocated. These two provisions were suggested to give the Administration some flexibility concerning the obligation of construction grant funds." *Id.*, at page 33694 (emphasis added).

The President appears to have concurred in the views of the sponsors concerning § 205 and § 207 of the Act, for in his message explaining his veto of the bill, he stated:

"Certain provisions of . . . [the bill] confer a measure of *spending discretion and flexibility* upon the President, and if forced to administer this legislation I mean to use those provisions to put the brakes on budget-wrecking expenditures as much as possible.

"But the law would still exact an unfair and unnecessary price from the public. For I am convinced . . . that the pressure for full funding under this bill would be so intense that funds approaching the *maximum authorized* amount could ultimately be claimed and paid out, no matter what technical controls the bill appears to grant the Executive." Congressional Record, volume 118, part 28, page 37054 (emphasis added).

In other words, the President believed that the Act required the Administrator to allot the full amount authorized, and he feared that once the Administrator had made the allotments, he might be under great pressure to approve grant applications up to the amount of the allotments. Congress, believing that the needs to which the Act was addressed were sufficiently urgent that expenditure of the full amounts authorized might be necessary,[11] and believing further that the Administrator was given sufficient discretion to avoid any hasty and improvident obligation of funds, passed the bill over the President's veto.

The question whether the entire amount should be *obligated* is, of course, not before this Court. The only question is whether the full allotments must be made, and the answer to that on the basis of the foregoing review of the sponsors' comments seems clear. The language of the pertinent sections of the Act, read in the light of their legislative history, clearly indicates the intent of Congress to require the Administrator to allot, at the appropriate times, the full sums authorized to be appropriated by § 207.[12] Hence, this Court has no choice other than to declare that § 205(a) of the Act requires the Administrator to allot among the states $5 billion for fiscal year 1973 and $6 billion for fiscal year 1974.

The only question remaining for decision is whether plaintiff's action may be maintained as a class action on behalf of all similarly situated municipalities within the State of New York. Defendant has opposed maintenance of this suit as a class action solely on the ground that plaintiff does not satisfy subsection (a)(3) and (a)(4) of Rule 23, Fed. R. Civ. P., i.e., it is contended that plaintiff's claim is not typical of those of the proposed class members and that plaintiff cannot adequately represent the class. The Court does not find these points well taken. Differences in amounts which various municipalities might receive from the State allotment have no bearing on the legal issue of whether the allotment as a whole should be increased. Neither can such differences make the City of New York something less than an adequate representative of the class as required by Rule 23(a)(4). Competition for shares of a common fund does not bar a class action on behalf of all competitors when the relief sought would lead to an increase in the total amount of that fund. *Berman* v. *Narragansett Racing Association*, 414 F.2d 311, 317 (1st Cir. 1969), *cert. denied*, 396 U.S. 1037 (1970). The Court finds that plaintiff satisfies all the requirements of Rule 23(a) and 23(b)(1)(A), can be maintained on behalf of the proposed class.

Oliver Gasch, *Judge*.

Date May 8, 1973.

FOOTNOTES

[1] This action was originally brought against William D. Ruckelshaus, who was serving as Administrator at that time. During the pendency of the action, Mr. Ruckelshaus resigned and his successor has not yet been appointed and confirmed. By operation of Rule 25(d), Fed. R. Civ. P., the Acting Ad-

ministrator is automatically substituted as the defendant. The action continues unabated unless the new Administrator comes forward with evidence showing such a discontinuance of his predecessor's policy as to make the action moot. See Rule 25(d), 1961 Notes of the Advisory Committee on Rules; 3B J. MOORE, Federal Practice, § 25.09 [3], at 25–402 (2d ed. 1969). Since no such showing has made in the instant case, the actions of Mr. Ruckelshaus are chargeable to the Acting Administrator for purposes of this action, and the Court's order is binding upon the Acting Administrator and his successors in office.

[2] 37 Fed. Reg. 26282, § 35,910–1(a) (1972).

[3] The contentions of the plaintiff-intervenor are substantially the same as those made by the plaintiff. In the interest of brevity, references throughout will be solely to the plaintiff unless the context requires otherwise.

[4] According to § 205(a) sums are to be allotted among the States "in the ratio that the estimated cost of constructing all needed publicly owned treatment works in each State bears to the estimated cost of construction of all needed publicly owned treatment works in all of the States." Congress has supplied the figures for determining the ratios to be used for the fiscal years ending June 30, 1973, and June 30, 1974. (Table III of House Public Works Committee Print No. 92–50). For subsequent fiscal years, the allotments are to be made in accordance with a revised cost estimate submitted by the Administrator to Congress and "approved by law specifically enacted hereafter."

[5] Section 202(a) sets the federal share of the cost of construction of projects, as approved by the Administrator, at 75 percent. Section 203 of the Act specifies that the Administrator's approval creates contractual obligations on the part of the United States.

[6] It should be noted that these same contentions were made recently in motions to dismiss by the defendant in three consolidated civil actions before Judge Jones of this Court. *Local 2677, American Federation of Government Employees* v. *Phillips*, Civil Action Nos. 371–73, 375–73 and 379–73 (D.D.C., April 11, 1973). In those suits, as in the instant case, plaintiffs were challenging the actions of a federal officer on the ground that they were in violation of his statutory authority; Judge Jones rejected the defendant's contentions and proceed to the merits of the case.

[7] Attached as Exhibit "B" to the affidavit is a copy of a letter dated March 1, 1973, from Gerald M. Hansler, Regional Administrator, EPA, announcing approval of the plaintiff's grant application for the two projects.

[8] H.R. 11896 was the House version of the bill later enacted as P.L. 92–500, 86 Stat. 816, the provisions of which are disputed in the instant case.

[9] For this reason the instant case is distinguishable from *Housing Authority of San Francisco v. U.S. Department of Housing and Urban Development*, 340 F. Supp. 654 (N.D. Cal. 1972), cited by the Administrator. In *Housing Authority* the Court found the issue presented to be nonjusticiable because it found in the statute in question a legislative "intention of allowing spending discretion in the executive" and "no manageable standards for determining whether the discretion had been abused." 340 F. Supp. at 656.

[10] It should be noted that the Court of Appeals for the Eighth Circuit has construed the Federal-Aid Highway Act as requiring obligation of allotted funds, and has thus declared the impoundments referred to by Congressman Harsha to be illegal *State Highway Commission of Missouri v. Volpe*, — F. 2d —, Civil No. 72–1512 (8th Cir., April 2, 1973).

[11] The central purpose of the Act as set forth in the first section is to effectuate "the national goal that the discharge of pollutants into the navigable waters be eliminated by 1985." § 101(a)(1). Congressman Harsha recognized that achieving this goal might well require spending the entire $18 billion authorized to be appropriated; and he observed: "To say we can't afford this sum of money is to say we can't afford to support life on earth." CONGRESSIONAL RECORD, volume 118, part 28, page 37056.

[12] As previous discussion has indicated, pp. 10–12, *supra*, this construction of the Act does not infringe upon any prerogative of the Executive branch. The Court is thus not confronting any delicate constitutional question of the kind which Mr. Justice Brandeis, in *Ashwander v. Tennessee Valley Authority*, 297 U.S. 288, 345–48 (1936), counseled courts to avoid. Hence defendant's reliance on *Ashwander* as authority for the proposition that the Act should be construed so as to enhance his powers at the expense of those of the Congress is not well taken.

[Civil Action No. 371–73, Civil Action No. 375–73, Civil Action No. 379–73]

DECISION OF JUDGE WILLIAM B. JONES

(Local 2677, the American Federation of Government Employees, et al, Plaintiffs, v. Howard J. Phillips, both individually and in his capacity as Acting Director, Office of Economic Opportunity, Defendant; West Central Missouri Rural Development Corp., et al., Plaintiffs, v. Howard Phillips, Individually and as Acting Director, Office of Economic Opportunity, Defendant; National Council of O.E.O. Locals, A.F.G.E., AFL–CIO, et al., Plaintiffs, v. Howard J. Phillips, Acting Director of the Office of Economic Opportunity, et al., Defendants)

ORDER

These consolidated cases having come before the Court on the defendant's motion to dismiss or in the alternative for summary judgment, and the plaintiffs' cross-motions for summary judgment, as to which there is no genuine issue of material fact, and the Court having considered the points and authorities in support of and in opposition to those motions, and having heard argument of counsel, and for the reasons stated in the Opinion filed in this case,

It is this 11th day of April, 1973,

Ordered,

That the plaintiffs' motion for voluntary dismissal in Civil Action No. 379–73 be and is hereby denied;

That defendant Phillips' motion to dismiss be and is hereby denied;

That defendant Ash's motion to dismiss or for summary judgment be and is hereby granted;

That defendant Phillips' motion for summary judgment be and is hereby denied;

That the plaintiffs' motions for summary judgment be and are hereby granted;

Further ordered, adjudged, and declared that the acts or omissions or both, including all rules, regulations, guidelines, instructions, and other communications, written or oral, heretofore published, promulgated or otherwise communicated, directing, providing for, or intended to accomplish the termination, dissolution, or abolition of the Office of Economic Opportunity, or of the termination of funding or functioning of Community Action Agencies, designated in accordance with the provisions of sections 210 and 221 of the Economic Opportunity Act of 1964, as amended, 42 U.S.C. § § 2790 and 2808 (except those Community Action Agencies found not to be qualified for refunding pursuant to regulations as set forth in 45 C.F.R. §§ 1067.1, 1067.2 (1972)), are unauthorized by law, illegal, and in excess of statutory authority whether such acts or omissions were those of defendant Phillips, or any agent, servant, employee, or other person acting in concert with defendant Phillips, or otherwise employed by or purportedly acting for or on behalf of him or of the Office of Economic Opportunity;

Further ordered, adjudged, and declared that all rules, regulations, guidelines, instructions, and other communications, written or oral, heretofore published, promulgated or otherwise communicated, directing, providing for, or intended to accomplish the termination, dissolution or abolition of the Office of Economic Opportunity, or of the termination of funding or functioning of Community Action Agencies, designated in accordance with the provisions of sections 210 and 221 of the Economic Opportunity Act of 1964, as amended, 42 U.S.C. §§ 2790 and 2808 (except those Community Action Agencies found not to be qualified for refunding pursuant to regulations set forth in 45 C.F.R. §§ 1067.1, 1067.2 (1972)), are unauthorized by law, illegal, in excess of statutory authority, null and void, whether such rules, regulations, guidelines, instructions, or other communications were those of defendant Phillips, or any agent, servant, employee, or other person acting in concert with defendant Phillips, or otherwise employed by or purportedly acting for or on behalf of the Office of Economic Opportunity;

Further ordered that defendant Phillips and any agent, servant, employee, or other person acting in concert with defendant Phillips, or otherwise employed by or purportedly acting for or on behalf of him or the Office of Economic Opportunity, be and the same are hereby enjoined from implementing or enforcing, or both, any such rule, regulation, guideline, instruction, or other communication, written or oral, heretofore published, promulgated, or otherwise communicated;

Further ordered that, within ten days of the date of this Order and Judgment, defendant Phillips send copies of this Order and Judgment to all Office of Economic Opportunity Regional Directors and to all Community Action Agencies which on January 29, 1973, were designated such agencies.

Judge WILLIAM B. JONES.

[Civil Action No. 371–73, Civil Action No. 375–73, Civil Action No. 379–73]

DECISION OF JUDGE WILLIAM B. JONES

(Local 2677, the American Federation of Government Employees, et al., Plaintiffs, v. Howard J. Phillips, both individually and in his capacity as Acting Director, Office of Economic Opportunity, Defendant; West Central Missouri Rural Development Corp., et al., Plaintiffs, v. Howard Phillips, Individually and as Acting Director, Office of Economic Opportunity, Defendant; National Council of O.E.O. Locals, A.F.G.E. AFL–CIO, et al., Plaintiffs, v. Howard J. Phillips, Acting Director of the Office of Economic Opportunity, et al., Defendants)

OPINION

These three consolidated actions have been brought to declare unlawful and enjoin what the plantiffs allege to be the unlawful dismantlement of the Office of Economic Opportunity (OEO) by the defendant, Howard J. Phillips, Acting Director of OEO. The plaintiffs in *Local 2677, American Federation of Government Employees, et al.* v. *Phillips*, Civil Action No. 371–73 (hereinafter *Local 2677*), by an amended complaint, are the labor organization-bargaining agent for the Washington, D.C. headquarters employees of OEO, and two individual OEO headquarters employees. Suit is brought on behalf of all OEO employees throughout the country who have been or are about to be adversely affected by the alleged unlawful acts of the defendant. The plaintiffs in *West Central Missouri Rural Development Corps., et al.* v. *Phillips*, Civil Action No. 375–73 (hereinafter *West Central*), are four Community Action Agencies (CAAs) as designated pursuant to 42 U.S.C. § 2790 (1970), which bring their suit on behalf of all 930 CAAs receiving funds from OEO under section 221 of the Economic Opportunity Act of 1964, as amended, 42 U.S.C. § 2808 (1970).

In the third suit, *National Council of*

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O.E.O. Locals, A.F.G.E., AFL-CIO, et al. v. *Phillips, et al.*, Civil Action No. 379–73 (hereinafter *National Council*), the plaintiffs are the exclusive agency-wide representative for all nonsupervisory OEO employees, an association of CAA executive directors, three CAAs, two headquarters employees of OEO, several CAA employees, and several beneficiaries of programs funded by OEO through CAAs. *National Council* is likewise brought as a class action on behalf of all OEO employees, all CAAS and their employees, and all beneficiaries of CAA programs.[1] Jurisdiction is based on 28 U.S.C. § § 1331, 1343, 1361 and 2201–02 (1970), as well as for review of administrative action under 5 U.S.C. § § 701–06 (1970).

At a hearing on March 2, 1973, the Court granted the defendant's uncontested motion for consolidation and allowed the plaintiffs certain limited expedited discovery of Phillips by interrogatories and set a timetable for the filing of motions. At that time the defendant filed an affidavit indicating his intention not to take any action, prior to March 15, 1973, relating to transferring or discontinuing any OEO program which would finally and irrevocably adversely affect the rights of OEO employees. The terms of that affidavit were extended to March 23, 1973, at the Court's request. Subsequently, on March 7, 1973, the application for a temporary restraining order in *Local 2677* was argued and denied. The case is now before the Court on the plaintiffs'[2] motions for preliminary injunction, the defendant's motion to dismiss or in the alternative for summary judgment, and the plaintiffs' cross-motions for summary judgment, which supercede and incorporate the prior motions for preliminary injunction.

The plaintiffs' statements of material facts as to which there is no genuine dispute, filed in accordance with Local Rule 9(h), have not been controverted by the defendant, except as they may contain legal conclusions. Those material facts in turn are merely an elaboration of the Rule 9(h) statement submitted by the defendant, and thus the Court finds that there are no material facts in dispute and the case is ripe for summary judgment.

On March 20, 1973, two days before the oral hearing in this case, the plaintiffs in *National Council* moved to voluntarily dismiss their suit under Fed. R. Civ. P. 41(a) so that they could join in a similar suit brought by other parties in the United States District Court for the Northern District of Illinois. Dismissal under Rule 41(a)(1) would not be proper because of the class nature of the suit and the filing of a motion for summary judgment by the defendant. The Court, in the exercise of its discretion under Rule 41(a)(2), will refuse to grant the voluntary dismissal. Although the Court is aware of the alleged financial burden of pursuing this action further, the motion for dismissal was not filed until the case was ready for final disposition by summary judgment. Dismissal at this time, especially of a class action, would not best facilitate the orderly and swift administration of justice.[3]

Consideration was also given at oral argument to transferring *National Council* to the Northern District of Illinois for possible consolidation with the suit plaintiffs sought to join there. The defendant's counsel objected, noting that argument was scheduled for four days later on the motion for preliminary injunction in that suit. In view of that circumstance, the Court decided that a transfer would be untimely.

STATEMENT OF THE CASE

The plaintiffs assert that the defendant has been acting illegally for several reasons. It is sufficient for the disposition of these cases to consider only three of their contentions. First, the plaintiffs claim that the Economic Opportunity Amendments of 1972 (hereinafter 1972 Amendments), Pub. L. No. 92–424, 86 Stat. 688 (1972), in particular sections 2(a), 3(c)(2), and 28, forbid the defendant from taking the actions he has to terminate OEO funding of CAAs. Second, the claim is made that the activities of the defendant regarding the alleged termination of CAA functions is an illegal reorganization because the terms of the Reorganization Act, 5 U.S.C. §§ 901–13 (1970) have not been complied with. Finally, the plaintiffs contend that the defendant's directives are illegal and of no effect because he failed to publish them in the Federal Register as required by section 22 of the 1972 Amendments, 42 U.S.C.A. § 2971b. The defendant has raised several technical defenses in addition to his defenses on the merits. The Court finds against the defendant on these points for reasons set forth below.

The Court finds for the plaintiffs on all three of these basic substantive theories.

CASE OR CONTROVERSY

The defendant argues that these cases are brought prematurely and thus fail to present a justiciable case or controversy. An examination of the uncontroverted facts reveals that this contention is totally unfounded and that the present cases present a justiciable case or controversy.

On January 29, 1973, President Nixon submitted his 1974 Budget Message to Congress. That budget message set forth the administration's plan to transfer responsibility for certain OEO functions to other agencies. The message specifically notes that—

"No funds are requested for . . . [OEO] for 1974. Effective July 1, 1973, new funding for . . . [CAAs] will be at the discretion of local communities. . . . With Community Action concepts now incorporated into ongoing programs and local agencies [if the budget proposals are approved], the continued existence of OEO as a separate Federal agency is no longer necessary."[4]

The defendant has attached this excerpt from the budget message to his affidavit filed in support of his motion for summary judgment as an indication of the plan he is pursuing as Acting Director of OEO.

On January 29, 1973, the defendant issued a memorandum to all OEO regional offices, attached as Exhibit A to the complaint in *West Central*, regarding the "termination of section 221 [CAA] funding." That memorandum, at page two, further noted that the cessation of funding would rescind individual designations as CAAs. OEO Instruction 6730–3, issued March 15, 1973, at page two, repeats the same instruction of the defendant that CAA funding will cease and further warns that use of funds by a CAA for any purpose except phasing out its activity or the failure of a CAA to submit an "acceptable" phase-out plan 120 days prior to the termination of section 221 funding will result in summary suspension of OEO funds. The same Instruction 6730–3 sets out 21 pages of guidelines for CAAs to follow in shutting down their section 221 operations, with various deadlines to be met throughout that process.

Thus, as stated in the uncontroverted *West Central* statement of material facts not in issue, all program evaluations and processing of CAA applications for purposes other than phasing out CAA activities have stopped. CAAs have been instructed to stop purchasing or repairing essential equipment. The day-to-day business operations of CAAs have been hindered if not halted by the unwillingness of third parties to deal with CAAs because of the announcement by the defendant of the termination of funding. The orderly continuation of CAA functions, discussed in more detail *infra*, has been halted or severely disrupted by the requirements imposed by OEO regarding termination. Finally, CAA employees are leaving their jobs in anticipation of the cessation of funding in compliance with OEO directives.

The defendant asserts that the complaint of the plaintiffs is premature because the defendant's compliance with his statutory duties regarding CAAs cannot be determined until June 30, 1973. The basic theory underlying this assertion is that until that time the defendant will be in compliance with all applicable statutes because the OEO's CAA function will not cease before that date and because he will reserve and make available for obligation to CAAs in fiscal year 1973 the $328,900,000 mandated by section 3(c)(2) of the 1972 Amendments.[5]

Article III of the Constitution does limit the jurisdiction of this Court to actual cases or controversies, and forbids the adjudication of hypothetical questions upon which the Court would render only an advisory opinion. *Golden* v. *Zwickler*, 394 U.S. 103, 108, 110 (1969). A case or controversy in the constitutional sense "must be definite and concrete, touching the legal relations of parties having adverse legal interests." *Aetna Life Insurance Co.* v. *Haworth*, 300 U.S. 227, 240–41 (1937). In the absence of an immediate adverse effect on parties in a concrete situation, a dispute is too hypothetical for the proper exercise of the judicial function. *Longshoremen's Union* v. *Boyd*, 347 U.S. 222, 223–24 (1954).

The application of these general principles to the instant suit demonstrates that it readily meets the case or controversy requirement. The plaintiffs are challenging the current practices of the defendant as they affect the day-to-day operations of the CAAs. There is no doubt but that the directives of the defendant, in requiring the CAAs to phase out their operations and in setting a timetable for that purpose, have presented a judicially cognizable controversy that is having severe, intended, and immediate adverse consequences upon all the class plaintiffs in these suits. Moreover, the defendant has announced in Instruction 6730–3 that each CAA must decide by June 30, 1973, whether to continue in existence and notify OEO of that decision.

In determining whether a dispute has matured to the point at which it becomes a case or controversy, a court may look to the announced intentions of the defendant to take adverse action against a plaintiff. *Younger* v. *Harris*, 401 U.S. 37, 42 (1971). If a plaintiff is "either presently or prospectively subject to the regulations, proscriptions, or compulsions that he . . . [is] challenging," then he has presented a case or controversy for judicial resolution. *Laird* v. *Tatum*, 408 U.S. 1, 11 (1972). The plaintiffs here are subject to both presently effective orders and those which require them to take action in the future which they challenge as unlawful. The defendant has left no doubt of his intention to act in accord with those orders.

Surely it cannot be maintained that the plaintiffs must wait until the CAAs have gone out of existence before they may challenge acts of the defendant which they claim are illegal. Courts do not require that an injury be complete before they will adjudicate the issues. The present case is no abstract disagreement over policies which have not as yet affected the plaintiffs in a concrete way. The controversy is so concrete that a delay in judicial consideration would work extreme hardship on the plaintiffs. *Cf. National Automatic Laundry & Cleaning Council* v. *Shultz*, 143 U.S. App. D.C. 274, 443 F. 2d 689 (1971).

In rebuttal the defendant argues that no case or controversy can exist until Congress appropriates money for OEO to operate in fiscal 1974. The plaintiffs, however, do not argue that OEO must spend new funds in fiscal year 1974 which have not been appropriated. Rather they challenge as unlawful the current and announced practices of the defendant as they affect the plaintiffs today, even though those practices will affect them

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as well after June 30, 1973. In that context, this case is justiciable.

POLITICAL QUESTION

The defendant contends further that this case is not justiciable because it involves a political question. That theory is bottomed on the assumption that what the plaintiffs really ask of this Court is for it to interject itself between the Executive and Legislative branches of the federal government regarding the Executive budget proposals for OEO for fiscal year 1974. If that were the circumstance, the defendant would clearly be correct. But the Court holds that not to be the circumstance and that this case does not present a nonjusticiable political question.

As will be elaborated in the discussion of the merits of this case, the plaintiffs are challenging the defendant's exercise of his statutory powers as Acting Director of OEO as unlawful and in direct violation of certain statutory obligations. The plaintiffs do not seek to force Congress to appropriate any funds or to require the defendant to spend any funds which have not been appropriated. Rather they seek to enjoin the defendant from acting in a manner other than that consistent with laws already passed by the Congress and signed by the President. It is their contention that Congress has already spoken through law on the manner in which the OEO, and in particular the CAA program of OEO, must be operated and that the defendant is acting contrary to that mandate.

Therefore this dispute is one which readily is within the judicial power. It is the type of case which the federal courts regularly encounter and decide. *See, e.g., Ringer* v. *Mumford,* — F. Supp. — (D.D.C. 1973). Thus there is no problem with formulating "judicially discoverable and manageable standards for resolving" the dispute. *Powell* v. *McCormack,* 395 U.S. 486, 518 (1969), *quoting Baker* v. *Carr,* 369 U.S. 186, 217 (1962). Briefly, the Court must determine whether an executive official is following the explicit mandates of the Congress and the Constitution, which is the judicial function in our tripartite government. *Baker* v. *Carr, supra,* at 211. *Cf. Marbury* v. *Madison,* 5 U.S. (1 Cranch) 137 (1803).

No problem of a clear textual commitment to another branch of government of the matter under consideration here is present. *Powell* v. *McCormack, supra,* at 518; *Baker* v. *Carr, supra,* at 211, 217. The textual commitment most apposite to the instant case is that of the President under Article II, section 3, of the Constitution to "take Care that the Laws be faithfully executed." The plaintiffs claim that the defendant, an executive official, is in violation of his duties under 42 U.S.C. § 2808 (1970) to implement the Economic Opportunity Act, in particular as last amended by the Congress. No nonjusticiable political question is presented in this case.

SOVEREIGN IMMUNITY

The defendant argues that in reality these are unconsented suits against the United States which must be dismissed because of sovereign immunity. In support of this theory, it is contended that enjoining the defendant would be a judgment which would draw upon the Treasury because it would require the expenditure of funds not yet appropriated, and further that it would interfere with the public administration of the laws. Thus the well known rule that a suit nominally against a government official is in actuality an unconsented suit against the United States would require dismissal. *Land* v. *Dollar,* 330 U.S. 731, 738 (1947).

The defendant would be right if the characterization of the issues were correct. But this argument proceeds on a fundamentally incorrect premise. The relief which the plaintiffs seek would not be a drain on the public purse. No injunction to spend unappropriated funds is sought. What the plaintiffs do demand is that the defendant be enjoined from acting in a manner which violates his statutory duties under the Economic Opportunity Act or that he be declared to be acting unconstitutionally. Thus this suit clearly falls within the exception to the doctrine of sovereign immunity which allows suits against federal officials who have allegedly acted beyond their statutory powers or have exercised their statutory powers in a constitutionally void manner. *Dugan* v. *Rank,* 372 U.S. 609, 621–22 (1963); *Larson* v. *Domestic & Foreign Corp.,* 337 U.S. 682, 689 (1949).[6] Even though a judgment of this Court will require that funds be expended in its implementation, there is no draw upon the public treasury. It is undisputed that Congress has appropriated monies for the operation of OEO through June 30, 1973. Pub. L. No. 92–607, 86 Stat. 1503. Therefore any order of this Court requiring the defendant to act in accordance with the mandate of Congress would draw upon funds appropriated for that purpose.

Sovereign immunity has also been waived in a second manner. Jurisdiction in this suit is partially based on the review of administrative action pursuant to the Administrative Procedure Act, 5 U.S.C. §§ 701–06 (1970). In cases in which the Administrative Procedure Act is applicable, it is the law of this Circuit that that Act serves as a waiver of sovereign immunity. *Scanwell Laboratories, Inc.* v. *Shaffer,* 137 U.S. App. D.C. 371, 385, 424 F.2d 859, 873 (1970); *Constructores Civiles de Centroamerica, S.A.,* v. *Hannah,* 148 U.S. App. D.C. 159, 459 F.2d 1183 (1972). As the Court of Appeals recently held in *Knox Hill Tenant Council* v. *Washington,* 145 U.S. App. D.C. 122, 129, 448 F. 2d 1045, 1052 (1971):

> "There is nothing new about judicial entertainment of suits which charge that federal officials are acting outside of, or in conflict with, the responsibilities laid upon them by the Congress or the Constitution. Whether such charges are true, and, if so, what remedial action the court should or may direct, are questions partaking of the merits, and not of jurisdiction to explore the merits." (Footnote omitted.)

Thus this court has jurisdiction to interfere with the public administration in cases in which it is charged that the administrator has violated his statutory and constitutional responsibilities.

STANDING IN LOCAL 2677 AND NATIONAL COUNCIL

The plaintiff OEO employees in *Local 2677* and *National Council* complain of the defendant's actions in terminating CAA funding and functions as an unlawful exercise of his statutory powers as Acting Director of OEO and as violative of the Reorganization Act, 5 U.S.C. §§ 901–13 (1970). They argue that the abolition of OEO itself, the avowed goal of the defendant, see *supra,* will adversely affect them in that they will be and are losing their jobs either through reductions in force or outright firings. The defendant argues that the unions lack standing to assert these claims on behalf of their employees and that, in any event, they have failed to exhaust their administrative remedies and thus are precluded from bringing suit at this time. These contentions are without merit and the Court finds that the union plaintiffs in *Local 2677* and *National Council* have standing and are not barred by the doctrine of exhaustion of remedies.

No general discussion of the evolving law of standing is needed to demonstrate that the union plaintiffs have asserted the required claim of injury in fact to an interest arguably within the zone of interests to be protected or regulated by the statutes which they claim the defendant is not carrying out. *See Sierra Club* v. *Morton,* 405 U.S. 727, 733 (1972). The loss of jobs is certainly a claim of injury in fact. Although the union plaintiffs may not be the primary intended beneficiaries of the statutes which they claim the defendant's actions violate, they need only be intended beneficiaries to have standing. *Constructores Civiles de Centroamerica, S.A.* v. *Hannah,* 148 U.S. App. D.C. 159, 165, 459 F. 2d 1183 (1972); *Peoples* v. *United States Department of Agriculture,* 138 U.S. App. D.C. 291, 293, 427 F. 2d 561, 563 (1970). The plaintiffs' interest in continued employment is one that the statutory and constitutional provisions which they claim are being violated were intended to protect.

This case is strikingly analogous to *Lodge 1858, A.F.G.E.* v. *Paine,* 141 U.S. App. D.C. 152, 436 F. 2d 882 (1970). In *Lodge 1858* the Court of Appeals held that civil service employees of the National Aeronautical and Space Administration (NASA) through their union had standing to contest as violative of a statute the action of the NASA administrator in hiring outside workers at a federal installation. The statute placed specific limitations on the administrator in using outside workers. The situation is the same in the instant case. The union plaintiffs assert that their members will lose their jobs because their administrator, the defendant, is acting outside the scope of his statutory authority.

Lodge 1858 also dictates that this case not be dismissed for failure to exhaust administrative remedies. The exhaustion requirement contemplates an effective remedy before it comes into play. In *Lodge 1858,* the employees could not challenge the statutory validity of the outside contracts in a civil service proceeding and thus it would have been futile to require them to exhaust that "remedy" before challenging the administrator's action in court. In the present case, it would likewise be outside the scope of civil service authority to determine whether the defendant was acting within his statutory duties in terminating the CAA function of OEO and OEO itself. *Id.* at 166–67, 436 F. 2d at 896–97.

Having rejected the defenses to jurisdiction of the defendant as inapplicable to the present proceeding, the Court now turns to the substantive consideration of the plaintiffs' claims.

TERMINATION OF CAA FUNDING AS VIOLATIVE OF THE ECONOMIC OPPORTUNITY ACT OF 1964, AS AMENDED

As set forth earlier,[7] on January 29, 1973, President Nixon submitted his 1974 Budget Message to Congress. The budget message requests that no funds be appropriated OEO in fiscal year 1974. CAA functions are to be transferred to local agencies through the use of special revenue sharing. The existence of OEO as a federal agency is to cease. On the same date, the defendant issued a memorandum to all OEO regional offices, regarding the "termination of section 221 [CAA, 42 U.S.C. § 2808 (1970)] funding."[8] Before discussing this termination program in more detail, a brief outline of the CAA function of OEO will help place this controversy in the proper perspective.

A CAA is a state, a political subdivision of a state, a combination of political subdivisions, or a public or private nonprofit agency formally designated as a CAA by a state or appropriate political subdivision. The CAA designation is official for purposes of receiving funds and administering programs upon ratification by the Director of OEO. 42 U.S.C. § 2790 (1970).

After official designation, a CAA is the local apparatus for citizen participation in the policy planning and implementation of the community action programs (CAP) which "includes . . . a sufficient number of projects or components to provide . . . a range of services and activities having a measurable and potentially major impact on causes of poverty in the community or those areas of the community where poverty is a particularly acute problem." 42 U.S.C. § 2790(a) (1) (1970).

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In addition, a CAA must carry out the purposes of the Act in conformity with criteria prescribed by the OEO Director. Each CAA plans and administers its programs through a board composed of elected public officials, community leaders, and democratically selected representatives of the poor in the area served by the CAA.

Section 221 of the Act, 42 U.S.C. § 2808 (1970) grants local initiative funds to each CAA to plan and implement its own unique combination of antipoverty programs. Thus any individual CAA may decide to use its funds for locally determined priorities, such as health care or manpower training. CAAs typically administer their programs through a network of neighborhood centers that provide the opportunity for close contact with, and participation by the intended beneficiaries of the program. OEO grants to CAAs are on a yearly basis, with provisions for termination, suspension, or certain reductions in fundings to any individual CAA. 45 C.F.R. §§ 1067.1, 1067.2 (1972).

In addition, CAAs are eligible to apply for grants from OEO under section 222 of the Act, 42 U.S.C. § 2809, to fund specific antipoverty programs, such as legal services, comprehensive health services, and alcoholic counseling and recovery. Section 222 also enables CAAs to receive funds to administer programs under the Act funded by other federal agencies, such as Headstart preschool and elementary funds from the Department of Health, Education, and Welfare, and several work training and employment programs funded by the Department of Labor. Official designation as a CAA entities it to receive funding from different federal departments for certain programs under the Act on a priority basis. If funds are available for the program in the area served by the CAA, the CAA receives the funds automatically in preference to other potential recipients. Section 221 funds typically pay the overhead on facilities that are used to dispense those other services for which CAAs may obtain OEO and other federal funds.

In September 1972, the Congress passed the Economic Opportunity Amendments of 1972, Pub. L. No. 92–424, 86 Stat. 688, and that Act was signed into law by the President. Section 2(a) of the Amendments authorized and directed the continuance of the CAP program, as administered by CAAs, through the end of fiscal year 1975. 42 U.S.C.A. § 2837.[9] Section 3(c)(2) of the Amendments, note 5, *supra*, authorized and earmarked certain funding levels for section 221 programs through June 30, 1974. Finally, section 28 of the Amendments (42 U.S.C.A. § 2942 note) provides that—

"Notwithstanding the provisions of section 606(d) of the Economic Opportunity Act of 1964, the Director of the Office of Economic Opportunity shall not delegate his functions under section 221 and title VII of such Act to any other agency."[10]

The January 29, 1973, memorandum of the defendant Phillips instructed all grantees of funds under section 221 that they must begin phasing out their programs because the fiscal year 1974 budget does not provide any funds for section 221 grants. Grantees which were scheduled for refunding between that date and June 30, 1973, and which were otherwise qualified for refunding,[11] would receive phase-out grants only of up to six months' duration. Section 221 grantees with current funding scheduled to expire after July 1, 1973, would receive no further grants and would be required to use the current grant to phase out their operations. No funds at all would be available to any CAA after December 31, 1973.

OEO Instruction 6730–3, issued March 15, 1973, is more explicit in its terms regarding phase-out activities of CAAs. The instruction directs, at page 1, that—

"No costs chargeable to Section 221 grant funds shall be incurred except costs directly related to the orderly phase-out of the grantee's Section 221 activities, once the phase-out period commences (usually 45 to 90 days before the end of the grant period)."

Instruction 6730–3 requires that each section 221 grantee prepare a phase-out plan and budget conforming to the requirements of the instruction and submit it 120 days prior to the date of termination of section 221 funding. The failure of a CAA to submit that plan in an acceptable form will lead to summary suspension and the stoppage of further checks from OEO. The phase-out plan is required to be in great detail, and a checklist is provided, with different aspects of the phase-out plan to be accomplished at set times before the section 221 grant expires. Extensions are unavailable even if funds remain unexpended at the end of the funding period.

The phase-out plan is to provide for the progressive release or reassignment of personnel. Accrued leave and termination pay, social security and withholding taxes are to be paid out of remaining funds. All personal property both of the CAA and the federal government is to be inventoried 150 days prior to the termination of the grant period. Leases are to be paid and terminated. CAA records are to be indexed and forwarded to OEO. Fourteen pages of checklists and further specific instructions follow the eleven pages which detail the phase-out method described above. Under this state of facts, the Court is compelled to find that the defendant is terminating the CAA function of OEO and that CAAs are being required to use their funds to phase out their programs rather than carry out their purposes under section 221 of the Act.[12]

The plaintiffs claim that the defendant's program to terminate OEO's CAA function now is unlawful because the Congress last fall in section 2(a) of the 1972 Amendments, note 10, *supra*, provided that the Director of OEO "shall" carry out section 221 programs through June 30, 1975. The plaintiffs acknowledge that if Congress fails to provide funds for OEO to operate after June 30, 1973, either by continuing resolution or an appropriation, the defendant has no obligation to spend any money. But they argue that until funds do expire on June 30, the defendant is bound to operate OEO as before January 29, 1973, through the duty imposed upon the President under Article II, section 3, to "take Care that the Laws be faithfully executed." The plaintiffs construe the defendant's obligation under section 2(a) of the 1972 Amendments to continue to operate section 221 programs to be to carry out section 221 functions until either no funds are left or Congress terminates the program. This would entail the continued refunding of CAAs as before, contingent upon funds being appropriated for actual expenditure. In other words, CAAs would operate as before, including the reprocessing of grants, and cease operation only if funds actually do not become available.

The defendant contends that because the budget message of the President, as the latest assessment of national needs and priorities, requests no funds for OEO to operate after June 30, 1973, the fiscally responsible course for the defendant to undertake is to phase out the CAA program that will be out of existence only July 1, 1973. In support of this theory, the defendant cites the general proposition of the law with which the plaintiffs are in total agreement—that the defendant cannot be forced to spend any funds which have not yet been appropriated. The defendant, however, goes on to argue that once the President has submitted his budget to the Congress, a program administrator must look to that message. If no funds are proposed for his agency, it is his duty to terminate that agency's functions to effect the least "waste" of funds. Because the Court can find no support for this position in the budget act, the OEO act, the history of OEO appropriations, or the Constitution itself, the Court finds for the plaintiffs on this count.

The Budget and Accounting Act of 1921, 32 Stat. 20, was the original legislation which required that the President submit a proposed budget at the beginning of each session of Congress. The pertinent section of that Act, as amended, requires that—

"(a) The President shall transmit to Congress during the first fifteen days of each regular session, the Budget, which shall set forth his Budget message, summary data and text, and supporting detail. The Budget shall set forth in such form and detail as the President may determine—

* * * * *

"(5) estimated expenditures and *proposed appropriations* necessary in his judgment for the support of the Government for the ensuing fiscal year."

31 U.S.C. § 11(a)(5) (1970) (emphasis added).

There is no question both from the text of the Act and the legislative history[13] that the budget is nothing more than a proposal to the Congress for the Congress to act upon as it may please. No citation of authority is required to show that the Congress not infrequently acts contrary to its requests.

The defendant nevertheless argues that until an appropriations bill for OEO is passed, substantive obligations regarding fiscal responsibility imposed on him by 42 U.S.C. §§ 2835(a) and (d) (1970) require that he terminate the CAA functions now before funds are exhausted. The remaining section 221 funds, he argues, could be spent in a more fiscally responsible manner in winding up the affairs of the soon to be defunct CAAs than in keeping section 221 programs functioning. Neither section cited lends any support to that thesis. Section 2835(a) concerns the responsibility of the OEO Director to insure the fiscal integrity of CAAs through the establishment of proper accounting procedures. Section 2835(d) on its face requires the Director to take action "to promote the continuity and coordination of all . . . [section 221] programs . . . including provision for the periodic programming and supplementation of assistance previously provided."

Termination of the CAA function because no appropriation bill had yet been passed and no funds were requested in the budget would not be in keeping with the obligations to maintain fiscal responsibility as those obligations are defined by the Act itself. Those obligations are clearly intended to insure the fiscal responsibility of an ongoing program.

Moreover, if the defendant were correct in his argument, it would have been the responsibility of every OEO Director to terminate the section 221 program before the end of the fiscal year. Since its inception in 1964, Congress has never funded OEO prior to the end of the fiscal year. The average date of the appropriation bill has been the following November, and the OEO appropriation bill for fiscal year 1970 was not passed until March 5, 1970, less than four months prior to its termination.[14] Assuming, as the defendant argues, that a fiscally responsible administrator must terminate programs under his supervision in the absence, as here, of either an appropriation or a budget request for funds, any program from OEO to agricultural crop subsidies, could be terminated by the Executive by not requesting any funds in the budget to continue its operation. That construction would in effect give the President a veto power through the use of his budget message, a veto power not granted him by Article I, section 7, of the Constitution.

In defense of this position, the defendant argues that once the President makes known his disapproval of a program through his budget message, the Congress can act to preserve that authorized program by passing an appropriation bill which would force the

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President to continue the program. This argument, even if it were valid in a situation in which the authorization bill for a program expired at the end of the program's appropriation, an argument of doubtful validity, cannot legitimize the defendant's actions here in the face of the multiple year authorization of sections 2(a) and 3(c)(2) of the 1972 Amendments, notes 5 and 9, *supra*.[15]

Congress, by its use of a multiple year authorization, has indicated its intent that the CAA function of OEO continue for at least that period of time. Moreover, in passing the 1972 Amendments which contained that multiple year authorization, the Congress found that the CAA program in particular should continue. The House Committee on Education and Labor, in reporting out the bill which was enacted as the 1972 Amendment was "convinced that the community action concept has matured and met the test of practice and time."

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"[The Committee] intend[s] that . . . there be no diminution in program levels for local initiative."—H.R. Rep. No. 92–815, 92d Cong., 2d Sess., 14, 15 (1972).

The Senate Committee on Labor and Public Welfare was equally impressed with the CAA program:

"The committee was especially impressed in the hearings at the demonstration of maturity, sophistication, and competence by community action agencies and their spokesmen.

"The 930 community action agencies around the country . . . are the very heart of the War on Poverty."—S. Rep. No. 92–792, 92d Cong., 2d Sess. 9–10 (1972).

In addition, both reports detail the praise civic groups have had for CAAs, and recite many of their accomplishments. The clear Congressional intent of the multiple year authorization was that the program continue, especially in the light of the late appropriations process that has been detailed earlier. The multiple year authorization enables the Congress to evidence the intent to continue to fund a program (with the option to terminate it if it so pleases) without being forced to make that intent known by appropriating funds before the end of the fiscal year.

In effect, the defendant argues that by use of the budget message the Executive can force the Congress to legislate to keep an authorized program from terminating. The defendant contends further that he can use the funds appropriated by Congress to run section 221 programs to terminate them and force the Congress to act before the time that it has set for itself (June 30, 1973) to act on appropriating the funds as allowed by the authorization. Thus the Executive would effectively legislate the termination of section 221 programs before Congress has declared that they shall end. Article I, section 1, of the Constitution vests "[a]ll legislative powers" in the Congress. No budget message of the President can alter that power and force the Congress to act to preserve legislative programs from extinction prior to the time Congress has declared that they shall terminate, either by its action or inaction.

The defendant concedes at pages 22–23, note 5, of his original memorandum that the OEE Director is under an obligation to carry on programs in any year in which funds are appropriated. That is all the plaintiffs seek here—that the defendant carry on section 221 programs through fiscal 1973, and not terminate them, as this Court has found that the defendant is doing.

An authorization does not necessarily mean that a program will continue. Congress, of course, may itself decide to terminate a program before its authorization has expired, either indirectly by failing to supply funds through a continuing resolution or appropriation, or by explicitly forbidding the further use of funds for the programs, as it did in the case of the supersonic transport.[16] But Congress has not chosen either of these courses, although it may in the future. Until that time, historical precedent, logic, and the text of the Constitution itself obligate the defendant to continue to operate the section 221 programs as was intended by the Congress, and not terminate them.[17]

The conclusion that the Executive must continue to operate an authorized program until the funds expire or Congress declares otherwise is supported, although not conclusively, by the sparse case law which relates even tangentially to the problem. As has been suggested by commentators on the related question of presidential impoundment of appropriated funds, not even remotely relevant cases are directly in point.[18] But the case law must be discussed for completeness, and for the light it does shed on the issues.

The starting point of any case analysis must be *Youngstown Sheet & Tube Co.* v. *Sawyer*, 343 U.S. 579 (1952), the *Steel Seizure Case*, the leading case on the constitutional division of power between the President and the Congress. In 1952 President Truman ordered the Secretary of Commerce to seize the nation's steel mills and operate them on behalf of the United States to prevent what he believed would be a disastrous strike during the Korean War. The mills cooperated, although under protest, and challenged the action in the federal courts.

By a 6–3 vote, the Supreme Court affirmed the decision of the District Court holding the seizure unlawful. 103 F. Supp. 569 (D.D.C. 1952). Mr. Justice Black wrote for the majority that authorization for the President's actions must stem either from an act of Congress or from the Constitution itself." 343 U.S. at 585. Finding no such authorization, the seizure was invalid. As the defendant contends in the instant case, the President attempted to justify his actions on the provisions of Article II that the "executive power shall be vested in a President," and that "he shall take Care that the Laws be faithfully executed." The Court held:

"Nor can the seizure order be sustained because of the several constitutional provisions that grant executive power to the President. In the framework of our Constitution, the President's power to see that the laws are faithfully executed refutes the idea that he is to be a lawmaker. The Constitution limits his functions to the recommending of laws he thinks wise and the vetoing of laws he thinks bad. And the Constitution is neither silent nor equivocal about who shall make laws which the President is to execute. . . .

* * * * *

"The Constitution does not subject this law-making power of Congress to presidential . . . supervision or control.

* * * * *

The Founders of this Nation entrusted the lawmaking power to the Congress alone in both good and bad times." *Id.* at 587–89.

In the instant case the defendant claims that the President's assessment of the needs of the nation through his budget message requires him, as Acting Director of OEO, to exercise his responsibility to the fiscal integrity of OEO and terminate section 221 programs despite the Congressional mandate to continue them. Although the language of the Court quoted from the *Steel Seizure Case* is strong precedent for this Court's earlier conclusion that the budget message cannot have the effect of law, the opinion is not conclusive on the precise justification of fiscal responsibility the defendant has urged here. The defendant's action may be "within the gloss on 'executive power'" from long precedent found in Mr. Justice Frankfurter's concurrence, *id.* at 610–11.

But the executive power claimed by the defendant is more than a mere gloss. As the Court has found earlier, if the power sought here were found valid, no barrier would remain to the executive ignoring any and all Congressional authorization if he deemed them, no matter how conscientiously, to be contrary to the needs of the nation. Historical precedent provides evidence that multiple year authorizations indicate Congressional intent that a program continue. The Constitution cannot support such a gloss and still remain a viable instrument.

The defendant really argues that the Constitution confers the discretionary power upon the President to refuse to execute laws passed by Congress with which he disagrees. In *Kendall* v. *United States*, 37 U.S. (12 Pet.) 524 (1838), the Supreme Court held that the Postmaster General could not refuse to pay a contractor for services rendered once Congress has specifically directed payment. Once again, the duty of the President to faithfully execute the laws cited in behalf of the refusal. The Court held that that "principle, which if carried out in its results, to all cases falling within it, would be clothing the president with a power entirely to control the legislation of congress, and paralyze the administration of justice," *Id.* at 613. In subsequent cases the Court continued to hold that the executive could not ignore a legislative directive to make payment to a particular person. *United States* v. *Louisville*, 169 U.S. 249 (1898). *See also Spaulding* v. *Douglas Aircraft Co.*, 60 F. Supp. 985, 988 (S.D. Cal. 1945), *aff'd.* 154 F.2d 419 (9th Cir. 1946).

In the present case, the Congress has not directed that funds be granted to any particular CAA. The OEO Director has been granted discretion in the disbursing of funds so as to effectuate the goals of the program. 42 U.S.C. § 2808 (1970). But discretion in the implementation of a program is not the freedom to ignore the standards for its implementation. *Citizens to Preserve Overton Park* v. *Volpe*, 401 U.S. 402, 411 (1971). Likewise when discretion in spending appropriated funds is removed by law, an administrator must comply and spend those funds. *State Highway Commission of Missouri* v. *Volpe*, 347 F. Supp. 950 (W.D. Mo. 1972), *aff'd.*— F.2d —, No. 72–1512 (8th Cir., Apr. 2, 1973).[19] An administrator's responsibility to carry out the Congressional objectives of a program does not give him the power of discontinue that program, especially in the face of a Congressional mandate that it shall go on.

In *State Highway Commission of Missouri* v. *Volpe*, — F. 2d —, No. 72–1512 (8th Cir., Apr. 2, 1973), the Eighth Circuit recently held that the Secretary of Transportation could not impose contract controls on (impound) funds for state highway programs for reasons outside those standards which the Congress had established for the approval or disapproval of the programs. Writing for the majority, Circuit Judge Lay held:

"To reason that there is implicit authority within the Act to defer approval for reasons totally collateral and remote to the Act itself requires a strained construction which we refuse to make. It is impossible to find from these specific grants of authority discretion in the Secretary to withhold approval on projects Congress has specifically directed because of a system of priorities the Executive chooses to impose on all expenditures. The Congressional intent is that the Secretary may exercise his discretion to insure that the roads are well constructed and safely built at the lowest possible cost, all in furtherance of the Act, but when the impoundment of funds impedes the orderly progress of the federal highway program, this hardly can be said to be favorable to such a program. In fact, it is in derogation of it. It is difficult to perceive that Congress intended such a result." Slip Opinion at 24.

In the instant case the Director of OEO has discretion in funding individual CAAs under section 221 itself, subject to conditions imposed by lawful regulations. The Director further must establish controls to insure the financial responsibility of CAAs. 42 U.S.C. § 2835 (1970). But these provisions to insure the functional and fiscal integrity of

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Footnotes at end of article.

an ongoing section 221 program do not give the Director the discretion to halt that section 221 program for reasons unrelated to the purposes of the Economic Opportunity Act. That construction of the Act, in the face of the Congressional mandate of 42 U.S.C.A. § 2837 that section 221 programs shall continue, is no less strained than the construction which the Court rejected in *State Highway Commission*.

As one commentator has framed the issue in the impoundment context:

"The expenditure process is one in which administrators must enjoy substantial discretion in exercising judgment and in taking responsibility for those actions, but those actions ought to be directed toward executing Congressional, not administrative, policy. It is up to Congress to make that policy clear and consistent." [20]

Congress has told the Director of OEO through its authorization that it intends that section 221 programs continue. Until Congress changes that command, the defendant is bound to honor it.

Counsel for the defendant urged at oral argument that unless the defendant ignored that Congressional command and terminated section 221 programs, financial chaos would result on July 1, 1973, if the Congress failed to include OEO in a continuing resolution or pass an appropriation bill. This Court will not presume that Congress will act in such an irresponsible manner, any more than it assumes that the defendant is acting in bad faith in his assertion of the duty of terminate section 221 funding. But Congress has shown how the problem posed by counsel for the defendant would be solved in its past action terminating funding for the SST program, *supra*, at note 16. Funds were appropriated "[f]or expenses, not otherwise provided for, necessary for the termination of development of the civil supersonic aircraft and to refund the contractors' cost shares, $97,300,000, to remain available until expended." Pub. L. No. 92–18, 85 Stat. 40. Thus, when Congress orders that a program go forth and later changes its mind, it is for the Congress in the responsible exercise of its legislative power to make provisions for termination. Until those provisions are made, the function of the Executive is to administer the program in accord with the legislated purposes.

TERMINATION OF CAA FUNDING AS VIOLATIVE OF THE REORGANIZATION ACT

Another theory argued by the plaintiffs in support of their complaints is that the actions of the defendant Phillips in terminating section 221 funding are violative of the Reorganization Act, 5 U.S.C. §§ 901–13 (1970). The Court finds for the plaintiffs on this count, for reasons set forth below. This finding is independent of that regarding the defendant's duty not to terminate section 221 funding under his responsibility to administer the program, and constitutes a separate ground for this Court's decision.

As has been discussed in detail, *supra*, the defendant has announced plans to terminate section 221 funding and the OEO as a separate federal agency. Steps have already been taken to implement that plan, and as the extensive affidavits filed by the plaintiffs in *West Central* demonstrate, that termination effect is already being felt by CAAs. The Court is terminating or abolishing the section 221 function of OEO.

The Reorganization Act of 1949, as amended, 5 U.S.C. §§ 901–13 (1970) is a broad delegation of authority by Congress to the President to initiate and propose changes in the organization and functions of the Executive branch. The Act is in part a Congressional recognition that an essential element of any legislative program is the organization and characteristics of the executive agencies that administer that program, 5 U.S.C. § 901(b).

The purposes of a reorganization as set forth in section 901(a) of the Act are generally to promote the more efficient management of executive branch functions, *economy*, or the elimination of duplication of effort. Sections 903(a) (2) and (6) go on to provide that—

"(a) When the President, after investigations, finds that—

* * * * *

"(2) the abolition of all or a part of the functions of an agency [or]

* * * * *

"(6) the abolition of the whole or a part of an agency which agency or part does not have, or on the taking effect of the reorganization plan will not have, any functions; "is necessary to accomplish one or more of the purposes of section 901(a) * * *, he shall prepare a reorganization plan for the making of the reorganizations as to which he has made findings and which he includes in the plan, and transmit the plan . . . to Congress. . . ."

The reorganization plan takes effect without further action unless either House of Congress passes a resolution within 60 days of transmittal stating in substance that that House does not favor the reorganization plan 5 U U.S.C. § 906(a). The Act further outlines the procedures to be followed if either House passes such a resolution.

This Court has found that the defendant's directives require the use of section 221 funds for phase-out purposes and forbid their use for any other purposes, including the implementation of section 221 programs. Thus the section 221 function has already been abolished. The defendant has stated unequivocally that the CAA function and OEO itself will cease on or before June 30, 1973, and that his plans are to reach that goal by April 28, 1973. Moreover the defendant has evidenced clear reliance on the budget message of the President as justification for that plan. The budget message, note 4 *supra*, states that the President proposes that the CAA function and OEO shall cease to exist. As found earlier, the Court must conclude that the program of the defendant is terminating or abolishing the CAA function and OEO itself. Section 903(a) of the Reorganization Act requires that a reorganization plan be submitted to the Congress before the abolition of that function or the agency itself can take place. Thus in the absence of any contrary legislation, the defendant's plans to terminate the CAA function and the OEO itself are unlawful as beyond his statutory authority.

The defendant argues that section 602(d) of the Economic Opportunity Act, 42 U.S.C. § 2942(d) (1970) quoted in note 10 *supra*, provides the defendant with the statutory authority to transfer many OEO functions to other agencies. Although this is correct, the defendant himself concedes that Section 602(d) provides no basis for the transfer not only of section 221 and CED functions by reason of section 28 of the 1972 Amendments to the Act,[21] but also of the legal services program, 42 U.S.C. § 2809(a)(3) (1970), because of a 1969 amendment to the Act.[22] Defendant's Opposition to Plaintiffs' Cross-Motions for Summary Judgment at 13. Moreover, the legislative history of the 1972 Amendments demonstrates the Congressional intent that neither section 221 nor CED functions can be transferred without using the Reorganization Act procedures.[23]

The defendant nevertheless argues that he has not proposed that section 221 funding be delegated to any other agency but rather that it be terminated and that the prohibition of section 28 does not apply. Even if that argument were valid section 602(d) would still provide no basis for bypassing the Reorganization Act because it allows only the delegation of a function, not its abolition. Moreover, to read section 28 as allowing the termination of section 221 funding although forbidding its delegation to another agency would be unreasonable in the light of the clearly expressed Congressional intent that section 221 funding be carried on, *supra*.

The defendant plans to abolish OEO as an agency because it will no longer have any functions to carry out. Assuming for the moment that the defendant were to accomplish this by delegating all OEO functions but legal services and CED under section 602(d), as he plans, and to transfer those to other agencies through substantive legislation, as he plans,[24] the defendant would still be in violation of the Economic Opportunity Act. Section 602(d), note 10 *supra*, requires that programs may be delegated "subject to provisions to assure the maximum possible liaison" between OEO and the other agency. No such liaison could be maintained if OEO were no longer in existence.[25] Moreover, Congress itself in the original Act recognized that section 602(d) could not be used to transfer the entire OEO by providing for a total transfer to section 601, 42 U.S.C. § 2941(b) (1970):

"(b) Notwithstanding the provisions of section 5(b) of the Reorganization Act of 1949 [now 5 U.S.C.A. § 905(b), under which the President's power to initiate a reorganization plan expired April 1, 1973], at any time after one year from August 20, 1964 the President may, by complying with the procedures established by that Act, provide for the transfer of the Office from the Executive Office of the President and for its establishment elsewhere in the executive branch as he deems appropriate."

Therefore the Court finds that the termination of section 221 funding by the defendant is violative of the provisions of the Reorganization Act and beyond his statutory power and will be enjoined as unlawful.[26]

PUBLICATION OF DIRECTIVES IN THE FEDERAL REGISTER

The plaintiffs rely on an additional theory for declaring the actions of the defendant in terminating section 221 funding to be unlawful. Section 22 of the 1972 Amendments to the Economic Opportunity Act, 42 U.S.C.A. § 2971b provides:

"All rules, regulations, guidelines, instructions, and application forms published or promulgated pursuant to this chapter [the OEO Act] shall be published in the Federal Register at least thirty days prior to their effective date."

It is conceded by the defendant that the January 29, 1973, and March 15, 1973, directives on the termination of section 221 funding, *supra*, have never been published in the Federal Register, although the defendant claims that the latter has been prepared for publication. The Court holds that until section 2971b has been complied with, the directives of the defendant are illegal as issued beyond the defendant's statutory authority.

The defendant argues that section 2971b does not mean that OEO regulations must be published for 30 days before they may take effect if all those affected by those regulations have notice of those regulations or if the regulations were issued in emergency situations or if the documents have been prepared for publication but are unpublished. The statute, however, does not provide for any of those contingencies. It says that all regulations "shall" be published 30 days prior to their effective date. No clearer expression could have been used by the Congress to indicate that OEO regulations would not be effective until 30 days after their publication.

The defendant has published several regulations in the Federal Register. The first, OEO Regulation 1067, published at 38 Fed. Reg. 6894 (March 14, 1973), deals with control of cash by grantees and grant processing and funding procedures essentially in accord with the January 29, 1973 memorandum, *supra*. The different subparts of this regulation purport to be effective February 8, February 9, and March 1, 1973. But, assuming that those regulations were issued to accomplish a legally authorized purpose, section 2971b prescribes that they would become effective 30 days after publication and not upon the date the Acting Director chooses in the regulation. Thus these regulations, if they were otherwise valid, are ineffective until 30 days have elapsed from the date of their publication.[27] The second published regulation, OEO Regulation 1069.3-5, 38 Fed. Reg. 7117 (March 16, 1973) restricts travel by CAA employees with OEO grant funds without permission from the Acting Director. That regulation purports to be effective March 16, 1973, the date of its publication. Enforcement of that regulation before 30 days have elapsed would clearly be contrary to the command of section 2971b and thus beyond the defendant's authority and unlawful.

Thus, even assuming that their subject matter is a proper implementation of the section 221 program, the Court holds that the OEO instructions issued January 29, 1973, and March 15, 1973, are void and of no consequence until the required 30 days have elapsed from the date of publication. *See Piercy* v. *Tarr,* 343 F. Supp. 1120, 1127–28 (N.D. Cal. 1972); *Gardiner* v. *Tarr,* 341 F. Supp. 422, 435 (D.D.C. 1972).

As stated in note 1 *supra,* the plaintiffs in *National Council* have also named Roy L. Ash, Director of OMB, as a defendant. The original complaint alleged that Ash was impounding funds appropriated by Congress for OEO, contrary to his legal obligations. Because no showing has been made by the plaintiff on this issue, defendant Ash's motion to dismiss will be granted.

An appropriate Order will be entered with this Opinion granting the plaintiff's cross-motions for summary judgment and related relief. Defendant Ash's motion to dismiss is granted. Defendant Phillips' motion to dismiss or for summary judgment is denied.

WILLIAM B. JONES.

Date: April 11, 1973.

FOOTNOTES

[1] The complaint in *National Council* also names Roy L. Ash, Director of the Office of Management and Budget, as a defendant. Because the essential allegations in the consolidated cases go to the actions of defendant Phillips, the defendants will be referred to collectively as defendant or Phillips.

[2] References to plaintiffs will hereinafter include the plaintiffs in all three cases unless otherwise specified.

[3] *See generally* Note, *Voluntary Dismissal by Order of Court—Federal Rules of Civil Procedure Rule 41(a)(2) and Judicial Discretion,* 48 Notre Dame Law. 446 (1972).

[4] The Budget of the United States Government, Fiscal Year 1974 at 122.

[5] Sec. 3(c)(2), Pub. L. No. 92–424, 86 Stat. 688 (1972), reads in pertinent part:

"Not withstanding any other provision or law, unless expressly in limitation of the provisions of this section, of the amounts appropriated . . . for the fiscal year ending June 30, 1973, and for the succeeding fiscal year, the Director of the Office of Economic Opportunity shall for each such fiscal year reserve and make available not less than $328,900,000 for programs under section 221 of the Economic Opportunity Act of 1964. . . ."

The plaintiffs no longer question the defendant's assertion that he has complied with his duty to reserve and make available those funds to CAAs, although not necessarily for programs under section 221.

[6] At oral argument on the cross-motions for summary judgment, counsel for the defendant contended that any relief entered against defendant would be affirmative in nature and violative of the dictum of Larson v. Domestic & Foreign Corp., 337 U.S. 682, 691 n. 11 (1949), questioning the availability of such relief. Transcript at 27–28. Although the dictum of *Larson* has not been followed universally, *see* Rockbridge v. Lincoln, 449 F. 2d 567, 573 (9th Cir. 1971), there is no need to reach that issue in the present case. First, the relief sought is not affirmative. The plaintiffs seek to enjoin the defendant from failing to carry out his statutory obligations. *Cf.* East Oakland-Fruitvale Planning Council v. Rumsfeld, 471 F. 2d 524, 530 n. 5 (9th Cir. 1972). Second, as is discussed *infra,* sovereign immunity has been waived not only through the allegation of illegal official action, but also through the Administrative Procedure Act. Section 706 of that Act authorizes affirmative relief to be granted.

[7] See text accompanying note 4, *supra.*

[8] The defendant issued the memorandum of January 29, 1973, even before he was appointed Acting Director of OEO. 9 Weekly Comp. Pres. Docs. 122 (1973). That memorandum has in essence been succeeded by Instruction 6730–3 of March 15, 1973, issued after Phillips was appointed. The Court for reasons set forth below, declares the January 29, 1973, and March 15, 1973, memoranda of Instructions invalid and enjoins their implementation.

[9] 42 U.S.C.A. § 2837 provides:

"The Director [of OEO] shall carry out the programs provided for in this subchapter during the fiscal year ending June 30, 1967, and the eight succeeding fiscal years. For each such fiscal year only such sums may be appropriated as the Congress may authorize by law."—CAAs and CAP are included within the subchapter reference of § 2837.

[10] Section 602(d) of the Act, 42 U.S.C. § 2942(d) (1970) provides:

"In addition to the authority conferred upon him by other sections of this chapter, the Director is authorized, in carrying out his functions under this chapter, to—

"'(d) with the approval of the President, arrange with and reimburse the heads of other Federal agencies for the performance of any of his functions under this chapter and, as necessary or appropriate, delegate any of his powers under this chapter and authorize the redelegation thereof subject to provisions to assure the maximum possible liaison between the Office of Economic Opportunity and such other agencies at all operating levels, which shall include the furnishing of complete operational information by such other agencies to the Office of Economic Opportunity and the furnishing of such information by such Office to such other agencies;'

"Title VII, which along with section 221 is prohibited from transfer by section 28, establishes the Community Economic Development program (CED) to help establish local businesses in poverty areas."

[11] See 45 C.F.R. §§ 1067.1, 1067.2 (1972).

[12] During a colloquy with the Court at oral argument, counsel for the defendant admitted that the defendant is no longer providing any funding for section 221 programs and that he plans for the CAA function to "cease" completely in fiscal year 1974. Transcript at 136–38.

[13] The House Report on the budget act was unequivocal:

"It will doubtless be claimed by some that this is an Executive budget and that the duty of making appropriations is a legislative rather than Executive prerogative. The plan outlined does provide for an Executive initiation of the budget, but the President's responsibility ends when he has prepared the budget and transmitted it to Congress. To that extent and to that extent alone does the plan provide for an Executive budget, but the proposed law does not change in the slightest degree the duty of Congress to make the minutest examination of the budget and to adopt the budget only to the extent that it is found to be economical. If the estimates contained in the President's budget are too large, it will be the duty of Congress to reduce them. If in the opinion of Congress the estimates of expenditure are not sufficient, it will be within the power of Congress to increase them. *The bill does not in the slightest degree give the Executive any greater power than he now has over the consideration of appropriations by Congress.*" H.R. Rep. No. 362, 66th Cong., 1st Sess. 7 (1919) (emphasis added).

[14] 1966: Pub. L. No. 89–309, 79 Stat. 1133 (Oct. 31, 1965); 1967: Pub. L. No. 89–697, 80 Stat. 1057 (Oct. 27, 1966); 1968: Pub. L. No. 90–239, 81 Stat. 773 (Jan. 2, 1968); 1969: Pub. L. No. 90–557, 82 Stat. 969 (Oct. 11, 1968); 1970: Pub. L. No. 91–204, 84 Stat. 23 (Mar. 5, 1970); 1971: Pub. L. 91–667, 84 Stat. 2001 (Jan. 11, 1971); 1972: Pub. L. No. 92–184, 85 Stat. 627 (Dec. 12, 1971); 1973: Pub. L. No. 92–607, 86 Stat. 1498 (Oct. 31, 1972).

Congress has never acted later than July 1 in passing the continuing resolution for funds for OEO: 1966: Pub. L. No. 89–58, 79 Stat. 204 (June 30, 1965); 1967: Pub. L. No. 89–481, 80 Stat. 233 (June 30, 1966); 1968: Pub. L. No. 90–38, 81 Stat. 97 (June 30, 1967); 1969: Pub. L. No. 90–336, 82 Stat. 275 (June 29, 1968); 1970: Pub. L. No. 91–33, 83 Stat. 38 (June 30, 1969); 1971: Pub. L. No. 91–294, 84 Stat. 333 (June 29, 1970); 1972: Pub. L. No. 92–38, 85 Stat. 89 (July 1, 1971); 1973: Pub. L. No. 92–334, 86 Stat. 402 (July 1, 1972).

[15] There are two basic types of legislation. Authorization bills merely provide the programs for which Congress must still appropriate funds in an appropriations bill before the program can operate:

"Legislative proposals when enacted and become law are referred to generally as 'legislative authority.'

"Funds for carrying on the work of the Government pursuant to 'legislative authority' are provided in general and special appropriation bills, which usually originate in the House."—Enactment of A Law, S. Doc. No. 35, 90th Cong., 1st Sess. 5 (1967).

Moreover, under established Congressional procedures, substantive law provisions must be placed in authorization bills; they would be ruled out of order in an appropriation bill. House of Representatives Rules ¶21, § 2; Jefferson's Manual & Rules of The House of Representatives 464–65, 470–71 (1971). Thus Congress can indicate its intent that a program shall continue only through authorization bills.

[16] Pub. L. 92–7, 85 Stat. 12, provided for the termination of SST funding by not continuing it in the joint funding resolution. Section 2 of that law further specifically forbade the use of funds under the resolution for the SST. See also the text following note 20 *infra* for further details of that funding termination.

[17] 31 U.S.C. § 628 (1970) may have some relevancy to the issue, although none of the parties have seen fit to cite it:

"Except as otherwise provided by law, sums appropriated for the various branches of expenditure in the public service *shall be applied solely to the objects for which they are respectively made, and for no others.*" (Emphasis added.)

Congress, in its last appropriation for OEO, Pub. L. No. 92–607, ch. 4, 86 Stat. 1503, provided the funds:

"For expenses necessary *to carry out* the provisions of the Economic Opportunity Act of 1964 . . . as amended. . . ." (Emphasis added.)

When coupled with the defendant's admitted use of the appropriated funds to terminate section 221 programs, 31 U.S.C. § 628 would appear to forbid the use of funds for termination purposes.

[18] Fisher, *Funds Impounded by the President: The Constitutional Issue,* 38 Geo. Wash. L. Rev. 124 (1969): Miller, *Presidential Power to Impound Appropriated Funds: An Exercise in Constitutional Decision-Making,* 43 N.C.L. Rev. 502, 525, 533 (1965).

[19] *See also* Decision B–156510 of the Comptroller General (Feb. 23, 1971), reprinted in *Hearings on Executive Impoundment of Appropriated Funds Before the Subcomm. on*

Separation of Powers of the Senate Comm. on the Judiciary, 92d Cong., 1st Sess. 562 (1971). In that decision the Comptroller General expressed his view that the broad administrative discretion granted the Surgeon General under 42 U.S.C. § 248(a) (1970) to administer public health service hospitals and clinics would be extended unwarrantedly by a decision to close all public health service general hospitals.

McKay v. Central Electric Power Coop., 96 U.S. App. D.C. 158, 223 F. 2d 623 (1955), and Commonwealth of Massachusetts v. Connor 249 F. Supp. 656 (D. Mass.), *aff'd per curiam*, 366 F. 2d 778 (1st Cir. 1966), cited by the defendant, are inapposite. In *McKay* the Court held only that Congress had not expressly commanded the funds in question to be spent in the fashion the plaintiffs sought. Likewise in *Connor* the Court held that any right of recovery of funds lay in the Court of Claims for breach of contract, and not in the District Court through mandamus. The plaintiffs in the instant suit do not seek an order compelling the defendant to spend any particular funds, but only that he follow the explicit mandate of Congress to continue the section 221 program.

[20] Fisher, *Presidential Spending Discretion and Congressional Controls*, 37 Law & Contemp. Prob. ——— (Winter 1972 issue, to be published), reprinted in *Joint Hearings on S. 373 Before the Ad Hoc Subcomm. on Impoundment of Funds of the Senate Comm. on Govt. Operations and the Subcomm. on Separation of Powers of the Senate Comm. on the Judiciary*, 93d Cong., 1st Sess. 683, 719 (1973).

See also Miller, supra note 18, at 536; Memorandum from Asst. Attorney General William H. Rehnquist to Hon. Edward L. Morgan, Deputy Counsel to the President, reprinted in *Hearings, supra* note 19, at 279–84.

[21] Pub. L. No. 92–424, § 28, 86 Stat. 688, 42 U.S.C.A. § 2942 note, quoted in the text at note 10 *supra*.

[22] Pub. L. No. 91–177, tit. I, § 114, 83 Stat. 827, 42 U.S.C. § 2809 note (1970) provides:

"The authority of section 602(d) of the Economic Opportunity Act of 1964 shall not apply to the Legal Services program authorized under section 222(a)(3) of such Act. The Director of the Office of Economic Opportunity shall not delegate the program authorized under such section 222(a)(3) to any existing Federal agency."

As was noted in the text *supra*, many if not most legal services programs are funded through CAAs.

[23] Senator Nelson, principal Senate sponsor of the bill, stated on the floor that—

"The provision only prohibits the Director of OEO from delegating to other agencies two programs—local initiative community action programs under section 221 of the Economic Opportunity Act and the community economic development program under title VII of the act.

* * * * *

"[E]ven with respect to local initiative and community economic development, the President may transfer such programs by Executive reorganization plans."—118 Cong. Rec. S14077 (daily ed., Sept. 5, 1972).

[24] March 9, 1973, Affidavit of Howard J. Phillips, filed in support of the defendant's motion for summary judgment, paragraphs 3 f and g.

[25] At oral argument counsel for the defendant advised the Court that the Office of Management and Budget was considering a plan to continue a small component of OEO to provide these liaison functions. Transcript at 36–37. At the present both the budget message of the President, *supra* note 4, and the directives of the defendant Phillips indicate that they plan for OEO to cease to exist as of July 1, 1973, except as the General Services Administration may wind up OEO's affairs.

[26] The Court expresses no view on whether OEO as an entity could be abolished by means of a reorganization plan. There is some indication in the legislative history of the Reorganization Act that the Act could not be used to abolish an executive agency and not place its functions in another agency *See* 95 Cong. Rec. 891, 914 (1949) (Remarks of Reps. Lanham, Vorys and Dawson).

[27] Of course, as the Court has held earlier, these regulations are unlawful and may not be implemented in any event to the extent that they terminate section 221 funding.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

On this question, the yeas and nays have been ordered on the first part of the bill, title I, and the clerk will call the roll.

Mr. ROBERT C. BYRD. Mr. President, what is the question?

The PRESIDING OFFICER. On title I; unanimous consent having been granted to vote separately on each part.

Mr. ROBERT C. BYRD. I thank the Chair.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Nevada (Mr. BIBLE), the Senator from Nevada (Mr. CANNON), the Senator from Alaska (Mr. GRAVEL), and the Senator from Iowa (Mr. HUGHES) are necessarily absent.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

I further announce that, if present and voting, the Senator from Nevada (Mr. BIBLE), the Senator from Alaska (Mr. GRAVEL), the Senator from Iowa (Mr. HUGHES), and the Senator from Nevada (Mr. CANNON) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from New Hampshire (Mr. COTTON), the Senator from Arizona (Mr. FANNIN), the Senator from Alaska (Mr. STEVENS), and the Senator from Ohio (Mr. TAFT) are necessarily absent.

The Senator from Nebraska (Mr. CURTIS) is absent on official business.

On this vote, the Senator from Ohio (Mr. TAFT) is paired with the Senator from Nebraska (Mr. CURTIS). If present and voting, the Senator from Ohio would vote "yea" and the Senator from Nebraska would vote "nay."

The result was announced—yeas 66, nays 24, as follows:

[No. 133 Leg.]

YEAS—66

Abourezk
Aiken
Bayh
Bellmon
Bentsen
Biden
Brooke
Burdick
Byrd, Robert C.
Case
Chiles
Church
Clark
Cook
Cranston
Eagleton
Eastland
Ervin
Fong
Fulbright
Hart
Hartke
Haskell
Hatfield
Hathaway
Hollings
Huddleston
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Long
Magnuson
Mansfield
Mathias
McClellan
McClure
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Schweiker
Sparkman
Stafford
Stevenson
Symington
Talmadge
Tunney
Weicker
Williams

NAYS—24

Allen
Baker
Bartlett
Beall
Bennett
Brock
Buckley
Byrd,
Harry F., Jr.
Dole
Domenici
Dominick
Goldwater
Griffin
Gurney
Hansen
Helms
Hruska
Roth
Saxbe
Scott, Pa.
Scott, Va.
Thurmond
Tower
Young

NOT VOTING—10

Bible
Cannon
Cotton
Curtis
Fannin
Gravel
Hughes
Stennis
Stevens
Taft

So the first part of the bill, title I, was passed.

Mr. ERVIN. Mr. President, I move to reconsider the vote by which title I was passed.

Mr. MUSKIE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senate will now proceed to vote on title II of the bill. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Nevada (Mr. BIBLE), the Senator from Nevada (Mr. CANNON), the Senator from Alaska (Mr. GRAVEL), and the Senator from Iowa (Mr. HUGHES) are necessarily absent.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

I further announce that, if present and voting, the Senator from Nevada (Mr. BIBLE), the Senator from Alaska (Mr. GRAVEL), the Senator from Iowa (Mr. HUGHES), and the Senator from Nevada (Mr. CANNON) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from New Hampshire (Mr. COTTON), the Senator from Arizona (Mr. FANNIN), the Senator from Alaska (Mr. STEVENS), and the Senator from Ohio (Mr. TAFT) are necessarily absent.

The Senator from Nebraska (Mr. CURTIS) is absent on official business.

If present and voting, the Senator from Nebraska (Mr. CURTIS) and the Senator from Ohio (Mr. TAFT) would each vote "yea."

The result was announced—yeas 86, nays 4, as follows:

[No. 134 Leg.]

YEAS—86

Abourezk
Aiken
Allen
Baker
Bartlett
Bayh
Beall
Bellmon
Bentsen
Biden
Brock
Brooke
Buckley
Burdick
Byrd,
Harry F., Jr.
Byrd, Robert C.
Case
Chiles
Church
Clark
Cook
Cranston
Dole
Domenici
Dominick
Eagleton
Eastland
Ervin
Fong
Fulbright
Goldwater
Griffin
Gurney
Hansen
Hart
Hartke
Haskell
Hatfield
Hathaway
Helms
Hollings
Hruska
Huddleston
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Long
Magnuson
Mansfield
Mathias
McClellan
McClure
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, Pa.
Scott, Va.
Sparkman
Stafford
Stevenson
Symington
Talmadge
Thurmond
Tunney
Williams
Young

NAYS—4

Bennett
Saxbe
Tower
Weicker

NOT VOTING—10

Bible
Cannon
Cotton
Curtis
Fannin
Gravel
Hughes
Stennis
Stevens
Taft

So the second part of the bill, title II, was passed.

So the bill (S. 373) was passed, as follows:

S. 373

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—IMPOUNDMENT CONTROL PROCEDURES

SECTION 1. The Congress finds that—

(1) the Congress has the sole authority to enact legislation and appropriate moneys on behalf of the United States;

(2) the Congress has the authority to make all laws necessary and proper for carrying into execution its own powers;

(3) the Executive shall take care that the laws enacted by Congress shall be faithfully executed;

(4) under the Constitution of the United States, the Congress has the authority to require that funds appropriated and obligated by law shall be spent in accordance with such law;

(5) there is no authority expressed or implied under the Constitution of the United States for the Executive to impound budget authority and the only authority for such impoundments by the executive branch is that which Congress has expressly delegated by statute;

(6) by the Antideficiency Act (Rev. Stat. sec. 3679), the Congress delegated to the President authority in a narrowly defined area, to establish reserves for contingencies or to effect savings through changes in requirements, greater efficiency of operations, or other developments subsequent to the date on which appropriations are made available;

(7) in spite of the lack of constitutional authority for impoundment of budget authority by the executive branch and the narrow area in which reserves by the executive branch have been expressly authorized in the Antideficiency Act, the executive branch has impounded many billions of dollars of budget authority in a manner contrary to and not authorized by the Antideficiency Act or any other Act of Congress;

(8) impoundments by the executive branch have often been made without a legal basis;

(9) such impoundments have totally nullified the effect of appropriations and obligational authority enact by the Congress and prevented the Congress from exercising its constitutional authority;

(10) the executive branch, through its presentation to the Congress of a proposed budget, the due respect of the Congress for the views of the executive branch, and the power of the veto, has ample authority to affect the appropriation and obligation process without the unilateral authority to impound budget authority; and

(11) enactment of this legislation is necessary to clarify the limits of the existing legal authority of the executive branch to impound budget authority, to reestablish a proper allocation of authority between the Congress and the executive branch, to confirm the constitutional proscription against the unilateral nullification by the executive branch of duly enacted authorization and appropriation Acts, and to establish efficient and orderly procedures for the reordering of budget authority through joint action by the Executive and the Congress, which shall apply to all impoundments of budget authority, regardless of the legal authority asserted for making such impoundments.

SEC. 2. (a) Whenever the President, the Director of the Office of Management and Budget, the head of any department or agency of the United States, or any officer or employee of the United States, impounds any budget authority made available, or orders, permits or approves the impounding of any such budget authority by any other officer or employee of the United States, the President shall, within ten days thereafter, transmit to the Senate and the House of Representatives a special message specifying—

(1) the amount of the budget authority impounded;

(2) the date on which the budget authority was ordered to be impounded;

(3) the date the budget authority was impounded;

(4) any account, department, or establishment of the Government to which such impounded budget authority would have been available for obligation except for such impoundment;

(5) the period of time during which the budget authority is to be impounded, to include not only the legal lapsing of budget authority but also administrative decisions to discontinue or curtail a program;

(6) the reasons for the impoundment, including any legal authority invoked by him to justify the impoundment and, when the justification invoked is a requirement to avoid violating any public law which establishes a debt ceiling or a spending ceiling, the amount by which the ceiling would be exceeded and the reasons for such anticipated excess; and

(7) to the maximum extent practicable, the estimated fiscal, economic, and budgetary effect of the impoundment.

(b) Each special message submitted pursuant to subsection (a) shall be transmitted to the House of Representatives and the Senate on the same day, and shall be delivered to the Clerk of the House of Representatives if the House is not in session, and to the Secretary of the Senate if the Senate is not in session. Each such message may be printed by either House as a document for both Houses as the President of the Senate, and Speaker of the House may determine.

(c) A copy of each special message submitted pursuant to subsection (a) shall be transmitted to the Comptroller General of the United States on the same day as it is transmitted to the Senate and the House of Representatives. The Comptroller General shall review each such message and determine whether, in his judgment, the impoundment was in accordance with existing statutory authority, following which he shall notify both Houses of Congress within 15 days after the receipt of the message as to his determination thereon. If the Comptroller General determines that the impoundment was in accordance with section 3679 of the Revised Statutes (31 U.S.C. 665), commonly referred to as the "Antideficiency Act", the provisions of section 3 and section 5 shall not apply. In all other cases, the Comptroller General shall advise the Congress whether the impoundment was in accordance with other existing statutory authority and sections 3 and 5 of this Act shall apply.

(d) If any information contained in a special message submitted pursuant to subsection (a) is subsequently revised, the President shall transmit within ten days to the Congress and the Comptroller General a supplementary message stating and explaining each such revision.

(e) Any special or supplementary message transmitted pursuant to this section shall be printed in the first issue of the Federal Register published after that special or supplemental message is so transmitted and may be printed by either House as a document for both Houses, as the President of the Senate and Speaker of the House may determine.

(f) The President shall publish in the Federal Register each month a list of any budget authority impounded as of the first calendar day of that month. Each list shall be published no later than the tenth calendar day of the month and shall contain the information required to be submitted by special message pursuant tc subsection (a).

SEC. 3. The President, the Director of the Office of Management and Budget, the head of any department or agency of the United States, or any officer or employee of the United States shall cease the impounding of any budget authority set forth in each special message within sixty calendar days of continuous session after the message is received by the Congress unless the specific impoundment shall have been ratified by the Congress by passage of a concurrent resolution in accordance with the procedure set out in section 5 of this Act: *Provided, however,* That Congress may by concurrent resolution disapprove any impoundment in whole or in part, at any time prior to the expiration of the sixty-day period, and in the event of such disapproval, the impoundment shall cease immediately to the extent disapproved. The effect of such disapproval, whether by concurrent resolution passed prior to the expiration of the sixty-day period or by the failure to approve by concurrent resolution within the sixty-day period, shall be to make the obligation of the budget authority mandatory, and shall preclude the President or any other Federal officer or employee from reimpounding the specific budget authority set forth in the special message which the Congress by its action or failure to act has thereby rejected.

SEC. 4. For purposes of this Act, the impounding of budget authority includes—

(1) withholding, delaying, deferring, freezing, or otherwise refusing to expend any part of budget authority made available (whether by establishing reserves or otherwise) and the termination or cancellation of authorized projects or activities to the extent that budget authority has been made available,

(2) withholding, delaying, deferring, freezing, or otherwise refusing to make any allocation of any part of budget authority (where such allocation is required in order to permit the budget authority to be expended or obligated),

(3) withholding, delaying, deferring, freezing, or otherwise refusing to permit a grantee to obligate any part of budget autnority (whether by establishing contract controls, reserves, or otherwise), and

(4) any type of Executive action or inaction which effectively precludes or delays the obligation or expenditure of any part of authorized budget authority.

SEC. 5. The following subsections of this section are enacted by the Congress:

(a) (1) As an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such they shall be deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of resolutions described by this section; and they shall supersede other rules only to the extent that they are inconsistent therewith; and

(2) With full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner, and to the same extent as in the case of any other rule of that House.

(b) (1) For purposes of this section, the term "resolution" means only a concurrent resolution of the Senate or House of Representatives, as the case may be, which is introduced and acted upon by both Houses at any time before the end of the first period of sixty calendar days of continuous session of the Congress after the date on which the special message of the President is transmitted to the two Houses.

(2) The matter after the resolving clause

of a resolution approving the impounding of budget authority shall be substantially as follows (the blank spaces being appropriately filled): "That the Congress approves the impounding of budget authority as set forth in the special message of the President dated ———, Senate (House) Document No. —."

(3) The matter after the resolving clause of a resolution disapproving, in whole or in part, the impounding of budget authority shall be substantially as follows (the blank spaces being appropriately filled): "That the Congress disapproves the impounding of budget authority as set forth in the special message of the President dated ———. Senate (House) Document No. ——— (in the amount of $———)."

(4) For purposes of this subsection, the continuity of a session is broken only by an adjournment of the Congress sine die, and the days on which either House is not in session because of an adjournment of more than three days to a day certain shall be excluded in the computation of the sixty-day period.

(c) (1) A resolution introduced, or received from the other House, with respect to a special message shall not be referred to a committee and shall be privileged business for immediate consideration, following the receipt of the report of the Comptroller General referred to in section 2(c). It shall at any time be in order (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of the resolution. Such motion shall be highly privileged and not debatable. An amendment to the motion shall not be in order, and it shall not be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(2) If the motion to proceed to the consideration of a resolution is agreed to, debate on the resolution shall be limited to ten hours, which shall be divided equally between those favoring and those opposing the resolution. Debate on any amendment to the resolution (including an amendment substituting approval for disapproval in whole or in part or substituting disapproval in whole or in part for approval) shall be limited to two hours, which shall be divided equally between those favoring and those opposing the amendment.

(3) Motions to postpone, made with respect to the consideration of a resolution, and motions to proceed to the consideration of other business, shall be decided without debate.

(4) Appeals from the decisions of the Chair relating to the application of the rules of the Senate or the House of Representatives, as the case may be, to the procedure relating to a resolution shall be decided without debate.

(d) If, prior to the passage by one House of a resolution of that House with respect to a special message, such House receives from the other House a resolution with respect to the same message, then—

(1) If no resolution of the first House with respect to such message has been introduced, no motion to proceed to the consideration of any other resolution with respect to the same message may be made (despite the provisions of subsection (c)(1) of this section).

(2) If a resolution of the first House with respect to such message has been introduced—

(A) the procedure with respect to that or other resolutions of such House with respect to such message shall be the same as if no resolution from the other House with respect to such message had been received; but

(B) on any vote on final passage of a resolution of the first House with respect to such message the resolution from the other House with respect to such message shall be automatically substituted for the resolution of the first House.

(e) If a committee of conference is appointed on the disagreeing votes of the two Houses with respect to a resolution, the conference report submitted in each House shall be considered under the rules set forth in subsection (c) of this section for the consideration of a resolution, except that no amendment shall be in order.

(f) Notwithstanding any other provision of this section, it shall not be in order in either House to consider a resolution with respect to a special message after the two Houses have agreed to another resolution with respect to the same message.

(g) As used in this section, the term "special message" means a report of impounding action made by the President pursuant to section 2 of this Act or by the Comptroller General pursuant to section 6 of this Act.

Sec. 6. If the President, the Director of the Office of Management and Budget, the head of any department or agency of the United States, or any officer or employee of the United States takes or approves any impounding action within the purview of this Act, and the President fails to report such impounding action to the Congress as required by this Act, the Comptroller General shall report such impounding action with any available information concerning it to both Houses of Congress, and the provisions of this Act shall apply to such impounding action in like manner and with the same effect as if the report of the Comptroller General had been made by the President: *Provided, however,* That the sixty-day period provided in section 3 of this Act shall be deemed to have commenced at the time at which, in the determination of the Comptroller General, the impoundment action was taken.

Sec. 7. Nothing contained in this Act shall be interpreted by any person or court as constituting a ratification or approval of any impounding of budget authority by the President or any other Federal employee, in the past or in the future, unless done pursuant to statutory authority in effect at the time of such impoundment.

Sec. 8. The Comptroller General is hereby expressly empowered as the representative of the Congress through attorneys of his own selection to sue any department, agency, officer, or employee of the United States in a civil action in the United States District Court for the District of Columbia to enforce the provisions of this Act, and such court is hereby expressly empowered to enter in such civil action any decree, judgment, or order which may be necessary or appropriate to secure compliance with the provisions of this Act by such department, agency, officer, or employee. Within the purview of this section, the Office of Management and Budget shall be construed to be an agency of the United States, and the officers and employees of the Office of Management and Budget shall be construed to be officers or employees of the United States.

Sec. 9. (a) Notwithstanding any other provision of law, all funds appropriated by law shall be made available and obligated by the appropriate agencies, departments, and other units of the Government except as may be provided otherwise under this Act.

(b) Should the President desire to impound any appropriation made by the Congress not authorized by this Act or by the Antideficiency Act, he shall seek legislation utilizing the supplemental appropriations process to obtain selective rescission of such appropriation by the Congress.

Sec. 10. If any provision of this Act, or the application thereof to any person, impoundment, or circumstance, is held invalid, the validity of the remainder of the Act and the application of such provision to other persons, impoundments, or circumstances, shall not be affected thereby.

Sec. 11. The provisions of this Act shall take effect from and after the date of enactment.

TITLE II—CEILING ON FISCAL YEAR 1974 EXPENDITURES

Sec. 201. (a) Except as provided in subsection (b) of this section, expenditures and net lending during the fiscal year ending June 30, 1974, under the budget of the United States Government, shall not exceed $268,000,000,000.

(b) If the estimates of revenues which will be received in the Treasury during the fiscal year ending June 30, 1974, as made from time to time, are increased as a result of legislation enacted after the date of the enactment of this Act reforming the Federal tax laws, the limitation specified in subsection (a) of this section shall be reviewed by Congress for the purpose of determining whether the additional revenues made available should be applied to essential public services for which adequate funding would not otherwise be provided.

Sec. 202. (a) Notwithstanding the provisions of any other law, the President shall, in accordance with this section, reserve from expenditure and net lending, from appropriations, or other obligational authority otherwise made available, such amounts as may be necessary to keep expenditures and net lending during the fiscal year ending June 30, 1974, within the limitation specified in section 201.

(b) In carrying out the provisions of subsection (a) of this section, the President shall reserve amounts proportionately from new obligational authority and other obligational authority available for each functional category, and to the extent practicable, subfunctional category (as set out in table 3 of the United States Budget in Brief for fiscal year 1974), except that no reservations shall be made from amounts available for interest, veterans' benefits and services, payments from social insurance trust funds, public assistance maintenance grants under title IV of the Social Security Act, food stamps, military retirement pay, medicaid, and judicial salaries.

(c) Reservations made to carry out the provisions of subsection (a) of this section shall be subject to the provisions of title I of this Act, except that—

(1) if the Comptroller General determines under section 2(c) of title I, with respect to any such reservation, that the requirements of proportionate reservations of subsection (b) of this section have been complied with, then sections 3 and 5 of title I shall not apply to such reservation.

(d) The provisions of section 3 of title I of this Act shall not apply to any impoundments or reservations made under title II insofar as they prohibit reimpounding or reservation.

(e) In no event shall the authority conferred by this section be used to impound funds, appropriated or otherwise made available by Congress, for the purpose of eliminating a program the creation or continuation of which has been authorized by Congress.

Sec. 203. In the administration of any program as to which—

(1) the amount *of* expenditures is limited pursuant to this title, and

(2) the allocation, grant, apportionment, or other distribution of funds among recipients is required to be determined by application of a formula involving the amount appropriated or otherwise made available for distribution, the amount available for expenditure (after the application of this title) shall be substituted for the amount appropriated or otherwise made available in the application of the formula.

The title was amended, so as to read: "A bill to insure the separation of Federal powers and to protect the legislative function by requiring the President to notify the Congress whenever he, the Director of the Office of Management and Budget, the head of any department or agency of the United States, or any officer or employee of the United States, impounds, orders the impounding, or permits the impounding of budget authority, and to provide a procedure under which the Senate and the House of Representatives may approve the impounding action, in whole or in part, or require the President, the Director of the Office of Management and Budget, the department or agency of the United States, or the officer or employee of the United States, to cease such action, in whole or in part, as directed by Congress, and to establish a ceiling on fiscal year 1974 expenditures".

Mr. ERVIN. Mr. President, I move to reconsider the vote by which title II was adopted.

Mr. MUSKIE. Mr. President, I move to table the motion.

The motion to lay on the table was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 394) to amend the Rural Electrification Act of 1936, as amended, to reaffirm that such funds made available for each fiscal year to carry out the programs provided for in such act be fully obligated in said year, and for other purposes.

HEALTH MAINTENANCE ORGANIZATION AND RESOURCES DEVELOPMENT ACT OF 1973

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate turn to the consideration of Calendar 120, S. 14; that it be laid before the Senate and made the pending business for Monday.

The **PRESIDING OFFICER.** The clerk will state the bill by title.

The legislative clerk read the bill by title, as follows:

A bill (S. 14) to amend the Public Health Service Act to provide assistance and encouragement for the establishment and expansion of health maintenance organization, health care resources, and the establishment of a Quality Health Care Commission, and for other purposes.

The **PRESIDING OFFICER** (Mr. BARTLETT). Is there objection?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Labor and Public Welfare with an amendment to strike out all after the enacting clause and insert:

That this Act may be cited as the "Health Maintenance Organization and Resources Development Act of 1973."

SEC. 2. (a) The Congress finds that—

(1) the medical care system is not organized in a manner which encourages the provision of medical care at reasonable costs;

(2) the medical care system is oriented toward providing care once a health need has occurred rather than toward providing health maintenance and preventive health services;

(3) there is a serious maldistribution of medical care resources which has resulted in inadequate access to medical care in both inner city and rural areas.

(4) the establishment of health maintenance organizations, health service organizations, and area health education and service centers will aid in alleviating the serious maldistribution of health care resources which has resulted in inadequate access to medical care particularly in both inner city and rural areas, in providing health care in a more efficient and economical manner, and in reorienting the health care system toward the maintenance of health;

(5) there is a need to provide technical assistance and resources to individuals and groups, undertaking the planning, development, and initial operation of health maintenance organizations, supplemental health maintenance organizations, health service organizations, and area health education and service centers;

(6) there is a shortage of educational facilities in health sciences and unbalanced emphasis on hospital practice and on rare and exotic diseases in medical education; and

(7) there exists an excessive variance in the quality of health care and health services.

(b) The purpose of this Act is to assist in remedying these deficiencies through encouraging the establishment and utilization of health maintenance organizations, particularly in medically underserved areas by improving the system for the delivery of health care through encouragement of any support for the planning, development, and initial operation of health maintenance organizations, supplemental health maintenance organizations, health service organizations, and area health education and service centers, particularly with the intent of improving the health of populations in medically underserved areas.

SEC. 3. Nothing in this Act, or any amendment made by this Act, shall be construed to supersede any activity relating to review of the provision of health care services under (including review and assessment of quality or quantity of such services or determination or reimbursement therefor) or to the determination of eligibility of any provider, practitioner, agency, or organization to participate under any program established under the Social Security Act.

TITLE I—HEALTH MAINTENANCE ORGANIZATIONS

SEC. 101. The Public Health Service Act is amended by inserting after title XI the following new title:

"TITLE XII—HEALTH MAINTENANCE ORGANIZATIONS AND HEALTH SERVICE ORGANIZATIONS

"PART A—SUPPORT OF HEALTH MAINTENANCE ORGANIZATIONS

"DEFINITIONS

"SEC. 1201. For purposes of this title:

"(1) The term 'health maintenance organization' means an entity which—

"(A) provides as a minimum for all its enrollees (or subscribers) comprehensive health services (as defined in this section) which are uniformly available to all its enrollees (or subscribers) directly through its own staff and supporting resources or through a medical group or groups and such other additional services as may be required through other health delivery entities, for a fixed payment which (i) is to be paid on a periodic basis without regard to the frequency, extent, or kind of health service actually furnished to any particular enrollee; and (ii) is uniform for all its enrollees subject to rules and regulations regarding family rates;

"(B) demonstrates to the satisfaction of the Secretary ability to assure that appropriate comprehensive health services are available and accessible to all its enrollees promptly and in a manner which assures continuity;

"(C) demonstrates to the satisfaction of the Secretary financial responsibility through proof of adequate provision against the risk of insolvency;

"(D) is organized in such a manner (as prescribed by regulations of the Secretary) that assures its enrollees a substantial role (generally defined as one-third representation in the body establishing or recommending policy) in the making of policy for the health maintenance organization, with equitable representation of enrollees from medically underserved areas, and provides meaningful procedures for hearing and resolving grievances (i) between its enrollees and the health maintenance organization (including the medical group or groups and other health delivery entities providing health services), and (ii) between the medical group or groups providing health services and other employees and the health maintenance organization;

"(E) encourages and actively provides for its enrollees (i) health education services; (ii) education in the appropriate use of health services provided; and (iii) education in the contribution the patient can make to the maintenance of his own health;

"(F) has organizational arrangements, established in accordance with regulations of the Commission on Quality Health Care Assurance (established under title XIII of this Act) for an ongoing quality assurance program which stresses health outcomes and assures that health services provided meet the requirements of the Commission on Quality Health Care Assurance;

"(G) provides, in accordance with regulations of the Secretary (including safeguards concerning the confidentiality of the doctor-patient relationship), an effective procedure for developing, compiling, evaluating, and reporting to the Secretary, data (which the Secretary shall publish and disseminate on an annual basis) relating to (i) the cost of its operations, (ii) the patterns of utilization of its services, (iii) the availability, accessibility, and acceptability of its services, and (iv) such other matters as the Secretary may require and disclose at least annually and in a manner acceptable to the Secretary, such data to its enrollees and to the general public.

"(H) except for (i) out of area emergency care, and (ii) care reasonably valued in excess of the first $5,000 per enrollee per year, assumes direct financial responsibility, without benefit of insurance, on a prospective basis for the provision of the comprehensive health services defined in this section;

"(I) has an open enrollment period, unless a waiver has been granted under section 1249, of not less than thirty days at least once during each consecutive twelve-month period during which it accepts individuals in the order in which they apply for enrollment up to its capacity, subject to the requirements of paragraph (K);

"(J) assumes responsibility for the provisions of health care services to its enrollees (and on a reimbursable basis for short-term health care services to enrollees of any other health maintenance, supplemental health maintenance, or health service organization who are temporarily outside the service area of the health maintenance, supplemental health maintenance, or health service organization in which they are enrolled) twenty-four hours a day, seven days a week, and for the appropriate availability of such services in emergencies;

"(K) shall enroll no more than 50 per centum of its enrollees from medically underserved areas, except in rural areas as designated by the Secretary;

"(L) provides, or makes arrangements for, continuing education for its staff;

"(M) emphasizes the use of nurse practitioners, physician's assistants, dental therapists, and other allied health personnel and to the extent practicable and consistent with good medical practice, trains and employs such personnel in the rendering of services;

"(N) provides to its enrollees as an option, for an additional premium, extended care facility services and dental services;

"(O) may purchase on a fee-for-service basis unusual or infrequently used health care services for its enrollees;

"(P) does not refuse enrollment to or expel any person for any reason concerning his health status or requirements for the provision of health services;

"(Q) provides for the prevention, diagnosis, and medical and psychological treatment of the abuse of or addiction to alcohol and drugs either through its own facilities or existing community facilities; and

"(R) meets such other criteria for its organization and operations as the Secretary may by regulation prescribe, consistent with the provisions of this title.

"(2) The term 'comprehensive health services' means health services provided without limitation as to time or cost as follows—

"(A) physician services (including consultant and referral services);

"(B) inpatient and outpatient hospital services;

"(C) home health services;

"(D) diagnostic laboratory, and diagnostic and therapeutic radiologic services;

"(E) preventive health (including but not limited to voluntary family planning, infertility services, and preventive dental care for children) and early disease detection services;

"(F) emergency health services rendered by any provider of health care, the expense of which shall be borne by the enrollee's health maintenance, supplemental health maintenance, or health service organization;

"(G) provision of or payment for prescription drugs (with patterns of patient drug utilization under continuous surveillance, evaluation, and review by a clinical pharmacist whose duties shall include the maintenance of a drug use profile for each enrollee);

"(H) medical social services;

"(I) vision care (except for eyeglasses which shall be optional) as provided by a physician skilled in the diagnosis and treatment of diseases of the eye, or by an optometrist provided such services are within the scope of his license;

"(J) physical medicine and rehabilitative services (including physical therapy);

"(K) mental health services utilizing existing community mental health centers on a priority basis;

"(L) preventive diagnostic and medical and psychological treatment of the abuse of or addiction to alcohol and drugs; and

"(M) such other personal health services as the Secretary may determine are necessary to insure the protection, maintenance, and support of human health.

"(3) The term 'medical group' means a partnership or other association or group of health professionals of whom not less than four and at least a majority shall be persons who are licensed to practice medicine or osteopathy, and such other licensed health professionals as are necessary to provide comprehensive health services and who are eligible for assistance under this Act, in conformance with requirements promulgated under section 1302, in a State and who (A) as their principal professional activity engage in the coordinated practice of their profession as a group responsibility providing services to health maintenance or health service organization enrollees; (B) if not employees or retainees of a health maintenance organization, or health service organization, pool their income from practice as members of the group and distribute it among themselves according to a prearranged salary or drawing account plan; (C) jointly use or share medical and other records and substantial portions of major equipment and professional, technical, and administrative staff; (D) share or jointly utilize such additional health and allied health professionals who may include but are not limited to psychologists and other mental health workers, optometrists, pharmacists, podiatrists, dental therapists, physician's assistants, nurse practitioners and nurse midwives, as are needed to provide comprehensive health services; and (E) arrange for and encourage the continuing education of their members in the field of clinical medicine and related areas.

"(4) The term 'enrollee' when used in connection with a health maintenance organization, supplemental health maintenance organization (as defined in part B), or health service organization (as defined in part C) means an individual who has entered into a contractual arrangement, or on whose behalf a contractual arrangement has been entered into, with a health maintenance organization, supplemental health maintenance, or a health service organization under which such organization assumes the responsibility for the provision of health services to such individual.

"(5) The term 'medically underserved area' means an urban or rural area or population group designated by the Secretary as an area or population group with a shortage of personal health services. Such a designation may be made by the Secretary only after consideration of the comments, if any, of (A) each State comprehensive health planning agency designated pursuant to section 314(a) of this Act covering, in whole or in part, such area, (B) each areawide comprehensive health planning agency designated pursuant to section 314(b) of this Act, covering, in whole or in part, such area, and (C) regional medical programs established pursuant to title IX of this Act, covering, in whole or in part, such area.

"(6) The terms 'construction' and 'cost of construction' include (A) the construction of new buildings, and the acquisition, expansion, remodeling, replacement, and alteration of existing buildings, including architects' fees, and (B) equipping new buildings and existing buildings, whether or not acquired, expanded, remodeled, or altered with assistance under this title.

"(7) The term 'university health center' means a health care institution which is owned and operated by an accredited university or college of medicine or which has a written affiliation arrangement with an accredited university or college of medicine for the purpose of educating undergraduate medical students.

"(8) The term 'area health education and service center' means a hospital, educational facility, or other public or private nonprofit entity affiliated with a university health center for the purpose of providing clinical training (stressing cooperative interdisciplinary training in the use of the team approach to the provision of health care services) in a nonmetropolitan area (other than an area presently served by a university health center) which—

"(A) has an agreement with a health maintenance organization or health service organization (if such an organization exists within the geographical area served by such center) to provide education services to, and health care services through, such center;

"(B) has an agreement with other providers of health care to provide education services to, and health care services through, such center; and

"(C) provides, to all health professionals belonging to disciplines eligible for assistance under this Act in the geographic area which it serves, equal opportunity to use its facilities and programs.

"(9) The term 'non-metropolitan area' means an area no part of which is within an area designated as a standard metropolitan statistical area by the Office of Management and Budget, and does not contain a city whose population exceeds fifty thousand persons.

"(10) The term 'non-profit provider group' means an incorporated body of health providers (including physicians, administrators, nurses, and paraprofessionals who qualify under the Public Health Service Act) that is regional in scope.

"(11) The 'high-risk enrollee' means a person who is likely to utilize the services of a provider of health care more often than an actuarially determined average.

"GRANTS FOR PLANNING AND FEASIBILITY STUDIES

"SEC. 1202. (a) The Secretary may make grants, subject to the general provisions of this title, to public or private nonprofit agencies, organizations, or institutions to assist in projects for planning or studying the feasibility of developing or expanding health maintenance organizations. No project may receive more than $250,000 in grants under this section. Funds awarded under such grants shall be available for expenditure by the grantee for such period (not to exceed two years from the date of award) designated by the Secretary.

"(b) In making grants under this section the Secretary shall give priority to those applicants who give assurances that at least 30 per centum of their total enrollment shall be persons from medically underserved areas.

"(c) There are authorized to be appropriated to carry out the provisions of this section $10,000,000 for the fiscal year ending June 30, 1974, $15,000,000 for the fiscal year ending June 30, 1975, and $20,000,000 for the fiscal year ending June 30, 1976.

"GRANTS FOR INITIAL DEVELOPMENT COSTS

"SEC. 1203. (a) The Secretary may make grants, subject to the general provisions of this title, to any public or private nonprofit agencies, organizations, or institutions, to assist them in meeting the costs involved in a project for the initial development of a health maintenance organization prior to its first day of operation. No project may receive more than $1,000,000 in grants under this section.

"(b) Sums awarded under such grant shall be available for expenditure by the grantee for not more than three years, and shall be utilized for such purposes as may be prescribed in regulations of the Secretary, including but not limited to (1) implementation of an enrollment campaign; (2) detailed design of and arrangements for the health services to be provided; (3) development of administrative and internal organizational arrangements, including fiscal control and fund accounting procedures and the development of a capital financing program: (4) recruitment of personnel and the conduct of personnel training activities; and (5) payment of architects' and engineers' fees.

"(c) In making grants under this section the Secretary shall give priority to those applicants who give assurances that at least 30 per centum of their total enrollment shall be persons from medically underserved areas.

"(d) There are authorized to be appropriated to carry out the provisions of this section $15,000,000 for the fiscal year ending June 30, 1974, $25,000,000 for the fiscal year ending June 30, 1975, and $30,000,000 for the fiscal year ending June 30, 1976.

"CONSTRUCTION GRANTS

"SEC. 1204. (a) The Secretary may make grants, subject to the general provisions of this title, to assist any public or private nonprofit health maintenance organization or any public or private nonprofit agency, organization, or institution intending to become a health maintenance organization in meeting the cost of construction of facilities or portions of facilities for ambulatory care and capital investment for necessary transportation equipment, to be used by it for the provision of health services to its enrollees. The Secretary shall give special consideration to applications for grants for the acquisition or renovation of existing facilities. Except for exceptional circumstances, in which case up to 90 per centum of the cost of construction (as determined by the Secretary) may be authorized by the Secretary, no grant under this section for any project may exceed 75 per centum of the cost of construction of such project. No project may receive more than $2,500,000 in grants under this section.

"(b) In making grants under this section the Secretary shall give priority to those applicants who give assurances that at least 30 per centum of their total enrollment shall be persons from medically underserved areas.

"(c) There are authorized to be appropriated to carry out the provisions of this section $15,000,000 for the fiscal year ending June 30, 1974, $30,000,000 for the fiscal year ending June 30, 1975, and $40,000,000 for the fiscal year ending June 30, 1976.

"GRANTS FOR INITIAL COSTS OF OPERATION

"SEC. 1205. (a) Where the Secretary determines that the applicant has made all reasonable attempts to meet his operating expenses (including loans and loan guarantees), he may make grants to public and private nonprofit health maintenance organizations to assist them in meeting operating deficits during the initial three-year period of their operation.

"(b) Grants under this section shall be made only for the period beginning with the first day of the first month for which such grant is made and ending with the close of three years after such first day; and such grant with respect to any such organization may not exceed 100 per centum of such operating deficit for the first year after such first day; 67 per centum of such first year operating deficit for the second year after such first day; and 33 per centum of such first year operating deficit for the third year after such first day.

"(c) There are authorized to be appropriated to carry out the provisions of this section $5,000,000 for the fiscal year ending June 30, 1974, $30,000,000 for the fiscal year ending June 30, 1975, and $50,000,000 for the fiscal year ending June 30, 1976.

"CONSTRUCTION LOANS

"SEC. 1206. (a) The Secretary may make loans, subject to the general provisions of this title, to any public or private nonprofit health maintenance organization, or any public or private nonprofit agency, organization, or institution intending to become a health maintenance organization, to assist it in meeting the cost of construction of facilities for ambulatory care and transportation services for the provision of health services to its enrollees. The Secretary shall give special consideration to applications for loans for the acquisition or renovation of existing facilities. No loan under this section for any project may exceed 90 per centum of the cost of construction (as determined by the Secretary) of such project.

"(b) There are authorized to be appropriated to carry out the provisions of this section $10,000,000 for the fiscal year ending June 30, 1974, $20,000,000 for the fiscal year ending June 30, 1975, and $30,000,000 for the fiscal year ending June 30, 1976. Sums so appropriated, together with repayments of loans made under this section and any other receipts in connection with the program under this section, shall be placed in and constitute a revolving fund which shall be available to the Secretary without fiscal year limitation for use in making loans and other expenditures in the exercise of his functions under this section.

"LOANS FOR INITIAL COSTS OF OPERATION

"SEC. 1207. (a) The Secretary may make loans, subject to the general provisions of this title, to any public or private nonprofit health maintenance organization to assist it in meeting, for the period prescribed in subsection (b), a portion of its initial operating costs in excess of gross revenues determined under regulations of the Secretary.

"(b) Loans under this section for initial costs of operation may be made only for the period beginning with the first day of the first month for which such a loan is made and ending with the close of three years after such first day; and such loans with respect to any project may not exceed 60 per centum of such costs of operation, for the first year after such first day; 40 per centum of such costs for the second year after such first day; and 20 per centum of such costs for the third year after such first day.

"(c) There are authorized to be appropriated to carry out the provisions of this section $5,000,000 for the fiscal year ending June 30, 1974, $30,000,000 for the fiscal year ending June 30, 1975, and $50,000,000 for the fiscal year ending June 30, 1976. Sums so appropriated, together with repayments of loans made under this section and any other receipts in connection with the program under this section, shall be placed in and constitute a revolving fund which shall be available to the Secretary without fiscal year limitation for use in making loans and other expenditures in the exercise of his functions under this section.

"PART B—SUPPLEMENTAL HEALTH MAINTENANCE ORGANIZATIONS

"SUPPLEMENTAL HEALTH MAINTENANCE ORGANIZATIONS

"SEC. 1208. The Secretary may make grants and loans to supplemental health maintenance organizations (as defined in section 1209) from funds appropriated pursuant to authorizations under part A of this Act for the purposes described in part A in amounts not to exceed 17.5 per centum of the amounts appropriated under such part except that the Secretary may make such grants and loans in excess of 17.5 per centum of such amounts from funds available during any fiscal year after all applications from qualified applicants under part A have been fully funded. Such grants and loans shall be for the same purposes, and subject to the same conditions and limitations as are applicable in the case of grants and loans to health maintenance organizations (as defined in section 1201).

"DEFINITIONS

"SEC. 1209. For the purposes of this part and part E—

"(1) The term 'supplemental health maintenance organization' means a public or private organization which—

"(A) provides, either directly or through arrangements with others, health services to individuals enrolled with such organization on a per capita prepayment basis;

"(B) provides, either directly, or through arrangements with others and through institutions, entities, and persons meeting the applicable requirements of section 1861 of the Social Security Act, all those health services which a defined population might reasonably require in order to be maintained in good health, including as a minimum emergency care, inpatient hospital and physician care, ambulatory physician care, and outpatient preventive medical services;

"(C) provides physicians' services (i) directly through physicians who are either employees or partners of such organization, or (ii) under arrangements with one or more groups of physicians (organized on a group practice or individual practice basis) under which each such group is reimbursed for its services primarily on the basis of an aggregate fixed sum or on a per capita basis, regardless of whether the individual physician members of any such group are paid on a fee-for-service or other basis;

"(D) demonstrates to the satisfaction of the Secretary proof of financial responsibility and proof of capability to provide comprehensive health care services, including institutional services, efficiently, effectively, and economically and in a manner which assures continuity;

"(E) has arrangements for assuring that the health services required by its enrollees are received promptly and appropriately and that the services which are received meet quality standards which it establishes in accordance with regulations of the Commission on Quality Health Care Assurance; and

"(F) is organized in such a manner as to emphasize local initiative and consumer and community involvement in the planning, development, and operation of such supplemental health maintenance organization and seek to insure prompt response to local initiative."

TITLE II—SUPPORT OF HEALTH SERVICE ORGANIZATIONS

STATEMENT OF PURPOSE

SEC. 201. It is the purpose of this title to assist in the establishment of health service organizations primarily directed at defined rural population groups which are characterized by a lack of medical care services.

AMENDMENT TO PUBLIC HEALTH SERVICE ACT

SEC. 202. The Public Health Service Act, as amended by this Act, is further amended by inserting after part B of title XII the following new part:

"PART C—HEALTH SERVICE ORGANIZATIONS

"DEFINITIONS

"SEC. 1220. For the purpose of this part the term—

"(1) 'health service organization' means an entity operating in a rural or nonmetropolitan area which—

"(A) provides as a minimum for all its enrollees, indirectly or directly through its own staff and supporting resources or through a medical group or groups, comprehensive health services, to the extent the Secretary determines such organization is able, which are uniformly available to all its enrollees, and such additional services as may be required through other health delivery entities, for a fixed payment which—

"(i) is to be paid on a periodic basis without regard to the frequency, extent, or kind of health service actually furnished to any particular enrollee; and

"(ii) is uniform for all its enrollees, subject to rules and regulations regarding family rates;

"(B) demonstrates to the satisfaction of the Secretary ability to assure that appropriate health services are available and accessible to all its enrollees promptly in a manner which assures continuity;

"(C) has a written agreement with an area health education and service center for the use of the educational and service facilities and programs of such center, if such a center is located in the geographic area served by such health service organization;

"(D) provides, to the extent the Secretary determines such health service organization is able, continuing education for its staff;

"(E) demonstrates to the satisfaction of the Secretary financial responsibility through proof of adequate provision against the risk of insolvency;

"(F) is organized in such a manner (as prescribed by regulations of the Secretary) that assures its enrollees a substantial role (generally defined as one-third representation in the body establishing or recommending policy) in the making of policy for the health service organization and provides meaningful procedures for hearing and resolving grievances (i) between its enrollees and the health service organization (including the medical group or groups and other health delivery entities providing health services) and (ii) between the medical group or groups providing health services and other employees of the health service organization;

"(G) encourages and actively provides for its enrollees (i) health education services, (ii) education in the appropriate use of the health services provided, and (iii) education in the contribution the patient can make to the maintenance of his own health;

"(H) has organizational arrangements established in accordance with regulations of the Commission on Quality Health Care Assurance for an ongoing quality assurance program which stresses health outcomes, and assures that health services provided meet quality standards established in accordance with requirements of the Commission on Quality Health Care Assurance;

"(I) provides in accordance with regulations of the Secretary an effective procedure for developing, compiling, evaluating, and reporting to the Secretary, data (which the Secretary shall publish and disseminate on an annual basis) relating to (i) the cost of its operation, (ii) the patterns of utilization of its services, (iii) the availability, accessibility, and acceptability of its services, and (iv) such other matters as the Secretary may require and discloses at least annually in a manner acceptable to the Secretary such data to its enrollees and to the general public;

"(J) except for (i) out-of-area emergency services; and (ii) care reasonably valued in excess of the first $5,000 per enrollee, per year assumes direct financial responsibility without benefit of insurance, or a prospective basis for the provision of comprehensive health services as defined in section 1201(2);

"(K) has an open enrollment period unless a waiver has been granted under section 1239, of not less than thirty days at least once during each consecutive twelve-month period during which it accepts individuals in the order in which they apply for enrollment up to its capacity;

"(L) assumes responsibility for health care services to its enrollees (and on a reimbursable basis for short-term health care services to enrollees of any other health maintenance, supplemental health maintenance, or health service organization who are temporarily outside the service area of the health maintenance, supplemental health maintenance, or health service organization in which they are enrolled) twenty-four hours a day, seven days a week and for the appropriate availability of such services in emergencies;

"(M) does not refuse enrollment to or expel any person for any reason concerning his health status or requirements for the provision of health services;

"(N) emphasizes the use of physicians' assistants, dental therapists, nurse practitioners, and other allied health personnel, and to the extent practicable and consistent with good medical practice, trains and employs such personnel in the rendering of services; and

"(O) meets such other criteria including plans for providing full comprehensive health services at a future date where the Secretary has determined such an organization was not able to provide such health services under paragraph (A), for its organization and operations as the Secretary may by regulation prescribe consistent with the provisions of this title.

"GRANTS FOR PLANNING AND FEASIBILITY STUDIES

"SEC. 1221. (a) The Secretary may make grants subject to the general provisions of this title to public or private nonprofit agencies, organizations, or institutions to assist in meeting the costs of projects for planning or studying the feasibility of developing or expanding a health service organization. No project may receive more than $250,000 in grants under this section. Funds awarded under such grants shall be available for expenditure by the grantee for such period, not to exceed two years from the date of the award, designated by the Secretary.

"(b) There are authorized to be appropriated to carry out the provisions of this section $5,000,000 for the fiscal year ending June 30, 1974, $7,500,000 for the fiscal year ending June 30, 1975, and $10,000,000 for the fiscal year ending June 30, 1976.

"GRANTS FOR INITIAL DEVELOPMENT COSTS

"SEC. 1222. (a) The Secretary may make grants, subject to the general provisions of this title, to any public or private nonprofit entity to assist it in meeting the costs involved in a project for the initial development of a health service organization prior to its first day of operation. No project may receive more than $1,000,000 in grants under this section.

"(b) Sums awarded under such grant shall be available for expenditure by the grantee for not more than three years and shall be utilized for such purposes as may be prescribed in regulations of the Secretary including but not restricted to (1) implementation of an enrollment campaign, (2) detailed design of an arrangement for the health services to be provided, (3) development of administrative and internal organizational arrangements including fiscal control and fund accounting procedures and the development of a capital financing program, (4) recruitment of personnel and the conduct of personal training activities, and (5) payment of architects' and engineers' fees.

"(c) There are authorized to be appropriated to carry out the provisions of this section $7,500,000 for the fiscal year ending June 30, 1974, $12,500,000 for the fiscal year ending June 30, 1975, and $15,500,000 for the fiscal year ending June 30, 1976.

"CONSTRUCTION GRANTS

"SEC. 1223. (a) (1) The Secretary may make grants subject to the general provisions of this title to assist any public or private nonprofit health service organization in meeting the cost of construction of facilities or portions thereof for ambulatory care and capital investment for necessary transportation and communication equipment to be used by it for the provision of health services to its enrollees. The Secretary shall give special consideration to applications for grants for the acquisition or renovation of existing facilities. Except for exceptional circumstances in which costs up to 90 per centum of the cost of construction may be authorized by the Secretary, no grant under this section for any project may exceed 75 per centum of the cost of construction on such project. No project may receive more than $2,500,000 in grants under this section.

"(b) There are authorized to be appropriated to carry out the provisions of this section $7,500,000 for the fiscal year ending June 30, 1974, $15,000,000 for the fiscal year ending June 30, 1975, and $20,000,000 for the fiscal year ending June 30, 1976.

"GRANTS FOR INITIAL COST OF OPERATION

"SEC. 1224. (a) Where the Secretary determines that the applicant has made all reasonable attempts to meet his operating expenses (including loans and loan guarantees), he may make grants to public or private nonprofit health service organizations to assist them in meeting operating deficits during the initial three-year period of their operation.

"(b) Grants under this section shall be made only for the period beginning with the first day of the first month for which such grant is made and ending with the close of three years after such first day and such grant with respect to any such organization may not exceed 100 per centum of such operating deficit for the first year after such first day; 67 per centum of such first year operating deficit for the second year after such first day; and 33 per centum of such first year operating deficit for the third year after such first day.

"(c) There are authorized to be appropriated to carry out the provisions of this section $2,500,000 for the fiscal year ending June 30, 1974, $15,000,000 for the fiscal year ending June 30, 1975, and $25,000,000 for the fiscal year ending June 30, 1976.

"CONSTRUCTION LOANS

"SEC. 1225. (a) The Secretary may make loans subject to the general provisions of this title to any public or private nonprofit health service organization or any public or private nonprofit agency, organization, or institution intending to become a health service organization to assist it in meeting the cost of construction and facilities for ambulatory care and transportation and communication services for the provision of health services to its enrollees. The Secretary shall give special consideration to applications for loans for the acquisition or renovation of existing facilities. No loan under this section for any project may exceed 90 per centum of the cost of construction of such project.

"(b) There are authorized to be appropriated to carry out the provisions of this section $5,000,000 for the fiscal year ending June 30, 1974, $10,000,000 for the fiscal year ending June 30, 1975, and $15,000,000 for the fiscal year ending June 30, 1976. Sums so appropriated together with repayments of loans made under this section and any other receipts in connection with the program under this section shall be placed in and constitute a revolving fund which shall be available to the Secretary for use in making loans and other expenditures in the exercise of his functions under this section.

"LOANS FOR INITIAL COST OF OPERATION

"SEC. 1226. (a) The Secretary may make loans subject to the general provisions of this title to any public or private nonprofit health service organization to assist it in meeting, for the period prescribed in subsection (b), a portion of its initial operating costs in excess of gross revenues determined under regulations of the Secretary.

"(b) Loans under this section may be made only for the period beginning with the first day of the first month for which such a loan is made and ending with the close of three years after such first day and such loans with respect to any project may not exceed 60 per centum of such initial operating costs for the first year after such first day; 40 per centum of such initial operating costs for the second year after such first day and 20 per centum of such initial operating costs for the third year after such first day.

"(c) There are authorized to be appropriated to carry out the provisions of this section $2,500,000 for the fiscal year ending June 30, 1974, $15,000,000 for the fiscal year ending June 30, 1975, and $25,000,000 for the fiscal year ending June 30, 1976. Sums so appropriated together with repayments of loans made under this section and any other receipts in connection with the program under this section shall be placed in and constitute a revolving fund which shall be available to the Secretary for use in making loans and other expenditures in the exercise of his functions under this section."

TITLE III—AREA HEALTH EDUCATION AND SERVICE CENTERS AND GENERAL REQUIREMENTS

SEC. 301. The Public Health Service Act, as amended by this Act, is further amended by inserting after part C of title XII the following new parts:

"PART D—GRANTS TO ASSIST AREA HEALTH EDUCATION AND SERVICE CENTERS

"STATEMENT OF PURPOSE

"SEC. 1230. It is the purpose of this part to—

"(1) promote cooperative arrangements between area health education and service centers and health service organizations;

"(2) provide for and encourage the continuing education of providers of health care services in a designated area stressing cooperative interdisciplinary training in the use of the team approach to the provision of health services;

"(3) provide for and encourage clinical experience in a nonmetropolitan setting for students from university health centers; and

"(4) encourage the utilization of regional medical programs where such programs exist.

"GRANTS FOR COSTS OF DEVELOPMENT

"SEC. 1231. (a) The Secretary is authorized to make grants to university health centers, regional medical programs, or nonprofit provider groups to assist in meeting the costs involved in the development of area health education and service centers.

"(b) Funds awarded under such grants shall be available for expenditure by the grantee for a maximum of three years and shall be utilized for such purposes as may be prescribed in regulation by the Secretary including but not limited to: (1) detailed design of and arrangements for education, health, and medical services and integration with the institution's research and educational programs; (2) development of administrative and internal and organizational arrangements including fiscal control and fund accounting procedures and the development of a capital financing program; and (3) recruitment of personnel and conduct of personnel training activity.

"(c) There are authorized to be appropriated to carry out the provisions of this section $5,000,000 for the fiscal year ending June 30, 1974; $15,000,000 for the fiscal year ending June 30, 1975; and $30,000,000 for the fiscal year ending June 30, 1976.

"CONSTRUCTION OF FACILITIES

"SEC. 1232. (a) The Secretary is authorized to make grants to university health centers, regional medical programs, or nonprofit provider groups to assist them in the construction and equipment of educational facilities in conjunction with the development of area health education and service centers. An award under this authority shall be made only after the Secretary has determined that assistance for the construction proposed has been sought and is not available under titles I and II of the Medical Facilities Construction and Modernization Amendments of 1970 and title IX of the National Housing Act.

"(b) There are authorized to be appropriated to carry out the provisions of this section $3,000,000 for the fiscal year ending June 30, 1974; $5,000,000 for the fiscal year ending June 30, 1975; and $7,000,000 for the fiscal year ending June 30, 1976.

"PART E—GENERAL PROVISIONS

"GRANTS AND LOANS

"SEC. 1240. (a) Any loan by the Secretary shall bear interest at a rate comparable to the current legal rate of interest prevailing with respect to loans which are guaranteed under section 1241. No payment of principal on a loan shall be required for the first five years after such loan is made.

"(b) No such loan shall be made unless—

"(1) the Secretary is reasonably satisfied that the applicant therefor will be able to make payments of principal and interest thereon when due, and

"(2) the applicant provides the Secretary with reasonable assurances that there will be available to it such additional funds as may be neecssary to complete the project with respect to which such loan is requested.

"(c) Any such loan shall have such security, have such maturity date, be repayable in such installments, and be subject to such other terms and conditions (including provisions for recovery in case of default) as the Secretary determines to be necessary to carry out the purposes of this title while adequately protecting the financial interests of the United States.

"(d) No such loan shall have a term in excess of fifteen years.

"(e) The Secretary may, for good cause, waive any right of recovery which he has by reason of the failure of a public organization to make payment and interest on a loan under this section.

"LOAN GUARANTEES AND INTEREST SUBSIDIES

"SEC. 1241. (a) In order to assist (1) private health maintenance organizations and health service organizations (or entities intending to become either), to carry out construction projects for ambulatory care facilities and transportation services and in the case of health service organizations communication services to be used by it for the provision of health services to its enrollees, to meet their initial development costs (for not more than three years) or to meet their cost of operation (for not more than three years), (2) university health centers, regional medical programs, and other private nonprofit provider groups in the development of area health education and service centers, and to provide working capital for the operation of such area health education and service centers as well as to subsidize the difference between income and operating expenditures, the Secretary, during the period beginning January 1, 1974, and ending with the close of June 30, 1976, may, in accordance with the provisions of this section, and subject to the general provisions of this Act (A) guarantee to non-Federal lenders making loans to such organizations for such purposes, payment of principal of and interest on such loans which are approved under this section, and (B) in the case of nonprofit health maintenance or health service organizations, pay to the holder of such loans (and for and on behalf of the organization which received such loan) amounts sufficient (not to exceed 3 per centum per annum) to reduce the net effective interest rate otherwise payable on such loan. No loan guarantee or interest subsidy under this section may, except under such special circumstances and under such conditions as are prescribed by regulations, apply to or be made for an amount which, when added to any grant or other loan under this or any other law of the United States, is—

"(i) with respect to any construction, in excess of 90 per centum of the cost of such construction,

"(ii) with respect to initial development costs, in excess of 90 per centum of such costs, or

"(iii) with respect to initial operating costs, in excess of 90 per centum of such costs.

No such loan guarantee may apply to more than 90 per centum of the loss of principal and interest on the loan.

"(b) The Secretary may not approve the application of a health maintenance organization, health service organization, university health center, regional medical program, or other nonprofit provider unless—

"(1) he determines, in the case of a loan for which a guarantee or an interest subsidy payment is sought, that the terms, conditions, maturity, security (if any), and schedule and amounts of repayments with respect to the loan are sufficient to protect the financial interests of the United States and are otherwise reasonable and in accord with regulations, including a determination that the rate of interest does not exceed such per centum per annum on the principal obligation outstanding as the Secretary determines to be reasonable, taking into account the range of interest rates prevailing in the private market for similar loans and the risks assumed by the United States;

"(2) the term of a loan for which a guarantee and interest subsidy is sought does not exceed twenty-five years if for construction, or fifteen years if for operating costs, or such shorter period as the Secretary prescribes; and

"(3) he obtains assurances that the applicant will keep such records, and afford such access thereto, and make such reports, in such form and containing such information, as the Secretary may reasonably require.

"(c) Guarantees of loans and interest subsidy payments under this section shall be subject to such further terms and conditions as the Secretary determines to be necessary to assure that the purposes of this section will be achieved, and, to the extent permitted by subsection (e), any of such terms and conditions may be modified by the Secretary to the extent he determines it to be consistent with the financial interest of the United States.

"(d) In the case of any loan guaranteed under this section, the United States shall be entitled to recover from the applicant the amount of any payments made pursuant to such guarantee unless the Secretary, for good cause, waives his right of recovery, and, upon making any such payment, the United States shall be subrogated to all of the rights of the recipient of the payments with respect to which the guarantee was made.

"(e) Any guarantee of a loan under this section shall be incontestable in the hands of an applicant on whose behalf such guarantee is made, and as to any person who makes or contracts to make a loan to such applicant in reliance thereon, except for fraud or misrepresentation on the part of such applicant or such other person.

"(f)(1) There is established in the Treasury a Health Maintenance Organization, Health Service Organization and Area Health Education and Service Center Loan Guarantee and Interest Subsidy Fund (hereafter in this section referred to as the 'fund') which shall be available to the Secretary without fiscal year limitation, in such amounts as may be specified from time to time in appropriation Acts (A) to enable him to discharge his responsibilities under guarantees issued by him under this title, and (B) for interest subsidy payments authorized by this title. There are authorized to be appropriated from time to time such amounts as may be necessary to provide the sums required by the fund. To the extent authorized from time to time in appropriation Acts there shall be deposited in the fund amounts received by the Secretary as interest payments or repayments of principal on loans and any other moneys, property, or assets derived by him from his operations under this title, including any moneys derived from the sale of assets.

"(2) If at any time the moneys in the fund are insufficient to enable the Secretary to discharge his responsibilities under this title to meet the obligations under guarantees of loans under subsection (a) or to make interest subsidy payments on such loans, he is authorized to issue to the Secretary of the Treasury notes or other obligations in such forms and denominations, bearing such maturities, and subject to such terms and conditions, as may be prescribed by the Secretary with the approval of the Secretary of the Treasury. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the issuance of the notes or other obligations. The Secretary of the Treasury is authorized and directed to purchase any notes and other obligations issued hereunder and for that purpose he is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act and the purposes for which securities may be issued under that Act are extended to include any purchase of such notes and obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this subsection. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated as public debt transactions of the United States. Sums borrowed under this subsection shall be deposited in the fund and redemption of such notes and obligations shall be made by the Secretary from such fund.

"(g) (1) The cumulative total of the principal of the loans outstanding at any time with respect to which guarantees have been issued under this section may not exceed such limitations as may be specified in appropriation Acts.

"(2) In any fiscal year no loan guarantee or agreement to make interest subsidy payments may be entered into under this title if the making of such guarantee or the entering into of such agreement would cause the cumulative total of—

"(A) the principal of the loans guaranteed under this title in such fiscal year, and

"(B) the principal of the loans for which no guarantee has been made under this title and with respect to which an agreement to make interest subsidy payments is entered into under this title in such fiscal year, to exceed the amount of grant funds obligated under this Act in such fiscal year, except that this paragraph shall not apply if the amount of grant funds obligated under this title in such fiscal year equals the sums appropriated for such fiscal year under this title.

"APPLICATION REQUIREMENTS

"SEC. 1242. (A) No grant, contract, loan, guarantee, or interest subsidy may be made under this title unless an application therefor has been submitted to and approved by the Secretary. Such application shall be in such form, submitted in such manner, and contain such information, consistent with subsection (b) (1), as the Secretary shall by regulation prescribe.

"(b) (1) An application for a grant, loan, loan guarantee, or interest subsidy under this title shall include to such extent, in such manner and among such other matters as the Secretary may by regulation prescribe, satisfactory specification of the existing or anticipated (A) population group or groups to be served by the existing or proposed health maintenance organization, supplemental health maintenance organization, or health service organization described in the application, (B) enrollment for such organization, (C) methods, terms, and periods for the enrollment of enrollees, (D) nature and estimated costs per enrollee of the health care and educational services to be provided, (E) sources of professional services, and organizational arrangements for providing health care and educational services, (F) organizational arrangements for an ongoing quality assurance program in conformance with the requirements of the Commission on Quality Health Care Assurance, (G) sources of prepayment and other forms of payment for the services to be provided. (H) facilities available for and additional capital investments and sources of financing therefor, required to provide the level and scope of services proposed, (I) administrative, managerial, and financial arrangements and capabilities of such organization, (J) role for enrollees in the planning and policymaking for such organization, (K) grievance procedures for enrollees, staff, and employees, and (L) evaluation or evaluations of the support for and acceptance of such organization by the population to be served, the sources of operating support, and the professional groups to be involved or affected thereby. An organization making multiple applications for assistance under this title simultaneously or over the course of time shall not be required to submit duplicate or redundant information but shall be required to update the description of the existing or proposed organization in such manner and with such frequency as the Secretary may by regulation prescribe.

"(2) Upon completion of assistance under this title, the recipient of assistance shall make a full and complete report to the Secretary, in such manner as he may by regulation prescribe. Each such report shall include, among such other matters as the Secretary may by regulation prescribe, descriptions of plans, developments, and operations in those areas enumerated in paragraph (1) for specification in applications for assistance.

"(c) A health maintenance organization, supplemental health maintenance organization, health service organization, other nonprofit providers, regional medical programs or university health center receiving assistance under this title shall submit to the Secretary as a condition of its continued assistance, satisfactory assurance, in accordance with such regulations as the Secretary shall prescribe, including but not limited to the following: (1) financial responsibility, and (2) development and operation consistent with the terms of this title and the plans contained in such organization's application or applications for assistance. As used in this subsection the term 'financial responsibility' means the demonstrated capability to adequately carry out the purposes of the project for which the original assistance was made.

"(d) (1) An application for a grant, loan, loan guarantee, or interest subsidy under this title shall contain assurances satisfactory to the Secretary that the applicant will, in accordance with such criteria as the Secretary shall by regulation prescribe, enroll the maximum number of persons that its available and potential resources (as determined under regulations of the Secretary) will enable it to effectively serve; except that the applicant shall enroll no more than 50 per centum of its enrollees from medically underserved areas except in rural areas as designated by the Secretary.

"(2) No grant may be made and no loan, loan guarantee, or interest subsidy payment may be made under this title unless the applicant demonstrates to the satisfaction of the Secretary that the applicant will or has enrolled, and will maintain an enrollment of, the maximum number of persons that its available and potential resources (as determined under regulations of the Secretary) will enable it to effectively serve, except that the applicant shall enroll no more than 50 per centum of its enrollees from medically underserved areas except in rural areas as designated by the Secretary.

"(e) The Secretary shall have the authority after a hearing on the record to terminate or cancel any grant, loan, loan guarantee, or interest subsidy to any recipient of assistance under this title which he determines is in substantial noncompliance with any material provision of this title or after notice from the Commission on Quality Health Care Assurance that such organization has had its certificate of compliance suspended or revoked.

"(f) Effective two years after the date of enactment of this Act, no assistance shall be given under this Act or the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963, to a provider of health care unless such provider holds a valid certificate of compliance under section 1302.

"(g) (1) The Secretary may not approve an application submitted under section 1203, 1204, 1205, 1206, 1207, 1222, 1223, 1224, 1225, or 1226 unless the section 314(b) areawide health planning agency whose section 314(b) plan covers (in whole or in part) the area to be served by the health maintenance organization, supplemental health maintenance organization, or health service organization for which such application is submitted, or if there is no such agency, the section 314(a) State health planning agency whose section 314(a) plan covers (in whole or in part) such area, has, in accordance with regulations of the Secretary, been provided an opportunity to review the application and to submit to the Secretary for his consideration its recommendations respecting approval of the application. If under applicable State law such an application may not be submitted without the approval of the section 314(b) areawide health planning agency or the section 314(a) State health planning agency, the Secretary may not approve such an application unless the required approval has been obtained.

"(2) The Secretary shall by regulation establish standards and procedures for section 314(b) areawide health planning agencies and section 314(a) State health planning agencies to follow in reviewing and commenting on applications for assistance for health maintenance organizations, health service organizations, and other applicants for assistance under this Act.

"(h) If in any fiscal year there are insufficient funds avaliable for funding of all approved applications for assistance under section 1202, 1203, 1204, 1221, 1222, 1223, or 1224, of this title the Secretary shall, subject to the priorities in sections 1202(b), 1203(c), and 1204(c), give priority to those applicants which he determines are the most likely to be economically viable.

"EFFECT ON STATE LAW

"SEC. 1243. (a) Notwithstanding any provisions of State law which—

"(1) require approval of a health maintenance organization, supplemental health maintenance organization or health service organization by a medical society;

"(2) require that physicians constitute all or a majority of the governing body of a health maintenance organization, supplemental health maintenance organization, or health service organization;

"(3) require that all physicians or a percentage of physicians in the local medical society be permitted to participate in rendering the services of the organization;

"(4) require that such organization submit to regulations as an insurer of health care services;

"(5) require that only unincorporated individuals or associations or partnerships may provide health care services;

"(6) prohibit advertising by a professional group for recruitment of enrollees; or

"(7) impose requirements or restrictions on a health maintenance organization, supplemental health maintenance organization, or health service organization in a manner, determined by the Secretary, to be incompatible with this title,

a health maintenance organization, a supplemental health maintenance organization, a health service organization (as defined in this title), or other providers of health care receiving Quality Health Care Initiative Awards under this title, who otherwise conform with the laws for incorporation and laws for licensing of physicians, osteopaths, and dentists in such State shall be allowed to provide health care services in such State in accordance with the provisions of this title.

"QUALITY HEALTH CARE INITIATIVE AWARDS

"SEC. 1244. (a) Every provider of health care which is certified by the Commission on Quality Health Care Assurance as maintaining quality control standards in compliance with the requirements set by the Commission on Quality Health Care Assurance shall be entitled to an annual payment in an amount equal to the administrative costs allowed by the Commission, incurred in complying with the requirements of the Commission. Any provider of health care, whether or not subject to the provisions of this Act, may apply to the Commission for certification of compliance under section 1302.

"(b) There are authorized to be appropriated to carry out the provisions of this section $25,000,000 for the fiscal year ending June 30, 1974; $50,000,000 for the fiscal year ending June 30, 1975; and $150,000,000 for the fiscal year ending June 30, 1976.

"CAPITATION GRANTS TO ENABLE HEALTH MAINTENANCE ORGANIZATIONS, SUPPLEMENTAL HEALTH SERVICE ORGANIZATIONS TO SERVE ALL PERSONS

"SEC. 1245. (a)(1) The Secretary shall make annual grants to health maintenance organizations, supplemental health maintenance organizations or health service organizations serving persons who cannot meet the expenses of such organizations' premiums (excluding additional premiums for high option services). The amount of such annual grants shall be equal to the difference between the maximum amount (as determined by the Secretary) an enrollee could reasonably be expected to pay toward the health maintenance, supplemental health maintenance or health service organization premium and the premium for membership enrollment in such health maintenance, supplemental health maintenance, or health service organization for each such person enrolled. A health maintenance, supplemental health maintenance, or health service organization shall be eligible for grants under this subsection only during the first three years of its operation.

"(2) In determining the amount an enrollee could pay toward the premium, the Secretary shall consider all sources (including public sources) of income available to each such enrollee.

"(3) Grants under this section shall not exceed 25 per centum of the total premium receipts for such health maintenance, supplemental health maintenance or health service organization for the next preceding year.

"(4) There are authorized to be appropriated to carry out the provisions of this section $25,000,000 for the fiscal year ending June 30, 1974; $50,000,000 for the fiscal year ending June 30, 1975; and $150,000,000 for the fiscal year ending June 30, 1976.

"(b)(1) Where a health maintenance, supplemental health maintenance, or health service organization proposes an increase in its premium rate and the Secretary determines that such increase is due in whole or in part to fulfillment of the requirement for open enrollment, in that such organization has in its enrolled population a disproportionate number of high-risk enrollees, the Secretary shall make annual grants to such organization equal to an amount that would eliminate the need for that part of the proposed premium increase caused by such disproportionate number of high-risk enrollees in such organization. A health maintenance, supplemental health maintenance, or health service organization shall be eligible for grants under this subsection only during the first three years of its operation.

"(2) There are authorized to be appropriated to carry out the provisions of this section $15,000,000 for the fiscal year ending June 30, 1974; $50,000,000 for the fiscal year ending June 30, 1975; and $150,000,000 for the fiscal year ending June 30, 1976.

"PAYMENT OF GRANTS

"SEC. 1246. The amount of any grant under this title shall be determined by the Secretary. Payments under such grants may be made in advance or by way of reimbursement and at such intervals and on such conditions as the Secretary finds necessary.

"PROHIBITION ON TRANSFER OF FUNDS

"SEC. 1247. (a) No funds appropriated pursuant to any of the preceding sections of this title shall be available for any purposes other than the purposes of the program authorized by the particular section pursuant to which such funds are appropriated.

"(b) No funds, except those appropriated under this title, shall be used for the purposes of carrying out the provisions of this title.

"(c) Only funds appropriated under titles IX and XII of this Act shall be used to initially develop, construct, and initially operate a health maintenance organization, supplemental health maintenance organization, health service organization, and any other entity that provides, either directly or indirectly through arrangements with others, health care to a defined population on a prepaid basis.

"LABOR STANDARDS

"SEC. 1248. All laborers and mechanics employed by contractors or subcontractors on all construction projects assisted under this title shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act. The Secretary of Labor shall have with respect to the labor standards specified in this section the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176) and section 2 of the Act of June 13, 1934.

"OPEN ENROLLMENT WAIVER

"SEC. 1249. In a case where all appropriated funds are expended under section 1245 (b)(2) and where a health maintenance organization, supplemental health maintenance organization, or health service organization demonstrates to the satisfaction of the Secretary that it has a disproportionate share of high-risk enrollees and by maintaining open enrollment it would be required to enroll a nonrepresentative cross section of the community in which it provides services, to the extent that financing is available and people are willing to enroll, and the enrollment of such disproportionate share of high-risk enrollees will jeopardize its economic viability, the Secretary may waive such requirement for open enrollment for a period of not more than three years. A health maintenance, supplemental health maintenance, or health service organization may receive more than one such waiver.

"ACCESS TO RECORDS

"SEC. 1250. (a) Each recipient of Federal funds under this Act shall keep such records as the Secretary shall prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such funds, the total cost of the undertaking in connection with which such funds are given or used, the amount of that portion of the cost of the undertaking supplied by other sources, and such other records as will facilitate an effective audit.

"(b) The Secretary of Health, Education, and Welfare and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of the recipients of Federal funds under this Act.

"COMPREHENSIVE SERVICES PHASE-IN

"SEC. 1251. The Secretary may grant a waiver to an applicant for assistance under this title, with respect to the provision of a specific service, required to be provided as a component of comprehensive health services where he determines that—

"(1) such service cannot be provided by the applicant solely because of the required health manpower to provide such service is not available; and

"(2) the applicant has a feasible plan to provide such service at the earliest possible date, such date not to exceed three years from the date assistance under this title is first granted to such applicant.

"COMPREHENSIVE HEALTH SERVICES FOR INDIANS AND MIGRANT WORKERS

"SEC. 1252. The Secretary is authorized to contract with health maintenance organizations, supplemental health maintenance organizations, or health service organizations to provide health services to individuals who are eligible for such services from the Indian Health Service or under section 310 of this Act.

"PART F—SPECIAL PROJECT GRANTS TO FACILITATE HEALTH SERVICES IN NONMETROPOLITAN AREAS

"SEC. 1260. (a) The Secretary is authorized to make grants to or contracts with any public or nonprofit private entity (which otherwise may not be eligible for grants or assistance under this title) to study, initiate, and evaluate projects for the delivery, or to facilitate the delivery, in nonmetropolitan areas of comprehensive health services on a prepaid basis."

TITLE IV—COMMISSION ON QUALITY HEALTH CARE ASSURANCE

SHORT TITLE

SEC. 401. This title shall be known as the "Commission on Quality Health Care Assurance Act of 1973".

STATEMENT OF PURPOSE

SEC. 402. It is the purpose of this title to promote the quality of health care in the United States by establishing a Commission on Quality Health Care Assurance to develop, establish, and encourage parameters and standards for quality health care.

SEC. 403. The Public Health Service Act, as amended by this Act, is further amended by inserting after title XII the following new title:

"TITLE XIII—COMMISSION ON QUALITY HEALTH CARE ASSURANCE

"PART A—COMMISSION ON QUALITY HEALTH CARE ASSURANCE

"ESTABLISHMENT OF COMMISSION

"SEC. 1301. (a) There is hereby established (as an independent agency in the executive branch) a Commission on Quality Health Care Assurance.

"(b) The Commission shall be composed of eleven members to be appointed by the President by and with the advice and consent of the Senate from among individuals who by virtue of their service, experience, or education are especially qualified to serve on the Commission. In making such appointments the President shall appoint individuals who are representative of the health care delivery industry, private organizations engaged in developing health care quality standards which may be applicable on a national basis, and consumers not related to the delivery of health care. The terms of office of each member of the Commission shall be five years except that—

"(1) the members first appointed shall serve, as designated by the President, three for a term of one year, two for a term of two years, two for a term of three years, two for a term of four years, and two for a term of five years;

"(2) any member appointed to fill a vacancy shall serve for the remainder of the term for which his predecessor was appointed; and

"(3) a member shall be eligible for reappointment for one additional term.

"(c) The President shall designate one of the members to serve as Chairman and one to serve as Vice Chairman of the Commission.

"(d) Any vacancy in the Commission shall not affect its power and six members of the Commission shall constitute a quorum.

"(e) Four members of the Commission shall be consumers not related to the delivery of health care.

"DUTIES OF THE COMMISSION

"SEC. 1302. (a) The Commission shall—

"(1) promulgate standards for qualifications of personnel, composition of medical groups, and other characteristics dealing with the adequacy of facilities and equipment;

"(2) conduct such research and experimental programs as are determined necessary for the development of—

"(A) criteria for new and improved quality assurance systems, and

"(B) norms, with regard to processes, utilization characteristics, and outcomes;

"(3) require and monitor, in accordance with criteria established based upon findings under paragraph (2), quality assurance systems for health maintenance organizations, supplemental health maintenance organizations, health service organizations, and other providers of health care subject to the provisions of this Act and the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 which shall be designed to—

"(A) improve as well as assess the quality of health care;

"(B) evaluate the inputs, processes, utilization characteristics, and outcomes of health care as related to individuals and population groups, and establish relationships between inputs, processes, utilization characteristics, and outcomes;

"(C) concentrate on those illnesses which have relatively high incidence in the population and which are particularly influenced by medical treatment, rather than on unusual illnesses or conditions whose course is little influenced by therapy;

"(D) improve as well as assesses the accessibility, availability, and acceptability of health care provided by health maintenance organizations, supplemental health maintenance organizations, and health service organizations, or other providers of health care;

"(E) develop procedures for such systems to report through the policymaking body of the health maintenance, supplemental health maintenance, or health service organization (or as appropriate in the case of any other provider of health care) to the membership and to the Commission on Quality Health Care Assurance; and

"(F) take into account the need for inclusion of consumers as well as the several health care disciplines in the decisionmaking membership of the system;

"(4) issue certificates of compliance to providers of health care certifying that such providers maintain an approved quality assurance system and are otherwise conforming with requirements published under this section;

"(5) after a hearing on the record, revoke or suspend such certificate where it determines that such provider has significantly deviated from the standards, approved quality assurance system, or the norms published pursuant to this section unless such deviation is justified to the satisfaction of the Commission;

"(6) monitor reports by health care providers covered by this Act and the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963, for the purpose of assuring that the performance of such health care providers is in conformance with the approved quality assurance system and norms published under this section;

"(7) publish objective statistical descriptions of norms accumulated through experience and results of programs conducted under this Act and the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963;

"(8) conduct a program of research and development which shall have the objectives of—

"(A) improving the technology of assessing the quality of health care with emphasis on the outcomes of health care;

"(B) assessing and comparing the quality of health care provided under different delivery system arrangements;

"(C) analyzing the effects of providing information to consumers and improvement in the methods of information dissemination;

"(D) analyzing the impact of its quality assurance program upon the quality of health care for the American people; and

"(E) coordinating the collection, assimilation and cataloging of existing information regarding quality health care assurance programs of Federal, State, and local agencies and their relationships with one another, with due regard for the protection of the confidential nature of the doctor-patient relationship;

"(9) collect, summarize, and distribute information regarding the impact of medical services and the health status of the population of the United States;

"(10) provide technical assistance to providers of health care in the development of quality control programs;

"(11) study the levels, costs, and quality of health care under health care programs of the Federal Government;

"(12) administer the reinsurance program established under part B of this title;

"(13) analyze the need for standardization of medical record information and facilitate the development of a system of standard medical reference mechanisms;

"(14) prescribe a schedule of reasonable contingent fees for attorneys representing claimants in proceedings under section 1309; and

"(15) annually report to the President and to the Congress on the conduct of activities under this title (including results of studies conducted under paragraph (11)) together with such recommendations for additional legislation as the Commission may determine appropriate.

"(b) In developing quality health care assurance system criteria the Commission's consideration shall include but not be limited to existing State regulations, such standards as are in effect for Federal health agencies, and analysis of the results of the reinsurance program and the results of arbitration procedures under part B of this title.

"ADMINISTRATIVE POWERS

"SEC. 1303. (a) In order to carry out the provisions of this Act the Commission is authorized to—

"(1) appoint and fix the compensation of personnel of the Commission in accordance with the provisions of title 5, United States Code;

"(2) make, promulgate, issue, rescind, and amend rules and regulations as may be necessary to carry out the junctions vested in the Commission and delegate authority to any officer or employee;

"(3) acquire (by purchase, lease, condemnation, or otherwise), construct, improve, repair, operate, and maintain, research and other necessary facilities and equipment, and related accommodations as may be necessary, and such other real or personal property (including patents) as the Commission deems necessary; to acquire by lease or otherwise through the Administrator of General Services, buildings or parts of buildings in the District of Columbia or communities located adjacent to the District of Columbia for the use of the Commission for a period not to exceed ten years without regard to the Act of March 3, 1877 (40 U.S.C. 34);

"(4) employ experts and consultants in accordance with section 3109 of title 5, United States Code;

"(5) appoint one or more advisory committees (including a committee for the preparation and analysis of statistics) composed of such private citizens and officials of Federal, State, and local governments as it deems desirable, to advise the Commission with respect to its functions under this Act;

"(6) utilize, with their consent, the services, equipment, personnel, information, and facilities of other Federal, State, and local public agencies with or without reimbursement therefor;

"(7) accept voluntary and uncompensated services, notwithstanding the provisions of section 665(b) of title 31, United States Code;

"(8) accept unconditional gifts or donations of services, money, or property, real, personal, or mixed, tangible or intangible; and

"(9) take such actions as may be required for the accomplishment of the objectives of the Commission.

"(b) Upon request made by the Commission each Federal agency is authorized and directed to make its services, equipment, personnel, facilities, and information (including suggestions, estimates, and statistics) available to the greatest practicable extent consistent with other laws to the Commission in the performance of its functions with or without reimbursement. Where the Commission determines that such services, equipment, personnel, facilities, and information cannot be made available for utilization in a manner which would enable it to expeditiously perform its duties under this Act, the Commission may establish where necessary the programs necessary to accomplish its tasks.

"(c) Each member of a committee appointed pursuant to paragraph (5) of subsection (a) of this section who is not an officer or employee of the Federal Government shall receive an amount equal to the maximum daily rate prescribed for GS–18 under section 5332 of title 5, United States Code, for each day he is engaged in the actual performance of his duties (including traveltime) as a member of a committee. All members shall be reimbursed for travel, subsistence, and necessary expenses incurred in the performance of their duties.

"(d) The Chairman shall be the chief executive and the administrative officer of the Commission and shall exercise the responsibility of the Commission with respect to—

"(1) the appointment and supervision of personnel employed by the Commission;

"(2) the distribution of jobs among the perosnnel of the Commission; and

"(3) the use and expenditure of funds.

"COMPENSATION

"SEC. 1304. (a) Section 5314 of title 5, United States Code, is amended by adding at the end thereof the following new paragraph:

"'(60) Chairman, Commission on Quality Health Care Assurance.'

"(b) Section 5315 of title 5, United States Code, is amended by adding at the end thereof the following new paragraphs:

"'(98) Members, Commission on Quality Health Care Assurance (10).

"'(99) General Counsel, Commission on Quality Health Care Assurance.'

"APPLICABILITY OF COMMISSION REQUIREMENTS

"SEC. 1305. (a) Except as provided in subsection (b) the requirements established by the Commission pursuant to section 1302 shall apply to any provider of health care receiving assistance under this Act or the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 after the date of enactment of this title.

"(b) Any provider covered under this Act or the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963, may apply to the Commission for a temporary order granting a variance from any requirement or any provision thereof promulgated under section 1302 of this Act. Such temporary order shall be granted only if the provider files an application which establishes that—

"(1) the provider is unable to comply with a requirement by its effective date because of unavailability of professional or technical personnel or of materials and equipment needed to come into compliance with any requirement or because necessary construction, alteration, or modernization of facilities cannot be completed by its effective date; and

"(2) the provider has an effective program for coming into compliance with any requirement as quickly as possible with adequate interim safeguards for the protection of consumers of health care.

"(c) The Commission is authorized to grant a variance from any of its requirements or portion thereof whenever it determines or the Secretary of Health, Education, and Welfare certifies that such a variance is necessary to permit a provider to participate in a project approved by him designed to validate new and improved techniques of health care delivery systems.

"REPORTS AND MAINTENANCE OF RECORDS

"Sec. 1306. (a) Each provider, covered under this title, shall make, keep, and preserve, and make available to the Commission and the Secretary of Health, Education, and Welfare, such records regarding activities governed by this title as the Commission, in cooperation with the Secretary of Health, Education, and Welfare, shall prescribe.

"(b) The Commission shall prescribe rules and regulations as may be necessary with regard to inspection of the records and facilities of a provider.

"DISCLOSURE TO CONSUMERS OF HEALTH CARE SERVICES

"Sec. 1307. (a) A description of any health care plan covered by this title shall be published as required herein within ninety days after the establishment of such plan or when such plan becomes subject to this title.

"(b) A description of the plan shall be comprehensive and shall include, in a manner designed to be understood by the average enrollee, the following:

"(1) fees and prices;

"(2) scope of services included in benefit packages;

"(3) accessibility and availability of services including the location of the facilities, equipment available, hours of operation, practitioners by type and location, and amenities;

"(4) the name and type of administration of the plan; and

"(5) a statement of certification by the Commission.

"(d) The Commission shall monitor the provision of information by providers of care as required by this section. In any case in which information is disclosed or disseminated under this title and is subsequently found to be insufficient, inaccurate, or inaccurately disseminated the Commission shall take such action as is necessary to assure a full retraction of the inaccurate information together with a statement of new data in a manner similar to the initial disclosure or dissemination of such information.

"(e) The disclosure must also include procedures to be followed in presenting claims for benefits under the plan and the remedies available under the plan for the redress of claims which are denied in whole or in part.

"(f) Every provider shall furnish a copy of the plan description (including amendments or modifications thereto) described in subsection (b), to every enrollee upon his enrollment in the plan, and cause the same to be published, in a manner prescribed by the Commission, to the general public.

"PENALTIES

"Sec. 1308. (a) (1) Whenever the Commission after reasonable notice and opportunity for hearing to the provider finds that the provider has significantly deviated from the approved quality assurance system or is engaged in practices which significantly deviate from national or regional norms as determined by the Commission, the Commission shall notify the provider, and the Secretary of Health, Education, and Welfare that such provider shall be ineligible to participate in assistance under this Act and the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 and that the certificate of approval has been suspended until such time as the provider is found to be in compliance with the requirements established under section 1302. Hearings conducted under this section shall be held, where practicable, in a location convenient to the provider of health care.

"(2) Providers of health care, who have had their certificate suspended for a period, which the Commission determines to be unreasonable, shall have their certificate revoked and shall be liable for the repayment of part or all amounts received under this Act and the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963.

"(3) The Commission is authorized to make arrangements with providers of health care who have had their certificates revoked, for reimbursement of amounts received under this Act, and the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963, including deferred payments on such terms and for such periods as are deemed equitable and appropriate.

"(b) Any person who knowingly makes any false statement, representation, or certification on any application, record, report, plan or other document filed or required to be maintained pursuant to this Act shall upon conviction be punished by a fine of not more than $10,000 or by imprisonment of not more than six months or by both.

"ARBITRATION

"Sec. 1309. (a) A provider of health care that possesses a valid certificate of compliance issued under section 1302 may enter into a program for the equitable and expeditious handling of malpractice claims which may arise out of care and treatment of patients. Such programs shall be based upon agreements between the patients and the providers of health care to submit all disputes, not settled to the satisfaction of both parties, to binding arbitration in order to gain the benefits of such programs for patients and providers. Records of all such settlements shall be kept by each provider of health care, and submitted to the Commission in such manner as it shall prescribe.

"(b) An agreement to submit to binding arbitration under subsection (a) must be valid in the jurisdiction in which such agreement is made and shall provide for the selection of arbitrators in accordance with rules and regulations promulgated by the Commission. For those providers who shall establish arbitration programs as specified in this section, title 9 of the United States Code shall apply to such arbitration programs if the State or States in which the provider is located has not enacted legislation providing for the finality of arbitration decisions, or for parties to enter into agreements to arbitrate prior to a dispute.

"(c) Written findings of fact and conclusions of law shall be prepared for each arbitration proceeding held under this section. In each case the findings shall be certified by the arbitrator to the Commission. The Commission shall develop a systematic codification of all findings of arbitration proceedings undertaken pursuant to this section and shall publish such findings at least annually or more frequently at the discretion of the Commission. The Commission shall certify all findings of arbitration proceedings undertaken pursuant to this section to all appropriate State or local licensing or disciplinary boards for each such arbitration procedure under the territorial jurisdiction of such board.

"(d) (1) Every attorney who, in connection with any proceedings under this section for personal injuries or for death or for loss of services resulting from personal injury proximately caused by medical malpractice, accepts a retainer or enters into an agreement, express or implied, for compensation for services rendered or to be rendered in such proceedings whereby his compensation is to be dependent or contingent in whole or in part upon the successful prosecution or settlement thereof, shall, within thirty days from the date of any such retainer or agreement of compensation, sign personally and file with the Commission a retainer statement of such retainer or agreement of compensation containing such information as the Commission shall require.

"(2) An attorney retained by another attorney on a contingent fee basis as trial or appeal counsel or to assist in the preparation, investigation, or settlement of any such proceeding, shall, within thirty days from the date of such retainer, sign personally and file with the Commission a retainer statement of such retainer or agreement of compensation containing such information as the Commission shall require.

"(3) A closing statement shall be filed with the Commission with every proceeding in which a retainer statement is required containing such information as the Commission shall require.

"(4) All statements of retainer or closing statements filed with the Commission shall be confidential, and the information therein contained shall not be divulged or made available for inspection or examination except upon written order of the Chairman or the General Counsel of the Commission.

"(5) Any attorney who charges or collects, for services rendered in connection with any proceedings described in this subsection, any fee in excess of that allowed by the Commission, shall be fined not more than $1,000 or imprisoned for not more than one year, or both.

"PUBLICATION OF CRITERIA AND NORMS

"Sec. 1310. (a) The Commission may, by rule, promulgate, modify, or revoke any quality health assurance system criterion or norm in the following manner:

"(1) whenever the Commission upon the basis of information submitted to it in writing by an interested person, a nationally recognized standard-producing organization, the Secretary of Health, Education, and Welfare, or a State or political subdivision, or on the basis of information developed by the Commission, or otherwise available to it, determines that a rule should be promulgated in order to serve the objectives of this title, the Commission shall publish such proposed rule promulgating, modifying, or revoking a standard or criterion for a quality health care assurance system or norm in the Federal Register, and shall afford interested persons a period of sixty days after publication to submit written data or comments.

"(2) on or before the last day of the period provided for the submission of written data or comments, any interested person may file with the Commission written objections to the proposed rule stating the grounds therefor and requesting a public hearing on such objections. Within sixty days after the last day for filing such objections the Commission shall publish in the Federal Register a notice specifying the criteria for quality health care assurance systems or norms to which objections have been filed and a hearing request and specifying a time and place for such hearing. Hearings conducted under this section shall be held, where practicable, in a location convenient to the person filing such objection.

"(3) within sixty days after the expiration of the period provided for the submission of written data or comments or within sixty days after the completion of any hearing, whichever is later, the Commission shall issue and publish in the Federal Register a rule promulgating, modifying, or revoking standards, criteria for quality health care assurance systems or norms, or notice of a determination that a rule should not be issued. Such a rule may contain a provision delaying its effective date and such period (not in excess of ninety days) as the Commission determines may be necessary to insure that affected persons will be informed of the existence of the criteria or norm and of its determinations and that they are given an opportunity to familiarize themselves with the existence of the requirements of such criteria or norm.

"(b) Any person who may be adversely affected by the promulgation of a rule issued respecting criteria or norms under this section may at any time prior to the ninetieth day after such criteria or norm is promulgated, file a petition challenging the validity of such criterion or norm with the United States district court for the district where such person resides or has his principal place of business for a judicial review of such criterion or norm. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Commission. The filing of such petition shall not, unless otherwise stated by the court, operate as a stay of the criterion or norm. The determination of the Commission shall be conclusive if supported by substantial evidence in the record considered as a whole.

"(c) (1) In the case of establishing criteria for the assimilation of objective statistical material required for the publication of norms, the Commission shall hold hearings only when it determines such hearings to be necessary.

"(2) The Commission shall publish in the Federal Register a summary and basis for the establishment of the criteria required by paragraph (1).

"(d) The Commission in compiling information for setting the requirements for this title shall solicit views and information from concerned entities.

"STATE JURISDICTION AND STATE PLANS

"SEC. 1311 (a) Nothing in this Act shall prevent any State agency or court from asserting jurisdiction under State law over any health issue with respect to which no standard, criterion, or norm is in effect under section 1302 of this Act.

"(b) Any State which at any time desires to assume responsibility for the development and enforcement of health standards, criteria, or norms relating to any health issue with respect to which a Federal standard, criterion, or norm has been promulgated under section 1302, shall submit to the Commission a State plan for the development of such standards, criteria, or norms and their enforcement.

"(c) The Commission shall approve the plan submitted by a State under subsection (b) or any modification thereof only if such plan—

"(1) designates a State agency or agencies as the agency or agencies responsible for administering the plan throughout the State;

"(2) provides for the development and enforcement of health standards, criteria, or norms relating to one or more health issues which standards, criteria, or norms (and the enforcement of which) will be no less stringent than the standards, criteria, or norms promulgated under section 1302 which relate to the same health issues;

"(3) provides for a right to entry and inspection of all premises of providers of health care subject to this Act and the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 which includes a prohibition on advance notice of inspections;

"(4) contains satisfactory assurances that such agency or agencies have or will have the legal authority and qualified personnel necessary for the enforcement of such standards, criteria, and norms;

"(5) gives satisfactory assurances that such State will devote adequate funds to the administration and enforcement of such standards, criteria, and norms;

"(6) contains satisfactory assurances that such State will, to the extent permitted by its law, establish and maintain an effective and comprehensive health program applicable to all providers of health care of the State and its political subdivisions, which program is as effective as the standards contained in an approved State plan;

"(7) requires providers of health care in the State to make reports to the Commission in the same manner and to the same extent as if the State plan were not in effect; and

"(8) provides that the State agency will make such reports to the Commission in such form and containing such information as the Commission shall from time to time require.

"(d) If the Commission rejects a plan submitted under subsection (b), it shall afford the State submitting the plan reasonable notice and opportunity for a hearing before so doing.

"(e) After the Commission approves a State plan submitted under subsection (b), it may, but shall not be required to, exercise its authority with respect to comparable standards, criteria, or norms promulgated under section 1302, for the period specified in the next sentence. The Commission may exercise the authority referred to above until it determines, on the basis of actual operations under the State plan, that the standards, criterions, or norms set forth in subsection (c) are being applied, but it shall not make such determination for at least three years after the plan's approval under subsection (c).

"(f) The Commission shall, on the basis of reports submitted by the State agency and its own inspections, make a continuing evaluation of the manner in which each State having a plan approved under this section is carrying out such plan. Whenever the Commission finds, after affording due notice and opportunity for a hearing, that in the administration of the State plan there is a failure to comply substantially with any provision of the State plan (or any assurance contained therein), it shall notify the State agency of its withdrawal of approval of such plan and upon receipt of such notice, such plan shall cease to be in effect, but the State may retain jurisdiction in any case commenced before the withdrawal of the plan in order to enforce standards under the plan whenever the issues involved do not relate to the reasons for the withdrawal of the plan.

"(g) The State may obtain a review of a decision of the Commission withdrawing approval of or rejecting its plan by the United States court of appeals for the circuit in which the State is located by filing in such court within thirty days following receipt of notice of such decision a petition to modify or set aside in whole or in part the action of the Commission. A copy of such petition shall forthwith be served upon the Commission, and thereupon the Commission shall certify and file in the court the record upon which the decision complained of was issued as provided in section 2112 of title 28, United States Code. Unless the court finds that the Commission's decision in rejecting a proposed State plan or withdrawing its approval of such a plan is not supported by substantial evidence, the court shall affirm the Commission's decision. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

"(h) The Commission may enter into an agreement with a State under which the State will be permitted to continue to enforce one or more health standards, criteria, or norms in effect in such State until final action is taken by the Commission with respect to a plan submitted by a State under subsection (b) of this section, or two years from the date of enactment of this title, whichever is earlier.

"PROCEDURES TO COUNTERACT IMMINENT DANGERS

"SEC. 1312. (a) The United States district courts shall have jurisdiction, upon petition of the Commission, to restrain any conditions or practices by a provider of health care which are such that a danger exists which could reasonably be expected to cause death or serious physical harm immediately or before the imminence of such danger can be eliminated through the enforcement procedures otherwise provided by this title. Any order issued under this section may require such steps to be taken as may be necessary to avoid, correct, or remove such imminent danger or to maintain the capacity of a continuous process operation to resume normal operations without a complete cessation of operations, or where a cessation of operations is necessary, to permit such to be accomplished in a safe and orderly manner.

"(b) Upon the filing of any such petition the district court shall have jurisdiction to grant such injunctive relief or temporary restraining order pending the outcome of an enforcement proceeding pursuant to this title. The proceeding shall be as provided by rule 65 of the Federal Rules of Civil Procedure, except that no temporary restraining order issued without notice shall be effective for a period longer than five days.

"(c) Whenever and as soon as the Commission concludes that conditions or practices described in subsection (a) exist it shall inform the affected provider of health care of the danger and that it shall seek relief under this section.

"(d) If the Commission arbitrarily or capriciously fails to seek relief under this section, any person who may be injured by reason of such failure, or the representative of such person might bring an action against the Commission in the United States district court for the district in which the imminent danger is alleged to exist or the provider has its principal office, or in the United States District Court for the District of Columbia, for a writ of mandamus to compel the Commission to seek such an order and for such further relief as may be appropriate.

"DEFINITIONS

"SEC. 1313. For the purposes of this title, the term—

"(1) 'input measure' means assessment based on the qualifications of personnel, facilities, and equipment required to provide medical care;

"(2) 'process measure' means assessment based upon the conformance of medical decisions and actions taken in actual episodes of care to some defined standards of medical practice;

"(3) 'utilization characteristics' means those characteristics giving information concerning the rates of usage of components of the health care system such as the length of hospital stays, the number of doctor-patient contacts, and the number of hospital admissions in a year;

"(4) 'outcome measure' means assessment of care based upon health of patients during and particularly at the conclusion of episodes of care. Standards for clinical outcome should be based solely on the results of health care;

"(5) 'Commission' means the Commission on Quality Health Care Assurance;

"(6) 'reinsurance program' means the Federal Medical Malpractice Reinsurance Program established under part B of this title; and

"(7) 'norm' means a statistical range which reflects the parameters of acceptable quality health care practices existing at the time such norm is promulgated.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 1314. There are authorized to be appropriated for the carrying out of the provisions of this part $15,000,000 for the fiscal year ending June 30, 1974; $40,000,000 for the fiscal year ending June 30, 1975; and $70,000,000 for the fiscal year ending June 30, 1976.

"PART B—FEDERAL MEDICAL MALPRACTICE REINSURANCE PROGRAM

"PROGRAM ESTABLISHED

"SEC. 1320. There is hereby established an insurance program to be known as the Federal Medical Malpractice Reinsurance Program which shall be administered by the Commission.

"SCOPE OF PROGRAM

"SEC. 1321. The Commission shall make medical malpractice liability reinsurance available to primary insurers of such liability to the extent that such primary insurers are liable for damages resulting from acts of an insured who holds a valid certificate of compliance in accordance with the requirements of section 1302.

"BASIC AUTHORITY

"SEC. 1322. (a) In carrying out the medical malpractice reinsurance program the Commission shall arrange for—

"(1) appropriate financial participation and risk sharing in the reinsurance program by insurance companies or other insurers, and

"(2) other appropriate participation on other than a risk-sharing basis by insurance companies or other insurers, insurance agents and brokers, and insurance adjustment organizations.

"(b) The Commission shall initially make reinsurance available to cover liability for amounts over $25,000 but not exceeding $1,000,000. If on the basis of studies and investigations, and other information that becomes available the Commission determines that it would be feasible to extend medical malpractice reinsurance programs to cover amounts less than $25,000 or more than $1,000,000 it may take such action under this Act as from time to time may be necessary.

"NATURE OF COVERAGE

"SEC. 1323. (a) The Commission from time to time shall, after consultation with appropriate representatives of insurance authorities of the respective States, provide by regulation for general terms and conditions of insurability which shall be applicable to primary medical malpractice insurers participating in the reinsurance program, including—

"(1) the nature and limits of liability which may be covered by such insurance;

"(2) the classification, limitation, and rejection of any risks which may be advisable;

"(3) appropriate minimum and maximum premiums;

"(4) appropriate deductibles; and

"(5) any other terms and conditions relating to insurance coverage or exclusion which may be necessary to carry out the provisions of this title.

"(b) The Commission may enter into such contracts, agreements, or other arrangements, upon such terms and conditions as may be agreed upon with primary insurers in order to carry out the purposes of this part.

"PREMIUM RATES

"SEC. 1324. (a) Premium rates established by the Commission shall be—

"(1) uniform with respect to similar classifications of risks;

"(2) sufficient to provide adequate proceeds to pay all claims for probable losses over a reasonable period of years; and

"(3) exclusive of any loading for administrative expenses of the United States under this part.

"(b) Premiums established under subsection (a) shall be paid to the Commission in such manner as the Commission shall prescribe by regulation.

"TREASURY BORROWING AUTHORITY

"SEC. 1325. (a) The Commission is authorized to issue to the Secretary of the Treasury from time to time and have outstanding at any time, in an amount not exceeding $500,000,000 (or such greater amount as may be approved by the President), notes or other obligations in such forms and denominations bearing such maturities, and subject to such terms and conditions as may be prescribed by the Commission, with the approval of the Secretary of the Treasury. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on the outstanding marketable obligations of the United States of comparable maturities during the month preceding the issuance of such notes or other obligations. The Secretary of the Treasury is authorized and directed to purchase any notes and other obligations to be issued under this subsection, and for such purpose he is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under such Act, as amended, are extended to include any purchases of such notes and obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this section. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated as public debt transactions of the United States.

"(b) Any funds borrowed by the Commission under this authority shall, from time to time, be deposited in the Medical Malpractice Reinsurance Fund established under section 1326.

"MEDICAL MALPRACTICE REINSURANCE FUND

"SEC. 1326. (a) To carry out the reinsurance program authorized by this Act, the Commission is authorized to establish in the Treasury of the United States a Medical Malpractice Reinsurance Fund which shall be available, without fiscal year limitation—

"(1) to repay to the Secretary of the Treasurer such sums as may be borrowed from him (together with interest) in accordance with the authority provided in section 1325 of this title;

"(2) to pay such administrative expenses (or portion of such expenses) of carrying out the reinsurance program as the Commission may deem necessary; and

"(3) to pay claims and other expenses and costs of the reinsurance program (including any premium equalization payments and reinsurance claims), as the Commission deems necessary.

"(b) The fund shall be credited with—

"(1) such funds borrowed in accordance with the authority provided in section 1325 of this Act as may from time to time be deposited in the fund;

"(2) such amounts as may be advanced to the fund from appropriations in order to maintain the fund in an operative condition adequate to meet its liabilities;

"(3) interest which may be earned on investments of the fund pursuant to subsection (c);

"(4) such sum as are required to be paid to the Commission under section 1324; and

"(5) receipts from any other operations under this Act which may be credited to the fund.

"(c) If, after all outstanding obligations have been liquidated, the Commission determines that the moneys of the fund are in excess of current needs, it may request the investment of such amounts as it deems advisable by the Secretary of the Treasury in obligations issued or guaranteed by the United States.

"PAYMENT OF CLAIMS

"SEC. 1327. The Commission is authorized to issue orders establishing the general method or methods by which proved and approved claims for losses may be adjusted and paid for any damage which is covered by medical malpractice reinsurance made available under the provisions of this Act."

TECHNICAL AMENDMENTS TO THE PUBLIC HEALTH SERVICE ACT

SEC. 501. (a) Section 1 of the Public Health Service Act is amended by striking out "titles I to X" and inserting in lieu thereof "titles I, II, and XIV".

(b) The Act of July 1, 1944 (58 Stat. 682), is further amended by renumbering title XII) as in effect prior to the date of enactment of this Act) as title XIV and by renumbering sections 1101 through 1114 (as in effect prior to such date) and references thereto as sections 1401 through 1414, respectively.

(c) Sections 767, 768, 769, 769A, and 769B of the Public Health Service Act (added by section 107 of Public Law 92-157) are redesignated as section 769, 769A, 769B, 769C, and 769D, respectively.

Mr. JAVITS. Mr. President, I would like the Senate to note that I have proposed, with the Senator from Pennsylvania (Mr. SCHWEIKER), a substitute for the Kennedy bill, and that that substitute will be presented to the Senate at an appropriate time, It is covered in detail in yesterday's RECORD, so that Senators preparing for the debate may have an opportunity to study the substitute and a summary, which I also put in the RECORD.

PROGRAM

Mr. GRIFFIN. Mr. President, if I may be recognized, I would like to inquire of the distinguished majority leader if he could give us whatever information is available concerning the schedule ahead.

Mr. MANSFIELD. Yes, indeed.

Mr. President, the pending business will not be taken up until Monday.

RESCISSION OF ORDER FOR ADJOURNMENT TO TOMORROW

Mr. MANSFIELD. Mr. President, at this time I ask unanimous consent that the order granted for the Senate to come in at 10 o'clock tomorrow be vitiated.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT UNTIL MONDAY, MAY 14, 1973

Mr. MANSFIELD. Instead, Mr. President, I ask unanimous consent that when the Senate adjourns tonight, it stand in adjournment until the hour of 12 o'clock noon Monday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. MANSFIELD. Mr. President, in response to the question raised by the distinguished acting Republican leader, following the pending business, it is anticipated that the Senate will then turn to the consideration of S. 723, a bill to establish a National Institute of Health Care Delivery; following that, hopefully, to S. 504, a bill to amend the Public Health Service Act to provide assistance and encouragement for the development of comprehensive medical service systems; and then it is anticipated that the Senate will proceed to the consideration of S. 1672, a bill to amend the Small Business Act or Calendar No. 130, S. 1423, a bill to amend the Labor-Management Relations Act, will be brought up.

It is also anticipated that there will be bills reported out of various committees over the weekend, and they will be called up as expeditiously as possible under the terms of agreement of the joint leadership.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. JAVITS. On Calendar No. 130, the Labor-Management Relations Act, that relates to a question of trust funds to defray the costs of legal services. I have discussed this with the Senator from Texas (Mr. TOWER), who has an amendment to the bill, and he is entirely agreeable to bringing it up any time after Monday, which would be agreeable to the Senator from New Jersey (Mr. WILLIAMS), and myself, and I suggest that the leader could do that; but of the two bills referred to, that would be the situation with respect to it.

Mr. MANSFIELD. Can the Senator indicate whether we could work out a time limitation on that bill?

Mr. JAVITS. That would depend upon the Senator from Texas (Mr. TOWER) and also upon the unanimous consent being in the usual form, because I think everybody will agree that we do not want to get into a broad-scale foray on the labor-management bill.

Mr. MANSFIELD. I agree.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

S. 1672—AMENDMENT OF SMALL BUSINESS ACT—UNANIMOUS-CONSENT AGREEMENT

Mr. ROBERT C. BYRD. Mr. President, I am authorized by the distinguished majority leader to make the following unanimous-consent request: that at such time as calendar order No. 123, S. 1672, a bill to amend the Small Business Act, is called up and made the pending business before the Senate, the following time agreement obtain: that there be 1 hour debate on the bill, equally divided between Mr. CRANSTON and the distinguished minority leader—

Mr. JAVITS. Mr. President, I am the ranking Republican member of the Small Business Committee, and I did not know about this.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I am directed by the distinguished majority leader to propose the following unanimous-consent request:

I ask unanimous consent that at such time as S. 1672, a bill to amend the Small Business Act, is called up for consideration by the Senate, there be a limitation of 1 hour's debate on the bill, to be equally divided between and controlled by the Senator from California (Mr. CRANSTON) and the Senator from Texas (Mr. TOWER); that there be a time limitation on any amendment, debatable motion, or appeal of 30 minutes; that there be a time limitation on an amendment to be proposed by Mr. TAFT of 2 hours; that the division of time and the agreement itself be in the usual form.

The PRESIDING OFFICER. Without objection, it is so ordered.

The text of the unanimous-consent agreement is as follows:

Order, That, during the consideration of S. 1672, a bill to amend the Small Business Act, debate on any amendment (except an amendment to be offered by the Senator from Ohio (Mr. TAFT), on which there will be 2 hours debate), debatable motion or appeal shall be limited to 30 minutes, to be equally divided and controlled by the mover of such and the manager of the bill: *Provided*, That in the event the manager of the bill is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or his designee: *Provided further*, That no amendment that is not germane to the provisions of the said bill shall be received.

Order further, That on the question of the final passage of the said bill debate shall be limited to 1 hour, to be equally divided and controlled, respectively, by the Senator from California (Mr. CRANSTON) and the Senator from Texas (Mr. TOWER): *Provided*, That the said Senators, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, motion or appeal.

ORDER FOR H.R. 6370 TO BE HELD AT DESK TEMPORARILY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that H.R. 6370 be held at the desk temporarily.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATORS ON MONDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Monday, immediately following the recognition of the two leaders under the standing order, the following Senators be recognized, each for not to exceed 15 minutes, and in the order stated: Mr. COOK, Mr. STEVENSON, Mr. GRIFFIN, and Mr. ROBERT C. BYRD of West Virginia.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR PERIOD FOR TRANSACTION OF ROUTINE MORNING BUSINESS AND RESUMPTION OF UNFINISHED BUSINESS (S. 14) MONDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that following the recognition of the aforementioned Senators under the 15-minute orders on Monday, there be a period for the transaction of routine morning business for not to exceed 30 minutes, with statements limited therein to 3 minutes, and that at the conclusion of the morning business the Senate resume its consideration of the unfinished business, S. 14.

THE PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORIZATION FOR SECRETARY OF THE SENATE TO RECEIVE MESSAGES DURING ADJOURNMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that during the adjournment over until Monday next, the Secretary of the Senate be authorized to receive messages from the other body and from the President of the United States and that they may be appropriately referred.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORIZATION FOR COMMITTEES TO REPORT BILLS AND RESOLUTIONS DURING ADJOURNMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that all committees may be authorized to report bills and resolutions during the adjournment over until Monday.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORIZATION FOR THE SIGNING OF DULY ENROLLED BILLS AND JOINT RESOLUTIONS DURING ADJOURNMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Vice President, the President pro tempore, and the Acting President pro tempore may be authorized to sign duly enrolled bills and joint resolutions during the adjournment over until Monday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, what is the pending business before the Senate?

The PRESIDING OFFICER. The pending business is S. 14, a bill to amend the Public Health Service Act.

Mr. ROBERT C. BYRD. Mr. President, I thank the Chair.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the program for Monday is as follows:

The Senate will convene at 12 o'clock noon. After the two leaders or their designees have been recognized under the standing order, the following Senators will be recognized, each for not to exceed 15 minutes and in the order stated: Senators COOK, STEVENSON, GRIFFIN, and ROBERT C. BYRD.

There will then be a period for the transaction of routine morning business for not to exceed 30 minutes with statements limited therein to 3 minutes, at the conclusion of which the Senate will resume the then unfinished business, S. 14, the public health service bill. Yea and nay votes will occur thereon.

On the disposition of that bill, the Senate will resume the consideration of S. 723, a bill to establish a National Institute of Health Care Delivery, and for other purposes.

In addition to that bill, Mr. President, the Senate will proceed to the consideration of S. 504, a bill to amend the Public Health Service Act to provide assistance and encouragement for the development of comprehensive emergency medical service systems.

When those measures have been disposed of, the Senate will then proceed to the consideration of S. 1672, a bill to amend the Small Business Act and S. 1423, a bill to amend the Labor Management Relations Act.

These bills have been stated in the order enumerated earlier, and presumably the suggestion submitted will be followed. However, it may be necessary to make certain modifications, depending upon the circumstances.

I repeat, yea-and-nay votes will occur on Monday.

ADJOURNMENT TO 12 NOON, MONDAY, MAY 14, 1973

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move in accordance with the previous order that the Senate stand in adjournment until 12 o'clock noon Monday next.

The motion was agreed to; and at 3:47 p.m. the Senate adjourned until Monday, May 14, 1973, at 12 noon.

NOMINATIONS

Executive nominations received by the Senate May 10, 1973:

FEDERAL TRADE COMMISSION

Mayo J. Thompson, of Texas, to be a Federal Trade Commissioner for the unexpired term of 7 years from September 26, 1968, vice A. Everette MacIntyre, resigned.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 10, 1973:

DEPARTMENT OF DEFENSE

Robert C. Hill, of New Hampshire, to be an Assistant Secretary of Defense.

Howard H. Callaway, of Georgia, to be Secretary of the Army.

CONSUMER PRODUCT SAFETY COMMISSION

The following-named persons to be Commissioners of the Consumer Product Safety Commission for the terms indicated:

For a term of 3 years from October 27, 1972

Richard O. Simpson, of California.

For a term of 4 years from October 27, 1972

Lawrence M. Kushner, of Maryland.

For a term of 6 years from October 27, 1972

Constance E. Newman, of the District of Columbia.

For a term of 7 years from October 27, 1972

Barbara H. Franklin, of New York.

IN THE COAST GUARD

Coast Guard nominations beginning Glen N. Armitage, to be commander, and ending Carl A. Zellner, to be commander, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on May 3, 1973.

(The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

IN THE AIR FORCE

The following officer under the provisions of title 10, United States Code section 8066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 8066, in grade as follows:

To be lieutenant general

Maj. Gen. Joseph G. Wilson, [redacted] FR (major general, Regular Air Force) U.S. Air Force.

IN THE ARMY

The following-named officers to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 3962:

To be lieutenant general

Lt. Gen. Julian Johnson Ewell, [redacted] Army of the United States (major general, U.S. Army).

Lt. Gen. William Raymond Peers, [redacted] Army of the United States (major general, U.S. Army).

Lt. Gen. Willard Pearson [redacted], Army of the United States (major general, U.S. Army).

Lt. Gen. Richard Thomas Cassidy, [redacted] Army of the United States (major general, U.S. Army).

The following-named officers under the provisions of title 10, United States Code, section 3066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 3066, in grade as follows:

To be lieutenant general

Maj. Gen. William Robertson Desobry, [redacted] Army of the United States (major general, U.S. Army).

Maj. Gen. Richard Joe Seitz [redacted], Army of the United States (major general, U.S. Army).

Maj. Gen. Raymond Leroy Shoemaker, [redacted] Army of the United States (major general, U.S. Army).

IN THE NAVY

Vice Adm. Thomas J. Walker III, U.S. Navy, for appointment to the grade of vice admiral, when retired, pursuant to the provisions of title 10, United States Code, section 5233.

Rear Adm. Thomas R. Weschler, U.S. Navy, having been designated for commands and other duties determined by the President to be within the contemplation of title 10, United States Code, section 5231, for appointment to the grade of vice admiral while so serving.

The following-named officers of the Navy for permanent promotion to the grade of rear admiral:

LINE

William J. Kotsch
Robert G. Mills
Eugene H. Farrell
James O. Mayo
Rowland G. Freeman III
David A. Webster
Rupert S. Miller
Raymond W. Burk
Carl J. Seiberlich
Lloyd W. Moffit
Joseph E. Snyder, Jr.
Samuel M. Cooley, Jr.
Forrest S. Petersen
Merton D. Van Orden
Bernard B. Forbes, Jr.
Wayne S. Nelson
Doniphan B. Shelton
Alan B. Shepard, Jr.
Dewitt L. Freeman
Henry S. Morgan, Jr.
Arthur W. Price, Jr.
Edward W. Cooke
Charles H. Griffiths
Dennis-James J. Downey
Charles D. Grojean
Chester G. Phillips
John M. Tierney
Alfred J. Whittle, Jr.
Isham W. Linder
James H. Doyle, Jr.
Charles P. Tesh
Harry "E" Gerhard, Jr.
William Thompson
James B. Wilson
Frank D. McMullen, Jr.
Donald B. Whitmire
Leonard A. Snead
William H. Rogers
Tyler F. Dedman
Wesley L. McDonald
Samuel L. Gravely, Jr.
Earl F. Rectanus
Charles F. Rauch, Jr.
William F. Clifford, Jr.
Stanley T. Counts
Edward C. Waller III
Harry D. Train II
James D. Watkins
William A. Myers III

MEDICAL CORPS

Oscar Gray, Jr.
Charles L. Waite
Richard D. Nauman
Willard P. Arentzen

SUPPLY CORPS

Philip Crosby
Kenneth L. Woodfin
Joe G. Schoggen
Edward E. Renfro III
James E. Forrest

CIVIL ENGINEER CORPS

Foster M. Lalor
Donald G. Iselin

DENTAL CORPS

Wade H. Hagerman, Jr.

IN THE MARINE CORPS

Lt. Gen. Hugh M. Elwood, U.S. Marine Corps, when retired, to be placed on the retired list in the grade of lieutenant general in accordance with the provisions of title 10, United States Code, section 5233.

Having designated, in accordance with the provisions of title 10, United States Code, section 5232, Maj. Gen. Leo J. Dulacki and Maj. Gen. Herbert L. Beckington, U.S. Marine Corps, for commands and other duties determined by the President to be within the contemplation of said section, I nominate them for appointment to the grade of lieutenant general while so serving.

U.S. DISTRICT COURTS

Albert G. Schatz, of Nebraska, to be a U.S. district judge for the District of Nebraska.

HOUSE OF REPRESENTATIVES—*Thursday, May 10, 1973*

The House met at 12 o'clock noon.

Rabbi Saul Israel Wisemon, Congregation Ahavas Achim, Newburyport, Mass., offered the following prayer:

מאת ה' היתה זאת היא נפלאת בעינינו
זה היום עשה ה' נגילה ונשמחה בו

This is the Lord's doing: It is marvelous in our eyes. This is the day which the Lord hath made: We will rejoice and be glad in it.—Psalm 118, verses 23–24.

Our Father, we pray that Thou will bless these men, chosen by the people of this great Nation.

We call to mind that 25 years have passed in Thy sight since our beloved America, reared in ancient Israel's spiritual heritage, helped nurture the State of Israel into being.

We thank Thee for the miracles of America and Israel which, with Thy everlasting mercies, will endure forever.

We pray Thee, protect all with that right, of that might, from above.

Grant that our spiritual kinship ever continues to grow stronger.

Guide our ways, that out of Zion shall come forth the law of justice for all mankind, Thy word of light, healing, hope, for all Thy children, from Jerusalem.

As we pray for the peace of Jerusalem and mankind, we ever thank Thee for this, our sweet land of liberty and democracy. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceeding and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment concurrent resolutions of the House of the following titles:

H. Con. Res. 109. Concurrent resolution providing for the printing of remarks of tribute to the late President of the United States, Lyndon Baines Johnson;

H. Con. Res. 126. Concurrent resolution to provide for the printing of 1,000 additional hearings entitled "Year-Round Schools"; and

H. Con. Res. 156. Concurrent resolution to provide for the printing of 1,000 additional hearings entitled "Corrections, Federal and State Parole System," parts VII–A and VIII–B, serial 15, 92d Congress.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 394) entitled "An act to amend the Rural Electrification Act of 1936, as amended, to reaffirm that such funds made available for each fiscal year to carry out the programs provided for in such act be fully obligated in said year, and for other purposes."

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 352. An act to amend title 13, United States Code, to establish within the Bureau of the Census a Voter Registration Administration for the purpose of administering a voter registration program though the Postal Service;

S. 590. An act to require that future appointments of certain officers in the Executive Office of the President be subject to confirmation by the Senate; and

S. 607. An act to amend the Lead-Based Paint Poisoning Prevention Act, and for other purposes.

HAPPY BIRTHDAY TO THE SPEAKER

(Mr. McFALL asked and was given permission to address the House for 1 minute, to revise and extend his remarks.)

Mr. McFALL. Mr. Speaker, I should like to call the attention of the Members to the fact that today is the Speaker's birthday. I know that everyone wishes him a happy birthday.

FILLING VACANCIES IN THE VIRGIN ISLANDS' LEGISLATURE

(Mr. DE LUGO asked and was given permission to address the House for 1 minute, and to revise and extend his remarks and include extraneous matter.)

Mr. DE LUGO. Mr. Speaker, I have today introduced a bill to empower the Legislature of the Virgin Islands to determine the procedure for filling vacancies in its membership. Under present law, the Revised Organic Act of the Virgin Islands, the Governor may appoint individuals to serve in the legislature when vacancies occur. There is no provision for a special election.

This authority has recently been exercised by the Governor over a month after the incumbent resigned to accept the Lieutenant Governorship and a full 18 months before the people will have a chance to express their opinion at the polls. I believe that this system of executive designation of a member of the legislative branch is contrary to the democratic process and an abdication of the people's prerogative to select their representatives.

Direct election by the people is the only method by which an individual may attain membership in the House of Representatives. Mr. Speaker, as you pointed out a few weeks ago, it is this factor which makes this body the most important democratic institution in the Nation. If the Legislature of the Virgin Islands is to truly be the people's forum at the territorial level, it must also maintain this qualification.

Therefore, I contend that democratic principles demand that vacancies in the legislature be filled by the people at special elections. When vacancies occur shortly before a general election, the need for a special election, of course, would be obviated.

The people's right to select their legislators should not be abrogated for convenience or cost-saving reasons. My bill would let the people's territorial representatives determine this procedure. I have refrained from spelling out a procedure in my legislation because of my commitment to self-determination and my belief that this is a decision that should rightfully be made by the Legislature of the Virgin Islands.

FARM SUBSIDY NO. 2

(Mr. CONTE asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. CONTE. Mr. Speaker, Montana is called the Treasure State. After reading the list of Federal farm subsidy recipients I know why.

Montana received $865,000 last year from the Department of Agriculture for not growing crops. For a State with an annual budget of $115 million, that is quite a treasure.

One State-owned "farm"—which covers half a county—received a single payment of $828,000. Obviously, the $55,000 payment limitation that applies to individual farmers does not apply to State-owned farms.

With subsidies like that, it is no wonder that Montana's State motto is "Gold and Silver."

Washington is known as the "Evergreen State." A farm subsidy payment of $117,000 helped keep Washington green last year. With payments like that, Washington should change its State motto "By and By" so it is spelled "B-u-y."

Oklahoma whose State motto is "Labor Conquers All Things," found it easier last year on one State-owned farm to put labor aside and collect a $42,000 farm subsidy instead of growing crops.

The farm subsidy program was intended to help farmers. It did not warrant these State raids on the Federal Treasury. It is time to overhaul the farm subsidy program.

CONFERENCE REPORT ON S. 394, RURAL ELECTRIC AND TELEPHONE LOANS

Mr. POAGE. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report on the bill (S. 394) to amend the Rural Electrification Act of 1936, as amended, to reaffirm that such funds made available for each fiscal year to carry out the programs provided for in such act be fully obligated in said year, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. POAGE. Mr. Speaker, I ask unanimous consent that the statement of the managers be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of May 9, 1973.)

Mr. POAGE. Mr. Speaker, I merely want to point out that this conference report has the approval of all the conferees on both sides and as far as I know there is no argument about the report. We believe that it meets the requirements of both the proponents of the legislation and those who at one time felt the legislation was dangerous, and as far as we know it meets the approval of the administration.

Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr. Teague).

Mr. TEAGUE of California. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I signed the conference report. I have every reason to believe that the bill will be signed into law.

At the outset, I want to pay a special compliment to Chairman Poage for his statesmanship and skill in developing this bill.

In addition, Mr. Speaker, I want to pay a special tribute to another great legislator whose untiring work contributed so much to the development of this bill—this legislator is not even a member of our committee, but his presence and good will have been invaluable throughout the entire lengthy and often difficult dialog that precedes our action today. I refer, of course, to our distinguished colleague from Minnesota, the former Administrator of REA, and my good friend, the Honorable Ancher Nelsen.

While there are several provisions in this conference report which I do not fully approve, I would say that in total it represents a bona fide compromise and an improvement over the situation that prevailed only 6 months ago.

Six months ago the entire REA and RTA system was under a 2-percent-subsidized loan program. Under this conference report, the bulk of these borrowers will be under a 5-percent-or-greater interest rate program. Only $105 million out of a total capital availability approaching $1 billion will remain on the 2-percent crutch.

Three months ago the other body has approved an REA bill which would have forced the restoration of the old program. Six weeks ago the House passed another mandatory version.

Under this conference report the "forced spending and lending" language has been deleted. Thus, the key defect in both versions has been cured.

Looking toward the future, all concerned know that the Secretary's letter in behalf of the administration is only a 3-year pledge. Therefore, after fiscal year 1976, it clearly will be legally possible as well as entirely probable from a fiscal standpoint to end the 2-percent loan program completely. That is a goal I have sought for many years.

Again looking ahead, there are some other aspects of this legislation that I think merit some further comment.

While this conference report does not change the direct loan authority in the existing act, it would be inconceivable to me, and I assume to the other conferees and the administration, that the old direct loan program be revived and restored. It certainly is not my intent to do so, and I strongly urge that in the days and years ahead the needed rural electric and rural telephone financing be done through the insured and guaranteed loan structure provided by this legislation.

Another point that I feel needs some discussion is the control of future loan levels through the appropriations process. I certainly hope that each year our Appropriations Committee will carefully study and control the fiscal situation at hand. In that way, Congress can make sure that excessive amounts of money in the revolving fund are transferred to the Treasury as well as reviewing the level of loans contemplated by the administration. Certainly no more than a 3-year future cash requirement should be built up.

The bill also contemplates that program levels could be set in future Department of Agriculture budgets. If at any time appropriations for the Department are provided by a continuing resolution, it would seem sensible to me that the program levels would be considered to be governed by the same resolution.

In my opinion REA should also continue to encourage participation by CFC and other lenders in concurrent loans with REA where borrowers are capable of paying such blended interest rate and achieving the Rural Electrification Act objectives.

I would also point out that included in this conference report is Secretary Butz's letter of May 8, 1973, assuring that during each of the next 3 years "not less than $80 million for the electric program and $25 million for the telephone loan program will be made available at the 2-percent rate." This commitment appears to assume that the section 305(b) 2-percent interest formula based on density or revenue per mile will result in loans aggregating not less than the amount of the commitment. If it does not, I see no reason the Administrator need use his discretionary power to reach the stipulated amount.

Furthermore in applying the 2-percent criteria of revenue per mile as compared to the average of all borrowers, the most recent compilation should be used, but the same time period should be used for comparing the individual borrower's revenues and the average of all borrowers' revenues.

Also let me venture my view that the fund will have ample assets to begin operations immediately on enactment. The conference report thus expresses the expectation that loans will be made beginning with the effective date of the act, and that for the balance of the current fiscal year, proportionally the same general program level will be followed as that budgeted for fiscal year 1974. That expectation can in my opinion still be realized despite the absence this year of limitations on the program levels which may be provided in future appropriation acts.

Finally, the conference report amends section 407 of the Rural Electrification by increasing the bank's borrowing power from "8" to "20" times paid in capital and retained earnings. I woulld like to point out that this increase is, of course, merely an authorization to be used if needed and is not to be taken as a mandate to undertake so great an increase in the scope of the bank's operations.

Mr. FINDLEY. Mr. Speaker, will the gentleman yield?

Mr. TEAGUE of California. I yield to the gentleman from Illinois.

Mr. FINDLEY. Mr. Speaker, I would like to congratulate the conferees on what I consider to be a notable achievement, legislation that will set a fair and proper framework for loans to rural electric cooperatives for many years to come.

Mr. MICHEL. Mr. Speaker, will the gentleman yield?

Mr. TEAGUE of California. I yield to the gentleman from Illinois.

Mr. MICHEL. Mr. Speaker, I just want to say that as a member of the Appropriations Subcommittee which has jurisdiction over the agriculture, environmental and consumer protection areas of our Federal budget, I am both pleased and relieved that the agreement reached by the conferees on this REA legislation includes the traditional safeguards of our appropriation process here in the House.

I was quite concerned about the lack of such safeguards in the bill as it passed the House, and I believe we owe a great deal to the good judgment of the conferees in putting together a compromise package which incorporates annual review and examination of this program by the Appropriations Committee.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. TEAGUE of California. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, I would like to say as one who voted against the previous legislation on this subject that I desire to commend the conferees for their report and will now support the conference report.

Mr. MIZELL. Mr. Speaker, will the gentleman yield?

Mr. TEAGUE of California. I yield to the gentleman from North Carolina (Mr. Mizell).

Mr. MIZELL. Mr. Speaker, I too would like to join in congratulating the conferees for an excellent job, and I urge passage of the legislation.

This is a bill I can support without reservation, because it meets the needs of rural America and passes the test of fiscal responsibility at the same time.

With this legislation, rural citizens are assured of the electrical services they need at the cost they can afford to pay. Two-percent money is still available in these areas where it is needed, and the 5-percent money authorized for other areas reflects the realistic approach that characterizes the entirety of this legislation.

We are living in 1973, not 1936, and just as all other conditions have changed in the intervening 37 years, the Rural Electrification program stood in need of change as well.

I cannot help stating my belief that we could have saved ourselves and our rural constituents a great deal of time and trouble—about 3 months worth—by taking this responsible position at the outset rather than going through this needless delay to consider an unrealistic and clearly unacceptable proposal.

But I hope the kind of legislation we have before us today will be the rule rather than the exception for all legislation we pass in the 93d Congress. This legislation is designed to solve a problem and serve a need, not to provide grounds for fruitless and pointless political confrontation.

If we can continue to work in that spirit, the American people will surely be the beneficiaries, as will the Congress.

Mr. SYMMS. Mr. Speaker, will the gentleman yield?

Mr. TEAGUE of California. I yield to the gentleman from Idaho (Mr. Symms).

Mr. SYMMS. Mr. Speaker, as a member of the Committee on Agriculture I would like to commend both the chairman of the committee and the ranking minority member, as well as Mr. Nelson of Minnesota and the other House conferees who worked on this conference report and produced results which I hope will give a lasting solution to the funding of REA and take away most of the inequities of subsidized interest rates which have been objectionable to many of the Members of this House.

I intend to vote for passage of this bill.

Mr. PICKLE. Mr. Speaker, I rise in support of the Conference Report 93–169 accompanying S. 394.

I think that the outstanding job accomplished by the Agriculture Committee under its distinguished chairman, the Honorable Bob Poage of Texas, is a great example of the legislative body finding a solution that is fair and reasonable to a controversy between the legislative and executive branches.

I have stated several times on the floor of the House that the REA program is an excellent program—it has brought to our rural areas the tools of productivity. Furthermore, Mr. Speaker, there is still a job to be done for our rural people through REA.

Yes, circumstances have changed, and S. 394 recognizes these changes. I only wish more committees in Congress could use this kind of common sense approach.

In conclusion, I urge the passage of S. 394 as reported by the conference.

Mr. MAYNE. Mr. Speaker, I am pleased to rise in support of the conference report on S. 394, the act to amend the Rural Electrification Act of 1936 as amended, and to urge its adoption by the House.

As reported, S. 394 is an outstanding bill which will meet the needs of the rural electrification and rural telephone program throughout the country. Through the 3-year commitment by the administration, it provides the rural electric and telephone borrowers the opportunity to make long-range plans.

The legislation recognizes the need for continuing financial assistance to these important institutions, while also recognizing the fact that the cost of borrowing of the Federal Government has gone up and that some rural electric and rural telephone borrowers can now afford to pay their own way. The bill provides for low interest loans for those borrowers who cannot afford to borrow in the commercial market, primarily electric cooperatives and telephone borrowers still serving truly rural areas which require many miles of line to serve a few customers. Other borrowers would be able to qualify for 5 percent interest loans on an insured basis. All in all it will create a capital source approaching $1 billion annually, and is a good bill that will provide rural America with the financial means to make power and communications available to our farmers and rural residents.

I congratulate the members of the conference for their patient and dedicated efforts in working out this final version satisfactory to all parties involved. I would especially note for praise the efforts of Secretary of Agriculture Butz and his staff for their diligence, flexibility and reasonableness, and for their willing cooperation in helping the conference arrive at this report, a report which the Secretary has strongly endorsed and which I have every reason to believe President Nixon will sign into law. The agreement was made possible when the conferees dropped the mandatory requirements to which the administration objected. In return for this action Secretary Butz assured the conference that during each of the next 3 years, an REA program at levels not less than that budgeted for fiscal year 1974 will be operated through the Rural Electric Administration, and that not less than $105 million—$80 million for the electric program and $25 million for the telephone loan program—will be made available for new loans at the 2-percent rate.

I wish also to note with praise those rural electric and telephone leaders who persisted in continuing to meet with representatives of the administration and of the congressional committees and to negotiate in a spirit of reasonableness and cooperation. Their reasoned efforts on behalf of enacting a bill earning Presidential approval instead of daring certain veto won out in the end.

I especially appreciate the advice and counsel of the leaders of the Iowa Association of Electric Cooperatives that have worked so diligently for the enactment of a constructive bill. Their work has helped make possible the achieving of this legislation, which will help ensure a viable rural electric and telephone system so vitally important to the development of rural America.

Mr. Speaker, I respectfully urge all my colleagues in this House to give their strong support to the adoption of the conference report.

Mr. NELSEN. Mr. Speaker, I enthusiastically urge the adoption of this conference report on S. 394 to amend the Rural Electrification Act of 1936.

For many years, some of us have looked forward with the hope that a plan of this kind might become a reality and likewise with economic conditions as they are, a more realistic rate of interest would be a responsibility that should be met.

Living on a farm as I do and once having been administrator of this program, I am fully aware of the tremendous contribution that has resulted from the electrifying of rural America. In addition, we have stimulated an expanded market for manufactured goods and appliances.

The passage of this measure will be a bipartisan endorsement by the Congress of the United States of the performance of this program in the past 38 years.

The terms of this bill will provide for a revolving fund in the U.S. Treasury under the administration of the Rural Electrification Administration. Provision is made for some loans at a low rate of interest where economic circumstances justify the rate. Generally, loans are authorized at a 5-percent rate and a guaranteed rate which could be called a cost of money rate. Provisions are also included in this measure which will improve the telephone program which has performed admirably in providing telephone service to rural America.

An important part of the bill is a provision that makes interest payments on loans outstanding as well as principal payments a part of a revolving fund which will grow to sizable proportions, giving assurance that adequate funds will be available in the future. There are those who might be concerned that large amounts of money would be misused, but I would remind them that the Congress will sit in the Appropriations Committee with an overview of the financial operation and dollar level of expenditures. Such a provision gives assurance to the taxpayers of the country of the careful expenditure of these dollars.

Mr. Speaker, I wish to commend our colleague, Mr. Poage, the chairman of the House Agriculture Committee, for the work he has done on this legislation, both here in the House of Representatives and in the conference committee. Without his diligence and cooperation, the outlook for the REA program as we know it would be quite dim today. I have enjoyed working with him and the other members of the Agriculture Committee on this bill. A lot of work has gone into the formulation of this new program which culminates in this conference report through the cooperative efforts of many in the REA program itself around the country, officials in the administration and many of our colleagues.

The SPEAKER. Without objection, the previous question is ordered on the conference report.

There was no objection.

The SPEAKER. The question is on the conference report.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. CEDERBERG. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make a point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 363, nays 25, not voting 45, as follows:

[Roll No. 134]

YEAS—363

Abdnor
Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Arends
Armstrong
Ashbrook
Ashley
Aspin
Bafalis
Baker
Barrett
Beard
Bennett
Bergland
Bevill
Biester
Bingham

Boggs
Boland
Bolling
Bowen
Brademas
Brasco
Bray
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Broyhill, N.C.
Broyhill, Va.
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton
Butler
Byron
Carey, N.Y.
Carney, Ohio
Casey, Tex.
Cederberg
Chamberlain
Chappell
Chisholm
Clark
Clausen, Don H.
Clay
Cleveland
Cochran
Cohen
Collier
Conable
Conlan
Conyers
Corman
Coughlin
Culver
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Delaney
Dellenback
Dellums
Denholm
Dennis
Dent
Derwinski
Devine
Dickinson
Donohue
Downing
Drinan
Dulski
Duncan
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Eshleman
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fish
Fisher
Flood
Flowers
Flynt
Foley
Ford, Gerald R.
Ford, William D.
Forsythe
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gaydos
Gettys
Gilman
Ginn
Gonzalez
Goodling
Green, Pa.
Griffiths
Gross
Grover
Gude
Gunter
Haley
Hamilton
Hammerschmidt
Hanley
Hanna
Hansen, Idaho
Hansen, Wash.
Harrington
Harsha
Harvey
Hastings
Hawkins
Hays
Hébert
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Hillis
Hogan
Holifield
Holt
Holtzman
Howard
Huber
Hudnut
Hungate
Hunt
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jordan
Karth
Kastenmeier
Kazen
Keating
Kemp
Kluczynski
Koch
Kuykendall
Kyros
Landgrebe
Landrum
Latta
Leggett
Lehman
Lent
Litton
Long, La.
Long, Md.
Lott
Lujan
McClory
McCloskey
McCollister
McDade
McEwen
McFall
McKinney
Macdonald
Madden
Mahon
Mallary
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mayne
Mazzoli
Meeds
Metcalfe
Mezvinsky
Michel
Milford
Miller
Mills, Ark.
Mills, Md.
Minish
Mink
Minshall, Ohio
Mitchell, Md.
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Myers
Natcher
Nedzi
Nelsen
Nichols
Nix
O'Brien
O'Hara
O'Neill
Owens
Parris
Passman
Patman
Patten
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Podell
Powell, Ohio
Preyer
Price, Ill.
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Rarick
Rees
Regula
Reid
Rhodes
Riegle
Roberts
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Rooney, Pa.
Rose
Rostenkowski
Roush
Roy
Roybal
Runnels
Ruth
St Germain
Sarasin
Sarbanes
Satterfield
Saylor
Scherle
Schneebeli
Schroeder
Sebelius
Seiberling
Shipley
Shoup
Shriver
Shuster
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Snyder
Spence
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steele
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stokes
Stratton
Studds
Sullivan
Symington
Symms
Taylor, N.C.
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Towell, Nev.
Treen
Udall
Ullman
Van Deerlin
Vanik
Vigorito
Waggonner
Waldie
Wampler
Ware
Whalen
White
Whitehurst
Whitten
Widnall
Wiggins
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wright
Wyatt
Wylie
Wyman
Yates
Young, Alaska
Young, Fla.
Young, Ga.
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion
Zwach

NAYS—25

Bell
Clancy
Clawson, Del
Collins
Conte
Cotter
Cronin
Giaimo
Goldwater
Grasso
Gubser
Hanrahan
Hinshaw
Horton
Hosmer
Mailliard
Rinaldo
Roncalio, N.Y.
Rousselot
Ryan
Talcott
Teague, Calif.
Walsh
Wilson, Bob
Wydler

NOT VOTING—45

Badillo
Biaggi
Blackburn
Blatnik
Brown, Ohio
Buchanan
Camp
Carter
Crane
Diggs
Dingell
Dorn
Esch
Fountain
Fraser
Frelinghuysen
Gibbons
Gray
Green, Oreg.
Guyer
Jones, Tenn.
Ketchum
King
McCormack
McKay
McSpadden
Madigan
Melcher
Obey
Price, Tex.
Reuss
Rooney, N.Y.
Rosenthal
Ruppe
Sandman
Stubblefield
Stuckey
Taylor, Mo.
Teague, Tex.
Tiernan
Vander Jagt
Veysey
Williams
Wolff
Yatron

So the conference report was agreed to.

The Clerk announced the following pairs:

Mr. Blatnik with Mr. Blackburn.
Mr. Rooney of New York with Mr. Ruppe.
Mr. Fountain with Mr. Carter.
Mr. Obey with Mr. Buchanan.
Mr. Stuckey with Mr. Sandman.
Mr. Stubblefield with Mr. Crane.
Mrs. Green of Oregon with Mr. Veysey.
Mr. Gray with Mr. Brown of Ohio.
Mr. Diggs with Mr. Badillo.
Mr. Gibbons with Mr. Camp.
Mr. Teague of Texas with Mr. Vander Jagt.
Mr. Yatron with Mr. Price of Texas.
Mr. Biaggi with Mr. Esch.
Mr. Dingell with Mr. Guyer.
Mr. Fraser with Mr. King.
Mr. Jones of Tennessee with Mr. Madigan.
Mr. Dorn with Mr. Taylor of Missouri.
Mr. McCormack with Mr. Williams.
Mr. Melcher with Mr. Frelinghuysen.
Mr. Reuss with Mr. McKay.
Mr. Rosenthal with Mr. McSpadden.
Mr. Wolff with Mr. Tiernan.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. POAGE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the legislation just passed.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

PROVIDING FOR CONSIDERATION H.R. 7447, SECOND SUPPLEMENTAL APPROPRIATIONS, 1973

Mr. YOUNG of Texas. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 389 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 389

Resolved, That during the consideration of the bill (H.R. 7447) making supplemental appropriations for the fiscal year ending June 30, 1973, and for other purposes, all points of order against said bill for failure to comply with the provisions of clause 2 and clause 5 of rule XXI are hereby waived.

The SPEAKER. The gentleman from Texas is recognized for 1 hour.

Mr. YOUNG of Texas. Mr. Speaker, I yield 30 minutes to the gentleman from Illinois (Mr. ANDERSON), pending which I yield myself such time as I may consume.

Mr. Speaker, the purpose of the House Resolution 389 is to permit the Committee on Appropriations to submit the second supplemental appropriations bill of 1973 for action on the floor by the entire membership of the House of Representatives without being subject to one person killing the entire measure.

House Resolution 389 provides that points of order against the bill for failure to comply with the provisions of clause 2, rule XXI—prohibiting appropriations without authorizations and legislation in appropriations bills—and clause 5, rule XXI—prohibiting reappropriations—are waived. Without this waiver, points of order could be made against the bill in numerous places.

Approximately 86 percent of the $2,855,542,209 recommended in the bill is for programs that are totally or virtually uncontrollable. Included in this category are:

For pay costs, $899,891,900;

For grants to States for public assistance, $614,066,000;

For flood and disaster relief programs, $370,248,000;

For payment to the Civil Service Retirement fund, $190,900,000;

For retired military pay, $87,000,000;

For firefighting costs, $57,638,000;

For Federal workmen's compensation benefits, $26,300,000;

For various claims and judgments against the government including Vietnam prisoner of war claims, $36,568,059;

For military mail privileges and postal costs, $32,700,000.

Another 8 percent of the funds in the bill, $226,510,000, is allocated for higher education.

Title I of the bill provides for general supplementals. Title II provides for increased pay costs and title III lists general provisions of the bill.

Mr. Speaker, I urge adoption of House Resolution 389 in order that we may discuss and debate H.R. 7447.

Mr. ANDERSON of Illinois. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Iowa (Mr. GROSS).

Mr. GROSS. Mr. Speaker, I almost had to pinch myself to wonder whether I was in the land of the living when I picked up this rule and found that all points of order to this omnibus deficiency appropriation bill are to be waived. It is my understanding that there are some 100 provisions in this bill that would be subject, in the absence of this rule, to points of order. I simply do not understand what has come over the House of Representatives that they would even think of considering an appropriation bill of this magnitude, an omnibus deficiency appropriation bill calling for the spending of more than

$2.8 billion, under a waiver of points of order. It is hard for me to conceive that this could happen in the House of Representatives. I can understand a rule making in order an appropriation bill under emergency conditions, with limited points of order. But what has become of the rules of regular and orderly procedure in the House of Representatives when this sort of thing can take place? What is the necessity for the harsh procedure here proposed?

The ranking minority member of the Committee on Appropriations when this bill was reported to the House reserved all points of order which, of course, would have made points of order in order if the bill was considered under ordinary procedures. Why go through that charade if the Committee on Rules is to come forth with a rule waiving all points of order?

Read this bill. It is scarcely a deficiency appropriation bill. It is a transfer bill. Money is transferred all over the lot, and the transfers are made under the cloak and protection of waivers of points of order.

This is a sad performance, and in a way I regret that I am here on this day.

Mr. ANDERSON of Illinois. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I think it is true, as the gentleman from Iowa (Mr. GROSS) has just pointed out, that there are some 109 instances in this bill in which one or two clauses in the House rules: namely, clauses 2 and 5 of rule XXI would be violated if this rule had not specifically waived points of order in each of those instances.

I can give the gentleman from Iowa the explanation that was presented in the Committee on Rules by the distinguished chairman of the Committee on Appropriations as to why this request was made. The gentleman explained that it is not unusual for a supplemental bill, particularly one that reaches the floor shortly before the conclusion of a fiscal year—and we are, of course, less than 2 months from the conclusion of the current fiscal year—to require appropriations either where there is no authorization or to require appropriations in excess of authorized ceilings. So we do have a situation in which we have unexpended balances in one account and deficiencies in another. Therefore, it was the argument of the Committee on Appropriations that it did make very good fiscal sense to permit the transfer of funds from one account to another to make up these deficiencies rather than simply appropriating new moneys. Many of the deficiencies in this bill, as I understand it, are due to unbudgeted pay raises which have since taken effect.

One other example that we were furnished is the general provision section of the Department of Defense supplemental in which there is an excess in the procurement account and deficiencies in personnel and operation and maintenance accounts due to the devaluation of currency, increased food prices, and increased activities in Southeast Asia above the levels that had originally been programed. Those are the reasons, in short, why those of us on the Committee on Rules were inclined to go along and grant the request of the chairman of the Committee on Appropriations for the waiver.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Iowa.

Mr. GROSS. Does the gentleman recall in his time in the House a waiver of the rules that covered more items in an appropriation bill than this?

Mr. ANDERSON of Illinois. I am not sure about precedents. I think the gentleman probably is correct. In my memory—and I have been here a dozen years—this is an unusually large number of individual items.

I should be pleased to yield to the chairman of the Committee on Appropriations, if he has actual information as far as the precedents.

Mr. MAHON. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Texas.

Mr. MAHON. As the gentleman from Iowa knows, we raise the pay of civilian and military personnel usually at least once a year, and that calls for additional funds over the original budget. So in prior years, without exception, insofar as I can remember, we have had to provide in the supplemental bill the additional funds for the pay raises which were mandated by law. We try to squeeze the money already available. In other words, we try to get the agencies to absorb as much of the cost of the pay raise from the appropriation previously made, instead of providing additional new funds to pay these increased costs mandated by Congress. In some instances we can transfer available funds between appropriations and thereby hold a tighter rein on the purse strings. We have some 80 instances in this bill where we have made transfers of available funds. This is the way we did it last year, and the year before, and the year before that.

It seems to me to be the most prudent way to do it. It is better than to appropriate new money, increase the budget, increase the deficit, and subject ourselves to criticism for failure to adequately control the purse strings.

I think the gentleman from Iowa will be one of the first to agree that this transferral of funds procedure is desirable under the circumstances, and I think the gentleman would agree that it is rather strange that the rules of the House would deny the committee authority to transfer these funds.

I think it might be recited that in prior years, quite a number of years ago, it was in order. It was not held to be in violation of the Rules of the House for the Committee on Appropriations to bring in a bill transferring funds which had previously been approved by Congress. So this is no groundbreaking, world-shattering departure from former procedure. It is a good procedure.

Mr. ANDERSON of Illinois. I thank the gentleman from Texas for that clarifying explanation.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Iowa.

Mr. GROSS. However, the rule here waiving points of order deals with millions and millions of dollars. The simple question is this: Why did the Appropriations Committee overfund in the first place in these departments, agencies, and even in our own housekeeping in the House of Representatives—why this overfunding to the extent that it is demonstrated in this bill?

Mr. MAHON. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Texas.

Mr. MAHON. As to the claim that we overfunded in the first place, we have just mandated a slowdown, a delay in certain programs that, if the fiscal situation were not so bad, we would proceed with. So this is an economy move, and yet more funds may be involved here than in some former years. However, by using this transfer technique, I would say to the House that we are saving about $530 million. This is a good thing.

Mr. ANDERSON of Illinois. I should like to call the attention of the House to the fact that perhaps the most controversial aspect of this bill will revolve around chapter 2, the provision that calls for a transfer of $430 million additional transfer authority for the Department of Defense and the related question of our current military operations in Cambodia.

It is my understanding that at least two amendments will be offered pertaining to this issue. One would completely strike out the transfer authority and the other would prohibit the use of any funds provided in this act to support bombing or other combat operations in Cambodia by U.S. military forces. That is the language which was provided me which presumably will be offered by the gentleman from Maryland (Mr. LONG).

I for one would oppose the first of the two amendments. I think the additional views that are set forth on page 122 of the committee report indicate that the proponents of that amendment are literally throwing the baby out with the bath water. The committee has pointed out that only about $25 million of those funds could be used or would be used for the bombing of Cambodia. About $60 million is needed in transfer authority because of the simple rise in food costs and the increase in subsistence, and the addition of $110 million is needed because of the dollar devaluation. I think we ought to afford the Department of Defense some flexibility in that regard since it involves our base line forces worldwide. As it was explained to me, it could very seriously affect the operations of the 6th Fleet in the eastern Mediterranean when, as we know, a very serious crisis is going on in Lebanon.

I want to make clear I will support the amendment which will be offered by the gentleman from Maryland (Mr. LONG). I think it offers a reasonable approach to expressing the conscience of this Congress as being in opposition to air warfare or bombing in Cambodia.

This is not a position to which I have come without a great deal of reflection. I have not only studied the matter but I have also carefully reviewed the statements of the Secretary of State and of our Secretary of Defense and the so-called legal brief that was issued by the Department of State in defense of our Cambodian bombing policy. I can report and it is very painful for me to be obliged to characterize that legal brief as one with a very shoddy and shallow defense of our foreign policy. I cannot accept the legal rationale of that brief.

I looked at the Constitution and I looked at the statutes, and it seemed to me they made it quite clear that this Government has never been authorized to engage in bombing in Cambodia. I refer to the statement that was made by the President after the invasion of Cambodia in 1970, when he said:

> The only remaining American activity in Cambodia after July 1 will be air missions to interdict the movement of enemy troops and material where I find it is necessary to protect the lives and security of our men in South Vietnam.

That clearly is no longer necessary, given the agreement of last January 27 and the fact that the provisions of that agreement have been implemented with respect to the withdrawal of our troops.

The argument is used that there is a continuing violation of article 20 of that particular agreement and, therefore, we should continue a policy of bombing in Cambodia. Of course that agreement also very clearly specifies a reconvening of the 12-nation congress or conference that met a month after the agreement was signed in any case where the International Control Commission is unable to carry out the terms of the agreement. So it seems to me that is the mechanism we ought to use and we ought to seek to implement in this instance. If we cannot secure adequate enforcement of article 20 and the other provisions of that agreement, we ought to reconvene that congress rather than unilaterally take upon ourselves the responsibility of violating the agreement ourselves by continuing to bomb. It seems to me two wrongs do not make a right even in the field of international law and diplomacy.

The domino theory, of course, is no longer in high fashion and, therefore, it is not being used as a rationale to support the bombing of Cambodia. However, there is still extant the bargaining chip theory, and particularly in view of the projected meeting sometime around the middle of May between Dr. Kissinger and Le Duc Tho we are told we should wait yet a time to see how that particular meeting succeeds. Of course I think that particular theory in this instance, the bargaining chip theory, has been rendered quite inoperative because bombs that are dropped on the peasant villages of Cambodia certainly do not affect the North Vietnamese mentality.

I do not think they are particularly disturbed by any destruction we heap upon Cambodia, nor is it going to deter them in any respect from any other violations they may contemplate in that agreement.

Third, I have heard this argument used: It is the "bigger picture argument." At least, I would so describe it; that it is only those of us with small minds and narrow vision who fail to perceive that we must in this instance prove our manhood, our determination to support executive agreements which are not the law of the land, which have not been submitted to the Congress for ratification, but that somehow we must do this because we are interested in the larger goal, the bigger picture of producing detente and building a new and emerging structure of peace.

My friends, this is clearly an adaptation of the "means justifies the end" argument. Recently, we have done some very serious national soul searching on that particular doctrine. I would have thought that we would have realized some time ago what a great world leader once told his nation, "The means we use are the ends themselves in the making."

Mr. Speaker, I would submit that we cannot create the conditions for an emerging structure of peace based on falling bombs.

That will come only as we see a world that is willing to turn to the rule of law as a substitute for violence. I do not find the example that we are given very encouraging with respect to the emergence of that basic principle as the foundation of what we ought to do to see an emerging structure of peace in the world.

Therefore, I hope the gentleman from Maryland will offer his amendment. It will have my support for the reasons already mentioned. I think the other amendment is unwise in the restrictions it would place upon the Department of Defense. It is a blunderbuss rather than a scalpel, which we need at this moment to attack the specific issue that confronts the Congress this afternoon.

Mr. GONZALEZ. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Texas (Mr. GONZALEZ).

Mr. GONZALEZ. Mr. Speaker, I thank the gentleman for yielding.

I did not want to interrupt his train of thought, but what I would like to know is, in connection with his reference to the section contained in this bill with respect to devaluation, as the gentleman knows, our committee has not presented the formal devaluation bill as yet.

Would the gentleman be prepared to tell us what the dollar amount reflected in this bill holds because of devaluation?

Mr. ANDERSON of Illinois. Mr. Speaker, we were informed—and I believe these figures were taken from the report of the Committee on Appropriations—that approximately $110 million of the requested transfer funds are needed because of currency devaluation.

That again is the reason why we should not simply blindly strike out all transfer authority out of the bill.

Mr. GONZALEZ. Mr. Speaker, I agree with the gentleman. I would like to know if part of this $110 million will be used to offset the hardship confronting our servicemen and public servants who are working abroad and have made sacrifices.

Mr. ANDERSON of Illinois. Mr. Speaker, there are members of the Committee on Appropriations and possibly the Armed Services Committee who could answer that question in more detail than I.

Mr. MAHON. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Texas (Mr. MAHON).

Mr. MAHON. Mr. Speaker, the answer to the question is that part of the funds in this bill will, of course, help meet the requirements which the gentleman has pointed out. Without the passage of this legislation, they would be in a very severe position, so this will meet the requirements considerably.

Mr. GONZALEZ. Mr. Speaker, I thank the gentleman.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Iowa (Mr. GROSS).

Mr. GROSS. Mr. Speaker, with regard to devaluation, what we are actually doing here today is appropriating millions upon millions of dollars with absolutely no authority.

I do not believe the gentleman from Illinois presently in the well of the House likes to be taken for granted.

Mr. ANDERSON of Illinois. No, indeed.

Mr. GROSS. What is happening here and what we will be doing by approving this appropriation bill and the millions to make up the shortfall in the devaluation of the dollar is further approving the delegation of power to the executive branch of Government. For the law on the statute books today says that only by virtue of authorization on the part of Congress may an appropriation be made for the shortfall in devaluation.

Yet before this day is over, Members will have yielded to what amounts to one-man power, for devaluation of the dollar is already in effect by action of the President and without sanction of Congress. In the future do not scream about delegation of power to the executive branch of Government, if you vote for this bill here today.

Mr. YOUNG of Texas. Mr. Speaker, I yield 5 minutes to the distinguished gentlewoman from Hawaii (Mrs. MINK).

Mrs. MINK. Mr. Speaker, I rise in opposition to the rule for the purpose of asking the House to vote down the previous question in order that an amendment to H.R. 7447 can be offered, which will correct a grievous error which was made in the urgent supplemental, which restricted the allocation of funds under impact aid for category B children to the rate of 54 percent.

The rule which we are now considering, which waives in other instances 109 points of order, did not offer us this same opportunity to present this amendment to the House to permit the House to work its will.

The amendment to which I refer will

simply change the 54-percent limitation on category B children to 68 percent, which reflects accurately the amount of money which we appropriated for impact aid in the continuing resolution. My amendment does not seek to add one single dollar to that which this House has already agreed to for impact aid. The $635 million will remain as a firm figure.

In the urgent supplemental, to which we agreed the day before the Easter recess, we not only increased the funding for category A children to 100 percent in areas that are 25-percent impacted or over, but we also set an arbitrary limitation of 54 percent on category B. If that accurately reflected the amount of money we appropriated for impact aid in the continuing resolution, that would be fine, but inadvertently whoever made the calculations failed to realize if they imposed a 54-percent limitation on category B this would leave $66 million unexpended, which this House and the other body agreed was necessary for the basic funding of impact aid.

Mr. LEGGETT. Mr. Speaker, will the gentlewoman yield?

Mrs. MINK. I yield to the gentleman from California.

Mr. LEGGETT. I want to commend the Representative from Hawaii for discovering this discrepancy in our appropriations. I believe the record is unimpeached that we did appropriate by our continuing resolution $635 million for impact aid; did we not?

Mrs. MINK. Yes.

Mr. LEGGETT. Rather by happenstance we cut this item down by some $50 or $60 million almost without debate a few weeks ago. The gentlewoman seeks to offer an amendment to reverse that situation, to allow the OMB and the Office of Education at least to have some flexibility to spend the appropriated money in the event they find it pragmatic to do it; is that correct?

Mrs. MINK. That is absolutely correct. I thank the gentleman for his contribution.

Mr. DAVIS of South Carolina. Mr. Speaker, will the gentlewoman yield?

Mrs. MINK. I yield to the gentleman from South Carolina.

Mr. DAVIS of South Carolina. I should like also to commend the gentlewoman from Hawaii for what she has brought to the attention of the House. I should like to associate myself with her remarks.

I urge my colleagues to vote "no" on the previous question and, if we are successful, so that the amendment can be offered, to vote affirmatively for the amendment.

I thank the gentlewoman.

Mrs. MINK. Mr. Speaker, I thank the gentleman for his contribution.

Mr. MOSS. Mr. Speaker, will the gentlewoman yield?

Mrs. MINK. I yield to the gentleman from California (Mr. MOSS).

Mr. MOSS. Mr. Speaker, I want to indicate my support for the proposed amendment that the gentlewoman from Hawaii is urging upon this House. It is necessary that we once again very clearly make these funds available. We have a strong moral commitment, and it should not be shunted aside under any other plea for consideration.

Mr. Speaker, I think we ought to act with our full support of the amendment which will be proposed.

Mrs. MINK. Mr. Speaker, I thank the gentleman for his remarks.

Mr. KAZEN. Mr. Speaker, will the gentlewoman yield?

Mrs. MINK. I yield to the gentleman from Texas (Mr. KAZEN).

Mr. KAZEN. Mr. Speaker, I wish to commend the gentlewoman in the well for the remarks she just made, and I wish to associate myself with them and urge the Members of this House to vote down the previous question and vote for the amendment which will be offered by the gentlewoman from Hawaii.

Mrs. MINK. Mr. Speaker, I want to restate and make absolutely clear that the intent is not to ask for one single extra dollar for the impact aid program. This will simply permit the funding of category B in accordance with what the Congress has already said is an appropriate amount. It will simply permit the Department to allocate the necessary funds for category B.

Mr. Speaker, I ask that the Members vote down the previous question.

Mr. YOUNG of Texas. Mr. Speaker, I yield 5 minutes to the gentleman from New York (Mr. GILMAN).

Mr. GILMAN. Mr. Speaker, I rise in opposition to the rule. I urge my colleagues to give their full support to the gentlelady from Hawaii's amendment raising the level of funding for B students in impacted areas from 54 to 68 percent. It is important that we note that this level of funding is fully in line with budgetary limits and would not necessitate any additional appropriation.

Mr. Speaker, funding for impacted school districts is a matter of congressional responsibility. We have established military bases in communities throughout our country. In placing these military installations within our communities, I do not believe that Congress intended to unduly burden the taxpayers by requiring them to absorb the financial burdens of educating military affiliated students.

Permit me to call our attention to the problems confronting one of my school districts—the town of Highland Falls which houses our renowned Military Academy at West Point.

The U.S. Military Academy occupies 80 percent of the town land—all tax free. Of the 21,000 acres of land within the school district of Highland Falls, only 1,700 acres are taxable, leaving that township with an extremely narrow tax base. As a matter of fact, this tax base is so limited that the employment of but a single additional teacher causes the local tax rate to jump by $1 per thousand dollars of assessed valuation.

In light of the severe burdens that school taxes are placing on homeowners throughout the Nation, this additional burden being placed on local government as a result of a military installation is not only unjust, but is also discriminatory.

Mr. Speaker, we must not shirk our congressional responsibility by tossing the burden right back to the local school districts. Throughout the past few months the clouded Federal regulations of impacted funds has caused severe fiscal distress to all school officials affected by impact aid funds. Our inaction has resulted in an undue burden on these school administrators. We have decided, reconsidered, set funding levels and reset funding levels to the point where we are now, a late appropriation with an inadequate funding level.

Cries of Federal mishandling of programs is epitomized in our decisions on impact aid. With the school year rapidly coming to a close and local school officals desperately trying to balance a budget, we still debate an issue which should be promptly resolved.

I urge my colleagues to join the gentlelady from Hawaii in voting down the previous question.

Mr. YOUNG of Texas. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Missouri (Mr. RANDALL).

Mr. RANDALL. I thank the gentleman for yielding.

Mr. Speaker, I commend the gentlewoman from Hawaii and the gentleman from New York for their efforts for the children of school age in category B or those military dependents living in the school district but whose parents do not live on military lands.

Mr. Speaker, I think it would be worthwhile to share with the committee a letter which I received from the Belton School District No. 124 wich is a district just to the south of Richards-Gebaur Air Force Base. The school board of that district adopted a policy on April 26 of this year that they cannot continue to offer school service on a tuition-free basis each year unless the Federal Government reimburses the district to the rate of 100 percent for category A pupils and 100 percent for category B pupils for military dependents as provided in Public Law 874.

The interesting part of the communication, which also contained a resolution by the board of education, was that they felt a sincere concern for the welfare of the 3,366 students residing in the school district and the 1,159 students residing on Federal lands.

However, the superintendent of the school district, James N. Shannahan, indicated in a letter that—while that school district was somewhat more affluent than other districts—the board had indicated that they would continue to provide school services, even if the Federal Government failed to make its contributions for what is called impacted aid, for one and only one school year following the failure of the Government to provide 100-percent assistance for both category A and category B.

The Belton School District, however, was quite straightforward in their presentation of the facts when they announced they had adopted a policy of having to deny attendance of military pupils at their school, they did so only after a full and careful analysis of their financial condition and only after a careful survey of all possible alternatives including an increase in the local tax levy by approximately 33 percent.

Mr. Speaker, I shall at the appropriate time put all of the resolution and supporting facts of the plight of a typical district impacted by military dependents in the RECORD for the information and guidance of my colleagues who may be now or become similarly situated.

For the time being what we are talking about, as we consider the amendment of the gentlelady from Hawaii, as far as this one example of a typical district is concerned, is that after this 1 year, should the Federal Government continue to renig and continue to fail to reimburse the district at the minimum rate, then the district will terminate all educational services to students living on Federal lands at the conclusion of that school year.

Surely, no Member of this House in this day and age, in the year of our Lord 1973, wants to let a situation develop where approximately 1,200 students in this one example multiplied many times across America will be denied the privilege of an education. That will happen because the school districts will not accept them, and I think we should face the facts and look the situation squarely in the face, to realize that our enlisted men cannot afford to pay private tuition under conditions of present-day inflation.

Mr. Speaker, that is why it is so important that we vote down the previous question. This will permit our friend from Hawaii to amend the rule which would make in order an amendment increasing assistance in category B pupils from 54 percent to 68 percent. This sort of parliamentary procedure is necessary because—without the amended rule—any amendment offered to H.R. 7447 would be subject to a point of order as being legislation in an appropriation bill.

Mr. Speaker, I strongly urge a no vote on the previous question to permit this parliamentary procedure to be perfected in order that military dependents all across America may not be denied an education equal to their peers who may not be dependents of those serving in the Armed Forces of our country.

Mr. YOUNG of Texas. Mr. Speaker, I yield 1 minute to the distinguished gentleman from North Carolina (Mr. ROSE).

Mr. ROSE. Mr. Speaker, I rise in support of the comments that have been made by my distinguished colleagues concerning impact aid. I represent a district that relies heavily on impact aid to education. The largest county in my district receives some $2 million a year in type B impact aid.

I wish to associate myself with the fine remarks my colleagues have made here today concerning the defeat of this rule and urge my colleagues to vote in opposition to the rule.

Mr. YOUNG of Texas. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from New York (Mr. ADDABBO).

Mr. ADDABBO. I thank the gentleman for yielding to me.

Mr. Speaker, I just rise for a point of clarification. I will leave the full details for discussion when I speak in general debate.

The gentleman from Illinois (Mr. ANDERSON) said that the money in the grant is needed for devaluation purposes. We do not want to hurt them, he said, and I agree with him. We do not want to hurt them in any way. In the hearings, all through part III of the hearings, they stated that they have the money. They have still not utilized the full $750 million in transfer authority which we gave them. They did not come before the Defense Appropriations Subcommittee to justify it. So all they are requesting and the key to the whole thing is the letter of the Director of the Office of Management and Budget, Roy Ash, wherein he says that we have the right of flexibility. If you only limit that right of flexibility and give the fund of $430 million and you say none of that $430 million can be used for Cambodia, then they cannot use any part of that $430 million for Cambodia.

Mr. ANDERSON of Illinois. Will the gentleman yield?

Mr. ADDABBO. I will in just one moment.

But any other money which they still have on hand and to which they testified before our committee they had on hand would then be freed up to be used for Cambodia.

That is why I say we must strike the entire question of additional right of flexibility. They have $750 million on which they have the right of flexibility. We gave them that right when we had troops in Southeast Asia and when we were trying to get our prisoners of war back. Now all of those things have occurred and there is no further need for that right. If they want additional money and have other programs they would like to use it on, then let them come back to the Congress and justify it and tell us where this money is going to be used. If they need $170 million or $175 million, then they can tell us where.

This is where we need it, and this is a function of the Congress.

Now, I yield to the distinguished gentleman from Illinois (Mr. ANDERSON).

Mr. ANDERSON of Illinois. Mr. Speaker, I support the objective of the gentleman from New York (Mr. ADDABBO), but I propose that there is a far cleaner way of reaching this issue, and that is simply to put a limitation on expressing the sense of the Congress as being opposed to the use of these funds for the bombing of Cambodia. I cannot see why the gentleman from New York wants, as I stated before, to throw the baby out with the bath water and get into areas that deal with things other than Cambodia.

Mr. ADDABBO. The gentleman from Illinois has answered the argument himself as to the way we propose limiting these funds. Not to give them the right of continued flexibility.

Mr. YOUNG of Texas. Mr. Speaker, I yield 2 minutes to the gentleman from Maryland (Mr. LONG).

Mr. LONG of Maryland. Mr. Speaker, I have an amendment which I am going to offer either as perfecting amendment or as a follow-on amendment. The words approximate these:

> Provided that none of the funds herein authorized to be transferred by the Department of Defense shall be expended to support directly or indirectly combat activities in, over or from off the shores of Cambodia by United States forces.

I feel that the proposed amendment to be offered by the gentleman from New York (Mr. ADDABBO) is a good amendment if that is all we can get, but I think that we need a much more precise instrument, and I feel that my amendment is more precise because it is a clear message from the Congress to the President that all bombing in Cambodia must stop. It is explicit, not merely an implicit message. My amendment does not bar transfer of funds into areas such as the Middle East, essential to our national defense. My amendment does not, in short, limit the flexibility of our defense in other sectors. It does not prevent our continued aid in the form of weapons and economic support for the non-Communist Cambodias.

Therefore, Mr. Speaker, I hope that my amendment, when it is offered, will be accepted, because I think this is a clear and definite message to the President, and to the world, that Congress does not want any more activity involving U.S. combat personnel in Cambodia.

Mr. YOUNG of Texas. Mr. Speaker, I yield such time as he may consume to the gentleman from Texas (Mr. MILFORD).

Mr. MILFORD. Mr. Speaker, I rise in support of the amendment.

A school superintendent in my district described the need for these funds to me very clearly. He said:

> With our tax situation, trying to run our school system without these category B funds is like trying to cross a 20-foot ditch with a 19-foot log.

In this particular school district, there is a Federal nontaxed installation which employs 11,000 people.

In this school district, there are 1,850 children—out of a total enrollment of 11,700—eligible for category B assistance. Each percentage increase in payment under category B is worth $4,000 to this particular school district.

I might also point out that this district is within 2 cents of maximum taxation allowed under Texas law. So it is not a case of "letting Uncle Sam do it."

It is just trying to make up the extra foot and provide the very best possible education for our young people. And education, I believe, is the most important thing we can provide as a long-term investment in this Nation's future. Therefore, I ask my colleagues to vote against the rule.

Mr. YOUNG of Texas. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from Pennsylvania (Mr. FLOOD).

Mr. FLOOD. Mr. Speaker, I hope that the Members of the House will listen to the few words that I am going to say now in connection with this impact aid business. There are very few people who have been through this impacted area aid battle more often than have I. That all the Members know. So you should listen when I come down here in the well at this time to urge the Members not to upset the present fiscal 1973 funding plans for impacted area aid which the members of the Labor-HEW Subcommittee agreed to in the conference on the urgent supplemental appropriation bill. We have been friends of this program, from its first day right up to the present moment, and we certainly intend to continue our support of it in the 1974 appropriation bill.

Now, for heaven's sake—and I address myself directly at this point to those who represent school districts with children in the A category—do not touch this thing; this is loaded. If you reopen the impacted area aid question in order to increase payments for "B" children, you may find that you have, in effect, reduced payments for the "A" children.

Now, for heaven's sake, if you want to endanger what we have done, go ahead, but the agreement we reached in the conference on the urgent supplemental appropriation bill resulted in the release of $85.5 million for impacted area aid over the amount which the administration was willing to allocate up to that point. We went from $483 million to $568.8 million. What we did permitted the payments for "A" children to reach 90 percent of full entitlement, and 100 percent of full entitlement in the heavily impacted districts where the "A" children constitute more than 25 percent of total enrollment.

So as it now stands, it is 90 or 100 percent for the A's, and it is 54 percent for the B's. When the President's budget came up here, there was not a dime in it for the B's, except for those from military families. As it stands now, they will receive 54 percent of full entitlement. Now out of an abundance of caution, do not rock this boat; do not upset this thing. If you do, no one knows what will happen. We will be into fiscal 1974 in a very short time. Stand by the committee. I do not blame the advocates of this amendment. We can all imagine why: Newspaper editorials and letters from back home. But listen to me. This goes far beyond that. We are dealing here with something we should not touch at this time under any circumstances. We worked for this program; we funded it. Now, be very careful—you may undo what we have accomplished.

I urge the Members to support the committee and to vote for the previous question.

Mr. YOUNG of Texas. Mr. Speaker, I understand there are further requests for time by the minority. For the purpose of debate I yield to the gentleman from Illinois.

Mr. ANDERSON of Illinois. Mr. Speaker, I yield to the gentleman from Illinois (Mr. FINDLEY).

Mr. FINDLEY. Mr. Speaker, I realize it may be difficult to get time when the bill itself is being debated, and for that reason I appreciate the time extended to me by the gentleman from Illinois (Mr. ANDERSON).

Mr. Speaker, the decisions the House makes today on Cambodia will have consequences reaching far beyond the immediate issue: that is, the actual bombing of Cambodia by U.S. planes.

In fact, in my opinion, what we decide will be a significant part of the legislative history of war-making in Vietnam and likely establish an important precedent which will add or detract from the influence of the Congress in future use of our military forces in hostilities.

I cite first of all the interpretation already given by Secretary of Defense Richardson. He was quoted in the Washington Evening Star-News of May 8, as stating to the Senate Foreign Relations Committee: If an amendment to bar use of transfer authority for bombing were offered and defeated, "we would then be justified in viewing that rejection . . . as a vote at least to acquiesce in" the policy of bombing Cambodia.

Just to make sure that this was a reasonable interpretation of the administration view, I had the question placed to the staff in Mr. Richardson's office.

Mr. Robert Murray, a member of Mr. Richardson's personal staff said he was authorized to comment on the Star-News report.

He made this statement:

> If Congress says nothing on Cambodia, since there is so little money for Cambodia in the bill, the Administration cannot draw support for bombing Cambodia from support for this bill.
>
> If, however, an amendment is proposed to prohibit the transfer of funds for the war in Cambodia, and if Congress rejects that amendment, the Administration will interpret this as part of the legislative history, that the Congress has ratified or acquiesced in the Administration's policy in Cambodia, particularly in the bombing of Cambodia.

I cite also the committee print of the Senate Foreign Relation Committee of April 1973, prepared by the Foreign Affairs Division of the Congressional Research Service of the Library of Congress on "Congress and the Termination of the Vietnam War."

On page 11, the report states:

> In view of the fact that the executive branch has generally taken the position that the President did not need Congressional authorization to become involved in the Vietnam war, action by Congress terminating the war might be rejected by the President, who, if he were to continue to get appropriations, could resume the war.

On page 9, the report states:

> While no court has expressly held that the Congressional actions necessary to give sanction to the war (such as continued authorizations and appropriations) constituted an implied declaration of war in the constitutional sense, it is difficult to avoid that inference.

Therefore, how we vote today could have large meaning in giving congressional sanction to the bombing—in the eyes of the administration, in the eyes of Federal courts, and in broader terms of constitutional history.

It is fair to say those that vote against the amendments to bar bombing in effect cast their vote to sanction the bombing. Those who vote for these amendments vote against such sanction.

The decisions today have another vital dimension.

They will help to settle an unusual, if not completely unique doctrine of reserve war powers of the President as Commander in Chief.

Very plainly the administration argues that it has the authority to use military measures in Cambodia because the Paris Peace Agreement has been broken.

The rupture of the agreement, so the argument goes, gives the President the authority, as well as the responsibility to punish enemy forces through bombing in Cambodia.

Bear in mind that the Tonkin Gulf resolution has been rescinded. Bear in mind that the Paris Peace Agreement was not a treaty. It was an Executive agreement, in which the Congress was not involved in any way.

The effect of this argument—if it is accepted—is to establish another reserve war power of the President as Commander in Chief. In addition to the reserve power to defend the United States and its forces and to use military power to rescue its citizens, without specific prior authorization of Congress, the President now wishes to establish the doctrine that he can use military force to punish nations which break peace agreements made wholly by Executive authority.

In my view this is an untenable and dangerous doctrine that must be swiftly and clearly rejected by the Congress by every means available. We must not acquiesce even this one day.

If it is permitted to stand, there is virtually no limit on the extent and duration of war powers exercised by the President without prior congressional approval.

Before the day is over you will have a chance to vote for an amendment to bar funds for bombing.

Mr. ANDERSON of Illinois. Mr. Speaker, I yield 3 minutes to the gentleman from Maryland (Mr. HOGAN).

Mr. HOGAN. Mr. Speaker, I would like to return to the subject of impact aid and urge a vote against the previous question so that an amendment can be offered to increase the amount of money being given for category B aid impact aid.

I am not going to re-plow the ground which has already been covered by those who talked in favor of impact aid, arguing how important it is to relieve the financial stress that is placed upon our school systems. I represent such an area where impact aid is vitally important, and most of our money comes from category B. As one of the previous speakers has stated in regard to his own district, much of the land in my own district is in the hands of the Federal Government. This is land which is not on the tax rolls.

But there is another point which I think ought to be made in arguing for restoration and preservation of category B. That is, in an area such as mine where the tremendous growth of the Federal Government has necessitated a massive school construction program for the school districts so affected by this growth of the Federal Government, the Federal Government has a special responsibility to help alleviate the tremendous financial burden which has been placed on those school districts. It is really immaterial whether or not the parents of those schoolchildren pay property taxes, because the burden on the school system has been caused by the Federal Government itself. That is why we have impact aid and we as representatives of those taxpayers who are shouldering the burden for that school construction, have a responsibility, it seems to me, to see that these category B students get their fair share of the allocation.

Mr. Speaker, I urge a vote against the previous question.

Mr. ANDERSON of Illinois. Mr. Speaker, I yield 1 minute to the gentleman from California (Mr. ROUSSELOT).

Mr. ROUSSELOT. Mr. Speaker, I wish to associate myself with the remarks made by the gentleman from Maryland (Mr. HOGAN) and the gentlewoman from Hawaii (Mrs. MINK). My concern with this issue of impact aid and particularly category B, is that we have caught the school districts of this country in the middle of their school year. Without proper provisions to plan to supplement the funds withheld.

I think one issue which has not been raised is the unfairness of cutting off the category B program where a school district has clearly planned for the utilization of those funds. The arbitrariness of cutting off the funds in the middle of the program is clearly a bad practice.

Mr. Speaker, I support the position of the gentlewoman from Hawaii and the gentleman from Maryland (Mr. HOGAN).

Mr. ANDERSON of Illinois. Mr. Speaker, I yield 1 minute to the gentleman from California (Mr. GOLDWATER).

Mr. GOLDWATER. Mr. Speaker, I rise to support voting down the previous question.

Once again we are confronted with this controversial issue of impact aid. Granted there are inequities in this program, the question as I see it: Why has not the Committee on Education and Labor restructured this program; Why has not the committee reformed this program. It is right to occasionally analyze and rebuild a program that has gone astray, or completely do away with it, but it is certainly wrong to hang these schools out on the limb and it is wrong to strangle these schools into closing by slowly cutting off their funds. I urge this committee to open the rule and then accept an amendment to restore impact aid to our school system.

Mr. McCLORY. Mr. Speaker, will the gentleman yield?

Mr. GOLDWATER. I yield to the gentleman from Illinois (Mr. McCLORY).

Mr. McCLORY. Mr. Speaker, I join in support of the arguments against the previous question in the hope that an amendment may be offered to the second supplemental appropriation bill to allocate impacted school aid funds for those school districts which will otherwise experience financial loss during the coming school year.

Mr. Speaker, school districts in North Chicago and Waukegan particularly, as well as in other areas affected by the large military installations at Great Lakes Naval Training Center in my congressional district—will be seriously affected unless impact school aid funds are made available—as in earlier years.

Mr. Speaker, the total amount of such funds insofar as Lake County schools are concerned is $3 million. This is a sizable sum upon which the school districts have come to rely. Many of the schoolchildren in this area are from disadvantaged backgrounds—and the funds are of particular significance in promoting equal educational opportunities for these young Americans.

Mr. Speaker, I hope the previous question may be voted down and that an amendment to provide adequate impacted school aid funds for both categories A and B may be included in the second supplemental bill.

Mr. ANDERSON of Illinois. Mr. Speaker, I would like to urge the Members of the House to vote up the rule. This is not because we are opposed to any particular amendment which has been talked about here in the debate, but it is simply that I am informed by the chairman of the Committee on Appropriations that if we vote down the previous question, this rule will open up this bill to amendments affecting virtually every single department of the whole Federal Government.

Mr. Speaker, I do not think we want to do that, to spend the time to fight this battle which these gentlemen have been talking about during the last few minutes.

Mr. Speaker, I hope the Members will support the Committee on Rules and adopt the rule.

Mr. YOUNG of Texas. Mr. Speaker, I yield such time as I have remaining to the distinguished gentleman from Texas, the chairman of the Committee on Appropriations (Mr. MAHON).

Mr. Speaker, I ask that the gentleman from Texas yield to me for a question.

Mr. MAHON. I yield to the gentleman from Texas (Mr. YOUNG).

Mr. YOUNG of Texas. Mr. Speaker, I would like to ask the gentleman a question for the purpose of clarifying the situation.

Is it not true that the issue of Cambodia, whether it be pro or con, is properly raised under this rule and has nothing to do with whether or not the rule is adopted or not adopted?

Mr. MAHON. Mr. Speaker, I appreciate the fact that the gentleman has raised this question.

There are Members who have spoken in regard to the Cambodian matter because they wanted to make their expression before the House, but the rule accommodates these amendments and this debate, and there is no concern about whether or not amendments will be in order with respect to Cambodia and the defense transfer item, so that is not the issue involved here.

The serious aspect of this matter is that if we vote down the previous question, then we risk losing control of the bill and all manner of amendments might be in order. One would think, listening to the arguments here, that this is the only issue; namely, what are we going to do with the so-called impacted area aid program.

That is just one issue which might be brought up. There might be unlimited other amendments which could be in order if we vote down the previous question.

So, it could be highly dangerous, it would seem to me, for us to vote down the previous question and open up this bill for every kind of amendment. I think it would be a very dangerous thing.

Mr. Speaker, if it were absolutely clear that the question was confined only to the single issue of impacted aid, that would be one thing, but that is not the extent of the situation.

All of us are sympathetic toward this matter of impacted aid. We have done the best we could to retain what money we could for the program.

The fact is that it was just prior to consideration by the House of the urgent supplemental on April 12, that the administration announced the release of $415 million for impacted area aid. That was far short of the $635 million made available under the conditions of the continuing resolution.

In the final version of the recently enacted urgent supplemental, as a result of the Senate amendment, we took action making available an additional amount of $85 million for class A students. There seems to be no doubt but that this money would be spent.

Under ordinary circumstances this amendment might not be too bad except that it jeopardizes what we have already done and could very well nullify our efforts to release the additional money for class A students.

Mr. Speaker, I hope that the previous question will prevail.

Mr. Speaker, another thing about the matter is that if the previous question does fail and the rule is not agreed to, then all of these various provisos in this bill which are of great interest to the Members of the House, as many as a hundred of them will be subject to a point of order because they provide for transfer of funds or otherwise are technically contrary to the rules.

If one part of a paragraph is held subject to a point of order, the whole paragraph will go out. We would have a riddled bill, which would make the House look ridiculous.

All one has to do is to turn to the bill. The paragraph with respect to the Environmental Protection Agency could go out. The paragraph with respect to watershed and flood prevention operations under the Department of Agriculture could go out.

Emergency conservation measures could go out.

Firefighting money under the Forest Service could go out.

Money for other items, such as the Federal communications money, could go out.

The health services and mental health money could go out, if any Member made the point of order.

The paragraph for additional parking could go out.

The bill would become a shambles.

The pay for Federal employees throughout the Government could go out if a point of order were made on any of the paragraphs containing transfer authority.

There is just no end to the catastrophic results which could ensue if we vote down the previous question. Let us proceed in an orderly way for consideration of this measure.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to my friend from Iowa.

Mr. GROSS. I thank the gentleman for yielding.

That would be only because the House of Representatives had not previously done its own homework, would it not?

Mr. MAHON. No, I would not say so. We are trying to save money by providing transfer authority. We are handling some of the increased pay costs by transfer authority rather than by providing new money.

Mr. LEGGETT. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from California.

Mr. LEGGETT. The chairman does not seriously believe we are going to totally discombobulate this bill merely by opening up the rule for one small amendment to restore what the committee previously did. Is it not a fact that the committee did come back with a continuing resolution that did appropriate $635 million for the impacted aid program? Is that not true?

Mr. MAHON. The committee has supported the additional funds for impacted aid. We want to do the best we can for impacted aid. We feel that this is perhaps the best that can be done for impacted aid.

Mr. LEGGETT. The committee did.

Mr. MAHON. If I might go further, if we do not have the rule and points of order are raised, then the money for higher education could go out, because there is language in that paragraph which is subject to a point.

We would riddle, emasculate, and destroy the effectiveness of the operation of the House of Representatives on this bill. If we really want to act in the most responsible way in my opinion, we will vote to order the previous question despite our feelings about impacted aid.

I share the feelings of many Members with respect to impacted aid. I am vitally affected in my district. But it appears that this is the best way to be helpful in that respect.

Mr. YOUNG of Texas. Mr. Speaker, I move the previous question on the resolution.

The SPEAKER. The question is on ordering the previous question.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mrs. MINK. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 184, nays 222, not voting 27, as follows:

[Roll No. 135]

YEAS—184

Abdnor
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Arends
Ashbrook
Bafalis
Bell
Bergland
Boland
Bolling
Bowen
Bray
Breckinridge
Brooks
Broomfield
Brown, Calif.
Brown, Mich.
Broyhill, N.C.
Buchanan
Burke, Fla.
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Carney, Ohio
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clancy
Clawson, Del
Cleveland
Cohen
Collier
Conable
Conlan
Conte
Cotter
Coughlin
Daniel, Dan
Davis, Wis.
Delaney
Dellenback
Denholm
Dennis
Derwinski
Devine
Donohue
Dulski
Duncan
Eckhardt
Edwards, Ala.
Erlenborn
Esch
Eshleman
Evins, Tenn.
Findley
Fish
Flood
Ford, Gerald R.
Forsythe
Fountain
Frenzel
Fulton
Fuqua
Goodling
Griffiths
Grover
Guyer
Haley
Hanrahan
Hansen, Idaho
Hansen, Wash.
Harrington
Harvey
Hastings
Hébert
Hechler, W. Va.
Heinz
Hinshaw
Horton
Huber
Hunt
Hutchinson
Jarman
Johnson, Colo.
Johnson, Pa.
Keating
Kemp
Kluczynski
Kuykendall
Landgrebe
Landrum
Latta
Lehman
Lent
Long, La.
McDade
McEwen
Mahon
Mailliard
Mallary
Mann
Maraziti
Martin, Nebr.
Mayne
Mazzoli
Michel
Miller
Mills, Ark.
Minshall, Ohio
Mizell
Mollohan
Montgomery
Moorhead, Pa.
Murphy, Ill.
Myers
Natcher
Nelsen
O'Brien
O'Neill
Passman
Pickle
Poage
Powell, Ohio
Pritchard
Quie
Quillen
Railsback
Regula
Rhodes
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Rogers
Roncallo, N.Y.
Rostenkowski
Ruth
Satterfield
Saylor
Scherle
Schneebeli
Sebelius
Shoup
Sikes
Slack
Smith, Iowa
Smith, N.Y.
Snyder
Staggers
Stanton, J. William
Steelman
Steiger, Ariz.
Steiger, Wis.
Stratton
Sullivan
Taylor, N.C.
Teague, Calif.
Thomson, Wis.
Treen
Vigorito
Waggonner
Walsh
Wampler
Ware
Whitten
Wiggins
Williams
Wilson, Charles, Tex.
Winn
Wyatt
Wydler
Yates
Young, Alaska
Young, Fla.
Young, Ill.
Young, S.C.
Young, Tex.
Zion
Zwach

NAYS—222

Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Armstrong
Ashley
Aspin
Badillo
Baker
Barrett
Beard
Bennett
Bevill
Biester
Bingham
Boggs
Brademas
Brasco
Breaux
Brinkley
Brotzman
Broyhill, Va.
Burgener
Burke, Calif.
Burke, Mass.
Burton
Carey, N.Y.
Chisholm
Clark
Clausen, Don H.
Clay
Cochran
Conyers
Corman
Cronin
Culver
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, Ga.
Davis, S.C.
de la Garza
Dellums
Dent
Dickinson
Diggs
Downing
Drinan
du Pont
Edwards, Calif.
Eilberg
Evans, Colo.
Fascell
Fisher
Flowers
Foley
Ford, William D.
Fraser
Frey
Froehlich
Gaydos
Gettys
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Grasso
Green, Pa.
Gross
Gubser
Gude
Gunter
Hamilton
Hammerschmidt
Hanley
Hanna
Harsha
Hawkins
Hays
Heckler, Mass.
Helstoski
Henderson
Hicks
Hillis
Hogan
Holifield
Holt
Holtzman
Hosmer
Howard
Hudnut
Hungate
Ichord
Johnson, Calif.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jordan
Karth
Kastenmeier
Kazen
Koch
Kyros
Leggett
Litton
Long, Md.
Lott
Lujan
McClory
McCloskey
McCollister
McCormack
McFall
McKinney
Macdonald
Madden
Madigan
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Meeds
Melcher
Metcalfe
Mezvinsky
Milford
Mills, Md.
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moorhead, Calif.
Morgan
Mosher
Moss
Murphy, N.Y.
Nedzi
Nichols
Nix
Obey
O'Hara
Owens
Parris
Patman
Patten
Pepper
Perkins
Pettis
Peyser
Pike
Podell
Preyer
Price, Ill.
Randall
Rangel
Rarick
Rees
Reid
Reuss
Riegle
Rodino
Roe
Roncalio, Wyo.
Rooney, Pa.
Rose
Rosenthal
Roush
Rousselot
Roy
Roybal
Runnels
Ruppe
Ryan
St Germain
Sarasin
Sarbanes
Schroeder
Seiberling
Shriver
Shuster
Sisk
Skubitz
Spence
Stanton, James V.
Stark
Steed
Steele
Stephens
Stokes
Stuckey
Studds
Symington
Symms
Talcott
Taylor, Mo.
Thompson, N.J.
Thone
Thornton
Tiernan
Towell, Nev.
Udall
Ullman
Van Deerlin
Vanik
Waldie
Whalen
White
Whitehurst
Widnall
Wilson, Bob
Wilson, Charles H., Calif.
Wolff
Wright
Wylie
Wyman
Yatron
Young, Ga.
Zablocki

NOT VOTING—27

Biaggi
Blackburn
Blatnik
Brown, Ohio
Camp
Carter
Collins
Crane
Dingell
Dorn
Flynt
Frelinghuysen
Gray
Green, Oreg.
Jones, Tenn.
Ketchum
King
McKay
McSpadden
Price, Tex.
Rooney, N.Y.
Sandman
Shipley
Stubblefield
Teague, Tex.
Vander Jagt
Veysey

So the previous question was not ordered.

The Clerk announced the following pairs:

Mr. Teague of Texas with Mr. Price of Texas.
Mr. Rooney of New York with Mr. Frelinghuysen.
Mrs. Green of Oregon with Mr. Brown of Ohio.
Mr. Blatnik with Mr. Camp.
Mr. Dingell with Mr. King.
Mr. Flynt with Mr. Blackburn.
Mr. Dorn with Mr. Collins.
Mr. Shipley with Mr. Crane.
Mr. Stubblefield with Mr. Carter.
Mr. Gray with Mr. Sandman.
Mr. Jones of Tennessee with Mr. Vander Jagt.
Mr. McSpadden with Mr. Biaggi.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MRS. MINK

Mrs. MINK. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mrs. MINK: Strike out the period at the end of House Resolution 389 and insert "and it shall be in order to consider, without the intervention of any point of order, an amendment on page 10, after the heading on line 13, in the following form:

" 'SCHOOL ASSISTANCE IN FEDERALLY AFFECTED AREAS

" 'The paragraph under this heading in Public Law 93-25 is amended by striking out "54%" and inserting in lieu thereof "68%".' "

PARLIAMENTARY INQUIRY

Mrs. MINK. Mr. Speaker, I have a parliamentry inquiry.

The SPEAKER. The gentlewoman will state it.

Mrs. MINK. I understand I have 1 hour.

The SPEAKER. The gentlewoman has control of the time.

Mrs. MINK. Mr. Speaker, I do not intend to take the full hour which this procedure now permits me. I believe that the arguments were very well made during the debate on the rule, but for the Members who were not here on the floor at the time the question was raised with regard to the rule, I would simply like to state that the amendment which I am seeking to be made in order during the debate on the bill is simply to correct an amendment which was added to the urgent supplemental the day before we recessed for Easter.

The Senate placed into the urgent supplemental appropriation bill an amendment on the floor which not only permitted the funding of category A under impact aid at 100 percent for those districts that were 25 percent impacted, and 90 percent for all other "A" category areas, but it also placed a limitation on funding for category B under impact aid at 54 percent level. That might have been done in the Senate on the false assumption that that was all the money that this Congress had appropriated in the continuing resolution.

We all recall that the fiscal year 1973, HEW budget was vetoed and that entire Department's budget is now being funded, under a continuing resolution, based upon actions taken with respect to the bill that passed the Senate, whichever is the lower figure. The lower figure for impact aid is $635 million.

The amendment that I seek to have made in order at the time we consider the supplemental today does not alter one iota the $635 million which this House and this Congress has otherwise appropriated for impact aid. All I seek to do is to remove that 54-percent limitation on category B. It does nothing whatsoever to the category A funding of 100 percent in these areas where the impact is 25 percent and greater.

Mr. MAHON. Mr. Speaker, will the gentlewoman yield?

Mrs. MINK. I yield to the gentleman from Texas (Mr. MAHON) for purposes of debate only.

Mr. MAHON. Mr. Speaker, I would like to join with the gentlewoman from Hawaii in undertaking to explain the situation before us. I think we can handle this matter quickly.

The House has demonstrated by its previous vote that it would like to consider voting in a way that hopefully more money would be available for impacted area aid. Do I understand from the gentlewoman that this is the only amendment that she wants to offer?

Mrs. MINK. Yes.

Mr. MAHON. And the gentlewoman will not yield for any other amendments?

Mrs. MINK. I will not yield for any other amendments.

Mr. MAHON If there is only one amendment and this is the amendment, it seems to me the House has indicated its will. If the gentlewoman does not yield for any other amendments, the rule is intact otherwise and the bill is not subject to the points of order as a result of various items that are contained in this legislation, will she then be willing to move forward with the consideration of the bill?

Mrs. MINK. Precisely.

Mr. MAHON. It seems to me a foregone conclusion that the amendment of the gentlewoman from Hawaii to the rule will be adopted, so I suggest that we might get on with the business and complete the legislation.

Mrs. MINK. Mr. Speaker, I move the previous question on my amendment and on the resolution.

The SPEAKER. The question is on ordering the previous question.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. YATES. Mr. Speaker, on the question of ordering the previous question I demand the yeas and nays.

The yeas and nays were refused.

So the previous question was ordered.

The SPEAKER. The question is on the amendment offered by the gentlewoman from Hawaii.

Mr. GROSS. Mr. Speaker, on that I demand the yeas and nays.

The SPEAKER. On the question of agreeing to the amendment?

Mr. GROSS. On the question of ordering the previous question.

The SPEAKER. The previous question has been ordered.

Mr. YATES. Mr. Speaker, I had asked for a separate vote on the previous question. There is no opportunity to ask for the yeas and nays, Mr. Speaker?

The SPEAKER. It is too late.

The question is on the amendment offered by the gentlewoman from Hawaii (Mrs. MINK).

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. MAILLIARD. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were refused.

So the amendment was agreed to.

The SPEAKER. The question is on the resolution, as amended.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. GROSS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were refused.

So the resolution as amended, was agreed to.

PARLIAMENTARY INQUIRY

Mr. YATES. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. YATES. Mr. Speaker, if the rule is voted down, under the rules of the House may not this bill come to the floor of the House anyway, it being an appropriations bill?

The SPEAKER. The rule was voted on.

Mr. YATES. The rule has not been voted on.

The SPEAKER. The Chair will state that the House was voting on the resolution. The resolution has been adopted.

Mr. YATES. Mr. Speaker, the rule has not yet been adopted, inasmuch as we asked for a vote.

The SPEAKER. The Chair will state that the rule has been adopted. The yeas and nays were not ordered on the question of agreeing to the resolution.

Mr. YATES. Mr. Speaker, it has not been adopted until there is a division of yeas and nays.

The SPEAKER. The Chair put the question on the resolution and announced that the ayes appeared to have it on voice vote. A yea-and-nay vote was demanded. An insufficient number of Members arose to support that demand. Accordingly, under the announcement the Chair made, the resolution has been agreed to.

A motion to reconsider was laid on the table.

APPOINTMENT OF CONFEREES ON S. 38, AIRPORT DEVELOPMENT ACCELERATION ACT OF 1973

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill, (S. 38) to amend the Airport and Airway Development Act of 1970, as amended, to increase the U.S. share of allowable project costs under such act, to amend the Federal Aviation Act of 1958, as amended, to prohibit certain State taxation of persons in air commerce, and for other purposes, with a House amendment thereto, insist on the amendment of the House and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia? The Chair hears none, and appoints the following conferees: Messrs. STAGGERS, JARMAN, DINGELL, KUYKENDALL, and SHOUP.

PERSONAL ANNOUNCEMENT

Mr. MADDEN. Mr. Speaker, on rollcall No. 132, yesterday, I was present and voted "No". I ask unanimous consent that the permanent RECORD be corrected accordingly.

The SPEAKER. The Chair is without authority in that regard. The gentleman's statement will appear in the RECORD.

SECOND SUPPLEMENTAL APPROPRIATIONS, 1973

Mr. MAHON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for consideration of the bill (H.R. 7447) making supplemental appropriations for the fiscal year ending June 30, 1973, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to 2 hours, the time to be equally divided and controlled by the gentleman from Michigan (Mr. CEDERBERG) and myself.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from Texas.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 7447, with Mr. BROOKS in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the unanimous consent agreement, the gentleman from Texas (Mr. MAHON) will be recognized for 1 hour, and the gentleman from Michigan (Mr. CEDERBERG) will be recognized for 1 hour.

The Chair recognizes the gentleman from Texas.

Mr. MAHON. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the bill before us today touches almost every Federal department and agency, as well as the District of Columbia. It is the last large general supplemental appropriation bill for fiscal year 1973.

However, certain additional transmittals from the Executive are anticipated. As Members know, the President, on February 12, took the action of devaluating the dollar by 10 percent. By virtue of this action, we expect to receive, in the relatively near future, a request for appropriations totaling some $2.2 billion to maintain the U.S. pro rata subscription to five international financial institutions.

An additional supplemental request is anticipated to provide funds for the several flood and disaster relief programs of the Federal Government. This will be in response to the critical flood conditions prevalent in large sections of the country.

But the bill before us today is the last comprehensive supplemental for the fiscal year ending June 30. The committee held extensive hearings on the items in the bill. There are three volumes of testimony and related material available to Members totaling 2,700 pages.

GRAND TOTAL OF THE BILL

The grand total of the bill is some $2.8 billion, which represents a net decrease of $300 million below the various budget estimates considered in connection with the bill.

Further, the bill contains transfers of some $530 million between appropriations. In several cases where transfers were proposed from appropriations impounded by the executive branch, the committee has not granted such transfers but has provided new money. In other instances, in lieu of providing new budget authority, the committee has recommended transfers from accounts in which the committee has determined there are surpluses. It is customary for the Congress to provide transfer authority particularly for pay act costs in order to minimize the granting of new obligational authority and to facilitate to the maximum extent the absorption of increased pay costs within current appropriations.

BILL HIGHLIGHTS

About 86 percent of the $2.8 billion contained in the bill is for programs that are totally or virtually uncontrollable at this point in time. Another $226 million, or 8 percent of the bill, is for higher education items which were not handled in the urgent supplemental bill, which cleared the House on April 12 and became law on April 26.

Among the major programs which are totally or virtually uncontrollable at this point in time are:

$899,891,900 for pay costs.

$614,066,000 for grants to States for public assistance.

$370,248,000 for flood and disaster relief programs.

$190,900,000 for payment to the Civil Service Retirement fund.

$87,000,000 for retired military pay.

$57,638,000 for firefighting costs.

$26,300,000 for Federal workmen's compensation benefits.

$36,568,059 for various claims and judgments against the Government including Vietnam prisoner of war claims.

$32,700,000 for military mail privileges and postal costs.

REDUCTIONS IN APPROPRIATIONS

The $300 million in reductions is a net figure. There are increases in a few items in the bill approximating $80 million, the great majority of which is associated with flood relief programs of the Corps of Engineers and the Soil Conservation Service. As indicated, additional requests are anticipated for purposes of this nature.

Reductions in the bill include:

$118 million, net, in pay increase costs.

$75 million in the deficiency request for naval personnel.

$15 million in various defense operation and maintenance requests for postal and mail purposes.

$21,000,000, net, in higher education programs.

$50 million in the elderly nutrition program, because of the timing of the appropriation.

$74 million in advances to extended unemployment account, and

$8.5 million in the Federal payment to the District of Columbia.

In referring to the $300 million reduction in requests considered in the bill, it must be taken into consideration that the committee has not recommended rescission in various appropriations as requested by the executive branch in the sum of about $383 million. This action of not recommending such rescissions has the effect of reflecting congressional action on the budget as an increase of $383 million in fiscal year 1973. Thus, the $300 million reduction in this bill is offset by not recommending the requested rescissions.

CONGRESSIONAL ACTION ON APPROPRIATION BILLS FOR 1973

In each and every of the last 20 years, the Committee on Appropriations has recommended and the Congress has enacted reductions in total budget authority requested by the Executive. Excluding amounts in the accompanying bill, the Congress has to date considered budget requests for appropriation bill items for fiscal year 1973 totaling about $178.3 billion. In its action on such appropriation bills, the House has reduced requests for new budget—obligational—authority by about $5.1 billion. Senate action on the appropriation bills it has considered thus far has resulted in decreases amounting to about $2.3 billion in budget authority.

In final actions in connection with these appropriation bills, the Congress had reduced requests by an amount aggregating some $5.1 billion. These amounts include inaction on some $966 million net downward amendments for fiscal 1973 contained in the budget submitted January 29, 1973.

In connection with the figures which I have just cited, I again recommend for Members' attention the so-called scorekeeping report published periodically by the Joint Committee on Reduction of Federal Expenditures. This report represents the only comprehensive accounting of congressional actions and inactions affecting the Federal budget. The report is objective and has gained widespread acceptance in Congress and in and out of Government generally. The report this year incorporates new material and efforts continue to make the reports more informative and understandable.

CONGRESSIONAL ACTION ON NONAPPROPRIATION BILLS

Mr. Chairman, in considering congressional action on appropriation bills it should also be taken into account that congressional actions on certain nonappropriation bills also authorize new budget authority and result in outlays by the Government. The estimated net effect of all final congressional actions to date on nonappropriation bills affecting fiscal 1973 has been to increase new budget authority by about $15 billion and to increase outlays by about $7.8 billion.

Over the last 5 years, in appropriation bills handled by the Appropriations Committee, Congress has reduced appropriations below the requests by about $30 billion. However, during this period Congress has offset that reduction by adding about $30 billion in bills which are not handled by the Appropriations Committee. It has been virtually a standoff in this respect.

Had Congress for the last 5 years given the executive branch precisely what had been requested—no more, no less—the fiscal posture of the Government would be about the same. In this span, Congress has provided about what the executive branch has requested in total spending authority, although making reductions in the regular appropriation bills, and allowing increases in so-called backdoor spending and other legislative bills.

TABULAR SUMMARY

So, Mr. Chairman, as I indicated, the great majority of appropriations in the bill represent items for which there is little or no discretion available to the Congress at this late date in the fiscal year. At this point in the RECORD I offer a summary table by chapters reflecting the budget requests and amounts recommended by the committee in the bill:

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL

SUMMARY

	Budget estimates	Recommended in bill	Bill compared with estimates
TITLE I—GENERAL SUPPLEMENTALS			
Agriculture—Environmental and Consumer Protection:			
New budget (obligational) authority	$12, 100, 000	$33, 387, 000	+$21, 287, 000
Transfer from Sec. 32	(21, 960, 000)	(21, 960, 000)	
Defense:			
New budget (obligational) authority:			
1973	143, 500, 000	123, 627, 000	−19, 873, 000
1972	30, 400, 000	17, 598, 000	−12, 802, 000
1971	72, 001, 000	16, 958, 000	−55, 043, 000
1969	7, 947, 225	50, 000	−7, 897, 225
Total	253, 848, 225	158, 233, 000	−95, 615, 225
By transfer	(500, 000, 000)	(430, 000, 000)	(−70, 000, 000)
District of Columbia:			
Federal funds: New budget (obligational) authority	8, 500, 000	0	−8, 500, 000
District of Columbia funds:			
New budget (obligational) authority	(65, 430, 000)	(64, 830, 000)	(−600, 000)
Foreign Operations: New budget (obligational) authority	738, 000	700, 000	−38, 000
Housing and Urban Development, Space, Science, and Veterans	Language	Language	
Interior and Related Agencies:			
New budget (obligational) authority	59, 630, 000	57, 638, 000	−1, 992, 000
By transfer	(13, 250, 000)	(8, 600, 000)	(−4, 650, 000)
Labor and Health, Education, and Welfare:			
New budget (obligational) authority	1, 163, 715, 000	1, 028, 844, 000	−134, 871, 000
Limitations on administrative and nonadministrative expenses	(148, 107, 000)	(147, 649, 000)	(−458, 000
Legislative Branch:			
New budget (obligational) authority	20, 502, 250	20, 597, 250	+95, 000
By transfer	(298, 000)	(298, 000)	
Public Works	25, 600, 000	70, 600, 000	+45, 000, 000
State, Justice, Commerce, and Judiciary:			
New budget (obligational) authority:			
1973	223, 568, 000	215, 835, 000	−7, 733, 000
1972	26, 000	26, 000	
Total	223, 594, 000	215, 861, 000	−7, 733, 000
By transfer	(500, 000)	(500, 000)	
Transportation:			
New budget (obligational) authority	$49, 646, 000	$43, 883, 000	−$5, 763, 000
Intragovernmental transaction	(24, 669, 000)	(24, 669, 000)	
By transfer	(3, 250, 000)	(3, 250, 000)	
Treasury, Postal Service, and General Government	305, 839, 000	305, 539, 000	−300, 000
Claims and Judgments	20, 368, 059	20, 368, 059	
Total, title I—General supplementals:			
New budget (obligational) authority:			
1973	2, 033, 706, 309	1, 921, 018, 309	−112, 688, 000
1972	30, 426, 000	17, 624, 000	−12, 802, 000
1971	72, 001, 000	16, 958, 000	−55, 043, 000
1969	7, 947, 225	50, 000	−7, 897, 225
Total	2, 144, 080, 534	1, 955, 650, 309	−188, 430,225
By transfer	(517, 298, 000)	(442, 648, 000)	(−74, 650, 000)
Transfer from Sec. 32	(21, 960, 000)	(21, 960, 000)	
Limitation on administrative and nonadministrative expenses	(148, 107, 000)	(147, 649, 000)	(−458, 000)
Intragovernmental transaction	(24, 669, 000)	(24, 669, 000)	
TITLE II—INCREASED PAY COSTS			
New budget (obligational) authority	1, 018, 799, 900	899, 891, 900	−118, 908, 000
By transfer	(87, 960, 796)	(87, 543, 536)	(−417, 260)
Limitation on administrative and nonadministrative expenses	(1, 458, 700)	(1, 458, 700)	
GRAND TOTAL—TITLES I AND II			
New budget (obligational) authority:			
1973	3, 052, 506, 209	2, 820, 910, 209	−231, 596, 000
1972	30, 426, 000	17, 624, 000	−12, 802, 000
1971	72, 001, 000	16, 958, 000	−55, 043, 000
1969	7, 947, 225	50, 000	−7, 897, 225
Total	3, 162, 880, 434	2, 855, 542, 209	−307, 338, 225
By transfer	(605, 258, 796)	(530, 191, 536)	(−75, 067, 260)
Transfer from sec. 32	(21, 960, 000)	(21, 960, 000)	
Limitation on administrative and nonadministrative expenses	(149, 565, 700)	(149, 107, 700)	(−458, 000)
Intragovernmental transaction	(24, 669, 000)	(24, 669, 000)	

Mr. MAHON. At this time it would perhaps be appropriate to take a moment to talk about the major item of controversy, which is associated with Southeast Asia. As all of us know, there have been hundreds of millions of dollars spent in Southeast Asia by the U.S. Government, beginning at least as far back as the early 1950's.

We have had a war going on for almost 10 years. The 200th shipload of aid to Vietnam arrived in Southeast Asia in 1952. It has been a long story.

A cease-fire agreement has now been acquired. It became effective at midnight on January 27. The cease-fire has been agreed to but has not been fully implemented. The President is desperately trying to get full stabilization of the cease-fire. He has had from January 27 to date, just over 3 months, to try to solidify and stabilize the cease-fire. In the context of the long contest in Southeast Asia, that is only a very short period of time and I, for one, have not lost patience with the President's efforts to stabilize the cease-fire. I, for one, am in favor of giving him a bit more time.

Mr. Chairman, we gave 6 years plus for the actual fighting of the war. In an emotional moment, I am not in favor of trying to curtail the President's authority to move in the direction of peace. Plenty of time remains for such action if we wish to pursue it. Of course, we all favor, and our constituents favor, an early and rapid end to all the fighting in Southeast Asia.

Mr. YATES. Mr. Chairman, will the gentleman yield for a question?

Mr. MAHON. I am delighted to yield to the gentleman from Illinois (Mr. YATES).

Mr. YATES. Mr. Chairman, the gentleman has spoken about his feeling that he would not want to cut off the President's authority. What congressional or constitutional authority has he had for bombing in Cambodia at the present time?

Mr. MAHON. Mr. Chairman, the ceasefire was announced on January 27. At that time we still had extensive forces in Southeast Asia. All of the ground forces have now been withdrawn, but we still have in Thailand and in the seas around Southeast Asia a number of forces.

Mr. YATES. What constitutional authority did he have?

Mr. MAHON. I do not know of anybody in this House who can speak with complete authority as to what may happen in Southeast Asia and as to what kind of eventual conclusion may be reached there. I realize that people differ as to the constitutional provisions, but we cannot settle constitutional matters in this bill. It is my understanding the Committee on Foreign Affairs is presently conducting hearings looking toward an examination of the organic law of the land with respect to the authority of the President in matters such as this.

Mr. YATES. The gentleman has not stated what authority he has now. He has no authority from the Congress, does he?

Mr. MAHON. If the gentleman says he has no authority from the Congress, that is his view. We have, of course, provided about $76 billion for the Military Establishment for the current fiscal year. We have not approved or disapproved as of this time his actions to implement the cease-fire.

Mr. YATES. Is the gentleman stating that the approval of an appropriation is sufficient authority for the President under the Constitution to carry on the bombings of Cambodia and Laos?

Mr. MAHON. The statement speaks for itself.

Mr. CEDERBERG. Will the gentleman yield to me?

Mr. MAHON. I yield to the gentleman from Michigan.

Mr. CEDERBERG. It is true all of our ground forces have been removed from Southeast Asia, but we still have 1,300 and some missing in action who have not been removed or been accounted for. Some may be living and most may be dead. There are people living in this country who are very concerned about these missing in action.

Mr. YATES. If the gentleman will yield further, what congressional authority has the President received to stay there and engage in military bombing in Cambodia and Laos?

Mr. CEDERBERG. I am just answering your question and saying there are a lot of people who have not been removed or their remains have not been located and they have not been accounted for.

Mr. YATES. What authority does he have?

Mr. CEDERBERG. The same authority he had before.

Mr. THOMPSON of New Jersey. Will the gentleman yield?

Mr. MAHON. I yield to the gentleman from New Jersey.

Mr. THOMPSON of New Jersey. I thank the distinguished chairman for yielding.

No one has greater sympathy for those missing in action. There is not one Member of this body who is unsympathetic to them. The fact of the matter is, however, that absent any constitutional authority to continue the bombing and with all due regard for those who are missing in action, the inevitable result of the continuation of the bombing is going to be increased casualties and an increased number of missing in action, and this has to stop.

I thank the chairman for yielding.

Mr. RONCALIO of Wyoming. Will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Wyoming.

Mr. RONCALIO of Wyoming. I thank the chairman for graciously yielding to me at this time in order to make this observation.

We understand that as mature lawmakers and many of us lawyers are discussing the constitutionality of acts of aggression, and recently we know in most of the leading papers of America there appeared an excellent legal treatise prepared by able constitutional lawyers setting forth the case for the President and against the President.

Most of us have our minds made up if we are able to read and draw conclusions therefrom. I have my mind made up and I know which way I will vote, but I respect the fact that it will be different from the gentleman from Texas and the gentleman from Florida (Mr. SIKES) for whom I have tremendous respect.

My conclusion is there is no authority for the President to drop bombs anywhere in Indochina, but that does not mean that he does not have the right to protect American lives wherever they may be.

However, the longer we debate this the less likely we are to come to any conclusion. This is predetermined and should be voted on.

I thank you very much for yielding to me.

Mr. MAHON. I was glad to yield to the gentleman.

It is true we make no progress by debating the constitutional provisions in connection with this bill. The President and his advisers take the position that the Commander in Chief has the constitutional authority. Some experts agree and some differ, but that does not settle the issue. If we want to settle the issue of war and peace, we have the authority to do it. If the Congress wants to grapple with this issue in a direct way through its proper procedures, then we can bring home troops from Europe and bring home forces from Thailand and elsewhere and take any action that we wish to.

But you cannot very well do it in the supplemental appropriation bill. This is no place to fight the battle. If the Congress in its wisdom wishes to bring to a grinding halt all military programs and activities outside of the United States or inside of the United States, it has the authority to do it.

That seems to me to be the situation.

Mr. Chairman, may I inquire how much time I have consumed?

The CHAIRMAN. The Chair will state to the gentleman from Texas that the gentleman has consumed 14 minutes.

Mr. MAHON. Mr. Chairman, I do not care to yield myself further time at this moment.

Mr. FLOOD. Mr. Chairman, chapter VII of the bill includes $1,028,844,000 for the Departments of Labor and Health, Education, and Welfare and related agencies. This is a reduction of $134,871,000 below the budget request.

The largest single item is $614,066,000 for grants to States for public assistance. Every year about this time we have to appropriate additional funds for public assistance grants, and this year is no exception. The reason for the supplemental appropriation is the tremendous increase in costs for social services over the amounts in the original 1973 budget which was submitted to Congress in January 1972. As you will probably remember, a ceiling of $2.5 billion on payments for social services was enacted in the last session of Congress, but this ceiling was far in excess of the amount requested in the 1973 budget estimate.

Another fairly large item included in our chapter is $226,510,000 for fiscal year 1973 funding for higher education programs which have not been previously considered by the committee. There were funds for higher education in the supplemental appropriation bill which was enacted last fall, and there were funds for the student assistance programs in the urgent supplemental which we sent to the President before the Easter recess. The amounts which are included here are for use in the school year which begins next fall, included in the total is $12,360,000 for language training and area studies under title VI of the National Defense Education Act. This is $10 million above the budget request. The administration proposed to cut back this program rather abruptly, and we have included funds in the bill to keep it alive at least for another year. We are also recommending some reductions in the budget request for special services in college and strengthening developing institutions, where the administration was proposing rather large increases over the current level.

Another major item in our chapter is $50 million for the nutrition program for the elderly. An appropriation of $100 million for this program was included in both the Labor-HEW appropriation bills for fiscal year 1973 which were approved by the Congress but vetoed by the President. Because this is a new program, no funds were available for it under the terms of the fiscal year 1973 continuing resolution. In view of the fact that most of the fiscal year has gone by, we are recommending an appropriation of $50 million to remain available through the first 6 months of fiscal year 1974.

The bill also includes $77,207,000 for reimbursement to the social security trust funds for costs incurred in the administration of the new Federal supplemental security income program authorized by the Social Security Amendment of 1972. The new program replaces the existing grant-in-aid programs for the aged, blind, and disabled which are administered by the States and localities. None of the funds included in this bill are for benefit payments. This appropriation is entirely for administrative cases which the social security administration is incurring in order to be in a position to put the program into effect on January 1, 1974.

Some of the other items included in this bill are $26,300,000 for Federal workmen's compensation benefits resulting from an increase in claims; $12,000,000 to permit completion of the new Children's Hospital National Medical Center in the District of Columbia; and $17,593,000 for payments to lenders for federally insured and reinsured student loans which are in default. This last item is one about which the subcommittee is very concerned and which we have discussed at considerable length in our hearings on both the 1973 estimates and the 1974 budget estimates. We have urged the Office of Education to take all possible steps to collect these defaulted loans.

The biggest reduction from the budget estimate recommended by the subcommittee was $74 million for advances to the extended unemployment compensation account. Based on the information which we received in the hearing, we concluded that this money was needed back in August of 1972, but that now that so much time has elapsed the appropriation is no longer necessary.

I should also mention that the administration requested rescission of appropriations totaling $382,888,000, of which $342,928,000 fell within the bailiwick of the Labor-HEW subcommittee.

We recommend disapproval of all of these proposed rescissions as indicated on page 3 of the report. The largest single item involved in the rescission is an appropriation of $239,000,000 which was appropriated for the neighborhood youth corps summer program. It is our definite intent that there should be a summer youth program just as there was last summer, and we hope, but, of course, we cannot guarantee that the funds will be spent for that purpose.

Those are the highlights of chapter 7 of this bill, and everything is explained in greater detail in the report.

Mr. EVINS of Tennessee. Mr. Chairman, there are three items in chapter 9 of this bill handled by the Subcommittee on Public Works Appropriations.

These concern supplemental appropriations for the U.S. Corps of Engineers for further disaster relief to the flooded areas of the Mississippi Valley, one item for the Federal Power Commission, and a request for supplemental funds for the Water Resources Council.

Of the several requests, the replenishing of the Emergency Fund of the Corps of Engineers to assist areas ravaged by floods is, of course, the most important and of the greatest urgency.

We all recognize the necessity for providing needed disaster relief to those areas where more than 11,000,000 acres of farmlands have been flooded and inundated.

We are recommending in the bill $70,500,000 as an additional appropriation for emergency disaster relief—the budget request was $25,000,000, so our request is $45,000,000 above the budget request to replenish the depleted emergency fund.

And, may I say, this request was made several weeks ago, and it is evident to the committee that recent floods in the Lower Mississippi Valley have caused extensive damage—but due to the magnitude of the disaster, it will be some time before an accurate assessment of damages can be made.

It should be pointed out that flood control measures prevented an estimated $5 billion 979.1 million in damages in the Lower Mississippi Valley area.

Had there been no flood control measures carried out by the Corps of Engineers, damages would have reached an estimated $6 billion 187.1 million rather than the actual estimated total of $208.6 million.

Present funding in my opinion will be inadequate to provide the full necessary disaster relief. Certainly the additional $25 million over the budget request is urgently required and needed at this time.

FEDERAL POWER COMMISSION

For the Federal Power Commission our committee is recommending the full supplemental budget request of $100,000.

This additional funding is necessitated by a court ruling—Greene County Planning Board against FPC—requiring that the FPC prepare its own environmental impact statements to accompany every request for construction, operation and maintenance of hydroelectric and natural gas pipeline facilities.

This ruling has caused a substantial increase in the workload of the Commission and the $100,000 in additional funding is required to finance the studies required by the court order.

WATER RESOURCES COUNCIL

The committee has deferred, without prejudice, a request by the Water Resources Council for an additional $500,000 for the national and regional water resource assessment program.

Since the Council has not convened in more than a year and since the Council Director recently left the Council, our committee sees no special urgency in this request for additional funds which—I repeat—we recommend be deferred without prejudice. Needed funding can be considered in the regular annual appropriation bill.

Appropriate consideration will be given to funding requests for the Water Resources Council when the committee considers the regular 1974 appropriations bill.

Mr. CEDERBERG. Mr. Chairman and Members of the Congress, I am not going to take any time during the general debate process on this matter. I think everyone knows what is included in the various sections of the bill. The distinguished Chairman, the gentleman from Texas (Mr. MAHON) has alluded to the figures that are involved.

Mr. Chairman, I have very few requests for time. However, at this time I yield 5 minutes to the gentleman from Iowa (Mr. GROSS).

Mr. GROSS. Mr. Chairman, I would like to address a few questions to the distinguished gentleman from Texas (Mr. MAHON) concerning this bill.

For instance, how did the Sergeant at Arms' office get so much money that it could be transferred all over the place in the legislative branch as it applied to this body?

Mr. CASEY of Texas. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I will be glad to yield to anyone who can give me an answer to my questions.

Mr. CASEY of Texas. As the gentleman from Iowa will note, some of these are very minor amounts, but the principle is this—that some of these funds were not used and, rather than reappropriating funds, we just transferred them.

Mr. GROSS. How were they overfunded? Why was the Sergeant at Arms' office overfunded to the extent that it could be taken and spent elsewhere?

Mr. CASEY of Texas. I would state to the gentleman from Iowa that some of the funds are due to the fact that we did have some Members who died, and those funds were not reused until those departed Members were replaced with the election of new Members.

Mr. GROSS. Then let us take the Department of Commerce, and the transfer of National Oceanic and Atmospheric Administration funds to that department. Other funds were taken from that same outfit, the National Oceanic and Atmospheric Administration and given to the International Business Administration. There is a long list of them here, transfers of funds from that same source the National Oceanic and Atmospheric Administration. How did they become so overfunded that the committee could reach in and get this kind of money?

Mr. MAHON. Mr. Chairman, if the gentleman will yield, the President had established a ceiling of $250 billion in expenditures for the current fiscal year and to achieve that objective, required the shrinking of many programs. So the departments were prevented from expending certain moneys and various means were used in order to reduce expenditures and to keep within the ceiling of $250 billion.

Mr. GROSS. Mr. Chairman, I submit that the question was: Why were they so overfunded in the first place that they did not need those funds?

How could that happen? How was the committee able to transfer hundreds of thousands of dollars from the Disabled Miners fund to other areas? I just do not understand why these agencies and departments of Government were so overfunded in the first place. That is my point.

Mr. CEDERBERG. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Michigan.

Mr. CEDERBERG. The amounts that have been transferred mostly in this legislation are a small fraction of the total budget of the agency.

Mr. GROSS. I understand that.

Mr. CEDERBERG. Let me direct the gentleman's attention to the miners' situation. We funded that situation. I think the gentleman from Iowa will concur that we did not get the number of applications that were anticipated at the time that the funds were made available. Those things happen. Let me ask the gentleman from Iowa a question, if I may.

The gentleman from Iowa would not suggest that we in the Committee on Appropriations not take a hard look at what is happening in these various agencies and make this money available for transfer for pay raises, and so forth, rather than give them new money; would he?

Mr. GROSS. Of course the committee should take a hard look and that includes the original estimates of funds required. Let me inquire about the miscellaneous item of $1 million for the contingent expenses of the House. What is that all about?

I might preface that by saying that before the Easter recess this year I said that I hesitated to leave this place because the last time I went on vacation, I came back to find the Speaker's lobby stuffed with Louis XIV or XV furniture, and adorned with crystal chandeliers at a cost of some $300,000.

I came back from this year's Easter recess to find the dining room carpeted wall to wall, with brand new, nice soft carpet.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. CEDERBERG. Mr. Chairman, I yield 2 additional minutes to the gentleman from Iowa.

Mr. GROSS. There was nothing wrong with the carpet that was there. Under the situation that exists today, with fiscal trouble growing all over the country, leads me to be somewhat inquisitive about what the money is being spent for around this place.

Mr. CASEY of Texas. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Texas.

Mr. CASEY of Texas. With reference to the million dollars in the contingent fund, this House voted an additional $20,000 per Member for clerk hire. The gentleman will recall this and the fact that the million dollars is an estimate of what might be used. The gentleman may not use it, and I may not use it, but it has to be available to those Members who do make the request for the additional $20,000.

Mr. GROSS. This is no reflection on the gentleman from Texas (Mr. Casey) who is a pretty good conservative in my book, but some people apparently could not wait for the regular appropriation bill; it has to be rushed in here right now in this deficiency bill so that some Members could get their hands on the additional $20,000 immediately.

Mr. CASEY of Texas. It will not be spent unless the Members themselves make the request.

Mr. GROSS. I understand that perfectly. I am not going to spend any of it.

Mr. CASEY of Texas. This resolution was adopted by the House this year. This money is for the current fiscal year ending June 30. The regular legislative bill for next fiscal year, fiscal year 1974, has already passed the House.

Mr. GROSS. The hook is dangled, and the goose hangs high. I thank the gentleman.

Mr. MAHON. Mr. Chairman, I yield 5 minutes to the gentleman from New York (Mr. Addabbo).

Mr. ADDABBO. Mr. Chairman, as you undoubtedly know, I will later offer an amendment to strike from the bill $430 million that the Defense Department seeks to have transferred from specific accounts to its general operational fund. My amendment reads as follows: "on page 6, strike out the lines 9 through 12."

After numerous hearings on the matter before the Defense Appropriations Subcommittee, I and other colleagues have come to believe this rather innocuous sounding amendment is, in fact, a subtle attempt by the executive to have the Congress put the stamp of approval on its bombing raids over Cambodia.

If you read the story on the front page of the Washington Post Tuesday, you are aware that Secretary of Defense Elliot L. Richardson has pulled out all the stops in an attempt to defeat our amendment.

Whatever the House action, the Secretary is quoted as saying, the bombing of Cambodia will continue. He also alleged that of the $430 million, only $25 million will be used for Cambodia. And the story goes on to say:

> Richardson said that if an amendment were offered to specifically restrict use of any of those funds for air support in Cambodia and it was defeated, then we would be justified in regarding that vote as a vote to at least acquiesce in that activity.

Basically, the Defense Department seeks the transfer of funds from specific accounts to the general operational fund. No new money is involved. Secretary Richardson said in an appearance before the subcommittee the shortage has come from the currency devaluation, higher subsistence costs and "a higher-than-programed rate of activity in Southeast Asia during the second half of fiscal year 1973."

The Secretary has also maintained that of the $430 million sought, only $25 million would be used for bombing missions over Cambodia.

The Secretary's computations would seem to create a small credibility gap within the Pentagon, because later that day, the comptroller of the Air Force, appearing before the Defense Appropriations Subcommittee testified that of the $430 million request, the Air Force is scheduled to receive—and I quote:

> We have an estimate of $80 million for Southeast Asia.

Congressman Giaimo then asked if the $80 million for Southeast Asia was for combat operations, and the answer was: "Yes, sir."

I would suggest that since the only area of combat in Southeast Asia today is Cambodia, the minimal estimate of money to go for Cambodia operations is $80 million which at best is three times more than what Mr. Richardson has indicated. Frankly, we believe that $80 million figure to be less than all inclusive.

As Air Force Secretary Robert C. Seamans, Jr., told the committee earlier this week, the $25 million would perhaps pay for the gasoline used in flying the planes.

What the Secretary neglected to mention are the costs for personnel, bombs, support facilities and personnel, replacement parts and losses of aircraft and crews during the bombing raids.

The cost of flying tactical aircraft is $6,600; the per-sortie cost of a B–52 is $30,000. During the period from January 27 to March 30 of this year, this Nation has sent 12,136 sorties over Cambodia.

Again, Secretary Seamans indicated the true cost of sustaining the Cambodia raids during the last 60 days of fiscal year 1973 would be closer to $170 million than the $25 million mentioned by Secretary Richardson.

I would like to bring to the attention of my colleagues part of the dialog which occurred during the Defense Appropriations Subcommittee hearings on May 8 when General Crow was asked to clarify the basis for estimating the cost of military operations in Cambodia for May and June 1973:

> Mr. Addabbo. If the air operation in Cambodia continues for the remainder of fiscal year 1973 as in recent weeks, what will be the cost of operations in May and June?
>
> General Crow. The $26 million figure that I used, Mr. Addabbo, would be the out-of-pocket costs. That was not munitions consumed, for instance.
>
> Mr. Addabbo. Does that take into consideration personnel costs, maintenance of bases, and so on?
>
> General Crow. No, sir; it does not.
>
> Mr. Addabbo. It is just for the gas being used for the planes, is that correct?
>
> General Crow. And some miscellaneous support.

That marks the end of the quotation. It is abundantly clear, I believe, that the $25 million figure cited by Secretary Richardson has no connection with the reality of the Cambodia situation.

The various cost estimates for Cambodia operations become even less reliable when viewed against the history and experience of military costs during the first 4 months of 1973. During the same hearings in response to a question from Chairman Mahon, Lt. Gen. Duward L. Crow, Comptroller of the Air Force, told the subcommittee that—

> In the sense of total consumption, our utilization of munitions and costing, if you will, since the 1st of January through April 30, has been about $160 million.

At a minimum that experience indicates at least a cost of $40 million per month or at least $80 million for the 2-month period remaining until the end of the current fiscal year.

But we would emphasize that large as these amounts are, the money figure is less important than the congressional attitude toward the administration's bombing of Cambodia.

Despite the attempt of Secretary Richardson to minimize the impact of the amendment on its Cambodia policies in the media and, despite the protests that will be delivered on the floor, there is no doubt that the Pentagon would like to use congressional approval as—to quote Mr. Richardson again—"a vote to at least acquiesce in that activity."

The Secretary is totally aware, as were the many military witnesses who came before the committee, of the effect approval of the transfer request would have for the Cambodia policies: It would be congressional approval of the bombing at the very least and, at its most extreme, could be used as the rationale to introduce ground troops into Southeast Asia.

We do not seek to imply that the President has any intention of introducing ground troops into Southeast Asia. But we do strongly contend that the Congress, having learned the painful lesson of the Gulf of Tonkin Resolution, must not give the President a blank check to wage war without the express approval of the Congress.

Secretary Richardson has repeatedly stated, and you will hear it repeated on the floor, that to deny this transfer request would cause serious consequences for all aspects of the military, and would seriously weaken this Nation's defense posture during the months of May and June. But military witnesses before the subcommittee, perhaps more acquainted with bookkeeping procedures, have debunked that statement entirely. With some minor budget shuffling, the military could function until the end of the fiscal year.

And so we are left with the question of Cambodia, and a very sticky question it is.

On March 21, President Nixon sent his request to the House for the transfer authority, and with it came a letter from Roy Ash, Director of the Office of Management and Budget.

In his letter, Mr. Ash stated:

> This increase in transfer authority is necessary to provide the flexibility to transfer funds to meet requirements as they arise during the balance of the year.

On May 1, Mr. Ash appeared before our subcommittee, and I asked him if his letter meant that transfer funds could "be used by the President for introduction of ground troops in further expansion of the war?"

His answer was, and I quote directly:

> I am afraid as to that one that I will have to go back and do more homework before I can answer it out of my head. It sounds like fairly broad language as you have stated it.

I consider the request far more than "fairly broad language." I consider it a dangerous, unlimited request for authority all too reminiscent of the Gulf of Tonkin Resolution. It is most important at this particular time in our history that Congress establish clear limits on Presidential authority to repeat the mistakes of Vietnam, be they in Cambodia or anywhere else in the world.

We perhaps cannot stop the bombing, it is true, by adopting this amendment. The Pentagon has adequate funds available for that purpose, I am afraid. But we can express the intent of Congress to stop the bombing and stop the loss of American lives in Cambodia and Laos, and avoid providing the Pentagon with the blank check approval it wants to expand the bombing, or to carry the Cambodia campaign into a further escalation. We can avoid being the rubber stamp of legitimacy that the President has asked us to be.

In closing, I would remind the Members that the action we take here today is important symbolically as well as legislatively.

The integrity of the Congress is at stake, and I would urge the Members on both sides of the aisle to vote to retain Congressional independence by voting for my amendment. If the Congress is to be equal, it must be uncompromised.

Mr. CEDERBERG. Mr. Chairman, I yield to the gentleman from Illinois (Mr. MICHEL).

Mr. MICHEL. Mr. Chairman, our Labor-HEW portion of this bill totals $1.029 billion in new obligational authority. This is a reduction of some $135 million below the budget request of $1.164 billion.

Our committee disapproved the entire budget request for five Labor Department items, and recommended reductions in three HEW items. These disallowances and reduction totaled just short of $157 million.

We went above the budget request in only two places, for a total of $22 million. For all other items we recommended the budget request, so this leaves us $135 million below the budget.

LABOR DEPARTMENT—FIVE REDUCTIONS

With respect to the items of reduction, first, we found that collections for the Labor Department's extended unemployment compensation account will provide a $19 million surplus by June 30, making unnecessary the additional $74 million requested in the budget.

The budget proposed an extra $422,000 for the Labor Management Services Administration to cover part of the cost of supervising the United Mine Workers elections in 1972, but the committee felt that this could be covered by existing funds.

The budget requested another $1.2 million for the Bureau of Labor Statistics to experiment with weekly unemployment information collection, but the committee disapproved the request because it has been disallowed before, and because of doubt that the money could be used in the few weeks remaining of fiscal 1973.

An additional $40,000 requested for departmental management was disapproved because of a program increase of over $2 million available under the continuing resolution.

A $209,000 request for the foreign currency program was disapproved because we have questions about some of the proposed projects.

HEW—THREE REDUCTIONS

Of the three HEW reductions, two are in higher education.

The committee recommended $20 million for the special services in college, rather than the $26 million requested. This is a reduction of $6 million, but will still provide a 33-percent increase for the program over the fiscal 1972 level.

The amount recommended for strengthening developing institutions is also a reduction from the request, but will provide nearly a 45-percent increase for this program over the fiscal 1972 level.

The third reduction was for the new nutrition program for the elderly. The request was $100 million and we are recommending $50 million to be available to December 31, because we have only 2 months to go in this fiscal year. We expect to fund the full budget request of $100 million for fiscal 1974. This is really only a reduction on paper, and the $50 million is much more than sufficient to get the program off the ground.

TWO COMMITTEE INCREASES

We added money above the budget requests in two places. The first is an additional $10 million for language training and area studies, and this is still nearly $3 million below the 1972 level. The budget proposed phasing out this program, but would have done it so abruptly that it would have cut off students right in the middle of their programs and left the institutions hanging as well.

The second item is an additional $12 million to permit completion of Children's Hospital. We had this money in both the vetoed bills, but it could not be used under the continuing resolution.

RAILROAD RETIREMENT BOARD AND PAY COSTS

The one other change in the budget request does not affect the total obligational authority because it takes the form of a limitation on salaries and expenses for the Railroad Retirement Board. Because it is so late in the year, we recommended a reduction of $458,000 in the request of an additional $1,100,000 to be expended from the trust funds.

Then, we also considered estimates for increased pay costs, and our recommendations are discussed on page 51 of the report.

The other items in our portion of the bill are at the level of the budget requests, and are listed on pages 43 through 51 of the report, with the comparative table following.

The largest of these items, making up more than half the total of our part of the bill is "grants to States for public assistance," which is, of course, a mandatory item.

Also included is $77 million for reimbursement to the social security trust funds for costs incurred in the administration of the new Federal supplemental security program authorized by H.R. 1. This goes into effect in January of 1974.

Mr. CEDERBERG. Mr. Chairman, I have no further requests for time.

Mr. MAHON. Mr. Chairman, I yield 3 minutes to the gentleman from Maryland (Mr. LONG).

Mr. LONG of Maryland. Mr. Chairman, I support the Addabbo amendment. After action on the Addabbo amendment, whether it succeeds or fails, I intend to offer an amendment which will explicitly deal with the question of U.S. combat forces fighting in Cambodia. I feel that the Addabbo amendment deals with this implicitly, and I believe it should be dealt with explicitly.

My amendment, which will be read at that time, says:

> Provided that none of the funds herein authorized to be transferred by such Section 735 by the Department of Defense shall be expended to support directly or indirectly combat activities in, over or from off the shores of Cambodia by United States forces.

I feel this sharpens up the effect of the Addabbo amendment. My amendment will constitute a clear message from the Congress to the President that all bombing in Cambodia must stop. This will bring to an end this business that somehow our fighting in Southeast Asia has been justified by appropriations.

My amendment, I believe, will be a somewhat more precise instrument and will give greater precision to and sharpen up somewhat the impact of the Addabbo amendment. I therefore plan to offer it at that time.

I might point out that my amendment would not prevent our continued aid in the form of weapons or economic support for the non-Communist Cambodians. It would merely forbid the use of U.S. combat forces. That was the whole intent, we all thought, of the treaty Mr. Kissinger worked out; that is, there would be no more U.S. combat troops fighting and dying, but we would still be helping with weapons and economic aid to our allies over there.

We have tried, I believe, to adhere to the letter of this in South Vietnam, but in Cambodia we are violating it.

It is our job here as the Congress to tell the President he is no longer authorized, implicitly or explicitly.

I will offer my amendment after the Addabbo amendment has been dealt with.

Mr. MAHON. Mr. Chairman, I yield such time as he may consume to the gentleman from Missouri (Mr. BURLISON).

Mr. BURLISON of Missouri. Mr. Chairman, my 4½ years voting record in the House clearly reflects opposition to the U.S. involvement in Southeast Asia. That position was reached before coming to the House, when our national leadership proclaimed that we were not going to win the Vietnam war and that we were not there to win.

My votes today on the Addabbo and other amendments to the Second Supplemental Appropriations Act for fiscal year 1973 should not be interpreted as a deviation from that position of opposition to a war we should have never entered or continued.

In the first place, it is clear from the testimony before the Appropriations Committee and the debate here this afternoon that passage of the amendments will not stop the President from continuing the bombing in Cambodia. The requested transfer of funds is not necessary for the bombing to continue.

Second, and perhaps more importantly, the American Presidency is in a sad state of repair before the eyes of the world. The office of the President is sinking in the abysmal mire of the Watergate burglary and the extensive political espionage, sabotage, and camouflage surrounding it. The President and his assistant, Dr. Kissinger, will be in a few days attempting to negotiate the rest of our forces out of Cambodia and Southeast Asia. This at a time when the Presidency must have little credibility to the world leaders with whom the negotiations must be carried on. My votes today are votes to preserve the Presidency at a critical time in our history, and should be read in that light.

Mr. DIGGS. Mr. Chairman, I am deeply concerned that those sections of H.R. 7447 providing funds for the District of Columbia may establish a questionable relationship between revenue sharing funds and the Federal payment to this city. This 1973 supplemental appropriation's bill excludes $8.5 million in an authorized Federal payment to the District and requires instead that the city use revenue sharing funds which had been allocated to meet costs in the next fiscal year.

Historical records indicate that a specific Federal payment has been provided to the District of Columbia since the 1870's. The purpose of this payment is to cover those costs which the city accrues as a result of providing city services such as police and fire protection to the Federal Government. The payment in part also compensates the city for lost revenues due to the tax-exempt status of Federal property. Currently, 55 percent of all property in the District is tax-exempt. The Federal payment is thus a specific allocation designed to pay the Government's appropriate share of the costs of operating the District.

Under the Fiscal Assistance to States and Local Government Act passed by Congress last year, the District of Columbia receives a revenue sharing allotment of $24 million annually. As the legislative history behind this act shows, revenue sharing was not intended as a substitute for other forms of financial assistance. In fact, the act in section 107(b) specifically prohibits States from reducing payments to local jurisdictions because these jurisdictions receive revenue sharing.

The District of Columbia is the only jurisdiction in which revenue sharing funds are appropriated by Congress. If these funds can be used to reduce the Federal payments, this precedent ignores both the congressional intent behind the revenue sharing act and the special nature of the Federal payment. This becomes particularly critical if other special revenue sharing measures are adopted. I, therefore, urge that this matter be reexamined in light of both the congressional intent and fiscal soundness of this action.

Mr. EDWARDS of California. Mr. Chairman, today we are being asked to vote in favor of an appropriation which would give the Defense Department, and hence the President, our express consent for the continued bombing of Cambodia by American military forces. There are at least three compelling reasons for the House to refuse to grant this authority and to pass the Flynt-Addabbo-Giaimo amendment.

First, through the tragic and protracted experience of the war in Vietnam, we have learned the bitter lesson that such authority placed in the hands of the President becomes a tool that can build a full-scale conflict without a formal declaration of war by the Congress. While the approval of a particular provision of an appropriations bill may seem far different from a delegation of war-making powers, we know only too well that the real ability of the military to continue to conduct its bombing missions is dependent on their fiscal resources. The destruction we are wreaking in Cambodia, in approximately 240 bombing raids a day for the last month, is as costly to the United States as to the Cambodians. In addition, Mr. Richardson, the Secretary of Defense, has stated that failure to pass the Flynt-Addabbo-Giaimo amendment, cutting off funds for Cambodian activities, can be interpreted by the administration as congressional acquiescence to our activities there.

Second, there is no legal justification for our military involvement in Cambodia. As our formal commitments to Vietnam became increasingly hazy, our continued presence there was justified in terms of insuring the safe withdrawal of our troops and the return of our POW's. In Cambodia, however, neither of these justifications applies and the administration's statement charging that we are merely responding to Communist violations of agreements, never subject to congressional approval, are unsubstantiated in fact and legality.

Third, the citizens of this country have expressed their desire not to have the Government engage in active military support of a nation which is only remotely connected to the United States, which is itself torn by internal struggles we can only begin to understand, and in the name of "aid" which is actually moral as well as physical destruction. If the "mandate" Mr. Nixon received in November meant anything with respect to Vietnam, it was an overwhelming endorsement of efforts to extricate the United States from our entanglements in Southeast Asia, not a blank check for further activities.

I believe that it is imperative that we act now, in support of the Flynt-Addabbo-Giaimo amendment prohibiting the expenditure of supplemental appropriations for the bombing of Cambodia, to prevent repeating and compounding the tragic errors of the Vietnam War.

Mr. RARICK. Mr. Chairman, I have always been an outspoken supporter of a strong national security and an advocate of military preparedness. I have, as a Congressman, always supported the President in Vietnam, not necessarily because I felt his every decision was correct. Rather, I felt an obligation to stand beside American fighting men committed in combat.

There are no longer any American men in Cambodia. And I, for one, shall not vote for any blank check legislation that would risk the possibility of U.S. men being used in a military buildup for a political chess match.

To allow the transfer of funds by the Department of Defense for military operations in Cambodia could set the stage for such an escalation.

If this country is to reinvolve its military in armed conflict, it should be in a declared war with the goal of complete victory over the enemy. For the Congress to consider allowing further involvement in no-win conflicts is a violation of our oaths and the trust our people placed in us.

I support my country. I do not believe in just "going along" with the President.

In our Republic, if the people are to retain their voice in government, their voice must be heard. History is useless unless we profit from its lessons, and the lessons are evident from our involvement in Korea and in Vietnam. Continued involvement in Cambodia would compound error. Three wrongs, two wrongs, or one wrong simply do not make a right.

If the President insists on gaining the power to wage war, then he has the right to attempt to amend the U.S. Constitution. However, if he is to abide by the Constitution as it exists, then he must obtain any declaration of war from this body. Any such change should represent the voice of the people of this country.

Mr. Chairman, there is war-powers legislation pending in the House that would limit the President's assumed ability to commit American men and arms. I support this. It is the Congress that has the constitutional prerogative to wage war. These powers should not be surrendered to the Executive.

If this country were in danger from attack, I would not hesitate to cast my people's vote in favor of a declaration of war. This is clearly not the case in Cambodia. It is unconscionable to allow the President to involve us in another no-win conflict. I shall cast my people's vote to restoring the full constitutional powers to the Congress.

Mr. MAZZOLI. Mr. Chairman, although many of us never thought it would be necessary at this late date, the House today set a historic precedent by voting for the first time to deny funding for U.S. combat operations in Indochina.

While I, for one, have voted previously for similar measures to force an end to our participation in this tragic conflict—measures which did not prevail—I have, nevertheless, respected the prudent and cautious approach taken by a majority of my colleagues.

I think that we can all take pride in the fact that the House of Representatives, with its broad and diverse membership, is not a body which acts in haste, but is, in the fullest sense of the term, a truly deliberative body.

But with today's historic breakthrough—the clear majorities recorded in favor of denying the transfer of funding authority for the bombing in Cambodia, and the prohibition against funding of any combat activity, direct or indirect, in that area—I believe the House has clearly and eloquently expressed the will of the American people.

All of us are deeply thankful that our ground troops have been withdrawn from Indochina and that our prisoners of war, at long last, have been freed and returned to their homes. Yet, our aircraft and the men who fly them remain engaged in combat. U.S. planes continue to drop bombs in Indochina.

When I was at home during the Easter recess, Mr. Chairman, I visited among diverse student groups—of all age levels, from elementary school to university—in my district. And, unfailingly, they all asked me the same question:

> I thought the war was over, why are we still dropping bombs?

To me, the great tragedy of the entire Vietnam war has been that there never has been a sufficiently clear answer to such questions. Certainly, there never has been a clear and straightforward mandate from Congress, the branch of government in which our Constitution vests the power to make war.

But on this historic day, thanks in large measure to your courageous leadership, Mr. Chairman, the House of Representatives has spoken with clarity—and, I pray it may also be with finality—on the question of U.S. involvement in the Indochina war. We have answered the question put to me by the students in my district. We have said that we believe the war, for us, is over.

Mr. RANDALL. Mr. Chairman, it is my intention to support the Addabbo-Flynt-Giaimo amendment to prevent the transfer of funds to underwrite the cost of continued Cambodian bombing. As I support this amendment and oppose the request of the administration for this authority by a transfer of $430 million in funds as provided for on page 6 of H.R. 7447 I am not cast in the role of a dove who has been fluttering around the past several years. I have supported the war. I had hoped that we would fight to win. I have supported the President without exception. As a matter of fact, I was one of that lonely little group of only 75 members who, in the Democratic caucus of January 2, 1973, before the new Congress was convened the following day, that voted against the resolution of that caucus to terminate the war by any and every means.

I stood fast then because I thought that we were engaged at a sensitive point of negotiations and the Congress should not at that point tie the hands of the President or those of Henry Kissinger.

But, on January 27, he, the President, and we, the Congress—yes, all of us—found a way out of the Vietnam morass that was, as it was put, by peace with honor.

Well, maybe we did not achieve complete peace and have not yet. But, the cease-fire did furnish us the vehicle to get out with honor.

We recovered our prisoners of war or at least many of them. The cease-fire enabled us to remove all of our ground forces. The last of our ground forces have long since left Vietnam soil.

It seems to me it would serve a useful purpose to pause for a moment and consider the potential consequences of the defeat of this amendment just as much as to ponder what would happen if the amendment should be adopted.

To begin with the State Department and the Pentagon justify the bombing not only on the grounds that the President is the Commander in Chief of the Armed Forces but that he is also empowered to make treaties. What is wrong with that argument, is that the State Department proceeds to point out with a straight face that such constitutional authority also gives the President the power to make the war and also to police the treaty that has been entered into. Well, certainly the cease-fire memorandum of agreement has never been asserted to be a treaty. It does not have the power of law or of treaty. And, there has been no move for congressional ratification of the treaty.

These arguments of the State Department would seem to signify double seizure of the power of the President and would seem to indicate some kind of power by the President after the troops have been removed at which point all American interest should cease.

Mr. Chairman, one of the gravest consequences of debating this amendment and then rejecting it is that it could then be interpreted as a new authorization by Congress for combat activity in Cambodia, Laos, or elsewhere. If the Addabbo-Flynt-Giaimo amendment should fail and be rejected then this would doubtless be interpreted as a new Gulf of Tonkin resolution.

Our attention today should really be centered more than ever upon the legalities of the situation. While I supported the military activities under the Gulf of Tonkin resolution, today, the bombing of Cambodia is totally unjustified and totally unconstitutional.

It is my considered judgment that the President may well be now in violation of the Anti-Deficiency Act for proceeding to spend money in Cambodia without authorization or appropriation. It would seem that what the administration really wants today is for the Congress to ratify the existing illegality and cure past conduct which has been nothing more or less than playing loose with congressional mandates. If we adopt this amendment today, we can then make the President or his emissaries come before the Congress. Maybe he can make a sufficient case for the bombing, but that has not yet been done. There has been no report made to Congress nor even a request for authorization for the bombing.

Mr. Chairman, there is no commitment to Cambodia. As we get ready to vote on this important amendment, let us each ask ourselves what possible advantage can this bombing add to our national security? For my own part, the Cambodian operation is not worth one more American life. This is the one chance, an excellent chance, for Congress to assert itself. If we do not do it now, we had just as well disband. Let us not defeat this amendment and follow the same pattern which got us into Vietnam.

Finally, if we start all over again, there may be no new prisoners of war. When a plane goes down over Cambodia, we may have to consider those airmen permanently lost, either dead or never accounted for. Should we continue the bombing operation and continue to lose pilots, it means we generate more prisoners of war and in turn have to justify going in with ground forces to recover these hostages which, of course, we should at all cost, just as we did before January 27.

Mr. Chairman, I have heretofore been one Member who supported the military activity in Vietnam all the way until I thought we were through on January 27, 1973. This year and in the years to follow, I shall continue to support a strong national defense and an adequate defense budget.

But now the issue today is that if we reject this amendment we vote for a new war. The real issue when all surplusages have been stripped away is that we should be determined not to start all over again. We are out. Let us stay out.

Mr. CLAY. Mr. Chairman, we have learned from Defense Secretary Richardson that U.S. bombing in Cambodia will continue even if Congress votes against the Pentagon request to transfer $430 million for aerial combat in Southeast Asia.

Are we to understand that President Nixon, as he has done so often in the past, will follow his own course of action in defiance of this Congress. I have not condoned Executive arrogance in the past and I will not do so now.

Congress must be vigilant in expressing its disapproval of intervention in any part of Indochina, and must monitor expenditures to assure that funds are no longer used to support military actions, or to benefit the political careers of foreign dictators.

Mr. Richardson tells Congress to relax, we cannot prevent this bombing, but what Mr. Richardson does not say is that approval of these funds signals a congressional carte blanche for combat activities in all of Southeast Asia. I, for one, will not be a party to an implied "Gulf of Tonkin" resolution.

Congress must lead the way to reordering our priorities and reallocating our resources if we are to regain our constitutional role in this Government. We cannot allow the spending of billions of dollars for military adventures overseas while Americans go to bed hungry. Our first responsibility is to our own people and I intend to live up to that responsibility.

Mr. Chairman, I will cast my vote "no" against this continued "overseas insanity."

Mr. MAHON. Mr. Chairman, I have no further requests for time, and I ask that the Clerk read.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

MARKETING SERVICES

AGRICULTURAL MARKETING SERVICE

FUNDS FOR STRENGTHENING MARKETS, INCOME, AND SUPPLY (SECTION 32)

Funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c) shall be available for child feeding programs and nutritional programs authorized by law in the School Lunch Act and Child Nutrition Act, as amended, in the amount of $21,960,000 for the current fiscal year in addition to amounts heretofore provided for such purposes.

Mr. CHAPPELL. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count.

One hundred two Members are present, a quorum.

The Clerk will read.

The Clerk read as follows:

GENERAL PROVISIONS

POINT OF ORDER

Mr. YATES. Mr. Chairman, I have a point of order against the language beginning at page 6, line 10 through line 12.

The CHAIRMAN. The gentleman will state his point of order.

Mr. YATES. Mr. Chairman. I make a point of order against the language set forth in lines 10, 11, and 12, on page 6.

Article I, section 8, of the Constitution of the United States says:

> The Congress shall have the power to declare war.

Congress has not declared war against Cambodia or Laos or against any other country in Southeast Asia for that matter. Congress has not given the President any authority to use the American Armed Forces in Cambodia and Laos. Nevertheless, on order of President Nixon, American military planes are bombing in both those countries. The appropriation contained in the transfer authority includes funds to continue the bombing of Cambodia and Laos. That appears in the report of the committee and in the testimony of the committee. This has been conceded by witnesses appearing before the committee, and Secretary of Defense Richardson again stated to the press yesterday that whether or not Congress approves the transfer authority, the bombing would continue.

Mr. Chairman, until April of 1973, when some American troops and prisoners of war were still in Vietnam, it was argued by the administration that President Nixon, as Commander in Chief of the Armed Forces, had the duty and the authority to take those measures that might be necessary to protect them. By April 1, 1973, the last American prisoner of war and the last of the American troops were out of Vietnam, and after that date, therefore, any justification that the President had for his actions in making war in Vietnam or in Cambodia or in Laos disappeared.

The Gulf of Tonkin resolution, upon which President Johnson relied for his congressional authority to send our forces to Vietnam, has long been repealed by the Congress. Today our Armed Forces are not being attacked in Cambodia or Laos, and yet American planes continue the bombing in Cambodia and Laos, although President Nixon has no constitutional authority from the Congress to do so.

Now, my argument, Mr. Chairman, will not relate to an interpretation by the Chair of the Constitution. I want to make that clear at this point.

Rule XXI, paragraph 2, of the Rules of the House says:

> No appropriation shall be reported in any general appropriation bill for any expenditure not previously authorized by law.

Mr. Chairman, under that rule it is not enough that there be ordinary legislative authority which is required for other appropriations. It is not enough that there be ordinary legislative authority upon which to base an appropriation for American Armed Forces to engage in war.

There must be constitutional authority for that appropriation as well, namely, there must be congressional approval for American forces to engage in a war. Both authorizations are essential for that kind of appropriation.

Mr. Chairman, I am contending that there are two forms of legislative authorization that are essential for military appropriations which are to be used to carry on a war, as the bombing is in Cambodia and Laos. One is the ordinary legislative authorization, and the other, which is necessary, also, is a following of the constitutional mandate as well.

It will be argued, Mr. Chairman, what difference does that make? Points of order have been waived by rule approved by the House and granted by the Committee on Rules. That argument might be appropriate with respect the need for ordinary legislation which would authorize the use of that transfer of authority, but, as I pointed out, we have two forms of legislation. While that waiver of points of order might apply to ordinary legislation, it cannot apply to a waiver of the constitutional provisions, because the Committee on Rules cannot waive any constitutional provisions. The provisions of the Constitution cannot be waived by the Committee on Rules, because to hold otherwise would be to authorize any unconstitutional action by the House. This House cannot pass any rule of procedure that would vitiate or violate any provision of the Constitution.

For example, the House could not, under its power to make its own rules, pass one which eliminated the power of the Congress to declare war and grant it to the President.

In adopting the rule the House cannot take any action which results in abridging any provision of the Constitution because we will be violating our oath to support and defend the Constitution.

Mr. Chairman, article VI of the Constitution says that the Constitution and the laws of the United States which shall be made in pursuance thereof shall be the supreme law of the land.

That provision must control our actions. We cannot consider any language in a bill which appropriates funds for a purpose which violates a section of the Constitution.

Oh, I suppose we can say, Mr. Chairman, as did Congressman Timothy Campbell to President Cleveland when the President refused to sign a bill when he thought it was unconstitutional, he said:

> But, Mr. President, what is the Constitution between friends?

Mr. Chairman, I say the rule granted by the Committee on Rules can waive points of order where lesser legislative actions are involved, but it cannot waive the mandated provisions of the Constitution.

So I repeat, Mr. Chairman—and I will make it perfectly clear—we have our duties under the Constitution. We must not vote funds for making war if in fact we have not approved the making of war.

I am asking the Chair for its ruling on two points. One, I ask the Chair to rule with respect to military appropriations which provide funds for American Armed Forces to engage in war under rule XXI, section 2, of the Rules of Procedure of the House of Representatives, which states there must be, as well as any other legislation authorizing such action, compliance with article I, section 8, of the U.S. Constitution, which requires the approval of the Congress for American Armed Forces to engage in that war; and, secondly, I am asking the Chair to rule that the requirements in article XI, section 8, cannot be waived by any rule of the Committee on Rules.

Mr. Chairman, with your ruling, if favorable, the language authorizing the transfer authority should be stricken.

The CHAIRMAN (Mr. BROOKS). Before the Chair will rule on this he will ask the Clerk to read the section on which the point of order was raised. The paragraph beginning on line 9.

The Clerk read as follows:

> Section 735 of the Department of Defense Appropriation Act, 1973, is amended by deleting "$750,000,000" and inserting "$1,180,000,000" in lieu thereof.

Mr. MAHON. Mr. Chairman, I have listened, as I know the Chair has, to the point of order which has been extensively argued by the gentleman from Illinois. The Chair has just had the Clerk read to us the language of which the gentleman from Illinois complains which simply says:

> Section 735 of the Department of Defense Appropriation Act, 1973, is amended by deleting "$750,000,000" and inserting "$1,180,000,000" in lieu thereof.

It is not unconstitutional, certainly, to transfer funds. And the rule provides for the transfer of funds. There has been no determination by the Supreme Court or any other body that this law providing for transfers is unconstitutional. Therefore I would insist that the point of order raised by the gentleman from Illinois (Mr. YATES) is inappropriate, and inapplicable, and should be overruled.

Mr. ECKHARDT. Mr. Chairman, I desire to be heard on the point of order.

Mr. Chairman, I should like to speak briefly in behalf of the point of order. As I see the question, rule XXI, clause 2 is linked with the constitutional requirement of the legislative positive action in order to sustain or to create a situation of war. Now, I believe that it would be the hollowest sham to merely state that this language has nothing to do with warmaking activities in Cambodia, in face of the language on page

23 of the report, where it is said flatly that—

> During the hearings on this matter, it was testified that the Department of Defense had estimated that $6.2 billion would be required for support of the war in Southeast Asia in fiscal year 1973.

Now, recognizing, of course, that the Committee on Rules may waive points of order based solely on rule XXI, clause 2 so as to, in effort, eliminate the necessity of separate positive policy making legislation in the ordinary case, the Committee on Rules may not waive a constitutionally mandated procedural requirement for the making of war, and that requirement is inextricably linked with rule XXI, clause 2, and there is no way that they can be separated.

I am not arguing here that ultimately a court would decide the legislation is unconstitutional. I am not arguing the substantive constitutional point. I am arguing a procedural constitutional requirement, that is, the requirement of the Constitution that legislation accomplishing this objective be specific, and it cannot be so in an appropriations bill. I do not believe that the Committee on Rules can extricate those two points, and for this reason I rise in support of the point of order raised by the gentleman from Illinois (Mr. YATES).

The CHAIRMAN. Does the gentleman from Arizona (Mr. RHODES) desire to be heard on the point of order raised by the gentleman from Illinois (Mr. YATES)?

Mr. RHODES. I do very briefly, Mr. Chairman. Referring to the language of the specific section objected to—there is no indication on the face of this language that this money can be spent for any other than those provisions of section 735 to which it refers.

I submit to the Chair that the precedents of the House do not provide for the Chair or for any other Member to assume illegality when none appears on the face of the legislation under consideration, and therefore I ask that the Chair overrule the point of order.

The CHAIRMAN (Mr. BROOKS). The Chair is ready to rule.

The Chair has read the resolution, and the resolution adopted by the House under which this legislation is being considered says that—

> All points of order against said bill for failure to comply with the provisions of clause 2 and clause 5 of rule XXI are hereby waived.

Under clause 2, which the Chair has read, the pending paragraph would be subject to a point of order, as legislation, were it not for this rule.

The Chair is not in a position, nor is it proper for the Chair to rule on the constitutionality of the language, or on the constitutionality or other effect of the action of the House in adopting the resolution of the Committee on Rules. In the head notes in the precedents of the House it very clearly states that it is not the duty of a chairman to construe the Constitution as it may affect proposed legislation, or to interpret the legality or effect of language; and the Chair therefore overrules the point of order raised by the gentleman from Illinois (Mr. YATES).

Mr. YATES. Mr. Chairman, I want to make some comments on the ruling of the Chair with the thought that I may appeal from the ruling of the Chair.

The CHAIRMAN. The Chair has ruled. The gentleman is perfectly within his right to move to strike the last word, and he may proceed.

Mr. YATES. The point I make, Mr. Chairman, is that in the ruling that the Chair made on precedents, as I recall that ruling, it also says that while the Chair does not interpret the constitutionality of the provision, it leaves that for the House to decide. Is my memory correct on that?

The CHAIRMAN. The Chair believes that is correct in that the committee may later vote on the provision.

Mr. YATES. Mr. Chairman, while I believe the ruling to be not on the points I made I accept the ruling of the Chair. Let the House vote on the amendment which will be offered.

AMENDMENT OFFERED BY MR. ADDABBO

Mr. ADDABBO. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. ADDABBO: On page 6, strike out lines 9 through 12.

Mr. ADDABBO. Mr. Chairman, the import of my amendment is simple and has received wide discussion, so I shall not use all the time available to me.

But I would like to discuss once more, in the most basic terms possible, just how important the vote on this amendment is to the House.

The Defense Department, in asking for this transfer request, is seeking to have the Congress put the stamp of authority on its bombing raids in Cambodia. Nothing in the bill says this explicitly as you will undoubtedly hear as debate continues, but the message is there.

Secretary Richardson says that if we fail to pass my amendment, the meaning, insofar as the administration is concerned, is that the House of Representatives "acquiesces in the action being taken."

And the Secretary has also said that if we approve this amendment, then we will cripple our national defense posture, and cut off funds for all segments of the military establishment.

You have the right to believe what the Secretary says in the newspapers, or you have the right to believe conflicting testimony that was given in numerous appearances by the military before the Defense Appropriations Subcommittee hearings.

But, if you are willing to believe that the Pentagon will be out of money because we approve this amendment, if you are willing to believe that Army jeeps in Europe will be out of gas, or that jet planes in Southeast Asia can not fly, or that enlisted men would not receive their pay checks, then you deserve to be fooled.

It is abundantly clear that the military has enough available funds to last out the remaining 51 days of the fiscal year without any serious cutbacks in spending.

The Pentagon, therefore, is not asking for money as much as it asks our approval of their actions, and the flexibility to transfer money from one account to another as it desires.

We gave them $750 million in transfer authority when they had a recognizable need for it earlier this year—to withdraw our troops from Vietnam and return our prisoners of war. That period has passed. What the military now asks is for authority to spend money wherever and however they want in relationship to Cambodia. And that is where I and other members of this House have declared that the House of Representatives must not be made sponsors of a military action we did not authorize, nor have any control over.

We do not want to give the President a free hand to order military action without express approval of Congress. We do not want another American life lost in or over Cambodia; we do not want another Gulf of Tonkin resolution. We do not wish to appear to be condoning an action that could escalate America into still another Southeast Asia quagmire for political reasons.

I ask each Member here to seriously reflect on whether his constituents back home really want this Nation involved in another war in Southeast Asia. I think the answer is that they do not want that, and I do not think the House of Representatives wants to go on record as encouraging any move in that direction.

It is time, I believe, that Congress send a message downtown to the White House. And that message should be pure and simple and easy to understand. The message I would send would say, 'if you want to bomb Cambodia, you come to Congress and detail just why you feel impelled to do so. You tell us how you would spend the money, and where, and what you will accomplish by it. Then the House will decide yes or no on that explicit request. But there will be no more covert going-along, no hiding of war funds disguised as innocent budget transfers. The House of Representatives is reasserting itself as a coequal branch of Government."

Now, as discussion of this issue has progressed, there have been numerous suggestions on just how best to attack it. There have been numerous amendments suggested, and some of them will be offered later today, should the House decide to reject this amendment.

After intensive study, we have decided this is the best possible way to make the issue clear cut. It would eliminate the flexibility needed by the Pentagon to carry on the money shuffling necessary to the Cambodia operations. Other amendments sound more explicit than this one, but have the disadvantage of leaving loopholes for our military budget manipulators. I would therefore ask that any such amendments be withheld until the vote has been taken on my amendment.

I ask you to support my amendment striking out the entire section, any part of which would give right and consent to flexibility. We have the choice today to assert the authority of Congress as a coequal branch of Government, or we can back away from responsibility and leave the critical question of war and peace solely up to the President. I urge you to assert the authority of Congress by supporting my amendment.

Mr. Chairman, my amendment is simple. It strikes out the right of flexibility without future consent of Congress.

Why do I ask your support of my amendment?

Because Secretary Richardson said if we do not pass it: "it acquiesces in the action being taken;"

Because Secretary Richardson said they have funds to continue their actions;

Because General Ryan said Cambodia is not strategic to the defense of the United States;

Because General Crow and Secretary of the Air Force Seamans said they need this extension of flexibility;

Because the reason for this original flexibility has passed; our troops have been withdrawn and our POW's are back;

Because Director of the Office of Management and Budget Roy Ash admitted that this language in his letter of transmittal as to this provision sounded quite broad;

Because we do not want another American life lost in or over Cambodia or Southeast Asia having lost several since January;

Because we do not want another Gulf of Tonkin resolution;

Because we do not want to give a backdoor stamp of approval in what this administration is doing and may wish to do in Cambodia and any other part of Southeast Asia;

Because we must assert direct congressional authority and again assume our role as spokesman of the American people and they want no more.

For these reasons I ask for your support of my amendment striking the entire section, any part of which would give right and consent to flexibility needed by the Pentagon to carry on the money shuffling necessary to continue Cambodia operations.

Mr. BELL. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I do not know about the future in Vietnam and some of the problems. I do not know what the future may be, but I do know that one thing has occurred that is different this year from last year. We have a peace agreement today. For better or for worse, we have a peace agreement. We have something agreed to. We are now and have just completed a peace agreement between the warring factions in Laos. They have agreed. We have now or we are now working on, and have been working on, the possibility of some kind of agreement between the different factions in Cambodia.

There have been some shooting obviously. The North Vietnamese have become involved, and so on. But I would like to point out one thing. Last December President Nixon involved us in some bombing in North Vietnam, and he said at that time that we will bring these nations to the peace table, the North Vietnamese group. This was successful. We did bring them to the peace table and we did get a peace signed on January 27, 1973. The bombing there was much tougher than it is in Cambodia but we brought them to the peace table.

The Nixon-Kissinger concept was correct. It worked. I think it is correct again.

We are on the verge of possibly developing a peace agreement now in Vietnam. We are having trouble with it. It has gone askew in places and we are having some difficulty, but right at this particular time I say it is the wrong time to pull the rug out from under our peace negotiations. Right today Dr. Kissinger has just been in Russia, talking to them about the possibility of perhaps twisting some arms to bring about some kind of peace agreement between the North Vietnamese and the Cambodians. He is very shortly going to go to Paris where he is going to meet with Le Duc Tho. I ask: Is this the time for us to pull the rug out and to quit, to walk away? I do not think if we had a choice between walking away from Vietnam with no peace at all in Southeast Asia, or walking away with some manner of peace developed in Southeast Asia, there is a person here who would not vote overwhelmingly in favor of some form of peace.

I think we are in a position where we very well could be ruining any chance by telegraphing our punch by this vote today, and show that we are not going to back our attempt in Southeast Asia to bring peace.

I want to make another point which I think is involved here. I think the issue of respect is involved. We have a problem when we make agreements and we always have a problem when we make agreements, but are we going to say that anybody at any time can break an agreement with the United States with no problem? Next week it might be Venezuela or the next time it might be Nicaragua, or it might be any nation, and perhaps the next time it will be Japan or any nation we deal with. Can they break our agreements without any problem?

I think it is necessary to make a little larger effort. It is important that we walk that extra step to try to make these agreements stick. I think we have some kind of obligation to ourselves and as a country to demand respect throughout the world, and to walk that extra little step to bring about peace.

The CHAIRMAN. The time of the gentleman from California has expired.

(By unanimous consent, Mr. BELL was allowed to proceed for 3 additional minutes.)

Mr. BELL. Mr. Chairman, I think we have to recognize that in foreign policy we as a nation have to deal through strength. We cannot deal through weakness and make it work, and we cannot deal through weakness and be respected as a nation, which will be able to deal with Russia and with Red China and with all the problems in this world. We have to deal through strength.

Second, I think we have to give our Executive a certain amount of flexibility. If we do not, it becomes obvious that the 535 Members of the House and Senate cannot possibly run our foreign policy. We have to give a certain amount of leeway to the Executive.

I would like to point out one other thing. Israel is probably, of the little nations, one of the most highly regarded and respected nations in the world today. Why is that? Because she demands respect; she deals through strength. She deals through her executives who have a certain amount of flexibility and ability to move with rapidity.

This is the kind of thing which has made Israel demand from the world the respect she has today.

The best example: She makes those agreements lived up to. Lebanon today is fighting the Palestineans and trying to bring order to them. Why? Because Israel has made them realize that they must do this in order to live up to agreements.

My friends, I think one of the important things we must remember is that we are at this particular time in a position to bring peace to South East Asia. I think it would, by a little additional pressure, be a sad mistake, Mr. Chairman, for us at this particular time to pull the rug out from our negotiators.

Mr. MATSUNAGA. Mr. Chairman, will the gentleman yield?

Mr. BELL. I yield to the gentleman from Hawaii (Mr. MATSUNAGA).

Mr. MATSUNAGA. Mr. Chairman, I believe we can agree with the gentleman that we would not want in any way to thwart the President's efforts at peace, but if the President wants to enforce a peace treaty by going to war, why can he not abide by the provisions of our Federal Constitution and come to the Congress and ask the Congress to declare war first? If his cause is just, certainly the Congress will support him.

Mr. BELL. Mr. Chairman, the answer to the question the gentleman asks is obvious. This is a continuing situation that occurred and has been going on since the Tonkin Gulf resolution. I recognize also that the Tonkin Gulf resolution has been repealed, but the same basis upon which we have conducted the operation in Vietnam is continuing. The President is suggesting something that I think we have to recognize. We have to give the peace of South Vietnam a little opportunity to work. Dr. Kissinger is in Paris now, or very soon will be. I think it would be a sad moment for us to pull the rug out.

Mr. GIAIMO. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I just listened attentively to the debate, and it reminds me of an old song I have known so many years: "It seems to me I have heard that song before."

Remember how many times we have heard:

"The light at the end of the tunnel.

"Don't disturb the situation. We are in a very critical moment right now in Paris, Moscow and so forth."

Mr. Chairman, you do not have an old dove talking here in the well right now. I supported this war in Vietnam. I have supported it for years, to my sorrow, because I at long last realized it was a mistake. At long last I finally recognized the utter futility of it.

We got out finally, thanks to the great efforts of the President. We have no ground troops there fighting in Vietnam, or combat aerial forces.

Now, suddenly we are involved in bombing Cambodia, 12,000 sorties to date. We are bombing in a nation where I defy anyone in this Chamber to even describe to me the nature and characteristics and beliefs of the competing forces in Cambodia. We can hardly pronounce the name of the capitol of Cambodia.

Yet, we say, "Oh, yes, but, the other side is backed by the Communists and armed by them."

Sure, they are. And the other group is being backed and armed by the United States, so where are we? We have gotten out of Southeast Asia; let us stay out.

But there is something much more important at stake here. That is whether this Congress is going to reassert its prerogatives and exercise the functions and the duties which it owes to the American people. Do the Members know what is involved in this simple little three-sentence language? It does not mention Cambodia, although the hearings will tell you that $150 million of this money has already been spent for bombing in Cambodia. It does not really talk about money at all.

What they want is a stamp of approval from the Congress after the fact for what they have already done—for what they have already done.

They want an increased transfer authority for funds, some of which have already been transferred. They say to us, "If you do not grant this to us you are going to jeopardize our Armed Forces, because we will run out of money before the end of the fiscal year."

That is because the Defense Department has already taken that money out of other appropriations of the Defense Department and used it for bombing in Cambodia, when they had no mandate from Congress to do so.

Even worse than that, they came to the committee and they said, "We want transfer authority for $500 million, and we cannot tell you right now what we want it for. Give it to us in a blank check and we will come up at a later date and we will justify to you what we needed the money for."

I ask the Members: Is this the role the Founding Fathers had in mind for Congress? Have we become so impotent and so stupid and so uncaring that we no longer exercise our prerogatives under the Constitution, that we no longer say to an executive agency when it comes up here asking for money—and bear in mind the only real power the Congress has is the power of the purse—"What do you need this money for and what do you want this money for?" Do we hand it to them? Do we put a stamp of approval on acts which they have already taken during the months of January, February, March, and April in Cambodia? Do we blindly ratify their actions?

If we grant them what they want today, we are approving, after the fact, what they have already done in Cambodia.

They say, "But you must do that, because otherwise you are going to jeopardize the safety of our Armed Forces."

That is not so. If we need $500 million for our Armed Forces to last them to the end of the fiscal year, let them come up and tell us why they need it and where they need it. Let them also say, "Yes, we will stop the bombing. We will not use these funds or any other funds for bombing."

The CHAIRMAN. The time of the gentleman from Connecticut has expired.

(By unanimous consent, Mr. GIAIMO was allowed to proceed for 2 additional minutes.)

Mr. GIAIMO. Mr. Chairman, I assure the Members that this House will see to it that the Armed Forces do not suffer in Europe or in the Mediterranean or in the continental United States or anywhere. What we want is the termination of the bombing in Cambodia.

Second, we recognize that if they do not get this transfer authority—what they want now is not so much money, but permission—they will find themselves in violation of the Anti-deficiency Act, because they have to date spent this money improperly and they now want us by the passage of this language to ratify what they have done so that they will not be in violation of the Anti-deficiency Act.

We have to get our hands on the control of many of these executive branch agencies which have been playing fast and loose with congressional mandates. Today is one of the most critical opportunities to vote for a reassertion of congressional power, congressional privilege and congressional prerogatives in areas which are rightfully the concern and jurisdiction of the Congress.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. GIAIMO. I yield to the gentleman from Illinois.

Mr. YATES. The attitude of the framers of the Constitution on this point were expressed by Thomas Jefferson in a letter to James Madison, in which he wrote:

> We have already given . . . one effectual check to the Dog of war by transferring the power of letting him loose from the Executive to the Legislative body, from those who are to spend to those who are to pay.

It was Congress, not the Executive, which was to determine the question of of war or peace.

Mr. GIAIMO. I plead with the Members to compel the executive branch to come up before the Congress and at least tell us what they need the money for and where they plan to use it. I am sure we will exercise prudence and see that the American people do not suffer. Do not, please do not, give up any more of Congress power. We have done so to a great degree already.

Do not give up the little power that we have left and just rubberstamp their actions. Vote down the Defense Department's request for this additional transfer authority.

Mr. SIKES. Mr. Chairman, I rise in opposition to the amendment.

(By unanimous consent, Mr. SIKES was allowed to proceed for 3 additional minutes.)

Mr. SIKES. Mr. Chairman, I shall support the Stratton amendment if it is offered. I oppose all others.

Everyone wants us out of Indochina. There is nothing new about that. The significant thing is this is the first administration in 10 years which has made real progress toward getting us out of Indochina. This is a plus in the eyes of the American people, and do not overlook this fact.

We are getting out of Indochina. This appropriation will help to complete the job. That is what it is for—to help complete the job of getting us out of Indochina. It does not mean we are getting involved in another ground war there. There are no U.S. troops there to get involved. None are being sent back.

If the Communists had respected the agreement on a cease-fire, there would be no need for this transfer authority. The Communists are testing us; testing us in Cambodia, in Laos, in South Vietnam. They are testing us again at the conference table. They want to see how far they can push us. This amendment would play into their hands. It could paralyze our effectiveness.

We have had to take emergency measures to prevent a Communist takeover in Cambodia. The revolutionists there are Communist controlled, Communist trained, Communist equipped, and Communist led. Do not let anyone kid you about this. Cambodia's port provides the only direct supply route to South Vietnam. That is another reason the Communists want Cambodia. American bombing has prevented a takeover.

This is transfer authority only, not an additional appropriation. All money available for transfer has been obligated or earmarked for reprograming funds requested. It will not be used unless it is essential. The request has been cut by committee from $500 million to $430 million, a decrease of 14 percent. This will make available funds for emergency requirements worldwide, not just in Cambodia, not just in Indochina—worldwide. It is for training and operations. Pay and food for military forces is not the key to their effectiveness. It is training and operations that make them effective fighting forces. The money is needed in the Mediterranean. There are quite a number of people in the House who have an interest in a strong American presence in the Mediterranean. Would you like to have it said the Congress voted against maintaining a strong American presence in the Mediterranean? The money is needed in Europe, in the continental United States, as well as in Indochina. The amendment would require a drawdown of war reserves. It would be injurious to the state of readiness of our military forces worldwide.

Secretary Richardson made it clear in his testimony to the Senate on May 7 that only about $25 million of this money would be used in Cambodia for the remainder of the fiscal year—$25 million. The House committee clerks estimated the amount to be $26 million. No one is trying to pull the wool over your eyes. Yet you are seeking to strike all of the funds in the transfer authority to stop an expenditure of $25 million.

This is not a matter of regaining control of the budget. It is a matter of directing control of the budget in a responsible way. Again, we are getting out of Indochina. We are making progress. Do not tie the hands of the administration and the Pentagon at this late date. Do not play into the hands of the Communists. Do not quit now. We are almost out. Do not repudiate the key negotiations which are soon to be in progress. Approval of this amendment can be interpreted as a declaration to the world that Congress wants the United States to stand aside in Indochina—an invitation to the Communists to help themselves.

Do not forget the POW's. They came back uncomplaining, still believing in America. Do not let them down. America believes in the POW's.

I have been listening to expressions of

public sentiment for 40 years. I represent half a million people. I can count on the fingers of my hands the letters I have had against transfer authority. Be sure that you know who you are listening to before you vote.

Mr. STRATTON. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would like to read just a portion from the Evans and Novak column that appeared this morning in the Washington Post:

> Cambodian independence from Hanoi is maintained only by U.S. bombing, which Congress now threatens to end.

This is a report from Phom Penh:

> Turning Cambodia into a satellite of North Vietnam would threaten all the blood and treasure invested by the United States in South Vietnam.

And one third quotation:

> Cambodia's civil war is a Hanoi export; no true political insurgency had taken root among the easy-going Cambodians.

Mr. Chairman, I have talked to a number of Members on the floor today and yesterday in connection with this legislation. There are a lot of Members who are troubled about it. They read the papers and say "Is this not a new Gulf of Tonkin resolution and likely to get us into a new war and then into another Vietnam?"

There is a very simple answer to that question that I think most Members are aware of, but perhaps some of the new Members are not. Cambodia is not another new war; this is the same old war. We are not on the verge of starting a new war. We are trying to wind up the old war in Vietnam which we have been trying for 7 or 8 years to wind up.

The fact of the matter is that what is going on in Cambodia today is an attempt to achieve a cease-fire in Cambodia just as we succeeded in achieving one in South Vietnam and later achieving one in Laos.

Some people say "Well, it has taken a long time. It has taken a long time to get an agreement to end the war in Vietnam." Actually, many Members of this House did not think you could get any agreement on any basis other than surrender and giving control over South Vietnam to the North Vietnamese; but the President and Dr. Kissinger were in fact able to work out an agreement which made it possible to get our POW's back and at the same time allow the South Vietnamese Government an opportunity to defend itself.

And I think the bombing which took place in December—in spite of all the hue and cry—we will all admit today and the prisoners of war have borne this out too helped greatly to achieve that cease-fire.

I had the privilege on the day after the announcement that the cease-fire agreement was signed to go to the White House and hear both Dr. Kissinger and the President outline the terms of this agreement. It made very brief reference to what was going to happen in Cambodia and Laos except to say that all foreign forces should be withdrawn. But they did tell us that there had been an understanding with the Russians and the Chinese and after all they are the ones who really leaned on their clients and thus made this cease-fire agreement possible—and also with the North Vietnamese, that once the South Vietnamese cease-fire was completed there would later follow a cease-fire in Laos and then later there would be a cease-fire in Cambodia.

And Dr. Kissinger told us very frankly that it would be a little tougher to get a cease-fire in Cambodia because the situation is a little bit more complicated there. Until these other cease-fire agreements are signed it was understood that military operations would continue on both sides.

Anybody who is familiar with the situation in Vietnam that we have been concerned with for so many years knows perfectly well that unless you get a cease-fire in Laos and Cambodia you are not going to have a real cease-fire in Vietnam.

So what has been going on since the 23d of January in Cambodia has been an effort to wind up the whole Vietnam affair because if we cannot wind it all as a whole, then the cease-fire in Vietnam is likely to fall apart.

So all we need, it seems to me, is the patience to allow the new talks that have been underway in Moscow, and will shortly get underway in Paris between Dr. Kissinger and Le Duc Tho to continue and to give these officials one more chance to let this cease-fire be achieved in Cambodia. We all want peace, of course, but it is always a difficult thing to achieve, and it was an especially difficult thing to achieve in Vietnam. All we need to do now, as I see it, is to stick it out for 6 weeks more to give Dr. Kissinger and Le Duc Tho one more opportunity to achieve a peace in Cambodia, because if we do not achieve peace there we may lose all we have fought to salvage in Vietnam.

That is all there is to it; that is all that is involved here.

We here in Congress cannot negotiate between these principals. A lot of people wanted the Congress last year to negotiate the release of our prisoners. Well, you just cannot negotiate from this Chamber, and the gentleman from Missouri (Mr. Bolling) pointed out very eloquently the last time we had this Vietnam matter under consideration, that we in the Congress simply cannot negotiate the release of the prisoners. And neither can we negotiate a cease-fire. So, let us permit the principals to have a further go at it, and let them have one more chance—at least until the end of the fiscal year. Let it not be that we here in the Congress are responsible for doing anything that people later might point their fingers at us and say that it was this Congress that lost the one real chance of a genuine cease-fire in Indochina.

Mr. CEDERBERG. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

(By unanimous consent, Mr. Cederberg was allowed to proceed for five additional minutes.)

Mr. CEDERBERG. Mr. Chairman, I rise in opposition to the Addabbo amendment, and I rise in opposition to the amendment that will be offered by my colleague, the gentleman from Maryland (Mr. Long).

Mr. Chairman, I think it would be appropriate at this time to review some of the things that have brought us to where we are, and also some of the activities that have taken place in this country since World War II.

I have had the opportunity to serve in this body under four great Presidents, two Republicans and two Democrats. I did not have the opportunity to serve under President Truman. I came here just as he was leaving office. But I think we can all recall that after World War II we were faced with some very serious decisions in the free world. We were being pressed by the Soviet Union at that time, and this Congress in its wisdom adopted the Marshall plan, which provided a stabilized Europe, to the credit of the Congress of the United States and that President.

Then, after that, we were pressed again by the Soviet Union, in Berlin, and you will recall that President Truman met the issue with the Berlin airlift, and he was supported by the Members of the Congress.

Then the Members will recall the disastrous situation between South Korea and North Korea, who were supported by the Chinese and the Russians, and President Truman took some forthright action under the guidance of the United Nations to correct that situation.

I wonder what would have happened if a forthright and courageous President had not taken these actions.

I came to the Congress at the time President Eisenhower took office and there were several actions taken during that time. I recall waking up one morning when our troops had landed in Lebanon. There was no time to discuss it with the Congress. They were there for 2 days, and that situation was cleared up, and the people got the message.

All of these activities were to the credit of a great President.

Then came President John F. Kennedy, and you will recall the Cuban missile crisis where he stood up to Mr. Khrushchev, and to his great credit, met that challenge.

I recall being at the residence of the Ambassador in Vienna a year or so ago, and in that residence there is a plaque where President John F. Kennedy met with Premier Khrushchev, and he did not back down one bit. This is what the Communists have understood over the years.

Then came President Johnson. He had some very trying and difficult times, and it is tragic to say that so many of those times were caused by some of the people on this side of the aisle. I recall very well his decision to take our troops into the Dominican Republic. That did not last long either, but we can see what the results could have been if some of those strong actions had not been taken.

Then I recall so well—and I have stood in this well myself as a member of the opposition party—supporting President Johnson in his desire to bring about peace in Vietnam. I have never served with a President of either party who did not have a firm and committed dedication to bringing about the kind of a peace that he thought was right. It was a tragedy for me to see him leave as a broken man because of some of the activities that took place in this country and some of the speeches made right here on the floor of the House.

I remember our distinguished Speaker, majority leader at that time, standing here in the well of the House and pleading with us to stand with the President in this trying time to try to bring about a recognition that South Vietnam was important, not as South Vietnam, but in the confrontation between free people and those of the Soviet Union and others. Had it not been for this kind of affirmative action, I do not believe that it would have been possible for President Nixon to have made his breakthroughs with the Soviet Union or with the Peoples Republic of China.

Having had these negotiations, our troops are home, and our POW's are home. Unfortunately, our missing in action have not yet been accounted for—and I think that is something we ought to recognize. Here we are in the last inning of this ball game, and it seems to me that the least we can do is to approve this transfer authority at this time. Certainly no one wants anything but a conclusion of this matter.

I say to the Members what we are talking about here today goes far beyond Cambodia. It reaches right into our relations with the Peoples Republic of China and our ability to negotiate from strength with the people in the Soviet Union. I think it would be a most serious mistake to deny this transfer authority.

May I say to the Members—some of the Members—do not forget even if we get this conflict settled in Indochina, we are going to have other problems in test areas, and some of this may come right in the Middle East. I will see some of the Members walking right down this aisle when that happens—and the Members know what I am talking about. I will be there with them, too, because I think it would be the right thing to do.

We talk about the end of the tunnel. I think we are at the end of the tunnel, and I am not about to close it out.

I hope, first, the Members will strike down the Addabbo amendment, and I am confident they will. The transfer authority is needed to meet costs of dollar devaluation in all areas of the world, and to meet the increased costs that have occurred in the operation and maintenance accounts of the Department of Defense. I cannot understand why anybody would support the Addabbo amendment. I can understand how the Members might be concerned about the situation in Cambodia, but I think if we review what has happened since World War II we will understand where we want to go in the future. I think if we take the action of voting down these amendments, it will long be remembered as a courageous act in behalf of the free people of the United States and future generations to follow us.

Mr. FLYNT. Mr. Chairman, I move to strike the requisite number of words.

(By unanimous consent Mr. FLYNT was allowed to proceed for 5 additional minutes.)

Mr. FLYNT. Mr. Chairman, it is not an easy matter to rise and oppose this transfer authority. Normally it would be a reasonable request that this House might grant. It is also difficult not to agree in substance and in form with the remarks of those who have opposed this amendment including but not limited to the gentleman from Florida (Mr. SIKES) and the gentleman from Michigan (Mr. CEDERBERG).

As a matter of fact, though some of us who support this amendment gave long and serious consideration to limiting lines, to placing a limitation on this transfer authority, but we decided against that because the money that is appropriated for the purposes intended here is not appropriated in this second supplemental appropriation bill. It was appropriated in the Department of Defense appropriation bill for the fiscal year 1973.

What the language in this bill does, and it is very simple, is increase the transfer authority by $500 million. The amendment would strike it for the simple reason that a large part of this money—at one time the testimony was very clear that most of this money—would be used in support operations by the U.S. Air Force in Southeast Asia and especially over Cambodia.

Let us look at the record for a moment. On Thursday, the 12th of April, 1973, the Subcommittee on the Department of Defense of the Committee on Appropriations met to consider this transfer request. The principal witness at that time was the Acting Comptroller of the Department of Defense. That meeting was chaired by the gentleman from Florida (Mr. SIKES). After the introduction of the subject matter to be discussed, the communication from the President and the letter from the Director of the OMB were both placed in the record. Let us see what this record shows. Beginning on page 585, we see the subheading "Southeast Asia Costs." On page 586 there is a table headed "Analysis of Fiscal Year 1973 Southeast Asia Funding Status." Then on page 587 there appears, "Analysis of Fiscal Year 1973 Southeast Asia Incremental Costs." Also on page 587 there is a subheading which shows "Possible Additional Southeast Asia Costs." Beginning on page 588 there appears this subtitle, "Need For Additional $500 Million," which refers very clearly to Southeast Asia and Cambodia.

Also on page 588 we have the subtitle "Cambodia Costs." Then on page 589 we have a heading "Effect of Section 737," and that of course refers to Cambodia and Laos. On page 590 there is a subtitle, "Cost of Bombing in Cambodia." On page 591 we have the title, "Cost of Supplying Cambodia." Also on page 591 we have the subtitles "Costs in Support of Cambodia" and "Transfer Authority Already Used in Support of Southeast Asia," and so on down through page 607.

The purpose was very clear that the request for this transfer authority was to continue the war with Cambodia and to obtain congressional approval for what had already been done and to request a blank check authorization and underwriting of everything that would be done over Cambodia in the future.

Mr. Chairman, this reminds us very much of the Gulf of Tonkin resolution that this House and the other body adopted a great many years ago, which laid the predicate and the foundation and the groundwork for the most tragic war in this Nation's history.

Like all of us who were here then, I voted for the Tonkin Gulf resolution, and I have regretted it almost since the very day that I voted for it.

When I face the Supreme Judge of the Universe, I shall ask Him for mercy and to forgive me for voting for the Tonkin Gulf resolution. I hope that the spirits of the 50,000 Americans who have been killed in Southeast Asia will not serve on the jury which tries that case.

Mr. Chairman, this is a blank check authority. This language amounts to a request for a congressional approval and granting of the authority to the administration to continue this war and to come back and ask for more money in the future if they think that it is necessary to do it.

Like many other Members, I was very much in hopes that the peace treaty of the 27th of January, 1973, would bring an end to the war in Southeast Asia. I think that by the action of adopting this amendment which we are discussing now, we can bring this war to a close.

I think that to reject this amendment would be to start the war all over again.

Already we have had four U.S. aircraft shot down, and this is not classified information. It was given in a public hearing before our subcommittee. There has been one OV 10 plane shot down, one Air Force plane shot down, one A-7 shot down, and one EC 47 shot down. Those four planes were manned by crews aggregating 11 U.S. Air Force servicemen. Of those 11, nine are believed to have been killed in action and two are believed to be missing in action. We do not know where they are.

Mr. Chairman, the law of averages dictates that if this combat flying and aerial operation over Cambodia continues, there will be more U.S. aircraft shot down. Eventually, some of these crewmen who successfully eject from some of these aircraft are going to be captured. Whether they are captured by Cambodian Communists or whether they are captured by North Vietnamese Communists makes very little difference, because if they are captured, the POW issue starts all over again.

Mr. Chairman, once the POW issue is raised again because we have American prisoners of war in Southeast Asian prison camps, the only alternative that this country is going to have is to reintroduce ground troops to rescue them as we did before.

Mr. Chairman, God forbid that that might happen again. I somehow feel that the question here is very clear. I have an idea, whether this resolution is adopted or whether it is rejected, there may be other amendments offered subsequent to that time. But, let there be no mistakes about the issue on this one.

The issue on this one is whether we want to stop or whether we want to continue and renew military operations in combat in and over Southeast Asia.

This whole thing has been going on

since the Air Force operations over Cambodia started. It reminds us very much of the history of the last 10 years, the tragic history of the last 10 years when Congress, in effect, gave blind approval or support to the executive branch to conduct combat operations in a war which Americans did not want and which they have demonstrated time and time again they did not want and do not want.

Mr. Chairman, in addition to that this is a time when the Congress can, if it will regain some congressional control over the future and the destiny of the United States. I feel very strongly, that in order to do this, in order to prevent a reopening not only of air warfare but of ground warfare as well, that it is necessary for the House this afternoon to adopt the amendment to strike.

Mr. Chairman, I think that I can give to the House the assurance; I believe very strongly that I can give assurance that if this amendment prevails today and if this language is stricken and the House of Representatives rejects granting the President the authoriy to continue the war in Southeast Asia, then upon an appropriate request the Committee on Appropriations and the House will subsequently in another supplemental give to the President all of the transfer authority that he needs in order to carry out every purpose contained in this request, except that for continuing or renewing the war in Southeast Asia.

Mr. WYMAN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, as one member of the Defense Subcommittee who has taken a turn full flock on this question and reluctantly rises in opposition to the Addabbo amendment, I thought it might help in this discussion to outline briefly a few of the reasons I oppose the amendment.

There is no question that a portion of the funds for which transfer authority is sought in this bill will be applied to U.S. military operations in Cambodia. Whether the figure is $5 or $25 million or $400 million, the problem of implied congressional sanction is directly before us.

The current fiscal year ends the last day of next month and it is only until the last day of next month to which the requested transfer authority is applicable.

Meanwhile, negotiations are presently under way with the North Vietnamese, seeking to implement the general commitments of the cease-fire agreement. These included specifically the undertaking by North Vietnam to disengage from Cambodia, which it has not done.

Implicit in the current situation is military and diplomatic opinion that without U.S. air support Communist forces would overthrow a friendly Cambodian Government, outflank South Vietnam, and reestablish the former port of Sihanoukville as a port of entry for the Communist supply line.

There is no denying that a vote by this Congress today to deny funding for continued U.S. air operations over Cambodia for the next 6 weeks at least would amount to telling North Vietnam and the world that, as far as the United States is concerned, they can continue to break the cease-fire agreement and that the United States is prohibited from military response. The effect of such a congressional pronouncement on the negotiations seeking to persuade North Vietnam to abide by its agreement would be fatal and this should be understood by those who support this cutoff at this time.

If the negotiations succeed—as we hope and pray they will—fine. They will have no chance to succeed if Congress today directs that U.S. military hands be tied, with or without an agreement. For this reason, then, it can be fairly concluded that this is not the right time to vote such a cutoff.

We are all aware and increasingly concerned that the situation in Southeast Asia has dragged on and on and appears to be a morass into which continued U.S. military involvement only mires down in muck, monsoons, and muddling. The risks of reincarnation of a prisoner-of-war issue are inherent in every U.S. overflight. The disenchantment of the American people and of Members of Congress, of which I am one, with continued U.S. military involvement in Southeast Asia is patent and understandable.

Should the present negotiations fail, the question of continued U.S. involvement will recur on July 1 and at that time it is possible that a majority of the Congress will then expressly prohibit further U.S. involvement. Surely the opportunity will be afforded. But, for the next few weeks, that decision should be deferred in view of the chance and the hope that negotiations to end the fighting in Cambodia will be successful.

With due respect and considerable personal affinity for the position of those of my colleagues who long to stop U.S. military action in Southeast Asia by unilateral command of the Congress, I respectfully urge that this decision be deferred until after the 1st of July.

If this transfer authority is voted with that explicit understanding, I sincerely believe it to be in the overall best interests of the United States.

Mr. Chairman, I urge the defeat of the pending amendment.

If transfer authority is voted with the explicit understanding that a cut-off is possible after July 1, I sincerely believe that it will be in the overall best interests of the United States.

Mr. EVANS of Colorado. Mr. Chairman, will the gentleman yield?

Mr. WYMAN. I yield to the gentleman from Colorado.

Mr. EVANS of Colorado. Mr. Chairman, I have just one question. If after 2 months have expired the negotiations are continuing, would the gentleman thereafter vote in favor of additional funds to support combat activities in Southeast Asia?

Mr. WYMAN. I would say in response to the question of the gentleman that I would have to meet that issue at that time, and I would have to then determine whether some special consideration made continuation of the U.S. participation essential to the national security at that time.

Mr. Chairman, I think we must sooner or later arrive at the end of this involvement over there. I favor an end to our involvement. If it is not ended by the executive branch I think the Congress should end it, but I think at this moment, with the precise situation that prevails at this hour, in view of the negotiations that are underway, that for the next few weeks we ought to let the negotiations continue without denying such leverage to our negotiators and see what develops.

Mr. EVANS of Colorado. Mr. Chairman, will the gentleman yield?

Mr. WYMAN. I yield further if I have time.

Mr. EVANS of Colorado. Mr. Chairman, the gentleman has stated that he is in favor of hanging on for a few more weeks, so apparently he would have us believe the North Vietnamese would be impressed by a few more weeks' involvement by this country, and I cannot accept the logic of that.

Mr. WYMAN. Mr. Chairman, if the gentleman implies that the Congress should cut military assistance off on July 1, I have stated that is a possibility. Perhaps we ought not to now say that will happen, and I am not saying that at this time, because it would be self-defeating at the negotiating table.

But there is no question that it is a distinct possibility. Our involvement in Southeast Asia must be ended at some point. The question is when is it in our best interests to do this? I do not believe this moment is opportune.

Mr. LEGGETT. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in support of the Giaimo-Addabbo-Flynt amendment.

I think that this is a Gulf of Tonkin-type resolution, because we have found in the past that the courts have determined that this Congress, while having the power to declare war, can declare war indirectly by appropriating and authorizing funds for clandestine operations around the world, and that is exactly what happened in Southeast Asia.

Now, here we are on a new issue, that of Cambodia, and I think that we have to understand a little bit just exactly what is involved in the fighting over there, and with that in mind, we have had before my committee, the Committee on Armed Services, a 19-question inquiry which addressed itself to exactly what was the level of activity over there and what was being accomplished and what was and what is the order of battle in that little country near Vietnam.

Mr. Chairman, the information we got was rather astounding, because we found out that although the casualty level in this little country has been about a thousand of the enemy being killed in the 3-month periods both before and after the peace settlement January 27, and, therefore, relatively static, the sorties have increased from 2,986 in the 3 months before the peace to 18,200 in the 3 months after the negotiated peace with honor subsequent to that time, but the casualty level remains exactly the same.

We find that instead of the 15,000 tons of bombs dropped in the 3 months from October until the peace at the end of January, there have been dropped more than 82,837 tons of bombs since the peace was negotiated out there.

Now, in case these numbers seem befuddling, just keep this in mind: The KIA, the death casualty rate in Cambodia, today is about 7 to 10 a day. The number of 250-pound bombs that the Department of Defense has indicated they are dropping in Vietnam is between 3,500 and 4,000 bombs per day. These are 250-pound bombs.

Now, if the Members think this kind of an operation makes sense, why, I think we will just have to reassess our method of conducting warfare.

Ironically, we bomb in Cambodia where a few people a day are casualties, yet in Vietnam where theoretically a peace prevails, the loss rate is over 100 a day and we see no reason to bomb.

You can talk about respect for agreements and respect for the Executive and about pulling the rug out from under Dr. Kissinger, but I think they know pretty well what is going on. The Department of Defense told us there are only 8,000 North Vietnamese and Vietcong combat advisers in Cambodia today, and in the area where all of the activity is going on around Phnom Penh there are only 1,300 North Vietnamese and Communist advisers. This huge force is supporting 35,000 indigenous Cambodian Communists who are opposed by 180,000 soldiers of the Lon Nol government. We have spent a quarter of a billion dollars in 3 months or at a rate of $1 billion a year, let me say these are the figures that were delivered to our committee.

That is the way it starts. That is the way Vietnam started. This is not a trailing down or the end of the tunnel but really is the start of a new tunnel. I think if article I, section 8 means what it says, that the Congress has the power to declare war, then I think we have to show some guts in Congress; we have to go ahead and declare ourselves.

I salute the gentlemen on the subcommittee for picking up this issue. This is just exactly the way we get sucked into international conflicts.

There has been some testimony and talk about the fact that we need to provide for our fleet in the Mediterranean and you cannot vote for the Addabbo amendment lest we destroy the Navy. Well, Mel Laird said the reason why our Navy is destroyed today, the reason why it is second best, is because of the fact that we have spent just too much money in Vietnam today.

Mr. Chairman, every day that I pick up the newspaper and read of our continuing involvement in Indochina, I have this sickening feeling that I have seen this all before.

About 10 years ago we were told that our intervention was necessary in order to prevent the collapse of all of our allies in Asia; a few years after that the justification changed to the protection of South Vietnam's right of self-determination; and then we were told that we need to stay in so that we can protect our POW's and the withdrawal of our troops.

Well, our troops have been withdrawn and the POW's have been returned, yet the fighting continues.

Secretary of Defense, Elliot Richardson, tells us that the bombing of Cambodia is necessary in order to clean up a "messy corner" of the world. I agree with him; Cambodia is a "messy corner of the world" that needs to be cleaned up—but not by us. We have given the Lon Nol regime all that anyone could reasonably expect over the last 2 years. If after all of our aid his regime still needs 60 B–52 raids and 180 fighter-bomber sorties a day to stay alive, then I have serious doubts whether the Lon Nol government will ever be able to stand on its own two feet without massive U.S. support.

Eighteen years ago the United States unnecessarily intervened in the internal affairs of Southeast Asia. Today, after 10 years of direct U.S. military involvement, and the loss of more than 55,000 American lives, we are on the verge of yet another unnecessary and potentially costly intervention in Indochina.

During the month of April two staff members of the Senate Subcommittee on U.S. Security Agreements and Commitments Abroad reviewed the war situation in Cambodia and reported, contrary to the pronouncements of the White House and the State Department, that a cease-fire is not imminent in Cambodia, and that the massive bombing of Vietnam during the war there has been transferred to Cambodia in a mad effort to do for the Camabodians what they cannot do for themselves.

Several points in this report are noteworthy:

First. The Foreign Relations Committee staff reported that—

> During the first two and one-half weeks in April, the distribution of air strikes was no longer 80 percent against the North Vietnamese and their lines of supply into South Vietnam and 20 percent against the Khmer insurgent forces fighting Cambodian government troops but close to the reverse as far as B–52 strikes were concerned with a heavy preponderance of tactical air strikes also devoted to helping Cambodian forces rather than to attacking North Vietnamese and Viet Cong units and supply routes.

Second. The U.S. Embassy in Phnom Penh, in an apparent violation of congressionally passed amendments that limit American personnel involvement in Cambodia, has played an important role in U.S. air operations over Cambodia. Mr. James Lowenstein and Mr. Richard Moose of the committee reported that the Embassy is used as a communications relay point, as an on-the-spot coordination of forward air control planes and strike aircraft, and as a screener of Cambodian and 7th Air Force requests for strikes except in eastern Cambodia. These findings have been corroborated by the Defense Department in hearings before my House Armed Services Committee.

Third. the maps being used by the U.S. Embassy in plotting air strikes were several years old and the Embassy did not have current photography on proposed target areas which would permit the identification of new or relocated villages.

Fourth. The committee staff found, "widespread doubt on the part of experienced observers in Phnom Penh that even continued American air support and a reorganization of the Lon Nol government to include opposition leaders would arrest the government's decline. It was our impression that most Cambodians felt that it was now beyond the government's ability to do more than get out of the war and that, indeed, they had no other choice. There was, however, no indication that the Khmer insurgents—as they are now called in official U.S. terminology—and their North Vietnamese supporters were interestd in a cease-fire. In fact, it was not even clear, to either American or Cambodian officials, with which individuals on the other side a cease-fire could be discussed or on what conditions the insurgents would insist."

Mr. Chairman, the report of the Senate Foreign Relations Committee is very discouraging, for it indicates how very little we have learned in the last 10 years. Here we are, 18 years after the signing of the Geneva Accords, 10 years after the assasination of Diem, 8 years after the Gulf of Tonkin resolution, 6 years after the My Lai massacre, and 3 years after the Cambodian "incursion"—bombing again in Cambodia.

This time the administration is going to be hard-pressed to sell the American public a justification for the latest escalation. This is not to say that they have not tried.

Secretary of State William Rogers has alleged that the justification for the bombing in Cambodia lies in article 20 of the January 27 peace agreement. That article required the withdrawal of all foreign armed forces from Laos and Cambodia and obligated the parties to refrain from using the territory of Cambodia and Laos to encroach on the sovereignty and security of other countries, to respect the neutrality of Cambodia and Laos and to avoid any interference in the internal affairs of those two countries.

It is true that the North Vietnamese have combat troops and advisers in Cambodia, but it is not true that this involvement amounts to a violation of the January 27 peace agreement. In a briefing paper entitled "Interpretation of the Agreement on Ending the War and Restoring Peace in Vietnam," the State Department argued that foreign combat activities, ours as well as that of the North Vietnamese, are not affected by the agreement "until such time as cease-fires and foreign troop withdrawals are arranged in those two countries."

The State Department briefing further argued that article 20 "was carefully drafted, however, to avoid stating a time or period of time for the implementation of these obligations, and it was clearly understood that they would be implemented as soon as cease-fire and troop withdrawal agreements could be worked out in Laos and Cambodia."

The obligation to withdraw foreign forces from Laos and Cambodia is stated in article 20(b) of the agreement. However, by the State Department's own admission, "this obligation constitutes an agreement in principle and no time is stated for it to become an effective obligation."

The State Department paper concludes its discussion of article 20 and states that—

> The provisions of Article 20(b) should be understood as agreements in principles which the United States and the DRV would endeavor to see were included in cease-fire or

other settlement agreements in Laos and Cambodia. Only when such agreements are concluded will the obligation to withdraw become operational.

So, if article 20 cannot be used as a justification for the bombing, what can? Various administration spokesmen have attempted to argue that the President, as Commander in Chief, can wage the war in Cambodia under the same authority that he used to wage it in Vietnam for 10 years, but this is clearly not so. We have no defense treaty with Cambodia as we had with South Vietnam, the Gulf of Tonkin resolution has been repealed, and there are no more American combat troops to protect during their withdrawal from Indochina.

The President, then, is engaged in a massive bombing campaign, costing the taxpayers nearly $3 million per day and endangering the lives of American servicemen, without any legal authority to do so.

The Defense Department states, of course, that the bombing is needed in order to hasten a cease-fire in Cambodia. If things continue as they are we could be hastening a cease-fire in Cambodia for years to come. The fact of the matter is that the Khmer insurgents have Lon Nol on the ropes. They are not expected to sign a cease-fire or end hostilities against the Khmer government before the end of the dry season, if ever.

Secretary Rogers' statement that, "U.S. air strikes in Cambodia do not represent a commitment by the United States to the defense of Cambodia . . ." simply does not square with the findings of the Senate committee. The bombing in Cambodia has undergone a dramatic shift over the last few months, from the interdiction of North Vietnamese supply routes leading into South Vietnam to the support of Cambodian forces in and around Phnom Penh. This shift can only be interpreted as an effort by the administration to intervene in what is essentially a civil war between various factions of the Cambodian society.

One of the most disturbing aspects of the renewed bombing in Cambodia is the conspicuous lack of congressional input into the decisions of the Government. Once again the United States has embarked on an important new policy stance in Indochina, and the Congress is nowhere to be found. This is not to say that the administration is not going to attempt to establish congressional complicity.

This week the House considers the Department of Defense supplemental appropriations bill. This bill calls for an increase of $430 million in transfer authority for the Pentagon, a part of which is to be used to finance the bombing in Southeast Asia.

Past court decisions have declared that approval of funds for the war is tantamount to legislative approval of the war. This passage of the supplemental transfer authority would grant the President legal authority for the first time since the peace agreement to continue the bombing. It is clear that those groups that have argued that the supplemental bill reads like another Gulf of Tonkin resolution are not far off the mark.

The war is escalating, not deescalating. Since the peace agreement the United States has flown 21,000 sorties over Cambodia and Laos, and has dropped nearly 146,000 tons of bombs on those two countries. Compare these figures to the corresponding period before the signing of the agreement on January 27. Between October 30, 1972, and January 27, 1973, the United States flew only 11,000 sorties over Cambodia and Laos and dropped 50,000 tons of bombs.

Something is very interesting here. In the first 3 months of the President's "peace with honor" the United States has increased, not decreased, its military activity in Cambodia and Laos.

At this point in the Record I would like to insert for the benefit of my colleagues a recent Washington Evening Star column by Milton Viorst entitled "Congress and the War: A Choice."

Mr. Viorst points out that Congress has always had the power to end the war—the power to withhold warmaking funds. In the past the Congress has been reluctant to take this drastic action because they did not want to let down "the boys in Indochina or abandon our POW's in North Vietnam." As Columnist Viorst argues:

> There are now no more American boys in Indochina and the POW's are home.

The article follows:

Congress and War: A Choice

It is strange that Congress may now be making its most important moves on the Indochina war, three months after the President's announcement that it was over.

For a decade, Congress did nothing about the war but talk. Legislatively, the House all but ignored it. The Senate passed some vague resolutions of opposition. Nothing that was enacted had the clear-cut force of law.

The President paid no attention to anything said on the Hill, dismissed the resolution as meaningless and declared that if anything forceful was passed, he would veto it. Officially, the leadership of both houses wrung their hands and moaned, "What can we do?"

During this entire period, however, it was apparent that there was one power the President could not suppress—the power to appropriate war-making funds. If Congress didn't vote the money, the President couldn't fight the war.

But when asked why they didn't use this power, congressional leaders responded that they couldn't let down the boys in Indochina or abandon our POWs in North Vietnam. Well, there are now no more American boys in Indochina and the POWs are home.

The war, however, goes on. In Cambodia, American bombers continue to drop mountains of explosives in support of a corrupt government. And the President emits ominous warnings that we might return to Vietnam itself.

Indeed, while the rest of the world seemed to take the peace agreement as a clever device for extricating the United States from a corner of the world where it never should have been, the President appears to regard it as hard collateral guaranteeing the perpetuation of pro-American governments in South Vietnam, Cambodia and Laos.

It was to guarantee such governments that we became involved in Indochina in the first place.

Against this background—and in the unspoken context of a President weakened by the Watergate—the Defense Department has come to Congress for authority to transfer $500 million currently in various other parts of its budget into its Indochina war account. Specifically, it needs the money to bomb Cambodia.

Last week, the House Appropriations Committee approved the transfer. Appropriations, the most conservative committee in the House has always supported the war. The astonishing thing is that 14 members voted against the transfer.

Spearheading the dissent were three Democrats, none of whom has been conspicuously identified with the anti-war movement before. They were Reps. John Flynt, a Georgia Dixiecrat, and two Northern moderates, Robert Giaimo of Connecticut and Joseph Addabbo of New York.

Even more significant than their dissent was the decision of the Democratic Policy and Steering Committee, which has become, under the new House reforms, the chief voice of the majority party on questions of policy.

The committee voted to reject the transfer authority by a vote of 18 to 3. Voting with the majority were not only Speaker Albert, who likes to avoid controversy, but such long-time outspoken hawks as Reps. Richard Bolling of Missouri and Mel Price of Illinois.

The shift of such critical House members is an index of how the atmosphere has changed on Capitol Hill. It indicates that the anti-war forces can reasonably expect 180 Democrats or more (out of 245) to vote later this week against the transfer authority.

Facing that kind of margin, President Nixon will have to get virtually every Republican vote in the House to win. Since Watergate, it is not at all clear he can do it. And even if he squeaks by, he will find tougher opposition in the Senate.

Make no mistake: This is a very crucial matter. If Congress approves the transfer, it will be giving its sanction to the continuation of the Indochina war. The vote will be much more explicit than the Tonkin Gulf resolution of 1965.

If Congress rejects the transfer, the President will be in a dilemma of exquisite clarity. He will have gone to Congress and been turned down. He will have nothing to veto. He will be free to blame Congress if he stops the bombing. But if he doesn't, he will be in indisputable violation of law.

Congress never before has had such an opportunity to declare itself on the Indochina war. This is the time for it to cut bait—or openly join Nixon in going after the fish.

Mr. O'NEILL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, many times in the past I have taken this well to speak out against the war in Vietnam. There are those who said I was the first of the so-called establishment to break with Johnson, who was my close personal friend, and that is probably true. I only did so after a complete study.

During that study I talked to generals, admirals, Assistant Secretaries of State, and members of the CIA who were advocating the policy of the Johnson administration at that time. In the course of the conversations with them they told me they were opposed to the policy that was going on at that time.

After a sincere and deep study I could not in conscience any longer be a hawk, so I changed to a dove. In fact, in early 1966 it was not easy to do, regardless of what area a person came from, because 85 percent of the people in my district in those days were following along with Mr. Johnson.

However, as time went on I was more pleased with the action that I took. I was true to myself, and knew that I had taken the right action in behalf of my country.

As we have looked at the war—a war which divided the Nation, a war in which

55,000 Americans were killed—and I think the figure is 303,000 wounded and 25,000 amputees—we saw home after home broken up in a division of opinion and a Nation torn apart by this war.

There was a total appropriated through the years of $150 billion to $160 billion. It is going to cost us $200 billion for the hospitalization program and for the educational program for those who served in Vietnam; $200 billion we lost by inflation in this country. This war has cost us over half a trillion dollars.

This is a war which I cannot justify in conscience no matter how I would try. This is a civil war. Why were we in there at the outset? Regardless of whom the blame is laid upon, I could not justify it from the time I made the sincere study early in 1966, and I cannot justify it today.

What are we doing there? I remember the Gulf of Tonkin resolution and, oh, how I said to myself so many times since then I wish I had that vote back.

I look at Cambodia today.

Early in the year, we were led to believe the war was going to be over, the prisoners were going to be home, and we were going to get an accurate record of those missing in action through what they call the treaty in late January. And the truth of the matter is that Mr. Nol of Cambodia appointed a half cabinet of Communists and half a cabinet of his own party.

Now we find ourselves engulfed in what could be another war.

Mr. Chairman, I deplore the infusion of U.S. aerial operations into the Cambodian conflict by the arbitrary decision of the executive branch of this Government, and what is being done now in the way of bombing missions based upon the most dubious of constitutional grounds. U.S. funds are being spent and American lives are being risked for these purposes which are without any sanctions whatsoever from this Congress.

I oppose unequivocally the administration's request that this questionable operation be cloaked with legitimacy by the transference of defense funds under a supplemental appropriation bill for financing the bombing of Cambodia. Such action, if approved here today by the Congress of the United States, could be interpreted as a backdoor endorsement of the President's policies in Cambodia.

I think it is another Tonkin Gulf resolution.

I think we should steer clear of North Vietnam in Cambodia, and bring to a close our further military commitments in Cambodia and to bring to an end the conflict in which we have already been engaged at a cost of hundreds of millions of dollars, and at the further risk every day of the accumulation of new casualties and more prisoners of war.

Mr. Chairman, I urge the adoption of the amendment that has been offered by the gentleman from New York (Mr. ADDABBO).

Finally, Mr. Chairman, let me say that I urge that the President of the United States reconsider forthwith the course over which the executive branch has unilaterally embarked in Cambodia. In my view, Mr. Chairman, one Vietnam is one too many. The Nation wants no part of another in Cambodia.

Mr. RUTH. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I do not have a long record to tell you about, and apologize for some of the votes I have had, but I would like to tell you some of the things that EARL RUTH has observed since he has been here.

Ever since I have been in Congress we have been involved in Southeast Asia, and ever since we have had a Constitution the President of the United States was the Commander in Chief of our Armed Forces, but periodically over the time that I have been here we have always had an amendment come before this group, an amendment that said:

> World, we do not really approve of the way our Commander in Chief is handling this conflict, or the situation in Southeast Asia, and we want to let you know that we are going to tell the world we do not approve it by changing the appropriations or not appropriating any money for this effort. We just want to let you know we do not approve what the President is doing.

And fortunately those amendments did not pass, and our President did continue to be our Commander in Chief, and he did have the appropriations. And while I am not sure that it pleased everybody, he got a cease-fire, and he got our prisoners back, and in spite of all those amendments with which we tried to tie his hands.

Now, Mr. Chairman, we are in the midst of negotiations in a situation where our Commander in Chief has brought about a cease-fire, and does have us on the brink of getting us out of Southeast Asia. For us now to vote for this amendment is to send the world the message again, and say:

> World, the Congress of the United States does not stand behind those people who are negotiating for us.

And if some of the Members represent people who want them to vote that way, then I as a citizen of the United States fail to understand it.

Mr. HÉBERT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I hesitated to say anything today because, obviously, words are not going to sway too many of us. Most of us have made up our minds, but I would merely take the well today so I could be in the full presence of this House to say that, as chairman of the Committee on Armed Services, a good majority of the Committee on Armed Services will vote against this amendment today. I do not say that at the direction of the Committee on Armed Services, but as a result of having canvassed our committee members informally. I must report in all fairness and justice to the Members that perhaps there will be one or two votes more against the committee's position than we usually have in the Committee on Armed Services, but we can spare those.

A substantial majority of the Committee on Armed Services will be standing with the committee.

I best can express how I personally feel by associating myself with my dear friend, the gentleman from Florida (Mr. SIKES) and the gentleman from Michigan (Mr. CEDERBERG) and the gentleman who just preceded me (Mr. RUTH). Perhaps the only thing I could say now would be a repetition of what they said, so I associate myself with them.

I am compelled and constrained to do this to keep the record straight. Minor as it may be, and as unintentional as it probably was, my very, very good friend, the gentleman from Georgia, told the Members that planes, as I understood it, were shot down—and I repeat those words "shot down." Since he had the well and the floor, I have had the record examined, and nowhere in the testimony before the Committee on Armed Services, after full and complete examination, was the word "shot" used by the witness of the Department of Defense at that time. Yes, some planes were missing—as a particular one, the A-7—through mechanical failure. We knew it. There was absolutely no evidence in the testimony otherwise, and, Mr. Chairman, the Members know very well I did every thing I could to get the facts to them. I put them in the RECORD yesterday. This morning they had the complete hearing, and nowhere in that complete hearing is there an indication that there is a prisoner of war. Two people are missing.

Regarding planes, no evidence was given to the committee that any were "shot down."

Let us move on from there. Not one bit of testimony was given—and I am recalling the testimony from memory—which said there are SAM sites in Cambodia. The testimony was negative; that is, there are no SAM sites in Cambodia.

As to the crux of the situation—and I want to say this to my friend, the gentleman from Massachusetts, and those who are apologizing today for having voted for the Tonkin resolution, Mr. Chairman, I stand here and do not apologize for having voted for the Tonkin resolution. If it were up today under the same conditions and the same circumstances, as I did then, I would vote for it again.

Now we come into that vast gap and vacuum and difference in what we face today. I was one of those who was duped and misled when I voted for that resolution. I thought we were fighting to win a war, and when I realized that we were not fighting to win the war—that the people who were calling the shots were sending our people over to Vietnam with their hands tied behind their backs—I then regretted that I had voted for the Tonkin resolution.

But what do we face here today? We have the record of duplicity on the part of previous administrations who talked victory and fought not to win. Here today we have an administration that talked and did come out with peace with honor.

Now if we had fought the Bay of Tonkin resolution instead of adopting it, if we had fought the bombing of Vietnam, those 45,000 who died up to last Christmas would not have died. We could have won if we had fought to win and we would not have a Cambodia today. I will stand with the man who ended the conflict in Vietnam, and I will stand with him on the fullest implementation of article 20 of the agreement.

The CHAIRMAN. The time of the gentleman from Louisiana has expired.

(On request of Mr. Addabbo, and by unanimous consent, Mr. Hébert was allowed to proceed for 1 additional minute.)

Mr. ADDABBO. Mr. Chairman, will the gentleman yield for purposes of clarification?

Mr. HÉBERT. I yield to the gentleman from New York.

Mr. ADDABBO. Mr. Chairman, this is for purposes of clarification. Perhaps it was not said before the Armed Services Committee but it was before the Subcommittee on Defense of the Committee on Appropriations when we had General Ryan of the Air Force and we had this series of questions and answers:

Mr. Addabbo. What has happened to the 3 U.S. air crewmen shot down over Cambodia?

General Ryan. The OV-10 pilot is dead. We have never found the crash site of the F-4E.

Mr. Addabbo. Have any other U.S. aircraft been lost?

General Ryan. Yes, sir. An A-7, from which we recovered the pilot.

Mr. Addabbo. Is that the only one?

General Ryan. Over Cambodia.

Mr. Addabbo. Have you any missing-in-action right now in Cambodia?

General Ryan. Not to my knowledge. We have the two from the F-4E.

Mr. Addabbo. Other than those two.

General Ryan. That is right. They are in Cambodia. We have never gotten a picture of the crash site.

Mr. Flynt. Have any others been shot down over other parts of Southeast Asia?

General Ryan. Since when?

Mr. Flynt. Since January 27.

General Ryan. Yes. I think we lost an EC-47 in Laos.

Mr. Addabbo. What happened to the crew on that?

General Ryan. I am pulling this from my memory. I think they were killed in action or missing in action.

The CHAIRMAN. The time of the gentleman from Louisiana has expired.

(By unanimous consent, Mr. Hébert was allowed to proceed for 2 additional minutes.)

Mr. HÉBERT. I am delighted that the gentleman from New York read the quotations from the testimony at which I was not privileged to be present. The gentleman will note that the word "shot" was used by the member of the committee and not in the testimony of General Ryan.

Mr. ADDABBO. But it was not refuted by General Ryan.

Mr. HÉBERT. But the words were put in his mouth, and the gentleman knows as well as I know that when one has a witness he can twist the witness around. The gentleman knows that as well as I do. I say there is no evidence at all, and I repeat it, and those who scream the loudest now cannot show me where one member of the military or of the Defense Department has said there was a plane shot down.

Mr. LONG of Maryland. Mr. Chairman, will the gentleman yield?

Mr. HÉBERT. I yield to the gentleman from Maryland.

Mr. LONG of Maryland. Mr. Chairman, it has been pointed out by the general that two men were killed. Are they any less dead because the general said it or the interrogating Member of Congress said it?

Mr. HÉBERT. The gentleman has served with me on the committee. Any interrogator, honest as he may be, but also diligent as he is, can put words in the mouth of the witness, and if that witness is not astute enough he will shake his head or nod his head and not play on the semantics of the moment. The gentleman knows that as well as I do.

I believe I have answered that position, so I just want to say this. I return to what I originally said when I stood here in the presence of the Members, physically and vocally, voicing what I know to be the majority opinion of the Committee on Armed Services of this body, and it will vote against the amendment and will stand by the effort to end this meaningless, senseless war which has gone on far too long. And with that I agree.

Mr. RHODES. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, believe it or not I do not intend to talk very much about Cambodia because I do not think Cambodia is the issue in this amendment. I think it will be the issue in the amendment which the gentleman from Maryland will offer, if this amendment is defeated. I will oppose that amendment too. The issue here is whether or not we will allow the Department of Defense to transfer $500 million, which was originally appropriated in the last regular appropriation bill, from procurement accounts to the operation and maintenance and military personnel accounts.

If the Congress in its wisdom decides not to authorize such a transfer, these will be the effects:

It will be necessary for the Secretary of Defense to immediately begin to balance his accounts so that those accounts will be balanced by the end of the fiscal year. He has admittedly been spending at a deficiency rate, $250 million of the money which he seeks to transfer has already been obligated.

It has been necessary to obligate because of the fact that we have had devaluation of the dollar; and because of the fact that we have had an increase in the cost of living which has been reflected in the subsistence account of the Armed Services. Those are the facts.

This amendment, which would strike the whole transfer authority, would cause the Secretary of Defense to begin immediately to spend at a much lower rate than he now is.

What would be the effect? Possibly, there would be some reduction of effort in the Cambodian area; possibly not. Very likely, if Cambodian operations are as high in priority as I think they are, they would continue.

Where would the effect be felt? It would be felt in the steaming time of the Sixth Fleet; it would be felt in the flying hours of the Air Force around the world, it would be felt in the recruitment of personnel coming into the Armed Services to take the places of those who are leaving, it would be felt in the transfers of military personnel. As a matter of fact, it would result in a general stand down of the armed services of the United States around the world for the next 6 weeks.

This is no way to operate. I can imagine people who feel strongly about Cambodia voting for the amendment of the gentleman from Maryland. I will not do so, because I feel that the President of the United States is asking only for a 6 weeks vote of confidence, and therefore we should give it to him.

Later, if it is necessary for the Congress to end this engagement, we should do so with an effective vehicle; not with one which is defective such as this one is.

However, that is not the case here. The gentleman from New York, my good friend, has in my opinion offered an amendment which would completely gut the armed services of the United States. With all due respect to him, I ask that the Members of the House vote down overwhelmingly the Addabbo amendment.

Cambodia is not the issue. The issue is the efficacy, the efficiency of the armed services of the United States.

Mr. MOSS. Mr. Chairman, I rise to strike the requisite number of words.

Mr. Chairman, I have listened with a sense of disbelief. I have just heard again the statement that what we do here, or what we intend in the event of adoption of this amendment, means nothing.

In other words, we are told, we are given a warning that the President of the United States would in utter and complete disregard of the expressed will of this Congress act contrary to that will. We are without voice or effect. If that is a fact, it is a shocking indictment of this body as a House of Representatives of a free people.

We have, as one Member indicated in his earlier support, "the same old war around." He said it goes back 10 years. It is the same old war that has been around as a remnant of World War II.

Unless we act decisively to stop it, we will have that same old war around in another decade.

Mark my word, what I say is true and every Member of this House who has taken the time to study the facts of the involvement knows that has been the truth.

This war is not new. The faces are not new. The issues are not new. We are dealing with what is in every sense a continuing civil conflict between hostile people, hostile between themselves.

In many ways we are dealing in a family affair, and I believe that involvement by an outsider in family affairs rarely if ever settles the dispute.

It is time that we speak out clearly, taking the first opportunity to arise to say, "No, we are not again ready to start on another circle of futility."

That is what we are being invited into, the launching of another trip around the circle.

Someone has already said, "What about our missing in action?" I gather, inferentially, we ought to keep forces there until all MIA's are accounted for. Then, in the process, we could start generating some more prisoners of war. Then, in response to the demands of our conscience, we are going to have to act to extricate the new POW's. Then we will be back in an involvement which is not ended. There is no promise of it ending.

The only way it will be brought to a termination is for this House to exercise its responsibility. The framers of our Constitution acted with great wisdom in giving to the Congress the sole and exclusive power to declare war, hoping that through the process of debate—debate that does not go on in the privacy of the executive department—we would examine all facets, we would know fully what we were doing and what the extent of the commitment of the Nation was.

Here we are, a nation deeply divided, a nation examining critical needs for supplies of raw materials rapidly becoming a "have not" nation, a nation with great imbalance in trade because we have committed our resources to nonproductive activities. These forces do exist, and they indict every one of us who has supinely sat here and voted for continuation on the plea that this is not the moment to disturb things.

Let me say this is the moment for this House to act.

Mr. MAHON. Mr. Chairman, I move to strike the last word.

Mr. CHAPPELL. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Florida.

Mr. CHAPPELL. Mr. Chairman, I rise in opposition to the Addabbo amendment.

This body today faces a vote of critical importance to U.S. efforts to bring about a cease-fire and reasonable peace in Southeast Asia. But of even more importance, this vote today will be a signal to the Kremlin, Peking, and Hanoi as to whether or not the Congress of the United States intends to demand compliance with treaty agreements reached with other nations.

Opponents of the transfer authority under consideration would have us believe we are voting on giving the President blanket authority to conduct war at any time and at any place he sees fit. Nothing could be further from the truth.

The President already has the authority to take such actions as are necessary to bring about a cease-fire in Southeast Asia. At one time it appeared that concentrated bombing had achieved that goal. Following the bombing last December, the Communists began to talk in earnest and the Paris Accord was signed.

Article 20 of that accord called for all parties to remove combat troops from Laos and Cambodia and cease all military operations in those countries. The United States complied. The Communists did not. Instead, they launched a country-wide military operation clearly aimed at capturing the government and enslaving the people of Cambodia. At that point, the United States again resumed bombing but limited to military targets in Cambodia, Laos, and South Vietnam.

The matter under consideration before this Congress will have no impact on the present Cambodian situation. Regardless of the vote today, the United States will continue to stand by the Paris Accord provisions.

But the vote is critical in that it is being interpreted by some as a test on whether this Congress will back the President in his desire for a cease-fire in Cambodia such as that already achieved in Laos and South Vietnam.

The fact is, this vote has a bearing on military positions in Asia, but it has greater impact on our military posture elsewhere in the world. Denial of the transfer authority will bring about a curtailment of military forces, reductions in procurements, reduced training, a sharp reduction in required patrols by the Air Force and Navy, and it will result in a dangerously low level of readiness for at least 2 months.

Opponents of this measure say little of that. Instead they insist we are voting here on what amounts to another Tonkin resolution. This is an injustice to the Congress, but having said it so many times the opponents now have forced us to deal with the transfer authority on those terms.

So be it. The fact is, we are trying desperately to bring about a cease-fire in Cambodia. Dr. Kissinger later this month will meet with the North Vietnamese to discuss this very point. If this Congress, by virtue of this vote, tells the Communists the President has no backing and that Dr. Kissinger is speaking from a position of weakness, chances of reaching an accord are greatly diminished.

Let us not undermine this final effort to bring about cease-fire by casting a vote against this measure. It will have no impact on what takes place in Cambodia. It will only be a clear signal to our enemies that we do not really care what they do in the world and that agreements they reach with us really do not have to be carried out.

This would be a disastrous course for the Congress to suggest. I cannot believe there are responsible Members of this body who want that message delievered to the Communists.

I intend to vote in support of the transfer authority request as my way of telling friend and foe alike that America's word is good and that we will go the last mile in efforts to gain peace, to abide by our agreements, and to insist that other countries abide by the terms of agreements made with us.

Mr. MAHON. Mr. Chairman, rarely have I seen the House sit for so long at rapt attention and listen to debate. This is highly complimentary of the House of Representatives, in my judgment.

I believe, however, that now we have about exhausted the issues. I shall undertake, if Members will permit me to do so, as the chairman of the Appropriations Committee, to speak at some length, perhaps beyond 5 minutes, and I shall then try to move toward shutting off debate and voting on the amendment.

It would occur to me, in view of the number of people who have stayed on the floor, that perhaps a few Members may not be quite certain as to how they may vote on this issue.

This is understandable. Unlike some of my colleagues, I cannot be absolutely sure of what to do about the situation in Southeast Asia. There are those among us who know precisely, apparently, just what should be done, but although I have perhaps listened to more testimony on the subject than anybody in this House, I have some doubt and some skepticism. But I want to make sure that I have done the right thing insofar as I know the right.

Mr. Chairman, some of my colleagues have expressed regret about their admitted mistakes of the past. I am not ready to say that this great Nation has made monumental mistakes, certainly not any mistake of the heart. I am not so interested in talking about the possibility of mistakes of the past. What concerns me now is that we not make a mistake today. If we have made mistakes in the past we do not want to compound the situation by adding another mistake today. That would be tragic indeed.

So I am before you to discuss this matter in a low-key, unemotional way. That is my approach to this situation.

Mr. Chairman, I think there may be some misunderstanding as to what the issues are here. In our bill providing for defense for this fiscal year, we provided about $76 billion, and about $6 billion of it was for, operation and maintenance activities of the Air Force. The Air Force had these funds available; they were planned for certain operational and maintenance purposes. The Air Force dipped into those funds more than officials had expected to for the massive bombing of Vietnam in late December which apparently brought the cease-fire. There have been other cost increases related to the devaluation of our dollar. Additional funds were required because, to a greater degree than was anticipated, hazardous duty pay was required for forces in Vietnam. So the Air Force, and the other services too, have been using funds at a faster rate than had been anticipated.

We gave them in the defense appropriations bill $750 million in transfer authority. In March they said they needed $500 million in additional transfer authority. Department witnesses testified that if the additional authority was not granted they would have to slow down some operations elsewhere, thus diminishing the readiness of the U.S. Armed Forces for an emergency.

Mr. Chairman, they can continue the bombing of Cambodia without it, of course. With what remains of the $6 billion, they certainly could do so. So the point is:

Shall we give them this transfer authority?

It is a mistake to say, as some who have addressed us have said, or to assume that, "Well, if we adopt this amendment, then we will have just slain Goliath."

Well, we will not have accomplished a miracle at all, we will have just made it more difficult for the Department to operate. We will have reduced our readiness and we will have made it difficult to meet some of our commitments in the Mediterranean and elsewhere, but we will not have stopped the bombing in Cambodia.

The CHAIRMAN. The time of the gentleman from Texas (Mr. MAHON) has expired.

(By unanimous consent, Mr. MAHON was allowed to proceed for 5 additional minutes.)

Mr. MAHON. So, Mr. Chairman, that is the situation here. We are not ending the fighting in Cambodia. If this House, wants to end the war or to bring back troops from Western Europe or to bring them all back from Southeast Asia, we have a way by which we can do it. We could consider legislation in the appropriate legislative committees. But we have not chosen to do it.

We cannot do it in this bill, and we should not work a hardship on our servicemen or on those dependent on other funds in this bill by taking this approach to the problem. We will have to consider that among the very important aspects here.

Yes, our patience has been worn a bit threadbare, but, after all, there was a cease-fire at midnight on the 27th day of January this year. It has not been an intolerably long time since then. If we were willing in the past to give 7 or 8 years of time for the war to be concluded, why do we get so impatient at this time when only a few weeks have transpired? Do we want to rush in today and bring about a collapse that might place our country in a bad position and subject us to just criticism? Do we want to give the Executive further opportunity to bring the conflict to an honorable conclusion? Why not give him a little more time?

You know, I was reading today in the Good Book, which says, "Join not the multitude to do evil." My colleagues who are supporting the amendment seem to be very strong and in considerable number. I would like to join with them, but the admonition "join not the multitude to do evil" restrains me. How can I be sure that we are not doing evil if we rush in and pull the rug out from under the bombing and precipitate an immediate crisis and perhaps the instant collapse of Cambodia? Would that be something to brag about to our grandchildren?

I do not think so. I think we ought to give the President more time. He has, after all, made some progress in international matters and did get the cease-fire agreement. I am willing to give him a little more time and give him the responsibility along with that time rather than rush in today and slam the door shut on his further efforts.

Why should we undertake now to manage this war? Why do we not give the President a little more time? I do not want to precipitate a collapse in Cambodia and a collapse of our negotiations, perhaps, with the North Vietnamese and with Moscow.

I am one who believes in the country, as I know you do. I do not think Stephen Decatur was altogether wrong when he said, "My country, in our intercourse with foreign nations, may she always be in the right, but my country right or wrong."

I want to give my Commander in Chief a little more time here, my friends. I do not have any problem in apologizing to my folks at home for my efforts in behalf of peace. I think our country will look better a year from now and thereafter if we show a little patience. Impatience does not benefit a great and mighty nation.

My colleagues, in this low-keyed way and without emotion let me say that I think you will feel more comfortable today and tomorrow and especially next year if you vote down this amendment denying funds to the United States Armed Forces, and which does not, by the biggest stretch of the imagination, end the conflict in Southeast Asia. That is another matter and there are other ways to do that.

Thank you.

Mr. GUDE. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, the House of Representatives is today presented with another opportunity to reverse the flow of power away from the Congress to the executive branch. By passing the Addabbo amendment, which would delete the $430 million transfer authority in the second DOD Supplemental Appropriation for 1973, the House of Representatives will be putting the Executive and the Nation on notice that we will not extend a military commitment to the Government of Cambodia. We have no commitment, moral or legal, to the Lon Nol Government, and the bombing that is now being conducted is, in my view, entirely without legal or constitutional basis. The assertion that the President of the United States has the authority, by virtue of his role as Commander in Chief, to bomb any nation, whenever he so decides, is repugnant to our Constitution and all our democratic traditions. Prior justifications offered for expanding or prolonging the conflict in Southeast Asia—covering the withdrawal of U.S. troops, obtaining the repatriation of American prisoners of war, and achieving a cease-fire in Vietnam—do not pertain to the present situation in Cambodia. The Gulf of Tonkin resolution, which I worked to repeal in 1970, and the SEATO agreements likewise provide no justification.

We in Congress are today squarely faced with the proposition, affirmed by Defense Secretary Richardson on May 8, that if we fail to cut off the funds for the bombing of Cambodia, we will be expressing our support for the continuation of this bombing. As absurd as this position appears to be on the surface, we must take it with deadly seriousness. A recent study by the Senate Foreign Relations Committee—"Congress and the Termination of the Vietnam War," April 1973—found that the ruling of the courts tends to substantiate the view that any war is legal as long as Congress funds it. Since some substantial portion of the transfer authority is requested to cover the cost of bombing raids for the period January–March, 1973, DOD is asking Congress to ratify the Defense Department's past actions, as well as to legitimize the current and future bombing of Cambodia.

Many of us were not in Congress when this Nation first began its slide into the Vietnam quagmire. Others who were here did not understand that by their cooperation they were leading this Nation into the most wasteful, futile, self-destructive war in its history. Today, however, we do not wear blinders. Today, the wool cannot be pulled over our eyes as it was when the Gulf of Tonkin resolution was passed.

If we are to extricate this Nation once and for all from the endless Indochina conflict, we can do so only by denying the funds for our continued military activity there. Any other effort will be ignored with impunity. Only the purse strings now give authority to the voice of Congress.

Mr. Chairman, the debates over the Indochina war that have been conducted in this Chamber over the past decade have nearly exhausted the topic just as our people are exhausted and fed up with the war itself. Today, in this Nation we have a multitude of domestic reasons to deter us from further military adventures. We have long since honored whatever commitment we had to South Vietnam. Let us not begin a new commitment to that shaky dictatorship in Phnom Penh.

I urge my colleagues to support the Addabbo amendment and put this Congress on record that there be no further support for bombing Cambodia and make a firm move to end their sad involvement in Southeast Asia.

Mr. PASSMAN. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment offered by the gentleman from New York (Mr. ADDABBO).

Mr. Chairman, this is a delayed report from the firing line. I shall read it to the Members:

> On behalf of more than 1.8 million members of the Veterans of Foreign Wars of the United States, I call upon you to grant the President both the resources and the flexibility he requires at this juncture to deal with the difficult and complex situation in Cambodia.
>
> The President needs the unqualified support of a united America with respect to his policy towards Southeast Asia. Let us all close ranks behind him on this issue.

Signed by Patrick E. Carr, commander in chief, Veterans of Foreign Wars of the United States.

Mr. MAHON. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 15 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The CHAIRMAN. The Chair will recognize the Members who were standing at the time the unanimous consent agreement was entered for three-quarters of a minute each.

The Chair recognizes the gentleman from California (Mr. DELLUMS).

Mr. DELLUMS. Mr. Chairman, our long involvement in Indochina has seen many perversions of language. Words like "pacification" and "protective reaction strike" are one legacy of the war. The best one, however, was saved for the end—or what I hope is the end: we are supposed to refer to the bombing of Cambodia as "cease-fire activities."

This is more than a bad joke. We were told Tuesday at the Armed Services Committee hearings that the Paris agreements were not submitted for congressional approval because they constitute a "cease-fire agreement." To me, that means an agreement to cease firing. Yet we are told that this agreement commits us to further war—that we are bound to the "verbal understandings" between Dr. Kissinger and Dr. Tho. The administration does not think it is worth trying to convince us with arguments—this is just playing with words.

There are several arguments we have heard many times before that I hope we will be spared today. I hope no one will tell us we are doing all this from love of Cambodia. I hope no one will come before this body and ask us to believe that anyone who is in a decision-making capacity gives a care at all about the people of Cambodia. In the early days of the Vietnam effort, we were partly motivated by the misguided idealism of people who genuinely knew and loved Vietnam. Today decisions are made by career technicians for whom Cambodia is nothing more than a tour of duty. We bomb because we think—mistakenly—it is in our power interests to bomb—so I think we can do without hypocritical rhetoric.

For example, in one breath we are told how much more democratic the Lon Nol government is since we forced it to bring in some politicians of our choice—and in the next breath we say we are fighting for Cambodian "independence." Do we not know what words mean anymore? Any country that needs massive outside help to preserve their independence has already lost their independence.

I also admire the nerve, if nothing more, of those administration spokesmen who have trotted out the old "delicate negotiations" trick again. All during this war, every time Congress looked like it was going to make a decision, it was told it must not—there was always some delicate negotiations or another going on. If we fall for that trick again, we might as well really admit we have nothing to say about the matter and go home.

It would also clear the air if the administration publicly admitted that "peace with honor" is a failure. If we signed an agreement in January that accomplished all our major political aims—and the administration tells us twice a day what a great achievement it was—then we have no reason to be in Cambodia. If we have reason to be in Cambodia, then a decade of bombing North Vietnam accomplished exactly nothing. Which is it?

Mr. Speaker, there is no justification to continue bombing the people of Cambodia. We can still be a great country even if we are not bombing someone. I urge my colleagues to vote against these funds, and return some sanity and some humanity to our foreign policy in Southeast Asia.

The CHAIRMAN. The gentleman from Illinois (Mr. FINDLEY) is recognized.

Mr. FINDLEY. Mr. Chairman, I take this moment just to remind my colleagues of the interpretation placed on this vote by the President's chief military officer in the Cabinet, Secretary of Defense Richardson, whose office has said that a vote against this amendment will be interpreted by the administration as a vote to ratify or acquiesce—in the policy of bombing in Cambodia and those are the precise words used by the Secretary's office—so I think we ought to keep that in mind as we make up our minds whether to establish this new commitment, that is, the commitment to use U.S. military force to establish a cease-fire in Cambodia.

The CHAIRMAN. The gentleman from Maryland (Mr. LONG) is recognized.

Mr. LONG of Maryland. Mr. Chairman, I rise in support of the Addabbo amendment. I want to point out that, whether the Addabbo amendment passes or fails, I shall ask to be recognized to introduce an amendment which will forbid the use of any funds under this bill to be used for further combat operations by U.S. troops over Cambodia—in either event whether it passes or fails.

Mr. BINGHAM. Mr. Chairman, will the gentleman yield for a unanimous-consent request?

Mr. LONG of Maryland. I yield to the gentleman from New York.

Mr. BINGHAM. Mr. Chairman, this is a moment of truth for the House of Representatives. Are we going to continue to give the President blank checks, to ratify ex post facto what he has done without our approval, or are we going to stand up and assert the prerogative of the Congress to participate in basic decisions of peace or war?

I do not want to repeat the eloquent arguments made here by many Members, including particularly Mr. ADDABBO, the sponsor of the amendment, and Mr. GIAIMO and Mr. FLYNT.

Permit me merely to quote the words of Mr. Justice Robert Jackson in the famous steel seizure case at the time of the Korean war, words which should weigh heavily with each Member as he or she votes on the amendment before us:

> I have no illusion that any decision by this Court can keep power in the hands of Congress if it is not wise and timely in meeting its problems. A crisis that challenges the President equally, or perhaps primarily, challenges Congress . . . We may say that power to legislate for emergencies belong in the hands of Congress, but only Congress itself can prevent power from slipping through its fingers.

The CHAIRMAN. The gentleman from Indiana (Mr. DENNIS) is recognized.

Mr. DENNIS. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The gentleman from Hawaii (Mr. MATSUNAGA) is recognized.

(By unanimous consent, Mr. LEGGETT yielded his time to Mr. MATSUNAGA.)

Mr. MATSUNAGA. Mr. Chairman, the real issue before us which the Addabbo amendment raises is not whether or not we support the President of the United States in his effort in Southeast Asia. The real issue before us, as Members of this great Congress, is whether or not we are going to uphold the pledge which we took when we were sworn into office to uphold and defend the Constitution of the United States. That Constitution, I need not have to remind my distinguished colleagues, vests the sole power to declare war in the Congress of the United States.

The President today has engaged this Nation in warfare in Southeast Asia without any declaration of war by the Congress. I believe we can all agree that this Congress has not declared any war on any nation in Southeast Asia. Where, then, does the President find his authority to carry on warfare in Southeast Asia? True, he is designated as the Commander in Chief of our Armed Forces under provisions of our Constitution, but those provisions do not grant him the power or the right to commit our forces to fighting an undeclared war.

The President's power to commit our Armed Forces to warfare must necessarily follow a declaration of war by the Congress; it cannot precede such declaration by the Congress. Otherwise, the provision of our Constitution which vests the sole power to declare war in the Congress would be meaningless. Certainly, we can all agree that the framers of our Constitution did not intend to put meaningless language into that great document.

If the President, as Commander in Chief of our Armed Forces, wishes to engage this Nation in warfare, let him come to the Congress and ask for a declaration of war. If the cause is just, certainly the Congress will support him. Is this not the procedure which the framers of our Constitution intended?

Regardless of what the President does, let us who constitute the Congress uphold the Constitution as we swore we would do. We can do this today by supporting the Addabbo amendment.

The CHAIRMAN. The gentleman from Missouri (Mr. SYMINGTON) is recognized.

Mr. SYMINGTON. Mr. Chairman, I rise in support of the amendment. Defense Secretary Richardson, during his brief tenure in that office, stressed the need to continue bombing Cambodia in order to preserve the independence of its Government. He presumably meant independence from Hanoi, and dependence on us. Unsustained by the reassuring patter of our bombs, the Lon Nol regime, he said, would fall. Yet who among us would seriously contend Lon Nol to be the wave of the future in Cambodia? The Defense Department's own figures show the burden of the fighting in opposition to that regime to be borne by the Cambodian insurgents—Khmer Rouge—as well as the followers of Sihanouk. It is true that Sihanouk accepted the hospitality of Peking, but the same must be said for President Nixon. In sum, there is very little way for us to predict, much less manage, the outcome of that complex struggle. Indeed, if we have learned anything from our involvement in that part of the world, it is that we lack the power, much less the wisdom to ordain what will happen there, to provide an all-America answer to the Southeast Asian riddle. Those troubles rest on cultural, racial, and religious rifts and memories whose roots antedate by more than a thousand years the first European football on the American continent. "Win," "lose," or "draw," no matter how those terms may be defined, the ocean of Asian history will close over our brief time there sooner than the rust will form on our abandoned equipment. This being so, is it not time to respond to such a clear lesson, not only of history, but of our own irreplaceable experience? And should this response be paralyzed or delayed by every new dispatch of negotiators, every conversation that might or might not occur between Dr. Kissinger and Le Duc Tho—gentlemen who must be expected to have long lives ahead of them? No, we fought for the past decade for reasons that seemed good and sufficient to enough of us. Let us now stop fighting for reasons that seem even better and more sufficient. There is no need to destroy Cambodia to save her. There is a great need to build America, to save her, and to make her equal to the role mankind demands of her.

(By unanimous consent, Mr. Minshall of Ohio, Mr. Young of Florida, and Mr. Rousselot yielded their time to Mr. Kemp).

The CHAIRMAN. The Chair recognizes Rousselot yielded their time to Mr. Kemp).

Mr. KEMP. Mr. Chairman, I rise in opposition to the Addabbo amendment as well as to the Long amendment which is to be offered next. During the Vietnam conflict the Congress time and again attempted to legislate an end to hostilities through many so called end the war bills. No one for one moment doubts the motives of those who introduced these measures but as our returning POW's have stated, such actions by Congress served only to encourage the North Vietnamese in their acts of aggression and lengthened the war.

Those who now oppose the transfer of funds for the continuation of American air operations in Cambodia appear to share the feelings of the introducers of so many previous "end the war" amendments, that is, that the blame for the continuing of hostilities somehow rests upon the United States and that peace can instantly be obtained if the United States will only unilaterally cease its actions.

Let us look at the facts.

When the Vietnam cease-fire went into effect, January 28, 1973, the Cambodian Government ordered the cessation of all offensive activities by its forces and our own Government suspended all U.S. air strikes in Cambodia. The North Vietnamese forces and indigenous forces under their control continued fierce offensive operations in open disregard of article 20, a vitally important element of the agreement which prohibits the use of Laos and Cambodia by North Vietnamese forces.

Our Nation, of course, has no ground troops in Cambodia while about half of the estimated 70,000 to 75,000 enemy forces in Cambodia are North Vietnamese.

The continued presence of North Vietnamese troops in Cambodia, in violation of article 20, or the prospect of a Hanoi-imposed government in Phnom Penh would severely undermine the entire agreement reached at Paris in January and would prevent the emergence of the structure of peace in Southeast Asia for which so many have for so long sacrificed so much.

It has been recognized by all sides that the hostilities in Laos and Cambodia cannot be separated from the hostilities in Vietnam. In fact, much of the progress in Vietnam toward a peace settlement was due to the success of the allied operations against the enemy sanctuaries in Cambodia in the spring of 1970. The difficult decision to clean out the sanctuaries in Cambodia proved correct. American casualties after Cambodia were half the rate they were before Cambodia and we were able to continue the withdrawal of our troops on schedule.

There cannot be peace in Vietnam if Cambodia and Laos remain at war, and if North Vietnamese forces remain in those countries using their territory to support activities in South Vietnam which theaten the right of self determination of the South Vietnamese people which is guaranteed by the agreement.

Since the Communist forces have not observed the unilateral cease-fire proclaimed by the Cambodian Government on January 28, but on the contrary are engaged in serious offensive military operations, U.S. air strikes—undertaken at the request of the Cambodian Government—continue to be necessary to help defend their outnumbered forces against Communist offensive operations, until the terms of the Paris agreements endorsed by the 12 nation International Conference are finally implemented. These U.S. tactical and B-52 strikes are carefully targeted and rigorously controlled to avoid civilian casualties.

The United States is not committed to any person or any form of government in Cambodia—our government seeks only to bring about the cease-fire and withdrawal of all foreign troops as agreed to in article 20 of the Paris agreements. Our only desire, as stated by the President many times, is to ensure that the political future of the peoples of Southeast Asia should be left for the peoples of South Vietnam, Cambodia, and Laos to decide for themselves—free from outside interference. It is apparent that the fighting in Cambodia would come to an immediate end if the North Vietnam forces were withdrawn and I have been informed that a recent Senate report has come to just this conclusion.

Since the withdrawal of American troops has been completed and our POW's returned, there are some who question the President's authority to continue air strikes in Cambodia. According to Secretary of Defense Richardson:

> The Agreement on ending the war and restoring peace in Vietnam signed on January 27, 1973 embodied a plan for the termination of the conflict to which the parties agreed. The actual termination of the conflict, however, remained contingent on the implementation of the Agreement. That implementation has not yet been accomplished in full, particularly with respect to the provisions of Article 20 as they relate to Cambodia. Consequently the conflict in that portion of the battlefield continues. It follows that the President's authority to use military, political and diplomatic means to fully terminate the conflict must also continue. The mere signing of the Paris Agreement on a plan for terminating the conflict could not in itself terminate such authority.

It has also been stated that the constitutional authority of the President to direct these air strikes is included in his responsibility as Commander in Chief of the Armed Forces and Chief Executive.

I realize there are some who sincerely believe that we should cease our involvment in Southeast Asia regardless of the consequences. Now that our POW's have returned and the last U.S. troops have withdrawn from Vietnam it is tempting to withdraw from our commitments and to look inward to our own needs. The growth of such a new isolationism can lead as surely to war as could a policy of adventurism and overinvolvement in world affairs.

If by cutting off funds the Congress announces that we are quitting regardless of how flagrantly the enemy violates the peace agreement, we would be removing the enemy's strongest incentive to live up to the hard won Vietnam peace agreement.

If the Congress does not support the President at this crucial point in time, it must also be willing to accept the responsibility for the undermining of the central achievement of the January agreement and for the prolonging of hostilities in Southeast Asia.

American involvement in Southeast Asia was undertaken by the U.S. Government through due constitutional process and with the joint authority and efforts of Congress and the Executive. The conduct of the conflict, from initial buildup through Vietnamization and withdrawal to the negotiation of a final settlement, has been carried out at every step with the joint participation and authority of Congress and the President. Although the Congress has enacted several provisions with specific reference to Cambodia, the President's Cambodian policies have continually been fully in compliance with these provisions.

The Congress has consistently rejected proposals by some Members to withdraw congressional participation and authority by cutting off appropriations and I sincerely hope that now when our final goal of a just and lasting peace throughout Southeast Asia is within our grasp that we will not fail in our resolve.

We are today discussing the means by which to achieve a peace not just in Southeast Asia but a more stable peace throughout the world. The implications of what we do here today have broad repercussions and certainly in global terms those implications will last for years to come.

We are being counseled today as to the best way to achieve peace. I would remind my colleagues that some of those who are counseling us today to vote for this amendment and for the next amendment as it will come up are the same ones who were so wrong so many times previously in the President's attempts to bring about an honorable solution to the South Vietnamese conflict.

I believe this to be an appropriate time to look back briefly at the entire tragic episode from this historical perspective. I would like to point out today some of the numerous errors that have been made by those who counsel us to tie the President's hands.

First, about President Diem and his overthrow, those who are counseling us today to vote against the President were very wrong about the overthrow of President Diem. The conventional wisdom at that time assured us that by throwing him out and getting someone else, that we would take a long step toward solving the Vietnam situation. However, the result was just the opposite. The Communists nearly won the war during 1964 and by early 1965 President Johnson was faced with the choice of either accepting a Communist victory or introducing American combat troops. He chose to introduce troops but to do so without telling the American people why or without giving up any of the domestic programs which became so costly along with the war.

The conventional wisdom during the Tet offensive during 1968 told us that from that moment on the war became immoral and had been wrong from the start, even though, of course, all of those espousing this wisdom had supported the war from the beginning. They told us that it was lost and that the Tet offensive proved that it was a hopeless and unwinable cause. But in retrospect, conventional wisdom again was wrong. The Communists did not win the victory that they had claimed they needed; and their forces, especially the Vietcong, truly indigenous to South Vietnam, never recovered from their losses during Tet.

After 1968, the conventional wisdom was that a Communist victory was inevitable. And when President Nixon took office and Vietnamized the war, conventional wisdom held that it would never work but again they were wrong.

They were wrong about the 1969 Cambodian incursion when they said it would provoke Red China into world war III. The Communists were prevented from using their Cambodian sanctuaries as well as from using the port of Sihanoukville.

A conventional wisdom was wrong about the mining of the harbors around Haiphong. Our counselors at that time said Russia would call off the trip of the President, that world war III again was imminent and, of course, we know different.

Finally, they were wrong about the bombing of Hanoi and Haiphong. The conventional wisdom talked about terror bombing and carpet bombing, aimed at civilian populations; but Hanoi's own casualty list and their own claims strongly suggest that the bombing was rather carefully aimed at only military targets.

All in all they have been wrong at just about every juncture. They were wrong about Diem: they were wrong about Tet, wrong about Vietnamization, wrong about Cambodia, wrong about mining of Haiphong, wrong about bombing Hanoi, and I would suggest they are as wrong today as they have ever been before.

I would also suggest that Mr. Nixon and Mr. Kissinger look better than any other policymakers as the record is reviewed. They set their goal, went out and accomplished much of what they attempted to do. Only time, of course, will tell whether they have achieved the minimum of an honorable withdrawal or a maximum of an independent, neutral Southeast Asia.

That is where I think this Congress has played and can play a strong role. There is no doubt that the cost of this war has been huge, greater than anyone ever imagined. But in the end there are gains to be counted, as well, in the potentially viable, non-Communist, independent Southeast Asia, in buying time to create a more stable Asia and, of course, a more peaceful world, as well as in contributing to the decline of the Communist prosperity for wars of national liberation.

Today the United States is again at a historical crossroads. We have entered an era of negotiations and there have been changes in our foreign policy of historic scope and significance: the laying of a foundation for improved relations with China and the Soviet Union; new hope for continuing negotiations on arms limitations and the thinning of troops in Europe; increased promise of a settlement in the Mideast; and, of course, the long-hoped-for Vietnam peace agreement.

Our returning POW's have been almost unanimous in expressing their faith in their country and their President and because they believed their cause to be just, they did not regret their sufferings and years of imprisonment.

Air Force Col. James H. Kasler, one of the POW's released by the Vietcong, stated upon his return to freedom:

> We went to Vietnam to do a job that had to be done. And we were willing to stay until our job was complete. We wanted to come home, but we wanted to come home with honor. President Nixon has brought us home with honor . . . it is good to be home.

A young President not many years ago said something about such men as these—something about Americans wanting the rest of the world to know that we were willing to pay any price, bear any burden to make what we stand for endure and prevail.

Are we in the Congress prepared today to tell these brave men through our votes that they were wrong in their beliefs, wrong to put their trust in us, and that their sacrifices were in vain?

Can we who have never known the loss of our freedom have less patience than these courageous men who have suffered so much on our behalf or those who gave their lives.

The President is not asking for a congressional carte blanche for action in Cambodia, he is only requesting funds until the end of this fiscal year, funds that are vitally needed if Cambodian independence from Hanoi is to be maintained. I would like to insert at this point, Mr. Chairman, an article by Rowland Evans and Robert Novak attesting to the importance of making these moneys available:

THE NIXON DOCTRINE: A "DEAD LETTER" IN CAMBODIA

(By Rowland Evans and Robert Novak)

PHNOM PENH, CAMBODIA.—The Nixon Doctrine, failing here in its most critical test, is the victim of crippling restrictions imposed by Congress and a numbing hangover from the Vietnam war.

The congressional prohibition against U.S. military advisers dooms the Cambodian army (FANK) to inept leadership and steady deterioration. Washington's attempt to maintain a low profile here has permitted a comic-opera Cambodian despotism with tragic consequence. Thus, as we reported earlier, Cambodian independence from Hanoi is maintained only by U.S. bombing, which Congress now threatens to end.

This suggests that the Nixon Doctrine, pledging help to any country willing to fight for its survival, is a dead letter when a Communist neighbor exports revolution. Ironically, while the memory of Vietnam bars a vigorous U.S. role here, turning Cambodia into a satellite of North Vietnam would threaten all the blood and treasure invested by the United States in South Vietnam.

The shackles were imposed by Congress shortly after the 1970 Cambodian incursion by U.S. troops: A ceiling of 200 U.S. officials in Cambodia and absolutely no military advisers. Nor are U.S. Army officers assigned to the embassy here serving as clandestine advisers.

These restrictions doom the FANK to perpetual incompetency and perhaps eventual destruction. Its officers, used by Prince Norodom Sihanouk before his fall in 1970 mainly for palace entertainment, are militarily illiterate.

They cannot control artillery fire or direct air support. With U.S. officers barred as ground observers for U.S. bombers, much of the massive bombing is wasted. "The average FANK brigade commander doesn't know enough about tactics to lead a platoon," a foreign military attache told us.

Thus, the three years since the Cambodian war began have been wasted. Less than 1,000 professional U.S. advisers—perhaps CIA paramilitary experts with experience in Laos—might have transformed the FANK into irregular light infantry capable of confronting the Communist insurgents. Instead, the FANK, though better armed, is no better led than in 1970.

What's more, its will to fight has noticeably diminished thanks to Marshal Lon Nol's incredible regime—a failing due in part to U.S. attempts at keeping a low profile in Cambodia.

The proper role of Emory Swank, a skilled diplomat completing three trying years as U.S. ambassador to Cambodia, has never been clearly defined. Though much more than a conventional ambassador (he personally approved U.S. bombing in Cambodia), he was not vested with the proconsular authority of U.S. ambassadors in Laos.

Consequently, Swank had no clear mandate to do anything about Lon Nol, surrounded by corruptionists and astrologers and isolated from both the people and the army. When the marshal last fall publicly ordered Cambodians to report to the police anybody purchasing a jack rabbit because of an imagined Communist plot to blow up fortifications with booby-trapped hares, it should have been clear his connection with reality was tenuous.

It was clear enough to the U.S. embassy here but not to the parade of visiting generals and admirals from Washington and Honolulu. Regally entertained at the palace, they sent back glowing reports on Lon Nol while some diplomatic and military officers here found their regular reporting censored.

Unbelievably, after the American experience of over 30 tragic years in the Orient, the Chiang Kai-shek syndrome is not dead. A carefully documented report to Washington of how Lon Nol's goon squads stole last year's presidential election was denatured by an attached rebuttal. Later, a report on the marshal's seamy personal life was totally suppressed. Belated U.S. pressure on Lon Nol in early April to broaden his regime came when nearly all was lost.

Hanoi has no such problems. Prince Sihanouk and his Peking-based "government" are figureheads; Hanoi-trained Cambodian cadres are in charge. While the U.S. frittered away three years, North Vietnamese regulars were preparing Cambodian insurgents for the surprise offensive that began Jan. 27. The insurgents still go into battle with North Vietnamese advisers at their side. The 367th North Vietnamese sapper regiment, Hanoi's last foot soldiers actively fighting the FANK, is now training a successor Cambodian unit.

Consequently, Cambodia's "civil war" is a Hanoi export; no true political insurgency has taken root among the easy-going Cambodians. But with neither Lon Nol's feeble regime nor a shackled Nixon administration effectively responding to military pressure, prospects are poor that the Nixon Doctrine will preserve Cambodia's independence. The rest of Asia will note that failure.

The CHAIRMAN. The Chair recognizes the gentleman from Missouri (Mr. Ichord).

Mr. ICHORD. Mr. Chairman, ordinarily, I have no difficulty making up my mind on any legislative issue, once the facts are known, but the Addabbo amendment and the Long amendment soon to follow have given me more trouble than any issue I have faced during my 12 years in Congress.

As my colleagues know, I supported President Johnson and President Nixon against the many futile efforts to legislate an end to the war in Congress. I followed that course even though I had long been opposed to the way the war was fought. I sincerely believe that if the war had been fought with more resolution by both Presidents Johnson and Nixon, although I recognize the political difficulties, there would have been fewer lives lost, the war would have been concluded, and our prisoners of war returned long before 1973. In any event this Nation will live with the scars of Vietnam for many generations to come.

This is why I have experienced considerable difficulty in making up my mind on how to vote. Under no circumstances do I want this Nation to become involved in another undeclared war without the will to fight the war to win and without the laws to protect the objectives of the country, a situation which prevails in an undeclared war. And this is why I favor the adoption of some form of war powers limitation—not only for the purpose of restricting the power of the President but also to force the Congress to choose between waging war and making peace. I believe it is imperative that a free society such as ours make that choice if we are to remain a free society. I agree with the gentleman from Wyoming (Mr. Roncalio). There is nothing to be gained by debating the legality of the bombing in Cambodia. The issues of legality must await resolution by the action on the war powers legislation.

But on the other hand, the Cambodian situation is clearly an extension of the war in Vietnam. There is no doubt that North Vietnam is in violation of article 20 of the Paris Peace Accords. At least 40,000 North Vietnamese and Vietcong are now in Cambodia either fighting with or supporting Cambodian insurgents. Mr. Chairman, if Cambodia falls, the chances of stablizing the peace or the cease-fire, or whatever you wish to call it, will indeed be dark I ask the Members of this body to reflect long and hard about the votes you are about to cast on the Addabbo and Long amendments. I submit that the distinguished chairman of the Appropriations Committee has made the all important point. None of us can predict with certainty what the future holds for Southeast Asia. But I would hate to have it on my conscience that at this point in history I yanked the rug out from under the President in his efforts to stabilize the peace.

The CHAIRMAN. The Chair recognizes the gentlewoman from New York (Ms. Abzug).

Ms. ABZUG. Mr. Chairman, I find it very interesting that what may appear to be a very innocuous amendment is receiving such resistance. The fact is that statements have been made about the unconstitutionality of the action of the President and that it is only Congress that can act. But what we have had in the discussion today is the suggestion that the reason we should grant this money is the Navy has overexpended and the Department of Defense has overextended.

Who is running this country? Is the Department of Defense or the Armed Services Committee or we, the Members of the Congress of the United States? It is about time we did what we are supposed to do under our oath of office, as the gentleman from Hawaii (Mr. Matsunaga) said, and that is to support the amendment because we must restore our own power. Otherwise we walk with the multitudes of evil, Mr. Chairman, and I think it is time for us to walk the other way.

The CHAIRMAN. The gentleman from Illinois (Mr. Yates) is recognized.

(By unanimous consent, Mr. Giaimo yielded his time to Mr. Yates.)

Mr. YATES. Mr. Chairman, the distinguished gentleman from Missouri (Mr. Ichord) has said that he did not want to be the one to pull the rug out from under the President of the United States. Nobody wants to embarrass the President. But, Mr. Chairman, it must be pointed out that it was the President of the United States who has placed himself on that unconstitutional rug. The burning question continues to be, why has not President Nixon come to the Congress of the United States for approval of his actions in Cambodia and Laos, as the Constitution requires him to do? Would it not have been better for the President to have come to Congress openly, directly to tell us what he proposed to do in Indochina. Mr. Kissinger, going to Moscow for discussions with the Soviet Union, would be infinitely strengthened if he were to have the backing of the Congress as well as that of the President of the United States.

Mr. Chairman, must the Congress support Mr. Nixon in whatever unconstitutional act he takes because to do otherwise might embarrass him?

I do not think so, Mr. Chairman.

We Members of the House have our responsibilities also. We must observe requirements of the Constitution and demand that the President recognize our prerogatives and responsibilities. I will support the Addabbo amendment.

The CHAIRMAN. The gentleman from New York (Mr. Koch) is recognized.

Mr. KOCH. Mr. Chairman, I rise to support the Addabbo amendment.

I yield to the gentlewoman from New York (Miss Holtzman).

Miss HOLTZMAN. Mr. Chairman, I rise in wholehearted support of the Addabbo amendment which would deny the Nixon administration $500 million in additional funds to continue its massive and destructive bombing policies in Cambodia.

This is our first opportunity to pass upon the President's involvement in Cambodia. The issue now is simple. The answer is clear. This country desperately wants peace. Our troops are home. Our prisoners of war are home. And we have no treaty obligation to the Lon Nol regime since it long ago renounced the SEATO pact.

We are confronted only with the question of whether we wish to approve further involvement in Cambodia.

At a time when vitally needed domestic programs are being dramatically underfunded, we cannot afford to spend up to $4 million a day to protect a dictatorial government riddled with corruption and incapable of winning the support of its own people.

We cannot continue to surrender our congressional prerogatives to the executive branch. The Constitution clearly gives the power to declare war to the Congress, not the President. But the President has never come before us to seek approval for his Cambodian bombing. Instead, this administration has expressed sheer contempt for this body. In his last official act as Secretary of Defense, Elliot Richardson told the Senate Appropriations Committee that if Congress did not vote funds for the Cambodian operation, the administration would find the money itself. We should take Mr. Richardson at his word and end this arrogance.

Our actions today will long be remembered. If we grant the President funds to continue the bombing we will have ratified the war and given him a blank check to continue it. If this happens, we will simply repeat the tragic mistake of the Vietnam war.

At a time when the public's confidence in the executive branch has been so clearly shaken, it is urgent that we show that the people's branch of the Government, the House of Representatives, can reassert its control over critical policies and restore the faith of Americans in their Government.

Mr. Chairman, this is our prime opportunity to put an end to this unconstitutional war. I urge my colleagues to join with me in support of this amendment.

The CHAIRMAN. The gentleman from New York (Mr. Addabbo) is recognized.

Mr. ADDABBO. Mr. Chairman, the chairman of our committee has given us the reason why he must vote for my amendment. We must decide whether the troops in Europe must remain; whether ships must steam and not whether more money must be spent in Cambodia. That is what flexibility means, how they want to spend the money, or how we, the representatives of the people, are going to have them spend the money.

If they have the requirements, the needs, let them come to Congress, come before the Committees and justify those needs. Let the Congress have the power and not the Department of Defense have that unbridled flexibility.

The CHAIRMAN. The gentleman from South Carolina (Mr. Dorn) is recognized.

Mr. DORN. Mr. Chairman, I simply rise in support of the position of the distinguished chairman of the Committee on Appropriations, the able gentleman from Texas. I say to the committee that through 25 years of association with the veterans of our country, and prior to that time for many years of association with them in Europe during World War II, I feel that this amendment must be rejected in the interests of peace.

Mr. Chairman, after every single war, this Congress has contributed to the next war by putting the fleet in mothballs, cutting the Army, and refusing to modernize our Armed Forces. We would not build tanks or construct a modern air force. We invited World War II, the Korean war, and, yes, Vietnam. I hope we do not repeat that same mistake today. Strength is the only road to peace.

The CHAIRMAN. The gentleman from Missouri (Mr. RANDALL) is recognized.

Mr. RANDALL. Mr. Chairman, under limitation of time, there is not much left but to ask permission to revise and extend my remarks. However, in the few brief moments allotted to me, I hope that I can follow the example of the distinguished chairman of the Appropriations Committee, the gentleman from Texas, and as he put it remain in low key and with unemotional attitude.

I have listened to every word of today's debate, and I suppose that I am one of the few remaining Members who is—even at this late hour—is trying to make up my mind as to the true purpose of and the best course to take so far as the Addabbo amendment—also cosponsored by the gentleman from Connecticut (Mr. GIAIMO) and the gentleman from Georgia (Mr. FLYNT)—is concerned.

On page 6 of H.R. 7447, a bill to make supplemental appropriation for the fiscal year ending June 30, 1973 and for other purposes, the amendment, at that point, as I understand it, would have the effect of striking out the language contained on page 6 at line 10 which, as printed, deletes $750 million and inserts $1,180,000,000 in lieu thereof. If my arithmetic is correct, what the amendment really does, then, is to take section 735 of the Department of Defense Appropriations Act for 1973 and knock out the amendatory language on page 6—of H.R. 7447—and reduces the figure from $1,180,000,000 back to $750 million, or a reduction of $430 million.

As I may have observed earlier, I have listened carefully to every word of the debate this afternoon. I recall it being said that the fiscal year 1973 appropriations for the Department of Defense are in the approximate amount of $76 billion. I also have heard it recited here this afternoon that the amount for operation and maintenance of the Air Force is nearly $7 billion.

Well, we have heard from those who pride themselves on being proponents of a strong defense that this amendment would virtually paralyze the Department of Defense for the last 2 months of the fiscal year. We have heard such comments made as that it would limit the readiness or effectiveness of our entire defense establishment.

Let me suggest that if $430 million paralyzes our Defense Department which operates under a $76 billion budget and under an Air Force operation and maintenance account of approximately $7 billion, someone has been indulging in great exaggerations.

At this time in the remaining moments, under limitation of time, I would like to yield to the gentleman from New York (Mr. ADDABBO) and ask him the following questions: Is my arithmetic correct, and is it true that the effect of this amendment would be to reduce the figures on lines 11 and 12 of page 6 of H.R. 7447 from $1,180,000,000 to $750 million? And if the answer to that question is yes, does it mean that the entire reduction amounts to $430 million?

Mr. ADDABBO. That is correct.

Mr. RANDALL. I appreciate the response of the gentleman from New York. It should clarify some of the misconceptions. It should clear away some of the mistaken notions that have been expressed here this afternoon.

Mr. KOCH. Mr. Chairman, I rise in support of the Flynt, Addabbo, Giaimo amendment striking from this bill the $430 million in new transfer authority requested by the Defense Department. The Defense Department has indicated that some of this money, possibly the entire amount, will be used to continue U.S. bombing operations in Cambodia and Southeast Asia. Approval of this transfer authority would bring the total cost of Indochina operations for fiscal year 1973 to at least $6.4 billion and would amount to a congressional abdication of its appropriations powers—in effect, what the administration would seize upon as a blank check of authority for military operations in Indochina.

While I have never accepted the administration's claim that a congressional appropriation constitutes in itself a congressional authorization and approval of U.S. military involvement in Southeast Asia, I am aware that certain lower courts have ruled that the Vietnam war is not subject to court attack as long as Congress continues to fund it. For as long as I have been in Congress I have voted against military appropriations bills containing funds for U.S. military operations in Indochina.

The prior justifications given for our military presence in Southeast Asia—covering the withdrawal of U.S. troops, the return of our POW's, the achievement of a cease-fire in Vietnam, and the existence, until its repeal in 1970, of the Gulf of Tonkin resolution—have now expired. I believe that it is particularly important, now that there is no rational administration justification for our present actions in Indochina, that Congress refuse to provide the President with even the color of consent by permitting funds to be transferred for military activity in Cambodia. After all, Secretary of Defense Richardson stated recently that congressional defeat of the Flynt, Addabbo, Giaimo amendment barring use of transfer authority funds for the air war in Cambodia would be viewed as "a vote to at least acquiesce in that activity."

The bombing of Cambodia, in my view, serves no purpose related to the security of the United States, nor can I believe that it is likely to achieve peace in Indochina. Indeed, the continued destruction of the Cambodian countryside can only serve to make the process of reconciling the various elements of Cambodian society a much more difficult one. Experience should have taught us by now that even the heaviest bombing raids on military and civilian areas in Vietnam cannot build the spirit of reconciliation that is essential for a meaningful and stable peace in that ravaged area of the world.

In terms of the human and money cost involved, the cost of our bombing operations has already been more than enough. In the period between January 27, when the cease-fire went into effect in Vietnam, and the end of April the cost of our bombing Cambodia was reported by the Defense Department to be $160 million, with the cost of bombing in Laos during the same period at $100 million. In this time period the United States has lost three planes over Cambodia and one over Laos. No report has been made to Congress on these bombing operations, nor has any request been made for authorization of the bombing. Congress has been wholly shut out of its constitutional role by the President in the decisionmaking process.

The Democratic caucus of the House went on record this morning by a vote of 144 to 22 in support of the Flynt, Addabbo, Giaimo amendment. The issue at hand involves both the question whether such destructive bombing should be allowed to continue and the question who should decide this issue. It is my view that the Congress should once and for all reassert its constitutional powers and say "No" to further destruction in Indochina and to any threat of a broader American military involvement.

Mr. MILFORD. Mr. Chairman, I rise in support of the amendment.

This has been a difficult decision for me. During my election campaign and my short tenure in the Congress, I have supported American actions in Indochina. Today, I can understand that there may be good reason for combat operations in Cambodia.

On the other side, though, I believe the time has come for this Nation to stop fighting wars by means of loopholes, maybes, speculations, privileged executive decision, or vague interpretations of obscure laws.

We are a nation of laws. Our laws are very specific with reference to war. I do not want to play a game of semantics as to whether or not this Cambodian adventure is a war. My own belief—a belief I think I share with the majority of American citizens—is that anytime an American serviceman is ordered into combat operation, that is a war.

Under our Constitution, war can only be declared by the Congress. In the case of Vietnam, there can be an argument that Congress endorsed the conflict when the Gulf of Tonkin resolution was enacted.

That resolution has been rescinded.

Military operations in South Vietnam were justified, I believe, during the withdrawal period to protect our departing troops and secure the release of our prisoners.

Our troops are withdrawn, and our prisoners are home.

So, at this time, I fail to find justification for combat operations on the part of the United States anywhere in the world.

This morning I was in the office early so that I would have time to read thoroughly the Secretary of Defense's response to House Resolution 379.

The response is impressive, and the legal discussion in the portion entitled "Presidential Authority To Continue Air Combat Operations in Cambodia" goes to considerable length to justify its title.

I did not make up my own mind until after I had read and absorbed these documents. I failed to find in the RECORD this morning a decisive argument to justify combat operations without approval of the Congress.

If this amendment is adopted, Congress will be on the record authorizing war—and there is no other word for it—by the back door again. It will be a striking parallel to the Gulf of Tonkin resolution.

There is another point I would like to make absolutely clear.

As a Congressman, I will never hesitate to grant authority for combat operations anywhere if I am convinced that it is necessary for the good of this Nation, or if it is necessary for our survival.

I believe there is a distinct probability that continued operations in Southeast Asia are necessary.

And once I am convinced this is the case, I will vote the funds necessary to continue operations.

But at this time, there is no way for me to know that this is a fact.

The President has not come to Congress and made a case for war.

This makes combat operations illegal at this time, to my way of thinking.

So, Mr. Chairman, I believe the Congress must decide whether to follow the Constitution and the laws of the land. And we have an issue before us today which requires that decision.

One other observation: I strongly believe that this Nation must deal from strength. Our adversaries do not operate in the kind of system which would tolerate the kind of debate we are having here today.

These adversaries know and understand brute strength.

We react to debate and reason.

There are others in the world who react better to a fleet of B-52 bombers or a Navy armada.

I am on the record in support of the strongest possible national defense posture, and the use of that strength where it is necessary.

But I want it used legally.

Let the President come to us and explain why these combat operations are necessary. If we are convinced, let us vote all the funds necessary to kick the hell of whomever it is we are supposed to be fighting.

But let us not hide a war in the back pages of an appropriations bill. This is definitely dishonest and probably illegal.

If we are going to do it, let us do it right.

Mr. MARTIN of North Carolina. Mr. Chairman, the U.S. House of Representatives has today already acted to kick the props out from under the efforts underway to compel the North Vietnamese to adhere to their agreement. In the agreement ending the war and restoring peace in Vietnam, signed at Paris on January 27, 1973, they agreed to withdraw from attacking their neighbors in Cambodia, with the understanding that if they violated this agreement we would resume bombing their positions in Cambodia. They have violated it with impunity, and the courage and determination and backbone of the United States met this test by responding with the air support for our allies which had been assured in advance.

How has the courage and determination and backbone of the U.S. House of Representatives met this test? By a vote of 219 to 188 the House of Representatives has dug in its cleats, bowed its back, flexed its muscles, and in a great display of precision teamwork has tripped its own quarterback.

Worse than that, the U.S. House of Representatives has gone on record as saying to the world that our majority does not really care whether communism overruns our allies around the world, that our majority does not particularly care whether the North Vietnamese adhere to the agreement, that our majority does not expect them to do so and does not feel any necessity to compel them to do so.

By voting to stop the bombing in Cambodia our majority has raised a torch that will signal for further violent outbreaks and violations all over Southeast Asia and elsewhere.

If this act of defiance against our own President is the nearest we can come to meeting our responsibilities, we may, one way or another, have few responsibilities left.

If we persist in turning our backs on our allies, we may, one way or another, have few allies left.

Mr. FRENZEL. Mr. Chairman, I support the amendment to prohibit transfer of funds for past or future bombing in Cambodia. It seems to me that we have heard the arguments against it many times here before in our debates in Southeast Asia policy. But, while the basis for the committee position—or the administration position—is old, I believe the situation, and therefore the arguments against bombing in Cambodia, are new.

Our military forces have left South Vietnam. We have signed a cease-fire there. Our prisoners have been returned. We have repealed the Tonkin resolution. We have no special treaty obligations in Cambodia.

Our air operations in Cambodia seem to be illegal. No authority to bomb in Cambodia exists, other than the administration's idea that it is useful to do so. It may be useful. It may even be necessary, although I doubt it. But, if so, the President should come to Congress for the authority to bomb in Cambodia. He has not done so. Since we have not given him authority to bomb, why would we want to give him money to bomb?

It is true that the North Vietnamese have not lived up to our agreement. Nevertheless, I strongly believe that no President of the United States should be unilaterally enforcing agreements by bombing without congressional authority. No one condones welshing on agreements, but it is a fact that many nations do not live up to their international commitments. We do not bomb people when they steal our tuna boats.

It can also be argued that Cambodia is not worth our frantic efforts to save the present government. Surely my interpretation of the Nixon doctrine, which I strongly support, includes a strong local willingness and capability for self-defense as a precondition for our aid. In Cambodia that willingness and capability are at least subject to question.

The United States, thanks to the strong Nixon leadership in achieving the cease-fire, finally seemed to be extricating itself from the tar pit of Indochina. I think the bombing is pushing our feet back into that tar pit. And I hope, most of all, that the Congress will not ratify that backward step.

Of all the arguments, for me the most persuasive is the constitutional one. I do not believe the President has the authority to bomb in Cambodia. I do not think Congress should give him that authority by the back-door approach of providing money for bombing.

I intend to vote for the amendment. I urge its passage.

Mr. JOHNSON of Colorado. Mr. Chairman, I have never understood those who equate patriotism with a willingness to squander American lives and property in a useless, futile cause, for a temporary solution, that by any standard of criteria is only remotely connected, if at all, with defense of American interests. It seems to me, however, that patriotism requires that American lives only be expended for causes that are clearly related to American defense.

The argument is made that loyalty to the country requires acquiescence to the policy that leaves the decision of where and when to fight or bomb up to the President. I did not participate in making that decision—who did, who is present? To me, loyalty to the country requires that I use my own judgment as an elected official. Those who campaigned on a platform that called for expanding the war should honor those pledges, of course. But I campaigned on a platform that called for disengagement from Southeast Asia, so I will work to honor my promise as a matter of loyalty to the country, as well as of personal integrity.

In my opinion, President Johnson was elected by his huge majority because he promised to keep us out of a war in Southeast Asia. In my opinion, President Nixon was elected on his promise in 1968 to end the war and in 1972 because he was on the verge of achieving that promise. President Johnson was not given a mandate to do as he pleased, as he claimed, and President Nixon was not given a mandate to reinvolve us in the war at his discretion.

What is there about the concept of limited, no-win war that is so appealing? Why can we not finally extricate ourselves from Southeast Asia? If we are not willing to invade North Vietnam and take the country and occupy it and, thankfully, we are not, why do we continue to allow American lives to be wasted in an area where we are not willing to make a total commitment?

American involvement in Southeast Asia will end only when we refuse to hear the siren song of just a little more. It has led us into the most catastrophic period in American history. We made the decision to get out—let us not look over our shoulder now. Let us finally and irrevocably disengage from this disaster. I believe history will honor you for a vote to end our participation now.

Mr. COTTER. Mr. Chairman, the continued bombing in Cambodia presents the country and Congress with almost the same situation we faced 10 years ago in Vietnam. At that time, too many of the crucial issues of our involvement were met with nondecisions or seemingly small decisions whose cumulative effect was the most divisive war in our Nation's history. The momentum of those decisions swept the United States into a full-scale war, without our ever coming to terms with that commitment. I believe the bombing of Cambodia is another tragic decision that can lead to wider commitments. The Congress must face the growing crisis in Indochina and take a stand.

In April I informed the President that I intended to oppose any military funding which would be used to continue the war in Southeast Asia. I strongly support action to amend the second supplemental appropriations bill to prevent the Defense Department from using any of these funds to continue the bombing.

Every day these combat activities continue, we risk losing more American men to death and capture. On May 8 the Pentagon reported nine men killed and two missing in action, after the loss of three planes in Indochina since the cease-fire. The administration has not shown any legal or constitutional justification for this bombing. Our POW's are home and our troops are back from South Vietnam. Now is not the time to leave more children without their fathers, and more wives without their husbands, in order to continue this senseless bombing. The people of this country have made overwhelming sacrifices in the past 10 years, but we can bear no more—nor should we have to. The Congress can and must refuse to be lured into another Southeast Asia quagmire.

We can insure a true peace for America by showing our strong opposition to the bombing in Cambodia. I will vote to end this bombing and to reassert congressional control over war policy. The President has exceeded his constitutional authority in continuing the combat. We have no treaty obligations with Cambodia. The President can no longer claim that this is being done to protect the lives of American men.

Last week, I joined the effort to obtain more public information on our military role in Cambodia. The American people must know the extent of the bombing, the number of U.S. personnel involved, and the cost to U.S. taxpayers. Things are so confused that we cannot even be sure who the enemy is in Cambodia. The President claims that North Vietnam is violating the Paris Accords by not helping to bring about a cease-fire yet, Secretary of State Rogers admitted there were U.S. violations. Reports from Cambodia are very unclear if the North Vietnamese are doing the fighting or if it is local Cambodian guerrillas. In any event, the United States should stop trying to control the politics of another Southeast Asian country.

A U.S. military commitment to Cambodia is being made without constitutional or legal basis and without the necessary information being furnished to Congress or the American people. The whole situation reminds me too much of the events 10 years ago. We must not let history repeat itself. I vigorously support the Giaimo, Flynt, Addabbo amendment, and urge my colleagues to do so.

Mr. BOLAND. Mr. Chairman, I rise in support of the amendment offered by the gentleman from New York (Mr. ADDABBO).

It is long past time to stop giving blank checks to the Department of Defense approving combat activities that the Congress has not given its endorsement. As pointed out in the additional views that accompany the report on this bill, this is, indeed, an after-the-fact approval of combat activities where the sentiment of the Congress and the people of the Nation has been ignored. It is time that the Congress of the United States, the House and Senate, be in on the takeoffs that have led this Nation into conflicts that are carried on by the executive department without sanction or vote of the people's representatives. Mr. Chairman, this is a solo venture of the administration. It has not asked for congressional approval as the Constitution requires. There is no present authority that gives the administration the power to wage war in Cambodia. There is absolutely no justification for shoring up the regime of the Lon Nol government of Cambodia.

Mr. Chairman, no national interest is served by the bombings in Cambodia. These activities only serve to prolong a war that should have been stopped years ago. They only serve to endanger our flyers leading to more prisoners of war and more casualties and to continue the agony that is heaped upon this Nation.

There are some who say that the adoption of this amendment will be of little effect. I disagree, Mr. Chairman. If nothing more, it will, indeed, send a message to those who believe that Cambodia is an essential ingredient to the national security of the United States. It will be a message, loud and clear, that the people of this country are sick and tired of the conflict in Southeast Asia. It is not worth one more American life.

Mr. Chairman, the lead editorial of the Washington Post in today's issue, May 10, puts the issue squarely. It states:

> It is the first vote on the war issue in either house of Congress since the January cease-fire agreement. As such, it is exceptionally important as an indicator to the President whether he can continue to make war at his own discretion regardless of law, or whether Congress intends to try to hold him to a less capricious standard.

Mr. Chairman, I include the editorial with my remarks:

A "TONKIN RESOLUTION" ON CAMBODIA

The House is about to vote on Rep. Joseph Addabbo's proposal to block the use of defense funds for bombing Cambodia. It is the first vote on the war issue in either House of Congress since the January cease-fire agreement. As such, it is exceptionally important as an indicator to the President whether he can continue to make war at his own discretion regardless of law, or whether Congress intends to try to hold him to a less capricious standard. Fairly enough, the Secretary of Defense has joined the critics of Mr. Nixon's policy in warning the Congress that a failure to cut off funds for bombing Cambodia will be taken as a gesture of congressional consent to the President's policies there. So no one can be under any illusions as to the significance of the forthcoming vote.

The issue could not be clearer. On June 3, 1970, Mr. Nixon said he would henceforth bomb in Cambodia only "to protect the lives and security of our forces in South Vietnam"; on many occasions, he broadened that rationale to include the release of prisoners held in North Vietnam. Both our troops and our POWs are no longer in need of this support. But he bombs on. His aides contend that under the cease-fire agreement the United States implicitly conditioned a bombing halt to observation of the cease-fire by the other side. Yet no Cambodians signed on to the cease-fire. And in any event a statement of Executive intent to bomb, for whatever reason, does not legitimize the bombing: Mr. Nixon's words is not a magic wand making Congress and Constitution disappear at one stroke.

On May 13, 1970, Secretary of State William Rogers stated that the U.S. would not "become militarily involved in support of the Lon Nol government—or any other government" in Phnom Penh. "I'm talking about U.S. troops or air support or something," he added. But last Tuesday he declared: "The choice before us today is whether to allow a military takeover of Cambodia by North Vietnam and its allies, or insist on observation of a negotiated peace." It is a sad thing to see a former Attorney General proceeding as though the legality and constitutionality of the proposal he is trying to sell were of no account. It is no less sad to see a Secretary of State betraying such a flawed appreciation of the facts on the ground in Indochina.

For the truth is that North Vietnam supports but does not command the Cambodians fighting the American-supported government of Lon Nol. Such is North Vietnam's strength that the question of who rules in Phnom Penh has practically no bearing on the use to which Hanoi will be able to put Cambodian soil to support any further operations it undertakes in South Vietnam. No configuration conceivable of Cambodian political elements could muster the force (not to say the will) to prevent Hanoi from so using Cambodian soil; witness what was going on in the days of Prince Sihanouk's rule. The continued American devastation of Cambodia cannot prevent the North Vietnamese from supporting their friends in South Vietnam, if they care to. This is a technical matter not a political one; no knowledgeable person disputes it.

The larger truth is that in Paris Mr. Nixon negotiated the best agreement he could get. But measured in relation to the extravagant evaluation which he put on it, it was not a sound agreement because it could not be enforced in a way that would make good on the promises the President made in its name. The agreement did indeed serve the basic American purpose of giving Saigon a reasonable chance to endure on its own. But it did not and could not serve the further purpose of sealing South Vietnam's border with Cambodia. It was unnecessary and unwise for Mr. Nixon to claim for his agreement achievements which could not conceivably be a part of it. Now that the shortfall is apparent to everyone, he is trying to fill the gap with bombs. Fortunately, we emphasize, "success" by his terms in Cambodia is not essential to the American mission in South Vietnam—a mission which has already been accomplished and which will not necessarily be undone if one Cambodian faction rather than another comes to power in Phnom Penh.

The administration has stated that, whatever the judgment of Congress, it intends to keep on bombing Cambodia anyway. This is a shocking avowal, but it can be dealt with later. For the moment, legislators considering the Addabbo proposal and its Senate counterpart can be confident that in supporting it they are serving the self-respect of the institution to which they belong, the cause of government by law, and the appropriate foreign policy interests of the United States. It may be that it is technically impossible for the representatives of the people to restrain the President. But this does not mean that the Congress must repeat its supine performance at the time of the Gulf of Tonkin resolution in 1964. At the very least, there is a record to be made. The President should be told in no uncertain terms that if he continues his efforts to bomb Cambodia into acceptance of a cease-fire, for no purpose that can possibly justify the cost in lives and money and this country's good name, he will be doing so on his own.

Mr. CLEVELAND. Mr. Chairman, I rise in support of H.R. 7447, the second supplemental appropriations bill for 1973, while recognizing some of the concern over transfer authority for some $430 million in funds for the Department of Defense, of the $2.85 billion in the bill.

Judging from some of the communications I have received on the subject, this is being interpreted in some quarters as a new Gulf of Tonkin resolution, a license to step up the bombing in Cambodia and continue it indefinitely, a possible prelude to reintroduction of ground forces in Indochina.

I am convinced that this represents in no way an open-ended commitment. The President has pledged that no ground combat personnel will be committed in Cambodia, that military support will be strictly tailored to meet pressure from North Vietnam and the situation in the South. He has pledged that, unlike our involvement in Vietnam, our role will be supportive rather than a primary one.

Mr. Chairman, I find these perfectly credible commitments, against the background of the President's declared intention to withdraw—and we recall how they were called into question at the time—followed by performance. The same can be said of the negotiated settlement, in which we and the South Vietnamese undertook real compromises which entail great risk. However, if an amendment is offered to specifically bar reintroduction of ground forces, I will not hesitate to support it in the interest of reassuring the country.

INVITATION TO INVADE

My greatest concern, however, is that if we appear to pull the rug out from under the President at this juncture, our vote will be widely misinterpreted here and abroad as tantamount to an open invitation to the North to commence full-scale military operations against the South. It is that simple.

One of the continuing problems in reaching a settlement has been the persistent misreading on the part of the North Vietnamese of our will and intentions. In my opinion, and in that of many others, false signals to Hanoi have unnecessarily prolonged the conflict and cost countless lives of Americans and Vietnamese, in the north and south. The invasion of 1972 and the on-again-off-again settlement at the time of the last election are two of the most obvious recent examples.

At the same time, I consider it inadvisable for the Congress at this late date to eliminate one of the few options remaining to the President in his efforts to see that real peace comes to Southeast Asia. In a sense, he is under self-imposed restrictions to the extent that limitations on his freedom to act are part of our policy of withdrawal and the compromises inherent in the framework of cease-fire agreements he negotiated.

In the past, we have resisted urgings to cut our losses and get out. Now having gotten out, it would be tragic to yield to urgings to cut our gains.

This body is in a position to help the administration very little, but to hamper it a great deal. This has stemmed from our refusal to assert—in a broad, comprehensive and meaningful sense—our constitutional warmaking power. In the absence of such an assertion of authority, which I support and to which I shall return in a moment, this body would be wise to refrain from what can only be described as piecemeal single-shot intervention.

Throughout the long and tragic history of the conflict in South Vietnam, this Nation and our allies have been confronted with the reality of an all-Indochina conflict. With the same forebearance which moved us to renounce for ourselves and the South any designs on the territory of the North, its leaders or its form of government, we strove for years to confine the conflict to the borders of South Vietnam.

At a time when many came to hold the domino theory as discredited dogma, we have witnessed difficulty of defending territory militarily against an enemy moving supplies and reinforcements through—and operating from—privileged sanctuaries. This has been a problem for years and persists today.

CEASE-FIRE PROVISIONS INSEPARABLE

Article 20 of the cease-fire agreements specifically committed signatories to respect the neutrality of Laos and Cambodia, refrain from the use of their territory for encroachments against the South, end military operations within their boundaries and withdraw all foreign troops. This must be scrupulously observed. The ceasefire provisions cannot be viewed singly, but as elements in fragile balance. Without article 20, our failure to insist on withdrawal of all North Vietnamese troops would have been suicidal. Yet the North is infiltrating men and materiel into and through Cambodia and Laos, and continued to send troops and supplies into South Vietnam. Communist forces have sought to cut lines of communications and isolate Phnom Penh and other population centers.

I repeat the President has pledged that no ground combat personnel will be committed in Cambodia, that military support will be strictly tailored to pressure from North Vietnam and the situation in the South, and in response to the requests from threatened governments which are internationally recognized—and that we have no intention of exercising a primary role.

Mr. Chairman, in most recent foreign policy message to the Congress on May 3, the President recalled the February 10–13 visit of Dr. Kissinger to Hanoi where the ceasefire provisions, including those involving Laos and Cambodia, were discussed.

Hanoi has two basic choices.

As the President said was made clear to the North.

> The first is to exploit the Vietnam Agreement and press its objectives in Indochina. In this case it would continue to infiltrate men and materiel into South Vietnam, keep its forces in Laos and Cambodia, and through pressures or outright attack renew its aggression against our friends. Such a course would endanger the hard-won gains for peace in Indochina. It would risk renewed confrontation with us.

LIMITED FLEXIBILITY NEEDED

These are the stakes then, in my judgment, as we vote here today. I for one am unwilling to weaken the President's hand, particularly in view of the evidence that military aggression is largely curbed by military deterrent. Peace, a disengagement of U.S. forces and the return of our prisoners have been achieved by a combination of Vietnamization, air power, and negotiation. A vote to maintain the President's limited flexibility should avoid the less-welcome alternatives of renewed attacks on the North itself or loss of South Vietnam and indeed all of Indochina despite our costly commitment there.

This body could with far greater profit enact H.R. 6318, which I am cosponsoring, to limit the discretion of the Executive in future conflicts by establishing a congressional review and approval mechanism governing commitment of U.S. forces to combat overseas.

This legislation was introduced on March 29 and described in my remarks appearing on page 10368.

I shall forego elaboration on the bill except for the following: It is necessary in advance of any conflict, regardless of the occupant of the Office of the President, regardless of his party, regardless of the location of a crisis or the degree of other great-power involvement or interest, and therefore in the absence of any commitment or public position of any Member on the merits of a given situation, to assure congressional participation in the decisionmaking process. As I said on introduction:

> I seek to focus accountability on the Congress as well, so that Members will share with the administration the full consequences of action—and inaction—by the Military Establishment of this Nation in response to varying degrees of threat to our security.

Mrs. MINK. Mr. Chairman, I rise in support of the amendment offered by Congressman ADDABBO to delete provisions of H.R. 7447 which would permit the transfer of appropriations to carry on the Nixon administration's bombing campaign in Cambodia.

Failure to bar this transfer will be construed by the administration as an expression of congressional support for its ill-advised and reckless military adventures in Southeast Asia. We owe it to our people to stand up and demand, through our votes, that our participation in the war be ended as promised by the Paris agreement which the President negotiated.

I regret that the administration has chosen to violate its own agreement by dropping 82,837 tons of explosives in Cambodia between January 28, the date of the "cease-fire," and April 30. The bombing cost $258.6 million during this

92-day period, and at that rate the cost will exceed $1 billion by the end of the year.

Why should be waste $1 billion a year by bombing Cambodia? The administration has not consulted with Congress on the reasons for this but as usual is proceeding regardless of logic or legal merit. Administration spokesmen have arrogantly proclaimed that the bombing will continue regardless of what we do today.

Whether that is true or not, we are obligated to make this decision as part of our responsibility as Members of Congress to determine whether this Nation shall be at war or have peace. The bombing produces a de facto state of war. Thus, unless we adopt this amendment, we will acquiesce in the administration's decision to start a new war in Cambodia.

Congress should not reject the Paris agreement by granting consent to more war. Instead, we should insist through our vote that the administration honor its own agreement as understood by our people to mean an end to our participation in Indochina fighting.

Acting at the administration's request, the House Committee on Appropriations has approved $430 million in additional transfer authority of which an unspecified amount will go toward Cambodian bombing. In good conscience, we cannot approve even the expenditure of $1 for this purpose. There are no more American troops in Indochina to "protect." There are no more prisoners of war we need to secure. There is no Gulf of Tonkin resolution granting permissive authority to bomb at will. Instead, an agreement has been signed for the United States to withdraw. Our people do not wish us to state some new "commitment" to another dictator in Indochina. It is time to call a halt to this nonsense.

I ask that the Members of the House of Representatives by an overwhelming vote show their rejection of the administration's policy of renewed and increased war in Indochina. This is our opportunity to assert responsibility. Let us not fail those throughout the country who look to Congress to restore sanity in our governmental policies.

I urge the adoption of the Addabbo amendment.

Mr. McCLORY. Mr. Chairman, I have given thoughtful and prayerful consideration to the subject of proposed amendments to the second supplemental appropriation bill which would prevent any transfer of funds to the Department of Defense which might be used to carry out bombing forays over Cambodia.

I have read carefully the document tendered to me which purports to describe the current situation in Cambodia, including the charge that the elements battling against the Lon Nol regime are directed from North Vietnam—and other statements which purport to justify the military actions which are planned by our forces in that area.

Mr. Chairman, this document is reminiscent of earlier ones which I have examined relating to the situation in South Vietnam—and which were relied upon as a basis for all kinds of American military actions, including bombing raids in both North and South Vietnam, and the deployment of hundreds of thousands of American ground troops.

Mr. Chairman, I have been proud to be part of the congressional support for actions which have led to the honorable peace in Vietnam. I commend the President and Dr. Kissinger for their skillful handling of the cease-fire and related negotiations. I am happy indeed, that our combat troops have all been withdrawn, and our prisoners of war have all been returned. I hope and pray for a lasting peace in Southeast Asia and elsewhere. However, I cannot support military actions contemplating the use of our bombers and fighters any more than I would support use of American combat troops "to enforce" portions of the cease-fire agreement which is being clearly violated in many areas—including Cambodia.

Mr. Chairman, I cannot help but feel that if one of our bombers or fighters would be downed in Cambodia, we might again face the dilemma of securing a return of our prisoners of war. Such a prospect is beyond any risk which I feel our Nation should now take. What the South Vietnamese forces may do, and what our military and economic aid to Cambodia and to other countries may accomplish pose no violation to our traditional policy. However, what our citizens do not want, and what I cannot support is a policy of military action by American forces against citizens of Cambodia or of South Vietnam.

I hope that the bombing operations may come to an early halt and that continued disengagement from Southeast Asia can be promptly completed.

Mr. DRINAN. Mr. Chairman, once again, this body of Congressmen has before it an opportunity to bring to an end the pointless violence inflicted upon the countries of Southeast Asia by our Nation. Too many times we have failed to seize this moment. At issue today is not only the lives of thousands of innocent people now imperiled by our bombing of Cambodia, but also the basic constitutional question of whether the President or the Congress shall have the power to make war.

If Congress approves the proposed transfer authority, it will be giving the executive branch a blank check to wage war in Indochina at its pleasure, and this will mean that the senseless violence inflicted upon Indochina in our name—and all of the thousands of lives lost as a result of these actions, shall be continued.

The administration unashamedly points to congressional appropriations as a demonstration of congressional approval for bombing. Secretary of State Rogers stated, on April 30, 1973, that our previous appropriations approved our air combat operations in Cambodia. This Congress must not give this administration another Gulf of Tonkin resolution. Passage of this additional transfer authority will mean continued bombing and destruction in Indochina. What will this bombing mean? It will mean continued terror for the people of Indochina, more captured POW's and MIA's and more American dead.

I urge my colleagues to halt the bombing in Indochina by voting to deny the Pentagon the transfer authority they request to carry out this bombing.

Mr. ASHLEY. Mr. Chairman, I rise in support of the Addabbo amendment to the second supplemental appropriations bill to delete the requested $430 million in transfer authority for the Department of Defense, so that this money cannot be used to pay for past and future bombing of Cambodia and possibly other parts of Indochina.

I believe that the bombing—which is costing American taxpayers $4.5 million a day—is both bad foreign policy and an usurpation of Congress' war powers under the Constitution.

In terms of foreign policy, the administration's main contention is that the bombing is necessary to prevent the immediate collapse of the Lon Nol regime, which would permit the North Vietnamese to prepare for a renewed assault on the Thieu government across the border. To justify this course of action, the administration has claimed that the North Vietnamese Government has failed to comply with its obligations under the Paris Accords to help bring about a cease-fire in Cambodia—although Secretary Rogers did qualify this contention yesterday, indicating that "we don't claim it is a literal violation of the agreement," but "it is clearly a violation of the understanding we had with the other side.

To be sure, North Vietnam's effort in this regard has been anything but 100 percent. But what the administration is doing is responding to infidelity by the North Vietnamese with respect to an "understanding" with clear infidelity on our part to an article of the Paris Accords. Article 8 of the accords specifically states that both parties are "to respect the independence, sovereignty, unity, territorial integrity, and neutrality of Cambodia and Laos." Our present policy is in violation of the agreement and, in my view, represents a far greater threat to peace in Southeast Asia than anything the North Vietnamese are doing in Cambodia.

My second objection to the present policy is based upon its questionable constitutionality. The administration's original constitutional rationale for involving U.S. forces in Cambodia was the same as its rationale for U.S. involvement in South Vietnam: "The right of the President of the United States to protect the lives of American men." But these forces have been removed and so this justification must fall.

In recent days, the administration seems to have shifted its rationale from protection of American troops in South Vietnam to a "self-determination" protection right for all Indochina. If there is any constitutional justification for carrying on a war in that rationale, I fail to see it.

Mr. Chairman, if the President truly believes that the Cambodian situation poses a threat to peace in the area, then let him come to Congress and make his case. Then the Congress could exercise its proper constitutional authority if we determined that the Cambodian situation warranted the expenditure of more American money and lives. But I urge my colleagues not to surrender our constitutional rights and responsibilities by passing legislation that could turn out to be a backdoor Tonkin Bay resolution.

Mr. REID. Mr. Chairman, I rise in support of the Addabbo amendment, which would prohibit the transfer of funds for combat purposes in Cambodia.

Mr. Chairman, on January 27 of this year I joined my colleagues and virtually every citizen of this Nation in commending the President for the signing of the cease-fire and accompanying protocols in Paris. After almost a decade of war in Indochina, our troops had returned home, our prisoners were due to be released shortly, we had firm agreements to account for those still listed as missing in action. We as a nation had withstood a decade of turmoil, of protest, of violence, and even death on our campuses, and of a profound distrust of the very credibility and foundations of our Government. So although I warned of the possibility of renewed hostilities and the possibility that the accords represented "not a true peace, but an armed truce," I still hoped that we were on our way to peace. I was especially pleased at the explicit language of article 20, which seemed to prohibit our military involvement in Cambodia or Laos, in saying:

> The parties shall respect the neutrality of Cambodia and Laos.
>
> The parties participating . . . undertake to refrain from using the territory of Cambodia and the territory of Laos to encroach on the sovereignty and security of one another and of other countries.
>
> (b) Foreign countries shall put an end to all military activities in Cambodia and Laos, totally withdraw from and refrain from reintroducing into these two countries troops, military advisers and military personnel, armaments, munitions and war material.
>
> (c) The internal affairs of Cambodia and Laos shall be settled by the people of each of these countries without foreign interference.

It was, then, with a heavy heart that we began to hear of violations of the accords, that we saw a fragile cease fire in Laos being violated, that we saw the elusiveness of a cease-fire in Cambodia, that we still received no news of our missing men.

It is clear, in my view, that the North Vietnamese have violated the cease-fire accords; they have used Cambodia and they have used Laos as they have in the past, despite article 20. They have violated both the spirit and the letter of the accords which all, we had hoped, had signed in good faith.

But such violations simply cannot, in my opinion, justify the massive and destructive bombing that our Nation has undertaken, nor can they justify our own violations of article 20.

In 3 short months, since the signing of the cease-fire, we have dropped over 82,837 tons of bombs on Cambodia, another 63,000 tons on Laos. This is the equivalent of over seven Hiroshimas—an act which, in 1945, stopped the world, but which we now live with and barely notice in the back pages of our news magazines.

Since the signing of the accords, we have spent almost $300 million simply to bomb; already we are spending more than money in the loss of nine more American lives and two more missing servicemen.

This war that has been taking place since January is totally without legal or constitutional authority.

While the President of course is the Commander in Chief of the Armed Forces, it is Congress which under the Constitution has the specific power to declare war.

While Congress has in the past granted the Executive authority to wage war, the Gulf of Tonkin resolution has been repealed, and nothing has replaced it.

While the President, of course, has authority to protect U.S. troops throughout the world, there are no U.S. troops in Cambodia or Laos to be protected.

There simply is no justification in the Constitution for this activity.

Furthermore, there are explicit statements in current law, passed by Congress and signed by the President, which indicate that the bombing is in disregard of congressional intent.

Public Law 92–570, the Department of Defense Appropriations Act for fiscal year 1973 states:

> Nothing in . . . this paragraph shall be construed as authorizing the use of any such funds to support Vietnamese or other free world forces in actions designed to provide military support and assistance to the Government of Cambodia or Laos.

Section 7(b) of the Special Foreign Assistance Act of 1917, as amended, states that U.S. aid "shall not be construed as a commitment by the United States to Cambodia for its defense."

Such language is explicit in its specified lack of commitment to the Cambodian Government, yet the Executive sends its Secretary of Defense to testify that termination of our bombing will result in the fall of Lon Nol and the present Government of Cambodia, and that we should thus continue our operations.

Mr. Chairman, on January 27 I wanted to believe that the executive branch had indeed made progress toward a "lasting peace." Now let us in the Congress insure that there will be peace. Events in Washington in recent weeks have emphasized the vital need for honesty in our Government, both to ourselves and to the people of our country. Let us now be honest: We have a war going on; let us not keep calling it a cease-fire. President Nixon speaks of "peace with honor;" I say, let us honor the peace. Let us stop authorizing further bombing and further war; let us accept our responsibilities now, while we have the power to do so and before we risk yet another decade of involvement thousands of miles away and division here at home.

The House of Representatives today can stand up to its responsibilities and take action which no President should ignore. Divided government fails to represent people at home and governs by kind measure lack of respect abroad. The American people want this war ended once and for all. Hopefully the House will make this plain.

Mr. MINSHALL of Ohio. Mr. Chairman, the House today faces a most critical vote in upholding the most hard-fought, hard-won peace agreement in American history.

Most emphatically the issue is not whether our vote giving the Department of Defense transfer authority would constitute another Tonkin Gulf resolution. It would not. The issue is simply whether the United States intends to abide by and enforce the agreement on ending the war and restoring peace in Vietnam signed at Paris on January 27, 1973.

The whole Nation applauded the signing of the agreement which heralded the return of our combat forces, the release of our prisoners of war, a national homecoming that marked the end of a decade of sacrifice by our Nation.

But there are other requirements in that agreement in addition to a cease-fire in Vietnam, the return of prisoners, and the withdrawal of United States and allied armed forces from South Vietnam. I would like to point out that article 20 was written just as clearly, in just as large print, as were these other widely celebrated provisions of the agreement.

Article 20 has its conditions, very explicitly spelled out, and we insisted at Paris, so there could be no doubt in the minds of the North Vietnamese, that compliance with this article would have to be reciprocal. If not, it was implicitly understood that if Communist forces continued to carry out attacks, then government forces, with the help of U.S. air forces, would take counter measures, including air strikes in Cambodia as needed until a cease-fire is brought into effect.

Nothing could be easier to understand than the conditions laid down in article 20:

> The parties participating in the Paris Conference on Vietnam undertake to refrain from using the territory of Cambodia and the territory of Laos to encroach on the sovereignty and security of one another and of other countries. Foreign countries shall put an end to all military activities in Cambodia and Laos, totally withdraw from and refrain from reintroducing into these two countries troops, military advisers and military personnel, armaments, munitions and war material. The internal affairs of Cambodia and Laos shall be settled by the people of each of these countries without foreign interference. The problems existing between the Indochinese countries shall be settled by the Indochinese parties on the basis of respect for each other's independence, sovereignty, and territorial integrity, and noninterference in each other's internal affairs.

Negotiators at Paris included this article to underscore, to emphasize, the fact that Laos and Cambodia cannot be declared "off limits" in peace-keeping efforts. Conflicts in these two nations have a long history of interrelation with the war in Vietnam, so much so as to be considered parts of the single conflict—and acknowledged as such in article 20.

Article 20 has been repeatedly, flagrantly violated by the other side. To maintain the total agreement, to prevent collapse of the structure of peace, so painsakingly built by negotiators at Paris and achieved at such a ghastly cost to our Nation and others, it is absolutely essential that we enforce the provisions of article 20.

The vote today is a test of our resolve to uphold the peace agreement as a whole. We are at the wire. This is no time to panic and jerk the rug. It is no time to cop out or get out.

Mr. BADILLO. Mr. Chairman, this bill is our Gulf of Tonkin resolution. The transfer authority it contains, permitting the Department of Defense to spend an additional $430 million on its unconstitutional and barbaric air war in Indochina is a blank check that will come back to haunt this Congress just as the 1964 resolution did.

I urge the adoption of the Flynt-Giaimo-Addabbo amendment as a necessary first step in not only reasserting the congressional role in foreign and military policy, but also in terminating finally all aspects of our tragic military adventure in Southeast Asia.

Let there be no doubt that Congress will have to go well beyond rejection of this transfer authority. Defense Secretary Richardson has made it abundantly clear that the Nixon administration intends to continue the air war in Indochina and will find the funds to do so regardless of what action may be taken on this particular bill.

Such arrogance cannot go unchallenged.

In the first place, Congress has an obligation to make good on Richard Nixon's broken pledge to end the war in Indochina.

In the second place, there simply is no constitutional basis for the continued prosecution of the war without specific congressional assent. The Gulf of Tonkin resolution was repealed. Mr. Nixon's claim that as Commander in Chief, he had the authority to pursue military actions to protect U.S. troops in Vietnam is no longer valid, since those troops have been withdrawn. It is clear that the continued air war over Cambodia and Laos is purely punitive in nature—a careless and savage attempt to achieve militarily what could not be achieved politically.

This air war really is more than careless—it is reckless. It represents reckless disregard of the consequences of U.S. crews being shot down and captured, thus establishing a new POW dilemma. It represents reckless disregard of the commitment to peace the American people thought they had been given by their President. And with the daily rate of some 60 B-52 bombers and 160 fighter-bombers over Cambodia alone, it represents reckless disregard of the need for fiscal restraint, for reliable estimates put the cost of the air war at $5 million a day.

It is long past time that we in Congress brought an end to this war by using the appropriations process. Today's vote is just a beginning, but an important one.

Mr. BIESTER. Mr. Chairman, the House today is faced with a request to fund the continued U.S. bombing in Cambodia. Approval of that request can only be interpreted as approval of renewed U.S. military activity in Southeast Asia. Our answer must be "No."

The administration has requested an increase in general transfer authority for the Department of Defense, and the House Appropriations Committee has recommended a total of $430 million for this purpose. This transfer authority would avoid a specific request for new appropriations.

Transfer authority has been requested to cover costs related to the Vietnam cease-fire and peace treaty and to provide additional "flexibility" to meet "contingencies" which may arise. One of the contingencies is the U.S. bombing in Cambodia. The Department of Defense has already spent $150 million of the requested funds for military activities in Southeast Asia, including the bombing raids in Cambodia.

Some of the transfer authority is justifiable and proper in order to meet certain obligations arising from the cease-fire, the dollar devaluation and, as Defense Secretary Richardson has said, general across-the-board military preparedness. It appears clear to me, however, and I believe to the American people as well, that unrestricted congressional approval of the transfer authority will be read as acceptance of the Cambodian bombing by this body and endorsement of its continuance.

Secretary Richardson, during a Senate defense appropriations hearing earlier this week, stated that if the transfer authority were denied U.S. bombing would nevertheless continue. Later he added that if the transfer authority were approved it would be regarded "as a vote to at least acquiesce" in the continued air war in Camobdia.

It would be a serious mistake if Congress were to continue allowing the President to construe legislative approval of military funding as congressional concurrence in whatever undisclosed future military activities may be planned by the Defense Department. Congress must make its intentions clear by specifically disapproving the use of funds for the Cambodian operations.

The letter and intent of legislation passed by Congress in recent years is opposed to continued military involvement in Southeast Asia. The Gulf of Tonkin resolution has been rescinded. Air operations are no longer justifiable as protective support for U.S. ground troops. Yet, our Government continues to become more deeply and more directly involved in sustaining the Lon Nol government without congressional approval or public support. Millions of dollars a day are being directed into this operation with no real explanation of its purposes or assurances of how long it will continue. In the meantime, our pilots and crews run the risk of being shot down and creating a whole new chapter in the bargaining obstacles we encountered with POW/MIA's in Vietnam and Laos.

The Cambodian situation brings to mind our initial involvement in Vietnam back in the early 1960's and it creates those same apprehensions: goals, purposes and commitments which are unclear, yet increasing military assistance and support and the expenditure of large sums of money in support of a weak and questionable regime.

We have gone down this road before, and the American people are not interested in doing it again. By disapproving transfer authority for use in bombing or combat operations in Cambodia, the House can voice its strong opposition to renewed and increased military involvement in Southeast Asia.

Mr. DOMINICK V. DANIELS. Mr. Chairman, I rise in support of the amendment to delete from the second supplemental appropriation the authority of the Department of Defense to transfer $150 million in previously appropriated funds to pay for the continued bombing of Cambodia. I am not aware of nor does the Department of Defense even allege that we have a commitment to or are we at war in Cambodia.

The Secretary of Defense first merely alleged that Cambodia was a "messy little corner" of the war in Vietnam. As I recall, the war in Vietnam also began as a "messy little corner" of the world. That little mess cost the United States over 50,000 lives and untold hundreds of billions of dollars for over a decade making it the longest war in American history.

The time has come to get out of Indochina. The bombing of Cambodia is costing the American taxpayer $4½ million per day. I fail to understand what perverse attraction there is in this part of the world that demands so great a resource from the American taxpayer.

There is no claim by the administration that the bombing of Cambodia is in any way necessary or even remotely conducive to the defense or security of the United States. They have failed in any way to justify what the rest of the world views as a "peculiar madness." We are losing our credibility with the rest of the world at a time when the American dollar is weak and our balance of payments must be reversed. We are in effect sending dollars to Cambodia in bomb bays and scattering them over the Indochinese peninsula.

The Department of Defense, arguing out of both sides of its mouth, states that it needs this transfer authority to pay for the bombing. On the other hand, if we fail to provide the transfer authority, the Secretary of Defense has stated that the administration would nevertheless continue to bomb, using resources and funds he says are otherwise necessary to maintain our security in Europe. Thus are the priorities of this administration: that it is more important to bomb to oblivion a nation which the Department claims it is our policy to protect than it is to maintain our security at the edge of the Iron Curtain.

The courts have ruled that, by appropriating funds for the war effort, the Congress sanctions that effort in spite of the absence of any specific legislative authorization. If this Congress is to authorize the bombing of Cambodia, if this Congress is to approve the continuation of the war in Indochina, then let us rise to the occasion and vote the issue up or down. It is the very least that we can do as honorable men and women. It is our minimum responsibility to those who have died and suffered and to those who will continue to die and suffer as the war in Cambodia escalates.

Mr. HILLIS. Mr. Chairman, today I must part ranks with the administration on military activities in Southeast Asia, for the first time since coming to Congress.

I supported the administration's Vietnam policy all the way through, believing the light at the end of the tunnel was in sight and that Congress should not tie the administration's hands in negotiating peace with North Vietnam.

I recently attended a peace with honor reception at the White House and was proud to be included in these ceremonies. I have a copy of the President's remarks on that occasion in my scrapbook, and I honestly believed at that time that peace was going to be a reality.

Today, however, we are being asked to transfer some $430 million in the Defense Department funds, part of which are to be used to continue activities in Southeast Asia. I can see nothing but tragedy resulting from these activities, and I cannot support their continuation.

We have already lost two airplanes, and to date one American soldier has been killed and two Americans are listed as missing in action since the cease-fire was announced January 28. Experts estimate the cost to the American public of the air war in Cambodia has been some $400 million since mid-February, and that 3 million gallons of fuel are being used daily for these activities at a time when American industry and farmers are facing an energy shortage. Certainly these figures will multiply rapidly in the coming months, just as they did in the beginning stages of our Vietnam activity, unless this new Cambodian policy is stopped short.

I understand the Secretary of Defense has already stated his Department intends to find funds for this Cambodian policy regardless of what action Congress takes on this transfer request. I view that position as abominable. To my knowledge, the bombing in Cambodia is not authorized by any law or treaty, not by any reasonable interpretation of the reserve war powers of the President in his role as Commander in Chief.

What we are being asked to do today is ratify unauthorized action already completed, by appropriating money to pay for these actions. Rather than working jointly with the administration to formulate a responsible foreign and defense policy, Congress is being dragged along in the wake of administration prerogatives. Then we are told that to disagree with administration defense policies after the fact shows a weakness in this country's resolve to maintain a lasting peace.

I disagree with that view completely. We would present an even stronger front if the administration and an informed Congress jointly formulated a policy which was well reasoned, well aired, and well understood. But Congress has not been given the opportunity to have a say in these policies—to act as a partner in making important defense decisions that will affect every citizen in this country.

We have not been told why we are bombing Cambodia, nor have we been asked to authorize these actions. We have just been asked to pay for them. I am willing to listen to the administration's arguments for the Cambodia bombings, and if the President can present a persuasive enough case, I could be persuaded to cooperate. But, I do not think my constituents are getting a fair shake when their chosen representative is kept in the dark on policy decisions and instead asked to rubberstamp policy handed down from the White House. Until justification for this policy is made, and Congress formally concurs, I think we would be doing a serious disservice to our constituents to blindly cooperate today.

All of this has reinforced my conviction that this country needs a good war powers bill which will spell out just what steps will be necessary to get this country into war, and which will provide adequate safeguards against indiscriminate Executive prerogatives in this area. It is important that Congress and the Executive return to a team operation in the very important areas of declaring war and authorizing funds for military action.

I would hope that Congress and the administration would have learned something from the painful experiences and lessons of the Vietnam and our backdoor involvement in that conflict. To think that within 3 months of the conclusion of that involvement, we could allow the tragic mistake of Vietnam to be repeated, is inconceivable.

Therefore, with continued great respect for the administration and all involved, I must nevertheless cast my vote in favor of the amendment barring the use of DOD transfer funds for continued military operations in Southeast Asia.

Mr. BROWN of California. Mr. Chairman, after the peace agreement was signed, and our prisoners returned, I assumed, like most Americans, that a terrible chapter of our history, the Vietnamese war, was closed.

For 10 years I made speeches attacking our involvement there, and after 10 years I was tired of the subject. With the treaty signed I felt the chance had come to move beyond the issue and concentrate my energies on the task of rebuilding the broken spirit in America.

When the peace began to fall apart, I hoped, like everyone else, that it was temporary. After all, reports were that cease-fire violations were decreasing, and treaty accords would soon be in effect.

But I had not counted on the continuation of the arrogant, and stupid thinking that has characterized our foreign policy in Southeast Asia since 1954.

Once again we are committing ourselves to a venal, autocratic, corrupt regime. This time our bulwark against communism is Lon Nol, and the country that must be saved is Cambodia. The fact that the government is crumbling from within, and has no support is immaterial. The fact that Lon Nol is as out of touch with his country as Diem was in 1963 is of little concern. The country must be saved

Oh, we have wised up a little. We are not letting American boys die anymore. That you cannot keep out of the newspapers. Instead we are just going to bomb the hell out of everything and everyone. As long as the color of the victims is yellow, this administration thinks no one will care.

I can only ask, "When will enough be enough? When will the body count be complete? Mr. Nixon, when are you going to leave these people alone?"

This last question is not just for the President. It must also prey on the minds of every Member of this body. For as long as we give that man his money, he will do whatever he damn well pleases, and we are his accomplices.

For that reason it is essential that we pass the Flynt-Addabbo-Giaimo amendment to the second supplemental appropriation bill for fiscal year 1973 to insure that no funds from this bill will be used in Cambodia for bombing.

Passage of this amendment will be proof to President Nixon that the Congress of the United States does not support his actions in Cambodia. We will be saying, "Mr. Nixon, the policy of armed, active American intervention in Southeast Asia is over. It is bankrupt, and you will have to do better."

If this amendment fails however, we are in serious trouble. Elliot Richardson has said the administration would be justified in regarding a rejection of the amendment as a vote to at least acquiesce in the bombing of Cambodia. These are the words of an administration moderate. To President Nixon this could be his own version of a Gulf of Tonkin resolution.

We have seen ample evidence within the last few months of how strictly Mr. Nixon's aides feel they are answerable to the Nation. Not to be outdone, Mr. Nixon, with his new outline of executive privilege, seems to be saying, "What's good for Richard Nixon is the way it's going to be. Like it or else."

Frankly, I do not buy it. The policies of Richard Nixon are subject to our scrutiny and approval, the same as any other President. It is our duty to make sure the President understands that.

I suppose I am an expert of sorts on voting against defense appropriations. If more of my colleagues had joined me in 1965 this whole question of American action in Southeast Asia would be academic. From my experience I assure you that this time the vote is easy and the consequences are clear.

It took history 8 years, millions of lives and billions of dollars to prove Wayne Morse and Ernest Gruening right when they stood against the flood in August 1964. What we are deciding is whether to turn the clock back, and watch the whole sickening process take place again, or stand by what we have painfully learned and say "No more."

I said I was tired of speaking about our involvement in Asia. But I never had to dodge bombs, or bullets. I never had to watch my village destroyed, or my family napalmed. I did not have to change my politics every morning and evening just to keep from getting shot, only to be beaten out of spite. I have not been imprisoned and tortured without chance of trial.

Yes, I am tired, but I have not suffered. If has been the people of Southeast Asia that have done the suffering. It is time for us to stop bombing. It is time for us to stop killing. It is time for us to stop being policeman of the world. It is time for us to come home. I strongly urge my colleagues to support the Flynt-Addabbo-Giaimo amendment.

Mr. HARRINGTON. Mr. Chairman, I rise in support of the Flynt-Giaimo-Addabbo amendment to prohibit the transfer of funds to continue the bombing of Cambodia. The bombing is illegal, immoral, and senseless and must be stopped.

After 20 years of uninterrupted involvement in Indochina, there is a tendency to believe that each new antiwar measure is just as futile as the ones that preceded it. Yet, paradoxically, although the Secretary of Defense has testified that this particular amendment will not stop the Government from continuing its policy, it is undoubtedly the most important vote to date in the 93d Congress.

If the transfer of funds for the bombing operations are approved by the Congress, it will establish a record of, at least tacit, support for the bombing policy. Recent court decisions lead me to believe that this tacit support is all that is necessary to establish the legality of the continued action.

At the present time, the record is clear. The Congress has never approved our military activities in Cambodia. The opposite is true. The Mansfield and Fulbright amendments clearly state that the Congress is opposed to a war in Cambodia.

I, together with other Members of Congress, have filed suit challenging the President's authority to commit American Forces to Cambodia. In my opinion, the weight of evidence is on our side. But, if the Congress assents to the President's action by voting him funds to continue it, then the legal basis for our suit could very well be eliminated.

This morning's Washington Post editorial referred to today's amendment as another "Tonkin Gulf." I do not believe this is overstating the case. Even more ominous is the Evans and Novak column which appeared in the same paper. In lambasting the Congress for limiting the number of advisers the United States can maintain in Cambodia, the column goes on to say that less than 1,000 professional U.S. advisers—perhaps CIA paramilitary experts with experience in Laos—might have transformed the FANK—Cambodian Army—into irregular light infantry capable of confronting the Communist insurgents.

This kind of talk brings on a frightful sense of deja vu. The arguments are the same that were advanced in the 1963–65 period. We are developing a policy now that is no different, and has no better chance of success, than our policy of 10 years ago.

The question confronting the Congress today is this: We have just emerged from a long and terrible tunnel. Are we going to turn around and enter it again going the other way?

We are fortunate in having Defense Department information on the extent of our military operations in Cambodia up to the present time—12,136 bombing sorties; 82,837 tons of bombs dropped; $258 million; three planes, and 11 men killed.

What will we do when the first of our pilots has been taken prisoner? How soon will that figure of 11 men killed grow to 100—1,000—or 10,000? How many more billions of dollars are we willing to commit to a losing cause? And, the question which is hardly ever raised—how many innocent Cambodian civilians have we killed up to now, and how many more are we going to kill in order to preserve their corrupt and incompetent government?

Our present policy borders on insanity. Not only must the Congress become a party to that policy, it must put an end to it now.

Mr. JONES of Oklahoma. Mr. Chairman, I will make my comments brief and to the point.

I cannot in good conscience support the additional transfer authority of $430 million. My objections focus on the issue of congressional responsibility to determine spending priorities.

I will not belabor the point made here and elsewhere—that the United States has no treaty obligation to Cambodia. Nor has there been congressional authorization for American military operations there. Military activity in Cambodia rests solely on executive decision.

I will not prejudge the need for American military activity there. It may be there are pressing reasons for it. If so, let the President come to Congress for the authority. That is the legal and constitutional argument. Congress has the clear responsibility under the Constitution to establish the priorities for the expenditure of public moneys. Our commitment to law and order compels us to observe the Constitution in this regard. I do not doubt that if these operations in Cambodia can be justified in support of legitimate American interests, Congress will concur. But Congress cannot concur without being informed.

The same is true of the American people and their need and right to be informed. It is no longer possible to plead war as the excuse for the lack of full explanation. The President himself has proclaimed the end of the Vietnam war. There are no American ground forces in South Vietnam to be protected. There are no American prisoners of war in North Vietnam to be protected.

So long as the Vietnam war continued, it was supported by the people of the First District of Oklahoma. They supported the policies of both President Johnson and President Nixon. More recently, they gave their unqualified support to President Nixon's efforts to achieve peace with honor.

But the citizens of the First District believe firmly in law. They want to see the Constitution observed in letter and spirit. They know that the legitimate authority of Congress to authorize expenditures is a barrier against excessive executive power. I believe that they want Congress to live up to its responsibilities.

Moreover, the people of the First District do not believe in government blank checks. But this appropriation is exactly that. The Department of Defense says that it needs this money to give the Department the flexibility needed to cover additional Southeast Asia costs which may develop. What is to keep the administration from using this money directly or indirectly to provide aid to North Vietnam? The overwhelming majority of Oklahomans are firmly opposed to such a policy.

The argument has been made that we waste our time here today since the Secretary of Defense has announced that the administration will continue the bombing of Cambodia whether or not the Congress approves the transfer authority. I am not impressed by that argument. It is no waste of time when the Congress stands up to its responsibilities under the Constitution.

In casting my vote to prohibit the free transfer of these Defense funds in Southeast Asia, I am carrying out one of my first responsibilities as a Congressman and that is to accurately represent the views of citizens of my district.

Through the responses to my recent questionnaire, through individual letters and through numerous personal visits back home, I feel my district has the following opinions: First strong opposition to diverting money to rebuild North Vietnam; second, strong opposition to a no win war or war of attrition; third, support for the proposition that future military activtiy should have the support of Congress after a fully informed hearing. I feel that my vote today carries out those majority opinions of our district.

Mr. METCALFE. Mr. Chairman, as this body deliberates the proposed amendment to disallow funds to be spent by the Department of Defense in the aerial war over Cambodia and possibly other parts of Southeast Asia, I would like to add some comments in favor of the amendment and against the Defense Department's posture in Southeast Asia.

At the beginning of the 93d Congress the members of the Democratic Caucus agreed that after the return of the POW's and the end of the active hostilities in South Vietnam there would be no more support for any military activity in that area, including Cambodia, Laos, and Thailand. Now we are being asked by the House Appropriations Committee to approve a transfer of funds for the DOD so that they can continue their present military activity in that area. We are also informed that some of the money has already been spent. Further, the Defense Department has spent funds for the bombing of Cambodia that were not allocated for that purpose.

It seems that the military does not care about the intentions of the Congress as evidenced by the recent testimony of Secretary Richardson before the Senate Appropriations Subcommittee on Defense. Mr. Richardson remarked that—

> It must be emphasized that the denial of the requested authority will not impact on U.S. air operations in Cambodia, but across the board on our baseline forces.

Given this statement, it seems that the DOD sees itself as above the intentions of the Congress, and this situation will remain as long as this body allows itself to be guided by this singularly minded Department.

As a civilian government we have many obligations throughout this country of ours. One of these obligations, however, is not to become the world's supercop. But during the greater part of this century, and a part of the last one, we have done just that, become supercrop. Whatever moral obligations that we feel toward the rest of the world, one of them cannot be to control or manipulate the lives and the destiny of any particular country or nation.

This is essentially what we are doing in Southeast Asia.

Three years ago this Government did something similar, and yet quite different, in Cambodia. We invaded the country. We were reminded, in a very painful way, that we were continuing a fruitless policy and, yet, we still have not learned from that tragic incident. Tragic not only because of what happened in Cambodia but, also, for what happened here, in the United States of America. It is truly sad to think about all of the youth in this country who tried so desperately to tell us that our policy was wrong and how we sat back and paid little or no attention to them. Last week I received a letter from a parent involved in one of the more tragic incidents, and I would like to share it with you because the lesson is still so very valuable:

ALLISON, SANDRA, JEFFREY, BILL

May each May flower remind us of you.

Dear members of the United States Congress:

On April 30, 1970, Richard Nixon invaded Cambodia.

On May 3, Allison placed a flower in the barrel of a rifle, and whispered, "Flowers are better than bullets."

On May 4, Allison and twelve other children were shot. Allison and three of the others died. For Cambodia. For peace.

As May returns in 1973, our bombs still fall on Cambodia. 'Now more than ever.' Four more years.'

And after so long, neither the courts nor the Congress have yet acted to take an accounting of the high-handed crimes that stole life from Allison, Sandra, Jeffrey and Bill, and wounded and crippled nine others.

Worst of all, Congress has not yet done what it is within its power to prevent it all from happening again.

Remember Kent May 4.

The issue is now.

ARTHUR KRAUSE,
Allison's Father.
DAVID E. ENGDAHL,
On behalf of the parents of Sandra, Jeffrey, and Bill.

This letter reflects, in part, what we are talking about here today: a country's morals and morality as reflected in its foreign policy and the ramifications of that policy at home. This is only a part of the whole tragedy that this country has suffered, but it is, indeed, one of the most tragic parts.

We have a situation before us today that would indicate that the Department of Defense will follow through on the intent of the law only if it conforms with the intentions of the DOD and their military objectives abroad: objectives which seem to be directed at making the world free for the United States, objections of the other nation-states to the contrary, notwithstanding.

My last point as to why this body should not allow the DOD to transfer funds for the continuation of the bombing of Cambodia is a simple one of economy. Prescinding, of course, from the moral aspect which I have touched on above, why are we still wasting money trying to bomb a people into oblivion? This at a time when we are not able to feed, employ, house, and medically care for all of the people on the richest land on the face of the earth. If we are unable to take care of our own to some degree of completeness, then how are we able to afford the continued bombing of Cambodia?

To take this further, on April 25 of this year the Air Force announced that it was costing about $1.8 million per day for the continued bombing of Cambodia: that comes to something over $52 million per month or just under $625 million per year, if we were to let this action continue that long.

The money that could be saved here by stopping the bombing of Cambodia would pay for a large number of local health centers in those areas which are medically underserved; it would start a lot of homes for those Americans who are now homeless or in inadequate shelter; it would make a large dent in the number of people who are now starving to death across the country; it would train a lot of people for jobs that they otherwise would not be able to get; and it would be the first step toward moving this country and Government away from war and toward humanity.

It is past the time that we should have started to reorder the priorities of this, our, country. It is past the time, but it is not too late for us to do something about it. We must act now if we are to leave our children a decent place in which to live.

I urge you to join in this effort and pass this amendment: a call for a responsive and responsible Government.

Mr. ROUSH. Mr. Chairman, today I have had the opportunity to cast my vote not once but twice in expression of my conviction about, my opposition to the current U.S. escalation of military support in Cambodia.

Both in the Democratic caucus this morning and on the floor of the House this afternoon I voted to oppose the transfer authority requested by the Department of Defense in the amount of $500 million and smaller amount recommended by the committee of $430 million.

I oppose this transfer authority, first because we have had assurances before that the United States was not becoming involved in Cambodia's internal difficulties and would not become so involved and these assurances evidently have become inoperative. In May of 1970 Secretary of State William P. Rogers assured us that—

> We don't intend to become involved militarily in the support of the Lon Nol government, or any other (Cambodian) government.

Three years later he is telling us that—

> The choice before us today is whether to allow a military takeover of Cambodia by North Vietnam and its allies or insist on observation of a negotiated Peace.

Is the negotiated peace, then, to become the grounds for a new round of U.S. fighting in Southeast Asia? The rhetoric sounds too familiar; the intrusion of foreign forces, the need for U.S. assistance to temporarily shore up the government forces.

It was with the same kind of logic, or lack of logic, that we became bogged down in Vietnam for more than a decade with the loss of thousands of lives. I do not intend to be a party to the same eroding process by which the American people are carried down the garden path to an extended military engagement for reasons unknown and with justifications undemonstrated. So I have voted against the transfer of funds sought by the Department of Defense.

Can it be argued that we are committed there by treaty? The answer is "no." Neither the SEATO pact nor the now revoked Gulf of Tonkin resolution requires our presence in Cambodia. Nor can the argument that we are protecting American troops and POW's justify the recent escalation.

When U.S. forces were withdrawn from Cambodia after the 1970 attack on Communist sanctuaries there, the President said:

> The only remaining American activity in Cambodia after July 1 will be air missions to interdict the movement of enemy troops and material where I find that this is necessary to protect the lives and security of our forces in South Vietnam.

The administration tells us now that this action in Cambodia is a winding down of the Vietnam involvement. What, then, has happened to the peace with honor the President described back in January? And how can increased air sorties over Cambodia in the past months by any stretch of the imagination be described as a "winding down"?

Second, I oppose the transfer authority to the Department of Defense because I believe we must have a clear statement of congressional intent regarding Cambodia. Secretary of Defense Richardson has already told the Congress that a "no" vote will in no way defer the administration's present policies of massive bombing over Cambodia. On that we shall wait and see. However, a vote to withhold the transfer authority will produce a clear record of congressional opposition to this increasing involvement of the United States in Cambodia. A "yes" vote will be used by the administration, as it has been before, to justify their actions and to indicate congressional cooperation, approval.

The American people do not want another Southeast Asian war to drain off American lives and resources and I will not vote for funds that clearly violate the expressed convictions of the American people, convictions I fully share. If the administration will prosecute this military escapade in Cambodia, let them do it without our approval and without any semblance of congressional support.

Besides objecting to the transfer of funds on grounds of opposing any semblance of congressional authorization for the Cambodian intervention when this intervention is neither necessary nor desirable, I also object to the fact that it appears that the Department of Defense has already executed a transfer and that they simply want our stamp of approval. Has the balance of power come to that? $150 million of the transfer is for expenditures in excess of budgeted amounts in support of military activities in Southeast Asia during January, February and March of this year.

Moreover, according to the committee report accompanying this bill, the funds to be transferred will come from excess balances of appropriations provided to the Department of Defense in previous fiscal years, primarily in the procurement accounts. How come the Department of Defense so miscalculated earlier budgets as to come up with a surplus? And at a time of severe fiscal restraint, can we justify rewarding such miscalculations with the authority to transfer those funds elsewhere, even if we approved of where they were going? I think not.

Of primary importance to me is the fact that the Congress had not expressed its will regarding war and peace since the peace negotiations of January. It is time that we did so. It is time that we revived the constitutional prerogative of the Congress and through it the American people, to decide on when and where and if we go to war. That should not be the decision of the Department of Defense or the President alone. I cast my votes with that in mind.

Mr. ROYBAL. Mr. Chairman, I rise in support of the Giaimo-Addabbo-Flynt amendment. The amendment would delete a provision which gives the Department of Defense authority to transfer $430 million for the continuation of the bombing in Cambodia.

On January 27, the entire Nation rejoiced when the President announced that a peace treaty had been signed. All of us thought that the amendment signaled the end of America's longest and most debilitating war.

But all that it has really meant is that we have entered a new period of the secret war. Since the peace treaty we have continued to send B-52's on saturation strikes against the Cambodia countryside. These raids have been heavier than any of the ones we flew over South Vietnam during the war.

Unfortunately, these raids have received scant attention in the press because much of the American public believes that we have completed military operations in Southeast Asia. I do not believe that the majority of the people of the United States would now support the bombing of this tiny country.

This vote today is the first we have held on this matter since the treaty was signed. It provides Congress with an excellent opportunity to recapture part of the war power that it has lost to the executive branch.

For the past 10 years Congress has been implicitly sanctioning this interminable war by appropriating money to continue the devastation. One President used the passage of the Gulf of Tonkin resolution as a congressional carte blanche for his actions. We gave another 4 more years to bomb by refusing to cut off funds. Those were errors and one can hope that the bitter experience of the last 10 years will not be lost on this body today.

The framers of the Constitution placed the power to declare war in the Congress. We have allowed the Executive to usurp this power over the last decade. The President's message on January 27 wrote a fitting end to that era and ushered in a new period when Congress can reclaim its lost power. We have not approved of this bombing. If the Executive feels it is necessary, then he should appear before the proper committees and justify his action.

Second, at present it appears that there is no legal or constitutional justification of the action the President has taken. For the last 4 years, American participation and escalation of the war has been justified by the administration in terms of protecting the troops already there and gaining release of our prisoners of war. We have no troops and no prisoners there today, so this justification of the present bombing campaign fails. We have also repealed the Gulf of Tonkin resolution which first embroiled us in this war.

The administration tells us that to vote for the amendment will mean that the President's hands will be tied in foreign policy or that Henry Kissinger could no longer negotiate effectively. The logical conclusion of this argument is that Congress shoud again turn over its power to the Executive. This is something we cannot permit to happen.

We have been told that our vote here today is meaningless because the Defense Department will continue the bombing no matter what the outcome. It appears as though the Pentagon has transferred funds between accounts without congressional authorization to continue the bombing. This would violate the Antideficiency Act and raises grave questions of lawlessness in our Government.

I believe it is time for the House to regain its constitutional prerogative and time for this House to represent the will of the majority of the people. I think it is time for the House to demand a detailed justification of the bombing. Your support on this amendment will be the first step toward the Congress regaining the power that the constitution placed in it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. ADDABBO).

RECORDED VOTE

Mr. ADDABBO. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 219, noes 188, not voting 26, as follows:

[Roll No. 136]

AYES—219

Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Ashley
Aspin
Badillo
Bennett
Bergland
Biester
Bingham
Blatnik
Boggs
Boland
Bolling
Brademas
Brasco
Breaux
Brooks
Brown, Calif.
Burke, Calif.
Burke, Mass.
Burton
Carey, N.Y.
Carney, Ohio
Chisholm
Clark
Clay
Conte
Conyers
Corman
Cotter
Coughlin
Cronin
Culver
Daniels, Dominick V.
Danielson
Delaney
Dellenback
Dellums
Denholm
Dent
Diggs
Dingell
Donohue
Drinan
Dulski
du Pont
Eckhardt
Edwards, Calif.
Eilberg
Esch
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Flynt
Foley
Ford, William D.
Forsythe
Fraser
Frenzel
Fulton
Gaydos
Giaimo
Gibbons
Ginn
Gonzalez
Grasso
Gray
Green, Pa.
Griffiths
Gross
Gude
Gunter
Hamilton
Hanley
Hanna
Hansen, Wash.
Harrington
Harvey
Hawkins
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Holifield
Holtzman
Howard
Hungate
Johnson, Calif.
Johnson, Colo.
Jones. N.C.
Jones, Okla.
Jordan
Karth
Kastenmeier
Kluczynski
Koch
Kyros
Landrum
Leggett
Lehman
Litton
Long. La.
Long, Md.
Lujan
McClory
McCloskey
McCormack
McDade
McKinney
Macdonald
Madden
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Milford
Miller
Mills, Ark.
Minish
Mink
Mitchell, Md.
Moakley
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Natcher
Nedzi
Nix
Obey
O'Hara
O'Neill
Owens
Patman
Patten
Pepper
Perkins
Pickle
Pike
Podell
Preyer
Price, Ill.
Pritchard
Randall
Rangel
Rarick
Rees
Reid
Reuss
Riegle
Rodino
Roe
Rogers
Roncalio, Wyo.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Roy
Roybal
Runnels
Ruppe
Ryan
St Germain
Sarasin
Sarbanes
Schroeder
Seiberling
Shipley
Shoup
Sisk
Slack
Smith, Iowa
Snyder
Staggers
Stanton, James V.
Stark
Steele
Stokes
Stuckey
Studds
Sullivan
Symington
Thompson, N.J.
Thone
Thornton
Tiernan
Udall
Ullman
Van Deerlin
Vanik
Vigorito
Waldie
Whalen
White
Widnall
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Wolff
Wyatt
Yates
Yatron
Young, Ga.
Zablocki
Zwach

NOES—188

Abdnor
Anderson, Ill.
Archer
Arends
Armstrong
Ashbrook
Bafalis
Baker
Beard
Bell
Bevill
Bowen
Bray
Breckinridge
Brinkley
Broomfield
Brotzman
Brown, Mich.
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Fla.
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Cohen
Collier
Collins
Conable
Conlan
Daniel, Dan
Daniel, Robert W., Jr.
Davis, Ga.
Davis, S.C.
Davis, Wis.
Dennis
Derwinski
Devine
Dickinson
Dorn
Downing
Duncan
Edwards, Ala.
Erlenborn
Eshleman
Fish
Fisher
Flood
Flowers
Ford, Gerald R.
Fountain
Frey
Froehlich
Gettys
Gilman
Goldwater
Goodling
Grover
Gubser
Guyer
Haley
Hammerschmidt
Hanrahan
Hansen, Idaho
Harsha
Hastings
Hays
Hébert
Hillis
Hinshaw
Hogan
Holt
Horton
Hosmer
Huber
Hudnut
Hunt
Hutchinson
Ichord
Jarman
Johnson, Pa.
Jones, Ala.
Kazen
Keating
Kemp
Kuykendall
Landgrebe
Latta
Lent
Lott
McCollister
McEwen
McFall
Madigan
Mahon
Mailliard
Mallary
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Mayne
Michel
Mills, Md.
Minshall, Ohio
Mitchell, N.Y.
Mizell
Montgomery
Moorhead, Calif.
Myers
Nelsen
Nichols
O'Brien
Parris
Passman
Pettis
Peyser
Poage
Powell, Ohio
Quie
Quillen
Railsback
Regula
Rhodes
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Roncallo, N.Y.
Rousselot
Ruth
Satterfield
Saylor
Scherle
Schneebeli
Sebelius
Shriver
Shuster
Sikes
Skubitz
Smith, N.Y.
Spence
Stanton, J. William
Steed
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stratton
Talcott
Taylor, Mo.
Taylor, N C.
Teague, Calif.
Thomson, Wis.
Towell, Nev.
Treen
Waggonner
Walsh
Wampler
Ware
Whitehurst
Whitten
Wiggins
Williams
Wilson, Bob
Winn
Wright
Wydler
Wylie
Wyman
Young, Alaska
Young, Fla.
Young, Ill.
Young, S.C.
Young, Tex.

NOT VOTING—26

Barrett
Biaggi
Blackburn
Brown, Ohio
Camp
Carter
Crane
de la Garza
Frelinghuysen

Fuqua
Green, Oreg.
Jones, Tenn.
Ketchum
King
McKay
Symms
Mollohan
Price, Tex.
Rooney, N.Y.
Sandman
Stubblefield
McSpadden
Teague, Tex.
Vander Jagt
Veysey
Zion

So the amendment was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. LONG OF MARYLAND

Mr. LONG of Maryland. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LONG of Maryland: on page 6, immediately after line 12, insert the following paragraph:

"None of the funds herein appropriated to the Department of Defense under this Act shall be expended to support directly or indirectly combat activities in, over or from off the shores of Cambodia by United States Forces."

Mr. LONG of Maryland. Mr. Chairman, the purpose of this amendment is to make loud and clear the point which we have tried to make in passing the amendment offered by the gentleman from New York (Mr. ADDABBO). My amendment makes it possible for many people, who were genuinely and honestly disturbed about aspects of the Addabbo amendment, to support it. There were problems in the Addabbo amendment for many—not for me—but there were for many people because they felt that this would hamper the administration and the Defense Department all over the world; tie its hands and hinder its freedom of action. That is why many Members voted against the Addabbo amendment even though they were genuinely disturbed about Cambodia, and wanted to make it clear that we ought to get out of there.

Now, if it is the point, as I think it is, that the Addabbo amendment wants us not to carry on further U.S. combat operations in Cambodia, then now is the time under my amendment to express that explicitly rather than merely implicitly.

Keep in mind that my amendment merely addresses itself to U.S. armed combat forces. It is still possible to help in many other ways. My amendment does not address itself to that one way or the other. But if we pass this amendment today we will put a double lock on the door.

On the other hand, if we vote down this amendment—which says that none of the funds herein appropriated to the Department of Defense under this act shall be expended to support directly or indirectly combat activities in, over, or from off the shores of Cambodia by U.S. forces—if we vote this down, then certainly the President is entitled to be confused about just what the Congress intended when it agreed to the Addabbo amendment.

So I hope that the House will vote for my amendment.

Mr. FINDLEY. Mr. Chairman, will the gentleman yield?

Mr. LONG of Maryland. I yield to the gentleman from Illinois.

Mr. FINDLEY. Mr. Chairman, I rise in strong support of the gentleman's amendment.

Mr. LEGGETT. Mr. Chairman, will the gentleman yield?

Mr. LONG of Maryland. I yield to the gentleman from California.

Mr. LEGGETT. Does the gentleman's amendment affect the military assistance program to the Lon Nol government?

Mr. LONG of Maryland. In no way. It merely attempts to prohibit the use of U.S. combat forces.

Mr. LEGGETT. So that Lon Nol can go ahead and fight his war, and we can just address ourselves to American forces there?

Mr. LONG of Maryland. Yes, just the same as we intend to do in South Vietnam.

Mr. Chairman, I yield back the balance of my time.

Mr. GERALD R. FORD. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I have lost before, and I probably will lose in the future, but it does not affect me personally because that is part of the ball game.

I cannot help but say that I think this is a very, very sad day in the House of Representatives. I respect the Members' views. I respectfully disagree with some of them. I happen to believe, as I have said to those of us on our side of the aisle in the last several days, that this issue today on the previous amendment and the one now up had far greater ramifications than appeared on the surface.

I think that it is appropriate to say that in the last 3½ years, because of the strength of the House of Representatives, a majority of them, we have been able to withdraw 540,000 U.S. military personnel from Vietnam.

Because of the strength of the majority, both Democrats and Republicans in the House, we have been able to get back all of our POW's, approximately 550, American prisoners of war. And because the majority of the House had faith in the policies that were being pursued to end the war, we now have teams in Vietnam—Indochina—trying to identify whether or not the listed missing in action are really missing in action, or whether there is a hope that they will turn up. Because of a coalition in the House, the people who were strong in the face of adversity in the last 3 years, we achieved a peace agreement. We have a cease-fire in Vietnam, and we have a cease-fire in Laos.

This group on both sides of the aisle did not bow down and capitulate to the mobs that stormed the steps of the Capitol, and we did not listen to the prophets of doom in the Chamber of the House of Representatives. And we did not raise questions like some in this body—and I refer to a comment made by my friend, the majority leader, on May 9, 1972, when the President had taken firm action for the bombing in the North and the blockading of the harbor in North Vietnam.

The distinguished majority leader, the gentleman from Massachusetts (Mr. O'NEILL) at that time said:

> The White House will have to show tremendous diplomatic skills in the next 3 days or we could be in World War III.

Of course, he was dead wrong then, except that the administration apparently exhibited those extraordinary diplomatic skills that resulted in the averting of world war III and the end of that war in Southeast Asia.

A policy of strength for America is good for us and a policy, that I interpret as one of weakness, is not good for America. The best illustration of how strength produces results is the military strength and the character and resolve of the Israelis in the Middle East. They are faced with some 50 or 60 million Arabs on the one hand and they have 6 million to 8 million people in Israel itself. Because they are strong militarily and because they have strength of character and resoluteness, the country is moving ahead and the opposition is on the defensive.

At no time in the history of this country have we achieved results by standing still or backing off. My interpretation, without commenting on how one person or another voted on the vote that was just taken, is that an affirmative vote for the Addabbo or Long amendment is a backing off from a responsibility that could lead to dire and serious consequences not only in Southeast Asia but the world as a whole. It amazes me as well as disappoints me that the House of Representatives, that has a track record of strength and firmness, is now cringing and crumbling. I am disappointed and saddened. I strongly oppose the Long amendment as I did the Addabbo amendment.

AMENDMENT OFFERED BY MR. STRATTON TO THE AMENDMENT OFFERED BY MR. LONG OF MARYLAND

Mr. STRATTON. Mr. Chairman, I offer an amendment to the amendment offered by the gentleman from Maryland (Mr. LONG).

The Clerk read as follows:

Amendment offered by Mr. STRATTON to the amendment offered by Mr. LONG of Maryland: At the end of the amendment, strike out the period, insert a semicolon, and add the following words:

"Except that no such limitation shall take effect until after the projected meeting between Dr. Kissinger and Le Duc Tho looking toward improved cease-fire compliance has been held and a full report on its results made to the Congress; or if such a meeting is not held, until the President has reported fully to the Congress the reasons therefore; but in no event shall such delay continue for more than 3 months".

The CHAIRMAN. The gentleman from New York (Mr. STRATTON) is recognized in support of his amendment.

Mr. STRATTON. Mr. Chairman, I would like to explain what I attempted to say in this amendment.

Mr. LONG of Maryland. Mr. Chairman, I object to the Stratton amendment on the ground that it is vague.

Mr. Chairman, I make the point of order that the amendment is vague and out of order because it is vague. It refers to people such as Kissinger and Le Duc Tho and it is not the type of language that fits in with the legislative action we are taking. In addition, it is legislation on an appropriation bill.

Mr. STRATTON. Mr. Chairman, will the gentleman from Maryland withhold his point of order until I have had a chance to speak on the amendment. I did not yield to the gentleman from Maryland, Mr. Chairman.

The CHAIRMAN. Will the gentleman from Maryland reserve his point of order until the gentleman from New York has explained his amendment?

Mr. LONG of Maryland. Yes, Mr. Chairman.

Mr. STRATTON. Mr. Chairman, I have been tempted to say that because this matter has already been debated in full I shall not take my full 5 minutes in explaining this amendment.

But I shall not do so. Why? Because the interesting thing about the vote that just took place on the Addabbo amendment is that for the first 5 or 6 minutes, when those who had been in the Chamber during the debate were voting, the opposition to the amendment was leading by a very substantial majority. It was only when those Members who had been over in their offices, who had had their minds already made up in advance, who had not had a chance to listen to the debate, came over and voted that the majority switched in the other direction.

Therefore, I would like to say just a few things about this particular amendment of mine and the specific situation which we now face.

The debate a few moments ago made it perfectly clear that the adoption of the Addabbo amendment would not stop bombing operations in Cambodia. We ought to be perfectly clear on that. The amendment's adoption simply means that in order to get the funds for those operations, the Defense Department will have to cease operations in the Mediterranean, in the Middle East, in the Atlantic, and in other key areas, including the United States until the end of the fiscal year.

But now the Long amendment would specifically prevent any combat operations in or over Cambodia. Therefore this is the point at which the crunch is really going to be felt. So I think it is worth repeating again what was said at the time of the earlier debate on the Addabbo amendment, that a cease-fire in Cambodia is part of the original agreement worked out with the North Vietnamese with the help of the Russians and Chinese.

We have now achieved a major part of that cease-fire agreement. We have a cease-fire in both Vietnam and Laos. but the understanding with all those parties in January was that we would continue military operations in Cambodia until we had achieved a cease-fire there as well.

So I believe this Congress would be ill-advised to take this last step to prevent the continuation of these Cambodian operations long enough to see what the talks between Dr. Kissinger and Tho are going to achieve. Perhaps they will not get a cease-fire. Perhaps they will break down; but my amendment to the Long amendment puts off the ban on Cambodian operations long enough so that the upcoming cease-fire talks between Dr. Kissinger and Tho may have a chance to succeed.

In no event, however, will this limitation persist more than 3 months. Perhaps we ought to make it less than 3 months, but we ought at least to give an opportunity for these negotiations to go forward before we clamp down on any possibility of a cease-fire in Cambodia.

Mr. SIKES. Mr. Chairman, will the gentleman yield?

Mr. STRATTON. I yield to the gentleman from Florida (Mr. SIKES).

Mr. SIKES. Mr. Chairman, as I understand the amendment of the distinguished gentleman from New York, it is simply to reaffirm the desire of the Congress for a negotiated settlement of the fighting in Cambodia, and would make it clear that any other action that we may have taken not preclude our desire for a negotiated ending of the war. In other words it would approve the forthcoming negotiations.

Mr. STRATTON. The gentleman is exactly correct. I do not think we in the House really want to take on the responsibility of having done something which people might later on say, "This was an action of the Congress that made it impossible for us to get a cease-fire in Cambodia, which virtually assured that the cease-fire in Vietnam would not be effective either."

Mr. SEIBERLING. Mr. Chairman, will the gentleman yield?

Mr. STRATTON. I yield to the gentleman from Ohio (Mr. SEIBERLING).

Mr. SEIBERLING. Mr. Chairman, is it not true that the January agreement provides that no outside party shall conduct any military operations in or over Cambodia?

Mr. STRATTON. The same agreement provides that all foreign forces shall be withdrawn from Laos and Cambodia. Yet the North Vietnamese have not so far withdrawn their forces.

There was an understanding with the North Vietnamese and with the Russians and with the Chinese, however. I had the privilege of being at the White House the day after the cease-fire announcement was made. It was made very clear by Dr. Kissinger and by the President, that we would continue to conduct operations in Laos until there was a cease-fire agreement there, and both sides would also continue to conduct operations in Cambodia until there was a cease-fire there.

We finally got a cease-fire in Laos. Dr. Kissinger at the time indicated, however, that it would be more complicated to get a cease-fire in Cambodia and might take us a little longer.

POINT OF ORDER

The CHAIRMAN. Does the gentleman from Maryland insist on his point of order?

Mr. LONG of Maryland. I do, Mr. Chairman. I make a point of order against the gentleman's amendment on the ground that it is legislation on an appropriation bill, and it is legislation because it imposes additional duties on the President. Therefore, it is out of order.

The CHAIRMAN. Does the gentleman from New York wish to be heard on the point of order?

Mr. STRATTON. Yes, Mr. Chairman. I do wish to be heard on the point of order.

The CHAIRMAN. The Chair will hear the gentleman.

Mr. STRATTON. Mr. Chairman, the amendment of the gentleman from Maryland imposes a limitation on the expenditure of funds contained in the bill from the Committee on Appropriations. My amendment simply defines a precise time limit for that limitation. It imposes no obligation on anyone else. It simply indicates the length of time during which this limitation shall or shall not be imposed. Therefore, it does not represent any limitation or legislation on an appropiration bill.

The CHAIRMAN (Mr. BROOKS). The Chair is prepared to rule.

The amendment offered by the gentleman from Maryland is a limitation on expenditures. The amendment to the amendment offered by the gentleman from New York is a time limitation, but it is also legislation, in that it would require additional responsibilities and duties. It would require individuals to report, and finally the President to report. It would be legislation.

Therefore, the Chair sustains the point of order.

Mr. HANNA. Mr. Chairman, I rise in support of the amendment.

I would not have asked for this recognition had I not been sitting in the Chamber when the distinguished minority leader made the statement which he made and which I accepted with respect for the sincerity with which he spoke.

I believe there is something more significant in the decisionmaking going on in this House right now than many who are sitting in this Chamber realize.

It has seemed to me a marching of the events of history is being determined here. I have watched these forces rolling to this point for some time.

I should like to draw attention to this historical perspective. Without any showing of cause or blame on the part of anybody, or any partisans throughout this history, I should like the Members to realize that since the beginning of this century, starting with World War I, this country has had to take a position in history of being concerned about security and being involved in military conflict or the threat of military conflict. In that concern and in that history we have had to place at the front end of our policy decisionmaking, and it has been the responsibility of the House throughout all of that to put in front of our policy decisionmaking military-security considerations; dominating, forcing the decisionmaking of this House.

During that history the economics of this country has been in a tandem position with our military and security forces, and the Government and politics has simply been the servant to that.

We are at a point of change in this world and in this House. It is in the future the role of the military to be in the third position rather than the first. And it is not going to help, in the fact that there is going to be a change as to who is going to be in charge of the decisionmaking in this House, and the military and Armed Forces are not going to be as powerful.

The thing we are saying now is that the country must accept and face up to the responsibility of this country's power not being in the military but in the economics, with the Government and politics in tandem with the economics, in trying to solve the problems of the world instead of destroying the people of the world.

I believe this is the thrust of history which lies before us. We should not be afraid to accept it.

The words of the amendments we have voted on today point us in that direction of history, and I believe they should be supported.

PARLIAMENTARY INQUIRY

Mr. COLLIER. Mr. Chairman, I have a parliamentary inquiry, and I will make a point of order, if it is in order.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. COLLIER. The parliamentary inquiry is this: Did we not waive points of order by earlier action of this House? If we did, how, then, is a point of order in order when points of order have been waived?

The CHAIRMAN. The rule only waived points of order against provisions of the bill not against amendments offered from the floor to that legislation.

Mr. COLLIER. Mr. Chairman, would not the amendment offered by the gentleman from Maryland (Mr. Long), be in and of itself under that waiver, and, therefore, any subsequent point of order on an amendment thereto would be equally out of order?

The CHAIRMAN. Any amendment offered on the floor could be subject to a point of order. No Member raised a point of order against the amendment offered by the gentleman from Maryland (Mr. Long). A point of order was raised against an amendment to that amendment. It was sustained. That is the situation existing at this time.

Mr. COLLIER. I thank the Chairman.

AMENDMENT OFFERED BY MR. STRATTON TO THE AMENDMENT OFFERED BY MR. LONG OF MARYLAND

Mr. STRATTON. Mr. Chairman, I offer an amendment to the amendment offered by the gentleman from Maryland (Mr. Long).

The Clerk read as follows:

Amendment offered by Mr. Stratton to the amendment offered by Mr. Long of Maryland:

At the end of the amendment, strike out the period, insert a semicolon, and add the following words:

"Except that no limitation shall take effect for 2 months".

Mr. STRATTON. Mr. Chairman, this amendment has been revised from the previous form to make it consistent with the point of order raised by the gentleman from Maryland (Mr. Long). I have conferred with the Parliamentarian, and believe there is no point of order that could now be properly lodged aganist this amendment. This new amendment basically accomplishes the same thing as the one previously ruled out of order. It gives us 2 months to see what these new diplomatic conversations will produce, before the boom falls. If this House wants to act responsibly, then we should add this amendment of mine to the amendment offered by the gentleman from Maryland (Mr. Long).

Mr. LONG of Maryland. Mr. Chairman, I make a point of order that the amendment is out of order.

The CHAIRMAN. The gentleman from Maryland (Mr. Long) is making his point of order too late.

Mr. SPENCE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, as most of you know, I have not taken the floor on too many occasions since I have been serving in Congress.

But today I find many in the same position as the fellow was one time when he was in church and the preacher asked for a call of all those present who wanted to go to heaven, and everybody stood up except my friend down there in the front pew who was sound asleep. Then the preacher asked if anybody wanted to go to hell. He said it so loud and made so much fuss that it woke the old fellow up, and he jumped right straight up in the air, looked all around and got embarrassed, and he said, "Preacher, I do not know what we are voting on, but it looks like me and you are the only two that are in favor of it."

Mr. Chairman, I think we are in that position today. Really I think we have been asleep. I really cannot believe that this has happened on the floor of the Congress of the United States, and I believe that history wil look back in the future and will show that Cambodia and Laos and the other countries in Southeast Asia fell to communism, and people, millions of them, lost their freedoms because we just plain sold them out. I cannot conceive of it.

We have been a leader in this world for years and years, and for the first time we have ducked our heads and gone home and told the rest of the world "to go to blazes and take care of yourselves." I cannot believe it.

Mr. Chairman, I would ask my colleagues here today to imagine such a debate as ours occuring in Russia or Red China. Would it be permitted in North Vietnam? What if the Communist forces in Cambodia, half of which are North Vietnamese, are successful in taking over the legal government there? Would any criticism of their policy be allowed?

These questions answer themselves, Mr. Chairman, and those answers should serve to remind us where the real enemy of freedom lies. Unfortunately, however, while most of us would agree that life under communism would be highly unpleasant, many individuals seem to think that is not their problem. They have their freedom here in America, and they refuse to acknowledge communism's threat to us.

One of my favorite figures of South Carolina history was a young man whose name goes unrecorded, but whose actions have special significance for us today. He left his home and family and traveled all the way to Texas "to fight for my country." Like the rest who fought at the Alamo, he died a hero. Of course, Texas was not even a part of his country at that time, but he could see the threat.

As leaders of the free world, we have an obligation to help small nations remain free. In addition to the moral responsibilities we have, we should be able to consider our own self interests. Either we fight now or we fight later. Personally, I would rather fight communism in far away Southeast Asia than right here in Washington. I would rather be responsible for the fighting now than to leave it with my children to worry about in years to come.

Those who keep introducing or voting for resolutions which seek to hamper our efforts in Southeast Asia must admit one of two things. Either they believe that left alone, communism will cease its aggressions, which is naive in the extreme, or that they just do not care whether those countries go Communist or not. How can they continue to parade their concern for the poor, the downtrodden, and those who cannot take care of themselves, and still be willing to abandon an entire people to communism? They urge that we spend billions to build schools and hospitals overseas, and then turn around and shout "No" when we are asked to help a country preserve its freedom. They should ask our recently released prisoners of war what freedom means to a man, and which of these needs is most important.

Yesterday, Mr. Chairman, I witnessed a sorry spectacle. As a result of legislation introduced in the U.S. Congress, the Secretary of Defense was directed to provide information regarding our military activities in Cambodia. This included such strategic details as number of sorties flown by our planes over Cambodia and Laos, tonnage of bombs and shells fired or dropped on both countries, cost of every imaginable factor of our military presence in that area, and even such information as numbers and rank of U.S. personnel located in Cambodia and Laos, nature of their activity in those countries, and the order of battle of all forces, including their current deployment and location.

Mr. Chairman, there are just two final points I want to make. No. 1, I want the Record to show that I have never asked any question, the answer to which would give aid or comfort to the enemy. I have not requested nor been responsible for helping to make any infomation available to the enemy which could result in putting U.S. personnel or any other free world citizens in jeopardy of Communist attack.

Finally, without our help Cambodia and Laos will surely fall to communism because of Communist help from outside those countries. I will not permit my name to be recorded in history as one who, because of a lack of resolve, allowed two more countries to go under, bringing us one step closer to the day when we will be the only free nation left in a hostile world.

Each of you has to decide how to vote on the issue at hand. There may be short-term or expedient reasons for your position, but remember that history is long winded; and in my opinion, history will show clearly the tragic consequences of our actions if we do not support freedom in Southeast Asia.

We still have a little time to redeem ourselves. This amendment to the amendment which we are voting on today will at least redeem us in the eyes of the world to some extent. I know it will not do much good, but I want to repeat some words to you that the late President Kennedy uttered when he committed this country to an undertaking when he was inaugurated. Here is what he said, and you can rationalize your vote in any way you want to. He committed this country to "pay any price, bear any burden, meet any hardship, support any friend, oppose any foe, to insure the survival and the success of liberty." Now rationalize that.

Mr. YATES. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I shall not delay the House unduly. I want to make only one point, and that is what the effect of the so-called Stratton amendment would be. This is a "cute" amendment.

It proposes to delay the operation of the Long amendment by 2 months, which will take its operation beyond the expiration of this fiscal year on June 30. The funds in this supplemental appropriation bill are for the last remaining 2 months of this fiscal year. They end on June 30. Therefore, the effect of the Stratton amendment will just be to make the Long amendment moot and inoperative and of no use at all. If ever there was "a fast one," to use the language of the street, this amendment is it.

I urge the defeat of the Stratton amendment.

Mr. PICKLE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the problem which torments and plagues us is the fact that we have continued bombing going on in Cambodia. We have announced to the world that we have ceased the fighting. Our troops have come home, and I think that the whole world cries for peace and for a complete cessation of bombing and fighting. The nerve spot now is Cambodia.

I do not think the people can understand how we can have peace and march toward a conclusion of this controversy by having continued bombing.

Mr. Chairman, the amendment we have just passed went much further than I would have liked. I would have hoped that we could have had a chance to vote on the Long amendment first, which limits this to Cambodia.

It is the President's judgment that the best way to bring a conclusion to these hostilities is by a continuation of the use of force. I respect his position; he may be right. Each of us has to try to do what is the best thing to really conclude this. The President is going to keep up the bombing or he is going to take those steps which he thinks are his prerogative. He has that right, and we can all hope whatever he does is the right thing for us.

I do not disagree with that. I do, though, hesitate to say that we the Congress want to try to be the generals on the floor. I do not prefer an amendment that said there would be no combat activity in any part of Indochina; though I supported the previous amendment with heavy heart. What we want to do is stop the fighting and bombing in Cambodia. I think the President ought to have the right to have ships lay off the coast and ought to have the right to have troops in Thailand or other nations there. I think he has a right to have airmen in any of our bases. He has a right to take action in any place in the world that he thinks is best at the time where something occurs. I do not want to strap him and tie his hands, but the vote we just took I think is an expression to the American people and to the administration that we want to stop this Cambodia bombing. I do not interpret the Addabbo amendment as an attempt to be the generals. It was a voice of protest against further bombing in Cambodia.

We want to stop this Cambodia bombing, and the thing that I think we can do most properly right now is to prevent transfer of funds that allows bombing in Cambodia. For this reason I support the gentleman's amendment. I think it is the best way to go about it. I hope we do not, whatever ends up in the final approach in the Congress, take a step that unduly ties the hands of the President too broadly. But I do think the people want the bombing in Cambodia to be stopped. If my friends here on the Republican side of the aisle could vote with this amendment, because it is more desirable to them than what they had before, then I think the people on the Democratic side of the aisle ought to be able to feel that this is a clear limitation designed to cause the cessation of the bombing in Cambodia. We would hope then that the House of Representatives could find a common ground on this amendment.

Mr. RHODES. Mr. Chairman, will the gentleman yield?

Mr. PICKLE. I yield to the gentleman from Arizona.

Mr. RHODES. Mr. Chairman, I agree with the gentleman from Texas. I think it is too bad that we did not vote on the amendment offered by the gentleman from Maryland (Mr. LONG) first, because I think it sets forth the point that the Members of the House were trying to make with reference to the amendment that was adopted because, as the gentleman from Texas has said, it really goes much further, and really makes it difficult to operate our armed forces of the United States.

Mr. PICKLE. The amendment passed by the House was protesting the continuation of the bombing in Cambodia and not really an attempt to try to tie the hands of the President, and for that reason the Long amendment is more desirable.

Mr. CHARLES H. WILSON of California. Mr. Chairman, will the gentleman yield?

Mr. PICKLE. I yield to the gentleman from California.

Mr. CHARLES H. WILSON of California. Mr. Chairman, would not the gentleman also agree that the amendment offered by the gentleman from New York (Mr. STRATTON) is unnecessary in that a 2-month limitation, as the gentleman is attempting to put over, has no meaning whatsoever? Two months from when?

Mr. PICKLE. Mr. Chairman, I would state that I think the gentleman from New York could probably better speak as to his amendment. I think this bombing will go on for the next 60 days; anyway they will take funds from other sources, and the amendment does not add to it, the only thing it does is to extend the time pending further negotiations.

Mr. MAHON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I ask unanimous consent that all debate on the amendment offered by the gentleman from Maryland (Mr. LONG) and the amendment offered by the gentleman from New York (Mr. STRATTON) to that amendment, close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. MAHON. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Maryland (Mr. LONG).

The Long amendment says that none of the funds herein appropriated to the Department of Defense under this act shall be expended directly or indirectly for combat activity in Cambodia, and so forth.

Well, Mr. Chairman, there is not a great deal of money in this bill that relates to the fighting in Cambodia. There was $6 billion in Air Force operation and maintenance funds in the regular Defense Appropriation bill for the current year which totalled $76 billion. In all probability, only a very limited amount of money in this bill would be required for the remainder of this fiscal year in connection with the operations in Cambodia.

Frankly, I do not know what the interpretation of the Defense Department may be with respect to the amendment. But I think the arguments which many of the Members made against the Addabbo amendment would to a considerable extent apply to this amendment, and I would hope that the amendment will not be approved.

The House of Representatives has placed itself on record today as being in favor of stopping the bombing in Cambodia. That is very clear. The implication of the Addabbo amendment is that we should stop the bombing in Cambodia. So, as an expression of the will of the House I think that that has been made crystal clear. Is not adopting the Addabbo amendment going far enough at this time in expressing the sense of the House of Representatives?

I would hope we could stop there and give the President some flexibility, bearing in mind the will of the House of Representatives, to proceed without having his hands tied more tightly at this critical period in trying to wind down the war.

I do not think we should undertake to manage the war to the extent that the amendment of the gentleman from Maryland proposes. We made crystal clear what the majority view of the House is. Let us stop it there and not for the moment restrict the Commander in Chief further in his efforts to wind down the war and bring it to the most successful conclusion that may be possible. How successful it may be cannot be determined at this time. No one can guarantee what will happen.

As I said earlier, Mr. Chairman, to act in haste, to act in a moment of emotion, is not necessarily befitting this great Nation. It seems to me that we ought to give a little time here. Many times in the history of this world great mistakes have been made because people and nations have, under the stress of emotion and haste, taken actions which they later regretted. Perhaps we and the President can live with the Addabbo amendment; but it seems quite difficult to interpret the Long amendment in such a way as to give the President the flexibility that he might need to try to wind down the war, toward which a great deal of progress has been made. About 540,000 troops have been removed from South Vietnam. The President has obtained a cease-fire in Vietnam and in Laos. Give him the opportunity to finish the job in Cambodia.

The CHAIRMAN. Members standing at the time the unanimous-consent agreement was entered will be recognized for 2 minutes each.

The gentleman from Maryland (Mr. Long) is recognized.

Mr. LONG of Maryland. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The gentleman from Connecticut (Mr. Giaimo) is recognized.

Mr. GIAIMO. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The gentleman from California (Mr. Moss) is recognized.

Mr. MOSS. Mr. Chairman, I find that it is rather difficult to determine what the amendment we have adopted does, because we are told on the one hand that it does absolutely nothing, and on the other hand we are told that it fashions the handcuffs for the President, takes away all flexibility, and renders it impossible to adequately discharge whatever duties are envisioned in this legislation. Obviously we cannot have both situations arising as a result of the adoption of the amendment. I believe we did right in adopting the Flynt-Addabbo-Giaimo amendment. But in order that we not really create confusion, I would urge that we not adopt the Stratton amendment.

I think the others we can understand and live with.

The CHAIRMAN. The gentleman from California (Mr. Leggett) is recognized.

Mr. LEGGETT. Mr. Chairman, I rise in support of the Long amendment and in opposition to the Stratton amendment.

I do not think the 60 days are either going to get us any votes or any more reason in this conflagration. As I understand the Long amendment, the real intent here is to gain back the power of the Congress under article I, section 8. That is the war power. We have been seduced into a war by indirection, authorizations, and appropriations for 10 or 15 years. Now we are getting out of the bombing program by the previous amendment, and I would hope that we could go ahead and pass the Long amendment.

If we determine that we want to engage in combat operations in Thailand or in Cambodia or in Vietnam, at some other time let the President make his request and bring it to the Committee on Armed Services.

Let us consider it, and let us not have this halfhearted war by indirection, as we have had for the past 10 or 15 years, that I say has been ineffective, but I am not going to argue that now. I think the gentleman's amendment is well taken.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. Stratton) to the amendment offered by the gentleman from Maryland (Mr. Long).

RECORDED VOTE

Mr. STRATTON. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 180, noes 219, not voting 34, as follows:

[Roll No. 137]

AYES—180

Abdnor
Arends
Armstrong
Ashbrook
Bafalis
Baker
Beard
Bell
Bevill
Bowen
Bray
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Mich.
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Fla.
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Collier
Collins
Conable
Conlan
Daniel, Dan
Daniel, Robert W., Jr.
Davis, Ga.
Davis, S.C.
Davis, Wis.
Dennis
Derwinski
Devine
Dickinson
Dorn
Downing
Duncan
Edwards, Ala.
Erlenborn
Eshleman
Fisher
Flowers
Ford, Gerald R.
Forsythe
Frey
Froehlich
Gettys
Goldwater
Goodling
Grover
Gubser
Guyer
Hammerschmidt
Hanrahan
Hansen, Idaho
Harsha
Hastings
Hays
Hébert
Hinshaw
Hogan
Holt
Horton
Hosmer
Huber
Hudnut
Hutchinson
Ichord
Jarman
Johnson, Pa.
Jones, Ala.
Kazen
Keating
Kemp
Kuykendall
Landgrebe
Latta
Lent
Lott
Lujan
McCollister
McEwen
McFall
Madigan
Mahon
Mailliard
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Mayne
Michel
Milford
Mills, Md.
Minshall, Ohio
Mitchell, N.Y.
Mizell
Montgomery
Moorhead, Calif.
Myers
Nelsen
Nichols
O'Brien
Parris
Passman
Pettis
Pickle
Poage
Powell, Ohio
Quie
Quillen
Regula
Rhodes
Roberts
Robinson, Va.
Roncallo, N.Y.
Rousselot
Runnels
Ruth
Satterfield
Saylor
Scherle
Sebelius
Shriver
Shuster
Sikes
Skubitz
Smith, N.Y.
Spence
Stanton, J. William
Steed
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stratton
Talcott
Taylor, Mo.
Taylor, N.C.
Teague, Calif.
Thomson, Wis.
Towell, Nev.
Treen
Waggonner
Walsh
Wampler
Ware
Whitehurst
Whitten
Widnall
Wiggins
Williams
Wilson, Bob
Winn
Wright
Wydler
Wylie
Wyman
Young, Alaska
Young, Fla.
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki

NOES—219

Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Ashley
Aspin
Badillo
Bennett
Bergland
Biester
Bingham
Blatnik
Boggs
Boland
Bolling
Brademas
Brasco
Breaux
Brown, Calif.
Burke, Calif.
Burke, Mass.
Burton
Carey, N.Y.
Carney, Ohio
Chisholm
Clark
Clay
Cohen
Conte
Conyers
Corman
Cotter
Coughlin
Cronin
Culver
Daniels, Dominick V.
Danielson
Dellenback
Dellums
Denholm
Dent
Diggs
Dingell
Donohue
Drinan
Dulski
du Pont
Eckhardt
Edwards, Calif.
Eilberg
Esch
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fish
Flood
Flynt
Foley
Ford, William D.
Fountain
Fraser
Frenzel
Fulton
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Gonzalez
Grasso
Gray
Green, Pa.
Gross
Gude
Gunter
Haley
Hamilton
Hanley
Hanna
Hansen, Wash.
Harrington
Harvey
Hawkins
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Hillis
Holifield
Holtzman
Howard
Hungate
Johnson, Calif.
Johnson, Colo.
Jones, N.C.
Jordan
Karth
Kastenmeier
Koch
Kyros
Landrum
Leggett
Litton
Long, La.
Long, Md.
McClory
McCloskey
McDade
McKinney
Macdonald
Madden
Mallary
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Miller
Mills, Ark.
Minish
Mink
Mitchell, Md.
Moakley
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Natcher
Nedzi
Nix
Obey
O'Hara
O'Neill
Owens
Patman
Patten
Pepper
Perkins
Peyser
Pike
Podell
Preyer
Price, Ill.
Pritchard
Railsback
Randall
Rangel
Rarick
Rees
Reid
Reuss
Rinaldo
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Roy
Roybal
Ruppe
Ryan
St Germain
Sarasin
Sarbanes
Schneebeli
Schroeder
Seiberling
Shipley
Shoup
Sisk
Slack
Smith, Iowa
Snyder
Staggers
Stanton, James V.
Stark
Steele
Stokes
Stuckey
Studds
Sullivan
Symington
Thompson, N.J.
Thone
Thornton
Tiernan
Udall
Ullman
Van Deerlin
Vanik
Vigorito
Waldie
Whalen
White
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Wolff
Wyatt
Yates
Yatron
Young, Ga.
Zwach

NOT VOTING—34

Barrett
Biaggi
Blackburn
Brown, Ohio
Camp
Carter
Crane
de la Garza
Delaney
Frelinghuysen
Fuqua
Green, Oreg.
Griffiths
Hunt
Jones, Okla.
Jones, Tenn.
Ketchum
King
Kluczynski
Lehman
McCormack
McKay
McSpadden
Mollohan
Price, Tex.
Riegle
Rooney, N.Y.
Sandman
Stubblefield
Symms
Teague, Tex.
Vander Jagt
Veysey
Zion

So the amendment to the amendment was rejected.

The result of the vote was announced as above recorded.

Mr. EVANS of Colorado. Mr. Chairman, I rise in support of the Addabbo and Long amendments to the second supplemental bill for fiscal year 1973.

My reasons for supporting the Long amendment are clear: the continued bombing of Cambodia by the U.S. Air Force is an outrage to our constitutional system of government. The bombing continues without a shred of legal justification. The Constitution, under article I, section 8, delegates to the Congress, not to the White House, the CIA, or the Pentagon, the authority to declare war and to commit troops of the United States to foreign combat. Air war is no less war than ground war. It imperils the safety of those in combat. It kills people. It endangers the security of the United States by bringing us to a foreign conflict without Congress considered approval. It also opens wide the door to casualties among our military personnel and a new list of prisoners of war.

The Long amendment, which would prohibit the use of any money in this $2.8 billion second supplemental for the support of American combat forces in Cambodia, serves as a solemn warning to the President of the United States that he continues to wage war not only without Congress approval, but also flatly in the face of express disapproval of continued warfare in Cambodia.

I join with my colleague from California (Mr. Moss) in shock and disbelief that this administration maintains that it will continue the bombing of Cambodia, whatever the Congress says in these or other amendments. I can only say that this cavalier attitude toward the Congress and the Constitution is deeply troubling to me, for it indicates that after all these years, the administration, like past administrations, has not learned the lesson that this war cannot be waged in the absence of congressional declaration, without causing grave damage to the moral and legal fabric of our country.

My reasons for supporting the Addabbo amendment are more complicated. As a member of the Appropriations Committee, I voted against this amendment when it came up in committee. I then reasoned that in striking out the entire $430 million of transfer authority requested by the Defense Department we would go far beyond the issue of Cambodia and deny needed funds for other purposes. Some $119.2 million of this amount was supposed to be spent for increased costs associated with inflation and dollar devaluation. We were assured by the Pentagon that there would be full explanations of these other items before this bill came up for a House vote, and that these further explanations would indicate why the Department needed the transfer authority for these other purposes. However, we have since examined this additional justification and I find it to be woefully lacking in detail, vague and to contain unsupported assertions. This late into fiscal year, the Department should do better than this. At stake is reprograming of $430 million, a significant sum which should not be permitted without greater detail and more explicit justification.

Further, the present vagueness of the Department's justification, together with the administration's cavalier attitude toward spending unauthorized funds to support military action in Cambodia, combine to convince me that these moneys must be firmly tied down to specifically approved items by this House.

For these reasons I have changed my mind and thus disapprove the transfer authority until we have greater confidence in the Department's justification.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maryland (Mr. LONG).

RECORDED VOTE

Mr. LONG of Maryland. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 224, noes 172, not voting 37, as follows:

[Roll No. 138]

AYES—224

Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Ashbrook
Ashley
Aspin
Badillo
Bennett
Bergland
Biester
Blatnik
Boggs
Boland
Bolling
Brademas
Brasco
Breaux
Brotzman
Brown, Calif.
Burke, Calif.
Burke, Mass.
Burton
Carey, N.Y.
Carney, Ohio
Chisholm
Clark
Clay
Cohen
Conte
Conyers
Corman
Cotter
Coughlin
Cronin
Culver
Daniels, Dominick V.
Danielson
Dellenback
Dellums
Dent
Diggs
Dingell
Donohue
Downing
Drinan
Dulski
du Pont
Eckhardt
Edwards, Calif.
Eilberg
Esch
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fish
Flynt
Foley
Ford, William D.
Forsythe
Fountain
Fraser
Frenzel
Fulton
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Gonzalez
Grasso
Gray
Green, Pa.
Gross
Gude
Gunter
Hamilton
Hanley
Hanna
Hansen, Idaho
Hansen, Wash.
Harrington
Harvey
Hastings
Hawkins
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Hillis
Holifield
Holtzman
Howard
Hungate
Johnson, Calif.
Johnson, Colo.
Jones, N.C.
Jordan
Karth
Kastenmeier
Koch
Kyros
Landrum
Leggett
Litton
Long, La.
Long, Md.
Lujan
McCloskey
McDade
McKinney
Macdonald
Madden
Madigan
Mallary
Mann
Matsunaga
Mazzoli
Meeds
Melcher
Mezvinsky
Miller
Mills, Ark.
Minish
Mink
Mitchell, Md.
Moakley
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Natcher
Nedzi
Nix
Obey
O'Hara
O'Neill
Owens
Patten
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Podell
Preyer
Price, Ill.
Pritchard
Railsback
Randall
Rangel
Rarick
Rees
Reid
Reuss
Rinaldo
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Roy
Roybal
Runnels
Ruppe
Ryan
St Germain
Sarasin
Sarbanes
Schneebeli
Schroeder
Seiberling
Shipley
Shoup
Sisk
Slack
Smith, Iowa
Smith, N.Y.
Snyder
Stanton, James V.
Stark
Steele
Stokes
Stuckey
Studds
Sullivan
Symington
Thompson, N.J.
Thone
Thornton
Tiernan
Udall
Ullman
Van Deerlin
Vanik
Vigorito
Waldie
Whalen
White
Widnall
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Wolff
Wyatt
Yates
Yatron
Young, Ga.
Zwach

NOES—172

Abdnor
Arends
Armstrong
Bafalis
Baker
Beard
Bell
Bevill
Bowen
Bray
Breckinridge
Brinkley
Brooks
Broomfield
Brown, Mich.
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Fla.
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Collier
Collins
Conable
Conlan
Daniel, Dan
Daniel, Robert W., Jr.
Davis, Ga.
Davis, S.C.
Davis, Wis.
Denholm
Dennis
Derwinski
Devine
Dickinson
Dorn
Duncan
Edwards, Ala.
Erlenborn
Eshleman
Fisher
Flood
Flowers
Ford, Gerald R.
Frey
Froehlich
Gettys
Goldwater
Goodling
Grover
Gubser
Guyer
Haley
Hammerschmidt
Hanrahan
Harsha
Hays
Hébert
Hinshaw
Hogan
Holt
Horton
Hosmer
Huber
Hudnut
Hutchinson
Ichord
Jarman
Johnson, Pa.
Jones, Ala.
Kazen
Keating
Kemp
Kuykendall
Landgrebe
Latta
Lent
Lott
McCollister
McEwen
McFail
Mahon
Mailliard
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Mayne
Michel
Milford
Mills, Md.
Minshall, Ohio
Mitchell, N.Y.
Mizell
Montgomery
Moorhead, Calif.
Murphy, N.Y.
Myers
Nelsen
Nichols
O'Brien
Parris
Passman
Patman
Poage
Powell, Ohio
Quie
Quillen
Regula
Rhodes
Roberts
Robinson, Va.
Roncallo, N.Y.
Rousselot
Ruth
Satterfield
Saylor
Scherle
Sebelius
Shriver
Shuster
Sikes
Skubitz
Spence
Staggers
Stanton, J. William
Steed
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stratton
Talcott
Taylor, Mo.
Taylor, N.C.
Teague, Calif.
Thomson, Wis.
Towell, Nev.
Treen
Waggonner
Walsh
Wampler
Ware
Whitehurst
Whitten
Wiggins
Williams
Wilson, Bob
Winn
Wright
Wydler
Wylie
Wyman
Young, Alaska
Young, Fla.
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki

NOT VOTING—37

Barrett
Biaggi
Bingham
Blackburn
Brown, Ohio
Camp
Carter
Crane
de la Garza
Delaney
Frelinghuysen
Fuqua
Green, Oreg.
Griffiths
Hunt
Jones, Okla.
Jones, Tenn.
Ketchum
King
Kluczynski
Lehman
McClory
McCormack
McKay
McSpadden
Metcalfe
Mollohan
Price, Tex.
Riegle
Rooney, N.Y.
Sandman
Stubblefield
Symms
Teague, Tex.
Vander Jagt
Veysey
Zion

So the amendment was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

OFFICE OF EDUCATION

HIGHER EDUCATION

For an additional amount for "Higher education", for carrying out, to the extent not otherwise provided, titles III, IV, section 745, and part B of title IX of the Higher Education Act, title VI of the National Defense Education Act, as amended, the Mutual Educational and Cultural Exchange Act of 1961, and the Emergency Insured Student Loan Act of 1969, $226,510,000, of which not to exceed $23,000,000 of the $75,000,000 for strengthening developing institutions shall be available through December 31, 1973, and the following amounts shall remain available until expended: $30,000,000 for subsidies on guaranteed student loans (in addition to amounts appropriated for this purpose by the Supplemental Appropriation Act, 1973), and $14,069,000 for annual interest grants on subsidized construction loans: *Provided*, That the aggregate amount of contracts for annual interest grants entered into between July 1, 1972, and June 30, 1973, shall not exceed $150,000,000.

AMENDMENT OFFERED BY MRS. MINK

Mrs. MINK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mrs. MINK: On page 10, after line 13, add the following:

SCHOOL ASSISTANCE IN FEDERALLY AFFECTED AREAS

The paragraph under this heading in Public Law 93-25 is amended by striking out "54%" and inserting in lieu thereof "68%."

Mrs. MINK. Mr. Chairman, this is the amendment which was the subject of discussion during the consideration of the rule making it possible for us to consider the supplemental appropriation bill today. It deals only with the area of impact aid category B. To refresh the memory of Members with respect to this amendment, it became necessary to offer this amendment because of the action taken under the urgent supplemental appropriation bill which we approved the day before the Easter recess, which in effect set a maximum limitation of funding for category B children under impact aid at 54 percent. That amendment also increased the allotment of funding for category A to 100 percent in those areas that were impacted by 25 percent or more.

My amendment does nothing with respect to category A. It leaves that entirely as it was amended, at 100 percent funding. All my amendment does is to remove the ceiling of 54 percent and change that ceiling to 68 percent which is the available money we now have under the item impact aid as approved by the continuing resolution which became law in March.

I do not seek one additional dollar of appropriations to fund category B. It is the same amount of money we appropriated in the continuing resolution, $635 million. My amendment is necessary simply to remove the ceiling and make it possible for the additional moneys available in this account to be allotted to category B. If we do not vote for this amendment, $66 million will remain unexpended.

I urge the Members to approve this amendment.

Mr. GONZALEZ. Mr. Chairman, I am delighted Representative MINK and I and others organized the effort to discuss this amendment.

I believe these funds can be an absolute necessity for many school districts across this Nation, for without them they will be in extraordinarily difficult situations.

For example, one of my school districts that receives category "B" funds would receive $370,478 under the current plan for providing only 54 percent funding. This is $100,000 short of what is absolutely necessary for this district to continue to function for the remainder of this school year.

How did this situation develop? It developed because these districts were advised that they would receive a certain amount of money under Public Law 874, only to be later advised that this money would not be available.

I do not believe this type of action to be fair to the administrators, faculty, or students of these institutions. After all, school budgets had been prepared based on specific funds available and it is inconceivable to me as to how anyone can expect these budgets to be met without providing the funds.

Teachers salaries will have to be cut, maintenance will have to be cut, and these school districts in general will be forced to discontinue many of their planned programs.

This to me is an intolerable situation and I do not believe Congress should stand by and see this happen.

Mr. SMITH of Iowa. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I think that an erroneous impression has been left here, I am sure not intentionally, but the gentlewoman from Hawaii said this does not affect category A recipients. I can tell the Members categorically and unequivocally that almost certainly if this amendment becomes law, it will reduce category A benefits, and I will explain in detail why.

Under the basic law both category A and category B must be apportioned equally. When the administration sent up their budget request last spring, they requested zero for B's, 90 percent for most A's and 100 percent for those districts heavily impacted with A's.

In order to get around the law, if one wants to say that, we must limit the B's in order to give more than that same percentage to the A's, so our committee in reporting the bill to the floor, in order to secure more for A's under the basic law, had to limit the B's. So we provided 74 percent to B's and limited them to that so we could give the balance of it to the A's, 100 percent for some and 90 percent for the balance.

The Hathaway amendment was offered on the floor. It struck out the language which limited the B's. Then later that bill was vetoed. Then we passed a continuing resolution and we are operating under that now. In the law that stands now there is no limitation on B's and, therefore, the administration was faced with apportioning whatever amount of money they were going to spend equally between A's and B's. They decided they would spend a total of $415 million. It came out 54 percent for category A and B, equally.

They had no choice and could not take more for A's than for B's under those circumstances. When we had the supplemental appropriation bill up about 10 days ago, the administration said, "We will use $415 million for B's, and we will spend it but we would also give 100 percent for the heavily impacted A's and 90 percent for other A's, provided you put a limitation on B's that holds them to the amount we are going to spend anyway, 54 percent."

The only way it could be done is in an appropriation bill is to limit B's to 54 percent, which is the amount they agreed to spend anyway, and so we went ahead and provided additional language so that they would use 100 percent for some A's and 90 percent for others. If you wipe out the 54-percent limitation with this amendment and make it 68 percent, the only way they can spend more than 68 percent for any of the A's is to go ahead and spend 68 percent for all the B's.

They have already said that they are not going to spend that amount of money so the net effect would be to the distribution for A's. This is not one of those bills which were vetoed and we overrode the veto. Therefore, a prerogative of Congress is not involved. This is one where we were still negotiating. We arrived at what we thought was the best that could be done under the circumstances by limiting the maximum to the amount they agreed to spend on B's and adding language so they could use an additional $85 million on A's.

What is going to happen if this amendment becomes law is that there is no way under the law they can spend the amount of money they have said they will spend on A's unless they also spend more than they are willing to spend on B's so they will reduce A's. Under the law and under their situation, there is no possible way of helping the B's unless they will change their minds and spend more total dollars.

Passage of this amendment would mean that the condition precedent goes back into effect and they could not spend more on A's than B's. They will probably say, "Then, we go back to our old position where we will have to spend the same amount on both—probably 54 percent." There is almost no possibility that passage of the amendment will result in more for B's than they are getting right now anyway but it is almost sure to result in less for A's. So we would be back where we were when we argued the Hathaway amendment. The question is, Do you want an issue or do you want money?

I tell you, these school districts, almost every one in the country, and in Hawaii the whole State because it is all one district—almost every one of the districts has A students and they cannot receive any benefits from one page of the CONGRESSIONAL RECORD that merely expresses your preference on the matter.

If the Members want the money for A's, they had better vote "no" on this amendment. The Members who want the full amount available for A's under the present law plus all they are willing to spend on B's anyway, should vote "no."

Mr. Chairman, I urge a "no" vote of this amendment.

Mrs. MINK. Will the gentleman yield?

Mr. SMITH of Iowa. I yield to the gentlewoman from Hawaii (Mrs. MINK).

Mrs. MINK. Mr. Chairman, is it not true that the law now provides $635 million available for impact aid?

Mr. SMITH of Iowa. That is the maximum they could use, but they are not willing to use that much.

Mrs. MINK. The law still provides $635 million?

Mr. SMITH of Iowa. That is the maximum amount they can spend, yes.

Mrs. MINK. Yes, and in the urgent supplemental all we did was to say with regards to category A that it shall not be in excess of 90 percent; it shall not be in excess of 54 percent. It does not require the spending at that level. They have calculated precisely so that if A's are paid the 100 percent, 68 percent level of funding is possible for category B utilizing the $635 million which we previously approved.

The law allows this funding and we have taken care of the division between categories A and B calling for 100-percent funding in A and 68-percent funding in B, utilizing the whole appropriation.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. SMITH of Iowa. Mr. Chairman, I ask unanimous consent that I be permitted to proceed for 1 additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. SMITH of Iowa. Mr. Chairman, the fact still remains that the basic law has not been changed, and under the basic law they cannot spend more for A's until they have spent the same amount provided in the appropriation for B's. Therefore, if they do not spend the full 68 percent for B's, they cannot spend more than that amount for A's. They can go 58 percent for each, 60 percent for each, 68 percent for each, but they must go 68 percent for B's before they could spend more than 68 percent on A's.

Any way one looks at it, you should vote "no." It may hurt the A's if you adopt this amendment and there is no way it will as a practical matter result in more for B's.

Mr. OBEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, this amendment should be defeated today for reasons entirely unrelated to education.

For 8 years the Congress has been trying to do something about the war in Vietnam and about the war in Cambodia. Today the Congress has.

But if we adopt this amendment, we are going to fuzz it up. The President is still in a position to veto this bill and, if he does veto it, he will be in a position in which he can use the fact that the Congress passed this amendment as one of the reasons for his action. I do not want to see that happen.

I believe the issue should remain clear. The issue ought to be the amendment which we passed earlier today. There is no other consideration which is nearly as important as that war.

I would urge the Members not to give the President the opportunity to fuzz up the question, as he has done on so many other occasions. I urge the Members to turn this amendment down on those grounds.

Mr. PARRIS. Mr. Chairman, I rise in favor of the amendment.

Mr. Chairman, I rise in support of the amendment which would amend title I, chapter VII of H.R. 7447, to remove the ceiling on funding for category B students under the Federal impact aid program. The adoption of this amendment has been made mandatory by the enactment of Public Law 93–25, which contained a congressionally imposed limitation of 54 percent of entitlement for category B children.

Impacted funds for both A and B pupils are an integral portion of the income of those school districts that enroll large numbers of federally connected children. Local school districts in fact operate under the expectation that the Federal Government will continue to assum its traditional share of the cost of educating these children. For this reason, the enactment of Public Law 93–25 was most welcome to local school districts in that it increased the A proration to 90 percent of entitlement. However, we must also take acion to remove the inadvertent limitation on funding for category B students if we are to expect public schools in federally impacted areas to continue to provide quality education for the youth of this Nation.

Mr. Chairman, for some time I have been convinced that full funding for the impact aid program must continue until such time as an adequate and viable substitute program has been instituted, and I have expressed that opinion publicly on a number of occasions. School fiscal decisions are necessarily made long before annual congressional action on this subject. In view of the fact that the 54-percent limitation has been enacted at such a transitory period for our local school districts, school budgets for the current and forthcoming school year are in serious jeopardy.

The amendment is quite simple, and, I might add, most reasonable in that it requires no further appropriation of funds. Under the Labor-HEW continuing resolution, $635 million has already been appropriated for the impact aid program. If we are to increase funding for category B pupils to 68 percent of entitlement, we would still not exceed the $635 million limitation of already available funds. Further, we would be doing a great service to our local school districts, which are in great need of the $66 million which this amendment would make available.

I intend to cast my vote in favor of remedial action to remove the ceiling on funding for category B students, and I urge my colleagues to do likewise.

Mr. MICHEL. Mr. Chairman, I move to strike the last word.

I shall take only a moment to urge the Members to take what the gentlemen from Wisconsin (Mr. OBEY) and the gentleman from Iowa (Mr. SMITH) have said as being an honest presentation of what the facts are. I concur in what they have said, and hope the amendment is defeated.

Mr. FLOOD. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I have sat over here many times in the last 100 years at this hour of night, and when some character stood up, like I am doing now, I was the loudest guy over there yelling "vote."

Half the time I made mistakes by doing that, because the guy down here was right and I was wrong.

This time, my friends, I say it is making a mistake. Listen to papa. I am the best friend you have in this thing, and you know it. It is all right for Members to get their names in the paper back home, and die for God, country, and Yale, but let me say that this thing was worked out very carefully with the Senate conferees on the urgent supplemental appropriation bill. We worked it out very, very carefully.

We raised the A's to 90 percent, and 100 percent for those ones 25 percent of enrollment.

When the President's budget came up, there was not a lousy dime in it for the B's, and we put funds in the appropriation bill for them. Under the President's budget, they would have had nothing, not a dime. We put it in at that time, for reasons Members know.

I told the Members what the reasons were, and they voted for them, and I got a big hand, "Great guy, FLOOD." I can only say, "You are the ones who did it. You applauded for what we did for you."

Now, when we come back here, it is said, "FLOOD, do not do that."

We have the 100 percent for the A's, as the gentleman from Iowa (Mr. SMITH) has said. We cannot do what this amendment seeks to do and not clip the A's. What are we going to use for money: Cigar store coupons or rubber bands?

The A's will be hurt—A's, triple A's, I am saying. Now, listen to me. Leave this bill alone.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from Hawaii (Mrs. MINK).

The question was taken; and the chairman announced that the noes appeared to have it.

RECORDED VOTE

Mrs. MINK. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 211, noes 178, not voting 44, as follows:

[Roll No. 139]

AYES—211

Abzug
Adams
Alexander
Anderson, Calif.
Armstrong
Badillo
Baker
Beard
Bergland
Bevill
Biester
Boggs
Bowen
Brademas
Brasco
Breaux
Breckinridge
Brinkley
Brotzman
Brown, Calif.
Broyhill, Va.
Burke, Calif.
Burke, Mass.
Burton
Chappell
Clark
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Conyers
Corman
Cronin
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, Ga.
Davis, S.C.
Dellums
Derwinski
Dickinson
Diggs
Dingell
Donohue
Downing
Drinan
Duncan
du Pont
Eckhardt
Edwards, Calif.
Eilberg
Evans, Colo.
Fascell
Fisher
Flowers
Foley
Ford, William D.
Fraser
Frey
Froehlich
Gaydos
Gettys
Gilman
Ginn
Goldwater
Gonzalez
Grasso
Gray
Green, Pa.
Grover
Gubser
Gude
Guyer
Hamilton
Hanna
Harsha
Hawkins
Hébert
Heckler, Mass.
Helstoski
Henderson
Hicks
Hillis
Hinshaw
Hogan
Holifield
Holt
Holtzman
Hosmer
Howard
Hudnut
Hungate
Ichord
Jarman
Johnson, Calif.
Johnson, Colo.
Jones, Ala.
Jones, N.C.
Karth
Kastenmeier
Kazen
Koch
Kyros
Leggett
Litton
Long, La.
Lott
Lujan
McCollister
McFall
Macdonald
Madden
Madigan
Mailliard
Maraziti
Mathias, Calif.
Mathis, Ga.
Matsunaga
Meeds
Melcher
Milford
Mills, Md.
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Montgomery
Moorhead, Calif.
Moss
Murphy, N.Y.
Natcher
Nedzi
Nichols
Nix
O'Brien
O'Hara
Owens
Parris
Patman
Pepper
Perkins
Pettis
Peyser
Pike
Podell
Preyer
Price, Ill.
Pritchard
Randall
Rangel
Rees
Reid
Roberts
Rodino
Roe
Roncalio, Wyo.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Rousselot
Roy
Roybal
Runnels
Ruppe
St Germain
Sarasin
Sarbanes
Schroeder
Seiberling
Shipley
Shoup
Shriver
Shuster
Sikes
Sisk
Skubitz
Snyder
Spence
Staggers
Stark
Steed
Steele
Stephens
Stokes
Stuckey
Studds
Talcott
Teague, Calif.
Thompson, N.J.
Thone
Thornton
Tiernan
Towell, Nev.
Udall
Ullman
Van Deerlin
Waggonner
Waldie
Whalen
White
Whitehurst
Wilson, Bob
Wilson, Charles H., Calif.
Wright
Wyman
Young, Alaska
Young, Fla.
Young, Ga.
Young, Tex.

NOES—178

Abdnor
Addabbo
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Arends
Ashbrook
Ashley
Aspin
Bafalis
Bennett
Bingham
Blatnik
Boland
Bolling
Bray
Brooks
Brown, Mich.
Broyhill, N C.
Buchanan
Burke, Fla.
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Carey, N.Y.
Carney, Ohio
Casey, Tex.
Cederberg
Chamberlain
Chisholm
Clancy
Cochran
Cohen
Collier
Collins
Conable
Conlan
Conte
Cotter
Coughlin
Culver
Daniel, Dan
Dellenback
Denholm
Dennis
Dent
Devine
Dorn
Dulski
Edwards, Ala.
Erlenborn
Esch
Eshleman
Evins, Tenn.
Fish
Flood
Flynt

Ford, Gerald R.
Forsythe
Fountain
Frenzel
Fulton
Giaimo
Gibbons
Goodling
Gross
Gunter
Haley
Hammerschmidt
Hanley
Hanrahan
Hansen, Idaho
Hansen, Wash.
Harrington
Harvey
Hastings
Hays
Hechler, W. Va.
Heinz
Horton
Huber
Hutchinson
Johnson, Pa.
Jordan
Keating
Kemp
Kuykendall
Landgrebe
Landrum
Latta
Lent
Long, Md.
McCloskey
McDade
McEwen
McKinney
Mahon
Mallary
Mann
Martin, Nebr.
Martin, N.C.
Mayne
Mazzoli
Mezvinsky
Michel
Miller
Mills, Ark.
Minish
Minshall, Ohio
Mizell
Moorhead, Pa.
Morgan
Mosher
Murphy, Ill.
Myers
Nelsen
Obey

O'Neill
Passman
Patten
Pickle
Poage
Powell, Ohio
Quie
Railsback
Rarick
Regula
Reuss
Rhodes
Rinaldo
Robinson, Va.
Robison, N.Y.
Rogers
Roncallo, N.Y.
Ruth
Satterfield
Saylor
Scherle
Schneebeli
Sebelius
Slack
Smith, Iowa
Smith, N.Y.
Stanton, J. William
Stanton, James V.
Steelman
Steiger, Ariz.
Steiger, Wis.
Stratton
Sullivan
Symington
Taylor, Mo.
Taylor, N.C.
Thomson, Wis.
Treen
Vanik
Vigorito
Walsh
Wampler
Ware
Whitten
Widnall
Williams
Wilson, Charles, Tex.
Winn
Wolff
Wyatt
Wydler
Wylie
Yates
Yatron
Young, Ill.
Young, S.C.
Zablocki
Zwach

NOT VOTING—44

Barrett
Bell
Biaggi
Blackburn
Broomfield
Brown, Ohio
Burgener
Camp
Carter
Crane
Davis, Wis.
de la Garza
Delaney
Findley
Frelinghuysen

Fuqua
Green, Oreg.
Griffiths
Hunt
Jones, Okla.
Jones, Tenn.
Ketchum
King
Kluczynski
Lehman
McClory
McCormack
McKay
McSpadden
Metcalfe

Mollohan
Price, Tex.
Quillen
Riegle
Rooney, N.Y.
Ryan
Sandman
Stubblefield
Symms
Teague, Tex.
Vander Jagt
Veysey
Wiggins
Zion

So the amendment was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. The Clerk will read.

The Clerk proceeded to read the bill.

Mr. MAHON [during the reading]. Mr. Chairman, I ask unanimous consent that the remainder of the bill be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. GROSS. Mr. Chairman, I move to strike the next to the last word.

Mr. Chairman, I want to call attention to the item on page 20 of the bill providing for additional amounts for salaries and expenses for the Department of State. This item is in a total of $3,700,000. The importance of it is that it is one of several provisions in this bill which provide millions of dollars to take care of the devaluation of the dollar, in other words, what some are pleased to call the "shortfall" in the dollar when it was allegedly devalued by 10 percent on February 12, 1973.

With reference to this item in the bill, let me quote from the report as prepared by the Committee on Appropriations. It says:

> Of the total allowed,—
>
> $3,700,000—$1,500,000 is for the establishment of a liaison office in Peking and $2,200,000 is for increased dollar requirements resulting from the devaluation of the dollar announced on February 12, 1973, and related currency realignments.

Mr. Chairman, in the first place, the Constitution of the United States, article I, section 8, arms Congress with the exclusive, the sole authority to "coin money, regulate the value thereof, and of foreign coin."

Section 286c of title 22, United States Code, which is derived from section 5 of the Bretton Woods Agreements Act, provides as follows, and I quote:

> Unless Congress by law authorizes such action, neither the President nor any person or agency shall on behalf of the United States . . . propose or agree to any change in the par value of the United States dollar. . . .

The Bretton Woods Agreements Act was contained in H.R. 3314 of the 79th Congress. It passed the House on June 7, 1945, was approved by the Senate on July 19, 1945, and was signed on July 31, 1945, becoming Public Law 79–171. It has not been repealed.

Presently pending in the House Banking and Currency Committee is H.R. 6912, the title of which is "To Amend the Par Value Modification Act, and for Other Purposes." The principal purpose of that legislative proposal is to legally validate a change in the par value of the U.S. dollar by increasing the price of gold. Moreover the Secretary of the Treasury Mr. Shultz, on February 19, 1973, wrote a letter to the Speaker of the House in which he said this:

> The Bretton Woods Agreements Act prohibits any change in the par value of the dollar . . . without prior congressional approval and the proposed legislation would grant this approval.

In other words you here today, if you vote for this bill, will be voting to rubberstamp the unilateral action of the President and in violation of the law for the par value of the dollar has not been legally changed in the absence of legislation duly approved by both the House and Senate and signed by the President. That is why the rule waving points of order was important. These unauthorized, illegal provisions in this bill in the millions of dollars—and this is just the beginning of the money to be expended to take care of the devaluation of the dollar—would all have been subject to points of order and therefore would have been stricken from the bill.

Do not ever again let me hear a Member of this House complain about the delegation of authority to the President if he or she votes for this bill, because in voting for this bill today I say again that you will simply be rubberstamping an action that has never been authorized by the Congress of the United States as plainly stipulated in the law.

It is a sad commentary on the legislative branch of Government when it bends the knee to the executive branch and approves the expenditure of funds that are not only not authorized but are appropriated in violation of the law.

As I said earlier today, I have a feeling of regret that I have served in Congress to see this day.

Mr. WHITTEN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I serve as chairman of the Subcommittee on Agriculture and Consumer Protection. We have provided in this bill $12,500,000 for emergency and other repairs to watershed dams and projects where they have been completed and turned over to the water management districts; $2,500,000 for emergency conservation works. Our Subcommittee on Public Works has recommended that we include $70.5 million in additional emergency funds for flood control damage in the Mississippi Valley for the remainder of this fiscal year or until July 1, 1973.

Mr. Chairman, I have here pictures of this highest flood of record. Words cannot describe the devastation. At this time the corps cannot estimate the eventual damage or cost. The corps and the Bureau of Management and Budget have agreed to have these figures as soon as the water levels are reduced so they can determine the damage.

I would like to read to you what the Corps of Engineers reported to me on April 25, 1973:

I quote:

> U.S. CORPS OF ENGINEERS FACT SHEET
>
> Subject: Mississippi River Basin Flood of 1973
>
> PURPOSE
>
> This fact sheet is to provide information concerning the present flood emergency in the Mississippi River Basin and the Corps of Engineers flood fighting activities under the authority of Public Law 99, 84th Congress, as amended.
>
> FACTS
>
> 1. In this high water of 1973, stages in the Middle Mississippi River between the Missouri and Ohio Rivers generally reached their highest levels of record. Extensive areas not protected by Federal levees have been inundated. A total of ninety-eight non-Federal levees have failed along the Missouri River and its tributaries. Backwater effect caused flooding on the unprotected Meramec River and along River Des Peres, which flows through south St. Louis. This same pattern continued below Cairo, Illinois, where the Ohio River joins the Mississippi. Extensive flooding took place in areas either unprotected or inadequately protected by private levees.
>
> 2. Approximately 2.3 million acres of the Yazoo Basin in Mississippi have been inundated from headwater flooding, resulting from six months of above-average rainfall culminated by a 10-inch storm. Seven non-Federal levees protecting suburban areas of Greenwood, Mississippi, have failed, causing extensive flooding. Flood control reservoirs behind Sardis, Enid, Grenada, and Arkabutla Dams have held back floodwaters from the watershed. All the spillways of these structures have been used and, except for Arkabutla, have been used for the first time since their construction.

3. In the Lower Mississippi River, a number of emergency actions were carried out to facilitate usage of the various floodways should Mississippi River stages require their opening. The low areas of the 11-mile long upper fuse plug section of the Birds Point-New Madrid Floodway was raised to authorized grade. This provides protection for over 100,000 acres of rich farmland against a stage of 60 feet at Cairo, Illinois. The maximum stage reached at Cairo was 55.7 feet. Other actions included partially degrading the forebay levee at Morganza to an elevation satisfactory for floodway operation; and removing siltation from the forebay of Bonnet Carre by dredging to facilitate the proper operation of the floodway. Plans were developed and work is nearing completion for raising low spots in levees and floodways in the Atchafalaya Basin downstream from the Morganza Floodway and in the Morgan City, Louisiana, area.

4. Subsequent forecasts of the National Weather Service, the effects of wind and tide on high river stages, and the potential detrimental effects of prolonged high stages on the Mississippi River levees, indicated a need to open the Bonnet Carre Spillway to protect the city of New Orleans. This was accomplished on 8 April 1973. Previously, this floodway was operated in 1937, 1945 and 1950.

5. High stages and erosive forces caused a serious scour condition at the low sill portion of the Old River Control Structure, resulting in a portion of the wingwall being toppled into the inflow channel. This problem threatened the integrity of the entire structure. To relieve the excessive pressure, the overbank structure, which passes flood flows from the Mississippi River to the Atchafalaya Basin Floodway, was opened on 15 April 1973.

6. On 17 April 1973, the Morganza Floodway was opened for the first time since its construction in 1953 to relieve the saturated levee conditions and lower the stages at the Old River Control Structure to lessen an aggravating situation where emergency remedial work was being accomplished.

7. More than 1,450 Corps personnel are presently engaged in flood emergency activities, including 19 additional Corps officers called for duty from elsewhere in the United States. In addition, two reinforced companies (391 officers and enlisted personnel) from the 62d Engineer Battalion (Construction) are assisting in Morgan City, Louisiana.

8. Total damages incurred, to date, are estimated at more than $190,000,000. An estimated 11,000,000 acres have been flooded, and more than 26,000 persons have been evacuated. On the other hand, it is estimated that Corps projects have prevented more than $3.9 billion in damages from the initial flood crest and have prevented more than 17,000,000 additional acres from being flooded. A second crest, which is now near St. Louis, will account for as of April 26, 1973 additional damage prevention benefits. The total cost of the Mississippi River and Tributaries Project, to date, is $1.8 billion.

MISSISSIPPI RIVER FLOOD, SPRING 1973

	Damages prevented (millions)	Damages W/O Corps projects (millions)	Damages incurred (millions)	Acres flooded (Thousands)	People evacuated
St. Louis district	$200.0	$235.0	$35.0	1,100	8,050
Missouri	80.0	103.0	23.0	500	4,550
Illinois	120.0	132.0	12.0	600	3,500
Memphis district	151.7	172.4	20.7	1,992	6,510
Missouri	28.9	34.4	5.5	400	2,450
Arkansas	100.7	106.0	5.3	1,099	280
Kentucky	6.6	7.6	1.0	40	280
Tennessee	7.6	14.9	7.3	321	1,575
Mississippi		1.6	1.6	132	1,925
Illinois	7.9	7.9	0	0	0
Vicksburg district	1,954.0	2,076.0	122.0	4,660	10,995
Arkansas	241.0	249.0	8.0	630	280
Mississippi	742.0	835.0	93.0	2,920	8,400
Louisiana	971.0	992.0	21.0	1,110	2,275
New Orleans district, Louisiana	3,525.0	3,540.0	15.0	2,621	5,600
Total LMVD	5,830.7	6,023.4	192.7	10,373	31,155
Rock Island district	$23.0	$26.8	$3.8	10	340
Iowa	9.0	10.3	1.3	2	70
Illinois	9.4	10.8	1.4	4	120
Missouri	4.6	5.7	1.1	4	150
Kansas City district, Missouri	125.	137.5	12.1	628	715
Total	5,979.1	6,187.7	208.6	11,011	32,120
Arkansas	341.7	355.0	13.3	5,759	560
Illinois	137.3	150.7	13.4	604	3,570
Iowa	9.0	10.3	1.3	2	70
Kentucky	6.6	7.6	1.0	40	280
Louisiana	4,496.0	4,532.0	36.0	3,731	7,875
Missouri	238.9	280.6	41.7	1,532	7,865
Mississippi	742.0	836.6	94.6	3,052	10,325
Tennessee	7.6	14.9	7.3	321	1,575
Total	5,979.1	6,187.7	208.6	11,011	32,120

	Sandbags issued	Pumps loaned
St. Louis district	3,660,000	190
Memphis	98,000	3
Vicksburg	1,525,000	2
New Orleans	615,000	1
Rock Island	1,196,000	20
Kansas City	730,000	0
Total	7,824,000	266

CORPS OF ENGINEERS—PERSONNEL

St. Louis District	395
Memphis	125
Vicksburg	425
New Orleans	* 438
LMVD	1,388
Rock Island District	63
Kansas City District	58
Total	1,504

* Does not include two reinforced companies from the 62d Engr. Bn. (Const.). (391 officers and enlisted personnel.)

SUMMARY OF PUBLIC LAW 84-99 FUNDS

Fiscal year 1974 data:	
Fiscal year 1973 uncommitted carryover	0
Fiscal year 1974 budget request	$7,000,000
Total available for commitment, fiscal year 1974	7,000,000
Fiscal year 1974 requirements:	
Lower Mississippi Valley Division:	
Memphis District	7,500,000
New Orleans District	43,700,000
St. Louis District	4,600,000
Vicksburg District	5,000,000
Subtotal	60,800,000
Missouri River Division:	
Kansas City District	1,000,000
Omaha District	700,000
Subtotal	1,700,000
North Central Division:	
Rock Island District	1,000,000
Subtotal	1,000,000
Emergency reserve to meet other needs fiscal year 1974	15,000,000
Total requirements, fiscal year 1974	78,500,000
Supplemental funds required	71,500,000

Mr. RARICK. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I take this time to ask the gentleman from Texas (Mr. MAHON) several questions. I would like to ask if there are any funds in this act to aid in the reconstruction of North Vietnam.

Mr. MAHON. According to the testimony before the Committee on Appropriations and according to the information available to me from the highest authority in the Government, there is not one penny in this bill for the rehabilitation of North Vietnam.

Mr. RARICK. I thank the gentleman.

I would like to ask if there is any language in the bill which would prohibit the use or transfer of any of these funds for aid to North Vietnam.

Mr. MAHON. There are certainly no funds in this bill that are not provided for other purposes and none are provided for that purpose.

Mr. RARICK. There are then no prohibitions against such aid in this bill?

Mr. MAHON. No.

AMENDMENT OFFERED BY MR. RARICK

Mr. RARICK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RARICK: Page 51, after line 19, insert a new section:

SEC. 304. No funds appropriated in this Act shall be expended to aid or assist in the reconstruction of the Democratic Republic of Vietnam (North Vietnam).

Mr. RARICK. Mr. Chairman, the amendment is self-explanatory. I think it adds to the bill and certainly expresses the intent of the members of this body.

Mr. Chairman, I remind the members that all it says is that no funds in this appropriation bill shall be used to aid or reconstruct North Vietnam. It is a good amendment which will confirm the wishes of the American people. I urge its passage.

The CHAIRMAN. The question is on

the amendment offered by the gentleman from Louisiana (Mr. RARICK).

The amendment was agreed to.

Mr. GONZALEZ. Mr. Chairman, I move to strike the necessary number of words.

Mr. Chairman, I rise for the purpose of asking the distinguished chairman of the Committee on Appropriations a question. During the debate on the rule, I had directed this question and I believe I was assured that this bill contained moneys in order to make up for the situation confronting our overseas based servicemen and employees of the U.S. Government. I was very much reassured to hear that it did.

I think our people overseas will be delighted. We have been receiving quite a number of letters from service families and others who are suffering.

My question is, specifically how will that work and how will they receive this money contemplated in the bill? How will it work?

We have the lowly paid people in the Army and secretaries in the embassies in foreign countries who are confronted with as much as 20 or 25 percent devaluation, not just 10 percent.

I am wondering if we can get an explanation of the mechanics of this. I did not see anything in the bill related to that, and I would just like to know.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. GONZALEZ. Certainly.

Mr. MAHON. Mr. Chairman, it is true that the gentleman was assured when we were discussing the rule that there were funds in this bill to take care of our troops in Europe due to the devaluation of the dollar, but these funds went out of the bill on the Addabbo amendment and they are not now in the bill. The funds which were designated for this purpose and included in the transfer authority provision are not available, so officials will be hard pressed to meet these requirements.

That is one of the reasons I opposed, as many others did, the Addabbo amendment, because we were concerned about these people.

Mr. GIAIMO. Mr. Chairman, will the gentleman yield?

Mr. GONZALEZ. I yield to the gentleman from Connecticut (Mr. GIAIMO).

Mr. GIAIMO. Mr. Chairman, if those funds were in the bill, that means they were in there earlier, is that not correct?

Mr. MAHON. These funds were unanticipated expenditures. So our Committee on Appropriations was asked to approve language and submit it to the House which would permit the Defense Department to take care of this requirement by transferring from unexpended funds in procurement accounts and otherwise. This was in the $430 million package. With that provision having been deleted, the funds are not available.

Mr. GIAIMO. Mr. Chairman, the point I am making is that if they had not taken some of the funds from other accounts and used them for bombing in Cambodia, they would have had in the bill at least $150 million, if not more, for these other purposes.

Mr. MAHON. No, I would say, if the gentleman will yield further, that the funds used in the bombing in Cambodia were not the primary factor. It was the massive, unpredicted and unprecedented heavy bombing in North Vietnam, especially last December and prior thereto, that expended much of the funds which might have been available.

Mr. GIAIMO. Mr. Chairman, as I recall, the testimony quite clearly 2 days ago, the expenditures of December were out of the original $750 million transfer authority which has not been disturbed by the Addabbo amendment.

This legislation, the Addabbo amendment, concerned itself only with the additional $500 million from January 1, 1973, on.

Mr. MAHON. If the gentleman will yield further, the $750 million has already been transferred for the most part. So we are in difficulty in this matter, but there is nothing we can do at this stage of the bill about that.

Mr. GIAIMO. Mr. Chairman, will the gentleman yield?

Mr. GONZALEZ. I am happy to yield to the gentleman from Connecticut.

Mr. GIAIMO. It will be interesting to see tomorrow if the Department of Defense can still find transfer moneys available for bombing in Cambodia but cannot find the funds for the purposes which the gentleman wants them expended, which funds were originally in the act passed in 1973.

Mr. MAHON. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. BROOKS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 7447) making supplemental appropriations for the fiscal year ending June 30, 1973, and for other purposes, had directed him to report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. MAHON. Mr. Speaker, I move the previous question on the bill and all amendments thereto to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment?

Mr. GERALD R. FORD. Mr. Speaker, I demand a separate vote on the so-called Addabbo amendment and on the so-called Long of Maryland amendment.

The SPEAKER. Is a separate vote demanded on any other amendment?

Mr. RARICK. Mr. Speaker, I demand a separate vote on the so-called Rarick amendment.

The SPEAKER. The question is on the remaining amendment.

The amendment was agreed to.

The SPEAKER. The Clerk will report the first amendment on which a separate vote has been demanded.

The Clerk read as follows:

Amendment: On page 6, strike out lines 9 through 12

The SPEAKER. The question is on the amendment.

Mr. GERALD R. FORD. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 194, nays 187, not voting 52, as follows:

[Roll No. 140]

YEAS—194

Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Andrews, N.C.
Annunzio
Ashley
Aspin
Badillo
Bennett
Bergland
Bingham
Blatnik
Boggs
Boland
Bolling
Brademas
Brasco
Breaux
Brooks
Brown, Calif.
Burke, Calif.
Burke, Mass.
Burton
Carey, N.Y.
Carney, Ohio
Chisholm
Clark
Clay
Conte
Conyers
Corman
Cotter
Cronin
Culver
Daniels, Dominick V.
Danielson
Dellenback
Dellums
Denholm
Dent
Diggs
Dingell
Donohue
Drinan
du Pont
Dulski
Eckhardt
Edwards, Calif.
Eilberg
Esch
Evans, Colo.
Evins, Tenn.
Fascell
Foley
Ford, William D.
Fraser
Fulton
Gaydos
Giaimo
Gibbons
Ginn
Gonzalez
Grasso
Gray
Green, Pa.
Gross
Gude
Hamilton
Hanley
Hanna
Hansen, Wash.
Harrington
Hawkins
Hechler, W. Va.
Heckler, Mass.
Helstoski
Henderson
Hicks
Holifield
Holtzman
Howard
Hungate
Johnson, Calif.
Johnson, Colo.
Jones, N.C.
Jordan
Karth
Kastenmeier
Koch
Kyros
Landrum
Litton
Long, La.
Long, Md.
Macdonald
Madden
Matsunaga
Mazzoli
McCloskey
McDade
McKinney
Meeds
Melcher
Mezvinsky
Milford
Miller
Mills, Ark.
Minish
Mink
Mitchell, Md.
Moakley
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Natcher
Nedzi
O'Hara
O'Neill
Obey
Owens
Patman
Patten
Pepper
Perkins
Pickle
Pike
Podell
Preyer
Price, Ill.
Pritchard
Randall
Rangel
Rarick
Rees
Reid
Reuss
Rodino
Roe
Rogers
Roncalio, Wyo.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Roy
Roybal
Runnels
Ryan
Sarasin
Sarbanes
Schroeder
Seiberling
Shipley
Shoup
Sisk
Slack
Smith, Iowa
Snyder
St Germain
Staggers
Stanton, James V.
Stark
Steele
Stokes
Stuckey
Symington
Sullivan
Studds
Thompson, N.J.
Thone
Thornton
Tiernan
Udall
Ullman
Van Deerlin
Vanik
Vigorito
Waldie
Whalen
White
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Wolff
Wyatt
Yates
Yatron
Young, Ga.
Zablocki

NAYS—187

Abdnor
Anderson, Ill.
Andrews, N. Dak.
Archer
Arends
Armstrong
Ashbrook
Bafalis
Beard
Bevill
Biester
Bowen
Bray
Breckinridge
Brinkley
Brotzman
Brown, Mich.
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burke, Fla.
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Cohen
Collier
Collins
Conable
Conlan
Coughlin
Daniel, Dan
Daniel, Robert W., Jr.
Davis, Ga.
Davis, S.C.
Dennis
Derwinski
Devine
Dickinson
Dorn
Downing
Duncan
Edwards, Ala.
Erlenborn
Eshleman
Fish
Fisher
Flood
Flowers
Ford, Gerald R.
Forsythe
Fountain
Frenzel
Frey
Froehlich
Gettys
Gilman

Goldwater
Goodling
Grover
Gubser
Guyer
Haley
Hammerschmidt
Hanrahan
Hansen, Idaho
Harsha
Harvey
Hastings
Hays
Hébert
Heinz
Hillis
Hinshaw
Hogan
Holt
Horton
Hosmer
Huber
Hudnut
Hutchinson
Ichord
Jarman
Johnson, Pa.
Jones, Ala.
Kazen
Keating
Kemp
Kuykendall
Landgrebe
Latta
Lent
Lott
Lujan
McCollister
McEwen
McFall
Madigan
Mahon
Mailliard
Mallary
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Mayne
Michel
Mills, Md.
Minshall, Ohio
Mitchell, N.Y.
Mizell
Montgomery
Moorhead, Calif.
Myers
Nelsen
Nichols
O'Brien
Parris
Passman
Pettis
Poage
Powell, Ohio
Quie
Railsback
Regula
Rhodes
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Roncallo, N.Y.
Rousselot
Ruppe
Ruth
Satterfield
Saylor
Scherle
Schneebeli
Sebelius
Shriver
Shuster
Sikes
Skubitz
Smith, N.Y.
Spence
Stanton, J. William
Steed
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stratton
Talcott
Taylor, Mo.
Taylor, N.C.
Teague, Calif.
Thomson, Wis.
Towell, Nev.
Treen
Waggonner
Walsh
Wampler
Ware
Whitehurst
Whitten
Williams
Winn
Wright
Wydler
Wylie
Wyman
Young, Alaska
Young, Fla.
Young, Ill.
Young, Tex.
Zwach

NOT VOTING—52

Baker
Barrett
Bell
Biaggi
Blackburn
Broomfield
Brown, Ohio
Burgener
Camp
Carter
Crane
Davis, Wis.
de la Garza
Delaney
Findley
Flynt
Frelinghuysen
Fuqua
Green, Oreg.
Griffiths
Gunter
Hunt
Jones, Okla.
Jones, Tenn.
Ketchum
King
Kluczynski
Leggett
Lehman
McClory
McCormack
McKay
McSpadden
Metcalfe
Mollohan
Nix
Peyser
Price, Tex.
Quillen
Riegle
Rooney, N.Y.
Sandman
Stubblefield
Symms
Teague, Tex.
Vander Jagt
Veysey
Widnall
Wiggins
Wilson, Bob
Young, S.C.
Zion

So the amendment was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Metcalfe for, Mr. Mollohan against.

Mrs. Green of Oregon for, Mr. King against.

Mr. Carter for, Mr. Veysey against.

Mr. Sandman for, Mr. Bob Wilson against.

Mr. Widnall for, Mr. Quillen against.

Mr. Findley for, Mr. Hunt against.

Mr. McClory for, Mr. Crane against.

Mr. Fuqua for, Mr. Camp against.

Mr. Rooney of New York for, Mr. Brown of Ohio against.

Mr. Delaney for, Mr. Bell against.

Mr. Kluczynski for, Mr. Baker against.

Mr. Barrett for, Mr. Blackburn against.

Mr. de la Garza for, Mr. Burgener against.

Mr. Flynt for, Mr. Davis of Wisconsin against.

Mr. Nix for, Mr. Wiggins against.

Mr. McCormack for, Mr. Price of Texas against.

Mr. Leggett for, Mr. Young of South Carolina against.

Mrs. Griffiths for, Mr. Broomfield against.

Until further notice:

Mr. Stubblefield with Mr. McKay.

Mr. Riegle with Mr. McSpadden.

Mr. Gunter with Mr. Vander Jagt.

Mr. Jones of Oklahoma with Mr. Peyser.

Mr. Lehman with Mr. Frelinghuysen.

Mr. Jones of Tennessee with Mr. Zion.

Mr. Biaggi with Mr. Teague of Texas.

The result of the vote was announced as above recorded.

The SPEAKER. The Clerk will report the next amendment on which a separate vote has been demanded.

The Clerk read as follows:

> Amendment: On page 6, immediately after line 12, insert the following paragraph:
>
> "None of the funds herein appropriated to the Department of Defense under this Act shall be expended to support directly or indirectly combat activities in, over or from off the shores of Cambodia by United States forces."

The amendment was agreed to.

The SPEAKER. The Clerk will report the next amendment on which a separate vote has been demanded.

The Clerk read as follows:

> Amendment: Page 51, after line 19, insert a new section.
>
> SEC. 304. No funds appropriated in this Act shall be expended to aid or assist in the reconstruction of the Democratic Republic of Vietnam (North Vietnam).

The SPEAKER. The question is on the amendment.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. RARICK. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were refused.

So the amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. MINSHALL OF OHIO

Mr. MINSHALL of Ohio. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. MINSHALL of Ohio. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

> Mr. MINSHALL of Ohio moves to recommit the bill H.R. 7447 to the Committee on Appropriations.

The SPEAKER. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

Mr. GERALD R. FORD. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 284, nays 96, not voting 53, as follows:

[Roll No. 141]

YEAS—284

Abdnor
Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Ashley
Aspin
Badillo
Bennett
Bergland
Bevill
Biester
Bingham
Blatnik
Boggs
Boland
Bolling
Bowen
Brademas
Brasco
Bray
Breaux
Breckinridge
Brinkley
Brooks
Brotzman
Brown, Calif.
Broyhill, Va.
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burlison, Mo.
Burton
Butler
Byron
Carey, N.Y.
Carney, Ohio
Casey, Tex.
Cederberg
Chamberlain
Chappell
Chisholm
Clark
Clausen, Don H.
Clay
Cochran
Cohen
Collier
Conte
Conyers
Corman
Cotter
Coughlin
Cronin
Culver
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, Ga.
Davis, S.C.
Dellenback
Dellums
Denholm
Dent
Diggs
Dingell
Donohue
Downing
Drinan
Dulski
du Pont
Eckhardt
Eilberg
Esch
Evans, Colo.
Evins, Tenn.
Fascell
Fish
Fisher
Flood
Flowers
Foley
Ford, William D.
Forsythe
Fountain
Fraser
Frenzel
Frey
Fulton
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Gonzalez
Grasso
Gray
Green, Pa.
Gubser
Gude
Guyer
Hamilton
Hammerschmidt
Hanley
Hanna
Hanrahan
Hansen, Idaho
Hansen, Wash.
Harrington
Harsha
Harvey
Hastings
Hawkins
Hays
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Hillis
Hogan
Holifield
Holtzman
Horton
Howard
Hungate
Ichord
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jordan
Karth
Kastenmeier
Kazen
Koch
Kyros
Landrum
Litton
Long, La.
Long, Md.
Lujan
McCloskey
McCollister
McDade
McFall
McKinney
Macdonald
Madden
Madigan
Mahon
Mallary
Mann
Mathias, Calif.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Mezvinsky
Milford
Miller
Mills, Ark.
Mills, Md.
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Natcher
Nedzi
Nichols
Obey
O'Hara
O'Neill
Owens
Parris
Passman
Patman
Patten
Pepper
Perkins
Pettis
Pickle
Pike
Podell
Preyer
Price, Ill.
Pritchard
Railsback
Randall
Rangel
Rees
Reid
Reuss
Rinaldo
Roberts
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Rooney, N.Y.
Rose
Rosenthal
Rostenkowski
Roush
Roy
Roybal
Runnels
Ruppe
Ryan
St Germain
Sarasin
Sarbanes
Scherle
Schroeder
Seiberling
Shipley
Shoup
Shriver
Shuster
Sikes
Sisk
Slack
Smith, Iowa
Smith, N.Y.
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steele
Stephens
Stokes
Stuckey
Studds
Sullivan
Symington
Talcott
Taylor, N.C.
Teague, Calif.
Thompson, N.J.
Thone
Thornton
Tiernan
Towell, Nev.
Udall
Ullman
Van Deerlin
Vanik
Vigorito
Waggonner
Waldie
Wampler
Whalen
White
Whitehurst
Whitten
Widnall
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Wolff
Wyatt
Yates
Yatron
Young, Alaska
Young, Ga.
Zablocki
Zwach

NAYS—96

Arends
Armstrong
Ashbrook
Bafalis
Beard
Brown, Mich.
Broyhill, N.C.
Buchanan
Burleson, Tex.
Clancy
Clawson, Del
Cleveland
Collins
Conable
Conlan
Daniel, Dan
Dennis
Derwinski
Devine
Dickinson
Dorn
Duncan
Edwards, Ala.
Edwards, Calif.
Erlenborn
Eshleman
Ford, Gerald R.
Froehlich
Gettys
Goldwater
Goodling
Gross
Grover
Haley
Hébert
Hinshaw
Holt
Hosmer
Huber
Hudnut
Hutchinson
Jarman
Kemp
Kuykendall
Landgrebe
Latta
Lent
Lott
McEwen
Mailliard
Maraziti
Martin, Nebr.
Martin, N.C.
Mathis, Ga.
Michel
Minshall, Ohio
Mizell

Montgomery
Moorhead, Calif.
Myers
Nelsen
O'Brien
Poage
Powell, Ohio
Quie
Rarick
Regula
Rhodes
Robinson, Va.
Roncallo, N.Y.
Rousselot
Ruth
Satterfield
Saylor
Schneebeli
Sebelius
Skubitz
Spence
Steelman
Steiger, Ariz.
Steiger, Wis.
Stratton
Taylor, Mo.
Thomson, Wis.
Treen
Walsh
Ware
Williams
Winn
Wright
Wydler
Wylie
Wyman
Young, Fla.
Young, Ill.
Young, Tex.

NOT VOTING—53

Baker
Barrett
Bell
Biaggi
Blackburn
Broomfield
Brown, Ohio
Burgener
Camp
Carter
Crane
Davis, Wis.
de la Garza
Delaney
Findley
Flynt
Frelinghuysen
Fuqua
Green, Oreg.
Griffiths
Gunter
Hunt
Jones, Okla.
Jones, Tenn.
Keating
Ketchum
King
Kluczynski
Leggett
Lehman
McClory
McCormack
McKay
McSpadden
Metcalfe
Mollohan
Nix
Peyser
Price, Tex.
Quillen
Riegle
Rooney, N.Y.
Sandman
Snyder
Stubblefield
Symms
Teague, Tex.
Vander Jagt
Veysey
Wiggins
Wilson, Bob
Young, S.C.
Zion

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Bell for, Mr. Camp against.

Mr. Veysey for, Mr. Snyder against.

Mr. McClory for, Mr. Crane against.

Mr. Rooney of New York for, Mr. Symms against.

Mr. Fuqua for, Mr. Brown of Ohio against.

Mr. Kluczynski for, Mr. Hunt against.

Mr. Flynt for, Mr. King against.

Mr. de la Garza for, Mr. Bob Wilson against.

Mr. Riegle for, Mr. Price of Texas against.

Mrs. Green of Oregon for, Mr. Blackburn against.

Mr. Delaney for, Mr. Mollohan against.

Until further notice:

Mrs. Griffiths with Mr. Broomfield.

Mr. Nix with Mr. Sandman.

Mr. Teague of Texas with Mr. Quillen.

Mr. Barrett with Mr. Frelinghuysen.

Mr. Gunter with Mr. Davis of Wisconsin.

Mr. Jones of Oklahoma with Mr. Peyser.

Mr. Leggett with Mr. Keating.

Mr. Metcalfe with Mr. Findley.

Mr. Jones of Tennessee with Mr. Baker.

Mr. Lehman with Mr. Carter.

Mr. Biaggi with Mr. Vander Jagt.

Mr. McCormack with Mr. Wiggins.

Mr. McKay with Mr. Young of South Carolina.

Mr. McSpadden with Mr. Zion.

Mr. Stubblefield with Mr. Burgener.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MAHON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks in the RECORD and include tables and extraneous matter on the second supplemental appropriation bill, 1973 (H.R. 7447) just passed; and also that all Members may have permission to extend their remarks on the amendment offered by the gentleman from New York (Mr. ADDABBO) and on the amendment offered by the gentleman from Maryland (Mr. LONG).

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

PERMISSION FOR COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE TO FILE A REPORT ON H.R. 7200, UNTIL MIDNIGHT, MAY 11, 1973

Mr. JARMAN. Mr. Speaker, I ask unanimous consent that the Committee on Interstate and Foreign Commerce may have until midnight tomorrow night to file a report on the bill, H.R. 7200, amending the Railroad Retirement Act.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

LEGISLATIVE PROGRAM

(Mr. GERALD R. FORD asked and was given permission to address the House for 1 minute.)

Mr. GERALD R. FORD. Mr. Speaker, I take this time for the purpose of asking the distinguished majority whip the program for the remainder of the week, if any, and for next week.

Mr. McFALL. Mr. Speaker, will the distinguished minority leader yield?

Mr. GERALD R. FORD. I yield to the distinguished majority whip.

Mr. McFALL. Mr. Speaker, on Monday, which is District day, there are no bills scheduled.

On Tuesday, there is the Private Calendar, and we will have H.R. 6768, United Nations Environmental Program Participation Act, under an open rule, 1 hour of debate; and H.R. 5777, the Hobby Protection Act, under an open rule, 1 hour of debate.

For Wednesday and the balance of the week: H.R. 2990, U.S. Postal Service Authorization Act, subject to a rule being granted; and H.R. 6912, Par Value Modification Act, subject to a rule being granted.

Also H.R. 6912, Par Value Modification Act, subject to a rule being granted.

Of course, there is the usual caveat that conference reports may be brought up at any time and any further program will be announced later.

ADJOURNMENT OVER TO MONDAY, MAY 14, 1973

Mr. McFALL. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. McFALL. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

PERSONAL EXPLANATION

Mr. RUPPE. Mr. Speaker, due to an unavoidable commitment, I was unable to be present to offer my vote in support of the conference report on S. 394, the amendments to the Rural Electrification Act.

I have strongly supported the REA's in the past. My district includes eight REA cooperatives, which have been important elements in maintaining the quality of life and improving the economy of northern Michigan.

I wish to go on record in support of the REA's and this conference report in particular.

A "TONKIN RESOLUTION" ON CAMBODIA

(Mr. ADDABBO asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and include extraneous matter.)

Mr. ADDABBO. Mr. Speaker, in support of my amendment I bring to the attention of my colleagues two of the finest editorials written on the subject, one which appeared in this morning's Washington Post, entitled: "A 'Tonkin Resolution' on Cambodia," and the other one written by the Long Island Press on Monday, May 7, entitled: "Stopping the Blood Money."

The editorials follow:

[From the Washington Post, May 10, 1973]

A "TONKIN RESOLUTION" ON CAMBODIA

The House is about to vote on Rep. Joseph Addabbo's proposal to block the use of defense funds for bombing Cambodia. It is the first vote on the war issue in either house of Congress since the January cease-fire agreement. As such, it is exceptionally important as an indicator to the President whether he can continue to make war at his own discretion regardless of law, or whether Congress intends to try to hold him to a less capricious standard. Fairly enough, the Secretary of Defense has joined the critics of Mr. Nixon's policy in warning the Congress that a failure to cut off funds for bombing Cambodia will be taken as a gesture of congressional consent to the President's policies there. So no one can be under any illusions as to the significance of the forthcoming vote.

The issue could not be clearer. On June 3, 1970, Mr. Nixon said he would henceforth bomb in Cambodia only "to protect the lives and security of our forces in South Vietnam"; on many occasions, he broadened that rationale to include the release of prisoners held in North Vietnam. Both our troops and our POWs are no longer in need of this support. But he bombs on. His aides contend that under the cease-fire agreement the United States implicitly conditioned a bombing halt to observation of the cease-fire by the other side. Yet no Cambodians signed on to the cease-fire. And in any event, a statement of Executive intent to bomb, for whatever reason, does not legitimize the bombing: Mr. Nixon's word is not a magic wand making Congress and Constitution disappear at one stroke.

On May 13, 1970, Secretary of State William Rogers stated that the U.S. would not "become militarily involved in support of the Lon Nol government—or any other government" in Phnom Penh. "I'm talking about

U.S. troops or air support or something," he added. But last Tuesday he declared: "The choice before us today is whether to allow a military takeover of Cambodia by North Vietnam and its allies, or insist on observation of a negotiated peace." It is a sad thing to see a former Attorney General proceeding as though the legality and constitutionality of the proposal he is trying to sell were of no account. It is no less sad to see a Secretary of State betraying such a flawed appreciation of the facts on the ground in Indochina.

For the truth is that North Vietnam supports but does not command the Cambodians fighting the American-supported government of Lon Nol. Such is North Vietnam's strength that the question of who rules in Phnom Penh has practically no bearing on the use to which Hanoi will be able to put Cambodian soil to support any further operations it undertakes in South Vietnam. No configuration conceivable of Cambodian political elements could muster the force (not to say the will) to prevent Hanoi from so using Cambodian soil; witness what was going on in the days of Prince Sihanouk's rule. The continued American devastation of Cambodia cannot prevent the North Vietnamese from supporting their friends in South Vietnam, if they care to. This is a technical matter not a political one; no knowledgeable person disputes it.

The larger truth is that in Paris Mr. Nixon negotiated the best agreement he could get. But measured in relation to the extravagant evaluation which he put on it, it was not a sound agreement because it could not be enforced in a way that would make good on the promises the President made in its name. The agreement did indeed serve the basic American purpose of giving Saigon a reasonable chance to endure on its own. But it did not and could not serve the further purpose of sealing South Vietnam's border with Cambodia. It was unnecessary and unwise for Mr. Nixon to claim for his agreement achievements which could not conceivably be a part of it. Now that the shortfall is apparent to everyone, we emphasize, "success" by his terms in Cambodia is not essential to the American mission in South Vietnam—a mission which has already been accomplished and which will not necessarily be undone if one Cambodian faction rather than another comes to power in Phnom Penh.

The administration has stated that, whatever the judgment of Congress, it intends to keep on bombing Cambodia anyway. This is a shocking avowal, but it can be dealt with later. For the moment, legislators considering the Addabbo proposal and its Senate counterpart can be confident that in supporting it they are serving the self-respect of the institution to which they belong, the cause of government by law, and the appropriate foreign policy interests of the United States. It may be that it is technically impossible for the representatives of the people to restrain the President. But this does not mean that the Congress must repeat its supine performance at the time of the Gulf of Tonkin resolution in 1964. At the very least, there is a record to be made. The President should be told in no uncertain terms that if he continues his efforts to bomb Cambodia into acceptance of a cease-fire, for no purpose that can possibly justify the cost in lives and money and this country's good name, he will be doing so on his own.

Stopping the Blood Money

Rep. Joseph Addabbo, Ozone Park Democrat, lost the first round in the House battle to limit President Nixon's ability to wage war in Cambodia—or anywhere else in Southeast Asia. But, hopefully, the battle will still be won.

The amendment sponsored by Rep. Addabbo to block funds sought by the President to continue bombing—or conceivably to reintroduce ground troops into combat in Southeast Asia—was rejected last week by the notoriously hawkish House Appropriations Committee. But the Long Island lawmaker has since won important support. The House Democratic Steering Committee, for example, voted to back the amendment when it comes to the floor this week.

Moreover, a similar amendment has the support of key Senators, led by Majority Leader Mike Mansfield. He agrees with House Speaker Carl Albert who said, "I don't want to declare another war with ambiguous language in an appropriation bill."

Sen. Mansfield says that the current U.S. bombing in Cambodia is being conducted with money Congress never approved for that purpose, and asks: "I wonder when we are going to wake up to our responsibility and get out of Indochina, lock, stock and barrel?"

We wonder, too, and with particular alarm since the administration's rationale for being involved in another civil war in Southeast Asia—this time in Cambodia—won't wash. On the one hand, the White House argues that the attacks are necessary to convince North Vietnam to stop violating the Vietnam cease-fire. But on the other hand, the Pentagon admits that truce violations by the enemy have steadily and encouragingly decreased.

What hasn't decreased, sadly, is our air assault against Communist forces in Cambodia. U.S. aircraft dropped 100,000 tons of bombs in Southeast Asia during the first two months after the Jan. 27 cease-fire, most of it in Cambodia. And April tonnage is believed to have been higher than in March.

The administration can no longer argue that air strikes in Cambodia are necessary to protect American fighting men in Vietnam. There are none. Nearly as weak is the argument that so long as there are North Vietnamese in combat in Cambodia, American intervention is permissible. The latest intelligence is that North Vietnam's presence in Cambodia may have been grossly overestimated.

Sen. Stuart Symington, D-Mo., told Secretary of State William P. Rogers, "We are obviously killing a lot of men, women and children, and incapacitating more for the rest of their lives, and I don't see why this has any real basic effect on the security of the United States."

It hasn't. But it is having a very bad effect on the American people who thought they had seen the last of war 10,000 miles away from home when our troops and prisoners left Vietnam. "Peace with honor," is how President Nixon described that happy departure from a war Congress never declared.

What happens next in Cambodia, like what happened before in Indochina, is not our business. Congress should make that perfectly clear by using its most potent weapon—its constitutional right to cut off the blood money.

THE PRESIDENT'S VETO VICTORY PARTY

(Mr. CULVER asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and include extraneous matter.)

Mr. CULVER. Mr. Speaker, I was visited last week, as were many other Members, by an impressive group of people who are greatly concerned about the status of Federal programs to aid the Nation's 44 million disabled citizens. They were distressed not only about the President's curtailment of funding for important Federal programs and his veto of the 1973 Vocational Rehabilitation Act, but also the discrimination and living barriers constantly faced by disabled people in our society.

For example, Mr. Speaker, these individuals encountered many unnecessary architectural barriers even as they visited their Nation's Capitol. Faced with narrow doors and unnegotiable stairs, these fine people who have the disadvantage of being handicapped could not even visit the House visitor's gallery. I have been assured by the Capitol Architect's Office that it is actively engaged in a project to remove this and other architectural barriers in the buildings of the Capitol which unreasonably hinder disabled visitors' use of public restrooms, telephones, and other such facilities. I urge the prompt completion of these improvements so that all visitors, including those with disabilities, are able to enjoy the Nation's Capitol.

The visit by these disabled citizens serves to remind us again of the low priority being given those less fortunate members of our society by this administration. In response to the urgent need for rehabilitation of those individuals with disabilities, this House overwhelmingly passed a Comprehensive Vocational Rehabilitation Act, only to have that important legislation vetoed by the President. Shortly thereafter, the Washington Post reported that President Nixon threw a party to celebrate the success of his veto.

I for one do not find it appropriate to celebrate the elimination of essential services to disabled and handicapped people. I would like to quote from a letter I received recently from a young woman in Iowa who knows better than most the value of vocational rehabilitation programs.

> As a recipient of funds from this agency to continue my education (I was born with a severe birth defect, which has resulted in my being a wheel chair person) I can attest to the usefulness of this program. Due to funds being available from the vocational rehabilitation agency, I was able to complete four years of college. This would not have been possible without their help.
>
> It seems to me a far greater example of fiscal responsibility to provide a program whereby citizens can become tax-payers rather than recipients of tax monies because of being forced to live on aid to the disabled, welfare, or other tax supported programs. Far more important than the benefit to the government in taxes, however, is the benefit to the people served by this program and to society as a whole.
>
> We will be far wiser to place the people who benefit from vocational rehabilitation programs in a position of being able to contribute to themselves and others rather than forcing them to be like castoffs who can have no sense of pride or accomplishment. The importance of having a feeling of self-worth and dignity cannot be measured in dollars and cents.
>
> Although I support any effort to eliminate waste in government spending, surely there has to be a better way to do this than to penalize those people who are already among the least able to help themselves.

Mr. Speaker, this letter is even more poignant when one reads an article such as the one appearing in the April 13, 1973, issue of the Washington Post which I insert in the Record:

President Throws Party for His Allies on Veto

President Nixon held a reception last evening for more than 200 members of the House and Senate who voted to sustain his vetoes of the vocational rehabilitation and water and sewer grant authorizations.

According to several senators who were

present, the President in thanking the legislators, said, "It takes courage to sustain a veto. It is a very difficult thing to veto a bill like the program for the disabled. It is a very difficult thing to veto a bill like the water and sewer bill and I know it is difficult to vote against those bills, but it is necessary."

Sen. Ted Stevens (R-Alaska) said the President emphasized, in his brief address, that the crucial point at which to hold down federal spending, and thereby avert economic difficulties, is the authorization stage.

Stevens said the President went out of his way to praise those not of his own party who had voted with him, saying he realized the political problems of doing so.

The President introduced Joe Waggonner (D-La.), an acknowledged leader of the southern bloc in the House, and John L. McClellan (D-Ark.), chairman of the Senate Appropriations Committee. McClellan was one of only five Democrats who sided with Mr. Nixon in the rehabilitation vote.

McClellan, according to Stevens, said he had faced a hard choice on whether to go along with the President and had concluded that his task as Appropriations Committee chairman to mold a responsible budget made him feel he must support the veto.

DEPARTMENT OF LABOR DECLINES TO TESTIFY AT IMMIGRATION AND NATIONALITY HEARINGS

(Mr. EILBERG asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and include extraneous matter.)

Mr. EILBERG. Mr. Speaker, on Monday, May 7, I advised the House that Subcommittee No. 1, Immigration and Nationality, of the Committee on the Judiciary, would continue its hearings on May 10 to consider H.R. 981 which amends the Immigration and Nationality Act as it affects immigration policy regarding countries of the Western Hemisphere.

The subcommittee had scheduled officials from the Department of Labor as witnesses.

The principal issues before the committee in considering this legislation are:

First. Should the existing preference system, now applicable to the Eastern Hemisphere, be imposed on the Western Hemisphere?

Second. Should there be a per-country limitation on the number of immigrant visas available and, if so, what limitation should be imposed?

Third. What provisions should be included in legislation applicable to refugees?

Fourth. Should the alien labor certification program be revised and is it effectively protecting the domestic labor market?

I am distressed to advise the House today that the Department of Labor has refused to honor the committee's request and has declined to send official witnesses to appear before the subcommittee.

I must further advise the House that previously, on April 12, representatives of the Department of Labor were invited to testify, but at that time the committee was informed that the Department was not prepared to testify and would need additional time—that additional time was accordingly granted.

Before the subcommittee can proceed in a logical and reasonable manner, it is manifestly important that the subcommittee receive an affirmative policy position from the Department of Labor and have an opportunity to question its officials.

This lack of cooperation will impede the subcommittee's attempt to bring to the House this session needed legislation, establishing equitable immigration procedures for persons from Western Hemisphere nations.

I assure the House that it is the desire and intent of the committee to report Western Hemisphere legislation as soon as possible. Unfortunately, the executive branch of the Government, once again demonstrating its unwillingness to cooperate with the Congress, has obstructed the committee's efforts to produce meaningful, remedial legislation.

President Nixon has 1,351 days left in his term. I fear that we will have to wait 1,352 days to get some cooperation from the executive branch.

THE NEED FOR QUICK ACTION ON WATERGATE PROBE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Connecticut (Mr. SARASIN) is recognized for 15 minutes.

Mr. SARASIN. Mr. Speaker. I would like to take this opportunity to call for maximum feasible speed in the now overdue investigation of the entire distasteful pattern of events we have come to refer to under the general term "Watergate." I welcome the decision by Attorney General designate Elliot Richardson to appoint a special prosecutor to handle this case and I appreciate the need to select this individual with scrupulous care, but the health of our political system calls for rapid and thorough disclosure of all the facts surrounding not only the Democratic Headquarters bugging incident, but any other illegal and unethical activities carried on by people in high places.

Watergate has become a cancer eating at our political system and only speedy and thorough surgery can effect a cure. The longer such action is delayed, the further the cancer spreads, eroding public confidence in elected officials and compromising the reputations of honorable men.

Until a complete investigation, conducted by a man of unimpeachable credentials and total objectivity, brings to light every facet of this repugnant affair, the U.S. Government and the honorable profession of politics will continue to be sullied by rumor, innuendo and suspicion. Only when the entire story is out in the open and the perpetrators of these dishonorable deeds are meted out suitable punishment will we be able to say Watergate is behind us.

It has been widely reported that Watergate is a crisis for the President, and this is undeniably so. But it is also a crisis for all of us in government, on both sides of the aisle. Government in a democracy can only be effective so long as it has the confidence of those governed.

This confidence has been shaken and only the truth can restore it. For this reason, it is imperative for our Nation that an impartial and exhaustive investigation be completed as rapidly as possible and that our political system demonstrates convincingly that it has the ability and the will to cleanse itself.

CUT IN IMPACT AID FUNDS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Alabama (Mr. DICKINSON) is recognized for 60 minutes.

Mr. DICKINSON. Mr. Speaker, I rise in favor of voting down the previous question on House Resolution 389 to allow Mrs. MINK to offer her amendment to remove the ceiling on funding for category B students under the Federal impact aid program. This amendment is vital to the future of education in the second district of Alabama, as well as around the country, and I urge the House to allow a vote on it.

There is a tremendous number of B students in my district and the cut in impact aid funds for these students from 73 percent of entitlement to 54 percent has caused a great hardship for our school systems. As you know, school budgets are set in September at the beginning of each school year. At that time, administrators plan to spend *x* amount of money for teachers and operational expenses, and appropriated Federal funds are figured into the budget.

The superintendent of education for the Montgomery public school system in Montgomery County, Ala., has informed me that the proposed amendment will keep him from sustaining approximately a $155,000 loss in funds which have already been budgeted. He said that he sees "no hope of any local revenue to replace this loss."

Should these funds not be made available, the school system will have to make up for this loss by cutting back in services this summer and next year, a move which has already begun. Not only will impact aid students be penalized but also the other students in the school system will suffer because we will not be able to offer quality education to any of the students.

School systems throughout my entire district, which is heavily impacted by military installations, are in basically rural counties and are more severely and drastically affected by the cuts in category B funds than the Montgomery public school system. These systems will be forced to cut back in services now, and in fact, they have already been forced to let some teachers go. I urge my colleagues to vote down the previous question in order that we may have an opportunity to see that children who attend schools with large numbers of category B impact aid students will get an adequate education.

EXPERIMENTATION ON HUMAN FETUSES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland (Mr. HOGAN) is recognized for 10 minutes.

Mr. HOGAN. Mr. Speaker, the reports last month that the National Institutes of Health was considering financing experimentation on human fetuses born alive after abortions, shocked many people. Certainly I was shocked at this revelation, but I was not surprised. To me, this only further substantiates my argument that once you have declared that an unborn baby is of no value, that it is a "non-person", as the Supreme Court did in its January 22 decision, you have crossed the Rubicon and anything is possible.

The Court has, in effect, declared that, if a human being is unwanted, he can be eliminated. Where will the line be drawn between those who can legally be eliminated and those who cannot?

Is it really not probable that the next step will be to deliberately try to keep the fetus alive so as to assure a supply of live humans for medical researchers? If the unborn child has no value it is academic what you do with it.

Today I am joining with my distinguished colleague from New York (Mr. RONCALLO) and many other Members of the House in sponsoring legislation that makes it a Federal crime to carry out any research activity on a human fetus or to intentionally take any action to kill or hasten the death of a human fetus in any federally supported facility or activity.

This proposal carries a stiff penalty for violators prescribing a minimum sentence of 10 years and a maximum sentence of 20 years.

Despite the fact that NIH has adopted a policy that it will not support live fetus experimentation, the need for this legislation is very real. NIH, having once established a policy for itself, may later change that policy.

Although this legislation only applies to federally funded facilities and research and not to privately funded research, such as may be financed by large tax-exempt foundations, it will serve to make clear the feeling of Congress on the matter and will further serve as a model for individual States to follow. I would hope that all 50 State legislatures will adopt legislation prohibiting research on a live fetus.

In the final analysis the only way to stop this type of thing is to remove the legal and ethical basis that makes it acceptable. The problem of experimentation on human fetuses is merely an outgrowth of a whole new area of ethical questions arising in the medical profession that are the direct result of the Supreme Court's decision.

The incidence of aborted babies being born alive is not rare. Let us not deceive ourselves as to what we are talking about. We are talking about human beings. When the U.S. Supreme Court in its decision refers to the "potentiality of life" it is ignoring the medical and scientific facts. What we are talking about is the "reality"—the "actuality" of life, not the "potentiality" of human life.

Who of us is competent to assess whose life is meaningful? Who has the power and audacity to say that another individual has a "meaningful" life and another human being does not.

In January we were talking about abortions, the killing of unborn babies; in April the question of experimentation on live human fetuses arose; and now the media is full of articles on euthanasia propagandized under the euphemism of "death with dignity."

Enactment of this legislation to make testing on fetuses a crime is a step in the right direction. We cannot stop there however; we must go even further and constitutionally guarantee the right to life, not only to the unborn, but also to the ill, the aged and the incapacitated.

Mr. Speaker, I urge my colleagues to swiftly approve this bill introduced today and I further urge them to explore the ramifications that the Supreme Court decision of January 22 is going to make on our society. Everyone who cherishes the precious gift of life should realize that a constitutional guarantee for all individuals is a necessity and I invite your support of my amendment, H.J. Res. 261, that will do just that.

The time has come for Congress to act to insure that this country does not fall into a broadening disregard for the dignity of human life. The public outcry over the Supreme Court decision has been great and I hope now Congress will respond to it by restoring our respect for human life.

APPROPRIATION OF AMERICAN ASSETS BY PERU

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota (Mr. FRENZEL) is recognized for 5 minutes.

Mr. FRENZEL. Mr. Speaker, the Government of Peru has, effective last Friday, expropriated the assets of the fish meal industry within its borders. At least five American companies have suffered losses with no immediate prospect of compensation.

Peru's intentions to pay are unknown to me now. The chairman of the House Committee on Banking and Currency stated this morning that he believes Peru is shifting from a rather hardline position to a more conciliatory one on payment for expropriation. I hope he is right.

Until we know Peru's intentions we have no choice but to use all our capabilities to persuade Peru to abide by international law. Specifically, I have asked the Secretary of State to give the repayment question top priority in his upcoming visit to Lima. In addition, I have asked the Secretary of the Treasury to carry out the provisions of law with respect to our votes on the Inter-American Development Bank and other development associations. These actions would be only the beginning.

The United States cannot, and does not want to set domestic policy for other sovereign nations. We must however, insist that all nations, including Peru, line up their international responsibilities.

GASOLINE HOARDING

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. ASPIN) is recognized for 5 minutes.

Mr. ASPIN. Mr. Speaker, major oil companies are hoarding gasoline in an attempt to drive independent dealers out of business.

In response to this drive I am introducing legislation today that would force the major oil companies to continue to supply independent dealers and gas stations. Identical legislation has been introduced in the Senate by my distinguished colleague from Ohio, Mr. SAXBE.

Unless strong congressional action is taken now the major oil companies may be able to force hundreds of independent gasoline stations and distributors out of business as a result of this summer's so-called gasoline shortage. Earlier this week I had learned that 342 gasoline stations have closed, and 930 are threatened with closure. According to the Office of Emergency Preparedness, this number has now grown to 562 closures and 1,376 stations threatened with closure.

I fear that by mid-August thousands of independents will be forced to close unless legislative action is taken.

My bill would force major companies to cut back all their customers equally in percentage terms as shortages develop. At present, major oil companies have cut independents off completely and holding on to gasoline for their own service stations. The result of this hoarding could be catastrophic for the American consumer.

Once the independent cutrate gasoline station which sells gas 1 to 2 cents cheaper is forced out of business, the major companies can jack up their prices at will—billing consumers for $1 billion each time they raise gasoline prices a penny. In order to maintain competition in gasoline sales we must make sure that independents are not forced out of business this summer.

In addition, this legislation would prevent the oil companies from increasing wholesale prices to independent dealers and distributors any higher than the average price increase across the board for all companies. I have already received reports of several gasoline stations in my own congressional district that are being forced out of business and some distributors being faced with gas cutoffs from major companies such as Texaco and Sun Oil Co.

Mr. Speaker, to be perfectly blunt, this squeeze is nothing less than a conscious effort to eliminate gasoline competition and it must be stopped through Federal legislation.

LOCK THE DOOR TO INDOCHINA

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York (Ms. ABZUG) is recognized for 10 minutes.

Ms. ABZUG. Mr. Speaker, this morning, the Subcommittee on Asian and Pacific Affairs of the Foreign Affairs Committee began its second day of hearings on legislation to terminate our involvement in Indochina. At the invitation of Representative ROBERT N. C. NIX, the chairman of the subcommittee, I had the privilege of presenting my views on the subject, and I include the text of my statement at the conclusion of my remarks.

Also this morning, the Democratic Caucus here in the House voted 144 to 22 to support the Addabbo-Flynt-Giaimo amendment, which would delete from the second supplemental appropriations bill a provision giving the Defense Department an additional $500 million in transfer authority for the current fiscal year. And this afternoon, by votes of 219 to 188 and 224 to 72, the full House for the first time in the decade since our troops landed in Indochina voted against our military involvement there.

These are great and momentous steps, but they are not enough. As I stated to the Asian and Pacific Affairs Subcommittee this morning—

> Defense Secretary Richardson has already stated that even if the (transfer authority) is denied, the bombing of Laos and Cambodia will probably continue, because the DOD will just find the money somewhere else and cut back some other military programs.
>
> We must act to pass affirmative legislation which will end our military involvement in Southeast Asia once and for all.

We must assert our constitutional responsiblity to control the basic foreign and military policy of the United States, and we must effect the desire of the American people to end our military involvement in Southeast Asia—not only the presence of our troops, planes, and bombs, but also the presence of our financial support for the military and paramilitary activities of governments there.

I urge my colleagues in the House—and particularly those on the Foreign Affairs Committee—to take the next step and to approve legislation to end all American military involvement in Indochina.

The text of my testimony follows:

TESTIMONY OF CONGRESSWOMAN BELLA S. ABZUG

Mr. Chairman: Before we proceed with the discussion of Cambodia, I believe we must ask what it is that we as a nation are really doing and why we are doing it. Stripped of rationalizations, the stark truth is that—

We are spending millions of dollars each day to bomb a tiny Asian country;

We are killing innocent civilians;

We are creating thousands of miserable refugees;

We are propping up governments admittedly weak and temporary;

We are incurring the world's wrath for such continued barbarism;

We are violating the Peace Agreement and the Constitution;

We are committing ourselves to years of continuing war.

Let us look first at the financial cost of what we are doing. On April 25 the Air Force estimated its bombing costs at $1.8 million per day. Including many hidden costs, however, the Cornell Air War study estimates the cost of bombing Cambodia at $4.5 million a day. On May 4, the *Washington Post* stated that some estimates ran as high as $10 million a day. If the latter figure were correct, the $150 million in supplemental funds requested by the Department of Defense would last just 15 days! Then what? Will the Department come back for yet another bag of money? They have already reprogrammed $492 million above budgeted amounts for Fiscal Year 1973. They now ask $311 million for "U.S. force support, mainly associated with air activities" in South East Asia. About $150 million of this $311 million is for "back debts" so to speak, for operations that took place from January through March; $162 million covers April through June. So confident is the Pentagon of a complaisant Congress that they blithely proceed to bomb first and pay later.

We must remember that we are also paying 90% of the support of the Thieu government in South Vietnam, and maintaining there what has suddenly become the world's third largest air force. Over 100 United States corporations help keep Saigon's armed forces armed, at a cost of over 250 million tax dollars this year alone.

Consider, please, that $200 million was cut from the budget for child nutrition in this country. How do we want to spend our tax dollars?

The cost in human terms in this country is great enough; we can scarcely imagine what it is for the Cambodians. Nearly half the population is listed as refugees or displaced persons, according to Wells Klein of the American Council for Nationalities Service who reported April 16 to a Senate Subcommittee: Of a total population of 6.5 million, refugees or displaced persons number 2,957,000. They are homeless, hungry, and terrified. They are on my conscience and, I'm sure, on all of yours. One million dollars of AID money has just been allotted to their care. This does not allay our anguish at having helped to create their misery in the first place.

We are also killing outright an average of 73 Cambodian soldiers each week—and about 700 civilians. Due to primitive communications there are no firm statistics. A first hand report in the *Washington Post* last week states that it is "more than likely that losses among the civilian population are running 10 times as high" as among soldiers. The estimate is based on population density in the B–52's bombing areas, multiplied by the number of sorties per week.

This, then, is what we do. Next we must ask, why? Why do we continue behaving, in Indochina, as though we had not agreed to get out? All the old excuses are removed: the troops are out of Vietnam and the prisoners are home. Although he claims "the attainment of an honorable settlement in Vietnam" Mr. Nixon acknowledges that "the peace remains fragile."

Was the cease-fire only an election ploy? Even as the agreement was signed, Mr. Nixon stated that he recognized the Thieu government as "the sole legitimate government of South Vietnam"—in direct contradiction of the agreement. We can only conclude that the peace was deliberately made fragile.

President Thieu knows that his government would not last a week without U.S. support. Why do we continue to support him? The rationalizations given by the Administration obviously are not the real reasons, and I suggest that we examine both.

It is clear that the Cambodian bombing exists to prop up not only the Lon Nol government, recently rearranged by General Haig, but to continue bolstering the Thieu regime.

In his recent statement before the Senate Foreign Relations Committee, Secretary of State William Rogers justified our continuing bombing of Laos and Cambodia by saying that it is necessary to implement Article 20 of the January 27th four-party agreement. Article 20(b) provides as follows:

"(b) Foreign countries shall put an end to all military activities in Cambodia and Laos, totally withdraw from and refrain from reintroducing into these two countries troops, military advisers and military personnel, armaments, munitions and war material."

The January 27th agreement includes no enforcement mechanism or procedures with regard to Article 20. However, the United States is also a signatory of the March 2nd agreement among 12 nations on the subject of the January 27th agreement and protocols. Article 7 of the March 2nd agreement provides as follows:

"ARTICLE 7

"(A) In the event of a violation of the agreement or protocols which threatens the peace, the independence, sovereignty, unity or territorial integrity of Vietnam, or the right of the South Vietnamese people to self-determination, the parties signatory to the agreement and protocols shall, either individually or jointly, consult with the other parties to this act with a view to determining necessary remedial measures.

"(B) The international conference on Vietnam shall be reconvened upon a joint request by the Government of the United States of America and of the Government of the Democratic Republic of Vietnam on behalf of the parties signatory to the agreement or upon a request by six or more of the parties to this act."

Read together, these two provisions mean that even if there are North Vietnamese personnel in Laos or Cambodia—and I have yet to see any proof of this—the United States is bound by the March 2nd agreement to seek consultation with the other parties thereto and is clearly violating that agreement by its actions in and over Cambodia and Laos.

Thus, Secretary Rogers' claim that the agreements to which the U.S. is a signatory provide a legal basis for our activity is wholly spurious and without foundation.

The agreement aside—and it is obviously not a "treaty" within the meaning of the Supremacy Clause (art. VI, cl. 2) because it hasn't been submitted to the Senate for ratification—there is absolutely nothing in our Constitution or laws which authorizes Mr. Nixon to bomb Cambodia and Laos. There has been no declaration of war by Congress. The Gulf of Tonkin Resolution was repealed effective January 2, 1971. There has been no congressional appropriation of funds for this activity and I firmly hope and expect that the House will decline to make such an appropriation when it considers the issue for the first time later today. The President is to "take care that the laws be faithfully executed," but he is not empowered to make them up.

Mr. Nixon continues to insist that North Vietnamese do most of the fighting in Cambodia, even though U.S. Embassy personnel there and a Senate Investigating Committee state that it is a civil war in which government troops are reluctant to fight against their relatives.

We may be certain that the other side is violating the agreement; we can be equally certain that they will not stop so long as we continue to violate it.

We must ask whether a corrollary purpose of our acts is to prop up the regime of President Nixon, who desperately wants to label war with bombs as "peace with honor." If this is his purpose, he is once again misreading the American people. Their revulsion to this terrible, useless war was expressed long ago; now there is added revulsion to crime at the highest levels. Mr. Nixon expects renewed bombing to distract attention from the disgrace of Watergate and the disaster of the national economy, he is wrong. This is just one more instance—perhaps the strongest—of his inability to govern.

The *Washington Post* has suggested that he is "not ready to accept the political risk of having it all slide out from under him in Indochina in a way which would tarnish his over-stated and misguided boasts about the nature of the 'peace' he has achieved." The editor asks, "What is wrong, or dishonorable, about finally letting our side go it alone? Or are American B–52's to be a permanent part of our 'peace-making' effort in that corner of the world? . . . (Mr. Nixon) has nothing of value left to prove or win there, only something further to lose."

Next we must ask whether it is necessary to keep the war going, to maintain jobs for Americans. With our vaunted American know-how, surely we can put people to work on the human needs—housing, medicine, social services—that cry out for attention The same workers' skills, in the same plants that now makes bombs and other useless hardware, could be turned to the manufacture of useful equipment for consumption and export. Where plants and military bases are closed, training programs should be started immediately. Hundreds of blueprints for such programs have been provided over the past decade; I have seen them and so have you. Surely we do not have to say that our economy can be sustained only through war production.

Then we ask whether our stance in Asia is essential to detente with other Big Powers; a bargaining chip in negotiations. On the contrary, I believe it is putting great strain on these relationships. Although China is obviously reluctant to intervene, our escalation poses a constant threat of such intervention. It is as though Mexico were being bombed by a foreign power, there is a limit beyond which intervention from another continent cannot be tolerated.

Our acts also put the Soviet Union into an adversary role, having to supply weapons with apparent reluctance to countries they have no business helping or hindering, any more than we have.

We must ask, also, the basic question that should be publicly discussed before any foreign intervention: does it serve the national interest of the United States? It is immediately apparent that Cambodia, like Vietnam, poses no threat to the U.S. General John D. Ryan, testifying before a subcommittee this week, stated that the area is not strategic to the defense of the United States. The interests of 99% of our people were badly served by the killing of 50,000 young Americans and the spending of billions of tax dollars in Vietnam. They will be further betrayed by a continuing involvement in Indochina.

The question than is: in whose interest do we continue this war? The only beneficiaries are the Pentagon, its contractors, and their stock-holders: the same people for whom the Nixon Administration has run the country. Profits and dividends are at record highs while, as we all know, the middle income and lower income worker can scarcely survive. Three-fourths of the people have expressed themselves firmly and repeatedly in opposition to the war. Dare we ignore them longer? Dare we pursue with dogged stubbornness a foreign policy which benefits a very few at terrible cost to the many?

Among the war contractors who profited handsomely from Vietnam are ITT, Philco-Ford, Sperry-Rand, and Lear-Siegler, a California-based electronics firm which recently received a $6.5 million contract to train and support the Vietnamese Air Command. N.H.A., a lesser-known American company, has received over $45 million in aircraft maintenance contracts for the Department of Defense. ITT has received at least $48 million in DOD contracts. The changeover from military to civilian "advisory" personnel in Vietnam has been widely reported in the press. Less well covered is the continuous recruiting for what is obviously planned as a long involvement.

The CIA's Air America last July sought recruits with a brochure saying, "Although flights mainly serve U.S. official personnel movement and native officials and civilians, you sometimes engage in the movement of friendly troops, or of enemy captives; or in the transport of cargo more potent than beans. There's war going on. Use your imagination!" The brochure goes on to state that ". . . it looks as if we'll finish the war (and peace terms favorable to our side); if so, it is expected that a boom among contract operators will result . . ."

So the war is supposedly finished in Vietnam, and the "peace terms favorable for our side" are stretched to include the bombing of Cambodia. We too can use our imaginations about what's next.

There have already been published reports that the U.S. plans to pay for additional bombing of Cambodia by the South Vietnamese Air Force; and to give financial support for an invasion of Cambodia by Thai troops. Mr. Nixon's frequent "warnings to Hanoi" threaten re-escalation of this kind. Presumably the American people—who would not stand for the use of American troops on the ground—will not cry out against such involvement. But I believe they will.

The dramatic escalation of the bombing causes increased concern: at the end of February, an average of 23 tactical air sorties and five B-52 sorties were flown. At the end of March, an average of 184 tactical and gunship sorties, and 58 B-52 sorties. Three planes have now been lost over Laos and Cambodia, nine men have been killed and 2 are missing. Will we allow the tragic scene to unfold once again?

I certainly don't have all the answers, not even all the questions. It is impossible today even to raise all the questions, because so much information is "classified." But of one thing I am sure: the U.S. is still in Southeast Asia because this Congress has not acted to end the war. We could have done so years ago; we can do so at any time; we MUST do so now.

WHY do we not act? We cannot say that our constituents do not want us to act; we know that they do. If we do not, their growing disillusionment with government will be intensified and their respect for the Legislative branch still more diminished.

Some members of Congress have hesitated to act because they wanted to support the President, right or wrong. These men and women show commendable loyalty; but recent events have proved how disastrous such blind support can be. A President with the power we have given him can be wrong catastrophically. The very foundations of government are shaking because of the wrongness of this incumbent. We cannot go on, out of respect for the office supporting the wrong action of an incumbent.

The Republican party long ago repudiated the philosophy of "bombing them back to the Stone Age". The Democratic Caucus adopted a resolution making it Democratic policy to cut off funds for this war. So why haven't we done it? Why do we instead contemplate the continued funding we profess to deplore?

The troublesome conclusion is that some Members listen, not to the three-quarters of their constituents who want us out of Asia, but to the little group of tycoons who control the wealth and, unfortunately, the elections. It is time we all look to our own conscience and ask whether we can any longer be part of this vicious, lethal evil.

I would like to commend Congressman Joseph Addabbo for his continued courageous opposition to the transfer authority requested by the Department of Defense in the Second Supplemental Appropriations Bill of 1973. In additional views presented to the House Appropriations Committee, Rep. Addabbo, along with Rep. John J. Flynt, Jr. and Rep. Robert N. Giaimo, stated the case clearly:

". . . this amounts to a Congressional blank check approving combat activities of the Defense Department which have already taken place, and giving Congressional approval to any future combat activities which may be deemed necessary. . . . This kind of after-the-fact approval is all to reminiscent of the entire history of U.S. involvement in Vietnam. It reminds us of the Gulf of Tonkin Resolution. It reminds us of the steady and deliberate erosion of Congressional influence in the making of decisions concerning Southeast Asia. It reminds us of the entire experience of the last ten years when Congress in effect gave blind approval and support to the Executive branch to conduct combat operations in Southeast Asia. To approve this request for transfer would be to start the entire sordid chain of events in motion once again.

"Now is the time to regain Congressional control of the United States' destiny. We must refuse to approve this request. . . ."

But it is insufficient merely to block this request for additional transfer authority. Defense Secretary Richardson has already stated that even if it is denied, the bombing of Cambodia and Laos will probably continue, because the DoD will just find the money somewhere else and cut back some other military programs.

We must act to pass affirmative legislation which will end our military involvement in Southeast Asia once and for all. This subcommittee has the power to take the first step in that direction, by favorably reporting to the full Foreign Affairs Committee a bill which will accomplish that end.

I am privileged to be a sponsor of H.J. Res. 514, which would cut off all funds for U.S. combat operations in or over Cambodia, Laos, North Vietnam and South Vietnam without express congressional approval. I would hope to see favorable consideration of that measure as soon as is humanly possible. I have also introduced a bill, H.R. 3578, which would end military operations by United States forces, and all U.S. paramilitary operations, such as those carried on under the auspices of the Central Intelligence Agency, the Agency for International Development, and so forth, would cut off all U.S. military aid to "any nation, party, group or person in Indochina," and would extend the cutoff of U.S. activity and military assistance to Thailand as well as the other 4 nations of the area.

I thank you for your kind attention and urge your quick and positive action on the legislation before you.

SERVICE-CONNECTED SOCIAL SECURITY COVERAGE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 5 minutes.

Mr. GONZALEZ. Mr. Speaker, today I am introducing a bill that would provide social security coverage for those who have a service-connected disability incurred or aggravated while on active duty in a combat zone and rated by the Veterans' Administration at 50 percent or higher, and for those who die as a result of disease or injury incurred or aggravated while on such duty before September 15, 1940.

I have received a number of letters from my constituents who have expressed to me the difficulties they have encountered in finding means of support, especially in this period of tremendous inflation, and I believe this coverage is essential to their well-being.

As disabled veterans they were unable to find or keep a job, but ineligible for social security assistance because of insufficient quarters. The disabled veteran is caught in an unfair situation which he otherwise would not be in if it were not for his dedication and service to his country in time of need. Now that he is in a position of need I strongly feel we should come to his aid. I believe this bill is a priority measure and hope that it can be enacted into law to help those who have served our great Nation.

UNITED STATES RELATIONS WITH REPUBLIC OF CHINA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. MURPHY) is recognized for 5 minutes.

Mr. MURPHY of New York. Mr.

Speaker, in recent years our Government has made great strides in attempting to normalize or defuse relations with the People's Republic of China. However, these advances have been made at the expense of our loyal and trusted allies—the Republic of China. Since 1955, the United States and Taiwan have been close and cooperative friends. Now, recent actions on the part of our Government are threatening to terminate that friendship and, indeed, the continuation of Taiwan as a national entity.

Our Government has always accepted the obvious fact that the Republic of China cannot, without outside aid, protect herself from the advance of her far larger and historically hostile neighbor, the People's Republic of China. Therefore, we acted as best we could to insure Nationalist China's safety. In 1955 the Congress passed by overwhelming margins the Mutual Defense Treaty, and the "Formosa Resolution," which promised U.S. protection should any of Nationalist China's offshore islands be attacked. These two documents were of a solely defensive nature; they promised no support for any conceivable counterattacks against the mainland and they sanctioned none. They were documents of understanding, documents which took into account the troubles of a small nation and its endangered people.

Our Government has mantained the commitments that it made in the Mutual Defense Treaty. However, we certainly have done nothing of the sort in connection with the "Formosa Resolution." The basic difference between the two documents is one of power and of attitude. For the Mutual Defense Treaty promises nothing but the protection of Taiwan and the Pescadores while the "Formosa Resolution" promises protection for the surrounding islands. The latter implies far more strongly our acceptance of the Republic of China as the only legal and rightful government of China, a policy to which our government no longer seems committed.

For over 15 years, three successive U.S. administrations have staunchly upheld both documents. During these years there were numerous threats to Taiwan and her surrounding islands. With each threat, our Government realized the necessity of putting a clamp on Communist China's aggressions, of safeguarding the Republic of China. The year 1955 saw great pressure because of Communist Chinese attacks and victories over the Nationalists. At that time, John Foster Dulles warned that it was "doubtful" whether the forcing of a Nationalist retreat from the offshore islands "would serve either the cause of peace or the cause of freedom." However, these words seem to be forgotten in our changing national policy toward the People's Republic of China. Historically our democracy has claimed to be a fighter in the vanguard of freedom. Yet, sometimes we have taken the easy road; we must resist the tendency to simply forget or betray the very principles and ideals upon which we were created and for which we have pledged to struggle. If we continue to do so Taiwan may be the immediate victim. Civilization itself may well be the final victim.

The People's Republic of China has made great leaps forward in terms of international stature and internal wellbeing. Its gains, however, should in no way serve to isolate or weaken the Nationalist government and the Taiwanese people. Nationalist China is an independent, proud, and peaceful nation.

No people who number over seven hundred million should ever be left outside of the international picture.

No people, merely because of their small size or lack of military prowess, should be forgotten.

And no people who have placed their confidence in the most powerful country on earth should be betrayed.

America seems at the point of breaking up a long and necessary alliance and, even more important, she is at the point of destroying her image as a trustworthy and honest defender of freedom and of the oppressed. To do either would be a serious mistake.

FUQUA SUPPORTS STRONG DRUG LAW ENFORCEMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. FUQUA) is recognized for 5 minutes.

Mr. FUQUA. Mr. Speaker, I am today introducing the "Federal Drug Abuse Enforcement Reorganization Act of 1973." The proliferation of narcotics and dangerous drugs is the Nation's No. 1 law enforcement problem and the abuse of these drugs has been called the Nation's No. 1 health problem. It is high time that we face up to this serious threat and muster every resource available to us in dealing with the problem. The first necessary step is, as the President has recommended, the realignment of current Federal law enforcement function. There is little question but that Federal law enforcement in the field of drug trafficking has suffered as a result of the duplication of efforts and diffuse nature of the present drug law enforcement effort.

I am, therefore, introducing this bill today to provide a mechanism for the coordination of Federal drug law enforcement. The measure will promote more effective management of certain related law enforcement functions of the executive branch by reorganizing and consolidating those functions in a new Office of Drug Abuse Investigation and Enforcement in the Department of Justice. This bill provides a mechanism for improved performance, coordination, and evaluation of drug enforcement functions at the Federal level, more effective coordination between Federal, State, and local law enforcement agencies, and the development of innovative approaches to the problems of controlling international and interstate commerce in licit and illicit drugs.

Presently the Federal fight against drug trafficking has been fragmented and less effective than would otherwise be possible. The Bureau of Narcotics and Dangerous Drugs, the Office for Drug Abuse Law Enforcement and the Office of National Narcotics Intelligence are involved in this fight within the Department of Justice alone. The Treasury Department, through the Bureau of Customs, is also involved in this effort. It is apparent then that greater coordination must be forthcoming.

While I feel that Congress has an obligation to design the appropriate mechanism for our efforts against drug enforcement, I also support legislation providing stiffer deterrents including mandatory sentences for drug pushers.

As the Members know, President Nixon has forwarded to the Congress Executive Reorganization Plan No. 2 of 1973. The plan apparently would provide the kind of coordination which is needed. There is, however one fatal flaw with the plan which I hope that future debate on the plan will disclose to every Member. Section 2 of the Reorganization Plan would transfer over 1,000 Immigration and Naturalization Service inspectors to the Bureau of Customs in the Treasury Department.

It was most ironic that the Subcommittee on Legislation and Military Operations of the Government Operations Committee held a hearing on Reorganization Plan No. 2 on the very day that H.R. 982, making it unlawful to knowingly employ aliens who have not been lawfully admitted for permanent residence, or who are not otherwise authorized by the Attorney General to work while in the United States, was being debated on the House floor. In subcommittee, I heard testimony from the Special Assistant Attorney General for Drug Abuse Law Enforcement that the transfer of some 1,000 inspectors from the Immigration and Naturalization Service would in no way jeopardize the Service's efforts in apprehending and deporting illegal aliens. On the floor, however, I heard my colleague ANDREW HINSHAW, relate the following:

> When Raymond Farrell, who recently retired as Commissioner of the Immigration and Naturalization Service, appeared before my Legal and Monetary Affairs Subcommittee of the Government Operations Committee, I asked him how bad the situation really was. He told me: "You can actually throw a rock up in the air in a large city such as Los Angeles and probably hit an alien who is illegally in the United States." But what is the Immigration and Naturalization Service doing about the problem? From Fiscal Year 1964 to 1972, its manpower increased by only nine percent.

I paid a great deal of attention to the statements my colleagues were making that day because I, too, feel strong and affirmative action must be taken to take illegal aliens from the job market. These illegal immigrants take jobs away from American citizens and legal aliens. Many expand our welfare rolls and their children contribute to the overcrowding in schools. And yet, the President has proposed that we eliminate 1,000 inspectors from the Immigration and Naturalization Service and send them off to the Bureau of Customs. I am familiar enough with the training and expertise of these immigration officials to know that the problem of illegal aliens is great enough that the inspectors must concentrate solely on visa and passport documents. I learned during the debate on the legislation to amend the Immigration and Nationality Act that the number of illegal aliens has rapidly increased since 1965. It was stated that there are presently between 1 to 2 million aliens illegally in the United States. In 1972 alone, the Immigration and Naturalization Service apprehended 505,949 illegal aliens, and 467,193 were expelled. If this body is concerned enough about illegal aliens to pass legislation levying criminal penalties for employing illegal aliens, I certainly feel it should be concerned enough about this program to prevent the transfer of 1,000 highly trained inspectors from the Immigration and Naturalization Service. It should be apparent that there is a need for still greater manpower in the Immigration and Naturalization Service.

It was pointed out that even our balance of payments is unfavorably affected by illegal aliens as untold millions of dollars are annually sent by them to families in other countries. Of greatest importance is the fact that each job occupied by an illegal alien means a lost job opportunity for a U.S. citizen or permanent resident. And, if there is one thing in this country that we need more of than anything else, it is an opportunity for every American to find employment. I cannot stand by and support the elimination of 1,000 highly trained inspectors at a time when we cannot get the national employment rate below 5 percent and when there are unemployment rates of 20 and 30 percent in certain population groups in our major urban areas.

I support the President's goal of conducting an all-out global war on the drug menace. I believe in it so strongly that I am today proposing a measure which will allow us to meet that goal and at the same time preserve the integrity of the Immigration and Naturalization Service. If we were ever confronted with a situation of "Robbing Peter to pay Paul," we are there today.

There has been much concern expressed that a vote against the reorganization plan is a vote against strong law enforcement. By using this logic, a vote in favor of the reorganization is a vote in favor of permitting illegal aliens to remain in jobs which could be filled by American citizens or permanent resident aliens. The proposal I am submitting today will resolve both concerns. On the one hand it will coordinate all Federal drug law enforcement efforts as requested by the President. On the other hand it preserves the effectiveness of the Immigration and Naturalization Service in dealing with illegal aliens.

I encourage my colleagues to join me in the fight against proliferating drug trafficking and abuse. Likewise, I encourage my colleagues to address the serious consequences which the Reorganization Plan will have on our efforts to remove illegal aliens from the American job market. Both problems must be responded to and an answer to one problem at the derogation of the other is not adequate.

WATERGATE AND PROTECTION OF NEWS SOURCES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. JAMES V. STANTON) is recognized for 15 minutes.

Mr. JAMES V. STANTON. Mr. Speaker, because of the Watergate scandal, there has been a fresh spurt of interest in a number of bills, pending in the House and Senate. These bills seek to assure the inviolability of the confidential relationship between newsmen and their news sources. This is an issue of crucial importance in a democracy, and last week I was invited to speak on this subject at the annual convention of the Ohio Press Women, in Huron, Ohio. For the information of my colleagues, I would like to reiterate here some of the points I made in my presentation to the newswomen.

I started out by saying that the pending bills suffer from a number of handicaps. There is no getting away from one of them—and that is the identity of the people who are promoting the legislation. The most vocal proponents happen to fall into two groups. Either they are professional news persons, or they are politicians, and unfortunately, others might view us as having a vested interest in these bills.

Every time the newspapers demand a free flow of information, their critics begin reading between the lines—and they come up with what they regard as the real reason behind the stories and editorials. They conclude that newspaper and broadcast people want this kind of protection because—

First. Their job depends on it; and

Second. They want to sell more newspapers—or beef up their audience ratings.

Also, every time a politician rises in their defense, he gets this curve thrown at him—sometimes even by his friends in the fourth estate; namely:

> That's a lot of grandiose talk by Jim Stanton about his acting for the press in the public interest. But we know what he's really up to: He wants to curry favor with the publishers and the broadcasters.

The fact is, though, that if politicians and news persons sincerely believe in the great need for this legislation, as I know many of us do, then we are going to have to depend on each other for support. I do not see any way to change this. Because, no matter how suspect our motives might be to smart alecks and to cynics on the outside, in the end it is only the news people who can publicize the overwhelming requirement for this kind of law—and, ultimately, it is only we politicians in Congress who can enact it.

It would be nice if we had the ardent priority support of disinterested public-spirited groups such as, say, Common Cause and the League of Women Voters. They could help convince the public that we are trying to save our country, not ourselves—that we are trying to preserve everyone's freedom, not just our own jobs—by lobbying for a newsmen's shield bill. But the fact is that while some of these groups have spoken out in favor of such legislation, I am not aware that any of them have made this one of their major causes. They all have other irons in the fire.

So it is up to us to try—unassisted, for the most part—to educate the public as best we can on this issue, despite the fact that so much of what we say sounds self-serving. Really, there is no one else to rely on for it.

And this, of course, is what I meant when I referred to our first main handicap. Many of us tend to vote for or against what we think our constituents want or do not want. Because the public apparently has not been fully awakened to the need for this legislation, it is perceived by some of us as just another special interest bill. And this has acted like a brake on the legislative process.

Which brings us to the second major handicap. There is no doubt that this is an issue of constitutional dimensions. But that fact is not clearly perceived outside this Chamber. I think the reason is that the underlying issue cannot be set forth simply. The proposition takes a subtle turn that escapes a good many people.

It is exceedingly difficult to put the point across that this legislation protects the news media only incidentally—that our chief concern is not merely to keep journalists out of jail, or to shield them from subpenas—that what we are really trying to do is to assure a free flow of information to the public.

As it happens, the person we are aiming at in this legislation is not visible to the public. We are trying, in this proposed law, to reach beyond the newsman and newswoman to make contact with the news source. We want to assure him that he has little to fear—that he can speak in confidence to members of the news media, with some solid assurance that the newsman cannot be forced to betray the confidence.

As a distinguished fellow Ohioan, Supreme Court Justice Potter Stewart, said in his dissenting opinion last June:

> We have held that the right to publish is central to the first amendment . . . a corollary of the right to publish must be the right to gather news . . . The right to gather news implies . . . a right to a confidential relationship between a reporter and his source.

The point made by Justice Stewart is especially important today because of the attitude of the administration that presently holds power in Washington. That administration opposes any kind of newsmen's shield legislation. The President's spokesmen have come up to Capitol Hill, and they have testified that there is no need for this kind of law, because the Justice Department operates on its own guidelines. And the spokesmen insists that the Justice Department lawyers implementing these guidelines are fully sensitive to the need for a free press. I would like to quote from one of those guidelines:

> The Department of Justice recognizes that compulsory process . . . may have a limiting effect on the exercise of the First Amendment rights. In determining whether to request issuance of a subpoena to the press, the approach in every case must be to weigh that limiting effect against the public interest . . .

In other words, some lawyer in the Justice Department—not the representatives of a free press—is going to determine what is, or is not, in the "public interest."

Besides the guidelines, the administration has given us, just recently, the Criminal Code Reform Act of 1973. This bill, introduced in March, is a voluminous one that generally updates the criminal code.

Buried deep inside this legislation are a few provisions that, somehow, were omitted from the White House press handouts. These imbedded provisions would fetter the press in a way completely foreign to its experience as one of the thriving and vital institutions of America's democracy.

Mr. Speaker, let me give you a few examples:

The administration bill makes it a felony for a Government employee to hand over to an "unauthorized person"—which means, of course, a newsman or newswoman—certain Government documents. When I say "certain documents," I mean those that are classified secret or confidential or whatever. There are 20 million such documents lying around Washington, some of them dating to World War II. Of course, it is the Government itself that classifies its own documents. Further, a reporter who receives the classified information would be guilty of a felony. And Government officials who knew about such a transaction between one of their colleagues and a reporter would be guilty of a felony, too, unless they reported the incident—identifying both the reporter and the news source—to the authorities.

As Jack Landau of the Newhouse News Service, wrote:

> The Nixon proposal flatly counters American tradition that government reports and studies belong to the public and cannot be owned by the government.

This whole business recalls the admonition issued by Justice Douglas when he joined Justice Stewart in dissent last year. Douglas warned:

> The reporter's main function is going to be to pass on to the public press releases which the various departments of government issue.

Now, against this background, where do we stand on newsmen's protection legislation? Dozens of bills have been introduced on this subject, including one by me, H.R. 3725. Hearings have been held by the Judiciary Committees in both chambers.

The chief difficulty so far, in addition to administration opposition, is the fact that proponents cannot agree on the type of bill they want. On account of this, we might end up with a situation where neither Committee reports out any bill favorably. Or, if one is reported, it is doubtful right now that a majority could be mustered in favor of any particular version. And beyond this obstacle, of course, looms the possibility of a Presidential veto.

I do not think that this is the time and place to examine the pros and cons of the individual bills. However, I think it is sufficient to say at this point that the bills fall into two broad categories.

One group of bills—which includes my own—would confer absolute immunity on members of the news media. Under no circumstances could they be forced to disclose the identity of their news sources to officials of the Government.

A second group of bills also confer immunity, but the protection is abridged by various qualifications, depending on which bill we are talking about. For example, one of the principal so-called qualified bills has been introduced by my distinguished colleague from Ohio, the Honorable CHARLES WHALEN. It has some 70 cosponsors. One of its qualifications is that a news source would have to be identified when a Federal judge decides that there is "an overriding national interest" in favor of the disclosure.

I would like to explain my own preference—first, as a politician, and second, as a lawyer—for absolute legislation.

As a politician, I think I know something about human nature—at least the proclivities of public officials. I think they need maximum assurance that they will remain anonymous when this is what they want—and, as we know, we generally want to be anonymous unless the news media happen to be singing our praises.

Therefore, if we were to enact a law saying that news sources are shielded except under certain circumstances—a law qualified by a list of "howevers"—I think the newsmen and newswomen are going to lose a lot of news sources. These sources simply are not going to run the risk of examining the law to determine whether or not it applies to them in a particular instance. Rather than analyze the law and try to figure it out, the news source will tend to play it safe—to adopt a personal policy that would boil down to this:

> When in doubt (which could be most of the time), keep quiet. Be nice to the news media, but volunteer nothing.

I would add, as a lawyer, that when we are dealing with issues of constitutional proportions, it is best to articulate proposals in absolute terms. I refer you, for instance, Mr. Speaker, to the first amendment, which is stated as an absolute. This does not mean there can never be exceptions to it. As Justice Holmes has said, the absolute right to free speech does not guarantee to a person the privilege of yelling "fire" in a crowded theater.

Under an absolute newsman's shield statute, circumstances inevitably would arise where, in a particular case, some other public interest would override the statute. When that occurs, a court would so find on a case-by-case basis. However, if we start out by writing qualifications into the law, we are abridging the right at the outset—and narrowing it in such a way as to possibly encourage future amendments that would abridge it still further.

There are plenty of absolutes in the Constitution and in our law books, and I do not think we have to worry that there are too many of them. We live with constitutional tensions day by day in our country. On the one hand—to cite a recurring example—we have the guarantee of a free press, and on the other hand, the guarantee of a fair trial. When the two collide, we do not obliterate one in favor of the other. Rather, since we value both of these rights highly, we seek to establish a public policy that permits the two of them to coexist—safely, if not comfortably.

Therefore, I do not think we need to become overly concerned that a grant of absolute immunity to the press is going to let some criminal go free—in cases where a reporter, say, has spoken confidentially to a numbers operator. We ought to have confidence that, over the long run, justice will be done—and that justice is more likely to prevail when the public is fully informed.

Now, I would like to add just a word about my own bill, H.R. 3725, to indicate how it differs from the others. The bill has only two sentences.

I think brevity is important—especially, again, when we are dealing with constitutional issues. The first amendment contains only one sentence. The proposed Equal Rights Amendment, dealing with the status of women, also is couched in a single absolute sentence.

The first sentence of H.R. 3725 says:

> No person shall be required by any Federal Court, grand jury, or agency, or by the Congress, to reveal any information, including the source of any information, obtained in the course of that person's involvement in the obtaining of news for broadcast, or written or pictorial dissemination to the public.

The bill concludes with this second sentence:

> As used in this Act, the term "person" includes any corporation, company, association, firm, partnership, society, or joint stock company, as well as any individual.

Under H.R. 3725, the news source would know that the journalist he is dealing with could not be compelled to reveal his identity. His only problems, then, would be, first, whether he feels he could trust the journalist to fall back on this law, if that becomes necessary, and second, whether he feels that he can indeed, in good conscience, violate the confidence of his superiors in the agency where he became privy to the classified information.

This latter consideration has its own implications in terms of good public policy but these, I submit, while indeed important, fall outside the purview of the issue concerning us here. In this connection, though, I think we ought to be cognizant of a basic distinction between the newsman and the news source. While the news source—if he is a public official—is an agent of the state, properly subject to disciplinary sanctions—no matter how high his motives—when he leaks information and gets caught doing it, the newsman himself is not an agent of the state. To force him into the role of state's agent, under threat of imprisonment, is to tamper with and abridge freedom of the press. Worse yet, it would create substantial doubts in the mind of the public that the press is, in fact, free—a neutral force interposing itself between the people and their government, in order to help the people exercise those rights that are reserved to them under our Constitution.

Mr. Speaker, I would like to call your attention more specifically to the scope and the phrasing of H.R. 3725.

As is evident, this bill would extend immunity to newsmen only in those cases where the Federal Government has jurisdiction. While I would be very pleased if this Congress were to approve a bill conferring the same immunity with respect to State and local government, I suspect that we lack authority to legislate in this area for States and their subdivisions.

The phrase "no person" applies to any person in the United States. In other words, the bill is not restricted in its coverage to professional newsmen or authors only. I do not think we can come up with a suitable definition of what is a professional newsman. But even if we could, I do not think we should limit the protection. A pamphleteer or the avocational publisher of a small newsletter, which he might distribute even free of charge, potentially has the capability of developing confidential sources of information—and information disseminated by him might have as high a degree of validity as the contents of our daily newspapers or better known magazines.

The "no person" formulation also affords protection to former newsmen who might be otherwise employed at the time an official inquiry is launched. Again, I think we must keep in mind the fact that we want to assure persons with information to impart that they need not fear forced betrayal by the newsman receiving the data. Informants naturally would feel inhibited if they could be certain of protection only on a temporary basis—only during the time that their contact remains employed by a given news organization.

"Any information" refers, of course, to notes and other materials in the possession of a writer or broadcaster which were not published or broadcast. Were a newsman forced by a subpena to produce this background data, he might indirectly lead his inquisitors to the confidential source of information, since in many cases inferences could be drawn by investigators examining the material.

Section 2 further defines the term "person" and makes it clear that the word includes corporations and other business entities. I feel this is needed, because organizations employing newsmen often have physical possession of his notes and other materials, and we ought to have a statute protecting them, too, against forced disclosure.

In conclusion, Mr. Speaker, I would like to state that it would be inadvisable to settle in Congress for anything less than an absolute immunity statute.

There will be a temptation to take something less, because the alternative might be no bill at all in this session. On most issues, I think compromise is necessary—because otherwise—as I have learned from experience—politics would become a futile exercise.

But on this issue I honestly believe that it would be better to have no legislation than limited legislation. I want to reiterate that we are confronted here with an issue of constitutional dimensions, and to accept any limitations whatever on the newsman's right to protect his news sources will serve only to dilute that right—and to invite future and more severe limitations.

Personally, I think time is on the side of those who favor this approach. In the end, there is a good prospect of getting what we want—getting what America needs. I say this because I think that the Watergate scandal is having the effect of boosting the news media in the public esteem. And by the time the whole truth emerges from that shameful episode in our history, the journalist might become a giant in the eyes of most Americans.

There may have been a so-called new majority that agreed with Vice President AGNEW when he used to assail the news media. But I kind of think that those days might be gone forever. When it comes to believing President Nixon on the one hand, or the newspapers on the other hand, I think most people—from now on—are going to opt for the newspapers.

The people are going to remember, for example, what Mr. Nixon's campaign director said about the Washington Post:

> Using innuendo, third-person hearsay, unsubstantiated charges, anonymous sources and huge scare headlines, the Post has maliciously sought to give the appearance of a direct connection between the White House and Watergate—a charge which the Post knows—and a half dozen investigations have found—to be false.

Clark MacGregor said that last October 16. Since that time—and I do not think I need tell you this—the news media have emerged the winner in this game of true-and-false with the White House. The people know that, and in the end, through their Congressmen, they will see to it that the press in this country is kept free.

LAWTON M. CALHOUN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia (Mr. GINN) is recognized for 5 minutes.

Mr. GINN. Mr. Speaker, Mr. Lawton M. Calhoun of Savannah, Ga., is a man who stands as a giant among Americans by virtue of his unselfish dedication to community service and his tireless efforts to insure that his city and his State continue on a path of achievement.

Mr. Calhoun has retired as president and chairman of the board of the Savannah Foods and Industries, Inc., the only major industry in Savannah that is home owned. He has recently been honored by the presentation of the Dyer Memorial Award as the "Sugar Man of the Year" for 1972. I would like to take this opportunity to add my congratulations to the many salutes which Mr. Calhoun has received.

Lawton Calhoun is one of those handful of men in our country who can make a difference in the daily life of his community. He has the knowledge, the skill, the energy, and the foresight to be a leader and a mover. His loss to the daily business world has been a great gain for my congressional district because he is now freer to devote even more time to the life of his community.

At this point, I would like to introduce into the RECORD an article from the Savannah Morning News, an editorial from the Savannah Evening Press, and the citation from the Dyer Memorial Award that all provide a wonderful insight into Mr. Calhoun's role in the life of the State of Georgia.

DYER MEMORIAL AWARD "SUGAR MAN OF THE YEAR 1972" TO LAWTON M. CALHOUN, CITATION FOR SIGNIFICANT AND MERITORIOUS SERVICE TO THE SUGAR INDUSTRY

For his significant and meritorious service to the sugar community during his nearly 40 years in the industry, Lawton M. Calhoun is hereby commended.

As Chairman of The Sugar Association, Inc., he early recognized that sugar must be actively promoted as a wholesome nutritious source of food energy.

As Chairman of The Association's Ad Hoc Committee, he was instrumental in organizing the International Sugar Research Foundation, a world-wide body dedicated to initiating and conducting investigations on sugar and disseminating the results.

Active in directing the affairs of the United States Cane Sugar Refiners' Association, his knowledge of the industry and his integrity made him as welcome in the hallowed halls of Congress as he was among his peers in the commercial and civic worlds.

More than his accomplishments was the man, possessing the highest integrity with a great appreciation of human relationships and understanding of other individuals problems.

His wise counsel and farsightedness are appreciated by a grateful industry which long will remember his outstanding contributions in its behalf.

[From the Savannah (Ga.) Evening Press, July 5, 1972]

A LEADER RETIRES

Lawton M. Calhoun, who retired a few days ago as president of Savannah Foods and Industries, has been a leader in Savannah's industrial progress for many years. He steps down with our best wishes and with Savannahians' gratitude for the role he has played in the local economy.

After joining the Savannah Sugar Refinery in 1940 as assistant sales manager, Mr. Calhoun rose to the post of president. His leadership expanded the industry's role in the economic life of our community, helping to increase local employment and income.

Over the years, Mr. Calhoun has been a good citizen in a variety of ways, contributing his energies to a number of worthwhile civic projects and organizations. At the same time, he has been active in numerous local businesses and firms, all of which play a major role in local commerce.

The statistics on the growth of Savannah Foods and Industries during his presidency indicate some of the contributions his leadership has made to the local economy. During his tenure, sales increased from $70 million to $171 million over a 10-year period ending in 1971. Total assets of the company were almost doubled in the same period and the company's income after taxes showed a similar rise. Stockholder's equity rose from $19.3 million in 1961 to $36.4 million in 1971 and net income per share over the same period rose from $2.72 to $4.92.

Mr. Calhoun's contributions to Savannah are appreciated. His has been the caliber of business leadership a community needs to grow and prosper.

Although he is retiring as president of Savannah Foods, we are sure his boundless energy and enthusiasm for our community will find expression in other projects which will be valuable and bring honor to Savannah.

[From the Savannah (Ga.) Morning News]

CALHOUN NAMED TOP SUGAR MAN

Lawton M. Calhoun, retired executive of Savannah Foods and Industries, Inc., has received the Dyer Memorial Award of "Sugar Man of the Year" for 1972.

Considered the most prestigious honor in the U.S. sugar industry, the award is given for "significant and meritorious service" to the industry.

Calhoun, who retired last year as chairman of the board, president and chief executive officer of Savannah Foods and Industries, received a giant silver bowl, a symbol of the award, at a luncheon in New York City Monday.

The presentation was made by John B. Bunker, president of Holly Sugar Corporation of Colorado Springs, Colo. who was chairman of the three-man judges panel.

Other judges were James H. Marshall, president of the California and Hawaiian Sugar Co. of San Francisco, California, and

Robert M. Armstrong, president of Imperial Sugar Co. of Sugarland, Tex.

The citation for the 15th annual presentation of the award noted that Calhoun during his nearly 40 years in the industry served for a period as chairman of the Sugar Association Inc. and was instrumental in organizing the International Sugar Research Foundation, a worldwide body dedicated to initiating and conducting investigations on sugar and disseminating the results.

"The Sugar Man of the Year" award was established in 1958 as a memorial to the late B. W. Dyer, a founder of B. W. Dyer and Co., sugar economists and brokers of New York City.

Calhoun joined the Savannah office of Lamborn and Co., general brokers for the Savannah Sugar Refining Corporation, in 1934. In 1940 he accepted a job as assistant sales manager for the sugar refinery.

CAMBODIA AND THE KENT STATE TRAGEDY

The SPEAKER pro tempore (Mr. McFALL). Under a previous order of the House, the gentleman from Ohio (Mr. SEIBERLING) is recognized for 5 minutes.

Mr. SEIBERLING. Mr. Speaker, I would like to make some observations in connection with the action of the House today.

It has been less than a week since the third anniversary of the shooting of the four students at Kent State University, which happens to be in my congressional district. The tragedy that occurred on May 4, 1970, at Kent State, was the direct result of the invasion of Cambodia by the U.S. military forces, action which was taken without any prior consultation between the President and any of the leadership in Congress, let alone an authorization from the Congress.

Today, after over 3 years, the House of Representatives has finally taken action toward ending the last vestiges of that illegal act.

What a tragedy it is that as a result of the Cambodian misadventures, not only many soldiers had to die, not only many civilians had to die, not only many thousands more were wounded, not only were our own students and our young people in uniform pitted against each other, but our Nation's economy has been damaged, our country divided and the strength of Congress has been weakened.

Now it is possible to begin efforts to redress these losses. The House took the first step today. The second step required is that we restore the tradition in this country that justice is evenhanded. There was a grand jury investigation, by the State of Ohio, of the Kent State tragedy, and it resulted not in action against any of the persons responsible for pulling triggers which fired the bullets, but in an indictment of students and members of the faculty.

I might say that those indictments were later thrown out by a Federal court, and the report of the grand jury was ordered destroyed by that court.

The Scranton Commission, in its report on the Kent State tragedy, did not ask the students, National Guardsmen, and other witnesses all the questions they could have asked, for the reason that they were given to understand by the Justice Department that there would be a Federal grand jury investigation. As it turned out, there was no such investigation, despite the fact that the FBI conducted a very thorough and searching inquiry which certainly raised the possibility that there was a basis for further investigation by a grand jury.

The then Attorney General, Mr. Mitchell, finally stated to the press that there would be no grand jury investigation, but he advanced no substantive reasons why. Ever since then, some of us have been trying to get from him and his successors a statement of the reasons why there was no such investigation.

Now, nobody is anxious to see our young men and women put through that kind of an experience, but the people of this country are entitled, especially in situations as serious and as crucial as the Kent State tragedy, to have the normal processes of law applied to all cases of suspected violations of the law, or they are entitled to a full explanation from the responsible officials as to why the normal procedures have not been followed.

The entire country is now rightly demanding that the Justice Department act, with respect to the "Watergate" incidents, in such a way that there can be no reasonable doubt that full justice has been done. Certainly the people of our country, especially the young people are entitled to no less with respect to the Kent State incidents.

Now we are about to get a new Attorney General, and I am going to go to him and make one more effort to get either a statement that there will be an investigation by a Federal grand jury or a statement as to the reasons why that is not necessary or desirable. We must be able to tell the world that justice is still evenhanded in this country.

There is one final thing that we must do, and that is going to devolve upon the Congress. We must consider proper legislation to restore the constitutional use of military troops in civil disturbances, so that that kind of a tragedy will not be likely again. The traditional position of our courts has been, that, under the Constitution, martial law cannot supplant civil law except when the courts and civilian government are not able to function. Furthermore, the courts have held that when troops are used to augment civilian law enforcement resources, they must at all times be subject to the civilian authorities and take their orders from the civilian authorities.

The National Guardsmen were put in a most untenable position by the Governor of the State of Ohio when they were sent in to Kent State 3 years ago. They were sent in at a time when the courts and the civilian authorities were functioning as normal. Nevertheless, the Governor instructed the commanding officer that he was to make all the decisions as to what action to take in the premises. This was wrong as a matter of law. It was wrong as a matter of policy. It was wrong for the soldiers and wrong for the civilians. And it resulted in the unnecessary and unwarranted shooting of civilians.

Mr. Speaker, I intend at the appropriate time to introduce legislation to prevent this sort of abuse in the future. In the meantime, I should like to bring to the attention of my colleagues two newspaper articles on the anniversary of the Kent State tragedy: one from the New York Post by James A. Wechsler, and one from the New York Times by Peter Davies.

(Mr. SEIBERLING asked and was given permission to revise and extend his remarks, and to include extraneous matter.)

The newspaper articles are as follows:

KENT STATE TO WATERGATE

(By James A. Wechsler)

On this day three years ago National Guardsmen opened fire on the campus of Kent State University, killing four students and wounding nine others, one of whom may never walk again. The bloodbath climaxed a series of student protests across the nation over President Nixon's chilling announcement of the U. S. "incursion" into Cambodia.

This anniversary is tinged with unusual poignancy and irony. Mr. Nixon had portrayed the Cambodian action as designed "to protect our men who are in Vietnam and to guarantee the success of our withdrawal and Vietnamization program." Now, with the Vietnamese withdrawal ostensibly completed, the rain of U. S. bombs over Cambodia is heavier and more ruthless than ever before.

Meanwhile the "law-and-order" Administration that reacted with cold aloofness to the Kent tragedy, steadily resisting pleas for a grand jury inquiry, finds its own lawlessness exposed on a wide front and its spokesmen pleading for mercy and tolerance for transgressors in its rank who were being faithful to "a cause."

Over a telephone from Pittsburgh yesterday, Arthur Krause, whose attractive, gentle daughter, Allison, was one of those slain, said with mingled grief and bitterness:

"After I read Henry Kissinger's plea for compassion for the people involved in Watergate, I wrote him asking him to tell me how this Administration defines compassion. I reminded him that this government killed my daughter and other kids, and has never even been willing to convene a grand jury to investigate the crime. I asked him to tell me how I can have compassion—except for the people still being killed in this war.

"I haven't had an answer."

On the day before the fusillade in which she was entrapped, Allison Krause had placed a flower in a National Guardsman's rifle barrel and murmured: "Flowers are better than bullets." That night she telephoned her parents to express dismay over spreading campus clashes.

Krause has waged a tenacious, often lonely battle to keep the Kent State issue alive; clearly he feels that is the only way he can memorialize his daughter's terrible death. A pending suit launched against the Justice Dept. during the tenure of John Mitchell accuses that agency of "wilful disregard of the Constitution" by its failure to conduct a grand jury inquiry; a government reply brief is due to be filed in the D.C. District Court within a week.

In a few days Dean Kahler, the student who lost the use of both leags as a result of the shootings, will present Attorney General designee Elliot Richardson with petitions bearing 50,000 names urging of a grand jury probe. (The petitions were brushed off during Mitchell's regime.)

In the present setting, Watergate, symbol of a far-flung conspiracy of political sabotage and espionage, appears likely to dominate any chronicle of the Nixon era. But the archives of the Kent State story are crowded with clues to the moral and credibility gap now being unveiled.

Two days after the killings I wrote:

". . . One clung to a faint hope that the shock [of the deaths] would elicit some sign of grace and compassion in high Washington places. Instead there emerged the lifeless expression of Presidential 'sadness' accompanied by the self-serving judgment that 'when dissent turns to violence it invites tragedy.' Nowhere was there even a hint of Presidential resolve to seek punishment for those who had shot down the students."

Subsequent inquiries and disclosures dramatized the contempt of both justice and truth that has governed the Administration's response to the slaughter of innocents.

A newspaper investigation showed that a detailed FBI report, describing "fabricated" testimony by Guardsmen, had been suppressed "and placed under lock-and-key for 75 years." *Coverup did not begin with Watergate.*

Five months after the shootings, a special report by the President's Commission on Campus Unrest, headed by former Gov. Scranton, declared:

"The rally was peaceful, and there was apparent impending violence. Only when the Guard attempted to disperse the rally did some students react violently . . . *The indiscriminate firing of rifles into a crowd of students and the deaths that followed were unnecessary, unwarranted and inexcusable.*"

Like the reports of other Presidential commissions in the Nixon era, this one was treated by the Administration as if it had never been submitted.

Now, three years after the day of horror, David Eisenhower, in the tones of a young fogy, writes triumphantly of the calm prevailing on the campuses. Meanwhile, Arthur and Doris Krause drove sadly last night to a candlelight vigil at Kent State. Today, for them and the families of Jeffrey Glenn Miller, William K. Schroeder and Sandra Lee Scheuer, the three others who perished, there is the agony of remembrance and a shared despair about a government whose leaders have never seemed to care.

A BITTER ANNIVERSARY

(By Peter Davies)

Three years ago today several hundred students gathered at noon on the campus of Kent State University to protest the invasion of Cambodia and the continued presence of Ohio National Guard troops. Twenty minutes later a fusillade of gunfire left four students dead and nine more wounded, all victims of military ammunition.

Before anyone had a clear picture of exactly what had happened, President Nixon reacted to the massacre by saying that whenever dissent turns to violence it "invites" tragedy. In other words, the kids asked for it. This hasty and ill-advised statement not only set the tone for public condemnation of the students, regardless of the fact, but so politicized the incident that the father of one of the two girls killed by the guardsmen immediately feared obstruction of justice by some members of the Nixon Administration. Today his fears have proven to be well-founded.

In October, 1970, a lengthy Justice Department summary of the F.B.I. investigation raised a multitude of questions concerning the conduct of a few Ohio guardsmen that it appeared inevitable that a Federal grand jury would have to be convened despite the political sensitivity.

Ten months later, on Aug. 13, 1971, John N. Mitchell, then Attorney General, calmly announced his decision to bury these questions, unanswered. Although the gunfire, he said, was "unnecessary, unwarranted and inexcusable," there was insufficient evidence to warrant a grand jury investigation. He even went so far as to say he was satisfied "that the Department of Justice has taken every possible action to serve justice." That, perhaps, was the most contemptible remark Mitchell ever made on the Kent State case, and today we have a clearer understanding of how he had the gall to say it.

If John Mitchell can participate in meetings at which plans are discussed and weighed as to the political advantages of burglarizing the Democratic party headquarters at the Watergate—as it is said he did—and do so as Attorney General of the United States, then anything such a man says is suspect. If Mitchell can so emphatically tell the American people that he had no prior knowledge whatsoever of the Watergate bugging operation, when he knew plenty, then he can just as emphatically fool us on Kent State with his ridiculous claim that there is not enough evidence just to convene a grand jury.

On this third anniversary of the killings at Kent State, there is every reason to believe that the scandal which is now ripping apart the Nixon Administration will enable us at long last to focus public attention on the Justice Department's role in obstructing justice in this issue.

A SALUTE TO AMERICA'S ALLY—THE REPUBLIC OF CHINA

(Mr. STRATTON asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. STRATTON. Mr. Speaker, like most Americans, I have been pleased over the recent easing of tensions between ourselves and the People's Republic of China, especially the opportunity it has given us for new diplomatic initiatives in dealing with the Communist world, for example, the cease-fire agreement in Vietnam, and the new opportunities for a relaxation of tensions with the Soviet Union in the Middle East and elsewhere.

Nevertheless, in recognizing these positive achievements of the new Nixon-Kissinger foreign policy, it is extremely important that we do not get so carried away with these new departures that we forget our long-time friends, especially one important friend and ally, the free Republic of China on the island of Taiwan.

I had the unique opportunity to visit Taiwan in July 1971 at the invitation of the Chinese Government to address the annual Captive Nations' Week observance in Taipei. I wish all my colleagues might have such an opportunity so they too could see first hand the remarkable achievements wrought by the Chiang government. This has been nothing short of an economic miracle, and it has been made possible in part by the support and assistance of the United States.

Our commitment to Nationalist China has been a longstanding one which has been beneficial for both our countries. Unfortunately the new Asian foreign policy has taken its toll on the Nationalists, as evidenced by our inability to prevent the expulsion of the Republic of China from the United Nations, and the more recent disruption in diplomatic relations between Japan and the Republic of China.

Yet, in spite of these problems which our own abrupt policy switch has created for our friends on the island of Taiwan, the remarkable thing is the continuing vigor, strength, and resilicncy demonstrated by the Chinese Government as well as by the Chinese people themselves. Though shocked—even more so than the Japanese—by the abrupt change in American diplomatic direction in 1971, the Republic of China has not allowed its relations with us to become embittered, which one might well have expected. And even the diplomatic rupture with Japan, as I understand it, has not damaged too much the very profitable economic relationships which had grown up between those two countries in the years since the end of World War II.

But what of the future? Of course the Peking agreement refers to some closer future relationship between Taiwan and the government of mainland China. But it is not very specific and in any event it is something left for a distant and vaguely-defined future. That is as it should be, Mr. Speaker, because the present relationship between ourselves and the People's Republic of China does not need to be based on Taiwan in any way. It is based on the harsh reality of over 40 Soviet combat divisions stationed on the northern border of mainland China; and our cooperation with China is profitable to them as a counter and a deterrent to that Soviet military threat quite apart from any commitment to push Taiwan into her orbit.

So let there be no talk, Mr. Speaker, of "turning over" Taiwan to the mainland government. The Government of the Republic of China has shown it can stand strong and tall on its own two feet. Its future must be decided by its own people, not settled in any diplomatic smoke-filled room agreement. Let us reaffirm that conviction today.

CONCERNING AN ASIAN STUDIES INSTITUTE IN HAWAII

(Mrs. MINK asked and was given permission to extend her remarks at this point in the RECORD and to include extraneous matter.)

Mrs. MINK. Mr. Speaker, a college-age friend said something when he was joking with me a few days ago which reminded me of the Federal Government's approach to Asian studies.

My friend said whenever he is tired of studying he just "lays his head on the book, takes a nice nap and relies on good old osmosis."

Osmosis, as you recall, is the principle that liquids diffuse across one membrane into another until each holds an equal amount of the other's contents.

It seems to me too many Americans in our Government now rely on a miracle of "intellectual osmosis" for the vast cultural heritage of Asia to somehow seep through the Pacific Ocean into American minds.

While we might wait for the tides to bring us Asian culture, arts, and humanities, I believe we are able, and long overdue, in our need to greatly speed and increase this process. On April 12 of this year I submitted legislation which will do just that.

I refer to H.R. 6930, my amendment to the International Education Act of 1966, which will establish an Asian Studies Institute in Hawaii under the administration of the Department of Health, Education, and Welfare.

As we are all aware, this Nation is at a peak of interest in the people, history, science, culture, arts, and politics of Asian nations. Yet those of us who were educated in American schools find ourselves sadly lacking in knowledge of even the most basic kind about Asia. After all, we were taught that the root of our civilization is in the West.

Educated in this system where Asian countries were passed over as part of the underdeveloped world with little to offer, we find ourselves poorly prepared to understand and learn from the many Asians who know so much more about us than we know of them.

How many of us are aware of the interchange of powerfully influential ideas between the East and West? How many of us know that the writings of Emerson and Thoreau influenced Ghandi who in turn was a major influence in the life of Martin Luther King?

As the jet airplane binds us together into a global community we are becoming world neighbors to millions of people who were once considered as "remote" and "inscrutable."

We now find ourselves in embarrassed awe at those who know anything of Asian nations. We gape at an American who has mastered the simple task of eating with chopsticks; we are awed at the President dining in Peking; we blush over our lack of pre-World War II historical knowledge of Japan when lunching with a Japanese businessman; we baffle over how we could have become involved in Vietnam—a nation whose very name left many citizens dashing to the family atlas only a few years ago.

Vietnam has left us knowing that we fail internationally in direct proportion to the unavailability of educated decisionmaking. Aware of this our citizens are flocking to anything which smacks of enlightening them about Asia—from listening to Indian ragas to taking yoga lessons to trying a hand at Chinese cooking.

Americans are tired of this area of ignorance. We have awakened to our need to know of Asia just as we have awakened to the rich heritage of Africa and South America. A new interest in Asia flows across this Nation in an intellectual flood.

At the University of Hawaii and the East-West Center, more than 4,000 students are studying at least one course in Asian areas and languages. At the University of Pennsylvania, at Columbia University, at the University of Colorado, at the University of California, to name only a few, students are spreading from undergraduate to graduate work which will bring this Nation the expertise it so badly needs.

But scholarly resources for students of Asian humanities and cultures are badly scattered across the Nation. There is no single center to bring these activities together with a library and faculty to centralize the needs of the advanced scholar. Neither is there a national center to develop a curriculum of Asia studies for elementary and secondary educators.

However, the framework to begin a center does exist. In 1966 this Congress passed the International Education Act to revitalize our entire foreign studies effort. The objective of this act was: "that strong American educational resources are a necessary base in strengthening relations with other countries; and—that this and future generations of Americans should be assured of ample opportunity to develop to the fullest extent possible their intellectual capacities in all areas of knowledge pertaining to other countries, peoples, and cultures."

We showed such foresight in passing the act. We anticipated the future needs. We gave such promise to American education. We answered education's strongest pleas. Yet, after adopting this act, after showing our commitment to its spirit, funds were never appropriated. The act still awaits us, a hollow shell without the fund to fill its promise.

My bill proposes to establish an Asian Studies Institute administered by the Department of Health, Education, and Welfare to parallel in Asian education and research such important Federal institutions as the National Science Foundation and the National Institutes of Health.

The Institute would not be designed to produce isolated experts in Asian studies, but to pool the collected competence of scholars, libraries and facilities, free of diplomatic pursuits, on a single campus in a location which is equally accessible to American and to Asian scholars.

The bill also authorizes the construction of a national Asian studies library which is long overdue. We are in the midst of an information explosion internationally. Information is coming into our centers of learning faster than these centers can even provide shelves to house the books and files to hold the scholarly papers.

The current extensive Asian library of over 300,000 volumes at the University of Hawaii is crammed into basements, scattered in quonset huts and packed into overflowing shelves thus reducing the books' valuable availability to scholars from throughout the world coming to Hawaii seeking these volumes.

One researcher told me a graduate student at another University spent several years in research he believed completely new, only to find out that the data had already been published by Asian scholars, but was not readily available in the United States. This tragic waste could be stopped if our Nation built a library with centralized files to keep up with the rush of information coming to us from Asia.

This point leads me to another disturbing problem. Asian heritage children attending American schools find themselves without knowledgeable teachers to inform them of the Asian past and present which constitutes the children's particular ethnic identity.

These children of Asian heritage are joined in their desire to know about the Eastern world by their Western, African, and Latin American heritage classmates. We must depend on developing the interest of our children into the intellectual commitment to provide us scholars and informed adults in the future.

A weakness of the present East-West Center established at the University of Hawaii in 1960 is that it lacks this element of further dissemination of Asian studies to the elementary and secondary students across our Nation. The center concentrates on providing technical information to Asians, but does little to educate Americans about Asia.

The administratin of the East-West Center by the Department of State and Agency for International Development has not provided a framework to expand cultural knowledge of Asia to our citizens. I can think of no one in this Congress who would disagree with me that it would be inappropriate and strongly undesirable to invest the education of our own citizens in an arm of the Department of State.

My bill provides for the Department of Health, Education, and Welfare to disseminate a knowledge of Asia throughout our education system on par with a knowledge of Western civilization.

The East-West Center now operates on the limited assumption that Asia has the problems and we are here to educate them with our solutions.

My bill would follow a new, more useful assumption: all nations of this world have some valuable knowledge for Americans.

The bill calls for aiding some of the 145,000 foreign students currently in this country so they can supplement elementary and secondary education programs on a continued basis. These foreign visitors have much more to share than a single day of singing and dancing where they are exhibited like oddities from a human zoo.

The bill would give training grants to teachers willing to teach Asian languages in high schools and grade schools. How else except through shared languages can our citizens communicate with the rest of the world with something other than the big stick of militarism?

The bill calls for curriculum development to investigate the study of Asian history, anthropology, geography, economics, art, literature, music humanities, culture, sociology, religion, philosophy and science into general course. For adult scholars research, visiting professorships, community service, seminars, and experimental projects in Asian studies would be supported by Federal funds and Federal acknowledgment of our need to close the gap between Asia and ourselves.

Only by understanding the achievements of Asia will the next generation be able to live intelligently and compassionately without the periodic international slaughter of Americans and Asians on battlefields of shared bigotry.

HAWAIIAN HOMES COMMISSION ACT

(Mrs. MINK asked and was given permission to extend her remarks at this point in the RECORD and to include extraneous matter.)

Mrs. MINK. Mr. Speaker, in 1921, Congress passed the Hawaiian Homes Commission Act to help rehabilitate the people of Hawaiian ancestry, socially, economically and educationally through homesteading. After 52 years of the Commission's existence, it is interesting to read how this act is affecting the people of Hawaiian ancestry today and how it will affect future generations.

In a recent Prince Kuhio essay contest sponsored by the State Association of Hawaiian Civic Clubs, Miss Victoria Kai won first prize on the topic, "The Hawaiian Homes Lands at Midpoint, Its Problems, Progress and Prognosis." Miss Kai is a senior at St. Joseph High School in Hilo, Hawaii. Prince J. Kuhio Kalanianaole, as you know, was one of Hawaii's delegates to Congress from 1903 to 1922. He was the author of the Hawaiian Home Commission bill.

I am proud to insert in the RECORD her winning essay which provides us with factual and critical comments regarding this vital program for the Hawaiian people.

THE HAWAIIAN HOMES LANDS AT MIDPOINT

(By Victoria Kai)

The Hawaiian Homes Program under the Hawaiian Homes Commission Act of 1921 was intended for the rehabilitation of the Hawaiians thru homesteading.

The goal of the Hawaiian Homes program being the rehabilitation of the Hawaiian people, it was determined that the eligible beneficiaries should consist of those individuals who were found to be of at least 50 percent Hawaiian ancestry. Such individuals have been eligible to apply to the Department of Hawaiian Home Lands for 99-year leases on farms, houselots or ranches. In addition, those selected have been the beneficiaries of a loan fund designed to assist in financing of home construction and other activities.[1]

"The lands were apportioned under the homestead act as follows: 7,191 acres on Oahu, 28,982 on Maui, 30,270 on Molokai, 17,787 on Kauai and 111,165 on the Big Island."[2]

It should be noted that a time factor may be largely at fault here. "The act was tailored for a different time and different situation—totally different. And basically it is unchanged except for new things the Legislature has made possible under local statute."[3] The act was created in 1921, in which during "the census of 1920, 23,723 pure-Hawaiians were counted in the Islands population"[4] and that the "part-Hawaiian population was tabulated at 18,027."[5] But, by "1960 the number of pure-Hawaiians had declined to 10,502"[6] and the part-Hawaiian had risen to 91,597 a more than five-fold increase."[7] As it can be seen here, the pure-Hawaiian population is in a downward trend while the part-Hawaiians show an increase. Now that was in 1960, and it is now 1973. Which leaves the possibility, will there be any pure-Hawaiians in the future? Also, what of the family who lives on Hawaiian Homes Land for most of their lives, but since their children marry to someone of less than ½ Hawaiian, those children will not be allowed to own any Hawaiian Homes Land.

Also too, there have been many applications for Hawaiian Homes Land. It's been said that it doesn't matter when you had (chronologically) applied but rather "who you know" that gets you into the Hawaiian Homes Program.

One of the main purposes of the Land Commission was to be an agricultural development.

Granting their good intentions, it was (virtually impossible) in Hawaii in 1920 to launch a successful homesteading program for, among other reasons: (1) arable land of proven quality was specifically excluded from the program: (2) water resources not developed nor were sufficient funds provided for water development: (3) access to markets were poor: (4) money for road construction was not provided: and (5) funds made available could, at best, have provided for the settlement of a sharply limited number of people.[9]

The locality of some of the Hawaiian Homes Lands is another matter of discussion. On the Big Island, in Keaukaha, "a County sewage treatment plant on the ocean edge of the community releases foul odors"[9] along with the noise and air pollution of the Hilo Airport. "The Hawaiian Homes Land in Makuu is in a high risk area for residential development (near Pahoa): Lava tubes run throughout the area from the volcano, and sudden outcrops of laval flow are a distinct possibility."[10]

Understandably, there was no great clamor for the homesteads, said Piianaia. "Also many Hawaiians at that time took the attitude, 'Why should we come in and ask for those lands when they were ours originally?' " He noted that some of the early Hawaiians applying for homesteads were some of Hawaii's most prominent citizens. "They did not need rehabilitation but they thought the act was good and applied anyway." The act was amended later to provide for residential homesteads when it was found that this rather than farming acreage, was the need on Oahu, Piianaia said.[11]

A family, because of the leasehold system may not want to go into maximum development of his land for "any lessee has no sure security against eviction from his land for any one of a variety of causes, and cannot but be aware of the fact that at some date, however far in the future, the lessee will be subject to renewal."[12] This presents a problem to the Hawaiian Homes Commission, being that the family is not using the land under the requirements of the act.

Now on to progress. The continuation of the program has been approved on two recent occasions—"in 1950 when the state constitution was drafted and in 1959 when it was ratified."[13] With the cooperation and enthusiasm of the larger community the goal of the Hawaiian Homes Commission (H.H.C.) will be advanced. If the goals are achieved the whole State benefits. If they are not, the whole State suffers.

The 1965 Legislature, through Act 4, gave the Hawaiian Homes program a substantial push forward. Up to that time, all of the commission's lands not devoted to homesteading were administered by the State Land Department. Act 4 turned this job over to the commission. Until Act 4 was passed by the Legislature, Piianaia said, the commission had no funds to pursue goals of the homestead act "to create economic and social programs to help Hawaiians . . ."[14]

"The act also allows the commission to exchange its lands of comparable value, and it has frequently done this for airports, highways, roads, and schools."[15]

"There is still little money to help the Hawaiians economically, but the loan program enabling them to buy their own homes is a step in that direction, Piianaia said."[16]

Benefits are given to the participant: For "Should the person who qualified for the loan die, no one is going to move the family out . . . There is no problem of succession on the blood line.

"The family is choosing the location it wants—and building an economic equality."[17]

The new type of programs will do more to rehabilitate Hawaiians than the old homesteading program where the consensus was to put the "guy" back on the land.

Now as to prognosis. The main and basic intent of the H.H.C. Act was for the rehabilitation of the Hawaiians, socially, economically, vocationally and educationally to set them up within a society that would best benefit them and their generation to come. The H.H.C. well meant intentions are good for the people. But it is important that the Hawaiian Homes Commission and the Hawaiian people come and meet together in an eye to eye confrontation, to discuss sensibly and totally the accusations made. That the H.H.C. answer fully for their actions and the Hawaiian people bring with them their questions and possible answers so that each may finally "hash it out." The H.H.C. must treat the Hawaiian people with respect and learn that they are not to be pushed around or forgotten.

There are many possible answers to the rising problems within the H.H.C. such as; "Agricultural Demonstration Projects, Suburban Farming Communities, Development of Cooperatives, the Leadership Approach, Pepperpotting, Sale of Hawaiian Homes Lands in Fee, Modification of Long-Term Leases, Supplementary Financing by Other Institutions, Establishment of an Educational Foundation, Emphasis on Social Service, and Rehabilitation-Oriented Activities."[18]

Multi-Residential Units and Condominiums, Community Centers, Planned Unit Developments, Urban Developments, Workshops (both vocational and educational) School Extensions (elementary, high school, and universities).

With the changing of the times and the increase of problems within the Hawaiian culture, the Hawaiian Homes Commission should be a program centered around the Hawaiian people and their culture. That it should be modified to meet the demands of change. It should always be in the best of interest of the people—In this case, the Hawaiian People.

FOOTNOTES

[1] State of Hawaii, *The Hawaiian Homes Program: 1920–1963* (Hawaii: 1963), p. 8.

[2] Abraham Piianaia Speaks His Mind, *What's Wrong With the Hawaiian Homes Program* (Hawaii: Honolulu Star Bulletin, Dec. 21, 1970.

[3] *Ibid.*, p. 8.

[4] State of Hawaii, *opcit.*, p. 8.

[5] *Ibid*, p. 8.

[6] *Ibid*, p. 8.

[7] *Ibid*, p. 8.

[8] *Ibid*, p. 16.

[9] John Know, (Hawaii: Honolulu Advertiser).

[10] *Land Use Study of Hawaiian Homes Lands*, (Hawaii: Childco International, Inc. 1971), p. 65.

[11] Abraham Piianaia, *opcit.*

[12] State of Hawaii, *opcit.*, p. 17.

[13] Abraham Piianaia, *opcit.*

[14] *Ibid.*

[15] *Ibid.*

[16] *Ibid.*

[17] *Ibid.*

[18] State of Hawaii, *opcit.*, p. 27 . . . 36.

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THE SOARING COSTS OF HOUSING

(Mr. GUDE asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. GUDE. Mr. Speaker, in recent weeks, national attention has been focused on the plight of tenants. However, the plight of persons seeking to purchase a home is equally serious. The skyrocketing price of building lumber has, since the fall of 1971, added $1,200 to the price of a $28,000 home, according to the National Association of Homebuilders. In my district where the price for a home hovers around $40,000, the spiraling cost of lumber has had a substantially larger impact.

Lumber prices, propelled by increased homebuilding and heavy foreign demand,

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Footnotes at end of article.

particularly Japanese, surged 6.6 percent in February. Softwood lumber, the type used in homebuilding, climbed 8 percent in that month and is now 56 percent higher than in January of 1971. Since phase II controls have been lifted, the price of softwood lumber has spurted 25 percent. The consequences of this price spiral for the potential homebuyer have been and continue to be disastrous. If we are to succeed in rolling back the wave of inflation which has engulfed the homebuilding industry, we must act swiftly and decisively.

Underlying the spiraling cost of wood fiber is the increased demand to which I alluded. 1971 was marked by a rapid rise in housing starts. Construction began on 2.1 million homes and the wood demand for housing surged from 14.5 billion board feet to 20 billion board feet. 1972 saw new and heightened demands for softwood as the homebuilding industry commenced 2.4 million new starts, the highest number in our Nation's history. Housing construction consumed a new high of 23 billion board feet of wood. Other construction boomed in 1972 and, as a result, demand for wood fiber in the United States was at an all time high.

Meanwhile in Japan, Prime Minister Tanaka, as a very important part of his program for domestic progress in Japan, established a national policy requiring the construction of 2.4 million housing units. Since Japan's population is about half that of our country, this would be the equivalent of nearly 5 million units in the United States. Japan has begun serious preparations for this construction boom and has increased its purchase of wood fiber in many parts of the world. In 1972, the United States exported 2.78 billion board feet of round logs and 91 percent of these exports went to Japan. Bidding for logs in the United States, particularly along the west coast, has reached astronomical proportions.

The relentless pressure of demand, domestic and foreign, on the price of wood fiber has been exacerbated by institutional forces which have acted to artificially constrict the real and potential supply of lumber.

By way of example, the Forest Service has estimated that it will take about 50 years at the present rate to complete necessary reforestation of the 4.8 million acres of commercial timberland. An effective reforestation program is a key element in any program aimed at maintaining or increasing lumber supply. Timber that has been harvested must be replaced if this Nation is to be assured of an adequate supply of building materials. Last year the budget for reforestation on Forest Service land was $18 million. The Congress added $3 million, which the Office of Management and Budget promptly impounded despite the emergency in the timber industry. Furthermore, the proposed 1974 reforestation budget is $8.5 million below the 1973 level and $16 million below the "optimum" budget recommended by the Forest Service.

The potential losses in timber supply due to the absence of an adequate reforestation program is worsened by the actual losses attributable to natural causes. The Forest Service estimates that the current annual loss of merchantable lumber in our national forests due to insects, disease, fire and other destructive elements is approximately 10 billion board feet. When asked by the chairman of the Senate Banking and Currency Committee in hearings 3 years ago what was needed to salvage the mortality, the Chief of the Forest Service responded, "an adequate road development program." He estimated that with accessibility, half of the 10 billion board feet could be salvaged. Yet, the administration has requested a $105 million cutback in forest road development funds for fiscal years 1974 and 1975. Because of the interrelationship between road construction and timber sales and salvage, there is a fundamental need for the 93d Congress to reinstate these funds.

Road development itself, however, is but one part of the total planning and administrative process. Before a road is built, certain basic decisions regarding sale location, sale size, species composition, and cutting system must be made. After these decisions are made and roads constructed, the Forest Service assumes certain administrative responsibilities with respect to the actual harvesting process. A clear and direct relationship exists between the planning and administrative capabilities of the Forest Service and the amount of harvestable timber which can be cut.

The Forest Service estimates that the optimum budget for this planning and administrative function would be $36.8 million. This represents a $4.5 million increase over what the budget which was submitted to the Congress called for. This optimum budget would enable the agency to sell 1.1 billion board feet more timber. The increased yield due to an expanded harvest would advance gross revenues by $40 million to $430 million. The net revenue after deducting costs and the 25 percent payment that goes back to the counties would be approximately $25 million. A $4.5 million investment which would yield a $25 million return and help alleviate the crisis in lumber supply seems to me to be a prudent investment.

Clearly, there exists a direct relationship between the operating budget allocated to the Forest Service and the amount of timber which can be harvested. Thus, there exists a direct and functional relationship between these budget cuts and the level of inflation.

To this point, the thrust of my comments has been toward the relationship between timber supply and the budget. However, not all the supply problem can be traced to budget allocations or solved by small but judicious increases in budget allowances. If one is searching for a solution to the timber supply crisis, a review of our import policies is also in order.

The United States is a net importer of forest products and, judging from the current demand levels, is destined to be so for a considerable period. Other nations, notably Canada, which has a lumber supply well in excess of her needs, are in a position to supply our timber requirements. However, while we have reduced our position to supply our timber requirements. However, while we have reduced our tariff on Canadian lumber, for example, from $100 per 1,000 board feet to zero since 1968, softwood plywood—a major factor in sheathing, flooring and roofing homes—carries a tariff of 20 percent. Some precut materials are subject to 8 percent tariff. Currently, due to the tariff, we import practically no Canadian plywood, while we import 8.9 billion board feet of softwood lumber. Serious consideration must be given to reducing these tariffs in order to stimulate the supply of desperately needed lumber products.

Adding to these direct pressures on the lumber supply problem is the indirect pressure of limited transportation services. Each year we suffer from a shortage of rail freight cars caused by the competition of forest products and agricultural products for rail transportation. This normally barely tolerable situation has been worsened by the recent grain sales to Russia which have heightened the freight car problem to crisis proportions. The various studies which are now underway regarding the Nation's transportation needs must address themselves to the need for greater rail freight service.

Mr. Speaker, the problems which I have addressed today have far ranging implications for the American consumer. Buffetted from side to side by the winds of inflation we cannot, indeed we must not pursue short range goals which are penny wise and pound foolish. As I indicated, before telling the American homebuyer that you have saved $4.5 million out of a $268 billion budget is small comfort when that so-called savings costs the Treasury $25 million in future revenues and is, to a large degree, responsible for the skyrocketing cost of housing. The other budget cuts I discussed have an equally significant impact. A thorough and immediate review of current practices and a complete reassessment of budget allocations is essential if we are to curb the unprecedented rise in the cost of building materials and thus in the cost of housing.

RESTORING THE FULL BUDGET OF THE U.S. ARMS CONTROL AND DISARMAMENT AGENCY

(Mr. SEIBERLING asked and was given permision to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SEIBERLING. Mr. Speaker, at a time when the President has declared that the current round of strategic arms limitation talks are of the highest importance to world peace, the administration has chosen to make a 35-percent cut in the very modest budget of the very agency whose mission is to strengthen the capabilities of our negotiators in this field.

Because of the importance of restoring the full amount authorized by Congress for this agency, I appeared today before the Appropriations Committee to urge such action. I ask that my statement to the committee be included in the RECORD at this point.

STATEMENT OF HON. JOHN F. SEIBERLING

Gentlemen. I am shocked and mystified by the Administration's severe cut in the very modest budget for the Arms Control and

Disarmament Agency, from $10,000,000 in FY 1973 to $6,600,000 in FY 1974. It would seem that at this point in time when arms limitations are as crucial as at any time in our nation's history that the prestige and capacity of the Arms Control and Disarmament Agency should be increased rather than decreased.

The President himself has stated the next round of Strategic Arms Limitations Talks are of the utmost importance to continuing international detente, yet the Administration, without the slightest explanation, has proposed a reduction so crippling that it will deny the ACDA the very tools necessary to achieve its mission.

We in the Congress, before acting on the Administration's recommended ASDA budget, must ask ourselves how we can hope to assess the effect of future arms control proposals without benefit of the research provided by the ASDA.

Additionally, we must ask ourselves whether our negotiators will be in the best position to determine alternatives and solutions to impasses in arms control negotiations when the efficacy of ASDA has been drastically weakened.

We must further ask ourselves whether the United States government, in reducing its arms control budget by one-third while at the same time increasing its defense budget by $4.1 billion would not be telling the world that we are not really serious about negotiating towards arms limitation and eventual reduction.

Since 1965, the appropriations for the Arms Control and Disarmament Agency have remained unusually stable, ranging between $9 and $10 million a year. It is instructive in the context of spending priorities to note that the total ACDA budget of $10 million for FY 1973 is $500,000 less than the cost of one F-15 aircraft. The proposed savings by slashing $3,400,000 in the FY 1974 budget is $2,375,000 less than the cost of one day's bombing in Cambodia—which is running a staggering $5,775,000 a day, on the average. It is almost ludicrous to compare the increase in the Department of Defense's proposed FY 1974 budget for research, development, testing and evaluation of $562,700,000—that's just the increase—to the $10 million ACDA was allocated last year.

Certainly we can agree that it is not only the right, but indeed the duty of the Congress to provide for a strong and effective arms control agency. I, therefore, urge the members of the Committee, at least to restore the full $10 million funding for the ACDA for FY 1974.

It is my hope that by FY 1975 an alternative funding plan will be initiated that would assure adequate U.S. arms control capability. This plan would increase the ACDA budget to $8,500,000. The $8,500,000 additional money represents less than one-tenth of 1% of the total Defense Department budget. In taking this action, the Congress can ensure a viable ACDA not only to pursue its responsibilities during SALT II, but also to enable it to pursue concurrently the pressing problem of conventional weapons reduction and control. Such a step would also serve to demonstrate an established relationship between what we are spending on weapons and what we are spending on arms limitation. It would notify the world community that far from downgrading our arms control agency, we are strengthening it and expanding it as a formidable adjunct to our total foreign policy.

NATIONAL FAMILY WEEK

(Mr. MYERS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MYERS. Mr. Speaker, I am today introducing a resolution to designate the week in November which includes Thanksgiving as "National Family Week." A similar resolution, House Joint Resolution 135, passed the 92d Congress and a proclamation was issued by President Nixon for the 1972 observance. It is my hope that National Family Week will become an annual event honoring the family institution.

I am happy to include as cosponsors of this legislation the following Members:

LIST OF SPONSORS

Mr. Anderson of Illinois, Mr. Arends, Mr. Bafalis, Mr. Bevill, Mr. Boland, Mr. Bray, Mr. Buchanan, Mr. Burgener, Mr. Carney, Mr. Clawson, Mr. Collins, Mr. Conlan, Mr. Conte, Mr. Coughlin, Mr. Davis of Wisconsin, Mr. Davis of Georgia, Mr. Denholm, Mr. Dennis, Mr. Derwinski, Mr. Duncan, Mr. Eilberg, and Mr. Erlenborn.

Mr. Esch, Mr. Findley, Mr. Flowers, Mr. Fuqua, Mrs. Grasso, Mrs. Green of Oregon, Mr. Helstoski, Mr. Hinshaw, Mr. Horton, Mr. Huber, Mr. Hudnut, Mr. Hunt, Mr. Kemp, Mr. Landgrebe, Mr. McKay, Mr. Mann, Mr. Mizell, Mr. Montgomery, Mr. Moorhead of California, Mr. Murphy of New York, Mr. O'Brien, Mr. Parris, Mr. Rarick, Mr. Rhodes, and Mr. Robinson.

Mr. Roe, Mr. Roncalio, Mr. Sarasin, Mr. Sebelius, Mr. Shriver, Mr. Shoup, Mr. J. William Stanton of Ohio, Mr. Steiger of Wisconsin, Mr. Thone, Mr. Vander Jagt, Mr. Walsh, Mr. Ware, Mr. Whitehurst, Mr. Winn, Mr. Won Pat, Mr. Yatron, and Mr. Young of South Carolina.

In proclaiming "National Family Week" last year the President explained the importance of the family in these words:

> As we work toward that great goal, however, we must never forget that our starting point—the center of our affections and the wellspring of our self-renewal—must be the basic family circle. Parent and child, husband and wife, brother and sister, all truly means "home" to every human being.
>
> No institution can ever take the family's place in giving meaning to human life and a stable structure to society; indeed, as a wise philosopher observed thousands of years ago, "the root of the state is in the family." The pressures of our modern age make this a time of challenge for families in America, but every community has its inspiring examples of families which have risen to the demand and made the time of challenge a time of glory.
>
> Our long-cherished American observances of Mother's Day and Father's Day are fittingly complemented by this new idea of a National Family Week, which this year will coincide with the Thanksgiving holiday—a time when families traditionally reunite, and when the family unit itself should stand high on that list of blessings for which we offer our thanks to God.

More than 40 Governors joined with Congress and the President in proclaiming special State observances to mark "National Family Week." Numerous national civic and religious organizations planned appropriate ceremonies and activities and are making plans to do the same this year.

The idea for a family week observance came from a constituent, Mr. Sam Wiley, who formerly taught in the Shakamak school system and is now assistant principal at Whiteland High School, both in Indiana.

The current unrest and dissatisfaction among the younger generation and the so-called generation gap can be traced in most cases to a complete breakdown in communications between parents and their children. While observance of family week does not promise to resolve all the unrest, I view it as a giant step toward the goal of restoring the traditional principles of respect and self-discipline which have made this a great Nation.

National Family Week is designed to coincide with Thansksgiving Day, that traditional time in America when families are rejoined for the purpose of giving thanks to God for the blessings which have come to them.

Today America's families are in trouble—trouble so deep and pervasive as to threaten the future of our Nation. An article, "The American Family: Future Uncertain," which appeared in Time magazine, December 28, 1970, supported this concern. It states:

> One in every four U.S. marriages eventually ends in divorce. The rate is rising dramatically for marriages made in the past several years, and in some densely-populated West Coast communities is running as high as 70%. The birth rate has declined from 30.1 births per thousand in 1910 to 17.7 in 1969 . . . each year an estimated half-million teen-agers run away from home.
>
> The crisis in the family has implications that extend far beyond the walls of the home. "No society has ever survived after its family life deteriorated," warned Dr. Paul Popenoe, founder of the American Institute of Family Relations. Harvard Professor Emeritus Carle Zimmerman has stated the most pessimistic view: "The extinction of faith in the familistic system is identical with the movements in Greece during the century following the Peloponnesian wars, and in Rome from A.D. 150. In each case the change in the faith and belief in familistic systems was associated with rapid adoption of negative reproduction rates and with enormous crisis in the very civilizations themselves."

The Time article continues:

> Throughout most of western history, until the 20th century, society as a whole strongly supported the family institution, it was the family's duty to instruct children in moral values, but it derived those values from church, from philosophers, from social traditions. Now most of these supports are weakened, or gone.

The observance of family week cannot promise to resolve the many problems that plague the family in America today. But we can focus attention on this institution, its strengths and virtues in this era of change. And we can enlist the millions of American parents to understand the wants and needs of their children, and we can properly encourage the children to understand the duties and obligation to their parents.

I urge the House to act favorably on this resolution.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. COCHRAN) and to revise and extend their remarks and include extraneous matter:)

Mr. Rousselot for 1 hour on May 15.
Mr. Hogan for 10 minutes today.
Mr. Frenzel for 5 minutes today.

(The following Members (at the request of Mr. Ryan) to revise and extend their remarks and include extraneous material:)

Mr. Metcalfe, for 5 minutes today.
Mr. Aspin, for 5 minutes, today.
Ms. Abzug, for 10 minutes, today.
Mr. Gonzalez, for 5 minutes, today.
Mr. Murphy of New York, for 5 minutes, today.
Mr. Fuqua, for 5 minutes, today.
Mr. James V. Stanton, for 15 minutes, today.
Mr. Ginn, for 5 minutes, today.
Mr. Seiberling, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Flood, and Mr. Evins of Tennessee, to extend their remarks following the remarks of Mr. Mahon during general debate, today, on H.R. 7447.

(The following Members (at the request of Mr. Cochran) and to include extraneous material:)

Mr. Regula.
Mr. Price of Texas.
Mr. Snyder.
Mr. Duncan.
Mr. Conte.
Mr. Roncallo of New York in four instances.
Mr. Nelsen in two instances.
Mr. Wyman in two instances.
Mr. Winn.
Mr. Hunt in two instances.
Mr. Heinz.
Mr. Abdnor.
Mr. Hogan in two instances.
Mr. Thomson of Wisconsin.
Mr. Sarasin.
Mr. Keating.
Mr. Steiger of Wisconsin.
Mr. Bob Wilson of California in three instances.
Mr. Bell in two instances.
Mr. Archer.
Mr. Young of Alaska.
Mr. Whalen.
Mr. Railsback in two instances.
Mr. Brown of Michigan.
Mr. Moorhead of California.
Mr. Wylie.
Mr. Ashbrook in three instances.
Mr. Huber in two instances.
Mr. Martin of North Carolina.

(The following Members (at the request of Mr. Ryan), to include extraneous matter:)

Mr. Dingell.
Mr. Binghham in three instances.
Mr. Rarick in three instances.
Mr. Gonzalez in three instances.
Mr. Clark.
Mr. Hungate.
Mr. Chappell.
Mr. Mollohan.
Mr. Annunzio in 10 instances.
Mr. Ginn.
Mr. Leggett.
Mr. Dulski in six instances.
Mr. Hanna in six instances.
Mr. Fuqua in three instances.
Mr. Ashley.
Mr. Dan Daniel in two instances.
Mr. Vanik.
Mr. Clay.
Mr. Jones of Oklahoma.
Mr. Waldie in two instances.
Mr. Minish.
Mr. Rangel in 10 instances.
Mr. Dorn in two instances.
Mr. Brinkley.
Mr. Roy.
Mr. Edwards of California in two instances.
Mr. Riegle.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 352. An act to amend title 13, United States Code, to establish within the Bureau of the Census a Voter Registration Administration for the purpose of administering a voter registration program through the Postal Service; to the Committee on House Administration.

S. 590. An act to require that future appointments of certain officers in the Executive Office of the President be subject to confirmation by the Senate; to the Committee on Post Office and Civil Service.

S. 607. An act to amend the Lead Based Paint Poisoning Prevention Act, and for other purposes; to the Committee on Banking and Currency.

SENATE ENROLLED BILL SIGNED

The Speaker announced his signature to an enrolled bill of the Senate of the following title:

S. 394. An act to amend the Rural Electrification Act of 1936, as amended, to establish a Rural Electrification and Telephone Revolving Fund to provide adequate funds for rural electric and telephone systems through insured and guaranteed loans at interest rates which will allow them to achieve the objectives of the Act, and for other purposes.

ADJOURNMENT

Mr. SEIBERLING. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 8 o'clock and 12 minutes p.m.), under its previous order, the House adjourned until Monday, May 14, 1973, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

900. A communication from the President of the United States, transmitting amendments to the budget for fiscal year 1974 (H.R. Doc. No. 93-99); to the Committee on Appropriations and ordered to be printed.

901. A letter from the Director, Administrative Office of the United States Courts, transmitting a draft of proposed legislation to amend title 28 of the United States Code to provide for the appointment of officers and employees of the Court of Claims, the Court of Customs and Patent Appeals, and the Customs Court, and for other purposes; to the Committee on the Judiciary.

Received From the Comptroller General

902. A letter from the Comptroller General of the United States, transmitting a report on improvements needed in the system for managing U.S. participation in the Asian Development Bank; to the Committee on Government Operations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. PATMAN: Committee on Banking and Currency. H.R. 6912. A bill to amend the Par Value Modification Act, and for other purposes; (Rept. No. 93-203). Referred to the Committee of the Whole House on the State of the Union.

Mr. STAGGERS: Committee on Interstate and Foreign Commerce. H.R. 7200. A bill to amend the Railroad Retirement Act of 1937 and the Railroad Retirement Tax Act to revise certain eligibility conditions for annuities; to change the railroad retirement tax rates; and to amend the Interstate Commerce Act in order to improve the procedures pertaining to certain rate adjustments for carriers subject to part I of the Act, and for other purposes; with amendments (Rept. No. 93-204). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ABDNOR:

H.R. 7686. A bill to require the Secretary of Agriculture to continue operation of the Agricultural Research Service field station at Newell, S. Dak.; to the Committee on Agriculture.

By Mr. ASHLEY (for himself and Mr. Rees):

H.R. 7687. A bill to amend the International Economic Policy Act of 1972 to change the membership of the Council on International Economic Policy, and for other purposes; to the Committee on Banking and Currency.

By Mr. WIDNALL:

H.R. 7688. A bill to amend the International Economic Policy Act of 1972; to the Committee on Banking and Currency.

By Mr. ASPIN:

H.R. 7689. A bill to provide for the continued sale of gasoline to independent gasoline retailers; to the Committee on Interstate and Foreign Commerce.

By Mr. BLATNIK (for himself and Mr. Harsha) (by request):

H.R. 7690. A bill to provide for disaster assistance, and for other purposes; to the Committee on Public Works.

By Mr. BURKE of Massachusetts:

H.R. 7691. A bill to suspend for a 4-year period the duty on certain olives imported in bulk; to the Committee on Ways and Means.

By Mr. BURLESON of Texas:

H.R. 7692. A bill to amend the Internal Revenue Code of 1954 to provide for the treatment of dividends received by a member of an affiliated group from a subsidiary that is excluded from the group solely because such subsidiary is a life insurance company; to the Committee on Ways and Means.

By Mr. BURLESON of Texas (for himself, Mr. Rhodes, and Mr. Conlan):

H.R. 7693. A bill to amend the Internal Revenue Code of 1954 and the Social Security Act to provide a comprehensive program of health care by strengthening the organization and delivery of health care nationwide and by making comprehensive health care insurance (including coverage for medical catastrophes) available to all Americans, and for other purposes; to the Committee on Ways and Means.

By Mr. CLARK (for himself, Mr. Downing, Mr. Ginn, Mr. Bowen, Mr. Grover, and Mr. Mosher):

H.R. 7694. A bill to amend the Merchant Marine Act of 1936 to establish a nuclear vessel incentive support program; to the Committee on Merchant Marine and Fisheries.

By Mr. DELLUMS:

H.R. 7695. A bill to establish the office of Assistant Secretary of Defense for Equal Opportunity, to create an Armed Forces Equal Opportunity Evaluation Board, and for other purposes; to the Committee on Armed Services.

H.R. 7696. A bill to encourage earlier retirement by permitting Federal employees to purchase into the Civil Service Retirement System benefits unduplicated in any other retirement system based on employment in Federal programs operated by State and local governments under Federal funding and supervision; to the Committee on Post Office and Civil Service.

H.R. 7697. A bill to amend titles 39 and 5, United States Code, to eliminate certain restrictions on the rights of officers and employees of the Postal Service, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 7698. A bill to amend the Postal Reorganization Act of 1970, title 39, United States Code, to provide for uniformity in labor relations; to the Committee on Post Office and Civil Service.

By Mr. DE LUGO:

H.R. 7699. A bill to provide for the filling of vacancies in the legislature of the Virgin Islands; to the Committee on Interior and Insular Affairs.

By Mr. DEVINE:

H.R. 7700. A bill to terminate the authorization of the Mill Creek Dam and Lake project, Ohio; to the Committee on Public Works.

By Mr. ERLENBORN (for himself and Mr. Hansen of Idaho):

H.R. 7701. A bill to amend the Freedom of Information Act to require that all information be made available to Congress except where Executive privilege is invoked; to the Committee on Government Operations.

By Mr. ESCH:

H.R. 7702. A bill to amend the Internal Revenue Code of 1954 to exclude from gross income amounts won in State lotteries; to the Committee on Ways and Means.

By Mr. FUQUA:

H.R. 7703. A bill to promote more effective management of certain related law enforcement functions of the executive branch by reorganizing and consolidating those functions in a new Office of Drug Abuse Investigation and Enforcement in the Department of Justice; to the Committee on Government Operations.

By Mr. GONZALEZ:

H.R. 7704. A bill to amend title II of the Social Security Act to provide that an individual who has a service-connected disability incurred or aggravated while on active duty in a combat zone and rated by the Veterans' Administration at 50 percent or higher, or who dies as a result of disease or injury incurred or aggravated while on such duty, shall be considered to be fully insured, and to be insured for disability benefits, under the old-age, survivors, and disability insurance system; to the Committee on Ways and Means.

By Mr. GROVER:

H.R. 7705. A bill to amend the Social Security Act to provide for medical, hospital, and dental care through a system of voluntary health insurance including protection against the catastrophic expenses of illness, financed in whole for low-income groups through issuance of certificates, and in part for all other persons through allowance of tax credits; and to provide effective utilization of available financial resources, health manpower, and facilities; to the Committee on Ways and Means.

By Mr. HAYS:

H.R. 7706. A bill to authorize appropriations for the U.S. Information Agency; to the Committee on Foreign Affairs.

By Mr. HOGAN:

H.R. 7707. A bill to amend title 5, United States Code, to permit Members of Congress to withdraw from the Civil Service Retirement System; to the Committee on Post Office and Civil Service.

H.R. 7708. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for educational expenses; to the Committee on Ways and Means.

By Mr. HORTON (for himself, Mr. Erlenborn, Mr. Cohen, Mr. Coughlin, Mr. Esch, Mr. Mallary, Mr. Mitchell of Maryland, Mr. Owens, Mr. Price of Illinois, and Mr. Stark):

H.R. 7709. A bill to amend section 552 of title 5 of the United States Code to limit exemptions to disclosure of information, to establish a Freedom of Information Commission, and to further amend the Freedom of Information Act; to the Committee on Government Operations.

By Mr. KASTENMEIER (for himself and Mr. Coughlin):

H.R. 7710. A bill to authorize the President, through the temporary Vietnam Children's Care Agency, to enter into arrangements with the Government of South Vietnam to provide assistance in improving the welfare of children in South Vietnam and to facilitate the adoption of orphaned or abandoned Vietnamese children, particularly children of U.S. fathers; to the Committee on Foreign Affairs.

By Mr. KEATING (for himself, Mr. Forsythe, Mr. Lujan, Mr. Diggs, Mr. Rees, Mr. Seiberling, Mr. Cleveland, and Mr. McEwen):

H.R. 7711. A bill to provide parking for tourists to the Capitol of the United States; to the Committee on Public Works.

H.R. 7712. A bill to regulate the provision of parking to certain officers and employees of the Federal Government; to the Committee on Public Works.

By Mr. LITTON (for himself, Ms. Abzug, Mr. Alexander, Mr. Andrews of North Carolina, Mr. Bell, Mr. Bergland, Mr. Burgener, Ms. Chisholm, Mr. Evans of Colorado, Mr. Gunter, Ms. Hansen of Washington, Mr. Harrington, Mr. Matsunaga, Mr. Metcalfe, Mr. Mitchell of Maryland, Mr. Milford, Mr. Mosher, Mr. Preyer, Mr. Rose, Mr. Rees, Mr. Stark, Mr. Seiberling, Mr. Udall, Mr. Won Pat, and Mr. Young of Alaska):

H.R. 7713. A bill to amend the Legislative Reorganization Act of 1970 to provide seminars to freshmen Members of the Congress, and for other purposes; to the Committee on House Administration.

By Mr. LITTON (for himself, Mr. Abdnor, Ms. Abzug, Mr. Bergland, Mr. Bowen, Mr. Burton, Mr. Culver, Mr. Denholm, Mr. Fisher, Mr. Ginn, Mr. Gunter, Mr. Hungate, Mr. Ichord, Mr. Jones of North Carolina, Mr. Landgrebe, Mr. McSpadden, Mr. Mezvinsky, Mr. Rose, Mr. Randall, Mr. Symms, Mr. Sisk, Mr. Stuckey, Mr. Thone, Mr. Williams, and Mr. McCloskey):

H.R. 7714. A bill to amend the Internal Revenue Code of 1954 to prohibit inspection of income tax records by the Department of Agriculture and to allow certain limited information from such records to be furnished to the Department; to the Committee on Ways and Means.

By Mr. LITTON (for himself, Mr. Bergland, Mr. Alexander, Mr. Hungate, Mr. Rose, Mr. Mathis of Georgia, Mr. Ginn, Mr. Gunter, Mr. Burlison of Missouri, and Mr. Jones of North Carolina):

H.R. 7715. A bill to amend the Consolidated Farm and Rural Development Act, to restore the rural water grant program; to the Committee on Agriculture.

By Mr. LUJAN (for himself, Mr. Runnels, and Mr. Conlan):

H.R. 7716. A bill to authorize the separation of the interests of the Hopi and Navajo Tribes in certain lands set aside by the Executive order of December 16, 1882, and to confirm to the Hopi Tribe exclusive rights in certain lands located within the exterior boundaries of the Navajo Reservation in Arizona as defined by Congress in 1934 and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. McKINNEY:

H.R. 7717. A bill to amend the Communications Act of 1934 to establish orderly procedures for the consideration of applications for renewal of broadcast licenses; to the Committee on Interstate and Foreign Commerce.

H.R. 7718. A bill to amend title 18 of the United States Code to permit the transportation, mailing, and broadcasting of advertising, information, and materials concerning lotteries authorized by law and conducted by a State, and for other purposes; to the Committee on the Judiciary.

By Mr. McKINNEY (for himself, Mr. Eilberg, Mrs. Grasso, Mr. Podell, Mr. Sarasin, Mr. St Germain, Mr. Tiernan, and Mr. Williams):

H.R. 7719. A bill to amend the Internal Revenue Code of 1954 to exclude from gross income amounts won in State lotteries; to the Committee on Ways and Means.

By Mr. MARTIN of Nebraska:

H.R. 7720. A bill to provide that the U.S. Postal Service may not require the installation of mailboxes at the curb line of residential property in certain localities; to the Committee on Post Office and Civil Service.

By Mr. RHODES:

H.R. 7721. A bill to establish a national cemetery in the State of Arizona; to the Committee on Veterans' Affairs.

By Mr. RODINO:

H.R. 7722. A bill to provide for the appointment of U.S. marshals by the Attorney General; to the Committee on the Judiciary.

H.R. 7723. A bill to provide for a within-grade salary increase plan for secretaries to circuit and district judges of the courts of the United States, and for other purposes; to the Committee on the Judiciary.

By Mr. ROGERS (for himself, Mr. Satterfield, Mr. Kyros, Mr. Preyer, Mr. Symington, Mr. Roy, Mr. Nelsen, Mr. Carter, Mr. Hastings, Mr. Heinz, and Mr. Hudnut):

H.R. 7724. A bill to amend the Public Health Service Act to establish a national program of biomedical research fellowships, traineeships, and training to assure the continued excellence of biomedical research in the United States, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. RONCALLO of New York (for himself, Mr. Anderson of Illinois, Mr. Burgener, Mr. Clancy, Mr. Dominick V. Daniels, Mr. Delaney, Mr. Denholm, Mr. Eilberg, Mr. Froehlich, Mrs. Grasso, Mrs. Heckler of Massachusetts, Mr. Hogan, Mr. Ketchum, Mr. Mazzoli, Mr. Mitchell of New York, Mr. Murphy of Illinois, Mr. Nedzi, Mr. O'Brien, Mr. Peyser, Mr. J. William Stanton, Mrs. Sullivan, Mr. Walsh, Mr. Won Pat, Mr. Wydler, and Mr. Zwach):

H.R. 7725. A bill to amend title 18 of the United States Code to make it a Federal crime to carry out any research activity on a human fetus or to intentionally take any action or hasten the death of a human fetus in any federally supported facility or activity; to the Committee on the Judiciary.

By Mr. ROUSH:

H.R. 7726. A bill to amend the Internal Revenue Code of 1954 to raise needed additional revenues by tax reform; to the Committee on Ways and Means.

By Mr. ROUSH (for himself, Mr. Davis of Georgia, Mr. Price of Illinois, Mr. Rangel, Mr. Bowen, and Mr. Sikes):

H.R. 7727. A bill to amend title II of the Social Security Act to provide for voluntary agreements between ministers and their employers to treat ministers as employed persons; to the Committee on Ways and Means.

By Mr. ROYBAL (for himself and Mr. Edwards of California):

H.R. 7728. A bill to amend title 28, United States Code, to provide more effectively for bilingual proceedings in certain district courts of the United States, and for other purposes; to the Committee on the Judiciary.

By Mr. STAGGERS (for himself and Mr. Devine):

H.R. 7729. A bill to further amend the International Travel Act of 1961, as amended; to the Committee on Interstate and Foreign Commerce.

By Mr. UDALL (for himself, Mr. Rhodes, Mr. Steiger of Arizona, and Mr. Conlan):

H.R. 7730. A bill to authorize the Secretary of the Interior to purchase property located within the San Carlos Mineral Strip; to the Committee on Interior and Insular Affairs.

By Mr. WALDIE:

H.R. 7731. A bill to amend title 5, United States Code, to provide special assistance and benefits to Federal employees involuntarily separated through reductions in force, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. BOB WILSON:

H.R. 7732. A bill to provide the Secretary of the Interior with authority to promote the conservation and orderly development of the hard mineral resources of the deep seabed, pending adoption of an international regime therefor; to the Committee on Merchant Marine and Fisheries.

By Mr. CHARLES H. WILSON of California:

H.R. 7733. A bill to amend title 10, United States Code, to authorize the use of health maintenance organizations in providing health care; to the Committee on Armed Services.

By Mr. WINN (for himself, Mr. Shriver, Mr. Skubitz, and Mr. Sebelius):

H.R. 7734. A bill to provide for the establishment of the Agricultural Hall of Fame National Cultural Park in the State of Kansas, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. ASHLEY:

H.R. 7735. A bill to promote public health and welfare by expanding and improving the family planning services and population research activities of the Federal Government, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. BENITEZ:

H.R. 7736. A bill to amend and make certain technical and conforming changes in section 5008 of the Internal Revenue Code of 1954 relating to distilled spirits; to the Committee on Ways and Means.

By Mr. BIAGGI (for himself and Mr. Kyros):

H.R. 7737. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

H.R. 7738. A bill to amend title XVIII of the Social Security Act to provide payment under the supplementary medical insurance program for optometrists' services and eyeglasses; to the Committee on Ways and Means.

H.R. 7739. A bill to amend the Internal Revenue Code of 1954 to provide that the personal exemption allowed a taxpayer for a dependent shall be available without regard to the dependent's income in the case of a dependent who is over 65 (the same as in the case of a dependent who is a child under 19); to the Committee on Ways and Means.

H.R. 7740. A bill to amend the Internal Revenue Code of 1954 to permit the full deduction of medical expenses incurred for the care of individuals of 65 years of age and over, without regard to the 3-percent and 1-percent floors; to the Committee on Ways and Means.

H.R. 7741. A bill to amend titles II and XVIII of the Social Security Act to include qualified drugs, requiring a physician's prescription or certification and approved by a formulary committee, among the items and services covered under the hospital insurance program; to the Committee on Ways and Means.

H.R. 7742. A bill to amend title II of the Social Security Act to increase to $750 in all cases the amount of the lump-sum death payment thereunder; to the Committee on Ways and Means.

H.R. 7743. A bill to amend the Internal Revenue Code of 1954 to permit an exemption of the first $5,000 of retirement income received by a taxpayer under a public retirement system or any other system if the taxpayer is at least 65 years of age; to the Committee on Ways and Means.

By Mr. BINGHAM:

H.R. 7744. A bill to authorize the Secretary of State to furnish assistance for the resettlement of Soviet Jewish refugees in Israel; to the Committee on Foreign Affairs.

By Mr. BINGHAM (for himself and Mr. Broyhill of Virginia):

H.R. 7745. A bill to direct the Secretary of State to undertake negotiations with the Federal Republic of Germany for certain payments to the Government of the United States, to authorize ex gratia payments to certain citizens of the United States who fought for the allied cause in World War II as members of the Royal Army of Yugoslavia and were imprisoned by the German Government, and for other purposes; to the Committee on Foreign Affairs.

By Mr. BROWN of Michigan:

H.R. 7746. A bill to increase the membership of the Advisory Commission on Intergovernmental Relations by two members who shall be elected town or township officials; to the Committee on Government Operations.

By Mr. CONYERS:

H.R. 7747. A bill to strengthen and improve the protections and interests of participants and beneficiaries of employee pension and welfare benefit plans; to the Committee on Education and Labor.

H.R. 7748. A bill to extend through fiscal year 1974 the expiring appropriations authorizations in the Public Health Service Act, the Community Mental Health Centers Act, and the Developmental Disabilities Services and Facilities Construction Act, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. CRONIN (for himself, Mr. Gilman, and Mr. Moakley):

H.R. 7749. A bill to provide for the continued supply of petroleum products to independent oil marketers; to the Committee on Interstate and Foreign Commerce.

By Mr. CRONIN:

H.R. 7750. A bill to amend titles II and XVIII of the Social Security Act to include qualified drugs, requiring a physician's prescription or certification and approved by a formulary committee, among the items and services covered under the hospital insurance program; to the Committee on Ways and Means.

By Mr. DANIELSON:

H.R. 7751. A bill to amend the Internal Revenue Code of 1954 to raise the limitations on contributions by self-employed individuals to certain retirement plans and to permit certain employees to establish qualified pension plans for themselves in the same manner as if they were self-employed; to the Committee on Ways and Means.

By Mr. DENHOLM:

H.R. 7752. A bill expanding the definition of the word "person" as used in the Constitution and the laws of the United States; to the Committee on the Judiciary.

By Mr. GIBBONS:

H.R. 7753. A bill to amend the Public Health Service Act to provide grants to develop training in family medicine; to the Committee on Interstate and Foreign Commerce.

H.R. 7754. A bill to extend through fiscal year 1974 the expiring appropriations authorizations in the Public Health Service Act, the Community Mental Health Centers Act, and the Developmental Disabilities Services and Facilities Construction Act, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. HARSHA (for himself, Mr. Don H. Clausen, Mr. Grover, Mr. Snyder, Mr. Zion, Mr. Mizell, Mr. Walsh, Mr. Hanrahan, Mr. Taylor of Missouri, and Mr. Abdnor):

H.R. 7755. A bill to provide for disaster assistance and for other purposes; to the Committee on Public Works.

By Mr. HAWKINS (for himself and Mr. Steele):

H.R. 7756. A bill to authorize financial assistance for opportunities industrialization centers; to the Committee on Education and Labor.

By Mr. HICKS (for himself and Mr. Young of Alaska):

H.R. 7757. A bill to amend section 2634 of title 10, United States Code, relating to the shipment at Government expense of motor vehicles owned by members of the armed forces; to the Committee on Armed Services.

By Mr. LITTON:

H.R. 7758. A bill to amend the Truth in Lending Act, to exempt from coverage under the act credit transactions involving extensions of credit for agricultural purposes; to the Committee on Banking and Currency.

By Mr. LUJAN:

H.R. 7759. A bill to amend title 38 of the United States Code to provide hospital care and medical treatment for certain non service-connected disabilities of former prisoners of war; to the Committee on Veterans' Affairs.

By Mr. MATSUNAGA:

H.R. 7760. A bill to increase the rates of duty on prepared and preserved pineapple and concentrated pineapple juice; to the Committee on Ways and Means.

By Mr. STEELMAN:

H.R. 7761. A bill to amend title 38 of the United States Code so as to provide that public or private retirement, annuity, or endowment payments (including monthly social security insurance benefits) shall not be included in computing annual income for the purpose of determining eligibility for a pension under chapter 15 of that title; to the Committee on Veterans' Affairs.

By Mr. CHARLES H. WILSON of California (for himself, Mr. White, Mr. Udall, Mr. Hanley, Mr. Lehman, Mr. Rousselot, Mr. Hinshaw, and Mr. Bafalis):

H.R. 7762. A bill to amend title 13, United States Code, to assure confidentiality of information furnished in response to questionnaires, inquiries, and other requests of the Bureau of the Census, to provide for a middecade sample survey of population, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. BYRON:

H.R. 7763. A bill to amend the Chesapeake and Ohio Canal Development Act to suspend the use of eminent domain within any part of the park in any county which has in force a valid zoning bylaw, and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 7764. A bill to amend the Internal Revenue Code of 1954 to provide that contributions to the Indoor Sports and Outdoor Athletic Recreation Foundation shall be deductible for purposes of the Federal income and estate and gift taxes, and to create a trust fund to receive contributions to such foundation which may be used to improve sports and recreational facilities; to the Committee on Ways and Means.

By Mr. NELSEN (for himself, Mr. BROYHILL of Virginia, Mr. SMITH of New York, Mr. HOGAN, and Mr. LANDGREBE):

H.R. 7765. A bill to protect the health and welfare of the people of the District of Columbia by providing a method of control of drugs, to strengthen existing law enforcement authority in the field of drug abuse in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. CRONIN (for himself, Mr. GILMAN, and Mr. MOAKLEY):

H.J. Res. 548. Joint resolution providing for the orderly review of fee-paid oil import licenses; to the Committee on Ways and Means.

By Mr. LONG of Maryland (for himself, Mr. BYRON, Mr. GUDE, Mrs. HOLT, Mr. MILLS of Maryland, Mr. MITCHELL of Maryland, and Mr. SARBANES):

H.J. Res 549. Joint resolution to authorize and request the President to designate the week beginning August 19, 1973, ending August 25, 1973, as "National Logistics Week"; to the Committee on the Judiciary.

By Mr. MYERS (for himself, Mr. ANDERSON of Illinois, Mr. ARENDS, Mr. BAFALIS, Mr. BEVILL, Mr. BOLAND, Mr. BRAY, Mr. BUCHANAN, Mr. BURGENER, Mr. CARNEY of Ohio, Mr. DEL CLAWSON, Mr. COLLINS, Mr. CONLAN, Mr. CONTE, Mr. COUGHLIN, Mr. DAVIS of Wisconsin, Mr. DAVIS of Georgia, Mr. DENHOLM, Mr. DENNIS, Mr. DERWINSKI, Mr. DUNCAN, Mr. EILBERG, and Mr. ERLENBORN):

H.J. Res. 550. Joint resolution to authorize the President to issue a proclamation designating the week in November which includes Thanksgiving Day in each year as "National Family Week"; to the Committee on the Judiciary.

By Mr. MYERS (for himself, Mr. ESCH, Mr. FINDLEY, Mr. FLOWERS, Mr. FUQUA, Mrs. GRASSO, Mrs. GREEN of Oregon, Mr. HELSTOSKI, Mr. HINSHAW, Mr. HORTON, Mr. HUBER, Mr. HUDNUT, Mr. HUNT, Mr. KEMP, Mr. LANDGREBE, Mr. MCKAY, Mr. MANN, Mr. MIZELL, Mr. MONTGOMERY, Mr. MOORHEAD of California, Mr. MURPHY of New York, Mr. O'BRIEN, Mr. PARRIS, Mr. RARICK, and Mr. RHODES):

H.J. Res. 551. Joint resolution to authorize the President to issue a proclamation designating the week in November which includes Thanksgiving Day in each year as "National Family Week"; to the Committee on the Judiciary.

By Mr. MYERS (for himself, Mr. ROBINSON of Virginia, Mr. ROE, Mr. RONCALIO of Wyoming, Mr. SARASIN, Mr. SEBELIUS, Mr. SHRIVER, Mr. SHOUP, Mr. J. WILLIAM STANTON, Mr. STEIGER of Wisconsin, Mr. THONE, Mr. VANDER JAGT, Mr. WALSH, Mr. WARE, Mr. WHITEHURST, Mr. WINN, Mr. WON PAT, Mr. YATRON, and Mr. YOUNG of South Carolina):

H.J. Res. 552. Joint resolution to authorize the President to issue a proclamation designating the week in November which includes Thanksgiving Day in each year as "National Family Week"; to the Committee on the Judiciary.

By Mr. PATMAN (for himself, Mr. WIDNALL, Mr. BARRETT, Mr. ST GERMAIN, Mrs. BOGGS, Mr. JOHNSON of Pennsylvania, Mr. BROWN of Michigan, Mr. J. WILLIAM STANTON, and Mrs. HECKLER of Massachusetts):

H.J. Res. 553. Joint resolution to amend section 1319 of the Housing and Urban Development Act of 1968 to increase the limitation on the face amount of flood insurance coverage authorized to be outstanding; to the Committee on Banking and Currency.

By Mr. ZWACH:

H.J. Res. 554. Joint resolution relating to the taking of the 1974 Census of Agriculture; to the Committee on Post Office and Civil Service.

By Mr. MATSUNAGA:

H. Con. Res. 215. Concurrent resolution; it is the sense of the Congress that the President, in accordance with the policy of the United States established by law, should continue the Office of Economic Opportunity, administering and supervising the important activities entrusted to that Office under the provisions of the Economic Opportunity Act of 1964, and submit a revised budget request for such activities for fiscal year 1974; to the Committee on Education and Labor.

By Mr. RANGEL:

H. Con. Res. 216. Concurrent resolution expressing the sense of Congress that certain economizing and tax reform measures shall be taken to assure through a fiscally responsible Federal budget for fiscal 1974 effective action to promote national security, stable prices, tax justice, full employment, quality education and health care, environmental protection, safe and improved living conditions in urban and rural areas, and equal opportunity for all Americans; to the Committee on Government Operations.

By Mr. DENHOLM:

H. Con. Res. 217. Concurrent resolution expressing the sense of Congress regarding a Member's right to hold office if he or she fails to be recorded on 75 percent of 300 consecutive votes; to the Committee on the Judiciary.

MEMORIALS

Under clause 4 of rule XXII,

202. The SPEAKER presented a memorial of the Legislature of the State of Oklahoma, relative to a constitutional amendment relating to abortion; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BROYHILL of Virginia (by request):

H.R. 7766. A bill for the relief of Albert Fleischhaker; to the Committee on the Judiciary.

By Mr. BURTON:

H.R. 7767. A bill for the relief of Samuel Cabildo Jose; to the Committee on the Judiciary.

By Mr. MOORHEAD of California:

H.R. 7768. A bill for the relief of Nolan Sharp; to the Committee on the Judiciary.

By Mr. BOB WILSON:

H.R. 7769. A bill for the relief of Dr. Peter P. Toma; to the Committee on the Judiciary.

By Mr. WRIGHT:

H.R. 7770. A bill for the relief of Ramakrishna Rao Palepu; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

THE CHARLESTON GAZETTE, WEST VIRGINIA'S LARGEST NEWSPAPER, OBSERVES ITS 100TH BIRTHDAY

HON. JENNINGS RANDOLPH

OF WEST VIRGINIA

IN THE SENATE OF THE UNITED STATES

Thursday, May 10, 1973

Mr. RANDOLPH. Mr. President, when our country was founded nearly two centuries ago, the value of the free press was recognized. So critical was a free press to our form of Government that strong provisions for the protection were included in our Constitution. The press today remains in the front line of the battle for American liberty and justice.

Mr. President, for the past century the Charleston Gazette, published in the capital city of West Virginia, has been a diligent practitioner of the principles of a free press. This newspaper, the largest in our State, has been a strong, vigorous, and independent advocate.

The Charleston Gazette is observing its 100th birthday. Life in West Virginia has changed in the past century, but the principles which have guided publication of the Gazette remain strongly anchored. Under Publisher W. E. Chilton III, the third generation of his family to hold that position, the Gazette retains a position of journalistic leadership.

Mr. President, as part of its centennial observance, the Charleston Gazette published a comprehensive history of the newspaper, written by John G. Morgan, a member of the staff who is widely known for his articles and books on West Virginia history.

I ask unanimous consent that excerpts of this unique and challenging history of the Charleston Gazette be printed in the RECORD.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

CHARLESTON (W. VA.) GAZETTE GAINS FIRST CENTURY MILESTONE

(By John G. Morgan)

The Charleston Gazette, The State Newspaper, is 100 years old this month.

The history of the newspaper began with establishment of the weekly Kanawha Chronicle by Charles B. Webb in April of 1873.

Publication was started at Kanawha Street (now Kanawha Boulevard) and Summers Street just three months after the first train rattled through the city.

The so-called great fire of 1874, which consumed most of a city block, threatened destruction of the newspaper when it was less than a year old.

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The earliest available original copy of the Chronicle, found deep in the files of West Virginia University Library, is a seven-column, four-page edition, dated May 12, 1875. Page one items include a long letter from Gov. John Jeremiah Jacob, explaining why he was compelled to comply with the law requiring that the state capital be moved from Charleston to Wheeling that year.

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A full column advertisement on the back page states the central purpose of the newspaper in words that still could stand for the Gazette today. It says the Chronicle "will be devoted to news, politics and diffusions of general intelligence. In politics it will be Democratic, liberal and progressive."

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On Nov. 1, 1876, the Chronicle showed its political colors by supporting Democrat Samuel J. Tilden, the loser in the famous Hayes-Tilden campaign for the presidency. In an editorial, expressions of political preference were combined with a suggestion that more people should subscribe to the Chronicle.

In February of 1877, the Chronicle was sold to James B. Pemberton, later mayor of Charleston, and John W. Jarrett, a printer.

Pemberton, a native of Staunton, Va., was 27 years old at the time of the purchase. He became a writer of wide reputation and influence. He served as mayor of Charleston from 1891 to 1893 and several terms as a member of city council.

Under the ownership of Pemberton and Jarrett, the name of the paper was changed to Kanawha Gazette. Publication continued at Kanawha and Summers Streets.

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In 1884, Moses W. Donnally, a publisher and oil well producer, acquired an interest in the paper and later purchased it from Pemberton.

On July 23, 1884, with Donnally and Pemberton in the masthead as proprietors, the newspaper again showed its political colors by supporting Grover Cleveland for president.

Under the Donnally ownership, the newspaper plant was moved to 15 Summers St. and eventually to 79 Capitol St. Conversion to a daily publication, attempted briefly and discontinued in 1884, was effected about 1888. In February, 1890, the name was changed to the Daily Gazette.

The first available issue under the new name, dated Feb. 27, 1890, shows Donnally as publisher and proprietor, and Joseph Ruffner as editor and George W. Summers as city editor.

On Oct. 4, 1891, the Gazette declared itself to be the "only newspaper in the state outside of Wheeling that owns the Associated Press franchise."

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In the 1890s and early 1900s, the Gazette was published as a daily and weekly. The 1899 city directory lists the Gazette Publishing Co. for both newspapers, with Lewis Baker, editor, at Quarrier Street, northwest corner of Hale Street.

Early in 1901, the newspaper again moved into the physical facilities of Donnally Publishing Co., this time in the 300 block of Kanawha Street, with Donnally as manager.

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For a time, under the roof of the Donnally company, the Gazette was offered as an afternoon newspaper and the Charleston Mail as a morning publication.

About 1902, the newspaper moved to a location on the Kanawha River bank below the old Ruffner Hotel. Frequent floods in the basement forced a return to Summers Street.

The Chilton family acquired the newspaper in 1907. The story of the initial takeover by the family is best told by Sam B. Chilton, 87-year-old modern day raconteur:

"One day Uncle Joe came into the living room and announced:

" 'I have stopped the Gazette from talking about us.'

" 'Oh, you couldn't do that,' somebody said.

" 'Oh, yes I would; I bought it,' Uncle Joe said."

* * * * *

Uncle Joe was Joseph E. Chilton, a lawyer who pioneered in development of the Kanawha Valley railroads and coal resources.

Joseph Chilton served as prosecuting attorney of Lincoln and Logan counties and was a lawyer for the Chesapeake and Ohio Railway. In 1897, he joined his brother, W. E. Chilton (later a U.S. senator) and William A. MacCorkle (who had just completed a term as governor) in the establishment of the law firm of Chilton, MacCorkle and Chilton.

On Jan. 29, 1907, the newspaper's name was formally changed to The Charleston Gazette.

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Edward B. Kenna was editor in 1911, with George W. Summers as the correspondent in the Washington bureau of the Gazette. C. A. Ashcraft became the newspaper's manager in 1912.

Principal ownership of the newspaper by the Chilton family was formalized by the issuance of a state charter to Daily Gazette Co. on Sept. 25, 1912. Incorporators were Ashcraft, T. S. Clark, W. A. MacCorkle, J. E. Chilton and S. B. Chilton.

In 1917, Chilton returned to Charleston as the publisher and active participant in the life of the newspaper.

Early in the 1900s, a stabilizing influence entered the life of the newspaper in the form of Robert L. Smith, who began his career as an errand boy of 10.

He was made circulation manager by the time he was 24 and later advertising manager and business manager. When the newspaper was reorganized in the 1920s, he became general manager, stockholder and a member of the board of directors.

Smith's tight control on the business end of the newspaper was real and legendary. It is said that some creditors wouldn't loan the company money unless they could be assured that Smith would take the responsibility for repayment.

In November, 1912, the newspaper plant was moved from 22 Summers St. to 909 Virginia St. on property adjoining the South Side Bridge at its west or lower side.

A change in management was revealed Dec. 5, 1914, with this page one announcement:

"Beginning today . . . Mr. David A. Jayne assumes general supervision and will assign a capable man to do local active management. Mr. (Leslie) Bayliss is retained at the helm in the editorial rooms, with Mr. A. V. Evans as city editor.

"Robert L. Smith continues as manager of the circulation department and has charge of all foreign advertising, with Charles Anderson as the guardian of the local advertising field . . .

On the following day, the Gazette said in a statement of dedication:

"To the earnest and consistent advocacy of the principles of popular government as enunciated by the democracy of Jefferson, Jackson and Wilson, the Gazette, under its new management, dedicates itself anew.

"It pledges its unremitting efforts to fight the battles of faith in the commonwealth of West Virginia and to lend its influence to the bringing about of social, political and industrial equality of opportunity for all the citizenship of our state and nation. . . .

* * * * *

Fire reduced the Gazette plant by the South Side Bridge to a mass of ruins on May 18, 1918. Walter Eli Clark, publisher of the Charleston Daily Mail, immediately made the resources of his newspaper available for continued publication of the Gazette.

For approximately three months in the summer of 1918, the Gazette was published with Mail presses at 1000 Virginia St. E., just across the street from the present location of the Gazette and Mail.

For its new home in 1918, the Gazette purchased a lot at 227 Hale St., opposite the old Capitol annex on the present site of the National Bank of Commerce.

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The newspaper grew in prestige and influence for more than 42 years at 227 Hale St. The Gazette spirit matured and flourished there.

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William E. "Ned" Chilton Jr., born in 1893, a son of the senator and graduate of Yale University, became president of the Daily Gazette Co. in 1922 and managing editor in 1924. The old senator continued in the role of vice president and associate editor.

The younger Chilton wrote editorials in a straightforward, hard-hitting style. Under his leadership, the Gazette firmly established itself as a newspaper that readily took the side of the underprivileged and the needy.

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General growth of the Gazette at 227 Hale St. continued through the depression years. Circulation climbed past the 50,000 mark in 1937 as an expanding fleet of trucks delivered the newspapers in cities, towns and hinterlands of southern and center West Virginia.

From 1932 to 1956, with the newspaper in the mainstream of state and national events, the Gazette published 51 extra editions. Many carried big news about World War II developments.

For a long span of years, the Gazette was rigidly Democratic in its support of major candidates for office. This policy was severely tested in 1940 when Sen. M. M. Neely was the Democratic candidate for governor.

The Gazette was bitterly opposed to the election of Neely. It chose to manifest its position by remaining silent on the governor's race while supporting Roosevelt for a third term.

In 1956, the newspaper supported Cecil H. Underwood in his successful run for governor. This marked the first time in its history that the Gazette supported a Republican for high state office.

The Underwood breakthrough set a pattern for the newspaper to take a close look at all candidates and to support them on their merits. With all things equal in a given race, however, the endorsement would go to the Democrat. Thus, the Gazette held firmly to the policy of an independent Democratic newspaper.

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W. E. "Ned" Chilton Jr., president of the Daily Gazette Co. for 28 years and managing editor of the newspaper for 26 years, died unexpectedly on Sept. 21, 1950, at the age of 56.

The younger Chilton, who did most of his work at his South Hills home and preferred to remain in the background during his later years, was nevertheless a forceful personality in the making of Gazette policy and traditions.

The death of the editor-president brought a significant change in the newspaper's power structure. It meant that, for the first time in about 40 years, the top position would be held by someone other than a member of the Chilton Family.

In the reorganization, Robert L. Smith reached the top of his Horatio Alger career by becoming publisher of the newspaper and president of its board of directors.

At the same time, the colorful Frank A. Knight, promotion manager by appointment and instinct, became managing editor. Knight, a former sports editor, involved the paper in many crusades and public enterprises and found outlet for topical commentary in a weekly column called "Today."

Harry G. Hoffman became editor after Knight died unexpectedly at the age of 48 on July 6, 1956, Hoffman, with more than 44 years of newspaper experience, continues as editor and political columnist today.

On Jan. 1, 1958, the Gazette entered into a consolidation agreement with the Charleston Daily Mail to form Newspaper Agency Corp.

Business advertising, circulation and mechanical departments were merged under supervision of the new corporation. The Gazette and Mail each retained its separate news and editorial identities.

At the same time, the two Sunday newspapers were merged into one publication under the name of Sunday Gazette-Mail with the Gazette staff given the responsibility of producing it.

On Sept. 6, 1960, the Gazette left its Hale Street home of 42 years and moved into an addition of the Daily Mail Building at 1001 Virginia St. E. The move brought this headline: "Hale Street—Hail and Farewell."

Publisher Robert L. Smith died Oct. 6, 1961, at the age of 68, about 13 months after the newspaper moved to Virginia Street. He was succeeded by a member of the third generation of the Chilton family.

W. E. "Ned" Chilton III, son and grandson of former publishers, was advanced to the top position. Earlier, he served as promotion manager and assistant publisher.

One of his first acts in the new position was to announce there would be no basic change in Gazette policies as an independent Democratic newspaper.

The new publisher, a World War II veteran and Yale University graduate, served four terms in the West Virginia House of Delegates, beginning in 1953. He was elected delegate-at-large to Democratic national conventions in 1960 and 1964 and served as a member of the Democratic national platform committee in 1964.

His interest in foreign affairs broadened with his participation in newspaper study missions. In 1962 he visited the Far East on an extended study tour, and in 1965 he took a similar trip to all Eastern European satellites, except Albania.

In the summer of 1968 he took a trip around the world as a member of an American study mission. Most of the study concentrated on the Soviet Union.

Like his father and grandfather, Chilton developed keen interest in the editorial side of newspaper affairs, as opposed to the business side. As a liberal with strong opinions, he has a major role in the editorial writing and in the general editorial direction taken by the newspaper.

With the third generation Chilton as publisher, the Gazette continues to crusade at all levels of government and in the area of private business enterprise as it affects the public interest. It explores reports and rumors of crime and governmental corruption through its own investigative reporter.

It spotlights problems and makes recommendations for reform in the fields of human rights, hospital care, mental health, environmental control and other vital areas. It usually expresses strong opinions on all major issues in domestic and foreign affairs.

Mr. RANDOLPH. I commend the Charleston Gazette for its continued in-depth reporting, its investigative and analytical articles, and its robust editorial policy.

PERSONAL EXPLANATION

HON. ANGELO D. RONCALLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1973

Mr. RONCALLO of New York. Mr. Speaker, due to a longstanding commitment in my district, I was unfortunately unable to be present for Monday's vote on H.R. 2828, the National Cemeteries Act of 1973.

As a member of several veterans' organizations, I strongly support this legislation and had I been here for roll No. 126, I would have voted "yea." I also would have voted "yea" on roll No. 124, Klamath Indian Tribe lands; roll No. 125, life insurance for Reserve and National Guard; and roll No. 127, Postal Service payments to retirement funds.

HEALTH EDUCATION AND RESEARCH IMPERILED

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1973

Mr. DRINAN. Mr. Speaker, our Nation's health community is deeply concerned over the administration proposals to severely cut back on Federal support for health programs.

Particularly hard hit will be health education and manpower programs—those which benefit medical students, health researchers, and medical educational institutions and facilities. In terms of total health manpower spending, the administration's fiscal year 1974 budget request of $386 million represents a drop of nearly $300 million in only 2 years.

The reduced funding levels, combined with new and harshly restrictive eligibility criteria for those students wishing Government scholarships and loans, will mean a substantially increased financial burden not only on the students but on the institutions of health care training and education. If this trend is continued, medical education and training will be available only to the wealthy.

I recently received a letter on this subject from Dr. Lamar Soutter, dean of the University of Massachusetts Medical School. Dr. Soutter's comments focus on three areas of the proposed health cuts: Scholarships and loans, research, and construction. Because of the importance of this issue I would like to share the contents of Dr. Soutter's letter with my colleagues:

Hon. ROBERT F. DRINAN,
House of Representatives, Cannon House Office Building, Washington, D.C.

MY DEAR MR. DRINAN: In reply to your letter of April 24th, here are our problems with budget cuts for the coming year:

1. *Scholarships and Loans* This School was particularly designed to provide an educational opportunity for students from low income families. Our tuition is $600, over $2000 less than at private schools. Over half of our students are on loans and scholarships. This fall we increase our enrollment by 40 students and will continue to increase it every year to 1978. We are desperately short of money, yet the administration plans to phase out this program by 1975.

2. *Research* We have a new, young faculty, many of whom are starting on their careers of teaching and research. It will be very difficult for them to get grants to support their research because of the cuts. Furthermore, we are told that the general research support grants which we use to provide "start up" money for young investigators will be reduced and turned over to schools which have a volume of research support in excess of $2,000,000. This will cripple the research efforts of new schools, yet there is much more research to be done before we can conquer many diseases that are crippling or killing thousands of people each year.

3. *Construction* We had an approved grant of $16,500,000 from the Federal government for construction of our Hospital. The Nixon administration decided two years ago not to fund grants for teaching hospitals. Ours was one of the fourteen so affected. In the renewed legislation last summer Congress put in a clause allowing money for support of construction of teaching hospitals. We applied, but there was only about $83,000,000 available for about one billion dollars worth of approved, but unfunded, medical school projects. Our application was disallowed. We intend to continue applying, but as the money gets less each year, the chance of success dwindles. This means that the Massachusetts tax payers who have contributed to paying for construction of medical schools in a number of other states will have to pay this $16,500,000.

Some of the other cuts affect the older schools, but will not bother us for some time to come.

I am glad to see you looking into this problem. You have our thanks.

Sincerely yours,

LAMAR SOUTTER, M.D., *Dean.*

ISRAEL—HERITAGE, LABOR, CONSECRATION

HON. DON FUQUA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1973

Mr. FUQUA. Mr. Speaker, Israel continues to be threatened with neighbors who boldly shout that their intent is to destroy this land completely. As Prime Minister Golda Meir once said on a visit to Washington:

> We have no place to run, we will not leave, this is our home.

The United States has been a faithful friend of the Israel nation. I am proud of that contribution.

Yet, our contribution is really small when we consider the toll in human sacrifice that these brave people have given to forge a nation out of the desert.

It is a labor of love. It is a labor of dedication. It is a labor of consecration.

The toils and tribulations are not over. There will be other days to test the strongest of wills.

But, the Israelis have proven their worth.

On this occasion of their 25th anniversary, I extend the best wishes of men of good will. Our greatest prayer is that you will be able to bring peace to the Middle East in the next decade and a half.

There is so much you could contribute to the development of undeveloped nations, if but given half a chance.

Yours is a glorious heritage. My feeling is that your future will only add to that ancient story.

A dream from ages past is now a 25 year reality.

A home for the homeless—centuries of restless traveling at an end, Israel is real and alive and well.

Today we pay tribute to a brave people. From barren soil they have forged a powerful nation, from arid ground they have brought forth bounty to feed hungry millions, from centuries of tradition they have found the strength to resist the powers that seek their destruction.

Israel is the homeland for the Jewish people. Through the centuries, those of this magnificent religious faith have been thrown from pillow to post. Often they were persecuted by the very people they had helped to make strong.

One does not have to think very long to come up with a list of names of Jewish descent to know what a contribution they have made to America. In almost every land in the world, they still live and when given the opportunity, make more contributions to the advancement of science and technology than their numbers would reasonably dictates.

For some, the return to a homeland was a necessity. They were virtual outcasts in the lands in which they found themselves. For others, it was the fulfillment of centuries of longing for a homeland.

Israel came into being a short time after one of history's worst persecutions of the Jewish people had ended. One does not need to recount the horror that these brave men and women, thousands upon thousands, at the hands of insane murderers during the World War II era.

Now that period is past.

Yet, dangers and frustrations still exist.

MISS JOAN DAVIS COMMENDED FOR SAVING A LIFE

HON. JOHN J. DUNCAN

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1973

Mr. DUNCAN. Mr. Speaker, I would like to recognize a young woman from my district whose facility and unselfishness saved the life of a fellow citizen.

Miss Joan Davis is a student at the University of Tennessee in Knoxville in the field of physical education. She is working her way through the university on the Federal student work-study program, and she has served with the YWCA as a volunteer for 4 years. Miss Davis has much experience working at YWCA swimming pools, and presently she is teaching swimming lessons and guarding swim periods in the evenings.

On Tuesday, May 1, while guarding the adult open swim, Miss Davis observed that a woman who habitually floats on her stomach had lost consciousness in the pool. Joan quickly pulled the woman from the water and revived her and sent her to the hospital alive. Finding the procedure of mouth-to-mouth resuscitation was impossible because the woman's jaws had locked, Joan went to the mouth to nose procedure and then rolled her over and gave her back pressure-arm lift emergency treatment. Joan continued this process until the woman began breathing on her own. While waiting for the ambulance, Joan kept the victim quiet and lying down to prevent further shock, assuring her she would be all right.

Because of Joan's excellent health, strength, and training, Mrs. Dorothy Sirmans of Knoxville is alive today. Forgetting her own personal safety, Joan swiftly put her training and experience into practice to save the life of a fellow human being. I would like to take this opportunity to commend Joan before my colleagues for her courageous actions. We are indeed proud of her.

BETTER SCHOOLS ACT

HON. ALPHONZO BELL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1973

Mr. BELL. Mr. Speaker, on March 20, at the request of the Secretary of HEW, I introduced the administration's education revenue sharing bill, known as the "Better Schools Act." Since a number of questions have been raised about the bill since that time, I am taking this opportunity to insert into the Record a question and answer sheet prepared by the Office of Education to assist Members in understanding H.R. 5823:

Questions and Facts on the Better Schools Act of 1973 (H.R. 5823)

Question: What is the purpose of the President's proposal?

Facts: The basic purpose of the Better Schools Act (BSA) is to provide a more effective and rational system for the distribution of Federal aid to elementary and secondary education. Over the past decade Federal aid programs have proliferated to the point that it is almost impossible for State and local education agencies to coordinate and concentrate Federal funds to meet their own needs. There are dozens of categorical programs, each with its own maze of guidelines, regulations, and reporting and accounting requirements.

The President's proposal would replace more than 30 State formula-grant programs with a formula for the automatic distribution of aid in five broad national purpose areas: compensatory education for the disadvantaged, education for the handicapped, vocational education, "impact aid" to school districts serving children who live on nontaxable Federal property, and supporting services and materials. With few limitations, States would have considerable flexibility on how to use the funds within these areas. State plan requirements would be eliminated. Red tape would be drastically reduced.

Question: Is this a revenue sharing proposal, or is it grant consolidation?

Facts: It is both. Its purpose is to consolidate and simplify Federal education grant programs by giving each State a share of the revenues of the United States. However, it would allow considerably more flexibility than a simple consolidation. It would give the States and localities complete authority to develop programs which best meet their own educational needs in the five national-purpose areas.

Question: If the States and local education exercise such broad discretionary power, how can you be sure that Federal dollars would maintain national priorities?

Facts: BSA funds for education of the disadvantaged and for impact aid would go directly to local educational agencies (LEAs). The States would spend the bulk of remaining funds on the national priority areas of education of the handicapped and vocational education. Flexibility to transfer funds among these areas would recognize differing State needs.

Question: How does the "Better Schools Act" differ from the "education special revenue sharing" bill introduced in the last session of Congress?

Facts: BSA is essentially similar to the Administration's earlier proposal, but several significant changes have been made:

Under BSA funds for education of the disadvantaged would be distributed according to a poverty factor that takes into account family size and urban-rural cost of living differences.

New provisions have been added to focus these funds more effectively where they are needed. Neediest school districts would have priority for funding, and funds would be concentrated on basic language and math skills instruction.

While each governor would ordinarily designate a State agency to administer the Act, BSA specifies that where State law gives a particular agency responsibility, that agency would automatically be charged with administering the Act.

The new bill broadens State flexibility by permitting States to transfer up to 100% of the funds from the Supporting Services area to education of the disadvantaged and the handicapped and vocational education. The earlier version limited transfers out of that area to 30%.

BSA contains no 10% set aside for use at the discretion of the Secretary of HEW.

BSA does not call for the establishment of an advisory council to advise the Governor on expenditures under the Act.

Question: How much many would be available under the Better Schools Act?

Facts: The President's budget requests $2.8 billion for FY 1974. The amount actually distributed to the States would depend on a separate appropriations act each year. The Better Schools Act itself merely specifies the terms under which Federal funds would be distributed.

Question: How does the bill assure that States and local school systems would not lose money in the transition to a new Federal aid system as proposed in BSA?

Facts: As far as the largest single block of money is concerned, the States are completely protected. For their fiscal year 1974 disadvantaged allotment under BSA all States and local school districts would receive 100 percent of their FY 1973 allotment for Title I of the Elementary and Secondary Education Act (ESEA). Education of the disadvantaged accounts for $1.5 billion out of the $2.8 billion appropriation requested for BSA in FY 1974.

Question: Why not help the schools simply by funding existing programs at higher levels?

Facts: To pour more money into the same narrow categories would not do anything to correct the inequities and disparities in the structure of Federal aid. It would not deal with the fundamental fiscal problem and would not provide incentives to change State systems of equalization or taxation. It would only perpetuate the problems of accounting, reporting, and administration that go with the multitude of categorical programs which have been piled on top of but rarely reinforced each other. BSA's rational structure for distribution of aid would provide a sound basis for effective use of funds appropriated in the future.

Question: How would the Better Schools Act be administered in a State?

Fact: The Governor would designate an agency to receive BSA money unless State law already lodges responsibility for administering Federal funds in the State educational agency. The responsible agency would develop a plan for allotment of funds for the handicapped, vocational education, and supporting services. The State could transfer up to 30 percent of handicapped or vocational funds, and 100 percent of supporting services funds, among themselves or to education of the disadvantaged.

No money could be transferred out of education of the disadvantaged. None could be transferred into impact aid.

Question: *Would BSA increase bureaucracy in State governments?*

Facts: No. State personnel would no longer be needed for the "paper passing" of current Federal programs, which call for preparation of voluminous plans and adherence to detailed regulations and guidelines. Released from these activities, State officials could devote more attention to technical assistance to local education agencies—just as the reduction of paper work in Washington would permit the Office of Education to step up technical assistance to States and local districts.

Question: *Would BSA undercut the authority of State education authorities?*

Facts: No. If an existing State education agency has been responsive to educational needs and has demonstrated enlightened leadership there would be no reason to designate another agency to administer BSA funds. To create an unnecessary parallel bureaucracy would violate the principles embodied in this proposal. Furthermore, the authority to transfer funds among purposes enhances the authority of the administering agency.

Question: *Why should the Governor be involved?*

Facts: As a principle of sound public administration, the Governor, as his State's chief elected officer, should be consulted on the expenditure of large amounts of funds within his State. Under U.S. Office of Management and Budget Circular A-95, as revised April 1, 1971, a Governor has 45 days to review any Federally required plan. Several States already require clearance by their Governor's office for receipt of all Federal funds for education.

Question: *Could a State transfer BSA funds arbitrarily from one area to another?*

Facts: No. A transfer from one program to another could be made only as part of a State plan developed with wide public participation and discussion. Such a transfer should then represent broad consensus that the program receiving more money required greater emphasis than another.

Question: *Will organized interest groups and the general public have an influence on the use of BSA funds?*

Facts: Certainly. The requirements for broad public participation in the development of State plans are designed to encourage greater citizen participation in the revitalization of education.

Question: *Are there safeguards in BSA against misuse of Federal funds by the States?*

Facts: Yes. The Act provides for the recovery of Federal funds if a State fails to comply substantially with its requirements for the protection of civil rights, for fair labor standards, and for proper accounting, record keeping, auditing, and reporting.

Question: *How would civil rights be protected?*

Facts: Federal responsibilities in the field of civil rights will be maintained. BSA funds would be covered by Title VI of the Civil Rights Act of 1964 and Title IX of P.L. 92-318, which together bar discrimination on the basis of sex, race, or national origin. Federal monitoring and enforcement of these laws would apply to all BSA funds expended in the States.

Question: *What effect would BSA have on the disadvantaged?*

Facts: Funds for the education of the disadvantaged would flow directly to school districts enrolling children from low income families. No transfer of funds out of this area would be permitted, although funds could be transferred into it from other areas. Only districts providing services in poverty schools comparable to services in non-poverty schools would be eligible to receive funds Thus the concept of "comparability" now found in Title I of ESEA would be retained.

States would set aside funds for improving the education of children of migratory workers and neglected or delinquent children before passing money on to districts. A local district with at least 15 percent of its total school population, or 5,000 students, in poverty would receive 35 percent of the State expenditure per pupil for all pupils, or two thirds of the national expenditure (whichever is higher) multiplied by the number of poor children aged 5-17 in the district. Each district would have to concentrate its funds at the State entitlement rate in schools with the most educationally disadvantaged pupils. State entitlement rates average $300 per disadvantaged pupil.

Children from low income families would continue to receive free or low-cost lunches under Department of Agriculture programs. The school lunch programs which are proposed for inclusion in BSA are the basic State alloments included under Section 4 of the School Lunch Act—which average 5¢ a meal across the country—and Sections 5 and 7 of the Child Nutrition Act, which aid States in buying cafeteria equipment and meeting State administrative expenses. It is proposed that these programs be consolidated under the supporting services and materials allocation of BSA for use according to a State's educational priorities.

Question: What effect would BSA have on the handicapped?

Facts: The Better Schools Act consolidates several separate formula grant authorities aiding education of handicapped children. The President's 1974 budget request for BSA provides for a small increase in funds for this purpose over 1973 funding levels. Funds would be available to States for programs and projects for preschool or any other education level designed to meet the specific needs of handicapped children.

Question: What effect would BSA have on Vocational Education?

Facts: Funds now going into a variety of vocational programs would be available to the States without any ear-markings or limitations. No matching would be required. Post-secondary programs of vocational or technical training could be supported as well as comprehensive and vocational high schools and technical centers. Youths and adults of any age, in or out of school, would be eligible. (Non-vocational adult basic education and high school equivalency education would be eligible for assistance under supporting services.)

Question: What effect would BSA have on federally impacted school districts?

Facts: Districts enrolling children who live with a parent on Federal property would receive 60 percent of their State's average per pupil expenditure. This money would be passed through directly to these districts.

No funds would be provided for children whose parents are Federal employees but do not live on Federal property. Parents of these children pay the same property tax as any citizen.

Question: What effect would BSA have on supporting services and materials?

Facts: Supporting services and materials include textbooks, library resources, and educational equipment; supplementary educational centers and services, school pupil personnel services, adult education, and school meals; the training or retraining of teachers, teacher aides, and other school personnel, and the strengthening of State and local educational agency planning capabilities. Support for these is currently available under a variety of Federal programs; BSA would make that support available under a simple authority. Funds could be used for any other services needed by a State, and State level administration of the Act as well.

Question: What effect would BSA have on non-public schools?

Facts: Children enrolled in non-profit non-public elementary or secondary schools would be given an opportunity to participate, on an equitable basis with public school children, in programs of education for the disadvantaged and handicapped, vocational education, and supporting services and materials. However, title to and control of funds and property would remain with public agencies. If a State law prevents the State from serving non-public school children, the Secretary of Health, Education, and Welfare could provide equitable services to those children directly, deducting the cost from the State's allocation.

HOW I CAN BE POLITICALLY EFFECTIVE

HON. CHALMERS P. WYLIE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1973

Mr. WYLIE. Mr. Speaker, Miss Dee Dee Leonard, a senior at Dublin High School and a constituent of mine, is the recipient of the annual U.S. Government Award presented by the Washington-Perry Township Women's Republican Club. The essay which won Miss Leonard the award deserves public dissemination and I recommend it to all as food for thought.

The essay follows:

HOW I CAN BE POLITICALLY EFFECTIVE

(By Dee Dee Leonard)

"But I'm only in high school. What can I do?" This is heard in high schools throughout America. But it is seldom said aloud, and it is seldom answered. There *are* answers to that question, but they must be searched out and found.

We, as high school students, *can* be effective. But we can only be effective if we wish to be. Action is the secret. We must not sit back and wait for political opportunities to come to us. We must look for the opportunities and then take advantage of them. For they may never come our way again.

As a high school student, I feel that I can be effective politically by taking an active interest in politics. Not only in national politics, but also in state, community and school politics. There are many political issues and areas in which young people can be particularly effective.

In school, campaigning for a candidate for class president, running for Student Council, or voting for homecoming queen, are all political opportunities. By taking part in school elections, I can become politically involved. Action is the key to involvement. And I cannot be politically effective if I am not politically involved.

Before the Presidential election last fall, the Dublin High School speech classes sponsored a mock convention and election. For those involved, the convention required detailed study on the main issues at the time, such as Vietnam, amnesty, abortion, busing, welfare, and others. Students made speeches before the entire student body which took weeks to prepare. The convention instilled in many of us a feeling of political importance and involvement. We felt a sense of pride at working hard and knowing *both* sides of the political battle of 1972. Those of us who worked hard felt politically effective because we had informed and educated our peers.

In local and state politics, I can only be effective if I am knowledgeable about the candidates and their platforms. If I am informed, I can inform others. To be politically effective, my opinions must be well worked out in my own mind before they can be logically presented to others. I must not be wishy-washy or apathetic. I must hold firmly to my own ideas, and at the same time, keep an open mind to the ideas of others.

Being informed with national politics, can make me effective too. By knowing *about* the candidates, not just *of* them, I can form my opinions, and present them to others. To be politically effective I must stay well informed all the time. Not just during election years. I should keep up with the current events and watch public reactions to the issues of the day.

Volunteers are needed on all levels of politics. Door-to-door campaigning, answering telephones, and addressing mail are all volunteer jobs that can expose us to politics at its best. The educational value of volunteer work should not be taken lightly. Volunteers are an important part of every campaign. And those who give of their time, talents, and energy are certainly politically effective.

Last fall I had the opportunity to do volunteer campaigning for the President. Those people I contacted were interested in what I had to say. They gave me *their* time because I was a young volunteer giving *my* time. They were surprised at my interest and enthusiasm. It was a wonderful experience, and I was proud that I could help the presidential campaign effectively.

Young people *can* be effective. And many are. More and more, the youth are being given responsibilities and opportunities to get involved. I think we are living up to the challenge of politics. And we *are* being politically effective. Interest, action, and involvement. These are the keys.

INDEPENDENCE OF RUMANIA

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1973

Mr. DERWINSKI. Mr. Speaker, I wish to direct the special attention of the Members today to a historic event which is commemorated by Rumanian-Americans, that of the traditional independence of Rumania and the founding of the Kingdom of Rumania.

May I remind the Members that on May 10, 1877, during the turmoil of the Russo-Turkish War, the principality of Rumania, until then nominally a vassal of the sultan, proclaimed her independence and severed her ties with the Ottoman Empire. The Rumanian Army, as an ally of Russia, fought for its independence on the battlefields south of the Danube and played a significant role in defeating the Turkish forces.

Another 4 years elapsed after the Rumanian people proclaimed their independence and a further step was then taken when they raised their country to the rank of a kingdom. On May 10, 1881, Charles I was crowned, by the will of his people, King of Rumania, and a prosperous era, which lasted over six decades, opened for the nation.

During all those years and up to the present time, Rumanians have cherished and reversed the 10th of May as their national holiday. It remains the symbol of their permanency and perseverance through many hardships and trials in their efforts to reach the goal of freedom.

Mr. Speaker, may I emphasize to the Members that, even though the present Government of Rumania occasionally takes independent-sounding postures in foreign affairs, in domestic policies they have maintained absolute rigid Communist doctrine. The people of Rumania are, in fact, being deprived of many fundamental rights.

PHASING OUT OEO

HON. CARLOS J. MOORHEAD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1973

Mr. MOORHEAD of California. Mr. Speaker, on April 2, 1973 I wrote an article for the Pasadena Star-News. The subject of the article was the changes that are occurring at OEO.

Since the article appeared, I have been asked by many individuals for reprints. At this time I would like to have the article printed in the RECORD:

PHASING OUT OEO

(By Representative CARLOS MOORHEAD)

There are few issues as confusing, and subject to varied interpretation, as President Nixon's attempts to re-define federal activities in the social-program area. It is an issue in which logic has unfortunately taken a back seat to emotion.

The heart of the controversy involves the Nixon administration plans to dismantle the Office of Economic Opportunity. The President has taken this course of action because OEO has proven to be a colossal failure. Despite admirable goals, all available evidence points to the unmistakable fact that the poor do not receive either the funds or the services which they are supposed to receive.

President Nixon is attempting to change this. He is not attempting to eliminate the services which are currently made available to the poor. He is attempting to re-define the implementation of these services. Too many people assume that just because a program originates in Washington, it is an effective program. This is a dangerous assumption.

Experience has shown us that the Federal bureaucracy in the nation's capital has in fact often obviated efficiency. And yet many members of the Congress and members of the press have lambasted President Nixon because of his efforts to phase out OEO. It is a genuine shame that politics so often colors the judgment of many legislators who choose to perpetuate tired and worn out programs even though they have proven to be ineffective.

What must be discovered is the best way—the most efficient and fair way—to administer to the needs of the nation's poor people. The answer, I firmly believe, is not to look towards Washington, but instead to look towards the states and localities wherever possible. This is also the judgment of the Nixon Administration.

In a message to Congress last August, the President said "One fundamental thrust of my administration has been to develop power-to-the-local-people programs under which local officials—who know the local scene best—are given funds and the freedom to allocate those funds as local conditions suggest, with a minimum of federal red tape and regulations."

Consistent with this belief, many of the funds and services which presently originate in Washington but are subsequently lost in the bureaucratic maze will be implemented at the local level via Revenue Sharing.

Moreover, it is important to realize that most OEO services are simply being transferred to more capable agencies. Research activities in education, child care and health, for example, will soon be assumed by the Department of HEW. The Department of Labor will begin to oversee "manpower experimentation" which is presently carried out by OEO. Housing research will be meshed with the activities of the Department of Housing and Urban Development.

Federal support for social service programs, overall, will be continued at an equivalent or higher level of expenditures in fiscal year 1974.

Many worthwhile programs which may at first appear to have been eliminated or curtailed will, in fact, be funded by or transferred to other agencies and will continue under more effective administration than before.

All of this substantiates the administration's claim that it is not out to give the ax to the poor, but to give the ax to the bureaucracy.

During the present administration this country has spent the largest percentage of its annual budget on human needs in over twenty years. In the current fiscal year—a year in which the President is weeding out ineffective domestic programs—that percentage is even higher than last year.

It is the Congress which has the responsibility to continually review existing programs and guage their effectiveness. This is a responsibility which the Legislative Branch has not wholly fulfilled in past years. Perhaps that is why programs such as OEO have been allowed to survive, and grow, despite their failure. These past mistakes must be corrected.

As a member of Congress, I feel that it is the Legislative's responsibility to prevent similar mistakes from emerging in the future.

METHOD OF TRANSLATION

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1973

Mr. BOB WILSON. Mr. Speaker, the patent application of Dr. Peter P. Toma, serial No. 176,672 filed August 31, 1971, is directed to a method for translation between source and target natural languages using a programable digital computer system. Each of the claims are so restricted.

The *Gottschalk* v. *Benson and Tabbot* case (409 U.S. 63, 34 L.Ed. 2d. 273; 93 S. Ct. 253, November 1972) involved a different fact situation. As stated by the Supreme Court:

> Here the "process" claimed is so abstract and sweeping as to cover both known and unknown uses of the BCD to pure-binary conversion. The end use may (1) vary from the operation of a train to verification of drivers' licenses to researching the law books for precedents and (2) be performed through any existing machinery or future-devised machinery or without any apparatus.

The Toma claims differ in that they are restricted to a particular use, namely, converting between source and target natural languages using a programable digital computer and therefore are restricted to a particular art or technology.

SOVIET JEWRY

HON. GILBERT GUDE

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1973

Mr. GUDE. Mr. Speaker, despite rumblings from the Soviet Government that the emigration tax has been suspended, we continue to witness harsh treatment of Jewish citizens in Russia. Although we have received information that some people have been allowed to leave the Soviet Union without paying this "ransom," the situation is still quite clouded. It is my sincere hope that the Soviet Union would provide official, formal evidence that the tax has been suspended permanently.

As illustration of the continuing harassment, I would like to share with my colleagues the following telephone conversation which took place between the Soviet Jewry Committee of Temple Emanuel, Kensington, Md., and Igor Goldfarb, a 26-year old Soviet Jew who wishes to emigrate to Israel. Mr. Goldfarb and his family have been assessed a "tax" of 16,000 rubles.

The courage of this man in the face of harassment by the authorities may serve as inspiration to us all to continue the struggle for freedom for these people.

TELEPHONE CONVERSATION

ALAN DRATTELL. Hello Igor? Is this Igor Goldfarb?

IGOR GOLDFARB. I am speaking.

AD. Igor, this is Alan Drattell.

IG. I am glad to hear you, Mr. Drattell.

AD. I am very happy to hear you.

IG. I am also very happy to hear your voice. I have just received your letter today and from Robert (Zassler) also, today. Thank you for your warm wishes and your kind concern to our problem.

AD. Mr. Zassler is on the other phone.

ROBERT ZASSLER. Hello, Igor, this is Robert Zassler.

IG. I am glad to hear you, dear Robert. I have received your letter today.

RZ. Do you know when you are going to the warmer climate?

IG. I am sure I am going to go. There is many difficult problems. You know about the enormous tax we must pay. Our family needs about 16,000 rubles, for example.

RZ. Igor, I have sent you a package. I think you should get it within a month. It has several dresses in there; clothing.

IG. Thank you. I hope I shall receive it. I shall write to you at the moment I receive it.

AD. Igor, we are also planning to send you some packages. In my letter, I asked you for your clothing sizes. What size suit and shirt do you wear? What sizes does your wife wear?

IG. I am afraid I was not following you.

AD. Someone will speak to you in Russian. (Translation into Russian by Alex Gakner.)

IG. Thank you. I am touched really. Surely you needn't worry about such details as clothing. We have some great aims and you needn't worry about such details as clothing. We are looking forward to our meeting in Erets (Israel).

ALEX GAKNER. What are your chances? You mentioned the tax. How are you coming along in that? Is anything moving?

IG. I am not getting the meaning, you see.

AG. You mentioned you need 16,000 rubles.

IG. Yes, sure.

AG. Are you getting it someplace?

IG. I do not know the sources where I can get them. I shall appeal to the authorities to free myself and my family also. It will be only in a month.

AG. Is there any way we can help you?

IG. I think I can't see any way. It is impossible to provide somebody with such an enormous sum. We must appeal to the authorities both.

AG. Right.

AD. We will try to help as much as we can from this end.

IG. Thank you very much on behalf of myself, of my wife, of all my relatives, of all my friends.

RZ. How old are you?

IG. I am 26.

RZ. Does you brother and father live with you?

IG Yes.

RZ. And your father?

IG. Just in the same flat. He (my brother) is 15 years old.

AD. Your wife is working now?

IG. Yes. She graduated from the same university I was expelled from in 1968.

AD. What are you doing?

IG. I am working as a worker now.

AD. I see. We will do whatever we can from this end to help you.

IG. Thank you very much. We are touched greatly by your support. I need nothing from you but your support in appealing to the authorities to free us of that great tax.

RZ. Have you been given permission to leave already?

IG. No. No, I have not appealed yet. But it will be in a month, I think.

AD. Did you know we have been trying to get in touch with you for three weeks? Do you know that we have tried to call you on the telephone? Do you know that we have tried?

IG. Now, I know. Thank you.

AD. We will continue to call you as often as we can.

IG. It will cost you much, I think.

AD. We will call you again as soon as we can. In the meantime, we will do whatever we can from this end to help you.

IG. Thank you very much. We are touched greatly.

AD. Bob, do you have anything else?

RZ. No, I don't think so, except that we are going to keep writing you. We are going to send you another letter that will have something that you will want.

IG. I think it is better to write everything in the letter because I do not hear you very well.

AD. Igor, we will say goodbye now and will speak to you again sometime in the weeks ahead.

IG. Thank you. Remember us to all our friends.

AD. Yes. We are doing that. Say hello to your wife and to your brother for us.

IG. To all of your family, good luck. Bye, bye. Good luck.

AD. Shalom.

IG. Shalom.

NAUGATUCK, CONN., CELEBRATES EARTH WEEK

HON. RONALD A. SARASIN

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1973

Mr. SARASIN. Mr. Speaker, Naugatuck, Conn., a forward looking and progressive municipality in my district, recently celebrated Earth Week 1973, with an imaginative 7-day program which could serve as a model for other communities around the Nation. Under the chairmanship of Mr. Arthur Carlson of the Environmental Advisory Committee and with the aid of numerous volunteers, each day was given significance in the overall Earth Week theme. At this time, I would like to submit for inclusion in the RECORD the program undertaken in Naugatuck. I commend it to my colleagues as an agenda any community could well adopt for future Earth Weeks or at any other time.

The program follows:

NAUGATUCK, CONN. CELEBRATES EARTH WEEK

To assist the nation in making "Earth Week" a success, The Environmental Advisory Committee of Naugatuck, Conn. started to make plans for two months before.

The results are as follows:

MONDAY, APRIL 9 CLEAR AIR DAY

Was coordinated by Mr. Richard Hupprich. To encourage young adults to walk or ride a bicycle to school, which includes a 5 mile walk, started at 6:45 a.m.

Local dignitaries joined in the "walk".

TUESDAY. APRIL 10 EDUCATION ON ECOLOGY

A tour through the production facilities of Peter Paul Candy Co. was arranged for our E.A.C., Youth for Ecology, Mr. William Delaney, and the Mayor.

In the evening, Mr. Delaney, Information Director of the Department of Environmental Protection of the State of Connecticut, appeared on the local radio station W.O.W.W. for their "Open Mike" program, in which any listener may call in and ask questions.

WEDNESDAY, APRIL 11 SCHOOL CLEAN UP

Coordinated by Mr. Robert Humiston. Each school in Naugatuck will at some time during their classes, dismiss a period to devote it to cleaning up their own school grounds. Plastic bags were distributed ahead of time for the trash.

THURSDAY, APRIL 12 2,000 LEAFLET DISTRIBUTION

A special "flyer" was developed by the E.A.C. and passed out to residents at our area supermarkets. It introduced our committee, commission, phone numbers. Also where and how to bring paper and glass for recycling at our recycle center.

FRIDAY, APRIL 13 CLEAN WATER STREET

With the cooperation of Uniroyal, they cleaned the very unsightly area of Water Street, one of our more traveled streets in town.

SATURDAY, APRIL 14 RID-LITTER DAY

A paper collection was sponsored by the Distributive Education Club under Mr. Robert Copley. In addition, glass objects were also collected.

A general clean up of areas in the town were assigned not only to volunteer personnel but the 16 Boy Scout Troops.

In addition, this day was set aside for planting. Over 500 dogwood, cherry, and flowering crab trees were distributed to residents who had purchased the trees at wholesale prices. This effort was coordinated by the Beautification Committee under the direction of Anna Lee Van Allen.

The following events also took place but were not scheduled:

The painting of our building and fence at our recycle center by the Youth for Ecology.

A large flowering crab tree was planted by the Park Department as a donation by the P.T.A. Council of Naugatuck.

A dogwood tree donated by Wayside Gardens, Inc., of Mentor, Ohio was planted in Goodyear Park. It will be known as the FREEDOM TREE, in honor of the released P.O.W.'s.

Other volunteers included the Street Department, Park Department, the U.S. Army Corps of Engineers and the Stokes Paint Store, who donated paint and brushes.

Because of their training schedule, the

National Guard participated in this program on April 28–29.

We received tremendous publicity from the Naugatuck Daily News and area papers and our own secretary, Marilyn Hanlon, played an important role in this job. Radio station W.O.W.W. also played tapes for two weeks of local dignitaries who talked about ecology.

Our program was not intended or did not accomplish the problem of cleaning up all of Naugatuck in one week, but this was an effort to try and educate the young and the old *not* to litter and not to be as careless as before.

This one week, took hours of planning, hours on the phone, hours writing letters, but it was worth it all. Thanks to our Environmental Advisory Committee.

Art Carlson,
Chairman, Earth Week.

RESULTS OF ARCHER OPINION POLL

HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1973

Mr. ARCHER. Mr. Speaker, each year since coming to Congress I have mailed to the citizens of the Seventh Congressional District of Texas a questionnaire concerning many of the significant issues confronting the Congress and the Nation.

More than 60,000 constituents participated in the most recent poll, mailed earlier this year. I believe that this large response indicates that the people in my district are deeply concerned about the problems facing our country. So that other Members may see the results of the poll, I hereby submit them for inclusion into the Record:

Questionnaire Results, Seventh District of Texas, Congressman Bill Archer

1. Do you favor a Constitutional Amendment to permit passage of State laws reinstating capital punishment?

Yes, 83.0%; No, 15.1%; No response, 1.9%.

2. Do you favor strong economic and diplomatic sanctions against those countries that provide a haven for hijackers?

Yes, 92.9%; No, 5.3%; No Response, 1.8%.

3. Should the United States provide economic assistance for the rebuilding of North Vietnam?

Yes, 16.3%; No, 80.5%; No Response, 3.1%.

4. Should a newsman be required to testify in federal court and disclose his sources of information on matters that jeopardize the national security?

Yes, 57.8%; No, 38.7%; No Response, 3.5%.

5. Do you favor amnesty for those who left this country to avoid the draft?

Yes, 14.9%; No, 83.3%; No Response, 1.7%.

6. Do you favor legislation to put the Postal Service back under Congressional control?

Yes, 43.3%; No, 49.5%: No Response, 7.2%.

7. Would you approve U. S. diplomatic recognition of the Castro government in Cuba?

Yes, 47.6% No, 48.3%; No Response, 4.1%.

8. Do you agree with the President's federal spending ceiling in order to prevent higher taxes or inflation?

Yes, 83.0%; No, 13.8%; No Response, 3.2%.

9. As a partial solution to the energy crisis, would you use a mass transit system to travel to and from work?

Yes, 64.8%; No, 30.7%; No Response, 4.5%.

10. Would you support Congressional action to authorize commencement of construction of the Alaskan Pipeline?

Yes, 76.9%; No, 18.0%; No Response, 5.1%.

DISTRICT OF COLUMBIA CONTROLLED SUBSTANCES ACT OF 1973

HON. ANCHER NELSEN

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1973

Mr. NELSEN. Mr. Speaker, I have introduced a bill today, cosponsored by Congressmen Joel T. Broyhill of Virginia, Henry P. Smith of New York, and Earl F. Landgrebe of Indiana, entitled the District of Columbia Controlled Substances Act of 1973. The purpose of this bill is to protect the public health and safety by providing for the District of Columbia certain narcotic depressant and hallucinogenic drug laws which conform with and complement the Federal law and is similar in most respects to the laws of many States.

The dimension of seriousness of the drug problem in the Nation's Capital today can best be illustrated by data released in 1972 to the effect that there are more than 20,000 addicts in the city and that the drug addicts are reported to have stolen well in excess of one-quarter million dollars in property in each year since 1970. In addition, the addicts are estimated to be purchasing almost $125 million in heroin since 1970, and well over 50 percent of the persons admitted to the District of Columbia Jail since 1970 are reported to have been determined to be narcotic users. In 1970 alone, 82 persons in the District died from an overdose of drugs.

The seriousness of the problem in the District is also reflected in the number of criminal charges brought about by violation of Federal and local drug laws in the District of Columbia, inasmuch as they have climbed from 1,077 in 1968 to well over 6,000 in 1971—a six-fold increase in a little over 3 years.

The problems associated with the use of drugs are sufficiently serious and damaging to the Nation's Capital and its residents such that a unified approach to the subject of drug control which complements the Federal efforts is of critical interest to the well-being of this Federal City.

This subject was more comprehensively covered in the report of the Commission on the Organization of the Government of the District of Columbia, which was filed with the Speaker of the House on August 17, 1972. And, while legislation such as that contained in this bill is not specifically recommended in the Commission's report, this bill does in fact attack the problem and provides a solution to the problem as discussed in the report and is consistent with the recommendations of that Commission, which has been referred to by the President as the Nelsen Commission.

The effect of this bill, when enacted, will be to repeal present local drug control legislation in the District and replace it with a single modern statute which is in line with, and complementary to, the Federal Comprehensive Drug Abuse, Prevention, and Control Act, which was passed by the Congress in 1970 (Public Law 91-513). This bill fills a legislative need in the District of Columbia which has been met by the State legislatures in the neighboring jurisdictions and is similar to the laws of the majority of the States.

I urge my colleagues in the House to support this piece of legislation.

CONGRESSMAN DRINAN REPORTS ON MEDICAL EDUCATION AND RESEARCH

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1973

Mr. DRINAN. Mr. Speaker, few concerns are more important to every citizen than the quality and availability of health care. Providing quality health care is an immensely complex challenge, requiring a committment not only to the daily needs of millions of Americans, but also to the long-term requirements of research and training. In recent years the Federal Government has been a key participant in the rapid growth of medical knowledge and health care services. Government sponsored and subsidized health programs can be credited with substantial contributions to the significant improvements that have characterized health care in the last decade.

Medical education and research are a critical component of the continuing quest for improved health care. Yet administration proposals now before Congress would cripple the medical education and research programs that have supported the medical education institutions of our Nation and have resulted in the training of many competent physicians and medical scientists and educators.

I feel privileged to have recently received a statement on this subject from Dr. Ephraim Friedman, dean of the Boston University School of Medicine, Dr. Friedman focuses on the proposals to severely restrict eligibility for Federal medical school scholarships, the proposed termination of the National Institutes of Health research grant program, and the general effects of the proposed budgetary reductions upon medical schools, their faculty, medical students, and the overall quality of health care services.

I believe Dr. Friedman's views to be remarkably penetrating and forceful, and I urge my fellow colleagues to study them carefully:

Testimony of Dr. Ephraim Friedman

One of the purposes of this hearing, as I understand it, is to elicit from the deans of the medical schools of this region the implications of the recent cutbacks in federal support of health programs as they relate to the educational, research, and service missions of the schools. If it is the short-term implications which you seek to discover your purpose would, in my opinion, be better served by inquiring of those responsible for the current health budget. They knew exactly what they were about; their goals have been either explicitly stated or are so implicit in the philosophy of the budget that any litany of the short-term implications would amount to little more than acknowledgement that the goals of the current administration are being met.

It takes little imagination to anticipate the effect of a drastic reduction in federal scholarships. Students of minority groups and lower socio-economic levels who are understandably more reluctant than others to undertake a large indebtedness will be selectively discouraged from embarking upon careers in medicine. It matters little that we at the Boston University School of Medicine have embarked upon a long-term program to raise the standard of health care in Boston's ghetto by recruiting talented students from the South End and Roxbury. Our credibility will be lost when we are forced to renege on our commitment to support them, at least in part, with scholarship aid. It is an opportunity which will be irrevocably lost.

The termination of the training grant program because of alleged abuses will have the obvious and, in my opinion, intended result of steering a small number of talented and motivated medical students and house officers away from academic careers towards the private practice of medicine. Once destroyed, these training programs will, in my opinion, be gone for a good long time. Many of the faculty will have dispersed and one is not going to be able "to put Humpty Dumpty together again".

Junior medical school faculty are being hardest hit. Having been lured into academic medicine by currently disappearing training grant funds, they have turned towards the NSF and NIH for research support, only to find research grants essentially limited to established investigators. General research support grants, designed as start up assistance for junior faculty, have been all but phased out.

Senior faculty are now wary of taking risks in their research and are being pushed into "targeted" instead of basic research. Deans are loathe to embark upon innovations in educational or health care delivery programs in the current capricious "here today—gone tomorrow" climate of federal funding. Full-time faculty are likely to be replaced by voluntary faculty with a potential decrease in quality of teaching and patient care. Momentum has been lost. Federal credit and credibility are at an all time low.

It is generally acknowledged that medical schools were encouraged to enlarge their classes by the leverage exerted by the capitation portion of the Health Manpower Training Act of 1971. Essentially, no incremental funding was provided, but previous institutional grants were repackaged and made contingent upon significant increases in enrollment. Now that enrollment has been increased, promised support is being withdrawn. We played this federal shell game with reluctance and now that we have lost we will have to be excused if we appear to be somewhat cynical.

But, when all is said and done, medical schools will survive; survival is the name of the game for any institution, 80% of whose budget is derived from federal sources. But survival for what? To return to the era when a medical education was the privilege of the progeny of the wealthy? To return to the era of "diploma mills," of largely voluntary faculty led by obsequious deans too timid to innovate or insist upon high standards of education or patient care for fear of offending students who paid tuition, faculty who donated their time, or wealthy contributors whose price consisted of the admission of applicants who could not make it on their own? Are we returning to the era when pharmaceutical houses could "buy" research results from impoverished medical schools?

It has been repeated so often that a "medical education costs too much" that the statement is no longer challenged. I contend that a medical education is one of the few bargains this society has left, and the money is being invested in some of the best brains housed in some of the most energetic bodies around. And while we may quarrel with many facets of our health care system, including its cost, I have heard no one argue that the doctor's education is not being put to a socially worthwhile use.

Paradoxically, medical students perennially complain that their tuition is spent on research; the NIH worries that its research dollars are being diverted to education or patient care; and Medicare and Blue Cross/Blue Shield are convinced that they are being robbed by medical school deans who are diverting funds to either medical education or research. The irony of the situation is that they are all getting a bargain and do not recognize it. They appropriately insist on a cost accounting, but how do I cost account the time spent by a faculty member who is treating a patient with a medical student on his left side, a house officer on his right and a research trainee behind him? He is performing many activities, patient care, research, training of medical students, house officers, and research trainees at a fraction of the cost of performing these tasks separately; and he is doing them better in an environment that permits them to be done simultaneously. The education of medical students without patients would be impossible; to be taught largely by voluntary faculty who did not have the responsibility to care for the patient would deprive him of the most important lessons he could learn from a medical teacher—what it means to have the responsibility for the health of another human being. To remove from this environment the intellectual stimulation and the critical application of the scientific rules of evidence associated with research would be a serious loss. To remove research from the clinical environment and to relegate it to the laboratory would put medical research back into the middle ages when it was a sterile, pedantic, irrelevant type of intellectual masturbation.

It is my firm conviction that the selective attack on the educational component of the health care system is due to the anti-intellectualism of the present administration. There is also a degree of political cowardice in attacking a vulnerable, relatively small, impoverished, but vital part of the health care system while ignoring the most important health problem facing this country—the absence of universal entitlement or national health insurance.

Sooner or later, some type of universal entitlement to health care will become the law of the land. It is long overdue; but when it does come we will be forced as never before to come to grips with problems which we should be working on now—new health careers, redistribution of health personnel, health education of the public, integration of a fragmented, pluralistic health care delivery system, and research to prevent disease. If we don't begin to solve these problems, universal entitlement will bankrupt this Nation. It is my personal conviction that when we do reorder our priorities such that we make a commitment to solve these problems, the current federal budgetary actions which we are discussing today will be viewed in retrospect as the equivalent of the proverbial "spitting into the wind". We may save a few tax dollars for ourselves but we will have shortchanged our children by not investing in their future.

AFL-CIO ENDORSES TRANS-ALASKA PIPELINE

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1973

Mr. YOUNG of Alaska. Mr. Speaker, yesterday, the AFL-CIO Executive Council passed a resolution urging the immediate construction of the trans-Alaska pipeline. May I commend this resolution to my colleagues who take an interest in labor?

Needless to say, construction of a trans-Alaska pipeline will provide jobs for American workers—an estimated 10,000 will be directly employed which will in turn generate 26,000 additional jobs.

The resolution follows:

STATEMENT BY THE AFL-CIO EXECUTIVE COUNCIL ON ALASKA PIPELINE

It is tragic that while the United States is facing an energy crisis, including shortages of petroleum products, one of the largest reserves of petroleum—Alaska's North Slope—remains undeveloped.

At a time when the U.S. is forced to increasingly rely on oil imports—with resultant loss in American jobs, damage to this country's balance of trade and potential threat to national security—development of Alaskan oil reserves is blocked by outdated right-of-way requirements and environmental concerns, some real and some imagined.

The fastest, most economically feasible and most secure method of transporting Alaskan oil to the burgeoning American markets is by pipeline to Valdez and by tanker to West Coast ports.

Jobs for American workers would be generated not only in building the pipeline and related plant construction, but also in maintaining it and in manning the transshipment facility at Valdez. Approximately 33 new U.S.-flag tankers would be needed to carry the oil, thus stimulating employment in U.S. shipyards and for U.S. shipboard workers.

However, the key to transshipment is construction of the Alaskan pipeline, and construction of the pipeline depends on Congressional action to give the Secretary of the Interior legal authority to grant the right-of-way.

Congressional action is also necessary to legalize many oil and gas pipelines in all regions of the country which, as a result of a recent court decision, are technically illegal. Unless legal remedy is provided, these pipelines could be enjoind and the jobs of many workers endangered.

Senator Henry M. Jackson, chairman of the Senate Interior Committee, has sponsored legislation (S. 1081) that would solve the right-of-way program while providing very tough environmental safeguards and stringent liability requirements for damages caused by the pipeline. Additionally, the bill would insure that the Alaskan oil reserves are used in America's domestic markets. We urge immediate enactment of S. 1081 to eliminate a legal obstacle to construction of the Alaskan pipeline which we wholeheartedly favor.

Enactment of the Jackson bill would leave one hurdle to construction of the pipeline—a court challenge to the environmental impact study conducted by the U.S. Department of Interior in accordance with the National Environmental Policy Act. This question now properly reverts to the courts where a decision should be rendered without delay.

Various routes through Canada to the Midwest have been proposed as alternatives to the Alaskan pipeline. But this is not an "either . . . or" question—both an Alaskan and a Canadian route will be needed. But a Canadian route is considered by experts to be at least 10 years away from construction, and time is of the essence. We believe a study of a Canadian route has merit, because the resources in the Alaskan and Canadian Arctic will eventually require two or more pipelines.

Therefore, we support the provision in S. 1081 that establishes proper procedures for negotiations with the Canadian government leading to construction of a second, later route.

We recognize that full development of Alaskan oil reserves will not solve America's larger energy crisis. The future stability of this country's economy requires immediate measures to insure America's self-sufficiency in all forms of energy.

To meet this long-range need, we support S. 1283, introduced by Senator Jackson and 27 other Senators, that would mobilize the nation's scientific and technological resources for a 10-year, $20 billion crash program to develop alternative energy sources.

If America does not solve its immediate and long-range energy needs, this country will be forced to depend largely on foreign sources with political, economic and national security hazards.

Without sufficient energy resources America will not be able to meet its economic and social goals, but if the Congress acts now it can assure Americans both a better environment and a better life for everyone.

ABBEVILLE HIGH SCHOOL GRENADIER BAND

HON. WM. JENNINGS BRYAN DORN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1973

Mr. DORN. Mr. Speaker, Ruffles and Flourishes, the national band magazine, currently rates the Abbeville High School Grenadier Band as among the top five bands in North America. On May 18, 1973, the Grenadiers and Grenadier Band Director Leland Scott will officially receive trophies recognizing their triumphant performance in the recent 52d annual Festival of States in St. Petersburg, Fla. Our great Governor, Hon. John C. West, will be present for this ceremony in Abbeville's historic opera House. Among the Grenadiers' other recent triumphs, Mr. Speaker, are the 1971 National Cherry Blossom Festival's parade and field show competition in Washington, D.C., and the 1972 National Band Championship in Bradenton, Fla. It has been my honor and privilege to have this superb band and their distinguished director at my home on a number of occasions. The Abbeville Grenadiers epitomize and typify young America at its best. Abbeville, the hometown of John C. Calhoun, is accustomed to greatness, Mr. Speaker, and this historic and progressive city is superbly represented across the Nation by the Grenadiers.

Mr. Speaker, the Grenadiers performance in Florida manifested the great courage of this organization, their supporters, families, and friends. One of the band's most beloved members, young Tommy Ferguson, was tragically taken from us by the disastrous tornado which struck Abbeville County just days before the competition. Yet the Grenadiers carried on in their outstanding tradition with the full support of Tommy's parents, Mr. and Mrs. Fletcher Ferguson, and won both the Florida Governor's Cup and the Heart of St. Petersburg Plaque.

Mr. Speaker, the following are excerpts from the special Festival of States souvenir edition of the St. Petersburg Times, an edition which also featured prominent large photographs of the Abbeville Grenadiers:

Winning-est Winners

In an emotion-packed moment, the Abbeville High School Band became the prizewinningest entry in the 1973 Festival of States. The Grenadiers from South Carolina won both the Governor's Cup as the best marching band in the parade and the Heart of St. Petersburg trophy as the band that won the city's greatest admiration. Wednesday night they won second place in Champions on Parade.

Both the Abbeville Grenadiers and the Athens, Ga., Gladiators will return to towns severely damaged by tornadoes last weekend. One young member of the Abbeville band lost his life in the storm.

The Grenadiers were making their second festival appearance in four years. They are four-time South Carolina marching band champions.

Nothing Beats a Parade for Ushering in Springtime

(By Dick Bothwell)

"They get better every year," says Ron Sherry, one of the 10 high school band directors on the top row of the reviewing stand on Bayshore Drive, as the 1973 Parade of States sweeps by—27 bands, 40 floats, many marching units.

None march more erect, more precise, more determinedly than the scarlet-clad Grenadier Band from Abbeville, S.C., a small group with a big mission. They have to win.

On Saturday, March 31st, just before the band was due to leave for St. Petersburg's Festival, tornadoes sweeping across the South had pounced on the town and torn up homes of many band members.

When the wind had passed, a fallen tree lay across Tommy Ferguson, 16, he was dead by the time they got him to the hospital.

His parents, Mr. and Mrs. Fletcher Ferguson, had had four children in the Grenadiers—his sister Dawne is band captain.

They buried Tommy in his band uniform and, with his parents, came down to win. And they did.

The Grenadiers placed second in the Wednesday night field show, Champions on Parade.

Saturday they outdid themselves. After an hour's deliberation and adding up of points, the judges named them No. 1 and awarded Abbeville the emblem of championship—the Governor's Cup. It was presented at Williams Park and then, adding to the torrent of emotion, came the final token of admiration—the Heart of St. Petersburg plaque.

In second place comes the fine Boyerstown, Pa. Band, third place winner at the Parade of Champions. Third is the "Flaming Arrows" Band of Claymont, Del., marching with precision and drive.

Fourth, and a crowd-pleaser just as it was Wednesday in winning the Mayor's Trophy at Champions on Parade, is the well-drilled Dundee (Ill.) Scots.

THE REPUBLIC OF CHINA

HON. DAN DANIEL

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1973

Mr. DAN DANIEL. Mr. Speaker, as the American people become more and more beguiled by Communist China, it is all the more necessary that we, as elected representatives, remind our fellow countrymen and the world of the importance of the Republic of China to the peace of the world.

The free world has been astounded as was I when I visited the Republic in January of this year by the amazing performance of the Republic of China in the economic and diplomatic areas in the 2 years since Communist China usurped that nation's place in the United Nations.

A few months back, one of our larger newspapers carried a supplement titled "Free China Is Alive and Well." That such a magazine article should appear, and that it could truthfully be so titled, is one of those small miracles the rest of the world has come to expect from the Republic of China over the past 20 years. And never has there been more cause for genuine admiration of that country by the rest of the world than now exists.

Many writers in the world's press signaled the instant demise of the Republic of China following the admission of Communist China to the United Nations, and President Nixon's visit to the mainland. These were matters not to be taken lightly. Yet the Republic of China may well take pride in its reaction to these shocks and in its accomplishments since these two events.

On the economic front, free China's performance has been little short of miraculous. Real economic growth exceeds most countries of the world, and with a population one-fiftieth that of Communist China's the Republic of China's exports and imports easily outstrip that larger nation, approaching $5.5 billion this year.

From a country dependent on other nations for protection and for financial assistance, the Republic of China has reached the point where it not only stands squarely on its own economic feet, but has extended aid to some 20 developing nations. Would that some other of the recipients of our foreign aid showed such vigor.

For some 19 years our nations have been bound by treaty to mutual defense and assistance. It is a treaty which has shored up and secured the best interests of both our nations and the free world for a generation, and has guaranteed to the people the right to live out their lives on their own terms, not on terms dictated by Moscow or Peking.

Today there are those who would have the United States turn its back on this friend of many years, a friend which has supported our position in the United Nations and in the community of free men. They would forget our debt to free China, the firm link in the chain which protects the free world from the encroachments of totalitarianism in Asia.

When we read world history, we point to certain events and say, "At this point, we stood at a crossroads." I believe the future will accord the same designation to our own period. I am convinced that events of the 1970's will prove the deciding factors for generations. I am further convinced the Republic of China can bear a significant role in these events, for it stands for all the world to see, a nation dedicated to freedom. Smaller in size, with less natural resources and fewer people, it provides, daily, evidence that men do not just survive, but can prosper and grow and share the fruits of their labors in the community of nations, given the will and the determination.

Those who now enjoy our friendship, and those we may want as our allies at some future time are watching closely our attitude and our actions toward this staunch friend of earlier days. We would do well to remember the golden rule, lest we live to regret the consequences.

SOVIETS SUFFER SPACE REVERSALS

HON. DON FUQUA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1973

Mr. FUQUA. Mr. Speaker, one of the great mysteries of our time has been the failure of the Soviet space program.

It began with such drama, the first man in space and so many other accomplishments. And then, there was no advancement.

I think this proves the wisdom of the American approach. We took each step in logical sequence and, as such, have had success with the most magnificent scientific program in the history of man.

Now we are on the edge of a new program—Skylab. After that, the Space Shuttle.

The space program will continue to add to the advancement of our knowledge of man. It is the challenge of the future.

I thought a recent editorial in the Evening Star of Washington made an interesting point and would like to have it reprinted here. The editorial is as follows:

SOVIET SPACE REVERSAL

The recent failure of the Soviet Union's Salyut 2 space laboratory came at a notably embarrassing time for the Kremlin. Because next Monday, if all goes as planned, the United States will have its own, bigger Skylab in orbit around the earth, ready to receive the first of three three-man crews who are to test the human ability to endure in space.

In a year of harsher rivalry, Americans might have taken grim satisfaction from the Russians' space troubles. But that would have been before this period of detente, and before repeated American visits to the moon clearly established our lead in manned exploration. The U.S. space program does not need Soviet failures to make it look successful.

The Salyut disaster, which fortunately happened (possibly through an explosion) before cosmonauts were implanted in the station, could mean a less enthusiastic Soviet space effort in coming years. This would be unfortunate, presuming the ultimate peacefulness of Russian aims in outer space. It could limit the accretion of human knowledge to be shared for mutual betterment. And it could be an obstacle in the path of plans for a joint American-Soviet manned space mission in 1975. This will require a solution of what seem to be flaws in some of the Soviet hardware, perhaps because of inadequate quality control that also has caused trouble in the American program. Three cosmonauts died returning from Salyut 1 because of a leaky hatch.

It is puzzling that Soviet leaders remain so secretive about their space problems, when the general nature of a mishap cannot be hidden from modern tracking equipment and more openness could lead to a sharing of corrective knowledge. The Russian announcement that the last Salyut had merely completed its mission, attesting to its proper design, fooled no one. Greater frankness, certainly, will be needed in the joint mission requiring the confidence of each country's experts in the other's equipment and ability.

As Skylab takes off for what we hope and expect will be a triumphant space episode, and the teams of American astronauts prepare for their successively longer and more uncertain periods of work aloft, it does no harm to commiserate over the flagging Soviet effort. The Russian experience perhaps could help us avoid some similar catastrophes in the future.

ADMINISTRATION PROPOSALS ENDANGER NURSING

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1973

Mr. DRINAN. Mr. Speaker, in recent years nursing has played an increasingly important role in the delivery of health care, and thus it is little wonder that the demands upon nursing education have correspondingly increased. Yet despite the demonstrated need for competent and trained nurses, the administration proposes to phase out categorical support for nursing education. The results of these proposals—if enacted by Congress—will be close to disastrous.

Capitation grants for nursing would be terminated, and scholarship and loan support for nursing students would be drastically curtailed. If these proposed reductions are imposed, then it is not unreasonable to expect that as many as 50 percent of all nursing students will be left without adequate financial resources to meet the costs of their education. Faculties at nursing schools will have to be heavily reduced. Most important, quantity and the quality of nursing care will in the long run be diminished.

Last week I met with educators and administrators from four nursing schools in the Boston area: Dr. Irene S. Palmer, dean and professor, Boston University School of Nursing; Mary A. Dineen, R.N., Ed. D., Boston College School of Nursing; Juanita O. Long, R.N., Ed. D.; dean, Northwestern University College of Nursing; and Elaine C. Hubbard, R.N., Ed. D., chairman, department of nursing, Simmons College.

Dr. Palmer of the Boston University School of Nursing presented a statement on nursing in behalf of the four nursing schools in the Boston area. Dr. Palmer's statement is both compelling and profound, and I hope that my colleagues will study it carefully:

TESTIMONY OF DR. IRENE S. PALMER

I am grateful for the privilege of testifying here today on the serious and grave effects the proposed federal cutbacks in nursing will have on the American people. As Dean of Boston University School of Nursing, I am speaking for the deans of the four nursing schools in the Boston area.

The health care of the people of the United States require the availability of competent, soundly educated nurses.

The exorbitant financial cutbacks in federal nursing funds will drastically curtail our ability to prepare nurses who have the capabilities and flexibilities to provide nursing and health services to patients in and out of hospitals, health maintenance organizations, ambulatory care settings, and virtually every conceivable environment in which human beings require nursing care.

Nursing coordinates health services within the system providing patient referrals and assuring easy accessibility among the parts of the system between and among acute hospitals, extended care facilities, the four levels of nursing homes, community health centers, ambulatory clinics, physicians offices, schools, patient's homes. Society requires nurses who have the knowledge and the ability to do this. Humanistic nursing care, based on an individual's personal needs is a contribution of nursing. The care of people in restorative care, in health assessment, in health maintenance, in health promotion, in acute care, in long-term care, in non-acute care is nursing's business.

Nursing has a profound impact on the delivery of health, and to people who require health care and health services. It is a commonly accepted fact that nurses are able to accept increased responsibilities for providing health services. By assuming a larger share of their rightful responsibility nurses enable more citizens to receive the care that they require.

The poor have known for years that health care is hard to get, uneven in quality and quantity, and expensive. Rural America has known something of the same experiences; and now the urban middle class encounters the same inadequacies in health care because of poorly organized systems for delivering vitally needed health services and care.

There is great cost effectiveness in using nurse clinicians for rendering health care because of their accessibility to the general public. Nurses are the largest group of workers in the health-medical industry. Nurse directed clinics attest to this, relieving physicians of many health related activities that nurses are fully capable of performing. The role of the nurse in the prevention of disease, in health screening, in health monitoring, in health teaching, in rehabilitating persons with paralyses, bowel and bladder training, in retraining persons to dress, feed, bathe themselves to maintain their maximum independence are long range cost saving mechanisms accruing to the general good through federal support for nursing.

To realize fully the achievements of a national goal of making health care accessible to all without insurmountable barriers, the contributions of nursing must be recognized and maximized into the system. Effective health care cannot be fully developed in the absence of professional nursing services which are a fundamental foundation in the health care delivery.

To accomplish these tasks and responsibilities requires a commitment from nursing which has been demonstrated for more than seventy-five years and assistance from the public sector.

Students and their families will be unable to afford the cost of training.

About fifty percent of our students in nursing will not have adequate financial support in spite of the fact two-thirds of them work one or two days a week to pay the cost of their educational, or living expenses.

About fifty percent of faculties in schools of nursing across the country will have to be terminated. Yet this rich leadership, resource of academic and research and nursing service expertise will have to be disbanded. It has taken some of our schools 20–25–30 years to develop these excellent teaching resources. The incredible loss to the society we serve of dismantling these human resources is too great to fathom. Why is nursing being cut so drastically? It is a pervasive assault on a profession that has undergirded the health care and hospital and medicine industry in this nation!

The average student, being a woman and of a lower socio-economic status finds it very difficult to obtain a loan. In addition, cultural norms militate against young women incurring indebtedness prior to marriage and for their own education. The indebtedness usually goes for the husband's educational preparation.

Granted, economies in government spending are necessary. What is objected to however, is the ordering of federal priorities which espouse:

(1) the termination of research training support for all programs in the health and biomedical fields on the basis that the general need for adequate numbers of doctorally trained researchers has been met and (2) that a continued Federal emphasis and support to train Ph.D.'s will be lead to an oversupply! Of 748,000 employed Registered Nurses, about 782 have the earned doctorate. It is only since 1967 with the support of the Federal government, through financial support for education and research training at the doctoral level, that any significant impact has been made with 630 nurses earning doctorates in the period 1961–1972.

It is terribly important for nurses to have a body of knowledge that is soundly derived upon which they can base their nursing judgments so as to fit patient observations and data into a scheme for patient care rather than just have isolated facts and perform tasks and skills. The development of a scientific basis for nursing practice rather than merely the performance of tasks and skills is being achieved through the efforts of nurses prepared in research. The necessity of a sound education based upon the acquisition of knowledge and skills enables the nurse to perform in a manner consumers expect is vital.

The fact that a nurse-conducted health interview rather than the traditional physician-conducted physical examination was safe and acceptable to students in a college health service was instrumental in identifying the functions of the nurse in primary care.

Clearly, there is no case for an oversupply of doctorally prepared nurses in the United States! Still, the Federal budget proposal advanced by President Nixon for FY 1974 espouses that "the normal mechanisms in the professional manpower market will be relied upon to produce any additional manpower needed."

Training support for these nurses was cut off because of the across the board application of the rationale: "The income expectations of doctoral level scientists is such as to make it appropriate to expect them to bear the cost of their training," as well as the rationale of an anticipated over production! A nurse with a doctorate will be considered fortunate if she earns $20,000 a year after several years of experience; as contrasted with biochemists earning $40,000!

The market place can not take care of providing adequate numbers of doctorally prepared nurses.

Still another national priority in ordering the Federal budget was the rationale that the income expectations of those completing graduate training are such that "it makes it appropriate to expect them to bear the cost of their training." The average beginning income for a registered nurse is $9,000 a year, rarely attaining a salary of $15,000 by the time of retirement! Other health professionals such as physicians and dentists have annual incomes of $30,000 to $43,000.

The removal of traineeship monies and the reduction of student scholarship and loan monies presents an unnecessarily harsh burden on individuals wanting to become nurses.

Fifty percent of students going into nursing come from families with annual gross incomes of $10,000 or less! In my school, 40 percent of my students' mothers are employed full time in addition to their fathers and ⅔ of my baccalaureate students cite financing their nursing education is a great concern to them, and require loan or grants or scholarships to assist them. All of my incoming graduate students state financing college costs are a major cause of worry. Why wouldn't it be? The average annual income of a nurse is under $10,000 a year.

However, despite the obvious need for financial aid to nursing students, the Federal priority has removed graduate training support and reduced by fourteen million dollars the availability of loan money, while retaining or increasing this for medicine and dentistry by six million.

Another ordering of National priorities for Federal budget appropriations is "the strengthening of those programs that produce real results or carry out genuine National priorities".

No taxpayer wants his tax money wasted. However, is Federal investment in nursing something that does not "produce real results"?

In the ten year period 1960–1970, the Registered Nurse population grew by 43 percent while the United States population increased 2.95%. That is a sizable measure of productivity, and much of it was accomplished through Federal investment in nursing. Since 1957 when the Federal government began to support advanced training of nurses, there has been an increase of 57% in the numbers of nurses in practice!

The 1975 projected need for nurses is one million. We have 748,000 in practice now!

Yet, another measure of the national priority for health is in the Federal budget message stating there is evidence of "a continuing need for numbers of professionals in medicine, dentistry and osteopathy", and that "the same urgency does not exist in other health professional fields".

Nursing's problem is qualitative, not quantitative. It is estimated that only 15% of the nations's nurses are prepared for the job they hold in administration, supervision or teaching in nursing. Certainly nursing does not suffer from a plethora of well prepared, qualified nurses. There are 1,112 unfilled faculty and administrative positions in all of nursing education, yet the burden of preparing enough teachers who can train nurses to provide safe nursing care is ever with us as consumer demands ever increase.

Massachusetts ranks 9th in the number of unfilled key nursing positions of all the states with 37 vacancies in strategic leadership positions.

There are 2,320,000 active people working in nursing today. 32% are R.N.'s, with 15% of these nurses working in teaching, administration or in supervising special nursing care units such as the cardiac unit, intensive care units in maternal infant care or in rehabilitation. Of the nursing labor force, 18% are licensed practical nurses, 39% are aids, orderlies and other nursing assistants. Students in nursing comprise 32% of the labor force. In summary, 32% of the nursing personnel are R.N.'s, involved in supervising, teaching and administering the service of 68% of the pool as well as being responsible for giving care also. This 32% of the nurse pool needs help to do the job it is willing and able to do.

We have seen a dramatic rise in enrollments in schools of nursing over the past two years, nationally 17%; locally a 20% increase since 1971. The loss of capitation monies to assist schools with their increased enrollments, a criterion for obtaining such funds, forces an undue financial burden on already overburdened educational facilities. Schools were deliberately encouraged to increase enrollments and just as we did, financial support was withdrawn. Schools will be forced to curtail enrollments or actually close as a result of federal cutbacks.

Forty percent of my students came from the Commonwealth of Massachusetts. The remaining sixty percent are reflective of the 49 remaining states and territories. There are 801 students enrolled in Boston University School of Nursing and 286 are scheduled to graduate this year. It is estimated that enrollments could reach 900 or better in September if Federal loans and financing were available. The number of highly qualified applicants from low income and other disadvantaged groups will be denied access because of inability to obtain financial support due to Federal cutbacks in nursing.

The effect of a diminished nurse supply will be seen as training programs are curtailed. For example, in 1963 coronary care training programs were established for nurses. The employment of these specialty trained skilled nurses is responsible for reducing the in-hospital mortality rate due to acute myocardial infarction by 10% in the past ten years. Who will be on the scene of the cardiac arrest to mobilize the rest of the health team?

The Federal government has a great challenge before it with the great numbers of our citizens living longer. The challenge is dependency versus opportunity. The role of the nurse in assisting an aging population by health maintenance activities such as health assessments, early disease and disability detection, assuring nutrition advice, are all health promotional, health maintenance services which can play a vital part in preserving the healthy elderly in their own environment, and thereby decreasing the cost of illness and medical care, enabling the elderly to contribute further to the nation through their purchasing power and selection of services. A healthy population is reflected in a healthy economy.

As nursing education programs prepare dangerously fewer numbers of professional nurses, patients in intensive and other special care units will lack sufficient number of nurses to ensure their breathing regularities, to make certain they do not aspirate their vomitus, to tube feed patients to maintain adequate nutritional and fluid intake vital to life.

We can expect that patients will not have catheters irrigated sufficiently to prevent infection; that the transition from hospital to home will be made with great difficulty since too few nurses will be available to teach the patient or his family how to give the care he requires at home; that the diabetic may slip into coma or shock too frequently because there will be fewer nurses to observe him and recognize the early signs of these difficulties and initiate corrective, preventive action.

As an illustration of our way of living and its effects on people, we are all familiar with auto and motorcycle and driving accidents which result in severance of the spinal cord. These spinal cord injury patients will have fewer nursing personnel to minister to their needs. Can you envision being unable to scratch your nose, blow your nose, comb your hair, brush your teeth or get a sip of water, but require that someone else do them? That's nursing's business! Will there be a nurse available?

Persons with chronic heart disease, chronic lung disease like emphysema, and the elderly with stroke, or fractured hip will be sent home from the hospital with no one to assist their families in learning how to cope or handle their needs, no one to assist them in readjusting their daily living patterns, to learn how to care for themselves at home, to learn how to help themselves by possible modifications in bathroom, bedroom or kitchen.

Persons with surgical intervention for cancer treatment will have colostomies, ileostomies, laryngectomies, massive dressings and draining wounds and be fortunate if there is a nurse who can visit them at home to assure that all is going well or to teach the patient how to care for their artificial openings, and the necessary appliances, for their comfort, safety and sanitation.

Those people threatened with blindness by cataracts, trachoma or glaucoma will have to make adjustments to loss of vision with the previously available services of the nurse.

Who will support families with chronic illness in their times of distress, and who will help the mother understand the electronic gadgetry hooked up to her in an attempt to save the unborn baby she wants so badly?

Nursing has long demonstrated its readiness to remedy the problem of the distribution of health care. Who is going to sustain society when the thrust of the pool of nurses in practice now has been lost because there will be too few replacements possible under the present national budgetary proposals for nursing?

Nursing will mount programs that will use to the fullest new avenues of service so that people of this country will receive quality health care at a price they can afford. Public responsibility to share resources necessary to build these new programs is an essential ingredient.

EXPANSION OF THE ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS

HON. GARRY BROWN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1973

Mr. BROWN of Michigan. Mr. Speaker, I have today reintroduced a bill calling for the expansion of the Advisory Commission on Intergovernmental Relations to include two elected town or township officials.

The Advisory Commission was created to, among other things:

> (B)ring together representatives of the Federal, State, and local governments for the consideration of common problems.—42 U.S.C. sec. 4273(1).

While I have always viewed inclusion on the Commission of elected town or township officials as sensible and appropriate, recent legislative action by the Congress has made the case for representation even stronger. I refer to the enactment of the State and Local Fiscal Assistance Act of 1972, better known as general revenue sharing.

Section 108 of that act expressly included in the allocation formula for units of Government, township governments. While the Office of Revenue Sharing has not yet compiled figures on what proportion of the $1.5 billion distributed thus far has gone to township governments, it is clear that a substantial amount is going to that level of Government.

To state it simply, the question of general revenue sharing funds and how to use them is another one of the "common" problems that is to be dealt with by the ACIR and in recognizing the status of township governments for revenue-sharing purposes, we have acknowledged these governmental entities as one of the levels of Government whose "relations" with other levels is clearly within the ambit of the ACIR.

In conclusion, I hope that favorable consideration can be given this legislation during this Congress and I would be remiss if I did not acknowledge and sincerely thank one of my constituents, Col. Joseph Parisi of Kalamazoo, who as a former elected township official and as executive director of the Michigan Townships Association, has been extremely helpful in presenting to me the precise nature and importance of township government in Michigan and many other States.

ON BILINGUAL COURTS BILL

HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1973

Mr. ROYBAL. Mr. Speaker, today, I, with Mr. EDWARDS of California, as cosponsor, have introduced a bill, the bilingual courts bill, which represents a necessary first step toward insuring that non-English speaking minorities will fully comprehend, be able to participate in, and have full access to the judicial process and related proceedings.

This bill represents a legislative continuation of a principle enunciated by the Supreme Court during the last decade. In Gideon against Wainwright, the Court stated that due process required that an indigent accused of a felony, must be provided with an attorney at his trial. The underlying rationale of this decision was that in order to insure fairness and participation of the accused in his trial, it was necessary to provide him with the basic tools to adequately present his case to the Court.

Since Gideon, the Supreme Court has utilized this rationale to continuously expand the services which must be provided the accused indigent. Today an indigent must be given a transcript of his trial to facilitate his appeal, and can have an attorney appointed to try his appeal from conviction. There are other cases which will soon reach the Court that could lead to the Government's having to supply many other types of services to the indigent to insure he is fairly tried.

Today, there are more than nine million people in this country who speak Spanish. In many ways the bilingual American, one who speaks English, but whose native and everyday language is not English, faces the same problems in his encounters with the judicial system as the indigent did before the decision on Gideon.

A report of the Civil Rights Commission in 1970, Mexican-Americans and the administration of justice in the Southwest, concluded that the language barrier and cultural differences of the Spanish-speaking have severely handicapped the bilingual American at every stage of the legal judicial process—at the arrest stage, at the time of trial and even when he seeks parole.

At present, there are State and Federal statutes that do provide some services to the non-English speaking. However, these statutes have not provided adequate or enough services. Ofttimes the trial judge is given complete discretion as to when those services should be provided.

It is now time for the Federal Government to insure that every individual—whether he suffers from a financial or a linguistic handicap—has access to the fairest trial possible under our judicial system.

I believe that the bill I have introduced today will be a first step in achieving the goal of equal access to the judicial system.

The bill first provides that the Director of the Administrative Office of the U.S. Courts must determine each of those judicial districts in which at least 5 percent or 50,000 of the residents of the district do not speak or understand the English language with reasonable facility, and certify each such district as a bilingual judicial district. Next he must prescribe for each such district the qualifications of interpreters who have a capacity for accurate speech and comprehension in English and in the non-English language, and for simultaneous translation from either language to the other. Next he must prescribe a schedule of reasonable fees for interpreters and provide such district with appropriate equipment and facilities, so the interpreter can carry out his duties.

Second, whenever a district judge determines upon motion made by a party to a proceeding in a judicial district certified as bilingual that the party does not speak and understand English with reasonable facility or that testimony may be presented by any person who does not speak or understand English, he may order the proceedings shall be conducted with the services of an interpreter who can provide simultaneous translation of the entire proceeding.

The parties to the proceeding who use the interpreter shall bear the cost. If an indigent utilizes the services, then the Government will bear the cost.

ISRAEL'S 25TH ANNIVERSARY

HON. ALPHONZO BELL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1973

Mr. BELL. Mr. Speaker, I wish to join my colleagues in the commemoration of the joyous 25th anniversary of the State of Israel. This brave country, faced with a continuing struggle for sheer existence, has acted with determination and fortitude to provide the Jewish people with a true homeland.

I have been fortunate enough to have traveled throughout Israel, and to have seen the magnificent accomplishments of this nation. What was once a vast desert wasteland has become a beautiful oasis. The devotion and love Israelis have for their country is strikingly apparent in the warm reception that visitors receive.

Israel is more than a country. It is a dream fulfilled for millions of Jews throughout the world. Jews in the Diaspora, some of whom would make any sacrifice just to live in the "promised land," are unfortunately forbidden to emigrate because of oppressive laws in countries not enjoying the freedom that Israel grants all of her residents.

Mr. Speaker, I have had the immense privilege of meeting many Israeli leaders, including the distinguished Premier, Golda Meir. That was an experience that I shall always treasure. The people of Israel are fortunate to have this great lady at the helm of their country.

I fervently wish that this anniversary could signal the assurance of a lasting peace in the Middle East. The great success of this country is too often muddled by the horrors of war. Now is the time for Israel to reap the harvest of its 25 years of dedication. I know that I speak for all Americans in praising the achievements of the past 25 years and in expressing my heartfelt desire for the realization of all future goals.

KQV SALUTED FOR AWARD-WINNING PUBLIC AFFAIRS PROGRAMING

HON. H. JOHN HEINZ III

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1973

Mr. HEINZ. Mr. Speaker, KQV Radio, the American Broadcasting Co.-owned station in Pittsburgh, has long had the reputation as the leading public service-minded facility in Allegheny County, part of which, the 18th District, I represent.

KQV has produced and broadcast a major 2-hour documentary entitled "One for the Road," which deals with alcoholism. I have had the pleasure of listening to the record album which has resulted from this broadcast and I take this opportunity to commend the station, its general manager, John D. Gibbs, and his staff for an outstanding contribution to trying to solve a major social and medical problem.

Although the use of hard drugs, stimulants, and hallucinogenics receives wide publicity and attention today, the No. 1 abused drug in this country is alcohol.

Alcohol now affects some 40 million persons in the United States and the loss to business runs close to $15 million annually.

KQV, in attempting to educate the public and perform a vital public service, conducted some 150 interviews, including physicians, psychiatrists, members of Alcoholics Anonymous, and ordinary "social drinkers."

After it's first broadcast, "One for the Road" stimulated countless requests for rebroadcast and the station responded accordingly.

Since that time, "One for the Road" has been honored with several awards; namely, two Golden Quills this week, bestowed by western Pennsylvania journalistic societies, for "best radio documentary" and "best of all radio shows." Additionally, the program was honored by the Pennsylvania Associated Press as "best public affairs program" and Theta Sigma Phi, an organization of women in communications, as "best documentary in radio and TV."

I would like to share with my colleagues excerpts from just a few of the many letters KQV received from listeners saluting it for its powerful "One for the Road":

LETTERS FROM LISTENERS OF KQV–RADIO

". . . I wish to compliment you on a most comprehensive and instructive public education porgram. Since many people have commented on the program to me, I am not alone in my evaluation. The material was handled delicately yet in a straight-forward manner. With a subject which requires both sensitivity and frankness, the accomplishment of these goals was truly genius."

ABRAHAM J. TWERSKI, M.D.,
St. Francis General Hospital.

"Congratulations . . . to KQV. I believe this type of public approach is most needed in all areas of medical and social dilemma that our society is currently faced with."

JOSEPH J. JACKLINE, JR., M.D.

". . . a concern I share with others is the need for increasing public awareness of and promoting interest in the problem of alcoholism. . . . I feel 'One for the Road' was an excellent effort in attempting to accomplish this goal."

BERNADETTE CONNOR,
Instructor, University of Pittsburgh.

". . . Shows of this type provide much-needed information regarding not only alcoholism but the development of responsible drinking habits within our society."

CHARLES J. NINOS,
Director, Consultation-Education
Services, St. Joseph Hospital.

". . . Programs such as the one presented by your station are powerful techniques for accomplishing the goal of alcoholism prevention through community education. Congratulations on a job well done."

KENNETH S. RAMSEY,
Director, Alcoholism Treatment
Center, St. Joseph's Hospital.

". . . It was a pleasure while visiting in Pittsburgh to listen in on your station's presentation 'One for the Road.' At present, I am on Governor Rockefeller's Council on Alcoholism and have been assoicated with various programs for the past 20 years. I have heard many programs, but for depth and beauty of presentation, this was undoubtedly the very best."

JAY SIMS,
City of New York, Department
of Correction.

RUMANIAN INDEPENDENCE DAY

HON. CHARLES W. WHALEN, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1973

Mr. WHALEN. Mr. Speaker, today everywhere in the free world the Rumanian people are celebrating a national holiday, commemorating the founding of the Kingdom of Rumania and the achievement of national independence. This celebration is especially important to those of Rumanian ancestry because their great desire for freedom has been suppressed by the Communist regime in their homeland.

On May 10, 1866, Prince Charles of Hohenzollern-Sigmaringen was proclaimed Prince of Rumania, culminating a long struggle of the Rumanian people to gain this right. Rumania declared its complete independence from the Ottoman Empire 11 years later, on May 10, 1877, during the Russo-Turkish War. This status was confirmed by European nations at the Conference of Berlin of 1878. Four years after this, on May 10, 1881, Charles I was crowned as the first king, by the will of the people. Thus began the Kingdom of Rumania, which represented a free and prosperous period for the Rumanian people.

Throughout the entire period from 1881 to the present, May 10 has been a time to celebrate the achievement of freedom for the Rumanian people. It is also the symbol of the struggle for freedom which the Rumanian people have endured in the past and are continuing. I join with all Rumanians in the celebration of this great event in their history, and in ther efforts toward the freedom which they so much cherish.

TWENTY-FIFTH ANNIVERSARY OF THE STATE OF ISRAEL

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1973

Mr. BINGHAM. Mr. Speaker, this week marks the 25th anniversary of the founding of the independent State of Israel. I would like to take this opportunity to extend my congratulations to the citizens of Israel and the Jewish people all over the world whose personal contributions have brought such great accomplishments and successes to the State of Israel since 1948. At this occasion, I would also like to offer my best wishes to Israel for continued achievements and good fortune in the years to come.

Beginning in the latter part of the 19th century, Jewish emigrants from Europe returned in increasing numbers to their ancestral homeland, which was then under the administration of the Turkish Ottoman Empire. Following World War I, the region known as Palestine came under British administration, and the menacing surge of European religious persecution in the 1930's gave impetus to thousands of Jewish refugees to seek haven there. During World War II, Jewish residents of Palestine fought bravely alongside the Allies in the desert war against the Nazi enemy.

The genocidal tragedy which was inflicted upon the Jewish people in Europe during World War II drove growing streams of survivors of that holocast to Palestine. By 1947, tensions between Arab and Jewish inhabitants of the area had grown to the boiling point. Great Britain proposed to the United Nations that her mandate over the territory be terminated and that Palestine be partitioned between the Arab and Jewish communities. Bloodshed and chaos increased, the United Nations failed to devise an operative plan for partition, and in May of 1948 the State of Israel declared its independence. The Israelis gallantly resisted and overcame the armed aggression by neighboring Arab states which followed immediately upon Israel's independence, and from this birth of persecution and violence, the State of Israel grew to become a powerful, economically advanced member of the international community.

Today, Israel presents to the world a true story of success in surmounting enormous obstacles and adversity. The nation possesses an excellent educational system, a highly advanced standard of national medical care, impressive industrial development, thriving agricultural production, and a vigorous democratic political structure.

Israel is a loyal friend of the United States, and it is America's responsibility to help insure, by making arms and aircraft available and through economic aid, that the antagonisms harbored by her Arab neighbors do not imperil the existence and integrity of the State of Israel.

The vital role which Israel played in the World War II era, as a haven for victims of anti-Jewish persecution, continues to be a strong national purpose. Jewish people from the Arab countries, from Eastern Europe, and from the Soviet Union look to Israel as their true homeland, and the tide of immigration by Jews in the Diaspora continues in force. It is heartening to note that U.S. congressional pressures to guarantee the right of worldwide emigration to Israel are strong and determined. I am proud that last year the Congress enacted my proposal to authorize $85 million in aid to Israel for the resettlement of Jewish emigrants from the Soviet Union, of which amount $45 million was eventually appropriated. Today I am introducing legislation to authorize an additional $36½ million for this important purpose.

Mr. Speaker, the history of the Jewish people and the State of Israel is a shining example of courage, determination, and enormous accomplishment. Congratulations to Israel on her 25th anniversary, and may her strength and achievements flourish through the centuries to come.

A TRIBUTE TO "STONEWALL" JACKSON

HON. ROBERT H. MOLLOHAN

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1973

Mr. MOLLOHAN. Mr. Speaker, as we all become embroiled in shaping the pressing demands of today into what tomorrow will become history, it is often easy to overlook the great men and events of an earlier America and to forget what these outstanding individuals and momentous occurrences have contributed to our culture, our heritage, and to the very direction of our Nation itself.

No more noteworthy example exists than that embodied in the memory and deeds of a great and distinguished West Virginia native son, Gen. Thomas Jonathan Jackson, who gave his life on this day 110 years ago to a cause with which some may now quarrel, but in which he deeply believed and did his best to serve.

Born on the 21st day of January, 1824, in Clarksburg, W. Va., Jackson overcame an early life of deprivation to become one of the finest military officers in the history of mankind.

His unrelenting resolve and resourcefulness as a commander earned him the sobriquet by which all of us today know him so well: "Stonewall" Jackson. He was, the historians tell us, a simple but grave man in public; in private, a kind and affectionate man who embodied all of the ingredients that make a mortal individual a great and immortal human being. Returning from battle, he was ironically and tragically fired upon and severely wounded by his own troops and died May 10, 1863.

Virtually all historians and students of military tactics include Thomas J. "Stonewall" Jackson on their lists of the world's greatest military leaders, and on this, the 110th anniversary of his death, I take this opportunity to pay tribute to this great American who reminds us that people and events of the past played an indispensible role in shaping the fortunes and fabric of the great Nation America has become today.

SPECIAL ASSISTANCE FOR FEDERAL EMPLOYEES

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1973

Mr. WALDIE. Mr. Speaker, I am today introducing legislation for a comprehensive set of benefits to aid all Federal employees who are adversely affected by reductions in force. A most striking example of the impact upon individuals caused by Government decisions to cut back involves the Defense Department's recent action.

Last month, the Secretary of Defense announced 274 actions which will affect military bases in the United States. Most of these involve base closures or the transfer of jobs from one area to another. Hardest hit in economic terms will be Massachusetts, Rhode Island, and my own State of California.

Some 40,000 military and civilian jobs will be lost nationwide. In my own State, 9,500 civilian positions will be affected; some 8,000 jobs actually will be eliminated. In a State where 525,000 people are already unemployed, this is a harsh addition. But statistics tend to blind us to the true meaning of such facts. Real people will lose their jobs; their lives will be substantially affected, their standards of living usually reduced. In the Hunters Point Naval Shipyard closing, a large number of the 5,184 employees whose jobs will disappear are members of ethnic minorities, who will be hit at just the same time urban programs for their area are also being cut. In southern California, Long Beach stands to lose some $50 million in annual payroll by the closure of its naval base.

The losses elsewhere are also great. Massachusetts will lose 9,000 jobs on top of an unemployment rate of 7.4 percent, and Rhode Island, 4,661 jobs over and above a current jobless rate of 6.4 percent.

I am pleased to introduce a bill which will cause the Government to act with compassion when Federal employees who have been displaced cannot readily find new employment. It would guarantee certain levels of pay and health benefits while the former employee seeks work, thus avoiding a series of personal financial catastrophes. It would provide for training and counseling, for early retirement where that is appropriate, and for relocation allowances. The bill, in short, would mitigate the burdens placed upon individuals by decisions of the Federal Government.

Mr. Speaker, the full text of the bill follows:

H.R. —

A bill to amend title 5, United States Code, to provide special assistance and benefits to Federal employees involuntarily separated through reductions in force, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Employees Emergency Assistance Act of 1973".

SEC. 2. Subpart F of part III of title 5, United States Code, is amended by adding at the end thereof the following:

"CHAPTER 80—ASSISTANCE TO EMPLOYEES SEPARATED THROUGH REDUCTION IN FORCE

"Sec.
"8001. Definitions.
"8002. Application for assistance.
"8003. Readjustment allowances; qualifying requirements.
"8004. Readjustment allowances; weekly amounts.
"8005. Readjustment allowances; time limitations.
"8006. Readjustment allowances; application of State laws.
"8007. Job training and counseling; purpose; applications.
"8008. Payments related to training.
"8009. Relocation allowance.
"8010. Early retirement.
"8011. Health benefits.

"§ 8001. Definitions

"For the purposes of this chapter—

"(1) 'employee' means an individual who has been totally or partially separated from employment by an executive agency on or after April 17, 1973, because of the transfer of activities from a facility of that agency or because of the cessation of activities at a facility of that agency and who has not obtained other suitable employment;

"(2) 'average weekly wage' means one-thirteenth of the total wages paid to an employee in the high quarter; for purposes of this computation, the high quarter shall be that quarter in which the employee's total wages were highest among the first 4 of the last 5 completed calendar quarters immediately before the quarter in which occurs the week with respect to which the computation is made, such week shall be the week in which total separation occurred, or, in cases where partial separation is claimed, an appropriate week, as defined in regulations prescribed by the Civil Service Commission;

"(3) 'partial separation' means, with respect to an employee who has not been totally separated, that he has had his hours of work reduced to 85 per centum or less of his average weekly hours in a facility subject to this chapter and his wages reduced to 85 per centum or less of his average weekly wage in any such facility;

"(4) 'total separation' means the layoff or severance of an employee from employment in a facility subject to this chapter;

"(5) 'remuneration' means wages and net earnings derived from services performed as a self-employed individual;

"(6) 'State' means each of the several States, the District of Columbia, and the Commonwealth of Puerto Rico;

"(7) 'State law' means the unemployment insurance law of the State approved by the Secretary of Labor under section 3304 of the Internal Revenue Code of 1954;

"(8) 'unemployment insurance' means the unemployment insurance payable to an individual under any State law or Federal unemployment insurance law, including title XV of the Social Security Act and the Railroad Unemployment Insurance Act;

"(9) 'week' means a week as defined in the applicable State law; and

"(10) 'week of unemployment' means with respect to an individual any week for which his remuneration for services performed during such week is less than 75 per centum of his average weekly wage and in which, because of lack of work—

"(A) if he has been totally separated, he worked less than the full-time week (excluding overtime) in his current occupation, or

"(B) if he has been partially separated, he worked 75 per centum or less of his average weekly hours.

"§ 8002. Application for assistance

"(a) An employee may file an application with the Civil Service Commission for one or more of the forms of assistance provided under this chapter.

"(b) The Commission shall determine whether an employee is entitled to receive the assistance for which application is made and shall furnish such assistance if the employee is so entitled. Such determination shall be made as soon as possible after the date on which application is filed but in any event not later than 30 days after such date.

"§ 8003. Readjustment allowances; qualifying requirements

"Payment of a readjustment allowance shall be made to an employee who applies for such allowance for any week of unemployment, provided—

"(1) total or partial separation of the employee has occurred not more than 1 year prior to the date of the application for assistance under this title; and

"(2) the employee has had—

"(A) in the 156 weeks immediately preceding such total or partial separation, at least 78 weeks of employment at wages of $15 or more a week;

"(B) in the 52 weeks immediately preceding such total or partial separation, at least 26 weeks of employment at wages of $15 or more a week; or

"(C) if data with respect to weeks of employment are not available, equivalent amounts of employment computed under regulations prescribed by the Civil Service Commission.

"§ 8004. Readjustment allowances; weekly amounts

"(a) Unless otherwise provided by this section, the readjustment allowance payable to an employee for a week of unemployment shall be an amount equal to 75 per centum of his average weekly wage, reduced by 50 per centum of the amount of his remuneration for services performed during such week.

"(b) An employee who is entitled to readjustment allowances and who is undergoing training approved by the Civil Service Commission, including on-the-job training, shall receive for each week in which he is undergoing any such training, a readjustment allowance in an amount (computed for such week) equal to the amount computed under subsection (a) of this section or (if greater) the amount of any weekly allowance for such training to which he would be entitled under any other Federal law for the training of employees, if he applied for such allowance. Such readjustment allowance shall be paid in lieu of any training allowance to which the employee would be entitled under such other Federal law.

"(c) The amount of readjustment allowance payable to an employee under subsection (a) or (b) of this section for any week shall be reduced by any amount of unemployment insurance which he has received or is seeking with respect to such week; but, if the appropriate State or Federal agency finally determines that the employee was not entitled to unemployment insurance with respect to such week, the reduction shall not apply with respect to such week.

"(d) The amount of readjustment allowance payable to an employee under subsection (a) or (b) of this section for any week shall be reduced by any amount of retirement annuity which he has received.

"(e) If unemployment insurance, a retirement annuity, or a training allowance under any other Federal law, is paid to an employee for any week of unemployment with respect to which he would be entitled (determined without regard to subsection (c) of this section) to a readjustment allowance if he applied for such allowance, each such week shall be deducted from the total number of weeks of readjustment allowance otherwise payable to him under section 8005(a) of this title when he applies for a readjustment allowance and is determined to be entitled to such allowance. If the unemployment insurance or the training allowance paid to such employee for any week of unemployment is less than the amount of the readjustment allowance to which he would be entitled if he applied for such allowance, he shall receive, when he applies for a readjustment allowance and is determined to be entitled to such allowance, a readjustment allowance for such week equal to such difference.

"(f) Whenever, with respect to any week of unemployment, the total amount payable to an employee as remuneration for services performed during such week, as unemployment insurance as severance pay, as a training allowance referred to in subsection (b) of this section, and as a readjustment allowance would exceed his average weekly wage, his readjustment allowance for such week shall be reduced by the amount of such excess.

"(g) The amount of any weekly payment to be made under this section which is not a whole dollar amount shall be rounded upward to the next higher whole dollar amount.

"§ 8005. Readjustment allowances; time limitations

"(a) Payment of readjustment allowances shall not be made to an employee for more than 52 weeks.

"(b) A readjustment allowance shall not be paid for a week of unemployment beginning more than 1 year after the beginning of the appropriate week. The appropriate week for a totally separated employee is the week of his most recent total separation. The appropriate week for a partially separated employee is the week in respect of which he first receives a readjustment allowance following his most recent partial separation.

"§ 8006. Readjustment allowances; application of State laws

"Except where inconsistent with the provisions of this chapter and subject to such regulations as the Civil Service Commission may prescribe, the availability and disqualification provisions of the State law—

"(1) under which an employee is entitled to unemployment insurance (whether or not he has filed a claim for such insurance), or

"(2) if he is not so entitled to unemployment insurance, of the State in which he was totally or partially separated,

shall apply to any such employee who files a claim for readjustment allowances. The State law so determined with respect to a separation of an employee shall remain applicable, for purposes of the preceding sentence, with respect to such separation until such employee becomes entitled to unemployment insurance under another State law (whether or not he has filed a claim for such insurance).

"§ 8007. Job training and counseling; purpose; applications

(a) An employee who applies for a readjustment allowance under section 8003 of this title shall also apply for counseling, training, and placement assistance under this section. Any other employee may apply for counseling, training, and placement assistance under this section. Each employee shall be furnished such counseling, training, and placement services as the Civil Service Commission determines to be appropriate.

"(b) Insofar as possible, the Commission shall provide assistance under subsection (a) of this section through existing programs established by law. To the extent that assistance cannot be provided through any existing program, the Commission is authorized to furnish such assistance through programs established by the Commission for purposes of this section, including programs carried out through private nonprofit institutions and organizations.

"(c) To the extent practicable, before employees are furnished training, the Commission shall consult with local governmental agencies, State agencies, unions, and private business organizations to develop an employee retraining plan which provides for training such employees to meet the area's manpower needs. An employee retraining program shall, as far as practicable, include a list of jobs which will be available to the employees at the conclusion of the training program.

"§ 8008. Payments related to training

"An employee who receives training under section 8007 of this title shall be paid an allowance necessary to defray transportation expenses and subsistence expenses for separate maintenance, when the training is provided in facilities which are not within commuting distance of his residence. The Civil Service Commission shall by regulations prescribe the amount of such allowances for various areas of the United States.

"§ 8009. Relocation allowance

"(a) A relocation allowance may be granted to an employee who applies for such an allowance to assist in relocating the employee within the United States when the Civil Service Commission determines that such employee—

"(1) has obtained suitable employment affording a reasonable expectation of long-term duration in the area in which he wishes to relocate, or

"(2) has obtained a bona fide offer of such employment.

"(b) A relocation allowance shall not be granted to such employee unless—

"(1) for the week in which the application for such allowance is filed, he is entitled (determined without regard to section 8004 (c) and (e) of this title) to a readjustment allowance or would be so entitled (determined without regard to whether he filed application therefor) but for the fact that he has obtained the employment described in subsection (a)(1) of this section; and

"(2) such relocation occurs within a reasonable period after the filing of such application or (in the case of an employee who is being provided training under section 8007 of this title) within a reasonable period after the conclusion of such training.

"(c) For purposes of this section, the term 'relocation allowance' means the reasonable and necessary expenses, as specified in regulations prescribed by the Civil Service Commission, incurred in transporting a worker and his family and their household effects.

"§ 8010. Early retirement

"Notwithstanding any other provision of law, each employee (1) who has attained 60 years of age and has 10 years of service; (2) who has attained 55 years of age and has 15 years of service; or (3) who has attained 50 years of age and has 20 years of service, is entitled to an annuity under subchapter III of chapter 83 of this title.

"§ 8011. Health benefits

"(a) Notwithstanding any other provision of law, the Civil Service Commission shall make whatever arrangements are necessary for the continuation of health benefits, or for obtaining similar health benefits, on such terms and conditions as are deemed necessary for employees after the date of separation if that separation occurred after April 1, 1973.

"(b) In any such arrangement, provisions shall be made to insure that—

"(1) a contribution by an employee who has not obtained new employment shall not exceed 25 per centum of the cost of such benefits; and

"(2) such benefits so far as practicable, will be equivalent to the health benefits to which an employee was entitled to receive prior to his separation.

"(c) No arrangement entered into under this section shall provide for health benefits to an employee for a period of more than 3 years following the date of his separation or for any period after such employee obtains new employment, whichever occurs first."

Sec. 3. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

THE AMERICAN ETHIC

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1973

Mr. RANGEL. Mr. Speaker, from time to time, an article or story or survey is brought to national attention which reaffirms my faith in the American people and in the future of our Nation.

Such a survey was recently conducted by Louis Harris. I now share the findings of the Harris survey with my colleagues in this body. I sincerely hope that the members of the executive branch of our Government, always sensitive to public opinion, take note.

The article follows:

[From the New York Post, Apr. 26, 1973]

Harris: Public for Social Welfare

(By Louis Harris)

Some recent probes by the Harris Survey point strongly toward the conclusion that there is indeed a rather deep strain of regard among Americans for the rights and well being of their community neighbors. A number of social critics have been claiming lately that most Americans have become so self-centered that they are interested only in their own material well being and could not care less about their fellow citizens.

Underlying much of the debate on the question of welfare for the poor, for example, has been the contention that Americans feel strongly that individuals ought to be rewarded only on the basis of the extent to which they contribute to society. The idea that the community has a responsibility of its own to provide minimum standards for people to live decently has come under sharp attack lately from some quarters.

To test the degree to which people have taken to a hard line approach to social welfare, the Harris Survey recently asked a nationwide cross-section of 1513 households in person:

"If you had to choose, would you rather see a person's income primarily depend on his skills and training or would you rather see people's incomes determined only partly by skills and training and partly by what it costs to live decently?"

How income should be determined

	Percent
Primarily by skills and training	38
Partly by what it costs to live decently	54
Not sure	8

A majority of the public gives its support to the proposition that society has an obligation to provide a minimum standard of income to its people, regardless of skill or training.

There are, however, some sharp differences on this question: by 50–42 per cent, business executives favor the work ethic, while union members opt for guaranteed minimum standards by 57–36 per cent. Older persons 50 and over are evenly divided on the issue, but young people under 30 generally agree with the statement that income should be "partly determined by what it costs to live decently."

One of the classic arguments in these times centers around allocation of the country's resources between the private economy and the public sector of health, education, and environmental services. To test this division, the cross-section was asked:

"In your own community, would you rather see your local health, education and anti-pollution services increase or would you rather see more business and industry come into the community?"

More business vs. more public services

	Percent
More business and industry	40
Increase local public services	52
Not sure	8

A majority of the American people opt for a higher priority for expanding local health, education, and antipollution services. Most in favor of increasing social services are the young, those with a college education, professional people and those with the highest incomes. Interestingly, business executives favor improvements in the quality of life over local economic growth by 55 to 36 per cent, while blue collar labor backs that position by a much narrower 47–44 per cent.

One of the areas in which personal preferences frequently run into conflict with the overall public interest is the case of driving automobiles into the downtown urban centers. The ensuing pollution and traffic jams are widely deplored. Yet it is commonly assumed that few individuals are willing to restrict their own right to drive freely into the downtown areas. To test this proposition the cross-section was asked:

"In your city, the city nearest where you live, would you rather see less restrictions on where people drive and park their cars or would you like to see more areas of the city where cars are prohibited during certain hours?"

Restricting city driving

	Percent
Less restrictions on cars	30
More areas prohibiting cars	48
Not sure	22

By a substantial plurality Americans express a willingness to accept restraints on the movement of motor vehicles in and out of downtown areas, at least during rush hours. Again, a definite sense of community interest seems to emerge.

Although these three illustrations are by no means a complete test of the sense of community as it now exists in the country, they are suggestive of a conclusion that those who see the American people as essentially selfish and personally indulgent, without regard for others, may well be misjudging this country.

THE NORTH MIAMI BEACH SENIOR HIGH SCHOOL MARCHING CHARGER BAND

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1973

Mr. LEHMAN. Mr. Speaker, earlier this week I had the privilege of meeting with the North Miami Beach Senior High School Marching Charger Band as they were visiting the Washington area.

I was very impressed by their interest in Government affairs and in the Capitol itself.

On May 5, the Charger Band participated in the Apple Blossom Band festival in Winchester, Va., where they won first place in the Class A division and first place in the overall competition.

I would like to congratulate this fine band on their outstanding achievement. They are indeed a credit to their school and to their community.

FINANCE COMMITTEE HEARINGS ON SOCIAL SERVICES

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1973

Mr. FRASER. Mr. Speaker, on May 8, the Senate Finance Committee conducted hearings on the Department of Health, Education, and Welfare's new regulations for the social services program. The following article from the Washington Star discusses the concerns of several committee members about the negative impact of the new regulations on the working poor:

Poverty Tests Alarm Senators

(By Judith Randall)

Senators who have studied the Department of Health, Education and Welfare's new regulations for social services are worried by a proviso that will require the poor and near-poor to pass an assets test as well as an income ceiling test in order to become eligible for such services as day care and rehabilitation for alcoholism and drug addiction.

These social services are funded 75 percent by the federal government and 25 percent by state governments.

Assets tests for the poor have long been used by states with regard to cash welfare benefits, but starting July 1 they will also be applied to social services designed to help people get out of poverty.

The ceiling for assets permitted to qualify for the services varies from state to state.

In Minnesota, for example, no one—no matter how poor—who owns a house worth more than $7,500 or more than $500 in personal property can qualify for the service programs, whereas in Connecticut the worth of one's personal property—including life insurance policies—cannot exceed $250.

In announcing the regulations May 1, HEW Secretary Casper W. Weinberger said they would be final. But yesterday in testimony before the Senate Finance Committee where the issue was raised by Chairman Russell B. Long, D-La., Weinberger indicated he might reconsider.

The new regulation would also prohibit those on welfare from getting education and training benefits through federal-state matching programs funded by HEW. Bringing this to the attention of Weinberger yesterday, Sen. Walter F. Mondale, D-Minn., cited the record of Project Help, a program in his home state which has paid the tuition of welfare mothers to the University of Minnesota and provided day care benefits for their children.

With the assistance of this program, said Mondale, many welfare mothers have earned college degrees and succeeded in getting and holding well-paid jobs. In Mondale's view, the end of such projects would perpetuate poverty and dependency on welfare—the very problems both Congress and the Nixon administration are seeking to avoid.

Mondale also called Weinberger's attention to what appears to be an inequity in the new regulations that allow people part of whose income comes from welfare and part from earnings to get more services—such as day care—for less money than the working poor who get no welfare benefits at all. An analysis revealed, said Mondale, that the new regulations will make this inequity a reality in every state.

Weinberger said that he was not sure whether Mondale's criticism is valid, but promised to investigate.

Sen. Lloyd Bentsen, D-Tex., questioned Weinberger about another of the new regulations which specifies that the poor and near-poor are eligible for legal services if such services relate to getting or holding a job but not for other purposes such as situations in which they may be cheated of property rights.

Weinberger replied that legal services legislation is in preparation to take care of such eventualities. But he said it has not yet been sent to Congress and consequently cannot be enacted by July 1—the date when the new social service regulations take effect.

AFRICAN AFFAIRS

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1973

Mr. DERWINSKI. Mr. Speaker, on April 5, Prof. Edwin S. Munger, of the California Institute of Technology, testified before the House Subcommittee on African Affairs.

Since it may be some time before the hearings before the subcommittee are available to the public in report form, I feel the significance of Professor Munger's statement is such that it should receive greater attention and, therefore, I insert his statement into the RECORD:

INTRODUCTORY STATEMENT BY PROF. EDWIN S. MUNGER

Mr. Chairman: I want to thank you for inviting me to appear here today. It has been my privilege to carry out research in West Africa, East Africa, or southern Africa, for all or part of every year since 1947. This encompasses some thirty visits. During this period the most intractable problem in sub-Saharan Africa has been the racial situation in southern Africa. The problems of this region are far more important to our country's well being than the attention given to Africa in recent administrations might reflect.

My basic approach is that, in its economic relations with South Africa, the United States should give primary attention to its own economic needs, including markets, raw materials, and trade balances. At the same time, the ideals and aspirations of the majority of the citizens of South Africa are of prime importance for several reasons: concern for majority opinion is part of our political tradition; there are as many Americans of African heritage as there are people in South Africa; and, our relations with independent black Africa are affected by United States ties with South Africa.

However, Mr. Chairman, there has too often been more rhetoric than reason among advocates of various United States policies toward South Africa. Some of the criticisms of American policy and of the actions of United States companies in South Africa are not only fallacious, they are chimerical.

Take, for example, the important question of wages paid to the black, Coloured, and Asian employees of United States firms. Fortunately, the South African government has now recognized that industrial wages for Africans are far too low. As a result both cabinet ministers and presidents of companies are for the first time speaking in concert on the need for improvements. There have been changes in the overall level of African compensation in South Africa and there have been improvements in African wages and working conditions by American-run companies. But, much more needs to be done. A glaring inequity exists in that whereas African wages have risen, white wages have risen even more rapidly. The monopoly position that whites enjoy through legislation and social convention has led employers to compete for white workers in a tight labor market, at a time when there are talented Africans who could fill, and more who could be trained to fill, skilled positions. As a result the gap between white and black wages in manufacturing employment widened further to over $400 a month, according to the figures released by the South African Department of Statistics three weeks ago.

I believe that United States companies should make maximum efforts to improve what has been, until quite recently, an unsatisfactory performance. Although IBM and Polaroid, and, more important, the much larger employers such as General Motors, have done a great deal to improve wages and working conditions, the majority of the United States companies are only now (if at all) beginning to move.

But, Mr. Chairman, it serves no constructive purpose to charge that the absolute level of the wages paid by American companies reflects racism, particularly when misleading comparisons are made with pay scales in the United States. The average wage paid to indigenous labor by American companies in India is $29 a month. The average wage paid to indigenous workers by American companies in Brazil is $86 a month. Both look shocking compared with wages in the United States. But the average wage paid to African workers by American companies in South Africa is from $120 to $140 a month. IBM, with few employees, is an exception, paying $247; it is followed at some distance by Mobil at $157, Gillette at $142, GM at $140, and Caltex at $127. At the lower end of the scale are Sterling Drug at $73 and Firestone at $70.

My point is that wages paid by United States companies in South Africa are not in themselves an indication of racist or discriminatory practice. My criticism is that most United States companies have not seriously attempted to upgrade their African employees to skilled positions and to provide them with at least the same benefits that white workers enjoy. Mr. Chairman, in the past an awful lot of rubbish has been talked about how the "terrible" South African government's apartheid policy is responsible for wage differentials when, in fact, this claim has often served as a smokescreen to cover not only what United States companies did not do, but also what they legally could do, for their African workers.

Within the last year, it was my privilege to talk with a wide cross-section of African leaders in South Africa in the company of two black American colleagues. On some occasions my black colleagues spoke to African leaders alone, but according to their reports, they heard alone substantially what we all heard collectively. More than 95 percent of the African leaders told us that they do not want American business to withdraw from South Africa—and several said they had told the Hon. Charles Diggs the same thing at the Inn Club in Soweto. They do want better training, better pensions, longer vacations, educational loans, help toward better housing, better and safer transport, and more opportunities for higher-paying positions. They are not satisfied with the employment practices of most United States companies, but they are emphatic in insisting that their best hope lies in United States companies staying in South Africa. They believe these companies could be the catalysts in a movement to improve the economic positions of Africans.

Opinions of Africans in the rural areas deserve consideration in regard to American economic assistance. African friends repeatedly ask me why the United States is so generous to developing people elsewhere in Africa, but, because of its disapprobation of the white oligarchy, appears to discriminate against the African majority in South Africa.

Why, one is asked, cannot the United States assist technical highschool in the Transkei entirely devoted to improving African skills? Why not assist Africans in Kwazulu to run their own sugar mill or canning factory? Everyone knows the answer, but may we not be suffering from hardening of the categories? Heretical as the idea may appear, the United States could be missing an important opportunity to assist the African people in South Africa by its failure to consider some form of economic aid, if only in the form of investment guarantees.

The circumstances of the birth of individual Bantustans, in which the views of urban and rural Africans were given minimal, if any, consideration, are well known. But the circumstances of birth do not necessarily predetermine the life of an institution any more than they do that of an individual. The Bantustans may have been conceived by the Nationalist government, but since their birth they have taken on a political life of their own, often far from the expectations of their progenitors. Did anyone anticipate the emergence of a Buthelezi and a Matanzima who would advocate a union of all Bantustans, starting with that of the Transkei and Kwazulu?

Bantustan leaders such as Buthelezi, Matanzima, Lucas Mangope (who is at present in this country), and Professor Ntsantwisi are not stooges. They are not selfish men. They are dedicated to the welfare of the African people in South Africa. Over a decade ago, even before the Transkei began its life heavily dependent upon financial subventions from the white government, Matanzima told me in his home at Quamata that he was participating only because for 300 years the white man had exploited his Xhosa people. Matanizima saw the Transkei as an instrument whereby some measureable progress could be made against the power structure he faced. Economic progress is being made in the Transkei and elsewhere. A share of the profits from increased American purchases of platinum for ecological purposes will go to the citizens of a Bantustan.

My friend Gatsha Buthelezi is the most dynamic of these leaders, and the leader most anxious to have American economic assistance. He is highly articulate, well-educated, and immensely able as a politician. His talents are equal to those of his great-grandfather who skillfully defeated the British troops invading his country a century ago. Buthelezi changed his opposition to the concept of Kwazulu when he concluded that it was an institution which could be used to advance the welfare of his people. He speaks frequently and bluntly about the grievances of his people and their need for more territory, including access to the sea at Richard's Bay. He is a proud and dedicated man. He is no racist. He has already changed the longstanding Zulu distrust for the three million Coloured people in South Africa by agreeing with one of their leaders, Sonny Leon, that Coloured people are welcome to Kwazulu as equals. Buthelezi has no antipathy for whites and is not interested in a narrow Zulu exclusivity. His concept and those of other Bantustan leaders is that Bantustans involve a constantly evolving political pattern, not one that is bound by narrow dogmas. It is true that the South African government holds nearly all the cards in this game, but it is Buthelezi who holds the hearts of the people.

Loan guarantees have not been seriously considered in the past because of a fear that they would be interpreted as official endorsement of racial segregation. The Bantustans are not the final answer to the problem of injustice in South African society, but they will play a role in the formation of a society in which race will, I hope, be incidental to the merits of men and women.

Helping a man like Gatsha Buthelezi is one of the best opportunities for a pragmatic input into the South African scene. One cannot be sanguine about immediate results, but such a move is preferable to sanguinary alternatives.

Mr. Chairman, my concern for a just society in South Africa is an outgrowth of my concern for ending racism in our own American society. Our policies will not be effective in South Africa if we are hypocritical, but on the other hand we cannot condone acts of racial discrimination by American business abroad if we hope to eliminate them at home. There are definite limits to the extent to which the United States can and should express its concern with the white oligarchy in South Africa, just as we draw a line against foreign interference in our own society.

However, inasmuch as American business is at the forefront of United States involvement in South Africa, it behooves American business and those who legislate on aspects of its practice to make the maximum effort to institute employment practices that are not based on race. Such an effort will be welcome in South Africa, not only by African, Asian, and Coloured workers, but by many labor leaders, by most English-speaking white employers, and, perhaps surprisingly to some Americans, by a wide cross-section of the leading Afrikaans-speaking employers and cultural leaders in South Africa.

Mr. Chairman, I did not seek an invitation to appear at these hearings, but I am pleased to be here and, again, thank you for inviting me.

(NOTE.—The figures for average monthly wages for African labor were taken from the July, 1972, issue of *Fortune Magazine*. The figures on wages for employees of American firms in India and Brazil are from the Bureau of Labor Affairs of the United States Department of Labor in 1970.)

BLACK REALITY

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1973

Mr. RANGEL. Mr. Speaker, a recent article written by Ben J. Wattenberg and Richard M. Scammon, appearing in the April issue of "Commentary" certainly stimulated much reaction in the black community.

One thoughtful and intelligent response was voiced by Vernon E. Jordan, Jr., director of the National Urban League, that appeared in the New York Voice newspaper of May 4.

I now submit the text of Mr. Jordan's column for the collective attention of this body:

BLACK PROGRESS VERSUS REMAINING GAP

(By Vernon E. Jordan, Jr.)

Writing in the April issue of "Commentary". Ben J. Wattenberg and Richard M. Scammon, two respected statisticians, make the startling and unsupported charge that civil rights leaders "have elected as a matter of policy" to avoid any public mention of black achievements in "order to maintain moral and political pressure on the Administration and on public opinion."

The charge, which I emphatically label as false, carries the ugly implication of a cynical conspiracy among Black leaders to deliberately ignore reality as part of a dishonest strategy to make the problems of Black Americans seem worse than they really are.

The truth is that a great deal of attention has been paid by Black leaders to the very real gains made by blacks over the past several decades. To ignore these gains would be foolish. At the same time, however, the rejoicing has to be tempered with the bitter fact that most blacks still lag far behind white America in what is available to them in terms of employment, housing, education, health care and all the other requirements for a good life.

Of course there has been progress, but an accurate appraisal of its extent has to be measured in relationship to something else, and when this occurs, the picture for blacks is far less attractive than Wattenberg and Scammon would have one believe. Blacks have made gains, and so have whites, and the net result has been that while black income has gone up, the actual dollar gap between the races has widened.

INCOME GAP

In 1960, $2,600 separate black median income from white. In 1970, the dollar gap had grown to $3,800. On a percentage basis, four times as many blacks are poor than white. Individual blacks have succeeded and this is to be praised. But a walk through any ghetto, with its rat-infested housing and its out-of-work men and women clearly demonstrates why so many of us cannot take the easy way out and dwell on how far we have come, instead of dealing with the more pressing problem of how far we still have to go before we catch up.

Wattenberg and Scammon also contend that at some unspecified moment during the recent past, enough blacks moved up to middle class status to become a majority of black Americans (52%). If this is true, the obvious conclusion is that blacks pretty much have it made and efforts to erase inequities within the society can be toned down.

The Wattenberg-Scammon thesis, however, simply does not hang together. Not unless one is prepared to accept an elastic definition of middlle class that has been stretched to include all workers except laborers, service workers and domestics.

Using money as the determinant of what constitutes middle class, they set $8,000 as the entry level into this select group outside the South. Within the South, the figure is arbitrarily set at $6,000. No percentage is given for the number of whites who would qualify under this criteria, but it has to be considerably above the black figure.

WHAT IS MIDDLE CLASS?

This is a new approach toward middle classness and it does not take into account how many peoplle have to produce that income, how many have to share it, whether the employment situation is stable, and a whole slew of other important factors.

To render this new definition of the Black middle class even less valid, the authors have included all factory workers. The average earnings of such workers, however, is only $4,500 a year.

The efforts of Wattenberg and Scammon to convince readers that the majority of blacks are now middle class are particularly deceptive since they obscure the fact that there are two middle-income levels in America—$6,440 for black families and $10,672 for white families. In plain terms, the black middle income level is 40% lower than the white middle income level, so that the term "middle class" does not mean the same for both.

What the authors have done is dangerous because it presents a distorted picture of the position of black Americans, providing ammunitions to those who believe blacks have come far enough and it's time to call a halt to any further progress.

I wish that most blacks were middle class. The reality is that they are not, and arbitrarily saying that they are, will not make the problem spawned of poverty and deprivation go away.

A SALUTE OF OKLAHOMA HOSPITALS DURING NATIONAL HOSPITAL WEEK

HON. JAMES R. JONES

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1973

Mr. JONES of Oklahoma. Mr. Speaker, today, as a continuation of my tribute to the medical facilities in my district, during National Hospital Week, I should like to call particular attention to several specialized facilities and smaller hospital units of notable merit. Two exceptionally fine specialized facilities are the Tulsa Psychiatric Center and Children's Medical Center.

The Tulsa Psychiatric Center was begun as a small psychiatric clinic founded by lay citizens who have since been largely responsible for its growth and support. The center offers outpatient and inpatient care as well as emergency services, social services, consultation and education, and various rehabilitative services. Treatments include both individual and group psychotherapy, chemotherapy, day treatment, occupational therapy, movement therapy, and art therapy.

During the last 10 years, the center has grown to an active caseload of approximately 4,000 patients with about 300 new admissions per month. When the Tulsa Psychiatric Center was expanded in 1970 to become a Community Mental Health Center, the Children's Medical Center was included to serve the children of the catchment area.

Children's Medical Center started in 1926 as a 14 bed Crippled Children's Home for indigent children. The Junior League of Tulsa laid the foundation for what has become a unique community institution with multiservice programs.

The center now encompasses programs directed to helping emotionally disturbed, mentally and physically handicapped children. The primary service area is Tulsa and eastern Oklahoma, although many out-of-State children are served.

The broad programs include a 40 bed hospital for both pediatric and psychiatric patients, an outpatient psychiatric service, a day school for children aged 2–9 with delayed development or disorders, a vocational training center for young handicapped adults 16 years and older. Also offered are various medical specialty clinics and therapies.

Children's Medical Center's anticipated expansion, which includes an increase to 60 beds, will become a reality in the spring of 1973.

Other general medical facilities of note include: Doctor's Hospital which was opened in September 1966 as a 100-bed general hospital. The facility has grown steadily and now has a total potential capacity of 225 beds, with additional construction under consideration.

Franklin Memorial Hospital is a 25-bed hospital located in downtown Broken Arrow. The board of trustees for the hospital, a nonprofit corporation, is composed of nine citizens from the community. The increased needs for expanded hospital facilities in Broken Arrow are fueled by the rapidly increasing population in the community. Plans for relocating and expanding Franklin Memorial Hospital are currently being pursued by the board of trustees. The actions of the trustees truly exemplify this year's theme for National Hospital Week, "Your Hospital, a Caring Community; Your Health, Our Concern."

Also in Tulsa County is Memorial Hospital Co. in Collinsville, a 25-bed general medical and surgical hospital which opened in 1962, financed by Hill-Burton funds and public donations. Memorial Hospital offers physical therapy and inhalation therapy as well as general medical facilities, and accommodates both medical and osteopathic physicians.

There are three hospitals in Pawnee County. The Pawnee Municipal Hospital is a 24-bed general medical hospital built in 1938. The hospital is city owned and is presently studying the possibility of a modernization or replacement project. The Cleveland Area Hospital is a 25-bed general medical hospital built in 1964 through Hill-Burton funds matched by local donations. Also located in Pawnee is the Pawnee Indian Hospital which services 17 counties. The 32-bed general hospital and related field health clinics are staffed by physicians commissioned by the U.S. Public Health Service.

Further, during the observance of National Hospital Week, I would be remiss if I failed to commend the Oklahoma Hospital Association for providing capable leadership and assistance to the hospitals of our State and for its efforts to promote better health care for our citizens.

PENSION-FUND INVESTMENT LAW "TOOTHLESS"

HON. TOM RAILSBACK

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1973

Mr. RAILSBACK. Mr. Speaker, I include the following, which is the second of a four-part series presented by the Christian Science Monitor entitled "Pension-Fund Investment Law 'Toothless' ":

PENSION-FUND INVESTMENT LAW "TOOTHLESS"—STIFFER RULES URGED FOR VAST DEALINGS

(By David T. Cook)

BOSTON.—Privately run pension plans control a vast pool of largely unregulated riches totaling $157 billion.

Some 35 million American workers expect to retire on a thin monthly slice of those assets.

The number of adequate slices of retirement income the plans can consistently provide depends on how effectively their assets are managed and regulated.

Most pension-plan assets currently are intensively managed and passively regulated.

All pension plans are required to file an annual report with the Labor Department. General information about each plan's income, investments, payouts, and administrative costs must be provided.

But the law requiring annual reports is toothless. It forbids the Labor Department from "interfering in the management of any welfare or pension plan."

IRS APPROVAL SOUGHT

Somewhat more rigorous regulation is imposed on pension plans seeking tax-exempt status from the Internal Revenue Service.

Most companies want their pension plans IRS-"qualified." Money a firm spends to support its IRS-qualified plan and any investment income this money earns is exempt from federal taxation.

The IRS requires that firms sponsoring qualified plans:

Must pay interest to their pension fund on the cost of benefits credited to workers, but not paid for, at the time the firm's pension plan was started.

Must use an equitable method of distributing pension benefits among both highly and modestly paid employees.

The safety of a worker's retirement benefits is directly related to how well his employer's pension plan is funded.

A plan is fully funded when, even if it terminates, its assets are worth enough to pay every worker the full value of his vested retirement benefits.

BENEFITS REDUCED

If a plan terminates without being fully funded, the benefits workers have been expecting usually are reduced. The sponsoring firm decides what age groups and seniority levels have their benefits chopped the most. The company is required, however, to pay out all money in its pension fund upon termination.

Plans that aren't tax-exempt aren't required by the federal government to maintain any specific funding level.

IRS-qualified plans are required to pay for (or fund) retirement benefits as workers earn them. When a company starts a pension plan, it sometimes credits workers with pension benefits for service given before the pension plan started. If the firm does not immediately set aside money to pay for these past-service benefits, the IRS requires it to pay interest on them to the company's pension plan.

Many firms take between 20 and 30 years to fully fund these past service costs. A 10-year funding period is the shortest the IRS will allow. Speedier repayment would give the firm an unreasonably large tax exemption, the IRS feels.

MARKET HAS EFFECT

If an IRS-qualified plan with substantial unfunded past service costs were to terminate, each worker's benefits would be reduced by a pro rata share of the unfunded costs.

What funding level private pension plans actually maintain is difficult to determine. Funding levels vary almost daily depending on stock-market conditions and other technical factors.

One study of 100 plans covering 4.5 million workers found 77 of the plans had sufficient reserves to pay out all promised benefits. The impressiveness of this full funding depends somewhat on how hard it was for workers in those firms to get vested benefits.

Critics charge that, in addition to better regulation of pension-plan funding, other pension investment policies need attention. Legislation is needed, they say, to prevent some pension funds from:

Making investments that involve a conflict of interest.

Investing in unregistered securities.

Keeping their investments secret from plan participants.

Current legislation leaves companies free to select whatever investment vehicle they choose for their pension funds. Most firms don't make the choice themselves. Instead they hire a bank or insurance company to make the decisions.

About one-third of private pension assets ($46.5 billion) are managed by insurance companies. The corporate-pension-plan sponsor usually pays the insurance company a fixed fee. In return the insurance company provides a fixed retirement income that covers each employee with vested benefits.

Insurance-company management gives the firm sponsoring the plan costs that do not fluctuate as markedly as other methods of pension management based in direct investment in the stock market.

Some 80 percent of the assets not controlled by insurance companies ($88.4 billion) are in the hands of bank trust departments. Unlike insurance companies, banks generally do not guarantee a specific rate of return on the investments they choose.

A handful of banks control the majority of pension-plan assets held by bank trust departments. The four largest bank-trust departments control $47.5 billion. The ten largest manage $75.5 billion.

DANGERS SIGHTED

Critics charge that there are dangers in this highly concentrated control of sizable assets. First, they assert, market liquidity suffers when such a significant portion of overall supply and demand for stock comes from a few major stock-market participants.

The second danger critics see is more directly related to pension benefits. If a few of the major banks' favorite stocks were allowed to fall, sizable numbers of workers might have their pension benefits reduced. The other alternative would be for corporate sponsors of the affected plans to make additional contributions to their plans to offset a market loss.

Pension managers have assets handled by banks hoping that the bank will be able to achieve a better rate of return on the fund's assets than the sponsoring company could.

The rate of return is a critical factor in determining what a company's pension plan will cost.

According to New York's Wertheim Asset Management Service, if a pension fund's yearly yield improves by 1 percent, the effect over a long period would be to reduce the costs of the plan by 25 percent or finance an increase in pension benefits of 30 percent.

While banks are hired to outperform the market, often they do not. A Becker study of 300 pensions funds over a 10-year period through 1971 found this to be true. Some 60 percent of the funds Becker tracked failed to match the 7.1 percent rate of return averaged by the 500 stocks used to compute the Standard & Poor's market index.

The return the average fund counts on in determining its pension costs is 5.8 percent, according to a Louis Harris survey of 1,200 major corporations' pension plans. The same study found that the average return major corporations actually get on pension assets is 5.9 percent.

Second of a four-part series. Next: a look at innovative pension-plan provisions.

GOVERNMENT-SPONSORED RACISM

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1973

Mr. CRANE. Mr. Speaker, although the Civil Rights Act of 1964 forbids discrimination on the basis of race, creed, or age, the unfortunate fact is that an agency of Government, meant to oppose racism, is, instead, fostering it.

The Department of Health, Education, and Welfare has for some time indicated that university and college faculties which do not meet unspecified but understood "quotas" of women, blacks, and Mexican-Americans on their faculties, would lose Federal funding. Thus, the taxpayers money has been used as a club with which to impose a policy which is, in fact, illegal, namely the consideration of job applicants not upon merit but upon such extraneous criteria as race, age, and sex.

A recent example of this policy came to my attention in the form of a letter received by the wife of my administrative assistant, Mrs. Linda Leventhal Feulner, from the American Occupational Therapy Association of which she is a member.

The letter informed Mrs. Feulner of the reason for asking information concerning the race of members. Since it was a form letter, it appears that many members of the American Occupational Therapy Association objected to this question.

The letter notes that:

> As you know, approximately ten years ago, it became illegal and in bad taste to ask questions about an individual's race or religion. . . As Civil Rights have moved forward, there has been increasing concern that deletion of this kind of data does not, in fact, guard against discrimination but perhaps makes discrimination more likely or possible.

How discrimination is made more likely or possible by not requesting information concerning an applicant's race or religion is not explained. The reason, of course, is that such a proposition is both illogical and contradictory.

The letter continues to note that:

> There has been increasing pressure from . . . State and federal government agencies for institutions . . . to identify the number of minorities employed or offered membership. . . This is especially true with the Government granting agencies . . . this kind of data becomes crucial in order for us to receive Federal grant monies.

It is high time that we put an end to Government-sponsored racism of the kind set forth in this letter.

I wish to share with my colleagues the letter received by Mrs. Feulner from the American Occupational Therapy Association, and insert it into the Record at this time.

The American Occupational,
Therapy Association, Inc.,
March 7, 1973.

Mrs. Linda Leventhal Feulner,
Fairfax City, Va.

Dear Mrs. Feulner: I saw your note on the data sheet form which you sent to our membership office, and I asked if I might respond to you. I would like to share with you the reasons for our recent request for information concerning our members' color or race.

As you know, approximately ten years ago, it became illegal—and in bad taste—to ask questions about an individual's race or religion. Such questions at that time were not permitted in order to prevent or at least avoid racial discrimination and to provide equal employment opportunities to all persons regardless of race or religion. As Civil Rights have moved forward, there has been increasing concern that deletion of this kind of data does not, in fact, guard against discrimination but perhaps makes discrimination more likely or possible.

There has been increasing pressure from minority group organizations and from state and federal government agencies for institutions, agencies and organizations to identify the number of minorities employed or offered membership in an association or organization. This is especially true with the Government and granting agencies. We have been asked many times to list the number of minorities who are members of our Association, and this kind of data becomes crucial in order for us to receive Federal grant monies. The fact that we have no such statistics would suggest perhaps that we do indeed discriminate against the minorities.

I do hope this explains our asking for this information on our data sheet.

Yours truly,
(Mrs.) Dolores W. Hill,
Membership Secretary.

NATO DEFENSES STILL NEEDED AS U.S.S.R CONTINUES TO ARM

HON. ROBERT J. HUBER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1973

Mr. HUBER. Mr. Speaker, in a recent editorial in the Daily Telegraph of London, Mr. R. H. C. Steed points out the dangers involved in the NATO countries continuing to weaken their defenses in the vague hope that the Soviet Union will do likewise. He further points out that if this trend continues, the Soviets will have such an overwhelming psychological advantage that it may be able, in the future, to directly influence events in Western Europe without moving a soldier in that their preponderance in men and equipment will be overwhelming. As Mr. Steed points out, while the Western nations debate detente, and some shorten their terms of service, the Soviets are replacing their T–54 tanks with still heavier T–64 tanks. This article provides a timely touch of realism to the debate and I commend it to the attention of my colleagues:

R. H. C. Steed Warns Us Against the Detente-Mongers While Russia Builds Tanks

Over the past couple of years the major European Nato Governments, in the face of increasing domestic resistance and apathy, have been doing their best to respond to President Nixon's appeals for a greater defense effort. They were only too painfully aware that otherwise he would not be able to resist pressure from Congress for major unilateral American troop withdrawals.

It was also quite clear that in this event Western Europe's defence, already stretched so thin as to provide no safety margin, would become no longer credible to the Russians or to its own members. Some would yield to Russian pressures and blandishments to come to separate terms, Nato would crumble, and Russian control, in whatever form, would spread over Western Europe.

Improvements have consisted mainly in slight increases in the British and German defense budgets and, largely as a result of this and of the maturing of earlier plans, of an all-round improvement in installations and equipment—the quality of most of which is now at a good and often very high level. Yet in other respects, though what is being attempted is still well short of American requirements, let alone of the urgent needs of the moment, there are disturbing signs of flagging.

The most obvious of these is the continuing trend towards reductions in the length of conscript service. A deplorable precedent is being set by Denmark, which is reducing the period from 12 to six months.

This indication of the state of Danish morale is depressing, especially for BAOR would be heavily involved in the defense of Denmark. Germany has reduced the period from 18 to 15 months, Belgium is down to 12 months and contemplating further reductions, as is Holland.

Such short periods of training are not sufficient for complex modern weapons, and also constitute too much of a strain and a distraction for the long-service cadres of NCOs and officers. In the Warsaw Pact, by contrast, conscription is for two years—with the curious exception of East Germany, where it is 18 months.

It is argued that a compensating advantage is that more reserves are thus produced and that indeed even shorter periods of training would be advantageous in that they would produce great numbers of men able to deal with the Russian tank superiority with anti-tank rockets operated by small crews or even by one man. As against this, military commanders are increasingly concerned with morale—both civilian and military.

Short terms of training not only fail to give the necessary skill, but also the necessary confidence and esprit de corps. This might be replaced by high motivation and defence-consciousness. Yet it is this element that seems to be increasingly lacking, and on which lone exploits of heroism against a thundering fire-spitting horde of T 64s would supremely depend.

Indeed, in the German Army, in furtherance of the concept of the non-militarist civilian-in-uniform soldier, political influence has been largely and effectively directed towards creating an enlightened *"Feind Bild"* or concept of the enemy. This trend is influenced by awareness that the enemy would often be East Germans.

Herr Brandt's Ostpolitik, based among other things on the concept of "two States in the German nation," has also had a psychological effect. There is none of this soul-searching about what degree of hatred or aggressiveness should be inculcated against the enemy on the Warsaw Pact side, where care is taken that the simple view prevails that the only good imperialist capitalist hyena is a dead one. Another contrast is provided by the 30,000 conscientious objectors in West Germany.

Nato troops cannot but be aware that the odds are heavily against them, while West German troops and Government know that any major fighting, conventional and tactical-nuclear, would unavoidably and almost immediately range very deep into densely populated German territory. It is particularly the German, Dutch, Belgian and Scandinavian Governments which, against all the indications, place their hopes in the success of the projected conference on Mutual and Balanced Force Reductions.

PRICE OF DEMOCRACY

No doubt the Russians would like to be able to reduce their crushing defense expenditure, but there is little reason to believe that they are prepared to commit themselves to any reduction of their present superiority. They count on early American and European reductions in any case. Although the economic product of the Warsaw Pact countries per head is only about half that of the Nato countries, the Communist Governments have full internal control over their populations, and are not subject to the democratic pressures felt by Western Governments.

Russia has only grudgingly and tentatively agreed to discuss force reductions in return for a firm and prior agreement by the West to take part in the European Security Conference at which Russia seeks to divide the West and get confirmation of her empire in Eastern Europe. Meanwhile Russia, for whatever reasons, has been expanding and modernising her forces facing Nato, concentrating on offensive preparations, equipment and dispositions.

Modernisation and reinforcement of the artillery was completed a year ago. It now has an overall technical superiority over Nato and a numerical advantage of about three to one. During the past year Russia has been concentrating especially on tanks.

Previously, on the central front, the Warsaw Pact had 16,000 tanks, an unusually high proportion of them heavies; 10,000 were Russian, against about 5,000 on the Nato side. During the past year the Warsaw Pact tank strength has been increased by between 1,500 and 3,000 all the latest heavy T64s.

The Warsaw Pact's front-line superiorities in manpower and in aircraft on the central front are both more than two to one. Russia's central position and enormous geographical depth invalidate her argument that she is "encircled" by Europe and China. China is contained by huge and technically vastly superior Russian conventional and nuclear forces.

Why has Russia thus increased her already great preponderance in Europe? Partly perhaps as a precaution against any agreement on reductions of forces. Mainly, however, to be ready to take instant and decisive advantage of any sudden opportunities. For instance, Russia will hardly have neglected to have made provision inside Yugoslavia to exploit the departure of Marshal Tito. If in a confused situation an appeal for Russian help could be arranged, the military means would be available. This may explain why Russia refuses to bring Hungary, which would be in a key position in such an event, into M B F R, which would reduce and limit the size of her forces in that country.

Russia would dearly like to get hold of the province of Finnmark in Northern Norway to provide ice-free harbours for her expanding Atlantic fleet, threatening Nato's life-lines. Popular Front Governments in France or Italy which refused to go quietly after an electoral defeat might be supported, even at a distance, by superior Russian power.

Developments in Greece might present some opportunities. Huge Russian superiority on the central front would discourage Nato from any general reaction against Russian action elsewhere, or against Berlin. A Christian Democratic electoral victory in Germany, or the introduction of a European nuclear weapon, might be used as an excuse for Russian action. In these and other eventualities, great Russian military superiority could be used for political blackmail.

These are some of the answers to the argument that, in the nuclear age, conventional superiority becomes irrelevant. In fact, the more Europe's defence depends—as it already does to far too great an extent—on almost immediate massive American first-use of nuclear weapons, the less likely will this use become, the harder will America try to opt out, and the greater will be the dividends that Russia can collect without risk through the mere existence of vastly superior conventional force.

RUMANIAN INDEPENDENCE DAY

HON. RALPH S. REGULA

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1973

Mr. REGULA. Mr. Speaker, I remind my colleagues that May 10 is a day of observance of the Rumanian Independence. Over 100 years ago, in Bucharest, Charles, Prince of Hohenzollern-Sigmaringhen, a scion of the Southern and Catholic brand of the Prussian royal family, was proclaimed Prince of Rumania, and thus was founded the Rumanian dynasty. It was the successful outcome of a nation's long struggle to put an end to the strife and rivalries among native candidates to the throne. Charles I was inaugurated on May 10, 1866.

Eleven years later, during the turmoil of the Russo-Turkish War, the Principality of Rumania, until then nominally a vassal of the Sultan, proclaimed her independence by severing bonds that linked her with the Ottoman Empire. This independence was fought out on the battlefields south of the Danube, where the young Rumanian Army, as an ally of Czarist Russia, played a noteworthy part in the defeat of the Turkish forces.

Four years after that, the Rumanian people decided to raise their country to the ranks of a kingdom. On May 10, 1881, Charles I, by the will of his people, was crowned King of Rumania. The next six decades were years of prosperity for the nation.

During those years and to the present day, Rumanians have cherished May 10 as their national holiday. The date remains a symbol of their perseverance through the ravishment and oppression of despots. An effort to minimize its significance and to weaken the people's will for freedom was made when the official celebrations were shifted from the 10th to the 9th of May, the anniversary of the Soviet occupation and victory. But, though flags are hoisted on May 9, Rumanians around the world and in their captive homeland celebrate in their hearts the following day, May 10. They await with faith and courage the dawn of a new era, not only of independence, but of freedom.

What better wish can we here express for a people whose sad lot it has been within our lifetime to survive the necrosis of nazism only to be tossed into the caldron of communism?

Let us join in sending our prayers to these stoic people behind the Iron Curtain and our fervent wishes that their freedom soon shall be restored.

DISCIPLINARY REPORT IS SERVICE TO NATION

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1973

Mr. BOB WILSON. Mr. Speaker, military and nonmilitary personnel alike, have been deeply disturbed by shipboard upheavals and the charges of permissiveness within the Navy. Ruthven E. Libby, a retired Navy vice admiral, has presented an excellent analysis of the Special House Armed Services Subcommittee Report on Disciplinary Problems and I would like to share Admiral Libby's observations with my House colleagues:

DISCIPLINARY REPORT IS SERVICE TO NATION

(By Ruthven E. Libby)

The country is indebted to Reps. Floyd B. Hicks, W. C. Daniel and Alexander Pirnie, members of a special House subcommittee, for their report on Disciplinary Problems in the United States Navy released Jan. 23.

The report is a fascinating and disturbing document.

It was not arrived at lightly, obviously. The work of the subcommittee was thorough. The documentation is voluminous.

The findings are disquieting and critical of much that goes on in the Navy. The opinions largely confirm the belief prevalent among many of our citizens, including the majority of retired naval personnel of all ranks and ratings, that there has been a serious breakdown in good order and discipline in the Navy.

These dangerous and unwholesome conditions are not simply signs of the times, as has been averred. They appear to individuals such as this writer to be the inevitable result of ill-advised, ill-conceived and poorly implemented conceptions and procedures that have departed widely from traditional and time-tested ones.

It is regretted that the subcommittee did not set forth its recommendations with the same vigor with which it expressed its findings and opinions; in this regard the mountain seems to have labored and brought forth a mouse.

Apparently at pains not to step on any toes, the recommendations will seem to many to be superficial rather than fundamental, and as failing to get at the basic causes of the disturbances and lowered standards in the Navy.

It is perhaps fortuitous, but almost coincident with the release of the Hicks Report, the Navy Bureau of Personnel issued a special edition of the Retired Naval Personnel Newsletter designed to reassure concerned retirees that all is really on the up and up in today's Navy.

There can be no question of the motives of the Navy high command; paramount objective is to achieve and maintain the highest level of combat effectiveness possible, under difficult circumstances. One can, however, with considerable justification seriously question the wisdom of the way in which the aforesaid Navy high command has sought to reach this goal.

The subcommittee found that "permissiveness" exists in the apparent breakdown of discipline in the Navy, as was charged following the serious incidents aboard the attack carriers Kitty Hawk and Constellation last October and November respectively.

In the course of its inquiry into "the alleged racial and disciplinary problems" in these carriers, the subcommittee found what everybody knows—the vast majority of Navy personnel is performing its duties loyally and efficiently. There is, however, a segment of that force which is either unable or unwilling to do so. It has been tolerance of this segment, extending at times even to appeasement, that has contributed to the breakdown of discipline.

The Chief of Naval Operations asserts that "contrary to some reports, Z-Grams have not relaxed standards. They have updated them." The intent, surely admirable, has been to "not permit general policies to be dictated by the need . . . to constrain those few individuals who do not respond to the trust and confidence expressed in more flexible and less restrictive regulations." However admirable the intent, the results have been disastrous.

The subcommittee found that "permissiveness" exists in the Navy today and could be servicewide. It defines "permissiveness" as used in the report, thusly:

"Permissiveness means an attitude by seniors down the chain of command which tolerates the use of individual discretion by juniors in areas in the services which have been strictly controlled; it means a tolerance of failure; a failure to enforce existing orders and regulations which have validity; it means a failure to require that existing standards be met, and a sufferance of the questioning of valid orders. Unhappily, close on the heels of permissiveness, we often find appeasement when trouble arises."

If this isn't a capsule exposition of how to wreck any organization, military or otherwise, I never saw one.

A flagrant instance of appeasement, and on which the subcommittee expressed its strong objection, was "the procedure used by higher authority to negotiate with the Constellation's dissidents and, eventually, to appease them by acquiescing to their demands and by meting out minor non-judicial punishment for what was a major affront to good order and discipline"—actions which, the subcommittee stressed, "have the potential for crippling a combatant vessel in the war zone."

What happened aboard this man-of-war was mutiny, no more and no less. In attempting to deal with it, the chain of command was never followed. Advice given line officers by personnel in human relations billets was uniformly poor and the resulting decisions failed to bring the mutiny to an end.

The public has been led by the news media to believe that racial discrimination is rampant in the Navy and was the primary cause of the Kitty Hawk rampage and the Constellation mutiny. The subcommittee disagrees, emphatically.

In the Kitty Hawk "there was not one case wherein racial discrimination could be pinpointed." In the Constellation, the mutiny was "the result of a carefully orchestrated . . . well-organized campaign wherein a small number of blacks wilfully created among other blacks the belief that white racism existed in the Navy and aboard that ship." It did not.

The moral of James Thurber's "Fable of the Bear Who Could Take It or Leave It Alone," you remember, was: "You might as well fall flat on your face as lean over too far backwards." It appears to many of us that the CNO has done the latter. In his concern over racial problems, he has appeared to place "human relations" goals above the requirement for good order and discipline. On this question, the subcommittee report states:

"The members of the subcommittee fully support the idea of equality of opportunity in the military and naval forces of the United States for all persons . . . Human relations programs remain essential. (But) where Human Relations councils and Minority Affairs offices are manned solely by minority personnel, they become conduits for minority personnel to bypass the normal chain of command . . . Used as a vehicle for settlement of individual minority grievances which should be resolved within the command structure, they are divisive and disruptive of good order and discipline . . . The equal opportunity and human relations programs of the Navy must not, in any way, dilute the authority of the chain of command."

PANAMA CANAL PROBLEM: MAJOR ISSUES CLARIFIED IN RICHMOND TIMES-DISPATCH

HON. GENE SNYDER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1973

Mr. SNYDER. Mr. Speaker, the House Committee on Merchant Marine and Fisheries, after extensive hearings by its Subcommittee on the Panama Canal, under the chairmanship of my able and distinguished colleague from New York (Mr. MURPHY) on January 2, 1973, reported upon its activities during the 92d Congress.

Since that time—and as a result of related developments here and elsewhere—the canal question has been a subject of considerable discussion in the news media, and the interest of the press in some of our coastal States has been aroused.

As one example, in an editorial on March 25 of this year, entitled "Keep the Canal," the Richmond (Va.) Times-Dispatch made a strong appeal for retention by the United States of its treaty-based sovereign rights, power and authority over the Canal Zone. Unfortunately, this editorial contained two serious errors: First, that the United States pays an "annuál rent" for the Canal Zone; and second, that increasing traffic has made construction of a second canal of so-called sea-level design "desirable."

In a perceptive letter to the editor by Capt. Franz O. Willenbucher, an experienced retired naval officer long associated with Panal Canal affairs, these two errors were corrected. He demonstrated:

First. That the anuity paid Panama is not a "rental" for the Canal Zone but an augmented obligation for the Panama Railroad originally assumed by the United States in the 1903 treaty with Panama.

Second. That the editorial's suggestion that a sea-level undertaking is "desirable" is an unwarranted assumption.

Captain Willenbucher also explains his support of the modernization of the existing canal in the Canal Zone under the Terminal Lake-third locks proposal, pointing out that some $171,00,000 has already been expended toward such modernization. He notes that the task can be completed without the necessity for any new treaty with Panama and that the sea-level proposal is "irrelevant." Additionally, he calls to the editor's attention the fact that legislation for resumption of suspended construction under the above-mentioned plan is now pending before the Congress.

It is my hope that the original Times-Dispatch editorial, along with the very important clarifications set forth by Captain Willenbucher, will help my colleagues in assessing the canal question—and in approaching the upcoming legislation.

For this reason I insert the editorial and the reply at this point:

[From the Richmond Times-Dispatch, Mar. 25, 1973]

KEEP THE CANAL

The issue of control of the 40-mile-long Panama Canal Zone strategically linking the Atlantic and the Pacific is an extremely thorny problem. But the special UN security Council meeting at Panama has only added to the brambles in the thicket. The United States was justified in vetoing Wednesday a Council resolution on the subject.

In the first place, the hyprocrisy of those freedom-loving governments of Russia and China in demanding that the United States turn over the Canal to the Republic of Panama is thick enough to obscure all else. How many acres have Chairman Brezhnev or Chairman Mao ceded to nationalist aspirations?

Besides, the assertion that the Canal Zone is "an inalienable part" of Panama's territory does not square with history. If the land is intrinsically anybody's, a case could be made that it is Colombia's. When the Colombian senate began to hedge in 1903 on a treaty to grant the U.S. the right to acquire a canal zone in Colombia's Panama province, U.S. naval vessels helped Panamanian rebels win independence by blocking Colombian troops from reaching the uprising. Without U.S. intervention, it is probable there would be no Republic of Panama. And Panama came to existence simultaneously with the assertion of a U.S. presence there.

Call this an ugly hangover from the era of gunboat diplomacy if you will, but the fact remains that as part of the 1903 Hay-Varilla Treaty giving the U.S. control of a strip for a canal in perpetuity, the U.S. paid Panama an initial sum of $10 million, indemnified Colombia to the tune of $25 million, and agreed to pay Panama substantial annual rent, which figure has since been increased several times.

The total cost to the U.S. for 647 square miles of the zone far exceeds the price of many other American territorial acquisitions, including the Lousiana Purchase (that vast area streaching from the Mississippi River to the Rocky Mountains and from the Gulf of Mexico to Canada) and such notable additions as Alaska and Florida.

Why Omar Torrijos, Panama's dynamic 44-year-old military ruler, would be invoking Latin nationalism in a campaign to win control of the canal is understandable. Undeniably, his claim has appeal throughout much of Latin America and among guilt-ridden liberals of this country. It just may be that in the bilateral U.S.-Panamanian negotiations, there ought to be concessions the U.S. can make to satisfy some of Panama's complaints.

But relinquish ultimate U.S. control of the Isthmus? Before that is contemplated, it is fair to recall that Panama, unfortunately, has been notoriously susceptible to political upheaval, with no fewer than 44 presidents having come and gone in 70 years. Could the uninterrupted movement of commercial or military ships be guaranteed under any Panamanian regime of the moment? One thinks sadly of the Suez, the world's other great canal, which still stands idle, a victim of political instability.

The enormous value of the Panama Canal to the free world in two World Wars cannot be over-stated. Heavy use in peacetime has made desirable the construction of a new sea-level canal, a matter complicating current negotiations. Few things would help potential enemies of this nation or of our allies more than for the U.S. to cede the Canal Zone to Panama or to "internationalize" its control. The Nixon Administration should ignore the hypocritical howls from the UN. But if the Administration does concede too much in a new treaty, Congress should exercise its Constitutional prerogative to reject it.

[From the Richmond Times-Dispatch, Apr. 22, 1973]

DISPUTES EDITORIAL ON PANAMA CANAL

Your otherwise superb editorial "Keep the Canal" (March 25) unfortunately included two serious errors.

The first is the statement that, under the terms of the 1903 Hay-Bunau-Varilla Treaty, the United States "agreed to pay Panama substantial annual rent" for the Canal Zone. Such is not the fact. U.S. tenure is perpetual, its control sovereign. The amount which the U.S. paid Panama for this right and control was a lump-sum payment of $10 million upon the ratification of the treaty. In addition, the U.S. purchased all privately-owned lands within the zone from their owners, making the U.S. not only the owner by treaty grant, but also by direct purchase.

What the U.S. agreed to pay, and has paid, annually to Panama, (originally $250,000 and now $1.93 million, raised by reason of dollar devaluation and U.S. generosity) has been, and is now, to compensate Panama adequately for the loss of revenue that Colombia formerly enjoyed from the highly successful operation of the Panama Railroad situated in the Canal Zone, which became the property of the United States upon the signing of the treaty.

For a completely documented, unbiased, historical and jurisdicial treatment of these matters, see *Cadiz to Cathay* by Capt. Miles P. DuVal, USN, Greenwood Press, Westport, Conn.

The second error is contained in the sentence in the last paragraph which states, "Heavy use [of the canal] in peace time has made desirable the construction of a new sea-level canal, a matter complicating current negotiations." That construction of a sea-level canal is desirable is a mere assumption not shared by those intimately familiar with the facts. Through this fallacy, the treaty negotiations have, indeed, been seriously complicated. A leading advocate of a sea-level proposal has publicly admitted that its main purposes is to obtain "better treaty relationships" with Panama, that if such are not obtained, the sea-level proposal is not warranted, that in fact it "may never be constructed," and, that the decision for such construction would be a "political" one (*Congressional Record,* vol. 117, pt. 6, pp. 7839–7840).

The House Committee on Merchant Marine and Fisheries, on page 36 of House Report No. 92–1629 of Jan. 2, 1973, summarized the key canal issues as follows:

(a) Retention by the United States of its undiluted sovereign rights, power and authority over the Canal Zone, which is the absolutely necessary protective frame of the canal; and

(b) Major modernization of the existing canal within the present Canal Zone (Terminal Lake-Third Locks Plan), which can be done under existing treaty provisions.

The committee added that all other large canal questions, however important, including the much discussed "sea-level" idea, are "irrelevant" and should not be allowed to confuse that of the canal's major needs: Namely, its increase of capacity and operational improvements.

The construction of a third set of locks for the Panama Canal was authorized in 1939, but work was suspended in 1942 after a total expenditure of more than $76 million. Summit channel widening was completed in 1970 at a cost of $95 million, making a total of more than $171 million already expended. Legislation is now pending for resumption of work on this great project, as are resolutions to perpetuate the sovereign control over the Canal Zone by the United States.

Franz O. Willenbucher, J.D.,
Captain, U.S. Navy (Ret.).

Bethesda, Md.

REDWOOD CITY TRIBUNE ACHIEVES GOAL

HON. LEO J. RYAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1973

Mr. RYAN. Mr. Speaker, the role of an active and free press in any community, be it the Capitol of the United States or any one of our thousands of cities and towns, goes deeper than being the community bulletin board and news reporting service. A community newspaper brings together all that a community is; acting, if you will, as a sort of homogenous glue. Our joy and despair, our successes and failures, are chronicled within the pages of our newspapers. Newspapers, to me, are a kind of living history book in which the lives of people and institutions are charted in ink on paper for reading not only today, but tomorrow as well.

For more than 50 years now, the people of Redwood City, Calif., have been guiding, and guided by, the pages of the Redwood City Tribune. Its publisher, Frank "Jerry" O'Neill, assumed his post in 1969 following an illustrious career in journalism on papers throughout the Bay Area. Mr. O'Neill and Tribune editor David Shutz aptly direct a talented staff, which coupled with their own brand of journalistic integrity, make the Redwood City Tribune one of the finest papers in the West.

I could cite the many awards this paper has won over the years, Mr. Speaker, for they are indeed many. But a newspaper is more than awards and journalistic honors; a newspaper is a standard of conduct reflective of its owners and publishers, and a statement of purpose based on its own integrity and that of the community in which it operates.

To follow its brilliant history of accomplishment over the past 50 years would consume a great deal of time and space. In lieu of a long list of achievements, I have opted to offer for printing in the Record following my remarks, the first editorial in the first Redwood City Tribune. The date is May 1, 1923. But the language is as relevant today as it was then. Its need in the community is as relevant today as it was then. And its viability and credibility, which at the writing of the editorial was merely a stated goal, is today an accomplished fact.

Editorial From First Issue

Whatever fills a public need satisfactorily will succeed.

That a daily newspaper has long been a public need in Redwood City is a fact too apparent to require argument in support of the assertion. Redwood City is one of two county seats in California, having a population in excess of 2,300, that has been without a daily paper heretofore, while it is also observed that daily papers flourish in cities smaller than this one.

True, the field here is not yet developed to the maximum. But that is destined to come. Already, in fact, tremendous forces have been set in motion looking forward to the growth of Redwood City and the whole of San Mateo County. That those forces can be speeded in their accomplishment by all that a daily newspaper is able to do is a fact that none will dispute.

Convinced that the need of a daily is here, the Tribune, appearing for the first time today, will make every effort to fill the need with satisfaction.

The news service of the Tribune will be comprehensive. News that is local to Redwood City and environs, as well as news that is of county and regional importance will be featured. But there also will be reports in these columns daily of the main events all over the world, wired to the Tribune by The Associated Press, the world's greatest newsgathering agency.

The Tribune asks no favors. The day is gone when a newspaper can expect to succeed on the plea that "we ask your support." A newspaper has no more right to solicit gratuities than any other kind of business.

The Tribune has two commodities to sell—news service and advertising space. We offer both commodities at a price commensurate with their value to you. No businessman is urged to buy space in the Tribune for the purpose of helping the paper, but rather because of the value the advertising will be to him.

That Tribune advertising will pay is a fact that we shall be able to demonstrate to your satisfaction. It will be the business of the Tribune's advertising department to make it valuable. An ad-writing service, providing layouts, copy and illustrations, will be at the disposal of the Tribune's advertisers at no extra charge.

The advancement of community improvements, community institutions and all else that contributes to the greater enjoyment of life in Redwood City and environs will be a leading editorial policy of the paper.

Politically the Tribune is independent, the question of party being considered secondary to the major questions of men and issues. The Tribune is obliged neither to support a given party when its stand on a given issue is considered wrong, nor to oppose its stand when that is considered right.

With every department of the paper in the hands of men experienced in that special line, expert service in every department can be relied upon.

The Tribune management is most appreciative of the enthusiastic interest shown by the Redwood City people in this enterprise—that interest being manifest by eagerness to subscribe, giving the paper at the start a circulation list far in excess of what is usually expected of an infant journal.

In concluding this announcement we desire to express our highest esteem for the publishers of the established weekly newspapers here. It is not the Tribune's thought nor desire to attempt to supplant any existing publication. Dailies and weeklies have their individual functions. Neither necessarily usurps the other. Our relations with the older publishers of this city are friendly and pleasant.

The Tribune will publish every day except Sundays and the six legal holidays observed by the printers' unions—New Year's Day, Memorial Day, Fourth of July, Labor Day, Thanksgiving Day and Christmas Day.

Number 2 of Volume 1 of the Tribune will appear tomorrow.

ISRAEL'S 25TH ANNIVERSARY

HON. JOSEPH G. MINISH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1973

Mr. MINISH. Mr. Speaker, this week the people of Israel are celebrating the silver anniversary of their independence. Along with their friends around the world, they are joyously commemorating that day upon which, 25 years ago, their nation was born when its Proclamation of Statehood took effect.

Mr. Speaker, the Jewish people had dreamed of that day for centuries. For almost 1,800 years after being conquered by Imperial Rome they had been scattered among the nations of the world and their homeland ruled by foreigners. However, throughout that period they had clung to both their identity as a people and their hope to someday reestablish their own national state in Palestine, the Promised Land of their ancestors.

During the Second World War, no people suffered more than did the Jews. Their experience during that holocaust made them ever more determined to have a homeland of their own. With thousands desirous of immigrating to Palestine to found the new homeland waiting in refuge camps, the British, who held a League of Nations mandate over the area since 1922, asked the newly formed United Nations to decide the future of the region. In November of 1947 the U.N. voted to partition Palestine into separate Arab and Jewish States. As the last of the British troops left the area on May 15, 1948, the historic Proclamation of Statehood—which had been issued the day before by the Israeli Provisional Government—took effect.

At last the dream had been realized—Israel had been born.

Three times since that day the Israeli people have had to go to war to protect their beloved country. The first time came only a few hours after independence, when attacks were launched from all sides by neighboring Arab States. Courageously defending their nation, the Israelis successfully thwarted all of those attacks and, with a desire for peace, signed an armistice ending the conflict in July of 1949. However only 7 years later they were forced to fight again—this time to secure passage for their supply ships through the Suez Canal and the Straits of Tiran as well as to curtail the activities of raiders operating from bases in the Sinai; and in 1967 they had to take up arms in order to pre-empt an imminent attack by newly well-armed Arab armies. In both cases the Israeli forces displayed great courage, determination, and ability by quickly attaining their objectives against overwhelming odds. Today they maintain a constant vigilance against acts of aggression perpetrated not only by the armies of hostile states, but also by terrorist guerillas like those who murdered several members of Israel's Olympic team during the Munich games last summer.

Mr. Speaker, the hostility of its neighbors has not been the only difficulty which the brave people of Israel have had to face. In the early years of their nation's independence they had to solve the problem of how to receive, care for, and absorb the thousands of destitute immigrants who came to the new homeland seeking a better life. Furthermore they had to contend with large sections of arid or infertile land while trying to raise agricultural products for consumption and export; with few of the things that are necessary to the development of industry; and with little capital with which to buy needed goods and commodities.

Through hard work and determination the Israelis have overcome all of these problems and handicaps. The refugees of the post war years and their children now have prosperous lives; and today extend a helping hand to the 50,000 new immigrants who arrive every year. The land has been made to bloom, even in the previously swampy or arid sections of the country. The amount of irrigated land has increased six fold since 1948; the total area under cultivation has more than doubled within the same period. It may truly be said that, in Israel, the desert has been turned into a garden. At the same time the development of industry has been little neglected, and the results have been just as phenomenal. The total number of those employed in industrial occupations has risen from 65,000 in the first year of statehood to 270,000 today. Technology has become well advanced, so much so that the Israelis have sent some of their experts abroad to help underdeveloped nations solve the problems they now face.

Not unimportant to Israel's own development has been the support and generosity of its friends in the United States. For example, bond campaigns have boosted the young nation's economy, while organizations such as the Jewish Community Federations and the United Jewish Appeal have raised funds needed to care for new immigrants, none of whom have even been turned away. I am pleased to say that there are several of these superb organizations in my district. I have been proud to support their efforts as well as to sponsor legislation aimed at insuring strong American support of Israel.

Mr. Speaker, the people of Israel have taken a dream, and built it into a strong, prosperous, modern nation—one which is today not only a fine model for all newly independent states, but also a source of inspiration for all peoples who value their freedom and national heritage. Let us salute them and wish them well as they commemorate an important milestone in what promises to be a long and noble history.

FORMER CONGRESSMAN GEORGE P. MILLER RECEIVES HONORS FROM AMERICAN OCEANIC ORGANIZATION

HON. THOMAS N. DOWNING

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1973

Mr. DOWNING. Mr. Speaker, on April 25, 1973, our former colleague, the Honorable George P. Miller received a special award from the American Oceanic organization. The presentation was made by Mr. Harold A. Timken, chairman of the Board and president of Quanta Systems Corp.

Nobody deserved this recognition more than our dear friend who served in this body so faithfully and efficiently for so many years. He was a leader in man's exploration and exploitation in space and in the oceans. He can take honest pride in the breakthrough of these last frontiers by mankind. I insert his remarks at this point in the CONGRESSIONAL RECORD.

QUANTA SYSTEMS CORPORATION,
May 4, 1973.

Hon. THOMAS N. DOWNING,
Member of Congress, Rayburn House Office Building, Washington, D.C.

DEAR CONGRESSMAN DOWNING: It was most pleasant to have had the opportunity to visit with you at the American Oceanic Organization Neptune Dinner. AOO was pleased and privileged to have you as an honored guest.

Upon my return from the Virgin Islands, Bob Shephard indicated you had requested a copy of my remarks in presenting the special award to George Miller. Enclosed is a copy.

I look forward to seeing you soon again at an AOO luncheon meeting.

Warm regards.

Sincerely,

HAROLD A. TIMKEN.

NEPTUNE AWARD BANQUET—THE AMERICAN OCEANIC ORGANIZATION

Presentation of a special award to the Hon. George P. Miller by Mr. Harold A. Timken, Chairman of the Board and President of Quanta Systems Corporation, and Outgoing Chairman of the Board, American Oceanic Organization on April 25, 1973.

It is my very special privilege, on behalf of the American Oceanic Organization, to give well-deserved recognition tonight to our good friend and a distinguished American: the Honorable George P. Miller. He has indeed served his District, his State, and his Country well. He has been a public official for more than a third of a century, from member of the California State Assembly and then Executive Officer of the California Fish and Game Division, to Member of the U.S. House of Representatives and Chairman of the Committee on Science and Astronautics.

Because of the appropriate and well-earned attention he has received in recent years as one of the world leaders in the field of space, it is sometimes overlooked that Congressman Miller served on the Committee on Merchant Marine and Fisheries, where he was chairman of the Subcommittee on Oceanography. In addition, he has twice served as Chairman of the Board of Visitors of the Coast Guard Academy. He has been and is a leader in the marine sciences.

As a graduate engineer, he has attempted to solve problems from a practical viewpoint, based on facts and supported by his constant spirit of optimism that effort based on facts will lead to success for the general public.

There is at St. Mary's College in California, from which institution he holds several degrees, the George P. Miller Science Fund, a permanently endowed fund to be used for the advancement of the teaching of science. As you all know, he has received numerous citations for meritorious service to the cause of science.

No one who knows George Miller doubts his ability, his dedication to the public welfare, his knowledge and understanding of science, or his vast experience in space and oceanography. Moreover, those fortunate enough to know him intimately are also aware of his integrity and the value of his friendship. One is honored to call him "friend". One can double that honor if both members of the team—George and his most gracious lady Esther—are his friends!

PAUL ALEXANDER—COURAGE TO LIVE

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1973

Mr. PICKLE. Mr. Speaker, on occasion we learn of human courage so large that we must pause in admiration.

Such is the case of a young man who attends the University of Texas at Austin. He is in nearly every respect a normal young person—he likes people, he likes to travel, and he is serious about his studies.

But, Mr. Speaker, there is one difference in this young man. He lives in an iron lung for most of his hours.

This young man is Paul Alexander.

Paul Alexander is a man, Mr. Speaker. I salute his courage, and I know that my colleagues will, also, after reading his story which appeared recently in the Daily Texan, the student newspaper of the University of Texas at Austin. And the Congress needs to support those programs that can help valiant young men like Paul Alexander.

I include the article herewith in the RECORD:

"DOESN'T HAMPER ME"

(By Nancy Cripps)

When misfortune comes to a person, the tendency to be remorseful and selfpitying is always great.

However, University student Paul Alexander, 27, has escaped all that. Being paralyzed from the neck down and having to spend most of his life in an iron lung has never hampered Alexander—an enthusiastic, eager, and confident young man.

"It's all irrelevant to me," Alexander said. "I can do anything I want to. Using an iron lung has never hampered me from doing exactly what I want to do.

"When I wanted to transfer from SMU, there was a lot of hassle. I'd never been away from home before and I'd never had anyone take care of me except my family. But I wanted to come to Austin, and I did."

Alexander is dependent on his respirator (iron lung), but not to the extent that he cannot leave it.

"I've learned to use my neck muscles to breath," Alexander said. "It's a conscious effort for me to breath, and after long periods of time, I have to go back to my respirator.

"I sleep in it every night and do my studying in it," he said.

Alexander lives with two friends, University students Gary Cox and Charlie Grimes, in the Mi Amigo Apartments on Duval Street. "They do everything for me," he said.

"I like to travel and Gary especially helps me out in this respect. Over spring break, we went to Houston and Galveston. We stayed with some of Gary's friends, whom I'd never met before. The March of Dimes, which provides my respirator, set one up for me in their (Gary's friends') home. Then during the week we took day trips to Galveston.

"It was really exciting for me since I'd never seen the ocean before," Alexander said.

Back in Austin, Alexander spends most of his time at school and with friends. This semester he's taking eight hours of course work, but his usual load is 12 hours.

Earlier this semester, it looked like Alexander wouldn't be able to continue school because of the veto of the Vocational Rehabilitation Act by President Nixon.

Through state and federal funds, Alexander, as a disabled person, gets money to attend school and to hire an attendant to take care of him.

When Nixon vetoed the bill, which would have given more funds for vocational rehabilitation, the Texas Rehabilitation Commission had to cut all of their projects except those of highest priority. Fortunately, Alexander was classified "high priority" and will be able to continue his education uninterrupted.

Alexander has been using the iron lung since he was 6, when he became paralyzed by polio. For several years he was completely hospitalized. He started school when he was 13.

"I'd always wanted to go to school, but when I was ready to start learning there was no program I could enroll in," Alexander said.

"My folks and some other people had to push the Dallas school district to start a program for disabled people who couldn't attend classes. The school district started a pilot program at that time. I was among the first students to participate. Teachers would visit the homes of the disabled persons.

"Since then, the Homebound Program has been expanded to include several traveling teachers and hundreds of students. It's been highly successful," Alexander said.

"I graduated from high school in 1967 and spent the next two years trying to get into college," he continued. "It was a real hassle. Before the state would let me go to school, I had to prove that I was employable. That meant finding someone who would say they would hire me after I graduate.

"When it comes to helping the disabled, this state is way out in left field," Alexander said.

For the future Alexander doesn't have any definite plans. He's a finance and economics major who dabbles in classical Greek. He plans to graduate in a year-and-a-half or so and then go on to graduate school maybe in the East.

"I like to help people to do their thing a little bit easier" Alexander said. "That's my bag—people."

EMPHASIS MUST SHIFT IN FORMATION OF U.S. POLICIES ABROAD

HON. RICHARD T. HANNA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1973

Mr. HANNA. Mr. Speaker, for a major part of this century, U.S. policy has been determined by national security concerns. Aside from the depression, which itself gave rise to programs not unlike the mustering of efforts and centralization of power usually attending military crisis, the 20th century has been a time of coordinating our national efforts to deal with either threats of armed conflict, or actual conflict. These conditions created the following phenomena, which have dominated U.S. politics during this period.

First. Power was centralized in the Capital in general, and in the Presidency in particular.

Second. Policy was determined by security requirements, followed by economics to serve security needs—and supported by political programs dominated by these security considerations. This affected domestic as well as foreign policy.

Third. Now entrenched decisionmakers were conditioned by these long standing considerations, and continue to have a framework of reference created by such considerations.

Fourth. The conditions of war and threats of conflict distorted our economic structure during this century in two ways:

By being heavily involved in Government spending for security purposes, we invited military men as top advisers, and found security oriented industries had become the most powerful lobbyists.

By being spoiled and softened through reliance by other countries in the Free World on our technology and our production, we lacked incentives to export or to aggressively compete in international trade.

This introduction is stressed because I believe it reveals the basis for some of our present problems, and the difficulties we are facing in formulating solutions.

The transition period we are now going through requires a severe, determined and definite change in the position of the elements dominating policy making. Economics must replace military security in the dominant role—government and politics must support and serve the economic considerations that now dominate the international situation. Military security, though still important, must be relegated to the third tier and be seen as a support element, not a lead element.

Internally, this suggests that we need a governmental-industrial complex capable of addressing and solving the major domestic problems of energy, environment, housing, health, transportation, and education. Externally, we need an industrial-governmental complex which promotes and encourages trade and investment programs to solve the external problems of imbalance of payments, trade deficits, building of new markets through development of under achieving nations, and, above all, policies which identify and encourage elements of our economy best suited for export, while at the same time identifying and planning controlled elimination of the elements of our economy which are inefficient and not likely to successfully compete against imports without being subsidized.

Now, before some ideologists see in such suggestions the specter of some form of new socialism-communism or other radical departure, let me lay such suggestions to rest. What I propose is for us to follow our traditional approach of bending our institutions and capabilities pragmatically to meet the operative imperatives in the real world. We have competently done this in the past with little constructive assistance from the abstract political theorists from whatever school. The predictable mode is our interacting process by which the role of both government and business evolves as their mutual efforts begin to formulate patterns of success or failure. This is precisely the strength of the American system, and as a practicl practitioner of politics and an experienced partner of both business components and government technocrats, I can assure you it will produce as good results as any system in the modern world, as it is now constituted, will allow.

There are some specific requirements that this new direction will require:

First. Replacement of decisionmakers with security based mentalities and military frameworks of reference, or, at the minimum, a showing of ability in such existing decisionmakers to adjust their thinking to the new modes.

Second. Building the economic sections of each of the departments of government so that internal agencies have capabilities of planning economic models which assure progress and significant attainment of sociological goals. These models will provide practical and predictable capabilities to interface with business and industry in procurement of contract services and construction projects. This in itself is an imposing task.

Third. Agencies with external responsibilities such as Commerce, Treasury, Defense, and State must also place heavier emphasis and effort on creating effective economic and trade bureaus realistically related to the size of the job which must be done. Each of these is now miserably short of the desirable mark. Embassies around the world should be bolstered with quality trade and economic officers not reluctant to get into the thick of things. We do not need house pets, or mere briefing and information officers.

Fourth. Agencies such as the Export-Import Bank, FICA, and OPEC and others should be bolstered by specific legislative authority and given flexible and broad power to operate effectively.

Fifth. We must create trade promotion institutions to bring government and business/industry components together to influence, encourage and assist in the task of improving our international trade posture.

The world is shifting from conflict and military confrontation to economic confrontation, and the least prepared power for this new situation in terms of its policy and its institutions is the United States. We have but a short time to make our shift. Our next President must be a man with his mind on the future and programs to more adequately prepare our Nation for it. We need partners in our new endeavors, not alliances. We need cooperative economic programs in front, not military networks. We need constrained and rational competition in the world, not economic warfare.

The time and place is now for changing the juxtaposition where the military is in the forefront of our policymaking, and instead put economics in cooperation with government in front. The trade bill is our first opportunity to do this. The President's proposal treats the problem like a military one: all power is concentrated in the executive, and little in the Congress. It relies on the mechanical approach of negotiations, and not on the historical and well-proven alternatives of institution building and the sharing of power between the branches of government in the determination of policies and programs.

If the world is viewed as a warehouse of tools and materials to maximize for the use of all that which is, it can be the baseline for unlimited potential for that which might be. It can be a world of peace and expansion. If the world is seen as a limited depository of non-expendable resources, then it will be a continuing world of conflict, where many will have little, and those that have the most will operate from a base of belligerence and there will be no peace.

We must recognize and accept the challenge. We can no longer afford the luxury of drifting along without a defined national trade policy to which all sectors of our economy are committed. The President has not offered us a dynamic and creative trade proposal. It is up to the Congress to fill this void. We can and we must do so.

POSTAL SERVICE NOT THAT BAD

HON. JOHN E. HUNT

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1973

Mr. HUNT. Mr. Speaker, the U.S. Postal Service has received a substantial amount of adverse publicity over the past month; and I am pleased that efforts are being made to improve mail delivery service. It would seem that these efforts have borne fruit in at least one case.

Mr. William L. Sweidel of Blackwood, N.J., in a letter to the editor appearing in the April 23, 1973, edition of the Camden Courier-Post, while indicating that there may be room for further improvement, has stated that his company mailed over 15 million letters last year with excellent results.

Mr. Sweidel has made some interesting observations, and I recommend the following letter to the attention of my colleagues:

POSTAL SERVICE NOT SO BAD

TO THE EDITOR:

It seems that a favorite topic today is criticism of the U.S. Postal Service. I genuinely believe that this criticism is out of proportion.

Our company mailed over 15 million letters last year with excellent results. On-time deliveries, few complaints and, most important, on-time responses to this mail accounted for the largest sales volume in our history.

No matter what you do, if you do enough of it, there are bound to be many mistakes and much evidence of improper service.

However, when you think of the billions of pieces of mail handled by the post office department, you will begin to realize the job they do is not as bad as most people surmise.

This does not mean that there is no room for improvement. It does mean that manpower and costs should not be increased and subsidies may not be necessary.

WILLIAM L. SWEIDEL.

BLACKWOOD.

WELFARE SCANDAL—XVIII

HON. VERNON W. THOMSON

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1973

Mr. THOMSON of Wisconsin. Mr. Speaker, while many hard-working taxpayers labor better than 4 months of the year to pay the taxes to support their Government, others have systematically exploited the system through a continuing pattern of dependence on public welfare.

We must support the needy. But we must also devise a system to move the needy, where possible, from the welfare rolls to payrolls; from dependence to independence; from tax consumers to tax generators.

The Milwaukee Sentinel series exposing fraud and waste in that city's welfare department is recommended reading for those concerned with abuses of the present system and the need to reform it. Today's 18th installment tells how one family, in the past 8 years, has salted away $122,889 in tax-free public welfare aid. Changes are in order.

The article follows:

WELFARE FAMILY GIVEN $122,889

(By William Janz)

Milwaukee County has paid out $122,889 in aid for the support of one family, it was reported in Circuit Court Thursday.

When the amount was stated, some spectators in the courtroom gasped and Judge John F. Foley, startled, said loudly, "$122,889 for one family! There's going to be no money left in Milwaukee County . . . to be paid out.

"This is an amount that some people earn in a lifetime. It's just unbelievable. It becomes unconscionable."

Court officials told Judge Foley that some of the aid to James and Lois Barnett and their eight children goes back to 1964.

"The taxpayers are paying more than $2,000 a month to sustain this family," Foley said.

The Barnetts are divorced and Mrs. Barnett, of 4872 N. 27th St., is receiving $252 a month support for herself and one child at home. Six children are in foster homes and one is in a receiving home.

Barnett, of 239 N. 34th St., is $6,192 in arrears in support payments, acording to court records.

Foley ordered that all social workers connected with the case come to court March 29 and "present a plan to the court that will be a little more palatable to the taxpayers.

"We're at a point where the courts are going to have to be called upon to monitor these huge expenditures of public funds and, if necessary, temper good social work practices with sound fiscal policies."

The case came before Foley because Barnett wanted his $52 a week support payment reduced. When William Evans, a family court commissioner, denied the request, Barnett appealed to Foley.

"Here's a family that's cost Milwaukee County $122,889 . . . in past support," Evans said.

"That's the biggest figure I've seen," Foley said.

The children, seven of whom had previously been adjudged neglected or dependent, range in age from 6 to 16 years old. The 6 year old is at home, six children are in foster homes at a cost of $123 to $151 a month for each, and one is in a receiving home at a cost of $929 a month, records showed.

John Broadnax, attorney for the mother, told Foley, "There's no reason for the county to pay $900 a month for this child who should be with the mother. Several of them should be with the mother.

"This is why Milwaukee County taxpayers are paying so much money and this is part of the problem at the Welfare Center.

It's self-perpetuating . . . instead of getting rid of some of the load, they want to keep it going."

Foley said, "The entire department should take a hard look at this entire family situation and see whether or not . . . some of these children could be placed back with the mother, whether or not the mother could be trained and what responsibility we can assess to this man."

Barnett asked for a reduction in his payments because he has to pay $60 a month for another child he has fathered since the divorce and he has a $1,200 debt to the County Credit Union. He works at County General Hospital and takes home $115 a week.

Evans noted that with all Barnett's financial problems since the divorce in 1968, Barnett "acquired another paternal obligation, another large obligation."

Evans ordered the mother to seek work "so she can contribute to the responsibility she has to help support this family."

FREE PARKING

HON. WILLIAM J. KEATING

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1973

Mr. KEATING. Mr. Speaker, I am today reintroducing legislation to require all civilian employees of the Federal Government, including Senators and Representatives, to pay for their parking privileges.

I am also reintroducing legislation to require the General Services Administration Administrator to establish a system of fringe parking facilities and a shuttle bus service for tourists to the Nation's Capitol.

Since these bills were introduced on April 4, 1973, there has been a great deal of public attention focused on them. I would like to bring to the attention of my colleagues a recent editorial carried by WMAL AM–FM–TV in Washington, D.C.

The $10 million figure referred to in this editorial represents a Department of Transportation estimate of annual savings to the taxpayer for elimination of free parking in the District of Columbia area alone.

I would also like to call to the attention of my colleagues some recent comments about these bills appearing in the Washington Star-News.

I hope the prospect of legislation which saves the taxpayer's money sparks the interest of my colleagues:

THE PARKING

You have to admire the audacity of Congressman William Keating of Ohio.

Keating wants to end free parking for all government workers, members of the House and Senate, Supreme Court Justices, and White House aides. He has introduced a bill authorizing the General Services Administration to charge a reasonable fee for using federal parking space.

Keating believes that recent federal pay increases have made it unnecessary and undesirable for the U.S. to provide free parking for thousands of workers—including 7,000 free spaces on Capitol Hill alone.

The GSA estimates the U.S. could save taxpayers 10 million dollars annually by charging a small parking fee.

Most importantly, Keating believes a parking fee would encourage federal workers to use car pools or mass transit, thereby reducing air pollution and traffic congestion.

We doubt that Congress is eager to end free parking for itself or federal bureaucrats. But certainly some sacrifice is in order to ease our traffic problems.

Long-range, Metro offers hope. In the meantime, we must face the prospect of drastic measures to change our patterns of commuting—greater use of buses, more express lanes for buses, more car pooling—and the elimination of free parking, which only invites people to drive—adding to the congestion.

[From the Washington Star-News, April 6, 1973]

BILL TO BAN FREE PARKING FOR ALL BUT THE PRESIDENT

(By Thomas Crosby)

Rep. William J. Keating, R-Ohio has submitted a bill to eliminate all free parking for federal employes, including congressmen, senators, Supreme Court justices and White House aides.

"We feel the only federal employe who should be excused from this bill should be the President," said a spokesman.

Keating said the bill is designed to encourage federal employes to use car pools so as to reduce pollution and traffic congestion.

It would authorize the General Services Administration to "collect a reasonable fee for the use of parking facilities" owned or leased by the federal government.

A minimum fee of $1 per day would be required for all federal employes on Capitol Hill where parking is now free.

The bill may receive the support of the White House which has been backing such a measure through the Office of Management and Budget. However, high-ranking federal bureaucrats have refused to relinquish their privileged parking status.

Keating, who introduced the bill Wednesday, said, "At the present time there are over 7,000 parking spaces on Capitol Hill alone, and GSA manages over 117,000 parking spaces nationwide. In addition, many federal agencies administer their own parking and the number of parking spaces handled by these agencies is unknown."

The bill, Keating said, contains many of the recommendations made in a 1971 GSA study and could produce a savings to taxpayers of $10 million a year, according to the Transportation Department.

The recent federal pay raises "have brought about comparability between" public and private employes, Keating said, making "free parking benefits for federal employes . . . unnecessary and undesirable."

A spokesman said Keating feels "very strongly about this bill. When he was a city councilman and a judge in Cincinnati, he had to pay for parking."

THE REPUBLIC OF CHINA

HON. BILL CHAPPELL, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1973

Mr. CHAPPELL. Mr. Speaker, last January, I had the opportunity to visit Taiwan where I met with Government leaders and with the people in the streets to determine for myself what was taking place on that island nation.

I came away astounded at the progress being made by the Republic of China despite recent setbacks in international affairs. Many of us had been told the expulsion from the United Nations spelled the beginning of the end for freedom on Taiwan.

But the people of Taiwan and the Government did not believe it. They went to work even harder and have shown spectacular growth, not only in their economy and trade with other nations, but in improving the lives of the people.

Today, Taiwan stands as an example of what free people can do on their own while across the Taiwan Straits, Communist China stands as an example of what enslaved people cannot do.

Taiwan this year will export around the world, about $5.5 billion in goods, more than the total of exports of Communist China with 50 times more people. Per capita income is increasing at a rate of about 7 percent a year and far outstrips the average income of the Communist Chinese.

This year, Taiwan will buy almost $1 billion in U.S. goods, far more than the purchases of the Communists despite U.S. efforts to promote that market.

But even more important than the dollar and cents factors, the example of free China is one which is a source of pride to freedom loving people everywhere.

True, the Government is not perfect. There are some people who do not eat as well as others. There is some disease on the island. The Government admits there is some corruption.

But if we were to give to the Communists any government where people go hungry, the sick, or dishonest, then we would give the United States to the Reds and become slaves ourselves.

As one old enough to have taken part in the Second World War, I recall vividly the bravery and valor of the Chinese people during that struggle. In fact, the island of Taiwan itself was the target of U.S. bombs in order to root out the Japanese who held it.

The recuperation of Taiwan is, in a way, even more impressive than the recuperation of Japan after the war. Japan was not hampered as a government in exile from the Communists. It was not a divided country. It did not have to begin from a base of little or no technical know-how and pull itself into the mainstream of world affairs by sheer courage and tenacity.

This is precisely what faced Taiwan however, and Taiwan has made it. No longer do the free Chinese seek or accept U.S. foreign aid. This stopped in 1965 and since that time Taiwan has been a giver of aid to lesser developed nations. Taiwan buys military equipment from the United States. It does not seek a hand out. And Taiwan pays for what it gets.

This, Mr. Speaker, is the nation to which some among us would have the United States turn its back. I can conceive of no circumstance under which I would be willing to trade our friendship with Taiwan for the uncertainties of arrangements with the Communists.

If eventually we do establish full relations with Peking, we must not do it by giving way free China. Taiwan is not ours to give, but it is ours to protect through friendship and mutual respect.

The people of Taiwan seek little from our country except recognition as a free and independent nation. Taiwan has proven it is a good neighbor, a viable trading partner, and a defender of freedom.

Let us, as a matter of national policy, pledge continuing friendship for the Republic of China and support for this last haven of freedom for the people of all China.

THE CASON J. CALLAWAY MEMORIAL

HON. JACK BRINKLEY

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1973

Mr. BRINKLEY. Mr. Speaker, On April 23 it was my very distinct personal pleasure and honor to attend and participate in ceremonies dedicating the Cason J. Callaway Memorial Forest National Natural Landmark in Pine Mountain, Ga.

Participating in these ceremonies held a threefold meaning for me:

First, it provided me with an excellent opportunity to visit with my very close friend, Mrs. Cason J. Callaway, without whose personal efforts and hard work there would be no Cason J. Callaway Memorial Forest.

Secondly, it enabled me to meet Mr. Nathaniel P. Reed, Assistant Secretary of Interior for Fish and Wildlife and Parks, who made a truly outstanding presentation and who is, in the very strictest sense, a gentleman and a conservationist of deep commitment.

And, finally, Mr. Speaker, it gave me a chance to see again the natural beauty and serenity of the forest which will stand for all time as a living memorial to that remarkable man, Cason J. Callaway, and which will be a place of deep pride for all Georgians.

Mr. Speaker, at this time I would like to bring to the attention of my colleagues the very excellent remarks made by Mr. Reed at the dedication:

REMARKS OF HON. NATHANIEL P. REED

I am delighted to be here today, representing the Honorable Rogers C. B. Morton, Secretary of the Interior. As the man who runs the world's greatest conservation department, Secretary Morton has a sincere interest in natural landmarks like the one we are dedicating here today.

As the Assistant Secretary for Fish and Wildlife and Parks, I too, have a genuine love for natural areas like the Cason J. Callaway Memorial Forest. And I am especially and particularly fond of Mrs. Virginia Callaway.

Virginia and Cason Callaway need no introduction here. They have richly given of themselves for their fellow man. Blessed by the fruits of hard work and good judgment, they forged an extraordinary legacy of Earthmanship and set an example of good stewardship. Beloved by their family and friends, admired by all whose lives touched theirs, they set the highest of standards as land managers, as people, as Americans. They have loved this land. Georgia soil is their life blood.

Today's auspicious dedication is another chapter in the extraordinary story which this family has been part of.

The thrust of the National Registry Program is to encourage local governments, conservation organizations and private individuals to save some of the nation's outstanding land areas that have esthetic, educational and scientific value. In this way we intend to strengthen public appreciation of our natural history and thereby nurture a greater concern for conservation of the nation's natural heritage.

The National Park Service has prepared a list of themes that afford a logical and scientific approach to the selection of sites and their ultimate designation as natural landmarks by the Secretary of the Interior. Carefully selected representatives from the scientific community are asked to identify sites and to recommend those that they consider worthy of further on-site evaluation.

This second evaluation is carried out again by qualified scientists who usually are faculty members of a local university employed under contract with the National Park Service.

Their evaluations are reviewed by the National Park Service's chief scientist who in turn recommends review by the Secretary's Advisory Board on National Parks, Historic Sites, Buildings and Mounments. The Board conducts the final review before designation by the Secretary and entry on the registry.

I relate this stringent review process by distinguished representatives from the scientific and cultural community in order to illustrate the importance of careful selection. This is to assure that qualified sites are not overlooked and that sub-standard sites are not placed on the registry.

One of the most interesting revelations that has manifested itself in the Natural Landmarks Program is the increasing number of private landowners who have become aware of the conservation value of the program and who have cooperated with the government in it. This shows me that the success of governmental programs still depends upon the support of individual citizens.

In his second message to the Congress this past February, President Nixon reported on the state of our Natural Resources and the Environment. In that message he quoted Abraham Lincoln when he said: "A nation may be said to consist of its territory, its people, and its laws. The territory is the only part which is of certain durability."

President Nixon went on to point out that after a hundred years, "We have come to realize that our 'territory'—that is our land, air, water, minerals, and the like—is not of 'certain durability' after all." He said, "We have learned that these natural resources are fragile and finite and that many have been seriously damaged or despoiled."

We have become an urban nation. About three-fourths of our population now live in cities and suburbs. Population growth combined with spreading urbanization and our penchant to desecrate the earth and destroy natural and historic landmarks in our quest for material gain are causing the landscape, as our forefathers knew it, to rapidly disappear and be replaced with a world of steel and concrete.

Back in the third century a Roman theologian observed, "All places are now accessible . . . all open to commerce . . . cultivated fields have subdued forests . . . flocks and herds have repelled wild beasts . . . sandy deserts are sown, marshes are drained . . . everywhere are houses, and inhabitants, and settled governments, and civilized life . . . our wants grow more and more keen, and our complaints bitter in our mouths, whilst nature fails in affording us her usual sustenance."

Every school child knows what happened to the Roman Empire. And even before that the people ignored Isaiah's warning: "Woe unto them that join house to house, that lay field to field, till there be no place that they may be alone in the midst of the earth."

An experience—becoming all too unique to Americans—is a walk in a wood—a quiet walk. Quietness is hard to find. This forest is many things to different people but I am sure old Isaiah would have said three cheers for Virginia Callaway!

I want to congratulate Mrs. Callaway for her display of the same deep and meaningful insights shared by Isaiah and the Roman. Some years ago—long before ecology became a household word—Mrs. Callaway decided to keep this beautiful Pine Mountain area in its natural state so that she and generations that followed would indeed have a . . . "place that they may be alone in the midst of the earth."

This forest—nearly 27 hundred acres—contains mixed hardwood and pine stands that never have been cut. This forest embraces the entire Barnes Creek watershed which the Callaways have protected from man's pollution.

The Carson J. Callaway Memorial Forest is most significant because it includes the transitional zone where the eastern deciduous and southern coniferous forest types mingle. There is no other area like it that is protected from development or harmful use.

The Callaway family has long appreciated the natural values so abundant here. And the Callaways have been willing to share nature with the public. By invitation and appointment, it is possible for groups to come here, to walk, to see, to learn! This is an excellent example of an environmental education classroom and we need many more of them right across the country.

Thanks to Mrs. Callaway and the Natural Landmarks Program of the National Park Service, this forest will continue to live and give pleasure to those people who visit and to the wildlife that lives here.

One of the things that makes the Natural Landmarks Program so important here east of the Mississippi is that there is so little remaining eastern deciduous forest in its natural primeval state. Outside of such preserves as the Adirondacks, and Great Smoky Mountains National Park, much of the country has been chopped, plowed and paved.

This forest perfectly illustrates the American landscape that brought our nation to greatness through its wealth of natural resources, and they now furnish the gems that we can use for research, education and just plain "returning to reason in", as Emerson put it.

Emerson also said: "Though we travel the world over to find the beautiful, we must carry it with us or we find it not."

Today it is my distinct pleasure to recognize a lady who not only carries her own beauty well, but who also cares deeply for the beauty she sees in nature in general and particularly the beauty she saw in the Cason J. Callaway Memorial Forest. Her farsighted determination that this magnificent Georgia Mountain should be protected and preserved for the enjoyment and educational value of future generations is what brought all of us here today.

I take pleasure in awarding Mrs. Callaway this bronze marker entering the Cason J. Callaway Memorial Forest on the National Register of Natural Landmarks.

Congratulations, and thank you.

COUNSELING YOUR CLIENT ON MATTERS PERTAINING TO SMALL BUSINESS ADMINISTRATION

HON. WILLIAM L. HUNGATE

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1973

Mr. HUNGATE. Mr. Speaker, the following recent article from the Illinois Bar Journal should be of assistance to those dealing with the Small Business Administration:

COUNSELING YOUR CLIENT ON MATTERS PERTAINING TO THE SMALL BUSINESS ADMINISTRATION

(By Lewis F. Matuszewich)

A community of 700 persons is faced with a growing senior citizen population—it wants to provide adequate housing and medical attention.

A town of 1,500 has an opportunity to attract a new company with an additional 40 jobs—if it can develop a way to fiance the construction of a factory.

A town of 6,000 sees much of its commercial business moving to a neighboring city's shopping center—the merchants decided they needed parking facilities to re-attract the business.

An individual businessman is interested in expanding his operation—his bank tells him that he does not have sufficient collateral for the term loan he needs.

A small businessman would like to become a tenant in a proposed shopping center—the developer informs him that he can accept only an AAA rated firm if he is to arrange long term financing.

A person wants counseling about business problems, another wants to enroll in a class in management techniques, a third wants training before he goes into business, and a fourth would like to know about selling his product to the government.

What two things do these nine situations have in common? Any of these or similar ones might walk through your office door. And every one of them could be helped by the Small Business Administration.

Helping small business grow and prosper

is the purpose of the Small Business Administration—a permanent, independent agency of the Federal Government, created by Congress in 1953.[1]

Frequently an attorney is called upon to play a leading role in the economic development of his community and, therefore, it is incumbent upon him to become familiar with the programs available to help in such development. In our examples of nursing homes, factories and parking lots—all of these have been built in Illinois by local development companies (L.D.C.), established by community leaders. Using L.D.C. funds as a share of the project cost (ten percent to twenty percent, depending on the size of the community) SBA will guarantee loans from local financial institutions to finance the land purchases, construction or renovation costs and the installation of stationary equipment.[2]

Under this program, a local development company may be organized as a profit or not-for-profit corporation with a minimum of 25 stockholders or members. SBA may then loan to the local development company up to $350,000 for each small business helped. If the project was a shopping center for ten stores, the loan package could be up to $3,500,000.

The loans can be for a term of up to 25 years. While occasionally direct loans can be obtained, normally the Small Business Administration guarantees loans made by banks, savings and loans, insurance companies or pension funds.

Nationwide, since this program was started in 1958, 3,628 L.D.C. loans have been made which have created 114,000 jobs.

This is the financing method being used to build the new stockyards near Joliet, Illinois, where a local development was set up to start this $3,500,000 project.

While community development is one of the most interesting SBA programs, the Agency is primarily known for its lending activities to individual businesses.

Every small businessman with financial problems may come to SBA for advice and assistance. Agency loan officers will review his problems and suggest possible courses of action. If a business needs money and cannot borrow it on reasonable terms, SBA can offer help. The Agency will consider guaranteeing up to 90 percent of the bank loan made to an eligible business.[3]

If a bank cannot provide funds, and if Federal funds are available, SBA will consider lending the entire amount as a direct government loan. However, most SBA loans are made in participation with banks or other private financial institutions. SBA's guarantee often enables a small bank to make a loan which would be considered too large under normal conditions—but would meet the economic needs in the community.

For lending purposes, SBA defines a small business as any manufacturer who has less than 250 employees, any retailer or service company if annual gross sales are less than $1,000,000, a wholesaler with annual sales of less than $5,000,000 and a construction firm if annual sales do not average over $5,000,000 during the past three years.[4]

Another SBA lending program, the Economic Opportunity Loan Program, is specifically designed to aid small businesses located in urban or rural areas with a high proportion of unemployed or low income individuals.[5] Economic opportunity loans are restricted to the economically disadvantaged. SBA's share or guarantee of such loans can be for as much as $50,000 for as long as 15 years.

One of the major aspects everyone should keep in mind when looking for financial assistance, is that the burden of proof falls on the applicant to convince the lender that the funds are needed for sound business reasons, and the business has the ability to repay the loan. The initial stages of an SBA loan application are essentially the same as applying for an ordinary business loan at your local bank.

The recommended steps are as follows: Prepare current financial statement and balance sheets, listing all assets and all liabilities of the business—do not include personal items.

Prepare a current personal financial statement of the owners or each partner or stockholder owning 20 percent or more of the corporation.

List the collateral to be offered as security for the loan, with your estimate of the current market value of each item.

State the amount of loan requested and explain the exact purpose for which it will be used and how this will benefit the business.

Take the above material to your bank. Ask for a direct loan and if the bank officials decline, then ask them to have the loan guaranteed under SBA's loan program. If the bank is interested in SBA participation, ask the banker to contact the agency for discussion of the application. In most cases of guaranteed loans, the agency will deal directly with the bank.

If the purpose of the loan is to establish a new business venture the following steps should be followed:

Describe in detail the kind of business to be established. Describe the prior experience and management capabilities of the owner and managers of the proposed business.

Prepare an estimate of how much you or any others have to invest in the business and how much will have to be borrowed.

Prepare a detailed cost projection for at least the first two years of operation of the business. Prepare a personal financial statement and list of collateral, and as is the case with an existing business, first approach the bank for a loan.

If a bank will not make a loan, even with SBA's guarantee, then visit the local SBA office for further suggestions, and possible consideration for a direct Government loan. The more complete data you bring with you, the more specific SBA can be in their advice, and the faster they can give you a final answer.

From the above, you can conclude that SBA is involved in loan situations only in cases where a financial institution declines to make the loan on its own. The basic concept of SBA's programs is to enable each private lending institution to pick up a few borderline cases where they desire to provide financial assistance, but which do not meet their normal credit criteria.

Certain types of loans are prohibited as a matter of law or policy. Among these are loans to not-for-profit enterprises, loans to permit speculation on any kind of property, loans which would provide funds for enterprises which are primarily engaged in lending and investing, for any enterprise among media, including newspapers, magazines, radio and television, or loans which could be made by another agency of the Federal Government.[6]

To illustrate the growth of the Agency's impact within the State of Illinois, the following chart shows the number of loans and the dollar amount of loan approval during the past five fiscal years.

1968—145	$7,000,000
1969—319	14,000,000
1970—459	25,000,000
1971—735	47,000,000
1972—992	62,000,000

It is projected that during the 1973 Fiscal year the loan approvals in Illinois will exceed 1,549 loans for more than $120,000,000.

Certain mechanical aspects of the Agency's programs are of unique interest to attorneys. It is important to know that under the law and regulations,[7] SBA will insist on execution by you and your client of a "compensation agreement" and will expect itemization of your services and charges. Comparison of your itemized statement with the loan requirements and conditions is the principal basis of what SBA considers are reasonable fees. Percentage fees are not recognized and the ability to pay must be considered. Should the lawyer attempt to collect a fee larger than that determined by SBA to be reasonable, SBA has the power to disqualify him from further practice before the Agency.[8]

In addition to its lending programs, SBA offers a lease guarantee program,[9] surety bond guarantees, managerial assistance including counseling and management schools, and assistance to small firms in obtaining government prime contracts or sub-contracts. Further details on all SBA programs can be obtained by contacting one of the Agency's field offices located in the principal cities of every state, including Chicago and Springfield, Illinois.

Footnotes at end of article.

FOOTNOTES

[1] Small Business Act 67 Stat. 232; 15 U.S.C. Sec. 631 et seq.

[2] Small Business Investment Act of 1958, as Amended, Sec. 502; Title 15 U.S.C. 969.

[3] Small Business Act of 1953, as amended, Sec. 7A; 15 U.S.C. 636(a).

[4] The regulations Interpreting and Applying the Small Business Act are in Title 13, Ch. 1 of the Code of Federal Regulations.

[5] The Economic Opportunity Act of 1964, as Amended, Sec. 402A; 42 U.S.C. 2902.

[6] Sec. 18, 15 U.S.C. 647.

[7] Both are set out in 13 C.F.R. (1971 Rev.) Part 103.

[8] 13 C.F.R. 103, 13–5.

[9] 13 C.F.R. Part 106.

NASA GIFT FUND USED FOR SKYLAB STUDENT EXPERIMENTS PROGRAM

HON. LARRY WINN, JR.

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1973

Mr. WINN. Mr. Speaker, a fund of unsolicited cash contributions made by individuals in the United States and overseas to NASA since 1959 will be used to pay for equipment for student scientific experiments on Skylab.

Seven student experiments chosen in a nationwide competition among high school students will be aboard the first Skylab manned mission to be launched May 15. The remaining 12 experiments will be flown on Skylab missions later this year.

The fund of contributions has built up because NASA is authorized by the Space Act of 1958 to accept unrestricted gifts. The amount received to date is $5,548.

The fund will be used to pay for the student experimenters' equipment. The contributions from many sincere supporters of the space program will not only be applied toward acquiring scientific data for all mankind but also will be an investment in advancing the future of space exploration by encouraging students to further pursue their studies in science and technology.

The decision to use the gift fund for Skylab student experiment equipment should be particularly gratifying to one teen-age contributor who suggested that a "teen-agers for space" program be started.

In the fund are individual gifts ranging from $1,500, which the contributor sent in three $500 increments, to 35 cents from an 8-year-old boy.

The boy wrote a letter to NASA in January 1970 which stated:

> Today I heard you would have to delay some mission. Because you didn't have enough money. So here is some!

Below his signature he sketched an Apollo command and service module with its rocket engine burning and a lunar module launching from the Moon. Inside outlines of the engine exhaust plumes he taped two dimes and three nickels to the paper.

Several contributors have made repeated gifts. A retired Navy chief petty officer in California has sent 1 day's pay after each manned space flight in memory of his son who was killed in the Korean conflict. A young teenage friend of the retired chief has contributed 1 day's pay from his afterschool job in a supermarket several times.

A Chicago citizen has sent 23 separate gifts. Three foreign nationals, citizens of the Netherlands, Belgium, and Germany, have contributed.

In 1964, an editorial in a national news magazine prompted a naturalized U.S. ctiizen who emigrated from an eastern European country to send $100. His letter stated that what he cherished most is freedom and wished to be a part of the space program which would mean survival of a free United States.

NASA and the National Science Teachers Association sponsored a national competition for high school students to propose Skylab experiments. More than 3,400 proposals were received and evaluated by the teachers association. In March 1972 25 national winners were announced. Later it was determined that six of the winning proposals could not be integrated into the Skylab instrumentation and equipment, but the six students would work closely with principal investigator scientists whose investigations were very similar to the students' proposals.

Two of the experiments on the first manned Skylab mission will require special equipment. Robert L. Staehle, Harley School, Rochester, N.Y., will investigate development cycle of bacteria and spores in the Skylab weightless environment by comparing photographs of specially prepared specimens taken during the mission by the crew with a similar group of specimens in the Earth environment at the same time.

Terry C. Quist, of Thomas Jefferson High School, San Antonio, Tex., has an experiment to record impacts of low energy neutrons from special detectors mounted in the spacecraft water tanks.

The other five student experiments will employ Skylab hardware used for other investigations. Joe B. Zmolek, Lourdes High School, Oshkosh, Wis., will attempt to determine the difference in radiant energy reflected from the Earth's atmosphere over densely populated and sparsely populated sections of the Earth from high resolution photographs and spectrometer systems.

Troy A. Crites, Kent Junior High School, Kent, Wash., proposes to determine the feasibility of predicting volcanic activity. Skylab Earth resources sensors will be correlated with data obtained from instrumented volcanic sites to establish a relationship between volcanic activity and thermal contours and patterns.

Daniel C. Bochsler, Silverton Union High School, Silverton, Oreg., will attempt to identify a planetary body or other identifiable object which may orbit the Sun at a radius less than that of the planet Mercury from detailed analysis of photographs obtained with the Skylab solar telescope system.

John C. Hamilton, Aiea High School, Aiea, Hawaii, has an astronomy experiment which will use Skylab's ultraviolet stellar astronomy equipment. Photographs in which quasars have been identified will be studied to obtain spectral data in the ultraviolet region to augment existing data in the radio and visible ranges made from ground based telescopes.

The experiment of Neal W. Shannon, Fernbank Science Center, Atlanta, Ga., also will employ the ultraviolet astronomy equipment. He will attempt to measure radiation from known pulsars in the ultraviolet region to determine if the data obtained by the Skylab instrument correlates with existing pulsar spectral data.

The 25 student principal investigators will be at the Kennedy Center, Fla., when the unmanned Skylab spacecraft is launched May 14 and on May 15 when the crew, astronauts Conrad, Kerwin, and Weitz lift off in an Apollo spacecraft to link up with Skylab and spend 4 weeks in Earth orbit.

PULITZER PRIZE WON BY BRIAN LANKER, TOPEKA CAPITAL-JOURNAL PHOTOGRAPHER

HON. WILLIAM R. ROY

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1973

Mr. ROY. Mr. Speaker, I feel certain I speak for all Topekans—indeed all Kansans—when I express my pride at the announcement that Brian Lanker, a photographer with the Topeka Capital-Journal, has been awarded a Pulitzer Prize.

This is the first Pulitzer Prize awarded to a member of the Capital-Journal staff, and the third awarded to a Kansas newspaper or staff member.

The title of the award-winning picture series is "The Moment of Life—An Experience Shared." The subject—a mother and father sharing the experience of natural childbirth—is one of personal interest to me, inasmuch as I was a practicing obstetrician before my election to Congress.

It is not a surpise to those of us who are regular readers of the Capital-Journal that Brian received the Pulitzer Prize in feature photography. Brian and Rich Clarkson, director of photography for the Capital-Journal, are both very gifted. Topekans have benefited from the quality photojournalism found in the Topeka Capital-Journal.

I wish to call to the attention of my colleagues the following article about Brian Lanker, which appeared in the Topeka Capital-Journal:

BRIAN LANKER

Capital-Journal photographer Brian Lanker was awarded a Pultizer Prize in feature photography Monday for his picture series of a mother and father sharing the experience of natural childbirth.

The annual Pulitzer awards were established by the late St. Louis and New York publisher, Joseph Pulitzer, who died in 1911. Winners are chosen by the Columbia University on recommendation of a board composed of distinguished American newspapermen and the president of the university.

The individual awards carry prizes of $1,000 each. The first prizes were announced in 1917.

Lanker's Pulitzer winning series was titled "The Moment of Life—An Experience Shared" and appeared in the Sunday, Feb. 6, 1972 edition of The Topeka Capital-Journal. Previously, the series of pictures had won Lanker honors for the best page layout in the Missiouri-Kansas Associated Press Photography Contest, and the National Press Photographers' Picture of the Year Contest in the home and family interest division.

"You don't ever plan on winning something like this in your lifetime," Lanker said shortly after receiving notice of the award. Lanker had his right arm in a cast—"I broke my wrist playing basketball with my insurance agent"—but he took the congratulatory handshakes of colleagues and well-wishers, cast and all.

"Utter elation is what I feel," he said. "I haven't had a chance to grasp the full meaning of it yet."

Lanker plans to use the $1,000 prize money to celebrate and buy some camera equipment.

At the time he took the pictures, Lanker thought he had failed to capture the joy and excitement that he shared in photographing the experience of Linda and Jerry Coburn of Topeka, as their daughter, Jackie Lynn, was born.

"Normally, if I am excited about some pictures I have taken, I'll rush right in and develop the film." he said. "This time. I didn't develop the film for several days because I felt I had failed to capture the joy I had felt. When I did develop the film I found I had some pictures that did capture something of what I felt."

Lanker believes the series of pictures have received such recognition because "they show something of the real joy and excitment that one can experience in that moment of birth.

"I got so caught up in it at the time that I forgot I was taking pictures."

Lanker looked for about six months before he found a couple willing to let him photograph a nautral childbirth. He became very involved in the experience and as a result he and the Coburns have become very good friends.

"I wish I could let them (the Coburns) know about it," Lanker said. "But they are down in Louisiana and I don't know how to get in touch with them."

Lanker immediately called his parents in Phoenix, Ariz., to tell them the good news. His father, Merrill R. Lanker, is employed by the Phoenix Gazette.

The 25-year-old Lanker was born in Detroit where his father was a reporter for the Detroit Free Press, and grew up in Phoenix. He attended Phoenix College for two years and worked as a staff photographer of the Phoenix Gazette for three years before joining. The Capital-Journal photo staff in October of 1969.

Lanker has been selected as regional photographer of the year by the National Press Photographers Assn. each of the four years he has been at The Capital-Journal, and for two years when he was employed in Phoenix. He was named the National Press Photographer of the Year in 1971, and has been winner of the sweepstakes award in the Missouri-Kansas Associated Press annual contest.

"I get involved with almost everything I cover," Lanker said. "You don't work here in the Capital-Journal photo department without getting involved in your work. We work very hard to give our readers the best in photo-journalism.

"I want to pay tribute to Rich Clarkson," Lanker added. Clarkson is director of photography for the Capital-Journal and has won several national awards for his photography.

"If I had not come to Topeka I could not have won this award," Lanker said. "The photographic atmosphere that Clarkson has established here—if it wasn't for him I wouldn't be here, and I don't think I would have won this award."

Clarkson called Lanker a "particularly perceptive photographer" when asked to describe the Pulitzer Prize winner's work.

"Brian probably has as much natural ability as anyone I've ever been associated with," Clarkson said. "In the three and one-half years he has been at Topeka, he has really channeled all of his ability into doing what contemporary photo-journalism ought to be. He is extremely content-conscientious, which is what puts him out ahead of any other photographer who has great gobs of natural ability."

Lanker is the first member of The Capital-Journal staff to win a Pulitzer Prize. In 1965, the Hutchinson News won a Pulitzer for meritorious public service, and in 1923, William Allen White of the Emporia Gazette won a Pulitzer for his editorial writing. In 1944, a special citation scroll was awarded to Mrs. William Allen White indicating appreciation of Mr. White's interest and services during the past seven years as a member of the advisory board of the Graduate School of Journalism at Columbia, Mo.

REA BIRTHDAY IN GEORGIA

HON. BO GINN

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1973

Mr. GINN. Mr. Speaker, last night it was my privilege to attend a gathering here in Washington of representatives of all of the Rural Electrification Cooperatives in the State of Georgia.

This fine group of citizens are on the front lines of the fight to bring increased prosperity to the people of Georgia. I am proud to count them as my friends, and I would like to take this opportunity to salute them in their excellent work.

Mr. Walter Harrison, who is the general manager of the Georgia Electric Membership Corp., presented the principal address to the group last night.

Mr. Harrison, who is one of my closest friends and is a resident of my hometown of Millen, has been involved in the work of the REA since its beginning. He is a former National President of the National Rural Electrification Co-operative Association and is probably the most knowledgeable man on this subject in the United States.

I believe his remarks at the meeting are of great significance to the Congress, and I would like to introduce them into the Record at this point:

Our Birthday Greetings to You

(May 11, 1935–May 11, 1973—38 Years of Service)

As we approach our 38th Birthday it is well to take stock of where we have been, what we have been doing and where we are going in the soaring '70s.

Executive Order No. 7037 was signed by the late President Franklin D. Roosevelt on May 11, 1935 under authority of the Emergency Relief Appropriation Act of 1935, thus creating the Rural Electrification Administration.

Statutory provision for the Agency was made in the Rural Electrification Act of 1936, approved May 20, 1936.

The only rural electric cooperative to be dedicated by the late President Roosevelt was on August 11, 1938 at Barnesville, Georgia and among the many things said were: "So it can be said that a little cottage at Warm Springs, Georgia was the birthplace of the Rural Electrification Administration."

The first loan made to a cooperative under the program was dated July 22, 1935 and was the Crisp Farmers Co-op Corporation of Cordele, Georgia.

Forty-three rural electric cooperatives have been organized in Georgia.

In 1935 there were only 7000 farms receiving central station power and they were in the main near the existing city limits of a municipality. As of January 1, 1973 we had 491,544 meters in operation on the rural electric co-operative systems in Georgia. We would estimate today that we have in excess of one half million (500,000) active meters. We claim this is the miracle of the 20th century.

As of the close of business in 1972 we had Electric Plant in Service amounting to $309,287,565 and other Electric Plant in the amount of $5,130,611 but we have depreciated the investments in plant to a net of $238,542,098.00.

Our Operating Revenue for 1972 amounted to $98,627,040.00.

Our cost of power amounted to $62,527,010.00 and an increase of 25% is in the making and is now before the Federal Power Commission.

We have built in Georgia a total of 81,296 miles of lines. And we are still growing by leaps and bounds. Our great need at the moment is a sure source of loan funds; water and sanitary sewers at the cross roads and a viable rural housing program.

Our interest payments to the Federal Treasury has amounted to $40,149,841.20 since the inception of the program.

The General Assembly of Georgia voted a moratorium on advalorem taxes in 1941 which expired in 1960. Since that date we have paid $14,566,323.96 in taxes to cities, counties and State.

There is not a single delinquent cooperative in Georgia in meeting its payments to the Federal Treasury. We believe we have been one of the best borrowers the Federal Treasury has ever known. And by the way in the total loan program concerning rural electrification the Treasury has lost less than $45,000.00 across the entire United States. We do not believe this can be matched by any metropolitan area of the Nation.

And now that we have proven ourselves let us give you our needs for the present and future:

We need the rural electrification program re-established as it was prior to December 29, 1972.

Our capital requirements—January 1, 1973—Fiscal Year 1974 for State of Georgia.

Loan Backlog: Jan. 1, 1973, $7,116,000.

Loans to be submitted: 1-1-73—6-30-73, $17,968,000.

Loans to be submitted: 7-1-73—6-30-74, $26,792,000.

Total Georgia requirements for the above named periods: $51,876,000.

We are proud of our Georgia Congressional delegation.

Your cooperation in the past has been wonderful.

We only hope that we have merited your support and we earnestly and sincerely solicit a continuance of your fine support in the future.

We all have a great stake in the future of Georgia and the Nation.

Understanding of the problems and cooperation in the solution thereof should at all times be uppermost in our minds.

Again—let me say "thank you" and wish for you and yours God's richest blessings.

Walter Harrison.

FOUNDING CONFERENCE FOR A NATIONAL DEFENSE ORGANIZATION AGAINST RACIST AND POLITICAL REPRESSION

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1973

Mr. ASHBROOK. Mr. Speaker, further information has come into my hands that serves to confirm the remarks made by HCIS Chairman Ichord and myself on May 3 and May 9, respectively, regarding the completely Communist-front character of the Founding Conference for a National Defense Organization Against Racist and Political Repression, scheduled to be held May 11–13 in Chicago, Ill.

My remarks of May 9 reflected information gathered in large part from material issued by the conference organizing committee in New York City and from the Soledad Brothers Defense and Legal Committees and the National United Committee to Free Angela Davis and All Political Prisoners, all three of which were blatant Communist Party front operations and direct predecessors of the new National Defense Organization being set up this weekend.

The new material comes from two sources. The first item is "A Call to People & Organizations in the South to Attend the National Founding Conference." This document states that it is issued by the "Southern Committee to Free All Political Prisoners, Box 4643, Memphis, Tenn. 38104." However, the envelope in which the document is mailed bears the return address of the "Southern Committee to Free Angela Davis and All Political Prisoners, P. O. Box 4643, Memphis, Tenn. 38104." This committee is, then, an adjunct of the National Committee to Free Angela Davis and All Political Prisoners—NUCFAD—one of the Communist Party's largest and most effectively operated defense front networks, which shows again the role of the CPUSA in setting up the new National Defense Organization.

The wording of the Southern Committee's call parallels that of the call being circulated by the organizing committees in Chicago and New York, and the list of "Sponsors from the South" includes a veritable Who's Who of Communist Party members and front joiners from the South. Included in this Southern sponsors list are, for example, Rev. Ralph Abernathy, an honorary president of the Soviet-controlled World Peace Council who has been associated over the years with activities of the Communist-front Southern Conference Education Fund—SCEF—and the CPUSA-dominated Peoples Coalition for Peace & Justice—PCPJ; Anne and Carl Braden, members of the CPUSA and leaders in

SCEF; Walter Collins, identified as "former political prisoner, SCEF;" Sallye B. Davis, mother of Communist Party member Angela Davis and frequent speaker at meetings organized by the CPUSA and various CPUSA-created Angela Davis defense committees around the country; Al and Margaret McSurley, both of whom have been intimately connected with SCEF; Modjeska Simpkins, president of SCEF; Barbara Aiken, a Georgia member of the Communist Party's "legal bulwark," the National Lawyers Guild; Mike Honey, identified as being with the Southern Office—which is in reality SCEF—of the CPUSA-controlled National Committee Against Repressive Legislation; Ken Lawrence, identified as being with the Southern Patriot, official organ of the SCEF; Lionel McIntyre, "SCEF, Louisiana;" John Stanford, "Communist Party, Texas;" Scott Douglas, "Communist Party, Tennessee;" and Jim Bains, "Communist Party, Alabama."

Another southern sponsor is John Inman, identified as a "Black community organizer" from Texas. Inman was one of the initial sponsors of the CPUSA-organized Emergency Conference to Defend the Right of the Black Panther Party to Exist and was also an endorser of a readers conference held by the Communist Party's official newspaper, the Daily World, on January 16–17, 1970, in New York City.

The second item is even more revealing. It is mailing from the "Chicago Area Committee to Defend All Political Prisoners, 606 S. Ashland Ave., Chicago, IL [sic] 60606." This has also been the address of the Chicago Committee for the Defense of Angela Davis, another affiliate of the NUCFAD.

The man who has actually operated the office of the Chicago Committee for the Defense of Angela Davis is veteran Illinois Communist Party member Ishmael Flory, while the two cochairmen of the committee have been Sylvia Woods and Stephanie Allen, both members of the CPUSA. The head of the labor section of the committee has been Cornelius Cobbs, another member of the CPUSA who has served as a member of both the National and Illinois State Committees of the Party.

The mailing from the Chicago committee also includes a leaflet advertising a "Rally Against Repression" to be held Saturday, May 12, as part of the Founding Conference. Advertised as speakers at the rally are CPUSA member Angela Davis, Ralph Abernathy, Dolores Huerta of the United Farm Workers Organizing Committee, and an unnamed "American Indian Movement speaker arriving direct from Wounded Knee."

The list of "Local sponsors" in this leaflet includes the following: Abe Feinglass, an identified member of the CPUSA prominent in Communist "peace" activity; Sidney Lens, onetime leader in the now-defunct Trotskyite Revolutionary Workers League and activist in both the PCPJ and the CPUSA-controlled Chicago Peace Council; Ola Kennedy, who has served as a cochairman and national steering committee members of the National Coordinating Committee for Trade Union Action and Democracy—TUAD—which is absolutely controlled by the Communist Party, and who has been associated with activities of the CPUSA-front Chicago Committee for the Defense of Angela Davis and the Stockholm Conference on Vietnam, a principal international Communist peace front; Jack D. Spiegel, a prominent member of the Illinois Communist Party and leader in the Chicago Peace Council; Richard Criley, an identified member of the CPUSA who is executive director of the CPUSA-controlled Chicago Committee to Defend the Bill of Rights: Ishmael Flory, an avowed member of the Illinois Communist Party; Rayfield Mooty, cochairman of the NCCTUAD, contributor to the CPUSA trade union publication Labor Today, and featured speaker at an April 8, 1972, anniversary banquet for the CPUSA's West Coast newspaper, the People's World; Prof. John Pappademos, a member of the Illinois Communist Party and president of Local 1627 of the American Federation of Teachers; Jay Schaffner, member of the Illinois Communist Party and leader in the CPUSA youth apparatus, the Young Workers Liberation League; Lou Palmer, participant in a February 17, 1973, conference held by the Chicago Committee for the Defense of Angela Davis; Prof. Beatrice Lumpkin, a frequent contributor to the CPUSA's Daily World who has also been associated with activities of the CPUSA's National Coordinating Committee for Trade Union Action and Democracy; and CPUSA member Cornelius Cobbs, a member of the "Solidarity Caucus" of Local 6 of the United Auto Workers.

Mr. Speaker, it should be obvious to any reasonably objective person that the evidence clearly shows beyond any possibility of doubt that this weekend's Founding Conference in Chicago is geared to precisely the objective that I cited in my remarks of May 9:

> The launching of one of the largest and most ambitious front organizations ever created by the Communist Party, U.S.A., to deceive the gullible into supporting party objectives.

THE ENERGY CRISIS: TIME FOR ACTION

HON. STANFORD E. PARRIS

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1973

Mr. PARRIS. Mr. Speaker, the growing energy shortage across the Nation has become a problem of paramount importance to all our citizens. Prompted by such manifestations of the crisis as possible electrical "blackouts" and gasoline rationing, many of my own constituents have contacted me to urge that the Congress take immediate action to alleviate this situation on a short-term basis, as well as to explore potential alternate energy sources to replace our dwindling supplies of natural gas, petroleum, and electric power. I am pleased to say that the Committee on Science and Astronautics has taken the initiative in this area, and is currently holding a series of hearings in order to gain a general overview of the energy crisis.

In its May 7, 1973, issue, Time magazine published a comprehensive article entitled "The Energy Crisis: Time for Action." The editors of Time are to be commended for their insight into the complexities of the energy shortage, and for bringing the pressing need for remedial action to the attention of the public. At this point, I would like to have the text of that article inserted in the RECORD:

THE ENERGY CRISIS: TIME FOR ACTION

The first signs of the impending disaster came slowly: increases in the cost of oil and gasoline, reductions in voltage delivered by power companies during peak hours, and occasional dimouts. But then the pace accelerated as the Government began rationing essential fuels and exhorted the public to forsake private cars. The reduced use of automobiles had immediate repercussions in Detroit, where the auto industry began laying off workers by the thousands. Other industries, notably the steel manufacturers, also were severely hit. A "domino effect" of factory shutdowns swept through the U.S. economy.

Eventually shortages of fuel and breakdowns of the transportation system produced growing food shortages as farmers were unable to ship their products to the country's great urban centers. The stock market plummeted. Industrial growth came to a standstill. The Government, attempting to stave off a collapse of the national economy, imposed rigid guidelines for prices, wages and profits. Critics of these policies were severely penalized under new anti-sedition laws that virtually nullified the First Amendment. The U.S., in effect, became a totalitarian state.

This chilling scenario is not from a leftist science-fiction film but out of the pages of a serious recent book. *The Energy Crisis* (Crown; $5.95), by Lawrence Rocks and Richard P. Runyon, both professors at Long Island's C.W. Post College. Unless the U.S. takes serious measures to find new sources of energy, the authors warn, such massive turmoil could occur in the U.S. by the 1980s. While the apocalyptic view of Rocks and Runyon is exaggerated, talk about an energy crisis is more than hyperbole.

Most Americans cannot yet get excited about that problem, but many of them have already seen the effects of the growing energy shortage. During the past three summers, there have been scattered brownouts across the nation. These cutbacks on voltage, designed to preserve overloaded generators, caused TV pictures to shrink, lights to dim and air conditioners to slow down. Electric utilities in major cities, which until a few years ago urged their customers to use more electricity, now have changed their line. The new theme, typified by New York City's Consolidated Edison Co., is "Save a watt" by turning off lights and appliances when they are not absolutely necessary.

Last winter, for the first time in memory, fuel-oil supplies ran ominously low. From Denver to Des Moines, schools were closed for lack of heat, and production in fuel-short factories came to a halt. This spring has already seen scattered instances of gasoline shortages and service-station shutdowns, and there is growing concern that further shortages may lead to gas rationing before the summer is out.

Paradoxically, the U.S. still has ample domestic sources of energy. Experts estimate that reserves include enough recoverable deposits of oil (which accounts for 45% of today's energy consumption) and of natural gas (32%) to last about another two decades. Beyond that time, foreign supplies of those fuels should be sufficient to meet all the world's needs until at least 2030. In addition, the U.S. has immense reserves of coal (which now accounts for only 18% of U.S.

energy consumption)—enough, theoretically, to fill domestic needs for centuries.

Thus the immediate problem is caused not by dwindling reserves but by inadequate oil-refining capacity and man-made shortages of natural gas. These, in turn, are caused by complex and interrelated political, economic and social factors. By holding down the price of natural gas, the Federal Government has artificially increased demand for the fuel while providing no incentives for exploration for new reserves. Similarly, legislation that favors oil companies by sheltering domestic producers and permitting tax write-offs of exploration abroad has not worked to increase domestic supplies or to encourage the building of new refineries in the U.S.

The urge for a clean environment has complicated matters even further. Clean-air laws, for instance, forbid the burning of oil and coal with high sulfur content. As a result, much available domestic fuel cannot be used in many localities. Insisting on environmental safeguards, groups have delayed such projects as the Alaska pipeline and nuclear power plants, further limiting the development of domestic energy sources.

Increasing opposition by conservationists and state government officials to heedless strip-mining and offshore oil drilling has also sharply limited the future exploitation of U.S. fuel reserves. Sums up S. David Freeman, director of a Ford Foundation study of energy: "Environmental goals and energy demands are on a collision course."

At the same time, the U.S. until now has been understandably reluctant to relieve the domestic shortages by turning to easily available overseas sources of energy. Reason: the Government wanted to protect the high-cost domestic oil industry, arguing that the nation should not become dependent on foreign suppliers of oil and gas, especially when the major reserves are in nations not particularly friendly to the U.S.—the Arab states and Russia. Furthermore, the U.S. balance of payments problem would only be worsened by importing foreign oil and gas.

At a three-day energy conference sponsored by Time Inc. in April at Lyford Cay in Nassau (for list of participants *see box page 48*), top executives of U.S. energy companies offered sugggestions for alleviating the shortages. Their strategy through 1985 would be to increase the domestic output of oil and natural gas, and to build new energy facilities (power plants, refineries, pipelines). But the bill for this expansion, according to experts at the conference, would be at least $500 billion, too high for industry to pay without federal help. The energy companies want the Government to allow the marketplace to set prices, to ease cumbersome environmental restrictions, and to open federal lands and offshore areas to exploration for oil and gas.

Thomas Kimball, head of the National Wildlife Federation, took a different tack. "What we need," he told the conference, "is a national energy policy—not a national energy sales policy." Most environmentalists and consumerists want assurances that those shortages will not cause the Federal Government either to reverse existing environment laws or to allow big hikes in the price of energy. If the price of interstate gas were allowed to climb by 30%, they say, the value of natural-gas reserves would climb by $300 billion. This would stimulate more drilling, but it would also result in what critics call "windfall profits" for industry.

Indeed, because all the energy companies would pass along higher costs to the consumer, critics have charged that the energy crisis could conceivably serve, in Freeman's words, "as a massive exercise in picking the pocket of the American consumer to the tune of billions of dollars a year." No one is suggesting a conspiracy to raise prices; the literally hundreds of electric utilities, gas, coal and oil companies that all seek competitive advantage over one another could not effectively coordinate such a campaign. But the critics fear that consumers might be faced with excessive price boosts unless the Government intervenes.

In his special energy message to Congress last month, President Nixon tried to steer a middle course while easing the shortages. He acted to increase supplies of foreign oil by abolishing the rigid import quota system and replacing it with a flexible system of tariffs on imported oil. To spur domestic output, Nixon ordered the Interior Department to triple by 1979 the amount of federal acreage leased to oil and gas companies. Moreover, the President asked Congress to drop price controls on new finds of natural gas, to extend investment tax credits on both dry and producing wells and to streamline time consuming administrative procedures designed to protect the environment.

Although Nixon pledged to safeguard the environment in all these measures, his lack of emphasis on cutting demand for energy provoked a storm of criticism. So did his apparent unwillingness to fund accelerated federal research programs to develop new energy sources for the future. But Nixon left no doubt about another point: "We must face up to the possibility of occasional energy shortages and some increase in energy prices."

AN END TO CHEAP ENERGY

At present, despite the fact that the U.S., with only 6% of the world's population, consumes almost one-third of its total energy output, only about 4% of the gross national product is required to pay the bill. Nixon has proposed that energy prices "reflect their true cost"—which increasingly includes ransom-sized tax increases by the oil barons of the Middle East, environmental cleanup expenditures and other indirect expenses that U.S. consumers are hardly accustomed to having tacked onto their electric bills or service-station tabs. "The days of cheap energy are definitely behind us," Robert Dunlop, chairman of Sun Oil Co., told the Nassau conference.

Since 1970 the price that the producing countries receive for their crude has risen 72%, and the major multinational oil companies are committed to additional 10% price hikes in each of the next two years. In addition, they are negotiating with officials of the Organization of Petroleum Exporting Countries (OPEC) on yet another price increase that would compensate the exporters for the devaluation of the dollar in February. The price of interstate natural-gas shipments, which is regulated by the Federal Power Commission, has never been allowed to surpass 34¢ per 1,000 cu. ft. But if Congress votes to deregulate natural-gas prices in new contracts, as Nixon proposed, the economists expect prices eventually to rise much closer to their current free-market level in intrastate shipments. Recently, that has been as high as 56¢ per 1,000 cu. ft.—or 65% higher than the regulated price.

Next to food prices, there are few more visible forms of inflation than jumps in electric bills or in the tabs for tankfuls of gasoline. Moreover, industries that use inordinate quantities of energy—aluminum, for example—could be gravely injured by higher prices, and all manufactured goods would be affected to some extent.

By 1980, based on current prices and projected growth in demand, the nation's out-of-pocket expenditures for foreign oil might reach $17 billion annually *v.* $8 billion this year. The staggering annual outflow of dollars for oil is not inevitable, however. As Secretary of the Treasury George Shultz said at Nassau: "We must struggle against these projections so that they do not become accurate predictions." Another projection shows that between now and 1980 the oil-producing nations of the Middle East and North Africa alone stand to collect a quarter-trillion dollars for their natural riches, nearly all of it from Western Europe, Japan and the U.S. In fact, some of the smaller Middle Eastern nations are already accumulating funds roughly twice as fast as they can spend them. Marvels the State Department's energy expert, James E. Akins: "With the possible exception of Croesus, the world will never have seen anything quite like the wealth which is flowing and will continue to flow into the Persian Gulf." Speculation with these funds was partially responsible for the world's recent monetary crisis.

To help curb such imbalances, some politicians and economists are urging the Administration to take on the job of bargaining with oil-producing countries itself, rather than accept the price levels negotiated by the oil companies. At the Nassau conference, Democratic Senator Henry Jackson declared: "The oil companies acting alone cannot be credible bargainers with OPEC." M.I.T. Economist Morris A. Adelman has gone even further, accusing the multinational oil firms of merely acting as tax-collection agents for the oil exporters. Both he and Jackson have suggested that the U.S. and other big oil consumers join together in a concerted diplomatic effort to break the OPEC cartel.

Actually, some of the potentially dire consequences of the energy crisis may be prevented by the ever higher prices of oil and gas. When a commodity becomes more expensive, it encourages its producers to increase supplies and at the same time pressures consumers to cut down their demand for it. Moreover, higher fuel prices would hasten the search for gas and oil substitutes that at present are not economically feasible.

The effect of higher prices on demand was demonstrated by a recent Harvard University computer study on household consumption of electricity. The study predicted that if the "real" cost of plugging in appliances is unchanged over the next two decades, electrical use may nearly triple. But, if the cost goes up by 50%—which seems more than likely—demand will increase by only 80% from its present level.

HOW TO CUT CONSUMPTION

Environmentalists are convinced that high costs alone will not be enough to discourage excessive use of energy. Thus they were dismayed when President Nixon's energy message failed to stress conservation as an important tool in blunting the crisis. Nonetheless, an unlikely coalition of industrial, political and environmental leaders are all calling for measures to decrease the American appetite for energy Senator Henry M. Jackson, who this week will introduce an energy-conservation bill in the Senate, puts it this way: "We need to ask whether we must despoil the hills in Appalachia to air-condition sealed-glass towers in New York. We need to ask whether we must put ourselves in hock to Middle Eastern sheikdoms to keep roads clogged with gas-hungry cars."

The fact is that conservation of energy not only saves the environment but also pays off financially. Last year the President's Office of Emergency Preparedness concluded that the U.S. could reduce energy consumption by the equivalent of 7.3 million bbl. of oil a day; that would save about $11 billion in foreign exchange by 1980.

With a reduction from the present annual growth rate of 4.2% to about 2.2% by 1985, says the Ford Foundation's Freeman, "the savings would be small at first, but would grow steadily. And they would make the difference between a crisis and managing the problem."

Conservationists point to the following major areas in which large amounts of energy could be conserved:

Transportation. In this sector, which now accounts for 25% of total U.S. energy use, the prime offender is the automobile. It not only operates inefficiently (using only about 20% of the energy potential in gasoline; the rest is thrown off in heat and exhaust), but also is used wastefully. The Office of Emergency Preparedness says that 54% of all trips are less than five miles—e.g., simply driving to the corner drugstore to buy a pack of cigarettes. Even on longer commutes to work, the average six-seat car contains only 1.4 people. To the dismay of Detroit, some conservationists propose a tax either on bigger engines (which burn more gasoline than smaller ones) or on poor gas-mileage performance: cars getting more than 20 miles per gallon would escape the tax altogether. Beyond that, all energy savers favor mass transit where possible—plus higher commutation charges at tollgates and parking lots to encourage car pools.

Industry. Today's factories consume 39.5% of all energy supplies. Shearon Harris, president of Carolina Power & Light Co., revealed at Nassau that his company is helping to teach customers who consume more than $500,000 worth of electric energy a year how to reduce their usage by up to 10% through changes in design and operating processes. Recycling can also produce big savings. In the nonferrous-metals industry, for example, recycling uses only 20% as much energy as is required to refine the metal originally. Freeman stressed the point: "Our solid wastes by and large contain a better-grade ore than our mines."

Housing. Together with commerce, housing consumes 35% of energy production. A major saving can be made with proper insulation, because in the average home about 25% of the heat escapes through the roof. Turning down the thermostat can also make a big difference. A difference of only two degrees year-round in American homes, says University of Tennessee Physicist John R, Gibbons, could be the equivalent of saving 100 million tons of coal per year. Perpetually burning pilot lights on gas stoves are another wasteful luxury that can be eliminated. Moreover, home electric bills could be cut if consumers would buy the most efficient appliances. Electric heating is notoriously wasteful. The least efficient air conditioner now on the market, for example, uses 2.6 times as much electricity as the most efficient one, while accomplishing the same amount of cooling. How is the consumer to know which appliance is efficient? Conservationists want legislation that will force appliance makers to label the efficiency of their products. For his part, President Nixon has asked manufacturers to provide this information voluntarily: their response remains to be seen.

Offices and businesses. New York Architect Richard Stein reckons that there are plenty of ways to cut energy costs in office buildings, starting with lighting standards. These are set to meet unnecessarily high requirements, he says, and waste electricity. Stein also would avoid designing buildings with sealed, all-glass facades (he advocates windows that open). Such little design changes, he estimates, could reduce airconditioning needs by 20%. Others suggest staggered work shifts, some at night or even on weekends, to ease peak daytime loads on power plants.

All this will require legislation, some of it politically unpopular; most Americans will resent being pushed into mass transit or having to pay more for housing because of revised building codes. Still, several states are preparing legislation to break what Massachusetts Governor Francis Sargent calls "the endless cycle of energy addiction."

FAR-OUT AND FAR-OFF SOLUTIONS

No matter how efficiently man exploits, delivers and uses the earth's remaining oil and gas deposits, they may well be all gone in little more than a half-century. Coal deposits will last centuries, but getting at them without ruining the landscape and burning coal without hopelessly polluting the atmosphere will require new technologies and additional inputs of energy. Yet the Nixon Administration's new budget calls for only $770 million for research and development in the energy field—far less than the $2 billion a year some scientists say is necessary to develop in time the alternative energy sources necessary to maintain a technological civilization. Some of the more promising sources:

Synthetic fuels. The vast resources of coal could be used to produce a variety of synthetic fuels. In coal gasification, for instance, coal is brought in contact with steam. Hydrogen atoms in the vapor combine with the coal's carbon atoms to produce a hydrocarbon similar to natural gas.

A major hitch to coal-gasification schemes is cost; all the heating and processing must take place in expensive aboveground plants. But Physicist Glenn C. Werth and his colleagues at the AEC's Lawrence Livermore Laboratory in California have proposed a less expensive alternative. They believe that it may be possible to create methane in the earth by forcing oxygen and water into fractures created with the help of explosives in coal seams. The cost, they figure, would be between 40 cents and 60 cents per 1,000 cu. ft., less than the price of liquefied natural gas now delivered from overseas by tanker.

The vast amounts of shale found in Colorado, Utah and Wyoming could also be important sources of oil, yielding about 25 gallons for every ton excavated. Both shale mining, which leaves great quantities of waste material above the surface, and strip-mining for coal despoil the landscape. But the exploited landscape could satisfactorily be restored—at a price.

There has also been a renewal of interest in another artificially produced fuel: hydrogen, the lightest and most abundant element in the universe, which can readily be produced by electrolysis of water molecules. Highly combustible, it has already proved its importance as a space-age fuel: it was a reaction of liquid hydrogen (at a temperature of less than −350° F.) and liquid oxygen that gave NASA's big Saturn 5 rockets their final boost to the moon. Properly handled, hydrogen might be burned to heat homes, generate electricity or power cars; the only major waste product is water. A more direct use of hydrogen could be in efficient fuel cells—battery-like devices, also used in spacecraft, that produce an electric current from a reaction of hydrogen and oxygen.

Magnetohydrodynamics. Even the best fossil-fuel plants operate at about 40% efficiency. Only that portion of the fuel's energy is converted into electricity; the rest is simply turned into waste heat. A more efficient power-generation scheme, magnetohydrodynamics, creates an electric current by passing a stream of hot, ionized gas at high speed through a powerful magnetic field. MHD plants should be able to operate at nearly 50% efficiency. Unfortunately, the U.S. is leaving almost all research and development in MHD to the Russians, who figure that it will eventually fill 10% of their electrical needs.

Geothermal power. Though underground reservoirs of steam and water have long been tapped in Iceland, New Zealand, Italy and Japan, the only large geothermal enterprise in the U.S. is a steam field known as the Geysers in California's Sonoma County. There, steam from deep in the earth drives turbogenerators that produce some 302,000 kw. of electricity, roughly 40% of San Francisco's total requirements.

A greater challenge to scientists lies in finding ways of utilizing the earth's internal heat in the vast areas that are relatively barren of subterranean water. One proposal, under test by the AEC's Los Alamos Scientific Laboratory, involves sinking two side-by-side holes deep into the earth until they reach hot basement rock (approximately 1,000° F.). Then by pumping cold water into one hole, the scientists hope to extract steam from the other. Project Director Morton Smith reports that test borings to a depth of only 2,500 ft. (*v.* the final goal of 7,500 ft.) already have produced significant heating. Battelle Memorial Institute is proposing a similar experiment in Montana.

Indeed, the U.S.'s potential geothermal resources are so rich that a National Science Foundation report recently estimated they could generate the equivalent of today's total U.S. electrical output by the year 2000.

Solar energy. Rooftop solar stoves, used to heat water, are found in Australia, Israel and Japan as well as in some areas of the U.S. Scientists now want to convert sunlight into electricity—a much more difficult task. One technique, proposed by Aden and Marjorie Meinel, a man-and-wife-team of scientists at the University of Arizona, involves spreading a "solar farm," consisting of piping containing a mixture of chemicals, over 25 sq. mi. of desert. Heated by the sun, the mix would be used to make steam, which would power turbines capable of producing some 1,000 megawatts of electricity.

Winds and tides. Though the earth's winds are too irregular to serve as a major power source. Marine Engineer William E. Heronemus figures that they could still be helpful. He suggests building high windmills out in the ocean on floating platforms, where they could generate the electrical power necessary to distill and break down sea water to obtain hydrogen for fuel cells. The old idea of tidal power is also getting new attention. By harnessing the daily rise and fall of the tides (average: 27 ft.) in the Rance River estuary in Brittany, the French are producing some 240 million watts of electricity. In North America, most of the promising tidal sites, like the Bay of Fundy between Maine and Canada, are located so far from potential users in large population centers that much of the cheap electricity would be dissipated in transmission lines before it reached them.

Nuclear power. At present, 171 nuclear power plants are either in use or in various stages of planning or construction in the U.S. But almost all are conventional water-cooled reactors fueled by uranium 235, a rare isotope of uranium that is becoming increasingly difficulty to mine and process economically. To avoid a uranium "crunch," President Nixon has ordered development by the 1980s of a new type of reactor called the fast-breeder, a name derived from its unique capability: during the chain reaction, surplus neutrons from the atoms of U–235 in its core bombard a surrounding blanket of U–238, a much more plentiful but nonfissionable form of uranium, and transmute large amounts of it into plutonium. This fissonable byproduct can then be used as a fuel in other breeders. Thus breeders should be able to stretch existing uranium supplies for several centuries. One big drawback: the fission wastes are highly radioactive and extremely difficult to store.

Most scientists believe that the long-range answer to man's energy needs may lie in thermonuclear fusion. The process that fires the sun and all the other stars, fusion releases enormous amounts of energy—but only small amounts of dangerous radioactivity—through the combination of light atoms of hydrogen to form heavier atoms of helium. The earth's seas contain an almost unlimited store of an isotope of hydrogen especially suitable as fusion fuel: deuterium, or heavy hydrogen.

But controlled fusion, as opposed to the uncontrolled variety in an H-bomb, is extremely difficult to achieve. Not only must the deuterium be confined in a dense plasma, but it also must be heated to temperatures of some hundred million degrees. Even if fusion research is vastly expanded, thermonuclear power will probably not be available as an energy source for decades to come.

Until those alternative technologies can fulfill their promise, however, the U.S. must continue to rely on conventional fuels—and to confront the problems that their procurement and use entail. As the environmental movement demonstrated, how fast and effectively the nation faces up to those problems depends largely on public awareness that an energy crisis exists; it was only after the air and waters had become dangerously polluted that the public awoke and demanded the steps that are now gradually beginning to turn the tide of pollution. The U.S. may have even less time to make important decisions about energy. When the gas tanks run dry and the lights begin to blink out, it will be too late.

BOUNTIFUL GRANTS OF THE SEA

HON. GERALD R. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 8, 1973

Mr. GERALD R. FORD. Mr. Speaker, in connection with our approval of H.R. 5452, the sea grant college and program authorization, I wish to insert excerpts from a fascinating address on the future utilization of oceanic resources by one of the foremost authorities on this subject, Dr. Athelstan Spilhaus, board chairman of the Oceanic Education Foundation:

BOUNTIFUL GRANTS OF THE SEA

(By Athelstan Spihaus)

I am very pleased to be afforded the opportunity to address this stimulating forum at which the University of Virginia is evidencing its commitment to oceanic education in a effort to help man turn again, to the sea.

This is the right time to turn more to the sea. We are seeing a burgeoning of aspiration and concern of people with regard to the quality of their environment. Such aspirations and concern are excellent. *But* what is not excellent is some of these people's over-simple attacks on industry and technology, attacks often without alternative positive proposals. What is *not* excellent is the uninformed concern leading to unrealistic stringent controls, often with impossibly short time scales of accomplishment. These, I believe, can inhibit the very industry, technology and productivity that we need to use to give us the quality environment to which we aspire.

Doom forecasts are mostly based on what will happen if we don't do some things differently. We see the problems and as engineers we tackle them. We do, indeed, need to do some things differently and on a very large scale in regard to our environmental problems.

An engineer's analysis of the future should start from where we are and predict what must be done. An engineer should not merely sit back and predict the inevitable result of carrying on present practices. He should design the future—not just let it happen.

Our people, on the average, I believe, are living in the most bountiful age—healthier, cleaner, better educated, better nourished, better than they have ever lived before. In fact, so good is the living, they they can now afford these newer aspirations. There is nothing wrong with these aspirations. They're great.

These aspirations deal, on the one hand, with an increasing protective attitude to people, and on the other hand, with the overconcern for an over-clean environment. In both of these worthwhile objectives, there lurks the danger of ignorant, overemphasis to the extent of inhibiting national productiveness.

On the other hand, if we plan properly and imaginatively to move toward these new aspirations, we can both stimulate productiveness and initiate new kinds of industries to supply the new "commodities" of cleanliness and safety for people.

But we cannot do this by naively overstated goals of "zero risk" which may stifle inventiveness, initiative and the production of new things for people's health, mobility, improved shelter and food. Some people are already inhibiting innovations by naive overstatements of possible side effects and risks that these might present.

Similarly, the naively overstated goal of "zero effluents" prevents our developing productivity—especially the productivity that we need to enhance our environment. No one will argue that great, planned, practical efforts must be made to prevent the further pollution of our land, air and water.

We need to move toward a better public understanding of what I've called an "ecolibrium" position—balancing the desired ecology (an harmonious pattern between organisms and their environment) with the necessary economy (the management of affairs with a view to maintaining productivness).

"Zero risk." *Nonsense!* There must be more realistic awareness in all activities that there is an acceptable risk and that it is not zero.

"Zero effluents." Also nonsense! There must be more awareness that in the use of the components of our environment—air, land and water—there is an acceptable burden of man's wastes of the proper kind that these components can carry and that this is *not* zero.

There must be more awareness of the fact that one proper use of air and water is to dirty it—whether we use it in the organisms that are our bodies or in the organisms we call industry. We should be aware that certainly both our own body organisms and the organisms we call industry would die under a policy of zero effluents.

There must be awareness that water and air are commodities that we must use, clean and reuse, just as the commodity food is grown, used and regrown. We must think of the culture of our air and water—atmoculture and hydroculture, if you like—as we think of agriculture today.

We must realize that there is a cost for these new commodities—air and water—that cleaning up is not a one-shot proposition, but a continual added cost to the commodities which we borrow from our environment.

Above all, there must be awareness that to continue to give people the things they need to ease their lives and at the same time preserve a clean environment and a clean world will take more energy per capita, not less, Starting with a given population to achieve the intermediate steps involving food, cleanliness of the environment, better indoor environment quality, housing, to reduce depletion of resources, we need to increase the basic currency of civilization for each individual—namely the energy at his command.

This is where we come to the sea and to the title of my talk Bountiful Grants of the Sea which relates to the Sea Grant Program's purpose to make available to people the Grants of the Sea.

A grant is a gift for a particular purpose and in this way the principal potential grant of the sea to man is the space it offers him to extend his living to the other three.quarters of the earth. The most bountiful grant of the sea is space—space to offer man for his activities; space close to the coasts where people crowd; space close to the majority of the cities of the world; space close to the principal terminals of world trade. Coastlines, after all are a constant length. They are lines—one dimensional yet man and his activities are three-dimensional.

So far, man has broadened his coastline by extending it inland. He has so far not broadened his coastline by extending it much out to sea. We come inescapably to the fact that any land use plan must also be a sea use plan. But the sea has space to offer us and particularly space near to the shores where 70 per cent of the world's people congregate. (53% of the people in the U.S. live within 50 miles of the coast; projections say by the year 2000 80% of the U.S. population will live in the same area.)

The land use battle that is going on all over the United States is being fought in the context of the current environmental concern—it is most intensely fought over the use of the coasts and it is a perfectly proper concern to view one of the most important and unique uses of the immediate coast and beach as being for people's recreation.

I endorse the validity of land use and environmental concerns. Should we not then have a vigorous national program of sea use to move such activities as we can, that are presently cluttering up the shoreline, out to sea?

The bounds of land are only the bounds of men's minds limiting their imagination.

If what I am going to say seems like dreams to some of you, I remind you that you and I have had dreams and seen them rapidly become reality. If some of the components of what I suggest seem like stunts, I would remind you that you and I have seen stunts become routine.

Indeed, dreams are stuff that practical progress is made on.

Non-engineering or status quo practices are the material for nightmares. Dreams go beyond the state of the art and challenge the state of the heart of innovators. Stout hearts can take us beyond present art.

Fifteen years ago in a little pamphlet called "Turn to the Sea," I dreamt about man's return to the sea. I compiled dreams of the study and use of the sea into a little story. Almost all of those dreams have come to pass today—have become reality.

Man has indeed been turning to the sea and returning to the sea for thousands upon thousands of years.

The first light that warned sailors of dangerous shoals and rocks or guided them into protective harbors safe from storms was probably a fire on a cape. The first lighthouses were built on shores, but the lighthouse then tiptoed out to sea—at first onto a shoal and for their day, what daring and imaginative structures these lighthouses seemed that were built so far at sea! But then the lights stepped further out on floating houses—the light ships.

Harbors have traditionally been at the meeting point of sea, air and land—the worst point where tides, waves, winds and shoals combine to make the harbor a potentially dangerous entity as well as a refuge. As ships grow larger and larger they cannot come into these dangerous harbors and so they discharge their cargoes often to smaller ships—an uneconomical process. Now we fill tankers from buoys out to sea, and in the North Sea companies are building artificial islands as harbors for large vessels. Harbors too are striding out to sea.

But now they must stride more quickly because they have the gun of environmental restrictions on land at their backs. And the moral duty of meeting the impending energy shortage which is beckoning them to sea.

Land use restrictions and the environmental concerns, thus, if too extreme and too hasty in their implementation, will cause companies to export plants, refineries, and jobs that go with them. And in addition, this exporting will merely move the pollution associated with them to someone else's backyard. Would it not be better by good imaginative engineering and the provision of a sufficient time scale, to retain these plants, refineries, and the jobs and wealth that go with them and to contain the pollution associated with them? We can do this by considering imaginatively the proper use of the sea.

We must *completely* reverse the current popular doom-saying attitude towards energy. Far from curtailing our energy production, we must vigorously increase the amount of energy we produce so that we may invest some of this energy in producing new energy sources.

Nuclear power is the most important investment we can make. Yet it, too, has a gun behind its back. People live on the coastline. Power plants are necessary where the people are. Power plants choose sites on capes or seashores where they're close to the people and to the huge amounts of water required for their cooling. Yet, environmental pressurists delay and prevent these plants from being built. By putting these plants at sea, can we have our cape, and heat it too?

Harbors are urgently needed and in connection with the same problem—energy, the fundamental currency of civilization. Yet the kinds of harbors that we need for the ships of the future—the huge safe ships of the future—are ones which, if we build them in the existing way on the shoreline, will take this shoreline away from the use of people for their recreation.

The cheapest way of transporting oil is by tanker over the sea. The larger the tanker, the more economical it is. And the more safe it should be made from spillage and from collision.

We do not have a single harbor in the United States that can accept the half-million ton tankers that the Japanese, for one, are building to use tomorrow. To adopt the expedient of offloading these tankers into small barges is the wrong way to go. This increases the possibility of spills and pollution. Can we not take the harbor out to sea and contain the oil spills?

I believe that proper engineering can completely protect shore and adjacent waters from pollution and spills near the coast. A harbor out to sea would be the garage, the marina of highly sophisticated spill equipment. A harbor to sea would have the spill emergency equipment, an environmental control brigade, just as a city on land has a fire brigade—for emergencies.

Submarine tankers are an imaginative idea, but they have been ruled out in the past because of the complications of offloading them on the surface. However, if they can offload underwater into submerged pipelines, they may someday become feasible.

Fishing, for the U.S. fishing vessels, has only one hope—to take a technological overleap in automation and sophistication. To justify this cost, fishing vessels must spend more time at sea and less in port. They must be coupled to fish factories. One can imagine these fish factories and processing plants associated with a complex out at sea separating the seafood wastes from the food parts and piping the food parts into shore through pipelines.

The catching vessels could discharge rapidly to the harbors at sea directly to the fish processing plants there. The wastes of the fishes themselves could be treated and used as nutrients for beneath the sea portions of these complexes which would be used for fish farming. Thus, aquaculture would grow around the sea city just as agriculture surrounds our land cities.

Organic wastes from the land could be piped out to waste treatment plants at sea, there to be used for aquaculture purposes. I was recently fascinated to learn of a most exciting project being conducted at MIT to irradiate sewage with electron beams and destroy viruses, bacteria, and deactivate detergents, so that the sewage can be returned either to the land or to the ocean with fertilizing instead of polluting effects. This is a tremendously important project. I hope the MIT project will find economical ways to make the sewage safe to put back on the land or in the sea.

Low-grade heat (so-called "waste heat") could be used also in aquaculture to regulate the temperature of the water to the optimum conditions for fish farming.

The extraction of minerals from the sea could also be done in these complexes, such as mined phosphate rock or the production of such things as magnesium from seawater. One of the great costs of extracting things from seawater is that you have to pump an awful lot of water, but if you pump this water, you may be able to use the same pumps and use the water for several purposes—extracting minerals, deriving fresh water, using cool water for air conditioning.

Airports are somewhat in the same plight as power plants. They need to be near where the people are. Yet they can occupy huge tracts of land near the cities that people constantly need for other purposes. Traffic congestion on the ground to and from the center of the city reduces the airports' usefulness. Airports are also under fire for increasing noise, and the planes are under restrictions relating to the reduction of power on take-off and land that either increases the hazard of flying or increases the cost of the aircraft by having to over-power them. Couldn't airports move out and join the complex at sea?

A city anywhere must start with a purpose. Then people come to work toward that purpose and build houses to house the workers, and thus the city grows. This is the proper way for a city to grow; otherwise, if one builds a city at sea, you will have merely a bedroom city or a city in search of a purpose. But the multiple uses I've described here constitute the real purpose of what we might call a sea city. With airports and harbors, hotels for travelers would be necessary, as would housing for the freight handlers, the airport workers, and harbor workers. Hotels at airports on land have to be insulated from the aircraft noise. What better insulator could there be than seawater with hotel accommodations within the huge floats or pylons beneath the sea surface. Travelers would truly have an "ocean view"—from below!

Recreational facilities—marinas and submarinas, underwater parks, things that are all in their embryo stages, would join the complex away from the shore.

You will all recognize, I'm sure, this complex is just the putting together of many well known suggestions.

In fact, many parts of this complex are being worked on already, either in Sea Grant Programs or in related programs.

Work is going on on the sea environment, marine resources, aquaculture, the better use of foods from the sea such as squid, the disposition of food wastes, offshore petroleum, ocean borne commerce, port design, commodity transport, liquefied natural gas, harbor traffic control, navigation, oil pollution and preventing its spread at sea, and aquaculture. Also, people have been making sophisticated analyses of complex ocean structures necessary to support various sealoads. *And* most important there are people in public policy working on the development of public acceptance of the proper uses of the sea—acceptance not only naturally by the public but also acceptance within what will have to be a new structure of national and international law and policy.

Actual engineering works are going on in some of these directions. Recently we read of the offshore nuclear plant which is to be floated three miles off the Jersey coast. Some of us know of John Craven's imaginative model of a floating city to be associated with the bicentennial celebrations in Hawaii. And again in Hawaii, Honolulu's airport is to be multiplied in capacity by extending a runway on a reef offshore, and others are planning a port offshore to serve Texas. These things are going on in our country.

But other nations are ahead of us. The Japanese already have great plans for a floating city. European nations around the North Sea are planning—some even building—a considerable number of offshore harbor and industrial islands in the North Sea. All of these steps are good ones, and they can contribute the experience they represent to the complexes we will put together in the future. But the question is:

How can we in the U.S. take a step jump and put the whole system together instead of whittling piecemeal and having to solve all the public policy questions and the endless national and international debates over and over again for each step we take seaward?

It is probably not economical for an individual activity by itself—for example, oil refining—to move out to sea as a single activity and in the short time scale available to meet the urgent energy demands. But, if we join uses in a systems concept that has a common kind of underpinning, moving out to sea is feasible. The total cost of such a sea complex would be less than the sum of the individual costs of the components and the total system will add more in social value, environmental and economic gains for society than the sum of the individual social goods of the components of the system.

But how to do it? First of all, public policy—that is, new policies and new thinkings in government, industry and the universities. The policy dimensions are so great that government's initiative must be comparable to former national goals that we have achieved in space and in atomic energy. But industry's effort is probably larger than even the largest of our industries would undertake alone. We must recognize that the basic underpinning of science and technology that we will need and that our universities can contribute is greater than that any single university can provide. The size of the engineering and management job to be done requires new crossings, new meetings and new agglomerations in government departments, among industries, and among universities.

For government, we know that already there are positive discussions going on in Washington on inter-agency cooperation in the new uses of the sea so that the Maritime Administration with its harbor problems, the AEC with its nuclear plants, the EPA with its waste disposal and NOAA with its experimental platforms can join with FAA and its airports to plan a synergistic sea system. I wonder, however, whether inter-agency cooperation is sufficient. We will need to jump that barrier that defines the traditional missions of government departments. We have a sea agency in NOAA, but if NOAA and its parent department, Commerce, are to embark on this massive program, they too must have the support, clout and muscle commensurate to do the job.

This *cannot* be done unless the government sets up, as they did in atomic energy and in space, the sea-use project as a national goal on a time scale that is both realistically long enough to achieve its aims, yet realistically short enough to meet the urgency.

Perhaps in addition to the watchdog Environmental Protection Agency, we need an Environmental Promotion Agency!

On the international governmental side, if we are to move complexes out to sea we get involved with the knotty problems of the international law of the sea. Practical considerations are dictated by nature—how steeply does the seabottom shelve into deep enough water—we will often be in conflict with the arbitrary man-made limits of three, twelve or X miles. Where water is shallow, as in the Gulf of Mexico, we may need to go far out; where water is deeper, not so far. It seems that we can resolve these problems better by multilateral or bilateral agreements of the states and nations affected with due regard to particular geographical situations, rather than by any blanket international agreements that would tend to presume a geographical sameness of all situations.

In industry, the size of the effort necessary to accomplish this task is such that we will need to abandon old or social assumptions of the badness of size, of monopolies, and of cartels. In industry, we will need to see associations of a number of our very larger industrial concerns to achieve the building of the complex. Far from discouraging partnerships among our largest industries, we will need to encourage new kinds of combinations, new kinds of consortiums of industries, perhaps in the manner of the space program.

Universities which must supply much of the scientific and technological underpinning of enterprises in the sea will likewise need to integrate the separate pieces that are going on, both under the Sea Grant Program and in related programs in many institutions in the United States. Here we need, to give a contract to some institution to bring together, to correlate, and to aim all the developments in sea use toward the synergism and economy that could be gained in a combined complex.

We don't need to invent how to do this. We have many examples where national scientific and technological talents is or has been coordinated for special tasks.

Jefferson, in 1801, wrote about the ocean, "Nature . . . has made it common to all for the purposes to which it is fitted." How about a Jefferson Center perhaps under the fitting aegis University of Virginia dedicated to the development of these purposes for which the ocean is fitted?

This project viewed in its holistic sense and not in fragmented components is the challenge I see for all of us as, more and more, we turn to the sea.

VFW ACTS TO SAVE VET'S PENSIONS

HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1973

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, several weeks ago the Nixon administration announced a proposal to cut the disability compensation of many veterans, including a large number of Vietnam-era soldiers.

This action was immediately denounced in the Halls of Congress by many of us and by groups all over the country.

The Veterans of Foreign Wars planned a significant role in turning back this "cost saving" plan, not because they believe in excessive Government spending, but because they, like I, know that there is plenty of fat in the Federal budget which should be trimmed before the OMB bureacrats cast their hungry eyes on veterans' pensions.

A constituent of mine, Mr. John Krostyne, gave me a copy of an article which appeared recently in the VFW magazine about the battle to save veterans' pensions.

I include this article in the RECORD at this time:

VFW BLOCKS VIETNAM DISABILITY CUT

Immediate action by the Veterans of Foreign Wars has halted an attempt by the Veterans Administration to slash disability compensation for Vietnam veterans.

The success of the V.F.W. in gaining President Nixon's intervention to force the VA to withdraw its proposed revised rating schedule is another reason American veterans need the V.F.W. and the V.F.W. needs a vastly increased membership.

"Membership is the answer to attacks such as this one," said V.F.W. Commander-in-Chief Patrick E. Carr. "Everyone in government understands large membership. If we have more we can do more."

Commenting on President Nixon's order, Carr said:

"The President is to be commended for his speedy decision on this, once he was thoroughly informed of the implications for the Vietnam veterans of these new rating schedules. He has shown that he has compassion for the men who fought for our country in Vietnam. Our disabled Vietnam veteran is not a second-class citizen now that he has returned from the fight."

After thoroughly analyzing the implications of the proposed VA budget, Commander-in-Chief Carr and the V.F.W. Washington staff mobilized opinion on Capitol Hill and the White House against the discriminatory rating schedules.

Because of a statutory provision, World War I, World War II and most Korean veterans who have been receiving compensation for more than 20 years for service-connected disabilities are protected by law against slashes.

Feb. 9 Carr urged V.F.W. leadership to notify congressmen that the V.F.W. "does not tolerate this kind of treatment of our comrades who have been seriously wounded and disabled during the Vietnam War and that the proposed reduction in compensation payment be canceled."

The 1974 VA budget, Carr said, "shows a complete disregard for the needs of America's former fighting men, particularly the Vietnam veterans." Commenting in his letter on the proposed new disability rating schedule, claimed to be aimed at saving $160 million a year, Carr said "this is most astounding and incredible. At a time when the Administration is trying to negotiate peace in Vietnam and bring the POWs home, the budget makers are recommending that $160 million be saved at the expense of wounded and disabled Vietnam veterans, who have been doing the fighting in Southeast Asia.

"Even more incredible and shocking, it comes at a time when there are indications that more than $1 billion in aid is being considered for North Vietnam and the Viet Cong.

"The helicopter and outstanding medical attention in the Vietnam War permitted much better care of the wounded than ever before and it returned more permanently disabled and wounded," he added. "These Vietnam veterans need at least as much compensation as their comrades of other wars."

Here are some examples of Vietnam veteran compensation slashes that would have gone into effect if the V.F.W. had not acted:

Amputation of a leg from the hip socket, currently carrying a 90% rating and $275 a month, would have plummeted to 40% and $106.

Loss of a hand, now a 70% disability and $212 a month, would have been slashed to 40% and $106.

Loss of an arm at the shoulder, a 90% disability now compensated at $275, would have been reduced to 60% and $179.

A complete hearing loss, currently an 80% disability with $275 a month, would have been lowered to 30% and $77.

Loss of speech, now a 100% disability and $495 a month, would have dropped to 70% and $212.

Certain internal injuries now rated at 100% and $495 would have been cut in half to 50% and $149, while another one that is now 100% would have been slashed to 40% and $106. Cuts in payments to dependents also were planned.

The speed and effectiveness of the V.F.W. drew this comment from an unnamed Congressional source quoted in the *Washington Post:* "The V.F.W. came on strong against the cuts."

The same newspaper, which devoted extensive coverage to the proposed rating ganizations, "the V.F.W. takes the lead, some schedule, implied that among veterans or- follow and others do nothing."

At the end of January, the VA's proposed slashes in compensation for disabled Vietnam veterans were detected by the V.F.W. Washington staff in a footnote to a chart included with the VA's figures. Carr said: "They appeared under the guise of 'certain refinements' in the amount of compensation to be paid for disabilities."

On Jan. 30 Carr called the proposed budget "inadequate and insulting" and said "at a time when additional staff and funding are desperately needed for medical care for this country's veterans, VA budget slashers have ignored the men and women who gave so much for their nation."

It was compensation and pensions that Carr found "most disturbing" because they would "take money out of the pocket of the veteran." He commented: "We cannot turn our backs on the veteran now that the guns of war no longer sound. This country has always realized its obligation to those who have served her well. False economy will not buy real savings. America may need her sons and daughters again."

Jan. 29, the day the VA budget proposals were sent to Congress, came to be known as "black Monday."

In the V.F.W. publication *Veterans Benefits News* issued in Washington, the organization attributed the VA budget to budget slashers "notwithstanding favorable Presidential statements."

Carr's reaction to the 1974 budget distributed on Jan. 30 was placed in the Senate record Jan. 31 during testimony of Francis W. Stover, V.F.W. National Legislative Service Director, before a Subcommittee on Health and Hospitals of the Senate Veterans Affairs Committee conducting hearings on the Veterans Health Care Bill.

Events moved rapidly after Feb. 10 when Carr's views were made known to President Nixon, who, Sen. Vance Hartke (Ind.), Chairman of the Senate Veterans Affairs Committee, said, was misled on the issue by the bureaucrats, and added that "the mere threat of doing this to people who have given their all" increases the need for remedial action.

Rep. John Paul Hammerschmidt (Ark.), a member of the House Veterans Affairs Committee, said, "I suppose the OMB was looking for places to cut and not looking on beyond the humanitarian side."

Rep. William Jennings Bryan Dorn (S.C.), Chairman of the House Veterans Affairs Committee, and Hartke prepared two bills to stop the proposed rating schedule from taking effect and to freeze compensation for Vietnam Veterans as it is for veterans of previous wars.

Again the *Washington Post* noted that "No one caught the trend until the V.F.W." called it to the attention of Congressional and White House leaders.

The final act in this drama of discrimination against the Vietnam veteran came on Feb. 14 when President Nixon ordered the VA to withdraw its proposed rating schedule. Its successful outcome is clearly a victory for the V.F.W.

However, continued alertness, backed by a membership greater than the V.F.W.'s present 1.8 million, will be needed to prevent further moves by the budget slashers to imperil veterans benefits, for as Dorn and Hartke contend, this recent incident "is the tip of the iceberg."

HONORING KIMIKO "KIMI" FUJII

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1973

Mr. EDWARDS of California. Mr. Speaker, Kimiko "Kimi" Fujii of Hayward, Calif. was recently selected Hayward's distinguished citizen for 1972 by the Hayward Lions Club. Chosen because of her tireless effort to make our community a better place and her willingness to serve mankind by involvement. Miss Fujii is the fourth woman to receive this award since its inception in 1932 and the first woman to receive it since 1949. A personal friend for many years, I have seen first-hand the inspired and dedicated efforts she has devoted to all her activities. I certainly consider her one of Hayward's most outstanding people.

An article follows:

Distinguished Citizen for 1972

Born and raised in Hayward, Miss Fujii is involved in the family wholesale nursery business, Fujii Co., Inc., and its retail outlet, Fujii's Florist, at 24949 Soto Road.

During World War II, she and most of her family were placed in a concentration camp in Utah. After a year there, she gained admission to the University of Wisconsin, from which she graduated with majors in botany and art history. Miss Fujii's interests are varied. In private life they include cooking, writing Haiku poetry, attending art shows, concerts and plays, hiking and travel. She takes great pride and interest in her Japanese heritage.

As for her public life, she's been quoted as saying: "You can either sit at home and rot or you can get involved. And you'd better get involved."

She has. Like the 16 years she's spent as a member of the Hayward branch of the American Association of University Women.

Or having been president of the District Agricultural Association, which puts on the annual California Spring Garden Show.

Or becoming the first woman director on the AC Transit District board.

She is a board member of the Oakland-Southern Alameda County branch of the American Red Cross, a member of the Alameda County Commission for the Prevention of Juvenile Delinquency, a charter member of the Hayward Area Historical Society, a 10-year member and past president of the Hayward Human Relations Commission, a member of the St. Rose Hospital advisory board and an executive board member of the Democratic State Central Committee.

In addition, she has been a member for 26 years of the Eden Township chapter of the Japanese-American Citizens League and is active in the East Bay chapter of the San Francisco Ballet Guild. She is also a member of the American Carnation Society and the Northern California Carnation Growers Society.

NEW DIRECTIONS OF OEO ARE GOOD NEWS

HON. JOHN E. HUNT

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1973

Mr. HUNT. Mr. Speaker, one of the major questions concerning the restructuring of OEO is to how best define those individuals who are upset by such activities. The poor are certainly not disturbed because the poor never received any substantive benefits from OEO. The poverty bureaucrats are concerned but they are a very small group. Yet someone must be concerned because OEO has received a great deal of publicity in the past few months.

In the final analysis, after the above are removed from consideration, it appears the members of the press are most concerned. The reason for this is, of course, that when Howard Phillips took over the reins as Acting Director of OEO, the war in Vietnam was ending and the press needed some issue to take its place.

The time has come again to put the restructuring of OEO in its proper perspective. For those who have had the opportunity to study what Mr. Phillips is doing at OEO, they will realize that he is revitalizing aid to the poor by redirecting programs which have had a miserable history of failure.

Actually then, it would appear that Mr. Phillips is creating good news.

I submit the following article from the April issue of the Colorado Monthly Review for the RECORD:

Fat Cats Skinned—So Who Cares?

(By Clarke Watson)

The OEO brouhaha is being fed and fanned by the press. Both national and local media have embarked upon a course whereby they alone are generating, indeed fomenting discontent. In the tradition of Hollywood they are writing the script, setting the stage and casting the roles of good guys and bad guys. But unlike Hollywood, whose audiences are generally apathetic fantasy-seekers, the audience of the press is stimulated to action by what it sees and reads. Accusations and counteraccusations are lodged. Name calling and threats occur.

The Selling of the Pentagon was a prime example of how so-called innocent public relations was in fact a deliberate Defense Department mass communications effort to influence the American public. Yet the American press indulges in its own brand of Pentagonism every day in order to urge people to buy its products and accept its legitimacy.

The press role in interpreting—or more accurately misinterpreting—facts and events concerning OEO is shocking, and its underlying motives appalling. Before we get into specifics let's look more closely at the motives: The war (Vietnam) has wound down and all the romanticism of apple-pie-faced POW's kissing God, the soil, and Nixon is still not enough to fill the void. Indeed it can't. The simple reason being you can't replace bad news with good news. Media moguls are starving for bad news, need it in the quantity it was being cranked out of Southeast Asia. Unfortunately downed airliners, the covert war in Laos and Cambodia, the money crisis and the usual glut of murder and mayhem just don't quite fill the pages left empty by the war's cessation.

Now for the specifics: OEO, given the press' way, is a godsend. The fire and brimstone of domestic discord, which sold so much copy in the '60s, just possibly could be fanned anew. (Perhaps *should* be—but that's another subject.) So in its desperation the press has seized upon OEO with all the fervor of a cheap Hollywood thriller. Howard Phillips is portrayed in the March 5 issue of *Newsweek* as "OEO chief and executioner" because of his role in phasing out OEO. On March 2 the *Denver Post* ran two pieces criticizing the OEO cutback, and one that supported it. And shame on *Straight Creek Journal*, the local "alternative" newspaper. They should know better. Nevertheless they ran two tear-jerking articles in successive February issues which, if anything, simply reflect their gross misunderstanding of poverty and what it's all about.

But alas, the actors are refusing to cooperate. A mere 20,000 people (OEO employees and relatives) descended on Washington to protest the poverty cuts as compared to the 400,000 (poor) of the good ol' Martin Luther King days. No one has shot Howard Phillips on the steps of the OEO building. The only things burning these days are half-finished condominiums (which is white-collar crime—hence scarely news at all). Only the Indians are stimulating the media these days—but there just aren't enough Indians to go around to satiate the media's voracious appetite for violence and misery.

Let's look at the reasons why the dismantling of the war on poverty isn't news—at least not big news. It's very simple; it doesn't concern a hell of a lot of people. For sure it doesn't concern the poor. Whatever benefits the poor derived from OEO, if any, are so small as to defy measurement. It wasn't food; that came from the Department of Agriculture. Certainly not education, or health care; those dollars came from HEW. Jobs? According to one authoritative source, 25 per cent of the nation's Blacks still live at Roosevelt-era depression levels.

You can't stage a play without players. The would-be actors in this latest, Fourth Estate, Ltd., production are just too hip to go for it. They're not going to march so some poverty chieftain can continue to draw down $30,000 annually while they can't get up thirty bucks to fend off the landlord. People aren't going to mobilize so some jive talkin' pre-OEO hustler can maintain blondes, Cadillacs and plastic high-rise apartments on poverty payroll checks. No way, since the homes of the poor are not safely ensconsed behind chandeliered lobbies and braided doormen, and love, not blondes is important—indeed a factor of survival in the cold, impersonal world of the ghetto.

And that, fellow journalists, is the breaks. You can't have drama without *dramatis personae*. You're dealing with a tempest in a teapot which, in retrospect, is quite unfortunate since so many real, significant, heartrendering problems still confront the nation. But apparently these problems are too sensitive for an "enlightened" press to perceive.

SHORTAGE OF FOOD

HON. WM. JENNINGS BRYAN DORN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1973

Mr. DORN. Mr. Speaker, it is not too late to plant a garden and fight inflation and the high cost of food. I commend to the attention of my colleagues and to the American people my newsletter urging the planting of vegetables and flowers:

MAY 7, 1973.

Food Shortage?

You can fight high food prices by planting a garden. We have had a cold, wet, late spring so now is a good time to plant beans, peas, corn, tomatoes, and other home-grown vegetables. Try some okra. There are over 300 known recipes for preparing okra. Clemson University has developed over 90 varieties of okra. It is not too late to set out onions. Two years ago we could buy onions for 12c a lb.—now onions are 39c a lb. and may not be available at all later this year due to a blight on onions in some sections of the country.

Tomatoes can be grown almost anywhere—even on the 39th floor of apartment buildings, next to sidewalks, vacant lots and near your shrubbery. Congressman Tom Steed of Oklahoma once grew 3½ bushels of tomatoes on one vine during one summer and fall—branches from this plant extended for 18 ft. on a trellis. Surplus tomatoes, beans, cucumbers, peas, butterbeans, etc., can be canned at home or frozen for winter consumption. Butterbeans, peas can be dried for winter food supply. My mother in depression days would soak dried peas overnight and cook slowly over fire in woodstove with hambone—nothing better on cold winter days with "crackling cornbread."

Dr. T. L. Senn, of Clemson University, recently said: "Everyone needs something to do, something to love and something to hope for." Clemson's "Garden for the Blind" is an inspiration to the handicapped, the lonely, the mentally ill, as well as to the elderly and the young. Blind children are employed to work in this garden—a blind man conducts tours of sightless people through the garden "showing" the sights through his own blind eyes. I was once thrilled to have blind children show me flowers and vegetables they had raised. If you are concerned about your health, plant a garden. If you are tense, plant a garden. Plant a garden of vegetables and flowers. It is the best mental and physical therapy known.

Last spring a friend from Alabama brought by truck thousands of tomato plants to Washington and gave them to city "folks." It was a thrill to stand with Mr. Jim Paulk and hear teenagers ask what the plants were and how to make them grow. One boy about 14 couldn't believe that these little green plants would grow and bear fruit like the red tomatoes in the supermarkets.

Demonstrations, boycotts and roll-back by government decree of meat prices is not the answer to high prices. Many farmers could be forced out of business (50,000 farms closed last year), and the consumer confronted with food rationing. The answer is increased production of food and fiber. I urge South Carolina farmers to plant more corn, silage, hay and grain to fight high costs and shortages of feed grains for cattle, poultry and hogs. I inspected flood damage yesterday in Mississippi Valley—10 million acres are still flooded. Even with the best of weather in May and June this will affect feed grain and food prices. We could be faced with a meat shortage, rationing and black market.

Mark on your calendar the annual South Carolina Festival of Flowers to be held in Greenwood July 26 through 29. This fantastic festival was attended last year by thousands from throughout America. This year's program featuring garden displays and flower arrangements, concerts, art and the Army's world famous Golden Knights will be one of the outstanding flower festivals in the country. Plant flowers for the festival and enhance our environment and beautification program.

For information, bulletins, etc. about gardening contact the County Farm Agent and Home Demonstration Agent in your County Court House, or write me at Greenwood or Washington, D.C. office. Your High School agriculture teacher will also be happy to advise you.

Growing flowers and vegetables is the best medicine and fights inflation too. Plant now.

A SALUTE TO BUFFALO GOODWILL INDUSTRIES, INC.

HON. THADDEUS J. DULSKI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1973

Mr. DULSKI. Mr. Speaker, the week of May 6–12 has been proclaimed National Goodwill Week, and it is a pleasure for me to take this opportunity to salute the Goodwill Industries of America.

Goodwill Industries is one of our country's most outstanding examples of combining humanity and compassion with the American free-enterprise system—and making productive, self-sufficient, taxpaying citizens from handicapped people too often neglected by our society.

Job training, rehabilitation services, and full-and part-time employment are offered to those suffering from a wide range of physical, mental, and emotional handicaps.

Used, reparable items, donated to Goodwill instead of being added to our overloaded trash heaps, are refurbished and sold by the handicapped workers. The sales provide most of the working capital for Goodwill, with the Goodwill Industrial Shop and other contributions making up the rest.

Mr. Speaker, I know from first-hand observation that the Buffalo Goodwill Industries, Inc., performs a tremendously fine job in our community. At this time, 425 men and women are employed—425 men and women doing an honest day's work for an honest day's wages, rather than being hopelessly consigned to public relief.

It is estimated that if only half of these people were unemployed, the taxpayers' cost would be $148,400 every week. Instead, they are not only putting their money into the area economy, but also paying an average $6,025 in combined taxes each week.

The Buffalo Goodwill Industries can be justly proud of the fine work they are doing. They have recently received a letter from the President, congratulating them, and I am inserting the text of that letter as part of my remarks.

The theme "A Matter of Goodwill . . . Helping the Handicapped Help Themselves," is a commendable one. I commend the Goodwill Industries for living up to their theme:

THE WHITE HOUSE,
Washington, D.C., April 12, 1973.

National Goodwill Week, May 6–12, celebrates the remarkable achievements of a superb American institution dedicated to creating greater opportunities for the disabled citizens of our nation.

"A Matter of Goodwill . . . Helping the Handicapped Help Themselves" the 1973 theme chosen by Goodwill Industries of America is upheld in a successful history of humanitarian work.

Training handicapped people for useful work, and helping them to overcome the effects of their disabilities are services for which Goodwill is recognized throughout the nation. Its contributions to the development of new knowledge in this important area are equally significant.

On this traditional occasion, I commend the disinguished reputation of Goodwill Industries of America, and I ask my fellow citizens to support the voluntary efforts embraced by this special week.

RICHARD NIXON.

SPICES MAKE CHEAPER MEAT CUTS TASTE BETTER: BUT WHO CAN AFFORD SPICES

HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1973

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, during the Eastern congressional recess I visited 22 locations throughout my district in a mobile congressional office.

As you can imagine nearly everyone of the more than 500 people I personally talked with was upset and worried over high prices.

Two constituents of mine, Mr. and Mrs. Joseph Price, stopped by my office and during our discussion gave me an editorial which appeared in the April issue of the American Association of Retired Persons Bulletin.

I found the article's logic and sly humor impeccable and I would like to introduce it to the RECORD for the information of my colleagues.

FOOD PRICES: WHO SHOULD DO WHAT?

Somebody should be doing something about skyrocketing food prices. The problem is who should do what.

The President says the greatest and most powerful weapon against high prices is the American housewife. She should not buy expensive foods.

The agriculture secretary says we should eat cheese, not meat.

The chairman of the House Ways and Means Committee says that the way people with limited means might handle the problem is to eat more fish.

And the President's consumer affairs advisor suggests we vary our diets and not overlook organ meats . . . liver, kidneys, hearts and brains. "The cheaper cuts," says Virginia Knauer, "can be turned into gourmet meals with spices."

One national columnist predicts the President will soon have to impose "a hard freeze on all food prices." Another says he better not do that, since that tactic has always produced more problems than solutions.

Farmers and cattle raisers say it's not their fault. Processors and retailers disclaim responsibility.

It's apparently nobody's fault and everybody's problem. But as is always the case with inflation, it is peculiarly a problem for older Americans living in limited, fixed incomes.

Too many of them can't even afford the cheaper cuts. Much less the spices.

THE BILL OF RIGHTS PROTECTS YOU

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1973

Mr. BROWN of California. Mr. Speaker, I occasionally am asked by a constituent why I take such a strong position in defense of the Bill of Rights when the administration and many Members of Congress seem to consider it little more than an obstacle in the path of law and order. People wonder if such formalities as the need for search warrants do not, in fact, merely protect criminals from the police. After all, I am asked, what would anyone have to hide or what are they afraid of, if they did not do anything wrong?

Well, Mr. Speaker, I think I could make a pretty good speech in favor of the Bill of Rights if it were necessary, but I think I can better answer those questions with a newspaper article—an article which appeared in the Sun-Telegram of San Bernardino on April 21 of this year.

This is not a particularly unusual

article; I have seen many similar to it and I am sure that I will see more of them in the future. But I am also sure that the incidents described in this article would be far more common if we did not have our American Bill of Rights. The article reads as follows:

"Mistake" Drug Raids Spread Terror in Two Homes

(By Dennis Montgomery)

Collinsville, Ill.—Herbert Giglotto, 29, and his wife, Louise, 28, had gone to bed at about 8 p.m.

"At about 9:30 we hear this crash. We hear this screaming. I take about three steps out of my bed and I see these hippies with guns," Giglotto recalled yesterday. "I told my wife, 'My God, we're dead'."

Across town at another home, Donald Askew, 40, had just sat down to dinner with his wife, Virginia, 37, and their 16-year-old son, Michael. He looked out the window, he remembered, and saw several armed men in the yard.

Seconds later, he said, the men were at the door, trying to kick it in. Askew called to his wife to phone the police. She fainted. Askew told his son to run for his life.

The armed men who forced their way into the Askew and Giglotto homes last Monday were conducting narcotics raids. They came on the raids with no warning and apparently no warrant. They left when the raids turned out to be a mistake.

Myles J. Ambrose, director of the federal Drug Abuse Enforcement Program and a special assistant attorney general, said yesterday it is his "understanding" that the men were agents from the program's St. Louis office.

Paul Cigliana, Collinsville police chief, confirmed that the raids were conducted by a "strike force" of federal narcotics agents from the St. Louis office.

Cigliana said he believed that policemen from some municipal police forces in the area also participated, but he added, "I don't think there were too many of them."

Cigliana said no policemen from his department were involved. A spokesman from the Madison County sheriff's office said, "As far as I know there was no cooperation from this department."

Federal narcotics officials from the St. Louis office could not be reached yesterday, but had declined comment earlier. Askew said the men gave him the telephone number of the office to verify their identities.

Two days after the raids, Ambrose issued a statement: "I have directed an inspection team to thoroughly investigate this matter. If any federal agents have acted improperly, appropriate action will be taken. Under no circumstances will I permit my agents to violate anyone's constitutional rights."

Contacted at his Chevy Chase, Md., home, Ambrose said yesterday. "The investigation is being conducted. When I have all the facts I will take appropriate action."

Ambrose, asked whether the investigation is top priority, said, "You bet your sweet life it is."

Before the raiders left without apologies, Giglotto said he and his wife had been threatened, bound, insulted and their apartment left in shambles.

Three weeks before, his complaints about two young men in the next apartment had caused their eviction. The two men were suspected of dealing in drugs and Giglotto said he was outraged.

His first thought, he said in an interview yesterday, was that the young men had come back to settle the score.

"I've never had anything to do with narcotics," Giglotto, a boilermaker, said. "I hate it. I've never had anything to do with drugs and my wife never has."

The men did not identify themselves, he said, and showed no warrant. "They knocked me down across the bed and handcuffed me and my wife. They had our hands behind our backs. I was in my underwear and she was in her negligee."

"One agent," Giglotto said, held a cocked pistol to his head and said, "You're a dead man. I'm going to kill you, you son of a bitch." The man, Giglotto said, called his wife a bitch and, not knowing they were married, suggested she was an adulteress.

"Just shut your mouth or I'll kill you," Giglotto quoted the man as saying after he was asked to identify himself. The man reportedly told Mrs. Giglotto he would kill her husband if he did not tell her where the drugs they sought were hidden.

With 15 raiders in the room and more downstairs, Giglotto said his wife was pleading for his life. Giglotto asked, "Please look at my identification before you kill me."

None did, he said. He added the only identification the Giglottos were shown was a gold badge flashed by one of the intruders. Only Mrs. Giglotto caught a glimpe of it.

As they lay trussed across the bed, Giglotto said, another raider walked up the stairs and announced, "Oh, I think we made a mistake."

They had torn the house apart and found nothing. The front room was a shambles, littered with books, overturned furniture and a smashed television set. Released from his handcuffs, Giglotto tried to put on his pants, he said, but a raider ripped them out of his hands.

"They were as rude leaving as they were coming," Giglotto said. He said he followed them downstairs, demanding an explanation, shouting: "My God, you just kicked in my door, threatened to kill me and my wife, can you tell me what's happening?"

Giglotto said one of the armed men turned and replied, "Shut your mouth, boy."

Askew said the raid on his home began as they were beginning a late dinner after he had stayed overtime at the service station he runs in East St. Louis.

Askew thought his son had been in a fight with some other teenagers and the men he saw in the yard were coming to kill him.

As he held the front door, Askew said yesterday, two men knocked down the back door and leveled two riot guns at him. A man at the front door flashed a gold badge and Askew let them in.

Five men, all dressed as hippies, searched the house, looking for a suspect, Askew said.

Askew said they showed no warrant. Askew asked to see a badge again. A man who gave his name as Ted Williams flashed his, Askew said, but all he could read was "special agent" before the badge was put away.

Mrs. Askew, lying on the couch, revived. She saw the men with the guns and fainted again. When she revived again one of the raiders told her "Take it easy, lady. We're really federal officers."

Askew said the men were polite. "Outside of kicking the door and scaring the hell out of us, they were all right."

Satisfied the man they sought was not in the Askew home, one of the intruders said, "We just got a wrong tip." The men refused, however, to let Mrs. Askew call the police, and showed no other identification.

Askew said he asked the men to remain at the house while he tried to learn if they really were federal agents. He said the leader of the group told him, "No, I can't. I got four other places to go."

Askew said none of his family has ever had anything to do with narcotics. "The only way I knew to get drugs is at the drug store," he said.

The Askews have filed a $100,000 damage suit in U.S. District Court at Springfield. The Giglottos were to meet with their lawyer this morning to determine what course to take.

Mr. Speaker, what happened to the Giglottos and the Askews could happen to any one of us, or to any one of my constituents, if the Bill of Rights were ignored, as it was in these cases. The next time that I am asked, "What's so important about the Bill of Rights?" I think I will merely show my questioner a copy of this newspaper article, and remind him: Next time it could be your home, and your family, and perhaps even your life, that may be endangered by authorities who ignore our Bill of Rights.

PROTECTION OF CIVILIAN EMPLOYEES

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1973

Mr. FRENZEL. Mr. Speaker, yesterday I introduced H.R. 7677, a bill designed to protect civilian employees of our executive branch in the enjoyment of their constitutional rights and to prohibit unwarranted invasions of their privacy. It is the same bill as S. 1688 which has been introduced and championed by Senator Ervin.

In introducing this bill, I wish to express my thanks to the distinguished Senator from North Carolina, Mr. Ervin. His leadership and dedicated efforts have produced this bill, which is designed to protect the rights of our Federal civilian employees.

Senator Ervin has managed to pass his proposal in the Senate on four separate occasions. In each case the bill has died, as it did in the 92d Congress, here in the House. It is my understanding that hearings will be conducted soon in the Post Office and Civil Service Committee. This year, I hope that a thorough study of this bill in that committee will demonstrate to the committee members the need for legislation of this kind and that the bill will become law this year. No remarks that I could make about this bill would be more clear or more persuasive than those used by Senator Ervin on page 13987 of the Congressional Record on May 2 when he introduced the bill.

It is time to give better legislative protection to our concept of a free society. I believe that we should guarantee our employees, regardless of grade or status, a full respect for their liberties and freedoms. I urge that H.R. 7677 receive the serious consideration that it deserves in this House.

SOVIETS USE REGIONAL GOVERNMENT TO OPPRESS MINORITY OPPOSITION

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1973

Mr. RARICK. Mr. Speaker, reports of persecution of Soviet Jews by the Communist regime in Moscow have raised outraged condemnation of the actions in the United States. And rightly so.

Amendments prohibiting granting "most favored nation" trade treatment to any Communist country that denies its citizens the right to emigrate, have been offered to the administration's trade bill by both Houses of Congress. Indications are that the Soviet Union may have relaxed its restrictive policies against the Jewish minority to a small degree.

However, systematic discrimination and persecution directed against other ethnic, religious, and national minorities continues not only as a governmental policy, but as a daily fact of life in the Soviet Union. For some reason, the plight of these captive people has largely gone unreported in the national press. Yet stories of the merciless "Russification" of such formerly autonomous nations as the Ukraine and the imprisonment and death of those who resist, continue to trickle out from behind the Iron Curtain.

A recent report from Vienna tells of more than 200 intellectuals, critical of Russian rule of the Ukraine, who were sent to prison camps. The repressive action was taken by the Kremlin in an effort to stamp out all nationalistic feeling being expressed by historians, archeologists, artists, and writers.

In other efforts to "ultimately erode the significance of Soviet ethnic republics," a regional government system, which reduces the 15 former republics into 7 "planning regions," has quietly begun. The plan, put forth by Communist Party boss Leonid I. Brezhnev, would liquidate any trace of old ethnic boundaries within 15 years and eliminate all minority opposition.

I find the possibility of extending U.S. taxpayer's money to the Soviet Union in the form of subsidized food sales, low-interest loans or outright gifts totally incompatible with cherished American ideals of freedom and justice.

Extending to the Soviets preferential trade treatment, amounts little more than approval of the repressive policies against minority dissent in that country.

I insert the following related newsclippings at this point:

[From the Houston Tribune, May 3, 1973]

Russian Secret Police Strike in Ukraine

(By Alan Dean)

Vienna.—More than 200 intellectuals have been reported sent to prison camps from the Ukraine this year as the Soviet KGB, secret police, carry out Kremlin orders to stamp out a growing struggle for national rights in the vast Soviet republic.

One of the leading critics of Russian rule in the Ukraine, Vyacheslav Chornovil, arrested during the present police campaign, has been sentenced to 12 years' jail. Chornovil had an exemplary record as a dedicated Communist until 1967, when he was jailed for three years for compiling and sending to the authorities an expose of judicial violations perpetrated by the KGB in the Ukraine in 1965–66.

Dissident sources say anybody vaguely suspected of resisting forcible Russification and demanding more cultural and political autonomy for the Soviet Union's 40 million Ukrainians has been interrogated. Many have been sent to the infamous "psychiatric" hospitals to be drugged into submission.

At a recent Communist Party meeting in Kiev, the new Ukrainian party boss, Vladimir Shcherbitsky, accused historians, archaeologists, artists and writers in the republic of stressing Ukrainian history and "national exclusiveness."

Shcherbitsky is a close associate of Soviet party boss Leonid Brezhnev and replaced Pyotr Shelest late last year as Ukrainian overseer.

At the Kiev meeting, Shcherbitsky ordered party activists to work in the "spirit of mercilessness" toward any "manifestations of bourgeois nationalism" in the Ukraine.

Like Brezhnev, he fears that dissidents in the Ukraine and other republics will form an active alliance with the persecuted Human Rights movement.

The Ukrainians, forming the largest non-Russian population in the Soviet Union, have long struggled for more political and cultural freedom. In the late fifties many Ukrainians were alarmed by Soviet Premier Nikita Khrushchev's plans for a gradual "coming together" and even "merging" of the Soviet nations.

They now fear that Brezhnev will attempt to systematically destroy all national feeling in the Ukraine through extremely repressive police measures. The series of so-called trials in Ukrainian cities recently point up their fears. Late last year a Ukrainian art teacher, Alexander Sergienko, was jailed for seven years at hard labor to be followed by a further three years in exile for demanding self-determination in the Ukraine.

Other defendants in the trial received sentences ranging from 3 to 15 years.

Several Jews have been arrested in the current clampdown. The trial opened at the beginning of April of Isaak Shkolnik, who was originally accused of being a "British spy." Part of the "evidence" introduced at the trial, held in the social club of a brickworks in Vinnitsa, was a radio "tuned to the frequency of a hostile station" and a five-dollar bill.

Dissident sources say scores of intellectuals have been sentenced to lengthy jail terms for far slighter evidence.

[From the New York Times, May 4, 1973]

Soviet Is Regrouping Its 15 Republics Into 7 Big Planning Regions

(By Theodore Shabad)

Moscow, May 3.—The Soviet Union has quietly begun a controversial consolidation of its national planning regions that may ultimately erode the significance of individual Soviet ethnic republics as economic planning and management areas.

A new seven-region system grouping republics into larger planning units has been adopted in connection with the drafting of an ambitious 15-year plan that will outline basic investment and development policies for the Soviet Union until 1990.

The consolidated regional system, which is being introduced in the face of persistent nationalistic sensibilities, is part of a growing trend to ignore particular interests of the republics in an effort to achieve more efficient coordination and long-term planning of the complex Government-run economy.

The detailed local planning of economic development will, at least for the immediate future, continue at the republic level. But the basic, over-all national development policies will in future be based on the new regional planning units.

The regional reform was foreshadowed last December by Leonid I. Brezhnev, the Soviet party leader, in a keynote speech marking the 50th anniversary of the formation of the Soviet Union as a nominal federation of republics.

Now that a relatively common level of development has been reached by the various republics, Mr. Brezhnev said, future economic decision-making in the 15-year plan should be for the good of the country as a whole rather than focus on the interests of individual republics.

Mr. Brezhnev's broad policy statement was amplified by more detailed proposals in economic and technical journals, some of which went so far as to suggest that the boundaries of some of the Soviet Union's 15 republics might be modified if they were not in keeping with efficient economic regions.

In an effort to shift the focus from the political sensibilities of the various ethnic areas to one of national efficiency, Soviet information media have also been working hard to generate an over-all "Soviet" nationalism and a national pride in economic achievements to replace the fragmented ethnic loyalties among the country's hundred-odd nationalities.

REPUBLICS JEALOUS OF RIGHTS

The new regional planning program is an attempt to depart from existing republic boundaries in allocating capital investment to the development of the Soviet economy. In the past the various republics have voye Khozyaistvo (Planned Economy).

A progress report on the drafting of the 15-year plan said that the existing *system* * * * been jealous of their prerogatives as integral economic regions within the Soviet Union.

The potentially far-reaching decision to establish the new consolidated national planning regions was disclosed in the April issue of the Government's planning journal, Plan o, of 18 planning regions, which followed republic boundaries, had been revised into a set of seven consolidated regions—three in the European part of the Soviet Union and four in the Asian part.

The three European regions that figure in the 1975–90 plan are a combined north-central region, a southern region, and a combined Volga-Urals region. The four Asian regions are Siberia, the Far East, Kazakhstan and Central Asia.

In reducing the existing 18 planning regions to seven, Soviet planners were evidently concerned with producing a system of planning areas that would be of roughly similar economic potential and area. The existing system includes both small, densely settled regions of European Russia and the vast, virtually undeveloped expanses of Siberia.

In allocating four regions to the Asian part of the Soviet Union and only three regions to the developed European portion, the economic planners appeared to focus on the future development of the Asian potential.

The consolidation of planning regions has affected the interests of individual republics, especially in the European west. For example, the Baltic republics and the Byelorussian Republic have been combined with the adjoining Leningrad and Moscow regions of the Russian Republic in the new north-central region.

Similarly the new southern region combines five republics—Moldavia, the Ukraine, Georgia, Armenia and Azerbaijan—with the northern Caucasus portion of the Russian Republic.

The now separate Volga and Urals regions are being combined into a Volga-Urals region to point up common problems of development. The Volga-Urals has been one of the most rapidly growing sections of the Soviet Union in recent decades.

[From the New York Times, Apr. 13, 1973]

105 Jews, Refused Exit Visas by Soviet, Appeal to Congress

(By Theodore Shabad)

Moscow, April 12.—More than 100 Soviet Jews who have been refused exit visas to Israel appealed to the United States Congress in an open letter today not to be misled by an apparent lifting of high emigration taxes.

Ten Jewish activists, in making public the appeal at a news conference, contended that Soviet emigration curbs remained unchanged and that exit permits were being granted on a highly selective basis.

The activists, who included some prominent figures in science and the arts, also expressed concern over what they described as a new series of trials, searches and interrogations of Jews in various parts of the country.

The news conference today, which illustrated the plight of the hard core of would-be Jewish emigrants, came two days after President Nixon sent his long-awaited trade bill to Congress. The bill would give the President authority to grant lower tariffs to Communist countries, including the Soviet Union.

NIXON-CONGRESS DISPUTE

However, majorities in both houses of Congress, evidently aroused over reported curbs on free movement of Soviet citizens, have offered amendments barring preferential trade treatment or credits to any Communist nation that denies its citizens the right to emigrate. The Nixon Administration has asked Congress not to link the trade bill to other issues.

It was in the context of this controversy that the Jewish activists today summoned Western newsmen to the home of Kirill Henkine, prominent journalist and translator, who lives in a prestigious complex on the Moscow River.

The meeting had been quietly arranged through private contacts because the Soviet authorities generally frown on the holding of unauthorized news conferences and might have broken up the gathering if aware of it. The Soviet Constitution grants freedom of assembly provided it is judged in the interest of the Soviet state, and the criminal code makes it a crime to circulate information that is considered to defame the Soviet state and social system.

In presenting the open letter to Congress, signed by 105 Moscow Jews, Mr. Henkine recalled another appeal last month by more than 300 persons from several cities asking for Congressional help.

"The decline in numbers reflects our deteriorating situation," he said. "Because of intimidation and surveillance, it has become increasingly difficult to collect signatures outside Moscow."

The latest open letter said some people in the West had apparently been impressed by recent suspension of education taxes in an avowed Soviet Government move to appease Congressional opposition to trade legislation.

"We would like to state," the four-page letter said, "that there is nothing like free emigration from this country. Just as before, the fate of all applicants for exit visas is not determined by any law or even any published regulations governing emigration. Everyone's fate is determined by unknown people acting on unknown considerations in a totally arbitrary way.

"It is not the education tax, but this arbitrariness that remains the chief method used by the Soviet authorities in their selective emigration policy."

An analysis of the social structure of Jewish emigrants has shown, the letter to Congress said, that many of the 2,000 or so persons leaving the Soviet Union each month are people with little education or low professional skills from such areas as Georgia, central Asia and Moldavia.

On the other hand, the letter said, visas were often refused to skilled professionals, especially in the pure sciences and in engineering, which are viewed as prestigious occupations in the Soviet Union.

Among those present at the news conference were Veniamin G. Levich, an electrochemist who is corresponding member of the Academy of Sciences, Aleksandr Y. Lerner, a computer specialist, and Veniamin P. Gorokhov, a screen writer.

Jackson Appeals for 2

Washington, April 12.—Senator Henry M. Jackson has appealed to Leonid I. Brezhnev, the Soviet leader, to allow two prominent Soviet Jews to emigrate to Israel.

In a letter to Mr. Brezhnev, Mr. Jackson asked that Valery Panov, the dancer, and Leonid Tasassuk, former museum curator, and their families be permitted to leave.

BUDGET CONTROL YES, CRUCIFIXION OF DOMESTIC PROGRAMS NO—JOHN MOSS TELLS 'EM

HON. ROBERT L. LEGGETT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1973

Mr. LEGGETT. Mr. Speaker, recently my good friend and distinguished colleague, the Honorable John Moss, engaged in a revealing dialog with the Citizens for the Control of Federal Spending.

Mr. Moss pointed out to Mr. David Packard of the citizens group that while a majority of Americans believe that Federal spending is the greatest single cause of inflation, that same majority also believes that Federal spending should be increased for programs to curb air and water pollution and decreased for Defense Department programs. The President has not done this. Instead of spending money on the domestic programs demanded by the people of this Nation, the President has chosen to veto one social need after another. At the same time his proposed budget includes a $4 billion increase for the Pentagon. This increase comes at the end of the longest and costliest war in our history and at the beginning of what Mr. Nixon has termed a "generation of peace."

I do believe that we are going to have to learn to live within the President's $268 billion budget ceiling, and to do that, the Congress is going to have to reform its budgetary review procedures. The Federal deficit this year alone is some $36 billion, and the total national debt will grow to a whopping $505 billion. Thankfully, the Joint Study Committee on Budget Control has produced an excellent proposal that should succeed in closing up the loopholes in the current appropriation process.

As Mr. Moss states—

> The issue is not simply to control Federal spending, but to allocate public dollars more effectively, sagaciously and in a manner that will most productively contribute to improvement of the general welfare.

We know where the President's priorities lie—in the bombing of Cambodia, and the appropriation of billions of dollars for unnecessary, cost-ineffective weapons programs. It is up to the Congress to reorder the President's topsy-turvy set of national priorities, and allocate Federal money in those areas where the people of this Nation need and want it most.

At this point in the Record I would like to insert the full text of the correspondence between Mr. Moss and Mr. Packard for the benefit of my colleagues:

Citizens for Control of Federal Spending,
Washington, D.C., April 9, 1973.

Hon. John E. Moss,
U.S. House of Representatives,
Washington, D.C.

Dear Congressman Moss: Citizens for Control of Federal Spending sponsored an advertisement in the Tuesday, April 3, *Washington Post* in an effort to increase public awareness of the necessity for control of the Federal Budget. I am enclosing a copy for your information.

The Committee was recently formed for the purpose of conducting an educational campaign to acquaint the public with the implication of excessive federal spending, and to generate public support for fiscal restraint. As you can see from the partial list in the advertisement, our membership includes representatives of business, labor, professional and civic organizations from all parts of the country. We believe that our country cannot afford to continue overspending its revenues as it has done in the past. The crucial matters now before the Congress—the proposed budget for fiscal 1973 through 1975—deserve the most careful consideration, because what is at stake is the health of the country's economy. As President Nixon pointed out in his recent address, excessive Federal spending over the next three years will present us with the unacceptable condition of rising taxes accompanied at the same time with increasing inflation.

A large majority of the American people—more than seventy percent, according to recent polls by Sindlinger and Market Opinion Research—are in favor of Federal budget restraint and opposed to a tax increase. According to a Harris poll, seventy-four percent believe that Federal spending is the greatest single cause of inflation. Public opinion, then, is clearly on the side of restraining Federal spending to avert higher taxes and inflation.

We believe that economy can be achieved without sacrificing programs which benefit the American people. We should continue to fund programs that are effective. However, we cannot allow increased spending on wasteful programs that do little more than provide jobs for bureaucrats. Cuts must be made in Federal programs which devote as much as eighty percent of their resources to salaries and expenses and only twenty percent to the work for which they were designed. In other words, the need for economy does not mean we must desert those in need.

In addition to reducing federal waste, control of Federal spending will reduce inflation and stabilize taxes. These effects, in our opinion, are not merely fringe benefits but necessities which we must achieve for all Americans. Citizens for Control of Federal Spending believes that the Legislative and Executive Branches should cooperate in trimming Federal spending, eliminating ineffectual programs and designing a budget for the next three years which stays within commonsense limits. By restraint now, we can achieve a healthier economy for America in the future.

In line with his economy drive, President Nixon recently vetoed the Vocational Rehabilitation Bill. This veto has been upheld by the Senate. We believe that the decision to sustain this veto indicates an increasing awareness of the propriety of limiting Federal spending.

More recently the President also vetoed H.R. 3298—an Act to restore the rural water and sewer grant program. We hope that you, as a Member of Congress, will continue to insist on careful and responsible budgeting. As the Congress proceeds with its consideration of the budget, our group intends to continue to promote public awareness of the issue, and to give our support through testimony and through the media to measures designed to keep the Federal budget under control.

We look forward to working with you, and would like to hear your views on this issue.

Sincerely,

David Packard,
Chairman.

[Advertisement in the Washington Post]

Keep The Lid on Taxes and Prices

WE SUPPORT PRESIDENTIAL AND CONGRESSIONAL EFFORTS TO CONTROL FEDERAL SPENDING

Americans have always had the ability to unite in order to accomplish great goals. As we now move to a peacetime economy, our nation needs a strong, viable government free of irresponsible spending and rising taxes and inflation. We can achieve this goal if Americans unite—if we let our representatives in Washington know that this is what we want.

Your elected representatives—your Senators and Congressmen in Washington—depend on you for guidance. They know how you feel only if you tell them. All too often, many of us take the democratic process for granted—we assume that our representatives already know what we think, even though we haven't told them. And when this happens, the voices of a few special interests can have more effect than the will of millions of citizens.

The issue of taxes and inflation affects each of us personally. Uncontrolled federal spending over the next three fiscal years could force a tax increase of as much as fifteen percent, or cause a new wave of crippling inflation. Yet we can have a budget which avoids excessive spending, requires no new taxes, and still provides sufficient funding for necessary programs. The President has proposed one such budget. Supported by responsible members of Congress, it would limit federal spending to $250 billion in fiscal year 1973, $268.7 billion fiscal 1974 and $288 billion in fiscal 1975. These limits, unless breached by irresponsible spending, will prevent tax increases, curb inflation and pay for federal programs which have proved to be effective.

A responsible spending program does not involve any turning back of the clock. The President's budget, for one example, provides the greatest sum ever committed for human resources. Compared to four years ago, it would spend 71 percent more to assist older Americans, 67 percent more to help the sick, 66 percent more for the poor, and more than twice as much to feed the hungry and undernourished. Four years ago, 41% of the federal budget was spent on Defense, and only 37% for Human Resources. Today the priorities have been reversed: 47% goes to Human Resources and only 30 percent for Defense.

The goal of no new taxes can be reached—without inflation—only if Congress and the Executive cooperate by trimming unnecessary spending and by terminating programs which either aren't working at all or haven't justified their expense. Tax money should only be used for responsible programs that do work.

We can't afford to take the democratic process for granted in this crucial matter. Take a few minutes to let your Congressman and your Senator know how you feel about spending and taxes; ask your friends to help by communicating their views. If you would like more information, write to Citizens for Control of Federal Spending. You owe it to yourself to join the fight—to control spending, taxes and inflation.

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Co-Chairmen

John W. Byrnes, former Member of Congress.

James Roosevelt, former Member of Congress.

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HOUSE OF REPRESENTATIVES,
Washington, D.C., April 27, 1973.

MR. DAVID PACKARD,
Chairman, Citizens for Control of Federal Spending, Washington, D.C.

DEAR MR. PACKARD: Having carefully read the advertisement in the *Washington Post* (Tuesday, April 3rd) I was impressed with how much greater service might have been rendered in an effort to better inform the citizenry of the budget process if you would have been more candid, and indeed more truthful, in your attempt at public relations. Indeed, a closer analysis of some of the "facts" you presented indicates that you and your committee have deliberately attempted to muddy your waters to make them appear deep.

You state in your letter, for example, that "According to a Harris poll, 74% (of the American people) believe that Federal spending is the greatest single cause of inflation. Public opinion, then, is clearly on the side of restraining Federal spending to avert higher taxes and inflation."

What you fail to mention is that in that same Harris poll, conducted between December 17th and 21st, 1972, 66% of those interviewed believed that Federal spending should be increased for programs to curb air and water pollution and for aid to education. In answer to such public opinion the President vetoed H.R. 3298—an act to restore the rural water and sewer grant program and plans to spend this year $515 million less for education than in fiscal 1973. Indeed, the President's 1974 budget proposals include a $10 billion cut in key domestic programs.

The Harris poll also indicated that a majority of Americans (55%) opposes any increase in Federal spending for research and development of the nation's defense system. Yet, Mr. Nixon's military budget calls for an increase of $8 billion over the next two fiscal years. As a result, for the first time in our history, a "peacetime" military budget is higher than our wartime military budget.

I applauded our President's trips to China and to the Soviet Union. But in spite of a growing detente between Russia, China and the United States; in spite of the signing of the Nuclear Arms Agreement; and in spite of a peace settlement in Vietnam; President Nixon insists on spending more than $80 billion a year for guns that cannot heal and bombs that cannot teach.

There are other problems with your "educational campaign."

Controlling Federal expenditures over the next three fiscal years, in the context of your advertisement, would not insure that the average taxpayer would not face a significant increase in taxes at the federal, state or local levels. Indeed, within less than two weeks after the date of your initial letter, Mr. Herbert Stein announced that in order to cool off the booming economy and reduce inflationary pressures, a tax increase may be forthcoming.

We do have pressing domestic financial problems and I can assure you President Nixon is not alone in wanting to hold the line on Federal taxes, to trim government spending and increase the efficiency of governmental programs. But the issue here is not simply, as you suggest, to control Federal spending, but to allocate public dollars more effectively, sagaciously and in a manner that will most productively contribute to improvement of the general welfare. Current differences between the President and the Congress stem not so much to the size of the $268.7 billion budget, as to the priorities and allocation of the taxpayers funds.

You state in your letter that, "Citizens for Control of Federal Spending believes that the Legislative and Executive Branches should cooperate in trimming Federal spending, eliminating ineffectual programs, and designing a budget for the next three years which stays within common-sense limits." You then cite as an example of this "economy drive", the President's recent veto of the Vocational Rehabilitation bill.

What you fail to mention, however, is that since 1920 Federal Vocational Rehabilitation programs have produced, in the form of positive tax dollars, far more than what they originally cost the American taxpayer. In 1971 alone, for example, nearly ¾ of a billion dollars was added to the national economy as the result of the rehabilitation of a record number of disabled Americans to productive employment.

I question the distorted priorities enhanced by this veto. It is difficult to understand why the President in the name of "economy" would veto a bill that would aid millions of handicapped Americans, return to the Treasury Department $3 to $5 for every $1 spent and cost (annually) less than 1/80th of our military budget. Such actions demonstrate neither good economic policy nor sound moral committment. I am reminded of what George Bernard Shaw once said: "The worst sin towards our fellow creatures is not to hate them, but to be indifferent to them; that's the essence of inhumanity."

I have only served as an elected official of the people for a quarter of a century, so perhaps I am out of touch with the desires of my constituents. But I believe with Thomas Jefferson, that "The care of human life and happiness, and not their destruction, is the first and only legitimate object of good government." For our democracy exists, not to wage war, or serve only the wealthy; but to serve the people, especially those in need, especially those who suffer. But these are ideas that neither President Nixon nor the Citizens for Control of Federal Spending seem to understand.

You asked, Mr. Packard, to hear my views on the issue of controlling Federal spending. Unfortunately, time does not permit further elaboration of other obvious problems concerning the logic of your proposals.

I would suggest, however, that you send copies of this letter, not just to Representatives in the Congress, but to individuals and groups most affected by such questionable policies. Send a copy of this letter to mayors of bankrupt cities and towns who will receive no assistance for their needed water and sewer programs and to the principals of our schools who are now being forced to educate more children with less federal assistance. Send a copy of this letter to the doctors and nurses in the community health centers that are now being closed, and to the 30 million underprivileged Americans who have not seen a doctor in the past two years. Send a copy of this letter to the welfare mothers who can no longer afford day care services and to the needy families who cannot now benefit from subsidized housing. Send a copy of this letter to the thousands of fatherless boys who can no longer enjoy the companionship and guidance of local Big Brothers programs and to the forty million handicapped Americans crippled by governmental callousness and indifference.

In summary, send a copy of this letter to the millions of Americans that President Nixon and the Citizens for Control of Federal Spending have chosen to forget, neglect and ignore.

Sincerely,

JOHN E. MOSS,
Member of Congress.

WHO WILL PAY?

HON. JAMES ABDNOR

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1973

Mr. ABDNOR. Mr. Speaker, the real story of what really happened during the long seige at Wounded Knee by the militant members of the American Indian Movement is now only beginning to come to light. Since the beginning of this tragic episode last February, the American people have heard only the side of the insurgents.

But, what of the victims of Wounded Knee—the residents who have lost their homes, their ranches, their cattle, their businesses? Who is going to pay their damages? And, who is going to replace those who have given of their services for many years to the people on the Pine Ridge reservation, and who because of the reluctance of the Federal Government to put an end to this travesty, have become discouraged and feel they must leave.

One such victim is Rev. Orville Lansberry. He and his wife, Emma, have announced their plans to relocate after they find what is left of their possessions.

Their story is told in the following article printed in a Pierre, S. Dak., newspaper.

WOUNDED KNEE CLERGYMAN SAYS HE WON'T GO BACK

The Rev. Orville Lansberry and his wife Emma lived in Wounded Knee, S.D. for a little more than four years. He had a church there and his congregation was comprised of about 95 percent Sioux Indian people. He'll be going back but not to live there. He'll try to salvage what's left of his personal belongings.

He left Wounded Knee that night in February when AIM militants took over the tiny reservation community. Along with his wife and a Sioux Indian lady, he hid in the darkness as militants banged on the door and threatened to shoot if they didn't open up. They later escaped from the village under the cover of darkness.

Meanwhile, their church has been used as a camping place for visiting national newsmen and their home has been used as a meeting hall for AIM Indians. They have lost most of their personal possessions including a jeep which he says has been burned and a garden tractor.

He told the Scene the AIM group has only a small minority of the Ogalala Sioux people on their side.

"I would say the average Indian wants to live in peace," he said. "They want the leaders to sit down and work this thing out."

He believes it is a power struggle between Ogalala Sioux leader Richard Wilson and AIM leader Russell Means. In addition, it is his opinion the occupation of Wounded Knee was in the works for a long time because of the historical significance of the village.

"I am especially upset with the misinformation that is coming out through the press," he said. "They get only the information that is given them by the AIM's and then they write their stories."

"The AIM people in my opinion may be idealists but I think they are more concerned with their own personal gains than they are with the tears they claim to be weeping for the Sioux Indian people."

"The night they (AIM) came, Sioux Indian people had to run," he said. "They took over their homes and their belongings and today, those poor people have nothing to go back to. Does that sound like they want to help the Sioux people?"

The federal government is as much to blame as anyone according to Rev. Lansberry.

"They failed to provide the residents of Wounded Knee with protection and now I think that they should shoulder the responsibility for the losses."

"Remember that Mr. Wilson and his people were set aside and the federal government took charge. They should now bear the responsibility."

As to the role of the Council of Churches, Rev. Lansberry shrugged and said, "I wonder . . . there's an old saying that too many cooks spoil the broth. It seems to me that neither the Council of Churches or the Federal Government have been able to solve any problems. The AIMs are still there."

"I don't know how many people I've talked with since, who have discovered that money they contributed to their churches went to aid AIM," he said, "and now they are bitterly disappointed."

"I think of the Sioux lady who lived in Wounded Knee who came up to me crying and saying that AIM took everything she owned," he added. "We got out with a couple of blankets and I gave her one of them."

"Other Sioux Indians have lost cattle, one of them, a man who is part Sioux and part white, lost over 40 cattle that went to feed the militants," he said.

"There are others too . . . people who have lost everything they owned . . . and who's going to take care of them?"

Rev. Lansberry admits the incident has shaken his confidence in some people. He's going back, but just to salvage what he can of his personal belongings.

"We can't live there anymore though," he confesses. "We're too old. I'm 67 and my wife is 69."

It is apparent he feels badly for the Indian people who lived in Wounded Knee though.

"Some are afraid . . . some are mad . . . some are confused . . . but they're all hurt."

UNITED STATES FUMBLING IN EXPORT FIELD

HON. ROBERT J. HUBER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1973

Mr. HUBER. Mr. Speaker, as a longtime advocate of a more forceful U.S. effort to export the products of its industry, it is sobering to contemplate that the only manufactured items most countries really seek from us are those few in which we still hold a technological edge, such as advanced computers, electronics and some aircraft. In most other fields, we no longer offer superior quality or more desirable product features, and our products are rather consistently overpriced and underserviced by comparison with those offered by other industrial nations.

The hard facts concerning our position in international trade are clearly summarized in an article by Saul Friedman of the Detroit News Washington staff. My colleagues will find this valuable if frightening reading. Especially disturbing is the conclusion reached by a Common Market expert who said that the United States must "innovate and find areas in which you compete or you will end up second rate in world trade."

The article follows:

[From the Detroit Free Press, April 5, 1973]

UNITED STATES FUMBLING IN EXPORT FIELD

(By Saul Friedman)

BRUSSELS.—American scientist, William B. Shockley, won the Nobel Prize for inventing the transistor.

But there are no transistors made in America.

Chemical engineers working for an American company devised a revolutionary new plant to turn out industrial chemicals cheaply and fast.

But the first such new plant was built in Belgium.

And although U.S. oil refineries can't keep up with the demand, the biggest and newest refineries—built by American companies—are going up in Europe.

These are some of the reasons Europeans say that the United States, the greatest industrial nation on earth, is on the way to becoming the "bread basket of the world."

Which is where we began.

Even such Americans as former Secretary of Commerce Maurice Stans have acknowledged that in addition to agricultural products, such as soybeans and feed grain for livestock, about the only thing the U.S. has that other big countries want are our products of super technology—computers and air frames.

And even in several high-technology areas, the Japanese and the Europeans (with the help of American plants etsablished here) are beginning to catch up.

The President's International Economic Report said: "Although we fared better in the case of more sophisticated manufacturers, our gains (in trade) were relatively small, except for aircraft.

"We are losing our competitive position in traditional products with large markets," and "agricultural trade has been our brightest spot."

In 1971, for the first time in 100 years, the U.S. imported more in goods—$2 billion worth—than it sold abroad. And last year, for the second time, we had a deficit again—up to $6.4 billion.

Those billions may not mean very much to most folks who don't buy or sell abroad, who just work for a living.

But it can and does mean a great deal to people who want to work but can't because prospective employers are buying or building in Europe or Taiwan rather than in the United States.

In the longer run, American trade troubles can mean deeper disaster in whole industries where people are still working, for with each new production method introduced in an industry, in Japan or Europe (some by American-owned companies), that industry in the U.S. suffers.

That's what happened to the American steel industry, which once led the world because of early U.S. innovations. Now American steel production is virtually the laughingstock of the world because new methods developed elsewhere were not used in U.S. plants.

The lack of innovation by traditional American industries is one of the reasons the United States doesn't export more than it does.

West Germans enjoy reminding Americans that the U.S., as the victorious nation, could have had the Volkswagen design after World War II to build in the U.S. and ship abroad. But American manufacturers chose to stay with big cars.

However, there are other reasons why the United States is not much good at exporting. And the most important seems to be that we never really had to depend on exports.

In the past only the South, with its cotton, tobacco and other agricultural products, was export-minded. American manufacturers enjoyed such a huge and rapidly growing market at home, they concentrated on it. Only if they had anything left over, they exported it.

For Japan and most of the nations of Europe, the ability to export has meant life or death for their economies. And today their exports account for 20 to 30 percent of their annual wealth.

Even today, U.S. exports amount to only six percent of the $1.3 trillion in goods and services the country produces. And although there are increasing complaints about growing imports, the U.S. has lost relatively few jobs and industries to foreign products.

Instead of exporting goods, the U.S. has chosen to export money to take over foreign companies, invest in them, or build American-owned plants abroad.

This has accounted not only for an increase in imports, but also for a decrease in the desire to export.

For example, Ford of Europe will export 100,000 European-built Capris to the U.S. this years. And General Motors will send to the States about 60,000 Opels.

Last year only 9,150 Ford, Chrysler and GM cars were exported to Europe, compared with a high of 35,000 in 1965.

Ford's officials in England explain that Europe's roads are not suited to big American cars, and higher taxes and gasoline prices put them at a disadvantage.

So why doesn't Ford export the Pinto to Europe?

Because shipping costs and local taxes, and the cost of building them in the U.S., would make their price prohibitive in Europe, they replied.

But automobile industry wage rates in England are drawing even with American rates; the Japanese are successful selling their cars to Europe by shipping them over two oceans, and the local taxes are about the same for Pintos (or GM's Vega) and European-built cars.

The discussion came down to this:

Most European-based manufacturers, including Ford and GM, are satisfied with a lower rate of profit than the U.S., in order to compete. The rate of profit here is around nine percent; in the U.S. in 1971, it was more than 13 percent.

Also, if Ford, GM or Chrysler exported cars from the U.S. to Europe, they'd be competing with themselves.

Ford of Europe's man in charge of increasing imports from the U.S. acknowledged he has an uphill battle getting his share of high-level attention to his problems. And another executive criticized Ford's management in Dearborn for spending much less on research in the U.S. than in Eprope.

The U.S. economy has adapted to imports, and new industries have replaced those the Europeans and Japanese have vanquished.

The U.S. leads in space and communications technology, advarced computers, electronics and the manufacture of airplanes.

Although Europe is self-sufficient in almost everything else, it will depend on U.S. feed grains for many years.

But slowly and surely, the U.S. is becoming a service country as exports of traditional, manufactured goods, chemicals, fuels and minerals fall off. Already the service industries—distributing, selling, fitting goods, more and more of them imported—account for nearly half of the nation's output.

Protectionism has been offered as an answer, but nobody wants the consequences of a trade war.

A ranking expert with the Common Market warned: "Either you innovate, and find areas in which you compete, or you will end up second rate in world trade, sending us grain and servicing what we sell."

Those remarks were in stark contrast to the words of an Englishman, F. A. McKenzie, in 1902:

"America has invaded Europe not with armed men, but with manufactured goods . . . Our aristocracy marry American wives, and their coachmen are giving place to American-trained drivers of American-built automobiles. . . . Our babies are fed on American foods, and our dead are buried in American coffins."

AMENDING THE MERCHANT MARINE ACT OF 1970

HON. FRANK M. CLARK

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1973

Mr. CLARK. Mr. Speaker, as chairman of the Subcommittee on Merchant Marine of the Committee on Merchant Marine and Fisheries, I am today introducing, with other members of the committee, a bill to amend the Merchant Marine Act of 1970. The legislation will provide merchant nuclear-powered vessels, contracted before July 1, 1978, with incentive support payments to cover such portion of the contracting cost differences arising from the use of nuclear propulsion units, as the Secretary of Commerce may determine is necessary for the purpose of fostering the advancement of U.S.-flag maritime technology.

The recipients of the incentive support would, under the proposed legislation, repay the sums received subject to governmental recapture of 20 percent of each nuclear powered vessel's annual net operating income, as defined in the Maritime Administration's uniform vessel accounting system, until the entire amount of incentive support payments for each such vessel shall have been recovered by the Government.

I have stated many times, both in committee hearings and on the floor of the

House, that the United States must have a modern, productive, and efficient merchant marine in order to compete in the world markets. Nuclear power merchant ships is one of the answers.

Today's high productivity ships such as the VLCC's and container ships require a great deal of horsepower to move ever increasing tonnage at high speeds. This, coupled with the escalating bunker C fuel prices, make nuclear power a very competitive propulsion system candidate. Also, as a side benefit, economic studies have shown that nuclear ships can result in a favorable balance of payments. For example, to import the projected needs of oil from the Persian Gulf in 1980 by fossil fired tankers the balance-of-payment deficit on bunker C for propulsion could be as high as $650 million per year. For nuclear it would be zero because all the fuel would be obtained from U.S. sources.

After 20 years of extensive research and development, the time has arrived for nuclear merchant ships to take their place on the high seas in pursuit of international commerce. I feel that this legislation will help provide the proper stimulus for the American merchant marine industry's efforts to modernize and rebuild the U.S. fleets into a competitive position.

DISTRICT OF COLUMBIA LAW REVISION COMMISSION

HON. ANCHER NELSEN

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1973

Mr. NELSEN. Mr. Speaker, I have introduced, along with Congressman Don Fuqua of Florida, a bill that would provide for a Law Revision Commission for the District of Columbia. The bill that we introduce is consistent with the recommendation contained in the report filed with the Speaker of the House on August 17, 1972, by the Commission on the Organization of the Government of the District of Columbia. Both Congressman Fuqua and I served on that Commission, and we welcome this opportunity to put into legislative language the recommendation contained in that report.

For the information of those who may not have had an opportunity to read the statement contained in that report as it relates to that matter, it appears below:

LAW REVISION COMMISSION AND UNIFORM RULES OF PRACTICE

The Commission believes that the establishment of a Law Revision Commission for the District of Columbia would supply a much-needed service now lacking in the legislative and administrative machinery of the District Government.

A Law Revision Commission, as contemplated in this report, would be a permanent body authorized by statute to conduct continuing studies into the anachronisms and inequities in the common law as well as statutory and case law, for the purpose of developing recommendations and reports to the governing legislative body for its consideration and adoption into law. Members of the Commission would include local attorneys and other professionals; and the Commission would be authorized to employ consultants and regular staff members to investigate and prepare studies under its supervision and direction.

The Law Revision Commission established in the State of New York in 1934, has served as the prototype for others created since that date. (L. 1934, c.597, effective May 16, 1934: 5 *McKinney's Consol, Laws of New York*. Book 31, Legislative Law, Art 4A, Law Revision Commission, secs. 70 to 72.) It is composed of seven members; five appointed by the Governor for five years, plus the respective chairman of the Committees on the Judiciary and on Codes of the State Senate and Assembly. The statute provides that at least two appointed members shall be members of law faculties of universities or law schools within the State and that four appointed members shall be members of the New York bar.

The Commission is charged by statute with the following duties:

1. To examine the common law and statutes of the state and current judicial decisions for the purpose of discovering defects and anachronisms in the law and recommending needed reforms.

2. To receive and consider proposed changes in the law recommended by the American Law Institute, the commissioners for the promotion of uniformity of legislation in the United States, any bar association or other learned bodies.

3. To receive and consider suggestions from judges, justices, public officials, lawyers and the public generally as to defects and anachronisms in the law.

4. To recommend, from time to time, such changes in the law as it deems necessary to modify or eliminate antiquated and inequitable rules of law, and to bring the law of this state, civil and criminal, into harmony with modern conditions.

5. To report its proceedings annually to the legislature . . . and, if it deems advisable, to accompany its report with proposed bills to carry out any of its recommendations. (5 *McKinney's Consol. Laws of New York*, Book 31 Art. 4A, sec. 72.)

The report of the New York Law Revision Commission for 1962 (Legislative Document (1962), No. 65) is illustrative of the type and quality of work performed by the Commission during a relatively active year. The report consists of 810 printed pages. It includes fourteen current reports and recommendations; studies directed by the legislature; recommendations presented in 1962; three studies and communications to the legislature without recommendation of legislation; legislative history of twelve recommendations submitted in 1961 which were enacted into law, and four others whose implementing bills did not become law; calendar of eight topics representing work in progress, nine topics on calendar for further study, and twenty-five proposals for future consideration. Representative recommendations enacted into law included: Appointment of Temporary Administrator for the Protection of the Property of a Missing Person; Power of Surrogate to Authorize Temporary Administrator of Estate of Missing Person to Join with Co-Tenants of Missing Person in Disposition of Real Property; Extinguishment of Estate of Missing Person as Joint Tenant Upon Deposit of its Value in Court; Agreements Extending the Statutes of Limitation; Effect of Part Payment on Time Limited for Foreclosure of a Mortgage; Effect of Recording Executory Contract for Sale of Land and Priority of Vendee's Lien arising from Payments Made Pursuant to [such] Executory Contract; and Accumulation of Income of Trusts for Religious, Educational, Charitable or Benevolent purposes. The current calendar of topics under study included: Revision of Consolidated Laws to Transfer Provisions to more Appropriate Chapter or New Chapter; Application of Statute of Frauds to Agreements for Joint Venture to Deal in Land; Clearing Clouds on Title Resulting from Violation of Building-line Restrictions; and Effort of Contract Term Disclaiming Parole Representations to Bar Action for Fraud in Inducement of Agreement. Each study and report represents a detailed review of the problem in question, and is replete with legislative references and citations to relevant judicial precedents.

A considerable number of States have established Law Revision Commissions as a permanent, continuing part of their legislative and governmental structures. They include, for example, Michigan (*Mich. Compiled Laws*, 1967, 4.311, at 4.322–4.324); California (*West's Anno, Calif. Codes*. vol. 32A, secs. 10300–10340); Louisiana (*West's La. Stats. Anno.*, 1969, vol. 17, Title 24, Ch. 4, sec. 201); Pennsylvania (46 *Purdon's Penn. Stats. Anno.*, Title 46, secs. 65 and 431.1); Maryland (*Maryland Anno. Code*, Art. 40, secs. 48 to 53); and Virginia (*Virginia Code Anno.*, secs. 30–29 to 30–34). See also *Minn. Stats. Anno.*, secs 3.31 to 3.38, 3.42; and secs. 3.301 to 3.302.

Helpful background information concerning the functions of Law Revision governmental units was made available to Commission representatives by members of the bar in the District of Columbia, Philadelphia, and New York.[1]

In the District of Columbia Government, the Corporation Counsel serves as the chief legal officer (West's D.C. Code Encycl. Secs 1–301 to 1–303, and Reorg. Order No. 50, as amended, West's D.C. Code Encycl., Vol. 2, pp. 202–207, and 1970–1971 Ann. Cum. Pocket Part, (p. 111)), much as the Attorney General and Corporation Counsel, or City Solicitor serve the States of New York and Pennsylvania, and the cities of New York and Philadelphia, i.e., jurisdictions where law-revision commissions have been established for some years.

Experience demonstrates that an active Corporation Counsel's office, burdened with the day-to-day workload of litigation and accumulated administrative responsibilities, has little time or adequate facilities to undertake studies into legislative shortcomings, or to exercise initiative in formulating recommendations for specific legislative improvement. The work of law-revision commissions serves to supplement and assist, as well as ultimately to strengthen, the resources available to the chief law-enforcement officials. There need be no conflict between the two; in fact, there has been no occasion for incongruity but rather an opportunity for meaningful cooperation between them. The District Corporation Counsel is included among those that would be given a voice in the selection of members of the Commission proposed for the District of Columbia.

The statement of basic purposes and responsibilities for the District Law Revision Commission could be patterned after that governing the New York Law Revision Commission. (Legislative Law, Art. 4A, 5 *McKinney's Consol. Laws of New York*, Book 31, secs. 70–72.)

The proposed Commission would provide a systematic method of collecting, coordinating, and making available to the pertinent legislative bodies suggestions for law reform emanating from administrative and other public officials, judges, lawyers, bar associations, universities, and other organzations as well as the general public. Suggestions would be transmitted, after study, in the form of a comprehensive report and, wherever appropriate, a draft bill.

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[1] They included Mr. Frank J. Whalen, Jr. (Spence, Whalen & Graham), Washington, D.C.; Mr. William E. Zeiter (Morgan, Lewis & Bockius), Philadelphia, Pennsylvania; and Mr. William B. Lawless (Mudge, Rose, Guthrie & Alexander), New York City. Their cooperation and support of the modern trend toward law-revision commissions could be characterized as enthusiastic. Valuable assistance was also provided by Mr. Arthur John Keeffe, Professor of Law at Catholic University, Washington, D.C., formerly a member of the law faculty at Cornell University, where he was actively associated with various studies and related projects undertaken by the New York Law Revision Commission.

The proposed Commission should be authorized to prepare pamphlets on the District of Columbia Administrative Procedure Act (D.C. Code secs. 1–1501–1510) for the information and guidance of District Government departments and agencies as well as the general public. It is contemplated that such studies and pamphlets would contain pertinent extracts from legislative history, selected citations to court decisions, etc., along the lines of the manuals issued by the Attorney General of the United States with respect to the Federal Administrative Procedure Act (5 U.S.C. 551–559, 701–706, 1305, 3105, 3344, 5362, and 7521), including its Freedom of Information provisions, in 1947 and June 1967, respectively.

It is also recommended that the proposed Commission be authorized to prepare and issue uniform rules of practice, including hearing rules, to govern all District of Columbia agencies conductiong on-the-record hearings to determine legal rights, etc., pursuant to statutory procedural requirement, constitutional right, or otherwise afforded by the agency. The uniform rules of practice would apply to on-the-record evidentiary proceedings of all District Government agencies, unless an agency (1) determined that a different procedural rule of its own, with respect to a particular area or matter, would better serve the public interest, and (2) demonstrated that fact to the satisfaction of the Commission. Uniform rules of practice for all departments and agencies of the Commonwealth of Pennsylvania were promulgated by the Committee on Documents (a permanent seven-member body appointed by the Governor) pursuant to section 1403 of the Commonwealth Documents Law, enacted July 31, 1968 (Law No. 240, July 31, 1968, 45 *Purdon's Penn. Stats. Anno.*, Title 45, secs. 1101–1611). The Committee on Documents is authorized to codify and revise the regulations (including procedural rules) applicable to all departments and agencies of the State government, having in mind uniformity of style and expression. The uniform rules of practice for Commonwealth of Pennsylvania agencies have been published, in printed looseleaf form, as Part II of the Pennsylvania Code, Chapters 31, 33 and 35 [Preliminary Provisions, Documentary Filings and Formal Proceedings, respectively], pp. 80.1 to 90.11, inclusive.[2]

Recommendation No. VIII–3.—The Commission recommends that the District Government initiate legislation that would authorize the establishment of a Law Revision Commission for the District of Columbia, in the form of a permanent body as suggested in the preceding discussion, to be composed of fifteen members appointed as follows: (1) two each appointed by the Mayor-Commissioner, Chairman of the District of Columbia Council, District of Columbia Corporation Counsel, and the United States Attorney for the District of Columbia; (2) one each by the Speaker of the House of Representatives, majority leader of the Senate, the respective minority leaders of the House of Representatives and Senate, and the Chief Judge of the District of Columbia Court of Appeals and District of Columbia Superior Court; and (3) the Chairman by the President of the United States, subject to Senate confirmation.

WHO SAID THEY WERE NOT TORTURED?

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1973

Mr. BOB WILSON. Mr. Speaker, when Jane Fonda, Ramsey Clark, Tom Hayden, and company returned from Hanoi to announce that our prisoners of war were being treated with consummate kindness by their captors, most Americans were incredulous. Now that our prisoners of war have returned to relate their tortures and deprivations, we know that our distrust was not misplaced. The allegedly saintly North Vietnamese keepers of our men, about whom we heard so much from Miss Fonda and crew, have now been exposed in their true colors. I would like to share with my House colleagues the following commentary by Jeffrey Hart, which appeared in the April 24 Daily Californian:

FONDA, CLARK AND CO.—FLACKS FOR TORTURERS

(By Jeffrey Hart)

Why anyone should actually be surprised that our POWs were tortured by the North Vietnamese and the Viet Cong is a little hard to understand. Torture is absolutely commonplace for prisoners in the hands of Asian military, and it has nothing to do with communism.

The imperial Japanese—could anyone forget?—behaved despicably to our POWs. The Kuomintang and the Communist Chinese were equally brutal. Nor need anyone have any illusions about the South Vietnamese. On strategic grounds, I consider that the communization of Southeast Asia would be a disaster, but this does not mean that I am under any illusions about life in Saigon's jails and prison camps.

The torture revelations do, however, shed a good deal of light on those who have been presenting themselves as the keepers of our conscience, zooming off on "night-flights to Hanoi" and returning with hums of praise to the courteous little brown men they met there and in the rice-paddies, so gentle, so wise. To put it bluntly, these people have been flacking for torturers: the Berrigan brothers, Ramsey Clark, Jane Fonda, Tom Hayden, Mary McCarthy, Cora Weiss, Susan Sontag and Dave Dellinger.

Ramsey Clark is typical. He took a quick trip to Hanoi visited the "Hanoi Hilton" POW camp—though not its notorious "Room 18"—and saw a few carefully selected and supervised POWS. Whereupon he burst into song. The treatment the POWs were receiving was humane and civilized, they were in marvelous shape, etc. And Clark is only one of a long parade of such flacks—visiting Hanoi, rushing home and into print with articles and books, cashing-in in a big way, hitting the campus lecture circuit and salting away top fees, bringing the news of the noble North to agog student audiences. Uncle Ho, the George Washington of his country, as George McGovern used to call him.

If you want a laugh, take a look at the Bulletin of Concerned Asian Scholars, a Maoist organ which is the academic version of the flacking operation noted above. All those noble Communists, so different from the corrupt Thieu, the corrupt Marcos, etc. The most recent issue includes some rather sentimental Communist poems, one by old Ho himself.

As a matter of fact, even in the context of the history of torture, the North Vietnamese approach seems rather far out. Col. Risner spent four years in solitary confinement. Col. Cherry, a black, was tortured for three months, was beaten five times a day, and spent 92 days in ropes and irons. We hear the grisly details of the rope-torture and the "jumbo irons," which caused feet to swell up like "elephant feet with little knobs as toes." Prisoners were tied on anthills. A broken arm was worked up and down "like a pump."

Compared with the North Vietnamese, the Greek colonels look like YMCA desk clerks. "No American" writes liberal columnist Harriet Van Horne, "can read Major Floyd Kushner's account of life in a Viet Cong prison camp and not be choked with pity—and rage. Dachau, Auschwitz, and the foulest prisons of our Civil War were not as vile—incredible as it seems—as the V.C. camps."

Tell us more, Ramsey. Let's hear from you, Dan and Phil and Susan and Mary, and you, you Concerned Asian Scholars.

MEDICAL EDUCATION NEEDS FEDERAL FUNDS

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1973

Mr. DRINAN. Mr. Speaker, although virtually every medical school in the country will be financially harmed by the budget cuts in Federal medical programs that the President proposes for fiscal year 1974, I have recently learned of one medical institution that offers a unique program that will be particularly threatened if these proposed reductions are allowed to take effect.

The Tufts University School of Medicine is unusual in that while it has one of the smallest operating budgets of any medical school, it has an unusually high enrollment. The Tufts Medical School relies heavily on Federal funds for its continued growth; if these funds are taken away this demonstrated program will necessarily be stifled.

Dr. Lauro F. Cavazos, the associate dean of the Tufts University Medical School, has submitted to me a statement outlining the program of Tufts and the tragic effect that the administration's budget cuts will have upon this program if enacted. I hope that my fellow Members of Congress will give close attention to the views of Dr. Cavazos:

SPEECH OF DR. LAURO F. CAVAZOS

It is indeed a privilege to be here this morning to share with you some of the problems which Tufts University School of Medicine is facing in the coming year. These problems will revolve around three areas: (1) medical education, (2) research, and (3) service. Tufts has an outstanding and distinguished faculty. Complementing this is an excellent student body—promising young people with keen minds and enthusiasm who are seeking a quality education in their chosen field of medicine. It is somewhat distressing for me to report that this combination of faculty and students is in jeopardy and may be unable to function maximally because of the potential loss of federal funds for a number of health and medical programs.

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[2] According to Mr. William E. Zeiter of the Philadelphia bar and a member of the Committee on Documents, steps are underway to amend section 1403 of the Commnwealth Documents Law so that the uniform rules of practice shall be governing except where a particular department or agency demonstrates, to the Committee's satisfaction, that a different procedural rule of its own would better serve the public interest with respect to a particular area or matter. Mr. Zeiter stated that the comprehensive uniform rules of practice were adapted from those currently used by the Federal Power Commission and the Securities and Exchange Commission.

Most medical schools have several sources of funds available for education and research. These include tuition, direct financial support from the University system itself, state funds, federal funding, money from hospitals or patient care, and endowment and gifts. Unfortunately Tufts University School of Medicine can rely only upon tuition, federal funds and gifts. In terms of an operating budget, Tufts has one of the smallest in the country; yet we are in the first quartile in terms of enrollment. There is no question that the quality of the medical student graduating from Tufts University is superior by any standards applied.

Our students draw internships and enter residencies in the best hospitals in the United States. Most of them go into direct patient care and offer superb service to their patients throughout the country. Others enter academic medicine and become excellent teachers and investigators.

If the federal funds that are being reduced continue to be cut at the rate they are going or are acelerated, the Tufts University School of Medicine will be in dire financial straits. We will be forced to alter or reduce teaching and research programs; we will have to let faculty go, and if this occurs we may have to reduce our enrollment in the School of Medicine. Thus if the federal funding situation does not improve, all of this will be necessary in order to keep our doors open. At the present time there do not appear to be funds available from other sources that can take up the slack in order to continue to be a productive medical school.

There is no question in anyone's mind that the quality and cost of health care are dependent upon three factors. These are: (1) the education of the physician, (2) research or the acquisition of new knowledge and information, and (3) the provision of the clinical care itself. I would like to discuss now, in a rather specific manner, some of the problems we are facing because of these financial cutbacks which will have major and serious impact upon the quality of education and the remarkable products of our research laboratories. First let me deal with the question of research. We must bear in mind that because of biomedical investigation, there has occurred reduction of many diseases, and, in fact, elimination of others. These results were greatly accelerated because of the funding of research by the Federal Government. There is little doubt, I submit, that strides we have made over the past two decades in the area of research have come to fruition because of Federal funding. It now appears that these will be cut so drastically that we will be unable to continue our current level of research activity at Tufts. The reduction of funding for research and for the support of our scientists could bring our continued advance over major illness and afflictions of man to a tragic halt. There are programs, of course, which are concentrating on cancer and heart diseases. But the solution to all disease problems including these mentioned has its discovery in the basic laws of the biological sciences. Such advances are likely to come about more rapidly from the efforts of many who are doing research on a variety of disease problems rather than upon concentration on two or three diseases.

Now let us turn to numbers of students enrolled. Within the past few years the shortage of medical manpower has emerged as one of national concern. The medical schools have responded to this problem and have been able to increase the number of physicians being educated by about 50%. This program and progress is just beginning to bear fruit and was possible only because of the massive assistance through federal funds—money for construction of educational facilities, training grants and special projects, to help gather about us faculty and funds to help support and give scholarship aid to our students. It now appears that all of these vital programs will soon have to be abandoned. One readily can imagine these effects. Let us consider some of the problems faced by a young medical student coming into a medical school of today. He arrives with a dedication to serve his fellowman through medicine. The one point that is constantly before him, as well as the faculty of the medical school, is the question of quality—how one retains quality in order to better serve his patients. All of us are aware of the cost of medical education. Although graduates can expect to earn a good living by American standards, it is too much to expect that a young person will have to add debts of somewhere between $30,000 and $60,000 before he can begin the practice of medicine. Thus the administration's intention to discontinue scholarship assistance means that the opportunity to study medicine at Tufts will increasingly be denied to all of those but the sons and daughters of the wealthy.

As you know, Tufts has been among the national leaders in the recruitment of minority and disadvantaged students into medical educational programs. Now this program is jeopardized. Under a laudable federal grant, steps were taken to see that these students also had an equal educational opportunity to prepare themselves to enter the health professions. At a time when these programs are getting underway we fear drastic cutbacks in these directions. Thus may be lost the science education, reinforcement and enrichment at college and medical school levels. Lost also is the recruitment of those young students from the local community who might be more likely to return to help with problems of health in their own community. With these changes there will disappear the potential to help some of the best minds of our young people in the solving of our problems of human disease.

The Medical School at Tufts University has made great strides in increasing the number of students enrolled. Our programs were planned, faculty recruited, facilities expanded, and students attracted. All of this was dependent upon federal funding and most importantly continued federal funding. Now, suddenly when increased numbers of students are on board, the administration, it appears, plans to cut off the funds which brought the students to Tufts. Also reduced perhaps is the money essential to the School's ability to employ the teachers and to otherwise operate the institution just on a day-to-day basis.

The quality of the physician depends upon the excellence of mind of the student who applies and is accepted. Further, quality also depends critically upon the need and kind of education received in the medical school. I must continue to remind you that the quality of education at Tufts University School of Medicine may be endangered by the administration's cutback.

Now let me recite the litany of what will happen if the federal funds are withdrawn at the Tufts University School of Medicine. First of all we will probably have to reduce the number of students that we educate in order to maintain quality. Secondly, the failure to support the special projects grant will mean that money to pay the additional faculty to educate additional numbers of physicians will be lost and we will have to terminate the appointments of some of our faculty. Thirdly, the abandonment of the training grant programs will also eliminate support of other faculty and some of these trainees, themselves in advanced learning programs, have been teaching medical students of the health sciences. The training grant program was directed to producing teachers for future physicians as well as other members of the health team and the reduction of the training grant program will have serious consequences upon our ability to educate students and future teachers of medicine. Finally, research will suffer and we are all aware of this consequence.

One of the truly revolutionary new directions in the delivery of health care in the past decade had its origin at Tufts in the development of neighborhood health centers. From this there resulted a new era of relationship to the medical schools to direct care in the community as well as the solution of problems of providing health services outside the teaching hospital. This brought about a re-evaluation of the delivery of primary and comprehensive health care throughout the country and because of this there has grown a new emphasis on the education of young people as physicians who will be delivering family care.

The record of Tufts in this area has been outstanding. Hardly a day passes that I do not see a young medical student who will come to my office to ask about the possibilities of learning family care medicine. Their interest in programs which Tufts has pioneered has attracted them to our school. Now we are concerned about our ability to maintain some of these programs and promises we have made to our students. The existence of all of these programs on the delivery of health care are threatened by the withdrawal of funds. Funds for the neighborhood health care center itself, funds for the medical school clinical centers that provided the medical services, and funds for the medical schools cooperating in education and service programs. Our future physicians cannot be adequately prepared to give primary family care and to be of help with community health problems if they cannot learn from and in conjunction with the people of the community,

Support of research, as I have already mentioned, is one of the oldest of the Government's achievements in the health care field. As a result, the United States has literally given the people of America as well as the world marked advances so that polio no longer cripples or kills thousands, so that tuberculosis is no longer the tragic killer that it once was, so that a whole generation of anti-biotics has resulted in control of rheumatic fever, pneumonia and other infections, and so that the artificial kidneys keep people alive until new organs can be transplanted. All of these benefits, and countless more, have come about because of the contributions from the biomedical research laboratory. Now some of the laboratory doors at Tufts may have to be closed. Research teams that took a generation to gather will be scattered and will not easily be brought together even if the funds were made available in the near future. This is truly a rather bitter harvest for us to accept.

At Tufts we will now have to plan almost as for a disaster situation; we must ask how do we maintain the quality of our faculty and their numbers, how do we maintain an educational program of quality and how do we do our research?

So, to summarize, for right or for wrong, for better or for worse, the federal funds have become vital to the existence of Tufts University School of Medicine and we feel that in turn Tufts is making an essential contribution which is significant to the health care of the American people. Our alternatives are few and so we must look to the federal funding programs.

There is no question, I submit, that periodic review of all federal support programs is necessary and essential if we are to maintain direction and priority of programs identified as vital by the American public, voted by the Congress and administered by the President. Thus, through their orderly process, maximum effectiveness and efficiency of federal funds can be assured. In closing I would like to emphasize that abrupt and wholesale abandonment of federal funds in the health care field will have inevitable tragic effects on Tufts University School of Medicine and on the health care provided for many of our citizens.

HOUSE OF REPRESENTATIVES—*Monday, May 14, 1973*

The House met at 12 o'clock noon.

Rev. Bob Turnbull, "Chaplain of Waikiki Beach," Honolulu, Hawaii, offered the following prayer:

Dear Heavenly Father, it is with thanksgiving that I recall Your inspiration to one of our queens in Hawaii wherein she wrote a hymnal prayer, "O Kou Aloha No Aia I Ka Lani A O Lou Oia I Oo He Hemolele Ho'i." We thank You Lord that we understand it to mean, "O Lord Thy loving mercy is high as the heavens. It tells us of Thy truth and 'tis filled with holiness." May Your holiness be the holiness of all of us in this room today. We are thankful that Your eternal strength can be our assurance and our guidance. We love You because You first loved us. Aloha Ke Akua.

God bless us all. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Marks, one of his secretaries.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate agrees to the amendments of the House to a bill of the Senate of the following title:

S. 721. An act to authorize appropriations for the Indian Claims Commission for fiscal year 1974, and for other purposes.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 70. An act to promote commerce and establish a Council on Energy Policy, and for other purposes;

S. 1002. An act for the relief of Giuseppe Paul Pinton;

S. 1752. An act prescribing the objectives and functions of the National Commission on Productivity and Work Quality; and

S. 373. An act to insure the separation of Federal powers and to protect the legislative function by requiring the President to notify the Congress whenever he, the Director of the Office of Management and Budget, the head of any department or agency of the United States, or any officer or employee of the United States, impounds, orders the impounding, or permits the impounding of budget authority, and to provide a procedure under which the Senate and the House of Representatives may approve the impounding action, in whole or in part, or require the President, the Director of the Office of Management and Budget, the department or agency of the United States, or the officer or employee of the United States, to cease such action, in whole or in part, as directed by Congress, and to establish a ceiling on fiscal year 1974 expenditures.

THE REVEREND BOB TURNBULL, CHAPLAIN OF WAIKIKI, LEADS HOUSE IN OPENING PRAYER

(Mr. MATSUNAGA asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. MATSUNAGA. Mr. Speaker, it was my distinct pleasure to arrange for the Reverend Bob Turnbull, Hawaii's "Chaplain of Waikiki Beach," to deliver our opening prayer for this legislative day. To the best of my knowledge, Reverend Turnbull is the first minister from the State of Hawaii to offer a prayer in the U.S. House of Representatives.

Because of his dedicated service, not only to the people of Hawaii, but also to our large transient population of tourists, military personnel, and the so-called street people, Reverend Turnbull was officially designated the "Chaplain of Waikiki Beach" by Gov. John A. Burns. He is the founder and president of World Resort Chaplaincies, an evangelical, nondenominational, nonprofit corporation. In connection with his ministry, he founded "Sun and Soul Talk," a worship service held every Sunday morning on Waikiki Beach, and established Hawaii's only 24-hour emergency hotline telephone service. In addition, Reverend Turnbull serves as a chaplain to the Honolulu Police Department and works with the Army's chaplains to serve military personnel and their families in Hawaii. Ordained a Lutheran, of Chippewa American Indian ancestry, a former track star, he is an active member of the Fellowship of Christian Athletes.

Reverend Turnbull is just winding up a highly successful tour with the Defense Department's joint civilian orientation program, during which he toured military bases throughout the Nation. I invite my colleagues to avail themselves of this opportunity to visit with him, and to thank him for his inspiring opening prayer.

Mr. LANDGREBE. Mr. Speaker, will the gentleman yield?

Mr. MATSUNAGA. I yield to the gentleman from Indiana.

Mr. LANDGREBE. Mr. Speaker, I would like to join my good friend and colleague from Hawaii in extending a warm welcome to Reverend Turnbull, who gave the invocation for us today.

As one of the very few Lutheran Members of the House of Representatives, I am particularly pleased to join my friend from Hawaii in extending an enthusiastic welcome to Reverend Turnbull.

Also, I wish to say thank you to Reverend Turnbull for coming all the way from Hawaii to bring to us God's blessing.

Mr. MATSUNAGA. Mr. Speaker, I thank the gentleman from Indiana for his remarks.

THE HONORABLE ROBERT F. FROEHLKE

(Mr. MONTGOMERY asked and was given permission to address the House for 1 minute.)

Mr. MONTGOMERY. Mr. Speaker, I would like to take this opportunity to mention a few thoughts on the achievements of the Honorable Robert F. Froehlke, Secretary of the Army, who is resigning his position on May 15. Secretary Froehlke first joined the Defense Department in January 1969 as Assistant Secretary of Defense for Administration. He remained in this position until July 1971, at which time he was confirmed as Secretary of the Army following the Honorable Stanley Resor. Mr. Froehlke's contributions as an administrator, and more specifically, in his role as coordinator of all defense intelligence resources, are well known to the House. I would like to focus on an area for which he has been less known, perhaps, but which will have enduring impact on the Army of the future. Secretary Froehlke has been with the Army in a difficult period of transition. While reducing reliance on the draft as a source of its manpower and suffering the disaffection inherited from the Vietnam conflict, the Army needed inspired leadership to regain its confidence and move toward a volunteer force. Secretary Froehlke not only provided that leadership but clearly recognized that a volunteer Army could succeed only if its soldiers were properly motivated and challenged by meaningful tasks. Secretary Froehlke's commitment to job satisfaction and improved interpersonal communication has resulted in an Army where men and women have an enhanced opportunity to serve with decency, dignity, and personal satisfaction.

CAN GENERAL HAIG LEGALLY AND ETHICALLY SERVE TWO MASTERS?

(Mr. MOSS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MOSS. Mr. Speaker, the entire country is watching the Watergate imbroglio unfold in an atmosphere of disquiet, disbelief, and disillusionment. In the process of developing all the evidence, Congress has an obligation to insure that other vital portions of our governmental process are not compromised in the name of repairing already existing damage. Such a situation has already come into being concerning the roles being played by one of our highest ranking military people.

As a result of Mr. Haldeman's White House exit, the President has reached up to top Pentagon command levels, naming Gen. Alexander Haig, Jr., as his replacement. Haig, a professional Army officer, has already stated publicly that he will remain in service. In his mind, therefore, and in the public eye, he is first and foremost a professional military person. In his new position, he serves as the controlling force over who sees the President and what information reaches our Chief Executive. It is also commonly recognized that this position carries with it a policymaking function, complete with sensitive political duties.

This may be a serious violation of long established rules of conduct governing any military role in our delicately balanced civilian political process.

Section 973(b) of title 10 of the United States Code, states, as follows:

> Except as otherwise provided by law, no officer on active duty list of the regular Army, regular Navy, regular Air Force, regular Marine Corps or regular Coast Coast may hold a civil office by election or appointment whether under the United States, a territory or possession or a state. The acceptance of such a civil office or the exercise of its functions by such an officer terminates his military appointment.

Can a professional military officer, presently serving as Vice Chief of Staff of the U.S. Army, be brought into the White House at this juncture to serve in such a capacity? Can he occupy such a political position? Does he not compromise his military status and our national political process both in and out of the White House while crossing that clearly defined line dividing the professional military from involvement in civilian affairs?

Can he, in conscience and legality, continue as a four-star general officer on full active duty status in our Armed Forces? Does he not have to resign or retire to an inactive status from that service in order to assume such a political civilian position? Can he reenter our Armed Forces at some later date without being compromised by his new functions? Has the President violated basic rules governing civilian-military relationships by this action?

There have been previous military appointments to the White House staff. Never, however, has a precedent of this kind been set.

Our people and the Congress deserve swift, no-nonsense answers to these pressing questions. Each has significant bearing on present and future events. Mere denials and pablum-coated disclaimers will not suffice here. Upon inquiry, I am informed that the Comptroller General of the United States can and should deliver a ruling. Accordingly, I have directed a communication to Mr. Staats, requesting just such an opinion. Until such a disposition is made, I do not believe it is correct, proper or fair to the Nation for General Haig to function in his present post. Scandal and crime, even of the proportions we confront today at top Government levels, are no excuse for a response in the name of emergency that violates more elementary rules.

America has never tolerated military interference in civilian rule. Nor has it tolerated compromised military officers in sensitive posts. Ample precedent exists for this line of inquiry, commencing with General Wilkinson in the Aaron Burr conspiracy and continuing in unbroken continuity to President Truman's dismissal of General MacArthur. Before this situation becomes permanent by default, these questions must be answered.

The text of my letter to the Comptroller General follows:

HOUSE OF REPRESENTATIVES,
Washington, D.C., May 1, 1973.

MR. ELMER B. STAATS,
Comptroller General of the United States, Washington, D.C.

DEAR MR. STAATS: As the Watergate revelations unfold, questions of propriety and boundaries of authority constantly come to the fore. These touch upon more than the roles played in such events by individuals and government agencies. You have it within your purview to answer several questions I believe must be raised at this juncture.

As a result of Mr. Haldeman's resignation from the President's staff, Mr. Nixon has brought into that position General Alexander Haig, Jr., who until very recently has been serving as vice chief of staff of the U.S. Army. Presently he is performing Mr. Haldeman's functions.

Haldeman was both policy maker and political operative, handling an extensive variety of unique tasks. General Haig is a four-star general on full active duty status. He has publicly announced that he has no intention of leaving professional military service, and continues to enjoy military salary and rank status.

Questions are therefore raised of the most pressing nature. Is this appointment a violation of long established rules of conduct? Can a career military officer of such high rank, function and intentions be brought to the White House to serve in such a sensitive political position? Can he, in light of these questions, continue to serve as a general officer in the armed forces of the nation?

Does he not have to resign from the service or place himself on inactive status in order to perform such functions? Does he not, by these actions, cut himself off from any return to previous duty? Has the President violated statutory rules of long standing governing military-civilian relationships by this action?

I refer particularly to Section 973 (b) of Title 10 of the U.S. Code, which states:

"Except as otherwise provided by law, no officer on the active duty list of the regular Army, regular Navy, regular Air Force, regular Marine Corps or regular Coast Guard may hold a civil office by election or appointment whether under the United States, a territory or possession or a state. The acceptance of such a civil office or the exercise of its functions by such an officer terminates his military appointment."

In light of the constantly evolving circumstances surrounding the Watergate scandals, definitive answers to these questions are vital. I urge you to render your opinions as swiftly as possible so the Congress may understand legal questions involved and so our people may be informed.

Until these answers are forthcoming, as I have already indicated in comments prepared for the House floor, I do not believe General Haig can properly function. His status therefore awaits clarification from you.

Sincerely,

JOHN E. MOSS,
Member of Congress.

PROGRESS REPORT FROM THE REPUBLIC OF CHINA

(Mr. STRATTON asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. STRATTON. Mr. Speaker, last week I had the privilege of joining with other Members in paying tribute to the great job being done by the Republic of China on the island of Taiwan. At that time I pointed out that the remarkable progress being made there today by the Nationalist Government was another strong reason why we in the United States should never do anything that would have the effect of determining the future of Taiwan on the basis of any considerations other than the freely expressed wishes of the people living there.

To reinforce my statements about this remarkable progress I include for my colleagues to read a most informative news report which appeared in the New York Times yesterday:

[From the New York Times, May 13, 1973]

CHIANG'S SON SETS PACE IN TAIWAN—INFORMAL STYLE MARKS HIS FIRST YEAR AS PREMIER

(By Donald Shapiro)

TAIPEI, TAIWAN, May 12.—In his first year as Premier, President Chiang Kai-shek's elder son, Chiang Ching-kuo, has introduced a new style into domestic politics.

Few of his predecessors in major offices traveled much outside Taipei, the capital, except to vacation in the mountains or preside at the opening of a public works project. But the younger Chiang, often exchanging the standard bureaucratic dark suit for sports shirt, has made a point of visiting small cities, farm villages and provincial universities. He seems far more comfortable mingling informally with people to discuss specific problems than he does on ceremonial occasions.

The relative visibility of his administration has contributed to the more favorable public image that the 63-year-old Premier has acquired since his appointment by his father in May last year.

Although Mr. Chiang had held Cabinet-level positions since 1965, before becoming Premier he was widely regarded as an enigmatic figure. He was overshadowed by his father, and the public's impression of him was colored strongly by his long association with the unloved secret-police apparatus and by the 12 years he spent in the Soviet Union as a young man.

Although he still appears rather staid and colorless as a personality, he has been gaining a fresh reputation as a firm administrator who has turned the Government's attention to some nagging, long-neglected problems. Some critics still complain that the Premier has not gone far or fast enough in promoting governmental reform, but there is general agreement that considerable progress has been made.

For example, he is given credit for easing tensions between the majority Taiwanese and the natives of the Chinese mainland who have dominated the Government.

Premier Chiang won himself increased goodwill on taking office by appointing and unprecedented number of native Taiwanese to Cabinet positions. Welcomed particularly was the selection of a Taiwanese civilian to serve as governor of Taiwan province, a post always held in the past by a mainlander, usually a military man.

The Premier's visits to the countryside have also helped broaden his support among Taiwanese.

He has also won praise for promoting increased honesty and efficiency in Government The Premier promulgated a set of stringent regulations early in his term, and soon proved that they were to be taken more seriously than past pronouncements.

DOZENS CONVICTED

Several dozen officials, including high-ranking officers in the previously sacrosanct security agencies, were convicted in a smuggling case, and last week a former personal secretary to President Chiang was arrested on charges of accepting bribes while directing the Government Personnel Bureau.

Civil servants have been prodded into giving speedier and more courteous service to citizens dealing with the Government.

Premier Chiang's Government has substantially increased spending on education. It has also prepared a multi-faceted program to boost agricultural production, which has been lagging, and to raise the incomes of farmers, who have complained in recent years that they have not shared in Taiwan's prosperity to the same extent as the urban population.

An antipoverty program has been considered by social workers as flawed in content but significant as a sign of heightened Government concern with social welfare. At the same time, spending has been reduced on construction of Government buildings and the military budget has been tightened.

A JUDICIAL FIASCO—ELLSBERG-RUSSO TRIAL

(Mr. FISHER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FISHER. Mr. Speaker, the entire Nation must be greatly disturbed about the terrible miscarriage of justice in the abortive trial of Daniel Ellsberg and Anthony Russo.

These two defendants were duly indicted by a Federal grand jury for stealing, photographing, and disposing of classified Government-owned documents involving national security, and of espionage—very serious offenses under our criminal laws.

After a lengthy trial, U.S. District Judge W. Matt Byrne, Jr., dismissed all charges and did so in a manner deliberately designed to prevent any reindictments or retrials.

According to the press there was an abundance of evidence, by admissions and otherwise, to support the indictment. But the judge in his dismissal order claimed the Government had engaged in a series of improprieties in investigations of the defendants, both before and following the indictments.

Mr. Speaker, it would appear the judge had valid reasons for his criticisms. But the judge should have seen to it that the tail did not wag the dog. This was not a trial of any who participated in the investigation. This was a trial of two mature men, apparently mentally responsible for their deeds, charged with the commission of serious crimes. They have been summarily released without a jury having had an opportunity to resolve the issues raised and a chance to determine their guilt or innocence.

From all accounts, the manner of the trial and its conclusion was a plague on the Government prosecutors, the defendants and their lawyers, and the Federal judge who presided. The innocent public must suffer for these outrages against the administration of justice.

ORGANIZED CRIME CONTROL ACT OF 1970

(Mr. HUTCHINSON asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. HUTCHINSON. Mr. Speaker, I have today introduced an amendment to title XII of the Organized Crime Control Act of 1970—Public Law 91–452. Title XII established a National Commission on Individual Rights. The amendment I propose would, among other changes, broaden the scope of responsibility of that Commission.

As originally created, the National Commission on Individual Rights was directed to study Federal laws and practices relating to a number of new criminal statutes, including those dealing with special grand juries, dangerous special offender sentencing, electronic surveillance, bail and pretrial detention, no knock search warrants, and collection of data on individuals by the Federal Government. The amendment I offer would include the aforementioned subjects, with the exception of electronic surveillance, as well as provide for a study of court decisions, certain legal restrictions on police and prosecutors, evidence, trial delay and collateral review of Federal and State criminal proceedings. These difficult areas of criminal law, practice and procedure merit careful evaluation. The problem of electronic surveillance will be studied by a separate Commission, established by the Omnibus Crime Control Act of 1968, but not yet formed.

The amendment I offer would also shorten the life of the Commission from 6 to 3 years. Finally, the Commission would be renamed the National Commission on Individual Rights and Personal Security.

The Commission will be composed of 15 members, 4 each from this House and the other body, and 7 members appointed by the President. It will have broad operational powers including the power to subpena and to grant immunity from prosecution to witnesses in certain circumstances.

I have great hope and expectation that this Commission on Individual Rights and Personal Security can assist all of us wisely and prudently meet the serious challenge of crime.

OUR PRAYERS GO WITH SKYLAB ASTRONAUTS

(Mr. HUDNUT asked and was given permission to address the House for 1 minute, and to revise and extend his remarks and include extraneous matter.)

Mr. HUDNUT. Mr. Speaker, over the weekend, I journeyed to New Lebanon, N.Y., where the Darrow School, a small independent boarding school situated on a lovely pastoral campus which used to be the site of a Shaker community, is located. We had a board of trustees meeting, and one of the members of the board who could not attend was the astronaut, Charles "Pete" Conrad, because he was at Cape Kennedy preparing for the launching of the new Skylab today.

Pete graduated from Darrow in 1949, I in 1950. I followed him to Princeton University where he was class of 1953, I of 1954. So we have been friends for a long time. Way back when we were teenagers, Pete evinced a remarkable mechanical skill, a great competitive spirit, fine qualities of leadership, intelligence, discipline, ingenuity and courage, that we all knew would carry him far in life. But we never dreamed how far. All the way to outer space during the Gemini series of space shots, all the way to the Moon during the Apollo flights, and now he's off again, with the new Skylab program.

I know I speak for every Member of the House when I wish this great American hero—and the two astronauts who are accompanying him, Joseph Kerwin and Paul Weitz—a great voyage and safe return. We are proud of them. We are grateful for men like them who have helped our country push back frontiers and crack barriers and discover new horizons. They represent what is best in the American spirit. We know that the astronauts are only a tiny visible portion of a huge team of scientists and civilian and military experts, who have combined their talents and resources to bring America's space program, as authorized by the American people through the Congress, to this newest point of fulfillment, and we are indebted to that entire team.

So now all systems are "go." The Skylab is due to be launched today at 1:30, with the three astronauts going up to rendezvous with it tomorrow. It is a promising and exciting moment in our country's history. Let us hope that all goes well with the launching and orbiting of this largest and most complex space machine ever. And let us follow these three brave men with our own thoughts and prayers, grateful for who they are and what they stand for, and confident of what they will accomplish on their trip for the advancement of knowledge and the good of mankind.

COLORADO RIVER BASIN SALINITY CONTROL ACT OF 1973

(Mr. HOSMER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. HOSMER. Mr. Speaker, when early explorers first gazed upon the Colorado River, they saw a virgin river of incredible beauty flowing through an arid and thirsty region. As the era of western exploration ended and an era of settlement began, westerners came to view the waters of the Colorado with the same mixture of reverence and pragmatism that the ancient Egyptians held for the Nile.

During the past century, billions of dollars and man-hours have been invested in developing the water resources of the Colorado to underpin the tremendous growth of the seven-State Colorado River Basin. Today it can be said without exaggeration that the Colorado River is the lifeblood of the West.

Thus it is with the importance of this great river in mind that today I call attention to a serious threat to this resource, a threat that menaces the future of the entire Southwest. Heretofore our primary concern has been with the quantity of the waters of that river which may be put to beneficial consumptive use by the millions of persons who populate the basin. To enhance these supplies we have created the greatest system of waterworks that man has ever known.

But now, increasing levels of salinity in the Colorado River cast a cloud on the quality of water for western agricultural, industrial, and municipal uses. They also threaten relations with our sister Republic, Mexico. Water quality is now emerging as our prime problem on the Colorado River and in the Colorado River Basin.

These rising salinity levels first became obvious in the mid-1950's, when Colorado River salinity at Imperial Dam was gaged at about 560 parts per million. This level grew to more than 800 parts per million by 1960 and to approximately 900 parts per million in 1970. If no action is taken, we can expect these salinity levels continually to increase to 1,150 parts per million by 1980, 1,200 parts per million by 1990, and more than 1,300 parts per million by the turn of the century. If this is permitted to happen, the quality of life and the level of economic development in the Southwest will be deteriorated and endangered.

An example of the importance of irrigation to agriculture in the West can be seen in the Imperial Valley of California. On less than a half million acres of land, Imperial Valley growers annually produce nearly $260 million worth of crops and livestock. Every acre and every dollar of yield is directly dependent upon irrigation. During 1970, the Imperial Valley Irrigation District distributed some 2.7 million acre-feet of irrigation water through more than 3,000 miles of canals.

This miracle of modern agriculture in the Imperial Valley and elsewhere in Colorado River water service areas is now threatened by increasing salinity. Between 1953 and 1970, the salt content in irrigation water flowing to the Imperial and Coachella Valleys through the All-American Canal increased by more than 35 percent. Today, this salt load constitutes nearly 1.3 tons of salt per acre-foot of irrigation water. This means that a cotton farmer irrigating 160 acres with a total depth of 8 feet of irrigation water per growing season will have 1,600 tons of dissolved solids from the Colorado River deposited on his land. The seasonal fluctuations in river salinity are such that the poorest quality water comes to these farms at the very time that winter crops are germinating and virtually every type of seed is particularly vulnerable to salt damage.

Similar situations exist in other irrigated areas of the West where Colorado River water is vital to crops and livestock. In recent years, irrigators have made Herculean efforts to deal with this problem, but the increasing salt levels threaten to overwhelm them. In an era when America's food-producing capacity is more vital than ever, it is imperative that we make every reasonable effort to protect and enhance our agricultural strength.

The long-range effects of this quality deterioration of the river on municipal water supplies have been demonstrated dramatically by costly experiences of the Metropolitan Water District of Southern California. The MWD is the largest public drinking water distributing agency in the region. Its experience and research has established that the total dissolved minerals—or salinity—in water relate directly to the corrosion rates of most common metals. The MDW's maintenance problem became so serious that a materials testing program had to be initiated several years ago to cope with it. Tests revealed that higher quality corrosion resistant materials will be needed for future installations. These will severely and adversely affect consumer costs for water.

The last user of Colorado River water before the river enters the Gulf of California is our southern neighbor, the Republic of Mexico. In threatening their water supplies for irrigation and other uses, the salinity problem casts a shadow over future political relations between the United States and a nation whose friendship we have long valued. We owe it to our future and theirs to view the international implications of this matter with the same serious concern that we view its domestic effects. We owe them, and they owe us, full cooperation in solving the problem.

It is with all of these factors in mind, Mr. Speaker, that I join my esteemed colleague, the gentleman from California (Mr. Johnson), and nearly 3 dozen other Representatives in cosponsoring the Colorado River Salinity Control Act of 1973. This legislation is similar to H.R. 17009 and H.R. 17015 in the 92d Congress. It is modeled after a salinity control program suggested by the Bureau of Reclamation and the Environmental Protection Agency to remove 400,000 tons of salt per year. It enjoys the support of all seven Colorado River Basin States and is cosponsored by Congressmen representing six of them.

If this measure becomes law, projects would be undertaken to control naturally occurring saline waters of La Verkin Springs, Utah, the tributary Dolores River in Paradox Valley, Colo., and saline water resulting from irrigation activities in the Grand Valley, Colo.

I strongly urge prompt and favorable consideration of this measure.

SPECIAL REPORT ON "NEW APPROACHES TO FEDERAL DISASTER PREPAREDNESS AND ASSISTANCE"—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 93-100)

The SPEAKER laid before the House the following message from the President of the United States; which was read, and together with the accompanying papers, referred to the Committee on Public Works and ordered to be printed:

To the Congress of the United States:

I am transmitting to the Congress today a special report on "New Approaches to Federal Disaster Preparedness and Assistance." The report presents the findings of a comprehensive 8-month long review and study of this subject by a joint task force of the Office of Emergency Preparedness and the Office of Management and Budget.

The Disaster Preparedness and Assistance Act of 1973, which I proposed to the Congress on May 8th, builds upon the findings of this report and the broad practical experience we have gained in the many and various disasters since enactment of the Disaster Relief Act of 1970 (PL 91-606) This legislation would strengthen our ability to reduce future losses due to disasters, as well as improve our response and assistance when disasters occur. It calls for greater sharing responsibility and action between all levels of government to insure prompt, adequate and humanitarian response in time of disaster.

The report transmitted herewith provides convincing evidence of the need for the initiatives included in my new disaster legislation, and I urge your close attention to it.

RICHARD NIXON.

THE WHITE HOUSE, *May 14, 1973.*

SMALL BUSINESS WEEK

The SPEAKER. Under a previous order of the House, the gentleman from Alabama (Mr. EDWARDS) is recognized for 5 minutes.

Mr. EDWARDS of Alabama. Mr. Speaker, President Nixon has designated May 13 through May 20 as Small Business Week. I join in this salute to the heart of our economy, the small business. There are over 8 million small businesses in America, providing 35 million jobs, or 44 percent of our employment. These firms contribute over $420 billion to the gross national product, or 37 percent. It should be remembered that many of our farms fit in the small business category.

The free enterprise system is alive and well in the small businesses of America. The concept of small business means opportunity for people who are willing to combine hard work with ambition, initiative and ability. In the First District of Alabama, as elsewhere in the Nation, small businesses are the economic backbone of the cities and towns.

I am taking this opportunity to introduce a bill which will assist businesses by untangling some of the redtape which emanates from the Occupational Safety and Health Act of 1970. Small businesses know that job safety is good business, and they work hard at providing maximum safety. But small firms often are faced with hundreds of vague rules and regulations which require an army of lawyers and accountants to decipher. The same broad enforcement meat-ax is used against small and giant businesses, when the safety problems are often totally different.

The bill I am introducing today calls for technical help to small firms to assist them in complying with OSHA. It requires the Secretary of Labor to distinguish between reasonable and unreasonable standards and to rescind those found to be unreasonable or with which compliance is impossible for a small firm. It states that a small business will have at least 30 days to correct an alleged violation before any penalty can be exacted. These are just the highlights, but the overall purpose is simple: To inject reason and fairness into what has at times been an unseeing, counterproductive program.

There are many other areas toward which the Congress should direct its attention in order to put small business on an equal footing with big business. Across the board, we should endeavor to cut unnecessary red tape and stop the proliferation of laws which form a thicket of incomprehensible rules and regulations, requiring costly "expert" help to traverse. Our tax reform and tax simplification efforts should bear in mind the needs of small businesses and farms.

The Federal Government must follow the lead of small businessmen and get its fiscal affairs on a sound business footing. The crunch of Government spending-induced inflation falls particularly hard on the small business and farm.

An area which is often overlooked, but which should be closely scrutinized by Congress, is that of providing equal access to Government contracts. Small businesses should be encouraged to apply their thrift and know-how to Government business. Recently a small businessman in my district out-bid his larger competitors for a Government contract by such a large margin that he was greeted with disbelief and a hesitancy to award him the contract. But through determination and persistence, he has stepped over or around every postbid hurdle that was erected, and it now appears that he will be awarded the contract at a very significant savings to the Government. If more small businesses were encouraged to compete for Government contracts, many of the cost overruns and inflated prices that we find today might be avoided.

Mr. Speaker, we can all take pride in the contributions which small businesses are making to our Nation. I certainly salute the accomplishments of the many small businesses in my district. It is the responsibility of Congress to see to it that our laws are written in such a way that small businesses are given the opportunity to continue their work unencumbered by unnecessary regulations. In short, we need fair play and reason in our laws so that small businesses get an even shake. If they get that, the small businessman will take care of the rest.

HAPPY BIRTHDAY SPEAKER ALBERT

The SPEAKER. Under a previous order of the House, the gentleman from Ohio (Mr. CARNEY), is recognized for 5 minutes.

Mr. CARNEY of Ohio. Mr. Speaker, recently, I received a letter from my aunt, Mrs. Mary C. Pickard of Los Angeles, Calif., reminding me of your birthday last Thursday, on May 10. Accordingly, I extend my very best wishes to you for a "Happy 65th Birthday."

OSHA REGULATION AND EPA CONTROLS

The SPEAKER. Under a previous order of the House, the gentleman from Georgia (Mr. MATHIS), is recognized for 10 minutes.

Mr. MATHIS of Georgia. Mr. Speaker, once again we in Congress are confronted with a regulatory agency of Government unilaterally deciding what is good for our constituents based on sheer emotionalism rather than commonsense practicality.

I am speaking of the new proposed regulations published by the Occupational Safety and Health Administration concerning temporary standards for exposure to pesticides by farmworkers. Basically, the proposed regulations stipulate that farmworkers may not reenter a field or orchard following a pesticide application for a period of 2 to 14 days, depending on which chemical was used.

It is not bad enough that OSHA is in the process of completely destroying small businesses in this country with their overzealous regulations, but now, with the help of the Environmental Protection Agency, they are committed to the annihilation of our farming community.

I deeply resent the implication that a group of bureaucrats, some of whom have never seen a farm, can dictate to my constitutents when they can go into their own fields and I am strongly protesting this action by the agency. A prime example of the complete irrationality of these regulations is that in one case where workers cannot enter a field for 2 days, the Food and Drug Administration regulations state the fruit grown in this same field can be eaten within twelve hours after the application of the named pesticide. I challenge any Member of this House to show me the rationality in this decision.

I further feel that the information supposedly substantiating these proposed regulations was taken completely out of context, and I challenge the validity of the figures as they were interpreted by both the Occupational Safety and Health Administration and the Environmental Protection Agency.

Mr. Speaker, this situation is only one in a myriad that have been thrust among the citizens of this country, and I would appreciate someone in these agencies informing me who gave them the complete authority to render such decisions, which I steadfastly feel were not the intent of Congress.

Mr. Speaker, because so much emphasis has been placed on pollution control and environmental protection in the last few years, I would like to share with my colleagues an editorial that was written by the president of the Farmington River Watershed Association in Avon, Conn. I feel that his remarks are based on sound judgment and are extremely timely:

AN EDITORIAL: ENVIRONMENTAL OVERKILL?

"Hell hath no fury like an aroused environmentalist!" When the slowly developing groundswell of environmental concern suddenly crested and broke 4 years ago, we gave scant attention to the significance of this expression. Today the significance is much clearer and raises some real questions over the wisdom of our actions in the past several years. Have we in fact over-reacted to the threats of environmental destruction to the point where normal progress halts and society in general suffers? There is enough good evidence to reasonably support this conclusion.

Take for example the performance of government environmental control agencies. Five years ago most if not all of the Federal, State and local environmental agencies didn't even exist. Then the public clamor for a police force to set and enforce pollution abatement standards created among others the Environmental Protection Agency, the President's Council for Environmental Quality, state Departments of Environmental Protection and many local environmental commissions. One very obvious result has been the formation of immense bureaucratic organizations each with its own precisely detailed organization chart. Study after study has been initiated, some apparently to study earlier studies and all to scientifically define the problem and prepare action plans. In the meantime most effective action has either stopped or slowed to a crawl. Connecticut is a prime example. Under the old Water Resources Commission working with the authority passed out by the 1967 Clean Water Act, Connecticut had one of the most effective water pollution abatement programs in the country. Today under the ponderous Department of Environmental Protection, formed as a result of public demand for a Super Department, the water pollution abatement effort languishes. Permit applications aren't being promptly processed. Water quality monitoring has all but ceased as have field investigations. Response to requests for specific action has been difficult to get. Have we in our impatience to stop generations of environmental degradation, overreacted and created a series of monsters which are stifling useful progress?

What about our present energy crisis? In the past 5 years the environmentalist has led the assault on construction of power generating stations, drilling and transmission of gas and oil and mining of coal. Certainly these activities have frequently been performed in the past without regard for the environment. And yet the present mood of militantly opposing all construction of energy facilities without consideration of compromise will impose an increasingly onerous burden on society with environmental benefits of questionable magnitude to justify the cost.

And finally the image of a pure and natural environment has been linked to the Holy Grail in the eyes of many citizens. The fervor and conviction with which they seek this idyllic system permeates our entire local community decision making process. While admittedly environmental features have traditionally received perfunctory consideration on decisions involving zoning, development, recreation, roads, schools, housing and the like, the newly aroused concern of self proclaimed "environmentalists" has swung the pendulum to the other extreme. The result has been increasing difficulty, often bordering on impossibility, for local communities to accomplish anything that even remotely touches the environment.

With over-zealousness to preserve our natural environment we can and perhaps already have brought about an overkill of the problems. This can have no other result than to stifle social and environmental progress. We must keep this in mind constantly and insist that the environmental improvement is sponsored and guided by responsible and informed individuals and organizations who can promote constructive action.

NIXON'S BUDGET CUTS INCREASE SHORTAGE OF DOCTORS

The SPEAKER. Under a previous order of the House, the gentlewoman from New York (Ms. ABZUG) is recognized for 10 minutes.

Ms. ABZUG. Mr. Speaker, the administration's proposed budget cuts and withholding of already appropriated funds hurt not only the poor but every citizen, at every income level.

The national shortage of doctors is already a cause of concern to rich and poor alike. High fees, long delays in getting appointments, and the disappearance of house calls affect all who become ill.

Yet — incredibly — the administration has cut grants to train new doctors and research specialists, and is refusing to provide money already promised. Two medical schools in Washington, D.C., after setting up facilities to increase the Nation's supply of physicians, now find themselves stranded.

The vice president of George Washington University's Medical Center laments, "I never dreamed it would happen." But it has happened, as detailed in a Washington Post story which I would like to insert into the Record:

[From the Washington Post, May 14, 1973]

Fund Woes May Shut Two Medical Shools

(By Stuart Auerbach)

George Washington and Georgetown universities' medical schools are in such serious financial shape that they say they will close if they do not get substantial federal aid.

George Washington, which says it will not have enough money to continue operation beyond next March if it doesn't get $2 million in federal funds, no longer replaces faculty members who leave. Georgetown has gone further: it has fired some faculty members of its medical and dental schools.

"There's no doubt that Georgetown will not operate a second-rate medical center," said Matthew F. McNulty, Jr., executive vice president for medical center affairs.

"If quality medical education is eliminated or reduced, Georgetown would elect to say either the city or some other body should operate the school or it can be closed down."

He said the decision to close Georgetown "is no more than two years down the road."

At George Washington, Dr. James Feffer, dean and vice president for medical affairs, said, "Is it a serious option to close the school? You are darn right. We can't operate without money."

The two Washington medical schools are caught in a double bind. Like other medical schools across the country they are being hurt by federal cutbacks in health expenditures, especially the elimination of training grants and decreases in money available for general research programs.

But more important, both schools were refused distress grants from the federal government that they thought the Nixon administration had guaranteed them three years ago. Administration spokesmen deny they guaranteed the schools the money.

They are to appeal the decision of a National Institutes of Health advisory council Monday. Feffer says he needs an answer by Thursday, when GW's board of trustees meets. McNulty has an additional week before his trustees meet.

Georgetown needs $2.8 million for its medical and dental schools, with almost $2 million going to the medical school. George Washington needs $2 million.

Both schools had assumed they would get the federal money and had included it as income in their budgets. For each school the money is a substantial part of the medical school budgets, which run about $12 million a year at each school.

Neither of the universities has large enough endowments to carry the medical school's deficits, officials say. George Washington says it has no way to get the money from other sources; Georgetown says it can sell stocks whose dividends are used to provide scholarships for poor and minority group students.

Tuition at both schools runs $3,000 a year, but the cost of educating a medical student is $7,000.

Part of the deficit is made up through federal grants and part from the fees charged private patients whom doctors on the full-time faculty treat. The doctors could generate more money by seeing more patients, but if they did they would not have enough time for the teaching and research that are vital to a medical school.

Georgetown has 780 medical students; George Washington, 500.

The schools asked Congress for the special grants three years ago, claiming that many private medical schools received financial aid from their state legislatures. Feffer says only 10 private medical schools do not receive state aid. (Since the District does not have home rule, the schools said Congress is their state legislature.)

Congress authorized the grants, but the administration opposed including them in the Department of Health, Education and Welfare's appropriation measures, because, says Dr. John Zapp, "every private medical school that does not get state aid could make the same case."

Instead, Zapp, a deputy assistant secretary of HEW for health legislation, suggested that the schools get federal aid through a distress grant from NIH's Bureau of Health Manpower.

The schools obtained federal grants that way for two years. This year, however, the law was changed and the school's applications had to go to an advisory council, which turned them down.

"They say we are not in distress this year," says Feffer. "By a literal interpretation of the legislation they are right. We are not broke right at this moment. But we will be next March unless we get the money."

Feffer first learned in February that George Washington and Georgetown would not get the federal money. "I never dreamed it would happen," he said.

NIH has the money available for the grant requests. It has awarded $5.8 million of the $15 million that it has on tap for distress grants.

At Georgetown, which emphasizes research more than George Washington, and therefore was hurt more by the Nixon administration's health budget cuts, trouble started even before the school learned it would not receive federal distress aid this year.

"It all began on Jan. 29," the day that Mr. Nixon released his new budget, said Dr. John C. Rose, dean of Georgetown's medical school.

He and Dr. Charles B. Murto, the dean of the dental school, learned that general research support grants, "an extremely important element of support for any medical or dental school," says Rose, would either be eliminated or cut sharply. Georgetown's medical and dental schools had received $300,000 in general research support grants.

They also found they were not getting as much from the federal government in grants for each student attending the medical and dental schools.

Moreover, the government was cutting back on the grants it had used to persuade medical schools to admit more students in an effort to meet the national shortage of doctors.

Georgetown had increased its freshman class size from 121 five years ago to 205 now, making it the second largest medical school in the country. But it will get less money from the government next year than it got this year—$1.05 million compared to $1.7 million.

As a result, Rose said, the school couldn't fill faculty vacancies; placed a moratorium on academic and nonacademic hiring, and fired "a handful" of faculty members.

The entire seven-member department of psychiatry, which will lose research training funds from the National Institute of Mental Health, was severed from the full-time faculty. They will continue to teach part-time on a volunteer basis.

Murto said he has fired two dental school teachers and was unable to hire four "bright young people" scheduled to join the faculty.

George Washington will lose $100,000 in general research support that, Feffer said, "is a lot of money for a school like us."

Although George Washington is not a research-oriented medical center—it specializes in training doctors to care for the sick—"research is important for every educational institution. Without a research environment, education tends not to be up to par," says Feffer.

Cuts in specific research grants have hurt programs at Georgetown that are developing new knowledge, training scientists and doctors and helping to treat patients.

Meanwhile, both schools are considering alternatives to closing. None, however, looks viable. They could, for example, raise tuition above its present $3,000 level. But to raise it high enough to meet the deficit would make it impossible for anyone but the rich to attend school. And neither school wants that.

If they are forced to close, officials of both schools point out, they will phase it out so all present students can continue their education.

Howard University, which has the city's other medical school, is not hurt as much by federal health cuts since 60 per cent of its budget comes directly from the federal treasury. At present, Howard is not receiving grants from federal health programs whose budgets have been cut.

But, says Dr. Carlton P. Alexis Jr., its vice president for health affairs, the health cuts will ultimately hit Howard, too.

"I have large concern for the national impact," says Alexis. "If there's a national impact it has to have an effect on Howard University. The schools still struggling to see the sun will feel it first."

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. Howard (at the request of Mr. McFall), for this week, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Member (at the request of Mr. Hinshaw) and to revise and extend his remarks and include extraneous matter:)

Mr. Edwards of Alabama, for 5 minutes, today.

(The following Members (at the request of Mr. Montgomery) and to revise and extend their remarks and include extraneous matter:)

Mr. Carney of Ohio, for 5 minutes, today.

Mr. Mathis of Georgia, for 10 minutes, today.

Ms. Abzug, for 10 minutes, today.

Mr. Gonzalez, for 5 minutes today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. Hinshaw) and to include extraneous matter:)

Mr. Burke of Florida.

Mr. Conlan.

Mr. Derwinski in three instances.

Mr. Steelman.

Mr. Hosmer in three instances.

Mr. Thomson of Wisconsin.

Mr. Dellenback.

Mr. Burgener.

Mr. Hunt in two instances.

(The following Members (at the request of Mr. Montgomery) and to include extraneous matter:)

Mr. Fraser in five instances.

Mr. Breaux in two instances.

Mr. Gonzalez in three instances.

Mr. Rarick in three instances.

Mr. Montgomery in two instances.

Mr. Drinan in five instances.

Mr. Bingham in three instances.

Mr. Obey in four instances.

Mr. Vanik.

Mr. Seiberling in 10 instances.

Mrs. Sullivan.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 70. An act to promote commerce and establish a Council on Energy Policy, and for other purposes; to the Committee on Interstate and Foreign Commerce.

S. 1002. An act for the relief of Giuseppe Paul Pinton; to the Committee on the Judiciary.

S. 1752. An act prescribing the objectives and functions of the National Commission on Productivity and Work Quality; to the Committee on Banking and Currency.

S. 373. An act to insure the separation of Federal powers and to protect the legislative functions by requiring the President to notify the Congress whenever he, the Director of the Office of Management and Budget, the head of any department or agency of the United States, or any officer or employee of the United States, impounds, orders the impounding, or permits the impounding of budget authority, and to provide a procedure under which the Senate and the House of Representatives may approve the impounding action, in whole or in part, or require the President, the Director of the Office of Management and Budget, the department or agency of the United States, or the officer or employee of the United States, to cease such action, in whole or in part, as directed by Congress, and to establish a ceiling on fiscal year 1974 expenditures; to the Committee on Rules.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 721. An act to authorize appropriations for the Indian Claims Commission for fiscal year 1974, and for other purposes.

ADJOURNMENT

Mr. MONTGOMERY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 12 minutes p.m.), the House adjourned until tomorrow, Tuesday, May 15, 1973, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

903. A letter from the General Counsel of the Department of Defense, transmitting a request to amend section 136 of title 10, United States Code, and section 5315(13) of title 5, United States Code, to authorize an additional Assistant Secretary of Defense; to the Committee on Armed Services.

904. A letter from the Acting Chairman, Federal Home Loan Bank Board, transmitting the annual report of the Board for calendar year 1972, covering the operations of the Federal Home Loan Bank System, the Federal Savings and Loan Insurance Corporation, and the Federal Savings and Loan System, pursuant to section 17(b) of the Federal Home Loan Bank Act; to the Committee on Banking and Currency.

905. A letter from the Director, Office of Legislative Affairs, Agency for International Development, Department of State, transmitting reports comparing previously proposed foreign assistance programs with those implemented or being implemented and providing information by country on all U.S. assistance planned for fiscal year 1974, pursuant to sections 634(d) and 653 of the Foreign Assistance Act of 1961, as amended; to the Committee on Foreign Affairs.

906. A letter from the Treasurer, American Chemical Society, transmitting the annual report and audit of the Society for calendar year 1972, pursuant to section 8 of the Public Law 75-358; to the Committee on the Judiciary.

907. A letter from the Acting Administrator of General Services, transmitting a supplemental prospectus for the Border Station Facility previously authorized for Alaska Highway, Alaska, pursuant to the Public Buildings Act of 1959, as amended; to the Committee on Public Works.

RECEIVED FROM THE COMPTROLLER GENERAL

908. A letter from the Comptroller General of the United States, transmitting a report on developing countries' external debt and U.S. foreign assistance, focusing on India as a case study; to the Committee on Government Operations.

909. A letter from the Comptroller General of the United States, transmitting a report on the need for improvements in the design and conduct of the annual survey of non-Federal salaries used as the basis for adjusting Federal white-collar salaries; to the Committee on Government Operations.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DENT:

H.R. 7771. A bill to encourage earlier retirement by permitting Federal employees to purchase into the Civil Service Retirement System benefits unduplicated in any other retirement system based on employment in Federal programs operated by State and local governments under Federal funding and supervision; to the Committee on Post Office and Civil Service.

By Mr. EDWARDS of Alabama:

H.R. 7772. A bill to amend the Occupational Safety and Health Act of 1970 and for other purposes; to the Committee on Education and Labor.

By Mr. HUTCHINSON:

H.R. 7773. A bill to amend title XII of the Organized Crime Control Act of 1970, and for other purposes; to the Committee on the Judiciary.

By Mr. JOHNSON of California (for himself, Mr. Hosmer, Mr. Holifield, Mr. Bob Wilson, Mr. Corman, Mr. Rhodes, Mr. Udall, Mr. Bell, Mr. Hanna, Mr. Don H. Clausen, Mr. Hawkins, Mr. Del Clawson, Mr. Roybal, Mr. Steiger of Arizona, Mr. Charles H. Wilson of California, Mr. Wiggins, Mr. Van Deerlin, Mr. Pettis, Mr. Rees, Mr. Lujan, Mr. Brown of California, Mr. Goldwater, Mr. Anderson of California, Mr. Veysey, and Mr. Evans of Colorado):

H.R. 7774. A bill to authorize the Secretary of the Interior to execute a program of salinity control for the Colorado River, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. JOHNSON of California (for himself, Mr. Hosmer, Mr. Roncalio of Wyoming, Mr. Towell of Nevada, Mr. McKay, Mr. Ketchum, Mr. Runnels, Mr. Hinshaw, Mrs. Burke of California, Mr. Conlan, Mr. Owens, and Mr. Moorhead of California):

H.R. 7775. A bill to authorize the Secretary of the Interior to execute a program of salinity control for the Colorado River, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. McKINNEY (for himself, Mr. Burgener, Mr. Butler, Mr. Cohen, Mr. Esch, Mr. Forsythe, Mr. Fraser, Mr. Frenzel, Mrs. Grasso, Mr. Harrington, Mr. Lujan, Mr. Pepper, Mr. Sarasin, Mr. Sarbanes, Mr. Schneebeli, Mr. Whitehurst, and Mr. Yatron):

H.R. 7776. A bill to provide for repayment of certain sums advanced to providers of services under title XVIII of the Social Security Act; to the Committee on Ways and Means.

By Mr. RODINO:

H.R. 7777. A bill to amend title 28, United States Code, to provide more effectively for bilingual proceedings in certain district courts of the United States, and for other purposes; to the Committee on the Judiciary.

By Mr. ROGERS (by request):

H.R. 7778. A bill to amend title 18 and title 28 of the United States Code with respect to the trial and review of criminal actions involving obscenity, and for other purposes; to the Committee on the Judiciary.

By Mr. SIKES:

H.R. 7779 A bill to make permanent the existing suspension of duties on certain classifications of yarns of silk; to the Committee on Ways and Means

H.R. 7780. A bill to extend for an additional temporary period the existing suspension of duties on certain classifications of yarns of silk; to the Committee on Ways and Means.

By Mrs. SULLIVAN (for herself, Mr. Perkins, Mr. Bowen, Mr. Howard, and Mr. Myers):

H.R. 7781. A bill to extend until November 1, 1978, the existing exemption of the steamboat Delta Queen from certain vessel laws; to the Committee on Merchant Marine and Fisheries.

By Mr. TEAGUE of Texas (for himself, Mr. Davis of Georgia, and Mr. Mosher):

H.R. 7782. A bill to authorize appropriations for activities of the National Science Foundation, and for other purposes; to the Committee on Science and Astronautics.

By Mr. GUBSER (for himself, Mr. Bafalis, Mr. Talcott, Mr. Veysey, Mr. Teague of California, Mr. St Germain, Mr. Mayne, and Mr. Denholm):

H.J. Res. 555. Joint resolution designating the square dance as the national folk dance of the United States of America; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

214. The SPEAKER presented a petition of the annual conference of the Oklahoma Library Association, relative to Federal library programs; to the Committee on Education and Labor.

SENATE—*Monday, May 14, 1973*

The Senate met at 12 o'clock noon and was called to order by Hon. Walter D. Huddleston, a Senator from the State of Kentucky.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Almighty God, who art the way, the truth, and the life, shed Thy light upon our pathway at the opening of this new week. As Thou hast led this Nation through troubled times of the past, be now to us our source of life and light and wisdom. Suffer us not to stray from Thee who art the way, nor to distrust Thee who art the truth, nor to find our strength except in Thee who art our life. Teach us what we should think and what we should do, that in Thy light we may see light and in Thy straight path we may not stumble. And finally bring us to rest in peace with Thee.

Through Jesus Christ, our Lord. Amen. (Erasmus, 1466–1536, adapted.)

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. Eastland).

The assistant legislative clerk read the following letter:

U.S. Senate,
President pro tempore,
Washington, D.C., May 14, 1973.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. Walter D. Huddleston, a Senator from the State of Kentucky, to perform the duties of the Chair during my absence.

James O. Eastland,
President pro tempore.

Mr. HUDDLESTON thereupon took the chair as Acting President pro tempore.

MESSAGES FROM THE PRESIDENT RECEIVED DURING ADJOURNMENT

Under authority of the order of the Senate of May 10, 1973, the Secretary of the Senate, on May 11, 1973, received the following messages from the President of the United States:

Executive J, Ninety-third Congress, first session, Agreement Between the United States of America and Canada for Promotion of Safety on the Great Lakes by Means of Radio, 1973, signed at Ottawa on February 26, 1973; and

Sundry nominations, which under authority of the order of the Senate of May 10, 1973, were referred to the appropriate committees.

(The nominations received on May 11, 1973, are printed at the end of Senate proceedings of today, May 14, 1973.)

COMMUNICATIONS FROM THE PRESIDENT RECEIVED DURING ADJOURNMENT

Under authority of the order of the Senate of May 10, 1973, the following communication was received and referred as indicated:

Proposed Supplemental Appropriation (S. Doc. No. 93–15)

A communication from the President of the United States, requesting a supplemental appropriation for the fiscal year 1973, in the amount of $108,671,285 (with an accompanying paper). Referred to the Committee on Appropriations, and ordered to be printed.

MESSAGES FROM THE HOUSE RECEIVED DURING ADJOURNMENT

Under authority of the order of the Senate of May 10, 1973, the Secretary of the Senate received the following messages from the House of Representatives:

On May 10, 1973:

That the House insisted upon its amendment to the bill (S. 38) to amend the Airport and Airway Development Act of 1970, as amended, to increase the United States share of allowable project costs under such act; to amend the Federal Aviation Act of 1958, as amended, to prohibit certain State taxation of persons in air commerce, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. Staggers, Mr. Jarman, Mr. Dingell, Mr. Kuykendall, and Mr. Shoup were appointed managers of the bill on the part of the House.

On May 11, 1973:

That the Speaker had affixed his signature to the enrolled bill (S. 394) to amend the Rural Electrification Act of 1936, as amended, to establish a Rural Electrification and Telephone Revolving Fund to provide adequate funds for rural electric and telephone systems through insured and guaranteed loans at interest rates which will allow them to achieve the objectives of the act, and for other purposes.

Under authority of the order of the Senate of May 10, 1973, the President pro tempore, on May 10, 1973, signed the enrolled bill (S. 394).

REPORT OF A COMMITTEE SUBMITTED DURING ADJOURNMENT

Under authority of the order of the Senate of May 10, 1973, Mr. Bartlett, from the Committee on Interior and Insular Affairs, reported favorably, with amendments, on May 11, 1973, the bill (S. 1381) to amend certain provisions of the Land and Water Conservation Fund Act of 1965 relating to the collection of fees in connection with the use of Federal areas for outdoor recreation purposes, and submitted a report (No. 93–148) thereon, which was printed.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Thursday, May 10, 1973, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT—APPROVAL OF A BILL

Messages in writing from the President of the United States were communicated to the Senate by Mr. Leonard, one of his secretaries, and he announced that on May 11, 1973, the President had approved and signed the act (S. 394) to amend the Rural Electrification Act of 1936, as amended, to establish a rural electrification and telephone revolving fund to provide adequate funds for rural electric and telephone systems through insured and guaranteed loans at interest rates which will allow them to achieve the objectives of the act, and for other purposes.

SPECIAL REPORT ENTITLED "NEW APPROACHES TO FEDERAL DISASTER PREPAREDNESS AND ASSISTANCE"—MESSAGE FROM THE PRESIDENT

The ACTING PRESIDENT pro tempore (Mr. Huddleston) laid before the Senate a message from the President of the United States, which, with the accompanying report, was referred to the Committee on Public Works. The message is as follows:

To the Congress of the United States:

I am transmitting to the Congress today a special report on "New Approaches to Federal Disaster Preparedness and Assistance." The report presents the findings of a comprehensive 8-month long review and study of this subject by a joint task force of the Office of Emergency Preparedness and the Office of Management and Budget.

The Disaster Preparedness and Assistance Act of 1973, which I proposed to the Congress on May 8th, builds upon the findings of this report and the broad practical experience we have gained in the many and various disasters since enactment of the Disaster Relief Act of 1970. (PL 91–606). This legislation would strengthen our ability to reduce future losses due to disasters, as well as improve our response and assistance when disasters occur. It calls for greater sharing of responsibility and action between all levels of government to insure prompt, adequate and humanitarian response in time of disaster.

The report transmitted herewith provides convincing evidence of the need for the initiatives included in my new disaster legislation, and I urge your close attention to it.

Richard Nixon.

The White House, *May 14, 1973.*

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House had passed a bill (H.R. 7447) making supplemental appropriations for the fiscal year ending June 30, 1973, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (S. 721) to authorize appropriations for the Indian Claims Commission for fiscal year 1974, and for other purposes.

The enrolled bill was subsequently signed by the Acting President pro tempore (Mr. HUDDLESTON).

HOUSE BILL REFERRED

The bill (H.R. 7447) making supplemental appropriations for the fiscal year ending June 30, 1973, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

WAIVER OF THE CALL OF THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the call of the legislative calendar, under rule VIII, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDING pro tempore. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, I withhold my time and ask that the distinguished acting Republican leader be recognized.

The ACTING PRESIDENT pro tempore. The Senator from Maryland (Mr. BEALL), the acting Republican leader, is now recognized.

Mr. BEALL. Mr. President, I yield the time allocated to the Republican leader to the distinguished Senator from Massachusetts (Mr. BROOKE).

The ACTING PRESIDENT pro tempore. The Senator from Massachusetts is recognized.

(The remarks Senator BROOKE made at this point on the submission of an amendment to the Supplemental Appropriation Act are printed in the RECORD under the appropriate heading in connection with H.R. 7447.)

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Kentucky (Mr. COOK) is recognized for not to exceed 15 minutes.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum. I ask that the time be charged against the time allotted to Mr. COOK.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, it is my understanding that Mr. STEVENSON, for whom an order was entered on May 10, will not utilize his time today. I therefore ask unanimous consent that that time may be reserved to my own control.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, without prejudice to the distinguished Senator from Kentucky (Mr. COOK), who was to be recognized at this time and who is on his way from a meeting of the Committee on the Judiciary, I ask unanimous consent that I may be recognized at this time.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MR. BUTZ SHOULD DO MORE TO LOWER THE PRICE OF GROUND BEEF—AND TALK LESS

Mr. ROBERT C. BYRD. Mr. President, once again we have been treated to a gratuitous opinion from the lips of Agriculture Secretary Butz. He is quoted in the Washington Post this morning as having described the distinguished senior Senator from North Carolina as a "publicity-seeking Senator."

Mr. Butz offered the further opinion that the Select Senate Committee to Investigate Conduct of the 1972 Presidential Election is a "very improper political inquisition" conducted, in Mr. Butz' view "largely for political reasons."

While I do not question Secretary Butz' right to express opinions, I believe it is fair to question their accuracy and their motivation. This is the second time recently that Mr. Butz has cast aspersions on Congress and its Members. The housewives of America would take comfort if Butz would spend more time working on the primary task of reducing the price of a pound of ground beef, and less on criticing the peoples' representatives who, being elected and not appointed, have to answer to the people for their actions and opinions. Enough has already been revealed about the Watergate affair and its ramifications to justify fully an inquiry by a bipartisan committee of the Senate. Mr. Butz may not be cognizant of the fact, but the doubts and the unanswered questions that still permeate the political atmosphere, constitute a very real threat to our democratic processes. As a coequal branch of Government, it is the duty of Congress to conduct an exhaustive, impartial inquiry, having as its goal, the edification of the American people in the matter under study and the development of any legislation deemed appropriate in light of the committee's findings. Hopefully, the fullness and impartiality of the Senate committee's inquiry will go a long way toward restoring the confidence of the people in their government.

It is inevitable that when the select committee begins hearings this week, considerable coverage of the proceedings will be given by the media. But anyone who claims that this national coverage is the raison d'être of the hearings, just does not know the dedication to, and the knowledge of, the constitutional processes of this Nation possessed by the chairman of the committee, the senior Senator from North Carolina.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I reserve the remainder of my time.

I suggest the absence of a quorum, and I ask that the time be charged against the time which is now reserved to my control.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the 5 minutes allotted to the leadership, which I held in abeyance, now be transferred to the distinguished Senator from New Jersey (Mr. CASE).

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(The remarks Senator CASE and Senator CHURCH made at this point on the submission of an amendment to S. 1248, the bill authorizing appropriations for the Department of State, are printed in the RECORD under the appropriate heading in connection with S. 1248.)

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, without prejudice to the distinguished Senator from Kentucky (Mr. COOK), I ask unanimous consent that I may at this time allot such time as he may require to the distinguished Senator from South Dakota (Mr. ABOUREZK) and that it may be charged against my time.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(The remarks Senator ABOUREZK made at this point on the introduction of S. 1786, the National Indian Goals and Progress Act, are printed in the RECORD under Statements on Introduced Bills and Joint Resolutions.)

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum, and I ask unanimous consent that the time be charged against my time.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is ordered.

TIME VACATED ON REMAINING ORDERS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that all remaining time under all orders be vacated.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

TRANSACTION OF ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order there will now be a period for the transaction of routine morning business for not to exceed 30 minutes, with statements limited therein to 3 minutes each.

ORDER FOR RECOGNITION OF SENATOR STEVENSON TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow after the two leaders or their designees have been recognized under the standing order, the distinguished Senator from Illinois (Mr. STEVENSON) be recognized for not to exceed 15 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR MOSS ON WEDNESDAY, MAY 16, 1973

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Wednesday, after the two leaders or their designees have been recognized under the standing order, the distinguished Senator from Utah (Mr. Moss) be recognized for not to exceed 15 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

REMOVAL OF INJUNCTION OF SECRECY—EXECUTIVE J, 93D CONGRESS, 1ST SESSION

Mr. ROBERT C. BYRD. Mr. President, as in executive session, I ask unanimous consent that the injunction of secrecy be removed from the Agreement Between the United States of America and Canada for Promotion of Safety on the Great Lakes by Means of Radio, 1973, signed at Ottawa on February 26, 1973—Executive J, 93d Congress, first session—transmitted to the Senate on Friday, May 11, 1973, by the President of the United States, and that the agreement with accompanying papers be referred to the Committee on Foreign Relations and ordered to be printed, and that the President's message be printed in the RECORD.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The message is as follows:

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Agreement Between the United States of America and Canada for Promotion of Safety on the Great Lakes by Means of Radio, 1973, signed at Ottawa on February 26, 1973. I also transmit for the information of the Senate, the report of the Department of State with respect to the Agreement.

This Agreement will, upon entry into force, terminate the 1952 Agreement for the Promotion of Safety on the Great Lakes by Means of Radio between the United States and Canada and constitutes a significant modernization thereof.

This new Agreement will make a valuable contribution to the protection of lives and property on the Great Lakes. I recommend that the Senate give early and favorable consideration to the Agreement and give its advice and consent to ratification.

RICHARD NIXON.

THE WHITE HOUSE, *May 11, 1973*.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 12 o'clock noon tomorrow.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATORS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow, after the distinguished Senator from Illinois (Mr. STEVENSON) has been recognized, the following Senators be recognized, each for not to exceed 15 minutes and in the order stated: Mr. COOK, Mr. GRIFFIN, and Mr. ROBERT C. BYRD.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. HUDDLESTON) laid before the Senate the following letters, which were referred as indicated:

Proposed Legislation From Department of Defense

A letter from the General Counsel of the Department of Defense, transmitting a draft of proposed legislation to amend section 136 of title 10, United States Code, and section 5315(1d) of title 5, United States Code, to authorize an additional Assistant Secretary of Defense (with an accompanying paper). Referred to the Committee on Armed Services.

Proposed Legislation From Secretary of the Treasury

A letter from the Secretary of the Treasury, transmitting a draft of proposed legislation to provide for the appointment of alternates for the Governors of the International Monetary Fund and of the International Bank for Reconstruction and Development (with accompanying papers). Referred to the Committee on Foreign Relations.

Reports of Comptroller General

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Developing Countries' External Debt and U.S. Foreign Assistance: A Case Study," Department of State, Agency for International Development, dated May 11, 1973 (with an accompanying report). Referred to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Improvements Needed in the Survey of Non-Federal Salaries Used as Basis for Adjusting Federal White-Collar Salaries," dated May 11, 1973 (with an accompanying report). Referred to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "The Operations and Activities of the Renegotiation Board," dated May 9, 1973 (with an accompanying report). Referred to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Improvements Needed in System for Managing U.S. Participation in the Asian Development Bank," Department of the Treasury, Department of State, and other agencies, dated May 8, 1973 (with an accompanying report). Referred to the Committee on Government Operations.

Proposed Contract With Collins Radio Co., Cedar Rapids, Iowa

A letter from the Assistant Secretary of the Interior, transmitting, pursuant to law, a proposed contract with Collins Radio Co., Cedar Rapids, Iowa, for a research project entitled "Hois Radio System for Deep Shafts" (with accompanying papers). Referred to the Committee on Interior and Insular Affairs.

Proposed Contract With South Carolina Basin Irrigation District

A letter from the Assistant Secretary of the Interior, transmitting, pursuant to law, a proposed contract with the South Columbia Basin Irrigation District (with accompanying papers). Referred to the Committee on Interior and Insular Affairs.

Proposed Legislation From Office of Management and Budget

A letter from the Director, Office of Management and Budget, Executive Office of the President, transmitting a draft of proposed legislation to establish a Legal Services Corporation, and for other purposes (with accompanying papers). Referred to the Committee on the Judiciary.

Proposed Legislation From Administrative Office of the U.S. Courts

A letter from the Director, Administrative Office of the U.S. Courts, transmitting a draft of proposed legislation to amend title 28 of the United States Code to provide for the appointment of officers and employees of the Court of Claims, the Court of Customs and Patent Appeals, and the Customs Court, and for other purposes (with an accompanying paper). Referred to the Committee on the Judiciary.

Supplemental Prospects for Border Station Facility Previously Authorized for Alaska Highway, Alaska

A letter from the Acting Administrator, General Services Administration, transmitting, pursuant to law, a supplemental prospectus for the Border Station Facility previously authorized for the Alaska Highway, Alaska (with accompanying papers). Referred to the Committee on Public Works.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that, on May 11, 1973, he presented to the President of the United States the enrolled bill (S. 394) to amend the Rural

Electrification Act of 1936, as amended, to establish a Rural Electrification and Telephone Revolving Fund to provide adequate funds for rural electric and telephone systems through insured and guaranteed loans at interest rates which will allow them to achieve the objectives of the act, and for other purposes.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MAGNUSON, from the Committee on Commerce, with amendments:

S. 355. A bill to amend the National Traffic and Motor Vehicle Safety Act of 1966 to provide for remedies of defects without charge, and for other purposes (Rept. No. 93-150).

By Mr. MAGNUSON, from the Committee on Commerce, with an amendment:

S. 356. A bill to provide disclosure standards for written consumer product warranties against defect or malfunction; to define Federal content standards for such warranties; to amend the Federal Trade Commission Act in order to improve its consumer protection activities; and for other purposes (Rept. No. 93-151).

By Mr. SPARKMAN, from the Committee on Banking, Housing, and Urban Affairs:

S. 1798. An original bill to extend for 1 year the authority for more flexible regulation of maximum rates of interest or dividends payable by financial institutions, to amend certain laws relating to federally insured financial institutions (together with additional views) (Rept. No. 93-149).

Mr. SPARKMAN. Mr. President, from the Committee on Banking, Housing and Urban Affairs I report a committee bill dealing with the extension of the authority for flexible regulation of interest rates payable by financial institutions, dealing with the regulation of NOW accounts, dealing with the conversion of mutual savings and loan associations to stock associations, and other matters.

In addition, Mr. President, I request unanimous consent that H.R. 6370, a companion measure to the bill which I have reported, be held at the desk until the Senate has the opportunity to consider our committee bill.

The PRESIDING OFFICER (Mr. HELMS). Without objection, it is so ordered.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. ABOUREZK:

S. 1786. A bill to require an annual authorization for appropriations for Federal programs for the benefit of American Indian people; establish specific annual goals to measure the effectiveness of these programs; improve the delivery of services and assistance; insure effective and continuing congressional oversight; and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. BEALL:

S. 1787. A bill to amend title II of the Social Security Act to increase to $2,800 the annual amount which individuals may earn without suffering deductions from benefits on account of excess earnings. Referred to the Committee on Finance.

By Mr. HUGHES (for himself and Mr. CLARK):

S. 1788. A bill to authorize the modification of the project for flood protection on the Chariton River, Iowa and Missouri, in order to provide for a Federal payment toward the cost of construction of a fish hatchery. Referred to the Committee on Public Works.

By Mr. BENTSEN:

S. 1789. A bill to designate certain lands in the Guadalupe Mountains National Park, Tex., as wilderness; and

S. 1790. A bill to amend section 3(a) of the Wild and Scenic Rivers Act, as amended. Referred to the Committee on Interior and Insular Affairs.

By Mr. FULBRIGHT (by request):

S. 1791. A bill to amend title VIII of the Foreign Service Act of 1946, as amended, relating to the Foreign Service Retirement and Disability System, and for other purposes. Referred to the Committee on Foreign Relations.

By Mr. DOMINICK:

S. 1792. A bill to extend the authorization of appropriations for the Bilingual Education Act, for the Dropout Prevention program, and for section 309 of the Adult Education Act. Referred to the Committee on Labor and Public Welfare.

By Mr. CANNON:

S. 1793. A bill to provide for coverage, under the insurance system established by title II of the Social Security Act, of service performed by employees of the Government Printing Office. Referred to the Committee on Finance.

S. 1794. A bill to amend section 308 of title 44, United States Code, relating to the disbursing officer, deputy disbursing officer, and certifying officers and employees of the Government Printing Office. Referred to the Committee on Rules and Administration.

S. 1795. A bill to authorize the Public Printer to adopt an official Government Printing Office seal, and to designate employees to administer oaths. Referred to the Committee on Rules and Administration.

By Mr. MATHIAS:

S. 1796. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 to provide for grants to interstate metropolitan organizations. Referred to the Committee on the Judiciary.

By Mr. SYMINGTON (for himself and Mr. THURMOND) (by request):

S. 1797. A bill to authorize certain construction at military installations and for other purposes. Referred to the Committee on Armed Services.

By Mr. SPARKMAN (from the Committee on Banking, Housing, and Urban Affairs):

S. 1798. A bill to extend for 1 year the authority for more flexible regulation of maximum rates of interest or dividends payable by financial institutions, to amend certain laws relating to Federally insured financial institutions. Placed on the calendar.

By Mr. BIBLE (for himself and Mr. CANNON):

S. 1799. A bill to convey to the Ely Indian Colony the beneficial interest in certain Federal land. Referred to the Committee on Interior and Insular Affairs.

S. 1800. A bill to authorize the use of facilities at the Owyhee Indian Hospital of the Duck Valley Indian Reservation to provide certain medical care to non-Indians. Referred to the Committee on Interior and Insular Affairs.

By Mr. BIBLE (for himself, Mr. CANNON, Mr. GRAVEL, and Mr. STEVENS):

S. 1801. A bill to authorize certain Indian hospital facilities to be made available to non-Indians under certain conditions. Referred to the Committee on Interior and Insular Affairs.

By Mr. CANNON:

S. 1802. A bill relating to certain authority of the Joint Committee on Printing. Referred to the Committee on Rules and Administration.

S. 1803. A bill to authorize the waiver of claims of the United States arising out of erroneous payments of pay and allowances to employees of the Government Printing Office. Referred to the Committee on Rules and Administration.

By Mr. FONG:

S. 1804. A bill to permit immediate retirement of certain Federal employees. Referred to the Committee on Post Office and Civil Service.

By Mr. RIBICOFF:

S. 1805. A bill to amend the Railroad Retirement Act of 1937 and the Railroad Retirement Tax Act to revise certain eligibility conditions for annuities; to change the railroad retirement tax rates; and to amend the Interstate Commerce Act in order to improve the procedures pertaining to certain rate adjustments for carriers subject to part I of the act, and for other purposes. Referred by unanimous consent jointly to the Committees on Commerce, Finance, and Labor and Public Welfare.

By Mr. TUNNEY:

S. 1806. A bill for the relief of Miss Rita Baccega. Referred to the Committee on the Judiciary.

By Mr. TUNNEY (for himself, Mr. CRANSTON, Mr. BENNETT, Mr. BIBLE, Mr. CANNON, Mr. DOMENICI, Mr. DOMINICK, Mr. GOLDWATER, Mr. HANSEN, Mr. HASKELL, Mr. MCGEE, Mr. MONTOYA, and Mr. MOSS):

S. 1807. A bill to authorize the Secretary of the Interior to execute a program of salinity control for the Colorado River, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. RANDOLPH (for himself, Mr. BAKER, Mr. BENTSEN, and Mr. STAFFORD):

S. 1808. A bill to apportion funds for the National System of Interstate and Defense Highways and to authorize funds in accordance with title 23, United States Code, for fiscal year 1974, and for other purposes. Referred to the Committee on Public Works.

By Mr. CHURCH:

S. 1809. A bill to amend the Urban Mass Transportation Act of 1964 to insure ready access to and use of mass transportation facilities by elderly and handicapped persons. Referred to the Committee on Banking, Housing and Urban Affairs.

S. 1810. A bill to amend the Age Discrimination in Employment Act of 1967 to increase coverage under that act, and for other purposes. Referred to the Committee on Post Office and Civil Service.

S.J. Res. 108. A joint resolution to authorize the President to call Mini-White House Conferences on Aging every 2 years. Referred to the Committee on Labor and Public Welfare.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. ABOUREZK:

S. 1786. A bill to require an annual authorization for appropriations for Federal programs for the benefit of American Indian people; establish specific annual goals to measure the effectiveness of these programs; improve the delivery of services and assistance; insure effective and continuing congressional oversight; and for other purposes. Referred to the Committee on Interior and Insular Affairs.

Mr. ABOUREZK. Mr. President, I introduce today, the "National Indian Goals and Progress Act."

As a consequence of their unique and historical relationship with the United

States, Indian people look to the Federal Government for the fulfillment of two major responsibilities that they consider crucial to their individual, family, and community development. These traditional Federal responsibilities include: First, the protection and economic development of Indian lands and other natural resources; and second, the delivery of basic public services to the Indian community.

Since 1824, when the Bureau of Indian Affairs was first established under the War Department, this Federal agency has served as the Government's agent in the fulfillment of these historic responsibilities. When Congress authorized the establishment of the Department of the Interior in 1849, the Bureau of Indian Affairs was transferred to that department's jurisdiction. And in 1954, Congress authorized the transfer of the responsibility for providing health and medical care to Indian people from the Bureau of Indian Affairs to the U.S. Public Health Service of the Department of Health, Education, and Welfare. The Indian Health Service was organized as the entity to administer the separate Federal health program for Indians.

What this all adds up to is the fact that Indians have undoubtedly received more special Federal assistance over the years than any other group of citizens in this country. Yet, when we examine the results of these endeavors, we find that the socioeconomic conditions of the Indians continue to stand out in stark, shameful contrast when compared to the non-Indian population. There is no question in my mind that many of these efforts have never been sufficiently funded to wage the kind of programmatic assault that is so desperately needed to combat effectively the social and economic ills that beset Indians.

A review of key social and economic indicators will serve to illustrate the abject poverty experienced by Indian people and their communities. Educationally, the dropout rate of Indian students is twice the national average and the median number of school years completed by Indians 14 years or older is only 8 years as compared to 10.6 years for the population as a whole. From an economic standpoint, most Indians reside on land marginal in productivity and with limited employment opportunity as evidenced by the fact that the unemployment rate among Indian people is 40 percent which is 10 times the national unemployment rate. Consequently, the median income of an Indian family is $1,900, which is far below that of the national poverty level. More than half of the Indian people live in one- or two-room dwellings with an average occupancy of 5.4 persons. Health statistics are just as bleak; the infant mortality rate among Indian people is 1.5 times as high as that of the general population. Accidents continue as the leading cause of death with a death rate of almost four times that of the general population.

However, I do not want to imply that a massive infusion of Federal funds into the budgets of the Bureau of Indian Affairs and the Indian Health Service will automatically yield dramatic results and progress in the lifestyle of Indians. What is needed, in my view, is more penetrating congressional oversight in to the programs and activities of these two agencies to insure that goals, objectives and priorities are clearly stated; that actual performance is measured against such goals, objectives and priorities; that increased funding levels for existing programs and services are justified; and that new authorizations for appropriations to meet changing Indian demands and needs are properly considered and approved when justified.

At this point I want to bring to the attention of my colleagues a breakdown by general categories of the 1974 fiscal year budget requests of the Bureau of Indian Affairs and the Indian Health Service, the two agencies charged with the responsibility of fulfilling the commitments that are inherent in the Indians' historical and unique relationship with the Federal Government. This information is reflected as follows:

Bureau of Indian Affairs fiscal year 1974 budget request

Education assistance, facilities and services	$184,187,000
Welfare and guidance services	69,312,000
Employment assistance	35,307,000
Law and order	8,266,000
Resources management	85,358,000
Construction	44,000,000
Road construction (liquidation of contract authority)	43,000,000
General administrative expenses	5,319,000
Alaska Native fund	70,000,000
Total	544,749,000

Indian Health Service fiscal year 1974 budget request

ACTIVITIES	
Patient care	$120,793,000
Field Health Services	52,651,000
Administration	3,524,000
Subtotal	176,968,000
CONSTRUCTION	
Hospitals	$5,008,000
Community facilities	530,000
Sanitation facilities	36,179,000
Subtotal	41,717,000
Total	218,685,000

The appropriations requests for these two agencies for the forthcoming fiscal year totals $763,434,000. It is not my purpose to debate the adequacy of these requests in relation to the overwhelming needs of Indian people. However, my basic instincts tell me that they are woefully inadequate, and I am convinced that my proposed legislation will lead to a well-informed answer to that question as well as other problems involved in the budgetary requirements of those two Federal agencies.

What I do want to underscore is that both agencies have based their requests for these funds on several archaic authorizations which are virtually open-ended. As a consequence, Congress is deprived of the opportunity to exercise oversight to determine the effectiveness of their performance. Because of this situation, the hard-working members of the House and Senate Subcommittee on Appropriations must carry the full burden of exercising congressional oversight at the hearings to consider the appropriations requests of the Bureau of Indian Affairs and the Indian Health Service. Given the demands to complete the appropriations hearing process in a short period of time, only a limited degree of oversight can be conducted by these subcommittees concerning the manner in which these two agencies are meeting congressional mandates.

Mr. President, my proposed measure would resolve this dilemma and set in motion a procedure which would provide for intensive and objective monitoring of the two agencies that are charged with important—even lifesaving—responsibilities in the Indian field. In addition, I want to emphasize to the Indian people that my bill provides a clear-cut procedure whereby critical needs can be weighed against actual appropriations to determine if various human and natural resource programs of the Bureau of Indian Affairs and the Indian Health Service are being adequately funded.

Through the process to be set in motion by my bill, it would be possible to insure improved management and effective use of the funds appropriated to support the activities of the Bureau of Indian Affairs and the Indian Health Service.

In addition, it would be possible for Congress to more effectively measure needs against existing appropriations to determine if increased funding for specific programs and activities is warranted.

Moreover, my bill would provide Congress with the appropriate tools to identify those programs and services which have outlived their usefulness to the Indian people. Instead of funding unproductive efforts year after year, these obsolete programs should be discontinued with the funds being redirected to areas of more pressing and clearly identifiable needs.

The "National Indian Goals and Progress Act" would authorize the following major actions:

Require an annual review of the effectiveness of Federal Indian programs and services for the benefit of American Indian people to determine the adequacy and efficacy of such services.

Require that the Secretaries of the Department of the Interior and the Department of Health, Education and Welfare justify to the Congress an annual authorization act to support the Bureau of Indian Affairs and Indian Health Service programs and services conducted for the benefit of American Indians.

Require that these secretaries submit to the Congress an annual appropriation bill for the forthcoming fiscal year.

Establish annual program goals, objectives and priorities for Federal Indian programs and services.

Establish procedures for a careful monitoring of Federal performance in achieving such goals, objectives and priorities.

Insure that adequate financial, human, and other resources are available to achieve the defined goals, objectives and priorities of Federal programs and services conducted for the benefit of American Indian people.

Exempt payments of Indian judgment awards, and payments made under the

Alaska Native Claims Settlement Act of 1971 from the "National Indian Goals and Progress Act."

Finally, my proposed bill includes a separate section to assure the Indian people that nothing in this act shall be construed as authorizing or requiring the termination of any existing trust responsibility of the United States with respect to the Indian people.

Mr. President, our Government is faced with a constitutional crisis of untold proportions as a result of the usurpation of power over the years by the executive branch. This has contributed to a gradual erosion of congressional power and has placed serious limitations on the ability of this body to exercise any degree of control over the massive bureaucracy.

While the "National Indian Goals and Progress Act" affects only a limited portion of Federal responsibility, that is, the Indian field, it represents an important step in reversing the erosion of congressional power and restoring to this body those traditional prerogatives and powers which will insure that our Government's system of checks and balances will, in fact, work for the benefit of the citizens of this Nation.

As chairman of the Subcommittee on Indian Affairs, I have scheduled this measure for an open public hearing on June 12, 1973. I am hopeful that my colleagues from both sides of the aisle will join with me in cosponsoring this important Indian measure.

I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1786

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this act may be cited as the "National Indian Goals and Progress Act".

FINDING

SEC. 2. (a) The Congress hereby finds that Federal programs designed for the benefit and assistance of the American Indian people have not been effective in attaining their stated goals.

(b) Congress further finds that there is a need for continuing oversight of programs and services administered by the Department of the Interior and the Department of Health, Education and Welfare for the benefit of Indian people and that this oversight function is best conducted by requiring an annual authorization of appropriations for these programs and services.

PURPOSE

SEC. 3. It is the purpose of this Act to—

(a) require an annual review of the effectiveness of all major Federal programs and services for the benefit of American Indian people to determine whether fundamental human needs and requirements are being met and Federal responsibilities are being properly fulfilled;

(b) establish specific annual program goals and objectives for individual Indian programs and services and carefully monitor Departmental and agency performance in achieving these goals and objectives; and

(c) insure that the financial, human and other resources are made available to achieve the goals and objectives of programs and services for the benefit of American Indian people.

ANNUAL AUTHORIZATION

SEC. 4. (a) Notwithstanding any other provisions of law, effective with fiscal year 1975, all authority for appropriations for programs for the benefit of American Indian people administered by the Bureau of Indian Affairs in the Department of the Interior and by the Indian Health Service of the Public Health Service in the Department of Health, Education and Welfare shall be granted on an annual basis pursuant to a single annual authorization Act.

(b) The Secretaries of the Department of the Interior and Department of Health, Education and Welfare are directed to prepare and submit to the Committees on Interior and Insular Affairs of the House of Representatives and the Senate, by February 1 of each year, an annual appropriation authorization bill for the fiscal year beginning July 1 which shall include—

(1) specific and detailed requests for appropriation authorizations for programs and services for the benefit of Indian people, including education and welfare service programs, resource management programs, construction programs, Indian health service programs, Indian health facilities programs, and general administrative expenses; and

(2) a detailed statement of the goals and objectives sought to be achieved for each program in the fiscal year covered by the annual appropriation authorization Act.

(3) a list of all statutes and appropriation authorizations covered by this subsection 4(b).

(c) This Act shall not apply to authorizations for the payment of Indian claims judgments, to payments made under the Alaska Native Claims Settlement Act of 1971, or to other programs and services for the assistance and benefit of American Indian people that are not set out in subsection 4(b) and included in the list of authorizations submitted to the Congress pursuant to that subsection.

SEC. 5. Nothing in this Act shall be construed as authorizing or requiring the termination of any existing trust responsibility of the United States with respect to the Indian people.

By Mr. BEALL:

S. 1787. A bill to amend title II of the Social Security Act to increase to $2,800 the annual amount which individuals may earn without suffering deductions from benefits on account of excess earnings. Referred to the Committee on Finance.

LEGISLATION TO INCREASE THE AMOUNT OF MONEY A SOCIAL SECURITY RETIREE CAN EARN WITHOUT REDUCING HIS BENEFITS

Mr. BEALL. Mr. President, during the last several years a growing debate has surrounded the right of social security beneficiaries to continue working so as to supplement their retirement income. During a series of hearings on the Social Security System conducted by the Special Committee on Aging, of which I am a member, former Commissioner Robert Ball of the Social Security Administration explained in detail the functioning of the Social Security System. He explained recent changes in the social security law, such as the increase in the ceiling on earnings from $1,680 to $2,100 per year with a provision that every $2 a person earns over that amount will result in a $1 reduction in his social security benefits. Thus, it remains profitable for a retiree to continue working even if he earns over the $2,100 ceiling. This $1 loss for every $2 earned over the ceiling was a significant improvement in the Social Security System advocated by the President and enacted by Congress during the last session.

The 92d Congress recognized the need to raise the earning ceiling and I enthusiastically supported this increase. I regret, however, that the compromise increase in last year's legislation was a modest $420. The original Senate version of H.R. 1, would have raised the earning ceiling to $3,000. That was the second time the Senate has supported such an increase in the ceiling but the House of Representatives insisted on a lower figure.

While I am inclined to believe that we should abolish the earnings ceiling altogether, I do not think that such a step should be taken without a thorough congressional review. I have, therefore, decided to introduce an amendment that would raise the ceiling from $2,100 to $2,800. I have selected this figure because it would expand the work opportunities of those senior citizens who are willing and able to contribute their talents to our economic system on something less than a full-time basis.

Mr. President, the legislation I am sending to the desk today seeks to meet two basic problems confronting our Nation. First of all, it would expand, during a period of inflation, the earning capability of many of our retired senior citizens. By supplementing their income through additional earnings, senior citizens can improve their standard of living and enjoy greater independence and comfort in their retirement years.

As the ranking Republican on the Subcommittee on Aging of the Labor and Public Welfare Committee, as well as a member of the Senate Special Committee on Aging, I have been impressed by the willingness and resourcefulness of our Nation's senior citizens to utilize their own talents and resources in overcoming the problems that confront them. Second, my amendment will help to make the talents and resources of our Nation's senior citizens available to our Nation's economy to a greater degree than is presently possible. I strongly believe that senior citizens, for the most part, want to remain active contributing members of the community for as long as possible. America's 20 million senior citizens are largely responsible for the unprecedented wealth and power that our Nation has achieved and I believe that we should not exclude them from actively participating in the economic affairs of our Nation.

Mr. President, I ask unanimous consent that the text of this legislation be printed in the CONGRESSIONAL RECORD at the completion of my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1787

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) paragraphs (1), (3), and (4) (B) of section 203(f), and paragraph (1)(A) of section 203 (h), of the Social Security Act are each amended by striking out "$175" and inserting in lieu thereof $233.33".

(b) The amendments made by subsection (a) shall apply with respect to taxable years ending after December 1973.

By Mr. BENTSEN:

S. 1789. A bill to designate certain lands in the Guadalupe Mountains National Park, Tex., as wilderness; and

S. 1790. A bill to amend section 3(a) of the Wild and Scenic Rivers Act, as amended. Referred to the Committee on Interior and Insular Affairs.

Mr. BENTSEN. Mr. President, I am today introducing legislation to protect and conserve two of the most scenic and unspoiled areas in the continental United States. I am referring to the rugged desert wilderness of the Guadalupe Mountains National Park and to the awesome lower canyons that bound the Rio Grande along its banks through the Big Bend National Park and down the southern stretches of the river.

Each of these areas represents a unique portion of the Southwest that encompasses some of the most sparsely inhabited and well-preserved wilderness on the North American Continent. The lower canyons of the Rio Grande can only be compared to such wild river canyons as the Grand Canyon of the Colorado and the Hell's Canyons of the Snake River. The lower canyon regions of the river are so wild and uninhabitable that they remained unexplored and uncharted until the early 1900's.

In approving the National Wild and Scenic Rivers Act the Congress authorized a study of the Rio Grande for protection as a part of the wild river system. The areas I have proposed are an obvious candidate for designation of a wild river and I am recommending that this stretch of the river be included in the wild river system as soon as possible. One need only visit this rugged area and canoe through the sheer cliffs of Mariscal and Boquillas Canyons to experience the majesty and force of this river and to understand why it must be preserved.

The Guadalupe Mountains National Park is located in the western-most region of the State on the Texas-New Mexico border. My bill would designate 46,850 acres of the area within Guadalupe Mountains National Park as a wilderness. This proposal is based upon a recommendation of the National Park Service, and was recommended to the 92d Congress by the Park Service for inclusion in the National Wilderness Preservation System.

The Guadalupe Mountains National Park comprises over 77,000 acres of Chihuahan Desert marked by such prominent mountain peaks as El Capitan and the highest point in Texas, Guadalupe Peak. The most important feature of the wilderness area however is the distinctive relic forest referred to as the Bowl and the unique geology and fragile biology of McKittrick Canyon which is located at the northern edge of the designated area. The entire park is marked by a rugged topography that includes a variety of vegetation which are of considerable scientific interest and a scenic landscape that has made the park a popular addition to the National Park System.

By including these two stretches of Texas wilderness in the Wild River System and the Wilderness Area Preservation System we will set them aside for special protection and restricted development.

Despite their rugged appearance both areas are parts of ecological systems that are easily damaged and difficult to repair. The life cycle of a desert ecology is literally a slow-motion sequence. The vegetation and relict trees of the Guadalupe Mountains have already suffered damage due to extensive use of the park. We must act now to insure that this natural heritage is saved for future enjoyment and scientific study.

Likewise, the steep canyons and rugged banks of the Rio Grande are susceptible to the blight of unregulated development or improper use that often follows upon the popular use of such a scenic area. In each of these cases we must be willing to take a stand and to leave these works of nature unmarred by the designs of man. Conservation for conservation's sake is more than justified when one is speaking of such spectacular beauty as contained in these two regions of Texas.

I urge the Committee on Interior and Insular Affairs to give these two measures prompt and favorable consideration.

By Mr. FULBRIGHT (by request):

S. 1791. A bill to amend title VIII of the Foreign Service Act of 1946, as amended, relating to the Foreign Service retirement and disability system, and for other purposes. Referred to the Committee on Foreign Relations.

AMENDMENT OF THE FOREIGN SERVICE ACT OF 1946

Mr. FULBRIGHT. Mr. President, by request, I introduce for appropriate reference a bill to amend title VIII of the Foreign Service Act of 1946, as amended, relating to the Foreign Service retirement and disability system, and for other purposes.

The bill has been requested by the Department of State and I am introducing it in order that there may be a specific bill to which Members of the Senate and the public may direct their attention and comments.

I reserve my right to support or oppose this bill, as well as any suggested amendments to it, when the matter is considered by the Committee on Foreign Relations.

I ask unanimous consent that the bill be printed in the RECORD at this point, together with the letter from the Acting Assistant Secretary of State to the Vice President dated April 19, 1973.

There being no objection, the bill and letter were ordered to be printed in the RECORD, as follows:

S. 1791

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Foreign Service Retirement Amendments of 1973".

TITLE I—AMENDMENTS OF TITLE VIII OF FOREIGN SERVICE ACT

FSS PARTICIPATION

SEC. 101. (a) Section 803 of the Foreign Service Act of 1946 (22 U.S.C. 801–1159) is amended by adding the following subparagraph at the end of paragraph (a) thereof:

"(4) All Foreign Service staff officers and employees appointed by the Secretary of State or the Director of the United States Information Agency with unlimited appointments."

(b) Section 803 of such Act is further amended by changing the reference at the end of subparagraph (b)(2) from "852(b)" to "811".

(c) Section 803 of such Act is further amended by deleting paragraph (c) thereof.

DEFINITIONS

SEC. 102. (a) The heading of section 804 of such Act is amended to read "DEFINITIONS".

(b) Section 804 of such Act is amended by deleting paragraph (a), the preface in paragraph (b), and subparagraphs (b)(1), (2) and (3) and substituting the following in lieu thereof immediately following the section number:

"When used in this title unless otherwise specified, the term—

"(a) 'Annuitant' means any person including a former participant or survivor who meets all requirements for an annuity from the Fund under the provisions of this or any other Act and who has filed claim therefor.

"(b) 'Surviving spouse' means the surviving wife or husband of a participant or annuitant who, in the case of a death in Service or marriage after retirement, was married to the participant or annuitant for at least two years immediately preceding his or her death or is the parent of a child born of the marriage.

"(c) 'Child' except in section 841 means an unmarried child, under the age of eighteen years, or such unmarried child regardless of age who because of physical or mental disability incurred before age eighteen is incapable of self-support. In addition to the offspring of the participant, the term includes (i) an adopted child, (ii) a stepchild or recognized natural child who received more than one-half support from the participant, and (iii) a child who lived with and for whom a petition of adoption was filed by a participant, and who is adopted by the surviving spouse of the participant after the latter's death. 'Child' also means an unmarried student below the age of twenty-two years. For this purpose a child whose twenty-second birthday occurs before July 1 or after August 31 of a calendar year, and while a student, is deemed to have become twenty-two years of age on the first day of July after that birthday.

"(d) 'Student' means a child regularly pursuing a fulltime course of study or training in residence in a high school, trade school, technical or vocational institute, junior college, college, university, or comparable recognized educational institution. A child who is a student shall not be deemed to have ceased to be a student during any interim between school years, semesters, or terms if the interim or other period of nonattendance does not exceed five calendar months and if the child shows to the satisfaction of the Secretary that he or she has a bona fide intention of continuing to pursue such course during the school year, semester, or term immediately following the interim.

"(e) 'Military and naval service' means honorable active service—

"(A) in the Armed Forces of the United States;

"(B) in the Regular or Reserve Corps of the Public Health Service after June 30, 1960; or

"(C) as a commissioned officer of the National Oceanic and Atmospheric Administration or predecessor organization after June 30, 1961;

but does not include service in the National Guard except when ordered to active duty in the service of the United States."

(c) Section 804 of such Act is further amended (A) by renumbering present subparagraphs "(b)(4)", "(5)" and "(6)" as "(f)", "(g)" and "(i)", respectively and (B) by adding the following as a new paragraph immediately following renumbered paragraph (g):

"(h) 'Foreign Service normal cost' means the level percentage of payroll required to be deposited in the Fund to meet the cost of benefits payable under the System (computed in accordance with generally accepted actuarial practice on an entry-age basis) less the value of retirement benefits earned under another retirement system for Government employees and less the cost of credit allowed for military service."

CONTRIBUTIONS

SEC. 103. (a) The heading of Part B of Title VIII of such Act is amended to read "CONTRIBUTIONS TO THE FUND".

(b) Section 811 of such Act is amended by adding the following paragraphs at the end thereof:

"(c)(1) If an officer or employee under another retirement system for Government employees becomes a participant in the System by direct transfer, such officer or employee's total contributions and deposits that would otherwise be refundable on separation including interest accrued thereon, except voluntary contributions, shall be transferred to the Fund effective as of the date such officer or employee becomes a participant in the System. Each such officer or employee shall be deemed to consent to the transfer of such funds and such transfer shall be a complete discharge and acquittance of all claims and demands against the other Government retirement fund on account of service rendered prior to becoming a participant in the System.

"(2) No officer or employees, whose contributions are transferred to the Fund in accordance with the provisions of paragraph (c)(1) of this section, shall be required to make contributions in addition to those transferred, for periods of service for which required contributions were made to the other Government retirement fund, nor shall any refund be made to any such officer or employee on account of contributions made during any period to the other Government retirement fund, at a higher rate than that fixed by paragraph (d) of this section.

"(d) Any participant credited with civilian service after July 1, 1924 (1) for which, for any reason whatsoever, no retirement contributions, deductions, or deposits have been made or (2) for which a refund of such contributions, deductions, or deposits has been made which has not been redeposited, may make a special contribution to the Fund equal to the following percentages of basic salary received for such services:

Service and Percent of Basic Salary

From July 1, 1924, to October 15, 1960, inclusive	5
From October 16, 1960, to December 31, 1969, inclusive	6½
On and after January 1, 1970	7

Notwithstanding the foregoing, a deposit for prior nondeposit service as a National Guard technician which would be creditable under subchapter III, chapter 83, title 5 of the United States Code toward Civil Service retirement and for which a special contribution has not been made, shall be equal to the deposit for such service computed in accordance with the above schedule multiplied by the percentage of such service that is creditable under section 851. Special contributions shall include interest computed from the midpoint of each service period included in the computation, or from the date refund was paid, to the date of deposit or commencing date of annuity, whichever is earlier. Interest shall be compounded at the rate of 4 percentum per annum to December 31, 1974, and at 3 percentum per annum thereafter. No interest shall be charged on special contributions made after the date of enactment of the Foreign Service Retirement Amendments of 1973 for any period of separation from Government service which began before October 1, 1956. Special contributions may be paid in installments when authorized by the Secretary.

"(e) For purposes of a survivor annuity, a survivor of a deceased participant or annuitant may make a special contribution.

"(f) No contributions shall be required for any periods of military or naval service.

"(g) A participant or survivor may make a special contribution anytime before receipt of annuity and may authorize payment by offset against initial annuity accruals."

COMPUTATION OF ANNUITIES

SEC. 104. (a) The heading of Part C of Title VIII of such Act is amended to read

"COMPUTATION AND PAYMENT OF ANNUITIES"

(b) Paragraph (a) of section 821 of such Act is amended (A) by striking the phrase "for which full contributions have been made to the Fund" each time it appears and by striking the commas immediately preceding and following such phrase the first time it appears, (B) by striking ", 852" and (C) by adding the following sentence at the end: "The annuity shall be reduced by 10 percentum of any special contribution described in section 811(d) due for service for which no contributions were made and remaining unpaid unless the participant elects to eliminate the service involved for purposes of annuity computation."

(c) Paragraph (b) of section 821 of such Act is amended to read as follows:

"(b)(1) Unless elected in writing to the contrary at the time of retirement, any married participant shall receive a reduced annuity and provide a maximum survivor annuity for his or her spouse. Such a participant's annuity or any portion thereof designated in writing by the participant as the base for the survivor benefit shall be reduced by 2½ per centum of the first $3,600 plus 10 per centum of any amount over $3,600. If an annuitant entitled to receive a reduced annuity under this paragraph dies and is survived by a spouse, a survivor annuity shall be paid to the surviving spouse equal to 55 per centum of the full amount of the participant's annuity computed under paragraph (a) of this section, or by 55 per centum of any lesser amount the annuitant designated at the time of retirement as the base for the survivor benefit.

"(2) An annuity payable from the Fund to a surviving spouse shall commence on the day after the annuitant dies and shall terminate on the last day of the month before the survivor's (A) remarriage prior to attaining age sixty or (B) death. If a survivor annuity is terminated because of remarriage under (A) above, it shall be restored at the same rate commencing on the date such remarriage is terminated provided any lump sum paid upon termination of the annuity is returned to the Fund."

(d) Paragraph (d) of section 821 of such Act is amended by adding the following sentence at the end: "If the annuity to a surviving child is initiated or resumed, the annuities of any other children shall be recomputed and paid as though the annuity to such child had never been discontinued."

(e) Paragraph (e) of section 821 of such Act is amended to read as follows:

"(e) The annuity payable to a child under paragraph (c) or (d) of this section shall begin on the day after the participant dies or if the child is not then qualified, on the first day of the month in which the child becomes or again becomes a student. A child's annuity shall terminate on the last day of the month which precedes the month in which eligibility ceases."

(f) Paragraph (f) of section 821 of such Act is amended by (A) changing "50" to "55" in the first sentence and (B) changing the last sentence to read as follows: "The annuity payable to a beneficiary under the provisions of this paragraph shall begin on the day after the annuitant dies and shall terminate on the last day of the month preceding the survivor's death."

(g) Section 821 of such Act is further amended by adding the following new paragraphs at the end:

"(g) An annuitant who was unmarried at retirement and who later marries may, within one year after such marriage, irrevocably elect in writing a reduced annuity with benefit to any surviving spouse who qualifies under section 804(b). The reduction in annuity shall be effective the first day of the month after notice of the election is received by the Secretary. Receipt by the Secretary of notice of an election under this paragraph voids prospectively any election previously made under paragraph (f). The reduction in annuity required by an election under this paragraph shall be computed and the amount of the survivor annuity shall be determined as if the election were made under paragraph (b)(1). The annuity reduction or recomputation shall be effective the first day of the month after notice of the election is received by the Secretary.

"(h) A surviving spouse shall not become entitled to a survivor annuity or to the restoration of a survivor annuity payable from the Fund unless the survivor elects to receive it instead of any other survivor annuity to which he or she may be entitled under this or any other retirement system for Government employees.

"(i) Any married annuitant who reverts to retired status with entitlement to a supplemental annuity under section 871 shall unless the annuitant elects in writing to the contrary at that time, have the supplemental annuity reduced by 10 per centum, to provide a supplemental survivor annuity for his or her spouse. Such supplemental survivor annuity shall be equal to 55 per centum of the annuitant's supplemental annuity and shall be payable to a surviving spouse to whom the annuitant was married at the time of reversion to retired status or to whom the annuitant had been married for at least two years at the time of death or who is the parent of a child born of the marriage."

PAYMENT OF ANNUITIES

SEC. 105. Part C of title VIII of such Act is further amended by adding the following new section at the end:

"SEC. 822. (a) Except as otherwise provided, the annuity of a participant who has met the eligibility requirements for annuity shall commence on the day after separation from the Service or on the day after pay ceases. The annuity of a former participant who is entitled to a deferred annuity under section 834 or under any other section of this Act shall begin on the day he or she reaches age 60.

"(b) The annuity to a survivor shall become effective as otherwise specified but shall not be paid until the survivor submits an application therefor supported by such proof of eligibility as the Secretary may require. If such application or proof of eligibility is not submitted during an otherwise eligible person's lifetime, no annuity shall be due or payable to his or her estate.

"(c) An individual entitled to annuity from the Fund may decline to accept all or any part of the annuity by submitting a signed waiver to the Secretary. The waiver may be revoked in writing at any time. Payment of the annuity waived may not be made for the period during which the waiver was in effect.

"(d) Recovery of overpayments under this title may not be made from an individual when, in the judgment of the Secretary, the individual is without fault and recovery would be against equity and good conscience."

DISABILITY ANNUITIES—TECHNICAL CHANGE

SEC. 106. Section 831 of such Act is amended (A) by striking the phrase "that is credited in accordance with provisions of section 851 or 852(a)(2)" from paragraph (a) thereof; (B) by striking "(a)" following "section 841" in paragraph (c) thereof; (C) by amending paragraph (d) thereof to read as follows: "(d) No participant shall be entitled to receive an annuity under this Act and compensation for injury or disability to himself or herself under subchapter 1 of chapter 81, title 5, United States Code, covering the same period of time except that a participant may simultaneously receive both an annuity under this section and scheduled disability payments under 5 U.S.C. 8107. This provision shall not bar the right of any claimant to the greater benefit conferred by either this Act or such subchapter for any part of the same period of time. Neither this provision nor any provision of such subchapter shall be so construed as to deny the right of any participant to receive an annuity under this Act and to receive concurrently any payment under such subchapter by reason of the death of any other person."; and (D) by striking the phrase "section 14 of the Act of September 16, 1916, as amended" from paragraph (e) thereof and substituting "5 U.S.C. 8135" in lieu thereof.

DEATH IN SERVICE

SEC. 107. (a) Section 832 of such Act is amended by revising paragraphs (a), (b), (c), and (d) to read as follows:

"(a) In case a participant dies and no claim for annuity is payable under the provisions of this Act, the lump-sum credit shall be paid in accordance with section 841.

"(b) If a participant who has at least eighteen months of civilian service credit toward retirement under the System dies before separation or retirement from the Service and is survived by a spouse, such surviving spouse shall be entitled to an annuity equal to 55 per centum of the annuity computed in accordance with the provisions of paragraph (e) of this section and of section 821(a).

"(c) If a participant who has at least eighteen months of civilian service credit toward retirement under the System dies before separation or retirement from the Service and is survived by a wife or a husband and a child or children, each surviving child shall be entitled to an annuity computed in accordance with paragraphs (c)(1) and (d) of section 32.

"(d) If a participant who has at least eighteen months of civilian service credit toward retirement under the System dies before separation or retirement from the Service and is not survived by a wife or husband, but by a child or children, each surviving child shall be entitled to an annuity computed in accordance with paragraphs (c)(2) and (d) of section 821."

(b) Section 832 of such Act is further amended by adding the following new paragraphs at the end:

"(f) If any annuitant who elected a reduced annuity dies in Service after being recalled under section 520(b) and is survived by a spouse entitled to a survivor annuity based on such an election, such survivor annuity shall be computed as if the recall service had otherwise terminated on the day of death and the deceased's annuity had been resumed in accordance with section 871. If such a death occurs after the annuitant has completed sufficient recall service to attain eligibility for a supplemental annuity, a surviving spouse, in addition to any other benefits, shall be entitled to a supplemental survivor annuity computed under section 821(i) as if the recall service had otherwise terminated. If the annuitant had completed sufficient recall service to attain eligibility to have his or her annuity determined anew, a surviving spouse may elect, in lieu of any other benefit under this title, to have the annuitant's rights redetermined and to receive a survivor annuity computed under paragraph (b) of this section on the basis of the annuitant's total service.

"(g) Annuities that become payable under this section shall commence, terminate and be resumed in accordance with paragraphs (b)(2) or (e) of section 821, as appropriate."

DISCONTINUED SERVICE—TECHNICAL CHANGE

SEC. 108. Section 834 of such Act is amended (A) by striking "(a)" immediately following "SEC. 834."; (B) by striking the phrase "that is credited in accordance with the provisions of section 851 or 852(a)(2) from the first paragraph thereof; and (C) by deleting paragraph (b) thereof.

LUMP-SUM PAYMENTS

SEC. 109. Part E of Title VIII of such Act is amended to read as follows:

"PART E—LUMP-SUM PAYMENTS

"SEC. 841. (a) 'Lump-sum credit' as used in this title means the compulsory and special contributions to a participant's or former participant credit in the Fund plus interest thereon compounded at 4 per centum per annum to the date of separation or December 31, 1974, whichever is earlier, and after such date for a participant who separates from the Service after completing at least one year of civilian service and before completing five years of such service, at the rate of 3 per centum per annum to the date of separation. Interest shall not be paid for a fractional part of a month in the total service or on compulsory and special contributions from an annuitant for recall service or other service performed after the date of separation which forms the basis for annuity.

"(b) Whenever a participant becomes separated from the Service without becoming eligible for an annuity or a deferred annuity in accordance with the provisions of this Act, the lump-sum credit shall be paid to the participant.

"(c) Whenever an annuitant becomes separated from the Service following a period of recall service without becoming eligible for a supplemental or recomputed annuity under section 871, the annuitant's compulsory contributions to the Fund for such service together with any special contributions the annuitant may have made for other service performed after the date of separation from the Service which forms the basis for annuity shall be returned without interest.

"(d) If all annuity rights under this title based on the service of a deceased participant or annuitant terminate before the total annuity paid equals the lump-sum credit, the difference shall be paid in the order of precedence shown in paragraph (g) of this section.

"(e) If a participant or former participant dies and is not survived by a person eligible for an annuity under this title or by such a person or persons all of whose annuity rights terminate before a claim for survivor anuity is filed, the lump-sum credit shall be paid in accordance with paragraph (g) of this section.

"(f) If an annuitant who was a former participant dies, annuity accrued and unpaid, shall be paid in accordance with paragraph (g) of this section.

"(g) Payments authorized in paragraphs (d) through (f) of this section shall be paid in the following order of precedence to such person or persons surviving the paricipant and alive on the date entitlement to the payment arises, upon the establishment of a valid claim therefor, and such payment shall be a bar to recovery by any other person.

"(1) To the beneficiary or beneficiaries last designated by the participant before or after retirement in a signed and witnessed writing received by the Secretary prior to the participant's death. For this purpose a designation, change, or cancellation of beneficiary in a will or other document not so executed and filed shall have no force or effect;

"(2) If there be no such beneficiary, to the surviving wife or husband of such participant;

"(3) If none of the above, to the child or children of such participant (including adopted and natural children but not stepchildren) and descendants of deceased children by representation;

"(4) If none of the above, to the parents of such participant or the survivor of them;

"(5) If none of the above, to the duly appointed executor or administrator of the estate of such participant;

"(6) If none of the above, to other next of kin of such participant as may be determined in the judgment of the Secretary to be legally entitled thereto except that no payment shall be made pursuant to this subparagraph until after the expiration of thirty days from the death of the participant or annuitant.

"(h) Annuity accrued and unpaid on the death of a survivor annuitant shall be paid in the following order of precedence, and the payment bars recovery by any other person: First, to the duly appointed executor or administrator of the estate of the survivor annuitant; second, if there is no such executor or administrator, payment may be made, after the expiration of thirty days from the date of death of such survivor annuitant, to such person as may be determined by the Secretary to be entitled under the laws of the survivor annuitant's domicile at the time of death."

CREDITABLE SERVICE

SEC. 110. (a) The heading of section 851 of such Act is amended to read as follows: "CREDITABLE SERVICE".

(b) Paragraph (a) of section 851 of such Act is amended to read as follows:

"(a) Except as otherwise specified by law, all periods of civilian and military service and periods of absence and separation therefrom completed by a participant through the date of final separation from the Service that would be creditable, as determined by the Secretary, under 5 U.S.C. 8332 toward retirement under the Civil Service Retirement and Disability System, if performed by an employee under that system, shall be creditable for purposes of this title. Conversely, any such service that is not creditable under specified conditions under 5 U.S.C. 8332 shall be excluded under this title under the same conditions."

(c) Section 851 of such Act is further amended by adding the following new paragraphs at the end thereof:

"(c)(1) A participant who enters on approved leave without pay to serve as a full-time officer or employee of an organization composed primarily of Government employees may, within 60 days after entering on that leave without pay, file with the employing agency an election to receive full retirement credit for such periods of leave without pay and arrange to pay concurrently into the Fund through the employing agency, amounts equal to the retirement deductions and agency contributions on the Foreign Service salary rate that would be applicable if the participant were in a pay status. If the election and all payments provided by this paragraph are not made for the periods of such leave without pay occurring after the effective date of this paragraph, the participant may not receive any credit for such periods of leave without pay occurring after such date.

"(c) (2) A participant may make a special contribution in accordance with section 811 for any period or periods of approved leave without pay while serving, before the effective date of this paragraph, as a full-time officer or employee of an organization composed primarily of Government employees. Any such contribution shall be based upon the suspended Foreign Service salary rate. A participant who makes such a contribution shall be allowed full retirement credit for the period or periods of leave without pay. If the deposit is not made in full, retirement credit shall be allowed for so much of the periods of leave without pay as do not exceed 6 months in the aggregate in any calendar year.

"(d) A participant who has received a refund of retirement contributions (which has not been repaid) under this or any other retirement system for Government employees covering service which may be creditable, may make a special contribution for such service pursuant to section 811. Credit may not be allowed for service covered by the refund unless the special contribution is made.

"(e) No credit in annuity computation shall be allowed for any period of civilian service during which a participant was covered under another retirement system for Government employees unless 1) the right to any annuity under the other system which is based on such service is waived and 2) a special contribution is made covering such service pursuant to section 811.

"(f) A participant who during the period of a war, or of a national emergency as proclaimed by the President or declared by the Congress, leaves the Service to enter the military service is deemed, for the purpose of this title, as not separated from the Service unless the participant applies for and receives a lump-sum payment under section 841. However, the participant is deemed to be separated from the Service after the expiration of five years of such military service."

FUNDING NORMAL COST

Sec. 111. Section 865 of such Act is amended (A) by inserting "(a)" immediately after "Sec. 865," and (B) by adding the following new paragraph at the end thereof:

"(b) At the end of each fiscal year, the Secretary shall notify the Secretary of the Treasury of the amount of the Foreign Service normal cost for that year which was not met by contributions under section 811(a). Before closing the accounts for that year, the Secretary of the Treasury shall credit such amount to the Fund as a Government contribution out of any money in the Treasury of the United States not otherwise appropriated. The Secretary shall report to the President and to the Congress the sums credited to the Fund under this section."

ANNUITY ADJUSTMENT FOR RECALL SERVICE

Sec. 112. Section 871 of such Act is amended to read as follows:

"Sec. 871. Any annuitant recalled to duty in the Service in accordance with the provisions of section 520(b) shall, while so serving, be entitled in lieu of annuity to the full salary of the class in which serving. During such service, the recalled annuitant shall make contributions to the Fund in accordance with the provisions of section 811. On the day following termination of the recall service, the former annuity shall be resumed adjusted by any cost-of-living increases(s) under section 882 that became effective during the recall period. If the recall service lasts less than one year, the annuitant's contributions to the Fund during recall service shall be refunded in accordance with section 841. If the recall service lasts more than one year, the annuitant may, in lieu of such refund, elect a supplemental annuity computed under section 821 on the basis of service credit and average salary earned during the recall period irrespective of the number of years of service credit previously earned. If the recall service continues for at least five years, the annuitant may elect, in lieu of having his or her former annuity resumed and supplemented as provided in this paragraph, to have his or her annuity determined anew under section 821. Any annuitant who is recalled under section 520(b) may, upon written application, count as recall service any prior service that is creditable under section 851 that was performed after the separation upon which his or her annuity is based."

VOLUNTARY CONTRIBUTIONS

Sec. 113. (a) Amend paragraph (a) of section 881 of such Act by deleting the portion of such paragraph that precedes subparagraph (1) thereof and substitute the following in lieu thereof:

"(a) The voluntary contribution account shall be the sum of unrefunded amounts heretofore voluntarily contributed by any participant or former participant under this section or under a prior corresponding provision of law, plus interest compounded at the rate of 3 per centum per annum to date of separation from the Service or in case of a participant or former participant separated with entitlement to a deferred annuity to the date the voluntary contribution account is claimed, or to the commencing date fixed for the deferred annuity or to the date of death, whichever is earlier. A participant's or former participant's account shall, effective on the date the participant becomes eligible for an annuity or a deferred annuity and at the participant's election, be—"

(b) Section 881 of such Act is further amended by deleting paragraphs (c) and (d) thereof and by adding the following new paragraph in lieu thereof:

"(c) A voluntary contribution account shall be paid in a lump sum following receipt of an application therefor from a present or former participant provided application is filed prior to payment of any additional annuity. If not sooner paid, the account shall be paid at such time as the participant separates from the Service for any reason without entitlement to an annuity, or a deferred annuity or at such time as a former participant dies or withdraws compulsory contributions to the Fund. In case of death, the account shall be paid in the order of precedence specified in section 841 (g)."

COST-OF-LIVING ADJUSTMENTS

Sec. 114. (a) Paragraphs (a), (b) and (c) of section 882 of such Act are amended to read as follows:

"(a) A cost-of-living annuity increase shall become effective under this section on the effective date of each such increase under title 5, United States Code, section 8340(b), as amended. Each such increase shall be applied to each annuity payable from the Fund which has a commencing date not later than the effective date of the increase.

"(b) The first annuity increase under this section after the effective date of this paragraph shall equal 1 per centum plus the per centum rise in the price index, adjusted to the nearest one-tenth of 1 per centum, between the month last used to establish an increase under this section and the base month used to establish the concurrent increase under title 5, United States Code, section 8340(b), as amended. Each subsequent annuity increase under this section shall be identical to the corresponding percentage increase under title 5, United States Code, section 8340(b), as amended.

"(c) Eligibility for an annuity increase under this section shall be governed by the commencing date of each annuity payable from the Fund as of the effective date of an increase except as follows:

"(1) Effective from its commencing date, an annuity payable from the Fund to an annuitant's survivor, except a child entitled under section 821(c) or 832 (c) or (d), shall be increased by the total per centum increase the annuitant was receiving under this section at death.

"(2) For purposes of computing or recomputing an annuity to a child under section 821 (c) or (d) or 832 (c) or (d), the items $900, $1,080, $2,700, and $3,240 appearing in section 821(c) shall be increased by the total per centum increases by which corresponding amounts are being increased under 5 U.S.C. 8340 on the date the child's annuity becomes effective."

(b) Section 882 of such Act is further amended by adding the following new paragraph at the end thereof:

"(f) Effective with the first day of the second month which begins after the date of enactment of the Foreign Service Retirement Amendments of 1973 or on the commencing date of an annuity, whichever is later, the annuity of each surviving spouse whose entitlement to annuity resulted from the death—

"(1) before enactment of the said Amendments, of a participant or a former participant entitled to benefits under section 634 (b); or (2) of an annuitant who, prior to enactment of the said Amendments elected a reduced annuity under this or any other act in order to provide a spouse's survivor annuity—

is increased by 10 per centum."

REPEALS

Sec. 115. Such Act is further amended by deleting sections 833, 852, and 854, and the headings thereto.

TITLE II—OTHER FOREIGN SERVICE ACT AMENDMENTS

RECALL

Sec. 201. (a) The heading of section 520 of such Act is amended to read "Reappointment and Recall".

(b) Paragraph (b) of section 520 of such Act is amended to read as follows:

"(b) Whenever the Secretary determines it to be in the public interest, any retired officer or employee of the Service may be recalled for active duty on a temporary or limited basis to any appropriate class in his or her former category, except that a retired Foreign Service officer may not be recalled to a class higher than he or she held at the time of retirement."

RETIREMENT OF CAREER AMBASSADORS

Sec. 202. Section 631 and the heading thereto of such Act are amended to read as follows:

"FOREIGN SERVICE OFFICERS WHO ARE CAREER AMBASSADORS

"Sec. 631. Any Foreign Service officer who is a career ambassador, other than one occupying a position as chief of mission or any other position to which appointed by the President, by and with the advice and consent of the Senate, shall be retired from the Service at the end of the month in which the officer reaches age sixty-five and receive retirement benefits in accordance with the provisions of section 821, but whenever the Secretary shall determine it to be in the public interest, such an officer may be retained on active service for a period not to exceed five years. Any such officer who completes a period of authorized service after reaching age sixty-five shall be retired at the end of the month in which such service is completed."

RETIREMENT OF PARTICIPANTS WHO ARE NOT CAREER AMBASSADORS

SEC. 203. Section 632 and the heading thereto of such Act are amended to read as follows:

"PARTICIPANTS IN THE FOREIGN SERVICE RETIREMENT AND DISABILITY SYSTEM WHO ARE NOT CAREER AMBASSADORS

"SEC. 632. Any participant in the Foreign Service retirement and disability system, other than one occupying a position as chief of mission or any other position to which appointed by the President, by and with the advice and consent of the Senate, who is not a career ambassador shall be retired from the Service at the end of the month in which the participant reaches age sixty and receive retirement benefits in accordance with the provisions of section 821, but whenever the Secretary shall determine it to be in the public interest, such a participant may be retained on active service for a period not to exceed five years. Any such participant who completes a period of authorized service after reaching age sixty shall be retired at the end of the month in which such service is completed."

SELECTION-OUT BENEFITS—TECHNICAL CHANGE

SEC. 204. Paragraph (b) of section 634 of such Act is amended by striking from subparagraph (2) thereof:

(A) ", with interest" after the words "Disability Fund" the first time the latter appears;

(B) "(a)" after "section 841" the first time the latter appears;

(C) "that is credited in accordance with the provisions of section 851 or 852(a)" after "naval service";

(D) ", with interest as provided in section 841(a)," after "Disability Fund" the last time the latter appears; and

(E) "(b)" after "section 841" the last time the latter appears.

SEPARATION FOR CAUSE—TECHNICAL CHANGE

SEC. 205. Section 637 of such Act is amended by striking from the first sentence of paragraph (b) thereof:

(A) ", with interest" after "Disability Fund";

(B) "(a)" after "section 841"; and

(C) "that is credited in accordance with the provisions of section 851 or 852(a)" after "naval service".

Such paragraph (b) is further amended by striking the last sentence thereof in its entirety.

TITLE III—TEMPORARY AND TRANSITIONAL PROVISIONS

CONVERSION TO FOREIGN SERVICE RETIREMENT SYSTEM

SEC. 301. (a) In accordance with such regulations as the President may prescribe, all Foreign Service staff officers and employees with unlimited appointments who (a) have been appointed by the Secretary of State or the Director, United States Information Agency, and (b) are participants in the Civil Service Retirement and Disability System on the effective date of this section, shall be transferred to the Foreign Service Retirement and Disability System effective on such date. Their retirement contributions shall be transferred in accordance with section 811 of the Foreign Service Act of 1946, as amended by this Act.

(b) Section 632 of the Foreign Service Act of 1946, as amended, shall not apply to any Foreign Service staff officer or employee appointed by the Secretary of State who becomes a participant in the Foreign Service Retirement and Disability System pursuant to paragraph (a) of this section until such officer or employee completes 10 years of continuous service in the Foreign Service of the Department of State, exclusive of military service.

(c) Any Foreign Service staff officer or employee appointed by the Director of the United States Information Agency who becomes a participant in the Foreign Service Retirement and Disability System under paragraph (a) of this section, shall, for purposes of determining the date of mandatory retirement under section 9(c) of the Act of August 20, 1968 (82 STAT. 812), be deemed to have become a participant pursuant to section 9(b) of such Act: *Provided,* That section 9(c) of such Act shall not apply until such an officer or employee completes 10 years of continuous service, exclusive of military service, in the Foreign Service of the United States Information Agency.

(d) Any Foreign Service staff officer or employee who becomes a participant in the Foreign Service Retirement and Disability System pursuant to paragraph (a) of this section who is age 57 or over on the effective date of this section may retire voluntarily at any time prior to mandatory retirement and receive retirement benefits under section 821 of the Foreign Service Act of 1946, as amended.

(e) Section 9(b) of the Act of August 20, 1968 (82 Stat. 812) is repealed on the effective date of this section.

GRANTS TO CERTAIN WIDOWS AND SURVIVOR ANNUITY ELECTIONS

SEC. 302. (a) A Foreign Service annuitant who was married at the time of retirement whose service terminated prior to October 16, 1960, and who has not elected any survivor benefit, may, within one hundred and twenty days after the date of enactment of this Act, elect a reduction in his or her annuity of $300 per annum and provide a survivor benefit of $2,400 per annum payable to the annuitant's surviving spouse provided the marriage had been in effect for at least two years at the time of death or resulted in the birth of a child. The survivor annuity shall commence, terminate and be resumed as if it had been elected under section 821(b) of the Foreign Service Act of 1946, as amended by this Act.

(b) An annuitant who makes an election under paragraph (a) of this section shall pay into the Foreign Service Retirement and Disability Fund an amount equal to $25 times the number of full months between the commencing date of his or her annuity and the first of the month following receipt of notice of the election by the Secretary of State. This amount may be paid into said Fund by deduction from annuity in multiples of $25 per month: The annuity reduction under paragraph (a) of this section and the deduction under this paragraph shall commence effective the first of the month following receipt of notice of the election by the Secretary of State. The deduction under this paragraph shall continue until the required amount has been paid into said Fund or until the annuitant's death, whichever occurs first; and if the latter, any remaining portion of such required amount shall be deemed to have been paid.

(c) If a Foreign Service annuitant who separated from the Foreign Service prior to October 16, 1960, died before the date of enactment of this Act or dies within one hundred and twenty days after such date of enactment leaving a spouse to whom married at retirement who is not entitled to receive a survivor annuity under the terms of 5 U.S.C. 8133 or any law authorizing payment from the Foreign Service retirement and Disability Fund and who qualifies under section 821(h) of the Foreign Service Act of 1946, as amended by this Act, the Secretary of State shall grant such surviving spouse, if not remarried prior to age 60, an annuity, to be payable from such Fund in the amount of $2,400 per annum adjusted by all cost-of-living increases received by widows granted annuities under section 4 of the Act of October 31, 1965 (79 Stat. 1130). An annuity to a surviving spouse who remarried prior to age 60 may be initiated or resumed under this paragraph in accordance with the provisions of paragraphs (b) and (h) of section 821 of the Foreign Service Act of 1946, as amended, if such remarriage has terminated or terminates in the future.

EFFECTIVE DATES

SEC. 303. (a) Section 301 of this Act and sections 803 and 881 of the Foreign Service Act of 1946 as amended by this Act shall be effective on the first day of the first pay period which begins more than 90 days after enactment of this Act.

(b) Effective on the last day of the first month which ends after the enactment of this Act, all Foreign Service survivor annuities then in effect shall terminate on the last day of a month in accordance with the provisions of paragraphs (b) (2), (e) and (f) of section 821 of the Foreign Service Act of 1946 as amended by this Act.

(c) The amendment of section 804 of the Foreign Service Act of 1946 made by this Act broadening eligibility for children's survivor annuities shall apply to all surviving children regardless of the date of death of the principal.

(d) Paragraph (g) of section 821 of the Foreign Service Act of 1946 as added by this Act shall apply to both present and future Foreign Service annuitants. Any annuitant who married after retirement but prior to the date of enactment of this Act may make an election under said paragraph (g) provided notice of the election is received by the Secretary of State within one year after such date of enactment.

(e) If an annuitant dies on or after January 8, 1971, who, prior to enactment of this Act, elected a reduced annuity with a benefit to a surviving spouse, and is survived by a spouse acquired after such election who qualifies under section 804(b) of the Foreign Service Act of 1946, as amended by this Act, such surviving spouse shall be entitled to an annuity computed under the law in effect at the time of such election and in accordance with all other applicable statutes. Such an annuity shall commence, terminate and be resumed in the same manner as an annuity payable under section 821(b) of the said Foreign Service Act;

(f) Paragraph (a) of section 822 of the Foreign Service Act of 1946 as added by this Act shall be effective on the first day of the first month which begins on or after enactment of this Act.

(g) Paragraph (a) of section 841 of the Foreign Service Act of 1946 as amended by this Act shall not apply to participants separated from the Foreign Service prior to the date of enactment of this Act nor to their survivors. All payments from the Foreign Service retirement fund that become due on and after such date of enactment shall be paid in the order of precedence specified in such section 841 irrespective of the date of separation.

(h) Paragraph (c) of section 851 of the Foreign Service Act of 1946 as added by this Act shall be effective on the first day of the first pay period that begins more than 30 days after enactment of this Act. A participant who is on approved leave without pay and is serving as a full-time officer or employee of an organization composed primarily of Government employees on such effective date shall have 60 days from such date to file an election under paragraph (c) of said section 851.

(i) paragraph (f) of section 851 of the Foreign Service Act of 1946 as added by this Act shall apply, in addition to present participants, to former participants who separated from the Foreign Service to enter the Armed Forces within the five-year period immediately preceding the date of enactment of this Act and who are members of he Armed Forces on such date of enactment.

(j) The annuity of a survivor who becomes immediately eligible for an annuity under paragraph (c) of section 302 of this Act or paragraphs (c) or (e) of this section shall become effective the first day of the first month which begins after enactment of this Act. However, payment shall be made only after receipt by the Department of State of such application for annuity and such proof of eligibility as the Secretary may require. If such application and proof of eligibility are not submitted during an otherwise eligible person's lifetime, no annuity shall be due or payable to his or her estate.

(k) The amendment of paragraphs (a) and (b) of section 882 of the Foreign Service Act of 1946 made by this Act shall be effective on the fifteenth day of the third month which begins after enactment of this Act.

(1) The amendment of sections 631 and 632 of the Foreign Service Act of 1946 made by this Act are effective upon enactment, except that any Foreign Service officer who is or becomes a career minister and who is not occupying a position to which appointed by the President, by and with the advice and consent of the Senate, shall be mandatorily retired for age in accordance with the schedule below and receive benefits under section 821 of the Foreign Service Act of 1946, as amended, unless the Secretary determines it to be in the public interest to extend such officer's service for a period not to exceed five years:

RETIREMENT SCHEDULE

(1) Any career minister who reaches age sixty-five during the month of enactment of this Act shall be retired at the end of such month;

(2) Other career ministers who are age sixty or over as of the date of enactment of this Act shall be retired at the end of the month which contains the midpoint between the last day of the month of enactment of this Act and the last day of the month during which the officer would reach age sixty-five, counting thirty days to the month; and

(3) On the last day of the thirtieth month which ends after the date of enactment of this Act, all other career ministers who are age sixty or over shall be retired, and thereafter the amendment made by subsection (a) shall be applicable in all cases.

(4) Any career minister who completes a period of authorized service after he reaches mandatory retirement age as provided in the above schedule shall be retired at the end of the month in which the officer completes such service.

DEPARTMENT OF STATE,
Washington, D.C., April 19, 1973.

Hon. SPIRO T. AGNEW,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: There is transmitted herewith for consideration of the Congress proposed legislation to amend the Foreign Service Act of 1946 to improve the Foreign Service Retirement and Disability System. The following are the most significant of these improvements.

1. Addition of a permanent indefinite appropriation to authorize the Secretary of the Treasury to deposit annually in the Foreign Service Retirement Fund the balance of the Foreign Service normal retirement cost not met by other applicable receipts. If the proposed legislation is enacted, about $6 million annually would be required for this purpose at current payroll levels. As described more fully in the enclosed explanation of the proposed amendment of section 865, the career nature of the Foreign Service and its somewhat superior benefit formula make the cost of the Foreign Service retirement system proportionately greater than the cost of the Civil Service system. Consequently, the normal cost of the Foreign Service retirement system is not being fully met by the current seven percent employee and matching Government contributions as in the normal cost of the Civil Service system. Additional funds are therefore required to meet this cost. The proposed permanent indefinite appropriation would meet this requirement.

2. Revision of Foreign Service survivor and service credit proivsions to equate them to corresponding Civil Service provisions. The proposed benefit changes would increase the normal cost of the system an estimated $418,000 and the unfunded liability by $20 million. The $418,000 is included in the $6 million figure mentioned above as the amount required to fully pay the Foreign Service normal cost. An appropriation of $1,301,000 per year for 30 years would be required to amortize the $20 million increase in unfunded liability pursuant to section 865 of the Foreign Service Act. A detailed cost estimate is enclosed.

3. Elimination of the ten-year waiting period Foreign Service staff personnel now must serve before becoming participants in the Foreign Service retirement system. This change is expected to result in an annual savings to the system of approximately $700,000. This saving is also reflected in the above $6 million figure.

4. Lowering of career minister mandatory retirement age to the regular Foreign Service retirement age of 60. This would have a negligible cost impact.

The above and other changes are fully explained in the enclosures. These changes will promote equity, improve financing and facilitate management of the Foreign Service retirement system. We would appreciate the early consideration and approval of them by the Congress.

We are advised by the Office of Management and Budget that there is no objection from the standpoint of the President's program to the submission of this proposal.

Sincerely,

W. MARSHALL WRIGHT,
Acting Assistant Secretary for Congressional Relations.

By Mr. DOMINICK:

S. 1792. A bill to extend the authorization of appropriations for the Bilingual Education Act, for the dropout prevention program, and for section 309 of the Adult Education Act. Referred to the Committee on Labor and Public Welfare.

Mr. DOMINICK. Mr. President, a few weeks ago, I introduced the Better Schools Act (S. 1319), the administration's education revenue sharing proposal. The bill I introduce today is a companion measure designed to extend for 1 year three education programs which are not incorporated into the Better Schools Act, but which will rather be retained at the Federal level.

This bill would extend the bilingual education program, the dropout prevention program, and the special experimental demonstration projects, and teacher training program—section 309—of the Adult Education Act. The administration's original proposal has been modified to show actual budget figures. Should the Better Schools Act not receive prompt action, it may be that the bill will have to be modfied; and a number of my colleagues feel that, in any event, the authorization should be increased.

By Mr. CANNON:

S. 1793. A bill to provide for coverage, under the insurance system established by title II of the Social Security Act, of service performed by employees of the Government Printing Office. Referred to the Committee on Finance.

SOCIAL SECURITY FOR CERTAIN GPO EMPLOYEES

Mr. CANNON. Mr. President, I introduce, for appropriate reference, a bill to provide social security coverage for certain Government Printing Office employees not now eligible for either civil service retirement benefits or Federal old-age, survivors, and disability insurance.

Generally speaking, Federal employees who are not covered by the civil service or other Federal retirement system established by law are covered by the insurance and tax provisions of the Social Security Act. That law, however, defines "employment" to specifically exclude all employment performed in the legislative branch. Since the Government Printing Office is a legislative agency, work performed in the Office is excluded from the definition of employment entitling a person to Federal old-age and survivors benefits. The effect has been to deny social security coverage to approximately 900 temporary and intermittent employees of the Government Printing Office, even though they are not otherwise eligible for the civil service retirement system. Moreover, since most other Federal employees who are not covered by a Federal retirement system do receive coverage under the Social Security Act, this works an inequitable burden on those employees of GPO who are not so covered. This bill would eliminate that inequity.

By Mr. CANNON:

S. 1794. A bill to amend section 308 of title 44, United States Code, relating to the disbursing officer, deputy disbursing officer, and certifying officers and employees of the Government Printing Office. Referred to the Committee on Rules and Administration.

ACCOUNTABILITY OF GPO DISBURSING AND CERTIFYING OFFICERS

Mr. CANNON. Mr. President, I introduce, for appropriate reference, a bill to restore certain sections omitted from the codification of title 44 concerning the functions of the Government Printing Office disbursing officer and will also provide for accountability and relief of GPO certifying officers in the same manner as that afforded to other Government certifying officers.

Since 1923 the disbursement functions of the Government Printing Office have been vested in the disbursing clerk, who is charged with accountability for receipts and disbursements of all funds for the GPO. The provisions detailing his responsibilities, while not repealed, have nevertheless been omitted from the last several editions of the United States Code, including the recent codification of title 44—Public Law 90–620, October 22, 1968.

Moreover, the disbursing officer of the

Government Printing Office, as a legislative branch employee, is not entitled to the same relief as that granted to executive branch officers. The disbursing officer of the Government Printing Office is solely responsible for the accounts of the GPO, and he alone is chargeable in the event of an error. This bill will enable him to rely on the signature of a duly authorized certifying officer, and will also provide for the accountability of GPO certifying officers and for their right to seek and advance decision from the Comptroller General on a question of law involved in the payment of a voucher which has been presented for certification.

By Mr. CANNON:

S. 1795. A bill to authorize the Public Printer to adopt an official Government Printing Office seal, and to designate employees to administer oaths. Referred to the Committee on Rules and Administration.

GOVERNMENT PRINTING OFFICE SEAL; OATH OF OFFICE

Mr. CANNON. Mr. President, I introduce, for appropriate reference, a bill to amend title 44, United States Code, to authorize the Public Printer to adopt an official seal for the Government Printing Office and to empower him to designate employees of the Government Printing Office to administer oaths in connection with the operations of the Government Printing Office. The bill will forestall any possible confusion as to which emblem utilized by the GPO is the "official" seal and will give that seal the same legal sanction enjoyed by other Federal agencies.

This bill will also serve to give the Public Printer the authority to designate employees to administer oaths of office and other oaths necessary to conduct the business at GPO. The statute conveying this authority on other heads of agencies (5 U.S.C. 2903) deals only with executive agencies and, therefore, is not applicable to the GPO. The authority to designate employees to administer oaths will avoid cumbersome and costly procedure of using notaries public for this function.

By Mr. MATHIAS:

S. 1796. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 to provide for grants to interstate metropolitan organizations. Referred to the Committee on the Judiciary.

Mr. MATHIAS. Mr. President, urban America, as it fights for survival, has to act simultaneously to repair the damage of past neglect while it acts to stop decay. The rhetoric with which we used to address this problem in the 1960's told us that if we acted quickly—if we rebuilt the cities—if we attacked poverty—if we began to offer a wide range of rationally connected social services to the underprivileged—if we offered job training and then jobs to those who needed them—if we eliminated racial and sex discrimination—we could then and only then expect the future of the cities to be bright because then would the evidences of the social decay which were blighting our cities begin to disappear. Illegitimacy, one-parent homes, lack of social discipline in the schools, juvenile delinquency, addiction, and crime would all decline if there were a more equitable social and economic order orchestrated by our Federal Government.

While I am convinced that we must, indeed, make many changes in our economic and social arrangements if social justice is to be achieved, I am also convinced that the rhetoric of the last decade underestimated the difficulty of making many of those changes and promised too much too soon. The result has been disillusionment with government's ability to perform and remedy the ills of America.

One of the promised benefits of the social programs of the sixties was to be a reduction of crime in our cities. But as we know too well, this too was an unrealistic promise that had little hope of fulfillment. We have been told statistically that crime is decreasing while the house next door is being robbed.

At the end of the 1960's, as a result of the rapidly rising reported crime rate of the latter half of that decade, the Congress responded to the outcry of the public and of the President's Commission on Law Enforcement and the Administration of Justice by enacting the Omnibus Crime Control and Safe Streets Act. This act provided for the first time major Federal assistance to the States and local governments to carry on and in many instances begin their seemingly endless struggle against the rising tide of crime. The passage of this bill reflected a general recognition that if urban America is to survive, its crime must die.

We have found, and not unexpectedly, that the billions of dollars channeled into LEAA by the Congress and then out to the States and cities, will not, by itself, check the growing crime rate. We need cooperation among people, among governments and within the criminal justice system itself. We need stiffer laws to deter crime, more effective rehabilitation to prevent further crime and a criminal justice system capable of pronouncing swift and predictable justice. I will continue to support the strong initiatives which have been taken to control and reduce crime, especially those efforts which the President has made so successfully in the area of drug supply.

There remains, as there always will be, a task aimed at reducing crime which has just barely begun—a task which cannot be carried on with any real hope of success without some new support from the administration, the Congress and the public. And that is the task of uniting the governments with the people of a metropolitan areas in an effort to control crime throughout a metropolitan area. Law enforcement and the administration of justice have always been regarded as local responsibilities, to be locally discharged. I do not challenge that proposition. I think there is a vital and indispensable role for our city, county, and State governments to play in law enforcement. The criminal justice system ought to remain a local system, responsive to the citizens of each community.

It has to be recognized today that our concept of the community is changing and must change if we are to meet the problems and challenges of the 20th century. The city is no longer contained within its predetermined legal boundaries, nor is the metropolitan area surrounding any large city now confined to one or two small towns on the edges of that city. Can any one say at what point the Washington metropolitan area ends—at what point the city begins and the suburbs begin? The communities in which we live and work and which define the character of our lives are metropolitan areas with a dozen, two, five dozen local governments within them. These social and economic units, many of them containing as do the Washington and Baltimore metropolitan areas, several million people, represent in every way what urban America means today. These metropolitan areas must be linked through planning, cooperative arrangements, compacts, and other devices yet to be developed to meet the complex problems of the millions who live and work within its boundaries.

When we speak of the crime or the environmental decay of an urban center, we no longer merely look within the political boundaries of that city to identify our problem. Crime and dirt have no regard to political entities. Some have suggested, in fact, a direct correlation between the quality and quantity of a particular problem in our urban cities and a proportionate increase or decrease in its suburban surroundings. The point is this: It is absolutely senseless for purposes of evaluating our society's ills to permit jurisdictional lines and political jealousy to thwart progress and, in the case of criminal justice, to thwart safety. The metropolitan areas which make up many cities and subdivisions within a State must all join together and cooperate with one another in order to reach this common objective. This is just pure commonsense. It is a political necessity.

That is a task which regional agencies such as regional planning councils and councils of local governments have begun. They have concentrated primarily on comprehensive planning related to land use, physical planning, transportation planning, and related areas, and they have done an outstanding and highly useful job in these areas. The task of planning and coordination on the metropolitan scale aimed at the control and reduction of crime, however, has hardly begun anywhere, and is severely hampered by the absence of Federal support for the kind of effort which must be made. Only in a few areas—one of them the Washington metropolitan area—has there been a strong and sustained effort, with the cooperation of local and State governments and, in the case of Washington, the Metropolitan Washington Council of Governments—COG—to plan and to develop a coordinated approach to the problems of crime at the metropolitan level. However, that effort has gone slowly, primarily due to the lack of adequate funding and predictable political support.

An underlying reason for slow progress in the Washington metropolitan effort relates to the formal mechanism of the Safe Streets Act. This act currently provides that 85 percent of the money appropriated shall go directly to State governments, which in turn may then fund regional agencies for sub-State planning area purposes.

Under the President's proposed special revenue sharing, the States' control over the Federal crimefighting money would become complete. The State of Maryland has utilized this legislative enabling authority in the case of the Baltimore Regional Planning Council, with very good results. However, the Washington metropolitan area, like 32 other major metropolitan areas in the United States and a vast number of other areas spanning State borders, is a metropolitan area which encompasses parts of two or more States. The Washington, D.C. metropolitan area and the area which is included in the Metropolitan Washington Council of Governments includes four major counties and a city in Virginia, two very large counties in Maryland, and the District of Columbia in its entirety. For an interstate metropolitan council like our Washington's COG to get Federal money to coordinate the public safety activities of the region, it too must go to the States for planning money. They are at the mercy of each State's planning agency—which in many ways they should be if they are to be effective—but the States in turn must take these funds from other crime programs planned in the State. Even if the States found it appropriate to subgrant portions of their planning funds to these interstate agencies, they could only do on a piecemeal basis—and even then one would be hampered by the possibility of a less than a unanimous subgranting of funds. While many metropolitan areas which fall entirely within State boundaries have obtained grants from the LEAA-funded State Planning Agencies—SPAs—for the purpose of undertaking regional planning and action programs for law enforcement and criminal justice, interstate planning agencies and councils of governments have never been eligible for direct planning grants although in many ways the need for funding in these interstate metropolitan areas is just as great.

Direct funding for planning purposes would permit interstate metropolitan agencies to develop comprehensive planning processes and plans of action for their regions.

The problem is not of small dimension—at least in the Washington area. A very recent report, dated February 8, 1973, by the Metropolitan Washington Council of Governments shows that of all arrests for serious crimes in the Maryland suburbs, 20 percent were of persons who did not live in the jurisdiction in which they were arrested.

From the point of view of the criminal, the entire metropolitan area is available to him for his work. From the point of view of the public, there are not adequate political and technical arrangements which will halt or deter criminal activity which is interjurisdictional in nature. We have neglected to make possible the planning which must precede the action—which will lend to permanent solutions.

Nineteen months ago I organized a conference on the problem of crime in the metropolitan area. That conference addressed itself to the problems of police, courts, corrections, prosecution and defense, civil disorders, organized crime, drug abuse, and juvenile delinquency as each one of these related to the Greater Washington metropolitan area. Some of those recommendations have now been put into effect. Others, designed to control and reduce crime in the larger city of Metropolitan Washington, await action still because of the difficulty in planning, staffing, and developing the arrangements we need so desperately.

But among actions taken as a result of that conference are: First, intensive discussions among prosecutors in the metropolitan area regarding interjurisdictional investigations and organized crime in the metropolitan area; second, creation of a new Corrections Committee at COG aimed at developing recommendations concerning regional correctional facilities, interstate arrangements for exchange of inmates for training purposes, improving supervision of persons on probation and parole in the Washington metropolitan area, and improved security arrangements; third, development of a proposal by COG to acquire the appropriate data in order to show the nature, extent, trends, and changes in drug abuse patterns in the Washington metropolitan area; fourth, preparation of a meeting composed of chief judges in the metropolitan area to discuss such common problems as the need for information from other jurisdictions at time of sentencing, sentencing practices area, and the experiences with and opportunities presented by court reform in the metropolitan area; fifth, development of an amendment to the police mutual aid agreement which permits the exchange of narcotics investigators within the metropolitan area; and, sixth, upgrading of the police mutual aid radio network throughout the entire metropolitan area, permitting more effective police coordination.

Still awaiting action are a wide variety of other programs, including in particular, first, an effort to mount an effective program aimed at improving coordination among police and prosecutors in the field of organized crime; second, development of a capability to monitor the major violator in the metropolitan area; third, development of effective programs to deal with major laws with a view to recommending changes which would encourage opportunities for young people to work at useful occupations, thereby discouraging delinquency; and, fourth, improved cooperation with local broadcast media in providing information to the public about disorders, disturbances, and natural disasters.

The will to meet these metropolitan needs is present. The police chiefs, the correctional officials, the prosecutors, the drug abuse program directors of the Nation all stand ready to cooperate and have taken a number of steps already to improve cooperation, in the Washington area and elsewhere. A survey of major metropolitan agencies shows that two-thirds are eager to move forward with planning and cooperative action in this area—if there were adequate funding available. The administrative mechanisms already exist. There are in all major metropolitan areas either regional planning councils or councils of governments. Missing only is provision in the Omnibus Crime Control and Safe Streets Act which would permit direct funding of these interstate councils for planning at the regional or metropolitan scale to develop approaches and answers to the regional or metropolitan crime problems.

Mr. President, I today propose such an amendment to the Safe Streets Act in order to permit interstate regional metropolitan area councils of local governments or regional councils which are interstate directly eligible for a specially earmarked amount of planning grant funds from LEAA. I am proposing that a minimum grant of $25,000 be made to any one agency, and that a maximum of $1.5 million be appropriated for this purpose in fiscal year 1974.

This proposed amendment in no way is intended to lead to a diminution of the powers and responsibilities of either State or local governments. But, rather it will greatly augment the realistic opportunities to halt crime in that portion of the metropolitan area within each State's boundaries. State would retain all powers they now exercise over the grant funds made available to States for comprehensive State planning. The grants to interstate councils of governments or interstate planning councils would be made only for planning and none specifically for the purpose of achieving a coordinated response to crime problems by local governments within the metropolitan area. All other criminal justice planning would remain with States and their local governments. Control over direct action moneys would remain with the States. Further, the plans developed by interstate agencies would, through the language of my proposed amendment to the act, have to be consistent with State and local plans of action. In other words, there would be no planning unless what is planned is approved by all the appropriate governments. It encourages cooperation, while not denying political realities.

It is a modest proposal, but nonetheless a beginning. It is not without models. In 1972, I assisted the Metropolitan Washington Council of Governments in obtaining a pilot or demonstration grant from LEAA to begin such planning at the metropolitan scale here in the Washington metropolitan area. This was done with the agreement of respective local and State governments. Its report on interjurisdictional crime which will appear at the end of these remarks is one product of this new funding approach. The Washington COG has proven that progress, though slim, is achievable and they should be commended for their leadership and efforts. It is the intention of my amendment that the work begun by the Metropolitan Washington Council of Governments be continued and that similar efforts be made possible for other interstate councils and organizations.

Surveys of the existing 29 interstate metropolitan area councils of governments and regional planning agencies reveal that many of these organizations are uniquely aware of the growing complexity of the crime problem in this Nation. They have realized that the offender is no more inhibited by jurisdictional boundary lines than he is by locked doors or moral scruples. They realize that apprehension cannot be limited by a geographical boundary nor can we attack crime on the basis of the narrow harm done to a political subdivision. These agencies are uniquely qualified, willing, and prepared to undertake solutions to these complex metropolitan problems. Staff complements of these agencies in the area of public safety range from zero to 17 persons—indicating both their deficiency and present capability. As an indicator of the willingness on the part of these organizations to assume a more functional role in the efforts for insuring public safety, and, in general, upgrading the quality of life in the many problem-plagued urban centers of this Nation, a conference of regional councils representing interstate areas was convened in December 1972 in New Orleans, under the auspices of the National Association of Regional Councils. From this conference arose specific recommendations and mandates for action which were subsequently directed to the States and the Federal Government.

These recommendations taken as a package, while largely applicable to efforts more broad than the specific scope of this proposed legislation, are nonetheless consistent with its conceptual basis. These recommendations state that:

First. Legislation should be sought authorizing and requiring the Office of Management and Budget—OMB—to certify a single areawide regional council in interstate urban areas as the administrator of all Federal programs concerned with areawide planning or coordination for that area, unless such designation would be contrary to State law;

Second. In new Federal legislation involving areawide planning and coordination within interstate areas, the Standard Metropolitan Statistical Area—SMSA—should be treated as the basic unit for such planning and coordination, and the executive office of the President should be responsible for assuring that the areawide regional council is designated to carry out the programs unless such designation would be contrary to State law;

Third. Individual Federal agency certification processes should be combined and made consistent throughout all interstate urban areas;

Fourth. To the extent possible, Federal and State agencies should agree on a uniform base for the collection of data needed for areawide planning;

Fifth. OMB, Federal Regional Councils, and the States should seek to achieve consistency among Federal agency guidelines in specific functional areas;

Sixth. The National Association of Regional Councils and individual regional councils should seek to educate the Congress and the State legislatures on the problems of interstate areas on a continuing basis; and,

Seventh. The proposed legislation to amend the Safe Streets Act in order to make interstate regional councils directly eligible for LEAA planning funds should be supported, and similar legislation should be developed for other functional areas.

The failure of the Federal Government to deal directly with interstate urban areas in its law enforcement programs reflects the greater problem of the lack of the development of an effective areawide mechanism for coordination.

This lack exists largely because: First, interstate councils tend to be orphans insofar as their State governments are concerned; States tend to be reluctant to delegate responsibility or to invest State funds in organizations whose jurisdiction and governmental allegiance lies outside the State's boundaries; and, second, States understandably tend to build substate agencies in interstate urban areas, and will presumably continue to. This tends to fragment urban areas along State lines and perpetuates the weaknesses of interstate councils.

Since it does not appear likely that State governments will act to strengthen interstate councils, Federal policy seems to be the only realistic potential means for bringing about an increase in the effectiveness of these organizations. The thrust, then, of this proposed amendment is not the creation and maintenance of yet another action center but an attempt to increase the abilities of local and State governments to act effectively in a concerted and effective fashion. To place in perspective the actual and potential resources and capabilities of those interstate metropolitan area councils of governments and regional planning agencies, it is important to note that the population which it serves is approximately 40 million, or nearly one-fifth of the Nation's population and, approximately 30 percent of the Nation's reported serious or major crime for calendar year 1971 was reported in those interstate areas served by regional planning agencies or councils of governments.

A recent survey of 20 of these 29 interstate councils revealed that 15, or 75 percent of the sample would in fact apply for planning grant funds if money was available. Some of the reasons for giving negative responses were: First, a lack of interest in coordination by the affected States, and hence no client group; and second, sentiment that planning funds would be of minimal value until authority to award grants based on these plans was placed with the metropolitan agency. Only six of these organizations currently receive public safety or criminal justice planning grant funds. Five receive such funds from the Law Enforcement Assistance Administration—largely for research programs. One receives grant funds through the programs financed under the Highway Safety Act. These figures, however, seem less than startling when one considers the fact that only seven, or 35 percent of the respondents currently possess a department of public safety or criminal justice planning, largely for lack of funding.

With the availability of earmarked planning moneys for interstate councils as provided for in this proposed amendment, it is anticipated that functional public safety components will become more widespread. Such increased capability in this regard is desirable, for while there may be argument over the causes and the extent of interstate crime in these metropolitan areas, there is no argument that the amount of such crime is substantial and that the problems in enforcement are complex. The need for the kind of continuing staff planning and coordination effort that can only be supplied through an interstate metropolitan agency properly supported through planning funds is vividly apparent.

Upon enactment of such an amendment, the first step for a regional agency would be to focus and identify the metropolitan problems in the law enforcement and criminal justice areas. In this regard, then, the regional planning agencies would be required, with the cooperation and approval of the cognizant States and units of general local government, to prepare and adopt comprehensive plans on the basis of their regional attack on crime in its area. As is currently the case with the plans prepared by the States, the regional plans would include descriptions of the general and specific metropolitanwide needs and problems; available resources; organization systems and administrative machinery for implementing the plan; the direction, scope, and general types of improvements to be made in the future; and the relationship of the plan to those plans and systems of the cognizant States and units of general local governments. The concerned SPAs would review and approve the contents of such plans prior to their submission to the Law Enforcement Assistance Administration for its approval. Only thereafter could steps be taken to implement these plans.

The solution to the problems of crime in our cities and to the urgent need to make our streets safe from violence is not to be found solely, of course, in developing planning capabilities at the metropolitan or regional level in interstate areas. We must press for many diverse approaches to this complex and difficult problem. We have, however, neglected to support the efforts of interstate councils and we must now remedy that neglect and provide them with the capability to undertake the planning and coordination which are essential if crime in our cities and outlying suburbs is to be controlled and reduced.

Mr. President, I wish to acknowledge the great assistance of the Washington Council of Governments with regard to this proposed amendment. They have greatly added to my understanding of this matter and I am deeply grateful.

Mr. President, at this time I ask unanimous consent that the full text of the proposed amendment be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows.

S. 1796

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That part B of Title I of the Omnibus Crime Control and Safe Streets Act of 1968, as amended, is further amended by adding at the end thereof the following new section:

"SEC. 206. (a) Notwithstanding any other provision of law, the Administration is authorized to make grants to organizations composed or predominantly composed of local elected officials from the general purpose governments within any interstate metropolitan area, which are capable of developing an effective comprehensive planning and coordination process to cope with the regional law enforcement and criminal justice needs and problems within such interstate area. Grants under this section for interstate regional planning shall include but not be limited to grants for the following purposes:

"(1) identifying general metropolitan needs, problems and resources to meet needs and problems on a metropolitan scale;

"(2) preparing, as an aid to state and local governments, comprehensive law enforcement and criminal justice plans for meeting regional problems;

"(3) developing physical and fiscal proposals for implementing plans and policies on which local governments in the metropolitan area agree;

"(4) proposing organizational systems and administrative machinery for implementing plans and policies;

"(5) coordinating related plans and activities of state and local governments and agencies concerned with regional planning; and

"(6) encouraging states and local governments to combine or provide cooperative arrangements with respect to services, facilities, and equipment.

"(b) The amount of any Federal grant made under this section shall not exceed 90 per centum of the expenses for preparation, development, and revisions of such interstate metropolitan planning and coordination. All interstate metropolitan plans developed under this section shall be consistent with the comprehensive state and local programs priorities developed under section 303 of this title.

"(c)(1) There are authorized to be appropriated for the purposes of this section an amount not to exceed $1,500,000 for the fiscal years ending June 30, 1974 and $2,000,000 for each of the fiscal years ending June 30, 1975 and June 30, 1976.

"(2) Any amount so appropriated for any such fiscal year may be allocated by the Administration among interstate metropolitan areas according to their relative needs and population, except that no such area to which funds are allocated shall receive a sum less than $25,000.

"(3) Any funds appropriated under this section and not expended during the fiscal year for which they were appropriated shall remain available for expenditure in subsequent fiscal years."

By Mr. SYMINGTON (for himself and Mr. THURMOND) (by request):

S. 1797. A bill to authorize certain construction at military installations and for other purposes. Referred to the Committee on Armed Services.

Mr. SYMINGTON. Mr. President, by request, for myself and Mr. THURMOND, I introduce, for appropriate reference, a bill to authorize certain construction at military installations, and for other purposes.

I ask unanimous consent that a letter of transmittal requesting consideration of the legislation, and explaining its purpose, be printed in the RECORD immediately following the listing of the bill.

There being no objection, the bill and letter were ordered to be printed in the RECORD, as follows:

S. 1797

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I

SEC. 101. The Secretary of the Army may establish or develop military installations and facilities by acquiring, constructing, converting, rehabilitating, or installing permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment for the following acquisition and construction:

Inside the United States

UNITED STATES CONTINENTAL ARMY COMMAND

(First Army)

Fort Belvoir, Virginia, $14,403,000.

Carlisle Barracks, Pennsylvania, $2,465,000.

Fort Devens, Massachusetts, $2,749,000.

Fort Dix, New Jersey, $339,000.

Camp Drum, New York, $1,099,000.

Fort Eustis, Virginia, $4,782,000.

Camp A. P. Hill, Virginia, $535,000.

Indiantown Gap Military Reservation, Pennsylvania, $1,657,000.

Fort Knox, Kentucky, $7,305,000.

Fort Lee, Virginia, $22,769,000.

Fort George G. Meade, Maryland, $7,445,000.

Fort Monroe, Virginia, $867,000.

Camp Pickett, Virginia, $476,000.

(Third Army)

Fort Benning, Georgia, $12,404,000.

Fort Bragg, North Carolina, $33,471,000.

Fort Campbell, Kentucky, $51,881,000.

Eglin AFB, Valparaiso, Florida, $2,950,000.

Fort Gordon, Georgia, $23,780,000.

Fort Jackson, South Carolina, $2,902,000.

Fort McClellan, Alabama, $19,505,000.

Fort McPherson, Georgia, $1,804,000.

Fort Rucker, Alabama, $3,987,000.

Fort Stewart, Georgia, $264,000.

(Fifth Army)

Fort Bliss, Texas, $6,087,000.

Fort Benjamin Harrison, Indiana, $3,893,000.

Fort Hood, Texas, $15,094,000.

Fort Sam Houston, Texas, $11,738,000.

Fort Polk, Louisiana, $29,276,000.

Fort Riley, Kansas, $34,918,000.

Fort Sheridan, Illinois, $762,000.

Fort Sill, Oklahoma, $9,447,000.

Fort Leonard Wood, Missouri, $44,482,000.

(Sixth Army)

Fort Carson, Colorado, $6,651,000.

Hunter-Liggett Military Reservation, California, $7,776,000.

Fort Lewis, Washington, $8,327,000.

Fort McArthur, California, $428,000.

Fort Ord, California, $9,812,000.

Presidio of San Francisco, California, $5,751,000.

UNITED STATES ARMY MATERIEL COMMAND

Aberdeen Proving Ground, Maryland, $11,934,000.

Aeronautical Maintenance Center, Texas, $6,284,000.

Anniston Army Depot, Alabama, $3,745,000.

Army Materials and Mechanics Research Center, Massachusetts, $325,000.

Atlanta Army Depot, Georgia, $119,000.

Frankford Arsenal, Pennsylvania, $73,000.

Fort Monmouth, New Jersey, $12,286,000.

Defense Depot, Memphis, Tennessee, $456,000.

Natick Laboratories, Massachusetts, $466,000.

Picatinny Arsenal, New Jersey, $2,915,000.

Pine Bluff Arsenal, Arkansas, $294,000.

Redstone Arsenal, Alabama, $4,971,000.

Sacramento Army Depot, California, $412,000.

Savanna Army Depot, Illinois, $2,746,000.

Sierra Army Depot, California, $380,000.

White Sands Missile Range, New Mexico, $4,771,000.

Yuma Proving Ground, Arizona, $6,472,000.

UNITED STATES ARMY SECURITY AGENCY

Vint Hill Farms Station, Virginia, $287,000.

UNITED STATES ARMY STRATEGIC COMMUNICATION COMMAND

Fort Huachuca, Arizona, $6,832,000.

Fort Ritchie, Maryland, $1,394.000.

UNITED STATES MILITARY ACADEMY

United States Military Academy, West Point, New York, $30,145,000.

ARMY MEDICAL DEPARTMENT

Walter Reed Army Medical Center, District of Columbia, $1,997,000.

CORPS OF ENGINEERS

Cold Regions Laboratories, New Hampshire, $597,000.

MILITARY TRAFFIC MANAGEMENT AND TERMINAL SERVICE

Oakland Army Terminal, California, $485,000.

Sunny Point Army Terminal, North Carolina, $1,628,000.

UNITED STATES ARMY, ALASKA

Fort Greeley, Alaska, $3,489,000.

Fort Richardson, Alaska, $2,140,000.

Fort Wainwright, Alaska, $2,175,000.

UNITED STATES ARMY, HAWAII

Schofield Barracks, Hawaii, $9,592,000.

Fort Shafter, Hawaii, $1,233,000.

POLLUTION ABATEMENT

Various Locations, Air Pollution Abatement, $7,295,000.

Various Locations, Water Pollution Abatement, $6,799,000.

Outside the United States

UNITED STATES ARMY FORCES, SOUTHERN COMMAND

Canal Zone, Various Locations, $8,095,000.

UNITED STATES ARMY, PACIFIC

Korea, Various Locations, $1,568,000.

PUERTO RICO

Fort Buchanan, Puerto Rico, $517,000.

KWAJALEIN MISSILE RANGE

National Missile Range, $2,353,000.

UNITED STATES ARMY SECURITY AGENCY

Various Locations, $1,434,000.

UNITED STATES ARMY STRATEGIC COMMUNICATION COMMAND

Various Locations, $2,097,000.

UNITED STATES ARMY, EUROPE

Germany, Various Locations, $12,517,000.

Various Locations: For the United States share of the cost of multilateral programs for the acquisition or construction of military facilities and installations, including international military headquarters, for the collective defense of the North Atlantic Treaty Area, $80,000,000: *Provided,* That, within thirty days after the end of each quarter, the Secretary of the Army shall furnish to the Committees on Armed Services and on Appropriations of the Senate and House of Representatives a description of obligations incurred as the United States share of such multilateral programs.

SEC. 102. The Secretary of the Army may establish or develop classified military installations and facilities by acquiring, constructing, converting, rehabilitating, or installing permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment in the total amount of $3,000,000.

SEC. 103. The Secretary of the Army may establish or develop Army installations and facilities by proceeding with construction made necessary by changes in Army missions and responsibilities which have been occasioned by: (1) unforeseen security considerations, (2) new weapons developments, (3) new and unforeseen research and development requirements, or (4) improved production schedules if the Secretary of Defense determines that deferral of such construction for inclusion in the next Military Construction Authorization Act would be inconsistent with interests of national security, and in connection therewith to acquire, construct, convert, rehabilitate, or install permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities and equipment; in the total amount of $10,000,000: Provided, That the Secretary of the Army, or his designee, shall notify the Committees on Armed Services of the Senate and House of Representatives, immediately upon reaching a final decision to implement, of the cost of construction of any public work undertaken under this section, including those real estate actions pertaining thereto. This authorization will expire as of September 30, 1974, except for those public works projects concerning which the Committees on Armed Services of the Senate and House of Representatives have been notified pursuant to this section prior to that date.

Sec. 104. (a) Public Law 92–545, is amended under the heading "Inside the United States," in section 101 as follows:

With respect to "Military Ocean Terminal, Bayonne, New Jersey," strike out "$3,245,000" and insert in place thereof "$3,603,000."

(b) Public Law 92–545 is amended by striking out in clause (1) of section 702 "$441,704,000" and "$558,778,000" and inserting in place thereof "$442,062,000" and "$559,136,000," respectively.

Sec. 105. (a) Public Law 91–511, as amended, is amended under the heading "Inside the United States," in section 101 as follows:

With respect to "Fort Benning, Georgia," strike out "$2,855,000" and insert in place thereof "$3,383,000."

(b) Public Law 91–511, as amended, is amended by striking out in clause (1) of section 602 "$181,306,000" and "$266,503,000" and inserting in place thereof "$181,834,000" and "$267,031,000," respectively.

Sec. 106. (a) Public Law 90–110, as amended, is amended under the heading "United States Army, Alaska" in section 101 as follows:

With respect to "Fort Richardson, Alaska," strike out "$1,800,000" and insert in place thereof "$2,100,000."

(b) Public Law 90–110, as amended, is amended by striking out in clause (1) of section 802 "$288,055,000" and "$391,448,000" and inserting in place thereof "$288,355,000" and "$391,748,000," respectively.

TITLE II

Sec. 201. The Secretary of the Navy may establish or develop military installations and facilities by acquiring, constructing, concerting, rehabilitating, or installing permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities and equipment for the following acquisition and construction:

Inside the United States

FIRST NAVAL DISTRICT

Naval Air Station, Brunswick, Maine, $135,000.

Naval Security Group Activity, Winter Harbor, Maine, $232,000.

THIRD NAVAL DISTRICT

Naval Submarine Base, New London, Connecticut, $6,158,000.

Naval Underwater System Center, New London Laboratory, New London, Connecticut, $3,600,000.

Military Ocean Terminal, Bayonne, New Jersey, $1,806,000.

Naval Support Activity, Brooklyn, New York, $1,131,000.

FOURTH NAVAL DISTRICT

Philadelphia Naval Shipyard, Philadelphia, Pennsylvania, $915,000.

Naval Air Development Center, Warminster, Pennsylvania, $215,000.

NAVAL DISTRICT, WASHINGTON

Naval Research Laboratory, Washington, District of Columbia, $5,395,000.

Naval Academy, Annapolis, Maryland, $4,334,000.

Naval Station, Annapolis, Maryland, $1,080,000.

National Naval Medical Center, Bethesda, Maryland, $3,310,000.

Naval Medical Research Institute, Bethesda, Maryland, $6,372,000.

Naval Communication Station, Cheltenham, Maryland, $1,300,000.

Naval Ordnance Station, Indian Head, Maryland, $1,528,000.

Naval Air Test Center, Patuxent River, Maryland, $1,240,000.

Naval Hospital, Quantico, Virginia, $484,000.

FIFTH NAVAL DISTRICT

Fleet Combat Direction Systems Training Center, Atlantic, Dam Neck, Virginia, $6,531,000.

Naval Amphibious Base, Little Creek, Virginia, $3,350,000.

Naval Air Station, Norfolk, Virginia, $2,525,000.

Naval Station, Norfolk, Virginia, $18,493,000.

Navy Public Works Center, Norfolk, Virginia, $567,000.

Nuclear Weapons Training Group, Atlantic, Norfolk, Virginia, $2,470,000.

Naval Air Station, Oceana, Virginia, $3,962,000.

Norfolk Naval Shipyard, Portsmouth, Virginia, $11,133,000.

Naval Weapons Station, Yorktown, Virginia, $1,327,000.

SIXTH NAVAL DISTRICT

Naval Air Station, Cecil Field, Florida, $3,743,000.

Naval Air Station, Ellyson Field, Florida, $75,000.

Naval Air Station, Jacksonville, Florida, $13,766,000.

Naval Hospital, Orlando, Florida, $22,312,000.

Naval Training Center, Orlando, Florida, $7,383,000.

Naval Coastal Systems Laboratory, Panama City, Florida, $3,463,000.

Naval Air Station, Pensacola, Florida, $2,699,000.

Naval Communications Training Center, Pensacola, Florida, $9,859,000.

Naval Air Station, Whiting Field, Florida, $2,186,000.

Naval Home, Gulfport, Mississippi, $9,444,000.

Naval Air Station, Meridian, Mississippi, $4,532,000.

Charleston Naval Shipyard, Charleston, South Carolina, $252,000.

Naval Station, Charleston, South Carolina, $1,498,000.

Naval Air Station, Memphis, Tennessee, $4,478,000.

EIGHTH NAVAL DISTRICT

Naval Hospital, New Orleans, Louisiana, $3,386,000.

Naval Support Activity, New Orleans, Louisiana, $13,880,000.

Naval Air Station, Chase Field, Texas, $2,875,000.

Naval Air Station, Kingsville, Texas, $3,040,000.

NINTH NAVAL DISTRICT

Naval Complex, Great Lakes, Illinois, $19,908,000.

ELEVENTH NAVAL DISTRICT

Naval Weapons Center, China Lake, California, $3,163,000.

Long Beach Naval Shipyard, Long Beach, California, $6,808,000.

Naval Hospital, Long Beach, California, $878,000.

Naval Air Station, Miramar, California, $1,454,000.

Naval Air Station, North Island, California, $2,415,000.

Fleet Combat Direction Systems Training Center, Pacific, San Diego, California, $1,118,000.

Naval Electronics Laboratory Center, San Diego, California, $3,518,000.

Naval Station, San Diego, California, $11,996,000.

Naval Training Center, San Diego, California, $2,944,000.

Navy Public Works Center, San Diego, California, $2,471,000.

Navy Submarine Support Facility, San Diego, California, $3,920,000.

Naval Weapons Station, Seal Beach, California, $1,528,000.

TWELFTH NAVAL DISTRICT

Naval Air Station, Alameda, California, $5,236,000.

Naval Air Station, Lemoore, California, $3,266,000.

Naval Air Station, Moffett Field, California, $5,265,000.

Naval Hospital, Oakland, California, $5,839,000.

Hunters Point Naval Shipyard, San Francisco, California, $250,000.

Naval Security Group Activity, Skaggs Island, California, $641,000.

Mare Island Naval Shipyard, Vallejo, California, $2,074,000.

THIRTEENTH NAVAL DISTRICT

Naval Complex, Adak, Alaska, $8,773,000.

Puget Sound Naval Shipyard, Bremerton, Washington, $2,300,000.

FOURTEENTH NAVAL DISTRICT

Naval Air Station, Barbers Point, Hawaii, $4,306,000.

Naval Ammunition Depot, Oahu, Hawaii, $457,000.

Naval Station, Pearl Harbor, Hawaii, $4,060,000.

Naval Submarine Base, Pearl Harbor, Hawaii, $2,562,000.

Navy Public Works Center, Pearl Harbor, Hawaii, $1,985,000.

Naval Communication Station, Honolulu, Wahoiawa, Hawaii, $2,324,000.

MARINE CORPS

Marine Corps Air Station, Quantico, Virginia, $831,000.

Marine Corps Development and Education Command, Quantico, Virginia, $1,541,000.

Marine Corps Base, Camp Lejeune, North Carolina, $8,902,000.

Marine Corps Air Station, Cherry Point, North Carolina, $1,821,000.

Marine Corps Air Station, New River, North Carolina, $3,245,000.

Fleet Marine Force Atlantic, Norfolk, Virginia, $686,000.

Marine Corps Supply Center, Albany, Georgia, $5,204,000.

Marine Corps Air Station, Beaufort, South Carolina, $126,000.

Marine Corps Recruit Depot, Parris Island, South Carolina, $2,580,000.

Marine Corps Air Station, Yuma, Arizona, $4,790,000.

Marine Corps Supply Center, Barstow, California, $3,802,000.

Marine Corps Base, Camp Pendleton, California, $10,920,000.

Marine Corps Air Station, El Toro, California, $747,000.

Marine Corps Recruit Depot, San Diego, California, $3,825,000.

Marine Corps Base, Twentynine Palms, California, $2,992,000.

Marine Corps Air Station, Kaneohe Bay, Hawaii, $5,988,000.

TRIDENT FACILITIES

Various Locations, TRIDENT Facilities, United States, $125,223,000.

POLLUTION ABATEMENT

Various Locations, Air Pollution Abatement, $27,636,000.

Various Locations, Water Pollution Abatement, $60,680,000.

OUTSIDE THE UNITED STATES

TENTH NAVAL DISTRICT

Naval Complex, Puerto Rico, $2,951,000.

Naval Facility, Grand Turk, the West Indies, $1,145,000.

ATLANTIC OCEAN AREA

Naval Air Station, Bermuda, $3,010,000.

Naval Complex, Guantanamo Bay, Cuba, $8,376,000.

Naval Station, Keflavik, Iceland, $6,092,000.

EUROPEAN AREA

Naval Detachment, Souda Bay, Crete, Greece, $4,153,000.

Naval Air Facility, Sigonella, Sicily, Italy, $3,086,000.

Naval Security Group Activity, Edzell, Scotland, $868,000.

Naval Station, Rota, Spain, $85,000.

PACIFIC OCEAN AREA

Naval Communication Station, Harold E. Holt, Exmouth, Australia, $1,192,000.

Naval Complex, Guam, Mariana Islands, $10,988,000.

Naval Complex, Subic Bay, Republic of the Philippines, $2,723,000.

POLLUTION ABATEMENT

Various Locations, Water Pollution Abatement, $3,995,000.

SEC. 202. The Secretary of the Navy may establish or develop Navy installations and facilities by proceeding with construction made necessary by changes in Navy missions and responsibilities which have been occasioned by (1) unforeseen security considerations, (2) new weapons developments, (3) new and unforeseen research and development requirements, or (4) improved production schedules, if the Secretary of Defense determines that deferral of such construction for inclusion in the next Military Construction Authorization Act would be inconsistent with interests of national security, and in connection therewith to acquire, construct, convert, rehabilitate, or install permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment, in the total amount of $10,000,000: Provided, That the Secretary of the Navy, or his designee, shall notify the Committees on Armed Services of the Senate and House of Representatives, immediately upon reaching a decision to implement, of the cost of construction of any public work undertaken under this section, including those real estate actions pertaining thereto. This authorization will expire as of September 30, 1974; except for those public works projects concerning which the Committees on Armed Services of the Senate and House of Representatives have been notified pursuant to this section to that date.

SEC. 203. (a) Public Law 89–568, as amended, is amended under the heading "INSIDE THE UNITED STATES", in section 201 as follows:

With respect to Naval Ordnance Laboratory, White Oak, Maryland, strike out "$3,847,000" and insert in place thereof "$4,295,000".

(b) Public Law 89–568, as amended, is amended by striking out in clause (2) of section 602, "$124,514,000" and "$148,677,000" and inserting in place thereof "$124,962,000" and "$149,125,000", respectively.

SEC. 204. (a) Public Law 90–408, as amended, is amended under the heading "INSIDE THE UNITED STATES", in section 201 as follows:

With respect to Navy Mine Defense Laboratory, Panama City, Florida, strike out "$7,411,000" and insert in place thereof "$9,397,000".

(b) Public Law 90–408, as amended, is amended by striking out in clause (2) of section 802, "$239,682,000" and "$246,547,000" and inserting in place thereof "$241,668,000" and "$248,533,000", respectively.

TITLE III

SEC. 301. The Secretary of the Air Force may establish or develop military installations and facilities by acquiring, constructing, converting, rehabilitating, or installing permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment, for the following acquisition and construction:

INSIDE THE UNITED STATES

AEROSPACE DEFENSE COMMAND

Peterson Field, Colorado Springs, $7,843,000.

Tyndall Air Force Base, Panama City, Florida, $951,000.

AIR FORCE COMMUNICATIONS SERVICE

Richards-Gebaur Air Force Base, Grandview, Missouri, $3,963,000.

AIR FORCE LOGISTICS COMMAND

Hill Air Force Base, Ogden, Utah, $11,968,000.

Kelly Air Force Base, San Antonio, Texas, $6,101,000.

McClellan Air Force Base, Sacramento, California, $3,171,000.

Robins Air Force Base, Warner Robins, Georgia, $4,868,000.

Tinker Air Force Base, Oklahoma City, Oklahoma, $15,666,000.

Wright-Patterson Air Force Base, Dayton, Ohio, $19,551,000.

AIR FORCE SYSTEMS COMMAND

Edwards Air Force Base, Muroc, California, $889,000.

Eglin Air Force Base, Valparaiso, Florida, $7,039,000.

Laurence G. Hanscom Field, Bedford, Massachusetts, $480,000.

Satellite Control Facilities, $654,000.

AIR TRAINING COMMAND

Keesler Air Force Base, Biloxi, Mississippi, $8,786,000.

Lackland Air Force Base, San Antonio, Texas, $6,509,000.

Laughlin Air Force Base, Del Rio, Texas, $4,635,000.

Lowry Air Force Base, Denver, Colorado, $21,610,000.

Mather Air Force Base, Sacramento, California, $1,993,000.

Randolph Air Force Base, San Antonio, Texas, $1,463,000.

Reese Air Force Base, Lubbock, Texas, $4,211,000.

Sheppard Air Force Base, Wichita Falls, Texas, $2,753,000.

Vance Air Force Base, Enid, Oklahoma, $371,000.

Webb Air Force Base, Big Spring, Texas, $3,154,000.

Williams Air Force Base, Chandler, Arizona, $797,000.

AIR UNIVERSITY

Maxwell Air Force Base, Montgomery, Alabama, $5,462,000.

ALASKAN AIR COMMAND

Eielson Air Force Base, Fairbanks, Alaska, $1,557,000.

Various locations, $7,101,000.

HEADQUARTERS COMMAND

Andrews Air Force Base, Camp Springs, Maryland, $16,935,000.

Bolling Air Force Base, Washington, District of Columbia, $1,500,000.

MILITARY AIRLIFT COMMAND

Altus Air Force Base, Altus, Oklahoma, $1,770,000.

Dover Air Force Base, Dover, Delaware, $3,387,000.

McGuire Air Force Base, Wrightstown, New Jersey, $1,860,000.

Norton Air Force Base, San Bernardino, California, $1,283,000.

Scott Air Force Base, Belleville, Illinois, $3,092,000.

Travis Air Force Base, Fairfield, California, $1,024,000.

PACIFIC AIR FORCES

Hickman Air Force Base, Honolulu, Hawaii, $7,331,000.

STRATEGIC AIR COMMAND

Barksdale Air Force Base, Shreveport, Louisiana, $1,743,000.

Blytheville Air Force Base, Blytheville, Arkansas, $140,000.

Davis-Monthan Air Force Base, Tucson, Arizona, $232,000.

Dyess Air Force Base, Abilene, Texas, $730,000.

Ellsworth Air Force Base, Rapid City, South Dakota, $514,000.

Francis E. Warren Air Force Base, Cheyenne, Wyoming, $5,834,000.

Grissom Air Force Base, Peru, Indiana, $3,100,000.

Kincheloe Air Force Base, Kinross, Michigan, $2,430,000.

Malmstrom Air Force Base, Great Falls, Montana, $1,507,000.

McConnell Air Force Base, Wichita, Kansas, $1,042,000.

Offutt Air Force Base, Omaha, Nebraska, $617,000.

Pease Air Force Base, Portsmouth, New Hampshire, $526,000.

Plattsburgh Air Force Base, Plattsburgh, New York, $286,000.

Vandenberg Air Force Base, Lompoc, California, $220,000.

Whiteman Air Force Base, Knob Noster, Missouri, $3,892,000.

Wurtsmith Air Force Base, Oscoda, Michigan, $616,000.

Various Locations, $2,309,000.

TACTICAL AIR COMMAND

Bergstrom Air Force Base, Austin, Texas, $2,273,000.

Cannon Air Force Base, Clovis, New Mexico, $162,000.

England Air Force Base, Alexandria, Louisiana, $183,000.

Holloman Air Force Base, Alamogordo, New Mexico, $2,432,000.

Langley Air Force Base, Hampton, Virginia, $503,000.

Little Rock Air Force Base, Little Rock, Arkansas, $1,165,000.

Luke Air Force Base, Glendale, Arizona, $2,986,000.

MacDill Air Force Base, Tampa, Florida, $2,657,000.

Mountain Home Air Force Base, Mountain Home, Idaho, $253,000.

Nellis Air Force Base, Las Vegas, Nevada, $2,588,000.

Shaw Air Force Base, Sumter, South Carolina, $2,501,000.

UNITED STATES AIR FORCE ACADEMY

United States Air Force Academy, Colorado Springs, Colorado, $645,000.

POLLUTION ABATEMENT

Various Locations, Air Pollution Abatement, $3,689,000.

Various Locations, Water Pollution Abatement, $5,381,000.

AIR INSTALLATION COMPATIBLE USE ZONES

Various Locations, $25,909,000.

OUTSIDE THE UNITED STATES

AIR DEFENSE COMMAND

Naval Station Keflavik, Iceland, $1,355,000.

PACIFIC AIR FORCES

Various Locations, $11,788,000.

UNITED STATES AIR FORCES IN EUROPE

Germany, $5,646,000.

United Kingdom, $9,479,000.

Various Locations, $800,000.

UNITED STATES AIR FORCE SOUTHERN COMMAND

Howard Air Force Base, Canal Zone, $1,038,000.

UNITED STATES AIR FORCE SECURITY SERVICE

Various Locations, $221,000.

POLLUTION ABATEMENT

Various Locations, Water Pollution Abatement, $750,000.

WORLD WIDE COMMUNICATIONS

Various Locations, $330,000.

SEC. 302. The Secretary of the Air Force may establish or develop classified military installations and facilities by acquiring, constructing, converting, rehabilitating, or installing permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment in the total amount of $1,000,000.

SEC. 303. The Secretary of the Air Force may establish or develop Air Force installations and facilities by proceeding with construction made necessary by changes in Air Force missions and responsibilities which have been occasioned by: (1) unforeseen security considerations, (2) new weapons developments, (3) new and unforeseen research and development requirements, or (4) improved production schedules, if the Secretary of Defense determines that deferral of such construction for inclusion in the next Military Construction Authorization Act would be inconsistent with interests of national security, and in connection therewith to acquire, construct, convert, rehabilitate, or install permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment in the amount of $10,000,000; *Provided*, That the Secretary of the Air Force, or his designee, shall notify the Committees on Armed Services of the Senate and House of Representatives, immediately upon reaching a final decision to implement, of the cost of construction of any public work undertaken under this section, including those real estate actions pertaining thereto. This authorization will expire as of September 30, 1974, except for those public works projects concerning which the Committee on Armed Services of the Senate and House of Representatives have been notified pursuant to this section prior to that date.

TITLE IV

SEC. 401. The Secretary of Defense may establish or develop military installations and facilities by acquiring, constructing, converting, rehabilitating, or installing permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities and equipment, for defense agencies for the following acquisition and construction:

DEFENSE NUCLEAR AGENCY

Kirtland Air Force Base, Albuquerque, New Mexico, $374,000.

Atomic Energy Commission Nevada Test Site, Las Vegas, Nevada, $200,000.

DEFENSE SUPPLY AGENCY

Defense Construction Supply Center, Columbus, Ohio, $1,188,000.

Defense Depot, Mechanicsburg, Pennsylvania, $2,048,000.

Defense Depot, Memphis, Tennessee, $360,000.

Defense Depot, Ogden, Utah, $250,000.

Defense Depot, Tracy, California, $747,000.

Defense General Supply Center, Richmond, Virginia, $2,653,000.

Defense Logistics Services Center, Battle Creek, Michigan, $160,000.

Defense Personnel Support Center, Philadelphia, Pennsylvania, $560,000.

Regional Office, Defense Contract Administration Services, Chicago, Illinois, $404,000.

NATIONAL SECURITY AGENCY

Fort George G. Meade, Maryland, $8,156,000.

TITLE V—MILITARY FAMILY HOUSING

SEC. 501. The Secretary of Defense, or his designee, is authorized to construct, at the locations hereinafter named, family housing units and mobile home facilities in the numbers hereinafter listed, but no family housing construction shall be commenced at any such locations in the United States, until the Secretary shall have consulted with the Secretary of the Department of Housing and Urban Development, as to the availability of adequate private housing at such locations. If agreement cannot be reached with respect to the availability of adequate private housing at any location, the Secretary of Defense shall immediately notify the Committees on Armed services of the House of Representatives and the Senate, in writing, of such difference of opinion, and no contract for construction at such location shall be entered into for a period of thirty days after such notification has been given. This authority shall include the authority to acquire land, and interests in land, by gift, purchase, exchange of Government-owned land, or otherwise.

(a) Family housing units—

(1) The Department of the Army, six thousand one hundred thirty-five units, $178,208,000.

Fort Carson, Colorado, two hundred units.

Eglin Air Force Base, Florida, twenty-five units.

United States Army Installations, Oahu, Hawaii, one thousand units.

Fort Riley, Kansas, nine hundred one units.

Fort Campbell, Kentucky, one thousand units.

Fort Polk, Louisiana, five hundred units.

Aberdeen Proving Ground, Maryland, one hundred sixty-six units.

Fort Bragg/Pope Air Force Base, North Carolina, one hundred thirty-six units.

Tobyhanna Army Depot, Pennsylvania, eighty-six units.

Fort Hood, Texas, nine hundred units.

Red River Army Depot, Texas, twenty-one units.

Fort Belvoir, Virginia, seven hundred units.

Fort Eustis, Virginia, three hundred units.

Fort Monroe, Virginia, two hundred units.

(2) The Department of the Navy, three thousand seven hundred forty-one units, $117,675,000.

Marine Corps Base, Camp Pendleton, California, eight hundred units.

Navy Facility, Centerville Beach, California, sixty units.

Marine Corps Base, Twentynine Palms, California, two hundred units.

Naval Training Center, Orlando, Florida, three hundred units.

Naval Complex, Oahu, Hawaii, six hundred units.

Naval Complex, New Orleans, Louisiana, one hundred units.

Naval Support Facility, Thurmont, Maryland, six units.

Construction Battalion Center, Gulfport, Mississippi, one hundred units.

Naval Home, Gulfport, Mississippi, five units.

Naval Complex, South Philadelphia, Pennsylvania, three hundred fifty units.

Naval Complex, Charleston, South Carolina, two hundred seventy units.

Naval Complex, Guam, Marianas Islands, eight hundred units.

Naval Station, Keflavik, Iceland, one hundred fifty units.

(3) The Department of the Air Force, one thousand eight hundred units, $55,501,000.

Blytheville Air Force Base, Arkansas, one hundred units.

Avon Park Weapons Range, Florida, fifty units.

Eglin Air Force Base, Florida, two hundred fifty units.

United States Air Force Installations, Oahu, Hawaii, four hundred units.

Andrews Air Force Base, Maryland, three hundred units.

Grand Forks Air Force Base, North Dakota, two hundred units.

Sheppard Air Force Base, Texas, two hundred units.

Andersen Air Force Base, Guam, Marianas Islands, three hundred units.

(b) Mobile Home Facilities—

(1) The Department of the Army, eight hundred twenty-five spaces, $3,300,000.

(2) The Department of the Navy, one hundred spaces, $400,000.

(3) The Department of the Air Force, four hundred fifteen spaces, $2,000,000.

SEC. 502. Authorization for the construction of family housing provided in this Act shall be subject, under such regulations as the Secretary of Defense may prescribe, to the following limitations on cost, which shall include shades, screens, ranges, refrigerators, and all other installed equipment and fixtures.

(a) The average unit cost for each military department for all units of family housing constructed in the United States (other than Hawaii and Alaska) shall not exceed $27,500 including the cost of the family unit and the proportionate costs of land acquisition, site preparation, and installation of utilities.

(b) No family housing unit in the area specified in subsection (a) shall be constructed at a total cost exceeding $45,000 including the cost of the family unit and the proportionate costs of land acquisition, site preparation, and installation of utilities.

(c) When family housing units are constructed in areas other than that specified in subsection (a) the average cost of all such units shall not exceed $38,000 and in no event shall the cost of any unit exceed $45,000. The cost limitations of this subsection shall include the cost of the family unit and the proportionate costs of land acquisition, site preparation, and installation of utilities.

SEC. 503. The Secretary of Defense, or his designee, is authorized to accomplish alterations, additions, expansions or extensions not otherwise authorized by law, to existing public quarters at a cost not to exceed—

(1) for the Department of the Army, $28,160,000.

(2) for the Department of the Navy, $10,600,000.

(3) for the Department of the Air Force, $23,750,000.

SEC. 504. Notwithstanding the limitations contained in prior Military Construction Authorization Acts on cost of construction of family housing, the limitations on such cost contained in Section 502 of this Act shall apply to all prior authorizations for construction of family housing not heretofore repealed and for which construction contracts have not been executed by the date of enactment of this Act.

SEC. 505. The Secretary of Defense, or his designee, is authorized to construct, or otherwise acquire, in foreign countries, twelve family housing units. This authority shall include the authority to acquire land and interests in land. The authorization contained in this section shall not be subject to the cost limitations set forth in Section 502 of this Act: *Provided*, That the cost shall not exceed a total of $520,000 for all units nor $60,000 for any one unit, including the cost of the family unit and the proportionate costs of land acquisition, site preparation, and installation of utilities.

SEC. 506(a). Subsection 610(a) of Public Law 90-110 (81 Stat. 279, 305), as amended, is amended to read as follows:

"SEC. 610. (a) None of the funds authorized by this or any other Act may be expended for the improvement of any single family housing unit, or for the improvement of two or more housing units when such units are to be converted into or used as a single family housing unit, the costs of which exceed $15,000 per unit including costs of repairs undertaken in connection therewith, and including any costs in connection with (1) the furnishing of electricity, gas, water and sewage disposal; (2) roads and walks; and (3) grading and drainage, unless such improvement in connection with such unit or units is specifically authorized by law. As used in this section the term "improvement" includes alteration, expansion, extension, or rehabilitation of any housing unit or units, including that maintenance and repair which is to be accomplished concurrently with an improvement project. The provisions of this section shall not apply to projects authorized for restoration or replacement of housing units damaged or destroyed."

(b) The Secretary of Defense, or his designee, is authorized to accomplish repairs and improvements to existing public quarters in amounts in excess of the $15,000 limitation prescribed in subsection (a) of this section as follows:

Elmendorf Air Force Base, Alaska, one unit, $35,800.

Marine Corps Base, Twentynine Palms, California, one unit, $17,000.

Fort McNair, Washington, District of Columbia, five units, $165,000.

Naval Complex, New Orleans, Louisiana, four units, $119,600.

Ramstein Air Base, Federal Republic of Germany, one unit, $26,500.

SEC. 507. Section 515 of Public Law 84–161 (69 Stat. 324, 352), as amended, is further amended to read as follows:

"SEC. 515. During fiscal years 1974 and 1975, the Secretaries of the Army, Navy, and Air Force, respectively, are authorized to lease housing facilities for assignment as public quarters to military personnel and their dependents, without rental charge, at or near any military installation in the United States, Puerto Rico, or Guam if the Secretary of Defense, or his designee, finds that there is a lack of adequate housing at or near such military installation and that (1) there has been a recent substantial increase in military strength and such increase is temporary, or (2) the permanent military strength is to be substantially reduced in the near future, or (3) the number of military personnel assigned is so small as to make the construction of family housing uneconomical, or (4) family housing is required for personnel attending service school academic courses on permanent change of station orders, or (5) family housing has been authorized but is not yet completed or a family housing authorization request is in a pending military construction authorization bill. Such housing facilities may be leased on an individual unit basis and not more than ten thousand such units may be so leased at any one time. Expenditures for the rental of such housing facilities, including the cost of utilities and maintenance and operation, may not exceed: for the United States (other than Hawaii), Puerto Rico, and Guam an average of $210 per month for each military department, or the amount of $290 per month for any one unit; and for Hawaii, an average of $255 per month for each military department, or the amount of $300 per month for any one unit."

SEC. 508. Section 507 of Public Law 88–174 (177 Stat. 307, 326), as amended, is further amended to read as follows:

"SEC. 507. For the purpose of providing military family housing in foreign countries, the Secretary of Defense is authorized to enter into agreements guaranteeing the builders or other sponsors of such housing a rental return equivalent to a specified portion of the annual rental income which the builders or other sponsors would receive from the tenants if the housing were fully occupied: *Provided*, That the aggregate amount guaranteed under such agreements entered into during the fiscal years 1974 and 1975 shall not exceed such amount as may be applicable to five thousand units: *Provided further*, That no such agreeemnt shall guarantee the payment of more than 97 per centum of the anticipated rentals, nor shall any guarantee extend for a period of more than ten years, nor shall the average guaranteed rental on any project exceed $275 per unit per month, including the cost of maintenance and operation."

SEC. 509(a). Chapter 159 of title 10, United States Code, is amended by adding at the end thereof the following new section:

"§ 2684. Construction of Family Quarters; limitations on space

(a) In the construction of family quarters for members of the Armed Forces, the following are the maximum space limitations:

Pay grade(s)	Number of bedrooms	Net floor area (square feet)
0–7 and above	4	2,100
0–6	4	1,700
0–4 and 0–5	4	1,550
	3	1,400
0–1 through 0–3; W–1 through W–4; and E–7 through E–9	5	1,550
	4	1,450
	3	1,350
	2	950
E–1 through E–6	5	1,550
	4	1,350
	3	1,200
	2	950

As used in this section "net floor area" means the space inside the exterior walls, excluding: basement; service space instead of basement; attic; garage; carport; porches; and stairwells.

(b) The maximum limitations prescribed by subsection (a) are increased by ten per centum for quarters of the commanding officer of any station, air base, or other installation, based on the grade authorized for that position.

(c) The maximum limitations for family quarters constructed for key and essential civilian personnel are the same as those for military personnel of comparable grade, as determined by the Secretary of Defense.

(d) The maximum net floor area prescribed by subsection (a) may be increased up to five per centum if the Secretary of Defense, or his designee, determines that such increase is in the best interest of the government to permit award of a turnkey construction project to the contractor offering the most satisfactory proposal. Any increase made under subsection (b) when combined with an increase under this subsection, may not exceed an aggregate of ten per centum."

(b) The analysis of such Chapter 159 is amended by adding at the end thereof the following "2684. Construction of Family Quarters, limitations on space."

(c) Chapter 449 of title 10, United States Code, is amended by repealing section 4774, except for subsection (d) thereof, which subsection remains with the "(d)" deleted; and by revising the corresponding item in the catchline and analysis to read; "Construction: limitations".

(d) Chapter 649 of title 10, United States Code, is amended by repealing sections 7574 and 7575 and by striking out the corresponding items in the analysis.

(e) Chapter 949 of title 10, United States Code, is amended by repealing section 9774, except subsection (d) thereof, which subsection remains with the "(d)" deleted; and by revising the corresponding item in the catchline and analysis to read; "Construction: limitations"

SEC. 510. Notwithstanding the provisions of any other law, the Secretary of the Air Force is authorized to settle claims regarding repairs and improvements to public quarters at F. E. Warren Air Force Base, Wyoming, in the amount of $41,221.93.

SEC. 511. There is authorized to be appropriated for use by the Secretary of Defense, or his designee, for military family housing as authorized by law for the following purposes:

(1) for construction and acquisition of family housing, including improvements to adequate quarters, improvements to inadequate quarters, minor construction, relocation of family housing, rental guarantee payments, construction and acquisition of mobile home facilities, and planning, an amount not to exceed $423,774,000; and

(2) for support of military family housing, including operating expenses, leasing, maintenance of real property, payments of principal and interest on mortgage debts incurred, payment to the Commodity Credit Corporation, and mortgage insurance premiums authorized under section 222 of the National Housing Act, as amended (12 U.S.C. 1715m) an amount not to exceed $826,793,000.

TITLE VI—GENERAL PROVISIONS

SEC. 601. The Secretary of each military department may proceed to establish or develop installations and facilities under this Act without regard to section 3648 of the Revised Statutes, as amended (31 U.S.C. 529), and sections 4774 and 9774 of title 10, United States Code. The authority to place permanent or temporary improvements on land includes authority for surveys, administration, overhead, planning, and supervision incident to construction. That authority may be exercised before title to the land is approved under section 355 of the Revised Statutes, as amended (40 U.S.C. 255), and even though the land is held temporarily. The authority to acquire real estate or land includes authority to make surveys and to acquire land, and interests in land (including temporary use), by gift, purchase, exchange of Government-owned land, or otherwise.

SEC. 602. There are authorized to be appropriated such sums as may be necessary for the purposes of this Act, but appropriations for public works projects authorized by titles I, II, III, IV, and V, shall not exceed—

(1) for title I: Inside the United States, $548,558,000; outside the United States, $108,581,000; section 102, $3,000,000; or a total of $660,139,000.

(2) for title II: Inside the United States, $581,462,000; outside the United States, $48,664,000; or a total of $630,126,000.

(3) for title III: Inside the United States, $270,793,000; outside the United States, $31,407,000; section 302, $1,000,000; or a total of $303,200,000.

(4) for title IV: A total of $17,100,000.

(5) for title V: Military family housing, $1,250,567,000.

SEC. 603. (a) Except as provided in subsection (b), any of the amounts specified in titles I, II, III, and IV of this Act, may, in the discretion of the Secretary concerned, be increased by 5 per centum when inside the United States (other than Hawaii and Alaska), and by 10 per centum when outside the United States or in Hawaii and Alaska, if he determines that such increase (1) is required for the sole purpose of meeting unusual variations in cost, and (2) could not have been reasonably anticipated at the time such estimate was submitted to the Congress. However, the total cost of all construction and acquisition in each such title may not exceed the total amount authorized to be appropriated in that title.

(b) When the amount named for any construction or acquisition in title I, II, III, or IV of this Act involves only one project at any military installation and the Secretary of Defense, or his designee, determines that the amount authorized must be increased by more than the applicable percentage prescribed in subsection (a), the Secretary concerned may proceed with such construction or acquisition if the amount of the increase does not exceed by more than 25 per centum the amount named for such project by the Congress.

(c) Subject to the limitations contained in subsection (a), no individual project authorized under title I, II, III, or IV of this Act for any specifically listed military installation may be placed under contract if—

(1) the estimated cost of such project is $250,000 or more, and

(2) the current working estimate of the Department of Defense, based upon bids received, for the construction of such project exceeds by more than 25 per centum the amount authorized for such project by the Congress, until after the expiration of thirty days from the date on which a written report of the facts relating to the increased cost of such project, including a statement of the reasons for such increase, has been submitted to the Committees on Armed Services of the House of Representatives and the Senate.

(d) The Secretary of Defense shall submit an annual report to the Congress identifying each individual project which has been placed under contract in the preceding twelve-month period and with respect to which the then current working estimate of the Department of Defense based upon bids received for such project exceeded the amount authorized by the Congress for that project by more than 25 per centum. The Secretary shall also include in such report each individual project with respect to which the scope was reduced in order to permit contract award within the available authorization for such project. Such report shall include all pertinent cost information for each individual project, including the amount in dollars and percentage by which the current working estimate based on the contract price for the project exceeded the amount authorized for such project by the Congress.

SEC. 604. Contracts for construction made by the United States for performance within the United States and its possessions under this Act shall be executed under the jurisdiction and supervision of the Corps of Engineers, Department of the Army, or the Naval Facilities Engineering Command, Department of the Navy, or such other department or Government agency as the Secretaries of the military departments recommend and the Secretary of Defense approves to assure the most efficient, expeditious and cost-effective accomplishment of the construction herein authorized. The Secretaries of the military departments shall report annually to the President of the Senate and the Speaker of the House of Representatives a breakdown of the dollar value of construction contracts completed by each of the several construction agencies selected, together with the design, construction supervision, and overhead fees charged by each of the several agents in the execution of the assigned construction. Further, such contracts (except architect and engineering contracts which, unless specifically authorized by the Congress, shall continue to be awarded in accordance with presently established procedures, customs, and practice) shall be awarded, insofar as practicable, on a competitive basis to the lowest responsible bidder, if the national security will not be impaired and the award is consistent with chapter 137 of title 10, United States Code, provided that such contracts under regulations established by the Secretary of Defense may be awarded on a competitive basis by turnkey one step procedures. The Secretaries of the military departments shall report annually to the President of the Senate and the Speaker of the House of Representatives with respect to all contracts awarded on other than a competitive basis to the lowest responsible bidder.

SEC. 605. As of October 1, 1974, all authorizations for military public works, including family housing, to be accomplished by the Secretary of a military department in connection with the establishment or development of military installations and facilities, and all authorizations for appropriations therefor, that are contained in titles I, II, III, IV, and V of the Act of October 25, 1972, Public Law 92–545 (86 Stat. 1135), and all such authorizations contained in Acts approved before October 26, 1972, and not superseded or otherwise modified by a later authorization are repealed except——

(1) authorizations for public works and for appropriations therefor that are set forth in those Acts in the titles that contain the general provisions;

(2) authorizations for public works projects as to which appropriated funds have been obligated for construction contracts, land acquisition, or payments to the North Atlantic Treaty Organization, in whole or in part before October 1, 1974, and authorizations for appropriations therefor;

(3) notwithstanding the repeal provisions of section 705(b) of the Act of October 25, 1972, Public Law 92–545 (86 Stat. 1135, 1153), all authorizations for construction of family housing, including mobile home facilities, all authorizations to accomplish alterations, additions, expansion, or extensions to existing family housing, and all authorizations for related facilities projects under said act are hereby continued and shall remain in effect until October 1, 1974; and

(4) notwithstanding the repeal provisions of section 750(a), of the Act of October 25, 1972, Public Law 92–545 (86 Stat. 1135, 1153), authorizations for the following items which shall remain in effect until October 1, 1975:

(a) airfield expansion in the amount of $882,000 for the United States Army Security Agency, that is contained in title I, section 101, under the heading "OUTSIDE THE UNITED STATES" of the Act of October 27, 1971 (85 Stat. 394, 395), as amended.

(b) Environmental Health Effects Laboratory in the amount of $4,500,000 for the Naval Medical Research Institute, Bethesda, Maryland, that is contained in title II, section 201, under the heading "INSIDE THE UNITED STATES" of the Act of October 27, 1971 (85 Stat. 394, 397).

SEC. 606. None of the authority contained in titles I, II, III, and IV of this Act shall be deemed to authorize any building construction projects inside the United States in excess of a unit cost to be determined in proportion to the appropriate area construction cost index, based on the following unit cost limitations where the area construction index is 1.0:

(1) $28.50 per square foot for permanent barracks;

(2) $30.50 per square foot for bachelor officer quarters; unless the Secretary of Defense or his designee determines that because of special circumstances, application to such project of the limitations on unit costs contained in this section is impracticable: Provided, That notwithstanding the limitations contained in prior Military Construction Authorization Acts on unit costs, the limitations on such costs contained in this section shall apply to all prior authorizations for such construction not heretofore repealed and for which construction contracts have not been awarded by the date of enactment of this Act.

SEC. 607. Section 709 of Public Law 92–145 (85 Stat. 394, 414), as amended, is amended to read as follows: "Notwithstanding any other provision of law, none of the lands constituting Camp Pendleton, California, may be sold, transferred, or otherwise disposed of by the Department of Defense unless hereafter authorized by law: Provided, however, That with respect to said lands the Secretary of the Navy, or his designee, may grant leases, licenses, or easements pursuant to his existing authority."

SEC. 608. Chapter 159 of title 10, United States Code, is amended as follows:

(1) Section 2674(f) is amended by striking out the phrase "every six months" in the second line and inserting "annually" in place thereof.

(2) Section 2676 is amended by changing the period at the end thereof to a semicolon and adding the following: "Provided, That this limitation shall not apply to the acceptance by a military department of real property acquired under the authority of the Administrator of General Services to acquire property by the exchange of Government property pursuant to the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 471 et seq.)."

(3) Section 2672 is amended to redesignate the existing section as subsection "(a)" and by adding a subsection "(b)" as follows:

"Upon a determination by the Secretary of Defense that deferral of an acquisition under this subsection for inclusion in the next Military Construction Authorization Act would be inconsistent with the interest of national defense, and after notifying the Committees on Armed Services of the Senate and House of Representatives, the Secretary of a military department may acquire, without regard to the limitation in subsection (a) above and under such terms as he deems appropriate, any interest in land required to maintain the operational integrity of a military installation. This authority includes authority to make surveys and acquire such interests in land (including temporary use) by gift, purchase, or otherwise."

(4) The catchline of section 2672 is amended by adding the following at the end thereof: "and for other purposes".

SEC. 609. Titles I, II, III, IV, V, and VI of this Act may be cited as the "Military Construction Authorization Act, 1974".

TITLE VII—RESERVE FORCES FACILITIES

SEC. 701. Subject to Chapter 133 of Title 10, United States Code, the Secretary of Defense may establish or develop additional facilities for the Reserve Forces, including the acquisition of land therefor, but the cost of such facilities shall not exceed—

(1) For the Department of the Army:

(a) Army National Guard of the United States, $29,900,000.

(b) Army Reserve, $35,900,000.

(2) For the Department of the Navy: Naval and Marine Corps Reserves, $18,858,000.

(3) For the Department of the Air Force:

(a) Air National Guard of the United States, $16,000,000.

(b) Air Force Reserve, $9,000,000.

SEC. 702. The Secretary of Defense may establish or develop installations and facilities under this Title without regard to Section 3648 of the Revised Statutes, as amended (31 USC 529), and Sections 4774 and 9774 of Title 10, United States Code. The authority to place permanent or temporary improvements on lands includes authority for surveys, administration, overhead, planning, and supervision incident to construction. That authority may be exercised before title to the land is approved under Section 355 of the Revised Statutes, as amended (40 USC 255), and even though the land is held temporarily. The authority to acquire real estate or land includes authority to make surveys and to acquire land, and interests in land (including temporary use), by gift, purchase, exchange of Government-owned land, or otherwise.

SEC. 703. This Title may be cited as the "Reserve Forces Facilities Authorization Act, 1974."

THE SECRETARY OF DEFENSE,
Washington, D.C., May 3, 1973.

HON. SPIRO T. AGNEW,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: There is forwarded herewith a draft of legislation "To authorize certain construction at military installations and for other purposes."

This proposal is a part of the Department of Defense legislative program for FY 1974. The Office of Management and Budget on

February 22, 1973, advised that its enactment would be in accordance with the program of the President.

This legislation would authorize military construction needed by the Department of Defense at this time, and would provide additional authority to cover deficiencies in essential construction previously authorized. Appropriations in support of this legislation are provided for in the Budget of the United States Government for the FY 1974.

Titles I, II, III, and IV of this proposal would authorize $1,610,565,000 in new construction for requirements of the Active Forces, of which $660,139,000 are for the Department of the Army; $630,126,000 for the Department of the Navy; $303,200,000 for the Department of the Air Force; and $17,100,000 for the Defense Agencies.

Title V contains legislative recommendations considered necessary to implement the Department of Defense family housing program and authorizes $1,250,567,000 for costs of that program for FY 1974.

Title VI contains General Provisions generally applicable to the Military Construction Program.

Title VII totaling $109,658,000 would authorize construction for the Reserve Components, of which $29,900,000 is for the Army National Guard; $35,900,000 for the Army Reserve; $18,858,000 for the Naval and Marine Corps Reserve; $16,000,000 for the Air National Guard; and $9,000,000 for the Air Force Reserve. These authorizations are in lump sum amounts and will be utilized in accordance with the requirements of chapter 133, title 10, United States Code.

The projects which would be authorized by this proposal have been reviewed to determine if environmental impact statements are required in accordance with Public Law 91–190. Required environmental statements will be submitted to the Congress by the military departments when necessary procedures have been completed.

Sincerely,

ELLIOT L. RICHARDSON.

By Mr. BIBLE (for himself and Mr. CANNON):

S. 1799. A bill to convey to the Ely Indian Colony the beneficial interest in certain Federal land. Referred to the Committee on Interior and Insular Affairs.

Mr. BIBLE. Mr. President: On behalf of myself and my distinguished colleague, Senator CANNON, I introduce for appropriate referral a bill to convey to the Ely, Nevada, Indian Colony the beneficial interest in some 90 acres of land in White Pine County, Nev., to be used for the benefit of these native Americans.

At the present time, the land available to this particular colony is less than 10 acres. This was purchased in 1930 by the United States for Indian village purposes. It was contemplated at that time that it would be occupied by some five Indian families with a population of about 30.

Today, the tribal membership is near 100 and the need for additional land and facilities is urgent if this low-income minority group is to have the advantages that have accrued to their more prosperous neighbors.

Enactment of the legislation will make sufficient land available to take care of the tribal members and also permit them to take advantage of programs that enable these people to construct their own homes and provide sanitary facilities and living conditions that give them an opportunity to enjoy the same type of living standards that are available to most of us.

I introduced identical legislation in the 92d Congress. Unfortunately, that bill was not reached for action and I trust that early approval by the administration and prompt action by the committee will be forthcoming this year.

I ask unanimous consent that Resolution No. 71–E–2 of the governing body of the Ely Colony Council, dated November 12, 1971, be printed in the RECORD following my remarks.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION OF THE GOVERNING BODY OF THE ELY COLONY COUNCIL

Whereas, this organization is an Indian organization located in Ely, White Pine County, Nevada known as the Ely Colony Council, and

Whereas, the Ely Indians need to acquire a suitable site for housing, and commercial development to enhance their economic opportunities, and

Whereas, there exists a parcel of land south of the City of Ely described as the N½NW¼SE¼ and NE¼NE¼SW¼ and NW¼NE¼SE¼ Sec. 22, T. 16 N., R. 63 E.

Whereas, there also exists a parcel of vacant Public Domain land adjacent to the parcel above described which is the S½NW¼SE¼ and E½NE¼SE¼ and SW¼NE¼SE¼ Sec. 22, T. 16 N., R. 63E., embracing approximately 50 acres.

Now, therefore, be it resolved That all prior resolutions in connection with this withdrawal action are hereby rescinded.

Be it further resolved That we request the herein described lands be withdrawn for the Ely Indian Colony to be held in trust by the United States of America.

Be it further resolved That the Nevada Congressional Delegation is requested to introduce appropriate legislation that will convey this land to the Ely Indian Colony.

Be it further resolved That the Tribal Secretary is authorized to send copies of this resolution to the Nevada Congressional Delegation; the Superintendent, Nevada Indian Agency, the Inter-Tribal Council of Nevada; the Commissioner of Indian Affairs; and the Secretary of the Interior.

CERTIFICATION

I, the undersigned, hereby certify that the Ely Colony Council is composed of 5 members of whom 5 constituting a quorum were present at a duly called meeting which was convened and held on the 12 day of Nov., 1971, and that the foregoing resolution was duly adopted by a vote of 5 for and 0 against, pursuant to authority contained in the Constitution and By-Laws of the Ely Indian Colony approved April 8, 1969.

——— ———,
Secretary.

By Mr. BIBLE (for himself and Mr. CANNON):

S. 1800. A bill to authorize the use of facilities at the Owyhee Indian Hospital of the Duck Valley Indian Reservation to provide certain medical care to non-Indians. Referred to the Committee on Interior and Insular Affairs.

Mr. BIBLE. Mr. President, on behalf of myself and Senator CANNON, I introduce for appropriate reference a bill to authorize the use of facilities at the Owyhee Indian Hospital of the Duck Valley Indian Reservation to provide certain medical care to non-Indians.

The Owyhee hospital is located on the Duck Valley Indian Reservation in Nevada and Idaho, in a remote and sparsely settled region of both States. There are some 600 non-Indians within a 50-mile radius of this hospital. When they need medical assistance—even routine care—they must travel over 100 miles to reach a medical facility.

Medical service must be made more readily available to these people. I think the need is obvious. The measure I am introducing today would authorize and direct the Secretary of Health, Education, and Welfare, subject to the consent of the Indian tribes involved, to take such action as may be necessary in order to utilize the Owyhee hospital for the purpose of providing nonemergency medical care to non-Indians living within approximately 50 miles of the hospital. Such care would be provided on a fee-for-service basis.

The Shoshone Paiute Business Council of the Duck Valley Reservation passed a resolution in June 1968 supporting this proposal. I ask that the resolution appear in the RECORD following my remarks.

Mr. President, this legislation will serve a dual purpose. It will humanely enable non-Indians living in this remote part of our country to more readily obtain necessary medical attention. It will also help assure that this facility will be adequately utilized, and the fees paid by non-Indians will contribute to the financial support of the hospital.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION OF THE SHOSHONE PAIUTE TRIBES OF THE DUCK VALLEY INDIAN RESERVATION

Be it resolved by the Shoshone Paiute Tribes of the Duck Valley Reservation:

Whereas, the Shoshone Paiute Business Council realizes that medical care is a very important factor in daily living, and that the Owyhee Indian Hospital is doing an excellent job of caring for the medical needs of the Indian population of the Duck Valley Reservation, and

Whereas there are approximately 650 non-Indians within a 50 mile radius of Owyhee that have to travel 100 miles each way, sometimes taking a full day off work to seek medical attention, sometimes only to learn that a common drugstore remedy would satisfy the need, and

Whereas these non-Indians have expressed an interest in receiving routine, non-emergency medical care in letters to Senator Bible and Congressman Baring during 1961 and the Superintendent of the Elko County School District asked Senator Bible to intercede for the non-Indian teachers and their families employed in the Owyhee School, and

Whereas the cost of operation per patient per day of the Owyhee Indian Hospital was double that of the average in the Phoenix Area, which is directly related to the size of the hospital and the number of people it serves: Now, therefore be it

Resolved, That the Shoshone Paiute Business Council hereby requests Public Health Service to make every attempt to cause proper legislation to be enacted so that our non-Indian neighbors may receive routine, non-emergency medical care at the Owyhee Indian Hospital, and the Shoshone Paiute Business Council recognizes the fact that congress will have to authorize this request, so be it further

Resolved, That the Shoshone Paiute Business Council requests all non-Indians in a 50 mile radius of Owyhee to make their interest in this matter known to Public Health Service and to members of Congress and Be it further

Resolved, That the Shoshone Paiute Business Council will solicit the approval of the County Medical Society and the State Medical and Hospital Associations and all surrounding medical facilities.

By Mr. BIBLE (for himself, Mr. CANNON, Mr. GRAVEL, and Mr. STEVENS):

S. 1801. A bill to authorize certain Indian hospital facilities to be made available to non-Indians under certain conditions. Referred to the Committee on Interior and Insular Affairs.

Mr. BIBLE. Mr. President, on behalf of myself and other Senators, I introduce for appropriate reference a bill to authorize certain Indian hospital facilities to be made available to non-Indians under certain conditions.

The purpose of this legislation is to authorize the Secretary of Health, Education, and Welfare to make remote Indian medical facilities available to non-Indians under certain conditions, with the consent of the major Indian tribes served by the facility, and provided that priority is given the needs of Indian people.

The high cost of medical resources and the scarcity of professional skills have clearly delineated the need for more effective utilization of existing health centers and health manpower skills. Throughout the United States, there exist pockets of medical care deprivation, not caused by the lack of resources, but by lack of legislative authority to make existing health resources available to those in need. For example, there are approximately 600 non-Indians residing within a 50-mile radius of the Owyhee, Nev., Indian Hospital and the nearest hospital for these people is at Elko, Nev., approximately 90 miles away.

While other hospitals of the Division of Indian Health located in remote areas are made available to Federal employees and their dependents under existing law, no provision, except for emergencies, has been made for private citizens who reside in the vicinity.

There is legal precedent for extending health care in Public Health Service Indian hospitals to nonbeneficiaries. In Alaska, such care is provided pursuant to 48 United States Code 49. The State of Alaska has designated certain areas as "remote" with reference to the availability of health services, and in these areas the Public Health Service hospitals provide health services on a reimbursable basis to nonbeneficiaries.

The present proposal will extend the Alaska program to all other remote areas in the Continental United States.

The use of remote Indian health centers will promote greater areawide health programing where restricted access exists at present. Additionally, the use of such facilities by nonbeneficiaries will assure fuller utilization of these expensive facilities, thereby achieving operating economies. Control of the hospitals would remain the responsibility of the Division of Indian Health thereby maintaining the desired quality of care. The primary mission of the hospital would remain the quality medical care of the Indian community.

Under the proposed bill, the health services provided would be supportive in nature. The bill does not in any way anticipate Federal usurpation of State, local, community, or private prerogative and responsibilities.

It is not anticipated the enactment of this proposal would add to the costs of the Federal Government as services would be provided on a "space available basis" and would be reimbursable.

By Mr. CANNON:

S. 1802. A bill relating to certain authority of the Joint Committee on Printing. Referred to the Committee on Rules and Administration.

BROOKS BILL AMENDMENT

Mr. CANNON. Mr. President, I introduce for appropriate reference a bill to restore to the Joint Committee on Printing authority for the procurement of marginally punched continuous forms.

The act of October 30, 1965 (79 Stat. 1127, 40 U.S.C. 759(e)) gave the Administrator, General Services Administration, the authority to coordinate acquisition of automatic data processing equipment and related supplies for all Federal agencies and incidentally deleted the exemption heretofore granted to the Joint Committee on Printing under section 602(d)(18) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 474(18)). That act has had the effect of encroaching upon the Joint Committee's exclusive authority over printing and binding for the Federal Government. This bill is intended to restore that authority.

By Mr. CANNON:

S. 1803. A bill to authorize the waiver of claims of the United States arising out of erroneous payments of pay and allowances to employees of the Government Printing Office. Referred to the Committee on Rules and Administration.

WAIVER OF CLAIMS—GPO

Mr. CANNON. Mr. President, I introduce, for appropriate reference, a bill to amend title 44, United States Code, to authorize the waiver of claims of the United States arising out of erroneous payments of pay and allowances to employees of the Government Printing Office. Section 5584, title 5, United States Code, authorizes the waiver in whole or part of erroneous payments of pay and allowances to employees of executive agencies when collection would be against equity and good conscience and not in the best interests of the United States. The Government Printing Office, however, is in the legislative branch and, as a result, the relief granted by that act is not extended to employees of the Government Printing Office. This bill would remedy that situation.

By Mr. FONG:

S. 1804. A bill to permit immediate retirement of certain Federal employees. Referred to the Committee on Post Office and Civil Service.

Mr. FONG. Mr. President, I introduce today a bill designed to permit the immediate retirement of certain Federal employees during a major reduction in force in a department or agency.

This measure would permit the optional retirement on reduced annuity of Federal employees with at least 25 years of service or, after becoming 50 years of age, with at least 20 years of service.

Under present law, an employee who is at least 50 years of age and has at least 20 years of service—or 25 years of service regardless of age—may retire on an immediate annuity if he is involuntarily separated. This may happen when he is reached by reduction-in-force action. However, unless the employee is old enough and has sufficient service to retire optionally—age 55 with 30 years of service, age 60 with 20 years of service, or age 62 with 5 years of service—he does not have the right to retire if he is not reached for reduction in force. In other words, even if the employee wants to retire, he may not do so unless he is actually reached for reduction in force. Consequently, under present law, an employee who is not old enough and does not have sufficient service may not retire—even if he is desirous of doing so—and thus permit a younger employee who wants to continue to work to be retained.

Mr. President, my bill would simply give the long-service employee who is not eligible to retire under the regular optional retirement provision of law the opportunity to retire voluntarily during a limited period when his department is undergoing a major reduction in force.

Under my bill, the Civil Service Commission would be authorized to make the determination as to when a reduction in force is major and would also fix the time within which employees could exercise the option to retire. In addition, the Commission will be responsible for making a determination as to whether eligible employees throughout the department could exercise the option to retire, or whether the option to retire would be restricted to eligible employees of the department who are employed in specific geographic areas or organizational units where the effects of the reduction in force are particularly severe.

Like Federal employees who are involuntarily separated, those who exercise the option to retire voluntarily in a major reduction in force will have their annuities reduced by one-sixth of 1 percent—2 percent a year—for each month they are under age 55.

Mr. President, my bill would be of tremendous benefit to employees, employers, and the community in which a Federal installation undergoing a reduction in force is located. As lawmakers and representatives of our respective States, we are all very familiar with how reductions in force have a depressing effect on employee morale and result in severe personal hardships caused by loss of income and uncertainty regarding future employment.

In addition, major reductions in force, through multiple "bumping" actions, have a disruptive effect on departmental management. However, to the extent that attrition, particularly retirement, reduces the need for involuntary separations—and the chain-effect displacement of employees with lower retention rights by those with higher retention rights—

these economic hardships and disruptions are mitigated.

Experience has shown that in a community where a Federal installation is a main source of employment, a major reduction in force may adversely affect the community's economy and well-being. Consequently, permitting people to retire on an annuity income and spreading voluntary retirements throughout an entire department or agency, as my bill proposes to do, would at least moderate the adverse effects of reductions in force on a particular community.

Another far-reaching benefit to be derived from my bill will be the opportunity it gives each department to enhance its future effectiveness in carrying out its responsibility by helping to retain younger employees. Under present law, nothing raises the average age of an organization more quickly than a substantial reduction in force in which the youngest employees with the lowest retention standing are separated and the oldest employees are retained.

Mr. President, in view of the recent announcement by the Pentagon to close many military bases around our country, the measure that I am introducing today becomes more urgent and important. Since October 1969, the Defense Department has been in a continuing period of declining civilian employment with approximately 300,000 civilian positions being eliminated.

In view of current and projected budgetary restrictions—and the need to adjust the predominantly civilian staffed support structure to the reductions taking place in the size of our Armed Forces—it is anticipated that many civilian positions will be affected by elimination or relocation. Consequently, my bill would be of great benefit to those who might be affected by reductions in force by permitting long-service employees who desire to retire, but not yet eligible to do so under present optional retirement provisions, to retire during a major reduction in force.

Mr. President, the Civil Service Commission supports this bill and the Department of Defense strongly endorses it. I am not aware of any opposition to the intent and purpose of the bill.

By Mr. RIBICOFF:

S. 1805. A bill to amend the Railroad Retirement Act of 1937 and the Railroad Retirement Tax Act to revise certain eligibility conditions for annuities; to change the railroad retirement tax rates; and to amend the Interstate Commerce Act in order to improve the procedures pertaining to certain rate adjustments for carriers subject to part I of the act, and for other purposes. Referred by unanimous consent jointly to the Committees on Commerce, Finance, and Labor and Public Welfare.

RAILROAD RETIREMENT BENEFITS

Mr. RIBICOFF. Mr. President, Unless legislation is enacted soon to ratify the railroad labor-management wage and benefit agreement of March 1973, almost 2 million retired railroad workers, their dependents, and survivors will face severe cutbacks in railroad retirement benefits. The legislation I am introducing today would, by confirming the railroad pact, assure railroad workers of adequate retirement benefits, lower their retirement taxes, and set a lower voluntary retirement age without any reduction in retirement benefits.

The men and women who have been working on the railroad during their working years deserve the opportunity to spend their retirement years in comfort and security. Over 2,800 retired railroad workers in Connecticut depend on railroad benefits as their source of retirement income. Another 3,500 children and widows of deceased railroad workers also depend on this retirement system. All of these people will suffer cutbacks in benefits unless Federal legislation is enacted to ratify the bargaining agreement by July 1. Another 4,000 active Connecticut railroad employees also have a stake in an equitable retirement system. Today these workers are paying almost twice as much out of their paychecks for railroad retirement as others do for social security.

Both labor and management have recognized these problems. In March of this year, representatives of railroad labor and management reached agreement on a new 18-month national railroad pact concerning wages, health, welfare, pension, and other benefits. The present agreements expire on June 30 and the new one cannot take effect unless ratified by Congress.

The three major issues resolved in the March bargaining and included in this bill are retirement benefit levels, retirement tax levels, and retirement age.

First, the bill would extend the temporary retirement benefit increases enacted by Congress in the last 3 years through December 31, 1974. The benefit increases of the last few years have been enacted in order to assure that railroad retirement benefits merely are kept in line with the rising cost of living and rising social security benefits. Late last year, for example, we enacted over the President's veto a proposal to provide a railroad benefit increase which would match the 20-percent social security increase. There is no reason why railroad benefit increases should not be as permanent as hikes in social security benefits.

The legislation also assures that if any additional benefits are added to social security between now and the end of 1974 they will also be added to the railroad retirement system.

The second part of this proposal would cut back railroad retirement taxes on employees in order to bring them in line with social security taxes. Under the railroad retirement system, employees have to contribute 10.6 percent of payroll—with employers paying an equivalent amount. Under social security employees and employers each pay only 5.85 percent. As a result of the March 1973 pact the employers have agreed, effective October 1, 1973, to pick up all costs to the employee above 5.85 percent. This means that the employee contribution rate would decrease by 4.75 percent—from 10.6 to 5.85 percent. This provision will add $42.75 per month to the paychecks of railroad workers who now contribute the maximum amount to the system; 4,000 Connecticut workers and their families would receive an immediate boost in their take-home pay if this bill becomes law.

The third provision in this proposal would allow railroad employees with 30 years of service to retire at age 60 with full retirement benefits. This provision presently applies only to women. Not only will the average workers be able to enjoy his retirement years more fully, but more jobs will become available for younger workers as well. The railroad agreement ratified by this bill may become a trend setter in lowering the voluntary retirement age of millions of older Americans.

It is of utmost importance to all railroad workers, active and retired, as well as their families that this legislation be enacted before July 1, 1973. At that time the benefit increases enacted by Congress will expire unless this proposal is adopted. This would mean a benefit cut of over 50 percent. Such a cutback would be unconscionable.

I am pleased that identical legislation H.R. 7200, has been introduced and reported out of the House Interstate and Foreign Commerce Committees by Harley Staggers, Democrat, of West Virginia.

Mr. RIBICOFF subsequently said: Mr. President, I ask unanimous consent that a bill to amend the Railroad Retirement Act of 1937, which is being introduced today, be jointly referred to the Committees on Finance, Commerce, and Labor and Public Welfare.

The PRESIDING OFFICER (Mr. Biden). Is there objection to the request of the Senator from Connecticut? The Chair hears none, and it is so ordered.

By Mr. TUNNEY (for himself, Mr. Cranston, Mr. Bennett, Mr. Bible, Mr. Cannon, Mr. Domenici, Mr. Dominick, Mr. Goldwater, Mr. Hansen, Mr. Haskell, Mr. McGee, Mr. Montoya, and Mr. Moss):

S. 1807. A bill to authorize the Secretary of the Interior to execute a program of salinity control for the Colorado River, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

COLORADO RIVER BASIN SALINITY CONTROL ACT OF 1973

Mr. TUNNEY. Mr. President, I am today introducing a bill to authorize the Secretary of the Interior to implement a program for the control of salinity in the waters of the Colorado River system. This legislation is cosponsored by Senators Cranston, Bennett, Bible, Domenici, Dominick, Goldwater, Hansen, Haskell, McGee, Montoya, and Moss.

For the past 9 years in Congress, I have represented cities and major farming areas which are heavily dependent upon the Colorado River for their water supply. The Imperial and Coachella Valleys are two of the Nation's most important farming areas solely because irrigation water is available from the Colorado River. Los Angeles, San Diego, Riverside, and scores or other southern California cities and towns have utilized water from the Colorado River to supplement local supplies. Progress throughout southern California has depended on the Colorado River, and the region will continue to rely upon it in the future.

California is not the only State which relies upon these waters. Six other States in the Colorado River Basin, as well as areas in Mexico, are also heavily dependent upon the river for their water supplies.

Salinity in the Colorado River has become a problem of both national and international concern. The salinity of the river was high even in its original state, and use of the water by man has significantly increased the salinity to an extent which adversely affects both agricultural and urban users. The water Los Angeles County receives from the Colorado River has a salinity measurement of 740 parts per million, a figure which is expected to increase to 950 or more per million by the year 2000 if salinity control measures are not initiated. The U.S. Public Health recommendation is 500 parts per million.

The Environmental Protection Agency has estimated that present salinity levels are causing economic losses of many millions of dollars a year to U.S. users, and this cost will increase in the future unless salinity control measures are taken. In addition, with the final beneficial diversions of the river being made in Mexico, the increased salinity of the deliveries to our southerly neighbor has become a matter of international controversy.

The Department of the Interior developed a salinity control program which has been approved by the Environmental Protection Agency and consists of a number of measures to prevent hundreds of thousands of tons of salt from entering the river each year. The purpose of this legislation is to implement that program. The bill also will permit us to begin work on the La Verkin Springs project on the Virgin River in Utah, the Paradox Valley project on the Delores River in Colorado, and the Grand Valley irrigation improvement program in Colorado. It is expected that the initial phase of this program could remove over 400,000 tons of salt each year, which would result in enormous benefits to both urban and rural users of Colorado River water.

Mr. President, I ask unanimous consent that the bill and a section-by section analysis be printed at this point in my remarks.

There being no objection, the bill and analysis were ordered to be printed in the Record, as follows:

S. 1807

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—OBJECTIVE

Sec. 101. That this Act may be cited as the "Colorado River Basin Salinity Control Act of 1973."

Sec. 102. (a) In recognition of the problems caused by the increasing concentration of dissolved solids in the waters of the main stem of the Colorado River downstream from Lee Ferry, and to preserve the general welfare of the citizens of the Nation, interstate harmony, and international comity with Mexico, it is the objective of this Act to provide a program for salinity control in the Colorado River Basin.

(b) It is the policy of Congress that the Secretary of the Interior (hereinafter referred to as the "Secretary") shall implement the salinity control policy adopted for the Colorado River in the "Conclusions and Recommendations" published in the Proceedings of the Reconvened Seventh Session of the Conference in the Matter of Pollution of the Interstate Waters of the Colorado River and Its Tributaries in the States of California, Colorado, Utah, Arizona, Nevada, New Mexico and Wyoming, held in Denver, Colorado on April 26–27, 1972, under the authority of Section 10 of the Federal Water Pollution Control Act (33 U.S.C. 1160), and approved by the Administrator of the Environmental Protection Agency on June 9, 1972.

(c) The Secretary is hereby directed to expedite the investigation, planning and implementation of the salinity control program generally as described in Chapter VI of the Secretary's report entitled, "Colorado River Water Quality Improvement Program, February 1972."

(d) In conformity with Section 102(b) of this Act and the authority of the Environmental Protection Agency under federal laws, the Secretary of the Administrator of the Environmental Protection Agency are directed to cooperate and coordinate their activities to effectively carry out the objective of this Act.

TITLE II—INITIAL STAGE

Sec. 201. In conformity with Sections 102 (b) and 102(c) of this Act, the Secretary is authorized to construct the following salinity control units as the initial stage of the Colorado River Basin Salinity Control Program: La Verkin Springs, Paradox Valley, and Grand Valley.

TITLE III—CONTINUING PROGRAM

Sec. 301. The Secretary is authorized and directed to:

(a) expedite completion of the planning reports on the following units, of which (1) through (3) are described in the Secretary's report, "Colorado River Water Quality Improvement Program, February 1972."

(1) Irrigation source control: Lower Gunnison, Uintah Basin, Colorado River Indian Reservation, and Palo Verde Irrigation District.

(2) Point source control: Littlefield Springs, Crystal Geyser, and Glenwood-Dotsero Springs.

(3) Diffuse source control: Price River, San Rafael River, Dirty Devil River, McElmo Creek, and Big Sandy River.

(4) Saline water collection system of Las Vegas Wash.

(b) submit each planning report on the units named in Section 301(a) of this Act promptly to the Colorado River Basin States and to such other parties as the Secretary deems appropriate for their review and comments. After receipt of comments on a unit and careful consideration thereof, the Secretary shall submit each final report with his recommendations to the President, other concerned federal departments and agencies, the Congress, and the Colorado River Basin States.

Sec. 302. The Secretary is directed:

(a) in the investigation, planning, construction, and implementation of any salinity control unit involving control of salinity from irrigation sources, to cooperate with the Secretary of Agriculture in carrying out research and demonstration projects and in implementing on-the-farm improvements and farm management practices and programs which will further the objective of this Act;

(b) to undertake research on additional methods for accomplishing the objective of this Act, utilizing to the fullest extent practicable the capabilities and resources of other federal departments and agencies, interstate institutions, states, and private organizations.

TITLE IV—ADVISORY COUNCIL

Sec. 401. (a) There is hereby created the Colorado River Basin Salinity Control Advisory Council composed of no more than three members from each State appointed by the Governor of each of the Colorado River Basin States.

(b) The Council shall be advisory only and shall:

(1) act as liaison between both the Secretary and the Administrator of the Environmental Protection Agency and the States in accomplishing the purposes of this Act;

(2) receive reports from the Secretary on the progress of the salinity control program and review and comment on said reports; and

(3) recommend to both the Secretary and the Administrator of the Environmental Protection Agency appropriate studies of further projects, techniques or methods for accomplishing the purposes of this Act.

TITLE V—ALLOCATION OF COSTS, REPAYMENTS

Sec. 501. The Secretary shall allocate the total costs of each unit or separable feature thereof authorized by Section 201 of this Act, as follows:

(a) In recognition of federal responsibility for the Colorado River as an interstate stream and for international comity with Mexico, Federal ownership of the lands of the Colorado River Basin from which most of the dissolved salts originate, and the policy embodied in the Federal Water Pollution Control Act Amendments of 1972 (86 Stat. 816), seventy-five percent of the total costs of construction, operation, maintenance, and replacement of each unit or separable feature thereof shall be nonreimbursable.

(b) Twenty-five percent of the total costs shall be allocated between the Upper Colorado River Basin Fund established by Section 5(a) of the Colorado River Storage Project Act (70 Stat. 107) and the Lower Colorado River Basin Development Fund established by Section 403(a) of the Colorado River Basin Project Act (82 Stat. 895) after consultation with the Advisory Council created in Section 401(a) of this Act and consideration of the following items:

(1) benefits to be derived in each basin from the use of water of improved quality and the use of works for improved water management;

(2) causes of salinity; and

(3) availability of revenues in the Lower Colorado River Basin Development Fund and increased revenues to the Upper Colorado River Basin Fund made available under Section 504 of this Act: *Provided,* That costs allocated to the Upper Colorado River Basin Fund under Section 501(b) of this Act shall not exceed 15% of the costs allocated to the Upper Colorado River Basin Fund and the Lower Colorado River Basin Development Fund.

(c) Costs of construction of each unit or separable feature thereof allocated to the Upper Basin and to the Lower Basin under Section 501(b) of this Act shall be repaid within a 50-year period without interest from the date such unit or separable feature thereof is determined by the Secretary to be in operation.

Sec. 502. (a) Costs of construction, operation, maintenance, and replacement of each unit or separable feature thereof allocated for repayment by the Lower Basin under Section 501(b) of this Act shall be paid in accordance with subsection (b) of this section, from the Lower Colorado River Basin Development Fund.

(b) Section 403(g) of the Colorado River Basin Project Act (82 Stat. 896) is hereby amended as follows: strike the word "and" after the word "Act" in line 8; insert after the word "Act" the following: "(2) for repayment to the General Fund of the Treasury the costs of each salinity control unit or separable feature thereof payable from the Lower Colorado River Basin Development Fund in accordance with Sections 501(b), 501(c), and 502(a) of the Colorado River Basin Salinity Control Act of 1973, and" change paragraph (2) to paragraph (3).

Sec. 503. (a) Costs of construction, operation, maintenance, and replacement of each unit or separable feature thereof allocated for repayment by the Upper Basin under Section 501(b) of this Act shall be paid in accordance with subsection (b) of this Section, from the Upper Colorado River Basin Fund within the limit of the funds made available under Section 504 of this Act.

(b) Section 5(d) of the Colorado River Storage Project Act (70 Stat. 108) is hereby amended as follows: strike the word "and" at the end of paragraph (3); strike the period after the word "years" at the end of paragraph (4) and insert a semicolon in lieu thereof followed by the word "and"; add a new paragraph (5) reading: "(5) the costs of each salinity control unit or separable feature thereof payable from the Upper Colorado River Basin Fund in accordance with Sections 501(b), 501(c) and 503(a) of the Colorado River Basin Salinity Control Act of 1973."

Sec. 504. The Secretary is authorized to make upward adjustments in rates charged for electrical energy under all contracts administered by the Secretary under the Colorado River Storage Project Act (70 Stat. 105; 43 U.S.C. 620) as soon as practicable and to the extent necessary to cover the costs of construction, operation, maintenance, and replacement of units allocated under Section 501(b) and in conformity with Section 501(c) of this Act: *Provided*, That revenues derived from said rate adjustments shall be available solely for the construction, operation, maintenance, and replacement of salinity control units in the Colorado River Basin herein authorized.

TITLE VI—GENERAL PROVISIONS

Sec. 601. Commencing on January 1, 1975, and every two years thereafter, the Secretary shall submit to the President, the Congress, and the Advisory Council created in section 401(a) of this Act a report on the Colorado River salinity control program authorized by this Act covering the progress of investigations, planning, and construction of salinity control units for the previous fiscal year, the effectiveness of such units, anticipated work needed to be accomplished in the future to meet the objective of this Act with emphasis on the needs during the five years immediately following the date of each report, and any special problems that may be impeding progress in attaining an effective salinity control program. Said report may be included in the biennial report on the quality of water of the Colorado River Basin prepared by the Secretary pursuant to section 15 of the Colorado River Storage Project Act (70 stat. 111; 43 U.S.C. 602n), section 15 of the Navajo Indian irrigation project and the initial stage of the San Juan-Chama Project Act (76 stat. 102, and section 6 of Fryingpan-Arkansas Project Act (76 stat. 393).

Sec. 602. Except as provided in sections 502(b) and 503(b) of this Act with respect to the Colorado River Storage Project Act and the Colorado River Basin Project Act, nothing in this Act shall be construed to alter, amend, repeal, modify, interpret, or be in conflict with the provisions of the Colorado River Compact (45 stat. 1057), the Upper Colorado River Basin Compact (63 stat. 31), the Water Treaty of 1944 with the United Mexican States (Treaty Series 994; 59 stat. 1219), the decree entered by the Supreme Court of the United States in Arizona v. California and others (376 U.S. 340), the Boulder Canyon Project Act (45 stat. 1057), Boulder Canyon Project Adjustment Act (54 stat. 774; 43 U.S.C. 618a), section 15 of the Colorado River Storage Project act (70 stat. 111; 43 U.S.C. 620n), the Colorado River Basin Project Act (82 stat. 885), section 6 of the Fryingpan-Arkansas Project Act (76 stat. 393), and section 15 of the Navajo Indian Irrigation Project and initial stage of the San Juan-Chama Project Act (76 stat. 102).

Sec. 603. As used in this Act:

(a) all terms that are defined in the Colorado River Compact shall have the meanings therein defined;

(b) "Colorado River Basin States" means the States of Arizona, California, Colorado, Nevada, New Mexico, Utah, and Wyoming.

Sec. 604. There are hereby authorized to be appropriated such sums as may be required to carry out the objectives of this Act.

Colorado River Basin Salinity Control Bill—Section-by-Section Analysis

SECTION 101

This section provides that the Act may be cited as the "Colorado River Basin Salinity Control Act of 1973".

SECTION 102

This section gives recognition to the problems caused to the States of Arizona, California, Nevada, due to the increasing salinity of the Colorado River. Recognition is also given to the desirability of international comity with Mexico, which is the last user of Colorado River water. Congress declares its intent to institute a salinity control program based upon the policy adopted in the Conclusions and Recommendations published in the proceedings of the reconvened seventh session of the conference in the matter of the pollution of the interstate waters of the Colorado River and its tributaries in the States of California, Colorado, Utah, Arizona, Nevada, New Mexico, and Wyoming held in Denver, Colorado on April 26–27, 1972, and approved on June 9, 1972 by the Administrator of the Environmental Protection Agency. These conclusions and recommendations (copy enclosed) recognize that salinity is a basin-wide problem that needs to be solved by maintaining lower basin water salinity at or below present levels, while the Upper Colorado River Basin states of Colorado, Wyoming, Utah, and New Mexico continue to develop their Compact-apportioned water. The Secretary of Interior is directed to implement the program generally as described in Chapter VI of the Secretary's report entitled, "Colorado River Water Quality Improvement Program", October 1972. The Secretary of the Interior and Administrator of the Environmental Protection Agency are directed to cooperate and coordinate their activities to carry out the objectives of this Act.

SECTION 201

This section authorizes as initial units of the Colorado River Basin Salinity Control Program, the La Verkin Springs unit, Paradox Valley unit, and Grand Valley unit. These three projects were listed in the Conclusions and Recommendations of the Enforcement Conference as projects that should be accelerated so as to prevent the addition of at least 400,000 tons of salt per year from the Colorado River by 1977.

The La Verkin Springs Project is located along both banks and in the channel of the Virgin River, about 20 miles north of St. George, Utah. This spring produces an annual flow of about 7,200 acre-feet which contains over 100,000 tons of dissolved salts, as well as highly significant quantities of radioactive radium salts.

The salinity control project being proposed for La Verkin Springs would include facilities to bypass all but the flood flows of the Virgin River around the area of spring flow. The spring flow would be collected, given pretreatment and desalted. The desalted water would be returned to the river system or served directly to users with brines being conveyed to an impervious evaporation pond for final disposal. The construction cost is estimated at $12 million for the removal of about 80,000 tons of salt per year.

The Paradox Valley project is on the Dolores River, tributary to the Colorado River above Lake Powell. The river flows through a short stretch of the Paradox Valley in western Colorado. In traversing this valley, the river picks up over 200,000 tons of dissolved salts a year, due to the solution of minerals from a highly saline geologic formation. These salts come to the surface in the valley as rising ground water.

The salinity control project being considered for Paradox Valley would eliminate much of the salt pickup by intercepting the extremely saline rising ground water before it can enter the river system. This would be accomplished through a ground water extraction system. The saline water would be disposed of through evaporation in an impervious pond. Construction costs are estimated at $30 million, for the removal of 180,000 tons of salt per year.

The Grand Valley Project will reduce salt loading through improved use of irrigation water and an improved water delivery system.

The geologic formations comprising Grand Valley, located in western Colorado (the city of Grand Junction is within the valley), are typical of many valleys throughout the Upper Colorado River Basin. The alluvial valley is underlain, at depths from a few feet to over 100 feet, with the highly saline Mancos Shale. In flowing through the valley, the Colorado River's salt load is increased by about 700,000 tons per year. Investigators have estimated that about ⅓ of this total increase would occur in the absence of any activity of man, and the balance is primarily a result of irrigation activities within the valley.

The process by which dissolved salts are added to the river is believed to be the result of water percolating through the alluvium to an interface with the saline shales, dissolving salts from the shales, continuing to flow underground to rejoin the river. The percolating water originates from direct precipitation on the valley floor, from underflow from precipitation on surrounding hills and mountains, from seepage from unlined canals, laterals, and farmer's ditches, and from excess applications by farmers of irrigation water.

The salinity control project under investigation for Grand Valley would be applied to the irrigation facilities. The project would include the consolidation of excess canals and laterals, the lining of consolidated facilities, the lining of farmer's ditches, and the scheduling of irrigation deliveries to reduce excess deliveries. Construction costs are estimated to be about $92 million. Because the control process is indirect, estimates of salt removal vary between 140,000 and 300,000 tons of salt per year.

SECTION 301

This section lists the salinity control projects, all except one of which have been identified in the Secretary's 1972 report and appear to the feasible projects on a reconnaissance level basis. The Secretary is directed to expedite completion of planning reports on each of these projects. The one project not included in the Secretary's report, the "Saline Water Collection System of Las Vegas Wash", has been analyzed by consulting engineers and the Las Vegas Valley Water District and appears to be feasible on a reconnaissance level basis.

Point source control projects are those in areas of localized salt contributions such as mineral springs or outcrops of soluble formations adjacent to or underlying surface water sources. These sources are generally more susceptible to control than other sources of dissolved salts.

Diffuse source control projects are designed to control dissolved salts originating from a wide-spread area. These projects have not been studied in sufficient detail to offer more than tentative plans and generally no cost estimates. The basic concept is to selectively remove and control the saline low flows from a stream and to bypass the yearly peak flows that are of lower salinity.

Irrigation source control projects involve a variety of measures, all designed to reduce the volume of water percolating through saline formations. These include careful scheduling of irrigation, changes in irrigation methods, improvement of on-farm irrigation facilities, and management and construction of improvements to existing conveyance systems.

The salinity control project to be studied in Las Vegas Wash involves the removal of a mound of highly saline groundwater which enters Las Vegas Wash a few miles before the Wash discharges into Lake Mead.

Upon completion of each report, The Secretary is to submit the report to the Colorado River Basin states and other interested parties for review and comments. After receipt of comments, the Secretary shall finalize each report and submit it to the President, concerned Federal departments and agencies, Congress, and Colorado River Basin states.

SECTION 302

It is recognized that additional research in the area of salinity control is needed and the Secretary of the Interior is directed to cooperate with the Secretary of Agriculture in carrying out this research. It is further recognized that the projects and methods identified today with respect to salinity control, are not all-inclusive, and the Secretary is directed to undertake additional research to accomplish the objectives of this Act and to cooperate with other agencies with respect to this research.

SECTION 401

This section creates a Colorado River Salinity Control Advisory Council composed of no more than three members appointed by the Governor from each of the seven Colorado River Basin states. The Council is to be advisory to the Secretary of the Interior in his work of carrying out the salinity control program. The purpose of creating the Council is to allow for participation by representatives from the Colorado River Basin states in the salinity control program. In the past, the seven states were represented by Conferees in the Colorado River Basin Enforcement Conference; however, public law 92–500 did away with the Conference Enforcement procedures. While this section does not specify the representatives to be named by each Governor, it was assumed that the Governors would appoint to the Advisory Council state water pollution control agency representatives and state water resource representatives as well as other interested parties.

SECTION 501

This section provides for allocation and repayment of costs. In the allocation of costs, recognition is given to the great Federal responsibility in the Colorado River Basin due to the Basin's interstate and international character. The Federal Government owns the majority of lands upon which most of the dissolved salts originate. Recognition is also given to the Federal Water Pollution Control Act Amendments of 1972, and the policy contained therein with respect to reducing pollution in the United States. In recognition of the above, 75% of the total costs of construction, operation, and maintenance and replacement of each unit of the salinity control projects is declared to be non-reimbursable. The remaining 25% is to be allocated to the Upper Colorado River Basin Fund and the Lower Colorado River Basin Development Fund. The Secretary is to analyze each of the three projects authorized in Section 201 and he is directed to consider three items in arriving at the cost allocation to each of the two basin funds, provided that the amount allocated to the Upper Colorado River Basin Fund shall not exceed 15% of the total cost allocated to the two funds for each of the projects.

The major beneficiaries of any salinity control program are water users in the three Lower Basin states and Mexico. However, it is also recognized that the major source of dissolved salts is the Upper Basin, and that salinity is a basin-wide problem. The limitation of 15% for any project is in recognition that repayment of this cost will require power rate increases to users largely located in the Upper Basin states. With respect to the Lower Basin states, repayment will come from power revenues that would be accumulated in the Lower Colorado River Basin Development Fund, in any event, through renegotiation of Hoover-Parker-Davis contracts at a later date. The 1968 Colorado River Basin Project Act provides that money from the above sources shall be available to assist in the repayment of the cost of future augmentation projects. Such augmentation projects are not identified as yet at this time, so it is to the benefit of the concerned parties to use a portion of this money to repay the costs of salinity control projects to improve the quality of the Colorado River water. Such repayment is to be without interest.

SECTION 502

Section 502 provides for repayment of the costs of the salinity control projects allocated to the Lower Colorado River Basin Development Fund. The applicable proportions of the Colorado River Basin Project Act are amended to provide for this repayment.

SECTION 503

This section provides for repayment of the costs of the salinity control projects allocated to the Upper Colorado River Basin Fund. The applicable portions of the Colorado River Storage Project Act are amended to provide for this repayment.

SECTION 504

Section 504 authorizes the Secretary to raise the rates for electrical energy under all contracts administered under the Colorado River Storage Project Act to the extent necessary to repay the costs allocated to the Upper Colorado River Basin Fund with respect to salinity control projects.

SECTION 601

This report provides for biennial reporting by the Secretary on the progress of the salinity control program, and the anticipated work to be accomplished in the future. The report may be included in the biennial report on the quality of water in the Colorado River Basin now being issued by the Secretary pursuant to Section 15 of the Colorado River Storage Project Act and other legislation. The first report is due on January 1, 1975.

SECTION 602

This section provides that nothing in this Act is to alter, amend, repeal, modify, interpret or be in conflict with the various statutory Acts, treaties, judicial precedents and Compacts that together make up the "Law of the River". The two exceptions are the language in Section 502(b) and 503(b) which amend the Colorado River Basin Project Act and the Colorado River Storage Project Act to provide for repayment out of those Funds to assist in the repayment of the costs of the salinity control projects allocated to these funds.

SECTION 603

This section gives the pertinent definitions.

SECTION 604

This section provides authorization of the necessary sums to construct, operate, and maintain the three projects authorized in Section 201 and to expedite the completion of planning reports stated in Section 301.

By Mr. RANDOLPH (for himself, Mr. BAKER, Mr. BENTSEN, and Mr. STAFFORD):

S. 1808. A bill to apportion funds for the National System of Interstate and Defense Highways and to authorize funds in accordance with title 23, United States Code, for fiscal year 1974, and for other purposes. Referred to the Committee on Public Works.

Mr. RANDOLPH. Mr. President, when the Congress failed to pass a new highway bill 7 months ago there were expressions of concern that the States would be unable to continue their roadbuilding activities while we developed new legislation.

Members of the Senate Public Works Committee were aware that the same controversial proposals that extended our conference last year must be resolved in 1973, and that this would be a difficult task. It was generally recognized that the lack of monetary authorizations, even for programs that were noncontroversial, would be a stimulus to the Congress to act with disptch. We felt, however, that the States should not be impaired in carrying out an on-going construction program while we grappled with these difficult questions.

Early in the year Senator HOWARD BAKER, Republican of Tennessee, proposed Senate Concurrent Resolution No. 6 to authorize the immediate apportionment of $1 billion in Interstate funds for fiscal year 1974. All members of the Senate Public Works Committee joined as cosponsors of this measure in an expression of our desire not to see the Interstate program grind to a halt. Senate Concurrent Resolution No. 6 was quickly approved by the Senate on March 6 but, unfortunately, has languished since then in the House of Representatives.

As we anticipated last winter, the States are in a critical situation with regard to highway funding. A significant number of them have already exhausted their ability to award contracts. By the end of this month, about two dozen States will be without any Interstate funds and a significant number of States will have no money for other categories of roads.

This situation exists because funds are normally made available to the States several months in advance of the fiscal year for which they are authorized. We are already well into the spring construction season when new roadbuilding normally is at its peak.

The conference on the Federal-Aid Highway Act of 1973 began last week. We have made good progress. The first three meetings in fact, produced agreement on more than 20 sections of the bill on which there were differences in the Senate and House versions. Under the leadership of Representative JIM WRIGHT, chairman of the conference, and Senator LLOYD BENTSEN, chairman of the Senate conferees, our meetings have provided a businesslike approach to the serious responsibilities we bear. I do not believe, however, we can reasonably anticipate the conclusion of this conference before the end of this month, at the very earliest. The House conferees share our awareness of the impact of the situation created by the lack of highway funds.

To alleviate the situation and to avoid the deepening crisis, I am today introducing a bill authorizing the immediate apportionment of $3 billion in interstate construction authority for fiscal year 1974 and the authorization of $500 million for the primary, secondary and urban extension highway programs, to be distributed under existing formulas.

These amounts are within the limits of funding already agreed to by the conferees and are not subject to controversy in the conference. I am joined in the introduction of this bill by Senator Baker, the ranking minority member of the committee, and by Senator Lloyd Bentsen and Senator Robert Stafford, the chairman and ranking minority member, respectively, of the Subcommittee on Transportation.

Yesterday and today, I had conversations with the Governor of West Virginia, the speaker of the House of the West Virginia House of Delegates and the president of the State senate. All of these gentlemen, members of different political parties, were united in their expression to me of concern about the ability of West Virginia to continue orderly highway development. This concern is echoed throughout the United States and in some instances, the money shortage is even more acute than it is in West Virginia.

This is, frankly, a stop-gap measure. We cannot afford to permit highway development—projects which have been undertaken on the basis of long-range planning—to end. The disruption would be intolerable, particularly when there is nearly unanimous agreement of the need for a viable, ongoing highway program and particularly when we know that new highway legislation is now being developed and will be passed.

This measure can be approved by the Congress this week. I urge that the Senate act as soon as possible so that we do not break faith with the people of America to whom we have promised better transportation.

By Mr. CHURCH:

S. 1809. A bill to amend the Urban Mass Transportation Act of 1964 to insure ready access to and use of mass transportation facilities by elderly and handicapped persons. Referred to the Committee on Banking, Housing and Urban Affairs.

UMTA ACCESSIBILITY STANDARDS ACT

Mr. CHURCH. Mr. President, I introduce for appropriate reference the Urban Mass Transportation Accessibility Standards Act. This act is designed to insure that mass transportation facilities are accessible for the elderly and handicapped.

In 1970, the Urban Mass Transportation Act made it national policy that the elderly and handicapped should have the same right as other persons to use mass transportation facilities and services. To implement this policy, the Secretary of Transportation was authorized to make grants and loans to assist public bodies in providing mass transportation services which would meet the special needs of the elderly and handicapped. In addition, $46.5 million was authorized for programs and activities designed to implement this policy.

Individual projects have been funded, and model prototypes are being developed. But to date, systematic implementation of the declared national policy on accessibility has not been achieved.

One of the major obstacles to a viable national policy on accessibility has been the absence of specific standards applicable to mass transit systems. The legislation which I am introducing today would help to remedy this defect.

First, my bill would direct the Secretary of Transportation to prescribe standards for mass transportation facilities and equipment in order to insure accessibility for the elderly and handicapped.

Second, the Secretary would be prohibited from approving a grant or loan application under the act unless the standards on accessibility are complied with.

Third, any waiver of the standards could be made:

Only after a public hearing;

Only if the Secretary should determine that compliance with the standards would cause undue hardship and hold back urgently needed facilities and equipment.

A public hearing on any waiver proposal would thus assure that issues receive a public airing.

The need for this legislation is long overdue, and I urge its prompt adoption.

Mr. President, I ask unanimous consent that the text of this bill be printed at this point in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1809

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Urban Mass Transportation Accessibility Standards Act of 1973".

Sec. 2. Section 16 of the Urban Mass Transportation Act of 1964 is amended—

(1) by inserting "(1)" after "(a)";

(2) by redesignating subsections (b), (c), and (d) as paragraphs (2), (3), and (4), respectively; and

(3) by adding at the end thereof a new subsection as follows:

"(b)(1) The Secretary, in consultation with the Secretary of Health, Education, and Welfare, shall, within six months after the date of enactment of this subsection, prescribe such standards with respect to mass transportation facilities and equipment as may be necessary to insure ready access to, and use of, such facilities and equipment by elderly and handicapped persons.

"(2) The Secretary shall not approve any application for assistance under this Act with respect to the design, acquisition, construction, reconstruction, or improvement of mass transportation facilities and equipment unless (A) such facilities and equipment conform to all applicable standards of accessibility prescribed under paragraph (1), or (B) the Secretary determines, after public hearings, that the application of such standards to the facilities and equipment for which assistance is requested should be waived in whole or in part in order to avoid undue hardship and to provide urgently needed facilities and equipment. Adequate notice of the date and place of, and matters to be considered at, any such hearings shall be given not less than fifteen days or more than thirty days prior to the date thereof. Findings developed at any such hearings shall be made a matter of public record.

"(3) The Secretary shall within five years of the date of issuance of standards under this subsection review those standards. The Secretary shall prepare and transmit to the Congress a report on his findings and recommendations, including a plan for updating the standards, and recommendations for additional legislative, administrative and other measures which would improve the access to and use of public transportation facilities and equipment by elderly and handicapped persons."

By Mr. CHURCH:

S. 1810. A bill to amend the Age Discrimination in Employment Act of 1967 to increase coverage under that act, and for other purposes. Referred to the Committee on Post Office and Civil Service.

AMENDMENTS TO THE AGE DISCRIMINATION IN EMPLOYMENT ACT

Mr. CHURCH. Mr. President, I introduce for appropriate reference a bill to strengthen and improve the Age Discrimination in Employment Act.

In 1967 the age discrimination law was enacted to protect older workers against job bias because of advancing years. An earlier report by the Secretary of Labor had provided compelling reasons for action. That report revealed that approximately half of all private job openings were barred to applicants over 55, and a quarter were closed to those over 45.

The Age Discrimination in Employment Act is intended to protect persons aged 40 to 64 from bias in hiring, job retention, compensation, and other conditions of employment. Coverage under this law includes:

First. Employers of 25 or more persons in an industry affecting interstate commerce;

Second. Employment agencies serving such employers; and

Third. Labor organizations with 25 or more members in an industry affecting interstate commerce.

However, job bias because of age is still a very real and serious problem today, despite the enactment of the age discrimination law. One major reason is that gaps exist in coverage.

Nearly 37 million persons in the labor force are in the 40 to 64 age category. But it is estimated that less than one-half of these workers are now covered by the provisions of the Age Discrimination in Employment Act.

For example, more than 13 million individuals employed by Federal, State, and local governments are outside the scope of the age discrimination law, including over 5½ million in the 40 to 64 age classification. Many of these older workers are now covered by age discrimination acts in 34 States. But quite frequently these statutes are more loophole than law. And these acts vary markedly concerning minimum and maximum age limits on coverage, exclusions, and exemptions, types of prohibited discriminatory practices, and enforcement sanctions.

Moreover, employers with fewer than 25 employees are not covered by existing provisions of law.

Quite clearly, the application of this act must be extended if our policy against job bias because of age is to have real meaning for millions of middle-aged and older workers. But the extension of this act must also be achieved in a manner which will not create unnecessary administrative burdens for the small businessman, who is the backbone of our economy.

The bill that I introduce today is designed to implement these two objectives by:

Extending the provisions of the Age Discrimination in Employment Act to State, local, and Federal employees;

Broadening the application of the act to include employers with 20 or more employees; and

Increasing the authorized funding level from $3 million to $5 million to provide needed personnel to enforce the law more effectively.

Seven provisions in my bill—such as making the age discrimination law applicable to State and local employees—have been endorsed by the administration.

It is high time that we remove the existing barrier which unmistakably suggests "advancing age is the end of the road for job opportunities in America."

No nation can ever hope to achieve its full potential if some of its most experienced and talented citizens are not allowed to participate.

Older workers are not asking for a handout. They simply want an opportunity to be judged on the basis of their merits. In my judgment, functional capacity—not chronological age—should determine whether a person is hired or promoted.

A few weeks ago, the Congress and the administration took an important step forward to help educate the public about the advantages of hiring mature workers. On March 15, legislation was enacted into law to authorize the President to designate the second full week in March as "National Employ the Older Worker Week." As chairman of the Senate Committee on Aging, I was especially gratified that every member of the committee joined Senator RANDOLPH—the chairman of the Subcommittee on Employment and Retirement Incomes—in sponsoring this measure.

My proposed amendments would be a further step toward the long sought goal of making one's year of birth irrelevant for employment opportunities.

Mr. President, I ask unanimous consent that the text of this bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1810

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Age Discrimination in Employment Amendments of 1973".

SEC. 2. (a) The first sentence of section 11 (b) of the Age Discrimination in Employment Act of 1967 (29 U.S.C. 630(b)) is amended by striking out "twenty-five" and inserting in lieu thereof "twenty".

(b) (1) The second sentence of section 11 (b) of such Act is amended to read as follows: "The term also means (1) any agent of such a person; and (2) a State or political subdivision of a State and any agency or instrumentality of a State or political subdivision of a State, but such term does not include the United States, or a corporation wholly owned by the Government of the United States.".

(2) Section 11(c) of such Act is amended by striking out "or an agency of a State or political subdivision of a State, except that such term shall include the United States Employment Service and the system of State and local employment services receiving Federal assistance".

SEC. 3. Section 16 of the Age Discrimination in Employment Act of 1967 is amended by striking "$3,00,000" and inserting in lieu thereof "$5,000,000".

SEC. 4. (a) The Age Discrimination in Employment Act of 1967 is amended by redesignating sections 15 and 16, and all references thereto, as section 16 and section 17, respectively and by adding immediately after section 14 the following new section:

"NONDISCRIMINATION ON ACCOUNT OF AGE IN FEDERAL GOVERNMENT EMPLOYMENT

"SEC. 15. (a) All personnel actions affecting employees or applicants for employment (except with regard to aliens employed outside the limits of the United States) in military departments as defined in section 102 of title 5, United States Code, in executive agencies (other than the General Accounting Office) as defined in section 105 of title 5, United States Code (including employees and applicants for employment who are paid from nonappropriated funds), in the United States Postal Service and the Postal Rate Commission, of the government of the District of Columbia having positions in the competitive service, and in those units of the legislative and judicial branches of the Federal Government having positions in the competitive service, and in the Library of Congress shall be made free from any discrimination based on age.

"(b) Except as otherwise provided in this subsection, the Civil Service Commission is authorized to enforce the provisions of subsection (a) through appropriate remedies, including reinstatement or hiring of employees with or without backpay, as will effectuate the policies of this section. The Civil Service Commission shall issue such rules, regulations, orders, and instructions as it deems necessary and appropriate to carry out its responsibilities under this section. The Civil Service Commission shall—

"(1) be responsible for the review and evaluation of the operation of all agency programs designed to carry out the policy of this section, periodically obtaining and publishing (on at least an annual basis) progress reports from each such department, agency, or unit; and

"(2) consult with and solicit the recommendations of interested individuals, groups, and organizations relating to nondiscrimination in employment on account of age.

The head of each such department, agency, or unit shall comply with such rules, regulations, orders, and instructions which shall include a provision that an employee or applicant for employment shall be notified of any final action taken or any complaint of discrimination filed by him thereunder. Reasonable exemptions to the provisions of this section may be established by the Commission but only when the Commission has established a maximum age requirement on the basis of a determination that age is a bona fide occupational qualification necessary to the performance of the duties of the position. With respect to employment in the Library of Congress, authorities granted in this subsection to the Civil Service Commission shall be exercised by the Librarian of Congress.

"(c) Any persons aggrieved may bring a civil action in any court of competent jurisdiction for such legal or equitable relief as will effectuate the purposes of this Act.

"(d) When the individual has not filed a complaint concerning age discrimination with the Commission, no civil action may be commenced by any individual under this section until the individual has given the Commission not less than thirty days' notice of an intent to file such action. Such notice shall be filed within one hundred and eighty days after the alleged unlawful practice occurred. Upon receiving a notice of intent to sue, the Commission shall promptly notify all persons named therein as prospective defendants in the action and take any appropriate action to assure the elimination of any unlawful practice.

"(e) Procedures under this section shall become effective ninety days after enactment.

"(f) Nothing contained in this section shall relieve any Government agency or official of the responsibility to assure nondiscrimination on account of age in employment as required under any provision of Federal law."

By Mr. CHURCH:

S.J. Res. 108. A joint resolution to authorize the President to call Mini-White House Conferences on Aging every 2 years. Referred to the Committee on Labor and Public Welfare.

MINI-WHITE HOUSE CONFERENCE ON AGING

Mr. CHURCH. Mr. President, I introduce for appropriate reference a joint resolution to authorize the President to call Mini-White House Conferences on Aging every 2 years.

In November 1971 an historic White House Conference on Aging was held to develop a long awaited national policy on aging. That conference provided irresistible momentum for immediate and far-reaching legislative action, including:

Enactment of a 20-percent social security increase, the largest dollar raise in the entire history of the program;

Passage of a 20-percent boost in railroad retirement annuities;

Approval of H.R. 1, now Public Law 92-603, which provided important reforms in social security and medicare;

Enactment of a new national hot meals program for older Americans; and

The highest funding level ever for the Older Americans Act.

These landmark achievements have had a dramatic impact in improving living conditions for millions of older Americans. Poverty for the elderly, for example, has been reduced by about 1.2 million since the White House Conference on Aging.

But our Nation can ill afford to become complacent. This point becomes all the more compelling when one considers that:

There are 3.1 million older Americans still living in poverty;

Nearly 11 million elderly have incomes which fall below the Bureau of Labor Statistics intermediate budgets for retired persons; and

The aged now pay more in out-of-pocket payments, on a per capita basis, for medical care than the year before medicare became law.

Moreover, we must also assure that the recommendations of the White House

Conference on Aging are not allowed to rest unnoticed in dusty corners of our national archives. The 3,400 delegates at the 1971 conference sounded a call for action; they deserve no less. They have every right to be impatient because time is not on their side.

Today I introduce legislation to establish a continuing mechanism for developing and implementing the policy recommendations of the 1971 White House Conference on Aging. To achieve this goal, my joint resolution would authorize periodic conferences on aging to be held every 2 years in effect mini-White House Conferences on Aging.

These periodic conferences would be designed primarily to focus on one particular subject at a time, such as income, health, or other timely issues. These miniconferences would also provide vital followup activity to assess the congressional and administrative responses to the policy proposals urged at the 1971 conference. Important work still remains to be done on several of their recommendations, such as further improvements in medicare legislation to establish a new National Institute on Aging and others. Additionally, these followup efforts can help to assure that the recommendations of the 1971 White House Conference will continue to lead to action, instead of just the output of words.

Moreover, these mini-White House Conferences would establish the essential framework for more intensive review and reassessment of the issues considered at the 1971 Conference. This is important because future older Americans—those who become 65 in the next 5 or 10 years—may differ in important respects from the elderly of today.

My proposal, I am pleased to say, has been endorsed in the report of the White House Conference on Aging, in the Government and Nongovernment Organization Section:

> Means should be found for a continuing "conference" on the aging to aid in the follow-up of the recommendations of the White House Conference on Aging, which also would extend beyond the announced follow-up year of 1972 and even until the next White House Conference on Aging.

Mr. President, I ask unanimous consent that the text of this joint resolution be printed at this point in the Record.

There being no objection, the joint resolution was ordered to be printed in the Record, as follows:

S.J. Res. 108

Joint resolution to authorize the President to call mini-White House conference on Aging every two years

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the President is authorized to call four White House Issue-Oriented Subconferences on Aging for the years 1974, 1976, 1978, and 1980 for the purposes of providing information which is not now available for making key policy decisions in areas of special concern for older persons, evaluating the progress made in implementing the recommendations of the White House Conference on Aging, developing further recommendations for meeting the needs of the aging, and developing a plan of action for implementing these recommendations.

(b) In order to focus special attention on economic problems affecting older persons, the first Conference shall consider the issue of income. The agenda for each successive Conference shall be determined on the basis of the recommendations contained in the preconference report of the Advisory Committee under section 3 of this joint resolution.

(c) For the purpose of a full discussion of the issues presented at each Conference and arriving at facts and recommendations, each Conference shall bring together representatives of Federal, State, and local governments, and professional and lay people who are working in the area of special concern to older persons that is the topic of a Conference.

(d) A final report of each White House Issue-Oriented Subconference on Aging shall be submitted to the President not later than 120 days following the date on which the Conference is called and the findings and recommendations included therein shall be immediately made available to the public. The Secretary shall, within 90 days after the submission of such final report, transmit to the President and the Congress his recommendations for the administrative action and the legislation necessary to implement the recommendations contained in such report.

Sec. 2. In administering this joint resolution the Secretary shall—

(1) request the cooperation and assistance of such other Federal departments and agencies as may be appropriate;

(2) prepare and make available background materials for the use of the Advisory Committee and delegates to each Conference as he may deem necessary;

(3) engage such additional personnel as may be necessary without regard to the provisions of title 5, United States Code, governing appointments in the competitive civil service, and without regard to chapter 57 and sub-chapter III of chapter 53 of such title relating to classification and general schedule pay rates.

Sec. 3. (a) The Secretary is authorized and directed to establish an Advisory Committee to the White House Issue-Oriented Subconferences on Aging composed of the Chairman and Co-Chairman of the 14 sections at the White House Conference on Aging and the Chairmen of the Special Concerns Sections.

(b) It shall be the duty of the Advisory Committee to—

(1) select the issue to be considered in detail at each of the Conferences to be held in 1976, 1978, and 1980 and submit a preconference report thereon setting forth the issue to be considered together with proposals for an agenda for the conference;

(2) advise and assist the Secretary in the planning and conduct of each of the Issue Conferences;

(3) develop plans and programs for action to implement the recommendations made at both the White House Conference on Aging and each of the White House Issue-Oriented Subconferences on Aging; and

(4) assess the progress made in implementing the recommendations made by the White House Conference on Aging.

(c) The Secretary shall designate one of the members as Chairman. Members of any committee appointed pursuant to this section who are not officers or employees of the United States, while attending conferences or meetings of their committee or otherwise serving at the request of the Secretary, shall be entitled to receive compensation at a rate to be fixed by the Secretary but not exceeding $____ per day, for each day they are engaged in the performance of their duties as members of the Advisory Committee including travel time. While so engaged away from their homes or regular places of business, they may also be allowed travel expenses including per diem in lieu of subsistence, as authorized under section 5703 of title 5, United States Code for persons in the Government service employed intermittently.

(d) The Advisory Committee shall cease to exist 90 days after the submission of the final report following the 1980 Issue Conference required by the first section of this Act.

Sec. 4. For the purposes of this joint resolution—

(1) the term "Secretary" means the Secretary of Health, Education, and Welfare;

(2) the term "State" includes the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands; and

(3) the term "White House Conference on Aging" means the White House Conference on Aging which was called in November 1971.

Sec. 5. There are hereby authorized to be appropriated such sums as may be necessary to carry out this joint resolution.

ADDITIONAL COSPONSORS OF BILLS

S. 667

At the request of Mr. Randolph, the Senator from Indiana (Mr. Bayh) was added as a cosponsor of S. 667, a bill to amend the Public Health Services Act to provide for the protection of the public health from unnecessary medical exposure to ionizing radiation.

S. 1105

At the request of Mr. Percy, the Senator from Oklahoma (Mr. Barlett) was added as a cosponsor of S. 1105, the Anti-Environmental Barriers bill.

S. 1144

At the request of Mr. Schweiker, the Senator from Rhode Island (Mr. Pastore) was added as a cosponsor of S. 1144, the National Catastrophic Disaster Insurance Act of 1973, a bill to establish a national program of Federal insurance against catastrophic disasters.

S. 1221

At the request of Mr. Bible, the Senator from South Dakota (Mr. McGovern), the Senator from Maine (Mr. Muskie), and the Senator from California (Mr. Tunney) were added as cosponsors of S. 1221, a bill to provide that Federal employees shall be entitled to accumulate annual leave in excess of 30 days, or receive payment therefor, for periods such employees have been in a missing status while serving in Southeast Asia during the Vietnam era.

S. 1395

At the request of Mr. Randolph, the Senator from Florida (Mr. Gurney) was added as a cosponsor of S. 1395, a bill to encourage and support the dissemination of news, opinion, scientific, cultural, and educational matter through the mails.

S. 1418

At the request of Mr. Hatfield the Senator from Maryland (Mr. Mathias), and the Senator from Pennsylvania (Mr. Schweiker) were added as cosponsors of S. 1418, a bill to commemorate the 100th anniversary of the birth of Herbert Hoover by providing grants to the Hoover Institution on War, Revolution and Peace.

S. 1548

At the request of Mr. Pell the Senator from South Dakota (Mr. Abourezk), the Senator from California (Mr. Cranston), the Senator from Hawaii (Mr. Inouye), the Senator from South Dakota (Mr. McGovern), the Senator from California (Mr. Tunney), and the Senator from Maine (Mr. Muskie) were added as cosponsors of S. 1548, a bill to establish a commission to review the proposed closing of any military installation.

S. 1579

At the request of Mr. Dole, the Senator from Colorado (Mr. Dominick) and the Senator from Ohio (Mr. Taft) were added as cosponsors of S. 1579, a bill to provide for the demonstration of models of living arrangements for severely handicapped adults as alternatives to institutionalization and to coordinate existing supportive services necessitated by such arrangements, to improve the coordination of housing programs with respect to handicapped persons.

S. 1580

At the request of Mr. Pearson, the Senator from North Dakota (Mr. Young), and the Senator from Montana (Mr. Metcalf), were added as cosponsors of S. 1580, the Amateur Athletic Act.

S. 1709

At the request of Mr. Tunney, the Senator from South Dakota (Mr. McGovern) was added as a cosponsor of S. 1709, a bill relating to the reduction of civilian personnel at military installations in the United States and the closing of military installations in the United States.

S. 1722

At the request of Mr. Hartke, the Senator from Minnesota (Mr. Humphrey) was added as a cosponsor of S. 1722, a bill to provide tutorial assistance to homebound handicapped students.

SENATE CONCURRENT RESOLUTION 24—SUBMISSION OF A CONCURRENT RESOLUTION TO ENDORSE THE REMOTE SENSING SYMPOSIUM

(Referred to the Committee on Aeronautical and Space Sciences.)

Mr. ABOUREZK. Mr. President, I submit for appropriate reference a concurrent resolution to express support of Congress on participation in the Symposium on Management and Utilization of Remote Financing Data, to be held at Sioux Falls in October and November.

The concurrent resolution reads as follows:

S. Con. Res. 24

Whereas remote sensing systems are now providing usable data from space for applications in agriculture, weather, the environment and a multitude of other areas; and

Whereas the importance of remote sensing has continued to increase in international cooperation; and

Whereas the American Institute of Aeronautics and Astronautics, the American Institute of Electrical and Electronic Engineers, and the American Geological Institute as sponsors of the Symposium are desirous of providing a basis for vital dialog in further applications of remote sensing; and

Whereas Congress is fully appreciative of assuring this international symposium is conducted in a manner which will continue to assure a leadership role in the peaceful application of space and space endeavors; and

Whereas the Congress is interested in (1) promoting international understanding and good will; (2) enhancing the excellence of American Science; and (3) furthering international cooperation in science and technology by creating the necessary climate for effective interchange of ideas: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of Congress that we endorse the Symposium to be held in Sioux Falls, South Dakota in October and November of 1973 under the sponsorship of the American Institute of Aeronautics and Astronautics, the American Institute of Electrical and Electronic Engineers, and the American Geological Institute as an extremely useful and highly productive endeavor which deserves and can expect full participation of each interested governmental agency.

ADDITIONAL COSPONSOR OF A RESOLUTION

SENATE RESOLUTION 87

At the request of Mr. Bartlett, the Senator from New York (Mr. Javits) was added as a cosponsor of S. Res. 87, requesting the President to begin a national car-pooling program.

ORDER FOR STAR PRINT OF AMENDMENT NO. 114

Mr. HUGHES. Mr. President, a typographical error was made in the printing of my amendment No. 114, intended to be proposed to S. 1263. I ask unanimous consent that a star print of the amendment be made to correct this error by inserting, on page 2, line 9, between the words "States" and "that" the following words: "unless the maximum number of active duty personnel of the Armed Forces of the United States".

The PRESIDING OFFICER. Without objection, it is so ordered.

SUPPLEMENTAL APPROPRIATIONS FOR FISCAL YEAR ENDING JUNE 30, 1973—AMENDMENT

AMENDMENT NO. 126

(Ordered to be printed, and to lie on the table.)

Mr. BROOKE. Mr. President, I send to the desk an amendment and ask that it be printed and lie on the table.

The ACTING PRESIDENT pro tempore. The amendment will be received and will lie on the table.

Mr. BROOKE. Mr. President, the House of Representatives, by amending the second supplemental appropriations bill—H.R. 7447—to preclude the use of any funds appropriated under that act to underwrite the costs of U.S. military activities in Cambodia, has emphasized the growing concern in Congress over the continued involvement of U.S. Armed Forces in Indochina.

I have recently returned from an investigation of the situation in Indochina. As the Senate knows, my concern over the continued U.S. bombing there antedates my visit. Nevertheless, my doubts as to the wisdom and the legality of such bombing were certainly increased by my experiences in Cambodia. The use of B-52's in the present mode in Cambodia has been militarily ineffective as far as I can discern. These strategic weapons are blunt instruments of war, unsuited for effective use in the quasi-guerrilla war situation now extant in Cambodia and to a certain degree in Laos. B-52's are useful only against large concentrations of troops, against large supply caches and against massive industrial or population concentrations. None of these exist in either Cambodia or Laos.

Some have argued that the United States is using the B-52 raids in Cambodia as a signal to Hanoi that unless it lives up to the spirit and letter of the January agreement, the United States may resume the bombing of North Vietnam. From this point of view the bombing in Cambodia and on several occasions in Laos has been a deterrent signal to North Vietnam. While some may justify this point of view as a judicious expedient, I believe it is both legally and morally unjustifiable to inflict suffering on one country in order to attempt to deter another. I sincerely hope that this is not the administration's rationale for the continued bombing.

Fundamentally important is the fact that there exists no legal basis for the continued involvement of U.S. armed forces in Cambodia or Laos. Congress has not declared war. The United States has no legal commitment to defend either Cambodia or Laos. U.S. personnel, military or otherwise, are not endangered except at U.S. discretion. Administration arguments that the "right" to enforce the terms of the January agreements provides the legal justification for continued bombing is singularly unconvincing. Nor have other arguments advanced by administration spokesmen been less so.

In light of the above, I can only comment and support the recent action by the House. It has provided a clear signal to the administration that both Houses of Congress are now intent on reclaiming congressional prerogatives in the warmaking area. It is fundamentally crucial that Congress make this "signal" unequivocal. Therefore, it is important to expand the scope of the House prohibition on the use of funds appropriated under H.R. 7447 so that said prohibition will apply not only to activities of U.S. Armed Forces in Cambodia but to similar activities in Laos as well. By including Laos in the prohibition, a much more unambiguous signal will be given the administration that Congress will insist that the decision on whether or not to engage in further military activities in Indochina be made in accordance with basic constitutional principles.

Mr. President, the relevant provision of H.R. 7447 as passed by the House, that I have referred to here, will read as follows if the amendment I propose here is accepted:

> None of the funds herein appropriated to the Department of Defense under this Act shall be expended to support directly or indirectly combat activities in, over or from off the shore of Cambodia and Laos by United States Forces.

The only change will be the addition of the phrase "and Laos."

Finally, while action taken by the House and the amendment language I propose here can serve as a signal of congressional intent, it must be recognized that legally these actions are only applicable to the specific funds appropriated under H.R. 7447. Hence, there still exists a need for Congress to enact comprehensive legislation that would require prior congressional scrutiny and approval of any expenditure of funds to finance activities of U.S. Armed Forces in Indochina.

S. 578, commonly termed the Church-Case bill, is designed to accomplish this objective. It is my understanding that Senator Church and Senator Case intend to introduce an amended version of S. 578 sometime this week. I intend to work for the passage of this bill at the earliest possible date. The decision of whether or not to engage in combat activities in Indochina must be shared by Congress and the Executive.

AUTHORIZATION OF APPROPRIATIONS FOR DEPARTMENT OF STATE—AMENDMENT

AMENDMENT NO. 127

(Ordered to be printed, and referred to the Committee on Foreign Relations.)

AMERICAN INVOLVEMENT IN INDOCHINA

Mr. CASE. Mr. President, with the cosponsorship of 38 other Senators, Senator Church and I are today reintroducing our proposal to cut off all funds for the continued involvement of U.S. military forces in hostilities anywhere in Indochina, without prior congressional authorization.

We are also adding to our legislation a section stating that there shall be no aid furnished to North Vietnam without prior congressional authorization.

We originally introduced the Case-Church bill (S. 578) in January to prevent American reentry into the war at the end of the 60-day withdrawal period. Our new version reflects both the situation in Indochina at the end of that period and the clearly expressed will of the Senate that the executive branch shall not start any aid programs to North Vietnam without first receiving congressional permission.

Senator Church and I are now offering our proposal as an amendment to the State Department authorization bill (S. 1248) which the Foreign Relations Committee is planning to report to the Senate later this week. We believe that the committee on which both of us serve will favorably consider our amendment.

Senator Church and I also support the House action on the Addabbo amendment to block any attempt to provide funds for the continued bombing of Cambodia through the so-called "transfer authority" requested by the Defense Department in the Second Supplemental Appropriations Act. While deletion of this transfer authority would not stop the bombing, it would put the Congress clearly on the record as being opposed to any Defense Department funds being used for that purpose.

Now that American troops have been withdrawn from Vietnam and now that the Tonkin Gulf resolution has been repealed, any involvement of American forces in Indochina would constitute a new war—something that should not be undertaken except by the considered and prior decision of the Congress. Only the Congress—not the President, not the military, nor anyone else—has the constitutional power to declare war.

The President's power as Commander in Chief does not embrace the right to decide on his own to engage in war in support of a foreign government. The President is not free to make war at any time or at any place he pleases.

The purpose of the Case-Church amendment is simply to assure that Congress will henceforth be able to exercise its constitutional responsibility and decide whether or not the United States should continue to fight in Indochina.

Under present circumstances, I would oppose authorizing a continuation or a renewal of American military involvement anywhere in Indochina. That is not involved in the Case-Church amendment, however. What Case-Church does is to say that without congressional approval, U.S. military involvement shall not be continued.

Congress should reassert, by passing Case-Church, the principle that only Congress can declare war and that unless and until we do so, the executive branch has no authority to bomb in Cambodia or intervene militarily anywhere in Indochina.

Mr. CHURCH. Mr. President, the cold reality of the current involvement of U.S. military forces in hostilities in and over the countries of Indochina is that there is no authority, either in law or under the Constitution, for such conduct. In the name of the United States, our Armed Forces are conducting acts of war on Cambodia only, it appears, because it is there. Such unauthorized activities are anathema to our system of government; the juridical void endangers our freedom under law, the basic source of our national well being.

In a major bipartisan effort, Senator Case and I, joined by 38 of our Senate colleagues, are sponsoring today legislation to preserve our system, a bill to insure that the Congress specifically concurs before American military forces may be reinvolved in the continuing hostilities in Indochina.

The Case-Church proposal calls for the reinstatement of the regular constitutional procedure: American involvement in a foreign war must be accompanied by express congressional consent. Without it, the purse strings are held shut. James Madison, our Nation's greatest champion of separate but shared powers, the bedrock principle of our Constitution, noted that the power of the purse "may be regarded as the most complete and effectual weapon with which any Constitution can arm the immediate representatives of the people." Through this constitutional principle, Congress can fill the void now so apparent.

The language of the Case-Church reads as follows:

> Notwithstanding any other provision of law, upon enactment of this act, no funds heretofore or hereafter appropriated may be obligated or expended to finance the involvement of United States military forces in hostilities in or over or from off the shores of North Vietnam, South Vietnam, Laos, or Cambodia, unless specifically authorized hereafter by the Congress.
>
> Notwithstanding any other provision of law, upon enactment of this act, no funds heretofore or hereafter appropriated may be obligated or expended for the purpose of providing assistance of any kind, directly or indirectly, to or on behalf of North Vietnam, unless specifically authorized hereafter by the Congress.

This is the same legislative principle followed in the two Cooper-Church amendments which are now law. The Cooper-Church amendment relating to Cambodia passed both Houses of Congress on December 29, 1970, and was signed into law shortly thereafter as part of the supplemental foreign assistance authorization bill. It reads as follows:

> In line with the expressed intention of the President of the United States, none of the funds authorized or appropriated pursuant to this or any other Act may be used to finance the introduction of United States ground combat troops into Cambodia, or to provide United States advisers to or for Cambodia military forces in Cambodia.

The Cooper-Church amendment dealing with Laos and Thailand is a part of the defense appropriation bill. It first passed in 1969 and has been renewed ever since. It states:

> In line with the expressed intention of the President of the United States, none of the funds appropriated by this section shall be used to finance the introduction of American ground combat troops into Laos or Thailand.

Through the original approval and subsequent reenactment of these provisions of law, Congress has repeatedly sought to prevent the United States from becoming entangled in a wider war in Indochina. These statutory restrictions on the use of American ground combat troops in Cambodia, Laos, and Thailand have been observed out of necessity, since no money was made available to finance the entry of U.S. forces into ground combat outside of South Vietnam.

At the same time, Congress refrained from closing the purse strings on American military operations in Vietnam, while American troops remained in South Vietnam and American prisoners of war were still held by the North.

That condition has ended now. U.S. forces have been withdrawn from South Vietnam, and the American prisoners of war have been released and returned to their country. Yet, the American Air Force, operating from bases in Thailand and Guam, still engages in hostilities above Laos and Cambodia. Indeed, our Air Force has become an arm of the Lon Nol government, beseiged in Phnom Penh.

This country has no commitment to Cambodia—by treaty or statute—to provide for the defense of its government. Congress has taken special pains to avoid such a commitment. In section 7(b) of the Special Foreign Assistance Act of 1971 and section 655(g) of the Foreign Assistance Act of 1961, the laws of the United States specifically provide that the United States has no commitment to defend Cambodia, the Government of Cambodia, or Cambodian personnel. The bombing of Cambodia in Indochina is an act of war, in open defiance of clause 11, section 8, article I of the Constitution which provides that only the Congress shall have the power "to declare war."

Moreover, neither the territory of the United States nor its vital national interests are endangered by any nation in Indochina. Air Force Chief of Staff Ryan, when asked by Members of the House of Representatives at a May 8 committee hearing if he thought Cambodia was strategically important to the United States, replied a clear-cut "No."

The heart of Case-Church, then, is to insure that Congress be effectively engaged in any future warmaking decision concerning Cambodia, Laos, South Vietnam, and North Vietnam. We hope to attach our proposal to the State Department authorization bill now pending before the Committee on Foreign Relations. If the Pentagon's request for authority to transfer funds under the aegis of the second supplemental appropriations bill, which Defense officials acknowledge will be used to pay for our present military involvement in Cambodia, comes before the Senate, then Senator CASE and I plan to offer the following amendment:

> None of the funds made available by this Act shall be used to finance the involvement of United States military forces in hostilities in or over or from off the shores of North Vietnam, South Vietnam, Laos, or Cambodia.

The American people did not vote last November—or ever—for the unrestrained use of Executive power. They voted for the American form of government, of checks and balances, something we need more than ever if the "system is to work" at home. During the steel seizure case of 1952, Justice Jackson wrote words more relevant today than then. He said:

> What is at stake is the equilibrium of our constitutional system.

Mr. President, I ask unanimous consent that the text of the amendment with the names of the 40 cosponsors may be printed in the RECORD.

The ACTING PRESIDENT pro tempore. The amendment will be received and printed, and will be referred to the Committee on Foreign Relations; and, without objection, the amendment will be printed in the RECORD.

The amendment together with cosponsors is as follows:

AMENDMENT No. 127

On page 3, line 12, insert the following:

"Requirement for Congressional authorization for the involvement of American Forces in further hostilities in Indochina, and for extending assistance to North Vietnam.

"SEC. 106. Notwithstanding any other provision of law, upon enactment of this act, no funds heretofore or hereafter appropriated may be obligated or expended to finance the involvement of United States military forces in hostilities in or over or from off the shores of North Vietnam, South Vietnam, Laos, or Cambodia, unless specifically authorized hereafter by the Congress. Notwithstanding any other provision of law, upon enactment of this act, no funds heretofore or hereafter appropriated may be obligated or expended for the purpose of providing assistance of any kind, directly or indirectly, to or on behalf of North Vietnam, unless specifically authorized hereafter by the Congress."

COSPONSORS TO AMENDMENT

Mr. Case and Mr. Church, for themselves and Mr. Abourezk, Mr. Bayh, Mr. Biden, Mr. Brooke, Mr. Burdick, Mr. Clark, Mr. Cranston, Mr. Eagleton, Mr. Gravel, Mr. Hart, Mr. Hartke, Mr. Haskell, Mr. Hatfield, Mr. Hathaway, Mr. Huddleston, Mr. Hughes, Mr. Humphrey, Mr. Inouye, Mr. Javits, Mr. Kennedy, Mr. Mathias, Mr. McGovern, Mr. McIntyre, Mr. Metcalf, Mr. Mondale, Mr. Moss, Mr. Muskie, Mr. Nelson, Mr. Pell, Mr. Percy, Mr. Proxmire, Mr. Randolph, Mr. Ribicoff, Mr. Schweiker, Mr. Stevenson, Mr. Tunney, Mr. Weicker, and Mr. Williams.

AMENDMENT OF LABOR MANAGEMENT RELATIONS ACT, 1947—AMENDMENT

AMENDMENT NO. 128

(Ordered to be printed, and to lie on the table.)

Mr. FANNIN (for himself and Mr. TOWER) submitted an amendment, intended to be proposed by them, jointly, to the bill (S. 1423) to amend the Labor Management Relations Act, 1947, to permit employer contributions to jointly administered trust funds established by labor organizations to defray costs of legal services.

AMENDMENT OF SECTION 9 OF THE RIVER AND HARBOR ACT OF 1899—AMENDMENT

AMENDMENT NO. 129

(Ordered to be printed, and referred to the Committee on Public Works.)

Mr. HARTKE submitted an amendment, intended to be proposed by him, to the bill (S. 274) to amend section 9 of the River and Harbor Act of 1899 in order to define the term "causeway."

AMENDMENT OF SOCIAL SECURITY ACT—AMENDMENT

AMENDMENT NO. 130

(Ordered to be printed, and referred to the Committee on Finance.)

INCREASE THE MEDICARE LIFETIME RESERVE FROM 60 TO 120 DAYS

Mr. CHURCH. Mr. President, I submit for appropriate reference an amendment to H.R. 3153.

Briefly stated, my amendment has two principal provisions.

First, it would increase the medicare lifetime reserve from 60 to 120 days.

Second, it would reduce the daily coinsurance rate from $36 to $18 for Medicare patients who must draw upon their lifetime reserve.

Medicare pays for up to 90 days of hospitalization during each benefit period. As things now stand, the elderly patient pays the first $72 of this hospitalization and nothing thereafter until the 61st day. This deductible amount reflects the average cost of one day's hospital care, and it is adjusted annually. From the 61st through the 90th day, he must pay a daily coinsurance charge of $18, one-fourth of the part A deductible.

However, there is a 60-day lifetime reserve for older Americans who require more than 90 days of hospital care during a benefit period. In such cases the aged must pay $36 a day.

These provisions undoubtedly provide valuable protection for older Americans. But further improvements are still needed in my judgment, to guard against the ruinous cost of an illness requiring prolonged institutional care.

Quite clearly, the elderly and their families deserve better protection against these potentially catastrophic expenditures, which can in a matter of weeks or months deplete a lifetime of savings, hard work, and diligence.

As of 1972 more than 130,000 older Americans had found it necessary to draw upon their lifetime reserve after exhausting the 90 days of covered care regularly available during a benefit period. Of this total, 25,000—or 19 percent—had exhausted their lifetime reserve.

We must also be mindful of this harsh fact of life: These individuals may have incurred several thousand dollars in hospital bills, much of which was paid from their own resources. Quite clearly, the threat of bankruptcy by hospitalization is still all too real for older Americans suffering from lingering terminal illnesses or faced with prolonged periods of institutionalization.

However, my amendment would provide a constructive means for grappling with this serious problem. It would increase from 150 to 210 days the covered hospitalization under medicare for an elderly patient during a particular benefit period. Moreover, by cutting the patient's daily coinsurance payment in half—from $36 to $18—this could produce a savings of $1,080 for an older American who must utilize his lifetime reserve for 60 days.

My amendment, I am pleased to say, was enthusiastically endorsed by the prestigious 1971 Social Security Advisory Council.

This proposal was later adopted in modified form as an amendment to H.R. 1—the 1972 Social Security Amendments—by the House of Representatives. But it was later deleted in conference committee.

Many Americans today still believe that medicare pays for almost all of the elderly's hospital and medical bills. But the elderly know better.

In fact, medicare covers only about 42 percent of their health care expenditures. Gaps still exist in coverage, and they must be closed.

For these reasons, I urge early approval of my amendment to H.R. 3153.

Mr. President, I ask unanimous consent that the text of this amendment be printed at this point in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT No. 130

On page 9, beginning with line 6, strike out through the end of the bill and insert the following new sections:

SEC. 5. (a) Section 1812 of the Social Security Act is amended—

(1) by striking out "150" in subsection (a)(1) and inserting in lieu thereof "210";

(2) by striking out "150" in subsection (b)(1) and inserting in lieu thereof "210"; and

(3) by striking out "150-day" in subsection (c) and inserting in lieu thereof "210-day".

(b) The last sentence of section 1813(a)(1) of the Social Security Act is amended to read as follows: "Such amount shall be further reduced by a coinsurance amount equal to one-fourth of the inpatient hospital deductible for each day (before the day following the last day for which such individual is entitled under section 812(a)(1) to have payment made on his behalf for inpatient hospital services during such spell of illness) on which such individual is furnished such services during such spell of illness except that the reduction under this sentence for any day shall not exceed the charges imposed for that day with respect to such individual for such services (and for this purpose, if the customary charges for such services are greater than the charges so imposed, such customary charges shall be considered to be the charges so imposed)."

(c)(1) Section 209(a)(8) of the Social Security Act is amended by striking out "$12,000" and inserting in lieu thereof "$12,200".

(2) Section 211(b)(1)(H) of such Act is amended by striking out "$12,000," and inserting in lieu thereof "$12,300,".

(3) Section 213(a)(2)(ii) of such Act is amended by striking out "$12,000" and inserting in lieu thereof "$12,300".

(4) Section 213(a)(2)(iii) of such Act is amended by striking out "$12,000" and inserting in lieu thereof "$12,300".

(5) Section 215(e)(1) of such Act is amended by striking out "$12,000" and inserting in lieu thereof "$12,300".

(d)(1) Section 1402(b)(1)(H)(i) of the Internal Revenue Code of 1954 (relating to definition of self-employment income) is amended by striking out $"12,000," and inserting in lieu thereof "$12,300,".

(2)(A) Section 3121(a)(1) of such Code (relating to definition of wages) is amended by striking out "$12,000" each place it appears and inserting in lieu thereof "$12,300".

(B) Effective with respect to remuneration paid after 1974, section 3121(a)(1) of such Code is amended—

(i) by striking out "$12,300" each place it appears and inserting in lieu thereof "the contribution and benefit base (as determined under section 230 of the Social Security Act)", and

(ii) by striking out "by an employer during any calendar year", and inserting in lieu thereof "by an employer during the calendar year with respect to which such contribution and benefit base is effective".

(3)(A) The second sentence of section 3122 of such Code (relating to Federal service) is amended by striking out "$12,000" and inserting in lieu thereof "$12,300".

(B) Effective with respect to remuneration paid after 1974, the second sentence of section 3122 of such Code is amended by striking out "the $12,300 limitation" and inserting in lieu thereof "the contribution and benefit base limitation".

(4)(A) Section 3125 of such Code (relating to returns in the case of governmental employees in Guam, American Samoa, and the District of Columbia) is amended by striking out "$12,000" wherever it appears in subsection (a), (b), and (c) and inserting in lieu thereof "$12,300".

(B) Effective with respect to remuneration paid after 1974, section 3125 of such Code is amended by striking out "the $12,300 limitation" wherever it appears in subsections (a), (b), and (c) and inserting in lieu thereof "the contribution and benefit base limitation".

(5) Section 6413 of such Code (relating to special refunds of employment taxes) is amended by striking out "$12,000" wherever it appears in such section and inserting in lieu thereof "$12,300".

(6)(A) Section 6654 (d)(2)(B)(ii) of such Code (relating to failure by an individual to pay estimated income tax) is amended by striking out "$12,000" and inserting in lieu thereof "$12,300".

(B) Effective with respect to taxable years beginning after 1974, section 6654(d)(2)(B)(ii) of such Code is amended by striking out "the excess of $12,300 over the amount" and inserting in lieu thereof "the excess of (I) an amount equal to the contribution and benefit base (as determined under section 230 of the Social Security Act) which is effective for the calendar year in which the taxable year begins, over (II) the amount".

(d) Paragraphs (2)(C), (3)(C), (4)(C), and (7)(C) of section 203(b) of the Act of July 1, 1972, Public Law 92–336, are repealed.

SEC. 6. The amendments made by the first four sections of this Act shall become effective January 1, 1974; except that such amendments (other than the amendment made by section 2(1)(B)) shall not be applicable in the case of Puerto Rico, Guam, and the Virgin Islands. The amendments made by section 5 of this Act shall become effective upon the date of enactment of this Act.

HEALTH MAINTENANCE ORGANIZATION AND RESOURCES DEVELOPMENT ACT OF 1973—AMENDMENT

AMENDMENT NO. 131

(Ordered to be printed.)

Mr. KENNEDY proposed an amendment, in the nature of a substitute, to the bill (S. 14) to amend the Public Health Service Act to provide assistance and encouragement for the establishment and expansion of health maintenance organizations, health care resources, and the establishment of a Quality Health Care Commission, and for other purposes.

ADDITIONAL COSPONSORS OF AN AMENDMENT

AMENDMENT NO. 98

At the request of Mr. EAGLETON, the Senator from Maine (Mr. MUSKIE), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Montana (Mr. METCALF), the Senator from Iowa (Mr. HUGHES and Mr. CLARK), and the Senators from South Dakota (Mr. MCGOVERN and Mr. ABOUREZK) were added as cosponsors of amendment No. 98, intended to be proposed to the bill (S. 1248), the State Department authorization bill.

ANNOUNCEMENT OF HEARINGS ON GOVERNMENT SECRECY PRACTICES

Mr. MUSKIE. Mr. President, Mr. Daniel Ellsberg will testify on Government secrecy practices before a hearing of the Relations of the Committee on Government Operations, with the participation of the Subcommittee on Administrative Practices and Procedure of the Committee on the Judiciary, at 10 a.m. Wednesday, May 16, 1973, in room 3302, Dirksen Senate Office Building.

ANNOUNCEMENT OF OPEN HEARING RE NOMINATION OF JAMES T. CLARKE TO BE ASSISTANT SECRETARY OF THE INTERIOR

Mr. JACKSON. Mr. President, I wish to announce for the information of the Members of the Senate and other interested persons that the Committee on Interior and Insular Affairs has scheduled open public hearings for Wednesday, May 16, 1973, at 2 p.m., to take testimony on the nomination by President Nixon of James T. Clarke of Michigan to be Assistant Secretary of the Interior. The hearing will be held in the committee room, 3110 Dirksen Senate Office Building.

Persons wishing to testify or submit statements for the hearing record on this nomination should so advise the staff of the Interior Committee.

Mr. President, I ask unanimous consent that the biographical sketch of Mr. Clarke be printed in the RECORD at this point in my remarks.

There being no objection, the biographical sketch was ordered to be printed in the RECORD, as follows:

BIOGRAPHY OF JAMES T. CLARKE

James T. Clarke, 35, of Detroit, has been nominated by the President for the position of Assistant Secretary of Interior for Management. His duties will include the management and administrative activities of the Department.

Mr. Clarke is currently a partner in Coopers & Lybrand (formerly Lybrand, Ross Bros. & Montgomery), one of the largest international accounting and consulting firms. A certified public accountant, he is in charge of the firm's consulting practice in Detroit and coordinates its consulting services to government throughout the Midwest. He joined the firm in 1961 and now specializes in assignments concerning financial analysis, organizational planning and budgeting, accounting and EDP systems.

He was born in Petoskey, Michigan, and received a B.A. degree with honors in economics from the College of Wooster, in Ohio, and an M.B.A. degree in finance from the University of Michigan. From 1962 to 1965 he was a supply officer in the Navy; he was honorably discharged as a lieutenant.

Mr. Clarke is a member of the American Institute of CPA's and the Michigan Association of CPA's, for which he is Chairman of the Management Advisory Services Committee. He is also a member of the Federal Government Accountants Association and has held a number of positions in the Junior Chamber of Commerce.

He is married to the former Patricia Kemp of Detroit. They have a son, Timothy, 2.

NOTICE OF HEARING ON A NOMINATION

Mr. PASTORE. Mr. President, the Senate section of the Joint Committee on Atomic Energy will hold a public hearing on Thursday, May 17, 1973, at 4 p.m., in room S407, U.S. Capitol on the nomination of Mr. William E. Kriegsman to be a member of the Atomic Energy Commission.

Mr. Kriegsman has been nominated to fill the remainder of the term of James R. Schlesinger which expires on June 30, 1975.

I ask unanimous consent to have printed in the RECORD the biography of Mr. Kriegsman which was provided to the Joint Committee with the submission of his nomination to the Atomic Energy Commission by the President on April 13, 1973.

There being no objection, the biography was ordered to be printed in the RECORD, as follows:

WILLIAM EDWIN KRIEGSMAN

Date of Birth: February 22, 1932.

Place of Birth: New York, New York.

Home Address: 5615 Ridgefield Road, Bethesda, Maryland.

Family Status: Married to the former Kay Harris of Grand Junction, Colorado: 2 children.

Education: Graduate, Scarsdale (N.Y.) High School; Bachelor Arts in Chemistry, University of Rochester, 1953; Masters Degree in Engineering Administration, The George Washington University, 1964.

Experience: Manager, Washington Office, Arthur D. Little, Inc. Responsible for the management of the Washington office including business development and professional case work. Conducted studies and made recommendations which resulted in a complete reorganization of the regulatory and operational functions of the U.S. Atomic Energy Commission. Participated in a number of studies of the economic impact of U.S. industries of pollution abatement laws. Conducted several studies related to the President's "New Technology Opportunities Program" for the Secretary of Commerce, NSF, and the Patent Office. Recently recommended a major revision of AEC's environmental impact statement process to reduce the process time, improve quality of the product, and permit greater public participation.

1969–1971: Staff Assistant to President Nixon responsible for the development of programs and policies in the environmental, space, nuclear energy and oceanography areas.

1962–1969: Inspection Specialist with Atomic Energy Commission directing and conducting studies of AEC management problems.

1965–1966: Congressional Fellow on the staff of Senator Howard H. Baker, Jr., and Rep. Donald Rumsfeld.

1957–1962: Supervisory Health Physicist with Atomic Energy Commission in the regulatory program.

1953–1957: U.S. Naval Officer with duties including supervisor of the nuclear weapons assembly team on board an aircraft carrier.

NOTICE OF HEARINGS ON S. 1134

Mr. METCALF. Mr. President, on April 2, I announced that the Subcommittee on Minerals, Materials and Fuels of the Senate Committee on Interior and Insular Affairs had scheduled hearings on S. 1134, the Deep Seabed Hard Mineral Resources Act. I remind my colleagues that the first of these hearings is May 17.

On that day, we will hear representatives of the mining industry. They will testify for their bill and answer our questions about it. At subsequent meetings we will hear from representatives of the U.S. Government and other parties interested in this subject.

On June 14, we will hear from representatives of the executive department. They will give us a status report on negotiations in the United Nations which hopefully will lead to international agreement on the conservation and orderly development of the hard mineral resources of the deep seabed. At the request of administration witnesses, this date was changed from June 5 as originally announced.

On June 18 and 19, spokesmen for environmental and international groups will each have 1 day before us.

In this connection, I call the attention of my colleagues to a recent article in the Washington Post which describes the positions taken by various groups on the hard mineral resources of the deep seabed.

Mr. President, I ask unanimous consent that the Washington Post article of May 6, 1973, be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BATTLE STIRS OVER SEABED MINES BILL

(By George C. Wilson)

Land-grab legislation that even its Senate sponsor regards as preposterous has put the State Department at battle stations.

And as far as former Secretary of State Dean Rusk and others are concerned, there are solid reasons for the alarm—including the risk of touching off the kind of international race for land that inflamed the world for the past three centuries.

This time, however, the land up for grabs is not in the New World but under the sea. It is unclaimed and represents two-thirds of the earth's surface. The bill at issue signals that the race for it is already on.

The American Mining Congress—comprised of companies that produce most of the nation's metals and minerals—wrote every line of the bill, according to Sen. Lee Metcalf (D.-Mont.), who introduced it in the Senate.

"I put it in only to give them their day in court," he told The Post, adding that even the mining magnates of the 1870s would not have dared to ask for so much land.

A mining company under the industry's bill would pay the Secretary of Interior $5,000 for the right to lay claim to 40,000 square kilometers of the ocean bottom for exploration. That is an area 19,300 square miles—or almost as big as the state of West Virginia (24,034 square miles). And the company could apply for more than one of these parcels, called blocks, to look for riches and then actually mine a smaller portion.

"Look," Metcalf exclaimed, "I'm not wedded to a single word in that bill." Besides giving the American Mining Congress a chance to present its proposal, he said, the bill should prod the State Department to speed up negotiations for international control of seabed mining.

"The State Department just sits around on this thing." complained Metcalf. "I introduced this bill as an ironical expression of what could happen if they don't get moving."

HEARING MAY 17

The Senate will explore the whole issue in Interior Committee hearings beginning May 17, he said, but that does not mean the bill is going anywhere.

In the House, the American Mining Congress's champion is more enthusiastic than Metcalf about the controversial bill.

"I am 100 percent behind the thrust of the bill," said Rep. Thomas N. Downing (D-Va). its sponsor and chairman of the House Oceanographic Subcommittee. He said he intends to push it out of committee and onto the House floor if his own on-the-spot assessment of United Nations negotiations in Geneva this August persuade him the agreement to update the laws of the sea is far off.

Downing said the bill he introduced came to him from an ocean mining company in his Congressional district, Deepsea Ventures of Gloucester Point, Va., that firm is a subsidiary of Tenneco of Houston.

"If we pass this bill," Downing asserted, "other advanced countries will do the same thing" and an international authority for regulating the mining will evolve on its own. He added that the bill earmarks some of the profits from ocean mining to underdeveloped countries.

He agreed, however, that such a consortium of the "have" nations would not be as good as a formal international agency established under the current United Nations Law of the Sea Conference.

"But those minerals are lying on the bottom and we need them," Downing said in explaining his impatience.

The minerals so glittering to the mining companies and their supporters are golf-ball-to-grapefruit sized rocks lying on the ocean bottom under 10,000 feet or more of water—usually at least 200 miles from the nearest coast line.

The British discovered these rocks when its deep sea research ship. HMS Challenger, dredged the Atlantic depths in 1872—just a little over 100 years ago. The rocks are rich in metals and are called manganese nodules.

MIGRATING METALS

They are formed as ions of manganese iron, cobalt, nickel and copper and show kind of a homing instinct as they migrate to the deepest part of the ocean where only a few crabs inhabit the black depths.

The ions coat rocks, sharks' teeth, whale earbones—anything solid—a bit at a time as they settle on the ocean floor. "Those nodules comprise the largest mineral deposit on this planet," according to Bruce C. Heczen and Charles D. Hollister, oceanographers who wrote "The Face of the Deep."

"The growth of nodules is one of the slowest chemical reactions in nature," they wrote, "yet these mineral gardens of the abyss are vast. And despite their exceedingly slow rate of accumulation, they appear to be growing faster than we could ever expect to mine them."

Thus, the world seems to have at least one garden of riches growing faster than man can pick it. The ore-rich rocks lie in the relatively lifeless part of the ocean—meaning that their removal would disturb few creatures.

The question since their discovery has been how to get the nodules out of the depths in big enough quantities to justify processing. Several American firms believe they now have the answer.

Deepsea Ventures, for example has opted for vacuuming up the rocks with a long hose. Hughes Tool Co. and Kennecott Copper are two other American firms who have developed mining methods for this lode on the ocean bottom. Japan and Germany have embarked on modest ocean mining programs.

The State Department, in estimating that American firms have already invested $90 million in ocean mining technology, sees a real payoff for the United States in scooping up these nodules.

The nation spent $600 million in 1970 to import manganese, cobalt, nickel and copper, according to the Interior Department. With seabed mining, the whole import picture could be turned around—improving the U.S. balance of exports vs. imports.

Leigh S. Ratiner, director of the Interior Department's ocean resources office and one of the members of the government's seabed task force, told the House Oceanographic Subcommittee that seabed mining would yield all the manganese the U.S. could use and then some. (About 86 per cent of our supply is imported now.)

NICKEL MOST VALUABLE

Most important from a dollar standpoint, since nickel imports accounted for about $426 million of that $600 million in imports, the United States by 1975 through sea mining could produce about half the nickel it uses. We import virtually all we use now.

The American Mining Congress argues that it is time to go ahead and get these metals lying in such abundance on the floor of the Pacific Ocean.

"If uncertainties continue because of our exclusive reliance on the United Nations, exploitation will be inhibited. It is essential in our national interest to proceed expeditiously," said C. H. Burgess, Kennecott vice president for exploration, speaking for the American Mining Congress.

"We now have the technology where we are ready to go out and give it a try. We are afraid that the fragile lead that we hold in this area is going to be eroded quite rapidly if we do not go out and try it," said T. S. Ary, Union Carbide vice president, representing the mining congress.

Critics contend that such industry statements fail to consider the diplomatic dynamite of a first-come, first-served approach to staking out the ocean bottoms.

Former Secretary of State Rusk, appearing before a House Foreign Affairs subcommittee in March, said there is hardly any more crucial item on the world's agenda than nations peaceably updating the laws of the sea.

Unless this is done, Rusk said, "we may see a national race for the control of open oceans and seabeds, comparable to the race for the control of land areas of the past three centuries. The dangers and costs of such a race are difficult to imagine. It would be sheer insanity for mankind to go down that fork of the road."

In that context, he warned against freezing underdeveloped nations out of exploiting the sea beds. "The developing countries have taken a strong view that they are entitled to a reasonable share in the returns from this common heritage of mankind," Rusk said, "and that such resources should not become a monopoly of those with the advanced technology for exploitation."

WORLD PACT NEEDED

Charles N. Brower, State's acting legal adviser and head of the American delegation negotiating the Law of the Sea Issues, said in opposing the Metcalf-Downing bill that the measure "has become a symbol to many countries of what they regard as defiance of the multi-lateral negotiating process . . . It is necessary to achieve timely, widespread international agreement on outstanding Law of the Sea issues in order to preserve and save over two-thirds of the earth's surface from national conflict and rivalry."

Brower told the House that it looks like the Law of the Sea Conference will be successfully concluded in 1974 and certainly no later than 1975.

If the U.S. Congress should go ahead and pass the industry's seabed mining bill before then, Ratiner warned, "it would be the functional equivalent of preempting the Law of the Sea Conference on this issue. The U.S. has committed itself to the proposition that the regulations and use of deep ocean mineral resources should be accomplished under an international agreement which in particular would be of benefit to the developing countries."

The Federation of American Scientists, in supporting State's position and assailing the mining industry's is "special interest bill," said "it would be a catastrophe pregnant with possibilities for war if the oceans were to be carved up on a first-come, first-served basis as was colonial Africa in the 19th century."

ADDITIONAL STATEMENTS

SENATOR ROBERT C. BYRD DELIVERS COMMENCEMENT ADDRESS ON MAY 13, 1973

Mr. ROBERT C. BYRD. Mr. President, on yesterday I delivered the commencement address at Morris Harvey College, Charleston, W. Va. I ask unanimous consent to print in the Record the transcript of that address.

There being no objection, the address was ordered to be printed in the Record, as follows:

Address of Senator Robert C. Byrd

President Buckalew; the Reverend Mr. Light; members of the graduating class; Professor Evelyn Harris, Professor Frank Krebs, and other distinguished members of the faculty; my senior colleague in the Senate, Senator Jennings Randolph; Ladies and gentlemen.

At the outset, I wish to thank President Buckalew for inviting me to participate here today, and I want to congratulate those of you in this graduating class. Being a father and a grandfather, I also want to commend the parents who have sons and daughters graduating—I know something about the sacrifices you have made, and I also know something about the joy and satisfaction that are yours today.

I suppose that if all the commencement addresses that have been given were laid end to end, we might, for the first time in the history of man, reach infinity. And if all those who have used the same language and expressed the same philosophy were likewise laid end to end, we might come within striking distance of the same goal.

First of all, let me commend to your consciousness, the lines of Joseph Addison, when he wrote in the first Act of "Cato":

> "Tis not in mortals to *command* success;
> But we'll do more Sempronius, we will *deserve* it."

I do not doubt that some mortals who achieve success do not deserve it, but, as a general rule of life, in any calling, success largely is a result of hard work and a determination to get ahead. We live in a materialistic society—sometimes I think too materialistic a society—and success is too often measured in terms of worldly goods.

Sometimes I wish we honored our poets and our painters as much as we tout our technology.

I do not for a moment deprecate the ambition or the efforts of the man who makes a million dollars. To do so, requires a drive, a determination, and a dedication to work in most cases, that are admirable qualities. But it is when success—as seen in terms of cash—becomes an obsession, that perhaps our mores are suspect.

I have the greatest respect for the dignity of labor. I honor the man or woman whose fulfillment is found in honest work. There are few rewards to be won without it. I think it is important also, that we remember that one of hard work's most valuable rewards is that it gives us an opportunity to enjoy some leisure. For even the most conscientious person, it is necessary occasionally, to pause from labor and enjoy the flowers.

Obviously, different jobs represent different levels of importance and have different levels of compensation, and in recent years there has been a tendency to decry the necessity of giving a job the very best job-holder has within him. Nobody wants to start at the bottom any more, and we are gradually developing a national attitude that if a goal or a commodity requires more than minimal effort to obtain, it is not worth spending the effort. But the capacity for enjoying work, however unglamorous that work may be, is one of the most valuable traits a man or a woman can possess, and can give the individual immense satisfaction. This may sound like moralizing, but it is still true that the bigness of a job is directly related to the bigness with which the job-holder regards it. A big man can make a little job big. Monotony is not compatible with conscientiousness.

Very soon, you who form this graduating class will leave the relative calm of this campus, and you will enter into the maelstrom of modern life. I am sure that all of you possess certain ideals. You will find, as you pursue the necessity of making a living, that the sometimes harsh facts of life will put some of your ideals to a severe test. It is likely that you will be forced by circumstances to abandon some of your cherished ideals. It is even possible that some of your idealism will, in time, be replaced by pragmatism at best, and cynicism at worst. When this happens, and it happens to many of us, the realization that the basic nature of mankind has facets of evil as well as of good, can come as a shock. It can also cause some scars that take some time to heal.

The answer, of course, is to be able to strike a reasonable balance between the euphoria of idealism and the cold facts of realism. I am not sure whether your generation is blessed or cursed by the most significant change that has taken place in everyday life over the past quarter-century. I refer to the extraordinary developments in the field of communications, and the apparent propensity of much of the media to dramatize the seamier items in world and national news—frequently to the exclusion of the good. Few things in history have ever exerted the influence on human thought and action as does television. This medium reaches into the lives of hundreds of millions of people all over the world. In our own country, it is perhaps the single most influential force in the shaping of many of our attitudes. Commercial television is responsible, at times, for bringing into our homes important programs of high educational value. It is also responsible, far too often, for bringing into the lives of the impressionable young, programs of the worst kind of banality.

Perhaps what troubles me most about the all-pervading power of television is that in millions of homes throughout this vast land, the channel selector has taken the place once held by a good book.

Far too many hours that young people and grown-ups once spent with the beauty of words and language, are now spent absorbing the hucksters' messages on the beauty of detergents.

I am well aware that all of you who graduate today must have spent many hours over the past years, with books as your only companions. I am also aware that reading for learning is not quite the same as reading for pleasure. But I would express the hope that, in the years to come, when reading will be a choice and not an assignment, you will devote a little of your leisure to re-acquainting yourselves with the beauty of the printed word.

The suggestion may also be appropriate that in this frenetic age, modern technology has so far outstripped the will of man to control it, that our machines are rapidly becoming our masters, rather than the other way around.

There is even a danger that we will become so programmed and blase that we will lose the ability to recognize that we need to reach beyond the purely material and concern ourselves with developing the qualities of the mind and heart that really make life worth living.

We are living in a time of dynamic change and historic transition. Though it may not happen in my lifetime, or even, perhaps, in yours, the eventual results of this change and transition will be shaped by whether we work for a higher level of human existence or allow ourselves to become programmed robots, oblivious to the nuances of the human condition.

In the two centuries of our existence as a nation, we have achieved a position in the world that none of the great civilizations of the past came close to achieving. We have created a society and an economy richer, by far, than man has ever before known. Our land has flowed with milk and honey, and we have been well content. But today, three years before our second hundred years, rumblings of discontent are being heard throughout the land. I refer to the discontent that is evident in the ranks of those Americans who are not poor or underprivileged. I refer to millions of middle-class Americans who are enjoying a prosperity undreamed of by their parents and grandparents; who are earning the highest wages in history; who live in comfortable suburban homes, with at least one automobile in the carport; many of whom have a beach cottage and a boat.

Perhaps Plato knew the answer when he wrote, in "The Republic": "Wealth is the parent of luxury and indolence; and poverty of meanness and viciousness; and both of discontent."

I prefer to think, however, that a more likely reason for the discontent among those Americans whose lives are comfortable is that they find something lacking in their lives that no amount of material comfort can provide; that split-level homes, powerful automobiles, cabin cruisers, and even the magic tube cannot provide. I believe, and I most sincerely hope, that perhaps even if they cannot clearly define the yearning, millions of our people, deep in their hearts, want to fill the void of discontent with the old values and verities that characterized this nation in its formative years.

These values did not include power, merely for power's sake, or its use where such use is questionable.

For example, Americans who express opposition to our bombing in Cambodia are reflecting an increasingly sharp national conscience regarding our continued military action in Indochina.

For myself, I see no justification for American military actions in Cambodia, now that we have effected a cease-fire in Vietnam. We have been assured by the Administration—an assurance backed up by President Thieu of South Vietnam—that the Vietnamization program has worked so well that South Vietnam is entirely capable of handling its own defense. Therefore, the current bombing in Cambodia, in my judgment, is not justified. The United States has no commitments under any treaty or protocol, to defend Cambodia. There are no American ground troops to be protected. Our prisoners of war are home.

I supported President Nixon on the war in Vietnam, and I believe the results he achieved justified my support. But the current bombing in Cambodia, in my judgment, not only is unjustified, but it also carries with it the danger of deeper involvement. I believe our national conscience reflects this concern. And I believe that, dormant though they may have been for too long, there are still in the American spirit, kindness, unselfishness, patriotism, integrity, and faith. These qualities, I believe, are struggling to move once again into the forefront of American thought and feeling. I believe that it is this struggle, ill-defined as it is in the minds of the millions who are experiencing it, that is at the bottom of our discontent.

If my belief is well-founded, this can be a healthy discontent. It shows that while we may have gone a long way down the road of materialistic self-indulgence, it is not too late to pause and re-assess our priorities. It is not too late to leave that channel selector alone for a couple of evenings, and read several chapters of an enlightening book. It is not too late to ask ourselves if we really cannot live without an electric toothbrush or if we must have an automobile that is two feet longer than our last one. It is not too late to take the steps that will assure our children and our grandchildren that they will be able again to swim in our lakes and in our rivers; or that we shall once again be able to walk safely at night in the streets of our cities.

At this time, all over this great country, thousands of intelligent young Americans are bidding farewell to the schools and colleges that have been their center of activity for three or four of the most important years of their lives. I am hopeful—now that our participation in the soul-destroying conflict in Vietnam is over—that these young Americans of whom you are a part, will use their intelligence to temper materialism with the gentleness and understanding of things of the spirit—that the things of the spirit will continue to have a place in our lives. Without it, you and yours, and this great nation of which we have the good fortune to be a part, will face an uncertain future.

EAST-WEST TRADE AND THE JACKSON AMENDMENT

Mr. SAXBE. Mr. President, last year I cosponsored an amendment to the East-West Trade Relations Act which would deny most-favored-nation treatment and participation in various U.S. credit programs to countries which deny their citizens the right to emigrate or impose prohibitive taxes on such emigration. At this time, I do not intend to again cosponsor the Jackson amendment. I believe that global detente is too delicate to attempt to influence the Soviet Union to change its internal domestic policy. The general relaxation of tensions can be increased by further economic cooperation among the great powers and this in turn, we can hope, will lead to an end to the persecution of minority groups inside the Communist countries.

In addition there is always the question of how far does our Nation go in the enactment of legislation which influences the internal policies of another nation?

I commend to my colleagues an editorial which appears in the May 4 issue of the Wall Street Journal which analyzes this aspect of the question and raises some pertinent issues which I believe are important in discussion of this matter. The editorial imputes to my colleague motives which I do not agree he holds, but the substantive arguments offered are valid and vital and I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE JACKSON AMENDMENT

Senator Henry Jackson of Washington has had an impressive success in this one-man campaign against the restrictive emigration policy of the Soviet Union. Moscow has informed President Nixon that it has suspended the education tax it began imposing on Jewish emigres a year ago; Soviet Communist Party chief Leonid Brezhnev personally assured seven of Mr. Jackson's Senate colleagues, who visited Russia, that this is so.

The Soviet concession was no doubt prompted by Mr. Jackson's amendment that would deny Most-Favored-Nation trade status and export credits and credit guarantees to the Soviet Union because of that emigration policy. The amendment, supported by 76 Senators in all, does not specify the Soviet Union by name. It would apply to any nation with a "non-market economy" that did not give its citizens the "right and opportunity" to emigrate without having to pay extraordinary taxes or fees.

Having achieved his immediate goal, however, Sen. Jackson now seems prepared to press his amendment further, arguing that the Soviets continue to make it difficult for Soviet Jews to obtain exit visas and that applicants for visas often find themselves unemployed. He believes abandoning the campaign would signal U.S. disinterest in the continuing problems of Soviet Jews.

In view of Moscow's concession, President Nixon has beseeched both the Senator and leaders of the American Jewish community to drop the amendment. He asserts that progress toward his larger foreign-policy design, involving detente with the Soviet Unon, would be blocked should Congress condition MFN status with the Jackson amendment. He envisions possible Soviet termination of discussion in the SALT talks, mutual force reduction talks in Europe, and other promising East-West forums. No doubt the issure will be raised again when Mr. Brehnev visits Washington next month.

While we would be delighted if Mr. Jackson would find some alternate way of keeping Soviet emigration policy in the spotlight, we should not forget the nature of the Soviet regime. But as a rule, we disapprove of the U.S. government involving itself in the internal policies of other nations, except insofar as those policies affect U.S. citizens or interests. For one thing, the United States does not silently suffer foreign infringement on its domestic affairs. For another, such activities rarely produce the desired results. Most important of all, there is always the risk that basing foreign policy on judgments about the internal morality of another nation will divert us from the real purpose of foreign policy, which is to protect the interests of the United States.

Senator Jackson has demonstrated that it's possible to lever the Russians into a change of policy, but the question is to what end that leverage will be used? Would he be willing to take some chips from the SALT talks, we wonder, and spend them for the benefit of potential Soviet emigrants? And how much of a relaxation would he require? Would the Russians have to unravel the whole totalitarian system dating back to 1917 before we are willing to trade with them, even though we deem that trade to be in our larger national interest?

After all, Mr. Jackson's chief supporters include the AFL–CIO, and Mr. Meany's precondition for trade with the Soviets goes well beyond the Kremlin's treatment of Jews. At times, AFL–CIO officials sound as if they will settle for nothing less than a change in Soviet leadership and a change in the Soviet form of government before they would consider competing with the "slave labor" of the Soviet Union. They have visions of millions of Russians and Chinese, earning ten or twenty cents an hour, cranking out manufactured products for export to the U.S. and undermining our domestic industries.

Even the state of Israel is not as "tough" on the emigration question as Mr. Meany or Senator Jackson. And leaders of the American Jewish community, which has conserved its strength on Capitol Hill by keen attention to American interests, find themselves in a position where they cannot afford to be "less Jewish" than Scoop Jackson.

It's hard to avoid the impressions that Senator Jackson, like Mr. Meany, has bigger fish to fry. While Mr. Meany is suspicious of detente for his own narrow reasons, Senator Jackson is equally suspicious on far broader ones. He worries that American national security will be endangered because a democracy will drop its guard while a dictatorship will not. This is not an idle fear, and it's nice to have people around like Senator Jackson to warn of potential pitfalls or booby traps.

It may be, in fact, that the whole Nixon foreign-policy approach is misconceived. Perhaps detente is not such a good idea; certainly so far there is a good case to be made that the Russians have acquired more leverage over our policies than we have acquired over theirs. But it is one thing to see a policy rejected on its merits, and it is quite another to see it derailed over issues unrelated to American interests.

Aiding the Soviet Jews and other hard-pressed people is certainly a worthy endeavor, well worth maintaining rhetorical pressure. But when it comes to a point where Mr. Nixon's whole foreign policy design may be derailed because the Soviets haven't adopted the Bill of Rights and the Wagner-Connery Act, then it's well past the time to step back and debate the fundamentals, to ask precisely what are the national interests of the United States?

ECONOMIC CONTROLS VERSUS HIGH INTEREST RATES

MR. BENTSEN. Mr. President, last month I urged the administration to use its authority under the Economic Stabilization Act to return to mandatory wage-price controls, similar to those of phase II.

I renew that plea today. Since I last spoke on this subject consumers have received more bad economic news. Inflation in the first quarter was twice the January estimate of the President's Council of Economic Advisers. Even greater consumer price increases can be expected in the future because of an almost unbelievable 14 percent annual rate of increase in the price of wholesale industrial commodities over the last 3 months. New York Economist Pierre Rinfret, who was the chief economic spokesman for President Nixon's reelection campaign, has been quoted as calling phase III, "a continuation of a do-nothing policy reminiscent of 1969. They are merely hoping or praying that something will come along and bail them out of their mistakes." When one of the President's own economic advisers describes the administration's program in words as strong as those, I think we must take notice.

In 1969 and 1970 even voluntary price-wage controls were rejected and a tight monetary policy was adopted as our weapon against inflation. That policy not only created a recession during which the Nation suffered 6 percent unemployment for 18 straight months, it caused some of the highest interest rates since 1896.

The failure of phase III has caused the burden of controlling inflation to once again be shifted to a policy of tight money. Since phase III went into effect, the growth in the money supply has been restricted substantially and interest rates have climbed steadily.

The prime rate of interest which banks charge their most credit worthy customers is 30 percent above its level of last summer. Some other rates have already begun to move in that direction and more are sure to follow.

With all of the other price increases these higher interest rates have received very little attention except on Wall Street and in the banking community.

But, Mr. President, these higher prime rates will affect every factory worker, every businessman and every housewife in this country. The average American will never see the financial institutions in New York or the Federal Reserve Building in Washington, and he does not borrow at the so-called prime rate. But these average Americans are consumers and they pay for these increases in higher prices for the goods they must purchase. They are taxpayers and bear the higher cost of Government borrowing.

Let us examine some of the costs to average Americans of the last round of high interest rates—costs which they will continue to bear for many years.

The homeowners had to pay $192 a month for a $25,000 house in 1970 instead of $150 per month in 1967. That is the difference between 6 percent interest on an FHA loan and 8¾ percent. Over 30 years that homeowner will pay $15,000 in extra interest on a $25,000 house, because of a tight money policy in 1970.

Mr. President, and what about the prices that our citizens must pay for utilities? The effect of high interest rates over the last several years on utility borrowing has been phenomenal. In 1967, American Telephone & Telegraph issued triple A bonds at 6 percent. In 1970, the company made another issue of triple A bonds, but this time for $1½ billion and the best rate they could get was 8¾ percent. Mr. President, the extra interest on those bonds is over $40 million a year. The telephone users of this country will be paying that extra $40 million a year in their rates for the next 30 years because of high interest rates in 1970. That is only the telephone bill. Power companies, gas pipeline companies were also forced to borrow during that period.

Mr. President, the effects of higher interest rates do not end with homes and utilities, they also affect taxes. Interest on U.S. Government bonds paid for by Federal income tax revenues, rose substantially between 1967 and 1970—and so did interest on municipal bonds paid for by local property taxes. The taxpayers of this country will be paying off the interest on those bonds for a long time.

Mr. President, I fear we are again moving very rapidly toward the interest rates of 1970 with all of the costs to the consumer and taxpayers, which I have just described. However, despite the significance of these costs, the greatest cost to the Nation will be if tight money reverses the present economic expansion. High interest rates will reduce housing construction, municipal and business investment and will ultimately speed the onset of recession.

Some are saying the economy is overheating. Growth during the first quarter was the most rapid during any quarter in 18 years. But when inflation is taken out the real growth was not excessive for an economy which still has too many people unemployed. We do not have too much growth. We have too much inflation.

The answer to that inflation is not high interest, it is a tough control program during the next 12 months. Chairman Burns of the Federal Reserve, which bears responsibility for our monetary policy, has been one of the most vigorous advocates of meaningful controls. I urge the President to heed the advice of Mr. Burns. And I urge Mr. Burns to allow our economy a freer rein on credit. Let us not allow the present expansion to be choked off prematurely by high interest.

MEDIA FAILED, MISLED AMERICA AT WOUNDED KNEE

Mr. HELMS. Mr. President, the confrontation at Wounded Knee has now been ended. The way that this affair was handled does no credit to anyone. The militants who were challenging the authority of the Indian leadership and the U.S. Government managed to milk the utmost in publicity out of this lawless takeover. According to news reports, the alleged grievances will now be negotiated with a committee representing the AIM militants. This tends to give them credibility and prestige.

It is abundantly clear that the AIM leadership is drawn from a disreputable group of riff-raff, many of them with past criminal records of a common and violent nature. Their current activities are just as flagrant, including not only the armed assault which occurred at Wounded Knee, but also arson, threatening the lives of the innocent, riot, and resisting arrest. Yet because they try to pull the cloak of political coloration over their lawbreaking, they are treated as though they were respectable adversaries.

AIM does not represent the American Indians. Indeed, according to the New York Times of May 8, at least half of the 120 who were removed from Wounded Knee after the confrontation was over were not even Indians. I do not understand why the New York Times reporter lacked the curiosity to inquire into this interesting detail. On the face of it, it seems to shed some light on the validity of the AIM claim for Indian leadership.

Nevertheless, there is no doubt in my mind that AIM does not represent the Indian leadership. I recently received a letter from an American Indian who was pleased to see me take that stand. Mr. Robert Andrew Meigs, of San Jose, Calif., wrote as follows:

> You made it clear that the so-called American Indian Movement did not have the support of all Indians. That is probably the most important point in the long debate about what is currently going on at Wounded Knee, and yet the Media has failed to inform the public that AIM is really a minority within a minority.

Mr. President, Mr. Meigs' letter is very instructive on these points, and, as an American Indian, his testimony is particularly relevant. I ask unanimous consent that his letter be printed in the RECORD at the conclusion of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

SAN JOSE, CALIF.,
April 12, 1973.

U.S. Senator JESSE A. HELMS,
Dirksen Senate Office Building,
Washington, D.C.

DEAR SENATOR HELMS: I have just finished reading your rather comprehensive report on the American Indian Movement in the April 2nd issue of the *Congressional Record*. As an American Indian who does not in any manner support or approve of the violent and destructive activities of A.I.M. I was quite impressed with the completeness and objectivity of your presentation.

I have been involved in Indian affairs for some time now and have more than a casual acquaintance with the kind of people who work in the American Indian Movement. For the most part they seem to be young, idealistic individuals concerned with improving the lot of their people. There are also those who would be considered social misfits in any kind of society, including those groups which are predominately Indian. The uncanny thing about A.I.M. is that it seems to draw its real support from those individuals and organizations which seem to know little or nothing about its real purposes or "accomplishments".

What I liked best about your presentation was the fact that you made it clear that the so-called American Indian Movement did not have the support of *all* Indians. That is probably the most important point in the long debate about what is currently going on at Wounded Knee and yet the Media has failed to inform the public that A.I.M. is really a minority within a minority.

I think the Media and the Press would be doing the American Indians a great service if they would interview the leaders of such organizations as the National Congress of American Indians or the National Tribal Chairman's Association. These two organizations have accomplished a great deal for their people in constructive, yet lawful, ways. In the 1800's the only Indians anyone ever heard

> about were those tribes on the warpath. But they were not the *only* Indians. Indeed, even today, the only Indians anyone knows about are the feather-bonneted Hollywood warriors of the John Ford films.
>
> I don't know what effect your speech will have on anything but I am certainly glad there is at least one voice of sanity amidst all this chatter about negotiating with A.I.M. Why should the government negotiate with a bunch of criminals? It might be better if the Federal Marshal took the necessary actions required for the A.I.M. people to change the name of the place from Wounded Knee to Busted Head.
>
> In closing I have a favor to ask of you. Would it be possible to get additional copies of your speech? If so, I would greatly appreciate it if you could send me at least two copies. In turn, if there is anything I can do for you please let me know.
>
> Incidentally, I almost forgot to mention that I work with the American Indian Press Association and am a member of the Santa Clara County Republican Central Committee.
>
> Sincerely,
>
> ROBERT ANDREW MEIGS.

KIDNAPING IN MEXICO: SOLUTION IN CUBA

Mr. McGEE. Mr. President, in Saturday's—May 12—Washington Post, there appeared an editorial which makes a very good case for the U.S. initiating efforts to ease tensions between this country and Cuba.

Although the editorial dealt primarily with the recent kidnaping of an American diplomat in Mexico, Mr. Terrence Leonhardy, it is a very sensible and realistic call for a reexamination of our policies toward Cuba.

Presently, my Senate Foreign Relations Western Hemisphere Affairs Subcommittee is conducting hearings into the need for a reassessment of our policy toward Cuba. The evidence continues to become more and more convincing that such an effort has been long overdue.

The Washington Post notes that the antihijacking agreement with Cuba has resulted in the complete elimination of illegal seizures of American commercial airliners to Cuba. The Post goes on to point out:

> The United States government ought to use the spectacle (the Leonhardy kidnapping) to build public support for a new joint step with Havana. Or would the administration prefer to wait until another American diplomat is kidnaped, and possibly killed?

The point is well-taken. It is my belief that our present rigid attitude toward the Castro regime can only serve to further our deteriorating relations with other Latin American nations. For what is at stake for the United States is not just United States-Cuba relations, but a much wider consideration of United States-Latin American relations in the 1970's.

I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

> KIDNAPING IN MEXICO: SOLUTION IN CUBA
>
> The kidnaping of the American diplomat in Mexico—fortunately, he was safely returned—reveals among other things a damaging gap in Cuban-American relations. For it was to Cuba that the Mexican government flew the 30 Mexican prisoners for whose release the terrorists had kidnaped the American consul general in Guadalajara. Fidel Castro has long since made clear his distaste for Cuba's becoming an involuntary dumping ground for Western Hemisphere escapees of various sorts. Quite fairly, he assigns some of the blame to the deliberate American effort to put Cuba beyond the reach of the hemispheric community. Because Cuba has always enjoyed good relations with Mexico, he must be particularly disturbed over the latest incident. Would Terrence Leonhardy have been abducted if Cuba were not there as a haven? Terrorists and their jailed comrades do not always need or use a foreign sanctuary but the fact that Cuba is there—close by, and still in a relationship of hostility to the United States—cannot fail to embolden would-be kidnapers.
>
> Three months ago, the United States and Cuba broke through more than a decade of diplomatic noncontact to sign a "memorandum of undersanding" intended to deal chiefly with the hijacking of American planes and Cuban boats and with raids launched from American territory against Cuban territory and property. No planes have been hijacked since, by the way. The memorandum specified that "this agreement may be amended or expanded by decision of the parties." It would seem logical as well as urgent to expand the "anti-hijacking agreement," as it is somewhat misleadingly called, in order to deal with the issue raised by the Mexican kidnaping. The issue goes to the same basic question of whether the United States and Cuba will hold toward each other political policies which, intentionally or not, have the effect of encouraging political crimes.
>
> For reasons which defy both sense and understanding, Mr. Nixon and his aides keep demonstrating a rather paranoic fear that any sign of civility towards Cuba will bring the Republic tumbling down. On his side, Fidel Castro seems to have no less an investment in displaying hostility toward Washington: Herbert Matthews reports that the official Cuban press invariably spells Mr. Nixon's name with a swastika in place of the "x." Mr. Castro will have his own explaining to do to Mexico over the 30 released prisoners, some ostensibly "political," some transparently criminal. He could ease his own path by granting Mexico's demand that the 30 be extradited. Regardless, in the kidnaping of Terrence Leonhardy, Americans have had occasion to see one specific result of current policy towards Cuba. The United States government ought to use the spectacle to build public support for a new joint step with Havana. Or would the administration prefer to wait until another American diplomat is kidnaped, and possibly killed?

DANIEL ELLSBERG AND NATIONAL SECURITY

Mr. GOLDWATER. Mr. President, I believe it is important for all of us to understand exactly what took place in Los Angeles last Friday afternoon and what bearing the developments in the Ellsberg case might have on the future security of the United States.

As we all know, nothing was settled at the time Judge W. Matthew Byrne, Jr., dismissed the charges against Daniel Ellsberg and Anthony Russo, Jr. for the theft and distribution of classified Government material known in the press as the Pentagon papers.

Mr. President, after all these months of litigation we still do not know whether people who steal classified information and make it public are to be held accountable under the laws. Nor do we know whether the defense contention that laws protecting classified information run counter to the first amendment have any legal validity.

Thanks to a group of ill-advised Government officials who felt that it was proper and necessary to take the law into their own hands to speed the conviction of civilians who had taken the law into their own hands there are now no rules governing the theft and dissemination of classified Government documents. Thanks to a group of self-appointed Government officials who called themselves plumbers and who performed with the finesse of plumbers in a case involving the American system of jurisprudence it is now possible for anybody with a purpose to leak any kind of information he can get his hands on. Mr. President, thanks to stupidity on the part of the Government, nothing was settled in Los Angeles. Ellsberg and Russo were not convicted of their crimes; nor were they vindicated on the charges. In fact, nobody won in the Pentagon papers case except muckrakers in the press who trade upon revealing secret Government information and zealots within the Government who believe, like Ellsberg, that their judgment is superior to that of men elected to operate the Government and who feel that any means—even stealing classified materials—is justified to make their point with the public.

This is not meant as a criticism of Judge Byrne. Given the circumstances that confronted him, I do not see how he could have taken any other course. Even so, the question of American security and the protection of sensitive Government documents remains unsolved. It would be well for those entrusted with the protection of those documents to exercise a special brand of vigilance.

IMPEACHMENT: A MATTER FOR UTMOST CAUTION

Mr. McGEE. Mr. President, in Saturday's—May 12—edition of the Washington Post, there appeared a very thought-provoking column by Chalmers Roberts entitled: "Impeachment: A Matter for Utmost Caution."

Mr. Roberts reaches back into history to review the impeachment attempt against President Andrew Johnson. In comparing that event to recent talks of impeachment of President Nixon vis-a-vis the Watergate, Mr. Roberts makes this observation:

> Perhaps current talk of impeachment of President Nixon will quickly fade away; perhaps it will increase. It would all seem to depend on the facts brought out, especially those indicating one way or another whether he had foreknowledge of, or a hand in, what is covered by the general term "Watergate scandal." The lesson of history, however, is clear: impeachment of a President should be considered with the utmost caution, so vast are its consequences.

Mr. Roberts notes that since the remedy of impeachment is the ultimate one under the Constitution, it should be approached with the utmost caution. It was not so in the Johnson case, and we stand on the brink of repeating this past mistake.

It would behoove us all to tread cautiously at this time and let the legal and judicial processes of this Nation run their course, rather than jumping to hasty and unwise conclusions.

I ask unanimous consent that the column be printed in the RECORD.

There being no objection, the column was ordered to be printed in the RECORD, as follows:

IMPEACHMENT: A MATTER FOR UTMOST CAUTION

(By Chalmers M. Roberts)

Talk of impeachment of President Nixon has been heard at the Capitol among both Republicans and Democrats. Even such a usually mild-mannered Congressman as Rep. Gilbert Gude (R-Md.) says it cannot be ruled out "if there is evidence implicating the President" in the Watergate scandal.

The central question, of course, is whether Mr. Nixon will be "implicated." So far he has not been. But the latest Gallup Poll shows that 40 per cent of those questioned thought Mr. Nixon knew in advance about the Watergate bugging. If he did, would that be grounds for impeachment?

Section 4 of Article II of the Constitution says that "the President, Vice President, and all civil officers of the United States shall be removed from office on impeachment for the conviction of treason, bribery, or other high crimes and misdemeanors." The Constitution also provides that the Senate has "the sole power to try all impeachments," that a two-thirds vote is required for conviction and that, when the accused is the President, the Senate shall be presided over by the Chief Justice of the United States. By statute the House of Representatives "impeaches" the President, by majority vote, and in doing so it brings the charges to be tried by the Senate and it chooses the leaders to direct the prosecution before the Senate.

The Constitution also says that "judgment in cases of impeachment shall not extend further than to removal from office, and disqualification to hold and enjoy any office of honor, trust, or profit under the United States; but the party convicted shall nevertheless be liable and subject to indictment, trial, judgment, and punishment, according to law."

Under these powers the Senate has sat as a court of impeachment in 12 cases: one President, one Cabinet member, one senator, one Justice of the Supreme Court and eight lower court judges. Four of the judges were found guilty; others were either acquitted or resigned or the Senate found a lack of jurisdiction.

Of all these 12 cases the most important impeachment, and the only one at all relevant to the current situation, was that of President Andrew Johnson. He was saved by a single vote.

Mr. Nixon's departing Attorney General, Richard Kleindienst, testifying last month on the President's executive privilege, said that if the Congress does not like the Executive's action it can "cut off our funds, abolish most of what we can do or impeach the President." Kleindienst also remarked that "you don't need facts to impeach a President." That last remark was a shocker to many but if Kleindienst was basing it on the impeachment of Andrew Johnson he was just about right. For the Johnson impeachment case was about as disgraceful an affair as any in American history.

Indeed, a look at the Johnson case should mute some of the loose talk about impeachment of President Nixon, so unfair were the charges, so unscrupulous were its proponents, so political was the atmosphere and so destructive of orderly government was the whole affair. The words of Kansas Sen. Edmund G. Ross, who cast the deciding "not guilty" vote, are pertinent:

"In a large sense, the independence of the executive office as a coordinate branch of the government was on trial . . . If . . . the President must step down. . . a disgraced man and a political outcast . . . upon insufficient proofs and from partisan considerations, the office of President would be degraded, cease to be a coordinate branch of government, and ever after subordinated to the legislative will. It would practically have revolutionized our splendid political fabric into a partisan congressional autocracy . . . This government had never faced so insidious a danger . . . control by the worst element of American politics . . . If Andrew Johnson was acquitted by a non-partisan vote . . . America would pass the danger point of partisan rule and that intolerance which so often characterizes the sway of great majorities and makes them dangerous."

The case against Andrew Johnson and the possible case against Richard Nixon are not the same, of course. But the remedy of impeachment is the ultimate one under the Constitution and should be approached with the utmost caution. That clearly was not so in the Johnson case.

Andrew Johnson came to the Presidency on the assassination of President Lincoln. His determination to follow what his enemies called Lincoln's "tenderhearted" treatment of the defeated Confederate States produced a head-on collision with the Radical Republicans who controlled Congress and who were out for vengeance on the South. The Radicals won the 1866 election and they were determined to get rid of the President who tried to block their Reconstruction measures. They set a trap for Johnson by passing the Tenure of Office Act which forbade the President to dismiss civil office holders, including Cabinet members, without consent of the Senate. The act was clearly unconstitutional and Johnson sought a court test by dismissing Secretary of War Edwin Stanton who he correctly suspected of conniving with the Radicals in Congress. The Radicals were in no mood, however, for a test of the Tenure Act's constitutionality. Instead, the House voted 11 articles of impeachment, the first eight related to the Tenure of Office Act, the ninth related to a Johnson conversation with a general that was said to have induced violations of an Army appropriations act, the tenth charged Johnson with "intemperate, inflammatory and scandalous harangues . . . as well against Congress as the laws of the United States" and the eleventh was a catch-all of the preceding 10 designed to garner as many votes as possible for impeachment.

The Senate trial, presided over by Chief Justice Salmon P. Chase, ran from March 5 to May 16, 1868 (Johnson's term ended the following March 4). Leaders of the House prosecuted the case; Johnson, who never was present, was defended by five lawyers including a former Supreme Court justice and the just-designated Attorney General. Senators were badgered both in print and in person to vote against the President and some even were offered money to do so. But the 12 Democratic senators plus seven of the 42 Republicans voted "not guilty" and the impeachment failed by one vote of the necessary two-thirds.

Johnson was saved but the Radicals had won; their version of Reconstruction was fastened on the South for decades to come. It was 20 years before the Tenure of Office Act was repealed. The presidency, as an institution, only began to regain its equality with the Congress later in the century and early in this century.

Impeachment, James Bryce long ago wrote, was deemed by the founding fathers as "a valuable element in their new Constitution, for it enabled Congress to depose, and the fear of it might be expected to restrain, a treasonably ambitious President." The procedure derived from English usage via the constitution of Virginia and Massachusetts.

Perhaps current talk of impeachment of President Nixon will quickly fade away; perhaps it will increase. It would all seem to depend on the facts brought out, especially those indicating one way or another whether he had foreknowledge of, or a hand in, what is covered by the general term "Watergate scandal." The lesson of history, however, is clear; impeachment of a President should be considered with the utmost caution, so vast are its consequences.

GRACIE PFOST

Mr. CHURCH. Mr. President, 20 years ago, Idaho sent to Congress one of the most colorful—and effective—political figures of the State's history, Mrs. Gracie Bowers Pfost.

Mrs. Pfost served Idaho's First Congressional District for 10 years in the House of Representatives, before retiring to run for the Senate.

The Intermountain Observer of Boise, Idaho, has just run a lengthy retrospective article on Mrs. Pfost's remarkable life and career.

Written by the paper's publisher, Sam Day, the article captures the spirit of this remarkable woman, and the role she played in shaping Idaho as it is today during the crucial 1950's.

Mr. President, I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Intermountain Observer, May 5, 1973]

THE UNFORGETTABLE "HELL'S BELLE"

(By Sam Day)

Idaho has produced some colorful figures who dominated the politics of their day: William E. Borah, the lion whose roar was heard in chancelleries around the world; Glen Taylor, the singing cowboy senator who rode a white horse up the capitol steps and ran for vice president as an independent in 1948; Herman Welker, who sometimes outdid even Joseph McCarthy and Richard Nixon as the nation's top Communist hunter of the 1950s, and Don Samuelson, who won the governorship in 1966 largely on the strength of the superbness of his fly-casting on television.

But few political careers have been more memorable—or more significant—than that of a red-headed, frecklefaced dynamo named Gracie Bowers Pfost (pronounced Post), whose exploits, though still fresh in the memory of old-timers, are beginning to slip behind the mists of history. This year marks the 20th anniversary of her accession to power.

Mrs. Pfost, a rock-ribbed Democrat from rock-ribbed Republican Canyon County, served for 10 years in Congress before retiring from electoral politics after coming close to winning a seat in the U.S. Senate in 1962. During her time she was not only the undisputed champion of Idaho Democratic politics but also one of the most effective vote getters in either party. Her exploits on the stump were legendary.

She won and held power through a combination of hard work, assiduous attention to political detail, solid legislative accomplishment, brilliant public relations and the sheer force of an exuberant personality. In becoming the first woman ever to win national political office in Idaho, she turned what was at first a political liability into an asset which came to be the despair of her male opponents.

Born March 12, 1906, in a log cabin in the Ozark Mountains of Arkansas, Gracie came to Idaho as a child when her family moved to a farm in Boise County. At 18 she married Jack Pfost, a lumberjack and mechanic who was to become her lifelong unpaid chief administrative assistant. She took bookkeeping and secretarial courses at Link's Business College in Boise and went to work in 1929 as a deputy in the Canyon County auditor-recorder's office.

Like many a young person who had come up the hard way in the 1920s and early '30s, Gracie developed an acute indignation over the social and economic injustices of the Depression era. Her enthusiasm for the reforms of Franklin D. Roosevelt was unbounded, and she went to work in Democratic Party politics with fervor.

Defeated by Canyon County's automatic Republican majorities in her first bid for elective office (county treasurer) in 1938, she tried again two years later and won the office by a hair's breadth. She was re-elected four times and eventually became the county's top vote getter. By the late 1940s Mrs. Pfost had built an unassailable power base in her own constituency, where Democrats ordinarily are slaughtered, and was getting to be known elsewhere in the state.

Her strength in the region where her party was weakest made Gracie a natural contender for Idaho's First District congressional seat, which had been Democratic through most of the 1930s and '40s by virtue of the heavy labor vote in the lumbering and mining areas of northern Idaho. She plunged into what were to become two of the closest election contests in Idaho history.

The first time, in 1950, Mrs. Pfost lost by 783 votes to Dr. John T. Wood, a conservative physician from Coeur d'Alene. Two years later she took him on again, seizing on the issue of his having used his congressional franking privilege to flood the mail with anti-United Nations propaganda. Despite the Eisenhower landslide of that year (Ike carried Idaho by more than 25,000 votes), she sent Dr. Wood into exile with a margin of 581 votes.

Gracie stepped into a Congress dominated largely by the efforts of Democrats to prevent Republican dismantling of the social welfare programs of Roosevelt and Harry S. Truman. In natural resources and rural development legislation, where many of her interests lay, the issues were typified by the Hells Canyon dam controversy, which was Idaho's biggest political fight of the 1950s. The issue then was whether the Snake River's Hell's Canyon, deepest gorge in North America, which bordered Idaho's First Congressional District, was to have a high federal dam or three smaller private power dams. Truman had wanted the high dam; Eisenhower wanted to turn the license over to Idaho Power Co. for the three smaller dams. Gracie jumped into the fray and quickly won the sobriquet of "Hell's Belle," a nickname that stayed with her long after the battle was lost.

Elsewhere, Mrs. Pfost's legislative efforts were straight out of the New Deal and the Fair Deal. "I am for full development of our natural resources as the best way of improving Idaho's economic health," she once said. "I am for increased farm price supports, for tax reductions for low and middle income individuals as soon as our economy permits and immediate tax relief for small business. I stand for increased retirement benefits and for the allocation of surplus agricultural commodities to public assistance and unemployment recipients."

The AFL-CIO, the Railway Labor's Political League, the mine workers, the wood workers and other unions gave her almost perfect marks and worked unstintingly in her behalf. But Gracie was always her own best political worker.

In session and out of session, she toured her far-ranging district in unending public appearances. In the trunk of her car she carried cowboy boots, jodhpurs, a bright rodeo shirt, big hat, slacks and a gold miner's pan. She invariably rode a palamino in the annual Lewiston Roundup and showed up at county fairs from the Boise Valley to the Canadian border.

Her office in Washington became a virtual letter- and card-mailing factory which let no birth, no wedding and no high school graduation go unnoticed. She forged iron-tight relationships with those who were then the Democratic power brokers of north Idaho—Tom Boise in Lewiston, Ray McNichols in Orofino, Jap Inscore in Moscow and Glenn Bandelin in Sandpoint.

The result was that Gracie became virtually invincible in the First District. While Democrats wilted during the Eisenhower years of the 1950s, she regularly increased the size of her electoral victories.

In 1954 she took on Erwin Schwiebert, a capable but somewhat stuffy political scientist from the College of Idaho. Mrs. Pfost fought him to a draw in the annual log-rolling contest at the Orofino Lumberjack Days celebration that year, but made mince meat of him in the election. She won by 8,931 votes.

In 1956 the Republicans trotted out a woman—Louise Shadduck, a staff assistant to Sen. Henry C. Dworshak, who was herself a rising young star in GOP politics. Gracie defeated her by 11,186.

In the next election the Republicans threw in one of their biggest guns, Bert Curtis of Orofino, who, as the chief proponent of a big dam on the North Fork of the Clearwater River (later to be built as Dworshak Dam), had made a name for himself as "a *man* who gets things done." Gracie undid him by 23,905 votes.

After that the Republicans virtually gave up on unseating her. Her opponent in 1960, Mayor Thomas Leupp of Nampa, was a sacrificial lamb. Gracie beat him by 23,697 votes.

Mrs. Pfost could probably have continued in Congress as long as she lived. But the death of Senator Dworshak in the summer of 1962, creating an unexpected vacancy in the Senate, brought her career to the crossroads. Against the advice of some of her closest political mentors, she decided to go after the seat.

The political odds which had so often favored her in the past were stacked against her this time. Her opponent was a former governor, Len B. Jordon, well known throughout the state, who benefited from the fact that Idaho's Republicans, despairing of unseating Democratic Sen. Frank Church in the other major contest of that year, had concentrated most of their money and efforts behind his campaign.

Gracie had time for only a few frantic get-acquainted tours through southern and eastern Idaho, where she was little known. She also was sorely handicapped by the absence of her husband, whose death had deprived her of her most valued political counselor. She lost the election by about 5,000 votes. Some say that if she had had another month to campaign she would have won.

Mrs. Pfost took a political appointment as a special assistant for housing for the elderly in the Federal Housing Administration, touring the country to implement legislation which she had helped forge as a member of Congress. But cancer, which had begun to slow her down in her last years in politics, forced her early retirement. She died in a hospital at Bethesda, Md., on August 11th, 1965, at the age of 59, and is buried in the Meridian cemetery

"Her dynamic and colorful personality, the compassionate issues which she advocated and her gift for plain speaking engendered affection and loyalty among her constituents who rallied to her cause in ever-increasing numbers," says a long-time friend and political associate, Wilma Patterson of Nampa.

"Hell's Belle" was a born scrapper in an arena where winning is what counts. She taught herself and others how to win. She lives on in others—Republicans and Democrats, men and women—who have fought their way to the top of the heap in politics.

REPORT ON VISIT TO WEST POINT

Mr. GOLDWATER. Mr. President, as a member of the Board of Visitors of West Point representing the Armed Services Committee, I visited with the officials of the Academy on the 9th of May inasmuch as it was not possible for me to attend the regular meeting the weekend before.

As is my custom, I made a brief report of the visit to members of the Armed Services Committee, and I ask unanimous consent that a copy of that report be included at this point in my remarks.

There being no objection, the report was ordered to be printed in the Record, as follows:

May 10, 1973.

Dear Sir: It was impossible for me to attend the last meeting of the West Point Board of Visitors, but I did spend the day of May the 9th up there visiting with the Superintendent and other officials.

The only problem they seem to be faced with at the moment is one involving the honor system, and in the past a cadet charged for violation of the code would automatically retire. However, the American Civil Liberties Union has now stepped into the recent case and has urged the cadets not to retire, which they have not done and this is presenting a problem because the matter of honesty or dishonesty cannot be the determining factor for the cadets year's work. At the moment it seems to be well in hand, but should this honor system be undermined, it could present a very serious problem.

Another situation I noticed during my visit was that they desperately need a new hospital which is contained in this year's budget in the amount of thirty million dollars. I am very, very hopeful that if you serve on the Appropriations Committee that you will give this your earnest consideration and support.

The present hospital is totally inadequate, extremely old and if we wait any longer to build this it will cost almost double to what it is costing now.

I am happy to report that the Eisenhower Student Union Building is a little ahead of schedule on cost and should be dedicated about this time next year. We can all be proud of this Academy. It is being run with extreme excellence and we should give it every possible help we can.

I have reintroduced a bill, which was not acted on in the last Congress, to provide adequate compensation for those dedicated teachers and instructors who have given up their chances to further their careers in obtaining the rank of general in order that they may stay on the job of teaching. I am most hopeful that the Committee will give this favorable consideration.

Sincerely,

Barry Goldwater.

ELLSWORTH BUNKER, PRESIDENTIAL MEDIATOR

Mr. McGEE. Mr. President, the U.S. involvement in Indochina has been, indeed, a most difficult period in our Nation's history. The domestic upheaval growing out of the Vietnam war has obscured the efforts of many individuals to pave the way for our disengagement.

One of these individuals was Ellsworth Bunker, for 6 years our Ambassador to South Vietnam.

In Saturday's, May 12, edition of the Washington Post, there appeared a column by Peter Osnos. The column is a fitting tribute to the exceptional abilities demonstrated by Mr. Bunker who contributed, in no small measure, to this Nation pulling through some critical events in Southeast Asia which could have ended in disaster had they been handled less skillfully or artfully.

I ask unanimous consent that the column be printed in the Record.

There being no objection, the column was ordered to be printed in the Record, as follows:

ELLSWORTH BUNKER, PRESIDENTIAL MEDIATOR

(By Peter Osnos)

At a time when diplomats, even very senior ones, have trouble being heard much less heeded, Ellsworth Bunker's talent in six years as U.S. ambassador to South Vietnam lay in getting his views across to Presidents: Lyndon Johnson and then Richard Nixon in Washington and Nguyen Van Thieu in Saigon.

For Bunker, who finally left Saigon this week, was far more than a message bearer or the administrator of the United States' largest overseas mission. He was by presidential direction the highest-ranking American on the scene, responsible for the overall command of the massive U.S. military and diplomatic presence. And that authority remained intact despite changes in Presidents and policies, at home and major crises in the war. In time, Bunker's influence was enhanced even further by seniority; he stayed in South Vietnam longer than any other top level official in the two decades of American involvement there.

What was Bunker's art? To some extent, it was in his manner. He seemed an unflappable man, brisk in the wilting afternoon sun and just as cool in the heat of events. No matter how badly things seemed to be going at any moment and no matter what his private anxiety over the state of military affairs or his personal discouragement with political events, Bunker concealed his dismay. The Vietnamese press and some of the younger officers in his embassy invariably referred to him as "The Refrigerator."

This special skill enabled Bunker to keep the lid on through a series of crises: the great Communist offensives of 1968 and 1972; the collapse of the South Vietnamese presidential election in 1971 and President Thieu's balkiness at every step along the way to a settlement. And throughout, Bunker artfully balanced the conflicting pressures for withdrawal at home with a growing South Vietnamese uneasiness about their future prospects.

He was one of the principal advocates of Vietnamization, believing that it was essential for the South Vietnamese to take on the burden of their own defense. But at the same time, he saw the need for firm U.S. military action, such as the bombing of North Vietnam last spring, as a means of keeping up South Vietnamese morale. Consistently, one of Bunker's major roles was to reassure both Thieu and the administration in Washington that the other was standing fast.

In fact, his own deeply held belief, judging from interviews I had with him periodically beginning in the fall of 1970, was that a non-Communist South Vietnam—and specifically one led by the Thieu regime—could hold out while the United States disengaged and very possibly emerge in the aftermath as a viable nation-state. That position made him a decided optimist among Vietnam experts.

Bunker's overall hopefulness about the long term survived even his disappointment with the authoritarianism in Saigon that supplanted the democratic stance Americans had been urging as justification for our involvement. Bunker apparently never waiverd from the conviction that Thieu, who became president shortly after the ambassador arrived, represented a stability vital to U.S. interests regardless of the cost in principle.

In his embassy, there were those who felt Bunker was out of touch with the situation in Vietnam, despite the vast amounts of information collated for him by American military and civilian analysts. They say he consistently underestimated the Vietnamese people's frustration over the abuses of power by the Thieu regime, particularly the corruption that one old hand called "the cement that holds the government together." These critics contend that the courtly Bunker softpedalled in his dealings with Thieu, failing most notably to prevail on the president to allow a genuine election in 1971.

In that connection, and presumably in his own defense, Bunker was fond of telling one particular story that provides a rare glimpse into the dealings between the secretive Thieu and the discreet ambassador: As early as June of 1971, Bunker recalls, when the South Vietnamese National Assembly passed a government-backed election law that was to eliminate one way or another all of the president's challengers, he sent to Thieu and warned him that he would end up running alone—a major embarrassment. Among other things, Bunker told Thieu, such a development could cause complications in the U.S. Congress.

"He practically guaranteed me that Gen. Duong Van (Big) Minh would run," Bunker said in an interview the following fall. "When I thought it likely he wouldn't, he told me I just didn't understand the Asian mind." A few weeks later Minh withdrew and Thieu ran alone.

What this anecdote confirms is that while Bunker may not have borne down on Thieu, he was at least able to haggle with him—something Dr. Henry Kissinger gave up after his visit to Saigon in October when Thieu raised substantial objections to the prospective peace plan. Aides to Thieu told Bunker they were suspicious of Kissinger's motives and wouldn't deal with him.

In the frequently troubled Saigon-Washington partnership, such tensions were not unusual and Bunker's most substantial achievements in Saigon were probably those of a mediator, rather than those of a prodder or a sharp-eyed interpreter of social change. That was not surprising. In his 22 years as a diplomat—he had already had a 30-year career in the sugar business—many of Bunker's finest moments came as he served as the head of the three-man Organization of American States team in the Dominican Republic during the 1965 factional trouble there. And before that, in 1962, he was involved in forestalling a war between the Netherlands and Indonesia which were then feuding over Dutch New Guinea.

Ellsworth Bunker left Vietnam with the outcome there still uncertain. But unlike so many Americans on the scene or in Washington he had the satisfaction of seeing his own views prevail more often than not on the central questions of how to end this country's involvement in the war.

DE SALES HARRISON

Mr. PERCY. Mr. President, I do not ordinarily make a statement on the Senate floor about the loss of a dear, personal friend, but today I am making an exception and would like to use this occasion to mention the loss of De Sales Harrison, who died peacefully in his sleep on February 20 of this year at his home in Chattanooga, Tenn.

For several decades, we served together as part of a small group of businessmen, all of whom were members of the American Society of Corporate Executives. We met twice a year, for several days at a time, exchanging ideas and viewpoints, describing our experiences in "round robin" format. The basis of our meetings followed the adage that when two people each have an idea, meet, and exchange ideas, they each go away with two ideas.

De Sales Harrison was a great human being. He exemplified the finest of business ethical standards. He loved the business community and every aspect of business activity. He was a fine athlete—a lifelong tennis player—was devoted to his wife, Virginia, the members of his family and friends and contributed generously of his time and energy to cultural pursuits, business organizations, philanthropic endeavors, music, and the arts. At age 73, he had contributed as much to society as any businessman I knew. Those who knew him well felt—and hoped—that he would be endowed with many more years of productive life.

De Sales Harrison assumed the presidency of the Coca-Cola Bottling Co. (Thomas), Inc., which has had the bottling franchise for 13 seaboard States for many years, and whose profits through the years have gone into a charitable trust, He served also as president of the Chamber of Commerce in Chattanooga, headed the United Fund Campaign, was a leader in the drive to build Memorial Hospital, and was president of the Red Cross and of the Community Foundation. He was an active supporter of the Hunter Museum of Art and the Chattanooga Symphony. He headed campaigns to improve the quality of schools through bond issues, even though he had no children in public schools at the time. He had a reverence for education and felt that every child had a right to high-quality education.

He was a Southern gentleman in the greatest tradition of that term. He was hard working and devoted to every enterprise with which he became associated. He was kind, gracious, and thoughtful to everyone, regardless of their status in life. He was a true friend and a loving family man. He knew what friendship meant in life and he epitomized its finest elements. We shall all miss him greatly. But his example and outlook on life shall always remain with me and have a continuing influence on my own life.

THE FAILURE TO RESTORE CONSTITUTIONAL GOVERNMENT IN GREECE

Mr. PELL. Mr. President, it has now been 6 years since the legitimate democratic government of Greece was overthrown and power seized by a junta of military officers.

Despite the repeated promises of the military junta, headed by Colonel Papadopoulos, there has been no restoration of constitutional government in Greece and no significant movement toward restoring the guarantees of individual rights and liberties in a country that was the historic birthplace of Western democracy.

Instead, we have seen an elaborate, continuing effort by the ruling junta to paint a glowing picture of conditions in that country—efforts to convince the world that the people of Greece do not care about constitutional government, that the people have never been happier nor the country more prosperous.

In recent weeks, however, there have been new indications that there is strong opposition within Greece to the military junta.

Despite the history of sometimes brutal oppression of opposition by the junta, four retired generals of the Greek army in March had the courage to send to Prime Minister Papadopoulos a letter, later made public, calling for a speedy return to free democratic government.

In this remarkable letter the army generals warned that continuation of military rule threatened to demoralize the army, and indeed threatened the destruction of the country itself.

Mr. President, although the army generals addressed their letter to Prime Minister Papadopoulos, it also contains a message that should be of deep and direct concern to the United States in its relationship with the Greek Government.

The generals express the view that apparent U.S. support of the military junta has led to "an increasingly anti-American spirit" among the people of Greece. And because of this, the generals observe,

> The leading power of the free world can be considered unfortunately as not respecting the moral and ideological principles of NATO, and as being self-interested. And we fear that already the faith of the Greek nation in its old ally is severely shaken.

Mr. President, it may be too much to hope that Prime Minister Papadopoulos will take heed of this advice, courageously given by patriotic fellow-countrymen. I would hope, however, that our own Government in the United States, even at this late hour, will carefully review the potentially disastrous consequences of policies which have at least the appearance of supporting the continuation of the existing military government in Greece.

On April 22, 1 day after the sixth anniversary of the military coup, the former Prime Minister of Greece, Mr. Constantine Karamanlis issued a statement urging the restoration of constitutional government in Greece while time still remains to do so without violence.

Mr. Karamanlis, in his statement issued in Paris, urged the military government to "call back the King, who is the symbol of legitimacy, and hand over power to an experienced and strong government. Such a government would assume extraordinary powers for a limited period, and in an atmosphere remote from passion or a desire for revenge, would create the conditions permitting democracy to function in Greece."

I believe Mr. Karamanlis has offered an excellent suggestion for a means of restoring a legitimate, constitutional government to the Greek people.

Mr. President, I ask unanimous consent that the text of the letter sent by the four retired Greek Army generals, an editorial on the subject from the New York Times, and a summary of the statement issued by Mr. Karamanlis be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

An Historic Letter

Four of Greece's highest ranking Generals, retired before the Coup of 1967, sent the following letter to Greek Prime Minister G. Papadopoulos in March 1973. No reply was given to the letter. This text has been published in the monthly review 'Politika Themata'.

For six years already the country has been governed—after the suspension of its free democratic institutions—by a government established by means of a military coup and consisting basically of officers. A great number of other officers hold and control the administration of the majority of public undertakings organizations and foundations. The Armed Forces thus appear to be imposing this regime, regardless of the fact that most officers have not the slightest responsibility for the creation or maintenance of the situation.

We believe that in the present circumstances the discussion of the motives, methods and justifications of this action and situation is neither profitable nor possible. We former leaders of the Armed Forces, not motivated by passions, not being bound by former political ties, feel it to be a necessity and a duty to express our opinions and our anxieties concerning the consequences which might result to the Armed Forces and our allies in NATO from the continuance of the present irregular situation.

One of the chief factors in the battleworthiness of the Armed Forces is the spirit of the young men serving in the Army. We know, (and history proves this to be so) that the lengthy continuation of any government in power inevitably brings deterioration and leads to dissatisfaction. When there is no outlet for this dissatisfaction through legal democratic procedures, when civil liberties have been destroyed, then the dissatisfaction is transformed into indignation and hostility against the men in power. This is truly disastrous when the Armed Forces are considered as constituting or supporting the regime; for then it is the Armed Forces who lose the affection, the esteem and the confidence of the people, that is to say, their chief moral support. As a result of this the morale of the young conscripts is weakened, they may become anti-militarists, the more so having had no personal experience in the past, they could be led astray by the anarchy that lies in wait.

Another of the principal factors of the battle-worthiness of the Armed Forces is the moral strength, the education and the character of their officers. We are afraid that if the present situation continues, a distorted view of their position, their responsibilities and their mission will prevail among these officers, as well as inadmissible habits and tendencies, such as their permanent participation in politics, their control of national and public life and their arbitrary government of the country.

Besides this, the recognition of the officers as constituting authority, as supporting the regime and thus, necessarily, as tolerating it, will in time lessen spiritual unity, solidarity, mutual trust; it will act destructively on rank, on discipline, as on the objective criteria of the officer's career.

This situation if allowed to continue, will create a permanent distortion in the character-training of officers and put their traditions, their virtues, and their moral force to severe test, in spite of their admitted worth and their faith in their national mission.

Referring now, to the NATO alliance, we note that an increasingly anti-American spirit has spread among the people as a result of the belief—be it right or wrong—that the government of the U.S. supports the regime in our country, to the clear advantage of its own national interests. The importance of this fact is obvious. The leading power of the free world can be considered unfortunately as not respecting the moral and ideological principles of NATO, and as being self-interested. And we fear that already the faith of the Greek nation in its old ally is severely shaken.

In the same way the peoples as well as the governments of many of the NATO countries, out of respect for the above principles, demonstrate their displeasure with our regime, a fact which brings progressive weakening of the links of our country with most of our allies, and also of some of them with the U.S. Also the above have consequences on the supply to our country of military help from NATO states. And while an allied country refuses to contribute help, we on the other hand reject the supply of arms in order to establish the 'fact' that this help does not give to the supplying country any right of criticism.

The conclusion of all this is clear: The continuation of the present regime is inadmissible. We consider therefore that it is essential to create immediately the conditions necessary to lead the country back speedily to free democratic institutions by irreproachable means, with the cooperation of the necessary, legal and competent agents.

Only thus, we believe, will a new danger be forestalled, the creation of a new irregular situation which would lead to the destruction of the country—as you yourself emphasized in your speech.

Athanassios Frontistis,
Ioannis Pipilis,
Chief of the Joint General Staff of the Greek Armed Forces.
Dimitrios Siradakis,
Petros Sakellariou,
Chiefs of the General Staff of the Greek Army.

[From the New York Times, Apr. 18, 1973]

Warning to the Colonels

Greece's military dictatorship has received a stern rebuke and an admonition to return the country to democratic rule from an unexpected but significant source. Four retired generals who have held highest positions in the Greek armed forces have warned Premier Papadopoulos that his regime "is no longer permissible," and called on him to "create immediately" the conditions for a return to "free democratic institutions."

Two of the four served as chairman of the Joint Chiefs of Staff and represented Greece on the NATO Military Committee; the other two were Army chiefs of staff. None was involved in the 1967 coup that overthrew a constitutional government and brought Colonel Papadopoulos to power, none had previously spoken out publicly against the regime. Their letter expressed concern that continuation of military rule would turn Greeks against the armed forces and the United States.

"Rightly or wrongly," it said, "the people feel that the United States supports a regime which grew out of a coup d'état and which fails to respect the moral and ideological principles of NATO." The letter was published to coincide with the sixth anniversary of the coup Saturday, when Mr. Papadopoulos will address the nation. It also coincided with fresh charges of torture of political prisoners and the regime's flat refusal to discuss these with investigators for international organizations.

Amnesty International recently charged that six lawyers, arrested and held incommunicado for more than a month after four of them had represented student demonstrators, were suffering "unbearable torture." Charging "unacceptable interference" in Greek affairs, the regime refused to discuss the matter with Morris B. Abram and William J. Butler of New York and Prof. John P. Humphrey of McGill University, representing the International Commission of Jurists and the International League for the Rights of Man.

It will be interesting to see whether Colonel Papadopoulos can reject so easily the warning of four of the most respected officers to serve Greece's armed forces in recent years.

Summary by Mr. Karamanlis

Greece's former Prime Minister, Mr. Constantine Karamanlis today urged the military government in Athens "to call back the King, who is the symbol of legitimacy, and hand over power to an experienced and strong government. Such a government would assume extra-ordinary powers for a limited period and, in an atmosphere remote from passion or a desire for revenge, would create the conditions permitting democracy to function in Greece. Thus within a short period of time the sovereign people would be able to freely decide its own future."

Such is the conclusion of a long statement issued by Mr. Karamanlis from Paris, where he has been living for 10 years now, in reply to Mr. Papadopoulos who in a speech the day before yesterday hailed the 6th anniversary of the 21st April 1967 coup d'état that brought him to power.

Mr. Karamanlis is the politician who gave Greece stable and democratic government longer than any other person. He was breaking a silence of almost 3½ years not only to deplore the present situation in Greece but also to set out his vision of a Greece inside the European Community and with a new generation, one that bears no responsibility for the faults of the past, playing a leading role in his country.

Mr. Karamanlis castigates the Athens government for a series of acts and omissions which indicate clearly that despite its repeated promises it has no intention of restoring democratic order in Greece. As examples he mentions the constitution of 1968 which the government imposed but has subsequently avoided putting into operation for over 4 years; the legal restrictions, illegal threats, and economic blackmail exercised against the press; and the systematic attempts to prevent Greeks freely associating amongst themselves, of which the most recent and dramatic example was the trickery practiced on Greek students and the falsification of the results of the student committee elections. Mr. Karamanlis emphasized that this was the cause "of the recent student uprising, an uprising based on moral principle, for which the government itself was responsible and which it subsequently attempted to suppress, by means that were not just illiberal but also of unprecedented brutality."

Mr. Karamanlis mentioned that although the government forbids political activity to the people, it is attempting to set up pseudo-political organisations, in addition to the well-known "Consultative Committee" which it brought into being as a sort of party organ, even though it is not mentioned in the 1968 constitution.

Mr. Karamanlis acknowledges that a number of well meaning foreigners have been genuine victims of the deceit employed by the present Greek government, but he makes a distinction in the case of the American Administration which, he says, "even if it does not actively co-operate in the deceit being practiced against the Greek people, obviously chooses to be the victim of a deceit practiced against itself, so as to be able to justify its contradictory policy."

With the student young showing the way, a great majority of the Greek people, says Mr. Karamanlis, are no longer simply uneasy, but actively hostile to the military government, which however, appears to be satisfied simply because it succeeds in clinging to power. This situation however, is exposing the Greek nation to many dangers as for instance the following:

The moral blow that has already been inflicted to both the prestige and the unity of the Greek Armed Services as a result of the regime's claims that it is ruling in their name;

The first cracks in Greece's economic position, resulting from a consumption oriented economic policy and the high rate of borrowing, that have overstrained the productive potential gradually built up in previous years;

The complete disarray in Greece's educational and administrative system. The state, caught between the public services' fear of taking responsibility and the rampant favouritism of the ruling group, has become an enemy of the citizen and a barrier to progress. The crisis inside the Greek Church is now clear for all to see;

The threat of a civil war in Cyprus which the Greek government would have been able to avoid if it had aligned itself "decisively with the legitimate government of the island." By its policy of inaction it is in fact encouraging the insurgency there; and

The most serious danger however, is that Greece may be finally cut off from Europe. As Prime Minister of the country at the time when the Association agreement with the E.E.C. was concluded, Mr. Karamanlis emphasised the great benefits to Greece of her entry into a united Europe, which has now been set at risk because of the nature of the present regime. "Greece would not only have achieved an equal standard with Europe in economic and social matters but would have ensured her national security in the long term."

Mr. Karamanlis then underlined the great moral issue arising from the abolition of the liberties of the Greek people which is reducing them to the level of backward states, recalling the honours paid to the tyrant-killers, Harmodius and Aristogeiton in ancient Athens, he emphasised that even were there widespread prosperity in Greece today, this could never compensate for the loss of Greece's liberty.

Mr. Karamanlis believes that "Greece has both the duty and the capability to create a modern, progressive and responsible democracy which would combine liberties with social justice and order, a democracy with both the strength and the desire to initiate bold reforms in all sections of national life."

Finally, Mr. Karamanlis warned the military government that in the absence of support from the people it will not be possible for it to succeed by means of the sort of faked solutions which it seems to be preparing. "The government cannot fake elections without running the risk of widespread bloodshed in our land." He adds that even if the government should attempt such a course "nobody whether in Greece or abroad will recognise the results. Thus the present illegitimate situation will continue, but under conditions even worse for the government."

Repeating the advice he had on a previous occasion given to the military government that it should of its own free will hand over power to an administration which would undertake to lead the country to democracy, Mr. Karamanlis acknowledges that there is very little time left for this to occur before "it becomes too late for both the military government and for our country."

ISRAEL 25TH ANNIVERSARY

Mr. JAVITS. Mr. President, my distinguished friend, the junior Senator from Massachusetts recently delivered an excellent address commemorating the 25th anniversary of the State of Israel. In his remarks, Senator Brooke outlined both the accomplishments of Israel and the difficult tasks that must be confronted by Israel and the United States in seeking a just peace in the Middle East. I commend the speech to the Senate and I ask unanimous consent that it be printed in the Record.

There being no objection, the speech was ordered to be printed in the Record, as follows:

Remarks of U.S. Senator Edward W. Brooke

I am deeply honored to join in this 25th Anniversary celebration of an ideal that is maturing into a reality. The existence of the state of Israel fires the imagination of all those who deeply desire freedom from oppression and justice for all mankind. Through the tumult of war and the constant struggle with the elements of nature, Israel has retained the ability to inspire and motivate men to uncommon heroism and sacrifice.

There is in my own make-up, my own history of aspiration, a warming counterpart of the story of Israel itself. Growing up in America where the long struggle for equality of opportunity has seen so many enduring friendships shaped by the fraternity of those so firmly committed to freedom for all, I have been more than a sideline observer of Israel's miraculous rebirth, her stunning growth, and her astounding ability to defend herself against powerful odds. I could not possibly be unaware of the severity of denial of economic, spiritual, legal, and political rights that drove the Jews of Eastern Europe late in the 19th century and early in the 20th century to vow to return home. Exodus and exile, deprivation and scorn, the all too-searing knowledge of life as an outsider—these are not strangers to me as surely as they are an integral part of your own saga of generations. We are all Israelis here tonight.

America soon shall pass a milestone equal in years to eight times the occasion we commemorate this evening. To mark that American Bicentennial well, it would benefit us all to grasp the true meaning of the Israeli experience of a limited number of years but unlimited achievement. It would be salutary to all Americans preparing for the 1976 observance to recall the long, painful, harsh road back to nationhood that the Jews of the world have marched with such anguish and yet in such honor. Interwoven in that heroic journey are the resolutions not only to return to sanctified soil but to till it.

Many have returned to that sanctified soil including 30,000 Soviet Jews during the past year. These are but the first wave, for we know that additional thousands also hunger to join their brethren in Israel. It has been a source of joy and satisfaction to me that Congress has a very substantive contribution to the success of this repatriation.

The Jackson Amendment which would bar most-favored-nation status and U.S. credits from nations which deny their citizens the right to emigrate and which impose more than nominal exit fees was the lever which helped to open the door which had been locked for too long. I was and I am proudly a co-sponsor of that amendment. Because of the support it has received in both the Senate and the House, the President has, in recent days, been able to report that the USSR has begun to waive those obnoxious exit fees. Let me assure you that Israel's friends in the Congress will not relax their vigil until every Jew in the Soviet Union who wishes to emigrate has been allowed to do so.

The true story of modern Israel is one of men and women committed to the ideal of freedom to build a new Jewish society. It is a story of people willing to place their lives and fortunes in service to this ideal. Devotion to the ideal was forged in the crucible of persecutions suffered over centuries. It was nurtured through the dark and hideous days of World War II. It received its tangible expression at midnight, May 15, 1948, when the modern state of Israel came into being. And for the past 25 years the struggle for its full realization has continued.

Israel's leaders have always recognized that the achievement of this ideal could not be attained by the power of the sword. David Ben Gurion spoke wisely when he said: "Israel was not created to be a Jewish Sparta; and it is not by military heroism that it will win the admiration of people but by the radiance of our achievement." It is one of the great tragedies of a quarter of a century of conflict in the Middle East that Israel's myriad achievements in the arts, the sciences, education and social welfare have been overshadowed by the necessary military prowess Israel has had to exhibit. Compounding this tragedy is the fact that if war had not intervened many of Israel's advances could have been expanded for the benefit of all the inhabitants of the Middle East. Hopefully, in the not too distant future, this will in fact occur.

While the type of society desired by Israel cannot be achieved by the sword, neither can it be attained without adequate territorial and military security for Israel. Such security is a prerequisite for any successful resolution of the Middle East conflict. Premier Golda Meir has stated the minimal level of security Israel must have in these words: "We want boundaries whose very character will make aggression less inviting to any would-be invader, and which could be defended with fewer casualties if such aggression nevertheless took place." Who, seeking a just solution to the conflict, could gainsay the right of Israel to such security? No government could demand less than this in fulfilling its responsibilities to its citizens. Nor can anyone expect that Israel should accept less than this in any negotiated settlement.

Ensured of its right to a secure existence, I believe Israel would be magnanimous in its dealings with the Arab states. The Israelis desire to be generous and life-serving neighbors to the Arab peoples. Israel knows full well that fulfillment of its own ideals is intimately intertwined with fulfillment of the aspirations of the Arab peoples. Israel cannot escape this inevitable linking of destinies; nor do I believe that she wants to.

What is the role of the United States in helping to bring about conditions conducive to the fulfillment of the just aspirations of both Israel and the Arab states? First and foremost, the United States must continue to ensure that the military balance in the Middle East remains in equilibrium. Clearly, any significant alteration of this balance would endanger the fragile ceasefire that now exists in form, if not completely in substance.

The United States must also continue to support the Israeli's demand for secure and inviolable boundaries. Without such boundaries no workable solution to the conflict can be found .

The United States should continue to deal with the issue of terrorism on an even-handed basis. One-sided accusations of guilt and simplified cause and effect generalizations are not the substance from which will be formed an aedquate capability to deal with terrorism in the Middle East. This issue is far too complex and far too serious for easy answers to be of much help.

The United States should continue to encourage Israel and the various Arab states to seek some interim agreements, either on a legal or de facto basis, on such issues as the re-opening of the Suez Canal. It is certainly apparent that immediate and major breakthroughs are not likely in the situation. A building-block approach leading to a cumulative beneficial effect of a series of interim agreements offers the greatest hope for a final successful resolution of the conflict.

Finally, I believe the United States must continue to adhere to the view that a settlement imposed from the outside would do nothing more than create the setting for further conflict. It is only through the development of some form of trust between Israel and the Arab states themselves that a workable solution will be found. The parties to the conflict must be the source of the actual initiatives leading to peace.

These, then, are the principles that should govern U.S. policy in the near future vis-a-vis Israel and the Middle East. They are principles that offer the best opportunity for the United States truly to help Israel and the other states of the Middle East realize the meaning of the beautiful yet simple Jewish word "shalom". Hopefully, in the near future as we meet once again to commemorate the birth of Israel, we will also be gathering to give our thanks that peace has been achieved.

GREEN THUMB

Mr. HARTKE. Mr. President, one of the major responsibilities of our society is providing for the needs of this Nation's older citizens. We find among this group many displaced persons who still strive to be active and productive members of society.

There is one program which has made a successful effort to reach out to these people and utilize their talents. Green thumb, a Federal work program, has given rural older people a new sense of pride and an extra income many so desperately need. The communities which have benefited from their work have also witnessed older people who once again feel that they are needed.

Mr. President, I ask unanimous consent that an article about the green thumb program which appeared in "Bond," the Lutheran Brotherhood magazine, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

UP FROM RETIREMENT

(By William Hakala)

MOUNTAIN VIEW, ARK.—Willy Morrison's amphitheatre will seat 800 people without crowding. Its rock-hewn tier rise upward and outward from a center stage that is set against a wooded hillside. Cedar and dogwood trees shade the terraced benches and line the banks of the creek which separates stage from audience, then gently courses out of view beneath an arched stone bridge. The men from Green Thumb built it. Their average age—69.

"Boy, they've got a pride, I'm telling you." Job foreman Willy Morrison likes to boast about his Green Thumb crew and talk about what this project has meant to them. "They're back in society again, back living again," he explains. "They're doing something that will be around after they are gone."

Green Thumb was launched in 1965 by the federal government as a work program to alleviate poverty among the nation's rural elderly poor, many of whom subsist on pittances of $60 a month. The average income per couple is $900 a year. Now, some 3,500 of these retired low-income Americans are finding new hope and a measure of properity through Green Thumb. The program operates in 25 states and would undoubtedly expand to others if more funds become available.

Green Thumbers work three 8-hour days per week. At $1.60 an hour and can earn up to $1,600 in a year. It is an annual income level that does not disqualfy them from Social Security benefits. Many Green Thumbers receive only the minimum retirement benefit, which at age 65 is $84.50 a month; $67.50 if claimed at 62. Farmers are especially hard pressed in their "golden years" since they did not come under Social Security until the 1950s.

Green thumb is sponsored by the National Farmers Union, a membership organization of farm families, and operates under a grant by the U.S. Department of Labor as part of its "Operation Mainstream." Currently $9 million is annually budgeted for Green Thumb and two other Mainstream programs (Green Light, a work program for rural older women, is one of them; On-the-Job Training for young people is the other.)

To qualify for Green Thumb work, a man must be 55 or older, of rural background, in good health, and have a yearly income under $2,500 per couple. Although job applicants must pass a physical examination, there is no top limit on the age requirement. A good many of the men are in their eighties; the oldest Green Thumber is 96.

THE GIFT TO BE USEFUL

Willy Morrison is foreman of a Green Thumb crew at Mountain View, Ark., and the man who planned the amphitheatre project. The outdoor arena will get a lot of use the third week of April when 60,000 people from around the country come to town for the annual doings of the Hackensack Folklore Society. Hoedowns are held regularly here on Friday nights throughout the year. Morrison, whose formal schooling stopped after the sixth grade, "saw" the amphitheatre in his mind when the hillside was a tangled thicket, and knew instinctively how to shape it into the sculptured landscape that it is. "If you live all your life out in nature, it comes natural." Morrison explains.

Sixty-five years old, Morrison is a medium-sized man, trim and loosely put together. He shades his square, tanned face with a white cowboy hat. An expert rock worker, he also is a gifted musician and once played his fiddle on the Senate floor in Washington as a Green Thumb promotional stunt. Now, looking out over the amphitheatre his men built, Morrison talks about the accomplishment with a kind of country eloquence. "There's an unlimited stockpile of skills stacked in those old boys."

Working in seven-man crews, Green Thumbers clear roadside recreation sites, build picnic tables and toilets, cut nature trails, plant trees, pull debris out of rivers, and construct ball park bleachers and dugouts. It is work requiring building skills, patience and plenty of stamina. These are qualities Green Thumbers seem to have in abundance.

If it can be said of anyone that he thrives on work, it can be said of the Green Thumber. Most of them have spent their lives doing hard physical labor, and it has become a habit. According to one of the program's regional directors, "Rural people have the work ethic built into them so strong they will starve before they take a relief check." Crew foremen are instructed to enforce ten minute rest periods every hour of the work day, especially during hot weather. Usually the crews have to be told to take a breather.

AN INDEPENDENT SPIRIT

"Let me ask you something," one Green Thumber queried, his head reared back and eyes narrowed to a rifle sight squint. "Weren't you rather us old bucks was working out here than on food stamps?" Bee Slape belongs to a crew that works near the town of Jasper in northwestern Arkansas, completing a roadside rest area for motorists. The site his crew has slashed, sawed and chipped from this Ozark mountainside is one of rugged beauty, looking out upon mile after mile of wooded flintrock hills. It might be what cartoonist Al Capp had in mind when he created "Dogpatch." Here, real-life hamlets have names like Booger Hollow, Hog Skald Hollow, and Yellville, the site each year of a national turkey-calling contest.

It is hard, densely thicketed terrain and to develop the roadside areas with hand tools is a test for the sturdiest and most patient of men. Walter Haddock, 72, the sinewy foreman of the Jasper crew, takes special pride in the work his "boys" have accomplished. "Did it all with crosscut saws and axes," he points out. "Wouldn't let us use chain saws because they thought we might hurt ourselves."

Haddock's comment hints at a sore spot among Green Thumbers, and that is the prevailing attitude in our culture toward the abilities of anyone "over the hill." Like old railroad ties, old people have been up-bedded, they feel, and thrown to one side to weather into dust. These men, independent of spirit and proud of their ability to work harder than the average man, don't like it a bit.

The old-timers prove their worth wherever they go. "We'll work 'em down," challenged one testy Green Thumber when a group of disadvantaged youngsters was hired by a boys' club organization in Hot Springs to assist the Green Thumber crew on a summer work project. And work them down they did. "Those rascals work," said the boys' club director of his Green Thumb help. "But the kids, you have to stand right there or it doesn't get done."

The Green Thumb project in Hot Springs offers a typical example of how the program operates. Green Thumb is funded exclusively to provide labor. Materials needed for any job must come from local sources—private donors, fund raising proceeds or government agencies. In the case of the boys' club project in Hot Springs, lumber for renovating its crumbling headquarters was donated by the Weyerhaeuser organization. Lockers, which the men straightened and painted, were received free from one of the many bath houses for which Hot Springs is famous; bleachers for the gym came from an old Jack Dempsey training center.

Almost any group or organization can get Green Thumb help if crews and materials are available—provided the project is for the public good. State directors of Green Thumb make this determination.

MORE THAN PICKING UP BEER CANS

"A lot of people think that Green Thumb is for cutting weeds and picking up beer cans," observes But Witter, a Green Thumb supervisor who formerly was with the Arkansas Highway Department. Perhaps the image arises in some areas of the country because highway departments were among the first to recognize the value of Green Thumb. The Arkansas State Forest Service was another early sponsor of the program. In the Ouachita National Forest, Green Thumb crews helped make hiking trails. One of them, built especially for use by the blind, is called the "Braille Trail."

On local and county levels, Green Thumb crews have been busy throughout the state. Down in Arkansas City they renovated an old opera house; at Murfreesboro they built a swinging foot bridge; in Polk County they constructed an 8-unit camp facility; at Russelville they created a Little League ball park complete with bleachers and concrete dugouts. In Montgomery County, 56 timber bridges had washed out during spring floods and Green Thumbers replaced them with reinforced concrete bridges. At Blanchard Cave, not far from Mountain View, a Green Thumb crew built a half-mile long rock-walled path leading up to the cave entrance. Down in the delta region of the state, Green Thumbers built a wooden walkway out over a mangrove swamp to a stone survey marker commemorating the Louisiana Purchase.

THE VIGOR OF AGE

An important characteristic of Green Thumb is the quality and quantity of work that is performed. Green Thumbers put something special into their efforts. That "something special" is pride. Workers who had come to believe that life was over for them join a Green Thumb crew and discover in themselves long forgotten abilities, and sometimes unsuspected talents.

One of the most heartening results of Green Thumb is that doctors report that the health of the workers usually improves after working for Green Thumb. The Green Thumbers themselves report they feel better after going to work for Green Thumb.

One man told about being unemployed for five years because of poor blood circulation. But after joining a Green Thumb crew in cutting brush and planting trees along roadsides, his health improved so much he was able to take a job as a year-round worker in a town park. Another man, told by the examining physician that he could take a Green Thumb job only if he agreed to take a stomach medicine the doctor prescribed, soon found that he didn't need the medicine anymore.

The wife of a Green Thumb worker credits the program for changing her husband's attitude toward life. In retirement, he had grown grumpy, quarrelsome and hard to live with. Now there is spring in his step as he walks out the gate three mornings a week to his Green Thumb job, lunch pail in hand. "It's just like old times," she says, almost tearfully.

From all indications, Green Thumb is one of the government's most successful programs. It is providing older people with useful, rewarding work, plus the extra income many of them desperately need. Communities, too, benefit from the program when Green Thumb crews come in to tackle jobs for which there simply is no budget.

If Green Thumb did nothing more than give older people a dash of their former independence and a relief from boredom it would still measure up as a valuable program. Said one Green Thumber, age 87, with a wink of an eye, "Only reason I'm working is to save money for my old age."

Mr. HARTKE. Mr. President, I am especially proud of the Indiana Green Thumb project under the sponsorship of the Indiana Farmers Union. This project, which is in its eighth year, has provided growing benefits to the rural areas of my State.

Indiana was among the first five States to have a Green Thumb project when that effort was begun in 1966. In Indiana, in 1972, the Green Thumb project operated in 22 counties—an increase of more than 100 percent since the project began.

Mr. President, I ask unanimous consent that excerpts from the annual progress report of the Indiana Farmers Union Green Thumb project be printed in the Record at this point.

There being no objection, the excerpts were ordered to be printed in the Record, as follows:

Indiana Green Thumb

As Green Thumb enters its eighth year of operation in Indiana, its impact upon the rural, southern areas of the state continues to grow. The benefits to communities, to the public, and particularly to the older men and women involved in the program have been tremendous. Mr. Bill Thomas wrote of Green Thumb in the Indianapolis Star Magazine. "They are actors in a grand drama that is inch by inch changing the face of America. All are senior citizens, men of experience and background who have weathered more than half a century on earth and are now spending their time improving it."

Green Thumb is a non-profit organization operating under a grant from the U.S. Department of Labor.

Sponsored by National Farmers Union and cooperating with a multitude of State and local agencies Green Thumb currently operates in 23 States across the country as well as Puerto Rico.

There are several million older low income people living in rural areas, who through no fault of their own cannot continue to farm or find other employment. Having poor prospects for work and often living in rural "pockets of poverty" these older farmers face years of deprivation for themselves and their wives and families.

Green Thumb is a project which employs older and retired low-income farmers and rural people to help conserve and beautify America. Green Thumb utilizes the experience and collective talents of the "Senior Generation" of rural Americans to carry out beautification and conservation projects along state highways, in city, state, and county parks, and in areas that cannot be properly taken care of by modern machinery. The response on the part of the low-income older and retired farmers, state highway departments, local agencies, and particularly the public has been most enthusiastic and generous.

Green Thumb began in 1966, with projects in five states, Arkansas, New Jersey, Indiana, Minnesota, and Oregon. In 1967 the program expanded to include Virginia and Wisconsin. Again in 1968 the program expanded to include seventeen states, Kentucky, Oklahoma, New York, North and South Dakota, Nebraska, Montana, Texas, Pennsylvania and Utah were added. In 1972, the latest expansion added Missouri, Ohio, Illinois, California, Florida, Kansas, Michigan, and Puerto Rico.

In Indiana, during 1972, the Green Thumb Project operated in 22 southern counties. The Indiana Green Thumb Project was initiated on August 1, 1966, with ten counties. Expansions in 1967 and 1968 resulted in twenty-two counties currently being served by the project. They are as follows: Posey, Gibson, Pike, Warrick, Dubois, Martin, Knox, Daviess, Greene, Lawrence, Sullivan, Washington, Orange, Jackson, Jefferson, Jennings, Brown, Bartholomew, Scott, Clark, Floyd, and Vanderburg. During 1972 the program employed 430 worker-trainees. All lower income older rural people.

In Indiana, the average annual income for the Green Thumb worker was less than $1,000.00 and the average age 67.4 years. The average dependents were 2.2 per worker. The oldest Green Thumber currently employed is 90 years of age.

The normal work week for the worker is 24 hours, working three 8 hour days per week. All workers are covered by Workmen's Compensation, Social Security, and general liability insurance. The worker is paid wages of $1.60 per hour with working crew foremen making $1.85 per hour.

Green Thumb provides its older workers with the opportunity to earn an additional $1,600.00 per year (maximum yearly wages paid to any individual by Green Thumb). This $1,600.00 will supplement Social Security, retirement pensions, annuities, farm income or income from other sources, in an effort to bring the worker's combined family income above the poverty level.

Green Thumb workers normally work in crews of 7 men, 6 men, and a crew foreman who is responsible for on-the-job supervision of the crew completion of time sheets, reporting of accidents, etc.

Evaluations have shown that Green Thumb is highly effective in aiding these men who are in deep poverty and prolonged unemployment to regain their dignity and purpose in life. Green Thumb is a pioneer effort to show the abilities and potentials of older and retired low-income farmers as employable workers.

In a survey taken on workers in the project, several interesting facts were revealed. Three strong points brought out in the survey were:

1. The retired individual has a strong desire to be constructively busy.

2. These men are interested in being involved in constructive community activities.

3. If possible these men are interested in making their own way rather than being given a handout.

Significant numbers of handicapped Green Thumb workers have been assisted through the services of Indiana Vocational Rehabilitation.

Through co-operative efforts with I.V.R. eye glasses, hearing aids, braces, and even artificial limbs have been purchased, providing opportunity for the older handicapped worker to again be useful and productive at home and in his community.

Green Thumb workers in Indiana have completed several hundred projects during 1972.

RESOLUTIONS OF THE LEGISLATURE OF UTAH

Mr. BENNETT. Mr. President, I ask unanimous consent to have printed in the RECORD three resolutions by the legislature of the State of Utah.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

H.J. RES. NO. 2

A joint resolution of the 40th legislature of the state of Utah requesting the United States Department of Labor and the Congress of the United States to modify federal jurisdiction and standards applicable to child labor and grant to the states more latitude to modify labor laws to conform with the needs of youth

Be it resolved by the Legislature of the State of Utah:

Whereas, the conditions which prompted stringent protective legislation designed to interdict exploitation and abuse in the area of child labor have been largely ameliorated through the efforts of labor organizations and federal and state regulatory agencies; and

Whereas, increased vocational and apprenticeship training programs now available to young people better equip them to enter the labor market with confidence and skill; and

Whereas, existing federal labor laws restrict meaningful employment for many young people qualified for available employment and impose restraints upon states attempting to effectively provide employment for youth.

Now, therefore, be it resolved, by the 40th Legislature of the State of Utah, that the United States Department of Labor and the United States Congress consider modification of child labor legislation in order to provide states the opportunity to enact responsible labor legislation to provide more employment opportunities for qualified youth.

Be it further resolved, that members of the Congressional delegation from the State of Utah use their efforts to effectuate fruition of this resolution.

Be it further resolved, that the Secretary of State of Utah send copies of this resolution to the Senate and House of Representatives of the United States, to the Secretary of Labor of the United States Department of Labor and to each Senator and Representative from the State of Utah.

H.J. RES. NO. 6

A joint resolution of the 40th legislature of the State of Utah requesting the President of the United States to immediately reinstate the rural environmental assistance program

Be it resolved by the Legislature of the State of Utah:

Whereas, by Executive Order, the Rural Environmental Assistance Program has been terminated by the U.S. Department of Agriculture;

Whereas, the Rural Environmental Assistance Program in Utah has assisted farmers in Utah with enduring-type practices to:

(1) Increase water use efficiency;

(2) Improve the efficiency and safety in water conveyance systems to farms;

(3) Control erosion and minimize the run-off from fields; and

(4) Minimize the pollution in streams from sediment, animal waste, and salt;

Whereas, the recent federal and state pollution regulations are placing an increased burden on farmers and the rural people in Utah;

Whereas, the policies of the federal government are aimed at improving the life and giving greater stability to the economy of rural areas; and

Whereas, the control of erosion and the maintenance of a quality water supply is vital to the health and welfare of all the citizens of the state;

Now, therefore, be it resolved, that the 40th Legislature of the State of Utah respectfully request the President of the United States to immediately reinstate the Rural Environmental Assistance Program, with adequate funding to carry out the objectives and purposes of the program, which past experience has proven to be of vital importance and benefit to all the people of the State of Utah.

Be it further resolved, that the Secretary of State send copies of this joint resolution to the President of the United States, the Secretary of Agriculture and to each member of the congressional delegation from the State of Utah.

H.J. RES. NO. 30

A joint resolution of the 40th Legislature of the State of Utah, requesting a memorial to the Congress of the United States

Be it resolved by the Legislature of the State of Utah: That the Congress of the United States take without delay such action as necessary, including a Constitutional Amendment if needed, to preserve the right to life of unborn children and to forestall a wholesale wave of lifetaking abortions which could result from the recent decision of the Supreme Court.

Be it further resolved, that the Secretary of State send copies of this resolution to the President of the Senate and to the Speaker of the House of Representatives of the Congress of the United States and to each member of the Congress from the State of Utah.

BARNET FAIN RETIRES

Mr. PELL. Mr. President, on Saturday, the 12th of May, Barnet Fain, chairman of the Rhode Island State Council on the Arts for 6 years, retired.

The National Foundation on the Arts and Humanities Act of 1965 had, as one of its main features, Federal support of State arts councils. Using this Federal basis, Mr. Fain and other interested Rhode Islanders acted swiftly to establish a broadly based and truly representative State arts council, one whose budget has grown to over $400,000 for this year. Indeed, the growth of the Rhode Island State Arts Council under Fain's direction could well be used as the typical story of the growth of the State councils nationally. Utilizing a mixture of Federal, State, and local funds, the budgets have grown to the point that, in the recently passed arts and humanities bill, we are providing for at least $200,000 per year for State arts councils.

Barnet Fain, who could truly be called one of the founders of the State arts councils movement, saw the need for a national forum to present the views of the State arts councils to Congress. He was one of the original founders of the North American assembly on the State arts councils and very deservedly became its president for 2 years. Under his guidance, the State arts councils, through the North American Assembly, have made their views known, and, indeed, have become one of the greatest supportive forces for Federal involvement in the arts.

On a personal note, Barnet Fain has been a long and close friend. His counsel, both privately and publicly when he has appeared before the Special Subcommittee on the Arts and Humanities of the Senate Committee on Labor and Public Welfare, has been most valuable. Indeed, as recently as last March, he appeared before the subcommittee in support of increased Federal support.

Barnet Fain's work with the Rhode Island State council on the arts and the North American assembly has not gained great headlines in the so-called voguish magazines of our country. Yet, he typifies the unselfish dedication which is making the arts and other cultural activities available to all citizens in this country, and not just to the privileged few. I regret that he must, by law, step down from his post, but I know that he will continue to work in this area. However, his retirement gives me this opportunity to pay tribute to someone who has worked to provide a richer life for all of our citizens. He has, as a volunteer, contributed to the quality of American life. I wish him well and express my warmest thanks.

THE AUTHORITY OF THE PRESIDENT TO CONTINUE MILITARY OPERATIONS IN CAMBODIA WITHOUT CONGRESSIONAL CONTROL

Mr. GOLDWATER. Mr. President, it was my great pleasure to appear before the House Subcommittee on Asian and Pacific Affairs today to address the question of the President's authority to continue military operations in Cambodia. I am delighted that the committee is making a deep study of this important aspect of the broader field of war powers, and I hope the hearings will stimulate a great deal of active and informed debate among the Nation's public.

It is my position, which I left with the committee, that if Congress should seek to order an end to all U.S. bombing operations in Cambodia, this action would nullify the intent of the Founding Fathers to place the direction of war in the hands of the President. I attempted to cite in detail several legal authorities which support my view of this question, as well as the pertinent historical background relating to the allotment of war powers by the Founding Fathers.

Mr. President, because my paper discusses a subject which is of such grave concern to the Nation, I ask unanimous consent that the text may be printed in the RECORD.

There being no objection, the paper was ordered to be printed in the RECORD, as follows:

The Authority of the President To Continue Military Operations in Cambodia Without Congressional Control

I. THE EFFICIENCY OF CONGRESS ACTING AS AN EXECUTIVE

A. Washington's troubles with the Continental Congress

Mr. Chairman, on June 20, 1775, George Washington received his commission as General and Commander in Chief of the Continental Army. From that day forward, it was a constant struggle for Washington to overcome the obstacles put in his way by Congress.

Required by his commission "punctually to observe any such orders and directions" as he should receive from Congress, then clothed with the powers of an Executive, Washington was harrassed, second-guessed, and overruled on his military plans and strategy throughout the War of Independence.

It was Congress who persisted in continuing an unwise American invasion of Canada long after the project was doomed to disaster; it was Congress who ordered that Manhattan Island must be defended to the last, after Washington had instructed its evacuation, and thereby caused the useless surrender of 2,000 American troops; it was Congress who first established the Army upon a hapless system of local militia who came and went every month rather than furnishing Washington with a permanent force.

It was Congress who appointed Gates, recently exposed for plotting against Washington, as commander for the Southern Department instead of Greene, who was Washington's first choice. The result was an immediate disaster. In his very first battle, Gates lost the entire American army in the South.

And, yes, it is Congress who must be held accountable for the tragedy of Valley Forge. In August of 1777, Congress threw out a military commissary general chosen by Washington and itself assumed complete charge of the commissariat. Separated from the military organization of the Army, the commissary department suffered a total breakdown. The entire want of clothing, food, and blankets grew into tragedy as the cold weather came on. A prominent military historian has written: "The amount of harm, caused by the unwise military control usurped by Congress, can only be measured in terms of the appalling sufferings of the American soldiers at Valley Forge, which Washington was powerless to prevent." T. Frothingham, Washington Commander in Chief 234 (1930).

There are some in Congress today who would have us revert to this discredited system. They propose that Congress shall dictate when and where, for what reasons and for how long, the United States can wage military operations. They would control by legislation how many American troops can be stationed in particular areas of the world, and even when United States forces shall withdraw from ongoing hostilities.

B. The framers intended to prevent a recurrence of the interference Washington experienced

But, Mr. Chairman, this is exactly the system which very nearly led to disaster during the Revolutionary War. For that reason it was repudiated by the Constitutional Convention. The Founding Fathers had witnessed at first hand the inefficiency of the legislature interfering with military operations. They made up their minds that the new Government which they formed would have a Comamnder in Chief who possessed real power.

This explains why they designated the President to be Commander in Chief. By this decision, Charles Evans Hughes wrote, the Framers planned to create "a union which could fight with the strength of one people, under one government intrusted with the common defense." "The prosecution of war," he said, "demands in the highest degree the promptness, directness and unity of action in military operations which alone can proceed from the executive." Hughes, *War Powers Under the Constitution*, 85 Cent. L.J. 206, 209 (1917).

Thus, did one of the great Chief Justices echo the words of Alexander Hamilton, who wrote in the Federalist No. 73, that, "Of all the cares or concerns of government, the direction of war most peculiarly demands those qualities which distinguish the exercise of power by a single hand. The direction of war implies the direction of the common strength; and the power of directing and employing the common strength forms a usual and essential part in the definition of executive authority."

Therefore, I contend that efforts by some in Congress to seize the function of military command into the Legislative Branch runs counter to the division of powers planned by the Founding Fathers. If this Committee should seek to order the end of all air combat operations in Cambodia, it would nullify the purpose of the Framers to place the direction of war into a single hand, the Constitutional Commander in Chief.

II. THE MAJORITY OF AUTHORITIES AGREE THE PRESIDENT IS CHARGED WITH PRIMARY RESPONSIBILITY FOR THE NATION'S SAFETY

Mr. Chairman, Constitutional authorities throughout our history have been almost unanimous in concluding that the President is vested with an independent control and direction over the military forces in all situations where he believe there is a threat to our country or its freedoms. The notion that the President is subject to the policy directives of Congress has been rejected by leading jurists time and again. It is only during the last decade or so, after the going got tough in Vietnam, that Constitutional revisionists began changing their minds.

In the famous book which first formulated the war powers of this country, William Whiting wrote:

"Congress may effectually control the military power by refusing to vote supplies, or to raise troops, and by impeachment of the President; but for the military movements and measures essential to overcome the enemy—for the general conduct of the war—the President is responsible to and controlled by no other department of government." W. Whiting, The War Powers of the President 82 (2d ed. 1862).

As if in anticipation of the legislation now before the Committee, Whiting added that the Constitution "does not prescribe any territorial limits, within the United States, to which his military operations shall be restricted." *Id.* at 83.

Dr. John Pomeroy, Dean of the University of New York Law School emphatically rejected the idea that "the disposition and management of the land and naval forces would be in the hands of Congress. . . ." "The policy of the Constitution is very different," Pomeroy instructs. The Legislature may "furnish the requisite supplies of money and materials" and "authorize the raising of men" but "all direct management of warlike operations . . . are as much beyond the jurisdiction of the legislature, as they are beyond that of any assemblage of private citizens." J. Pomeroy, An Introduction to the Constitutional Law of the United States, 288, 289 (1870).

Professor Clarence Berdahl, who published a comprehensive study on the Executive's war powers in 1921, squarely tackled this issue. He concluded:

"Although there has been some contention that Congress, by virtue of its power to declare war and to provide for the support of the armed forces, is a superior body, and the President, as Commander-in-Chief, is 'but the Executive arm . . . in every detail and particular, subject to the commands of the lawmaking power,' practically all authorities agree that the President, as Commander-in-Chief, occupies an entirely independent position, having powers that are exclusively his, subject to no restriction or control by either the legislative or judicial departments." C. Berdahl, War Powers of the Executive in the United States 116, 117 (1921).

Professor Willoughby, author of a famous multi-volume study on Constitutional law, agreed with this position. He wrote that the power of the President to commit troops outside the country "as a means of preserving or advancing the foreign interests or relations of the United States" is a "discretionary right constitutionally vested in him, and, therefore, not subject to congressional control." 3 W. Willoughby, The Constitutional Law of the United States 1567 (2d ed. 1929).

Mr. Chairman, there are many other legal scholars whom I could cite as having reached identical findings. The same theme of Presidential responsibility for the Nation's safety runs through 180 years of legal writings.[1] Are we now to cast this aside as if it were never written? Rather, I should think, the weight of authorities in support of Presidential prerogatives would place the burden of proof on the other side. Instead of confining the subject of these hearings to the authority of the President to continue the bombing in Cambodia, I would suggest that a very proper subject of your investigation would be a detailed analysis of what the authority of the Congress is to stop that bombing.

III. THE PRESIDENT, ACTING TO DEFEND AMERICA'S INTERESTS, IS NOT SUBJECT TO THE COMMANDS OF CONGRESS

A. The declaration of war powers is not the exclusive way the United States can wage war

Certainly, the declaration of war clause gives us no such power. The idea that the only way this nation can enter into war is through a declaration by Congress is a myth. The vast majority of wars are begun without any declaration. This was as well known to the Founding Fathers as it is to us today.

In the 87 years preceding the Constitutional Convention, 38 wars were held in the Western World and only one of them was preceded by a declaration. Maurice, Hostilities Without Declaration of War 12–27 (1883). That the Founders knew of this condition is proven by Hamilton's statement in the Federalist No. 25 that declarations of war were already in disuse in the Eighteenth Century.

Thus, there is no question that when the

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[1] Though the question has never been squarely resolved by the Supreme Court, which treats the issue as a "political question" outside the competency of the judiciary, four Members of the High Court have declared in a concurring opinion that "Congress cannot direct the conduct of [military] campaigns. . . ." *Ex parte Milligan*, 71 U.S. 2, 139 (1866). Later, the Supreme Court affirmed a holding of the Court of Claims that "Congress cannot in the disguise of 'rules for the government' of the Army impair the authority of the President as Commander in Chief." *Swaim* v. *United States*, 28 St. Cl. 173, 221 (1893), *aff'd*, 165 U.S. 553 (1897). The Court also has broadly stated that the Commander in Chief provision confers upon the President "such *supreme* and *undivided* command as would be necessary to the prosecution of a successful war" (emphasis added) *United States* v. *Sweeny*, 157 U.S. 281, 284 (1895).

Constiutional Convention narrowed the authority of Congress by substituting "declare" for "make" in the declaration of war clause, the Framers understood that there had been and might continue to be many instances in which hostilities would occur with no declaration. To argue that no military operations can begin with a declaration by Congress is to ignore the historical setting in which the Constitution was drafted, and, indeed, is to ignore the ensuing 184 years of life under that document.

It may come as a surprise to many Americans, but there have been over 200 foreign military hostilities in the history of our Republic and only five of them were declared. These incidents show a consistent practice by which American Presidents have responded to foreign threats with whatever force they believed was necessary and technologically available at the particular moment.

The incidents have not been limited to the Western Hemisphere or to small-scale skirmishes. At least 103 of them took place outside this Hemisphere, and 53 of these occurred in the 18th and 19th centuries. One of them, the Philippine Insurrection, involved the employment of over 126,000 United States troops in a war begun and ended without any declaration of war.

These practices form an impressive source of Constitutional interpretation of a kind which has real meaning in the courts. In fact, the principle of usage has been accepted by the Supreme Court as a *determining* factor in Constitutional interpretation. For example, in *United States* v. *Midwest Oil Co.*, 236 U.S. 459 (1915), the Court approved the validity of a long continued practice of the President to withdraw public land from private acquisition, even though this conflicted with a contrary Act of Congress. That practice fixed the construction, the Court explained, "is not reasoning in a circle but the basis of a wise and quieting rule that in determining the meaning of a statute or *the existence of a power,* weight shall be given to the usage itself—even when the validity of the practice is the subject of investigation." *Id.*, at 472, 473. (emphasis added)

A decade later the Court again relied on usage as a basis for rejecting Congressional control over the Presidency. In holding that Congress could not shift gears after 73 years of practice and set conditions on the removal by the President of executive officers, even though such practice had often been the subject of bitter controversy, the Court argued:

"Nor can we concur . . . that when Congress, after full consideration and with the acquiescence and long practice of all the branches of the Government, has established the construction of the Constitution, it may by its mere subsequent legislation reverse such construction. It is not given power by itself thus to amend the Constitution." *Myers v. United States,* 272 U.S. 52, 152, 175 (1926).

These two cases closely parallel debate over the military command powers. Here there are over a hundred years of practice in which Presidents have reacted on their own initiative to any crisis which they believed might present, or might develop into, an unacceptable threat against our national security. Many Presidents have been denounced and condemned from the floor of both Houses for taking these strong military actions. But Congress has never once passed a law blocking or ordering a halt to any of these conflicts. Congress cannot now, after full consideration and acquiescence during almost two centuries, reverse the construction of the Constitution which has become so firmly set.

To those who fear this concept may give an unrestrained power to the President to do anything he wants, I would remind them that I am speaking only of defensive actions by the Executive. The President cannot conduct a war of aggression. He cannot bully another country with threats of armed action simply because we do not like its tariff policies or the way it governs its internal affairs. His Constitutional power of independent action is limited to the defense of our country, its citizens, and its freedoms; but he may act whenever and wherever in his judgment a danger exists, imminently or prospectively, which compels a response on our part.

B. Congress cannot pass laws under the "Necessary and Proper Clause" which interfere with or limit the President's power as Comamnder in Chief

Nor can Congress act to restrain Presidential military operations under the guise of the "necessary and proper" clause of Article I. This notion was considered and rejected over one hundred years ago when Whiting counseled President Lincoln that Congress is "bound to pass such laws as will *aid* him" in carrying into execution his military powers. Thus, Congressional measures under the "necessary and proper" clause must be supplementary to and in aid of, the functions of the President as Commander in Chief; they cannot restrict his exercise of those functions.

That this is the correct interpretation of the Constitution is clear from the decision of the Supreme Court in *Myers v. United States,* 272 U.S. 52 (1926), where the Court held that Congress could not limit the President's discretion of removal of executive officers even though Congress itself created those offices. Chief Justice Taft, writing for the Court, emphasized that Congress cannot vary the exercise of the President's separate powers. This, he said, "would be a delegation by the [Constitutional] Convention to Congress of the function of defining the primary boundaries of another of the three great divisions of government." *Id.*, at 127.

C. Congress cannot pass appropriation restrictions which limit the President's legal power as Commander in Chief

Neither can Congress use its power of the purse to legislate policy restrictions over the conduct of the President's defense powers. This would be placing "the keys of the Treasury and the command of the army into the same hands," something that Madison rejected in the Federalist No. 37 as being "particularly dangerous" and therefore unintended by the Constitutional Convention.

Congress has great powers over military matters. It controls the size and the strength of the Armed Forces and the amounts and kinds of materials with which we can wage war. Congress can enact or refuse a multitude of emergency powers involving foreign trade and strategic materials. Congress can approve or reject treaties or area resolutions having defense implications. If the President undertakes a truly disastrous course, he can be impeached.

But once Congress has made its decisions of how many men shall be enlisted, or what arms constructed, the President may station those forces and send out those arms to such parts of the world as he determines appropriate in the national defense. The Constitution gives the President the authority to protect American rights and interests abroad and Congress cannot by mere legislation redefine the allotment of powers made by the Framers.[2]

Justice Blackmun has written: that "Article II of the great document vests in the Executive Branch primary power over the conduct of foreign affairs and places in that branch the responsibility for the Nation's safety." *Id.*, at 761.

Also pertinent to this inquiry is the holding by Justice Rehnquist, joined by the Chief Justice and Justice White, that the Executive Branch is charged "with primary responsibility of the conduct of foreign affairs . . ." *First Nat. City Bank v. Banco Nacional De Cuba,* 406, U.S. 759, 768 (1972).

IV. THE LEGAL BASIS OF THE PRESIDENT'S AUTHORITY TO CONTINUE MILITARY OPERATIONS IN CAMBODIA

Applying these principles to the situation in Cambodia and Laos, or even all of Indochina, I believe the President could properly assert at least three grounds for his authority to continue military operations in that area. He might conclude, as did the Court of Appeals for the Second Circuit, that various legislative measures by Congress served as Congressional participation in the Indochina War. *Orlando* v. *Laird,* 443 F. 2d 1039 (1971).

Acting on this participation, which ratified the Executive's military activities, the President is empowered to continue any aspect of those activities which he finds necessary to successfully achieve the objectives of this nation. The Vietnam Agreement announced by the President in January specifically includes among its major elements the withdrawal of all foreign troops from Laos and Cambodia and a ban on the use of Laotian or Cambodian base areas to encroach on the sovereignty and security of South Vietnam. It also requires as an essential condition respect for the independence and neutrality of Laos and Cambodia. North Vietnam has clearly violated these requirements. Therefore, the President, as Commander in Chief, may respond with actions calculated to enforce the Agreement.

In the alternative, the President might find, as was suggested by the Court of Appeals for the District of Columbia, that "[e]ven if his predecessors had exceeded their constitutional authority, President Nixon's duty did not go beyond trying, in good faith and to the best of his ability, to bring the war to an end as promptly as was consistent with the safety of those fighting *and with a profound concern for the durable interests of the nation—its defense, its honor, its morality.*" (emphasis added) *Mitchell* v. *Laird,* ——— F. 2d ——— (No. 71–1510, D.C. Cir. March 20, 1973).

Finding this, the President could reasonably decide that the turn of events in Cambodia, or in Indochina for that matter, do not measure up to the results which he believes are necessary to protect the nation's "durable interests."

Finally, the President could rely solely upon his independent powers as Commander in Chief and conductor of the nation's foreign policy. So long as he determines that the Cambodian or Vietnamese situation threatens the vital security interests of the United States, he can use force to allay that threat. In an age of rampant dictatorships and a physically shrunken world of interrelated societies, the principle of an independent authority on the part of the President to wage defensive war in crisis situations is a national life insurance policy.

RESOLUTION OF THE IOWA STATE SENATE

Mr. HUGHES. Mr. President, the war that will not end is deeply troubling the people of Iowa and the rest of the Nation. American involvement in hostilities has been shifted from Vietnam to Cambodia and Laos.

Despite the widespread public attention to other matters, the facts about the continuing war have been getting through to our people.

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[2] Justice Stewart and Justice White have commented that the Constitution endows the President with "a large degree of unshared power in the conduct of foreign affairs and the maintenance of our national defense." *New York Times Co.* v. *United States,* 403 U.S. 713, 729 (1971).

Since the signing of the cease-fire agreement on January 27, the United States has dropped over 145,000 tons of bombs on Laos and Cambodia. This is nearly as much U.S. aircraft dropped on Japan in World War II, excluding the two atomic bombs.

During the period January 27 through April 30, nine more American pilots have been killed in this fighting, and two more are listed as missing in action.

The cost of this bombing is over a quarter of a billion dollars so far—with more to come.

All this is being done without legal authorization from the Congress, and without even the President's prior justification that he was involved only to protect the withdrawal of U.S. troops from Vietnam. This bombing is in arrogant defiance of the Constitution and the Congress.

And in the most shocking renunciation of our constitutional principles, high administration officials have announced that the bombing will continue regardless of what Congress may do.

No wonder the people are angry and troubled.

In a recent public opinion survey, the American people were found to be opposed to the bombing in Cambodia and Laos by a 2-to-1 margin.

By a 6-to-1 margin, they agreed that further military action in Southeast Asia should require a vote of approval by the Congress.

Some steps have already been taken to restore Congress' proper constitutional role over war and peace. Last week, the House of Representatives voted to deny additional transfer authority to the Defense Department to help finance this bombing. Now the Senate has an opportunity to uphold this decision, as well as a chance to go further and cut off all funds for this illegal warmaking. I hope we will take these steps.

On May 9, the Senate of the State of Iowa urged the Congress to take these very steps, in a resolution sponsored and passed with bipartisan support. The Iowa Senate expressed a "frightful concern" about the erosion of congressional influence over these policies and an apprehension that continued bombing may lead to the reinvolvement of American ground troops. I ask unanimous consent that the text of this resolution be printed at the conclusion of my remarks.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

(See exhibit 1.)

Mr. **HUGHES**. Mr. President, the Congress has to stop this war even if the President will not. We cannot afford to waste American lives and resources in support of an unauthorized and unjustified Presidential policy.

Farmlands are flooded. Our own fuel supplies run short. Domestic Federal programs to help our people are being sacrificed. The money spent on air operations in Cambodia alone is almost enough to restore the $185 million budget cut in Federal funds for elementary and secondary education.

Why do we continue to wage war in Southeast Asia when our own country needs to be rebuilt

Mr. President, I hope that other Members of Congress will consider these facts and the eloquent plea of the Iowa State Senate for peace in Southeast Asia.

Exhibit 1

S. Res. 5

Whereas, Congress is now considering the Department of Defense's request for $500 million additional transfer authority which is described by the Department of Defense as "necessary to provide the flexibility to transfer funds to meet requirements as they arise during the balance of the year",

Whereas, $150 million of the $500 million transfer authority has already been used to fund Cambodian aerial combat operations which have taken place during the first months of this year, and

Whereas, the Iowa Senate feels quite strongly that this action amounts to a Congressional blank check approving combat activities which have already taken place and giving Congressional approval to any future combat activities, and

Whereas, this kind of after-the-fact approval is all too reminiscent of the entire history of United States involvement in Vietnam and especially of the Gulf of Tonkin Resolution, and

Whereas, the Iowa Senate does not want Congress to underwrite either continuation of aerial warfare or the reintroduction of United States ground combat forces in Southeast Asia, Now therefore,

Be it resolved by the Senate of the General Assembly of Iowa, That the Senate is frightfully concerned about the steady erosion of Congressional influence in the policy making decisions concerning Southeast Asia, and that the Iowa Senate is very apprehensive that the continuation of aerial warfare can result in eventual reintroduction of ground troops into a combat environment in Indo-China, and therefore the Iowa Senate urgently requests Congress to refuse the request from the Department of Defense for transfer authority and strongly commends to the attention of Congress the Iowa Senate's support for action which will enforce the terms of the Peace Treaty of Paris and prevent further combat activities by United States forces, and

Be it further resolved, That copies of this resolution be immediately forwarded by the Secretary of the Senate to each member of the Iowa Congressional delegation.

FOOD PRICE SITUATION

Mr. **PEARSON**. Mr. President, there has been a great deal of misunderstanding about the food price situation. I recently had an opportunity to read an article by Leo Melamed appearing in the New York Times of April 29 which I thought did a good job of placing this whole matter in perspective. As Mr. Melamed points out, it is essential that we take a look at food prices over a period of time rather than at any particular moment. And when we do this, of course the evidence is inescapable that food has consistently been one of the best buys that the American consumer can make.

Over the past 15 or 20 years, food prices, and particularly prices to the farmer, have been deflationary rather than inflationary. Over the past 24 years, food prices increased 40 percent whereas other consumer items have increased by 58 percent and if food prices had increased as rapidly as industrial wages we would be paying 267 percent more for steak today. Even more significantly, Mr. Melamed points out that the average person spends 32 percent less for food out of each $100 of taxable income than he did 20 years ago, but, at the same time, spends 48 percent more for medical care.

Mr. Melamed also does a good job of analyzing the difficulties of making price controls work. Mr. President, I ask unanimous consent that a copy of this article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

The Fallacy of Price Controls for Food—They Do Not Attack the Problem's Main Cause

(By Leo Melamed)

Too little of the true nature or cause of the food price rise has risen to the surface or been properly explained. Take, for instance, the so-called meat boycott.

The power of the housewife has been extolled as if it were a new invention comparable to, say the discovery of the wheel. The truth is that consumer price resistance is a time-honored weapon of the marketplace and is as old as the marketplace itself. It is today no more than it has been from time immemorial, the check in the balance between supply and demand.

Sooner or later, every commodity is liable to face the price resistance level of the consumer at which point the supply will begin to outweigh the demand. Price resistance is second only to supply in affecting the price of any given commodity.

The recent boycott was not, therefore, an extension of women's liberation or an invention of 1973, nor need it have been given the reverence the press seemed to attach to it.

Such glamorization of an important but normal economic function will undoubtedly produce polarization between the consumer and the producer. This will reduce the matter to a war between boycott groups and anti-boycott groups, thus further distorting the supply and demand picture, and certainly be a disservice to our economy.

What is of much more significance, however, is the irresponsible response of many of our political leaders to this dilemma. To a man, it seems they have hopped aboard this bandwagon of sentiment with cries of "the President hasn't done enough," "roll back the prices" and so on.

Such talk may make votes; it certainly doesn't make sense.

Where are our leaders who have the guts to explain the true nature of this problem? Where are our officials who would point out that the present crisis was caused by the convergence of a number of contributing factors, including severe weather, previously depressed prices and profit squeezes and an enormously increased demand for meat?

This, as a result of higher wages and more employment, changed eating habits and Government food programs.

Who explained that some of these factors are of a permanent nature, others are cyclical and still others are temporary?

Who pointed out that one of the main causes has been the devaluation of the dollar, coupled with foreign inflation and increased world affluence, which created additional funds in foreign countries with which to increase their imports of our products; such as grain and meat, were some of the biggest bargains available to them, and that our Government encouraged this eventually to aid our balance of payments?

And who explained that this cause and its effect was a continuing one because you could not have your commodity and eat it too?

Finally, and most importantly, why has so little been written about the low nature of our present food prices?

Food prices in recent months have risen dramatically and out of proportion with other items; the price of meat has, in the last year, risen to an extreme. In fact, food prices in the last several years have been playing catch-up.

But the price of farm products cannot be measured in terms of weeks or months or even one year. The rise and fall of farm commodities are affected by a number of complicated factors that cause a constant tug-of-war between supply and demand.

At any given moment or during any given year, the price may rise or fall dramatically (drawing exceptional public attention to it), but it is unfair to judge this rise or fall as of that moment or that duration. To judge prices of farm commodities adequately and fairly, one must look at them over a longer period of time, say 10 or 20 years. Only then can you assess their cost increases on a basis that has taken into account all of the variables, cycles and adjustments.

How often is it explained that although food prices have risen significantly, they have risen far less than most goods? Or how often is it pointed out that while prices for all consumer items rose by 58 per cent during the last 20 years and housing prices rose by 64 per cent, prices for retail food went up only 47 per cent since 1952 and the price of food eaten at home rose less than 40 per cent?

Even this 40 per cent rise (18 per cent less than the rise of other consumer items) is not the full story, since our average food bill, which took 23 per cent of our after-tax disposable income in 1952, took only 15.7 per cent of the after-tax disposable injected even lower for 1973.

Who has had the courage to point out that during this same 20-year period, while home food prices rose by 40 per cent (but took 7 per cent less of our after-tax income), the hourly wages received by laborers went up 140 per cent?

It is not my intention to be critical of laborers' increased wages, but I certainly call it unfair when labor's leaders use this rise in food prices as a reason for higher wages. Who would point out to them that if food prices had kept pace with wages since 1952, then a quart of milk today would cost 55 per cent more, a dozen eggs 161 per cent more, a pound of hamburger 151 per cent more and a pound of round steak 267 per cent more?

Who would explain that while out of every $100 of after-tax income the average person spends 48 per cent more for medical care; 18 per cent more for his automobile, transportation, gas and oil; 14 per cent more for housing, furniture and household operations than he did 20 years ago, he spends 32 per cent less (yes, less) for food?

Little wonder that the rest of the world, with few exceptions, is envious of our food prices and has come to our counter for our cheap commodities. Has everyone made the comparison between our retail meat prices and the dollar equivalent in foreign countries?

How much has been written about the reasons for our plentiful breadbasket and that a paramount cause for its success has been a relatively free-enterprise system guided mainly by supply, demand and profit motivation; that price and market controls, ceilings and five-year plans (as some have suggested), have been tried in every other corner of the globe (and here, too) with disastrous results, and that we are still the only nation that has produced food commodities on a scale that is generally higher than we can consume?

Instead of facts, we have heard the demands that Government put more controls into this system; that we roll back prices, and that we install some magic bureaucratic system to guide and guard rather than allow it to adjust itself as in the past or as world economic conditions dictate.

The old successful way isn't good enough in these modern times, so let's adopt the unsuccessful policies of other nations. That way we can look forward to the same results that they have achieved and soon we can together lack the same commodities.

Controls, ceilings and such are wonderful ideas, but there are a number of basic things wrong with them:

They don't affect the fundamental cause of the problem in the first place. Increases in prices can be predominantly attributed to lack of supply, or put another way, demand in excess of supply.

An increase of supply or decrease of demand are the only real means of reducing prices. Controls on prices will in no way affect greater supply or lower demand.

They are counterproductive. For the producers, controls induce the psychology that no matter what he does for his product's quality, he cannot get a better price; no matter how hard he works or how much money he spends to produce more, his potential profit per item will remain the same, so his incentive to produce more or better quality diminishes.

For the consumer, controls induce the psychology that no matter how much he buys of the product, the price will not rise and probably won't go down. So his demand for the product has no reason to diminish, in fact, it increases. Controls have always, thereby in the final analysis, produced shortages.

Price controls create a political and public mass psychology that is dangerous. Just like any pacifier, it creates the impression that the problem is solved. Therefore, the real and underlying causes of the problem tend to go unattended. Even worse, often as not, such psychology leads directly to programs and attitudes that increase the basic problem.

Price controls are inherently inflationary. In order to regulate and enforce them, new Government agencies must be created; this is costly.

Such additional Government expenditures can be paid for by higher taxes but usually are not. Instead, the Government pays for it with borrowed or created funds.

Price controls create unforeseen complexities and, in the long run, are self-defeating. No control system has yet been devised that can foresee at the outset all the effects and countereffects on the nation's economy. New rules and interpretations must be constantly added.

Thus controls, in time, become an incomprehensible morass of rules and exceptions riddled with loopholes and conflicting interpretations. Furthermore, human nature will, in the long run, prompt many consumers to circumvent or violate control prices to get better quality or more of a given product. This, in essence, means that prices continue to rise—albeit unofficially.

Price controls tend to become "alive" once installed. Controls are most difficult to be done away with. The psychology that created them and the psychology that they in turn create seem to make them independent of their creator. Like opium or any artificial stimulant, once you have it, you think you can't live without it—regardless of the harm it causes.

If I have oversimplified these issues, it was for emphasis, but the facts remain for anyone to draw his own conclusions.

It is indeed sad that now we have meat ceilings in response to the public clamor for a pacifier. Should the price of meat recede, it will be attributed to the effectiveness of these controls. Forgotten will be the fact that any reduction in meat prices will unquestionably have been caused by stiff consumer price resistance, coupled with a continuing increase in meat supplies, and not at all by the artificial magic of the ceiling.

But, alas, no lesson will have been learned—just the opposite—an erroneous impression will have been created.

Food commodities are our biggest bargain even now and controls, ceilings or other artificial means won't help their production. If our food prices are rising, then it is caused by eventualities over which our farmers had little control. Penalizing them won't help.

It could be that our food prices won't ever come back down—they may even continue to rise—but the answer to this problem, as in the past, lies in production, production incentives and overall national economic management and not in politically inspired rhetoric or artificial price adjustments or controls. And certainly emotionally charged accusations and demands by consumer groups won't do anything except confuse the issues and delay the remedies.

NO FURTHER U.S. MILITARY INVOLVEMENT IN SOUTHEAST ASIA WITHOUT SPECIFIC AUTHORIZATION FROM CONGRESS

Mr. PELL. Mr. President, the Senate Committee on Foreign Relations, of which I am a member, today gave its approval to an amendment sponsored by Senators Church and Case that would prohibit further U.S. military involvement in or over Southeast Asia, including Cambodia, without specific authorization by the Congress.

Mr. President, I am a cosponsor of the Church-Case amendment. I voted for it in the Foreign Relations Committee, and I support it wholeheartedly and without reservation.

I believe the amendment is vital for two reasons:

First, I believe the heavy U.S. bombing in Cambodia is a dangerous, costly, and unwise policy. It is a seed from which can grow another enlarged and extended military involvement in Southeast Asia at a time when we are hopefully close to terminating the huge costly involvement of the past decade.

Secondly, the Church-Case amendment is vitally important as an assertion of congressional authority and responsibility for engagement of U.S. forces in war. The amendment is essential to a broader effort to bring a runaway, arbitrary, self-justifying executive branch of our Government back within the constraints of the Constitution.

The administration maintains that its present military intervention in Cambodia is simply a continuation of what we have already been doing in Cambodia for the last 3 years and that our current air operations in Cambodia are necessary to enforce the peace in Southeast Asia. Regardless of whether these propositions are true or not, neither of them provides a legal basis for the continued bombing of Cambodia.

When U.S. ground forces invaded Cambodia in May 1970, we were told that this action was necessary to protect American troops in Vietnam. When our air intervention in Cambodia continued after American troops left Cambodia we were told that continued air interdiction was necessary to protect the withdrawal of American troops from Vietnam and the Congress allowed the bombing to continue only for this latter purpose. On January 27, 1973, however, the last American troops left Vietnam, thus terminating the only legal justification for our air war in Cambodia.

If the administration now believes that it somehow has the authority to wage war in Cambodia in the name of enforcing the Vietnam agreement, it should be able to cite specific legislative authority. Neither the Constitution nor any statute grants such power and certainly the conclusion of the Vietnam agreement, without reference to Congress, did not give the executive branch such authority. The proper course of action for the administration, if it believes it desirable to use U.S. Armed Forces in Cambodia, or elsewhere, to enforce the agreement is to come before the Congress and seek such specific authority.

There may be honest disagreement over whether it is in the U.S. interest to seek to impose an Indochina cease-fire by force or whether bombing in Cambodia is likely to bring about such a result. But what should be clear is that that decision properly rests with the Congress.

What is troubling is the administration's sweeping assertion of the right to continue bombing in Cambodia. It suggests a belief that the executive branch can take any action it deems necessary in order to pursue objectives of its own choosing. As such the administration's position makes a mockery of our constitutional processes.

It is not surprising that the administration is reluctant to ask for specific authority to continue the war. The intensification of bombing in Cambodia since January 28 has already cost the life of one American flier and two other fliers are missing in action. Will the American people be willing to see these totals continue to grow over the months ahead? And what will we do when the inevitable event occurs that one or more of our airmen are downed and captured to become prisoners of war. Do we then have to commit more troops in order to secure the return of POW's? We all recall that the POW issue was a major part of the emotional justification for our continued involvement in Vietnam.

It has been calculated that the intensification of the air war in Cambodia since mid-February has already added over $240 million to the cost of the war and that each day's additional bombing adds another $4 million to that total. The peoples' representatives in Congress should be given an opportunity to indicate whether they wish to see their tax dollars wasted in this manner.

Reports from Cambodia indicate that many civilians have been killed by our bombing and that thousands more have become refugees in an effort to escape our attacks. Given a choice, how many Americans would wish to see this continue?

Instead of seeking implied, backdoor approval for continuing the war by means of its pending request for authority to transfer funds within the Department of Defense budget, the administration should put the question of our involvement in Cambodia to the Congress and the American people honest and fairly. Let us have an up or down vote on whether U.S. Armed Forces should be used in Cambodia. To do so would be to restore an essential element of respect for law and due process which has been sadly lacking throughout this dreadful war in Indochina.

SPACE-AGE HEALING

Mr. GOLDWATER. Mr. President, the May to June issue of the Saturday Evening Post has joined a growing list of magazines and news sources who are recognizing the great spinoff benefits from our space programs. This article tells of the advances made in medicine that have come solely from space probing and study, so I ask unanimous consent that the article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Space-Age Healing

(By L. B. Taylor, Jr.)

Last October a pregnant woman, hemorrhaging severely, lay near death in the remote village of Chalkyitsik in northeastern Alaska. The nearest professional help was more than fifty snowbound miles away, and without immediate aid, it was feared she would not live through the night. In desperation, a part-time nurse relayed a report on the woman's condition via a ground station antenna system linked to an unmanned satellite positioned in orbit 22,000 miles above earth. The information was picked up at a receiving station in Anchorage, and a doctor transmitted back emergency instructions to the nurse. She then was able to stop the hemorrhaging, and the woman survived the night and was transferred the next day to proper medical facilities for treatment.

A few months earlier, in one of the finest, most modern medical facilities in the world—Stanford University Hospital in Palo Alto, California—25-year-old Mrs. Mary Phillips was bleeding to death and a team of doctors had run out of conventional ways to save her. Over a five-week period, they had given her forty-six pints of whole blood and sixty-four units of plasma, and had performed nine operations, but they could not halt the persistent abdominal bleeding.

At this point, Dr. H. Ward Trueblood, chief resident in surgery at the hospital, called scientists at the National Aeronautics and Space Administration's Ames Research Center in nearby Mountain View, explained the situation, and asked for help. A team of specialists studied the unusual problem and came up with an unprecedented solution. They recommended that Mrs. Phillips be fitted in an astronaut-type pressure suit, worn by test pilots to avoid blacking out during high-speed aerial maneuvers. It applies pressure to counter the draining of blood from the brain and upper body.

The suit stopped Mrs. Phillips' internal hemorrhaging overnight by reducing the difference in pressure between the blood within her arteries and the tissue outside them. This allowed her blood to coagulate naturally, and she soon returned home and resumed a normal life.

Mrs. Phillips and the Alaskan woman both are alive today thanks to technological "spin-off" benefits from the American space program. The advanced processes used to save their lives are but two of thousands of research discoveries and engineering innovations—developed as astronauts headed for the moon—that are being dramatically adapted to down-to-earth applications in the field of medicine.

Since its inception with the passage of the National Space Act in 1958, NASA has pursued a not-well-publicized but nevertheless active program to make the practical by-products of space research available to whoever can use them; to get science and technology down to business, so to speak. The applications have varied greatly—everything from the popular snack, space food sticks, to daily global weather reports beamed around the world from orbiting satellites. In medicine, NASA has assigned task forces of specially trained personnel to work directly with medical researchers to effectively channel complex data into everyday, in-the-field use.

With heart attack victims, for example, every second between the initial strike of pain and the administering of professional help can mean the difference between life or death. More than 60 percent of the fatalities from this killer disease occur within an hour after the first attack; yet, up to now, the ambulance transit period is often lost time in terms of diagnosis and treatment.

The space age is changing that. Through an ingenious system originally designed to check astronauts' heart action, electrodes are sprayed on a patient's body in the ambulance so an electrocardiogram can be flashed via a radio-telephone link to the hospital while the vehicle is en route. Reading the EKG at a hospital console, the doctor has advance knowledge of the patient's condition and can make whatever preparations are necessary before he arrives, saving precious minutes. The system has been successfully tested in Los Angeles and other metropolitan areas.

In today's era of ever-rising medical care costs, the increasing use of space-related electronic devices and techniques promises substantial reductions in hospital operational expenses by forcing highly-trained personnel from routine patient watching duties.

One case in point is a tiny sensor and radio transmitter, initially developed under NASA sponsoring, that has been modified to automatically monitor infants and comatose adults suffering from windpipe obstructions. When injury or disease causes blockage of the upper air passage to the lungs, surgeons frequently must perform a tracheotomy—inserting a small tube in the throat to enhance breathing. If this tube becomes clogged, breathing will stop and brain damage or death can result within two to four minutes.

To prevent this, a full-time nurse must constantly check the tube visually and take immediate corrective action if necessary. This new sensor, however, by noting subtle differences in the temperature of air passing through the tube, actuates an audible or visible alarm within ten seconds of any change. Such a signal can be tied in to a console at a nurse's station, allowing one attendant to safely keep watch over dozens of patients.

A similar system is now in use on an experimental basis at the Children's Hospital Medical Center in Oakland, California. Here, delicate sensors are attached with microminiature connectors to new-born infants with respiratory ailments. The transmitter sends a pulsating signal to a central nurse station. If the baby has trouble breathing, the signal is interrupted, instantaneously warning nearby attendants. In fact, the quality of the continuous tone transmitted can, to the experienced ear, provide valuable information concerning the infant's respiration.

Across the nation, in a Miami hospital, small, battery-powered electronic devices, manufactured by aerospace companies, are strapped to patients' arms and legs in the intensive care unit. Through them, such vital physiological information as temperature and blood pressure can be transmitted from as many as sixty-four patients to a single nurse at a monitoring console.

In other areas around the country all sorts of strange-looking contraptions and paraphernalia—originally designed exclusively for moonbound astronauts—have been adapted to a number of practical, if unusual, applications for the sick, injured, lame and paralyzed.

At the Texas Institute for Rehabilitation and Research, for instance, handicapped children learn to walk in a sling support outfit invented at NASA's Langley Research Center in Hampton, Virginia to help acquaint spacemen with the one-sixth gravity conditions on the lunar surface. The rig consists of a walkway, tilted off the horizontal, on which patients exercise while suspended sideways by belts and pulleys. Various modifications of these slings are being used at other sites to help bedridden patients who find it difficult to retrain unused muscles to walk again.

"Such devices take the load off the heart, the respiratory system, the lower limbs, and relieve the strain on all of the dynamic 'subsystems' of the body," says Dr. James Gaume of Long Beach, California.

Doctors at the Kansas University Medical Center in Kansas City have found a unique use for astronauts' helmets—as respirometers for children. Formerly, youngsters there found the conventional rubber mouthpieces used for the collection of exhaled breath both uncomfortable and difficult to keep in place. At times this impaired the accuracy of the data on oxygen consumption.

The helmets were made to order to solve the problem. They come equipped with an air inlet and outlet, a rubber seal around the neck and a suction pump to continuously circulate fresh air, collect the exhaled breath, and draw the combined fresh air and exhaled breath neatly into an oxygen analyzer. And, as can be imagined, the kids love to use them.

It has turned a troublesome chore into a fun thing.

A second use for spatial headgear is being investigated at the Scott-White Clinic and Hospital in Texas. Here helmets equipped with sponge electrodes to obtain electroencephalographic (EEG) tracings from astronauts and test pilots under stress are being redesigned to detect hearing defects in children.

Certainly one of the most extraordinary space instruments to be applied to medical purposes is a "sight switch" first developed to aid busy astronauts on long-distance flights. It has been successfully converted for quadriplegics—persons with no use of their arms and legs. With it, a patient can easily manipulate a motor-driven wheelchair by the movement of his eyes.

The novel switch operates on the principle of infrared reflection from the eyeball. An infrared light source bounces light off the white of the eye into a photo-electric cell which carries the message to a control activater. When the eyes are moved sideward, one eye reflects the light while the pupil of the other eye absorbs it. The resulting imbalance of voltage controls the direction of the wheelchair. Such a device also can be used to turn pages of a book, flip a thermostat on or off, and control radio and television sets, among other things.

This specialized wheelchair has been tested and favorably evaluated by the Institute of Rehabilitation of the New York University Medical Center, and more recently tested and refined for use by paralyzed people at the Rancho Los Amigos Hospital in Downey, California.

Even Apollo's specially-designed windshields have been put to work on health care problems. They are used in the treatment of severe burn victims. These three-by-four-feet curved "shields" are suspended over patients, allowing freer movement while a constant temperature is maintained under their surface. Water loss through evaporation, one of the major factors in the healing process, also is cut down through use of the constant-temperature shield, and doctors have found in many cases where the shields are applied, pain-suppressant narcotic drugs are not necessary.

"Of particular importance in burn cases is the comfort of the patient, and the need to keep him warm," explains Dr. Richard Grossman, specialist at the Sherman Oaks Hospital Burn Treatment Center in California. "Since the shield does not encompass the patient, it is much easier to change dressings and for the attending physician to determine the progress of the recovery. More than 1,000 patients in a dozen centers have been cared for using the new shield, and the doctors all report it to be a valuable aid," Grossman says.

Similarly, a dry immersion bed designed for research on metabolic rates of astronauts under the weightless conditions of space, now provides relief for victims of severe skin burns or ulcers. In hospitals, patients using the bed lie on a waterproof sheet and remain dry while "floating" in water heated to body temperature. Because the patient is buoyantly supported, there is an infinite number of pressure points, rather than maximum pressure on any single part of the body. The bed is used for people in long-term bed confinement cases to prevent and to treat pressure-produced skin ulcers and to treat massive skin burns.

The technology fallout also is affecting maternity wards. The company which developed the "glass sandwich" to prevent windshield fogging on NASA's high altitude X-15 experimental aircraft has transformed such expertise into the production of a cradle warmer system. It monitors the condition of prematurely born infants and maintains the proper temperature within a laminated plastic bassinet. Several hundred of these units have been purchased by hospitals and clinics.

At many of the nation's leading medical and hospital centers a number of additional space-spawned ideas are in various stages of research, experimentation and laboratory testing. NASA specialists are working with Stanford University School of Medicine scientists, for example, on a dramatic new employment of sonar which, it is hoped, will expose secrets about the functioning of the human heart.

Special sonar machines—which emit and receive high frequency sound waves—can measure precisely the amount of blood pumped out at each contraction of the heart muscle, something standard monitoring devices can't do. This technique can be applied as a screening procedure for patients with known or suspected heart disease, and it can be used to closely follow progress of the heart's healing process in patients recovering from a cardiac attack or from open heart surgery.

Equally exciting is the research being centered on NASA-developed blood pressure sensors so small—some are less than five one-hundredths of an inch in diameter—they can pass through a dog's artery into the heart with no bad effects. At the Harvard Medical School such devices have successfully measured blood pressure with unprecedented accuracy. The sensor is inserted through an ordinary hypodermic needle into an artery maneuvered into the left ventricle on the end of a thin flexible tube to make measurements inside the artery and heart without disturbing the flow of blood. Permanent implantation of a sensor with a transmitter in a human body would allow continuous monitoring of a patient as he moved about freely. And its small size would make it particularly useful in treating babies.

At the St. Louis School of Nursing and Health Services, a revolutionary "muscle accelerometer" has successfully undergone extensive testing to measure minute muscular tremors in the human body. It was patterned after a "momentum transducer," produced by NASA to measure micrometeorite hits on spacecraft, and is capable of recording impacts as faint as that of a grain of sand dropped one inch. This may help doctors in early diagnosis of such dreaded neurological ailments as Parkinson's disease.

The list of usable medical spinoffs from space—tangible ones that are helping save lives and mend bodies now, and others that are being converted from research laboratories to practical uses almost daily—includes scores of additional products, instruments, techniques and systems . . . life-prolonging miniaturized electronic heart pacers . . . lightweight foamed splints for broken arms and legs, replacing heavy, awkward plaster casts . . . new alloys for improved artificial limbs . . . electronic devices that convert audio sounds to vibrations that can be "heard" through the sensitive fingertips of the deaf and blind . . . digital computer processes that clarify medical X-rays. . . .

Yet for all the benefits that have been tapped from space technology to date, they but scratched the surface of what realistically can be expected in the immediate years ahead. Space flight has been largely experimental in nature. The emphasis has centered on engineering; on solving the overwhelming technical problems of just getting to the moon and back safely. But now the thrust is shifting more to the exploitation of space for the betterment of man.

The three manned earth orbital Skylab missions that will run through this November, typify this new direction. Top priority is being given to medical experiments. NASA wants to find out how prolonged time spent in space—up to two months—will affect the astronauts. The metabolic and cardiovascular systems will be measured in depth, and serious investigation of the orbital effect on nutrition, hematology, immunology, neurophysiology and pulmonary functions also will be undertaken.

Primarily, scientists are interested in identifying the precise mechanisms that change the chemistry of the human body when earth's gravity is absent. This knowledge is important not only in planning for future long range space flights, perhaps to other planets, but it can also contribute to a better understanding of life processes which are basic to treating human illnesses here on earth.

NIXON CAMPAIGN AGAINST "FAR OUT 15" BILLS

Mr. CANNON. Mr. President, one of the more bizarre public relations efforts of the Nixon administration is its present effort to muster support for expected vetoes of certain bills. Thanks to the efforts of the distinguished Senator from Minnesota, Mr. HUMPHREY, we have been able to learn many details of the Nixon campaign against the so-called Far Out 15 bills. This campaign, as my colleagues have been told, includes a 145-page propaganda kit complete with background information, anecdotes and, hard as this would be to believe before ad agencies took over the executive branch, "one liners" to be used in speeches.

I want to add my support to Mr. Humphrey's efforts to investigate this ill-advised campaign and my concurrence in his view that it may violate Federal laws forbidding the use of appropriated funds to lobby Congress. I believe that this latest discovery is just a small part of public relations psychology that has permeated this administration. To further illustrate this belief, I ask unanimous consent to have printed in the RECORD at the conclusion of my remarks an article from the latest issue of Esquire magazine dealing with Mr. Nixon's image makers.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. CANNON. One fact contained in that article particularly struck me. It was an estimate from the Office of Management and Budget that the executive branch employs 6,144 people a year, at a cost of $161 million, in public relations.

My interest in the "Far Out 15," however, goes beyond the propaganda question. Two of those bills, S. 38, the airport development bill, and S. 39, the antihijacking bill, were authored and floor managed to Senate passage by me. I am mystified how they could be included among bills characterized as, and I quote from the administration, "a $9 billion dagger at the pocketbook of the American taxpayer."

To begin with, S. 38, the airport development bill, increases the minimum annual authorization for airport development grants from the current level of $280 million per year to $420 million for fiscal years 1974 and 1975. If one chose to ignore the desperate need of this Nation's airports to expand to meet growing air traffic, one might say that the increase violates a need to curtail Federal spending.

However, this increase will not cost U.S. taxpayers a dime. The airport development program is financed entirely from revenues in the airport and airways trust fund, revenues from use taxes on passengers, airlines, and private aircraft owners and operators. There are presently and there will continue to be adequate excess revenues in the airport and airways trust fund to finance the additional Federal participation in airport grants.

How anyone could include this bill among those that would allegedly contribute to a 4-percent surcharge on individual tax returns escapes me. Yet, that is the incredible statement made by those who compiled the President's propaganda kits.

The second bill, S. 39, establishes a balanced, effective, and workable program to deal with aircraft hijacking. It has drawn opposition from the administration because it would establish an air transportation security force to provide a Federal law enforcement presence at the Nation's major airports to protect against air piracy. The administration wants to saddle this country's 531 airport operating authorities with the responsibility of policing their own airports. This is in spite of the fact that aircraft piracy, extortion, and violence in air transportation are violations of Federal law and the incidents themselves are carried out over large parts of the globe.

The antihijacking bill carries an authorization of $35 million for the next 2 fiscal years. This is a small price for the Federal Government to meet its clear responsibility in an area of critical importance. S. 38, as I mentioned, calls for no expenditures from the Treasury. To solicit support for killing these bills on grounds that they are budget busters is ridiculous and I urge my colleagues to resist the administration's arguments in this regard.

The article from Esquire follows:

EXHIBIT 1

Q. Are you worried about your image, Mr. President?

A. Not at all. When Presidents begin to worry about images . . . do you know what happens? They become like the athletes, the football teams and the rest, who become so concerned about what is written about them that they don't play the game well. . . . I don't worry about polls. I don't worry about images. . . . I never have.

Oh yeah?

(By David Wise)

Unlike a candidate, whose campaign funds restrict his television, advertising, and public-relations budget, an incumbent President has almost unlimited federal funds at his disposal for public relations during his four or eight years in the White House. Moreover, prime television time, so costly to a candidate, is usually free to a President between elections.

And while spending by political candidates occurs, for the most part, during campaigns, the government public-relations effort is continuous. The machinery serves the President throughout his term of office, not only at election time.

The vast, interlocking federal information machine has one primary purpose: the selling of the government. The machine markets its one product—the President and his Administration—by distributing an official, and often misleading, version of truth to the voters. It does so with the help of the system of official secrecy and classification, combined with government control over access to military and diplomatic news events. The information machine, in short, is the mechanism through which government information—and misinformation—is transmitted to the press and the electorate. The major objective is to enhance and preserve the Presidential image. In the electronic age, a political leader's image (especially his image on the television screen) is the true index of his power; imagery is a form of political energy directly convertible into votes.

Television is by far the most important public-relations tool available to a president, although an American President, to be sure, operates at some disadvantage, since the government regulates, but does not wholly control, the networks and stations. There are those who lament the absence of a domestic Voice of America to broadcast government propaganda directly to the people. In secret and startling testimony before a House subcommittee in 1971, the commander in chief of the Strategic Air Command, General Bruce K. Holloway, suggested that what America needed to preserve its security was a government-controlled news program to combat media "slanting." He added: "It would have to have authenticity. You would have to have the President starting it off with a thirty-second introduction."

While it might be preferable if the commander of S.A.C. stuck to his missiles and bombers, General Holloway quite accurately understood the fact that the President is the chief public-relations officer of the government. He stands at the apex of what must surely be the largest and most formidable information complex in the world, one that includes not only his own coterie of press secretaries, communicators, speech-writers and media advisers, but literally thousands of p.r. and information officials in the civilian and military departments of the government.

Although the whole thrust of government information is to merchandise the best possible image of the government and its leader, it is a cardinal principle of public relations that this goal is never publicly admitted. Consider, for example, Richard Nixon's appearance on the NBC Today show in March of 1971. Barbara Walters was interviewing the Chief Executive:

Miss WALTERS. . . . There has been a lot of talk, Mr. President, about your image and the fact that the American public—forgive me Mr. President—see you as rather a stuffy man and not a human man. Are you—oh, dear. Are you worried about your image, Mr. President?

President NIXON. Not at all. When Presidents begin to worry about images . . . do you know what happens? They become like the athletes, the football teams and the rest, who become so concerned about what is written about them and what is said about them that they don't play the game well . . . the President, with the enormous responsibilities that he has, must not be constantly preening in front of a mirror. . . . I don't worry about polls. I don't worry about images. . . . I never have.

Here was a President appearing on the *Today* show before an audience of millions of voters—and simultaneously denying he was concerned about his image. That is irony sufficient in itself, but there is additional irony in the fact that Nixon was on the show only because his advisers had persuaded him that he was not getting across to the public and that he needed more exposure. Suddenly, within a period of twelve days, Nixon appeared on the *Today* show, granted a one-hour, live interview to Howard K. Smith on ABC television, and—on the same day he taped the *Today* program—gave a long, folksy interview to a group of women reporters. During the week the newspaper reader or TV viewer could scarcely escape Richard Nixon proclaiming his lack of concern for his image.

For a President so unworried about appearances, Nixon surrounded himself with an unprecedented number of p.r. men and "communicators," some openly acknowledged and others hidden in the White House and the Executive Office of the President under innocuous or misleading titles.

One must begin with Harry Robbins Haldeman, the former manager of the Los Angeles office of J. Walter Thompson, whom Nixon appointed as his principal White House assistant. Strictly speaking, Haldeman's job was to serve as the President's chief of staff, but he installed Ronald L. Ziegler, his protégé at J. Walter, as press secretary, and his deputy, Dwight Chapin, was a member of the President's Image Committee, so it could not be said that Haldeman was entirely remote from public-relations policies.

In 1956 and 1958 Haldeman took leaves of absence from J. Walter Thompson to work for Nixon in political campaigns, and in 1960, when Nixon ran for President, he named Haldeman his chief advance advance man. Haldeman managed Nixon's 1962 campaign for governor of California, but their friendship survived even that disaster. Meanwhile, Haldeman was upwardly mobile at J. Walter, in charge of an office with clients that included Disneyland, 7 UP, and Sea World. One of his young executives, handling the Disneyland and 7 UP accounts, was Ron Ziegler.

While at the University of Southern California, Ziegler had become active in the Young Republicans, and in the 1962 gubernatorial campaign, Haldeman recruited Ziegler as a press aide to Herb Klein. After Nixon lost, Haldeman hired Ziegler at J. Walter. In 1968 Haldeman served as chief of staff of the Nixon-for-President campaign and Ziegler was press spokesman; after the election both moved into the White House in the same capacities.

The new Presidential press secretary was a dark haired man who chewed two sticks of gum at a time, drank Chivas Regal, wore dark blue suits, and had the Secret Service code name Whaleboat. He was usually very pleasant, although not always, and he proved generally popular with most White House reporters. Zeigler's appointment as press secretary—the most visible position in the government information structure—gave rise to considerable speculation about why Nixon had passed over his veteran press secretary, Herb Klein, in favor of a twenty-nine-year-old advertising man with no experience in Washington or in journalism.

The answer goes back to the post-election period when Nixon was putting together his staff at the Hotel Pierre in Manhattan. As soon as Haldeman's appointment was announced, the new staff chief told reporters bluntly that in the Nixon Administration "there will be no Sherman Adams, no Jim Haggerty. . . ." As a matter of fact, Haldeman added, there would be no press secretary "in the traditional sense."

All of this was interesting news to Herb Klein. In 1968 Klein, fifty, had served as "communications manager" of the Presidential campaign, and, having resigned his job as editor of The San Diego Union, he was plainly, awaiting a White House job. Two days after Haldeman announced that there would be no press secretary, Ziegler was named as a special assistant to the President-elect, sans press title. Not until January 13, 1969, did Ziegler announce that Nixon had told him to go ahead and use the title of "press secretary" after all.

In the meantime, three weeks after the election, Klein's appointment as "Director of Communications for the Executive Branch" was finally announced—by Ron Ziegler. It was then that Klein declared that "truth will become the hallmark of the Nixon Administration" and that the new Administration would "eliminate any possibility of a credibility gap"—predictions that proved premature.

The creation of the new post of "communications director" and the appointment of Klein meant that for the first time the public-relations function at the Presidential level had been split in two. An inevitable result was an increase in the cost of White House publicity as the number of people engaged in Presidential p.r. work proliferated. Klein soon had a staff of a dozen persons, whose salaries, added to his own annual pay of $42,500, totaled almost $200,000 a year. Ziegler had an even larger staff of fourteen—eight assistants and six secretaries. Operating from across the street in the Executive Office Building, Klein could see the White House through his office window, but he was physically not as close to the throne as Ziegler, whose office was in the White House proper. Theoretically, Klein spoke for "the Executive Branch as a whole," as Ziegler put it, but in practice this meant that Klein was reduced to working with the Cabinet departments; and traditionally, when any really important news originates in a department, the White House grabs it and the President's press secretary announces it.

"I have the President and the White House," Ziegler once pointedly told an interviewer.

Indeed he did, and within the White House, Ziegler's power and influence grew steadily. One White House official privy to the power struggles inside the palace guard gave a laconic explanation: "Ziegler is Haldeman's man."

Klein had weathered three of Nixon's Six Crises—the "Checkers" speech, the "kitchen debate" in Moscow in 1959, and the 1960 Presidential campaign. And he was at Nixon's side in 1962 when Nixon lost the election for governor of California. Klein alternated his public-relations chores for Nixon with various posts on the conservative San Diego Union; he was named editor of the paper in 1959.

There are reporters in Washington who swear that Klein drew a backstage role at the White House because Nixon did not think he looked good on television. But this factor is probably not as important as it might seem. Pierre Salinger, who closely resembles an overweight Mississippi riverboat gambler (he once played the role of a crooked lawyer on Batman, experienced relatively few credibility problems as President Kennedy's press secretary. By contrast, Arthur Sylvester, whose beatific countenance could pass for that of an Anglican bishop, achieved undesired fame as Robert McNamara's press spokesman by coining the phrase the "right to lie."

From the start, however, Nixon's communications director played an ambiguous role; on the one hand he described himself as a sort of ombudsman, whose job was to "get more information out" by persuading the departments to cooperate with the press. And Klein did win some plaudits from correspondents for opening doors within the government. But as one of the President's public-relations men, Klein also joined in the Nixon Administration's general attack on the news media. Appearing on a TV panel show in November, 1969, for example, he warned that unless the news media, both newspapers and television networks, reexamined their handling of the news, "you do invite government to come in." In time, it became increasingly difficult for Klein to pretend that he served two masters, the press and the President.

The communications director began to spend more time on the road, making speeches and extolling Administration policies. "Klein," said one White House official, "is ambassador to the boondocks." As a sort of traveling salesman for the Nixon White House, Klein argued for the ABM, had a kind word for the military-industrial complex, predicted Clement F. Haynsworth would make a "great" Supreme Court Justice, and praised the silent majority. Before a group of college students at Northern Illinois University, he attacked Senator George McGovern's proposal to expand the food-stamp program. Food stamps, Klein explained, would not end hunger: "A lot of mothers will go out and buy a Pepsi-Cola or a Coke for their children instead of milk. Or they might buy a lot of potato chips for them to eat."

In Washington, Klein presided over Saturday-morning sessions of the Image Committee, whose regular members were himself, Dwight Chapin, and Special Counsel Charles W. "Chuck" Colson, then the eminence grise of the White House p.r. operation. At one such meeting, reported by Allen Drury, the committee's agenda included the question of whether information about the President's reading habits should be provided to several magazines that had requested it. The committee decided this was extremely sensitive, because if it were revealed that he read anything "frivolous," someone would surely use this as the basis for "snide criticism." The committee then turned to another problem: "How to counter the theme that the President is heartless and cold." The discussion became vehement and centered on the fact that "a little black poster girl had been turned away without having her picture taken with the President," a gaffe that aroused criticism in the black community. It was noted by the committee that the girl and her parents would be invited to a Sunday worship service at the White House; perhaps the picture with the President could be taken then. The meeting of the committee began at nine-thirty a.m. and ended just under three hours later.

Klein also presided over occasional informal meetings with information officials from the departments, usually held in Klein's office over drinks and peanuts. At these p.r. encounter groups, the government publicists were encouraged to run ideas up the flagpole and air their collective problems.

At one of these sessions, Klein stressed the importance of tipping off the White House when embarrassing news was about to break. In October, 1971, after Nixon nominated Mrs. Romana Banuelos to be Treasurer of the United States, but before she had been confirmed, U.S. immigration agents raided her Mexican food-packaging plant in California and seized thirty-six Mexican workers as illegal aliens. It developed that the firm had been raided six times in four years for the same reason. Someone had called the communications director before the story broke—presumably it was a p.r. man for the Immigration Service—and the White House had a few hours' notice, Klein said. "I can't tell you," Klein added, "how important that is—to have some forewarning."

To commemorate the year 1971, Klein's office distributed to the press an amazing thirty-four-page, single-spaced mimeographed document entitled "Richard Nixon's Third Year." "In the year now ending," Klein's encomium began, "President Nixon moved vigorously on both the foreign and domestic fronts. . . . It was a year of both initiatives . . . of large conceptions, of daring innovation . . . a year of bold action based on meticulous preparation. It was a good year, that promises much for those to follow. . . . In its first four months, the New Economic Policy has been enormously successful. . . ." And so on.

Upstaged by Ziegler, Klein by 1971 found himself squeezed from a new direction in the person of Charles Wendell Colson. As Special Counsel to the President, Colson's job ostensibly was to deal with organized interest groups. In fact, he moved powerfully but quietly into the field of public relations. Wheeling and dealing backstage, his hand usually hidden, Colson had succeeded by 1972 in building a mini-public-relations empire inside the White House, unannounced and out of public view. In classic Washington tradition—the bureaucrats call it "layering"—Colson had created a third public-relations power center, wedged in above Klein and rivaling even Ziegler.

Colson, a tough, ambitious operator, made it to the White House via a background in Republican politics and law. A New Englander, he went to Brown University, served as a company commander in the Marine Corps during the time of the Korean War, and by age twenty-five was administrative assistant to Senator Leverett Saltonstall, the Massachusetts Republican. He attended law school at night, got his degree, and in 1960 formed what is now the large Washington law firm of Gadsby & Hannah, who have been lobbyists for Grumman Aircraft and other corporate interests. He played a significant role in Nixon's 1968 campaign, and in November, 1969, the President brought him to the White House.

There, Colson quickly earned a reputation as a political mechanic and a sort of improper Bostonian. "Chuck Colson," John Pierson wrote in The Wall Street Journal, "is a hatchet man." It was Colson who delivered a crucial witness to Life reporter William Lambert, resulting in publication of an exposé that contributed to the defeat of Democratic Senator Joseph Tydings in 1970.

Colson was responsible for other politically inspired leaks. Often he pulled the strings and got subordinates or other White House staff members to make the actual contact with a newsman; the technique made it harder to trace the story to Colson. But Colson also operated on a straight p.r. level; he arranged for Nixon to accept a hard hat in 1970 from Peter Brennan, leader of the construction workers' union in New York, who went on during the 1972 Presidential campaign to play a key role in organizing a committee of two hundred labor leaders for Nixon, and became Secretary of Labor in Nixon's second Administration.

Colson gradually took over more and more of Klein's functions. Within the White House, some of Klein's critics had argued that he was too nice, and not enough of a tough political operator to handle the job of Presidential public relations. Robert B. Semple Jr., then the White House correspondent of The New York Times, put it this way in an interview: "If the title of 'communications director' meant propagandizing for the President, then there was a need for a guy with an intensely sharp political mind. And they have since found him—Chuck Colson."

Besides Ziegler and Klein, as Semple analyzed it, Nixon and his advisers perceived the need for a third type of operator, "a man who could conduct p.r. political warfare on an activist level. They needed someone who would ask, 'How do you answer John Kerry? How do you organize a citizens' committee to beat the drums for Phase Two?'" Colson in fact organized a group of veterans to compete with Kerry's anti-war Vietnam vets, and helped create the Citizens for a New Prosperity in order to promote the President's economic policies.

As Colson's influence expanded inside the White House, he reached outside to strengthen his public-relations power base. Colson urged Nixon to appoint a top diplomatic correspondent to handle foreign-policy image-making and advise Ziegler and Henry Kissinger. At the President's direction, Colson contacted John Scali of ABC, an experienced reporter and the secret intermediary who had helped President Kennedy to end the Cuban missile crisis.

In two talks with Nixon, Scali was persuaded to take the job of special consultant to the President; in December, 1972, Nixon named Scali U.S. Ambassador to the United Nations.

Colson's own image became somewhat embarrassing, however, after he was linked in the press to the Watergate bugging scandal through Everette Howard Hunt Jr., one of the conspirators, whom Colson had hired as a White House "consultant" in 1971. The two had met, the White House explained, as members of the Washington chapter of the Brown alumni club. The old school tie hastened Colson's departure, which was announced soon after Nixon's reelection. The President, Ron Ziegler explained, "regrets Chuck is leaving the Administration."

Presumably, the President also deeply regretted the departure of Dwight Chapin, which followed published reports that he had engaged in political espionage during the 1972 campaign; he had even, The New York Times said, used the alias "Mr. Chapman" in these activities. And there were recurrent unofficial reports that Herb Klein might soon be leaving too. Polishing the Presidential image was not without its hazards.

In addition to Ziegler and Klein and their deputies and staff, Nixon also employed a speech-writing team of sixteen persons—the largest in White House history—as well as four aides to monitor the news media and compile the "President's Daily News Briefing," a private news digest of about 6000 words prepared for the President each morning In addition, the President had a television adviser—first Roger Ailes (who was paid by the Republican National Committee), and later director Mark Goode. The television adviser worried about camera angles, make-up, lighting, and technical details. Finally, the White House employed a staff of official photographers. Although the White House understandably never issued a press release on the subject, a conservative estimate would be that Nixon's public-relations staff, including all these categories, numbered at least sixty people.

As in every administration, below the Presidential level there existed a large publicity and public-information apparatus extending into virtually every corner of the federal government. Yet no one knew his precise size or cost. One reason for this is that no official of the federal government has the words "public relations" in his title. Job titles vary, and in some departments an official serving as assistant to a Cabinet Secretary or as an "executive assistant" is, in fact, the top public-relations man. Below him, there is often a public information office that handles everyday contacts with the press.

It is down below, in the ranks, that counting government p.r. men becomes soupy. Some are deliberately hidden, it is true, under uninformative job descriptions; but, in addition, there is a legitimate problem of definition. Writers, editors, photographers, and others could be included in the definition of "public relations."

An indication of the scope of the information machine can be found, however, in a study published by the United States Civil Service Commission in 1968, entitled Occupation of Federal White-Collar Workers. Buried among its 162 pages of charts, graphs, and computer printouts are some revealing figures.

According to the study, in the category of "Information and the Arts" there were 20,380 employees working for the federal government in 1968, with an average salary of $10,742 a year. There were nineteen occupational titles listed in this broad category, and a few had little to do with public relations, strictly speaking. For example, the list included 165 "museum curators" and six "musical technicians." But even after these and other unrelated occupations are eliminated, the total still provides some indication of the dimensions of the information establishment.

Aware that the massive size of the government public-relations machine made it vulnerable to political attack, Nixon in December, 1969, wrote a memo to Haldeman urging that the Administration take "a very hard look" at the p.r. apparatus. "Every department is terribly overstaffed in this respect—it is one of Washington's worst self-perpetuating bureaucracies," Nixon wrote.

In November, 1970, this was followed by a formal Presidential memorandum to all departments and agencies. In this directive, Nixon ordered a "curtailment of self-serving and wasteful public-relations activities." The job of policing the Nixon order fell to the Office of Management and Budget (O.M.B.). This created a problem; the Executive Branch traditionally claimed it did not know how many public-relations men were employed by the government or how much was spent on such activities. How could the Administration reduce a program when it did not know its size to begin with? How much would be cut from what?

O.M.B. solved this dilemma by sending out questionnaires to the departments and agencies, asking them to report back on the cost and scope of their information programs. Based on the replies, O.M.B. estimated that the Executive Branch employed 6144 people in public relations (including Congressional relations) at a cost of $161,000,000 a year.

The budget office set as its target a reduction in public-relations spending of $45,000,000. O.M.B. then sent a new set of questionnaires to the departments asking how they had complied with the cutback order. The House subcommittee on government information sent out letters asking the same question.

The answers varied widely. The Pentagon claimed it had cut 991 people and $3,700,000 from its p.r. budget; the Department of Health, Education, and Welfare said it had eliminated sixty-eight positions and cut its budget by $1,600,000; other agencies reported smaller reductions.

Eight months after Nixon's directive was issued, O.M.B. officials announced that 1164 public-relations jobs had been eliminated at a saving of $9,400,000. No further figures were ever released although O.M.B. said it "thought" the goal of $45,000,000 would be reached.

There was a major catch to the Nixon cutback however. To the public, it appeared that the government was saving money and trimming fat from the federal payroll. In fact, the order did not require that any public-relations personnel be dismissed and the "cutback" did not save the taxpayers a penny. "The money saved on public relations," O.M.B. official George Strauss explained, "was used for something else—perhaps something else that might not have been done."

Strauss added: "Heads of departments seek shelter for their people. If a p.r. man is a speech writer for the head of an agency, he doesn't want to lose him, so they may change his job description. For example, sixty-eight positions were cut at H.E.W., but it did not mean they were fired. Many were clerical people. They just moved these people elsewhere and now they type for someone else. But this was not a vindictive approach to ruin people's lives or cut them from the payrolls."

Nixon's order contained an explicit Presidential warning against any department attempting to "circumvent" it. Yet the Interior Department received paid, expert advice on how to do just that. The advice came from an astonishing source—Harry Treleaven Jr., the advertising and media director of Nixon's 1968 Presidential campaign.

Treleaven, a grey-haired, fast-talking adman, was another alumnus of J. Walter Thompson, where he had produced commercials for Pan Am and Lark cigarettes. During the 1968 campaign he operated from an office in New York. After Nixon's election he set up his own public-relations firm in Washington, where he was closer to the honeypot. As a highly successful p.r. man—he had, after all, helped to elect a President of the United States—Treleaven might reasonably hope to do business with the new Administration.

The Treleaven affair provides a fascinating case study of the point at which public relations, party politics, and government secrecy intersect. The story began in November, 1970, when Nixon fired the outspoken Wally Hickel as Secretary of the Interior. As his replacement, Nixon chose Representative Rogers C. B. Morton, the Maryland Republican who was then chairman of the Republican National Committee. Morton's deputy at the National Committee was James N. Allison Jr., a former newspaper executive from Midland, Texas, who had managed George Bush's successful campaign for Congress in 1966. It was Allison who first got Treleaven into politics; he had persuaded him to come to Texas to serve as advertising director of Bush's campaign. Morton's nomination as Secretary of Interior was confirmed by the Senate on January 28, 1971, and he was sworn in the next day. Three days later, on February 1, Allison left the national committee to join Treleaven's p.r. firm, which was reorganized as Allison, Treleaven & Rietz, Inc.

On February 18, less than three weeks after he was sworn in as Secretary of Interior Morton hired Treleaven as a $121-a-day consultant. His task was to analyze Interior's public relations and apply his Madison Avenue expertise to "streamline" and "improve the image" of the department.

Treleaven turned in an eighty-five-page report which the Interior Department adamantly refused to make public—even though public information was its subject. Requests made under the Freedom of Information Act for copies of the Treleaven Report were turned down by Mitchell Melich, solicitor of the Interior Department, on the grounds that the report was "an internal communication," though later he replaced a portion to the House Government Information Subcommittee.

A copy obtained from another source sheds light on why Interior preferred to keep Treleaven's report secret. "The [President's] requested reduction in expenditures for public-relations activities has everyone totally confused," Treleaven told Morton. ". . . The fact is the information offices are finding it impossible to cut the kind of items that occasioned the request for a reduction, because they don't exist. The response, therefore, is to eliminate worthwhile items, or go 'underground'—i.e., hide expenditures in other budgets. The latter is probably the practical way out."

It was extraordinary advice. Treleaven was paid several thousand dollars of the taxpayers' money to advise a government department on how to hide federal funds in direct violation of a Presidential order. Treleaven estimated that the department's various public-relations offices "employ over two hundred persons and spend something over $2,000,000." But his report added: "It's virtually impossible to be precise about budgets, because many information activities are paid for by programs, or out of special permanent funds (like the Water and Conservation Fund), or are charged to administrative and operating budgets, or are privately funded. The total for the department is probably close to $4,000,000."

Treleaven was highly critical of Interior's public relations, however, terming its $4,000,000 effort "bland," and "too passive." In the television age, he lamented, most of the "senior people are print-oriented." Because of this, he said, "a top priority must be to develop ways of getting Interior's story on television."

Since the Interior Department's environmental responsibilities often bring it into conflict with corporate interests, Treleaven's next suggestion was startling. "The high cost of producing films has greatly restricted their use," he said. "However, some of the bureaus (Mines, Outdoor Recreation, and Fish and Wildlife) have been able to obtain private funds for their film programs. This is a source of money which should be sought energetically and systematically by the entire department." The Bureau of Mines had forty films available for distribution and "all but two of their films were produced and paid for by industrial sponsors—including Atlantic Richfield, Goodyear, Alcoa, Phillips Petroleum, Texas Gulf Sulphur, Johns-Manville, Phelps Dodge. . . ." Other bureaus "should take lessons from the Bureau of Mines in this area," the report added. If Treleaven perceived any conflict of interest in the Interior Department's accepting money from the industries it regulates, he did not say so.

Most revealing of all, however, was Treleaven's description of the goals of the Office of Information of the Secretary of Interior. Among the "objectives of this office" listed by Treleaven were: "to play a key role in helping develop new programs to mold public opinion in support of the Secretary and the Administration . . . and to head off or counteract adverse publicity resulting from events and activities that could put the department in a bad light, such as mine disasters, accidents in National Parks, etc.)."

This is about as candid a statement of the real purpose of government information as one will find anywhere in print. Small wonder that Interior labeled the report secret and set its lawyers babbling about "internal communications."

Technically, government p.r. is illegal. In 1913 Congress passed a law prohibiting the government from paying any money to a "publicity expert" without Congressional approval. The measure was introduced by Representative Frederick H. Gillett, a Massachusetts Republican, after the Civil Service Commission announced an examination for "Publicity Expert—Male" for the Office of Public Roads.

The bureaucracy easily bypassed the law by hiring "information" experts to handle public relations. The job titles under Civil Service today, for example, are "public information officer" and "public information specialist." A veteran government publicist sardonically explained the legal situation this way: "The fact is there are no public-relations men working for the federal government, and the words 'public relations' do not appear in the federal budget."

Below the policy level, many government information people are career civil servants who try, within the limits of their jobs, to handle information with a minimum of political distortion. And they serve a useful function; they answer questions from the press and public and prepare publications about government programs. Yet they are well aware that much government information is misleading. Mel White, a career information official at H.E.W., declared: "I'm with the government, and I don't believe half of what comes out of any government agency. And I resent that as a taxpayer."

Jack Rosenthal, once press secretary to Attorney General Robert F. Kennedy, divides government public-relations men into three categories. At the top, he said, is the policy-level adviser. He sits in on any important meetings, knows what is going on, and advises his boss on the public-information consequences of policy is the faithful mechanic. He is not at the policy level, but he can get the news out, handle the press leak stories, and build good relations with the reporters.' Next is the "defensive p.r. man. This is the lowest rung on the totem pole. He is insecure. He does nothing but answer questions. He never does any leaking. He gives minimal answers, tries not to be quoted, and speaks on background. He is evasive and doesn't return telephone calls. He does the worst job for his boss."

Some of the projects dreamed up by government public-relations men are almost unbelievably banal. In 1969, when the Department of Transportation was pushing the supersonic transport plane, it printed and distributed 50,000 copies of a seventy-three-page Teachers Guide for SST, designed to help indoctrinate the nation's schoolchildren in the virtues of the controversial aircraft. One chapter, entitled "Supersonic Pussycat," tells the story of a rich cat named Marita whose mistress takes her to the French Riviera on an SST. "The day before we were leaving," the cat declares in the story, "I was sent to Fifi's. My silver fur was washed, brushed, and perfumed. My nails were done particularly well. . . . Bright and early the next morning, Mistress and I were off to the airport. . . . We made ourselves comfortable in the large roomy seats and before we knew it we were airborne . . . the pilot announced we were cruising at an altitude of 64,000 feet and at a speed of 1800 m.p.h.—faster than the speed of sound. Why, at this rate, I thought, we'd be in Paris in less than three hours. By the time I had a few slivers of liver (excellent, by the way) and watched a short movie, we had arrived."

Another story in the teachers' guide tells of Maxwell the Mouse, who was worried about sonic boom but found a house that had been soundproofed against jet noise. The booklet also encourages the students to "Play Airport." ("Have children take different roles of people concerned with an airport . . . pilots, stewardesses, traffic controllers, safety officer, etc.")

Apparently acting on the theory that it is never too soon to begin training the little p.r. men of the next generation, the booklet also tests the children with this question: "How would you write the advertisement for the first flight on the SST? How would you illustrate your advertisement to appeal to the interest of people?" All of this cost the taxpayers only $12,872.

It was, of course, a relatively small expenditure as p.r. budgets go. For example, N.A.S.A., with a $12,205,000 public-relations budget and a staff of 359, ranked only third among all federal agencies in public-information spending, according to figures provided by the Office of Management and Budget.* H.E.W. ranked second, with a public-relations budget of $27,400,000 and a staff of 737.

But the Defense Department had by far the largest public-relations operation in the government; according to O.M.B. figures prior to the Nixon cutback the Pentagon public-relations budget was $44,700,000 and had a public-relations staff of 3076 or just over half of all p.r. employees in the federal government by O.M.B.'s calculations. In 1972 the Pentagon said it had 2274 public-relations officials of whom 1649 were in the Armed Services. According to the Pentagon's figures it spent $44,000,000 on public relations in 1969, $40,000,000 in 1970, $29,000,000 in 1971—as a result of the Nixon order and Congressional cuts—and $25,600,000 in 1972.

But Representative Jonathan B. Bingham, Democrat, of New York, charged in a 1971 speech on the House floor that in listing its public-relations expenditures, the Defense Department had omitted several agencies that spent more than $48,000,000 in 1970. Bingham made public a G.A.O. report on these Pentagon agencies. He said it confirmed that "there are nests of public-information activities and expenses in the vast Defense establishment that continue to be hidden from the Congress." Bingham said the agencies that spent the $48,000,000 produced materials ostensibly for "internal use" by the military. The same materials, he said, "in fact are also widely distributed and presented to the public."

The Pentagon's public-relations programs cover a breathtaking array of activities, ranging from V.I.P. tours of military installations for community leaders and businessmen to providing aircraft carriers to Hollywood film makers. Since 1963 the Pentagon has even hired private firms to monitor and record all radio and television newscasts in Washington dealing with military or diplomatic events. According to a Defense Department spokesman, the purpose of this monitoring, which costs about $20,000 a year, is to keep informed "on what's being said about us." The intensity of the Defense Department's interest in "what's being said about us," as well as its sensitivity to criticism of its public-relations effort, became apparent during the flap generated in 1971 by the CBS television special *The Selling of the Pentagon*. Congressional friends of the military unsuccessfully demanded access to CBS outtakes—the portions of film not used on the air—and went so far as to threaten network president Frank Stanton with a jail term for contempt. Perhaps, when all is said and done, Mylai provides a better insight than anything else into the government-information process. In his book, *My Lai 4,* Seymour Hersh reports that Jay Roberts, the Army correspondent who covered Charlie Company's attack on the hamlet, knew very well that most of the dead were civilians; he had personally counted at least fifty bodies. Roberts wrote a story based on the false official version and gave it to the brigade press officer, Second Lieutenant Arthur Dunn, who knew it looked fishy. But Dunn dictated a similar story for division headquarters, and explained later: "If I had known there was a massacre and let somebody write about it, I would have lost my job."

ENERGY AND FUTURE FOREIGN POLICY

Mr. McCLURE. Mr. President, the long-range implications of our present energy problems have not been receiving the serious attention required to awaken the American people as to what the future holds for our society. Regardless of the existing controversies, and charges and countercharges, surrounding fuel shortages, there are some undisputed facts upon which we could base the economic and foreign policy portions of a new national energy policy, or at least which should be given full consideration.

Economically, the United States is facing the prospect of importing anywhere from $20 billion to $30 billion worth of oil, annually, within a short time of 10 to 15 years. From a foreign policy viewpoint, we have to understand that the bulk of this oil will come from, and the dollars will flow to the Arab States of the Middle East, particularly those states bordering on the Arabian Gulf.

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*The figures, for fiscal 1971, were compiled by O.M.B. before the reductions ordered by President Nixon went into effect.

At present, U.S. military and international policies do not appear to be considering the implications of these two facts. In a recent series of five excellent editorials by Mr. Joseph Alsop, the price that we might have to pay for such neglect of reality is accurately assessed. I ask unanimous consent that Mr. Alsop's columns be printed at the conclusion of my remarks, so that they may gain the wider dissemination and understanding which they deserve.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. McCLURE. Mr. President, I believe that the U.S. Government could begin now to offset some of the disastrous consequences of our present course. I urge consideration of immediate talks with those Arab States of the gulf region, concerning their futures and ours. It should be apparent to small, relatively defenseless nations that their increased wealth will attract additional threats to their future independence and freedom. And, a United States weakened by enormous balance-of-payments deficits and fuel shortages would not be in a position to balance threats from other world powers. The future stability and peace of the Middle East requires that the United States maintain its presence and capability to act in this unsettled region. I feel certain, however, that our Nation can reach understanding with the Arab nations, based on their future needs and aspirations, as well as our own, and without sacrificing the safety of nonoil or non-OPEC nations.

In February of this year, I spoke at the annual meeting of the National Rural Electric Cooperative Association, at which time I presented what I believe to be the necessary basis for our future understandings with oil-rich nations. Rather than repeat those points at this time, I ask unanimous consent that my speech be included at the conclusion of my remarks today.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. McCLURE. Mr. President, I believe that the time for a new policy toward energy- and oil-rich nations is upon us, and has been for several years. It is obvious that the best interests of the United States should not be relegated to second-place in our future negotiations. At the same time, we cannot expect other nations to sell themselves to us a barrel at a time, or to drain their country, so that their future generations will revert to pre-oil poverty. Understanding, however, the mutual interests and concerns of all the nations involved will, I believe, lead to a brightening of the dark picture which we now face.

EXHIBIT 1

[From the Washington Post, April 9, 1973]

OIL: THE VULNERABLE JUGULAR

(By Joseph Alsop)

This is an invitation to join a voyage of discovery. It has been a strange voyage, always enlightening, but always cruelly and bitterly enlightening. Those who wish to join had better know, too, that the end of the voyage will be unpleasant—although it will tell volumes about the American future.

Hence the start of the voyage will be well to explain. Some weeks ago, the former Israeli ambassador, who was also one of the two chief minds behind Israel's victory in the Six-Day War, went home for good after a long experience in Washington. Itzhak Rabin is not merely a brave man, a good companion and a good friend. He also has one of the most far-thinking yet down-to-earth strategic minds this city has known in many years.

So it was a matter of pride that the house where these words are written was the last in Washington where he came to say good-bye and to have his final meal in America. In the talk at supper, the voyage in question really began with a fairly idle question:

"Now that it's all over, what impressions do you take home with you from your embassy here?"

Rabin answered that he had a wonderful time here, and in one way, was going home much encouraged. When he came to Washington, he had found the city wholly preoccupied with Vietnam, and dealing with all the more important matters in the world by a method of fumble, muddle and last minute improvision. Now, he added, "your policy has a clear, well thought out direction, and is bold and adroit, too. All that is very good."

Why then, he was asked, did he so carefully say, "in one way." Your oil problem, he answered shortly. You mean you think the Arabs will blackmail the United States into an anti-Israeli policy, was the natural reply. Not at all, he came back energetically. Israel can take care of herself "unless the United States joins with other nations to destroy Israel—and the United States will never do that."

"But why the oil problem, then?" was the next question.

"Because of its direct effects on you," he answered, "and because those direct effects will turn into indirect effects on Israel and so many other nations."

Begin with Israel and the other nations, he was asked. Oh, he replied a bit grimly, Israel is lucky. Israel has the will and wits to defend Israel. Beside China and one or two more, there are not many nations friendly to America that you can say so much about today. But neither Israel, nor China, nor any of the other nations now in the circle of America's friends can possibly achieve successful self-defense, in a new kind of world in which America has ceased to be a great power.

"Ceased to be a great power! My God, I thought you were talking about the oil problem," was the fairly horrified comment.

It was a natural comment, too, for how do most of us, as yet, think about the oil problem? In terms of greater costs, of possible fuel shortages, of our current difficulties with the balance of payments, and also of the Arab political blackmail—which the departing ambassador had dismissed. That, surely, is an honest summary of the way we now think about the oil problem. Perhaps sensing all this, Rabin went on, much more sternly and more earnestly:

"You do not think enough about the oil problem. I have been looking into it for months. It is much worse than you suppose—10 times worse. Your jugular, Western Europe's jugular, Japan's jugular, all run through the Persian Gulf nowadays. Yet you have no means to defend your jugular.

"This is why your country must cease to be a great power, unless you can find means to solve this terrible problem, which everyone has overlooked for too long. No nation can remain a great power, that has a wholly undefended jugular, waiting to be cut by anyone with a willing knife. No nation can be a great power, either that has an ever more worthless currency—unless it is a totalitarian state like Hitler's Germany or the Soviet Union, which the United States will never be.

"Look into the facts that the future will force you to face. Look into what those facts will do to your dollar. Look into the new strategic situation and see what those facts will do to your dollar. Then you will see that I am right."

The evening did not end there, but with affectionate farewells. Yet the terrible words thus spoken, by so wise and warm a friend of our country, could not be forgotten. So "looking into the facts" was the voyage of discovery, to be described in further reports in this space.

[From the Tulsa Tribune, Apr. 12, 1973]

DOLLAR DRAIN AND FOREIGN OIL

(By Joseph Alsop)

WASHINGTON.—Everyone talks about the "energy crisis." But that phrase merely sketches the surface of the problem. What threatens us—what has started already, in fact—is a permanent currency crisis, which will also mean a permanent inflation crisis.

In three years, on present projections, our dollars cannot be anything like what they seem today, although, God knows, a dollar is now worth little enough. As for our children's dollars, they may almost resemble the German marks of the 1920s, when people had to carry small change in suitcases.

All this, of course, is based on present projections. There are many things that can be done to protect the dollar, all of them highly unpalatable.

On the other hand, if these things are not done, both promptly and all-out, market forces will ruthlessly reduce our current lavish consumption of energy. This will produce something like an unending recession, but it will also alter the present projections radically.

Let us first examine the present projections, however. To begin with, a crisis situation has so suddenly arisen because of two kinds of past miscalculation.

We always overestimated our cushion of unused oil-production capacity through all the years when production was controlled in states like Texas and Oklahoma.

About a year ago, the last controls were removed. The result was only the most minimal increase of production. The cushion was largely a myth, created to beat the rationing system.

On the other hand, the growth of U.S. demand for energy from all sources was even more grossly underestimated. In 1970, to illustrate, President Nixon's Task Force on Oil Imports assured everyone the problem was quite manageable through the year 1980. In 1973, however, our oil imports of 6 million barrels a day are already far above the imports expected by the presidential task force in 1980.

In money terms, we shall have to find $9 billion to send abroad, mainly to the Persian Gulf, to pay for our 1973 oil imports. Even with the money thereafter repatriated by our international oil companies, this is a huge sum.

Such oil imports leave little hope of righting the sadly unbalanced U.S. balance of payments—which means a permanently weak dollar on the world money markets.

But it does not end there, by any means. American energy demand is growing ceaselessly, while American production, especially of natural gas, is also beginning to decline.

In 1975—only two years from now—we shall have to find $15 billion to pay for our oil imports. And this assumes that world oil prices do not go up, either because of another dollar devaluation or simply because of the enormous pressure of demand from Western Europe and Japan as well as the United States.

A little further down the road, the projections are a bit more uncertain. The more optimistic forecasts for 1980 have us paying out $24 billion for foreign oil in that year. The pessimists raise this sum to $30 billion.

As for 1985—when children born last year will just be entering high school—the optimist-pessimist spread is between $30 billion and $70 billion for our foreign oil costs!

The optimists' figures for the future, it must be added, again make no allowance either for further loss of value of the dollar or for further increases in world oil prices. They are like weather forecasts, in truth, that make no allowance for storms that any sane weather forecaster ought to allow for.

Furthermore, these are not oil company figures, although they parallel the projections recently made by the Shell Oil Co. Instead, they come from briefings now being given to senators and leading congressmen by the staff of the Congressional Joint Committee on Atomic Energy.

The sponsors are the committee chairman, Rep. Melvin Price of Illinois, Rep. Chet Holifield of California and Sen. John Pastore of Rhode Island. All are Democrats; and Sen. Pastore, a strong liberal Democrat, has personally begged all other senators to give ear to the dire facts.

The figures also mean an energy crisis of course. There will be local fuel shortages this summer. At least in a fair number of states, there may be gasoline rationing in the summer of 1974. The independent oil and gas distributors are due to suffer shockingly, if not to be wiped out. Short supply is the basic reason. Another reason is the greed of the big companies.

Yet inconvenience for many and heavy loss for a few are mere trifles compared to the national tragedy of a dollar with ever-lessening value. And even this is only the first chapter of the horror story.

[From the Washington Post, April 13, 1973]

A Nation Without Power

(By Joseph Alsop)

What people so cheerily call the "energy crisis" is really like a viciously poisonous onion. Peel off the energy layer, and you find the U.S. dollar rapidly losing value, year by year. Peel off the money layer, and you find the end of the U.S. as a great power.

It is a truism, of course, that no bankrupt nation can play the role of a great power in the world. In and of itself, therefore, the threat to the value of the U.S. dollar is also a threat to the U.S. as a world power.

As previously reported, present projections show this country using $24 billion of imported oil in 1980, and more than $30 billion of imported oil in 1985. These are the lowest sensible estimates, but they are also nonsense-figures. Bankruptcy, or something very like it, will come before 1980 unless we change our ways. No one is going to give us such huge amounts of credit every year, and year after year, when we cannot possibly pay the money back.

Right here, is the greatest single difficulty of exploring this ghastly, suddenly urgent American problem. Even the most solidly based present projections cannot possibly come true in the end, simply because something will give way somewhere, and with a rending crash, long before the fantastic situations finally arise that even the optimistic analysts now foretell.

There is one thing that cannot and will not give way, however, which also has much to do with the American role as a great power. In brief, the Persian Gulf will be the main place, for a long time to come, where all the world but China and the Soviet Union must go to cover most of the world's enormous and swiftly increasing energy-deficit.

To get a crude measure of what this means, it is only necessary to return to the present projections, which come from the briefings of the congressional Joint Committee on Atomic Energy. By these projections, the Persian Gulf states—Iran, Saudi Arabia, Kuwait, Iraq, Abu Dhabi and other little sheikhdoms—will have an oil revenue of at least $16 billion in 1975, and without any further increases in the oil price! On the same highly optimistic assumption, the same states will have an oil revenue in 1980 of about $58 billion!

Once again, these are certain to be nonsense-figures in the end. Except for Iran, none of these oil-rich states has the ghost of a serious national defense. With one or two other exceptions, none of these states has a stable political system. Most have tiny populations in proportion to their vast riches.

History is a harsh process, and history will not permit this lunatic situation to endure indefinitely. The Soviet Union, for example, is already prepared to give history a helping hand. By huge efforts and investments, and by shocking American negligence, the Soviets have established naval predominance in the Indian Ocean. Again by heavy investments, they have also established predominance in the snakepit politics of Iraq.

This means that the Soviets effectively stand astride of both ends of the Persian Gulf. If they move boldly, they can easily cut the oil-jugulars of the United States, and of Western Europe and of Japan. The Soviets are unlikely to do this, to be sure, unless we in the United States continue to neglect our national defense. But the U.S. Senate appears hell bent on just that kind of neglect.

If the Soviets remain passive, moreover, something else will surely happen to change the situation in the Persian Gulf. There are the local Palestinian refugees, for instance, so numerous, so energetic, so bitter against Israel, and such easy targets for the KGB. In any case, such inconceivable wealth cannot pile up indefinitely in such weak hands, without stronger hands reaching out from somewhere to take the wealth away.

Meanwhile, it is another truism that no nation can continue as a great power when its jugular is overseas, and is also at the mercy of anyone who comes along with a sharp knife. When Britain was a great power and oil was first becoming important, Britain therefore moved to establish political control of the Persian Gulf. At the same time, Winston Churchill also made the British government the largest single stockholder of the British Petroleum Co., still second in rank of the huge international oil companies, but now without political protection like all the rest.

All that ended with a whimper, in fact, in the Suez campaign of 1956. Today, it is the great power role of the U.S. that is endangered by an exposed jugular overseas. And today, half the nations of the world conspicuously including Israel—and even Mainland China, in some measure, because of the Soviet threat—live in independence and go their own ways in relative peace precisely because the U.S. is still a great power. But maybe not for long!

[From the Washington Post, April 16, 1973]

Extinction for the Fossil Fuel Age?

(By Joseph Alsop)

"We are in the deepening twilight of the fossil fuel age." Such is the message now going to all senators and representatives from the congressional Joint Committee on Atomic Energy.

It is a ghastly message. From our jobs to our price structure, just about every aspect of every American's daily life squarely depends on lavish expenditures of inexpensive fossil fuels. The immediate sign of this twilight we are entering, because this kind of lavish, cheap expenditure is beginning to be impossible, is what is misleadingly called "the energy crisis."

The phrase is not misleading because there is no energy crisis. It is misleading only because the crisis involves so much more than mere high gas prices and rationing of automotive gasoline. It involves unending inflation, because of continuous loss of value of the U.S. dollars. It even involves the end of the U.S. as a great power in the world.

These are the unavoidable penalties of vast, annually increasing imports of foreign oil, to cover our vast, annually increasing energy deficit. What, then, can be done about it? The answer, again, is ghastly. Here is a short list of measures that it is now urgent to take.

Item: To increase domestic oil production, open the entire continental shelf to oil production, including the whole of the Atlantic coast, the Gulf of Mexico, and the Santa Barbara Channel. Also double the present use of federal lands for oil production.

Item: To get more natural gas, remove all controls on natural gas prices, especially at the well-head—thereby giving the needed incentives for drilling much deeper and more costly wells.

Item: Invest something like 15 billion dollars to increase output of geothermal and hydroelectric energy by the approximate equivalent of 100 Hoover dams. For this, bite the ugly bullet, too, that the needed big increase in hydroelectric energy will call for big dams in national parks, wilderness areas, and even the Grand Canyon.

Item: Make enormous investments in oil production from our invaluable oil shale reserves. But again, bite the ugly bullet that large scale exploitation of oil shale will make horribly heavy calls upon scarce water resources, and will also necessitate digging up vast areas of western landscape—although some of the possible processes permit the landscape to be put back again later on.

Item: Get the equivalent of 50 Hoover Dams from solar energy exploitation—and require almost all home heating and cooling in the sunny Southwest to be converted to solar energy.

Item: Then build 1,000 nuclear power plants of 100 megawatts each between 1980 and the year 2000—with plants going in at a rate of more than one a week after 1985. As of now, a single 100 megawatt plant costs about $1 billion. Yet we have to go from the baseline of today, when our nuclear power production equals the national output of energy from firewood, to a new stage where a very large share of the total energy we consume will be nuclear in origin.

"Ghastly," then, is a modest word for the kind of steps the joint congressional committee is listing for its horrified audience on Capitol Hill. But just consider the present, quite natural fury over high prices and inflation. Even food prices would be drastically lower today, if we had not already been forced to devalue our dollar so often. The devaluations were forced upon us, in turn, because we were buying abroad far more than we could sell. In short, our payments were unbalanced.

So consider the following trade-offs. First, if the Alaska pipeline had been promptly built when the great Alaska oil field was found, we should today be saving over $2 billion a year on the balance of payments. Second, if exploitation of the Santa Barbara Channel had been pressed forward despite the famous oil slick, we should again be saving about $2 billion on the balance of payments. Third, removing tetra-ethyl lead from gasoline and otherwise cleaning up automobile exhausts, is already costing about $1.5 billion on the balance of payments.

So there you have some of the price of increasing oil imports. We can have non-stop inflation because of permanently recurring dollar devaluation—which is now the prospect. Or we can stop trying to have our cake and eat it, too, and we can begin to worry about trade-offs. This can mean a lot of other unpalatable things, such as putting refineries and deep water ports where they are unwelcome. Yet we cannot have it both ways.

We are lucky, nonetheless, for the long pull, we have a better chance of getting on top of the energy problem than the western Europeans or the Japanese. But for the moment, this seems a thin consolation.

[From the Washington Post, May 11, 1973]

ENERGY CRISIS: THE COMING PUBLIC RAGE

(By Joseph Alsop)

If President Nixon survives the Watergate horror, his reproaches to his departed staff members may not end there. At a minimum, the men who ran the White House for Nixon ought to have stopped the Watergate tomfoolery before it became a horror. But meanwhile, it appears they also went pretty far to strike the most useful counter-issue from the President's hands.

There are two points here, both quite simple; and only the first concerns the former White House staff. Briefly, the cabal that used to run the White House for the secluded President strongly intervened to influence the President's recent message to Congress on the energy crisis. In the last analysis, the leaders of the cabal were the ones who made the message into a proposal to use a poultice to cure a cancer.

The Byzantine motives that produced this result are as yet unknown. But what happened is easily known. The man who had been the White House expert on energy, the tough, knowledgeable, far-sighted foreign service specialist James Akins, was sent into outer darkness. The economist Charles Di Bona, a rather feeble compromiser with little knowledge of the problem, was instead brought in to do the President's homework for him.

The result was what you might expect. The message was a poultice to cure a cancer in the sense of only paying the right kinds of lip-service. It muffled the hard realities of the crisis rushing down on this country. It did not insist on any of the hard measures needed to meet the crisis.

The President may well end by bitterly reproaching his former staff for this result, because he is such a profoundly political man. The energy crisis, in turn, has unlimited political potential. It has many aspects, to be sure. It threatens the soundness of the currency. It can bring on unending inflation. It can end the U.S. role as a great power in the world.

But before it does any of these things, which are relatively long term, this multifarious crisis will have a short term political effect. If the President had sent the Congress a bold, tough energy message, he could have used the political effect on the energy crisis against his opponents. But he sent the opposite kind of message. So he must now hope his opponents will obligingly make trouble for themselves—as they have done before.

In this respect, Washington at present is a bit like a city that can only talk about a monstrous breakdown of the sewage system—nasty and smelly enough, God knows!—while the flames that may engulf three quarters of the city crackle merrily in the inner suburbs. The chances are better than even, in other words, that the energy crisis may burst into political flames before the 1974 election. Then the voters will largely forget the Watergate horror in their rage at their own discomfort.

Almost no politicians of either party appear to be prepared for this grisly result. Yet the odds are certainly better against both a cold summer and a warm winter. We need a summer when people will not want to use motor gasoline to travel or even go to the woods or the shore with their families. And need a winter when few will need to expend much oil or natural gas to heat their houses. Then all may yet be well.

The weather is crucial, because we already have a minus-margin of useable energy. The signs are everywhere already; the weaker independent gas and oil distributors are beginning to go to the wall. The gas stations not belonging to the big companies are beginning to open only part-time, or are actually shutting down. One of the larger oil companies, Amoco, has already announced it will allow only 10 gallons (instead of a full tank) to any customer of a gas station on an inter-state freeway.

In motor gasoline, the deficit for this summer is estimated at somewhere between 5 and 7 per cent less. It does not sound like much. But any deficit makes bad trouble; and there will be a worse deficit, if we have a bright, hot, travel-encouraging summer. Whatever happens, moreover, gasoline allocation to priority users will all but certainly be needed—for instance to make sure the farmers have enough fuel for the machinery that will harvest the late summer crops.

Whatever happens, too, our inadequate American refineries will be producing gasoline all summer, instead of building up a back-log of home-heating oil. In the past, we have always gone into the winter with such a back-log. Add a normally tough winter, then, that will leave us with a really serious shortage of motor gasoline for the summer of 1974. You can then see why the insiders of the energy business fear there may be rage throughout the country before the 1974 election.

Maybe, too, the President can still exploit that rage, because his opponents will be even more negligent than he has been.

EXHIBIT 2

EFFECTIVE PUBLIC POLICY MUST BE BASED ON FACTS

(Remarks of the Honorable JAMES A. MCCLURE, U.S. Senator, Idaho on the Energy-Environment Dilemma, NRECA annual meeting, Dallas, Texas, February 26, 1973)

As it is with other critical national problems facing us today, the apparent dilemma between our need for energy and our need for a safe, healthy environment is aggravated by a long list of myths. Some of these myths go back over a generation of debate and legislation, while others have evolved only within the past two or three years. The strife and wasted time caused by them is serious enough, but, today, when the Nation is faced with an immediate demand for an effective national energy policy, the myth-created delays and confusions are of too high a price for our society to bear. For that reason, I would like to share with you here this afternoon, in the short time that we have available, a brief analysis of some of the more serious myths that have been uncovered during Congressional investigations, both during the 92d Congress and, surprisingly to some critics of Congress, during the few short weeks of the still struggling 93d.

In order to be specific, I will confine my remarks to only two areas of concern: Technology R&D and foreign relations.

The first is a subject about which we have all read and heard much of lately, maybe more than we have wanted to. But, there can be no doubt that the long-range solutions to the energy-environment dilemma lie in advances in technology. But, there has been created a myth that R&D will also solve our immediate problems.

Fusion energy, for example, is often cited as the solution to our energy-environment dilemma. Expert testimony has established, however, that we cannot rely on having a proven fusion system before the 21st century. And, there will still be a considerable job to be done in bringing a controlled fusion reactor into commercial development, and then to begin construction of 1,000 megawatt, or 10,000 megawatt, power plants. In addition, this particular myth overlooks the basic fact that fusion energy is being developed primarily as a source of electric energy. By the year 2000, electric energy might be providing one-half of our total energy needs, but certainly not all.

We can expect, of course, that R&D in the field of fast breeder reactors will pay off before the fusion reactor is commercially available. But, as the new Chairman of the AEC, Dr. Dixy Lee Ray, has said, the LMFBR will be ready for commercial construction about 1982, at the earliest. With the legal questions being raised, now, 1985 might be more realistic. So, assuming construction lead times similar to present day, we can expect breeder reactors to be providing an appreciable share of our electric energy needs by the last decade of this century.

Now, before anyone forms the impression that fusion energy will not be advantageous, let me say that it will indeed be the electric energy source *of the future,* providing that technical feasibility can be demonstrated. But, a national energy policy should recognize that the United States will remain dependent on fossil fuels for the remainder of this century. Light water reactors and fast breeder reactors will play a vital role in supplying future clean energy needs, but we should not believe that their development and construction will relieve us of the serious problems which we face today. Their absence, of course, would certainly make our problems more serious.

As another example, the elimination of sulphur oxides as an air pollutant constitutes a fertile myth-providing field. I don't need to tell you representatives of the working rural electric systems that there is an enormous difference between successful laboratory tests on a process for removing sulphur oxides from stack gases, and final acceptance of a commercially proved system which can be installed on 500 megawatt units, and can be expected to operate at least 50 percent of the time, and not double operating costs. Unfortunately, there are so-called "experts" who have not yet recognized that distinction, and who insist that it is only some sinister greed which opposes reduction of sulphur dioxide levels, to meet standards, *and timetables,* which, in fact, have been established without consideration of "technical" or "economic" values, as called for by the National Environment Policy Act of 1969.

I am confident that we will have the technical means to remove SO2 from stack gases, that we will be able to remove sulphur both organic and inorganic, from coal, and that we will be able to gasify coal on a commercial basis. *But,* we do not have these means *now.*

To insist that sulphur removal capabilities equal need, now, is to generate a myth which affects several different aspects of a national energy policy, not the least being the future of coal in the United States. Utilities faced with impossible standards and timetables cannot pretend that coal is a feasible fuel. They must shift to either low-sulphur fuel oil or natural gas (unless they have found some way, unknown as yet to their competitors, to license, build, and begin operating a nuclear power plant within a year or two). The myth, though, that natural gas is a viable alternate fuel is particularly puzzling. But, it persists. In Los Angeles, there are even proposals to force automobiles to convert to natural gas. The natural gas situation, however, speaks for itself. Not only is it out of the question as a fuel for *new* power plants, it will probably be denied to *existing* power plants within a short time. And, that in itself constitutes another myth: That it is possible for all gas-burning boilers to be shifted to alternate fuels. Today, it seems strange that a steam electric plant would be built to burn only natural gas, with no alternate fuel capability, but I think any criticism in this regard should be viewed in light of the economic, environmental and regulatory climate which existed at the time of original construction.

So, after even a cursory review of the facts concerning energy/environment R&D, it should be evident that many of the basic elements being relied on to support a national energy policy are, indeed, myths. And, any policy designed with the understanding that technology is presently available to "fill in the gaps" or to avoid the necessity for unpleasant political decisions, must be in itself irrational and doomed to becoming a part of the problem. The time and effort spent in evolving such a policy, and in discovering its uselessness, is just too rich a luxury for us to indulge in.

The area of foreign relations typifies a further example of how myths have resulted in lost time—several years of lost time—and have created a situation, which on the surface, looks beyond our control. Failure to recognize the facts concerning technology and lead times has made oil the major swing source of energy today. Utilities which cannot burn coal, and are being denied natural gas, and which cannot construct or operate nuclear plants, are switching to oil. And, this is occurring at a time when oil production in the contiguous United States has peaked.

Other myths have, at the same time, produced a foreign relations situation in which we are more dependent on the same nations on which our allies in the world are dependent.

It is no longer a pertinent argument to debate over whether we should import 12% of our oil from overseas, or 25%, or 35%. The myth of "instant production" has, I hope, finally faded away. It is generally recognized that three to five years are required to develop a new oil field. Two to three years are required to construct a new refinery. We can expect, therefore, that we will be importing at least as much crude oil and refined petroleum products during the remainder of this decade as we are importing now.

Before, though, I go into this situation, I would like to say just a few, brief words about energy conservation. This has been proposed as one solution to our energy-environment dilemma. It is a *partial* solution. To believe that the United States can conserve substantial quantities of energy, *during the next few years,* without serious political, social, or economic damage to our society, is a myth. We *should recognize* the *real savings* available by conservation, and *should* implement programs to *achieve* them. Conservation should definitely be a part of a national energy policy. But, we cannot afford the delusion that it will solve our problems.

Going back to the situation concerning increased oil production, to meet both energy needs and environmental standards, it is necessary to expose several sturdy myths. The first is that it is safer to import oil in tankers than it is to drill for oil offshore. This point was raised at recent Senate Interior Committee hearings, when the Governor of a New England State advocated unlimited oil imports into the United States, but expressed deep concern and reservations over the question of offshore drilling and production in the Atlantic Ocean. Now, there is no question but that offshore oil operations are a critical factor in protecting water quality. But, to assume that tanker operations are safer is a myth.

Oil pollution from tankers exceeds pollution from offshore wells by a factor of more than 10. In addition, tanker pollution often includes refined products, which are more toxic to marine life than crude oil. This is not to say that we should not worry about offshore operations. We should. But, we should not believe that we are going to solve our energy-environment dilemma by substituting imported oil for offshore oil. We will not. Taking into account the degree of governmental control available over offshore rigs, compared to foreign-owned oil tankers, we can safely assume that not only would accidental spillages be higher from tankers, but the incidence of deliberate discharging of oily wastes would be higher.

The final myth which I will discuss has two sides. The first is that we can avoid importing oil from the members of the Organization of Petroleum Exporting Countries—OPEC—during the next few years. We can't. The second side is that OPEC oil is cheap and reliable. It *isn't* cheap. And, we can't assume that it is reliable.

Prices are increasing, and I don't foresee any decrease for imported oil, barring a major economic depression, in which case energy and environmental concerns will probably become of lesser importance to the American public, and thus to the Congress and the Administration.

On the question of reliability, however, there is basis for hope; *but,* only if we can dispel some of the myths presently surrounding our foreign relations with OPEC Nations.

I should, incidentally, mention Canada who, though not an OPEC Member, is a major source of imported energy for the United States. Recent headlines, however, combined with past decisions and statements of the Canadian government should be sufficient to dispel any hope that Canada will sell herself to us a barrel at a time. The Canadians, very wisely, have recognized the necessity of long-term energy reserves for enlarging industrial capacity. If a country hopes to grow, and provide more jobs, more consumer goods, or more tax revenues, it must have energy. And not just 10 or 20 years worth. Thirty years looks like a minimum on which to plan for future industrial growth. For that reason, Canada announced strict controls over domestic energy resources. I don't know whether or not the Canadians expect Ford, General Motors, and Chrysler to move across the border, if energy supplies become too short here, but the idea may have entered their minds.

Our dealings with OPEC have suffered from similar hopes and misinterpretations of national goals. Our dealings with Arab Nations in the past seem to have been predicated on the simple slogan, "They can't drink their oil". Well, that myth should not be around much longer. And, I am not referring to the recent research for converting oil into edible protein. The Arabs have realized what simple arithmetic should have told us: You can make just as much money selling 10 million barrels of oil a day at 5 dollars a barrel as you can selling 20 million barrels at $2.50 a barrel. And this is where I believe that a major change in our energy-environment dilemma can be accomplished, by replacing the myths of Arab dependence and short-sighted greed with a realistic appraisal of Arab plans and aspirations.

To begin with, one major objection to importing huge amounts of oil is the serious undeniable harm which will be done to our balance-of-trade. The myth of Arab dependence, though, tells us that they will return the dollars, by buying more U.S. products. Even ignoring the present situation, where European and Japanese products are sometimes more competitive in our own country, much less in Saudi Arabia, we have to listen to the words of Arab leaders, which tell us what *they* think of the idea. As one example, the Saudi Arabian Minister of Petroleum and Mineral Resources was recently interviewed, and asked if raising the cost of crude oil to industrialized countries would only mean an increase in the cost of goods purchased in his country. His extremely articulate reply included the following logical plan for combatting any such problem. I quote from His Excellency Mr. Yamani's answer:

"Furthermore, Saudi Arabia should begin to industrialize and create viable industries within its territory not only to meet local demand, but for export as well. In this case, we can be competitive with other countries because our energy costs will be lower."

To me, this statement of goals is indicative of a man who understands the relationship between energy and the progress of a society better than some of the economic experts who are widely quoted nowadays.

Why, indeed, should Saudi Arabia, or Canada, or any other country with abundant natural resources, sell those resources so that they can in turn buy back manufactured products—especially if the country is one of the Arab Nations, which can expect within a few years to accumulate financial reserves totalling into the billions of dollars?

The history of Kuwait is a good illustration of the new reasoning which will be required to meet our future energy-environment needs. A generation ago, Kuwait was a relatively poor Nation. Today, they have proven oil reserves of about 66 billion barrels. The Kuwait government has announced a ceiling on oil production—one billion barrels per year. The action surprised some Western officials, but it should not have. Even at this frozen rate of production, the proven reserves will last only about two generations. And, the present leadership of Kuwait remembers what life was like without oil. Can we expect them to drain their country, so that their children and grandchildren can return to the pre-oil days? I think not.

Our approach to Kuwait must be based on the new realities of energy politics. They have the oil. They will sell it, but it won't be cheap. And, they will most likely prefer to sell it to someone who can show them how their children can live productive, healthy lives if the day arrives when they have no more oil.

Now, we know that you don't just run out of oil. It is there, but the production costs keep getting higher. But the Kuwaitis and the Saudis know as well as we do that if their *production* costs become too high, then we will naturally turn to our domestic sources of high cost oil, including the estimated 2 trillion barrels of shale oil. This, incidentally, is the problem facing Venezuela today, particularly with their heavy oil deposits.

For the next few years, at least, we will require large amounts of imported oil. If we will accept the facts—that it will not be cheap and it will involve environmental risks—then we can include this energy source into a rational national energy policy. At the same time, we will need to recognize that the reliability of supply will depend largely on our capability to work with the exporting Nations, so that they can protect the legitimate interests of their citizens, and their futures as civilized societies. We cannot expect them to sacrifice their resources to meet our needs. At the same time, we can expect the inherent friendships which do exist in some sections of the Arab world to give us a starting place for new financial and technical bargaining.

If we do not accept these truths, but instead continue to believe in myths, then we will surely find ourselves—in a very short time—facing an energy-environment situation more serious than the dire warnings already sounded. For, if nothing else, Congressional investigations over two years, and more, have found no aspect of our lives which is not dependent on reliable energy.

I believe, though, that with the facts which we now have, we can replace myth with fact, and finally approve a long-overdue national energy policy.

Thank you.

LEGAL AID FOR RURAL POOR

Mr. HUGHES. Mr. President, at a time when the need for providing adequate legal aid to the poor is being widely discussed and various new approaches to this problem are being considered, I would like to call the Senate's attention to a unique program of this nature being conducted in Iowa by the Drake University Law School.

The Drake Legal Clinic, administered by law school seniors, has supplied scores of poor families in the State with free legal services that have been highly effective. One of the most interesting and successful phase of this work is the Boone County legal aid program that reperesents Iowa's only legal aid effort set up solely for the rural poor.

On April 22, the Des Moines Register carried a feature story about the concrete results of this unusual, student-run legal aid program. With the thought that this approach might prove useful in other areas where there are no established legal services programs, I ask unanimous consent that the Register's story entitled "Iowa's Only Legal Aid Plan for the Rural Poor" be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Iowa's Only Legal Aid Plan for the Rural Poor

(By Charles Harpster)

Boone, Iowa.—Six Drake University Law School seniors are learning the law profession here by running Iowa's only legal aid program set up solely for the rural poor.

"Everybody's heard of legal aid for the poor in cities and ghettos," says Drake Law School Associate Prof. Daniel Power, who oversees the student-run Boone County Legal Aid Program.

"But there is just as much poverty on farms and in small towns and rural areas."

Actually, rural areas in Iowa have more poverty:

The 1970 U.S. Census found that 8 per cent of all Boone County families were living on incomes below a "poverty" level. That is fully one-third higher than the family poverty rate of Polk County, the nearest metropolitan area.

And throughout Iowa, more rural families (11 per cent, farm and nonfarm) were living below poverty standards than were urban families (about 7 per cent), the 1970 census found.

Regardless of whether a poverty-level family lives in the city or on a farm, Power feels they share the same kinds of legal problems—credit tangles, domestic squabbles, landlord-tenant disputes.

CHECKS DELAYED

Robert Westburg, 44, and his wife, Carol, 40, say the work of Drake law student Steve Hanson of Altoona saved them and their four children from being evicted from their Boone home.

Westburg, a disabled veteran and a diabetic, fell behind in his house payments because of medical bills and a foul-up that caused a five-month delay in receiving his pension checks from the Veterans and Social Security administration.

Late last fall, the Westburgs were given 30 days' notice to leave the house. The day before they were to receive their three-day eviction notice under the eviction procedure, Mrs. Westburg sought help from Dick Dearborn of Boone, a Disabled American Veterans volunteer worker. Dearborn referred the Westburgs to Drake Law School's Boone program.

Hanson, acting as the Westburg's attorney, succeeded through a series of personal pleas to the landlord's lawyer in holding off the legal eviction proceedings.

Through Dearborn's efforts, a loan was obtained to pay for the house in full. And with the money left over, the Westburgs installed new siding and storm windows on the house—which Mrs. Westburg said cut their maximum winter heating bill from $100 to $50 a month last winter.

"They set us up on our feet," Mrs. Westburg said recently. "Without the help, we would have lost our home. We were desperate."

Powers says the work Hanson did is typical of the kind of work the student lawyers will face in private practice. He believes there is a misconception about the work of lawyers—that they turn the wheels of justice with complex lawsuits, courtroom rhetoric and legal finagling.

PHONE CALLS

But he says he wants his students to learn that at least two-thirds of their clients' problems are met by making telephone calls, writing letters or personally contacting opposing parties. Court action is always a last resort, he says.

A young Boone woman, for example, was about $2,400 in debt, She came to the student legal aid program, located in the Boone County Courthouse here, for one reason: to declare bankruptcy.

Instead, senior Jim Sayre of Boone found that $1,000 of her debts were in a secured note on her car. Another $300 debt was written off because it represented unwanted merchandise the woman had received but never used.

Mostly through personal contact, Sayre persuaded the woman's creditors to give her more time to pay off her debts.

As a final touch, he prepared her federal income tax return and found she had a $250 refund coming. Bankruptcy filings weren't necessary.

Since the Boone Legal Aid program got its start last summer, it has dealt with more than 200 low-income rural clients, Power said.

Currently, six Drake Law School seniors are enrolled in the "class": Sayre, Jim Njus of Inwood, Chuck Schulte of Sac City, Tom Simon of West Des Moines, Frank Henkels of Dubuque and Tom Flynn of Des Moines. Hanson now is enrolled in another Drake legal aid program for students at Iowa State University in Ames.

"GAR ROOM"

Because of Boone County District Court policy, and possible conflicts with local private lawyers, the law students handle no criminal cases here nor any civil actions that are fee-generating, such as damage suits.

Their office—when they are not nudged into the halls by other local groups—is on the first floor of the courthouse in the "GAR Room," named for the Grand Army of the Republic women's group that has legal authority to use courthouse space.

Last year the Boone County Board of Supervisors granted the students $1,150 to help pay mileage expenses from Des Moines to Boone. Otherwise the students provide, without pay, free legal service to qualified low-income clients.

Some clients walk in, some ask for help by phone, but most are referred by a local veterans group or by three members of Mid-Iowa Community Action (MICA).

MICA Director Therese Riordon of Boone and staff members Bonnie Tolsdorf of Ogden and Phyllis George of Pilot Mound contact poverty-level residents of the county to refer them to various agencies that might help.

In another case in the students' files a newly married Boone couple—each 16 years old—found they were unable to pay their bills on the money the wife earned at a part-time job. With an infant child and no rent money, their only choice seemed to be to split up permanently and live with their own parents.

The couple was referred to the student lawyers by Mrs. Riordon. Dubuque senior Frank Henkels, acting as the couple's attorney, persuaded their creditors to hold back. Mrs. Riordon found the husband a full-time job.

FOOD STAMPS

Henkels showed them how to obtain food stamps and secured $75-a-month emergency rent money from the county. Within two months, the couple moved into an apartment and began repaying their debts.

The federally funded MICA program is soon to be phased out, Mrs. Riordon said. But she said she hopes by then the Drake program can sustain itself through word-of-mouth referrals and walk-ins.

"We'd hate to see the legal aid program go out of Boone County," she said. "It turns out that a phone call or letter usually solves the problem. But the young lawyers are able to do it because they know the law inside and out."

Power says that without the Drake program Boone County would have no formal legal aid set-up.

Veterans worker Dearborn estimated that if the 22 veterans helped by the legal aid program had gone to private lawyers, it would have cost them a total of $3,100, or about $141 apiece. The legal aid program was set up with the co-operation of the Boone County Bar Association.

The Boone program is just a part of Power's aim to have his students gain first-hand experience in all sides of the legal process—as trial lawyers, prosecutors, and judges' clerks in addition to the legal aid experience.

Last semester, 19 juniors clerked for federal and county judges in Iowa. Some assisted Polk County Legal Aid lawyers and others worked for Polk County prosecutors.

MISDEMEANOR CASES

The law school also operates a legal aid program for students at Iowa State University and at Drake, and handles certain misdemeanor cases of low-income clients referred by Des Moines Municipal Court judges.

In all, the Drake Legal Clinic is one of the state's largest practicing law firms.

One aim of the legal aid experience, Power said recently, is that future lawyers—many of whom come from wealthy backgrounds—will enter legal practice with "a taste of what it's like to be poor."

Moreover, Power said, he believes that concern for low-income or poverty-level clients is no more than what all lawyers—himself included—pledge to do when sworn in by the chief justice of the Iowa Supreme Court.

In part, the oath says, "I will never reject from any consideration personal to myself the cause of the defenseless or oppressed."

ENERGY CRISIS

Mr. BEALL. Mr. President, the energy crisis is of increasing concern not only to those of us who serve in the Government but also to Americans across the length and breadth of our country as they feel the consequences of a short supply of gas, oil, and other fuels.

The President in his energy message presented a constructive program to deal with this problem. We are also getting suggestions from legislators and interested citizens who, because of their experience, are especially qualified to talk on this subject.

One of these experts is Mr. C. Edward Utermohle, Jr., chairman of the board and president of Baltimore Gas & Electric Co. who recently gave a speech entitled "The Energy Crisis" at a meeting of the Anne Arundel Trade Council. The speech was well received by those who heard it and since its presentation has been widely acclaimed throughout the metropolitan Baltimore area for the thoughtfullness of its contents.

Mr. President, I ask unanimous consent that Mr. Utermohle's speech be printed in the Record so that our colleagues can have the benefit of this reasoned presentation from a man who knows what he is talking about.

There being no objection, the speech was ordered to be printed in the Record, as follows:

The Energy Crisis

(By C. Edward Utermohle, Jr.)

Good evening, members and friends of the highly respected Anne Arundel County Trade Council—ladies and gentlemen.

My assignment this evening might be handled by a geologist; by two economists—one on the side of growth and one on the side of no growth; by any number of environmental experts if they could agree on who their spokesman should be; or by a political leader.

I lay claim to being none of these, but it is necessary for me to keep abreast of the fuel and energy outlook and to participate in making hard, and not always popular, decisions in what I hope is in the long-range interest of our customers, both present and future, and the owners of our business—our stockholders.

For instance, right now, our Company is trying its very best to increase the real property tax base of Anne Arundel County. We want to build a much needed electric power plant at Brandon Shores.You have all heard of it, I suspect.

We announced our plans for this plant in 1971. In our application to the Maryland Public Service Commission we were obliged to list the agencies whose requirements must be met in connection with construction or operation of the plant and related facilities. These include five Federal agencies, six State of Maryland agencies, four Anne Arundel County agencies, two Baltimore County agencies and three Baltimore City agencies. This adds up to a total of twenty governmental agencies involved in addition to the all important Certificate of Public Convenience and Necessity required from the Public Service Commission before actual construction can begin. Several days of hearings were held by the Commission in late 1972 and early this year, and a further hearing was held today, the outcome of which we do not yet know.

The estimated cost of the plant exceeds 275 million dollars and if its two generating units can be completed on schedule in 1977 and 1978, I leave it to you to judge the effect on the real property tax base of Anne Arundel County.

Now, I want to say something about the broader subject—fuels and energy.

You have been reading and hearing quite a lot recently about the so-called "energy crisis." Many of you wonder whether it exists in fact or whether it is propaganda. In my opinion it is real, it will get worse and it will last for several years, in length of time being dependent on how wisely and how promptly we, the American people and our leaders, act to alleviate the situation.

The President took an important step forward last week when he delivered his energy message to Congress. But much of what he urged can only be accomplished if Congress passes the several new pieces of legislation he recommended and if state governments cooperate. In the final analysis, the elected representatives in Congress and the state leaders will only act if they sense solid support by their constituents.

The factors involved are numerous and complex and I will try to cover only the major points. In order to understand what we can do to help solve the existing problems, it is helpful to review some of the history of energy supply that led up to present conditions.

In our lifetime we have been accustomed to an abundant supply of cheap energy. Our nation was generously endowed with rich deposits of coal, oil and natural gas that could be easily recovered for fuel. These readily available fuel resources together with developing technology have provided us with the highest standard of living in the world.

As our dependence on large quantities of energy grew, several factors have developed from unrelated causes to limit the current availability of usable fossil fuels.

1. As consumption of natural gas and oil grew, the most easily accessible deposits were tapped first. These were available primarily in relatively shallow deposits beneath the land of our southwestern states. These readily accessible deposits have been developed to the maximum by drilling wells to brings the gas and oil to the surface and are being rapidly depleted. New reserves of oil and gas exist at greater depths and in the shallow waters off-shore but the time required and the cost of drilling wells is much greater.

2. The second of the major factors of the energy crisis developed concurrently. In the 1950's, the Supreme Court ruled that the Natural Gas Act required the Federal Power Commission to control the price of natural gas delivered at the well-head. This control of prices, in the vain belief that it was protecting the consumer, kept natural gas prices so low that natural gas, the cleanest, most environmentally acceptable fuel is still being sold throughout the country at prices below oil and coal, when it should command a premium because of its quality. The net result of this policy of managed prices is that the incentive to drill more costly deep wells or off-shore wells is not sufficient to attract drillers and they have moved their drilling equipment to other parts of the world where the potential reward is greater for finding a producing well. The net result is that gas is not available for us to supply new commercial and industrial customers and may become unavailable for new residential customers. Thus the consumer enjoyed short term protection on price but lost the long term assurance of adequate supply. Regulation of the market place as a substitute for healthy competition may be necessary at times on a temporary basis but the economic laws cannot be bypassed for long periods without disastrous results.

3. The third and most recent factor affecting the energy picture is the concern for protection of the environment in which we live.

We are all environmentalists. We have to be if we are to continue living on this earth and passing it on to our children and their future generations. But it is much too late to revert to The Garden of Eden which may have had a pure environment until Adam and Eve had children. Extremist groups both within government and outside have used the National Environmental Policy Act to press for the unattainable. None of us can live, and hopefully prosper, on the earth without some effect on the environment. Yet the extremists have thus far succeeded in setting up regulations which are completely unrealistic if our Country's growing population and growing economy are to be supported.

We in the utility industry, and I believe most other fuel and energy suppliers, have been facing the problem of how to strike a balance between economically acceptable uses and environmentally acceptable uses of the limited and depleting natural resources available to us. I am referring to the fossil fuels of coal, oil and natural gas and nuclear fuel (uranium) as used in the present generation of nuclear reactors.

Our most abundant fuel in this country is coal; we have nearly half of the World's known reserve. Coal represents 88 percent of the total proven reserves of all fuels in the United States, including uranium. Yet now the coal industry is called upon to produce less than 20 percent of the total energy consumed annually in this country.

Much of the nation's coal reserves, particularly within reasonable distance of the Eastern Seaboard, are too high in sulfur content to meet today's air quality standards. Large sums are being spent on research and experimentation in efforts to develop satisfactory methods to reduce the sulfur content either before the coal is burned or during the burning process. We were involved in such a project at our Charles P. Crane plant up in Baltimore County, but it proved unsuccessful and the plant was converted from coal to low-sulfur oil. As far as I can determine, commercially reliable processes for burning higher sulfur coals and still meet stringent air quality controls do not now exist. Here is an area where the public, as it becomes more convinced that energy shortages can have serious adverse effects on living comforts and jobs, may demand some relief from what many people now regard as unrealistic standards.

In a recent talk before a convention of General Contractors in California, Mr. Ellis L. Armstrong, then Commissioner of Reclamation, pointed up the general public misunderstanding of the energy situation by quoting from a letter he received from an indignant woman in Chicago. In a lengthy letter to him she concluded along these lines: "Mr. Commissioner, when will you stupid bureaucrats ever learn that burning coal produces pollutants? It also defaces the land because of strip mining. I have been giving it a lot of study and I think you've got better solutions to the energy problem. Why don't you use electricity? It doesn't have any pollutants."

Electric utilities have been forced to convert many of their efficient coal burning plants to the use of low-sulfur oil. Our Company completed the conversion of all of our coal burning units in 1972 at a cost of over $21,000,000. We are retaining low-sulfur coal stocks in large volumes for use in emergencies if sufficient oil is not available.

Because of the shortage of fuel oil from wells in our own country, most of the oil that we and other east coast utilities use must be imported, mostly from Middle East countries. Our Company alone used oil costing $51,500,000 in 1972, a large part of which contributes to our nation's deficit balance of payments. It has been estimated that the importation of oil could double our trade deficit by the early 1980's. This is an extremely serious situation when we consider the current impact that trade deficits of 5 to 6 billion dollars have had on the value of our dollar abroad.

I mentioned that coal, although our most abundant natural fuel by a large margin, is supplying less than 20% of the energy we now consume annually. Oil and natural gas, for which proven reserves have declined to only a 10 year remaining life, supplied 78% of the energy we used in this country in 1972. About 4% was derived from water power at hydroelectric dams and 1% from nuclear fuel.

What can be done about it? There are many days when utilities in many areas including ours could burn higher sulfur oil or coal without serious effect on air quality at ground level where people or vegetation could be affected. It is only during periods of atmospheric inversion or stagnation, which occur but rarely in our area and over much of the nation, that there is the possibility of a serious accumulation of pollutants. Yet we, and other utilities, are required under existing air quality standards, to burn only the scarce supplies of low-sulfur oil or low-sulfur coal at all times. From the standpoint of conserving our natural resources and maintaining a manageable balance of payments in international trade, this does not really make sense. Our usable coal reserves could supply our electrical energy needs for centuries.

By proper use of weather forecasts and monitoring air quality, our use of fuels could be changed as required to protect the environment and conserve our nation's fuel resources. A more realistic approach to state air quality regulations is needed as urged by President Nixon in his energy message. The current Maryland standards are much more restrictive than required by Federal Standards. The state policy should recognize that the interests of the great majority of the voting public who rely on industry and commerce for their jobs (or their income from investments) can best be served by a balanced approach to environmental considerations instead of the extreme approach now being attempted.

Before leaving the subject of coal, may I remind you that xtensive research is being conducted which has promise of making it more acceptable for use as a fuel. A major joint government-industry program, which our Company is helping to support, is directed toward perfecting a process for converting coal into a clean burning gas equivalent to natural gas. Other experimental work is being done on the conversion of coal to liquid fuel and on other processes for conversion to electricity. These, of course, are not short-range solutions to our natural gas supply problems.

The Columbia Gas System has been striving to develop new sources of gas. In the trade, these are generally known as non-historic sources. Non-historic sources include Alaskan and, hopefully, Canadian natural gas, man-made gas produced from petroleum feedstocks and eventually coal, and imported liquefied natural gas.

Estimates presented us by Columbia Gas, prepared by highly qualified people, indicate that even after the non-historic sources begin to flow gas to the customer, it will do little more than replace diminishing volumes from historic sources unless major new deposits are discovered and placed into production. A promising area for this, according to many geologists, is the outer continental shelf along the East Coast, including Maryland. Can we in Maryland oppose such a development needed to supply our own needs when for twenty years nearly all of our gas has been coming from Southwestern states and their off-shore areas in the Gulf of Mexico? If I were a resident of one of the Gulf states I would take a pretty dim view of drilling wells in the Gulf to supply Maryland residents if Maryland will not allow drilling off of its shores.

Development, construction and operation of nuclear power plants has proceeded much more slowly than originally expected following the establishment of their technical feasibility in the decade after World War II. Our Company kept abreast of the early experimental and development work on the use of nuclear energy, including financial support of a number of groups working in this field. Following intensive engineering and economic studies we announced in May 1967 plans to build two nuclear generating units at Calvert Cliffs. Original plans called for the first unit to become productive in 1973 and the second in 1974. The cost of the completed plant and related transmission facilities was then estimated to be over $300,000,000.

We filed with the Atomic Energy Commission the necessary applications for construction and operating licenses, as well as a number of thick volumes of Preliminary and then Final Safety Analyses. Later, as required under the Environmental Protection Act, we filed more volumes of Environmental Reports and Supplements. Just as an aside—one set of these official public documents occupies several feet of shelf in my office, and we furnished some 300 sets of most of them to the AEC.

Think of the man-years of time required of government engineers, scientists and others just to read and analyze these volumes.

Now, I will say that we have not experienced as much delay in meeting schedules at Calvert Cliffs as has been the case with the plants of some other utility companies, but a pattern of delay is typical across the country. The delays result from bureaucratic action throughout the licensing process, changes required in design and construction, and opposition of environmentalist in addition to the normal problems of a large project. Many of you are familiar with the construction industry and you know that any delays add to costs far out of proportion to the length of the delays. This has been accelerating in recent years because of inflationary material price increases and soaring construction labor rates. Calvert Cliffs will cost over one-half billion dollars by the time it is finished and begins to produce power for our customers, with the first unit now delayed until 1974 and the second unit until 1975.

You are aware, I am sure that we cancelled plans for a second nuclear power plant at a Harford County site. I have said and I repeat that this does not change our firm conviction that nuclear power will become the major source of electric energy for the long-term future. Some nuclear plants are now operating and a larger number now under construction or for which reactors have been ordered, although experiencing delays, will be coming on the lines over the next 10 or more years. But these will be using up our limited economical supplies of uranium at an accelerating pace.

Before this supply is exhausted, the breeder reactor which produces more fuel than it consumes is expected to be proven for commercial use, possibly by the early 1980's. A large scale demonstration plant, jointly financed by government and the electric utility industry, will be built near Oak Ridge, Tennessee, at an estimated cost of about $700,000,000. There could well be other large scale breeder demonstration projects before one or more are accepted for commercial development.

Thus it is evident that ultimate long-term energy sources will not relieve the near-term shortages we are now facing. Relief for the next decade or more will depend on expanding our use of coal, developing new off-shore oil and gas wells, building the trans-Alaskan oil line and a gas line from Alaska across Canada and increased imports of petroleum products and liquefied natural gas.

Unless the citizens of our country are willing to accept a substantially no-growth economy (and I do not believe they will), it seems to me we have no choice but to proceed as rapidly as possible on all fronts.

Our Country should undertake the following without delay:

1. Unrealistic restrictions on the use of coal should be moderated as promptly as possible, thus relieving the mounting pressures on oil and natural gas.

2. The licensing process should be improved to avoid further delays by environmentalists in bringing nuclear power plants into productive use.

3. Imports of crude oil, petroleum products and liquefied natural gas should be increased until our domestic energy shortages can be overcome.

4. Off-shore exploration and drilling should be accelerated in all areas including the East Coast.

5. The Alaskan oil and gas pipelines should be built immediately.

6. Long-range solutions to energy supply shortages should be developed by heavy joint investment by government and industry in demonstration size plants to prove out technologies perfected in laboratories and by pure research in such areas as nuclear fusion.

With an orderly, balanced approach our Nation has the resources and skill to come out of our present dilemma and obtain adequate energy supplies and a safe environment, but we cannot achieve this orderly approach without public opinion to provide the support our legislators need.

STATEMENT BY SENATOR J. GLENN BEALL, JR., REGARDING THE PASSAGE OF S. 50, THE OLDER AMERICANS COMPREHENSIVE SERVICES ACT OF 1973

Mr. BEALL. Mr. President, only my presence on the Senate Commerce Committee's recently concluded visit to Europe, exploring new trade possibilities with the nations of both East and West Europe, prevented me from being present during the Senate's consideration of the fuel version of S. 50, the Older Americans Comprehensive Services Act of 1973. As my colleagues will recall, the Senate originally passed S. 50 on February 20 and referred it to the House of Representatives which acted on March 13. Rather than referring this measure to a formal conference committee, the appropriate committees of both the House and the Senate sought to resolve the differences in this bill in a more informal fashion. This approach gave us greater flexibility than could have been achieved in the conference setting and also made possible extensive negotiations with the President's Domestic Council so as to produce a bill that would be signed into law.

I was encouraged, during these negotiations, by the support we received from Mr. Harry F. Walker, the president of the National Association of State Units on Aging. Mr. Walker, who also serves as the executive director of the Maryland State Aging Commission, expressed his willingness to support any reasonable compromise that would receive the President's approval and be promptly implemented by the Department of Health, Education, and Welfare. Because of the spirit of cooperation, agreement was reached; and the President signed the measure into law on May 3, 1973.

Mr. President, as the ranking Republican member of the Subcommittee on Aging and a member of the Special Committee on Aging, I have a special interest in, and concern for, the well-being of our 20 million senior citizens. I have consistently contended that America's elderly citizens deserve a great deal more attention than they have previously received. I, for one, hold our Nation's senior citizens in a position of great respect, for they have toiled long and hard in our Nation's factories, on its farms, in its armed services, and so forth; and they have earned the right to live their retirement years in security, dignity, and independence. We owe these senior Americans a debt of gratitude, for they are primarily responsible for the prosperity and the greatness that our Nation enjoys today.

Through their efforts and sacrifices, our Nation has reached unprecedented heights of economic prosperity, met the challenge of foreign aggressors, and created for all Americans a society dedicated to the full realization of the goals of our Nation's forefathers. Mr. President, during the past year, the members of the Subcommittee on Aging have worked to shape a bill that would achieve the fundamental objective of delivering social services to our older Americans in a prompt, efficient, and effective manner. The subcommittee chairman and the other members of this committee worked in an open and bipartisan manner to produce a bill that will significantly contribute to the well-being of older Americans.

I would like to briefly summarize some of the accomplishments which we have seen in recent years in our efforts to improve the livelihood of older citizens. Since I first came to Congress in January of 1969, I have had the pleasure of working with three Secretaries of Health, Education, and Welfare, Hon. Robert Finch, Hon. Elliot Richardson, and Hon. Caspar Weinberger, all of whom are men of great ability, great sensitivity, and great compassion for our aging Americans as well as other recipients of services in their area of responsibility. Former Commissioner John Martin is a dedicated public servant who is widely respected in the field of aging and did everything in his power to see that the Administration on Aging fulfilled its mandate.

One could hardly comment on the progress we have made in understanding and meeting the needs of the elderly without mentioning the role of Dr. Arthur S. Flemming. Dr. Flemming is a distinguished public servant and academician who has served his Nation in a variety of capacities in the last four decades. As the chairman of the 1971 White House Conference on Aging, Dr. Flemming brought together thousands of delegates and experts from across our Nation. He oversaw an immensely productive White House Conference which has generated the type of momentum needed to bring the problems of our Nation's senior citizens to the attention of all of our people. Since the White House Conference, Dr. Flemming has served as the Special Consultant to the President on Aging, which placed him in an excellent position to advocate the cause of senior citizens, coordinate interdepartmental governmental programs, and inform the public of possible solutions to the various problems confronting our older Americans.

Assisting Dr. Flemming in coordinating domestic programs for the aging is the Committee on Aging within the Cabinet-level Domestic Council. The creation of a Domestic Council, in general, and the Committee on Aging, specifically, reflects President Nixon's commitment to coordinate and deliver services to older Americans in a coherent, effective, efficient manner. It is now up to the Congress to take the decisive steps necessary to end the isolation, the neglect, and the indifference which have plagued older Americans for far too long.

I am very pleased that the President has now nominated Dr. Flemming to serve as Commissioner on Aging. In addition to his duties at the Department of Health, Education, and Welfare, Dr. Flemming will also serve as an assistant to Secretary Weinberger in his capacity as Counselor to the President for Human Resources. Thus Dr. Flemming will continue to have a significant impact on the formation of policy at the highest levels of our Government.

Mr. President, I believe that the enactment of S. 50 will make a very significant contribution to the well-being of older Americans. This legislation dramatically strengthens the Administration on Aging by upgrading it and moving it into the Office of the Secretary of Health, Education, and Welfare. In addition, it significantly expands the Administration on Aging's authority as well as its authorization levels.

Under this bill, AOA will strengthen State and local aging offices, and provide them with the technical know-how needed to meet the requirements contained in this legislation. Within each State, areas selected for priority consideration will receive funds to establish area planning and service agencies. These organizations will serve to coordinate existing social and nutritional services so that they can be effectively delivered to senior citizens who are in need of such services. It is not envisioned, that these regional planning units will directly deliver services to the elderly unless the needed services are unavailable from any other source.

Thus, we are talking about an apparatus that will coordinate programs conducted under the Social Security Act, the Department of Transportation, other agencies within the Department of Health, Education, and Welfare, the Department of Housing and Urban Development, and so forth. In addition, these area aging units will draw upon the resources of existing State and local services as well as nonprofit organizations designed to assist the elderly. At the present time, AOA lacks the authority to effectively coordinate the delivery of various social and nutritional services and I believe that this is perhaps the most significant reform contained in this legislation. In addition, this bill would provide for the establishment of a National Information and Resource Clearing House for the Aging, as well as State and local information and referral systems that will serve to place much needed information in the hands of our senior citizens so that they can resolve many of their problems by their own initiative.

S. 50 seeks to touch as many bases as possible with regard to the problems facing senior citizens. Under the provisions of this legislation we will be able to expand and improve our system of senior citizen centers; expand the volunteer programs for the elderly which are administered by the ACTION Agency; provide community service employment programs; promote expanded library facilities, reading services, and educational programs for senior citizens; train personnel to meet the needs for older Americans; undertake various gerontological research projects; as well as a variety of demonstration and special impact projects designed to further our knowledge with regard to problems of the aging.

Mr. President, I am an enthusiastic supporter of the initiatives contained in this legislation, and I am firmly of the opinion that a significant corner has been turned in our efforts to make life a little better for our Nation's 20 million senior citizens.

Mr. President, the Administration on Aging has compiled a title-by-title summary of the Older Americans Comprehensive Services Amendments of 1973 and I ask unanimous consent that this summary be printed at the conclusion of my remarks.

There being no objection, the summary was ordered to be printed in the Record, as follows:

TITLE-BY-TITLE SUMMARY OF S. 50 THE OLDER AMERICANS COMPREHENSIVE SERVICE AMENDMENTS OF 1973

TITLE I—DECLARATION OF OBJECTIVES

States four objectives of the 1973 Amendments, which generally place emphasis on the need to make comprehensive social service programs available to older Americans and to insure their participation in the development of these programs.

Amends the objectives of the Older Americans Act by making access to low-cost transportation an objective of the Act.

TITLE II—ADMINISTRATION ON AGING

This title establishes the Administration on Aging and places it within the Office of the Secretary of Health, Education, and Welfare. AoA is headed by a Commissioner on Aging who is appointed by the President and confirmed by the Senate. The Administration on Aging is given primary responsibility for carrying out the programs authorized under the act.

It provides that the Commissioner shall be directly responsible to the Office of the Secretary and that the Commissioner's functions may not be delegated unless a delegation plan is first submitted to Congress and within thirty days of submitting the plan, the Secretary consults with the Senate Committee on Labor and Public Welfare and the House Committee on Education and Labor. The plan will be effective sixty days after it was first transmitted to Congress.

The title assigns eight new functions to the Administration on Aging and expands one of its existing functions. The Commissioner in consultation with the Director of Action is authorized to encourage voluntary organizations to become involved in programs for the Aging.

Title II also requires Federal agencies proposing to establish aging programs or administering such programs to consult with and cooperate with the Administration on Aging. This title also creates within AoA a National Information and Resource Clearing House for the Aging which is authorized to collect, analyze, prepare and disseminate information regarding the needs and interests of older Americans. It will also carry out a program for the collection and dissemination of information about consumer interests of older persons, and will encourage the establishment of State and local information centers and will provide technical assistance to them.

In addition, title II contains a section establishing a Federal Council on the Aging which will be composed of 15 members appointed by the President and confirmed by the Senate. The Council will assist and advise the President on matters relating to the needs of older Americans; review and evaluate the impact on the lives of older Americans of Federal policies and programs on the aging; serve as a spokesman on behalf of older Americans by making recommendations to the President, the Secretary of Health, Education, and Welfare, the Commissioner on Aging, and the Congress with respect to Federal activities in the field of aging; and undertake programs designed to increase public awareness of the problems and needs of our senior citizens.

The Federal Council on the Aging will also undertake various studies designed to further clarify the specific needs of the elderly and recommends solutions to them, with special emphasis on the impact of all taxes on the elderly and the effects of the formulae in Title III upon the States. The Secretary of HEW and Commissioner on Aging are authorized to provide staff, information, and other assistance to the Federal Council on Aging.

Title II requires the Secretary to publish general standards for evaluation of programs before funds can be released for activities under the Model Projects section (308) and the Training and Research Title (IV) of the Act, and requires that results of the evaluations of the programs be published annually as part of the annual report required of the Commissioner.

A joint funding provision is provided for in this title which is substantially identical to a section of which was previously in the Older Americans Act. It permits the establishment of a single non-Federal share requirement and a waiver of inconsistent contract or grant requirements.

Also included is a provision authorizing including appropriations for one fiscal year in the Appropriations Act for the preceding fiscal year.

Title II also repeals Title VIII of the Older Americans Act which previously authorized establishment of the Advisory Committee on Older Americans and various technical advisory committees, among other provisions.

TITLE III—GRANTS FOR STATES AND AREA PROGRAMS

Title III strikes Title III of the Older Americans Act, which concerns State and Community programs on aging, and inserts a completely revised Title III, of that subject. It contains authorizations for fiscal years 1973 through 1975, to enable the Commissioner on Aging to make grants to each State with an approved State plan under Title III, for paying part of the cost of (1) the administration of area plans by area agencies on aging, (2) the development of comprehensive and coordinated systems for the delivery of social services, and (3) State plan administration. For distributing the appropriations under this authorization among the States, a new allotment formula is provided, based principally upon the ratio of the State's population aged 60 and over to the total U.S. population of that age, but with floors to assure that every State receives a minimum allotment.

Each State is required, in order to receive funds and participate in the program, to designate a State agency as the sole State agency to develop an annual State plan and to administer the State plan within the State. The designated State agency is required to divide the entire State into distinct areas, referred to as planning and service areas, to determine for which of these areas an area plan will be developed, and to designate an area agency for each such area.

Each area agency on aging is required to develop an area plan on aging which meets certain specified requirements, designed to assure the efficient and effectiveness provision of services to the area's elderly.

Areas designed by the State agency to develop area plans will be allotted a major share of the funds allotted to the State for Title III services for the elderly, and funds can be made available to them on a more favorable matching basis (up to 90 percent Federal to 10 percent non-Federal) than to areas not so designated (maximum of 75 percent Federal). The State agency will decide how to apportion the area planning and social service funds allotted to it under the formula specified in the revised Title III, but it will be able to allot not more than 15 percent of its allotment for the cost of administration of area plans, and (after June 30, 1975) not more than 20 percent of the cost of social services which are not provided as a part of a comprehensive and coordinated system in planning and service areas for which there is an approved State Plan.

This section of Title III regarding model projects is also revised, principally by requiring special consideration in approving grants and contracts to be given projects designed to assist in meeting special housing needs of older persons, providing continuing education for them, providing preretirement education and information, and assisting in meeting the particular needs of the physically and mentally impaired elderly.

TITLE IV—TRAINING AND RESEARCH

Strikes Title IV and V of the Older Americans Act and reenacts their substance as a revised Title IV.

Requires the Commissioner, from time to time, to appraise existing and future personnel needs in the field of aging and the adequacy of the Nation's efforts to meet them, and to publish an annual report evaluating the plans and programs of other Federal agencies.

The Commissioner would also be authorized to make grants and to enter into contracts to:

Publicize opportunities for careers in the field of aging;

Encourage qualified persons to enter or reenter the field of aging;

Encourage individuals of various professions, vocations, and skills to undertake temporary or part-time assignments in the field of aging; or

Prepare and disseminate recruitment and training materials.

In addition, the authority to make grants or contracts to assist in training persons who are employed or preparing for employment in fields relating to aging is continued for three additional years in the revised Title IV. The revised Title IV also continues for three additional years the authority to make research and development project grants and contracts for:

Studying patterns and conditions of living of older persons;

Developing or demonstrating new ways of contributing toward wholesome and meaningful living for older persons;

Developing or demonstrating ways to achieve or improve coordination of community services for older persons;

Evaluating ways of assisting older persons to enjoy wholesome and meaningful lives and to contribute to the strength and welfare of the Nation;

Collecting and disseminating information concerning research and demonstration results; and

Conducting conferences to facilitate exchange of information.

The Commissioner is directed to conduct a comprehensive study and survey, including research and demonstration projects, of the transportation problems of older Americans and submit a report on his findings and recommendations to the Congress by January 1, 1975.

Another part of Title IV authorizes the Commissioner to make grants for the establishment of support of multidisciplinary centers of gerontology which will:

Recruit and train personnel;

Conduct basic and applied nonmedical research;

Provide consultation services;

Serve as a repository of information;

Stimulate the incorporation of information on aging into the teaching of biological, behavioral, and social sciences at colleges or universities;

Develop training programs on aging; and

Create opportunities for innovative, multidisciplinary efforts in teaching, research and demonstrations on aging.

Appropriations of "such sums as may be necessary" are authorized for fiscal years 1973, 1974, and 1975 for carrying out the programs under Title IV.

TITLE V—MULTIPURPOSE SENIOR CENTERS

Title V authorizes several new programs to assist in establishing and operating multipurpose senior centers. The Commissioner is authorized to make grants and contracts to pay up to 75 percent of the cost of acquiring, altering, or renovating facilities to serve as multipurpose senior centers. He may approve a grant or contract only if he determines that:

The facility will be used for a multipurpose senior center for not less than 10 years after purchase; there will be sufficient funds to meet the non-Federal share of the purchase cost; sufficient funds will be available for effective use of the facility; the facility will not be used for religious purposes; there are no existing facilities in the community suitable for leasing; the plans and specifications are in accordance with construction and equipment regulations; and workmen will be paid wages at certain minimum rates.

Appropriations of "such sums as may be necessary" are authorized for acquisition, alteration, or renovation of centers for fiscal years 1973, 1974, and 1975. Unobligated funds at the end of any fiscal year will remain available for the next year.

Title V also authorizes the Secretary to insure any mortgage (with a principal obligation less than $250,000) which covers a new multipurpose senior center, including equipment to be used in its operation. Not over 90 percent of the estimated replacement cost of the property or project, including equipment, can be insured.

In addition, a multipurpose Senior Center Insurance Fund is created to be used by the Secretary as a revolving fund for carrying out the Act's insurance provisions. Such sums as may be necessary are authorized to be appropriated to provide initial capital for the Fund and to assure the soundness of the Fund after it is set up.

In addition, Title V authorizes the Secretary to assist nonprofit private agencies to reduce the cost of borrowing from other sources for the acquisition, alteration, or renovation of facilities by making annual interest grants (over a maximum of forty years) to such agencies. Each grant is authorized to be in an amount not greater than the difference between the average annual debt service which would be required to be paid, and the average annual debt service which the institution would have been required to pay, during the life of the loan, if the applicable interest rate were 3 percent per year.

These interest grants cannot be entered into in an aggregate amount greater than is authorized in appropriations act and not more than 12½ percent of the funds provided for this purpose can be used within any one State.

Finally the new Title V authorizes the Commissioner to make grants to meet all or part of the costs of compensation of professional and technical personnel for the initial operation of new multipurpose senior centers.

However, these grants are limited to three years and cannot exceed 75 percent of initial staffing costs for the first year, 66⅔ percent for the second year, and 50 percent for the third year.

TITLE VI—NATIONAL OLDER AMERICANS VOLUNTEER PROGRAM

Title VI of the bill makes several changes in Title VI of the Act, which relates to the National Older Americans Volunteer Program. One amendment prohibits consideration of compensation of individuals in the R.S.V.P., Foster Grandparent Program, and other Title VI programs as income for any purpose whatever. Another amendment extends and increases R.S.V.P. authorization to $15,000,000 for fiscal year 1973, $17,500,000 for fiscal year 1974, and $20,000,000 for fiscal year 1975.

It also broadens Sec. 611 of the Older Americans Act to authorize not only The Foster Grandparent Program which was already in existence, but also new "Older Americans Community Service Programs", under which the Commissioner is authorized to make grants and contracts to pay all or part of the cost of development and operation of projects to provide additional service opportunities for low-income persons aged sixty or over, to serve persons (other than children) having exceptional needs, including services as "senior health aides" to work with persons receiving home health care and nursing care, and as "senior companions" to persons having developmental disabilities. Title VI increases authorizations for the Foster Grandparent Program and extends the authorizations for the three years.

TITLE VII—NUTRITION PROGRAM

Title VII of the bill amends the recently enacted P.L. 92–258, which authorized the "Nutrition Program for the Elderly" as a new Title VII of the Older Americans Act.

Title VII of the bill amends section 707 of the Act to authorize the Department of Agriculture to donate surplus commodities acquired by it under two statutory authorities, in addition to the one already permitted by law, for use in projects providing nutritional services for the elderly.

The new title also permits nutrition projects assisted under this title to be made a part of the comprehensive and coordinated systems established under Title III, as revised by this bill, when mutually agreed upon by recipients of nutrition grants and contracts and by area planning and service area agencies.

It also provides that the 10 percent limitation upon costs of administration, which was already in the Act, will apply only to fiscal year 1973, and that, for fiscal year 1974 and subsequent years, the use of funds allotted to a State for State planning and administration under Title III may be used to administer the Nutrition program in that State, unless an Agency other than the State agency on aging has been designated to administer the nutrition program, in which case the Commissioner will determine how much of the State's Title III funds of that type can be so used. Finally it makes the Commissioner, rather than the Secretary, the officer of primary responsibility and authority for the Title VII nutrition program.

TITLE VIII—AMENDMENTS TO OTHER ACTS

Title VII amends the Library Services and Construction Act, the National Commission on Libraries and Information Science Act, the Higher Education Act, the Adult Education Act and the Economic Opportunity Act to make them more responsive to the needs of the elderly.

The Library Services and Construction Act is amended to authorize the Commissioner (of Education) to make grants to States for library services for older persons. These grants will be used for:

The training of librarians to work with the elderly;

The conduct of special library programs and the purchase of special materials for the elderly;

The payment of salaries for elderly persons who wish to work in libraries;

The provision of in-home visits to the elderly;

The establishment of outreach programs;

The furnishing of transportation; to enable the elderly to have access to library services.

Such sums as may be necessary are authorized for each fiscal year 1973 through fiscal year 1976 for grants to the States to carry out public library service programs for older persons. The National Commission on Libraries and Information Science Act is amended to require that the Commission authorized by that Act study and analyze the library and informational needs of elderly persons, and that at least one of the members of the Commission be knowledgeable with respect to the library and information service and science needs of the elderly.

The Higher Education Act of 1965 is amended to authorize the Commissioner of Education to make grants to institutions of higher education to assist them in planning, developing, and carrying out programs specifically designed to apply the resources of higher education to the problems of the elderly, particularly with regard to transportation and certain housing problems.

Such sums as may be necessary are authorized for the fiscal year ending June 30, 1973, and each succeeding fiscal year ending prior to July 1, 1977 for these programs.

The Adult Education Act is amended to authorize the Commissioner of Education to make grants for educational programs for elderly persons with limited ability to speak and read the English language. Such sums as may be necessary are authorized for the fiscal year ending June 30, 1973, and each succeeding fiscal year ending prior to July 1, 1975 for this program. The Economic Opportunity Act is amended to authorize such sums as may be necessary for fiscal years 1973 and 1974 for the Senior Opportunities and Services programs.

TITLE IX—COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

Title IX of the bill authorizes a new statute called the "Older Americans Community Service Employment Act".

It authorizes the Secretary of Labor to establish an older American community service employment program to promote useful part-time work opportunities in community service activities for unemployed low-income persons who are 55 years of age and older and who have poor employment prospects.

The Secretary is authorized to enter into agreements with public or private nonprofit agencies or organizations which will provide employment for such persons in their own communities or in nearby communities. To be funded under the new Act, projects are required to meet certain requirements.

Up to 90 percent of the costs of projects may be paid by the Secretary, and he may pay up to 100 percent of the cost of emergency or disaster projects and for projects in economically depressed areas.

Furthermore the Secretary of Labor is required to consult and cooperate with the Office of Economic Opportunity, the Administration on Aging, and other related Federal agencies administering related programs, with a view to achieving coordination with their programs, and to promote coordination of projects under this act with other public and private programs or projects of a similar nature.

To carry out this program, there is authorized to be appropriated $60,000,000 for FY 1973 and $100,000,000 for FY 1974.

ANGUS CATTLE CENTENNIAL

Mr. DOLE. Mr. President, on May 17, 1873, the first Angus cattle in the United States arrived from Scotland at the Victoria, Kans., ranch of George Grant, and on the 100th anniversary of that event this week a special celebration will be held in Victoria to commemorate the event.

Traditions are important to American cattlemen, who recognize the historical significance of the Angus breed to our Nation's beef industry, and breeders from throughout the United States and visitors from all over the world are expected to attend the celebration. Among the special events will be a tour of the ranch property of George Grant whose house has been declared a national historical site. In addition, a world Angus forum has been set for October 1–4 in Kansas City.

LONG HISTORY

The early history of Aberdeen-Angus cattle is lost in the unwritten annals of the 17th and 18th century Scotland, but it was there—in the highlands of Aberdeenshire and Angusshire—that the breed emerged as the product of the black, hornless cattle native to that rugged country.

The first known historical reference to these polled cattle was in 1523, yet all evidence indicates that they grazed the rugged hills of northern Scotland centuries before that. It was only about 200 years ago, however, that the Aberdeen-Angus breed began to develop into the modern beef cattle we know today. The breed holds the distinction of being the only one bred solely for beef production from its beginning.

Prior to the early 1700's, cattle were raised almost exclusively as work animals. Meat and milk production were incidental. As a result, the polled, black cattle of northern Scotland were not in heavy demand as work stock. Farmers of that area imported huge horned oxen for plowing and other heavy pulling. Their native cattle were not selected for late maturity and heavy bone, rather they wanted animals which matured early and produced excellent beef.

At the same time, farmers began applying the world's first scientific cattle breeding knowledge, gained from the experiments of Robert Bakewell of Dishley, England. Animals began to be bred with the idea of producing better beef, and the popularity of Aberdeen-Angus cattle soon spread throughout Great Britain.

In the middle of the 18th century, the first records of the breed's progress were kept in Aberdeenshire, Angusshire, Kincardineshire, Banffshire, and Morayshire. The first herd book for Aberdeen-Angus cattle was established in 1862; although, many breeders kept ancestry records of their own stock long before this.

Despite early success in the British Isles, it was in Argentina, Canada, and especially in the United States, where the Angus breed was destined to make its most astounding progress. These countries, with vast plains and fertile farmland, were crying for more and better cattle in the late 1800's, even though two other major beef breeds were already well established in the United States.

ANGUS TO KANSAS IN 1873

The first Angus were brought to Victoria in 1873 by George Grant, a retired London silk merchant from Banffshire, Scotland. The first four bulls he brought to America were used to cross with Longhorn stock, and 1876 Grant had 800 crossbred Angus calves. The calves were said to have weighed about 120 pounds more than other crosses, and in the feedlot the cattle fattened rapidly and commanded the top price at markets around the Midwest.

Since the first Angus came to Kansas, these cattle have made a major contribution to the progress of agriculture throughout the world. The early farmers and ranchers of Kansas proved to the owners of beef cows in other States that Angus provided them the keys to a better way of life.

At the present time, more than 50,000 of America's most influential farmers, ranchers, businessmen, and professional people breed registered Angus, and thousands more raise unregistered Angus as a part of their vital role in improving the general health and nutritional level of the American people. Today, U.S. Angus cattle are recognized throughout the world for their ability to increase the protein level in diets of people everywhere. The governments and leading cattlemen of Argentina, Brazil, Canada, Chile, Colombia, Costa Rica, Cuba, Dominican Republic, El Salvador, Equador, Finland, Germany, Greece, Guatemala, Honduras, Iran, Ireland, Israel, Italy, Jamaica, Japan, Liberia, Mexico, Nicaragua, Paraguay, Peru, Philippines, Poland, Russia, Spain, Thailand, Turkey, Uganda, Uruguay, and Venezuela, and many other countries have come to the United States for seedstock and it can accurately be said Angus cattle have improved the lives of millions of people.

So the people of Kansas take special pride in this beautiful breed of cattle, and I am sure the Angus centennial celebration in Victoria will set the tone for a second century of the breed's contribution to the American way of life.

SMALL BUSINESS WEEK

Mr. BIBLE. Mr. President, May 13–19 marks the period for Small Business Week this year. This annual observance is a time when 8½ million small businesses are honored for their vital contribution to our Nation's economy. During this week many meetings, presentations, and other affairs are planned by and for small businesses. For instance, on Tuesday, the Small Business Administration will hold its sixth annual subcontracting conference and awards luncheon here in Washington. Their theme is "Small Business Speaks. Who Listens?" At this presentation the Small Business Subcontractor of the Year and the Small Businessman of the Year will be honored.

On Wednesday the Smaller Business Association of New England, the Independent Business Association of Wisconsin, and the Smaller Manufacturers Council of Pittsburgh, Pa., will make their annual presentation to Congress, highlighting problems and accomplishments of the small business community.

On Thursday and Friday, the Government Procurement Subcommittee of the Senate Small Business Committee will hold hearings on several recommendations of the Commission on Government Procurement which concern small business contractors. These are the first hearings on Capitol Hill on this most valuable report recently made to Congress. I am sure that the small business contracting community is most interested in these hearings and the work of this subcommittee in its search for improving the small business opportunities in Government procurement.

I might add that small business plays a most significant part in Government contracting. Last year, out of a total Federal procurement expenditure of about $60 billion, $12.5 billion went to small businesses. That is roughly 20 percent of the total Federal procurement dollars. Furthermore, in numbers of contract actions, the Department of Defense reports that, in fiscal year 1972, 69.3 percent of the total 9,021,073 actions placed with business firms were awarded to small business firms.

It is important, however, that we not delude ourselves by these encouraging statistics. There is the other side of this coin which represents the troubles of small business. For instance, the Dun & Bradstreet business failure figures indicate not only large-scale discouragement of long-established small firms, but also the failure of many others. This is reflected in the lack of competition, deteriorating quality of goods and services, unavailability of business services in some neighborhoods, and lack of economic opportunity. Furthermore, from a study of the tax rates, it is found that, while the statutory rate for small business corporations is 22 percent and 48 percent for large business, the actual effective rate is over 50 percent for smaller and medium sized corporations and less than half of that for the largest corporations. This is an unfair and unnecessary tax squeeze on the struggling businesses which most need relief from tax burdens.

With regard to current economic policy, the noted Economist Pierre Renfret, former adviser to President Nixon, is reported recently as saying—

> I think free enterprise is dead. I think it's finished. The U.S. economy has been "Europeanized." It is a system of large companies which, with the cooperation of the Federal government, control the market. The Government, instead of doing things to promote competition—by encouraging small business to compete, actually promotes monopoly.

Mr. President, this is not a time to turn our backs on small business, but to give our wholehearted and undivided attention to it and its problems. I for one welcome these small business groups coming to Washington during Small Business Week and during other weeks of the year. We need the most important role they play in the competitive marketplace, just as they need the assistance and encouragement of the Government to continue to develop and grow.

I am sure that all Senators join with me in a salute to small business during this Small Business Week 1973.

Mr. President, I ask unanimous consent to have printed in the RECORD President Nixon's proclamation setting May 13–19 as Small Business Week.

There being no objection, the proclamation was ordered to be printed in the RECORD, as follows:

PROCLAMATION 4195—SMALL BUSINESS WEEK, 1973

(By the President of the United States of America)

A PROCLAMATION

In no facet of our national life is the American genius for independence, innovation and self-improvement better displayed than in the small business community.

The instinct to create, sustain and expand an independent enterprise is as old as America herself—an impulse that brought the earliest settlers to our shores and motivated generation after generation of our citizens in their onward, upward march. Nowhere is it more clearly evident today than among our Nation's 8 million small business.

In the past year alone, more than 70 thousand new companies were started. Nineteen out of every twenty firms are considered small business, and they provide approximately 35 million jobs, and contribute more than $420 billion to the gross national product.

They also provide a ladder of opportunity to hard working, ambitious Americans of all races and creeds—the chance to harness individual initiative and ability to the mighty potentials of the free enterprise system. As long as America remains true to her heritage, the small businessman will continue as a mainstay of our economy and our society.

Now, therefore, I, Richard Nixon, President of the United States of America, do hereby designate the week beginning May 13, 1973, as Small Business Week. I ask all Americans to share with me during this week a deep pride in the many accomplishments of our Nation's small businessmen and women, and in the invaluable contribution they have made to our free way of life.

In witness whereof, I have hereunto set my hand this 12th day of March, in the year of our Lord nineteen hundred seventy-three, and of the Independence of the United States of America the one hundred ninety-seventh.

RICHARD NIXON.

THE 1973 JUNIOR MISS

Mr. DOLE. Mr. President, Kansas has another winner—Linda Rutledge of Leavenworth, Kans., has been crowned America's 1973 Junior Miss. To support and substantiate the well-established myth that Kansas is the home of beautiful and talented women, I ask unanimous consent that a brief account which appeared in the Kansas City Star yesterday be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LEAVENWORTH STUDENT CHOSEN JUNIOR MISS

MOBILE, ALA.—Linda Susan Rutledge, a blond, green-eyed senior at Leavenworth High School, Leavenworth, was named America's Junior Miss last night.

She was the daughter of Lt. Col. and Mrs. Gary Rutledge. Her father is Marine Corps liaison officer to the Command and General Staff College at Fort Leavenworth. Miss Rutledge was a winner earlier in the week in scholastic competition and played a classical piano solo for the talent part of the competition.

She was crowned by the retiring Junior Miss, Lydia Hedson of Lexington Ky., and was presented a $10,000 scholarship. An information officer at Fort Leavenworth last night said the new Junior Miss plans to attend Pennsylvania State University in the fall where she will major in computer sciences and math.

Miss Hawaii, Sue Murphy, of Kailua, was chosen first runnerup and received a $6,000 scholarship. Miss Illinois, Karen Leidkamp, was second runnerup and received a $4,000 scholarship.

DOCTOR SHORTAGE PRESENTS CRISIS

Mr. ROBERT C. BYRD. Mr. President, the current shortage of physicians in the United States is a matter of concern to all Americans, since nothing deserves a higher priority than the health of the people of this Nation.

At present, the Association of American Medical Colleges estimates that there are 346,000 doctors in the United States—or one physician for every 636 potential patients. That is 69,000 short of meeting the AAMC's goal of one doctor for every 500 potential patients. By way of comparison, it is interesting to note that there is one doctor for every 420 potential patients in the Soviet Union.

The problem in the United States appears to be getting worse each year. Whereas, in 1950, there were 75 doctors for every 100,000 persons, today there are fewer than 50 physicians per 100,000 citizens.

And, in rural America, the situation is even more alarming. The February 19, 1973, edition of U.S. News & World Report states that—

> Counties with less than 10,000 population average fewer than one doctor per 1,000 potential patients.

Because of the doctor shortage, Mr. President, citizens of the United States have had to rely to a large extent on foreign-trained physicians. In 1963, one doctor in every nine doctors practicing in the United States was a graduate of a foreign medical college; today, it is one in every five. And, of the 54,600 interns and resident physicians in U.S. hospitals, 17,500—or one in three—are foreign-trained.

Many of these foreign-trained doctors, to be sure, are Americans who were forced to train abroad, because there was no room for them in U.S. medical schools. In fact, 1 out of every 15 graduates of foreign medical colleges now practicing in the United States is a native of this country.

The plight of these physicians points up the obvious need to expand and increase our facilities for training doctors. In 1972, American medical colleges were able to accept only 13,570 of the more than 37,000 students who applied for admission. And, as Marvin Edwards, editor of Private Practice journal, notes:

> American medical schools have been forced to turn away "B" students, and even "A" students at times.

I am hopeful that the administration and the Congress will recognize the urgent need to expand and increase the number of medical schools in the United States, and that funds will be provided through my amendment to support Public Law 92-541, which authorizes the construction of up to eight new medical colleges.

I ask unanimous consent that a resolution passed by the American College of Physicians at its recent convention be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION

The nation's medical schools face a severe financial crisis as a direct consequence of some budgetary actions taken by the Administration in its fiscal 1974 budget. These include:

1. Elimination of training grants, fellowships and career development awards;
2. Reduction in research grants in all areas except cancer and heart disease;
3. Reduction and eventual elimination of general research support grants;
4. Funding of capitation grants at levels far below those recommended by responsible advisory bodies;
5. Elimination of all construction funds for health-sciences facilities;
6. Elimination of Regional Medical Programs.

These actions threaten the immediate fiscal solvency of virtually all medical and health science schools because they will abrogate support of faculty that is essential to the schools' teaching programs. Moreover, these actions come at a time when medical schools have increased the size of their classes in response to the increased need for health manpower. In the long-term, these cuts will be detrimental to the generation of new biomedical knowledge that is essential to patient care, and to the development of the faculty that will need to do the teaching of medical students, interns, residents, and practicing physicians in the next twenty years.

Doctors are one of the nation's most valuable resources, and these doctors are only as good as the medical schools that train them.

The American College of Physicians, a body that counts 22,000 internists in its membership, strongly urges the President to reorder his priorities so that some of these cuts that threaten the very existence of our medical schools can be reversed.

CUTBACK IN RESEARCH FUNDS FOR MULTIPLE SCLEROSIS

Mr. CANNON. Mr. President, research funds for multiple sclerosis, a severely crippling disease, have been cut back under the President's 1973 budget. Multiple sclerosis is a degenerative disease, working slowly but steadily to destroy the nerve tissues, ultimately causing crippling, and a drastically shortened life span. What is more cruel, Mr. President, is that on October 30 of last year, President Nixon signed a bill authorizing the establishment of a National Commission on Multiple Sclerosis. How cruel it is to give with one hand and take away with another. The Reno Evening Gazette March 26, 1973, printed the story of the administration's deception in pulling the rug out from under multiple sclerosis research. I ask unanimous consent to print the article in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

RENO ATTORNEY RAPS NIXON FOR SCLEROSIS FUND CUT

Reno City Atty. Robert Van Wagoner today claimed the Nixon administration is "severely crippling research on a severely crippling disease."

Van Wagoner, a Democrat, recently named chairman of the Nevada Multiple Sclerosis Society, criticized the President for cutting the budgets of several government agencies directly involved in seeking the answer to the progressively-paralyzing disease.

"On Oct. 30 of last year, Nixon signed a bill authorizing the establishment of a National Commission on Multiple Sclerosis.

"We certainly applauded that, but immediately after the election, Mr. Nixon began to pull the rug out from under M.S. research," Van Wagoner said.

"The President through his Bureau of the Budget, has held up the $3 million secured for M.S. research last year by Nevada Sen. Alan Bible (Democrat).

"He also cut the budget for the National Institutes of Health, the federal government's mainstay of biomedical research, by $42 million. In addition, he cut the budget for the National Institute of Neurological Diseases and Stroke to 5 per cent below last year, and to 10 per cent under 1972 for 1974," Van Wagoner said.

"The list seems endless—Nixon also pocket-vetoed the Rehabilitation Act of 1972 (HR 8395) despite its unanimous passage by both houses of Congress. It is a hard thing to say that this man is unconcerned, but the facts speak for themselves," Van Wagoner said.

"There is nothing more tragic than to have to tell an M.S. patient, who faces years of agony as he slowly crumbles into his wheelchair—or worse—that the cure for his disease is farther away because Mr. Nixon has cut money for research.

"Every year, M.S. strikes more people and destroys more families. The only hope is research, because Multiple Sclerosis is a disease of time—the nerve tissue in the back of the neck is attacked until you can no longer move a muscle in your body. This process takes many years.

"It is inconceivable to me how Mr. Nixon could, in effect, tell so many thousands of people that they will have to wait a little longer because he doesn't want to give permission to spend money already appropriated by Congress. He certainly forgot a lot of people after election day," Van Wagoner said.

"I urge everyone to write the White House and our congressional delegation about this breach of faith with the people."

BUSINESS WEEK VOTES "NO CONFIDENCE" IN NIXON ADMINISTRATION'S ECONOMIC POLICIES

Mr. HUMPHREY. Mr. President, the recent edition of Business Week carried an editorial that is nothing short of a vote of no confidence from the business community in the Nixon administration's economic policies.

Business Week puts it bluntly:

> The Administration has lost its grip on the economy. The President's advisers are clutching the scraps of favorable news and ignoring the evidence that their economic policies are not working.

Business Week is coming to realize what almost all the housewives and working families of this country know—that inflation is increasing, that large businesses are using phase III "controls" to jump prices and increase profits, and that the working people of this country are being forced to pay for policies and programs that are not working.

Business Week suggests an alternative—"new tough wage and price controls, and strict fiscal and monetary discipline."

Business Week calls for the scrapping of phase III. It is a failure. It is time for Nixon administration policy advisers to admit it is a failure, and then get on with the job of taking the necessary steps to control inflation.

Says Business Week:

> Above all, the Administration must act now. There is always a lag between the time a policy is adopted and the time it takes effect. If the Administration waits, it will find itself in the fatal position of having its toughest restraints start to bite at the worst possible moment—after the economy has gone over the top and started down the slope into recession.

Mr. President, this is tough talk from one of the Nation's leading business magazines. Its view ought to be considered by the Nixon administration.

Mr. President, I ask unanimous consent that the editorial from the May 12, 1973, edition of Business Week be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

AN URGENT PLEA FOR NEW ECONOMIC POLICY—NOW

President Nixon ended his Wategate speech two weeks ago with a reference to the great national and international issues that demand his attention. Among them, none is more urgent than the mounting threat of a violent boom-bust explosion in the U.S. economy.

Absorbed with Watergate and stubbornly hoping that the situation will right itself, the Administration has lost its grip on the economy. The President's advisers are clutching at scraps of favorable news and ignoring the evidence that their economic policies are not working.

This is worse than wishful thinking. It is willful denial of obvious facts. And it is driving the U.S. into a superheated boom that inevitably will end with a paralyzing recession.

Here are the factors:

The U.S. economy is expanding at a pace that cannot be sustained. It is capable of long-term growth at a rate of about 4% a year. For the past two quarters, it has expanded at a rate of 8%, and instead of slowing down, it is, if anything, picking up speed.

Every sector of the economy has picked up the beat. Retail sales, powered by a swift increase of installment debt, increased at a smashing annual rate of 24% in the first quarter of 1973. Automobiles are selling at the rate of over 12-million a year. Homebuilding, which had been expected to turn down this year, is still plunging ahead. Manufacturers' orders are rising twice as fast as they were in 1972, and because shipments cannot keep up, backlogs are building rapidly. Business is programming capital spending at a rate that cannot be achieved.

Inflation has exploded again. It is a 6% rate in the first quarter, and it is going strong in the second. April wholesale prices were climbing at a 12% annual rate, with the industrial sector gaining at a rate of 15.6%. The showing would have been far worse if farm prices had not taken a temporary breather after increasing at a 60% annual rate in March. Phase III is manifestly a failure, and minor changes—such as last week's order requiring large companies to give advance notice of price increases—will not save it.

In short, the U.S. is launched on another round of boom and bust. It was fed too much monetary and fiscal stimulation in 1971 and 1972. Phase II controls were lifted too soon. Inflationary expectations were fanned by too much talk about voluntarism and self-policing controls in Phase III.

CONTROLS WITH TEETH

The problem that faces President Nixon now is to bring the boom under control before it turns into an inflationary explosion. This does not mean penitently acknowledging past mistakes, as the President's advisers seem to believe. It means taking a realistic measure of the situation and devising measures to restrain the breakneck pace of the economic expansion.

There is an alternative to standing pat and letting the economy rush ahead into disaster. It consists of a combination of new, tough wage-price controls and strict fiscal and monetary discipline. It is a painful answer, and it involves some risk. But it is the course the Administration should take.

The first step should be to scrap Phase III and go back to wage-price controls at least as tough as Phase II and considerably broader in scope. Price controls should apply to all farm and food products—not just at retail but far enough back down the line of distribution and production to put effective pressure on prices at the point of first sale. The rules on passing through cost increases should be tightened. The merry game of taking a markup for profit on cost increases should stop.

With the new controls must go a strict program of enforcement. The big trouble with Phase III has not been its rules but the way the rules have been ignored. Enforcement must apply to small companies as well as large. The U.S. economy is too big and too diverse to be managed by passing the word to a few giant corporations and depending on them to police the markets. The worst mistake of Phase III was to let a large number of medium-sized companies think that controls no longer applied to them.

NOW IS THE TIME

Wage-price controls, however, are essentially a short-term device. They can curb inflationary expectations—which is important—and they can keep the inflation process from feeding on itself. But they cannot bring the economic system into balance. That is a job for fiscal and monetary policy.

The $20-billion deficit the federal government is running in the fiscal year ending next June obviously is more stimulation than the economy should be getting as it comes up toward the peak of an expansion. To plan on top of that for a deficit in fiscal 1974 is planning for a calamity. At this point, the budget should be balanced. If the President and Congress cannot agree on spending cuts, they should be ready to close the budget gap with an emergency surtax.

Meanwhile, the Federal Reserve must move in aggressively to tighten money. It should back up its traditional policy of managing money supply by applying selective controls on credit. Where this takes new legislation, the Fed should ask for it promptly. Consumer credit is expanding too fast; too much money is going into real estate speculation; too many bank loans are financing mergers and acquisitions. The flow of credit must be channeled to the points where it will do the most good and cause the least inflation.

Above all, the Administration must act now. There is always a lag between the time a policy is adopted and the time it takes effect. If the Administration waits, it will find itself in the fatal position of having its toughest restraints start to bite at the worst possible moment—after the economy has gone over the top and started down the slope into recession.

AMERICANS TO CHEAT BECAUSE COMMUNISTS CHEAT

Mr. CHURCH. Mr. President, one of the most crippling consequences of the cold war-hot war continuum between the United States and the Communist world since 1945 is the way that America has tended to imitate its global rival in foreign-military affairs. The latest example of this perversion is now taking place in Indochina where the Los Angeles Times accurately editorializes:

> The Government of the United States is applying the principle of a cheat for a cheat.

Not only does this violate the Judaic-Christian standard of ethics upon which this Nation is presumably based, such actions also threaten "a broader American military involvement." I agree wholeheartedly with the Los Angeles Times, all of "this is wrong."

The continuing involvement of U.S. military forces in hostilities in and over Indochina not only further fuels the fires of civil war there, but "It is wrong, also, because it is illegal." The editorial goes on:

> What is being done now and what is proposed are not sanctioned by American law or the Constitution.

Concludes the Los Angeles Times:

> For the Americans to cheat because the Communists cheat solves nothing. It only worsens a tragedy that must, once and for all, be left to the Indochinese.

I ask unanimous consent that the editorial entitled "The Threat of More Bombing" from the Los Angeles Times of May 3 be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE THREAT OF MORE BOMBING

The government of the United States is applying the principle of a cheat for a cheat in Southeast Asia, risking and, in fact, threatening a broader American military involvement. This is wrong.

Americans are bombing Cambodia at the rate of 39,000 tons a month, despite a signed agreement that this would not be done. Americans have suspended sweeping the mines they sowed in the waters of North Vietnam, despite a signed agreement that the mines would be swept. Americans have from time to time, renewed the bombing of Laos, despite a signed agreement that this would not be done.

These deliberate and open violations of the cease-fire agreement are justified by those who commit them on the ground that the Communists also are cheating. And so they are. The infiltration of men and arms continues. North Vietnamese troops in Laos and Cambodia have not been withdrawn, and fighting continues in conspicuous violation of the signed agreements.

So President Nixon claimed full authority to strike back, to bomb, to burn, to send in waves of B–52 superbombers and fighter-bombers. In the name of peace. Peace with honor. So we are told.

And now the threat has been broadened. William H. Sullivan, a deputy assistant secretary of state, has concluded talks with the North Vietnamese with a warning that either they fully implement the cease-fire or the United States will return "to the unfortunate military situation to which we hoped to put an end by signing the agreement." In other words, the American bombers will be back over Vietnam, not just Cambodia and Laos.

Now, perhaps the bellicosity is nothing more than words designed to strengthen the hand of Henry A. Kissinger if and when he meets Le Duc Tho later this month in Paris. It is an important meeting. There is much that the Americans must say, must protest, to the leaders of North Vietnam. But if more than words are involved, if a renewal and extension of warfare are intended, this is wrong.

It is wrong, above all, because it can only make worse the tragedy of Indochina.

It is wrong, also, because it is illegal. What is being done now and what is proposed are not sanctioned by American law or the Constitution. And this is worth careful examination.

The State Department has given us a lengthy memorandum asserting the legality of the bombing of Cambodia. That authority, the memorandum argues, flows from Article 20 of the cease-fire agreement and from Article II of the U.S. Constitution.

Article 20 provides for the withdrawal of foreign troops from Laos and Cambodia and full respect for their neutrality and independence. It bars military activity, the kind the Communists are doing and the kind the Americans are doing. But, like all of the cease-fire documents, it makes no provision for action or intervention by any signatory in the event of cheating.

Article II of the Constitution apparently is cited because it includes provision for the President to be commander in chief of the armed forces and empowers him to make treaties. The State Department then argues, with a straight face, that this constitutional authority gives the President the power to make war to police what he has done. At no point does the memorandum acknowledge that the cease-fire agreement is not a treaty and has not the power of law of a treaty. There has been no move to seek congressional ratification.

The attempt of the State Department to legitimize the continued American war role in Southeast Asia would be ludicrous if it were not so tragic. It is more than specious, it is dangerous, for it dignifies a doubtful seizure of power by the Presidency and seeks to perpetuate that power even after the last troops, and thereby the last American interest, have been removed.

To stop the American bombing "would undermine the central achievement of the January agreement," the memorandum asserts. Surely we don't need to remind Secretary of State William P. Rogers that the central achievement of the agreement was to get the Americans out of Indochina.

The primary victims of the suspension of minesweeping are the North Vietnamese civilians. The primary victims of the bombing of Cambodia are the people of Cambodia, civilian and military alike. And if the bombing of Vietnam is resumed, it will be the people of Vietnam who are the victims. This is not the business of Americans. For the Americans to cheat because the Communists cheat solves nothing. It only worsens a tragedy that must, once and for all, be left to the Indochinese.

ABE LASTFOGEL CELEBRATES 75TH BIRTHDAY

Mr. TUNNEY. Mr. President, this Saturday, May 26, we will be celebrating the 75th birthday of an outstanding fellow citizen, Mr. Abe Lastfogel. Mr. Lastfogel has distinguished himself through his fine work as president and chairman of the board of the William Morris Agency, and through his efforts for numerous civic organizations.

Mr. President, Mr. Lastfogel's accomplishments are plentiful. In the educational field, he serves as an associate of both the California Institute of Technology and the University of South California. Additionally, he has served on the board of directors of the United Negro College Fund. In the area of health care, he is a member of the board of directors of St. Jude's Research Hospital and the Cedars-Sinai Medical Center. Mr. Lastfogel also is vitally interested in all our youth. He has done extensive work with Big Brothers of America, was president of USO camp shows, and was named national chairman of the entertainment committee for youth opportunity by our colleague, Mr. Humphrey, in 1968.

All this, of course, is over and above Mr. Lastfogel's professional capacity with the William Morris Agency. Mr. Lastfogel has brought marvelous entertainment to citizens from all walks of life. He has helped make our leisure time, so strongly dominated by our love of show business and all that surrounds it, that much more enjoyable.

Mr. President, on behalf of the entire Senate, I join with Mr. Lastfogel's friends and family in wishing him continued health and happiness on the occasion of his 75th birthday.

NEW MEXICO SENATE MEMORIAL

Mr. DOMENICI. Mr. President, the Senate of the State of New Mexico has approved a Senate memorial requesting equal benetfis for Reserve components of the Armed Forces. I ask unanimous consent that this new Mexico Senate memorial be printed in the Record at this point for consideration of the Members of this body.

There being no objection, the New Mexico Senate memorial was ordered to be printed in the Record, as follows:

Senate Memorial 13

A MEMORIAL REQUESTING EQUAL BENEFITS FOR RESERVE COMPONENTS OF THE ARMED FORCES

Whereas, the reserve components of the Armed Forces of the United States perform vital national functions; and

Whereas, one of their major functions is to provide the Armed Forces with units trained, equipped, and capable of immediate expansion to war strength, fit for service anywhere in the world; and

Whereas, another function is to defend critical areas of the United States against land, seaborne, or airborne invasion; and

Whereas, they must also be ready to participate by units in all types of operations, including offensive operations, either in the United States or overseas; and

Whereas, the service of the reservist closely parallels that of the regular military enlistee, and is just as important a role; and

Whereas, although they do perform similar functions the reservist is not awarded the same benefits as that of the regular enlistee; and

Whereas, if the reservists were granted the same privileges and benefits as his brother serviceman in the regular military service, then it would be much easier to recruit men into the reserve components, allowing them to fulfill their historic mission "in the first line of defense in the first weeks of an emergency";

Now, therefore, be it resolved by the Senate of the State of New Mexico that the Governor, the Secretary of Defense of the United States, and the members of New Mexico's Delegation to the United States Congress be requested to work toward the passage of needed legislation which would grant reservists the same privileges and benefits as other enlistees in the military service; and

Be it further resolved that certified copies of this resolution be transmitted to the Governor, the Secretary of Defense of the United States, and the members of New Mexico's Delegation to the United States Congress.

Signed and sealed at The Capitol, in the City of Santa Fe.

FOOD CRISIS IN BANGLADESH

Mr. KENNEDY. Mr. President, in January of this year, the United Nations Secretary-General Kurt Waldheim reported on the food situation in Bangladesh. He said that, despite the successful efforts of the U.N. Relief Operation in Dacca—UNROD—to avert a threat of famine last year, the food situation this year was "more serious and more threatening" than it was in the immediate aftermath of civil war and independence. And he urgently appealed, on behalf of the Government of Bangladesh, for international help and assistance to avert famine again.

On February 6, I called this situation to the attention of Senators—and suggested that, because of our country's vast resources, and because we have traditionally filled most of the "food gap" in East Bengal when it was still part of Pakistan, that we inevitably had a special role to play in responding to the urgent food needs of Bangladesh today.

This was especially true—and continues to be true—in light of the basically good relations we have established with Bangladesh, and the enlightened foreign assistance agreement we concluded with the Government of Sheikh Mujibur Rahman in 1972.

Early this year we committed some 200,000 tons of food to Bangladesh, with the proviso that more would be available in the spring and summer. More is, in fact, available, but our negotiators for this food are striking a cruel bargain, Mr. President. Despite the deteriorating situation in Bangladesh, and the new threat of starvation for millions, our Government apparently sees no emergency and is halting all grant aid of American food and offering what we have for sale. Our negotiators are even suggesting that U.S. dollars to Bangladesh under the foreign assistance program be used to purchase the food offer we made earlier.

All of this, Mr. President, may fit neatly into the administration's new policy of food for cash—but it is contrary to the urgent needs in Bangladesh, and some other areas of the world—let alone violating the high purposes of the food for peace program and the traditional humanitarian concern of the American people.

Hopefully the administration will have the good sense to reconsider its policy toward food needs in Bangladesh—and toward those in need in such places as India and West Africa. Hopefully, also, the administration will help to mobilize the concern of other food producing nations in helping meet current food emergencies throughout the world. For rich nations with food surpluses to stand idle in the midst of hunger and the threat of mass starvation, should outrage the conscience of all mankind.

Mr. President, the Washington Post yesterday carried an excellent editorial on the food crisis in Bangladesh. I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

Grain Crisis in Bangladesh

In Bangladesh the situation is almost beyond belief. This desperately poor and hungry country of 80 million people caught the world's sympathy, or fancy, when it became a nation late in 1971. On this basis, it was offered free some 2.5 million tons of good grains in 1972—nearly half from India, most of the rest from the United States. But political styles change. In 1972 the Soviet Union decided to buy some 18 million tons of food and feed grains in this country. Bangladesh did not disappear as a cause overnight; food commitments made earlier remained in effect. But the Soviet deal, lauded for its contribution to peace and the American balance of payments and the President's re-election, took center stage.

The results, for Bangladesh, have been awesome. Grant aid of American food is halting, to be replaced by sales. The reason is, one official puts it, grant aid was given on an emergency basis and "by definition an emergency is something short-lived." By American definition, one should add. So Bangladesh, whose foreign exchange reserves hover barely at the $200 million mark, has been forced to go out and *buy* some $120 million worth of food—at prices kited by the Soviet wheat deal, needless to say. Even with cash, grains are not available, or not available in the amounts and on the delivery schedules necessary. Bangladesh needs monthly imports of about 300,000 tons to keep even. But now that so many grain ships have been diverted from Dacca to Odessa, deliveries have fallen to 50,000 tons—this at the year's most critical between-harvests time. And, of course, the shippers have raised their prices. One should note that the consumption norm on which these calculations are based is a mere 15 ounces of food grains per person per day, a level certain to guarantee a degree of national malnutrition—malnutrition is itself a horrible wasting disease. About six times as much grain per person goes into the American diet, it might be noted.

What should be done? Immediately, the American and Soviet governments should take all necessary steps to let the available shipping be used to carry the available food to desperate Bangladesh. The seeming Soviet-American conspiracy of selfishness in this matter should be dissolved for the sake of millions of people poised on the brink of wasting and death. The time is so short that this should be done before the scheduled Brezhnev-Nixon summit; they could both make political capital out of it. Regardless of whether the summit is derailed or delayed by Watergate, the two powers should address themselves to the problem: the problem not only of Bangladesh but of all the hungry nations of the world.

Secondly, it is vital at this moment of grave crisis in Bangladesh that the United States, with or without the cooperation of other major food producers, spare Bangladesh the need to divert its grotesquely small reserves of foreign exchange to the purchase of either food or shipping to carry the food. The intended American decision to end grant aid and to sell grain—at easy terms but under a program requiring Bangladesh to pay expensive shipping costs—is simply wrong. This is a form of hard-headedness entirely out of phase with Bangladesh's plight. The United States should keep up international pressure to deal with it, even though the Bengali cause no longer has the "glamor" or excitement that sustained it abroad a year or so ago.

Finally, this particular crisis should spur those in and out of government who understand that food production must be planned much more on an international basis with an eye to filling all international needs. Short-term single-country agricultural planning is an anachronism and a luxury of the rich and, as the condition of Bangladesh demonstrates, a moral outrage. A President looking for worthy new horizons to conquer in international affairs can start right here.

NEW MEXICO JOINT MEMORIAL

Mr. DOMENICI. Mr. President, the legislature of my home State of New Mexico has recently approved a joint memorial pertaining to the tabulation of population in the Federal decennial census necessary to facilitate the apportionment of State legislative bodies. I ask unanimous consent that this joint memorial be printed in the RECORD for consideration by my colleagues.

There being no objection, the joint memorial was ordered to be printed in the RECORD, as follows:

Senate Joint Memorial 7

(Introduced by Senator Gladys Hansen)

A joint memorial pertaining to a plan for the tabulation of population in the Federal Decennial Census necessary to facilitate the apportionment of State legislative bodies

Whereas, the census enumeration districts established in New Mexico for the tabulation of population in the federal decennial census are poorly designed, difficult to identify, sometimes noncontiguous and generally ill-suited for purposes of apportioning or electing legislative bodies; and

Whereas, Representative James A. McClure, Idaho, introduced on June 29, 1972, in the 92nd Congress, Second Session, H.R. 15773 to amend Title 13, United States Code, by providing for the transmittal to each of the several states, in accordance with a plan and form approved by the Governor thereof, of a tabulation of total population of that state obtained in each decennial census and required for the apportionment of the legislative bodies of that state;

Now, therefore, be it resolved by the legislature of the State of New Mexico that the New Mexico Congressional Delegation be urged to support or, if necessary, sponsor legislation similar to H.R. 15773 of the 92nd Congress in the 93rd Congress so that the apportionment of state legislative bodies may be facilitated in compliance with the 14th Amendment to the Constitution of the United States; and

Be it further resolved that copies of this memorial be transmitted to each member of the New Mexico Delegation in Congress and to the Governor of this state.

THE CHILDREN OF INDOCHINA

Mr. KENNEDY. Mr. President, one of the most tragic lessons of the Indochina war are the millions of disadvantaged children—the orphans, the maimed, the homeless—who have fallen as victims of continuing violence.

As the Congress and the American people begin to assess our Nation's role in a postwar Indochina, we must remember the faces of the children of Indochina, especially South Vietnam, and remember that we are still involved in their plight.

To document the massive needs of the children, to assess what our Nation can do to help, the Judiciary Subcommittee on Refugees, which I serve as chairman, held a hearing last Friday on child welfare and orphan problems in Indochina. The subcommittee received the report of its recent Study Mission to Indochina on the crisis facing the children of the region, particularly in South Vietnam. The Study Mission made several very important and immediate recommendations on what our Government can do to help the children and orphans, and I believe they should be given serious consideration by the Congress and the executive branch.

Mr. President, I ask unanimous consent that the Study Mission's report and recommendations, as well as my opening statement at the hearing, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Senator Kennedy's Opening Statement Before Judiciary Subcommittee on Refugees' Hearing on the Children of Indochina

Today's hearing resumes the Subcommittee's inquiry into the people problems of Indochina.

Nearly a month ago—on April 16—the Subcommittee considered the deteriorating situation in Cambodia, where the number of war victims dramatically escalates each day the bombing and conflict continues. This morning we shall focus on the most pitiful of war victims—the children of Indochina, especially those in South Vietnam.

Nothing so graphically reminds us of the human debris in Southeast Asia—and of our national responsibility to help heal the wounds of war—than the cries for help from homeless orphans, young refugees and maimed children—who are scattered by the hundreds of thousands over the face of Indochina—in North and South Vietnam, and Laos and Cambodia.

For many years their cries for help fell on deaf ears. The problems of child welfare and the needs of orphans went unattended—because governments were too preoccupied with making machines and war.

As early as 1965, witnesses before this Subcommtitee told of a growing need for child welfare programs, trained personnel, and long range planning for children in South Vietnam. And in 1967, at the urging of this Subcommittee, a special AID social welfare task force was dispatched to South Vietnam to make program recommendations for children and other disadvantaged by the war. And we will hear this morning from the Chairman of that Task Force. But, as with so many other reports on humanitarian needs in Indochina, the Task Force recommendations were filed away and all but ignored—as conditions among the children and others in need continued to deteriorate. It was only the active humanitarian concern of many private Americans—and the leadership of voluntary agencies in this country and South Vietnam—that in recent months has finally turned our government around—and at least moved it from lip service to tokenism in its concern for young war victims in South Vietnam.

As members of the Subcommittee's recent Study Mission to Indochina. We are faced with a regional crisis of children. We are faced with an urgent need to redouble our efforts to help them—through international channels and voluntary agencies in the field.

In 1965, as we began our massive involvement in the war children were born in Indochina. Some of these children survived and today are at least 7 or 8 years old. But because of the war some are orphans. Some are half-orphans. Some are abandoned in the streets by parents unable to care for them. Some are stunted in mind and body from malnutrition and disease—and from the squalid conditions of the refugee camp or shanty town where they may have lived for many years. Some are burned or maimed. And some are without limbs. But they all represent the crisis of children in Indochina—millions of children in need. And we must not walk away from our national responsibility to help them.

STATEMENT OF DR. JAMES DUMPSON AND MR. WELLS KLEIN ON CHILD WELFARE PROBLEMS IN SOUTH VIETNAM BEFORE HEARINGS HELD BY THE JUDICIARY SUBCOMMITTEE ON REFUGEES, MAY 11, 1973

Mr. Chairman, my name is James R. Dumpson. I am Dean of the Graduate School of Social Services of Fordham University, immediate past President of the National Conference on Social Welfare, and for seven years I was Commissioner of Public Welfare for the City of New York With me is my colleague, Wells C. Klein, Executive Director of the American Council for Nationalities Service, who for five years was General Director of the American Branch International Social Service, after serving as Director of the Refugee and Social Welfare Division of the AID Vietnam Bureau.

Mr. Klein and I recently visited Vietnam in our private capacities as members of the Study Mission this Subcommittee dispatched to investigate postwar humanitarian needs in Indochina. Both Mr. Klein and I have worked in or visited Vietnam on numerous occasions in the past and have observed, at first hand, the steadily deteriorating conditions of children in Vietnam over the last eight years. We come before the Subcommittee this morning, as individuals, and as Americans, deeply disturbed over the welfare of children in Vietnam and deeply disturbed by the lack of sensitivity and responsible initiative our government has shown to even the most minimal needs of these children.

Since 1965 witnesses have come before this Subcommittee to testify as to the growing needs of children in South Vietnam. I, myself, testified nearly six years ago after heading a Social Welfare Task Force to South Vietnam on behalf of the Agency of International Development. But despite this Subcommittee's concern—and the concern of others in the Congress and countless Americans—little was done to meet their needs, even as the numbers of orphans and homeless children increased.

Mr. Chairman, when we speak of the children of Vietnam we are speaking of half the total population—that half, fourteen years and younger who, by reason of their age cannot, even under normal conditions, care for themselves and secure the physical and emotion requisites for survival and growth. But as you well know, in Vietnam we are not speaking of normal conditions. These eight million children have never known a day when the smells, the sights and the sounds of war were not all about them.

The gravity of the situation of children in Vietnam should surprise no one who can put two and two together and reach four. What surpasses surprise, however, is the insensitivity of our government, with some few exceptions which we shall detail later—the insensitivity to the situation that exists in Vietnam and to public concern here at home. We would submit, Mr. Chairman, that these children do not represent a political problem to be dealt with in terms of partisan politics, nor do they represent a problem in the allocation of resources. They are simply a large number of children for whom we share a responsibility—who desperately need our help—help which is not now forthcoming. At the end of this testimony, we shall submit some specific recommendations which we hope this Subcommittee, the Congress, and the Administration will consider as immediate steps which can be taken to alleviate some of the pain and heartbreak, and damage, and begin to turn the situation around so that the children of Vietnam may have a future.

We have spoken of eight million children, but who are these children—what has happened to them—what are their needs? Wherever one observed children, one observed children deprived of their birthright to grow and develop in security with the sustained support of one or more meaningful adults in their lives. There are some 700,000 orphans or half-orphans in Vietnam. They have been torn by years of war from their families or have seen their families decimated about them. Their circumstances vary, but in most every case they lack the minimum physical and/or emotional requisites for healthy growth and development. We have heard much of the need to establish "stability" in Vietnam. By this is meant economic stability with the various supply and demand factors in some order of balance. The need for such economic stability is not disputed. But what about social stability? What is stability for 700,000 orphans? It is more than solving a balance of payments problem, it is an environment in which they can grow and mature with adequate food, clothing, shelter, physical and emotional security, and human contact.

Over 750,000 persons are crowded into approximately 128 refugee camps in South Vietnam. Half of these are children. In camp after camp, one observes children suffering from malnutrition, children with scrawny bodies, eye sores, eye cataracts, missing limbs, scarred face or limb tissue, some naked or half naked. One observes children who are hungry because of bureaucratic red tape or sheer malfeaseance. And if this were not enough, the refugees and their children face a particularly bleak future in this would be post war era—an era often referred to as that of "ceaseless fire". They are pawns in the game of who controls the most population. For most of these children there is no prospect of returning home. They are subject to the relentless pressure of de facto physical confinement in squalid, unbelievably crowded conditions. Children need to play—to move—they need stimulation, and new experiences. They need physical and emotional security. The refugee children have none of this and as time passes inevitably the lethargy syndrome becomes more and more deeply entrenched and their prospects for health development become less and less possible.

Some 23,000 children are known to be in orphanages. With rare exceptions, the care of these children is deplorable. The serious, dangerous overcrowding particularly in group care for infants, is nothing short of shocking. In one institution designed for less than 100 children we found nine dedicated nuns, four of whom are practical nurses, caring for 120 infants below one year of age, 95 children between one and two, and 75 or more children over five years of age.

In other institution equipped to accommodate not more than 150 children by the most minimal standards, we observed 400 children cared for by nine nuns, 5 to 7 "men on the grounds" assisting the nuns, and a small component of female custodians. Among these children, as in other institutions, were numerous severely retarded or handicapped children who need and should have intensive care and protection on a one/two or one/three basis.

Mr. Chairman, there is another particular group of children in Vietnam deserving of our concern, the same 25,000 children of mixed parentage whose fathers abandoned them or never knew of their existence, but children who bear the indelible imprint of their heritage. These children can be seen in the streets of Saigon and Danang, in the refugee camps and resettlement sites. Some 1,000 of these children are in orphanages living under the conditions described above. Half of the American fathered children in orphanages obviously had Black American fathers. The remainder of the American fathered children, black and white, at this time, are living with their mothers and families in the general population.

For a variety of reasons, the needs of children of mixed parentage, particularly those already abondoned to orphanages and those whose fathers were unquestionably black, command a high priority in our concerns for the well-being of Vietnamese children. While the great majority of the American-fathered children have not been abandoned by their mothers—we saw much love and warmth for many of these children—as they grow into school-age and adolescence, in all probability, their physical difference will give rise to problems among their peers—for the black child, because he is black, and for the black and white because their mothers "did business with the Americans" as it was expressed by one of the children's grandmothers in a refugee camp.

Of very real concern is the black child. There is no question but that the black Vietnamese child will face serious problems of social rejection based on his physical difference. The experience and present social position of children fathered by French Senegalese troops during the 1945–54 period presents supporting evidence to this contention. Furthermore, there is no black community in Vietnam. These children will grow up and live a relative social isolation as have their French-Senegalese predecessors.

Meeting the needs of these children presents a number of issues that must be recognized and ultimately resolved by the government of Vietnam, hopefully with real and substantial assistance from the government of the United States. First, recognition must be made of the fact, frequently stated by Vietnamese officials, that these are Vietnamese children and the government affirms its ultimate responsibility for all Vietnamese children. This position, in our judgment, must be supported by the government of the United States and all of the voluntary agencies concerned with child welfare in Vietnam. Any program, however, well motivated, that does not accept this fact, does violence to the welfare of all the children in Vietnam.

Second, serious questions must be raised concerning the capability of the Government of Vietnam, at this time, to meet the special needs of these children. A statement of public policy is one thing; translation of that policy into meaningful reality for those for whom it is designed is quite another matter. In the foreseeable present, the needs of children of mixed parentage, particularly those whose fathers are black, and who already have been abandoned to orphanages, cannot be met. Alternative acceptable care to continued orphanage existence must be found.

Third, while high priority attention must be given to this relatively small number of disadvantaged children, it must be done within the context of the pressing needs of other disadvantaged children in Vietnam who are not racially mixed, who may or may not live in orphanages or refugee camps, and who may not be abandoned. This issue underscores the war-induced plight of the general majority of Vietnamese children. They are all war victims as are their mothers and most other adults in Vietnam. We cannot single out for special attention the unique needs of the American-fathered child and ignore that large number of other children who have a right to our concern and assistance. To do this would be unethical, and in our opinion un-American in the true sense of the term.

Mr. Chairman, before proceeding to recommendations, it may be useful to detail exactly what our government has, or has not done, in regard to needs of children in Vietnam. Until 18 months ago there was essentially no U.S. government program directed towards these children. While some assistance was available through PL–480 food distribution and through the refugee program, this was indirect assistance not primarily designed to meet child welfare needs. Also, at one time, the U.S. government gave substantial support to U.S. and international voluntary agencies working in Vietnam, some of which was directed toward children. By the spring of 1971, however, it was no longer government policy to support the voluntary agencies. This was the process of "de-escalation", and with some sort of incomprehensible logic, our government chose to de-escalate voluntary agency support and the already minimal assistance going to children as one of its first steps.

In a way, the timing of this "de-escalation" was fortuitous, for it came at the very moment when a large segment of the American public was becoming increasingly concerned for the welfare of children in Vietnam. The down-grading of voluntary agency support and humanitarian assistance to children dramatically highlighted the lack of U.S. government concern. Thus, in the summer and fall of 1971 several events occurred simultaneously which resulted in a dramatic reversal of the government policy vis-a-vis children in Vietnam. A number of separate pieces of legislation were introduced into the Congress which, in one form or another, called on the government to respond to the needs of Vietnamese children. At the same time, a group of voluntary agencies made strong representations to the government requesting priority and funding for services for these children. Finally, and perhaps most important, the media and a significant and vocal segment of the general public began to focus attention on child welfare concerns, in effect demanding action from our government.

As a result, since the fall of 1971, or some 18 months ago, it has been government policy that the United States has an obligation to help the children of Vietnam. This has meant the beginning—just the beginning—of funding and priority to implement child welfare programs. In the past 18 months the Agency for International Development has done a commendable job of initiating responsible child welfare programs and engaging the Vietnamese Ministry of Social Welfare in developmental child welfare planning.

This brings us to the present. It is important to note that we have commended the AID response in the past 18 months, but not that of the government as a whole. Quite frankly, in our opinion, AID has gone about as far as it can without support from the U.S. Embassy in Saigon and from the White House and State Department in Washington. For the present, at least, some U.S. government funds for child welfare purposes seem to be available. However, these funds cannot be utilized effectively unless the Embassy in Saigon gives the matter of children reasonable recognition in its own priorities and reasonable support to AID and to the Vietnamese Ministry of Social Welfare.

At the time of our visit, the Embassy and AID were at loggerheads, with the real danger that the Embassy might pull the rug from under much of the responsible programming AID has initiated. There is nothing useful to be gained by discussing the details of this matter, except to say that in the immediate sense, and in the long run, most of what we can do for children in Vietnam can only be accomplished through Vietnamese institutions. It is, therefore, imperative to strengthen the Vietnamese government and voluntary agencies at the same time we are addressing ourselves directly to the immediate needs of children. This must be our policy if our assistance to the children in Vietnam is to be in their interest rather than simply a short range response to political pressures on our part.

Proceeding, now, to the future, we would suggest that any child welfare programs in the immediate future must include the following ingredients:

1. Programs and measures designed to prevent the abandonment of children. Among other considerations, this involves counseling services available to mothers to help them identify what is in their best interests and the best interests of their children. Mothers and their families should be helped to identify realistic alternatives to abandonment.

2. Improved institutional care for those children who require such care.

3. Improved maternal and child care including expanded day care facilities.

4. Programs designed to reunite families with high priority assigned to children in orphanages, and to programs designed to maintain children with their families.

5. Facilitation of adoption on a case by case basis for those children for those children for whom this is the best alternative.

These are immediate child welfare goals for children in Vietnam. To achieve these goals, the United States on its part must undertake the following:

1. Ensure reasonable priority by all elements of the U.S. Government for child welfare and translate that priority into realistic meaningful programs with assurance of adequate long-term funding.

2. Raise the issue of the welfare of children with the Vietnamese government at the highest level so that child welfare programming will receive equivalent priority on the Vietnamese side. At this point, the Vietnamese Ministry of Social Welfare is at the bottom of the government's administrative structure and receives scant support in terms of funds and personnel. It is essential that the Ministry be able to hire and train competent personnel to implement reasonable and responsible programs within a Vietnamese context.

3. Support and encourage American and international voluntary agencies to expand their programs of service to Vietnamese children in cooperation with the Ministry of Social Welfare, and under the general supervision of that Ministry.

4. Seek out multi-level mechanisms within the United Nations family and/or the international voluntary agency structure through which to channel continuing child welfare assistance in Vietnam. While the United States must continue to provide major budget support for such endeavors, our government can best discharge its responsibility by working through multi-lateral mechanisms where direct U.S. involvement is minimal.

Further, Mr. Chairman, in very specific terms, we propose the following immediate steps. These can and should be implemented within the next two or three months. To the best of our knowledge, no new policy formulations or funds are required. It is simply a matter of acting with a concerted rather than a divided effort, and with a sense of priority.

1. Invite the establishment of, and fund, a consortium of experienced professional competent voluntary agencies to facilitate and expedite inter-country adoption of Vietnamese children for whom adoption is legally possible and clearly the best plan. Particular priority should be given to the racially mixed child. The primary bottle-neck with regard to inter-country adoption at present is the lack of adequate services and staff in Vietnam. We view this recommendation as an urgent requirement, though we recognize that adoption must still be handled on a case by case basis to protect all parties concerned. The expensive services for the few at the expense of the many is unconscienable. Therefore, the consortium must equally concern itself with providing counseling services to mothers who may be considering abandoning their children, and with the immediate up-grading and improvement of child care services and institutions in Vietnam.

2. Expedite the inter-country adoption process by assigning one additional officer to the INS regional office in Hong Kong so that U.S. government formalities will not represent a bottleneck as they have, on occasion in the past. INS is planning to transfer 1,000 inspectors to the U.S. Customs Bureau in the near future. We ask that one of these be diverted to Hong Kong.

4. The U.S. government, through its Embassy in Saigon, should urge the Government of Vietnam to expedite passage, or interim implementation by decree, of sound adoptional legislation which, we understand, is presently in draft form.

5. The government of the United States should formally transmit to the Government of Vietnam a clear statement of intent of support for programs designed to assure the welfare of children in Vietnam. This recommendation will have the duel effect of indicating American commitment particularly in terms of funds on a more than a year to year basis, and of stimulating the Government of Vietnam to give its own child welfare programs and Ministry of Social Welfare reasonable support and priority. One of the persistent problems is that U.S. funding is only available on a year to year basis. The Vietnamese, understandably, are reluctant to commit themselves to long range programs with only a few months of funding in sight.

6. The U.S. government should strongly urge the Vietnamese government to lift its present restriction on hiring new personnel within the Ministry of Social Welfare. At present, the Ministry does not have adequate personnel, in terms of numbers of professional competence, to supply many of the child welfare services needed.

7. AID should be authorized to proceed with direct hire from outside its own personnel resources in order to replace departing child welfare personnel in Vietnam and expand the AID child welfare advisory and support program by several additional positions.

8. The Subcommittee on Refugees should review the various pieces of legislation addressed to the needs of children of Vietnam which have been introduced over the past two years to determine whether modification of previously proposed legislation, or new legislation, is warranted to ensure that we can and will continue to exercise our responsibilities to the children of Vietnam.

9. The appropriate Subcommittee of the Judiciary Committee should be asked to explore some modification of our present Immigration and Nationality Act in order to enable American fathered children in Vietnam to obtain American citizenship, if they so wish, upon reaching their majority.

10. Until such time as multi-lateral mechanisms can be determined and utilized, the Agency for International Development should continue to work with the government of Vietnam, particularly the Ministry of Social Welfare, in an advisory and supporting role, to assist that government in carrying out its responsibility to the children of Vietnam, responsibilities which we share. After many years of inaction, AID had initiated a well-thought out program of child welfare assistance in Vietnam. The AID continuing effort

should be encouraged and supported by this Subcommittee and by the Administration.

Mr. Chairman, we have presented a review of the needs of the children in Vietnam and we have made some specific recommendations for meeting those needs. We do not suggest that our review has been comprehensive or that our recommendations are by any means all inclusive. However, we have sufficient confidence in our own experience and judgments to suggest that careful consideration of the views and recommendations presented this morning will significantly enhance our government's ability to meet our national obligation to the children of Vietnam.

FINANCIAL STATEMENT OF SENATOR BEALL

Mr. BEALL. Mr. President, in keeping with my usual practice, I am submitting for the RECORD a copy of my financial statement for the year 1972.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Financial statement of Senator J. Glenn Beall, Jr., December 31, 1972

ASSETS

Cash in bank:	
Checking accounts	$8,447.46
Savings accounts	11,397.22
Total	19,844.68
Stocks and bonds (see list attached, appendix A)	148,738.79
Life insurance—cash surrender value	17,799.00
Beall, Garner, and Geare Retirement Trust (vested interest)	31,756.29
Equity in Beall, Garner, and Geare Realty Co. (copartnership)	10,470.12
Dwellings:	
Beall's Lane, Frostburg, Md	50,000.00
Western Avenue, Chevy Chase, Md	80,000.00
	130,000.00
Personal property (furniture, etc. at both locations	20,000.00
1972 Chrysler New Yorker 4-door sedan	4,100.00
Total	382,708.88

LIABILITIES

Note payable, First National Bank & Trust Co. of Western Maryland	5,000.00
Mortgages:	
The Fidelity Bank, Frostburg, Md. (Frostburg dwelling)	17,213.41
Citizens Building & Loan, Silver Spring, Md. (Chevy Chase dwelling)	54,677.92
Total	76,891.33
Net worth	305,817.55

Appendix A—Stocks and bonds

39 Beall, Garner & Geare, Inc. (common)	$79,957.02
100 Beall, Garner & Geare, Inc. (preferred)	26,000.00
34 Allegheny Power	733.00
100 Canadian Export Gas & Oil	400.00
83 Cumberland Fair	1,660.00
50 Fidelity Bank of Frostburg	1,000.00
211 First National Bank & Trust of Western Maryland	13,715.00
50 General Telephone & Electronics	$1,506.25
5 Irving Trust	168.75
17 Kaiser Aluminum & Chemical	300.75
8 Kaiser Aluminum & Chemical (4¾ cum. conv. 1959)	496.00
60 Minnesota Mining & Manufacturing	5,157.50
34 Northern Illinois Gas	839.25
30 Standard Oil of New Jersey	2,625.00
268 United States Fidelity & Guaranty Co	11,758.50
165.874 Massachusetts Investors Growth Stock Fund	2,421.77
Total	148,738.79

PROFITS AT RECORD HIGH

Mr. HUMPHREY. Mr. President, the giant corporations of this country are making gigantic profits at the expense of the average working American. Profits have never been higher—averaging increases of 23 percent ahead of the first quarter rate of 1972.

The Survey of Corporate Performance, first quarter, 1973, of Business Week, published May 12, 1973, headlines: "Profits Zoom in the first Round."

Some profit gains have been as much as 227 percent ahead of last year's performance—which was in itself a record breaking year. Profit margins also are charging ahead—and are now the highest in 3 years.

According to present projections, total corporate profits would be an after tax rate of some $61 billion. The profits for steel, paper, building materials, publishing and special machinery were, according to Business Week, "first quarter standouts."

Mr. President, all of us want American business to be healthy. The American system is founded on a strong free enterprise. But we are in a period of inflation, of wage and price stabilization; and it is simply not fair to the average working families of this Nation to have profit zooming—indicating higher and higher prices—while wages are held down.

Mr. President, I ask unanimous consent that the Survey of Corporate Performance as published in Business Week, be printed at this point in the RECORD:

There being no objection, the survey was ordered to be printed in the RECORD, as follows:

PROFITS ZOOM IN THE FIRST ROUND

Corporate profits continued their record-breaking ascent in the first quarter of 1973. Pegged at an annual aftertax rate of at least $61-billion, this year's first-round figure is fully 23% ahead of the first-quarter rate in 1972, and 6.6% greater than the record $57.2-billion rate of 1972's final quarter.

Profit margins, too, showed an impressive gain. Aftertax profits per dollar of sales rose to 6% for the first quarter, the highest in more than three years.

Although corporate profit rates continue to set new highs, aftertax profits as a percentage of gross national product still remain below the pace of a decade ago. In 1966, for example, corporate profits were 6.7% of that year's GNP. But at the current first-quarter rate, they amount to only 4.9% of 1973's estimated GNP of $1.2-trillion.

THE LEADERS

The first-quarter survey, covering 873 companies in 36 separate industries, is specially prepared for Business Week by Denver-based Investors Management Sciences, Inc., a subsidiary of Standard & Poor's Corp. To be included in the current survey, industrial corporations must have garnered at least $26-million in sales for the quarter and have reported them in detail by Apr. 27. Companies reporting for a quarter ending Jan. 31 are included only if their sales were greater than $100-million. In addition to the sales requirement, banks also must have $1-billion in deposits to be included, while utilities must post revenues of $50-million or more for the quarter.

Responding to a record auto sales year, a surge in total demand, and firmer prices, the steel industry led the first-quarter profit boom with earnings for the group up by 84%. The paper industry now has made it to the ranks of BW's top five quarterly performers three times running—this time with first-quarter profits up by 70%. This comes on the heels of profit gains of 59% and 66% for the third and fourth quarters of 1972.

Shortages, sharply higher prices, and a continuation of the construction boom helped boost profits for the building materials industry by 65%. And the developing boom in agriculture began to make itself felt in some industries. Profits for the special machinery group, which manufactures most of the nation's farm equipment, rose by 45%.

It also was a good quarter for publishing, packed by a profit gain of 227% at McGraw-Hill. Higher costs and a recession-related dip in advertising revenues had kept the profit growth for the industry in the 2%-to-7% range for most quarters in 1971 and 1972.

But the most impressive thing about the quarter's profit picture was its breadth and uniformity. Missing were the spectacular—but temporary—profit leaps of 200% to 300% or more. At the same time, however, and for the second quarter in a row, there was only one industry that brought in a groupwide profit decline—the airlines, which as a group reported a net loss of $38.7-million. But the pattern in industry after industry was a profits gain of 20% to 30%.

THE "LOSERS"

Even most of this quarter's "losers" turned in profit performances that in other years might be rated good to excellent. The first quarter usually is the most troublesome for virtually all of the transportation group. This year, an extremely bitter winter in some sections of the nation held railroad and trucking profit growth to 9% and 12% respectively.

Squeezed by relatively low interest rates and the Wall Street doldrums, nonbank financial companies managed to neither make nor lose more money on the average than they did a year ago. Reflecting the same interest-rate pressure, bank profits were up by a respectable 13%, but that figure was considerably below average for most companies this quarter.

As in most quarters, there were individual company standouts, many of which shot up from a low base a year ago. Curtiss-Wright profits rose by 855%, while International Harvester gained 353%, and American Motors 345%. Fairchild Camera led the electrical group with a profit swing of 477%, while Hammermill Paper paced its industry with a 360% increase.

SURVEY OF CORPORATE PERFORMANCE: 1ST QUARTER 1973

Companay	Sales		Profits		Margins		Ratios			10-year growth		Market value shares O/s yearend (millions)	12-months earnings per share
	1st quarter 1973 (millions)	Change from 1972 (percent)	1st quarter 1973 (millions)	Change from 1972 (percent)	1st quarter 1973 (percent)	1st quarter 1972 (percent)	Return on invested capital 1972	Return on common equity 1972	Price earnings ratio 4-30	Common equity (percent)	Earnings per share (percent)		
AEROSPACE													
Airframes, general aircraft and parts													
Beech Aircraft [3]	$49.7	18	$2.4	61	4.9	3.6	12.8	18.4	8	5	7	$116	$1.92
Boeing	630.8	−15	10.7	19	1.7	1.2	6.4	4.0	11	15	−9	542	1.57
Cessna Aircraft [3]	995.2	73	6.1	133	6.4	4.7	13.6	18.5	9	10	7	250	2.56
Curtiss-Wright	57.7	8	1.4	855	2.4	0.3	3.9	3.4	38	−2	−6	279	0.65
Fairchild Industries	55.9	5	−2.9	NM	NM	1.5	4.3	4.5	13	9	8	44	0.55
Kaman	30.5	17	.7	23	2.1	2.0	7.2	9.1	7	17	2	14	2.40
Lockheed Aircraft	615.6	25	3.5	3	0.6	0.7	3.7	5.0	6	3	−13	104	1.16
McDonnell Douglas	816.3	39	34.4	58	4.2	3.7	11.6	15.5	9	29	16	1,047	3.91
Northrop	**132.2	17	1.8	−25	1.3	2.1	6.0	7.1	8	9	6	91	2.49
Rockwell International [3]	801.3	18	34.3	34	4.3	3.8	10.0	15.8	8	9	−4	713	3.39
Thiokol Chemical	70.2	7	3.0	36	4.3	3.4	12.0	12.0	7	7	2	122	1.79
United Aircraft	538.7	7	14.5	16	2.7	2.5	7.9	10.0	8	9	8	539	4.35
VSI [4]	28.8	18	2.2	45	7.7	6.3	16.0	16.9	10	14	10	64	2.12
Industry Composite	3,922.9	14	112.0	34	2.9	2.4	7.8	10.3	11	11	−1	3,924	2.66
AIRLINES													
Allegheny Airlines	71.6	59	−3.4	NM	NM	NM	6.3	6.6	29	26	−3	93	0.39
American Airlines	321.8	3	−28.8	NM	NM	NM	1.0	−2.3	NM	16	−14	716	−0.47
Braniff Airways	97.8	11	4.0	14	4.1	4.0	8.7	17.1	13	11	17	314	0.87
Continental Air Lines	85.5	4	−.9	NM	NM	0.4	3.9	6.4	18	18	2	222	0.64
Delta Air Lines [6]	267.3	15	12.6	54	4.7	3.5	9.8	17.7	20	21	16	1,245	2.92
Eastern Air Lines	318.9	6	−1.9	NM	NM	4.2	3.2	2.4	30	20	NA	431	0.42
Flying Tiger	61.6	8	5.8	28	9.4	8.0	7.5	24.5	10	26	21	416	2.68
Frontier Air Lines	28.9	22	.9	NM	3.1	NM	16.5	NM	6	−1	6	35	1.11
National Airlines [6]	105.2	11	5.9	−14	5.6	7.3	7.5	13.6	8	17	9	282	2.33
Northwest Airlines	120.0	1	8.0	72	6.7	3.9	3.4	4.3	26	26	4	775	0.98
Pan American World Airways	296.7	10	−19.1	NM	NM	NM	NM	−4.2	NM	11	17	362	−0.42
PSA	28.4	9	−.4	NM	NM	4.2	3.7	5.2	14	37	3	78	1.08
Trans World Airlines	324.7	15	−14.8	NM	NM	NM	6.2	16.4	9	13	−21	518	3.66
UAL	442.2	10	−9.5	NM	NM	NM	3.1	3.7	24	14	4	691	0.93
Western Air Lines	94.9	8	2.8	43	3.0	2.2	6.6	12.9	12	9	−9	184	0.87
Industry Composite	2,665.5	10	−38.7	NM	NM	NM	4.3	6.1	17	16	−2	6,362	0.93
APPLIANCES													
Hoover	127.1	17	8.1	28	6.4	5.8	13.5	17.9	10	10	9	488	2.37
Magic Chef [4]	55.9	11	1.1	−54	2.0	4.9	13.1	14.7	9	29	12	159	1.18
Maytag	53.8	9	6.6	5	12.3	12.8	30.4	30.4	15	5	5	549	2.12
Singer	576.8	10	20.9	12	3.6	3.6	11.3	14.6	10	4	2	1,151	4.99
Tappan	66.2	33	1.9	29	2.9	3.0	9.8	12.2	7	10	8	69	2.19
Whirlpool	372.9	22	18.2	38	4.9	4.3	18.7	22.6	13	13	9	1,301	2.04
Industry Composite	5,252.7	15	57.0	17	4.5	4.5	14.0	18.1	11	4	6	3,717	2.59
AUTOMOTIVE													
Autos, trucks, equipment and parts													
Allen Group	45.1	31	.9	−20	1.9	3.6	6.6	8.4	11	44	6	49	1.17
American Motors [3]	476.3	42	16.5	345	3.5	1.1	11.3	13.2	7	−3	−16	210	1.24
Arvin Industries	52.6	14	1.7	14	3.2	3.2	9.1	12.0	13	8	1	152	1.38
Bearings [6]	33.5	25	1.8	45	5.3	4.6	17.3	17.3	17	15	11	100	3.10
Bendix [3]	**550.0	24	16.5	29	3.0	6.9	9.2	13.4	10	5	3	602	3.98
Borg-Warner	365.9	18	16.8	35	4.6	4.0	9.4	11.0	8	5	3	684	3.25
Budd	190.2	15	6.7	35	3.5	3.0	7.7	10.2	6	3	4	98	2.44
Champion Spark Plug	101.4	12	10.9	10	10.7	10.9	57.5	20.1	13	11	10	560	3.26
Chrysler	2,887.3	30	89.8	151	3.1	1.6	9.2	11.3	6	12	−2	2,147	5.28
Cummins Engine	154.6	47	5.0	NM	3.2	NM	6.9	8.6	16	11	1	400	2.25
Dana [4]	240.5	18	14.1	29	5.9	5.4	13.3	16.4	9	10	5	537	3.75
Eaton	370.6	26	23.1	27	6.3	6.2	11.7	15.2	8	12	7	731	4.06
Federal-Mogul	79.3	18	3.2	2	4.0	4.7	10.1	12.7	10	3	−3	160	2.56
Ford Motor	6,122.7	26	360.7	43	5.9	5.2	14.5	16.3	6	5	4	8,081	9.66
Fruehauf	157.5	21	8.0	39	5.1	4.4	9.5	12.2	9	8	0	289	3.31
General Motors	9,570.0	23	816.9	26	8.5	8.4	18.8	20.2	9	6	−1	23,195	8.10
Gould [6]	160.6	31	6.4	30	4.0	4.0	10.5	12.7	9	19	6	272	2.64
Houdaille Industries	70.6	27	3.1	145	4.5	2.3	12.3	16.8	8	15	5	126	1.70
International Harvester [2]	855.7	38	12.7	353	1.5	0.5	8.3	8.2	8	2	−2	1,048	3.53
Kelsey-Hayes [4]	131.8	19	2.4	58	1.8	1.4	6.7	8.7	7	4	3	84	3.37
Libbey-Owens-Ford	175.6	16	17.8	27	10.1	9.3	NA	23.1	8	−2	−2	455	4.57
Maremont	68.1	13	2.4	102	3.5	2.0	15.4	23.0	11	5	−1	215	2.98
McCord [4]	39.5	53	1.4	50	3.6	3.7	10.5	12.1	8	9	7	47	2.40
Monroe Auto Equipment [4]	**37.8	16	5.3	18	14.0	13.8	23.5	24.3	12	21	24	422	1.69
Novo	27.9	63	.4	222	1.4	0.7	6.7	16.6	7	0	0	8	0.99
Purolator	62.3	15	3.2	15	5.2	5.2	15.2	19.3	19	14	11	277	2.59
Questor	83.1	10	2.2	10	2.6	2.6	9.2	10.7	10	17	7	220	1.48
Raybestos-Manhattan	45.2	24	1.8	82	4.0	2.7	8.0	9.6	6	2	−7	41	4.22
Royal Industries	43.2	23	1.7	22	3.9	3.9	11.7	15.3	7	31	21	58	1.17
Sealed Power	28.4	18	1.7	8	6.1	6.7	12.9	14.3	10	10	6	89	2.29
Sheller-Globe [3]	71.4	19	2.0	15	2.8	2.9	8.8	20.3	7	6	12	67	1.79
Smith (A.O.)	156.4	25	4.5	8	2.9	3.3	5.7	6.5	9	6	11	108	2.09
Texstar [3]	41.7	26	1.0	28	2.3	2.3	10.0	14.6	5	15	18	21	0.80
Timken	140.5	26	13.7	41	9.7	8.7	12.4	12.6	8	7	1	443	4.35
TRW	497.8	30	21.2	38	4.3	4.0	10.6	20.9	11	9	10	866	2.43
Wagner Electric	66.7	17	2.4	28	3.7	3.4	10.5	13.6	7	NA	NA	96	1.76
White Motor	273.6	19	3.1	64	1.1	.8	4.2	3.7	13	4	−15	119	0.90
Industry Composite	24,465.4	25	1,502.9	37	6.1	5.6	14.2	16.7	9	6	0	43,676	5.89

Footnotes at end of table.

	Sales		Profits		Margins		Ratios			10-year growth			
Company	1st quarter 1973 (millions)	Change from 1972 (percent)	1st quarter 1973 (millions)	Change from 1972 (percent)	1st quarter 1973 (percent)	1st quarter 1972 (percent)	Return on invested capital 1972	Return on common equity 1972	Price earnings ratio 4–30	Common equity (percent)	Earnings per share (percent)	Market value shares O/S yearend (millions)	12-months earnings per share
BANKS AND BANK HOLDING COMPANIES													
Bancal Tri-State	$43.3	22	$2.0	130	4.6	2.4	7.0	8.8	10	4	1	$72	$2.43
Bank of New York	56.0	15	6.2	2	11.1	12.5	10.7	13.3	8	NA	NA	241	4.24
BankAmerica	458.1	18	47.4	13	10.3	10.8	12.1	13.6	16	6	9	3310	2.82
Bankers Trust New York	201.3	28	15.6	20	7.8	8.3	9.9	12.5	9	4	5	687	5.98
CIT Financial	147.0	7	20.2	6	13.8	14.0	7.6	13.5	10	6	5	978	4.20
Cameron Financial	34.5	22	3.2	7	9.2	10.5	9.8	15.2	13	12	10	230	2.24
CBT	26.1	24	2.3	−12	9.0	12.6	10.4	11.0	8	7	7	102	5.07
Centran Bancshares	28.9	18	2.9	6	10.0	11.0	9.6	11.7	9	8	8	107	3.04
Charter New York	109.4	45	7.3	27	6.7	7.6	8.1	9.7	9	6	2	255	3.48
Chase Manhattan	460.8	34	40.1	10	8.7	10.6	9.4	12.2	9	5	8	1788	4.76
Chemical New York	214.0	33	14.9	−15	7.0	10.9	7.9	9.1	10	4	5	715	4.46
Citizens & Southern National	52.0	27	6.3	17	12.2	13.2	13.1	14.8	24	13	13	561	1.06
Cleveland Trust	42.9	15	7.7	27	18.0	16.3	9.9	9.9	9	7	10	279	9.48
Continental Illinois	193.9	46	21.9	3	11.3	16.1	12.3	12.6	10	6	8	940	4.57
Crocker National	118.3	20	7.3	−8	6.2	8.1	8.5	11.3	8	4	5	327	3.22
Detroit Bank & Trust	33.6	0	5.2	23	15.5	12.6	11.4	11.4	8	6	9	153	6.29
Fidelity	39.8	25	4.4	14	11.1	12.1	11.7	15.7	9	6	10	192	4.15
First Bank System	91.9	20	13.2	6.	14.4	16.2	13.7	14.4	17	7	12	882	3.42
First Chicago	189.6	47	19.7	11	10.4	13.8	10.7	12.5	13	6	9	1178	4.09
First Empire State	29.6	46	1.8	2	6.1	8.7	10.3	11.5	8	5	6	65	2.71
First National Boston	115.2	53	11.2	21	9.8	12.4	9.6	11.0	10	5	8	549	3.67
First National City	601.0	31	58.2	25	9.7	10.1	12.6	14.4	19	5	9	4439	1.86
First Nationa Holding	30.8	42	2.9	33	9.4	10.1	11.1	12.8	11	5	6	149	2.82
First Pennsylvania	100.2	31	10.1	20	10.1	11.0	14.0	17.4	12	8	13	639	3.15
First Wisconsin Bankshares	49.0	32	4.4	19	9.0	10.1	9.1	11.7	9	7	10	170	4.08
Franklin New York	62.6	29	3.8	4	6.0	7.5	7.4	8.2	12	7	3	158	2.24
Girard	46.9	30	3.3	1	7.1	9.2	9.6	11.6	8	5	7	142	6.25
Harris Bankcorp	48.7	42	4.9	23	10.1	11.7	9.6	10.5	9	8	9	182	6.07
Industrial National	30.3	48	3.9	24	12.9	15.4	12.4	16.3	10	8	12	191	3.05
Lincoln First Banks	40.2	21	3.9	1	9.6	11.5	8.8	10.7	7	9	8	102	3.93
Manufacturers Hanover	233.8	50	23.0	29	9.8	11.4	10.6	11.7	11	5	8	1007	2.97
Mfrs National Bank of Detroit	36.7	17	3.8	15	10.4	10.6	10.1	12.6	7	6	8	112	7.09
Marine Bancorp Seattle	33.1	14	2.5	7	7.5	7.9	8.8	8.8	8	10	10	89	2.58
Marine Midland Banks	166.3	35	9.7	−11	5.8	8.9	9.8	11.4	8	6	7	393	3.34
Melion National	103.7	39	12.6	16	12.1	14.5	9.2	9.2	10	3	7	490	4.75
Morgan (J.P.)	247.8	39	35.5	19	14.3	16.7	12.1	14.4	14	4	10	1,920	3.43
Natl City Bank of Cleveland	28.9	30	5.6	5	19.4	24.0	14.2	14.2	9	7	10	242	6.26
National Detroit	84.4	21	9.5	7	11.3	12.8	9.2	10.6	7	6	9	305	5.90
NCNB	56.5	48	6.4	24	11.4	13.6	11.6	16.7	24	11	13	567	1.47
Northwest Bancorp	94.9	24	11.7	22	12.4	12.6	12.1	13.6	15	6	10	710	3.84
Nortrust	40.7	28	4.9	19	12.1	13.1	11.0	11.5	10	8	11	179	3.68
Seattle-First National	56.1	28	6.0	6	10.7	13.0	13.0	13.0	11	6	9	296	5.20
Security Natl Bank Hempstead	31.9	26	2.8	−19	8.6	13.4	10.6	11.2	8	25	13	153	2.72
Security Pacific	177.3	24	14.8	9	8.4	9.5	11.0	11.0	9	6	8	666	2.88
Southeast Banking	33.7	35	4.2	24	12.3	13.4	10.9	15.3	19	15	11	295	1.87
U.S. Bancorp	38.2	20	4.6	20	12.1	12.1	12.3	13.7	11	5	9	219	2.15
UnionAmerica	79.1	23	6.9	19	8.7	9.0	12.2	15.1	11	10	7	398	2.63
United Virginia Bankshares	33.3	33	3.7	19	11.2	12.4	10.9	14.8	13	12	9	224	2.95
Wachovia	71.3	24	8.3	5	11.7	13.8	12.1	11.9	18	15	11	472	2.19
Wells Fargo	150.7	30	10.3	27	6.8	7.0	9.1	11.3	9	5	7	555	2.18
Western Bancorp	244.9	23	18.3	23	7.5	7.5	10.1	11.6	10	98	7	838	3.15
Industry Composite	5,739.3	30	561.6	13	9.8	11.2	10.4	12.5	11	5	8	29,912	3.14
BEVERAGES													
Brewers, distillers, soft drinks													
Anheuser-Busch	248.9	11	18.4	5	7.4	7.8	13.2	17.2	27	11	18	2,490	1.72
Coca-Cola Bottling of N.Y	46.7	11	2.1	16	4.4	4.2	+15.2	+15.3	23	8	12	272	0.83
Falstaff Brewing	39.2	27	−1.1	NM	NM	0.3	NM	−14.6	NM	0	−20	23	−1.62
Glenmore Distilleries [5]	*41.1	9	0.0	−77	0.1	0.2	3.6	2.2	14	1	−4	12	0.65
Heileman (G.) Brewing	*39.3	53	1.2	16	3.2	4.2	12.6	19.3	9	17	25	49	1.55
Heublein [5]	*260.2	13	8.5	17	3.3	3.2	16.6	26.6	21	14	15	1,121	2.02
National Distillers & Chemical	*282.9	7	10.0	38	3.5	2.8	5.8	8.1	11	4	3	433	1.37
Pabst Brewing	*109.1	7	6.5	14	5.9	5.6	13.1	14.1	23	11	15	714	3.08
PepsiCo	321.6	18	13.6	13	4.2	4.4	12.3	17.5	27	20	10	2,053	3.11
Rheingold	*46.2	−6	−1.4	NM	NM	NM	3.5	2.5	40	14	6	57	0.34
Schlitz (Jos.) Brewing	*194.5	19	10.0	30	5.1	4.7	15.2	19.6	36	5	15	1,696	1.66
Seven-Up	27.8	9	2.8	11	10.1	10.0	23.4	27.8	25	22	26	346	1.12
Southdown	**43.6	5	2.5	12	5.6	5.3	8.5	33.2	5	5	11	62	2.60
Industry Composite	1,701.0	16	73.0	13	4.3	4.4	10.8	15.2	22	8	11	9,327	1.75
BUILDING MATERIALS													
Cement, wood, paint, heating and plumbing, roofing, etc.													
American Cement	32.5	5	−0.1	NM	NM	NM	4.8	5.8	9	0	−9	37	0.59
Ameron [1]	32.3	39	0.7	230	2.3	0.9	8.4	10.3	6	7	2	38	2.30
Bliss & Laughlin Industries	**40.1	29	2.1	65	5.2	4.1	8.4	14.4	7	13	9	56	2.59
Boise Cascade	326.4	21	16.3	215	5.0	1.9	5.7	7.2	6	38	8	347	1.64
Brown [1]	63.1	26	0.9	351	1.5	0.4	6.7	7.6	8	−2	−6	42	1.18
Carrier [2]	184.1	25	6.2	29	3.4	3.2	8.8	11.6	14	11	12	675	1.37
Certain-teed Products	99.7	17	4.4	24	4.4	4.2	13.5	18.1	9	7	12	229	2.17
Champion International	525.0	18	20.3	61	3.9	2.8	6.5	12.2	9	15	1	641	1.98
Copeland [3]	53.6	28	3.0	30	5.7	5.5	19.4	21.9	13	13	15	155	1.49
Crane	214.9	11	2.6	27	1.2	1.1	5.7	8.1	7	3	14	109	2.47
De Soto	62.4	17	1.5	123	2.3	1.2	10.0	9.8	9	16	−1	87	1.18
Evans Products	230.2	25	4.2	25	1.8	1.8	9.1	12.8	10	26	22	394	1.70
Fedders [4]	**81.8	−13	2.4	−59	2.9	6.2	1.5	−1.1	NM	19	20	383	−0.12
Flintkote	78.6	9	−0.2	NM	NM	NM	6.7	8.9	7	4	0	146	2.62
General Portland	47.6	19	1.1	−33	2.4	4.2	7.3	9.0	8	4	2	141	1.57
Georgia-Pacific	517.8	40	36.9	90	7.1	5.3	8.8	16.5	15	16	12	1,941	2.16

Footnotes at end of table.

SURVEY OF CORPORATE PERFORMANCE: 1ST QUARTER 1973—Continued

Company	Sales		Profits		Margins		Ratios			10-year growth		Market value shares O/S yearend (millions)	12-months earnings per share
	1st quarter 1973 (millions)	Change from 1972 (percent)	1st quarter 1973 (millions)	Change from 1972 (percent)	1st quarter 1973 (percent)	1st quarter 1972 (percent)	Return on invested capital 1972	Return on common equity 1972	Price earnings ratio 4-30	Common equity (percent)	Earnings per share (percent)		
BUILDING MATERIALS—Continued													
Cement, wood, paint, heating and plumbing, roofing, etc.—Continued													
Gifford-Hill	$**36.5	14	$1.7	−17	4.6	6.3	10.8	12.8	9	NA	NA	$111	$2.07
Ideal Basic Industries	45.4	1	4.9	6	10.8	10.3	9.8	12.4	9	2	−4	234	1.57
Interpace	48.5	4	1.2	45	2.4	1.7	6.8	8.5	7	9	−1	53	2.35
Jim Walter [4]	233.0	30	8.6	24	3.7	3.9	13.4	27.3	8	20	17	416	2.82
Johns-Manville	189.4	12	9.5	5	5.0	5.4	9.2	10.6	9	5	5	574	2.69
Kaiser Cement & Gypsum	34.4	3	1.4	−21	4.1	5.3	6.9	10.8	8	1	−2	73	1.02
Lone Star Industries	124.6	46	1.1	37	0.9	1.0	8.7	11.3	8	4	2	261	2.18
Masco	43.0	36	4.8	37	11.2	11.0	16.8	20.4	33	32	18	642	1.41
National Gypsum	124.5	11	6.1	15	4.9	4.8	8.4	10.1	8	3	−1	273	1.94
NL Industries	287.7	21	7.9	7	2.7	3.1	6.2	9.0	9	3	−6	405	1.55
Norris Industries	89.3	27	3.5	−13	3.9	5.7	15.6	17.0	8	18	26	199	3.73
Owens-Corning Fiberglas	167.6	22	11.6	71	6.9	5.0	10.5	13.7	17	9	7	812	2.74
Potlatch	110.1	20	8.4	86	7.6	4.9	NA	10.1	8	7	8	188	2.78
Robertson (H.H.)	57.9	9	1.3	175	2.2	0.9	10.4	11.4	8	8	8	62	2.70
SCM [6]	246.7	9	3.5	147	1.4	0.6	5.8	6.9	7	27	3	150	1.76
Sherwin-Williams [4]	143.4	6	0.0	NM	NM	NM	7.4	9.5	10	4	0	274	3.82
Sierra Pacific Industries	26.7	37	3.0	119	11.3	7.1	†24.1	†28.9	4	NA	NA	35	2.15
Southwest Forest Industries	104.1	83	3.0	67	2.9	3.2	8.7	12.8	4	21	34	52	2.13
Tecumseh Products	135.7	20	6.7	17	4.9	5.1	16.6	16.6	12	13	9	324	4.46
Temple Industries	28.9	23	3.3	36	11.3	10.2	12.0	14.9	11	12	22	128	1.69
Trane	70.4	18	4.5	77	6.5	4.3	11.1	12.6	14	10	7	370	3.48
U.S. Gypsum	170.1	17	11.6	8	6.8	7.4	9.9	12.3	8	1	−2	429	2.83
Wallace-Murray	72.1	15	2.3	27	3.1	2.8	7.9	13.5	5	3	11	47	2.69
Weil-McLain	**35.4	17	1.1	54	3.2	2.4	11.1	13.8	6	25	36	58	1.81
Weyerhaeuser	535.6	57	86.3	168	16.1	9.4	13.1	19.9	17	6	12	3,533	3.24
Industry composite	5,751.1	23	299.7	65	5.2	3.9	8.9	12.7	10	8	5	15,131	2.18
CHEMICALS													
Air Products & Chemicals [3]	96.0	9	5.7	30	6.0	5.0	6.9	11.0	23	14	10	432	3.15
Airco	129.5	8	3.7	−37	2.9	4.9	4.3	5.9	10	4	−2	206	1.34
Akzona	166.4	21	8.5	57	5.1	3.9	7.1	9.3	13	12	6	375	2.11
Allied Chemical	389.0	11	20.8	57	5.3	3.8	7.2	8.8	13	3	−3	799	2.65
American Cyanamid	356.6	10	29.9	21	8.4	7.6	10.7	12.9	11	6	3	1,559	2.34
Big Three Industries	27.0	12	3.1	22	11.4	10.5	10.1	14.5	21	23	16	268	2.20
Cabot [3]	78.6	9	5.1	16	6.5	6.1	7.8	8.5	7	8	12	207	3.56
Celanese	381.9	15	14.7	20	3.8	3.7	5.4	9.2	9	9	1	561	3.57
Chemetron	83.0	4	2.6	17	3.2	2.8	4.7	5.3	8	8	−4	77	2.13
Commercial Solvents	27.8	11	0.9	144	3.1	1.4	3.9	4.6	18	0	−17	53	0.83
Dart Industries	230.0	9	13.2	31	5.8	4.8	8.5	14.3	14	14	12	961	2.47
Diamond Shamrock	156.8	7	10.2	68	6.5	4.1	7.6	13.4	10	11	−3	315	1.96
Dow Chemical	702.8	28	57.9	41	8.2	7.5	11.1	15.9	23	7	9	4,658	4.50
Dupont	1,248.0	19	138.0	39	11.1	9.5	12.9	14.8	18	3	−3	8,469	9.30
Ethyl	164.1	9	12.1	23	7.4	6.6	9.7	17.7	6	20	12	311	4.27
Ferro	54.7	18	3.8	48	6.9	5.5	15.1	18.9	11	7	11	183	3.42
Freeport Minerals	**37.5	−2	4.7	12	12.5	10.9	6.5	7.5	21	5	2	437	1.13
GAF	**192.5	11	5.7	11	3.0	3.0	7.1	10.7	7	7	3	281	1.79
Grace (W.R.)	611.8	16	11.0	21	1.8	1.7	6.8	8.7	11	10	−2	723	2.21
Hercules	253.4	18	19.4	29	7.7	7.0	13.0	15.2	19	9	6	1,462	3.72
Inmont	**96.9	11	2.9	39	3.0	2.4	6.4	8.0	8	8	−3	77	1.13
Intl Minerals & Chemicals [8]	158.2	30	7.5	11	4.8	5.6	8.0	12.9	11	4	−10	291	1.97
Kewanee Oil	**45.3	14	3.0	7	6.7	7.1	9.1	10.8	12	7	10	140	1.46
Koppers	146.2	14	3.8	186	2.6	1.0	8.1	10.9	8	6	8	198	4.42
Lubrizol	**51.1	9	7.1	17	12.5	11.6	19.4	19.8	27	15	17	907	1.35
Monsanto	695.1	13	73.8	55	10.6	7.7	9.0	11.6	12	5	0	1,638	4.27
Nalco Chemical	49.2	11	5.2	22	10.6	9.7	20.1	20.4	28	13	15	628	2.10
National Starch & Chemical	51.0	21	4.2	31	8.3	7.7	15.4	19.2	24	10	10	352	2.38
Olin	301.9	13	11.7	30	3.9	3.4	5.6	7.0	9	3	−5	447	1.66
Pennwalt	114.5	12	3.8	42	3.3	2.6	6.9	12.0	13	4	−3	214	1.74
Pepi	50.4	8	1.0	30	2.0	1.6	5.4	5.9	11	10	11	69	1.78
Purex [6]	98.6	4	4.7	20	4.8	4.1	10.7	14.7	9	16	6	198	1.51
Reichhold Chemicals	63.8	19	2.5	34	3.9	3.5	7.6	10.0	8	6	5	87	1.27
Rohm & Haas	178.9	25	15.5	60	8.7	6.8	11.1	12.9	24	8	2	1,134	4.08
Stauffer Chemical	172.2	18	16.4	75	9.5	6.4	9.6	13.3	12	5	3	452	4.07
Sun Chemical	53.0	68	0.9	199	1.6	0.9	8.2	10.5	9	10	18	48	2.21
Texasgulf	72.4	29	8.8	48	12.2	10.6	6.5	8.8	20	15	16	517	1.10
Union Carbide	915.3	20	66.3	32	7.2	6.6	9.0	11.7	11	6	0	3,037	3.68
Witco Chemical	85.1	27	3.6	42	4.3	3.8	9.5	14.0	8	9	6	128	2.50
Industry Composite	8,792.7	16	613.9	37	7.0	5.9	9.1	12.2	14	6	1	32,898	3.20
CONGLOMERATES													
Avco [1]	150.0	18	10.1	27	6.8	6.3	5.6	10.6	4	7	−3	178	2.60
Colt Industries	208.1	26	5.6	86	2.7	1.8	5.9	9.6	8	26	−2	137	2.20
Gulf & Western Industries [5]	453.5	18	21.9	35	4.8	4.2	7.3	14.5	6	48	26	561	3.81
Illinois Central Industries	266.7	23	15.0	13	5.6	6.1	NA	NA	6	NA	5	268	3.18
Indian Head [1]	126.1	20	2.9	22	2.3	2.3	8.8	14.5	7	24	9	138	3.07
Intl Telephone & Telegraph	2,230.0	14	105.6	11	4.7	4.9	10.9	22.3	8	14	12	5,759	3.89
IU International	**333.4	19	18.1	21	5.4	5.3	8.3	16.9	12	21	11	590	2.00
Kaiser Industries	43.7	−37	4.9	NM	11.1	NM	3.6	2.9	9	11	−1	162	0.53
Kidde (Walter)	232.6	23	9.1	20	3.9	4.0	7.9	12.6	6	40	17	283	3.19
Litton Industries [5]	663.0	10	11.1	NM	1.7	NM	3.1	1.9	26	24	9	421	0.35
LTV	985.1	25	8.8	NM	0.9	0.0	6.6	9.3	6	36	−4	79	1.55
Martin Marietta	248.2	11	6.7	14	2.7	2.6	7.7	11.1	7	6	3	440	2.31
Northwest Industries	169.1	13	11.3	16	6.7	6.5	8.8	NM	5	NA	NA	219	4.33
Signal	*409.6	17	16.2	89	4.0	2.5	6.4	8.3	8	13	0	419	2.24
Studebaker-Worthington	251.6	24	6.3	23	2.5	2.5	7.1	11.5	6	9	8	197	7.45
Teledyne [2]	334.5	19	14.4	−2	4.3	5.2	6.2	10.0	8	74	31	467	1.73
Tenneco	892.9	15	53.4	14	6.0	6.0	8.5	15.3	9	9	7	1,949	2.57
Textron	451.9	8	21.5	19	4.8	4.3	12.4	20.5	8	11	12	934	2.42
Whittaker [2]	157.1	27	2.7	0	1.7	2.2	5.6	7.3	9	47	40	147	0.63
Industry Composite	$8,607.0	16	$345.8	32	4.0	3.5	7.9	13.9	8	14	8	$13,349	2.54

Footnotes at end of table.

Company	Sales		Profits		Margins		Ratios			10-year growth		Market value shares O/S yearend (millions)	12-months earnings per share
	1st quarter 1973 (millions)	Change from 1972 (percent)	1st quarter 1973 (millions)	Change from 1972 (percent)	1st quarter 1973 (percent)	1st quarter 1972 (percent)	Return on invested capital 1972	Return on common equity 1972	Price earnings ratio 4-30	Common equity (percent)	Earnings per share (percent)		
CONTAINERS													
American Can	483.3	7	11.5	91	2.4	1.3	6.1	8.5	10	4	1	561	3.26
Anchor Hocking	87.9	9	4.8	13	5.5	5.3	11.5	13.3	7	11	12	296	3.03
Brockway Glass	63.1	15	3.1	−6	4.9	6.0	9.9	12.0	6	17	16	130	2.93
Continental Can	565.5	12	16.4	31	2.9	2.5	8.5	11.5	10	6	8	883	2.91
Crown Cork & Seal	122.9	11	7.5	10	6.1	6.2	11.5	14.0	13	14	16	514	1.63
Diamond International	145.4	11	9.5	10	6.6	6.6	11.0	12.7	9	9	7	388	3.24
Dorsey	30.1	11	0.6	−43	2.0	4.0	7.4	9.6	6	23	15	34	1.25
Federal Paper Board	57.6	7	1.7	9	2.9	2.9	8.3	10.4	8	6	7	73	2.57
Fibreboard	60.5	24	2.5	76	4.1	2.9	6.3	9.7	7	0	4	54	2.15
Inland Container	60.8	11	2.7	97	4.5	2.5	8.4	8.9	11	4	1	129	3.46
National Can	120.1	15	2.1	23	1.7	1.6	8.8	13.3	6	11	15	105	1.85
Owens-Illinois	418.9	6	13.0	10	3.1	3.0	7.1	10.5	8	9	6	636	4.05
Stone Container	34.3	14	1.4	104	4.0	2.2	7.7	9.4	9	9	0	44	1.19
Van Dorn	26.7	27	1.0	38	3.6	3.3	12.3	15.1	9	31	18	43	1.16
Industry Composite	2,277.1	10	77.8	26	3.4	3.0	8.1	10.9	9	7	7	3,799	2.74
DRUGS													
Ethical, proprietary, medical and hospital supplies													
Abbott Laboratories	139.1	16	10.7	16	7.7	7.6	11.8	14.9	24	9	7	950	2.98
American Home Products	487.6	11	51.5	15	10.6	10.2	26.2	28.9	36	13	11	6,378	3.36
American Hospital Supply	180.6	17	8.7	17	4.8	4.8	10.4	10.7	39	23	16	1,685	1.67
Baxter Laboratories	78.0	15	6.3	20	8.1	7.8	8.3	12.5	59	21	22	1,617	0.24
Becton, Dickinson [3]	85.8	17	6.3	15	7.4	7.5	9.9	13.6	27	23	15	725	1.83
Bristol-Myers	327.6	17	19.7	35	6.0	5.2	16.1	21.8	23	19	13	2,162	2.00
ICN Pharmaceuticals [1]	40.3	5	1.2	22	3.0	2.6	5.7	5.8	19	113	57	145	0.53
Johnson & Johnson	3/2.2	15	35.2	15	9.5	9.4	17.5	17.9	53	15	21	7,363	2.23
Lilly (Eli)	276.1	18	47.3	28	17.1	15.7	22.5	23.0	40	13	17	5,459	2.00
Merck	261.6	15	39.1	14	15.0	15.1	25.0	26.4	43	13	15	6,614	2.06
Miles Laboratories	86.4	10	4.4	18	5.1	4.8	9.5	13.8	16	14	17	301	2.97
Morton-Norwich Products [6]	106.6	7	6.7	−13	6.3	7.8	8.8	11.3	10	25	9	385	1.88
Pfizer	280.8	12	28.0	20	10.0	9.4	14.5	16.3	25	10	9	2,959	1.57
Richardson-Merrell [6]	132.7	10	11.3	13	8.5	8.3	13.9	15.4	21	8	8	861	3.47
Robins (A.H.)	49.7	15	7.8	17	15.6	15.3	19.5	21.9	32	19	16	964	1.87
Rorer-Amchem	60.0	12	7.7	13	12.8	12.6	21.4	22.3	21	30	9	453	1.57
Schering-Plough	**155.1	22	27.5	54	17.7	14.0	26.3	28.3	44	17	17	3,602	3.25
Searle (G.D.)	73.2	17	11.2	22	15.2	14.7	21.3	35.3	35	8	9	1,384	3.16
Smith Kline & French	102.3	8	12.1	13	11.8	11.3	21.4	22.0	15	9	4	871	3.38
Squibb	193.7	16	14.6	14	7.6	7.7	13.0	15.7	31	21	4	2,347	3.22
Sterling Drug	189.6	10	19.1	10	10.0	10.0	18.7	19.6	28	12	10	2,146	1.71
Sybron	94.4	12	5.4	16	5.7	5.5	10.5	12.7	15	13	4	366	1.41
Tampax	27.4	16	7.1	15	25.9	26.2	39.4	39.0	46	16	17	1,314	2.51
Upjohn	149.7	25	17.7	53	11.8	9.7	14.8	16.8	41	7	5	1,888	3.21
Warner-Lambert	396.9	10	34.7	14	8.7	8.5	14.5	15.8	30	24	10	3,790	3.68
Industry Composite	4,347.4	14	441.2	20	10.1	9.7	16.8	19.4	31	14	12	56,730	2.25
ELECTRICAL, ELECTRONICS													
Heavy equipment, components, radio and TV sets, etc.													
Admiral	129.4	9	3.0	31	2.3	2.0	12.4	13.6	5	2	3	99	2.05
Ambac Industries	38.9	23	1.8	71	4.6	3.3	7.0	9.0	9	8	4	56	1.21
AMP	92.0	35	10.1	44	11.0	10.3	20.8	23.1	39	18	15	1,576	2.95
Avnet [6]	114.1	27	5.0	33	4.4	4.2	12.3	17.3	6	25	12	137	1.37
Bunker Ramo	64.0	5	2.7	8	4.2	4.1	8.2	9.7	8	15	−14	179	1.68
Burndy	27.3	15	1.5	23	5.4	5.1	9.4	10.8	14	15	11	99	1.77
Capitol Industries [6]	36.5	35	1.4	NM	3.9	NM	8.1	8.3	11	42	5	35	0.92
CTS	33.2	26	3.0	33	9.0	8.5	NA	20.1	8	15	10	129	3.18
Cutler-Hammer	78.6	17	3.2	35	4.0	3.5	9.1	11.4	9	6	1	156	3.27
Damon [8]	30.0	15	2.1	32	7.1	6.1	19.7	23.6	26	99	54	391	1.25
E-Systems	39.0	21	0.8	38	2.0	1.8	8.4	10.3	6	31	−9	22	1.62
Echlin Manufacturing [8]	28.5	29	1.8	25	6.4	6.6	17.4	27.5	25	15	16	230	1.16
Fairchild Camera & Instrument	75.1	47	4.4	477	5.8	1.5	10.4	15.2	21	8	1	258	2.25
General Electric	2,547.4	15	114.4	11	4.5	4.7	15.7	18.1	20	6	6	13,289	2.97
General Instrument [10]	90.1	21	2.3	55	2.5	2.0	5.1	6.3	16	19	3	167	1.21
Globe-Union [3]	52.1	34	0.5	−24	1.0	1.8	7.1	7.8	9	11	1	62	2.09
Hubbell (Harvey)	32.7	10	2.8	17	8.6	8.1	14.2	21.4	16	12	9	180	2.50
I-T-E Imperial	103.7	13	4.2	7	4.0	4.3	9.1	11.8	9	NA	NA	299	2.21
LCA	66.0	25	4.6	26	6.9	6.9	†14.3	†15.9	11	NA	NA	378	1.83
Lear Siegler [6]	156.4	11	4.6	43	2.9	2.3	5.9	19.0	9	−1	−6	111	0.77
Magnavox	155.7	−4	1.9	−70	1.3	4.0	8.1	7.8	16	18	7	492	0.91
Mallory (P.R.)	53.0	18	1.9	21	3.6	3.5	10.8	10.0	11	8	3	117	2.00
McGraw-Edison	**202.6	17	9.4	5	4.6	5.1	11.1	12.3	12	7	6	598	2.59
Motorola	**321.3	29	14.3	76	4.5	3.3	12.8	14.0	23	15	10	1,804	4.24
National Union Electric	36.4	15	2.3	33	6.2	5.4	†12.0	†16.4	6	18	−2	53	3.99
North American Phillips	160.3	13	5.9	36	3.7	3.0	9.5	12.6	8	16	2	301	3.25
RCA	1,013.6	10	41.7	15	4.1	3.9	10.4	19.4	13	8	6	2,895	2.12
Raytheon	368.1	3	10.7	5	2.9	2.8	11.5	13.1	10	14	13	523	2.65
Reliance Electric [2]	101.9	18	4.0	67	3.9	2.8	9.7	14.7	11	6	9	187	1.49
Sola Basic Industries [9]	33.8	22	1.8	27	5.4	5.2	8.9	10.6	9	11	8	67	1.57
Sperry Rand [9]	635.0	16	29.2	46	4.6	3.6	10.1	10.6	15	11	16	1,652	2.62
Square D	87.5	11	7.3	−7	8.4	10.0	20.8	21.7	15	8	6	847	1.51
Texas Instruments	289.0	34	18.9	75	6.5	5.0	13.3	15.5	34	17	13	2,017	5.04
Thomas Industries	29.8	17	1.6	13	5.3	5.5	13.1	15.3	9	11	11	76	1.37
VLN	30.1	9	1.3	43	4.5	3.4	8.3	11.6	8	8	−4	31	0.82
Westinghouse Electric	1,268.1	8	40.9	−4	3.2	3.6	8.9	10.6	14	7	11	3,788	2.21
Zenith Radio	221.3	22	16.0	58	7.2	5.6	21.3	21.7	13	9	6	1,038	2.86
Industry Composite	8,842.3	14	383.4	20	4.3	4.1	11.9	14.8	14	8	7	34,339	2.41

Footnotes at end of table.

SURVEY OF CORPORATE PERFORMANCE: 1ST QUARTER 1973—Continued

	Sales		Profits		Margins		Ratios			10-year growth		Market value shares O/S yearend (millions)	12-months earnings per share
Company	1st quarter 1973 (millions)	Change from 1972 (percent)	1st quarter 1973 (millions)	Change from 1972 (percent)	1st quarter 1973 (percent)	1st quarter 1972 (percent)	Return on invested capital 1972	Return on common equity 1972	Price earnings ratio 4–30	Common equity (percent)	Earnings per share (percent)		
FOOD													
Baked goods, canned and packaged foods, dairy products, meat, condiments, etc.													
Amalgamated Sugar [3]	$28.2	−5	$1.4	−1	5.0	4.8	9.9	10.0	8	6	2	$57	$2.94
American Maize Products	35.7	9	1.1	47	3.2	2.4	5.9	7.3	9	7	7	33	0.88
Amstar [5]	159.1	1	3.0	22	1.9	1.5	6.6	8.3	8	4	6	105	3.20
Beatrice Foods [10]	743.7	18	20.1	19	2.7	2.7	15.0	19.0	18	15	11	1,705	1.36
Borden	559.7	6	15.3	8	2.7	2.7	7.5	9.6	10	8	2	918	2.21
Brewer (C.)	39.7	15	1.9	37	4.7	4.0	7.9	7.9	9	9	10	70	1.61
CPC International	400.1	12	15.4	33	3.9	3.2	11.7	13.9	10	5	2	772	2.88
Campbell Soup [5]	328.4	12	23.3	34	7.1	6.0	12.8	13.1	14	5	4	1,120	2.14
Campbell-Taggart	91.7	17	2.7	−6	2.9	3.7	11.4	13.4	10	8	7	140	2.62
Carnation	324.9	12	15.0	12	4.4	4.4	12.5	15.1	25	13	16	1,588	3.29
Castle & Cooke	133.3	2	5.2	2	3.9	3.9	NA	NA	NA	8	7	210	NA
Central Soya [4]	306.3	37	7.7	84	2.5	1.9	12.3	13.7	10	8	7	206	2.67
Consolidated Foods [6]	504.3	17	14.9	13	3.0	3.1	12.2	15.0	13	20	12	1,162	2.63
Cook Industries [7]	**72.6	76	9.1	NM	12.5	1.8	25.5	28.9	4	15	−10	53	4.27
Del Monte [7]	242.1	6	5.9	9	2.5	2.4	8.7	10.4	9	4	2	282	2.07
Esmark [3]	867.9	14	9.3	37	1.1	0.9	6.8	9.5	8	−1	6	478	3.09
Fairmont Foods [10]	92.3	8	1.1	29	1.2	1.0	7.5	9.5	8	1	−4	57	1.20
Federal [7]	**77.6	27	1.7	18	2.3	2.4	8.8	8.9	7	17	0	66	3.86
General Mills [7]	384.1	18	13.6	16	3.5	3.6	11.8	20.4	22	7	12	1,300	2.73
Greyhound	**778.8	19	8.7	4	1.1	1.3	9.3	13.6	9	14	5	775	1.67
Heinz (H.J.) [6]	285.5	10	7.4	8	2.6	2.6	10.6	11.2	14	11	9	602	2.93
Helme Products	27.2	20	0.7	7	2.6	3.0	8.3	10.1	9	10	1	29	1.62
Hormel (Geo. A.) [2]	178.2	3	1.8	−25	1.0	1.4	7.5	7.2	13	8	15	96	1.50
Intl Multifoods [10]	148.3	25	3.3	20	2.2	2.3	9.0	10.6	9	7	4	113	2.79
Iowa Beef Processors [2]	369.7	36	3.0	106	0.8	0.5	13.0	19.0	6	36	8	79	3.58
Kane-Miller	139.5	52	1.7	363	1.2	0.4	7.4	9.8	6	58	16	33	2.34
Keebler	51.0	11	0.8	9	1.6	1.6	7.7	9.0	13	1	8	54	2.17
Kellogg	212.3	25	14.0	15	6.6	7.1	20.6	22.2	18	10	8	1,143	0.85
Kraftco	856.8	10	26.7	7	3.1	3.2	11.5	13.3	12	5	6	1,388	3.63
Libby, McNeill & Libby [6]	120.4	11	0.5	NM	0.5	NM	0.9	1.1	38	3	−16	55	0.13
Mayer (Oscar) [2]	193.6	16	4.9	33	2.5	2.2	10.4	12.7	14	9	14	289	1.83
Missouri Beef Packers [2]	116.7	42	0.8	178	0.7	0.4	13.4	17.4	5	30	NA	21	2.51
Nabisco	315.0	14	13.4	1	4.3	4.8	11.9	16.3	13	6	3	909	3.61
Norton Simon [6]	349.2	6	20.1	20	5.8	5.1	11.3	19.8	18	5	12	1,115	1.83
Pillsbury [7]	196.5	15	4.1	44	2.1	1.7	8.7	11.8	12	6	6	272	3.78
Ralston Purina [3]	**570.6	29	18.3	20	3.2	3.4	10.9	15.5	19	8	10	1,533	1.98
Rath Packing [3]	86.9	23	0.5	NM	0.5	NM	NM	−23.1	NM	−8	NA	7	−3.50
Seaboard Allied Milling [7]	38.5	31	0.5	44	1.3	1.1	11.8	10.4	5	3	18	11	1.74
Staley (A.E.) Mfg. [3]	112.4	36	2.2	128	1.9	1.2	8.1	7.3	10	4	1	77	2.89
Standard Brands	*321.6	9	11.1	10	3.5	3.4	10.1	14.5	16	8	8	734	3.27
Stokely-Van Camp [7]	79.8	2	1.9	11	2.3	2.1	8.1	7.9	8	7	6	69	2.22
Sucrest [6]	39.7	13	−0.1	NM	NM	0.7	2.1	−0.4	NM	4	−3	10	−0.10
Tropicana Products [4]	30.8	15	2.3	12	7.3	7.5	21.2	24.3	36	NA	NA	533	0.99
Wrigley (Wm.) Jr.	52.0	7	4.2	7	8.0	8.1	14.8	14.6	13	5	5	239	4.71
Industry Composite	11,080.6	16	320.4	22	2.9	2.7	10.7	13.5	13	6	6	20,507	2.11
GENERAL MACHINERY													
Machine tools, industrial machinery, metal fabricators, etc.													
ATO	103.0	11	2.2	12	2.2	2.1	7.1	12.2	7	56	0	66	0.97
Acme-Cleveland [3]	33.1	38	1.9	146	5.8	3.3	7.5	−8.3	10	NA	NA	65	1.39
American Chain & Cable	58.9	53	2.0	NM	3.4	0.0	†7.9	†7.8	8	4	−1	52	2.88
Amtel	36.7	43	0.6	178	1.6	0.8	5.2	4.0	22	37	−20	22	0.25
Associated Spring	42.6	11	1.8	27	4.2	3.7	10.6	11.9	9	8	13	75	2.98
Babcock & Wilcox	238.4	−3	5.0	−11	2.1	2.3	6.9	7.7	14	4	−5	340	1.92
Baker Oil Tools [3]	44.2	5	2.7	14	6.1	5.6	12.4	16.1	27	12	10	309	1.12
Black & Decker Mfg [3]	113.9	22	9.7	24	8.5	8.4	15.2	16.6	43	13	13	1,378	2.33
Briggs & Stratton [6]	79.6	19	9.2	19	11.6	11.5	28.2	28.2	14	6	6	428	3.72
Cincinnati Milacron	82.3	39	2.0	NM	2.5	NM	3.5	2.9	30	8	−8	159	1.13
Combustion Engineering	248.5	9	8.9	8	3.6	3.6	10.8	15.2	17	12	14	593	3.82
Continental Copper & Steel [6]	26.9	27	1.4	NM	5.4	NM	NM	−8.0	NM	7	26	12	−0.90
Cooper Industries	65.9	21	3.8	40	5.7	4.9	9.3	13.8	11	9	6	152	2.74
Crompton & Knowles	29.1	−5	1.0	2	3.5	3.2	7.4	9.8	8	5	3	38	1.80
Dover	62.3	31	4.2	28	6.8	7.0	16.6	18.1	12	16	13	249	3.38
Dresser Industries [2]	215.1	6	7.6	6	3.5	3.5	8.6	18.8	14	2	10	469	2.90
Dymo Industries [5]	32.9	20	1.2	40	3.7	3.2	9.4	11.5	11	13	4	51	1.69
Embart	66.9	1	2.7	−19	4.0	5.0	9.1	9.7	9	13	7	157	2.81
Ex-Cell-O [1]	75.6	19	3.5	103	4.6	2.7	6.0	6.5	13	8	−3	174	1.38
Foster Wheeler	111.8	−14	1.7	14	1.6	1.2	9.4	11.6	14	4	14	57	2.33
Gardner-Denver	58.1	25	5.0	11	8.6	9.6	14.7	14.7	13	10	10	441	1.42
Garlock	31.7	33	1.4	42	4.5	4.2	9.9	12.0	8	8	12	45	2.07
Harris-Intertype [6]	114.5	29	4.2	29	3.6	3.6	7.6	8.6	12	13	5	288	2.43
Hobart Manufacturing	75.3	41	5.2	100	7.0	4.9	14.1	17.8	16	10	9	417	1.82
Ingersoll-Rand	233.0	14	18.6	14	8.0	8.0	13.0	15.2	14	11	7	1,008	4.30
Joy Manufacturing [3]	81.4	1	1.7	−63	2.1	5.9	5.0	5.5	15	10	17	184	1.65
Katy Industries	35.0	40	1.1	33	3.1	3.3	† 7.6	† 5.0	10	NA	NA	36	0.60
Keene	39.6	21	0.7	14	1.8	1.9	5.5	8.4	8	64	33	35	0.86
McNeil	**33.4	14	1.4	44	4.2	3.3	7.1	8.1	8	7	3	42	1.71
Midland-Ross	78.2	26	1.8	24	2.2	2.3	5.4	6.5	9	5	−1	86	1.48
Omark Industries [6]	27.1	14	1.7	59	6.1	4.4	9.8	11.3	7	22	2	52	1.40
Otis Elevator	**163.2	9	8.1	9	4.9	4.9	9.5	11.5	10	5	1	347	3.60
Outboard Marine [3]	138.5	21	13.5	39	9.8	8.5	15.5	19.0	9	8	14	360	4.07
Parker-Hannifin [6]	86.6	27	4.4	42	5.1	4.6	11.7	16.2	10	15	8	193	2.40
Peabody Galion [3]	42.1	24	1.6	27	3.9	3.8	11.9	14.2	22	28	24	235	1.20
Roper	86.0	22	2.3	15	2.6	2.8	10.2	10.4	8	10	2	78	2.94
Smith International	**28.6	25	1.8	51	6.1	5.1	11.3	13.8	22	30	16	150	1.97
Stewart-Warner	55.4	15	3.4	32	6.1	5.3	12.5	12.5	10	5	2	144	3.05
Sundstrand	86.4	29	3.0	69	3.5	2.6	5.6	5.3	14	21	0	183	1.34
U.S. Filter	34.3	13	1.6	23	4.6	4.2	11.6	12.4	12	22	25	150	0.80
USM [10]	149.3	18	4.2	230	2.8	1.0	4.6	4.7	8	2	−5	96	2.16
Warner & Swasey	51.1	47	2.4	186	4.7	2.4	6.3	6.2	15	10	−5	148	1.89
Wean United	39.4	−22	0.0	−96	0.1	1.3	−0.8	−4.3	NM	1	NA	13	−0.56
Industry Composite	3,536.0	15	162.3	28	4.6	4.1	NM	11.5	13	7	4	9,579	2.15

Footnotes at end of the table.

Company	Sales		Profits		Margins		Ratios			10-year growth		Market value shares O/S yearend (millions)	12-months earnings per share
	1st quarter 1973 (millions)	Change from 1972 (percent)	1st quarter 1973 (millions)	Change from 1972 (percent)	1st quarter 1973 (percent)	1st quarter 1972 (percent)	Return on invested capital 1972	Return on common equity 1972	Price earnings ratio 4-30	Common equity (percent)	Earnings per share (percent)		
INSTRUMENTS													
Controls, measuring devices, photo and optical													
Ametek	$43.8	14	$2.0	51	4.6	3.5	12.0	14.9	10	10	3	$91	$1.41
Bausch & Lomb	50.5	18	2.3	15	4.5	4.6	8.5	9.2	15	11	9	152	1.35
Beckman Instruments [6]	41.8	9	1.5	22	3.6	3.2	6.7	7.2	21	8	1	166	1.54
Bell & Howell	**94.8	16	3.8	25	4.0	3.8	10.1	11.1	10	11	13	307	3.11
E G & G	33.1	6	0.8	19	2.5	2.2	9.7	13.5	18	22	4	94	0.69
Eastman Kodak	797.6	19	122.8	38	15.4	13.3	20.6	21.8	37	14	14	23,975	3.60
Fisher Scientific	34.6	14	0.8	6	2.4	2.6	5.3	6.1	11	8	−8	41	0.78
Foxboro	35.1	−10	0.7	−39	2.1	3.1	4.1	3.8	27	12	−2	132	0.90
General Signa	92.2	10	3.9	19	4.2	3.9	13.2	14.0	17	16	10	422	2.44
Hewlett-Packard	127.0	30	8.1	31	6.4	6.3	15.0	14.7	55	23	15	2,288	1.48
Itek	49.2	10	1.2	3	2.3	2.5	6.7	7.4	15	26	12	145	1.84
Johnson Service	53.3	7	2.2	2	4.1	4.3	11.7	17.4	9	6	6	129	2.34
Minnesota Mining & Manufacturing	576.0	16	65.3	19	11.3	11.0	17.6	19.5	35	13	10	9,680	2.26
Polaroid	**135.3	21	11.3	28	8.3	7.9	7.9	7.9	92	27	19	4,143	1.37
Ranco [3]	27.5	9	1.3	2	4.7	5.0	11.3	13.3	8	4	3	51	1.93
Robertshaw Controls	49.0	15	2.6	12	5.3	5.5	10.9	12.7	8	7	11	145	2.60
Sherwood Medical Industries	32.1	5	2.3	2	7.0	7.3	13.3	16.9	12	NA	NA	171	1.72
Technicon	29.0	19	3.2	68	11.1	7.9	14.7	14.9	18	NA	NA	369	0.61
Tektronix	59.5	21	4.7	26	7.8	7.5	11.3	11.2	19	19	9	407	1.87
Varian Associates [3]	60.8	18	1.6	283	2.7	0.8	4.8	4.8	15	10	−2	131	0.82
Industry Composite	2,422.2	17	242.3	29	10.0	9.0	16.0	17.3	23	12	11	43,039	2.46
LEISURE TIME INDUSTRIES													
American Greetings [10]	**48.2	12	4.2	13	8.6	8.6	13.7	16.1	37	12	11	649	1.07
AMF	218.9	5	14.7	6	6.7	6.6	14.5	21.6	10	5	10	1,038	3.01
Brunswick	174.5	25	9.2	25	5.3	5.2	12.6	15.0	11	2	22	687	1.98
Coleman	51.0	23	3.1	37	6.0	5.4	11.5	14.3	14	14	11	242	1.44
Denny's [6]	**48.7	13	0.9	50	1.9	1.5	NA	13.1	19	40	16	113	0.68
Disney (Walt) Productions	86.5	15	10.4	15	12.0	12.0	8.3	10.2	61	31	14	3,379	1.45
Fuqua Industries	**119.1	25	3.2	28	2.7	2.7	9.3	13.9	7	33	44	166	1.92
Gino's	33.0	25	0.8	43	2.5	2.2	12.5	23.7	17	48	39	142	1.14
Hilton Hotels	91.9	10	5.8	55	6.3	4.5	6.6	10.2	11	6	16	351	2.28
Holiday Inns	**193.8	12	7.4	10	3.8	3.9	7.5	11.9	17	42	30	1,288	1.39
Host International	36.3	12	1.0	15	2.8	2.7	11.5	18.2	13	23	19	133	1.14
Howard Johnson	78.2	13	3.2	29	4.1	3.6	13.7	14.1	25	17	11	722	0.93
Huffman Manufacturing (6)	30.3	22	0.5	111	1.6	0.9	11.5	13.2	8	20	−10	25	1.59
Madison Square Garden (7)	29.2	28	0.8	131	2.8	1.6	3.5	3.4	18	49	NA	84	0.12
Marriott (3)	**152.9	31	4.7	26	3.1	3.2	7.0	12.4	42	27	20	1,069	0.66
Metro-Goldwyn-Mayer (4)	**45.4	−6	3.2	19	7.0	5.5	7.6	9.2	12	0	8	135	1.58
Murray Ohio Manufacturing	32.0	13	1.5	20	4.6	4.4	13.1	15.5	10	7	7	66	2.50
National Homes	49.0	25	−2.0	NM	NM	.6	4.4	4.1	15	13	31	73	0.48
Norlin	37.0	23	1.4	31	3.7	3.5	9.5	11.7	5	14	7	45	3.38
Ramada Inns	**39.2	18	3.6	18	9.1	9.1	7.0	13.7	18	61	23	454	0.64
Skyline (7)	66.4	4	2.2	−35	3.3	5.2	30.5	30.5	9	37	42	364	1.68
Webb (Del E.)	**73.5	−12	1.3	46	1.8	1.1	5.8	8.7	11	8	−1	64	0.54
Western Publishing	44.7	6	1.7	25	3.7	3.2	8.9	11.5	8	4	1	101	2.17
Winnebago Industries (10)	48.3	37	4.0	13	8.3	10.0	33.2	33.5	16	NA	NA	668	0.77
Industry Composite	1,823.1	15	86.6	14	4.7	4.8	9.4	13.6	17	11	16	12,058	1.23
METALS AND MINING													
Nonferrous metals, coal, iron ore, etc.													
Aluminum Co. of America	495.9	19	21.1	9	4.3	4.7	6.1	8.1	12	6	6	1,162	4.67
American Metal Climax	266.7	32	20.2	47	7.6	6.8	NA	12.0	11	10	6	779	2.89
American Smelting & Refining	256.0	22	16.8	33	6.5	6.0	7.6	7.8	10	10	10	497	2.00
Anaconda	301.6	27	13.3	46	4.4	3.8	5.4	5.3	9	0	2	430	2.18
Belden	36.2	23	1.2	6	3.4	4.0	10.5	14.5	9	8	6	58	2.46
Chromalloy American	149.8	29	4.9	33	3.3	3.2	9.3	14.3	8	39	22	185	1.94
Copper Range	31.7	24	0.6	NM	1.9	NM	NM	−1.5	NM	7	14	38	−0.63
Cypus Mines	**88.6	17	8.1	15	9.1	9.3	9.9	13.4	9	8	17	276	3.35
Eastern Gas & Fuel Associates	97.6	0	6.5	−15	6.6	7.8	6.7	8.9	15	10	17	212	1.68
Essex International	203.7	26	11.0	18	5.4	5.7	11.8	17.3	8	16	13	461	2.10
Gulf Resources & Chemical	**33.2	8	1.5	696	4.4	0.6	9.8	37.3	10	11	0	38	0.85
Homestake Mining	**29.8	123	3.6	251	12.2	7.7	10.6	12.0	24	9	−6	132	1.75
Kaiser Aluminum & Chemical	287.2	26	9.7	316	3.4	1.0	4.1	3.4	14	12	−3	340	1.01
Kennecott Copper	318.4	19	28.6	56	9.0	6.9	7.3	8.1	9	6	7	788	2.94
Martin Marietta Aluminum	60.2	16	0.0	−99	0.0	2.7	NM	0.3	NM	10	−7	81	0.06
North American Coal	31.5	38	0.7	−34	2.1	4.4	6.1	8.2	15	4	5	40	1.50
Phelps Dodge	**216.6	17	25.3	15	11.7	11.9	10.1	11.5	10	7	8	808	4.17
Pittston	192.7	0	7.4	−25	3.9	5.2	7.3	9.6	20	14	13	411	1.28
Revere Copper & Brass	116.2	24	−0.9	NM	NM	NM	NM	−0.8	NM	5	−3	50	−0.21
Reynolds Metals	316.8	17	3.5	NM	1.1	NM	NM	0.7	58	6	−9	276	0.24
Triangle Industries	53.2	29	1.0	44	1.9	1.7	6.4	6.5	9	7	3	28	1.48
Universal Oil Products	132.9	22	4.3	22	3.2	3.2	7.9	8.6	12	11	4	228	1.41
Industry Composite	3,716.6	22	188.3	35	5.1	4.6	6.1	7.7	14	6	4	7,318	2.21
MISCELLANEOUS MANUFACTURING													
ACF Industries	107.3	23	7.3	45	6.8	5.8	6.4	10.4	12	4	4	266	3.81
Allied Products	55.1	19	1.2	69	2.2	1.6	7.9	11.1	6	15	11	35	2.71
Amsted Industries [3]	87.7	28	3.1	123	3.5	2.0	10.1	10.4	8	4	2	115	5.18
Apache	**34.2	20	1.6	28	4.6	4.3	7.2	11.5	8	22	18	55	1.72
Armstrong Cork	192.0	19	14.8	39	7.7	6.6	9.8	11.5	13	9	0	848	1.76
Athlone Industries	43.9	21	1.2	53	2.7	2.1	6.8	12.4	6	127	10	23	2.41
Bangor Punta [2]	**84.1	29	2.6	201	3.1	1.3	5.5	7.8	5	40	−11	72	1.97
Bath Industries	88.3	16	4.3	26	4.8	4.5	18.6	25.8	8	6	21	285	2.90
Bemis	**116.4	15	2.8	24	2.4	2.2	7.3	9.3	8	7	9	115	2.37
Carborundum	96.2	16	4.7	40	4.9	4.0	8.5	9.5	12	7	7	258	4.78
Ceco	51.5	11	1.0	−21	2.0	2.8	8.8	12.5	8	7	11	82	2.37
Corning Glass Works	204.0	22	18.3	36	9.0	8.1	13.1	13.6	30	11	4	1,916	3.33
Eagle-Picher Industries [1]	69.7	7	3.1	30	4.4	3.6	10.2	14.1	10	7	12	118	2.77
Gable Industries [6]	42.1	49	1.7	63	4.0	3.7	NA	NA	7	1	7	54	2.52
General Cable	107.1	26	3.7	4	3.5	4.3	9.1	9.6	10	8	2	203	1.08
General Refractories	47.8	22	0.3	NM	0.7	NM	3.2	2.8	11	2	−10	28	0.57

Footnotes at end of table.

SURVEY OF CORPORATE PERFORMANCE: 1ST QUARTER 1973—Continued

Company	Sales		Profits		Margins		Ratios			10-year growth		Market value shares O/S yearend (millions)	12-months earnings per share
	1st quarter 1973 (millions)	Change from 1972 (percent)	1st quarter 1973 (millions)	Change from 1972 (percent)	1st quarter 1973 (percent)	1st quarter 1972 (percent)	Return on invested capital 1972	Return on common equity 1972	Price earnings ratio 4-30	Common equity (percent)	Earnings per share (percent)		
MISCELLANEOUS MANUFACTURING—Continued													
Handy & Harman	$78.2	52	$1.3	77	1.7	1.5	10.8	12.0	11	14	3	$40	$1.66
Howmet	86.4	25	3.6	−24	4.1	6.8	5.7	9.8	10	13	17	125	1.24
Illinois Tool Works	46.2	29	3.8	38	8.2	7.7	16.7	17.5	23	15	14	386	1.32
Insilco	88.7	11	3.0	2	3.4	3.8	8.4	15.7	8	7	7	140	1.31
Kroehler Manufacturing	31.7	8	0.6	4	1.9	2.0	6.8	6.8	7	4	9	34	2.69
Ludlow	49.4	7	0.8	−37	1.6	2.8	8.1	11.5	8	4	5	59	1.71
Microdot	59.0	33	2.8	62	4.8	3.9	12.6	21.3	6	37	15	67	2.09
Mohasco Industries	117.7	19	3.3	12	2.8	3.0	8.3	9.9	8	9	8	186	2.37
Norton	110.2	22	6.3	74	5.7	4.0	7.3	7.9	8	3	−2	175	3.21
Philips Industries [9]	51.4	6	2.0	49	4.0	2.8	11.5	14.3	6	57	32	49	1.10
Porter (H.K.)	**67.2	17	0.7	NM	1.0	NM	2.3	1.4	32	3	−16	33	0.77
PPG Industries	370.2	14	24.0	28	6.5	5.8	9.3	12.3	8	3	3	977	4.23
Premier Industrial [7]	28.4	13	1.6	7	5.7	6.0	13.2	25.7	10	7	13	102	0.90
Pullman	**221.3	20	6.3	53	2.8	2.2	7.5	8.5	14	3	6	225	4.18
Scott & Fetzer [1]	59.8	20	4.2	18	7.0	7.1	23.4	25.0	14	31	16	286	2.49
Scovill Manufacturing	145.2	21	4.6	25	3.1	3.0	9.0	11.5	9	7	14	193	2.32
Signode	79.6	27	5.1	39	6.4	5.9	12.2	15.5	18	13	12	360	2.68
Simmons	93.7	19	2.7	33	2.9	2.6	8.8	9.7	10	8	9	179	2.00
Standard Pressed Steel	35.8	21	1.5	467	4.2	0.9	7.2	7.3	9	3	10	44	0.82
Stanley Works	**114.0	23	5.3	23	4.7	4.7	11.4	13.3	12	9	13	347	2.70
Todd Shipyards [9]	44.4	3	0.9	NM	2.0	NM	NM	0.5	84	4	−10	34	0.19
Trans Union	**76.3	19	6.5	10	8.5	9.1	6.2	13.7	12	8	26	438	2.66
Tyler	38.1	19	1.4	7	3.7	4.2	11.7	19.6	6	47	12	67	2.78
U.S. Industries	409.2	9	19.1	1	4.7	5.0	13.1	16.4	5	47	23	597	2.40
Vulcan Materials	65.3	19	1.6	206	2.5	1.0	11.6	15.8	8	7	6	154	3.09
Walco National [6]	27.6	24	0.6	28	2.0	2.0	7.8	8.7	8	7	−9	13	1.94
Wheelabrator-Frye	52.0	32	1.9	28	3.6	3.7	7.0	9.4	12	5	−5	173	1.06
Industry Composite	4,075.2	19.	187.3	31	4.6	4.1	9.2	12.1	12	8	5	9,955	2.32
NONBANK FINANCIAL													
Aetna Life & Casualty	1,238.2	17	34.4	35	2.8	2.4	10.2	12.7	9	NA	NA	1,934	6.82
Capital Holding	77.0	8	8.9	12	11.5	11.1	9.2	11.1	18	NA	NA	765	1.37
Crum & Forster	180.4	11	13.0	16	7.2	6.9	9.9	12.4	7	14	31	423	3.77
Heller (Walter E.) Intl	36.2	19	5.6	13	15.4	16.1	11.7	16.2	16	11	9	402	2.06
Hutton (E.F.)	**36.4	−11	1.5	−67	4.1	11.0	18.4	15.8	5	NA	NA	80	1.69
INA	443.9	19	20.7	−10	4.7	6.2	NA	NA	8	NA	NA	NA	4.34
Marlennan	**55.8	10	8.3	11	14.9	14.9	24.0	24.6	18	18	13	621	1.96
Merrill Lynch	**184.4	−7	10.8	−57	5.9	12.7	22.4	13.0	9	NA	NA	1,000	1.73
Pasco	**26.4	NM	0.9	201	3.4	44.9	1.3	2.2	35	NA	NA	80	0.31
Transamerica	**495.3	7	21.2	14	4.3	4.0	8.7	10.5	10	13	2	1,153	1.24
USLIFE	79.5	12	5.4	14	6.8	6.7	11.2	18.6	19	NA	NA	661	2.89
Industry Composite	2,853.5	14	130.6	0	4.6	5.2	NA	NA	15	NA	NA	7,148	2.57
OFFICE EQUIPMENT, COMPUTERS													
Addressograph-Multigraph [5]	114.7	11	3.2	4	2.8	3.0	7.3	8.3	8	8	−4	265	2.10
Apeco [1]	31.0	14	0.8	−32	2.6	4.3	6.7	7.1	17	13	4	64	0.31
Burroughs	**274.4	24	16.3	34	6.0	5.5	9.7	12.7	44	21	25	4,057	4.90
Control Data	200.6	57	17.1	63	8.5	8.3	5.6	8.8	10	47	27	948	4.30
Diebold	45.6	23	2.9	60	6.3	4.8	13.1	15.7	22	16	13	234	2.04
Digital Equipment [6]	**67.4	41	6.2	68	9.1	7.7	13.3	13.0	44	67	43	949	1.80
Honeywell	525.9	17	16.1	44	3.1	2.5	7.7	10.0	24	15	7	2,617	4.32
Intl Business Machines	2,450.5	6	340.1	11	13.9	13.2	16.9	18.1	36	17	15	46,792	11.31
Nashua	48.1	22	2.5	30	5.3	5.0	13.5	17.5	20	14	16	259	2.28
National Cash Register	367.4	12	7.5	NM	2.0	NM	NM	−7.9	NM	12	−15	712	−2.07
Standard Register	29.1	12	1.0	75	3.5	2.2	7.2	8.3	11	5	−3	37	1.58
Uarco [3]	32.8	10	1.2	21	3.7	3.3	7.9	10.1	10	7	3	44	1.97
Victor Comptometer	50.5	15	0.9	8	1.9	2.0	8.4	9.1	11	10	4	94	1.19
Xerox	668.7	22	69.8	22	10.4	10.4	19.0	21.8	43	35	28	11,793	3.31
Industry Composite	4,906.7	13	485.7	20	9.9	9.3	13.1	15.3	23	17	13	68,865	5.77
OIL													
rude, integrated domestic and international													
Amerada Hess	**405.2	10	36.7	25	9.1	8.0	6.7	NM	27	NA	NA	934	1.42
American Petrofina	73.6	12	4.7	105	6.4	3.5	12.3	14.1	14	11	30	247	2.67
Apco Oil	**30.7	9	0.9	−34	2.9	4.8	7.2	8.8	8	24	11	62	2.11
Ashland Oil [3]	439.0	9	15.9	41	3.6	2.8	9.8	20.6	9	10	6	737	2.98
Atlantic Richfield	*997.6	5	50.3	52	5.0	3.5	6.5	8.8	21	16	6	3,589	3.71
Belco Petroleum	**30.7	−3	3.0	25	9.7	7.5	7.9	10.3	8	18	10	104	1.46
Cities Service	521.8	10	34.4	17	6.6	6.2	6.8	7.4	12	9	4	1,245	4.02
Commonwealth Oil Refining	91.1	38	2.8	13	3.1	3.8	4.0	0.9	90	12	−8	118	0.10
Continental Oil	***931.2	9	47.5	12	5.1	5.0	8.0	11.0	10	10	6	2,001	3.48
Crown Central Petroleum	**42.5	−2	0.3	35	0.7	0.5	3.6	2.9	19	8	2	31	0.96
Exxon	5,674.0	13	508.0	43	9.0	7.1	11.2	13.9	13	5	5	19,623	7.52
Getty Oil	360.6	4	27.0	21	7.5	6.4	4.8	5.6	28	14	8	1,755	4.23
Gulf Oil	***2,103.0	9	165.0	19	7.8	7.2	6.6	8.5	11	6	5	5,608	2.28
Kerr-McGee	174.8	8	11.9	20	6.8	6.1	8.8	11.9	30	16	8	1,606	2.18
Marathon Oil	**354.9	17	24.2	50	6.8	5.3	8.7	11.2	12	6	8	1,064	2.94
Mississippi River	**42.2	−2	3.7	13	8.7	7.6	8.2	11.4	10	4	4	168	1.53
Mobil Oil	***2,790.0	13	155.8	10	5.6	5.7	9.7	11.5	12	5	9	7,529	5.79
Murphy Oil	**107.9	14	6.5	58	6.0	4.3	5.6	9.0	18	9	9	365	2.89
Occidental Petroleum	681.4	2	9.6	70	1.4	0.8	1.4	0.5	NM	35	19	647	0.03
Pennzoil	**255.1	26	19.6	24	7.7	7.8	7.8	10.7	12	31	15	591	1.91
Phillips Petroleum	**680.8	7	43.4	22	6.4	5.6	7.4	8.7	22	5	1	3,345	2.08
Quaker State Oil Refining	45.0	21	3.6	6	8.0	9.1	13.1	18.0	29	12	21	638	1.10
Shell Oil	1,089.5	12	80.2	49	7.4	5.5	8.1	9.9	11	8	3	3,699	4.26
Skelly Oil	***153.4	5	10.0	3	6.5	6.8	6.4	6.7	21	5	6	731	3.19
Standard Oil (Indiana)	1,469.0	11	121.1	12	8.2	7.5	8.8	10.6	15	4	9	6,109	5.66
Standard Oil (Calif.)	1,608.4	17	152.8	24	9.5	9.0	10.0	11.2	13	8	5	6,755	6.80
Standard Oil (Ohio)	**402.9	10	17.5	48	4.3	3.2	5.5	6.2	19	16	6	1,248	4.81
Suburban Propane Gas (3)	49.2	19	3.8	14	7.8	8.1	9.0	14.4	11	6	7	131	2.00
Tesoro Petroleum (3)	**62.5	9	4.3	88	6.8	4.0	15.2	19.3	10	47	62	192	3.17
Texaco	**2,495.0	14	264.0	15	10.6	10.5	10.3	13.0	12	9	6	10,201	3.39
Union Oil of California	***636.9	10	38.3	28	6.1	5.1	7.0	10.2	10	8	7	1,131	3.74
Industry Composite	24,799.9	14	1,866.8	27	7.5	6.8	8.6	11.1	18	6	5	82,202	3.99

Footnotes at end of table.

	Sales		Profits		Margins		Ratios			10-year growth			
Company	1st quarter 1973 (millions)	Change from 1972 (percent)	1st quarter 1973 (millions)	Change from 1972 (percent)	1st quarter 1973 (percent)	1st quarter 1972 (percent)	Return on invested capital 1972	Return on common equity 1972	Price earnings ratio 4–30	Common equity (percent)	Earnings per share (percent)	Market value shares O/S yearend (millions)	12-months earnings per share
PAPER													
Avery Products[1]	$53.7	28	$2.6	72	4.8	3.5	10.9	14.6	38	27	16	$379	$1.01
Crown Zellerbach	319.5	24	22.7	197	7.1	3.0	7.5	10.2	11	4	0	682	2.47
Dennison Manufacturing	**45.7	16	1.9	18	4.2	4.1	10.5	14.0	8	13	13	94	3.14
Fort Howard Paper	27.9	13	3.4	15	12.0	11.9	16.9	17.8	29	NA	NA	393	2.02
Great Northern-Nekoosa	116.4	19	5.2	24	4.5	4.3	5.7	8.0	13	15	9	269	3.57
Hammermill Paper	104.7	14	2.4	360	2.3	0.6	3.5	3.9	13	13	−6	115	.92
International Paper	552.0	9	29.8	48	5.4	4.0	7.9	10.2	14	3	2	1,865	2.51
Kimberly-Clark	282.0	12	21.4	54	7.6	5.5	8.9	11.4	15	5	1	954	2.71
Masonite[4]	60.4	6	5.7	16	9.5	8.6	14.9	16.3	14	9	13	513	1.74
Mead	301.8	12	8.0	80	2.6	1.7	5.5	5.4	11	9	−4	242	1.29
Scott Paper	221.5	14	14.0	62	6.3	4.5	7.2	8.2	11	7	−2	532	1.26
St. Regis Paper	**257.0	8	11.5	66	4.5	2.9	6.4	8.5	13	3	4	625	3.21
Union Camp	171.5	20	12.2	50	7.1	5.7	9.6	14.1	15	5	7	736	2.84
Westvaco[2]	127.5	19	5.2	NM	4.1	0.4	5.4	6.9	14	4	−1	284	1.66
Industry Composite	2,641.5	14	146.0	70	5.5	3.7	7.4	9.7	16	5	2	7,682	2.14
PERSONAL CARE PRODUCTS:													
Cosmetics, soap, etc.													
Alberto-Culver[3]	49.2	10	1.4	16	2.8	2.7	12.1	12.8	13	26	13	134	1.29
Avon Products	220.9	19	20.3	19	9.2	9.2	33.3	36.9	59	18	17	7,910	2.22
Chesebrough-Pond's	92.5	11	6.7	20	7.3	6.7	16.0	19.5	34	13	12	1,085	2.28
Colgate-Palmolive	491.9	13	15.3	22	3.1	2.9	14.8	16.3	28	6	9	1,976	3.35
Economics Laboratory[6]	48.7	24	2.9	19	6.0	6.3	13.5	17.9	39	23	17	512	.87
Faberge	31.6	2	1.3	7	4.3	4.1	7.8	8.1	7	27	3	85	1.32
Gillette	231.9	18	20.8	21	9.0	8.7	18.7	24.0	21	12	6	1,888	2.65
Procter & Gamble[6]	1,024.3	12	86.6	12	8.5	8.4	16.1	18.4	27	7	10	9,134	3.66
Industry Composite	2,190.9	14	155.4	15	7.1	7.0	17.7	20.4	28	10	10	22,724	2.79
PUBLISHING:													
Periodicals, books, newspapers													
Gannett	68.9	10	5.0	26	7.3	6.4	11.4	14.8	31	17	14	783	1.18
Knight Newspapers	77.6	8	4.2	14	5.4	5.1	13.3	16.2	21	NA	NA	552	2.04
Macmillan	84.3	4	1.5	22	1.8	1.5	5.8	6.7	7	20	7	162	1.05
McGraw-Hill	94.2	10	2.0	227	2.1	0.7	10.3	12.6	10	11	3	394	.98
Media General	30.4	14	2.0	33	6.7	5.7	8.9	11.8	16	NA	NA	142	2.36
Meredith[6]	43.5	0	1.5	58	3.4	2.2	5.8	7.6	8	8	8	56	1.74
New York Times	**84.5	7	4.0	64	4.7	3.1	11.1	12.1	11	14	32	166	1.20
Prentice-Hall	30.8	6	1.9	12	6.3	6.0	22.7	22.7	11	15	16	335	1.67
Ridder Publications	35.1	7	2.3	6	6.7	6.7	11.2	11.2	15	NA	NA	195	1.34
Time	124.4	8	5.3	74	4.3	2.6	9.2	12.4	9	9	3	461	4.27
Times Mirror	**149.2	21	10.3	79	6.9	4.7	13.2	19.4	13	14	12	798	1.38
Washington Post	54.4	13	1.4	84	2.6	1.6	10.1	14.1	11	NA	NA	180	2.21
Industry Composite	877.3	10	41.5	49	4.7	3.5	10.5	13.4	14	9	0	4,225	1.50
RADIO AND BROADCASTING													
American Broadcasting	236.0	14	9.8	53	4.2	3.1	11.4	17.0	11	8	8	646	2.20
Capital Cities Broadcasting	29.5	10	4.1	16	13.8	13.0	10.6	18.5	20	29	21	432	2.33
Columbia Broadcasting System	363.7	12	16.9	37	4.6	3.8	15.6	23.0	12	7	4	1,419	3.03
Metromedia	49.4	21	1.5	39	3.1	2.7	†10.0	†14.9	8	23	8	189	2.11
Wometco Enterprises	**28.0	18	1.5	28	5.3	4.9	9.0	13.1	12	20	11	106	1.16
Industry Composite	706.6	13	33.8	38	4.8	3.9	12.7	19.4	31	10	6	2,792	2.47
RAILROADS													
Burlington Northern	289.1	15	13.7	95	4.7	2.8	3.5	3.7	9	NA	NA	609	4.33
Missouri Pacific Railroad	175.7	15	6.8	17	3.9	3.8	3.1	3.3	9	NA	−3	155	9.25
Norfolk & Western Railway	222.4	6	16.8	10	7.6	7.3	4.2	5.5	10	NA	−5	693	6.27
Rio Grande Industries	34.4	1	3.1	−9	9.1	10.1	6.6	6.2	5	NA	NA	71	2.36
Santa Fe Industries	274.2	21	20.3	11	7.4	8.1	5.1	6.3	8	NA	−1	822	3.31
Seaboard Coast Line Industries	299.4	10	16.4	−15	5.5	7.1	7.4	9.0	6	NA	2	689	5.76
Southern Pacific	362.9	6	14.1	−28	3.9	5.7	4.9	6.2	9	NA	1	1,174	3.85
Southern Railway	190.1	6	17.9	11	9.4	9.1	6.1	7.0	9	NA	4	709	4.07
Union Pacific	281.1	9	24.7	37	8.8	7.0	5.2	7.3	12	NA	2	1,550	4.93
Industry Composite	2,129.2	11	134.0	9	6.3	6.4	4.9	6.1	8	NA	0	6,472	4.26
RETAILING													
Department, discount, mail order, variety food, specialty stores													
Alexander's[5]	114.4	2	1.1	−43	1.0	1.7	3.0	.6	83	NA	NA	42	.06
Allied Stores[11]	530.8	16	24.7	19	4.7	4.5	6.3	8.8	8	6	3	323	3.27
Amfac	183.6	27	5.2	3	2.8	3.5	8.2	11.7	8	11	12	335	2.16
Associated Dry Goods[11]	382.9	11	25.2	16	6.6	6.3	10.8	13.6	13	13	10	635	3.16
Bayless (A. J.) Markets	33.4	17	0.6	3	1.7	1.9	12.7	14.3	7	6	12	25	1.91
Broadway-Hale Stores[11]	340.9	21	19.8	25	5.8	5.6	11.9	19.1	17	11	7	901	1.87
Colonial Stores	175.4	5	1.9	−6	1.1	1.2	9.1	10.9	8	7	7	96	2.06
Cook United	105.7	10	−.7	NM	NM	NM	6.3	8.1	6	20	12	64	1.42
Daylin[4]	134.8	12	2.9	10	2.2	2.2	9.4	13.2	6	61	16	95	1.68
Dayton-Hudson[11]	444.9	21	19.3	10	4.3	4.8	6.8	9.0	10	NA	NA	424	1.74
Dillon[6]	157.8	57	2.7	54	1.7	1.8	17.5	23.9	17	21	14	165	1.89
Eckerd (Jack)[5]	**100.0	24	5.8	22	5.8	5.9	17.4	19.8	40	41	34	697	.84
Fed Mart[4]	61.9	20	1.0	21	1.6	1.6	7.8	14.3	6	13	14	27	2.31
Federated Dept. Stores[11]	914.7	16	52.0	13	5.7	5.8	12.7	13.9	18	11	7	2,440	2.46
Fisher Foods	180.1	36	2.0	16	1.1	1.3	10.5	20.0	9	20	26	104	1.37
Food Fare Stores[5]	505.6	5	2.7	−49	0.5	1.1	4.2	1.6	25	5	0	68	.30
Gamble-Skogmo[11]	377.9	8	11.0	12	2.9	2.8	6.9	7.9	7	13	8	164	4.09
Gimbel Bros.[11]	263.9	6	11.8	11	4.5	4.3	6.1	6.2	11	8	5	204	1.66
Gordon Jewelry[4]	50.0	20	4.9	20	9.8	9.8	10.3	12.3	10	22	22	118	1.40

Footnotes at end of table.

SURVEY OF CORPORATE PERFORMANCE: 1ST QUARTER 1973—Continued

	Sales		Profits		Margins		Ratios			10-year growth		Market value	
Company	1st quarter 1973 (millions)	Change from 1972 (percent)	1st quarter 1973 (millions)	Change from 1972 (percent)	1st quarter 1973 (percent)	1st quarter 1972 (percent)	Return on invested capital 1972	Return on common equity 1972	Price earnings ratio 4-30	Common equity (percent)	Earnings per share (percent)	shares O/S yearend (millions)	12-months earnings per share
RETAILING—Continued													
Department, discount, mail order, variety, food, specialty stores—Continued													
Grand Union [10]	$385.9	14	$3.3	−1	0.9	1.0	5.4	5.8	10	9	10	$96	$1.40
Grant (W.T.) [11]	544.6	21	35.7	15	6.6	6.9	12.0	11.7	8	11	16	622	2.70
Great Atlantic & Pac. Tea [10]	1,680.6	20	−1.3	NM	NM	NM	−7.6	−8.1	NM	3	−7	407	−2.06
Great Scott Supermarkets [3]	68.7	19	0.6	13	0.9	0.9	12.4	14.9	7	NA	NA	12	1.17
Hartfield-Zodys [11]	103.0	60	1.1	36	1.1	1.3	5.9	7.6	6	23	18	19	0.87
Jewel [11]	549.9	17	11.5	11	2.1	2.2	NA	12.8	11	11	8	400	3.84
Kresge (S.S.) [11]	1,306.5	29	50.6	27	3.9	3.9	16.1	19.4	37	10	27	5,361	1.00
Kroger	928.1	11	3.6	−64	0.4	1.2	4.8	4.7	15	7	3	298	1.25
Lerner Stores [11]	139.1	13	9.9	13	7.1	7.1	23.6	25.0	8	6	23	234	4.91
Lucky Stores [11]	552.7	13	10.7	10	1.9	2.0	15.5	23.7	12	21	28	495	0.97
Macy (R. H.) [11]	360.9	8	18.3	14	5.1	4.8	8.9	11.8	9	10	10	455	3.06
Marcor [11]	976.2	14	32.9	26	3.4	3.1	7.2	9.3	10	−1	12	784	2.17
Marshall Field [11]	160.5	5	11.2	15	7.0	6.4	9.7	10.8	12	7	7	330	2.34
May Department Stores [11]	502.5	15	27.4	15	5.4	5.5	7.7	10.9	10	6	2	756	3.13
McCrory [11]	460.9	51	13.8	10	3.0	4.1	9.5	23.9	5	−5	22	115	4.15
Mercantile Stores [11]	158.5	17	10.2	22	6.4	6.2	13.0	15.5	23	8	15	448	6.90
Munford	**40.4	19	0.2	16	0.6	0.6	8.5	15.5	7	8	1	29	1.21
New Process	31.0	−6	1.9	−13	6.0	6.5	28.0	31.3	14	15	26	215	0.72
Penn Fruit [4]	79.2	−9	−0.4	NM	NM	0.8	NM	−8.5	NM	4	15	10	−1.53
Penney (J.C.) [11]	1,791.9	14	69.6	22	3.9	3.6	15.8	16.9	28	11	9	5,096	2.86
Peoples Drug Stores	54.2	0	0.1	−64	0.1	0.4	3.4	3.4	14	3	−3	25	0.48
Pneumo Dynamics [1]	**74.4	17	0.3	−40	0.4	0.8	NM	−1.9	NM	6	−1	9	−0.27
Pueblo International [11]	132.5	10	−0.8	NM	NM	1.3	0.6	−1.6	NM	28	17	27	−0.15
Rapid-American [11]	794.0	−14	16.7	1	2.1	1.8	5.9	12.8	6	42	17	153	2.90
Revco (D.S.) [7]	77.0	13	3.1	10	4.1	4.2	22.5	25.9	24	42	18	235	1.64
Rite Aid [10]	64.6	39	3.4	44	5.3	5.2	19.4	24.6	38	NA	NA	473	0.91
Safeway Stores	1,468.9	11	18.0	0	1.2	1.4	13.6	15.4	9	8	7	1,112	3.55
Sav-On-Drugs	46.8	5	0.9	10	1.9	1.8	10.6	10.6	14	NA	NA	81	0.53
Sears, Roebuck [11]	3,209.7	10	242.0	12	7.5	7.4	14.4	14.5	25	10	9	18,051	3.93
Skaggs	84.2	13	0.7	NM	0.9	0.1	8.4	9.5	25	32	12	105	1.07
Southland	**303.0	10	2.9	15	0.9	0.9	8.4	12.2	14	33	19	489	1.31
Star Supermarkets	31.8	22	0.1	−26	0.4	0.7	6.4	8.3	6	3	4	6	1.31
Stop & Shop [11]	264.6	13	5.1	56	1.9	1.4	6.3	9.9	8	9	2	55	2.03
Supermarkets General [11]	351.8	29	3.5	−2	1.0	1.3	5.3	6.9	15	NA	NA	97	0.50
Tandy [6]	119.9	23	3.9	14	3.3	3.5	10.1	10.8	16	52	27	510	1.71
Thrifty Drug Stores [4]	120.0	9	3.8	5	3.1	3.2	9.8	12.7	9	11	5	109	0.95
Triangle-Pacific Forest	52.7	53	1.3	121	2.4	1.7	11.2	16.2	7	24	16	35	2.66
Vornado [11]	205.6	4	5.8	−1	2.8	3.0	6.9	8.1	6	27	15	100	1.82
Walgreen [3]	211.7	9	1.1	19	0.5	0.5	8.7	11.5	9	8	6	142	1.94
Weis Markets	63.3	14	2.5	1	3.9	4.4	17.0	17.0	11	16	15	120	1.61
Wickes [11]	211.7	23	2.7	110	1.3	0.8	9.7	12.0	9	22	3	223	2.02
Winn-Dixie Stores [6]	494.0	11	11.2	11	2.3	2.3	20.9	21.5	16	8	7	839	2.08
Zayre [11]	312.7	22	5.0	−13	1.6	2.3	7.4	11.9	4	34	22	130	2.15
Industry Composite	24,629.8	14	838.1	13	3.4	3.5	10.2	12.4	14	7	....	46,235	2.13
SAVINGS & LOAN													
First Charter Financial	**74.6	21	12.1	21	16.2	16.2	13.8	14.4	9	12	18	720	2.00
Great Western Financial	79.9	16	9.8	23	12.2	11.5	11.7	13.3	7	15	11	485	2.63
Imperial Corp. of America	48.2	21	5.8	23	12.0	11.7	13.1	13.5	6	15	11	286	1.65
Industry Composite	202.6	19	27.6	22	13.6	13.2	12.9	13.8	8	14	15	1,491	2.08
SERVICE INDUSTRIES													
Leasing, vending machines, wholesaling, real estate builders and developers, etc.													
Alpha Portland Industries	**32.3	26	0.7	18	2.2	2.3	5.9	7.9	7	0	−6	34	1.87
American District Telegraph	**33.8	9	2.3	7	6.9	7.1	10.7	11.4	27	6	6	285	1.80
American Medical Intl [4]	38.0	15	2.7	23	7.1	6.7	11.0	16.2	13	69	44	210	1.51
American Medicorp	55.2	12	3.4	11	6.2	6.2	5.6	7.5	5	NA	NA	116	1.04
Atalanta	*45.6	46	0.4	87	0.9	0.7	18.7	19.0	6	NA	NA	9	1.33
Automatic Data Processing [5]	26.4	27	2.2	55	8.3	6.8	18.5	19.0	50	73	66	522	1.34
Automation Industries	**54.4	17	1.2	27	2.2	2.1	7.0	7.9	7	49	7	66	0.61
Bergen Brunswig [4]	**59.5	1	0.4	NM	0.6	NM	NM	−5.8	NM	−18	7	20	−0.02
Berkey Photo	41.3	38	0.9	70	2.2	1.8	10.5	12.9	9	30	11	103	1.40
Castle (A.M.)	38.2	29	0.5	173	1.4	0.7	8.3	8.6	6	3	6	9	3.48
Commercial Metals [4]	63.0	23	0.9	200	1.4	0.6	13.2	12.4	6	15	6	20	2.20
Cramer Electronics [3]	29.8	35	0.4	NM	1.5	0.0	7.2	6.3	13	26	12	13	0.49
Di Giorgio	125.0	13	1.8	9	1.5	1.5	8.8	11.3	8	10	11	75	1.38
Dillingham	133.5	16	1.0	−24	0.7	1.1	4.8	4.6	14	21	10	129	0.53
Donnelley (R.R.) & Sons	83.0	7	5.1	26	6.1	5.2	10.2	11.4	15	8	6	400	1.43
Dravo	46.9	−9	0.5	85	1.1	0.5	7.4	8.0	9	7	0	61	3.03
Dun & Bradstreet	109.2	19	8.7	18	7.9	8.0	21.8	22.0	28	12	8	993	2.72
Electronic Data System [6]	** 28.3	19	3.9	22	14.0	13.7	22.0	25.8	30	NA	111	645	1.21
Emery Air Freight	40.6	32	2.3	70	5.6	4.4	41.8	42.1	47	24	20	462	1.19
Fischbach & Moore [3]	87.2	15	1.7	15	2.0	2.0	15.0	19.2	17	18	12	185	2.65
Foremost-McKesson [5]	497.5	12	6.1	−10	1.2	1.5	8.0	16.0	7	0	−4	262	2.05
Genuine Parts	115.2	11	2.9	12	2.6	2.5	17.0	17.4	33	20	16	658	1.14
Grainger (W.W.)	51.7	27	3.1	55	6.0	4.9	18.8	21.4	30	25	17	482	1.06
Hospital Corp. of America	** 53.6	29	3.4	21	6.3	6.8	7.0	12.9	13	NA	NA	330	1.19
Ipco Hospital Supply [6]	31.5	7	0.5	52	1.6	1.1	5.0	6.2	15	24	9	37	0.34
Jorgensen (Earle M.)	39.6	26	1.6	42	4.1	3.6	10.6	12.0	7	10	7	42	3.64
Kaufman & Broad [1]	69.2	25	5.2	41	7.5	6.7	13.6	15.9	19	47	28	707	1.32
Leaseway Transport	99.9	21	3.5	33	3.5	3.2	11.7	27.7	13	18	16	321	2.54
Malone & Hyde [6]	138.2	16	1.9	15	1.4	1.4	15.8	17.9	22	21	19	195	1.27
Manpower [6]	** 32.1	16	1.0	79	3.1	2.0	15.2	16.9	13	20	9	49	1.93
McKee (Arthur G.)	64.3	16	0.5	79	0.7	0.5	9.3	8.5	11	−1	0	19	1.73
National Service Industries [4]	97.7	8	4.7	2	4.8	5.1	16.0	18.4	11	17	13	369	1.58
Nielsen (A.C.) [4]	36.2	14	3.0	17	8.2	8.0	18.2	18.2	35	18	12	363	1.05
Ogden	290.5	11	5.3	27	1.8	1.6	7.8	10.9	8	17	29	140	1.89
Parsons (Ralph M.)	34.8	−47	0.6	28	1.7	0.7	13.8	13.8	19	NA	NA	59	1.37
Retail Credit	**49.4	3	1.8	−16	3.7	4.5	18.3	19.6	10	8	5	90	2.75

Footnotes at end of table.

Company	Sales		Profits		Margins		Ratios			10-year growth		Market value	
	1st quarter 1973 (millions)	Change from 1972 (percent)	1st quarter 1973 (millions)	Change from 1972 (percent)	1st quarter 1973 (percent)	1st quarter 1972 (percent)	Return on invested capital 1972	Return on common equity 1972	Price earnings ratio 4-30	Common equity (percent)	Earnings per share (percent)	shares O/S yearend (millions)	12-months earnings per share
Ryan Homes	$35.9	24	$1.5	15	4.1	4.4	21.5	27.5	13	NA	NA	$179	$1.30
Rycer System	**111.6	37	3.8	46	3.4	3.2	7.9	14.4	23	18	27	543	1.37
Sav-A-Stop[4]	53.9	19	0.8	44	1.5	1.2	9.3	11.6	9	41	26	41	0.79
Scrivner-Boogaart[6]	52.3	29	0.4	12	0.8	0.9	10.7	13.1	7	16	12	9	1.14
Sperry & Hutchinson	**150.3	5	8.1	−1	5.4	5.7	15.9	18.6	6	12	7	293	3.65
Super Valu Stores[10]	295.2	6	2.2	−27	0.7	1.1	13.1	18.3	8	14	8	92	2.19
UMC Industries	40.6	24	1.9	7	4.7	5.4	13.1	14.1	7	5	10	96	1.91
VWR United[10]	75.0	19	0.6	NM	0.8	NM	6.8	6.9	10	3	−12	31	1.12
Warner Communications	144.3	19	14.6	18	10.1	10.2	11.3	20.1	10	42	21	698	2.29
Work Wear	37.4	18	1.3	17	3.4	3.5	7.3	13.0	6	16	8	34	1.66
Zapata[3]	57.7	5	4.8	27	8.4	6.9	6.6	13.5	7	47	30	160	3.34
Industry Composite	3,926.6	13	126.1	18	3.2	3.1	10.3	15.0	15	14	11	10,655	1.60
SPECIALTY MACHINERY													
Allis-Chalmers	278.9	22	4.5	49	1.6	1.3	4.7	2.4	11	1	−3	130	0.82
American Hoist & Derrick[1]	64.9	24	1.3	109	1.9	1.2	7.2	9.8	8	11	−2	52	1.51
Bucyrus-Erie	43.9	12	4.5	50	10.2	7.6	12.5	13.5	11	9	13	177	2.43
Caterpillar Tractor	751.8	21	60.6	41	8.1	6.9	16.9	19.9	16	11	7	3,792	3.93
Clark Equipment	264.3	27	14.3	51	5.4	4.6	13.6	14.4	13	14	7	729	3.37
Deere[3]	371.8	36	28.0	60	7.5	6.4	13.7	15.7	9	7	4	1,333	4.19
FMC	398.1	11	19.6	20	4.9	4.6	9.1	12.1	8	10	5	720	2.12
Koehring[1]	77.0	34	1.2	NM	1.6	NM	9.9	9.4	7	8	−8	59	2.02
Unarco	30.0	24	1.0	35	3.4	3.1	9.3	20.3	7	4	8	15	1.36
Industry Composite	2,280.8	22	135.0	45	5.9	5.0	12.4	14.8	10	9	5	7,007	3.14
STEEL													
Alan Wood Steel	32.5	7	0.6	281	1.8	0.5	4.6	4.2	8	4	−5	14	2.30
Allegheny Ludlum Industries	188.6	30	7.9	72	4.2	3.2	6.8	11.3	8	0	−2	135	3.15
Ampco-Pittsburgh	26.9	34	1.2	83	4.4	3.2	8.5	9.0	7	10	15	27	1.03
Armco Steel	531.9	20	24.1	60	4.5	3.4	6.2	7.4	9	4	−1	710	2.58
Bethlehem Steel	960.5	36	40.5	62	4.2	3.5	6.1	7.1	9	3	3	1,306	3.38
Carpenter Technology[4]	**58.8	37	4.6	83	7.7	5.8	10.5	12.1	8	7	1	101	3.00
Copperweld	56.8	33	2.8	38	4.9	4.7	12.2	16.1	6	4	7	73	4.30
Cyclops	122.3	36	3.1	NM	2.5	NM	7.2	8.8	5	5	−7	46	4.68
Harsco	92.9	13	4.2	24	4.5	4.2	10.9	12.5	8	12	5	166	2.15
Inland Steel	430.8	26	19.4	10	4.5	5.2	6.6	8.6	10	3	−1	603	3.59
Interlake	111.3	21	2.9	2	2.6	3.1	5.6	6.3	8	7	2	112	3.35
Jones & Laughlin Steel	365.9	39	12.0	40	3.3	3.3	5.7	6.2	8	3	−6	284	2.62
Kaiser Steel	134.1	87	2.6	NM	1.9	NM	NM	3.4	7	14	0	74	1.39
Keystone Consolidated Inds[6]	68.2	22	1.4	41	2.0	1.7	4.6	4.7	7	2	−20	39	2.23
Lukens Steel	38.7	13	1.1	−9	2.9	3.6	6.5	7.3	11	5	2	77	2.40
McLouth Steel	88.0	25	3.6	281	4.1	1.4	4.7	4.8	8	1	−15	79	2.01
National Standard[3]	47.6	27	1.7	110	3.7	2.2	5.9	7.2	23	10	0	148	1.10
National Steel	** 525.6	32	19.7	32	3.7	3.7	5.9	7.5	10	6	−1	753	4.07
Republic Steel	499.2	35	20.5	117	4.1	2.5	4.7	5.2	9	4	−14	419	3.35
U.S. Steel	** 1,520.0	35	49.0	157	3.2	1.7	4.7	5.1	9	2	−1	1,652	3.45
Wheeling-Pittsburgh Steel	178.8	33	2.6	−18	1.5	2.4	3.9	3.6	6	6	−5	74	2.65
Industry Composite	6,079.4	32	225.6	84	3.7	2.7	5.5	6.4	9	3	−2	6,891	3.10
TEXTILES AND APPAREL													
Avondale Mills[4]	39.8	16	1.7	94	4.2	2.5	9.7	10.1	10	7	8	69	3.80
Blue Bell[3]	104.3	17	4.7	1	4.5	5.3	12.7	13.6	8	19	14	223	2.56
Brown Group[2]	150.3	15	5.6	2	3.7	4.2	11.4	12.8	9	7	6	242	3.02
Burlington Industries[3]	514.7	15	20.1	68	3.9	2.7	6.6	8.1	13	9	2	985	2.32
Cluett, Peabody	125.8	0	2.6	−14	2.1	2.5	7.7	8.1	9	11	1	172	1.36
Colling & Aikman[9]	86.3	10	3.5	−17	4.0	5.3	12.2	15.0	9	14	12	193	1.35
Cone Mills	88.2	10	1.9	9	2.2	2.2	6.0	6.1	7	2	4	75	2.72
Dan River	99.9	19	1.8	179	1.8	0.8	4.6	3.7	11	2	−16	67	0.86
DHJ Industries[7]	34.8	21	0.9	2	2.7	3.2	8.4	3.8	19	NA	NA	23	0.57
Duplan[3]	38.5	14	0.9	98	2.5	1.4	5.1	5.0	10	11	12	35	0.82
Fieldcrest Mills	57.4	13	0.7	−36	1.2	2.1	7.5	8.4	9	12	3	94	2.00
Genesco[5]	378.6	1	4.9	−57	1.3	3.0	2.9	0.3	NM	8	−1	174	0.05
Graniteville	43.8	7	2.3	185	5.2	2.0	9.9	11.4	6	6	0	41	3.93
Hanes	66.2	20	2.1	18	3.2	3.2	8.4	9.6	7	6	9	77	2.02
Hart Schaffner & Marx[1]	118.3	10	4.1	17	3.5	3.3	8.1	9.8	11	17	9	246	1.68
Levi Strauss[1]	121.6	15	5.4	9	4.4	4.7	14.2	15.7	15	NA	NA	507	2.34
Lowenstein (M.) & Sons	138.8	15	2.6	20	1.9	1.8	5.1	5.8	8	6	13	74	2.53
Melville Shoe	138.4	5	2.7	−13	2.0	2.4	17.9	24.1	22	19	21	810	1.16
Oxford industries[7]	48.4	12	1.9	50	3.9	2.9	12.8	17.0	7	15	4	52	3.01
Puritan Fashions[1]	38.1	35	1.4	35	3.7	3.7	14.8	25.9	4	12	6	37	1.82
Reeves Bros.[6]	52.4	16	2.4	117	4.7	2.5	8.4	11.0	6	8	14	46	4.38
Riegel Textile[3]	56.8	13	2.2	100	3.9	2.2	7.1	9.8	7	5	−3	51	2.53
Spring Mills	115.1	29	3.7	70	3.2	2.5	5.8	6.2	8	−1	3	126	1.83
Stevens (J. P.)[2]	247.9	24	6.1	86	2.5	1.6	4.7	5.0	10	5	−5	210	3.02
United Merchants & Mfrs.[6]	208.5	9	4.8	78	2.3	1.4	7.7	6.5	6	6	4	142	2.89
Warnaco	71.7	17	1.9	16	2.6	2.6	10.3	13.8	7	17	1	74	2.37
West Point-Pepperell Mfg.[4]	120.6	26	3.8	136	3.2	1.7	6.9	6.9	8	10	−4	144	2.87
Industry Composite	3,305.3	13	96.9	23	2.9	2.7	7.4	8.7	9	8	3	4,986	1.91
TIRE AND RUBBER													
Amerace	58.1	22	2.6	14	4.5	4.9	9.2	28.1	8	−8	4	59	2.78
American Biltrite Rubber	34.0	4	1.3	9	3.8	3.6	7.7	9.3	6	8	−3	37	1.77
Armstrong Rubber[2]	54.4	15	1.5	13	2.7	2.7	7.4	9.5	6	6	3	62	4.59
Carlisle	30.2	14	1.6	43	5.4	4.3	12.6	14.6	9	15	9	55	2.28
Cooper Tire & Rubber	35.4	20	1.0	47	2.9	2.4	8.8	14.2	7	11	−2	36	2.28
Firestone Tire & Rubber[2]	673.2	17	26.6	23	4.0	3.8	9.2	11.5	9	7	6	1,453	2.45
General Tire & Rubber[1]	303.4	41	13.1	53	4.3	4.0	10.4	13.8	6	10	4	554	3.45
Goodrich (B. F.)	405.8	17	13.4	52	3.3	2.5	7.5	8.4	7	4	0	410	3.61
Goodyear Tire & Rubber	1,069.4	16	45.3	17	4.2	4.2	10.3	12.9	9	9	9	2,300	2.73
Richardson	29.5	1	0.8	11	2.8	2.5	8.2	15.6	7	11	−13	25	1.88
Rubbermaid	29.6	26	2.2	23	7.3	7.5	15.6	18.0	34	14	13	315	2.39
Industry Composite	2,723.0	19	109.5	26	4.0	3.8	9.5	12.0	10	6	6	5,307	2.77

Footnotes at end of table.

SURVEY OF CORPORATE PERFORMANCE: 1ST QUARTER 1973—Continued

Company	Sales		Profits		Margins		Ratios			10-year growth		Market value shares O/S yearend (millions)	12-months earnings per share
	1st quarter 1973 (millions)	Change from 1972 (percent)	1st quarter 1973 (millions)	Change from 1972 (percent)	1st quarter 1973 (percent)	1st quarter 1972 (percent)	Return on invested capital 1972	Return on common equity 1972	Price earnings ratio 4-30	Common equity (percent)	Earnings per share (percent)		
TOBACCO													
Cigars, cigarettes													
American Brands	*$721.8	1	$29.9	4	4.1	4.0	9.5	13.9	9	5	6	$1,101	$4.57
General Cigar	***68.5	5	0.6	−19	0.9	1.2	8.6	6.5	8	7	5	43	2.06
Liggett & Myers	*169.1	−11	6.2	−25	3.6	4.3	7.4	8.3	13	1	3	317	3.25
Loews[4]	***180.3	−9	24.3	48	13.5	8.3	10.6	19.2	5	22	55	686	5.19
Philip Morris	*570.6	17	32.3	18	5.7	5.6	13.5	20.0	25	14	19	3,219	4.81
Reynolds (R. J.) Industries	*741.5	7	60.4	6	8.1	8.3	14.2	17.7	8	7	6	2,163	5.38
Industry Composite	2,451.8	5	153.8	11	6.3	5.9	11.6	16.3	11	8	9	7,529	4.85
TRUCKING													
Arkansas Best	28.2	19	1.1	−7	3.8	4.9	10.4	14.8	7	32	17	58	1.95
Consolidated Freightways	166.0	20	4.0	−20	2.4	3.6	12.7	19.2	8	14	17	268	1.89
McLean Trucking[6]	60.0	23	2.4	32	4.0	3.7	14.6	23.1	13	18	17	121	3.51
Roadway Express	98.0	22	5.9	11	6.0	6.6	26.1	26.7	25	18	16	541	1.23
Spector Industries	33.9	15	0.2	NM	0.6	NM	4.2	7.8	10	1	−17	8	0.58
T.I.M.E.-DC	43.6	17	1.2	69	2.7	1.8	6.7	10.9	9	24	−4	26	1.05
Transcon Lines	30.9	6	0.6	43	2.0	1.5	8.6	11.9	11	19	2	44	1.16
Yellow-Freight Systems	74.1	24	4.4	37	5.9	5.3	17.1	27.7	19	27	19	322	2.44
Industry Composite	534.7	19	19.7	12	3.7	3.9	14.0	20.8	13	18	14	1,389	1.68
UTILITIES													
Telephone, electric, gas													
Allegheny Power System	98.0	11	17.7	4	18.1	19.3	7.5	13.4	9	9	6	607	2.36
American Electric Power	239.7	14	50.1	19	20.9	19.9	8.9	14.6	10	9	6	1,785	2.74
American Natural Gas	248.3	3	37.0	8	14.9	14.2	6.6	13.0	9	7	6	843	4.25
American Tel. & Telegraph[1]	5,511.4	13	678.4	20	12.3	11.6	6.9	9.5	12	5	4	29.208	4.48
Arizona Public Service	53.2	22	6.2	23	11.7	11.6	7.5	11.9	9	5	4	252	2.35
Baltimore Gas & Electric	127.8	9	23.8	9	18.6	18.6	7.3	11.7	10	10	7	686	2.84
Boston Edison	78.4	10	5.9	−33	7.6	12.4	6.6	10.2	11	4	7	323	3.07
Brooklyn Union Gas	63.2	1	8.2	−8	12.9	14.2	6.9	9.7	10	3	1	127	2.22
Carolina Power & Light	86.3	21	19.6	36	22.7	20.2	7.8	14.4	8	11	5	599	2.96
Central & South West	102.5	13	13.6	5	13.3	14.2	7.5	15.6	14	6	7	1,140	3.26
Central Telephone & Utilities	76.8	13	9.3	10	12.1	12.5	6.7	15.6	13	19	7	443	1.73
Cincinnati Gas & Electric	102.6	6	20.0	22	19.5	17.0	8.0	15.3	10	7	6	429	2.46
Cleveland Electric Illuminating	82.2	11	13.0	5	15.8	16.7	8.2	14.1	11	4	7	494	3.20
Columbia Gas System	342.0	−2	47.1	4	13.8	12.9	7.6	12.4	9	5	7	1,001	3.22
Commonwealth Edison	304.5	8	45.9	6	15.1	15.3	6.4	13.3	10	4	3	1,749	3.14
Consolidated Edison of NY	425.1	15	50.0	10	11.8	12.3	5.9	6.7	12	6	0	1,376	2.08
Consumers Power	252.4	11	31.4	22	12.4	11.3	5.7	10.3	10	6	4	761	2.83
Continental Telephone	134.7	24	13.9	29	10.3	9.9	7.5	16.6	13	44	14	829	1.69
Dayton Power & Light	69.5	3	10.2	1	14.6	14.8	7.5	11.5	11	7	5	274	2.10
Detroit Edison	187.7	12	27.4	20	14.6	13.6	6.2	10.7	10	6	2	820	2.12
El Paso Natural Gas	286.1	2	19.0	1	6.6	6.7	6.3	11.8	8	7	6	573	1.98
Florida Power & Light	147.9	26	22.4	26	15.1	15.1	7.7	13.4	14	10	8	1,291	2.78
Florida Power	55.5	26	9.2	27	16.5	16.4	7.1	14.1	10	8	9	547	3.68
General Public Utilities	166.5	14	30.9	36	18.6	15.6	7.1	10.8	9	8	2	846	2.31
General Tel. & Electronics	1,141.6	13	76.9	22	6.7	6.3	6.8	13.2	10	11	7	3,462	2.68
Gulf States Utilities	59.3	19	8.1	26	13.7	13.0	6.4	13.0	12	9	8	549	1.63
Houston Lighting & Power	80.8	14	9.8	−3	12.1	14.2	7.7	14.9	14	8	8	1,035	3.00
Illinois Power	86.7	7	16.7	17	19.3	17.7	6.5	12.5	12	8	4	548	2.44
Lone Star Gas	108.1	20	21.9	8	20.2	22.4	8.7	15.2	12	4	7	580	2.63
Long Island Lighting	112.2	7	17.8	3	15.8	16.4	7.7	12.4	10	6	6	526	2.17
Middle South Utilities	147.2	18	20.8	33	14.1	12.5	6.6	14.8	10	9	9	1,077	2.09
Mountain States Tel. & Tel.[1]	246.3	18	33.6	36	13.6	11.9	7.7	10.4	10	6	5	1,310	2.21
National Fuel Gas	84.0	−9	9.6	−19	11.5	12.9	†7.4	†10.0	8	3	1	142	3.30
New England Tel. & Tel.[1]	279.3	17	25.9	26	9.3	8.6	6.4	8.6	13	6	0	1,542	2.68
New England Electric System	124.1	12	15.4	5	12.4	13.3	6.6	12.1	9	4	5	419	2.59
New England Gas & Electric	51.0	10	3.7	34	7.3	6.0	5.8	11.6	9	7	5	101	1.80
New York State Elec. & Gas	73.3	10	10.3	9	14.0	14.2	7.0	10.9	10	5	2	262	3.06
Niagara Mohawk Power	196.1	7	32.0	8	16.3	16.2	6.7	10.9	9	6	2	599	1.86
Northeast Utilities	142.6	13	22.0	−1	15.4	17.6	8.7	12.5	10	33	5	740	1.52
Northern Illinois Gas	171.1	9	23.7	7	13.9	14.2	7.2	15.1	9	5	5	352	3.03
Northern Indiana Public Serv	116.8	8	14.4	8	12.3	12.3	7.4	15.1	10	8	8	492	2.25
Northern States Power	128.1	6	19.6	6	15.3	15.2	6.6	13.5	10	8	5	638	2.75
Ohio Edison	94.6	10	14.9	9	15.7	15.8	7.1	13.8	11	4	4	594	1.93
Oklahoma Natural Gas[4]	51.3	20	9.7	16	18.8	19.5	8.4	13.1	10	6	4	165	2.07
Pacific Gas & Electric	388.5	7	65.0	8	61.7	16.5	6.9	11.8	9	6	6	1,993	3.07
Pacific Northwest Bell Tel.	136.3	11	13.4	8	9.8	10.1	6.8	8.6	11	6	2	675	1.37
Pacific Power & Light	61.7	18	15.4	16	25.0	25.3	7.3	13.6	11	5	4	473	2.19
Pacific Tel. & Tel.[1]	634.0	14	62.2	43	9.8	7.9	5.6	7.3	12	5	1	2,761	1.39
Panhandle Eastern Pipe Line	137.6	4	20.3	13	14.8	13.6	8.5	18.4	9	11	5	652	3.94
Pennsylvania Power & Light	100.2	12	15.9	12	15.9	15.8	7.1	11.5	9	9	3	481	2.47
Peoples Gas[3]	223.4	1	30.2	−3	13.5	14.0	7.8	14.6	8	6	7	608	4.27
Philadelphia Electric	194.6	9	33.6	9	17.3	17.2	6.7	10.3	11	8	2	1,018	2.06
Potomac Electric Power	68.3	17	11.7	8	17.1	18.5	6.7	10.3	10	6	3	390	1.53
Public Service of Colorado	90.2	18	13.7	24	15.1	14.3	6.7	13.0	9	6	5	368	2.15
Public Service of Indiana	62.4	19	12.3	50	19.6	15.5	7.1	14.9	12	4	6	513	3.36
Public Service Electric & Gas	287.5	8	38.6	21	13.4	11.9	7.5	9.9	10	8	4	1,042	2.42
Rochester Gas & Electric	64.9	12	8.7	42	13.5	10.6	7.7	11.5	9	6	5	186	2.40
San Diego Gas & Electric	63.0	16	9.4	26	15.0	13.7	8.0	11.2	9	6	7	233	1.99
South Carolina Electric & Gas	50.6	13	7.3	2	14.3	15.9	7.0	11.2	11	10	5	291	1.92
Southern California Edison	247.5	10	28.6	9	11.5	11.7	6.2	9.6	9	9	4	1,207	2.57
Southern	263.0	21	41.3	27	15.7	14.9	6.0	10.8	10	10	5	1,424	1.94
Texas Eastern Transmission	215.2	3	27.3	16	12.7	11.3	8.0	15.5	16	14	11	1,394	3.33
Texas Gas Transmission	148.5	14	10.1	43	6.8	5.4	7.7	14.1	9	14	3	314	3.53
Texas Utilities	130.9	22	22.1	28	16.9	16.1	8.2	15.4	15	8	6	1,819	2.00
Union Electric	93.4	9	12.6	12	13.5	13.1	7.1	9.3	13	9	3	559	1.33
United Telecommunications	173.7	18	15.8	11	9.1	9.7	6.3	27.5	12	10	5	763	1.54
Virginia Electric & Power	132.8	20	27.4	24	20.6	19.9	8.2	12.0	9	12	6	1,022	2.10
Western Union	**114.9	1	5.8	−39	5.1	8.4	4.7	6.2	10	6	0	623	2.41
Industry Composite	16,819.6	12	2,165.3	16	12.9	12.4	6.8	10.8	11	6	4	82,943	2.80

FOOTNOTES

[1] 1st quarter ending Feb. 28.
[2] 1st quarter ending Jan. 31.
[3] 2d quarter ending Mar. 31.
[4] 2d quarter ending Feb. 28.
[5] 2d quarter ending Jan. 31.
[6] 3d quarter ending Mar. 31.
[7] 3d quarter ending Feb. 28.
[8] 3d quarter ending Jan. 31.
[9] 4th quarter ending Mar. 31.
[10] 4th quarter ending Feb. 28.
[11] 4th quarter ending Jan. 31.
*Sales include excise taxes.
**Sales include other income.
***Sales include excise taxes and other income.
†Figures are for 1971.
NA, not available.
NM, not meaningful.

Data: Investors Management Sciences.

Glossary: Sales—Includes all sales and other operating revenues. For banks, includes all operating revenues. Profits—Net income before extraordinary items. For banks, profits are before security gains or losses. Margins—Net income before extraordinary items as percent of sales. Return on invested capital—Ratio of net available for common stockholders—adjusted for preferred dividend requirements, minority interest, fixed charges—to total funds invested in company. Return on common equity—Ratio of net available for common stockholders to common equity, which includes common stock, capital surplus, retained earnings. Price-earnings ratio—Based on Apr. 30 stock price and earnings for latest 12 months. Growth in common equity—Annual percentage growth in common equity for latest 10-year period. Growth in earnings per share—Annual percentage growth in earnings per share, including all common stock equivalents, for latest 10-year period. Market value—Shares outstanding times stock price on Dec. 31, 1972. Earnings per share—For latest 12 months, includes all common stock equivalents.

CONCLUSION OF MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, is there further morning business?

The ACTING PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed.

HEALTH MAINTENANCE ORGANIZATION AND RESOURCES DEVELOPMENT ACT OF 1973

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will resume the consideration of the unfinished business, S. 14, which the clerk will now read by title.

The assistant legislative clerk read the bill by title, as follows:

> A bill (S. 14) to amend the Public Health Service Act to provide assistance and encouragement for the establishment and expansion of health maintenance organizations, health care resources, and the establishment of a Quality Health Care Commission, and for other purposes.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXTENSION OF PERIOD FOR TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that morning business be resumed for a period not to exceed 3 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

THE AGRICULTURAL FUEL CRISIS

Mr. CURTIS. Mr. President, it is impossible for one to overstate the fuel crisis facing agriculture particularly in Nebraska and surrounding States. Unless effective action is taken by the Government forthwith, great damage will be done to our entire economy. Food will be in short supply and many farmers will face financial ruin.

Mr. President, when gasoline or diesel fuel is needed to run a tractor to prepare the ground for seeding, that activity cannot be delayed. Likewise when fuel is needed for planting, it is the law of nature that determines when the planting must be done. Where farming is dependent upon irrigation which requires fuel for the pumps, the water must be applied almost on the day required. Apparently official Washington is unaware of these facts.

For many weeks we have been calling to the attention of the executive branch this dire situation. On May 8, Senators from eight States and those from the executive branch who are responsible for the rationing and allocation of diesel fuel, gasoline, natural gas, and LP gas participated in a meeting. At that meeting these shortages were pointed out. Specific cases were presented. Attention was called to the fact that an allocation of these fuel supplies equal to last year's allocation would not be sufficient. The Government has put forth a program of increased production. Additional millions of acres are to be planted this year. Evidence was also submitted showing that some fuel dealers have had their supplies cut off totally. Ample facts were presented at the May 8 meeting to illustrate what needed to be done.

Mr. President, nothing has happened on the local level to ease the shortage or to supply fuel for farmers who need it now. We are not interested in shuffling of papers in Washington. We want fuel in the farmers' machines.

I can cite a couple of communications from my State which illustrate the situation. On Friday, May 11, we received a communication from petroleum dealer in a small city in central Nebraska. He has been in business for years. He serves about 100 farmers supplying them with the necessary fuel for their farming operations. This dealer's tanks are dry. No one will sell him the product he needs. His farmer customers are facing the planting season with nowhere to turn for the necessary tractor fuel.

On Saturday, a communication was received from a farmer in northern Nebraska. He had already started his farming operations. He had planted a sizable field of alfalfa which he was irrigating and needed to continue with that irrigating process. He had enough fuel to last him for 20 hours. At the end of that 20 hours he will face a desperate situation. His dealer has notified him that he cannot supply him.

Mr. President, those in charge of this program should, without further delay, use the powers they have to put tractor fuel and irrigation pumping fuel into the hands of the farmers who need it. The first objective in meeting the emergency should be to fill all the fuel tanks on all the farms. Nature will not wait. If there is hesitation to do this, the President should delegate the entire responsibility to Secretary of Agriculture Earl Butz. I am sure the Department of Agriculture fully realizes that one has to plant before he harvests and that he has to harvest before food is available and the timing for the whole process is not optional but must conform with the seasons, the weather and all the laws of nature.

Mr. President, I ask unanimous consent that a telegram that I sent Mr. William Simon, Deputy Secretary, U.S. Treasury Department, Washington, D.C., on May 12, and a copy of the telegram that I sent to 15 major oil companies also on May 12 be printed in the RECORD.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

MR. WILLIAM SIMON,
Deputy Secretary, U.S. Treasury Department, Washington, D.C.:

There is no indication that your voluntary fuel allocation plan will work in time for soil preparation, planting, and irrigating in farm areas. Newly planted alfalfa is being irrigated in Nebraska now. Some farmers are entirely out of fuel and some have only a few hours' supply. Do you expect to implement a plan that actually meets this need at the grass roots?

CARL T. CURTIS,
U.S. Senator, Nebraska.

PRESIDENT OR CHIEF EXECUTIVE OFFICER OF THE FOLLOWING OIL COMPANIES DOING BUSINESS IN NEBRASKA: MOBIL, SHELL, SUN, STANDARD, TEXACO, CHEVRON, PHILLIPS, KERR-MCGEE, CONOCO, GULF, CITIES SERVICE, HUSKY, ARCO, HUMBLE, FINK:

Federal administrative officials in Washington have put forth a voluntary plan of fuel allocation designed to give first priority to agricultural needs. Many farmers in Nebraska are either without fuel or have but a few hours' supply available for ground preparation, planting, and irrigating. Irrigation of newly planted alfalfa has already started. The need is immediate. Will your distributors be able to supply them right away, possibly by creating a system of set-asides to assure that needs of agriculture will be met? Can you advise me whether the Federal allocation program is being implemented at your distribution level? Or do you recommend mandatory allocations and rationing? Please reply as early Monday as possible.

CARL T. CURTIS,
U.S. Senator, Nebraska.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **ACTING PRESIDENT** pro tempore. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the distinguished Senator from Kentucky (Mr. Cook) be recognized at this time to speak out of order, and that he be recognized for not to exceed 15 minutes.

The **ACTING PRESIDENT** pro tempore. Without objection, it is so ordered.

Mr. COOK. I thank the Senator from West Virginia.

THE LACK OF SUPPORT FOR COAL PROGRAMS

Mr. COOK. Mr. President, I am delighted to see my colleague from the Commonwealth of Kentucky (Mr. Huddleston) occupying the chair, because I know that he shares many of the views in the remarks I am about to make; and I am delighted to have their senior Senator from West Virginia here, whose interest relative to the subject of my comments is well known.

Mr. President, when the average citizen of the Nation flicks a light switch and the lights go on he accepts this electricity as an ideal primary source of energy which enhances his standard of living. If you were to try to convince this individual that this clean ideal electric energy is secondary in nature and much of it is produced by coal, he would be very surprised and equally apprehensive. To the average American, coal is symbolized by the coal bucket, a shovel, and an open fireplace. In his mind, when they disappeared from the American scene, the importance of coal as it affected his daily living habits also disappeared. This lack of understanding of our dependence on coal to reach and maintain our present standard of living has compounded drastically the energy problems which face the Nation today. What is even more unfortunate for these same people is the complete lack of understanding that many of their elected officials seem to have for the problems which underlie this crisis and the solutions which are being proposed to solve these problems.

On April 18 of this year, President Nixon delivered his long-awaited energy message to the Congress. As I stated on that day, I reviewed this message with mixed emotions. What pleased me most was the President's urging that coal be permitted to assume and maintain its rightful place as the leading domestic fossil fuel for energy production. However, he failed to request the additional funds required for an effective research and development program to enable coal to meet this challenge.

Mr. RANDOLPH. Mr. President, will my able colleague yield?

Mr. COOK. I yield.

Mr. RANDOLPH. I hesitate to interrupt the remarks or risk straining the patience of my colleague from Kentucky, who is thoroughly knowledgeable in the subject area which he is discussing. Mr. President, I underscore what the Senator from Kentucky has just said about coal being an abundant fuel, and being, in a sense, a savior in the tragic energy situation which faces our country.

We have coal, and we have enough for 50 to 100 years—possibly for 150 years—to be used not only now and in the coming 10 or 15 years as the energy crisis deepens, but to prepare our energy supplies better to meet the energy needs of this Nation, rather than have us rely upon the uncertain supplies of oil as they come from North Africa and the Arab countries. I have said time and again that we must make the United States of America more energy self-sufficient.

We can and we must make coal a clean-burning fuel through applied technology, and, through technology again, make from coal the energy products we need, namely, clean-burning gas and synthetic oil through coal liquefaction processes.

American coal and its derivatives are far better answers than reliance on foreign oil over the long-term. We cannot afford to buy the backbone of our national defense abroad.

I commend the Kentuckians who represent in this body a very important area in the production of coal, and I think it is incumbent upon all of us who share their concern that we get about the business of using coal. Coal research and development programs have been at a minimum, rather than at the maximum which this country—government and private capital—should have been and should today be investing in to find and adequately develop more energy supplies.

I again congratulate my colleague, and I share his concerns and join in his recommendations. We do need more research into surface mining, as our colleague says.

Furthermore, we have been running coal out of the markets too fast and too much in the name of environmental concerns and for other reasons. We are investing too little too slowly in finding ways to make the coal burning process cleaner and to gasify and liquefy coal to augment our dwindling energy supplies.

Mr. COOK. I thank the Senator from West Virginia. Obviously, all of us are deeply concerned, including the distinguished junior Senator from West Virginia (Mr. Robert C. Byrd), who is here, my colleague from Kentucky (Mr. Huddleston), and the distinguished senior Senator from West Virginia, who has worked on this matter at great length ever since the day I arrived here, I know; so I thank him very much.

Mr. ROBERT C. BYRD. Mr. President, I thank the Senator for his generous remarks with respect to myself.

Mr. COOK. Mr. President, as a Nation, I believe that we are aware of the existence of an energy crisis. I think it is fair to say that in the past few months there has been an increased recognization of the importance of coal in providing a solution to this energy demand. In scientific periodicals, magazines, and newspapers one can find almost daily mention of coal as the "new hope." The Department of the Interior in its reports and distinguished statesmen and industrialists in testimonies before our committees tell us that coal can do the job. I would hasten to add that coal can do the job provided that it gets the help it needs from the Congress and the administration.

There are many problems both in production and consumption which must be solved before coal can do its job. Let us talk a few minutes about the production of coal by both underground and surface mining methods. It is obvious that without adequate production the problems of consumption become academic.

The production of coal by underground methods is governed by the Coal Mine Health and Safety Act of 1969. I have for some time been concerned over the implementation of this act. On June 19, 1972, and again on April 10, 1973, I requested that hearings be scheduled at the earliest practical date. My first request was denied and as of this date I have not received a reply to my letter of April 10 to the chairman of the Labor Committee of the Senate.

Mr. President, there is a direct correlation between the underground production of coal and these hearings, and I again urge that they be held at the earliest practical date.

Concerning the surface mining of coal I have again just recently overflown the coal fields of eastern and western Kentucky by helicopter and again am much distressed by the devastation of the landscape caused by uncontrolled and unregulated surface mining.

I submit that although we hear a great deal about the impact on the environment caused by surface mining areas having steep slopes, some of the greatest damage was done in relatively flat areas of my State where the slope was 5° or less.

I take the position that to ban the surface mining of coal on a particular piece of land because that land meets some textbook criteria concerning slope is absolutely wrong. I believe that we must prohibit the surface mining of coal in any area—flat land, moderate slope or steep slope—if that particular piece of land cannot be reclaimed. The key *then* is reclamation. We must insist upon adequate reclamation, and we must require the States to enforce this regulation. If the States cannot, will not, or prefer not to protect the land, then the Federal Government must take this responsibility.

Mr. President, on Wednesday of this week I submitted a statement to the Subcommittee of the Department of the Interior Committee of Appropriations and I ask unanimous consent that a copy of that statement be printed in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

STATEMENT BY SENATOR MARLOW W. COOK

Mr. Chairman, I again appear before this committee as did I last year and encourage you to provide the additional funds needed to permit the expansion of the research and demonstration program at Berea, Kentucky. This program is vital if we are to improve technology for the reclamation of surface-mined land. I also hope that this will be the year that we finally begin the construction of the office-laboratory facilities to house these activities. Again this year, as in last year, the required funds do not appear in the FY '74 budget. I cannot understand how we can continue this negative approach to this most necessary research and demonstration program. Last year, as you recall, as a partial answer to my request, you recommended and the Congress approved an addition of one hundred fifty thousand dollars to the operating budget of the Forest Service for research on reclamation on surface-mined lands at Berea. Although woefully insufficient this action was most appreciated. Unfortunately, this sum was impounded and, of course, the much needed expansion of research technology did not materialize. In spite of this disappointment, the program at Berea has continued to move ahead. However, the pace is unacceptably slow.

During the past year it has become even more evident that we are faced with a shortage of energy in this Nation. With this most uncomfortable fact comes the satisfying reassurance that there is a solution which can provide this much needed energy. I refer of course to our coal resources. Coal is the backbone of the fuel inventory and even the most pessimistic reports reveal that it comprises over seventy percent of the total estimated ultimate recoverable fossil fuel resource. We are indeed fortunate to have this abundant domestic natural resource. However, if we do not act wisely we may deny the people of this Nation the use of this valuable energy fuel. There are related problems which deal with both the production and consumption of coal. However, today I will limit my remarks to those concerning production only.

Considerably more than half of the coal produced today is surface mined. I have just recently again flown over the surface mining areas of Kentucky and have been distressed at the undesirable side effects which this surface mining leaves in its wake. It is evident that if we are to continue to surface mine, and I am convinced that some such operations must continue, then it is imperative that we reclaim this land to a usable purpose.

Last year the Congress considered over a dozen surface mining bills. Again this year we have seen at least this number of bills addressed to the subject of surface mining. All bills which accept that surface mining of coal must continue also recognize that the land so mined must be reclaimed. There is no question that there is a certain percentage of land which cannot be reclaimed adequately and therefore should not be surface mined. However, where land can be reclaimed to useful purpose, carefully regulated surface mining should be permitted. There is a direct correlation between the number of acres which can be surface mined under these restrictions and the "state of the art" of reclamation technology. The solution to our problem will be found in realistic and improved reclamation technology applied in effective programs. This technology will not be realized until we have conducted adequate research and demonstration programs in mining operations and reclamation.

I believe that we here in the Congress have a responsibility to take the lead in providing for research to develop this new technology. While we are presented with an excellent program to accomplish this task we again find that inadequate funds are being made available to meet the real requirement.

By way of a very brief review let's consider the forestry program at Berea, because here we find the only sustained federal research program of its kind in the nation. Eleven years ago a small research program for the reclamation of surface mine land was initiated by the U.S. Forest Service at Berea, Kentucky. The program was designed to develop methods of reducing or preventing damage to the environment and forest resources during surface mining operations and to restore these values as quickly as possible after mining has ceased.

From its inception Berea has been a "shoe string" operation. There are only nine professional personnel including a hydrologist, soil chemist, civil engineer, range scientist ecologist, botanist, silviculturist and two forest rangers, and this tremendous staff is magnificently housed in a renovated automobile shop, a greenhouse, a basement room of the college and two bays of a garage. Let me repeat, gentlemen, that this is the only sustained federal research program concerned with reclamation or surface mined land. It is incredible that such responsibility rests on so few, and it should be no surprise that our reclamation technology so lags our surface mining requirements.

In 1967 forty thousand dollars was appropriated by Congress to develop detailed plans for a new office-laboratory building designed to accommodate the larger and more intensive research and demonstration programs planned for Berea. This facility would include the most modern types of equipment housed in laboratories with adequate space to permit professional staffs of sufficient size to pursue research projects and conduct demonstrations in this most vital area.

Architectural plans for the building have been completed and the Forest Service has testified that a contract can be let for contruction as soon as funds in the amount of $1,431,000 are appropriated. For six years now this plan has remained unfunded.

Even more important than the building itself are the research programs which must be pursued. We are pleased with the excellent progress that has been made in the current research programs at Berea. The results of this research have been used in Kentucky, West Virginia, Tennessee, and Maryland in forming their reclamation laws and regulations. Scalping requirements, access roads, and bench width limitations have been adopted. Estimates of sediment production from mining are being used by several States to determine the size of impoundments needed to trap silt.

Water quality standards for surface mined areas have been developed in cooperation with State and other Federal agencies. Revegetation techniques have been adopted by all eastern States where surface mining has occurred during the past years. The research staff has consulted with or appeared at hearings in ten different States, including States as far west as Washington.

Of particular interest to me is the fact that in the past year some 30 mining companies requested and received assistance on reclamation problems and put many of the findings into practice. Typical of the letters I have received is one from a subsidiary of Bethlehem Steel Corporation, and I quote:

"We paid a visit to the forest station located at Berea, Kentucky, and the results were more than I expected. We are now working with them on a cooperative project."

These accomplishments show that forest service research has found ways to improve surface mine reclamation and that results of this research are being used throughout the Nation.

However, as diligent and productive as these efforts have been, the results are very small indeed when compared to the magnitude of the problem. The most difficult and important research still lies ahead. The most urgent problems are in two general areas. First, in improving reclamation engineering practices to better protect the environment and in creating stable conditions for rapid restoration of disturbed areas following the mining operation. Second, water pollution control methods must be developed under realistic mining conditions on large experimental watersheds where all phases of mining and reclamation operations can be monitored, studied and controlled.

Mr. Chairman, the President in his energy message and many of the energy bills now being considered by the Congress all look to the gasification, liquification and desulphurization of coal as being vital to the solution of our energy problems. These programs carry a price tag of billions of dollars. I am in complete agreement. However, I hasten to add that before these goals can reach fruition the coal itself must be mined and made available.

I repeat that more than half of our coal is now provided by surface mining methods. In the interest of insuring that the technology for the reduction and/or elimination of the undesirable effects of surface mining throughout the nation be made available to Federal, State, and private agencies, I urge that the operating budget of the forest service be increased by the comparatively small amount of $875,000 to permit the implementation of the planned expansion of the research program at Berea, Kentucky.

I also urge that the funds in the amount of $1,431,000 be added to the Forest Service budget for the construction of the office-laboratory building which has been designed, with funds appropriated by Congress, to accommodate the larger and more intensive research programs. When we recognize that the decision to recover or abandon millions of tons of coal will be made on the basis of reclamation techniques and programs, the benefits of this program will far exceed these minimal costs.

In conclusion, Mr. Chairman, I have here a letter from the President of Berea College, Dr. Willis D. Weatherford, in which he restates the capability and willingness of Berea to carry on this important work and urges that the necessary funds be made available so that it can move ahead.

I request that this letter be included in the record of the hearings.

Berea College,
Berea, Ky., February 18, 1973.

Hon. Marlow W. Cook,
U.S. Senate,
Washington, D.C.

Dear Senator Cook: I am writing to you in support of increased funding for the United States Forest Service's surface mine reclamation research project and a new laboratory here in Berea.

As you know, Berea College is deeply concerned with the people and the economic development of Appalachia. Strip mining has a great impact on the people and economy in the mountains of eastern Kentucky. Unless the strip-mined areas are successfully reclaimed, the economic well-being of the people and future development of forest resources will be seriously impaired.

The Berea project has produced many sound results which are used as guidelines for the Kentucky Division of Reclamation and for the surface-mining industry. But a much greater effort is needed to catch up and close the gap.

I want to add my support to the recommendation for an increase of $875,000 in appropriations for the Forest Service reclamation research program at Berea. I would also like to see funds appropriated for the $1,431,000 Forest Sciences Laboratory proposed for Berea. The new building will be located on an 18-acre site under long-term lease to the Forest Service by Berea College. Architectural plans are complete and the Forest Service can contract for its construction as soon as funds are appropriated. While this building is needed for their research program, I feel that early completion will also bring about a greater sharing of facilities and interchange of ideas among personnel of the Forest Service and Berea College.

I hope that you and the other members of Congress will be able to help us this year.

If you wish to have this letter included in the record of the Appropriations Subcommtitee hearings for the Forest Service, I will be glad to have you do it.

Yours sincerely,
Willis D. Weatherford.

Mr. COOK. Mr. President, I urged this subcommittee to provide the additional funds needed to permit the expansion of the reclamation research and demonstration program at Berea, Ky. This program is vital if we are to improve technology for the reclamation of surface mined land. I also hope that this will be the year that we finally begin the construction of the office-laboratory facilities to house these activities. Again this year, as in last year, the required funds do not appear in the fiscal year 1974 budget. I cannot understand how we can continue this negative approach to this most necessary research and demonstration program.

Either the administration does not or prefers not to understand the importance of reclamation in the whole scheme of coal production. We had the same problem last year and the year before that in that the administration did not include sufficient funds for this research and development reclamation program. I will say that the Congress accepted its responsibility and as a partial answer to my request, $150,000 was added last year to the operating budget of the Forest Service for this much needed research. Unfortunately this sum was impounded and the much needed expansion of research and technology did not materialize. I interpret this impoundment as a complete lack of understanding by the administration of the reclamation problem. In spite of this disappointment, the program at Berea has continued to move ahead. However, the pace is unacceptably slow.

During the past year, it has become even more evident that we are faced with a shortage of energy in this Nation. With this most uncomfortable fact comes the satisfying reassurance that there is a solution which can provide this much needed energy. As I have stated, this solution lies in the intelligent use of our coal resources.

Coal is the backbone of the fuel inventory and even the most pessimistic reports reveal that it comprises over 70 percent of the total estimated ultimate recoverable fossil fuel resource. We are indeed fortunate to have this abundant domestic natural resource. However, if we do not act wisely we may deny the people of this Nation the use of this valuable energy fuel.

Last year the Congress considered over a dozen surface mining bills. Again this year we have sent at least this number of bills addressed to the subject of surface mining. All bills which accept that surface mining of coal must continue also recognize that the land so mined must be reclaimed. There is no question that there is a certain percentage of land which cannot be reclaimed adequately and therefore should not be surface mined.

However, where land can be reclaimed to useful purpose, carefully regulated surface mining should be permitted. There is a direct correlation between the number of acres which can be surface mined under these restrictions and the "state of the art" of reclamation technology. The solution to our problem will be found in realistic and improved reclamation technology applied in effective programs. This technology will not be realized until we have conducted adequate research and demonstration programs in mining operations and reclamation.

The Executive and the Congress are charged with the responsibility of protecting our land from wanton destruction. I believe that we have an equal responsibility to take the lead in providing for research to find ways to produce our coal within the restrictions we impose. While we are presented with an excellent program to accomplish this task we again find that the administration has not requested the funds to meet the real requirement. The ball is in our court by default and I believe that we must accept our responsibility.

I think it is necessary that we review the forestry program at Berea, because here we find the only sustained Federal research program of its kind in the Nation. Eleven years ago a small research program for the reclamation of surface-mine land was initiated by the U.S. Forest Service at Berea, Ky. The program was designed to develop methods of reducing or preventing damage to the environment and forest resources during surface-mining operations and to restore these values as quickly as possible after mining has ceased. From its inception Berea has been a "shoestring" operation. There are only nine professional personnel including a hydrologist, soil chemist, civil engineer, range scientist, ecologist, botanist, silviculturist and two forest rangers, and this tremendous staff is magnificently housed in a renovated automobile shop, a greenhouse, a basement room of the college and two bays of a garage. Let me repeat, that this is the only sustained Federal research program concerned with reclamation or surface-mined land in the entire Nation. It is incredible that such responsibility rests on so few, and it should be no surprise that our reclamation technology so lags our surface-mining requirements. What is even more incredible is that we hold so much promise for the use of our coal and fail so miserably to provide the research necessary to mine this coal.

In 1967, $40,000 was appropriated by Congress to develop detailed plans for a new office-laboratory building designed to accommodate the larger and more intensive research and demonstration programs planned for Berea. This facility would include the most modern types of equipment housed in laboratories with adequate space to permit professional staffs of sufficient size to pursue research projects and conduct demonstrations in this most vital area.

Architectural plans for the building have been completed and the Forest Service has testified that a contract can be let for construction as soon as funds in the amount of $1,431,000 are appropriated. For 6 years now this plan has remained unfunded. Had we taken the necessary action 5 years ago or even as late as last year we might be much better equipped to address the entire problem of surface mining we face today and thereby address the entire energy problem.

Even more important than the building itself are the research programs which must be pursued. We are pleased with the excellent progress that has been made in the current research programs at Berea. The results of this research have been used in Kentucky, West Virginia, Tennessee, and Maryland in forming their reclamation laws and regulations. Scalping requirements, access roads, and bench width limitations have been adopted. Estimates of sediment production from mining are being used by several States to determine the size of impoundments needed to trap silt. Water quality standards for surface mined areas have been developed in cooperation with State and other Federal agencies, revegetation techniques have been adopted by all eastern States where surface mining has occurred during the past years. The research staff has consulted with or appeared at hearings in 10 different States, including States as far west as Washington. Of particular interest to me is the fact that in the past year some 30 mining companies requested and received assistance on reclamation problems and put many of the findings into practice. Typical of the letters I have received is one from a subsidiary of Bethlehem Steel Corp.:

> We paid a visit to the forest station located at Berea, Kentucky, and the results were more than expected. We are now working with them on a cooperative project.

These are real contributions made by dedicated people in spite of our failure to provide the support they have so requested. These accomplishments show that Forest Service research has found ways to improve surface mine reclamation and that results of this research are being used throughout the Nation. I wonder what additional advancements could have been made if the Executive or the Congress had shown some interest.

As diligent and productive as these efforts have been, the results are very small indeed when compared to the magnitude of the problem. The most difficult and important research still lies ahead. The most urgent problems are in two general areas. First, in improving reclamation engineering practices to better protect the environment and in creating stable conditions for a rapid restoration of disturbed areas following the mining operation. Second, water pollution control methods must be developed under realistic mining conditions on large experimental watersheds where all phases of mining and reclamation operations can be monitored, studied, and controlled.

Mr. President, many of the energy bills now being considered by the Congress all look to the gasification, liquification, and desulfurization of coal as being vital to the solution of our energy problems. These programs carry a price tag of billions of dollars. I am in complete agreement that we must pay this price. However, I hasten to add that before these goals can reach fruition the coal itself must be mined and made available. More than half of our coal is now provided by surface mining methods. In the interest of insuring that the technology for the reduction and/or elimination of the undesirable effects of surface mining throughout the Nation be made available to Federal, State, and private agencies, I urge that the operating budget of the Forest Service be increased by the comparatively small amount of $875,000 to permit the implementation of the planned expansion of the research program at Berea, Ky.

I also urge that the funds in the amount of $1,431,000 be added to the Forest Service budget for the construction of the office-laboratory building which has been designed, with funds appropriated by Congress, to accommodate the larger and more intensive research programs. When we recognize that the decision to recover or abandon millions of tons of coal will be made on the basis of reclamation techniques and programs, the benefits of this program will far exceed these minimal costs.

Mr. President, if we can assume that we will solve these problems and are successful in producing the coal needed to meet our energy requirements, we are still faced with problems related to the use of this coal. On March 1 of this year on the floor of the Senate I addressed the subject. I stated that the main problem facing the coal producer and the powerplant operator is that to my knowledge there was no effective commercially tested desulfurization system available for installation which would permit the consumer to burn high sulfur coal and meet the emission standards established by the EPA within the time limit established by the Congress which is 1975.

The record will show that I voted for the Clean Air Act when it was passed by Congress, and I have not changed my views concerning the goals of this legislation. However, I was then and am now even more convinced about the rather limited effort being devoted to solving the problems related to meeting these standards.

I realize the chief objection to the use of coal from the standpoint of the Clean Air Act is its ash and sulfur content. The technology for removing fly ash from the stack gases of coal-burning plants has been developed to a high degree of efficiency and is ready, available, and should be employed. However, emission standards for oxides are another problem. Coals low enough in sulfur in the natural state or which can be cleaned by known means to meet these standards are extremely limited. The techniques for removing the sulfur compounds from the stack gases are not yet commercially available.

When the implementation plans of some States go into effect between now and 1975, they will specify the new source performance standard of 0.6 pounds of sulfur per million British thermal unit. This will require, in the absence of other control means, the use of "east of the Mississippi" coal containing less than 0.7 percent sulfur. Unfortunately this coal is scarce. The U.S. Bureau of Mines estimates that only about 8 percent of our coal reserves in this area of the country could meet the requirement, and much of that coal is on steep slopes.

In addition to meeting the above limits on new plants, I am concerned about how we can burn coal and meet the limits being imposed on existing units. Although the limits established by the EPA call for meeting the primary standards by July 1, 1975, as directed by Congress, the States are calling for the secondary standards to be met by the same date. This requirement makes it even more imperative that we devote increased effort to the problems of desulfurization and stack cleaning.

Mr. President, I ask Congress, Are we not being just a little bit arbitrary in demanding maximum output from our electrical power producers without a maximum effort to solve the problem which denies this same producer the use of his most available and abundant domestic source of fuel? I think we are.

I believe that the acceptance of this technological failure will have side effects which can have critical long-run national consequences to the economic and military security of our Nation, side effects which I do not believe were anticipated when the act was debated and enacted by the Congress. I do not believe that when the Congress moved to alleviate the threat of air pollution, it did so with a single-minded purpose which was consciously intended to transcend all other vital national goals such as fiscal integrity, national security and independence in the conducting of our foreign relations.

Mr. President, there is a real sense of urgency here. Assuming that the required technology is available in the near future, I submit that the leadtime required to install a desulfurization system in our generating plants without reducing the capacity to meet the consumers' requirements for electrical power will threaten the attainment of announced goals. Admittedly, there is of course some reserve capability in each utility system which can be converted without immediate impact on output. However, as units are taken "off the line" even on a very limited schedule, the remaining converted units must be permitted to continue operation to meet power requirements.

To serve its customers, an electric utility has to deliver power reliably around the clock. This means that it can have only a small part of its capacity—that which is in excess of demand—off the line for maintenance, repair, or experiment at any time. It cannot afford to engage in full scale tests over long time periods with untried equipment without a crippling impact on power output. It cannot stockpile electricity. If it does not have enough capacity at the instance of demand, then it must shed part of the load or purchase power from neighboring systems. Unfortunately, today, few systems have power to spare.

I repeat, if the technology were available it would be most difficult to make necessary installations by 1975 and still meet consumer requirements. We cannot afford further delay.

Mr. President, in conclusion I submit that to adopt a policy which prohibits surface mining would lead to chaos. To adopt a policy of surface mining without adequate reclamation would be unacceptable. To me this is not an impasse. I am convinced that American know-how, given adequate funds and facilities will find a way to reclaim our land.

I again appeal to the Congress to accept the responsibility abrogated by the Executive and provide the funds for the Forest Service at Berea, Ky.

I again appeal to the Senate to hold oversight hearings on the coal mine health and safety bill as soon as possible.

Finally, let us accept the lead provided by the President and limit the sulfur oxide emission restrictions imposed on our utilities to those proposed by the EPA and not some accelerated program which would deny the American people the use of coal for electricity.

Mr. DOMENICI. Mr. President will the Senator from Kentucky yield?

Mr. COOK. I am happy to yield to the Senator from New Mexico.

Mr. DOMENICI. Let me join in complimenting the distinguished Senator from Kentucky upon his remarks on the very serious problem concerning energy resources in America. One might think that a Senator from a Southwestern State like New Mexico is not concerned with the problem, but let me say to the distinguished Senator from Kentucky that, as he well knows, this land, from one end to the other, is great, with tremendous resources. America is concerned about the proper use of our coal and appropriately seeks to provide for the reclamation of its mines, particularly strip mines, in many regions.

If we do not get on with this, we are going to leave the resources to some future generations. However, it seems to me that America stands on the brink of a great catastrophe if we do not provide for the proper use of our resources.

If the distinguished Senator from Kentucky would permit, I wish to digress to the remarks of the senior Senator from Nebraska who spoke preceding the distinguished Senator from Kentucky. He spoke of the extreme shortage of fuel in the Farm Belts of America. For just a moment, I wish to tie that in with the Senator's comments about the future, because that concerns itself with the President of the United States. Our Secretary of Agriculture has said that supply and demand is the solution, the philosophical solution to our food shortage and to our balance-of-payments problem. I join today with the comments of the distinguished Senator from Nebraska (Mr. CURTIS) for he reminds us that the President should charge the Secretary of Agriculture with an immediate plan for allocating fuel to the Farm Belt of this country.

What we have now done is to say to the farmer, "You can plant more." We are giving them 30 percent more cropland in some parts. I might suggest to the Senator from Kentucky that the future is now upon us. They are not going to plant if they cannot be assured of fuel to till the soil and fuel to harvest.

In my small State one county is expected to plant 55,000 acres of new crops, but they cannot because they do not have diesel fuel to till the land or to harvest the crops.

I join the Senator in his remarks and I join the Senator from Nebraska in his remarks. He said the problem is now. We urge the President and the Secretary of Agriculture to prepare forthwith and implement a plan to assure the farmers of this country sufficient fuel in their tanks to till with confidence the new acreage being allotted to them, for the future of America depends on it.

Whether we are going to have adequate food, as experts in the administration have planned, for years ahead, depends on now, not 2 months from now. Then it would be too late to plant, and new allocations would be meaningless. We would enter another year of rising food costs and balance-of-payment deficits, and I do not want to be a part of that group of which it might be said that they did not take a stand on the matter and speak out. I urge those in the administration who are concerned about this not to rely on accidents of the marketplace in this matter, because it will not work.

I thank the distinguished Senator for yielding, and I compliment him on his excellent remarks today about future energy needs.

Mr. COOK. I thank the distinguished Senator from New Mexico. As the Senator knows, we are far behind in coal degasification. We have tried to get administrations in the past to give more concern to coal degasification. We have made little progress in the removal of oil from coal shale.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. COOK. I yield.

Mr. TAFT. Mr. President, I have listened to the remarks of the distinguished Senator from Kentucky. I commend him for his most statesmanlike review of the coal and energy problems. Coming as I do from the State of Ohio, I point out that Ohio is an enormous energy consumer, as well as the State in which there are large coal deposits that have to be mined by strip mining. Increasingly strict laws on handling and placement of the overburden, and reclaiming of the land has been carried out. In many instances it really improved the character of the land rather than to damaging it.

I think it is of enormous importance that we rapidly move with sulfur removal, coal liquification research as well as gasification of coal. I would be delighted to support the Senator from Kentucky with the research in Berea. I think it is an excellent place to handle the matter.

The **ACTING PRESIDENT** pro tempore. The time of the Senator has expired.

Mr. ROBERT C. BYRD. Mr. President, we are awaiting the arrival of the Senator from Massachusetts (Mr. KENNEDY) from the Judiciary Committee to open the debate on the unfinished business. Pending his arrival, I ask unanimous consent that the Senator from Kentucky may be permitted to proceed out of order for an additional 10 minutes.

The **ACTING PRESIDENT** pro tempore. Without objection, it is so ordered.

Mr. DOMINICK. Mr. President, will the Senator yield?

Mr. COOK. I yield.

Mr. DOMINICK. Mr. President, I was not in the Chamber in time to hear the entire discussion, but I did hear the remarks of the Senator from New Mexico and of the Senator from Ohio, and I heard the end of the speech of the Senator from Kentucky. I think it is time that all of us heed what the Senator has said, what the Senator from New Mexico said, and what the Senator from Ohio and the Senator from Nebraska said.

The other day I was a participant in a telegram we sent to the OEP. I also was a participant in the meeting with the Senator from Nebraska (Mr. CURTIS) in the Vice President's office with Mr. Simon concerning the need for agriculture allocations of fuel for this year. That is only the start, as I am sure the Senator is aware. The Senator is totally correct that our greatest energy resource in the realm of fossil fuel at the moment is the use of coal; and the difficulties we have had with it are first in the research to get an economical method to get methane gas. The other problem is in some of the rules and regulations that have been put into effect on the type coal that can be used and the air pollution that may come from it.

As the Senator knows, I am a pilot, among other things. I have noticed increasing air pollution that has occurred over the last 25 years in our country, which has been very strong, and we need to take action along this line to clear up that matter. There is no doubt at all. I know the Senator from Kentucky agrees with that.

There are great deposits of relatively clean coal, if one may call it that, in our own Western area, as well as in Kentucky. It would be my hope that we can start developing that.

As the Senator from Ohio said, we have to have input on reclamation of these lands, and there is no doubt about that. But also the energy shortage is so extraordinary that one company has already told everyone in our State—not just one jobber but everyone—that they will be cut off from propane and butane. This means jobbers and distributors affiliated with that company will be left out in the cold. They cannot find any other source to get it, and people who rely on this for home use are destitute for any power source within their own homes.

We have another large company that has cut off distributors in rural areas of our State. We have been besieged with letters and telephone calls trying to get something done about it. It is my hope we can. I think the Senator from Kentucky has been aware of the briefings we have had where energy resources estimated for 1985, and we are only 12 years away from that now, are so extraordinary that between 1970 and 1980 to meet the demands is estimated to cost $150 billion in order to put in deep water ports, refineries, pipelines, and so on for fossile fuels imported from the Middle East. Where are we going to get that money? I do not know. Who is going to put it up? I do not know that either. We are told that by 1985 to take care of this demand level we would have to have nuclear powerplants built in streams at the rate of one per week. This is taking into consideration that Congress should pass a law or someone should pass a law or get Detroit to do something about putting out automobiles to get 35 miles per gallon.

We still have to do it. I do not know how we are going to do that. With the EPA situation, and its rules and regulations, we now get about as many gallons per mile with a Chevy Nova as we did a 1965 Cadillac. I bought a 1972 last year, and I am getting 10.2 miles a gallon. That is not a good recommendation for General Motors, or anybody else, either.

What I am saying is that it will not do any good to have rules and regulations under EPA on emissions if we are going to use twice as many gallons of gasoline. It makes no sense in controlling air pollution.

With the energy problem facing us today, with the demand level that already exists, and which will be increasing year by year, I do not see how we can do it unless we follow all the suggestions that have been made—coal gasification, the ability to put nuclear energy onstream, the efforts on geothermal energy, and the efforts on solar energy, which is now going forward, and with some meaningful amounts of money devoted thereto, it is hoped that we may continue this drive, under the leadership of the Senator from Kentucky, and that these proposals will be recognized, in order to get something done and in order to take care of the demands. This may be done to some extent by reducing needs, such as through better insulation in houses, perhaps having some industries use coal instead of oil and gas, or by increasing our gas supplies through methane supplied from coal and even by getting it from garbage.

Unless we do that, we are going to find ourselves, in a short time, not only rationing our fuel supplies, but the price is going to go up.

The gentleman who briefed me indicated that, in relation to our balance-of-payments situation, and the amount of money we would be expending on the import of oil and gas, no longer will we have a U.S. dollar; we will have a camel dollar. That is a pretty graphic freeze, but what he is talking about is the indication that the $80 billion expenditure, or whatever it may be, a year, is more than our total exports at the present time—I am talking tabout 1985 to 1990—and that is at present prices. Once the other countries—they are no dummies—realize we are relying on them, the price is bound to go up. That is not counting the expenditures necessary to get in our tankers, develop our ports, and so forth.

So I am delighted that we have had this opportunity to have this colloquy, and I thank the Senator.

Mr. COOK. I thank the Senator from Colorado and I thank the Senator from West Virginia for allowing us this opportunity to have the colloquy.

I yield back my time.

Mr. ROBERT C. BYRD. The Senator is very welcome.

Mr. President, I yield back my time, and I suggest the absence of a quorum.

The **PRESIDING OFFICER.** The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

HEALTH MAINTENANCE ORGANIZATION AND RESOURES DEVELOPMENT ACT OF 1973

The Senate continued with the consideration of the bill (S. 14) to amend the Public Health Service Act to provide assistance and encouragement for the establishment and expansion of health maintenance organizations, health care resources, and the establishment of a Quality Health Care Commission, and for other purposes.

Mr. KENNEDY. Mr. President, I would like to request unanimous consent that floor privileges be extended to the following individuals during consideration of S. 14, the Health Maintenance Organization and Resource Development Act of 1973, S. 723 and S. 504: Dr. Philip Caper, Mr. Leroy Goldman, Mr. Jay Cutler, Mr. Nik Edes, Mr. John Hunnicutt, Mr. Chuck Woodruff, Mr. Dan Murray, Miss Ellie Parker, Mr. Joe Carter, and Ms. Jane T. Kline.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, I am pleased to be able to call the Health Maintenance Organization and Resources Development Act of 1973 to the floor of the Senate.

This bill is very similar to the Health Maintenance Organization and Resources Development Act of 1972, passed by the Senate during the 92d Congress by a vote of 60 to 14.

The Committee on Labor and Public Welfare has made a number of amendments, improving the legislation, and has reduced the total authorization level from approximately $5.1 billion to $1.5 billion over a 3-year period.

This legislation is intended to provide Federal subsidy to help offset the costs incurred in putting together complex and sophisticated organizations intended to provide health care services. The Subcommittee on Health of the Committee on Labor and Public Welfare has held extensive hearings over the past 2 years into the various issues raised in attempting to determine just what type of health maintenance organizations the Federal Government should subsidize.

The legislation seeks to provide Federal subsidy for those types of health maintenance organizations which have a proven track record and which have demonstrated the ability, over the years, to provide health care services to their enrollees, in an efficient, effective, and economical manner.

Because of the President's support for the concept of health maintenance organizations during recent years, and because of the intrinsic appeal of the concept of organizing and structuring our health care services to a greater extent than is now the case, many different types and forms of health maintenance organizations are beginning to emerge.

This legislation, however, is designed to limit large-scale Federal support, at least initially, to those types of health maintenance organizations which have been proven to work.

There is nothing coercive in this legislation. The bill simply makes Federal support available to those wishing to establish health maintenance organizations along rather specific guidelines outlined in the legislation. The total authorizations for Federal subsidy for planning and feasibility, initial development, initial operating subsidy, and construction costs to HMO's amounts to $645 million over a 3-year period.

According to the best estimates available to the committee, even if every dollar authorized were made available for the development of health maintenance organizations, only 150 to 200 such organizations could be fully funded. Approximately 6 million people could be enrolled in the 200 or fewer HMO's assisted by this legislation. That amounts to about 3 percent of the American people.

Mr. President, the health care industry in the United States has a cash flow in excess of $80 billion per year at the present time. A $1.5 billion investment over a period of 3 years, designed to help increase the efficiency with which the health industry functions, is a comparatively miniscule amount of money in an industry that size.

The costs of providing health care services are increasing at a rate approaching 10 percent per year at the present time. It is extremely important something be done soon to try to slow this rate of increase.

The health maintenance organization concept will result in the creation of organized health care delivery systems. Health care services will be organized in such a way as to make them more easily accessible and available to the consumer. The incentives, so prevalent in our existing "nonsystem" of health care delivery which tend to encourage the inappropriate use of very high costs services, will be restructured in HMO's.

Mr. President, nobody I know is advocating doing away with our present health care system. However, I believe that workable and meaningful alternatives to our existing fee-for-service solo practice system of health care can and must be sought and found.

Our health care system at the present time is monolithic. This bill seeks to introduce some small degree of pluralism into that system so that the American people may have a choice in determining how they wish to purchase health care services—through their family doctor or through an HMO. This legislation would make such a choice possible.

Throughout almost a year of hearings specifically concerning health maintenance organizations, and through many additional months of hearings concerning the health care crisis, a number of problems related to the existing manner in which health care services are delivered have come to light. The Health Maintenance Organization and Resources Development Act of 1973, as reported by the Senate Committee on Labor and Public Welfare, contains many provisions intended to alleviate some of the problems which have come to the attention of the Committee on Labor and Public Welfare over the past year and a half.

Although it is clear that no single piece of legislation can correct the many problems currently existent in the delivery of health care services, I believe it to be the responsibility of the Congress to identify problems which currently exist in the health care industry and to do what it can to alleviate them. I believe that new Federal legislation should represent the most progressive and most considered thinking available at the time of its passage. I believe the Federal Government should act to set a tone which can serve as a benchmark to those, in and out of the health care delivery professions, who are interested in the improvement of our current health care delivery system and in elimination of the many problems currently present in it. For that reason, I believe Federal legislation must be the cutting edge of innovation and change in an industry critical to the well-being of the American people. I believe this bill represents that kind of change.

The Health Maintenance Organization and Resources Development Act of 1973 contains provisions intended to alleviate difficulties the committee has observed in the organization, availability, accessibility, and efficiency of the delivery of health care services in urban and rural America.

HEALTH MAINTENANCE ORGANIZATIONS

Title I of S. 14 provides capital assistance for the planning, initial development, and initial operation of health maintenance organizations in urban areas. In addition, grants and loans to offset the costs of construction of ambulatory facilities are included in this bill.

Health maintenance organizations qualifying for support under the terms of this legislation would represent a substantial departure from the existing solo practice fee-for-service mode of the delivery of health services. The health care industry, now overwhelmingly cast in the fee-for-service solo practice model, provides no real alternatives to the consumer. At the present time, only about 5 million Americans are able to receive services through health maintenance organizations similar to those which will be eligible for assistance under the provisions of title I of S. 14. The intent of this legislation is to provide a stimulus to the development of more health maintenance organizations, so that the existing situation in which no real alternative to the consumer exists can be modified. As President Nixon stated in his 1972 message on health—

> I do not believe that HMOs should or will entirely replace fee-for-service financing. But I do believe that they ought to be everywhere available so that families will have a choice between these methods.

I agree with the President. The provisions of S. 14 are designed to increase capital support for health maintenance organizations so that we can move away from the 96:4 ratio which currently exists between fee-for-service solo practice and health maintenance organizations.

A health maintenance organization, as

defined in title I of the bill pending before us, has many inherent advantages. First, a group practice arrangement, required under the provisions of part A of title I of this bill, will enable physicians to engage in an informal ongoing peer review and consultative process not possible to nearly as great an extent when providers are geographically separated. In a multispecialty group practice, such as that described in the definitions contained in this title, specialists of many types are available on site for formal and informal consultation concerning the problems of specific patients. The time saved by doing away with the necessity for referring patients to a physician located at some distance from the referring physician will greatly facilitate the provision of high quality health care to patients enrolled in health maintenance organizations. Moreover, a multispecialty group practice approach will facilitate the integration of many of the new and emerging types of health professionals into a truly effective team for the delivery of health care services. Such an approach will go far in increasing the efficiency and effectiveness of the most highly trained and most costly members of the health care team.

Another advantage to a multispecialty group practice approach is that it makes possible the compilation of a single medical record, containing the notes and comments of various types of health professionals who have seen the patient concerning a particular illness, in a single place. A single unit medical record will greatly improve communications among the various health professionals responsible for the care of a patient or group of patients.

It is true that many types of health care organizations exist and are coming into existence in response to growing national concern over the costs and availability of health care services. Many types of health care organizations other than those which would qualify under the definitions in title I of this bill already exist or are being planned. The purpose of the health maintenance organizations and resources development act of 1973 is to provide Federal capital support for forms of health care delivery organizations of proven effectiveness. The steady growth of a multispecialty prepaid group practice over the years, despite the inherent expense and difficulties experienced in establishing them, and the persistent discrimination against and harrassment of these organizations, both legal and extralegal, by organized medicine, is testimony to their effectiveness and acceptability.

In the view of the Committee on Labor and Public Welfare, Federal dollars should be used for the capital support of the very best available in the health care field. The Health Maintenance Organization and Resources Development Act of 1973 makes Federal dollars available for those entities which, in the view of the committee, are the best available at the present time.

SUPPLEMENTAL HEALTH MAINTENANCE ORGANIZATIONS

Capital support for the development of a much broader range of less well proven health care delivery entities is available under part B of title I—17.5 percent of the funds appropriated under part A of title I may be earmarked for "supplemental HMO's." In addition, funds in excess of 17.5 percent may be used, if after all qualified applicants under part A are fully funded, appropriated sums remain.

In addition, moneys for the purchase of services from a broad variety of health care organizations are provided in other titles of the bill.

For purposes of this legislation, priority in Federal capital subsidy is provided to those organizations of proven effectiveness, and those organizations which are most difficult to form, which have the highest capital requirements, and therefore have the greatest need for outside subsidization. The committee will be conducting an ongoing review of the cost and effectiveness of other types of health care delivery organizations as they become established, and will be happy to modify this or any future legislation to support those health care entities which have proven their value and effectiveness.

Capital support for experimentation with new types of health care delivery organizations is already available under the Public Health Service Act. The intent of title I of the Health Maintenance Organization and Resources Development Act of 1973, is to initiate the formation of multispecialty prepaid group practice forms of health maintenance organizations. It is anticipated that the Secretary of Health, Education, and Welfare will continue to use the appropriate authorities already in existence for experimentation with other forms of health care delivery organizations.

HEALTH SERVICE ORGANIZATIONS—RURAL AREAS

Title II of this bill provides support for health service organizations, intended to help relieve the unique problems of health care delivery in nonurban areas. Because of relatively scattered populations in rural areas, in the view of the committee, a health maintenance organization as defined in part A of title I of this bill would be difficult or impossible to establish in a rural area. For that reason, provisions are made to provide capital support for health service organizations in rural areas. Health service organizations differ from health maintenance organizations in that great flexibility is permitted for the structure and range of health services provided. Under the provisions of title II of this bill, individual practice plans would be eligible for capital support in rural areas.

The cost of providing health care services in rural areas exceeds that in urban areas on a per capita basis because of the problems of transportation and communication presented by attempting to provide health care services in rural areas. For that reason, Federal capital subsidy is made available under the provisions of title II for a wide variety of types and forms of health care delivery organizations which would qualify under the definition of a health service organization contained within this legislation. The range of services required in this legislation in order for an entity to qualify for support may be altered in the case of a health service organization by a specific waiver on the part of the Secretary of Health, Education, and Welfare. This provision was included as a result of the committee's recognition that personnel, equipment, and facilities to deliver the full range of required comprehensive health services may not be available in rural areas, and that such a requirement might therefore stifle the development of health service organizations unless the flexibility provided by a waiver was included in the bill. However, a health service organization, in obtaining a waiver, must provide the Secretary with adequate assurances that it will work toward the provision of a full range of comprehensive health services as rapidly as possible.

It is the intent of the Committee on Labor and Public Welfare that the Congress take a leadership role in improving the availability and comprehensiveness of services received by enrollees of plans subsidized with Federal funds. To cite the fact that many existing plans do not conform to what the committee believes to be desirable standards at the present time is an inadequate argument against the assumption of a leadership role by the Federal Government in stimulating an improvement in the comprehensiveness of health services which Americans receive. I believe that Federal funds should be used not to reinforce the status quo, but rather to lead the way in improving the existing health care delivery system. The provisions of this bill are designed to accomplish that coal.

AREA HEALTH EDUCATION AND SERVICE CENTERS

Title III of S. 14 contains authority for the Secretary of Health, Education, and Welfare to fund area health education and service centers. Throughout our hearings, both in Washington and last year in the field, it became evident that the urbanization of medical education in this country has contributed to the sparsity of physicians and other health care personnel in rural areas. While this factor is certainly not the only, or perhaps even the major, cause of the shortage of health care personnel in rural areas, it is a contributory factor in the view of the committee. During the visit of the Health Subcommittee to four European countries last fall, we had an opportunity to observe ways in which some of those countries handled the problem of attracting health care personnel to rural areas. One of the most effective ways in which this was done was through the assignment of health care personnel in training to rural health care educational facilities and health care delivery facilities. Not only did this accomplish the goal of placing health care professionals in rural areas on a temporary basis, but it appeared to be a significant factor in encouraging health care personnel to remain in rural areas after the completion of their training. Programs such as these help to reduce the sense of professional isolation felt by health care professionals in rural areas, while at the same time accomplish the goal of providing high quality health care services to the residents of those areas.

Title III of the Health Maintenance Organization and Resources Development Act of 1973 authorizes grants and loan guarantees to subsidize the cost of establishing area health education and service centers in nonmetropolitan areas. University health centers, regional medical programs and nonprofit provider groups are eligible for these funds. The intent of the committee in establishing these authorizations is to encourage the development of educational facilities and programs in areas where such programs do not now exist. It is the intent of the committee that such programs shall not be exclusively educational in nature, but shall utilize the opportunity provided by their existence to provide health care services to the community in which they are located where this is feasible. The committee realizes, of course, that the funding for such health care services should not be derived from funds intended for education alone, but should be derived where possible from service funds.

Toward that end, an area health education and service center must have a written agreement with a health service organization, where a health service organization exists in the area served by the area health education and service center, and must make its facilities and programs available to all licensed providers who are eligible for assistance under the Public Health Service Act, in the area served by the center. It is hoped that the impact of the area health education and service center upon the quality of health services in the area will in this way be maximized. It is hoped by the committee that area health education and service centers will not become ivory towers without impact with or interaction upon the surrounding community.

GENERAL PROVISIONS

Title III of the Health Maintenance Organization and Resources Development Act of 1973 also contains various general provisions. Among them is a provision preempting State laws which restrict group practice, the corporate practice of medicine, or other conditions which would impede and inhibit the growth of health maintenance organizations, health service organizations, and supplementary health maintenance organizations. The history of innovation in the delivery of health care has been one of opposition, harassment and discrimination on the part of organized medicine toward innovators. Some of this opposition has become manifest in State law. As of May 1971, 22 States continued to have laws prohibiting prepaid group practice. The Health Maintenance Organization and Resources Development Act of 1973 provides for Federal preemption of such laws. The committee recognizes the fact that some of these laws were originally intended as controls over the quality of the practice of medicine. Therefore, in order for any provider of health care services to qualify for the preemption provisions of this legislation, that provider must have the approval of the commission on quality health care assurance, established in title IV of this bill.

This requirement was written into this legislation by the committee in order to assure consumers of health care services that those services will be of high quality.

Another important preemption provided in the Health Maintenance Organization and Resources Development Act of 1973 is that against advertising for the purpose of recruiting enrollees. The committee believes that health maintenance orgnizations, health service organizations, and supplemental health maintenance organizations must be allowed to attempt to recruit enrollees to at least as great an extent as commercial health insurance plans.

To prohibit them from doing so, as is the case in many States, would seriously impair their ability to grow. The committee believes that private insurance plans which advertise for the recruitment of subscribers, and then reimburse providers on a fee-for-service basis, are in effect acting as the agents to those providers electing to practice in the fee-for-service mode. It sees no reason why prepaid health care organizations, as long as adequate quality assurances can be provided, should not be allowed to compete on an equal basis.

The preemption of State law regarding the corporate or group practice of medicine is not without precedent. Title IV of Public Law 91-515 established authority for group practice and authorized eligible carriers under the Federal Employees Health Benefits Act to underwrite prepaid group practice without regard to certain State restrictions. In a sense, this provision of the Health Maintenance Organization and Resources Development Act of 1973 is simply a broadening of that general principle.

Another provision contained in title III of this bill authorizes capitation grants to enable health maintenance organizations, supplemental health maintenance organizations, and health service organizations to serve medically indigent and high-risk individuals in instances where all other sources of financing for such services has been utilized. Throughout the past year and a half, the Health Subcommittee has heard of many instances where adequate health care could not be obtained because of inadequate financial resources despite existing insurance mechanisms.

For that reason, the committee has authorized the appropriation of funds, falling into two categories: The first is for the subsidization of the costs of premiums in a health maintenance organization, health service organization, or supplementary health maintenance organization, when all other sources of funding, both public and private, have been exhausted. The committee has provided this form of subsidy for two reasons. First of all, it wishes to underscore its view that in utilizing public funds for the developmental assistance of health maintenance organizations, health service organizations, and supplemental health maintenance organizations, the committee believes it has an obligation to assist those incapable of meeting the costs of services in such organizations.

The committee has placed a 3-year limitation upon capitation subsidies authorized under the provisions of this legislation. This has been done not because the committee believes those requiring such subsidy will not continue to have such a requirement beyond 3 years, but rather because the committee views this particular form of capitation subsidy as less than optimal, and, at best, a stopgap measure. The committee hopes and believes that by the time this 3-year limitation has expired, a more satisfactory mechanism of financing, a true national health insurance plan, will have been enacted.

The committee fully intends to review the effectiveness of the program authorized under section 1245(a), prior to the expiration of this authority, and to take appropriate action at that time based upon experience accumulated with the program authorized by this section of the legislation.

Second, the committee wishes to encourage the enrollment of individuals in organized systems of health care delivery. The committee believes that such organized systems of health care delivery will be capable of giving higher quality health care at much lower costs than is true in a relatively disorganized system.

The second form of subsidy available under this provision is to enable the health maintenance organization, health service organization, or supplemental health maintenance organization to maintain the open enrollment policy required by the provisions of this legislation.

Two practices, prevalent in the private insurance industry, make it difficult for individuals with a history of chronic or recurrent illness, or who in the opinion of the insurer stand a chance or requiring unusually high numbers of health care services, to obtain adequate insurance coverage.

These two practices are related. The first is called skimming. "Skimming" is the practice whereby an insurance company may refuse to provide such an individual with insurance coverage effectively skimming only the best risks for the practice whereby an insurance company to offer lower rates. The second practice is called experience rating.

Experience rating is the practice wherein an indivdual with a high "risk" of utilizing health care services is charged a higher premium rate than are individuals or a group of individuals with a low risk of utilizing services. In this way, the insurance company attempts to pay for the cost of providing a high number of services by levying an additional premium on the user of high number of services. Most often, a high utilizer of services is an individual with a chronic or recurrent illness, who is generally less well able to pay for his services than others.

The committee believes both of these practices to be undesirable, and to be antithetic to the purpose and principles of insurance coverage and risk sharing. For that reason, this legislation requires that any organization qualifying for assistance maintain a community rating policy, that is, must charge the same premium to all of its enrollees, and maintain open enrollment. Open enrollment means that the organization must accept enrollees in the order in which they apply up to its capacity, without regard to the applicant's prior health care history.

The committee realizes that both of these requirements place organizations qualifying for assistance under this legislation at a competitive disadvantage with the commercial industry which need not adhere to these requirements. For that reason, the Secretary has been authorized to subsidize organizations qualifying for assistance under this legislation in order to enable them to maintain the required open enrollment policy. If an eligible applicant under the terms and conditions of this legislation can demonstrate to the Secretary that a continuation of an open enrollment policy will result in a premium increase, the Secretary is authorized to make a grant to that organization equal in amount to the amount required to prevent such a general premium increase.

COMMISSION ON QUALITY HEALTH CARE ASSURANCE

Mr. President, problems of the determination of quality in health care services far transcend lack of current knowledge or lack of competence on the part of a particular provider. In my opinion, the absence of agreed upon norms and standards for quality health care on a national scale have greatly contributed to the difficulties currently being experienced by the administrators of public health care programs in determining just what constitutes an appropriate health care service in a given situation. I fully appreciate the unique and important position an individual health care provider must play in determining the appropriateness of services for a particular patient in a particular instance.

However, the importance of the role of that provider cannot justify the continued absence of generalizable standards relating to the inputs, process, or utilization characteristics of health care services, nor to the virtual absence of a capability to relate the process of medical care to the results of that process on the health of the patient.

Licensure standards vary from State to State.

No reason exists for the continuation of this confusion. Unlike law or certain other professions, there is no justification for regional variation in the practice of medicine. Although the incidence of disease may vary from place to place and the population of patients may vary from place to place, medicine is a universal art and science.

I believe providers of health care services throughout the country would welcome the opportunity to participate in an effort intended to increase the body of knowledge concerning the long-range impact of their practices and the opportunity to compare their modes of practice with those of providers in other parts of this country.

For that reason, this legislation provides for the establishment of a commission on quality health care assurance.

The intent of the committee in authorizing the establishment of such a Commission is to promote the assurance or quality health care practices, invest in the accumulation of additional knowledge about the practices of health care professions in this country and the results of those practices, and to provide assurances that consumers have an opportunity to become involved in many of the major policy aspects of the provision of health care services which they purchase and which they receive.

The Commission as authorized in title IV of this bill would consist of 11 members and would be an independent agency of the Federal Government. Of those 11 members, 4 at any given time must be consumers unrelated to the health care industry. The remaining seven must be professionals drawn from health care disciplines. The committee intends that the composition of the professional membership of the Commission shall be representative of various aspects of the health care industry.

The commission is authorized to promulgate standards relating to the qualifications and characteristics of personnel and facilities. This authority is, in the committee's view, closely related to the preemption of State law authorized in title III. It is intended that the Commission, in promulgating such input standards, shall attend to the functions of State laws preempted under the provision of this legislation.

The committee does not intend that the Commission shall engage in the determination of how the health professions should be practiced. It is not the intent of the committee that the Commission shall engage in capricious or arbitrary standard setting concerning health care practices. However, the committee believes it to be essential that the Commission be allowed to assure quality, and to effectively monitor health care practices in such a way as to enable it to eventually determine and formulate criteria for what constitutes good health care practices, and to identify reasons for deviation from good health care practices on the part of providers and consumers alike.

The Commission is authorized to ascertain that a provider, in order to become eligible for certification by the Commission, have an approved quality health care assurance system. No attempt is made to describe the nature of that system in this legislation, with the exception of the committee's desire that consideration be given to the feasibility of including varying types of health care professionals and consumers in the composition of the quality health care assurance system. It is intended by the committee that the quality health care assurance system be locally determined and operated, in compliance with general criteria established by the Commission. It is anticipated by the committee that such quality health care assurance systems will assume a variety of forms.

It is the committee's wish, however, that such systems be able to comply with the uniform reporting requirements, in order to enable the Commission to gather and compile data which will make the establishment of norms for health care practices possible.

Since the passage of legislation similar to this by the Senate last September, the professional standards review organization amendment has been adopted as part of Public Law 92–603. At the present time, the Department of Health, Education, and Welfare is acting to implement this law.

While the committee would prefer that approved quality health care assurance systems on a local level have significant consumer input, nothing in the legislation currently under consideration by the Senate prohibits a local PSRO unit from acquiring approval by the Commission on Quality Health Care Assurance as a quality health care assurance system. It is expected by the committee, however, that such a PSRO unit would comply with the public accountability and reporting requirements to be developed by the Commission in order to be qualified as approved quality health care assurance system.

The committee views the coordination and cooperation of local quality health care assurance systems with the Commission on Quality Health Care Assurance as an essential characteristic if true public accountability of the $80 billion a year health care industry is ever to be achieved.

This one aspect of this legislation is, perhaps, the most critical of all in enabling the American people to receive full value for the health care services for which they pay so dearly.

In addition to the accumulation of data, the Commission is directed to utilize the information gathered from the quality health care assurance systems as well as the medical malpractice arbitration systems authorized in a later section in the title, to compile information relating to health care practices throughout the country. It is then directed to establish, after adequate hearings, statistical norms describing those practices, and is authorized to investigate instances in which significant deviation from those norms is observed.

In this way, it is the hope of the committee that a body of knowledge can be established which will lend itself to the formation of standards within the health care field.

The ultimate goal of the Commission, although requiring many years to accomplish, will be to relate the processes of medical care to the results of those processes.

The Commission is further authorized to enforce the rather rigorous consumer participation and consumer disclosure requirements of this legislation. It is the view of the committee that the consumer, who is the purchaser and recipient of the health care services, should have the greatest possible voice in how and under what circumstances those services are to be delivered. It is hoped by the committee that the Commission will assist in the accomplishment of this goal.

The Commission is authorized to issue certification to health care providers meeting its requirements regarding standards, the operation of approved quality health care assurance systems, and consumer disclosure. Certification by the Commission will be prerequisite to eligibility for any assistance under this legislation or any future assistance under the provisions of the Public Health Service Act.

In addition, any provider, whether an applicant for Federal funds or not, may voluntarily seek Commission certification. In return, any certified provider will receive a quality health care initiative award, equal in amount to the actual costs he incurs in complying with the Commission requirements, such as recordkeeping, bookkeeping, and reporting. No provider shall be eligible for the preemption of State law, the medical malpractice reinsurance protection or federally supervised medical malpractice arbitration procedures unless he is a certified provider of health care under the provisions of this legislation.

In this way, it is intended to stimulate the participation of all health care providers in the quality assurance program on a voluntary basis. It is only through participation of a large proportion of all health care providers that an accurate assessment can be made of the quality of health care in this country at the present time. Adequate evidence already exists that the quality of health care services in this country is, at best, spotty.

This legislation additionally provides for State standards for quality health care assurance. If a State can promulgate standards at least equal to those of the Commission on quality health care assurance and acceptable to the Commission, and can offset the costs of enforcing such standards, it may do so in lieu of direct Federal administration of the quality assurance program.

MEDICAL MALPRACTICE

Mr. President, this bill also provides for the arbitration of medical malpractice disputes, the limitation of contingency fees in such arbitration proceedings, and establishment of a Federal medical malpractice reinsurance program. These provisions are most important reforms to assure stability and equity in this vital area for both the provider of care and the patient.

Medical malpractice litigation has become an onerous and protracted means to resolve medical malpractice disputes. The costs are escalating with less of the medical insurance premium dollar going to compensate the injured party. The delays in resolving such disputes average up to 4½ years from initial filing of a suit. Litigation has failed to provide an efficient means to achieve a fair result for all concerned.

Arbitration is an efficient and effective method to resolve such disputes. High costs and long time delays are avoided. The procedure may be held in any site convenient to all parties. There is no need for extensive legal procedures since rules and procedures governing courtroom litigation are inapplicable. Arbitration has proved sucessful in several different programs for the past 40 years, and I believe will be most effective in the HMO and HSO setting.

Litigation of medical malpractice claims has not been an effective method to monitor quality health care standards in the past. Arbitration as conceived in this bill would be a most important monitor of health care practice. Arbitration is under the aegis of the Commission on quality health care assurance and is closely related to the functions of the Commission. The Commission will use the findings in settlement and arbitration proceedings to evaluate health care and provide data for establishing criteria and standards for quality health care. Because arbitration findings are to be used for developing such standards which ultimately will be incorporated in the criteria for certification, it is most important that providers be certified in order to participate in arbitration. With certification, arbitration information will be an important feedback mechanism to the providers.

Arbitration will not only provide an expeditious method for the resolution of malpractice disputes, but will also be an important means to assess and improve the quality of health care. In such a context the provider of care should be certified by the Commission so that arbitration will be an effective mechanism for insuring better medical care.

The provision to limit attorney's contingency fees merits strong support, for it is crucial to counter the escalating costs of medical malpractice disputes and their settlement. I believe limitation of contingency fees is most appropriate in the arbitration setting since the need for extensive pretrial preparation for litigation in the courtroom is avoided.

The Commission on Quality Health Care Assurance shall be responsible for monitoring all findings of the arbitration proceeding and the corresponding contingent fee arrangements of the attorneys and and their clients. An excellent opportunity is provided the Commission to evaluate the entire process and establish important criteria and standards in this area. Because the Commission shall have such an important role under this provision, it is most important that arbitration and the limitation of contingency fees be available only to those providers of care who have obtained a certificate of compliance from the Commission. These provisions are closely related to issues of quality health care and programs to be provided only to those who have obtained the certificate of compliance.

Mr. President, as a complement to the arbitration and contingent fee limitations provisions in this bill and to assure a measure of stability in medical malpractice insurance, I strongly support the provision for a Federal medical malpractice reinsurance program.

This program responds to the serious need for stability in medical malpractice insurance which has lacked a strong base of back-up support in the reinsurance area. Lack of such support has been a significant factor in cancellation of medical malpractice insurance policies for entire States and localities as well as to individual practitioners. By establishing a Federal reinsurance program of support and controls, the result should be stability and reduced costs for the provider of care.

To obtain the benefits of this reinsurance program, the provider of care must obtain a certificate of compliance from the Commission which is responsible for administering this program. I strongly support this precedent condition or certification, for I do not believe this program should be available to those providers who may not be meeting the quality health care standards promulgated by the Commission. I believe it is most reasonable that all providers, from the individual practitioner to the HMO or HSO, be eligible for such reinsurance protection by simply obtaining certification.

Mr. President, arbitration, the limitation of contingency fees and the reinsurance program as provided in this bill merit strong support to implement reform in a vital health care. Under the supervision of the Commission on quality health care assurance, these measures would not only significantly improve an area of critical concern to providers of care and patients, but also establish the wherewithal to monitor health care standards. Certification as a condition precedent for the provider of care to qualify for such programs is eminently fair and reasonable. I believe providers of care will welcome the evaluation provided by the Commission as vital assistance in developing and maintaining high standards of health care, which is a goal we all share.

Mr. DOMINICK. Mr. President the Senator from Massachusetts (Mr. KENNEDY) and I have been arguing about this bill for some time. I think that some comments at this point would be in order.

Mr. President, when the HMO bill (S. 3327) was reported out of committee last year, I wrote individual views expressing in some detail my concerns with the approach that bill took. While this bill has been altered somewhat—pursuant to amendments I offered on the floor last year and in committee this year, and the Senator from Massachusetts has been most kind in accepting a number of them—its basic approach has not been significantly changed. Accordingly, my concerns remain essentially the same. I still feel this bill represents an attempt to promote one narrow form of health care delivery—closed-panel group practice—and that it would therefore limit the HMO concept's potential for improving our health care delivery system. I still think it is a mistake to encourage the development of delivery mechanisms which can never be economically viable without continuing federal subsidies. And, I still believe the authorization levels are unrealistically high.

For those reasons I will be offering a substitute and some amendments as we get along in the afternoon and hopefully will get the opinion of the Senate as a whole on the points I am making.

The major criticism of medical care in the United States is that good care is not accessible to everyone. There is no question that our superior medical technology gives us the ability to provide the best medical services in the world. But due to high costs and uneven distribution of medical resources and manpower, these services are not available to everyone.

Many have proposed the "health maintenance organization" concept as a way to solve these problems by bringing more organization into the delivery of medical care. The essential elements of the HMO concept are: first, provision of comprehensive medical services—including as a minimum, basic physician care, hospital care, and emergency care; second, to a defined enrolled population; third, on a prepayment rather than a fee-for-service basis.

A wide variety of organizations can meet the essential elements of the HMO concept. They can be divided into two broad categories: first, closed panel group practices, where the physicians providing HMO services practice in a single facility, the prototype for which is the Kaiser-Permanente plan which grew up on the west coast; and, second, individual practice organizations, where the physician providing HMO services continue to practice in individual settings. Foundations for medical care are one example of individual practice type organizations.

Both of these, it seems to me, will substantially try to meet the need. However, both of them should be thoroughly studied so that we have some idea where we are before we start to empty the Treasury on an endless basis for this purpose.

Under an HMO arrangement, instead of going to a different physician and paying a separate fee for each type of medical service rendered, a patient can pay a fixed monthly premium and go to one group of physicians for all of his care. The HMO assumes responsibility for providing comprehensive services to each of its enrollees, even if the cost of such services for a given period of time exceeds the premiums paid in. The theory is that the necessity of staying within a predetermined budget gives the HMO's physician members economic incentives to keep the enrolled population healthy in order to avoid expensive hospital care. Further economies are expected to be achieved by eliminating unnecessary duplication of expensive medical equipment. It is believed that the increased efficiency of this system of delivering medical care will make it possible for fewer physicians to meet the needs of a given enrolled population than are necessary under the less organized fee-for-service system.

I believe the health maintenance organization concept has considerable promise, and I believe it merits Federal assistance. But I think it is important to keep two things in mind. First, it is a broad concept which encompasses a wide range of possibilities for methods of delivering medical care. Second, it is still an experimental concept. Only a few so-called HMO "prototypes" are operating at the present time. Accordingly, many of the claims made in support of the HMO concept have not yet been proven; and we clearly do not have enough experience with different types of HMO's to make an intelligent decision as to which is best. I believe, therefore, that Federal funds should be used to stimulate innovation in developing the HMO concept rather than for full-scale promotion of one specific type of HMO.

S. 14 as reported is an effort to promote one specific type of HMO—closed panel group practice. Title I would authorize $430 million for development of HMO's in urban areas. Most of these funds—82.5 percent—would be reserved for closed panel group practices meeting a very rigid definition of HMO. Only 20 of the 85 existing groups which provide more than 50 percent of their care on a prepayment basis would qualify structurally as HMO's under this definition.

The remaining funds appropriated under title I would be available to "Supplemental HMO's," which are defined more flexibly, so that individual practice as well as closed panel type HMO's could qualify. In addition to branding individual practice type HMO's as inferior, this would limit the potential for innovation in developing improved methods of health care delivery.

Beyond its inflexibility, I think the administrative complexity of this bill would reduce its effectiveness. Planning, developmental, construction, and operational support would be channeled through three separate funding categories to "HMO's," "Supplemental HMO's," and "Health Service Organization," each of which would be required to satisfy different criteria. I think this is a mistake. It insures that a substantial proportion of the funds spent for these purposes will be wasted on administrative costs. In order to maximize the impact of scarce Federal dollars, we should have one flexible definition of HMO.

I strongly believe that legislation to support development of HMO's should be based on the premise that after a limited period of Federal assistance, any given HMO will be economically viable—able to deliver medical services competitively without a continuing Government subsidy. This bill takes exactly the opposite approach. It is based on the premise that Federal subsidies will be available permanently.

In addition to $645 million authorized under titles I and II for planning, development and construction of HMO's, as well as subsidization of operating deficits during their first 3 years of operation, title III authorizes $440 million over the first 3 years to subsidize premium costs for HMO enrollees. Each HMO would be eligible for annual grants in amounts up to 25 percent of its total premium receipts in the preceding year. HMO's with a disproportionate number of "high risk" enrollees would be eligible for additional grants in whatever amounts would be necessary to avoid increasing premium rates. It does not make any difference whether these subsidies are called "capitation grants," "premium subsidies," or "open enrollment subsidies." They are direct payments by the Federal Government for the premiums of HMO enrollees—including those who are not poor.

These massive Federal subsidies are made necessary by the broad range of services which each HMO would be required to make available to its enrollees at one premium rate. In addition to basic physician, hospital, and emergency services, the mandated benefit package would include prescription drugs, "medical social services," vision care, physical medicine, and rehabilitative services, mental health services, and treatment of alcoholism and drug abuse. Each HMO would also be required to provide extended care and dental services to enrollees who elect them for an additional premium. This mandated benefit package must be made available by every HMO without regard to the needs of the enrolled population.

Even HMO prototypes such as Kaiser-Permanente do not provide the range of services this bill would mandate. The result is that no HMO receiving assistance under this legislation could become economically viable. Without massive Federal subsidies, their premium rates could not be competitive with other medical plans, such as those offered by insurance companies. Although I was able to persuade the committee to place a 3-year limit on each HMO's eligibility to receive these premium subsidies, that does not do the job. So long as HMO's assisted under this bill are subject to unrealistic requirements which prevent them from being viable without Federal subsidies, Congress will have no choice but to continue the subsidies. The only alternative—permitting the entire Federal investment to go down the drain—would be unacceptable.

Aside from the substantial cost this permanent financing mechanism adds to an already extravagantly expensive bill, it amounts to piecemeal national health insurance, which should be dealt with in separate legislation. At this point, no one knows how soon a national health insurance program will be enacted, or what form it will take. It would be a mistake to look ourselves into the direct financing mechanism this bill proposed without first carefully considering its implications and all the alternatives. Moreover piecemeal national health insurance which finances only one particular type of health care delivery is unfair. By spending tax funds to subsidize premium costs for HMO enrollees—many of whom are not poor—this bill would discriminate against the vast majority of taxpaying Americans who either choose to receive their medical care from non-HMO types of providers, or who might not live where an HMO is accessible. It should be kept in mind that total present enrollment in HMO-type health plans amounts to a little over 2 percent of our population.

As introduced, S. 14 authorized $5,180,400,000 over a 3-year period. Title V, which would establish a new "National Institute for Health Care Delivery," accounted for $580,000,000 of this. Title V was reported as a separate bill. That, together with reductions in the remaining authorizations, resulted in a total authorization for S. 14 as reported of $1.5 billion.

I think that level is still unrealistic. Even if this bill were not designed to promote one specific kind of HMO, I do not think we could justify spending half a billion dollars a year. Federal funds should not be invested on anything approaching that scale until the HMO concept has been tested much more thoroughly. Moreover, it should be kept in mind that this $1.5 billion would not be a one-time expenditure. First, due to the long lead time necessary to plan and develop HMO's, it is likely that many of the HMO's to receive startup assistance under this bill would not even become fully operational within the 3-year period it covers. Testimony in the hearing record indicates that it takes at least 3 years, $2.5 to $3 million, and 30,000 enrolees in order for a closed panel group practice-type HMO to get off the ground. The Kaiser-Permanente Group in Denver, Colo., is just beginning to approach the break-even mark—with more than 40,000 enrollees, and after investing about $5 million over a 5-year period. Those figures are based on present experience and, therefore, underestimate the difficulty of developing such HMO's under the much more stringent conditions specified in this bill. It would be difficult for the Government to discontinue assistance to any HMO grant recipient before it became operational. Second, even after HMO's assisted under this bill become operational, they would continue to be dependent on Federal subsidies. Almost half of S. 14's total $1.5 billion authorization is earmarked for such subsidies. This includes $255 million for initial operating deficits, and $440 million for premium subsidies.

The total authorization of the HMO bill which has been approved by the House Health Subcommittee—H.R. 51—is about $300 million. S. 14 could be reduced to near that level simply by removing the premium subsidies and other provisions which are not directly related to development of improved methods of health care delivery. The premium subsidies, the "Quality Health Care Commission," and the "Quality Health Care Initiative Awards" provisions account for more than half of S. 14's total $1.5 billion authorization. Improving our health care delivery system is by itself an ambitious goal. If we sincerely want to achieve it, I think provisions of this bill which are intended to do other things, such as establish a national health insurance program for HMO enrollees and a Federal agency to regulate the practice of medicine in the United States, should be stricken.

The future of the HMO concept does not necessarily hinge on the authorization levels in this bill. The Federal Government is doing quite a bit to support the development of HMO's right now. The social security amendments enacted last year make Federal financing available to HMO's through the medicare program. About 600,000 medicaid beneficiaries now have the option of enrolling in HMO's.

The Department of Health, Education, and Welfare has provided more than $20 million in planning and development assistance to 110 HMO applicants over the last 3 years. It should be noted that 14 of such HMO's have become operational with no Federal assistance beyond planning and development grants.

In fact, four of them became operational with only technical assistance from the Federal Government. I think this raises serious questions about the necessity of a grandiose Federal support scheme such as the one this bill envisions—particularly in view of the fact that Federal dollars going into such a program are Federal dollars which will not be available for other urgent needs. I am personally aware of several very worthy health projects in Colorado which have been approved but cannot be funded because of Federal budget constraints. They include important research projects, Hill-Burton hospitals in rural areas, Community Mental Health Centers, VD control clinics, and badly needed construction programs at a new dental school and the School of Veterinary Medicine. A streptococcal disease research unit in Fort Collins will be closed due to a reduction in the budget of the Center for Disease Control. I know Colorado is not unique in this regard; there must be hundreds of similar projects around the country. The point is that so long as the Federal budget has limits, there is no way we can allocate $1.5 billion out of general revenues for this HMO-national health insurance scheme without adversely affecting such projects.

While I strongly support the HMO concept and believe it merits Federal assistance, I cannot support this bill. It is unrealistic, both in terms of cost and scope. It tries to do too many things other than improve the health care delivery system. It is not really an HMO bill; less than half of the funds it authorizes would be used to help HMO's get started.

Moreover, those funds would be used mainly to promote one particular type of HMO. The development of a more efficient and accessible delivery system is in itself a formidable task for one piece of legislation. To the extent that this bill attempts to do more, its chances of achieving that goal are diminished. Its cost should be reduced to realistic levels, and its scope should be narrowed to the urgent problem of stimulating the development of improved health care delivery mechanisms which can be competitive without ongoing Federal subsidies.

Mr. President, I have introduced an amendment in the nature of a substitute for S. 14—printed amendment 113—which is addressed to the problems I have outlined. It consists of those provisions of S. 14 which are directly related to the development of health maintenance organizations. It contains no new provisions. Its total authorization is $385 million.

Title I of the substitute would authorize $385 million over a 3-year period for assistance to HMO's and supplemental HMO's as follows:

Grants for planning and feasibility studies, $45,000,000.

Grants for initial development costs, $70,000,000.

Construction grants, $85,000,000.

Construction loans, $60,000,000.

Loans for initial costs of operation, $125,000,000.

These authorization levels are identical to those in title I of S. 14 except with respect to initial operating costs. S. 14 would authorize $85 million for grants and $85 million for loans for operating deficits of HMO's during their first 3 years of operation. This substitute would authorize $125 million for loans for that purpose, but contains no such authorization for grants.

Title II consists of the "general requirements" provisions of title III of S. 14, which includes authority for loan guarantees and interest subsidies for construction, development, and initial operation of HMO's.

Now, let me just summarize briefly, Mr. President, the provisions of S. 14 not included in the substitute amendment on the ground that they are not directly related to development of HMO's:

CAPITATION GRANTS

Section 1245 of S. 14 would authorize $440 million for grants to HMO's after they become operational to subsidize the cost of premiums paid by their enrollees. As I have stated earlier, these subsidies amount to piecemeal national health insurance, and should be addressed in separate legislation. Frankly, I do not understand how members of the Finance Committee, which has jurisdiction over national health insurance legislation, can let this provision of S. 14 get by without first scrutinizing it closely.

OPERATING SUBSIDIES

Sections 1205 and 1224 of S. 14 would authorize $127.5 million for grants to HMO's and "health service organizations"—HMO's in nonmetropolitan areas—to subsidize their operating deficits during their first 3 years of operation. These subsidies are in addition to $127.5 million in direct loans, as well as loan guarantees and interest subsidies authorized by S. 14 specifically for this purpose. S. 14 also authorizes $172.5 million for grants for planning and feasibility studies and for initial development costs. All of these provisions are retained in this substitute.

Grants to subsidize operating deficits of HMO's after they become operational amount to direct financing of one particular kind of health care delivery, and are objectionable for the same reasons as are the premium subsidies authorized by this bill. Federal support for HMO's should be used to develop delivery systems which can stand on their own after they become operational. Neither the HMO bill which is pending in the House (H.R. 51), nor the administration's bill (S. 972), authorizes direct grants for initial operating costs.

QUALITY COMMISSION AND QUALITY HEALTH CARE INITIATIVE AWARDS

Title IV of S. 14 would authorize $125 million to establish a new national "Commission on Quality Health Care Assurance" which would establish and enforce "national standards and norms" for medical practice. All HMO's funded under S. 14, and all providers receiving assistance under the Public Health Service Act—for example, Hill-Burton hospitals—or the Community Mental Health Centers Act, would be required to be certified by the Commission in order to continue receiving Federal assistance.

Section 1244 of S. 14 would authorize $225 million for "Quality Health Care Initiative Awards"—annual grants to nonfederally-assisted health providers—for example, private practicing physicians—who agree to submit to the jurisdiction of the Commission.

These provisions add $350 million to the cost of this bill. They would be ongoing Federal expenditures which would increase after the Commission is fully geared up and its jurisdiction expands.

The "PSRO" provisions of the Social Security Amendments enacted last year—Public Law 92-603—will carry out on a local level many of the functions the Commission would perform on a national level. H.R. 1 provided for the establishment of a "Professional Standards Review Organization" system under which physicians organized on a State or local level are charged with the task of monitoring the cost and quality of all medical services provided under medicare and medicaid. Each PSRO will be representative of the physicians in a given geographical area, and will be responsible for setting norms or standards of practice for the area, and enforcing them through the power to withhold Federal reimbursement. This PSRO system, while established specifically for medicare and medicaid services—20 percent of annual health expenditures in the United States—will furnish a mechanism for controlling the quality of all medical care in the United States.

The locality-oriented approach of PSRO is far preferable to the uniform national standards approach of the Commission. Overly specific and universally applicable standards and norms issued by a national Commission in Washington could inhibit innovation in the development of peer review-type quality assurance systems. Moreover, the data necessary to establish national standards and norms for the quality of care admittedly are not yet available. Regulations implementing the PSRO law have not been promulgated yet. Consideration of a national Commission to control the quality of health care should be postponed until PSRO has had an opportunity to prove itself.

HEALTH SERVICE ORGANIZATION AND AREA HEALTH EDUCATION AND SERVICE CENTERS

Title II of S. 14 would authorize $215 million in developmental assistance and operating subsidies for "health service organizations" which would essentially be HMO's located in non-metropolitan areas. Title III of S. 14 authorizes $65 million for development and construction of "area health education and service centers," which would provide educational services to health service organizations.

While this substitute amendment does not retain these provisions of S. 14, it would increase the funds available under part B of title I for "supplemental HMO's," which are defined similarly to health service organizations. S. 14's authorization for HSO's under title II is one-third of the total authorization for HMO's and HSO's under titles I and II.

Accordingly, this amendment would increase the amount earmarked under title I for supplemental HMO's from 17.5 percent to 33⅓ percent.

In conclusion, Mr. President, I believe this substitute offers a realistic alternative to S. 14. It would provide substantial support for development of HMO's—at considerably higher levels than recommended in the House bill, or by the administration. It would not alter the definition of HMO contained in S. 14, or the form of developmental support available to HMO's under S. 14. What it would do is narrow the scope of S. 14 to the development of improved health care delivery systems. By doing that it would greatly enhance the possibilities of achieving that goal. Those who would attack this substitute because it removes provisions directed toward other goals have the burden of showing that such goals are more important. I am confident that that burden cannot be sustained.

TO IMPROVE HEALTH CARE SERVICES FOR AMERICANS

Mr. HUMPHREY. Mr. President, I rise in support of S. 14, the Health Maintenance Organization and Resources Act of 1973, and urge its adoption by the Senate.

I am an original sponsor of this bill because, as I have maintained over several years, the health maintenance organization represents an important new dimension that must be added to our health care system to improve substantially the delivery of services, especially where the supply of physicians and medical facilities is limited. It represents an essential supplement to the traditional solo practice of medicine with its fee-for-service method of financing. And it provides a strong incentive for a long-overdue emphasis upon preventive services to avoid the need for costly, intensive care. It provides for the provision of medical services that are comprehensive, efficient, immediately accessible, and at lower cost to the consumer participant, and for increased professional resources and improved operational systems for the participating physician.

The legislation would provide 3-year authorizations for respective programs of planning, development, construction, and initial operating-cost grants for HMO's, supplemental HMO's, and health service organizations for the development of ambulatory health care facilities, as well as additional loan and loan guarantee assistance that would also be applied to certain transportation and communications equipment costs. It would meet a critical need for professional education networks through authorizing grants and loan guarantees for university health, centers, regional medical programs, and nonprofit provider groups to develop area health education and service centers. Additional capitation grants would be authorized to assist HMO's to serve the medically indigent.

Enrollees would have a substantial policymaking role in the health maintenance organization, with the one-third representation on its policy determination board.

To assure the establishment of effective internal quality control standards by HMO's, and to promote national systems for quality health care, the bill would establish an independent Commission on Quality Health Care Assurance, in addition to preempting State legislation that would inhibit the operation of health maintenance organizations receiving assistance under this program. And to provide for an equitable and effective system to deal with medical malpractice claims with respect to health care providers approved under this program, the bill would establish an arbitration program, directly involving patients, and a Federal medical malpractice reinsurance program.

I am particularly encouraged that this bill recognizes the urgent health care problems confronting our rural areas, through its provisions under titles II and III to bring in health service organizations and to establish area health education and service centers.

Without the establishment of such systems of health care delivery, the Federal Government and the American people can only expect to continue paying the accelerating increase in health care costs. There will continue to be no competitive pressure to hold down these costs, and no options for the health care consumer to exercise any meaningful choice in obtaining services. And people will be required to continue seeking uncoordinated care from various specialists scattered over a wide geographical area, rather than have available a wide range of health care services provided by an integrated professional team at a single site.

I welcome the inclusion in the scope of services to be provided by an HMO under this bill, various home health, nutrition, and social services whose serious need I have discussed in the Senate on numerous occasions in connection with my introduction of relevant legislation. In addition, I intend to give close attention to the implementation of related services under the programs established under this legislation, including the provision of prescription drugs and the provision of vision care, whose vital need I have undertaken to address through legislation introduced to provide coverage for such services under medicare or under community programs of home health care established under a program of direct Federal grants.

I am concerned, however, that certain services would, in part, be provided on an optional basis—in particular, services in the areas of mental health and of extended care. I would urge that continuing serious attention be given to these important needs and that further action be taken in Congress to make such services fully accessible. However, the required incorporation of preventive dental services for children is an outstanding example of essential services that would be a constituent part of any HMO program.

Finally, among amendments added by the Committee on Labor and Public Welfare, that are strongly deserving of support, are provisions authorizing Federal contracts with HMO's to provide health care to Indians and to domestic agricultural migratory workers.

In a recent report to its board of sponsors, the Twin City health care development project, of Minneapolis-St. Paul, Minn.—which has been examining whether a central service mechanism can assist independent developing and operating HMO's—commented that:

> The HMO . . . has excited considerable interest in the Twin City metropolitan area. This system of health care delivery in

which comprehensive, continuous health care including preventive, diagnostic, outpatient and hospital services are provided to a voluntarily enrolled consumer population in return for a fixed prepaid amount of money is proving nationwide to be an efficient and effective system. At the present time it offers a hope for reducing or containing the high cost of health care.

The report notes HMO's that have been organized in Minneapolis by physicians in group practice, and it sees this particular organizational mode as reflecting the fact that Minnesota has the highest percentage of doctors in group practice of any State in the Nation. Another type is the hospital-based HMO, of which there are two plans currently operating in St. Paul. Another form of HMO could evolve from the pilot city health center, where a neighborhood health center assumes responsibility for the surrounding populations' primary, or ambulatory, health needs.

Perhaps the best known HMO operating in the Twin City area is Group Health Plan, Inc. of St. Paul, a nonhospital based model which is a member-owned nonprofit corporation. Group Health Plan, Inc., has operated since 1957 and presently has three clinics and 55,000 members. They include city of St. Paul, State, and University of Minnesota employees as well as a number of other groups in the Twin Cities.

The Senate Committee on Labor and Public Welfare, in reporting S. 14, indicates that Group Health Plan, Inc., is a type of HMO to which priority Federal funding assistance should be directed.

All of the current health care plans in the Twin City area are nonprofit corporations as stipulated under State law. It is my understanding, however, that the possible need for enabling legislation on the further development of HMO's is currently under debate.

Mr. President, effective Federal financial assistance is required if the HMO is to become a viable alternative for the delivery of health care across America.

It should be noted that substantial reductions have been made in aggregate appropriation authorizations provided under S. 14 as introduced, with authorized funds being cut back—as well as withdrawn in the reporting of title V as a separate bill—from over $5.1 billion to $1.5 billion in the bill as reported from committee. Although this reduction will necessarily limit the scope of programs to be assisted under this bill, the present level of authorizations clearly meets the test of fiscal responsibility, in the light of further health care program priorities for which Congress must provide adequate federal financial assistance. I believe that this figure represents a minimal level if the programs launched under this bill are to have any meaningful impact in improving the Nation's health care system. The administration's proposal to provide only $60 million for this purpose, under its budget for fiscal 1974, and in connection with the legislative proposal of very limited scope which it has submitted, is totally inadequate for the accomplishment of this vital task.

Mr. President, I urge the Senate and House to expedite the early enactment of the Health Maintenance Organization and Resources Act of 1973.

Mr. TAFT. Mr. President, I call up amendment No. 119.

The ACTING PRESIDENT pro tempore. The clerk will report the amendment.

The legislative clerk read as follows:

S. 14

Strike out all after the enacting clause and insert in lieu thereof the following:

"That this Act may be cited as the 'Health Maintenance Organization Assistance Act of 1973'.

"AMENDMENTS TO PUBLIC HEALTH SERVICE ACT

"SEC. 2. (a) Section 1 of the Public Health Service Act is amended by striking out 'Titles I to XI' and inserting in lieu thereof 'Titles I to XII'.

"(b) The Act of July 1, 1944 (58 Stat. 682), as amended, is further amended by renumbering title XII (as in effect prior to the enactment of this Act) as title XIII and by renumbering sections 1201 through 1214 (as in effect prior to the enactment of this Act), and reference thereto, as sections 1301 thorugh 1314, respectively.

"(c) The Public Health Service Act is further amended by adding after title XI the following new title:

" 'TITLE XII—ASSISTANCE TO HEALTH MAINTENANCE ORGANIZATIONS

" 'CONGRESSIONAL FINDINGS

" 'SEC. 1200. (a) The Congress finds that—

" '(1) the medical care system is not organized in a manner which encourages the provision of medical care at reasonable costs;

" '(2) the medical care system is oriented toward providing care once a health need has occurred rather than toward providing health maintenance and preventative health services; and

" '(3) there is a serious maldistribution of medical care resources which has resulted in inadequate access to medical care in both inner city and rural areas.

" '(b) The purpose of this title is to assist in remedying these deficiencies through encouraging the establishment and utilization of health maintenance organizations, particularly in medically underserved areas. This purpose is to be accomplished through grants and contracts to encourage the establishment and expansion of health maintenance organizations.

" 'DEFINITIONS

" 'SEC. 1201. For the purposes of this title—

" '(1) the term "health maintenance organization" means a public or private organization which—

" '(A) provides to enrolled participants, either directly or through arrangements with others, at least those physician, hospital, and health maintenance services determined by the Secretary to be necessary for the provision of comprehensive health care and generally available on an insured or prepaid basis in the locality served by the organization;

" '(B) is compensated for the provision of such services to enrolled participants solely on a predetermined periodic rate basis except for such copayments by participants as the Secretary may, by regulation, authorize; and

" '(C) meets such requirements concerning its organizational structure and financial arrangements as the Secretary may, by regulation, prescribe for the purpose of assuring that—

" '(i) the organization bears the responsibility for the efficient and effective utilization of health care resources to meet the health care needs to participants,

" '(ii) the individuals, groups, and institutions within the organization or cooperating with it in the provision of health care services to participants share in that responsibility, and

" '(iii) the organization provides clearly identifiable focal points of responsibility for the performance of all managerial, administrative, and service functions;

" '(2) the term "medically underserved area" means an area designated by the Secretary, after consideration of the recommendations (if any) of the appropriate State comprehensive health planning agency (designated by the State as required by section 314(a)(2)(A)) and the local area health planning agency (if any), as an area with a shortage of health services;

" '(3) the term "local area health planning agency" means the agency or organization responsible for the comprehensive regional, metropolitan area, or other local area plan or plans referred to in section 314(b) and covering the area in which the health maintenance organizatiton operates or proposes to operate, or, if there is no such agency, such other public or nonprofit private agency or organization (if any) as performs, as determined in accordance with criteria included in regulations, similar functions.

" 'GRANTS TO AND CONTRACTS WITH HEALTH MAINTENANCE ORGANIZATIONS

" 'SEC. 1202. (a) The Secretary is authorized, during the period beginning July 1, 1973, and ending with close of June 30, 1978, to make grants to any public or nonprofit private health maintenance organization, and to any public or nonprofit private entity intending to become a health maintenance organization, and to enter into contracts with any health maintenance organization or any entity intending to become a health maintenance organization, to—

" '(1) assist it in planning for the development or expansion of a health maintenance organization, and

" '(2) pay all or part of its initial operating costs incurred as a result of its operation in or expansion into a medically underserved area.

" '(b) No grant or contract may be made or entered into under subsection (a) unless the applicant for such grant or contract has provided assurances satisfactory to the Secretary that—

" '(1) it intends to form, create, or expand a health maintenance organization, if the application is for a grant or contract under clause (1) of subsection (a); and

" '(2) it intends to operate in a medically underserved area, if the application is for a grant or contract under clause (2) of subsection (a).

" '(c) A grant or contract pursuant to clause (1) or (2) of subsection (a) may not provide the assistance described therein for more than two years in the case of clause (1) or three years in the case of clause (2).

" '(d) In making grants and entering into contracts under clause (1) of subsection (a) the Secretary shall give priority to those applicants which will provide new or expanded health services to medically underserved areas.

" 'GENERAL CONDITIONS

" 'SEC. 1203. No grant or contract may be made or entered into under this title unless—

" '(1) the applicant provides assurances satisfactory to the Secretary that, at the time of its application or at such time thereafter as the Secretary may specify, it (A) meets or will meet such standards of financial responsibility as the Secretary may by regulation provide; (B) has or will have the capability to provide prompt, efficient, and economical comprehensive health care services, including institutional services, which meet quality standards established by it in accordance with regulations of the Secretary; and (C) has or will have a governing board which includes members who (i) have no financial interest in the organization other than as enrolled participants, (ii) are not receiving compensation for the provision of goods or services to the organization other than reasonable compensation for service as members of the governing board, and (iii) are neither employed by, nor members of the immediate family of, persons who have such an interest or are receiving such prohibited compensation;

(2) the State comprehensive health planning agency (referred to in section 1201(2)) and the local area health planning agency (if any) have had an opportunity to comment upon the application in a manner prescribed by the Secretary; and

(3) the applicant agrees to keep such records, and afford such access thereto, and make such reports, in such form and containing such information, as the Secretary may find necessary for purposes of this title.

JOINT FUNDING

" 'SEC. 1204. Pursuant to regulations prescribed by the President, where funds are advanced for a single project or program by more than one Federal agency to an organization assisted under this title, any one Federal agency may be designated to act for all in administering the funds advanced. In such cases, a single non-Federal share requirement may be established according to the proportion of funds advanced by each agency, and any such agency may waive any technical grant or contract requirement (as defined by such regulations) which is inconsistent with the similar requirements of the administering agency or which the administering agency does not impose.

" 'WAIVER OF CONTRACT LIMITATIONS

" 'SEC. 1205. Whenever the Secretary determines it to be in furtherance of the purpose of this title, contracts authorized under this title may be made, performed, amended, or modified without regard to such provisions of law or other regulations relating to contracts of the United States as the Secretary may specify.

" 'AVAILABILITY OF APPROPRIATIONS

" 'SEC. 1206. Sums appropriated for any fiscal year ending prior to July 1, 1977, for grants or contracts under this title shall remain available for obligation until the end of the fiscal year following such fiscal year.'

"SERVICES FOR INDIANS

"SEC. 3. Section 1 of the Act of August 5, 1954 (42 U.S.C. 2001), is amended by inserting '(a)' before 'All functions' and by adding at the end thereof the following new subsection:

" '(b) In carrying out his functions, responsibilities, authorities, and duties under this Act, the Secretary is authorized, with the consent of the Indian people served, to contract with private or other non-Federal health agencies or organizations for the provision of health services to such people on a fee-for-service, prepayment, or other basis.'."

Amend the title so as to read: "A bill to amend the Public Health Service Act to provide assistance and encouragement for the establishment and expansion of health maintenance organizations, and for other purposes."

Mr. TAFT. Mr. President, I have called up my amendment No. 119 in the nature of a substitute to S. 14, a bill to amend the Public Health Service Act to provide assistance and encouragement for the establishment and expansion of health maintenance organizations, health care resources, and the establishment of a quality health care commission, and for other purposes—a bill which, in the committee version, seems to me to go far beyond the limits of what we presently know about this particular form of health care delivery and about the current state of quality in health care generally.

The problem we face in this Congress and in succeeding Congresses—and I hope that we can do something to solve this problem—is the problem of improving health care delivery services and making them available at a reasonable cost to all Americans who need them.

However, it seems to me that HMO is not the only method. I suggest, as I did in the committee, that with the experience we have had to date, we should have a pilot program dealing with HMO's.

I believe that the bill in its present form has structural requirements which are too rigid.

Its structural requirements are too rigid; it contains a multiplicity of redundant authorities; and it inappropriately proposes a vast regulatory system to to monitor the quality of medical care in health maintenance organizations.

It is unreasonable to expect that throughout a nation of diverse geographies, peoples and life styes—all communities interested in developing health maintenance organizations will want to follow an identical model. Practically, that is what this bill does.

The bill carries a pricetag of $1.5 billion, the payment of which cannot be met without the curtailment of other priority on-going programs.

I would suggest, too, that inevitably, I believe, in any subsidy of this size going into this area, we are going to be providing health care not only to the many who need it, for whom we want to provide the best possible health care services, but also to literally millions of other Americans who are quite willing and able to take care of their own medical needs, if not directly under the Kaiser plan and other plans, without the subsidy of medicare or medicaid in a direct way. I think there is ample testimony to that fact.

I think we all recognize, when we go into a $1.5 billion figure, that inevitably the benefits of the programs are going to go to many who, as I say, are not asking for it and do not desire it.

I agree that the HMO is a method for financing and providing health care that has won growing respect. It brings together into a single organization the physicians, the hospital, the laboratory and the clinic, so that patients can get the right care at the right moment. However, while it is clearly a new and useful health care approach for certain needs, it is just as clearly not the answer to all health care problems. It may even create a number of new ones.

I am not against experimentation and, the offering of this substitute amendment is not due to any lack of support for or interest in trying out the concept of health maintenance organizations. However, I do think it would be utter folly to proceed with a measure like S. 14 which implies that the case for health maintenance organizations is already established and almost exclusively provided as a remedy for our health care delivery problems.

The fact of the matter is that HMO's developed to date have moved with little or no Federal support other than medicare/medicaid. If we suddenly recommit the mistake of so many other Federal help programs—massive category bid—it will force the development of HMO's and health care delivery generally into a mold formed by a bureaucrat in Washington on his best guess of a pattern that might fit some special situation he is aware of, but likely little related to the problems of or opportunities in many other areas. We would be unduly hasty and most unwise to propagate by legislation a remedy for health care which has not yet passed any of the necessary tests. Before we even have a chance to get the test models off the ground, it is now proposed to fly with a whole fleet of HMO's.

I think in this area, as we have now come to realize in the area of defense procurement, we should adopt a fly-before-you-buy approach.

The results of developing HMO's with a wide variety of organizational configurations and sponsors to serve many contrasting geographical areas, need to be more widely demonstrated, and that, Mr. President, is an important supporting factor for my amendment. This amendment is designed to carry out the President's recommendations for a Federal program to assist in demonstrating the feasibility of health maintenance organizations as a part of our health care delivery system. It is identical to the administration's bill, S. 972.

In summary, this amendment would: First, establish a demonstration program assistance to public and private organizations to plan, develop and expand health maintenance organizations during the next 5 fiscal years.

The OEO, in its health services office, has been doing this, I find, in a number of programs, and presumably this office would take over from HEW in providing services in that connection.

Second, it would provide assistance in the form of grants and contracts for planning costs, with priority for medically underserved areas, as well as provide grants and contracts for costs of initial operation in medically underserved areas.

Third, it requires review of and opportunity to comment on applications by State and local health planning authorities.

Fourth, it authorizes joint funding for all Federal assistance to any health maintenance organization, with authority to waive normal contracting procedures if necessary; and

Finally, the Secretary of Health, Education, and Welfare would be authorized to carry out his responsibilities related to the provision of health care to Indians by contracting with health maintenance organizations.

The budget contains some $60 million to carry out these provision in fiscal year 1974.

I believe this amount can be used, and used wisely, and we can avoid a great deal of waste and perhaps a great deal of lost time in this direction by adopting this amendment, rather than maintaining a program in areas that are, in many ways, yet untried.

This seems to me a more reasoned approach than the bill reported from committee. As yet, we do not have ample experience to assess the impact and future viability of HMO's and any legislation to implement fully a concept which is still in the demonstration stage, would be unwise and premature.

Mr. KENNEDY. Mr. President, the subcommittee considered this proposal in its deliberations, and voted overwhelmingly against it. The full committee also had an opportunity to consider it, and rejected the proposal, and I think wisely so.

There are a number of very troublesome aspects to the proposal in the Senator's amendment, which I shall develop through colloquy with the distinguished Senator from Ohio. The most troublesome aspect of the amendment is that it represents a very broad granting of authority and power to the Secretary of Health, Education, and Welfare to set up entities which are not described, or defined within the amendment, and we would be doing it with taxpayers' funds, without any kind of assurance that we are going to develop, more effective or more efficient means of providing for the delivery of health care. I am not prepared to be one of those who would give absolute carte blanche to the Secretary of Health, Education, and Welfare, with the power and responsibility, in effect, to sign whatever agreement or contract may come before him under the vague, general definition of a health maintenance organization.

If we are going to commit taxpayers' funds here in Congress, it ought to be for very carefully prescribed functions, and certainly this amendment does do that.

Let me ask the Senator from Ohio if there is any authorization in his amendment.

Mr. TAFT. I would reply to the Senator that there is an authorization of $60 million for the first year.

Mr. KENNEDY. Could the Senator be somewhat more specific, and tell me, in the amendment we are now considering, what particular provision he refers to, that mentions the $60 million figure?

Mr. TAFT. There is not any authorization in the bill at the present time.

Mr. KENNEDY. There is no authorization at the present time?

Mr. TAFT. However, it is in the President's budget in this amount.

Mr. KENNEDY. It is in the President's budget. So we are, in effect, under the language of the amendment, providing such sums as may be appropriated. We are giving, in effect, a blank check to the President.

The Senator has indicated, as the sponsor of the amendment, that he had hoped the $60 million would be the figure which would be approved, but there is nothing in the legislation that would provide any kind of ceiling whatsoever in terms of the authorization.

Mr. TAFT. I would be glad to join the Senator in offering such an amendment, if he desires to offer one in that amount. I just point out that the $60 million is the authorization that there would be under the budget, compared with $1.5 billion, which I am sure that to any administrator under any program would mean he had absolute discretion to use at least $60 million in any direction he wanted to go.

Mr. KENNEDY. Does the Senator, in his amendment, find any provision defining how much of that $60 million would be used for loans or grants, or are we leaving that up to the discretion of the Secretary?

Mr. TAFT. I would represent to the Senator that this program of $60 million, as I think I have amply shown, is in the nature of a pilot program. Without giving broad discretion to the Secretary to make broad determinations as to which alternatives ought to be followed by the Secretary to see which programs do the best work, I do not see how we will ever come out with a program under which we could sensibly spend the kind of sums the Senator from Massachusetts is proposing to spend.

Mr. KENNEDY. With all due respect to my colleague from Ohio, we have tried in the pending bill to define the particular categories; that is, how much will be for construction, how much will be for loans, how much will be for initial development, and how much will be for planning. Here we will be giving an effective blank check to the Secretary. If it is $60 million, it is not indicated in the Senator's amendment that it is $60 million. He indicates that he is prepared to amend it. I have a series of questions, and if the Senator at the end of it wants to offer another substitute or another amendment to handle each or all of these, then we could consider that matter here.

Mr. TAFT. The authorizations in the particular programs under the Senator's bill are of such amounts, in my opinion, that there is a great deal of leeway in them, and waste. We simply do not have, from the testimony we have had before the subcommittee or the testimony before the committee, the basis on which to make the category allocations made by the bill as it came out of the committee—no substance for making a guess. They would all be purely arbitrary guesses.

Mr. KENNEDY. The Senator may have other amendments to make to the different provisions of our legislation and we can analyze them in detail, which I am sure we will over the course, but I was asking the distinguished Senator what the authorization is because it is not in the amendment as sums designated. The Senator has indicated that under the administration's budget, there will be $60 million. There is no definition as to how much will be in the form of loans, guarantees, or allocations for the development of HMO's. It is completely left to the discretion of the Secretary of Health, Education, and Welfare.

Let us look at what the definition of HMO's is on page 3 of the Senator's amendment. I read as follows:

> (A) provides to enrolled participants, either directly or through arrangements with others, at least those physician, hospital, and health maintenance services determined by the Secretary to be necessary . . .

It says, "to be determined by the Secretary."

Then there is a wide range of services, to be determined by the Secretary. In other words, the Secretary will be saying how that money will be used and how it will be allocated and what the range of services will be. That would all be determined by the Secretary of Health, Education, and Welfare.

Let us go down a little further on page 3:

> * * * for the provision of comprehensive health care and generally available on an insured or prepaid basis in the locality served by the organization;
>
> "'(B) is compensated for the provision of such services to enrolled participants solely on a predetermined periodic rate basis except for such copayments by participants as the Secretary may, by regulation, authorize; and
>
> "'(C) meets such requirements concerning its organizational structure and financial arrangements as the Secretary may, by regulation, prescribe * * *

Then it gives the indication. So we are effectively handing over to the administration the determination of the amount of money they want to have on this. That money will eventually be actually distributed and given to the Secretary to determine the range of services, what the definition of the HMO's will be, and the financial arrangements as well as the organizational structure of HMO's to be funded in this legislation. Congress will not be saying that. It is all there on pages 3 and 4—the organizational structure, the financial arrangements, all as the Secretary of Health, Education, and Welfare wants to provide.

Then we wo over to page 5 of the amendment under the heading "Grants to and Contracts With Health Maintenance Organizations."

It states in section 1202(a):

> The Secretary is authorized, during the period beginning July 1, 1973, and ending with close of June 30, 1978, to make grants to any public or nonprofit private health maintenance organization, and to any public or nonprofit private entity intending to become a health maintenance organization, . . .

If that is not the biggest door through which to drive any kind of truck, then I have never seen one. Whatever the definition of an HMO may be, that will permit the Secretary to enter into contracts with any HMO which will be defined by the Secretary of Health, Education, and Welfare. He can say anything is an HMO.

If we do not have a blank check to give to the Secretary with his definition of HMO's, we sure do in section 1202, "Grants to and Contracts With Health Maintenance Organizations."

We can continue along to "General Conditions" on page 6 of the amendment, and they will respond to the question of developing quality control standards. This is described under "General Conditions" at the bottom of page 6—

> . . . it (A) meets or will meet such standards of financial responsibility as the Secretary may by regulation provide; . . .

By whom? The Secretary of Health, Education, and Welfare, of course. Again the Secretary.

So we get regulations being made by the Secretary, the definition of HMO's being made by the Secretary, the expenditures being made by the Secretary, and what will be funded defined by the Secretary.

The bill further requires that an HMO has or will have a governing board. Mr. President, do you think it indicates how many people will be on that governing board? We do not know. It requires members. How many members? We do not know.

It can be any number from 1 to 100. The governing board includes members, but there is no indication how many members. I guess the Secretary will decide that as well.

Then, if that is not enough of a grant of authority, it has a "joint funding" provision which, in effect, provides an absolute blank check. If we do not have enough money in HEW, then all we have to do is go over to DOD and see if they have any funds over there. Or go to any other agency because it is a joint funding provision. If I am wrong, I hope that the Senator from Ohio will correct me, but that certainly would be my interpretation of a joint funding provision.

Then the final provision—and this is a beauty, on page 8 of the amendment, entitled "Waiver of Contract Limitations," states:

> Whenever the Secretary determines it to be in furtherance of the purpose of this title, contracts authorized under this title may be made, performed, amended, or modified without regard to such provisions of law or other regulations relating to contracts of the United States as the Secretary may specify.

So if the Secretary does not have a blank check before he gets that provision, we have written it right in there, and he can do anything he wants to with that $60 million. If that is what the Senate is prepared to pass as legislation, I think it is not only an abdication of legislative responsibility, but I daresay it would give to the Secretary of Health, Education, and Welfare, whoever he may be, whether Richardson or Weinberger—whoever he may be—a blank check to do just about whatever he would like to do.

It is for these reasons, and others, that the Health Subcommittee turned down this proposal overwhelmingly.

Mr. President, at this point I do not know whether the Senator from Ohio wants to suggest the absence of a quorum in order to get more Senators into the Chamber so that he may ask for the yeas and nays on his amendment, but in the meantime, I yield the floor.

Mr. TAFT. Mr. President, the Senator from Massachusetts does not seem to understand the basic concept of the amendment or the basic differences which exist between the amendment and the bill which is proposed to come out of the committee. The bill which is proposed to come out of the committee has such provisions in it, but let me give the Senate one of them.

On page 157 of the bill, under the heading "Capitation Grants," and so forth, it states:

> There are authorized to be appropriated to carry out the provisions of this section $25,000,000 for the fiscal year ending June 30, 1974; $50,000,000 for the fiscal year ending June 30, 1975; and $150,000,000 for the fiscal year ending June 30, 1976.

We have no basis whatsoever—absolutely no basis whatsoever, on the facts, knowing that these authorizations will be needed, or whether it will be too low or too high. This is the authority being asked, as a pig in a poke, from Congress at this point.

The reason there is no authorization specifically outlined over and beyond the budget request which is included in the $60 million figure in the amendment, in the proposal by the administration, is that it is—and I want to estimate exactly—that we should go about a pilot program sensibly and try to determine what form, or setup, or type of expenditures, or type of subsidy, will work most effectively in trying to promote the use of HMO's or other health delivery systems that are similar.

The bill assumes that we on the committee and we in Congress are all-knowing and have studied this subject and have a whole volume full of experience on which we are basing some great decision in these areas to come up with capitation grants in the first 3 years to total $440 million, along with the quality health care initiative awards, which are $225 million—and nobody knows what those are, either. This is flying completely blind, as I have indicated to the Senator in presenting this amendment.

Rather than making the mistakes that I think clearly are going to be made, he has built in the committee a basis, I suppose, for moving on to some general medical insurance program, or something of the sort, supposedly. If, somehow, the pattern we set up for HMO's does not work, if there is not a proper response, it will be said that HMO's have been tried and they are not successful in handling this problem. I think this is a lot of baloney. You have to take a look at what the record is, what has been proved, before you embark on a $1.5 billion program covering the entire area of health care in this country, if it really expanded and took the full $1.5 billion that is proposed under this amendment.

We are not ready for that yet; and the reason for the amendment is that we ought to give the broadest authority to the Secretary and those involved to try to experiment and see, on the basis of the small experience we have with HMO's to date, how we can best move into the field of effectively financing HMO's and getting them started.

The problem brought up by the Senator from Colorado, as to whether it ought to be an open or closed panel of physicians, is perhaps the first that has to be decided. If we have a closed panel, as I think would be mandated by the Senator's proposed legislation, we have not even given a shot to try the open approach, whereby an individual can go to his physician and ask for financing.

These questions are totally unresolved, and somehow we seem to direct to ourselves the decision to go ahead and spend vast sums of money, with the same mistake that has been made on many welfare programs in this country. The time to stop is now, and the time to get proper experience in this area is now; and the way to do that is to adopt this amendment.

Mr. KENNEDY. Mr. President, I say to the Senator from Ohio that I am glad to get into a position of analyzing the major proposal which is before the Senate. But he has offered an amendment, and I would think we would be talking about the particular points we have raised about his amendment. He is advocating that Members of the Senate support his amendment. I understand that we will deal with his arguments as we come into the question of defending the measure before the Senate. I wish he had responded to what is effectively a carte blanche. I think it is even worse than that.

I remind the Senator from Ohio that we had more than 40 days of hearings on this matter. If he says that he is not aware of the particular material that was developed there, I wish he had been able to become aware. All of us understand that we have many responsibilities, with an opportunity to spend some of that time as the subcommittee considered these hearings. We are all very knowledgeable and understanding of each other's responsibilities and duties, but we had more than 40 days of hearings. In the course of the afternoon, as these matters are challenged or debated, we will bring that out in the testimony we relied upon for the support of those proposals. To make a general statement that we have a massive bill and have not had hearings belies the facts.

The fact remains that we have in our proposed legislation carefully defined what an HMO is, the range of services, and the different provisions for a very specific reason, and that is the reason that the Senator from Ohio mentioned. We do not want it to be sufficiently broad and general in description so that it includes different HMO's or, as he said, whatever entity can be funded, and thereby waste the American taxpayers' funds. We are funding here health maintenance organizations that have had a trial record, some for 30 years. We have targeted the legislation so that we would not waste those funds. We have tried to narrow it as precisely as we could. If we made it general, there would be an opportunity for waste and duplication, which I do not think we are interested in.

Finally, listening to the Senator from Ohio talk about what a massive program this is, I point out that what we are talking about here is the coverage, over a 3-year period, of initially 3.5 to 4 million Americans. Just a year ago, when we had the Secretary of Health, Education, and Welfare before us, he said he wanted 80 percent of all Americans in these programs by 1980. That was the administration's spokesman who said that, when he appeared before our committee. Here we are talking about 3.5 million Americans over a 3-year period, taking us through 1976. So, measured against what the administration actually demanded of Congress last year, in the President's health message, this is an extremely modest and conservative proposal.

In the course of my opening statement, I mentioned that we passed a bill to achieve this in the amount of $5.1 billion last year—over a 3-year period. We thought there was sufficient justification for that. We are down now to $1.5 billion. We are willing, over a 3-year period, to cut the proposal.

So I think this is consistent with what the President has outlined in his message to Congress, which our committee took seriously during the course of the past year, when we developed the legislation and passed it last year. Now we have cut it effectively about 60 percent, in an effort to act responsibly because of the various spending ceilings. Yet, what we are authorizing here amounts to 7/10 of 1 percent of what we are spending on health in this country for a particular year at the present time. It is a modest program.

Particularly for the reasons I outlined earlier about the weaknesses in the program, I hope the amendment will be defeated.

I am prepared to vote. I would be interested in learning whether the Senator desires a voice vote or a rollcall vote.

Mr. TAFT. Mr. President, I advise the Senator from Massachusetts that I know that a number of other Senators on this side of the aisle have amendments they wish to bring up which contain provisions at which I would like to take a look. I am not going to force the Senate to go to a rollcall vote on this amendment, knowing that they will be going to votes on the succeeding amendments offered by the Senator from Colorado and probably the Senator from New York.

However, before going to a voice vote, I would like to comment on a couple of points.

The Senator said that the administration hopes to have 80 percent of all Americans covered by proper health care; and certainly for those who cannot afford proper health care or do not have it available at this time, that is a goal that I am sure has not been abandoned.

The question before us that we have to decide today is whether or not we are going about the kind of exploration and investigation that is necessary in order to provide that care properly and provide it at what will be an economical and a justifiable financial basis. The goal the Senator seems to be satisfied with, of going ahead now and providing it on a mandated category type of basis of choice made by the committee to date, without any basis of experience or even a guess on the part of witnesses who came before us as to exactly what the form ought to be, seems to me not to meet that goal at all, and to be far less likely to do so because it would bring about a particular category approach and not bring about the objective that needs to be met by 1980.

Mr. President, I think the difference could be stated in this way. The Senator complains about $60 million carte blanche. I would rather have $60 million carte blanche than a $1.5 billion blue-plate special cooked up by a bunch of apprentice cooks who have just come on the line. That is what this amounts to.

Mr. KENNEDY. Mr. President, in connection with the figures, I wish to read from a white paper entitled "Toward a Comprehensive Health Policy for the 1970's," the HEW statement of goals. This is what they say:

> The goals of the Administration are to develop 450 HMOs by the end of fiscal year 1973, 100 of which would serve areas with a scarcity of health care resources. By the end of fiscal year 1976, the plan calls for 1,700 HMOs with the potential of enrolling 40 million people, 10 million of whom would be in families wth incomes under $8,000 a year. By the end of the decade, the goal will be to have a sufficient number of HMOs to enroll 90 percent of the population, if they desired to enroll. Most importantly, the choice of traditional modes of care would remain.

We are talking about 200 HMOs. The administration asks for 1,700. I wish we were able to develop 1,700. It would save the consumers a lot of money. But I want to make sure Senators know it is the administration that requested and committed itself to this but it has altered or changed its position. We have difficulty knowing where they stand on some proposals.

I am reading from the administration white paper again, entitled "Toward a Comprehensive Health Policy for the 1970's":

> By the end of fiscal year 1976, the plan calls for 1,700 HMOs.

The pending bill would provide 200.

Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER.** The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

The question is on agreeing to the amendment of the Senator from Ohio (Mr. TAFT) (putting the question).

The amendment was rejected.

The **PRESIDING OFFICER.** The bill is open to further amendment.

Mr. TAFT. I suggest the absence of a quorum.

The **PRESIDING OFFICER.** The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. DOMINICK. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

AMENDMENT NO. 113

Mr. DOMINICK. Mr. President, I call up my amendment No. 113, which is an amendment in the nature of a substitute.

The **PRESIDING OFFICER.** The clerk will state the amendment.

The assistant legislative clerk proceeded to read the amendment.

Mr. DOMINICK. Mr. President, let me just take a moment to explain the amendment.

The **PRESIDING OFFICER.** Without objection, the amendment will be printed in the RECORD.

Amendment No. 113 is as follows:

Strike everything after the enacting clause, and in lieu thereof insert the following:

That this Act may be cited as the "Health Maintenance Organization and Resources Development Act of 1973".

SEC. 2. (a) The Congress finds that—

(1) the medical care system is not organized in a manner which encourages the provision of medical care at reasonable costs;

(2) the medical care system is oriented toward providing care once a health need has occurred rather than toward providing health maintenance and preventive health services;

(3) there is a serious maldistribution of medical care resources which has resulted in inadequate access to medical care in both inner city and rural areas.

(4) the establishment of health maintenance organizations, will aid in alleviating the serious maldistribution of health care resources which has resulted in inadequate access to medical care particularly in both inner city and rural areas, in providing health care in a more efficient and economical manner, and in reorienting the health care system toward the maintenance of health;

(5) there is a need to provide technical assistance and resources to individuals and groups, undertaking the planning, development, and initial operation of health maintenance organizations and supplemental health maintenance organizations;

(b) The purpose of this Act is to assist in remedying these deficiencies through encouraging the establishment and utilization of health maintenance organizations, particularly in medically underserved areas by improving the system for the delivery of health care through encouragement of any support for the planning, development, and initial operation of health maintenance organizations and supplemental health maintenance organizations.

SEC. 3. Nothing in this Act, or any amendment made by this Act, shall be construed to supersede any activity relating to review of the provision of health care services under (including review and assessment of quality or quantity of such services or determination or reimbursement therefor) or to the determination of eligibility of any provider, practitioner, agency, or organization to participate under any program established under the Social Security Act.

TITLE I—HEALTH MAINTENANCE ORGANIZATIONS

SEC. 101. The Public Health Service Act is amended by inserting after title XI the following new title:

"TITLE XII—HEALTH MAINTENANCE ORGANIZATIONS

"PART A—SUPPORT OF HEALTH MAINTENANCE ORGANIZATIONS

"DEFINITIONS

"SEC. 1201. For purposes of this title:

"(1) The term 'health maintenance organization' means an entity which—

"(A) provides as a minimum for all its enrollees (or subscribers) comprehensive health services (as defined in this section) which are uniformly available to all its enrollees (or subscribers) directly through its own staff and supporting resources or through a medical group or groups and such other additional services as may be required through other health delivery entities, for a fixed payment which (i) is to be paid on a periodic basis without regard to the frequency, extent, or kind of health service actually furnished to any particular enrollee; and (ii) is uniform for all its enrollees subject to rules and regulations regarding family rates:

"(B) demonstrates to the satisfaction of the Secretary ability to assure that appropriate comprehensive health services are available and accessible to all its enrollees promptly and in a manner which assures continuity;

"(C) demonstrates to the satisfaction of the Secretary financial responsibility through proof of adequate provision against the risk of insolvency;

"(D) is organized in such a manner (as prescribed by regulations of the Secretary) that assures its enrollees a substantial role (generally defined as one-third representation in the body establishing or recommending policy) in the making of policy for the health maintenance organization, with equitable representation of enrollees from medically underserved areas, and provides meaningful procedures for hearing and resolving grievances (i) between its enrollees and the health maintenance organization (including the medical group or groups and other health delivery entities providing health services), and (ii) between the medical group or groups providing health services and other employees and the health maintenance organization;

"(E) encourages and actively provides for its enrollees (i) health education services; (ii) education in the appropriate use of health services provided; and (iii) education in the contribution the patient can make to the maintenance of his own health;

"(F) has organizational arrangements for an on-going quality assurance program which stresses health outcomes;

"(G) provides, in accordance with regulations of the Secretary (including safeguards concerning the confidentiality of the doctor-patient relationship), an effective procedure for developing, compiling, evaluating, and reporting to the Secretary, data (which the Secretary shall publish and disseminate on an annual basis) relating to (i) the cost of its operations, (ii) the patterns of utilization of its services, (iii) the availability, accessibility, and acceptability of its services, and (iv) such other matters as the Secretary may require and disclose at least annually and in a manner acceptable to the Secretary, such data to its enrollees and to the general public;

"(H) except for (i) out of area emergency care, and (ii) care reasonably valued in excess of the first $5,000 per enrollee per year, assumes direct financial responsibility, without benefit of insurance, on a prospective basis for the provision of the comprehensive health services defined in this section;

"(I) has an open enrollment period, unless a waiver has been granted under section 1249, of not less than thirty days at least once during each consecutive twelve-month period during which it accepts individuals in the order in which they apply for enrollment up to its capacity, subject to the requirements of paragraph (K);

"(J) assumes responsibility for the provisions of health care services to its enrollees (and on a reimbursable basis for short-term health care services to enrollees of any other health maintenance, or supplemental health maintenance organization who are temporarily outside the service area of the health maintenance or supplemental health maintenance organization in which they are enrolled) twenty-four hours a day, seven days a week, and for the appropriate availability of such services in emergencies;

"(K) shall enroll no more than 50 per centum of its enrollees from medically underserved areas, except in rural areas as designated by the Secretary;

"(L) provides, or makes arrangements for, continuing education for its staff;

"(M) emphasizes the use of nurse practitioners, physician's assistants, dental therapists, and other allied health personnel and to the extent practicable and consistent with good medical practice, trains and employs such personnel in the rendering of services;

"(N) provides to its enrollees as an option, for an additional premium, extended care facility services, and dental services;

"(O) may purchase on a fee-for-service basis unusual or infrequently used health care services for its enrollees;

"(P) does not refuse enrollment to or expel any person for any reason concerning his health status or requirements for the provision of health services;

"(Q) provides for the prevention, diagnosis, and medical and psychological treatment of the abuse of or addiction to alcohol and drugs either through its own facilities or existing community facilities; and

"(R) meets such other criteria for its organization and operations as the Secretary may by regulation prescribe, consistent with the provisions of this title.

"(2) The term 'comprehensive health services' means health services provided without limitation as to time or cost as follows—

"(A) physician services (including consultant and referral services);

"(B) inpatient and outpatient hospital services;

"(C) home health services;

"(D) diagnostic laboratory, and diagnostic and therapeutic radiologic services;

"(E) preventive health (including but not limited to voluntary family planning, infertility services, and preventive dental care for children) and early disease detection services;

"(F) emergency health services rendered by any provider of health care, the expense of which shall be borne by the enrollee's health maintenance, supplemental health maintenance, or health service organization;

"(G) provision of or payment for prescription drugs (with patterns of patient drug utilization under continuous surveillance, evaluation, and review by a clinical pharmacist whose duties shall include the maintenance of a drug use profile for each enrollee);

"(H) medical social services;

"(I) vision care (except for eyeglasses which shall be optional) as provided by a physician skilled in the diagnosis and treatment of diseases of the eye, or by an optometrist provided such services are within the scope of his license;

"(J) physical medicine and rehabilitative services (including physical therapy);

"(K) mental health services utilizing existing community mental health centers on a priority basis;

"(L) preventive diagnostic and medical and psychological treatment of the abuse of or addiction to alcohol and drugs; and

"(M) such other personal health services as the Secretary may determine are necessary to insure the protection, maintenance, and support of human health.

"(3) The term 'medical group' means a partnership or other association or group of health professionals of whom not less than four and at least a majority shall be persons who are licensed to practice medicine or osteopathy, and such other licensed health professionals as are necessary to provide comprehensive health services and who are eligible for assistance under this Act, in conformance with requirements promulgated under section 1302, in a State and who (A) as their principal professional activity engage in the coordinated practice of their profession as a group responsibility providing services to health maintenance or health service organization enrollees; (B) if not employees or retainees of a health maintenance organization, or health service organization, pool their income from practice as members of the group and distribute it among themselves according to a prearranged salary or drawing account plan; (C) jointly use or share medical and other records and substantial portions of major equipment and professional, technical, and administrative staff; (D) share or jointly utilize such additional health and allied health professionals, who may include but are not limited to psychologists and other mental health workers, optometrists, pharmacists, podiatrists, dental therapists, physician's assistants, nurse practitioners and nurse midwives, as are needed to provide comprehensive health services; and (E) arrange for and encourage the continuing education of their members in the field of clinical medicine and related areas.

"(4) The term 'enrollee' when used in connection with a health maintenance organization or supplemental health maintenance organization (as defined in part B) means an individual who has entered into a contractual arrangement, or on whose behalf a contractual arrangement has been entered into, with a health maintenance organization or supplemental health maintenance organization under which such organization assumes the responsibility for the provision of health services to such individual.

"(5) The term 'medically underserved area' means an urban or rural area or population group designated by the Secretary as an area or population group with a shortage of personal health services. Such a designation may be made by the Secretary only after consideration of the comments, if any, of (A) each State comprehensive health planning agency designated pursuant to section 314(a) of this Act covering, in whole or in part, such area, (B) each areawide comprehensive health planning agency designated pursuant to section 314(b) of this Act, covering, in whole or in part, such area, and (C) regional medical programs established pursuant to title IX of this Act, covering, in whole or in part, such area.

"(6) The terms 'construction' and 'cost of construction' include (A) the construction of new buildings, and the acquisition, expansion, remodeling, replacement, and alteration of existing buildings, including architects' fees, and (B) equipping new buildings and existing buildings, whether or not acquired, expanded, remodeled, or altered with assistance under this title.

"(7) The term 'high-risk enrollee' means a person who is likely to utilize the services of a provider of health care more often than an actuarially determined average.

"GRANTS FOR PLANNING AND FEASIBILITY STUDIES

"SEC. 1202. (a) The Secretary may make grants, subject to the general provisions of this title, to public or private nonprofit agencies, organizations, or institutions to assist in projects for planning or studying the feasibility of developing or expanding health maintenance organizations. No project may receive more than $250,000 in grants under this section. Funds awarded under such grants shall be available for expenditure by the grantee for such period (not to exceed two years from the date of award) designated by the Secretary.

"(b) In making grants under this section the Secretary shall give priority to those applicants who give assurances that at least 30 per centum of their total enrollment shall be persons from medically underserved areas.

"(c) There are authorized to be appropriated to carry out the provisions of this section $10,000,000 for the fiscal year ending June 30, 1974, $15,000,000 for the fiscal year ending June 30, 1975, and $20,000,000 for the fiscal year ending June 30, 1976.

"GRANTS FOR INITIAL DEVELOPMENT COSTS

"SEC. 1203. (a) The Secretary may make grants, subject to the general provisions of this title, to any public or private nonprofit agencies, organizations, or institutions, to assist them in meeting the costs involved in a project for the initial development of a health maintenance organization prior to its first day of operation. No project may receive more than $1,000,000 in grants under this section.

"(b) Sums awarded under such grant shall be available for expenditure by the granted for not more than three years, and shall be utilized for such purposes as may be prescribed in regulations of the Secretary, including but not limited to (1) implementation of an enrollment campaign; (2) detailed design of and arrangements for the health services to be provided; (3) development of administrative and internal organizational arrangements, including fiscal control and fund accounting procedures and the development of a capital financing program; (4) recruitment of personnel and the conduct of personnel training activities; and (5) payment of architects' and engineers' fees.

"(c) In making grants under this section the Secretary shall give priority to those applicants who give assurances that at least 30 per centum of their total enrollment shall be persons from medically underserved areas.

"(d) There are authorized to be appropriated to carry out the provisions of this section $15,000,000 for the fiscal year ending June 30, 1974, $25,000,000 for the fiscal year ending June 30, 1975, and $30,000,000 for the fiscal year ending June 30, 1976.

"CONSTRUCTION GRANTS

"SEC. 1204. (a) The Secretary may make grants, subject to the general provisions of this title, to assist any public or private nonprofit health maintenance organization or any public or private nonprofit agency, organization, or institution intending to become a health maintenance organization in meeting the cost of construction of facilities or portions of facilities for ambulatory care and capital investment for necessary transportation equipment, to be used by it for the provision of health services to its enrollees. The Secretary shall give special consideration to applications for grants for the acquisition or renovation of existing facilities. Except for exceptional circumstances, in which case up to 90 per centum of the cost of construction (as determined by the Secretary) may be authorized by the Secretary, no grant under this section for any project may exceed 75 per centum of the cost of construction of such project. No project may receive more than $2,500,000 in grants under this section.

"(b) In making grants under this section the Secretary shall give priority to those applicants who give assurances that at least 30 per centum of their total enrollment shall be persons from medically underserved areas.

"(c) There are authorized to be appropriated to carry out the provisions of this section $15,000,000 for the fiscal year ending June 30, 1974, $30,000,000 for the fiscal year ending June 30, 1975, and $40,000,000 for the fiscal year ending June 30, 1976.

"CONSTRUCTION LOANS

"SEC. 1205. (a) The Secretary may make loans, subject to the general provisions of this title, to any public or private nonprofit health maintenance organization, or any public or private nonprofit agency, organization, or institution intending to become a health maintenance organization, to assist it in meeting the cost of construction of facilities for ambulatory care and transportation services for the provision of health services to its enrollees. The Secretary shall give special consideration to applications for loans for the acquisition or renovation of existing facilities. No loan under this section for any project may exceed 90 per centum of the cost of construction (as determined by the Secretary) of such project.

"(b) There are authorized to be appropriated to carry out the provisions of this section $10,000,000 for the fiscal year ending June 30, 1974, $20,000,000 for the fiscal year ending June 30, 1975, and $30,000,000 for the fiscal year ending June 30, 1976. Sums so appropriated, together with repayments of loans made under this section and any other receipts in connection with the program under this section, shall be placed in and constitute a revolving fund which shall be available to the Secretary without fiscal year limitation for use in making loans and other expenditures in the exercise of his functions under this section.

"LOANS FOR INITIAL COSTS OF OPERATION

"SEC. 1206. (a) The Secretary may make loans, subject to the general provisions of this title, to any public or private nonprofit health maintenance organization to assist it in meeting, for the period prescribed in subsection (b), a portion of its initial operating costs in excess of gross revenues determined under regulations of the Secretary.

"(b) Loans under this section for initial costs of operation may be made only for the period beginning with the first day of the first month for which such a loan is made and ending with the close of three years after such first day; and such loans with respect to any project may not exceed 60 per centum of such costs of operation, for the first year after such first day; 40 per centum of such costs for the second year after such first day; and 20 per centum of costs for the third year after such first day.

"(c) There are authorized to be appropriated to carry out the provisions of this section $5,000,000 for the fiscal year ending June 30, 1974, $45,000,000 for the fiscal year ending June 30, 1975, and $75,000,000 for the fiscal year ending June 30, 1976. Sums so appropriated, together with repayments of loans made under this section and any other receipts in connection with the program under this section, shall be placed in and constitute a revolving fund which shall be available to the Secretary without fiscal year limitation for use in making loans and other expenditures in the exercise of his functions under this section.

"PART B—SUPPLEMENTAL HEALTH MAINTENANCE ORGANIZATIONS

"SUPPLEMENTAL HEALTH MAINTENANCE ORGANIZATIONS

"SEC. 1207. The Secretary may make grants and loans to supplemental health maintenance organizations (as defined in section 1209) from funds appropriated pursuant to authorizations under part A of this Act for the purposes described in part A in amounts not to exceed 33⅓ per centum of the amounts appropriated under such part except that the Secretary may make such grants and loans in excess of 33⅓ per centum of such amounts from funds available during any fiscal year after all applications from qualified applicants under part A have been fully funded. Such grants and loans shall be for the same purposes, and subject to the same conditions and limitations as are applicable in the case of grants and loans to health maintenance organizations (as defined in section 1201).

"DEFINITIONS

"SEC. 1208. For the purposes of this part and part E—

"(1) The term 'supplemental health maintenance organization' means a public or private organization which—

"(A) provides, either directly or through arrangements with others, health services to individuals enrolled with such organization on a per capita prepayment basis;

"(B) provides, either directly, or through arrangements with others and through institutions, entities, and persons meeting the applicable requirements of section 1861 of the Social Security Act, all those health services which a defined population might reasonably require in order to be maintained in good health, including as a minimum emergency care, inpatient hospital and physician care, ambulatory physician care, and outpatient preventive medical services;

"(C) provides physicians' services (i) directly through physicians who are either employees or partners of such organization, or (ii) under arrangements with one or more groups of physicians (organized on a group practice or individual practice basis) under which each such group is reimbursed for its services primarily on the basis of an aggregate fixed sum or on a per capita basis, regardless of whether the individual physician members of any such group are paid on a fee-for-service or other basis;

"(D) demonstrates to the satisfaction of the Secretary proof of financial responsibility and proof of capability to provide comprehensive health care services, including institutional services, efficiently, effectively, and economically and in a manner which assures continuity;

"(E) has arrangements for assuring that the health services required by its enrollees are received promptly and appropriately and that the services which are received meet quality standards which it establishes; and

"(F) is organized in such a manner as to emphasize local initiative and consumer and community involvement in the planning, development, and operation of such supplemental health maintenance organization and seek to insure prompt response to local initiative."

TITLE II—GENERAL REQUIREMENTS

SEC. 301. The Public Health Service Act, as amended by this Act, is further amended by inserting after part B of title XII the following new parts:

"PART C—GENERAL PROVISIONS

"GRANTS AND LOANS

"SEC. 1220. (a) Any loan by the Secretary shall bear interest at a rate comparable to the current legal rate of interest prevailing with respect to loans which are guaranteed under section 1241. No payment of principal on a loan shall be required for the first five years after such loan is made.

"(b) No such loan shall be made unless—

"(1) the Secretary is reasonably satisfied that the applicant therefor will be able to make payments of principal and interest thereon when due, and

"(2) the application provides the Secretary with reasonable assurances that there will be available to it such additional funds as may be necessary to complete the project with respect to which such loan is requested.

"(c) Any such loan shall have such security, have such maturity date, be repayable in such installments, and be subject to such other terms and conditions, (including provisions for recovery in case of default) as the Secretary determines to be necessary to carry out the purposes of this title while adequately protecting the financial interests of the United States.

"(d) No such loan shall have a term in excess of fifteen years.

"(e) The Secretary may, for good cause, waive any right of recovery which he has by reason of the failure of a public organization to make payment and interest on a loan under this section.

"LOAN GUARANTEES AND INTEREST SUBSIDIES

"SEC. 1221. (a) In order to assist private health maintenance organizations and supplemental health maintenance organizations (or entities intending to become either), to carry out construction projects for ambulatory care facilities and transportation services, to meet their initial development costs (for not more than three years) or to meet their cost of operation for not more than three years), the Secretary, during the period beginning Janaury 1, 1974, and ending with the close of June 30, 1976, may, in accordance with the provisions of this section, and subject to the general provisions of this Act (A) guarantee to non-Federal lenders making loans to such organizations for such purposes, payment of principal of and interest on such loans which are approved under this section, and (B) in the case of nonprofit health maintenance or supplemental health maintenance organizations, pay to the holder of such loans (and for and on behalf of the organization which received such loan) amounts sufficient (not to exceed 3 per centum per annum) to reduce the net effective interest rate otherwise payable on such loan. No loan guarantee or interest subsidy under this section may, except under such special circumstances and under such conditions as are prescribed by regulations, apply to or be made for an amount which, when added to any grant or other loan under this or any other law of the United States, is—

"(i) with respect to any construction, in excess of 90 per centum of the cost of such construction,

"(ii) with respect to initial development costs, in excess of 90 per centum of such costs, or

"(iii) with respect to initial operating costs, in excess of 90 per centum of such costs.

No such loan guarantee may apply to more than 90 per centum of the loss of principal and interest on the loan.

"(b) The Secretary may not approve the application of a health maintenance organization, or supplemental health maintenance organization unless—

"(1) he determines, in the case of a loan for which a guarantee or an interest subsidy payment is sought, that the terms, conditions, maturity, security (if any), and schedule and amounts of repayments with respect to the loan are sufficient to protect the financial interests of the United States and are otherwise reasonable and in accord with regulations, including a determination that the rate of interest does not exceed such per centum per annum on the principal obligation outstanding as the Secretary determines to be reasonable, taking into account the range of interest rates prevailing in the private market for similar loans and the risks assumed by the United States;

"(2) the term of a loan for which a guarantee and interest subsidy is sought does not exceed twenty-five years if for construction, or fifteen years if for operating costs, or such shorter period as the Secretary prescribes; and

"(3) he obtains assurances that the applicant will keep such records, and afford such access thereto, and make such reports, in such form and containing such information, as the Secretary may reasonably require.

"(c) Guarantees of loan and interest subsidy payments under this section shall be subject to such further terms and conditions as the Secretary determines to be necessary to assure that the purposes of this section will be achieved, and, to the extent permitted by subsection (e), any of such terms and conditions may be modified by the Secretary to the extent he determines it to be consistent with the financial interest of the United States.

"(d) In the case of any loan guaranteed under this section, the United States shall be entitled to recover from the applicant the amount of any payments made pursuant to such guarantee unless the Secretary, for good cause, waives his right of recovery, and, upon making any such payment, the United States shall be subrogated to all of the rights of the recipient of the payments with respect to which the guarantee was made

"(e) Any guarantee of a loan under this section shall be incontestable in the hands of an applicant on whose behalf such guarantee is made, and as to any person who makes or contracts to make a loan to such applicant in reliance thereon, except for fraud or misrepresentation on the part of such applicant or such other person.

"(f) (1) There is established in the Treasury a Health Maintenance Organization, Loan Guarantee and Interest Subsidy Fund (hereafter in this section referred to as the 'fund') which shall be available to the Secretary without fiscal year limitation, in such amounts as may be specified from time to time in appropriation Acts (A) to enable him to discharge his responsibilities under guarantees issued by him under this title, and (B) for interest subsidy payments authorized by this title. There are authorized to be appropriated from time to time such amounts as may be necessary to provide the sums required by the fund. To the extent authorized from time to time in appropriation Acts there shall be deposited in the fund amounts received by the Secretary as interest payments or repayments of principal on loans and any other moneys, property, or assets derived by him from his operations under this title, including any moneys derived from the sale of assets.

"(2) If at any time the moneys in the fund are insufficient to enable the Secretary to discharge his responsibilities under this title to meet the obligations under guarantees of loans under subsection (a) or to make interest subsidy payments on such loans, he is authorized to issue to the Secretary of the Treasury notes or other obligations in such forms and denominations, bearing such maturities, and subject to such terms and conditions, as may be prescribed by the Secretary with the approval of the Secretary of the Treasury. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the issuance of the notes or other obligations. The Secretary of the Treasury is authorized and directed to purchase any notes and other obligations issued hereunder and for that purpose he is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act and the purposes for which securities may be issued under that Act are extended to include any purchase of such notes and obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this subsection. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated as public debt transactions of the United States. Sums borrowed under this subsection shall be deposited in the fund and redemption of such notes and obligations shall be made by the Secretary from such fund.

"(g) (1) The cumulative total of the principal of the loans outstanding at any time with respect to which guarantees have been issued under this section may not exceed such limitations as may be specified in appropriation Acts.

"(2) In any fiscal year no loan guarantee or agreement to make interest subsidy payments may be entered into under this title if the making of such guarantee or the entering into of such agreement would cause the cumulative total of—

"(A) the principal of the loans guaranteed under this title in such fiscal year, and

"(B) the principal of the loans for which no guarantee has been made under this title and with respect to which an agreement to make interest subsidy payments is entered into under this title in such fiscal year,

to exceed the amount of grant funds obligated under this Act in such fiscal year; except that this paragraph shall not apply if the amount of grant funds obligated under this title in such fiscal year equals the sums appropriated for such fiscal year under this title.

"APPLICATION REQUIREMENTS

"SEC. 1222. (a) No grant, contract, loan, loan guarantee, or interest subsidy may be made under this title unless an application therefor has been submitted to and approved by the Secretary. Such application shall be in such form, submitted in such manner, and contain such information, consistent with subsection (b) (1), as the Secretary shall by regulation prescribe.

"(b) (1) An application for a grant, loan, loan guarantee, or interest subsidy under this title shall include to such extent, in such manner and among such other matters as the Secretary may by regulation prescribe, satisfactory specification of the existing or anticipated (A) population group or groups to be served by the existing or proposed health maintenance organization or supplemental health maintenance organization described in the application, (B) enrollment for such organization, (C) methods, terms, and periods for the enrollment of enrollees, (D) nature and estimated costs per enrollee of the health care and educational services to be provided, (E) sources of professional services, and organizational arrangements for providing health care and educational services, (F) organizational arrangements for an ongoing quality assurance program, (G) sources of prepayment and other forms of payment for the services to be provided, (H) facilities available for and additional capital investments and sources of financing therefor, requirement to provide the level and scope of services proposed, (I) administrative, managerial, and financial arrangements and capabilities of such organization, (J) role for enrollees in the planning and policymaking for such organization, (K) grievance procedures for enrollees, staff, and employees, and (L) evaluation or evaluations of the support for and acceptance of such organization by the population to be served, the sources of operating support, and the professional groups to be involved or affected thereby. An organization making multiple applications for assistance under this title simultaneously or over the course of time shall not be required to submit duplicate or redundant information but shall be required to update the description of the existing or proposed organization in such manner and with such frequency as the Secretary may by regulation prescribe.

"(2) Upon completion of assistance under this title, the recipient of assistance shall make a full and complete report to the Secretary, in such manner as he may by regulation prescribe. Each such report shall include, among such other matters as the Secretary may by regulation prescribe, descriptions of plans, developments, and operations in those areas enumerated in paragraph (1) for specification in applications for assistance.

"(c) A health maintenance organization or supplemental health maintenance organization, receiving assistance under this title shall submit to the Secretary as a condition of its continued assistance, satisfactory assurances, in accordance with such regulations as the Secretary shall prescribe, including but not limited to the following: (1) financial responsibility, and (2) development and operation consistent with the terms of this title and the plans contained in such organization's application or applications for assistance. As used in this subsection the term 'financial responsibility' means the demonstrated capability to adequately carry out the purposes of the project for which the original assistance was made.

"(d) (1) An application for a grant, loan, loan guarantee, or interest subsidy under this title shall contain assurances satisfactory to the Secretary that the applicant will, in accordance with such criteria as the Secretary shall by regulation prescribe, enroll the maximum number of persons that its available and potential resources (as determined under regulations of the Secretary) will enable it to effectively serve; except that the applicant shall enroll no more than 50 per centum of its enrollees from medically underserved areas except in rural areas as designated by the Secretary.

"(2) No grant may be made and no loan, loan guarantee, or interest subsidy payment may be made under this title unless the applicant demonstrates to the satisfaction of the Secretary that the applicant will or has enrolled, and will maintain an enrollment of, the maximum number of persons that is available and potential resources (as determined under regulations of the Secretary) will enable it to effectively serve, except that the applicant shall enroll no more than 50 per centum of its enrollees from medically underserved areas except in rural areas as designated by the Secretary.

"(e) (1) The Secretary may not approve an application submitted under section 1203, 1204, 1205, 1206, or 1207 unless the section 314(b) areawide health planning agency whose section 314(b) plan covers (in whole or in part) the area to be served by the health maintenance organization, supplemental health maintenance organization, or health service organization for which such application is submitted, or if there is no such agency, the section 314(a) State health planning agency whose section 314(a) plan covers (in whole or in part) such area, has, in accordance with regulations of the Secretary, been provided an opportunity to review the application and to submit to the Secretary for his consideration its recommendations respecting approval of the application. If under applicable State law such an application may not be submitted without the approval of the section 314(b) areawide health planning agency or the section 314(a) State health planning agency, the Secretary may not approve such an application unless the required approval has been obtained.

"(2) The Secretary shall by regulation establish standards and procedures for section 314(b) areawide health planning agencies and section 314(a) State health planning agencies to follow in reviewing and commenting on applications for assistance for health maintenance organizations, health service organizations, and other applicants for assistance under this Act.

"(f) If in any fiscal year there are insufficient funds available for funding of all approved applications for assistance under section 1202, 1203, 1204, 1221, 1222, 1223, or 1224 of this title, the Secretary shall, subject to the priorities in sections 1202(b), 1203(c), and 1204(c), give priority to those applicants which he determines are the most likely to be economically viable.

"EFFECT ON STATE LAW

"Sec. 1223. (a) Notwithstanding any provisions of State law which—

"(1) require approval of a health maintenance organization or supplemental health maintenance organization by a medical society;

"(2) require that physicians constitute all or a majority of the governing body of a health maintenance organization or supplemental health maintenance organization;

"(3) require that all physicians or a percentage of physicians in the local medical society be permitted to participate in rendering the services of the organization;

"(4) require that such organization submit to regulations as an insurer of health care services;

"(5) require that only unincorporated individuals or associations or partnerships may provide health care services;

"(6) prohibit advertising by a professional group for recruitment of enrollees; or

"(7) impose requirements or restrictions on a health maintenance organization or supplemental health maintenance organization in a manner, determined by the Secretary, to be incompatible with this title,

a health maintenance organization or a supplemental health maintenance organization which otherwise conforms with the laws for incorporation and laws for licensing of physicians, osteopaths, and dentists in such State shall be allowed to provide health care services in such State in accordance with the provisions of this title.

"PAYMENT OF GRANTS

"Sec. 1224. The amount of any grant under this title shall be determined by the Secretary. Payments under such grants may be made in advance or by way of reimbursement and at such intervals and on such conditions as the Secretary finds necessary.

"PROHIBITION ON TRANSFER OF FUNDS

"Sec. 1225. (a) No funds appropriated pursuant to any of the preceding sections of this title shall be available for any purposes other than the purposes of the program authorized by the particular section pursuant to which such funds are appropriated.

"(b) No funds, except those appropriated under this title, shall be used for the purposes of carrying out the provisions of this title.

"(c) Only funds appropriated under titles IX and XII of this Act shall be used to initially develop, construct, and initially operate a health maintenance organization, supplemental health maintenance organization, or any other entity that provides, either directly or indirectly through arrangements with others, health care to a defined population on a prepaid basis.

"LABOR STANDARDS

"Sec. 1226. All laborers and mechanics employed by contractors or subcontractors on all construction projects assisted under this title shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act. The Secretary of Labor shall have with respect to the labor standards specified in this section the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176) and section 2 of the Act of June 13, 1934.

"OPEN ENROLLMENT WAIVER

"Sec. 1227. In a case where a health maintenance organization demonstrates to the satisfaction of the Secretary that it has a disproportionate share of high-risk enrollees and by maintaining open enrollment it would be required to enroll a nonrepresentative cross section of the community in which it provides services, to the extent that financing is available and people are willing to enroll, and the enrollment of such disproportionate share of high-risk enrollees will jeopardize its economic viability, the Secretary may waive such requirement for open enrollment for a period of not more than three years. A health maintenance organization may receive more than one such waiver.

"ACCESS TO RECORDS

"Sec. 1228. (a) Each recipient of Federal funds under this Act shall keep such records as the Secretary shall prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such funds, the total cost of the undertaking in connection with which such funds are given or used, the amount of that portion of the cost of the undertaking supplied by other sources, and such other records as will facilitate an effective audit.

"(b) The Secretary of Health, Education, and Welfare and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of the recipients of Federal funds under this Act.

"COMPREHENSIVE SERVICES PHASE-IN

"Sec. 1229. The Secretary may grant a waiver to an applicant for assistance under this title, with respect to the provision of a specific service, required to be provided as a component of comprehensive health services where he determines that—

"(1) such service cannot be provided by the applicant solely because the required health manpower to provide such service is not available; and

"(2) the applicant has a feasible plan to provide such service at the earliest possible date, such date not to exceed three years from the date assistance under this title is first granted to such applicant.

"COMPREHENSIVE HEALTH SERVICES FOR INDIANS AND MIGRANT WORKERS

"Sec. 1230. The Secretary is authorized to contract with health maintenance organizations or supplemental health maintenance organizations to provide health services to individuals who are eligible for such services from the Indian Health Service or under section 310 of this Act.

"PART D—SPECIAL PROJECT GRANTS TO FACILITATE HEALTH SERVICES IN NONMETROPOLITAN AREAS

"Sec. 1240. The Secretary is authorized to make grants to or contracts with any public or nonprofit private entity (which otherwise may not be eligible for grants or assistance under this title) to study, initiate, and evaluate projects for the delivery, or to facilitate the delivery, in nonmetropolitan areas of comprehensive health services on a prepaid basis."

TECHNICAL AMENDMENTS TO THE PUBLIC HEALTH SERVICE ACT

Sec. 301. (a) Section 1 of the Public Health Service Act is amended by striking out "titles I to X" and inserting in lieu thereof "title I, II, and XIV".

(b) The Act of July 1, 1944 (58 Stat. 682), is further amended by renumbering title XII (as in effect prior to the date of enactment of this Act) as title XIV and by renumbering sections 1101 through 1114 (as in effect prior to such date) and references thereto as sections 1401 through 1414, respectively.

(c) Sections 767, 768, 769, 769A, and 769B of the Public Health Service Act (added by section 107 of Public Law 92–157) are redesignated as sections 769, 769A, 769B, 769C, and 769D, respectively.

Mr. DOMINICK. Mr. President, the amendment is, as I said when I called it up, an amendment in the nature of a substitute for the pending bill. I think Members of the Senate—I wish there were more present on the floor—could understand what we are faced with. The Senator from Ohio (Mr. Taft) has brought up the bill which was originally proposed by the President, but it carried a $60 million budget item in it. It was not in the bill, but that was the budget recommendation. A bill has been reported by the House Health Subcommittee which provided originally for about $300 million, but which was cut back in the process of consideration by the subcommittee, to $280 million. S. 14, as it was originally presented to the committee, provided for $5.2 billion.

Mr. President, there is no way you can put $60 million, $280 million, and $5 billion together, and I pointed this out in committee rather forcibly to the members of our committee on several occasions, and between the time when the bill went from our subcommittee to the full committee, I suggested—and the Senator from Massachusetts (Mr. Kennedy) was nice enough to accept it—that we should have the staff go over it and determine what reasonable changes could be made.

When we came to full committee the staff had suggested that we make changes to bring it down to about $2.8 billion, which is a decided improvement over $5 billion, but which still has no relationship to $280 million, nor to $60 million.

I therefore attempted to reduce it further in the full committee markup, and we at that point got it down to $1.5 billion. That is a decided improvement over the amount proposed last year, and it is a decided improvement over the bill as it passed the Senate last year; but it is still way above the administration's bill, and the bill pending in the House.

So to those who, like myself, are interested in getting a bill enacted into law rather than using it as a flag around which to rally troops, it seems obvious that we are not going to get such a bill. We are either not going to get agreement with the House or we are not going to get it passed over a veto, and I am relatively sure of a veto as a result of the budget proposals which we have already put into legislation we have passed—some $280 billion for the next year. So even the Senate would not override the veto of a bill providing $1.5 billion.

Let us suppose we compromise with the House. What is a compromise between $280 million and $1.5 billion? It is pretty hard to get together, but let us suppose we come up with $700 million. We are still talking about 10 times more than what the administration has recommended, and certainly we are not going to get that amount of money out of the Appropriations Committee. Consequently, this is going through the usual fancy language that we do so many times in the Senate by promising, in broad, sweeping terms, that we are going to take in half the Treasury, and by so doing cure the problem.

We give rise to greater expectations than can be satisfied with the amount of money we will provide. Then they find they are not going to get the money they expected. It leaves a lot of disappointed people by leading them to expect Congress would do something that no appropriation bill will carry through on.

So I asked my staff to draft a proposal which would only—and I emphasize the word "only"—deal with the HMO's because we have a great many titles and a great many dollars in the bill which have absolutely nothing to do with, or very little to do with, HMO's.

One of the items we have, for example, is the capitation subsidy. We did get that changed in committee, on my motion. Originally the capitation subsidies went on forever, but they were limited to the 3-year period of the bill.

But I ask my colleagues, if the capitation subsidies are to be the method by which we get the HMO's together and make sure that there is a large enrollment, why in the world do we need the other parts in there to get the HMO's going just do it on the capitation subsidies?

So what we have done in the substitute is cut out all the provisions which do not deal with the HMO's.

Let me give some examples, for the purposes of the record, of what we have cut out.

Incidentally, I send to the desk two perfecting amendments, which are minor and technical in nature, but which go with the substitute, and ask that they be considered as a part of the substitute.

The PRESIDING OFFICER. The Senator has a right to modify his amendment.

The modifications are as follows:

On page 17, line 18, following the period after the word, "funded", insert the following: "Not less than 50 per centum of the funds available for grants and loans to supplemental health maintenance organizations under this section shall be reserved for such organizations operating in non-metropolitan areas."

On page 11, after line 25, insert the following new paragraph:

"(8) The term 'non-metropolitan area' means an area no part of which is within an area designated as a standard metropolitan statistical area by the Office of Management and Budget, and does not contain a city whose population exceeds fifty thousand persons."

On page 8, line 18, strike the comma following the word, "maintenance", and in lieu thereof insert the word, "or"; on line 19, strike the words, "or health service".

On page 10, line 2, beginning with the word, "or", strike through the word "service", on line 3; on line 4, beginning with the word, "or", strike through the comma following the word "organization" on line 5.

On page 17, line 24, strike the letter "E", and insert in lieu thereof the letter, "C".

On page 30, line 17, strike both commas, and insert in lieu of the first comma the word, "or"; on line 18, strike the words, "or health service organization".

On page 31, line 12, beginning with the word, "health", strike through the comma.

Mr. DOMINICK. What we have done in the substitute is considerably more extensive than the Senator from Ohio (Mr. TAFT) was talking about. We are authorizing in the proposed substitute $385 million for HMO's, of which two-thirds would be used for closed panel HMO's as defined under part A of title I, and one-third would be used for supplemental HMO's under part B.

The pending bill, S. 14, has two provisions in it. The first is for closed panels HMO's. The Senator from Massachusetts (Mr. KENNEDY) was kind enough to accept an amendment which was included in the bill last year in committee and on the floor, in which 17.5 percent of that would be used for other types of HMO's.

In the process of the debate, the Senator from Massachusetts was also kind enough to accept the amendment which I offered to provide that any money not used for the closed panel HMO's could be used for the other foundation types of HMO's.

Over and over again I have heard in the process of this discusion that we need all of this money for the purpose of promoting health care delivery systems which are different from the ones we now have. Frankly, neither the closed panel nor the foundation type is new. They are being used now. As I said in my opening statement, closed panel HMO's are now in operation. Kaiser-Permanente, has been operating on the west coast since World War II.

So, what we are doing here is dealing with one type of relatively experimental group which we would like to see funded at a higher level than in the past, given some Federal assistance, but not tying it to one type of health care delivery system with too much money, the net effect of which will be that we will not have any bill at all.

In addition, we have in S. 14, as it is now put together, a thing called the Quality Health Care Commission. This has nothing to do with HMO. This is designed to develop quality standards for all doctors, whether they are in an HMO or not. In fact, the qualifications which they have to meet under quality health care standards would pretty much mean that the rural doctors who have been in family practice in particular for a great number of years would have a very hard time in qualifying and might even find that they would not even be allowed to practice.

We have been trying to get around that. However, I am not sure that we have got that done in S. 14 as reported. And since it does not have a thing specifically to do with an HMO, we have stricken that also.

Then we have stricken the so-called Quality Health Care Initiative awards of some $225 million which, again, have nothing to do with the HMO concept.

We have also stricken the direct grants for initial operating subsidies and have increased funds available for loans for that purpose.

In making these changes, we would be restricting the scope of the bill to development of HMO's so that it might be the basis of a compromise between the House and Senate. I would hope that it would. I think we need to make Federal assistance available for development of new types of delivery mechanisms. The authorization level which I have put into it is $385 million. They are identical to those in title I of S. 14, except with regard to the initial operating costs. Where S. 14 would authorize $85 million for grants and $85 million for loans, we authorize $125 million for loans only for this purpose.

Title II of the proposed substitute consists of the general requirements provisions of title III of S. 14, which includes authority for loan guarantees and interest subsidies for construction, development, and initial operation of HMO's.

The provisions of S. 14, as proposed by the committee, and the provisions here are distinguishable, as I said, by nature of the fact that I cut out title II, the quality health care Commission, and the capitation grants and the initiative awards. And it seems to me that now we are dealing with a bill which specifically directs itself to what the committee as a whole was trying to accomplish; namely, to provide Federal assistance for development of health maintenance organizations.

This will do it. It is still $100 million above what the House bill is. It is still under the committee proposal and more than six times the amount of the administration proposal.

This, however, is a far cry from the $1.5 billion which the Senator from Massachusetts, as the author of the bill, has in the bill agreed to by the committee.

I feel very strongly that we ought to be doing some of these things. We ought to give Federal assistance to make sure that health care is available. However, I do not think that we will get this done with the bill as it came out of committee.

As I have said in my minority views, that is one of the main reasons why I voted against it when it was reported out, and it is my hope that, if we can adopt the substitute, we will be able to get some legislation eventually through and enacted into law. I do not think that we will be able to do so in any other way.

Mr. President, I am a pragmatist, but I believe very strongly in the fact that, if we try to get something through, we have to put it in a context in which it is not anathema to everybody. The $5 billion was anathema from the beginning. The $1.5 billion is a smaller hump on the camel. However, it is still awfully big. We will never get any legislation with this type of bill.

With the substitute, we have a good chance of getting something which we can live with, getting something which will be of assistance both to the proposed panel-type and to the other supplementary-type health organizations, and will start a new method of funding for quality health care acceptable to everyone—at least it would be my hope that it will be; and it is reasonable, from the evidence and the testimony we have received and from the efforts that have been made by a number of individual medical societies around the country, that I would think we would have a good start on it at this time.

Mr. President, I reserve the remainder of my time.

Mr. KENNEDY. Mr. President, as the Senator from Colorado mentioned in his opening remarks, we have been examining different parts of this legislation for a number of years, and we in the Subcommittee on Health, and the Committee on Labor and Public Welfare, and again here on the Senate floor have become fully aware of the implications of the changes advocated by the Senator from Colorado; but since we debated them fully in the course of the debate last year in some detail, I shall speak only briefly concerning them today.

We recognized, at the outset of the consideration of this legislation, that approximately 96 percent of the health care delivery in this country is done on a fee-for-service basis, and about 4 percent is done through some kind of prepaid group practice system. We virtually have a monolithic system of deliverying health care, and there are many doctors within the system who would prefer to keep it that way.

So what we are attempting to do, in a very modest way, is raise that 4 percent perhaps another 5 percent, to include some additional 5 million Americans, so that instead of the ratio being 96 to 4, it might be 90 to 10, and we will begin to create at least an alternative way and means for delivering health care in this country. What we are attempting to do with this legislation is support the development of at least some alternative, so that we will get some degree of competition within the system. This was really an important part of the basis for the development of the legislation.

The kinds of programs that we would be supporting are programs that vary from the Kaiser-Permanente type program, the Puget Sound group, the Rural Health Associates program up in Maine, to the Harvard program in Massachusetts, the Ross-Loos program in Los Angeles, or the GHA program in the District of Columbia. These programs vary as to the time they have been in existence, but for the most part are widely accepted by the subscribers themselves, and we feel that even though $1.5 billion is a great deal of money, it still, as I mentioned earlier, is a very small percentage, less than 1 percent, of the total amount that is actually expended for health care by this country every year.

Mr. DOMINICK. Mr. President, will the Senator yield at that point?

Mr. KENNEDY. I yield.

Mr. DOMINICK. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. DOMINICK. I thank the Senator from Massachusetts.

Mr. KENNEDY. So I do feel Mr. President, that the dollar figure we are talking about in this legislation is not excessive. It is a great deal of money, but we are expending a great deal of money every year. Every consumer, every patient, is spending amounts that total billions of dollars every year, and we find the general rise in health costs exceeding all other increases; the Consumer Price Index reflects that. What we are attempting to do is attack the problem in a positive, constructive, and real way.

Addressing myself specifically to the proposal of the Senator from Colorado, I would point out, first, that it eliminates the Commission on Quality Health Care Assurance. I believe the Senator recognizes, as Congress has heretofore recognized it, the importance of developing at least some review of the quality of health care in this country.

We find that the availability of quality medical care in this Nation varies widely between various communities, and even between some of the great medical centers. So what we are trying to develop in this legislation is a Commission on Quality Health Care Assurance to collect various materials and data.

The peer review groups will be developed locally: We are not establishing an omnipotent Federal board. What we are doing is requiring that there be some quality review mechanism in every locality in this country, so that we can begin to develop some kind of quality standards, so that people will know, when they go to a doctor, that they will be able to get quality health care. I believe this is terribly important.

With some notable exceptions, in various parts of this country people cannot be assured of that now. So it seems to me imperative that we develop some form of quality control.

What we are not doing, as might be inferred from the Senator from Colorado's remarks, is require that every doctor in the country be qualified by the Commission on Quality Health Care Assurance. The program is strictly voluntary. If you are going to become a member, and participate in the Federal taxpayers' funds, however, you will be included within the general scope of the quality control mechanism. But we are not requiring that every doctor treating any patient in this country be overseen by the commission. So it is important to emphasize, at the outset, that this is a completely voluntary system.

I think a good argument can be made for improved standards in the health care field. We require conformance with standards by those who fly airplanes; they have to fly a certain number of hours every month, or have a certain number of takeoffs and landings, or lose their accreditation. Everyone who flies on airlines understands that. But we do not now require uniform standards for doctors in this country. I hope eventually we will have at least some degree of quality control which will be supported by the medical profession; but this legislation does not provide that, and anyone who supports it ought to understand that we are not requiring that under this legislation. We are requiring it for those who are going to be a part of the health maintenance organization system, or receive other assistance under the Public Health Service Act and Mental Retardation Facilities and Community Mental Health Centers Construction Act.

The Senator's amendment would also eliminate initiative awards. What is the initiative award designed to do? If an existing or proposed health maintenance organization wants to participate under the benefits of this legislation and, therefore, must have a quality control mechanism, it probably will cost them a little more in administrative expenses—perhaps 1 or 2 percent; we are leaving that open. We indicated that we thought it might be 2 percent, under earlier legislation, but we are leaving the amount open, because we did not have precise information, and we thought that in at least that one area the Secretary of Health, Education, and Welfare could determine the appropriate amount.

We are trying to offset the initial administrative cost for a health maintenance organizations when these items of additional cost are necessitated under the quality control provisions. We think that is in the public interest. When a group of doctors want to be able to join the quality care delivery system, so they can assume subscribers of that HMO that they will get high quality health care there should be a Federal carrot to help assist them to move in that direction, particularly when that delivery system may be competing with another system of delivery of health care which is not complying with requirements which are as high. That is not giving those assurances to the consuming public, certainly to the extent that there is some small administrative additional cost which I think should be underwritten by the Government itself. So we have the initiative awards, the Quality Control Commission, and we are supporting the various HMO's that have a track record of beneficial service to the people.

The clearest indication of this has been the fact that the consumers are happy. They are subscribing to the various programs, and therefore, we support them in a way which, as I mentioned earlier, is extremely modest, particularly given the kind of suggestion made by the administration in its testimony 2 years ago when, under its own proposal, there would be set up as a goal 8 times the number of HMO's we are including in this legislation. They wanted Congress to support an effort to make it 8 times the amount actually included in here. So we are supporting a health delivery system that will be about one-eighth the goal set by the administration's program. I think that is modest.

Finally, I believe that there is already in existence under section 314 of the Public Health Service Act the authority to support new and other types of experimental programs for the delivery of health care. If it is part of the Senators from Colorado's argument that all we want is an experimental program, we already have the wherewithal under section 314 of the Public Health Service Act, and if the administration can find other kinds of delivery mechanisms, or other types of organizations which they want to support and develop, then I say that they have authority to do so.

They do not need it in this particular HMO bill. They already have it under section 314, and also 304, and 910(b) and 910(c). But section 314 provides the mechanism whereby the administration can experiment with this delivery system. Hopefully, if we are able to find a way in the next 1 or 2 years—these are different delivery mechanisms and they might have a track record. It is only a 2- or 3-year record, unlike the track record in Puget Sound of 30 years. But we will be prepared to come back and adjust and change the legislation, if experience in the future justifies that. We want some support for them. We are wide open. I certainly am, and I am certain that other members of the committee are.

I would hope that the Senator's amendment would not be accepted by the Senate.

Mr. DOMINICK. Mr. President, for the purposes of the record, I want to say a few words, but before I do so, I ask unanimous consent that Mr. John E. Hunnicutt who is an assistant of the distinguished Senator from Pennsylvania (Mr. SCHWEIKER), be permitted to stay on the floor during debate. He has been working on this bill for the Senator.

The PRESIDING OFFICER (Mr. HELMS). Without objection, it is so ordered.

Mr. DOMINICK. Mr. President, we talk about the cost of the quality commission, and the Senator from Massachusetts is talking about the small amount of money on the initiative awards, and the cost of the commission in the bill as presented to us, which is $125 million, and the quality initiative awards, is $225 million. So we are talking about $350 million here, no matter what anyone else may think in this body. I think that $350 million is a pretty substantial sum, in the event that this is a good bill, which provides all the quality health care and the initiative awards. So that we can always consider them separately. What I am saying is not that it is necessarily bad, but what I am saying is that it has no place in this bill. We can, by taking it out and considering it separately, bring out a separate bill to say what we want to do about it. We can cut the $350 million out of the bill right there by this method.

Now the Senator from Massachusetts (Mr. KENNEDY) has been talking about what a great job some of the closed panel HMO's have done in this country. I think that probably they have done a pretty good job. But, then, they have been in existence since World War II.

What it obviously means is that we do not need this Federal assistance in order to get them going, but that even though they have been here since World War II, they already represent, at most, some 2 percent or less of the United States population. So they certainly have not caught on as the panacea for all problems in medical care or in quality medical care.

What we are doing is saying, let us put two-thirds of that $385 million into them, which in round figures is about $300 million—a little under—and let us put the balance in the other innovative type, on the supplemental type, the ones that can work in the rural areas and the ones that can work through foundations.

One of the things that I think should be brought out here is the independent commission again, as I have said. About $350 million will be subtracted from the cost of the bill by eliminating those, which I do in my substitute, as they are not really related to the development of HMO's, which is the real problem to which the bill is addressed.

In addition, I might point out that in the social security amendments of last year, we passed a PSRO which is just beginning to operate, on which we have some responsible people who are working at the local and regional area to try to develop the type of quality standards which we would like on the various medical programs, to make sure that everyone has adequate quality care. So, why in the name of heaven do we establish a new quality control commission at a national level when we are trying to work it out at the local level, when there is decided opposition in many areas of the country even now. So it would seem to me that we should give them a chance to work before jumping in with this new commission with all kinds of new and broad authority.

The other point I wanted to mention again involves the capitation subsidies the bill authorizes. The bill as presented to the Senate would authorize $400 million, even though the quality health care deal would subsidize the cost of HMO's, supplemental HMO's, and the health service organizations. Each of these organizations would be eligible for an annual capitation grant in amounts up to 25 percent of the total premium receipts for the preceding year in order to make up the difference between its premiums and what its enrollees could afford to pay. Under the same type of provision, each organization would also be eligible for annual grants in whatever amounts would be necessary in order to avoid premium increases which would otherwise be required because it served a disproportionate number of enrollees.

My substitute would strike that.

I oppose the whole idea of it in the substitute, or the substitute amendment, for three basic reasons. It would add $440 million to the cost of the bill, almost one-third of the $1.5 billion price tag on this.

They insure that no organization funded under the bill would ever be economically viable without Federal subsidies. You could not make it economically viable. They are going to have an open enrollment period with capitation subsidies, and that means you are not going to get an economically viable health organization, be it open or closed.

So it seems to me that that provision ought to go out, no matter what happens to the subsidy. Since these subsidies are also direct payments for health care not necessarily restricted to the poor, they amount to piecemeal national health insurance.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. DOMINICK. I yield.

Mr. TAFT. With reference to the capitation grants, I should like to raise a question with the Senator as to how he thinks these capitation grants might be set.

The proposal in the bill reads:

> The amount of such annual grants shall be equal to the difference between the maximum amount (as determined by the Secretary) an enrollee could reasonably be expected to pay toward the health maintenance supplemental health maintenance or health service organization premium and the premium for membership enrollment in such health maintenance, supplemental health maintenance, or health service organization for each such person enrolled.

There was talk earlier of a carte blanche. Apparently, this would give to the Secretary a complete carte blanche in the determination as to who he thinks should be eligible and who should not. There is no requirement that it be tied into any other standard of Federal assistance under any other category program. It really sets up another category program for subsistence so far as health care is concerned, and I think without any standards at all.

Mr. DOMINICK. The Senator, in my opinion, is totally correct.

I do not know who is going to make the determination as to what they reasonably should be expected to pay and what they can pay. So I do not know how anyone even is going to figure how much ought to be put into this. All we can say is that it is limited now by action, with the assistance of the Senator from Ohio, to 3 years, and we have limited it to 25 percent of the total premium cost. So we have those two overall tops on it. But beyond that, almost anybody could do with it whatever they wanted.

Mr. TAFT. Let us go back and talk about the quality health care initiative awards. There, again, I find:

> . . . the Commission on Quality Health Care Assurance shall be entitled to an annual payment in an amount equal to the administrative costs allowed by the Commission . . .

I have some difficulty in trying to determine how those administrative costs might be assessed. If some standards of particular training are provided for a particular doctor or a particular nurse, is this an additional salary they have to be paid? Is it part of additional administrative cost?

Mr. DOMINICK. I think the Senator brings up a good point. I cannot answer the question, because the language is wide open, and there is no way one can tell.

This is one of the reasons why, when I was making my statement, I said there may be something in the quality health care and initiative awards that may be good, but let us go over it separately and tie it down and not put it in as part of this package. My substitute would cut this out and would also cut out title II, or change it to $385 million instead of $1.5 billion.

Mr. President, if the Senator from Massachusetts is ready, I am ready to vote.

Mr. KENNEDY. Mr. President, with respect to the point about the capitation subsidy, at a time when this country has passed a national health insurance program, this provision would not be necessary or needed, either this program which provides for capitation subsidy or the open enrollment subsidies.

Let me say, as one who would defend this position that hopefully when we eliminate the financial barriers to receiving decent health care in this country, we will not need this kind of capitation subsidy or the open enrollment subsidy. Until we have that, there will continue to be the kind of people who have been described by the National Center for Health Statistics, which says that 20 percent of the people in this country have absolutely no health insurance at all.

The people we are trying to pick up under the capitation subsidy are those who are too rich to qualify for medicaid and too poor to pay for the expenses adequate health insurance. Those are the millions of working people in this country who do not qualify for medicaid and yet do not have the resources to pay the kind of premiums which would be required in a health maintenance organization. They are the ones to whom this particular provision is directed. It is a very substantial group, and for the most part it consists of working people and lower middle income people. We are trying to make sure that at least they are included. Those who are wealthy are going to be able to continue whatever system they want or be part of a health maintenance organization, and those under medicaid are going to have their particular health needs financial.

They are people who do not fall within the category of this particular part of the program. It recognizes that within this group or within other groups—perhaps elderly people—they will have additional incidents of sickness, and we want to make sure they are included. That probably will be more costly to HMO's. We provide some discretion to the Secretary of Health, Education, and Welfare so that he will be able to provide some additional resources and that the premium will not be out of line with other parts of the country. Some sections of the country might have an extremely high number of elderly people, for example, or certain parts of the country might have more of one disease than another.

Tuberculosis may be nonexistent in the Southwest and may be quite prevalent in the colder and damper climates. There is no reason why other people who subscribe to those HMO's should have to pay an additional increment. We are trying to level off that provision, and we provide the discretion to he Secretary of HEW to draw those disinctions.

Let me point out that, hopefully, when we achieve what Assistant Secretary of Health, Education, and Welfare Edwards has indicated in testimony during the hearings, and as other Senators have indicated, no matter what particular health insurance program we are going to adopt, when we eliminate the financial barriers to at least having access to the health delivery system, obviously the need for these different provisions will just disappear. They will not be necessary, and we will not have to continue them.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield.

Mr. CURTIS. I was interested in what the distinguished Senator was saying about the Federal assistance to a number of people with health care—a payment in lieu or in part for bringing medical care to them. About how many people does the Senator envision will be reached by this program who are not now receiving federally subsidized medical care?

Mr. KENNEDY. Several million.

Mr. CURTIS. What would be the guidelines for determining their eligiblity?

Mr. KENNEDY. It will depend upon their location, and the availability of other resources.

Mr. CURTIS. This is to reach people who are not now eligible for medicaid. Is that correct?

Mr. KENNDEY. That is correct.

Mr. CURTIS. Now, how much income or property will they be required to have in order to participate in this program if they have too much income and assets for medicaid?

Mr. KENNEDY. Of course, the Senator understands the medicaid breakoff varies in different States.

Mr. CURTIS. My question is: If the legislation does not determine who is eligible, with whom is that authority vested?

Mr. KENNEDY. With the Secretary of Health, Education, and Welfare.

Mr. CURTIS. So the Secretary would have the authority to determine how many people would be eligible to have all or part of their health care subsidized under this HMO program.

Mr. KENNEDY. We are talking about those who would be subscribers to the health maintenance organization.

Mr. CURTIS. Yes.

Mr. KENNEDY. On a lost and dollar basis.

Mr. CURTIS. But the Senator would leave it with the Secretary of Health, Education, and Welfare to determine the income and the assets of those people who would be eligible.

Mr. KENNEDY. Yes, he would have to draw up guidelines as far as eligibility is concerned.

Mr. CURTIS. Who would draw up the guidelines?

Mr. KENNEDY. The Secretary of Health, Education, and Welfare, as it applies to these two provisions of income and capitation subsidies. As to that, the Secretary will establish guidelines, but only with regard to those particular figures.

Mr. CURTIS. Will the benefits of this program be limited to those individuals and groups now participating in an HMO program?

Mr. KENNEDY. I am sorry. I did not hear the Senator.

Mr. CURTIS. Will the benefits of this program be limited to those individuals and groups now participating?

Mr. KENNEDY. It would be those covered by the HMO.

Mr. CURTIS. I wish to call the attention of the distinguished Senator to page 5 of the report, the second paragraph on that page:

> Authorize capitation grants to enable health maintenance organizations, supplemental health maintenance organizations, and health service organizations serve medically indigent and high risk individuals in instances where all other sources of financing for such services have been utilized;

Is it my understanding that what is authorized there is assistance to that part of the population already served by an HMO, or will that subsidy be extended to all the people throughout the country if they enroll in a health maintenance organization?

Mr. KENNEDY. I understand more clearly now what the Senator is driving at. It would apply only to those within the HMO concept.

Mr. CURTIS. But it would include future subscribers as well as present.

Mr. KENNEDY. The Senator is correct. It would only apply to those who are subscribers to health maintenance or health service programs.

Mr. CURTIS. What will be the situation as to the medically indigent and high-risk individuals? Do they get a Federal subsidy if they join an HMO?

Mr. KENNEDY. Well, this assumes there is available an HMO in that particular community available to that individual.

If the Senator is asking if a person has some record of illness, he should not be barred from participating in a health maintenance organization. If he has some financial limitation—the Senator has described the case where hopefully he would also be able to subscribe to health maintenance organizations. He may very well qualify for these provisions of assistance.

Mr. CURTIS. Suppose an individual is not located anywhere near a health maintenance organization, or suppose they choose not to join. Are these benefits payable?

Mr. KENNEDY. No. The answer to that is in the negative.

Mr. CURTIS. Well, then what we have here is a Federal subsidy to a particular type of practice of medicine. Is that correct?

Mr. KENNEDY. That is correct, as far as this particular legislation is concerned. I hope a more adequate health insurance program for everyone is signed into law soon.

Mr. CURTIS. That is all. I thank the Senator.

Mr. DOMINICK. Mr. President, I have two comments I wish to make. First, on the strengthening of this health care commission, there was disagreement, I think the record will show, between the type person I said might be covered by this and find himself in trouble, and those who would not. I want to be clear in what I said. The commission would have jurisdiction over HMO's, supplemental HMO's, and health service organizations. That is one category.

Second, all HMO's funded under S. 14 and all providers receiving assistance under the Public Health Service Act, Hill-Burton hospitals, or the Community Health Centers Act would be required to be certified by the commission in order to continue receiving Federal assistance. It strikes me that it applies to all community mental health centers.

The third category would be all providers who agree to submit to the jurisdiction of the commission. As the Senator from Massachussetts knows, every witness who testified has said that even under this bill before the Quality Health Care Commission gets going there is no HMO now in existence—including Kaiser-Permanente—there is no foundation now in existence, there is no health service organization now in existence, which could meet the requirements of this bill. So they all have to change their method of operation, even though they may have been in operation for some 30 years, in order to comply with this bill if they are going to get any assistance under the act.

It strikes me that we are going pretty far afield when we take it on ourselves to say that that is what has to be done. That is why I struck that out. I am not saying it is necessarily all bad, but I do say it ought to be considered, and I cut $350 million out of the bill.

As far as the capitation grant is concerned, I will say to the Senator from Nebraska, the fact of the matter is that if we have these capitation grants in the bill, it is going to help anybody in an HMO now or in the future regardless of whether they make $10 a week or a thousand dollars a week, because they all pay the same premium costs. To the extent that the Federal Government subsidize those costs, the rich man who takes it out gets exactly the same health care as the middle income or low income person. Consequently, we do not have any graduated series of charges, or anything like that; we have a straight subsidy. Under those circumstances, it struck me that we are going pretty far afield with respect to anything connected with the HMO's.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. DOMINICK. I am happy to yield.

Mr. CURTIS. One of the things that disturbs the junior Senator from Nebraska is that we may, by this bill, be backing into a national health program.

Mr. DOMINICK. The Senator is absolutely correct.

Mr. CURTIS. I realize there are Members of this body, and many other people, who have valid opinions that favor at this time a national health program, but I believe that, once adopted, we should face it squarely, call it what it is, notify both the country and the Members of the Senate that it is a national health program. Does the Senator agree?

Mr. DOMINICK. I do.

Mr. CURTIS. I raise the point I am about to raise not because of any committee jealousy, but just because I believe we are running in so many different directions in our legislation relating to health programs. We have at the present time medicare for individuals of 65 years of age. We have the medicaid program for individuals without the resources to provide medical care for themselves. Both programs are far reaching and both programs are filled with problems and inequities that need attention. It strikes me that here we start out in another direction with a new program that does not take into account the needs and shortcomings and problems of the two very broad programs already mentioned. Is that correct?

Mr. DOMINICK. The Senator is right. That is why my substitute eliminates the capitation grant provision, which is the type of thing that would interfere with the medicare and medicaid type of program we were talking about, as well as eliminate the quality health care commission, which is in the bill, and affects the PSRO, which came out of the Senator's committee. It struck me that if we cut the bill from $1.5 billion to $385 million we will go a long way toward helping an innovative type program but without getting tangled up in the type of program the Senator has called attention to.

Mr. CURTIS. I commend the Senator for the work he has done on the bill. I shall certainly vote for the amendment. I shall vote for the amendment which reduces both the cost and the scope of the bill, but as for myself, I do not propose to put the Federal Government, broke as it is, into an additional health program, especially at a time when our existing health programs need so much revision. As we debate the bill now before us, there are other worthwhile research programs, such as for cancer and other diseases, that have been at a standstill for months, because they have no money.

Here we undertake to enact a new bill which, according to the distinguished Senator from Colorado, provides a capitation grant which will benefit millions of people, many of them financially able to provide their own medical care and who are not greatly in need of any Government help.

Mr. DOMINICK. I think the Senator is correct. That is why I have great difficulty in voting for any bill with a capitation grant in it.

Mr. CURTIS. I thank the Senator.

Mr. DOMINICK. My substitute does eliminate it. I appreciate the Senator's speaking out on this subject.

Mr. President, I am ready to vote.

Mr. KENNEDY. Mr. President, on the one hand, we hear from the other side of the aisle that the bill is too big. On the other side of the argument, we hear that we are not going to cover enough people. There may be a few people in rural America who are not going to be able to be covered. You cannot have it both ways. We recognize that this is only a beginning, a start. We recognize that we have accepted an amendment that is going to be limited, at least initially, to 3 years, and we hope that this will be the end of these provisions because we will have, hopefully, a national health program of some kind, whether it be the one I favor or another.

The question that should be before the Senate is whether we are going to pass legislation which will benefit the poor people, who are a great percentage of the American population. A great many of them are going to pay taxes because they are slightly above medicaid and yet cannot afford a premium of approximately $600 a year for a family of four. We should have a sound type of program.

If we accept the elimination of this particular capitation subsidy, we will see millions of working Americans who are completely out of this program.

We are dealing with a program developed with the support of the Senator from Colorado. We are trying to bring consumers into the program. We are really trying to provide a decent health quality program at a price they can afford to pay. This is part of the reason I disagree with the Senator from Nebraska on the question of striking quality control.

Most patients, I believe, who enter a hospital feel when they get there that there are people looking over all aspects and ramifications of health care. That is not so.

We are hopefully trying to do something about this with the development in Congress of the PSRO's and the Commission of Quality Health Care Assurance. I think PSRO's and the Commission are complimentary to each other.

It is important for those who read the Record, if they are not here, to note that on page 32 of the report, at the bottom of the page, we point out that in their still incomplete study of manpower utilization, the American College of Surgeons and the American Surgical Association have determined that 30.7 percent of all practicing surgeons in the United States are noncertified by the American Board of Surgery.

I wonder how many people who are operated on in this country know whether their surgeon is certified by the American Board of Surgery. I am not sure whether the fact that he is or is not certified means that he is a good surgeon or a bad surgeon. However, there are many gaps in this entire area. And what we are trying to do is to begin to close some of these loopholes.

This is a very, very modest beginning. However, it is an important beginning, I think, and that is why, for that reason and all the other reasons I have outlined, I would hope that the amendment as modified would be rejected.

Mr. DOMINICK. Mr. President, being the author of the amendment as modified, I think I get the last say. I will be very brief. We are not trying to do away with this. $385 million is authorized. That is $100 million in excess of what the House is talking about in the report from the House Subcommittee. It has a much more likely chance of being able to survive a conference if it has an agreed-upon amount than if it is passed in the present form.

I am not saying that the Quality Health

Care Commission is wrong. I am saying that we should take them up separately and decide for ourselves what constructions and qualifications should be put in to make it really work, if that is what we need. In the meantime, we should let the PSRO's go ahead as created in Congress last year.

Capitation grants are wrong. They benefit everyone regardless of income. It does not deal with what the income amounts are. One can get subsidization from the Federal Government, and it is a back door manner of getting health insurance.

Mr. President, for these reasons I urge the adoption of the amendment, as modified.

The PRESIDING OFFICER. The question is on agreeing to the substitute amendment of the Senator from Colorado as modified. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD: I announce that the Senator from South Dakota (Mr. Abourezk), the Senator from California (Mr. Cranston), the Senator from Mississippi (Mr. Eastland), the Senator from North Carolina (Mr. Ervin), and the Senator from Alaska (Mr. Gravel) are necessarily absent.

I further announce that the Senator from Utah (Mr. Moss), and the Senator from New Jersey (Mr. Williams) are absent on official business.

I also announce that the Senator from Mississippi (Mr. Stennis), are absent because of illness.

I further announce that, if present and voting, the Senator from Alaska (Mr. Gravel), and the Senator from New Jersey (Mr. Williams) would each vote "Nay."

Mr. SCOTT of Pennsylvania. I announce that the Senator from New York (Mr. Buckley), the Senator from Michigan (Mr. Griffin) and the Senator from Texas (Mr. Tower) are necessarily absent.

The Senator from Virginia (Mr. Scott) is absent on official business.

The Senator from Arizona (Mr. Goldwater) is absent on official business.

If present and voting, the Senator from Texas (Mr. Tower) would vote "Yea."

The result was announced—yeas 37, nays 50, as follows:

[No. 135 Leg.]

YEAS—37

Allen
Baker
Bartlett
Bellmon
Bennett
Bentsen
Brock
Byrd, Harry F., Jr.
Chiles
Cook
Cotton
Curtis
Dole
Domenici
Dominick
Fannin
Fong
Gurney
Hansen
Helms
Hruska
Johnston
Long
McClellan
McClure
McIntyre
Nunn
Packwood
Pearson
Proxmire
Roth
Scott, Pa.
Stafford
Taft
Talmadge
Thurmond
Young

NAYS—50

Aiken
Bayh
Beall
Bible
Biden
Brooke
Burdick
Byrd, Robert C.
Cannon
Case
Church
Clark
Eagleton
Fulbright
Hart
Hartke
Haskell
Hatfield
Hathaway
Hollings
Huddleston
Hughes
Humphrey
Inouye
Jackson
Javits
Kennedy
Magnuson
Mansfield
Mathias
McGee
McGovern
Metcalf
Mondale
Montoya
Muskie
Nelson
Pastore
Pell
Percy
Randolph
Ribicoff
Saxbe
Schweiker
Sparkman
Stevens
Stevenson
Symington
Tunney
Weicker

NOT VOTING—13

Abourezk
Buckley
Cranston
Eastland
Ervin
Goldwater
Gravel
Griffin
Moss
Scott, Va.
Stennis
Tower
Williams

So Mr. Dominick's amendment, as modified, was rejected.

Mr. KENNEDY. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. JAVITS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 110

Mr. DOMINICK. Mr. President, I call up my amendment No. 110 and ask that it be stated.

The PRESIDING OFFICER (Mr. Helms). The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. DOMINICK. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered, and the amendment will be printed in the Record.

The text of the amendment is as follows:

On page 156, line 18, strike through page 158, line 21.

On page 160, line 6, beginning with the word "all", strike through the word "where", on line 7.

Sections 1246, 1247, 1248, 1249, 1250, 1251, and 1252 are renumbered as section 1244, 1245, 1246, 1247, 1248, 1249, and 1250, respectively.

Mr. DOMINICK. Mr. President, if I may have the attention of the Senate, I want to say that, assuming that this is objected to by the manager of the bill, which I think it probably will be, since we have already debated it quite a while, I will be asking for the yeas and nays. I would suspect that we could get to that within a half hour—at least I would hope so. I do not anticipate taking very long. The amendment is very simple.

Mr. KENNEDY. With so many Senators in the Chamber now, would the Senator not like to ask for the yeas and nays?

Mr. DOMINICK. Yes. Mr. President, I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

Mr. MANSFIELD. Mr. President, if the Senator would yield, would he consider a time limitation of one-half hour or 40 minutes?

Mr. DOMINICK. I do not think we will need it. I shall be very brief. I am not trying to extend this debate at all.

Mr. President, I say to my colleagues that this amendment, if adopted—and I sincerely hope that it will be—would cut $440 million in Federal subsidies from the bill.

What the amendment would do would be to eliminate the capitation grant. I say to my distinguished friends here, and wish to tell them again, those who were not on the floor before, what the situation is that we are facing.

We have the administration's proposal of $60 million. We have the House bill which was reported by the subcommittee with $280 million in it over a 3-year period; and we have the bill we are faced with now, with $1.5 billon in it. We are not going to be able to put together $1.5 billion. We would, with $280 million, or we are not going to get a bill at all. But if we do, it will be vetoed, and I will say that the veto would be sustained.

This, at least, would eliminate one portion of that. It will not do much without getting it down to where it is reasonable, although from $1.5 billion to $1.1 billion—a little under $1.1 billion—at least that would be of some help.

The reason I am asking for this, and the reason we do it, is simple. We are backing into national health insurance through legislation coming out of the wrong committee. It is coming out of the Committee on Labor and Public Welfare instead of the Committee on Finance.

We are providing for subsidies in this bill, in the provision I am trying to strike, up to 25 percent of the total premium costs of any HMO, just on the say so of the Secretary as to who can or cannot get enrolled, and the number of HMO's, if they decide to go into it.

So we are getting into national health insurance right off the bat, without having had any particular discussion about it, and certainly not having gotten down to the nitty gritty as to whether it should be before our committee.

I brought up two provisions last year and asked that they be referred to the Finance Committee. They were, briefly—but we never got a bill. Finally it passed, but we did not get into this too much.

This I can say to you, Mr. President, that if we go ahead and eliminate this provision, we will have a better chance to get an overall bill. For those who do not want a bill at all, this will be a good reason to vote against my amendment. But for those who would like a bill—as I would—of some kind, I would say that by voting for this amendment, we would be eliminating one of the most objectionable features of the HMO bill as now presented to us.

This particular subsidy situation accounts for about one-third of the total authorization in the bill. No organization funded under this bill would ever be economically viable without a Federal subsidy. To the extent that they can keep them down, they get Federal subsidies, or they would have to raise the overall comprehensive premiums. The net result would be that, without the subsidy, obviously they will be in trouble. So they will be greatly pressured to keep on going forever and ever. In fact, the Senator from Massachusetts has already said he hoped that it would be continued—in our previous debate it was beyond 3 years, to which it is limited now. All I can say is that if we ever hope to have something standing on its own feet to provide comprehensive health care, we have got to get rid of this provision—otherwise, we will never have one.

The third point I would make is that direct payments for health care are not restricted to the poor and those in lower incomes. I say, for this reason, that everyone who is in any HMO pays the same price. No distinction is made between the wealthy and the poor to the extent that a Federal subsidy comes in to take care of that portion of the cost not borne by the less affluent. The net result is that we get the benefit of this so they do not have to raise the premium. The result is that the wealthy profit out of it, too, those who can well afford to take care of their own situations.

National health insurance should be dealt with in separate legislation. It is not known how soon it will be enacted. The chairman of the Finance Committee is here now and is aware of the problems. I do not think that any of us know what form that might take, if it comes at all. Here we are, going into direct financing, which is another form—a back door form, if we want to put it that way—of the whole debate on national health insurance which has not occurred yet. Financing only one particular type of health care delivery is most unfair. What we are doing, if we go into the closed-panel type or the open-panel type, then we get a Federal subsidy, but if we do not do that, we do not get it at all.

So I would appeal to Senators here who are listening, to please strike this provision. At least we will have to get rid of one, which gives us some kind of reasonable chance that we might make some kind of reasonable compromise and get the bill through.

Mr. KENNEDY. Mr. President, there are two provisions involved in this amendment, the capitation subsidy and the open enrollment subsidy. Let me explain briefly.

Who are we interested in here? We are interested in the blue-collar worker, those with low incomes, those under $10,000 but yet are above medicaid eligibility. National statistics show that one-quarter of the American people do not have any health insurance at all and what the remaining 75 percent have would be grossly inadequate and would not meet the minimum requirements. We are trying to reach out to those individuals and make sure that they will be included in the HMO legislation. They are the ones paying the great percentage of taxes, no matter what figure is finally authorized or appropriated. They will be the ones earning under $10,000 who will be paying the great majority of the taxes in order to finance the program.

All we are trying to do is place a careful limitation on this program of 3 years. We also look after the chronically ill who otherwise would not be eligible so that there will be some flexibility permitted to the Secretary of Health, Education and Welfare in assuring that they will be able to get some additional kind of capitation assistance if they want to belong to a HMO.

We put a limitation of 3 years on this provision. I am not very satisfied about that. In addition, we will have to develop some kind of a means test in this over a period of time. I do not like to see a means test develop.

What we are trying to do, until we are able to get a good national health insurance program—whether it is RUSSELL LONG's health program or S. 3, or the AMA program, or the American Hospital Association program, where we will develop some kind of program over the next 3-year period that will eliminate the ability to pay as a barrier to health care—what we are trying to do in this frame of reference is to insure that people who have some resources but not adequate resources will not be eliminated from participation in health maintenance organizations. These people will be knocked out if the amendment of the Senator from Colorado is agreed to. I think they should be permitted to be included.

I am willing to let the Secretary of Health, Education, and Welfare—given the amount of money that will be appropriated—develop the regulations so that they can be included.

One thing we do not want to do here, in the development of a different health care system, is to make the people who are eligible for it only those who are financially endowed. They can get good health insurance. We are trying to recognize in our society that quality, decent health care should be made available to all the American people at a price they can afford to pay. The statistics bear out that many otherwise would not be eligible for it.

We have written into our amendment the provision that this can terminate in a 3-year period. It is a very modest figure in any event.

I think that as a concept as well as in its practical implications, it is important. Hopefully, we will maintain that provision in the legislation.

Mr. DOMINICK. Mr. President, the Senator from Massachusetts may feel that a half billion dollars is moderate, but I do not happen to think so. I surely do not think so at a time when we have already set a limit on what the overall budget can be for this year.

We have said to the President of the United States, "You can not even spend as much as you want to." Yet, here is a bill he did not want at all, and we are saying that we are going to spend $440 million on a national health insurance program which does not even funnel through the right committee and which establishes a set of subsidies which we have not gone into, as to which the Senator from Massachusetts does not even know what the income level is going to be to determine what premium they can pay, which is going to be established by a Secretary of HEW; and we do not know who that is going to be over the next 3 years. As a matter of fact, we do not know who it is going to be from week to week. [Laughter in the galleries.]

Mr. ROBERT C. BYRD. Mr. President, may we have order in the galleries and in the Senate?

The PRESIDING OFFICER. The galleries will be in order.

Mr. DOMINICK. I think we are absolutely going the wrong way if we do this. We are never going to get it in as part of an overall bill in the future. If we want to go into national health insurance, let us do it through the Committee on Finance, not through the Committee on Labor and Public Welfare.

Mr. President, I am ready to vote.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Colorado. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from South Dakota (Mr. ABOUREZK), the Senator from California (Mr. CRANSTON), the Senator from Mississippi (Mr. EASTLAND), and the Senator from Alaska (Mr. GRAVEL) are necessarily absent.

I further announce that the Senator from Utah (Mr. MOSS) and the Senator from New Jersey (Mr. WILLIAMS) are absent on official business.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

I further announce that, if present and voting, the Senator from New Jersey (Mr. WILLIAMS) and the Senator from Alaska (Mr. GRAVEL) would each vote "nay."

Mr. SCOTT of Pennsylvania. I announce that the Senator from New York (Mr. BUCKLEY), the Senator from Michigan (Mr. GRIFFIN), the Senator from Wyoming (Mr. HANSEN), and the Senator from Texas (Mr. TOWER) are necessarily absent.

The Senator from Virginia (Mr. SCOTT) is absent on official business.

The Senator from Tennessee (Mr. BAKER) and the Senator from Arizona (Mr. GOLDWATER) are detained on official business.

If present and voting, the Senator from Texas (Mr. TOWER) would vote "yea."

The result was announced—yeas 37, nays 49, as follows:

[No. 136 Leg.]

YEAS—37

Allen
Bartlett
Beall
Bellmon
Bennett
Bentsen
Brock
Byrd, Harry F., Jr.
Chiles
Cook
Cotton
Curtis
Dole
Domenici
Dominick
Ervin
Fannin
Fong
Gurney
Helms
Hruska
Johnston
Long
McClellan
McClure
McIntyre
Nunn
Packwood
Pearson
Proxmire
Roth
Scott, Pa.
Sparkman
Taft
Talmadge
Thurmond
Young

NAYS—49

Aiken
Bayh
Bible
Biden
Brooke
Burdick
Byrd, Robert C.
Cannon
Case
Church
Clark
Eagleton
Fulbright
Hart
Hartke
Haskell
Hatfield
Hathaway
Hollings
Huddleston
Hughes
Humphrey
Inouye
Jackson
Javits
Kennedy
Magnuson
Mansfield
Mathias
McGee
McGovern
Metcalf
Mondale
Montoya
Muskie
Nelson
Pastore
Pell
Percy
Randolph
Ribicoff
Saxbe
Schweiker
Stafford
Stevens
Stevenson
Symington
Tunney
Weicker

NOT VOTING—14

Abourezk
Baker
Buckley
Cranston
Eastland
Goldwater
Gravel
Griffin
Hansen
Moss
Scott, Va.
Stennis
Tower
Williams

So Mr. Dominick's amendment (No. 110) was rejected.

Mr. KENNEDY. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. PASTORE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENTS NO. 111

Mr. DOMINICK. Mr. President, I call up my amendment No. 111.

The PRESIDING OFFICER. The clerk will state the amendment.

The assistant legislative clerk read the amendments (No. 111) as follows:

On page 156, line 1, strike through line 17.

On page 162, beginning with line 14, strike through page 196, line 10, and renumber section 401 as section 501.

On page 111, line 23, beginning with the comma following the word "arrangements", strike through the word "Act)", on line 1, page 112.

On page 112, line 2, beginning with the word "and", strike through the word "Assurance", on line 4.

On page 128, line 10, beginning with the word "in", strike through the word "Assurance", on line 11.

On page 131, page 12, beginning with the word "established", strike through the word "Assurance", on line 14; on line 16, beginning with the comma following the word "outcomes", strike through the word "Assurance, on line 19.

On page 150, line 7, beginning with the word "in", strike through the word "Assurance", on line 8.

On page 152, line 20, strike through line 8 on page 153, and redesignate subsections (g) and (h) of section 1242 as subsections (e) and (f), respectively.

On page 155, line 20, beginning with the word "or", strike through line 21.

Mr. DOMINICK. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. DOMINICK. Mr. President, again I will say for the benefit of my colleagues that I am not going to take very long on this amendment. It deals with the provision in the bill which is title IV, which sets up a Commission on Health Quality Care Assurance and which would have authority to promulgate and enforce national standards and norms for medical practice. The Commission would have jurisdiction over all health maintenance organizations, all supplemental health maintenance organizations, and all health service organizations funded under this bill.

It would also include all providers receiving assistance under the Public Health Service Act; in other words, any Hill-Burton assisted hospital would have to comply with the rules and regulations which the Commission would set up in the funds they were going to operate under this act in any way.

It would also cover all community mental health centers, and they would have to comply with the act.

As I have said before, and I will say again for the record, there is not a single HMO, a single hospital, a single health center anywhere in the country which complies with what I understand to be the rules and regulations established, at least in committee hearings, for the purpose of determining what quality health care might be.

It also goes to all other providers who agree to submit to the jurisdiction of the commission.

Let us take a rural doctor, just as an example, or a city doctor, for that matter, who has been in practice for perhaps 10, 15, or 20 years, who is duly licensed and everything else, but if he wants to comply with the rules and regulations of the Quality Health Care Commission in order to be eligible for initiative awards, or whatever it may be, he is going to have to go through all kinds of things which will be in direct contradiction, in many instances, to the State law under which he was licensed as a physician to begin with.

In addition to that, any group practice that wants to go together in a clinic or otherwise would have to comply with it if they wanted to provide health care to individuals and still comply with the act.

In addition, this measure would cut out the initiative awards, and the two of them together means we would have cut out of the present bill about $350 million.

I would say to my friends on the Democratic side that it must be nice to be in the majority and know they have the votes when they come into the Chamber. I have been serving in the Senate now for 11 years. I served in the House 2 years before that. I served in the State legislature for 4 years. Interestingly enough, I never served in the majority. Try and try and try again as one may to make a bad bill better so that he can have something he can live with when it finally gets into law, the minute a Member from the minority side offers an amendment, the majority says "No," whether they agree with the idea or not. I have heard it said in committee, I have heard it on the floor. I have heard Senators coming on the floor say, "I do not know what it is, but if Kennedy is for it or Dominick is against it, I will vote for it." That may be good politics, but it is a poor way to enact laws when we are dealing with the health needs of everybody in the country. Why it should become a partisan situation, I do not know, but it does.

I do not think this amendment will be adopted. I thought the last one had some hope of being adopted. Everybody wants to leap into the health legislation field without knowing what it provides. Nobody knew what he was voting for when he voted for the capitation grants. Senators do not know what grants they are voting for. They do not realize we are giving help to the wealthy as well as the poor. Here we are again putting a provision in a bill at a national level which would totally gut what we did last year in establishing the PSRO under the social security amendments.

So we are saying, we do not have to worry about that any more; we are going to have a National Quality Commission which is going to establish standards for what is good care and what is not, with 11 people out of the whole United States deciding that for medical practice all over the country. It may be that Senators think that is good. I do not know whether they do, but I assure my colleagues there are those of us who do not think it is good in this bill. We ought to have extensive hearings, in any event, before we pass it in this body.

Do we not have any kind of debating situation here, where Senators will look at the merits of the question, instead of saying, "It is Dominick offering the amendment, and I will vote against it"? That is what most Senators are saying—not all, but most.

All I can say is that the PSRO provision of the social security amendments that we enacted last year should carry out on the local level most of the functions which this Commission is supposed to do on a national level. Why have two Commissions doing it? Why go through this rigamarole twice? We have not even gotten the PSRO off the ground yet, and yet we are supposed to review what doctors are doing to determine whether their judgments are right and whether the standards under which they are operating are going to do any good. Now we are going to start a whole new Health Care Commission.

What is it going to do? Is it going to supersede the PSRO? What are we going to tell all the doctors? That they have a standard type of practice that they must follow, and if they do anything different they are wrong? That is what it is supposed to do. It is supposed to establish national "standards and norms" for medical practice.

So what do we do when we establish this Commission? Establish national norms that inhibit development of locality-oriented quality insurance system? It seems to me that is totally wrong, and it certainly is wrong when we are trying to develop something innovative in trying to find ways to get good health care to more people.

I do not know that I need say more. I have said quite a bit about this in the process of arguing my original proposal, and it is in the Record, and I do not suppose I will get any more votes on this one. I will withhold further comments at this time.

Mr. KENNEDY. Mr. President, I would like to believe, contrary to the comments of the distinguished Senator from Colorado, that the reason Senators support the provisions which are in the legislation at the present time, dealing with the Commission on Quality Health Care, the assurance is that they want to do something about quality control in health in this country of ours. They recognize that when we are adding hundreds of millions of dollars to a health care system that consumers will utilize, they should at least be given the assurance that the kind of health care they are going to receive is going to be quality health care under appropriate controls.

What are some of the matters we hope to develop with quality health control? In the United States we have twice as many surgeons as they do in Great Britain. Are the people in the United States twice as healthy as they are in Great Britain, or is it that, because of the reimbursement mechanism we have developed, perhaps we are funding more surgery in this country than we should?

We do not know the answer to that.

They have not given us the answer to that.

Why are there four times as many tonsillectomies under medicaid in California than there are generally among the California population? We have half as many tonsillectomies on the people under prepaid practice in California as we do under the general population. We have four times as many tonsillectomies on children under medicaid.

That means that we have about eight times as many tonsillectomies on poor people as we do on those who are under a prepaid practice in California.

Do Senators not think we should find out why that is so? We are not doing that now. Who is paying for all the tonsillectomies in California? The taxpayers are paying for that. It might be interesting to note whether some doctors in this country are specializing in medicaid tonsillectomies, which I daresay they are. We have no way of knowing that. There are four times as many tonsillectomies in New England generally than in Liverpool, England. Does that mean that the children in our part of the country are more healthy than the others?

Mr. President, there are statistics of this kind on a wide variety and different kinds of illnesses. We are trying to develop a mechanism for gathering this kind of information, so the Congress and the American people can evaluate the situation in an informed way.

One important factor having to do with the Commission on Quality Health Care Assurance is that we will require peer review at the local level. We are not saying that they have to do it in a particular way. However, we are requiring peer review at the local level.

We will develop information concerning how many patients stay how many days in a hospital. Perhaps in one HMO a lot of people will stay in the hospitals for a longer time.

I can think of delivery systems out in California and in other parts of the country where the doctors make a killing off of the system and send people into the hospitals and keep them there or overprescribe laboratory tests, in order to increase income.

This is where the escalation of health costs are coming from, all these kinds of duplicative services given in many instances whether necessary or not.

At some point, somehow, in some way we are going to develop this kind of material, and in this way hopefully we will develop the kinds of practices and the kinds of criteria which describe the cost of health care for people in this country.

Mr. President, very briefly, there is absolutely no agency of the Government or medical profession now, which inspects the hospitals for quality control today.

The Joint Commission on Accreditation of Hospitals merely looks into how many laboratories a hospital has, how they keep their files, and whether the operating rooms are clean. There is no quality control in this country.

One would think that it would be interesting to obtain this information. If we had in the Massachusetts General Hospital some kind of peer review, they could tell us what they find out. I think that would be generally useful. The people who testified before the committee indicated that it would be useful.

Finally, as I mentioned earlier, the American College of Surgeons and the American Surgical Association has determined that 30 percent of the practicing surgeons in the United States are noncertified by the American Board of Surgery.

Many of these surgeons are unquestionably dedicated, skilled physicians. Some are undertrained, perform too few operations to retain their skills, and should not be performing surgery, given the large number of highly competent surgeons available in the United States. Mr. President, do you not think we ought to learn something about them, too?

I do not think that when a patient goes into a hospital and is referred to a surgeon, he knows how the board certifies their physicians and how operations are reported.

This proposal is really to collect that information. We are not really requiring any extensive quality controls at the local level. We are trying to collect information, so that at some time in the future we will be able to develop some kind of system, based upon accurate information, to develop uniform nationwide quality criteria. That is what we are really interested in. I think that is not the situation at the present. That is what our quality control commission is interested in.

I would hope that that is what Senators who support the bill believe is its concept; that is, the idea that when we develop a system and are providing some incentives to develop a health maintenance organization, we are also going to make certain that when a person walks in to the board he will know that he is going to receive high quality health care. If we eliminate this provision, we will be spending hundreds of millions of dollars of taxpayers' funds and turning them over to a local community and saying, "Develop whatever you want, because we are not interested in the kind of quality health care that people receive."

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Colorado. The yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from South Dakota (Mr. ABOUREZK), the Senator from California (Mr. CRANSTON), the Senator from Mississippi (Mr. EASTLAND), the Senator from Alaska (Mr. GRAVEL) are necessarily absent.

I further announce that the Senator from Utah (Mr. MOSS) and the Senator from New Jersey (Mr. WILLIAMS) are absent on official business.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

Mr. SCOTT of Pennsylvania. I announce that the Senator from New York (Mr. BUCKLEY), the Senator from Michigan (Mr. GRIFFIN), the Senator from Wyoming (Mr. HANSEN), and the Senator from Texas (Mr. TOWER) are necessarily absent.

The Senator from Virginia (Mr. SCOTT) is absent on official business.

The Senator from Arizona (Mr. GOLDWATER) is detained on official business.

If present and voting, the Senator from Texas (Mr. TOWER) would vote "yea."

The result was announced—yeas 40, nays 47, as follows:

[No. 137 Leg.]

YEAS—40

Allen
Baker
Bartlett
Bennett
Bentsen
Brock
Byrd, Harry F., Jr.
Chiles
Cook
Cotton
Curtis
Dole
Domenici
Dominick
Ervin
Fannin
Fong
Gurney
Helms
Hruska
Hughes
Johnston
Long
Mathias
McClellan
McClure
McIntyre
Nelson
Nunn
Packwood
Pearson
Proxmire
Roth
Scott, Pa.
Sparkman
Stevens
Taft
Talmadge
Thurmond
Young

NAYS—47

Aiken
Bayh
Beall
Bellmon
Bible
Biden
Brooke
Burdick
Byrd, Robert C.
Cannon
Case
Church
Clark
Eagleton
Fulbright
Hart
Hartke
Haskell
Hatfield
Hathaway
Hollings
Huddleston
Humphrey
Inouye
Jackson
Javits
Kennedy
Magnuson
Mansfield
McGee
McGovern
Metcalf
Mondale
Montoya
Muskie
Pastore
Pell
Percy
Randolph
Ribicoff
Saxbe
Schweiker
Stafford
Stevenson
Symington
Tunney
Weicker

NOT VOTING—13

Abourezk
Buckley
Cranston
Eastland
Goldwater
Gravel
Griffin
Hansen
Moss
Scott, Va.
Stennis
Tower
Williams

So Mr. DOMINICK's amendment (No. 111) was rejected.

Mr. KENNEDY. Mr. President, I move that the vote by which the amendment was rejected be reconsidered.

Mr. HUMPHREY. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 131

Mr. KENNEDY. Mr. President, I send an amendment to the desk in the nature of a substitute and ask that it be stated.

The PRESIDING OFFICER (Mr. BIDEN). The amendment in the nature of a substitute will be stated.

The legislative clerk proceeded to read the amendment.

Mr. KENNEDY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered, and the amendment will be printed in the RECORD.

The text of the amendment is as follows:

AMENDMENT NO. 131 (IN THE NATURE OF A SUBSTITUTE)

Beginning on page 107, line 18, strike out all after the enacting clause and insert in lieu thereof the following:

That this Act may be cited as the "Health Maintenance Organization and Resources Development Act of 1973".

SEC. 2. (a) The Congress finds that—

(1) the medical care system is not organized in a manner which encourages the provision of medical care at reasonable costs.

(2) the medical care system is oriented toward providing care once a health need has occurred rather than toward providing health maintenance and preventive health services;

(3) there is a serious maldistribution of medical care resources which has resulted in inadequate access to medical care in both inner city and rural areas.

(4) the establishment of health maintenance organizations, health service organizations, and area health education and service centers will aid in alleviating the serious maldistribution of health care resources which has resulted in inadequate access to medical care particularly in both inner city and rural areas, in providing health care in a more efficient and economical manner, and in reorienting the health care system toward the maintenance of health;

(5) there is a need to provide technical assistance and resources to individuals and groups, undertaking the planning, development, and initial operation of health maintenance organizations, supplemental health maintenance organizations, health service organizations, and area health education and service centers;

(6) there is a shortage of educational facilities in health sciences and unbalanced emphasis on hospital practice and on rare and exotic diseases in medical education; and

(7) there exists an excessive variance in the quality of health care and health services.

(b) The purpose of this Act is to assist in remedying these deficiencies through encouraging the establishment and utilization of health maintenance organizations, particularly in medically underserved areas by improving the system for the delivery of health care through encouragement of any support for the planning, development, and initial operation of health maintenance organizations, supplemental health maintenance organizations, health service organizations, and area health education and service centers, particularly with the intent of improving the health of populations in medically underserved areas.

Sec. 3. Nothing in this Act, or any amendment made by this Act, shall be construed to supersede any activity relating to review of the provision of health care services under (including review and assessment of quality or quantity of such services or determination or reimbursement therefor) or to the determination of eligibility of any provider, practitioner, agency, or organization to participate under any program established under the Social Security Act.

TITLE I—HEALTH MAINTENANCE ORGANIZATIONS

Sec. 101. The Public Health Service Act is amended by inserting after title XI the following new title:

"TITLE XII—HEALTH MAINTENANCE ORGANIZATIONS AND HEALTH SERVICE ORGANIZATIONS

"Part A—Support of Health Maintenance Organizations

"DEFINITIONS

"Sec. 1201. For purposes of this title:

"(1) The term 'health maintenance organization' means an entity which—

"(A) provides as a minimum for all its enrollees (or subscribers) comprehensive health services (as defined in this section) which are uniformly available to all its enrollees (or subscribers) directly through its own staff and supporting resources or through a medical group or groups and such other additional services as may be required through other health delivery entities, for a fixed payment which (i) is to be paid on a periodic basis without regard to the frequency, extent, or kind of health service actually furnished to any particular enrollee; and (ii) is uniform for all its enrollees subject to rules and regulations regarding family rules;

"(B) demonstrates to the satisfaction of the Secretary ability to assure that appropriate comprehensive health services are available and accessible to all its enrollees promptly and in a manner which assures continuity;

"(C) demonstrates to the satisfaction of the Secretary financial responsibility through proof of adequate provision against the risk of insolvency;

"(D) is organized in such a manner (as prescribed by regulations of the Secretary) that assures its enrollees a substantial role (generally defined as one-third representation in the body establishing or recommending policy) in the making of policy for the health maintenance organization, with equitable representation of enrollees from medically underserved areas, and provides meaningful procedures for hearing and resolving grievances (i) between its enrollees and the health maintenance organization (including the medical group or groups and other health delivery entities providing health services), and (ii) between the medical group or groups providing health services and other employees and the health maintenance organization;

"(E) encourages and actively provides for its enrollees (i) health education services; (ii) education in the appropriate use of health services provided; and (iii) education in the contribution the patient can make to the maintenance of his own health;

"(F) has organizational arrangements, established in accordance with regulations of the Commission on Quality Health Care Assurance (established under title XIII of this Act) for an ongoing quality assurance program which stresses health outcomes and assures that health services provided meet the requirements of the Commission on Quality Health Care Assurance;

"(G) provides, in accordance with regulations of the Secretary (including safeguards concerning the confidentiality of the doctor-patient relationship), and effective procedure for developing, compiling, evaluating, and reporting to the Secretary, data (which the Secretary shall publish and disseminate on an annual basis) relating to (i) the cost of its operations, (ii) the patterns of utilization of its services, (iii) the availability, accessibility, and acceptability of its services, and (iv) such other matters as the Secretary may require and disclose at least annually and in a manner acceptable to the Secretary, such data to its enrollees and to the general public;

"(H) except for (i) out of area emergency care, and (ii) care reasonably valued in excess of the first $5,000 per enrollee per year, assumes direct financial responsibility, without benefit of insurance, on a prospective basis for the provision of the comprehensive health services defined in this section;

"(I) has an open enrollment period, unless a waiver has been granted under section 1249, of not less than thirty days at least once during each consecutive twelve-month period during which it accepts individuals in the order in which they apply for enrollment up to its capacity, subject to the requirements of paragraph (K);

"(J) assumes responsibility for the provisions of health care services to its enrollees (and on a reimbursable basis for short-term health care services to enrollees of any other health maintenance, supplemental health maintenance, or health service organization who are temporarily outside the service area of the health maintenance, supplemental health maintenance, or health service organization in which they are enrolled) twenty-four hours a day, seven days a week, and for the appropriate availability of such services in emergencies;

"(K) shall enroll no more than 50 per centum of its enrollees from medically underserved areas, except in rural areas as designated by the Secretary;

"(L) provides, or makes arrangements for, continuing education for its staff;

"(M) emphasizes the use of nurse practitioners, physician's assistants, dental therapists, and other allied health personnel and to the extent practicable and consistent with good medical practice, trains and employs such personnel in the rendering of services;

"(N) provides to its enrollees as an option, for an additional premium, extended care facility services and dental services;

"(O) may purchase on a fee-for-service basis unusual or infrequently used health care services for its enrollees;

"(P) does not refuse enrollment to or expel any person for any reason concerning his health status or requirements for the provision of health services;

"(Q) provides for the prevention, diagnosis, and medical and psychological treatment of the abuse of or addiction to alcohol and drugs either through its own facilities or existing community facilities; and

"(R) meets such other criteria for its organization and operations as the Secretary may by regulation prescribe, consistent with the provisions of this title.

"(2) The term 'comprehensive health services' means health services provided without limitation as to time or cost as follows—

"(A) physician services (including consultant and referral services);

"(B) inpatient and outpatient hospital services;

"(C) home health services;

"(D) diagnostic laboratory, and diagnostic and therapeutic radiologic services;

"(E) preventive health (including but not limited to voluntary family planning, infertility services, and preventive dental care for children) and early disease detection services;

"(F) emergency health services rendered by any provider of health care, the expense of which shall be borne by the enrollee's health maintenance, supplemental health maintenance, or health service organization;

"(G) provision of or payment for prescription drugs (with patterns of patient drug utilization under continuous surveillance, evaluation, and review by a clinical pharmacist whose duties shall include the maintenance of a drug use profile for each enrollee);

"(H) medical social services;

"(I) vision care (except for eyeglasses which shall be optional) as provided by a physician skilled in the diagnosis and treatment of diseases of the eye, or by an optometrist provided such services are within the scope of his license;

"(J) physical medicine and rehabilitative services (including physical therapy);

"(K) mental health services utilizing existing community mental health centers on a priority basis;

"(L) preventive diagnostic and medical and psychological treatment of the abuse of or addiction to alcohol and drugs; and

"(M) such other personal health services as the Secretary may determine are necessary to insure the protection, maintenance, and support of human health.

"(3) The term 'medical group' means a partnership or other association or group of health professionals of whom not less than four and at least a majority shall be persons who are licensed to practice medicine or osteopathy, and such other licensed health professionals as are necessary to provide comprehensive health services and who are eligible for assistance under this Act, in conformance with requirements promulgated under section 1302, in a State and who (A) engage in the coordinated practice of their profession as a group responsibility providing services to health maintenance or health service organization enrollees; (B) if not employees or retainees of a health maintenance organization, or health service organization, pool their income from practice as members of the group and distribute it among themselves according to a prearranged salary, or a drawing account or other plan; (C) jointly use or share substantial portions of medical and other records and major equipment and professional, technical, and administrative staff; (D) share or jointly utilize such additional health and allied health professionals who may include but are not limited to psychologists and other mental health workers, optometrists, pharmacists, podiatrists, dental therapists, physician's assistants, nurse practitioners and nurse midwives, as are needed to provide comprehensive health services; and (E) arrange for and encourage the continuing education of their members in the field of clinical medicine and related areas. Such group may be organized on a group practice or individual practice basis, and individual physician members may be paid on a fee for service or any other basis, so long as the group is reimbursed for its services on the basis of an aggregate fixed sum or on a per capita basis.

"(4) The term 'enrollee' when used in connection with a health maintenance organization, supplemental health maintenance organization (as defined in part B), or health service organization (as defined in part C) means an individual who has entered into a contractual arrangement, or on whose behalf a contractual arrangement has been entered into, with a health maintenance organization, supplemental health maintenance, or a health service organization under which such organization assumes the responsibility for the provision of health services to such individual.

"(5) The term 'medically underserved area' means an urban or rural area or population group designated by the Secretary as an area or population group with a shortage of personal health services. Such a designation may be made by the Secretary only after consideration of the comments, if any, of (A) each State comprehensive health planning agency designated pursuant to section 314(a) of this Act covering, in whole or in part, such area, (B) each areawide comprehensive health planning agency designated pursuant to section 314(b) of this Act, covering, in whole or in part, such area, and (C) regional medical programs established pursuant to title IX of this Act, covering, in whole or in part, such area.

"(6) The terms 'construction' and 'cost of construction' include (A) the construction of new buildings, and the acquisition, expansion, remodeling, replacement, and alteration of existing buildings including architect's fees, and (B) equipping new buildings and existing buildings, whether or not acquired, expanded, remodeled, or altered with assistance under this title.

"(7) The term 'high-risk enrollee' means a person who is likely to utilize the services of a provider of health care more often than an actuarially determined average.

"GRANTS FOR PLANNING AND FEASIBILITY STUDIES

"SEC. 1202. (a) The Secretary may make grants subject to the general provisions of this title, to public or private nonprofit agencies, organizations, or institutions to assist in projects for planning or studying the feasibility of developing or expanding health maintenance organizations. No project may receive more than $250,000 in grants under this section. Funds awarded under such grants shall be available for expenditure by the grantee for such period (not to exceed two years from the date of award) designated by the Secretary.

"(b) In making grants under this section the Secretary shall give priority to those applicants who give assurances that at least 30 per centum of their total enrollment shall be persons from medically underserved areas.

"(c) There are authorized to be appropriated to carry out the provisions of this section $10,000,000 for the fiscal year ending June 30, 1974, $15,000,000 for the fiscal year ending June 30, 1975, and $20,000,000 for the fiscal year ending June 30, 1976.

"GRANTS FOR INITIAL DEVELOPMENT COSTS

"SEC. 1203. (a) The Secretary may make grants, subject to the general provisions of this title, to any public or private nonprofit agencies, organizations, or institutions, to assist them in meeting the costs involved in a project for the initial development of a health maintenance organization prior to its first day of operation. No project may receive more than $1,000,000 in grants under this section.

"(b) Sums awarded under such grant shall be available for expenditure by the grantee for not more than three years, and shall be utilized for such purposes as may be prescribed in regulations of the Secretary, including but not limited to (1) implementation of an enrollment campaign; (2) detailed design of and arrangements for the health services to be provided; (3) development of administrative and internal organizational arrangements, inculding fiscal control and fund accounting procedures and the development of a capital financing program; (4) recruitment of personnel and the conduct of personnel training activities; and (5) payment of architects' and engineers' fees.

"(c) In making grants under this section the Secretary shall give priority to those applicants who give assurances that at least 30 per centum of their total enrollment shall be persons from medically underserved areas.

"(d) There are authorized to be appropriated to carry out the provisions of this section $15,000,000 for the fiscal year ending June 30, 1974, $25,000,000 for the fiscal year ending June 30, 1975, and $30,000,000 for the fiscal year ending June 30, 1976.

"CONSTRUCTION GRANTS

"SEC. 1204. (a) The Secretary may make grants, subject to the general provisions of this title, to assist any public or private nonprofit health maintenance organization or any public or private nonprofit agency, organization, or institution intending to become a health maintenance organization in meeting the cost of construction of facilities or portions of facilities for ambulatory care and capital investment for necessary transportation equipment, to be used by it for the provision of health services to its enrollees. The Secretary shall give special consideration to applications for grants for the acquisition or renovation of existing facilities. Except for execptional circumstances, in which case up to 90 per centum of the cost of construction (as determined by the Secretary) may be authorized by the Secretary, no grant under this section for any project may exceed 75 per centum of the cost of construction of such project. No project may receive more than $2,500,000 in grants under this section.

"(b) In making grants under this section the Secretary shall give priority to those applicants who give assurances that at least 30 per centum of their total enrollment shall be persons from medically underserved areas.

"(c) There are authorized to be appropriated to carry out the provisions of this section $15,000,000 for the fiscal year ending June 30, 1974, $30,000,000 for the fiscal year ending June 30, 1975, and $40,000,000 for the fiscal year ending June 30, 1976.

"GRANTS FOR INITIAL COSTS OF OPERATION

"SEC. 1205. (a) Where the Secretary determines that the applicant has made all reasonable attempts to meet his operating expenses (including loans and loan guarantees), he may make grants to public and private nonprofit health maintenance organizations to assist them in meeting operating deficits during the initial three-year period of their operation.

"(b) Grants under this section shall be made only for the period beginning with the first day of the first month for which such grant is made and ending with the close of three years after such first day; and such grant with respect to any such organization may not exceed 100 per centum of such operating deficit for the first year after such first day; 67 per centum of such first year operating deficit for the second year after such first day; and 33 per centum of such first year operating deficit for the third year after such first day.

"(c) There are authorized to be appropriated to carry out the provisions of this section $5,000,000 for the fiscal year ending June 30, 1974, $30,000,000 for the fiscal year ending June 30, 1975, and $30,000,000 for the fiscal year ending June 30, 1976.

"CONSTRUCTION LOANS

"SEC. 1206. (a) The Secretary may make loans, subject to the general provisions of this title, to any public or private nonprofit health maintenance organization, or any public or private nonprofit agency, organization, or institution intending to become a health maintenance organization, to assist it in meeting the cost of construction of facilities for ambulatory care and transportation services for the provision of health services to its enrollees. The Secretary shall give special consideration to applications for loans for the acquisition or renovation of existing facilities. No loan under this section for any project may exceed 90 per centum of the cost of construction (as determined by the Secretary) of such project.

"(b) There are authorized to be appropriated to carry out the provisions of this section $10,000,000 for the fiscal year ending June 30, 1974, $20,000,000 for the fiscal year ending June 30, 1975, and $30,000,000 for the fiscal year ending June 30, 1976. Sums so appropriatde, together with repayments of loans made under this section and any other receipts in connection with the program under this section, shall be placed in and constitute a revolving fund which shall be available to the Secretary without fiscal year limitation for use in making loans and other expenditures in the exercise of his functions under this section.

"LOANS FOR INITIAL COSTS OF OPERATION

"SEC. 1207. (a) The Secretary may make loans, subject to the general provisions of this title, to any public or private nonprofit health maintenance organization to assist it in meeting, for the period prescribed in subsection (b), a portion of its initial operating costs in excess of gross revenues determined under regulations of the Secretary.

"(b) Loans under this section for initial costs of operation may be made only for the period beginning with the first day of the first month for which such a loan is made and ending with the close of three years after such first day; and such loans with respect to any project may not exceed 60 per centum of such costs of operation, for the first year after such first day; 40 per centum of such costs for the second year after such first day; and 20 per centum of such costs for the third year after such first day.

"(c) There are authorized to be appropriated to carry out the provisions of this section $5,000,000 for the fiscal year ending June 30, 1974, $30,000,000 for the fiscal year ending June 30, 1975, and $30,000,000 for the fiscal year ending June 30, 1976. Sums so appropriated, together with repayments of loans made under this section and any other receipts in connection, with the program under this section, shall be placed in and constitute a revolving fund which shall be available to the Secretary without fiscal year limitation for use in making loans and other expenditures in the exercise of his functions under this section.

"PART B—GENERAL PROVISIONS

"GRANT AND LOANS

"SEC 1240. (a) Any loan by the Secretary shall bear interest at a rate comparable to the legal rate of interest prevailing with respect to loans which are guaranteed under section 1241. No payment of principal on a loan shall be required for the first five years after such loan is made.

"(b) No such loan shall be made unless—

"(1) the Secretary is reasonably satisfied that the applicant therefor will be able to make payments of principal and interest thereon when due, and

"(2) the applicant provides the Secretary with reasonable assurances that there will be available to it such additional funds as may be necessary to complete the project with respect to which such loan is requested.

"(c) Any such loan shall have such security, have such maturity date, be repayable in such installments, and be subject to such other terms and conditions (including provisions for recovery in case of default) as the Secretary determines to be necessary to carry out the purposes of this title while adequately protecting the financial interests of the United States.

"(d) No such loan shall have a term in excess of fifteen years.

"(e) The Secretary may, for good cause, waive any right of recovery which he has by reason of the failure of a public organization to make payment and interest on a loan under this section.

"LOAN GUARANTEES AND INTEREST SUBSIDIES

"SEC. 1241. (a) In order to assist private health maintenance organizations to carry out construction projects for ambulatory care facilities and transporation services and communication services to be used by it for the provision of health services to its enrollees, to meet their initial development costs (for not more than three years) or to meet their cost of operation (for not more than three years), as well as to subsidize the difference between income and operating expenditures, the Secretary, during the period beginning January 1, 1974, and ending with the close of June 30, 1976, may, in accordance with the provisions of this section, and subject to the general provisions of this Act (A) guarantee to non-Federal lenders making loans to such organizations for such purposes, payment of principal of and interest on such loans which are approved under this section, and (B) in the case of nonprofit health, maintenance organizations, pay to the holder of such loans (and for and on behalf of the organization which received such loan) amounts sufficient not to exceed 3 per centum per annum) to reduce the net effective interest rate otherwise payable on such loan. No loan guarantee or interest subsidy under this section may, except under such special circumstances and under such conditions as are prescribed by regulations, apply to or be made for an amount which, when added to any grant or other loan under this or any other law of the United States, is—

"(i) with respect to any construction, in excess of 90 per centum of the cost of such construction,

"(ii) with respect to initial development costs, in excess of 90 per centum of such costs, or

"(iii) with respect to initial operating costs, in excess of 90 per centum of such costs.

No such loan guarantee may apply to more than 90 per centum of the loss of principal and interest on the loan.

"(b) The Secretary may not approve the application of a health maintenance organization, unless—

"(1) he determines, in the case of a loan for which a guarantee or an interest subsidy payment is sought, that the terms, conditions, maturity, security (if any), and schedule and amounts of repayments with respect to the loan are sufficient to protect the financial interests of the United States and are otherwise reasonable and in accord with regulations, including a determination that the rate of interest does not exceed such per centum per annum on the principal obligation outstanding as the Secretary determines to be reasonable, taking into account the range of interest rates prevailing in the private market for similar loans and the risks assumed by the United States;

"(2) the term of a loan for which a guarantee and interest subsidy is sought does not exceed twenty-five years if for construction, or fifteen years if for operating costs, or such shorter period as the Secretary prescribes; and

"(3) he obtains assurances that the applicant will keep such records, and afford such access thereto, and make such reports, in such form and containing such information, as the Secretary may reasonably require.

"(c) Guarantees of loans and interest subsidy payments under this section shall be subject to such further terms and conditions as the Secretary determines to be necessary to assure that the purposes of this section will be achieved, and, to the extent permitted by subsection (e), any of such terms and conditions may be modified by the Secretary to the extent he determines it to be consistent with the financial interest of the United States.

"(d) in the case of any loan guaranteed under this section, the United States shall be entitled to recover from the applicant the amount of any payments made pursuant to such guarantee unless the Secretary, for good cause, waives his right of recovery, and, upon making any such payment, the United States shall be subrogated to all of the rights of the recipient of the payments with respect to which the guarantee was made.

"(e) Any guarantee of a loan under this section shall be incontestable in the hands of an applicant on whose behalf such guarantee is made, and as to any person who makes or contracts to make a loan to such applicant in reliance thereon, except for fraud or misrepresentation on the part of such applicant or such other person.

"(f) (1) There is established in the Treasury a Health Maintenance Organization, Loan Guarantee and Interest Subsidy Fund (hereafter in this section referred to as the 'fund') which shall be available to the Secretary without fiscal year limitation, in such amounts as may be specified from time to time in appropriation Acts (A) to enable him to discharge his responsibilities under guarantees issued by him under this title, and (B) for interest subsidy payments authorized by this title. There are authorized to be appropriated from time to time such amounts as may be necessary to provide the sums required by the fund. To the extent authorized from time to time in appropriation Acts there shall be deposited in the fund amounts received by the Secretary as interest payments or repayments of principal on loans and any other moneys, property, or assets derived by him from his operations under title, including any moneys derived from the sale of assets.

"(2) If at any time the moneys in the fund are insufficient to enable the Secretary to discharge his responsibilities under this title to meet the obligations under guarantees of loans under subsection (a) or to make interest subsidy payments on such loans, he is authorized to issue to the Secretary of the Treasury notes or other obligations in such forms and denominations, barring such maturities, and subject to such terms and conditions, as may be prescribed by the Secretary with the approval of the Secretary of the Treasury. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the issuance of the notes or other obligations. The Secretary of the Treausry is authorized and directed to purchase any notes and other obligations issued hereunder and for that purpose he is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act and the purposes for which securities may be issued under that Act are extended to include any purchase of such notes and obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this subsection. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated as public debt transactions of the United States. Sums borrowed under this subsection shall be deposited in the fund and redemption of such notes and obligations shall be made by the Secretary from such fund.

"(g) (1) The cumulative total of the principal of the loans outstanding at any time with respect to which guarantees have been issued under this section may not exceed such limitations as may be specified in appropriation Acts.

"(2) In any fiscal year no loan guarantee or agreement to make interest subsidy payments may be entered into under this title if the making of such guarantee or the entering into of such agreement would cause the cumulative total of—

"(A) the principal of the loans guaranteed under this title in such fiscal year, and

"(B) the principal of the loans for which no guarantee has been made under this title and with respect to which an agreement to make interest subsidy payments is entered into under this title in such fiscal year,

to exceed the amount of grant funds obligated under this Act in such fiscal year; except that this paragraph shall not apply if the amount of grant funds obligated under this title in such fiscal year equals the sums appropriated for such fiscal year under this title.

"APPLICATION REQUIREMENTS

"SEC. 1242. (A) No grant, contract, loan, loan guarantee, or interest subsidy may be made under this title unless an application therefor has been submitted to and approved by the Secretary. Such application shall be in such form, submitted in such manner, and contain such information, consistent with subsection (b)(1), as the Secretary shall by regulation prescribe.

"(b)(1) An application for a grant, loan, loan guarantee, or interest subsidy under this title shall include to such extent, in such manner and among such other matters as the Secretary may by regulation prescribe, satisfactory specification of the existing or anticipated (A) population group or groups to be served by the existing or proposed health maintenance organization, described in the application, (B) enrollment for such organization, (C) methods, terms, and periods for the enrollment of enrollees, (D) nature and estimated costs per enrollee of the health care and educational services to be provided, (E) sources of professional services, and organizational arrangements for providing health care and educational services, (F) organizational arrangements for an ongoing quality assurance program in conformance with the requirements of the Commission on Quality Health Care Assurance, (G) sources of prepayment and other forms of payment for the services to be provided, (H) facilities available for and additional capital investments and sources of financing therefor, required to provide the level and scope of services proposed, (I) arrangements and capabilities of such organization, (J) role for enrollees in the planning and policymaking for such organization, (K) grievance procedures for enrollees, staff, and employees, and (L) evaluation or evaluations of the support for and acceptance of such organization by the population to be served, the sources of operating support, and the professional groups to be involved or affected thereby. An organization making multiple applications for assistance under this title simultaneously or over the course of time shall not be required to submit duplicate or redundant information but shall be required to update the description of the existing or proposed organization in such manner and with such frequency as the Secretary may by regulation prescribe.

"(2) Upon completion of assistance under this title, the recipient of assistance shall make a full and complete report to the Secretary, in such manner as he may by regulation prescribe. Each such report shall include, among such other matters as the Secretary may by regulation prescribe, descriptions of plans, developments, and operations in those areas enumerated in paragraph (1) for specification in applications for assistance.

"(c) A health maintenance organization, receiving assistance under this title shall submit to the Secretary as a condition of its continued assistance, satisfactory assurances, in accordance with such regulations as the Secretary shall prescribe, including but not limited to the following: (1) financial responsibility, and (2) development and operation consistent with the terms of this title and the plans contained in such organization's application or applications for assistance. As used in this subsection the term 'financial responsibility' means the demonstrated capability to adequately carry out the purposes of the project for which the original assistance was made.

"(d)(1) An application for a grant, loan, loan guarantee, or interest subsidy under this title shall contain assurances satisfactory to the Secretary that the applicant will, in accordance with such criteria as the Secretary shall by regulation prescribe, enroll the maximum number of persons that its available and potential resources (as determined under regulations of the Secretary) will enable it to effectively serve; except that the applicant shall enroll no more than 50 per centum of its enrollees from medically underserved areas except in rural areas as designated by the Secretary.

"(2) No grant may be made and no loan, loan guarantee, or interest subsidy payment may be made under this title unless the applicant demonstrates to the satisfaction of the Secretary that the applicant will or has enrolled, and will maintain an enrollment of, the maximum number of persons that its available and potential resources (as determined under regulations of the Secretary) will enable it to effectively serve, except that the applicant shall enroll no more than 50 per centum of its enrollees from medically underserved areas except in rural areas as designated by the Secretary.

"(e) The Secretary shall have the authority after a hearing on the record to terminate or cancel any grant, loan, loan guarantee, or interest subsidy to any recipient of assistance under this title which he determines is in susbtantial noncompliance with any material provision of this title or after notice from the Commission on Quality Health Care Assurance that such organization has had its certificate of compliance suspended or revoked.

"(f) Effective two years after the date of enactment of this Act, no assistance shall be given under this Act or the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963, to a provider of health care unless such provider holds a valid certificate of compliance under section 1302.

"(g)(1) The Secretary may not approve an application submitted under section 1203, 1204, 1205, 1206, or 1207, unless the section 314(b) areawide health planning agency whose section 314(b) plan covers (in whole or in part) the area to be served by the health maintenance organization, for which such application is submitted, or if there is no such agency, the section 314(a) State health planning agency whose section 314(a) plan covers (in whole or in part) such area, has, in accordance with regulations of the Secretary, been provided an opportunity to review the application and to submit to the Secretary for his consideration its recommendations respecting approval of the application. If under applicable State law such an application may not be submitted without the approval of the section 314(b) areawide health planning agency or the section 314(a) State health planning agency, the Secretary may not approve such an application unless the required approval has been obtained.

"(2) The Secretary shall by regulation establish standards and procedures for section 314(b) areawide health planning agencies and section 314(a) State health planning agencies to follow in reviewing and commenting on applications for assistance for health maintenance organizations, and other applicants for assistance under this Act.

"(h) If in any fiscal year there are insufficient funds available for funding of all approved applications for assistance under section 1202, 1203, or 1204 of this title the Secretary shall, subject to the priorities in sections 1202(b), 1203(c), and 1204(c), give priority to those applicants which he determines are the most likely to be economically viable.

"EFFECT ON STATE LAW

"SEC. 1243. (a) Notwithstanding any provisions of State law which—

"(1) require approval of a health maintenance organization, by a medical society;

"(2) require that physicians constitute all or a majority of the governing body of a health maintenance organization;

"(3) require that all physicians or a percentage of physicians in the local medical society be permitted to participate in rendering the services of the organization;

"(4) require that such organization submit to regulations as an insurer of health care services;

"(5) require that only unincorporated individuals or associations or partnerships may provide health care services;

"(6) prohibit advertising by a professional group for recruitment of enrollees: or

"(7) impose requirements or restrictions on a health maintenance organization, in a manner, determined by the Secretary, to be incompatible with this title, a health maintenance organization or other providers of health care receiving Quality Health Care Initiative Awards under this title, who otherwise conform with the laws for incorporation and laws for licensing of physicians, osteopaths, and dentists in such State shall be allowed to provide health care services in such State in accordance with the provisions of this title.

"QUALITY HEALTH CARE INITIATIVE AWARDS

"SEC. 1244. (a) Every provider of health care which is certified by the Commission on Quality Health Care Assurance as maintaining quality control standards in compliance with the requirements set by the Commission on Quality Health Care Assurance shall be entitled to an annual payment in an amount equal to the administrative costs allowed by the Commission, incurred in complying with the requirements of the Commission. Any provider of health care, whether or not subject to the provisions of this Act, may apply to the Commission for certification of compliance under section 1302.

"(b) There are authorized to be appropriated to carry out the provisions of this section $25,000,000 for the fiscal year ending June 30, 1974; $25,000,000 for the fiscal year ending June 30, 1975; and $75,000,000 for the fiscal year ending June 3, 1976.

"CAPITATION GRANTS TO ENABLE HEALTH MAINTENANCE ORGANIZATIONS, SUPPLEMENTAL HEALTH MAINTENANCE ORGANIZATIONS, AND HEALTH SERVICE ORGANIZATIONS TO SERVE ALL PERSONS

"SEC. 1245. (a)(1) The Secretary shall make annual grants to health maintenance organizations, serving persons who cannot meet the expenses of such organizations' premiums (excluding additional premium for high option services). The amount of such annual grants shall be equal to the difference between the maximum amount (as determined by the Secretary) an enrollee could reasonably be expected to pay toward the health maintenance organization premium and the premium for membership enrollment in such health maintenance organization for each such person enrolled. A health maintenance organization shall be eligible for grants under this subsection only during the first three years of its operation.

"(2) In determining the amount an enrollee could pay toward the premium, the Secretary shall consider all sources (including public sources) of income available to each such enrollee.

"(3) Grants under this section shall not exceed 25 per centum of the total premium receipts for such health maintenance, supplemental health maintenance or health service organization for the next preceding year.

"(4) There are authorized to be appropriated to carry out the provisions of this section $25,000,000 for the fiscal year ending June 30, 1974; $25,000,000 for the fiscal year ending June 30, 1975; and $75,000,000 for the fiscal year ending June 30, 1976.

"(b)(1) Where a health maintenance organization proposes an increase in its premium rate and the Secretary determines that such increase is due in whole or in part to fulfillment of the requirement for open enrollment, in that such organization has in its enrolled population a disproportionate number of high-risk enrollees, the Secretary shall make annual grants to such organization equal to an amount that would eliminate the need for that part of the proposed premium increase caused by such disproportionate number of high-risk enrollees in such organization. A health maintenance organization shall be eligible for grants under this subsection only during the first three years of its operation.

"(2) There are authorized to be appropriated to carry out the provisions of this section $15,000,000 for the fiscal year ending June 30, 1974; $25,000,000 for the fiscal year ending June 30, 1975; and $75,000,000 for the fiscal year ending June 3, 1976.

"PAYMENT OF GRANTS

"SEC. 1246. The amount of any grant under this title shall be determined by the Secretary. Payments under such grants may be made in advance or by way of reimbursement and at such intervals and on such conditions as the Secretary finds necessary.

"PROHIBITION ON TRANSFER OF FUNDS

"SEC. 1247. (a) No funds appropriated pursuant to any of the preceding sections of this title shall be available for any purposes other than the purposes of the program authorized by the particular section pursuant to which such funds are appropriated.

"(b) No funds, except those appropriated under this title, shall be used for the purposes of carrying out the provisions of this title.

"(c) Only funds appropriated under this title shall be used to initially develop, construct, and initially operate a health maintenance organization, that provides either directly or indirectly through arrangements with others, health care to a defined population on a prepaid basis.

"LABOR STANDARDS

"SEC. 1248. All laborers and mechanics employed by contractors or subcontractors on all construction projects assisted under this title shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act. The Secretary of Labor shall have with respect to the labor standards specified in this section the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176) and section 2 of the Act of June 13, 1934.

"OPEN ENROLLMENT WAIVER

"Sec. 1249. In a case where all appropriated funds are expended under section 1245(b) (2) and where a health maintenance organization demonstrates to the satisfaction of the Secretary that it has a disproportionate share of high-risk enrollees and by maintaining open enrollment it would be required to enroll a nonrepresentative cross section of the community in which it provides services, to the extent that financing is available and people are willing to enroll, and the enrollment of such disproportionate share of high-risk enrollees will jeopardize its economic viability, the Secretary may waive such requirement for open enrollment for a period of not more than three years. A health maintenance organization may receive more than one such waiver.

"ACCESS TO RECORDS

"Sec. 1250. (a) Each recipient of Federal funds under this Act shall keep such records as the Secretary shall prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such funds, the total cost of the undertaking in connection with which such funds are given or used, the amount of that portion of the cost of the undertaking supplied by other sources, and such other records as will facilitate an effective audit.

"(b) The Secretary of Health, Education, and Welfare and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of the recipients of Federal funds under this Act.

"COMPREHENSIVE SERVICES PHASE-IN

"Sec. 1251. The Secretary may grant a waiver to an applicant for assistance under this title, with respect to the provision of a specific service, required to be provided as a component of comprehensive health services where he determines that—

"(1) such service cannot be provided by the applicant solely because the required health manpower to provide such service is not available; and

"(2) the applicant has a feasible plan to provide such service at the earliest possible date, such date not to exceed three years from the date assistance under this title is first granted to such applicant.

"COMPREHENSIVE HEALTH SERVICES FOR INDIANS AND MIGRANT WORKERS

"Sec. 1252. The Secretary is authorized to contract with health maintenance organizations to provide health services to individuals who are eligible for such services from the Indian Health Service or under section 310 of this Act.

"Part C—Special Project Grants To Facilitate Health Services in Nonmetropolitan Areas

"Sec. 1260. (a) The Secretary is authorized to make grants to or contracts with any public or nonprofit private entity (which otherwise may not be eligible for grants or assistance under this title) to study, initiate, and evaluate projects for the delivery, or to facilitate the delivery, in nonmetropolitan areas of comprehensive health services on a prepaid basis."

(b) There are authorized to be appropriated to carry out the purposes of this section such sums as may be necessary.

TITLE II—COMMISSION ON QUALITY HEALTH CARE ASSURANCE

SHORT TITLE

Sec. 201. This title shall be known as the "Commission on Quality Health Care Assurance Act of 1973".

STATEMENT OF PURPOSE

Sec. 202. It is the purpose of this title to promote the quality of health care in the United States by establishing a Commission on Quality Health Care Assurance to develop, establish, and encourage parameters and standards for quality health care.

Sec. 203. The Public Health Service Act, as amended by this Act, is further amended by inserting after title XII the following new title:

"TITLE XIII—COMMISSION ON QUALITY HEALTH CARE ASSURANCE

"Part A—Commission on Quality Health Care Assurance

"ESTABLISHMENT OF COMMISSION

"Sec. 1301. (a) There is hereby established (as an independent agency in the executive branch) a Commission on Quality Health Care Assurance.

"(b) The Commission shall be composed of eleven members to be appointed by the President by and with the advice and consent of the Senate from among individuals who by virtue of their service, experience, or education are especially qualified to serve on the Commission. In making such appointments the President shall appoint individuals who are representative of the health care delivery industry, private organizations engaged in developing health care quality standards which may be applicable on a national basis, and consumers not related to the delivery of health care. The terms of office of each member of the Commission shall be five years except that—

"(1) the members first appointed shall serve, as designated by the President, three for a term of one year, two for a term of two years, two for a term of three years, two for a term of four years, and two for a term of five years;

"(2) any member appointed to fill a vacany shall serve for the remainder of the term for which his predecessor was appointed; and

"(3) a member shall be eligible for reappointment for one additional term.

"(c) The President shall designate one of the members to serve as Chairman and one to serve as Vice Chairman of the Commission.

"(d) Any vacancy in the Commission shall not affect its powers and six members of the Commission shall constitute a quorum.

"(e) Four members of the Commission shall be consumers not related to the delivery of health care.

"DUTIES OF THE COMMISSION

"Sec. 1302. (a) The Commission shall—

"(1) promulgate standards for qualifications of personnel, composition of medical groups, and other characteristics dealing with the adequacy of facilities and equipment;

"(2) conduct such research and experimental programs as are determined necessary for the development of—

"(A) criteria for new and improved quality assurance systems, and

"(B) norms, with regard to processes, utilization characteristics, and outcomes;

"(3) require and monitor, in accordance with criteria established based upon findings under paragraph (2), quality assurance systems for health maintenance organizations, and other providers of health care subject to the provisions of this Act and the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 which shall be designed to—

"(A) improve as well as assess the quality of health care;

"(B) evaluate the inputs, processes, utilization characteristics, and outcomes of health care as related to individuals and population groups, and establish relationships between inputs, processes, utilization characteristics, and outcomes;

"(C) concentrate on those illnesses which have relatively high incidence in the population and which are particularly influenced by medical treatment, rather than on unusual illnesses or conditions whose course is little influenced by therapy;

"(D) improve as well as assesses the accessibility, availability, and acceptability of health care provided by health maintenance organizations, and other providers of health care;

"(E) develop procedures for such systems to report through the policymaking body of the health maintenance organization to the membership and to the Commission on Quality Health Care Assurance; and

"(F) take into account the need for inclusion of consumers as well as the several health care disciplines in the decisionmaking membership of the system;

"(4) issue certificates of compliance to providers of health care certifying that such providers maintain an approved quality assurance system and are otherwise conforming with requirements published under this section;

"(5) after a hearing on the record, revoke or suspend such certificate where it determines that such provider has significantly deviated from the standards, approved quality assurance system, or the norms published pursuant to this section unless such deviation is justified to the satisfaction of the Commission;

"(6) monitor reports by health care providers covered by this Act and the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963, for the purpose of assuring that the performance of such health care providers is in conformance with the approved quality assurance system and norms published under this section;

"(7) publish objective statistical descriptions of norms accumulated through experience and results of programs conducted under this Act and the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963;

"(8) conduct a program of research and development which shall have the objectives of—

"(A) improving the technology of assessing the quality of health care with emphasis on the outcomes of health care;

"(B) assessing and comparing the quality of health care provided under different delivery system arrangements;

"(C) analyzing the effects of providing information to consumers and improvement in the methods of information dissemination;

"(D) analyzing the impact of its quality assurance program upon the quality of health care for the American people; and

"(E) coordinating the collection, assimilation and cataloging of existing information regarding quality health care assurance programs of Federal, State, and local agencies and their relationships with one another, with due regard for the protection of the confidential nature of the doctor-patient relationship;

"(9) collect, summarize, and distribute information regarding the impact of medical services and the health status of the population of the United States;

"(10) provide technical assistance to providers of health care in the development of quality control programs;

"(11) study the levels, costs, and quality of health care under health care programs of the Federal Government;

"(12) administer the reinsurance program established under part B of this title;

"(13) analyze the need for standardization of medical record information and facilitate the development of a system of standard medical reference mechanisms;

"(14) prescribe a schedule of reasonable contingent fees for attorneys representing claimants in proceedings under section 1309; and

"(15) annually report to the President and to the Congress on the conduct of activities, under this title (including results of studies conducted under paragraph (11)) together with such recommendations for additional legislation as the Commission may determine appropriate.

"(b) In developing quality health care assurance system criteria the Commission's consideration shall include but not be limited to existing State regulations, such standards as are in effect for Federal health agencies, and analysis of the results of the reinsurance program and the results of arbitration procedures under part B of this title.

"ADMINISTRATIVE POWERS

"SEC. 1303. (a) In order to carry out the provisions of this Act the Commission is authorized to—

"(1) appoint and fix the compensation of personnel of the Commission in accordance with the provisions of title 5, United States Code;

"(2) make, promulgate, issue, rescind, and amend rules and regulations as may be necessary to carry out the functions vested in the Commission and delegate authority to any officer or employee;

"(3) acquire (by purchase, lease, condemnation, or otherwise), construct, improve, repair, operate, and maintain, research and other necessary facilities and equipment, and related accommodations as may be necessary, and such other real or personal property (including patents) as the Commission deems necessary; to acquire by lease or otherwise through the Administrator of General Services, buildings or parts of buildings in the District of Columbia or communities located adjacent to the District of Columbia for the use of the Commission for a period not to exceed ten years without regard to the Act of March 3, 1877 (40 U.S.C. 34);

"(4) employ experts and consultants in accordance with section 3109 of title 5, United States Code;

"(5) appoint one or more advisory committees (including a committee for the preparation and analysis of statistics) composed of such private citizens and officials of Federal, State, and local governments as it deems desirable, to advise the Commission with respect to its functions under this Act;

"(6) utilize, with their consent, the services, equipment, personnel, information, and facilities of other Federal, State, and local public agencies with or without reimbursement therefor;

"(7) accept voluntary and uncompensated services, notwithstanding the provisions of section 665(b) of title 31, United States Code;

"(8) accept unconditional gifts or donations of services, money, or property, real, personal, or mixed, tangible or intangible; and

"(9) take such actions as may be required for the accomplishment of the objectives of the Commission.

"(b) Upon request made by the Commission each Federal agency is authorized and directed to make its services, equipment, personnel, facilities, and information (including suggestions, estimates, and statistics) available to the greatest practicable extent consistent with other laws to the Commission in the performance of its functions with or without reimbursement. Where the Commission determines that such services, equipment, personnel, facilities, and information cannot be made available for utilization in a manner which would enable it to expeditiously perform its duties under this Act, the Commission may establish where necessary the programs necessary to accomplish its tasks.

"(c) Each member of a committee appointed pursuant to paragraph (5) of subsection (a) of this section who is not an officer or employee of the Federal Government shall receive an amount equal to the maximum daily rate prescribed for GS–18 under section 5332 of title 5, United States Code, for each day he is engaged in the actual performance of his duties (including traveltime) as a member of a committee. All members shall be reimbursed for travel, subsistence, and necessary expenses incurred in the performance of their duties.

"(d) The Chairman shall be the chief executive and the administrative officer of the Commission and shall exercise the responsibility of the Commission with respect to—

"(1) the appointment and supervision of personnel employed by the Commission;

"(2) the distribution of jobs among the personnel of the Commission; and

"(3) the use and expenditure of funds.

"COMPENSATION

"SEC. 1304. (a) Section 5314 of title 5, United States Code, is amended by adding at the end thereof the following new paragraph:

" '(60) Chairman, Commission on Quality Health Care Assurance.'

"(b) Section 5315 of title 5, United States Code, is amended by adding at the end thereof the following new paragraphs:

" '(98) Members, Commission on Quality Health Care Assurance (10).

" '(99) General Counsel, Commission on Quality Health Care Assurance.'

"APPLICABILITY OF COMMISSION REQUIREMENTS

"SEC. 1305. (a) Except as provided in subsection (b) the requirements established by the Commission pursuant to section 1302 shall apply to any provider of health care receiving assistance under this Act or the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 after the date of enactment of this title.

"(b) Any provider covered under this Act or the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963, may apply to the Commission for a temporary order granting a variance from any requirement or any provision thereof promulgated under section 1302 of this Act. Such temporary order shall be granted only if the provider files an application which establishes that—

"(1) the provider is unable to comply with a requirement by its effective date because of unavailability of professional or technical personnel or of materials and equipment needed to come into compliance with any requirement or because necessary construction, alteration, or modernization of facilities cannot be completed by its effective date; and

"(2) the provider has an effective program or coming into compliance with any requirement as quickly as possible with adequate interim safeguards for the protection of consumers of health care.

"(c) The Commission is authorized to grant a variance from any of its requirements or portion thereof whenever it determines or the Secretary of Health, Education, and Welfare certifies that such a variance is necessary to permit a provider to participate in a project approved by him designed to validate new and improved techniques of health care delivery systems.

"REPORTS AND MAINTENANCE OF RECORDS

"SEC. 1306. (a) Each provider, covered under this title, shall make, keep, and preserve, and make available to the Commission and the Secretary of Health, Education, and Welfare, such records regarding activities governed by this title as the Commission, in cooperation with the Secretary of Health, Education, and Welfare, shall prescribe.

"(b) The Commission shall prescribe rules and regulations as may be necessary with regard to inspection of the records and facilities of a provider.

"DISCLOSURE TO CONSUMERS OF HEALTH CARE SERVICES

"SEC. 1307. (a) A description of any health care plan covered by this title shall be published as required herein within ninety days after the establishment of such plan or when such plan becomes subject to this title.

"(b) A description of the plan shall be comprehensive and shall include, in a manner designed to be understood by the average enrollee, the following:

"(1) fees and prices;

"(2) scope of services included in benefit packages;

"(3) accessibility and availability of services including the location of the facilities, equipment available, hours of operation, practitioners by type and location, and amenities;

"(4) the name and type of administration of the plan; and

"(5) a statement of certification by the Commission.

"(d) The Commission shall monitor the provision of information by providers of care as required by this section. In any case in which information is disclosed or disseminated under this title and is subsequently found to be insufficient, inaccurate, or inaccurately disseminated the Commission shall take such action as is necessary to assure a full retraction of the inaccurate information together with a statement of new data in a manner similar to the initial disclosure or dissemination of such information.

"(e) The disclosure must also include procedures to be followed in presenting claims for benefits under the plan and the remedies available under the plan for the redress of claims which are denied in whole or in part.

"(f) Every provider shall furnish a copy of the plan description (including amendments or modifications thereto) described in subsection (b), to every enrollee upon his enrollment in the plan, and cause the same to be published, in a manner prescribed by the Commission, to the general public.

"PENALTIES

"SEC. 1308. (a) (1) Whenever the Commission after reasonable notice and opportunity for hearing to the provider finds that the provider has significantly deviated from the approved quality assurance system or is engaged in practices which significantly deviate from national or regional norms as determined by the Commission, the Commission shall notify the provider, and the Secretary of Health, Education, and Welfare that such provider shall be ineligible to participate in assistance under this Act and the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 and that the certificate of approval has been suspended until such time as the provider is found to be in compliance with the requirements established under section 1302. Hearings conducted under this section shall be held, where practicable, in a location convenient to the provider of health care.

"(2) Providers of health care, who have had their certificate suspended for a period, which the Commission determines to be unreasonable, shall have their certificate revoked and shall be liable for the repayment of part or all amounts received under this Act and the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963.

"(3) The Commission is authorized to make arrangements with providers of health care who have had their certificates revoked, for reimbursement of amounts received under this Act, and the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963, including deferred payments on such terms and for such periods as are deemed equitable and appropriate.

"(b) Any person who knowingly makes any false statement, representation, or certification on any application, record, report, plan or other document filed or required to be maintained pursuant to this Act shall upon conviction be punished by a fine of not more than $10,000 or by imprisonment of not more than six months or by both.

"ARBITRATION

"SEC. 1309. (a) A provider of health care that possesses a valid certificate of compliance issued under section 1302 may enter into a program for the equitable and expeditious handling of malpractice claims which may arise out of care and treatment of patients. Such programs shall be based upon agreements between the patients and the providers of health care to submit all disputes, not settled to the satisfaction of both parties, to binding arbitration in order to gain the benefits of such programs for patients and providers. Records of all such settlements shall be kept by each provider of health care, and submitted to the Commission in such manner as it shall prescribe.

"(b) An agreement to submit to binding arbitration under subsection (a) must be valid in the jurisdiction in which such agreement is made and shall provide for the selection of arbitrators in accordance with rules and regulations promulgated by the Commission. For those providers who shall establish arbitration programs as specified in this section, title 9 of the United States Code shall apply to such arbitration programs if the State or States in which the provider is located has not enacted legislation providing for the finality of arbitration decisions, or for parties to enter into agreements to arbitrate prior to a dispute.

"(c) Written findings of fact and conclusions of law shall be prepared for each arbitration proceeding held under this section. In each case the findings shall be certified by the arbitrator to the Commission. The Commission shall develop a systematic codification of all findings of arbitration proceedings undertaken pursuant to this section and shall publish such findings at least annually or more frequently at the discretion of the Commission. The Commission shall certify all findings of arbitration proceedings undertaken pursuant to this section to all appropriate State or local licensing or disciplinary boards for each such arbitration procedure under the territorial jurisdiction of such board.

"(d) (1) Every attorney who, in connection with any proceedings under this section for personal injuries or for death or for loss of services resulting from personal injury proximately caused by medical malpractice, accepts a retainer or enters into an agreement, express or implied, for compensation for services rendered or to be rendered in such proceedings whereby his compensation is to be dependent or contingent in whole or in part upon the successful prosecution or settlement thereof, shall, within thirty days from the date of any such retainer or agreement of compensation, sign personally and file with the Commission a retainer statement of such retainer or agreement of compensation containing such information as the Commission shall require.

"(2) An attorney retained by another attorney on a contingent fee basis as trial or appeal counsel or to assist in the preparation, investigation, or settlement of any such proceeding, shall, within thirty days from the date of such retainer, sign personally and file with the Commission a retainer statement of such retainer or agreement of compensation containing such information as the Commission shall require.

"(3) A closing statement shall be filed with the Commission with every proceeding in which a retainer statement is required containing such information as the Commission shall require.

"(4) All statements of retainer or closing statements filed with the Commission shall be confidential, and the information therein contained shall not be divulged or made available for inspection or examination except upon written order of the Chairman or the General Counsel of the Commission.

"(5) Any attorney who charges or collects, for services rendered in connection with any proceedings described in this subsection, any fee in excess of that allowed by the Commission, shall be fined not more than $1,000 or imprisoned for not more than one year, or both.

"PUBLICATION OF CRITERIA AND NORMS

"SEC. 1310. (a) The Commission may, by rule, promulgate, modify, or revoke any quality health assurance system criterion or norm in the following manner:

"(1) whenever the Commission upon the basis of information submitted to it in writing by an interested person, a nationally recognized standard-producing organization, the Secretary of Health, Education, and Welfare, or a State or political subdivision, or on the basis of information developed by the Commission, or otherwise available to it, determines that a rule should be promulgated in order to serve the objectives of this title, the Commission shall publish such proposed rule promulgating, modifying, or revoking a standard or criterion for a quality health care assurance system or norm in the Federal Register, and shall afford interested persons a period of sixty days after publication to submit written data or comments.

"(2) on or before the last day of the period provided for the submission of written data or comments, any interested person may file with the Commission written objections to the proposed rule stating the grounds therefor and requesting a public hearing on such objections. Within sixty days after the last day for filing such objections the Commission shall publish in the Federal Register a notice specifying the criteria for quality health care assurance systems or norms to which objections have been filed and a hearing request and specifying a time and place for such hearing. Hearings conducted under this section shall be held, where practicable, in a location convenient to the person filing such objection.

"(3) within sixty days after the expiration of the period provided for the submission of written data or comments or within sixty days after the completion of any hearing, whichever is later, the Commission shall issue and publish in the Federal Register a rule promulgating, modifying, or revoking standards, criteria for quality health care assurance systems or norms, or notice of a determination that a rule should not be issued. Such a rule may contain a provision delaying its effective date and such period (not in excess of ninety days) as the Commission determines may be necessary to insure that affected persons will be informed of the existence of the criteria or norm and of its determinations and that they are given an opportunity to familiarize themselves with the existence of the requirements of such criteria or norm.

"(b) Any person who may be adversely affected by the promulgation of a rule issued respecting criteria or norms under this section may at any time-prior to the ninetieth day after such criteria or norm is promulgated, file a petition challenging the validity of such criterion or norm with the United States district court for the district where such person resides or has his principal place of business for a judicial review of such criterion or norm. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Commission. The filing of such petition shall not, unless otherwise stated by the court, operate as a stay of the criterion or norm. The determination of the Commission shall be conclusive if supported by substantial evidence in the record considered as a whole.

"(c) (1) In the case of establishing criteria for the assimilation of objective statistical material required for the publication of norms, the Commission shall hold hearings only when it determines such hearings to be necessary.

"(2) The Commission shall publish in the Federal Register a summary and basis for the establishment of the criteria required by paragraph (1).

"(d) The Commission in compiling information for setting the requirements for this title shall solicit views and information from concerned entities.

"STATE JURISDICTION AND STATE PLANS

"SEC. 1311. (a) Nothing in this Act shall prevent any State agency or court from asserting jurisdiction under State law over any health issue with respect to which no standard, criterion, or norm is in effect under section 1302 of this Act.

"(b) Any State which at any time desires to assume responsibility for the development and enforcement of health standards, criteria, or norms relating to any health issue with respect to which a Federal standard, criterion, or norm has been promulgated under section 1302, shall submit to the Commission a State plan for the development of such standards, criteria, or norms and their enforcement.

"(c) The Commission shall approve the plan submitted by a State under subsection (b) or any modification thereof only if such plan—

"(1) designates a State agency or agencies as the agency or agencies responsible for administering the plan throughout the State;

"(2) provides for the development and enforcement of health standards, criteria, or norms relating to one or more health issues which standards, criteria, or norms (and the enforcement of which) will be no less stringent than the standards, criteria, or norms promulgated under section 1302 which relate to the same health issues;

"(3) provides for a right to entry and inspection of all premises of providers of health care subject to this Act and the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 which includes a prohibition on advance notice of inspections;

"(4) contains satisfactory assurances that such agency or agencies have or will have the legal authority and qualified personnel necessary for the enforcement of such standards, criteria, and norms;

"(5) gives satisfactory assurances that such State will devote adequate funds to the administration and enforcement of such standards, criteria, and norms;

"(6) contains satisfactory assurances that such State will, to the extent permitted by its law, establish and maintain an effective and comprehensive health program applicable to all providers of health care of the State and its political subdivisions, which program is as effective as the standards contained in an approved State plan;

"(7) requires providers of health care in the State to make reports to the Commission in the same manner and to the same extent as if the State plan were not in effect; and

"(8) provides that the State agency will make such reports to the Commission in such form and containing such information as the Commission shall from time to time require.

"(d) If the Commission rejects a plan submitted under subsection (b), it shall afford the State submitting the plan reasonable notice and opportunity for a hearing before so doing.

"(e) After the Commission approves a State plan submitted under subsection (b), it may, but shall not be required to, exercise its authority with respect to comparable standards, criteria, or norms promulgated under section 1302, for the period specified in the next sentence. The Commission may exercise the authority referred to above until it determines, on the basis of actual operations under the State plan, that the standards, criterions, or norms set forth in subsection (c) are being applied, but it shall not make such determination for at least three years after the plan's approval under subsection (c).

"(f) The Commission shall, on the basis of reports submitted by the State agency and its own inspections, make a continuing evaluation of the manner in which each State having a plan approved under this section is carrying out such plan. Whenever the Commission finds, after affording due notice and opportunity for a hearing, that in the administration of the State plan there is a failure to comply substantially with any provision of the State plan (or any assurance contained therein), it shall notify the State agency of its withdrawal of approval of such plan and upon receipt of such notice, such plan shall cease to be in effect, but the State may retain jurisdiction in any case commenced before the withdrawal of the plan in order to enforce standards under the plan whenever the issues involved do not relate to the reasons for the withdrawal of the plan.

"(g) The State may obtain a review of a decision of the Commission withdrawing approval of or rejecting its plan by the United States court of appeals for the circuit in which the State is located by filing in such court within thirty days following receipt of notice of such decision a petition to modify or set aside in whole or in part the action of the Commission. A copy of such petition shall forthwith be served upon the Commission, and thereupon the Commission shall certify and file in the court the record upon which the decision complained of was issued as provided in section 2112 of title 28, United States Code. Unless the court finds that the Commission's decision in rejecting a proposed State plan or withdrawing its approval of such a plan is not supported by substantial evidence, the court shall affirm the Commission's decision. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

"(h) The Commission may enter into an agreement with a State under which the State will be permitted to continue to enforce one or more health standards, criteria, or norms in effect in such State until final action is taken by the Commission with respect to a plan submitted by a State under subsection (b) of this section, or two years from the date of enactment of this title, whichever is earlier.

"PROCEDURES TO COUNTERACT IMMINENT DANGERS

"SEC. 1312. (a) The United States district courts shall have jurisdiction, upon petition of the Commission, to restrain any conditions or practices by a provider of health care which are such that a danger exists which could reasonably be expected to cause death or serious physical harm immediately or before the imminence of such danger can be eliminated through the enforcement procedures otherwise provided by this title. Any order issued under this section may require such steps to be taken as may be necessary to avoid, correct, or remove such imminent danger or to maintain the capacity of a continuous process operation to resume normal operations without a complete cessation of operations, or where a cessation of operations is necessary, to permit such to be accomplished in a safe and orderly manner.

"(b) Upon the filing of any such petition the district court shall have jurisdiction to grant such injunctive relief or temporary restraining order pending the outcome of an enforcement proceeding pursuant to this title. The proceeding shall be as provided by rule 65 of the Federal Rules of Civil Procedure, except that no temporary restraining order issued without notice shall be effective for a period longer than five days.

"(c) Whenever and as soon as the Commission concludes that conditions or practices described in subsection (a) exist it shall inform the affected provider of health care of the danger and that it shall seek relief under this section.

"(d) If the Commission arbitrarily or capriciously fails to seek relief under this section, any person who may be injured by reason of such failure, or the representative of such person might bring an action against the Commission in the United States district court for the district in which the imminent danger is alleged to exist or the provider has its principal office, or in the United States District Court for the District of Columbia, for a writ of mandamus to compel the Commission to seek such an order and for such further relief as may be appropriate.

"DEFINITIONS

"SEC. 1313. For the purposes of this title, the term—

"(1) 'input measure' means assessment based on the qualifications of personnel, facilities, and equipment required to provide medical care;

"(2) 'process measure' means assessment based upon the conformance of medical decisions and actions taken in actual episodes of care to some defined standards of medical practice;

"(3) 'utilization characteristics' means those characteristics giving information concerning the rates of usage of components of the health care system such as the length of hospital stays, the number of doctor-patient contacts, and the number of hospital admissions in a year.

"(4) 'outcome measure' means assessment of care based upon health of patients during and particularly at the conclusion of episodes of care. Standards for clinical outcome should be based solely on the results of health care;

"(5) 'Commission' means the Commission on Quality Health Care Assurance;

"(6) 'reinsurance program' means the Federal Medical Malpractice Reinsurance Program established under part B of this title; and

"(7) 'norm' means a statistical range which reflects the parameters of acceptable quality health care practices existing at the time such norm is promulgated.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 1314. There are authorized to be appropriated for the carrying out of the provisions of this part $15,000,000 for the fiscal year ending June 30, 1974; $20,000,000 for the fiscal year ending June 30, 1975; and $35,000,000 for the fiscal year ending June 30, 1976.

"PART B—FEDERAL MEDICAL MALPRACTICE REINSURANCE PROGRAM

"PROGRAM ESTABLISHED

"SEC. 1320. There is hereby established an insurance program to be known as the Federal Medical Malpractice Reinsurance Program which shall be administered by the Commission.

"SCOPE OF PROGRAM

"SEC. 1321. The Commission shall make medical malpractice liability reinsurance available to primary insurers of such liability to the extent that such primary insurers are liable for damages resulting from acts of an insured who holds a valid certificate of compliance in accordance with the requirements of section 1302.

"BASIC AUTHORITY

"SEC. 1322. (a) In carrying out the medical malpractice reinsurance program the Commission shall arrange for—

"(1) appropriate financial participation and risk sharing in the reinsurance program by insurance companies or other insurers, and

"(2) other appropriate participation on other than a risk-sharing basis by insurance companies or other insurers, insurance agents and brokers, and insurance adjustment organizations.

"(b) The Commission shall initially make reinsurance available to cover liability for amounts over $25,000 but not exceeding $1,000,000. If on the basis of studies and investigations, and other information that becomes available the Commission determines that it would be feasible to extend medical malpractice reinsurance programs to cover amounts less than $25,000 or more than $1,000,000 it may take such action under this Act as from time to time may be necessary.

"NATURE OF COVERAGE

"SEC. 1323. (a) The Commission from time to time shall, after consultation with appropriate representatives of insurance authorities of the respective States, provide by regulation for general terms and conditions of insurability which shall be applicable to primary medical malpractice insurers participating in the reinsurance program, including—

"(1) the nature and limits of liability which may be covered by such insurance;

"(2) the classification, limitation, and rejection of any risks which may be advisable;

"(3) appropriate minimum and maximum premiums;

"(4) appropriate deductibles; and

"(5) any other terms and conditions relating to insurance coverage or exclusion which may be necessary to carry out the provisions of this title.

"(b) The Commission may enter into such contracts, agreements, or other arrangements, upon such terms and conditions as may be agreed upon with primary insurers in order to carry out the purposes of this part.

"PREMIUM RATES

"SEC. 1324. (a) Premium rates established by the Commission shall be—

"(1) uniform with respect to similar classifications of risks;

"(2) sufficient to provide adequate proceeds to pay all claims for probable losses over a reasonable period of years; and

"(3) exclusive of any loading for administrative expenses of the United States under this part.

"(b) Premiums established under subsection (a) shall be paid to the Commission in such manner as the Commission shall prescribe by regulation.

"TREASURY BORROWING AUTHORITY

"SEC. 1325. (a) The Commission is authorized to issue to the Secretary of the Treasury from time to time and have outstanding at any time, in an amount not exceeding $500,000,000 (or such greater amount as may be approved by the President), notes or other obligations in such forms and denominations, bearing such maturities, and subject to such terms and conditions as may be prescribed by the Commission, with the approval of the Secretary of the Treasury. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on the outstanding marketable obligations of the United States of comparable maturities during the month preceding the issuance of such notes or other obligations. The Secretary of the Treasury is authorized and directed to purchase any notes and other obligations to be issued under this subsection, and for such purpose he is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under such Act, as amended, are extended to include any purchase of such notes and obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this section. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated as public debt transactions of the United States.

"(b) Any funds borrowed by the Commission under this authority shall, from time to time, be deposited in the Medical Malpractice Reinsurance Fund established under section 1326.

"MEDICAL MALPRACTICE REINSURANCE FUND

"Sec. 1326. (a) To carry out the reinsurance program authorized by this Act, the Commission is authorized to establish in the Treasury of the United States a Medical Malpractice Reinsurance Fund which shall be available, without fiscal year limitation—

"(1) to repay to the Secretary of the Treasury such sums as may be borrowed from him (together with interest) in accordance with the authority provided in section 1325 of this title;

"(2) to pay such administrative expenses (or portion of such expenses) of carrying out the reinsurance program as the Commission may deem necessary; and

"(3) to pay claims and other expenses and costs of the reinsurance program (including any premium equalization payments and reinsurance claims), as the Commission deems necessary.

"(b) The fund shall be credited with—

"(1) such funds borrowed in accordance with the authority provided in section 1325 of this Act as may from time to time be deposited in the fund;

"(2) such amounts as may be advanced to the fund from appropriations in order to maintain the fund in an operative condition adequate to meet its liabilities;

"(3) interest which may be earned on investments of the fund pursuant to subsection (c);

"(4) such sums as are required to be paid to the Commission under section 1324; and

"(5) receipts from any other operations under this Act which may be credited to the fund.

"(c) If, after all outstanding obligations have been liquidated, the Commission determines that the moneys of the fund are in excess of current needs, it may request the investment of such amounts as it deems advisable by the Secretary of the Treasury in obligations issued or guaranteed by the United States.

"PAYMENT OF CLAIMS

"Sec. 1327. The Commission is authorized to issue orders establishing the general method or methods by which proved and approved claims for losses may be adjusted and paid for any damage which is covered by medical malpractice reinsurance made available under the provisions of this Act."

TECHNICAL AMENDMENTS TO THE PUBLIC HEALTH SERVICE ACT

Sec. 204. (a) Section 1 of the Public Health Service Act is amended by striking out "titles I to X" and inserting in lieu thereof "titles I, II, and XV".

(b) The Act of July 1, 1944 (58 Stat. 682), is further amended by renumbering title XI (as in effect prior to the date of enactment of this Act) as title XV and by renumbering sections 1101 through 1114 (as in effect prior to such date) and references thereto as sections 1501 through 1514, respectively.

(c) Sections 767, 768, 769, 769A, and 769B of the Public Health Service Act (added by section 107 of Public Law 92-157) are redesignated as sections 769, 769A, 769B, 769C, and 769D, respectively.

Mr. KENNEDY. Mr. President, this is an amendment in the nature of a substitute, on which I should like to make a brief statement at this time.

Mr. JAVITS. Mr. President, will the Senator from Massachusetts yield for a parliamentary inquiry?

Mr. KENNEDY. I yield.

Mr. JAVITS. Mr. President, will the amendment in the nature of a substitute, which has just been set up by the Senator from Massachusetts, itself be subject to an amendment in the nature of a substitute?

The PRESIDING OFFICER (Mr. Clark). In one more degree.

Mr. JAVITS. I thank the Senator from Massachusetts. With the Senator's permission, I wished to make that clear, as I have already given notice of a substitute to be offered for Senator Kennedy's basic bill. However, I welcome whatever refinements he wishes to make so that we will be able to judge, based on what we hear about it, with respect to submitting another substitute. But I did wish to make it clear that the opportunity was available.

Mr. DOMINICK. Mr. President, will the Senator from Massachusetts yield for a question?

Mr. KENNEDY. I yield.

Mr. DOMINICK. Does the Senator intend to go forward with this, because I never heard of the substitute until just this second.

Mr. KENNEDY. I want to indicate that I will go forward with the substitute and, hopefully, introduce it tonight, and make the explanation. It is a reduction, obviously, in the total authorizations, with some variations in the legislation itself, which I hope to explain.

I would be delighted to review with the Senator from Colorado its particular provisions. It is easily understandable. We are dealing with the same issues we talked about earlier this afternoon and in the course of the hearings themselves. But it does, and it will, I think, move a long way toward meeting most of the objections of a number of the minority members of the committee.

It, in effect, will authorize $865 million rather than the $1.5 billion. In effect, we are cutting the total authorization in half. But it is making the cut in ways which I think will still maintain the central structure and thrust of the legislation. But it will be a significant reduction in the total figure which I know is a matter of considerable concern to the Senator from Colorado and to other members of the committee. We will have moved, if that is accepted, from the legislation which passed last year, of $5.1 billion over a 3-year period, to an $865 million authorization. This is troublesome, but at least it will contain the essential thrust of the legislation.

Mr. HUMPHREY. A point of information. The Senator is introducing an amendment in the nature of a substitute that is basic. Does the Senator expect tonight to vote on this between now and the remainder of the evening, or does he intend to explain it tonight and have it in the Record and then vote on it tomorrow?

Mr. KENNEDY. The Senator has correctly stated my views. I will explain it this evening and then I will be willing to talk about it with my colleagues and, hopefully, we will be able to take whatever action the Senate wishes to take tomorrow.

Mr. JAVITS. I should like to make it clear that I expect to present a substitute, on which I have previously given notice. I understand perfectly, and repeat, that it is Senator Kennedy's desire to put forward the most perfect bill he can, consistent with his views. I also state to the Senator from Colorado (Mr. Dominick), for the same reason, that I will submit the substitute tomorrow so that the Senate may make its choice.

Mr. KENNEDY. Mr. President, I believe that the Health Maintenance Organization and Resources Development Act of 1973 as reported by the Committee on Labor and Public Welfare is a good bill. I believe it provides a thoughtful, effective approach to dealing with the enormous problems present in the provisions of health care services throughout the United States. I believe it represents one alternative to our existing fragmented, disorganized system of health care delivery.

The health maintenance organization bill pending before us at the present time was ordered reported by the Committee on Labor and Public Welfare by a vote of 14 to 1, with only Senator Dominick voting nay.

Since then, two amendments in the nature of substitutes, in addition to Senator Dominick's amendments, have been placed on the Senate Calendar.

I believe that major structural amendments to legislation offered by committee members should be made in committee. This path was not chosen with respect to this legislation.

While I feel that the bill as reported is an excellent, strong piece of legislation, I am mindful of the desirability of consolidating the Senate's position with respect to this important issue to the greatest extent possible. For that reason, I have offered amendment No. 131 in the nature of a substitute to S. 14.

My amendment would go a long way toward meeting the objections, as I understand them, of some minority members of the committee whole retaining the features of the bill which I consider to be essential.

My substitute bill would cut total authorizations from $1.5 billion to $865 million for a 3-year period for support to health maintenance organizations and for the creation of an adequate quality assurance mechanism within the Federal Government.

My amendment would retain the rather specific definitions to be required of an HMO before it would be eligible for Federal assistance, but would broaden the present definition to make individual practice models eligible for assistance on an equal basis with the closed panel prepaid group practice model. The language contained in part A of title I of S. 14 would be modified in a manner patterned after the amendment offered by Senator Dominick to the health maintenance organization legislation last year. Senator Dominick's amendment was defeated at that time.

My amendment would further strike authority for supplemental health maintenance organizations, currently eligible for 17½ percent of the funds appropriated under title I. The supplemental health maintenance organization concept is a Federal giveaway program. The definition of entities eligible for funding under part D of title I is so broad, that almost anything can call itself a health maintenance organization and be eligible for funds. I believe it is the responsibility of the Senate to determine, to the greatest extent possible, the characteristics of health maintenance organizations, based upon the extensive hearing record the committee has compiled.

Authority for health service organizations is deleted under the conditions of my amendment. The broadened definition of a health maintenance organization contained in title I of the amendment would allow the Secretary to fund what the now defined as health service organizations in S. 14.

The authority for area health education and service centers is also dropped.

My amendment retains other components of S. 14 unchanged, but at reduced authorization levels. The provisions relating to preemption of restrictive State laws, quality health care initiative awards, capitation grants to enable the Secretary to subsidize premium costs and the costs of compliance with open enrollment requirements, prohibition of the transfer of funds, labor standards, open enrollment waiver, access to records, comprehensive services phase-in, and authority to provide services for Indians and migrant workers are retained.

Title IV of S. 14 is retained in my amendment intact.

The authorization for the appropriation of funds in the committee bill as amended by my amendment, if adopted, would be $865 million over a 3-year period. This compares with an authorization level of $1.5 billion over 3 years in the bill as it now stands, and of $5.18 billion as the bill passed the Senate last September.

Those are the essential differences in the substitute.

Mr. DOMINICK. Mr. President, will the Senator yield for a question?

Mr. KENNEDY. I yield.

Mr. DOMINICK. I am still not quite clear. I gather that the Senator knocks out title II in the HSO but leaves in title I. What did the Senator do about other than the closed panel type HMO?

Mr. KENNEDY. We accepted the language the Senator from Colorado offered last year to provide greater flexibility for eligibility. I want to be precise. The Senator is familiar with this. We are not requiring that it be on a salary basis, but we are providing flexibility for a fee for service payment to the doctors if, in the judgment of the HMO, they feel that is the more desirable means of payment. We provide flexibility in this area, which I think is a desirable quality.

We have tried to broaden the definition for HMO to reach, as I think it will, a number of the points the Senator from Colorado was interested in last year. But the advantage, as I see it, is that we have eliminated the supplemental HMO's, which we thought was defined in too vague and general a manner, and did not warrant the kind of financial support authorized by the bill.

By continuing the range of services and the other requirements for HMO, we tried to make it more flexible in terms of general definition.

Mr. DOMINICK. So that under title I, the Senator is saying that whatever the amount he has—I have not seen the amendment—would be eligible for grants and loans to any type of HMO and not just closed panel. Is that correct?

Mr. KENNEDY. The Senator is correct.

Mr. DOMINICK. And the Senator does not set aside any particular amount for other than closed panel. It is all lumped together, and then there is discretion in the Secretary.

Mr. KENNEDY. The Senator is correct.

Mr. DOMINICK. I thank the Senator.

Mr. KENNEDY. It seems to me that that is a more desirable compromise than what is included in the present arrangement.

The definition of a medical group as changed, and we have added the following language:

> Such group may be organized on a group practice or individual practice basis, and individual physicians may be paid on a fee for service or any other basis, so long as the group is reimbursed for its services on the basis of an aggregate fixed sum or on a per capita basis.

Mr. DOMINICK. I think that is in accord with the language which was voted down last year.

Mr. KENNEDY. I want to make sure the Senator has a complete copy of the proposed legislation this evening. He is certainly familiar with the broad sweep of it. I know he would like a chance to examine it. I have tried to explain briefly the principal areas of difference.

Mr. President, the Senator from Maine spoke to me about the elimination of HSO's, and he wanted some assurances about the availability of resources particularly in rural communities; I think that is an extremely important area. Some of the greatest health needs are in rural communities. The Senator from Maine was interested in developing a dialog to make sure that any adjustments and changes in connection with this matter would be protected. He spoke to me earlier about this, and I expect to have an opportunity to develop that completely with him tomorrow, and with any other Senator, because we intended, as we refined the definition of the HSO, that it should be clear—as I believe it is in the language—that there would be adequate provision for the development of the HMO's in its broader definition within the rural communities of this country. I look forward to making that as clear as possible.

LEAVE OF ABSENCE

Mr. ALLEN. Mr. President, I will be absent necessarily from the session of the Senate on tomorrow. If I were present, I would vote "nay" on final passage of this bill.

I ask unanimous consent that I may be accorded a leave of absence from the Senate for tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JAVITS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, I believe it would be helpful to Senators to have an analysis of the difference between the substitute I intend to introduce and the substitute introduced by the Senator from Massachusetts.

I call attention to the fact that last Wednesday I introduced into the Record an analysis of the differences between my substitute and S. 14 as originally presented. In order to bring that analysis up to date it is necessary to have the differences before us as to both substitutes. I ask unanimous consent that a memorandum stating the differences made be printed in the Record at this point.

There being no objection, the analysis was ordered to be printed in the Record, as follows:

COMPARISON OF DIFFERENCES BETWEEN KENNEDY SUBSTITUTE AMENDMENT AND JAVITS/SCHWEIKER SUBSTITUTE AMENDMENT TO S. 14

Javits/Schweiker	*Kennedy*
I Authorizations:	
Total, $705,000,000.	Total, $865,000,000.
Part A, $430,000,000.	Part A, $430,000,000.
Part C, 0.	Part C, 0.
Part D, 0.	Part D, 0.
Part E:	Part E:
Initiative awards, $150,000,000.	Initiative awards, $125,000,000.
Capitation subsidy, 0.	Capitation subsidy, $125,000,000.
Open enrollment subsidy, 0.	Open enrollment subsidy, $115,000,000.
Quality Commission, $125,000,000.	Quality Commission, $70,000,000.
II HMO definition:	
Same as S. 14.	Broaden to include individual practice and fee for service payment.
III Supplemental HMO's:	
Same as S. 14.	Deleted.
IV HSO's and AHBC's:	
Deleted.	Deleted.

V Federal malpractice reinsurance: Deleted.	Same as S. 14.
VI Commission on Quality Health Care Assurance: Establish in HEW.	Same as S. 14, established as independent agency.
VII Waiver of defined health benefits: Broadened to include lack of facilities and equipment.	Same as S. 14, limited to lack of health manpower.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, May 14, 1973, he presented to the President of the United States the enrolled bill S. 721 to authorize appropriations for the Indian Claims Commission for fiscal year 1974, and for other purposes.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, there will be no more rollcall votes today.

ORDER FOR RECOGNITION OF SENATOR HARRY F. BYRD, JR., TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that in lieu of the name of the Senator from Kentucky (Mr. Cook), for whom an order was entered earlier today for 15 minutes tomorrow, the name of the distinguished senior Senator from Virginia (Mr. Harry F. Byrd, Jr.) be substituted.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR PERIOD FOR THE TRANSACTION OF ROUTINE MORNING BUSINESS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that, following the aforementioned orders tomorrow, there be a period for the transaction of routine morning business of not to exceed 15 minutes with statements limited therein to 3 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR CONSIDERATION OF UNFINISHED BUSINESS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at the conclusion of routine morning business tomorrow, the Senate resume its consideration of the unfinished business.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the program for tomorrow is as follows:

The Senate will convene at 12 o'clock noon. After the two leaders or their designees have been recognized under the standing order, the following Senators will be recognized, each for not to exceed 15 minutes, and in the order stated: Mr. Stevenson, Mr. Harry F. Byrd, Jr., Mr. Griffin, and Mr. Robert C. Byrd.

Mr. President, at the conclusion of the 15-minute orders for the recognition of Senators, there will be a period for the transaction of routine morning business of not to exceed 15 minutes with statements limited therein to 3 minutes.

At the conclusion of the routine morning business, the Senate will resume its consideration of the unfinished business, S. 14. The pending question at that time will be on the adoption of amendment No. 131, an amendment in the nature of a substitute, offered by the distinguished Senator from Massachusetts (Mr. Kennedy).

It is hoped that the Senate will complete its action on S. 14 tomorrow and that it may then proceed to the consideration of S. 723, a bill to esablish a National Institute for Health Care Delivery, and S. 504, a bill to amend the Public Health Service Act to provide assistance and encouragement for the development of comprehensive emergency medical systems.

Upon the completion of those measures it is anticipated as of now, that the Senate would proceed to the consideration of S. 1672, a bill to amend the Small Business Act. Yea-and-nay votes will occur tomorrow.

ADJOURNMENT

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate I move, in accordance with the previous order, that the Senate stand in adjournment until 12 o'clock noon tomorrow.

The motion was agreed to; and at 5:24 p.m. the Senate adjourned until tomorrow, Tuesday, May 15, 1973, at 12 o'clock noon.

NOMINATIONS

Executive nominations received by the Senate on May 11, 1973, pursuant to the order of May 10, 1973:

U.S. DISTRICT COURTS

Harlington Wood, Jr., of Illinois, to be a U.S. district judge for the southern district of Illinois vice Omer Poos, retiring.

DEPARTMENT OF JUSTICE

Ralph F. Keil, of Delaware, to be U.S. attorney for the district of Delaware for the term of 4 years vice F. L. Peter Stone, resigned.

Harold O. Bullis, of North Dakota, to be U.S. Attorney for the district of North Dakota for the term of 4 years, reappointment.

NATIONAL MEDIATION BOARD

David H. Stowe, of Maryland, to be a member of the National Mediation Board for the term expiring July 1, 1976 (reappointment).

U.S. NAVY

The following named captains of the Navy for temporary promotion to the grade of rear admiral in the staff corps indicated subject to qualification therefor as provided for by law:

MEDICAL CORPS

Robert G. W. Williams, Jr.
Paul Kaufman
Robert C. Laning
Robert L. Baker
William M. Lukash

SUPPLY CORPS

John C. Shepard
Carlton B. Smith
Thomas J. Allshouse

CIVIL ENGINEER CORPS

Kenneth P. Sears

DENTAL CORPS

Robert W. Elliott, Jr.

IN THE NAVY

The following-named midshipmen (Naval Academy) to be permanent ensigns in the line or staff corps of the Navy to qualification therefor as provided by law:

Rex T. Aaron
Robert S. Adams, Jr.
Gary L. Allen
John B. Allen
Richard J. Allen
Darl R. Anderson
William H. Anderson, Jr.
David Architzel
Gary T. Ariniello
Olin M. Armentrout
John R. Ashmore
Leonard C. Aube
Johnathan R. Austin III
Bryant W. Averyt
James B. Ayres, Jr.
Bruce M. Bachman
W. K. Bandhauer
Robert C. Barnes
Douglas J. Barnett
Randall G. Barnhart
Melvin W. Barrentine
Robert P. Bartron
William D. Bartron
Daniel J. Bauman, Jr.
Neil S. Beck
John L. Bedker, II
Michael R. Behrent
Richard H. Belote
James D. Beltz
John F. Benjamin
Joseph A. Benkert
Vaughn P. Bennett
Wesley A. Bergazzi
Stephen J. Bernasconi
Charles E. Bianco
William C. Bittman
Hugo G. Blackwood
William R. Blake, Jr.
Gerald B. Blanton
Allen R. Blough
Richard T. Bocim
James F. Boland, Jr.
Raoul Bonvouloir, Jr.
Ronald J. Borro
Ronald E. Bowman
Frederick J. Brasco
Robert E. Brathuhn, Jr.
James D. Bridges
Rex S. Bridges
Pasquale A. Brignola
James L. Brill
Thomas H. Brillat
James S. Bristow
Thomas E. Broderick
Thomas G. Broussard, Jr.
David A. Brown
Dean R. Brown
Gary W. Brown
James B. Brown, Jr.
Stuart V. Brown
James L. Buchanan
Bruce W. Buckley
James R. Burdett
Kirk S. Burgamy
Roger L. Burkhart
John Burkholder
Robert M. Burnes
Thomas N. Burns
Duncan M. Butt
Robert Buttermore
Michael F. Byrne
John L. Byrnes
David P. Caccamo
Frederick W. Caesar III
Kerry H. Caliman
Kenneth J. Calise
John K. Callahan
James A. Campbell
William L. Campbell
James A. Canter
Don L. Canterna
Brian L. Cardiff
Larry D. Carello
Gary L. Carlile
Gary S. Carlson
Stephen A. Carlson
William J. Carothers
Michael A. Carrigan
Paul D Carstens
James R. Carter
Robert A. Casey II
Bruce A. Castelman
Kim Castro
Mark B. Cavallo
"J" R. Chaffin
Brad A. Chalker
Guy C. Chamberlain III
Edward L. Champion, Jr.
Evan M. Chanik, Jr.
James H. Chapman, Jr
John L. Chapman
Steven B. Cheezum
Raymond N. Chell, Jr.
Dewaine R. Cherry
Gary L. Chetelat
Robert K. Christensen
James J. Cipriano
William C. Clair
Mark F. Clapper
Robert J. Clarey
Danny L. Clarkson
Carl L. Cleveland
Steven O. Coats
Robert C. Coffeen
Lonnie W. Cole
Frank S. Coleman, Jr.
Douglas L. Collins III
William F. Comly
Robert H. Conn, Jr.
Raoul B. Conway
Norman R. Cook III
Charles G. Cooper III
David W. Cornell
William R. Corse
John Alan Cory
Edward F. Cotter, Jr.
John G. Cotton
Daniel P. Couch
Dana C. Covey
Paul R. Cox
Ryan C. Cramer
Albert D. Creasy, Jr.
Jeffrey W. Crews
William H. Cross, Jr.
Michael S. Crouch
Jeffrey W. Cummings
John C. Cunliffe

Michael P. Currerl
Gary A. Currey
John L. Dailey, Jr.
Addison G. Daniel III
John R. Davis
Craig B. Dawson
Martin K. Deafenbaug
Steve R. Dean
Wilson B. Decker
Thomas J. Degeorge
Robert C. Degour
Michael C. DeManss
John C. Dempsey, Jr.
Michael F. Dennis
Patrick L. Denny
Daniel C. Denzer
Andrew A. DePeder
Douglas A. DeSalvo
James J. Destafney, Jr.
Stephen B. DeVilbiss
Richard Dick
Lawrence E. Dlugos
David O. Dodge
Lawrence T. Doerflein
William G. Doherty
James T. Dohse
Stephen M. Dole
Conrad J. Donahue, Jr.
Joseph W. Doswell, Jr.
Michael J. Dougherty
Patrick R. Drake
Dennis C. Draper
J. B. Dreger
William M. Dunaway
Calvin L. Durst
Dennis M. Dwyer
John J. Edvardsen
James M. Eggleston
John E. Eisaman, Jr.
Richard A. Elliott
Timothy P. Ellis
Michael S. Ellison
Royce A. Engler
Thomas F. Enright
Philip Lee Ertel
Manuel F. Estrada
James F. Etro
Allan J. Eurek
John J. Evans
William G. Evans
William L. Evans
Bruce P. Evjen
James L. Ewing IV
Frederick D. Fahlberg
Bruce K. Farley
Homer L. Faust, Jr.
Thomas M. Feeks
Robert M. Fenlon
John A. Fericks
John R. Ferraro
Jay P. Fischer
Rand H. Fisher
Rory H. Fisher
Robert E. Fishman
Paul V. Fitzgerald III
John L. Fleming
William P. Fogarty
Gregory N. Fontaine
Robert D. Ford
Jack D. Forde, Jr.
Arthur K. Foskett
Tally B. Fox
Frank J. Frabotta
Richard W. Frailing
Howard J. France
Roger B. Francisco
Jonathan D. Friestedt
Raymond N. Fulton, Jr.
William H. Funke
Mark P. Gabrynowicz
Michael J. Gage
Thomas P. Gallagher III
James R. Garban
David P. Garfrerick
James E. Garrison
Richard S. Garvey
Kenneth P. Gathercole
William J. Gerken
Mark J. Geschke
Robert J. Gibson
George C. Giessing III
Douglas C. Gilbert
James V. Gilbert
Dennis M. Gillespie
Randy E. Glasnapp
John C. Goble
Mark A. Golay
Marc D. Goldberg
Jonathan L. Goldstein
William D. Good
John R. Goodrich II
James W. Gordon
John P. Gorman
Thomas F. Gorman, Jr.
Michael J. Gouge
William A. Goulding
Dennis D. Grabulis
Bret Graham
Jeffery W. Grant
William Gravell
George H. Greanias
John B. Gregor
Douglas B. Griffin
Richard A. Griffin, Jr.
David N. Griffith, Jr.
Geoffrey M. Griffiths
Joseph J. Grosel
James P. Gruber
James A. Haggart
James S. Hamlin, Jr.
James D. Hamrick
Carl E. Hance
Rexford D. Hand
Dwight W. Handforth
Scott C. Haney
Allen R. Hansen
Steven P. Hansen
Robert D. Hanson
Ross M. Harding
Bruce C. Hargus
Steve R. Harkins
John C. Harris
Michael J. Harris
Michael M. Harris
Randall C. Harris
Russell E. Harris
James J. Harrison
Marc A. Harrison
Robert M. Hartling
John C. Harvey, Jr.
Peter L. Hatton
David L. Hayes
Conrad P. Hedderich
Dale P. Helmer
Gary L. Helmick
Jay M. Hemberger, Jr.
Howard J. Hempenius
Craig B. Henderson
Michael D. Henderson
Paul B. Hendrickson
Scott L. Hendrickson
Douglas G. Henry
Peter D. Herlin
Richard J. Herman
David L. Herr
Raymond B. Herring
"J" D. Hertel
Randall J. Hess
Samuel G. Hester
James D. Hillenmayer
Phillip P. Hoffmann
Stephen M. Holgate
James C. Holloway
Robert C. Holmes
William B. Holmes
Derek E. Holmquist
Thomas H. Holt
Richard B. Hooker
Richard M. Hoover
Donald D. Hopkins
James P. Hopkins, IV
Steven W. Horton
Kim C. Houck
John J. Howard
Gregory A. Huber
John M. Hudspeth
Thomas P. Muegerich
Louis A. Hughes
David B. Hultberg
Jeffrey A. Iiams
Steven R. Ingram
Kenneth A. Jacobsen
John C. Japuntich
David P. Jaqua
William D. Jobe
Jacob L. Johnson, Jr.
John E. Johnson, Jr.
Kenneth A. Johnson
Robert S. Johnson
Donald W. Jones
Douglas E. Jones
Maxwell L. Jones
Max E. Kalafat
Michael R. Kalas
Joseph C. Kale
James C. Kane
Michael J. Kane
Bruce Keener, IV
Jeffrey D. Keho
Orion P. Keifer
Stephen H. Keller
Michael D. Kelley
Barry L. Kelly
James D. Kelly
John M. Kelly
Thomas B. Kelly
William G. Kelsey
Wayne M. Kennard
John F. Kennedy
Robert B. Kennedy
John M. Kenny
William A. Kerekes
Thomas J. Kiernan
Thomas J. Kilcline, Jr.
Chad King
Kim A. King
Larry A. King
Mark E. Kirchberg
Robert J. Kirkland III
John R, Kirwan, Jr.
Edward P. Kiss
William C. Kissel
Robert F. Klaus
Gary D. Klein
Glenn E. Klein, Jr.
Robert R. Klepacki
Francis J. Klingseis
Robert J. Knight
Arthur "L" Knoflick
Louis H. Knotts
Charles B. Knutson
Roy E. Knutson
David R. Kohler
Mark W. Kohring
Dennis R. Kolasa
William S. Kordis
Gary D. Kornegay
Norman W. Kowalski
Joseph S. Krajnik
John S. Kraus
Joseph A. Krisiak
Thomas L. Krupski
David W. Kucik
Arthur P. Kuehne
David M. Kuhn
Steven A. Kunkle
Paul S. Kuntz
Michael J. Kupfer, Jr.
William C. Kurz
Wells K. Labberton
Vincent D. Lacava
James C. Lamar
Paul K. Landers
Roger B. Lanning
Randall D. Larson
James H. Lash
William B. Laskin
George C. Lassetter III
Frank J. Laughlin
Douglas J. Law
David M. Leather
Mark A. Leatherwood
Matthew L. Lechleitner
Douglas A. Leland
David L. Lengel
Richard M. Levy
Donald W. Lewis
William R. Liedtke
Carl M. Lindner III
Robert E. Luby, Jr.
David W. Lucas
John C. Lucy
Michael J. Lupidi
Patrick M. Lyons
Gordon S. MacDonald
Charles A. MacMillan
Danied F. Madden
Joseph S. Mahaley
John D. Maher
Jonathan T. Malay
Barry P. Mangan
William F. Manganaro
David J. Maresh
Donald G. Marquart
David W. Marshall
Douglas B. Marshall
John J. Martin, Jr.
Thomas O. Martin
Peter W. Marzluff
Robert E. Maskell
Robert D. Maslowsky
James J. Masterson
Thomas O. Matella
Kenneth P. Mayeaux
Timothy S. McClay
Mark S. McClellan
Kevin B. McCleskey
James R. McClurg
William M. McCracken

Edward F. McDonald
Bruce E. McGalliard
James M. McGarrah
John J. McGarry, Jr.
Louis L. McGinty
John S. McHenry
John A. McIntosh III
Terrance J. McKearney

Michael S. McKeever
Tobin R. McNatt
Michael D. McRobbie
Duncan H. Meldrum
David D. Mericle
James L. Messervy
Bruce R. Metrick
John R. Midgett
Joachim T. Mihalick
George A. Mikolai
Albert R. Miller, Jr.
Burt E. Miller
Gary W. Miller
Matthew P. Minahan
Frederick R. Minier
Vincent P. Mocini
Randall J. Mollet
Carmen S. Mondelli, Jr.
William M. Montgomery
David B. Moreland
James B. Morin, Jr.
William M. Morrison
James D. Morton III
James A. Moseman
Scott F. Moss
Donald D. Mowry
Edward J. Muldoon, Jr.
Charles L. Munns
Roger W. Murch
James C. Murphy
James S. Murphy
Alexander H. Murray
James P. Murray
Michael K. Murray
Daniel G. Musmanno
Lawrence C. Myers III
Michael S. Myers
Richard C. Myers
Thomas R. Nadeau
Glen E. Nardi
Russell A. Neal II
Leonid Neboshynsky
Gregory M. Neifelt
Hugh D. Nelson
Patrick A. Nelson
Robert N. Nestlerode
Ralph R. Neumeister
Randolph Ni
Steven R. Nichols
William F. Nielsen
Vincent J. Nigro
Michael J. Nolan II
Roger T. Nolan
Robert M. Norman
John A. Norris, Jr.
Gary S. Nowak
John S. Nunnery
Steven M. Nyman
Michael P. Obert
David F. O'Connor
James F. O'Connor
Charles D. O'Dell
Stephen E. Ogden
James C. Oliver III
Eric T. Olson
Larry E. Olson
Dennis J. O'Meara
Fred G. Orchard
Colin C. Osborn
Michael J. O'Shaughnessy
Michael P. O'Sullivan
Stephen S. Oswald
Dudley M. Outcalt
Lewis G. Pallas
George R. Parish III
Thomas K. Parks
Herbert W. Parthum, Jr.
Robert C. Partlow
John J. E. Parus
Keith W. Patten
Donald J. Patton
John E. Patton
Robert M. Peal
Andrew J. Pease
John S. Pechonis
Mark R. Perez
Harry J. Phillips
Donald M. Phipps
Kenneth G. Picha
Craig A. Pierce
John F. Pilli, Jr.
Randall S. Plane
Jeffrey L. Poe
Jack M. Pohlmeyer
Bruce C. Pollock
Charles T. Poltack
Steven C. Poppy
Charles R. Porcelli
Carl A. Powell
Glenn C. Powers
Gregory Pozinsky
Robert E. Preston, Jr.
Donald S. Price
Edward L. Price
Ronald J. Price
Ronald H. Provencher
Dale L. Puhrmann
James G. Pullen
Gerard J. Purciarello
Michael T. Rader
James C. Radney
Mark D. Rahmel
Donald W. Randall
James D. Randall
Carl F. Ransburg
Bradford R. Rath
Bill C. Ray
Kevin J. Reale
Raoul B. Reese
John R. Reeves
Thomas J. Reid
Kenneth S. Reightler, Jr.
Otto G. Reimann
Douglas J. Rein
Edward R. Reinhardt
Peter J. Reinhardt
Kai T. Repsholdt
Stephen F. Resser
Craig O. Reynolds
William W. Reynolds
Gary G. Rhoads
Douglas S. Rice
Brian C. Rich
Randy J. Rickey
Michael L. Righi
Thomas F. Roberts
Matthew J. Rogers
Robert W. Rolfes
Gregory J. Rose
Gary Roughead
Micael L. Rowland
Ernest M. Ruberg
Harry J. Rucker
John M. Russell
Thomas B. Russell III
Larry E. Rutledge
Paul J. Ryan
Noe A. Salazar
Mark J. Salmen
Charles N. Salmond
Stephen M. Sammon
Richard G. Samuels, Jr.
Gary V. Samuelson
William C. Sanderson
Mathew J. Saviello
Peter A. Scala
Delbert D. Schaub
Timothy E. Scheib
Guy D. Schein
Andrew E. Schneck
David L. Schreder
Craig W. Scott
Timothy J. Scott
Ronald L. Scudder
John R. Seaberg
William F. Seebode III
Herman L. Seedorf III
Michael J. Seiwald
Richard J. Severinghaus
Robert "B" Shary, II
Mark W. Shaughnessy
Dennis J. Shea
Paul G. Sherland
Jack E. Shick
Rodney L. Shockley
Terry L. Shoemaker
Marc A. Shuter
Howard B. Sidman
Harry M. Siegel
Terry D. Silva
John S. Simcox
Thomas L. Simmonds
Michael F. Simon
Daniel L. Simpson
Michael D. Simpson
Robert C. Simpson
Mark S. Skorich
William T. Sleichter
Thomas E. Sliva
Nicholas B. Smilari
David L. Smith
John P. Smith
Kenneth M. Smith, Jr.
Kyle R. Smith
Robert G. Smith
Stephen M. Smith
James C. Snead
James W. Somers
Bruce A. Spalding
John R. Sparaco
Ross A. Springer
David R. Stacy
Barry A. Stark

Thomas G. St. Denis
Michael J. Steele
John C. Stencil
Van A. Stephens
Robert A. Stephenson
Charles M. Stevens II
John R. Stevenson, Jr.
Joseph D. Stewart
Don L. Sticinski
Timothy D. Stoddard
Thomas M. Storch
Dan M. Stover
Gregory C. Straessle
Lance J. Strauss
David W. Stickland
James E. Stuckey II
David L. Stutzman
Joseph W. Suchy
Stephen D. Sudkamp
John A. Sullivan
Eric R. Swanson
Timothy M. Taylor
Michael W. Terry
Thomas J. Tesoriero
Dan I. Thigpen
Bruce G. Thompson
Henry F. Thompson, Jr.
Stephen C. Thompson
Thomas A. Thompson
Lester F. Thorpe
Terry W. Tilton
Craig S. Tomlinson
Christopher F. Tompkins III
David A. Toms
Charles R. Trahan, Jr.
Michael H. Trent
Thomas R. Tritz
Theodore C. Turnblacer
Richard P. Umbel, Jr.
William J. Ungvarsky
Robert W. Van Dine
Leland B. Van Oss
James L. Van Sickle
Robert W. Ver Voorn
Kevin R. Vienna
Pierre G. Vining
Richard L. Virgilio
Dennis J. Vito
Patrick M. Virtue
Pete A. Vrotsos
Dana L. Vugteveen
David D. Wagner
Richard E. Wagner
Robert D. Wakefield
Craig G. Walenga
Thomas E. Warren
George P. Watt, Jr.
Robert D. Watts
William S. Weise
Kenneth C. Weiss
Charles A. Weitz, Jr.
Joseph D. Weller, Jr.
Jeffrey D. Welsh
Raymond L. Wenderlich
William D. West
Mark A. Wheeler
Ronald A. Whisenhunt
Carroll L. White
Donald H. White
Roy A. Wiegand, Jr.
Randy L. Wight
Edward B. Wilkes
Stephen G. Wilkes
Robert F. Willard
William W. Williams
David W. Willmann
Craig W. Wilson
Donald F. Wilson
Eugene K. Wilson, Jr.
Terence S. Wilson
Thomas J. Wilson III
Sherman D. Winchell
Jeffrey R. Woll
Terry R. Woodrow
Richard L. Wright
John W. Wuichet II
John S. Yackus
John D. Yepsen
William M. Yerkes, Jr.
William G. York
Brian K. Young
Ernest C. Young
Gordon R. Young
Mark A. Young
Patrick E. Young
Stephen P. Yuhas
Fred C. Zeile III
Michael I. Zimet
Gary W. Zimmer
James M. Zortman

The following-named (Naval Reserve Officers Training Corps candidates) to be permanent ensigns in the Line or Staff Corps of the Navy, subject to the qualification therefor as provided by law.

Michael S. Bailes
Patrick N. Brady
Steven R. Burnette
Timothy J. Carey
Edward P. Cornely
Michael R. Doerr
Timothy M. Donohue
Douglas V. Dorsey
Peter S. Eltringham
Charles C. Evans
Howard D. Eves
Douglas W. Frolli
John L. Gottschalk
David B. Green
Joseph M. Hall
Kevin M. Killoren
Martin R. King
Frederick J. Klotzbach, Jr.
Edward D. Kosakoski
Richard O. Kuehl
David M. Maddon
Stephen E. Markkanen
Mark E. Miller
Kevin E. Mulcakey
John W. Nyce
Michael P. O'Connor
Geoffrey F. Presson
William T. Purcell
William J. Perlmutter
Gordon L. Rich
Joseph G. Romano
Robert C. Scholes
David W. Shafer
James T. Shaw III
Carl M. Smeigh, Jr.
Bruce T. VanBelle
Clifford H. Waits, Jr.
Jason L. Williams
Michael E. Wills

The following-named (naval enlisted scientific education program candidates) to be permanent ensigns in the Line or Staff Corps of the Navy, subject to the qualification therefor as provided by law.

William H. Powell, Jr.
David P. Sommers.

Lawrence N. Varner (civilian college graduate) to be a permanent lieutenant (junior grade) and a temporary lieutenant in the Medical Corps of the Navy, subject to the qualification therefor as provided by law.

The following-named (Naval Reserve officers) to be permanent lieutenants (junior grade) and temporary lieutenants in the Medical Corps of the Navy, subject to the qualification therefor as provided by law.

Patrick M. Devig.
Alan L. Gorrell.
Robert K. O'Bryan.
Daniel J. Weber.

The following-named (Naval Reserve officers) to be permanent lieutenants and temporary lieutenant commanders in the Medical Corps of the Navy, subject to the qualification therefor as provided by law.

Lowell H. Kallen.
Andrew J. O'Dwyer, Jr.
Douglas M. Stetson.

Richard G. Sowden (Naval Reserve officer) to be a permanent lieutenant in the Medical Corps of the Navy, subject to the qualification therefor as provided by law.

George V. Frankhouser, Jr. (Naval Reserve officer), to be a permanent lieutenant commander and a temporary commander in the Medical Corps of the Navy, subject to the qualification therefor as provided by law.

The following-named (civilian college graduates) to be permanent lieutenants (junior grade) and temporary lieutenants in the Dental Corps of the Navy, subject to the qualification therefor as provided by law.

Donald P. Carlson
Robert J. Carlson
Howard L. Grissom
Saul H. Landa
John D. Nydahl
Gerald W. Ogilvie

The following-named (Naval Reserve officers) to be permanent lieutenants (junior grade) and temporary lieutenants in the Dental Corps of the Navy, subject to the qualification therefor as provided by law.

Harvey A. Akerson
Robert B. Carlson
Patrick J. Constantine
Anthony J. Farace, Jr.
Philip E. Genet
James A. B. Hadman
Robert C. Herrmann
William L. Holton
Walter J. Kucaba
John C. Martin
John D. Matheson
William G. Reeves, Jr.
Richard P. Rog
Ronald J. Smith
Paul F. Stannard
Charles F. Tremann

Raymond H. Beastall (Naval Reserve officer) to be a permanent lieutenant in the Dental Corps of the Navy, subject to the qualifications therefor as provided by law.

Charles A. Woerz (Naval Reserve officer) to be a permanent lieutenant and a temporary lieutenant commander in the Dental Corps of the Navy, subject to the qualification therefor as provided by law.

Alfred Schmidt, U.S. retired officer, to be reappointed from the temporary disability retired list as chief warrant officer W–2, for temporary service, subject to the qualification therefor as provided by law.

The following-named U.S. Navy officers to be temporary commanders in the Medical Corps in the Reserve of the U.S. Navy, subject to the qualification therefor as provided by law:

Larry E. Cummins
John T. Lucas
Britton E. Taylor

The following-named (civilian college graduates) to be permanent commanders in the Medical Corps in the Reserve of the U.S. Navy, subject to the qualification therefor as provided by law:

Franklin G. Ebaugh
Ira B. Horton, Jr.

John A. Callahan (civilian college graduate) to be permanent captain in the Medical Corps in the Reserve of the U.S. Navy, subject to the qualification therefor as provided by law.

John J. Stevens III (civilian college graduate) to be permanent commander and a temporary captain in the Medical Corps in the Reserve of the U.S. Navy, subject to the qualification therefor as provided by law.

Ex-Cmdr. John E. Williams to be a commander in the Medical Corps, in the Reserve of the U.S. Navy, for temporary service, subject to the qualification therefor as provided by law.

The following-named (civilian college graduates) to be commanders in the Medical Corps, in the Reserve of the U.S. Navy, for temporary service, subject to the qualification therefor as provided by law:

Don R. Tielens
Calvin J. Willis

Capt. Ross B. Moquin, U.S. Navy, to be a permanent commander and a temporary captain in the Medical Corps in the Reserve of the U.S. Navy, subject to the qualification therefor as provided by law.

EXTENSIONS OF REMARKS

TERROR IN THE NIGHT

HON. HARRY F. BYRD, JR.

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

Monday, May 14, 1973

Mr. HARRY F. BYRD, JR. Mr. President, the May 3 edition of the Richmond Times-Dispatch included an excellent editorial about the night raid on the homes of two families in Collinsville, Ill., April 23.

The invasion of these homes was a shocking example of what can happen when law enforcement officials, armed with more authority than judgment, are given too much leeway.

I am firmly opposed to the "no-knock" provisions which Congress has enacted, and I would like to see all such statutes repealed. But if such provisions are to remain on the books, then certainly greater caution must be exercised by those charged with enforcing the law.

The editorial in the Times-Dispatch rightly points out that the fourth amendment to the U.S. Constitution guarantees the right of the people to be secure in their homes. The raid at Collinsville seems to me a clear violation of that right.

I ask unanimous consent that the text of the editorial, "Terror in the Night" be included in the Extensions of Remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

TERROR IN THE NIGHT

At a time when the nation is learning the sickening story of dishonesty and plain criminality among some men who served in the highest positions of trust in the federal government, a chilling episode of another kind involving federal agents has come from Collinsville, Ill.

There, federal narcotics agents are reported to have burst into the homes of two families on a recent night, kicking down the doors, wrecking furniture, mouthing obscenities, forcing the residents to endure embarrassing indignities, and even flatly telling their victims they were going to die.

The agents were searching for drugs. They had the wrong addresses. They reportedly had no search warrants. One woman, who has had several miscarriages and believes she is pregnant again, was made to lie on the floor in a flimsy negligee after first being compelled to beg the intruders to spare her husband's life. Granted that the agents couldn't have known that the woman may have been in an early stage of pregnancy, there nevertheless could have been no justification for this kind of ruthless intimidation, even if these had been suspects being apprehended.

Unfortunately, these weren't the first such mistakes made by federal narcotics agents. In January, news reports told a chillingly similar tale of an innocent family in Winthrop, Mass. being terrorized by agents of their government.

Quite frankly, these weird incidents sound more appropriate to the KGB tactics against nonconformists in Soviet Russia than to democratic ideals we Americans hold so dear. The Constitution does not say in these words that "a man's home is his castle," but the Fourth Amendment does state: "The right of the people to be secure in their persons, houses, papers, and effects, against unreasonable searches and seizures, shall not be violated, and no warrants shall issue, but upon probable cause, supported by oath or affirmation, and particularly describing the place to be searched, and the persons or things to be seized."

The illegal sale of dangerous drugs is a terrible menace to society. This page has editorialized many times on the need for rigorous and appropriate law enforcement against the drug pushers.

However, if there is even a small minority of lawmen to inept in their investigative procedures, so callous and shabby in their methods of arrest, so contemptuous of basic decency, as to perpetuate the Collinsville and Winthrop fiascoes, then the whole necessary law enforcement effort becomes tainted. Laws cannot be enforced by men who themselves flout the law.

The current drive of the federal agents against the drug traffic is being coordinated under an Office for Drug Abuse Law Enforcement created by President Nixon, who has called the drug dealer "public enemy No. 1." We suggest that the operations of this agency and all who work under its aegis be closely scrutinized to take care that it doesn't become the number one public enemy itself. At least in Russia it is said that there is a rap on the door before a citizen is hauled off into the dead of the night.

FOR GOOD MEASURE

HON. DON FUQUA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1973

Mr. FUQUA. Mr. Speaker, someday the United States will adopt the metric system.

It should be now.

Our archaic system of measurements is woefully out of date and was never a very good method in the first place. Every year only compounds the problem and the cost of converting to a new system.

It could be done over a period of time with a minimum of disruption. Particularly do I think my proposal would work, for I would make it an optional system. The reason for this is because I think the metric system is so superior that it would be adopted quickly on its merits.

Sometimes the people are ahead of their elected officials.

In this case, I think the Congress is behind the times in not moving forward in adopting the first stages of a metric system for the United States.

I think a recent column by James J. Kilpatrick makes some interesting observations about the need for the metric system and the ease with which it has been adopted elsewhere:

Think Metric, Just for Good Measure

(By James J. Kilpatrick)

A House subcommittee will resume hearings this week on a proposal nearly as old as the Republic itself—a proposal that the United States officially "go metric." It is high time, in my own view, to set the project in motion.

The operative word here is "officially." Important segments of American science and industry have been slipping unofficially into the metric system over a period of years. The pharmaceutical industry, for one example, converted 15 years ago from the old drams and grains to milligrams and grams. Only last month, General Motors announced that it will switch to the metric system for all new products. Ford's next four-cylinder engine will be metric. Camera film everywhere is sold in such sizes as 35-millimeter.

The decision before Congress, as a practical matter, is not whether the international metric system will come into increasing use, but whether conversion will be planned or unplanned. The principal bills before the subcommittee, sponsored by Robert McClory, R-Ill., and Olin E. Teague, D-Tex., differ only slightly in proposing an officially planned conversion over a 10-year period.

Such a conversion wouldn't be easy, as spokesmen for the AFL–CIO and for various industries have made clear. Within the steel industry, the subcommittee has been told, a changeover would cost an estimated $2.16 billion, and these massive costs would produce "little or no benefit." Absorbing such costs is only part of the problem: Millions of workers would have to be taught to "think metric" and to speak in a new vocabulary of kilograms and centimeters.

Proponents of conversion acknowledge these arguments, but contend the difficulties are overblown. Great Britain, now well into its own conversion program, has discovered that much of its timetable was not too fast, but too slow. Japan, which converted in 1961, has had the same experience. Neither Australia nor Canada has encountered insuperable obstacles.

The uncomfortable fact, it is pointed out, is that the United States now is in a lonesome class with such industrial giants as Tonga, Trinidad and Gambia. All the rest of the world has gone to the metric system. If major U.S. exporters are to compete in world markets, sooner or later, regardless of congressional action, they will have to follow the lead of the automobile and the pharmaceutical industries.

An act of Congress, officially fixing the international metric system as our standard of weights and measures, would greatly accelerate this trend. If the government were to require that all of its own purchases and operations be conducted in metric units, the rest of the country willy-nilly would be dragged along. It would be a while before postal clerks began to sell stamps for a three-kilogram package, but the time of transition would pass.

The foreseeable difficulties could be considerably eased by programs of soft and subtle indoctrination. It might startle TV viewers—but only briefly—to be told on the evening news that tomorrow's winds would be at 9 miles, or 14.4 kilometers, an hour. A housewife, buying a new measuring cup, would not be inconvenienced if the units were in ounces on one side and milliliters on the others. (In time, her cookbooks will be in metric measurements anyhow.) It would be useful if the state highway departments, when they replace information signs, would let us know that Cleveland is 50 mi., or 80 km., down the road.

Two years ago, a Commerce Department study recommended an official, planned, 10-year conversion, but the authors of the study emphasized that many non-metric units would remain in common use. There would be no need to abandon such familiar terms as furlong, hand, cord, pica or, for that matter, "pinch." The housewife would continue to speak of a cup of vinegar, though the cup would contain 250 milliliters. Milk would come in liter containers, but we'd keep on calling them quarts. No one is suggesting that a first down on the football field would mean 9.144 meters to go.

The metric system dates from the French Revolution. It has been in worldwide use since 1840 and thus qualifies as a reasonably old idea. It is an idea, I believe, whose time in the United States has come.

PROPOSED CLOSURE BY HEW OF THE U.S. PUBLIC HEALTH HOSPITAL, SAN FRANCISCO, BY JULY 1, 1973

HON. PHILLIP BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1973

Mr. BURTON. Mr. Speaker, I wish to offer comment in relation to the announced plans by this administration to close existing U.S. Public Health Service hospitals in the United States by July 1, 1973. It is a bitter irony that as we approach our country's 200th anniversary that we are sent a crude proposal recommending this destruction of a commitment that has been with us since the founding days of this great Nation. The all too familiar theme of this administration's arrogance and contempt for Congress and their legislative powers is well demonstrated in this matter—HEW authorizes alternative contract negotiations to begin and awaits hoped for congressional inaction in order to implement their plan. That we are in a period of change and transition from tradition is obvious to any student or observer of government. To destroy a knowledge base which has been nurtured and developed over centuries is sheer idiocy. We debate the national health crisis in our land and struggle with the complexities of health care delivery for our people and yet we are asked to sanction the demise of a model health delivery system which has withstood the trials and tribulations of our country's rapid growth and greatness. Gentlemen, to silently witness the planned disintegration and destruction of our historic commitment to public health service in this country is to ignore our history and deny an understanding of current complexities of the health care crisis. The USPHS system provides us a unique portrait of what demonstrated commitment can provide. The USPHS hospitals constitute a resource so valuable to the community and the Nation that we cannot let it be ignored; its resources for the training of health manpower in all categories of health personnel is a matter of historical and contemporary record. The USPHS hospital's progressive approach to health care and imaginative research provides us with a unique opportunity for enlightenment and rededication.

In 1798 Congress enacted legislation to provide for the care and relief of the sick and injured American seaman which was signed into law by then President John Adams. Circumstances prompting such congressional action were that in the post Revolutionary War period, America's commerce throughout the world began to grow and those who sought their livelihood on the early ships were subject to the traumatic hazards of their duties—that is storms at sea, poor diet, unsanitary conditions—and the threat of disease in foreign and domestic ports. An injured seaman usually was put ashore at the closest port and dependent upon the charitable resources available. The obvious adverse effects on shipping, commerce, and America's national defense prompted the congressional action of 1798.

The continued growth of our country brought forth a number of independent seaport hospitals to provide health care to American seamen and in 1870 the U.S. Marine Hospital Service was first established; the Reorganization Act of 1902 changed its title to the Public Health and Marine Hospital Service and in 1912 the name further amended to the U.S. Public Health Service and as such the USPHS became the principal health agency of the Federal Government.

In 1953 the Department of Health, Education, and Welfare was established by Congress and the USPHS is indeed the oldest of its units. Recent reorganizations of the Public Health Service have established three operating arms including Health Services and Mental Health Administration, the Food and Drug Administration, and the National Institutes of Health.

Prior to 1850 the Federal Government had no provision for the health care of American seamen in San Francisco. In September of 1850, Congress appropriated $50,000 for the construction of a Marine Hospital and in 1853 the new hospital doors were opened at Rincon Hill at the corner of Spear and Harrison Streets in San Francisco; 1868 showed the abandonment of the building due to earthquake concerns and in 1873 Congress made appropriation of a new hospital at the Presidio near Mountain Lake with construction completed in 1875 and a 300 bed hospital to deliver health care to American seamen. In 1927 and 1931 Congress authorized 26 acres in the Presido adjacent to Mountain Lake for completion of building which was further expanded with a three wing addition—wards, laboratories, clinics, and so forth.

The year 1951 brought a name change from U.S. Marine Hospital to USPHSH and all construction and remodeling were completed July 1, 1953. Recent additions in 1961 brought renovations for nurses home, site of the dental health center and a nursing research field center.

The San Francisco PHS hospital is a San Francisco landmark—a general medical and surgical hospital of 300 plus beds. In addition to its general hospital function, PHS hospital, San Francisco, has expended its activities to include teaching and research programs which have brought recognition of excellence in its home community, throughout the country and indeed throughout the world.

Currently the PHS hospital in San Francisco continues to be responsible for the health care of American seamen; additional beneficiaries include U.S. Coast Guard personnel and their dependents, uniformed services personnel and their dependents, Federal employees injured or ill because of employment, patients with unusual diseases or conditions, admitted for special study, quarantine and emergency patients. The USPHS hospital utilizes a dual personnel system in its operation of broad, complex health programs: the commissioned corps—a uniformed service comprised of professionals in medical and health related fields and the civil service system employing a wide variety of professional and nonprofessional personnel.

Organizationally PHS hospital, San Francisco, aside from its administrative and clinical sections—providing diagnostic, therapeutic, and preventive health care on an inpatient and outpatient basis—consists of departments of ophthalmology, orthopedics, outpatient pathology, psychiatry, radiology, dental, dietetic, medicine, nursing, medical records and medical library, with services in anesthesiology, cardiology, dermatology, endocrine-metabolic, gastroenterology, hematology, infectious diseases, leprosy, nephrology, neurology, nuclear medicine, pulmonary, and urology. Special services and programs include a cardiopulmonary laboratory, a western regional central dental laboratory, a leprosy service—providing health care and followup to patients from the San Francisco Bay area and the Western United States—a tumor board and registry, a family planning and cancer screening clinic, an employee health unit, a community hemodialysis unit, a community medicine program proving patient care and research on health delivery systems and prevention of chronic diseases, and intensive care and cardiac care unit, an alcoholic and drug detoxification unit, a nuclear medicine service, and psychiatric clinic and inpatient service to residents of San Francisco's Richmond District, in which the PHS hospital facility is located.

Before dealing directly with the administration's plan and setting forth fiscal, managerial, and moral concerns, it is necessary to present the incredibly sparse documents submitted to Congress by HEW on March 28, 1973, entitled "Plan for Provision of Inpatient Service to the Public Health Service Hospital Beneficiaries Through Contract With Community Hospitals." In addition to the submitted plan, correspondence to Speaker ALBERT made promise of—

> Those who are eligible will be best served when their hospital care is provided in community hospitals, rather than in separate hospitals operated by the Federal Government.
>
> . . . *"the change will achieve improved care at greater convenience to those served"* (Emphasis added) . . . inpatient care will continue to be available under other arrangements. For those individuals entitled or authorized to receive care in these Public Health Service Hospitals.

The plan follows:

PLAN FOR PROVISION OF INPATIENT SERVICE TO THE PUBLIC HEALTH SERVICE HOSPITAL BENEFICIARIES THROUGH CONTRACT WITH COMMUNITY HOSPITALS

SAN FRANCISCO, CALIF.

The San Francisco PHS Hospital is a general medical-surgical hospital with active training and research programs. In Fiscal Year 1972 this facility had a primary beneficiary average daily patient load (ADPL) of 154 and an outpatient workload of 100,935 primary beneficiary visits.

According to the 1972 issue of the *American Hospital Association Guide to the Health Care Field*, not one private hospital in the city of San Francisco has an occupancy of 80% or more. This makes it quite apparent that ample beds exist to provide care for the PHS primary beneficiaries. The Pacific Medical Center and St. Francis Memorial Hospital have indicated that jointly they could provide the required inpatient care.

Community Programs Involving Inpatient Care

1. Renal Dialysis

The renal dialysis unit provides treatment to 15 to 18 patients per day including patients referred from the community. The number of dialysis beds available in the San Francisco area is sufficient to absorb this patient load upon termination of the service at the PHS hospital.

2. Leprosy

Four hundred patients are on the leprosy roster and receive periodic care at the PHS hospital. In addition, several hundred leprosy contacts are under surveillance and are tested periodically for the disease. The outpatient portion of this program could be continued. Inpatient hospitalization will be continued at the National Leprosarium at Carville, Louisiana.

3. Alcohol Detoxification and Rehabilitation Unit

This 12-bed unit admits 20 to 40 patients and also sees 150 outpatients per month. These services are available from other sources in the community such as the Garden-Sullivan Hospital.

4. Cooperative Program for Richmond District Mental Health Program

This program provides both inpatient and outpatient psychiatric services for the community near the PHS hospital. This program will be terminated upon the cessation of inpatient care.

Research

This hospital has major ongoing clinical research in space-related nuclear medicine and metabolic research, cardiovascular research, leprosy, and dental research. Major support is through extramural grants and contracts from other agencies.

Extramurally Supported Research (Grants, Contracts, Direct Operation)	$996, 000
Intramurally Supported Research	53, 800

Current research by department or category (with projected status following termination of inpatient services).

Department and project	*Source of support*
Cardiovascular research:	
Cooperative coronary drug study.	NIH.
Cooperative study of hypertension.	NIH.
Do	NIH

Department and project Cardiovascular research—Continued	*Source of support*
Leprosy research:	
Development of external biosensor methodology for measurement of myocardial function.	NASA.
Lipid laboratory tests	NIH.
5 projects	Intramural.
Pharmacology and biology of experimental leprosy.	NIH.
Skin biopsy specimens	NIH
1 project	Intramural.
Dental research: 3 projects	Do.
Nuclear medicine:	
Bone mineral measurements (Sky Lab).	NASA.
1 project	Intramural.
Metabolic research:	
Study of methods for modifying mineral balance changes of bed rest.	NASA.

With termination of inpatient care services, all research requiring inpatient facilities will be phased out. Every assistance will be given to relocating these activities in other facilities. The three cooperative cardiovascular studies supported by NIH, the leprosy research, the dental research, and other studies not requiring inpatient services could continue.

Training Activities

During Fiscal Year 1973, the hospital was engaged in the training of 433 individuals in the health care categories. The number of students completing training by June 30, 1973 is 407.

The emphasis is primarily in the area of continuing education of health professionals, the development of new skills of existing personnel, and the training of allied health personnel. The duration of the programs ranges from a matter of hours to a matter of years.

Every possible effort will be made to fulfill commitments to trainees in discontinued programs. Trainees will be assisted in every way practicable to find comparable training in other approved non-PHS hospitals.

Review and comment by health planning agencies

On February 9, the Office of Comprehensive Health Planning (314(a) Agency) and the Bay Area Comprehensive Health Planning Council (1314(b) Agency) were requested to comment on the proposed plan to provide care and treatment to PHS beneficiaries in the San Francisco area. A copy of the response from the Bay Area Comprehensive Health Planning Council can be found in the following pages. No response was received from the Office of Comprehensive Health Planning.

FEBRUARY 15, 1973.

DAVID J. SENCER, M.D.,
Assistant Surgeon General, Acting Administrator, Department of Health, Education, and Welfare, Rockville, Md.

DEAR DOCTOR SENCER: We have reviewed the plan for meeting Federal obligations to Public Health Service Beneficiaries as described in your letter of February 9, 1973.

Our comments relate to the two major issues involved: first, the povision of services to the PHS beneficiaries, and secondly, plans for the future use of the present hospital facilities.

1. Services for PHS beneficiaries.

Several proposals for the provision of service to the Public Health Service Beneficiaries were reviewed by our Board. In May 1972, four proposals were considered. Among the four was the proposal of A Consortium of Pacific Medical Center and St. Francis Hospital, San Francisco. At that time, the comment submitted by our Board was:

"The Consortium of St. Francis and Pacific Medical Center proposes a complete serice to the beneficiaries with a single point of entry to the system of health service. This has been an expressed objective of the seamen. All services now provided to the beneficaries, to the community, teaching and research programs could be continued by the consortium at probably no greater cost to the PHS".

In the original proposal, the Consortium proposed a phasing out process of the present operation of the PHS Hospital and Clinics that would provide a continuity of care for the beneficiaries. The transfer of inpatient hospital care should present no major problems as there are sufficient hospital beds. Transfer of outpatient activities to a new location cannot be accomplished as readily and will probably require operation of the present service for a few months. It is recommended that the outpatient services provided bl the Consortium be in close proximity to acute inpatient services in order to avoid costly duplication of support services.

This proposal, as you must be aware, has general community and PHS acceptance, and has been submitted for HEW and Congressional approval.

It is in effect a model of the kind of transition you are hoping for in your operational plan.

2. Future use of the present hospital facilities.

We have previously reported that there is no community need for additional general hospital beds in the San Francisco area, and we strongly urge that this be taken into consideration in future planning for use of the PHS hospital building. If use of the facility for any health function is contemplated, we hope that Comprehensive Health Planning will be consulted during the early planning stage.

We appreciate the opportunity that has been given us to date to participate in the plans for conversion of the PHS Hospital in San Francisco.

Sincerely yours,

DONALD B. ARDELL,
Executive Director.

PACIFIC MEDICAL CENTER,
San Francisco, Calif., March 15, 1973.

MR. RICHARD R. ASHBAUGH,
Deputy Special Assistant to the Director, DHEW, HSMHA, PHS, PHPS, Rockville, Md.

DEAR MR. ASHBAUGH: This will confirm the previous conversations with you and members of the study team concerning the conversion of the Public Health Service Hospital in San Francisco to the Consortium of Pacific Medical Center and St. Francis Memorial Hospital. This Consortium will be able to provide all of the necessary inpatient care for the primary beneficiaries served at that hospital effective July 1, 1973.

Sincerely,

CLIFFORD F. SCHWARBERG, Jr.,
President.

To set the record straight, the material submitted by HEW should be corrected and their representation that a consortium arrangement exists in San Francisco is without basis. The March 30, 1973 correspondence from St. Francis Memorial Hospital to Pacific Medical Center is self explanatory and states St. Francis' intent to withdraw from participating in the proposal:

SAINT FRANCIS MEMORIAL HOSPITAL,
San Francisco, Calif., March 30, 1973.

MR. CLIFFORD SCHWARBERG,
President, Pacific Medical Center,
San Francisco, Calif.

DEAR CLIFF: In the past six weeks, Saint Francis has held two special Board meetings in addition to our regular meetings, a total of four in all, to discuss and consider the proposal made to the Department of Health, Education and Welfare on February 14, 1973.

Yesterday, March 28, 1973, the Board of Trustees decided that Saint Francis Memorial Hospital withdraw from participating in the proposal. In making this decision, the Board of Trustees wishes to point out:

(1) Saint Francis strongly endorses cooperation between hospitals as a means towards rationalization in the delivery of health care services. As evidence—our existing and continuing cooperation with Pacific Medical Center, Incorporated in sharing security services, medical record administration and the exploration of joint purchasing. For a number of years we have participated in a joint laundry serving fourteen hospitals.

(2) In April, 1971 Saint Francis took the initiative in encouraging the Hospital Council of Northern California to explore the use of voluntary hospitals in San Francisco to take over the care of patients currently the responsibility of the U.S. Public Health Service Hospital.

It paid several consultants' fees and invested endless hours on the part of staff members to explore the practicality of a consortium with the Pacific Medical Center for the care of primary beneficiaries and other services now rendered by the Public Health Service Hospital. The Board based its decision, in part, on the following:

(A) It was the consensus of the Board of Trustees that Saint Francis would have had to shoulder a disproportionate share of the burden: 50% of the responsibilities of the consortium while it could anticipate participating in no more than some 20% of the gross volume to be generated. In large part, the multiple clinic and dental services required by Public Health Service patients are simply not available at Saint Francis.

(B) Saint Francis' contractual agreement with the City and County (Franciscan Treatment Room) with its related volume, made it possible that Saint Francis' current capacity could not handle the 20% of the volume it might expect from the consortium. This is also true of the Research Programs. No construction of additional facilities could have been completed (even if it received the necessary governmental and planning sanctions) in the time frame we were permitted. (July to September of 1973.)

The Board of Trustees wish me to reiterate that Saint Francis Memorial Hospital is ready and anxious to cooperate with Pacific Medical Center and will supply you with any services it has available that you may require to handle the U.S. Public Health Service patients or in any other area in which we can demonstrate mutual cooperation for the benefit of the community.

Sincerely,

ORVILLE N. BOOTH,
Executive Vice President.

Further clarification is called for in response to the correspondence submitted by HEW from the Bay Area comprehensive health planning council stating that a consortium arrangement exists between St. Francis and PMC. Further, the BACHPC correspondence misrepresents the facts regarding PHS hospital San Francisco in stating that "this proposal . . . has general community and PHS acceptance." The correspondence from San Francisco comprehensive health planning council is self-explanatory.

SAN FRANCISCO COMPREHENSIVE
HEALTH PLANNING COUNCIL,
San Francisco, Calif., April 17, 1973.

Congressman PHILIP BURTON,
Rayburn House Office Building,
Washington, D.C.

DEAR CONGRESSMAN BURTON: In response to your inquiry regarding the United States Public Health Service hospital in San Francisco, the San Francisco Comprehensive Health Planning Council in August 1971 completed an extensive study of this Hospital. At that time, the San Francisco Comprehensive Health Planning Council and the Bay Area Comprehensive Health Planning Council passed the recommendation that the Hospital be retained for primary health care for the primary beneficiaries, and that community services be integrated into this use.

Shortly after SFCHPC and BACHPC passed on this proposal, Health, Education and Welfare indicated community use was absolutely out of the question. As a result, BACHPC considered and passed the recommendation that a consortium, composed of Pacific Medical Center and St. Francis Hospital, be the contracting agent for primary beneficiaries. At that time there was considerable discussion as to the appropriateness of the closing of the Hospital, but inasmuch as Health, Education and Welfare had mandated its closing, there was little choice.

In light of recent events, St. Francis Hospital's withdrawing from the consortium and serious questions being raised about the care of specific diseases such as leprosy, it would seem that any decision regarding the ultimate fate of the Hospital should be delayed until some guarantees regarding services can be made to those persons who are patients of USPHS.

It should be underscored that SFCHPC has as its number one priority the retention of the Hospital as a community resource. At this time there are several options which were unavailable at the time of our first report, but which make the conversion of the Hospital into a community facility much more feasible.

We thank you for your consideration regarding this matter and look forward to your response.

Sincerely,
REVEREND MONSIGNOR
PETER G. ARMSTRONG, President.
By MICHAEL HOWE,
Executive Committee member.

SAN FRANCISCO COMPREHENSIVE
HEALTH PLANNING COUNCIL,
San Francisco, Calif., April 27, 1973.
CASPAR W. WEINBERGER,
Secretary, Department of Health, Education and Welfare, Washington, D.C.

DEAR SECRETARY WEINBERGER: At the April 26th meeting of the San Francisco Comprehensive Health Planning Council Board of Directors, action was taken on the U.S. Public Health Service Hospital located in San Francisco. Attached is a copy of the two motions which were adopted.

In the interest of the consumers and providers of our community, as well as hospital beneficiaries, SFCHPC objects to present negotiations on an exclusive basis with Pacific Medical Center. We request that nogiations be halted pending submission of our study and recommendations.

Sincerely,
REVEREND MONSIGNOR
PETER G. ARMSTRONG, *President.*
Attachments.

APRIL 27, 1973.

To: The Board
From: Staff
Re: Motions adopted at Board of Directors' meeting of April 26, 1973 relative to U.S. Public Health Service Hospital, San Francisco

MOTION NO. 1

M/S/C unanimously with respect to Mr. Orville Booth's letter of March 30, 1973 informing Clifford F. Schwarberg, President of Pacific Medical Center, St. Francis Hospital's withdrawal from the Consortium of PMC and St. Francis Hospital to provide management and medical services to the Public Health Service in San Francisco:

SFCHPC objects to HEW negotiating with Pacific Medical Center or any other single hospital on a exclusive basis, and continues to support its Council action December 16, 1971 "it was m/s/c unanimously that should P.H.S. Hospital be closed the Council recommends against HEW negotiating for care limited to a particular hospital; rather, it recommends that freedom of choice be provided."

Further, SFCHPC is responsible for the delivery of health services in its community, and will undertake to study, evaluation and recommend to the U.S. Public Health Service a solution acceptable to all providers in San Francisco and to the U.S. Public Health Service beneficiaries.

Acknowledgement is also made of the Bay Area CHP Council's letter of April 24, 1973.

MOTION NO. 2

M/S/C to set up an ad hoc committee to study the fate of U.S. Public Health Service Hospital in San Francisco and mandate it to study all alternatives for community use as well as closure.

Concerns should include the cost to the taxpayer. When and if contracts are entered into, the Committee should insure that care provided to primary and secondary beneficiaries shall be delivered at the present level or better. This is to include not only medical concerns but, as in the instance of the leprosy treatment center, the potential impact on individual life styles and the community.

SAN FRANCISO COMPREHENSIVE
HEALTH PLANNING COUNCIL,
San Francisco, Calif., April 27, 1973
RICHARD P. HAFNER,
President, Bay Area CHP Council.

DEAR MR. HAFNER: Your letter of April 25, 1973 was enthusiastically welcomed by our Council. We, too, have been concerned about negotiations between HEW and the Consortium of St. Francis and Pacific Medical Center hospitals that have been going on for the past year without our Council's participation or knowledge.

Many members of our Board and its subunits had expressed concern over the shortcomings of the Consortium proposal. It is ironic that these concerns are now vindicated as a result of the withdrawal of St. Francis Hospital from the Consortium and the consequent invalidation of this proposal. (See attached letter of March 30, 1973 from Mr. Orville Booth, Executive Vice President of St. Francis Hospital).

We will assume full responsibility for developing whatever recommendations are to be made with regard to the Public Health Service Hospital and its impact on the San Francisco health care delivery system.

Thank you.
Sincerely,
REVEREND MONSIGNOR
PETER G. ARMSTRONG, *President.*

Prior to stating fiscal and mangerial concerns, relative to HEW's plan, I feel it essential to deal with the specifics of this plan as it relates specifically to the existing leprosy program at Public Health Service Hospital, San Francisco. The following letter dated April 18, 1973, from Dr. Paul Fasal, chief of the leprosy service at SFPHS hospital explains well my concern and sets forth in very eloquent manner a situation that demands our immediate attention and intervention:

DEPARTMENT OF HEALTH,
EDUCATION, AND WELFARE,
PUBLIC HEALTH SERVICE,
San Francisco, Calif., April 18, 1973.
PHILLIP BURTON,
Member of Congress, Rayburn House Office Building, Washington, D.C.

DEAR CONGRESSMAN BURTON: The following is in response to your inquiry concerning the leprosy program at the Public Health Service Hospital, San Francisco.

The Leprosy Clinic at the Public Health Service Hospital in San Francisco, opened on January 21, 1960. Because of my experience in diagnosing and treating leprosy, acquired while working for the Government of the Federated Maley States in Kuala Lumpur, 14 patients suffering from leprosy were referred to me by colleagues between 1954 and 1959. These 14 patients formed the nucleus of the Leprosy Clinic. Initially, the Clinic was held once every 2 weeks, but it soon became necessary to increase this to twice a week. In 1965, the Clinic was incorporated into a newly established Leprosy Service, operating as part of the Medical Department. This Service is responsible for the care of inpatients suffering from leprosy, the coordinating of all consulting services, and for an extensive training and teaching program, in addition to the operation of the Leprosy Clinic.

The Leprosy Service has 400 registered patients suffering from leprosy. All are treated on an ambulatory basis, except for short periods of hospitalization. In addition to the patients suffering from leprosy, close to 1,000 "contacts" also are registered at the Clinic. These are spouses, children, an others sharing a household, who had been in close contact with a patient while he was suffering from active lepromatous disease. All contacts must be examined periodically and followed for a period of years. At the Leprosy Clinic this service is provided as a matter of routine, in an informal manner and, as every other service, is provided free of charge. This insures that the contacts return for reexamination as long as is medically indicated.

As far as ethnic background of the patients with leprosy is concerned, the majority are Mexicans and Filipino's. However, Caucasians, Samoans, Hawaiians, Chinese and many other groups also are represented. Most patients are of the lower socio-economic classes, making their living as semi-skilled workers or laborers, but also include a physician, an engineer, and a minister. The patients' ages (at time of registration) range from 4 to 80 years. Patients are referred to the Clinic by private physicians, mostly dermatologists, by Federal, State and local health agencies, and by the medical schools. Length of hospitalization of leprosy patients has decreased steadily during the last few years as the use of newer drugs has shortened the killing time of lepra bacilli, rendering the patient non-communicable within days.

The main indications for hospitalization are workup for initiation of therapy in newly diagnosed cases of lepromatous leprosy, lepra reactions, surgical correction of mutilations and, frequently, burns and/or infections that affect insensitive areas of their skin. The same physician who cares for the patient in the Clinic, takes active part in the patient's treatment when hospitalized. Consulting services are available in fields such as ophthalmology, neurology, orthopaedic and plastic surgery, and all subdivisions of internal medicine, thus providing expert care for the patient. Since all members of the hospital staff have been oriented about leprosy, there is no fear of discrimination, and the leprosy does not carry with it any stigma.

From the patients point of view, hospitalization in our hospital in San Francisco has the following advantages:

1. Admission to a general hospital like ours does not carry with it any stigma.

2. The hospitalization is usually of short duration so that patients do not risk losing their jobs.

3. Admission to a hospital in the community where patients live and work makes it possible for them to be visited by their relatives.

All these advantages would be nullified if every patient suffering from leprosy who is in need of hospitalization would have to be sent to the Public Health Service Hospital in Carville.

The Public Health Service Hospital in Carville—the national leprosarium—is most likely the best leprosarium in the world. It gives excellent medical care, has an internationally recognized rehabilitation service, excellent recreation activities, and an outstanding, devoted staff. All this, however, does not necesasrily mean that it is best suited for hospitalization of every patient from other states, like California. Think of the impact that being confronted by extremely mutilated and obviously diseased patients will have on a young patient who has just been told that he has the disease.

As an illustration of the advantages the Leprosy Service in San Francisco offers, I would like to report briefly on a 16 year old girl diagnosed as suffering from active lepromatous leprosy on December 18, 1972. She was immediately admitted to our hospital and treated with a drug that kills all bacilli one can find in skin biopsies within 4 days—which, however, does not mean cure or arrest of the disease but rendering her noncommunicable. This young lady was hospitalized during her Christmas vacation, and after consulting with the local health officer and school authorities, was allowed to return to school, where she is an excellent student, and to continue her treatment ambulatory. If there was a danger to anybody in her surroundings, it certainly existed during the considerable time she had leprosy before it was diagnosed, and not after effective treatment was started. Unless unforeseen complications arise, this patient should be able to live a completely normal life without being physically or psychologically crippled.

Not only do most of our patients belong to minority groups, but as patients suffering from leprosy, they do form a minority in the United States. The Leprosy Service at the U.S. Public Health Service Hospital in San Francisco, is providing an excellent service for these patients, enabling them to live normal lives, being with their families without any stigma, and most of them gainfully employed, therefore, not dependent on any subsistence from local, state, or federal agencies.

Please do not hesitate to let me know if you desire any additional information.

Sincerely yours,

Paul Fasal, M.D.,
Chief, Leprosy Service.

Dr. Paul Fasal is a man of great integrity and dedication and is recognized nationally and internationally as the expert in the field of dermatology and leprosy research and treatment. Ironically, Mr. Weinberger's predecessor at HEW conferred the Distinguished Service Award to Dr. Fasal in 1972 for his outstanding achievements in the international study and treatment of leprosy which have greatly contributed to the humane treatment of leprosy patients throughout the world.

Dr. Fasal's stated concerns are further realized in reading a memorandum of legal opinion dated March 30, 1973 from Attorney James Weissenborn of the Public Health Division, Office of the Secretary, Department of HEW to Dr. Robert E. Streicher, Assistant Surgeon General and Director, Federal Health Programs Service:

Department of Health,
Education, and Welfare,
Office of the Secretary,
March 30, 1973.

To: Robert E. Streicher, M.D., Assistant Surgeon General, Director, Federal Health Programs Service

From: James P. Weissenborn, Attorney, Public Health Division

Subject: Leprosy Patients-Authorization for Contract Care

This has reference to your memorandum dated February 26, 1973, requesting our advice on a number of issues concerning the obligation of the Service to provide health services to Leprosy patients in view of the imminent closure or conversion of a number of Public Health Service Hospitals. You point out such patients are being treated at various Public Health Service facilities and you ask essentially the following questions:

1. May the Service provide contact medical care for Leprosy patients or must treatment be discontinued if the Public Health Service facility (at which the patient is receiving treatment) is closed, if the patient does not go to the National Leprosarium at Carville?

2. May the Service provide contract medical care for leprosy patients at Carville when major medical or surgical treatment is required and is not available at Carville?

Section 331 of the Public Health Service Act provides, in pertinent part, that:

"The Service *shall*, in accordance with regulations *receive into any hospital of the Service* suitable for his accommodation *any* person afflicted with leprosy who presents himself for care, detention or treatment or who may be apprehended under section 332 or 361 of this Act, and any person afflicted with leprosy duly *consigned to the care of the Service* by the proper health authority of any State. . . ." [Emphasis added.]

The section also authorizes the Secretary upon the request of any health authority, "to send for any person . . . afflicted with leprosy, and to convey such person to the appropriate hospital for detention and treatment." When so provided in any appropriation Act, the Secretary is also directed to pay the State of Hawaii for the care rendered the leprosy patients there.

In our opinion, the quoted language limits the Service to the provision of direct care at a "hospital of the Service" except in the case of Hawaii, where Congress has specifically authorized reimbursement.

This understanding of the statute has long been held by the Department. In 1950, prior to the creation of the Department of Health, Education, and Welfare, the Federal Security Administration, in reporting on far-reaching leprosy bill pending in Congress, commented on the Service's contract limitations:

"Section 3 of the bill [S. 276] would make important amendments to the provisions of the Public Health Service Act (secs. 331 and 332) concerning the hospitalization and treatment of persons afflicted with leprosy. Under the law as it now stands, *the Public Health Service can afford hospitalization and medical treatment at Government expense to such persons only at hospitals of the Service*."[1] (Emphasis added)

Accordingly, if Carville becomes the only "hospital of the Service" suitable for the accommodation of leprosy patients, care for such patients can be provided by the Service only at that facility or at the facility of the State of Hawaii.

Your other major question relates to the provision of major medical or surgical treatment to leprosy patients which is not available at Carville. Currently, when such medical or surgical treatment is required and is not available at Carville, we understand that the patient is transferred to a Public Health Service hospital which does have the capability to provide such treatment. If, however, those facilities are closed, the question is whether the treatment may be purchased on the outside. We are of the opinion that medical or surgical treatment may be purchased for Carville patients in need of such treatment. This conclusion is premised on the federal responsibility for leprosy patients. We think that once the Service has undertaken to provide leprosy treatment at its hospital, it is authorized to secure adequate medical and surgical care and treatment to enable the Service to continue its leprosy treatment of the patient.[2] This situation is distinguishable from the question of authority to contract for the care of leprosy *for leprosy* in that the Service has undertaken and is providing *leprosy* treatment. The medical and surgical care which is indicated is necessary solely to enable the Service to continue the leprosy treatment undertaken and is incident and related thereto.

I believe that unless HEW can supply documentation to the contrary, the costs of health care currently provided by USPHS hospital, San Francisco, will be doubled, and in some instances tripled, if alternative delivery systems are adopted. Inpatient costs at USPHS hospital, San Francsico, are less than $80 per day. In a very recent instance where eligible beneficiaries of PHS were admitted to a San Francisco community-based hospital and later transferred to USPHS hospital, San Francisco, the subsequent billing to the USPHS hospital, San Francisco, was in excess of $300 per diem for treatment by the community hospital. I invite HEW to review the existing backlog of applications for audiometric examinations—referred by the Bureau of Employees Compensation, Department of Labor, to USPHS hospital, San Francisco. These applications are processed at a cost of $50 per case as compared with minimum community estimates of $100 per case and more likely approximating $150 per case—should HEW wish to pursue this cost item I would suggest their conferring with Dr. William W. Richards, chief, Ophthalmology Department, USPHS Hospital, San Francisco:

University of California,
San Francisco, Calif., March 15, 1973.

Dr. William Richards,
U.S. Public Health Service Hospital,
San Francisco, Calif.

Dear Bill: I have looked into the charges for ENT evaluation of industry related hearing problems. The customary fees for record review, ENT examination, and a simple audiogram vary from $100–$150 locally. Special audiometric examinations such as bekesy, sisi and electronystagmography are all billed in addition to these charges.

It would therefore seem to me that your fee of $50 for this type of evaluation is well within the local fee schedule structure.

With kindest regards.

Sincerely, yours,

Francis A. Sooy, *M.D., Chancellor.*

For HEW to represent that this plan will achieve improved care at greater convenience to those served is a fraud. Does HEW really expect acceptance of a delivery system which has outpatient and eligibility at one location and inpatient services at many other locations to be an improvement over an existing system offering totally integrated health care—and a single point of entry.

Currently, internships are offered at USPHS hospital San Francisco, in fields of dentistry, medicine, and surgery with resident programs in internal medicine, preventative medicine, surgery, orthopedics, ophthalmology, pharmacy, and periodontics. Does HEW expect these commitments to proceed on an outpatient training basis? The matching process for this year's interns and residents has already been completed and the 20 openings filled; it is interesting to note that there were close to 200 applicants even with HEW's threatened closure. The average daily inpatient workload at the USPHS hospital approximates 251 inpatients per day—American seaman, Coast Guard, military, active duty, renal dialysis, leprosy, and so forth. Outpatient visits approximate 118,582. As stated earlier, inpatient per diem costs are less that $80 per diem; outpatient costs average $20 per visit. Total hospital employment is 635 with minority employment at almost 47 percent.

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[1] Letter, Administrator, FSA (Ewing) to Chairman, Senate Committee on Labor and Public Welfare (Thomas) dated January 1950, at p. 2 D.F. #29A.

[2] It is a settled rule that, where an appropriation is made for a particular object, by implication it confers authority to incur expenses which are necessary or incident to the proper execution of the object unless there is another appropriation which makes more specific provision for such expenditures, or unless they are prohibited by law. 50 Comp. Gen. 534; 38 Comp. Gen. 782; 29 Comp. Gen. 419. Cf. P.L. 92–80; P.L. 93–9.

HEW states that there is planned a phased reduction in personnel, both commissioned and civil service. A placement program will be established for civil service personnel and every effort will be expended to find employment for them within our clinic system, with other Federal agencies, State and local governments, and private industry. Reduction in force will be used, if necessary.

I feel that the time has come for us to have facts and complete plans which deal with people's livelihoods and careers before we decide on alternative commitments. The American people deserve a less haphazard and less inhumane approach than that set before us by HEW in relation to closure of our Public Health Service commitment.

AMNESTY

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, May 14, 1973

Ms. ABZUG. Mr. Speaker, now that our troops and POW's have returned from Vietnam, now that the House has finally gone on record as opposing further U.S. military involvement in Indochina, and now that we have begun to move toward normalization of relations with China and North Vietnam, we should and we must address ourselves most seriously to the question of amnesty for those whose consciences commanded them not to aid in carrying on our part in the war in Vietnam.

I am pleased to note that the 194th annual convention of the Episcopal Diocese of New York has just gone on record as supporting amnesty along with the U.S. Conference of Catholic Bishops, which did so last year, and with numerous other religious groups throughout the country. I include at the conclusion of these remarks a news article on the convention:

EPISCOPALIANS ASK AMNESTY FOR RESISTERS

(By William Reel)

Delegates to yesterday's 194th annual convention of the Episcopal Diocese of New York voted, 240 to 153, for amnesty for "all who refused military service in Vietnam for reasons of conscience."

They added an amendment commending "those who, following their conscience, served in the armed forces in Vietnam."

The delegates—representing the 204 parishes of the diocese, which covers Manhattan, Staten Island, the Bronx and seven upstate counties—met at Synod House at the Cathedral of St. John the Divine, 112th St. and Amsterdam Ave.

ASK MARIJUANA CLEMENCY

The delegates passed another resolution, which asked authorities "to grant pardon and/or clemency to persons currently incarcerated for mere possession and use of marijuana."

The resolutions are intended to inform the Episcopal Church's general convention, a national meeting later this year, of the views of the New York diocese.

BISHOP TALKS OF WATERGATE

In a speech to the delegates, Rt. Rev. Paul Moore, Episcopal bishop of New York, described the Watergate scandal as "a body blow to all the citizens of the United States." He declared:

"Some of President Nixon's staff felt that, by brains and power, they could manipulate the system, play against the rules of democratic government and to bring victory to their leader, ignoring not only the morality of fair play, but even playing fast and loose with the law itself.

"The thirst for power and the corruption which power brings with its acquisition seems to make men feel themselves above the laws which govern ordinary men," he said. "Inevitably, this spells disaster for them and for the body politic."

FOREIGN INVESTMENT AND THE U.S. ECONOMY

HON. RICHARD T. HANNA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 14, 1973

Mr. HANNA. Mr. Speaker, the subject of foreign investments by U.S. companies is one about which there is a great deal of misunderstanding and misinformation. One often hears the term "export of jobs" with reference to such investments. This, Mr. Speaker, is a serious misconception with no basis in fact. On the contrary, all the evidence would point to the fact that those industries with substantial foreign investments increase the domestic labor force more than do other industries. Also, Mr. Speaker, there is ample evidence that the persons employed through foreign investments make products for the local market overseas—not products for import to the United States.

When we look at the big picture rather than isolated instances, we must agree with the comments of former Agriculture Secretary, Orville Freeman, who said to me in a recent letter:

It was my conclusion when I left the Cabinet in 1969 that direct investment abroad is a positive stimulant to the U.S. domestic economy. Overseas investment draws exports from the U.S., thereby creating jobs within the U.S. In the process it makes a positive contribution to the U.S. balance of payments. The net return on such investment in the form of dividends, fees, and royalties remitted to the U.S. has now reached a level of approximately $6.5 billion a year.

Recently Business International conducted a survey of 125 U.S. manufacturing companies with varying degrees of overseas investment. During the decade of the 1960's, U.S. manufacturers on the whole increased their U.S. payrolls by under 11 percent. The 125 companies studied increased theirs by 26 percent. Furthermore, the study showed that the greater the company's foreign investment, the greater was its expansion of domestic employment. In contrast to often-heard complaints that U.S. firms are manufacturing abroad and selling here, all of the companies surveyed by Business International sold over 75 percent of their products in the local market of the plant and, for over half of the firms, over 90 percent of sales were for local markets.

Mr. Speaker, when this and other available evidence is carefully weighed, I am confident that the Members will agree that the issue of the multinational corporation and of U.S. investment abroad is too complex to be summed up by the simple cliche that "jobs are exported," and that, in fact, these investments are a positive contribution to our economy.

HEALTH EDUCATION: A BARGAIN AT ITS PRICE

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 14, 1973

Mr. DRINAN. Mr. Speaker, as part of the general reduction in Federal support for health programs, the administration has proposed in its 1974 budget the severe curtailment of medical education funds.

A number of arguments have been offered in support of the proposed cutbacks in research training grants and scholarship eligibility. Among these arguments are: first, support for medical education should be done on a capitation basis, with grants going directly to medical schools; second, there are already enough medical teachers and researchers; third, young doctors should bear the costs of their advanced training by taking out loans in anticipation of their high post-training salaries; and fourth, some recipients of Government research training grants complete their education and go into private practice, instead of medical research or education.

Dr. Mitchell T. Rabkin, general director of the Beth Israel Hospital in Boston, and associate professor of medicine at the Beth Israel Hospital, Harvard Medical School, has prepared a response to these arguments which I find clear and convincing. I hope my colleagues in the Congress will take this opportunity to study Dr. Rabkin's views:

TESTIMONY OF DR. MITCHELL T. RABKIN

My name is Mitchell T. Rabkin. I am a physician, the General Director of Beth Israel Hospital in Boston and a member of the faculty of Harvard Medical School. I want to comment on the proposed changes in Federal expenditures for training medical scientists and academic specialists, that is, the proposed cut in training grants.

Last year, $186 million was spent by the Federal government for postdoctoral medical training, in the form of stipends to trainees and support for their teachers. While this amount represents but 0.2 percent of the total health budget, its loss will have a far greater impact. These are the very dollars which create the medical teachers and scientists of today and tomorrow, the people we must have to train the physicians who will care for your grandchildren and the investigators whose insights will benefit them.

What are the government's arguments? They want support for medical education on a capitation basis, directly to medical schools. But the amounts allowed per student by the Federal government are far below those needed to support medical undergraduate education today, much less to provide the postgraduate education which training grants now pay for.

Washington claims that too many people already are in medical teaching and research. They note that more research grants are being applied for than can be funded, so there must be too many people in academic medicine. This view discounts the market considerations which provoke the large number of grant requests, that, is, the fact that teaching already is severely underfunded and medical schools have to scrounge for teaching dollars by what spill-off they can muster from research money. This view also ignores the fact that many unfilled needs for medical teachers exist today and more will be created as some ten new medical schools open over the next few years, in order to produce more physicians. And it ignores the damage that will be brought about by cutting out the next generation of academic physicians.

The government argues that young physicians should borrow, if they wish to go into such training, as do graduate students in other disciplines. Superficially, that might seem fair but it discounts the fact that these young physicians have more debt of longer duration than do graduate students in any other area. Furthermore their choice of academic medicine promises them a prospect of less income in academic medicine than that of their peers who opt for private practice, and therefore less opportunity to get out from under the burden of indebtedness.

The Federal government also argues that some trainees have not gone on into academic medicine but instead moved into private practice, thus wasting the public's funds. Yet it is unrealistic not to recognize that while many young physicians foresee a career in academic medicine, inevitably some will find out through their training experience that a career in teaching and research is not for their temperament, manual dexterity or intellect.

In looking at the training grant funds, the real question should be, what are we buying for our money? Now the Federal government may not be concerned with the number and quality of the doctors who will be around to take care of your great grandchildren and mine, but I, as a physician, medical educator and health care administrator, am very much concerned. Training grants account for much of the funds used in teaching hospitals to train tomorrow's physicians and to develop the future teachers of medicine. The presence of these students and teachers today tends to make the difference that sets the quality in the university hospital at such a high standard. Their absence tomorrow will make even greater a difference.

What is the impact? For example, more than a quarter of a million dollars for support of the academic clinical departments at Beth Israel Hospital come from such funds for training. These funds are being cut off abruptly, and we are threatened with the loss of those people who were destined to be responsible for the quality of tomorrow's medical care—a decision penny-wise but pound-foolish.

No one will deny that the distribution and the cost of medical care today are not ideal. But training grant support deals with a different issue—how to train young physicians, how to affect the quality and quantity of tomorrow's medical leaders. The Federal government appears to believe that withdrawal of funds which support the training process will somehow favorably influence the availability, distribution and cost of medical care. I believe this is more than a grave mistake; it appears to be a punitive judgment. You are aware of the high calibre of medical care existing in Massachusetts. Now you should be aware of the erosion of the foundation of that medical care by indiscriminate withdrawal of training grants. The health of our citizens is a matter of prime importance. It follows that support of teaching and training in medicine should be among the highest priorities of the Commonwealth and the country.

THE OEO AND ITS SUCCESS IN TWO LOUISIANA COMMUNITIES

HON. JOHN B. BREAUX

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 14, 1973

Mr. BREAUX. Mr. Speaker, the dismantling of the Office of Economic Opportunity has been halted by recent court action, and thankfully so. Perhaps now we can take this opportunity to consider just how valuable this program has been to millions of Americans, among them, people in my district—the Seventh Congressional District of Louisiana.

Two examples of the effectiveness of the OEO program can be found in Kinder and Oberlin, La.—not large metropolitan areas, but small cities where dedicated people have worked to help the underprivileged—worked and succeeded.

The General Community Programing Center at Kinder has maintained classes in four areas:

First. Youth development, where good grooming is taught, where students learn the proper way to dress, to present themselves in public. Also, these classes provide training programs in various trades and are geared to the interests of young people.

Second. Story hour; this is a class provided for preschool children, introducing them to school activities, responsibilities, cooperation with others and a desegregated atmosphere.

Third. Adult education; research conducted through the Allen Action Agency, the parent organization, revealed a considerable level of illiteracy. So adult education classes were begun in which adults are taught to spell, read and write. Without such training, it is doubtful these people could have taken advantage of an opportunity to become literate.

Fourth. Home management; three classes are offered under this broad category—sewing, cooking, and canning. The sewing classes were provided once a week at the center to persons interested. The classes provided economical methods of properly clothing a family. Cooking classes were conducted in the center and in the homes of people in various area communities, emphasizing an exchange of cooking ideas, the serving of balanced meals and budgeting. Canning classes taught ways to preserve surplus foods for future consumption through water bath canning and pressure cooking.

But this is not all—in fact, this is only part of what has been happening at Kinder because Congress acted favorably toward the antipoverty program. No less than 12 other services have been provided there, including a summer feeding program for children of underprivileged families; a self-help gardening program in which free seeds and fertilizer are provided; a feeder pig program in which low income families are assisted in raising feeder pigs for increased meat production and family consumption; a poultry program through which baby chicks are raised for egg production and meat consumption; a community-related program in which people from throughout the area come together and listen to one another, attempting to find solutions to their common and individual problems; a "target area" program through which people organize themselves to improve community situations; a manpower program geared to provide gainful employment for low income people; housing referrals through which the proper authorities provide assistance in repairing or building a home; employment referrals through which jobs are obtained for the underprivileged.

And there is more—such as making Christmas a more happy time for the poor, providing clothes for needy families, a program of food donation involving local merchants, and a host of referral services which range from welfare, social security and taxes to medicare, legal assistance and transportation services to secure medical aid. Emergency services also are provided through the food stamp program, emergency medical aid and emergency food supplies for families in distress.

Within the same parish—Allen Parish—exists another program, just as effective and just as far-reaching in the scope of its services.

This is the General Community Programing Center at Oberlin, La. The center maintains programs similar to those conducted at Kinder; sewing classes, ceramic classes, canning classes, a story hour class, youth development and home nursing classes; senior citizen involvement in home management, plus referrals to other service-type programs.

The ceramic cooperative effort has provided a sales outlet for the handicraft produced through the center program, and officers have been elected and a bank account established.

Included in the nursing services is the provision of equipment, such as beds, wheelchairs, walkers, and so forth, for those who cannot afford such items.

Students who have dropped out of school and then realize their mistake are referred to such programs as the Job Corps where they can continue their education. Legal aid services are provided; parents are referred to the Headstart program where preschool activities are provided for their children, and followup programs are conducted on all referrals.

Self-help programs in gardening, poultry, and feeder pig projects help the underprivileged and the Allen Parish Council on Aging was formed and chartered as a result of the center's presence in the community.

These are positive, constructive programs of benefit that have been made possible to all people within these communities who have need of such services.

These are programs which illustrate the vital need for Congress to continue funding efforts which provide such benefits.

Instead, with no justification other than a vague reference to high Government cost, the administration has seen fit to terminate a congressionally approved and funded program; namely, the Office of Economic Opportunity.

As we consider the budget for fiscal 1974, it will be good to keep in mind the benefits to people in these two communities and thousands of other communities throughout our Nation because dedicated people care about one another.

WHOSE FACE HIDES BEHIND THE TERRORIST'S MASK?

HON. FRANK J. BRASCO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, May 14, 1973

Mr. BRASCO. Mr. Speaker, any person with a claim to civilized behavior turned away in revulsion at the assasination of two American diplomats in the Sudan by Arab terrorists.

The time has come to delve a little deeper into who these people are, who finances and protects them, and who masterminds their bloody machinations. Some of the facts are most revealing.

First, the only purpose uniting Arab terrorist organizations is destruction of another society; Israel. The revised Palestine Covenant, adopted by the Palestinian National Council on July 10–12, 1968, is specific in this respect. Paragraph 20 maintains that Jews are not a nation. Paragraphs 2 and 21 state that only Palestinians have a right to self-determination. Paragraphs 9 and 21 reject any solution short of "a complete liberation of the land—the only way to achieve this objective is military, not political."

Let us make one thing clear. Terrorists are not guerrillas fighting in the countryside against enemy troops. Nor are they commandoes engaging enemy military units. They are murderers whose victims are always defenseless civilians, annihilated deliberately, not in combat, and usually with little immediate risk to the perpetrators.

Arab terroist activity has been a principal method in warfare conducted by Arab leaders for 50 years against the very existence of a Jewish national state.

Throughout the Arab world, a double standard is maintained regarding terrorists, their aims and methods. One set is used when speaking among nations wherein Arab governments disassociate themselves from terrorist activities. Another when they speak among themselves. Every Arab government, with the possible exception of Jordan, indicates support for the aims of these assassins—destruction of Israel.

Again, with the exception of Jordan, terrorist activities have been praised by all Arab governments and media they control, often quoting an ambiguous slogan—"Fulfillment of the rights of the Palestinian people." Not a single Arab government has ever come out with an unequivocal condemnation of terror as a method.

The simple truth is that this brand of terrorism is an organized activity, and could not survive for a week without support, material aid, and encouragement from such governments, within whose territory they base their operation.

In January 1964, the Palestine Liberation Organization was founded in Cairo. The main influence here was Egyptian. Fatah was organized under Syrian direction. Yasser Arafat, leader of El Fatah, following the June war, acquired for his organization a predominant role in the Palestine National Council, the governing body of PLO. It is interesting to note that no elections to any representative body of Palestinians have ever taken place. All organs claiming to speak on behalf of Palestinian Arabs are either self-appointed or nominated by Arab governments. However this is the umbrella under which terrorist organizations have flourished.

As Israel grew stronger and better able to deal with terror, it soon became obvious she could carry the war being waged against her back to terrorist home bases in Arab countries. So in a search for vulnerable and defenseless targets, terrorist organizations could only turn to foreign countries. But a cover was needed, and so Black September was born. In fact, when it committed its first murder, that of Jordan's Prime Minister. Wasfi Tal, in Cairo, the Beirut newspaper, Al Nahar, stated immediately that "Black September was in fact a part of Fatah."

Mr. Speaker, Black September does not exist as a separate organization. It is an integral part of the umbrella of terror. Its members are Fatah members.

It is obvious that plans for invasions of embassies, letter bombs, assassinations of athletes, plane hijackings and similar outrageous acts of international brigandry are highly coordinated efforts. Examine the following facts.

In the atrocity committed against our diplomats in the Sudan, the car used was owned by Fatah, and bore diplomatic plates. President Nimeri of Sudan has echoed these facts and accusations.

Arab terrorists require money, headquarters, training, weapons, communications and secret facilities. All are provided by Arab governments. Egypt bears the main blaim. The following terrorist organizations maintain headquarters in Cairo, PLO, PLA, Fatah, and PFLP. At least six other Egypt-based auxiliaries operate openly. All these bodies are known to the Egyptian Government and its intelligence services.

Consider that on September 21, 1972, Al Gumhuriyya, official Egyptian paper, reported on a plan for further terrorist activities to be carried out by Black September. Surely what is known to Egyptian journalists ought to be known to government officials.

Cairo has become the safe haven of terrorists who have completed operations. These include members of the PFLP who in July, 1968, conducted from their Cairo office negotiations concerning an El Al aircraft hijacked to Algiers. PFLP pirates responsible for the September, 1970, hijacking of a Pan American Boeing 747, who flew it to Cairo and blew it up, were set free by the Egyptian Government and reside there.

In Syria, terrorists and armed forces are virtually interchangeable. Syria was the first Arab state encouraging establishment of terror organizations. Support of such activities has been a central tenet of that country since 1968. Today, Syria supports on its land the largest group of terrorists based in any Arab country. Of 14,000 Arab terrorists in Arab nations, 9,000 are Syrian-based. The central military commands of these groups are to be found in Damascus. Syria is also the main center where conferences of various groups are held. Some terrorists have even been identified as Syrian soldiers out of uniform.

Syria maintains tight control over all terrorist operations emanating from her territory. It maintains a special Damascus office responsible for liaison with the organizations. Every terror operation mounted from Syrian territory must receive prior approval from this office. Fatah's principal training bases are in Syria, and terror groups have regular broadcasts over Damascus radio. They even possess their own radio station in Dera'a.

It is well known that Iraq trains terrorists at its own army bases, encouraging its citizens to join terrorist ranks. Libya does the same. Iraq assists in terrorist activities abroad by issuing Iraqi passports to terrorists and enabling them to use its diplomatic mail.

Qadhafi of Libya has openly called for more operations like the infamous Lod massacre. Registration offices for volunteers to terroist organizations have existed in all Libyan embassies since July 1971. After initial Libyan training, volunteers are sent to bases in Syria and Lebanon.

Financial support extended to terrorists by Libya is by far the largest of any Arab State. Algeria is also a major supporter of these groups, maintaining terrorist training bases and offices in its territory and making available large quantities of arms.

All these governments are accessories before, during and after the fact to terror. Murder and terrorism are permissible and even publicly extolled by them as virtues. The Lod Airport massacre was praised by the Prime Minister of Egypt. Terrorists killed in Munich were given a state funeral by the Government of Libya. With the exception of Jordan, not a single Arab government has condemned terrorist organizations.

Arab terrorist operations do not emanate from the minds of deranged extremists. They are not acts of despair. Rather, they are a deliberatly organized activity, put into effect by Arab governments.

Terrorists, when they run any risk, which is rare, do so because they know they command full Arab government backing. Each regime would receive them as heroes, granting both refuge and protection. In Arab countries, these butchers move freely and in the open.

Terrorist groups have become an establishment, maintained by Arab governments. They are well paid. All rank and file receive regular salaries far above average earnings of an Arab worker or soldier.

As an establishment, the main objective of these groups is to perpetuate themselves. To their employers, Arab governments, they cannot deliver any service except murder and piracy. The objective they seek, destruction of Israel, is an obvious impossibility. Of peace and coexistence they refuse to talk, because that would mean sources of financing might dry up. Therefore to justify money, salaries, bases, offices, voyages, and virulent propaganda, not to mention the ego trip, innocent people must die at random, not in war, but selected anonymously, because they are defenseless.

Now let us relate this to the bloody deeds in Khartoum. The Arab government connection is obvious. Therefore, let them not turn piously with outspread hands to us and plead ignorance and sorrow. Let us instead examine how we ourselves have aided them, although inadvertently, to be sure.

UNRWA, of which the United States is the mainstay, allows terrorists to virtually run its camps in many instances. Sir John Rennie, Commissioner General of UNRWA, responding to such an accusation, unwittingly let the cat out of the proverbial bag. Here are some of his own words, uttered February 23:

> UNRWA provides services in, rather than administers, the camps and it is well known that UNRWA has no police powers or responsibility for the maintenance of law and order in them. The UNRWA store . . . has not been under UNRWA's control since 1969, when it was seized by a Palestinian organization along with a number of other buildings in the camps . . . the seizure was reported to the General Assembly, which has been kept regularly informed of UNRWA's unsuccessful efforts to recover them through the Government of Lebanon.

It would seem that the U.N., or the United States through the U.N., does have power to insist that camps it serves ban operations by Palestinian terrorists. If UNRWA wants Lebanon to expel terrorists, it can withhold funds and force Lebanon to assume responsibility for maintenance and care of the camps. Indeed, if UNRWA had taken such action before, misuse of UNRWA camps by terrorists would have long ago been ended and many refugees would have been resettled.

Congress has approved legislation to deny use of American funds for training terrorists, but UNRWA has seemingly found a way to circumvent this injunction.

This failure is now underscored by the Khartoum outrage.

Black September's savagery has been emboldened by weakness and capitulation. Tal's murderers were released. Seven terrorists involved in plane attacks were released in England, West Germany, and Switzerland after the 1970 hijackings. West Germany paid $5 million to ransom a hijacked Lufthansa plane and was swiftly repaid at Munich.

The Munich butchers received a hero's welcome in Libya, and were of course let go. In Rome, two Arabs who arranged to place explosives aboard an El Al plane were "provisionally" let go. Not a single U.N. agency whispered a protest when suicidal Japanese agents of the terrorists mowed down innocent travelers at Israel's Lod Airport. Indeed, nowhere is the bankruptcy and cowardice of the U.N. more glaring than in its double standard as far as terrorists and Israel are concerned. But the U.N. is now regarded as beneath contempt by almost everyone.

Black September has prospered because an amoral international community has been a supine accessory, catering to terrorists with cant and condoning their actions by releasing instead of jailing and executing them.

American diplomats and many other victims of these barbarians would be alive today if the civilized world long ago had refused to submit to terror and blackmail. Their past successes have persuaded Arab governments and terrorists that a complacent world will yield to any demands, no matter how arrogant.

Ruthless Arab terrorists are ready to murder anyone who will not collaborate in their effort to wipe out Israel. But while Israel remains the target, the real victims are Palestinians, whom these assassins claim to represent. For it is mainly the terrorists who are determined to prevent an Arab-Israeli peace.

Israel is a fact of life. She is there to stay, and the sooner the Arabs realize and admit this fact the sooner direct negotiations between both parties, free of great power interference, can ensue. Certainly no meaningful progress towards peace will take place until such face-to-face negotiations between all principals come to pass.

IMPORTANT SUPPORT FOR THE FREEDOM OF EMIGRATION ACT

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, May 14, 1973

Mr. VANIK. Mr. Speaker, I wish to include at this point in the Record, a copy of a resolution that the State of California passed in both Houses recently, in regard to support of the Mills-Vanik-Jackson amendment relating to East-West trade.

There are many such resolutions that should be brought to the attention of the Congress, but this one serves to prove the broad based support of this important legislation, H.R. 3910.

Assemblyman Waxman's successful joint resolution is as follows:

> ASSEMBLY JOINT RESOLUTION No. 15
>
> Assembly Joint Resolution No. 15—Relative to East-West trade relations
>
> LEGISLATIVE COUNSEL'S DIGEST
>
> AJR 15, Waxman. East-West trade relations.
>
> Memorializes the President to support, and Congress to enact, legislation to amend the federal East-West Trade Relations Act of 1971 to deny most-favored-nation status to countries which prevent their citizens from emigrating freely by requiring the payment of ransom taxes.
>
> Fiscal committee: no.
>
> *Resolved by the Assembly and Senate of the State of California, jointly,* That the Legislature of the State of California respectfully memorializes the President to support, and the Congress of the United States to enact, legislation to amend the East-West Trade Relations Act of 1971 so as to deny most-favored-nation status to countries which prevent their citizens from emigrating freely by requiring the payment of ransom taxes; and be it further
>
> *Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to Senator Henry M. Jackson and Congressmen Charles Vanik and Wilbur Mills, and to each Senator and Representative from California in the Congress of the United States.

TRIBUTE TO THE LATE WALTER S. POSEY

HON. GEORGE H. MAHON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 14, 1973

Mr. MAHON. Mr. Speaker, Walter S. Posey, an outstanding citizen of my hometown, Lubbock, Tex., passed away on April 21, 1973.

Walter Posey was a sturdy and stalwart leader who became a legend in his own time. He had tremendous vision, boundless energy, and a talent for leadership which enabled him to play a major role in the history and development of that western frontier area later known as the South Plains of Texas. Those of us from the South Plains who share in the legacy of Walter Posey feel that suitable tribute should be paid to his memory. With this thought in mind. I submit for the Record an excellent editorial about him from the Lubbock Avalanche-Journal of April 24, 1973, as follows:

> WALTER S. POSEY—SOUTH PLAINS GIANT
>
> It is no exaggeration to say that in the death of Walter S. Posey, pioneer Lubbock civic leader and banker, one of the giants of Panhandle South Plains history has passed away.
>
> Mr. Posey, who was 92 last Thursday, came to the South Plains at the age of 10 in a covered wagon when his father, James B. Posey, moved his family to the Floydada area.
>
> The younger Posey hauled freight with his own wagon and teams, later moving to Lubbock where he became associated with the First National Bank in 1904. He became vice president in 1925, president in 1945 and in 1953 was elected to the post of chairman of the board which he held at his death.
>
> His reputation as a banker, his conservative yet progressive policies played a key role, not only in the growth of the institution which he headed for so long, but in the growth of the city and area which became his home.
>
> Especially was his faith in the farming and cattle future of the area well founded, and it was because of this belief that hundreds, yes thousands, of men were "given a chance and a start" or a helping hand that paid off for the individuals and for the South Plains itself.
>
> Quiet, unassuming, yet a man of deep convictions, and belief in the integrity of his fellowman, Walter Posey acted for the total good of his neighbors and his community.
>
> He is credited with having prompted county and city officials to buy the land which was to become Mackenzie State Park. He was president of the Chamber of Commerce the year Lubbock was chosen as the site for Texas Tech.
>
> He was a city commissioner for 12 years. He, with other civic leaders, helped keep the city's banks open during the depths of the great depression. In countless ways, most unpublicized, he served his city and the vast area surrounding it, but never for personal aggrandizement.
>
> Mr. Posey was a "man of the soil" in many ways. His lifetime spanned the history of the Plains from before the railroad to the era of jet flights and man on the Moon. Yet,

through it all, with an ever-present twinkle in his eyes, a firm handshake and an appreciation for the simple things of life, he remained unchanged.

Few men of the down-to-earth philosophy, character and stature of Walter S. Posey pass our way.

As individuals, as a city and as an area, we are fortunate that he did. We are all better for it.

TRIBUTE TO DR. J. RICHMOND BARBOUR

HON. CLAIR W. BURGENER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 14, 1973

Mr. BURGENER. Mr. Speaker, on June 29, the Nation will lose the services of one of the most effective innovators in the field of special education. On that date, the retirement of Dr. J. Richmond Barbour will become effective and he will vacate the position of assistant superintendent for student services of the San Diego Unified School District.

Even though Dr. Barbour retires as an administrator of a single school district, his contribution to special education has been so significant that districts across this Nation have utilized procedures and programs originated under him. The loss of this man's active services will be of national concern.

Dr. Barbour's career in education covers over 40 years of service to the people of San Diego and the cause of special education. Ever since his first day as a classroom teacher at Roosevelt Junior High School in 1930, he has been one of those valuable educators who have striven to better understand the needs of the children everywhere. His contributions, while rising from the classroom to administration where he could concentrate more effectively on the question of identifying needs and developing ways to meet them, have been of great benefit to literally millions of children.

Throughout the United States, school districts have examined the work of Dr. Barbour and found application to their own programs very beneficial. In America, reading clinics and family life education programs bear the mark of his attention.

Numerous dissertations have been devoted to the research and development of programs under his supervision. This information has circulated freely within the field of student services.

The deaf, blind, aphasic and those afflicted with unique physical deformities have all benefited from Dick's involvement. The mentally retarded, the emotionally and neurologically handicapped and the gifted child as well have all been of special concern in his unending search to improve the lives and futures of these special children.

Special education has been a prime concern of mine for 20 years. And during these years, I have come to know and respect Dick Barbour as one of the most effective innovators in this field and I am certain that his work will not only be remembered but expanded. To all of us who have worked in this field, the name of Dr. Richard Barbour will long remain.

We all wish him well and thank him for his unselfish contribution to children everywhere.

EXTENSIVE FLOOD DAMAGE IN MISSISSIPPI DELTA

Hon. G. V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Monday, May 14, 1973

Mr. MONTGOMERY. Mr. Speaker, everyone is probably aware of the extensive amount of flooding that has taken place in the Mississippi Delta these past few weeks. Thousands of acres are still under water. I would like to share with my colleagues the following report prepared by B. F. Smith, who is executive vice president of the Delta Council. This report shows in a concise factual manner the amount of damage in the Mississippi Delta and the problems that are yet to be experienced as a result of the flooding:

EMERGENCY PROBLEMS RESULTING FROM THE 1973 FLOOD

Backwater flooding from the Mississippi River and its tributaries in 1973, combined with overflows from interior streams and the heavy runoff from the headwater areas of North Mississippi, have resulted in severe flooding and disaster conditions in the Yazoo-Mississippi Delta area.

The problem started in October of 1972 when heavy rainstorms began during the peak of the harvesting season. Rains have continued almost unabated and caused heavy crop losses throughout the area. These rainstorms, combined with similar conditions throughout the Mississippi River watershed, culminated in a massive flood of almost record proportions.

The Vicksburg District, U.S. Corps of Engineers, estimated on May 8 that 1,750,000 acres had been, or are now, flooded in the Yazoo Basin area above the backwater and that an additional 720,000 acres are inundated in the backwater of the South Delta. The most serious and prolonged flooding has been along the Upper Yazoo River and its tributaries and in the backwater area which comprises all or part of six Delta and part-Delta counties. Flood damages in the backwater area are estimated at $60,000,000 with damages in other parts of the Yazoo Basin amounting to $42,000,000. These damages could increase.

Listed below are six Delta and part-Delta counties in the South Delta backwater area and the percentage of land under water:

Issaquena, 90 percent.
Sharkey, 90 percent.
Humphreys, 50 percent.
Yazoo*, 80 percent of Delta portion.
Holmes*, 25 percent.
Warren*, 85 percent of Delta portion.

The agricultural census of 1970 lists the following information for these same counties:

	Land Area (acres)	Farmland (acres)	Value of land and buildings
Issaquena	264, 768	98, 851	$34, 520, 997
Sharkey	279, 040	198, 304	60, 211, 718
Humphreys	269, 568	239, 152	79, 974, 607
Yazoo	600, 192	468, 315	88, 222, 580
Holmes	491, 840	359, 699	68, 635, 199
Warren	371, 840	190, 326	34, 130, 141

DURATION OF FLOOD

U.S. Corps of Engineers reports indicate that, with normal rainfall throughout the Mississippi River Drainage System, all land below 103 feet elevation, MSL, will be inundated. Runoff for the backwater will depend upon flood heights of the Mississippi River with a crest of 53 feet on the Vicksburg gauge predicted for May 12. When the fall begins, the Corps of Engineers report indicates that 30 to 35 days will be required before flood heights drop to 35 feet at Vicksburg, even if no more than normal rainfall is experienced. This means that farmers in flooded areas of the South Delta cannot expect to enter their fields before July 1. This is too late to plant crops in 1973. Many farmers along the Upper Yazoo River and its tributaries will experience the same conditions.

Once the flood waters recede, farmers will be confronted with many complex and costly emergency problems. Having lost the opportunity to obtain any income from their farms in 1973, they will also face the immediate need for heavy outlays of funds for rehabilitation of farmland, homes, buildings, facilities and equipment. These activities should be initiated as rapidly as flood and land conditions permit.

EMERGENCY PROBLEMS

Some of the problems that citizens of flooded areas face are:

1. *Credit.* Farmers will need funds to pay labor, meet land notes, pay taxes, meet payments on equipment and defray living expenses. With little or no income in 1973, credit needs of distressed farmers will be beyond the ability of ordinary financing sources. Farmers will also need sources of credit for 1974 production loans and some method should be provided for the consolidation of carryover debts. Businesses of the flooded areas are also adversely affected and are suffering from loss of revenue, damages to buildings and loss of goods.

2. Farm homes, tenant houses, barns, shops and other farm structures have suffered great damage by flooding. Action must be taken as soon as possible to salvage, repair or replace these structures.

3. *Farm labor.* Several thousand farm workers have been displaced from their homes and are now living in temporary shelter. Unless prompt action is taken to provide suitable housing, many of these workers could leave the area causing an acute farm labor shortage. A high percentage of these workers will be needed in salvage, rehabilitation and repair operations on farms.

4. *Debris clearing and removal.* This must be accomplished before other farmland rehabilitation activities can get under way.

5. *Weed and grass control.* Every cultivable acre that has been flooded will have been reinfested with noxious weeds and grass seeds. High temperatures usually prevailing in the summer and moist soil conditions will be conducive to rapid growth of weeds and grasses and effective control measures must be undertaken promptly. Possibly, the most effective measure will be that of fallowing; however, farmland will need to be heavily disked several times during the remainder of 1973 to prevent weeds and grasses from going to seed. This represents a major cost.

6. *Equipment repairs and replacement.* While a major effort was made to evacuate farm equipment, the problem of finding enough land above flood heights where equipment could be stored was a major one. In 1927, the peak stage, MSL, reached 103.7 feet and lands were inundated from March 23 to May 24. Only one time since the 1927 flood has the peak stage exceeded 100 feet above MSL and that was in 1937 with the peak stage recorded at 100.5 feet, MSL. In that year, flooding occurred earlier and lands were inundated from January 25 to March 10. In the 1973 flood, all lands below 103 feet, MSL, were inundated. This left little land, other than Highway 61, the Illinois Central-Gulf Railroad, and the Mississippi River Levee

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* Part-Delta, part-Hill.

above high water. Consequently, the salvage and repair of farm equipment will be a major problem. Without this equipment, farmers will not be able to rehabilitate their land or make a crop in 1974.

7. *Removal of temporary levees.* Many temporary levees were constructed in an effort to prevent flooding of land, homes, plantation headquarters, etc. These levees will have to be removed to facilitate drainage and to permit normal farming operations.

8. *Sanitary facilities.* Most rural homes utilize septic tanks for sewage disposal and also have their own water systems. These systems will need to be thoroughly cleaned and overhauled to provide safe drinking water and septic tanks must be pumped out and repaired. Also, sewage disposal and water systems or towns in flooded areas should be carefully inspected with necessary repair work initiated as soon as possible.

9. *Re-establishment of pastures and feed for livestock.* Most of the livestock was evacuated from flooded areas. The grass on thousands of acres of improved permanent pasture land will have been destroyed by high water and will have to be re-established. Fences will have to be repaired and replaced and feed will have to be provided for livestock when they are returned to the area.

10. *Bridges, culverts, roads.* Long periods of inundation, wave action and swift currents have caused great damages to roads, bridges, and culverts throughout the flooded areas. This includes county facilities, as well as roads, bridges, and culverts on farms. These facilities must be restored.

Also, farm drainage systems have been greatly damaged and in some cases totally destroyed. These facilities will have to be renovated or restored.

11. *Grain storage facilities.* On-farm grain storage facilities were flooded in many cases. These facilities must be thoroughly cleaned with special attention given to the heating and drying units.

12. Indications are that backwaters will continue to linger in low areas throughout the summer. This will provide prime breeding areas for mosquitoes, gnats, horseflies, and other harmful insects. Hordes of mosquitoes could cause a serious public health problem, especially since DDT is no longer available as a control measure. Gnats, horseflies, and deer flies, breed rapidly and are carriers of anaplasmosis and other animal diseases. Insect breeding areas should be treated to minimize this threat.

Care should also be taken because of the large number of snakes that have been displaced from their regular habitat by flood waters. Some of these snakes, rattlesnakes, cottonmouth moccasins and copperhead moccasins, are extremely poisonous.

WAR ON POVERTY FAILED

HON. JOHN E. HUNT

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, May 14, 1973

Mr. HUNT. Mr. Speaker, the May issue of First Monday, edited by John Lofton, Jr., and published by the Republican National Committee, has in it a very informative article about the failure of the Great Society's so-called war on poverty. I think the article is of interest to my colleagues, particularly those who have defended the program, and I would like to include it in the Record:

The War on Poverty, Representatives Hawkins and Drinan, Wasted Moneys and Scandals: Here Are the Facts, Gentlemen

("One by one OEO's liberal friends rose to the poverty agency's defense on Tuesday, flexing their flabby congressional muscles, giving Howie the evil eye like so many club-fighters trying to psych out an opponent before the bell. Howie polished them off, one by one. He was armed with information where they were filled with so much vague gas. Above all, he believed in the efficacy and rectitude of what he was doing, while they tried to sell ignorant flatulence or moral passion."—Reporter Tom Dowling, writing in the Washington Star-News.)

For some strange reason there is an almost paranoid reaction among the knee-jerk defenders of the program when anyone even remotely hints that the Great Society's so-called War on Poverty ended in anything less than a total victory.

For example, when OEO Acting Director Howard Phillips appeared before a House Education and Labor Subcommittee in February of this year and explained that certain changes were being made in the program to make sure that the taxpayers' money is being spent responsibly, Rep. Augustus Hawkins (D-Calif.), one of the original sponsors of the Economic Opportunity Act of 1964, jumped all over him.

"I don't know what you mean by 'money being spent responsibly' . . . " Hawkins declared, then going on to say other things that showed that he really didn't know what is or is not responsible spending of taxpayers' money.

In another instance, when NPACT senior correspondent Robert McNeil led into a public broadcasting special about the poverty program noting that community action programs have had "problems" ranging from "embezzlement to fraud to monumental failures," Rep. Robert F. Drinan (D-Mass.) later in the show disputed McNeil's remarks saying, "I haven't heard of any scandals . . ."

So, on the assumption that Reps. Hawkins and Drinan are honorable men and thus sincere in their remarks, that is the former doesn't know what is meant by the responsible spending of the taxpayers' money and the latter is unaware of any scandals in the poverty program, the following cases from OEO files are presented for their enlightenment.

NEW YORK

Human Resources Administration of New York City (HRA), report dated August 18, 1971.

Problem: Who's got the $5.7 million OEO gave to New York City?

Findings: In the first three years of the anti-poverty program (1965–68) the Federal government provided $101 million to New York City anti-poverty agencies. The City provided another $82 million. The HRA was the City's agency responsible for the programs.

During the early years of the program, large amounts of these funds were unaccounted for. Estimates of the total unaccounted for funds by Federal and City officials vary from $5.7 million to $7.8 million for the period July 1, 1965 to September 30, 1968. (The different estimates are explained below.)

The Comptroller General found the following conditions contributed to the fiscal shortcomings:

1. "The inability of HRA and its delegate agencies, primarily because they lacked competent fiscal employees, to adhere to OEO policies, procedures, and standards for financial management of funds advanced for the anti-poverty programs."

2. "A lenient attitude by OEO during this period regarding fiscal controls at HRA."

It explained in more detail that at the beginning of the anti-poverty program the city comptroller advanced funds to delegate agencies which then submitted vouchers for expenditures through HRA to the comptroller. The comptroller was unable to process the vouchers promptly enough, so he set up a revolving fund under which advances could be made independent of the vouchering process, with justifying vouchers to be submitted later.

Vouchers submitted by a large number of delegate agencies during the early program years (1965–68) did not account for all the funds that had been advanced. The city comptroller's records as of August 1970 showed that he had received and processed vouchers accounting for only $27.5 million of the $35.3 million that had been advanced to delegate agencies from July 1, 1965 to September 30, 1968. Of the $7.8 million not offset by vouchers, $5.7 million was Federal funds and $2.1 million was city funds.

A series of meetings of involved City and Federal officials reduced this $7.8 million in funds unaccounted for by $2.1 million because of unprocessed vouchers. It was decided to seek outside audits of the remaining $5.7 million. Contracts for the audits were not awarded until July 1971.

In the meantime, on December 30, 1970, OEO disallowed expenditures of $303,522 for the first year (1965–66) and on May 11, 1971, OEO disallowed expenditures of $6,612,842 for the second and third years (1966–68). The latter figure included $391,784 in unexplained expenditures and $6,221,058 in advances to delegate agencies which were not adequately accounted for.

Thus, OEO's estimate of the Federal share of funds not accounted for totals $6,916,364 for the three years.

CONNECTICUT

Community Progress Inc. (CPI), report dated August 12, 1970.

Problem: Criminal and political involvement.

Findings: Warren A. Kimbro was hired by CPI as a neighborhood worker in 1966 at $5,062. By May of 1969 he was coordinator for a Center in New Haven at $10,000.

The New Haven chapter of the Black Panther Party was formed in the spring of 1969. In May of 1969 the first state leader was shelved and was replaced by Kimbro.

On May 22, 1969, the New Haven Panther headquarters was raided and eight members of the party were arrested for the murder of a New York City Panther whose body had been found the day before. Kimbro was one of those arrested and charged with murder and conspiracy to commit murder. He was suspended without pay as of the date of his arrest by CPI and later resigned by letter antidated to May 19.

Prior to joining CPI Kimbro had been arrested five times and had been convicted on two counts of aggravated assault.

ARIZONA

Project Valor—Drug Program of the Committee of Economic Opportunity, report dated March 14–17, 1972.

Problem: Drug counselors using drugs.

Findings: Project Valor received $475,866 from OEO for a two-year period ending June 30, 1973, to rehabilitate hard-core drug addicts of a low-income background.

Eight of the nine counselors in the program are addicts who have arrest records. At least four have numerous criminal convictions for offenses ranging from burglary and grand theft to assault and narcotics violations.

Two have records that go back nearly 30 years. Three are heroin addicts currently undergoing methadone treatment.

One of the counselors on methadone deliberately used his position as counselor to get temporary custody of a female on probation. He took the female (age 22) to another counselor's apartment where he introduced her to heroin for the first time, and also took a fix himself.

The senior counselor admitted having sexual relations with an 18-year old addict who had been released on probation to the Project Valor program. Another counselor took two girls to an apartment where the girls took heroin.

The three counselors were dismissed.

ARKANSAS

Economic Opportunity Council of Pulaski County, report dated September 23, 1968.

Problem: OEO personnel arrested—militant activities.

Findings: Project SANE is an OEO-funded Summer Recreation Project administered by the Economic Opportunity Council of Pulaski County. Six staff members of SANE were organizers and members of Black United Youth (BUY), a militant group which organized boycotts, demonstrations, etc. At least one BUY demonstration ended in violence and the arrest of 30 persons.

One SANE staff member, also a BUY member, was arrested on four counts of assault with intent to kill. He was subsequently suspended by SANE. Another former staff member of SANE, president of BUY, was arrested for armed robbery during a raid in which police confiscated 18 rifles, pistols and some ammunition. He was at that time a Police Community Relations worker for the Economic Opportunity Council, and had recently received a grant to attend the Chicago Urban Training Center.

WEST VIRGINIA

Legal Aid Society of Charleston, report dated January 2, 1970.

Problem: OEO employee embezzles Federal funds by forging checks.

Findings: The secretary-bookkeeper of the Legal Aid Society, a delegate Agency of OEO-funded Tri-County Community Action Against Poverty, Inc., was indicted by a Federal Grand Jury for forgery and embezzlement. On at least four occasions she obtained two salary checks for herself covering single work periods, and forged the treasurer's signature on checks made out to herself. She developed a scheme to accept $50 cash for bankruptcy filing fees, paying the fee by forged check and keeping the cash: This was accomplished at least 20 times, and possibly as many as 50 times. Pleading guilty to all counts, she was placed on three years probation.

PENNSYLVANIA

Cumberland, Dauphin and Perry County Commission on Economic Opportunity, report dated October 21, 1969.

Problem: Violation of regulations; felons hired as program directors.

Findings: The police record of the Director of the Carlisle Neighborhood Center, a CAP-funded program, showed two misdemeanor and two felony convictions at the time he was hired. He was demoted by the Board of Directors for unsatisfactory performance. His predecessor had served six years in state prison for assault to commit murder and was on parole when he was hired. Neither of the two men's records had been checked before their employ, a violation of CAP Memo 23A.

RHODE ISLAND

Progress for Providence (PFP), report dated November 17, 1970 and March 19, 1973.

Problem: OEO employees involved with organized crime.

Findings: The director of the Youth Drop-In Center, a PFP program, has an extensive criminal record showing 30 arrests from 1952 to 1969, including: conspiracy to commit murder, robbery, extortion, assault with a deadly weapon and many others. Described by Providence police as "very much mixed up in organized crime," he has served a total of 17 years in prison. The vice chairman of PFP was arrested four times on felony charges; the director of the Federal Hill Neighborhood Corporation was arrested seven times, and a detached PFP youth worker who had served five and a half years in prison was sentenced in 1960 to 15 years for second degree murder.

CALIFORNIA

CAL-CAP Directors Association, report dated March 13, 1972.

Problem: Local OEO director forges $21,487 check.

Findings: The San Francisco Regional Office had given the CAL-CAP Directors Association a $19,450 grant to give technical assistance to other SFRO grantees. The executive director of the Southern Alameda County EOA (SACEOA) opened two bank accounts, depositing over $21,000 in grant money from the CAL-CAP Directors Association. He then made withdrawals, mostly in cash, totalling over $19,000. The SACEOA Board president suspended his authority to handle funds; refused his demand for cash for a $21,487 cashier's check, the executive director left the bank moments before the arrival of an FBI agent summoned by Inspection. It was determined that a SACEOA check for $21,487 bearing a forged signature had been cashed earlier by the executive director. He was arrested on March 10, 1972, on a charge of forging a check to steal Federal funds.

LOUISIANA

Ouachita Multi-Purpose Community Action Program (OMPCAP), report dated April 16, 1969.

Problem: Mismanagement, white racists.

Findings: Upon the appointment of a white board chairman to replace the previous black chairman, whites quickly moved into key OMPCAP positions. At least three Board members had definite links with the Ku Klux Klan, and it was generally agreed that the nearly all-white Board's plan was to segregate the CAA programs. The private sector members not only represented segregated organizations, a violation of Section 624(a) of the Economic Opportunity Act of 1964; they also were selected without the participation of the poor, violating Section 211(b)(2) of the Act. Eight of the 12 poor representatives were in fact non-poor. The Chairman had complete control of Board meetings and salaries; several were shown to be based on racial discrimination. The black Executive Director's authority has been severely undermined, and he has been object of threats: A sniper fired into his home, narrowly missing his wife, and at another time a Board member publicly threatened to shoot him.

UTAH

Community Action Program for Economic Opportunity (CAPEO), report dated March 8, 1971.

Problem: Criminal involvement, violation of regulations.

Findings: The accounting supervisor of CAPEO was arrested in January 1971 and charged with burglary. He was arrested again a few days later and charged with grand larceny.

He had been hired in 1966 by CAPEO while on parole from a previous conviction and had been arrested five times on vagrancy and trespassing charges since being employed by CAPEO. These arrests were the result of his alleged activities as a sexual pervert (voyeur).

CAPEO employee applicants were not asked to reveal criminal records. This was in violation of CAP Memo 23A.

At the time of the report the accounting supervisor had not been relieved of his duties but he did not have check signing authority.

KANSAS

Wichita Area Community Action Program, report dated December 11, 1969.

Problem: Kickbacks—graft.

Findings: Community Action Agencies (CAA) gave $7,000 to the Resident Advisory Council (RAC) for a summer program in Wichita. It was decided to spend half of the money on a program in which 10 boys would learn the auto body repair trade.

A member of the RAC, who also was chairman of the Youth Program and who suggested the auto body project, received $1,000 kickback from the owner of the body shop used in the program. He also shook down one of the students for a $300 fee for taking the course, $50 of which was paid before the scheme was discovered. Two other boys resigned from the program rather than pay the shakedown fee. After the scheme was uncovered, the RAC member resigned and agreed to make restitution. At the time of the report he had paid back all but $300.

NEW JERSEY

Monmouth County Community Action Program, Inc. (MCAP), report dated May 27, 1970.

Problem: Fiscal and personnel mismanagement.

Findings: The MCAP Deputy Director used a MCAP vehicle for personal travel. The Executive Director leased two luxury automobiles equipped with mobile telephone, in direct violation of Community Action Memo 75, which restricts unnecessary and unrealistic purchases.

At least six employees received salaries in excess of the 20 percent maximum increase allowed by Community Action Memo 23A. Additionally, no verification of previous salary records were kept, a violation of Community Action Memos 23A and 23B, and no evidence of OEO Regional approval in the hiring of some employees. Several personnel files were empty. The Deputy Director traveled to Jamaica and Puerto Rico allegedly on Community Action Programs business without the knowledge or consent of the Board of Trustees. MCAP facilities were allowed to be used by political candidates, violating OEO Instruction 6907-1 Section 4b. The Executive Director and Deputy Director controlled the assets.

CALIFORNIA

Sacramento Area Economic Opportunity Council, report dated March 10, 1971.

Problem: Fight between CAA black employees and Chicanoes during a public meeting.

Findings: A predominantly but not exclusively Chicano audience met to discuss ways of getting CAA funding out from under Cabinet, Inc., which was exclusively black. Several Cabinet, Inc., employees entered the meeting equipped for mayhem, broke it up and attacked the audience. The audience panicked. The action surged outside. Shots were fired. Two of the blacks were wounded, neither seriously. Cabinet, Inc. was terminated and responsibility for programs transferred to Sacramento CAA.

PENNSYLVANIA

Communitly Progress Council, report dated September 8, 1970.

Problem: CAA staff involved with utilizing "subversive" material and having former criminal records.

Findings: Complaints alleged that CAA staff were using and dealing in narcotics, had criminal records, and employed a consultant who utilized "subversive" material.

CAA staff members were the subject of active narcotics investigations by the York police. Lionel Bailey, CPC associate director, has been convicted of attempted arson. He was apprehended with a firebomb at a school during racial rioting in the summer of 1968. A consultant, William Thompson, head of the Malcolm X Center in Reading, had been utilized by the CAA for "training" and had exhibited the movie "The Battle of Algiers", to juveniles and young adults in York. The movie depicts urban guerrilla war methods as used by the Algerian rebels. Additionally, the CPC board of directors was found not in compliance with the Economic Opportunity Act's provision known as the Green Amendment regarding public officials sitting on the Board.

Thompson was dismissed. The Board was restructured to comply with the statute. No further information since March 10, 1971.

GENOCIDE CONVENTION

HON. DAVID C. TREEN

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 14, 1973

Mr. TREEN. Mr. Speaker, the Senate has the power under our Constitution to ratify treaties. This is a power that the Senate exercises with great deliberation. I particularly urge great deliberation on the Genocide Convention which has been reported out of the Senate Foreign Relations Committee. If ratified, this Convention would be both confusing and dangerous. I wish to bring attention to one ramification of this treaty.

Under the treaty, there is much confusion as to exactly what the convention means in times of military action or wars. Article I of the Convention provides—

> Genocide, whether committed in time of peace or in time of war, is a crime under international law which they undertake to prevent and to punish.

It is important to note that no distinction is made between peace and war. Therefore, soldiers are covered by the Convention:

Article II of the Convention states that—

> Genocide means any of the following acts committed with intent to destroy, in whole or in part, a national, ethnical, racial, or religious group, as such. . . .

When soldiers are engaged in combat, they obviously intend to destroy, in whole or in part, a national group as such. Therefore, the acts of soldiers thus fall under the treaty.

Article VI of the Convention states—

> Persons charged with genocide or any of the other acts enumerated in Article III shall be tried by a competent tribunal of the State in the territory of which the act was committed, or by such international penal tribunal as may have jurisdiction with respect to those Contracting Parties which shall have accepted its jurisdiction.

Thus, the convention clearly shows that American soldiers engaged in combat could be tried by foreign courts or in some international penal tribunal "as may have jurisdiction."

The text of the convention, itself, clearly places soldiers under its provisions. The "report" by the Senate Foreign Relations Committee states that the Genocide Convention "does not alter the rules of warfare, or the obligations of parties to the Geneva Convention on the treatment of prisoners of war and protection of civilian persons in time of war."

But this misses the point. The Genocide Convention will change the determination of what constitutes a prisoner of war. Foreign governments, such as that of North Vietnam, would have a legal basis under the Genocide Convention to declare that captured American soldiers are actually not prisoners of war but war criminals and should be tried as such. In such a case, the Geneva Convention on the treatment of prisoners of war has no bearing. The matter is no longer one of POW's but of war criminals.

I do not want to endanger our American fighting men in any way by being silent on the question of ratification of the Genocide Convention. I urge my friends on the other side of the Capitol to refuse ratification of this treaty. Nothing should be done further to endanger American fighting men now or in the future.

Too often in this century, man's inhumanity to man has been witnessed. Hitler's murder of many peoples in Germany and Europe has been equalled by that of Stalin's in the Soviet Union. In Asia, North Vietnam and Communist China have killed many of their own citizens. The International Commission of Jurists found Communist China guilty of genocide against the Tibetans.

I deplore these and all other acts of genocide wherever committed. I, as must all men of good will, will fight against this crime wherever it appears. To stop this crime we must be sure that the means proposed—the Genocide Convention—can fulfill the goal. The convention does not fulfill the goal and at the same time, may have many frightening consequences for America.

SENIOR CITIZENS' STRENGTH

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, May 14, 1973

Mr. BINGHAM. Mr. Speaker, America's senior citizens are a group which is all too often overlooked or ignored when national policies are formulated and national resources are allocated. They have served their country well, raised families, and worked long hours to provide the best possible future for their children and their Nation. But, when they enter their "golden years," they find that Federal, State, and local governments do far too little to meet their needs.

In addition to facing the basic physical problems of aging, our senior citizens, who frequently live on fixed incomes and pensions, are the hardest hit victims of inflation and skyrocketing prices. Congress has the responsibility of focusing our national decisionmaking process on which will improve the lives of America's senior citizens and give them the rewards which they so richly deserve for their lifelong contributions to our society.

May is national Senior Citizens' Month, and WABC Radio in New York recently broadcast an editorial to call public attention to that fact and to the conditions which confront senior citizens in our country. This is the text of that commentary:

A New Protest Group Is Sounding Off, and They Mean Business

(By Patrick Muldowney, editorial director)

> A few years ago, protesting became a way of life for many people. But for millions of others, picketing and marching just wasn't the way to do things. But not anymore. In New York, New Jersey and Connecticut, there are more than five million people over the age of 60. And for the most part, they have been ignored. They have worked hard all their lives but now find themselves in a situation they don't like. Their living costs have skyrocketed, but not their income. When it comes to getting services from the cities and states, they are lumped together with people who cannot or will not work, with drug addicts, with the problem people.
>
> May is Senior Citizens Month. The men who want to be re-elected better listen. Five million votes is a lot of opposition.

RUMANIAN INDEPENDENCE DAY

HON. CARL ALBERT

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 14, 1973

Mr. ALBERT. Mr. Speaker, May 10 marked the anniversary of Rumanian Independence Day. It is fitting that we should take this opportunity to honor one of the most courageous peoples of Eastern Europe. On May 10, a chain of events set off by a revolt against Greek rulers in Rumania in 1821 culminated when in 1877 Rumania was finally able to fully cast off the burdens of semi-autonomous status under the Ottoman Turks and establish an independent state. Rumania's right to independence was recognized by the European powers when the diplomatic Congress of Berlin ratified it in June 1878.

The Rumanians were determined to establish a progressive democratic state and made great innovative strides to accomplish their high goal. Despite political events in the Balkans and the looming presence of the reactionary Czarist Russian Empire that made this task difficult, the Rumanians persevered and jealously guarded their independence.

This independence was seriously jeopardized by the Second World War, and since that time, the Rumanians have never really been free. Traditional Russian hegemonial interest in the Balkans reasserted itself after Russian armies overran Rumania and defeated the German armies there. In honor of that victory, May 9, rather than May 10, is the date on which Rumania must officially celebrate its independence. This fact demonstrates that the Rumanians are circumscribed in their ability to act as independently as they would like.

Thus, while the Rumanian Government can be admired for the independent foreign policy stand that has been manifested most recently at the preliminary talks for the European Security Conference, a careful look at this government reveals the burden it imposes on the free and indomitable spirit of the Rumanian people. That spirit will support any "Maverick" like steps expressing particular Rumanian goals, but it remains opposed to the conservatism of the Rumanian regime in domestic affairs. This is a tragedy that a people as fine as the Rumanians should not have to bear.

We in the United States must again call attention to the true Rumanian Independence Day, and recall the past when Rumanians enjoyed freedom unencumbered by shackles of censorship and scrutiny that makes life a constant struggle for small victories in conflicts that should not be fought.

Today the United States finds itself in a period of détente with the Soviet Union, and consequently, with the Eastern European countries. With Rumania we are on the point of reaffirming excellent state relations through the final enactment of a consular convention just recently approved by the Senate. Now it is my sincerest hope that these good relations and deténte will not be restricted to governmental affairs, but that for the Rumanian people, they will inaugurate a future that promises renewed progress toward achievement of Rumanian dreams of liberty and progress for all men, and perhaps the rightful celebration of May 10 as the significant date in Rumanian history that it is.

AMNESTY—NEITHER A BLANKET PARDON NOR BLANKET CONDEMNATION

HON. HOWARD W. ROBISON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, May 14, 1973

Mr. ROBISON of New York. Mr. Speaker, as I continue this series of what I hope constitutes both an historical review of this Nation's past experiences with amnesty and an objective overview of today's troubling questions about post-Vietnam amnesty, I am pleased to note a slow increase in public—if not yet congressional—interest in the subject.

As evidence of the former, I now include the following editorial from the April 30 edition of the Christian Science Monitor, one of our more thoughtful and objective publications:

> AMNESTY AND THE EXILES
>
> In the aftermath of the Vietnam war, thousands of young Americans living as exiles abroad look homeward, wondering what the future holds for them.
>
> These are the men who evaded the draft or dropped out of the services in an unpopular war. Antiwar groups put their numbers at around 70,000 to 100,000. Government sources say the figure is much lower: 7,000 to 10,000 in Canada, about 600 in Sweden.
>
> In the long run the future of these men will be decided by American public opinion. But it will be months before the issue of amnesty can be debated dispassionately.
>
> President Nixon has closed the door on any prospect of an early amnesty, and obviously believes he speaks for a majority of the people in doing so. At a press conference at the end of January he said: "Those who deserted must pay their price, and the price is not a junket in the Peace Corps. . . . The price is a criminal penalty for disobeying the laws of the United States. . . ." He has repeated this tough line in subsequent statements.
>
> The administration's attitude is that amnesty would be an injustice to the thousands of Americans who served in Vietnam, and particularly to the relatives of the 46,000 Americans who lost their lives in the war, as well as to those who were opposed to the war but stayed home and paid the penalty for that opposition.
>
> Supporters of some form of amnesty invoke the examples of former presidents from George Washington to Harry S Truman. Lincoln granted a general amnesty after the Civil War, overriding the opposition of some congressmen who called for punishment of the South.
>
> In 1946 after World War II, President Truman appointed an amnesty board which reviewed individually 15,000 cases of violation of the Selective Training and Service Act and granted full pardon to 1,523 persons. There has been no act of executive clemency since then. No amnesty was granted to draft evaders or deserters after the Korean war.
>
> However, if the President does not act, it is still open to Congress to do so. Two amnesty bills are currently before Congress, one of which would grant conditional amnesty to draft evaders only and the other (introduced by Representative Bella Abzug) which provides for an umbrella amnesty.
>
> The view of this newspaper is that the draft evaders should be allowed to return provided they accept some form of compensatory service in a nonmilitary activity, as the conscientious objectors who stayed at home did.
>
> We believe the cases of the draft dodgers should be reviewed individually. The question of motivation should be thoughtfully weighed. There are those who were convinced that the Vietnam war was a wrong war and that involvement in it would have been immoral. There were others for whom leaving the country looked like an easier way out. Admittedly it will be difficult to assess motivation, but the attempt must be made.
>
> The case of the deserters is another matter. But they too should be encouraged to come out of exile and face the legal consequences of their decision. For them it is just as important to consider motivation on an individual basis.
>
> A blanket pardon would be unfair and inappropriate. But a blanket condemnation is also out of place. A partial amnesty stipulating compensatory service for draft evaders would, we believe, suit the mood of the country as it reaches out for healing of the divisions caused by the Vietnam war.

As will be noted, I have drawn the title for this week's remarks from that editorial for, while I am not at this point in time presenting nor even considering—since I believe it to be far too early for that—any specific legislative amnesty proposal, the editorialist's views and mine are rather close. Together, we appear to believe that the Vietnam draft evaders should be encouraged and allowed to come home; that, once home, their cases should be reviewed individually, with the question of their separate motivations weighed as thoughtfully as possible, no matter how difficult that may be; and that, in most cases, at least, some form of compensatory service in a non-military activity should be required of them. We are equally agreed that the cases of deserters present a different problem, and quite likely will need to be handled differently. But, most importantly, I feel, the editorialist and I believe that neither a blanket pardon nor blanket condemnation is in order for these unfortunate—and, in some cases, tragic—American exiles.

In any event, I suggest the day will come—sometime—when, if de facto amnesty of the type I discussed last week proves not to be the answer, we will have to address ourselves to the question of whether the President or Congress is the most appropriate source to turn to for whatever form of amnesty proves acceptable to the Nation. Let us, therefore begin this week to look at that question.

National amnesty is usually presumed to be the prerogative of the President—and, in fact, the majority of amnesties in American history were initiated by the Chief Executive; yet, there have been significant instances when the Congress asserted its own authority to enact amnesty legislation. In a notable example, Congress included amnesty provisions in the Confiscation Act of July 17, 1862—

> An Act to Suppress Insurrection, to Punish Treason and Rebellion, to Seize and Confiscate the Property of Rebels, and for Other Purposes.

Section 13 of that act provided that—

> The President is hereby authorized at any time hereafter, by proclamation to extend to persons who may have participated in the existing rebellion in any State or part thereof pardon and amnesty with such exceptions and at such time and on such conditions as he may deem expedient for the public welfare.

Lincoln complied by issuing several amnesty proclamations; however, he cited the Constitution, not the congressional statute, as his authority.

On March 3, 1865, Congress again authorized the Chief Executive to grant amnesty in an act which: First, established forfeiture of citizenship as punishment for desertion; and second, provided for the President to issue a proclamation pardoning all deserters who returned to their posts within 60 days and served a period of time equal to their original term of enlistment. Lincoln's proclamation followed on March 11, 1865.

When, on January 21, 1867, Congress again passed amnesty legislation, it reversed its earlier decision by repealing section 13 of the previously mentioned Confiscation Act—thereby denying the President the authority to grant pardon and amnesty.

As a result of the ratification of the 14th amendment on July 21, 1868, Congress became involved in a series of actions dealing with amnesty. Under section 3 of this amendment, political disabilities were imposed on those who had engaged in the "rebellion"; and, most significantly, Congress alone was bestowed with the power to revoke these penalties:

> No person shall be a Senator or Representative in Congress or elector of President and Vice-President, or hold any office, civil or military, under the United States, or under any State, who having previously taken an oath, as a member of Congress or as an officer of the United States, or as a member of any State legislature, or as an executive or judicial officer of any State to support the Constitution of the United States, shall have engaged in insurrection or rebellion against the same, or given aid or comfort to the enemies thereof. But Congress may, by a vote of two thirds of each House, remove such disability.

Despite the congressional repeal of section 13 of the 1862 Confiscation Act, President Johnson issued three proclamations of amnesty. The last of these, the Christmas amnesty of 1868, provided for universal and unconditional amnesty to all former rebels. Some Members of Congress reacted immediately—as is evident from the January 5, 1869, debate found in the CONGRESSIONAL RECORD. Several of the Senators felt that the President had no authority to grant amnesty. Note this dialog:

> Senator FERRY. I doubt, myself, any power of the executive department to issue a proclamation of that kind. . . .
>
> Senator FRELINGHUYSEN. I do not find in the Constitution any power given to the President to grant an amnesty at all. The word is not in the Constitution.

Representing the opposing views were Senators Doolittle and Davis, Senator Doolittle interpreted amnesty as a general form of pardon, and therefore maintained that—

> If the President has the power to pardon one, he has the power to pardon two or six or one hundred or one thousand and he can do it all in one act. . . . If the President has the power to pardon every man who has been guilty of an offense, he can name those men one by one, or in general words he can say "I pardon all."

Senator Davis was even more adamant in upholding the Presidential power to grant amnesty:

> If "amnesty" is simply the synonym of reprieve and pardon, the power of amnesty is vested exclusively in the President of the United States. If it is not vested in him, it does not exist in our government at all.

Senator Conkling then summarized the question:

> The point . . . is not whether the President may pardon an individual or different individuals charged with an offense or offenses, but whether he may acquit all men collectively and all communities charged with offenses and this by public proclamation.

The Senate finally acted to send the issue to the Senate Judiciary Committee for further consideration. In their report of February 17, 1869, the committee concluded that the President did not have the power to grant amnesty, arguing that English precedent relied in Parliament, not the King, for this action; and that the Founding Fathers had legal knowledge of amnesty and pardon and had intentionally omitted amnesty from the pardon clause of the Constitution, thereby denying the President this power. The report further states:

> The committee, after a careful examination of the subject, have no hesitation in coming to the conclusion that the proclamation in question was wholly beyond the constitutional power to the President, and that it can have no efficacy to the ends sought to be reached by it. . . it will be perceived that amnesty is a larger power than pardon, operating upon the crime instead of the criminal, and effecting restoration and restitution *ab initio* instead of merely remitting unexecuted punishment, and proceeding, like what is called a general pardon, not from the executive, be he king or President, but from the *government*, the *sovereign power*, which in England was the king, in and with his Parliament, as in the United States it is the Congress acting with the approval of the President, or by a two-thirds vote without it.

The committee concluded their report by issuing a resolution:

> *Resolved*, That in the opinion of the Senate, the proclamation of the President of the United States, of the 25th of December 1868, purporting to grant general pardon and amnesty to all persons guilty of treason and acts of hostility to the United States during the late rebellion, with restoration of rights, etc., was not authorized by the Constitution or laws.

Although no action was taken on the resolution, Congress—backed by its authority from the 14th amendment—became increasingly active in the area of pardons and removal of political disabilities. On May 22, 1872, the first public law granting general amnesty was passed, reenfranchising thousands of ex-Confederates, with certain exceptions:

> *Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each house concurring therein)*, That all political disabilities imposed by the third section of the fourteenth article of amendments of the Constitution of the United States are hereby removed from all persons whomsoever, except Senators and Representatives of the thirty-sixth and thirty-seventh Congresses, officers in the judicial, military, and naval service of the United States, heads of departments, and foreign ministers of the United States.

This act was first amended on May 13, 1884, by removing the restrictions on past rebels from serving on juries and holding civil offices; and, further amended on March 21, 1896, by removing the restrictions on former rebels from serving in the U.S. military. Finally on June 8, 1898, a Universal Amnesty Act was passed, which removed all disabilities on all former rebels:

> *Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the disability imposed by section three of the Fourteenth Amendment to the Constitution of the United States heretofore incurred is hereby removed.

The Universal Amnesty Act culminated a period of congressional activity when the legislative branch looked to its own authority to enact amnesty legislation. The series of amnesty measures which emanated from Congress following the Civil War were often controversial and, as previously mentioned, were at times contested or contradicted by the Chief Executive. Since the courts have never forwarded a definitive decision concerning the respective prerogatives of the executive and legislative branches to initiate amnesty, this history of congressional action remains the strongest precedent for future congressional initiatives—should we eventually wish to make them.

TAX REFORM

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 14, 1973

Mr. DERWINSKI. Mr. Speaker, I take this time to commend the House Ways and Means Committee for its determination to process trade legislation and then undertake sensible tax reform this year.

In my judgment, a priority issue facing the Congress is the need for a sensible tax reform bill. I am hopeful that a measure of this kind will be passed this year.

There is a clear need for us to effectively revise the income tax structure, and I believe that Congress must pass what we can truly call a tax reform so long as it is not a vehicle for imposing any new or larger tax burdens on the taxpayer.

Therefore, I support the basic position outlined by the President in his tax message to Congress so that we might effectively eliminate the tax shelters and close the glaring loopholes in our present tax structure. I further believe that the tax reforms filed by individuals must be significantly simplified and that this development is long overdue.

I am also supporting the basic aims of the President's domestic program, especially as it applies to control of inflation and economies in Government operations by a reduction in the size of the bureaucracy.

HEALTH PLANNING EDUCATION: ONE SCHOOL WILL DROP OUT

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 14, 1973

Mr. DRINAN. Mr. Speaker, on another occasion I have spoken of the general need for improved health planning. At that time I took notice of the administration's proposal to raise funding for the comprehensive health planning program by $2.5 million to a total of $38.3 million.

When viewed in the light of other administration proposals dealing with Federal health programs, the future of general health programs, the future of health planning dims appreciably. For, aside from the proposed discontinuation of the regional medical program, the administration's requested cutbacks in health education will seriously damage future opportunities in the health planning field. One example is that of the Boston College Graduate School of Social Work's program in comprehensive health planning. As a result of already-inflicted Federal cutbacks, the school has been cut back one-half. If the new administration proposals are allowed to take effect, this valuable health education program will cease to exist.

I have received an analysis on the subject of health planning education from Mr. William Oshima, assistant professor, Department of Community Organization-Social Organization, Boston College School of Social Work, and project director, NIMH community mental health training project; and from Frederick L. Ahearn, Ph. D., chairman, Department of Community Organization-Social Planning, Boston College Graduate School of Social Work, and project director, section 314(c) comprehensive health planner training program. The views of these two educators are worthy of attention.

VIEWS

Recent federal cutbacks in health education have seriously jeopardized the Boston College Graduate School of Social Work's program in Comprehensive Health Planning. The school is being cut about 50% this year for student and faculty support. Next year the program will not exist. Let me tell you a little about the program and its uniqueness for health planning.

The program in Comprehensive Health Planning began in 1970 and has been funded by P.L. 89–749 of the Public Health Service in order to support 3 faculty and 13 graduate students. The major goals of the program are:

(1) to train professional personnel in the areas of health planning and community organization for competent practice at a variety of levels;

(2) to produce graduates who possess:

(a) skills in community analysis (including the ability to identify and analyze community systems and the formal and informal relationships among institutional structures of the community);

(b) skills in organizing and involving citizens, consumers and groups in problem-solving efforts and in the ability to create commitment to planning goals and implementation;

(c) skills in community problem-solving and in knowledge of the planning process with particular emphasis upon the organization and delivery of health services;

(d) an ability to understand individual and group behavior, social policy, research, and evaluation;

(e) an understanding of social problems as these relate to the planning and delivery of health services;

(f) skills in communication and public relations techniques, interpersonal relations, and community action for change efforts; and

(g) an ability to implement plans and to administer programs;

(3) To give special emphasis to recruiting minority and disadvantaged individuals for practice competency as advocate health planners,

(4) To develop training approaches for the staffs of CHP (a) and (b) agencies, social planners in community-health oriented programs, and health consumers;

(5) To provide technical assistance whenever possible to CHP (a) and (b) agencies in the region through the use of faculty and student resources;

A principal thrust of Public Law 89–749, the Comprehesive Health Planning and Public Health Service Amendments of 1966 was the imperative of coordination of existing health services and the planning of new strategies, new programs, and new systems to deliver health services. This program at Boston College is committed to do more than the provision of health services which restore, rehabilitate, and revitalize as *we are equally* concerned about the creation of services directed at the prevention of disabilities and at the promotion of positive social and health functioning. More and more, there must be purpose and determination to *plan*, to *organize*, to *coordinate*, and to administer health services which are available, accessible, relevant, appropriate and adequate.

With the advent of P.L. 89–749, federal monies became available to states and to regions for Comprehensive Health Planning. The thrust of the legislation set into motion a number of needs:

(1) The need for states and regions to set priorities and to plan for Comprehensive Health Services according to a well articulated statement of public policy;

(2) To begin the process of comprehensive and coordinated planning of health services;

(3) To develop and strengthen the role of the recipient-consumer in the planning process;

(4) To expand the training of health Personnel to do planning, administration, and outreach work;

(5) And finally, the need to understand the dynamics of the planning process particularly with reference to sociopolitical aspects.

In conclusion, there is a need for manpower in the health system who are sensitive to these issues and are skilled at linking the many participants in the health planning process—health professionals as well as health consumers. There is a need for health planners with these planning and involvement skills for professional practice in local communities as well as regional, state and national health organizations.

President Nixon's budget cuts will destroy health planning education in this country. The unique program at Boston College which trains health planners with participatory skills will end next year unless the cuts are restored by fiscal year '74. The long term consequences are clear: health planing manpower will not be available in sufficient numbers to bring about the goals of comprehensive plannning, especially the coordination of our health resources for better health service to all Americans.

WELFARE SCANDAL—XIX

HON. VERNON W. THOMSON

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, May 14, 1973

Mr. THOMSON of Wisconsin. Mr. Speaker, sometimes it seems that the right hand does not know what the left is doing. This becomes a concern of the Congress when the metaphor symbolizes the operation of this Nation's welfare system, heavily financed by the Federal Government.

When an administrator is ignorant of the operations of those for whom he is responsible, it is clearly time for a second, and a hard, look at the situation. This is precisely the situation uncovered by both auditors and investigative reporters who looked into the operation of the Milwaukee County Welfare Department. It would make entertaining reading, this saga of ineptitude and bungling, except that the tale represents the waste of an estimated $28 million in this jurisdiction alone last year.

The time for a tightening up of our welfare system is past due. I hope this 19th installment will help convince my colleagues of the continuing crisis confronting our national welfare system and the urgent need for reform:

LITTLE LIGHT IN WELFARE CLOSET

(By Gene Cunningham and Stuart Wilk)

Some of the top administrators in the welfare department "live under the caveman theory. They never come out to see what's going on."

That simple evaluation by a fellow administrator and veteran in the department may be the key to Milwaukee County's welfare problems.

Those running the department apparently know little of what's going on.

They live in "caves"—rooms the walls of which are lined with organizational charts, reorganizational charts, systems outlines and rollaway blackboards on which to draw more charts.

The day to day department operations go on outside, in another world—one with which they seem strangely unfamiliar.

This was evidenced time and again in interviews by Sentinel reporters with administrators and division supervisors.

How they claimed the welfare system operates simply did not match what reporters were told by the very aides and workers who operate it at the client level—nor did it match what one reporter went through in getting on welfare.

Were the administrators and supervisors being untruthful, trying to cover up the department's shoddy operations—or did they simply not know what was going on?

The evidence points to the latter.

A bit of proof is the surprise and anger of the department's upper echelon when it saw in The Sentinel a picture of an employe card game, which for days in a row stretched through the lunch period and on into working hours.

The game went on in full view of anyone who walked down a third floor corridor of the Welfare Center. That's where Sentinel reporters found it and how they were able to watch and time it.

If reporters saw it, why didn't administrators and supervisors? Don't they ever walk through their own building?

The caveman theory holds up.

The blame for the confusion, waste and inefficiency in the department rests solidly on the shoulders of the administrative and supervisory staff.

CONTROL LACKING

Whatever has gone wrong at the caseworker and case aide level could not have happened and continued to happen except for a lack of proper supervision and control from above.

And much has gone wrong.

As one county official put it, if the welfare department were a private business, it would have gone under—simply folded up in bankruptcy.

But it isn't a private business. It is a bureaucracy whose coffers are filled with tax dollars.

There are no owners, stockholders or boards of directors to ride herd on its shoddy operations and demand efficiency. There are only taxpayers and the officials they elect to represent them.

RUNNING DISPUTE

But for years they have largely ignored the department and the system through which welfare is administered and have concentrated, instead, on the argument of whether the welfare recipient is being given too much for too little.

Fraud, administrative errors, waste, employe cheating—all symptoms of mismanagement and inefficiency—have virtually been overlooked while officials and the public complained of the skyrocketing costs of welfare and argued the relative worth of its snarled up programs and grants.

Until a department employe made off with more than $100,000 in tax money in three years of continuing larceny, little official thought was given to checks and controls within the department.

There had not been a financial audit of the department since 1966 although the department has handled hundreds of millions of dollars since that time.

In a "put out the fire" move prompted by the theft of the $100,000, an auditing firm was brought in last year—but only for a systems audit. There still has been no financial audit.

But the report of the systems auditors, couched though it was in language designed not to offend the county, clearly warned that the department's lack of internal controls and defective systems could only mean trouble.

The auditors pinpointed several trouble areas. They found:

More than $180,000 in cash in the department's food stamp office, much of it consisting of unreconciled funds taken in by part time tellers.

Delays in issuing stop payment orders on allegedly lost or stolen welfare checks although such orders could reduce the possibility that those checks might later be cashed.

Millions of dollars worth of checks being issued on the department's imprest fund, an account earmarked for emergency use only.

Checks for repairs on welfare recipients' homes being issued in excess of the established limits but without any special approval.

Shortages of cash in money envelopes from which department homemakers drew funds to pay for clients' needs.

Duplicate and incorrect payments being made by the department for babysitting services furnished to recipients.

Ledgers of cumulative payments made to recipients that were 10 months behind in listings.

The money envelope system used by department homemakers was eliminated after the auditors checked the envelopes and found that the money remaining did not agree with the expenditures the homemakers had reported.

CHANGES DUE

The auditors also noted in their report that a number of procedures and systems they had questioned were going to be changed by the department.

Because of its size, complexity and the multimillions of dollars it handles, the welfare department must be regularly audited and its procedures examined, the systems auditors warned.

"The time and personnel devoted to the audit of DPW (Department of Public Welfare) records in recent years has not been sufficient for an organization with disbursements totaling approximately $102 million in 1971," the auditors said.

This is the county welfare department—a monster already out of control and still growing.

The $102 million the auditors cited for 1971 has become $151.5 million in 1973.

Those dollars and the department itself are there for only one reason—to serve those who are in genuine need and to do it in the most efficient manner possible.

But enough slack has been included in the welfare budget to absorb the added costs of waste, fraud, cheating and bureaucratic bungling that have run rampant for too long in Milwaukee County's welfare operations.

It's time for the cavemen to come out and take a look around.

WILLIAM HERB, SAN LORENZO CIVIC LEADER, RETIRES

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 14, 1973

Mr. STARK. Mr. Speaker, I would like to take this opportunity to say a few words about a fine man, one of my constituents, Mr. William Herb, Jr. It is only right that on the occasion of his retirement from the San Lorenzo school system after 28 years of devoted service we pay tribute to the man, the father, the foster father, and the civil leader.

Mr. Herb began his career as a custodian in the San Lorenzo School District in 1945, and by 1963 was appointed business manager and director of classified personnel. In this capacity he was responsible for the administration of all services, personnel and materials in the 27 schools of the district.

His community service has been no less outstanding. As State vice president of the California School Employees Association and a valuable member of the California Association of School Business Officials, Mr. Herb devoted countless hours of hard work and dedication to the betterment of the educational system. The PTA rewarded this contribution to the school system with an honorary life membership.

Mr. Herb is a man of outstanding character whose love for his fellow man is recognized by all who came to know him. Both the Girl Scouts and the Boy Scouts of America will not forget the years he gave in service to them. And all those who were fortunate enough to be young at the time will remember the day that the first teen center in the area was established under his direction.

I am sure that his wife, children, grandchildren, and more than 30 foster children will happily attest to the fact that here is one of the most outstanding men we have been privileged to know. May he have many more very happy years to come.

Thank you, Mr. Herb, for all that you have done. Our community is a better place for having men such as yourself for leaders.

WATCHDOG OF THE TREASURY

HON. ALAN STEELMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 14, 1973

Mr. STEELMAN. Mr. Speaker, a recent editorial in the Dallas Morning News lauded the long record of effective service given to the Nation by our distinguished and greatly respected colleague from Iowa, the Honorable H. R. Gross.

Citing the sordid news of Watergate, the News correctly pointed out that in spite of the pall this seems to cast over all public officials in Washington, there are many like H. R. Gross quietly and effectively discharging their duties. In particular the New praises Mr. Gross' record as the "watchdog of the Federal Treasury."

The full text of the editorial follows:

[From the Dallas Morning News, May 6, 1973]

GROSS OF IOWA

With all the sordid news filling the papers about Watergate, maybe it's time for somebody to say a nice thing about a public official—if for no other reason than to remind that not everybody in Washington is bugging phones, pilfering secrets and trying to dodge the grand jury.

Our bouquet this morning goes to H. R. Gross, 73-year-old congressman from Iowa who long has been the watchdog of the federal Treasury. Gross watches every line of an appropriations bill in the House, and people all over the country send him information on bureaucratic waste and those goofy, ill-advised projects which are often included in federal programs.

Rep. Gross recently termed the Office of Economic Opportunity (Poverty War) the Poor Corps, adding "let me cite some examples of how the U.S. taxpayer is being taken for a ride."

On the West Coast, the executive of an agency received by mistake two OEO checks totaling $62,693 meant for another agency. He opened a savings account with them and when the error was discovered, he was asked to return the money. He replied that it had been spent.

In Rhode Island, the director of an OEO-financed youth group has a police record of 30 arrests on such charges as conspiracy to commit murder, robbery and extortion.

In New York, a community action program head raised his own salary from $12,000 to $14,000 when he was authorized a salary of only $10,500.

In Oregon, $22,631 spent by a Community Action Agency was attributed to improper payments to its executive director, excessive salary increases and improper travel costs.

In New York City, three officials of OEO-financed organizations have been indicted in a kickback conspiracy involving $70,000 in bribes paid to obtain $2 million worth of federal contracts.

Gross once defeated a bill which would have appropriated money to supply every congressman with a flag to fly over his house, his weekend retreat, his boat or the bumper of his car.

We might conclude by saying that if you, who read this, had a stack of $1,000 bills five inches high, you'd be a millionaire. To pay off the national debt, that stack would have to be 18 miles high.

Rep. Gross of Iowa has done what he can, through the years, to keep the stack from going to the moon. Inasmuch as the public is becoming cynical about men who hold public office, it is time to remind ourselves that the good outnumber the bad and that the great majority, like Gross of Iowa, are quietly and effectively discharging their duties.

SOLIDARITY BEHIND SOVIET JEWS

HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, May 14, 1973

Mr. KOCH. Mr. Speaker, Mikhail Shepshelovich arrived in Israel in December, 1972, after spending 2 years in a strict Soviet labor camp for alleged anti-Soviet slander. While Mr. Shepshelovich had expected a longer sentence, he attributes the shorter term to American public concern.

Mikhail is from Riga, and studied physical mathematics at the University of Riga. In 1962 he enlisted in the Army and served for 3 years, returning to his studies in 1965.

From the early 1960's on, Mikhail was deeply concerned with the fate of the Jews in the Soviet Union. In 1965, he decided to emigrate to Israel and become involved with the Jewish activist movement in Riga. He believes that his arrest on October 15, 1970, is directly related to his formal application for an exit visa. But, after paying $3,000 in ransom taxes, Mikhail and his mother were permitted to leave for Israel where he plans to enter the Technion to complete his masters degree in aeronautics. This ransom tax that Mr. Shepshelovich was forced to pay before being granted permission to leave the Soviet Union is ample reason why we must continue our efforts to push for the Jackson-Vanik amendment to provide for freedom of emigration as a condition to East-West trade. The only hope of permanantly rescinding the tax and removing all other impediments to emigration is if massive political and economic pressure can be mounted in the West. This is what we, as Members of Congress must do, to stop this barbaric ransom of humans.

At this time I would like to insert into the CONGRESSIONAL RECORD a copy of a speech presented by Mikhail Shepshelovich who was recently in the United States under the auspices of the Greater New York Conference for Soviet Jewry to participate in the Solidarity Sunday for Soviet Jewry. More than 100,000 people joined in the march and rally at which he was the guest of honor.

SOLIDARITY SUNDAY FOR SOVIET JEWS,
MAY 6, 1973

(By Mikhail Shepshelovich)

I have just spent two years in a Soviet labor camp. For what? Only for my persistent desire to go to Israel. I was convicted in 1970 on charges of "anti-Soviet activity.

In fact, my only "crime" was to have expressed my views on the tragic situation of the Jews in the Soviet Union and to have dared to apply for an exit visa to Israel. This was at a time when it was next to impossible to get permission to leave the country.

I was not alone. Today, forty-four Jews whose crime, like mine, was their desire to go Israel, are serving their sentences in Soviet labor camps. They are all victims of the harsh Soviet policy of repression of Jewish nationalism.

They suffer for all Russian Jews because they fought for emigration not only for themselves but for others as well.

The fate of these Jews is meant to serve as an example to their Jewish brothers. This is why Jewish prisoners have been sent to harsh political camps where attempts are made to force the prisoners to give up their convictions.

At present, the Soviets cannot afford mass repression. They imprison only scores of people, but are anxious to carry out arrests and send people to labor camps in order to strike terror in the hearts of other Soviet Jews.

I myself was released from a Soviet labor camp only a few months ago. I have seen and I have felt the torturous methods used to destroy their political prisoners.

No longer is this done openly and at once. Today prisoners are broken down quietly and gradually, without any sensation in the outside press. The undesirables must be destroyed or must leave the camps physical or mental cripples.

This is achieved through physical starvation and constant nervous strain. The Soviets know exactly how much their stubborn captives can bear. Severe illness and exhaustion are inevitable.

I myself have seen and witnessed how effective these methods can be. I have been eyewitness as some went out of their minds and others died before the end of their terms. Every day brings the prisoners into greater danger.

Our Prisoners of Conscience, who refuse to give up their intense Jewish commitment, are treated much more cruelly than the others. They protest their imprisonment even in the camps and insist on their right to go to Israel. They are also the victims of anti-Semitism. The lives of the Jewish prisoners are in the hands of those who feel that the Nazis did not finish their job.

Victor Boguslavsky is now in the last year of a three year term. With a heart defect, he was forced to work as a log roller. After a severe heart attack, he was given two injections and heartlessly sent out to work again. His life and the lives of Lev Yagman, Anatoli Altman and Anatoli Goldfield who suffer similar illnesses are in grave danger.

In exchange for primitive medical care and outdated medicines, the authorities demand complete repentance and collaboration with the KGB.

Now that the ransom has been relaxed, new political trials have started in order to discourage emigration.

Recently, Lazar Liubarsky was sentenced to a four year term on charges of "distributing slanderous information against the USSR." The so-called slanders were only letters sent by Liubarsky and his friends to Soviet authorities insisting on their right to go to Israel.

Even more outrageous was the trial of Isak Shkolnik for treason. At first, they tried to convict him as a British spy, but after the British Embassy in Moscow intervened in the case, they simply changed the name of the country. He was accused then of spying for Israel. Without any evidence he was sentenced to ten years.

Minsk officials are now preparing for the show trial of Gedalia Kipnis and Efim Davidowich, two retired army officers. They hope to connect this case to activists in many other Soviet cities, establishing a "conspiracy."

I have often been asked, "What are the results of the support for the prisoners?" Your commitment is absolutely necessary and has helped us tremendously in the past. It is only through your commitment to us that sentences were reduced. Your support is our only hope that the political trials will be stopped.

My own case is an example. I was arrested in October 1970 together with Ruth Alexandrovich and two other Riga activists. In the eight months of solitary confinement preceding our trial we were totally unaware of any efforts undertaken on our behalf. We did not know then of the tremendous support which we received during our imprisonment.

But it was this support which resulted in light terms ranging from only one to three years when we had fully expected five to seven year sentences.

While in the camp I saw our situation improve and then turn suddenly unbearable. But it was only when I arrived in Israel that I realized the changes in the camp depended on the intensity of support abroad.

On behalf of the Jewish prisoners, I appeal to you to continue your struggle for their complete release. I ask you as well to continue your support for all Soviet Jews in Russia and in Israel through the United Jewish Appeal.

As a living witness I state that the fate of the Prisoners of Conscience and all Soviet Jews is in your hands.

THE METRIC SYSTEM: GIVE THEM AN INCH AND THEY WILL TAKE A METER

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 14, 1973

Mr. RARICK. Mr. Speaker, recent reports indicate that American industrialists are moving to abandon the domestic market of the American "haves" and are retooling their industry for "have-nots" in international trade.

Foremost in this new change to capture the "have-not" market of the world is the transition to the metric system of measures "to get the United States in step with the rest of the world, where almost all the other nations are on the metric system already."

Since American "haves" own and operate almost 50 percent of the world's automobiles, perhaps our domestic automobile producers have decided to abandon their sales to the foreign auto producers who are changing their production system to the traditional American system of measures.

The American industrialists express no concern over where the foreign "have-nots" are to get the money to buy the new machines. Perhaps they have been assured that there will be a change in our money so that the "have-nots" come into their equal share.

A related news clipping follows:

[From the Washington Star-News, Apr. 27, 1973]

INDUSTRY INCHES INTO THE METRIC SYSTEM

(By Robert W. Irvin)

DETROIT.—Some key segments of American industry have started the transition to the metric system of measurements.

IBM, Caterpillar Tractor and International-Harvester have already committed themselves to a changeover program from the present inch system of measuring things.

Ford Motor Co. this July will become the first auto maker to build a metric-size engine in the United States. This is the 2.3 liter four-cylinder engine to be used in the new Mustang to be introduced this fall.

Ford for the past three years also has been using metric fasteners to attach some European-built drive line parts to its subcompact Pinto cars built in this country.

But the most ambitious program in the industry has just been announced by General Motors.

GM said it is going to convert all its far flung production facilities to the metric system.

All new parts will be metric, including those now in the development stage such as the rotary Wankel engine, GM said.

GM wouldn't be pinned down to any timetable, saying it would be governed by the regular introduction of new metric parts for cars replacing older parts being phased out of production.

A GM spokesman said it was the first official commitment in the auto industry to complete conversion, although he noted that a few parts always have been metric sized, such as spark plugs and some bearings.

Everett Baugh, executive engineer in forward planning on the GM Engineering Staff, said the rotary engine was "under development under the inch system and is now being converted to metric."

The sizes of American engines are measured by cubic inches while the displacement of metric engines is expressed in liters. A liter is equal to about 61 cubic inches.

There is general acknowledgement that eventually the United States will join most of the rest of the world in using the metric instead of the inch system. The Commerce Department recommended in 1971 that we change over, a recommendation which followed a three-year, $4-million study.

Legislation calling for a 10-year changeover to metric measurements passed the Senate last year and further hearings are expected this year. The Senate Commerce Committee says 11 percent of the nation's economy is already on the metric system, mostly in mechanics, engineering, military, drugs and scientific areas.

You may recall the Apollo astronauts on their recent missions to the moon radioing back distances to craters in meters rather than feet. A meter is equivalent to about 39 inches.

The auto companies want to phase in metric parts on a gradual basis and this is what GM has announced and what Ford obviously also intends doing, in view of its new Mustang engine plant in Lima, Ohio.

As Ford vice-president Herbert L. Misch observed, "In the auto industry, the magnitude of an overnight conversion to the metric system would be chaotic. On the other hand, a well-planned extension of metric usage could minimize both the cost and confusion and still permit benefits to be realized at the earliest possible date."

John T. Benedict, a Chrysler official, said the challenge is to recognize on the one hand that increased use of metric units is necessary and desirable but on the other hand that an "arbitrary wholesale conversion mandated by law could be extremely costly, disruptive and counter-productive."

GM President Edward N. Cole says, "I think over the long pull the metric system will certainly prevail . . . what you will see is a gradual phasing in of new systems with metric dimensions and there won't be a massive retooling of older components that have been in production for some period of time."

There really are two types of conversion systems. One is a nominal conversion, in which a 122-cubic-inch engine would be redesignated as being 101.6 millimeters long.

The real conversion is when a designer or engineer makes a new part which he might round off at 100 millimeters, which would be something over 3.95 inches.

The basic reason for the changeover is to get the United States in step with the rest of the world, where almost all the other nations are on the metric system already or, like the British and Australians, in the process of converting.

The result in the United States some day may be an advertisement about a Cadillac being "a silly millimeter longer."

HEALTH PLANNING: A LONG WAY TO GO

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 14, 1973

Mr. DRINAN. Mr. Speaker, in the fiscal 1974 budget the administration is engaging in sleight-of-hand tactics with health planning programs.

While comprehensive health planning is one of the very few Federal health programs slated to receive an increase of funding during the 1974 fiscal year, its companion Regional Medical Program is to be terminated. In fiscal 1972 the RMP program was funded at $99.5 million. One year later the funding was cut nearly in half to $58.3 million, and now the administration proposes to end funding for RMP's altogether. As if to sweeten the loss of the RMP program, comprehensive health planning would receive, under the President's request, an additional $2.5 million for a total $38.3 million. It does not take a mathematical genius to see that an increase of $2.5 million of one program coupled with a loss of $58.3 million in another amounts to a net drop of over $50 million.

The regional medical program, I believe, has been victimized by a number of unfair accusations, and most important, is to be laid low by the same shortsighted neglect of human needs that has all too often characterized the actions of this administration.

It is claimed that the regional medical program duplicates other existing Federal health programs and is therefore unnecessary. In fact, RMPs provide a valuable service in encouraging cooperation between medical institutions and among the health community. Further, RMPs are the other federally funded programs actively assisting private health care operations in controlling chronic diseases such as heart disease, cancer, kidney disease, and stroke. In addition, the Tri-State regional medical program, to which Massachusetts belongs along with New Hampshire and Rhode Island, is an excellent example of how RMPs can offer wide-ranging health delivery and development services.

There may be ways in which the regional medical program can be improved. But the need for improvement in the program in no way justifies the severity of the action proposed by the administration. Nor is the proposed elimination of the RMP program made any less unwarranted by the miniscule increase in funding of comprehensive health planning.

What is more, there remain political and administrative impediments to the successful operation of even the comprehensive health planning programs. As is suggested by the statement of Mr. Richard E. Sobota, executive director of the Health Planning Council for Greater Boston, Inc., the focus of health planning efforts still falls far short of what should be the obvious goal—the establishment of a national health policy which assures every American access to quality health care as a basic right rather than as a privilege of wealth.

Because there is a great need to improve the health planning efforts supported by the Federal Government, I would like to share with my colleagues the views of Mr. Sabota:

VIEWS OF RICHARD E. SOBOTA

My name is Richard E. Sobota and I am the Executive Director of Health Planning Council for Greater Boston, Inc., a non-profit corporation designated as the areawide comprehensive health planning agency pursuant to section 314(b) of the Public Health Service Act as amended by P.L. 89–749. As you may know, areawide comprehensive health planning agencies of the type which I represent are somewhat unique in that they are charged by the Federal Government to serve as "Advocates of the Public Interest" in matters of health and health planning, a role which is not commonly assigned to non-governmental organizations. The bulwarks of the Health Planning Council for Greater Boston and its counterparts elsewhere is the large body of consumer volunteers who make up the majority of its decision-making structure. I am here this morning to speak to you with respect to some of the concerns of those consumers, and the providers, who serve as the members of the Health Planning Council for Greater Boston.

I would like to address briefly the Administration's budget proposal as it pertains to health planning and to certain needs and programs in the Greater Boston area.

Health Planning: First, I suppose it would be tempting on the part of many persons associated with areawide CHP agencies to be self-satisfied over the fact that continued and somewhat increased funding has been proposed for the Comprehensive Health Planning program, and that the long-standing parallelism, and at times rivalry, between the Comprehensive Health Planning program and the Regional Medical Programs has been brought to an end with the termination of RMP as a national program. I resist that temptation, chiefly because of the apparent manner in which the decision to terminate RMP was reached, but more importantly because my association with health planning under two Federal programs over the past six years has shown me that the Federal commitment to a truly effective health planning program has been as meandering as our own Charles River: the Federal mandates for health planning have been vague; they have been inconsistent over time; and they have been contradictory at given points in time.

(a) In the law (P.L. 89–749) itself, comprehensive health planning received a mandate to "marshal all health resources—facilities, services, manpower, money" but "without interfering with existing patterns of medical practice."

(b) In the initial implementation of the same law, CHP agencies were advised to abandon the previous focus on health facilities and to emphasize health in a comprehensive sense, only to be told most recently that duplication of facilities is one of the principal areas that CHP should be dealing with.

(c) Likewise, the term "comprehensive" as it applies to health has been struck from the Federal vocabulary and replaced with "equitable."

(d) Most recently, we have received the charge to focus our energies upon eliminating duplication of facilities and promoting pluralistic competition within the health system.

I make these points, Congressman Drinan, to emphasize to you that behind the issue of the specific budget cutbacks at hand is a much larger and more critical problem: that of a very weak, inadequate and unjust Federal Policy concerning the health of the citizens of these United States. The people hear from time to time that health and health care is a Right not a privilege, but they do not see that notion of Health is a Right reflected in policies, in budgets, in programs or in specific actions and decisions of the Federal Government. At times, the impression is left that "Health is a Fiscal Option." The concept of Health being a Right and of universal entitlement to that Right is one which only you and your colleagues in Congress can bring to the American People in the form of definitive legislative action.

With regard to the budget cutbacks, the myth continues to exist that adding, subtracting and shifting dollars among programs will cure the ills of the health system that we now have. Every program, every budget item, is regarded more on an individual, piecemeal basis, than on the basis of a total program for the health of the American People. The plea for an overhauling of the system itself has been made by many people on many occasions. I, too, urge your attention to that matter. Altering the financing of an ineffective health care delivery system is not going to have the effect of eliminating the defects in the system itself.

Finally, I would like to comment on just two specific items pertinent to the Administration's proposed budget:

(1) The efforts to plan for the phasing-out and closing of the U.S.P.H.S. hospitals throughout the country first involved the Health Planning Council for Greater Boston in mid-1971. Curiously, the agency responsible for disposing of the PHS hospitals, Health Services and Mental Health Administration (HSMHA), is also the Federal agency responsible for the Comprehensive Health Planning program. I say "curiously" because in the process of developing a strategy for "Converting the HPS Hosptals to Community Management and Use" HSMHA initially overlooked the areawide CHP agencies as sources of local input into the planning relative to the PHS hospitals and subsequently, in both areas where such conversion efforts were to be implemented first (Boston and Seattle) chose to ignore the recommendations presented by the areawide CHP agencies. At this very moment, the Administration continues to work toward a plan which does not meet with the approval of the Health Planning Council for Greater Boston, Inc. (whose position, incidentally, has been widely applauded by local community groups).

(2) In various portions of the Administration's budget proposal, there are severe effects to be felt by organizations and agencies which directly or indirectly are involved in the area of primary health care. That term, for clarification, refers to care out-of-hospitals, often in neighborhood health centers but elsewhere as well. That type of care is of great importance in areas in which numbers of physicians in general practice have dwindled over the years, in areas where services outside of the institutional setting are difficult if not impossible to obtain. In the Administration's budget proposal, services as well as manpower for primary health care are seriously affected. Once again, manipulating dollar items without regard to the system as a whole takes a terrible toll.

I could go into great detail on a number of the points raised above, but time does not permit. Thank you for this opportunity to speak.

DUNCE OF THE CENTURY

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 14, 1973

Mr. DERWINSKI. Mr. Speaker, I believe there has been too much commentary about the Watergate, yet I certainly recognize the legitimate criticism that must be leveled against the perpetrators of the Watergate bugging. The Economist, an outstanding publication serving a dozen communities in metropolitan Chicagoland, carried a very pertinent editorial commentary on the subject on Wednesday, May 9, which I insert into the RECORD at this point:

DUNCE OF THE CENTURY

Enough is being written about Watergate and it is not our intention to hash over many things you have already read. The question that puzzles us, however, is who had the idea in the first place? Of all the stupid acts that have been committed in connection with Watergate that strikes us as the most senseless of all. For if there was anything the Republicans did not have to do to win the election last fall it was bug the Democrats' headquarters. They didn't need any inside information to nail McGovern to the cross. All they had to do was to quote his various statements on his economic and foreign policy ideas and he was dead. Which is the way it turned out.

For all practical purposes, President Nixon was re-elected the day McGovern was nominated. The Republicans didn't have to do a thing. Actually, they didn't do much.

So whoever had the idea to bug Watergate wins the dunce cap of the century award. Even if one assumes that all is fair in love, war and politics the bugging episode must go down as one of the most asinine political adventures of all time.

DAZZLING VARIETY IN PENSION PLANS

HON. TOM RAILSBACK

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 14, 1973

Mr. RAILSBACK. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following which is the third of a four-part series from the Christian Science Monitor: "Dazzling Variety in Pension Plans:"

DAZZLING VARIETY IN PENSION PLANS—OPTIONS INCLUDE EARLY RETIREMENT, SHARING OF PROFITS, DO-IT-YOURSELF FOR SELF-EMPLOYED

(By David T. Cook)

BOSTON.—The world of privately run pension plans is full of variety.

Nestled among traditional forms are variations that let a worker leave a job without losing his pension or retire while corporate compatriots his age toil on. Some plans make a pension a do-it-yourself project.

There are even pension-related profit-sharing programs to help employees increase their retirement resources.

The option to escape employment before age 65 is a key provision of a growing number of pension plans. A Labor Department study covering 20 million workers found that 90 percent of them could qualify for some form of early retirement.

About 1 in 10 American workers actually takes early retirement, according to estimates by pension-industry sources.

The appeal of early departure from corporate confines depends on what the gateway costs in terms of reduced private-pension and social-security benefits.

PAYMENTS REDUCED

Social-security payments, available at age 62, are reduced five-ninth of 1 percent for every month they are claimed prior to age 65. In addition, corporate pension plans often reduce benefits for those who retire early.

Benefits are reduced using an actuarial table. The smaller benefits paid to workers who retire early are designed to equal the total benefits paid to the retiree who leaves at age 65.

A Conference Board study found that when employers give early-retiring workers a supplement to offset reduced social-security benefits, some 30 percent of those eligible to retire early. Where there is no supplement, only 5 percent leave befor reaching the mandatory retirement age.

Among those who can take early retirement and not suffer reduced corporate-pension benefits are some members of the United Steelworkers.

Not all Steelworkers Union members actually work for steel-producing firms. Some toil in copper and aluminium plants. Those employed by steelmakers can retire at age 60 after 30 years of service without having their retirement benefits reduced.

The union has also negotiated a plan that allow workers to retire at 60 after 15 years' service, but their benefits are reduced.

While early retirement is a relatively recent phenomenon in private industry, Uncle Sam has been sending workers home at an early age for generations. For example, military personnel can retire after 20 years of service at 50 percent pay. After 30 years they can collect three-fourths of their pre-retirement check.

EXECUTIVES EXIT

At some firms the early exit is reserved for the corporate hierarchy. International Business Machines requires that about 30 of its very top officers retire at 60. Others at the firm have to quit at 65. For both retired officers and those who held less lofty positions, IBM periodically adjusts retirement benefits to offset the effects of inflation.

Pension-plan provisions are most likely to please if the retiree has designed them himself.

The Self-Employed Retirement Act of 1962 makes do-it-yourself pensions a possibility for self-employed workers.

The so-called Keogh Act allows self-employed individuals to set aside 10 percent of their annual income up to $2,500. The Internal Revenue Service doesn't tax this money or any income it produces until the fund beneficiary retires.

Retirement funds in a Keogh plan can be withdrawn at age 59½. They must be withdrawn before age 70½ to prevent the plan from being used as a shelter from estate taxes.

The self-employed person can either design his own Keogh plan and have it approved by the IRS or join an approved plan maintained by a bank or insurance company.

The 350,000 educators covered by the combined Teachers' Insurance and Annuity Association and College Retirement Equities Fund (TIAA-CREF) play a part in determining both the size of their pension benefits and when to collect them.

Under the TIAA-CREF plans both employer and teacher contribute to funding a pension. If a teacher changes jobs, 2,500 other participating institutions stand ready to pick up the employer's share of pension contributions. Employees who transfer to nonparticipating institutions pay all costs themselves.

VESTED IMMEDIATELY

Covered educators can retire at any time since all contributions are immediately vested (promised to the pension recipient). The size of the individual's pension is determined by how much has accumulated in his account when he decides to retire.

About 85 percent of the teachers covered by the plan help foot the bill for their pension, according to William Slater, TIAA-CREF vice-president. Employes and employer can each contribute as much as they desire, but total contributions average about 10 percent of each educator's annual salary.

Some industrywide plans let skilled workers change employers and locations without losing pension benefits they have accumulated.

Members of the International Brotherhood of Electrical Workers (IBEW) have one such plan.

Since 1946, when an IBEW member changes employers or cities, he can keep the pension benefits he has earned by ensuring that his new employer contributes to the IBEW noncontributory pension plan.

According to union comptroller Leo Woolls, the plan covers the quarter-million IBEW members who work in construction. It is jointly administered by a board of 12 union and 12 management representatives. The board's one public member: former U.S. Sen. Wayne Morse.

Most pensions don't provide what could be called retirement riches. There are firms, however, without profit-sharing programs designed to enable workers to augment their retirement resources.

PROFITS SHARED

At the Bank of America, employees with three years' seniority participate in a Family Estate Plan. Under the program employees get a share of the bank's profits determined by their wage and seniority level.

The benefits are paid out when the employee leaves the bank and are in addition to a fully funded retirement plan. If an employee leaves the bank before retiring but after 15 years of service, he can take along all of his benefits accrued under the plan.

Eastman Kodak pays out its profit-sharing benefits each year. After a year with the firm, employees are eligible to participate in the wage-dividend program. The dividend is based on worker's total wages for the past five years and their seniority with the firm.

SUPER BUDGET COMMITTEE

HON. DAVID R. OBEY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, May 14, 1973

Mr. OBEY. Mr. Speaker, the proposals of the Joint Study Committee on Budget Control, recommending tremendously powerful budget committees in both the House and Senate, have vast implications for the workings of the Congress and the prerogatives of individual Members.

The Democratic Caucus will be studying the Joint Study Committee proposals on Wednesday morning.

I am inserting in the RECORD a statement by Senator WALTER MONDALE, (Democrat of Minnesota), and newspaper columns by David Broder of the Washington Post, and Milton Viorst, of the Washington Star-News, which point out some of the problems and potential pitfalls with the recommendations for a "super budget committee." I strongly urge my colleagues to read this material:

TESTIMONY OF SENATOR WALTER F. MONDALE

Mr, Chairman, I deeply appreciate the opportunity to testify this morning before the Subcommittee on Budgeting, Management and Expenditures with respect to S. 1641, the "Budget Control Act of 1973" which implements the recommendations of the Joint Committee on Budget Control.

I strongly support the development of sound Congressional budget control procedures. We need to take a clear look at questions of fiscal policy—the size of overall expenditures, appropriate revenue levels, the appropriate level of surplus or deficit.

These are questions which the Congress as a whole has never considered. Yet, they have a tremendous impact on inflation and employment, on the lives and on the pocketbooks of all Americans.

And I believe we can improve our procedures for weighing national priorities against one another.

But although I support the goals of the Joint Budget Committee's report, I wish to raise with you this morning my deep concern about the wisdom and practicality of the Committee's recommendations.

There will be few questions before the 93rd Congress as important to the nation as the question of Congressional control of the budget process.

This is *not* because the Congress has proven irresponsible with the taxpayer's dollar. In fact, the opposite is true. As the report of the Joint Committee on Budget Control observes, over the past five years the Congress has cut the Administration's requests for appropriated funds by approximately 30 percent, and has increased funding for so-called "back-door" spending by only a little more.

And a major share of these back-door increases have come into the Social Security and Medicare programs which are self-funded through the payroll tax and which, therefore, do not contribute to the growth of the federal deficit. Congress has had a *dampening* effect on the growth of federal deficits, proposed by the Executive Branch largely in order to finance spending for a war in Southeast Asia without a war-time tax.

But the legislation which you are considering *is* crucial to the health of our system of government because it goes to the heart of the relationship between Congress and the Executive Branch.

It is becoming increasingly clear that, in both domestic and foreign policy, the commitment of our government to traditional American values—and above all its ability to respond to the wishes and hopes of the American people—depend on a strong Congressional voice in public policymaking.

Yet, through the device of impoundment, the Executive Branch is moving to assume the same power to decide questions affecting the domestic health of our society that it has assumed in the area of foreign affairs.

A report prepared at my request by the Legislative Reference Service of the Library of Congress indicates that during the last fiscal year, the Executive Branch has impounded an incredible 29 percent of controllable non-defense expenditures. And this figure does not include other Executive actions which do not amount to impoundment in the technical sense—such as the withholding of $6 billion provided by the Congress for water pollution control.

We are rapidly moving toward a domestic system under which the Congress proposes and the President disposes—precisely the opposite of the system proposed in our Constitution.

Only full Congressional participation in both domestic and foreign policy decision-making can assure the full and open debate which is necessary if the American people, through the electoral process, are to make the basic decisions about the future of this country.

And we must act now or the historic role of the Congress as an equal member in the federal establishment will continue to decline.

This Committee, under the distinguished leadership of its Chairman, Senator Ervin, has recognized the danger. In S. 373, the Federal Impoundment Control Procedure Act, you have moved to establish Congressional control over Executive impoundment. You have accompanied this measure with a temporary $268 billion ceiling on fiscal year 1974 expenditures—to guarantee that Congressional priorities, established through the appropriations process, will be maintained for the next year within a non-inflationary spending ceiling.

As an early advocate of this approach, I am deeply pleased that the Committee bill has already been adopted by the full Senate as an amendment to the Par Value Modification Act. I am hopeful that it will be accepted by the House. If it is not, I will fully support the Committee's efforts to secure passage of S. 373 as separate legislation.

And, as a member of the Senate Finance Committee, I will do my best to secure its adoption as an amendment to the next debt ceiling bill, legislation to which it is clearly germane, and which the President must sign.

Now this Committee is considering the crucial question of establishing long-term procedures for Congressional control of budget priorities in future fiscal years.

You have before you a report based on study by the Joint Committee on Budget Control, and legislation modeled on the Joint Committee's recommendations.

For reasons which I will detail, I am deeply concerned that these procedures will fail in practice, and contribute to the growing weakness of the Congress in the area of domestic policy—rather than increasing our ability to respond. Because the question of Congressional control of budget priorities is central to the future of our constitutional government, I believe the burden on this Committee is a heavy one.

COMMITTEE MEMBERSHIP

The Joint Budget Committee recommends establishment of budget committees in both the House and the Senate which are essentially to be responsible for developing a Congressional budget. Two-thirds of the membership of these committees will be elected by the Appropriations, Finance and Ways and Means Committees of the respective Houses. The remaining third will be appointed by the Speaker of the House and President Pro Tem of the Senate.

These committees are given vast responsibility. They will be the most powerful in the Congress, and among the most powerful agencies of the federal establishment.

And yet the Joint Budget Committee's proposal would bypass existing procedures requiring approval by party caucuses and by the full Senate and House of Committee memberships. The proposal would waive limitations relating to service on major committees and limitations on the number of committees which can be chaired by a single Senator or Member of the House. It would, in short, ignore many of the Congressional reforms which have been enacted so painfully over the course of the past quarter century.

I share the concerns of other witnesses that these supremely powerful committees must be fully representative of the membership of the House and Senate.

And I believe that there are other and equally fundamental defects in the approach taken by the Joint Committee recommendation.

I believe the Joint Committee recommendation is grounded on a basic fallacy—which threatens to render the proposal ineffective and, if adopted, an embarrassment to the Congress.

This central weakness is the mistaken belief that a Congressional budget can and should look like an Executive budget, taking on too much, too soon.

The Joint Committee proposal provides for Congressional action prior to May 1st of each year on a single concurrent resolution comparable in scope to the President's budget submitted at the end of January. This resolution would:

Establish a ceiling on outlays and budget authority,

Establish federal revenue targets,

Establish the appropriate size of the federal budget surplus or deficit.

And, in addition, the resolution would allocate *all budget and obligational authority* among subcommittees or, at the option of the Budget Committee, by *specific programs and activities.*

The May Concurrent Resolution will deal both with the complex problem of federal fiscal policy with its massive impact on impoundment and inflation, and—in great detail—with the questions of how federal expenditures should be allocated.

This is a massive job. It consists of most of the work presently accomplished by the Congress over the course of a full year. And there is simply no way it can be responsibly accomplished by a single committee within the time allocated.

I ask consent that the timetable proposed by the Joint Committee may appear at this point in my testimony:

On or before—Action on concurrent resolution to be completed—

March 1, House committee reports.
March 15, House acts.
March 29, Senate committee reports.
April 12, Senate acts.
May 1, Congress acts.

Under the timetable established by the Joint Committee, the House Committee must report the complete budget resolution on or before March 1st—only one month after receipt of the President's budget. There is no time to conduct detailed hearings on the proper allocation of priorities within the overall budget figure.

Determining fiscal policy alone is a major undertaking, involving not only questions within the control of the Budget Committee, but predictions regarding other economic influences such, for example, as federal monetary policy and approaches to wage and price controls.

And determining the proper allocation of resources among programs has traditionally fully occupied the Appropriations Committees and received extensive attention by the full House and Senate.

Advance work can be done by the committee staff, but by the nature of the process, the Committee and the Congress must respond to the proposals which the President makes in his budget at the end of January.

And staff work—no matter how expert—is no substitute for a process of open hearings through which members of the Committee can inform themselves, the House and Senate, and the American public on the important public policy questions involved.

The procedure recommended by the Joint Committee simply leaves no time for the conduct and printing of hearings on this broad range of economic and programmatic issues. This procedure guarantees that both the Congress and the Committee will be ill-informed.

THE DIFFICULT SITUATION ON THE HOUSE AND SENATE FLOORS

And the task confronting the House and Senate Budget Committees would be a simple one compared with the complex legislative situation which would face Members on the floor of the House and Senate.

A *maximum* of one week would be allowed between filing of the Committee report and the beginning of debate in the House or Senate (excluding the Easter recess in the Senate.) One week is far too short a time for Members of the Congress to analyze the Committee's work.

And review would be made next to impossible by the absence of full and adequate hearings on the complex mass of issues involved.

Debate on the proposed resolutions on the House and Senate floors would be limited to 30 hours, including amendments. Again, this is just not enough time for informed debate on all expenditures to be made by the Federal Government over the course of a fiscal year. Thirty hours might well be devoted to the overall economic questions alone—and just the question of military foreign aid might well deserve 30 hours of debate.

Because there would be inadequate time, issues of varying importance would almost certainly be raised on a "first-come, first-served basis", and many questions could not be raised at all.

The floor situation would be complicated by the "rule of consistency" which would require that each amendment proposing an increase in a single item also proposed a specific decrease in another item or items, or a specific increase in the ceiling, and that these amendments must be voted *en bloc*.

Proponents of amendments would be forced to go through a lengthy "guessing game" to put together a successful package—which would often prove time-consuming. This process would be made more difficult by the requirement that amendments be printed one day in advance.

And the picture is complicated still further by existing rules prohibiting amendments in the third degree and prohibiting amendment of a part of a bill which has already been amended. When an item has been reduced or increased once, it would not be in order for a second amendment to propose reducing or increasing it further.

Consider, for example, an amendment proposing to decrease a defense item and increase an environmental item. Other amendments proposing to increase or decrease either of those items must presumably be raised as amendments at that time. Yet each of these amendments will, under the "rule of consistency", propose increases or decreases in still other parts of the resolution. The offering of a single amendment could result in a web of amendments spreading over the entire bill. And under the rule against amendments beyond the third degree, some members would be unable to offer their amendments at all.

The problem is again compounded by the bill's provision that the budget resolution could not be recommitted to committee for further work.

I see no easy way out of this procedural tangle. Waiving the rule against amendments beyond the second degree or permitting amendments to an item already amended would also lead to legislative chaos.

Perhaps some improvements can be devised, but I believe that the underlying difficulty is simply that the Joint Committee has proposed too complex a bill and too complex a procedure. I think we would be trying to swallow months worth of work in a single gulp, on the basis of inadequate information.

Perhaps we should listen to the warning of Senator Styles Bridges, Chairman of the Joint Budget Committee established in 1946, who said the legislative budget proposed in the 1946 Legislative Reorganization Act could never be more "than a pregame guess at the final score, for it asks the Joint Budget Committee to give its estimate of *a multitude of new facts, figures, conditions, and requests with which it has had no time to become acquainted*."

WEAKENING THE APPROPRIATIONS PROCESS

One good sign of the incredible scope of the Joint Committee's proposed first concurrent resolution is the emasculating effect which it would have on the appropriations process.

Under the Committee proposal, enactment of the budget resolution would be followed by the regular appropriation procedure based on hearings in the Appropriations Committee and action by the Houses of Congress as a whole.

However, the Appropriations Committee would be bound by ceilings set in the budget resolution, at least at the subcommittee level, and, at the Budget Committee's option, down to individual programs and budget items. And neither the Appropriations Committees nor the respective Houses of Congress would be allowed to expand one sub-ceiling after reducing another.

For example, the appropriations process could reduct defense expenditures below the defense ceiling, but the appropriations process could not increase education expenditures by a corresponding amount above the education ceiling. To do so would require a two-third vote to suspend the rules.

Any shifting of priorities must await the report of a second budget resolution from the Budget Committee. And this resolution again would deal with a whole range of federal expenditures, under time pressure, and procedural difficulty.

The role of the Appropriations Committees, which are able to consider budget questions in detail—and the role of floor debate on appropriations bills—would be severely reduced under the Joint Committee's approach.

OTHER PROBLEMS

There are a number of additional problems which time does not permit me to discuss fully today, and I'm sure there are others of which I am unaware.

For example, as an alternative to proposing specific ceilings for each program, the Budget Committee would be authorized to propose ceilings on appropriation subcommittees. But there appears to be no real rationale for pitting programs against one another in the appropriations process simply because they fall within the same subcommittee.

Why, for example, should health programs compete with education programs and manpower programs—but not with space programs—within an individual ceiling? This approach may be especially harmful since, under the short timeframe permitted by the Joint Committee's proposal there is little guarantee that individual ceilings will be correctly established.

SUMMARY

In short, I believe the complex procedures developed by the Joint Committee would exclude Members of Congress, who are not members of the proposed Budget Committees, from effective participation in the most important legislative decision of the year.

And these procedures virtually guarantee that the essential functions of the Congress will be performed hastily and on the basis of inadequate information.

THE OUTLINE OF A COUNTERPROPOSAL

I believe we must develop a less complicated procedure—a procedure which will establish a firm ceiling on federal expenditures at the beginning of the year, but permit questions of priorities to be debated over a period of time, based on full hearings conducted by the Appropriations and other pertinent Committees.

I would like to leave the Committee with the bare outlines of such a proposal, building on the approach taken in the temporary budget ceiling adopted by the Senate last month, and on the Jordan Amendment which we adopted last year.

(1) My proposal would call for the creation of budget committees in the House and the Senate, with membership selected by party caucuses and ratified by the respective Houses of Congress, as with other Committees. To permit full participation on these most important committees, membership might be limited to six years, with the members to serve staggered terms.

(2) At the beginning of the year the Budget Committees would report concurrent concurrent resolutions establishing ceilings on both budget authority and outlays, and establishing the size of the appropriate deficit or surplus in the light of economic and revenue predictions.

This would permit thorough hearings and full floor debate on a manageable range of issues. And it would assure that for the first time the Congress would have a real voice in economic decisions which affect the lives of every American.

(3) The appropriations process could be allowed to proceed as at present, with the understanding that all controllables would be reduced pro rata to the extent any ceiling is exceeded—as under the Jordan Amendment and the budget ceiling proposal adopted by the Senate last month. As an alternative to pro rata reduction, amendments would be considered in order to any appropriations bill reducing the outlay or authorization figure in any earlier appropriation.

(4) Late in the year a second resolution reported by the Budget Committees could be considered, altering the impact of *pro rata* reductions where the Committee finds this desirable, making any changes in the overall ceiling justified by changed circumstances.

It is true that under this approach a period of uncertainty would exist for about 3 months—beginning July 1st and ending with adoption of the second resolution—regarding the precise amount which would be available within any given appropriation. I would observe that this is the case at present, since the basic appropriations process is rarely completed before the end of the year. However, this uncertainty could be eliminated and the process improved by adoption of Senator Jackson's recommendation that the federal government shift from a fiscal year to a calendar year basis, with the budget continuing to be submitted on January 29.

Supplemental appropriations will in any case prove necessary after adoption of the second resolution. Under my proposal, pro rata reductions would continue to apply unless other specific reductions are proposed in the supplemental appropriation itself. However, the Budget Committees would at any time be empowered to report out legislation altering the impact of pro rata cuts.

I have proposed only the bare outlines of a counter-proposal. It has the following advantages:

It establishes a firm budget ceiling, guaranteeing Congressional participation in questions of economic policy and providing effective safeguards against excessive expenditures;

It provides for Congressional debate of priorities within the context of a non-inflationary spending ceiling; it does so under a simple procedure, which avoids complex procedural tangles; and it guarantees that consideration will take place on the basis of full and adequate Committee hearings.

I'm sure there are difficulties with my proposal, as with all the proposals before this Committee. And I believe that the job facing this committee—the job of constructing a workable, practical bill—is an extremely difficult one. But the success or failure of Congressional efforts to participate effectively in the establishment of domestic priorities rests on our shoulders.

An unworkable procedure which collapses of its own weight—as the Budget Reform Proposals of 1946 collapsed—would be tragic. But a strong and practical bill, combined with the anti-impoundment procedures already developed by this Committee, could help to restore the Congress as an equal partner in the federal system.

[From the Washington Post, May 13, 1973]

THE PAUSE BEFORE REFORM

(By David S. Broder)

Back before there was a Watergate, you may be able to recall, the main diversion in Washington was the Battle of the Budget. President Nixon threw down a challenge to Congress to limit federal spending. There was agreement by all hands that if the legislators were not to acquiesce in an Executive takeover of the power to set spending priorities, Congress would have to reform its own procedures.

Under the prod of the President's veto-and-impound strategy, a joint House-Senate study committee on budget control went to work. And, much to the surprise of the skeptics, it brought forth in mid-April a unanimous proposal for creation of powerful new budget committees in the House and Senate.

Subject only to very limited debate and amendment by the full membership of Congress, the budget committees would set an overall limit on all federal spending, provide for the appropriate level of taxing, decide how big a deficit or surplus the fiscal situation required, and divide up the available resources by program and purpose.

The proposal was generally applauded and was taken as evidence that Congress was ready to "bite the bullet."

Now, a month later, something quite interesting is happening. Serious second thoughts are being expressed and a belated effort is being made, by liberals in Congress and their allies in outside pressure groups, to derail the budget committee plans, at least until their implications can be more carefully examined.

The first suspicion would have to be that this is a case of liberal backsliding at, maybe, the habit of congressional irresponsibility reasserting itself. Mr. Nixon is in hot water politically; his veto threat on spending bills looks less intimidating; the courts have begun to curb his power to impound appropriated funds—so the big spenders are sneaking back to their profligate pattern and forgetting their promise to reform their ways. But when one examines the questions being raised by such thoughtful liberals as Rep. David R. Obey (D-Wis.), Sen. Walter F. Mondale (D-Minn.) and Leon Shull, national director of Americans for Democratic Action, one has to conclude that the issues are serious enough for examination before—and not after—the new system is adopted.

They question both the timetable for action set forth in the proposal and the adequacy of consideration of the complex budget issues it provides.

As it stands, for example, the proposal would require the House budget committee to recommend an overall budget ceiling and the allocation of funds within categories by March 1—barely a month after receipt of the President's budget message. Action by the full House, the Senate committee, the full Senate and the conference committee would be compressed to meet a May 1 deadline.

Although later revisions would be permitted, the requirements for making changes are so stiff as to make it apparent that the basic budget design enacted in that brief period could be little altered.

There are also important questions about the makeup of the two budget committees. Obviously, the 21 House members and 15 Senators who serve on these committees, under the proposal, will have greater power than any comparably small number of legislators have even enjoyed. They ought to be representative of the Congress as a whole and they ought to be responsible to their parties for the decisions they make, but the proposed procedure for constituting the budget committees does not guarantee they will be either.

The suggestion is that one-third of the members in each body come from the appropriations committee, one-third from the tax-writing committees and one-third from the legislative committees. The appropriations and tax committees would choose their own representatives on the budget committee—presumably the most senior members—without any requirement for approval by the party caucus or the full membership of the House and Senate, as is the case now with other committee assignments. Only the five senators and seven representatives from the legislative committees would be chosen by the leadership of the Senate and House.

What this system does guarantee is that the budget committees' majorities would be more conservative, more southern, more rural, more elderly and more immune from the forces of political change than Congress as a whole.

It would, in a crucial area, represent a step backward from the reforms achieved in recent years in Congress, which have made it a place where individual members have a more equal voice on policy and where elected party leaders have authority commensurate with their responsibility.

It is not impossible to construct a congressional budget procedure that meets the need for fiscal discipline without such sacrifice of representatives, responsibility and reform.

But it will take some time and thought, and there is great pressure for Congress simply to adopt a proposal which, at first glance, looks like a great improvement over the present chaotic budget process.

The liberals raising these belated questions are performing a function that traditionally falls to conservatives. They are saying to Congress, and property so: Look before you leap.

[From the Washington Star and Daily News, Apr. 30, 1973]

BUDGET CRISIS: A WAY OUT

(By Milton Viorst)

It's conventional wisdom in Washington that Congress—in contrast to the executive branch—is irresponsible with the public's money, and that only a massive reorganization will enable it to deal sensibly with the federal budget.

Indeed, the President has been energetically fanning this charge to justify his cutbacks in social programs. He has let it be known that the folks on Capitol Hill are logrollers, budget-busters, boondogglers and general incompetents.

He has, in fact, been so effective in leveling his accusations—or at least he was until the dam broke on the Watergate—that he has sent Congress scurrying about in an effort to devise new budgeting procedures.

That he has provoked Congress into self-examination is welcome. I don't think Congress has looked into its budgeting methods since the administration of James Knox Polk.

But, surprising as it may be, a scrutiny of the facts suggests that, bumbling as the budgeting procedures are, Congress produces results that are not nearly as bad as the conventional wisdom holds. And furthermore, precipitous changes may actually make matters worse.

The chief fact to remember is that in the first three years of the Nixon administration, the federal budget had a cumulative deficit of no less than $80 billion—compared to the cumulative $58 billion deficit of the previous 10 years.

During these first three years, Congress actually cut $3.8 billion out of the administration's budget requests, while appropriating $444 billion. It wasn't much of a cut.

But these figures make it clear that the massive deficits were not the product of congressional big-spenders, as the President alleges, but of (1) calculated fiscal policy and (2) serious mistakes in estimates of revenue.

Under pressure from the President, congressional reformers now propose that Congress, at the beginning of its session, vote an overall spending ceiling—and that all appropriations subsequently approved be kept within that maximum.

On the face of it, such a proposal appears sensible. But the more one examines it, the more questions arise about its feasibility.

The main question proceeds from an assumption that figures for a federal budget can be set more or less arbitrarily. The federal budget, however, is not like a household budget, the limits of which are established by family income. Federal income can be raised or lowered by changing the tax laws—and federal spending depends on the determination of federal policy.

In other words, voting a budget maximum means setting national policy. After all, the budget is what Congress is basically about. Congress can scarcely dispose of its major annual decision by casually fixing an advance ceiling.

Under current procedures, it works on this decision all year long—by having its various committees and subcommittees study and modify the administration's policy proposals. The method is haphazard—because spending votes are taken without regard to income. But since Congress has over three years come within $3.8 billion of what the administration has requested, it can hardly be called irresponsible.

To establish an independent budget, Congress would have to duplicate the administration's Office of Management and Budget. Some committee would have to rule, in advance, on every agency's spending request and then fix federal income.

The decisions of such a committee could be overruled—but it would have a monopoly of information and Congress would, early on, be under pressure to ratify and effectively freeze the committee's figures. A handful of men, then, would substitute for the whole Congress. They would be a Super-Congress.

In my view, that would be a very bad idea—but I think Congress can still deal with the essential problem. A committee could, at the start of each session, hear testimony from economists on how large the deficit (or surplus) should be to maintain prosperity and avoid inflation. Congress could then set the proper deficit (or surplus) figure.

Over the course of the year, Congress could then set its own spending policy—but impose upon itself the duty to raise or lower taxes to reach its target figure. In that way, it can be even more responsible than the administration, and still avoid putting itself into a budgetary straitjacket.

LINCOLN AND AMNESTY

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, May 14, 1973

Ms. ABZUG. Mr. Speaker, a recent New York Times editorial noted Abraham Lincoln's human and positive attitude toward amnesty. Observing that the Great Emancipator "set an example for the divided country" and "was not afraid to be magnanimous and forgiving."

As we consider the question of amnesty, let us remember the words of Lincoln's second inaugural address:

> With malice toward none, with charity for all, with firmness in the right as God gives us to see the right, let us strive on to finish the work we are in, to bind up the nation's wounds, to care for him who shall have borne the battle and for his widow and his orphan, to all which may achieve and cherish a just and lasting peace among ourselves and with all nations.

I include at this point the full text of the Times editorial:

[From The New York Times, Feb. 12, 1973]

AMNESTY UNDER LINCOLN

The war was not yet over—indeed, there were hard battles ahead and calls for revenge were in the air—when President Lincoln began to parole and pardon draft resisters, evaders and even deserters. He found it in his heart to do so while there was a Civil War on, not 10,000 miles away in a foreign jungle but at times only 10,000 yards from the White House.

By official proclamation and by personal letter, he set an example for the divided country by declining to regard his fellow countrymen in resistance or rebellion as enemies to be punished. He was not afraid to be magnanimous and forgiving.

Toward the end of the war, General Grant objected to rebel prisoners being allowed to take the oath and go free. But the President said that as Commander in Chief he would take the responsibility. "On the whole," Lincoln told Grant, "I believe what I have done in this way has done good rather than harm." And he described those freed as "neighbors and neighbors' sons."

Lincoln became known as a pardoning President. The records abound in generous and human phrases: "Please make out pardons for these two boys. . . . Suspend execution of this man under sentence for execution. . . . Let this prisoner be paroled. . . . This boy is pardoned for any desertion. . . . Do not let sentence be executed until further orders from me; meantime send me record of the trial for desertion . . . I will pardon him for the past."

Many thousands of ex-Confederates who took an oath during the war were granted amnesty, partly for military and political aims but also to heal the wounds of war. "When a man is sincerely penitent for his misdeeds," Lincoln said, "he can safely be pardoned, and there is no exception to the rule."

Finally, in the familiar soaring language of his Second Inaugural, Lincoln called for "malice toward none" and "charity for all" to achieve peace not only with all nations but "among ourselves." This noble expression remains a vision for today.

TOWARD A SANE FISCAL POLICY

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, May 14, 1973

Mr. RANGEL. Mr. Speaker, the citizens' organization, SANE, is a group dedicated to promoting intelligent and rational fiscal policies and budget priorities. Noting the current White House and Executive Office occupants, the citizens at SANE must be awfully busy.

I now submit for the collective interest of this body information and figures compiled by SANE concerning 1974 Federal budget proposals.

This country can no longer afford to throw away billions of dollars on nuclear submarines and computerized artillery systems. Let us, in this Congress, reassert our will to work for thoughtful and compassionate Federal fiscal policies.

The material follows:

THE PRESIDENT'S PRIORITIES: SEVERAL FISCAL YEAR 1974 FEDERAL BUDGET PROPOSALS

CUTS

Cut in activities of the Arms Control and Disarmament Agency, $2 million.

Cut in funds for library resources, $34 million.

Cut in hospital and health facility construction, $36 million.

Cut in operations, research, and facilities of the Environmental Protection Agency, $75 million.

Cut in health training and education, $86 million.

Cut in Rural Electrification Administration, $216 million.

Cut in Public Employment Program, $520 million.

Cut in elementary and secondary education, $1.5 billon.

Sources:

Budget of the U.S. Government, FY74

Special Analyses, Budget of the U.S. Government, FY74

REQUESTS AND INCREASES

$3 million increase for Captor Torpedoes.

$29 million increase for B-1 Bomber.

$41 million request for TACFIRE, tactical field artillery computer system.

$76 million request for aerial targets for missile testing.

$92 million increase in Air Force research, development, test, and evaluation.

$240 million increase for F-15 Tactical Fighter Aircraft.

$546 million request for S-3A Viking Anti-Submarine Warfare Aircraft.

$1.2 billion request for one Trident Submarine.

Sources:

Budget of the U.S. Government, FY74

Program Acquisition Costs by Weapon System, DoD Budget, FY74

WHAT WATER MEANS IN THE MIDDLE EAST

HON. CLARENCE D. LONG

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, May 14, 1973

Mr. LONG of Maryland. Mr. Speaker, this year marks the 25th anniversary of the creation of the State of Israel.

Mr. M. Hirsh Goldberg recently pointed out in an essay in the Baltimore Sun the indispensability of water supply to both Israel and the rest of the Middle East, for the development as well as stability.

I am proud that the U.S. Congress, through my Appropriations Committee, has funded the largest aluminum tube desalinization plant in the world, to be built in Israel.

This step toward improvement of desalinization technology is one of the few significant bilateral aid projects which offers immediate worldwide benefits.

I want to share with you Mr. Goldberg's thoughtful article:

ISRAEL'S OTHER STRUGGLE: WHAT WATER MEANS IN THE MIDDLE EAST

(By M. Hirsh Goldberg)

The sound of modern Israel is the soft, steady sput-sput of the water sprinkler. Hundreds of thousands of them can be seen throughout Israel. With their tiny metal whirling arms, they look like those sprinklers used in America to water the lawns of suburbia and the greens of the golf courses. But while the water sprinklers used in America are engaged in an act of luxury, the water sprinklers in Israel are that country's most important weapon in a fight for life and livable land.

Water equals life, a fact we tend never to see in an America so abundantly endowed with rainfall and rivers. But in the Mideast, the critical connection between water and life can be seen in dramatic ways. Jericho, the first city founded by mankind, rises green and flowering out of a desert—right where an underground spring surfaces.

Water has affected even the way cities developed in the Mideast. Archeologists have found the area such a rich repository of artifacts and well preserved structures because in the Mideast cities were built one on top of another to keep them near water sources. Jericho and Jerusalem have many levels. Cities with six to eight levels are not uncommon. Not until the Romans came to the Mideast and introduced their invention of the aqueduct did the Mideast witness the spreading out of its cities.

With water so essential in the Mideast, the State of Israel must live with a glaring fact of life. The water available to Israel comes from only two sources—natural springs and the Jordan River. There are only sixty-five days a year when rain can fall. The heat of the Mideast evaporates the water, dries out the land, increases thereby the need for water to irrigate fields for farming. Climatically, 60 per cent of Israel is desert. Thus, for Israel, water is critical for her future. As the book "The Middle East Yesterday and Today" notes, "The real key to development in the Middle East is water, not oil."

The United States, to, has long realized the importance of water to the entire region. In 1953, the United States tried to work out with the Israelis and the Arabs a comprehensive Jordan Valley development plan that would have provided for the irrigation of some 225,000 acres. After two years of discussion, Arab technical experts from Jordan, Lebanon and Syria agreed with Israeli experts on every important detail. But in October, 1955, the plan was rejected at a meeting of the Arab League because it would have benefited Israel as well as the Arab countries. In the years that followed, a billion cubic meters of water a year continued to roll down the ancient stream into the Dead Sea, wasted.

Even without the Jordan Valley development plan, Israel was able, by the end of her first decade of existence, to produce remarkable results, mainly through modern irrigation techniques and the use of every available drop of water. By 1958, she had more than doubled her cultivated area and quadrupled irrigated land.

But if Israel was to continue with its program of agricultural expansion and especially if she was to develop the Negev, she needed to tap her share of the waters of the Jordan as called for in the original Jordan Valley development plan.

And so Israel began building a massive project called the National Water Carrier, one of the largest of its kind in the world. By using giant 60,000 horsepower engines, Israel could tap the Jordan River north of Lake Tiberias and pump 360,000,000 cubic meters of water each year hundreds of miles down to the Negev. There, a string of newly established kibbutzim could begin the work of making the desert bloom.

When Israel completed the National Water Carrier project in 1964, Syrian engineers, with the help of the Russians, began building tunnels across the mountains of the Golan Heights to divert the waters of the Jordan River away from Israel and out across Lebanon into the Mediterranean Sea. Today, the tourist to the Golan Heights can see the ugly red scar that runs across the Golan Heights where the underground tunnels were being constructed.

It was out of this fight over water that the Six-Day War eventually exploded. Israel threatened to take action against any diversion of the Jordan River. Syria eventually claimed that Israel was massing troops on its borders for an invasion, Nasser, in a show of support, massed Egyptian troops in the Sinai Desert and then followed that with the blockade of the port of Eilat. Again, water was involved: Israel needed the oil imported through Eilat to run the giant engines of the National Water Carrier. Too long a stoppage of the engines and the constantly watered fields of the newly fertile Negev would have burned. And so began the Six-Day War.

Today, the Carrier's main pumping station, referred to by Israelis as the "iron heart of Israel," is one of the most heavily guarded sites in Israel. From the roadway, the station, located on the Galilee between Tiberias and Capernium, looks like a soft high mound of grass, but beneath it are four floors of electronic instruments and three massive engines built in Switzerland. Surrounding this innocuous looking piece of ground are barbed wire, minefields and lookout towers manned by Israeli soldiers.

The National Water Carrier, however, provides only part of what Israel needs to solve her water problem. Although she has been able to cultivate 20 per cent of her desert lands, another 40 per cent of Israel is still desert. And water is needed for an ever-growing population (kibbutz youth are told by doctors to combat the loss of body water in the Mideast heat by drinking 30 glasses a day) and for an ever expanding economy (paper, the product of trees and water, is still in short supply and paper goods from napkins to toilet paper are thin and just barely usable).

Israel is therefore turning to other methods. In Dimona and Eilat, treated sewage water is used to irrigate crops for animal feed. While other counties use water to make electricity, Israel uses electricity to make water—the process of desalinization. To keep evaporation down, plastic coverings are being placed over fields and experiments are being tried with thin pipelines placed underground to carry water directly to plant roots. To facilitate wide-spread irrigation, pipes are being made out of aluminum and placed on wheels so that farmers can move irrigation equipment easily.

Israel's ultimate hope is to use nuclear energy to make the process of desalinization economical enough on a broad scale. But for now, desalinization does not seem to be the most practical source of water. Agriculture Minister Haim Gvati recently told a farming conference that "desalinization technology has not developed as we had hoped" and that Israel would have to start purifying sewage on a large scale to meet irrigation requirements during the next ten years. Israel has already submitted plans to the World Bank for an $80 million loan to finance construction of sewage treatment plants near the country's major urban centers.

Water, then, must rank with war as among Israel's major problems. But while war is a social, human problem that could conceivably be resolved in the near future, water, a physical problem, may well defy complete solution for years to come. The Israelis, however, are working strenuously to devise solutions. Witnesses to that struggle are those thousands of water sprinklers throughout Israel with their whirling arms of precious spray.

TRUE CHRISTIAN SPIRIT

HON. JOHN B. CONLAN

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 14, 1973

Mr. CONLAN. Mr. Speaker, it is sometimes difficult to maintain one's perspective with the constant barrage of bad news daily confronting us.

Page after page of most newspapers and a significant portion of radio and television news reports serve as perpetual reminders of the unfortunate sin factor affecting the lives of us all.

But from amidst the gloom sometimes shines light. There is usually a short story buried somewhere that reports good deeds or good fortune. And when they appear, such stories almost always save us from believing that we are helpless travelers on a doomed and sinking ship.

I recently came across an item in the Arizona Record, a weekly newspaper in the historic Arizona town of Globe, that did much to restore my faith in the good portion of man's nature. The brief story demonstrated once again that man must constantly rely on a higher goodness to overcome his inherently base origins.

I would like to share this lesson with all of my colleagues in the Congress:

THINGS THAT HAPPEN TO OTHER PEOPLE

Globe grocer Clyde Ramsey has read and heard about such things, but this was the first time it ever happened to him.

He recently received a check for $1.50 for a 'purchase' made in his store some years ago. The following letter tells the story.

"Dear Mr. Ramsey:

"During the year of 1965 or 66, I was attending Globe Junior High. I was 12 years old and am an Apache Indian from San Carlos. I and some friends were ditching school and went to your store at that time where the present Yellow Front store is and I stole a six-pack of beer from there.

"Well, now that I have become a Christian I feel that I should make the wrong things that I have done right. So, I am enclosing a check to cover the appropriate amount.

"This past Saturday, I tried to locate you but only got your address from your daughter. So, this letter will have to reach you."

CONGRATULATIONS TO ISRAEL ON ITS BIRTHDAY

HON. J. HERBERT BURKE

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 14, 1973

Mr. BURKE of Florida. Mr. Speaker, May 14, 1973 marks the 25th year that the State of Israel has been in existence, but the nation itself has been in existence since the dawn of recorded time. It fills me with awe to see the Jewish people from all over the world stream to Israel, to a homeland they have always known about and longed to see, and to build there a healthy, strong country to take its place among the nations of the world. Although for 25 years Israel has been denied peace, it has remained faithful to its central destiny: to be a haven of the Jewish people.

The following chart appeared in the Miami Herald on May 6, 1973 showing briefly the history of the nation of Israel. When we compare our own history to this chart we realize how new the United States really is and how difficult it must have been for the Jewish people to maintain their culture, religion, and language for 35 centuries. We all know how difficult it has been for Israel to survive these past 25 years, and these years have been some of the best that the Jewish people have known. They deserve more than congratulations, but, I am not eloquent enough to put into words my admiration for what they have accomplished. So I will just wish happy birthday to the nation of Israel and its citizens, and happines, security, and prosperity as well.

The brief history follows:

A PERSPECTIVE IN TIME FROM PROPHETS TO PRESENT

Time: 1st half of the second millennium BCE, The Patriarchs.

What happened: The Patriarchs—Abraham, Isaac and Jacob—settle in the Land. Their descendants migrate to Egypt where they are enslaved.

What they believed: Early monotheism.

What survives today: The Makhpels Cave in Hebron, for more than 2,000 years believed to be the sepulchre of the Patriachs; mentioned in the Bible, it is to this day a shrine to Jews and Moslems.

Time: 1300—1050 BCE, Return from Egypt and resettlement.

What happened: Exodus from Egypt led by Moses through Sinai desert, Return to the land of Israel. Tribal autonomy.

What they believed: Monotheistic faith codified by Moses' struggle against idolatry.

What survives today: The Hebrew language. The Ten Commandments and other laws (Torah). Names of villages and towns.

Time: 1050—588 BCE Monarch and the First Temple.

What happened: King David makes Jerusalem his capital c. 1000 BCE. His son, Solomon, builds the First Temple. c. 930 BCE the kingdom divides into Judah and Israel.

What they believed: Continued struggle of monotheistic faith against idolatry. The prophets, in the forefront of the struggle, call for fulfillment of ideals of social justice.

What survives today: Earlier books of the Bible. Earlier books of the prophets Archaelogical remains (Jerusalem, Samaria, Lakhish, Gezer, Megiddo, Hatzor and others).

Time: 721–538 BCE. Exile.

What happened: 721 BCE: Conquest of Israel by Assyrians and exile of many of its people. 586 BCE: Conquest of Judah by Babylonians and destruction of the First Temple. Exile of the Jews to Mesopotamia.

What they believed: Belief in the return to Zion and the revival of national life.

What survives today: Some of the books of the Later Prophets.

Time: 538 BCE–70 CE Return from Exile: Second Temple.

What happened: Second return to the Land and construction of Second Temple (mainly 5th century BCE) 323—168 BCE Hellenistic suzerainty Revolt against Rome starts 66 CE. Jerusalem and Second Temple destroyed 70 CE. The Land becomes a Roman province.

What they believed: Jewish monotheistic religion firmly established as a way of life. Fierce resistance to intrusion by foreign idolatry.

What survives today: The Bible (compilation finished during the first part of this period). The Dead Sea Scrolls (1st century BCE—1st century CE). The Western Wall in Jerusalem, Masada, and extensive archaelogical remains in towns and villages.

Time: 70 CE—1870 Exile and Dispersion: The Jews a minority in their Land.

What happened: Following Bar-Kokhba's revolt against the Romans (132–135 CE), the Jewish population of the Land gradually declines, until around the 5th Century the Jews become a minority in their own Land.

What they believed: After interruption of independence an intensification of religious faith and yearning for the return to Zion. Rabbinical laws evolve to comprise all aspects of Jewish life and are codified in the Mishna (c. 3rd century) and Talmud (c. 4th-5th centuries).

What survives today: Bar-Kokhba's letters (c. 132 CE). The Mishna and the Talmud. Numerous archaelogogical remains, mainly synagogues and tombs. Letters sent by Jews from the Land to their brethren abroad throughout the centuries.

Time: 1870–1948 Return and Holocaust.

What happened: From 1870 the Jews began settling the desolate areas outside the towns. Waves of immigration multiplied the Jewish community which evolved its own social and political structures. Between 1939 and 1945 the Nazis murdered six million Jews in Europe.

What they believed: While Jewish religion retained its traditional framework. Zionism evolved as an active belief in self-determination by the Jewish people in their ancient Land.

What survives today: The revival of the Hebrew language, Towns and villages established during this period: Petah Tikva, Haders, Tel Aviv, and other localities. The memories of the Holocaust and the compelling quest for security.

Time: 1948 and ever since Independence and Ingathering of exiles.

What happened: In 1947, the United Nations adopted a resolution to partition the British Mandated territory and established two States—one Jewish, one Arab. On 14 May 1948, the State of Israel was proclaimed. It was immediately invaded by Arab armies. The War of Independence ended in 1949 with Armistice Agreements.

What they believed: Israel as the realization of Jewish national liberation: social, cultural, political, and economic. The Law of Return, permitting all Jews to enter Israel and become Israeli citizens. Coexistence of traditional religious frameworks and secular alternatives (their is no State religion). The quest for social justice.

What survives today: Israel: a living and open society.

REPUBLIC OF CHINA

HON. DAVID C. TREEN

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 9, 1973

Mr. TREEN. Mr. Speaker, I wish to associate myself with my numerous distinguished colleagues who have been urging continuing support for our friend and ally, the Republic of China. In addition to the friendship between two free peoples, there are many other interests that bind us together.

The United States and the Republic of China have been allies for more than 30 years. During that time, our friendship has weathered the many tests of time and change. Cultural exchanges, official and unofficial, have helped the American and Chinese peoples to know each other better; and our economic relations continue to be singularly beneficial to both nations.

The Republic of China is now among our 15 most important trading partners. The Republic of China presently enjoys a favorable balance of payments with the United States, but, unlike so many other nations, the free Chinese Government has taken steps to even that balance. Already this year there have been several buying missions from Taiwan in the United States negotiating purchases totaling $800 million. These missions will be followed by others.

From trade statistics and other economic indications, it is obvious that the Republic of China is a rapidly developing country which, unlike so many other developing countries, relies heavily on a free market system which encourages investment.

We Americans can be proud of our support of the Republic of China, which has helped make possible their progress. Let us do nothing to undercut their progress, their freedom, and our mutual friendship.

REPRESENTATIVE PARREN J. MITCHELL ON "THE DRAFT AND INSTITUTIONAL RACISM"

HON. RONALD V. DELLUMS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 14, 1973

Mr. DELLUMS. Mr. Speaker, institutional racism is often difficult to substantiate. However, on occasion, statistics are clear and bias obvious.

Such is the case when one examines figures on inductions in recent years by the Selective Service System. My distinguished colleague, Representative PARREN J. MITCHELL, has written a letter to the Christian Century, which appeared in the May 9 issue of that journal, which clearly documents institutional racism prevalent in that Federal agency.

In view of the fact that no further inductions are planned and because of these well-documented inequities of the system, serious thought should be given to eliminate all funding for Selective Service.

I submit Representative MITCHELL's letter at this point in the RECORD:

THE DRAFT AND INSTITUTIONAL RACISM

SIR. It was most distressing for me as a black congressman to read the editorial "The Volunteer Army: Black Misgivings," by Cornish Rogers (Feb. 28). To begin with, Mr. Rogers is not correct when he states that "it appears that the Selective Service Act of 1971 will not be extended when it expires July 1." The Military Selective Service Act is permanent legislation; only the induction authority expires at that time. Even after that date the President may call up men who have been deferred in the past and who are under age 35. At a time when social programs are being cut to the bone, the administration proposes a $55 million budget to operate Selective Service during the next year.

A second inaccuracy is Mr. Roger's statement that "the Nixon administration has already made plans for an all-volunteer army . . ." In fact, the all-volunteer military is what we have right now—except for a very few draftees who are serving out the remainder of their tours of duty. Defense Secretary Laird announced on Jan. 27, a month before the editorial was published, "that phase of the draft has ended."

The Congress was able to assist the administration in bringing about this accomplishment by raising pay levels to make it economically feasible for young men to consider the military as a career. If Mr. Rogers thinks that black people do not like this, he should consider the remarks of my colleague, Congressman Ron Dellums:

> If the draft is repealed, taxpayers will pay the costs of military defense rather than the young and poor draftees who earn less than the federal minimum wage. Those who enlist in the military should receive a fair income. Opposition to pay increases on the grounds of inflation or increased government spending merely continues the exploitation of first-term servicemen by the taxpayers.

Often it is difficult to substantiate charges of institutional racism, but Selective Service presents no problem in this regard. Consider the fact that the percentage of blacks among draftees is consistently higher than their 11 per cent proportion of the total population. Note too that the percentage of blacks who are draftees is higher than that of those who volunteer.

[Percentage of Draftees]

Fiscal year:	
1969	14.9
1970	15.1
1971	15.9
1972	18.1

[Percentage of Volunteers]

Fiscal year:	
1969	12.2
1970	12.3
1971	13.9
1972	15.9

Finally, twice as many whites as blacks obtain medical deferments, but certainly no one would argue that the black community receives better health care.

It is primarily because of this institutional racism that *all* black members of Congress have voted against the draft consistently for years. It is significant, I think, that although Mr. Rogers says many blacks have long opposed establishment of an all-volunteer arm," he quotes no black leader to that effect. On record as opposing conscription and favoring freedom are Roy Wilkins, Mrs. Martin Luther King, Jr., David Abernathy, Dick Gregory, members of the congressional black caucus, and so on.

Your readers may be interested to know that Sen. Mike Hatfield has introduced S.J. Res. 54 in the Senate, and I have coauthored H.J. Res. 382, in the House. Both bills are designed to *repeal* the Selective Service system.

Offering adequate pay scales has forced us, for the first time in a quarter century, to face the true costs of the armed forces. One result of this examination is a decrease in the size of the armed forces, from 3.6 million to the present 2.3 million.

Rogers's final paragraph, which implies that "only poor, black and powerless people" would fight and die in America's wars under a voluntary system, simply shows his naïveté as to who did the dying in Vietnam. Despite conscription, it was not the sons of the upper middle class and the wealthy who suffered in the rice paddies. The Selective Service system saw to that. In Vietnam, black men died at two and a half times the rate of the white comrades. We must not now allow the continuation of such an oppressive system.

PARREN J. MITCHELL,
House of Representatives.

CONGRESSMAN WILLIAM LEHMAN ON ADDABBO AMENDMENT

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 14, 1973

Mr. LEHMAN. Mr. Speaker, I was happy to vote in favor of the Addabbo amendment last Thursday and to join my colleagues in voicing opposition to our continued involvement in Indochina.

Regretfully, due to a longstanding commitment in my district, I was unable to be present for the remaining votes held on Thursday.

Had I been here I would have supported other votes taken during the day to terminate U.S. involvement in Indochina. Therefore, I would have voted "No" on rollcall No. 137, "Yes" on rollcall No. 138, and "Yes" on rollcall No. 140.

In addition, I would have voted "No" on rollcall No. 139 for increasing category B impacted school aid and "Yes" on rollcall No. 141 for the final passage of the supplemental appropriations bill.

THE 1973 SMOG ATTACKS BEGIN IN SOUTHERN CALIFORNIA

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 14, 1973

Mr. Brown of California. Mr. Speaker, less than 1 month ago this body voted to side with the highway lobby and against the people of this country on a critical issue. Those of us who believe in clean air, local government control, conservation of energy, and inexpensive mass transit were defeated, 215 to 190 in the vote on Representative Glenn Anderson's amendment to permit the use of highway trust fund money for local bus and rail systems. As we all know, that amendment would not have forced any community to spend any money on mass transit, nor would it have forced them to spend any less money on highways. It merely would have given the people within each community the right to decide for themselves what they considered most important.

I think some of our colleagues who voted with the highway lobby and against the people may find it interesting to hear of some of the effects of their votes. Let me quote from a May 10 article in the Ontario Daily Report by Steve Papinchak; the headline reads "West Enders Strangle in Heavy Smog.":

> The county Air Pollution Control District station located next to the Upland City Hall at 3:55 p.m. recorded an oxidant level of .41 parts per million and .46 at 4:05.
>
> Since this exceeded the .35 ppm community alert stage, the APCD issued a notice of the smog levels to hospitals, any schools that were open and the news media.
>
> There is a likelihood that another warning will be issued today, according to an APCD spokesman.

The article goes on to point out that the smog alert notice recommends agencies reduce activities of children, the elderly, and persons with respiratory problems. The article also gives the APCD forecast for the day: Visibility expected to range from 3 miles down to 0.

In another article appearing on the same day, this one in the San Bernardino Sun-Telegram, Tina Floan quotes an APCD spokesman:

> All persons are advised to cease outdoor activity, stay in air conditioned buildings and drive as little as possible . . .

Meanwhile, in Riverside County, which adjoins San Bernardino County and is also partially within my district, the situation was just as bad, if not worse. The city of Riverside had its fifth smog alert of the year, two more than had been called at this date last year. Let me quote from the Riverside Press, in their issue of the same day, May 10:

> Riverside's alert was the first of the year to be called when school classes were in session, and resulted in curtailing of activity in physical education classes in Riverside and Alvord Unified School District high schools.
>
> A swim meet between Ramona and Poly high schools was called off, as were an informal volleyball match at Poly High, tryouts for the pep squad and pom pom squad and a junior high pep clinic at Ramona and a drill team clinic at La Sierra High.
>
> Baseball practices at the various high schools were cut short or limited to nonstrenuous activity. Those high school track athletes still in competition were held out of practice.
>
> A Riverside physician, Dr. Robert Zweig, said that smog has caused problems with several patients he has. Those with respiratory problems have trouble breathing, he said, while those with allergies find their condition aggravated, have more drainage and more headaches.

Mr. Speaker, this is only the beginning. Summer has become a deadly season in southern California, and this season is expected to be worse than ever. Why? Because of the irresponsibility of people and institutions, including this House of Representatives. Too many Members of this body do not have what it takes to stand up when it counts.

I will be having more to say on this subject in the near future. Mr. Speaker, I hope that, by the time we have another opportunity to vote on a similar measure, the message from southern California will have come through loud and clear.

MILITARY BASE CLOSINGS AND THE COMMUNITY ECONOMIC ADJUSTMENT ASSISTANCE ACT

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 14, 1973

Mr. HARRINGTON. Mr. Speaker, I rise to offer a suggestion with respect to solving the economic problems created by the closing of military facilities in New England and across the country.

I have recently introduced H.R. 7678, the Community Economic Adjustment Assistance Act of 1973. This bill would provide technical and direct financial assistance to the communities adversely affected by the closing, reduction, and relocation of military facilities, installations, and bases.

On April 17 the Department of Defense announced that 274 such facilities would be closed or relocated at a savings of $3 billion in Pentagon excesses. I cannot, as a long-time critic of excessive military spending, in all honesty, oppose these actions.

A total of 42,000 workers will lose their jobs—26,200 of them civilians. Almost 12,000 civilian jobs will be lost in my State of Massachusetts alone where the unemployment rate is already 7.2 percent and where growth has been lagging behind the national average for a decade. These workers need assistance and I will support measures to help them. Senator Kennedy and Majority Leader O'Neill have introduced in the Senate and the House the Emergency Manpower and Defense Workers Act of 1973 and I have cosponsored that bill. The legislation provides severance pay, retraining and relocation grants, early retirement benefits, and other forms of assistance. Nothing I say here today should detract one iota from that effort.

But as workers are affected, so are communities. Workers lose jobs, but so do communities. And as there are fewer workers and jobs, there is less money going into retail sales, the housing market, savings, and all other parts of the economy.

Adjustment assistance for workers is short term. Jobs and local redevelopment are the only long-term solutions. The workers who are being laid off, by and large, do not want to leave New England, and we cannot afford to lose their talents, their skills, or their production. The Federal Government has an obligation to provide the necessary assistance to make such redevelopment possible, and to give the communities the financial support necessary to attract new industry and new jobs.

The bill I offer today would cost some $800 million nationally, if every eligible community applied for and received this vitally needed assistance. It would bring $240 million in direct grants into Massachusetts. This is a program we can afford and which we need. I would hope that the suggestion I offer today will receive the serious consideration of all those involved in the urgent business of trying to deal with this critical situation.

I would like to insert in the Record at this time a summary of the provisions of H.R. 7678, the Community Economic Adjustment Assistance Act of 1973:

Summary of the Community Economic Adjustment Assistance Act of 1973

> Section 3: Authority to implement adjustment assistance to communities is vested with the Secretary of Commerce. At this time, the concern of the Department of Labor is with employment; the concerns of the Department of Defense are with strategic considerations; the Department of Commerce is vested with responsibility for the domestic development of our local communities, and this domestic development of our local communities, and this Department should be responsible for those policies designed to support and encourage local redevelopment efforts.
>
> Section 4: A community is eligible for assistance if a reduction, relocation, or closing of a military facility will cause a substantial threat of serious injury to the economic base of the community. Eligibility is based on a rebuttable presumption whereby the community shall be eligible unless the Secretary of Commerce declares within 30 days that the community is not eligible. This is vital for the effective implementation of a program because it will avoid the inevitable bureaucratic delays that are encountered in the implementation of Federal policy.
>
> Section 5: To qualify for assistance, an eligible community must submit a redevelopment plan. Such a plan may be submitted at any time within two years of the date of filing an application for eligibility. The Secretary has 90 days in which to certify a community as eligible and assistance can begin with such certification. The community will be deemed eligible if the Secretary has not determined it to be ineligible within 90 days. A rebuttable presumption is again used to speed decision making.
>
> The Section authorizes the Secretary of Commerce to provide technical assistance to the communities for the purpose of helping the communities prepare the proposal for the redevelopment of the area that is required for certification.
>
> No certification will stay in effect for more than two years, but in no case would it remain in force for less than six months. The exact period is to be determined by the Secretary of Commerce.
>
> Section 6: Several Departments and agen-

cies of the Federal Government already have adjustment assistance programs of a complementary nature, including the Departments of Labor and Defense. The Secretary of Commerce is instructed to refer each certified adjustment proposal to such agencies as he determines appropriate to furnish additional technical and financial assistance.

Section 7: Technical assistance will be provided by the Secretary of Commerce to the adversely affected communities for the purpose of redeveloping their local economies. Such assistance shall be used for the purposes of planning and development in such a way as to attract the new industry and government assistance that will be necessary for the redevelopment of the local area.

Section 8: In addition to this new technical assistance, direct financial assistance shall also be provided in the form of direct grants—to supplement Economic Development Administration, Small Business Administration, and other loans, credits, and other financial assistance—in the amount to $20,000 for each civilian worker totally separated and $10,000 for each civilian worker partially separated. (Such funding levels are offered only as suggestions.)

The cost of this section, if each community affected by the closing and relocation of 274 bases and installations recently announced by the Department of Defense applied for and received assistance, would be no more than $800 million.

There is a provision in the section to prevent windfalls for any areas which provides that no worker shall be counted more than once in the allocation of such funds.

AMTRAKS INFLATED SHIPPING COSTS

HON. JOHN E. HUNT

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, May 14, 1973

Mr. HUNT. Mr. Speaker, in the past I have gone on record praising the virtues of the Metroliner and Amtrak. Many years ago, I worked for 5 years for the Pennsylvania Railroad and have fond memories of the glory days of railroading. This could be in part, one of the reasons I would hate to see the railroads fade away.

This past Thursday however, I had an experience which makes me wonder whether they are really making an effort to be competitive. Because in order to survive, they are going to have to compete.

At the request of a television station in my district I had one of my staff take a video tape recording over to the terminal to be put on the Metroliner to Trenton. Now we are all familiar with the size of a VTR, this one was a 6-minute tape, about 10-inches square, perhaps weighing 3-4 pounds. The charge was $6. Now that is about one-half of what the tape cost, and about one-half the cost for me to ride along with it.

I would only suggest that perhaps a good, hard look might be taken to see if prices, as they relate to freight, might not be more competitive. With passengers using other modes of transportation it might well be the only salvation.

DR. ROBERT MARSTON, FORMER NIH DIRECTOR, ON THE POLITICALIZATION OF MEDICAL RESEARCH

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, May 14, 1973

Mr. DINGELL. Mr. Speaker, recently Dr. Robert Marston, the former Director of the National Institutes of Health, gave a very thoughtful farewell address to his colleagues which I believe deserves the careful attention of all Members of Congress. After being sacked by the President at the end of his first term, Dr. Marston chose this occasion to criticize what he called, "the temptation to misuse science for immediate political ends."

He indicated that the Nixon administration is now confusing the "necessary freedom to conduct research in a free environment" with "advocacy for special interest groups on the one hand a potential disloyalty on the other."

This is unfortunate.

I think it is critical that we be on constant guard to insure that near term political objectives are not allowed to distort medical research funding.

Judith Randal, in an excellent column in the Washington Star-News, pointed out that this administration is not only subverting the whole NIH system, but is, indeed, elevating politically appealing medical research disproportionately at the expense of other research which "makes no sense scientifically and is transparently political in its intent."

Mr. Speaker, at this point in the RECORD I would like to include Dr. Marston's farewell address and Judith Randel's article entitled, "Do Politics and Science Mix?" from the Washington Star-News:

DO POLITICS AND SCIENCE MIX?

(By Judith Randal)

People dismissed from office after a stint with the Nixon administration have varied ways of taking their leave. Some go in disgrace with their tails between their legs. Others go proudly, but quietly—apparently in the belief that to disclose what led up to the rupture would not make any difference either to the public or to the colleagues left behind. The nation should take note that Robert Q. Marston is one of the few in recent memory to have chosen another style.

Marston is the physician and former Rhodes scholar who was appointed by the late President Johnson to head the National Institutes of Health. He succeeded a man, Dr. James V. Shannon, who made the NIH the very symbol of a government agency dedicated to excellence and as free of political constraints as such an agency can be.

Knowing Marston, the scientific community confidently assumed he would carry on in the same tradition, and heaven knows he tried in the face of growing odds. But in December, following President Nixon's landslide victory, he was asked to resign, and on Jan. 20—Inauguration Day—he was ignominiously demoted to serve as acting director of one of the smaller institutes that constitute NIH.

Last week, after deciding to spend a year as a scholar-in-residence at the University of Virginia and to accept a position as a distinguished fellow of the National Academy of Sciences new Institute of Medicine, he spoke for the last time to those with whom he had spent almost eight years at NIH. No successor to the directorship has been named, although the pretext for getting rid of him was to clear the way for the prompt appointment of a "fully qualified" successor for the second Nixon term.

Marston is not a bombastic man, and bitterness and recrimination are not his way. There was no name-calling on this occasion, and no hyperbole, and in a sense what he was saying was meant only for the consumption of his colleagues. Yet so much of it spoke directly to what has made American science the achievement it has become in the years since World War II that it is worth repeating here.

Dealing with the pursuit of intellectual excellence, Marston recalled that it has been NIH custom to have scientific policy decisions made by groups of scientists rather than bureaucratic managers and that this system of "peer review" has brought rich rewards, both in true medical progress and in prestige as measured by such benchmarks as the Nobel prize.

He did not have to tell these men and women that this widely copied system—which has made American science the envy of the world—is now being subverted by the Nixon administration, whose present secretary of Health, Education and Welfare, Caspar W. Weinberger, construes it as self-serving and a fount of potential disloyalty to the administration. As "management for management's sake" replaces the freedom to pursue knowledge in an environment untrammeled by politics, they have seen for themselves that it is being destroyed.

Nor did they need to have recalled for them the mischief being done by beating the drum for cancer (and, to a lesser degree, heart disease) while more fundamental aspects of biomedical research which seek answers to these and, indeed, all disease processes wither for lack of funds. Just as they understand the current folly of ending training support for young scientists who are the source of new ideas, they understand—as the public, for the most part, does not—that to elevate any aspect of medical research disproportionately at the expense of others makes no sense scientifically and is transparently political in its intent.

Accordingly, when Marston told this audience that "creative people are to be valued more than organizational arrangements or complex plans," and that "criticism is a necessary part of science to be encouraged and not stifled," one could only have wished that the "people managers" at the White House could have been listening.

And even more worthy of their attention, in light of current revelations about the Watergate, might have been the following credo with which Marston took his leave:

"Perhaps I speak too much from the idealism of one who chose to go into the medical profession, but I believe in the dignity of man—that to treat one another with respect is an expression of strength, not weakness; and that charity is good, not bad; that the power of public office should not be allowed to lead to arrogance, and that we must always remember as public officials that the money we spend is not our own."

FAREWELL ADDRESS

(By Robert Q. Marston, M.D., National Institutes of Health, April 27, 1973)

It was in the early fall of 1965 that Jim Shannon offered me the job of Associate Director of NIH for the "next two or three years." I commuted back and forth during that fall recruiting the initial staff for Regional Medical Programs and making the transition from academia to Federal service. The "two or three years" have now grown to almost eight years, and when added to the two years that I spent here in the early fifties makes it not only the longest time that I have ever served one institution—but as I have said elsewhere, clearly NIH has been the dominant institution of my professional career.

I have thoroughly enjoyed each aspect of my experience here: intramural scientist; chairman of an outside advisory committee; Associate Director for Regional Medical Programs; again Associate Director, NIH and Acting Director of the National Institute of Neurological Diseases and Stroke; and of course Director, NIH. In addition, for a period of about one-half year I was Administrator of Health Services and Mental Health Administration. During that exciting period, however, I continued to attend Shannon's staff meetings because the Regional Medical Programs was not actually transferred to HSMHA until about that time that it was decided that I would become Director of NIH.

With so many jobs and so many bosses, it's dangerous to begin naming names. But of the five HEW Secretaries—Gardner, Cohen, Finch, Richardson and Weinberger—I obviously have worked most closely with Wilbur Cohen and Elliot Richardson. I respect both greatly, and enjoyed immensely the working relationship that I had with each. Thus you can understand how much I appreciate the kind words which John Sherman has quoted from Wilbur Cohen and the letter from Elliot Richardson from which excerpts were published in the NIH Record this week. It is worth noting here, that both of these men have, to a high degree, that absolutely essential quality for any Secretary of HEW—a deep concern for and a sensitivity to the needs of people, especially those who may be handicapped by problems of health, ignorance or poverty. Ultimately those responsible for the Nation's health, education and welfare programs both in the Executive and Congressional branches must project to the Nation at large both the image and the reality of such concern and sensitivity.

When I think of other names that should be mentioned today, I run into a serious dilemma. Jim Shannon, John Sherman, and Bob Berliner of course; my immediate OD Staff; Institute and Division and Bureau Directors; intramural, extramural program people—in all more than 10,000 people here at NIH alone, not to mention our whole advisory structure, and then, too, those many individuals from other parts of government—especially my friends from HSMHA and the Department. Nor could I let this time pass without a very special word of appreciation to those members of Congress with whom I've worked over the years—I can only say, "Thanks to all of you for making this the stimulating, exhilarating, experience that it's been for the last eight years." It's been a period of high purpose and great accomplishment in an atmosphere of mutual trust and pleasant associations. It has been a happy place with happy people. Yet if I had to choose a single word to describe NIH, it would have to be the word "quality".

Now I would like to say a few things about NIH, and its future and your future. In so doing it becomes very hard not to repeat things that I have said over and over again as Director of NIH. Indeed, I am a bit embarrassed to find that my speeches fill six rather large filing cabinets. I find in looking over this accumulation that there is almost nothing that I need to say as a private citizen which I did not say as Director of NIH. Thus this public record does spell out, I believe, my strong support—

For the intramural program of NIH;

For the new, young scientists, and for their preparation through the training grant mechanism;

For the peer review system which has evolved over the years;

For basic research, and particularly the principle that applied research should not be expanded at the expense of basic research; and

For a balanced biomedical research program—for example, cancer research should not be increased at the expense of other fields of biomedical science.

And this record also expresses my strong conviction—

That scientific management is more important than the blind application of a system of management;

That creative people are to be valued more than organizational arrangements or complex plans;

That criticism is a necessary part of science to be encouraged and not stifled; and

That the Library of Medicine is a gem in NIH and in the Nation.

Finally I have taken a special and personal pleasure, because of my own background in education, in working with the Bureau of Health Manpower Education in the difficult job of defining and implementing Federal polciy in the area of education for health professionals.

In looking over some of these accumulated documents, I hope that some of my personal philosophy about the relationship of people to people comes through. Perhaps I speak too much from the idealism of one who chose to go into the medical profession, but I believe in the dignity of man—that to treat one another with respect is an expression of strength, not weakness; and that charity is good, not bad; that the power of public office should not be allowed to lead to arrogance; and that we must always remember as public officials that the money we spend is not our own.

I find it somewhat strange to be repeating this litany to you as I leave NIH, and I truly hope that events in the future will prove this to have been an unnecessary exercise—that people in the future, looking back on these statements, will even find them a rather pious, obvious list with which no one could disagree. Yet I repeat the points not as abstract items of philosophy but because of specific concerns often surrounding a specific action or statement within recent months.

Let me say again at this point that I thoroughly enjoyed my work at NIH during the first Nixon Administration, and during the latter part of the Johnson Administration. I have no ax to grind. But I know that you have concerns about some of the points that I have touched on. Let me suggest that you view your concerns against the following background. Dr. Hoagland, Director of the Worcester Foundation, in an article entitled, "Anti-Science—a Growing Danger to America's Health and Pocketbook," makes this comment: "It has taken a quarter century to build up the National Institutes of Health. The support of research has been a model other countries have imitated. The peer review system has given us the best science through a Federal agency with the least political interference of any governmental process ever developed. It is truly one of the great achievements of American government but it is being destroyed."

To the extent that you believe as I do in this basic statement about the importance of NIH, let me urge you to do the following three things: Continue to speak out your beliefs constructively. This is a nation of checks and balances, of free people, and as such it is totally dependent on the willingness of honest men and women to speak honestly their best judgments. This is particularly true in the area of science where hopeless confusion is the inevitable result of distortion of truth.

Nations have struggled for years with the problems of maintaining objectivity and the ultimate test of truth in the conduct and the management of biomedical research as that research has been supported increasingly with public funds. The solution in most countries except our own has been to separate medical research from the direct control of Government because of the conviction that the political process is inherently incapable of resisting the temptation to misuse science for its own immediate political needs. Thus, throughout Western Europe the Medical Research Councils tend to be autonomous or semi-autonomous bodies supported by Government, but not controlled by Government. Even in a country such as the USSR, the Academy of Medical Sciences and not the Ministry of Health, has the major responsibility for the conduct and support of such research in the USSR.

In this country, so far at least, enlightened leadership in both the Executive and Congressional Branches have resulted not only in a sound and healthy growth in biomedical research, but in minimum of attempts to bend science to meet short-term political needs. Of course, a major check on such temptations have been the existence of the NIH peer review system.

This necessary freedom to conduct research in a free environment is sometimes being misunderstood as advocacy for special interest groups on the one hand, and potential disloyalty on the other. Such a misunderstanding could result in what has been feared in other countries, that is a distortion of truth—a substitution of bias for objectivity. Thus, there is a special need today for you to continue to provide your candid professional judgments. Anything else can lead only to outright chaos and would be a serious disservice to the Nation you serve.

Second, do not become too discouraged. I remind you that in 1968 when I became Director of NIH, many people, including the then-President of the United States, commented on the difficulty of the job. Many thought then, as some think now, that the only possible role for NIH was a downward one. Instead, the past five years has been a period of major substantive progress. Indeed, as short a time as a year ago, I was able to tell the appropriation committees of Congress that fiscal 1972 had been a good year for NIH. For the Marstons at least this period has been a sort of Shangri-la with a purpose. The work of the NIH is measured in decades and generations, not in weeks, months or even years. No Institution in the world, to my knowledge needs less to be defended. So long as its aspirations remain so high and its accomplishments so unquestioned by competent people its course must continue to be upwards. Of course, as Representative Roy, a physician on our legislative committee, said recently in contrasting the different magnitude of work required to build up rather than discontinue programs, "Any jackass can kick down a barn but it takes a carpenter to build one." Thus one does have to remain alert to attack from the ignorant or intentionally destructive.

Finally, remember the human values. We are dependent on the work of great scientists here and throughout the nation, on teachers and professional people of all levels, but we are also dependent on those who in doing lesser tasks will make it possible for these with special gifts to utilize those gifts optimally. There is unfinished work to be done in the area of equality of opportunity, of abolishment of prejudices of various kinds. Then, too, there will be the invitation to copy harshness and insensitivity that may be seen elsewhere. Times of crisis always bring pressures for friends to fight friends, to forget the broader enemy of disease and ignorance, and to strike out for trivial reasons at those close at hand.

Last week at the Institute Director's meeting I made a special plea that as the Office of the Director, NIH, carries out its necessary role of serving as something of a buffer between "NIH internal" and "NIH external" that people remember the special strains that John Sherman and Bob Berliner have in this interim period, and continue to give them the type of support given me. I am of course keenly disappointed that the promise in December of a new and fully qualified Director of NIH has still not been fulfilled by May. I do not know how long this delay will continue, but I urge you to support each other and to continue to support John and Bob during the interim.

John Gardner has said that institutions can, in contrast to individuals, age without losing their vigor and effectiveness. They are revitalized by the addition of new people. NIH can continue to evolve as it has done over the past decades, by maintaining its flexibility in the development and implementation of its programs. It needs the competence of the experienced and the vigor and enthusiasm of the new initiates. Today especially, it needs all of you to continue to pull together for the good of the Nation.

Finally let me say how much Ann and I are looking forward to the next phase of our career—that of taking a sabbatical year, as a Scholar-in-Residence at the University of Virginia and a Distinguished Fellow at the Institute of Medicine of the National Academy of Sciences.

TWO PANDAS AND 40 RED CHINESE DIPLOMATS: THE INS AND OUTS OF NIXON DIPLOMACY

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 14, 1973

Mr. RARICK. Mr. Speaker, while the 40-member Red Chinese diplomatic delegation are wined and dined in the Washington social whirl, as part of the President's historic new China policy, an estimated 700 anti-Communist Chinese were forced to take to the streets to voice their opposition to the false image of respectability accorded the new delegation.

The anti-Communists, mostly Chinese Americans and students from Taiwan and Hong Kong, seem to understand the "ins" and "outs" of Washington. As one young Chinese puzzled:

> He (Nixon) used to be on our side, then without notice Nixon went to China. He is very nasty.

Under the new Nixon China doctrine, the National Chinese have suddenly become the "outs" of the Washington cocktail circuit. The Red Chinese, on the other hand, have emerged as the new "ins" in the Nation's Capital.

Such is the manner of international diplomacy, presumably. The "ins" travel in decadent limousines, while the "outs" must walk.

The related news clippings follow:

[From the Washington Post, May 14, 1973]

PROTESTS CONCERN POLITICS AND HORSES

(By John Saar)

Pursuing causes as widely different as their dress style and transportation, two groups of protesters were on the streets of the capital yesterday.

While 700 anti-Communists chanting slogans and carrying banners and placards against the establishment of the Chinese liaison office here were marching downtown, the clatter of hooves was heard at the Capitol where 200 horse lovers, many of them mounted and wearing Western clothes, protested the slaughter of horses for human consumption.

Both demonstrations were peaceful, incident-free and ended early. The anti-Communists, the majority of them Chinese-Americans or students from Taiwan and Hong Kong, marched a circuitous route from the Lincoln Memorial to the Ellipse with three rallies along the way, including a noisy one at Farragut Square, closest point to the Mayflower Hotel, where the Chinese diplomats are temporarily staying.

They carried Nationalist Chinese flags and professionally printed signs in Chinese and English carrying such legends as "Chinese Communists are murderers of mankind." "Save the swim, defect now."

Speakers mounted attacks on the Communist government of China, alleging repression of the population and the murder of millions—and led the crowd in chants of "Down With Mao," "Freedom for China."

Among the crowd were three friends, all sons of Republic of China military attaches here. Harry Liu, a 21-year-old sophomore at the University of Maryland, wore a tee shirt proclaiming the slogan, "Taiwan, fabulous Formosa," and attacked the Nixon administration "for betraying my country. He used to be on our side, then without notice Nixon went to China. He is very nasty."

Liu said he was taught at school how the communists captured China and how people were treated under their rule. Nothing he had read or heard in America could change his mind.

Fourteen-year-old Punwei Wang, Falls Church, chipped in, "Anyway, the two biggest newspapers in the United States, The New York Times and the Washington Post, lean to the left wing and are prejudiced against us. You never hear anything good from Taiwan."

The third friend, Danny Sun, 17, said, "Either you live in freedom or under communism. Unfortunately, the people on the mainland have no choice."

All three said that, however hopeless it seemed, they would continue opposition to Communist China throughout their lives. Wang added, "Right now it looks hopeless, but the Chinese people are known to be patient and 20 years from now it may be different. We can wait. My father says, 'If not in my son's time, then in my grandson's time.'"

[From the Washington Evening Star and Daily News, May 2, 1973]

CHINESE DEBUT

(By Joy Billington)

Peking is sending a group of its top-flight journalists on a month's tour of the United States. They are due to arrive about mid-May.

The journalists, who will come to Washington on their tour, will be drawn from all over China and include the leading writers from the People's Daily, according to a member of the Peking Liaison Mission. They will be accompanied by interpreters and secretaries.

Four members of the mission made their first appearance on the embassy cocktail circuit last night, breaking the strict seclusion they had maintained since their arrival here over two weeks ago.

It was at the embassy of Romania. China's good friend since the revolution, at a reception given by Ambassador Corneliu Bogdan for his visiting Minister of Transportation and Telecommunications Emil Draganescu.

Shortly after the 6:30 p.m. reception began, the four Mao-suited Chinese arrived alone, without Secret Service escorts.

While they must have been sending cable after cable home to Peking interpreting the Watergate affair to their foreign office these past days, one Chinese delegate told an American guest: "You must tell us all about the Watergate."

Ambassador Sultan Khan of Pakistan, one of the friends whom the Chinese delegation called on soon after their arrival, said he did not know how a diplomatic delegation living in a hotel (as the Chinese are living at the Mayflower) managed with cables. But he guessed that coded cables would be sent via their own teletype machine, or even Western Union.

Couriers are used only by countries rich enough to carry that expense, Ambassador Khan explained.

Sipping orange juice, Han Hsu was genial to the press, whom he has been avoiding to date. "We've looked at about 10 properties so far," he said, discussing real estate possibilities. "We've been comparing them, and we have narrowed the choice down a bit."

The mission, which will be complete after the arrival "soon" of Gen. Huang Chen, its leader, wants to live together, to eat in a canteen together, and to have a garden, Han said.

Another member of the delegation added that air conditioning is a must. Yet another thought they might buy a hotel, but added with a grin that it will not be the Howard Johnson Motel opposite the Watergate, as has been reported.

"You have to look at more than one property because if you look at one the price stays skyhigh," one of the group told a guest.

Hsu Hsin Hsi, the second secretary of Peking's New York mission to the United Nations, who has been seconded here along with another Chinese U.N. diplomat, said that in New York their 40-strong group does not get out and about the city much.

"We are working too hard. After being kept out of the United Nations for two decades, we have a lot of catching up to do."

Hsu and the other U.N. diplomat brings the number of the delegation up to 12 men, he said.

Speaking the excellent English that all the delegation seem to share, the four Chinese at last night's gathering spent about an hour and a half talking, and listening.

There appeared to be only one awkward moment, when a public affairs official from the Department of Transportation, Frank Clifford, asked Han, "Are you from Taiwan or are you the other lot?" The American, who introduced himself as a "faceless bureaucrat" got a polite little bow and a smile from Han. "We're from Peking," he was told.

Across the room, another member of the delegation asked an American if there were "any people from the other socialist embassies" present. There were a few, such as Yugoslavia's Ambassador Granfil. But the unspecified question probably implied the Soviets.

Soviet Ambassador Dobrynin had been invited, but called to regret due to a May Day staff party at his own embassy.

French Ambassador Kosciusko-Morizet and Belgian Ambassador Loridan both appeared delighted to meet the Chinese.

An old China hand and friend of Anna Chennault's, retired Air Force Gen. Ben Davis, who is an assistant secretary at the Department of Transportation, thought it would be "in the spirit of the times" to go ahead and introduce himself to one of the Chinese. But he added that "I feel the tragedy of the personal discomfort that our good friends here and in Taiwan suffer," and didn't.

The Chinese "are a great people in a generic sense, and I'm not speaking of Peiping or Taiwan," he added, saying he would "sure like to visit" the mainland "because my wife and I had some of the best times of our lives in Taiwan."

Transportation Secretary Claude Brinegar spent most of the reception closeted in a separate room with the Romanian Transportation minister, who is returning a visit former Transportation Secretary John Volpe made to Romania.

Draganescu hopes to buy U.S. railroad equipment for the Romanian railroads, he said earlier.

Increased U.S.-Romanian trade, Ambassador Bogdan said, would depend on the passing of the East-West trade bill, which would grant "most favored nation" status to Romania, the Soviet Union and other bloc countries. "If reason prevails, we'll get it," he added.

NATIONAL PUBLIC RADIO OBSERVES SECOND ANNIVERSARY

HON. JOHN DELLENBACK

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Monday, May 14, 1973

Mr. DELLENBACK. Mr. Speaker, on May 3, National Public Radio observed its second anniversary. It seems to me to be appropriate on this occasion to extend congratulations to this new network for winning the George Foster Peabody Award for journalism, awarded to NPR on May 2 for its daily news program, "All Things Considered * * *." In addition, I want to extend special congratulations to KOAC in Corvallis, Oreg., a National Public Radio member station, for their achievement in receiving the Peabody Award for its instructional program, "Will Shakespeare and Certain of His Friends."

These achievements illustrate how National Public Radio has advanced in its 2 short years of existence as the only nationwide noncommercial radio network in the country. Before NPR was inaugurated in 1971 with funding from the Corporation for Public Broadcasting there was no single national organization with the responsibility for production, acquisition, and distribution of high-quality professional radio programing for this country's public noncommercial radio stations. Today NPR can claim 133 members operating 156 noncommercial radio stations throughout the Nation. I am delighted that six of these stations are operating in the State of Oregon.

Although National Public Radio network is just that—a national network—the organization takes pride in pointing out that each of its 156 noncommercial radio stations is, at the same time, individually geared to the community which it serves. The President of National Public Radio, Donald R. Quayle, explains this concept in these words:

> To speak of the purpose of NPR . . . is to speak of the varied goals of our member stations as they relate to the individual needs of their listeners.

In practical terms, this concept means that NPR relies on its member stations to provide more than one-third of the network's programing. In addition, in an effort to preserve its individuality, each station is required to initiate most of its own programing, and is restricted from using more than 40 hours of NPR programing each week. Thus, NPR can widen the horizons of its listeners by introducing them to areas of the arts and sciences that have national interest, and at the same time, NPR stations have enough broadcast time to present detailed examinations of subjects that are primarily of local concern.

To provide interesting and significant coverage of the arts, science, human relations, economics and politics for its member stations, NPR has drawn on a number of information and entertainment sources, including the Congress. NPR has provided live coverage of more than 200 hours of testimony at Congressional hearings. Even before NPR was officially on the air, the Senate Foreign Relations Committee hearings on Vietnam were the first to be offered to the network. Since then, NPR has broadcast hearings from several House Committees, including the Committee on Interior and Insular Affairs and the Committee on Government Operations. Hearings before the Senate Judiciary Committee, the Select Committee on Aging and others have also been broadcast by NPR.

As its broadcasting of congressional hearings illustrates, NPR's coverage of current events emphasizes presentation of the news as it happens rather than reports of events after they happen. Consequently, NPR regularly broadcasts live speeches from the National Press Club in Washington, D.C., and was the only network in the country to provide daily live broadcasts directly from the United Nations Conference on the Human Environment held last year in Stockholm. Other broadcasts included the Lyndon Baines Johnson Library Civil Rights Symposium, and the annual meetings of the American Bar Association, the American Association for the Advancement of Science, the Consumer Federation of America, and the National Governors Conference. NPR has also broadcast several lecture series including the Smithsonian "Doubleday Lectures," the Reith Lectures, the National Endowment for the Humanities' "Jefferson Lecture in the Humanities," and Boston's Ford Hall Forum.

One of NPR's most unique public affairs endeavors is a program providing an open forum for citizens of the United States and Canada. CBC's "Cross-Country Checkup" affords listeners from both countries the opportunity to telephone CBC studios toll-free to participate in discussions on topics ranging from anti-Americanism in Canada to the Canadian peacekeeping role in Vietnam.

NPR covered key events at the 1972 Democratic and Republican National Conventions as they occurred and held an "Election Night Watch" to provide listeners with up-to-the-minute poll reports, supplemented by reports from member stations on local congressional races. NPR also broadcast live coverage of the inaugural ceremonies and the inaugural concert from the John F. Kennedy Center for the Performing Arts.

Certainly one of NPR's finest achievements in broadcast journalism has been its 90-minute week-night news magazine, "All Things Considered . . ." In presenting the George Foster Peabody Award for this program, the Peabody Board said that:

> The program embodies a distinctive approach to broadcast journalism providing the public with information which is meaningful and varied. The program presents a unique and analytical examination of the day's news and important issues through exhaustive investigative reporting.

"All Things Considered . . ." regularly covers a wide range of topics. During one recent week, listeners heard interviews with: a meatpacking company regarding the rising cost of meat, one of North Ireland's political leaders, a Scandinavian emigrant who settled in North Dakota, a Member of Congress discussing rising lumber prices, an M.D. who had practiced in the wild west many years ago, an organizer of the meat boycott, and the head of the National Chiefs of Police. Other topics for the week included organized labor's views of the steel agreement, recent medical findings on blood clots, a tribute to the late Noel Coward, abortion, and the history of blacks in the military.

A continuing feature on "All Things Considered . . ." has been a series of reports acquainting the public with the often complex legislative process. The series is tracing the progress of no-fault motor vehicle insurance legislation. To expand on this theme, NPR has called upon its member stations for reports on the progress of no-fault insurance in those States that have adopted the practice and on the reasons some States have rejected the idea.

National Public Radio personnel have been recipients of other awards as well. NPR producer Barbara Newman received an Ohio State Award for "What's a Life Worth?", a program investigating Berylliosis, which is an illness contracted by workers at a beryllium plant in Pennsylvania. The award was presented for "exhaustive journalistic research both in writing content and the quality of taped actuality interviews. This award must also be recognition of the emergence of a much-needed additional voice for national radio journalism—National Public Radio."

Another NPR producer, Jim Russell, received a National Headliner Award for "The Pet Population Explosion," a shattering story on the necessity for mass animal euthanasia. Both of these documentaries were presented as special programs and also on "All Things Considered * * *."

Moving from public affairs to music, National Public Radio has emphasized the production and acquisition of taped performances of concerts held in this country and abroad. "Festival USA," for example, samples the diverse music festivals currently being held across the Nation. "Concert of the Week" is a series of performances recorded in the world's finest concert halls. A number of special music programs have also been supplied by NPR to its member stations, including the National Symphony Orchestra, under the direction of Leonard Bernstein, performing Hayden's "Requiem in Time of War"; the world premiere performance of Scott Joplin's "rag" opera, "Treemonisha"; and a broadcast of Metropolitan Opera auditions held in New York.

A third field of broadcasting endeavor for National Public Radio—drama—is certainly less typically associated with radio broadcasting as we know it today than public affairs or music. It is safe to say that NPR has an uphill road to climb in reviving public interest in radio as an effective means for presenting drama, but the network has already made a significant beginning. Through a reciprocal program exchange agreement with the Canadian Broadcasting Corp., NPR has presented for the first time in this country the CBC-produced "Soundstage," an anthology of radio drama that included Nobel Prize winner Samuel Beckett's original radio drama, "All That Fall." A public radio production center in Madison, Wis., at the National Center for Audio Experimentation with funding from the Corporation for Public Broadcasting, is producing 15 minute episodes of an updated version of the vintage radio comedy, "Ethel and Albert," for National Public Radio.

This kind of wide range in programing—whether it be public affairs, music or drama—enables National Public Radio to bring new dimensions to its listeners. When NPR was inaugurated 2 years ago, its goal was to draw people together with information about themselves and each other. I believe the network has made admirable progress in its 2 years of operation and should be congratulated for its achievements on its second anniversary.

AN INTERNATIONAL ORGANIZATION OF OIL IMPORTING COUNTRIES

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 14, 1973

Mr. YOUNG of Alaska. Mr. Speaker, Thursday, May 17, I am introducing a House resolution requesting the President to commence negotiations for the convening of a convention of major oil-importing countries to establish an international organization of major oil-importing nations and to establish common practices and policies affecting oil pricing, importation, and consumption.

The oil-consuming nations of the world must stand together and have a common policy to offset that of the Organization of Petroleum Exporting Countries—OPEC. Nations such as the United States, Western Europe, and Japan must combine forces so that Middle East nations supplying most of our oil will not be able to continue to bid up the price of petroleum and impose their international policies on us.

By this country's increased reliance on Arab oil, we have put ourselves in a distressing international situation. Arab nations are utilizing their oil revenues for their maximum economic advantage. They are also using their resources to counter American foreign policy. The United States is, on the one hand, firmly committed to a free and independent State of Israel. On the other, we are continuing to rely on oil from a number of countries in the Middle East who are basically committed to the annihilation of the Jewish state.

These complex international repercussions reflect the difficult situation the United States has placed itself in by becoming reliant on Middle East oil. Financial pressure from these Arab States will continue until the United States develops domestic oil sources. The safest alternative to this untenable situation is to develop our domestic supplies as rapidly as possible. However, even if we begin to develop all our domestic sources now, it will be some time before we can eliminate our dependence on foreign oil. And we have not yet begun to develop all our domestic supplies.

Walter Levy, an oil industry consultant, has also suggested an anticartel to OPEC. Speaking before the European-American Conference in Amsterdam, Levy proposed a 10-point program for such an international organization:

[From the Oil Daily, Mar. 28, 1973]

To Protect Importing Companies—Oil Alliance Suggested

Amsterdam Holland.—A veteran independent oil industry consultant suggested the Atlantic oil importing countries and Japan form an alliance to "try to cope with the common problems of the security of oil supplies and the financial issues related to it."

Walter J. Levy, owner of Walter J. Levy Association, New York, spoke at the Europe-America Conference here, sponsored by the European Movement.

He suggested these duties for an oil importing nations' organization:

"(1) Study and review of energy demand and supply including tanker, pipeline, and refining availabilities. A program for optimum diversification of supplies.

"(2) A coordinated and/or joint research program for the development of new energy resources.

"(3) Development of conventional and new energy resources.

"(4) Review of arrangements by importing countries for oil supplies from producing countries and the establishment of broad terms of reference and/or of parameters for arrangements, acceptable to importing countries and the establishment of broad countries . . .

"(5) Arrangements for stockpiling, rationing, and equitable sharing of import availabilities in case of an emergency.

"(6) A program on conservation of energy.

"(7) Review and coordination of programs of economic development and technical assistance for producing countries.

"(8) Review of prices, costs, balance of payments effects of oil imports of member countries and also of developing countries; arrangements for support and adjustment if called for.

"(9) Review of government revenues of major oil producing countries and of their impact on world trade, world capital flows and short-term money markets; and a program of financial cooperation.

"(10) A review of the dependency of Middle East producing countries on the exports of industrial and agricultural goods and of military equipment, on shipping, services, technical know-how, etc., from the free world's oil importing countries and a continuous assessment of mutual interdependence; and also of all the means that might be available to cope with an oil supply, trade or finance emergency."

Levy suggested two possible sources of the energy policy; a special new high level international energy council, with member states and a permanent staff, or restructuring of the present OECD oil committee or its High Level Committee to implement the policy.

Its policy framework should set the limits within which the countries as well as the oil companies would handle their affairs, with some provision for changes, Levy said.

One of the important functions of the energy council would be to see that an oil embargo by producing countries became "difficult if not practically impossible," Levy remarked.

He explained this would be done through stockpiling, coordination of rationing policy, and "especially through an emergency import-sharing agreement" among the members.

This would allow supply-demand adjustments to be made, provide time to solve any disputes with the oil-producing countries, or, at the worst, allow the importing countries to initiate necessary security measures, he said.

The council would also provide a place for discussion of matters affecting more than one member, such as a supply shortage by one country forcing it to buy up a lot of foreign crude, Levy noted.

It would provide "broad terms of reference" for use when negotiating with the oil producing countries, and reduce the importers' risk of being subject to the producers' unilateral demands, Levy said. The council would provide backing for the oil companies in their negotiations.

The oil producing countries know if their relations with free world countries deteriorate, they will have to depend on Soviet support, which hasn't nearly the benefits to them of western trade, and also involves political risks, Levy said.

Although Levy acknowledged the formation of a council would necessarily involve governments in the oil industry to a considerable extent, he said "there are no realistic alternatives."

We must act now, or the oil-producing countries will continue to use their natural resources to obtain even greater cash reserves, thus increase their leverage internationally. I commend the following two articles to my colleagues attention:

[From the Washington Post, March 5, 1973]

Arab Oil Money Hurt Dollar

(By Ronald Koven and David B. Ottaway)

Arab oil money played a large part in the monetary crisis which forced a second devaluation of the dollar last month, according to both Arab and U.S. officials.

Some well-placed Arab sources claim that as much as half of the $6 billion in speculative money that flowed to Frankfurt in mid-February consisted of Arab-owned Eurodollars. U.S. sources view that as somewhat exaggerated, but they readily concede that Arab money accounted for at least $1 billion.

The last official estimate of the Bank for International Settlements is that the Middle Eastern countries hold $7.5 billion of the $80 billion in the Eurodollar market, made up of dollars circulating in Europe and not repatriated to the United States.

There has been growing concern in the U.S. government that the Arab oil-producing states, whose steadily mounting official bank holdings are now calculated at about $12 billion, might be tempted to use their monetary clout for political ends. Their reserves are expected to double in the next three years.

Private holdings of the Arab ruling families are thought to be roughly equal to the official government reserves in many of the oil states.

Despite urgings by radical Arabs that the oil money be used deliberately to pressure the United States into changing its Middle East policy, it is generally believed that, with the possible exception of Libya, the Arab money was moved in February in response to the normal instinct of monetary self-preservation.

It is widely conceded that the major U.S. oil companies also played a large part in the Frankfurt speculation and that the Arab governments simply followed their lead in their instance.

There is some dispute whether Saudi Arabia, the superpower of the oil exporters and perhaps Washington's closest Arab ally, took part in the attack against the dollar.

Saudi sources insist that they simply took a heavy loss on the devaluation, keeping their $3 billion in reserves where it was bound to suffer in any devaluation. But other knowledgeable Arab sources contend that the Saudis also tried to protect their dollar holdings, along with most of the other Arab governments.

U.S. sources tend to believe that Libya, the most politically motivated of the large Arab fund holders, was one of the most active speculators. The Libyans are known to have attacked the British pound in the past for purely political reasons.

Pinning down the source of such "hot money" flows, however, is very difficult.

If an order to switch from dollars to West German marks comes from an Arab account in Beirut through a corresponding Swiss bank, there is no way for money changers in Frankfurt to know exactly who placed the order. There is hard evidence, however that Arab officials in Beirut are trying to keep track of who does what, and the Arab League is known to have conducted a detailed study of the subject.

It is far too early even to make an educated guess of who is behind the latest attack on the dollar in which West German central bank was forced on Thursday to buy up almost $3 billion, the record for a single day.

The problem of determining who the speculators are will be a key consideration in a forthcoming Senate Foreign Relations Committee investigation to be conducted by the subcommittee on multinational corporations headed by Sen. Frank Church (D-Idaho).

Sources close to the preparations for that inquiry are expressing shock that the U.S. government has so little hard information on who has been speculating against the dollar.

But banking sources say that, of the major U.S. and foreign corporations operating across national boundaries, the oil companies are the most prone to play the money markets. This is because they must pay huge sums to the Arab oil states, and the companies try to settle their debts in the most advantageous way.

Thus, if there is $100 million to be paid to Kuwait in three months, for example, an oil company might be tempted to buy marks now in anticipation of a dollar devaluation or an upward revaluation of the mark.

If the bet is correct, the company could make a tidy profit, buying back the $100 million it needs to pay Kuwait and pocketing $10 million in marks in addition in a 10 per cent devaluaton.

This practice, known as "leads and lags," is a contagious example for the Arab treasuries, whose officials have often been tutored by the Western oil companies.

An Arab League study by Prof. Youssef Sayegh, head of the economic department at the American University of Beirut and a prominent Palestinian, concluded, however, that there are some limitations to the use of oil money as a political weapon.

He cited the case of a huge, politically motivated transfer (more than $1 billion according to one estimate) of Libyan funds from Britain to France in late 1971.

Sayegh said that most of the Libyan money found its way back to British banks within a week because there was essentially nowhere else for it to be absorbed. "The Arabs are prisoners of their own funds," he concluded.

The militant Libyan government, with official reserves now estimated at more than $3 billion, is considered so far to be the only Arab state with both the resources and the inclination to use its money holdings for political purposes.

Equally militant Iraq, a county now in heavy financial difficulties, is potentially more troublesome for the monetary system than Libya, however.

While Libya's oil reserves are limited and its production has been cut back, Iraq is now considered to have the second largest reserves in the Middle East after Saudi Arabia. It plans to expand its production after just settling a nationalization dispute with Western companies. Until recently, non-Arab Iran was traditionally ranked as the Middle East's second largest oil source. But recent official estimates are that Iraq's oil potential far outstrips Iran's.

For the moment, however, Western worries about Arab oil money's place in the international monetary system are largely confined to the manipulations of the coffers of such traditionalist kingdoms and sheikhdoms as Saudi Arabia, Kuwait, Abu Dhabi, Bahrein and Qatar.

Their current monetary tactics are still thought to be purely motivated by profit-taking and self-protections. That, as recent events in Frankfurt have proven, is threat enough to force the burning of the proverbial midnight oil in the chanceries of the West.

It is clear, however, that those traditionalist Arab states are becoming conscious of the leverage they can have on the monetary system at crucial moments.

When the United States had its first devaluation, in December 1971, the Arab states were just beginning to build up their reserves. Since then, official Saudi dollar holdings have nearly tripled. With more to lose than before, the Saudis and others are demanding to know whether their friendship with the United States will continue to cost them money every time there is a devaluation, not to speak of the cost of their position in the Arab world if Washington continues to back Israel against the Arab cause.

Oil Nations Ask Rise for Devaluation

(By Jim Hoagland)

Beirut, March 22.—The major petroleum-exporting countries decided today to seek increased payments from Western oil companies to compensate for last month's 10 per cent devaluation of the dollar.

If successful, the move by the ministerial committee of the 11-member Organization of Petroleum Exporting Countries could add significantly to American balance of payments problems and create new international inflationary pressures, especially in Western Europe and Japan, where most exports of OPEC members are consumed.

The committee voted after meeting briefly here to set up a three-member "negotiating team" that will contact the oil companies immediately to discuss amending an agreement reached in Geneva last year sets devaluation compensation for the six main Persian Gulf oil producers.

The Geneva agreement, which has set the pattern for similar compensation to all OPEC members, provides for a quarterly review of currency fluctuations. Under this formula the producing companies are due to get a 6 percent increase to companies for the latest devaluation.

But the team is empowered to act "with a view to obtaining full compensation as a result of the devaluation," a press release issued after the OPEC meeting said. OPEC sources said the team would open talks with the American, British and European oil companies by mid-April.

With oil prices rising as fears of fuel shortage become more pronounced in industrialized countries, an increase of even a few percentage points will cost consumers tens of millions of dollars this year alone.

The oil companies, which routinely raise their own prices after each new set of demands from the producing countries, may be able to argue to OPEC that many of the more recent contracts call for payments in hard currencies other than dollars in any event.

But the composition of the negotiating team indicates that OPEC intends to press the issue. Iraq, Libya and Kuwait—the three countries said to have pressed hardest for a full 10 per cent claim at the meeting today—form the unit, which is headed by Libya's oil minister, Izzidan Mabrouk.

OPEC countries produce more than 80 per cent of the world's petroleum exports and have helped drive oil prices up sharply over the past two years by demanding higher payments and increased control over production and marketing.

The gulf countries that signed the Geneva agreement are Abu Dhabi, Iran, Iraq, Kuwait, Qatar and Saudi Arabia. Alberia, Indonesia, Venezuela and Nigeria are OPEC's other members.

THE RETIREMENT DREAM BECOMES A NIGHTMARE

HON. FRANK J. BRASCO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, May 14, 1973

Mr. BRASCO. Mr. Speaker, for millions of Americans the dream of retirement has become more of a permanent waking nightmare. From all sides the working American man and woman is beset by lush descriptions of what it will be like when he or she leaves the work force. Sad to say, a combination of factors make reality not only different, but ugly.

Inflation is now averaging 6 percent annually and accelerating. Most retired Americans subsist rather than live, because pensions and annuities are almost always fixed, as is social security. Unable to make ends meet in a normal sense, hard-earned savings dollars are heaved into the breach to be gobbled up in turn by the cost of living.

Food prices are so high as to make meat a luxury to many millions of our elderly. In more than a few cases, the elderly have been found to be consuming pet foods. Rents are outrageous for them in decent areas. As a result many older Americans are forced to lead shabby lives of genteel poverty, often in slum areas. Property taxes often become onerous burdens on older citizens who have spent decades paying off a modest dwelling. To them a property tax increase is a catastrophe they cannot cope with.

Sales taxes eat away at their meager dollars, hitting hardest at those who can least afford to pay. To these people, life becomes a battle to subsist rather than a sunny retirement time.

Reports exist indicating that 70 percent of all single men over age 65 have incomes of less than $2,600 annually. Couples fare only slightly better. Nearly one in four possesses an income below $3,000.

The elderly are the fastest growing group of Americans living in poverty, and these total at least 5 million people. Drugs are a special sore point. The vast majority of these citizens are prone to chronic conditions requiring constant medication. Such prescription drugs are the difference between pain and ease. Yet many of these people have to make the agonizing choice of food or drugs. Meanwhile, the drug industry piles up staggering profits while millions of these people agonize in silence.

As far as the administration is concerned, there is no chance for any new initiatives on behalf of the more than 20 million older people in this country. This, of course, drops the ball squarely in the court of the Congress. It is up to us to do what is right and necessary.

One immediate inequity concerns H.R. 3819, which corrects an inadvertent inequity created by some legislation passed last year. Congress then stipulated that 90 percent of social services funds to be spent in certain benefit programs had to be applied to those elderly, blind, or disabled persons who are actual cash recipients of welfare, while limiting to 10 percent what can be applied to former or potential recipients.

This has had a negative effect, because States and communities are forced to deny many elderly, blind, and disabled people access to homemaker services, senior citizens centers, counseling, and transportation systems which are in some part responsible for social and financial independence of many recipients. The requirement that 90 percent of funds be spent on welfare recipients is presently resulting in even higher cost to taxpayers by forcing many elderly to turn to welfare, and in some cases to expensive institutionalization.

Congress did not mean to close already established ancillary service programs to those who, though eligible, refuse to go on welfare. H.R. 3819 would eliminate this 90-to-10 percent formula applied to social service funds for the elderly, blind, and disabled. Yet this is just a tiny start.

The essence of the problem afflicting these people is simple: Low income. We can afford illegal wars in Cambodia and aircraft carriers, but no expansion of medicare's umbrella to include and cover out-of-hospital prescription drugs. We can afford a $350,000-man human trip wire in Europe with NATO, but no comprehensive manpower program for older workers.

The answer is a new, comprehensive, meaningful social security bill. If we fail to act, many hundreds of thousands of older people will be forced onto welfare rolls. This will be the ultimate blow to them as well as the final catastrophe to many American communities, who simply cannot carry such an added burden.

I am joining in sponsorship of just such a comprehensive measure, which calls for a 35-percent increase in cash benefits for the elderly, survivors, and the disabled, with a $150 minimum for individuals and $300 monthly for couples. Coupled with the cost-of-living increase Congress voted last year, this will allow the elderly to improve their living standards to an adequate level. Simultaneously, the age of eligibility would be lowered to 60 for men and women alike.

Also included in the measure are the following provisions:

Payment of benefits to married couples will be on their combined earnings record, ending discrimination against the working wife.

Extension of social security coverage, including medicare, to Federal, State, and local employees, at their option, including postal workers.

Removal of limitation on outside earnings. Social security is insurance the worker paid for. He should not be denied benefits because he has provided for other income in old age.

Improvement and expansion of medicare coverage.

This administartion, when not busy with Watergate and other ventures, has proposed that the elderly pay more of the costs of medicare, which I consider an impossibility as well as an affront to these people. This measure would reverse that proposition by reducing the burden on medicare recipients:

It would:

Eliminate the co-insurance payment requirement for supplemental part B coverage for persons with a gross annual income below $4,800.

Provide home care prescription drugs under supplemental coverage.

Reduce the age of entitlement to medicare benefits to 60.

Offer free annual physical examinations to the elderly.

Eliminate the 100-day limit on post-hospital extended care services.

Extend coverage to all disabled persons, regardless of age.

The average elderly person pays $791 annually for medical bills, and the figures are skyrocketing, well ahead of the cost of living. This measures provides for free annual physicals to encourage preventive care rather than rely on crisis treatment. This is a far better method than that sought by the President, who seeks to create cost consciousness by raising costs of coverage.

We are the only Nation in the developed world without a national health insurance plan. Our health statistics are disastrous compared to many other developed nations, including many devastated in the last world war. No segment of the population is in worse shape in respect to delivery of elementary health care than the elderly, and this is perhaps a worse national shame than any Watergate crime.

Our Nation is bursting at the seams with money and prosperity, yet we still persist in maintaining a medieval attitude toward the older person. Yet their numbers increase daily. It is long past time for Congress to cease putting band-aids on the problem. Now we have no other option than to enact some basic legislation to do justice to these deserving citizens.

SONG WRITTEN ABOUT WATERGATE

HON. CLARENCE D. LONG

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, May 14, 1973

Mr. LONG of Maryland. Mr. Speaker, Americans have a knack for creating songs about current events and putting to music the stories we see in our daily papers.

Mr. Jerry Dietz of Towson, an old friend, has written a song about a very current topic—the Watergate investigations. It has been set to music and will be released, Mr. Dietz hopes, within the next week. Here are the lyrics to Mr. Dietz's song:

WATERLOO AT WATERGATE

(Words and music by Jerry Dietz, Copyright 1973)

Investigate, investigate, investigate-re-investigate
Watergate, Watergate, Watergate-re-investigate
I wanna know—who paid the dough
Who real-ly ran the show
It seems to me; it's plain to see
There's been a conspiracy.

Now if the F.B.I. would give it a try
I'm sure (that) they'll find—a real wise guy
With a crew cut hair
And a black bow tie
With a bank account—thats sky high

I'm sure they'll find—thats the kind
Of a guy—who's behind
Watergate—so lets cut bait
Lets re-investigate

For in the land of the brave
And the home of the free
There's no room for secrecy
On the ship of state
Or they'll create
Waterloo at Watergate
Waterloo at Watergate
Rah-rah-rah
Waterloo at Watergate
Rah-rah-rah

MEMORIAL TO LT. DOUGLAS FOURNET OF KINDER, LA., RECIPIENT OF THE CONGRESSIONAL MEDAL OF HONOR

HON. JOHN B. BREAUX

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 14, 1973

Mr. BREAUX. Mr. Speaker, on May 28, 1973, the community of Kinder, La., will pay tribute to a brave young man who, in giving his life for his Nation, represented all that is good about America.

The young man is 1st Lt. Douglas B. Fournet, recipient of the Congressional Medal of Honor, and who is interred in the Kinder Cemetery.

American Legion Post No. 244 of Kinder is establishing an appropriately inscribed granite monument in the city park to the memory of this man, and the dedication ceremony will be held on May 28, 1973.

I believe the story surrounding the circumstances of Lieutenant Fournet's death should serve to remind us that young men still are willing to defend their country in times of difficult conflict, not asking how such service can be of benefit to them, but instead giving of themselves unstintingly in dedication to the preservation of freedom.

It was on May 4, 1968, that Lieutenant Fournet, an infantry officer in the U.S. Army, gave his life, but in doing so, undoubtedly saved the lives of at least five other men.

He was the rifle platoon leader of the 2d Platoon, Company B, 1st Battalion, 7th Cavalry, 1st Cavalry Division (Airmobile) in the Republic of Vietnam.

While advancing uphill against fortified enemy positions in the A Shau Valley, the platoon met intense sniper fire, making any movement difficult at best. The right flank man suddenly discovered an enemy claymore mine covering the route of advance and shouted a warning to the other platoon members.

Lieutenant Fournet realized that the enemy also would be alerted at that moment, and ordered his men to take cover. He then ran uphill toward the mine, drawing a sheath knife as he approached.

Disregarding his own safety and realizing the immediate danger to members of his command, he attempted to slash the control wires leading from the enemy positions to the mine.

But as he reached for the wire, the mine was detonated, killing him instantly. Five other men nearest the mine were only slightly wounded. The heroic and unselfish act of Lieutenant Fournet no doubt spared them serious injury or death.

The people of Kinder are proud of Doug Fournet; the people of Louisiana are proud of him as well. For it is a deed such as this that gives America a rich heritage—a heritage of sacrifice to a cause, a noble cause, the cause of making this a free world for all men.

His family and friends—indeed, all the people who contributed to this man's character and selflessness—are to be commended. For through their diligence and love for him they helped to mold him into the man he became.

Doug Fournet gave all he had to a cause in which he believed; by saving the lives of others, he contributed his own life. But in that sacrifice he exemplifies a spirit of dedication to the noblest aspirations of all men: the quest to live freely and decide for themselves their Nation's course of action.

CHAPLAIN'S PRAYERS FOR RETURNED POWS

Hon. G. V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Monday, May 14, 1973

Mr. MONTGOMERY. Mr. Speaker, I recently had the opportunity to participate in welcome home ceremonies for Navy Capt. Charles Gillespie in Meridian, Miss., on April 23 and a similar event for Navy Lt. Bill Bailey in Kosciusko, Miss., on March 24. The most moving part of both of these ceremonies was the prayers offered by Navy Chaplain Frank D. Mintjal of the Meridian Naval Air Station. I commend these prayers to my colleagues for their deep meaning and the beautiful sentiment expressed:

CHARLES GILLESPIE DAY

(Benediction by Chaplain Frank Mintjal)

As we ask your blessing, O Lord, we cannot keep our joy restrained: We, Your people, this very moment have been celebrating Your special favors to us: the Jewish Passover from slavery to freedom, the Resurrection of Jesus from death to life, and the Gillespie Day from Hanoi to home—all one and the same in Your All-knowing Mind. With tears of happiness and hearts of gladness we cry out, "Shalom!" "Alleluia!" and "Thank You, God!"

Send forth these people gathered here, Almighty Father—

But never let them forget the lumps in their throats, the moisture in their eyes when Capt. Gillespie and the other POWs were returning;

Never let them forget the tremendous debt of gratitude they owe these hardy military men;

And never let them forget the lessons of those five and one-half years of his imprisonment, that life *is* worth living but that there *are* principles of honor, family and country worth *suffering* and even *dying* for.

Most of all, Lord God above, never let us forget the beautiful feeling of unity which Capt. Charles Gillespie and his comrades have given to this Country—may their faith and courage be a continuous source of inspiration and strength for all of us citizens.

God, please bless Capt. Charles Gillespie, United States Navy;

God, please give us young people to follow his example of dedication; and God, bless America, land of the free, home of the brave.

Let us work for peace! Charles Gillespie has returned! We shall not forget! Amen.

BILL BAILEY DAY IN KOSCIUSKO

(Prayer of thanks by Lt. Frank D. Mintjal)

Today is a great day, O God. Nearly ten years ago Bill Bailey was commissioned a Naval Officer, with "special trust and confidence" placed in him by the President of this Nation. For five years and eight months he was lost in the prisons of Hanoi like the biblical Joseph was lost in the prisons of Egypt. For years only the Bailey family and a few friends wept and prayed and hoped like Joseph's father, Israel, and brother, Reuben. And a famine and drought spread across the fields of Israel just like the misery and unrest that swept over our great country these past seven years.

But then, the Bailey family and the 1600 other families formed the National League of POW Families, and, like the many sons of Israel, turned the entire population to the East to look for an end to the blight. Finally, like Joseph in Egypt, Bill Bailey and his fellow ex-POWs brought honor and salvation back to this land.

For the noble efforts of the National League and similar organizations like VIVA, we are thankful, Lord. For the tenderness you showed to Mr. Carl Bailey, who like Israel, saw his son before he died, we are very grateful, Lord. But most of all, Lord God Almighty, we are especially grateful for the beautiful feeling of *unity* which Lt. Bill Bailey and his comrades have given to this Country, May their faith and courage be a *continuous* source of inspiration and strength for us citizens.

As we ask Your blessings on this great day, O Lord, we cannot keep our joy restrained; with tears of happiness and hearts of gladness we shout, "Alleuia!" and "Thank you, God!" Bill Bailey has come home!—Amen.

WHAT WILL HAPPEN IF MEDICAL RESEARCH FUNDS ARE SLASHED: A DOCTOR'S VIEW

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 14, 1973

Mr. DRINAN. Mr. Speaker, budgetary actions proposed by the administration could bring to a halt much of the progress made in medical research over the past 20 years. While the administration's proposed decrease in Federal funding of medical research unfortunately comes as no surprise, the President's proposals go more than one step further: Research training grants from the National Institutes of Health are to be totally eliminated, and in addition, reductions planned in the NIH research budget would force severe curtailments in ongoing research projects, not to mention the intimidation of new efforts that would result.

I recently had the opportunity to learn the views on this subject of Dr. Norman G. Levinsky, professor and chairman of the Department of Medicine at the Boston University School of Medicine. In his statement, Dr. Levinsky makes the point that "precipitous" reductions in medical research programs are "notoriously cost ineffective." I believe that my colleagues who read Dr. Levinsky's statement will share this view, and will act to protect the now-threatened medical research programs:

TESTIMONY OF DR. NORMAN G. LEVINSKY

During the past few years, the federal budget for biomedical research expressed in dollars of constant value has gradually decreased. The budget requested by the Administration for the coming fiscal year continues this trend at an accelerated pace and contains a new element, the total elimination of research training funds. These budgetary strictures have already had a number of mischievous effects on biomedical research in this country. Should the current trends continue, biomedical research as we have known it over the past 20 years will be dismantled. In the brief time available, I would like to focus on three of the very many serious problems which will result from progressive reduction of the federal commitment to medical research.

The first is the direct effect on the conduct of biomedical research. The Congress and the Executive Branch have made a verbal commitment to the vigorous investigation of major causes of disability and death. For example, great publicity attended the institution of expanded programs in the fields of cancer and heart diseases. Close scrutiny of the budget requests for the next fiscal year indicates that incremental funding for cancer and heart diseases is far less impressive than the publicity attendant on the announcement of the new efforts would imply. Even more unfortunate is the fact that the increment in funding for these activities is drawn almost entirely from reductions in other areas of biomedical research and training. Such sudden shifts of budget are demoralizing and disruptive of important foregoing efforts. For example, arthritis and rheumatic diseases are among the principal causes of chronic disability in the American people. The announced cuts in the budget of the National Institute of Arthritis and Metabolic Diseases will damage creative investigation in this vital area of health concern. It is important to recognize that research teams carefully assembled over years cannot quickly be put together again once they have been disrupted. Technical personnel are lost, principal investigators become discouraged, and momentum gained from previous years of federal and private support will be dissipated. Precipitous shifts of budget away from ongoing research are notoriously cost ineffective; dollars poured into such programs over the years will not achieve their full potential in improving diagnosis and treatment of human disease. One of the key requirements for good research is continuity of thought, which requires continuity of support.

One further point should be stressed about static or decreasing levels of overall support for biomedical research. This is the effect on young investigators. When the research budget is so limited that it can hardly support prior commitments to senior investigators, young researchers may be virtually excluded from research funding. This phenomenon has become increasingly apparent over the past two or three years. Once discouraged because they are unable to get the funds to get started, young investigators drift off into other fields. Their training and talents for creative biomedical research may be lost to the American people for ever.

This brings me to a second related aspect of the recent changes in the funding of biomedical research and training. This is the decision by the Executive Branch to discontinue federal support for training grants for research physicians. The funds in question represent a relatively small proportion of the total NIH budget, but they have an impact on biomedical research both now and in the future far out of proportion to the sums involved. I have already pointed out the special role of young investigators in providing for innovative approaches to the problems of medical research. During their training period, these young investigators are directly responsible for the conduct of the research projects. They provide enthusiasm, creative approaches, and hard work; without them, ongoing research programs will suffer. Moreover, the training programs in question have been the source of most of the investigators now conducting major programs of research. The elimination of training funds has the gravest implications for our future ability to conduct health-related research. It is fatuous to suggest that trainees previously supported by federal training grants should now be supported by other means. Alternative means simply do not exist to support the number of individuals necessary to guarantee continuance of a varied program of biomedical research in the future. To take as an example my own department, federal training programs have supported 40 to 50 research trainees. By reallocation of internal and private funds, we hope to be able to support perhaps one quarter as great a number of young potential investigators.

Thus far, I have outlined some disastrous effects of cutbacks of direct research and research training support on the conduct of research today and the potential for research in the future. I should like to close by pointing out some of the indirect and less obvious effects on the education of physicians in general.

Elimination of training grant support and the decrement in direct research support will have a devastating effect on our ability to support faculty at medical schools. To use as an example my own Department of Medicine at Boston University again, we have been fortunate in receiving approximately $850,000 per year in training grant support, of which about $200,000 supports part of the salaries of about 30% of my key faculty. The size of the faculty in the Department of Medicine has remained approximately stable during a growth in medical school class from 70 to nearly 140 in five years. This increase in class size was undertaken to meet the national goal of increased production of physicians. Since the faculty who spend part of their time supervising research devote the bulk of their effort to teaching and related duties, the impact of loss of salary support for those key faculty members is evident. I should stress that these same faculty teach not only physicians destined for academic careers but all our Boston University students, the majority of whom have for many years entered careers in the practice of medicine. For a private school with a modest endowment there is no hope of replacing this substantial source of faculty support. The end of these grants can only mean a cutback in faculty and hence in the quality of medical education as a whole.

I hope that the Congress and specifically you as a Representative of a State which has always stood for the finest in medicine and has been a world-leader in the training of medical teachers and researchers will be sympathetic to continued support of these vital medical faculty and trainees, and will press for the restoration of training grants and improved funding for biomedical research in general.

I thank you for the opportunity of speaking to you about these vital matters today.

IS COLLEGE FOR YOUR CHILDREN?

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 14, 1973

Mr. DERWINSKI. Mr. Speaker, from time to time, the Suburban Life features a column in which various staff members contribute their own individual viewpoints. I am pleased to insert into the RECORD a very practical and, I believe eminently correct, commentary by John Mars of the Suburban Life staff:

IS COLLEGE FOR YOUR CHILDREN?

(By John Mars)

There now is a crisis in the unemployment market. It's created by an over-abundance of so called educated persons or college graduates. The educational system as it is today continues to greatly overstress the need for higher education.

When I was in high school I went through the painful mesh of directing my goals toward more education.

From what I heard and understood to be the truth from parents and counselors, which is about the same, to get a better job and more money you had to go to college. This may have proved wrong.

According to 1973 figures, for years 1973 to 1977, tomorrow's No. 1 manpower or womanpower demand will be the greatest for stenographers and secretaries.

Positions to be filled annually will require 247,000 secretaries, 131,000 retail salespeople, 111,000 hospital attendants, 89,200 mechanics, 74,000 bookkeeping workers, 69,000 registered nurses, 67,000 waiters and waitresses, 64,000 cashiers and 61,000 typists.

These are the nine big areas. Judging from the figures, the most openings and good paying jobs should be found through manual labor. Being able to use your hands more than your mind is the trend. I now think I was misled in high school.

If I would have know all the pain, money and frustration that I would face before and after college, I doubt now, after the fact, that I would have attended.

My college years cost me $36,000. I averaged spending over $2,000 a year attending a state university. This includes books, clothes, rent, food, insurance, car expenses and tuition. Multiply that $2,000 by four years and it's $8,000. Even then a college degree costs relatively little.

Also add how much I would have made, working a manual labor job averaging, say, $7,000 a year with overtime.

Multiply that by four years away at school and it's $28,000, total $36,000.

Now that I'm out in the "real world" I face a debt of $6,000.

I do not want any "that's too bad" remarks, but it is too bad. Not only for me but for people in similar situations.

The American educational system with all its fantasies and illusions has somehow brainwashed a sizable amount of people who are now pounding the streets for jobs—the grads. Why has this situation happened?

If you think it's easy finding a job now with a degree, you're wrong. Of course, unless you know the right people or are in the right place at the right time.

But what about those that only have 16 years of schooling and no connections and are not at the right place at the right time? Pity the poor fumbling idiots, right?

My advice to parents and teachers is to quit hammering young adults with the beliefs that higher education yields a key to success. It might, but then again, I doubt it.

If I were a parent, I'd "aim" my children toward fulfilling their own goals with their own minds. Let them lead a life not surrounded by uncontrollable pressures to get ahead in the world.

Education is a great tool to understanding ignorance. That I now know. But ignorance is also a tool that can destroy an educated mind and leave you feeling cheated.

SENATE—*Tuesday, May 15, 1973*

The Senate met at 12 o'clock noon and was called to order by Hon. ROBERT T. STAFFORD, a Senator from the State of Vermont.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

"Dear Lord and Father of mankind,
Forgive our foolish ways;
Reclothe us in our rightful mind,
In purer lives Thy service find,
In deeper reverence praise.

"Drop Thy still dews of quietness,
Till all our strivings cease;
Take from our souls the strain and stress,
And let our ordered lives confess
The beauty of Thy peace."

—WHITTIER.

In this spirit and by Thy grace may we serve Thee and this Nation.

In Thy holy name we pray. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., May 15, 1973.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. ROBERT T. STAFFORD, a Senator from the State of Vermont, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. STAFFORD thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Monday, May 14, 1973, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

VETERANS' ADMINISTRATION PHYSICIAN NEW PRESIDENT OF AMERICAN COLLEGE OF PHYSICIANS

Mr. SCOTT of Pennsylvania. Mr. President, a distinguished constituent of the Commonwealth, Dr. Truman G. Schnabel, Jr., was recently elected president of the 21,000-member American College of Physicians at the annual meeting of this international specialty society held in Chicago. Dr. Schnabel is chief of the medical service at the Veterans' Administration Hospital in Philadelphia and also professor of medicine at the University of Pennsylvania School of Medicine.

This is the first time a VA physician has been named president of the organization, although Dr. William S. Middleton, former VA chief medical director, was president of the ACP before his appointment to the Veterans' Administration.

The American College of Physicians was founded in 1915 to maintain and advance the highest possible standards in medical education, medical practice, and clinical research. Much of its work is directed to the continuing education of its members at medical schools and teaching institutions, and the publication of Annals of Internal Medicine. Its meetings comprise forums for the exchange of medical information by practicing, teaching, and research physicians.

Dr. Schnabel was appointed to his present VA position in February 1973. He had served the Philadelphia VA hospital as a consultant since 1954. He was graduated from the University of Pennsylvania School of Medicine in 1943 and most of his professional career has been with the University of Pennsylvania and the Philadelphia General Hospital. Dr. Schnabel achieved full professorial rank in 1963. Recently, he has devoted much of his energy to the field of medical education to which he has made distinguished contributions.

PENJERDEL REAFFIRMS TOCKS ISLAND SUPPORT

Mr. SCOTT of Pennsylvania. Mr. President, it is my pleasure to report that the Penjerdel Corp.'s reevaluation of Tocks Island conservation project has been completed. The nonprofit Penjerdel Corp. is an affiliate of the Greater Philadelphia Chamber of Commerce. It encompasses the many important economic enterprises in the three-State Pennsylvania, New Jersey, and Delaware region surrounding and oriented toward the city of Philadelphia.

Together these great enterprises represent a huge segment of our economy and workforce, productively employing hundreds of thousands of people, and sustaining the millions of citizens dependent upon the waters of the Delaware River. Aware of this critical dependence, the 70-member Penjerdel Environmental Improvement Committee last summer launched a reevaluation of the congressionally authorized Tocks Island project, for conservation of those waters for all public purposes—including needed domestic, municipal, and industrial water supply, public energy supply, flood protection, and water recreation.

In addition to consulting other recent Tocks Island preconstruction reevaluations, this prestigious committee also met with representatives of both Government and nongovernment groups concerned with this matter, including environmentalist groups. After "reevaluation of both the positive and negative aspects of Tocks Island project" the Penjerdel Environmental Improvement Committee now "reaffirms its continued support." Its report concludes:

The economic, social, and environmental benefits of the Tocks Island project outweigh any adverse environmental impact.

The human values of flood control and water supply are substantial.

It is imperative that the Delaware Valley have an adequate water supply to meet the needs of the public, as well as industrial plants and public utilities—elements of our society of vital concern to us all.

The agencies involved in developing the Tocks project have asserted that the expertise is available to avoid, minimize, or compensate for the anticipated adverse effects and that this will be done.

The valid issues raised should serve to accentuate the need for continuing efforts to best solve the remaining problems, but further delay—of Tocks Island project—is neither prudent nor justified.

Mr. President, the Environmental Improvement Committee's report underscores the basic importance of this authorized conservation project to the human environmental needs of the area. I ask unanimous consent that the report, and its bibliography, be printed at this point in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

Supporting the Tocks Island Dam and Reservoir Project and the Delaware Water Gap National Recreation Area, March 29, 1973

The Greater Philadelphia Chamber of Commerce has recently completed a reevaluation of both the positive and negative aspects of the Tocks Island Project and reaffirms its continued support.

On four occasions in the past twenty months the Chamber's Environmental Improvement Committee has voiced its support for the multipurpose project consisting of the Tocks Island Dam and Reservoir Project and the Delaware Water Gap National Recreation Area. This support has been based on its acceptance of the validity of evaluations made or supported by such authoritative sources as the U.S. Corps of Engineers, the Delaware River Basin Commission, the United States Congress, the President's Council on Environmental Quality, and numerous other State and Federal agencies, to the effect that for the area it would accomplish the following (not listed in an order of priority):

1. Provide protection against damaging floods.
2. Meet increasing needs for municipal and industrial water supply.
3. Augment river flow in dry periods.
4. Supply needed electricity for a populous region.
5. Meet increasing outdoor recreation needs in the Northeast.

The Chamber has recognized the validity of certain environmental and economic questions raised regarding related issues, including:

1. Acceleration of area growth with resultant problems for financing highway improvements, for handling influx of people to the recreation areas, and associated problems.
2. Control of river and reservoir pollution.
3. Control of eutrophication of the reservoir.
4. Reservoir draw-down effects to control drought.
5. Need for flood plain and land use controls.
6. Feasibility of some alternatives to accomplish project objectives.

The persistence of opposition to the project from various quarters and the emergence of additional information has led the Chamber to conduct informal briefings with representatives of responsible groups on both sides of the question in order to update its position. Four such meetings were conducted by a task force appointed by the Environmental Improvement Committee between September 18th and December 6, 1972 to hear the comments of the following persons: Col. Carroll D. Strider—District Engineer, U.S. Army Corps of Engineers; Paul Felton—Executive Director, Water Resources Association/Delaware River Basin; Thomas Dolan—President, Environmental Planning and Information Center of Pennsylvania, Inc.; Harold Lockwood—Representing the Sierra Club and Save the Delaware Coalition; Dr. Ruth Patrick—Curator and Chairman, Limnology Department, Philadelphia Academy of Natural Sciences; and James F. Wright—Executive Director, Delaware River Basin Commission, accompanied by Robert L. Goodell—Chief of the Operations Branch.

In addition to the briefings and literature made available from these associations, statements and brochures from other sources have been consulted, as indicated in the bibliography on page 5.

It is not possible, in a project of the scope of the one at Tocks Island, to assert that it will cause no adverse effects, either social or economic or environmental. However, the Chamber is convinced that the economic, social and environmental *benefits* of the Tocks Island Project outweigh any adverse environmental impact. In this respect, we note that the *human* values of flood control and water supply are substantial. Recalling the recent Hurricane Agnes in the Susquehanna River basin we realize the disaster which could befall this area. We feel that the Tocks project will create fewer problems than the alternate solutions for flood control and water supply suggested by the opponents of the project.

The agencies involved in developing the Tocks project have asserted that the expertise is available to avoid, minimize, or compensate for the anticipated adverse effects and that this will be done. Moreover, Federal legislation, such as the recently enacted Federal Water Pollution Control Act Amendments of 1972, provides the basis for controls of non-point pollution sources as well as regional sewage systems.

While it is apparent that all of the problems have not yet been solved, the cost escalation attributed to delay, estimated at about

$35 million annually, is a cogent argument for proceeding with this project as soon as possible. No less compelling is the need to support the anticipated economic growth of this area with the resources available in power and water.

The importance of the dam in terms of the potential water supply, flood controls and hydroelectric power has been documented by the Corps of Engineers (See item 10 of bibliography). However, most of the plans for development of new electric power sources in the lower Delaware Valley are dependent upon the reliable sources of cooling water which can be achieved through the Tocks Island Dam Project.

It is imperative that the Delaware Valley have an adequate water supply to meet the needs of the public, as well as industrial plants and public utilities—elements of our society of vital concern to us all.

Certainly the valid issues raised should serve to accentuate the need for continuing efforts to best solve the remaining problems, but further delay is neither prudent nor justified. Let's get on with the job.

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WILKES-BARRE, PA.—PROGRESS ON DISASTER RELIEF

Mr. SCOTT of Pennsylvania. Mr. President, on May 11, 1973, I presented a statement of my views to the Senate Public Works Subcommittee on Disaster Relief during field hearings in Wilkes-Barre, Pa.

I ask unanimous consent to have my statement printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR HUGH SCOTT, SUBCOMMITTEE ON DISASTER RELIEF, U.S. SENATE COMMITTEE ON PUBLIC WORKS, WILKES-BARRE, PA., MAY 11, 1973

Mr. Chairman, I very much appreciate this opportunity to present my views on the disaster relief effort in Pennsylvania and on proposals to improve it. More than that, however, I want to thank you for holding this hearing in Wilkes-Barre, the city which sustained the heaviest damage in last year's flood. In the course of these hearings, over the next two days, you will hear from many Pennsylvanians who will tell of their first-hand experience and involvement in the flood relief program. This subcommittee would be well advised to consider very seriously the suggestions and criticisms these people make.

Nearly a year ago, tropical storm Agnes hit Pennsylvania with unprecedented fury. It was the worst natural disaster in the Nation's history. Forty-four Pennsylvanians were killed. Many thousands of homes were destroyed. Bridges were torn apart. Factories and businesses were wiped out. Thirty-five million dollars ($35 million) worth of growing crops were destroyed, in addition to millions of dollars in agricultural capital losses. Public utilities and services were cut. When it was over, realistic estimates placed the damage at a *minimum* of $1.5 *billion.*

In response, the Federal government—President Nixon, the Office of Emergency Preparedness and some thirty other agencies initiated a massive relief effort. The entire Commonwealth was declared a major disaster area immediately, thus triggering Federal assistance. The OEP opened field offices, individual assistance centers and mobile teams to direct and coordinate the Federal relief program. Of principal concern to the OEP were shelter and food and the restoration of public facilities and services. The Department of Housing and Urban Development brought in thousands of mobile homes to provide shelter. The Small Business Administration initiated its disaster loan service for both small businessmen and homeowners. The Department of Agriculture, in addition to operating its own emergency loan program for farmers, issued millions of dollars in free food stamps. The U.S. Army Corps of Engineers, having broad responsibility for emergency work, opened field offices and began to clear debris, repair and rebuild roads, bridges, sewer systems and other repairs to public facilities. These are the Federal agencies which carried the heaviest workload.

Once these administrative operations were underway. President Nixon and the Congress took to the legislative track. I, for example, proposed and had passed an emergency appropriation of $200,000,000 just days after the storm ended. These funds were used to provide broad measures of assistance to the Commonwealth and local governments as well as individual victims in the flood area. After several weeks of intense study, the President proposed the Agnes Recovery Act which, in addition to providing enormous Federal relief through appropriations, also proposed one percent disaster loans with the first $5,000 of such loans to be "forgiven"—that is, not to be repaid. I sponsored this bill in the Senate, along with a special aid program for nonprofit, private educational institutions, and within a matter of weeks President Nixon signed it into law.

The very fact that thirty Federal agencies were involved in the relief effort is enough to understand the basic deficiency of that effort. There was no one place where individuals could go for help. What was needed was a single location in the disaster area where sufficient personnel were made available to provide local citizens and public officials information concerning Federal disaster assistance in that area.

More specifically, the relief that was provided came through a multiplicity of vehicles designed for other purposes, and this led to inefficiency, confusion and waste. Each agency that was charged with providing a particular aspect of relief operated within its own legislative framework of rules and regulations. This, in itself, militated against efficient coordination of the recovery effort. A stern Federal taskmaster would have been welcome from the beginning. Furthermore, the categorical grant requirements of the myriad Federal programs involved prevented the rational allocation of government relief funds.

By far, the Federal agency having the most people-to-people contact, in the disaster recovery effort is the Small Business Administration. Under the law, it is charged with administering the disaster loan program for both small businessmen *and* homeowners. I have felt for some time that homeowners loans ought *not* to be a function of SBA, and the Senate Committee on Banking, Housing and Urban Affairs apparently shares my view. In its report last year on the disaster relief program, it noted "that particularly with regard to disaster relief loans to homeowners that SBA's responsibility in disasters often results in the agency's inability to efficiently handle its primary duty of assisting small business." The report went on to say that the Committee was prompted "to feel that the function of handling homeownership disaster loans might well be placed as the responsibility of an agency that has more expertise in that area."

In addition, SBA's own regulations fostered inequities in the loan program and caused dissension in the community when one person, for example, finds out that estimates or requirements given him were substantially different as applied to another person. Loan applications required entirely too much unnecessary background material, and this inevitably caused delay. I am aware, that in filling out these applications, many of our elderly citizens were not advised of the law's provision for the suspension of loan principal payments. To me, this is very sad, because the elderly are really the least able to cope with the financial burdens resulting from the flood.

The Small Business Administration has also had its communication and coordination problems with local redevelopment authorities. For example, the SBA would approve a home loan or a small business loan, the work would be done (or at least underway) and the local redevelopment authority would then acquire the property for urban renewal. Obviously, the public is not being well-served in such circumstances. A similar problem exists with respect to site relocations. I have seen instances in which a loan applicant, whose property was not fully destroyed, wanted to relocate out of the flood plain. He was told that regulations prohibited such benefits unless damage was total. Here again, public policy was less than rational.

Several years ago, a Presidential Task Force on Federal Flood Control Policy recommended that the Government "support consideration of relocation . . . as an alternative to repetitive construction." Specifically, the SBA was even asked to consider modifying its regulations "to require consideration of possible relocation as a qualification criterion for loans." Perhaps the latter recommendation would work a hardship on many individuals, but in those cases in which relocation has been both requested and recommended, the SBA ought to provide maximum assistance.

There is already in effect an SBA regulation which prohibits future flood disaster assistance on abandoned property in flood disaster-prone areas. However, if people are not being given the necessary help to relocate, they are trapped by their own inability to move. People must be encouraged, wherever possible, to leave the flood plain. Local communities should similarly be required to adopt a coherent land use policy. Of course, care should be taken when granting relocation aid involving moves of unreasonable distance. Relocation should take place in the same geographical area. The Government could also provide tax incentives for the relocation of obsolete or hazardously located property, perhaps with limits on the number of times disaster deductions may be claimed for properties in hazard areas. This might be one way to achieve a desired goal.

The Department of Housing and Urban Development, although not in the disaster loan business, has had urban renewal coordination problems with local redevelopment agencies as well as with the SBA. There simply is no program for a complete disaster recovery effort, although there is a tremendous need for one especially in the Wilkes-Barre area with 156 municipalities. Not enough monies are available to them to fund the acquisition of a great many damaged properties, for the cost of rehabilitation far exceeds the original worth.

The current HUD moratorium on the construction of new housing has worked a special hardship in the Wyoming Valley area, especially among indigent and elderly citizens. Some consideration ought to be given to ending the moratorium in the face of a disaster recovery situation. As a general rule, though, HUD will have to come up with a cheaper, and either more easily stockable or more easily transportable form of emergency housing. Certainly, in the interest of economy and the speedy return of disaster victims to their homes, HUD must provide more funds for the rehabilitation of homes. Also, an extension of the law's one-year rent free emergency housing ought to be considered for the indigent and the elderly.

One particular case I have encountered with respect to HUD's involvement in property acquisition concerns the local development authority's purchase of some property on the flood area. The authority is permitted under HUD procedures to pay the landowner pre-flood value for his property. The Office of Emergency Preparedness and the authority are asking HUD to change its procedures to, in some cases, allow the authority to purchase a flood-damaged building and the land at pre-flood values and then sell the land after demolition and debris clearance back to the original owner. The existing HUD procedures do not permit former owners to redevelop. This is exactly the type of problem which will have to be addressed in the development of future disaster relief legislation.

Through the Department of Agriculture, the Farmers Home Administration provides a number of services during disaster periods. Working closely with local farmers and the Pennsylvania Farmers' Association, I can recommend at least six changes in the relief program which would have a major and beneficial impact on the farmers' recovery.

1. Thought should be given to providing emergency funds for soil conservation service similar to funds made available to OEP during times of flood disaster.

2. The emergency feed grain program should be changed to include poultry and swine farmers during periods of emergency similar to that after the Agnes flood.

3. The workload problem of county offices of the Agricultural Soil Conservation Service and other agencies during periods of emergency needs to be given attention. In the future, when such an emergency arises, agencies should be given more flexibility to acquire temporary manpower needed to alleviate the workload brought on by such an emergency.

4. Consideration should be given for providing more help to cash crop farmers. Standing crops should be considered as inventory. Changes in both the law and regulations would alleviate this problem.

5. In order to be more equitable, future disaster relief should be based on percentage of loss, rather than a set amount such as $5,000 forgiveness in the current law. This would be especially important to farmers with large losses.

6. Consideration should be given to allow the Farmers Home Administration to provide farmers the same benefits the SBA gives nonfarmers. For example, the FHA should be able to refinance debt in addition to real estate, and should be able to give longer repayment periods to persons hit by flood disasters.

In the early hours of a disaster no one Federal agency is more important than the U.S. Army Corps of Engineers. It is their responsibility to clear away the debris, open the roads, restore bridge traffic, repair the sewer systems and restore other public facilities to maximum use under the circumstances. Their work must be successfully completed before a community can proceed to a full recovery effort.

However, the larger role of the Corps of Engineers is to provide flood protection. In the Susquehanna River basin, which includes Wilkes-Barre and the Wyoming Valley area, I believe that the flooding last year could have been greatly reduced if the necessary flood protection facilities had been in place in upstate New York. The dikes along the way toward the south only served to increase the velocity of the river water along the existing channel. I would continue to urge the Corps to expedite its studies of the basin so that an early determination can be made as to the need for additional flood protection facilities. In the meantime, the Corps should repair those dikes which are absolutely necessary for emergency flood protection.

One problem that has been brought to my attention concerns possible Corps negligence on private property. Perhaps some consideration ought to be given to providing property owners with an additional degree of protection against any damage caused by the Corps in the course of its work. In addition, it would be wise to have the Corps coordinate its activities more closely with local redevelopment authorities, SBA and HUD. If additional flood protection will not be provided by the Corps, for one reason or another, then these agencies should not embark on a massive repair program. Rather, all that should be necessary is full relocation assistance.

Provisions should also be made for immediate stream restoration in cases where such streams need to be restored because of the danger of future flooding. The Corps should establish guidelines, both for itself and for its contractors, to create better understanding and cooperation in the case of stream restoration. These guidelines should shed special light on the predicament in which farmers and private landowners find themselves after a flood.

The principal role played by the Internal Revenue Service during and after a disaster should be to provide immediate tax assistance to persons and businesses suffering losses. This was done, I believe, to everyone's satisfaction. However, the law's provision for $5,000 forgiveness caused a great deal of confusion among persons receiving such benefits, because of the IRS ruling that such forgiven portions of loans were subject to taxation as ordinary income. I even introduced a bill to exclude these grants from taxation.

The IRS has attempted to clarify this confusing situation, but too many people apparently do not understand the rationale behind their ruling. I would suggest a total revision of the tax law insofar as casualty losses are concerned in order to provide maximum tax advantage to persons faced with disaster damage and loss. Perhaps an approach which takes into consideration the cost of a replacement item versus the original cost of the property might be workable. Certainly the IRS should consider the appreciation in value of property along with the actual cost of replacing it.

One particularly crucial problem has arisen with respect to the IRS treatment of certain farm losses. In a recent ruling, the IRS disallowed as a flood loss item the cost associated with seed and fertilizer *in the ground*. If such property were in storage, a loss could be claimed, they said, but once it is in the ground, the loss is disallowed This is a real inequity and it ought to be corrected immediately.

There are a number of things which the Federal government can do, on its own, in a disaster to ease the recovery effort. I think I have covered quite a few of them in my statement. However, some particularly sensitive problems do arise which should command special attention.

With respect to contractors hired by both the government and private citizens, some mechanism ought to be set up to prevent, as much as possible, shoddy work and fraudulent claims. Contractors should be required to register with some government authority in order to be eligible for flood related work. There simply has to be some sort of accountability here in order to prevent abuses, such as price gouging on necessary work.

Consumer protection units should be placed in immediate operation to advise individuals of their rights under the law and to protect them from the few unscrupulous government or business personnel who might seek to take advantage at a critical time for personal gain. Sufficient legal aid must be made available to handle this job well.

Consideration should be given to the imposition, by the government, of limited emergency controls on prices, wages, rents and interest rates. I fully realize that such controls have their drawbacks and tend to disrupt the normal economic exertions of supply and demand. However, to prevent a potentially chaotic situation, some controls are necessary.

Application forms for loans or material assistance should be as free of red tape as possible. There have been too many instances of delay because of long, drawn-out application procedures. Help must be provided as quickly as possible, with a minimum of prerequisites.

The Federal, state and local governments must begin working now to delineate the responsibilities each one has to assume during a disaster. Every minute lost arguing over jurisdictional questions at critical times could be catastrophic. The time for such advance planning is *now*.

In a recent message to Congress on the need for a better Federal program of disaster assistance, President Nixon noted that the "responsibility for relief is presently too fragmented among too many authorities. At the Federal level, disaster relief should be managed by a single agency." I couldn't agree more. In fact, I voiced those same sentiments five months earlier on the Senate floor when I introduced my own bill to streamline Federal disaster assistance. I subsequently introduced another bill to allow relocation assistance to individuals and businesses acquired for certain Federal projects, while waiving the residency and occupation requirements of the law. HUD's urban renewal projects currently enjoy such benefits, and my bill will extend them to other Federal agencies' projects.

The single most important piece of disaster-related legislation pending in Congress now is the National Catastrophic Disaster Insurance Act of which I am a sponsor. The bill proposes a national disaster insurance fund—the pool from which all disbursements for claims will come. The funding formula would be in three parts: First, all property insurance policyholders would pay a small surcharge on property and liability insurance premiums. Second, there would be a 1-percent charge on all repayments to the Small Business Administration and the Farmers Home Administration of their outstanding disaster recovery loans. Third, congressional appropriations would make up the balance. However, the initial appropriation would be $1 billion, which would be repaid at a later date to the Treasury when the National Disaster Insurance Fund reached a sufficient level of reserves. Of particular importance to Pennsylvanians is the retroactive nature of this bill.

President Nixon, in his message to Congress, pledged: . . .

"to improve the delivery of Federal assistance, to provide a more equitable basis for financing individual property losses, and to forge a more balanced partnership for meeting disasters headon—a partnership not only among governments at all levels but also between governments and private citizens. The Federal government would continue to assist with financing, and State and local governments would have far more latitude and responsibility in the use of those funds. For homeowners, farmers and businessmen, who have suffered disaster losses, the Federal government would continue to provide direct assistance."

It is certainly my hope that a catastrophic disaster insurance plan can be a part of this Federal effort.

In conclusion, I want to emphasize that the overall Federal response to last year's floods have been overwhelming. Without it, the Wyoming Valley would never have survived. So whatever criticisms I have had of the Federal operation should be viewed more as procedural criticisms than as structural criticisms. More Federal attention must be paid to the expected response of state and local officials. In retrospect, this can be seen as the weakest link in the chain.

One final word must be said about the tremendous cooperation that existed, and continues to exist, among all the members of the Pennsylvania delegation in Congress. In the last twelve months we have all pulled together to assist in a total Pennsylvania recovery effort. Special praise, however, must go to Representative Dan Flood from Wilkes-Barre. Without his persuasion, influence and good humor, much of what has happened to revive the Wyomong Valley might not have happened. He deserves the gratitude of all Pennsylvanians.

Mr. Chairman, I know full well that the legislative jurisdiction of the Senate Committee on Public Works does not extend to all of the problems and areas I have touched on today. But I hope that I have given you some idea as to the complexity of the Pennsylvania disaster so that you, and the Congress, can work out a legislative solution that will be comprehensive and effective for an indefinite period. Piecemeal legislation will not get the job done.

Thank you again for allowing me this opportunity to present my views.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the distinguished Senator from Illinois (Mr. STEVENSON) is now recognized for not to exceed 15 minutes.

Mr. SCOTT of Pennsylvania. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. HARRY F. BYRD, JR. Mr. President, under the previous order, the distinguished Senator from Illinois (Mr. STEVENSON) had reserved time to speak, he to be followed by the Senator from Virginia now speaking. I ask unanimous consent that the order of recognition be reversed.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The Senator from Virginia and the Senator from Illinois will be recognized in the reverse order.

AID TO NORTH VIETNAM

Mr. HARRY F. BYRD, JR. Mr. President, I have received from the American Legion, Springfield Post 176, of Springfield, Va., a resolution opposing U.S. economic aid to North Vietnam. It is a well written resolution and is attested to by the adjutant, C. Earle Palmer, and the commander, James H. Daley.

The resolution was adopted May 10, 1973. I ask unanimous consent that it be published in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER (Mr. HATHAWAY). Without objection, it is so ordered.

(See exhibit 1.)

Mr. HARRY F. BYRD, JR. Mr. President, I invite the attention of the Senate to the resolution because I think it important that attention be focused on the proposal to take American tax funds and send them to North Vietnam.

I note in the New York Times of Friday, May 11, 1973, that William H. Sullivan, a senior American negotiator with North Vietnam, said—

> That while Hanoi officials strongly desired foreign economic aid, they were suspicious of any multinational programs because "they don't trust the Russians or Chinese any more than they do the United States."

Even though they do not trust the United States, they are willing to take American tax dollars. I, for one, am not willing to give American tax dollars to the North Vietnamese. I do not believe the American people want their dollars taken out of the pockets of hard-working wage earners to be turned over to the aggressors in Hanoi.

I desire to have the RECORD show that I shall strongly oppose any proposal to take tax money from the people of the United States and send it to North Vietnam.

Mr. President, I also ask unanimous consent that the New York Times article be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

EXHIBIT 1

THE AMERICAN LEGION,
SPRINGFIELD POST 176,
Springfield, Va.

RESOLUTION—CONCERNING AID TO NORTH VIETNAM

Whereas, On occasions, the United States of America has had to use force against those who chose by force to deprive others of their freedoms; and

Whereas, In the pursuit of preserving democracy, it has been necessary to render ruin to many institutions, facilities and homes in the countries of our enemies, with such ruin being rendered by design or accident; and

Whereas, It has been the policy of the United States of America to help rebuild nations following cessation of hostilties with, and compliance with post-conflict agreements by, those nations; and

Whereas, Communist North Viet Nam, reportedly, has repeatedly broken the cease-fire agreement since 27 January 1973 and is apparently still promoting active aggression in Southeast Asia, especially in the Republic of Cambodia, for the sole purpose of promoting World Communism; now, therefore, be it

Resolved, That the membership of Springfield American Legion Post 176, regularly convened on 7 May 1973, request that there be no consideration of appropriation, diversion or transfer of U.S. funds for the purpose of rebuilding any institution, facility or home in North Viet Nam until North Viet Nam has shown, beyond a doubt, that she is refraining from aggression, will abide by its cease-fire agreement, and will not attempt to impose Communism upon any individual against their will; and be it further

Resolved, That this resolution be presented to the Tenth District, Department of Virginia, American Legion, Convention on 10 June 1973 for their favorable consideration; and be it further

Resolved, That a copy of this resolution be sent to the President of the United States; Senators William L. Scott and Harry F. Byrd; and Congressmen Joel T. Broyhill and Stanford E. Parris.

EXHIBIT 2

HANOI DEEMED MISTRUSTFUL ON JOINT AID

(By Bernard Gwertzman)

WASHINGTON, May 10.—William H. Sullivan, a senior American negotiator with North Vietnam, said today that while Hanoi officials strongly desired foreign economic aid, they were suspicious of any multinational programs because "they don't trust the Russians or Chinese any more than they do us."

Testifying before the Senate Foreign Relations Committee, Mr. Sullivan said North Vietnam's need for American assistance was one of the factors that might motivate it to comply more fully with the provisions of the three-and-a-half-month-old cease-fire agreement in Vietnam.

Mr. Sullivan, Deputy Assistant Secretary of State for East Asia and Pacific Affairs, was a chief deputy to Henry A. Kissinger in the long negotiations and recently renewed talks in Paris. Today he appeared before the committee on his appointment as Ambassador to the Philippines.

Mr. Sullivan said that although there was "enormous suspicion" in Hanoi of multinational programs, there might be "conscious parallelism" in aid .

He said: "If the Chinese, for instance, built some narrowgauge railroad track for the North Vietnamese, the United States might supply railroad cars that would fit the track."

Senator J. W. Fulbright, chairman of the committee, got into several clashes with Mr. Sullivan over American policy in Indochina.

Mr. Fulbright said he hoped that Mr. Sullivan in his new post in Manila would not lead the United States into "a new Vietnam."

Mr. Sullivan assured him that he did not see anything comparable in the two countries. He said the insurgent problems in the Philippines were not of the same dimensions as those in South Vietnam.

Mr. Fulbright indicated that despite his differences, not only with Mr. Sullivan, but with two other appointees, Graham A. Martin, Ambassador to South Vietnam, and G. McMurtrie Godley, as Mr. Sullivan's successor, he would not try to block their confirmation

Yesterday, Mr. Fulbright suggested that while serving as Ambassador to Italy from 1969 until this January, Mr. Martin had recommended covert American funds to influence Italian politics.

Mr. Martin refused to discuss the matter, and when the hearings resumed today, Mr. Fulbright did not pursue the matter and excused Mr. Martin from further questioning.

Among other nominees heard today were Jack B. Kubisch, as Assistant Secretary for Inter-American Affairs; Robert J. McCloskey as Ambassador to Cyprus, and Philip V. Sanchez as Ambassador to Honduras.

RAIDS BY NARCOTICS AGENTS

Mr. HARRY F. BYRD, JR. Mr. President, the Lynchburg, Va., News of May 11, 1973, contains an excellent editorial concerning the raids made on two homes in Collinsville, Ill., by narcotics agents.

News accounts indicate that the agents involved in this case had no warrants and broke into private homes without knocking. They inflicted terror and abuse on innocent people in a manner that suggests the tactics of the Gestapo or the MVD.

Tactics of this kind cannot be tolerated. As the editorial states:

> We look to government to protect us against the criminal. But who can we look to, to protect us against such government?

I ask unanimous consent that the editorial, entitled "Terror In The Night," be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

TERROR IN THE NIGHT

There are three things to keep in mind about the chilling incidents reported in the columns in the center of this page:

1—They are true.

2—They have happened before in this country.

3—They can happen again.

The story came to the attention of Sen. Harry F. Byrd Jr. when the Washington Star published it on Sunday, April 29, under an eight-column headline, "The Night Terror Came Knocking".

". . . It sends chills down one's spine," Senator Byrd told the Senate on May 3. "It is difficult to comprehend that this could happen in the United States." He reminded his colleagues that he had warned against the controversial "no-knock" law passed in 1971 which gives police officers armed with warrants authority to enter a dwelling without knocking or identifying themselves. Narcotics agents, in particular, wanted such a provision, explaining that under the law at that time, they had to knock and identify themselves, thus giving drug users and pushers time to flush drugs down the drain.

In the two Collinsville incidents, however, the narcotics agents did not even have warrants! Moreover, their treatment of the Giglotto and Askew families was uncalled for and reprehensible. Myles J. Ambrose, director of the Federal Drug Abuse Enforcement Program, and a special assistant attorney general, has ordered an investigation, stating that "if any Federal agents have acted improperly, appropriate action will be taken. Under no circumstances will I permit my agents to violate anyone's constitutional rights."

The brutal abuse his agents inflicted on these two families violates not only Constitutional rights but human rights as well. There is no excuse whatsoever for their arrogant, sadistic behavior. Those agents have no business working for the Federal Government and exercising its authority. They should be fired immediatedly, along with the supervisors who authorized the raids.

This is not the first time, unfortunately, that Federal agents have burst into private homes in the night, brandishing guns and refusing to identify themselves. A couple of years ago they shot and seriously wounded a man who tried to defend himself and his wife when a gang of armed, unkempt agents knocked down his door and refused to identify themselves. If this keeps on, somebody is going to be murdered by these thugs.

The Government must be forced to change such methods of operation. The people cannot permit them to behave like criminals in order to catch one. When it does, what difference does it make which is which?

We look to Government to protect us against the criminal. But who can we look to, to protect us against such Government?

We can look to ourselves and only ourselves. And the way to go about it is to demand that such practices be ended at once. If they aren't, we can elect candidates who will see to it that they are ended.

Government controls us every hour of every day of every year except for those few moments we are alone in the voting booths on election days. Then, and then only, are we completely free. If we have enough courage, enough will power, enough sense, we can protect ourselves and preserve our freedoms. Whatever we do, we have only ourselves to blame when terror comes knocking at the door the way it did that night in Collinsville.

ORDER OF BUSINESS

Mr. HARRY F. BYRD, JR. Mr. President, I suggest the absence of a quorum, the time for the quorum call to be charged to the Senator from Virginia.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. HATHAWAY). Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the recognition of Mr. STEVENSON be vacated.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order reserved for Mr. STEVENSON may be transferred to my control.

The PRESIDING OFFICER. Without objection, it is so ordered.

MEXICO-UNITED STATES INTERPARLIAMENTARY MEETINGS—APPOINTMENT BY THE VICE PRESIDENT

The PRESIDING OFFICER (Mr. HATHAWAY). The Chair, on behalf of the Vice President, pursuant to Public Law 86–420, appoints the following Senators to the Mexico-United States Interparliamentary Meetings, Mexico, May 24–29, 1973: the Senator from Utah (Mr. Moss) and the Senator from Virginia (Mr. HARRY F. BYRD, JR.).

ORDER FOR ADJOURNMENT UNTIL 10:30 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 10:30 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

(Subsequently, this order was changed to provide for the Senate to meet at 11 a.m. tomorrow.)

Mr. ROBERT C. BYRD. Mr. President, I ask to be recognized on my own time now.

The PRESIDING OFFICER. The Senator from West Virginia is recognized.

ORDER FOR RECOGNITION OF SENATORS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow, after the two leaders or their designees have been recognized under the standing order, the following Senators be recognized, each for not to exceed 15 minutes, and in the order stated: Mr. BARTLETT, Mr. FANNIN, Mr. BELLMON, Mr. HANSEN, Mr. JOHNSTON, Mr. LONG, Mr. GRIFFIN, and Mr. ROBERT C. BYRD.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR TRANSACTION OF ROUTINE MORNING BUSINESS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at the conclusion of the orders for the recognition of Senators on tomorrow, there be a period for the transaction of routine morning business of not to exceed 15 minutes, with statements therein limited to 3 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum. I ask that the time be charged against the time allotted and reserved to me.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

THIRTY-MINUTE RECESS

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate stand in recess for 30 minutes and that the time consumed thereby be charged against the time allotted to me and to Mr. GRIFFIN and reserved to me under the order.

The motion was agreed to; and at 12:18 p.m. the Senate took a recess for 30 minutes.

The Senate reassembled at 12:48 p.m., when called to order by the presiding officer (Mr. HATHAWAY).

The PRESIDING OFFICER. Under the previous order, the Senator from Michigan has 12 minutes remaining.

Mr. MATHIAS. Mr. President, I ask unanimous consent, with the agreement of the distinguished Senator from Michigan, that the balance of the time allotted to him may be used by me.

The PRESIDING OFFICER. Without objection, it is so ordered.

POSITION OF APPROPRIATIONS COMMITTEE ON U.S. INVOLVEMENT IN LAOS AND CAMBODIA

Mr. MATHIAS. Mr. President, the Appropriations Committee of the Senate, has taken today a rather extraordinary action to limit U.S. involvement in both Laos and Cambodia. This is a unanimous action of the committee. I think that this action reflects a growing perception in Congress and in the country with respect to the true situation in Cambodia.

The government forces there, known as Fank, have been widely believed to have 180,000 troops. This is a generally accepted figure. The Khmer Communists according to recent statements by DOD and the administration are said to have armed forces of 40,000 to 50,000 troops, supplemented by somewhere between 4,000 and 5,000 North Vietnamese raiders.

I think a more accurate perception of the 180,000 government troops, or Fank, is that the Lon Nol forces have really only about 30,000 maneuverable troops. The remaining 150,000 are in defensive roles and in varying degrees of readiness or capabiltiy. On the other side, the Khmer Communists are estimated by some authorities to be not 40,000 to 50,000, but there is reason to believe that 80,000 to 100,000 might be a more realistic figure.

In addition these approximately 80,000 troops are said by some authorities to be supplemented by some additional 20,000 service forces and by 100,000 guerrilla militia.

If these figures are correct as contended, we can understand better what is happening in Cambodia, that this is no mere unrest by a militant minority among the people. They are attacking all of the major cities of Cambodia, and are in possession of a number of provincial capitals and threaten the central capital of Phnom Penh itself; this is a major civil war.

I think that the fact that what is going on in Cambodia is a civil war is one of the perceptions which are bringing Congress to insist upon limiting the activities of the United States in that area. I think, as we review the continued bombing in Cambodia, we have to be rigorous in our understanding of its effects according to the press and some authorities the casualties inflicted by that bombing are very largely on civilians and to a negligible degree on troops. That is so because, as we are informed, by a recent Foreign Relations Committee study that the Khmer Communists are advised of the bombing targets well before they are designated, and as a consequence have been able to get their troops out of bombers' target areas.

The United States is in danger of getting itself involved in a civil war in Cambodia if the bombing is permitted to continue. That the war in Cambodia is a civil war is the kind of situation which we have to confront in very real and stark terms, and I am glad that Congress is finally facing the facts. The Congress now realizes that the United States should not make the mistake in Combodia, it made in Vietnam.

Mr. President, I am happy to yield the remainder of my time to the distinguished Senator from Nebraska.

Mr. CURTIS. Mr. President, I thank my distinguished friend from Maryland.

IMMUNITY SHOULD BE GRANTED WITH CAUTION

Mr. CURTIS. Mr. President, the Watergate affair is a bad mess which cannot be defended. I yield to no one in my desire for a thorough and complete unearthing of all the facts and the punishment of all violators of the law.

We are however, a government of law. Stability of the Government and ordinary justice demand that the judicial processes and the rules of evidence be faithfully followed. Hearsay, rumor, gossip, partial truths, innuendos, suspicions, and imaginations buoyed by self-interest have no place in the American system of justice, and to indulge in such is not in the public interest. We must not lose sight of the fact that evidence to be relied upon must be sworn to under oath and be admissible in a court of law.

Anyone who follows the news on Watergate is fully aware of the fact that the public is being fed much that must be classified as hearsay, rumor, gossip, partial truths, innuendos, suspicions, and imaginations buoyed by self-interest. To give credence to these busybodies will make a mockery of justice.

The offer of immunity to a wrongdoer who has violated the law may place before him a greater temptation than he can bear. To dangle before a law violator the promise that he may go scot-free if he involves someone else can be an obstruction of justice as wrong in its consequences as any conspiracy to obstruct justice which is perpetrated by actual law violators themselves.

The Select Committee on Presidential Campaign Activities should take judicial notice of the fact that for a law violator to testify in a manner to save himself from the penitentiary is an act of self-interest. The committee should also take judicial notice of the fact that it is common for all humans to blame someone else for their misdeeds. I do not suggest that the testimony of any witness be suppressed. I do say that the testimony of all witnesses must conform to the rules of evidence.

The Select Committee on Presidential Campaign Activities is the agent of the entire Senate. As such agent, its mission can be described in two words, "Do justice." Any other course would not serve a legislative purpose or any other appropriate purpose.

King Solomon, four centuries before the Golden Age of Greece, said it better than I can. He said:

> To acquit the wicked and condemn the righteous, both are abominable in the Lord's sight.

Mr. President, I yield the floor.

Mr. ROBERT C. BYRD. Mr. President, how much of my time remains?

The PRESIDING OFFICER. The Senator has 5 minutes remaining.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that all remaining time under 15 minute orders now be vacated.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRANSACTION OF ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business of not to exceed 15 minutes, with statements therein limited to 3 minutes.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. JOHNSTON). The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. CRANSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. JOHNSTON). Without objection, it is so ordered.

Mr. CRANSTON. Mr. President, I ask unanimous consent that during consideration of S. 723 and S. 504, and during all votes thereon, Mr. Jonathan R. Steinberg and Louise Ringwalt of the Committee on Labor and Public Welfare be afforded the privileges of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

QUORUM CALL

Mr. CRANSTON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. STAFFORD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT—APPROVAL OF A JOINT RESOLUTION

Messages in writing from the President of the United States were communicated to the Senate by Mr. Marks, one of his secretaries, and he announced that on May 14, 1973, the President had approved and signed the joint resolution (S.J. Res. 93) to provide a temporary extension of the authorization for the President's National Commission on Productivity.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer (Mr. JOHNSON) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(The nominations received today are printed at the end of Senate proceedings.)

EXTENSION OF PERIOD FOR THE TRANSACTION OF THE ROUTINE MORNING BUSINESS TODAY

Mr. STAFFORD. Mr. President, I ask unanimous consent that, at 1:10 p.m. today, the period for the transaction of routine morning business be extended an additional 15 minutes, with statements therein limited to 3 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the ACTING PRESIDENT pro tempore (Mr. STAFFORD):

A joint resolution of the Legislature of the State of California. Referred to the Committee on Finance:

"ASSEMBLY JOINT RESOLUTION No. 13

"Relative to retirement compensation

"Whereas, In accordance with Public Law 92-603, the state's program of aid to the aged will become a federal program with state supplementation; and

"Whereas, Such supplemental income for the recipients' security could be misconstrued as simply public assistance to the elderly; and

"Whereas, There could perhaps be a certain stigma attached to the use of the title "Old Age Assistance or Pension"; and

"Whereas, Such a title certainly would not tend to build morale for our senior citizens, or others receiving such retirement compensation because of a disability not related to age; now, therefore, be it

"Resolved by the Assembly and Senate of the State of California, jointly, That the Legislature of the State of California respectfully memorializes the Congress of the United States to consider renaming this program "Citizens Retirement Income"; and be it further

"Resolved, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A resolution of the House of the State of Maryland. Referred to the Committee on the Judiciary:

"HOUSE RESOLUTION No. 42

"House Resolution requesting the Congress of the United States to take appropriate legislative action to insure passage of a Constitutional amendment to restore prayer to our schools

"Whereas, since the Supreme Court ruling banning prayer in our classrooms the need for restoration of this daily declaration of dependence on the Almighty is apparent; and

"Whereas, the past decade of prayerlessness in our schools has witnessed an era of corrupting permissiveness where some of our young people have chosen a listless and purposeless life style supported by addictive drugs and other illicit activities; and

"Whereas, the basic roots of our country are planted in a firm belief of a Supreme Being and the requirement of prayer and thoughtful contemplation in our lives, reflecting the best that America stands for; and

"Whereas, only a concerted national effort can rectify the current situation and that first step must be taken at the Congressional level; and

"Whereas, Senator Schweiker has introduced the following joint resolution in the United States Senate in an effort to move our country in the direction of prayer in our classrooms once again:

" '*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, (two-thirds of each House concurring therein)*, That the following article is hereby proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States:

" 'ARTICLE —

" 'SECTION 1. Nothing contained in this Constitution shall abridge the right of persons lawfully assembled, in any public school or other public building which is supported in whole or in part through the expenditure of public funds, to participate voluntarily in nondenominational prayer or meditation.

" 'SEC. 2. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by the legislatures of three-fourths of the several States within seven years from the date of its submission to the States by the Congress.'; now, therefore, be it

"Resolved by the House of Delegates of Maryland, that this body requests the Congress of the United States to take appropriate legislative action to insure passage of a Constitutional amendment to restore prayer to our schools and to go on record as anxious to act on this amendment when it comes before this Legislature for ratification; and be it further

"Resolved, That copies of this Resolution be sent to the Speaker of the House of Representatives, the President of the Senate, Senator L. Schweiker, c/o U.S. Capitol, Washington, D.C. 20515.

"By the House of Delegates, February 14, 1973."

A resolution of the Senate of the State of Maryland. Referred to the Committee on the Judiciary:

"SENATE RESOLUTION No. 47

"Senate Resolution requesting the Congress of the United States to take appropriate legislative action to insure passage of a Constitutional amendment to restore prayer to our schools

"Whereas, since the Supreme Court ruling banning prayer in our classrooms the need for restoration of this daily declaration of dependence on the Almighty is apparent; and

"Whereas, the basic roots of our country are planted in a firm belief of a Supreme Being and the requirement of prayer and thoughtful contemplation in our lives, reflecting the best that America stands for; and

"Whereas, only a concerted national effort can rectify the current situation and that first step must be taken at the Congressional level; and

"Whereas, Senator Schweiker has introduced the following joint resolution in the United States Senate in an effort to move our country in the direction of prayer in our classrooms once again:

" 'Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, (two-thirds of each House concurring therein), That the following article is hereby proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States:

" 'ARTICLE —

" 'Section 1. Nothing contained in this Constitution shall abridge the right of persons lawfully assembled, in any public school or other public building which is supported in whole or in part through the expenditure of public funds, to participate voluntarily in nondenominational prayer or meditation.

" 'Section 2. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by the legislatures of three-fourths of the several States within seven years from the date of its submission to the States by the Congress.'; now, therefore, be it

"Resolved by the Senate of Maryland, That this Body requests the Congress of the United States to take appropriate legislative action to insure passage of a Constitutional amendment to restore prayer to our schools and to go on record as anxious to act on this amendment when it comes before this Legislature for ratification; and be it further

"Resolved, That copies of this Resolution be sent to the Speaker of the House of Representatives, the President of the Senate, Senator L. Schweiker, c/o U.S. Capitol, Washington, D.C. 20515.

"By the Senate, April 5, 1973."

A resolution of the House of the State of Maryland. Referred to the Committee on Labor and Public Welfare:

"HOUSE RESOLUTION No. 122

"House resolution requesting President Nixon and the Congress to fund, at least partially, certain higher education programs

"Whereas, The Congressional supporters of the Higher Education Amendments of 1972, which became Public Law 92-318, envisioned major functions and responsibilities with new authorizations for Comprehensive Statewide Planning (Section 1203), Community College Education (Title X, Part A), Occupational Education (Title X, Part B), and Improvement of Postsecondary Education (Section 404); and

"Whereas, P.L. 92-318 authorized significant appropriations for existing programs in Community Services and Continuing Education (Title I), Equipment for Undergraduate Instruction (Title VI), and Grants for Construction of Undergraduate Academic Facilities (Title VII); and

"Whereas, The Federal Budget for the 1974 Fiscal Year indicates that the community service, instructional equipment, and academic facilities grant programs are scheduled to be terminated; and

"Whereas, No funding is provided in the Federal Budget for FY 74 to implement any of the community college or occupational education authorities; and

"Whereas, It is the sense of the Maryland House of Delegates that the above-mentioned program terminations and lack of appropriations will have a deleterious effect on higher education in the State of Maryland and on American higher education generally; now, therefore, be it

"Resolved by the House of Delegates of Maryland, That the House of Delegates respectfully requests President Nixon and the United States Congress to take prompt steps to fund, at least partially, in the Federal Budget for FY 74, Titles I, VI, VII, X (Part A), X (Part B), and XII of the Higher Education Act; and be it further

"Resolved, That copies of this Resolution be dispatched to President Richard M. Nixon, 1600 Pennsylvania Avenue, N.W., Washington, D.C.; Vice President Spiro T. Agnew; the Honorable Carl Albert, Speaker of the House, Washington, D.C. 20515; the Chairman of the House Appropriations Committee and the House Education and Labor Committee; each member of the Maryland delegation to the United States Congress; and John Ottina, Acting U.S. Commissioner of Education, Washington, D.C. 20202.

"By the House of Delegates, April 5, 1973."

Resolutions of the Massachusetts State Senate. Referred to the Committee on Appropriations:

"RESOLUTION

"Resolutions memorializing the Congress of the United States to enact legislation to provide for the full peacetime utilization of appropriations, installations and persons released from defense-related employment

"Whereas, The people of the Commonwealth have yearned for peace in Southeast Asia and are now yearning for lasting peace; and

"Whereas, The President of the United States has successfully negotiated a ceasefire which is now in force in Vietnam; and

"Whereas, Peace justifiably leads to a steady reduction in defense-related employment, a process which is to be welcomed when it occurs; and

"Whereas, Citizens of the Commonwealth must be allowed the opportunity for productive gainful employment and not suffer the financial and psychological trauma of unemployment; now, therefore, be it

"Resolved, That the Massachusetts Senate respectfully requests the Congress of the United States to enact legislation assuring every person released from defense-related employment as a result of closing military installations equivalent employment in activities related to constructive peaceful pursuits in the area in which he resides and that the full amount of the appropriation for the preceding fiscal year prior to closing of a defense installation be appropriated by Congress for the purposes stated herein; and be it further

"Resolved, That copies of these resolutions be transmitted by the Senate Clerk and Parliamentarian to the President of the United States, to the presiding officer of each branch of Congress and to each member thereof from the Commonwealth.

"Senate, adopted, April 23, 1973."

Resolutions of the General Court of the Commonwealth of Massachusetts. Referred to the Committee on Labor and Public Welfare:

"RESOLUTION

"Resolutions memorializing the Congress of the United States to enact legislation known as the Education for All Handicapped Children Act

"Whereas, There are more than four million children in the United States who are handicapped by the failure of public schools to meet their special needs, one million of whom are entirely excluded from public schools; and

"Whereas, Exclusion of such children and failure to provide them with adequate educational programs condemns them to hopeless, futile lives; and

"Whereas, The General Court of Massachusetts has recently enacted a law providing for a full-scale reform of the commonwealth's laws pertaining to children with special needs, with the aim of ensuring an adequate, publicly supported education to every child resident therein; now, therefore, be it

"Resolved, That the General Court of Massachusetts respectfully urges the Congress of the United States to enact the pending bill, 'Education for All Handicapped Children Act', mandating and clarifying the educational rights of children with special needs and providing that the federal government underwrite seventy-five per cent of the excess costs required in educating such children; and be it further

"Resolved, That copies of these resolutions be transmitted forthwith by the Secretary of the Commonwealth to the presiding officer of each branch of Congress and to each member thereof from the Commonwealth.

"House of Representatives, adopted, April 17, 1973.

"Senate, adopted in concurrence, April 25, 1973."

A joint resolution of the Legislature of the State of Minnesota. Referred to the Committee on the Judiciary:

"RESOLUTION

"A resolution memorializing the Congress of the United States to propose a constitutional amendment affirming and protecting the value of human life

"Whereas, the United States Supreme Court has recently put on the United States Constitution a construction that is contradictory to the convictions of the people of the United States about the value of human life; now, therefore,

"Be it resolved, by the Legislature of the State of Minnesota that the Congress of the United States should speedily propose to the states for their ratification an amendment to the United States Constitution substantially in the following form:

" 'ARTICLE

" 'Section 1. No person shall be deprived of life, liberty, or property, from conception until natural death without due process of law, nor denied the equal protection of the laws; provided that this article shall not prevent medical operations necessary to save the life of a mother.

" 'Sec. 2. The Congress and the several states shall have concurrent power to enforce this article by appropriate legislation.'

"Be it further resolved, that the Secretary of State of the State of Minnesota transmit copies of this resolution to the Speaker of the United States House of Representatives, the president of the United States Senate, the chairman of the Judiciary Committees of the United States House of Representatives and Senate and the Minnesota Representatives and Senators in Congress."

Resolutions of the Legislature of the State of Nebraska. Referred to the Committee on Appropriations:

"LEGISLATIVE RESOLUTION 66.

"Whereas, the Legislature in 1971 adopted Resolution No. 29 and adopted Resolution No. 51 recommending construction and development of Nebraska's O'Neill Unit and North Loup Division of the Pick-Sloan Missouri Basin Program; and

"Whereas, there is and will continue to be strong need to maintain, strengthen and enhance Nebraska's largest industry, Agriculture; and

"Whereas, local support for the North Loup and O'Neill projects has always been and remains strong; and

"Whereas, there is definite need in these project areas for surface irrigation water to maintain the declining ground waters; and

"Whereas, Nebraska's people need the fish and wildlife and recreational opportunities that can be provided by the O'Neill and North Loup developments; and

"Whereas, both of these projects are a part of the Framework Study of the Nebraska State Water Plan as adopted by the 1972 Legislature; and

"Whereas, both of these developments were authorized for construction and development by the 92nd Congress of the United States of America;

"Now, therefore, be it resolved by the members of the Eighty-Third Legislature of Nebraska, first session:

"1. That the First Session of the Eighty-Third Legislature of Nebraska strongly supports the construction and development of the North Loup Division and the O'Neill Unit.

"2. That the Legislature memorializes the 93rd Congress and the respective Appropriation Committees to provide funds for the Bureau of Reclamation in fiscal year 1974 to do advance and/or preconstruction planning.

"3. That copies of this resolution, suitably engrossed, be transmitted by the Clerk of the Legislature to the United States Senate and House of Representatives of the 93rd Congress, to Honorable John L. McClellan, Chairman of the Senate Appropriations Committee, and Honorable George H. Mahon, Chairman of the House Appropriations Committee, and to each member from Nebraska in the Senate and House of Representatives of the United States."

A concurrent resolution of the Legislature of the State of Oklahoma. Referred to the Committee on the Judiciary:

"SENATE CONCURRENT RESOLUTION No. 53

"A concurrent resolution memorializing Congress to propose an amendment to the Constitution of the United States defining the word 'person' in relation to any stage of biological development, providing for any State to adopt laws necessary to preserve the life of an expectant mother and providing for Congress and the States to enact legislation to enforce the amendment; and directing distribution

"Whereas, the Oklahoma Legislature has supported and shown concern for the life of the unborn child by rejecting all attempts to liberalize, modify or change the state's abortion law; and

"Whereas, the United States Supreme Court has by decision ruled against the unborn; and

"Whereas, the Oklahoma Legislature wishes to define the rights of the unborn.

"Now, therefore, be it resolved by the Senate of the 1st session of the 34th Oklahoma Legislature, the House of Representatives concurring therein:

"Section 1. The Congress of the United States of America be and is hereby respectfully memorialized to propose an amendment to the Constitution of the United States, which shall provide as follows:

"1. As used in the Fifth and Fourteenth Articles of Amendment to the Constitution of the United States, dealing with the deprivation of life, the word 'person' shall apply to every human being regardless of the stage of his biological development.

"2. Nothing herein shall prohibit any state from adopting such laws as are necessary to preserve the life of the expectant mother.

"3. Congress and the several states shall have the power to enforce this amendment by appropriate legislation.

"Section 2. Authenticated copies of this resolution shall be forwarded to the President of the Senate of the United States, the Speaker of the House of Representatives of the United States and to each member of the Oklahoma congressional delegation."

A resolution of the Twelfth Guam Legislature. Referred to the Committee on Interior and Insular Affairs:

"RESOLUTION No. 77

"Relative to expressing the consensus of the Legislature that the future of Sella Bay should not be determined by continued negotiations with the United States Navy but through direct people-to-people negotiations between the United States as administering power through its appointment of a special ambassador equivalent to the ambassador now dealing with the surrounding islands of the Trust Territory of the Pacific, and the government of Guam represented by a special commission composed of representatives of both the executive and legislative branches, the people of Guam having no objection to the relocation of the ammunition wharf at Apra Harbor nor to the U.S. Navy carrying out its legitimate defense role.

"Be it resolved by the legislature of the territory of Guam:

"Whereas, since the United States Court of Appeals for the Ninth Circuit has dealt a grave setback to the plans of the United States Navy to utilize, for an ammunition wharf, Sella Bay, Guam's last pristine and unspoiled coral reef environment, by its decision finding that the attempted transfer of the bulk of Sella Bay to the Navy violated territorial law because of the absence of concurrence by the Legislature to such transfer, and in view of the undoubted fact that a new ammunition wharf is needed, it is clear that a decision must now be made on how the people of Guam are going to continue to negotiate this issue with the Federal government, each side to respect the legitimate rights of the other; and

"Whereas, the Legislature believes that before determining such a negotiating stance, it is instructive to review the history both of Sella Bay itself and of the Navy's role as the largest landowner in the territory of Guam, and accordingly, the following precis is hereby presented:

"1. The Treaty of Paris whereby the United States of America acquired dominion over the island of Guam specifically required the Federal government to define the civil rights of the people of Guam, but the Congress failing in its responsibilities, instead delegated the entire governance of the island to the United States Navy, and accordingly, following the Treaty of Paris and until 1950, interrupted by a period of even more brutal dictatorship under the forces of Imperial Japan, the people of Guam lived under a military dictatorship in which all decisions were made by the local Naval Commander who acted ex-officio as the Governor of Guam, the views, wishes and hopes of the people of Guam being deemed entirely irrelevant to the Navy's occupation of the island, their civil rights being non-existent and their political status being that of wards of a military regime.

"2. Following the Second World War and the reoccupation of Guam by the United States Navy, it was determined, again without consulting the people of Guam, that the island would be turned into a major U.S. defense base for both the Air Force and the Navy, and the Navy, being still the administering authority, at once set about obtaining all the land it thought would be conceivably necessary for this major defense role, and in doing so, used a technique consisting of a mixture of coercion and intimidation combined with appeals to the gratitude of the people of Guam for being rescued from the Japanese to obtain this supposedly needed land at literally giveaway prices, enormous tracts being obtained for absolutely minimum payments, with the result that the Navy ended up owning together with other defense facilities in Guam, well over a third of the whole island, and by far the best and most valuable part, whole Guamanian villages being extirpated in the process, and entire communities relocated on miasmal and totally unsuitable property merely to clear for exclusive Navy use large, and now almost entirely empty, tracts of land.

"3. Although this land grab ceased in 1950 when limited self-government was given to the people of Guam and their access to American courts assured, the major damage had been done with the principal sites already obtained, and, indeed, the coming of civilian rule in no way changed the basic Naval attitude toward the people of Guam and the island itself as is evidenced by the continuing Naval prejudice against local residents, their refusing to permit joint use of local beach recreational facilities which should belong to the people of Guam, the refusal being based on racial discrimination, purely and simply, since the Navy always permits Caucasian school teachers and other such contract employees working for the government of Guam to use NCS beach and other Navy beaches but let a Guamanian or other dark skinned resident attempt to set foot on such a beach and he is immediately and summarily thrown off, it being clear, as Admiral Zumwalt himself had admitted, that the United States Navy is still an institution rife with racial prejudice.

"4. It is unappropriate, contrary to American tradition, and against the principles of international law for a military institution to negotiate with civilians with respect to land acquisitions during peace time. While no one can object that during the exigencies of a war, the U.S. Navy or any other military institution summarily utilized for military purposes civilian land, once the war is over and peace is declared, the role of the military does not include that of negotiating for land to be taken from the victims of the war, and thus while Custer and other American generals of his ilk and the United States Cavalry slaughtered the Plains Indians at Wounded Knee and other places, it was not they but special civilian emissaries from Washington who negotiated the final peace treaties with the defeated tribes; and

"Whereas, at the point of determining where the negotiations now stand it is imperative that the people of Guam consider Sella Bay and what is at stake, both ecologically, recreationally and culturally:

"1. Sella Bay is part of a 4,000 acre tract of pristine recreational land running from Nimitz Beach to Umatac; this land is unspoiled, is remarkably beautiful, and is culturally and historically of great significance, there being ruins of both Spanish and Chamorro usages of the area.

"2. The whole area is tied into the Fena Lake watershed, the most important watershed in Guam, and thus no disposition of the one should be handled without the other, as is evidenced by the findings of the environmentalists and park specialists from the National Park Service who recommended that the National Sea Shore Park include both the Fena Lake watershed and the Sella Bay locale since in that way the ecology of this unique union of volcanic soil with coral reefs can best be preserved.

"3. With Guam getting more and more tourists, particularly from Japan, it becomes essential to provide for both the tourists as well as for the growing Guam population a place where the unique tropical habitat of Guam is still unspoiled, and the Sella Bay area represents the last part of Guam in Civilian hands where this can be accomplished; and

"Whereas, neither the Legislature nor the people of Guam quarrel with the legitimate needs of the military forces in Guam nor is any argument raised that the ammunition wharf should not be moved from its present hazardous location the question is not whether the wharf should be moved but whether Sella Bay is its only possible point of relocation, some believing that the tip of Orote Peninsula, remote from the rest of the Naval Station, and where the effects from any blasting would be minimized by the high cliffs thereat, would be a suitable alternate location, particularly since it is already owned by the United States Navy and would not cost the Federal government nor the people of Guam anything in its acquisition; and, indeed, the people of Guam welcome the role the territory can play as a keystone of defense of the Pacific, even being happy to see an expansion of the bomb storage facilities in Guam, including nuclear weapons, if necessary to America's arsenal for defense, and thus the argument is not whether Guam should continue to play an important role in America's defense structure since this role is warmly supported by all of the people of Guam, nor whether the ammunition wharf should be relocated, nor whether major ammunition storage should continue on Guam, but solely whether Sella Bay itself is the proper locale for such a relocated ammunition wharf; and

"Whereas, in negotiating this question of where the ammunition wharf should be located, the people of Guam and the Legislature strongly resist and resent the methods used by the Navy in recent years in this matter since the legitimate and vital needs of the people of Guam for additional airport facilities, for school sites to educate both local school children and those of military dependents, and for power generating facility sites, where again the power generated will be used by both military and civilian consumers, should not be used as a club to force the people of Guam to swallow the loss of Sella Bay; the United States, as administering power of a possession which is not totally self-governing nor sovereign, has a duty to protect the interests of the people of Guam, this duty not only being a moral one but also spelled out in the international laws to which the United States is subject, as evidenced by the Charter of the United Nations, ratified by the United States Senate, and the Declaration of Human Rights promulgated by the United Nations as well as the Decolonization Mandate issued by the United Nations General Assembly, and all of these principles involving the relationship of a trustee power to the people under its trust strictly prohibit the type of negotiating attempted by the Navy where the people of Guam were told that unless they gave up Sella Bay, their last unspoiled seashore, they must also give up new school sites, a new site for a power plant, expanded airport facilities, and the other vitally needed land with which the Navy attempted to bait the Sella Bay trap; and

"Whereas, in considering the needs of the United States military within the island of Guam, the United States must also consider Guam's unique role as an outpost of American capital in this part of the Pacific as well as an educational center for all of the surrounding islands, and these two roles alone are of great significance in America's future in the Pacific and cannot be lightly laid aside solely at the behest of military considerations, and therefore in any review of military needs in Guam, the Federal government is obligated to examine all Federal land-holdings in the territory to make absolutely certain that additional civilian land is indeed required for an ammunition wharf; and

"Whereas, in view of the increasing normalization of the relationship between the Federal government and the territory, as evidenced by the recent amendments to the Organic Act permitting both a locally elected governor and a representative of the people of Guam to sit in the House of Representatives, any further attempt to settle military needs in Guam only through the efforts of local military commanders is inappropriate to this new relationship and calls in question once more Guam's real political status: Does it truly have self-government or is it still basically at the mercy of military policies in which it has no voice?; now therefore be it

"Resolved, that the Twelfth Guam Legislature does hereby on behalf of the people of Guam respectfully request and memorialize the President of the United States to appoint a special emissary of the nature of the emissary now negotiating with the people of the Trust Territory of the Pacific Islands, to handle the negotiations between the government of Guam and the United States with respect to Federal land-holdings in Guam, and whether additional civilian land is in fact needed for a military ammunition wharf, it being the consensus of all that the United States Navy is not a proper negotiating party in view of its history of predatory land-takings, prejudice and attempted blackmail, and that an emissary directly from the President, not associated with the past history of the exploitation of Guam by the Navy, would be in the best position of all to negotiate a fair settlement of both the Sella Bay issue as well as all other land matters pending involving the government of Guam and the government of the United States of America; and be it further

"Resolved, that in seeking such a special emissary, the patriotism and devotion of the people of Guam to the United States should in no way be questioned, this patriotism having been best exemplified by the recent conflict in Vietnam wherein the local people lost more sons on a per capita basis than any other American community, but is merely the desire to work out with our civilian mentors in Washington, Guam's best use of its limited local land resources in conjunction with legitimate Federal needs, the people of Guam believing that if the Micronesians, who never fought in America's wars and who have never suffered on America's behalf as have the people of Guam, are entitled to a special emissary from the President, so are the people of Guam, especially on a matter so essential to their future as that of the limited land now held in civilian control on this small island; and be it further

"Resolved, that the Speaker certify to and the Legislative Secretary attest the adoption hereof and that copies of the same be thereafter transmitted to the President of the United States, to the Secretary of the Interior, to the Secretary of Defense, to the President of the Senate, to the Speaker of the House of Representatives, to the Chairman of the Senate and House Committees on Interior and Insular Affairs, to the Washington Delegate, and to the Governor of Guam.

"Duly and regularly adopted on the 3rd day of April, 1973."

A resolution of the Legislature of the Virgin Islands. Referred to the Committee on Interior and Insular Affairs:

"RESOLUTION No. 679

"Resolution to Support Federal Legislation (H.R. 5461) Proposed by the Virgin Islands Delegate to the House of Representatives Providing for the Transfer of Ownership and Control of Water Island in the United States Virgin Islands to the Government of the Virgin Islands

"Whereas in 1952, the Federal Government, acting through the Secretary of Interior, leased the whole of Water Island, the fourth largest of the United States Virgin Islands, together with all improvements, beaches and riparian rights to a private corporation for an initial term of twenty years with an option to the lessee to extend such lease until 1992; and

"Whereas while the stated purpose of such lease was to encourage the development of Water Island in a manner as to contribute to the economy of the Virgin Islands; yet over the past twenty years it is difficult, even from the most objective point of view, to demonstrate how the development of Water Island primarily as a private residential area has contributed in any meaningful way to the betterment of the general welfare of the people of the Virgin Islands; and

"Whereas the Ninth Legislature of the Virgin Islands, prior to the renewal of the Water Island lease in 1972, enacted Act No. 3219 authorizing and directing the Governor of the Virgin Islands with the assistance of a special commission to conduct a comprehensive study of the legal, social, economic and physical conditions existing with regard to Water Island; and said Legislature, on April 1, 1972, adopted Resolution No. 620 petitioning the Secretary of Interior to take all steps necessary to transfer Water Island to the Government of the Virgin Islands at the expiration of the initial twenty-year term of the Water Island lease; and

"Whereas on April 14, 1972, the Acting Government Comptroller for the Virgin Islands submitted to the U.S. Department of Interior his Audit Report 'Lessees' compliance with provisions of lease for Water Island,' which report indicated that Water Island is and has been developed principally as a private housing complex; and

"Whereas it appears that the United States Department of Interior has, without official notice or explanation to the public officials and people of the Virgin Islands, agreed to extend the Water Island lease for an additional twenty years without change in the original terms and conditions of said lease; and

"Whereas the Virgin Islands Delegate to the House of Representatives has recently proposed legislation (HR 5461) in the United States House of Representatives which would, if enacted, authorize the United States Department of Interior to acquire all or part of the leasehold interest in Water Island and to ultimately transfer the ownership of Water Island to the Government of the Virgin Islands; and

"Whereas at a time when the fiscal condition of the Government and the economy of the Virgin Islands require strong support, when a substantial rate of unemployment continues, when new housing sites are badly needed, and when social and economic conditions produce tensions; it is of the utmost importance that the issues and allegations pertaining to the 'Water Island situation' be resolved quickly and equitably with the best interests of the people of the Virgin Islands and of the Federal Government strongly in mind; Now, Therefore,

"Be it resolved by the Legislature of the Virgin Islands:

"Section 1. That the Tenth Legislature of the Virgin Islands hereby fully supports the legislation (HR 5461) recently introduced in the United States House of Representatives by the Virgin Islands Delegate pertaining to the ultimate transfer of Water Island to the Government of the Virgin Islands.

"Section 2. That copies of this Resolution be transferred to the President of the United States, to the Secretary of the United States Department of Interior, to the Presiding Officer of the Senate of the United States, to the Speaker of the House of Representatives of the United States, to the Chairman of the Committee on Interior and Insular Affairs of the Senate of the United States and to each member of said Committee, to the Chairman of the Committee on Interior and Insular Affairs of the House of Representatives of the United States and to each member of said Committee, to the Virgin Islands Delegate to the House of Representatives, and to the Governor and Attorney General of the Virgin Islands.

"Thus passed by the Legislature of the Virgin Islands on April 5, 1973."

A resolution adopted by the 1973 Annual General Conference of the National Guard Association of Alabama, relating to legislation to grant certain GI bill of rights and privileges to members of the reserve components for satisfactory service as incentive for enlistment and reenlistment. Referred to the Committee on Armed Services.

A resolution adopted by the board of directors of the Society of Former Special Agents of the Federal Bureau of Investigation Inc., urging that immediate steps be taken to select a permanent Director of the Federal Bureau of Investigation. Referred to the Committee on the Judiciary.

A resolution adopted by the governing board. Grossmont Community College District, relating to confirmation of certain Health, Education, and Welfare appointments. Referred to the Commitee on Labor and Public Welfare.

Three resolutions adopted by B'nai B'rith Career and Counseling Services: The first relating to support career development, the second relating to providing funds for student aid in school tuition and supplementary career selection, and the third relating to education, training and job opportunities for women. Referred to the Committee on Labor and Public Welfare.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. McGEE, from the Committee on Post Office and Civil Service, without recommendation:

H.R. 6077. An act to permit immediate retirement of certain Federal employees.

By Mr. McGEE, from the Committee on Post Office and Civil Service, with amendments:

S. 1804. A bill to permit immediate retirement of certain Federal employees (Rept. No. 93-152).

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following favorable reports of nominations were submitted:

By Mr. WILLIAMS, from the Committee on Labor and Public Welfare:

Bernard E. DeLury, of New York, to be an Assistant Secretary of Labor;

Arthur S. Flemming, of Virginia, to be Commissioner on Aging; and

Richard F. Schubert, of Pennsylvania, to be Under Secretary of Labor.

The above nominations were reported with the recommendation that they be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

By Mr. RANDOLPH, from the Committee on Public Works:

Norbert T. Tiemann, of Nebraska, to be Administrator of the Federal Highway Administration; and

Frederick B. Dent, of South Carolina, to be a member of the National Commission on Materials Policy.

The above nominations were reported with the recommendation that they be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

By Mr. MAGNUSON, from the Committee on Commerce:

Robert H. Morris, of California, to be a member of the Federal Power Commission; and

William L. Springer, of Illinois, to be a member of the Federal Power Commission.

The above nominations were reported with the recommendation that they be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. CHURCH:

S. 1811. A bill to amend the Internal Revenue Code of 1954 to increase the credit against tax for retirement income. Referred to the Committee on Finance.

By Mr. McINTYRE:

S. 1812. A bill to improve the coordination of Federal reporting services. Referred to the Committee on Government Operations.

By Mr. DOMINICK:

S. 1813. A bill to amend the Act of September 30, 1950 (Public Law 874, 81st Congress) related to financial assistance for schools in areas affected by Federal activities to provide for a phasing out of certain entitlements under that Act, and for other purposes. Referred to the Committee on Labor and Public Welfare.

By Mr. JAVITS (for himself, Mr. CRANSTON, Mr. HATHAWAY, Mr. KENNEDY, and Mr. RANDOLPH):

S. 1814. A bill to amend and improve the Adult Education Act. Referred to the Committee on Labor and Public Welfare.

By Mr. JAVITS (for himself, Mr. NELSON, Mr. TAFT, and Mr. SCHWEIKER):

S. 1815. A bill to provide for an additional year of authorization for programs under the Economic Opportunity Act of 1964. Referred to the Committee on Labor and Public Welfare.

By Mr. PASTORE (for himself, Mr. COTTON, and Mr. HOLLINGS):

S. 1816. A bill to amend the Wool Products Labeling Act of 1939 with respect to recycled wool. Referred to the Committee on Commerce.

By Mr. HUMPHREY:

S. 1817. A bill to alleviate the financial crisis confronting the public schools of the Nation by providing grants and loan guarantees for the construction of elementary and secondary schools, by providing increased financial resources for elementary and secondary education and by promoting the equitable distribution of such resources within the States through the establishment of a National Educational Trust Fund, and to establish a Department of Education. Referred to the Committee on Labor and Public Welfare.

By Mr. GURNEY:

S. 1818. A bill authorizing certain members of the Armed Forces of the United States who were captured and held by an enemy force during the Vietnam conflict to enter, without charge, certain designated units of the National Park System and National Recreation Areas. Referred to the Committee on Interior and Insular Affairs.

By Mr. DOLE:

S. 1819. A bill to direct the Secretary of the

Interior to convey certain lands in Geary County, Kansas, to Margaret G. More. Referred to the Committee on Interior and Insular Affairs.

By Mr. HART:

S. 1820. A bill to amend the Export Administration Act of 1969 to manage the export of forest products from the United States. Referred to the Committee on Banking, Housing, and Urban Affairs.

By Mr. STEVENS (for himself and Mr. Gravel):

S. 1821. A bill to amend the Federal Aviation Act of 1958, as amended, by requiring certification and subsidy of at least two air carriers to points receiving neither highway nor railroad service. Referred to the Committee on Commerce.

By Mr. STEVENS:

S. 1822. A bill to exempt from the provisions of the Airport and Airways Revenue Act of 1970 helicopters which are not operated on an established line. Referred to the Committee on Finance.

S. 1823. A bill to further amend section 607 of the Merchant Marine Act, 1936, as amended, relating to vessel construction reserve funds, in order to provide that the modification or installation of certain radio equipment be included in the definition of "reconstruction" for the purpose of such section. Referred to the Committee on Commerce.

By Mr. MAGNUSON (for himself and Mr. Cotton) (by request):

S. 1824. A bill to amend the National Traffic and Motor Vehicle Safety Act of 1966 to authorize appropriations, and for other purposes. Referred to the Committee on Commerce.

STATEMENTS ON INTRODUCED BILLS AN JOINT RESOLUTIONS

By Mr. CHURCH:

S. 1811. A bill to amend the Internal Revenue Code of 1954 to increase the credit against tax for retirement income. Referred to the Committee on Finance.

UPDATE THE RETIREMENT INCOME CREDIT

Mr. CHURCH. Mr. President, I introduce for appropriate reference a bill to modernize the retirement income credit.

Fair and equitable tax treatment for all Americans has long been one of my foremost goals. As chairman of the Senate Committee on Aging, I have been especially committed to tax justice for older Americans.

During the past few years several constructive measures, including a number I have advanced, were approved to provide urgently needed tax relief for overburened moderate- and low-income taxpayers. Some of these measures include:

A new low-income allowance to exempt persons with poverty incomes from paying Federal income tax;

An increase in the personal exemption deduction from $600 to $750;

Liberalization of the child care expense provisions; and

An increase in the standard deduction for persons who do not itemize their expenditures.

But there is still a compelling need to improve or update other provisions of the Internal Revenue Code. One clear-cut example is the retirement income credit. It was adopted in 1954 to provide retired teachers, policemen, firemen, and other government annuitants with comparable tax relief as social security beneficiaries.

Payments under the social security program are, of course, exempt from Federal income tax. Government pensioners and others with little or no social security benefits can still receive similar tax relief by claiming a 15-percent credit on their qualifying retirement income—pensions, annuities, interest, dividends, and rent.

The maximum amount for computing this 15-percent credit is now $1,524 for single aged persons and $2,286 for elderly couples. These amounts must, however, be reduced by:

First, tax-exempt pensions, such as social security benefits and railroad retirement annuities; and

Second, earned income, depending upon the individual's age and extent of earnings.

In the case of persons aged 62 to 71 the maximum base for computing the credit is decreased by $1 for each $2 of earnings between $1,200 and $1,700. And thereafter, it is reduced on a dollar-for-dollar basis for earned income above $1,700.

For public pensioners or annuitants under 62, their maximum base is reduced for each dollar of earnings above $900.

The retirement income credit, however, has not been updated since 1962 for single elderly persons and 1964 for aged couples. As a consequence, it no longer provides equivalent tax relief for retired persons with little or no social security. On the other hand, social security benefits have been adjusted five times during this period to protect older Americans from the cruel effects of inflation.

Quite clearly, the need to update the retirement income credit is long overdue.

To achieve this goal, my bill would increase the maximum amount for computing the 15-percent credit from $1,524 to $2,500 for single aged persons, and from $2,286 to $3,750 for elderly couples. In terms of dollars and cents, this change alone could produce a tax savings of $146 for single older Americans. And for an aged couple, this measure could provide an additional $220 in tax relief.

For older Americans struggling on low or moderate incomes this relief would certainly be most welcome, especially since their purchasing power has been eroded substantially by the staggering increase in the cost of living in recent months.

Second, my proposal would raise the exempt earnings limitation before the maximum base for computing the retirement income credit would be reduced. For retired persons aged 62 to 71, the earnings ceiling would be increased from $1,200 to $2,100—the same level as now exists for social security beneficiaries. Moreover, the $1-for-$2 reduction would apply to all earnings above $2,100, instead of just a $500 band—from $1,200 to $1,700—as under present law. For public pensioners under age 62, the exempt earnings ceiling would be boosted from $900 to $1,200.

Mr. President, the need to modernize the retirement income credit is urgently needed now.

For these reasons, I urge early approval of this measure.

Mr. President, I ask unanimous consent that the text of this bill be printed at this point in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1811

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 37 of the Internal Revenue Code of 1954 (relating to retirement income) is amended to read as follows:

"Sec. 37. Retirement Income.

"(a) General Rules.—

"(1) Joint returns.—In the case of a joint return—

"(A) if either spouse has attained the age of 65 before the close of the taxable year, or

"(B) if neither spouse has attained the age of 65 before the close of the taxable year but one or both spouses have public retirement system pension income for the taxable year,

there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to 15 percent of the retirement income (as limited by subsection (b)) received by the husband and wife during the taxable year.

"(2) Other returns.—In the case of a return by an unmarried individual and of a separate return by a married individual—

"(A) if the individual has attained the age of 65 before the close of the taxable year, or

"(B) if the individual has not attained the age of 65 before the close of the taxable year but has public retirement system pension income for the taxable year,

there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to 15 percent of the retirement income (as limited by subsection (b)) received by the individual during the taxable year.

"(b) Limitation of Retirement Income.—

"(1) In general.—The amount of retirement income which may be taken into account for purposes of subsection (a) shall not exceed the following amounts (reduced as provided in paragraph (2)):

"(A) $2,500, in the case of an unmarried individual,

"(B) $2,500, in the case of a joint return where only one spouse is an eligible individual,

"(C) $3,750, in the case of a joint return where both spouses are eligible individuals, or

"(D) $1,875, in the case of separate return by a married individual.

"(2) Reduction.—Except as provided in paragraphs (3) and (4), the reduction under this paragraph in the case of any individual is—

"(A) any amount received by such individual as a pension or annuity—

"(i) under title II of the Social Security Act,

"(ii) under the Railroad Retirement Act of 1935 or 1937, or

"(iii) otherwise excluded from gross income, plus

"(B) in the case of any individual who has not attained age 72 before the close of the taxable year—

"(i) except as provided in clause (ii), one-half the amount of earned income received by such individual in the taxable year in excess of $2,100, or

"(ii) if such individual has not attained age 62 before the close of the taxable year, and if such individual (or his spouse under age 62) is an eligible individual as defined in subsection (d)(4)(B), any amount of earned income in excess of $1,200 received by such individual in the taxable year.

"(3) Special rules for determining the reduction in paragraph (2).

"(A) Joint returns.—In the case of a joint return, the reduction under paragraph (2) shall be the aggregate of the amounts resulting from applying paragraph (2) separately to each spouse.

"(B) Separate returns of married individuals.—In the case of a separate return of a married individual, paragraph (2)(B)(i) shall be applied by substituting '$1,050' for '$2,100', and paragraph (2)(B)(ii) shall be applied by substituting '$600' for '$1,200'.

"(C) No reduction for certain amounts excluded from gross income.—No reduction shall be made under paragraph (2)(A) for any amount excluded from gross income under section 72 (relating to annuities), 101 (relating to life insurance proceeds), 104 (relating to compensation for injuries or sickness), 105 (relating to amounts received under accident and health plans), 402 relating to taxability of beneficiary or employees' trust), or 403 (relating to taxation of employee annuities).

"(4) Special rule for certain individuals receiving public retirement system pension income.—In the case of a joint return where one spouse is an eligible individual as defined in subsection (d)(4)(A) and the other spouse is an eligible individual as defined in subsection (d)(4)(B), there shall be an additional reduction under paragraph (2) in an amount equal to the excess (if any) of $1,250 over the amount of the public retirement system pension income of the spouse who is an eligible individual as defined in subsection (d)(4)(B).

"(c) Retirement Income.—For purposes of this section—

"(1) In general.—Except as provided in paragraph (2), the term 'retirement income' means income from—

"(A) pensions and annuities (including public retirement system pension income and including, in the case of an individual who is, or has been, an employee within the meaning of section 401(c)(1), distributions by a trust described in section 401(a) which is exempt from tax under section 501(a),

"(B) interest,

"(C) rents,

"(D) dividends, and

"(E) bonds described in section 405(b)(1)

which are received under a qualified bond purchase plan described in section 405(a) or in a distribution from a trust described in section 401(a) which is exempt from tax under section 501(a),

to the extent included in gross income without reference to this section, but only to the extent such income does not represent compensation for personal services rendered during the taxable year.

"(2) Certain individuals under age 65.—In the case of—

"(A) a return by an unmarried individual who has not attained the age of 65 before the close of the taxable year,

"(B) a separate return by a married individual who has not attained the age of 65 before the close of the taxable year, and

"(C) a joint return if neither spouse has attained the age of 65 before the close of the taxable year,

the term 'retirement income' means only public retirement system pension income, and only so much of such income received by an individual during the taxable year as does not exceed $2,500.

"(d) Other Definitions and Special Rules.—For purposes of this section—

"(1) Public retirement system pension income.—The term 'public retirement system pension income' means income from pensions and annuities under a public retirement system for personal services performed by the taxpayer or his spouse, to the extent included in gross income without reference to this section, but only to the extent such income does not represent compensation for personal services rendered during the taxable year. For purposes of this paragraph the term 'public retirement system' means a pension, annuity, retirement, or similar fund or system established by the United States, a State, a possession of the United States, any political subdivision of any of the foregoing, or the District of Columbia.

"(2) Earned income.—The term 'earned income' has the meaning assigned to such term in section 911(b) except that such term does not include any amount received as a pension or annuity.

"(3) Community property laws disregarded.—The determination of whether—

"(A) earned income, or

"(B) income from pensions and annuities for personal services (including public retirement system pension income and distributions to which subsection (c)(1)(A) applies),

is the income of a husband or wife shall be made without regard to community property laws.

"(4) Eligible individual.—The term 'eligible individual' means an individual who—

"(A) has attained the age of 65 before the close of the taxable year, or

"(B) has not attained such age but has public retirement system pension income for the taxable year.

"(5) Marital status.—Marital status shall be determined under section 153.

"(6) Joint return.—The term 'joint return' means the joint return of a husband and wife made under section 6013.

"(e) Nonresident Alien Ineligible for Credit.—No credit shall be allowed under this section to any non-resident alien."

Technical Amendments

(b)(1) Section 904 of the Internal Revenue Code of 1954 (relating to limitation on foreign tax credit) is amended by redesignating subsection (g) as subsection (h), and by inserting after subsection (f) the following new subsection:

"(g) Coordination With Credit for Retirement Income.—In the case of an individual, for purposes of subsection (a) the tax against which the credit is taken is such tax reduced by the amount of the credit (if any) for the taxable year allowable under section 37 (relating to retirement income)."

(2) Section 6014 (a) of such Code (relating to tax not computed by taxpayer) is amended by striking out the last sentence thereof.

(3) Section 6014(b) of such Code is amended—

(A) by striking out paragraph (4),

(B) by redesignating paragraph (5) as paragraph (4), and

(C) by inserting "or" at the end of paragraph (3).

EFFECTIVE DATE

(c) The amendments made by this section shall apply to taxable years beginning after December 31, 1973.

By Mr. McINTYRE:

S. 1812. A bill to improve the coordination of Federal reporting services. Referred to the Committee on Government Operations.

BILL TO REDUCE FEDERAL PAPERWORK BURDEN

Mr. McINTYRE. Mr. President, I introduce for appropriate reference a bill designed to improve the coordination of Federal reporting services by: transferring the authority for the administration of the Federal Reports Act of 1942 from the Director of the Office of Management and Budget to the General Accounting Office under the Comptroller General of the United States; and including the Internal Revenue Service under the provisions of this act.

The burden of Federal redtape and paperwork required of the small business community has been described by a recent editorial pundit as "strangulation in triplicate." This, I feel, accurately portrays the rapidly accelerating problem posed by ever-increasing Federal statistical and reporting systems. It is because of this growing threat to free enterprise that I rise today to offer this bill that I believe will bring under control this runaway Federal bureaucratic attempt to strangulate business in triplicate.

For example, this legislation will remove the White House Office of Management and Budget from its questionable if not inefficient control over bureaucratic paperwork requirements. It will also bring the Internal Revenue Service under greater control in order to simplify and reduce the Federal tax forms which affect not only every small businessman but every citizen as well.

My bill would take from the White House Office of Management and Budget all control over paperwork and give such control and authority to the Comptroller General. It would also place final supervision of all Federal tax forms under the Comptroller General.

Mr. President, the Select Committee on Small Business recently issued a report on the Federal paperwork burden. This report is based on investigations conducted by the Subcommittee on Government Regulation, which I have the privilege to chair. To hear firsthand the problems of small business in complying with the ever-increasing number of Federal reports and regulations, we conducted field hearings in Chicago, Boston, and Concord, N.H., last year.

The stories we heard were frightening. All too often small businesses are forced to merge with larger companies in order to comply with the administrative demands posed by Federal paperwork. We heard of small businesses who closed their doors because they could not pay for the professional assistance of lawyers and accountants, nor did they have the time or expertise to fill out the myriad forms themselves.

A small manufacturer explained that—

> Government redtape diverts small businesses from their primary function of making a good product, selling it, keeping solvent, providing jobs and paying taxes. Obviously, if too much money and effort are expended on nonproductive paperwork, small firms cannot hope to compete and stay in business.

One irate witness put the dilemma succinctly:

> The bureaucrats can't seem to comprehend that we out of government have to work for a living and that these papers detract from our productive time.

Our report, Senate Report No. 93–125, entitled "The Federal Paperwork Burden," shows that 35 percent of all Federal forms are mandatory. Their volume and complexity pose a threat to small businesses, for example, the president of a small electronics firm pointed out that the alternatives available to small business are to "take a chance on going to jail or go out of business—since no 1-man or 10-man business can keep up and be honest."

Small businesses, especially the mom-and-pop type stores, are particularly threatened. They must fill out numerous reports ranging to as many as 52 tax forms in a single year or suffer severe penalties. This, I submit, is not an example of a government which is concerned and responsive to the needs of its people. It is not a government which is protecting free enterprise. It is instead a government which favors only those large concerns who can satisfy its insatiable demand for more information, data, figures, and other esoteric statistics.

Mr. President, in 1942 the Senate Small Business Committee was aware of the potential for destruction which a growing paperwork redtape system could have upon small business. At that time both Houses of Congress affirmatively came to grips with the problem and enacted a paperwork control law known as the Federal Reports Act of 1942. This law contained the potential for holding in check the tendency of the executive bureaucracy to demand ever more data from small business. It sought to eliminate duplication and to simplify government data request forms. It recognized the disparity of resources between small businesses and large firms which have staffs of accountants and lawyers to understand and fill out extensive paperwork forms. It sought to protect small businesses from the competitive disadvantage of having to spend precious resources just to comply with Federal paperwork demands.

I submit, Mr. President, that this good law has been subverted and rendered substantially impotent by the executive branch. Small business has not been helped. Today, small business is victimized as never before by the bureaucracy, aided and abetted by the Federal agency charged by the Congress with protecting the small entrepreneur.

To prove my indictment, I submit the following facts: Section 3 of the 1942 Federal Reports Act requires that the Director of the White House Office of Management and Budget hold hearings in order to end duplicatory agency requests for information. The Director is further charged with actively seeking out such duplications through formal investigations. According to Mr. Frank Carlucci, Assistant Director of OMB, in a letter to me of May 12, 1972—

> The Office of Management and Budget has conducted no formal investigations and hearings pursuant to Section 3(b) during the past five years.

I ask: Is this an example of White House concern for the millions of Americans who are small businessmen?

Not only is section 3(b) of the act not implemented, but, as our report shows, section 5 or the review procedure is enforced so ineptly as to render it virtually meaningless. Althought OBM relies solely on section 5 to administer the provisions of the 1942 act, the Statistical Policy Division which performs clearance procedures is understaffed. Contrary to the dictates of commonsense, top officials at OMB have decreased the staff of this office as the demand for information by Federal agencies has increased. The office had 47 professionals in 1947 but today there are only 25 full-time professionals. Congressional oversight committees have repeatedly warned OMB to upgrade its clearance staff but no action has been forthcoming.

In 1965 the House Committee on Post Office and Civil Service, referring to the clearance office, stated that—

> A major strengthening of such facilities is the first requisite for correction of the highly unsatisfactory condition of Federal Reporting Activities . . .

In 1968 the Senate Small Business Committee in a report on the paperwork burden stated:

> The Federal Reports Act sponsored by this committee in 1942 has not been effective in implementing the policy of Congress directed toward reducing the reporting burden of small business enterprises.

The report cites the reasons as being a lack of adequate staff of OMB and a general lack of commitment.

On August 2, 1972, the Subcommittee on Government Regulation of the Senate Small Business Committee had an opportunity to question Mr. Paul Krueger, Deputy Chief of the Office of Statistical Policy, at length in regard to the effectiveness of his office in controlling proliferation of Federal redtape and paperwork. The following comments by Mr. Krueger are, I feel, typical of the lack of commitment demonstrated by the Office of Management and Budget. They illustrate why we in the Congress must take prompt action if we are to preserve the small business community in America.

When asked if his office was aware of and on the alert to weed out duplicative Federal reporting requirements, Mr. Krueger replied affirmatively. He said:

> (Our staff) is expected to become thoroughly informed and acquainted with respect to the whole body of information being collected by any Federal Agencies . . ."

And—

> Our professional staff, working in this area, is a pretty expert staff and knowledgeable in what kinds of information are available or collected by different agencies.

Yet, later during this hearing I asked Mr. Krueger if he could supply for the record a list of, and copies of, all forms that a typical small business such as a dress shop or a service station might have to file with the Federal Government during any year. His response was—

> No. That I could not even do.

He went on to say—

> We don't know which businesses respond to which forms.

The contradiction is obvious to all and I feel supports my contention that the diligent supervision and action required to reduce bureaucratic redtape and paperwork is missing from OMB.

Mr. President, Federal reporting and statistical programs have increased more than 50 percent between 1958 and 1968 when the Senate Small Business Committee prepared its interim report. The man-hour reporting burden conservatively estimated by OMB has increased 30 million man-hours in the past 6 months alone.

One witness who represents thousands of small contractors told our subcommittee:

> There is no question of the fact that we are being swamped by official forms, reports and record-keeping requirements that are far above those ever intended by the legislator responsible for the laws for which this administrative burden relies upon in accordance with so-called statutory authority.

This witness went on to state that Government paperwork costs the construction industry $5 billion a year. Is there any wonder why housing is so costly and why so many Americans cannot afford adequate housing? So much of the costs passed on to the consumer can be traced to this great paperwork explosion. Not only that—the consumer gets hit a second time. He is also a taxpayer who must pay ever higher taxes so that Government might generate this paperwork and store it and file it.

The very ability of small business to exist in our economic situation is in jeopardy. Action and not rhetoric is needed now.

I invite the cosponsorship of my bill by every Senator who deplores, as I do, the growing Federal consumption of independent enterprise. I believe this bill will be an effective means of reducing the paperwork burden and will enable small businessmen and all citizens to cope with the growing demands of our bureaucratic statistical reporting systems.

The Comptroller General today as in the past has been the vigilant watchdog of the Congress to control runaway Federal spending, cost overruns, illegal Federal contracting practices, and a variety of other actions which threaten the fiscal integrity of our Nation. Should this bill be enacted, I feel confident he will bring into this new task of controlling Federal bureaucratic redtape the same diligence he applies to his other responsibilities. He will, I am certain, take to heart not only the letter of the Federal Reports Act but the congressional intent as well. I am also certain that he will commit whatever resources may be necessary to protect free enterprise which is being threatened by the very government designed to promote it.

I am hopeful the Senate will give early consideration to this bill. Small business cannot tolerate another 30 million man-hour paperwork increase over the next 6 months in order to satisfy Federal information and statistical demands.

Mr. President, I ask unanimous consent that the bill and a section-by-section analysis of it be printed at this point in the Record.

There being no objection, the bill and analysis were ordered to be printed in the Record, as follows:

S. 1812

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That chapter 35 of title 44, United States Code, is amended as follows:

(1) In section 3503—

(A) strike out the section caption and insert in lieu thereof the following:

"§ 3503. Duties of Comptroller General of the United States"; and

(B) strike out of the text "Director of the Bureau of the Budget" and insert in lieu thereof "Comptroller General of the United States".

(2) In sections 3504, 3506, 3507, 3509 (1), and 3510, strike out "Director of the Bureau of the Budget" wherever it appears and insert in lieu thereof "Comptroller General".

(3) In sections 3504, 3506, and 3509, strike out "Director" wherever it appears and insert in lieu thereof "Comptroller General".

(4) In the first sentence of section 3506, immediately after "substantial interest", insert the following: "upon the request of 10 or more persons.".

(5) In the second paragraph of section 3507, strike out "the Internal Revenue Service.".

(6) In item 3503 of the chapter analysis, preceding section 3501, strike out "Director of the Bureau of the Budget " and insert in lieu thereof "Comptroller General of the United States".

SEC. 2 (a) Title 44, United States Code, is amended by inserting between chapters 35 and 37, the following new chapter:

"Chapter 36—IMPROVEMENT OF FEDERAL TAX FORMS

"Sec.
"3601. Federal tax form review
"3602. Revision of Federal tax forms.

"§ 3601. Federal tax form review

"The Comptroller General of the United States shall establish within the General Accounting Office a unit—

"(1) to review tax forms, instructions and other such public use documents prepared by the Internal Revenue Service;

"(2) to make recommendations with respect to the simplification of any such forms;

"(3) to make recommendations with respect to the frequency with which any such form should be completed; and

"(4) to make recommendations with respect to the scope of any such forms.

The results of any such review shall be promptly reported to the Congress.

"§ 3602. Revision of Federal tax forms

"Upon request of any party having a substantial interest, or 10 or more persons, or upon his own motion, the Comptroller General may determine whether any tax form prepared by the Internal Revenue Service may be simplified, combined within any other such tax form, or completed less frequently, or the scope thereof reduced. Prior to making a determination, the Comptroller General shall fix a time and place for a hearing at which the Internal Revenue Service and other interested persons may have an opportunity to present their views. After the hearing, the Comptroller General may issue an order requiring the simplification, combining, or completion less frequently of any such tax form, or the reduction of the scope thereof. The Comptroller General may modify the order from time to time as circumstances require, but modification may not be made except after hearing."

(b) The table of contents of chapters, preceding chapter 1 of such title 44, is amended by inserting between items 35 and 37 the following new item:

"36. Improvement of Federal Tax Forms ....3601".

SECTION-BY-SECTION ANALYSIS

Sec. 1. Deletes the authority of the Director of the Bureau of the Budget to administer the Federal Reports Act of 1942 and grants such authority to the Comptroller General. (44 USC 3501–3511)

Sec. 2. Adds a new Chapter, number 36, to Title 44 of the United States Code which establishes a new unit within the General Accounting Office responsible for the review of all tax forms. The Comptroller General upon his own motion or at the request of ten or more persons may determine whether any tax form prepared by the Internal Revenue Service may be simplified, combined with any other such tax form or completed less frequently. Prior to such a determination, the Comptroller General shall fix a time and place for a hearing at which time the IRS and any other interested party may present their views. After such hearing, the Comptroller General may issue an order requiring such simplification, combining or reduction in frequency of filing. This order may be modified from time to time as circumstances require but only after public hearing.

By Mr. DOMINICK:

S. 1813. A bill to amend the act of September 30, 1950 (Public Law 874, 81st Congress) relating to financial assistance for schools in areas affected by Federal activites to provide for a phasing out of certain entitlements under that act, and for other purposes. Referred to the Committee on Labor and Public Welfare.

Mr. DOMINICK. Mr. President, impact aid, Public Law 81–874, has since 1950 been a program of Federal assistance to local educational agencies in areas affected by Federal installations.

Generally, two broad categories of students are assisted under this program. Children whose parents reside on and work on Federal property—A students—and children whose parents work on Federal property but live on private property away from the Federal installation—B students—are counted to determine a local educational agency's—LEA—eligibility for impact aid funds. The traditional justification for such aid has been the removal from the local tax base property owned by the Federal Government and the additional burden placed on the school district by families connected with the Federal installation. Impact aid money to LEA's is revenue sharing in its present form, as there are no restrictions on permissive areas of expenditure.

Section 3 of Public Law 874 is the major source of payments. Under this section, a school district is eligible for assistance if it has 3 percent of its pupils or 400 students who are federally connected—A and B students. The amount of assistance to a school district is derived by multiplying the number of federally connected students by a local contribution rate. However, the total number of B students in average daily attendance is reduced by 50 percent prior to applying the local contribution rate. Presently, this eligibility is being further reduced by limiting payments to LEA's for B students to 54 percent of entitlement. In effect, then, LEA's are getting 54 percent of the money they are eligible to receive for 50 percent of their B students.

The administration's Better Schools Act (S. 1319) proposes the elimination of LEA eligibility for B student payments. In my introductory remarks on the Better Schools Act, I expressed grave concern about the ability of many heavily impacted local school districts to survive the fiscal shock of such an abrupt cessation in the program. In an attempt to find some area of agreement between those who want to eliminate the B student program entirely, and those who want to preserve the program in its present form, I introduce legislation to gradually reduce an LEA's eligibility for B student impact aid funds, and ask that its text be printed at the end of my remarks.

This bill would gradually, over a 5-year period, reduce the number of B students to be counted in arriving at the average daily attendance figure. As I discussed earlier, the school district determines the number of A and B students who were in average daily attendance, and the local contribution rate is applied to all the A students and one-half the number of B students who were in average daily attendance to determine the LEA's impact aid eligibility. My bill would require that for every consecutive year that a B student was counted in the district's average daily attendance computation—or stated differently, for every consecutive year that a B student resided in the school district—the district could only count that student at some fraction rather than as one.

This reduction in a district's B student entitlement would not begin to register until the June 30, 1975, computation of average daily attendance. My bill provides that the consecutive years of inclusion in the previous year's average daily attendance computation—or residence in the district—shall not begin to run until June 30, 1973. The first year of residence—June 30, 1974—in that district allows the LEA full entitlement for the B student. However, after the second consecutive year of residence—June 30, 1975—in the district, the LEA could only count such a student as three-fourths as opposed to one; after the third consecutive year of residence—June 30, 1976—the district can only count the B student as one-half in its computation of the number of B students in average daily attendance; after the fourth consecutive year of residence—June 30, 1977—such a student would be counted as one-fourth; and after the fifth consecutive year of residence—June 30, 1978—such a student shall not be included at all in the district's count. Should a B student move into a school district qualifying for B impact aid on June 30, 1976, that student could be counted—at a reduced level—each year until 1980. In addition, the bill leaves undisturbed the present requirement in Publc Law 874 that the contribution rate be applied only to 50 percent of the number of B students in average daily attendance.

Because of the gradual phaseout of 5-year B student residents in the local school district and the expected decrease in appropriations needed to fund this modified program, I would hope that it could be 100 percent funded, rather than limiting payments to LEA's, as is presently being done, to 54 percent of entitlement.

Mr. President, the B category of eligible students can be further subdivided into B military and B civilian. The B civilians—children with a parent who is a civilian employee of the Federal Government working at a Federal installation—would be the group most significantly affected. This legislation was designed to remove this group from eligibility because the residence is available for local taxation; but the effect should be spread over 5 years to give the school districts ample time to absorb the loss.

The effect on districts enrolling substantial numbers of B military students—children from military families with a parent working on Federal property—would not be as great, as I expect transfers would be frequent enough that the 5-year requirement would not be completely satisfied. This result, that is preserving to a great extent B military eligibility, was intended as these families tend to cluster on property which does not significantly add to the district's tax base. As a result, the property tax alone, in the absence of an income tax—family claims residency in another State—and in the absence of a sales tax—family shops on base—does not represent a fair share of the cost to the school district of educating the children from these families. The Federal Government in such a case can and should contribute to the cost of instruction in such districts.

Mr. President, this legislation recognizes and fulfills a continuing obligation on the Federal Government to contribute to the cost of educating children who have a more narrowly defined Federal connection. I am confident that local school districts can adjust to significant decreases in B student impact aid, if it is spread over 5 years. Because of the importance of this program to so many school districts, I hope this legislation can receive early consideration and action.

By Mr. JAVITS (for himself, Mr. Cranston, Mr. Hathaway, Mr. Kennedy, and Mr. Randolph):

S. 1814. A bill to amend and improve the Adult Education Act. Referred to the Committee on Labor and Public Welfare.

ADULT EDUCATION AMENDMENTS OF 1973

Mr. JAVITS. Mr. President, I introduce for myself and for Senators Cranston, Hathaway, Kennedy, and Randolph, all members of the Subcommittee on Education, the Adult Education Amendments of 1973. A similar bill is being introduced today in the House by a bipartisan group of Members led by Representative Lloyd Meeds of Washington.

The bill would amend the Adult Education Act to—

Extend the authorizations of existing programs for 5 years through fiscal year 1978.

Provide that up to 25 percent of funds may be used for high school equivalency programs for adults so as better to reach the some 64 million adult Americans with less than a high school education.

Give new emphasis to programs for adults in institutions and to adult programs in community schools.

Provide for State advisory councils which may be established in each State to counsel with both State and Federal authorities on adult education programs.

More than 22 million Americans have less than an elementary school education and some 64 million age 16 and over have less than a high school education. These are the forgotten millions of American education. This represents a tremendous lag which, in our highly technological age, could represent a major handicap to the Nation's progress. For, while we seek to help make available the best possible education for our young people to meet the responsibilities of citizenship and the challenges of a career, we have fallen short in our responsibility toward those adults who for some reason fell by the wayside and were unable to obtain the minimum of a high school education. As was pointed out in "Work in America," the report of the HEW special task force—

> We have largely neglected the educational needs of older workers.

Although there has been a Federal adult education statute on the books, education is thought of as elementary, secondary and postsecondary. Adult education must participate as a full-fledged partner in the American education effort. In today's increasingly complex society, a basic education for an adult is more than acquiring literary—it should be at least the equivalent of going through high school.

For 1971, the latest figures available, the mean annual income for an individual with less than 8 years of elementary school was $5,950; for 1 to 3 years of high school, $8,966; for 4 years of high school, $10,751; and for 4 or more years of college, $16,698.

A high degree of motivation and the effective use of education technology—plus the necessary availability of the means—make it possible for an adult to earn 2 or 3 years of high school credit in but 1 year. And that education is in new concepts of science and of social studies, making his learning relevant to the individual's ambitions and to his life at this time.

This measure has the support of the National Association for Public Continuing and Adult Education—NAPCAE—an affiliate of the National Education Association. I ask unanimous consent that there be included as part of my remarks some statistics from NAPAE's 1973 Almanac indicating the State-by-State need for adult education programs as well as the text of the bill:

There being no objection, the bill and table were ordered to be printed in the Record, as follows:

S. 1814

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Adult Education Amendments of 1973".

Sec. 2. Section 303 of the Adult Education Act is amended by adding at the end thereof the following new subsection:

"(j) The term 'community school program' means any program in which a public elementary or secondary school is used as a community center and is operated in cooperation with other groups in the community to provide educational, community, and social services consistent with the purposes of this title for the community which that center serves.".

Sec. 3. Section 304 of the Adult Education Act is amended by striking out "20 per centum" and inserting in lieu thereof "15 per centum".

Sec. 4. Section 306 of the Adult Education Act is amended by redesignating clauses (6), (7), (8), and (9), and all references thereto, as clauses (8), (9), (10), and (11), respectively, and by inserting immediately after clause (5) of such section the following new clauses:

"(6) provide for cooperation with manpower development and training programs and occupational education programs;

"(7) provide that such agency will make available not to exceed 25 per centum of the State's allotment for programs of equivalency for a certificate of graduation from a secondary school;".

Sec. 5. (a) Section 306(a)(1) of the Adult Education Act is amended by inserting after the words "adult population" the word ", including the institutionalized".

(b) Section 309(b) of the Adult Education Act is amended by—

(1) inserting immediately before the word "local" the following: "State educational agencies,";

(2) adding at the end thereof the following new sentence: "Whenever the Commissioner makes grants to local educational agencies or other public and private nonprofit agencies, he shall establish procedures under which the appropriate State educational agencies will be given reasonable opportunity to offer recommendations to the grant recipient and to submit comments to the Commissioner."; and

(3) inserting after the words "television stations" the words "and agencies conducting community school programs".

Sec. 6. The Adult Education Act is amended by inserting immediately after section 310 thereof the following new section:

"STATE ADVISORY COUNCILS

"Sec. 310A. (a) Any State which receives assistance under this title may establish and maintain a State advisory council which shall be appointed by the Governor or, in the case of a State in which members of the State board which governs the State education agencies are elected (including election by the State legislature), by such board.

"(b)(1) Such a State advisory council shall include as members persons who, by reason of experience or training, are knowledgeable in the field of adult education or who are officials of the State educational agency or local educational agency of that State, persons who are or have received adult educational services, and persons who are representative of the general public.

"(2) Such a State advisory council, in accordance with regulations prescribed by the Commissioner, shall—

"(A) advise the State educational agency on the development of, and policy matters arising in, the administration of the State plan approved pursuant to section 306;

"(B) advise with respect to long-range planning and studies to evaluate adult education programs, services, and activities assisted under this Act; and

"(C) prepare and submit to the State educational agency, and to the National Advisory Council for Adult Education established pursuant to section 310, an annual report of its recommendations, accompanied by such additional comments of the State educational agency as that agency deems appropriate.

"(c) Upon the appointment of any such advisory council the appointing authority under subsection (a) of this section shall inform the Commissioner of the establishment of, and membership of, its State advisory council. The Commissioner shall, upon receiving such information, certify that each such council is in compliance with the membership requirements set forth in subsection (b)(1) of this section.

"(d) Each such State advisory council shall meet within thirty days after certification has been accepted by the Commissioner under subsection (c) of this section and select from among its membership a chairman. The time, place, and manner of subsequent meetings shall be provided by the rules of the State advisory council, except that such rules shall provide that each such council meet at least four times each year, including at least one public meeting at which the public is given the opportunity to express views concerning adult education.

"(e) Each such State advisory council is authorized to obtain the services of such professional, technical, and clerical personnel as may be necessary to enable them to carry out their functions under this section."

Sec. 7. (a) Section 312(a) of the Adult Education Act is amended by—

(1) striking out the word "There" and inserting in lieu thereof "Except as provided in section 313, there"; and

(2) striking out "and June 30, 1973" and by inserting in lieu thereof "and for each of the six succeeding fiscal years".

(b)(1) The matter preceding the colon in section 431 of the Education Amendments of 1972 is amended to read as follows:

"Sec. 431. Title III of the Elementary and Secondary Education Amendments of 1966 (the Adult Education Act) is amended by adding at the end thereof the following new section".

(2) Section 431 of such title III is further amended by striking out "Sec. 314", and by inserting in lieu thereof "Sec. 313".

(3) Section 313(d) of the Adult Education

Act (as redesignated by this section) is amended by striking out the word "two" and inserting in lieu thereof the word "five".

EDUCATIONAL ATTAINMENT

	Age 16 and over, less than elementary school education	Age 16 and over, less than high school
50 States, District of Columbia, and Puerto Rico	22,787,950	63,970,815
Alabama	683,141	1,325,055
Alaska[1]	47,000	80,000
Arizona	212,698	438,045
Arkansas	317,444	376,751
California	1,300,056	4,300,379
Colorado	101,562	253,074
Connecticut	300,000	900,000
Delaware	110,000	158,602
District of Columbia	65,000	227,000
Florida	800,000	2,000,000
Georgia	656,754	1,399,175
Hawaii	84,079	191,155
Idaho	38,565	197,072
Illinois	1,172,035	4,121,503
Indiana	784,064	2,767,360
Iowa	116,801	632,366
Kansas	163,913	715,891
Kentucky	575,481	1,317,446
Louisiana	726,356	1,257,925
Maine	88,539	373,000
Maryland	481,305	1,131,672
Massachusetts	548,172	1,698,427
Michigan	765,183	2,735,552
Minnesota	273,000	1,110,000
Mississippi	440,362	900,000
Missouri	553,235	1,714,704
Montana	91,558	171,119
Nebraska	98,788	487,772
Nevada	40,000	108,000
New Hampshire	55,684	125,000
New Jersey	765,496	2,307,982
New Mexico	116,722	287,583
New York	1,600,000	5,500,000
North Carolina	982,352	2,444,381
North Dakota	61,443	216,471
Ohio[1]	993,167	3,437,438
Oklahoma	302,503	856,542
Oregon	136,200	620,000
Pennsylvania	1,465,002	4,403,159
Puerto Rico[1]		
Rhode Island	100,000	300,000
South Carolina	540,483	1,013,000
South Dakota	48,681	201,467
Tennessee	625,000	1,499,000
Texas	1,758,413	3,060,636
Utah	34,156	217,179
Vermont	33,000	121,000
Virginia	810,000	1,539,000
Washington	160,000	750,000
West Virginia	278,717	855,572
Wisconsin	266,000	1,034,660
Wyoming[1]	19,876	91,700

[1] 1971–72 information not received.

Source: Based on most recent estimates submitted to NAPCAE by State Departments of Education.

SENATOR RANDOLPH SUPPORTS THE EXTENSION OF THE ADULT EDUCATION ACT

Mr. RANDOLPH. Mr. President, during the last decade significant changes have occurred in our concept of education. Educators are now being challenged to meet the ever growing and changing needs of the community and its citizens. High among these needs is the alarming number of adults who have never completed a high school education.

It is estimated that there are 64 million adults with less than a high school education. The passage of the Adult Education Act in 1966 provided these millions of adults with a greater opportunity to complete their education. Although the estimated number of adults who do not complete a high school education program has had a tremendous effect since its inception.

In West Virginia we are presently serving approximately 73,000 people in the adult basic education program. However, this number is small when compared to the total number of 300,000 disadvantaged adults with less than an eighth grade education. We can take great pride in the number of people that we serve, but we must open new doors for those thousands that are not served.

The bill introduced by Senator JAVITS will extend the authority for the existing program for 5 years. This extension is vital to our continuing efforts to meet the needs of these underprivileged citizens. The bill also provides for cooperation with manpower development and training programs and occupational training programs. The 25 percent of the funds allotted to the States under the program may be used for high school equivalency programs.

It is a great joy to see people learn to read or to see parents and grandparents helping their children with their homework for the first time. The significance of adult education programs is also demonstrated by the new and greater academic skills that participants will carry with them as they seek employment. It is a privilege for me to join with Senator JAVITS in sponsoring this legislation.

By Mr. JAVITS (for himself, Mr. NELSON, Mr. TAFT, Mr. SCHWEIKER, Mr. MONDALE, and Mr. CRANSTON):

S. 1815. A bill to provide for an additional year of authorization for programs under the Economic Opportunity Act of 1964. Referred to the Committee on Labor and Public Welfare.

EXTENSION OF PROGRAMS UNDER ECONOMIC OPPORTUNITY ACT OF 1964—AMENDMENT

AMENDMENT NO. 132

(Ordered to be printed, and referred to the Committee on Labor and Public Welfare.)

Mr. JAVITS. Mr. President, I introduce for myself, Senator NELSON, the chairman of the Subcommittee on Employment, Poverty, and Migratory Labor, Senator TAFT, the ranking minority member of that subcommittee and Senators SCHWEIKER, MONDALE, and CRANSTON a bill to provide for the continuation of the antipoverty programs under the Economic Opportunity Act of 1964.

And as an amendment to that bill I submit on behalf of myself, Senator NELSON, Senator TAFT, and Senator SCHWEIKER the administration's proposal for a National Legal Services Corporation.

S. 1815, essentially an interim measure, provides that in order to maintain legal services programs pending establishment of a new Legal Services Corporation, the Director of the Office of Economic Opportunity may delegate his functions with respect to those programs to the Secretary of Health, Education, and Welfare; this delegation—which is precluded under the existing law will provide continued funding of programs in the event that as of June 30, 1973, a new corporation is not ongoing and the administration's plans to eliminate OEO are accomplished.

It is my hope that the administration will support this interim bill so that continuity will not be lost in the transition to a new Legal Services Corporation; at the present time the legal services program is a "cliff hanger" after July 1, 1973 because the Congress has authorized and reserved funding after that date for legal services only if the program is conducted by OEO and the administration has requested funding only if it is to be conducted by a new Legal Services Corporation.

Accordingly, this measure proposes a compromise under which the program may be continued. It incidentally does not depart substantially from the administration's own plans, expressed in its 1974 fiscal budget which contemplated that the Department of Health, Education, and Welfare would hold the funds for the corporation in the latters absence; the distinction is between merely holding and administering the program and it is the latter that S. 1815 would authorize.

Mr. President, as submitted, the amendment incorporating the administration's new proposed Corporation would establish it under a new title X under the Economic Opportunity Act of 1964.

It is my personal view that although the legal services program may be conducted by a new corporation, that program should remain as an essential antipoverty effort and thus be a part of the basic antipoverty law.

The President's submission of a new proposal for a legal services corporation is a commendable act, putting us "back on the track" concerning the future of the program.

While differences remain with respect to particular terms and some elements of this proposal give me concern, the overriding fact is that the President has rejected alternatives that could have turned the program completely over to the States resulting totally in politicization of the program; instead he has stuck basically to his proposal of last year, and has made a renewed commitment to a legal services corporation, essentially of a national nature.

The new commitment is spelled out in clear terms in the President's message of May 11, 1973, regarding legal services, when he said:

> When I asked the Congress in 1971 to create an independent Legal Services Corporation, I said that my proposal had three major objectives. Those same objectives apply to my proposal today:
>
> "First, that the corporation itself be structured and financed so that it will be assured of independence; second, that the lawyers in the program have full freedom to protect the best interests of their clients in keeping with the Canons of Ethics and the high standards of the legal profesion; and third, that the Nation be encouraged to continue giving the program the support it needs in order to become a permanent and vital part of the American system of justice."

Mr. President, on April 16, 1973, I joined with a number of Senators in a letter to the President, urging prompt transmittal of a new proposal for a national corporation, as distinct from a State plan approach and pledging "every consideration" to such a new proposal.

The President has "kept faith" with that general request and I shall keep faith with him by insuring the full consideration which we pledged.

In that spirit, I hope that we will work speedily toward a bill which will have the full support of the Congress and the Executive so that this very gifted concept—which the President has championed and which has been frustrated for 2 years—can be given life.

A BASIC ELEMENTS OF THE BILL

With that background, I shall outline the basic elements of the administration's proposal to establish a Legal Services Corporation, which as I indicated, is being offered as an amendment to the bill.

First, the bill would establish a nonprofit Corporation under the laws of the District of Columbia for the purpose of providing legal services; it would be governed, like last year's administration bill, by an 11 member board appointed by the President, with the advice and consent of the Senate; not more than six members would be of the same political affiliation and a majority would be required to be attorneys.

Second, the Corporation, generally like last year's bill, would be authorized to make grants and enter into contracts with individuals, partnerships, firms, organizations, and corporations.

Third, the Corporation would establish a nine member advisory council in each State, to be appointed by the Governor, or if he failed to act, by the national board. The State council would maintain a continuing review of all legal services. This is essentially a new feature.

Fourth, restrictions would be imposed with respect to representation in criminal proceeding, lobbying, public interest law firms, organizational matters and a number of other activities; any "interested party" could bring suit against the Corporation or its recipients, for a violation of these requirements; many of these provisions are also "new".

Fifth, any person could qualify for legal assistance under the program so long as his income were less than 200 percent of the poverty level and his lack of income did not result from a refusal to seek or accept a job. These are more expansive eligibility requirements than proposed in last years proposal.

Sixth, the Corporation would also be charged with responsibility for conducting a study of alternative ways of delivering legal services, such as judicare, vouchers, prepaid legal insurance, and contracts with law firms. A report of this study would be prepared and submitted to the President and the Congress no later than June 30, 1974. This is also essentially a "new" feature.

Mr. President, many of these provisions are new, some are from the administration's previous proposal but "tougher" than previously advanced, others are subject to different interpretations in terms of practice and constitutional law and some of what I considered to be commendable elements of last year's bill for example, advisory councils—are not included.

We hope that these and other points—as those in other proposals before the Congress—will be addressed with the greatest attention, and of course, the views of the organized bar and the attorneys in the current program with respect to these and other provisions will—as in the past—be a strong guiding force in the final legislation which results.

These provisions and those of other bills before the Congress must be judged by the very principles enunciated by the President—not only in terms of their intent but their potential effects, the independence of the Corporation; freedom of the attorney and maintenance of a vital program.

As in the case of the existing program and previous proposals to establish a Corporation, it shall be my policy to oppose or clarify the elements which could tend to politicize the program and to support and refine elements that will serve to professionalize it.

There have been abuses against the program and abuses within the program and both must be guarded against with great care as we give the program a new home—where it hopefully can "come of age," thrive, and take larger jumps in terms of quantity and quality toward the goal of equal justice, to use the President's own words, as a "basic right of all Americans."

Mr. President, I ask unanimous consent that the following be printed in the Record at this point: a copy of the statement by the President, dated May 11, 1973, a comparison prepared at my request by the legislative reference service showing the elements of this proposal, last year's bill, and amendment No. 5 to S. 706 a copy of the letter to the President dated April 16, joined by Senator Mondale, Senator Taft, the ranking minority member of the Subcommittee on Employment, Poverty, and Migratory Labor of the Senate Committee on Labor and Public Welfare, and Senators Schweiker, Stafford, Mondale, Williams, Kennedy, and Cranston, each member of the committee, as well as a copy of the bill, the amendment, and my previous statements on this subject.

There being no objection, the bill, amendment, and material were ordered to be printed in the Record as follows:

S. 1815

A bill to provide for an additional year of authorization for programs under the Economic Opportunity Act of 1964

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That sections 245 and 615 of the Economic Opportunity Act of 1964 are each amended by striking out "eight succeeding fiscal years" and inserting in lieu thereof "nine succeeding fiscal years".

Sec. 2. Section 602(d) of the Economic Opportunity Act of 1964 is amended by adding at the end thereof the following: "except that the Director shall not delegate to any other existing agency his functions with respect to the legal services programs assisted pursuant to section 222(a)(3), 230, 232 and other provisions of this Act, but in order to maintain such programs, he may delegate such functions to the Secretary of Health, Education and Welfare, such delegation to be effective at any time after June 30, 1973.

Sec. 3. Section 3(c)(2) of the Economic Opportunity Amendments of 1972 (P.L. 92–424) is amended by adding at the end thereof the following new sentence: Nothing contained in this paragraph shall prohibit a delegation of functions with respect to legal services programs pursuant to section 602(d) of the Economic Opportunity Act of 1964.

Sec. 4. Section 114 of the Economic Opportunity Amendments of 1969 (P.L. 91–177) is hereby repealed.

No. 132

Add the following at the end thereof:

Sec. 5. (a) The Economic Opportunity Act of 1964 is further amended by adding at the end thereof the following new title:

"LEGAL SERVICES CORPORATION ACT

"SHORT TITLE

"Sec. 1001. This title may be cited as the 'Legal Services Corporation Act'.

"DEFINITION

"Sec. 1002. As used in this Act, the term—

"(1) 'State' means any state of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, or any of the territories and possessions of the United States;

"(2) 'governor' means the chief executive officer of a state;

"(3) 'legal assistance' means the provision of any legal services under this Act; and

"(4) 'staff attorney' means an attorney who receives a majority of his annual professional income from legal assistance under this Act.

"ESTABLISHMENT OF CORPORATION

"Sec. 1003. (a) There is hereby established in the District of Columbia a private nonmembership nonprofit corporation which shall be known as the 'Legal Services Corporation' (hereinafter in this Act referred to as the 'Corporation') for the purpose of providing financial support for legal assistance in noncriminal matters to persons financially unable to afford legal assistance (hereinafter in this Act referred to as 'eligible clients').

"(b) The Corporation shall maintain its principal office in the District of Columbia and shall, it at all times, maintain therein a designated agent to accept service of process for the corporation. Notice to or service upon the agent shall be deemed notice or service upon the corporation.

"GOVERNING BODY

"Sec. 1004 (a) The Corporation shall have a Board of Directors (hereinafter in this Act referred to as the 'board') consisting of eleven voting members appointed by the President, by and with the advice and consent of the Senate, no more than six of whom shall be of the same political party. A majority shall be members of the bar of the highest court of any state and none shall be a full time employee of the United States.

"(b) The term of office of each member of the Board shall be three years or until his successor has been appointed and has qualified; except that of the members first appointed, five members designated by the President shall serve for a term of two years. For purposes of this subsection, the term of office of the initial members of the Board shall be computed from the date of enactment of this Act. Any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of that term. The term of all members shall be computed from the date of termination of the preceding term. No member shall be reappointed to more than two consecutive terms immediately following his initial term.

"(c) The members of the Board shall not, by reason of such membership, be deemed officers or employees of the United States.

"(d) The President shall select from among the voting members of the Board a Chairman, who shall serve for a term of one year.

"(e) A member of the Board may be removed by a vote of seven members for malfeasance in office, persistent neglect of, or inability to perform, duties and for no other cause.

"(f) Within six months following the appointment of all members of the Board, the Board shall request the Governor of each State to appoint a nine-member advisory council for his State. A majority of the members of the advisory council shall be chosen from among the lawyers admitted to practice in the State and the members of the council shall be subject to annual reappointment. Should the Governor fail to appoint the advisory council within ninety days of receipt of said request from the Board, the Board shall appoint such a council. The advisory council shall be charged with notifying the corporation of any apparent violation of the provisions of this Act and applicable rules and regulations.

"(g) All meetings of the Board, of any executive committee of the Board, and of State advisory councils shall be open to the public, unless the membership of such bodies, by two thirds vote of those elegible to vote, determines that an executive session should be held on a specific occasion.

"OFFICERS AND EMPLOYEES

"SEC. 1005. (a) The Board shall appoint the President of the Corporation, who must be a member of the bar of the highest court of a State and shall be a nonvoting, ex officio member of the Board, and such other officers as the Board determines to be necessary. No officer of the Corporation may receive any salary or other compensation for services from any source other than the Corporation during his period of employment by the Corporation. All officers shall serve at the pleasure of the Board.

"(b) The President of the Corporation, subject to general policies established by the Board, may appoint and remove such employees as he determines to be necessary to carry out the purposes of the Corporation.

"POWERS, DUTIES, AND LIMITATION

"SEC. 1006. (a) In addition to the powers conferred upon a nonprofit corporation by the District of Columbia Nonprofit Corporation Act, the Corporation shall have authority—

"(1) to make grants to, and to contract with, individuals, partnerships, firms, organizations, corporations, State and local governments, and other appropriate entities (hereinafter in this Act referred to as 'recipients') for the purpose of providing legal assistance to eligible clients;

"(2) to accept grants, gifts, devises, and bequests in furtherance of the purposes of the Corporation; and

"(3) to undertake, either directly or by grant or contract: (i) research, (ii) training and technical assistance, and (iii) to serve as a clearinghouse for information, relating to the delivery of legal assistance under this Act.

"(b)(1) The Corporation shall have authority to insure the compliance of recipients and their employees with the provisions of this Act and the corporate charter and bylaws, and to terminate, after a hearing, financial support to a recipient which fails to comply.

"(2) If an employee of a recipient violates or causes the recipient to violate the provisions of this Act or the charter, bylaws, or guidelines of the Corporation, the recipient shall take appropriate disciplinary action.

"(3) The Corporation shall not interfere with any attorney in carrying out his professional responsibility to his client or abrogate the authority of a State to enforce the applicable standards of professional responsibility which apply to the attorney.

"(4) No attorney shall receive any compensation, either directly or indirectly, for the provision of legal assistance under this Act, unless such attorney is admitted to practice law in the State where the rendering of such assistance is initiated.

"(5) The Corporation shall insure that its employees and employees of recipients, which employees receive a majority of their annual professional income from legal assistance under this Act, shall refrain from participation in, and refrain from encouragement of others to participate in, any of the following activities: (i) rioting, civil disturbance, picketing, boycott, or strike; or (ii) any form of activity which is in violation of an outstanding injunction of any Federal, State, or local court; or (iii) any illegal activity. The Board, within ninety days of the date of enactment of this Act, shall issue rules and regulations to provide for the enforcement of this subsection, which rules shall include provisions for termination or summary suspension of legal assistance supported under this Act, and suspension or termination of compensation to an employee of the Corporation or of a recipient under this Act.

"(6)(A) Any interested person may bring an action in a Federal district court to enforce compliance with the prohibitions of or under this Act by the Corporation or any recipient or any officer or employee of the Corporation or of any recipient.

"(B) If an action is brought under clause (A) to enforce compliance with the prohibitions of or under this Act and a final judgment is rendered in favor of the plaintiff, the Corporation shall promptly reimburse him for his costs and legal fees incurred in prosecution of the action.

"(d) The Corporation shall not—

"(1) participate in litigation on behalf of clients other than the corporate entity itself;

"(2) undertake to influence the passage or defeat of any legislation by the Congress of the United States or by any State or local legislative bodies, except that personnel of the Corporation may testify when formally requested to do so by a legislative body, a committee, or a member thereof.

"(e)(1) The Corporation shall have no power to issue any shares of stock, or to declare or pay any dividends.

"(2) No part of the income or assets of the Corporation shall inure to the benefit of any director, officer, or employee, except as reasonable compensation for services.

"(3) Neither the Corporation nor any recipient shall contribute or make available corporate funds or program personnel or equipment to any political party, political association, or candidate for elective office.

"(4) Neither the Corporation nor any recipient shall contribute or make available corporate funds or program personnel or equipment for use in advocating or opposing any legislative proposals, ballot measures, initiatives, referendums, executive orders, or similar enactments or promulgations.

"GRANTS AND CONTRACTS

"SEC. 1007. (a) With respect to grants or contracts to provide legal assistance to eligible clients, the Corporation shall—

"(1) insure the maintenance of the highest quality of service and professional standards, adherence to the preservation of attorney-client relationships, and the protection of the integrity of the adversary process from any impairment in furnishing legal assistance to eligible clients;

"(2) establish that an individual shall be eligible for legal assistance pursuant to this Act (referred to in this Act as an 'eligible client') if his annualized gross income is less than 200 per centum of the poverty level as defined by the Office of Management and Budget; except that no individual, capable of gainful employment, shall be eligible for the receipt of legal assistance if his lack of gross income results from his refusal or unwillingness to seek or accept employment;

"(3) establish a schedule of fees which will require the client, if able, to pay at least a portion of the cost of legal assistance;

"(4) insure that grants are made and contracts are entered into so as to provide adequate legal assistance to persons in both urban and rural areas;

"(5) insure that attorneys employed full time in legal assistance activities supported in whole or in part by the Corporation represent only eligible clients and refrain from any outside practice of law;

"(6) insure that no funds made available to recipients by the Corporation shall be used at any time, directly or indirectly, to undertake to influence the passage or defeat of any legislation by the Congress of the United States, or by any State or local legislative bodies; except that personnel of any recipient may testify when formally requested to do so by a legislative body, a committee, or a member thereof;

"(7) insure that all attorneys, while engaged in legal assistance activities supported in whole or in part by the Corporation, refrain from—

"(A) any political activity; or

"(B) any activity to provide voters or prospective voters with transportation to the polls or provide similar assistance in connection with an election (other than legal representation in civil or administrative proceedings); or

"(C) any voter registration activity (other than legal representation);

and insure that attorneys receiving a majority of their annual professional income from legal assistance activities supported in whole or in part by the corporation refrain from the above enumerated activities at any time; and

"(8) the Corporation shall establish guidelines for a system for review of appeals to be implemented by each recipient to insure the efficient utilization of resources and to prevent the taking of frivolous and duplicative appeals.

"(b) No funds made available by the Corporation under this Act, either by grant or contract, may be used—

"(1) to provide legal assistance under this Act with respect to a criminal proceeding or incarceration for a crime;

"(2) for any of the political activities described in section 1007(a)(7) above;

"(3) to award grants or enter into contracts with any public interest law firm which expends any resources and time litigating issues either in the broad interests of a majority of the public or in the collective interests of the poor, or both;

"(4) to provide legal assistance under this Act to any person of less than eighteen years of age without formal written consent of one of said persons' parents or guardians, except that if a person of less than eighteen years of age has no parent or legal guardian, an attorney compensated under this Act may represent such person for the purpose of petitioning the court to request appointment of a guardian ad litem, with the written consent of a guardian ad litem necessary for continued provision of such legal assistance.

"(5) to support or conduct training programs for the advocacy of, as distinguished from the dissemination of information about, particular public policies or which encourage political activities, labor or antilabor activities, boycotts, picketing, strikes, and demonstrations; and

"(6) to organize, to assist to organize, or to encourage to organize, or plan for, the creation or formation of, or the structuring of, any organization, association, coalition, alliance, federation, confederation, or any similar entity except as authorized by the Corporation.

"(c) In making grants or entering into contracts for legal assistance, the Corporation shall insure that any recipient organized solely for the purpose of providing legal services to eligible clients is governed by a body a majority of which consists of lawyers who are members of the bar of the State in which the legal services are to be provided.

"(d) The Corporation shall monitor and evaluate programs supported in whole or in part under this Act to insure that the provisions of this Act and the bylaws of the Corporation and applicable rules and regulations are carried out.

"(e) Grants and contracts under this Act shall be made or entered into by the President in the name of the Corporation, but the Board may by rule establish classes of grants or contracts to be reviewed and approved by it prior to such action by the President.

"(f) At least thirty days prior to the Corporation's approval of any grant application or prior to entering into a contract, the Corporation shall notify the Governor and the State bar association of the State in which the recipient will offer legal assistance. Notification shall include a reasonable description of the grant application or proposed contract and request their comments and recommendations.

"(g) The Corporation shall insure that no less than 10 per centum of the moneys it expends in any year shall go to activities which are non-staff-attorney oriented.

"(h) The Corporation shall conduct a study of alternative methods of delivery of legal services to eligible clients including judicare, vouchers, prepaid legal insurance, and contracts with law firms and shall make recommendations to the President and the Congress on or before June 30, 1974, concerning improvements, changes, or alternative methods for delivery of the systems.

"RECORDS AND REPORTS

"SEC. 1008. (a) The Corporation shall have authority to require such reports as it deems necessary from recipients of grants or contracts.

"(b) The Corporation shall have authority to prescribe the keeping of records with respect to funds provided by grant or contract and shall have access to such records at all reasonable times for the purpose of insuring compliance with the grant or contract.

"(c) The Corporation shall publish an annual report which shall be filed by the Corporation with the President and the Congress.

"(d) Copies of all reports pertinent to the evaluation, inspection, or monitoring of recipients shall be maintained in the principal office of the Corporation for a period of at least five years subsequent to such evaluation, inspection, or monitoring. Such reports shall be available for public inspection during regular business hours and copies shall be furnished, upon request, to interested parties upon payment of such reasonable fees as the Corporation may establish.

"AUDITS

"SEC. 1009. (a) The accounts of the Corporation shall be audited annually. Such audits shall be conducted in accordance with generally accepted auditing standards by independent certified public accountants who are certified by a regulatory authority of the jurisdiction in which the audit is undertaken.

"(b) The audits shall be conducted at the place or places where the accounts of the Corporation are normally kept. All books, accounts, financial records, reports, files and other papers, things or property belonging to or in use by the Corporation and necessary to facilitate the audits shall be made available to the person or persons conducting the audits; and full facilities for verifying transactions with the balances and securities held by depositories, fiscal agents, and custodians shall be afforded to such person or persons. The report of the annual audit shall be filed with the General Accounting Office and shall be available for public inspection during business hours at the principal office of the Corporation.

"(e) In addition to the annual audit, the financial transactions of the Corporation for any fiscal year during which Federal funds are available to finance any portion of its operations may be audited by the General Accounting Office in accordance with such rules and regulations as may be prescribed by the Comptroller General of the United States. Any such audit shall be conducted at the place or places where accounts of the corporation are normally kept. The representatives of the General Accounting Office shall have access to all books, accounts, records, files, and all other things, papers or property belonging to or in use by the Corporation pertaining to its financial transactions and necessary to facilitate the audit, and they shall be afforded full facilities for verifying transactions with the balances or securities held by depositories, fiscal agents, and custodians. All such books, accounts, records, reports, files, papers, and property of the Corporation shall remain in the possession and custody of the Corporation. A report of such audit shall be made by the Comptroller General to the President and to the Congress, together with such recommendations with respect thereto as he shall deem advisable.

"(d) The Corporation shall audit or require each recipicent to provide for an annual audit. The report of each such audit shall be maintained for a period of at least five years at the principal office of the Corporation. The Comptroller General of the United States shall receive copies of such reports and may, in addition, inspect the books, accounts, records, files, and all other papers things, or property belonging to or in use by the recipients, which relate to the disposition or use of funds received from the Corporation. The audit reports shall be available for public inspection, during regular business hours, at the principal office of the Corporation. Notwithstanding this subsection, neither the Corporation nor the Comptroller General shall have access to individual case records subject to the attorney-client privilege.

"FINANCING

"SEC. 1010. (a) There are authorized to be appropriated such sums as may be necessary to carry out the activities of the Corporation. The first such appropriation may be made available to the Board at any time after six or more members have been appointed and qualified. Subsequent appropriations shall be for three-year periods or such other periods as appropriation acts may designate, and, if for more than one year, shall be paid to the Corporation in anual installments at the beginning of each fiscal year in such amounts as may be specified in the appropriation acts.

"(b) Where moneys are received by the Corporation or any recipient from funds not made available by the Corporation, they shall not be commingled with funds derived from appropriations under this Act.

"RIGHT TO REPEAL, ALTER OR AMEND

"SEC. 1011. The right to repeal, alter or amend this Act at any time is expressly reserved."

STATEMENT BY THE PRESIDENT

Two years ago I proposed the creation of a Legal Services Corporation as a means of delivering high quality legal assistance to those who would otherwise be unable to afford it. The need still exists, and today I am once again asking the Congress to establish this corporation.

I firmly believe that we must provide a mechanism to overcome economic barriers to adequate legal assistance.

Eight years ago a legal services program was initiated as a small experiment within the Office of Economic Opportunity. It grew rapidly and today more than 2,250 lawyers are assisting the needy in about 900 neighborhood law offices.

We have learned many lessons during this time. We have learned, for instance, that any Federally-sponsored effort which runs counter to State and local officials is sure to spark controversy. We have learned that Federal programs with noble social aims must be carefully structured to mitigate abuse by those who run them. But more than anything else, we have learned that legal assistance for the poor, when properly provided, is one of the most constructive ways to help them to help themselves. During this period, we have also learned that justice is served far better and differences are settled more rationally within the system than on the streets. Now is the time to make legal services an integral part of our judicial system.

When I asked the Congress in 1971 to create an independent Legal Services Corporation, I said that my proposal had three major objectives. Those same objectives apply to my proposal today:

"First, that the corporation itself be structured and financed so that it will be assured of independence; second, that the lawyers in the program have full freedom to protect the best interests of their clients in keeping with the Canons of Ethics and the high standards of the legal profession; and third, that the Nation be encouraged to continue giving the program the support it needs in order to become a permanent and vital part of the American system of justice."

Many of the features of the new legislation are also similar to those in the 1971 proposal:

The corporation would be non-profit and governed by a board of eleven members appointed by the President, with the advice and consent of the Senate. No more than six members could be of the same political affiliation, and a majority would have to be attorneys.

The corporation would be authorized to make grants or enter into contracts with individuals, partnerships, firms, organizations, and corporations, as well as with State and local governments for the purpose of providing legal assistance to eligible clients.

The corporation would be authorized to undertake research on the delivery of legal services and to serve as a clearinghouse for information on such services.

No funds provided by the corporation could be used with respect to criminal proceedings.

While engaged in legal assistance activities, attorneys would be barred from participating in political activities and from encouraging or participating in strikes, boycotts, picketing and various forms of civil disturbance.

In addition to these provisions, the new legislation contains several features which I believe represent an improvement over my 1971 proposal:

A nine-member advisory council would be established in each State, to be appointed by the Governor or, if he failed to act, by the national board. The State advisory council would maintain a continuing review of all legal service activities within its State and would report any program abuses to the national board.

Anyone could qualify for legal assistance under the program so long as his income were less than 200 percent of the poverty level and his lack of income did not result from a refusal to seek or accept a job.

The corporation would also be charged with responsibility for conducting a study of alternative ways of delivering legal services, such as judicare, vouchers, prepaid legal insurance, and contracts with law firms. A report of this study would be prepared and submitted to the President and the Congress no later than June 30, 1974.

I firmly believe that this bill merits the support of all who believe in a legal services program which gives the poor the help they need, which is free and independent of political pressures and which includes safeguards to ensure that it operates in a responsible manner.

America's system of law now requires equal treatment for all in our courts of criminal justice. It is no less important that equal access be afforded those who seek redress through our civil laws.

We propose no special favors for any group in our society, nor do we seek to mandate the use of the legal system to the exclusion of other social institutions as instruments of social progress. We propose, simply, to protect and preserve a basic right of all Americans.

STATEMENT OF SENATOR JACOB K. JAVITS

Through the establishment of a legal services corporation, the President's proposal puts us "back on the track" concerning the future of the essential legal services program as part of the Federal Anti-poverty program. I shall join in the introduction of the Administration's bill accordingly.

The President has "kept faith" through this proposal with the Administration's own legal services corporation idea, professionalizing the current efforts, and as I have urged, has rejected other schemes that apparently had been under consideration which could serve to "politicize" the program by placing it almost entirely under State and local control.

While differences remain with respect to the particular terms and some elements of the proposal give me concern, there is now a renewed bi-partisan commitment by the Executive and the Congress together, for a legal services corporation and I am very hopeful that this very gifted concept, which has been frustrated for more than two years, can now be enacted into law at an early date.

While I am very heartened by the Administration's submittal it will not guarantee against a "hiatus" in the current legal services effort since the Administration has requested funding for the program, at the level of $71.5 million after July 1 of this year only if the new corporation is established. Even if we act swiftly on legislation to do so—as I shall urge—it is possible that such a corporation can not be ongoing by that date.

It is therefore essential that this commitment to a new corporation be coupled with a commitment, also joined in by the Executive and the Congress, for continued funding for the current legal services program in the interim so that the current program will not have its "back up against the wall" and continuity and vital services to the poor will not be lost in the transition to a new corporation.

Accordingly, in the context of the Second Supplemental Appropriations bill, soon to be considered in the Senate, I plan to seek—together with a number of my colleagues—advance funding for the current legal services effort with transfer of those funds to a new corporation once it is established and I hope that the Administration will support those efforts to overcome the last stumbling block to effective continuation of the program. I hope also that no changes will be made in the existing program with respect to the major elements pending establishment of the corporation.

U.S. SENATE,
COMMITTEE ON LABOR
AND PUBLIC WELFARE,
Washington, D. C., April 16, 1973.

The Honorable RICHARD M. NIXON,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: We are writing to you as supporters of the concept of a National Legal Services Corporation, which we believe to be the most effective means of providing equal justice under the law for Americans who are poor.

Although we may differ among ourselves on the precise form such a corporation should take, we share the objective expressed in last year's Administration bill, S. 1769, to establish a National Legal Services Corporation, with an independent board, making funding available directly to grantee programs. We believe this is a highly effective means of providing for a legal services program responsive both to the legal needs of the poor and to the general public.

Accordingly, we are pleased that your fiscal year 1974 budget submitted in January indicated that you have maintained your commitment to this concept and would transmit new legislation to that end.

However, we are concerned that your proposal has not been submitted to Congress as of this date and that in the interim, as a result, the effective operation of the current legal services program has been impaired by short-term funding and questions about its future.

We urge that legislation for a National Legal Services Corporation be transmitted in the immediate future, so that it, along with other proposals before the Congress, may be considered and acted upon at the earliest possible date.

We pledge that the Administration proposal will be given every consideration in order to promptly establish a National Legal Services Corporation to meet the vital needs for equal justice under our Constitution.

With best regards,

Sincerely,

Jacob K. Javits, Robert Taft, Jr., Richard S. Schweiker, Robert T. Stafford, Walter F. Mondale, Alan Cranston, Harrison A. Williams, Edward M. Kennedy.

COMPARISON OF MAJOR DIFFERENCES IN THE LEGAL SERVICES CORPORATION PROVISIONS

S. 1769 (introduced by Mr. Cook, et al, 92d Congress);
S. 706 Amendment No. 5 (intended to be proposed by Mr. Mondale, et al, 93rd Congress);
S. 1815 (introduced by Mr. Javits) Amendment No. 132 (intended to be proposed by Mr. Javits).

S. 1769 (92D CONGRESS) *Legal Services Corporation*	S. 706—AMENDMENT NO. 5 (93D CONGRESS) *National Legal Services Corporation*	AMENDMENT NO. 132 TO S. 1815 (93D CONGRESS) *Legal Services Corporation*
1. Board of Directors. [Sec. 902(a)]. The President appoints the 11-member Board of Directors, by and with the advice and consent of the Senate. No more than 6 of the 11-member Board shall be of the same political party. A majority shall be members of the bar of the highest court of a jurisdiction. None shall be a full time employee of the United States.	Board of Directors. [Sec. 904(a)]. The President appoints the 19-member Board of Directors, by and with the advice and consent of the Senate. The 19 members shall be appointed as follows: (1) 10 members from the general public, not less than 6 of whom shall be members of the bar of the highest court of a Senate; (2) 5 members representative of the organized bar and legal education; (3) 2 members from among individuals eligible for assistance under this title; and (4) 2 members from among former legal services project attorneys. Certain, specified organized bar and legal education groups may submit recommendations to the President with respect to the 5 Board members representative of the organized bar and legal education. The Clients Advisory Council may submit recommendations to the President with respect to the 2 Board members from among those eligible for assistance under this title. The Project Attorneys Advisory Council may submit recommendations to the President with respect to the 2 Board members from among former legal services project attorneys.	Board of Directors. [Sec. 4(a)]. The President appoints the 11-voting-member Board of Directors, by and with the advice and consent of the Senate. No more than 6 of the 11-member Board shall be of the same political party. A majority shall be members of the bar of the highest court of any State. None shall be a full-time employee of the United States.
[Sec. 902(d)]. The Board selects a chairman from among its members—to serve for a 1-year term.	[Sec. 904(a)]. The Board elects annually, by majority vote, a chairman from among its members.	[Sec. 4(d)]. The President selects a chairman from among the voting members—to serve for a 1-year term.
[Sec. 902(e)]. A Board member may be removed by a vote of 7 members—*only* for malfeasance in office or persistent neglect of or inability to perform duties.		[Sec. 4(e)]. A Board member may be removed by a vote of 7 members—*only* for malfeasance in office or persistent neglect of or inability to perform duties.
	[Sec. 904(f)(1)]. No person who is a paid employee or consultant of the Corporation or its grantees may serve on the Board. [Sec. 904(f)(2)].	

COMPARISON OF MAJOR DIFFERENCES IN THE LEGAL SERVICES CORPORATION PROVISIONS—Continued

S. 1769 (92D CONGRESS)—Continued *Legal Services Corporation*—Continued	S. 706—AMENDMENT NO. 5 (93D CONGRESS)—Continued *National Legal Services Corporation*—Con.	AMENDMENT NO. 132 TO S. 1815 (93D CONGRESS)—Continued *Legal Services Corporation*—Continued
	No Board member may participate in any decision, action, or recommendation with respect to any matter which directly benefits that member or any firm or organization with which that member is then currently associated.	Incorporating Trusteeship.
	[Sec. 904(e)]. All meetings of the Board, the executive committee of the Board, and advisory councils shall, whenever appropriate, be open to the public. Proper notice of public meetings shall be provided to interested parties and the public.	[Sec. 4(g)]. All meetings of the Board, any executive committee of the Board, and advisory councils shall be open to the public—*unless*, by a ⅔ vote, the membership of a body determines that an executive session should be held on a specific occasion.
2. Incorporating Trusteeship. [Sec. 901(b)]. The initial Board of Directors establishes the Corporation.	Incorporating Trusteeship. [Sec. 903(b)] Establishes an Incorporating Trusteeship to be composed of the following persons or their designees: (a) the president of the American Bar Association; (b) the president of the Association of American Law Schools; (c) the president of the American Trial Lawyers Association; (d) the president of the National Bar Association; and (e) the president of the National Legal Aid and Defender Association. [Sec. 903(c)]. The Incorporating Trusteeship shall establish the initial Clients Advisory Council and the initial Project Attorneys Advisory Council—after consulting with and receiving the recommendations of national organizations of persons eligible for assistance under this title and associations of active legal services attorneys. Each initial Advisory Council is to be composed of 11 members selected in accordance with procedures, meeting certain requirements in the legislation, established by the Incorporating Trusteeship. The initial advisory councils shall be composed of, respectively, persons eligible for assistanve under this title and attorneys actively engaged in providing legal services under any existing legal services program. [Sec. 903(e)]. The Incorporating Trusteeship shall incorporate the Corporation and prepare for the first meeting of the Board of Directors—*except for* the selection of the Corporation's Executive Director.	
3. Advisory Council. [Sec. 902(f)]. The Board of Directors shall appoint an *Advisory Council.* Advisory Council members shall include: (a) persons who meet client-eligibility standards; and (b) representatives of the organized bar. The Advisory Council shall: (a) be convened by the Corporation president at least twice annually; and (b) render advice to the Corporation on matters pertaining to the Corporation.	Advisory Councils. [Sec. 905(a)]. The Board of Directors shall provide for the selection of a *Clients Advisory Council* (subsequent to the initial Council established by the Incorporating Trusteeship)—after consulting with and receiving the recommendations of national organizations of persons eligible for assistance under this title. It shall be composed of not more than 11 members, selected in accordance with procedures, meeting certain requirements in the legislation, established by the Board of Directors from among those eligible for assistance under this title. It shall advise the Board of Directors and the executive director of the Corporation on policy matters relating to the needs of the client community and may act as a liaison with the client community through activities it deems appropriate. It may also submit recommendations to the President in regard to the appointment of the 2 Board members from among those eligible for assistance under this title. The Board of Directors shall provide for the selection of a *Project Attorneys Advisory Council* (subsequent to the initial Council established by the Incorporating Trusteeship)—after consulting with and receiving the recommendations of associations of active legal services attorneys.	Advisory Councils. [Sec. 4(f)]. The Board of Directors shall request the governor of each *State* to appoint a 9-member *advisory council* for the State. If a governor fails to appoint a State advisory council within 90 days of receiving the Board's request, the Board of Directors shall appoint a State advisory council. A majority of each advisory council's members shall be chosen from among lawyers admitted to practice in the State and all members shall be subject to annual reappointment. Each State advisory council shall be charged with notifying the Corporation of any apparent violation of the provisions of this Act and applicable rules and regulations.

S. 1769 (92D CONGRESS)—Continued *Legal Services Corporation*—Continued	S. 706—AMENDMENT NO. 5 (93D CONGRESS)—Continued *National Legal Services Corporation*—Con.	AMENDMENT NO. 132 TO S. 1815 (93D CONGRESS)—Continued *Legal Services Corporation*—Continued
	It shall be composed of not more than 11 members, selected in accordance with procedures, meeting certain requirements in the legislation, established by the Board of Directors from among attorneys actively engaged in providing legal services under this title. It shall advise the Board of Directors and the executive director of the Corporation on policy matters relating to the furnishing of legal services. It may submit recommendations to the President in regard to the appointment of the 2 Board members from among former legal services project attorneys. [Sec. 905(c)]. The Board of Directors shall provide sufficient resources for each advisory council.	
4. Lobbying and Political Activity.	Lobbying and Political Activity.	**Lobbying and Political Activity.**
[Sec. 904(d)(2)]. The Corporation shall have no authority to undertake to influence the passage or defeat of any legislation by the Congress or State or local legislative bodies by representations to such bodies, their members, or their committees—*unless* such bodies, their members, or their committees request that the Corporation make representations to them.		[Sec. 6(d)(2)]. The Corporation shall not undertake to influence the passage or defeat of any legislation by the Congress or by any State or local legislative bodies—*except that* Corporation personnel may testify when formally requested by a legislative body, or one of its committees or members.
[Sec. 905(a)(6)]. The Corporation shall insure: (a) that *all* attorneys refrain from undertaking to influence the passage or defeat of any legislation by the Congress or State or local legislative bodies, their members, or their committees *while engaged in activities carried on by Corporation-funded legal services programs*—unless the attorney is requested to make representations; and (b) that attorneys *employed full-time* by Corporation-funded legal services programs refrain from lobbying (as set forth in "(a)" immediately above) *at any time*—unless the attorney is requested to make representations.	[Sec. 906(e)(1)]. The Corporation shall establish procedures and guidelines to insure that *no funds or personnel* made available by the Corporation are used to undertake to influence the passage or defeat of any proposed convention, constitutional amendment, code, statute, executive order, ordinance, regulation, rule, or similar enactment or promulgation considered in any form by any legislative body by representations to such body (or committee or member thereof) or any similar activity—*except where*— (a) an attorney representing an eligible client is requested by the client to make a representation or undertake a similar activity *and* the representation or activity is carried out so as to *not* identify the Corporation or any Corporation-funded legal services program with such representation or activity; and (b) personnel of the Corporation or any Corporation-assisted legal services program are requested by a legislative body (or committee or member thereof) to make representations or carry out a similar activity.	[Sec. 7(a)(6)]. The Corporation shall insure that *no funds* made available to recipient programs are used at any time, directly or indirectly, to undertake to influence the passage or defeat of any legislation by the Congress or by any State or local legislative bodies—*except that* personnel of any recipient program may testify when formally requested by a legislative body, or one of its committees or members.
	[Sec. 906(e)(2)]. Procedures established by the Corporation concerning the lobbying activities mentioned immediately above shall ensure that, where applicable, permitted representations and activities are undertaken in a manner consistent with the ABA Code and Canons.	[Sec. 6(e)(4)]. Neither the Corporation nor any recipient program shall contribute or make available corporate funds, program personnel, or equipment for use in advocating or opposing any legislative proposals, ballot measures, initiatives, referendums, executive orders, or similar enactments or promulgations.
	[Sec. 906(e)(3)]. No Corporation-provided funds shall be used (a) for any activity planned and carried out to disrupt the orderly conduct of business by the Congress or State or local legislative bodies, (b) for any demonstration, rally, or picketing aimed at the famiy or home of a member of a legislative body for the purpose of influencing his actions as a member of that body, and (c) for conducting any advertising campaign through the commercial media to influence the passage or defeat of legislation.	
[Sec. 905(a)(7)]. The Corporation shall insure: (a) that *all* attorneys, *while engaged in activities carried on by Corporation-funded legal services programs,* refrain from: (1) any partisan political activity associated with a candidate for public or party office or an issue specifically identified with a political party; (2) any activity to provide voters or prospective voters with transportation to the polls or provide similar assistance with an	[Sec. 907(d)(1)]. The corporation shall ensure that *all* employees of the Corporation or of Corporation-assisted legal services programs, *while engaged in activities carried on by the Corporation* or *Corporation-assisted programs,* refrain from: (1) any partisan or nonpartisan political activity associated with a candidate for public or party office; (2) any voter registration activity other than legal representation in civil judicial	[Sec. 7(a)(7)]. The Corporation shall insure: (a) that *all* attorneys, *while engaged in legal assistance activities supported in whole or in part by the Corporation,* refrain from: (1) any political activity; (2) any activity to provide voters or prospective voters with transportation to the polls or provide similar assistance in connection with an election (other than legal representation in civil or administrative proceedings);

COMPARISON OF MAJOR DIFFERENCES IN THE LEGAL SERVICES CORPORATION PROVISIONS—Continued

S. 1769 (92D CONGRESS)—Continued *Legal Services Corporation*—Continued	S. 706—AMENDMENT NO. 5 (93D CONGRESS)—Continued *National Legal Services Corporation*—Con.	AMENDMENT NO. 132 TO S. 1815 (93D CONGRESS)—Continued *Legal Services Corporation*—Continued
election (other than legal representation in civil or administrative proceedings); (3) any voter registration activity (other than legal representation); and (b) that attorneys *employed full-time* in Corporation-funded legal services programs refrain from the activities enumerated above *at any time.*	or administrative proceedings *or* in connection with legal advice as to adherence to applicable local, State, or Federal registration requirements; and (3) any activity to provide voters or prospective voters with transportation to the polls. Employees of the Corporation or Corporation-assisted legal services programs or the Corporation-assisted program with any partisan or nonpartisan political activity associated with a candidate for public or party office.	(3) any voter registration activity (other than legal representation); and (b) that *all* attorneys *receiving a majority of their annual professional income from legal assistance activities supported in whole or in part by the Corporation* refrain from the activities enumerated above *at any time.*
[Sec. 905(b)(2)]. No funds made available by the Corporation, either by grant or contract, may be used for any of the political activities described above.		[Sec. 7(b)(2)]. No funds made available by the Corporation, either by grant or contract, may be used for any of the political activities described above.
	[Sec. 907(d)(2)]. Employees of the Corporation shall be deemed State or local employees for "Hatch Act" purposes. [Sec. 907(d)(3)]. The Corporation-assisted legal services programs shall be deemed State or local agencies for certain "Hatch Act" provisions (i.e. prohibitions on using authority or influence to interfere with or affect the result of an election or nomination; and directly or indirectly coercing, attempting to coerce, command, or advise a State or local officer or employee to pay, lend, or contribute anything of value to a party, committee, organization, agency, or person for political purposes). [Sec. 907(d)(4)]. The Board of Directors shall set appropriate guidelines for the private political activities of full-time employees of Corporation-assisted legal services programs.	
	[Sec. 907(e)]. The Corporation shall ensure that all employees of the Corporation or of Corporation-assisted legal services program, *while engaged in activities carried on by the Corporation or Corporation-assisted programs,* refrain from participation in and encouragement of others to participate in: (1) illegal demonstrations, picketing, boycott, or strike; (2) any form of direct action in violation of an outstanding court injunction; and (3) *any form of direct action designed to involve physical violence, destruction of property, or physical injury.*	[Sec. 6(d)(5)]. The Corporation shall insure that Corporation and recipient program employees *receiving a majority of their annual professional income from legal assistance under this Act* refrain from participation in, and encouragement of others to participate in, any of the following activities: (1) rioting, civil disturbance, picketing, boycott, or strike; (2) any form of activity which is in violation of an outstanding injunction of any Federal, State, or local court; or (3) *any illegal activity.*
[Refer to Enforcement of Provisions comparison].	[Sec. 907(f)]. The Board of Directors shall issue rules and regulations to provide for enforcement of provisions on the nonprofit-nonpolitical nature of the Corporation—including (in accordance with notice and fair hearing provisions): (a) provisions for emergency suspension of assistance to a Corporation-assisted program; (b) summary suspensions of an employee of the Corporation or any Corporation-assisted program; and (c) termination of assistance and employment as deemed appropriate.	The Board of Directors, within 90 days of this Act's enactment, shall issue rules and regulations to provide for the enforcement of the illegal activity limitations mentioned above. These rules shall include provisions for termination or summary suspension of legal assistance under this Act, and suspension or termination of compensation to an employee of the Corporation or an employee of any recipient program.
[Sec. 905(e)(3)]. The Corporation may not contribute to or otherwise support any political party or candidate for elective public office.	[Sec. 907(c)]. The Corporation may not contribute to or otherwise support any political party or candidate for elective public office,	[Sec. 6(e)(3)]. Neither the Corporation nor any recipient program shall *contribute or make available corporate funds, program personnel, or equipment to any political party, political association, or candidate for elective office.* [Sec. 7(b)(5)]. No funds made available by the Corporation, either by grant or contract, may be used to support or conduct training programs for the advocacy of, as distinguished from the dissemination of information about, particular public policies or which encourage political activities, labor or anti-labor activities, boycotts, picketing, strikes, and demonstrations. [Sec. 7(b)(6)]. No funds made available by the Corporation, either by grant or contract, may be used to organize, to assist to organize, or plan for, the creation or formation of, or structuring of, any organization, association, coalition,

S. 1769 (92D CONGRESS)—Continued *Legal Services Corporation*—Continued	S. 706—AMENDMENT NO. 5 (93D CONGRESS)—Continued *National Legal Services Corporation*—Con.	AMENDMENT NO. 132 TO S. 1815 (93D CONGRESS)—Continued *Legal Services Corporation*—Continued
		alliance, federation, confederation, or any similar entity *except* as authorized by the Corporation.
5. Criminal Representation. [Sec. 905(b)(1)]. No funds made available by the Corporation, either by grant or contract, may be used to provide legal services with respect to *any criminal proceeding (including any extraordinary writ, such as habeas corpus and coram nobis, designed to challenge a criminal proceeding)*.	Criminal Representation. [Sec. 906(i)]. No funds or *personnel* made available by the Corporation shall be used to provide legal services with respect to *any criminal proceeding.*	Criminal Representation. [Sec. 7(b)(1)]. No funds made available by the Corporation, either by grant or contract, may be used to provide legal assistance with respect to *a criminal proceeding or incarceration for a crime.*
6. Outside practice of law. [Sec. 905(a)(5)]. The Corporation shall insure that attorneys employed full-time in Corporation-funded legal services programs *represent only eligible clients and refrain from any outside practice of law.*	Outside practice of law. [Sec. 906(d)]. The Corporation shall insure that attorneys employed full-time in Corporation-funded programs *refrain from any outside practice of law—unless permitted as pro bono publico activity pursuant to guidelines established by the Corporation.*	Outside practice of law. [Sec. 7(a)(5)]. The Corporation shall insure that attorneys employed full-time in legal assistance activities supported in whole or in part by the Corporation *represent only eligible clients and refrain from any outside practice of law.*
7. Solicitation.	Solicitation. [Sec. 906(f)]. The Corporation shall insure that no attorneys or other persons employed by it or employed or engaged in Corporation-funded programs, in any case, solicit the client community for professional employment. No Corporation funds shall be expended in pursuance of any employment resulting from such solicitation. Solicitation does not include mere announcement or advertisement that the Corporation is in existence and that its services are available *and* any conduct or activity permissible under the ABA Code and Canons.	Solicitation.
8. Public interest law firms. [Sec. 905(b)(3)]. No funds made available by the Corporation, either by grant or contract, may be used to award grants or enter into contracts which so-called "public interest law firms" which intend to expend at least *75% of their resources and time* litigating issues either in the broad interests of a majority of the public or in the collective interests of the poor, or both.	Public interest law firms.	Public interest law firms. [Sec. 7(b)(3)]. No funds made available by the Corporation, either by grant or contract, may be used to award grants or enter into contracts with any public interest law firm which expends *any resources and time* litigating issues either in the broad interests of a majority of the public or in the collective interests of the poor, or both.
9. Notification prior to approval of a grant or contract. [Sec. 905(f)]. *At least 30 days prior to approval of any* grant or contract application, the Corporation shall notify the *chief executive officer* of the State in which the recipient program will offer legal services. Notification shall include a reasonable description of the grant or contract application.	Notification prior to approval of a grant or contract. [Sec. 960(h)]. *At a reasonable time prior* to approval of any grant or contract application, the Corporation shall notify the *State bar association* of the State in which the recipient program will offer legal services. Notification shall include a reasonable description of the grant or contract application and *request the State bar association for comments and recommendations* on the grant or contract application.	Notification prior to approval of a grant or contract. [Sec. 7(f)]. *At least 30 days prior* to approval of any grant application or prior to entering into a contract, the Corporation shall notify the *Governor* (chief executive officer) and the *State bar association* of the State in which the recipient program will offer legal assistance. Notification shall include a reasonable description of the grant application or proposed contract and *request their comments and recommendations.*
10. Approval of grants or contracts. [Sec. 905(e)]. Grants and contracts shall be *made and refused* by the president of the Corporation—but the Board of Directors shall have authority to establish, by rules, which classes of grants or contracts it wishes to review and approve prior to action by the Corporation president. (NOTE.—The Corporation president is appointed by the Board of Directors.)	Approval of grants or contracts.	Approval of grants or contracts. [Sec. 7(e)]. Grants and contracts shall be *made or entered into* by the president of the Corporation *in the name of the Corporation,* but the Board of Directors may by rule establish classes of grants or contracts to be reviewed and approved by it prior to such action by the Corporation president. (NOTE.—The Corporation president is appointed by the Board of Directors.)
11. Review of appeals. [Sec. 905(a)(8)]. The Corporation shall establish guidelines for *a system for review of appeals* to be implemented by each recipient programs to insure the efficient utilization of resources and *to prevent the taking of frivolous and duplicative appeals.*	Review of appeals. [Sec. 906(g)]. The Corporation shall establish guidelines for *consideration of possible appeals* to be implemented by each Corporation grantee or contractor to insure the efficient utilization of resources. *Such guidelines shall in no way interfere with the attorney's responsibilities and obligations under the ABA Code and Canons.*	Review of appeals. [Sec. 7(a)(8)]. The Corporation shall establish guidelines for a system for review of appeals to be implemented by each recipient program to insure the efficient utilization of resources and *to prevent the taking of frivolous and duplicative appeals.*
12. Governing boards of recipient programs. [Sec. 905(c)]. In making contracts and grants for legal assistance, the Corporation shall insure that any recipient program organized solely for the purpose of providing legal services to eligible clients is governed by a body consisting of a *majority of lawyers.*	Governing boards of recipient programs. [Sec. 906(b)(6)]. The Corporation is authorized to establish procedures for the conduct of Corporation-assisted legal services programs containing a requirement that the applicant will give assurances that the program will be supervised by a policymaking board on which *members of the legal profession constitute a majority*	Governing boards of recipient programs. [Sec. 7(c)]. In making grants or entering into contracts for legal assistance, the Corporation shall insure that any recipient organized solely for the purpose of providing legal services to eligible clients is governed by a body consisting of a *majority of lawyers who are members of the bar of the State in*

COMPARISON OF MAJOR DIFFERENCES IN THE LEGAL SERVICES CORPORATION PROVISIONS—Continued

S. 1769 (92D CONGRESS)—Continued *Legal Services Corporation—Continued*	S. 706—AMENDMENT NO. 5 (93D CONGRESS)—Continued *National Legal Services Corporation—Con.*	AMENDMENT NO. 132 TO S. 1815 (93D CONGRESS)—Continued *Legal Services Corporation—Continued*
	and members of the client community constitute at least ⅓ of the board. *Waivers* in regard to the requirement for a majority of members from the legal profession may be granted by the Corporation to programs which have a majority of nonlawyer members on their policymaking boards upon the date of enactment of this Act.	*which the legal services are to be provided*
13. Independence of the attorney. [Sec. 904(c)(3)]. The Corporation shall not interfere with any attorney in carrying out his professional responsibility to his client or abrogate the authority of a particular jurisdiction to enforce the applicable standards of professional responsibility which apply to the attorney.	Independence of the attorney. [Sec. 906(a)(7)]. The Corporation is authorized to establish such procedures and take such other measures as may be necessary to assure that (a) attorneys employed by the Corporation and attorneys paid in whole or in part from Corporation-provided funds carry out the same duties to their clients and enjoy the same protection from interference as if such an attorney was hired directly by the client and (b) such attorneys adhere to the same ABA Code and Canons as are applicable to other attorneys.	Independence of the attorney. [Sec. 6(c)(3)]. The Corporation shall not interfere with any attorney in carrying out his professional responsibility to his client or abrogate the authority of a State to enforce the applicable standards of professional responsibility which apply to the attorney.
14. Eligility determination and fee schedules. [Sec. 905(a)(2)]. The Corporation shall establish guidelines to insure that eligibility of clients will be determined on the basis of factors including: (1) assets and income level; (2) fixed debts, medical expenses, and other factors affecting the client's ability to pay; (3) size of the client's family; (4) cost of living in the locality; and (5) such other factors as relate to financial inability to afford legal assistance.	Eligibility determination and fee schedules. [Sec. 906(a)(8)]. The Corporation is authorized to establish standards of eligibility for the provision of legal services by any recipient program—with special provision for members of the client community whose means are least adequate to obtain private legal services.	Eligibility determination and fee schedules. [Sec. 7(a)(2)]. The Corporation shall establish that an individual shall be eligible for legal assistance under this Act if his annualized gross income is less than 200% of the poverty level as defined by the OMB—except that no individual, capable of gainful employment, shall be eligibile if his lack of gross income results from his refusal or unwillingness to seek or accept employment.
The Corporation shall establish priorities to insure that those least able to afford legal services are given preference.		
[Sec. 905(a)(3)]. The Corporation shall establish a graduated fee schedule requiring the client, if able, to pay a portion of the cost of legal services.		[Sec. 7(a)(3)]. The Corporation shall establish a schedule of fees which will require the client, if able, to pay at least a portion of the cost of legal assistance. [Sec. 7(b)(4)]. No funds made available by the Corporation, either by grant or contract, may be used to provide legal assistance under this Act to any person of less than 18 years of age without formal written consent of one of the person's parents or guardians—*except that* if a person less than 18 has no parent or legal guardian, an attorney compensated under this Act may represent such person for the purpose of petitioning the court to request appointment of a guardian *ad litem*, with the written consent of a guardian *ad litem* necessary for continued provision of such legal assistance.
15. Reports, audits and access to records. [Sec. 906(c)]. The Corporation shall publish an annual report to be filed with the President, the Congress, and the Commissioner of the District of Columbia.	Reports, audits, and access to records. [Sec. 911]. The Corporation shall prepare an annual report for transmittal to the President and the Congress. The report shall: (a) summarize the activities of the Corporation and make recommendations as the Corporation deems appropriate; (b) include findings and recommendations on the preservation of the attorney-client relationship and adherence to the ABA Code and Canons in Corporation-assisted programs; and (c) include a comprehensive and detailed report of the operations, financial condition, and accomplishments of the Corporation—together with additional views and recommendations, if any, of members of the Board of Directors.	Reports, audits, and access to records. [Sec. 8(c)]. The Corporation shall publish an annual report to be filed with the President and the Congress.
[Sec. 906(a)]. The Corporation shall have authority to require reports as it deems necessary from recipients with which it has made grants or contracts.		[Sec. 8(a)]. The Corporation shall have authority to require reports as it deems necessary from recipients of grants or contracts.

S. 1769 (92D CONGRESS)—Continued *Legal Services Corporation*—Continued	S. 706—AMENDMENT NO. 5 (93D CONGRESS)—Continued *National Legal Services Corporation*—Con.	AMENDMENT NO. 132 TO S. 1815 (93D CONGRESS)—Continued *Legal Services Corporation*—Continued
[Sec. 907]. The accounts of the Corporation shall be independently audited, annually. The report of the annual audit shall be filed with the GAO and shall be available for public inspection.	[Sec. 910]. The accounts of the Corporation shall be independently audited, annually. The report of each annual audit shall be included in the Corporation's annual report. Certain requirements are set forth as to the scope of the independent annual audit.	[Sec. 9]. The accounts of the Corporation shall be independently audited, annually. The report of the annual audit shall be filed with the GAO and shall be available for public inspection.
In addition to the annual independent audit, the GAO may audit the financial transactions of the Corporation. A report of any such GAO audit shall be made to the Congress and the President—together with such comments and recommendations as the Comptroller-General shall deem advisable.	In addition to the annual independent audit, the accounts and operations of the Corporation may be audited annually by the GAO. A report of each such GAO audit shall be made to the Congress and shall contain comments and recommendations as the Comptroller-General shall deem advisable. The report of each such GAO audit shall also show specifically any program, expenditure, or other transaction or undertaking observed in the course of the audit which has been carried on or made without the authority of law.	In addition to the annual independent audit, the GAO may audit the financial transactions of the Corporation. A report of any such GAO audit shall be made to the President and the Congress—together with such comments and recommendations as the Comptroller-General shall deem advisable.
The Corporation shall have a right to require an audit report from any recipient program with respect to funds received from the Corporation.		The Corporation shall audit or require each recipient program to provide for an annual audit.
[Sec. 906(b)]. The Corporation shall have the authority to prescribe the keeping of records with respect to funds provided by grant or contract and shall have access to such records for the purpose of insuring compliance with the grant or contract.	[Sec. 908]. Copies of all records and documents pertinent to each Corporation grant or contract shall be available for public inspection. Copies of all reports pertinent to the evaluation, inspection, or monitoring of grantees and contractors for at least 3 years. Upon request, to the extent authorized by the Corporation, the substance of such reports shall be furnished to grantees and contractors and may be made available to the President and Members of Congress.	[Sec. 8(b)]. The Corporation shall have authority to prescribe the keeping of records with respect to funds provided by grant or contract and shall have access to such records for the purpose of insuring compliance with the grant or contract.
[Sec. 907]. The independent auditor shall have access to all records of the Corporation. The Comptroller-General shall have access to all Corporation records, reports from grantees and contractors, and records of the grantees and contractors.	[Sec. 910]. The independent auditor, the President, and Members of Congress shall have all Corporation records necessary to facilitate an audit made available. The Corporation and the Comptroller-General shall have access, for the purpose of audit and examination, to any records of the grantees and contractors pertinent to Corporation assistance.	[Sec. 9]. The independent auditor shall have access to all records of the Corporation The Comptroller-General shall have access to all Corporation records, reports from grantees and contractors, and records of the grantees and contractors.
[Sec. 907(d)]. Neither the Corporation nor the Comptroller-General shall have access to individual case records subject to the attorney-client privilege.	[Sec. 910]. All provisions permitting access to the records of grantees and contractors are qualified with the phrase: "consistent with the necessity of maintaining the confidentiality required by the best standards of the legal profession."	[Sec. 9(d)]. Neither the Corporation nor the Comptroller-General shall have access to individual case records subject to the attorney-client privilege.
16. Enforcement of provisions.	Enforcement of provisions.	Enforcement of provisions.
[Sec. 904(c)(1)]. The Corporation shall have the authority to insure compliance of recipient programs, and their attorneys with this Act, the corporate charter, and bylaws, and to terminate funding where a recipient program fails to comply.	[Sec. 914]. The Board of Directors shall prescribe procedures to insure that financial assistance will not be suspended for failure to comply with applicable terms and conditions, except in emergency situations, unless the recipient program has been given reasonable notice and opportunity to show cause why such action should not be taken. The Board of Directors shall prescribe procedures to insure that financial assistance shall not be terminated, refunding denied, or emergency suspension continued over 30 days—unless the grantee or contractor has been afforded reasonable notice and an opportunity for a timely full and fair hearing.	[Sec. 6(c)(1)]. The Corporation shall have the authority to insure compliance of recipient programs and their employees with the provisions of this Act, the corporate charter, and bylaws, and to terminate, after a hearing, financial support to a recipient program which fails to comply.
[Sec. 904(c)(2)]. If an attorney in a Corporation-funded program violates the provisions of this Act, or the charter, bylaws, or guidelines of the Corporation, the recipient program shall take appropriate disciplinary action.	[Also refer to lobbying and political activity comparison—sec. 907(f)].	[Sec. 6(c)(2)]. If an employee of a recipient program violates or causes the recipient to violate the provisions of this Act or the charter, bylaws, or guidelines of the Corporation, the recipient program shall take appropriate disciplinary action.
17. Qualifications of attorneys.	Qualifications of attorneys.	Qualifications of attorneys. [Sec. 6(c)(4)]. No attorney shall receive compensation, either directly or indirectly, for the provision of legal assistance under this Act, unless such attorney is admitted to practice law in the State where the rendering of such assistance is initiated.
18. Alternative methods of legal assistance.	Alternative methods of legal assistance.	Alternative methods of legal assistance. [Sec. 7(g)].

COMPARISON OF MAJOR DIFFERENCES IN THE LEGAL SERVICES CORPORATION PROVISIONS—Continued

S. 1769 (92D CONGRESS)—Continued *Legal Services Corporation*—Continued	S. 706—AMENDMENT NO. 5 (93D CONGRESS)—Continued *National Legal Services Corporation*—Con.	AMENDMENT NO. 132 TO S. 1815 (93D CONGRESS)—Continued *Legal Services Corporation*—Continued
		The Corporation shall insure that no less than 10% of the monies it expends in any year shall go to activities which are non staff attorney oriented. [Sec. 7(h)]. The Corporation shall conduct a study of alternative methods of delivery of legal services to eligible clients including judicare, vouchers, prepaid legal insurance, and contracts with law firms, and shall make recommendations to the President and the Congress on or before June 30, 1974, concerning improvements, changes, or alternative methods for delivery of such systems.
19. OMB and OEO reviews and comments.	OMB and OEO reviews and comments. [Sec. 913(b).] Nothing in the section (913) prohibiting Federal control over the Corporation or its grantees or contractors shall be construed as limiting the authority of the OMB or the OEO to initiate and conclude necessary reviews respecting adherence to the provisions of the title *and* to review and submit comments upon the Corporation's annual budget request at the time it is transmitted to Congress. These reviews shall be conducted in accordance with the ABA Code and Canons.	OMB and OEO reviews and comments.
20. Financing. [Sec. 908] Authorizes such sums as may be necessary. Allows for 3-year appropriations or periods as the appropriations acts may designate—but paid in annual installments.	Financing. [Sec. 909.] Authorizes such sums as may be necessary (in addition to sums reserved and made available from Economic Opportunity Act appropriations). Funds are to remain available until expended. [Sec. 4.] In addition, authorizes $50 million for FY 1974 (above those authorized for OEO's Legal Services Program in the Economic Opportunity Amendments of 1972) *and* authorizes $171.5 million for FY 1975.	Financing. [Sec. 10(a).] Authorizes to be appropriated such sums as may be necessary to carry out the activities of the Corporation. The first appropriation may be made available to the Board of Directors at any time after six or more members have been appointed and qualified. Subsequent appropriations shall be for 3-year periods or such other periods as the appropriations acts may designate—but paid in annual installments. [Sec. 10(b).] Where moneys are received by the Corporation or any recipient from funds not made available by the Corporation, they shall not be comingled with funds derived from appropriations under this Act.

Mr. NELSON. Mr. President, I join with Senator JAVITS in introducing the administration's proposed Legal Services Corporation legislation.

Over the last several years there has developed a consensus that the program of legal services for the poor needs to be insulated from the political process so that legal services attorneys are able to carry on their responsibility to provide meaningful representation to protect the rights and interests of the poor without interference.

In seeking to accomplish that broadly supported objective, bills were considered in the last Congress to establish a Legal Services Corporation outside of and independent of any Federal agency. During the conference committee's sessions on the extension of the Economic Opportunity Act last fall, it became clear that differences among the House and Senate conferees and the administration could not be resolved at that time, particularly regarding the manner of appointing the board of directors of the corporation.

As chairman of the Subcommittee on Employment and Poverty, I promised at the time the Senate adopted the conference report that I would schedule consideration of legislation for a Legal Services Corporation in the current session of Congress, and that I would cooperate in every way I could with the administration to seek to resolve the issues which we were not able to work out last year. Senator JAVITS joined me in making that commitment.

In presenting its budget for fiscal year 1974, the administration proposed to end the Office of Economic Opportunity. The OEO has been the agency carrying out the legal services program since it began. If the operations of the OEO are ended or transferred to other agencies, the legal services program could be left without an administrative home. There is widespread agreement that the fate of the legal services program must not be allowed to become entangled in the resolution of the controversy over the continued existence of the Office of Economic Opportunity. Therefore, it has become imperative that the issues dividing those who favor a Legal Services Corporation be resolved as speedily as possible.

In that spirit I very much welcome the Legal Services Corporation bill that has just been sent to the Congress. We will want to give the language of the proposed legislation careful consideration. But let me say at this time that it provides what is most important—the opportunity to get started on enacting a Legal Services Corporation law.

Mr. President, the 30th of June is a short 6 weeks away. I believe it is possible to enact a Legal Services Corporation bill by that time, but it will require the prompt attention of and a cooperative attitude among all those who participate. I am confident, now that we have the administration's proposed new legislation, that the effort to create a Legal Services Corporation can, at long last, come to fruition this summer.

By Mr. PASTORE (for himself, Mr. COTTON, and Mr. HOLLINGS):

S. 1816. A bill to amend the Wool Products Labeling Act of 1939 with respect to recycled wool. Referred to the Committee on Commerce.

Mr. PASTORE. Mr. President, the bill which I introduce will amend the Wool Products Labeling Act of 1939 by substituting the designation "recycled wool" for the present designations used in the act of "reprocessed wool" and "reused wool."

This is the only amendment to the act covered by this bill. The definition of "wool" in the act is not changed in any way.

The term "recycled" is proposed in lieu of the terms "reprocessed" and "reused" because it is a more accurate description of the process used.

The raw material for reprocessed wool

comes from wool clippings and other wool products left over from manufacturing processes and then recycled to its fibrous state. The raw material for reused wool stock comes from wool used in a wool product which has been used by the consumer and is then recycled to its fibrous state. The resulting fibers in each case are fibers of wool which are then made again into cloth, felt or some other wool product. As with wool or other fibers, the recycled wool fiber is frequently blended or combined with other fibers to produce the final product.

Briefly, the steps in the recycling of wool are as follows:

Wool clippings and wool clothing or other wool products are carefully sorted into more than two hundred classifications before they are made into new cloth, felt or other product. To prepare fibers for recycled wool, discarded wool products are first divided into those in good condition and those in poor condition. Products which are not suitable for fabrics are used for certain industrial purposes and for roofing material.

The processed or used wool products are further graded. Knitted materials are separated from woven goods, woolens from worsteds. Pockets or linings of cotton or other materials are removed. The material is then sorted by color to permit its use where feasible without removing dyes. The material is usually carbonized which removes nonwoolen fibers and is thoroughly scoured to remove all soil and dirt. This makes the material completely sanitized.

After sorting has been completed, the products are placed in a machine that picks out the fibers to produce wool stock. Clippings from cutting tables in garment plants are likewise sorted and graded in preparation for recycling.

Wool cloth, whether of 100 percent new wool or of recycled wool, is woven or otherwise fabricated in the same way. Wool stocks, both new wool and recycled wool, are blended to produce yarn which is then woven, knitted or are blended for felt or other products. Fabrics are washed repeatedly to remove oil that is used to lubricate the fibers and all dirt that may be in the fabrics and shrink it. It is then dried in an oven at 240 degrees and finally sheared, finished, pressed and ready for the manufacturer or home sewer.

The wool fibers are truly recycled, being entirely rebuilt into yarn, fabrics and felt, and finally into useful products for apparel, the home or for industry. Recycled wools are used primarily in heavy winter clothing, gloves, caps, felts and blankets. About 11 percent are used for carpets and rugs.

About 26 million pounds of these recycled wool fibers are used annually in the woolen system in the United States. About 12 percent or 3.6 million pounds are reused and the balance is reprocessed. The wool felt industry uses an estimated 7.5 million pounds of recycled wool in addition.

The wool textile industry supports the bill. Spokesmen for the industry believe that products made with recycled wool should be so labeled. The term "recycled" is a more up-to-date and a more accurate term and is understandable to the consumer.

By Mr. HUMPHREY:

S. 1817. A bill to alleviate the financial crisis confronting the public schools of the Nation by providing grants and loan guarantees for the construction of elementary and secondary schools, by providing increased financial resources for elementary and secondary education and by promoting the equitable distribution of such resources within the States through the establishment of a National Educational Trust Fund, and to establish a Department of Education. Referred to the Committee on Labor and Public Welfare.

NATIONAL EDUCATION INVESTMENT ACT OF 1973

Mr. HUMPHREY. Mr. President, today I am introducing legislation which provides for the launching of decisive Federal action to address the critical problems confronting school districts across the Nation.

Entitled the National Education Investment Act of 1973, this bill can assist substantially the establishment of a new education policy for America—a policy to guarantee that all children and youth, without regard to circumstances of residence, family income, or race will have a full and equal opportunity to obtain a quality education.

The four titles of the National Education Investment Act are designed to supplement targeted Federal assistance to disadvantaged children under the Elementary and Secondary Education Act—programs which I firmly believe must be extended by Congress, contrary to administration proposals that they be terminated upon the expiration of authorizations at the end of the current fiscal year.

The titles of my bill would provide for—

First, direct Federal grants for the construction or modernization of schools serving areas with high concentrations of lower-income families;

Second, loan guarantees and interest subsidies to tap major private investment resources to assist school districts across America that have increasingly experienced high debt service costs, or voter turndowns of bond referendums for vitally needed school construction, due to resulting increased local taxes—most recently, only about half of the bond referendums proposed by local jurisdictions in Minnesota have been approved by residents;

Third, the establishment of a national educational trust fund in the Treasury, from which payments would be made to State and local jurisdiction applicants which agree to substantially reduce or eliminate the taxation of real property for the purpose of financing elementary and secondary education, under a program which would promote progressive tax reform in the State and the improvement and balancing of per pupil expenditures among all local school districts; and

Fourth, the establishment of a Cabinet-level Department of Education, to concentrate Federal resources and programs on carrying out essential national education priorities.

The title of the National Education Investment Act indicates the fundamental commitment that must be made to increasing the Federal investment in education to one-third of all public resources.

By contrast, the administration's proposals constitute a profoundly disturbing retreat from even the present minimal commitment by the Federal Government to assisting elementary and secondary schools with critical needs across our country. With the seriously misleading title, the Better Schools Act, the legislation submitted by the administration would cut back Federal assistance to education by well over $500 million, in comparison to funds provided under the Elementary and Secondary Education Act in fiscal 1972. Categorical assistance to Minnesota would be slashed by over $9 million—an incredible prospect that will also be confronted by most other States.

I am deeply disturbed that the administration's budget for fiscal 1974 would allow only 2 cents out of the Federal dollar to be spent for all education needs in America.

By direct contrast, the National Education Investment Act proposes that a major advance be launched in Federal policies toward education. It is not the final answer—a number of other important legislative proposals have been made toward the achievement of this objective which is so vital to the future of our Nation.

However, the legislation which I am introducing today has several characteristics which merit the most serious consideration by Congress.

First, it proposes direct measures to address profound problems—the need for up-to-date school facilities, for ending the unconscionable inequality where a child's education is made dependent on the wealth or poverty of his or her community, and for coordinating numerous Federal programs and concentrating Federal assistance to meet crucial educational needs.

Second, this bill is comprehensive, addressed both to overcoming major fiscal resource disparities among school districts, which undermine equality of educational opportunity for all American children, and to pinpointing special education needs of children which for too long have received a totally inadequate response—including the needs of preschool children, of mentally or physically handicapped children, and of educationally deprived children in areas of poverty.

Third, the National Education Investment Act presents clearly defined measures and a definite time schedule for addressing all these problems—not through just providing more Federal dollars, but through using Federal assistance as leverage to promote counterpart efforts by State and local governments and by the private investment sector. It calls for a total national effort on behalf of our children.

I urge Congress to take action on this priority national agenda for education without delay.

Mr. President, it is necessary that two subjects be addressed directly with respect to this legislation.

First, the issue of tax reform within the States, and the issue of finding adequate revenues to pay for our schools, must not be dealt with as separate matters, in any legislation before Congress. These issues must be seen as a single, major problem demanding a comprehensive solution. On the other hand, it must not be the function of the Federal Government to dictate the answers, but rather to provide a strong incentive for the States and local jurisdictions to find equitable and constructive solutions. I believe the National Education Investment Act provides an effective program to address tax reform and education financing issues simultaneously, and to encourage State and local governments to accept the primary responsibility for carrying out this task.

Second, the issue of maintaining local control of schools should be addressed fairly and honestly. Some may view this issue as a slogan without adequate philosophical substance or clear definition, or as being used to justify resistance to school desegregation, or as being divorced from reality where school districts are increasingly finding it almost impossible to fund rising school costs and must depend more and more on outside financial resources.

However, this issue also reflects a deep feeling, a strong belief, of our people in cities and towns across America about local responsibility for the education of children. My bill undertakes to respect this belief, subject to the assurance that an equal opportunity will be provided for all children to obtain an education of high quality.

The National Education Investment Act does call upon State and local educational agencies to specify school-age populations being served and to indicate the scope of educational services, in accounting for the use of Federal assistance. And it does place requirements upon such agencies to implement and carry out certain educational programs for groups of children who have been neglected or inadequately served. But most importantly, this bill takes the basic view that States and localities should now be enabled, through the provision of adequate and dependable Federal assistance—as intended, for example, by the establishment of a National Educational Trust Fund—to work out their own answers to the unique problems they confront in guaranteeing the right of every child to a quality education.

Mr. President, I ask unanimous consent that the following items be printed at this point in the Record. First, excerpts from an address on establishing an action agenda for education, which I recently delivered before a conference of the District seven PTA in Minnesota. Second, a summary of the National Education Investment Act, prepared by my office. And third, the text of the bill.

There being no objection, the material and bill were ordered to be printed in the Record, as follows:

Remarks by Senator Hubert H. Humphrey

The Education of our children and youth will shortly become a central issue in Washington. The Congress must take action on Legislation to continue Federal programs of assistance to education, prior to the expiration of the Elementary and Secondary Education Act on June 30, 1973.

Some might take comfort in reflecting that we have passed the point where it is necessary to argue about whether or not there should be a federal interest in education—the debate that raged in the '40's and '50's.

It was, of course, a false issue, for the federal Government has been involved in the support of public schools since 1783, when under the Articles of Confederation the government set aside two sections of land out of every township for the support of public schools.

However, my purpose tonight is to suggest to you in the strongest possible terms that the issue is still very much alive. The question that must be faced squarely by Congress is whether there will be a regression of federal support for education, under budget and legislative proposals by the present administration.

A recent issue of the Bulletin of the National Congress of Parents and Teachers, entitled "What's Happening in Washington?" states at the outset that "school finance is still a top priority subject."

I strongly believe it should be a top priority subject, but I frankly do not see this concern being expressed by the White House.

The Senate Subcommittee on Education is presently working on legislation to extend the Elementary and Secondary Education Act—a draft bill, S. 1539, on which revisions will be made prior to Senate floor consideration. It was with a deep sense of personal fulfillment that as Vice President, I witnessed the signing of the ESEA into law in 1965—for it brought to fruition a number of legislative proposals I had sponsored during my previous 16 years in the Senate.

Despite claims to the contrary by the present Administration and despite constant delays in funding and chronic underfunding, the Elementary and Secondary Education Act has been effective in improving education for millions of disadvantaged children.

Strong support for the extension of programs under this Act has been expressed by the PTA, the national Education Association, the National School Boards Association, the Council of Chief State School Officers, and school administrators.

But the Administration wants to scrap these programs. Instead, it has submitted proposed legislation that in name only, and definitely not in substance, is to be called the Better Schools Act (S. 1319/H.R. 5823). This is basically the same proposal that was pushed by the Administration last year as special revenue sharing for education—a proposal which Congress firmly rejected.

The Administration bill purports to combine some 32 present education programs into consolidated grants to the States, and it would allegedly permit the States to determine how to use the funds, without federal direction.

That sounds attractive. But let us look at the facts of the matter.

As to actual federal assistance to local school districts, Secretary of Health, Education, and Welfare Weinberger has admitted that the Administration's Bill would authorize $508 million *less* than was provided for under the Elementary and Secondary Education Act in fiscal 1972. Other sources estimate a cutback of up to $600 million. And Commissioner of Education Ottina has admitted that under the Better Schools Act, one million fewer disadvantaged children would be served than this year.

The Administration states that school districts would receive at least 50 percent of the funds they receive in fiscal 1973 for the disadvantaged. But districts which received $10,000 or less this year—and that includes many Indian and other small isolated rural schools—would be eliminated entirely from federal assistance.

Now, what about federal direction?

Despite claims that the Better Schools Act would reduce so-called existing federal control, the bill requires that 75 percent of the funds it would authorize must be spent for basic reading and mathematics. That sounds like a pretty clear and final federal directive to me on what should be taught in our schools.

While I personally would hope that schools will continue to concentrate on reading and mathematics, I do not believe the federal government should dictate to local school officials how they should design the curriculum.

Meanwhile, how finely will the remaining portion of the thinned down federal education assistance dollar be cut up?

Funds for education of the handicapped, for vocational education, and for supportive services—meaning libraries and guidance counselling among others—would be combined under the Better Schools Act into one allocation to the States based on their respective school-age populations. Of this amount, 43 percent is to be used for vocational education, but even the better part of that can be diverted to other purposes, if necessary, under a further provision. And handicapped children can expect only 16 percent of this limited federal assistance.

As you may know, the Administration also proposes to terminate the Category "B" program of aid to federally impacted areas in one stroke, leaving a large number of school districts suddenly facing a critical budget deficit.

But Category "A" aid will also be cut back substantially, for school districts where parents both live and work on Federal property—property which cannot be taxed by local governments.

Major accomplishments in Minnesota would be seriously set back by further provisions in the Better Schools Act which would terminate programs under the Elementary and Secondary Education Act—no further assistance for libraries and textbooks, no experimental programs, no assistance for administrative improvements in State education agencies.

I am advised by the Minnesota Department of Education that the Administration's Better Schools Act would mean an actual loss to our State of over $9 million in comparison to categorical assistance received in fiscal year 1972.

It is all well and good to have Federal program consolidation that insures more effective utilization of resources. But it is dead wrong to propose a consolidation that is a cover-up for the substantial reduction of programs for our most needy children. And let it be clear that this will be the net effect of the Better Schools Act, despite provisions to earmark $1.5 billion for educationally disadvantaged children and allegedly to "hold harmless" all States and local districts at not lower than fiscal 1973 funding levels under ESEA Title I.

The Administration is adamant that this restrictive program be substituted for the Elementary and Secondary and Vocational Education Acts. But I believe a majority in Congress is equally determined not to accept the totally mis-labelled Better Schools Act.

But the point I want to make tonight is that this should not just be a fight between the Administration and Congress. It must, in fact, be *your* fight as well.

Up to now, I've been talking about emergency legislative situations—actions that must be taken to prevent further regressions in policies and priorities of the Administration with respect to education.

But there is also an emergency situation at the grassroots level of America that demands the attention of Congress. I am referring to the fundamental issue of school finance—finding the revenues to meet rising education costs in our communities.

Of the $47 billion spent for schools last year, 52 percent came from local taxes. There is no question but that the regressive local property tax is regarded by the American people as the most unpopular tax in our Nation.

A recent national survey found this tax to be 2½ times more unpopular than even the Federal income tax.

Meanwhile, this tax, used primarily to finance our schools, has worked to make the quality of a child's education a function of the comparative wealth or poverty of the child's community. The recent 5-to-4 decision of the U.S. Supreme Court in San Antonio Independent School District v. Demetrio P. Rodriguez to the contrary, there is a serious nationwide problem of educational disparity resulting from this method of financing, that works out to discriminatory treatment of children. This situation demands corrective legislative action in Washington as well as in our State capitals.

Beyond this fact, however, it is clear that local school districts are being more and more hard pressed to find the funds to meet rising school costs.

They have looked for help to the Federal Government, with the most advanced and effective revenue collection system in the world. But their petitions to the present Administration for the redress of profound grievances have gone unanswered.

The present Administration is rightly concerned to place a limit on the level of Federal spending. No one argues with that fiscal objective. So do not be misled that this is the issue. No, the real issue is what categories of spending will be held back, slashed, while others are quietly increased.

The issue is why defense spending and foreign military assistance and certain other programs should be increased by some $10 billion, while funds for domestic human welfare programs—services to American people in serious need—are cut back by an equivalent amount.

The issue is why this Administration has failed to propose a program of genuine tax reform to lift some of the heavy tax burden off the backs of middle class families, and to produce at least $5 billion in new revenues that could be applied to meeting our critical needs at home.

It was to address this issue directly that I introduced the national priorities resolution, Senate Concurrent Resolution 14. Attention has been focused on this resolution because, while calling for a fiscally responsible budget for fiscal 1974, it also places Congress clearly on record for reductions in non-essential military expenditures and for a reformed tax system. And it would provide a means for meeting our needs in education, in health care, in public employment, in housing and the revitalization of our cities, and in rural economic development and pollution control.

But I believe Congress must also directly confront the issue of financing our schools. And I firmly believe that Congress should seize this opportunity to draft a new education policy for America—a policy committed to addressing effectively the crisis in our schools; and a policy to guarantee that all children and youth, without regard to circumstances or residence, family income, or race will have a full and equal opportunity to obtain a quality education.

Primarily, this new policy should be directed now toward paying the cost of a quality education at all levels—by substantially increasing the federal investment in education to one-third of all public resources. It is unconscionable that only 2 cents out of the federal dollar, or slightly more than $5 billion, would go for education under the Administration's budget for fiscal 1974.

In the near future, I will introduce the National Education Investment Act, to launch a major initiative toward establishing the new education policy for America that I regard as essential in the present decade.

The National Education Investment Act, supplementing the programs of targeted federal assistance under the Elementary and Secondary Education Act, would meet the serious problem of inadequate, obsolescent, and rundown school facilities in depressed areas, by providing for federal grants for the modernization and construction of elementary and secondary schools.

It would address the frequent condition of overcrowded classrooms and the high rate of voter turn-downs of bond referendums, as well as high debt service costs, for financing new and expanded public education facilities. To help solve these serious problems, this bill would provide for a major incentive for private sector investment in this vitally important area.

It would authorize federal loan guarantees and interest subsidies to be provided through a trust fund established in the U.S. Treasury.

And it would end the inherent disparity and injustice of making a child's education dependent on the wealth of the school district he or she happens to live in, by establishing a National Educational Trust Fund with an authorization of $20 billion. Payments from the National Educational Trust Fund by the Secretary of the Treasury to State and local governments would be tied to the reduction of the property tax as the major source of financing for elementary and secondary education. Last year, almost nine-tenths of local spending for schools, or $21 billion, came from the property tax.

Second, these trust fund payments would also be tied to the improvement and overall balancing among school districts of per-pupil expenditures, but without penalizing high-cost or high-expenditure districts.

Finally, the National Education Investment Act would firmly establish the priority that education needs must have in our national policies, by providing for the establishment of a Department of Education. This further strengthening and consolidation of federal resources and programs for educational assistance, beyond affirmative measures taken in the enactment of the Education Amendments of 1972, is of the greatest importance.

This legislation can further the major initiatives taken by Minnesota in promoting a balance among local school district per-pupil expenditure efforts, making our State a model for other States to follow.

But such legislative efforts cannot succeed on their own. They must have public support. Now, perhaps more than ever before in the history of our Nation, the voice of the people must be heard.

The Administration and Congress must know of your concern that a fundamental reordering of national priorities is of vital importance. They must know that you expect our Government to govern with integrity and with concern for the future.

It is to organizations of people like the PTA that we must look for positive action. If you and the nine million like you in PTA's throughout the country do your part, along with millions of other citizens, I am confident that America will enter its third century with great expectations realized, with great opportunities for our children and their children in a world of peace and freedom.

NATIONAL EDUCATIONAL INVESTMENT ACT OF 1973

(Introduced by Senator HUBERT H. HUMPHREY)

SUMMARY

TITLE I

Provides for Federal grants for construction and acquisition of facilities and equipment for schools serving children of low-income families. Amends Public Law 815, Eighty-First Congress, to add a new Title II, cited as the "Elementary and Secondary School Construction Act of 1973." Designates Federal financial assistance to local educational agencies serving areas with concentrations of children from low-income families, to construct, reconstruct, renovate, and improve elementary and secondary school facilities (including pre-school facilities) so as to meet more effectively the special educational needs of educationally deprived children. Authorization period: July 1, 1973 through June 30, 1977. Authorizes such sums as may be necessary for Federal grants to local educational agencies under a formula based upon children of low-income families and certain other categories. Sets forth basic criteria and State application requirements.

TITLE II

Establishes a program of Federal loan guarantees and interest subsidies for construction and acquisition of facilities for elementary and secondary schools. Authorization period: January 1, 1974 through June 30, 1977. Amount of authorizations: $2.5 billion in fiscal year 1974, and for the succeeding fiscal year. Establishes in the Treasury an Elementary and Secondary School Facility Construction and Acquisition Loan Guarantee and Interest Subsidy Fund to be made available to the Commissioner of Education for the purpose of guaranteeing loans and making interest subsidy payments, on behalf of State and local educational agency applicants, to non-Federal lenders making loans to such agencies. Stipulates interest-differential for reduction of borrowing costs borne by such agencies, and sets forth criteria and limitations for assistance under this title to enable such agencies to meet capital outlay obligations. Provides for appropriate measures to protect the financial interests of the United States, and to assure that the control of funds provided under this title, and title to property derived therefrom, shall be in a public agency. As in title I, labor standards and nondiscrimination provisions are stipulated. In addition to regular reporting requirements, provides for a consolidated report to be made by the Commissioner to the Congress, on assistance authorized under this title, not later than January 1, 1977.

TITLE III

Establishes a National Educational Trust Fund in the Treasury, from which the Secretary of the Treasury will make payments to State and local jurisdiction applicants, to enable such applicants to substantially reduce or eliminate the taxation of real property for the purpose of financing elementary and secondary education, during an initial authorization period beginning January 1, 1974 and ending with the close of June 30, 1977. Level of authorizations: $10 billion in each of fiscal years 1974 and 1975, and such sums as may be necessary to carry out the purposes of this title, for fiscal years 1976 and 1977. Provides that during the first and second fiscal year for which application is made, Federal payments shall not exceed (1) the amount of funds received by the applicant from the taxation of real property during the last full fiscal year of the applicant when such funds were raised by such taxation for the purpose of financing elementary or secondary education, or (2) the amount of funds for that year which an applicant in a State would require in order to expend for elementary and secondary education an amount per pupil which is equal to the applicable target per pupil expenditure for that applicant, as further provided (basically, increases and balances per pupil expenditures among local school districts, without penalty to high-cost or high-expenditure areas, while focusing increased assistance on areas of educational deprivation), whichever is greater.

Provides that to be eligible to receive payments under this title in any fiscal year, an applicant must (1) eliminate the taxation of real property, for the purpose of financing elementary and secondary education, on the first $30,000 of assessed value of resident owned domiciles where the head of household or immediate survivor is dependent upon certain forms of fixed retirement income, and (2) reduce real property taxes and rent constituting real property taxes upon an individual's homestead (where such taxes are used to finance elementary and secondary education) to not more than 5 per centum of that individual's income.

Federal payments under this title in the second fiscal year for which application is made, and thereafter, are made further contingent upon appropriate certification by the State of the applicant that in the preceding fiscal year, all local educational agencies in the State had per pupil expenditures which met the required level for elementary and secondary school children, as provided under this title. Moreover, the applicant must have planned and will carry out programs to meet identified needs for early childhood development, vocational education, comprehensive educational programs designed to meet the special education needs of mentally or physically handicapped children and children with specific learning disabilities, and compensatory education for children who are educationally deprived. Provision is made for an incentive increase of 10 per cent in payments to an applicant to meet such obligations, and for the withholding of 20 per cent of the payment for which the applicant would otherwise be eligible, where such obligations have not been assumed.

Provides that in the third fiscal year for which application is made, or in any fiscal year for which application is made by a State which meets certain enumerated requirements, including the presentation of a State plan under which specific obligations are assumed, only the State will be eligible to apply for Federal payments from the trust fund. The amount of payment to such State shall be equal to 33⅓ per cent of the expenditures for elementary and secondary education by the State in the preceding fiscal year.

To be eligible for this assistance, the State must comply with the provisions of this title with respect to the substantial reduction or elimination of the taxation of real property, the achievement of the required level of per pupil expenditures by all local educational agencies, the planning and carrying out of educational programs as stated above, and certain general provisions. In addition, the State must have adopted a State tax system under which combined State and local fiscal effort is maintained on behalf of elementary and secondary education, and that assures an equitable distribution within the State of the burden of financing elementary and secondary education, making such financing a function of the total taxable wealth of the State, achieved primarily by basing State taxes upon total personal income.

TITLE IV

Establishes a Department of Education headed by a Secretary at cabinet level, to promote the cause and advancement of education throughout the Nation. Provides for certain functions to be performed by the Secretary of Education and Assistant Secretaries in the fulfillment of this purpose. Transfers to the Department the Education Division of the Department of Health, Education, and Welfare, as well as specified functions in the area of education, of the Secretary of Health, Education, and Welfare of the Director of the Office of Economic Opportunity, of the Secretary of Defense, of the Secretary of Agriculture, of the Secretary of Housing and Urban Development, and of the National Science Foundation. The President is authorized to transfer other Federal agency functions to the Department as he determines necessary to carry out the purposes of this title. Specific transfers and the establishment of the Department are made effective within 90 days of the date of enactment of this title. There are authorized to be appropriated such sums as may be necessary to carry out the purposes of this title.

Provides for the creation of a Federal Interagency Committee on Education, to be composed of designated Federal agency officials, whose basic purpose shall be to assure effective coordination of all Federal programs affecting education.

Creates a National Advisory Commission on Education, composed of fifteen members appointed by the President, by and with the advice and consent of the Senate, from among those who have recognized expertise and direct involvement in the field of education, as well as representatives from the general public, industry, and the mass media. The Commission shall review the administration and operation of Federal education programs, conduct evaluations, and make recommendations for necessary improvements and new directions to be undertaken, including legislative recommendations—basically directed toward the determination and implementation of priorities among unmet needs and national goals in education .The Commission shall make annual reports to the President and to Congress. The Commission shall also recommend to the Secretary of Education necessary changes to achieve a manageable and effective advisory structure for the Department.

Provides for a comprehensive report on education to be made annually by the Secretary to the President for submission to the Congress.

S. 1817

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as of the "National Education Investment Act of 1973".

TITLE I—GRANTS FOR CONSTRUCTION AND ACQUISITION OF FACILITIES AND EQUIPMENT FOR SCHOOLS SERVING CHILDREN OF LOW-INCOME FAMILIES

SEC. 101. The Act of September 23, 1950, Public Law 815, Eighty-first Congress, as amended (20 U.S.C. 631–645), is amended by inserting:

"TITLE I—FINANCIAL ASSISTANCE FOR SCHOOL CONSTRUCTION IN AREAS AFFECTED BY FEDERAL ACTIVITY"

immediately above the heading of section 1, by striking out "this Act" wherever it appears in sections 1 through 10, inclusive (other than where it appears in section 5(c), for the second time in section 5(f), and for the first time in the fourth sentence of section 9), and inserting in lieu thereof "this title", and by adding immediately after section 10 the following new title:

"TITLE II—FINANCIAL ASSISTANCE FOR CONSTRUCTION AND ACQUISITION OF FACILITIES AND EQUIPMENT FOR SCHOOLS SERVING CHILDREN OF LOW-INCOME FAMILIES

"SHORT TITLE

"SEC. 201. This title may be cited as the 'Elementary and Secondary School Construction Act of 1973'.

"DECLARATION OF POLICY

"SEC. 202. In recognition of the special educational needs of children of low-income families and the impact that concentrations of low-income families have on the ability of local educational agencies to support adequate programs for the construction of facilities for their public elementary and secondary schools, the Congress hereby declares it to be the policy of the United States to provide financial assistance (as set forth in this title) to local educational agencies serving areas with concentrations of children from low-income families to construct, reconstruct, renovate, and improve elementary and secondary school facilities (including preschool facilities) so as to meet more effectively the special educational needs of educationally deprived children.

"DURATION OF GRANTS

"SEC. 203. The Commissioner shall, in accordance with the provisions of this title, make payments to State educational agencies for grants to local educational agencies for the period beginning July 1, 1973, and ending June 30, 1974.

"GRANTS—AMOUNT AND ELIGIBILITY

"SEC. 204. (a) (1) From the sums appropriated for making grants under this title for a fiscal year, the Commissioner shall reserve such amount, but not in excess of 2 percentum thereof, as he may determine and shall allot such amount among Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands according to their respective need for such grants. The maximum grant which a local educational agency in Puerto Rico, Guam, American Samoa, the Virgin Islands, or the Trust Territory of the Pacific Islands shall be eligible to receive shall be determined pursuant to such criteria as the Commissioner determines will best carry out the purposes of this title.

"(2) In any case in which the Commissioner determines that satisfactory data for that purpose are available, the maximum grant which a local educational agency in a State shall be eligible to receive under this title for any fiscal year shall be an amount equal to one-half of the average per pupil expenditure in that State or in the United States, whichever is the larger, multiplied by the number of children in the school district of such agency who are aged five to seventeen, inclusive, and who are (A) in families having an annual income of less than the low-income factor (established pursuant to subsection (c)), (B) in families receiving an annual income in excess of the low-income factor (as established pursuant to subsection (c)) from payments under the program of aid to families with dependent children under a State plan approved under title IV of the Social Security Act, or (C) living in institutions for neglected or delinquent children (other than such institutions operated by the United States) or being supported in foster homes with public funds. In any other case, the maximum grant for any local educational agency in a State shall be determined on the basis of the aggregate maximum amount of such grants for all such agencies in the county or counties in which the school district of the particular agency is located, which aggregate maximum amount shall be equal to one-half of such average per pupil expenditure multiplied by the number of children of such ages and families in such county or counties and shall be allocated among those agencies upon such equitable basis as may be determined by the State educational agency in accordance with basic criteria prescribed by the Commissioner.

"(3) For purposes of this subsection, the term 'State' does not include Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

"(b) A local educational agency shall be eligible for a grant for a fiscal year under this title only if it meets the following requirements with respect to the number of children aged five to seventeen, inclusive, of families having an annual income of less than the low-income factor (as established pursuant to subsection (c)):

"(1) In any case (except as provided in paragraph (3)) in which the Commissioner determines that satisfactory data for the purpose of this subsection as to the number of such children of such families are available on a school district basis, the number of such children of such families in the school district of such local educational agency shall be—

"(A) at least one hundred, or

"(B) equal to 3 per centum or more of the total number of all children aged five to seventeen, inclusive, in such district, whichever is less, except that it shall in no case be less than ten.

"(2) In any other case, except as provided in paragraph (3), the number of children of such ages of families with such income in the county which includes such local educational agency's school district shall be one hundred or more.

"(3) In any case in which a county includes a part of the school district of the local educational agency concerned and the Commissioner has not determined that satisfactory data for the purpose of this subsection are available on a school district basis for all the local educational agencies for all the counties into which the school district of the local educational agency concerned extends, the eligibility requirement with respect to the number of children of such ages of families of such income for such local educational agency shall be determined in accordance with regulations prescribed by the Commissioner for the purposes of this subsection.

"(c) For the purposes of this section, the 'low-income factor' shall be $4,000.

"(d) For the purposes of this section, the Commissioner shall determine the number of children aged five to seventeen, inclusive, of families having an annual income of less than the low-income factor (as established pursuant to subsection (c)) on the basis of the most recent satisfactory data available from the Department of Commerce. At any time such data for a county are available in the Department of Commerce, such data shall be used in making calculations under this section. The Secretary of Health, Education, and Welfare shall determine the number of children of such ages from families receiving an annual income in excess of the low-income factor (established pursuant to subsection (c)) from payments under the program of aid to families with dependent children under a State plan approved under title IV of the Social Security Act on the basis of the best available data for the period most nearly comparable to those which are used by the Commissioner under the first two sentences of this subsection in making determinations for the purposes of subsections (a) and (b). When requested by the Commissioner, the Secretary of Commerce shall make a special estimate of the number of children of such ages who are from families having an annual income less than the low-income factor (established pursuant to subsection (c)) in each county or school district, and the Commissioner is authorized to pay (either in advance or by way of reimbursement) the Secretary of Commerce the cost of making this special estimate. The Secretary of Commerce shall give consideration to any request of the chief executive of a State for the collection of additional census information.

"APPLICATION

"SEC. 205. (a) A local educational agency may receive a grant under this title for any fiscal year only upon application therefor approved by the appropriate State educational agency, upon its determination, consistent with such basic criteria as the Commissioner may establish under section 206—

"(1) that payments under this title will be used for projects for the construction of school facilities of the local educational agency which are designed to serve school attendance areas having high concentrations of children from low-income families, including facilities for special projects conducted by the local educational agency in which children from such areas who are enrolled in private elementary or secondary schools, may participate as authorized by section 141 of the Elementary and Secondary Education Act of 1965;

"(2) that the local educational agency has provided satisfactory assurance that the control of funds provided under this title, and title to property derived therefrom, shall be in a public agency for the uses and purposes provided in this title, and that a public agency will administer such funds and property;

"(3) that such projects are not inconsistent with overall State plans for the construction of school facilities and that the requirements of section 210 will be complied with on all such projects;

"(4) that the local educational agency will make an annual report and such other necessary reports to the State educational agency, in such form and containing such information, as may be necessary to enable the State educational agency to perform its duties under this title, and will keep such records and afford such access thereto as the State educational agency may find necessary to assure the correctness and verification of such reports.

"(b) The State educational agency shall not finally disapprove in whole or in part any application for funds under this title without first affording the local educational agency submitting the application reasonable notice and opportunity for a hearing.

"BASIC CRITERIA

"SEC. 206. As soon as practicable after the enactment of this title, the Commissioner shall by regulation prescribe basic criteria to be applied by State educational agencies under section 205. In addition to other matters, such basic criteria shall include the requirement that in approving applications under section 205 priority shall be given to projects which provide for the replacement or restoration of hazardous or unsafe facilities, the consolidation of school facilities where the existing facilities do not provide separate classrooms for each grade, the modernization or replacement of facilities which are antiquated or functionally obsolescent, or the modernization or replacement of facilities to provide innovative facilities or equipment.

"ASSURANCES FROM STATES

"SEC. 207. (a) Any State desiring to participate in the program under this title shall submit through its State educational agency to the Commissioner an application, in such detail as the Commissioner deems necessary, which provides satisfactory assurance—

"(1) that, except as provided in section 208(b), payments under this title will be used only for projects which have been approved by the State educational agency pursuant to section 205(a) and which meet the requirements of that section, and that such agency will in all other respects comply with the provisions of this title, including the enforcement of any obligations imposed upon a local educational agency under section 205(a);

"(2) that such fiscal control and fund accounting procedures will be adopted as may be necessary to assure proper disbursement of, and accounting for, Federal funds paid to the State (including such funds paid by the State to local educational agencies) under this title; and

"(3) that the State educational agency will make to the Commissioner such reports as may be reasonably necessary to enable the Commissioner to perform his duties under this title (including such reports as he may require to determine the amounts which the local educational agencies of that State are eligible to receive for any fiscal year), and assurance that such agency will keep such records and afford such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports.

"(b) The Commissioner shall approve an application which meets the requirements specified in subsection (a), and he shall not finally disapprove an application except after reasonable notice and opportunity for a hearing to the State educational agency.

"PAYMENT

"SEC. 208. (a) (1) The Commissioner shall, subject to the provisions of section 209, from time to time pay to each State, in advance or otherwise, the amount which the local educational agencies of that State are eligible to receive under this title. Such payments shall take into account the extent (if any) to which any previous payment to such State educational agency under this title (whether or not in the same fiscal year) was greater or less than the amount which should have been paid to it.

"(2) From the funds paid to it pursuant to paragraph (1) each State educational agency shall distribute to each local educational agency of the State which is not ineligible by reason of section 204(b) and which has submitted an application approved pursuant to section 205(a) the amount for which such application has been approved, except that this amount shall not exceed an amount equal to the maximum amount of the grant as determined for that agency pursuant to section 204.

"(b) The Commissioner is authorized to pay to each State amounts equal to the amounts expended by it for the proper and efficient performance of its duties under this title, except that the total of such payments in any fiscal year shall not exceed—

"(1) 1 per centum of the total of the amount of the grants paid under this title for that year to the local educational agencies of the State, or

"(2) $75,000, or $25,000 in the case of Puerto Rico, Guam, American Samoa, the Virgin Islands, or the Trust Territory of the Pacific Islands;

whichever is the greater.

"(c) (1) No payments shall be made under this title for any fiscal year to a State which has taken into consideration payments under this title in determining the eligibility of any local educational agency in that State for State aid or the amount of that aid, with respect to the free public education of children during that year or the preceding fiscal year.

"(2) No payments shall be made under this title to any local educational agency for any fiscal year unless the State educational agency finds that the combined fiscal effort (as determined in accordance with regulations of the Commissioner) of that agency and the State with respect to the provision of free public education by that agency for the preceding fiscal year was at least equal to such combined effort for the fiscal year ending June 30, 1972.

"ADJUSTMENTS WHERE NECESSITATED BY APPROPRIATIONS

"SEC. 209. If the sums appropriated for any fiscal year, for making the payments provided in this title, are not sufficient to pay in full the total amounts which all local and State educational agencies are eligible to receive under this title for such year, such amounts shall be reduced ratably. In case additional funds become available for making payments under this title for that year, such reduced amounts shall be increased on the same basis that they were reduced.

"LABOR STANDARDS

"SEC. 210. All laborers and mechanics employed by contractors on all construction projects assisted under this title shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a–276a–5). The Secretary of Labor shall have with respect to the labor standards specified in this section the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (14 F.R. 3176; 5 U.S.C. 133z–15) and section 2 of the Act of June 13, 1934, as amended (40 U.S.C. 265c)."

"NONDISCRIMINATION PROVISION

"SEC. 211. No person in the United States shall on the ground of race, color, national origin, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under this Act."

TECHNICAL AND CONFORMING AMENDMENTS

SEC. 102. (a) The Act of September 23, 1950, Public Law 815, Eighty-first Congress, (20 U.S.C. 631-645), is amended—

(1) by inserting before section 11 the following title heading:

"TITLE III—ADMINISTRATIVE PROVISIONS"

and

(2) by redesignating sections 11, 12, 13, 14, 15, 16, and 17, as sections 301, 302, 303, 304, 305, 306, and 307, respectively.

(b) The section of such Act redesignated as section 302 is amended by adding at the end thereof the following new subsection:

"(c) No funds appropriated to carry out the provisions of this Act shall be used for the purpose of religious worship or instruction or for the construction of facilities as a place of worship or religious instruction."

(c) Subsection (c) of the section of such Act redesignated as section 303 is amended by inserting "title I of" immediately before "this Act" both times it appears.

DEFINITIONS

SEC. 103. (a) The section of the Act of September 23, 1950, Public Law 815, Eighty-first Congress, redesignated as section 305 is amended by adding at the end thereof the following:

"(17) For the purpose of this section, 'the average per pupil expenditure' in a State, or in the United States, shall be the aggregate current expenditures, during the second fiscal year preceding the fiscal year for which the computation is made (or, if satisfactory data for that year are not available at the time of computation, then during the earliest preceding fiscal year for which satisfactory data are available) of all local educational agencies in the State, or in the United States (which for the purposes of this subsection means the fifty States and the District of Columbia), as the case may be, plus any direct current expenditures by the State for operation of such agencies (without regard to the soures of funds from which either of such expenditures are made), divided by the aggregate number of children in average daily attendance to whom such agencies provided free public education during such preceding year.

"(18) The term "current expenditures' means expenditures for free public education to the extent that such expenditures are made from current revenues, except that such term does not include any such expenditure for the acquisition of land, the erection of facilities, interest, or debt service.

"(19) The term 'county' means those divisions of a State utilized by the Secretary of Commerce in compiling and reporting data regarding counties."

(b) Paragraph (4) of such section is amended by inserting before the period at the end thereof the folowing: ", except that such term does not include any education provided beyond grade 12".

TITLE II—LOAN GUARANTEES AND INTEREST SUBSIDIES FOR CONSTRUCTION AND ACQUISITION OF FACILITIES FOR ELEMENTARY AND SECONDARY SCHOOLS

SECTION 201. (a) In order to assist State and local educational agencies to carry out acquisition and construction of facilities for elementary and secondary schools, the Commissioner of Education, during the period beginning January 1, 1974, and ending with the close of June 30, 1977, may, in accordance with the provisions of this title—

(1) guarantee to non-Federal lenders making loans to such State and local educational agencies for such purposes, payment of principal of and interest on such loans which are approved under this title, and (2) pay to the holder of such loans (and for and on behalf of the State or local educational agency which received such loan) amounts sufficient (not to exceed 3 per centum per annum) to reduce the net effective interest rate otherwise payable on such loan. No loan guarantee or interest subsidy under this title may, except under such special circumstances and under such conditions as are prescribed by the Commissioner, apply to or be made for an amount which, when added to any grant or other loan under this or any other law of the United States, is in excess of 90 per centum of the cost of acquisition or construction of the facility for which such guarantee or loan subsidy payment is sought. No such loan guarantee may apply to more than 90 per centum of the loss of principal and interest on the loan.

(b) No loan guarantee or interest subsidy payment under this title shall be made unless the Commissioner finds that—

(1) the State or local educational agency applicant is unable to secure the amount of such loan from other sources upon terms and conditions equally as favorable as the terms and conditions applicable to loans which are guaranteed or with respect to which interest subsidy payments are made under this title;

(2) the construction will be undertaken in an economical manner and will not be of elaborate or extravagant design or materials;

(3) with respect to a loan for which a guarantee or an interest subsidy payment is sought, the terms, conditions, maturity, security (if any), and schedule and amounts of repayments with respect to the loan are sufficient to protect the financial interests of the United States and are otherwise reasonable and in accord with regulations, and that the rate of interest does not exceed such per centum per annum on the principal obligation outstanding as the Commissioner determines to be reasonable, taking into account the range of interest rates prevailing in the private market for similar loans and the risks assumed by the United States; and

(4) the term of a loan for which a guarantee or interest subsidy payment is sought does not exceed forty years.

(c) Guarantees of loans and interest subsidy payments under this title shall be subject to such further terms and conditions as the Commissioner determines to be necessary to assure that the purposes of this title will be achieved, and, to the extent permitted by subsection (e), any of such terms and conditions may be modified by the Commissioner to the extent he determines it to be consistent with the financial interests of the United States.

(d) In the case of any loan guaranteed under this title, the United States shall be entitled to recover from the State or local educational agency applicant the amount of any payments made pursuant to such guarantee unless the Commissioner, for good cause, waives his right of recovery, and, upon making such payment, the United States shall be subrogated to all of the rights of the recipient of the payments with respect to which the guarantee was made.

(e) Any guarantee of a loan under this title shall be incontestable in the hands of a State or local educational agency applicant on whose behalf such guarantee is made, and as to any person who makes or contracts to make a loan to such applicant in reliance thereon, except for fraud or misrepresentation on the part of such applicant or such other person, or except where such applicant is in substantial noncompliance with any material provision of this title. The Commissioner shall have the authority after a hearing on the record to terminate or cancel any loan guarantee on behalf of a State or local educational agency where he makes a finding of fact, supported by substantial evidence, that such fraud or misrepresentation or substantial noncompliance with any material provision of this title has occurred.

(f) The Commissioner is authorized to establish and collect such fees from State and local educational agencies for guarantees made under this title as he considers reasonable.

(g) (1) There is established in the Treasury an Elementary and Secondary School Facility Construction and Acquisition Loan Guarantee and Interest Subsidy Fund (hereinafter in this title referred to as the 'fund') which shall be available to the Commissioner without fiscal year limitation, in such amounts as may be specified from time to time in appropriation Act (A) to enable him to discharge his responsibilities under guarantees issued by him under this title, and (B) for interest subsidy payments authorized by this title. There are authorized to be appropriated from time to time such amounts as may be necessary to provide the sums required by the fund. To the extent authorized from time to time in appropriation Acts there shall be deposited in the fund amounts received by the Commissioner as interest payments or repayments of principal on loans and any other moneys, property, or assets derived by him from his operations under this title, including any moneys derived from the sale of assets, and fees collected for guarantees made under this title.

(2) If at any time the moneys in the fund are insufficient to enable the Commissioner to discharge his responsibilities under this title to meet the obligations under guarantees of loans under subsection (a) or to make interest subsidy payments on such loans, he is authorized to issue to the Secretary of the Treasury notes or other obligations in such forms and denominations, bearing such maturities, and subject to such terms and conditions, as may be prescribed by the Commissioner with the approval of the Secretary of the Treasury. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the issuance of the notes or other obligations. The Secretary of the Treasury is authorized and directed to purchase any notes and other obligations issued hereunder and for that purpose he is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act and the purposes for which securities may be issued under that Act are extended to include any purchase of such notes and obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this subsection. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated as public debt transactions of the United States. Sums borrowed under this subsection shall be deposited in the fund and redemption of such notes and obligations shall be made by the Commissioner from such fund.

(h) (1) The cumulative total of the principal of the loans outstanding at any time with respect to which guarantees have been issued under this title may not exceed such limitations as may be specified in appropriation Acts.

(2) In any fiscal year no loan guarantee or agreements to make interest subsidy payments may be entered into under this title if the making of such guarantee or the entering into of such agreement would cause the cumulative total of—

(A) the principal of the loans guaranteed under this title in such fiscal year, and

(B) the principal of the loans for which no guarantee has been made under this title but with respect to which an agreement to make interest subsidy payments is entered into under this title in such fiscal year, to exceed the amount of funds obligated under this title in such fiscal year.

(i) Not more than 12½ per centum of the funds obligated under this title for the principal of loans guaranteed and interest subsidy payments made in any one fiscal year may be used within any one State.

(j) The total amount of interest subsidy payments made under agreements entered into under this title in any one fiscal year shall not exceed $300,000,000 in such fiscal year.

APPLICATION

SEC. 202. (a) No loan guarantee or interest subsidy may be made under this title unless an application therefor has been submitted to and approved by the Commissioner. Each such application shall be in such form, submitted in such manner, contain such information, and be consistent with such basic criteria established under section 203, as the Commissioner may require. Each such application shall provide—

(1) that the State or local educational agency has provided satisfactory assurance that the control of funds provided under this title, and title to property derived therefrom, shall be in a public agency for the uses and purposes provided in this title, and that a public agency will administer such funds and property;

(2) that such projects are not inconsistent with overall State plans for the construction and acquisition of school facilities and that the requirements of section 206 will be complied with on all such projects;

(3) that such fiscal control and fund accounting procedures will be adopted as may be necessary to assure proper accounting for payments made with respect to loans guaranteed and interest subsidy payments made under this title;

(4) that the State or local educational agency is authorized to make such application for assistance under this title under the appropriate State law;

(5) that the State or local educational agency will make an annual report and such other necessary reports to the Commissioner, in such form and containing such information, as may be necessary to enable the Commissioner to perform his duties under this title, and will keep such records and afford such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports;

(6) that such information as may be required shall include satisfactory specification of the existing or anticipated (A) population group or groups to be served by the existing or proposed elementary or secondary school facility; (B) organizational and financial arrangements for providing educational services; (C) facilities available for and additional capital investments and sources of financing therefor, required to provide the level and scope of services proposed; and (D) measures to assure that the location and operation of elementary and secondary school facilities constructed or acquired through assistance provided under this title are in compliance with the requirements of section 207.

(b) The Commissioner shall not approve an application which meets the requirements of subsection (a) of this section unless such application in the case of a local educational agency has been submitted to the appropriate State educational agency for comment.

(c) The Commissioner shall not finally disapprove in whole or in part any application for assistance under this title without first according the educational agency submitting the application reasonable notice and opportunity for a hearing.

BASIC CRITERIA

SEC. 203. As soon as practicable after the enactment of this title, the Commissioner shall by regulation prescribe basic criteria for applications submitted under section 202. In addition to other matters, such basic criteria shall include a priority for projects which provide for the replacement or restoration of hazardous or unsafe facilities, the consolidation of school facilities where the existing facilities do not provide separate classrooms for each grade, the modernization or replacement of facilities which are antiquated or functionally obsolescent, or the modernization or replacement of facilities to provide innovative facilities or equipment.

LIMITATIONS

SEC. 204. (a) No assistance shall be provided under this title for any fiscal year to a State which has taken into consideration non-Federal loans guaranteed and interest subsidy payments under this title in determining the eligibility of any local educational agency in that State for State aid, or the amount of that aid, with respect to the free public education of children during that year or the preceding fiscal year.

(b) No assistance shall be provided under this title to any local educational agency for any fiscal year unless the State educational agency finds that the combined fiscal effort (as determined in accordance with regulations of the Commissioner) of that agency and the State with respect to the provision of free public education by that agency for the preceding fiscal year was at least equal to such combined effort for the fiscal year ending June 30, 1972.

JUDICIAL REVIEW

SEC. 205. (a) If any State or local educational agency is dissatisfied with the Commissioner's final action with respect to the approval of its application under the provisions of this title or with his final action under section 201(a), such State or local educational agency may, within sixty days after notice of such action, file with the United States court of appeals for the circuit in which the State or local educational agency is located a petition for review of that action. A copy of the petition shall be forthwith transmitted by the clerk of the Court to the Commissioner. The Commissioner thereupon shall file in the court the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code.

(b) The findings of fact by the Commissioner, if supported by substantial evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Commissioner to take further evidence, and the Commissioner may thereupon make new or modified findings of fact and may modify his previous action, and shall certify to the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

(c) The court shall have jurisdiction to affirm the action of the Commissioner or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

LABOR STANDARDS

SEC. 206. All laborers and mechanics employed by contractors on all construction projects under this title shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a–276a–5). The Secretary of Labor shall have with respect to the labor standards specified in this section the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (14 F.R. 3176; 5 U.S.C. 133z–15) and section 2 of the Act of June 13, 1934, as amended (40 U.S.C. 265c).

NONDISCRIMINATION PROVISION

SEC. 207. No person in the United States shall on the ground of race, color, national origin, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity in a facility assisted in whole or in part by any guaranteed loan or interest subsidy payment made under this title.

PROHIBITION ON USE AS MATCHING FUNDS

SEC. 208. No State or unit of local government may use, directly or indirectly, any part of the funds it receives under this title as a contribution for the purpose of obtaining Federal funds under any law of the United States which requires matching funds as a condition to the receipt of Federal funds.

DEFINITIONS

SEC. 209. As used in this Act—

(a) The term "Commissioner" means the Commissioner of Education.

(b) The term "construction" includes the preparation of drawings and specifications for school facilities; erecting, building, acquiring, altering, remodeling, improving, or extending school facilities; and the inspection and supervision of the construction of school facilities. Such term includes interests in land or offsite improvements.

(c) The term "elementary school" means a day or residential school which provides elementary education, as determined under State law.

(d) The term "local educational agency" means a public board of education or other public authority legally constituted within a State for either administrative control or direction of, or to perform a service function for, public elementary or secondary schools in a city, county, township, school district, or other political subdivision of a State, or such combination of school districts or counties as are recognized in a State as an administrative agency for its public elementary or secondary schools. Such term also includes any other public institution or agency having administrative control and direction of a public elementary or secondary school.

(e) The term "school facilities" includes classrooms and related facilities; and initial equipment, machinery, and utilities necessary or appropriate for school purposes. Such term does not include athletic stadiums, or structures or facilities intended primarily for athletic exhibitions, contests, or games or other events for which admission is to be charged to the general public.

(f) The term "secondary school" means a day or residential school which provides secondary education, as determined under State law, except that it does not include any education provided beyond grade 12.

(g) The term "State" includes, in addition to the several States of the Union, the Commonwealth of Puerto Rico, the District of Columbia, Guam, American Samoa, the Virgin Islands and the Trust Territory of the Pacific Islands.

(h) The term "State educational agency" means the State board of education or other agency or officer primarily responsible for the State supervision of public elementary and secondary schools, or, if there is no such officer or agency, an officer or agency designated by the Governor or by State law.

EVALUATION REPORT

SEC. 210. Upon completion of elementary or secondary school facility acquisition and/or construction projects under assistance provided under this title, the State or local educational agency recipient of assistance shall make a full and complete report to the Commissioner, in such manner as he may by regulation prescribe, and which shall include descriptions and evaluations of the educational services resulting from such school facility improvements. The Commissioner shall provide a consolidated report to the Congress, with such recommendations, on assistance authorized under this title, as he deems appropriate, not later than January 1, 1977.

APPROPRIATIONS AUTHORIZED

SEC. 210. There are authorized to be appropriated to the fund, not to exceed $2,500,000,000 for the fiscal year ending June 30, 1974, and not to exceed $2,500,000,000 for the fiscal year ending June 30, 1975. Funds appropriated pursuant to this section shall be deposited in the fund and shall remain available for obligation and expenditure until expended.

TITLE III—NATIONAL EDUCATIONAL TRUST FUND

DEFINITIONS

SEC. 301. As used in this title—

(1) The term "Secretary" means the Secretary of the Treasury.

(2) The term "applicant" means any State, political subdivision of a State or other public agency or authority, which imposes a tax on real property for the purpose of financing elementary and secondary education.

(3) The term "fund" means the National Educational Trust Fund established under section 302 of this title.

(4) The term "State" includes the District of Columbia and the Commonwealth of Puerto Rico.

ESTABLISHMENT OF FUND

SEC. 302. There is established in the Treasury of the United States a trust fund to be known as the "National Educational Trust Fund" (hereafter referred to as the "fund"). The fund shall consist of—

(1) amounts appropriated to it by section 303 of this title;

(2) amounts transferred to it from programs authorized under any other provision of law; and

(3) interest and proceeds credited to it under section 304(c), and receipts from any other source.

APPROPRIATIONS TO THE FUND

SEC. 303. There are authorized to be appropriated to the fund, not more than $10,000,000,000 for the fiscal year ending June 30, 1974, and not more than $10,000,000,000 for the fiscal year ending June 30, 1975.

There are further authorized to be appropriated such sums as may be necessary to carry out the purposes of this title for the fiscal year ending June 30, 1976, and for the succeeding fiscal year.

MANAGEMENT OF THE FUND

SEC. 304. (a) It shall be the duty of the Secretary to invest such portion of the fund as is not, in his judgment, required to meet current withdrawals. Such investments may be made only in interest-bearing obligations of the United States or in obligations guaranteed as to both principal and interest by the United States. For such purpose, such obligations may be acquired (1) on original issue at the issue price, or (2) by purchase of outstanding obligations at the market price. The purposes for which obligations of the United States may be issued under the Second Liberty Bond Act, as amended, are hereby extended to authorize the issuance at par of special obligations exclusively to the fund. Such special obligations shall bear interest at a rate equal to the average rate of interest, computed as to the end of the calendar month next preceding the date of such issue, borne by all marketable interest-bearing obligations of the United States then forming a part of the public debt; except that where such average rate is not a multiple of one-eighth of 1 percent, the rate of interest of such special obligations shall be the multiple of one-eighth of 1 percent next lower than such average rate. Such special obligations shall be issued only if the Secretary determines that the purchase of other interest-bearing obligations of the United States, or of obligations guaranteed as to both principal and interest by the United States on original issue or at the market price, is not in the public interest.

(b) Any obligation acquired by the fund (except special obligations issued exclusively to the fund) may be sold by the Secretary at the market price, and such special obligations may be redeemed at par plus accrued interest.

(c) The interest on, and the proceeds from the sale or redemption of, any obligations held in the fund shall be credited to and form a part of the fund.

EXPENDITURES FROM THE FUND

SEC. 305. The Secretary is authorized to make and to contract to make payments from the fund to applicants in order to enable such applicants to substantially reduce or eliminate the taxation of real property for the purpose of financing elementary and secondary education, in accordance with further provisions under this title, during the period beginning January 1, 1974, and ending with the close of June 30, 1977.

ELIGIBILITY

SEC. 306. (a) An applicant is eligible to receive payments under this title only if the Secretary determines, on the basis of an application in such form as the Secretary may prescribe and in accordance with further provisions under this title, that the applicant has adopted or will adopt a program to substantially reduce or eliminate the taxation of real property for the purpose of financing elementary and secondary education.

(d) The Secretary shall not finally disapprove any application for funds under this title without first affording the applicant reasonable notice and an opportunity for a hearing. The terms of an application approved under this title shall be considered a contract, to which the United States shall be deemed a party-in-interest, and such contract shall be specifically enforceable in the appropriate Federal District Court by the Secretary.

LIMITATIONS AND CONDITIONS

SEC. 307. (a) Subject to further provisions under this title, and except as provided under subsection (g) of this section, the amount of payment under this title to any applicant, for the first fiscal year in which such application is made, and for the succeeding fiscal year, shall not exceed—

(1) the amount of funds received by the applicant from the taxation of real property during the last full fiscal year of the applicant when such funds were raised by such taxation for the purpose of financing elementary and secondary education, or

(2) the amount of funds for that year which an applicant in a State would require in order to expend for elementary and secondary education an amount per pupil which is equal to the applicable target per pupil expenditure for that applicant,

whichever is greater.

(b) As used in this section—

(1) the term "State educational agency" means the State board of education or other agency or officer primarily responsible for the State supervision of public elementary and secondary schools, or, if there is no such officer or agency, an officer or agency designated by the Governor or by State law.

(2) the term "local educational agency" means a public board of education or other public authority legally constituted within a State for either administrative control or direction of, or to perform a service function for, public elementary or secondary schools in a city, county, township, school district, or other political subdivision of a State, or such combination of school districts or counties as are recognized in a State as an administrative agency for its public elementary or secondary schools. Such term also includes any other public institution or agency having administrative control and direction of a public elementary or secondary school.

(3) the term "elementary school" means a day or residential school which provides elementary education, as determined under State law.

(4) the term "secondary school" means a day or residential school which provides secondary education, as determined under State law, except that it does not include any education provided beyond grade 12.

(5) the term "target per pupil expenditure" means the per pupil expenditure for elementary and secondary school children, respectively, during the base period fiscal year determined by the Secretary for that State, of that local educational agency within such State with a per pupil expenditure for elementary and secondary school children, respectively, which is exceeded by not more than 10 per centum of the local educational agencies within such State.

(6) the term "urban center" means the central city area of a standard metropolitan statistical area as determined by the Secretary;

(7) the term "local educational agency serving an urban center" means any local educational agency which serves at least one-third of the pupils in any urban center and at least 25,000 pupils; and

(8) the term "applicable target per pupil expenditure" means (A) in the case of a local educational agency serving an urban center, the target per pupil expenditure, and (B) in the case of any other local educational agency, 90 per centum of the target per pupil expenditure, for a State.

(9) the term "homestead" means the dwelling, whether owned or rented, and so much of the land surrounding it, not exceeding one acre, as is reasonably necesary for the use of the dwelling or multipurpose building used as a home and a part of the land upon which it is built, and of a mobile home if used as a home. Such term does not include personal property such as furniture, furnishings, or appliances whether or not affixed to the reality;

(10) the term "income" means the sum of adjusted gross income as defined in the Internal Revenue Code of 1954, the amount of capital gains excluded from adjusted gross income, alimony, support money, nontaxable strike benefits, cash public assistance and relief, the gross amount of any pension or annuity, nontaxable interest, workmen's compensation, and the gross amount of insurance payments in lieu of income from employment. Such term does not include gifts or noncash relief, services, or other assistance supplied by a public agency;

(11) the term "rent constituting real property taxes" means an amount equal to 25 per centum of the gross rent actually paid in cash (or its equivalent) in any calendar year by an individual solely for the right of occupancy of his homestead in a calendar year; and

(12) the term "gross rent" means a rental paid solely for the right of occupancy of a homestead, exclusive of charges for any utilities, services, furniture, furnishings or personal property or appliances furnished by the landlord as part of the rental agreement whether or not expressly set out in the rental agreement.

(c) To be eligible to receive payments under this title for any fiscal year for which application is made, an applicant shall provide satisfactory assurances to the Secretary that where the taxation of real property is employed for the purpose of financing elementary and secondary education—

(1) it will eliminate the taxation of real property on the first $30,000 of assessed value of all resident owned domiciles in which the head of the household or immediate survivor is receiving Social Security, railroad retire-

ment, veteran's pension and/or disability benefits, or equivalent retirement benefits, whether public or private, as the major source of income; and

(2) it will reduce real property taxes or rent constituting real property taxes upon an individual's homestead for the current taxable year to not more than 5 per centum of that individual's income for that year.

(d) Prior to receiving payment under this title in the second fiscal year for which application is made, each State of an applicant shall present data to the Secretary and to the Commissioner of Education demonstrating that, in the preceding fiscal year, all local educational agencies in the State had per pupil expenditures which met the required level for elementary and secondary school children, respectively, as set forth in this section.

(e) In the second fiscal year for which application is made and each year thereafter, the Secretary shall withhold not more than 20 per centum of the payment for which an applicant would otherwise be eligible, unless the Secretary has received proper notification from the Commissioner of Education, under such requirements as the Commissioner may by regulation prescribe, that such applicant has planned and will carry out programs to meet identified needs for early childhood development, vocational education, comprehensive educational programs designed to meet the special education needs of mentally or physically handicapped children and children with specific learning disabilities, and compensatory education for children who are educationally deprived.

(f) In the second fiscal year for which application is made and each year thereafter, the Secretary is authorized to increase the amount of payments to an applicant by not more than 10 per centum per year, upon receiving proper notification from the Commissioner of Education, under such requirements as the Commissioner may by regulation prescribe, that such applicant would require these additional funds in order to meet additional operating costs sustained by the applicant as a result of—

(1) the implementation of such educational programs as may be required under the provisions of this title;

(2) the acquisition of new educational equipment or the improvement of existing equipment by the applicant;

(3) increased salaries for teachers paid out of funds made available by the applicant.

(g)(1) In the third fiscal year for which application is made and each year thereafter, or in any fiscal year for which an application is approved by the Secretary under the provisions of this subsection, the applicant shall be a State, and the amount of payment to such State shall be equal to 33⅓ per centum of the expenditures for elementary and secondary education, respectively, by such State in the fiscal year preceding the fiscal year for which application is made, upon the determination by the Secretary with the concurrence of the Commissioner of Education, subsequent to the presentation to the Secretary and the Commissioner of such information and data as the Secretary and the Commissioner shall jointly by regulation prescribe, including a State plan as further provided under this subsection, that such State has complied with the provisions of this title with respect to—

(A) the substantial reduction or elimination of the taxation of real property for the purpose of financing elementary and secondary education, as set forth in section 305, section 306, and section (c) of this section;

(B) the achievement of the required level of per pupil expenditures by all local educational agencies in the State, as set forth in subsections (a) (2), (b) (5)–(8), and (d) of this section;

(C) the maintenance of combined fiscal effort by all local educational agencies and the State with respect to the provision of free public education by such agencies, and the establishment of a tax system within the State to maintain such combined fiscal effort and for other purposes, as further provided under this subsection;

(D) the planning and carrying out of educational programs, as further provided under this subsection; and

(E) General Provisions as set forth in section 308.

(2) The State plan shall—

(A) stipulate measures and programs implemented to assure that the State is in compliance with the requirements of paragraph (1) of this subsection;

(B) provide that the State educational agency shall act as the sole agency for the administration of the State plan;

(C) set forth a program under which payments made to the State under this title will be used solely by State and local educational agencies for elementary and secondary educational purposes;

(D) have been adopted only after affording local educational agencies in the State an opportunity to review and comment on its provisions;

(E) present data demonstrating that the combined fiscal effort of local educational agencies and the State with respect to the provision of free public education by such agencies for the preceding fiscal year (exclusive of payments received under this title) was at least equal to such combined effort for the fiscal year preceding the fiscal year in which initial payments were received under this title; *Provided, however,* that the resultant tax system within the State provides that—

(i) there shall be an equitable distribution within the State of the burden of financing public elementary and secondary education; and

(ii) such financing shall be a function of the total taxable wealth of the State, and is not limited to the taxable wealth of the individual local educaional agencies within the State; and

(iii) such financing shall therefore be derived predominantly from State tax collections based upon the personal income of all persons resident in the State;

(F) provide for use by the State educational agency of payments made under this title for the proper and efficient performance of its duties in implementing this title, except that such agency may not, in any fiscal year, use for such purpose an amount greater than 1 per centum of the State's total entitlement for payments under this title in such fiscal year, or $150,000, whichever is the greater;

(G) provide for objective measurements of the number of children in areas served by all respective local educational agencies in the State and for an assessment of their educational needs and achievements, as well as an accounting of educational services provided such children and the number of children served, and for the provision of annual reports to the Commissioner of Education providing such information and data as the Commissioner shall by regulation prescribe in carrying out the provisions of this subparagraph, where such information and data are provided according to the following categories:

(i) children of pre-school age;

(ii) children in the age group served by elementary and intermediate schools through grade nine;

(iii) children in the age group served by secondary schools in grades ten through twelve;

(iv) children who are mentally handicapped;

(v) children who are physically handicapped;

(vi) children who have specific learning disabilities;

(vii) children who are educationally deprived; and

(viii) children who can be assisted by vocational education.

(3) In the second fiscal year for which application is made by a State and each year thereafter, and upon receiving proper notification from the Commissioner of Education on the basis of information and date provided to the Commissioner by such State applicant in accordance with requirements under the State plan as set forth in subparagraph (G) of paragraph (2) of this subsection, the Secretary is authorized to withhold or increase payments to such State applicant as provided, respectively, under subsections (e) and (f) of this section. In any case in which the Commissioner has not determined that satisfactory data for the purpose of this subsection are available, the Commissioner is authorized to request the Secretary of Commerce to make a special estimate of the number of children specified under the respective categories of subparagraph (G) of paragraph (2) of this subsection, and the Commissioner is authorized to pay (either in advance or by way of reimbursement) the Secretary of Commerce shall give consideration to any request of the chief executive of a State for the collection of additional census information.

GENERAL PROVISIONS

SEC. 308. (a) The Secretary shall be the trustee of the fund, and shall report to the Congress not later than March 1 of each year on the status and operation of the fund during the preceding fiscal year.

(b) In order to qualify for any payment under this title, an applicant must establish (in accordance with regulations established by the Secretary, after an opportunity for review and comment by the Governor of a State, with respect to a unit of local government located in such State) to the satisfaction of the Secretary that—

(1) it will use fiscal, accounting, and audit procedures which conform to guidelines established therefor by the Secretary (after consultation with the Comptroller General of the United States),

(2) it will provide to the Secretary (and to the Comptroller General of the United States), on reasonable notice, access to, and the right to examine, such books, documents, papers, or records as the Secretary may reasonably require for purposes of reviewing compliance with this title,

(3) it will make such annual and interim reports to the Secretary as he may reasonably require

(4) it will establish policies and procedures designed to assure that no more than 15 per centum of the Federal funds made available under this title will be used for capital outlay and debt service, and

(5) the control of funds provided under this title, and title to property derived therefrom, shall be in a public agency for the uses and purposes provided in this title, and that a public agency will administer such funds and property.

(c) No person in the United States shall on the ground of race, color, national origin, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under this title.

JUDICIAL REVIEW

SEC. 309. (a) If any applicant is dissatisfied with the Secretary's final action with respect to the approval of its application under the provisions of this title, or with respect to the withholding of payments as provided under section 307 (e), such applicant may, within sixty days after notice of such action, file with the United States court of appeals for the circuit in which the applicant is located a petition for review of that action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Secretary. The Secretary thereupon shall file in the court the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code.

(b) The findings of fact by the Secretary, if supported by substantial evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Secretary to take further evidence, and the Secretary may thereupon make new or modified findings of fact and may modify his previous action, and shall certify to the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

(c) The court shall have jurisdiction to affirm the action of the Secretary or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

TRANSITIONAL PROVISIONS

SEC. 310. Notwithstanding the provisions of Section 306, during the fiscal year ending June 30, 1974, the Secretary is authorized to furnish assistance and make payments to assist applicants in gradually reducing the amount of revenues received by such applicants by the taxation of real property for the purpose of financing elementary and secondary education.

TITLE IV—DEPARTMENT OF EDUCATION

DEPARTMENT ESTABLISHED

SECTION 401. There is established an executive department which shall be known as the Department of Education (hereinafter referred to as the "Department"). There shall be at the head of the Department a Secretary of Education (hereinafter referred to as the "Secretary"), who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall receive compensation at the rate prescribed for level I of the Federal Executive Salary Schedule established under section 5312 of title 5, United States Code. The Department shall be administered under the supervision and direction of the Secretary.

FUNCTION AND PURPOSE

SEC. 402. The function and purpose of the Department shall be to promote the cause and advancement of education throughout the Nation. To that end the Secretary shall, among his responsibilities, (1) advise the President with respect to the progress of education; (2) develop and recommend to the President appropriate policies and programs to foster the orderly growth and development of the Nation's educational facilities and resources; (3) exercise leadership at the direction of the President in coordinating Federal activities affecting education; (4) conduct continuing comprehensive surveys, collect data, and make available findings, on the progress of education; (5) provide information and such other assistance as may be authorized by the Congress to aid in the maintenance of efficient school systems; and (6) encourage comprehensive planning by the State and local governments with a view to coordinating Federal, State, and community educational activities at the local level.

UNDER SECRETARY AND OTHER OFFICERS

SEC. 403. There shall be in the Department an Under Secretary, four Assistant Secretaries, and a General Counsel each of whom shall be appointed by the President, by and with the advice and consent of the Senate, and shall perform such functions and duties as the Secretary may prescribe. The Under Secretary shall receive compensation at the rate prescribed for level III of the Federal Executive Salary Schedule established under section 5314 of title 5, United States Code, and the Assistant Secretaries and General Counsel shall receive compensation at the rate prescribed for level IV under section 5315 of such title. The Under Secretary (or during the absence or disability of the office of Under Secretary, an Assistant Secretary determined according to such order as the Secretary shall prescribe) shall act as Secretary during the absence or disability of the Secretary or in the event of a vacancy in the office of Secretary.

PROVISIONS OF LAW APPLICABLE TO THE DEPARTMENT

SEC. 404. Except to the extent inconsistent with this title, all provisions of law applicable to the executive departments generally shall apply to the Department.

SEAL

SEC. 405. The Secretary shall cause a seal of office to be made for the Department, of such design as the President shall approve, and judicial notice shall be taken thereof.

DELEGATION OF AUTHORITY

SEC. 406. The Secretary may, without being relieved of his responsibility therefor, and unless prohibited by some specific provision of law, perform any function vested in him through or with the aid of such officials or organizational entities of the Department as he may designate.

TRANSFERS TO DEPARTMENT

SEC. 407. (a) The Education Division of the Department of Health, Education, and Welfare, consisting of the Office of Education and the National Institute of Education, together with all of its functions, personnel, property, records, obligations, commitments, and unexpended balances of appropriations, allocations, and other funds is transferred to the Department and all functions of the Secretary of Health, Education, and Welfare being administered through such Division, and all functions of the Secretary of Health, Education and Welfare, and all functions of the Assistant Secretary of Health, Education, and Welfare for Education, and all functions of the Commissioner of Education with respect to such Division, Office, and Institute, are transferred to the Secretary.

(b) The following additional functions of the Secretary of Health, Education, and Welfare are transferred to the Secretary:

(1) With respect to and being administered by the Secretary of Health, Education, and Welfare through the Office of Child Development;

(2) With respect to all laws dealing with the relationship between Gallaudet College, Howard University, and American Printing House for the Blind, and the Department of Health, Education, and Welfare;

(3) Under section 394 of the Communications Act of 1934, relating to Federal grants for the construction of television broadcasting facilities to be used for educational purposes; and

(4) Under the Drug Abuse Education Act of 1970.

(c) There are transferred to the Secretary all functions of the Director of the Office of Economic Opportunity (including functions delegated to the Secretary of Health, Education, and Welfare) under sections 22(a) (1) and (2) of the Economic Opportunity Act of 1964 relating to the Project Headstart and Follow Through programs.

(d) There are transferred to the Secretary all functions of the Secretary of Defense with respect to the operation of schools for dependents of members of the Armed Forces.

(e) There are transferred to the Secretary all functions of the Secretary of Agriculture with respect to the operation of the Graduate School, United States Department of Agriculture.

(f) There are transferred to the Secretary all functions of the Secretary of Housing and Urban Development under title IV of the Housing Act of 1950 relating to college housing.

(g) There are transferred to the Secretary all functions of the National Science Foundation which the Director of the Office of Management and Budget determines relate to instructional personnel development programs, instructional program development, and programs in computer innovations designed for use in education.

(h) All personnel, property, leases, obligations, and commitments and unexpended balances of appropriations, allocations, and other funds which the Director of the Office of Management and Budget determines are to be used with respect to any office, agency, bureau, foundation, or function transferred under the provisions of this section, are transferred to the Department of Education.

ADDITIONAL TRANSFERS

SEC. 408. The President is authorized to transfer to the Department of Education, any other agency or instrumentality of the Federal Government which he determines has functions relating to education and should be transferred to the Department of Education to promote efficiency in Government and to carry out the purposes of this title. Such transfers shall be completed within one hundred and eighty days after the date of enactment of this Act, and a report describing such transfers shall be submitted to the Congress not later than thirty days thereafter.

FEDERAL INTERAGENCY COMMITTEE ON EDUCATION

SEC. 409. (a) There is hereby established a Federal Interagency Committee on Education (hereafter referred to as the "Committee").

(b) The Committee shall study and recommend such actions as may be necssary to assure effective coordination of Federal programs affecting education, including—

(1) development of Federal programs in accordance with the educational goals and policies of the Nation;

(2) consistent administration of policies and practices among Federal agencies in the conduct of similar programs;

(3) full and effective communication among Federal agencies to avoid unnecessary duplication of activities;

(4) adequate procedures for the availability of information on educational matters requested by the Secretary; and

(5) full and effective cooperation with the Secretary on such studies and analyses as are necessary to carry out the purposes of this Act.

(c) The Committee shall, within ninety days of the enactment of this Act, advise the President with respect to his responsibilities under section 408.

(d) The Committee shall be composed of the Secretary, who shall be the Chairman, and one appropriate representative of each of the following: The Department of State, the Department of Defense, the Department of Agriculture, the Department of Labor, the Department of Health and Welfare, the Department of Housing and Urban Development, the National Science Foundation, the Atomic Energy Commission, the National Aeronautics and Space Administration, the National Endowments for the Arts and Humanities, and the Office of Economic Opportunity. Other members may be added by Executive order of the President as he determines may be necessary.

(e) The Chairman may invite Federal agencies in addition to agencies represented on the Committee under the provisions of subsection (d) of this section to designate representatives to participate in meetings of the Committee on matters of substantial interest to such agencies which are to be considered by the Committee.

(f) The Director of the Office of Management and Budget, the Chairman of the Council of Economic Advisers, the Executive Director of the Domestic Council, and the Director of the Office of Science and Technology may each designate a member of his staff to attend meetings of the Committee as observers.

(g) Each Federal agency which is represented on the Committee under the provisions of subsection (d) of this section, shall furnish necessary assistance to the Committee in accordance with section 214 of the Act of May 3, 1945 (31 U.S.C. 691).

NATIONAL ADVISORY COMMISSION ON EDUCATION

SEC. 410. (a) There is hereby established a National Advisory Commission on Education (hereafter referred to as the "National Commission") composed of fifteen members appointed by the President, by and with the advice and consent of the Senate from among individuals—

(1) who are familiar with the educational needs and goals of the United States,

(2) who have competence in assessing the progress of educational agencies, institutions, and organizations in meeting those needs and achieving those goals,

(3) who are familiar with the administration of State and local educational agencies and of institutions of higher education, and

(4) who are representative of the mass media, industry and the general public.

Members shall be appointed for terms of three years, except that (1) in the case of initial members, one-third of the members shall be appointed for terms of one-year each and one-third of the members shall be appointed for terms of two-years each, and (2) appointments to fill the unexpired portion of any terms shall be for such portion only.

(b) The National Commission shall—

(1) review the administration of, general regulations for, and operation of Federal education programs;

(2) advise the Secretary and other Federal officials with respect to the educational needs and goals of the Nation and assess the progress of appropriate agencies, institutions, organizations of the Nation in order to meet those needs and achieve those goals;

(3) conduct objective evaluations of specific education programs and projects in order to ascertain the effectiveness of such programs and projects in achieving the purpose for which they are intended;

(4) make recommendations (including recommendations for changes in legislation) for the improvement of the administration and operation of Federal education programs;

(5) consult with Federal, State, and local and other educating agencies, institutions, and organizations with respect to assessing education in the United States and the improvement of the quality of education, including—

(A) areas of unmet needs in education and national goals and the means by which those areas of need may be met and those national goals may be achieved;

(B) determination of priorities among unmet needs and national goals; and

(C) specific means of improving the quality and effectiveness of teaching, curricula, and educational media and of raising standards of scholarship and levels of achievement:

(6) conduct national conferences on the assessment, improvement, and renewal of education, in which national and regional education associations and organizations, State and local education officers and administrators, and other education related organizations, institutions, and persons (including parents of children participating in Federal education programs) may exchange and disseminate information on the improvement of education;

(7) conduct, and report on, comparative studies and evaluations of education systems in foreign countries; and

(8) advise and assist in the coordination of all the advisory bodies to Federal education programs.

(c) The National Commission shall make an annual report and such other reports as it deems appropriate, concerning its findings, recommendations, and activities to the President for submission to the Congress once each year.

(d) In carrying out its responsibilities under this section, the National Commission shall take, together with the Secretary, whatever action is necessary to carry out section 448 of the General Education Provisions Act, to devise a manageable and effective advisory structure for the Department. The National Commission shall advise the Secretary on the number of advisory bodies that are necessary and the manner in which such bodies relate to one another. The National Commission shall consult with the National Advisory Council on the Education of Disadvantaged Children, the National Advisory Council on Supplementary Centers and Services, the National Advisory Council on Education Professions Development, the National Advisory Council on Educational Research and Development, and such other advisory councils and committees as may be appropriate to carry out its functions under this subsection. All Federal agencies are directed to cooperate with the National Commission in carrying out its functions under this subsection.

(e) The National Commission is authorized to engage such technical assistance as may be required to carry out its functions and the Secretary shall, in addition, make available to the National Commission such secretarial, clerical, and other assistance and such pertinent data prepared by the Department as the National Commission may require to carry out its functions.

(f) Members of the National Commission who are not in the regular full-time employ of the United States shall, while attending meetings or conferences of the National Commission or while otherwise engaged in the business of the National Commission, be entitled to receive compensation at a rate fixed by the Secretary, but not exceeding the rate specified at the time of such service for grade GS–18 under section 5332 of title 5, United States Code, including traveltime, and while so serving on the business of the National Commission away from their homes or regular places of business they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons employed intermittently in the Government service.

(g) The President shall appoint the National Commission not later than thirty days after the date of enactment of this Act.

TRANSFER MATTERS

SEC. 411. All laws relating to any agency or function transferred under this Act shall, insofar as such laws are not inapplicable, remain in full force and effect. Any transfer of personnel pursuant to this title shall be without change in classification or compensation, except that this requirement shall not operate to prevent the adjustment of classification or compensation to conform to the duties to which such transferred personnel may be assigned. All orders, rules, regulations, permits, or other privileges made, issued, or granted by any agency or in connection with any functions transferred by this title, and in effect at the time of the transfer, shall continue in effect to the same extent as if such transfer had not occurred, until modified, superseded, or repealed. No suit, action, or other proceeding lawfully commenced by or against any agency or any officer of the United States acting in his official capacity shall abate by reason of any transfer made pursuant to this title, but the court, on motion or supplemental petition filed at any time within twelve months after such transfer takes effect, showing a necessity for a survival of such suit, action, or other proceeding to obtain a settlement of the question involved, may allow the same to be maintained by or against the appropriate agency or officer of the United States.

ANNUAL REPORT

SEC. 412. The Secretary shall, as soon as practicable after the end of each calendar year, make a report to the President for the submission to the Congress on the activities of the Department during the preceding calendar year. Such report shall also contain objective data on enrollments, expenditures, numbers of teachers, administrative, supervisory and auxiliary personnel, numbers of professionals who lack full qualifications, needs for classroom and other construction, special needs of critical areas such as urban and rural areas, and similar data.

CONFORMING AMENDMENTS

SEC. 413. (a) Section 19(d)(1) of title 3, United States Code, is amended by striking out "Secretary of Health, Education, and Welfare" at the end thereof and inserting the following: "Secretary of Health and Welfare, Secretary of Education."

(b) Section 1 of title 5, United States Code, is amended by adding at the end thereof: "Eleventh. The Department of Education." and by striking out "Health, Education, and Welfare" and inserting "Health and Welfare."

(c) Any reference to the Office of Education or the Commissioner of Education, in any other law, rule, regulation, certificate, directive, instruction, license, or other official paper in force on the effective date of this title shall be deemed to refer and apply to the Department of Education or the Secretary of Education, as may be appropriate.

(d) Any reference to the Department of Health, Education, and Welfare or the Secretary of Health, Education, and Welfare in any other law, rule, regulation, certificate, directive, instruction, license, or other official paper in force on the effective date of this title shall be deemed to refer and apply to the Department of Health and Welfare and the Secretary of Health and Welfare, respectively.

EXPENDITURES AUTHORIZED

SEC. 414. The Secretary is authorized to make such expenditures (including expenditures for personal services and rent at the seat of government and elsewhere for lawbooks, books of reference and periodicals, and for printing and binding) as may be necessary to carry out the provisions of this Act, and as may be provided for by the Congress from time to time.

APPROPRIATIONS AUTHORIZED

SEC. 415. There are authorized to be appropriated such sums as may be necessary to enable the Department to carry out the provisions of this title and to perform any other duties which may be imposed upon it by law.

EFFECTIVE DATE

SEC. 416. The provisions of this title shall be effective on its date of enactment, except that section 407 shall be effective within ninety days following such date.

By Mr. GURNEY:

S. 1818. A bill authorizing certain members of the Armed Forces of the United States who were captured and held by an enemy force during the Vietnam conflict to enter, without charge, certain designated units of the National Park System and National Recreation Areas. Referred to the Committee on Interior and Insular Affairs.

Mr. GURNEY. Mr. President, during the past months we have witnessed the homecoming of hundreds of released prisoners of war. With their release have come the accounts of their experiences when captured and while held prisoner. Certainly, there can be no question in my mind that these men were forced to endure under the most difficult of conditions. For years they were separated from their families and loved ones. For years they were subjected to ideological brainwashing, often accompanied by monstrous physical abuse. The stories of barbaric treatment, torture, and intense political isolation and persecution cannot help but cause all Americans, regardless of their feelings about the war, to salute these wonderful heroic Americans.

Certainly there can be no method of repayment for the years they spent in captivity. Nor can there be any real method of repayment for what they endured. In fact, there is no way that we could ever do enough to convey to these returning prisoners of war our thanks for their sacrifice and for the way they proved themselves to be great Americans, military men, and individuals of such character and inner strength. These men kept their belief in their God, their Nation, and each other. We cannot help but be both thankful and proud of their conduct when we pause to remember the fact that they had no way of knowing how long they were to be imprisoned or when they were to be freed.

They endured all of this while not only coping with the vilest day-to-day conditions but while also being forced to view and contend with the dissension within their own country. Yet through all of this they remained the strongest of the strong.

As I mentioned earlier in my remarks, there is certainly no method of repayment for their individual sacrifice and it is worth noting that they seek no special benefits. However, when we pause to seriously consider the love they have demonstrated for our great Nation, perhaps one small consideration we can make on their behalf would be to award to each and every returned and returning prisoner of war a Meritorious Service Passport that would provide them free access and use to this Nation's National Park System and all of our national recreation areas. Very few, if any, Americans will ever have a greater appreciation of this Nation and its resources than these men. Very few, if any, Americans will ever have a deeper appreciation for the space and beauty of our recreation areas.

In the past we have authorized a Golden Age Passport for our older Americans who have done so much to build this great Nation. I am today offering similar legislation which will create by law a Meritorious Service Passport to be used and enjoyed by these great Americans.

I would like to notify my colleagues of my intention to offer this bill as an amendment to S. 1381, a bill which also amends the Land and Water Conservation Fund Act of 1965.

I ask unanimous consent that my bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1818

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That paragraph (4) of section 4(a) of the Land and Water Conservation Fund Act of 1965, as amended (16 U.S.C. 460l–6a), is amended (1) by designating the existing text of such paragraph as subparagraph (A); (2) by amending the first two sentences thereof to read as follows: "The Secretary of the Interior and the Secretary of Agriculture shall establish procedures providing for the issuance of (i) an annual entrance permit (to be known as the 'Golden Age Passport') to any person sixty-two years of age or older applying for such permit, and (ii) an annual entrance permit (to be known as the 'Meritorious Service Passport') to any member of the Armed Forces of the United States (upon application therefor) who was captured and held for any period of time by an enemy force during the Vietnam conflict. Such permits shall be nontransferable, shall be issued without charge, and shall entitle the bearer and any person accompanying the bearer in a single, private noncommercial vehicle to enter into any admission fee area designated pursuant to this section."; and (3) by adding at the end thereof the following new subparagraph:

"(B) As used in this paragraph, the term 'Vietnam conflict' means the period beginning on February 28, 1961, and ending on such date as shall thereafter be determined by Presidential Proclamation or Concurrent Resolution of the Congress.".

Sec. 2. Paragraph (1) of section 4(b) of the Land and Water Conservation Fund Act of 1965, as amended (16 U.S.C. 460l–6a), is amended by inserting immediately after "Golden Age Passport" the following: "or a valid Meritorious Service Passport".

By Mr. HART:

S. 1820. A bill to amend the Export Administration Act of 1969 to manage the export of forest products from the United States. Referred to the Committee on Banking, Housing and Urban Affairs.

FOREST PRODUCTS EXPORT MANAGEMENT

Mr. HART. Mr. President, I introduce a bill to provide a comprehensive authority to manage the export of forest products so that there will be an adequate supply at reasonable prices for domestic use.

The bill is premised on the concepts that the private and public forests of the United States should be well-managed and that their forest products ought to be for the benefit of all of the people of the United States.

The taxpayers of the United States invest a considerable sum of money each year in governmentally owned forests. They subsidize, for example, extensive systems of protection of the forests from fire and forest research programs. Further, tax laws are written to provide certain benefits to forest owners. The people of the United States then should have first call on the forests to provide lumber for homes, paper and the many other products dependent on a forest industry.

This bill will not suddenly cut off all forest products exports. Rather it will reduce them slowly. It seeks to do this in a manner that encourages forest owners and managers to export only those species and grades of logs and forest products that are surplus to our domestic needs.

The exportation of logs and forest products is a private business, conducted for private profits, by private persons based upon private decisions. In 1968 log exports from Federal forests were partially regulated. Since that time there has been an astronomical increase in log exports, all from private actions. The price of forest products in this country has risen precipitously. The owners of logs are exporting more and more logs voluntarily because it is more profitable for them to do so than it is to manufacture them into forest products and sell them here at home.

My proposal would regulate this trade. It would vest certain authority in the Secretary of Commerce to accomplish this goal. It would vest in the President, with the consent of the Congress, the right to set aside this authority if there were a demonstrated overriding national interest. However, the only regulation proposed is for forest products that are needed in the United States. Those logs and other forest products that are surplus to our needs could continue to be exported without restriction. We are a net importer of forest products today and we are likely to be a net importer for many years to come. The bill seeks to maximize domestic use of trees and their products in the United States.

I ask unanimous consent that the text of the bill be printed at this point in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1820

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Export Administration Act of 1969 is amended by—

(1) inserting immediately before the caption of section 1 the following:

"TITLE I—GENERAL PROVISIONS"

(2) redesignating sections 1 through 14, and all cross references thereto, as sections 101 through 114, respectively;

(3) striking "this Act" wherever it appears in sections 101 through 114 (as redesignated by paragraph (2)) and inserting "this title"; and

(4) striking "This Act" in section 113(a) (as redesignated by paragraph (2)) and inserting "This title".

Sec. 2. The Export Administration Act of 1969 is amended by adding at the end thereof the following new title:

"TITLE II—FOREST PRODUCTS EXPORT MANAGEMENT

"SHORT TITLE

"Sec. 201. This title may be cited as the 'Forest Products Export Management Act of 1973'.

"FINDINGS

"Sec. 202. It is the finding of the Congress that it is in the interest of the people of the United States that there be an adequate supply of forest products continuously available for their use; the United States is abundantly blessed with land capable of growing forests that can produce the range of values that the living forest provides for man's economic, social and spiritual well being; during the past century and into some of this century the forest lands of the United States were viewed as a limitless resource; these forests were subjected to heavy cutting and a low level of management and protection; during the past several decades progress has been made in introducing a higher level of management on public and private forests; there are still substantial forest areas that have not been restored to their optimum level of economic and environmental utility; it is both feasible and wise to sustain the flow of benefits from the forests; some benefits, both tangible and intangible, can be sustained on an even sort of flow; on larger private and public forests it is practical to maintain a continuous annual flow of forest products, while on smaller forest units the flow of products may be intermittent yet under a high order of forest stewardship, all to the end that the total amount of forest products and other benefits regionally and nationally will be sustained and amplified in future decades; to help attain those goals the wastage of portions of the bole of each tree cut should be kept at as low a level as possible and all reasonable efforts to secure the full utilization of the tree bole should be encouraged; all reasonable forest land management efforts should be encouraged to secure the economic and environmental benefits of our forest resources; the United States has become a substantial importer of softwood logs and products, principally from Canada, and we also import certain hardwoods indigenous to the United States; the importation of logs and forest products from other nations should be encouraged provided this trade does not exploit other nations' forest resources to their disadvantage; the United States especially in the past decade has become a substantial exporter of softwood logs and also exports a substantial quantity of lumber; there is concern that unless this trade is properly managed it will contribute to supply instability, rises in the cost of forest products and depletion of the forest resources of the United States in a manner disadvantageous to the national need and interest.

"FOREST PRODUCTS EXPORT MANAGEMENT

"SEC. 203. (a) Upon enactment of this title, the export of forest products from the United States shall be managed by limiting the volume thereof that annually may be exported and the conditions under which forest products may be exported. This shall be a function of the Secretary of Commerce with cooperation from other agencies of government.

"(b) For the calendar year 1973, softwood log exports shall not exceed the average of such exports during calendar years 1971 and 1972. For softwood lumber, timber, and cants, the exports for calendar year 1973 shall not exceed the average of such exports during calendar years 1971 and 1972.

"(c) Not later than December 1 of each year beginning with 1973, the Secretary shall determine the type and volume of forest products that have been imported for the year in progress. He shall estimate the anticipated level of such imports in the succeeding year and he shall review and analyze all facts he deems pertinent to determining whether the export of forest products is in the national interest and the level of such exports that would be in the national interest.

"(d) Not later than December 15 of each year beginning with 1973, the Secretary shall prescribe for the succeeding year the level of forest products exports that he determines will be permitted in the national interest but, except as provided below, the permitted level of exports of forest products needed for domestic use in any year shall not exceed 10 per centum of the imports of forest products. For the calendar year 1974 such exports may be 20 per centum of the 1973 imports and for 1975 such exports may be 15 per centum of the 1974 imports. In any year, however, the Secretary may permit such higher level of forest products exports not to exceed the 1972 level as he determines will be in the national interest in any year or portion thereof when the domestic price index for forest products is 95 or less using the year 1967 as 100.

"(e) In addition to the export of quantities of forest products as provided in subsection (d), the Secretary shall determine the grades and species of logs and bolts and processed lumber, plywood, and cants not needed for and surplus to domestic purposes and may permit their exportation without regard to the above limits. In reaching his determination, the Secretary shall consider whether the export of such logs will improve the utilization of the bole of cut trees and promote higher levels of forest management. As a condition of issuing such a permit the Secretary shall have made a finding that there is currently no reasonable domestic market for such forest products and shall take into account, among other things—

"(1) whether the applicant has attempted in good faith but unsuccessfully to sell such forest products at no more than fair value to persons that are customarily engaged in the purchase of such products for manufacture or sale; and

"(2) the customary uses for such forest products on the domestic market and the current prevailing conditions as to such

"(f) The Secretary shall by regulation designate at least one day in each month on which he will receive written or oral testimony from permit applicants and other interested persons, relevant to the findings required under paragraph (e) of this subsection. To provide the public notice of pending applications, testimony will be received on only those applications delivered to the Secretary at least ten days prior to the designated date. After receipt and consideration of the testimony, the Secretary shall within five days, Saturdays, Sundays, and legal holidays excluded, approve or disapprove such applications. Concurrent with his action the Secretary shall issue a concise public statement stating his reasons therefor.

"(g) Any person who prior to March 31, 1973 has entered into a firm written contract to deliver forest products for export, shall be permitted by the Secretary to complete such contract and the Secretary shall take these facts into account in determining the permits he will issue under this title. In issuing permits for the export of forest products under subsection (d), the Secretary shall consider all persons and shall not limit such permits to those who have engaged in exports in prior years but he shall issue such permits only to persons who own forest land or persons who own forest products, manufacturing plants, or logging operations and customarily are engaged in the cutting of standing timber or the manufacture of same for domestic manufacture.

"AVAILABILITY OF RECORDS AND STORAGE AREAS

"SEC. 204. Whoever exported forest products in the two years prior to enactment of this title or subsequently applies under this title to export forest products shall permit access to related books, records, and accounts, and their forest storage areas by the Secretary.

"PENALTY

"SEC. 205. Whoever knowingly and willfully exports any timber in violation of this title, or knowingly and fradulently files a false report, or fails to permit the Secretary access to his books, records, and accounts, and his forest product storage areas shall be fined not more than $10,000 or imprisoned for not more than one year, or both, for each such violation, and shall not thereafter be permitted to export forest products for a period of not more than five years.

"DEFINITIONS

"SEC. 206. As used in this title—

"(a) the term 'forest products' means coniferous species: *Provided*, That for the purposes of this title, coniferous forest products consist of—

"(1) any logs, such as saw logs, peeler logs, and pulp logs;

"(2) cants, squares, and hewn sawn material exceeding four and one-half inches in thickness;

"(3) split or round bolts, or other round wood not processed, to standards and specifications suitable for end product use;

"(4) veneers and plywood; and

"(5) lumber seven feet in length or more with a width in excess of two inches or a thickness in excess of one-half inch.

"(b) The term 'Secretary' means the Secretary of Commerce.

"(c) The term 'exporter' means any individual, corporation, association, firm, or other legal entity which sold forest products under such terms that the seller delivered the forest products either—

"(1) on board a truck or railroad car; or

"(2) alongside a vessel in a manner usual in the port involved or on a dock designated and provided by the buyer; in such circumstances that the seller at that time reasonably believed that the forest products so delivered would, in accordance with orders given by the buyer directly to the carrier, be transported by such truck, railroad car, or vessel to a foreign destination.

"(d) The term 'United States' means the fifty States, and territories, possessions, and trust territories of the United States.

"AUTHORITY TO SUSPEND

"SEC. 207. After the calendar year 1974, the President may suspend the operation of this title, in whole or in part for any calendar year if by July 1 of the preceding year he has made a finding that the overall national interest of the United States will be better served by such action than by the operation of this title and by that date he has submitted his reasons therefor to the Congress of the United States and both Houses of the Congress have passed resolutions stating in effect approval of such request no later than one hundred and twenty calendar days thereafter.

"REGULATIONS AND FEES

"SEC. 208. (a) The Secretary is authorized to issue such regulations as may be necessary to carry out the purposes of this title.

"(b) The Secretary is also authorized to charge reasonable fees to those engaged in the exportation of forest products, or seeking to export forest products to defray the cost of processing and approving their specific application and the inspection of the forest products they are permitted to export. In any case where it shall appear to the satisfaction of the Secretary that any person has made a payment under this authority which is not required, or is in excess of the amount required, the Secretary, upon application or otherwise, may cause a refund to be made from applicable funds. Moneys received hereunder shall be credited to a separate account in the Treasury and are hereby appropriated and made available until expended, as the Secretary may direct for payment of expenses incident to the function for which the charges were made and for refunds to depositors as provided above. There are hereby authorized to be appropriated such additional sums as may be necessary to carry out the purposes of this title."

By Mr. STEVENS (for himself and Mr. GRAVEL):

S. 1821. A bill to amend the Federal Aviation Act of 1958, as amended, by requiring certification and subsidy of at least two air carriers to points receiving neither highway nor railroad service. Referred to the Committee on Commerce.

Mr. STEVENS. Mr. President, two decisions by the Civil Aeronautics Board prompted the bill I introduce today for myself and my colleague (Mr. GRAVEL).

In 1969, the Civil Aeronautics Board initiated the Alaska Service Investigation. The investigation was subsequently divided into three phases: trunk line, regional routes, and bush routes. The CAB issued a decision and order in December 1971 for the trunk line and regional route phases. In this decision, the CAB created a monopoly situation by suspending two of the three carriers serving southeastern Alaska. One carrier had previously been suspended in 1965. A second carrier received a subsidy, and the third did not. Upon suspending two of the carriers, the CAB gave a monopoly route award to the remaining carrier on a subsidy ineligible basis.

In September 1972, the CAB decided the bush routes phase of the Alaska Service Investigation. In this decision, the CAB created another monopoly situation by suspending one of two subsidized carriers serving northwestern Alaska. The remaining carrier received a monopoly route award on a subsidy ineligible basis.

Southeast Alaska is islandic. It has neither road nor rail service to Anchorage or Seattle, which are its only gateways other than by air. Air transportation is the only mode of travel other than infrequent and slow ferry service. Northwest Alaska—Nome, Kotzebue, and Unalakleet—is also far and remote. It typifies the Alaskan dilemma of sparsely populated communities scattered great distances from population and supply centers. In the winter months, the Bering Sea freezes and the only mode of transportation is by air. While Alaska is not alone in such physical characteristics, these portions of the State typify the dependence on air of many isolated rural communities in this country.

These two CAB decisions were not in the public's interest. In its attempt to strengthen the financial prospects of Alaskan air operations, the CAB gave insubstantial weight to the Commerce, Postal, and national defense needs, and the public interest which dictated alternative dependable air carrier service.

Competition is important. The absence of competing rail and highway service makes competing air service all the more important.

For this reason, I am today introducing legislation that I introduced originally in the 92d Congress to insure continued air service to points in Alaska and elsewhere that receive neither highway nor rail service. This legislation would make it clear that air service to points in the United States, including Alaska and Hawaii, receiving neither highway service nor railroad service shall be maintained on air routes. It will also insure that subsidy payments necessary to provide such air service will be allowed.

The bill will accomplish the following:

First, the legislation adds a new provision to section 102 of the Federal Aviation Act of 1958. Section 102 details the considerations of the CAB in determining whether certification and should be granted, altered, amended, modified, or suspended under section 401 of the act. This will broaden the public interest standards of the act. It will require the CAB to determine whether or not competing modes of transportation are available to communities for which the CAB authorizes airline service. If communities are isolated from railroad or highway transportation systems, the CAB will have to accommodate this dependency on air service by providing a sufficient amount of competition with the air mode.

Second, section 2 will require that no term or condition of any certificate can limit the maximum subsidy amounts payable for service to or from points receiving neither railroad service nor highway service. Existing certificates must be so amended.

Third, section 3 will require that in detering the need for such a subsidy, the Civil Aeronautics Board and the Secretary of Transportation must consider air service to be a requirement for points receiving neither highway service nor rail service.

Fourth, section 4 will require that in determining the public convenience and necessity under the sections I have previously mentioned, the Board shall consider that the certification of at least two air carriers in areas receiving neither highway service nor railroad service is necessary for the public convenience and necessity.

This legislation is intended to prescribe guidelines in determining the amount of subsidy and the criteria for certification. It is not intended to increase the amount of subsidy paid.

This problem is of extreme concern to the citizens of Alaska. Only last year, the Alaska State Legislature passed House Joint Resolution 82 on this subject.

I request unanimous consent that the bill itself be printed in its entirety in the CONGRESSIONAL RECORD at this point followed by House Joint Resolution 82 of the Alaska State Legislature.

There being no objection, the bill and resolution were ordered to be printed in the RECORD as follows:

S. 1821

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Federal Aviation Act of 1958, as amended, is hereby further amended as follows;

SECTION 1. By redesignating clauses (d), (e), and (f) of section 102 (49 U.S.C. 1302) as clauses (e), (f), and (g), respectively, and by inserting after clause (c) the following:

"(d) The extension of such service to points in the continental United States which shall include Alaska and Hawaii receiving neither highway service nor railroad service."

SEC. 2. By adding a paragraph (7) to subsection (e) of section 401 (49 U.S.C. 1371) that shall provide as follows:

"(7) No term or condition in any certificate shall limit the maximum subsidy amounts payable with respect to service to or from points that receive neither railroad service nor highway service. The Board shall, without hearings, alter, modify, or amend any existing certificate term or condition in contravention of this requirement so as to bring such term or condition into conformity therewith."

SEC. 3. By adding the following sentence to subsection (b) of section 406 (49 U.S.C. 1376): "In the exercise of their powers and duties under this subsection, the Board and the Secretary of Transportation shall consider as required for the commerce of the United States, the Postal Service, and the national defense, air service to points in the continental United States which shall include Alaska and Hawaii receiving neither highway service nor railroad service."

SEC. 4. Add a new Section 406a as follows:

"In determining the public convenience and necessity under Sections 102, 401, and 406, the Board shall consider as necessary to the sound development of an air-transport system properly adapted to the needs of the foreign and domestic commerce of the United States, the postal service and the national defense, the certification of at least two air carriers to provide air service to points in the United States receiving neither highway service nor railroad service."

HOUSE JOINT RESOLUTION NO. 82

Relating to the decision of the Civil Aeronautics Board giving Alaska Airlines exclusive authority to service Southeastern Alaska

Be it resolved by the Legislature of the State of Alaska:

Whereas the Civil Aeronautics Board has given Alaska Airlines exclusive authority to service Southeastern Alaska commencing February 7, 1972; and

Whereas the people of Southeastern Alaska desire and need competitive air service; and

Whereas the traffic record in Southeastern Alaska has for several years steadily improved, indicating beyond a doubt that competitive service is called for in that area of the state; and

Whereas the documents before the CAB reveals no evidence, as viewed by the State of Alaska, to indicate the financial ability of Alaska Airlines alone to provide the quality and dependability of service necessary to the Southeastern region of the state; and

Whereas the CAB's own traffic projection figures demonstrate an estimated 10 per cent annual increase in air traffic in Southeastern Alaska during each of the next seven years, the term of Alaska's exclusive authority;

Be it resolved by the Alaska Legislature that it expresses grave doubts concerning the wisdom of the decision of the CAB to limit Southeastern Alaska to the services of only one airline; and be it

Further resolved that the Civil Aeronautics Board is urgently requested to re-examine its decision and to assure the continuation of competitive air service for Southeastern Alaska.

Copies of this Resolution shall be sent to the Honorable Richard M. Nixon, President of the United States; the Honorable Secor D. Browne, Chairman, Civil Aeronautics Board; and to the Honorable Ted Stevens and the Honorable Mike Gravel, U.S. Senators, and the Honorable Mike Begich, U.S. Representative, members of the Alaska delegation in Congress.

By Mr. STEVENS:

S. 1822. A bill to exempt from the provisions of the Airport and Airways Revenue Act of 1970 helicopters which are not operated on an established line. Referred to the Committee on Finance.

Mr. STEVENS. Mr. President, I am introducing a bill today to exempt helicopters not operated on established lines—nonscheduled operators—from the Airport and Airways Revenue Act of 1970. The purpose of the legislation is to deal with a problem that has caused many small helicopter operators a great deal of difficulty and has imposed a great financial burden upon them and their customers.

This tax has adversely affected these companies, which are generally small and are not subsidized. They must charge their customers the tax on the full charter rate for the helicopter, whether there be but one passenger or an entire load. This may increase the tax payment more than 10 times for a single passenger riding a 15-seat helicopter.

Many of these helicopter operators use neither airports nor airways communication facilities, two of the major facilities supported by this tax.

For example, one company in Alaska operates in Cook Inlet, maintaining two helicopters, owned or leased by oil companies. The company maintains its own improvements, servicing the helicopters which support 13 permanent drilling platforms in Cook Inlet. They have their own flight-following procedures and communication facilities. They have no need of any governmental communication facilities. The only times such governmental facilities are utilized are infrequently, when the helicopters must return to Anchorage for major maintenance.

This situation is similar to that of many nonscheduled helicopter operators in Alaska. These operators go 4 to 6 months between utilizing FAA facilities.

Parenthetically, many of the helicopters utilizing FAA facilities in Anchorage are those with gross takeoff weights under 6,100 pounds. These are subject to the fuel tax, not the transportation tax.

Seldom is a helicopter over 6,100 pounds chartered on a noncompetitive basis because of the costs involved. They are hired on a competitive bid basis and often leave their base of operation for a considerable period of time. Between 80 and 90 percent of the total flight time of Alaska helicopter operations are in the bush, where FAA facilities for helicopters are nonexistent and unnecessary.

Taxes, such as the aircraft transportation tax, often yield extremely unfair results, especially in situations like the one in Cook Inlet I have just described, where many companies share the use of one helicopter. In such cases, the bookkeeping problems are immense for small operators. It is almost impossible to charge the proper customer fairly for the transportation taxes due.

Such problems arise because the helicopter operator must, several times a day, transport a varying number of passengers per helicopter to a number of different platforms owned by different oil companies and pick up passengers on each of the platforms for the return trip to shore or to other platforms out in the inlet.

As many as 28 passengers working for as many as six different companies may be transported on one flight. Out in the inlet, some passengers may deplane and others may board, only to be transported for a very brief flight to another platform or back to the mainland. To give you an idea of the briefness of the flight, the total flight takes but 20 minutes from the heliport to each of four platforms in Cook Inlet and back to the heliport again.

The taxes are extremely high and quite burdensome. A tax charge of $48 must be made on a 1-hour charter flight in a Bell 205A-1 for six people. The same six people would be required to pay only $8 each in transportation taxes on a Boeing 747 from Anchorage to Seattle. The total amount of the taxes collected is substantial. For example, a single Alaska helicopter operator was required to pay from July 1, 1970, to November 1, 1971, a total of $230,000 in transportation taxes. One customer alone was invoiced $47,000 in transportation taxes for the same 15-month period.

Helicopters not subjected to this tax are now, and would continue to be, subject to the fuel tax imposed by section 4041(c)(4) of the Internal Revenue Code—title 26, United States Code.

For these reasons, I hope serious consideration will be given to amending these transportation taxes for helicopters not operated on established routes. I ask unanimous consent that my bill be printed in the CONGRESSIONAL RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1822

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 4281 of title 26, United States Code, is amended by adding at the end thereof the following sentence: "Nor shall such taxes apply to transportation by a helicopter except when operated on an established line.".

By Mr. STEVENS:

S. 1823. A bill to further amend section 607 of the Merchant Marine Act, 1936, as amended, relating to vessel construction reserve funds, in order to provide that the modification or installation of certain radio equipment be included in the definition of "reconstruction" for the purpose of such section. Referred to the Committee on Commerce.

Mr. STEVENS. Mr. President, the bill I am introducing today will assist fishermen and vessel owners to buy, modify, and install marine radio equipment required under 47 CFR 83.351 (c) (3) (i). This section was added by the Federal Communications Commission for all vessels under an international agreement designed to make efficient use of the radio spectrum. This agreement stems from the 1967 Marine World Administrative Radio Conference. Its ramifications were not reviewed by the Senate. One of these ramifications entails additional cost to vessel owners required to purchase, modify and/or install new equipment required as a result of the conference. Although the FCC has phased in the new equipment requirements over a period of time in an attempt to minimize the burden on vessel owners, many owners are incurring substantial additional costs nonetheless. Under these regulations, all marine vessels previously required to have radios aboard must have VFA/FM radio capabilities by January 1, 1977. The cost of this radio equipment may range from $300 to $2,000.

This bill will assist vessel owners to meet these costs through tax savings and deferments under the Capital Construction Fund provision of the Merchant Marine Act of 1970. By adding a new definition of "reconstruction" to include such costs, this legislation will insure some expense will be saved by these mariners.

Mr. President, I believe this proposal has considerable merit for boat owners and fishermen, especially those suffering economic hardships, such as those caused by extremely poor salmon runs this past year in Alaska.

I request unanimous consent the bill be printed in its entirety in the CONGRESSIONAL RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1823

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 607(k) of the Merchant Marine Act, 1936, as amended (46 U.S.C. 1177(k)), is further amended by inserting at the end thereof the following:

"(9) The term 'reconstruction' includes the purchase, modification, and installation of radio equipment in order to meet the requirements of the Federal Communications Commission established in 47 Code of Federal Regulations 83.351(c)(3)(i)."

By Mr. MAGNUSON (for himself and Mr. COTTON) (by request):

S. 1824. A bill to amend the National Traffic and Motor Vehicle Safety Act of 1966 to authorize appropriations, and for other purposes. Referred to the Committee on Commerce.

Mr. MAGNUSON. Mr. President, I introduce, by request, for appropriate reference a bill to amend the National Traffic and Motor Vehicle Safety Act of 1966 to authorize appropriations, and for other purposes, and ask unanimous consent that the letter of transmittal, statement of justification, and section-by-section analysis be printed in the RECORD with the text of the bill.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE SECRETARY OF TRANSPORTATION,
Washington, D.C., April 20, 1973.

Hon. SPIRO T. AGNEW,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: The Department of Transportation is submitting for your consideration and appropriate reference a draft bill:

"To amend the National Traffic and Motor Vehicle Safety Act of 1966 to authorize appropriations, and for other purposes."

Since the enactment of the National Traffic and Motor Vehicle Safety Act in 1966, the Department has issued numerous Federal motor vehicle safety standards and notices of proposed standards designed to improve the safety performance of motor vehicles. In addition, the Department has conducted extensive research into accident causation and into innovative techniques for improving motor vehicle safety. These efforts are beginning to show benefits. Despite substantial annual increases in the number of drivers, vehicles and total vehicle miles since 1966, the rate of highway deaths per 100 million miles driven has steadily declined to a record low. Yet much remains to be done.

The purpose of this legislation is to amend the Act to improve the Department's effectiveness in preventing traffic crashes, and deaths and injuries resulting therefrom. This would be accomplished by strengthening and expanding the Secretary's information gathering, investigative and enforcement powers.

To help provide information necessary for the identification of vehicle safety problems and the development of motor vehicle safety standards, the Secretary would be expressly authorized to conduct such investigations as are necessary in the course of his research to carry out the purposes of the Act.

Multi-disciplinary crash investigation teams, acting under present authority, have had difficulty in persuading witnesses and especially parties to crashes to provide information necessary for safety research. This legislation would protect persons who are willing to aid the research effort by prohibiting the use of team crash reports as evidence and would thereby facilitate obtaining vital crash information.

The effective implementation of the Act is highly dependent upon the ability of the Secretary to acquire information relating to all aspects of his responsibilities. To eliminate the lack of such authority, this legislation would authorize the Secretary to obtain cost data and other information required by him to carry out the Act. It would also authorize the Secretary to conduct informational hearings and to obtain evidence from any person who has any information relevant to the implementation of the Act.

This legislation would improve the Secretary's ability to enforce the Act in several ways. First, the civil penalty authority under the Act would be clarified by expressly providing that it extends to all rules, regulations and orders issued under the Act. This legislation would also authorize the Secretary to seek civil penalties against persons who impede vehicle safety research by failing or refusing to permit the temporary impounding or inspection of motor vehicles or the entry of premises for such purposes by crash investigation teams.

Second, a deficiency in the Act regarding the Department's injunctive authority would be remedied by providing for the restraining of the importation into this country, as well as the sale by American manufacturers, of vehicles which contain a safety defect. At present, the Act provides only for restraining the entry into this country or the sale of vehicles that fail to comply with all applicable safety standards. Further, the term, "defect which relates to motor vehicle safety", would be clarified.

Third, this legislation would clarify the Secretary's authority to inspect and investigate for the purpose of enforcing all rules, regulations, and orders issued under the Act and determining the existence of a safety defect or noncompliance. It would also require motor vehicle dealers and distributors to furnish requisite performance data and other relevant information. This amendment would enable the Department to enforce the Act under circumstances in which the necessary evidence is obtainable only from dealers or distributors.

Fourth, uncertainty as to whether the Tire Identification Regulation issued under section 113(f) is hortatory or mandatory with respect to distributors and dealers would be eliminated by providing that they are required to comply with applicable provisions of the regulation. Noncompliance with those provisions would subject the distributors and dealers to civil penalties.

The Act requires that the annual report on the administration of the Act be submitted by March 1 of the year following the year to which the report relates. However, some of the data necessary for the reports are typically unavailable for analysis until after that date. In order to provide adequate time for the preparation of a complete comprehensive report, the submission date would be changed to July 1.

To increase the Secretary's flexibility in acquiring test facilities for highway safety research, this legislation would authorize him to lease such facilities and to lease real property for use as sites for his construction of new facilities or alteration of existing facilities.

Appropriation would be authorized of such funds as are necessary to carry out the purposes of the Act. This open-ended authorization, which would replace the current specific yearly authorizations, would provide the funds necessary to implement the Act after the present authorization terminates on June 30, 1973.

We urge the prompt introduction and early enactment of this legislation.

The Office of Management and Budget has advised that this proposed legislation is consistent with the Administration's objectives.

Sincerely,

CLAUDE S. BRINEGAR.

STATEMENT OF JUSTIFICATION

Section 2. This section would clarify the term, "defect which relates to motor vehicle safety", which is used several places in the Act, including sections 111 and 113. The clarification would be accomplished by adopting the interpretation of the term that the Department has used in implementing the Act.

The interpretation was developed simply by combining the existing definitions of "motor vehicle safety" and "defect". Since the definition for "defect" would be rendered superfluous by the addition of the new definition, it would be deleted.

Section 3. This section would clarify the Secretary's authority to conduct such investigations as may be necessary in the course of research to carry out the purposes of the Act. Pursuant to existing authority under section 106, multi-disciplinary crash investigation teams have been established to conduct in-depth studies of motor vehicle crashes. The data collected by the teams are being used to develop a reliable and extensive data base concerning the cause and effect of such crashes. Without an adequate data base, measures concerning vehicle design and driver behavior might be formulated by Federal, State or local governments on the basis of inaccurate information and incorrect assumptions concerning crash causation.

The data collected by the crash investigation teams have already contributed to promulgation or proposal of many Federal motor vehicle safety standards. In addition, the data also facilitate evaluation of existing standards.

The full value of the crash investigation teams cannot, unfortunately, be realized under the present authority in section 106. Despite assurances by the teams that their only purpose is safety research, they have been hampered in their work by the reluctance of parties to crashes to divulge crash information and to permit inspection of their crashed vehicles. The instances in which this has occurred are numerous. In a single year, one team was unable to obtain the full or, in many cases, even the partial cooperation of parties to several hundred crashes. The refusal to cooperate generally stems from the fear of an individual or of his legal counsel or insurer that his statements to the research team might be used against him in a subsequent proceeding.

This lack of cooperation has frequently prevented the teams from obtaining information concerning driver behavior. The experience of the teams in attempting to inspect vehicles involved in crashes has often been equally frustrating. Analysis of crash causation is frequently complicated by alteration of the crash scene and the condition of the vehicles by wrecker crews. The inability of the teams to preserve the post-crash condition of vehicles is particularly critical in those crashes in which malfunction or other defect is suspected. Even when the teams succeed in obtaining permission to take a vehicle to their garage, they are not always able to conduct an adequate inspection. Frequently, the owner or his insurance company picks up the vehicle before the inspection can be completed.

The Department believes that it would be in the interest of motor vehicle safety to protect people who voluntarily contribute to safety research so that such research is enhanced and so that their very act of public spiritedness does not place them in jeopardy.

To remove the impediments to research and to protect such persons, this section would provide that no information furnished the Secretary by an individual concerning a crash and no portion of any report of the Secretary relating to a crash or the investigation thereof would be admissible in any subsequent proceeding, except certain proceedings conducted by the National Transportation Safety Board or the Department of Transportation. Similar restrictions on the use of reports by the Board on any crash or the investigation thereof appear at 49 U.S.C. 1441(e).

The Department believes that enabling the teams to assure parties to crashes and their representatives that their statements will not be used against them will allay their fears. The narrow exception concerning the Board's proceedings would permit this Department to continue to aid the Board in its safety work. The exception for this Department would ensure that the teams could continue to aid the Department in its establishment of Federal motor vehicle safety standards.

The prohibition against the use of information furnished the Secretary as evidence would not result in denying the public access to the findings of the crash investigation teams. All information concerning malfunctions or other defects in motor vehicles and concerning human behavioral factors related to crash causation would be published, but not so as to disclose the names or identities of individuals.

To ensure that the crash investigation teams will be able to preserve and inspect the condition of motor vehicles involved in motor vehicle crashes, this legislation would authorize the officers or employees duly designated by the Secretary to inspect such vehicles. They would also be authorized to impound such vehicles temporarily if necessary to conduct the inspections.

Sections 4 and 5. These sections would remove any doubt that the civil penalty authority under section 109 of the Act can be used to enforce all rules, regulations and orders issued under title I, including the tire identification regulation and all aspects of the important regulation on vehicles manufactured in two or more stages. These sections would also permit the Secretary to seek civil penalties against those persons who fail or refuse to permit impounding or inspection of motor vehicles or entry of premises for such purpose as required by the proposed new subsection (d) of section 106 of the Act.

Section 6. This section would expand the injunctive authority under section 110(a) of the Act so as to permit the restraining of (1) the importation into the United States of vehicles that contain a defect related to motor vehicle safety and (2) the sale of vehicles in this country that contain such a defect. This authority would enable the Department, when it learns of the existence of vehicles that comply with all applicable safety standards but are nevertheless defective, to obtain a court order stopping the manufacturer and/or dealers from continuing to sell the defective vehicles. (Those defective vehicles already sold would, of course, be the subject of a defect notification campaign currently provided for in section 113 of the Act).

This authority would also enable the Department to seek an injunction to prevent the importation or sale of foreign manufactured vehicles, certified as complying with the standards, but damaged in transit to such an extent that they are considered defective. Presently, these vehicles cannot be prevented from entering the country unless the Department has evidence of noncompliance with an applicable safety standard. In the past, several foreign vehicle manufacturers have advised the Department that unauthorized dealers were attempting to bring irremediably damaged vehicles into this country.

Section 7. Paragraph (a) of this section would make it clear that the Secretary's authority under section 112(a) of the Act to conduct inspections and investigations can be used to carry out all provisions of the Act. The language of section 112(a) presently refers only to inspection and investigation for the purpose of enforcing the motor vehicle safety standards.

The language of section 112(b), however, is substantially broader. It refers to the entry and inspection of certain premises for the purpose of enforcing title I of the Act. The proposed amendment would eliminate the inconsistency in the language of these two subsections of section 112 concerning the scope of the Secretary's inspection and investigation authority by amending section 112(a) to authorize expressly inspection and investigation for the purpose of enforcing title I and any rules, regulations or orders issued thereunder. The amendment would remove any doubt that the Secretary has the authority to inspect and investigate for the purpose of enforcing not only motor vehicle safety standards, but also any other rule or regulation issued under title I. The amendment would also make clear that the Secretary's authority under section 112 includes the authority, implied by his disclosure authority in section 113(d), to inspect and investigate for the purpose of determining the existence of a defect related to motor vehicle safety.

Paragraph (c) of this section would expand the Department's information-gathering authority by amending section 112(c) to require distributors and dealers to furnish the Department with information relating to investigatory matters. Section 112 presently requires such information from manufacturers only. In some instances, however, information necessary to the enforcement of the Act may be obtainable only from distributors or dealers. The problem is particularly likely to arise in safety-defect investigations or situations in which the distributor or dealer alters a vehicle or item of motor vehicle equipment after the manufacturer has certified the compliance of the vehicle or equipment with all applicable safety standards.

Paragraph (d) of this section would enable the Secretary to obtain from the manufacturers of motor vehicles and motor vehicle equipment such information as he requires to carry out the Act. One result of the lack of such authority has been the difficulty in obtaining cost and leadtime information from manufacturers to aid in the evaluation of proposed motor vehicle safety standards and in the establishment of reasonable effective dates therefor. Although this information is frequently requested by the Secretary at the time that new standards are proposed, almost none is received.

Paragraph (d) of this section would also authorize the Secretary to conduct informational hearings and to obtain evidence from any person who has any information relevant to the implementation of the Act. Despite the vital importance of information gathering to successful implementation of the Act, the Secretary does not possess general authority for this purpose. This lack is anomalous in view of the extensive information gathering authority in the property damage reduction provisions of the Motor Vehicle Information and Cost Savings Act. This paragraph would give us similar broad authority in the more important pursuit of preventing highway deaths and injuries.

Paragraph (e) of this section would prohibit, except in expressly specified situations, the Secretary from disclosing information received under the new subsection (d) or (e) if it contained a trade secret or other material referred to in 18 U.S.C. 1905. This prohibition is necessary to balance the public need for information against the possibly adverse competitive effects of overly broad dissemination.

Section 8. Paragraph (a) of this section is a clarifying amendment that would remove any doubt that notifications sent by manufacturers pursuant to the Secretary's determination of a safety defect or noncompliance under subsection (e) of section 113 of the Act must be sent to first purchasers, and subsequent warranty holders by certified mail and dealers by certified mail or other more expeditious means.

Paragraph (b) of this section is also a clarifying amendment that would expressly set forth the required contents of a noncompliance notification letter.

Paragraph (c) of this section would make it clear that distributors and dealers are required under section 113 to comply with the applicable provisions of the Tire Identification Regulation (49 CFR 574). We have reason to believe that there is some noncompliance by distributors and dealers and that the noncompliance may be due, in part, to doubt as to whether the regulation is mandatory or merely hortatory. This amendment would give unambiguous notice to all parties concerned that civil penalties may be assessed against distributors and dealers who fail to comply with the regulation.

Section 9. Section 120(a) of the Act requires that the annual report on the administration of the Act be submitted by March 1 of the following year. However, some of the data necessary for the report are typically not available for analysis until after that date. This information includes many types of data from State agencies, such as detailed information on crashes, and deaths and injuries resulting therefrom. In order to provide adequate time for the preparation of a complete, comprehensive report, this section of the bill would change the submission date to July 1.

Section 10. This section would authorize the appropriation of such funds as may be necessary to carry out the purposes of the Act. These funds would be used for the following program activities: motor vehicle and equipment safety standards, safety standards compliance testing, defects analysis, and supporting research and development. The current authorization under the Act terminates June 30, 1973.

Section 11. This section would permit the Secretary to take advantage of those situations in which leasing arrangements would be a more economical means of obtaining the use of facilities or real property than complete acquisition.

SECTION-BY-SECTION ANALYSIS OF DRAFT BILL TO AMEND THE NATIONAL TRAFFIC AND MOTOR VEHICLE SAFETY ACT OF 1966

Section 2. This section amends section 102 to provide a definition of a "defect which relates to motor vehicle safety", a term used several places in the Act, including sections 111 and 113. The new definition is formed by combining the definitions in section 102 for "motor vehicle safety" and "defect". Since "defect" is not used in the Act except as part of "defect which relates to motor vehicle safety", the separate definition for the former term becomes unnecessary upon the adoption of this amendment and is, therefore, to be deleted.

Section 3. This section adds a new subsection (d) to section 106 of the Act.

Paragraph (1) of subsection (d) clarifies the Secretary's authority to investigate motor vehicle crashes for gathering information and data to aid research authorized by section 106. The Secretary is required to cooperate with State and local officials while conducting his investigations.

For the purpose of conducting the investigations, paragraph (2) of subsection (d) authorizes officers or employees duly designated by the Secretary (1) to enter, at reasonable times and in a reasonable manner, any premises where any crash-involved motor vehicle or item of motor vehicle equipment is located; (2) to impound temporarily for a period not to exceed 72 hours any crash-involved motor vehicle or item of motor vehicle equipment; and (3) to inspect any crash-involved motor vehicle or item of motor vehicle equipment. This paragraph includes the authority to inspect or impound for the purpose of inspection any motor vehicle or item of motor vehicle equipment located at the scene of the crash in which such vehicle or equipment was involved.

Paragraph (3) of subsection (d) requires that whenever an inspection and/or impounding of a vehicle by the Secretary results in the denial of the use of the vehicle to its owner or reduction in its value, the Secretary shall pay reasonable compensation to the vehicle owner.

Paragraph (4) of subsection (d) authorizes the Secretary to obtain a copy of an autopsy report prepared by State or local officials concerning any person who dies in or as a result of a motor vehicle crash.

Paragraph (5) of subsection (d) provides that no portion of any statement or information furnished the Secretary by an individual and no portion of any report of the Secretary relating to a motor vehicle crash or the investigation thereof shall be admissible in any subsequent criminal, civil, or administrative proceeding, except administrative proceedings held by the National Transportation Safety Board under section 5(b)(1) of the Department of Transportation Act and administrative proceedings held by the Department of Transportation under section 103 of the National Traffic and Motor Vehicle Safety Act. This amendment does not prevent a party or witness to a crash from adducing in any proceeding any statement or information that he may have also previously furnished the Secretary concerning such crash. It simply prevents him or any other person from attempting to use the knowledge of departmental employees or agents concerning the statements or information for evidentiary purposes.

Paragraph (6) of subsection (d) provides that the term "motor vehicle crash", as used in subsection (d), means an occurrence associated with the operation of a motor vehicle in or as a result of which any person suffers death or personal injury, or in which there is property damage.

Section 4. This section adds (1) the failure or refusal to permit entry, impounding, or inspection, as required under subsection (d) of section 106, and (2) the failure to comply with any rules, regulations or orders issued under title I of the Act, to the list in subsection (a) of section 108 of acts that constitute violations of the Act. This section permits the Secretary to seek civil penalties against persons who violate subsection (d) of section 106. It also clarifies his authority to seek civil penalties against persons who fail to comply with motor vehicle safety standards or any other rule or regulation issued under title I.

Section 5. This section deletes from section 109 of the Act language that would become superfluous upon the addition of the failure to comply with any rules, regulations or orders issued under title I to the list in subsection (a) of section 108 of the acts that constitute violations of the Act.

Section 6. Paragraph (a) of this section amends subsection (a) of section 110 of the Act to permit the Secretary to seek an injunction against the sale, offer for sale, introduction or delivery for introduction in interstate commerce, or importation into the United States, of any motor vehicle or item of motor vehicle equipment that contains a defect that relates to motor vehicle safety.

Paragraph (b) of this section complements paragraph (a) by amending subsection (a) of section 110 to require the Secretary, whenever practicable, to give notice to any person against whom injunctive relief, authorized by paragraph (a), is contemplated, and afford such person an opportunity to present his views and to remedy the defect.

Section 7. Paragraph (a) of this section amends subsection (a) of section 112 of the Act to clarify the Secretary's authority to conduct such inspection and investigation as may be necessary to enforce title I or any rules, regulations or orders issued under title I.

Paragraphs (b) and (c) of this section amend subsections (b) and (c) of section 112, respectively, to conform with the amendments to subsection (a) of section 112 made in paragraph (a) of this section.

Paragraph (c) also amends subsection (c) of section 112 to require that distributors and dealers of motor vehicles and motor vehicle equipment furnish the Secretary with such information and data as he may require to carry out his enforcement responsibilities. Other requirements in this subsection, imposed upon manufacturers, are not imposed upon distributors and dealers.

Paragraph (d) of this section amends section 112 to require that manufacturers of motor vehicles and motor vehicle equipment furnish the Secretary, upon his request, with cost data and such other information as the Secretary may require to carry out the Act.

Paragraph (d) of this section also amends section 112 to authorize the Secretary to conduct informational hearings and to obtain evidence from any person who has any information relevant to the implementation of the Act. The Secretary may secure such information voluntarily or by use of subpoena powers or by issuing general or special orders which compel its production. In the conduct of the hearings under this section, the Secretary is authorized to administer oaths and to pay witnesses.

Paragraph (e) of this section amends subsection (g) of section 112 to provide that any information that the Secretary obtains pursuant to the authority accorded him by the new subsections (d) or (e) shall be considered confidential if it relates to a trade secret or other matter referred to in Section 1905 of Title 18 of the U.S. Code. However, the Secretary is authorized to disclose such information to other officers or employees concerned with implementing the Act or when relevant in any proceeding under the Act. Further, nothing in the amendment authorizes the Secretary to withhold any information from the duly authorized committees of the Congress.

Section 8. Paragraph (a) of this section amends subsection (b) of section 113 of the Act to clarify the requirement that notifications sent by manufacturers pursuant to the Secretary's determination of a defect or noncompliance under subsection (e) of section 113 must be sent to first purchasers, and subsequent warranty holders by certified mail and to dealers by certified mail or other more expeditious means.

Paragraph (b) of this section amends subsection (c) of section 113 to clarify the requirement that purchaser and dealer notifications sent by manufacturers pursuant to a determination by the Secretary under subsection (e) of section 113 of a noncompliance shall contain a clear description of the noncompliance, an evaluation of the risk to traffic safety reasonably related to the noncompliance, and a statement of the measures to be taken to remedy the noncompliance.

Paragraph (c) of this section amends subsection (f) of section 113 to make it clear that the procedures established by the Secretary under that subsection for the furnishing of information by distributors and dealers to tire manufacturers and mandatory and, therefore, are enforceable under the civil penalty authority in section 109 and the injunctive authority in section 110 of the Act.

Section 9. This section amends subsection (a) of section 120 of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1408) to change the date for the submission to the Congress of the annual report on the administration of the Act from March 1 to July 1.

Section 10. This section authorizes the appropriation of such funds as are necessary to carry out the purposes of the Act.

Section 11. This section amends section 301 of the Act by authorizing the Secretary to lease test facilities and to lease real property for use as sites for his construction of new facilities or alteration of existing facilities. Subsection (a) of section 301 presently authorizes the Secretary to acquire, but not to lease, facilities or real property. This section also clarifies the Secretary's authority to acquire real property for use as sites for his construction of new facilities or alteration of existing facilities. This authority is implicit in the Secretary's authority to construct facilities.

In accordance with these amendments, this section also amends section 301 to require that a prospectus, submitted to the Congress pursuant to that section, contain an explanation of the need for leasing, rather than acquiring, any facility or real property.

S. 1824

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Traffic and Motor Vehicle Safety Authorization Act of 1973".

SEC. 2. Subsection (11) of section 102 of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1391) is amended to read as follows:

"(11) 'Defect which relates to motor vehicle safety' means any defect in design, construction, materials, components, or performance in motor vehicles or in items of motor vehicle equipment that would result in an unreasonable risk of accidents occurring or in an unreasonable risk of death or injury to persons in the event accidents do occur, and includes the nonoperational safety of such vehicles."

SEC. 3. Section 106 of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1395) is amended by adding at the end thereof the following new subsection:

"(d)(1) The Secretary is authorized to conduct investigations of the facts, circumstances, conditions and causes of motor vehicle crashes for the purposes of gathering information to identify design failures or defects relating to motor vehicle safety, collecting data to assist in the preparation of Federal motor vehicle safety standards for new and used motor vehicles, and conducting other studies to carry out the purposes of this Act. In making such investigations the Secretary shall cooperate with appropriate State and local officials to the greatest extent possible consistent with the purposes of this subsection.

"(2) For the purpose of carrying out the provisions of this subsection, officers or employees duly designated by the Secretary, upon presenting appropriate credentials and a written notice to the owner, operator, or agent in charge, are authorized (1) to enter, at reasonable times and in a reasonable manner, any premises where any crash-involved motor vehicle or item of motor vehicle equipment is located; (2) to impound temporarily for a period not to exceed 72 hours any crash-involved motor vehicle or item of motor vehicle equipment; and (3) to inspect any crash-involved motor vehicle or item of motor vehicle equipment.

"(3) Whenever the Secretary inspects or temporarily impounds for the purpose of inspection any motor vehicle under this subsection (other than a vehicle subject to Part II of the Interstate Commerce Act), he shall pay reasonable compensation to the owner of such vehicle to the extent that such inspection or impounding results in the denial of the use of the vehicle to its owner or in the reduction of its value.

"(4) The Secretary is authorized to obtain, with or without reimbursement, a copy of the report of the autopsy performed by State or local officials on any person who dies as a result of having been involved in a motor vehicle crash.

"(5) No portion of any statement or information relating to a motor vehicle crash which has been furnished by an individual to the Secretary pursuant to research conducted under this section and no portion of any research report of the Secretary relating to such crash or the investigation thereof for research purposes shall be admissible in any subsequent criminal, civil, or administrative proceeding, except administrative proceedings conducted by the National Transportation Safety Board under section 5(b)(1) of the Department of Transportation Act or by the Department of Transportation under section 103 of the National Traffic and Motor Vehicle Safety Act.

"(6) As used in this subsection, 'motor vehicle crash' means an occurrence associated with the operation of a motor vehicle in or as a result of which any person suffers death or personal injury, or in which there is property damage."

SEC. 4. Subsection (a) of section 108 of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1397) is amended by changing the period at the end of subsection (a)(4) to a semicolon and adding at the end of subsection (a) the following new paragraphs:

"(5) fail or refuse to permit entry, impounding or inspection, as required under section 106;

"(6) fail to comply with any rule, regulation or order issued under this title."

SEC. 5. (a) The first sentence in subsection (a) of section 109 of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1398) is amended by deleting immediately after "any provision of Section 108" the following: ", or any regulation issued thereunder,".

(b) The second sentence in subsection (a) of section 109 of such Act is amended by deleting immediately after "a provision of section 108" the following: ", or regulations issued thereunder,".

SEC. 6. (a) The first sentence of subsection (a) of section 110 of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1399) is amended by inserting immediately after "pursuant to this title," the following: "or to contain a defect which relates to motor vehicle safety,".

(b) The next to the last sentence in subsection (a) of section 110 of such Act is amended by deleting the period at the end thereof and adding the following: "or to remedy the defect."

SEC. 7. (a) Subsection (a) of section 112 of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1401) is amended to read as follows:

"(a) The Secretary is authorized to conduct such inspection and investigation as may be necessary to enforce this title and any rules, regulations or orders issued thereunder. He shall furnish the Attorney General and, when appropriate, the Secretary of the Treasury any information obtained indicating noncompliance with this title or any rules, regulations or orders issued thereunder, for appropriate action."

(b) The first sentence of subsection (b) of section 112 of such Act is amended by inserting immediately after "purposes of enforcement of this title," the following: "or any rules, regulations or orders issued thereunder,".

(c) Subsection (c) of section 112 is amended to read as follows:

"(c) Every manufacturer of motor vehicles and motor vehicle equipment shall establish and maintain such records and make such reports, and every manufacturer, distributor or dealer shall provide such information, as the Secretary may reasonably require to enable him to determine whether such manufacturer, distributor or dealer has acted or is acting in compliance with this title or any rules, regulations or orders issued thereunder and shall, upon request of an officer or employee duly designated by the Secretary, permit such officer or employee to inspect appropriate books, papers, records, and documents relevant to determining whether such manufacturer, distributor or dealer has acted or is acting in compliance with this title or any rules, regulations or orders issued thereunder. Nothing in this subsection shall be construed as imposing reporting or recordkeeping requirements on distributors or dealers."

(d) Section 112 is amended by inserting the following new subsections immediately after subsection (c) and redesignating the succeeding subsections accordingly:

"(d) Every manufacturer of motor vehicles and motor vehicle equipment shall, upon request by the Secretary, provide him with cost data and such other information as he may require to carry out the purposes of this title.

"(e) (1) For the purpose of carrying out the provisions of this title, the Secretary, or on the authorization of the Secretary any officer or employee of the Department of Transportation may hold such hearings, take such testimony, sit and act at such times and places, administer such oaths, and require, by subpoena or otherwise, the attendance and testimony of such witnesses and the production of such books, papers, correspondence, memorandums, contracts, agreements, or other records as the Secretary, or such officer or employee, deems advisable.

"(2) In order to carry out the provisions of this title, the Secretary or his duly authorized agent shall at all reasonable times have access to, and for the purposes of examination the right to copy, any documentary evidence of any person having materials or information relevant to any function of the Secretary under this title.

"(3) The Secretary is authorized to require, by general or special orders, any person to file, in such form as the Secretary may prescribe, reports or answers in writing to specific questions relating to any function of the Secretary under this title. Such reports and answers shall be made under oath or otherwise, and shall be filed with the Secretary within such reasonable period as the Secretary may prescribe.

"(4) Any of the district courts of the United States within the jurisdiction of which an inquiry is carried on may, in the case of contumacy or refusal to obey a subpoena or order of the Secretary or such officer or employee issued under paragraph (1) or paragraph (3) of this subsection, issue an order requiring compliance therewith; and any failure to obey such order of the court may be punished by such court as a contempt thereof.

"(5) Witnesses summoned pursuant to this subsection shall be paid the same fees and mileage that are paid witnesses in the courts of the United States."

(e) Subsection (g) of section 112 is amended by deleting "or (c)" immediately after "pursuant to subsection (b)" and substituting in lieu thereof the following: ", (c), (d) or (e)".

Sec. 8. (a) Subsection (b) of section 113 of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1402) is amended by inserting immediately after "required by subsection (a)" the following: "or (e)".

(b) Subsection (c) of section 113 of such Act is amended to read as follows:

"(c) The notification required of a manufacturer by subsection (a) or (e) pursuant to the determination of the existence of a defect related to motor vehicle safety or of a failure to comply with an applicable Federal motor vehicle safety standard shall contain a clear description of such defect or failure, an evaluation of the risk to traffic safety reasonably related to such defect or failure, and a statement of the measures to be taken to remedy such defect or failure."

(c) Subsection (f) of section 113 of such Act is amended by deleting the second sentence and substituting in lieu thereof the following: "The Secretary may establish, by order, procedures that shall be followed by manufacturers in establishing and maintaining such records, and procedures that shall be followed by distributors and dealers to assist manufacturers to secure the information required by this subsection. Procedures established pursuant to this subsection with respect to distributors and dealers shall not affect the obligation of manufacturers under this subsection."

Sec. 9. The first sentence of subsection (a) of section 120 of the National Traffic and Motor Vehicle Safety Act (15 U.S.C. 1408) is amended by deleting "March 1" and substituting in lieu thereof the following: "July 1".

Sec. 10. Section 121 of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1409) is amended to read as follows:

"Sec. 121. There are authorized to be appropriated such funds as necessary to carry out the purposes of this Act."

Sec. 11. (a) The first sentence of subsection (a) of section 301 of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1431) is amended by deleting all that precedes "except that" and inserting in lieu thereof the following:

"Sec. 301. (a) The Secretary of Transportation is authorized—

(1) to plan, design, and construct new facilities,

(2) to alter existing facilities,

(3) to lease facilities, and

(4) to acquire or lease real property for use as sites for his construction of new facilities or alteration of existing facilities,

suitable to conduct research, developing, and compliance and other testing in traffic safety, including highway safety and motor vehicle safety,".

(b) The first sentence of subsection (a) of section 301 of such Act is further amended by striking "or construction", each place it appears in the sentence, and inserting in lieu thereof the following: "constructing, altering, or leasing".

(c) The second sentence of subsection (a) of section 301 of such Act is amended by deleting "or constructed" and substituting in lieu thereof the following: "constructed, altered, or leased".

(d) The second sentence of subsection (a) of section 301 of such Act is further amended by deleting "and" at the end of clause (3), by changing the period at the end of clause (4) to a semicolon, and by adding a new clause (5) as follows: "and (5) a statement of the justification for leasing any facilities or real property.".

ADDITIONAL COSPONSORS OF BILLS

S. 433

At the request of Mr. Mansfield (for Mr. Magnuson) the Senator from Florida (Mr. Gurney) was added as a cosponsor of S. 433, to assure that the public is provided with an adequate quantity of safe drinking water, and for other purposes.

S. 504

At the request of Mr. Kennedy, the Senator from Washington (Mr. Magnuson) was added as a cosponsor of S. 504, to amend the Public Health Service Act to provide assistance and encouragement for the development of comprehensive emergency medical service systems.

S. 753

Mr. SCOTT of Pennsylvania. Mr. President, I ask unanimous consent that the name of the distinguished Senator from South Dakota (Mr. McGovern) be added as a cosponsor of S. 753, a bill to amend the Disaster Relief Act of 1970.

The ACTING PRESIDENT pro tempore (Mr. Stafford). Without objection, it is so ordered.

S. 1032

At the request of the Senator from Indiana (Mr. Bayh), the Senator from California (Mr. Cranston) was added as a cosponsor of S. 1032, to provide for loans for the establishment and/or construction of municipal, low-cost, nonprofit clinics for the spaying and neutering of dogs and cats, and for other purposes.

S. 1402

At the request of Mr. Hartke, the Senator from West Virginia (Mr. Randolph), was added as a cosponsor of S. 1402, the National Blood Bank Act.

S. 1407

At the request of Mr. Burdick, the Senator from Michigan (Mr. Hart) was added as a cosponsor of S. 1407, to amend the Interstate Commerce Act in order to give the Interstate Commerce Commission certain authority over railroad car service when an emergency is or may be imminent.

S. 1440

At the request of Mr. Proxmire, the Senator from California (Mr. Cranston) was added as a cosponsor of S. 1440, to assure that Federal housing assistance programs are carried out to the full extent authorized by Congress.

S. 1520

At the request of Mr. Roth, the Senator from Tennessee (Mr. Baker), the Senator from Nevada (Mr. Bible), the Senator from Arkansas (Mr. Fulbright), the Senator from Maryland (Mr. Mathias), the Senator from Illinois (Mr. Percy) and the Senator from Missouri (Mr. Symington) were added as cosponsors of S. 1520, to establish a commission to study all laws, and executive branch rules, regulations, orders, and procedures, relating to the classification and protection of information for the purpose of determining their consistency with the efficient operation of the Government, including the proper performance of its duties by the Congress.

S. 1682

At the request of Mr. Hartke, the Senator from Idaho (Mr. Church) was added as a cosponsor of S. 1682, a bill to prevent foreign assistance to certain countries which fail to cooperate in efforts to control illicit traffic in narcotics.

S. 1727

At the request of Mr. Inouye, the Senator from Indiana (Mr. Hartke) was added as a cosponsor of S. 1727, to incorporate the Pearl Harbor Survivors Association.

SENATE RESOLUTION 115—SUBMISSION OF A RESOLUTION TO PAY TRIBUTE TO MEMBERS OF THE ARMED FORCES WHO ARE MISSING IN ACTION IN INDOCHINA

(Considered and agreed to later in the day).

Mr. BROOKE (for himself, Mr. Abourezk, Mr. Baker, Mr. Bartlett, Mr. Bayh, Mr. Beall, Mr. Bennett, Mr. Bible, Mr. Buckley, Mr. Burdick, Mr. Clark, Mr. Cotton, Mr. Cranston, Mr. Curtis, Mr. Dole, Mr. Dominick, Mr. Eastland, Mr. Gravel, Mr. Griffin, Mr. Hart, Mr. Haskell, Mr. Inouye, Mr. Jackson, Mr. Mansfield, Mr. Mathias, Mr. McGee, Mr. McIntyre, Mr. Mondale, Mr. Moss, Mr. Randolph, Mr. Scott of Pennsylvania, Mr. Scott of Virgina, Mr. Stafford, Mr. Stevens, Mr. Taft, Mr. Thurmond, Mr. Tower, Mr. Williams, Mr. Young, Mr. Kennedy, Mr. Humphrey, Mr. Goldwater, Mr. Case, Mr. Bellmon, Mr. Percy, Mr. Saxbe, Mr. Pearson, Mr. Brock, Mr. Fannin, Mr. Fong, Mr. McClure, Mr. Helms, Mr. Hartke, Mr. Hatfield, Mr. Pastore, Mr. Gurney, Mr. Domenici, Mr. Ribicoff, Mr. Cook, Mr. Aiken, Mr. Hruska, Mr. Roth, Mr. Weicker, Mr. Javits, Mr. Hansen, and Mr. Magnuson) submitted a resolution (S. Res. 115) to pay tribute to members of the Armed Forces who are missing in action in Indochina, which was considered and agreed to.

(The resolution is printed in full when it was submitted and agreed to and appears at a later point in the Record.)

SENATE RESOLUTION 116—SUBMISSION OF A RESOLUTION TO PROVIDE ADDITIONAL FUNDS FOR THE COMMITTEE ON APPROPRIATIONS

(Referred to the Committee on Rules and Administration.)

Mr. McCLELLAN submitted the following resolution:

S. Res. 116

Resolved, That the Committee on Appropriations hereby is authorized to expend from the contingent fund of the Senate, during the Ninety-third Congress, $75,000, in addition to the amount and for the same purpose, specified in section 134(a) of the Legislative Reorganization Act, approved August 2, 1946.

ADDITIONAL COSPONSORS OF RESOLUTIONS

SENATE RESOLUTION 94

At the request of Mr. Stevens, the Senator from Illinois (Mr. Percy) was added as a cosponsor of Senate Resolution 94, requesting the President to enter into negotiations with major oil importing countries to establish an international organization of oil importing countries.

SENATE RESOLUTION 109

At the request of Mr. Stevenson, the Senator from Idaho (Mr. Church), and the Senator from Louisiana (Mr. Johnston) were added as cosponsors of Senate Resolution 109, a resolution requesting the Attorney General-Designate of the United States to take actions insuring the independence of the special prosecutor to be appointed in connection with the investigation of illegal activities arising out of the Presidential election of 1972.

SUPPLEMENTAL APPROPRIATIONS BILL, 1973—AMENDMENT

AMENDMENT NO. 133

(Ordered to be printed, and to lie on the table.)

Mr. HUMPHREY submitted an amendment, intended to be proposed by him, to the bill (H.R. 7447) making supplemental appropriations for the fiscal year ending June 30, 1973, and for other purposes.

AMENDMENT OF SMALL BUSINESS ACT—AMENDMENTS

AMENDMENT NO. 134

(Ordered to be printed, and to lie on the table.)

Mr. STEVENSON submitted amendments, intended to be proposed by him, to the amendment No. 97, intended to be proposed by Mr. Taft to the bill (S. 1672) to amend the Small Business Act.

AMENDMENT NO. 135

(Ordered to be printed, and to lie on the table.)

Mr. STEVENSON submitted an amendment, intended to be proposed by him, to Senate bill 1672, supra.

ADDITIONAL COSPONSORS OF AMENDMENTS

AMENDMENT NO. 98 TO S. 1248

At the request of Mr. Eagleton, the Senator from Illinois (Mr. Stevenson) was added as a cosponsor of amendment 98 to the State Department authorization bill (S. 1248).

AMENDMENT NO. 125 TO S. 1672

At the request of Mr. Eagleton, the Senator from Illinois (Mr. Stevenson), the Senator from Wisconsin (Mr. Nelson), the Senator from Kentucky (Mr. Cook) and the Senator from Arkansas (Mr. Fulbright) were added as cosponsors of amendment No. 125 to S. 1672, to amend the Small Business Administration Act.

NOTICE OF RESCHEDULING OF HEARINGS ON S. 1463 AND S. 1678

Mr. BURDICK. Mr. President, on behalf of the Subcommittee on National Penitentiaries of the Committee on the Judiciary, I announce that the hearings on S. 1463 and S. 1678, previously scheduled for May 15, 1973, have been rescheduled. The hearings will be held on May 22, at 10 a.m. in room 2228 of the Dirksen Senate Office Building. Anyone wishing to testify should contact the subcommittee at extension 225-8994.

ADDITIONAL STATEMENTS

WELCOME TO ALASKA—THE GREAT LAND

Mr. STEVENS. Mr. President, Alaska attracts many tourists. Its scenic beauty and diverse cultures provide an esthetic and educational smorgasbord for people throughout the world. We are centrally located on a number of great circle air routes connecting major cities, countries, and continents.

Alaskans extend a warm and legendary hospitality to all comers. We welcome visitors—not just to our land but to our homes and lives too. We are proud—to excess—of our State and its natural wonders.

The Alaska Division of Tourism recently announced that in 1972 during the 5-month summer travel period, Alaska hosted more than 160,000 tourists. That is about 14,000 persons more than had been expected.

Surveys taken of traffic on the Alaskan Highway, the cruise ships, and aboard airplanes resulted in these statistics: Inbound travelers to Alaska totaled 239,795 persons; of these, 161,375 listed tourism as the reason for their trip; 71,446 were residents of the State. The rest were traveling for business, military, or other nontourist purposes.

The State forecasts that 1973 will show a further increase in tourism. Rising real incomes in the United States and increased promotion of Alaska tourism within Japan are expected to yield an increase in the number of visitors to Alaska of more than 20 percent.

This will be the first full year of a special triangle fare between Tokyo, Anchorage, and Honolulu. Also Japan Airlines has launched a $300,000 advertising campaign to promote tourism in the 49th State. Several German groups, plus other foreign tour groups will visit Alaska this coming year. However, most of Alaska's visitors will come from the Lower 48.

Five new cruise ships have been added to those already plying southeastern Alaska waters, and the State expects a 25-percent increase in the number of passengers this year.

We hope these figures will increase. I would like to extend an invitation to all my colleagues in both Houses, their staffs and families, and to the people they represent—which just about covers everyone in America—to come visit Alaska. The name "Alaska" means the Great Land—we would like to share it with you.

ENVIRONMENTAL PRIORITIES

Mr. SPARKMAN. Mr. President, from the perspective of the environment and urban affairs of our country, I believe a new sense of national priorities is emerging. We are going to have to make some tough decisions, and balance some very important national objectives against each other, but I think we have already made some important steps in the right direction. In this regard, and without undue detail, I would like to comment on this direction.

Since the beginning of our Nation's history, Congress and the Federal Government have dealt with environmental issues, but with objectives centering largely on development of our economy: The building of dams for irrigation and flood control, establishment of the Tennessee Valley Authority, which has so greatly benefited my State and area, stimulation of oil supply, for example. The adverse side effects of such development activity were not perceived in those early days. Actually, efforts to preserve environmental amenities mainly concerned establishment of our national parks.

CITES LEGISLATION SUPPORT

I, accordingly, have actively supported legislation in past sessions of Congress and am currently sponsoring or cosponsoring at least 12 bills in this session designed to protect the environment of my home State of Alabama and the Nation.

In 1969, we passed the National Environmental Policy Act—NEPA—which I supported, and it was signed into law by the President on January 1, 1970. This was our first national policy on the environment as a whole. It committed the Nation to "efforts which will prevent or eliminate damage to the environment," and it made it our national policy to "encourge productive and enjoyable harmony between man and his environment."

Shortly after NEPA became law, President Nixon reorganized the Federal agencies, creating the Environmental Protection Agency—EPA. This Agency took under one wing the major environmental regulatory functions of several Government agencies, in the areas of air pollution, water pollution, noise, solid waste, pesticides, and radiation.

NATIONAL LAND USE POLICY

An important issue related to this which received serious consideration and lively debate in the last Congress was that of creating a national land use policy. The Senate passed a bill to establish such a policy, but the measure did not pass the House of Representatives.

The principal provisions of both the House and Senate measures were similar. Both bills proposed a national land-use policy which would encourage the development and implementation of State land-use programs through a program of Federal grants. The main purpose of the Senate bill was to provide technical and financial assistance to the States to help them improve their knowledge, procedures, institutions, and methods for land-use planning and management. Important new authority was also provided to improve coordination between the planning efforts of the Federal Government and State governments. The States would be required under the act to develop a statewide planning process within 3 years.

An environmental bill of special interest to Alabama is S. 22, a bill to establish a system of wild areas within the national forest system. Title II of this bill applies specifically to the Sipsey area of Bankhead National Forest, Ala. The bill seeks to provide permanent protection and enhancement of Sipsey so that the public may enjoy its natural wild state.

STRINGENT MEASURES NEEDED

A recent major report by the Conservation Foundation, "National Parks for the Future," warns that stringent measures will be needed to protect the magnificent natural features of these unique areas that have met our criteria for designation as national parks. Clearly, we must meet this challenge.

In a nation like ours where some 70 percent of the population live in urbanized surroundings, the quality of the urban environment is of critical concern.

The need for parks within or near cities has been shockingly neglected; a report by the Council on Environmental Quality informed us in 1971 that less than 3 percent of the 491 million acres of public recreation area in the United States is within 40 miles—that is an hour drive—from the center of metropolitan areas with over 500,000 people. Yet 90 million of our 200 million citizens live in such areas. The Council cited a net loss of 22,000 acres of urban parkland in the previous 6 years.

Another report, by the General Accounting Office, stated that during 1962–69 less than 6 percent of open space funds from the Department of Housing and Urban Development were provided to low-income neighborhoods, and this increased to only 30 percent in 1970. The report concludes that existing policies in both the Bureau of Outdoor Recreation and in the Department of Housing and Urban Development are not currently formulated to meet the needs of densely populated areas. One of the key problems responsible for this inadequacy is the inability of local financial resources to obtain and then maintain open spaces in cities. The high cost of land in the center of cities, and the lack of operating funds is almost prohibitive, and is one reason that the Federal grants more often go to affluent and less densely populated suburban areas.

OPEN SPACE LEGISLATION

In the 91st Congress, 10 new recreation units were added to the national park system, and the basic tool of land acquisition, the land and water conservation fund, was increased. A precedent in open space legislation was also set with the establishment of two vast national recreation areas, adjacent to two of our largest metropolitan areas. The new awareness of urban environmental needs was acknowledged by this legislation and our entire park system was enhanced by this new concept—the urban national recreation area.

In addition to supporting this legislation for the entire Nation, I have also included among the environmental bills I am working for this session bills to: First, establish Cathedral Caverns, Ala., as a national monument so that its stalagmite forests and frozen waterfalls may be preserved for future generations of Americans to enjoy; second, a bill to authorize the Secretary of the Interior to study the establishment of Bartram Trails, Ala., as a national scenic trail; and third, a bill to establish Tuskegee Institute as a national historic park.

One of our greatest environmental problems these days is the every day air we breathe. The Clean Air Act legislation went a substantial part of the way in providing a possible basis for essentially cleaning up the air, but solid waste remains an issue in which the solutions have not yet been put into law. Some wide-ranging changes in our packaging and recycling habits remain necessary before we begin to eliminate this very pressing problem.

AIR QUALITY, SOLID WASTE

Both the air quality and solid waste legislation will come up for renewal during this Congress, and there is no question in my mind that we must forcefully renew our commitment to keep working toward our goals for cleaner air and to come to grips with the problem of solid waste.

I have been particularly concerned with recent reports prepared by the task force for the National League of Cities and the U.S. Conference of Mayors commissioned by EPA that stated—

> The reduction of solid waste at its source is a national responsibility. The national disposal crisis is the result of national forces and practices which are beyond the scope of local government capacity to resolve and are not the products of local government policies.

As you know, the administration's proposed fiscal 1974 budget slashed Federal outlays for resource recovery and reduction of solid waste from $30 million to $5.8 million and limited EPA's role to supervision of toxic waste disposal.

A NATIONAL PROBLEM

The President acted in the name of local control, with the budget message he submitted to the Congress concluding that reducing solid waste is a "local, not a national problem." I highly concur with the 17-man task force composed primarily of mayors and local environmental, sanitation, and public works officials, as well as EPA Administrator William D. Ruckelshaus that "resource recovery is a Federal responsibility and it requires equitable policy treatment," in order to have an effective uniform program benefiting the entire country—and without such a large reduction in Federal funding.

The President by this budget action, not only is throttling this program, but is once again placing intolerable additional fiscal pressures on the Nation's municipalities. The end result of his budget cut might be that our cities will find it financially impossible to even continue their current solid waste programs.

These and other environmental achievements marked the 91st Congress. During 1971 and 1972, the years of the 92d Congress, the tempo of environmental progress kept up a rapid pace. I would like to mention its major environmental achievements:

Water pollution control legislation was enacted which matched the comprehensive nature of the air pollution enactment of 1970. It centers water pollution control in EPA, rather than allowing substantial authority to remain with the Army Corps of Engineers. It defines tough new criteria for State water quality programs, and provides for a vastly expanded assistance program for construction of State and local sewage treatment plants.

NOISE POLLUTION CITED

In the area of noise pollution, the very first Federal regulation of this problem was provided in the Environmental Noise Control Act of 1972.

The first Federal regulation of pesticides was also enacted during the last Congress. The EPA is given authority to classify all pesticides in "general" or "restricted use" categories, thus limiting the previously unchecked usage of the more dangerous types of poisons.

Coastal zone management legislation during 1972 provided for beneficial planning of the uses of coastal areas which support important wildlife and fish, and which are under great pressure from development.

PROTECT THE OCEANS

Ocean dumping regulation was provided in the Marine Protection Research and Sanctuaries Act of 1972. This prohibits a wide range of practices which involved the dumping of hazardous or damaging materials into ocean or tributary waters.

After this pace and progress to protect our environment the 93d Congress will most assuredly be equally busy. In this session, in order to encourage small businesses to meet certain standards in solving some of the problems I have mentioned, I am cosponsoring a bill, S. 804, that provides economic disaster loans to small firms which have trouble financing equipment needed to help protect our environment. This bill will materially aid in the fight on pollution.

Cleaner air can mean some higher prices. More wilderness areas may cost us some timber. But with the proper determination, I think we can make it work.

In summary, I would say that the record of Congress shows great progress toward meeting important environmental goals. But it is clear that we have only made a beginning, and must stay hard at work to achieve the needed improvements in our environment.

THE ENERGY CRISIS

Mr. DOMINICK. Mr. President, shortages of fuel have occurred worldwide in a time when our drive to protect our environment has affected the use of certain fuels. All of us need to know as of today the present availability of supplies, their locations, and the problems confronting equitable distribution. It has been suggested to me that there may exist certain "brokers" endeavoring to make financial gain out of our crisis by market manipulation. Whether this is true or not I do not know. However, I have requested and have been assured that the Cost of Living Council has been and will be keeping a close watch on the present fuel situation and future actions in the market.

On Tuesday of last week, I joined with several of my distinguished colleagues in meeting with representatives from the Office of Emergency Preparedness and the Departments of the Interior and Treasury. These representatives included Darrell Trent, William Simon, and Steve Wakefield. The purpose of our meeting was to bring to their attention the gravity of our energy crisis as it relates to our farm and rural communities. When we hear of fuel shortages in this body, we know that for many of us, the shortage may result in inconvenience ranging from being able to drive a little less to rearranging our vacation schedules. However, our farmers cannot rearrange the schedule of mother nature—their work must be done on time. For them the words "we are looking into the problem" means no answer to his critical need.

In my State, distributors are being cut back or cut off, distributors who provide fuel to our farmers. The grave consequences of the fuel crisis for farmers include less crops to financial ruin. We are now in a period of the year when planting is critical, and delay will affect all of our citizens. When it is recalled that this past winter was very severe for many of our farmers and ranchers and that our food supply today is critical, the importance of preventing a delay in the farmer's schedule is clearly demonstrated.

Mr. Simon, the conscientious and hard-working Deputy Secretary of the Treasury, expressed his belief that we would have his guidelines for solutions to our fuel shortage by next week. Our meeting in that respect was beneficial, but all of us know that too often the fruits of beneficial meetings wither by delay and indecisiveness. I, for one, would like to go on record as reaffirming my request that we see the solution by next week—we cannot get lost in further considerations or more analyses. The time for action is now so that all of us may seek to solve our energy crisis.

THE FOREST SERVICE NEEDS ADEQUATE FUNDING

Mr. CHURCH. Mr. President, recently I presented testimony to the Subcommittee on Interior Appropriations of the Senate Appropriations Committee on the subject of Forest Service funding.

I ask unanimous consent that the text of my remarks appear at this point in the RECORD.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

THE FOREST SERVICE NEEDS ADEQUATE FUNDING

(Testimony by Senator CHURCH)

Mr. Chairman, it is a difficult time to discuss funding for any domestic program in light of the prerogatives which the Executive Branch of government claims to itself. I sometimes feel, and I am sure that many of my colleagues share the feeling, that our actions in determining priorities for this nation, have taken on a hollow ring.

Last year, Congress appropriated nearly $30 million in additional funds for the Forest Service to carry out crucial programs of resource management. Not one penny of the additional money, appropriated after lengthy hearings, was expended by the Nixon Administration. In what has to rank as another example of countermanding Presidential Power, totally uncontemplated by the Constitution, President Nixon's aides at the Office of Management and Budget disregarded Congressional priorities and refused to spend any of the extra money furnished by Congress.

Even though I cannot be optimistic as to what the final outcome of this year's battle over the Forest Service Budget will be, I cannot ignore the very real needs of this agency. If Congress again augments the Forest Service's budget, I only hope that the Nixon Administration will accept our decision. If not, then the continuing lumber shortage, the increasing acreage of unreplanted forests, and the shameless waste of diseased and dying trees can be laid on the steps of the White House—where it belongs.

We might well be asked, and rightly so, "If you are going to put $105 million back into the Forest Service budget, then where are you going to cut funds so that Congress does not break a $268 billion spending ceiling?" I think the answer to that is so obvious as not to need elaboration. If this Administration thinks we can afford $2.5 billion to provide aid to North Vietnam, we can surely find a way to restore $105 million for the management of our National Forests. As one who opposes aid to North Vietnam, I have no trouble supporting additional funds for the Forest Service.

There are places where we can cut the budget. I can think of a lot of them. The war is now over. I don't see any reason why the military budget has to go up another 5 billion dollars, to a level much higher than at the peak of our involvement in Vietnam. We've put the last man on the moon. I don't see any reason why we have to increase the budget for the space program when we have so much need for applied technology right here on the ground. And I haven't the slightest idea why it is necessary, at this time, when the Federal Government has gone over 100 billion dollars into debt during the last four years, we should have to increase the foreign aid program. Yes, I can think of a lot of places where we should be cutting back public spending, but the last place we should cut is the management of our natural resources upon which the future wealth of this country so deeply depends.

ROADS AND TRAILS

Perhaps no more foolish cuts in funding could be made by the Administration than its proposed reduction of $71,140,000 for Forest Roads and Trails. The impact of this cut, if upheld, will be devastating both to public recreation and the timber industry.

The Administration maintains that the slack can be made up by transferring more costs of road construction to the private logger. The fact that this would also reduce the net returns to the government on timber sales goes unmentioned. Even if it were true that only loggers benefited from Forest Roads or that public policy should not encourage small business in the timber industry, the savings to the government of such a policy would be questionable. However, neither assumption is valid. Forest Roads are of benefit to recreation users of our forests, providing them with access to the out-of-doors. Forest Roads also benefit the government which can utilize them for fire control and other management activities. Moreover, Congress long ago established small business set-aside sales, a program made possible by legislation which I co-sponsored, which specifically recognizes the desirability of preserving competition in the forest-products industry by assuring smaller operators a part of the action.

If we transfer the heavy costs of road construction on to the timber purchaser, as the administration proposes, we will force many small logging operations out of business. The practical effect of the Administration proposal will be an accelerated movement toward giantism in the forest products industry. This type of economic concentration was precisely what the Congress sought to avoid by enacting legislation authorizing the small business set-aside program. I will have no part of this effort to indirectly undo the small operator.

FOREST-LAND MANAGEMENT

Equally disastrous, in terms of its long term effect upon our nation's forests, are the cuts proposed by the Nixon Administration in the area of Forest Land Management.

At a time when we are increasingly aware of the great importance of restoring our forests and finding new and better methods of harvesting timber, it is astonishing to see funds for reforestation, stand improvement and advanced conservation and improved silvicultural practices cut by over $8 million. Our distinguished colleague from Oregon, Senator Mark Hatfield has estimated that we presently face a backlog of 5 million acres of forest land in need of reforestation. Despite such a backlog the Forest Service is to be given even less money to get on with the job.

The excuse given for cutting the reforestation program is that this effort can be delayed without a severe impact. What I fear, however, is that the same excuse will be invoked, year after year. We are already far behind in reforestation. Every year of delay seriously injures our ability to meet future demands on timber resources.

At the very least, Congress should reinstate this program at last year's level of funding.

COOPERATIVE FOREST FIRE CONTROL

Perhaps no clearer example of executive flim-flam can be found than the Administration's reduction of cooperative forest fire control funds. Under the President's budget, this program would be reduced by $9 million. We are told that the states can make up the differences with Federal revenue-sharing money, if they so desire. Of course, this argument ignores the President's promise that General Revenue Sharing would furnish the states with "new money". Now, we learn that the "new money" isn't new at all. The states are discovering that revenue-sharing funds are really being given in lieu of established Federal programs, with the states expected to make up the difference with their "new money." The more I see of "revenue-sharing," the better satisfied I am to have cast my vote against it, in the first place.

Even if the states are to pick up abandoned Federal efforts, I would think that cooperative forest fire control is a strange place to start the process. Under current arrangements, the states contribute $5.00 for every $1.00 the Federal Government spends. Five to one is a pretty decent ratio, from the standpoint of the Federal Government, for a cooperative state-federal program.

In light of the adverse impact a budget cut of this magnitude will have upon Idaho, I request that these funds be reinstated. Even though President Nixon may not spend the money so appropriated. I feel we should put the Senate on record as favoring the continuation of the cooperative forest fire control program at its current level.

FOREST SERVICE REORGANIZATION

One of the effects of the Forest Service budget cutbacks has been a radical reorganization of the agency itself. The Forest Service has announced a consolidation in its field operations and more centralized administration of Idaho Forests out of a single office in Portland, Oregon. This centralization entails the closing of two regional offices; one in Missoula, Montana, and the other in Ogden, Utah. The reorganization will also cause a reduction of payroll in Idaho. I don't believe, for a moment, that this reorganization will, as the Forest Service claims, allow the agency to better perform its tasks. On the contrary, increased centralization means decreased access by the people to the bureaucracy. Isn't it peculiar that an administration which condemns the concentration of federal power in "faroff Washington, D.C." now advocates the centralization of the Forest Service into ten regions while reducing the personnel in the field? Such a reorganization plan, I am sure, calls for the most careful review by Congress.

FUNDING FOR RECREATION AND ENVIRONMENTAL CONCERNS

Finally, Mr. Chairman, I would like to discuss the lack of funding in the budget to meet increasing recreational demands.

The use of public lands for recreation has skyrocketed. Last year alone, there was an 8 million visitor day increase in load on Forest Service administered lands. Nevertheless, the budget request for recreation programs is $10,000 below last year's level of funding.

Inevitably, the failure to make budgetary provision for burgeoning recreation, will mean extending and increasing use fees in the national forests.

Last year, I joined with the able Chairman of this Committee (Mr. Bible), in an attempt to insure that we would not nickel and dime families to death when they sought to enjoy our national parks and forest lands. We attempted to make the Golden Eagle Passport universal in its application to all developed federal outdoor recreation facilities. The passport would have been a vehicular tag priced at $25.00 a year, and would have covered all entry and use fees, wherever charged. It was our belief that such a program would help clear up the present confusion in use-fee practices. Unfortunately, although we met with success in the Senate, the House of Representatives would not agree to such a universal approach. Consequently, the Golden Eagle emerged as little more than an admission ticket to the carnival tent, as it were, and Idahoans are discovering that for each of the exhibits they must pay an additional fee. In our national parks, for example, it's a dollar for this and a dollar for that and 50 cents for each of the kids. And this plethora of special charges will only get worse as we crimp on the recreational budget.

I don't see the sense of furnishing the Forest Service with less money for recreation at a time when public demand for such services is skyrocketing.

No one will gain from these massive reductions in Forest Service funding. We should, at the very least, restore the Forest Service budget to last year's funding level. If this Committee, in its review of the budget in its totality, finds we can do more at this time, we should do more.

Let's take about 5% of that 2.5 billion dollars President Nixon says we should come up with for the rehabilitation of North Vietnam and put it to work on efforts to rehabilitate our national forests instead.

DANGER IN LIBERAL DEMOCRACY?

Mr. SAXBE. Mr. President, recently I read an article in the Washington Star by the syndicated columnist, Dr. S. I. Hayakawa, which I would like to share with my colleague.

Dr. Hayakawa, in analyzing an article by Prof. Irving Kristol, raises some interesting points concerning what the future holds for a liberal democracy which shuns those institutions that have been instrumental in formulating values which hold cultures together and provide for measured change.

It is a scholarly article which should give all who read it occasion to reflect upon its meaning. I ask for unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A BASIC SUICIDAL FLAW IN OUR FREE SOCIETY?

(S. I. Hayakawa)

Does our free society contain a basic flaw that is causing it to commit suicide?

Professor Irving Kristol thinks it may. He presents in an article in "The Public Interest" entitled "Capitalism, Socialism and Nihilism" an interesting analysis of what has often been called the crisis of values in our time.

For most of the history of the human race, the direction a culture took was determined from above by aristocracies backed by military might; by established religions supported by the state and served by powerful priests and hierarchies; and in our own time, by political commissars who think they know better than the common people what is good for them.

In most cultures, ideas of right and wrong have originated from such sources of values as these, and these values have tended to hold the cultures together and to keep changes to a manageable minimum during any one generation.

But modern liberal democracy has rid itself of established religion and religion has become a private matter. In a diversified culture like ours there is no one source of values; values are relative and shifting. As Kristol points out, for centuries religious leaders, especially Catholic philosophers, have viewed with alarm the progressive departure of societies from their former reliance on divine law. Perhaps, he suggests, they may have been right.

We are now living on the accumulated moral capital of traditional religion, he says. It is running out—and we have no other consensus of values to take its place.

In our system of society, no authority exists to tell us what is good and desirable. We are each free to seek what we think is good in our way, and we do so by means of the free marketplace, which exists to supply people with what they want. If Smith wants to spend his earnings on fine clothes, Jones on his sailboat, and Brown on the Salvation Army—fine. It's a free country. Our society is "given shape through the interaction of a countless sum of individual preferences."

But Kristol points out that this secular liberal democracy is under attack on two fronts. Unlike the Old Left, which believed in material prosperity and technological progress, the New Left attacks the persent social order for its materialism—and would substitute an unspecified Utopia which is nonmaterial, nontechnical, yet conveniently served by machines. Any means, including violence, theft and civil disorder, are advocated to bring down the hated "System"—whereupon a higher system of values will be handed down by the new elite.

On the other hand, the related "counterculture" attacks the social order with a demand for absolute liberty in all areas, especially sex, and has brought about enormous changes in laws and mores in a very short time. Each new "victory" merely confronts its champions with a new frontier to be crossed—so we have quickly progressed from relaxing sexual prohibitions to pornography to sadism and the celebration of perversion.

Strangely, Kristol points out, capitalists see no connection between the counterculture and the threat to their own welfare. At least they are so eager to make money from a contemporary fashion that "large corporations today publish books and magazines, or press and sell records, or make and distribute movies, or sponsor television shows which celebrate pornography, denounce the institution of the family, revile the 'ethics of acquisitiveness,' justify civil insurrection, and generally argue in favor of the expropriation of private industry and the 'liquidation' of industrialists."

Perhaps they believe in some degree in a basic tenet of our society—in the free and unobstructed exchange of ideas out of which the best would survive.

But, in Kristol's disturbing words, "Perhaps (the liberal tradition) never really could believe that vice, when unconstrained by religion, morality and law, might lead to viciousness. It never really could believe that self-destructive nihilism was an authentic and permanent possibility that any society had to guard against. It could refute Marx effectively, but it never thought it would be called upon to refute the Marquis de Sade and Nietzsche."

If we cannot maintain our old faith that freedom and information will make good win out over evil; if we cannot agree on that line where liberty becomes license, and hold to it, if being relativists makes us unwilling to formulate our goals—what then will happen to our free and open society?

These are serious and troubling questions to me, as I think they should be to all of us, although I am not ready to give up being an optimist, a relativist, and a believer in a secular open society.

I think this is something we should all think about—and educators especially. What is the basis for a consensus of values in our society? Where do our goals and values come from? If we believe in a free society, what limitations, if any, are we willing to place on that freedom so that society may protect and maintain itself?

BOYD A. MARTIN

Mr. CHURCH. Mr. President, I wish to pay tribute to a scholar who retires this month from the University of Idaho. He is Dr. Boyd A. Martin.

Dr. Martin is retiring after a career spanning 35 years of association with the University of Idaho as a professor of political science, head of the department of social sciences, dean of the College of Letters and Science, the recipient of the university's first endowed chair as Borah Distinguished Professor and director of the university's institute of human behavior.

These titles, however, tell only part of the story of a remarkable man and a remarkable career. Boyd Martin was present at the first United Nations Conference in San Francisco when the UN Charter was drafted. He has written extensively on international affairs, and yet he also found time to write about his own State.

When he was named Borah Distinguished Professor of Political Science in 1970, University of Idaho President Ernest Hartung summed up Boyd Martin well when he described him as "one of the university's most outstanding scholars and teachers."

Mr. President, there recently appeared in the Argonaut—the university newspaper—a lengthy article on Boyd Martin. I ask unanimous consent that it be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Argonaut, May 4, 1973]

Idaho's Boyd Martin Will Retire After 35 Years of Service to Idaho

A man who has served the University of Idaho as a professor of political science, head of the Department of Social Sciences from 1947–1955 and dean of the College of Letters and Science from 1955–1970 retires this May after 35 years of service.

Dr. Boyd A. Martin, named to the University's first endowed teaching chair as Borah Distinguished Professor of Political Science in 1970, has been director of the university's Institute of Human Behavior since he stepped down as dean three years ago. He has also continued as director of the University's Bureau of Public Affairs Research. He was the first man named to that post in a bureau he worked to see created in 1959.

"Dr. Martin, who is an Idaho native and a graduate of the University of Idaho, has long been recognized as one of the university's most outstanding scholars and teachers, and it is fitting the first teaching chair should go to him," President Ernest W. Hartung said on Martin's appointment as Borah Outstanding Professor.

Martin, who devoted his career to teaching and research in the areas of domestic and international politics, public administration and international politics, public administration and the cause of war and peace, was raised on grain and cattle farms in Idaho and Lewis counties in Idaho and graduated from Nezperce High School in 1929.

He received his bachelor's degree from the University of Idaho in 1936 and his master's degree from Stanford University in 1937, returning to Idaho the following year as an instructor. He completed his doctoral degree at Stanford in 1942, returned to his alma mater as an assistant professor and during the next four years rose to the rank of full professor.

Martin attended the first United Nations Conference, held in San Francisco, which drafted the UN charter. He also attended UNESCO regional meetings at Denver and San Francisco, chairing the humanities section at the latter meeting.

In a recent interview, Martin noted that the UN has done remarkably well considering the frame in which it was created. The UN is a negotiator—not sovereign—due to the existence of the veto, Martin said.

"The problem with the UN was that it was oversold. People thought it could do wonders. The UN won't be able to do anything about major wars until it is given the power to do so by the sovereign nations that compose it," Martin said.

Martin, who served as chairman of the Borah Foundation Committee for the Outlawry of War from 1947–1955, longer than any other professor, continued, "It is fair to say that the Vietnam war was an outgrowth of World War II and of the Cold War which developed in the closing days of that war. If analyzed from this point of view, historians will look back on this period and single out Stalinism as the greater factor in creating the Cold War. The ruthlessness of Stalinism alarmed world liberalism and dealt democratic socialism its greatest blow."

Commenting on the period since the end of World War II, Martin said the greatest development has been the rise of the multinational corporations. He predicted that the these organizations, though they may grow beyond the power of the nation-states to control them, may lead to the development of such things as multinational labor unions and ultimately to greater interdependence among the peoples of the world.

Martin has authored or co-authored several books including "The Direct Primary in Idaho" published by the Stanford University Press in 1947. He has contributed articles to numerous professional journals, served as state editor for the National Municipal Review and was on the editorial board of the Western Political Quarterly. Much of his writing has concerned politics and elections in Idaho.

"One of the great periods of change in Idaho was the development of the progressive movement that came after the appointment of Sen. William E. Borah to fill a vacancy of the U.S. Senate. That movement led to the direct primary law and initative and referendum." Martin said. "There has always been a liberal group in Idaho, never a majority but always influential. Borah had its support and Frank Church has it now. But there are more conservative votes in Idaho today than just a few years ago, as a result of the alienation of the middle classes from liberalism because of the new left," he added.

Commenting on other changes he has seen in his native state. Martin noted there has been a decline of anti-Mormonism and of sectionalism in public education though it shows up occasionally in higher education. He noted that the size of farms has been growing rapidly and that Idaho has now two metropolitan areas. Boise and the Idaho Falls-Pocatello area.

DISTINGUISHED CITIZEN

Martin predicted that Idaho's third metropolitan area will be the quad cities of Lewiston-Clarkson and Moscow-Pullman with Lewiston as the hub. "This may well occur if sufficient air and road transportation are developed in addition to slack water," he said.

Martin, who was selected as a Distinguished Citizen by the "Idaho Statesman" in 1970, has also written the section in Idaho to be included in the forthcoming book, "The Book of States," to be published by Encyclopedia Britannica in 1974. He has served Idaho as a member of the Constitutional Revision Commission from 1965–1970 and was a consultant to the Idaho Municipal League.

He was a member of the steering committee of the Northwest Conference on Higher Education from 1962–1967, serving as chairman during 1965–66.

EDUCATION EVALUATED

Commenting on higher education today, Martin noted that it has fallen from priority No. 1 to No. 3 or 4 in many states. "Higher education wasn't prepared for the late 1960s. Some university presidents ran for cover and some students exercised power beyond their experience. I don't think there's any question but that the new left was attempting to seize the universities and reshape them for their own ends," Martin said.

During this time, with technology putting people out of work, welfare funding was able to capture the No. 1 priority in many states with metropolitan populations, he said, adding that in Idaho public school education has moved up to take the top priority.

"I want to say, however, that the University of Idaho has been very fortunate over the years in having a high level student body. Idaho students come not from homes that are very wealthy or very poor but rather from substantial middle class families. They have strong middle class values and a middle class sense of responsibility. During the late 1960s, Idaho students were an important stabilizing factor on campus and the student body presidents and student leaders were excellent representatives of the University to the people of the state," the former dean said.

Martin and his wife Grace, who have traveled over much of the world, plan to keep their home in Moscow but also intend to put a trailer on some land they own in Cottonwood, part of the family property. They also hope to see much of their family including oldest son William A. Martin who is director of the Boise Head Start program, his wife Gloria and their three children, and son Michael A. Martin who has been in the oil business in Pullman, his wife Katherine, and their two children.

CONTINUED BOMBING IN INDOCHINA

Mr. BROOKE. Mr. President, the anguish and anxiety over our continued combat activities in Indochina is deeply felt by Members of Congress. I am encouraged by recent moves in the House of Representatives and in the Senate Appropriations and Foreign Relations Committees to curb our military presence in Indochina. I am convinced these actions reflect the deep feelings of the American people that U.S. combat activities serve no legitimate purpose and pursue no end that justifies the destruction and suffering that we are causing. In a May 12 editorial, the Quincy, Mass., Patriot Ledger eloquently stated the case against our continued military operations succinctly and forcefully. I wish to call my colleagues attention to this editorial and ask unanimous consent that the editorial be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Unsupported Bombing

Even the U.S. House of Representatives, which for years has supported three successive Presidents in their Indochina policies, has now gone on record against continued U.S. bombing in Cambodia.

In three separate votes Thursday, the

House made it clear it wants no more money spent on bombing Cambodia. The sense of the House was probably expressed by Majority Leader Thomas P. O'Neill, D-Cambridge, who said: "One Vietnam is too many. The nation wants no part of Cambodia."

Neither Secretary of Defense Elliot L. Richardson nor Secretary of State William P. Rogers have been able to persuade Congress of either an overriding national need to commit U.S. military power to the defense of Cambodia, or of a sound legal basis for authority to permit a President to carry out his policy without congressional approval.

Secretary Rogers' main argument the previous week before the Senate Foreign Relations Committee was that the bombing was implicitly permitted by the Vietnam cease-fire agreement so long as a separate cease-fire had not been signed in Cambodia.

This policy of bombing Communist forces until there is a Cambodian ceasefire agreement is as chimerical as it is expressly forbidden by the Paris accords on Indochina, While Mr. Rogers invokes "implicit" deductions, the agreement is very explicit on what is to be done:

Article 20—"(b) Foreign countries shall put an end to all military activities in Cambodia and Laos, totally withdraw from and refrain from reintroducing military advisers and military personnel, armaments, munitions and war material.

"(c) The internal affairs of Cambodia and Laos shall be settled by the people of each of these countries without foreign interference."

Instead of living up to our side of that agreement, the Nixon Administration is providing military equipment, fuel and air support to the Cambodian government, a government with which this country has no military alliance or other known commitment to protect.

The U.S. government is assuming that the North Vietnamese, with whom it signed the Paris accords, are commanding the war against the Lon Nol government, and that bombing Communist forces will (1) protect and strengthen the position of the Cambodian government, and (2) eventually force the Communist forces to be reasonable and negotiate a cease-fire with the government.

Both assumptions may be false. Reports from Cambodia say most of the anti-government forces are native Cambodian Communists (Khmer Rouge) and other dissidents, and the degree of command direction by the North Vietnamese is uncertain. As to the efficacy of the bombing, reports are that as in Vietnam, bombs are falling as frequently on innocent villagers as they are on the anti-government forces; and in any case, bombing of guerrillas dispersed in the countryside promises to provide more harassment than coercion to make peace.

Despite the clear sentiment of Congress, the Administration vows to transfer money from other parts of the Defense Department budget to finance Cambodian air strikes. Congress and the American people should not allow this to happen. There is no excuse to continue this senseless and open-ended misuse of American military power and the Administration should be forced to stop it.

MORE MONEY FOR COAL RESEARCH

Mr. STEVENSON. Mr. President, this year the Nation may spend $6 billion to import oil from abroad. The Nation will be compelled to spend many billions more abroad in the near future for energy unless we put first things first. I know of no better example of national irrationality than the expenditure of billions of dollars on undependable foreign sources of fossil fuel and next to nothing developing domestic sources of coal.

The United States has oil in the form of coal equal to 10 times the world's proven oil reserves. Coal can be converted to gas. It would make more sense to spend modest sums on our own coal reserves than to spend enormous sums abroad. To do so, we must begin by devoting more money to coal research. I ask unanimous consent that my testimony on this subject before the Interior Subcommittee of the Senate Appropriations Committee be printed in the RECORD.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

STEVENSON ASKS DOUBLING OF FUNDS FOR COAL RESEARCH

Mr. Chairman, my remarks are directed to the budget of the Office of Coal Research. I am joined by your colleague on the Appropriations Committee, Senator Schweiker. Our position is strongly supported by many other members of the Senate.

Consumers in the United States depend on natural gas and oil to supply 79 percent of all their energy needs. Yet natural gas constitutes only 9 percent of our total domestic fossil fuel resources, oil 8 percent, and uranium only 4 percent. The rest—almost 80 percent of our fossil fuel resources—is made up of our 3 trillion tons of coal. In short, we have come to rely on those fuels in shortest supply for the greatest part of our energy requirements, while our greatest single source of energy is relatively underutilized.

We are all aware of the increasing pressures on our oil and gas reserves, the more so after the frightening shortages of this relatively mild winter, the present shortages this spring, and the even greater shortages predicted for this summer. Given the present demand and domestic supply curves, if we continue our present policies, the situation will become much worse before it becomes any better. The demand for oil by 1985 may reach 10 billion barrels per year, and some experts say that upwards of two-thirds of this demand, given our present methods of producing oil, may have to be met by imports. Even a conservative estimate puts the figure at 50 percent.

Similarly, recent estimates of the natural gas situation predict a near doubling of the demand for natural gas between 1971 and 1985, from 22 trillion cubic feet per year to from 35 to 40 trillion. The gap between this demand and what our domestic reserves can supply in 1985 has been variously estimated at 13 to 17 trillion cubic feet—even with pipelines for Alaskan and Canadian imports. As of 1969, the United States had only 18 percent of the world's 1,550 trillion cubic feet of proven natural gas reserves while still producing well over half the world's supply of natural gas.

The implications of importing the 1985 differences in oil and gas are staggering—for our foreign policy, our balance of payments and domestic economy and ultimately for our way and quality of life. We are already seeing the first manifestations. This year's dollar figure for oil imports is expected to be about $6 billion.

One answer is to turn back to coal, but in new ways. Coal will not be a complete answer, and definitely will not be the final answer. But it is an answer with much potential for the next 30, 50, or even 100 or more years.

Under present technology coal burning can present environmental danger. But we have had the capability for some time now to transform our tremendous untapped coal reserves into environmentally sound fuels—clean burning gas and oil.

The idea of coal gasification is not new—indeed, as recently as the early 1940's, most of the gas being used in the United States was produced from coal. But this was relatively low-grade in terms of its energy qualities—400 to 500 BTU's—and with the advent of long distance pipelines which could bring in 1,000 BTU natural gas, coal gasification fell into decline. In addition to its inefficiency, in today's terms it was not, environmentally speaking, clean burning.

As early in 1946, the search was initiated at the Institute of Gas Technology in Chicago for an economical method of synthesizing gas of a quality equal to natural gas. The work proceeded slowly, but was given much impetus in 1964 following the signing of a contract between the Office of Coal Research and the IGT. This led to the HYGAS demonstration plant in Chicago which was dedicated in October of 1970. This plant recently achieved 53 hours of sustained operation.

The Office of Coal Research has funded other pilot plants to research and develop other coal gasifying technologies—in Rapid City, South Dakota; Tacoma, Washington; Princeton, New Jersey; and Homer City, Pennsylvania. At present, however, the HYGAS plant shows the most promise of early commercial application, perhaps by 1976 or 1977.

The HYGAS plant is for high-BTU coal gasification. It is aimed at producing gas for use in homes through the same pipelines which presently feed homes natural gas. With minimal time and funding low-BTU coal gasification could be utilized at electric power plants. Coal can also be converted into crude oil and then refined into oil's many other products. With a "fluidized bed" process it could be burned cleanly and used to power electric generating plants.

The implications of this work are staggering. Improved mining techniques, some of them also in the research stage, might make it environmentally feasible to recover about 2 trillion tons of our Nation's 3 trillion tons of coal. At a conversion rate of 2 barrels or more of synthetic oil per ton—a much better conversion rate than that expected per ton from oil shale—we would have over 4 trillion barrels of oil in the form of coal, or ten times the world's proven reserves. And if this coal were converted to pipeline quality gas, it would yield about 32,000 trillion cubic feet of synthetic gas. Our proven recoverable reserves of natural gas worldwide, as already mentioned, are about 1,550 trillion cubic feet.

These incredible prospects may be for naught if the funds and coordinated Federal policy for general energy research and development are not present. Industry can provide some of the funds, but to develop this potential in time the Federal Government must join in partnership with industry.

Various bills have already been introduced in the 93rd Congress on the subject of energy research and development—such as S. 357 introduced by Senators Magnuson, Hollings, and others, and S. 1283, Senator Jackson's mammoth energy R & D bill. Senator Jackson's bill would set up an overall energy research coordinating body and five quasi-governmental corporations, including a Coal Gasification Corporation and a Coal Liquefaction Corporation.

There is no telling when such a mammoth program, as proposed in the Jackson or Magnuson bills, might get underway, however, and in the meantime there is neither time nor excuse for delay.

In his recent energy message, the President cited coal "as our most abundant and least costly domestic source of energy," and urged that the "highest national priority be given to expanded development and utilization of our coal resources." He did not, however, propose an increase in funds for coal research over the modest 1974 budget figure of $51.3 million. This figure exceeds the 1973 budget figure for coal research by only $8.9 million. It is far below that which can usefully be spent on coal research. Senator Bellmon put the question to OCR's Director, Dr. George Hill, when he appeared before this Subcommittee in March, as to whether, "considering the importance of energy to our Nation and the present energy crisis," OCR's budget was "sufficient to cope" with our energy problems. Dr. Hill replied that the OCR offered a "balanced program," but he went on to note policy determination.

Indeed, it is a policy determination, and I believe the Administration has set the wrong policy. Given the energy situation I have outlined, the OCR budget as submitted by the Administration is far out of line with our national energy priorities.

The budget for the Office of Coal Research can usefully be increased from the proposed $51.3 million to $103 million. We would allocate the increase to the following purposes:

Liquefaction of Coal, $23,850,000.

Acceleration of Low BTU Gasification Research, $11,925,000.

Acceleration of Fluidized Bed Combustion Technology, $3,975,000.

Combined Cycle Technology Research, $3,975,000.

Magneto Hydrodynamics (MHD) Research, $3,975,000.

Mining Extraction Technology Research, $3,000,000.

Despite the great promise of coal liquefaction, for example, this year's OCR budget reduces the amount available for coal liquefaction projects from $9.7 million to $9 million. The distinguished majority leader, Senator Mansfield, spoke earlier today of the need for more funds for MHD research. Dr. Hill in his March 16 testimony said that MHD "has great promise in the long run." The MHD budget request is at a "balanced" but too low figure of $3.75 million.

Dr. Hill also said the fluidized-bed boiler combustion technology "offers promise of permitting the burning of high sulfur coal without pollution in the shortest period of developmental time." The OCR budget, however, requests only $2.7 million in fiscal year 1974 for this technology. I know myself from discussions with scientists at Argonne National Laboratory that twice this amount can be utilized profitably.

While we expand the research on coal utilization, we must simultaneously develop mining technology. Some experts believe that there can be developed a satisfactory technique midway between the labor-demanding but hazardous and costly technique of deep mining and the environmentally dangerous technique of strip mining. The authority for such research and development has been in the Office of Coal Research, but it has never been adequately utilized. The incredibly small figure of $500,000 was requested for such research in this year's OCR budget. We have proposed that this figure be vastly expanded, to a total of $3.5 million. It is possible that shallow coal can be extracted from beneath the surface—in other words, without strip mining.

The figures involved in Senator Jackson's proposed bill are on the order of $1.5 billion over the next 7 to 10 years for research into coal gasification and liquefaction alone. If the Congress should decide later on that such an expanded approach is necessary, the programs ongoing within the Office of Coal Research can be incorporated. But the OCR research programs can be expanded now. The OCR has the administrative capacity and has numerous worthy applications awaiting funding. Our energy problems only worsen by the day. We have already waited far too long to begin the level of research necessary to utilize adequately our vast coal reserves. We ought now to redouble those efforts.

CUTBACKS URGED IN CONSUMPTION OF FUEL BY FEDERAL GOVERNMENT

Mr. DOMINICK. Mr. President, 1 week ago I joined several of my colleagues from this body in meeting with William Simon, Deputy Secretary of the Treasury, to discuss our "energy" crisis and in particular the need to insure adequate fuel supplies to our farmers. Mr. Simon assured us that a plan would be forthcoming before the week was out, and Thursday he revealed the proposals. Basically the plan calls for "voluntary" cooperation by the oil industry. Whether such a plan will work remains to be seen, and for my part I hope that it does.

I would remind my colleagues, however, of the need to insure adequate supplies to our farmers immediately. The farmer cannot adjust his schedule, for he has no control over it. When the time comes to plant or to harvest, it must be done. We all know that if crops are down this year, the immediate effects will range from increasing food prices to economic disaster for our farmers. Moreover, there could be a serious impact on our trade picture. In fiscal year 1973 agricultural exports will amount to $11 billion, or 15 percent of cash farm income. In fiscal year 1973 overall we face a trade deficit of almost $6 billion. Obviously, our agricultural sector has played a significant role in giving strength to our dollar.

I have on this floor previously urged that all of us join in seeking solutions to this "crisis." To that end, last week I wrote to Mr. Simon and Secretary of Defense Elliot L. Richardson concerning cutbacks in the consumption of fuel by the Federal Government and, more particularly, the Department of Defense. I ask unanimous consent to print in the Record copies of those letters and would commend suggestions such as these to my colleagues as appropriate responses in our fight against this "crisis."

There being no objection, the letters were ordered to be printed in the Record, as follows:

May 10, 1973.

Hon. Elliot L. Richardson,
Secretary of Defense, Department of Defense,
Washington, D.C.

Dear Mr. Secretary: The Department of Defense is the largest single consumer of petroleum products (POL) in the U.S. and the world. As such, your Department can do much to alleviate the fuel shortages being experienced now in certain parts of this country and anticipated on a much larger scale in the near future.

I urge your immediate consideration of a 10% reduction in POL consumption by the Department of Defense. This reduction should be achieved by an across-the-board application of the 10% figure to all functions of the Department except those *directly* related to national security. Reductions in travel, more efficient training exercises and energetic dissemination and enforcement of fuel conservation procedures are some of the means by which this reduction could be accomplished.

You are requested to provide me your comments on the feasibility of the 10% reduction and its effect on DOD functions at the earliest possible date. In addition, I would like to receive the following specific information:

Total POL consumed by DOD in FY '72 and estimated FY '73 total (the figures should indicate usage by each service and types of petroleum products used);

Amount of POL from U.S. supplies provided directly or indirectly to our allies; and

Amount of POL purchased from non-U.S. sources and identity of the countries in which it is obtained.

Mr. Secretary, at a time when the citizens of this country are being asked to conserve fuel, and in some cases being required to do so due to inadequate or non-existent supplies, I believe that the Defense Department, the largest single consumer, should take similar actions in order to help alleviate these real or imminent shortages. I am also requesting Deputy Treasury Secretary, William B. Simon, to consider similar reductions for all other Federal agencies.

Your immediate attention to this matter will be greatly appreciated by me and the people of this country.

Sincerely,

Peter H. Dominick,
U.S. Senator.

May 10, 1973.

Mr. William E. Simon,
Deputy Secretary of the Treasury, Department of the Treasury, Washington, D.C.

Dear Mr. Simon: The "energy" crisis and solutions to it have occupied the attention of government officials, the press and, now, of our citizens for much of this year. We have heard from officials of the Administration and other interested observers on how the citizens of this country can aid. Our citizens have been told to drive slower, cut back on the use of air conditioners, and to perform other actions designed to conserve energy supplies. To date I have received no answer to the question of what action one of our biggest energy consumers is going to take, namely the agencies of the federal government.

I urge your immediate consideration of a 10% reduction in energy consumption by the federal government.

You are requested to provide me your comments on the feasibility of the 10% reduction and its effect on government functions. In addition, I would like to receive the following specific information:

The agency together with the amounts and types of energy it has consumed for its operations for FY '72 and estimated '73 total; and

A breakdown of the costs of such energy consumption.

Let me stress that I am not proposing any curtailment of any essential government function.

We in the government cannot be expected to escape the cutback needs while telling our citizens that they should cut back. All of us are affected and we should all participate in combating the present situation.

Further, I am enclosing for you a copy of my personal letter to Secretary of Defense Elliot Richardson requesting a response to my inquiry of cutting back by 10% Defense Department consumption.

A prompt answer to this proposed cutback will be appreciated not only by me but by all citizens of this country.

Sincerely,

Peter H. Dominick,
U.S. Senator.

NEED FOR MOBILE HOME SAFETY STANDARDS

Mr. GURNEY. Mr. President, on March 22, 1973, Senator Brock introduced S. 1348, a bill to establish National Standards for the Construction of Mobile Homes. This is a most important piece of legislation, and I am proud to cosponsor it.

S. 1348 attacks the problem of mobile home safety by:

First, establishing a National Mobile Home Safety and Advisory Council;

Second, allowing the Secretary of HUD to establish appropriate mobile home safety standards;

Third, prohibiting the interstate distribution of mobile homes that do not comply with the safety standards;

Fourth, allowing and assisting the States to assume the enforcement responsibilities for mobile home standards.

Mobile homes are of ever-increasing importance in this country. Seven million people now live in mobile homes. Nationally there is a projected 10 percent increase in the number of mobile homes shipped; around 600,000 will be shipped this year. Ninety-five percent of all new single family homes sold in the United States in 1972 for $15,000 or less were mobile homes.

Florida has been more dramatically affected by the mobile home surge than any other State in the country. The Sunshine State leads the Nation in mobile home shipments. In 1971 alone Florida had a 30-percent increase in its mobile home shipments; importance of this legislation to the State of Florida cannot be over emphasized.

The rapid growth of the mobile home industry in the United States has far outstripped the capacity of present regulations and guidelines to cope with the increasingly large task of safeguarding the public. Nationally, the Department of Transportation and the Department of Housing and Urban Development are the two Federal agencies most directly involved in mobile home safety standards. The Department of Transportation confines its interest in safety to the dangers involved in transporting the mobile home on the interstate highway system. The Department of Housing and Urban Development, through its FHA loans, is concerned with safety standards of a broader nature. HUD requires that FHA insured homes must be built according to the standards of the American National Standards Institute. However, self-certification by the manufacturers is the only method HUD has to verify compliance by the builders. In fact, HUD has no guarantee that its standards are observed.

Unfortunately, in the face of inadequate national standards, State standards are not much better. Approximately 24 States have standards of mobile home safety ranging from weak to nonexistent. I am proud to say, however, that the State of Florida has shown a considerable amount of initiative in this area. Florida was the first State to adopt the standards of the American National Standards Institute for Mobile Home Construction. Florida even has an inspection system, modest as it is, to enforce its standards. Unfortunately, even with the best of intentions, it is impossible to go it alone in this important area. Today it is simply beyond the ability of State officials to inspect and regulate the massive inflow of out-of-State mobile homes into the State of Florida.

One important aspect of this legislation, the need for improved anchorage standards, was dramatized by damage in the wake of Hurricane Agnes. In the State of Florida alone eight people died in mobile homes during Hurricane Agnes; 177 mobile homes were totally destroyed and another 381 required extensive renovation. Hundreds of human lives were disrupted. Improved anchorage standards can be a matter of life and death for mobile homeowners.

Another danger to mobile homeowners, fire, at least is clear even to the casual observer. Some States have attempted modest safety measures by requiring wider windows so that a mobile home dweller may escape a fire by leaping out the window. Ten minutes, or less, that is the time public safety officials estimate it would take for some mobile homes to be totally consumed by flames. Insurance companies translate this danger from fire into a dollars-and-cents figure. Fire loss is estimated by insurance officials at 4½ times as much in a mobile home as in a conventional dwelling. The rates for fire insurance are also proportionately higher than the same fire insurance for a conventional dwelling.

The problem is clear. Vast numbers of mobile homes are being bought and lived in by millions of Americans. These homes are subject to almost no control for quality or safety. The honest businessman is faced by his less scrupulous competitor who makes a shoddy product in a pretty package and is nowhere to be found when the floor caves in. The consumer has no way to be sure of the quality home he is buying.

Both the consumer and the businessman are caught in the same dilemma. They are caught in a maze of hazy unenforced and unenforceable local safety rules, where any rules at all exist, which do not protect either group from the fly-by-night mobile home company.

People who can afford it the least suffer the most from the loss of their mobile homes. The two groups who make up the largest users of mobile homes are the retirees and the young marrieds.

Both the young couples and the retirees have one thing in common—they cannot afford the financial loss caused by the collapse of their mobile homes. Pause for a moment to consider the condition of an elderly couple who have saved for a lifetime and are now finally starting to enjoy the leisure time they have earned with a life of honest toil. What happens to them when the floor caves in or the roof blows off? With their home gone some of these people will need State and Federal assistance merely to survive.

A clear national standard that can be understood by all and observed by all is the only solution. With a uniform set of safety standards, mobile home living will not only be safer but high insurance rates will both be reduced.

This is an important bill and deserves the earliest possible congressional action.

PERILS FACING PUBLIC TV

Mr. JAVITS. Mr. President, I have long believed that public TV—with its reliance on a partnership of private sector and Federal funding—had a unique potential to serve as a free-flowing forum of ideas and entertainment for audiences that are smaller than those at which the commercial networks aim.

If this goal is to be achieved, the local public television stations, represented by the Public Broadcasting Service, should retain independence with responsibility for their programing. They should not be dominated by the Corporation for Broadcasting which, through the power of the purse, can influence programing.

The controversy between the Public Broadcasting Service and the Corporation for Public Broadcasting regarding consultation versus domination and the inherent danger of the latter rather than the former is thoughtfully set forth in a recent Buffalo Evening News editorial entitled "Perils Facing Public TV." I commend it to the attention of my colleagues and ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

PERILS FACING PUBLIC TV

The apparent role of the White House in the continuing controversy over who will control the programming on public television is at least very confusing, if not downright dismaying.

For a while it looked as though a compromise had been worked out between the Public Broadcasting Service, which represents 233 public TV stations around the country, and the federal Corporation for Public Broadcasting, a bipartisan agency established by Congress in 1967 to funnel government money into public broadcasting and, recently, to make some decisions on programming.

The compromise was championed by Thomas Curtis, an appointee of President Nixon last year. Then, in quick succession, the compromise was rejected by the CPB board, and Mr. Curtis, a Republican ex-congressman from Missouri, resigned and charged that White House lobbyists had "tampered" with the board's independence.

The compromise itself, moreover, would have allowed the local stations through the PBS to retain considerable control over program decisions, in consultation with but not subservience to the federal corporation. This seems not too unreasonable to us, and would not seem to contradict what the White House has professed to want: that is, more local responsibility and diversity in the views presented on both commercial and public television.

Obviously, the failure of the compromise raises practical problems, such as uncertainty in planning programs for next fall's public television schedule.

But more fundamental questions are also involved here. We do not believe that any single national agency should have absolute control over what programs are shown on public television. That could too easily lead to a single political "line" or ideological bias in public affairs programs. Yet surely it is possible for public television to continue treating controversial issues, presenting different sides fairly.

The federal CPB should be as insulated from political and ideological pressures as possible. But probably the best guarantee of fair treatment of public issues lies in building additional diversity into the governing system. Individual public broadcasters around the country ought to share in major ways in programming decisions, and a diversity of financial resources needs to be cultivated to help pay the bills. Public broadcasting should never come to rely on federal funds to the exclusion of individual and corporate sponsors, private foundations or, particularly, money raised through appeals to the general public.

Admittedly, these are general principles. But if agreement on them is generally shared, it ought to be possible to find specifics of acceptable compromise. If agreement on them isn't shared, then public television is in very real trouble.

SOCIAL SECURITY BENEFITS AS AFFECTING VETERANS' ADMINISTRATION PENSION PAYMENTS

Mr. BROOKE. Mr. President, the end of the war in Vietnam has focused renewed attention on the problems facing, not only the returning Vietnam veterans, but veterans of all wars. The Nation owes these men a debt which should always be in our thoughts. And although this debt cannot be adequately expressed in monetary terms, sufficient funding for the various veteran programs is an essential beginning.

In Massachusetts, the problems which confront these men and women are particularly acute. Specifically, there is alarm over recent reductions in veterans' benefits as a by-product of the recent 20 percent increase in social security benefits.

By unanimous vote, the Massachusetts House of Representatives and the Massachusetts State Senate have urged the Congress to plug the leak in veterans' benefits.

It is my hope that the members of the Veterans' Affairs Committee give these resolutions and the sentiments they express the most careful study as they consider S. 275 and similar legislation.

Mr. President, I ask unanimous consent that these resolutions be printed in the RECORD.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

RESOLUTIONS

Memorializing the Congress of the United States to enact legislation that would preclude social security benefits from affecting Veterans Administration pension payments

Whereas, Many veterans are receiving benefits under the Social Security Act and Veterans Administration pensions; and

Whereas, It would be unfair and unjust to allow any benefits under the Social Security Act to decrease or eliminate the Veterans Administration pensions to veterans receiving both; now, therefore, be it

Resolved, That the General Court of Massachusetts respectfully urges the Congress of the United States to enact legislation to preclude any change in the Social Security Act from affecting any Veterans Administration pension to veterans receiving both; and be it further

Resolved, That a copy of these resolutions be transmitted forthwith by the Secretary of the Commonwealth to the President of the United States, to the presiding officer of each branch of Congress and to members thereof from the Commonwealth.

House of Representatives, adopted April 17, 1973.

Senate, adopted in concurrence, April 25, 1973.

THE 25TH ANNIVERSARY OF ISRAEL STATEHOOD

Mr. WILLIAMS. Mr. President, the festive and joyous celebration in Israel on May 7, marking the 25th anniversary of the establishing of statehood, was yet another example of the deep pride and determination of the Israeli people.

These citizens, joined in spirit by Jewish and non-Jewish friends around the world, reiterated the importance of Israel in her constant struggle to remain a free and democratic state.

The success of this tiny nation against political and military aggression in only the first-quarter century of existence is truly remarkable and merits the praise and encouragement of the free world.

It is, as we all know, success borne of the sacrifice in sweat and blood of thousands of determined people.

It is a success that has been made possible in large part by the steadfast support of individual Americans, and of the U.S. Government.

The celebrating of the 25th anniversary is a fitting time to renew that commitment, both as individuals and as a nation. I wish to take this time to reaffirm my support of Israel, both as an American citizen and a Member of the U.S. Senate.

For all of us who have believed in the potential of Israel, this is a deeply satisfying time.

The tiny state that some said could never exist, has emerged as a mature nation. The citizens of Israel can look back on the startling progress they achieved in only 25 years.

But Israel, and her friends throughout the world, cannot afford the luxury of complacency. Her old enemies in the Middle East and the Soviet Union continue to watch for signs of weakness and hope to dam the flow of human resources which have helped make Israel productive. The many threats to her very existence remain as real as ever, but the determination to keep Israel free is still strong and persistent.

Mr. President, we cannot allow the United States to back away from support for Israel. Our assistance in the form of aid and supplies is very much needed in this struggle to remain free.

Therefore, on this proud occasion of the 25th anniversary of Israeli statehood, I extend my sincerest hopes and prayers for a peaceful and prosperous future for the people of Israel.

TIMBER EXPORT MANAGEMENT ACT OF 1973

Mr. GURNEY. Mr. President, I have submitted to the Senate Banking, Housing and Urban Affairs Committee, an amendment to my bill, S. 1507, the Timber Export Management Act of 1973, which I introduced on April 10, 1973.

In general, that amendment provides that the Secretary of Commerce shall in December of 1973, when he calculates export restrictions for 1974, restrict those exports to 22 percent of the level of imports he believes will be needed in 1974 to supplement domestic supply. S. 1507 provides he shall use 1973 import levels in such calculations. Because of the dynamic characteristics of the softwood industry, my export restriction formula should use estimated imports needed, rather than import levels of a past year.

I have also submitted to the committee background information which was helpful to me in drafting the bill and which I hope will be of assistance to others in understanding the bill's provisions.

Mr. President, I ask unanimous consent that a copy of my suggested amendment to S. 1507, and the background information which I have submitted to the committee, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1507—JUSTIFICATIONS FOR ITS PROVISIONS

OVERVIEW

The bill restricts exports of softwood logs and timber from Federal and private lands to a percentage of imports of such softwood. The first set of restrictions, for the balance of 1973 and all of 1974, serve to retain within this country an amount of softwood approximately equal to the amount we previously have had to import to supplement domestic supply *just to meet our own domestic needs*. This amount of softwood also approximates the amount of unused milling capacity which can reasonably be expected to mill softwood previously exported. (Calculations are set forth at the conclusion of this document).

Testimony, by industry members and expert observers, before the Cost of Living Council indicated that there is additional unused milling capacity in the northwestern United States. The West Coast Lumber Inspection Bureau recently announced that *its members could gear up milling capacity sufficient to mill an additional 3 million board feet—approximately the same amount S. 1507 would add to the domestic market.*

For years beyond 1974, S. 1507 provides for various percentages of export restrictions to be applied during six month periods. This flexibility is designed to permit the export restrictions to be finetuned as the softwood market returns to equilibrium levels.

Two explicit provisions in the bill provide a means by which the export restrictions shall be suspended and therefore provide for a return to unfettered free market forces at the earliest possible date. Restrictions shall be suspended if (1) foreign demand for softwood no longer threatens to distort domestic market prices or, (2) if the domestic softwood price in fact *averages*, over a six month period, an equilibrium price. Congress, in either instance, may reject any suspension of export restrictions.

These two provisions are important. The first is an incentive to Japan, urging her to follow through on statements she has made to us that she will seek alternative sources of supply. The second provision takes the industry's most recent, generally recognized equilibrium price for softwood (1967) and adds 15% to account for general inflation experienced by the economy as a whole.

BASIC PREMISES OF S. 1507

1. The lumber crisis is primarily a softwood crisis. This wood has the greatest impact of all woods upon our economy because of its extensive use in construction. The use of Federal intervention to solve the lumber crisis should be as limited as possible to permit the government to withdraw its intervention as easily as possible. Therefore, softwood should be the target of legislative proposals.

2. We are a net importer of softwood. Regardless of economic conditions, the United States must import softwood to supplement domestic supply. Import levels, therefore, are a barometer of the intensity of domestic demand for softwood.

3. In general, we sell softwood *logs* to Japan and purchase higher priced *lumber* from Canada. The effect is a net dollar loss to Canada. We have continued these transactions even though we do not have enough softwood *on the market* to meet domestic needs.

4. The ultimate solution to the lumber crisis involves a solution of the box car shortage, increasing the resources of the Forest Service to permit better utilization of forest lands and increases in the sale of logs from Federal lands. These solutions require time to implement. However, several factors dictate the need for immediate, temporary action to restore equilibrium and lower prices to the softwood industry:

(a) *Peaked prices*. Softwood prices appear to have peaked. However, several market forces now at work will keep those prices at high levels and inhibit the return of lower, equilibrium prices. The most important of these is that Japan's demand for our softwood will continue; she faces her own housing boom and lumber shortage. Testimony to both Congress and the Cost of Living Council indicates that Japan's drain on our supply and her willingness to pay higher prices than domestic purchasers have in part inflated domestic softwood prices. Japan has indicated to the U.S. that she will attempt to obtain alternative sources of supply. We know she can do so from Canada, the USSR and from Southeast Asia. (In Southeast Asia, certain hardwoods, such as lauan, can be used for softwood purposes; lauan is a substitute for cedar, and is frequently used for plywood construction). But Japan has not moved with any dispatch in this regard; in fact, she has indicated in the past that alternative sources of supply would be considered but she has continued to *increase* her purchases of our softwood. Therefore, S. 1507 creates an incentive for Japan. If she follows through and finds alternative sources of supply, and her demand pressures no longer threaten to distort our domestic prices, the export restrictions can be lifted immediately. If she does not, however, the export restrictions will temporarily prevent Japan from exerting excessive demand pressures on our softwood supplies and prevent her willingness to pay high prices from escalating domestic softwood prices.

(b) *Protective positioning*. The longer we delay in taking action the greater the opportunity there will be for members of the softwood industry to expedite transactions in anticipation of lower prices in the future, or otherwise position themselves to take advantage of changing market conditions. Such protective positioning may further distort market factors of supply and demand and make a return to equilibrium levels even more difficult and more time consuming.

(c) *The prices of delay* will be paid by domestic consumers of softwood, primarily new home buyers.

5. While the required short term solution of the lumber crisis is a restriction of exports, such restrictions must be *temporary* and *limited in scope*. Export controls devoid of a mandated suspension of controls when equilibrium returns to the market will inevitably distort normal supply and demand forces. They may also prompt retaliation by other countries in the course of their international trade. *Partial* restrictions with *explicit* procedures for their termination will not cause Japan severe harm and *will demonstrate that our goal is market equilibrium and not a governmentally induced trade advantage*.

6. Increasing allowable cuts of softwood from Federal lands, or prohibiting or restricting exports of softwood from Federal lands, are not sufficient remedies. Allowable cuts have never been achieved. In any event, we may not know until too late whether or not cuts actually made will make their way *onto the market*. There currently is much timber cut which has simply not been sold because of lack of resources, administrative difficulties, insufficient access to roads and other deficiencies in our ability to move the softwood onto the market. Some 10 billion board feet are presently left to rot unharvested because of inefficiencies in our timber management and harvesting system. Instead of deciding to simply cut more of our precious timber resources we should (1) stop solving Japan's lumber shortage and housing boom at the expense of our own lumber and housing needs; (2) determine, for the long run, to increase efficiencies in our marketing and harvesting system.

Restricting or eliminating exports from Federal lands will not be a complete solution. In passing the so-called Morse Amendment to the Export Administration Act of 1969, an amendment which limited exports from Federal lands, the Congress directed that regulations be established to prevent the practice of substitution, whereby owners of private forests increased exports of timber from their own lands and purchased Federal timber to meet domestic demand. No regulations were implemented. It now appears that they cannot be effectively implemented as a practical matter. If such regulations were needed when reports from Federal lands were *limited*, they would become crucial if exports from Federal lands were prohibited. Massive evasions of the restrictions would otherwise result. Therefore, effective, timely export limitations will be effective only to the extent that they apply to timber on Federal *as well as* private lands.

CALCULATIONS OF EXPORT RESTRICTIONS IN S. 1507

For 1973 export restrictions the calculations are as follows:

Total softwood imports	
1971	7.3
1972	9.0
Total	16.3
Average	8.15

Total softwood exports	
1971	3.7
1972	5.0
Total	8.7
Average	4.35

Therefore, 22% of 8.15=1.79.

On an annualized basis, 1973 exports would be restricted to approximately 1.8 billion board feet. This would retain 2.55 billion board feet within the domestic market (4.35 minus 1.79). However, passage of S. 1507 late in 1973 means that for *each month* left in the year at the time of passage export restrictions would be 1/12 of 1.79 billion board feet, or 147.4 million board feet.

For 1974 the Secretary will estimate, in December of 1973, the volume of imports which will be needed to supplement domestic supply. He will restrict exports to 22% of that estimated import level.

Assuming that 1974 exports are no greater than those for *1972* (which is not likely) 22% of 9 billion board feet is approximately 1.98. Rounding that to 2 billion, 1974 exports under S. 1507, would equal 2 billion board feet, with the balance, *3 billion board feet, retained for the domestic market*.

Again, the most recent estimate of unused milling capacity in the northwestern United States is 3 billion board feet (see page 1 *supra*).

While 1974 imports will probably not be the same as those in 1972, it is a reasonable conclusion that, under S. 1507, softwood formerly exported can in fact be milled by current milling capacity in place in the northwestern United States.

Respectfully submitted.

EDWARD J. GURNEY,
U.S. Senator.

AMENDMENT

On page 5, strike lines 5 thru 8 and insert in lieu thereof the following:

"(1) For calendar year 1974, the Secretary shall, not later than December 1, 1973, estimate the level of imports of softwood which will be needed in 1974, when added to domestic production, to meet domestic softwood demand during 1974, and shall limit 1974 exports of softwood to 22 per centum of such estimated level of imports."

SKYLAB WORKSHOP

Mr. MOSS. Mr. President, members of the Senate are aware from press reports last night and this morning that the Skylab workshop launched yesterday has serious difficulties. These difficulties, centered around failure of two large solar cell panels to deploy in orbit and temperature problems in the laboratory itself, threaten to curtail or sharply reduce the returns of this important flight.

NASA administrators and flight control personnel are assessing the effects of these problems on the flight plan, and reviewing alternatives available to obtain greatest benefits from the mission. As my colleagues know, the first manned launch, scheduled for today, has been tentatively rescheduled for launch this Sunday.

The workshop carries numerous new experimental equipment, including earth resources and solar astronomy instruments. We all hope that in the days ahead NASA's experts will succeed in devising ways to maximize the use of the workshop.

I ask unanimous consent to include in the RECORD a brief summary of the experiments planned for the workshop.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

THE SKYLAB EXPERIMENT PROGRAM

The Skylab experiments will capitalize on the unique opportunities available in Earth orbit. The Earth resources and solar astronomy observations utilize the vantage point and disturbance free environment of orbital space for the investigator to make observations and measurements not possible from terrestrial or airborne observatories. The technology and operations experiments rely on special and unique properties of the space environment to examine phenomena, materials, processes and techniques. The medical investigations during the long 56 day missions will determine man's adaptability to changes in his normal environment.

Another scientific dimension of the Skylab Experiment Program is found in the worldwide solar observations program. This will involve coordinating observations from the ground with those from the Skylab in orbit. Similarly there is a very broad program of data acquisition from ground stations, aircraft and the Earth Resources Technology Satellite for correlation with the information gathered by the Skylab Earth Resources Experiment Package sensors.

The importance of the Skylab Research Program is highlighted in the following descriptions:

EARTH RESOURCES

Remote Earth observations from space have the potential of becoming a fundamental technique in effective use and conservation of natural resources, and in better understanding and managing interacting influences between man and his natural environment.

Photography from Earth orbital spacecraft has proven valuable for mapping geographic and weather features over large areas of the Earth. Systematic application of other remote sensing techniques may extend the usefulness of this capability to mapping of Earth resources and land uses. Resources amenable to this type of study include identification of crops and ground cover, vegetation vigor, soil types, snow pack and water storage, surface or near-surface mineral deposits, sea surface temperature and roughness, the location and migration of fish stock, etc.

Development of remote sensing techniques in extended spectral ranges at altitudes up to 60,000 feet is already a part of the NASA Aircraft Program. Aerial reconnaissance of ground truth sites is being conducted to test measuring techniques, to validate interpretive techniques and to ascertain the dependability of recognizable spectral signatures. Development has reached the point where remote sensing has been used operationally to assist in pinpointing forest fires through dense smoke cover and in mapping corn blight damage.

Space tests of remote sensing techniques have also been conducted during the Mercury, Gemini and Apollo programs with increasing degrees of sophistication. Several thousand high quality photographs obtained have been effectively used in many disciplines. Apollo missions added haze filters, demonstrated photography in the visible and infrared wavelengths, overlap photography for stero viewing, and photography of ground test sites.

The Skylab Earth Resources Experiments Package (EREP) is the most recent step in this important aspect of understanding and managing the Earth/man relationship. EREP will improve on the Apollo visible light and infrared photography and will, in addition, include electronic infrared spectrography and microwave radar and radiometry surveys.

EREP photographic equipment and techniques will greatly improve resolution of Earth resources phenomena by simultaneous exposures using six matched cameras and by precise photometry that can provide more accurate light intensity levels in each survey photograph. The infrared spectrography survey will operate in wavelengths not recordable on photographic film and will provide data for plotting recognizable spectral signatures of the observed phenomena. The EREP microwave radar and radiometry equipment has a low sensitivity to atmospheric moisture and will provide an all-weather source of information on surface moisture, temperature and vegetation distribution. Microwave radiometry over the oceans will provide information on wind and sea conditions on a global scale.

SOLAR OBSERVATIONS

A systematic study of the Earth and its environment would not be complete without detailed study of the Sun. All life on Earth is dependent on the radiation from the Sun received through the atmosphere on land and sea. Variations in the amount and character of the solar radiation reaching the Earth suggests influences that solar cycles have on weather, communications and the terrestrial environment in general. The Skylab experiment program has a major segment devoted to solar studies.

Skylab, and in particular the Apollo Telescope Mount (ATM), will carry a 2,000 pound scientific payload of eight instruments specifically tailored to an observation program of the Sun. It constitutes a significant step into the future by combining capabilities (1) to conduct astronomical research from space removed from the optical and mechanical disturbances evident on Earth, and (2) to have man operate complex equipment with the attendant flexibility and adaptability of the man-machine design. This combination will permit an astronaut trained in the science of astronomy to enhance the achievements possible with large scientific instruments in space.

The ATM instruments are larger and more sensitive than any previously flown in space. Solar astronomers, in this country and abroad, will utilize these instruments along with ground-based instruments for an all-out national and international effort to study the Sun in 1973. All ATM instruments will observe the same spot on the Sun simultaneously. The astronaut will select the most interesting region on the Sun by looking at television displays of the Sun as it can be seen only from space—in ultraviolet light and in X-rays. The scientists conducting the experiments have jointly identified the most important problems that can be addressed with ATM.

PHYSICAL SCIENCES

Earth is a spacecraft in orbit about the Sun. It is surrounded by a near-Earth environment, the atmosphere, which is crucial to the maintenance of life on Earth. The atmosphere in turn is surrounded by a near-vacuum called space which is environmentally hostile to life. Increased understanding of the balance between the hostility of space and the atmospheric protection of Earth is the purpose of the physical science experiments on Skylab.

In addition to an extensive solar study, Skylab will carry physical science experiments to investigate (1) the contribution of deep space (beyond our solar system) to Earth's environment, (2) the characteristics of the Earth's upper atmosphere, and (3) the content of the medium directly surrounding Skylab.

LIFE SCIENCES

The Skylab biomedical program is a study of normal, healthy men and their reactions in an environment where the effects of gravity, one of Earth's key environments, has been nullified. From this study, a great deal can be learned about gravity's importance to man's physiological functions.

Previous studies of man exposed to zero gravity observed a consistent loss of body fluid; a small loss in bone calcium and muscle mass; and a reduction in the ability of blood vessels to actively distribute blood to the various parts of the body following return to an Earth gravity condition. These effects disappeared a few days after returning to Earth and so far have shown no consistent relationship with the time spent in zero gravity. Similar effects have been observed in individuals confined to prolonged bed rest on Earth.

Skylab will allow an evaluation of these and other phenomena under prolonged zero gravity conditions using more rigorous evaluation techniques. Typically the human biomedical experiment program consists of investigations such as the effect of gravity on nutritional requirements, man's metabolic effectiveness in doing mechanical work, the effects of exposure to zero gravity on the heart and blood vessels, the role of gravity on man's psychomotor efficiency in the performance of useful tasks, and the effect of gravity on the senses governing balance, orientations and motion.

TECHNOLOGY AND OPERATIONS EXPERIMENTS

These experiments are related to improving manned operations in space and space technology.

The manned operation of Skylab-A will provide information on the suitability of the living conditions and crew accommodations. The crews will evaluate the size, shape, ease of use, comfort, and appearance of the spacecraft interior and equipment. This information base will provide the "architectural concepts" of future manned spacecraft. A valuable part of these observations will be the crew's subjective likes and dislikes. An example of this, is the sense of roominess that weightlessness appears to induce, with its capability of multidirectional orientation.

Zero gravity introduces new approaches to astronaut mobility. Within the spacecraft, movement from one area to another can be achieved by floating. Outside the spacecraft the same form of movement is possible, but, inconvenient, and without a restraining tether is hazardous. Movement along the outside of the spacecraft is possible by using handholds, but movement from one spacecraft to another requires more sophisticated maneuvering equipment which will be tested within the large experiment compartment in the workshop.

Closely associated with the freedom of travel afforded by zero gravity is the sensitivity of the orbiting spacecraft to disturbances caused by crew motion inside it. Skylab experiments will evaluate the magnitude of this effect.

Manufacturing techniques not possible on Earth may be possible in zero gravity. The casting of spheres, growth of crystal structures and organisms, development of foamed high strength materials are some of the space manufacturing technology concepts to be studied in Skylab. These experiments may lead to practical uses of space for processing a variety of materials.

At Skylab's orbital altitude, the radiation environment differs greatly from that on Earth. The radiation approaching Earth is captured by Earth's magnetic field and forms belts whose inner surfaces are some 250 to 300 miles above Earth. These belts are known as the Van Allen Belts. Over one part of the Earth's surface traversed by Skylab (the South Atlantic), this belt dips low enough for Skylab to pass through. The radiation levels in this South Atlantic Anomaly will be measured and the cumulative effects determined.

DOMESTIC PRIORITIES BEFORE AID TO NORTH VIETNAM

Mr. JAVITS. Mr. President, I ask unanimous consent that a resolution adopted by the New York State County Executives Association and a news release in connection with a proposed aid agreement with North Vietnam be printed in the Record.

There being no objection, the resolution and release were ordered to be printed in the Record, as follows:

Resolution Adopted by New York State County Executives Association

Whereas, if the President of the United States feels it is appropriate and necessary to give North Vietnam $2.5 billion in aid in accordance with the peace agreement,

Now, therefore, be it resolved, that the New York State County Executives Association, representing 80 per cent of the state's residents living outside New York City, believes that such an agreement should not be carried out at the expense of state and local governments,

That, the County Executives support the President's call for special revenue sharing to consolidate the large number of categoric federal-state grant programs into block grants for broad functions,

That, the County Executives are concerned that the Administration's special revenue sharing proposals will provide less money to the point of performance—to states, counties and local units of government—than did the categoric grants,

That, the County Executives feel that in light of the federal money problem, some modest reduction in aid would be acceptable and understandable. However, the County Executives are not prepared to accept a 25 to 33 per cent cut in federal aid just to obtain the freedom of action that special revenue sharing would provide. If this be the case, then the County Executives would prefer to continue the present categoric system and work for change within that system so that state, county and local units of government can better meet the needs of their constituents,

And, lastly, that the County Executives feel that any change from the categoric to a special revenue sharing system must be phased in and provisions made for the hiatus so that local programs do not suffer.

News Release by New York State County Executives Association

The New York State County Executives Association today asked President Nixon for a commitment that the $2.5 billion aid agreement with North Vietnam will not be carried out at the expense of state and local governments.

Nassau County Executive Ralph G. Caso, association president, said the county executives, who represent 80 per cent of the state's population outside New York City, want assurances that all domestic priorities will be met first.

"We believe that this country's problems of air pollution, water pollution, mass transportation, narcotics control, law enforcement, solid waste disposal and tax relief deserve first attention," Caso asserted. "We also should give priority to the returning veterans who are looking for jobs and education to earn a living.

"Any massive outlay of money to a foreign enemy country will be difficult to explain if we here at home are forced to accept cutbacks in aid for urgently needed programs," he added.

The county executives also expressed concern that the Administration's special revenue sharing proposals will provide less money to states, counties and other local units of government than the present categorical grant system.

"We are not prepared to accept a 25 to 33 per cent cut in federal aid just to obtain the freedom of action that special revenue sharing would provide," Caso said. "If this is the case, than we would prefer to continue the categoric system and work for change within that system so that we can better meet the needs of our constituents.

"We support the President's special revenue sharing proposal provided it does not force us to absorb drastic aid cutbacks and that provisions are made to phase in the new system so that local programs do not suffer in the transition period," he concluded.

The New York State County Executives Association today asked President Nixon for a commitment that the $2.5 billion aid agreement with North Vietnam will not be carried out at the expense of state and local governments.

OVERSEAS TROOPS: MISSION IMPROBABLE

Mr. PROXMIRE. Mr. President, the May 1973 issue of Sane World contains a particularly well thought out article on the rationale behind the $12 billion yearly commitment in support of U.S. troops overseas. The author is a retired lieutenant colonel who has served as a staff member of the Joint Chiefs of Staff and has won the Presidential Legion of Merit. He is the author of "The Death of the Army: A Pre-Mortum."

So much has been written about U.S. troops in Europe that often the broad perspective is missed. Colonel King restores this balance by addressing the threat U.S. troops face and comparing the combat ready status of those troops. It does not come as a surprise that most of our troops in Europe are serving in noncombat headquarters and support roles but it does force consideration of their primary role: conventional against nuclear.

I understand that this article is part of a longer study soon to be released by Colonel King. If the quality of this initial analysis is a reflection of the final product, it will be a significant contribution to the debate on U.S. commitments to Europe.

Mr. President, I ask unanimous consent that Colonel King's article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From Sane World, May 1973]

OVERSEAS TROOPS: MISSION IMPROBABLE

(By Lt. Col. Edward King (U.S. Army, ret.))

Fiscal year 1970 the U.S. spent $12 billion to support our troops deployed overseas—in addition to the high costs of our forces in Indo-China. In FY 1973 it still cost the people of the U.S. a total of $30 billion to maintain troops, bases, and facilities abroad.

The rationale behind these overseas deployments of our forces supposedly has its origins in the basic U.S. national security objectives of (1) preserving the U.S. as a free and independent nation, to safeguard its fundamental institutions and values, and to protect its people; (2) contributing to the security of other nations with which we have treaties or whose security significantly impacts on our security. It is difficult, however, to reconcile the presence of our forces and bases in Ethiopia, Morocco and Iran with this basic security objective. Yet this objective is used to justify the military concept known as "forward deployments."

The Department of Defense has postulated the reasons for forward deployments as:

Helping the U.S. deter aggression by demonstrating to potential enemies and our allies the U.S. resolve to honor its commitments;

Enabling the U.S. to assist our allies in collective defense; and

Providing the President with the flexibility necessary in responding promptly to contingencies.

The Department of Defense has said that in determining the overseas deployment of our forces its considers the threat, the military requirements of the area, costs and political considerations.

319,000 IN EUROPE

Yet a close analysis of the principal U.S. troop deployments in FY 1974 does not reveal that these considerations have been adequately weighed. The largest deployment of U.S. forces is in NATO/Europe. These force and equipment levels committed in Europe justify the major part of the FY 1974 defense budget outlays. There are currently 319,000 military (accompanied by 225,000 military-sponsored dependents) stationed in Europe. The number of military personnel stationed there is a determination made among the Secretary of Defense, the Joint Chiefs of Staff and the National Security Council. The Congress has not made a determination on the size of this force since it approved sending five divisions to Europe in 1951.

This is a larger force level than the U.S. maintained in Europe immediately prior to the 1962 Berlin buildup (as of June, 1961, there were 211,623 military personnel in Europe). Despite the reduction in the scope of the Soviet threat to Europe brought about by Sino-Soviet hostility, detente in Europe, a Berlin agreement, the SALT agreement, and increased trade between East and West, the U.S. is maintaining more rather than fewer military personnel permanently stationed in Europe.

Despite the reduced threat in Europe during the past decade, military requirements there have not increased, but military manpower levels have increased. The costs of maintaining these increased U.S. forces have steadily climbed from $12 billion in FY 1971 to $17 billion in FY 1973. The dollar has been twice devalued while U.S. troop levels in Europe were increasing. These troop levels contributed to a balance of payments outflow of $2.2 billion in FY 1971 and this has grown to roughly $5 billion in FY 1973.

WHAT IS THE "THREAT"?

What is the "Soviet threat" that our 319,000 U.S. military personnel deployed in Europe must encounter? The Department of Defense has stated the "threat" in exactly the same words for the past four fiscal years:

"While we do not consider aggression by the USSR likely in the present political climate, the fact remains that the Soviets have a vital interest in preserving the status quo in Central Europe and in retaining their hold on Eastern Europe. A crisis that could lead to a conflict could arise if the political situation substantially changed in a way that threatened the USSR or its hegemony over Eastern Europe, or if a Soviet government saw opportunities for other ways to apply critical pressures on the cohesion of the Alliance. Such a crisis could escalate to hostilities."

There is a great deal of vague supposition contained in the wording of this "threat." But the American people have had to pay a total of $55 billion over the past four years to maintain U.S. forces to defend against it.

How can such a nebulous threat justify the deployment of 198,600 ground troops (out of the NATO total of 319,000) permanently stationed in Central Europe? Even if there were a likely Soviet threat, how many of these deployed army troops would fight to counter it? The Department of Defense states in its military manpower report for FY 1974 that U.S. land forces in Europe will continue at their FY 1973 level. A comparison of the land force levels published in the FY 1973 Military Manpower Report and FY 1974 Report reveals both omissions and contradictions. For example, page 35 of the Department of Defense FY 1974 Military Manpower Report states that, of the 198,600-man land force in Europe, a total of 116,100 men will be in combat units. This is factual only if combat support and direct support assignments are accepted as combat-related.

LESS THAN FORTHRIGHT

The Department of Defense is being less than forthright in claiming that personnel in combat units are performing combat-related duties.

A more realistic appraisal can be made by using the most favorable Army combat-to-support ratio to measure the number of unit personnel performing combat duties. The ratio of the number of Army personnel in Europe assigned to combat duties and support duties is as follows:

	Fiscal year 1973	Combat [1]	Support
4⅓ divisions	[2] 64,736	27,210	37,526
Division support	89,145	37,440	51,705
Berlin brigade	3,860	1,621	2,239
Missile forces	21,218	8,912	12,306
Strategic intelligence and security	32		32
Other service support	801		801
DOD/joint activities	726		726
Free world support	294		294
General support forces	2,901		2,901
Other commands/agencies	14,678		14,678
	198,391	75,783	123,208

	Fiscal year 1974	Combat [3]	Support [3]
4⅓ divisions	[2] 65,300	27,426	37,874
2 armored car regiments	6,100	2,562	3,538
Berlin brigade	3,900	1,638	2,262
Other combat units [3]	17,900	7,518	10,382
Missile forces [4]	22,900	9,618	13,282
Units supporting divisions	65,500	27,510	37,990
Strategic communications, intelligence and security	10,900		10,900
DOD/joint activities, free world and other services support and others	6,100		6,100
	198,600	76,272	122,382

These figures show that, using the Army's most favorable divisional combat-to-support ratio, there are over 46,000 more Army support than combat troops in Central Europe. If the less favorable percentage of the number of any personnel assigned to combat duties is applied, the figures for FY 1974 change to the following:

	Fiscal year 1974	Combat [5]	Support [5]
4⅓ divisions	65,300	15,672	49,580
2 armed cavalry regiments	6,100	1,468	4,636
Berlin brigade	3,900	936	2,964
Other combat units	17,900	4,296	13,604
Missile forces	22,900	5,496	13,604

	Fiscal year 1974	Combat [5]	Support [5]
Units supporting divisions	65, 500	15, 740	49, 784
Strategic communications, intelligence and security	10, 900		10, 900
DOD/joint activities, free world and other services support and others	6, 100		6, 100
	198, 600	43, 608	154, 992

[1] Computed on the given Army divisional combat-to-support ratio of 42 percent combat to 58 percent support.

[2] 64,600 is the total authorized strength of the divisional forces.

[3] Artillery, combat aviation, combat engineers and air defense.

[4] Includes 7,600 in direct support of missile forces.

[5] Computed on the basis of 24 percent of Army personnel assigned to combat skills, which in the Army includes all individuals assigned whose primary duty is to fire at the enemy.

Regardless of which ratio is used to measure the combat capability of our forces in Central Europe, it is apparent that a majority of them are serving in non-combat headquarters and support roles. In light of the large numbers of troops assigned to noncombat roles and the vagueness of the "threat" they face, it is difficult to justify either the manpower levels or the escalating costs involved.

How do these military manpower deployments that we have maintained in Europe for over 20 years actually defend U.S. national security? The oft-stated purpose of our conventional general purpose manpower in Europe is to provide a means of phased "flexible response" to a Soviet ground attack. Any level of Soviet attack is highly unlikely. But if an attack were likely it is doubtful that U.S. deployments in Central Europe would be able to respond successfully in a purely conventional manner. They are not positioned, trained, manned, or equipped to conduct an effective non-nuclear initial forward defense.

30-DAY WARNING

To provide a militarily credible ability to respond to a conventional Soviet attack, U.S. forces deployed in Central Europe plan on a warning and mobilization period of about 30 days. A caveat to this effect is written into all statements of U.S. land force missions in NATO.

With such an assumed 30-day warning and mobilization period prior to the commencement of hostilities, the U.S. divisions could be repositioned, reinforcements flown in from the U.S., some of the dependents evacuated and usable war-time lines of supply and communication (which are presently nonexistent) could be opened.*

Without such a period of preparation—in the event of a sudden attack—it would be impossible to accomplish any of these requirements, or to gain necessary air superiority to permit the landing of the rapidly airlifted U.S. reinforcements. Yet these airlifted reinforcements are essential to any hope of making a forward defense in Europe. For example, the Department of Defense has stated, "U.S. Army forces located in West Germany are spread thin. However, our plans for Europe include substantial augmentation. That part of the Reforger Division which is based in the Continental U.S. is part of the Commander-in-Chief of Europe's M-Day force and therefore will be deployed during a period of increased tension. Also we plan to deploy an additional two divisions to Europe within 30 days. These two divisions are considered the *minimum essential* for the conduct of an initial conventional defense in the Central Region (italics added)."

Without the additional two divisions plus 10 support units, it is not possible for the U.S. Seventh Army to conduct an effective initial forward defense east of the Rhine River. Under these circumstances the U.S. ground forces deployed in Central Europe would have no choice but quickly to resort to tactical nuclear weapons to save themselves from being destroyed. And at least since 1961 they have planned on making first use of tactical nuclear weapons, from 2.5 to 20 kilotons, within the first 72 hours of commencing battle.

NUCLEAR WEAPONS OR DEFEAT

In 1970 General Lyman Lemnitzer, the U.S. Supreme Commander in Europe from 1962 until 1969, stated the scope of the problem our deployed conventional forces face in testimony before the House Foreign Affairs Committee. "One of the greatest problems that would confront NATO today would be large conventional attack. Then we would be faced with a decision to use nuclear weapons or be defeated," he said.

It would seem that rather than providing a "flexible" manner of response, U.S. conventional troop deployments in Central Europe actually lock us into early first use of tactical nuclear weapons, which would initiate an escalation that could quickly lead to a massive nuclear exchange.

The level of U.S. ground force deployments to NATO should thus be seen not so much in the context of a viable military force for conventional defense, but as a large hostage force manning a tactical nuclear tripwire that guarantees that any American President must opt for immediate nuclear war in Europe. Not to do so would be to negate long-standing military contingency planning to use atomic demolition mines and tactical nuclear weapons in the early hours of any sudden conventional attack. Presidential denial of the use of these nuclear weapons would place the lives of over a half million U.S. servicemen and dependents in grave danger.

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*The ability of U.S.-based forces rapidly to reinforce our forces by air is questionable. For example, Exercise Reforger II conducted in the late summer of 1970 tested U.S. ability to airlift troops rapidly to Europe. This exercise required nearly 10 months of prior planning, cost around $10 million and took about a week to move 11,400 soldiers to Europe. Only about 3,000 of those troops were combat personnel. The rest were command and support personnel. It then took those forces another week to remove their prepositioned heavy equipment from storage and put it in operational condition. A 1973 General Accounting Office report indicates that much of the prepositioned equipment was either in the wrong place, broken, or vulnerable to capture in the event of an attack.

THE ENERGY CRISIS

Mr. BROOKE. Mr. President, we in Massachusetts pride ourselves on our practicality. Innovating, making-do, a spirit of pragmatism are part and parcel of our heritage and makeup.

The energy crisis was a fact of life in New England long before the country as a whole grasped the imminence of the danger. Time and time again imported fuel oil has had, at the very last minute, filled almost empty tanks. Of late, even this source of alternative supply is not readily available. And its price has jumped alarmingly.

Several ideas have been put forth in an effort to conserve, save, preserve the dwindling energy supply. The Massachusetts Legislature recently endorsed one such idea which, to me, has considerable merit—a 12-month system of daylight savings time.

It is my hope that the Commerce Committee of the Senate will give most serious consideration to this proposal during 1973. Such a stitch in time, as the old saying goes, could save much energy.

Mr. President, I ask unanimous consent that these resolutions be printed in the RECORD.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

RESOLUTIONS

Memorializing the Congress of the United States to enact appropriate legislation for the uniform and coordinated observance by the several States of a twelve-month system of daylight saving time

Whereas, A uniform and coordinated system of reckoning time throughout the several states is convenient and necessary for the proper and efficient carrying on of interstate commerce; and

Whereas, By the Uniform Time Act of 1966 Congress provided for such a uniform and coordinated system, including the observance of Daylight Saving Time, except in those states which by law omit such observance, during the summer months, from 2:00 A.M. on the last Sunday of April until 2:00 A.M. on the last Sunday of October of each year; and

Whereas, The benefits of Daylight Saving Time, in providing an extension of natural light into the evening hours, have been almost universally acknowledged not only in the United States but also in many foreign nations, some of which currently observe it on a twelve month basis; and

Whereas, The return each fall to Standard Time, whereby winter sunset occurs at 5:00 P.M. and earlier in most latitudes of the United States, causes an undesirable encroachment of darkness upon the latter part of the active day, requiring an unnecessary and undesirable drain upon valuable and increasingly scarce power resources to supply artificial light, creating conditions hazardous to vehicular and pedestrian traffic during a peak travel period and offering unduly propitious conditions for violent and predatory criminal acts upon the streets and thoroughfares of many urban areas; and

Whereas, The value of Daylight Saving Time as a conservation measure, reducing the consumption of fuel for power generation and the concomitant effusion of pollutants, was recognized by the Congress in providing for a twelve month observance of this time reckoning during the war emergency period from February, nineteen hundred and forty-two to October, nineteen hundred and forty-five; and

Whereas, Urgent current needs for conservation of energy sources, control of pollution, deterrence of street crime and reduction of the human suffering and property damage due to accidents combine to support the advisability of a permanent twelve month advance in the system of time reckoning; and

Whereas, Resolutions substantially identical to this have been submitted for the consideration of the legislatures of the several states comprised, in whole or in part, in the Eastern Time Zone, for the purpose of permitting and encouraging a uniform expression and representation to the Congress by said states acting in concert; now, therefore, be it

Resolved, That the General Court of Massachusetts joins with the other states in the Eastern Time Zone in calling upon the Congress of the United States to enact appropriate legislation for the uniform and coordinated observance by the several states of a twelve month system of Daylight Saving Time; and be it further

Resolved, That copies of these resolutions be transmitted forthwith by the secretary of the commonwealth to the President of the United States to the presiding office of each branch of the Congress, and to each member thereof from the commonwealth and to the presiding officers of the legislative bodies of the several states in the Eastern Time Zone.

House of Representatives, adopted, March 12, 1973.

Senate, adopted in concurrence, March 19, 1973.

FINANCIAL CONDITION OF OPTOMETRY SCHOOLS

Mr. JAVITS. Mr. President, the State College of Optometry, State University of New York, located in New York City, is the first such optometric school in the State. It has been a sorely needed facility; we have been excited about its creation.

The announced budget cuts in Federal funding for the schools and colleges of optometry presents an ominous situation for all 12 schools. The life of the fledgling New York institution may not be in question; surely the quality and scope of its programs are.

Capitation funds for the State College of Optometry are utilized for planning, coordination, evaluation and implementation of academic and clinical programs. Although a part of the State educational system, as you know New York has reached the same type of crisis in budgeting we see on the Federal level. No great chunks of aid seem forthcoming on the State level.

In addition to capitation funding, the cessation of the school's special project grant would eliminate all personnel involved in minority recruitment and thus effectively eliminate the program. This is an area which has seen great promise in optometric education in general. So many of these students seem determined to practice in the disadvantaged areas of the country, those communities suffering the most from lack of adequate health personnel.

With reduction in scholarships and loans, these very students will find even more difficulty in obtaining the wherewithal to proceed with their education. Certainly financial ability should not become the only criterion for admission into professional schools. This new educational policy may force this day upon us.

Some try to tell us that there is no shortage of competent vision care specialists in the Nation today. That may very well be true—although I doubt it. This fiscal policy in relation to these 12 schools and colleges would create that shortage in very short order. As Federal funds vanish from the academic scene, the schools will be forced to reduce their enrollments, in a desperate attempt to reduce costs. In reducing those costs, the quality of education may well be compromised.

The investment in optometric education is small from the Federal standpoint. The dividends are great for they concern the health of the people of this Nation, the people we represent. By no means should we abandon this needed aspect of health education. We need all the trained health care practitioners we can reasonably educate.

CONSUMER FEDERATION OF AMERICA AWARDS

Mr. MOSS. Mr. President, on Monday, May 7, 1973, the Consumer Federation of America bestowed its highest awards on two distinguished public servants, WARREN G. MAGNUSON and Miles W. Kirkpatrick. In doing so, this outstanding organization, made up of diverse consumer-oriented organizations representing millions of Americans, paid tribute to two of the great heroes of the American consumer.

Senator MAGNUSON has been chairman of the Senate Commerce Committee longer than anyone in history. In his position, he has drafted, steered through the committee and the Congress, and seen signed into law the legislation which has given the consumer those fundamental rights which modern society demands. Thus, it was with great pleasure that I witnessed the presentation to "Maggie" of the Consumer Federation of America's Distinguished Public Service Award.

As chairman of the Federal Trade Commission, Miles W. Kirkpatrick undertook to utilize the tools which Congress provided to protect the American consumer. His stewardship of the FTC will long stand as a mark of the success of diligent application of the laws which Congress enacted to protect the consumer.

Mr. President, I ask unanimous consent that the remarks introducing Senator MAGNUSON as well as his response and the remarks of Miles W. Kirkpatrick be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

INTRODUCTION OF SENATOR W. G. MAGNUSON OF WASHINGTON

(Remarks by Gordon H. Cole, editor of the Machinist)

Perhaps the best affectionate and perceptive tribute to our guest of honor this evening was paid by President John Kennedy, years ago in Seattle: "Most members of the Senate, as you can already judge, have developed the art of speaking with precision and clarity and force. The secret of Senator Magnuson's meteoric Senate career has been the reverse. He may make clear speeches to you on great public questions. But, in Washington he speaks in the Senate so quietly that few can hear him. He looks down at his desk. He comes into the Senate late in the afternoon. He is very hesitant about interrupting other members of the Senate. When he rises to speak most members of the Senate have left. He sends his messages up to the Senate; everyone says, 'What is it?' and Senator Magnuson says, 'Well, it's nothing important' (pause) and the Grand Coulee Dam is built."

This tale of legislative prowess has its counterpart in every one of the legislative arenas in which this great Senator has made his mark. Not the least of these is the incredible outpouring of major consumer laws which bear his name as author and prime mover. From auto and tire safety to flammable fabrics; from gas pipeline controls to the Child Protection and Toy Safety Act; from the Fair Packaging and Labeling bill (in which he shared leadership with Phil Hart) to credit advertising reforms. It is safe to say that no single Senator in the history of Congress has had a greater input on the major body of law—and his laws are designed to protect the health and safety of our families and our children, to give us an honest dollar's worth for every dollar spent, to raise the standards of business morality.

But the parade of legal statutes doesn't do "Maggie" justice. They only give us a clue to the skill and the good-natured calm with which he exercises leadership in the Senate.

In the waning days of the last Congress, conference committees of the Senate and House met in head-to-head confrontation over the Product Safety Act. It would establish a "Consumer Product Safety Commission," the first new regulatory agency since the '30's. From its very origins, it bore Warren Magnuson's stamp. It had begun with the quiet introduction of his bill to create a temporary National Commission on Product Safety. He had designed the temporary Commission to build public demand for adequate laws to keep needlessly hazardous products out of our homes. The Commission had recommended strong legislation and Senator Magnuson had introduced it. Together with such allies as Senator Moss in the Senate and Congressman Moss in the House, he steered the bill through the Senate.

And now the two Houses were locked in conflict over a key provision of Magnuson's bill—a provision which, for the first time in any legislation, would give *any citizen* who had reason to believe that an unreasonably hazardous product was on the market, the power to petition the Product Safety agency for action. And, the agency failing to act, the power to go to court to compel the agency to act.

There was fierce opposition within industry to this landmark provision. And industry found its advocates along the House conferees.

Those who were there described it with some awe. I'm told that "When Maggie lumbered into the conference it was as if the wise and seasoned teacher had suddenly come into the room where a group of kindergarten children wre raising cain. Where there had been squabbling, the conferees suddenly became quiet, respectful. Good-natured Senator Magnuson announced that as a gesture of good faith he was going to move that the Senate conferees adopt the "Springer amendment" giving citizens the right to sue. Now "Springer," whose name he gave to this amendment, was the ranking Republican of the House Commerce Committee, no great hero to CFA. In fact, Congressman Springer was one of the more hostile of the House conferees. In an unguarded moment he had suggested that the staff try to revise the Magnuson citizen-suit amendment and Magnuson knew that the staffs had come up with a solution, with language just as good as the original. When Magnuson generously offered to accept the "Springer amendment," he threw that negative-minded Congressman so off balance that he never did recover. So the "Springer amendment," a milestone in consumer protection, is now part of the law. And it was done with a smile and a handshake.

The Kennedy story about Grand Coulee Dam has its consumer counter-part. This one occurred late one afternoon when the Senate was debating the postal reform act which was to transform the Postal Service into the great efficient private enterprise marvel which gets mail from Washington to Philadelphia at about the same pace as the stage coach and is bankrupting most non-profit publications with second class permits, such as the Machinist.

One of Senator Magnuson's pet consumer peeves had always been unsolicited merchandise sent through the mail.

We've all been plagued with it. I'm told that when he discovered that the postal reform bill was on the floor he telephoned his office and asked for the draft of a bill he had prepared to make all unsolicited merchandise a gift to the recipient. About 7:00

P.M., with four or five floor leaders of the bill on the floor, he quietly rose and offered an amendment making unsolicited merchandise a gift. His fellow Senators found his brief words so persuasive enough that they not only accepted the amendment but rushed to co-sponsor it. It was in the bill which passed the Senate and went to conference with the House.

Under the spell cast by this Senatorial magician, the House conferees quietly accepted the provision and it became law. Today every piece of unsolicited merchandise you or I receive in the mail is a gift—a gift let it be said of Warren G. Magnuson.

Laws are just part of the daily contribution which Warren Magnuson makes to the consumer, as Chairman of the Commerce Committee—a post of enormous power which he has held for nearly twenty years—longer than any man in history—and also as the ranking member of the all powerful Appropriations Committee. A stern word in a hearing, a brief telephone call; a pointed letter. They come from his office every day, stiffening the spine of the Federal Trade Commission, getting a laboratory set up to test the tar and nicotine yields of cigarettes; persuading the Federal Trade Commission to use the District of Columbia as a test laboratory for local anti-fraud regulation; raising appropriations for neglected consumer programs; spurring the banning of hazardous products like cyclamates and giving such agencies as the FCC the quiet, behind the scenes encouragement necessary to take such hard stands as requiring anti-smoking ads on television.

When the bureaucracy fails to respond, they learn to regret his anger. For years he had prodded the Commerce Department to promulgate regulations on flammable fabrics to protect children against hazardous sleepwear. Finally Commerce published a standard requiring flame retardant sleepwear for children—but only up to the age of six. This was not enough. Senator Magnuson knew of countless tragic cases of young girls, 10, 11, and in their early teens, who had suffered hideous burns when flannel nightwear caught fire. So he went to the floor again, this time with an amendment to the appropriations bill. He offered an amendment to mandate the setting of flammable fabrics nightwear standards to cover the sizes for older children as well. No one, not even the most ardent textile state Senator dared to confront him on the amendment and it passed unanimously. The Commerce Department finally got the message and issued its standard to protect older children as well.

Today along with strong allies such as Senators Hart and Moss, Ribicoff, Pearson, Percy and Cook, he remains in the forefront of the crucial consumer battles. The Magnuson-Hart no-fault insurance law represents a major institutional reform which will transform an inefficient, expensive, cruel and wasteful system into a fairer and more economical system. In doing this he is taking on the powerful auto insurance industry and the Trial lawyers who have vowed to fight to the last fat fee that can be carved out of the misery of their clients. It is a tough battle. Maggie expects to win it.

He is a prime sponsor of the Consumer Protection Agency bill.

His Magnuson-Moss Warranty/FTC Improvements Act, a bill to give meaning and substance to product warranties and to give teeth and clout to the Federal Trade Commission, will undoubtedly pass the Senate overwhelmingly this year as it did last; hopefully, it will meet with House approval this year.

And while these bills are proceeding, he continues to seek new ways to make the system work better; to bring out the best in business practices, to rid the marketplace of shoddy goods and service in this time of pinched pocketbooks, and to dedicate himself to the proposition that every American is entitled to full value for his consumer dollar.

Remarks of Senator Warren G. Magnuson

There's a fresh wind blowing through Washington these days and it's up to us to make certain that it blows to the advantage of the American consumer.

The spotlight has been focused with penetrating intensity upon the relationships between this Administration and the special economic interests who have long sought insulation from strong consumer laws and effective, influence-free regulation.

The energy interests, for decades, have sought freedom to charge all that a desperate energy market can bear for natural gas, free of regulatory restraints.

The Food industry and others have manned the barricades against the creation of even a modestly funded consumer advocate, designed to prod and invigorate the regulatory agencies-like a pike in a carp pond.

And the most die-hard defenders of the auto insurance mess continue to fight a holding action against "no-fault."

If the American public is to be convinced that the White House has not been sold to the special interests, then the Administration must now abandon its short sighted and suspect opposition to reasonable and moderate consumer initiatives now germinating in Congress.

Up to this moment the White House has consistently downgraded consumer representation in its inner councils. It is time for the White House to listen to the voices of consumers at the same decibel level as it hears the voices of corporate campaign contributors and to recognize the need for an independent consumer advocate, and to support the legislation which even leading Republicans such as Senator Javits and Cook have joined with us to sponsor.

It's time for the White House—which has endorsed the *concept* of no-fault insurance—to close its ears to its insurance company donors and support strong federal legislation.

And it is now time for the Administration to reassess an energy policy which seems to have drawn its blueprint from oil company dreams focused only on profits. The Administration should support energy programs which will effectively stimulate the development of new energy resources without creating an unconscionable windfall for an already pampered and highly profitable industry.

Whether it be drug safety, the integrity of our food supply, ridding the country of flammable children's sleepwear, or vigorous enactment of antitrust laws, *this Administration must now redeem its integrity one step at a time by demonstrating that the public interest and not the special interests are pre-eminent in its councils.*

An Administration can be no stronger than the stature, competence and above all the integrity, of the men and women who people its high offices. The Senate Commerce Committee has the responsibility for reviewing the candidates nominated for most of the regulatory agencies and high offices in the Department of Commerce and Transportation. We have always given the President—without regard to party—the benefit of the doubt on these appointments. We have always believed that the President, elected by mandate of the people, is entitled to have serve him the men and women he chooses—unless they are clearly disqualified. But I must tell you that we have swallowed nominees by this Administration who have left a bitter aftertaste and our tolerance for mediocracy and lack of independence from economic interests is rapidly coming to an end.

Here, too, the President has an opportunity to fill vacancies, whether it be on the FTC, or the FPC, or in the Departments, with the kind of men he has now chosen to head the Justice Department and the FBI, men with stature, known competence, and a history of commitment to public service. Above all, men like Miles Kirkpatrick.

The National Commission on Product Safety was perhaps the most successful and the most widely hailed study commission of any appointed by any President. Yet this President did not see fit to select even one of its members, Democrat or Republican, for membership on the permanent Consumer Product Safety Commission which was the product of the study Commission's work. He has an opportunity, in the naming of the fifth Commissioner, to rectify that omission.

Vacancies will be occurring soon in the Federal Trade Commission. That agency has performed well and independently under this Administration. Fairness requires that the fact be acknowledged. But here again key vacancies will occur soon. Will the President give us men and women who will carry on and strengthen the agency? Or will he give us only those whose backgrounds are slanted to bring comfort to the Administration's business constituency.

It is up to you and it is up to us in Congress to continue asking these questions until the answers are the right ones.

Remarks by Miles W. Kirkpatrick

Ladies and gentlemen. I am indeed honored to be here tonight before this group and to receive the recognition that is evidenced by the award given me tonight. As for the terms of the award and the introduction that you have just heard, my own view is that you have just borne witness to a classic example of "puffery." To wit, the extolling of a product in ultra-pleasing terms that does no real harm because no one is expected to accept it as anything resembling the truth. I am, however, enormously flattered and at a loss for words to express my deep appreciation.

It is now more than two months since I left the Federal Trade Commission, and I do not intend to dwell upon what was or was not accomplished in my time at that agency.

I think it fair to say, however, that the commission was attentive to the problems of the consumer. Tonight I want to make a few observations about some aspects of the commission's relationship to the consumer.

Let me start by observing that, as evidenced by the wide-ranging interests of those who are present tonight, one of the striking characteristics of the consumer movement of the 1970's is its enormous breadth and diversity. Consumers are asserting their rights in all areas of our multibillion-dollar domestic economy. The commission is very much aware of the consumers' efforts in that regard.

For example, the commission received in my time—and I assume continues to receive now—letter after letter complaining about consumer problems that the writer faces or that the writer just wants to bring to the attention of the commission. In the face of that torrent of mail and of rising concern for the consumer, one fact stood out to me very clearly—the Federal Trade Commission obviously is not capable of solving the individual problems of millions of consumers. We could not be, nor were we designed to be, a giant law office for the litigation of individual consumer disputes.

The commission's response must be to plan its activities in limited ways that apply maximum leverage for the largest number of consumers. The commission's budget is severely limited; it is only a small fraction, for example, of the advertising outlays of many large corporations. Many of the small consumer problems which are obviously important to individual consumers may have small importance when viewed against the spectrum of the commission's responsibilities. State and local consumer protection agencies and private grievance solving mechanisms must be made available to solve the bulk of the individual consumer complaints. Our program, as a Federal administrative agency, was to plan our enforcement activities on the broadest possible fronts.

But aside from the sheer impossibility of a government agency of the commission's size and mandate of obtaining relief for each individual consumer in day-to-day problems, my view was that the commission should not be cast in the role of a "big brother" protector against all consumer wrongs. I am convinced that consumers should and must be free to make and to live with their own economic choices. I hasten to say, as with all general rules, this one has some exceptions. Thus, Congress has chosen to outlaw the sale of many flammable fabrics. The same is true of other dangerous substances. I suppose that implicit in congressional action of this kind is that most, or all, consumers would choose not to buy a product if fully informed of the dangers involved.

In other areas, it seems to me that it is not for the Government to say what is good for consumers or bad for consumers. Rather, government should alert consumers by seeing to it that accurate information is available so that consumers may make their own choices in a fair and competitive marketplace.

Putting it another way, I suggest that government should not have any preconceived notions as to how consumers *ought* to behave. Consumers should be free to choose for what to him or her are good reasons, bad reasons, or no reasons at all. It is all right with me if some consumers are arbitrary or irrational in their decisions, so long as those who wish to be rational are able to do so.

I like to think that the commission, in terms of the principles just suggested, has advanced the cause of the consumer at least some little distance.

For many years the Commission concentrated its work in consumer protection on the prevention of practices which deceived the consumer. That effort had the important effect, I believe, of greatly reducing the misinformation confronting consumers in the marketplace. More recently, however, while not abandoning the effort to cut down misinformation, the commission has been refocusing on programs looking to increasing the amount of information that is essential to a consumer in making rational decisions. Some of these programs are in their infancy and in one instance have been rendered ineffective by court attack. I believe that the commission will accomplish some major work in this area; we scratched the surface of these problems, but an enormous amount obviously remains to be done. But there has been progress. For example, the thrust of commission rules such as the care labeling rule, the holder in due course rule, the door-to-door sales cooling off rule, and concepts such as counter advertising and corrective advertising, are all grounded on the same basic concept of creating an economic environment where the consumer can represent his own economic interests effectively.

The commission's objective, in short, is to make it possible for consumers to choose in their own best interests, as they perceive them, in a fair and competitive marketplace. I believe that the commission's role is not to attempt to solve directly the thousands of consumer complaints which came to its attention, but to ensure that the marketplace functions in such a way as to avoid or remedy consumer problems without the need for direct government intervention.

But it is not only at the commission that the consumer's interest is a moving consideration of government. This is also the objective of the consumer legislation currently before Congress.

For example, there will shortly come into being as a result of 1972 legislation a consumer product safety commission. That commission has broad rulemaking and remedial powers. It will be composed of five commissioners and will have jurisdiction to establish safety standards for consumer products over almost the entire range of the consumer market. Consolidated under one roof will be, in addition to the greatly expanded jurisdiction of the new commission, the flammable fabrics safety work heretofore accomplished by the Federal Trade Commission and the responsibility of the FDA with respect to hazardous substances and children's toys.

Again, in the field of legislation, I have little doubt that there will be created by the present Congress an independent Federal agency to advocate and defend consumer interests before the agencies and the courts. That legislation came within a hair's breadth of passing the last session of Congress and its passing in this Congress would seem almost assured.

As to the Federal Trade Commission itself, Senator Magnuson's Commerce Committee has again introduced legislation looking to the increase of its powers. A similar bill during the last session came upon shoal waters because of the inclusion of rulemaking provisions which have for the time being been eliminated from the present bill. The bill would give to the commission the important power to seek injunctions before the Federal courts to bring illegal practices quickly to a halt. The cease and desist order, with the months and years of delay which are inevitable, is freqeuntly not an effective means of enforcing the law in the circumstances of the change and mobility of our society. The same bill would also give to the commission the increased dignity and effectiveness of enforcing its own order in the courts and not have to take those matters to the Department of Justice.

In addition, the Magnuson bill has some totally new and important legislation dealing with warranties. I suppose that the most frequently complained of default on the part of manufacturers is that involving product warranties. Thousands of letters come to the commission on that subject. The proposed legislation would greatly strengthen the commission's hands in this regard in requiring clear, relevant and enforceable warranties.

Another sign of progress toward informed consumers—Senator Hart has opened hearings on the life insurance industry with the prospect of a so-called "truth in insurance" bill in the not too distant future. At the same time, Senator Moss is holding hearings on his re-introduced bill to establish a national institute of marketing and health; this bill, in my view, would provide an enormously constructive mechanism to study the effect of marketing and advertising over the long term.

An important common denominator of those major efforts on behalf of the consumer, both at the FTC and in Congress, is making available to consumers the information which consumers need to protect themselves in the marketplace.

Crucial to this concept of consumer protection, however, is the consumer's willingness and ability to use the information and remedies made available to him. If the consumer does not play the role assigned to him by the classical economic concept of the free enterprise market, much of the recent consumer protection activity loses its validity.

Consumers must realize that consumer protection will work only with their day-to-day involvement. The vital role of CFA, as I see it, has been and will continue to be to involve the consumer and to promote the increasing availability of information essential to enlightened decisions on his or her part.

Thank you.

EXIMBANK SPONSORS CONCERT TOUR

Mr. SPARKMAN. Mr. President, the Export-Import Bank of the United States is sponsoring a very worthwhile project. I request unanimous consent to place a press release explaining this project in the Record.

There being no objection, the press release was ordered to be printed in the Record, as follows:

Eximbank Sponsors Concert Tour by National Children's Choir to Vatican City, Notre Dame, Westminster Abbey

The National Children's Choir leaves the United States on April 18 for a Cathedral Concert Tour of Europe. Their sacred music will be heard in Rome on Easter Sunday morning at the Holy Father's Mass on the steps of St. Peter's. The following day they will sing mass at 9:30 A.M. in a chapel within the Basilica. From Rome the eighty children will travel to France to perform at the Cathedrals of Notre Dame, Chartres and Rheims, and then to England to sing at St. Martin-in-the-Fields and at Westminster Abbey.

The concert tour is being sponsored by the Export-Import Bank of the United States. Eximbank's efforts to promote better understanding and relations between the U.S. and other countries was cited by Henry Kearns, Chairman and President of the Bank, as one of the many reasons for the Bank's interest in the group's appearance abroad. Mr. Kearns said, "these young people will be our 'junior ambassadors' of goodwill during their tour in Europe. I am certain that they will make many friends for the U.S. and that their performance and joy in their work will convey the real impression of American youth to our neighboring countries."

The Choir, often heard in Washington, have performed for President and Mrs. Nixon at the White House, at St. Patrick's in New York, and at the Concert Hall of Kennedy Center. It is of mixed ethnic and religious backgrounds and was developed under the guidance of Miss Judith St. Aubin, Director of the group.

Miss St. Aubin studied at Marygrove College in Detroit and Pius X School of Liturgical Music at Manhattanville College in New York. She developed the idea for the choir while on a fellowship at Trinity College studying for her Master's degree. A child prodigy, she performed with the Detroit Symphony at the age of 6.

Major funds for the tour have been earned by the children, through their performances, and by working at all sorts of jobs from newspaper delivery to baby-sitting. They will return to the United States from England on May 5.

ANSWERING LAND GRANT'S CRITICS

Mr. BELLMON. Mr. President, over recent months considerable attention has been focused on a publication called "Hard Tomatoes — Hard Times — The Failure of the Land Grant College Complex." This report was published by the Agri-Business Accountability Project, Washington, D.C., a privately funded, nongovernmental operation.

As a graduate of a land grant college, a practitioner in the field of agriculture, and an observer of the tremendous contribution which an efficient progressive agricultural industry backed up by the land grant college system has made to this Nation and the world, I was appalled and disgusted by the efforts of "Hard Tomatoes—Hard Times" to discredit the land grant colleges and agricultural experiment stations.

For this reason, I was pleased to come across an article by Robert H. White-Stevens, chairman of the Bureau of Conservation and Environmental Science at Rutgers University. The article was published in the March, 1973 issue of Animal Nutrition and Health magazine.

Mr. President, I believe other Members of the Senate will be interested in and helped by the review of this short and informative article. I ask unanimous consent that it be printed in full in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Answering Land Grant's Critics

(Editor's Note.—"Hard Tomatoes—Hard Times—The Failure of The Land Grant College Complex" is a report published by the Agri-business Accountability Project, Washington, D.C. Following are excerpts from a review by Robert H. White-Stevens, Chairman, Bureau of Conservation and Environmental Science.)

This book is essentially a polemic on the Land Grant College—Agricultural Experiment Station (LGC–AES) system calculated to deprecate and denigrate the century-old organization in any way possible. It ignores the vast beneficial contributions made over the past 100 years to the life style and welfare of the American people, not to mention the tens of millions of other less advanced nations.

It is an appallingly trivial, superficial yet mischievous report, devoid of objective analysis, scholarly consideration, appropriate documentation and even competent English composition. For example, of the 300 references listed, only 101 can generously be considered appropriate objective citations, and perhaps another 23 are acceptable subjective annotations. Of the remaining 175 citations, 39 are simply nonreferences, such as quotes from telephone interviews, personal conferences, private correspondence and equivocal editorial opinions. Nineteen are explanatory footnotes and no less than 118 are repetitions of previously listed citations—an astute way to puff up the facade of erudition in a weak report.

Nowhere is reference made to even the milepost publications marking the formidable advances in agriculture over the past century.

In 1887, some 25 years after the Morrill Act initiated the land grants, the Hatch Act provided for research "to promote the efficient production, marketing, distribution and utilization of farm products as essential to the health and welfare of our people" (emphasis added). This clearly means all Americans, rural and urban. The Hatch Act continues, "It shall be the object and duty of the State agricultural experiment stations . . . to conduct original and other researches, investigations and experiments bearing directly on and contributing to the establishment and maintenance of a permanent and effective agriculture industry of the U.S., including researches basic to the problems of agriculture in its broadest aspects . . . and the development and improvement of the rural home and rural life and the maximum contribution by agriculture to the welfare of the consumers." The LGC–AES has fulfilled these charges by giving the American taxpayer a 100% return annually in food and fiber alone.

The report's suggestion that these funds were frittered away in administrative overhead, publications and trivial research is obviously belied by the enormous r.o.i. achieved.

As farm production proficiency freed increasing numbers to work in industry, education and culture, transport and communications, public health and medicine, local, state and federal government and other services, concern arose about the decline of the small family farm. Subsequent acts (Purnell Act 1925 and Bankhead-Jones 1935) were passed for the LGC–AES system to ameliorate social upheavals created in rural areas by farm changes.

The decline of the family farm and the rise of larger farms was thought undesirable. Nostalgic as it may seem to wish for the polyculture family owned and operated farm, it simply could not meet the demands of urban and suburban people. "Hard Tomatoes—Hard Times" decries these developments, which is perhaps understandable but totally inaccurate.

To suggest that the system has connived with big business to destroy the family-owned farm and drive it off the land is not only unjustified nonsense, it is political demagoguery and claptrap of the most irresponsible and mischievous kind.

The free enterprise system does not guarantee security for anyone, and government attempts to enforce such security invariably curtail freedom in direct proportion to the degree of assured security. The LGC–AES system operates exclusively in a free enterprise economy, where none of its recommendations or guidance must be followed.

Growers, who contract their production with corporations such as canners, freezers, packers, feed formulators, etc., do so on a voluntary basis and are under no compulsion whatsoever. They simply prefer to operate at a guaranteed moderate rate return rather than risk marketing their product on a win or lose basis, completely dependent upon the vagaries and uncertainties of the open market. They can enter into or withdraw from such contracts between crops, flocks or herds as they deem fit.

The extension agents exercise no legal or authoritarian control over what a grower actually does. They advise him of federal and state laws and offer him instruction and guidance in farm operations, but they leave all decisions to the grower himself.

"Hard Tomatoes—Hard Times" completely misses, perhaps intentionally, this nature and contribution of the system. It instead attempts to deprecate and denigrate the entire system by picking over and dwelling upon the relatively few errors of commission and omission.

The target of the report is clearly "agribusiness", which is reiterated in the text several hundred times and is defined in the foreword as: "A corporate aggregation that includes: 1) Agricultural input firms" (i.e. suppliers of seed, processed feeds, fertilizer, agricultural chemical credit, insurance, etc.); "2) Agricultural output firms" (This should include all farms that produce and sell products, but the book excludes farms, other than corporate farms, and includes processors, handlers, distributors and retailers of farm products); "3) Corporations indirectly involved in farming," and "4) Corporations indirectly involved in farming" (which, although not defined, would have to include such industries as steel and other metals, building, transport and communications, textile, utilities, machinery, and virtually the bulk of all industry)".

This definition reveals that the real target is industry in general, educational institutions in general, the capitalistic system in general—in short, the establishment in general. The LGC–AES organization is the chosen salient to approach this general objective. There are many other channels through which such salients can be mounted. These would include medical science, jurisprudence and legal practice, transport, housing, taxation, conservation and environmental protection, foreign trade, etc. Several of these have indeed already been openly denigrated in similar polemics. The technique among these diatribes is surprisingly uniform: ignore the major contributions to human and national welfare; concentrate upon errors, misjudgments, malfeasance and injustice; select references from any source regardless of authenticity or objectivity provided they will fit favorably into the preconceived intent; and conversely exclude all opposing references regardless of their validity, objective experimental evidence. Finally interlard the final report with copious opinionated commentary and snide and insidious quips and aphorisms irrelevant to the topic but hopefully amusing and incitive to the lay reader.

There have been some dozen books and reports issued within the past decade including "Silent Spring", "The Population Bomb", "The Closing Circle", "Poisons in Your Food", "Unsafe at Any Speed", "Harvest of Shame", etc.

"Hard Tomatoes—Hard Times" falls into this category through its common denominators of incomplete evidence, biased selectivity of documentation, preconceived conclusions, exaggerated claims and hyperbolic conclusions. It does, however, fall sadly below its antecedents in its somewhat confused organization, weak literary style and totally impracticable and naive recommendations. The obvious inexperience of the "researchers," the inferior writing and the general superficiality of the total treatise ensure that this report will stand far down the list of such antiestablishment polemics.

The concerted attack on "agribusiness" is, however, worth consideration. The underlying theme appears to be that all the food, fiber and shelter required by a nation of over 200 million can be as readily produced by the small family farm, without the "inputs" or "outputs" ascribed to "agribusiness". The report admits that such farming currently contributes less than 10% of the total food, fiber, and shelter, while "agribusiness" farming provides the other 90% plus. Yet the report *blandly* contends that America should return to the halcyon days of a century ago when nearly 50% of the population was bound to the toil of the soil to meet the bare necessities of life. It completely inverts the cause:effect relation of labor: technology.

The American farmer is now feeding and clothing twice the population on half the arable land for half the consumer cost. This extraordinary accomplishment, a direct result of the LGC–AES system, is completely ignored by "Hard Tomatoes—Hard Times".

The report repeatedly denounces the cooperation, collaboration and general intercourse that has developed between these ancillary industries and the LGC–AES system in their common effort to serve the farmer-business. The insidious and quite unjust assertion is repeatedly made that this logical association is, in fact, a nefarious conspiracy to fleece the farmer and the consumer purely for self-centered interests and profits.

The facts are that it is the responsibility of the system to check, test and monitor all such "input-output" to ensure it is efficacious, economically valid and safe to both the user and the consumer.

In conclusion, "Hard Tomatoes—Hard Times" is really rather a silly document which avoids a penetrating assessment of the LFS–AES system and instead picks up odds and ends of difficulties which it analyzes without adequate documentation and extrapolates the biased interpretation to embrace the entire LFC–AES system.

It ignores the enormous contributions the system has made to America and the world but emphasizes social problems which are either being studied and resolved or lie beyond the pale of LGC–AES responsibility.

THE WATERGATE AND THE PRESIDENCY

Mr. McGOVERN. Mr. President, one of the Nation's authorities most qualified to speak on the meaning of the Watergate tragedy is Prof. Arthur Schlesinger, Jr. Mr. Schlesinger long ago distinguished himself as an authority on the administration of President Andrew Jackson. In more recent years, he has been at work on a multivolume history of the administration of President Franklin Roosevelt. During the early 1960's he was a special assistant to President John F. Kennedy.

A noted historian, he is also a Pulitzer Prize-winning author and a brilliant student of American politics.

The Wall Street Journal of May 3, 1973, carries a provocative piece by Mr. Schlesinger relative to the Watergate scandal and its real significance for the Presidency and our political system.

I ask unanimous consent that this article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

A Demand for a Special Prosecutor

(By Arthur Schlesinger, Jr.)

President Nixon's actions on Monday were dramatic but perhaps not conclusive. They were rather like the lightning flash that illuminates the midnight sky, only to die away and leave the darkness much as before. One image, however, remains. That is of the President implying most strongly, even if not stating expressly, that he had no advance knowledge either of the original campaign of political espionage and sabotage or of the subsequent program of cover-up. The rest of his presidency and his place in history will depend on his capacity to defend these positions.

The President took these positions at a certain price. He threw overboard, for example, the idea that the President knows better than the rest of us—the idea on which Presidents claim the right to run things without congressional or popular interference. He threw overboard too the idea that the Eastern establishment press had been diddling the nation. In fact, he tacitly acknowledged that The Washington Post knew more than he did about his own White House staff. And, in saying he did not take White House involvement in the Watergate affairs seriously until March 21, he threw overboard the picture of Nixon, the demon executive, and convicted himself of inexcusable administrative ignorance and incompetence.

Everyone else knew that something was wrong. What kind of a President do we have who would not bother for nine months to take the trouble to find out for himself whether his own people had been, as mounting evidence indicated, engaged in criminal activity? Even last Monday he continued to call Messrs. Haldeman and Erhlichman "two of the finest public servants it has been my privilege to know"—a peculiar characterization of men who have been closely tied by sworn testimony to an attempt to corrupt the democratic process. Nor did he say anything to the American people on April 30 about the conclusions of the "intensive new inquiries" which he told us on April 17 he had started on March 21, now more than six weeks ago. We know no more now than before what the President thinks of the behavior of his former Attorney General, who puffed on his pipe while people proposed the commission of crimes in his presence, or of his former Secretary of Commerce, his office safe overflowing with unreported campaign contributions in cash (the McGovern campaign declined to accept large cash contributions), or of his personal attorney, Herbert Kalmbach, a key figure in paying off the spies and saboteurs.

MR. RICHARDSON'S ROLE

If the President is serious in getting to the bottom of the affair, it is not enough to appoint Elliot Richardson Attorney General. Mr. Richardson is an able lawyer and a high-minded man, but he has shown himself in a succession of jobs entirely complaisant when it comes to doing what President Nixon wants, even if it is something Mr. Richardson would certainly not want on his own. The President—or Mr. Richardson, taking advantage of the option offered him by the President—must surely begin by taking the Watergate case away from the Department of Justice, where the prosecutors not only have a political interest in the fortunes of the administration but are even best friends of some of the suspects and their lawyers, and place it in the hands of a special prosecutor.

This was what Coolidge did at Teapot Dome when he appointed Senator Pomerene, a Democrat, and Owen J. Roberts, a Republican, as a bipartisan prosecuting team. It was what Roosevelt did when he called on Roberts to investigate the Pearl Harbor catastrophe. It was what Truman did when he brought Newbold Morris, a Republican, to Washington to investigate charges of official corruption. Nothing less than the designation of an independent prosecutor with full powers is likely to assure the people that they are getting a let-the-chips-fall-where-they-may inquiry.

Several further points deserve consideration. One is this: what a very near thing it all was! Had it not been for the strength of two institutions in our society—had it not been indeed for the courage and perseverance of two people—the Watergate conspirators might well have got away with it. The institutions are the Independent judiciary and the free press. The people are Judge John Sirica, who refused to play the Department of Justice's cover-up game, and Katherine Graham, the publisher of The Washington Post, who, despite incessant and often extremely nasty pressure from the administration, fully backed her news and editorial staff in pursuing the Watergate story to the end. But for Judge Sirica and Mrs. Graham, the independent judiciary and the free press, the ten months of lying would have worked: and the men who planned Watergate would today be secure in their power, their self-assurance and their conviction that they are above the law.

Another point: Arthur Krock told the London Observer the other day that he considered the Nixon administration the third most corrupt in American history. That is certainly true; indeed, in terms of the magnitude of money put to illegal use, it may well be Number One. But it is corruption with a difference. The crookedness in the days of Grant and of Harding was old-fashioned graft. It was politics as defined by Ambrose Bierce—"the conduct of public affairs for private advantage." Repellent as it may be, stealing money for oneself is, alas, in an old American tradition.

What distinguished the Watergate crowd was, in a sense, the purity of their motives. There is no evidence that they were enriching themselves. Their only purpose, so far as one can tell, was to keep President Nixon in power. Far from being jolly rogues like the cronies of Grant or Harding, they were thin-lipped, hard-eyed, crew-cut, Pharisaical types, who didn't drink or smoke and spent a lot of time in sanctimonious complaint about the permissive society. When these keepers of the national morals, these zealous champions of law and order, turned up in connection with Watergate, there was inevitable Schadenfreude, as when the preacher was caught in the chicken coop.

Still there was something frightening too—something that made the whole business a good deal more ominous than the gaudy peculations of the Grant and Harding days. These people were not thieves; they were self-righteous moralists who felt that the end justifies the means. And fanaticism is a greater threat than graft to a free state. Moreover, the great technical innovation involved—the introduction into domestic politics of methods devised by the Central Intelligence Agency for use against foreign foes—equips fanaticism with exceedingly dangerous weapons. Surely both the Watergate state of mind and the Watergate style of political combat must be exposed and stopped at once, or a poison will enter American politics.

And this leads to a further point: we are beginning to be told that Watergate should not be pushed too far lest, by destroying the President, we destroy the effectiveness of the American government. Newsweek quotes a Republican Senator: "It's no longer save the party or even the President. It's save the presidency." Even The Washington Post had an editorial exhortation the other day calling on everyone to rally round "the objective of redeeming the credibility and honor of the presidency." How seriously is this line of argument to be taken? Should people refrain from criticism, however well merited, on the ground that Mr. Nixon is the only President we have?

One thing to be noted is that this doctrine seems to be reserved for Republican Presidents. I don't remember its ever being invoked when Franklin Roosevelt and Harry Truman were under criticism (even though they were never under criticism for anything as sinister as the Watergate affair). Nor was this doctrine in the minds of the Founding Fathers when, in establishing the American government, they rejected the English idea that the king could do no wrong. It is a singularly un-American proposition that authority must have respect, whether or not it has earned it.

In this connection, Henry Kissinger's recent plea for "compassion" for the Watergate conspirators provided one of the most offensive moments in the whole squalid affair. This is an administration that has never shown compassion for anyone, except for big and incompetent business, like Litton Industries and Lockheed, that, indeed, has seemed to rejoice in kicking people when they are down. Recall, for example, the extraordinary pieces of vituperation against George McGovern by White House assistants on the Op Ed page of The New York Times in the month after the election. "The only way to attack crime in America," President Nixon instructed the nation recently, "is the way crime attacks our people—without pity." It would surely be more fitting for this administration, instead of starting an amnesty campaign for the Watergate 16 (or whatever the ultimate body count may be), to live and die by its own professed creed.

There is only one person who can redeem the credibility and honor of the presidency now, and that is the President. The speech and the housecleaning are a beginning, but no more. Only the full truth and condign punishment will begin to restore confidence in the administration. One thing he would be wise to do at once is to reinstitute regular conferences. If he had been exposed to constant questioning by the press over the last ten months, he would not have remained in such a state of invincible ignorance over the misdeeds of the men he describes as "his closest friends and most trusted associates."

And Watergate is only part of the problem. What we need is a return to a constitutional presidency in every field. President Nixon must explain—better than Secretary Rogers did in his feeble statement the other day—by what constitutional authority he keeps on bombing Cambodia; by what constitutional authority he makes extravagant and unprecedented claims of executive privilege; by what constitutional authority he uses impoundment as a means of refusing to execute the law. The Constitution is a spacious document under which very strong men have been able to conduct the affairs of state. One must hope that after Watergate President Nixon will show a greater sensitivity to the Constitution across the board.

SENATOR GOLDWATER'S STATEMENT

The question remains: what if further investigation shows that President Nixon did, contrary to the implication of his speech, know after the fact and approved the policy of cover-up? Even more, what if it turned out that he knew before the fact and approved the policy of espionage and sabotage? Merely to ask the question is to show how far confidence has eroded. Yet as a recent California law suit has shown, Mr. Nixon, when he ran for governor of California, permitted somewhat similar clandestine operations in his campaign a decade ago. It is his style. Senator Goldwater stated the issue with his customary directness: if it were shown that Mr. Nixon had in any way been "dishonest about this, then I think the impeachment would certainly come."

This brings me to my last point. Let us, as William F. Buckley Jr. did the other day, assume the worst. Let us suppose that President Nixon is "guilty of a misprision of felony," which, as Mr. Buckley points out, is itself a felony. What then? Interference with the electoral process would certainly qualify as a high crime misdemeanor under the Constitution and therefore as ground for impeachment. Mr. Buckley argues strongly against impeachment on the ground that the punishment would be visited primarily on the state. "An appropriate punishment, tough on the malfeasor, but intelligent and magnanimous upon the innocent state, would be the censure of the President by the Congress.

There are many obvious objections to this course. It would mean, first of all, that a President who commits a crime would receive a much smaller penalty than a citizen who committed the same crime. Such selective punishment hardly represents equal justice under law. President Jackson stated the issue properly in 1834. The President, he said, "is liable to impeachment for high crimes and misdemeanors, and on due conviction to removal from office and perpetual disqualification; and notwithstanding such conviction, he may also be indicted and punished according to law. He is also liable to private action of any party who may have been injured by his illegal mandates or instructions in the same manner and to the same extent as the humblest functionary."

Jackson was responding to the only comparable action in our history—a resolution of censure passed by the Senate on the ground that, in removing the government deposits from the Bank of the United States, the President had "assumed upon himself authority and power not conferred by the Constitution and laws, but in derogation of both." This resolution, Jackson went on to point out, charged him with having committed a high crime. It was therefore "in substance an impeachment of the President." If Congress were serious, Jackson said, it should impeach the President. Otherwise it was evading its own constitutional responsibility.

NO HALFWAY HOUSE

All this assumes, of course, President Nixon's complicity in the original crime or in the subsequent cover-up. Should this complicity be proven, Congress will have to bite the bullet and move toward impeachment. There is no halfway house. Nor, indeed, would the state be more punished by impeachment than by the continuation of a lawbreaker as its chief magistrate. What sort of example would that be of law and order at home? What kind of demonstration of American probity would it be to the world? We would not only look cynical; we would look ridiculous. Let us hope that we never come to this, that a special prosecutor will be appointed, that responsibility will be definitely placed, that the President will be unequivocally cleared. But the next step is still up to Mr. Nixon.

Mr. McGOVERN. Mr. President, a second thoughtful treatment of the Watergate issue is an address delivered by Mr. Edward L. Ericson, member of the Board of Leaders of the New York Society for Ethical Culture. Mr. Ericson spoke on New York Radio Station WQXR on Sunday, April 29, 1973. His address, dealing with the moral implications of the Watergate affair was called to my attention by my longtime friend, the distinguished New York attorney, Frank Karelsen, Sr.

I ask unanimous consent that this brilliant analysis by Mr. Ericson be printed at this point in the Record.

There being no objction, the address was ordered to be printed in the Record, as follows:

No Time to Despair—Rising to Meet Our Moral Crisis

If at the present moment the United States of America is in a state of moral confusion, it is because our power has been gathered into the hands of a small circle of ruthless men who feel accountable to no one and accordingly behave more like the palace guard of a Babylonian despot than the servants of a great democracy.

If we are appalled that moral rot is exposed at the very summit of national political power and that almost inconceivable fraud and corruption are now disclosed in our corporate life, we cannot pretend that these are misfortunes visited upon an innocent and gullible people. In the metaphor of an old American saying, these are only the chickens coming home to roost—evidences of the abuse of power too long condoned.

In rapid succession, three events have been disclosed which require every thoughtful citizen to make moral appraisal of our standards of public life: The Watergate affair—which has sullied the presidency itself. The ITT involvement in Chile—a shameful and dangerous misuse of corporate influence. And the multi-million dollar fraud of the Equity Funding Corporation which has shaken the worlds of Wall Street and insurance.

Any one of these three monumental scandals should be enough to shake our complacency. Together they tell us that the day of reckoning for American democracy cannot be far off. The storm warnings are all flying. In government, in business, in finance, the American people must demonstrate their moral capacity to reform and govern themselves by decent standards—or lose even the appearance of democracy. Since time does not allow us to examine all three of these instances in detail, I shall confine my topic to the ethical analysis of the Watergate, with some suggestions of what we must do to restore credibility to the processes of government.

I do not believe that such a testing of the nation should produce despair. There is no time to despair. On the contrary, there may be opportunity for reform in the current crisis. If we did not experience an event like the Watergate, the thousand little deceits and obstructions of justice which we daily ignore, could chip away our freedoms bit by bit. The Watergate may give us occasion to restore the integrity of American life by making it impossible for all but the most incorrigibly foolish to pretend that nothing is amiss.

Since the days of Joseph McCarthy, the concept of subversive activities—of un-American activities—has been so grossly abused, that one resorts to such language with hesitation. Yet, I think that no weaker term fully describes the outrages which have been committed against the ethics of democratic government in recent months. Is any son or daughter of this free land stupid enough, or morally obtuse enough, to believe that these events can be shrugged off as only the trifling effort of a little band of political zealots to interfere with another band of politicians?

The victim of the Watergate is not a politician or a party. The victim is constitutional government itself, the integrity and credibility of free institutions. One cannot excuse these crimes against the democratic system with the easy attitude that such behavior is only politics as usual.

Those who are accused of involvement are entitled to a fair trial. Only then can individual guilt be established. But the events of Watergate which are already on record are sufficient to fix this incident as one of the most serious attempts in our history to subvert American democracy.

So if one wishes to speak of subversive activities, nothing charged against the luckless defendants convicted a few years ago under the Smith Act remotely approaches Watergate as an attempt to obstruct free government. Those who participated in these deeds are truly more dangerous to constitutional freedom—more subversive in the strict sense—than all the would-be anarchists and revolutionaries who ever gathered in little corners and darkened cellars to plot their uprisings. There is no betrayal equal to that of men of power who preach law and order while attempting to sabotage an election and obstruct justice.

Observers of American life have frequently deplored the stealing of elections which was once so familiar, especially in rural and big city politics. But these old abuses, which had largely given way to *stricter concepts of* civil rights, were of a more primitive order. The Watergate introduces a more ominous pattern for the future—one familiar to the nations of Europe which fell victim to the sophisticated techniques of modern totalitarian control. Let there be no mistaking what the Watergate implies, if we do not root out the last vestige of this cancer. It brings us considerably closer to the technological dictatorship of George Orwell's nightmare world of 1984, where tyranny is presented as freedom, where public opinion is fabricated to reflect Big Brother's commands. And where the heads of the police power act as political lackeys.

In Lewis Carroll's fantasy of Alice in Wonderland, the Cheshire cat gradually disappears—until all that is left is his grin. The events of Watergate have given us Lewis Carroll's disappearing cat in reverse. All that we now see is the grin, but if we do not take care, we have witnessed the beginning of the appearance of a specter who will haunt our future—not Carroll's Cheshire cat, but Orwell's ever-present, ever-listening image of Big Brother.

(Incidentally, I might inform our radio listeners that beginning a week from this coming Thursday at 7:30 P.M., I shall offer two lectures on "The Impact of the Democratic Vision"—in the second of those addresses, on May 17th, dealing specifically with some representative Utopias and anti-Utopias, including George Orwell's and Aldous Huxley's dark visions of a future which we may be producing through the perversion of freedom and progress. The public is invited to both of these lectures on May 10 and May 17 at 7:30 P.M., at the Ethical Society Meeting House, as well as to hear my colleagues on other Thursday evenings in this six-week series, already in progress.)

Why are liberals and conservatives, Democrats and Republicans, so deeply troubled by the events at the Watergate? Those who take free government seriously know that democracy's days are numbered when a national political campaign can be subverted and sabotaged, when a public opinion poll can be manufactured to specifications with campaign money—when the evidence of all this can be willfully concealed and condoned by officials acting under the protection and prestige of the presidency. These are grave crimes, and enough has already been documented in the conviction of the defendants to establish that the culprits were not acting without important sources of sponsorship and enormous quantities of money.

Similar acts of political infiltration and provocation may have been even more serious in distorting last year's election. The nagging fact—still not entirely realized—is that we do not know how the election of 1972 would have come out, if these events had not transpired; for the first victim of this elaborate campaign of political fraud was Senator Muskie of Maine. At the beginning of the New Hampshire primary early in 1972, Mr. Muskie was the leading candidate of his party. His greatest popularity was in his home region, northern New England. But then, as most Americans now know, a fraudulent letter was concocted to represent falsely the Senator as a bigot who had spoken abusively of New Hampshire's citizens of French Canadian descent.

Senator Muskie never overcame the damage of this act of forgery. His elimination from the presidential contest certainly changed the dynamics of the entire election. This circumstance, combined with other acts of infiltration and fraud which are now coming to light—and we can only speculate how and many other misdeeds were committed—casts a grim shadow across the most sacred act of free government—the selection of a president and a congress.

Is it any wonder that Vice President Agnew's former Press Secretary, Victor Gold, in a recent essay in the New York Times, shared his profound shock and sense of betrayal by people close to the President—people who had come to power in the name of law and order while trampling both. Is it any wonder also that James Kilpatrick, a dean of conservative reporters and a longtime defender of the President's fiscal and Indo-China policies, virtually wailed his soulsickness before a television audience that these essentially police state, gangster deeds had been committed in the citadel of a supposedly conservative, constitutional government.

How many people in this audience remember Alfred Landon? Hardly anyone under fifty will recall much about the Kansas governor who carried the Republican banner against Franklin Roosevelt in the presidential race of 1936—and incidentally managed to win even fewer electoral votes than George McGovern won in '72. But if you watched the GOP convention in Miami last summer, you may have seen Alf Landon, the old presidential candidate from the Sunflower State, introduced as the grand old man of his party. Well, what does the Grand Old Man of the President's party think of the Watergate—and of the men close to the President who were involved? Writing in the New York Times last Wednesday, Landon confronted the issue squarely as a moral crisis of the gravest nature.

"The inherent moral questions," he wrote, "are getting worse and worse and worse. The question of character is coming in more and more all the time."

So I hope no one will be deceived into thinking that we are merely "talking politics" this morning. What we face is the necessity for making a moral judgment—of examining the standard of democratic ethics as it is understood and practiced by those who in recent years have surrounded the president and have been among his most important advisors and deputies. Alf Landon doesn't think Watergate can be dismissed as a political question. James Kilpatrick does not think it is a mere political issue. Barry Goldwater is not confused about the principle involved. These men, all Republicans and Nixon supporters, recognize the Watergate conspiracy and the consequences which flow from it as an effront to democratic standards and American morality.

Former Governor Landon doesn't think much of the former Attorney General's lame attempt to justify himself by whimpering that others kept bringing the conspiracy "back and back and back" to quote John Mitchell's words. Landon wrote what all Americans must have been thinking, had they been able to put the issue before former Attorney General Mitchell.

"We have the then Attorney General of the United States," Landon declared in his article, "with more power than J. Edgar Hoover had in his prime, finally admitting that he participated in three conferences where the bugging of Democratic National Committee headquarters in the Watergate was discussed. He could have flatly put a stop to it by simply saying, in the first conference, 'If you fellows ever go ahead with your proposed stupid, immoral and illegal plans, I'll throw the book at you, either as crooks or as 'nuts' ".

"Instead," writes Landon, "John Mitchell apparently pussyfooted around with two more conferences. He knew who was involved when it happened. He should have had them prosecuted the next day."

Then Landon goes on to say: "The astounding contradictions in his own statements have shaken and alarmed our citizenry. At the least an Attorney General of the United States has lowered the ethical standards of his high position and his profession by his conduct, betraying the confidence of the President of the United States. . . ."

"The real damage," Gov. Landon concludes, "is the diminished public confidence in, and respect for, our highest public office in the United States of America."

One need not attempt to improve upon this judgment of the former Kansas Governor and Republican presidential nominee. Apparently, Alf Landon—who is 86 years old this year—is an old fashioned American who still takes seriously the belief that law and order—and honest dealing—apply to the rulers no less than to the ruled.

So far, leading statesmen like Landon and Senator Ervin, and the editorial writers of our newspapers, have shielded the president from any suggestion of personal wrong doing. They have stressed that the President's trusted advisors and lieutenants deceived him. All Americans want to believe that our Chief Executive is not implicated.

The ordinary citizen knows that these sorry events do not belong in the house of Jefferson and Lincoln—dealings which would be more at home in Stalin's Cheka or Hitler's chancery. Elaborate plots involving trained espionage agents equipped with sophisticated instruments to disrupt democracy cannot be passed off as ordinary political capers. It is the stuff of which Animal Farm and Brave New World and 1984 are made. If not effectively outlawed, Watergate is the beginning of tyranny on tape, of dictatorship by remote control.

So Mr. Nixon must do much more than protest his personal innocence. Before the presidency can be restored to a position of respect and confidence, the entire structure and atmosphere of presidential government must be changed. The question of the President's personal involvement does not go to the heart of the matter. Something is fundamentally wrong with a concentration of influence which makes a president so woefully dependent for information and advice upon a secretive palace guard. For years members of congress and members of the President's own cabinet have complained about their inability to get through to the Chief Executive over the heads of an arrogant, power-grabbing and apparently ruthless inner circle.

No, Mr. Nixon cannot walk away from this affair and pretend that it was an abuse beyond his control. He built this byzantine White House complex against the advice and alarm of many thoughtful citizens, including leaders of his own party. It ill-befitted the Chief Executive of a democracy from the beginning. It made and kept the president isolated from responsible political opinion, putting subordinates in a position of excessive influence and censorship over the President himself.

It is a tragedy indeed that a President must vindicate himself by pleading how invincibly ignorant he remained of a situation which had disturbed responsible journalists and knowledgeable citizens for many months. I recall having read with astonishment some months ago that the President avoids newspapers and columnists who are critical of his policy and style, because they upset him. But can a President's ego justify his refusal to keep himself informed about every shade of opinion and criticism?

As every intelligent school child learns, it is the weakness of despots and dictators to surround themselves with flatterers who keep them ignorant of the people they govern. This is surely no model for the elected leader of a democratic republic to follow. So Mr. Nixon and the office he represents cannot remain successfully above the Watergate. The Watergate monster has two horns—the horn of guilt and the horn of nonfeasance—and if the President is to avoid being gored by the one, he must impale himself upon the other. No president can be aware of everything in government but to be a prisoner in his own house ignorant of events involving his closest associates which have haunted the country for months is hardly a satisfactory defense. Then to announce an investigation that turns out in retrospect to have been a whitewash, put in the hands of those with an obvious conflict of interest, is to compound the fault. The White House has been damaged, and that damage has been done from within.

But there are also heroes in this story; and because heroes are still possible in this land, we have reason to hope. The heroes to emerge from this dismal business—who have done more to spare democracy in America than many who have won decorations in battle—include two persistent reporters of the Washington Post, Bob Woodward and Carl Bernstein, who refused to quit when enormous pressure was exerted upon them and their newspaper.

The Washington Post, and especially its outstanding editor, Benjamin Bradlee, deserve the gratitude of every American who cherishes free elections and a free press. We must recall that not long ago the Washington Post and the New York Times were singled out for special criticism by Administration spokesmen because they had the audacity to question the policies of our untouchable lords and masters. We can be grateful that we have a free press—and keep it free!

Now that we know in part what happened at the Watergate, we must see that corrective steps are taken. At least these are a minimum:

The entire affair and all other efforts at political disruption should be examined by an independent commission, supported by investigators who are not beholden to the White House.

Congress must make certain by law that the head of the FBI is never again politically subservient or partisan.

The president must drastically reduce White House government by secrecy, which inevitably encourages conspiracy and deceit; and the Chief Executive must restore the lawfully appointed cabinet to its intended place of counsel.

Finally, and most important of all, the shameful and destructive dictatorship of the dollar over our elections must be stopped. Other democracies effectively restrict campaign spending to a decent level; and we must do so, if our government is not to be bought entirely.

These steps, at least, need to be taken to restore some measure of public responsibility.

Maybe we have learned. Maybe the American people now see how easily we could lose our freedom. Perhaps if we know that—and act upon what we know—we may restore democracy and repair the civic morality which is its foundation.

(Ethical Culture is a humanistic religious and educational movement, without sectarian creed or theology, which unites men and women of all races and religious backgrounds upon the principle of commitment to human worth and a common quest of ethical living. The New York Society for Ethical Culture is a member of the American Ethical Union, a federation of Ethical Societies.)

INTERPRETATION OF SO-CALLED CANADIAN BOAT BILL

Mr. STEVENS. Mr. President, last year Congress passed Public Law 92-601, the so-called Canadian boat bill which prohibits the use of certain small vessels in American waters. These vessels are purchased at Canadian auctions after being prohibited from use in the fisheries of that country.

A question has arisen as to whether the boats may be utilized in the fisheries of the United States for fish other than salmon. This is an important question and affects many potential purchasers.

At my request, the general counsel of the National Oceanic and Atmospheric Administration has clarified this point and interpreted the law as stating that they cannot be utilized in the fisheries of the United States for any species of fish.

I request unanimous consent that the letter of the general counsel of the National Oceanic and Atmospheric Administration of April 17 plus enclosure be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

U.S. Department of Commerce,
Rockville, Md., April 17, 1973.

Hon. Ted Stevens,
U.S. Senate,
Washington, D.C.

Dear Senator Stevens: This is in response to your request for information upon which to address a reply to your constituents, Julien Maule and E.W. Huntley. These gentlemen represent that they purchased 3 fishing boats at auction, conducted pursuant to the Canadian "buy-back" program, on October 28, 1972, in Delta, British Columbia, Canada. The vessels are subject to the provisions of Public Law 92-601 which was enacted the day prior to the auction. As your constituents point out, a representative from the Seattle office of NOAA attended the hearing to notify prospective bidders of enactment of the law so that they would not be caught unawares by its provisions.

The statute makes it unlawful for any person on board a prohibited vessel to transfer at sea or land in the United States prohibited fish. The terms "prohibited fish" and "prohibited vessel" are defined in section 5 of the Act. "Prohibited fish" means fish "which such (prohibited) vessel was authorized to engage in the catching of. . . ." "Prohibited vessel" is defined as "a vessel of less than 5 net tons which was (a) constructed in a foreign country, (b) used in a fishery of the country, and (c) subsequently prohibited by such foreign country from being used in such fishery. . . ." This is consistent with the views expressed during consideration of the bill by representatives of the Administration. Since the definition of "prohibited vessel" is cast so that the prohibitions which apply to the vessel in the United States would be coextensive with the prohibitions imposed by the foreign country, one must look to the extent of the original foreign authorization and the subsequent prohibition in order to determine the extent of the prohibition in our law. At the time of the auction, we were unable to ascertain the precise terms of the Canadian statute governing the authorization and subsequent prohibition applicable to the boats sold at the "buy-back" auction. We have subsequently determined Category A and Category B vessels of the type sold at the auction are permitted to engage in commercial fishing operations in Canada.

In addition, these vessels only are entitled to be issued a salmon fishing tab which permits a vessel to engage in salmon fishing operations. A Canadian vessel that holds an "A" or "B" category license together with a salmon tab can participate in *all* fisheries in British Columbia. There is no exception to the species that may be fished. This fact has been confirmed by letter of Mr. M. P. Houghton, Chairman of the Salmon Vessel Licensing Committee, to Mr. Donald R. Johnson, our Regional Director, NMFS, Seattle (copy attached). Accordingly, I conclude that the vessels at auction were authorized to engage in any fishery of Canada.

In addition, I note that Canadian law (P.C. 1972—3022, December 19, 1972, which I understand enacted into law the prior emergency regulations which were promulgated at the same time the "buy-back" program went into effect) provides: "Except as authorized by the Minister, no vessel that has been purchased under the buy-back program shall be used in commercial fishing operations, including the collection and transportation of fish."

To sum up, the vessels in question were "authorized to engage in the catching" of all species of fish and were "subsequently prohibited" from being used in any fishery. Therefore, under the terms of the statute the vessels are "prohibited vessels", and the prohibition against the transfer and landing of "prohibited fish" must, according to the definition of that term, apply to all species. Any other interpretation would be contrary to the intent of the legislation.

Sincerely,

James W. Brennan,
Acting General Counsel.

January 29, 1973.

Mr. Donald R. Johnson,
Regional Director, U.S. Department of Commerce, National Marine Fisheries Service, Seattle, Wash.

Dear Mr. Johnson: This will acknowledge your letter of January 18th requiring further information on the B.C. Salmon Vessel "Buy-Back" Program.

A salmon vessel that holds either an "A" or "B" category license can participate in all other fisheries in British Columbia. There is no exemption to the species they may fish.

I would assume, therefore, that any vessel purchased by the "Buy-Back" Program and subsequently sold to U.S. buyers would not be permitted to be licensed in any maritime fisheries in United States waters. If this is the case, would you kindly advise so that we would be in a position to so instruct future U.S. buyers when further auctions are conducted.

Sincerely,

M. P. Houghton,
Chairman, Salmon Vessel License Committee.

GENOCIDE CONVENTION OPPONENTS REBUTTED

Mr. PROXMIRE. Mr. President, it is unfortunate that the controversy surrounding ratification of the Genocide Convention has persisted for so long. The number of nations who have responsibly ratified the convention is large; the United States is one of a small minority of nations which so far have refused or neglected ratification. This situation must change.

Discussion of this issue is not limited to the Senate. Substantial interest has been raised in many areas across the country. The issue has been fully debated. One of the most effective statements of the reasons we should ratify the convention was published as a letter to the editor in the May 5, 1973, edition of the Milwaukee Journal. The author, Bruno U. Bitker, is a longtime staunch supporter of the convention and the principles it embodies. Mr. President, I ask unanimous consent that the text of this letter be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

UN Genocide Treaty

To The Journal: A recent letter opposing the United Nations treaty making genocide an international crime, indicates a misunderstanding of the document. The writer asserts that the treaty was "ordered" by the UN. In fact, under the leadership of the United States, it was approved voluntarily by member nations of the UN. No nation is "ordered" to ratify it. The United States signed it in 1948. Since then, 75 sovereign nations throughout the world have ratified it; only the United States, of the big powers, has failed to formally do so, despite urging by presidents from Truman to Nixon. This neglect is a matter of constant confusion to our friends in the international community, and of satisfaction to our enemies.

The treaty seeks to prevent the mass destruction of a wide variety of groups of human beings. The writer objects because it does not also include political groups. Making the mass murder of "a national, ethical, social or religious group as such" obviously includes most of mankind. It is difficult to understand why the extermination of human groups because of their race, their religion or their ethnicity should not be made an international crime.

The writer further objects because the crime covers mental as well as bodily harm. Either method constitutes a crime when it is used "with the intent to destroy" the victimized group. As more forms of torture in World War II, in Asia and Europe are exposed, and as we learn more about "medical experiments" even in current wars, we recognize the need to include mental harm.

It is correct that the treaty requires the accused to "be tried by a competent tribunal of the state" where the crime was committed, or "by such international penal tribunal as may have jurisdiction." Unfortunately, despite the current madness of terrorism in the world, no such international criminal court now exists. However, growing out of conferences recently held at the Johnson Foundation in Racine, a statute has been drafted which would create an international criminal court with power to try those accused of terrorism and genocide and similar internatioanl crimes. It is needed.

Ratification of the genocide treaty by the United States is long past due.

BRUNO V. BITKER,
Chairman, Governor's Commission on the U.N.

HOSTILITIES IN INDOCHINA

Mr. ABOUREZK. Mr. President, on January 27, 1973, the U.S. Government signed an agreement which we all hoped would lead to the termination of American involvement in hostilities in Indochina and would signal a new era in U.S. policy in Southeast Asia and throughout the world. More than 10 long years of war had taught us something about the bankruptcy of past policies—or so we thought. Recent developments in Cambodia, however, have raised serious questions about the validity of this assumption. These questions, in turn, have fostered serious and justifiable concern that our new directions in Southeast Asia are but past policies recycled. This is an alarming and discomforting revelation. It is one, however, that cannot be easily dismissed.

As the days pass, and the American bombing raids continue, I am becoming increasingly concerned about our involvement in the Cambodian civil war. Just a few short months ago, amidst the atmosphere of relief which accompanied the signing of the Paris accords, we heard hopes of an all-Indochina peace agreement, or at least a de facto ceasefire in Camobdia. These hopes have long since dissipated, and U.S. bombers are currently engaged in some of the heaviest raids of the war. There is little evidence to suggest that any reduction of the U.S. military presence in Cambodia is imminent.

In my view, there is no moral, legal or constitutional justification for the American bombing of Cambodia. Cambodia is not a member of SEATO and has no defense treaty with the United States. The Tonkin Gulf resolution, which President Johnson often cited as his authority to wage war in Indochina, was repealed by Congress in 1971. And the final justification—that U.S. air raids were necessary to protect the lives of American troops in Vietnam—expired when the last U.S. forces left Vietnam at the end of March.

Since that time, representatives of the Nixon administration have conjured up a number of spurious arguments to justify the continued bombing of Cambodia. We have heard the Secretary of Defense contend that this operation constitutes the "winding up of a residual aspect of the Vietnam war." We have heard other administration officials suggest a connection between the bombings and Mr. Nixon's election mandate, whatever that might be. We have heard the Secretary of State argue that the United States is continuing bombing in Cambodia, and elsewhere, to encourage compliance with article XX of the Paris accords, even though Cambodia is not a party to those agreements and even though it is questionable that the North Vietnamese are in fact involved in hostilities in that country.

Despite these and other administration assertions, the inescapable fact remains that American bombers continue to fly their deadly missions over the Cambodian countryside, hoping to influence an internal power struggle which we do not have the ability or the right to control. The bombing cannot stop the war. It cannot determine the outcome. It can only prolong an already untenable, unfortunate, and inhumane situation.

I am afraid that our current activities in Cambodia are sadly reminiscent of our tragic and misguided intervention in Vietnam. Once again, we are providing massive economic and military aid to a regime which is totally lacking in popular support in the hope of maintaining a government which will be favorable to American interests in Southeast Asia. This policy, in my view, is based on false hopes and neglects the essential realities of the Cambodian situation. If we seriously desire to bring an end to the fighting in Cambodia, we should emphasize the diplomacy necessary to bring the peace, not the bombing which will only prolong the war. We will have to take the initiative in fashioning a political settlement which is the prerequisite of any military settlement. Further American disregard of this reality can only bring continued large-scale destruction of human life while offering little hope of preventing the eventual demise of the Lon Nol government.

Unfortunately, there has been no indication that the administration is ready to acknowledge this fact. On the contrary, we now learn that, in the second supplemental appropriation bill for fiscal year 1974, they are asking for more money to "provide the Defense Department with the needed flexibility to cover additional Southeast Asia costs." Upon closer examination, this bill reads ominously like a Gulf of Tonkin authorization for continued bombing in Cambodia. It provides the Pentagon with the authority to transfer $430 million from one Department of Defense account to another, a large portion of which would be used to help pay for the bombing of Cambodia and for other U.S. military operations in Southeast Asia. I fear that passage of this military appropriations bill, in addition to providing funding for our military adventures in Indochina, will enable the administration to point to congressional funding of the war as justification for its military operations in Indochina.

I am encouraged that the Congress is acting to avert this possibility. Just last Thursday, the House of Representatives voted to block the use of Defense Department funds for the continued bombing of Cambodia. And, yesterday, both the Senate Foreign Relations Committee and the Senate Defense Appropriations Subcommittee took action to stop this illegal activity.

I am greatly encouraged by these developments. However, our efforts to stop the bombing cannot end here. We have heard administration officials proclaim that, even if the Congress blocks the Pentagon's request for this transfer authority, the bombing will continue. The arrogance and irresponsibility of this position is most alarming. It should not be tolerated—by the Congress or the American people.

As I read the daily news reports of the rapidly deteriorating situation in Cambodia, my concern about the wisdom of our Cambodian policy only increases. How quickly we seem to forget the lessons of history. How quickly we seem to forget the tragedies of the past.

The President can continue to speak about "peace with honor." He can continue to extol his achievements in Vietnam. His surrogates can continue to insist that his policies in Vietnam, Laos, and Cambodia are the essential fabric of a "lasting structure of peace" in Indochina. Yet, the fact remains that America is still at war in Indochina, and there is apparently no end in sight.

I believe that, as the Congress continues to consider the second supplemental appropriations bill with its controversial transfer authority clause, it is imperative that the United States take a long, hard look at its Indochina policy.

It is time to isolate the substance of this policy from the rhetoric and to examine its premises and contents. I long for real and meaningful peace for Indochina. So, I believe, do the people of Indochina and the United States.

It is fine to talk in terms of national honor. But, there is little honor in the senseless destruction of countryside or in the deprivation of homeless refugees. The message is clear. It is time to take action to truly secure the peace. If the administration is not willing to take this course of action, the Congress must act for them.

LEONARD SPACEK DAY IN CHICAGO

Mr. PERCY. Mr. President, the mayor of the city of Chicago and the city council declared May 12, 1973, "Leonard Spacek Day," commemorating the distinguished service of Leonard Spacek, senior partner of Arthur Anderson & Co. That evening I was pleased to join with other citizens of Chicago in paying tribute to Leonard Spacek on the occasion of his retirement from Arthur Anderson. Various speakers depicted for the leaders of the community who had assembled various aspects of his life—including Leonard Spacek's outstanding contributions through the years to the growth, economically, and culturally, of the city of Chicago, to his contribution as a leading member of the American accounting profession and to his service to the Nation as well.

Leonard Spacek, as head of Arthur Anderson, has contributed immensely to its present position as the largest public accounting firm in the world, operating in 35 countries with more than 12,000 employees. He has contributed to the educational and cultural life of Chicago and has been a major factor in its philanthropic, charitable, and civic activities.

But the one quality possessed by Leonard Spacek that is more pertinent to the problems of today than any other is that of utter integrity.

It has been my observation in my travels throughout the world, both as a businessman and as a public official, that the ethics and morals of the American business community stand above all others in the world. The American accounting profession has been responsible for helping American business achieve this reputation and no man in the profession has done more to enhance the ethical standards, procedures, and practices of American business management as well as of government than Leonard Spacek.

He has already had a lifetime of accomplishment, but as he retires as active head of a great international business organization, we can all look forward to the many years ahead that he has of public service to his city, State, and country.

I look upon my friendship with him as a valued part of my own life and take great pride in his accomplishments, past, present, and future.

THE PRESIDENT'S RELATIONSHIP WITH CONGRESS: THE VIEWS OF DR. LOUIS FISHER

Mr. HUMPHREY. Mr. President, during this session of Congress, a great deal has been heard about the struggle between Congress and the Executive. There has been discussion and debate about impoundment and line-item type vetoes, the doctrine of executive privilege, the administration's horrendous budget cuts of funds for needed social programs, and the effort by Congress to reform its appropriations process.

Some have called this situation a constitutional crisis. Some have said that the ultimate resolution of conflict will be the U.S. Supreme Court.

In the April 23 issue of U.S. News & World Report, we are presented with one more opinion—and I think it is a particularly excellent one. Dr. Louis Fisher, author of the book "President and Congress" and a leading expert on legislative-Executive relations, is interviewed in the journal.

Mr. Fisher notes:

> I think that both Congress and the President have been party to the fiscal situation, and if I had to allocate responsibility, I would place more of it on the administration than on Congress.

The balance of this interview contains information on the background of the crisis and Dr. Fisher's solutions to the various problems at hand. I urge my colleagues to take notice of Dr. Fisher's opinions and I request unanimous consent that the entire text of the interview be printed in the Record.

There being no objection, the text of the interview was ordered to be printed in the Record, as follows:

POWER STRUGGLE IN WASHINGTON

(Interview with Dr. Louis Fisher, author, and analyst for the Library of Congress)

How serious, in history's perspective, is the widening rift between the White House and Congress? Can it be closed—and, if so, how?

For one view of this problem, "U.S. News & World Report" invited to its conference room a political scientist who has first-hand knowledge of congressional operations.

Q. Dr. Fisher, is the power struggle that is now going on between Congress and the White House really any different from conflicts in the past between the two branches of the Government?

A. This one certainly is different from those of the past. It is becoming a crisis, and I don't know of anyone who can see how it's going to be resolved.

I should make it clear at this point that the views I express here are entirely my own, based on my long interest in this general subject, and in no way do I speak for the Library of Congress.

Q. What kind of crisis do you foresee?

A. We are moving toward a stalemate in Government—we're far too close to one right now—and it could have very serious consequences for the country.

Part of the crisis comes from the fact that some of the programs authorized and funded by Congress are not being carried out by President Nixon and his Administration.

But the more serious part of the crisis, which can have long-term results on the country, is a growing sense in Congress that this is part of a grand design by the Administration to enlarge presidential powers beyond anything yet assumed by Chief Executives of the past.

Q. Why would this produce a crisis in the Government?

A. Because it is destroying the good faith that is essential if the two branches are going to carry out their related functions effectively. You see, there's nothing in the Constitution itself which defines exactly how the two branches are to work together. Always this has been done by self-restraint on both sides in defining the limits of their respective powers.

This factor, throughout most of our history, has made Government more effective. Congress could then give the Administration some discretionary authority in carrying out terms of the legislation to make allowance for administrative or other difficulties that could not be foreseen.

Now we are seeing the Administration, through the Office of Management and Budget, impounding money voted by Congress for specific programs—that is, refusing to release it to the agencies designated by Congress and doing so for political rather than administrative or technical reasons. They do this by abusing the customary discretion given them in the legislation itself.

As a result, Congressmen have to wonder if all legislation is going to be treated this way. There is the ultimate danger that perhaps they will conclude that the only defense is to write the bill in such a rigid and inflexible way as to eliminate discretionary phrasing.

This might curb the practice of impoundment, but it would also reduce efficiency in the spending of that money. And you might go from that to absolute stalemate, to ineffectiveness in Government.

Q. In effect, does impoundment give the President another type of veto over legislation he doesn't like?

A. Yes, that is the effect. It is even more powerful than a veto because Congress lacks a means of overriding an impoundment action.

We have a case in the water-pollution bill that was passed last year over a presidential veto. Here was a clear declaration of congressional insistence on a program on which there had been much deliberation as to what was in the national interest. Yet the President has ordered an impoundment of contract authority that has cut the program by 55 per cent. This was not a mere deferral of spending for technical reasons; it was a political decision by the President that the legislation involved too much "budget busting."

Congress had made a national commitment to clean up the waters. That commitment, unlike earlier ones to build highways or put a man on the moon, has been subordinated to other presidential goals. It isn't a case, as Mr. Ehrlichman [presidential assistant John D. Ehrlichman] has said, that we lack the contractor capability to spend all of the water-pollution money. If you make the commitment, the contractor capability will come—as it did with highways and the space program.

Q. On the other hand, doesn't President Nixon feel that Congress is paying very little attention to his budget?

A. No doubt he does, but his budget is merely a recommendation. There is nothing sacrosanct about it. Congress can alter it and modify any way that Congress wants.

I suppose the President feels that at a time of inflation and tremendous deficits, the economic stakes justify his action. A lot of this reasoning borders on the philosophy that the end justifies the means.

It could be argued that congressional inability to match revenue with appropriations has, in a sense, created a situation where the President felt he had to make these impoundments in order to attain his fiscal goals. On the other hand, the Administration has contributed to deficits through its own spending programs and tax-relief measures, so I don't think the argument is very strong. It was President Nixon who first adopted the "full-employment budget" concept, justifying deficits in the 25-billion-dollar-a-year range.

In short, I think both Congress and the President have been party to the fiscal situation, and if I had to allocate responsibility, I would place more of it on the Administration than on Congress.

Q. Don't people generally tend to blame Congress more than the President when something like this happens?

A. Yes, because Congressmen individually often criticize the performance of Congress as a whole. You don't often see anything like that in the Administration when errors occur in the economic or military realm.

It does no good to repeat the refrain: "Congress has been bad; Congress has been irresponsible." It merely reinforces the view—a distorted one—that Congress is the culprit and the President is the benefactor.

Q. Have any Presidents in the past gotten into trouble over the impoundment issue?

A. Not nearly as much as at present. I recall that during President Truman's Administration, Congress authorized and funded the building of a flush-deck supercarrier. The Administration stopped that program after the keel was laid and went ahead with what he considered to be better-designed carriers. And President Johnson got into some trouble for impounding.

What we are dealing with now, however, is impounding entirely different in nature. It isn't altogether a matter of dollars involved. You could have Administration "A" impounding 10 billion dollars for administrative or technical reasons, and it would be less serious than Administration "B" impounding 5 billion dollars, half of the time for political reasons—it doesn't like the programs and has no intention of going forward later with the same program or choosing an alternative—and the danger to effective government would be worse.

Q. Do you see any signs that the Administration might back down on the matter of impounding money for approved programs?

A. To the contrary, there is every evidence that it is becoming more aggressive.

Take the program authorized last year by Congress to give financial assistance to returning veterans wanting to go to college or university. This became public law, and 25 million dollars was appropriated, with the Department of Health, Education and Welfare designated to run the program. The interesting thing is that this 25 million dollars has not been "impounded." The Office of Management and Budget has apportioned the money to HEW, but Secretary Caspar W. Weinberger has no immediate intention of implementing the program. Why? Because the Administration has made a request to Congress to rescind the appropriation and will not put the program into effect until Congress acts on that request.

Furthermore, Secretary Weinberger communicated to Senator Jacob K. Javits [Republican, of New York] the news that even if Congress rejected the request to rescind the appropriation for this program, there could be no assurance that the program would go into effect because of the Administration's target for a spending limit of 250 billion dollars for the present fiscal year.

This, to me, seems astonishing, and it's an approach that is being used not only for the program of financial aid to veterans going to college but to other programs. Altogether, I think the total appropriations involved come to 383 million dollars. Here is a very novel kind of "veto power."

For the President to fall back on precedents and say that "Thomas Jefferson did it" does not change the fact that, right or wrong, what he is doing is something much different in nature from past impoundments.

Q. How useful are precedents, generally, in this conflict between the White House and Congress—not only in the use of impoundments but in other exercise of presidential authority such as "executive privilege" to deny information to Congress and use of "executive orders" to achieve legislative results?

A. There are really two difficulties in using precedents:

First, some are very limited in scope and not really applicable outside of very narrow issues.

Second, precedents sometimes lose their acceptability as conditions change. Take, for instance, the many precedents to support malapportionment in the legislatures. After years of accepting these precedents, the Supreme Court in 1962 decided they were no longer acceptable and subsequently ordered reapportionment of voting districts for Congress and State legislatures.

Q. If precedents don't help much, does it then boil down to a matter of what either side thinks it can get away with in extending its powers?

A. That's right. As I said before, it is self-restraint in exercise of separate powers that makes the system workable.

Q. Have there ever been so-called "strong" Presidents who did not engage Congress in heated battles over the exercise of presidential authority?

A. By definition, an assertive President is going to have conflicts with Congress. But these struggles can take place within the system without challenging the system itself. Many Presidents have tried to assert their authority, and many have met with and accepted rebuffs.

Franklin D. Roosevelt tried to change the Supreme Court, and Congress didn't let him get away with it, as one example. He tried to undermine his congressional opposition in the primaries, and didn't get away with that either.

For the tentacles of power to reach out now and then, probing, is in the nature of our system, but the situation today is not just one of "feeling around." It's a frontal challenge to congressional prerogatives.

Q. Many political scientists applauded the "strong" Presidency of John F. Kennedy in the early 1960s. Now they're critical of the "strong" Presidency of Richard M. Nixon. Why?

A. It probably has something to do with the fact that so many academicians are on the liberal Democratic side, and Democrats were in control of the White House for so many years they got used to the idea of "strong" Presidents as inherently better for the nation.

I think there's a lesson to be learned here: that a clear definition of institutional responsibilities is a better way of judging a man's performance than his personality or party. The Senate Foreign Relations Committee noted a few years ago, during action on the National Commitments Resolution, that Congress had committed the error of making a personal judgment as to how President Johnson would implement the Tonkin Gulf Resolution when it actually had a responsibility to make an institutional judgment.

Q. Is a "strong" President likely to become more aggressive when the opposing party is dominant to Congress?

A. I don't think we know about that because it is so recently that the power struggles have intensified. Suppose that a Democrat is elected President in 1976 while the Democrats retain control of Congress. If he keeps all of the national-security machinery that has accumulated in recent Administrations, a lot of the power struggle is going to be built into the system, even if he is dealing with a "friendly" Congress.

Q. What about landslide victories such as those won by Franklin D. Roosevelt, Lyndon Johnson and Richard Nixon? Do they tend to make a President more assertive?

A. There does seem to be considerably more boldness in the second Nixon term than in the first. But I don't know whether that is the result of the landslide or of his lameduck status, where he feels he has nothing to lose because he is constitutionally unable to run for a third term, anyway.

Supposedly his interest in the future health of his party would cause him to be careful, but the 1972 election strongly suggests that he places his own personal success far above that of his party. There was great disappointment by Republicans in the lack of White House support for congressional elections.

Q. Isn't the President—not Congress—supposed to make policy?

A. He contributes, but with the advice and consent of Congress. That's the qualification that is often forgotten, and certainly is not in evidence at the present time. I don't know that the present Administration has sought counsel, for instance, with the chairmen of the Agriculture Committees or of the Agriculture Subcommittees of the Appropriations Committees on impoundments of money for farm programs authorized by Congress.

Q. The President recently said that he spoke for "the national interest," while Congress spoke for "special interests." Would you agree with that statement?

A. Well, there's another aspect to the "special interests"—namely this: In a democratic system, private interests are entitled to the political process. Often they bring useful information and insights to that process for both the executive and legislative branches. So I think it is an exceptionally crude generalization to suggest that the President operates for the "general" interest and Congress for "special interests."

AN ISSUE RIGHT AT THE BEGINNING

Q. In addition to impoundments, what other weapons does a President have in a power struggle with Congress?

A. One type of action is the use of "executive privilege," which became an issue right at the beginning, in the Administration of George Washington.

The House wanted to investigate the American military defeat of General St. Clair [Arthur St. Clair, whose Ohio forces were decimated by Indians in 1791], and President Washington discussed the matter with members of his Cabinet. There was some question whether the papers relating to this defeat should be given to Congress, but in the end they were handed over.

Q. Was that the instance of which President Nixon spoke recently when he said that George Washington set the precedent for exercise of "executive privilege" in withholding information from Congress?

A. Perhaps, or he could have been referring to another instance when the House asked for papers relating to the Jay Treaty [with Great Britain, signed in 1794]. In that case, the President decided not to give the papers to the House. But I don't think this instance is a good precedent either, because the real question was whether the House had a constitutional right to treaty papers which are a matter between the President and the Senate.

In other words, it was an explicit constitutional issue—not one of confidentiality. Washington said that if the House had established a constitutional right such as if it wanted to impeach someone, he would have given them the papers.

Q. Just what is "executive privilege"?

A. President Nixon himself defined it when he said he would use it only for confidential communications between himself and his assistants on matters relating to the national interest—he also used the words "public interest"—and not used in an expansive way simply to protect the Administration from embarrassment.

The question is: How does that principle apply to the Watergate incident? There is the impression, even among Republicans and conservative columnists, that the President's exercise of "executive privilege" relates more strongly to the question of "embarrassment" than of "public interest."

LEGISLATING BY EXECUTIVE ORDER

Q. Can the President, in effect, legislate with an executive order?

A. Yes, and that practice has increased in recent decades. There's no way for me to know the exact situation in the last few years because, while there are clear cases of legislating by executive order—setting up or expanding programs without prior congressional approval—there are many cases, too, of legislating by other means so that they don't have to be published in the "Federal Register" or the "Weekly Compilation of Presidential Documents."

For instance, presidential communications to his subordinates can affect the carrying out of legislation—but Congress isn't even informed of these communications.

Q. Doesn't the pendulum swing back eventually, even to the point where it is Congress that is accused of overreaching its powers?

A. In the past, Congress has occasionally reached out, too—the most notable example of recent times being the investigations of [the late] Senator Joseph McCarthy into the State and Defense Departments.

And not all cases of "reaching out" by Presidents are initiated by the White House. In some instances, you have to decide how much of its came from presidential initiative and how much as a result of delegation of authority by Congress—just as Congress a couple of years ago gave President Nixon the authority to go ahead with the Economic Stabilization Act.

On the whole, I would say that recent Executives tend to initiate the contest for power more often than Congress does.

Q. Did the Founding Fathers foresee this at all? Weren't they fearful of tyranny by a strong Executive?

A. That's a popular but oversimplified idea. Historically it would not hold up. Any fears of executive power the Revolutionary leaders had from their dealings with George III began to recede after 1776, when the Continental Congress not only had to pass laws but administer them and even handle judicial issues.

As a result of that experience, the Constitutional Convention saw the need for a separate executive for reasons of efficiency, accountability and responsibility. But I don't think their experience enabled them to foresee who would become dominant. The executive qualities discussed in "The Federalist" papers—energy, unity, decision, secrecy, dispatch—were what the framers hoped the President would possess, more imaginary than real.

Q. Is the pendulum likely to swing away from the recent emphasis on presidential power?

A. It's a question of how much presidential power is getting built into the system. For instance, back in 1939 the Reorganization Act gave the President six special assistants, who became very close to the President—so close they could claim executive privilege along with the President himself. They did not make policy.

Presidential special assistants are now starting to get their own bureaucracies. Henry Kissinger is developing a staff of 150 or so and beginning to be more of a policy maker than the Secretary of State. President Nixon's successor may introduce some modifications, but basically the setup could continue, whoever his successor is.

Q. What about appointment of key perons such as the Director of the Office of Management and Budget who do not require confirmation by Congress? Should that be changed?

A. I don't know how much more responsive to Congress such persons would be, even if the appointment required Senate approval. The Director of the Central Intelligence Agency is appointed subject to Senate confirmation, but that doesn't assure his responsiveness to congressional queries. And I'm not sure that anything would change much if Roy Ash, the new director of OMB, became subject to confirmation. Still, the budget has such awesome dimensions that Congress has to make the process more responsive to legislative priorities.

WHEN CONGRESS IS DOWNGRADED

Q. Some critics picture Congress as weak and unable to combat presidential authority. Is that a true picture?

A. No. Members of Congress, through their constituents and contacts with private organizations, are kept abreast of current problems. There is a good deal of expertise among men who have not only had a number of years' experience but understand the political system.

Q. Does Congress have the research machinery to match that made available to the Administration by the federal bureaucracy?

A. No, and I do think that Congress ought to have greater access to the reports and expertise generated by the executive branch. Hearings were held last year on Senator Cooper's bill [Senator John Sherman Cooper, Republican, of Kentucky] to make studies on national security and intelligence available to the Foreign Affairs and Foreign Relations Committees.

Q. Do you see any signs of that happening?

A. No, I don't.

Q. Does that mean that Congress then will set up its own research establishment?

A. First, I'd like to see what happens to the bill by Senator Edmund S. Muskie [Democrat, of Maine] which would make the raw budget data from federal agencies available to Congress. It would be a pity if Congress finds that the very agencies it sets up and funds won't give information—including national-security data that is already prepared and could be shared under whatever injunctions of secrecy are necessary.

Q. What about Administration complaints of "leakages" of classified information on Capitol Hill? Is that an obstacle to giving Congress more data from the executive branch?

A. I'm not impressed by that argument. Even if information is disclosed to the Foreign Affairs and Foreign Relations Committees and some staff officials, you may still find that fewer than 100 people get access to that information. Any one of them might leak the information, but so might the thousands of people who have access to it in the executive branch—and they're just as big a risk.

In fact, information leaks are pretty commonplace in the executive branch. To say that Congress can't be trusted is much too arrogant.

Q. Congressmen are always saying they can't get the information they want. Why can't they get it? Are their requests ignored?

A. Here we get into strategies, stratagems and motivations in the executive branch. I'm not in a position to know why information is withheld. I know in my own dealings with federal-agency people that sometimes the information is just not available even to them

Some months ago I spent some time trying to find out about the so-called "feed and forage" laws used by the Pentagon, which has been on the books for a little more than a century. Normally, Congress authorizes and appropriates funds; then the federal agency can obligate the money. But the "feed and forage" law reverses the process. So the Pentagon can obligate the money first; then Congress has to appropriate funds later to liquidate the contractual obligations.

Statistical information on that law had been compiled, then boxed because of storage difficulties and was somewhere around the D.C. area. But whoever knew where it was stored no longer was at the Pentagon, and nobody professed to know where all the information was. I didn't get the sense that they were trying to withhold information; they just didn't know where the material was.

Q. You do get lots of reports from Government agencies—

A. Yes, there's a flood coming down from the executive branch, but often the information is in a form that is of no use to Congress while creating the illusion that the executive branch is making relevant information available to Congress. Staff people on Capitol Hill who look for certain information in computerized reports often just can't find it—and when they call down agency experts to help them look, the agency people can't find it either.

Q. Do you get co-operation occasionally from officials of federal agencies?

A. Oh, yes. They're generally very cooperative.

Perhaps an official feels that his agency will survive better in the budget by co-operating with Congress—and if he believes he can survive politically, he may try it.

However, it's sometimes risky—especially since President Nixon has given so much power to the Office of Management and Budget to control those officials who get out of line.

The former Bureau of the Budget was also subject to presidential control, but the reorganization plans of 1970 changed the situation substantially. All of the former BOB statutory functions were vested in the President, who then redelegated those powers to the OMB.

Instead of merely being an arm of the President, OMB is part of the President. That can have profound effects on professional standards of budget officials.

Q. When you speak of additional presidential powers being built into the system, would that include the tightening presidential control over the entire Administration?

A. I think so. The OMB would have not only Mr. Nixon's personal appointee, Roy Ash, but a number of people, such as Fred Malek and others, who have been on the White House staff. The former Bureau of the Budget certainly was always responsive to the President, but its career professionals were not as politically charged in their judgments as seems to be the case now.

Q. Are you saying that it will be even more difficult to get occasional co-operation from individual officials?

A. You see that happening already, just in the extraordinary case of A. Ernest Fitzgerald, a civil-service employe and management analyst with the Air Force who was laid off in an "economy move" in 1969 after telling Congress about huge cost overruns on the C–5A airplane contract.

Then there was the case of Gordon W. Rule, the contract specialist in the Navy who was shifted out of his job after telling us about costly contract "bail outs" sought by defense contractors who claimed they needed more money to fulfill their obligations. Happily, he has just been reinstated in his job.

But the examples of Fitzgerald and Rule set a tone that will discourage frank and candid judgments by career professionals.

Q. Could Congress strengthen its hand if it had tough discipline and leadership such as that provided by Lyndon B. Johnson in the Senate and Sam Rayburn in the House, rather than the more open and less disciplined leadership of today?

A. There are two aspects of leadership: One involves personality; the other involves the much less explored question of the kind of help that can come from the party caucus which is representative of the party and can participate in the making of policies to be executed by the leader.

LEADERSHIP VERSUS "HORSE TRADING"

Q. Does that, in effect, put 535 legislators—often at odds with each other—against one man who has the prestige of his office, access to the media and a bureaucracy to do his bidding?

A. Yes, it is hard to get half of 535 people to pass a law, or to get two thirds to override a presidential veto. Actually, however, what the party has to do in either house is essentially the same brokerage job—the balancing of interests and "horse trading"—that goes on within the Administration.

Quite often the White House comes out not with what Richard M. Nixon wants but what a galaxy of forces is compelling him to support. The public simply doesn't see the logrolling that goes on among the military services for weapons systems or the competition that goes on within a department for a bigger share of the budget. If it did, the public would be less harsh on Congress.

Q. Are legislators diffident in dealing with presidential authority because they don't want to hinder the President's handling of today's very complex and sometimes overwhelming problems?

A. This undoubtedly explains a lot of the delegation of authority to the President. It's reasonable that if you recognize a need for housing—without knowing exactly how to set up a program for it—you will delegate fairly broad authority to the Administration to get a housing program started. I don't think this is abdication; it's realism.

EXPLODING A "CULT OF EXPERTISE"

Q. Is this especially true in areas of national security?

A. Yes, but I hope that one of the lessons of the past decade has been that even on national security, Congress is quite capable of reaching as sound a judgment as the Administration. The congressional challenge to the Safeguard anti-ballistic-missile system exposed one shortcoming after another and showed the capabilities of Congress in dealing with very technical matters.

I think the "cult of executive expertise" carries less weight today. The Administration has access to expertise, but that is not the same thing as saying that it acts on it. There are numerous examples to show how CIA estimates have been doctored or ignored by the Administration because the information didn't square with political needs.

Q. Are you saying that Congressmen, by and large, are just as knowledgeable as members of the executive branch?

A. Well, if you look at Congress in personnel and product, and apply that yardstick to the executive branch, I think Congress comes off quite well.

Q. Are there giants in Congress to compare with those of the nineteenth century such as John C. Calhoun, Henry Clay and Daniel Webster?

A. I don't know why they're such legendary figures. Anyone looking at Congress today can come up with quite a handful of extremely competent members of the House and Senate who would rival those of any period.

Q. Suppose Speaker Joseph G. Cannon, who ran the House with an iron hand in the early years of this century, were to be on hand today. Could he exercise the same authority?

A. Not with committees as strong as they are. He didn't have to worry as much about the independence of committee chairmen. It's expertise that makes the system go now, because problems today are very complicated. There has to be a division of labor in Congress, just as in the executive branch.

Q. Will broadening the representation in committees strengthen Congress or weaken it?

A. Well, [Missouri] Representative Richard Bolling's Committee on Committees is just starting work, and it could run for a year and a half before a plan is drawn up for committee structure and jurisdiction.

But the reforms adopted by Congress in the last few years—starting with the 1970 Legislative Reorganization Act and including changes in the caucus and floor organization—at least show that Congress is not a rigid institution and can make some very far-reaching reforms.

Q. Is there any way that Congress can frontally challenge presidential power—by going to court, for instance?

A. It could go to court on the issues of impoundment or "executive privilege," but I don't think there is anything the Supreme Court can do to instill the quality of self-restraint and co-operation, which is really what is required to make the system work.

Whatever the Court said quite possibly could be interpreted in whatever way the Administration wanted to interpret it—or the Court's decision might be on very narrow grounds and avoid the larger issues. I suspect this would be the case with impoundment, where there are many different types not easily covered by a general statement. I think also that the Court would be very reluctant to get into a matter which strikes so deeply at administrative discretion. In the question of "executive privilege," you get into equally complex considerations involving national security and confidentiality between the President and his assistants.

Q. Has the Supreme Court ever tackled the issue of impoundment?

A. Four or five years ago I did an article for the "George Washington [University] Law Review" on the Supreme Court cases in the past which were held to be applicable to impoundment. It was my own conclusion that they were not really applicable—that only by singling out little phrases here and there would they seem to deal broadly with the impoundment issue.

There is the Missouri decision last year [upheld April 2 by U.S. Court of Appeals] on impoundment related to highway funds, and this went against the Administration. But even if the Supreme Court sustained that decision, it would be hard to apply to other cases because it deals with trust funds.

An interesting decision was handed down a short time ago in Minnesota regarding Secretary [of Agriculture Earl L.] Butz's termination of the FHA [Farmers Home Administration] emergency-loan program, and that, too, went against the Administration. The court held that Butz had violated due process and the Department's own regulations. This is an important case because it attempts to show where an administrator has discretion and where he doesn't

Q. Does this then leave it to Congress to pass statutes of its own, defining its powers more clearly, and let the executive branch respond as it will?

A. I think that if Congress feels there is a court remedy available for impoundment or "executive privilege," it might postpone action on the matter.

Q. In the last resort, Congress could bring impeachment proceedings.

A. It could. That power is vested in Congress by the Constitution, and this fact should be taken seriously.

The Founding Fathers were uneasy about giving Congress this power because they feared it might jeopardize the President's independence. But they felt that misconduct by the President should be subject to that challenge.

Impeachment is something to be taken seriously and used when necessary. If it were interpreted in that light, an Administration probably would behave in such a way as to avoid the possibility.

"WHAT IS NEEDED IS GOOD FAITH"

Q. Can Congress coerce the White House by withholding funds for Administration housekeeping and other programs?

A. There has been a little bit of this in the past, but I can't see it as more than a short-term effort to restore some of the balance of power.

To me, the remedy has to be recognition on the part of both branches—particularly at this moment, the Administration—of what is needed in a political system where Congress ordinarily must give the executive branch broad chunks of discretionary power.

What is needed, simply, is a good-faith relationship. If the Administration is not willing to abide by that, it is going to generate a lot of inflexibility and rigidity—quite possibly an impasse, as I have said—because it is within the powers of Congress to replace discretionary authority with mandatory directives.

The harmful effects of such a situation could be felt by the American people for years and years.

NEW MINING REGULATIONS

Mr. STEVENS. Mr. President, on April 30 the U.S. Department of the Interior published new mining regulations for coal leases and permits on public, acquired, and Indian lands. These proposed regulations are subject to public comment for a period of 60 days. Because they are of wide interest, I request unanimous consent that they be printed in the Record in their entirety and proceeded by a press release summarizing them.

There being no objection, the material was ordered to be printed in the Record, as follows:

Propose Changes in Regulations of Mining Operations on Federal Lands

A revision of regulations governing mining operations under coal leases and permits on public, acquired, and Indian lands is being proposed by the Department of the Interior, Secretary of the Interior Rogers C. B. Morton announced.

The proposed changes—published in the April 30 Federal Register—"would update the coal mining operating regulations to reflect more fully modern mining practices and administrative procedures," according to Secretary Morton.

He said that public comment on the proposed revision—which would emphasize environmental protection requirements—would be welcome, and that the proposed regulations follow closely those applicable to operations under leases for minerals other than oil and gas and coal which were issued by the Department effective July 1, 1972.

Mining operating regulations are enforced by Area Mining Supervisors of the U.S. Geological Survey's Conservation Division. "Under the revision," Secretary Morton said, "the authority of Survey supervisors would be clarified and strengthened, with the emphasis on directing environmental protection and reclamation."

The proposed revisions are primarily designed to provide coal operators a better understanding of their responsibilities for protection of the surface, the natural resources, the environment, existing improvements, and for timely reclamation of disturbed lands.

After publication of the proposed regulations in the Federal Register, there will be a period of 60 days during which interested parties may submit any comments on the proposed rules. Written statements may be submitted to the Director, U.S. Geological Survey, Washington, D.C. 20244.

Department of the Interior, Geological Survey [30 CFR Parts 211, 216]

COAL MINING OPERATING REGULATIONS: PROPOSED REVISION

Notice is hereby given that pursuant to the authority vested in the Secretary of the Interior under the Mineral Leasing Act of February 25, 1920, as amended and supplemented (30 U.S.C. 181–287), the Mineral Leasing Act for Acquired Lands (30 U.S.C. 351–359), 5 U.S.C. 301, the National Environmental Policy Act of 1969 (42 U.S.C. 4321–4347), and various statutes relating to mining on Indian lands, it is proposed to revise 30 CFR part 211 as set forth below.

The primary purpose of the proposed revision is to update the regulations governing operations conducted under coal leases, permits, and licenses, on public domain and acquired lands of the United States and on Indian lands administered by the Department of the Interior by deleting obsolete material and including new provisions and requirements consistent with modern mining practices. The revised regulations clarify the responsibility of lessees, permittees, and licensees for the protection of the surface, the natural resources, the environment and existing improvements during operations for the discovery, testing, development, mining, and preparation of coal and for timely reclamation of disturbed lands.

It is also proposed that 30 CFR part 216, applicable to coal mining operations under leases in the State of Alaska which were issued pursuant to the Alaska Coal Leasing Act of October 20, 1914 (38 Stat. 741), prior to its repeal by Public Law 86–252, September 9, 1959, 73 Stat. 490, be revoked and that operations under those leases also be governed by the regulations in 30 CFR part 211 as set forth below.

It is the policy of the Department of the Interior, whenever practicable, to afford the public an opportunity to participate in the rulemaking process. Accordingly, interested parties may submit written comments, suggestions, or objections with respect to the proposed revision of 30 CFR part 211 and the proposed revocation of 30 CFR part 216 to the Director, U.S. Geological Survey, Washington, D.C. 20244, on or before June 29, 1933. After the period for comments has expired, the proposed regulations will be revised, if deemed necessary, and republished in the Federal Register as interim regulations.

The Department of the Interior is currently conducting an environmental review of the coal leasing program. The Council on Environmental Quality has recommended that regulations for the effective management and protection of the public lands be promulgated to serve as interim regulations pending completion of that environmental review. The revision of 30 CFR part 211 presently proposed is essential for effective management and protection of the public lands. The delay which would be occasioned by the preparation of a separate environmental statement related solely to the proposed regulations or the withholding of promulgation until an environmental statement on the coal leasing program is completed would create a period during which effective management and protection of the public land would be hindered. The proposed regulations are not fundamentally new regulations, but are essentially the existing regulations already applicable to the same mineral resources and land, reorganized, clarified, and, in some respects, amplified. Moreover, the interim nature of the proposed regulations would limit their overall cumulative impact on the quality of the human environment. Accordingly, the proposed regulations are published without the preparation of an environmental statement. When the review and statement on the coal leasing program are completed, the regulations in effect at that time will be revised to conform with the conclusions of the review.

Part 211 of title 30 of the Code of Federal Regulations is revised to read as follows:

PART 211—COAL-MINING OPERATING REGULATIONS

ADMINISTRATION OF REGULATIONS AND DEFINITIONS

Sec.
211.1 Scope and purpose.
211.2 Definitions.
211.3 Responsibilities.
211.4 General obligations of licensees, permittees and lessees (including designated operators or agents).
211.5 Public inspection of records.
211.6 Appeals.

MAPS AND PLANS

211.10 Exploration, mining and reclamation plans.
211.11 Approaching oil, gas or water wells.
211.12 Mine maps.
211.13 Failure of lessee to furnish maps.

PROSPECTING AND EXPLORATION OPERATIONS

211.20 Information required to be submitted.
211.21 Core or test holes.

WELFARE AND SAFETY

211.25 Sanitary, welfare and safety arrangements.

MINING METHODS AND MINE ABANDONMENT

211.30 Good practice to be observed.
211.31 Ultimate maximum recovery.
211.32 Multiple seam mining.
211.33 Advance workings; underground mines.
211.34 Pillar extraction.
211.35 Pillars left for support.
211.36 Development of leased tract through adjoining mines.
211.37 Surface or open pit mining.
211.38 Mining isolated blocks of nonleased coal.
211.39 Mine abondonment; surface openings.

PROTECTION AGAINST MINE HAZARDS

211.40 Abandonment of underground workings.
211.41 Flammable gas and coal dust.
211.42 Approaching abandoned workings.
211.43 Fire protection and prevention.
211.44 Alternate source of power for main mine fans.

WASTE FROM MINING

211.51 Disposal of mine wastes or rejects.

PRODUCTION RECORDS, ROYALTY AND AUDITS

211.60 Production records.
211.61 Basis for royalty computation.
211.62 Production reports and payment—other reports.
211.63 Audits.

INSPECTION, ISSUANCE OF ORDERS, AND ENFORCEMENT OF ORDERS

211.70 Inspection of underground and surface conditions.
211.71 Issuance of notices, instructions and orders.
211.72 Enforcement of orders.

AUTHORITY.—34 Stat. 539, 35 Stat. 312 (25 U.S.C. 355 NT); 35 Stat. 781 (25 U.S.C. 396); sec. 32, 41 Stat. 450 (30 U.S.C. 189); 49 Stat. 1967 (25 U.S.C. 501, 502); 52 Stat. 347 (25 U.S.C. 396 (a–f); 61 Stat. 915 (30 U.S.C. 359); 5 U.S.C. 301; Public Law 91–190, 83 Stat. 852 (42 U.S.C. 4321).

§ 211.1 Scope and purpose.

(a) The regulations in this part shall govern operations for the discovery, testing, development, mining, and preparation of coal under coal leases, licenses, and permits issued for public domain and acquired lands pursuant to the regulations in 43 CFR group 3500 and the Alaska Coal Leasing Act of October 20, 1914 (38 Stat. 741). These regulations shall also apply to operations for the discovery, testing, development, mining, and preparation of coal in tribal and allotted Indian lands under leases and permits issued under the regulations in 25 CFR parts 171, 172, 173, and 174.

(b) The purpose of the regulations in this part is to promote orderly and efficient prospecting, exploration, testing, development, mining, and preparation operations and production practices without waste or avoidable loss of coal or other mineral-bearing formation; to encourage maximum recovery and use of coal resources; to promote operating practices which will avoid, minimize or correct damage to the environment—land, water, and air—and avoid, minimize or correct hazards to public health and safety; and to obtain a proper record and accounting of all coal produced.

(c) These regulations will be interpreted and administered to the fullest extent possible in accordance with the policies of the National Environmental Policy Act of 1969 (83 Stat. 852) 42 U.S.C. 4321–4347.

(d) When the regulations in this part relate to matters included in the regulations in 25 CFR part 177—Surface Exploration, Mining and Reclamation of Lands—pertaining to Indian lands, the regulations in that part shall govern to the extent of any inconsistencies.

(e) When the regulations in this part relate to matters included in the regulations in 43 CFR part 23, the regulations in that part shall govern with respect to technical examinations, issuance or denial of leases, performance bonds, reclamation of land, and reports to the extent of any inconsistencies; otherwise, the regulations in this part shall govern.

§ 211.2 DEFINITIONS.

The terms used in this part shall have the following meanings:

(a) *Secretary.*—The Secretary of the Interior.

(b) *Director.*—The Director of the U.S. Geological Survey, Washington, D.C.

(c) *Division Chief.*—The Chief of the Conservation Division, U.S. Geological Survey, Washington, D.C.

(d) *Regional Manager.*—The Regional Conservation Manager, Conservation Division, U.S. Geological Survey.

(e) *Mining Supervisor.*—The Area Mining Supervisor, Conservation Division, U.S. Geological Survey, a representative of the Secretary, subject to the direction and supervisory authority of the Director, the Division Chief, and the appropriate Regional Manager, authorized and empowered to regulate operations and to perform other duties prescribed in the regulations in this part, or a subordinate acting under his direction.

(f) *Lessee.*—Any person or persons, partnership, association, corporation, or municipality to whom a coal lease is issued subject to the regulations in this part, or an assignee of such lease under an approved assignment.

(g) *Permittee.*—Any person or persons, partnership, association, corporation, or municipality to whom a coal prospecting permit is issued subject to the regulations in this part, or as assignee of such permit under an approved assignment.

(h) *Licensee.*—Any individual, association of individuals, or municipality to whom a coal license is issued subject to the regulations in this part.

(i) *Leased lands, leased premises, or leased tract.*—Any lands under a coal lease and subject to the regulations in this part.

(j) *Permit lands.*—Any lands under a coal prospecting permit and subject to the regulations in this part.

(k) *Operator.*—A lessee, permittee, or licensee, or one conducting operations on lands under the authority of the lessee, permittee, or licensee.

(l) *Reclamation.*—The measures undertaken to bring about the necessary reconditioning or restoration of land or water that has been affected by exploration, testing, mineral development, mining, onsite processing operations, or waste disposal, in ways which will prevent or control onsite or offsite damage to the environment.

(m) *Coal.*—Coal of all ranks from lignite to anthracite.

(n) *Mine.*—An underground or surface excavation and all parts of the property of a mining plant, either on the surface or underground, that contribute directly or indirectly to the mining and preparation of coal.

(o) *Preparation.*—The sizing, cleaning, drying, mixing, and crushing of the coal and such other work of preparing coal for market.

(p) *Portal.*—Any surface entrance to an underground mine.

(q) *Entry.*—An underground passage used for haulage, ventilation, or as a manway.

(r) *Shaft.*—A mine opening, the axis of which is approximately vertical, extending from the surface to develop one or more coal deposits.

(s) *Slope.*—A mine opening or inclined entry in a dipping coal formation or an inclined tunnel through rock to intersect a coal bed.

(t) *Drift.*—A mine opening or horizontal entry or passage underground.

(u) *Stripping operation.*—The term "stripping operation" or "strip pit" or "open pit" shall mean a mining excavation or development by means of a surface pit in which material over the coal bed is first removed and the coal itself is then extracted.

(v) *Explosive dust.*—An explosive dust is a combustible solid in airborne dispersion capable of propagating flame when ignited.

(w) *Flammable and explosive gases.*—A mixture of atmospheric air and combustible natural gases in such proportions that the mixture is flammable or explosive.

§ 211.3 Responsibilities.

(a) Subject to the supervisory authority of the Secretary, the regulations in this part shall be administered by the Director of the Geological Survey.

(b) The health and safety of miners engaged in mining operations on lands covered by coal leases, permits and licenses is governed by the Federal Coal Mine Health and Safety Act of 1969.

(c) The Mining Supervisor is empowered to regulate prospecting, exploration, testing, development, mining, and preparation operations under the regulations in this part. The Mining Supervisor in the performance of his duties shall:

(1) *Inspection and supervision of operations to prevent waste or damage.*—Examine frequently the lease, permit, or license lands where operations for the discovery, testing, development, mining, or preparation of coal are conducted or are to be conducted; inspect and regulate such operations, including operations at accessory plants, for the purpose of preventing waste of mineral substances or damage to formations and deposits, or nonmineral resources affected by the operations; and insure that the terms and conditions of the permit, lease, or license and the provisions of the approved exploration or mining plans are being complied with.

(2) *Compliance with regulations, lease, permit, or license terms; and approved plans.*—Require operators to conduct their operations in compliance with the provisions of applicable regulations, the terms and conditions of the leases, permits, or licenses, and the requirements of approved exploration or mining plans.

(3) *Reports on condition of lands and manner of operation; recommendations for protection of property.*—Make reports to the division chief through the regional manager, as to the general condition of lands under permit, lease, or license and the manner in which operations are being conducted and orders or instructions are being complied with; and submit information and recommendations for protecting the coal, the coal-bearing formations, other minerals and the nonmineral resources.

(4) *Manner and form of records, reports and notices.*—Prescribe, subject to the approval of the division chief, the manner and form in which records of operations, reports and notices shall be made.

(5) *Records of production; rentals and royalties.*—Obtain and check the records of production of coal; determine rental and royalty liability of lessees, and permittees; collect and deposit rental and royalty payments; and maintain rental and royalty accounts.

(6) *Suspension of operations and production.*—Act on applications for suspension of operations or production or both filed pursuant to 43 CFR 3503.3.2(e), and terminate, when appropriate, suspensions which have been granted; and transmit to the Bureau of Indian Affairs for appropriate action applications for suspension of operations or production or both under leases on Indian lands.

(7) *Cessation and abandonment of operations.*—Upon receipt of a report of cessation or abandonment of operations, or relinquishment of a lease, permit or license, inspect and determine whether the operator has complied with the terms and conditions of the permit or lease and the approved exploration or mining plans; and determine and report to the agency having administrative jurisdiction over the lands when the lands have been properly conditioned for abandonment. The mining supervisor, in accordance with applicable regulations, in 43 CFR part 23 or 25 CFR part 177, will consult with, or obtain the concurrence of the authorized officer of the agency having administrative jurisdiction over the lands with respect to compliance by the operator with the surface protection and reclamation requirements of the lease or permit and the exploration or mining plan.

(8) *Wells or prospect holes.*—Prescribe or approve the methods of protection from wells or prospect holes drilled for any purpose through the coal measures and mines on leased lands and on coal lands subject to lease, with a view to the prevention of leakage of oil, gas, water, or other fluid substances that might endanger the life or health of employees, and prescribe or approve methods of obtaining the ultimate extraction, so far as practicable, of coal in the vicinity of such wells.

(9) *Trespass; involving removal of coal deposits.*—Report to the agency having administrative jurisdiction over the lands any trespass that involves removal of coal deposits.

(10) *Water and air quality.*—Inspect exploratory and mining operations to determine the adequacy of water management and pollution control measures for the protection and control of the quality of surface and ground water resources and the adequacy of emission control measures for the protection and control of air quality.

(11) *Compliance with regulations*—Issue such orders and instructions, not in conflict with the laws of the State in which the leased or permit lands are situated, as necessary to assure compliance with the purposes of the regulations in this part.

(d) In the exercise of his jurisdiction under the regulations in this part, the mining supervisor shall be subject to the direction and supervisory authority of the division chief, and the appropriate regional manager, each of whom may exercise the jurisdiction of the mining supervisor.

§ 211.4 General obligations of licensees, permittees and lessees (including designated operators or agents).

(a) Operations involving the discovery, testing, development, mining, or preparation of coal shall conform to the provisions of the applicable regulations, the terms and conditions of the lease, permit or license; the requirements of approved exploration or mining plans; and the orders and instructions issued by the mining supervisor. The operator shall take precautions to prevent waste and damage to coal-bearing formations, and shall take such steps as may be needed to prevent injury to life or health and to provide for the health and welfare of employees.

(b) The operator shall take such action as may be needed to avoid, minimize, or repair soil erosion; pollution of air; pollution of surface or ground water; damage to vegetative growth, crops, or timber; injury or destruction of fish and wildlife and their habitat; creation of unsafe or hazardous conditions; and damage to improvements, whether owned by the United States, its permittees, licensees or lessees, or by others; and damage to recreational, scenic, historical, and ecological value of the land. The surface of leased or permit lands shall be reclaimed in accordance with the terms and conditions prescribed in the lease or permit and the provisions of the approved exploration or mining plan. Good "housekeeping" practices shall be observed at all times. Where any question arises as to the necessity for or the adequency of an action to meet the requirements of this paragraph, the determination of the mining supervisor shall control.

(c) All operations conducted under the regulations in this part must be consistent with Federal and State water and air quality standards.

(d) When the mining supervisor determines that a water pollution problem exists, he may require that a lessee, permittee, or licensee maintain records of the use of water, quantity and quality of waste water produced, and the quantity and quality of waste water disposal, including mine drainage discharge, process wastes and associated wastes. In order to obtain this information, the lessee, permittee, or licensee may be required to install a suitable monitoring system.

(e) Full written reports of accidents, inundations, or fires shall be promptly made to the mining supervisor by the operator or his representative. Fatal accidents, accidents threatening damage to the mine, the lands or the deposits, or accidents which could cause water pollution shall be reported promptly to the mining supervisor by telephone. Reports required by this section shall be in addition to those required by part 80 of this title, or other applicable regulations.

(f) Lessees and permittees shall submit the reports required by 25 CFR part 177 and part 200 of this chapter.

(g) If the operator fails to take appropriate action to protect the mine, coal deposits, or surrounding environment from damage or threatened damage by fire, water, oil, gas, subsidence, or other hazards, or fails to protect properly the mine or deposits or eliminate hazards to the public, upon abandonment or cancellation of a lease, permit, or license shall be liable for the expense of labor and supplies used by, or under the direction of the mining supervisor for the protection of the property and elimination of hazards to the public.

§ 211.5 Public inspection of records.

Geological and geophysical interpretations, maps, and data and commercial and financial information required to be submitted under this part shall not be available for public inspection without the consent of the permittee or lessee so long as the permittee or lessee furnishing such data, or his successors or assignees, continues to hold a permit or lease of the lands involved.

§ 211.6 Appeals.

Orders or decisions issued under the regulations in this part may be appealed as provided in part 290 of this chapter.

MAPS AND PLANS

§ 211.10 Exploration, mining and reclamation plans.

(a) *General.*—Before conducting any operations, the operator shall submit to the Mining Supervisor for approval an exploration or mining plan, in quintuplicate, which shall show in detail the proposed exploration, prospecting, testing, development, or mining operations to be conducted. Exploration and mining plans shall be consistent with and responsive to the requirements of the lease or permit for the protection of nonmineral resources and for the reclamation of the surface of the lands affected by the operations. The Mining Supervisor shall consult with the other agencies involved, and shall promptly approve the plans or indicate what modifications of the plans are necessary to conform to the provisions of the applicable regulations and the terms and conditions of the permit or lease. No operations shall be conducted except under an approved plan.

(b) *Exploration plans.*—The Mining Supervisor may require that an exploration plan include any or all of the following:

(1) A description of the environmental conditions within the area where exploration is to be conducted and a general description of the regional environmental conditions.

(2) A narrative description including:

(i) Method of exploration.

(ii) Measures to be taken to prevent or control fire, soil erosion, pollution of surface and ground water, pollution of air, damage to fish and wildlife or their habitat, or other natural resources and hazards to public health and safety.

(iii) Method for plugging drill holes.

(iv) Method for reclaiming lands disturbed by the exploration work, including grading, leveling and revegetation.

(3) Estimated timetable for each phase of the work and for final completion of the program.

(4) Five copies of a suitable map or aerial photograph showing topographic, cultural and drainage features, and the proposed location of drill holes, trenches, access roads, etc.

(c) *Mining plans.*—The Mining Supervisor may require that a mining plan include any or all of the following:

(1) A description of the environmental conditions within the area where mining is to be conducted and a general description of the regional environmental conditions.

(2) A narrative description including:

(i) Nature and extent of the coal deposit.

(ii) Method of mining including mining sequence and production rate.

(iii) Measures to be taken to prevent or control fire, soil erosion, pollution of surface or ground water, pollution of air, damage to fish and wildlife or their habitat or other natural resources, and hazards to public health and safety.

(iv) Method for disposal of refuse, waste or overburden, including location, design to prevent erosion, water pollution, and dump failure.

(v) Design for the necessary impoundment, treatment or control of all runoff water and drainage from mine workings and preparation plants so as to reduce soil erosion and prevent the pollution and increased sedimentation of watercourses.

(vi) The surface reclamation portion of the plan shall include:

(*a*) A reclamation schedule.

(*b*) Method of grading, backfilling and contouring.

(*c*) Method of soil preparation and fertilizer application.

(*d*) Type and mixture of shrubs, trees, grasses, or legumes to be planted.

(*e*) Method of planting, including amount of spacing.

(*f*) Method of abandoning mine openings, including mine portals, shafts, slopes and entries.

(3) Five copies of suitable maps or aerial photographs showing:

(i) Topographic, cultural and drainage features, roads and vehicular trails.

(ii) Cross sections of the deposit.

(iii) Size and locations for mine and surface structures and facilities.

(iv) Location of refuse and waste disposal areas.

(v) Location of settling or water treatment ponds.

(vi) For a surface mine, the planned mine layout map including the coal-outcrop line and a line indicating the limits to which the mining is expected to extend.

(vii) For an underground mine, the planned mine layout map including locations of shafts, slopes, drifts, main haulageways, aircourses, entries, and barrier pillars; and the proposed widths of all slopes, entries, haulageways, aircourses, rooms, crosscuts and barrier pillars.

(d) *Changes in plans.*—Exploration and mining plans may be changed by mutual consent of the Mining Supervisor and the operator at any time to adjust to changed conditions or to correct an oversight. To obtain approval of a changed or supplemental plan, the operator shall submit a written statement of the proposed changes or supplement and the justification for the proposed changes.

(e) *Partial plan.*—If the circumstances warrant, or if development of an exploration or mining plan for the entire operation is dependent upon unknown factors which cannot or will not be determined except during the progress of the operations, a partial plan may be approved and supplemented from time to time. The operator shall not, however, perform any operation except under an approved plan.

§ 211.11 Approaching oil, gas, or water wells.

When mining operations approach within 200 ft. of wells or bore holes that may liberate oil, gas, water, or other fluid, substances, the lessee shall present his plans for mining the coal in proximity to such holes to the Mining Supervisor and obtain his approval before proceeding with the work planned. The plans shall provide that the coal be extracted as completely as practicable with safety and in such manner that the well will not be damaged, and that precautions be taken against the sudden liberation of a body of oil, gas, water, or other fluid. In approaching such holes, the instructions in § 211.42 shall be followed.

§ 211.12 Mine maps.

(a) *General requirements.*—The operator shall maintain an accurate and up-to-date map of the mine, drawn to a scale acceptable to the Mining Supervisor. All maps shall be appropriately marked with reference to Government landmarks or lines and elevations with reference to sea level. Copies of such maps shall be properly posted to date and furnished, in duplicate, to the Mining Supervisor annually or at such other times as he deems necessary. Before any mine or section of a mine is abandoned, closed, or made inaccessible, a survey of such mine or section shall be made and recorded on the map. All excavations in each separate bed shall be shown in such a manner that the production of coal for any royalty period can be accurately ascertained. Additionally, the map shall show the name of the mine, the name of the lessee, the Land Office serial number, the lease boundary lines, surface buildings, dip of the coalbed, true north, the map scale, an explanatory legend, and such other information as the Mining Supervisor shall request.

(b) *Underground mine maps.*—Underground mine maps shall, in addition to the general requirements of paragraph (a) of this section, show all mine workings; the date of extension of the mine workings, and a coal section at each entry face; the location of all surface mine fans; the position of all fire walls, dams, main pumps, fire pipelines, permanent ventilating stoppings, doors, overcasts, permanent seals, and regulators; the direction of the ventilating current in the various parts of the mine at the time of making the latest surveys; sealed areas; known bodies of standing water either in or above the workings of the mine; areas affected by squeezes; the elevations of surface and underground levels of all shafts, slopes or drifts; and the elevation of the floor or bottom of the mine workings at regular intervals in main entries, panels or sections, sump areas, etc.

(c) *Surface mine maps.*—Surface mine maps shall, in addition to the general requirements of paragraph (a) of this section, show the date of extension of the mine workings and a coal section at each working face; all worked-out areas; the stripped but unmined coalbed; and the elevation of the top of the coalbeds and the surface.

(d) *Profiles of steeply dipping beds; vertical views of workings.*—When required by the mining supervisor, vertical projections and cross sections shall accompany plan views of steeply dipping beds.

(e) *Other maps.*—The operator shall prepare such other maps of the leased lands as in the judgment of the mining supervisor are necessary to show the surface boundaries; location, surface elevation, depth, and thickness of the coal, and total depth of each bore hole; improvements; reclamation completed; topography, including subsidence resulting from mining; and the geological conditions as determined from outcrops, drill holes, exploration or mining.

(f) *Accuracy of maps.*—The accuracy of maps furnished shall be certified by a professional engineer, professional land surveyor, or other professionally qualified person.

§ 211.13 Failure of lessee to furnish maps.

(a) *Liability of lessee for expense of survey.*—If the operator fails to furnish a required map, the mining supervisor shall employ a competent mine surveyor to make a survey and a map of the mine, the cost of which shall be charged to and promptly paid by the operator.

(b) *Incorrect maps.*—If any map submitted by an operator is believed to be incorrect, the mining supervisor may cause a survey to be made. If the survey shows the map submitted by the lessee to be substantially incorrect in whole or in part, the cost of making the survey and preparing the map shall be charged to and promptly paid by the operator.

PROSPECTING AND EXPLORATION OPERATIONS

§ 211.20 Information required to be submitted.

The operator shall submit promptly to the mining supervisor upon request, completion, suspension of prospecting or exploration operations, or as provided in the leases and permits, signed copies, in duplicate, of records of all prospecting operations performed on the lease or permit lands along with vertical cross sections through the land and a map showing the exact location of coal outcrops, all drill holes, trenches and other prospecting activities. The records shall include a log of all strata penetrated and conditions encountered, such as water, quicksand, gas, or any unusual conditions; copies of all other in-hole surveys, such as electric logs, gamma ray-neutron logs, sonic logs or any other logs produced; and copies of analyses and results of other tests conducted on the land. All drill holes, trenches and excavations will be logged under the supervision of a competent geologist or engineer. Unless otherwise authorized by the mining supervisor, the core and cuttings from test holes shall be retained by the operator for 1 year and shall be available for inspection at the convenience of the mining supervisor. The mining supervisor may sample such parts of the core and cuttings as he deems advisable.

§ 211.21 Core and test holes.

(a) *Abandonment.*—Drill holes, trenches and other excavations for development or prospecting shall be abandoned in a manner to protect the surface and not to endanger any present or future underground operation or any deposit of oil, gas, other mineral substances, or water strata. Methods of abandonment shall be by backfilling, cementing or capped casing, or both, or by other methods approved in advance by the mining supervisor.

(b) *Surveillance wells.*—With the approval of the mining supervisor, drill holes may be utilized as surveillance wells for the purpose of determining the effect of subsequent operations upon the quantity, quality, or pressure of ground water or mine gases.

(c) *Blowout control devices.*—When drilling on lands valuable or potentially valuable for oil and gas or geothermal resources, the drilling equipment shall be equipped with blowout control devices acceptable to the mining supervisor before penetrating more than 100 feet of consolidated sediments unless a greater depth is approved in advance by the mining supervisor.

(d) *Use of wells by others.*—Upon receipt of a written request from the surface owner or surface administering agency, the mining supervisor may approve the transfer of an exploratory well for further use as a water well. Approval of such well transfer will be accompanied by a corresponding transfer of responsibility for any liability for damage and eventual plugging.

WELFARE AND SOCIETY

§ 211.25 Sanitary, welfare, and safety arrangements.

The underground and surface sanitary, welfare, health, and safety arrangements shall be in accordance with the regulations of the U.S. Public Health Service and the applicable standards in chapter 1 of this title.

CROSS REFERENCE—For regulations of the U.S. Public Health Service, Department of Health, Education, and Welfare, see CFR chapter 1.

MINING METHODS AND MINE ABANDONMENT

§ 211.30 Good practice to be observed.

The operator shall observe good practice following the highest standards in prospecting, exploration, testing, development and mining, sinking wells, shafts, and slopes, driving drifts and tunnels, blasting, the use of explosives, timbering, pumping, reclamation, and other activities on the leased or permit lands.

§ 211.31 Ultimate maximum recovery.

(a) *Maximum recovery and protection for future use.*—Mining operations shall be conducted in a manner to yield the ultimate maximum recovery of the coal deposits, consistent with the protection and use of other natural resources, sound economic practice, and the protection and preservation of the environment—land, water and air.

(b) *No available coal to be abandoned.*—The lessee shall not leave or abandon any coal which otherwise could be safely recovered by approved methods of mining when in the regular course of mining operations the time shall arrive for mining such coal. No entry, level, or panel workings in which the pillars have not been completely extracted within safe limits shall be permanently abandoned and rendered inaccesible, except with the written approval of the mining supervisor.

§ 211.32 Multiple seam mining.

(a) *Sequence of mining.* In general, the available coal in the upper beds shall be worked out before the coal in the lower beds is mined. Simultaneous workings in an upper coalbed shall be kept in advance of the workings in each lower bed. The mining supervisor may authorize mining of any lower beds before mining the available coal in each known upper bed.

(b) *Protective barrier pillars in multiple-seam mining.*—In areas subject to multiple seam extraction, the protective barrier pillars for all main and secondary slope entries, main haulageways, primary aircourses, bleeder entries and manways in each seam shall be superimposed regardless of vertical separation or rock competency; however, modifications, exemptions, or variations of this requirement may be approved in advance by the mining supervisor.

§ 211.33 Advance workings; underground mines.

(a) *Limits for removing coal.*—Where the room and pillar or other system of mining requires advance working in solid coal, including entries, rooms, and crosscuts or breakthroughs, the lessee, except with the written consent of the mining supervisor, shall not extract by such advance workings or first mining more than 60 percent of the total area of the coalbed within any particular tract or panel entered by said advance workings where the cover is less than 500 feet; nor more than 50 percent where the cover is more than 500 feet and less than 1,000 feet; nor more than 40 percent where the cover is more than 1,000 and less than 1,500 feet; nor more than 30 percent where the cover is more than 1,500 feet and less than 2,000 feet; nor more than 20 percent where the cover is more than 2,000 feet. The mining supervisor may require a greater percentage to be left where unfavorable roof or floor conditions prevail or where the coalbed is or may be affected by mining elsewhere.

(b) *Pillar size and shape.*—During development, the size and shape of the pillars will be determined by the depth of cover, heights of coal, proposed method of pillar recovery and other conditions associated with the coalbed. The pillars will be of uniform size and shape insofar as is possible and the smallest dimension shall not be less than 20 feet.

(c) *Basis for computing percentage of tract to be mined.*—The percentage of the total area of the coalbed in a tract to be mined on advance mining shall be computed on the basis of the area and not on the basis of the calculated available tonnage.

§ 211.34 Pillar extraction.

(a) The pillar recovery plan must be approved in advance by the mining supervisor.

(b) Where full pillar recovery is undertaken, extraction shall be such as to allow total caving of the main roof in the pillared area.

(c) Pillars of substantial size which must be abandoned prematurely due to safety considerations must be drilled and shot, if possible, to reduce their size so as to minimize undue forces overriding the working places.

(d) Pillaring methods shall be designed to eliminate pillar points and pillars that project in by the break line.

(e) The overall pillar recovery system shall be designed to minimize the possibility of outbursts, bounces and squeezes.

§ 211.35 Pillars left for support.

(a) *Shaft, entry and slope pillars.*—A pillar proportionate in size to the depth below the surface and the thickness of coal being extracted shall be left in each coalbed for the support of each shaft, main slope, main entry and main aircourse.

(b) *Shaft pillar size.*—Shaft pillars shall be not less in radius than one-half the thickness of cover over the pillar, but not less than 100 feet in radius.

(c) *Slope, main haulage and main aircourse pillar size.*—A pillar width not less than one-fourth of the thickness of cover above it shall be left on each side of the main slope entry system, main haulage entry system and/or main aircourse system. The pillar width will be determined by the maximum depth of the cover anticipated.

(d) *Openings in shaft and slope pillars.*—Shaft and slope landings, sidings, and entries for haulage, ventilation, manways, and shops may be excavated in a pillar provided the area of such places does not exceed 15 percent of the area of the pillar and that no rooms or other openings are made therein for the sole purpose of obtaining quick production.

(e) *Barrier pillars.*—The operator shall not, without the prior consent of the mining supervisor, mine any coal, drive any underground workings, or drill any lateral boreholes within 50 feet of any of the outside boundary lines of the leased lands, nor within such greater distance of said boundary lines as the mining supervisor may prescribe. Payment up to and including the full value of the coal mined may be required for coal mined within such designated distances of the boundary without the written consent of the mining supervisor.

(f) *Lessee may be required to mine barrier pillars on adjacent lands.*—If the coal on land covered by these regulations beyond any barrier pillar has been worked out and the water level beyond the pillar is below the lessee's adjacent operations, the lessee shall, on the written demand of the mining supervisor, mine out and remove all available coal in such barrier, both in the lands covered by the lease and in the adjoining premises, if it can be mined without hardship to the lessee. Authorization of the mining supervisor shall constitute a modification of the lease to include the necessary land.

(g) *Privately owned coal on adjoining premises.*—If the coal mining rights in adjoining premises are privately owned and this coal has been worked out, an agreement may be made with the coal owner for the extraction of the coal remaining in the boundary pillars which otherwise may be lost.

§211.36 Development of leased tract through adjoining mines.

An operator may mine leased land from an adjoining underground mine on land privately owned or controlled or from adjacent leased lands, under the following conditions:

(a) The entire mine and operations therein including that part on land privately owned or controlled shall conform to all the regulations in this part.

(b) Free access for inspection of said connecting mine on land privately owned or controlled shall be given at any reasonable time to the mining supervisor or his representative.

§ 211.37 Surface or open pit mining.

(a) *Fire prevention.*—Accumulations of slack coal or combustible waste shall be stored in a location and manner so as not to be a fire hazard to the coal deposit.

(b) *Coal face to be covered in strip pits.*—Upon completion or indefinite suspension of mining operations in all or any part of a strip pit, the face of the coal shall be covered with noncombustible material that will effectively prevent the coalbed from becoming ignited.

(c) *Underground workings from any strip pit.*—The driving of any underground openings by auger or other methods from any strip pit shall not be undertaken without prior written approval of the mining supervisor.

(d) *Reclamation and restoration of mined area.*—Reclamation must be performed as concurrently with mining as feasible.

§ 211.38 Mining isolated blocks of nonleased coal.

Narrow strips of coal which are owned by the United States between leased lands and the outcrop, or small blocks of coal which are owned by the United States adjacent to leased land that would otherwise be isolated or lost may be mined on written authorization of the mining supervisor. Authorization of the mining supervisor shall constitute a modification of the lease to include the necessary land.

§ 211.39 Mine abandonment; surface openings.

(a) *General requirement for abandonment.*—The operator shall substantially backfill, fence, protect or otherwise effectively close all surface openings, subsidence holes, surface excavations or workings which are a hazard to people or animals. Such protective measures shall be maintained in a secure condition during the term of the lease, permit or license. Before permanent abandonment of operations all openings and excavations, including water discharge points, shall be closed or backfilled according to plan approved by the mining supervisor.

(b) *Permanent abandonment of shafts.*—Mine shafts shall be abandoned in a permanent manner so as not to cause a public hazard or nuisance. This shall be done by filling the entire depth with incombustible material or by placing a reinforced concrete slab in solid rock and backfilling to the surface. All proposals for abandoning a shaft must have prior approval of the mining supervisor.

(c) *Permanent abandonment of slope and* *drift openings.*—Slope or drift openings when permanently abandoned shall be effectively sealed with solid incombustible material such as reinforced concrete, solid concrete blocks, or other substantial material; or shall be completely filled with incombustible material for a distance of at least 25 feet into such openings. The surface openings and the coal exposed by the operator shall be covered by a sufficient amount of incombustible material that will effectively prevent the coalbed from becoming ignited. All proposals for abandoning a slope or drift must have prior approval of the mining supervisor.

(d) *Temporary abandonment of surface openings.*—Surface openings at all underground mines which are temporarily closed shall be adequately fenced or equipped with a substantial incombustible gate or door which shall remain locked when not in use. Conspicious signs shall be posted prohibiting entrance of unauthorized persons.

(e) *Permanent abandonment—surface mines and strip pits.*—The highwall of the final cut of any abandoned strip or open pit mine must be graded to a slope not greater than 2 to 1. Details shall be provided in the approved plan of reclamation required under part 211.10.

(f) *Reclamation and cleanup.*—Reclamation and cleanup of surface areas around and near permanently abandoned underground and strip mines must commence without delay followingcessation of mining operations.

PROTECTION AGAINST MINE HAZARDS

§ 211.40 Abandonment of underground workings.

(a) *Approval for abandonment required.*—No underground workings or part thereof shall be permanently abandoned and rendered inaccessible without the written approval of the mining supervisor.

(b) *Sealing or ventilating abandoned workings.*—All abandoned workings shall be either sealed or ventilated. All seals shall be constructed of solid, substantial, incombustible material, and at least one seal in each sealed area will be fitted with a pipe and valve for testing the atmosphere and pressures in the sealed area.

§ 211.41 Flammable gas and coal dust.

(a) *Flammable gas.*—All active underground workings shall be ventilated by a current of air containing not less than 19.5 percent oxygen by volume, not more than 0.5 percent carbon dioxide by volume, and contain no harmful quantities of other noxious or poisonous gases. The volume and velocity of the current of ventilating air shall be sufficient to dilute, render harmless, and to carry away flammable, explosive, noxious, and harmful gases, dust, and smoke. No dangerous accumulations of flammable gas will be allowed in or on surface coal handling facilities nor near active strip or augering mining or other types of remote coal recovery methods under an open pit highwall.

(b) *Coal dust.*—Accumulations of coal dust, loose coal, and other combustible materials shall not be permitted to accumulate in dangerous quantities in active underground and surface mine workings, on electrical equipment, or on surface coal handling facilities.

§ 211.42 Approaching abandoned workings.

Whenever a working place in an underground mine approaches within 50 ft of abandoned areas which can be inspected or within 200 ft of any abandoned areas of the mine which cannot be inspected and which may contain dangerous accumulations of water or gas, or within 200 ft of any workings of an adjacent mine, a borehole or boreholes shall be drilled to a distance of at least 20 ft in advance of the working face of such working place and shall be continually maintained to a distance of at least 10 ft in advance of the working face. Such boreholes shall be drilled sufficiently close to each other to insure that the advancing face will not accidentally hole through into abandoned areas or adjacent mines. Boreholes shall also be drilled at an angle of 45° and not more than 8 ft apart in the rib of such working places to a distance of at least 20 ft and such rib holes shall be drilled in one or both ribs of such working places as may be necessary for adequate protection of persons working in such places.

§ 211.43 Fire protection and prevention.

All structures within 100 ft of any mine opening shall be of fireproof construction. Flammable material shall not be stored within 100 ft of a mine opening. All shafts shall be fireproof, or adequate fire-control devices, satisfactory to the mining supervisor, shall be installed. All underground offices, stations, shops, magazines, and stores shall be of fireproof construction and so equipped and maintained to eliminate fire hazards. Sufficient materials and firefighting apparatus in working condition shall be maintained at the mine openings and at convenient points in the mine workings for fire emergencies. An adequate water supply shall be held in storage tanks or reserviors for fire emergencies and shall be available for immediate use through connecting pipelines for either surface or underground fires.

§ 211.44 Alternate source of power for main mine fans.

If deemed necessary by the mining supervisor, all electrically driven main mine fans shall be provided with an alternate source of power for immediate use in case of failure of the electrical power source.

WASTE FROM MINING

§ 211.51 Disposal of mine waste or rejects.

(a) The operator shall dispose of all solid wastes resulting from the mining and preparation of coal and mineral substances as required by the mining supervisor.

(b) All waste or rejects containing practically no coal shall be deposited separately and apart from sized coal for which no immediate market exists. The waste containing coal in such quantity that it may be later separated from the waste by washing or other means shall also be stored separately.

PRODUCTION RECORDS, ROYALTY AND AUDITS

§ 211.60 Production records.

(a) Lessees shall maintain books in which will be kept a correct account by weight of all coal mined; coal sold; to whom sold and the price received; coal stored; coal used on the premise; and coal otherwise disposed of.

(b) Permittees, if producing coal under a prospecting permit, must maintain the same records as required of the lessees in paragraph (a) of this section.

(c) Licenses must maintain a correct record of all coal mined and removed from the land under license.

(d) All records and books maintained by lessees, permittees and licensees showing the required information must be kept current and in such manner that the records can be readily checked by the mining supervisor or his representative upon request.

§ 211.61 Basis for Royalty Computation.

(a) *Sale price.*—The sale price basis for determination of the amount of royalty due shall not be less than the highest and best obtainable market price for coal of similar quality at the usual and customary price of disposal;

(1) At the time of sale, if the coal is sold.

(2) At the time of use by the operator or other disposition, if the coal is used or otherwise disposed of.

(3) On the date the royalty is paid, if the coal is stored for future use, sale, or other disposition.

(b) *Bone or other impurities.*—All bone coal, rock and other impurities may be removed from the raw coal prior to determination of coal weights for royalty purposes.

(c) *Discretion of mining supervisor.*—(1) The right is reserved to the mining supervisor to determine and declare the sale price if it is deemed necessary by him to do so for the protection of the interests of the lessor.

(2) If royalties become due and payable prior to extraction of bone coal, rock, and other impurities or final weighing of coal, the mining supervisor may determine by estimate the weight of the coal for royalty purposes. In addition, the mining supervisor may, after the removal of bone coal, rock and other impurities and final weighing of the coal, require the payment of such additional royalties or allow such credits or refunds as may be necessary to adjust the royalty payments to reflect the true weight of the coal.

§ 211.62 Production reports and payment—other reports.

(a) *Lessees.*—Lessees shall report, on the report form provided, within 30 days after expiration of the period covered by the report, all coal mined from the leased land during each calendar quarter and the sale price basis on which royalty has been paid or will be paid. Except as provided by leases and permits issued under the regulations in 25 CFR parts 171, 172, 173, and 174, the royalty for coal mined shall be paid prior to the end of the third month succeeding the extraction of the coal from the mine.

(b) *Permittees.*—Permittees shall report the prospecting work done, the cost of the work, the results of prospecting and such other information as may be necessary. Permittees shall report all coal mined while determining the existence or workability of the deposit.

(c) *Licensees.*—Licensees shall report all coal mined on a semiannual basis on the report form provided.

(d) *Penalty.*—If a lessee or permittee records or reports less than the true weight or value of coal mined, the Secretary may impose a penalty equal to double the amount of royalty due on the shortage, or the full value of the shortage, which penalty shall be paid in addition to royalty due and payable. If, after warning a lessee or permittee maintains false records or files false reports, a suit to cancel the lease may be instituted in addition to the imposition of penalties.

§ 211.63 Audits.

An audit of the lessee's or permittee's accounts and books may be made annually, or at other such times as may be directed by the mining supervisor, by certified public accountants and at the expense of the lessee. The lessee shall furnish, free of cost, duplicate copies of such annual or other audits to the mining supervisor within 30 days after the completion of each auditing.

INSPECTION, ISSUANCE OF ORDERS, AND ENFORCEMENT OF ORDERS

§ 211.70 Inspection of underground and surface conditions.

Operators shall provide means at all reasonable hours, either day or night, for the Mining Supervisor or his representative to inspect or investigate the underground or surface mine conditions; to conduct surveys; to estimate the amount of coal mined; to study the methods of prospecting, exploration, testing, development, preparation, and handling necessary; to determine the volums, types, and composition of wastes generated, the adequacy of measures for minimizing the amount of such wastes, and the measures for treatment and disposal of such wastes; and to determine whether the terms and conditions of the permit or lease and the requirements of the exploration, mining or reclamation plan have been complied with.

§ 211.71 Issuance of notices, instructions, and orders.

(a) *Address of responsible party.*—Before beginning operations, the operator shall inform the Mining Supervisor in writing of the designation and post office address of the exploration or mining operation, the operator's temporary and permanent post office address, and the name and post office address of the superintendent, or designated operator or agent, who will be in charge of the operations and who will act as the local representative of the operator. Thereafter, the Mining Supervisor shall be informed of each change of address of the mine office or in the name or address of the legal representative.

(b) *Receipt of the notices, instructions, and orders.*—The operator shall be considered to have received all notices, instructions, and orders that are mailed to or posted at the mine or mine office, or mailed or handed to the superintendent, the mine foreman, the mine clerk, or higher officials connected with the mine or exploration site for transmittal to the operator or his local representative.

§ 211.72 Enforcement of orders.

(a) *Notice of noncompliance.*—If the Mining Supervisor determines that an operator has failed to comply with the regulations in this part, other applicable departmental regulations, the terms and conditions of the permit or lease, the requirements of an approved exploration or mining plan, or with the Mining Supervisor's orders or instructions, the Mining Supervisor shall serve a notice of noncompliance. The notice shall specify in what respects the operator has failed to comply with the provisions of applicable regulations, the terms and conditions of the permit or lease, the requirements of an approved exploration or mining plan or the orders and instructions of the Mining Supervisor, and shall specify the action which must be taken to correct the noncompliance and the time limits within which such action must be taken. A written report shall be submitted by the operator to verify that noncompliance has been corrected.

(b) *Penalty for noncompliance.*—If, in the judgment of th Mining Supervisor, failure to comply with the regulations, the terms and conditions of the permit or lease, the requirements of approved exploration or mining plans, or with the Mining Supervisor's orders or instructions threaten immediate, serious, or irreparable damage to the environment, the mine or the deposit being mined, or other valuable mineral deposits or other resources, the Mining Supervisor or his representative is authorized, either in writing or orally with written confirmation, to suspend operations without prior notice of noncompliance. Failure of the operator to take action in accordance with the notice of noncompiance shall be grounds for ordering suspension of operations by the Mining Supervisor.

Part 216—Operating Regulations Governing the Mining of Coal in Alaska [Revoked]

Part 216 of chapter II of title 30 of the Code of Federal Regulations is revoked.

John B. Rigg,
Deputy Assistant Secretary of the Interior.
April 24, 1973.

[FR Doc. 73-8318 Filed 4-27-73; 8:45 a.m.]

AN INDEPENDENT WATERGATE INVESTIGATION

Mr. ERVIN. Mr. President, the Senate Judiciary Committee is presently considering the nomination of Mr. Elliot Richardson to be the Attorney General of the United States. While I have the greatest confidence in Mr. Richardson's personal integrity, I share the concern of many of my colleagues in the Senate about the wisdom of Mr. Richardson's proposal that he appoint a special investigator to direct the Watergate investigation without giving such special investigator full independence. Nothing is more important at this time than to restore the confidence of the American people in the processes of Government. In my opinion as investigation conducted by a person entirely independent of the administration will regain such confidence.

Mr. President, on May 2, 1973, WRAL–TV, in Raleigh, N.C., expressed this same general viewpoint. I ask unanimous consent that a transcript of this television editorial be printed in the Record.

There being no objection, the transcript was ordered to be printed in the Record, as follows:

WRAL–TV Viewpoint

The U.S. Senate is absolutely correct in its insistence that President Nixon should appoint an outsider, not someone from the Executive Branch, to ramrod the Watergate investigation. It is imperative for him to do so if confidence in the White House is to be maintained—some would say restored.

Mr. Nixon has assigned the job instead to Elliot Richardson, his choice to replace Richard Kleindienst as Attorney General. It is not the same thing as having an outsider run the investigation. Mr. Richardson is above reproach, but he will be the Attorney General, and the Attorney General, no matter who he is, is the President's man.

Surely it should be clear enough by now to anybody, including Mr. Nixon, that something more than an inside job is required inasmuch as the President's top advisors have been implicated in the sordid Watergate affair and inasmuch as there are those who will be so uncharitable as to suggest that Mr. Nixon himself may be in this business up to his neck.

Not all of these persons are sworn enemies of the President either. The most telling criticisms so far have not emanated from Nixon haters. They have emanated from Mr. Nixon's well-wishers who, perceiving no lack of flatterers and lapdogs at the White House, concluded that what the President needed most was honest criticism, not self-evaluations exonerating Nixon staffers of all wrong.

And that gets us to precisely the point. It is the President himself—not John Ehrlichman or Bob Haldeman or any of the President's ex-henchmen—who must be extricated from this unhappy episode, and it is no more possible for the Attorney General to do it than for the President to do it himself. Any results the Attorney General turns in on the point of possible complicity by the President will be suspect. The same will be true if the investigation is assigned to a special prosecutor operating out of the Attorney General's office—an alternative method Mr. Nixon mentioned in his Watergate message this week.

It isn't enough. Even the President's friends, some of them, have been saying that the White House is interested in the truth only because—and to the degree that—the truth is nipping at its heels. Impeachment has been seriously talked about, and at least one Nixon ally—columnist William F. Buckley Jr.—has argued against it on the interesting ground that, while the President may be culpable, impeaching the sovereign would generate such agonies that he ought to be censured instead—as Sen. Joe McCarthy was, for instance.

When we have come to that, when serious men are discussing what form presidential punishment should take, it is clear that something more than another in-house investigation is called for. What is needed is a thorough probe by an outsider whose stature and integrity and—most of all—independence are beyond question.

In the absence of such an investigation, the suspicion of corruption will remain; and unless the President orders such an investigation, the public can be expected to wonder why he didn't.

AGRICULTURAL RESEARCH HELPS HUMANS, TOO

Mr. BELLMON. Mr. President, a great amount of research work done in agriculture has produced important spinoff results that are applicable to human medicine.

The discovery of dicumarol, used extensively in the treatment of heart patients, the discovery of terramycin, which is one of the present-day wonder drugs, the discovery of most of the vitamins and many of the minerals as well as the amino acid building blocks of protein and the commercial potential for penicillin production were all accomplished in laboratories of the State agricultural experiment stations.

An article in the March 13 issue of the Wall Street Journal calls attention to yet another important discovery. In this case a rather basic accidental finding that was made in the Department of Poultry Science at the Ohio State University resulted in some important new knowledge about how the human body develops immunity to disease.

Some believe this discovery may lead to a treatment for cancer or arthritis. Whether this comes true remains to be seen. Nevertheless, the applications to human medicine that have been found in agricultural research laboratories will be worth far more to humanity than the relatively small amount of money that has been invested in these facilities.

Mr. President, I ask unanimous consent that this article be printed in the Record for the information of all Members.

There being no objection, the article was ordered to be printed in the Record, as follows:

New Advances in Study of Immunity to Disease Encourage Physicians

(By Jerry E. Bishop)

For a young graduate student studying poultry science at Ohio State University it was a rather embarrassing end to a routine laboratory experiment. Timothy S. Chang had been assigned to show some younger students how the chicken develops immunity when vaccinated against the common salmonella bacteria.

For the demonstration he borrowed a dozen healthy chickens from fellow graduate student Bruce Glick, who happened to be using the birds in an esoteric study to learn the function of a mysterious gland in the chicken intestines.

Mr. Chang and his students carefully inoculated the chickens, waited a week, and then drew blood samples to test for evidence of salmonella immunity. To his surprise and chagrin, 10 of the chickens failed to show any signs of immunization. "Tim came back to the lab and asked if I was trying to pull off some kind of joke," recalls Mr. Glick, now professor of poultry science at Mississippi State University in Starkville.

Puzzled, Mr. Glick checked his lab records on the birds and found the clue. The 10 chickens that failed to develop immunity all had that mysterious gland in the intestines removed by Mr. Glick as part of his research. The two animals that did develop immunity still had the gland intact. The gland obviously had something to do with immunity.

A LONG JUMP

It's a long jump from chickens to humans, physiologically or any other way. But a group of excited researchers say this almost accidental discovery in the chicken is a key element in a new concept of how the human body develops immunity to disease—and what happens when that immunity fails.

Immunity has mystified scientists for centuries. It is the strange ability of the body, when it is exposed to a "foreign" substance, to build up a long-lasting, highly specific protection against that particular substance. The most obvious example is a child's exposure to, say, the mumps virus. He develops a case of mumps but quickly recovers as the body mounts an overpowering attack on the virus. From then on, for years, perhaps a lifetime, the body is immune to any further invasions of the mumps virus.

The same phenomenon plays a role in allergies where the body's immune system, after a first exposure to, say, ragwweed pollen, reacts almost violently against every subsequent exposure to the pollen—causing the person to sneeze, have a runny nose and watery eyes and other symptoms. It also occurs when the body rejects grafts of skin or transplants of organs from another person.

The newest concept in immunity research sounds somewhat prosaic. In oversimplified terms it says that instead of one unified immune system in the body, as had been thought for decades, there are really two separate parts to the immune system, each working independently of the other. The new concept is known simply as the two-component immune system theory.

SERENDIPITY AND INGENUITY

So far, the lives of at least two dozen children have been saved as a direct result of the new understanding of immunity, and probably 3,000 other people owe their lives to it indirectly. A new understanding and possible treatment for that ancient pestilence, leprosy, is emerging. And new approaches to such scourges as cancer and arthritis may be in the offing.

Almost as fascinating, the scientists involved in formulating the new concept unfold a story of medical research that occasionally sounds like a movie script. It involves not only chickens at Ohio State, but a host of coincidences and chance meetings, episodes of scientific serendipity, some ingenious experiments and ultimately some dramatic life-saving treatments.

The story takes place against a background of what was known—and unknown—about human immunity in the early 1950s. As every schoolchild is taught, the body's defenders against disease are the "white corpuscles," that is, the white blood cells known broadly as leucocytes. There are several kinds of white cells. Some of the larger types are the scavenger cells that will attack and try to digest anything that breaks through the skin. These are general defenders and don't discriminate among the germs that invade the body.

The white cells that are the sources of immunity are quite different. They are the smallest of the white cells and are called lymphocytes. These lymphocytes have an almost incredible talent. When a foreign substance enters the body the substance carries a chemical identification called an antigen, which is kind of a "dog tag" of the microscopic world. The mumps virus carries its own peculiar antigen, which is different from the antigen of, say, the measles virus.

AN ARMY OF ANTIBODIES

The lymphocytes have the ability to "recognize" antigens. If the antigen is foreign, one that doesn't belong in the body, the lymphocyte launches its attack. It begins secreting special proteins, called antibodies, that engulf the foreign antigen, rendering it harmless. The antibodies function solely against that particular antigen; antibodies produced against mumps viruses are effective only against mumps viruses.

On the first encounter with a foreign antigen it takes a while for the lymphocytes to build up a sufficient army of antibodies. But from then on they keep a reserve of these antibodies floating in the blood stream. In addition, if there is a second invasion of the same antigen, the lymphocytes, now primed, can react almost instantly with a flood of antibodies against it. This, scientists explain, is immunity.

Doctors learned years ago to exploit this situation. Vaccination is nothing more than injecting antigens that have been rendered harmless into the body, spurring the lymphocytes to build up antibodies. The antibodies can be extracted from the blood of one person and given to another to provide temporary immunity; hence, the gamma globulin—the part of the blood that contains the antibodies from a person who is immune to mumps can protect a nonimmune person against mumps. (The protection is temporary because the recipient's own immune system will eventually destroy the "foreign" antibodies.)

In the 1940s and 1950s, this idea of the antibodies being the essence of immunity was controversial, to say the least. The results of various experiments just didn't jibe with the concept. For instance, there was a problem with experimental skin grafts. When a person receives a skin graft it takes two or three weeks for his immune system to reject it. If he receives a second skin graft from the same donor, however, the rejection is far more rapid and violent, which is what one would expect.

When scientists tried to transfer this skin graft immunity to another person they ran into a puzzle. It worked only if they transferred whole lymphocytes, and it didn't work if they transferred only the antibody-rich gamma globulin. In addition, other research was showing quite clearly that the rejection of skin grafts or transplanted organs was being accomplished by the lymphocytes themselves instead of antibodies. Debates raged over whether immunity was really "cellular"—carried out by the lymphocytes themselves—or "humoral"—accomplished by the antibodies circulating in the blood.

In the midst of this debate, a U.S. Army pediatrician at Walter Reed Hospital in Washington dropped a medical bombshell. A four-year-old son of an Air Force officer had been admitted to the hospital with a diagnosis of acute rheumatic fever, the pediatrician, Dr. Ogden C. Bruton, recalled a few years later. At first, penicillin seemed to clear up the infection. But two or three weeks later the child was back sick again.

In the next four years, according to Dr. Bruton, the child was in the hospital 19 times with infections. Antibiotics were of temporary help, but vaccines just didn't work with the boy. The child was in the hospital so much that he became a favorite patient to be shown to distinguished medical personages visiting the hospital.

AS HEALTHY AS ANYONE

"We were there with the child one day and someone suggested this boy, having permanently serious severe infections, almost certainly would have a high gamma globulin." Dr. Bruton recounted later. About that time, the Walter Reed Institute, where research is done, acquired a new machine to check gamma globulin from blood samples, so Dr. Bruton sent a sample of the boy's blood over to be tested.

The next day, he recalled, the machine technician called back and said there was something wrong with the machine because it couldn't detect any gamma globulin. A second sample was sent over and the same report came back. "Well, things begin to click," Dr. Bruton recounted. The boy was incapable of making gamma globulin and antibodies. Hence the severe infections.

Dr. Bruton began giving the youngster monthly shots of gamma globulin, and from that time on he never again suffered the severe infections. At last report, he was 25 years old, working as a bank cashier, still receiving monthly shots of gamma globulin and as healthy as anyone else.

When Dr. Bruton published his report on the boy, in 1952, it was the first reported case of disease due to a defect in the immune system. Since this alert, medical researchers have diagnosed more than 3,000 cases of disease due to various defects in the ability to make antibodies, and most of the patients have been helped—perhaps saved—by the administration of the missing or defective gamma globulin. More importantly from a scientific viewpoint, experiments were performed on some of these persons and it was discovered that they could reject skin grafts although they couldn't make antibodies against infections.

ALMOST OVERLOOKED

It was startling enough that Dr. Bruton's patient could have survived even a few months without an immune system in a world filled with potentially lethal bacteria and viruses. But as the researchers probed this newly discovered "immune deficiency disease," they made another unexpected finding. Although these patients cannot make antibodies against bacteria and viruses, they do produce seemingly normal lymphoctyes and they can reject skin grafts.

The immunologists who were excitedly uncovering case after case of "agammaglobulinemia," as it is called, were completely unaware of Messrs. Glick and Chang and their chickens. Indeed, the medical world came close to never hearing about the two young Ohio State poultry scientists.

At Ohio State, Mr. Glick was under the tutelage of a physiologist who was deep in an effort to determine what the comb of the chicken does. It wasn't a subject about which Mr. Glick could develop much enthusiasm, he now admits. "One day—it must have been in November 1952—I was watching the professor dissect a goose. He removed an obscure-looking gland, and I asked him what it was." The gland, he was told, is known as the bursa of Fabricius, named after Girolamo Fabrizio, a 17th Century Italian anatomist. The gland is found in the intestines of birds, but no one had figured out its purpose.

"A couple of months later, being disenchanted with the comb of the chicken, I got interested in the bursa of Fabricius," Mr. Glick says. "Graduate students kind of grasp at anything to be different, you know." A logical experiment seemed to be to take some newly hatched chickens, remove their bursas, and see if their growth was affected. But in the protective environment of the laboratory the bursaless chickens seemed to thrive just as well as "control" chickens that, after sham surgery, were left with the bursa intact.

AN IDENTICAL SITUATION

It was, of course, the bursa-less chickens that Mr. Chang borrowed for his unsuccessful demonstration of chicken immunity. As experiments in subsequent months showed, if the chicken bursa is removed in early life the birds can't develop the ability to make antibodies. Although they didn't realize it, the Ohio State graduate students were seeing a situation in the chicken identical to the one Dr. Bruton had seen in his young patient at Walter Reed Hospital.

The Ohio State scientists finally got their report published in Poultry Science, a specialty journal. The report was spotted by zoologists at the University of Wisconsin, who undertook confirming experiments and began to get word out to the immunologists.

For a handful of immunologists here and abroad, news of the chicken experiments came at a strange time. For years they had been trying to track down where those ubiquitous and amazing lymphocytes came from in the body. They were now at the climax of this research. Every experiment pointed to the thymus gland as being the source of the lymphocytes and, hence, the throne of immunity. The thymus is a small, butterfly-shaped organ right above the heart whose purpose had been an enigma for years.

What mystified the immunologists was the fact that the chicken, like mammals, also has a thymus gland that had to be involved in immunity. Now the poultry researchers had found a second gland—the bursa of Fabricius—that was involved in immunity.

AN INTRIGUED IMMUNOLOGIST

Among the immunologists intrigued by this discovery in the chicken was Dr. Robert A. Good, then head of pediatrics at the University of Minnesota, who had been probing the role of the thymus in immunity. He almost immediately put a team of younger colleagues to work on the chicken. The team, headed by Dr. Max Cooper, took some newly hatched chicks, removed the thymus in some and the bursa in others, and destroyed any prebirth vestiges of immunity with heavy atomic radiation.

As the birds grew, they redeveloped their immunity. But the chickens without a bursa produced lymphocytes that couldn't make antibodies, and those without a thymus had lymphocytes that couldn't reject skin grafts.

The theory that there may be two components to the immune system began to emerge. It goes like this: The source of all blood cells, including the white cells, is the bone marrow. In the case of the white cells, however, the bone marrow produces only primitive, immature cells. These immature cells then migrate to other parts of the body, where they "grow up" to become lymphocytes.

The immature white cells that reach the thymus gland and mature under its influence become the lymphocytes that reject skin grafts and attack transplant organs and invasions of ragweed pollen and other allergy-causing antigens. Other immature white cells, however, migrate to the bursa of Fabricius or its equivalent. There they grow up to become the lymphocytes that produce antibodies against viruses and similar antigens.

(Scientists haven't yet found an organ in the human that is equivalent to the bursa of Fabricius in birds. Under suspicion are organs such as the tonsils, the appendix, some tissues in the liver, the spleen, or, perhaps, tissues hidden in the bone marrow itself.)

STICKING THEIR NECKS OUT

Birds, of course, evolved differently from mammals like the human. And it is possible that nature, over the eons, had combined both components in the human thymus gland. Yet, there were people who couldn't make antibodies but could reject grafts.

The Minnesota scientists were ready to stick their necks out by 1965, and they did so in a report delivered by Dr. Cooper before the American Academy of Pediatrics. Almost immediately some scientists in the audience cautioned against drawing any conclusions about humans from chicken experiments.

What then happened "couldn't have been more beautiful," recalls Dr. Cooper, who now is at the University of Alabama Medical Center in Birmingham.

A doctor in the audience hurried to the microphone and began describing the puzzling deaths of three infants at St. Christopher's Hospital for Children in Philadelphia and the illness of a fourth child then in the hospital. The speaker was Dr. Angelo M. DiGeorge, pediatrician and endocrinologist from St. Christopher's and a member of the faculty at Temple University.

The first child had been admitted to the hospital in 1963. She had been born without a small gland in the neck, the parathyroid gland, which controls the use of calcium by the body, and was suffering symptoms of this birth defect. The child died suddenly on the third day in the hospital. "I wasn't present when the autopsy was performed." Dr. DiGeorge recounted later.

TRAGIC EXPERIMENTS IN NATURE

But a few weeks afterward, while studying a medical textbook, Dr. DiGeorge found a description of a similar case that noted that the infant patient was missing the thymus gland as well as the parathyroid gland. "I could hardly wait until the next day to ask Dr. James B. Arey about the appearance of the thymus in our infant," he recalled. The pathologists hadn't found any trace of a thymus, he was told.

In the next several months two other children died under similar circumstances and autopsies failed to find a thymus gland. Dr. DiGeorge tried vainly to interest some immunologists in the cases. But the blood tests had showed the children had lymphocytes that couldn't have existed, under the then-current belief, without some vestige of thymus tissue. The pathologists just couldn't find the thymus, the immunologists replied.

Now a fourth child, also born without the parathyroid, was in the hospital and was being struck repeatedly by severe infections. X-rays couldn't find any evidence of a thymus gland, and Dr. DiGeorge was suspicious this was the problem.

After hearing Dr. Cooper's report, Dr. DiGeorge rushed back and began a series of exhaustive tests on the child. Sure enough, the child had the bursa type of immunity and could produce antibodies. But the infant was lacking the thymus type of immunity and couldn't reject skin grafts. Despite the doctors' efforts, the child died 10 months after entering the rospital. The autopsy confirmed it had been born without a thymus gland.

What Dr. Good terms "experiments in nature" had tragically confirmed that the two-component immune system that existed in the chicken also existed in humans. Dr. DiGeorge's patient's were missing the thymus type of immunity while the patients discovered by Dr. Bruton were missing the bursa type of immunity.

TOWARD A NEW ROLE FOR CONGRESS

Mr. HARTKE. Mr. President, no fact is more clear today than that one branch of the Federal Government has assumed a position of inordinate predominance. The major problem faced by our society today is an excessive reliance on an escalating bureaucracy which is not responsible in any significant degree to the people. We have exalted the Presidency to a point that his powers far exceed their stated limits and pose a real threat of dictatorship.

If there is a first branch of the Federal Government, it is the Congress, for it is in the Congress that 535 elected spokesmen for the American people reside. Yet, it is clear that there has been an erosion of congressional power which threatens to make the legislative branch an archaic and useless institution.

Mr. President, recently an article written by Arlene J. Large appeared in the Wall Street Journal. The article takes the view that Congress responds best to crises and to "defiance of law." It also contends that the President's handling of the budget has had a "shock effect" on the Congress.

Mr. President, I ask unanimous consent that Mr. Large's article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Wall Street Journal, April 13, 1973]

The Shock Treatment for Congress

(By Arlene J. Large)

Washington.—One of the scariest lessons of the turbulent '60s was that. in a sense, lawbreaking worked.

City riots resulted in a lot more federal money for cities. Student seizure of the college president's office won them, after the fuss died, a louder voice in campus affairs. Even now, the offense being committed at Wounded Knee are forcing more intense government attention to the problems of Indians generally.

The phenomenon makes politicians squirm. It ought to be possible to do good works without a prelude a lawbreaking and violence. But however deplorable, there's nothing like them for calling attention to a grievance that everybody's been ignoring.

In an entirely different frame of reference, the lesson is being demonstrated again in President Nixon's budget fight with Congress. Mr. Nixon's cancellation of some long-unexamined federal programs is being called illegal on Capitol Hill and even in some federal courtrooms. Cancelling an entrenched federal activity by decree does violence, to say the least, to the traditional Congressional-Executive relationship.

Nevertheless, by not working within the old system, Mr. Nixon has aroused a snoozing Congress and made it mad. He has also made it a little ashamed, and true to the uncomfortable lesson of the '60s, it's starting to shape up.

Budget directors of earlier Presidents beefed for years about the bargain interest rates on federal rural electrification loans, for example, but Congress always voted the money and the lending obediently continued. Mr. Nixon last December smashed that traditional interplay by simply ordering a halt to the loans. Congressmen screamed it was illegal, but the President at last had got their attention.

The result has been a reluctant attempt to redirect the cheap loans to rural electric co-ops that really need them. The change recently voted by the House evidently still doesn't go far enough to suit the administration, but no earlier President has forced this much motion with more conventional methods.

His proposed slaughter of several federal health programs, uplift projects for depressed areas and a major part of the anti-poverty program likewise have startled lawmakers into promising reform and overhaul. Congressional committees in charge of housing for years neglected their "oversight" function of monitoring this federal patchwork of programs. Now, at last, the Senate Banking Committee is holding some housing hearings. To be sure, the Senators are trying to prepare a case for continuation of the programs, but they're also promising to make repairs.

More important than these individual instances of deathbed religion on Capitol Hill is the total shock effect of Mr. Nixon's behavior on the way Congress handles the budget as a whole.

THUNDERBOLTS GET RESPONSE

The President asserts he must hurl his economy thunderbolts unilaterally because the undisciplined legislative mobs aren't organized to consider the budget as a whole. It's an old complaint, but for the first time Congress appears to be responding in a serious way.

Nobody is defending the status quo, the easygoing practice of passing a tandem of piecemeal appropriation bills without relating them to final spending and revenue targets. Now everybody has a plan for doing that.

Typically, a special committee has been appointed to come up with new appropriations procedures, and something good very likely will come of it. Every five minutes, it seems, some lawmaker is saying ponderously: "We must get our own house in order."

There is, of course, a high quotient of politics in the exchange of accusations between the spend-happy Democratic Congress and the Republican President who lacks compassion for the poor. But this is the workaday trade of grownup professional politicians, all trying to keep people interested in what they do. For Congress, the special thumb-in-the-eye that's producing the unusual response of outrage and grudging reform is the feeling that the Executive is trying to take over its job. Mr. Nixon's freezes of appropriations are, in this view, legislative actions going beyond his constitutional authority to recommend bills and veto those he doesn't like.

Mr. Nixon's lawyers insist it's perfectly legal, but so far they're doing poorly in the lower federal courts.

In Minnesota, a group of farmers sued the Agriculture Department for its sudden termination in December of a program of super-generous disaster loans. Federal District Judge Miles Lord ruled last month that in killing the program, Agriculture Secretary Earl Butz improperly substituted his own opinion of its merit for the will of Congress. Said Judge Lord:

"It is the opinion of the court that the defendants have a ministerial duty to implement the emergency loan program as directed by Congress, that the unilateral termination of the program without notice to the plaintiffs in this case was in violation of the statutes, the agency's own regulations and due process of law."

The government likely will appeal the district court's decision. Meanwhile, Congress yesterday passed a bill reinstating the loans for a brief period. Significantly, though, the administration's "unilateral" and possibly illegal deed fixed lawmakers' attention on the huge budget cost of those generous loans; the new bill eventually would tighten up the terms of rural disaster lending.

After President Johnson impounded some highway money in 1967, Congress wrote into the law a new section forbidding it. When Mr. Nixon nevertheless impounded some highway funds in 1971, the Missouri Highway Commission sued and won both in federal district court and, earlier this month, in the Eighth Circuit Court of Appeals.

THE APPEALS COURT RULING

Administration lawyers essentially argued that despite the must-spend section of the highway law, the Secretary of Transportation has legal discretion to control the rate of outlays. Examining the law, the appeals court in its 2-to-1 ruling said the administration is wrong:

"It is impossible to find from these specific grants of authority discretion in the Secretary to withhold approval on projects Congress has specifically directed because of a system of priorities the Executive chooses to impose on all expenditures."

The Supreme Court probably will have the final word. But here again, the impoundments—legal or otherwise—are producing a response from Congress. The pending version of a new highway bill has a must-spend section, but it also cuts back the amount of interstate roadbuilding money authorized. Sponsors frankly say it's intended to induce Mr. Nixon to stop impounding.

The most recent courtroom setback for the administration came just this week when a federal district judge here ruled that the Office of Economic Opportunity is being closed down prematurely. Congress has voted money for OEO's poverty fighters through June 30, and Judge William Jones ruled they can't be disbanded now just because the Nixon budget contains no funds for the following year.

Even though it's losing in court so far, the administration is able to keep freezing money while the cases are pending. Indeed, one Agriculture Department official told a farm meeting in Idaho that if Congress orders reinstatement of a cancelled soil conservation program, Mr. Nixon will veto the bill and not release funds even if a veto is overridden. If somebody sues, he said, there'll be another President before the case is finally settled. Word of the meeting got back to Rep. John Melcher (D., Mont.), who sees the administration's attitude as "a defiance of congressional constitutional authority."

(In this instance, the impoundment produced no congressional promise to reform the soil conservation program, despite long-standing complaints that it subsidized farmers for doing what they'd probably do anyway. Both the House and Senate have passed bills just ordering the administration to start it up again without change.)

How one feels about the legality of the administration's money freezes doubtless depends on the health and whereabouts of one's own ox. Administration officials say special interest groups naturally will scream, but that taxpayers generally will applaud. That's probably true. But the vigor of the Executive's claim of authority has aroused echoes of the old FDR-era complaints about "one-man rule," with Democrats alarmed about a too-strong presidency and loyalist Republicans sounding comfortable with it.

SENATOR HUGHES' VIEW

Sen. Harold Hughes (D., Iowa) puts it this way: "I am worried not so much about the power of Richard Nixon as the precedent that is being set for other Presidents on down the line in the future. I can't begin to determine what their next step of escalation might be down this road, but when I think about it, it scares the hell out of me."

Sen. Hughes is a liberal who disagrees with Mr. Nixon on the merits of many frozen programs, so his protests aren't based on constitutional theory alone. But a parallel point was made in a recent House speech by Rep. Philip Crane (R., Ill.), an articulate conservative:

"It would be good to believe that liberals who now express concern over too much Executive authority really wish to restore the supremacy of Congress. Unfortunately, the goals of far too many seem more partisan.

"Equally unfortunate is the fact that now that conservatives have a real opportunity to implement their principle of limited government and restore Congress to its proper role, many seem subservient to the will of an Executive of their own party.

"In neither instance is the will or the interest of the people really served."

If in search of its "proper role" Congress improves its haphazard budget-handling methods and re-examines entrenched federal programs. Mr. Nixon's unconventional use of Executive power could be a long-range plus for the Legislative Branch. But some observers of Congress worry that the President's actions could generate a backlash harmful to Executive Branch efficiency. Legislation this year already is beginning to bristle with tightly worded mandatory spending clauses. Louis Fisher, a Library of Congress researcher, thinks Congress will try to grant "less discretion at the cost of effectiveness of government and programs."

Like many others, Mr. Fisher would like to see a greater spirit of cooperation on both sides. So would George Washington University law Professor Arthur Miller. "I think what we are seeing is a complete defiance of the law by the Executive," he said at a recent seminar here on Executive-Legislative relations. "I don't think the President knows best. I don't even think the Congress knows best. I do think that working together, they might do a little better than they are now."

Cooperation is pleasant and statesmanlike. But "defiance of the law" calls more attention to neglected problems, whether on the campus or the musty chambers of the House Appropriations Committee. It's deplorable, but it works.

PROGRESS AND PLANS OF NATIONAL COMMISSION ON THE FINANCING OF POSTSECONDARY EDUCATION

Mr. BEALL. Mr. President, I have the pleasure of serving on the National Commission on the Financing of Postsecondary Education, which was established by Public Law 92–318. The commission is expected to report its findings and recommendations by December 31 of this year. Because of the importance of the business of the Commission and the interest in this subject both in the Congress and the country, I ask unanimous consent that an information brief prepared by the commission be printed in the Record.

If Members of Congress or others have any suggestions, comments, or criticism with respect to the commission's work, I certainly encourage them to contact the commission or its members.

There being no objection, the brief was ordered to be printed in the Record, as follows:

An Information Brief—April 1973

The National Commission on the Financing of Postsecondary Education was appointed by the President and the Congress in late September of 1972 in accordance with the Education Amendments of 1972. The Commission began meeting soon after it was established to consider the extent of its proposed work and to determine the procedures and staffing needed to accomplish the complex study. The Commission has met six times since September. By February 1973, a staff had been drawn together to work with the Commissioners to conduct and publish the study by December 31, 1973.

To facilitate the work that must be accomplished before the Commission can make recommendations to the President and Congress, committees and subcommittees made up of Commission members, working with the professional staff, are meeting almost weekly to accomplish the tasks involved in the comprehensive study described on the following pages. The Commission's monthly meetings are the occasion for review and evaluation of committee work and reports from the research staff. Although there is a heavy pressure of time, the Commission is placing strong emphasis on the thoroughness and quality of work done by the committees and research staff of the Commission.

The Commission attempts both to inform the public of what it is doing and to encourage response by opening its meetings to interested visitors, by maintaining appropriate communication with the postsecondary community, and by soliciting opinions from interested parties. The Commission is making every effort to meet its December deadline and to provide federal, state, and local policy makers with information about and Commission recommendations for the future funding of postsecondary education.

DONALD E. LEONARD, *Chairman.*

SUMMARY

In response to the charge contained in the establishing legislation given on pages 3–5 in the description that follows, the National Commission on the Financing of Postsecondary Education will prepare:

1. A description of the present conditions that are relevant to the role of postsecondary education in our society.

II. A summary of the purposes, scope, and dimensions of postsecondary education.

III. A synthesis of objectives for postsecondary education recommended by the Commission.

IV. A description of and a rationale for the selection of the measures used to evaluate the accomplishment of the objectives.

V. An analysis that describes the kind and amount of financial support for postsecondary education from all sources.

VI. A program analysis of existing funding programs.

VII. A projective analysis estimating the extent to which each of several alternative funding programs would achieve the objectives for postsecondary education agreed upon by the Commission.

VIII. Recommendations for national uniform procedures for calculating instructional costs per student.

IX. An assessment of the nature and causes of serious financial distress facing postsecondary institutions and recommendations for improvement.

X. The final reports of findings and recommendations.

The National Commission on the Financing of Postsecondary Education was established by Public Law 92-318 (Section 140) and appointed by Congress and the President to undertake studies of:

The impact of past, present, and anticipated private, local, state, and federal support for postsecondary education.

The appropriate role of the states in support of higher education (including the application of state law upon postsecondary educational opportunities).

Alternative student assistance programs.

The potential federal, state, and private participation in such programs.

The establishing legislation does not leave entirely to the Commission the task of delineating details of the study, but goes on to indicate several specifics that shall be included and shall be considered:

1. The study shall determine the need, the desirability, the form, and the level of additional governmental and private assistance to postsecondary education.

2. It shall include at least:

a. An analysis of the existing programs of aid to institutions of higher education.

b. An analysis of various alternative proposals presented to the Congress to provide assistance to institutions of higher education.

c. An analysis of other viable alternatives of assistance to institutions of higher education.

3. The analyses under No. 2 shall include:

a. The costs of existing programs and alternative programs.

b. The advantages and disadvantages of each.

c. The extent to which each proposal would preserve the diversity and independence of such institutions.

d. The extent to which each would advance the national goal of making postsecondary education accessible to all individuals, including returning veterans, having the desire and ability to continue their education.

4. In conducting the study, the Commission shall consider:

a. The nature and causes of serious financial distress facing institutions of postsecondary education; and

b. alternative models for the long-range solutions to the problems of financing postsecondary education with special attention to the potential federal, state, local, and private participation in such programs, including, at least:

(1) The assessment of previous related private and governmental studies and their recommendations;

(2) existing state and local programs of aid to postsecondary institutions;

(3) the level of endowment, private sector support, and other incomes of postsecondary institutions and the feasibility of federal and state income tax credits for charitable contributions to postsecondary institutions;

(4) the level of federal support of postsecondary institutions through such programs as research grants and other general and categorical programs;

(5) alternative forms of student assistance, including, at least, loan programs based on income-contingent lending, loan programs which utilize fixed graduated repayment schedules, loan programs which provide for cancellation or deferment of all or part of repayment in any given year based on a certain level of a borrower's income; and existing student assistance programs, including those administered by the Office of Education, the Social Security Administration, the Public Health Service, the National Science Foundation, and the Veterans Administration; and

(6) suggested national uniform standards for determining the annual per-student costs of providing postsecondary education for students in attendance at various types and classes of institutions of higher education.

The legislation requires that "No later than April 30, 1973, [to be amended to December 31, 1973] the Commission shall make a final report to the President and Congress on the results of the investigation and study." The report will include:

1. Findings and recommendations as the Commission deems appropriate, including recommendations for legislation.

2. Suggested national uniform standard procedures for determining the annual per-student costs of providing postsecondary education for students in attendance at various types and classes of institutions for higher education.

Within 60 days from the submission of the final report,

". . . the Commissioner [of Education] shall make a report to the Congress commenting on the Commission's suggested national uniform standards, and incorporating his recommendations with respect to national uniform standards together with any related recommendations for legislation."

To accomplish its task, the Commission has available $1.5 million in federal appropriations.

In response to the charge contained in the establishing legislation, the Commission will prepare:

1. A description of the present conditions that are relevant to the role of postsecondary education in our society. This description will include:

A. Demographic patterns of the population in general: Who seeks a postsecondary education?

B. Demand patterns of current and potential participants: What kinds of postsecondary education programs do they want?

C. Mobility patterns of participants within and among particular postsecondary institutions: What institutions or programs of postsecondary education do they attend and how long do they stay?

D. Broad social and economic attitudes with regard to:

1. The present patterns for responsibility of paying for postsecondary education among:

a. student participants

b. parents

c. taxpayers

d. donors

e. the general public

2. The shifting patterns of employment, including, but not limited to:

a. early retirement

b. the shorter work week

c. increased leisure time

d. increasing female employment

e. status of employment of ethnic minorities

II. A summary of the purposes, scope, and dimensions of postsecondary education that will include alternative categories of institutions, students, and funding programs. In addition, the Commission will summarize and analyze statements of objectives for postsecondary education derived from many sources.

III. A synthesis of objectives for postsecondary education recommended by the Commission. The Commission is currently considering statements of objectives in the following areas:

A. student access and choice

B. institution and program diversity

C. educational and financial accountability

D. institutional autonomy and social responsibility

E. educational benefits to the individual and to society

F. plurality of support for postsecondary education.

IV. A description of and a rationale of the measures used to evaluate the extent to which existing programs and alternative funding programs and proposals contribute to the accomplishment of the objectives agreed upon for postsecondary education and the extent to which they respond to real changes in our society as identified in item I.

V. An analysis that describes the kind and amount of financial support for postsecondary education from the following sources:

A. federal

B. state

C. local

D. private

E. student participant and/or parents

In assembling data for this descriptive analysis, the Commission will not initiate major new data collection efforts, but rather, will draw heavily on existing sources such as federal and state agencies, research centers, institutions of postsecondary education, and foundations.

VI. A program analysis of existing funding programs, including a review of previous funding proposals and related literature; a listing of all federally enacted programs and the major programs enacted at the state and local levels; the collection of appropriate data; and the display of comparative information of the effectiveness of programs where available.

This analysis will utilize the measures developed above as the basis for determining the degree to which the objectives stated in item III. are accomplished.

VII. A projective analysis estimating the extent to which each of several alternative funding programs would achieve the objectives for postsecondary education agreed upon by the Commission. This analysis will consider those funding programs described in the charge to the Commission and alternative patterns of financing postsecondary education among levels of government, students, the families of students, and private sources.

VIII. Recommendations for national uniform procedures for calculating instructional costs per student, including:

A. The procedures recommended by the Commission.

B. A general discussion of costing problems and methods for calculating costs.

C. A rationale for the Commission's recommendations.

D. A statement of cautions to be applied to the implementation of the recommended procedures.

E. An analysis of anticipated costs to the institution of implementing such procedures in terms of dollars, additional man effort, staff and faculty morale, program adjustments, detrimental publicity, and numerous other factors.

F. A statement concerning the manner in which cost information should be used, displayed, and released, together with examples of misuse of such cost information.

G. Examples of cost information generated by the use of recommended procedures from several types of institutions. The examples will include descriptive information to be associated with the cost information.

IX. An assessment of the nature and causes of serious financial distress facing postsecondary institutions and recommendations of the combination of managerial improvements, instructional reforms, and additional governmental and private assistance to postsecondary education needed to ameliorate such conditions. The criteria used to measure financial distress and the conditions which have created such distress will be developed in the study.

The Commission plans to report its findings and recommendations in the following forms:

1. One or more short, concise, executive-level documents which can serve as a focus of policy discussion in the coming year to include:

a. The basic assumptions underlying the Commission's study.

b. A brief array of information that will be of practical use to state- and national-level policy makers in making judgments about the financial condition of postsecondary education and the likely impacts on national objectives of implementing the financing and structural recommendations of the Commission.

c. Recommendations concerning suggested national uniform standard procedures for determining the annual per student costs of providing postsecondary education for students in attendance at various types and classes of institutions of higher education.

d. Recommendations concerning suggested funding to accomplish objectives relative to:

(1) individual access
(2) institutional choice
(3) program diversity
(4) instructional and fiscal accountability
(5) assignment of institutional responsibility for postsecondary education

e. Other findings and recommendations as the Commission deems appropriate.

2. A more comprehensive publication designed for the interested lay person seeking to understand in greater depth the rationale behind the executive-level report, including alternative recommendations considered and rejected.

3. One or more volumes of staff papers and technical reports that buttress the final executive-level report.

4. A brief report identifying those areas of postsecondary education that, in the judgment of the Commission, require additional investigation if the nation is to be able to improve its understanding and provision of postsecondary education services.

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COMMITTEES OF THE COMMISSION

The following committees have been appointed by the Commission:

Committee on the Conditions, Definitions, and Expectations of Postsecondary Education.

This committee is responsible for developing initial descriptions of present and anticipated social conditions relevant to postsecondary education, objectives concerning postsecondary education, and measures for evaluating the impact of funding programs on those objectives.

Marian W. La Follette, Chairman, J. Glenn Beall, Jr., John Dellenback, Tim R. Engen, Walter C. Mercer, John W. Porter, Louis P. Rodriquez, Sister Jane Scully.

Committee on the Analysis of the Adequacy and Impact of Funding in Postsecondary Education.

This committee is responsible for the initial development of the analytical projects of the Commission, including the development of uniform procedures for determining comparable costs and the criteria for the analysis of financial distress in institutions.

George Kaiudis, Chairman, Ernest L. Boyer, John Brademas, Winfield Dunn, Dan M. Martin, Claiborne Pell, H. Reed Saunders, Ruth C. Silva.

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THE HUBRIS OF A PRESIDENT

Mr. McGOVERN. Mr. President, one of the Nation's most distinguished foreign correspondents is Mr. William L. Shirer. He has been a foreign correspondent for more than 20 years and reported developments in Berlin prior to the rise of Hitler. He is distinguished by his authorship of several books, including "Berlin Diary," and "The Rise and Fall of the Third Reich."

Recently, he authored a piece for the January 22 issue of the Nation magazine, "The Hubris of a President."

I ask unanimous consent that this perceptive article be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE HUBRIS OF A PRESIDENT

(By William L. Shirer)

Though Richard Nixon does not have the dictatorial power of Adolf Hitler—at least, not yet—he has shown in Vietnam that he has the awesome means, unrestrained by any hand, and the disposition to be just as savage in his determination to massacre and destroy the innocent people of any small nation which refuses to bow to his dictates and which is powerless to retaliate.

And apparently the majority of the American people, like the Germans under Hitler, couldn't care less. While Nixon was celebrating the festivities of the Prince of Peace by his reckless, bloody, paranoiac bombing of Hanoi, our God-fearing citizens were preoccupied with the Washington Redskins and the Miami Dolphins fighting their way to the Super Bowl, and seemed unmoved by the barbarism of their President and its horrible consequences for his victims.

I lived through a similar barbarism in Germany, when Hitler unleashed his terror bombing to force certain foreign peoples to do his bidding. I never thought it could happen here at home—even under a Nixon. No one of any consequence in Nazi Germany publicly protested, but at least the Germans had some excuse. To have spoken out might have cost a man his head—or at the very least the horrors of a concentration camp. But no American, watching the results of this

President's violence over the Christmas holidays, viewing on his TV tube the shattered hospital in Hanoi, reading in his newspaper of the devastation Nixon was unleashing on the homes and streets of peaceful citizens, could have been restrained by such fears.

Yet, who, at no personal risk, denounced the monstrous crime? Not a single official in government, very few in the Congress, a few from labor and no one from big business, and not one notable churchman, Protestant or Catholic. There was not a peep from the President's friends among the clergy: no sound from the Rev. Billy Graham, the Rev. Norman Vincent Peale, or Cardinal Cooke (not even after the Pope had raised his voice against the bombing).

Perhaps this unconcern is due in part to the peculiar luck of Americans. Unlike the inhabitants of every other major country and scores of small ones, we have never been bombed, and hence cannot feel in our own flesh and minds the sufferings of those on whom our President wreaks his vengeance. As one who experienced to some extent in Germany the bombings by the British, and later in England the bombing by the Germans—it was minor, compared to what we have done in Indochina—I rejoiced that Americans had been spared that ordeal.

But no longer. It now occurs to me that, until we go through it ourselves, until our people cower in the shelters of New York, Washington, Chicago, Los Angeles and elsewhere while the buildings collapse overhead and burst into flames, and dead bodies hurtle about and, when it is over for the day or the night, emerge in the rubble to find some of their dear ones mangled, their homes gone, their hospitals, churches, schools demolished—only after the gruesome experience will we realize what we are inflicting on the people of Indochina and especially what we did over Christmas week to the common people of Hanoi.

Does one American in 1,000, or in 100,000, realize that, whereas the Germans dropped 80,000 tons of bombs on Britain in more than five years of war (and we thought it was barbaric), we dropped 100,000 tons on Indochina in the single month of last November, when Nixon restricted the bombing because of the Paris "peace" talks; and that under Lyndon Johnson and Richard Nixon we have dropped a total of 7 million tons of bombs on Vietnam, Cambodia and Laos—vastly more than we and the British let loose on Germany and Japan together in World War II? It was done in the name of "a just peace," of course. Has not Nixon said it dozens of times, his face on the TV screen frozen in unctuousness, as he sent his troops to invade a new country—Cambodia, Laos—or as he ordered his bombers to resume unloading tens of thousands of tons of more lethal bombs on a country which has no Air Force with which to defend itself?

Hitler, a bully also, mouthed the same hypocrisy. As François-Poncet, the French ambassador in Berlin, remarked after the Fuehrer sent his warriors out on the first of his conquests at the very moment when he was showering Europe with a new offer of peace: "Hitler struck his adversary in the face, and then declared: 'I bring you proposals for peace!' "

Is that not what Nixon has done in Vietnam? Where else, since Hitler, has the head of government of a supposedly civilized people declared through a spokesman to his own people (on the eve of an election, to be sure) that "peace is at hand," that 99 per cent of the issues have been negotiated and that only three or four more days of talks are needed to tidy up the agreement, and then (after he is elected) struck the people he has been negotiating with "in good faith" with the most savage bombing in history—and put the blame on them?

I said that after experiencing at first hand the Nazi terror toward others, it never occurred to me that it could happen at home. Has it? To a certain extent? Just a beginning, perhaps? Has Nixon shown that you don't need a totalitarian dictatorship like Hitler's to get by with murder, that you can do it in a democracy as long as the Congress and the people Congress is supposed to represent don't give a damn?

It can be extremely misleading to compare the Nazi regime in Germany with our own situation today. We are not a totalitarian dictatorship. The press, despite the Administration's assaults upon it, is still relatively free. Dissent, despite all the attempts of Nixon and his aides to silence it, is still heard. This article could never have been published under the Fuehrer. Nixon is no Hitler, though with his Christmas bombing he acted like one. The Americans could have thrown him out of office in November. The Germans, after the death of President Hindenburg in 1934, were stuck with Hitler. They had had a parliament, the Reichstag, which, if its members had showed any guts or wisdom, might have restrained him or even overthrown him in his first months of power in 1933, before he tricked it into committing suicide. We have an elected Congress, which had the constitutional power to prevent our Presidents from taking the nation into war in Vietnam and the power to take it out quickly. It abdicated that power. Like the Reichstag, its members were partly tricked (by such things as the Tonkin Gulf frame-up and other Presidential deceits) and like the German parliament its members have thus far lacked the guts or the wisdom to exercise the power the Constitution gave them.

Here begin the similarities. Are there others? One, I think, is in the attitude of Nixon toward the people. "The average American," he told a Washington Star reporter on the eve of his re-election, "is just like the child in the family." The implication was that the average citizen could easily be manipulated by Papa. It is, of course, a form of contempt for the common people. Disraeli, to whom Nixon compared himself in the same interview, had it, but surely the great Presidents—Jefferson, Lincoln, Wilson, Roosevelt, Truman, even Eisenhower—did not. Hitler, for all his professed love of the German people and his attempt to make of them the Master Race, had a profound contempt for them. He thought they were simpletons, at least politically—you could do anything with them. He called them, as Trevor-Roper has pointed out, Dickshaedel, Querschaedel, Dummkoepfe—blockheads and ninnies without political sense. But he would add: "Even stupid races can accomplish something, given good leadership." Once at a Nuremberg party rally, when asked to explain why the German masses became so delirious at these pageants, especially when he spoke, Hitler told a group of American correspondents—off the record—in words almost identical to Nixon's, that it was because they were children at heart. "What luck for rulers," he exclaimed on another occasion, "that men do not think!"

And in these days I cannot help recalling an opinion vouched by one of Hitler's woman secretaries after his death. "Though Hitler," she recalled, "ranged over almost every field of thought. I nevertheless felt that something was missing. . . . It seems to me that his spate of words lacked the human note, the spiritual quality of cultivated man. In his library he had no classic work. No single book on which the human spirit had left its trace.

There were other things in Nazi Germany which recent happenings in this country have forced me, at least to recall:

(1) Justice and the courts. One day in 1936 Hans Frank, the Nazi Minister of Justice (who was later sentenced to death at Nuremberg and hanged), called in the members of the bench and gave them a little advice: "Say to yourself at every decision that you make: 'How would the Fuehrer decide in my place?' " One wonders sometimes—I mean no disrespect to our judges—if some of the eminent jurists appointed by the President, especially those on the Supreme Court, do not at the moment of decision say to themselves: "How would President Nixon decide in my place?" Nixon's Front Four on the High Court: Burger, Blackmun, Rehnquist and Powell—joined often by "Whizzer" White, Kennedy's only contribution to that bench—have shown a teamwork that must be the envy of Coach Allen's fearsome Front Four, and they have used it increasingly to limit freedoms supposedly guaranteed by the First Amendment, to take but one example. In doing so they cannot have failed to please Nixon. Did he not boast that he appointed only those who shared his philosophy? Most other Presidents have been proud of trying to keep a balance on the Court.

(2) *Assaults on the freedom of the press, First Amendment guarantees dissent.* Obviously we have not fallen as far as Nazi Germany, but are we not on our way? Have not Nixon and his minions carried on for four years an assault on our press freedoms and on the right to dissent—and not without success? They have intimidated the networks, threatened TV station owners with loss of their licenses if they do not, in effect, censor network news critical of the Administration, and successfully gone to court to induce the Supreme Court to rule 5 to 4 that the First Amendment does not give reporters the right to protect their confidential sources—a telling blow to our press freedoms. On the other hand, the Administration, by propaganda, deceit, evasion, playing favorites, and by expert use of the power of the White House to make news and control it, has done very well in putting its own story over in the press. But this has not satisfied Nixon.

I sometimes wonder if he, and Klein, would envy the way the press was handled in Berlin in the days when I was working there. Every morning the editors of the capital's newspapers and the correspondents of out-of-town German journals were made to assemble at the Propaganda Ministry and told by Goebbels or one of his aides what news to print and what to suppress, how to write the news and headline it, and what editorials were to be written that day. To avoid any misunderstandings, a daily written Directive was furnished at the end of the oral instructions. For smaller provincial papers and periodicals without representatives in Berlin, Directives were sent by wire or mail. Radio (there was no TV then) was handled separately but similarly. Every editor, reporter, newscaster and commentator knew each day exactly what to write or say, and did it. Very simple and effective. Nixon's task obviously is more difficult, but he keeps plugging. As one of our great historians, Henry Steele Commager, wrote recently: "Never before in our history . . . has government so audaciously violated the spirit of the constitutional guarantee of freedom of the press."

(3) *Terror bombings, "targeting military objectives only," and the lies about them.* Here we come closer to the Nazi example. Hitler invented terror bombing (unless you count Mussolini's puny effort in Ethiopia), starting with Guernica in Spain and going on to Warsaw, Rotterdam and Coventry. Nixon has been an apt pupil, increasing the terror by more and bigger bombs, but sticking to the same lies about "targeting military objectives" and the same denials of damage to nonmilitary objectives. Nixon's aides, Ronald Ziegler at the White House and Jerry Friedheim at the Pentagon, seem more adept at this business than even Joseph Goebbels. More adept and just as arrogant.

Zeigler, speaking for Nixon, offered two justifications for the Christmas resumption of the bombing—both offensive to the truth and to an American's intelligence. First, he linked the bombing to the threat of another Communist offensive: "We are not going to allow the peace talks to be used as a cover for another offensive." But he offered no evidence of an offensive, and the American Command in Saigon admitted it knew of none pending, nor did anyone in Washington. Next, Ziegler, speaking for his silent boss, declared that Nixon was "determined" to continue his bombing until Hanoi decided to resume negotiations "in a spirit of good will and in a constructive attitude." In the Hitler-Nixon double-talk that meant, "until Hanoi agrees to accept a peace that we dictate."

Jerry Friedheim at the Pentagon was worse—he was pure Goebbels. Twice, on December 27 and 29, he denied that we had damaged Hanoi's Bach Mai Hospital and attributed the reports to "enemy propaganda." The effrontery of this staggered a man who had listened to Goebbels' lies time after time. That was because, two days before the first denial, Telford Taylor, a distinguished lawyer, a retired brigadier general and our chief prosecutor at Nuremberg, had cabled *The New York Times* from Hanoi an eyewitness description of the bombed-out hospital. Moreover, millions of Americans had seen on TV Japanese and Swedish films of the hospital's devastation. Even when Friedheim finally admitted, on January 2, that "some limited accidental damage" had been done to the hospital, he suggested that it might have been caused by "North Vietnamese ordnance or aircraft."

I say Friedheim was pure Goebbels (and like him probably lying at the master's orders) because, after a German submarine had torpedoed the British liner *Athenia* on the first day of World War II, I heard Goebbels, first at a press conference and then over the air, deny categorically that the Germans had sunk the boat and then accused the British of having done it. I will pass over Friedhelm's bland assertion that if an American POW camp had been hit, as reported, Hanoi would be held responsible—"under the Geneva Convention." But it did remind me of Hitler's declaration on the mornings, he attacked Norway, and later Holland and Belgium, that if they resisted they would be held responsible for the bloodshed. After Friedhelm's performance, according to *The New York Times* of January 5, he was awarded the Defense Department Metal for Distinguished Public Service, with the citation; "He has provided with faultless professionalism clear, concise, accurate and timely information concerning the worldwide activities of the Department of Defense."

Did the President become enraged when Henry Kissinger returned from Paris without the agreement he had demanded and in his fury ("You can't do that to Richard Nixon!") order the resumption of the murderous bombing—Christmas or no? We do not know for sure, and probably never will, though Washington seethed with rumors, unconfirmed, that such was the case. Perhaps "high-ranking U.S. officials in Saigon," as an A.P. dispatch called them, were, for once, telling the truth when they said, according to the news agency, that "the ultimate purpose of the bombing was to punish Hanoi," and that "President Thieu had been told that President Nixon's strategy is to devastate North Vietnam."

It recalled a scene, which was confirmed, on the night of March 26, 1941, when news reached Hitler that the pro-Nazi government of Yugoslavia had been toppled and replaced by one that might not do the Fuehrer's bidding. The news, according to some of those present in the chancellery, threw Hitler into one of the wildest rages of his life. He took it, they said, as a personal affront—you couldn't do that to Hitler. He called in his generals and ordered them "to destroy Yugoslavia militarily and as a nation"—a stenographer noted down his words. "Yugloslavia," he added, "would be crushed with unmerciful harshness." He ordered Goering to "destroy Belgrade in attacks by waves" of bombers. That was done; the town was razed. Like large parts of Hanoi these past days.

It could have been, of course, that Nixon made his Yuletide decision to devastate Hanoi in a completely different mood—in a moment of icy calculation. Hitler was in that kind of mood on September 29, 1941 as his armies neared Moscow and Leningrad. His Directive to his army commanders that day began: "The Fuehrer has decided to have Leningrad wiped off the face of the earth. The intention is to raze it to the ground by artillery and continuous air attack. The problem of survival of the population (3 million) is one which cannot and should not be solved by us." He issued a second Directive to the same effect for Moscow. Is it possible that Nixon issued a similar Directive for Hanoi in the same cold-blooded mood? The A.P. report from Saigon indicates the possibility.

(4) Hitler got by with murder because there was no restraining hand upon him—from any source. Did any hand in Washington try to restrain Nixon when he ordered the invasion of Cambodia and Laos, and especially when he ordered the devastating Christmas bombing of Hanoi? We do not know. But we know he did not consult the Congress. He did not confide in it or in the people.

Perhaps we are experiencing here what the Greeks called *hubris*, the sin of overweening pride. It has brought the downfall of so many conquerors—of the Greeks themselves, the Romans, the French under Napoleon, the Germans under Wilhelm II and then Hitler. And we are seeing in Washington what I saw in Berlin in the Nazi time—how power tends to corrupt and absolute power corrupts absolutely.

NATION'S ENERGY SHORTAGE

Mr. STEVENS. Mr. President, this Nation's energy shortage is manifesting itself most noticeably in gasoline shortages around the country, and the worsening situation was the subject of an article in the April 16, 1973, issue of the Oil and Gas Journal. I believe this article, and the situation it describes, is one more factor pointing to the necessity of moving as rapidly as possible to provide U.S. markets with crude oil from Alaska's North Slope, where one-fourth of this Nation's known oil reserve is located.

I draw my colleagues' attention to the article in the hope that it will help to put the energy shortage in perspective. The situation, quite frankly, is not good, and shows few signs of getting better without increased supplies of crude oil.

One of the ways the United States can increase its domestic supply of crude oil is to provide a transportation system for the crude oil that was discovered on Alaska's North Slope in 1968. The most economical, environmentally feasible transportation method is the trans-Alaska pipeline, and I sincerely hope it will be possible to begin construction of the pipeline system as soon as possible, so it can be sending crude oil to the U.S. west coast by 1976 or 1977.

I ask unanimous consent that the article I just mentioned be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Severity of U.S. Gasoline Pinch Tied to Demand Gain

Shortages of gasoline already are occurring in scattered sections of the country—even before the heavy motoring season starts. They will become more frequent and severe as vacation travel picks up.

But whether the American motorist runs into drastic shortages that severely curtail his driving habits and ultimately result in wartime-type rationing is an open question.

The American Automobile Association has advised that motorists planning to travel this spring and summer need not worry about reports of a gasoline shortage. The Office of Emergency Preparedness has announced there is no need for gasoline rationing, based on its analysis of the situation (OGJ, Mar. 26, p. 58).

The factors. Petroleum supply-demand specialists interviewed by Oil and Gas Journal editors, however, are not all that sure. They say the gasoline supply will be tight in any event. And whether critical shortages are averted depends on a complex set of factors, including:

Demand holding to an increase of only 5% or 6% above the year ago. Any greater increase—and it's very possible—will mean trouble.

Imports ranging from 100,000 b/d to 200,000 b/d. It's a toss-up whether this much product is available abroad; if so, it will be more expensive than the frozen levels of domestic products.

Refineries operating at high levels of at least 91% of capacity with gasoline yields of better than 48%. Whether this is possible will depend on crude availability, avoidance of breakdowns, and just how much distillate the refiner feels he must produce.

Nearly all industry analysts agree that whatever happens this summer will be mild compared to the prospects for shortage next year.

NEW AUTOS

Most analysts believe that the increase in gasoline demand this summer must be held within a 5–6% range if the nation is to escape serious shortages. And the key to trouble is late-model autos with their gas-consuming emission-control devices.

The latest trends indicate that there may be problems holding down demand. The demand increase for the first 9 months of 1972 was 6.2%, compared with gains in previous years ranging from 2.4% to 4.9%. In the first 2 months of this year, demand was averaging a fat 9% over last year.

The 1970–73 model autos are chiefly responsible. They consume more gasoline than earlier models; just how much is a matter of dispute. Available data indicate the mile/gal. loss will run from 7 to 19% over the four model years.

One private set of fleet tests indicated the mileage loss of 1971 models over 1970 at 7%, 1972 at 6%, and the 1973 over 1972 at 8%. This represented a cumulated mileage loss of 19%; but two direct comparative tests of 1973 models against 1970 models showed a loss ranging from 11% to 17% depending on the number of miles the 1970 models had been driven prior to testing.

These data showed much greater mileage declines than governmental tests made for the Environmental Protection Agency which reported losses of only about 7%.

A profile of the late-model autos showed they average less horsepower, lower compression ratio, and greater weight—all of which lower their efficiency and, along with the emission control devices, account for the loss in miles per gallon. New safety requirements are responsible for most of the added weight (Table 1).

So far as gasoline consumption is concerned, the miles/gallon loss is compounded by the driving habits of Americans. They tend to drive new cars more (see Table 2). Motorists will average driving a car 13,200 miles in the first year, according to one conservative estimate. This drops to 11,000 in third year, 7,000 in ninth and 4,300 in twelfth.

Another estimate put 1st year at 15,000 miles; 2nd at 13,000, 3rd 11,000, 4th 9,500, 5th 8,500, and then 6,000 for remaining life of the car. This means simply that the late-model cars have a much greater impact on gasoline consumption than their numbers would indicate.

A Chase Manhattan Bank analyst estimated for example, that one-half of the expected growth of gasoline demand in 1973 will represent additional fuel consumption due to emission controls on the late models.

Current troubles arise because in the last several years gasoline demand has been rising much faster than the output of refineries.

REFINERS THE KEY

A Journal analysis shows how vital refinery operations this summer are to avoiding a gasoline crisis (Table 3).

Journal data place refinery crude capacity at 13,383,000 b/d (API estimate of capacity is 13,620,000 b/d, some 237,000 b/d or 1.7% higher and thus will show greater production at lower capacity levels).

The study shows that with a 6% jump in demand if refiners on a national scale operate at 90–92% of capacity and get a gasoline yield of 46–46.5% (see table) they must import 125,000 b/d of gasoline and draw down stocks to 27.4 days' supply at the end of September, a perilously low point.

Refiners can avoid a stock drawdown with yields of 47–48% and imports of 125,000 b/d or yields of 48–48.5% with little imports. If demand should average a 7% gain, yields would have to reach 47.5–48.5% with imports and 48.5–49% with no imports.

If crude supplies should limit refinery operations to 89% of capacity, the drain on inventories would be almost intolerable, and the need for imports could exceed available supplies.

One major company analyst estimates that operations at 89% of capacity with a 5% growth in gasoline demand would pull stocks nearly 19 million bbl below last year at the end of September. With a 7% demand growth, the drawdown would be more than 56 million bbl.

Some analysts doubt the refining industry can sustain operations exceeding 91% of capacity for prolonged periods even if enough crude is available. The strain on aging equipment, they believe, would inevitably cause breakdowns which would bring the operating average down.

This set of circumstances explains why many observers conclude that gasoline demand this summer must be contained within the 5–6% range. The refining industry just can't keep up with constant increases in demand without renewing and expanding plants.

WEST COAST STORY

The outlook for gasoline west of the Rockies is somewhat easier, although not without problems.

Gasoline demand in Dist. 5 took a 75% jump last year, and a 6% increase is expected this year. This means an additional 55,000 b/d of gasoline must be supplied.

The new supply, according to analysts, can come from increased runs (they were only 86% of capacity last year), a drawdown on stocks, or imports. Crude runs already have been stepped up. The 43 refineries in the district, with rated capacity of 2,138,000 b/d operated at 1,839,000 b/d last year and in the first month of 1973 averaged about 2,000,000 b/d.

Overall crude supply should be ample on the West Coast. The previous quota for imports—850,000 b/d—has been raised to 950,000 b/d. Under ordinary circumstances, this level should be adequate. However, some refineries—mainly the smaller independent plants—have limited capability to adapt to different types of crudes and limited flexibility in transportation facilities to bring in foreign crude. The big problem is getting the crude to refineries that can use it.

IMPORTS AVAILABLE

Since the United States needs to bring in both crude and products in unusual volumes this summer and fall, supply abroad becomes a vital question.

Whether U.S. refineries can operate even at 91 or 92% capacity and churn out enough gasoline depends on availability of crude—mostly low-sulfur crude. Much of the U.S. refining establishment must have this sweet crude to operate. So must European plants. As a result crude of less than 0.6% sulfur has become practically unavailable on world markets, and the countries that have it are in a mood to charge whatever the market will bear.

The air pollution regulations in this country have aggravated the sweet crude situation worldwide. Several big Caribbean and foreign refiners are snaring sweet crude to make low-sulfur residual fuel without putting in expensive hydrodesulfurization equipment. Northern European refiners who built on the basis of sweet crude are not about to revamp their plants to refine sour crude out of the kindness of their hearts, especially since they see eventually big volumes of sweet crude coming from North Sea fields.

A temporary relaxation of air-pollution rules would have a domino effect on sweet crude, making supplies now going into production of distillate and residual available for gasoline.

EUROPEAN PRODUCT?

As for gasoline imports, at least one company executive believes Europe probably can supply U.S. needs this year. Europe, however, has a very shallow gasoline pool; and, with demand there soaring also, the long-term prospects for export supplies are not favorable.

Total refining capacity in Western Europe—Belgium, France, Germany, Italy, Netherlands and the U.K.—is 14.4 million b/cd with gasoline-making potential of only 14.8%.

Caribbean refiners are in a similar position.

This compares with the U.S. ratio of 41.3%.

Europeans also are very supply conscious. There are regulations in several countries that require long-term product reserves in storage to protect against emergencies. Refiners would be reluctant to draw on these reserves for export.

And if Europeans sell gasoline to the U.S., it won't be at a cut-rate price, rest assured. Premium laid down in New York recently ran 20c/gal which meant that under price ceilings existing then the U.S. importer lost 5c/gal. As one executive put it, "Import one lousy 20,000-ton cargo and you lose almost $400,000."

HOW ABOUT TANKERS

A final import question: Are tankers available to bring in gasoline? Company traffic executives believe this can be solved this summer.

If imports should average 125,000 b/d, requirements would be 30 to 40 T2-equivalent tankers. The usual ship in this trade would be in the 30,000 to 40,000-wt range. There should be enough ships made available by switching from crude and resid service. Grain ships returning from the Black Sea also will be looking for clean backhauls.

Rates might rise initially, but this would attract more ships which would tend to level off charter prices again. Only immediate problem foreseen is if owners for some reason elect not to switch their ships from normal "dirty" service—crude and resid—to "clean" cargoes for such a short period.

TIME RUNNING OUT

Time is perhaps the final factor blocking large product imports this summer.

A European refiner, for example, needs to nominate crude in the Persian Gulf, and it takes a month to get it to port. Shipping the crude to Europe may require another month processing it a week more, and moving gasoline to the U.S. about 18 days.

In other words, the time to order gasoline for U.S. arrival in July was no later than April 1. One supply manager observes, "It's already too late for gasoline—we should be working now to import distillate for next winter."

NEXT YEAR?

There's general agreement that whatever happens this summer, it'll be worse next year.

A study by Petroleum Industry Research Foundation (OGJ, April 9, p. 38), for example, projects that the region east of the Rockies alone will need to import from 237,000 to 265,000 b/d of gasoline in 1974 and 478,000 to 572,000 b/d in 1975. And an import level of 300,000 b/d is considered the maximum that can be realistically expected for 1975. This means a physical shortage of 3–5% of total demand is likely for the region in 1975.

The study points out that a very sharp increase in the price of gasoline will be needed to balance supply and demand in the next few years. And in the absence of price correction either voluntary or compulsory rationing is the only alternative.

The possibility of rationing is being considered by others, too. One major executive expresses the blunt opinion that "wartime rationing of gasoline and fuel oil" should be imposed immediately to prevent a crisis this summer and a disaster next summer. "There is plenty of fuel oil and gasoline to go around—for the necessities," he said. "But the motoring public must realize it can no longer take that Sunday afternoon drive."

Some others mention dampening gasoline demand by stiff price increases or heavy taxes on autos by horsepower, weight, and gasoline-consuming accessories.

The majority supports a national policy that will encourage both domestic production and refining and also importation of crude and products. This will mean decisions on environmetal roadblocks and prices.

EARLY IMPACT

Signs of coming problems this summer already are abundant. The daily press has been reporting cries of anguish in gasoline markets over the country since late winter.

In many cases, the shortages are more anticipated than actual. They reflect actions by major suppliers who are changing their marketing methods to fit new conditions. The suppliers, in effect, already are imposing some rationing at the wholesale level. It is taking many forms: cutting back jobbers and dealers by a percentage of 1972 volume, or holding them to 1972 levels, or cutting out sales on the spot market, or holding industrial accounts strictly to contract levels or even refusing to renew contracts, and declining to take on new business.

In addition, many suppliers are dropping some of their old business. They aren't bidding on fuels contracts for governmental agencies or some industrial accounts that go for discounted prices. And several major suppliers have pulled out of entire regional markets where their operations have been marginal.

Opposition to the moves has been highly vocal. Independent jobbers and dealers have been hit the hardest, but so have some branded distributors. The independents charge the majors are cutting them down to supply the company-owned outlets. Governmental agencies and commercial consumers charge the majors are guided merely by profits in cutting out the discounted sales.

It's even difficult for the majors to shed some of their marginal markets or allocate jobbers. At least three have been taken to court over their efforts.

Regional abandonment of markets, however, has been accomplished successfully—by Sun in eight upper Midwest states, Gulf in a 13-state, $250-million pullout, Amoco on the West Coast, Phillips in the Northeast, and ARCO in the Southeast.

TIGHT EVERYWHERE

The marketing shakedown has reached into nearly every corner of the country.

In Los Angeles, 200 stations put on allocation by Texaco reduced business hours and cut back on personnel. A Whittier, Calif., independent planned to close some of his 100 private-brand stations. A Chico, Calif., truck stop faced shutting down.

In Oregon, a jobber reported he was cut off entirely from supply. Another said he had been limited by his supplier to winter volumes which are 50% less than summer business.

An Arizona independent chain operator reported "I'm in the worst shape I've ever been in for supply." The Northwest Petroleum Association declared in Minneapolis that a shortage of wholesale gasoline existed in Minnesota, North and South Dakota, and parts of Iowa, Nebraska and Illinois.

City purchasing agents in Des Moines and Dallas and state buyer in New Hampshire have had trouble getting bids on their gasoline business; and the city buses in New Orleans are threatened with lack of gasoline.

On the East Coast, the Connecticut attorney general ordered an investigation of oil-company allocation plans which he charges are aimed at driving independents out of business. In Virginia, a Richmond independent claimed he has been on allocation for months and has cut back on the hours his stations remain open. In Florida, several independents, including Sears, have run short of supply and have had to ration customers.

The uniformity of the gasoline problems throughout the nation leaves no doubt that supply already is snug. And further evidence is seen in the end of price wars, closing of marginal marketing operations, and the pressure on independents.

Refiners can sell all the gasoline they can possibly manufacture. So there's no reason to engage in price cutting to maintain market position or gain volume. With costs rising, its also good judgment to shut down low-volume outlets and concentrate business at high-volume stations, where unit costs will be lower.

The squeeze on independent jobbers, wholesalers, and dealers is already evident, and it is not difficult to explain. For the last few years, independent marketers have been the fastest growing segment of the gasoline trade. Their share of the market both as private brands and as independent distributors of branded gasoline, has reached about 30%. But at least half of their supply has come from major refiners, who have used the independents as an outlet for excess gasoline.

But the surplus is gone, and it's logical that refiners channel their limited available supply to directly owned or controlled market outlets.

The speculation is that independents ultimately will have to buy higher-priced foreign gasoline. And the result will be a narrowing of the price differential between independents and majors.

Simply put, gasoline marketing is undergoing a revolution that involves everyone—producer, refiner, marketer, and motorists. The odds favor the nation squeaking through on gasoline this summer; but unless supply-demand trends change soon, severe shortages are inevitable next year.

TABLE 1.—A LOOK AT LATE-MODEL AUTOS

	1970	1971	1972	1973
Horsepower [1]	268	253	168	165
Compression ratio	9.5	8.6	8.5	8.4
Axle ratio	2.74	2.74	2.74	2.77
Weight (pounds)	4,362	4,403	4,505	4,653
Acceleration (seconds):				
0 to 60 miles per hour	10.7	12.0	12.8	13.0
25 to 60 miles per hour	7.8	8.5	9.6	9.5
Miles per gallon	14.1	13.1	12.4	11.6

[1] 1970–71 data are gross horsepower, 1972–73 are net horsepower. All data are based on fleet tests of autos representing range of models produced by GM, Ford, Chrysler and are not averages for all U.S. autos.

TABLE 2.—NEWER CARS GET MORE DRIVING

Car age	Miles driven/year
1 year	13,200
3 years	11,000
6 years	8,700
9 years	7,000
12 years	4,300

TABLE 3.—A LOOK AT U.S. GASOLINE-MAKING CAPABILITY

Yield	Refinery gasoline (barrels per day)	Natural-gas liquids and other hydrocarbons (barresl per day)	Total production (barrels per day)
A. At 90 percent of crude capacity (12,045,000 barrels per day of crude and 146,000 barrels per day rerun for total refinery input of 12,191,000 barrels per day:			
45 percent	5,486,000	856,000	6,342,000
46 percent	5,608,000	875,000	6,483,000
47 percent	5,730,000	894,000	6,624,000
48 percent	5,852,000	913,000	6,765,000
49 percent	5,974,000	932,000	6,906,000
50 percent	6,096,000	951,000	7,047,000
B. At 91 percent of crude capacity[1] (12,179,000 barrels per day of crude and 148,000 barrels per day rerun for total refinery input of 12,327,000 barrels per day:			
45 percent	5,547,000	866,000	6,413,000
46 percent	5,670,000	885,000	6,555,000
47 percent	5,794,000	904,000	6,698,000
48 percent	5,917,000	923,000	6,840,000
49 percent	6,040,000	943,000	6,983,000
50 percent	6,164,000	962,000	7,126,000
C. At 92 percent of crude capacity[1] (12,312,000 barrels per day of crude and 149,000 barrels per day rerun for total refinery input of 12,461,000 barrels per day):			
45 percent	5,607,000	875,000	6,482,000
46 percent	5,732,000	895,000	6,627,000
47 percent	5,857,000	914,000	6,771,000
48 percent	5,981,000	933,000	6,914,000
49 percent	6,106,000	953,000	7,059,000
50 percent	6,231,000	972,000	7,203,000

[1] OGJ percent of capacity figures

FINANCIAL STATEMENT OF SENATOR AND MRS. ADLAI E. STEVENSON III

Mr. STEVENSON. Mr. President, I have made it a practice for many years to disclose publicly all my economic interests. In accordance with that practice, I ask unanimous consent that a statement of the assets and liabilities of myself and my wife, as of April 1, 1973, be printed in the RECORD. I update these statements quarterly, keeping copies in my Washington and Chicago offices available for public inspection.

There being no objection, the financial statement was ordered to be printed in the RECORD, as follows:

Consolidated financial statement of Senator and Mrs. Adlai E. Stevenson III, April 1, 1973

REAL ESTATE

Home, Chicago, Ill	$90,000
Home, Washington, D.C. (cost)	125,000
One-third interest, residence, Beverly, Mass	30,000
Interest in farm, Jo Daviess County, Ill	67,500
Fractional interest, Fisk Building, Amarillo, Tex	3,200
Fractional interest, 1776 Pennsylvania Avenue, Washington D.C	20,000
Fractional interest, 633 Folsom Street, San Francisco, Calif	12,000
Real Estate—St. Maarten Island	8,000
10 percent undivided interest in real estate, Tiburon, Calif	66,195

STOCKS AND BONDS

12,640 shares, Evergreen Communications, Inc. (publishes Bloomington, Ill. Daily Pantagraph, operates WROK, Rockford, Ill. and WJBC, Bloomington, Ill., owns 10 percent of Bloomington, Ill. CATV)	160,000
3 shares, Bloomington Broadcasting Corp., class B, nonvoting	1,500
533 shares, KBA Townbuilders Group Ltd., Tel Aviv	550
34.1 shares, R. R. Leaseholds, Inc	500
The market value of the following stocks and bonds as of Mar 31, 1973:	
10,000 bonds, Baltimore, Md., 6.25 percent, 10/15/84	10,991
International Harvester Commercial paper	1,000
98 shares, International Business Machines	42,287
210 shares, Xerox	31,763
442 shares, Harris Intertype	15,470
300 shares, Spectra Physics, Inc	6,750
300 shares, General Electric	19,350
400 shares, Pfizer, Inc	16,500
300 shares, Marcor, Inc	6,525
70 shares, Louisville Gas. & Elec. Ky	2,188
156 shares, R. R. Donnelley & Sons	3,588
300 shares, Zayre Corp	5,250
300 shares, Rorer-Amchem, Inc	9,675
200 shares, Aetna Life & Casualty	12,950
450 shares, Narco Scientific Industries	8,100
400 shares, Robert Shaw Controls	10,500

CASH

Less current obligations	0

MISCELLANEOUS

Personal property, including securiities of nominal value, furniture, cars, paintings and clothing	50,000
Total	837,332

DEBTS

Mortgage—Perpetual Building Association, Washington, D.C	77, 327
Mortgage—Continental Bank, Chicago, Ill	17, 306
Note payable to Charles J. and Charlotte T. Whalen	$3, 375
Total	98, 008

THE PROPOSED CLOSING OF NAVAL FACILITIES ON NARRAGANSETT BAY

Mr. PELL. Mr. President, on Saturday, May 12, I attended a demonstration by thousands of Rhode Islanders who congregated on the steps of the west front of the Capitol to petition the administration for redress of their grievances. These Rhode Islanders are on the verge of losing their jobs, losing their homes, and losing their belief in a sense of fair play by our Government.

Mr. President, along with my colleagues in the Rhode Island congressional delegation. I have met twice with Mr. Elliot Richardson in his capacity as Secretary of Defense. On both occasions, I presented what I believed to be irrefutable arguments based on considerations of strategy, economy, and efficiency, which were prepared by my office in concert with the General Accounting Office. I must say that the logic of my arguments has apparently fallen upon deaf ears. From these arguments the logical conclusion must be that the present Naval facilities on Narragansett Bay should remain. But we are told, for example, that the main reason for the closure of Quonset Naval Air Station is that the 8,000-foot runway is too short to accommodate modern jets. Yet I am informed that the Navy has a carrier air wing, consisting mostly of jet aircraft, stationed overseas in Japan, using an 8,000-foot runway at Atsugi Air Base. And in fact, the Navy has projected a buildup of the force at Atsugi Air Base.

Furthermore, we have been told that the Navy will save millions of dollars by shifting naval units from Newport to Norfolk and other southern ports. However, the Department of Defense has requested in its military construction budget for fiscal year 1974, more than $55 million for naval construction at Norfolk of which the largest single item is $9.6 million for a new berthing pier at the Norfolk Naval Station. Indeed the major reason for spending this $55 million in Norfolk is to accommodate 9,000 naval personnel who will be moving there from Newport.

Mr. President, at this point I ask unanimous consent that there be printed in the Record an article which appeared in the Washington Post on Sunday, May 13, concerning the demonstration which was held at the Capitol—exhibit A; a resolution of the Joint Councils of Newport, Middletown, and Portsmouth, R.I., relative to the decision to transfer the Navy fleet from Newport—exhibit B; a statement by the Council of Presidents, representing all labor and management unions and organizations at Quonset Point Naval Air Complex—exhibit C; a statement by the Newport County Chamber of Commerce—exhibit D; a report from the Save Aquidneck Island Fund—exhibit E; and a copy of a letter from the Newport Chamber of Commerce to the President of the United States—exhibit F.

There being no objection, the material was ordered to be printed in the Record, as follows:

Exhibit A

3,500 From Rhode Island Protest Losses of 20,000 Jobs

(By Eugene L. Meyer)

Franklin Pretto Jr., who is 11 and lives in West Warwick, R.I., had doctored a Nixon campaign sign. He had written, "R.I. Economy Needs You" above the line "Now More Than Ever." An American flag topped off the placard.

Franklin Jr. and his father, who voted to re-elect the President, were among an estimated 3,500 Rhode Islanders who came here yesterday by train, bus and car to protest defense cutbacks announced last month, five months after the election. They had a motorcade, rallied at the Capitol and some went to the White House to pass out leaflets opposing the cuts, which ended some 20,000 jobs in Rhode Island.

In interviews, they told of their feelings of political betrayal and personal economic disaster that had brought them to Washington.

"I voted for Nixon, damn it," said Pretto Sr., 53, a 25-year employee of the Naval Air Re-work Facility at Quonset Point "What am I going to do, a man of 53" he asked. "What does a man of 53 do when the economy drops out from under him? I haven't been able to answer it."

Robert Theroux, a power-house mechanic at Quonset Point for 22 years, 44, father of four boys aged 4 to 9, also described himself as a "disenchanted" Nixon voter.

"I was born, raised and will probably die in Rhode Island," he added. "I'll never move. They offered me a job in Adak. You know where that is? That's in the Aleutian chain. A punishment post. The sun shines three hours a day there."

"I voted for Mr. Nixon for selfish reasons," said Salvatore Conti, a Quonset Point aircraft quality inspector and an organizer of the protest. "I was concerned about my job."

Conti said that more than 3,000 Quonset Point workers will lose their jobs in five months. "I don't understand the urgency," he said. "Why so fast? This isn't a private industry going bankrupt. Why can't we be given a little more time?"

Roger Larrivee, metal-smith, predicted the shutdowns would have a "chain reaction" effect on the general economy of the affected areas. "The Navy kids go to public schools. That means the school is affected, and the teachers. Also the restaurants, cleaning stores. It just goes down the line."

Rhode Island gave the President a 72 per cent vote last November. A campaign ad had appeared in the State's newspaper warning of disastrous defense cut-backs should Senator George McGovern be elected.

'We consider this our own little Watergate," said Sen. Claiborne Pell (D-R.I.) in an interview after the rally.

Exhibit B

Middletown, R.I.,
May 7, 1973.

Senator Claiborne deB. Pell,
Congress of United States,
Washington, D.C.

Dear Senator Pell: At a Grand Committee meeting of the Joint Councils of the City of Newport and the Towns of Middletown and Portsmouth, Rhode Island, held on May 2nd 1973, it was voted to pass the enclosed resolutions relative to the decision to transfer the Naval Fleet from the Newport, Rhode Island area and requesting that the General Accounting office furnish this Council with a report dealing with the cost versus savings as a result of the Naval Realignment Program.

Sincerely yours,

Frank N. Campagna,
Town Clerk.

Resolution of the Joint Councils of Newport, Middletown, Portsmouth, R.I.

Whereas, On April 16, 1973 the Councils and the citizenry of Aquidneck Island were shocked by receiving the astounding and unbelievable information that, as a result of the United States Navy Shore Establishment Realignment Program, the Naval Base, Naval Supply Center and Naval Hospital will be disestablished, the entire Naval Fleet and related activities will be transferred from the Newport area, and

Whereas, the economic impact of this action on Aquidneck Island will be disasterous in that the economy of the area has been geared almostly solely on the presence of the Naval facility, and

Whereas, the Joint Councils of Aquidneck Island, justly concerned with the welfare of it's citizens, serves notice that the proposed action of the Department of Defense will result in a catastrophic situation, now therefore be it

Resolved, the Joint Councils of Aquidneck Island, meeting herewith in Grand Committee, hereby requests that the Department of Defense reconsider this drastic decision and prevent a state of chaos that may well result and, in the event this decision is in fact deemed irreversible and in consideration of the economic well being of the citizens of Aquidneck Island in order that they may commence constructive action relative to the Island's economic recovery, it is imperative that the Federal Government order that normal bureacratic, time consuming methods of releasing surplus Federal property be set aside and immediate action be taken to make available to the communities of Aquidneck Island all Federal properties and facilities not considered absolutely necessary to the operation of the remaining military activities, and be it further

Resolved, that certified copies of this resolution, signed by the Honorable Humphrey J. Donnelly, III, Mayor of Newport, the Honorable Robert M. Silva, President Middletown Town Council, the Honorable Laurent L. Rousseau, President Portsmouth Town Council, be transmitted to the Honorable Richard M. Nixon, President of the United States, the Secretary of Defense and the Congressional delegation from the State of Rhode Island.

Sponsor: Robert M. Silva, President, Middletown Town Council.

Read and passed in Council, May 2, 1973.

Resolution of the Joint Councils of Newport, Middletown, Portsmouth, R.I.

Whereas, The Joint Councils of Aquidneck Island, meeting herewith in Grand Committee to consider and act upon the recent decision of the Department of Defense resulting in the order to transfer the Naval Fleet from the Newport area and to disestablish the Naval Shore facilities on Aquidneck Island, and

Whereas, the Joint Councils and the citizens of this Island vehemently protest this shocking decision which surely threatens our communities with economic disaster, and

Whereas, the logic and wisdom of this determination is hereby questioned and of particular concern to the Councils and citizen taxpayers, is the financial justification involved in this momentous decision, Now Therefore Be It

Resolved, the Joint Councils and the citizens of Aquidneck Island hereby request the Federal General Accounting Office furnish this Council with a comprehensive financial report dealing with the cost versus the savings, resulting from the Naval Shore Establishment Realignment Program in the Newport area, and that no action be taken to implement said Realignment Program until such time as the requested study and report is completed, and be it further

Resolved, that certified copies of this resolution, signed by the Honorable Humphrey J. Donnelly, III, Mayor of Newport, the Honorable Robert M. Silva, President, Middletown Town Council, the Honorable Laurent L. Rousseau, President, Portsmouth Town Council, be transmitted to the Honorable Richard M. Nixon, President of the United States, the Secretary of Defense, General Accounting Office and the Congressional delegation from the State of Rhode Island.

Sponsor: Laurent L. Rousseau, President, Portsmouth Council.

Read and passed in Council, May 2, 1973.

FRANK N. CAMPAGNA,
Town Clerk.

EXHIBIT C

STATEMENT BY COUNCIL OF PRESIDENTS

The Council of Presidents, representing all labor and management unions and organizations, strongly urge the closure of the Naval Air Complex, Quonset Point, Rhode Island be reversed, and that work be continued at its present capacity and capabilities and in consonance with the needs of the national security of the United States.

1. If retrenchment in operation is essential, it should be reasonable.

2. If closure cannot be reversed, and if reasonable curtailment of plant operation cannot in fact be justified, we recommend that the phase out of base operations be accomplished over a three to five year time frame. This will ensure not only orderly cessation of operation, but it also will permit employees to make obviously basic and crucial adjustments in their lives in a reasonable manner rather than in a state of panic and chaos.

3. In keeping with Secretary of Defense Elliot Richardson's request that we show proof of why these activities should remain open, we offer the following facts:

a. Narragansett Bay provides the most strategic location for a Naval complex in the Northeast section of the United States.

b. The Department of Defense's decision to close this complex will leave the most populated and industrialized portion of the Eastern seaboard unprotected.

c. We fail to see the rationale of removing these Naval activities to new locations that are already more than adequately protected.

4. We disagree with statements made by officials of the Department of Defense that the Narragansett Bay area cannot accommodate Deep-Draft Carriers.

a. Newport can.

b. Quonset Point piers can with minor dredging.

c. Barging can be accomplished.

5. We cannot understand this explanation in view of the fact that three of our sister activities on the East Coast cannot provide access for Deep-Draft Carriers under *any* circumstances.

a. Cherry Point—Land Locked.

b. Jacksonville—Dredging from the river mouth to Mayport costs $4.5 million per year to accommodate carriers. Then barging from carriers at Mayport to Jacksonville Naval Air Station is 20 miles.

c. Pensacola—Barging.

6. We also disagree with the statement made by officials of the Department of Defense that the Naval Air Station, Quonset Point, is in a state of deterioration.

a. In 1972 a total of 9.7 million dollars for renovation and expansion including three million dollars for rehabilitation of the Naval Air Station Bachelor Enlisted Quarters was accomplished.

b. Base modernization includes a newly renovated base exchange, a newly built commissary, a newly built CPO club, a new golf course club house, and a recently renovated enlisted men's club. Also included, 156 additional housing units at Kings Grant dedicated 6 December 1972, and 200 additional housing units at Hoskins Park dedicated June 1971.

c. The wooden living quarters built during World War II are outdated and scheduled for demolition. This process is going on at all government facilities.

d. This facility is no different in this regard than any of its sister facilities.

e. The industrial complex of the Naval Air Rework Facility is among the most modern in the Navy.

NARF, Building 879 special processing of aircraft parts, 95% complete as of this date, approximately one million dollars (only one of its kind in Navy).

NARF hangar extended in 1970, approximately 1½ million dollars.

NARF consolidated computer controlled machine shop, nearing completion is a model machine shop used for other sister activities to follow.

NARF test cells modernized to test TF-34/S3A engines.

f. As a direct result of a plea in 1971 by the then Secretary of the Navy, Mr. Chafee, private enterprise responded by investing large sums of money in the construction of permanent housing in the immediate area such as Heritage House apartments and Kings Grant apartments which relieved the Navy's urgent need for housing. A further complicating fact is that these structures are in fact tied into the Navy's sewage system.

7. Economic Impact—

a. Four thousand people unemployed. This situation is unique in that it is the only known case of a base closure resulting in nearly complete severance of its work force from the federal payroll.

b. Re-employment possibilities are further complicated by the fact that 66% of the severed employees are 45 years of age or older.

c. Unemployment rate in Rhode Island is already 6.4 percent, and will be raised as high as 15%.

d. Rhode Island offers few possibilities for this highly specialized work force.

e. Economic recovery will be greatly aggravated as we have not fully recovered from the loss of the textile industry.

f. Rhode Island is no more than a metropolitan area and the spin-off from these base closures will affect all of Rhode Island.

g. It appears inconceivable that the federal government would create by its free will an economic disaster in Rhode Island. The following are examples:

1. North Kingstown is to be faced with a surplus of 80 school teachers caused by the withdrawal of the military. Also, North Kingstown is currently faced with an $11.00/$1,000 property tax increase exclusive of the final withdrawal of the military.

2. Kent County communities will be faced with the same problem.

3. Newport is to be faced with a surplus of 130 school teachers. Afternoon sessions of kindergarten class; 24 of 25 are children of the military.

h. The federal payroll for fiscal year 1972 in the Narragansett Bay area was 344 million dollars. It is our opinion that the full impact of this loss is not fully understood by the business community and the general public. A reasonable estimate of the economic impact of this loss could reach a staggering two billion dollars.

i. Twenty-nine percent of the gross payroll or about $100 million was paid to Navy civilian employees at Newport and Quonset-Davisville.

j. This $100 million work force, which has donated nearly one-half million dollars to the United Fund and other charities, will be converted to a liability.

In conclusion we emphatically urge you as our Congressional delegates and State officials to use these facts and any additional information available to convince the Department of Defense that this Naval Complex is a viable part of the defense of the country and the economy of the State of Rhode Island.

NEWPORT COUNTY CHAMBER OF
COMMERCE COUNTY,
Newport, R.I., May 11, 1973.

The PRESIDENT,
The White House,
Washington, D.C.

MR. PRESIDENT: In your capacity as Chief Executive of the United States and Commander in Chief of the Armed Forces, you alone are able to place in proper perspective the proper balance between national defense, the economy of the nation, and the economic condition of various geographical segments of the nation. We, therefore, invite your personal review to the plan of the Navy to suddenly abandon Rhode Island. The Navy plans to close Naval Air Station, Quonset Point, R.I., Naval Base, Newport, R.I., and most supporting activities. Virtually all Navy ships in Rhode Island waters will be transferred to southern ports (Norfolk, Va., Charleston, S.C., and Mayport, Fla.).

We believe such a move is—

(a) dangerous to the defense of the country

(b) economically unwise on a national scale

(c) locally a complete financial disaster

(d) damaging to the morale of many of our service personnel.

DEFENSE ASPECTS

By removing surface ships from the northeast, we reduce our quick response ASW capability. It is well known that Russian submarines—some nuclear warhead equipped—patrol our New England waters, soon to be virtually unchallenged. The Russian fishing fleet will in the near future have more ships off our coast than our own Navy.

By concentrating our surface fleet in a few southern ports we invite another Pearl Harbor. When one bomb can destroy an entire city, it would appear imprudent to concentrate our fleet in a few ports.

Of perhaps greatest concern, is the apparent desire of the Department of Defense to locate our Navy in warm climates where they can train in relative comfort. Are we to assume that a potential aggressor would be cooperative enough to meet us on our favorite battleground, or are we more apt to have to endure the rigors of North Atlantic or Arctic Oceans? Certainly both men and equipment of the U.S. Navy must be prepared to fight anywhere and under any conditions.

NATIONAL ECONOMIC ASPECTS

In order to accomplish its mission here in Rhode Island, the Navy has invested more than $561,000,000 in capital facilities. Building of new facilities has steadily improved the condition of the Naval Base and is still going on. Capital equipment expenditures for the last three years are summarized below:

1970

East Side Narragansett Bay:	
Destroyer School and Engineering Laboratory	$1, 727, 219
Naval Housing (300) Newport, R.I.	5, 244, 000
Bachelor Officers Quarters	1, 105, 030
Wave-Nurse Officers Quarters	1, 105, 030
Total	9, 181, 279
West Side Narragansett Bay:	
Housing Units (100) North Kingston, R.I.	1, 875, 000
Expansion Navy Exchange	340, 000
Electrical Distribution System	730, 560
Utilities	535, 615

Helicopter Transmission Rework Facility	$458,679
Construction of Seabee Regimental Headquarters	601,861
Total	4,541,715
1971	
East Side:	
Temporary Lodges, 125 units	1,335,000
Commissioned Officers Mess	681,000
MK 48 Weapons Center	678,000
Total	2,694,000
West Side:	
Family Housing (100 units)	1,925,950
Naval Aircraft Maintenance Training Facility	187,463
Renovation of Air Rework Facilities	3,383,497
Total	5,496,910
1972	
East Side:	
Family Housing (60 units Fort Adams	1,680,000
Professional Education Center	2,885,000
Weapons Reliability Laboratory	487,000
Hospital Rehabilitation and Alterations	1,203,000
Total	6,255,000
West Side:	
Carrier Pier Repairs	693,407
1973	
East Side:	
Enlisted Men's Service Club	1,296,000
Bachelor Enlisted Quarters	1,881,000
Sewer Improvements	1,165,000
Family Housing (200 units)	5,253,000
Academic Bldg. No. 1 War College	4,060,000
Family Housing (140 units)	2,508,000
Total	16,163,000
West Side:	
Renovation and Expansion Quonset Point	9,762,104

Certainly the continued expenditure of funds in Rhode Island has provided the Naval Base with modern facilities to service the fleet. It is readily evident that these facilities will have to be duplicated wherever the fleet relocates. At Mayport, Florida, for example, the nearest hospital is thirty (30) miles away. Navy housing at Norfolk, Charleston, and Mayport are already overcrowded.

EFFECT ON THE LOCAL ECONOMY

The federal government has a history of trying to help when natural disasters strike an area. Within the past month you personally surveyed the flood situation in the Mississippi Valley and pledged federal disaster aid. *Here in Rhode Island, however, we are facing a government-made disaster.*

The economy of our entire state is based upon the Navy. It is our largest employer. It owns the most choice waterfront locations of our state. Economists differ on the number of times a "Navy payroll dollar" gets spent—but it is somewhere between four and ten times. Thus, the reduction in payroll of $131,000,000 to the Newport area alone is a billion-dollar blow to a community of only 70,000 people. Clearly the small businessman, the apartment owner, and the labor force as a whole are being dealt a blow from which this island may never recover.

Twenty-five per cent of the Newport schools' enrollment are sons and daughters of uniformed Navy personnel, 50 per cent of Middletown's and 33 per cent of Portsmouth's. Not only will reduction in teacher staffs be required, but many schools, built at great expense will have to be closed.

For years, the Navy has urged local investors to build low-cost housing for sale or renting to Navy families. Response, while slow at first, has accelerated with private apartment complexes totaling more than 1,500 units opened within the past year. About fifty per cent of these are occupied by military families—all of whom will either transferred or forced to move into the greatly expanded number of Naval Housing units that will now be available.

More than $27,000,000 of direct purchases were made last year from Rhode Island businessmen. This also was spent several times over in the State for goods and services.

It hardly seems reasonable that a government that historically has helped overcome national disasters, would inflict a disaster on its smallest state.

EFFECT ON NAVY MORALE

There are no statistics on Navy morale. Navy policy is to follow orders and disciplinary action is threatened against those who complain. In our discussion with hundreds of Navy men and women, we have yet to find one enthusiastic about leaving. Many are being advised to leave their families behind as there is no housing—either government or urban, where being assigned. Schools in all of the areas where they are being assigned are overcrowded, some on double sessions. Quality of education is not thought to be equal to that in the Newport area. Medical facilities are also unequal to those of Rhode Island.

In summary, Mr. President, we do not believe a comprehensive look at the effect on the nation as a whole has been taken by the Navy in planning this move. We would be happy if you would review this potential government-caused disaster with the same compassion you have shown before in natural disasters.

Respectfully yours,

DAVID P. LEYS,
President, Newport County Chamber of Commerce.

STATEMENT OF THE NEWPORT COUNTY CHAMBER OF COMMERCE IN SUPPORT OF RETAINING THE FLEET IN NARRAGANSETT BAY

1. The Chamber of Commerce of Newport County, representing the business community of the city of Newport and the towns of Middletown and Portsmouth, Rhode Island, strongly urges that the drastic reduction of activities at U.S. Naval Base, Newport, R.I., be reversed for the reasons set forth herein.

2. We strongly endorse the statement of the Council of Presidents in objection to the closure of the naval air complex at Quonset Point, R.I., and concur with the statements made therein.

3. In further response to Secretary of Defense Richardson's request for proof that these activities should remain in Rhode Island, and with particular reference to the Newport situation, we offer the following facts:

A. Concerning national defense and the effectiveness of naval operations:

1. A primary mission of the Navy is the defense of our maritime trade. A major portion of the maritime trade route is found in the North Atlantic regions. The fulfillment of this mission requires the U.S. to maintain a portion of the Atlantic Fleet at an operating base in the Northeast. The naval base at Newport, with its facilities designed to support such forces, logicaly fills these requirements.

2. An important consideration of our national defense is the premise that the disbursal of our fleet is worth the additional expense to minimize the effect of a sudden attack in the event of total war—remember Pearl Harbor.

3. The Navy's future plans are to minimize its dependency on the larger carrier force, and place its reliance on smaller air-craft carriers, such as the sea control ships and a highly mobile destroyer escort force. The present Narragansett Bay facilities of the Navy are the best the Navy has on the East Coast for this type of force. Our government should not indulge in the false economy of closing down these bases today, when our best information tells us these bases will be needed for the ships of tomorrow.

4. One of the primary missions of a destroyer fleet is A.S.W. and destroyers should be kept at Newport to train and operate with submarines at New London. We disagree with the logic of the argument that Narragansett Bay's naval operating areas suffer from more bad weather than the southern ports. The Navy will not be able to choose its next battle ground. It should be trained to fight under the worst conditions. The Japanese in World War II took advantage of our "fair weather Navy," and chose to do battle with us in stormy weather.

5. Narragansett Bay is adjacent to deep water operating areas and a shorter distance to water outside of thousand fathom curve than Charleston or Mayport. The waters off the coast of Rhode Island more closely simulate those of the Mediterranean and Norwegian Sea than do the waters of Virginia, South Carolina, and Florida. It is only logical that ships and aircraft, working in concert, should train in an environment as similar to that in which they would have to operate in a national emergency.

6. Newport is better situated than the southern ports because it is closer to the Navy's two principal mission areas—Gibraltar and the Norwegian Sea.

B. Newport is not an old base. This base has been completely modernized since 1955 by the following major projects:

Destroyer piers and breakwater	$19,636,251.00
Dormitories, barracks, etc	19,390,000.00
Utilities	13,423,000.00
Training buildings and facilities	23,640,000.00
Hospital additions and repairs	5,487,000.00
Housing	20,203,000.00
Miscellaneous facilities	3,790,000.00
Total	105,569,251.00

The Newport base has modern, well-maintained facilities with better than normal military housing, all of which is within a ten minute drive from the destroyer piers—an essential element to speedy mobilization in the day of surprise attack.

C. Shipyard facilities.

1. The closing of Boston naval shipyard will have no appreciable effect on New England's ability to service the fleet. The independent New England shipyards represent many of the Nation's finest modern ship repair and construction facilities, with the craftsmanship and technical know-how to perform all services needed to keep the fleet in a state of readiness at reasonable cost.

2. Two of the southern ports are each served by a shipyard which has a monopoly in the area, resulting in negotiated contracts thirty per cent higher than the competitive bidding in New England.

3. The addition of a floating drydock at Newport in 1972 now means that almost all Newport based ships can receive their shipyard services at the Newport base, close to the training activities there and to the homes of the crew.

D. Naval facilities.

1. Newport contains the fleet training center and the destroyer school (which is scheduled to remain), and the presence of ships at Newport is important to both.

2. Newport naval hospital is well equipped to meet the needs of the fleet stationed at Newport and Quonset.

3. There are 2,310 units of naval housing in Newport, 962 of which have been built

within the last five years, at a total cost in excess of $21,526,000.00.

4. The supply depot at Newport is modern, efficiently managed and very adequate to meet the needs of the fleet.

5. Newport's fleet fueling facility is the third largest and one of the best the Navy has, and its supply center has one of the largest cold storage operations on the east coast.

6. The Newport base has recently modernized the following facilities:

Base exchange.

C.P.O. club, which will become the enlisted mens' club when a new C.P.O. club (construction of which has started) is completed.

A new recreation center.

Millions of dollars have been spent recently on enlisted mens' quarters and bachelor officers' quarters.

E. Civilian shore facilities:

1. As a result of constant urging by the base commander and by the Secretary of the Navy to construct modern housing, private enterprise in the three communities, Newport, Middletown and Portsmouth, have responded by constructing since 1965 approximately 1500 apartment units at a cost exceeding twenty-two and a half million dollars. During this period, at least an equal number of new single family houses have been constructed.

2. Newport has an active, well supported Navy YMCA. (We understand that the Charlestown, South Carolina, Navy will soon close because of bad relations with the civilian government).

3. The immediate Newport area contains five golf courses, good beaches, indoor and outdoor tennis courts, marinas, and an excellent recreation program which welcomes naval personnel.

4. The three Aquidneck Island communities have excellent school systems, personnel and facilities, which were created in the main to accommodate the children of Navy families. This includes special training facilities which are not available in other naval areas.

5. Morale of the officers and enlisted men stationed in Newport has always been a concern of the community. The chamber of commerce has conducted an active program that has become a model for community-military relations.

F. The Nation's hopes for a total volunteer fleet make it particularly important that they have representation in all major areas of the country, if interest and understanding of the populace are to lead to successful recruitment.

G. Environmental impact:

1. Has an environmental impact study been performed to justify the ecology considerations of the consolidation of the fleet in the muddy river-type ports of Charlestown and Mayport?

2. Can Norfolk's and Chesapeake Bay's ecological limits support the addition of more ships, more housing and more solid waste?

3. Narragansett Bay is deep and subject to constant tidal change, making it ecologically suited for the fleet.

H. Concerning the economy of Newport county:

1. Newport County presently has an unemployment rate of 10 per cent, the highest unemployment rate in the State of Rhode Island, which has one of the highest unemployment rates in the Nation. It is projected that if the Department of Defense persists in its plans to withdraw the fleet from Newport and close Quonset Point, Newport County's unemployment rate will rise to 22 per cent.

2. The loss of the Navy payroll will mean a 9 per cent reduction in the payroll of the State of Rhode Island.

3. The direct reduction of 13,887 military and civilian jobs results in a loss of 41 per cent of the total jobs for the three Aquidneck Island communities of Newport, Middletown and Portsmouth.

4. A quick sampling through a survey of the businesses of these three communities has been conducted by our chamber of commerce since the announced base closings, with the following results:

a. 20 per cent of the businesses on Aquidneck Island responded. These businesses had gross receipts of $61,828,669.00 in 1972, and an average of 43 per cent of these receipts were directly attributed to naval purchasers. The businesses sampled had 1,576 full and part-time employees, and indicated a reduction of this work force, because of the Navy pull-out, of 1,007 employees. Of the 121 businesses replying to the survey, 74 indicated they would go out of business if the Navy reduction went through as contemplated.

5. Newport is unique when compared to the other announced base closings, as Newport is not a base that was originated and developed in World War II. The Navy has been in Newport for 200 years, and the social and economic environment of this community is almost totally dependent upon this relationship.

CONCLUSION

We cannot argue with the decision to close some military bases for economic reasons, if the economies effected are national ones. But is this the case? Will not the savings to the defense budget be a loss to our domestic program if an area is financially devastated in the process?

Should we be required to accept the supercarrier theory when the Navy's future calls for their reduction and construction of small carriers and the smaller types of ships?

Can we help but conclude that the determination of which bases would close and which would not was made with more consideration for the geographical membership of the Armed Forces committees than for the geographical considerations of national defense?

Are we not justified to question fair play of our Federal Government—whose naval representatives a few years ago required that the Newport Bridge be built to accommodate supercarriers and be located so as not to interfere with the fleet at Newport and the aircraft at Quonset?

We join with all Rhode Islanders to urge the President and Congress to keep the fleet in Narragansett Bay where it belongs for the defense of the Nation.

DAVID P. LEYS,
President.

EXHIBIT E

THE NAVY IS OUR ECONOMY

(A report to Save Aquidneck Island Fund, Inc.)

ECONOMY OR WASTE?

The transfer of the fleet from Newport, Rhode Island, with the attendant movement of other facilities, will cost the taxpayers of the United States of America hundreds of millions of dollars.

Following are some of the costs.

Cost to Government

1. Aid to homeowners under Government Homeowners Assistance Act:	
a. 2,772 homes affected[1,2]	$14,553,000
2. Families Relocated:	
a. 6,105 Families[3,6]	8,186,805
3. Mileage Allowances:	
a. 6,105 Families[3,4]	1,253,102
4. Vacated housing units to be duplicated at new locations:	
a. 1,460 Units[2]	29,220,000
5. Federal dollars spent in 1972 on new construction for disestablished or relocated facilities[5]	$31,707,041
6. Total replacement value of plant and equipment not including ships and land[5]	392,700,000
7. Annual Navy payroll in Newport is[5,7]	216,186,416
(This is 77% of Aquidneck Island's payroll.)	
8. Navy employment constitutes 63% of the total employment on Aquidneck Island.[5,7]	
9. Navy Supply Center is the third largest Navy bulk fuel storage facility in the world.[6]	
10. Naval Supply Center has one of the largest cold storage operations on the East Coast.[5]	
11. The Supply Center alone has a value in excess of[5]	29,000,000

Economic impact on Aquidneck Island (Newport, Middletown, and Portsmouth)

1. A 22% rate of unemployment is anticipated on this island (presently 10%)[8]	
2. Loss of 51% of the total island payroll of these communities is[5,6,7]	$144,768,213
3. Purchases by the Navy from local suppliers are in excess of[5]	10,000,000
4. A loss of 13,887 Government jobs is equal to 41% of the total jobs on Aquidneck Island.[6,7]	
5. An additional loss of 1800 jobs EXCLUSIVE of military base employment is anticipated.[7,8,9]	
6. An additional annual loss to the business community includes payroll, maintenance, procurements, and construction[5,9]	175,000,000
7. A loss of more than 50% (600+) of all the business on Aquidneck Island is anticipated.[9]	

SOCIAL IMPACT

1. The Navy has been an integral part of our lives for over 200 years, consequently, we do not just service the Navy—WE ARE a part of THE NAVY.

2. Adequate housing, recreational, and medical facilities are located within a 10 MINUTE access of the Naval Base.

3. Children attend their NEIGHBORHOOD SCHOOLS which are known for excellent education. Special training facilities located here, which are not available in other areas, exist within a 10 minute drive.

4. A loss of $172,000 to the United Fund and other Charities.[5]

5. Naval facilities have been and are shared by Boy Scouts, Girl Scouts, the Red Cross, and church groups, etc.[5]

6. Disadvantaged children by the THOUSANDS have shared the recreational and cultural facilities of the Naval Base.[5]

7. Hundreds of fire fighters from NEW ENGLAND, participate in training at the Fire Fighters School.[5]

8. Navy personnel and dependents are the back-bone of the Island's organizations; Little League, Boy Scouts, etc.

The Government has always been concerned with natural disasters. Should the Government be any less concerned with a MAN-MADE disaster?

Newport, R.I. is on an island with relatively no industry. We cannot be absorbed into the surrounding regions which ALREADY have the HIGHEST unemployment rate in the Nation.

The Navy is creating housing crises in other locations by transferring the Fleet out of Newport; an area where there **ALREADY** exists ample housing for Military purposes.

Can we afford NOT to utilize these modern Military facilities and one of the finest natural deep water harbors in the world?

FOOTNOTES

[1] Homeowners Assistance Act.

[2] Newport County Board of Realtors.

[3] Bowler Van & Storage Safeway Systems, Inc.

[4] Naval Finance Office.

[5] Annual Report by the Navy in the Rhode Island Area 1972.

[6] Department of Navy—Office of Legislative Affairs (Fact Sheet April 16, 1973).

[7] Rhode Island Development Council.

[8] State Department of Employment Securities.

[9] Survey of Aquidneck Island Businesses.

EXCERPTS FROM ANNUAL REPORT BY THE NAVY IN THE RHODE ISLAND AREA—1972

FEBRUARY 1973.

An annual report by the Navy in the Rhode Island area has been published since 1956, and we are pleased to send you a copy of our new report.

The report deals in terms of dollars and missions, and this year shows continued growth of support of the area's economy, with a total payroll slightly in excess of $344 million. But the report does not portray the most important part of the story—the warm welcome our men and women in uniform receive in the communities, and the close cooperation extended by officials on both the state and local level.

We hope you will enjoy reading the details of our operations.

G. L. CASSELL,
Rear Admiral, U.S. Navy, Commander, Fleet Air Quonset, Naval Air Station, Quonset Point, R.I.

R. E. RUMBLE,
Rear Admiral, U.S. Navy, Commander, Naval Base, Newport, R.I.

REPORT HIGHLIGHTS

The 1972 gross payroll for Navy civilian employees and military personnel in the Rhode Island-Southeastern Massachusetts area totaled slightly more than $344 million—an increase of about $25 million over the previous year.

Two new ships joined the Cruiser-Destroyer Force, U.S. Atlantic Fleet, at Newport in 1972—the guided missile frigates Coontz and R. K. Turner. Another new arrival was the AFDM–7, a 622 foot-long floating drydock berthed at Melville, which is capable of serving all destroyer-type ships. It is manned by 95 officers and 150 enlisted men.

Major construction projects completed at Naval installations on both sides of Narragansett Bay totaled $6,948,407 in 1972. Projects still under construction at year's end amounted to $26,725,863.

All told, 9,915 civilian employees and 27,402 military personnel, including the Naval Facility at Nantucket and reservists at three locations, were assigned to activities and ships in the area. The totals include 4,654 civilians and 16,246 military personnel at Newport, and 5,259 civilians and 9,635 military personnel at Quonset-Davisville.

A total of 40,690 students attended long and short-term schools on both sides of the Bay during 1972.

Twenty-nine per cent of the gross payroll—or about $100 million—was paid to Navy civilian employees at Newport and Quonset-Davisville.

On the east side of Narragansett Bay, (including Nantucket and reservists), salaries for civilian personnel totaled $48,519,463, while those for military personnel amounted to $167,493,405, for a grand total of $216,012,868.

On the west side of the Bay, (including reservists), salaries for civilian personnel amounted to $51,318,870, while those for military personnel totaled $76,727,714, for a grand total of $128,046,584.

Navy civilian and military personnel contributed $451,967 to charitable causes, including the United Fund, National Health Agencies, International Service Agencies, Navy Relief, and other appeals.

During 1972, purchases of resale items by the Quonset Point and Newport Commissaries totaled $27,400,000, with about $6,500,000 worth of the items purchased from Rhode Island-based concerns.

The Naval Supply Center and the Naval Regional Procurement Office, both of Newport, handled purchases totaling $23.8 million, of which more than $8.4 million was awarded to businesses in the Rhode Island area.

The value of local expenditures by the Naval Air Station, Quonset Point, for items bought from Rhode Island firms was almost $12 million.

Spruance Hall, a $2.5 million professional education center, the first building to be constructed for the Naval War College since Pringle Hall back in 1934, was officially opened in ceremonies December 6–7, 1972. The building, named for the late Admiral Raymond A. Spruance, the 25th President of the College, is the first structure to be completed in the College's current $23 million expansion program.

Also at Newport, ground was broken for another 200 family housing units costing $5.2 million (150 off Greene Lane, Middletown, and 50 at Fort Adams).

A total of $9.7 million in contracts for renovation and expansion, including $3 million for rehabilitation of the Naval Air Station's Bachelor Enlisted Quarters, was awarded at Quonset in 1972.

Medical facilities in the Narragansett Bay area (Naval Hospitals at Newport and Quonset, plus dispensaries at the Newport Naval Station and CBC, Davisville), were consolidated into the Naval Regional Medical Center, Newport, last July 1.

A new shore activity, the Human Resource Development Center, was established on April 1 at the Newport Naval Base.

The 14th annual Quonset-Davisville Navy Relief Carnival drew more than 250,000 persons and raised almost $73,500 for the Navy Relief Society.

Naval Mobile Construction Battalion 1 of Davisville won the coveted Peltier award for fiscal year 1971–72. MCB–1 was selected as "most outstanding" of 10 Navy-wide Seabee battalions by the National Society of American Military Engineers.

Thirteen Seabees from Naval Mobile Construction Battalions 1 and 71 at Davisville restored electrical service to more than 3,000 homes in the flood-damaged Wilkes-Barre/Scranton, Pa. area last July.

The 12 ships of Service Squadron Two, U.S. Atlantic Fleet, homeported at Newport and Davisville, are manned by nearly 3,600 officers and men.

The total replacement value of Naval plant and equipment in the Narragansett Bay area, not including ships or land, is $561,176,000.

The 1,733 civilian employees at the Naval Underwater Systems Center, Newport, which includes about 700 scientists and engineers, were paid a total of almost $24.3 million.

[From the Virginian-Pilot, May 4, 1973]

CONGRESS WANTS $55.3 MILLION CONSTRUCTION IN AREA

(By John Stevenson)

NORFOLK.—Congress has recommended $55.3 million for military construction in Tidewater during fiscal 1974, of which the largest single portion is $9.6 million for a new berthing pier at Norfolk Naval Station.

The construction would help Tidewater prepare for 9,000 Navy people who will move to the area as the result of base closings and realignments elsewhere. The realignments were announced last week.

Besides the new pier, large fiscal recommendations for Tidewater include $3.2 million for a dispensary and dental clinic at Little Creek, $2.5 million for a helicopter maintenance hangar at Norfolk Naval Air Station, $3.9 million for an applied instruction building at Norfolk Naval Station, and $3.3 million for an aircraft systems training building at Oceana.

On the Peninsula, $4.7 million has been recommended for construction at Ft. Eustis. Of this figure, $680,000 would go for a supply and administration facility, $2.5 million would be pumped into barracks modernization, $533,000 would be used for a Post Office, and $992,000 would be earmarked for an electrical distribution system.

In addition, $867,000 has been recommended for barracks modernization at Ft. Monroe and .3 million is being urged for a torpedo overhaul shop at the Naval Weapons Center in Yorktown.

The recommendations for Langley Air Force Base include $403,000 for a radar flight control center and 100,000 for alteration of command administration facilities.

The total for pollution abatement in the 2nd Congressional District, which includes much of Tidewater, is $37.4 million.

The monetary breakdown for Norfolk, Portsmouth, and Virginia Beach goes like this:

Little Creek—$3,211,000 for the dispensary and dental clinic; $139,000 for an electronics building.

Norfolk Naval Air Station—$2,525,000 for the helicopter maintenance hangar.

Norfolk Naval Station—$9,624,000 for the new berthing pier; $803,000 to relocate the fleet landing; $314,000 to dredge beneath Pier 2; $3,950,000 for the applied instruction building; $1,435,000 for enlisting dining facilities modernization; $2,057,000 for pier utilities; and $310,000 for a new vehicle parking area.

Naval Public Works Center—$567,000 for an electrical distribution system, $2,470,000 for a new Nuclear Weapons Training Group building, and $325,000 for a refueling vehicle maintenance facility.

Fleet Marine Force in Norfolk—$374,000 for an enlisted men's dining facility and $312,000 for road improvements.

Fleet Combat Directions Systems Training Center at Dam Neck—$5,959,000 for an applied instruction building, $572,000 for another training building, and $600,000 for a municipal sewer connection.

Norfolk Naval Shipyard in Portsmouth—$4,066,000 for a machine shop, $3,332,000 for utilities improvements, $2,624,000 for bachelor enlisted quarters, and $1,111,000 for enlisted dining facilities.

Also at the shipyard, a sandblast and painting facility at $3,621,000, an industrial waste collection system at $1 million, and a ship waste water collection system at $2,114,000.

Pollution-control projects not mentioned elsewhere include an ashore ship waste-water collection system at Little Creek for $433,000, industrial waste collection system improvements at Norfolk's Naval Air Rework Facility for $268,000, and sewer treatment facilities at Norfolk Naval Station for $620,000.

EXHIBIT F

MR. PRESIDENT

We the people of Rhode Island cannot accept the abrupt closure of our naval facilities. The following reasons are presented for your consideration:

We trust that you will honor your campaign promise.

Last fall the following ad was published in

Rhode Island newspapers by the committee to re-elect the President:

"What George McGovern's defense cut could mean to Rhode Island.

If Senator McGovern is elected President and he fulfills his pledge to cut America's defense budget by 40%, here's what's likely to happen in Rhode Island.

Quonset Point, Davisville, and Newport naval base would be severely affected by the McGovern plan. *Thousands of civilian jobs at the bases would be lost and thousands of Navy men and their dependents would have to leave the state. The blow to Rhode Island's economy would be staggering.*

Several thousand Rhode Islanders work at the Electric Boat Division at Groton. Many of these jobs would also be on the line since Senator McGovern would cut the Navy's submarine program.

Nor does the matter end there. For also of concern to Rhode Islanders is the security of their country. They know that the best hope for future agreements on arms limitations and peace itself rests on America's ability to negotiate from a position of strength, and that position would be endangered by so huge a defense cut as the one proposed by Senator McGovern.

Fortunately, none of this will come to be if the man who's president right now remains president. It's one of the reasons why more and more people are saying that America needs President Nixon now more ever.

President Nixon. Now more than ever."

Mr. President—Can we depend on you to keep your word?

The abrupt closure and transfer of functions of the naval air rework facility, the Naval Air Station, Quonset Point, and the Newport Naval Base will result in an economic disaster in our state.

Our state has less than one million people, which represents only one half of one percent of the nation's population, yet we are being asked to take 50% of the DOD civilian and military manpower reduction of 42,800 jobs.

The federal payroll in Rhode Island for fiscal year 1972 was 344 million dollars. This is approximately 10 percent of the personal income of the entire state, It is also approximately equal to our annual state budget. How can we recover from such a devastating blow?

As a direct result of a plea made by the Navy in 1971, private businessmen responded by investing many millions of dollars in constructing hundreds of permanent housing units. This relieved the Navy's need for housing. These huge investments will be lost. The business community feels as though it has been "misled."

Traditionally, communities which have been affected by major base closure actions have been given at least three to five years to adjust economically by means of the gradual phase out of operations.

Rhode Island has an unemployment rate of 6.4%, yet those states to which our Navy functions are being transferred have virtually no unemployment. For example, Florida, North Carolina, and Virginia have unemployment rates of 3.1%, 2.6%, and 2.5% respectively. Civil service layoffs alone will increase the Rhode Island unemployment rate by 20 to 30 percent.

The Naval Air Rework Facility at Quonset Point with its nearly 3,000 federal employees is our state's largest single industrial employer. It is one of the few major industrial facilities in Rhode Island.

More than five thousand federal and non-civil service employees of the Navy will be jobless in our state. Except for a very few isolated instances, these employees will not be offered employment elsewhere in federal service. Rhode Island offers few possibilities for this highly specialized work force. Reemployment possibilities are further complicated by the fact that 66% of the employees are 45 years of age or older.

Many additional layoffs and business closures will occur in the private sector which depends heavily upon the presence of the Rhode Island military bases.

The abrupt closure of our modern bases is not in the best interest of either national security, naval operations, or economy.

Quonset Point is the cornerstone of the nation's antisubmarine warfare protection for the entire eastern seaboard. The closure of this facility will leave the entire northeastern sector without adequate protection in the face of the greatly increased menace of soviet submarines which threaten New England with missiles that are equipped with nuclear warheads. It is not logical to remove these naval facilities to new locations that are already adequately protected.

The DOD has stated that the Rhode Island bases have been closed because of their inability to accommodate deep-draft-carriers. Here are some facts:

The Navy retained the Naval Air Rework Facility at Cherry Point, North Carolina. They cannot accommodate carriers. They do not even have a port!

The Navy retained the Naval Air Rework Facility at the Naval Air Station complex in Alameda, California, closed the Air Station, transferred the squadrons, and closed its port to aircraft carriers.

The Naval Air Rework Facility at NAS Jacksonville, Florida cannot handle carriers either. Aircraft workload must be barged from USNS Mayport, Florida—33 miles away. Why couldn't nearby Newport—5 miles away—have served Quonset Point in the same way?

The Port at the Pensacola Naval Air Rework Facility can handle only the smaller carriers of the Essex class—and so can Quonset!

The DOD stated that the Quonset Point runway cannot handle high performance aircraft. Here are the facts:

The largest military aircraft, the C5A, has landed on our runways a number of times.

Why do we need runway longer than 10,000 feet? The aircraft we overhaul do not require longer runways—we have the capability to handle supersonic aircraft. Reliable engineering sources in Washington are not aware of any Navy aircraft (in service or being manufactured) that requires a runway longer than 10,000 feet.

The DOD stated that Quonset Point is becoming obsolete. The fact is that Quonset Point is one of the newest, most modern and progressive industrial complexes in the Navy. In 1972 alone, approximately 10 million dollars were expended for renovations and expansion.

The DOD stated that the Quonset Point base closure would result in a cost savings. However, the projected 23 million dollars savings will not be realized because the base functions are being transferred and not discontinued. The cost of transferring this workload and the increaased direct labor costs at most other areas will result in a much higher cost to the taxpayer.

In a recent news statement, Senator Carl Curtis of Nebraska denounced these closures as "highly political" and estimated that the moves will cost the taxpayers an extra 41.5 million dollars or more. His estimate does not include the additional 60 million dollars which will be spent for severance pay, accrued leave, early retirement, employee relocation, housing reimbursement, travel allowances, new military construction not previously identified, equipment acquisition and modification, etc. Our preliminary estimates show that the total increased cost will exceed 100 million dollars, and we haven't "scratched the surface" yet.

Senator Curtis articulated our position precisely when he said, "I not only personally resent but publicly object to vast amounts of federal tax dollars being spent to enrich the economy of one city or area of the country at the expense of others."

Mr. President—All we ask is that all actions now being taken to close the Quonset Point Naval Air Station and Naval Air Rework Facility be halted pending a complete investigation of the facts. If after a fair investigation of the facts it is determined that it is not in the best interest of the nation to keep all the Rhode Island facilities in operation, then at the very least, accomplish the base closures gradually over a three to five year period to avert chaos, panic, and economic collapse in our state. Is this too much to ask?

CHARLES GOYETTE,
Council of Presidents, Chairman.
PAUL F. LISCHIO,
Save our State, Cochairman.
JOHN ST. GERMAIN,
Save our State, Cochairman.

(Representing the business, civic, labor, and management organizations throughout Rhode Island.)

Mr. PELL. Mr. President, the demonstration that was held here Saturday should bring home to every Member of this body that there are thousands of Rhode Islanders who have been treated unjustly and without compassion by this administration. The leaders who organized the rally in Washington, men such as Francis J. P. Sullivan, Jack Replogle, John McGann, and Joseph Dunn, are decent men—men who are concerned with the very survival of their community. Their leadership in this fight against personal and community economic disaster has given us heart and strength so that we can continue our fight for justice and decency for our Rhode Island citizens. Francis J. P. Sullivan deserves particular credit for having thought of, inspired, and led the rally.

No more moving a statement can be made than that delivered at the rally by a blinded veteran, Thomas Garrick, who has worked 18 years at the Naval Air Rework Facility at Quonset Point, who said:

> Though I can't see you, I know I am looking out on a tremendous crowd and that we are here today to tell the President of the United States that he let us down.

As Edmund Burke once said:

> An event has happened, upon which it is difficult to speak, and impossible to be silent.

I have tried to be objective. I was prepared to accept a proportional cutback, but I was not prepared for the total decimation of the work force of Rhode Island and our economy. I just do not accept a determination which is wrong from every possible aspect—strategic, economic, and efficient operation—and which I honestly believe to be based on prejudice against my area of the country by the administration.

QUORUM CALL

Mr. JAVITS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. JOHNSTON). Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, is there further morning business?

The PRESIDING OFFICER. Is there further morning business? If not, morning business is concluded.

HEALTH MAINTENANCE ORGANIZATION AND RESOURCES DEVELOPMENT ACT OF 1973

The PRESIDING OFFICER. Under the previous order, the Senate will now resume the consideration of the unfinished business, S. 14, which the clerk will report.

The legislative clerk read as follows:

Calendar No. 120 (S. 14) a bill to amend the Public Health Service Act to provide assistance and encouragement for the establishment and expansion of health maintenance organizations, health care resources, and the establishment of a Quality Health Care Commission, and for other purposes.

The PRESIDING OFFICER. The pending question is on agreeing to amendment No. 131 of the Senator from Massachusetts (Mr. KENNEDY).

QUORUM CALL

Mr. KENNEDY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT 131 WITHDRAWN

Mr. KENNEDY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KENNEDY. Mr. President, what is the matter pending before the Senate at the present time?

The PRESIDING OFFICER. S. 14 is pending before the Senate, and the pending question is on agreeing to amendment No. 131 of the Senator from Massachusetts.

Mr. KENNEDY. Mr. President, a further parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KENNEDY. Mr. President, would it be appropriate for me to withdraw the amendment?

The PRESIDING OFFICER. The amendment may be withdrawn.

Mr. KENNEDY. Mr. President, I withdraw that amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. KENNEDY. Mr. President, I send an amendment to the desk on behalf of myself, the distinguished Senator from New York (Mr. JAVITS), and the distinguished Senator from Pennsylvania (Mr. SCHWEIKER) and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk proceeded to state the amendment.

Mr. KENNEDY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment in the nature of a substitute for the committee amendment is as follows:

Beginning on page 107, line 18, insert the following:

That this Act may be cited as the "Health Maintenance Organization and Resources Development Act of 1973".

SEC. 2. (a) The Congress finds that—

(1) the medical care system is not organized in a manner which encourages the provision of medical care at reasonable costs;

(2) the medical care system is oriented toward providing care once a health need has occurred rather than toward providing health maintenance and preventive health services;

(3) there is a serious maldistribution of medical care resources which has resulted in inadequate access to medical care in both inner city and rural areas.

(4) the establishment of health maintenance organizations, will aid in alleviating the serious maldistribution of health care resourcees which has resulted in inadequate access to medical care particularly in both inner city and rural areas, in providing health care in a more efficient and economical manner, and in reorienting the health care system toward the maintenance of health;

(5) there is a need to provide technical assistance and resources to individuals and groups, undertaking the planning, development, and initial operation of health maintenance organizations;

(6) there exists an excessive variance in the quality of health care and health services.

(b) The purpose of this Act is to assist in remedying these deficiencies through encouraging the establishment and utilization of health maintenance organizations, particularly in medically underserved areas by improving the system for the delivery of health care through encouragement of any support for the planning, development, and initial operation of health maintenance organizations, particularly with the intent of improving the health of populations in medically underserved areas.

SEC. 3. Nothing in this Act, or any amendment made by this Act, shall be construed to supersede any activity relating to review of the provision of health care services under (including review and assessment of quality or quantity of such services or determination or reimbursement therefor) or to the determination of eligibility of any provider practitioner, agency, or organization to participate under any program established under the Social Security Act.

TITLE I—HEALTH MAINTENANCE ORGANIZATIONS

SEC. 101. The Public Health Service Act is amended by inserting after title XI the following new title:

"TITLE XII—HEALTH MAINTENANCE ORGANIZATIONS AND HEALTH SERVICE ORGANIZATIONS

"PART A—SUPPORT OF HEALTH MAINTENANCE ORGANIZATIONS

"DEFINITIONS

"SEC. 1201. For purposes of this title:

"(1) The term 'health maintenance organization' means an entity which—

"(A) provides as a minimum for all its enrollees (or subscribers) comprehensive health services (as defined in this section) which are uniformly available to all its enrollees (or subscribers) directly through its own staff and supporting resources or through a medical group or groups and such other additional services as may be required through other health delivery entities, for a fixed payment which (i) is to be paid on a periodic basis without regard to the frequency, extent, or kind of health service actually furnished to any particular enrollee; and (ii) is uniform for all its enrollees subject to rules and regulations regarding family rates;

"(B) demonstrates to the satisfaction of the Secretary ability to assure that appropriate comprehensive health services are available and accessible to all its enrollees promptly and in a manner which assures continuity;

"(C) demonstrates to the satisfaction of the Secretary financial responsibility through proof of adequate provision against risk of insolvency;

"(D) is organized in such a manner (as prescribed by regulations of the Secretary) that assures its enrollees a substantial role (generally defined as one-third representation in the body establishing or recommending policy) in the making of policy for the health maintenance organization, with equitable representation of enrollees from medically underserved areas, and provides meaningful procedures for hearing and resolving grievances (i) between its enrollees and the health maintenance organization (including the medical group or groups and other health delivery entities providing health services), and (ii) between the medical group or groups providing health services and other employees and the health maintenance organization;

"(E) encourages and actively provides for its enrollees (i) health education services; (ii) education in the appropriate use of health services provided; and (iii) education in the contribution the patient can make to the maintenance of his own health;

"(F) has organizational arrangements, established in accordance with regulations of the Commission on Quality Health Care Assistance (established under title XIII of this Act) for an ongoing quality assurance program which stresses health outcomes and assures that health services provided meet the requirements of the Commission on Quality Health Care Assurance;

"(G) provides, in accordance with regulations of the Secretary (including safeguards concerning the confidentiality of the doctor-patient relationship), and effective procedure for developing, compiling, evaluating, and reporting to the Secretary, data (which the Secretary shall publish and disseminate on an annual basis) relating to (i) the cost of its operations, (ii) the patterns of utilization of its services, (iii) the availability, accessibility, and acceptability of its services, and (iv) such other matters as the Secretary may require and disclose at least annually and in a manner acceptable to the Secretary, such data to its enrollees and to the general public;

"(H) except for (i) out of area emergency care, and (ii) care reasonably valued in excess of the first $5,000 per enrollee per year, assumes direct financial responsibility, without benefit of insurance, on a prospective basis for the provision of the comprehensive health services defined in this section;

"(I) has an open enrollment period unless a waiver has been granted under section 1249, of not less than thirty days at least once during each consecutive twelve-month period during which it accepts individuals in the order in which they apply for enrollment up to its capacity, subject to the requirements of paragraph (K);

"(J) assumes responsibility for the provision of health care services to its enrollees (and on a reimbursable basis for short-term health care services to enrollees of any other health maintenance, who are temporarily outside the service area of the health maintenance, in which they are enrolled) twenty-four hours a day, seven days a week, and for the appropriate availability of such services in emergencies;

"(K) shall enroll no more than 50 per centum of its enrollees from medically underserved areas, except in rural areas as designated by the Secretary;

"(L) provides, or makes arrangements for, continuing education for its staff;

"(M) emphasizes the use of nurse practitioners, physician's assistants, dental therapists, and other allied health personnel and to the extent practicable and consistent with good medical practice, trains and employs such personnel in the rendering of services;

"(N) provides to its enrollees as an option, for an additional premium, extended care facility services and dental services;

"(O) may purchase on a fee-for-service basis unusual or infrequently used health care services for its enrollees;

"(P) does not refuse enrollment to or expel any person for any reason concerning his health status or requirements for the provision of health services;

"(Q) provides for the prevention, diagnosis, and medical and psychological treatment of the abuse of or addiction to alcohol and drugs either through its own facilities or existing community facilities; and

"(R) meets such other criteria for its organization and operations as the Secretary may by regulation prescribe, consistent with the provisions of this title.

"(2) The term 'comprehensive health services' means health services provided without limitation as to time or cost as follows—

"(A) physician services (including consultant and referral services);

"(B) inpatient and outpatient hospital services;

"(C) home health services;

"(D) diagnostic laboratory, and diagnostic and therapeutic radiologic services;

"(E) preventive health (including but not limited to voluntary family planning, infertility services, and preventive dental care for children) and early disease detection services;

"(F) emergency health services rendered by any provider of health care, the expense of which shall be borne by the enrollee's health maintenance organization;

"(G) provision of or payment for prescription drugs (with patterns of patient drug utilization under continuous surveillance, evaluation, and review by a clinical pharmacist whose duties shall include the maintenance of a drug use profile for each enrollee);

"(H) medical social services;

"(I) vision care (except for eyeglasses which shall be optional) as provided by a physician skilled in the diagnosis and treatment of diseases of the eye, or by an optometrist provided such services are within the scope of his license;

"(J) physical medicine and rehabilitative services (including physical therapy);

"(K) mental health services utilizing existing community mental health centers on a priority basis;

"(L) preventive diagnostic and medical and psychological treatment of the abuse of or addiction to alcohol and drugs; and

"(M) such other personal health services as the Secretary may determine are necessary to insure the protection, maintenance, and support of human health.

"(3) The term 'medical group' means a partnership or other association or group of health professionals of whom not less than four and at least a majority shall be persons who are licensed to practice medicine or osteopathy, and such other licensed health professionals as are necessary to provide comprehensive health services and who are eligible for assistance under this Act, in conformance with requirements promulgated under section 1302, in a State and who (A) engage in the coordinated practice of their profession as a group responsibility providing services to health maintenance enrollees; (B) if not employees or retainees of a health maintenance organization, pool their income from practice as members of the group and distribute it among themselves according to a prearranged salary, or a drawing account or other plan; (C) jointly use or share substantial portions of medical and other records and major equipment and professional, technical, and administrative staff; (D) share or jointly utilize such additional health and allied health professionals who may include but are not limited to psychologists and other mental health workers, optometrists, pharmacists, podiatrists, dental therapists, physician's assistants, nurse practitioners and nurse midwives, as are needed to provide comprehensive health services; and (E) arrange for and encourage the continuing education of their members in the field of clinical medicine and related areas. Such group may be organized on a group practice or individual practice basis, and individual physician members may be paid on a fee for service or any other basis, so long as the group is reimbursed for its services on the basis of an aggregate fixed sum or on a per capita basis.

"(4) The term 'enrollee' when used in connection with a health maintenance organization, means an individual who has entered into a contractual arrangement, or on whose behalf a contractual arrangement has been entered into, with a health maintenance organization, under which such organization assumes the responsibility for the provision of health services to such individual.

"(5) The term 'medically underserved area' means an urban or rural area or population group designated by the Secretary as an area or population group with a shortage of personal health services. Such a designation may be made by the Secretary only after consideration of the comments, if any, of (A) each State comprehensive health planning agency designated pursuant to section 314(a) of this Act covering, in whole or in part, such area, (B) each areawide comprehensive health planning agency designated pursuant to section 314(b) of this Act, covering, in whole or in part, such area, and (C) regional medical programs established pursuant to title IX of this Act, covering, in whole or in part, such area.

"(6) The terms 'construction' and 'cost of construction' include (A) the construction of new buildings, and the acquisition, expansion, remodeling, replacement, and alteration of existing buildings, including architects' fees, and (B) equipping new buildings and existing buildings, whether or not acquired, expanded, remodeled, or altered with assistance under this title.

"(7) The term 'non-metropolitan area' means an area no part of which is within an area designated as a standard metropolitan statistical area by the Office of Management and Budget, and does not contain a city whose population exceeds fifty thousand persons.

"(8) The term 'high-risk enrollee' means a person who is likely to utilize the services of a provider of health care more often than an actuarially determined average.

"GRANTS FOR PLANNING AND FEASIBILITY STUDIES

"SEC. 1202. (a) The Secretary may make grants, subject to the general provisions of this title, to public or private nonprofit agencies, organizations, or institutions to assist in projects for planning or studying the feasibility of developing or expanding health maintenance organizations. No project may receive more than $250,000 in grants under this section. Funds awarded under such grants shall be available for expenditure by the grantee for such period (not to exceed two years from the date of award) designated by the Secretary.

"(b) In making grants under this section the Secretary shall give priority to those applicants who give assurances that at least 30 per centum of their total enrollment shall be persons from medically underserved areas.

"(c) There are authorized to be appropriated to carry out the provisions of this section $10,000,000 for the fiscal year ending June 30, 1974, $15,000,000 for the fiscal year ending June 30, 1975, and $20.000,000 for the fiscal year ending June 30, 1976.

"GRANTS FOR INITIAL DEVELOPMENT COSTS

"SEC. 1203. (a) The Secretary may make grants, subject to the general provisions of this title, to any public or private nonprofit agencies, organizations, or institutions, to assist them in meeting the costs involved in a project for the initial development of a health maintenance organization prior to its first day of operation. No project may receive more than $1,000,000 in grants under this section.

"(b) Sums awarded under such grant shall be available for expenditure by the grantee for not more than three years, and shall be utilized for such purposes as may be prescribed in regulations of the Secretary, including but not limited to (1) implementation of an enrollment campaign; (2) detailed design of an arrangement for the health services to be provided; (3) development of administrative and internal organizational arrangements, including fiscal control and fund accounting procedures and the development of a capital financing program; (4) recruitment of personnel and the conduct of personnel training activities; and (5) payment of architects' and engineers' fees.

"(c) In making grants under this section the Secretary shall give priority to those applicants who give assurances that at least 30 per centum of their total enrollment shall be persons from medically underserved areas.

"(d) There are authorized to be appropriated to carry out the provisions of this section $15,000,000 for the fiscal year ending June 30, 1974, $25,0000,000 for the fiscal year ending June 30, 1975, and $30,000,000 for the fiscal year ending June 30, 1976.

"CONSTRUCTION GRANTS

"SEC. 1204. (a) The Secretary may make grants, subject to the general provisions of this title, to assist any public or private nonprofit health maintenance organization or any public or private nonprofit agency, organization, or institution intending to become a health maintenance organization in meeting the cost of construction of facilities or portions of facilities for ambulatory care and capital investment for necessary transportation equipment, to be used by it for the provision of health services to its enrollees. The Secretary shall give special consideration to applications for grants for the acquisition or renovation of existing facilities. Except for exceptional circumstances, in which case up to 90 per centum of the cost of construction (as determined by the Secretary) may be authorized by the Secretary, no grant under this section for any project may exceed 75 per centum of the cost of construction of such project. No project may receive more than $2,500,000 in grants under this section.

"(b) In making grants under this section the Secretary shall give priority to those applicants who give assurances that at least 30 per centum of their total enrollment shall be persons from medically underserved areas.

"(c) There are authorized to be appropriated to carry out the provisions of this section $15,000,000 for the fiscal year ending June 30, 1974, $30,000,000 for the fiscal year ending June 30, 1975, and $40,000,000 for the fiscal year ending June 30, 1976.

"GRANTS FOR INITIAL COSTS OF OPERATION

"SEC. 1205. (a) Where the Secretary determines that the applicant has made all reasonable attempts to meet his operating expenses (including loans and loan guarantees), he may make grants to public and private nonprofit health maintenance organizations to assist them in meeting operating deficits during the initial three-year period of their operation.

"(b) Grants under this section shall be made only for the period beginning with the first day of the first month for which such grant is made and ending with the close of three years after such first day; and such grant with respect to any such organization may not exceed 100 per centum of such operating deficit for the first year after such first day; 67 per centum of such first year operating deficit for the second year after such first day; and 33 per centum of such first year operating deficit for the third year after such first day.

"(c) There are authorized to be appropriated to carry out the provisions of this section $5,000,000 for the fiscal year ending June 30, 1974, $30,000,000 for the fiscal year ending June 30, 1975, and $50,000,000 for the fiscal year ending June 30, 1976.

"CONSTRUCTION LOANS

"SEC. 1206. (a) The Secretary may make loans, subject to the general provisions of this title, to any public or private nonprofit health maintenance organization, or any public or private nonprofit agency, organization, or institution intending to become a health maintenance organization, to assist it in meeting the cost of construction of facilities for ambulatory care and transportation services for the provision of health services to its enrollees. The Secretary shall give special consideration to applications for loans for the acquisition or renovation of existing facilities. No loan under this section for any project may exceed 90 per centum of the cost of construction (as determined by the Secretary) of such project.

"(b) There are authorized to be appropriated to carry out the provisions of this section $10,000,000 for the fiscal year ending June 30, 1974, $20,000,000 for the fiscal year ending June 30, 1975, and $30,000,000 for the fiscal year ending June 30, 1976. Sums so appropriated, together with repayments of loans made under this section and any other receipts in connection with the program under this section, shall be placed in and constitute a revolving fund which shall be available to the Secretary without fiscal year limitation for use in making loans and other expenditures in the exercise of his functions under this section.

"LOANS FOR INITIAL COSTS OF OPERATION

"SEC. 1207. (a) The Secretary may make loans, subject to the general provisions of this title, to any public or private nonprofit health maintenance organization to assist it in meeting, for the period prescribed in subsection (b), a portion of its initial operating costs in excess of gross revenues determined under regulations of the Secretary.

"(b) Loans under this section for initial costs of operation may be made only for the period beginning with the first day of the first month for which such a loan is made and ending with the close of three years after such first day; and such loans with respect to any project may not exceed 60 per centum of such costs of operation, for the first year after such first day; 40 per centum of such costs for the second year after such first day; and 20 per centum of such costs for the third year after such first day.

"(c) There are authorized to be appropriated to carry out the provisions of this section $5,000,000 for the fiscal year ending June 30, 1974, $30,000,000 for the fiscal year ending June 30, 1975, and $50,000,000 for the fiscal year ending June 30, 1976. Sums so appropriated, together with repayments of loans made under this section and any other receipts in connection with the program under this section, shall be placed in and constitute a revolving fund which shall be available to the Secretary without fiscal year limitation for use in making loans and other expenditures in the exercise of his functions under this section.

"PART B—GENERAL PROVISIONS

"GRANTS AND LOANS

"SEC. 1240. (a) Any loan by the Secretary shall bear interest at a rate comparable to the current legal rate of interest prevailing with respect to loans which are guaranteed under section 1241. No payment of principal on a loan shall be required for the first five years after such loan is made.

"(b) No such loan shall be made unless—

"(1) the Secretary is reasonably satisfied that the applicant therefor will be able to make payments of principal and interest thereon when due, and

"(2) the applicant provides the Secretary with reasonable assurances that there will be available to it such additional funds as may be necessary to complete the project with respect to which such loan is requested.

"(c) Any such loan shall have such security, have such maturity date, be repayable in such installments, and be subject to such other terms and conditions (including provisions for recovery in case of default) as the Secretary determines to be necessary to carry out the purposes of this title while adequately protecting the financial interests of the United States.

"(d) No such loan shall have a term in excess of fifteen years.

"(e) The Secretary may, for good cause, waive any right of recovery which he has by reason of the failure of a public organization to make payment and interest on a loan under this section.

"LOAN GUARANTEES AND INTEREST SUBSIDIES

"SEC. 1241. (a) In order to assist private health maintenance organizations to carry out construction projects for ambulatory care facilities and transportation services and communication services to be used by it for the provision of health services to its enrollees, to meet their initial development costs (for not more than three years) or to meet their cost of operation (for not more than three years), as well as to subsidize the difference between income and operating expenditures, the Secretary during the period beginning January 1, 1974, and ending with the close of June 30, 1976, may, in accordance with the provisions of this section, and subject to the general provisions of this Act (A) guarantee to non-Federal lenders making loans to such organizations for such purposes, payment of principal of and interest on such loans which are approved under this section, and (B) in the case of nonprofit health maintenance organization, pay to the holder of such loans (and for and on behalf of the organization which received such loan) amounts sufficient (not to exceed 3 per centum per annum) to reduce the net effective interest rate otherwise payable on such loan. No loan guarantee or interest subsidy under this section may, except under such special circumstances and under such conditions as are prescribed by regulations, apply to or be made for an amount which, when added to any grant or other loan under this or any other law of the United States, is—

"(i) with respect to any construction, in excess of 90 per centum of the cost of such construction,

"(ii) with respect to initial development costs, in excess of 90 per centum of such costs, or

"(iii) with respect to initial operating costs, in excess of 90 per centum of such costs.

No such loan guarantee may apply to more than 90 per centum of the loss of principal and interest on the loan.

"(b) The Secretary may not approve the application of a health maintenance organization, unless—

"(1) he determines, in the case of a loan for which a guarantee or an interest subsidy payment is sought, that the terms, conditions, maturity, security (if any), and schedule and amounts of repayments with respect to the loan are sufficient to protect the financial interests of the United States and are otherwise reasonable and in accord with regulations, including a determination that the rate of interest does not exceed such per centum per annum on the principal obligation outstanding as the Secretary determines to be reasonable, taking into account the range of interest rates prevailing in the private market for similar loans and the risks assumed by the United States;

"(2) the term of a loan for which a guarantee and interest subsidy is sought does not exceed twenty-five years if for construction, or fifteen years if for operating costs, or such shorter period as the Secretary prescribes; and

"(3) he obtains assurances that the applicant will keep such records, and afford such access thereto, and make such reports, in such form and containing such information, as the Secretary may reasonably require.

"(c) Guarantees of loans and interest subsidy payments under this section shall be subject to such further terms and conditions as the Secretary determines to be necessary to assure that the purposes of this section will be achieved, and to the extent permitted by subsection (e), any of such terms and conditions may be modified by the Secretary to the extent he determines it to be consistent with the financial interest of the United States.

"(d) In the case of any loan guaranteed under this section, the United States shall be entitled to recover from the applicant the amount of any payments made pursuant to such guarantee unless the Secretary, for good cause, waives his right of recovery, and, upon making any such payment, the United States shall be subrogated to all of the rights of the recipient of the payments with respect to which the guarantee was made.

"(e) Any guarantee of a loan under this section shall be incontestable in the hands of an applicant on whose behalf such guarantee is made, and as to any person who makes or contracts to make a loan to such applicant in reliance thereon, except for fraud or misrepresentation on the part of such applicant or such other person.

"(f)(1) There is established in the Treasury a Health Maintenance Organization, Loan Guarantee and Interest Subsidy Fund (hereafter in this section referred to as the 'fund') which shall be available to the Secretary without fiscal year limitation, in such amounts as may be specified from time to time in appropriation Acts (A) to enable him to discharge his responsibilities under guarantees issued by him under this title, and (B) for interest subsidy payments authorized by this title. There are authorized to be appropriated from time to time such amounts as may be necessary to provide the sums required by the fund. To the extent authorized from time to time in appropriation Acts there shall be deposited in the fund amounts received by the Secretary as interest payments or repayments of principal on loans and any other moneys, property, or assets derived by him from his operations under this title, including any moneys derived from the sale of assets.

"(2) If at any time the moneys in the fund are insufficient to enable the Secretary to discharge his responsibilities under this title to meet the obligations under guarantees of loans under subsection (a) or to make interest subsidy payments on such loans, he is authorized to issue to the Secretary of the Treasury notes or other obligations in such forms and denominations, bearing such maturities, and subject to such terms and conditions, as may be prescribed by the Secretary with the approval of the Secretary of the Treasury. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the issuance of the notes or other obligations. The Secretary of the Treasury is authorized and directed to purchase any notes and other obligations issued hereunder and for that purpose he is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act and the purposes for which securities may be issued under that Act are extended to include any purchase of such notes and obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this subsection. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated as public debt transactions of the United States. Sums borrowed under this subsection shall be deposited in the fund and redemption of such notes and obligations shall be made by the Secretary from such fund.

"(g) (1) The cumulative total of the principal of the loans outstanding at any time with respect to which guarantees have been issued under this section may not exceed such limitations as may be specified in appropriation Acts.

"(2) In any fiscal year no loan guarantee or argument to make interest subsidy payments may be entered into under this title if the making of such guarantee or the entering into of such agreement would cause the cumulative total of—

"(A) the principal of the loans guaranteed under this title in such fiscal year, and

"(B) the principal of the loans for which no guarantee has been made under this title and with respect to which an agreement to make interest subsidy payments is entered into under this title in such fiscal year,

to exceed the amount of grant funds obligated under this Act in such fiscal year; except that this paragraph shall not apply if the amount of grant funds obligated under this title in such fiscal year equals the sums appropriated for such fiscal year under this title.

"APPLICATION REQUIREMENTS

"SEC. 1242. (A) No grant, contract, loan, loan guarantee, or interest subsidy may be made under this title unless an application therefor has been submitted to and approved by the Secretary. Such application shall be in such form, submitted in such manner, and contain such information, consistent with subsection (b) (1), as the Secretary shall by regulation prescribe.

"(b) (1) An application for a grant, loan, loan guarantee, or interest subsidy under this title shall include to such extent, in such manner and among such other matters as the Secretary may by regulation prescribe, satisfactory specification of the existing or anticipated (A) population group or groups to be served by the existing or proposed health maintenance organization, described in the application, (B) enrollment for such organization, (C) methods, terms, and periods for the enrollment of enrollees, (D) nature and estimated costs per enrollee of the health care and educational services to be provided, (E) sources of professional services, and organizational arrangements for providing health care and educational services, (F) organizational arrangements for an ongoing quality assurance program in conformance with the requirements of the Commission on Quality Health Care Assurance, (G) sources of prepayment and other forms of payment for the services to be provided, (H) facilities available for and additional capital investments and sources of financing therefor, required to provide the level and scope of services proposed, (I) administrative, managerial, and financial arrangements and capabilities of such organization, (J) role for enrollees in the planning and policymaking for such organization, (K) grievance procedures for enrollees, staff, and employees, and (L) evaluation or evaluations of the support for and acceptance of such organization by the population to be served, the sources of operating support, and the professional groups to be involved or affected thereby. An organization making multiple applications for assistance under this title simultaneously or over the course of time shall not be required to submit duplicate or redundant information but shall be required to update the description of the existing or proposed organization in such manner and with such frequency as the Secretary may by regulation prescribe.

"(2) Upon completion of assistance under this title, the recipient of assistance shall make a full and complete report to the Secretary, in such manner as he may by regulation prescribe. Each such report shall include, among such other matters as the Secretary may by regulation prescribe, descriptions of plans, developments, and operations in those areas enumerated in paragraph (1) for specification in applications for assistance.

"(c) A health maintenance organization receiving assistance under this title shall submit to the Secretary as a condition of its continued assistance, satisfactory assurances, in accordance with such regulations as the Secretary shall prescribe, including but not limited to the following: (1) financial responsibility, and (2) development and operation consistent with the terms of this title and the plans contained in such organization's application or applications for assistance. As used in this subsection the term 'financial responsibility' means the demonstrated capability to adequately carry out the purposes of the project for which the original assistance was made.

"(d) (1) An application for a grant, loan, loan guarantee, or interest subsidy under this title shall contain assurances satisfactory to the Secretary that the applicant will, in accordance with such criteria as the Secretary shall by regulation prescribe, enroll the maximum number of persons that its available and potential resources (as determined under regulations of the Secretary) will enable it to effectively serve; except that the applicant shall enroll no more than 50 per centum of its enrollees from medically underserved areas except in rural areas as designated by the Secretary.

"(2) No grant may be made and no loan, loan guarantee, or interest subsidy payment may be made under this title unless the applicant demonstrates to the satisfaction of the Secretary that the applicant will or has enrolled, and will maintain an enrollment of, the maximum number of persons that its available and potential resources (as determined under regulations of the Secretary) will enable it to effectively serve, except that the applicant shall enroll no more than 50 per centum of its enrollees from medically underserved areas except in rural areas as designated by the Secretary.

"(e) The Secretary shall have the authority after a hearing on the record to terminate or cancel any grant, loan, loan guarantee, or interest subsidy to any recipient of assistance under this title which he determines is in substantial noncompliance with any material provision of this title or after notice from the Commission on Quality Health Care Assurance that such organization has had its certificate of compliance suspended or revoked.

"(f) Effective two years after the date of enactment of this Act, no assistance shall be given under this Act or the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963, to a provider of health care unless such provider holds a valid certificate of compliance under section 1302.

"(g) (1) The Secretary may not approve an application submitted under section 1203, 1204, 1205, 1206, or 1207, unless the section 314(b) areawide health planning agency whose section 314(b) plan covers (in whole or in part) the area to be served by the health maintenance organization, for which such application is submitted, or if there is no such agency, the section 314(a) State health planning agency whose section 314(a) plan covers (in whole or in part) such area, has, in accordance with regulations of the Secretary, been provided an opportunity to review the application and to submit to the Secretary for his consideration its recommendations respecting approval of the application. If under applicable State law such an application may not be submitted without the approval of the section 314(b) areawide health planning agency or the section 314(a) State health planning agency, the Secretary may not approve such an application unless the required approval has been obtained.

"(2) The Secretary shall by regulation establish standards and procedures for section 314(b) areawide health planning agencies and section 314(a) State health planning agencies to follow in reviewing and commenting on applications for assistance for health maintenance organizations, and other applicants for assistance under this Act.

"(h) If in any fiscal year there are insufficient funds available for funding of all approved applications for assistance under section 1202, 1203, 1204, or 1224, of this title the Secretary shall, subject to the priorities in sections 1202(b), 1203(c), and 1204(c), give priority to those applicants which he determines are the most likely to be economically viable.

"EFFECT ON STATE LAW

"SEC. 1243. (a) Notwithstanding any provisions of State law which—

"(1) require approval of a health maintenance organization, by a medical society;

"(2) require that physicians constitute all or a majority of the governing body of a health maintenance organization;

"(3) require that all physicians or a percentage of physicians in the local medical society be permitted to participate in rendering the services of the organization;

"(4) require that such organization submit to regulations as an insurer of health care services;

"(5) require that only unincorporated individuals or associations or partnerships may provide health care services;

"(6) prohibit advertising by a professional group for recruitment of enrollees; or

"(7) impose requirements or restrictions on a health maintenance organization determined by the Secretary, to be incompatible with this title,

a health maintenance organization receiving Quality Health Care Initiative Awards under this title, who otherwise conform with the laws for incorporation and laws for licensing of physicians, osteopaths, and dentists in such State shall be allowed to provide health care services in such State in accordance with the provisions of this title.

"QUALITY HEALTH CARE INITIATIVE AWARDS

"SEC. 1244. (a) Every provider of health care which is certified by the Commission on Quality Health Care Assurance as maintaining quality control standards in compliance with the requirements set by the Commission on Quality Health Care Assurance shall be entitled to an annual payment in an amount equal to the administrative costs allowed by the Commission, incurred in complying with the requirements of the Commission. Any provider of health care, whether or not subject to the provisions of this Act, may apply to the Commission for certification of compliance under section 1302.

"(b) There are authorized to be appropriated to carry out the provisions of this section $25,000,000 for the fiscal year ending June 30, 1974; $50,000,000 for the fiscal year ending June 30, 1975; and $75,000,000 for the fiscal year ending June 30, 1976.

"CAPITATION GRANTS TO ENABLE HEALTH MAINTENANCE ORGANIZATIONS, SUPPLEMENTAL HEALTH MAINTENANCE ORGANIZATIONS, AND HEALTH SERVICE ORGANIZATIONS TO SERVE ALL PERSONS

"SEC. 1245. (a) (1) The Secretary shall make annual grants to health maintenance organizations, serving persons who cannot meet the expenses of such organizations' premiums (excluding additional premiums for high option services). The amount of such annual grants shall be equal to the difference between the maximum amount (as determined by the Secretary) an enrollee could reasonably be expected to pay toward the health maintenance premium and the premium for membership enrollment in such health maintenance, for each such person enrolled. A health maintenance shall be eligible for grants under this subsection only during the first three years of its operation.

"(2) In determining the amount an enrollee could pay toward the premium, the Secretary shall consider all sources (including public sources) of income available to each such enrollee.

"(3) Grants under this section shall not exceed 25 per centum of the total premium receipts for such health maintenance, for the next preceding year.

"(4) Notwithstanding any other provisions of this Act the Secretary shall allocate on a pro rata basis not less than 7.5 per centum of the sum of the funds appropriated for each fiscal year pursuant to Part A of title XII of this Act to carry out the purposes of this subsection.

"(b) (1) Where a health maintenance, proposes an increase in its premium rate and the Secretary determines that such increase is due in whole or in part to fulfillment of the requirement for open enrollment, in that such organization has in its enrolled population a disproportionate number of high-risk enrollees, the Secretary shall make annual grants to such organization equal to an amount that would eliminate the need for that part of the proposed premium increase caused by such disproportionate number of high-risk enrollees in such organization. A health maintenance organization shall be eligible for grants under this subsection only during the first three years of its operation.

"(2) Notwithstanding any other provisions of this Act the Secretary shall allocate on a pro rata basis not less than 7.5 per centum of the sum of the funds appropriated for each fiscai year pursuant to part A of title XII of this Act to carry out the purposes of this subsection.

"PAYMENT OF GRANTS

"SEC. 1246. The amount of any grant under this title shall be determined by the Secretary. Payments under such grants may be made in advance or by way of reimbursement and at such intervals and on such conditions as the Secretary finds necessary.

"PROHIBITION ON TRANSFER OF FUNDS

"SEC. 1247. (a) No funds appropriated pursuant to any of the preceding sections of this title shall be available for any purposes other than the purposes of the program authorized by the particular section pursuant to which such funds are appropriated.

"(b) No funds, except those appropriated under this title, shall be used for the purposes of carrying out the provisions of this title.

"(c) Only funds appropriated under titles IX and XII of this Act shall be used to initially develop, construct, and initially operate a health maintenance organization, directly or indirectly through arrangements with others, health care to a defined population on a prepaid basis.

"LABOR STANDARDS

"SEC. 1248. All laborers and mechanics employed by contractors or subcontractors on all construction projects assisted under this title shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act. The Secretary of Labor shall have with respect to the labor standards specified in this section the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176) and section 2 of the Act of June 13, 1934.

"OPEN ENROLLMENT WAIVER

"SEC. 1249. In a case where all appropriated funds are expended under section 1245(b) (2) and where a health maintenance organizations, demonstrates to the satisfaction of the Secretary that it has a disproportionate share of high-risk enrollees and by maintaining open enrollment it would be required to enroll a nonrepresentative cross section of the community in which it provides services, to the extent that financing is available and people are willing to enroll, and the enrollment of such disproportionate share of high-risk enrollees will jeopardize its economic viability, the Secretary may waive such requirement for open enrollment for a period of not more than three years. A health maintenance organization may receive more than one such waiver.

"ACCESS TO RECORDS

"SEC. 1250. (a) Each recipient of Federal funds under this Act shall keep such records as the Secretary shall prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such funds, the total cost of the undertaking in connection with which such funds are given or used, the amount of that portion of the cost of the undertaking supplied by other sources, and such other records as will facilitate an effective audit.

"(b) The Secretary of Health, Education, and Welfare and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of the recipients of Federal funds under this Act.

"COMPREHENSIVE SERVICES PHASE-IN

"SEC. 1251. The Secretary may grant a waiver to an applicant for assistance under this title, with respect to the provision of a specific service, required to be provided as a component of comprehensive health services where he determines that—

"(1) such service cannot be provided by the applicant solely because the required health manpower or equipment to provide such service is not available; and

"(2) the applicant has a feasible plan to provide such service at the earliest possible date, such date not to exceed three years from the date assistance under this title is first granted to such applicant.

"COMPREHENSIVE HEALTH SERVICES FOR INDIANS AND MIGRANT WORKERS

"SEC. 1252. The Secretary is authorized to contract with health maintenance organizations, to provide health services to individuals who are eligible for such services from the Indian Health Service or under section 310 of this Act.

"PART C—SPECIAL PROJECT GRANTS TO FACILITATE HEALTH SERVICES IN NONMETROPOLITAN AREAS

"SEC. 1260. (a) The Secretary is authorized to make grants to or contracts with any public or nonprofit private entity (which otherwise may not be eligible for grants or assistance under this title) to study, initiate, and evaluate projects for the delivery, or to facilitate the delivery, in nonmetropolitan areas of comprehensive health services on a prepaid basis."

(b) There are authorized to be appropriated to carry out the purposes of this section such sums as may be necessary.

TITLE II—COMMISSION ON QUALITY HEALTH CARE ASSURANCE

SHORT TITLE

SEC. 201. This title shall be known as the "Commission on Quality Health Care Assurance Act of 1973".

STATEMENT OF PURPOSE

SEC. 202. It is the purpose of this title to promote the quality of health care in the United States by establishing a Commission on Quality Health Care Assurance to develop, establish, and encourage parameters and standards for quality health care.

SEC. 203. The Public Health Service Act, as amended by this Act, is further amended by inserting after title XII the following new title:

"TITLE XIII—COMMISSION ON QUALITY HEALTH CARE ASSURANCE

"PART A—COMMISSION ON QUALITY HEALTH CARE ASSURANCE

"ESTABLISHMENT OF COMMISSION

"SEC. 1301. (a) There is hereby established in the Department of Health, Education, and Welfare a Commission on Quality Health Care Assurance.

"(b) The Commission shall be composed of eleven members to be appointed by the President by and with the advice and consent of the Senate from among individuals who by virtue of their service, experience, or education are especially qualified to serve on the Commission. In making such appointments the President shall appoint individuals who are representative of the health care delivery industry, private organizations engaged in developing health care quality standards which may be applicable on a national basis, and consumers not related to the delivery of health care. The terms of office of each member of the Commission shall be five years except that—

"(1) the members first appointed shall serve, as designated by the President, three for a term of one year, two for a term of two years, two for a term of three years, two for a term of four years, and two for a term of five years;

"(2) any member appointed to fill a vacancy shall serve for the remainder of the term for which his predecessor was appointed; and

"(3) a member shall be eligible for reappointment for one additional term.

"(c) The President shall designate one of the members to serve as Chairman and one to serve as Vice Chairman of the Commission.

"(d) Any vacancy in the Commission shall not affect its powers and six members of the Commission shall constitute a quorum.

"(e) Four members of the Commission shall be consumers not related to the delivery of health care.

"DUTIES OF THE COMMISSION

"SEC. 1302. (a) The Commission shall—

"(1) promulgate standards for qualifications of personnel, composition of medical groups, and other characteristics dealing with the adequacy of facilities and equipment;

"(2) conduct such research and experimental programs as are determined necessary for the development of—

"(A) criteria for new and improved quality assurance systems, and

"(B) norms, with regard to processes, utilization characteristics, and outcomes;

"(3) require and monitor, in accordance with criteria established based upon findings under pargaraph (2), quality assurance systems for health maintenance organizations subject to the provisions of this Act and the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 which shall be designed to—

"(A) improve as well as assess the quality of health care;

"(B) evaluate the inputs, processes, utilization characteristics, and outcomes of health care as related to individuals and population groups, and establish relationships between inputs, processes, utilization characteristics, and outcomes;

"(C) concentrate on those illnesses which have relatively high incidence in the population and which are particularly influenced by medical treatment, rather than on unusual illnesses or conditions whose course is little influenced by therapy;

"(D) improve as well as assesses the accessibility, availability, and acceptability of health care provided by health maintenance organizations, and other providers of health care;

"(E) develop procedures for such systems to report through the policymaking body of the health maintenance, to the membership and to the Commission on Quality Health Caro Assurance; and

"(F) take into account the need for inclusion of consumers as well as the several health care disciplines in the decisionmaking membership of the system;

"(4) issue certificates of compliance to providers of health care certifying that such providers maintain an approved quality assurance system and are otherwise conforming with requirements published under this section;

"(5) after a hearing on the record, revoke or suspend such certificate where it determines that such provider has significantly deviated from the standards, approved quality assurance system, or the norms published pursuant to this section unless such deviation is justified to the satisfaction of the Commission;

"(6) monitor reports by health care providers covered by this Act and the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963, for the purpose of assuring that the performance of such health care providers is in conformance with the approved quality assurance system and norms published under this section;

"(7) publish objective statistical descriptions of norms accumulated through experience and results of programs conducted under this Act and the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963;

"(8) conduct a program of research and development which shall have the objectives of—

"(A) improving the technology of assessing the quality of health care with emphasis on the outcomes of health care;

"(B) assessing and comparing the quality of health care provided under different delivery system arrangements;

"(C) analyzing the effects of providing information to consumers and improvement in the methods of information dissemination;

"(D) analyzing the impact of its quality assurance upon the quality of health care for the American people; and

"(E) coordinating the collection, assimilation and cataloging of existing information regarding quality health care assurance programs of Federal, State, and local agencies and their relationships with one another, with due regard for the protection of the confidential nature of the doctor-patient relationship;

"(9) collect, summarize, and distribute information regarding the impact of medical services and the health status of the population of the United States;

"(10) provide technical assistance to providers of health care in the development of quality control programs;

"(11) study the levels, costs, and quality of health care under health care programs of the Federal Government;

"(12) analyze the need for standardization of medical record information and facilitate the development of a system of standard medical reference mechanisms;

"(13) prescribe a schedule of reasonable contingent fees for attorneys representing claimants in proceedings under section 1309; and

"(14) annually report to the President and to the Congress on the conduct of activities under this title (including results of studies conducted under paragraph (11)) together with such recommendations for additional legislation as the Commission may determine appropriate.

"(b) In developing quality health care assurance system criteria the Commission's consideration shall include but not be limited to existing State regulations, such standards as are in effect for Federal health agencies, and analysis of the results of the reinsurance program and the results of arbitration procedures under part B of this title.

"ADMINISTRATIVE POWERS

"SEC. 1303. (a) In order to carry out the provisions of this Act the Commission is authorized to—

"(1) appoint and fix the compensation of personnel of the Commission in accordance with the provisions of title 5, United States Code;

"(2) make, promulgate, issue, rescind, and amend rules and regulations as may be necessary to carry out the functions vested in the Commission and delegate authority to any officer or employee;

"(3) acquire (by purchase, lease, condemnation, or otherwise), construct, improve, repair, operate, and maintain, research and other necessary facilities and equipment, and related accommodations as may be necessary, and such other real or personal property (including patents) as the Commission deems necessary; to acquire by lease or otherwise through the Administrator of General Services, buildings or parts of buildings in the District of Columbia or communities located adjacent to the District of Columbia for the use of the Commission for a period not to exceed ten years without regard to the Act of March 3, 1877 (40 U.S.C. 34);

"(4) employ experts and consultants in accordance with section 3109 of title 5, United States Code;

"(5) appoint one or more advisory committees (including a committee for the preparation and analysis of statistics) composed of such private citizens and officials of Federal, State, and local governments as it deems desirable, to advise the Commission with respect to its functions under this Act;

"(6) utilize, with their consent, the services, equipment, personnel, information, and facilities of other Federal, State, and local public agencies with or without reimbursement therefor;

"(7) accept voluntary and uncompensated services, notwithstanding the provisions of section 665(b) of title 31, United States Code;

"(8) accept unconditional gifts or donations of services, money, or property, real, personal, or mixed, tangible or intangible; and

"(9) take such actions as may be required for the accomplishment of the objectives of the Commission.

"(b) Upon request made by the Commission each Federal agency is authorized and directed to make its services, equipment, personnel, facilities, and information (including suggestions, estimates, and statistics) available to the greatest practicable extent consistent with other laws to the Commission in the performance of its functions with or without reimbursement. Where the Commission determines that such services, equipment, personnel, facilities, and information cannot be made available for utilization in a manner which would enable it to expeditiously perform its duties under this Act, the Commission may establish where necessary the programs necessary to accomplish its tasks.

"(c) Each member of a committee appointed pursuant to paragraph (5) of subsection (a) of this section who is not an officer or employee of the Federal Government shall receive an amount equal to the maximum daily rate prescribed for GS–18 under section 5332 of title 5, United States Code, for each day he is engaged in the actual performance of his duties (including traveltime) as a member of a committee. All members shall be reimbursed for travel, subsistence, and necessary expenses incurred in the performance of their duties.

"(d) The Chairman shall be the chief executive and the administrative officer of the Commission and shall exercise the responsibility of the Commission with respect to—

"(1) the appointment and supervision of personnel employed by the Commission;

"(2) the distribution of jobs among the personnel of the Commission; and

"(3) the use and expenditure of funds.

"COMPENSATION

"SEC. 1304 (a) Section 5314 of title 5, United States Code, is amended by adding at the end thereof the following new paragraph:

"'(60) Chairman, Commission on Quality Health Care Assurance.'

"(b) Section 5315 of title 5, United States Code, is amended by adding at the end thereof the following new paragraphs:

"'(98) Members, Commission on Quality Health Care Assurance (10).

"'(99) General Counsel, Commission on Quality Health Care Assurance.'

"APPLICABILITY OF COMMISSION REQUIREMENTS

"SEC. 1305. (a) Except as provided in subsection (b) the requirements established by the Commission pursuant to section 1302 shall apply to any provider of health care receiving assistance under this Act or the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 after the date of enactment of this title.

"(b) Any provider covered under his Act or the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963, may apply to the Commission for a temporary order granting a variance from any requirement or any provision thereof promulgated under section 1302 of this Act. Such temporary order shall be granted only if the provider files an application which establishes that—

"(1) the provider is unable to comply with a requirement by its effective date because of unavailability of professional or technical personnel or of materials and equipment needed to come into compliance with any requirement or because necessary construction, alteration, or modernization of facilities cannot be completed by its effective date; and

"(2) the provider has an effective program for coming into compliance with any requirement as quickly as possible with adequate interim safeguards for the protection of consumers of health care.

"(c) The Commission is authorized to grant a variance from any of its requirements or portion thereof whenever it determines or the Secretary of Health, Education, and Welfare certifies that such a variance is necessary to permit a provider to participate in a project approved by him designed to validate new and improved techniques of health care delivery systems.

"REPORTS AND MAINTENANCE OF RECORDS

"SEC. 1306. (a) Each provider, covered under this title, shall make, keep, and preserve, and make available to the Commission and the Secretary of Health, Education, and Welfare, such records regarding activities governed by this title as the Commission, in cooperation with the Secretary of Health, Education, and Welfare, shall prescribe.

"(b) The Commission shall prescribe rules and regulations as may be necessary with regard to inspection of the records and facilities of a provider.

"DISCLOSURE TO CONSUMERS OF HEALTH CARE SERVICES

"SEC. 1307. (a) A description of any health care plan covered by this title shall be published as required herein within ninety days after the establishment of such plan or when such plan becomes subject to this title.

"(b) A description of the plan shall be comprehensive and shall include, in a manner designed to be understood by the average enrollee, the following:

"(1) fees and prices;

"(2) scope of services included in benefit packages;

"(3) accessibility and availability of services including the location of the facilities, equipment available, hours of operation, practitioners by type and location, and amenities;

"(4) the name and type of administration of the plan; and

"(5) a statement of certification by the Commission.

"(d) The Commission shall monitor the provision of information by providers of care as required by this section. In any case in which information is disclosed or disseminated under this title and is subsequently found to be insufficient, inaccurate, or inaccurately disseminated the Commission shall take such action as is necessary to assure a full retraction of the inaccurate information together with a statement of new data in a manner similar to the initial disclosure or dissemination of such information.

"(e) The disclosure must also include procedures to be followed in presenting claims for benefits under the plan and the remedies available under the plan for the redress of claims which are denied in whole or in part.

"(f) Every provider shall furnish a copy of the plan description (including amendments or modifications thereto) described in subsection (b), to every enrollee upon his enrollment in the plan, and cause the same to be published, in a manner prescribed by the Commission, to the general public.

"PENALTIES

"SEC. 1308. (a) (1) Whenever the Commission after reasonable notice and opportunity for hearing to the provider finds that the provider has significantly deviated from the approved quality assurance system or is engaged in practices which significantly deviate from national or regional norms as determined by the Commission, the Commission shall notify the provider, and the Secretary of Health, Education, and Welfare that such provider shall be ineligible to participate in assistance under this Act and the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 and that the certificate of approval has been suspended until such time as the provider is found to be in compliance with the requirements established under section 1302. Hearings conducted under this section shall be held, where practicable, in a location convenient to the provider of health care.

"(2) Providers of health care, who have had their certificate suspended for a period, which the Commission determines to be unreasonable, shall have their certificate revoked and shall be liable for the repayment of part or all amounts received under this Act and the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963.

"(3) The Commission is authorized to make arrangements with providers of health care who have had their certificates revoked, for reimbursement of amounts received under this Act, and the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963, including deferred payments on such terms and for such periods as are deemed equitable and appropriate.

"(b) Any person who knowingly makes any false statement, representation, or certification on any application, record, report, plan or other document filed or required to be maintained pursuant to this Act shall upon conviction be punished by a fine of not more than $10,000 or by imprisonment of not more than six months or by both.

"ARBITRATION

"SEC. 1309.(a) A provider of health care that possesses a valid certificate of compliance issued under section 1302 may enter into a program for the equitable and expeditious handling of malpractice claims which may arise out of care and treatment of patients. Such programs shall be based upon agreements between the patients and the providers of health care to submit all disputes, not settled to the satisfaction of both parties, to binding arbitration in order to gain the benefits of such programs for patients and providers. Records of all such settlements shall be kept by each provider of health care, and submitted to the Commission in such manner as it shall prescribe.

'(b) An agreement to submit to binding arbitration under subsection (a) must be valid in the jurisdiction in which such agreement is made and shall provide for the selection of arbitrators in accordance with rules and regulations promulgated by the Commission. For those providers who shall establish arbitration programs as specified in this section, title 9 of the United States Code shall apply to such arbitration programs if the State or States in which the provider is located has not enacted legislation providing for the finality of arbitration decisions, or for parties to enter into agreements to arbitrate prior to a dispute.

"(c) Written findings of fact and conclusions of law shall be prepared for each arbitration proceeding held under this section. In each case the findings shall be certified by the arbitrator to the Commission. The Commission shall develop a systematic codification of all findings of arbitration proceedings undertaken pursuant to this section and shall publish such findings at least annually or more frequently at the discretion of the Commisison. The Commission shall certify all findings of arbitration proceedings undertaken pursuant to this section to all appropriate State or local licensing or disciplinary boards for each such arbitration procedure under the territorial jurisdiction of such board.

"(d) (1) Every attorney who, in connection with any proceedings under this section for personal injuries or for death or for loss of services resulting from personal injury proximately caused by medical malpractice, accepts a retainer or enters into an agreement, express or implied, for compensation for services rendered or to be rendered in such proceedings whereby his compensation is to be dependent or contingent in whole or in part upon the successful prosecution or settlement thereof, shall, within thirty days from the date of any such retainer or agreement of compensation, sign personally and file with the Commission a retainer statement of such retainer or agreement of compensation containing such information as the Commisison shall require.

"(2) An attorney retained by another attorney on a contingent fee basis as trial or appeal counsel or to assist in the preparation, investigation, or settlement of any such proceeding, shall, within thirty days from the date of such retainer, sign personally and file with the Commission a retained statement of such retainer or agreement of compensation containing such information as the Commission shall require.

"(3) A closing statement shall be filed with the Commission with every proceeding in which a retainer statement is required containing such information as the Commission shall require.

"(4) All statements of retainer or closing statements filed with the Commission shall be confidential, and the information therein contained shall not be divulged or made available for inspection or examination except upon written order of the Chairman or the General Counsel of the Commission.

"(5) Any attorney who charges or collects, for services rendered in connection with any proceedings described in this subsection, any fee in excess of that allowed by the Commission, shall be fined not more than $1,000 or imprisoned for not more than one year, or both.

"PUBLICATION OF CRITERIA AND NORMS

"SEC. 1310. (a) The Commission may, by rule, promulgate, modify, or revoke any quality health assurance system criterion or norm in the following manner:

"(1) whenever the Commission upon the basis of information submitted to it in writing by an interested person, a nationally recognized standard-producing organization, the Secretary of Health, Education, and Welfare, or a State or political subdivision, or on the basis of information developed by the Commission, or otherwise available to it, determines that a rule should be promulgated in order to serve the objectives of this title, the Commission shall publish such proposed rule promulgating, modifying, or revoking a standard or criterion for a quality health care assurance system or norm in the Federal Register, and shall afford interested persons a period of sixty days after publication to submit written data or comments.

"(2) on or before the last day of the period provided for the submission of written data or comments, any interested person may file with the Commission written objections to the proposed rule stating the grounds therefor and requesting a public hearing on such objections. Within sixty day after the last day for filing such objections the Commission shall publish in the Federal Register a notice specifying the criteria for quality health care assurance systems or norms to which objections have been filed and a hearing request and specifying a time and place for such hearing. Hearings conducted under this section shall be held, where practicable, in a location convenient to the person filing such objection.

"(3) within sixty days after the expiration of the period provided for the submission of written data or comments or within sixty days after the completion of any hearing, whichever is later, the Commission shall issue and publish in the Federal Register a rule promulgating, modifying, or revoking standards, criteria for quality health care assurance systems or norms, or notice of a determination that a rule should not be issued. Such a rule may contain a provision delaying its effective date and such period (not in excess of ninety days) as the Commission determines may be necessary to insure that affected persons will be informed of the existence of the criteria or norm and of its determinations and that they are given an opportunity to familiarize themselves with the existence of the requirements of such criteria or norm.

"(b) Any person who may be adversely affected by the promulgation of a rule issued respecting criteria or norms under this section may at any time prior to the ninetieth day after such criteria or norm is promulgated, file a petition challenging the validity of such criterion or norm with the United States district court for the district where such person resides or has his principal place of business for a judicial review of such criterion or norm. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Commission. The filing of such petition shall not, unless otherwise stated by the court, operate as a stay of the criterion or norm. The determinations of the Commission shall be conclusive if supported by substantial evidence in the record considered as a whole.

"(c) (1) In the case of establishing criteria for the assimilation of objective statistical material required for the publication of norms, the Commission shall hold hearings only when it determines such hearings to be necessary.

"(2) The Commission shall publish in the Federal Register a summary and basis for the establishment of the criteria required by paragraph (1).

"(d) The Commission in compiling information for setting the requirements for this title shall solicit views and information from concerned entities.

"STATE JURISDICTION AND STATE PLANS

"SEC. 1311. (a) Nothing in this Act shall prevent any State agency or court from asserting jurisdiction under State law over any health issue with respect to which no standard, criterion, or norm is in effect under section 1302 of this Act.

"(b) Any State which at any time desires to assume responsibility for the development and enforcement of health standard, criteria, or norms relating to any health issue with respect to which a Federal standard, criterion, or norm has been promulgated under section 1302, shall submit to the Commission a State plan for the development of such standards, criteria, or norms and their enforcement.

"(c) The Commission shall approve the plan submitted by a State under subsection (b) or any modification thereof only if such plan—

"(1) designates a State agency or agencies as the agency or agencies responsible for administering the plan throughout the State;

"(2) provides for the development and enforcement of health standards, criteria, or norms relating to one or more health issues which standards, criteria, or norms (and the enforcement of which) will be no less stringent than the standards, criteria, or norms promulgated under section 1302 which relate to the same health issues;

"(3) provides for a right to entry and inspection of all premises of providers of health care subject to this Act and the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 which includes a prohibition on advance notice of inspections;

"(4) contains satisfactory assurances that such agency or agencies have or will have the legal authority and qualified personnel necessary for the enforcement of such standards, criteria, and norms;

"(5) gives satisfactory assurances that such State will devote adequate funds to the administration and enforcement of such standards, criteria, and norms;

"(6) contains satisfactory assurances that such State will, to the extent permitted by its law, establish and maintain an effective and comprehensive health program applicable to all providers of health care of the State and its political subdivisions, which program is as effective as the standards contained in an approved State plan;

"(7) requires providers of health care in the State to make reports to the Commission in the same manner and to the same extent as if the State plan were not in effect; and

"(8) provides that the State agency will make such reports to the Commission in such form and containing such information as the Commission shall from time to time require.

"(d) If the Commission rejects a plan submitted under subsection (b), it shall afford the State submitting the plan reasonable notice and opportunity for a hearing before so doing.

"(e) After the Commission approves a State plan submitted under subsection (b), it may, but shall not be required to, exercise its authority with respect to comparable standards, criteria, or norms promulgated under section 1302, for the period specified in the next sentence. The Commission may exercise the authority referred to above until it determines, on the basis of actual operations under the State plan, that the standards, criterions, or norms set forth in subsection (c) are being applied, but it shall not make such determination for at least three years after the plan's approval under subsection (c).

"(f) The Commission shall, on the basis of reports submitted by the State agency and its own inspections, make a continuing evaluation of the manner in which each State having a plan approved under this section is carrying out such plan. Whenever the Commission finds, after affording due notice and opportunity for a hearing, that in the administration of the State plan there is a failure to comply substantially with any provision of the State plan (or any assurance contained therein), it shall notify the State agency of its withdrawal of approval of such plan and upon receipt of such notice, such plan shall cease to be in effect, but the State may retain jurisdiction in any case commenced before the withdrawal of the plan in order to enforce standards under the plan whenever the issues involved do not relate to the reasons for the withdrawal of the plan.

"(g) The State may obtain a review of a decision of the Commission withdrawing approval of or rejecting its plan by the United States court of appeals for the circuit in which the State is located by filing in such court within thirty days following receipt of notice of such decision a petition to modify or set aside in whole or in part the action of the Commission. A copy of such petition shall forthwith be served upon the Commission, and thereupon the Commission shall certify and file in the court the record upon which the decision complained of was issued as provided in section 2112 of title 28, United States Code. Unless the court finds that the Commission's decision in rejecting a proposed State plan or withdrawing its approval of such a plan is not supported by substantial evidence, the court shall affirm the Commission's decision. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

"(h) The Commission may enter into an agreement with a State under which the State will be permitted to continue to enforce one or more health standards, criteria, or norms in effect in such State until final action is taken by the Commission with respect to a plan submitted by a State under subsection (b) of this section, or two years from the date of enactment of this title, whichever is earlier.

"PROCEDURES TO COUNTERACT IMMINENT DANGERS

"SEC. 1312. (a) The United States district courts shall have jurisdiction, upon petition of the Commission, to restrain any conditions or practices by a provider of health care which are such that a danger exists which could reasonably be expected to cause death or serious physical harm immediately or before the imminence of such danger can be eliminated through the enforcement procedures otherwise provided by this title. Any order issued under this section may require such steps to be taken as may be necessary to avoid, correct, or remove such imminent danger or to maintain the capacity of a continuous process operation to resume normal operations without a complete cessation of operations, or where a cessation of operations is necessary, to permit such to be accomplished in a safe and orderly manner.

"(b) Upon the filing of any such petition the district court shall have jurisdiction to grant such injunctive relief or temporary restraining order pending the outcome of an enforcement proceeding pursuant to this title. The proceeding shall be as provided by rule 65 of the Federal Rules of Civil Procedure, except that no temporary restraining order issued without notice shall be effective for a period longer than five days.

"(c) Whenever and as soon as the Commission concludes that conditions or practices described in subsection (a) exist it shall inform the affected provider of health care of the danger and that it shall seek relief under this section.

"(d) If the Commission arbitrarily or capriciously fails to seek relief under this section, any person who may be injured by reason of such failure, or the representative of such person might bring an action against the Commission in the United States district court for the district in which the imminent danger is alleged to exist or the provider has its principal office, or in the United States District Court for the District of Columbia, for a writ of mandamus to compel the Commission to seek such an order and for such further relief as may be appropriate.

"DEFINITIONS

"Sec. 1313. For the purposes of this title, the term—

"(1) 'input measure' means assessment based on the qualifications of personnel, facilities, and equipment required to provide medical care;

"(2) 'process measure' means assessment based upon the conformance of medical decisions and action taken in actual episodes of care to some defined standards of medical practice;

"(3) 'utilization characteristics' means those characteristics giving information concerning the rates of usage of components of the health care system such as the length of hospital stays, the number of doctor-patient contacts, and the number of hospital admissions in a year;

"(4) 'outcome measure' means assessment of care based upon health of patients during and particularly at the conclusion of episodes of care. Standards for clinical outcome should be based solely on the results of health care;

"(5) 'Commission' means the Commission on Quality Health Care Assurance;

"(6) 'norm' means a statistical range which reflects the parameters of acceptable quality health care practices existing at the time such norm is promulgated.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 1314. There are authorized to be appropriated for the carrying out of the provisions of this part $15,000,000 for the fiscal year ending June 30, 1974; $40,000,000 for the fiscal year ending June 30, 1975; and $70,000,000 for the fiscal year ending June 30, 1976."

TECHNICAL AMENDMENTS TO THE PUBLIC HEALTH SERVICE ACT

SEC. 204. (a) Section 1 of the Public Health Service Act is amended by striking out "titles I to X" and inserting in lieu thereof "titles I, II, and XIV".

(b) The Act of July 1, 1944 (58 Stat. 682), is further amended by renumbering title XII (as in effect prior to the date of enactment of this Act) as title XIV and by renumbering sections 1101 through 1114 (as in effect prior to such date) and references thereto as sections 1401 through 1414, respectively.

(c) Sections 767, 768, 769, 769A, and 769B of the Public Health Service Act (added by section 107 of Public Law 92–157) are redesignated as sections 769, 769A, 769B, 769C, and 769D, respectively.

Mr. KENNEDY. Mr. President, this amendment represents the best considered judgment of the members of the Health Subcommittee. I think it is an amendment that, if accepted by the Senate, would move us a long way down the road toward achieving the development of HMO's in this country as an alternative to the present system.

Mr. President, just very briefly, I would like to summarize what is incorporated in this amendment, which comes now as sponsored by the Senator from New York, the Senator from Pennsylvania, and myself.

What in effect we are doing is to broaden the whole concept of health maintenance organizations with a broader definition and with waivers permitted in the legislation which can be exercised by the Secretary of HEW. It will certainly be possible to develop health maintenance organizations in urban areas as well as in rural communities. Therefore, the need for a separate health service organization title is not as great as it was in the legislation that was debated on this floor yesterday.

I feel that now, with the essential aspects of the definition of health maintenance organization still being maintained, but with some additional flexibility in terms of the payment of particular doctors who are a part of those health maintenance organizations, we have provided flexibility which I think some minority Members were very much concerned about, and yet have retained the essential character of the health maintenance organizations to a degree which will warrant and justify a Federal taxpayer support. I believe this is a concept which can and should be endorsed by the Senate.

The second title maintains the concept of open enrollment and capitation subsidies, as we debated that question yesterday afternoon. These particular provisions recognize the fact that there will be many millions of Americans who will be unable to afford even the premium to enroll in health maintenance organizations. They will not be the extremely poor, because the extremely poor will be covered by medicaid, and they will not be the wealthy, because they will have satisfactory resources in order to enroll in health maintenance organizations, but for the most part it will be lower middle income groups, those with incomes somewhat above $5,000 and below $10,000, perhaps with large families, where in our best judgment, the premiums would probably be from $600 to $800 a year to cover the essential services for a family. It probably, in the overall picture, will save them money over what they are expending at the present time, whether it be under some kind of arrangement made with their union or otherwise, but permit some flexibility by the Secretary of HEW to provide additional capitation or premium support, so that individuals who fall within this particular financial bracket will be able to enroll in health maintenance organizations. It will also assure that HMO will not have to raise their premiums above a reasonable level if they enroll some individuals who are chronically ill, or perhaps are developed in areas where there is a larger percentage of elderly people who would require more services.

There is no sense, for example, in requiring the working people in such areas to pay a disproportionate amount in premiums to make up for the additional services that may be utilized in meeting the health needs of a given section of the population, whether the chronically ill, the elderly people, or others who may be utilizing particular services within the HMO at a high rate.

We recognize that this is strictly a temporary measure. We realize that Congress and the Senate will eventually come to grips with a health insurance proposal, whether it be the kind of proposal incorporated in S. 3, or whether it be an AMA proposal, a hospital association proposal, or any of a wide range of different arrangements that may be considered by the Senate. We hope that during the period of the next 3 years the Senate will respond in a way which will eliminate the ability to pay as a criterion for receiving decent health care in this country, which I think ought to be the concept and the principle upon which consideration of any health legislation should be based, particularly with health programs that have tax support.

What this proposal does, under this amendment, is to indicate that 15 percent of the money actually appropriated under title I shall be used for either an open enrollment or a capitation subsidy. This is not really what I would like to have seen, not what we introduced in the Senate initially, and not really what came out of the Subcommittee on Health by a vote of 14 to 1, or even as it was included in the amendment I introduced yesterday; but once again, it does have the advantage that at least some money will be included in this particular program.

I recognize the value of that concept under the particular provisions that were introduced yesterday. The Appropriations Committee or the administration may have seen the value of that concept. Under the provisions that were introduced yesterday, the Appropriations Committee or the administration may have seen fit to fund one provision, title I, and not title II, the open enrollment and capitation subsidy provisions and, therefore, failed to achieve what I think was a very legitimate objective of health policy. But this will require that at least some money be allocated for those purposes, and I think 15 percent is a reasonable figure.

We are also maintaining in our proposal a Quality Control Commission, recognizing, if we are going to underwrite the development of an additional health delivery system by taxpayer funds, that we ought to make sure it will be a quality system.

We have outlined and debated that question of the Quality Care Commission. We have introduced the Commission with the malpractice reinsurance provision, which had been a part of our initial act. That aspect had been considered by the President's Commission on Medical Malpractice, which has raised some serious questions about it. The proposed amendment does not include such a provision. The provision for arbitration of medical malpractice disputes is retained.

The grand total for this proposal is some $705 million for a 3-year period. I would reiterate to the Senate that this body passed a 3-year authorization in excess of $5 billion last year. We are now considering some $705 million. Under that limitation, we will achieve only approximately the development of one-eighth of the number of health maintenance organizations that the administration itself indicated it wanted to achieve, through the testimony of its Secretary of HEW, a little over a year ago. So we are not only not, I feel, meeting even the minimum needs of the country, but even the announced goals of the administration. Nonetheless, we are into that particular situation at the present time, and in these final hours of the debate, we are trying to reach as nearly a common ground in our proposal as we possibly can.

So it is in this spirit that we have worked out this agreement. It is not the one that I would have liked to see acted upon. I think that we had a reasonable and responsible proposal earlier, when it came out of the committee. That was a bare minimum proposal but, nonetheless, we are dealing with legislative realities this afternoon. That is where we find ourselves.

I would say, in conclusion, that this amendment brings the very valid and good judgments of the distinguished Senator from New York (Mr. JAVITS), who has been enormously interested in the development of the concept of the HMO and has been one of the most active participants in our own deliberations of it. It reflects many of his views as well as those of the distinguished Senator from Pennsylvania (Mr. SCHWEIKER) who is the ranking Republican member of the Health Committee and who has been one who, I think, has shown enormous sensitivity to this particular issue and support for it as a concept.

Thus, I would hope that we could move ahead with this amendment and that the

Senate will accept it and support it this afternoon.

Mr. JAVITS. Mr. President, I am very much pleased that the Senator from Massachusetts has seen fit to accept so many of the aspects of the substitute which, on behalf of myself and Senator SCHWEIKER, we had submitted to the Senate, rather than to let the HMO legislation, which is so important, be imperiled or defeated or emasculated by sticking to a position which simply could not be entertained through existing circumstances.

Obviously, Mr. President, as I have now entered into the compromise arrangement with Senator KENNEDY, as has Senator SCHWEIKER, I shall not call up the substitute of which I gave notice yesterday and which has been available for all Members to consider in the RECORD. I am very much pleased that the Senator from Massachusetts has formalized that situation by withdrawing his own substitute and inserting now the agreed upon substitute which I hope the Senate will support.

I think it is important to note the points of agreement which have been reached and the places at which there have been changes from our substitute which I have been prepared to offer.

The aggregate amount, which is the total authorization level, is the same, $705 million over 3 years.

There is no separate authorization for either capitation of open enrollment subsidy grants, but the amendment does provide that for each of the subsidies, the Secretary shall utilize not less than 7½ percent of the amounts actually appropriated under part A to demonstrate the effectiveness and utility of the HMO's. This will give HMO's the broad coverage which will come from the capitation grant which affects individuals otherwise unable to meet the HMO premium expense and the grants which deal with open enrollment high risk enrollees. It is fair to say, in order to demonstrate the validity of the HMO concept, that it is necessary to broaden the base of the clientele in that way.

So I have accepted those two provisions from Senator KENNEDY. The amendment that deals with the definition of the HMO is being broadened to make individual practice with reimbursement among the medical group on a fee for service basis eligible. Therefore, the need for the so-called supplemental HMO's is no longer present.

On the other side of the spectrum, that is, as to a different method of compensation for the provider, that is a necessary element of whatever proof we can make about the HMO.

Now, the deletion of the Federal malpractice reinsurance program is a very important point because we should legislate the reinsurance program, if, as, and when we do, with full contemplation of the complete report which has recently been made. It seems to be agreed that that could not, because of time and other limitations, be reflected in this bill. Hence, we must do it right, if we are to do it at all, rather than be precipitate about it, which I feel the original bill was.

So, the Senator from Massachusetts has agreed that the Committee on Quality Health Care Assurance shall go into HEW, rather than be an independent agency. Again, this is a question of proliferating the independent agencies in the Government in a way which is not essential to their proper functioning. It is desirable to keep this Commission under the tent of the HEW.

One further change which has been made, that is, to broaden the authority of HEW to waive a specific element of health service, not only due to lack of adequate health manpower, already contained in the bill, but also due to lack of equipment. This is essential, especially in rural and otherwise less-settled areas of the country, where equipment to the maximum extent we desire to provide services are often not available.

Mr. President, my dedication to reform and improvement of the health care delivery system by the development of HMO's was expressed in detail in the text of my prepared remarks in support of amendment No. 122—which I will not now call up in view of the recent developments, but I ask unanimous consent that such prepared remarks be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR JACOB K. JAVITS IN SUPPORT OF JAVITS-SCHWEIKER AMENDMENT NO. 122

Mr. President, the major differences between S. 14, which authorizes appropriations of $1.5 billion over three years, and my amendment number 122, in the nature of a substitute, which authorizes $705 million for the same period, are:

First, the amendment deletes $440,000,000 authorized for capitation grants which are a Federal subsidy to HMO's for: (a) portion of premium cost which individual was unable to pay; and, (b) for the continuation of an open enrollment policy which leads to premium increases due to acceptance of high risk enrollees, e.g. the chronically ill. In lieu thereof, the amendment authorizes the Secretary to utilize existing legislative authority to achieve that goal and thus demonstrate the effectiveness and utility of HMO's.

Second, the amendment deletes the Health Service Organization and Area Health Education Center programs and eliminates $265,000,000 authorized for such separate categorical programs of Federal assistance, the goals of which can be accomplished under the definition of a Supplemental Health Maintenance Organization, authorized by both S. 14 and unchanged in the amendment.

Third, the amendment establishes the Commission on Quality Health Care Assurance in the Department of Health, Education, and Welfare—which is working to achieve the Commission's goals—rather than as an independent agency as provided in S. 14. Establishment of another Federal agency with jurisdiction over only a small segment of the health care delivery system, a segment which would not necessarily include the traditional delivery modes, would, I believe, seriously complicate the task of improving our capacity to assure that health care provided the public meets basic professional standards.

Fourth, the amendment deletes the malpractice reinsurance provisions in S. 14, and so provides opportunity for Congress appropriately to act on the recent "Report of the Secretary's Commission on Medical Malpractice" recommendations (aimed at preventing medical injuries, deterring unnecessary malpractice claims, improving the efficiency and fairness of the claims-resolution process, and providing prompt rehabilitation and equitable compensation of medically-injured persons) which was not available at time of Committee action on issue.

Fifth, the amendment broadens the scope of the Secretary's authority to waive specific required health services in an HMO if there is a lack of health equipment or facilities, in addition to lack of health manpower, as provided in S. 14.

When Senator Kennedy initiated hearings in the 92nd Congress on the precursor to S. 14, I shared the view of Senator Magnuson, also a cosponsor of the measure, that this bill was not a finished legislative product, but rather, and I quote ". . . an extremely valuable working paper, a springboard for serious Congressional consideration of reorganization and reform of the complex issues involved in the delivery of health care."

Also, I made clear that I am not, and I quote, "doctrinaire regarding this bill." My support is for reform and improvement of the health care delivery system, which I believe is the principal purpose of S. 14. Therefore, the essential legislative concepts embodied in S. 14 and carried forward by this amendment are:

1. To insure that Federal assistance will effectuate real change in the health care system, the essential elements of the HMO concept are defined with great precision: (a) provision of comprehensive medical services; (b) to a defined enrolled population; (c) on a prepayment rather than a fee-for-service basis. In the recognition that bringing such organization into the delivery of medical care is "a consummation devoutly to be wished," but may not come to pass, the flexible HMO concept, which encompasses a wide range of possibilities for methods of delivering medical care, is also authorized—supplemental HMO's. For example, the individual practice type HMO's—such as foundations for medical care sponsored by local medical societies—which also seek to stimulate innovation in health care delivery, are eligible for Federal support.

2. I believe there is sufficient evidence to warrant closed panel prepaid group practice as the optimum organizational form of health care delivery. However, to assure a response to varying local needs and capitalize on the strengths and flexibility of the pluralistic health care system already in place, providers are encouraged to work within any one of a number of HMO settings consistent with principles and reasonable criteria which are more likely to be accepted by providers and will therefore bring about reform in the health care delivery system in the long term; but not to the degree and with the rapidity contemplated by the strictly defined HMO. For that reason, I believe that supplemental HMO Federal support should come only when all qualified applicants authorized under part A of title I of the amendment have been funded. That is not to say such HMO's are inferior but rather such HMO applicants choose not to meet the strict definition and provide the broad range of health benefits mandated by part A of title I of the amendment.

3. The financial and organizational aspects of the bill are important—but even more important, is the Government's commitment pursuant to section 1213 of the amendment, to using its considerable leverage to force change where voluntary change would never come. In essence, this provision overrides State law through the use of Federal power in respect to State laws which prohibit or impede the operation of community oriented, consumer sponsored, prepaid group practice units. This represents a major shift from a time when the Government was the willing partner of those forces fighting to maintain the status quo in health care organization in the United States. As the inequities in health services available under the present system have become more widely recognized, the inadvisability of maintaining a system that re-

sponds primarily to the professional interest, often at the expense of the public interest, has become manifest.

I believe that if there is to be an effective, meaningful HMO alternative in this country, restrictions must be removed relating to the formation and operation of HMO's characterized by: State laws which vest the control of health plans in the hands of the medical profession: regulations by insurance commissions which seek to adapt prepaid group practice plans to principles of insurance by blurring or ignoring the distinctions between direct service organizations and third party cash indemnity payers; common law practice of medicine rules which prohibit altogether the use of the corporate form for the provision of health services; and use of ethical sanctions by local medical societies to deter physicians from participating in prepared group practice.

The extent of the problem of State laws that often hamper HMO development was confirmed by Elliot L. Richardson, former Secretary of the Department of Health, Education and Welfare, when he testified before the Subcommittee on Health, Committee on Labor and Public Welfare, that:

"Many States impose legal restrictions on HMO development which will have to overcome, for example, in the areas of licensure of health professionals and sponsorship of HMO's. Twenty-one States have even more restrictive laws, in some instances, requiring HMO's to operate under rules applicable to Blue Shield plans or insurance companies. Since HMO's operate in a different fashion from either of these, such laws make it difficult for HMO's to organize.

This is achieved and in a manner which assures that the supplanted State laws do not leave HMO's free to function in a "vacuum," relieved of State and local regulations. Rather, the HMO, which otherwise conforms to State laws for incorporation and licensing of health professionals, must provide health care services in accordance with the strictly defined provisions of this act.

4. The need for assurance of quality health has been one of the great challenges of delivering health services and transcends any one form of health delivery. We must improve our ability to assure the public that the services they receive are of a quality which meets basic professional standards. To achieve this goal, the amendment establishes a Commission on Quality Health Care Assurance in the Department of Health, Education, and Welfare, which, in essence would: monitor quality mechanisms, prescribe criteria and norms and certify provider quality programs. Also, by establishing the Commission in HEW, we could have the benefit of the Department's working toward the development of a nationally applicable quality assurance system, e.g. the Professional Standards Review Organizations program recently established by Public Law 92-303, which provides a basis for further steps in that direction.

5. There is much to be said for the need to assure, in accord with professional standards, the effectiveness and utility of HMO's in serving all people. However, I am not convinced that the authorization of $225,000,000 for capitation grants to HMO's (section 1245(a)(1)) to meet the expenses of their premiums for persons who could not otherwise afford them, or of $215,000,000 for grants to meet the premium increase of an HMO (section 1245(b)(1)) due to its fulfillment of the open enrollment requirement and the HMO's acceptance of high risk enrollees, is appropriate or necessary to accomplish the goals of the legislation.

The Committee was properly ". . . concerned that all people have an opportunity to benefit from programs subsidized by Federal funds," and agreed that the purpose of the authorization for capitation subsidy was ". . . a stopgap measure of authorized funding support" until a program of national health insurance was enacted into law. However, I am concerned that the provisions—authorizing almost a half billion dollars—will hold out false hopes to millions of Americans: that they can expect the Federal government to pay for their health care insurance premiums.

I recognize the need to provide adequate funding resources for people unable to afford the cost of comprehensive health care or those suffering from preexisting illnesses who otherwise could not obtain comprehensive health care and thus demonstrate the effectiveness of HMO's in providing such care. And I am mindful that until such time that the HMO is able to have a sufficient number of enrollees over which to spread the premium cost for such people, it will be difficult for the HMO or its limited number of enrollees to bear such costs. However, I am confident that there is current legislative authority, under which the Secretary of Health, Education and Welfare could achieve the goal of demonstrating HMO's can serve all persons.

6. We are all concerned about the medical malpractice crisis and recognize that it is not susceptible to a simple solution. Unfortunately, when S. 14 addressed itself to the problem of medical malpractice reinsurance and in response there to established a program of Federal medical malpractice reinsurance, it did not have the benefit of the "Report of the Secretary's Commission on Medical Malpractice". The report cites, and I quote: "This allegation has led to proposals that the Federal Government provide malpractice reinsurance." It then states: "The Commission finds that to the extent that medical malpractice reinsurance is available in the primary market, it is also available in the reinsurance market."

The availability of such insurance is previously discussed and the report states: "The Commission FINDS that malpractice insurance is currently available to health-care practitioners under group plans and the market for such insurance is competitive. Malpractice insurance is also available to individual health-care practitioners, although they appear to have more difficulty in locating insurance sources. Umbrella and excess coverage are also available both to individuals and under group plans."

Thus, given the finding that reinsurance is available where medical malpractice insurance is available and the above cited Commission finding (and the statement in the appendix to the "Report of the Secretary's Commission on Medical Malpractice" that ". . . malpractice insurance is generally available to qualified practitioners and institutions"), I believe it appropriate for this amendment to delete the reinsurance provision.

7. We are all interested in enhancing the Commission's effectiveness in assuring quality medical care, but I am not convinced—and there has not been the necessary compelling evidence to prove—that independence from an established executive department is somehow crucial to fulfilling the need for responsiveness, to resisting the pressures of politics and competing public and private interests, to the visibility and accountability of decision making, and impliedly at least, to the ability to utilize increased resources effectively. Therefore, the amendment establishes the Commission in the Department of Health, Education and Welfare in recognition of the reality of governmental responsiveness. I believe independent status would, in this case, impede the Commission's effectiveness because:

First, an independent agency is no more visible or accountable to the public than an agency within a Cabinet-level Department. Indeed, just the opposite would appear to be true: the Cabinet officer and agency head who reports to him are always publicly visible and accountable for their actions to the Congress, to the President, and to the public. While the actions of independent agencies are equally visible, the heads of independent agencies are often insulated from such accountability by their fixed terms of office.

Second, independent agencies are no more insulated from political and other pressures than agencies within departments. The independent regulatory agencies have not historically shown greater resistance than other agencies to the pressures that often cause agencies to identify their interests with those of the industries they regulate.

Third, independent agencies do not have any greater access to the President than do executive departments. Quite to the contrary, they undoubtedly have less access, since there are a total of 62 separate entities presently reporting directly, in a formal sense, to the President. Only 11 of these 62 are Cabinet departments; the remaining 51 entities clearly are at a disadvantage as compared with the departments. And this disadvantage is compounded each time a new independent entity is created.

Indeed, the growing proliferation of separate entities in theory reporting to the President has led all the bipartisan, blue-ribbon Commissions which have studied the organization of the executive branch, from the Hoover Commissions to the Ash Council, to recommend that the existing entities should be combined into fewer, larger Cabinet-level departments organized along functional lines.

Fourth, independent regulatory agencies have historically fared poorly in the governmental competition for resources. It has often been noted that the independent regulatory agencies are really the stepchildren of both the Congress and the executive branch. Examination of the budgetary records over the period of fiscal year 1970 through fiscal year 1973 shows that the percentage growth of six independent regulatory agencies ranges from a low of 6 percent to a high of 38 percent, with the average at less than 26 percent. This compares with growth of 89 percent for FDA over the same period.

Fifth, from a functional point of view, there are important interrelationships between the Commission and HEW's other major health agencies, and these ties should be further strengthened, rather than disrupted, in the interest of public health.

President Nixon has identified the advantages of HMO's, endorsed the concept, and indicated the role the Federal government should play in encouraging their development. The President said, and I quote: "I do not believe that HMO's should or will entirely replace fee-for-service financing. But I do believe that they ought to be everywhere available so that families will have a choice between these methods." I agree with the President and urge the adoption of this amendment which will enable us to achieve that desired goal.

Mr. JAVITS. Mr. President, therefore, Senators Schweicker, Kennedy, and I have worked together to resolve our differences, and have developed a mutually acceptable amendment in the nature of a substitute for S. 14, which Senator Kennedy will introduce on behalf of all of us.

In order for Senators to be able to readily identify how the differences are reconciled, I ask unanimous consent that an analysis as to both substitutes and the compromise substitute be placed in the Record.

There being no objection, the analysis is ordered to be printed in the Record, as follows:

COMPARISON OF DIFFERENCES BETWEEN KENNEDY SUBSTITUTE AMENDMENT AND JAVITS/SCHWEIKER SUBSTITUTE AND KENNEDY/JAVITS/SCHWEIKER AMENDMENT

JAVITS/SCHWEIKER	KENNEDY	KENNEDY/JAVITS/SCHWEIKER
I. Authorizations:		
Total $705,000,000.	Total, $865,000,000.	Total, $705,000,000 (per Javits/Schweiker).
Part A, $430,000,000.	Part A, $430,000,000.	Part A, $430,000,000.
Part C, 0.	Part C, 0.	Part C, 0 (per Javits/Schweiker).
Part D, 0.	Part D, 0.	Part D, 0 (per Javits/Schweiker).
Part E:	Part E:	Part E:
Initiative awards, $150,000,000.	Initiative awards, $125,000,000.	Initiative awards, $150,000,000 (per Javits/Schweiker).
Capitation subsidy, 0.	Capitation subsidy, $125,000,000.	Capitation subsidy, 0 (per Javits/Schweiker, but 7.5% of appropriations reserved, to demonstrate HMO effectiveness).
Open enrollment subsidy, 0.	Open enrollment subsidy, $115,000,000.	Open enrollment subsidy, 0 (per Javits/Schweiker, but 7.5% of appropriations reserved, to demonstrate HMO effectiveness).
Quality Commission, $125,000,000.	Quality Commission, $70,000,000.	Quality Commission, $125,000,000 (per Javits/Schweiker).
II. HMO definition:		
Same as S. 14.	Broaden to include individual practice and fee for service payment.	Per Kennedy and thus no need for supplemental HMO's.
III. Supplemental HMO's:		
Same as S. 14.	Deleted.	Deleted.
IV. HSO's and AHEC's:		
Deleted.	Deleted.	Deleted (per Javits/Schweiker).
V. Federal malpractice reinsurance:		
Deleted.	Same as S. 14.	Deleted (per Javits/Schweiker).
VI. Commission on Quality Health Care Assurance:		
Establish in HEW.	Same as S. 14, established as independent agency.	In HEW (per Javits/Schweiker).
VII. Waiver of defined health benefits:		
Broadened to include lack of facilities and equipment.	Same as S. 14, limited to lack of health manpower.	Broadened to Lack of Facilities (per Javits/Schweiker).

Mr. JAVITS. So, Mr. President, in sum, and I know that the Senator from Maine and the Senator from Colorado may still have some amendments of their choosing to the substitute which we have proposed, I believe that the substitute is a reasonable accord and will give a true and effective trial to the concept of the HMO.

I do not believe that any national health plan—and it is pretty well agreed now that there should be one, whether it is Senator KENNEDY's, mine, the American Medical Association's, or the American Hospital Association's, or some other plan—will have to depend on the reorganization of the health care delivery system.

Without it, we have nothing, no matter how elaborate the plan we may erect or however we may choose to back it up financially, because it is the services and the facilities that count.

This is the way in which we inaugurate, really, what will ultimately become some form of national health scheme—which I think is the best word considering the uncertainty as to the exact form it will take.

For all of those reasons, Mr. President, I urge the Senate to approve the substitute as the best way to prove the concept which we desire to get approved with respect to HMO's, and to reconcile the differing views as to the nature of the HMO which we desire to develop under the aegis of this law.

Mr. President, I believe that the distinguished Senator from Maine (Mr. HATHAWAY) is now prepared to take the floor with his amendment, so I yield the floor.

Mr. HATHAWAY. Mr. President, I have an amendment at the desk which I ask be stated.

The PRESIDING OFFICER (Mr. JOHNSTON). The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. HATHAWAY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and the amendment will be printed in the RECORD.

The text of the amendment is as follows:

Insert after section 1207 the following:

"SPECIAL RURAL AREA GRANTS

"SEC. 1208. (a) The Secretary is authorized to make grants and loans for planning and feasibility studies, initial development costs, construction, and initial costs of operation to health maintenance organizations or nonprofit entities intending to become health maintenance organizations, in non-metropolitan areas.

"(b) There are authorized to be appropriated to carry out the purposes of this section $20,000,000 for the fiscal year ending June 30, 1974, $30,000,000 for the fiscal year ending June 30, 1975, and $50,000,000 for the fiscal year ending June 30, 1976.".

Mr. HATHAWAY. Mr. President, first of all, I want to commend the distinguished Senator from Massachusetts (Mr. KENNEDY), and the other Senators who put so much time and effort into this bill, which is a concrete step toward making quality health care available to all of our citizens.

Mr. President, I ask unanimous consent to add the distinguished Senator from West Virginia (Mr. RANDOLPH) as a cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATHAWAY. One aspect of the amendment which is now before the Senate, troubled me somewhat. In S. 14, which was the HMO bill as originally reported by the Committee on Labor and Public Welfare, there was a section devoted exclusively to aiding the health care delivery problems of our rural areas. This was, I felt, a particularly important section of the bill because of the crisis in health care delivery which currently affects many rural areas. I do not have to reiterate the many statistics that document this crisis: Entire counties in the United States which have no doctor at all, the astronomical doctor-to-patient ratios that exist in our rural areas. The national average is 152 doctors per 100,000 people; whereas, in Mississippi, for example, there are only 83 doctors for every 100,000 people. Another factor is the great distances between medical facilities.

I think all these facts speak eloquently to the need for new health care initiatives in the rural areas. Because of these problems, I was concerned by the dropping of the rural-oriented sections in the bill before the Senate.

I note, however, that the HMO definitions in the amendment now pending have been broadened so that arrangements more appropriate to rural areas will be allowed. But I am still bothered by the lack of any specific earmarking of funds for nonmetropolitan areas contained in this amendment.

For this reason, I am offering an amendment which would add a new section specifically authorizing grants and loans for HMO's and HMO type arrangements in rural areas.

I want to make clear, however, that the purpose of this amendment is to establish a floor and not a ceiling for rural emphasis programs. Rural-based projects should still be able to compete for loans and grants authorized under other sections of the bill. The purpose of the amendment is to make clear in the statute itself that a substantial portion of the HMO's made available by this act will flow to our small towns and rural areas. The amendment itself provides for an additional $100 million—$20 million for the fiscal year ending June 30, 1974, $30 million for the fiscal year 1975, and $50 million for the fiscal year ending June 30, 1976.

Mr. KENNEDY. Mr. President, will the Senator yield?

Mr. HATHAWAY. I yield.

Mr. KENNEDY. Mr. President, I believe the Senator has made an extremely constructive observation, one with which I am wholly in sympathy, and that is about the development of the various health maintenance organizations in rural communities.

Some of the greatest health needs in this country today are in rural communities as well as in the inner cities. The health maintenance organization concept was developed with the full understanding that there was such a need in rural America as well as in urban areas. That is why we developed a health service organization in the initial version of S. 14. We considered the definition of health service organizations to be a good deal more flexible, recognizing the potential for the shortage of health manpower and various specialties and facilities in rural communities. Therefore, we are much less stringent in the requirements for the development of HMO's in rural communities.

Also, we broadened the general definition of health maintenance organizations as they applied generally across the board and gave to the Secretary of Health, Education, and Welfare waiver authority. We are going to permit him to waive certain requirements as they relate to the development of certain services that are otherwise identified in the proposed legislation and for the construction of various facilities, which were really the two key areas with which we were most concerned with regard to rural areas. So we have given this kind of flexibility to the Secretary of Health Education and Welfare.

Under our definition, it is certainly my intention and my interpretation of the language that the development of health maintenance organizations will take place in rural America as well as in the urban areas. If we had looked at the initial measure that was introduced, the Senator from Maine and others interested in the development of health service organizations or HMO's in rural communities would have recognized that at least a third of the total budget for the development of HMO's was specified to be in rural America, with the possibility even then of additional funds. But that was a concept and an idea which has always been a part of the development of this legislation and continues to be so at the present time.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield.

Mr. JAVITS. Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. KENNEDY. So I think that this amendment is constructive and positive, and I think it will indicate full well the commitment of this body to develop these types of rural arrangements.

The Senator speaks with considerable authority. I am sure he is aware of the splendid program that has been developed in Farmington, Maine, Rural Health Associates. I understand that in Penobscot Bay is another program called Penbay, which is another effort to develop these programs. We had some extremely interesting testimony by Dr. McBride, of Lubec, Maine, and others who talked about this idea and concept and the importance of rural health.

So I would say that, given the fact that we are down today to less than one-half of the total authorization which this body was considering yesterday, this amendment is very modest and reasonable, and certainly is one that I will support; and I urge my colleagues to support and welcome it as a helpful addition to the proposed legislation.

I commend the Senator from Maine for his interest in this area and for his work in it.

Mr. HATHAWAY. I thank the Senator from Massachusetts.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. HATHAWAY. I yield.

Mr. JAVITS. Mr. President, I should like to explain to the Senator why I asked for the yeas and nays.

I am going to vote for the Senator's amendment. I think it is appropriate to provide in this bill a proper quotient for the rural areas of the country, which deserve to be served as much as the urban areas.

My problem is that, having arrived at a settlement, as it were, with the Senator from Massachusetts, which was $705 million, I feel that, in fairness to the Senate, it is the Senate that ought to vote the $100 million, rather than my accepting it, because it was not part of the arrangement I had with the Senator from Massachusetts. I do not think it will make any difference in the result, as I am sure the Senator will find, but I think it is fair to those Members who have assumed that this matter had been, as it were, closed out at $705 million. That is the reason why I asked for the yeas and nays.

Mr. HATHAWAY. I appreciate the Senator's comments.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. HATHAWAY. I yield.

Mr. TAFT. I was wondering, in view of the remarks of the Senator from Massachusetts that about a third of the funds involved here are expected to be used in rural areas, whether the Senator's amendment does not merely add 100 million to the bill, not necessarily directing any more to rural areas or any other area. In other words, if this money added by this amendment is for rural areas, it means money is available for other purposes of the bill.

Would it be correct to say it would add $7.5 million additional to the capitation grant section? Is my understanding correct?

Mr. HATHAWAY. I am not sure I got the thrust of the Senator's question. But this adds $10 million specifically for applicants in nonmetropolitan areas.

Mr. TAFT. The Senator from Massachusetts said that one-third of the total bill would go to nonmetropolitan areas anyway.

Mr. HATHAWAY. I think the Senator referred to the original S. 14 bill when we had the health service provision in it; and that under the bill one-third of the money would be spent in rural areas.

Mr. TAFT. Is it not true that under the bill as amended, without the Senator's amendment, that one-third would still be used for rural areas?

Mr. HATHAWAY. No, there is no guarantee.

Mr. TAFT. There is no guarantee, but about one-third would be so used. Is the Senator limiting the total amount to be used for rural areas?

Mr. HATHAWAY. No, as I said in my original statement, and I do not think the Senator was in the Chamber at the time, the $100 million is the floor and not a ceiling on the amount that nonmetropolitan areas might receive. They still could receive much more if their applications qualify under the definition.

Mr. TAFT. Does this make $100 million more avaliable for whatever purpose?

Mr. HATHAWAY. It makes $100 million more available.

Mr. TAFT. For whatever purpose?

Mr. HATHAWAY. For applicants from nonmetropolitan areas.

Mr. TAFT. But it also means that there is another $100 million available for other purposes.

Mr. HATHAWAY. That is correct.

Mr. TAFT. I thank the Senator.

Mr. KENNEDY. Mr. President, I would like to point out that with this acceptance of the amendment we will still be $115 million less than the combined totals for health service organizations which we were considering yesterday during the course of the debate. Even with the acceptance of this we will reduce the total of title 1 and title 2 by $115 million. I think this is something we should understand at the present time.

The PRESIDING OFFICER (Mr. Pearson). The question is on agreeing to the amendment of the Senator from Maine. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Alabama (Mr. Allen), the Senator from Alaska (Mr. Gravel), and the Senator from Iowa (Mr. Hughes), are necessarily absent.

I also announce that the Senator from Mississippi (Mr. Stennis), is absent because of illness.

I further announce that, if present and voting, the Senator from Iowa (Mr. Hughes), and the Senator from Alaska (Mr. Gravel) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Wyoming (Mr. Hansen) is necessarily absent.

The Senator from Virginia (Mr. Scott) is absent on official business.

The result was announced—yeas 80, nays 14, as follows:

[No. 138 Leg.]

YEAS—80

Abourezk
Aiken
Baker
Bayh
Beall
Bellmon
Bentsen
Bible
Biden
Brooke
Buckley
Burdick
Byrd,
 Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cook
Cotton
Cranston
Dole
Domenici
Dominick
Eagleton
Ervin
Fong
Fulbright
Hart
Hartke
Haskell
Hatfield
Hathaway
Hollings
Hruska
Huddleston
Humphrey
Inouye
Jackson
Javits

Johnston
Kennedy
Long
Magnuson
Mansfield
Mathias
McClellan
McClure
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pearson
Pell
Percy
Randolph
Ribicoff
Roth
Schweiker
Scott, Pa.
Sparkman
Stafford
Stevens
Stevenson
Symington
Talmadge
Thurmond
Tunney
Weicker
Williams
Young

NAYS—14

Bartlett
Bennett
Brock
Curtis
Eastland
Fannin
Goldwater
Griffin
Gurney
Helms
Proxmire
Saxbe
Taft
Tower

NOT VOTING—6

Allen
Gravel
Hansen
Hughes
Scott, Va.
Stennis

So Mr. HATHAWAY'S amendment to the Kennedy-Javits-Schweiker amendment in the nature of a substitute for the committee amendment was agreed to.

Mr. KENNEDY. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. JAVITS. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER (Mr. MCCLURE). The question is on agreeing to the amendment in the nature of a substitute offered by Senators KENNEDY, JAVITS, and SCHWEIKER, as amended (putting the question).

The amendment, as amended, was agreed to.

Mr. JAVITS. Mr. President, I ask for the yeas and nays on final passage.

The yeas and nays were ordered.

Mr. KENNEDY. Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. The Senate will be in order.

Mr. DOMINICK. Mr. President, for the benefit of my colleagues, we are now coming up very close to a final vote on this bill. We have just adopted the Kennedy-Javits-Schweiker substitute which, as amended by the Hathaway amendment, reduces the total authorization from $1.5 billion to $805 million.

It would seem therefore that we can, by passing the measure, get through a meaningful bill. However, I would suggest that their substitute has many of the same problems I pointed out with respect to S. 14 yesterday.

Let me, for the sake of the record, make one additional point not brought out yesterday. Let me read from page 4 of S. 14, a provision which is retained in the substitute:

"EFFECT ON STATE LAW

"SEC. 1213. (a) Notwithstanding any provisions of State law which—

"(1) require approval of a health maintenance organization, supplemental health maintenance organization or health service organization by a medical society;

"(2) require that physicians constitute all or a majority of the governing body of a health maintenance organization or supplemental health maintenance organization;

"(3) require that all physicians or a percentage of physicians in the local medical society be permitted to participate in rendering the services of the organization;

"(4) require that such organization submit to regulations as an insurer of health care services;

"(5) require that only unincorporated individuals or associations or partnerships may provide health care services;

"(6) prohibit advertising by a professional group for recruitment of enrollees; or

"(7) impose requirements or restrictions on a health maintenance organization or supplemental health maintenance organization in a manner, determined by the Secretary to be incompatible with this title,

a health maintenance organization or a supplemental health maintenance organization, or other providers of health care receiving quality health care initiative awards under this title, who otherwise conform with the laws for incorporation and laws for licensing of physicians, osteopaths, and dentists in such State shall be allowed to provide health care services in such State in accordance with the provisions of this title.

In other words, this bill in effect automatically repeals a number of State laws. I wonder whether it should not be left up to the State legislatures to decide what kind of controls they think are necessary with regard to medical practice.

Second, the capitation grants, as I understand it, are limited in amounts at this point to about, if I am correct, no more than 7.5 percent or less than 7.5 percent.

Mr. KENNEDY. It is not less than 7.5 percent.

Mr. DOMINICK. Mr. President, capitation grants are no less than 7.5 percent, which means that they are open ended. The Secretary could commit 50 percent, or 100 percent for that matter, of title I money to pay for HMO premium for a small handful of HMO's. I think this money should be used strictly to develop HMO's.

The capitation grant provision does two things. One, it assures that no HMO will probably ever be viable without Federal assistance. Second, it backs into a national health insurance program without having gone through the Finance Committee in any way whatsoever. Third, it operates equally with respect, to those who have a lot of money and those who are poor, because to the extent that we put capitation money into this, it is up to the enrollment figures. Everyone is treated equally, and everyone who is an enrollee, regardless of income, shall be assisted by the Federal Government. Since HMO's under this bill must charge one uniform premium rate, all enrollees benefit from Federal subsidies. Those who cannot afford the premium have the difference made up by the Federal Government. Those who could afford higher premium benefit because the Government subsidies allow them to pay a lower premium than the HMO would otherwise have to charge.

That may be the way that the Senate wants to go. It is not the way in which I want to go. I think we should provide in this bill assistance for development of HMO's, and save national health insurance for legislation which treats it in a comprehensive way.

The bill still establishes a Quality Health Care Commission. This is a Commission consisting of 11 people appointed by the President with our advice and consent, and representative of all types of disciplines, the majority of which have to be somewhat knowledgeable in medicine. It does not say that they have to be in the practice of medicine. They could be teachers or anyone else. They will set up the standards that all doctors within its jurisdiction must comply.

It will also require that any hospital aided by Hill-Burton funds will also have to comply with the national norms and standards. This obviously conflicts with the approach of PSRO which was enacted last year.

It is not that I am against the HMO's.

I think that they have considerable promise for improving health care delivery in this country, and they are entitled to Federal assistance. But this bill is not really designed to do that. A little over half of its authorizations, as amended, goes for development of HMO's. The rest goes for a number of things which are essentially irrelevant to development of HMO's. In short, this bill is unrealistic both in terms of cost and scope. I intend to vote against it, and hope that a realistic bill which I can support will emerge from the House-Senate Conference on the two bills after the House acts.

THE NEED FOR HMO'S

Mr. McINTYRE. Mr. President, I am wholeheartedly in favor of responsible legislation encouraging the establishment of health maintenance organizations.

We need to offer reasonable financial incentives to encourage the establishment of HMO's, and to remove existing legal obstructions to their successful operation. HMO's should be given a fair chance to compete on an equal footing with a view to improving access, enhancing quality, and reducing costs of health care.

I have introduced major legislation, the National Healthcare Act of 1973, S. 1100, designed to provide health care for every citizen through a partnership system of private health insurance augmented by Federal assistance for the poor, the near-poor and the uninsurables. The encouragement of health maintenance organizations plays a vital role in that legislation. I hope that this legislation may be forthcoming from the Senate Finance Committee during this session so that the Senate may have a chance to consider it and move toward providing our people with broad and meaningful health care.

However, I had grave doubts about S. 14 as it was brought before the Senate.

Less than half of the money in that bill went for development and start-up costs of HMO's, which is where our available public funds should be spent. Over half of the funds—$790 million—was earmarked as a downpayment on a backdoor national health insurance program keyed to closed panel health maintenance organizations.

The bulk of that money, $665 million, was allocated to the payment of direct operating grants and awards to those federally-favored HMO's. Those operating subsidies could go as high as 25 percent of an HMO's total premium receipts.

Now that is not helping HMO's stand on their own feet and compete on a fair basis. These grants would insure that no organization funded under this bill would ever be economically viable without Federal subsidies. Since the Government would pay the difference between their premiums and what their enrollees could afford to pay, they would have no incentive to keep premiums low enough to be competitive with other types of health providers.

Federal support for HMO's should be directed toward the development of more efficient delivery systems which can be competitive without continuing Federal subsidiaries. This is supposed to be the area in which the HMO can excel once it gets started. This is the whole reason for encouraging HMO's in the first place.

There are more than 80 HMO's operating in the country today without Federal subsidy, and many more on the drawing boards of private industry. In fact, there is an HMO available to all Federal employees in Washington, including the Members of this body, at the present time.

The bill also heavily favored one type of HMO the so-called closed-panel HMO over other types which might be more suitable in various parts of our country. The committee report itself, on page 22, recognized that the closed panel HMO "is probably not feasible in most rural areas." Coming from New Hampshire, I was deeply concerned about the health of rural Americans and I am pleased that the Hathaway amendment was adopted.

S. 14 also establishes a new Federal medical malpractice reinsurance program. I can not for the life of me see how this new Federal program is needed to help get fledging HMO's off the ground, particularly since the report of the Secretary of Health, Education, and Welfare's Commission on Medical Malpractice just released the result of its 16-month study of this problem, concluding that such legislation is not needed.

I am happy to say that the amendments to S. 14 offered on the Senate floor today have greatly improved the bill, particularly in opening up the definition of eligible HMO's and bringing greater flexibility into the system. I think this will benefit all Americans as well as benefiting rural Americans in particular. I am going to vote in favor of final passage of this bill because I think the need is great, because I think the further stimulus to HMO's can bring great benefits to the people of our country.

I would like to express, however, my great concern with the operating subsidies which remain in this bill. I think that the delivery of free care or subsidized care to those who have the ability to pay is a grave danger and a bad precedent. I would hope that in conference this point would be given particular consideration and this problem solved before the bill is returned to this body.

Mr. President, I am pleased that the Senate is acting on health legislation. I place the health of the Nation at the top of my priorities.

It is important that we move ahead on improving the HMO program in this country as we are doing in S. 14. Later this week we will consider S. 723, to make existing knowledge in health care more readily available to the medical profession, and S. 504, to help in providing emergency medical assistance through the expanded use of helicopter ambulances and special mobile intensive care units and other emergency procedures.

I compliment the Senior Senator from Massachusetts (Mr. Kennedy) for bringing S. 14 to the floor. I believe he is doing us a service by making it possible for us to consider ways of strengthening the HMO movement in this country.

Mr. JAVITS. Mr. President, I have heard with great interest the remarks of the Senator from Colorado, and I appreciate them. I think he renders us all a service in bringing them up before the Senate. He should put us to our proof.

For myself, bringing the bill within a reasonable compass, as we have already done, I think it is absolutely essential that it be a necessary prelude to an effort to deal with the national health problem. It now becomes clear that national health care for the individual is too expensive to the rank and file of Americans today. Unless we find some way of mutualizing the risk and placing new emphasis on health maintenance as contrasted with episodic illness health care, we will be inundated by the responsibility. The total bill today is somewhere in the neighborhood of $80 billion.

The most extravagant health scheme, as listed by the analysts at HEW, is something in the area of $115 billion.

Neither of these figures is small and health care costs are a major item in the rising American cost of living. The Senator from Minnesota (Mr. Humphrey) is running a very interesting series of hearings in the Joint Economic Committee on this very subject.

The answer is simply that we cannot let it go as it has and face ourselves realistically as decent and humanitarian people. We must recognize that today it is wealth that determines whether we live or die. I have friends, who can afford it, who have been kept alive for years by the latest medical advances and techniques, with plenty of doctors and nurses. And, I also have friends who were cut off, like my own father, at 54, 55, or 56, because they simply cannot afford all this medical care which is available, but cannot be reached because of personal wealth. It is there, but it cannot be reached.

Mr. President, our country is not built that way. We will correct it. The more we learn about health care, which represents the extension of life, the more inducement there is to enter into some form of major health program. I repeat, whether it is Senator Kennedy's proposal or mine or someone else's, the demand is clearly there. In order to respond to that demand by the people, we have to try out these methods to afford a rationalized, adequate supply of medical care, and the HMO looks like the most promising modality in that area.

So this is really the opening card, as it were, to a great national reform.

I appreciate everything the Senator from Colorado (Mr. Dominick) has said. Take, for example, his argument about the lifting of legal restrictions upon HMO's imposed by State law.

This is essentially one of the imperfections, one of the drawbacks of our Federal system. The fact is that you can have 50 types of regulations. In many States, the medical associations run the show, and the medical associations are not always very enlightened. I happen to have one in my State which I think is enlightened; other States may also, but that is by no means the universal rule.

Even Elliot Richardson, our present candidate for Attorney General, who as Secretary of Health, Education, and Welfare, in testifying in regard to HMO legislation, had this to say:

> Many States impose legal restrictions on HMO development which will have to overcome, for example, in the areas of licensure of health professionals and sponsorship of HMO's. Twenty-one States have even more restrictive laws, in some instances, requiring HMO's to operate under rules applicable to Blue Shield plans or insurance companies. Since HMO's operate in a different fashion from either of these, such laws make it difficult for HMO's to organize.

Mr. President, taking Senator Dominick's arguments, as I think we should, at face value, without challenging the factual situation which he presents, we have to make a decision. We have to make a decision whether we wish to sustain the Federal system in respect to this particular matter, notwithstanding that it thwarts a great national reform, or whether we wish to use the national power which is available for exactly that purpose, to be used when we consider it desirable, in order to effectuate that great national reform.

We have done it in many areas. We have often overruled State laws. We have often preempted State laws. But the burden is upon us, Senator Kennedy and myself, to prove that it should be done in this particular case.

I am deeply convinced that it has to be done, otherwise we are absolutely thwarted in any effort to bring the cost of medical care within reason. So, as I say, I am not challenging Senator Dominick's factual presentation; and there may be some Senators who feel that the preservation of the right of each State to write whatever laws it chooses on this subject is so sacred that notwithstanding my deep conviction that it will thwart any kind of national health effort that can be effected, they still want to maintain that right of a State to do as it pleases in this area. I cannot quarrel with that, but for myself, I do not feel that way. I feel that it is antithetical to the interests of freedom and the success of our country to take that position. But I do not feel that there are high moral grounds on which anyone can pontificate. My reasons I have explained to the Senate, and it is for those reasons that I believe the bill should be passed.

Mr. KENNEDY. Mr. President, I shall speak very briefly, because the Senate has considered a number of the points that the Senator from Colorado, a valued member of our committee, has raised this afternoon.

I will say, Mr. President, that the President of the United States, in his message to Congress in 1971, indicated:

> Other barriers to the development of HMO's include archaic laws in 22 States which prohibit or limit the group practice of medicine and laws in most States which prevent doctors from delegating certain responsibilities. . . . Under the supremacy clause of the Constitution, these contracts

will operate to preempt any inconsistent State statutes.

So the President of the United States, in his health message to Congress in 1971, was urging Congress to include this particular provision which has been included in the legislation before us today.

A publication of HEW entitled "A Comprehensive Health Policy for the Seventies," contains a similar statement, indicating, at page 37:

> Finally, the Administration would use the supremacy laws of the Constitution to preempt, in connection with Federal insurance programs, those legal barriers that limit the use of allied health personnel or the organizational form of HMOs.

So what we have included is precisely what the administration requested of us 2 years ago. I think Senator JAVITS has outlined in some detail the reason for it, which is that, for the most part, these laws have been developed by the various health and medical societies over a period of years to prohibit the development of prepaid group practice.

Of course, we do not require that any particular group get into prepaid group practice; all we are saying is that such a group can develop if it is in the interests of the doctors themselves and the other health professionals, and they can meet the requirements of this legislation. That is all we are saying. We are not requiring the preemption of any other part of State legislation.

What we are saying this afternoon is that we would use less than one-quarter of 1 percent of the total moneys being expended by the American people in the general area of health to help build a pluralistic system in the delivery of health care with the hope that, perhaps, because of developments or competition within the health area, we will be able to get a handle on cost and begin to get a real handle on quality and that we will have greater availability of health services to the American people. Finally, let me say, as we have repeated over the course of this debate, if this amount of the authorization is actually accepted, and the money is actually appropriated, we could fund one-eighth the total number of HMO's that President Nixon requested of Congress 2 years ago—one-eighth.

I think that no one can suggest, given the kind of request made by the administration some 2 years ago on behalf of health care, that this is an unreasonable request. I think it is tragically low, as a matter of fact. As we are able to develop the programs, the amount of money that we are eventually going to be able to save the consumer will be many times the amount we are actually authorizing here this afternoon.

Mr. PASTORE. Mr. President, will the Senator from Massachusetts yield?

Mr. KENNEDY. I yield.

Mr. PASTORE. As I understand it, what the bill does is to provide grants to groups, either public groups or private nonprofit groups, in order to set up an organization to render this health care to various communities. Is that correct?

Mr. KENNEDY. The Senator is correct.

Mr. PASTORE. Do they have to match this in any way?

Mr. KENNEDY. Only with respect to 25 percent of construction grants and 10 percent of construction loans. They have to meet certain requirements, but they do not have to put up the money, other than these provisions.

Mr. PASTORE. I see.

Mr. JAVITS. Mr. President, will the Senator from Massachusetts yield?

Mr. KENNEDY. I yield.

Mr. JAVITS. Yes. They do not have to match it, in the sense of 50–50, or 90–10, but it takes a big investment to establish an HMO. They cannot do so on what they will get under this bill. They will have to find the credit. They will have to find the subscribers and the backers and the necessary physicians and other health professionals. They are not going to be able to go into this just on the——

Mr. PASTORE. May I be a little more specific, then? Say we have a labor group wanting to set up this organization. They would be permitted to do so?

Mr. JAVITS. Of course. The way they would work it out, once they have the appropriate medical personnel, they would have to get the subscribers to start with, and they would have their whole labor group for that, of course. It would be like those who undertake to establish a co-op. If they have enough people to go into it, they are entitled to bank credit, and so forth.

Mr. PASTORE. Could a hospital do it as well?

Mr. JAVITS. Certainly. Any entity could do it, but it would have to start with basic support, either institutional or financial. That is why I interrupted the Senator from Massachusetts. It is not correct to assume that something will get started with some guy with the idea that he will get the money from the Federal Government. Not at all.

Mr. PASTORE. Do we have a formula in the bill as to how much goes to any particular State?

Mr. JAVITS. No. We would have to leave that to where the development of the HMO's takes place.

Mr. PASTORE. Would it be on a first-come-first-served basis?

Mr. JAVITS. I do not think so. The Secretary will take care of that.

Mr. PASTORE. That is within his discretion, then?

Mr. JAVITS. Yes, that is within his discretion.

Mr. DOMINICK. Mr. President, may I say that any group that wants to start is eligible to apply and get $1 million right off the bat.

Mr. PASTORE. I realize that, but if they are doing it in order to help people get well, what is wrong with that?

Mr. DOMINICK. It is all right.

Mr. PASTORE. We are talking about half a billion dollars for North Vietnam.

Mr. DOMINICK. I was not talking about that.

Mr. PASTORE. But I am talking about it.

Mr. DOMINICK. No one else has been talking about it.

Mr. KENNEDY. Mr. President, there are provisions in this legislation that would provide for resources and for the funding of the initial development of authorization programs for planning and for programing. There is funding in here for some grants and some loans and for the actual development and construction of facilities and also for some loans and grants for initial operation; and other purposes.

In some areas HMO's may well develop without Federal participation and, obviously, there should not be any kind of Federal grant in those particular areas. But what we have recognized is that the idea and concept of the HMO is, as the distinguished Senator from Washington (Mr. MAGNUSON) has pointed out in the Puget Sound area of his State, which has been functioning for about 40 years now and is being developed through contributions from the consumers themselves, and they are still expanding although in a more modest kind of way. Perhaps they will be able to expand into broader sections of the community if they could get additional assistance in underwriting some of their services.

But if I were giving that as an absolute answer, one could say, "Well, what can be done in Puget Sound privately we can do privately," and that is true, but we could not develop the kind of HMO's as we have in my State of Massachusetts which tries to reach down and include many of those in the lowest income groups, trying to give them the same kind of quality health care as someone who has adequate financial resources, because the provision of adequate health care should be equal throughout this country, whether poor or rich.

That is one of the essential aspects of the program.

So, Mr. President, that particular program will need more in terms of grants, that kind of flexibility for a given situation, if they are to develop them such in my State, in Lexington, or in Concord, which are affluent communities, where all they will need is a guaranteed loan provision. But we wanted to, obviously, see a development of these programs—and it is a modest amount to develop—in the rural communities and in the urban centers and also, perhaps, in some of the affluent areas, because we have seen where they have developed that they have had a dramatic impact on the delivery of health care generally.

Mr. PASTORE. The reason why I raise the question is that in my own State, several years ago, the AFL–CIO, with the cooperation of the Diocese of Providence, the Lady of Fatima Hospital, initiated a similar program along this line. Their difficulty, of course, lay, as in most of these places, in the question of money. So they appealed to the various foundations and even came down to see me if I could not intercede on their behalf. Their program was a good one. It was a pilot program. I think myself, what we are doing here today, we are doing something that I think should be more or less adopted by the Senate for the reason that here we are trying to fill a gap in rendering medical service to people who ordinarily find the price prohibitive.

The PRESIDING OFFICER (Mr. MCCLURE). The question is on agreeing to the committee amendment in the nature of a substitute, as amended.

Mr. JAVITS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from New York will state it.

Mr. JAVITS. Is this final action?

The **PRESIDING OFFICER**. No, it is not.

Mr. **JAVITS**. I understand.

The **PRESIDING OFFICER**. There can then be no further amendment except by unanimous consent.

Mr. **JAVITS**. I thank the Chair.

The **PRESIDING OFFICER**. The question is on agreeing to the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

Mr. **MONDALE**. Mr. President, I am pleased to support the Health Maintenance Organization and Resources Act of 1973, which I had the privilege to cosponsor, and to help develop as a member of the Health Subcommittee of the Committee on Labor and Public Welfare.

Proposed national health insurance legislation is addressed to the problem of financing health care. The legislation before the Senate today is addressed to the equally important problem of delivering health care in an efficient way to the American people. If this bill becomes law, Americans throughout the Nation will have a choice between obtaining medical services on the present fee-for-services basis, and obtaining those services on a prepaid basis from a health maintenance organization capable of providing a broad and comprehensive range of health-related services.

There is a growing consensus that health maintenance organizations must play a major role as we design a health care delivery system for the future. Experts agree that group practice, emphasizing preventive care and early detection of disease, can help to cut the spiraling costs of medical care without sacrificing quality.

In my own State of Minnesota, health maintenance organizations are operating successfully in St. Paul and in the northern Minnesota communities of Hibbing and Virginia. Our experience underscores the committee's finding that health maintenance organizations can provide an important contribution to improved health delivery.

Mr. President, the bill before the Senate today represents a major compromise when compared with the bill we enacted last year by the overwhelming vote of 60 to 14. I regret that weakening of commitment from the administration has made a severe scaling down of our proposal necessary. While last year's bill would have provided $5 billion to support the development and initial operation of health maintenance organizations and related institutions, the bill reported to the Senate by the Committee on Labor and Public Welfare would authorize a maximum of $1.5 billion for these purposes over 3 years. And the final version of the bill authorizes only $805 million. But with this adjustment, I believe that S. 14 deserves the wholehearted support of the Senate, the House, and the President, so that we can make a start now toward meeting the Nation's need for a sound system of health care delivery.

I am especially pleased that the Institute of Interdisciplinary Studies, in my own State of Minnesota, has been a leading force in developing the health maintenance organization strategy. The Institute's Dr. Paul Ellwood was instrumental in persuading the adminsitration to endorse this approach. And Dr. Ellwood and his interdisciplinary team have been a valuable resource to the Health Subcommittee in its work.

Mr. President, I wish to thank the Senator from Massachusetts (Mr. KENNEDY)—the chairman of the Health Subcommittee—and his excellent staff for their work in developing our proposal. I am proud of the contribution which a number of outstanding Minnesotans have made to this bill. I urge its adoption by the Senate, and hope it will be quickly enacted by the House and sent to the President to be signed into law.

THE HEALTH CRISIS, THE CONSUMER, AND PREPAID HEALTH CARE

Mr. **MOSS**. Mr. President, health care delivery is presently suffering sizable strain in spite of the many advances that have occurred in medical research in the past decade. Costs of medical care are rising 10 percent per year, with the Nation already spending $80 billion per year on health care. Insurance coverage constantly leaves consumers of health care holding the bag for unexpected fees and services. Public dissatisfaction rises as the gap between what is possible and what is available widens. In the last few days we hear of plans of two major medical schools in the country to close their doors in the next 2 years because of lack of funds. Residents in rural America and the core section of central cities watch complicated surgery on television medical shows but find the most basic care unavailable to them because of a lack of doctors in their neighborhoods.

This situation need not continue to exist. Variety and pluralism have long been a hallmark of the American tradition, but in health care, a single method—a single system of health care delivery tends to dominate the entire country.

As a cosponsor of S. 14, the Health Maintenance Organization bill, I have already indicated my desire to help stimulate the creation of new proven innovations in health care delivery. The creation of clinics and group practice patterns similar to the "Kaiser" system is a small, careful, but vitally necessary step in developing alternative forms of health care delivery. There is nothing compulsory in this bill. It simply allows the opportunity to join together in the best form of medical practice available. At present there are significant obstacles in providing this kind of group practice.

THE PATIENT BENEFITS

Through prepaid participation in HMO, a patient can go to one building and receive comprehensive health care. All of his records will be located at this facility and will be shared by all the doctors concerned. He will not have to go to one end of town for his earache and to another end of town for his skin rash. And doctors will have complete, rather than partial, medical records available instantaneously. Such a system will also allow better use of health professions such as nursing and paramedics. This will reduce the cost of health care while at the same time improving its quality.

This bill also makes provision for consumers to be included in establishing policy for the organization. There will be consumer representation on the policymaking board of HMO's that receive funds under this bill. Second, the bill also makes provision for patient grievance to be heard and resolved. Such a procedure is sound and reasonable and should allow for steady improvement in the medical service through the mutual effort of the doctor and his patients. Though this is generally a new idea, it has been tried and tested and results have been more than satisfactory. A group health cooperative of Puget Sound in the State of Washington is perhaps the best example. This HMO type organization was established in 1944 by Seattle residents who were disenchanted with the cost and organization of a fee-for-service medicine. They decided to organize a group practice clinic in which control would rest on members of the cooperative rather than with the doctors.

The results of prepaid health cooperative have been favorable. Medical costs are generally held below the national average; the same is true for the number of days for hospitalization per year for each co-op member. When the entire cost of health care is paid for with a specific fee, there is a strong incentive for those who practice health care to find the most efficient and effective ways of delivering this care.

ASSURING HIGH QUALITY HEALTH CARE

A key provision in this legislation is the creation of the mechanism to review, evaluate, and improve health practices. Everyone benefits from having his own work reviewed, and doctors are no exception. This is an extremely important aspect of this legislation, for it can do much to help the medical profession begin to evaluate more effectively the kind of health care received by the country.

Cannot doctors be trusted? Of course they can. But doctors are busy people, and medical advances are coming at such a rapid rate that it is impossible for a normal physician to keep up with all of the developments. A review mechanism that assesses health care and suggests new ways of treatment should be welcomed by practitioners of health care. At present there are some shocking divergences in the way medicine is practiced in various parts of the country. There is no reason for the continuation of this confusion. Unlike some professions, medicine is a universal art and science. Regional variations of the practice of specific treatments for specific diseases only reflect the lag time in the dissemination of new information. The Commission on Quality Health Care Assurance created under this legislation should help bring about improved practices throughout the country.

I strongly support the concept of measuring outcomes to determine the effectiveness of health care. It is strange indeed that much of the evaluation of medical practice has focused on techniques rather than the final health of patients. A much more appropriate procedure would be to review the health of those who have been treated and then relate this to the practices involved. I have been impressed with the works of Dr. John Williamson in this area and would like to quote from his recent study, "The Next Step: Quality Assurance Programs." This study points out that the best health care in the hospital is not always sufficient—if health care practices do not extend to treat the "whole man" and his behavior patterns once he leaves the hospital, serious failures may result:

> In a recent study of diastolic hypertensive patients in a working class group of people generally seen in a city hospital emergency room, we identified a case fatality rate double maximum expectations. The causes of the inordinate mortality were found to relate directly from lack of follow-up care and low patient compliance resulting in prescriptions not being filled and needed cardiovascular medications not being taken. A large number of these individuals died in heart failure with their major illness uncared for, with both private physicians and city hospital staff legitimately disclaiming responsibility under our present system . . . the results encouraged the staff to develop a new follow-up clinic and to provide professional personnel with direct responsibility for seeing that such patients receive care after discharge from the hospital.

Without emphasis on quality health care insurance, and the measuring of patient health in a systematic fashion, such discoveries might never come to light. In many areas we will improve health care more by emphasizing preventive medicine and follow-up treatment than we will in exotic medical research. Work in all of these areas must go forward, but for too long we have underemphasized preventive care and follow-up treatment. The Commission established in this legislation will do much to further this needed effort.

REASONABLE REFORM

Less than 3 percent of the population in America now have the choice of joining a complete prepaid health care program. This bill makes some very modest attempts to expand that figure by approximately doubling it. This means that well over 90 percent will still not have any choice other than the solo fee-for-service system presently in use. I would prefer to see a broader expansion begin with this legislation, but I understand the necessity of using restraint in the present fiscal climate. We need thousands of health maintenance organizations. This bill will create from 100 to 200, and these facilities should provide a good experimental base for further program developments.

Another needed reform present in this bill will provide priority treatment to previously under-privileged medical areas of the country. The special provisions made to provide care in inner city and rural areas through Health Service Organizations would provide care where it would be impractical to build full-scale HMO's. The area health center program contained in this bill will also aid in the dispersal of health practitioners to areas presently unattractive in the practice of medicine. Isolation and remoteness from professional colleagues often is a barrier preventing doctors from settling in remote areas. This legislation would create area health centers that would provide training, education, and research and thus set aside many of the problems created by conditions outside major metropolitan areas. This is one of the most exciting developments occurring in health care delivery, for it is based in the principle of bringing modern practices to areas presently suffering from the medical services delivery gap that plagues many parts of our country.

This bill does not threaten the respected role of the family physician in individual practice. It simply provides a clear alternative where one is needed. I support the committee bill and urge my colleagues to help this country improve its medical practices by passing this legislation.

Mr. CRANSTON. Mr. President, the bill before us today is a major legislative step toward encouraging the development of systems capable of providing comprehensive health care of high quality in an efficient and economical manner.

Last year, the committee held extensive hearings on the need for health maintenance organizations and on the effects of the establishment of such systems on existing medical resources and the community's ability to respond to the individual patient's needs. Considerable testimony was heard and evidence presented to the committee which has been taken into account in the development of the bill.

I believe we have succeeded in coming up with a workable proposal to offer support at a realistic level to medical groups needing initial assistance in developing programs which can offer a full range of comprehensive health services to enrollees on a prepaid basis. The experience of prepaid group medical practices in the past in providing care has shown that these programs have been able to provide full health care to enrollees at substantial savings, due to the efficiencies in utilization of staff and facilities, and an emphasis on primary care provided on an ambulatory basis, which are encouraged by prepaid group practices.

Included in the reported bill, I am particularly gratified to note, are several amendments I had offered in committee to the legislation when it was under consideration in the last Congress as S. 3327. These amendments were part of S. 3327 as passed by the Senate last September.

These suggestions, Mr. President, were to:

First, expand the consumer and other health disciplines role in quality care assurance systems;

Second, expand the consumer role in the health maintenance organization;

Third, increase emphasis on the participation of all health disciplines in the management of the system and in the provision of health services;

Fourth, provide for reciprocity between HMO's in providing essential continuity of services to enrollees who may travel outside the geographical area of their home-based HMO;

Fifth, include greater specificity as to services included in preventive health services;

Sixth, utilize the skills of clinical pharmacists to the greatest possible extent; and

In addition, S. 14 includes a new amendment I cosponsored with Senator Kennedy, to authorize the Secretary to contract with health maintenance organizations to provide health services to native American Indians and to domestic migrant and seasonal farmworkers.

EXPANSION OF THE CONSUMER ROLE AND GREATER PARTICIPATION OF ALL HEALTH DISCIPLINES IN QUALITY ASSURANCE REVIEW SYSTEMS

Mr. President, the committee fully recognized that consumers must have a meaningful role in the formulation and implementation of policy concerning the manner in which health care services are delivered, and for that reason the bill does require that consumers have a substantial role in the HMO policymaking body as well as a substantial representation on the Commission on Quality Health Care Assurance. At the same time the committee fully recognized that all health disciplines had a significant role to play in the provision of health care and in the decisions made on how such care should be provided. I have felt that the consumer and all the health disciplines have an important contribution to make in the quality review procedures adopted by an HMO.

It is my very strongly held view that we should establish a clear Federal recognition of the fact that providing health care is not the monopoly of the medical profession.

Also, while I support and approve the principle functions and responsibilities of the Commission on Quality Health Care assurances in the bill, I do not see that Commission as a panacea for upgrading the quality of and improving the access to the provision of health care in the country. I think it can help, but I do not think it can do the job alone.

The Commission can make a beginning of reviewing and monitoring some of the possibly thousands of review systems established around the country only if it creates an enormous Federal bureaucracy. Even then, I do not believe that it can really be counted on to provide effective quality care assurance in the majority of systems for many, many years.

Thus, Mr. President, for me, the best method of attempting to provide for responsive and effective functioning of quality assurance review systems at the local level would be to require the Commission to establish criteria with respect to the representative nature of the decisionmaking membership of those systems, and to take into account in establishing such criteria the desirability of providing representation on such systems of consumers and health care disciplines other than physicians.

Although my amendment does not require explicitly that the national Commission prescribe criteria for the composition of the local review systems, I would hope the Commission could elect to do so.

I was pleased that the amendment I offered to this effect in committee was accepted and that such consumer and multidisciplinary participation will be fostered as a result. I believe that quality assurance systems—the local review mechanism—can be more consistently effective in achieving correction of the deficiencies discovered if they have consumer representation and participation of other health disciplines rather than being composed solely of physicians.

The amendment which I offered extended the committee's emphasis on the principle of the multidisciplinary approach and strong consumer participation on the health-care system by citing as a duty of the Commission on Quality Health Care Assurance the setting forth of requirements for and to subsequently monitor quality assurance systems for health maintenance organizations and other providers of health care. These quality assurance systems would be designed not only to improve and assess the quality of health care, evaluate the provision of health care, concentrate on illnesses having a high incidence in the population which are particularly influenced by medical treatment, but in addition improve as well as assess the accessibility, availability, and acceptability to consumers of the health care provided, and to develop procedures for the systems to make their recommendations known to the membership through the policymaking body of the organization. In the establishment of the quality care assurance system, the committee bill suggests that such systems be designed where feasible, to include consumers as well as members of the several health care disciplines—such as dentists, nurses, and health administrators—in their membership.

Mr. President, I strongly feel that there is a need for the quality assurance system to direct its inquiries to the overall provision of health care and not to limit such inquiries to the quality of medical techniques or procedures utilized. The provision of comprehensive health care at a level acceptable to the patient must also take into consideration nonmedical factors such as location, ambience, and accessibility of service, among others.

These factors frequently are foremost in determining the patient's utilization of services and will bear a direct relationship to his full utilization of comprehensive preventive services.

In these specific areas, Mr. President, the consumer as well as other health care personnel such as the nurse and the social worker, for instance, can make substantial contributions to evaluation of the responsiveness of the organization to the patient's needs. The amendment clarifies that the Commission is expected to encourage emphasis on these factors and on the inclusion of representatives of consumers as well as of the various health disciplines in quality health care assurance systems.

INCREASED EMPHASIS ON THE PARTICIPATION OF ALL HEALTH DISCIPLINES IN MANAGEMENT OF HMO'S

Mr. President, another area in which the role of all health disciplines was strengthened was in the definition of the term "medical group" which was expanded to include not only physicians and dentists, but also such other health professionals as are necessary to provide comprehensive health services. I suggested this redefinition to assure that all health disciplines will have an opportunity to participate in the management of an HMO.

I am delighted with the emphasis placed in the bill on the need for the development of new types of professionals such as the nurse practitioner specialists, and new types of paraprofessionals, and feel that the provisions encouraging the use of team training in all education programs, including continuing education programs will substantially hasten this development. I was gratified to participate in drafting these provisions.

RECIPROCITY OF SERVICES BETWEEN HMO'S

Mr. President, when an individual enrolls in an HMO he should be entitled to comprehensive preventive care. I believe this entitlement should exist even when he is outside of the area of his home HMO. For that reason, I am delighted that the committee accepted language I offered which would reinforce this entitlement and make such services available on a reimbursable basis for short-term health care services to enrollees temporarily outside of their home based HMO.

GREATER SPECIFICITY AS TO PREVENTIVE HEALTH SERVICES

Mr. President, when legislation to support HMO's was first introduced, as a cosponsor, I mentioned that I would seek to amend the term preventive health services to clarify that voluntary family planning services, counseling, and infertility services as well as nutrition counseling and education are included as basic preventive health services. I believe that the bill as reported and the committee report reflect this view, and again am pleased at the cooperative spirit with which my suggestions were accepted.

FULL UTILIZATION OF THE CLINICAL PHARMACIST IN THE HMO

Mr. President, the effect of adverse drug reactions on the recovery of the patient, and the possibility of long term injury or disability, are extremely serious considerations in the provision of health care. Recent surveys have indicated that the incidence of adverse drug reactions is substantial. It is estimated by initial studies that from 3 to 6 percent of hospital admissions are due to adverse drug reactions, and that a minimum of 15 to 18 percent of patients, hospital-wide, suffer an adverse reaction subsequent to their admission. On the assumption that these adverse reactions on the average double the patient's hospital stay, the costs involved are overwhelming. In 1970, there were 478 million hospital days recorded in the United States; one-seventh of this amounts to approximately 70 million patient days, and assuming a room charge of $85 per day, works out to around $6 billion in direct cost. About 80 percent of adverse drug reactions are preventable. Thus 80 percent of this estimated cost—or $4.8 billion—could have been saved, had a system been in operation for insuring a rational drug therapy for each of the patients.

Hopefully, these incidents can be reduced in HMO's by the requirements in S. 14, resulting from an amendment I offered, that a clinical pharmacist survey, evaluate, and review patterns of patient drug utilization, including drug regimens and therapies, and maintain a drug use profile for each enrollee of an HMO.

With the increasing number of new medications and their growing complexity, potential drug use side effects and interactions have become a matter of substantial concern to the medical and patient communities. Making available to the staff of the HMO the services of a clinical pharmacist, specially trained in all the nuances of drug use should assist in minimizing medication errors and preventable adverse drug reactions and interactions.

In addition, Mr. President, the clinical pharmacist can play a major role in the dissemination of important drug use and abuse information, both to the HMO staff and to the enrollees, and play an active role in the health education programs of the HMO. Certainly, the clinical pharmacist in each HMO should oversee and control the quality of drug products utilized by enrollees of the HMO and participate in comparative studies of use and abuse records with other HMO's and other health care facilities.

COMPREHENSIVE HEALTH SERVICES FOR INDIANS AND MIGRANT WORKERS

I am pleased also that the committee has included in S. 14 as now before us provision for the Secretary of Health, Education, and Welfare to contract with health maintenance organizations for comprehensive health services for native Americans and for domestic migrant and seasonal farm workers eligible for care provided by the Indian Health Service and under the Migrant Health Act, respectively.

I believe it is only equitable, Mr. President, that these two population groups for whom the Nation has a statutory responsibility to provide health care should have the opportunity to participate in the most up to date and effective means of providing care. In many cases, individuals from these severely disadvantaged groups do not reside in areas accessible to the federally funded special programs such as the hospitals of the Indian Health Service or the Migrant Health Clinics.

Several Indian tribes have sought to provide contract care, but because specific statutory authority does not now exist, the Indian Health Service has not been able to offer this option to its beneficiaries.

Mr. President, migrant health clinics also may wish to offer this option and this provision would insure it could be exercised. S. 740, currently before the Senate Labor and Public Welfare Committee extending and amending the Migrant Health Act also includes a provision authorizing the Secretary to pay premiums for a prepaid health care plan eligible for Federal assistance where the clinics or special projects request, and a similar provision was adopted by the Senate last year when S. 3762 was passed and sent on to the House. Unfortunately, no action was taken on extending this legislation in the House last Congress.

CONCLUSION

Mr. President, S. 14 as reported is a product of much study by the members of the committee. The bill we developed is an excellent one and one which I believe can lead to a vast improvement in the ability of the Nation's medical communities to respond to the needs of its citizens.

I would like at this time to express my admiration for the very effective staff work provided the members of the committee by Phil Caper, Jay Cutler, and Leroy Goldman. Their ability to provide needed facts, statistics, and analysis was invaluable in the development of this legislation.

I urge the full support of the Senate for this bill.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

Mr. JAVITS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from New York will state it.

Mr. JAVITS. Have the yeas and nays been ordered on final passage?

The PRESIDING OFFICER. The yeas and nays have been ordered.

The bill having been read the third time, the question is, Shall it pass?

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announced that the Senator from Alabama (Mr. Allen), the Senator from Alaska (Mr. Gravel), and the Senator from Iowa (Mr. Hughes) are necessarily absent.

I also announce that the Senator from Mississippi (Mr. Stennis), is absent because of illness.

I further announce that, if present and voting, the Senator from Alaska (Mr. Gravel), and the Senator from Iowa (Mr. Hughes) would each vote "yea".

I further announce that, if present and voting, the Senator from Alabama (Mr. Allen), would vote "nay".

Mr. GRIFFIN. I announce that the Senator from Wyoming (Mr. Hansen) is necessarily absent.

The Senator from Virginia (Mr. Scott) is absent on official business.

The result was announced—yeas 69, nays 25, as follows:

[No. 139 Leg.]

YEAS—69

Abourezk
Aiken
Bayh
Beall
Bentsen
Bible
Biden
Brooke
Burdick
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cook
Cranston
Domenici
Eagleton
Ervin
Fong
Fulbright
Griffin
Hart
Hartke
Haskell
Hatfield
Hathaway
Hollings
Huddleston
Humphrey
Inouye
Jackson
Javits
Kennedy
Magnuson
Mansfield
Mathias
McClellan
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Packwood
Pastore
Pearson
Pell
Percy
Randolph
Ribicoff
Roth
Saxbe
Schweiker
Scott, Pa.
Sparkman
Stafford
Stevens
Stevenson
Symington
Taft
Tunney
Weicker
Williams
Young

NAYS—25

Baker
Bartlett
Bellmon
Bennett
Brock
Buckley
Byrd,
  Harry F., Jr.
Cotton
Curtis
Dole
Dominick
Eastland
Fannin
Goldwater
Gurney
Helms
Hruska
Johnston
Long
McClure
Nunn
Proxmire
Talmadge
Thurmond
Tower

NOT VOTING—6

Allen
Gravel
Hansen
Hughes
Scott, Va.
Stennis

So the bill (S. 14) was passed, as follows:

S. 14

An act to amend the Public Health Service Act to provide assistance and encouragement for the establishment and expansion of health maintenance organizations, health care resources, and the establishment of a Quality Health Care Commission, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Health Maintenance Organization and Resources Development Act of 1973".

Sec. 2. (a) The Congress finds that—

(1) the medical care system is not organized in a manner which encourages the provision of medical care at reasonable costs;

(2) the medical care system is oriented toward providing care once a health need has occurred rather than toward providing health maintenance and preventive health services;

(3) there is a serious maldistribution of medical care resources which has resulted in inadequate access to medical care in both inner city and rural areas.

(4) the establishment of health maintenance organizations, will aid in alleviating the serious maldistribution of health care resources which has resulted in inadequate access to medical care particularly in both inner city and rural areas, in providing health care in a more efficient and economical manner, and in reorienting the health care system toward the maintenance of health;

(5) there is a need to provide technical assistance and resources to individuals and groups, undertaking the planning, development, and initial operation of health maintenance organizations;

(6) there exists an excessive variance in the quality of health care and health services.

(b) The purpose of this Act is to assist in remedying these deficiencies through encouraging the establishment and utilization of health maintenance organizations, particularly in medically underserved areas by improving the system for the delivery of health care through encouragement of any support for the planning, development, and initial operation of health maintenance organizations, particularly with the intent of improving the health of populations in medically underserved areas.

Sec. 3. Nothing in this Act, or any amendment made by this Act, shall be construed to supersede any activity relating to review of the provision of health care services under (including review and assessment of quality or quantity of such services or determination or reimbursement therefor) or to the determination of eligibility of any provider, practitioner, agency, or organization to participate under any program established under the Social Security Act.

TITLE I—HEALTH MAINTENANCE ORGANIZATIONS

Sec. 101. The Public Health Service Act is amended by inserting after title XI the following new title:

"TITLE XII—HEALTH MAINTENANCE ORGANIZATIONS AND HEALTH SERVICE ORGANIZATIONS

"Part A—Support of Health Maintenance Organizations

"definitions

"Sec. 1201. For purposes of this title:

"(1) The term 'health maintenance organization' means an entity which—

"(A) provides as a minimum for all its enrollees (or subscribers) comprehensive health services (as defined in this section) which are uniformly available to all its enrollees (or subscribers) directly through its own staff and supporting resources or through a medical group or groups and such other additional services as may be required through other health delivery entities, for a fixed payment which (i) is to be paid on a periodic basis without regard to the frequency, extent, or kind of health service actually furnished to any particular enrollee; and (ii) is uniform for all its enrollees subject to rules and regulations regarding family rates;

"(B) demonstrates to the satisfaction of the Secretary ability to assure that appropriate comprehensive health services are available and accessible to all its enrollees promptly and in a manner which assures continuity;

"(C) demonstrates to the satisfaction of the Secretary financial responsibility through proof of adequate provision against the risk of insolvency;

"(D) is organized in such a manner (as prescribed by regulations of the Secretary) that assures its enrollees a substantial role (generally defined as one-third representation in the body establishing or recommending policy) in the making of policy for the health maintenance organization, with equitable representation of enrollees from medically underserved areas, and provides meaningful procedures for hearing and resolving grievances (i) between its enrollees and the health maintenance organization (including the medical group or groups and other health delivery entities providing health services), and (ii) between the medical group or groups providing health services and other employees and the health meaintenance organization;

"(E) encourages and actively provides for its enrollees (i) health education services; (ii) education in the appropriate use of health services provided; and (iii) education in the contribution the patient can make to the maintenance of his own health;

"(F) has organizational arrangements, established in accordance with regulations of the Commission on Quality Health Care Assurance (established under title XIII of this Act) for an ongoing quality assurance program which stresses health outcomes and assures that health services provided meet the requirements of the Commission on Quality Health Care Assurance;

"(G) provides, in accordance with regulations of the Secretary (including safeguards concerning the confidentiality of the doctor-patient relationship), an effective procedure for developing, compiling, evaluating, and reporting to the Secretary, data (which the Secretary shall publish and disseminate on an annual basis) relating to (i) the cost of its operations, (ii) the patterns of utilization of its services, (iii) the availability, accessibility, and acceptability of its services, and (iv) such other matters as the Secretary may require and disclose at least annually and in a manner acceptable to the Secretary, such data to its enrollees and to the general public;

"(H) except for (i) out of area emergency care, and (ii) care reasonably valued in excess of the first $5,000 per enrollee per year, assumes direct financial responsibility, without benefit of insurance, on a prospective basis for the provision of the comprehensive health services defined in this section;

"(I) has an open enrollment period, unless a waiver has been granted under section 1249, of not less than thirty days at least once during each consecutive twelve-month period during which it accepts individuals in the order in which they apply for enrollment up to its capacity, subject to the requirements of paragraph (K);

"(J) assumes responsibility for the provisions of health care services to its enrollees (and on a reimbursable basis for short-term health care services to enrollees of any other health maintenance organization, who are temporarily outside the service area of the health maintenance, in which they are enrolled) twenty-four hours a day, seven days a week, and for the appropriate availability of such services in emergencies;

"(K) shall enroll no more than 50 per centum of its enrollees from medically underserved areas, except in rural areas as designated by the Secretary;

"(L) provides, or makes arrangements for, continuing education for its staff;

"(M) emphasizes the use of nurse practitioners, physician's assistants, dental therapists, and other allied health personnel and to the extent practicable and consistent with good medical practice, trains and employs such personnel in the rendering of services;

"(N) provides to its enrollees as an option, for an additional premium, extended care facility services for dental services;

"(O) may purchase on a fee-for-service basis unusual or infrequently used health care services for its enrollees;

"(P) does not refuse enrollment to or expel any person for any reason concerning his health status or requirements for the provision of health services;

"(Q) provides for the prevention, diagnosis, and medical and psychological treatment of the abuse of or addiction to alcohol and drugs either through its own facilities or existing community facilities; and

"(R) meets such other criteria for its organization and operations as the Secretary may by regulation prescribe, consistent with the provisions of this title.

"(2) The term 'comprehensive health services' means health services provided without limitation as to time or cost as follows—

"(A) physician services (including consultant and referral services);

"(B) inpatient and outpatient hospital services;

"(C) home health services;

"(D) diagnostic laboratory, and diagnostic and therapeutic radiologic services;

"(E) preventive health (including but not limited to voluntary family planning, infertility services, and preventive dental care for children) and early disease detection services;

"(F) emergency health services rendered by any provider of health care, the expense of which shall be borne by the enrollee's health maintenance organization;

"(G) provision of or payment for prescription drugs (with patterns of patient drug utilization under continuous surveillance, evaluation, and review by a clinical pharmacist whose duties shall include the maintenance of a drug use profile for each enrollee);

"(H) medical social services;

"(I) vision care (except for eyeglasses which shall be optional) as provided by a physician skilled in the diagnosis and treatment of diseases of the eye, or by an optometrist provided such services are within the scope of his license;

"(J) physical medicine and rehabilitative services (including physical therapy);

"(K) mental health services utilizing existing community mental health centers on a priority basis;

"(L) preventive diagnostic and medical and psychological treatment of the abuse of or addiction to alcohol and drugs; and

"(M) such other personal health services as the Secretary may determine are necessary to insure the protection, maintenance, and support of human health.

"(3) The term 'medical group' means a partnership or other association or group of health professionals of whom not less than four and at least a majority shall be persons who are licensed to practice medicine or osteopathy, and such other licensed health professionals as are necessary to provide comprehensive health services and who are eligible for assistance under this Act, in conformance with requirements promulgated under section 1302, in a State and who (A) engage in the coordinated practice of their profession as a group responsibility providing services to health maintenance enrollees; (B) if not employees or retainees of a health maintenance organization, pool their income from practice as members of the group and distribute it among themselves according to a prearranged salary, or a drawing account or other plan; (C) jointly use or share substantial portions of medical and other records and major equipment and professional, technical, and administrative staff; (D) share or jointly utilize such additional health and allied health professionals who may include but are not limited to psychologists and other mental health workers, optometrists, pharmacists, podiatrists, dental therapists, physician's assistants, nurse practitioners and nurse midwives, as are needed to provide comprehensive health services; and (E) arrange for and encourage the continuing education of their members in the field of clinical medicine and related areas. Such group may be organized on a group practice or individual practice basis, and individual physician members may be paid on a fee for service or any other basis, so long as the group is reimbursed for its services on the basis of an aggregate fixed sum or on a per capita basis.

"(4) The term 'enrollee' when used in connection with a health maintenance organization, means an individual who has entered into a contractual arrangement, or on whose behalf a contractual arrangement has been entered into, with a health maintenance organization, under which such organization assumes the responsibility for the provision of health services to such individual.

"(5) The term 'medically underserved area' means an urban or rural area or population group designated by the Secretary as an area or population group with a shortage of personal health services. Such a designation may be made by the Secretary only after consideration of the comments, if any, of (A) each State comprehensive health planning agency designated pursuant to section 314(a) of this Act covering, in whole or in part, such area, (B) each areawide comprehensive health planning agency designated pursuant to section 314(b) of this Act, covering, in whole or in part, such area, and (C) regional medical programs established pursuant to title IX of this Act, covering, in whole or in part, such area.

"(6) The terms 'construction' and 'cost of construction' include (A) the construction of new buildings, and the acquisition, expansion, remodeling, replacement, and alteration of existing buildings, including architects' fees, and (B) equipping new buildings and existing buildings, whether or not acquired, expanded, remodeled, or altered with assistance under this title.

"(7) The term 'non-metropolitan area' means an area no part of which is within an area designated as a standard metropolitan statistical area by the Office of Management and Budget, and does not contain a city whose population exceeds fifty thousand persons.

"(8) The term 'high-risk enrollee' means a person who is likely to utilize the services of a provider of health care more often than an actuarially determined average.

"GRANTS FOR PLANNING AND FEASIBILITY STUDIES

"SEC. 1202. (a) The Secretary may make grants, subject to the general provisions of this title, to public or private nonprofit agencies, organizations, or institutions to assist in projects for planning or studying the feasibility of developing or expanding health maintenance organizations. No project may receive more than $250,000 in grants under this section. Funds awarded under such grants shall be available for expenditure by the grantee for such period (not to exceed two years from the date of award) designated by the Secretary.

"(b) In making grants under this section the Secretary shall give priority to those applicants who give assurances that at least 30 per centum of their total enrollment shall be persons from medically underserved areas.

"(c) There are authorized to be appropriated to carry out the provisions of this section $10,000,000 for the fiscal year ending June 30, 1974, $15,000,000 for the fiscal year ending June 30, 1975, and $20,000,000 for the fiscal year ending June 30, 1976.

"GRANTS FOR INITIAL DEVELOPMENT COSTS

"SEC. 1203. (a) The Secretary may make grants, subject to the general provisions of this title, to any public or private nonprofit agencies, organization, or institutions, to assist them in meeting the costs involved in a project for the initial development of a health maintenance organization prior to its first day of operation. No project may receive more than $1,000,000 in grants under this section.

"(b) Sums awarded under such grant shall be available for expenditure by the grantee for not more than three years, and shall be utilized for such purposes as may be prescribed in regulations of the Secretary, including but not limited to (1) implementation of an enrollment campaign; (2) detailed design of and arrangements for the health services to be provided; (3) development of administrative and internal organizational arrangements, including fiscal control and fund accounting procedures and the development of a capital financing program; (4) recruitment of personnel and the conduct of personnel training activities; and (5) payment of architects' and engineers fees.

"(c) In making grants under this section the Secretary shall give priority to those applicants who give assurances that at least 30 per centum of their enrollment shall be persons from medically underserved areas.

"(d) There are authorized to be appropriated to carry out the provisions of this section $15,000,000 for the fiscal year ending June 30, 1974, $25,000,000 for the fiscal year ending June 30, 1975, and $30,000,000 for the fiscal year ending June 30, 1976.

"CONSTRUCTION

"SEC. 1204. (a) The Secretary may make grants, subject to the general provisions of this title, to assist any public or private nonprofit health maintenance organization or any public or private nonprofit agency, organization, or institution intending to become a health maintenance organization in meeting the cost of construction of facilities or portions of facilities for ambulatory care and capital investment for necessary transportation equipment, to be used by it for the provision of health services to its enrollees. The Secretary shall give special consideration to applications for grants for the acquisition or renovation of existing facilities. Except for exceptional circumstances, in which case up to 90 per centum of the cost of construction (as determined by the Secretary) may be authorized by the Secretary, no grant under this section for any project may exceed 75 per centum of the cost of construction of such project. No project may receive more than $2,500,000 in grants under this section.

"(b) In making grants under this section the Secretary shall give priority to those applicants who give assurances that at least 30 per centum of their total enrollment shall be persons from medically underserved areas.

"(c) There are authorized to be appropriated to carry out the provisions of this section $15,000,000 for the fiscal year ending June 30, 1974, $30,000,000 for the fiscal year ending June 30, 1975, and $40,000,000 for the fiscal year ending June 30, 1976.

"GRANTS FOR INITIAL COSTS OF OPERATION

"SEC. 1205. (a) Where the Secretary determines that the applicant has made all reasonable attempts to meet his operating expenses (including loans and loan guarantees), he may make grants to public and private nonprofit health maintenance organizations to assist them in meeting operating deficits during the initial three-year period of their operation.

"(b) Grants under this section shall be made only for the period beginning with the first day of the first month for which such grant is made and ending with the close of three years after such first day; and such grant with respect to any such organization may not exceed 100 per centum of such operating deficit for the first year after such first day; 67 per centum of such first year operating deficit for the second year after such first day; and 33 per centum of such first year operating deficit for the third year after such first day.

"(c) There are authorized to be appropriated to carry out the provisions of this section $5,000,000 for the fiscal year ending June 30, 1974, $30,000,000 for the fiscal year ending June 30, 1975, and $50,000,000 for the fiscal year ending June 30, 1976.

"CONSTRUCTION LOANS

"SEC. 1206. (a) The Secretary may make loans, subject to the general provisions of this title, to any public or private nonprofit health maintenance organization, or any public or private nonprofit agency, organization, or institution intending to become a health maintenance organization, to assist it in meeting the cost of construction of facilities for ambulatory care and transportation services for the provision of health services to its enrollees. The Secretary shall give special consideration to applications for loans for the acquisition or renovation of existing facilities. No loan under this section for any project may exceed 90 per centum of the cost of construction (as determined by the Secretary) of such project.

"(b) There are authorized to be appropriated to carry out the provisions of this section $10,000,000 for the fiscal year ending June 30, 1974, $20,000,000 for the fiscal year ending June 30, 1975, and $30,000,000 for the fiscal year ending June 30, 1976. Sums so appropriated, together with repayments of loans made under this section and any other receipts in connection with the program under this section, shall be placed in and constitute a revolving fund which shall be available to the Secretary without fiscal year limitation for use in making loans and other expenditures in the exercise of his functions under this section.

"LOANS FOR INITIAL COSTS OF OPERATION

"SEC. 1207. (a) The Secretary may make loans, subject to the general provisions of this title, to any public or private nonprofit health maintenance organization to assist it in meeting, for the period prescribed in subsection (b), a portion of its initial operating costs in excess of gross revenues determined under regulations of the Secretary.

"(b) Loans under this section for initial costs of operation may be made only for the period beginning with the first day of the first month for which such a loan is made and ending with the close of three years after such first day; and such loans with respect to any project may not exceed 60 per centum of such costs of operation, for the first year after such first day; 40 per centum of such costs for the second year after such first day; and 20 per centum of such costs for the third year after such first day.

"(c) There are authorized to be appropriated to carry out the provisions of this section $5,000,000 for the fiscal year ending June 30, 1974, $30,000,000 for the fiscal year ending June 30, 1975, and $50,000,000 for the fiscal year ending June 30, 1976. Sums so appropriated, together with repayments of loans made under this section and any other receipts in connection with the program under this section, shall be placed in and constitute a revolving fund which shall be available to the Secretary without fiscal year limitation for use in making loans and other expenditures in the exercise of his functions under this section.

"SPECIAL RURAL AREA GRANTS

"SEC. 1208. (a) The Secretary is authorized to make grants and loans for planning and feasibility studies, initial development costs, construction, and initial costs of operation to health maintenance organizations or nonprofit entities intending to become health maintenance organizations, in non-metropolitan areas.

"(b) There are authorized to be appropriated to carry out the purposes of this section $20,000,000 for the fiscal year ending June 30, 1974, $30,000,000 for the fiscal year ending June 30, 1975, and $50,000,000 for the fiscal year ending June 30, 1976.

"PART B—GENERAL PROVISIONS

"GRANTS AND LOANS

"SEC. 1240. (a) Any loan by the Secretary shall bear interest at a rate comparable to the current legal rate of interest prevailing with respect to loans which are guaranteed under section 1241. No payment of principal on a loan shall be required for the first five years after such loan is made.

"(b) No such loan shall be made unless—

"(1) the Secretary is reasonably satisfied that the applicant therefor will be able to make payments of principal and interest thereon when due, and

"(2) the applicant provides the Secretary with reasonable assurances that there will be available to it such additional funds as may be necessary to complete the project with respect to which such loan is requested.

"(c) Any such loan shall have such security, have such maturity date, be repayable in such installments, and be subject to such other terms and conditions (including provisions for recovery in case of default) as the Secretary determines to be necessary to carry out the purposes of this title while adequately protecting the financial interests of the United States.

"(d) No such loan shall have a term in excess of fifteen years.

"(e) The Secretary may, for good cause, waive any right of recovery which he has by reason of the failure of a public organization to make payment and interest on a loan under this section.

"LOAN GUARANTEES AND INTEREST SUBSIDIES

"SEC. 1241. (a) In order to assist private health maintenance organizations to carry out construction projects for ambulatory care facilities and transportation services and communication services to be used by it for the provision of health services to its enrollees, to meet their initial development costs (for not more than three years) or to meet their cost of operation (for not more than three years), as well as to subsidize the difference between income and operating expenditures, the Secretary during the period beginning January 1, 1974, and ending with the close of June 30, 1976, may, in accordance with the provisions of this section and subject to the general provisions of this Act (A) guarantee to non-Federal lenders making loans to such organizations for such purposes, payment of principal of and interest on such loans which are approved under this section, and (B) in the case of nonprofit health maintenance organization, pay to the holder of such loans (and for and on behalf of the organization which received such loan) amounts sufficient (not to exceed 3 per centum per annum) to reduce the net effective interest rate otherwise payable on such loan. No loan guarantee or interest subsidy under this section may, except under such special circumstances and under such conditions as are prescribed by regulations, apply to or be made for an amount which, when added to any grant or other loan under this or any other law of the United States, is—

"(i) with respect to any construction, in excess of 90 per centum of the cost of such construction,

"(ii) with respect to initial development costs, in excess of 90 per centum of such costs, or

"(iii) with respect to initial operating costs, in excess of 90 per centum of such costs.

No such loan guarantee may apply to more than 90 per centum of the loss of principal and interest on the loan.

"(b) The Secretary may not approve the application of a health maintenance organization, unless—

"(1) he determines, in the case of a loan for which a guarantee or an interest subsidy payment is sought, that the terms, conditions, maturity, security (if any), and schedule and amounts of repayments with respect to the loan are sufficient to protect the financial interests of the United States and are otherwise reasonable and in accord with regulations, including a determination that the rate of interest does not exceed such per centum per annum on the principal obligation outstanding as the Secretary determines to be reasonable, taking into account the range of interest rates prevailing in the private market for similar loans and the risks assumed by the United States;

"(2) the term of a loan for which a guarantee and interest subsidy is sought does not exceed twenty-five years if for construction, or fifteen years if for operating costs, or such shorter period as the Secretary prescribes; and

"(3) he obtains assurances that the applicant will keep such records, and afford such access thereto, and make such reports, in such form and containing such information, as the Secretary may reasonably require.

"(c) Guarantees of loans and interest subsidy payments under this section shall be subject to such further terms and conditions as the Secretary determines to be necessary to assure that the purposes of this section will be achieved, and, to the extent permitted by subsection (e), any of such terms and conditions may be modified by the Secretary to the extent he determines it to be consistent with the financial interest of the United States.

"(d) In the case of any loan guaranteed under this section, the United States shall be entitled to recover from the applicant the amount of any payments made pursuant to such guarantee unless the Secretary, for good cause, waives his right of recovery, and, upon making any such payment, the United States shall be subrogated to all of the rights of the recipient of the payments with respect to which the guarantee was made.

"(e) Any guarantee of a loan under this section shall be incontestable in the hands of an applicant on whose behalf such guarantee is made, and as to any person who makes or contracts to make a loan to such applicant in reliance thereon, except for fraud or misrepresentation on the part of such applicant or such other person.

"(f)(1) There is established in the Treasury a Health Maintenance Organization Loan Guarantee and Interest Subsidy Fund (hereafter in this section referred to as the 'fund') which shall be available to the Secretary without fiscal year limitation, in such amounts as may be specified from time to time in appropriation Acts (A) to enable him to discharge his responsibilities under guarantees issued by him under this title, and (B) for interest subsidy payments authorized by this title. There are authorized to be appropriated from time to time such amounts as may be necessary to provide the sums required by the fund. To the extent authorized from time to time in appropriation Acts there shall be deposited in the fund amounts received by the Secretary as interest payments or repayments of principal on loans and any other moneys, property, or assets derived by him from his operations under this title, including any moneys derived from the sale of assets.

"(2) If at any time the moneys in the fund are insufficient to enable the Secretary to discharge his responsibilities under this title to meet the obligations under guarantees of loans under subsection (a) or to make interest subsidy payments on such loans, he is authorized to issue to the Secretary of the Treasury notes or other obligations in such forms and denominations, bearing such maturities, and subject to such terms and conditions, as may be prescribed by the Secretary with the approval of the Secretary of the Treasury. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the issuance of the notes or other obligations. The Secretary of the Treasury is authorized and directed to purchase any notes and other obligations issued hereunder and for that purpose he is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act and the purposes for which securities may be issued under that Act are extended to include any purchase of such notes and obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this subsection. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated as public debt transactions of the United States. Sums borrowed under this subsection shall be deposited in the fund and redemption of such notes and obligations shall be made by the Secretary from such fund.

"(g) (1) The cumulative total of the principal of the loans outstanding at any time with respect to which guarantees have been issued under this section may not exceed such limitations as may be specified in appropriation Acts.

"(2) In any fiscal year no loan guarantee or agreement to make interest subsidy payments may be entered into under this title if the making of such guarantee or the entering into of such agreement would cause the cumulative total of—

"(A) the principal of the loans guaranteed under this title in such fiscal year, and

"(B) the principal of the loans for which no guarantee has been made under this title and with respect to which an agreement to make interest subsidy payments is entered into under this title in such fiscal year, to exceed the amount of grant funds obligated under this Act in such fiscal year; except that this paragraph shall not apply if the amount of grant funds obligated under this title in such fiscal year equals the sums appropriated for such fiscal year under this title.

"APPLICATION REQUIREMENTS

"SEC. 1242. (a) No grant, contract, loan, loan guarantee, or interest subsidy may be made under this title unless an application therefor has been submitted to and approved by the Secretary. Such application shall be in such form, submitted in such manner, and contain such information, consistent with subsection (b)(1), as the Secretary shall by regulation prescribe.

"(b)(1) An application for a grant, loan, loan guarantee, or interest subsidy under this title shall include to such extent, in such manner and among such other matters as the Secretary may by regulation prescribe, satisfactory specification of the existing or anticipated (A) population group or groups to be served by the existing or proposed health maintenance organization, described in the application, (B) enrollment for such organization, (C) methods, terms, and periods for the enrollment of enrollees, (D) nature and estimated costs per enrollee of the health care and educational services to be provided, (E) sources of professional services, and organizational arrangements for providing health care and educational services, (F) organizational arrangements for an ongoing quality assurance program in conformance with the requirements of the Commission on Quality Health Care Assurance, (G) sources of prepayment and other forms of payment for the services to be provided, (H) facilities available for and additional capital investments and sources of financing therefor, required to provide the level and scope of services proposed, (I) administrative, managerial, and financial arrangements and capabilities of such organization, (J) role for enrollees in the planning and policymaking for such organization, (K) grievance procedures for enrollees, staff, and employees, and (L) evaluation or evaluations of the support for and acceptance of such organization by the population to be served, the sources of operating support, and the professional groups to be involved or affected thereby. An organization making multiple applications for assistance under this title simultaneously or over the course of time shall not be required to submit duplicate or redundant information but shall be required to update the description of the existing or proposed organization in such manner and with such frequency as the Secretary may by regulation prescribe.

"(2) Upon completion of assistance under this title, the recipient of assistance shall make a full and complete report to the Secretary, in such manner as he may by regulation prescribe. Each such report shall include, among such other matters as the Secretary may by regulation prescribe, descriptions of plans, developments, and operations in those areas enumerated in paragraph (1) for specification in applications for assistance.

"(c) A health maintenance organization receiving assistance under this title shall submit to the Secretary as a condition of its continued assistance, satisfactory assurances, in accordance with such regulations as the Secretary shall prescribe, including but not limited to the following: (1) financial responsibility, and (2) development and operation consistent with the terms of this title and the plans contained in such organization's application or applications for assistance. As used in this subsection the term 'financial responsibility' means the demonstrated capability to adequately carry out the purposes of the project for which the original assistance was made.

"(d)(1) An application for a grant, loan, loan guarantee, or interest subsidy under this title shall contain assurances satisfactory to the Secretary that the applicant will, in accordance with such criteria as the Secretary shall by regulation prescribe, enroll the maximum number of persons that its available and potential resources (as determined under regulations of the Secretary) will enable it to effectively serve; except that the applicant shall enroll no more than 50 per centum of its enrollees from medically underserved areas except in rural areas as designated by the Secretary.

"(2) No grant may be made and no loan, loan guarantee, or interest subsidy payment may be made under this title unless the applicant demonstrates to the satisfaction of the Secretary that the applicant will or has enrolled, and will maintain an enrollment of, the maximum number of persons that its available and potential resources (as determined under regulations of the Secretary) will enable it to effectively serve, except that the applicant shall enroll no more than 50 per centum of its enrollees from medically underserved areas except in rural areas as designated by the Secretary.

"(e) The Secretary shall have the authority after a hearing on the record to terminate or cancel any grant, loan, loan guarantee, or interest subsidy to any recipient of assistance under this title which he determines is in substantial noncompliance with any material provision of this title or after notice from the Commission on Quality Health Care Assurance that such organization has had its certificate of compliance suspended or revoked.

"(f) Effective two years after the date of enactment of this Act, no assistance shall be given under this Act or the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963, to a provider of health care unless such provider holds a valid certificate of compliance under section 1302.

"(g)(1) The Secretary may not approve an application submitted under section 1203, 1204, 1205, 1206, or 1207, unless the section 314(b) areawide health planning agency whose section 314(b) plan covers (in whole or in part) the area to be served by the health maintenance organization for which such application is submitted, or if there is no such agency, the section 314(a) State health planning agency whose section 314 (a) plan covers (in whole or in part) such area, has, in accordance with regulations of the Secretary, been provided an opportunity to review the application and to submit to the Secretary for his consideration its recommendations respecting approval of the application. If under applicable State law such an application may not be submitted without the approval of the section 314(b) areawide health planning agency or the section 314(a) State health planning agency, the Secretary may not approve such an application unless the required approval has been obtained.

"(2) The Secretary shall by regulation establish standards and procedures for section 314(b) areawide health planning agencies and section 314(a) State health planning agencies to follow in reviewing and commenting on applications for assistance for health maintenance organizations, and other applicants for assistance under this Act.

"(h) If in any fiscal year there are insufficient funds available for funding of all approved applications for assistance under section 1202, 1203 or 1204 of this title the Secretary shall, subject to the priorities in sections 1202(b), 1203(c), and 1204(c), give priority to those applicants which he determines are the most likely to be economically viable.

"EFFECT ON STATE LAW

"SEC. 1243. (a) Notwithstanding any provisions of State law which—

"(1) require approval of a health maintenance organization, by a medical society;

"(2) require that physicians constitute all or a majority of the governing body of a health maintenance organization;

"(3) require that all physicians or a percentage of physicians in the local medical society be permitted to participate in rendering the services of the organization;

"(4) require that such organization submit to regulations as an insurer of health care services;

"(5) require that only unincorporated individuals or associations or partnerships may provide health care services;

"(6) prohibit advertising by a professional group for recruitment of enrollees; or

"(7) impose requirements or restrictions on a health maintenance organization determined by the Secretary, to be incompatible with this title,

a health maintenance organization receiving Quality Health Care Initiative Awards under this title, who otherwise conform with the laws for incorporation and laws for licensing of physicians, osteopaths, and dentists in such State shall be allowed to provide health care services in such State in accordance with the provisions of this title.

"QUALITY HEALTH CARE INITIATIVE AWARDS

"SEC. 1244. (a) Every provider of health care which is certified by the Commission on Quality Health Care Assurance as maintaining quality control standards in compliance with the requirements set by the Commission on Quality Health Care Assurance shall be entitled to an annual payment in an amount equal to the administrative costs allowed by the Commission, incurred in complying with the requirements of the Commission. Any provider of health care, whether or not subject to the provisions of this Act, may apply to the Commission for certification of compliance under section 1302.

"(b) There are authorized to be appropriated to carry out the provisions of this section $25,000,000 for the fiscal year ending June 30, 1974; $50,000,000 for the fiscal year ending June 30, 1975; and $75,000,000 for the fiscal year ending June 30, 1976.

"CAPITATION GRANTS TO ENABLE HEALTH MAINTENANCE ORGANIZATIONS TO SERVE ALL PERSONS

"Sec. 1245. (a)(1) The Secretary shall make annual grants to health maintenance organizations serving persons who cannot meet the expenses of such organizations' premiums (excluding additional premiums for high option services). The amount of such annual grants shall be equal to the difference between the maximum amount (as determined by the Secretary) an enrollee could reasonably be expected to pay toward the health maintenance premium and the premium for membership enrollment in such health maintenance organization, for each such person enrolled. A health maintenance organization shall be eligible for grants under this subsection only during the first three years of its operation.

"(2) In determining the amount an enrollee could pay toward the premium, the Secretary shall consider all sources (including public sources) of income available to each such enrollee.

"(3) Grants under this section shall not exceed 25 per centum of the total premium receipts for such health maintenance organization for the next preceding year.

"(4) Notwithstanding any other provisions of this Act the Secretary shall allocate on a pro rata basis not less than 7.5 per centum of the sum of the funds appropriated for each fiscal year pursuant to part A of title XII of this Act to carry out the purposes of this subsection.

"(b)(1) Where a health maintenance organization proposes an increase in its premium rate and the Secretary determines that such increase is due in whole or in part to fulfillment of the requirement for open enrollment, in that such organization has in its enrolled population a disproportionate number of high risk enrollees, the Secretary shall make annual grants to such organization equal to an amount that would eliminate the need for that part of the proposed premium increase caused by such disproportionate number of high-risk enrollees in such organization. A health maintenance organization shall be eligible for grants under this subsection only during the first three years of its operation.

"(2) Notwithstanding any other provisions of this Act the Secretary shall allocate on a pro rata basis not less than 7.5 per centum of the sum of the funds appropriated for each fiscal year pursuant to part A of title XII of this Act to carry out the purposes of this subsection.

"PAYMENTS OF GRANTS

"Sec. 1246. The amount of any grant under this title shall be determined by the Secretary. Payments under such grants may be made in advance or by way of reimbursement and at such intervals and on such conditions as the Secretary finds necessary.

"PROHIBITION ON TRANSFER OF FUNDS

"Sec. 1247. (a) No funds appropriated pursuant to any of the preceding sections of this title shall be available for any purposes other than the purposes of the program authorized by the particular section pursuant to which such funds are appropriated.

"(b) No funds, except those appropriated under this title, shall be used for the purposes of carrying out the provisions of this title.

"(c) Only funds appropriated under titles XI and XII of this Act shall be used to initially develop, construct, and initially operate a health maintenance organization, directly or indirectly through arrangements with others, health care to a defined population on a prepaid basis.

"LABOR STANDARDS

"Sec. 1248. All laborers and mechanics employed by contractors or subcontractors on all construction projects assisted under this title shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act. The Secretary of Labor shall have with respect to the labor standards specified in this section the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176) and section 2 of the Act of June 13, 1934.

"OPEN ENROLLMENT WAIVER

"Sec. 1249. In a case where all appropriated funds are expended under section 1245(b)(2) and where a health maintenance organization demonstrates to the satisfaction of the Secretary that it has a disproportionate share of high-risk enrollees and by maintaining open enrollment it would be required to enroll a nonrepresentative cross section of the community in which it provides services, to the extent that financing is available and people are willing to enroll, and the enrollment of such disproportionate share of high-risk enrollees will jeopardize its economic viability, the Secretary may waive such requirement for open enrollment for a period of not more than three years. A health maintenance organization may receive more than one such waiver.

"ACCESS TO RECORDS

"Sec. 1250. (a) Each recipient of Federal funds under this Act shall keep such records as the Secretary shall prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such funds, the total cost of the undertaking in connection with which such funds are given or used, the amount of that portion of the cost of the undertaking supplied by other sources, and such other records as will facilitate an effective audit.

"(b) The Secretary of Health, Education, and Welfare and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of the recipients of Federal funds under this Act.

"COMPREHENSIVE SERVICES PHASE-IN

"Sec. 1251. The Secretary may grant a waiver to an applicant for assistance under this title, with respect to the provision of a specific service, required to be provided as a component of comprehensive health services where he determines that—

"(1) such service cannot be provided by the applicant solely because the required health manpower or equipment to provide such service is not available; and

"(2) the applicant has a feasible plan to provide such service at the earliest possible date, such date not to exceed three years from the date assistance under this title is first granted to such applicant.

"COMPREHENSIVE HEALTH SERVICES FOR INDIANS AND MIGRANT WORKERS

"Sec. 1252. The Secretary is authorized to contract with health maintenance organizations to provide health services to individuals who are eligible for such services from the Indian Health Service or under section 310 of this Act.

"Part C—Special Project Grants To Facilitate Health Services in Nonmetropolitan Areas

"Sec. 1260. (a) The Secretary is authorized to make grants to or contracts with any public or nonprofit private entity (which otherwise may not be eligible for grants or assistance under this title) to study, initiate, and evaluate projects for the delivery, or to facilitate the delivery, in nonmetropolitan areas of comprehensive health services on a prepaid basis."

(b) There are authorized to be appropriated to carry out the purposes of this section such sums as may be necessary.

TITLE II—COMMISSION ON QUALITY HEALTH CARE ASSURANCE

SHORT TITLE

Sec. 201. This title shall be known as the "Commission on Quality Health Care Assurance Act of 1973".

STATEMENT OF PURPOSE

Sec. 202. It is the purpose of this title to promote the quality of health care in the United States by establishing a Commission on Quality Health Care Assurance to develop, establish, and encourage parameters and standards for quality health care.

Sec. 203. The Public Health Service Act, as amended by this Act, is further amended by inserting after title XII the following new title:

"TITLE XIII—COMMISSION ON QUALITY HEALTH CARE ASSURANCE

"Part A—Commission on Quality Health Care Assurance

"ESTABLISHMENT OF COMMISSION

"Sec. 1301. (a) There is hereby established in the Department of Health, Education, and Welfare a Commission on Quality Health Care Assurance.

"(b) The Commission shall be composed of eleven members to be appointed by the President by and with the advice and consent of the Senate from among individuals who by virtue of their service, experience, or education are especially qualified to serve on the Commission. In making such appointments the President shall appoint individuals who are representative of the health care delivery industry, private organizations engaged in developing health care quality standards which may be applicable on a national basis, and consumers not related to the delivery of health care. The terms of office of each member of the Commission shall be five years except that—

"(1) the members first appointed shall serve, as designated by the President, three for a term of one year, two for a term of two years, two for a term of three years, two for a term of four years, and two for a term of five years;

"(2) any member appointed to fill a vacancy shall serve for the remainder of the term for which his predecessor was appointed; and

"(3) a member shall be eligible for reappointment for one additional term.

"(c) The President shall designate one of the members to serve as Chairman and one to serve as Vice Chairman of the Commission.

"(d) Any vacancy in the Commission shall not affect its powers and six members of the Commission shall constitute a quorum.

"(e) Four members of the Commission shall be consumers not related to the delivery of health care.

"DUTIES OF THE COMMISSION

Sec. 1302. (a) The Commission shall—

"(1) promulgate standards for qualifications of personnel, composition of medical groups, and other characteristics dealing with the adequacy of facilities and equipment;

"(2) conduct such research and experimental programs as are determined necessary for the development of—

"(A) criteria for new and improved quality assurance systems, and

"(B) norms, with regard to processes, utilization characteristics, and outcomes;

"(3) require and monitor, in accordance with criteria established based upon findings under paragraph (2), quality assurance systems for health maintenance organizations subject to the provisions of this Act and the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 which shall be designed to—

"(A) improve as well as assess the quality of health care;

"(B) evaluate the inputs, processes, utilization characteristics, and outcomes of health care as related to individuals and population groups, and establish relationships between inputs, processes, utilization characteristics, and outcomes;

"(C) concentrate on those illnesses which have relatively high incidence in the population and which are particularly influenced by medical treatment, rather than on unusual illnesses or conditions whose course is little influenced by therapy;

"(D) improve as well as assess the accessibility, availability, and acceptability of health care provided by health maintenance organizations and other providers of health care;

"(E) develop procedures for such systems to report through the policymaking body of the health maintenance organization to the membership and to the Commission on Quality Health Care Assurance; and

"(F) take into account the need for inclusion of consumers as well as the several health care disciplines in the decisionmaking membership of the system;

"(4) issue certificates of compliance to providers of health care certifying that such providers maintain an approved quality assurance system and are otherwise conforming with requirements published under this section;

"(5) after a hearing on the record, revoke or suspend such certificate where it determines that such provider has significantly deviated from the standards, approved quality assurance system, or the norms published pursuant to this section unless such deviation is justified to the satisfaction of the Commission;

"(6) monitor reports by health care providers covered by this Act and the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963, for the purpose of assuring that the performance of such health care providers is in conformance with the approved quality assurance system and norms published under this section;

"(7) publish objective statistical descriptions of norms accumulated through experience and results of programs conducted under this Act and the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963;

"(8) conduct a program of research and development which shall have the objectives of—

"(A) improving the technology of assessing the quality of health care with emphasis on the outcomes of health care;

"(B) assessing and comparing the quality of health care provided under different delivery system arrangements;

"(C) analyzing the effects of providing information to consumers and improvement in the methods of information dissemination;

"(D) analyzing the impact of its quality assurance program upon the quality of health care for the American people; and

"(E) coordinating the collection, assimilation and cataloging of existing information regarding quality health care assurance programs of Federal, State, and local agencies and their relationships with one another, with due regard for the protection of the confidential nature of the doctor-patient relationship;

"(9) collect, summarize, and distribute information regarding the impact of medical services and the health status of the population of the United States;

"(10) provide technical assistance to providers of health care in the development of quality control programs;

"(11) study the levels, costs, and quality of health care under health care programs of the Federal Government;

"(12) analyze the need for standardization of medical record information and facilitate the development of a system of standard medical reference mechanisms;

"(13) prescribe a schedule of reasonable contingent fees for attorneys representing claimants in proceedings under section 1309; and

"(14) annually report to the President and to the Congress on the conduct of activities under this title (including results of studies conducted under paragraph (11)) together with such recommendations for additional legislation as the Commission may determine appropriate.

"(b) In developing quality health care assurance system criteria the Commission's consideration shall include but not be limited to existing State regulations, such standards as are in effect for Federal health agencies, and analysis of the results of the reinsurance program and the results of arbitration procedures under part B of this title.

"ADMINISTRATIVE POWERS

"SEC. 1303. (a) In order to carry out the provisions of this Act the Commission is authorized to—

"(1) appoint and fix for the compensation of personnel of the Commission in accordance with the provisions of title 5, United States Code;

"(2) make, promulgate, issue, rescind, and amend rules and regulations as may be necessary to carry out the functions vested in the Commission and delegate authority to any officer or employee;

"(3) acquire (by purchase, lease, condemnation, or otherwise), construct, improve, repair, operate, and maintain, research and other necessary facilities and equipment, and related accommodations as may be necessary, and such other real or personal property (including patents) as the Commission deems necessary; to acquire by lease or otherwise through the Administrator of General Services, buildings or parts of buildings in the District of Columbia or communities located adjacent to the District of Columbia for the use of the Commission for a period not to exceed ten years without regard to the Act of March 3, 1877 (40 U.S.C. 34);

"(4) employ experts and consultants in accordance with section 3109 of title 5, United States Code;

"(5) appoint one or more advisory committees (including a committee for the preparation and analysis of statistics) composed of such private citizens and officials of Federal, State, and local governments as it deems desirable, to advise the Commission with respect to its functions under this Act;

"(6) utilize, with their consent, the services, equipment, personnel, information, and facilities of other Federal, State, and local public agencies with or without reimbursement therefor;

"(7) accept voluntary and uncompensated services, notwithstanding the provisions of section 665(b) of title 31, United States Code;

"(8) accept unconditional gifts or donations of services, money, or property, real, personal, or mixed, tangible or intangible; and

"(9) take such actions as may be required for the accomplishment of the objectives of the Commission.

"(b) Upon request made by the Commission each Federal agency is authorized and directed to make its services, equipment, personnel, facilities, and information (including suggestions, estimates, and statistics) available to the greatest practicable extent consistent with other laws to the Commission in the performance of its functions with or without reimbursement. Where the Commission determines that such services, equipment, personnel, facilities, and information cannot be made available for utilization in a manner which would enable it to expeditiously perform its duties under this Act, the Commission may establish where necessary the programs necessary to accomplish its tasks.

"(c) Each member of a committee appointed pursuant to paragrph (5) of subsection (a) of this section who is not an officer or employee of the Federal Government shall receive an amount equal to the maximum daily rate prescribed by GS-18 under section 532 of title 5, United States Code, for each day he is engaged in the actual performance of his duties (including traveltime) as a member of a committee. All members shall be reimbursed for travel, subsistence, and necessary expenses incurred in the performance of their duties.

"(d) The Chairman shall be the chief executive and the administrative officer of the Commission and shall exercise the responsibility of the Commission with respect to—

"(1) the appointment and supervision of personnel employed by the Commission;

"(2) the distribution of jobs among the personnel of the Commission; and

"(3) the use and expenditure of funds.

"COMPENSATION

"SEC. 1304. (a) Section 5314 of title 5, United States Code, is amended by adding at the end thereof the following new paragraph:

"'(60) Chairman, Commission on Quality Health Care Assurance.'

"(b) Section 5315 of title 5, United States Code, is amended by adding at the end thereof the following new paragraphs:

"'(98) Members, Commission on Quality Health Care Assurance (10).

"'(99) General Counsel, Commission on Quality Health Care Assurance.'

"APPLICABILITY OF COMMISSION REQUIREMENTS

SEC. 1305. (a) Except as provided in subsection (b) the requirements established by the Commission pursuant to section 1302 shall apply to any provider of health care receiving assistance under this Act or the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 after the date of enactment of this title.

"(b) Any provider covered under this Act or the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963, may apply to the Commission for a temporary order granting a variance from any requirement or any provision thereof promulgated under section 1302 of this Act. Such temporary order shall be granted only if the provider files an application which establishes that—

"(1) the provider is unable to comply with a requirement by its effective date because of unavailability of professional or technical personnel or of materials and equipment needed to come into compliance with any requirement or because necessary construction, alteration, or modernization of facilities cannot be completed by its effective date; and

"(2) the provider has an effective program for coming into compliance with any requirement as quickly as possible with adequate interim safeguards for the protection of consumers of health care.

"(c) The Commission is authorized to grant a variance from any of its requirements or portion thereof whenever it determines or the Secretary of Health, Education, and Welfare certifies that such a variance is necessary to permit a provider to participate in a project approved by him designed to validate new and improved techniques of health care delivery systems.

"REPORTS AND MAINTENANCE OF RECORDS

"SEC. 1306. (a) Each provider, covered under this title, shall make, keep, and preserve, and make available to the Commission and the Secretary of Health, Education, and Welfare, such records regarding activities governed by this title as the Commission, in cooperation with the Secretary of Health, Education, and Welfare, shall prescribe.

"(b) The Commission shall prescribe rules and regulations as may be necessary with regard to inspection of the records and facilities of a provider.

"DISCLOSURE TO CONSUMERS OF HEALTH CARE SERVICES

"SEC. 1307. (a) A description of any health care plan covered by this title shall be published as required herein within ninety days after the establishment of such plan or when such plan becomes subject to this title.

"(b) A description of the plan shall be comprehensive and shall include, in a manner designed to be understood by the average enrollee, the following:

"(1) fees and prices;

"(2) scope of services included in benefit packages;

"(3) accessibility and availability of services including the location of the facilities, equipment available, hours of operation, practitioners by type and location, and amenities;

"(4) the name and type of administration of the plan; and

"(5) a statement of certification by the Commission.

"(d) The Commission shall monitor the provision of information by providers of care as required by this section. In any case in which information is disclosed or disseminated under this title and is subsequently found to be insufficient, inaccurate, or inaccurately disseminated the Commission shall take such action as is necessary to assure a full retraction of the inaccurate information together with a statement of new data in a manner similar to the initial disclosure or dissemination of such information.

"(c) The disclosure must also include procedures to be followed in presenting claims for benefits under the plan and the remedies available under the plan for the redress of claims which are denied in whole or in part.

"(f) Every provider shall furnish a copy of the plan description (including amendments or modifications thereto) described in subsection (b), to every enrollee upon his enrollment in the plan, and cause the same to be published, in a manner prescribed by the Commission, to the general public.

"PENALTIES

"SEC. 1308. (a) (1) Whenever the Commission after reasonable notice and opportunity for hearing to the provider finds that the provider has significantly deviated from the approved quality assurance system or is engaged in practices which significantly deviate from national or regional norms as determined by the Commission, the Commission shall notify the provider, and the Secretary of Health, Education, and Welfare that such provider shall be ineligible to participate in assistance under this Act and the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 and that the certificate of approval has been suspended until such time as the provider is found to be in compliance with the requirements established under section 1302. Hearings conducted under this section shall be held, where practicable, in a location convenient to the provider of health care.

"(2) Providers of health care, who have had their certificate suspended for a period, which the Commission determines to be unreasonable, shall have their certificate revoked and shall be liable for the repayment of part or all amounts received under this Act and the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963.

"(3) The Commission is authorized to make arrangements with providers of health care who have had their certificates revoked, for reimbursement of amounts received under this Act, and the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963, including deferred payments on such terms and for such periods as are deemed equitable and appropriate.

"(b) Any person who knowingly makes any false statement, representation, or certification on any application, record, report, plan or other document filed or required to be maintained pursuant to this Act shall upon conviction be punished by a fine of not more than $10,000 or by imprisonment of not more than six months or by both.

"ARBITRATION

"SEC. 1309. (a) A provider of health care that possesses a valid certificate of compliance issued under section 1302 may enter into a program for the equitable and expenditious handling of malpractice claims which may arise out of care and treatment of patients. Such programs shall be based upon agreements between the patients and the providers of health care to submit all disputes, not settled to the satisfaction of both parties, to binding arbitration in order to gain the benefits of such programs for patients and providers. Records of all such settlements shall be kept by each provider of health care, and submitted to the Commission in such manner as it shall prescribe.

"(b) An agreement to submit to binding arbitration under subsection (a) must be valid in the jurisdiction in which such agreement is made and shall provide for the selection of arbitrators in accordance with rules and regulations promulgated by the Commission. For these providers who shall establish arbitration programs as specified in this section, title 9 of the United States Code shall apply to such arbitration programs if the State or States in which the provider is located has not enacted legislation providing for the finality of arbitration decisions, or for parties to enter into agreements to arbitrate prior to a dispute.

"(c) Written findings of fact and conclusions of law shall be prepared for each arbitration proceeding held under this section. In each case the findings shall be certified by the arbitrator to the Commission. The Commission shall develop a systematic codification of all findings of arbitration proceedings undertaken pursuant to this section and shall publish such findings at least annually or more frequently at the discretion of the Commission. The Commission shall certify all findings of arbitration proceedings undertaken pursuant to this section to all appropriate State or local licensing or disciplinary boards for each such arbitration procedure under the territorial jurisdiction of such board.

"(d) (1) Every attorney who, in connection with any proceedings under this section for personal injuries or for death or for loss of services resulting from personal injury proximately caused by medical malpractice, accepts a retainer or enters into an agreement, express or implied, for compensation for services rendered or to be rendered in such proceedings whereby his compensation is to be dependent or contingent in whole or in part upon the successful prosecution or settlement thereof, shall, within thirty days from the date of any such retainer or agreement of compensation, sign personally and file with the Commission a retainer statement of such retainer or agreement of compensation containing such information as the Commission shall require.

"(2) An attorney retained by another attorney on a contingent fee basis as trial or appeal counsel or to assist in the preparation, investigation, or settlement of any such proceeding, shall, within thirty days from the date of such retainer, sign personally and file with the Commission a retainer statement of such retainer or agreement of compensation containing such information as the Commission shall require.

"(3) A closing statement shall be filed with the Commission with every proceeding in which a retainer statement is required containing such information as the Commission shall require.

"(4) All statements of retainer or closing statements filed with the Commission shall be confidential, and the information therein contained shall not be divulged or made available for inspection or examination except upon written order of the Chairman or the General Counsel of the Commission.

"(5) Any attorney who charges or collects, for services rendered in connection with any proceedings described in this subsection, any fee in excess of that allowed by the Commission, shall be fined not more than $1,000 or imprisoned for not more than one year, or both.

"PUBLICATION OF CRITERIA AND NORMS

"SEC. 1310. (a) The Commission may, by rule, promulgate, modify, or revoke any quality health assurance system criterion or norm in the following manner:

"(1) whenever the Commission upon the basis of information submitted to it in writing by an interested person, a nationally recognized standard-producing organization, the Secretary of Health, Education, and Welfare, or a State or political subdivision, or on the basis of information developed by the Commission, or otherwise available to it, determines that a rule should be promulgated in order to serve the objectives of this title, the Commission shall publish such proposed rule promulgating, modifying, or revoking a standard or criterion for a quality health care assurance system or norm in the Federal Register, and shall afford interested persons a period of sixty days after publication to submit written data or comments.

"(2) on or before the last day of the period provided for the submission of written data or comments, any interested person may file with the Commission written objections to the proposed rule stating the grounds therefor and requesting a public hearing on such objections. Within sixty days after the last day for filing such objections the Commission shall publish in the Federal Register a notice specifying the criteria for quality health care assurance systems or norms to which objections have been filed and a hearing request and specifying a time and place for such hearing. Hearings conducted under this section shall be held, where practicable, in a location convenient to the person filing such objection.

"(3) within sixty days after the expiration of the period provided for the submission of written data or comments or within sixty days after the completion of any hearing, whichever is later, the Commission shall issue and publish in the Federal Register a rule promulgating, modifying, or revoking standards, criteria for quality health care assurance systems or norms, or notice of a determination that a rule should not be issued. Such a rule may contain a provision delaying its effective date and such period (not in excess of ninety days) as the Commission determines may be necessary to insure that affected persons will be informed of the existence of the criteria or norm and of its determinations and that they are given an opportunity to familiarize themselves with the existence of the requirements of such criteria or norm.

"(b) Any person who may be adversely affected by the promulgation of a rule issued respecting criteria or norms under this section may at any time prior to the ninetieth day after such criteria or norm is promulgated, file a petition challenging the validity of such criterion or norm with the United States district court for the district where such person resides or has his principal place of business for a judicial review of such criterion or norm. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Commission. The filing of such petition shall not, unless otherwise stated by the court, operate as a stay of the criterion or norm. The determinations of the Commission shall be conclusive if supported by substantial evidence in the record considered as a whole.

"(c)(1) In the case of establishing criteria for the assimilation of objective statistical material required for the publication of norms, the Commission shall hold hearings only when it determines such hearings to be necessary.

"(2) The Commission shall publish in the Federal Register a summary and basis for the establishment of the criteria required by paragraph (1).

"(d) The Commission in compiling information for setting the requirements for this title shall solicit views and information from concerned entities.

"STATE JURISDICTION AND STATE PLANS

"SEC. 1311. (a) Nothing in this Act shall prevent any State agency or court from asserting jurisdiction under State law over any health issue with respect to which no standard, criterion or norm is in effect, under section 1302 of this Act.

"(b) Any State which at any time desires to assume responsibility for the development and enforcement of health standards, criteria or norms relating to any health issue with respect to which a Federal standard, criterion, or norm has been promulgated under section 1302, shall submit to the Commission a State plan for the development of such standards, criteria, or norms and their enforcement.

"(c) The Commission shall approve the plan submitted by a State under subsection (b) or any modification thereof only if such plan—

"(1) designates a State agency or agencies as the agency or agencies responsible for administering the plan throughout the State;

"(2) provides for the development and enforcement of health standards, criteria, or norms relating to one or more health issues which standards, criteria, or norms (and the enforcement of which) will be no less stringent than the standards, criteria, or norms promulgated under section 1302 which relate to the same health issues;

"(3) provides for a right to entry and inspection of all premises of providers of health care subject to this Act and the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 which includes a prohibition on advance notice of inspections;

"(4) contains satisfactory assurances that such agency or agencies have or will have the legal authority and qualified personnel necessary for the enforcement of such standards, criteria, and norms;

"(5) gives satisfactory assurances that such State will devote adequate funds to the administration and enforcement of such standards, criteria, and norms;

"(6) contains satisfactory assurances that such State will, to the extent permitted by its law, establish and maintain an effective and comprehensive health program applicable to all providers of health care of the State and its political subdivisions, which program is as effective as the standards contained in an approved State plan;

"(7) requires providers of health care in the State to make reports to the Commission in the same manner and to the same extent as if the State plan were not in effect; and

"(8) provides that the State agency will make such reports to the Commission in such form and containing such information as the Commission shall from time to time require.

"(d) If the Commission rejects a plan submitted under subsection (b), it shall afford the State submitting the plan reasonable notice and opportunity for a hearing before so doing.

"(c) After the Commission approves a State plan submitted under subsection (b), it may, but shall not be required to, exercise its authority with respect to comparable standards, criteria, or norms promulgated under section 1302, for the period specified in the next sentence. The Commission may exercise the authority referred to above until it determines, on the basis of actual operations under the State plan, that the standards, criterions, or norms set forth in subsection (c) are being applied, but it shall not make such determination for at least three years after the plan's approval under subsection (c).

"(f) The Commission shall, on the basis of reports submitted by the State agency and its own inspections, make a continuing evaluation of the manner in which each State having a plan approved under this section is carrying out such plan. Whenever the Commission finds, after affording due notice and opportunity for a hearing, that in the administration of the State plan there is a failure to comply substantially with any provision of the State plan (or any assurance contained therein), it shall notify the State agency of its withdrawal of approval of such plan and upon receipt of such notice, such plan shall cease to be in effect, but the State may retain jurisdiction in any case commenced before the withdrawal of the plan in order to enforce standards under the plan whenever the issues involved do not relate to the reasons for the withdrawal of the plan.

"(g) The State may obtain a review of a decision of the Commission withdrawing approval of or rejecting its plan by the United States court of appeals for the circuit in which the State is located by filing in such court within thirty days following receipt of notice of such decision a petition to modify or set aside in whole or in part the action of the Commission. A copy of such petition shall forthwith be served upon the Commission, and thereupon the Commission shall certify and file in the court the record upon which the decision complained of was issued as provided in section 2112 of title 28, United States Code. Unless the court finds that the Commission's decision in rejecting a proposed State plan or withdrawing its approval of such a plan is not supported by substantial evidence, the court shall affirm the Commission's decision. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

"(h) The Commission may enter into an agreement with a State under which the State will be permitted to continue to enforce one or more health standards, criteria, or norms in effect in such State until final action is taken by the Commission with respect to a plan submitted by a State under subsection (b) of this section, or two years from the date of enactment of this title, whichever is earlier.

"PROCEDURES TO COUNTERACT IMMINENT DANGERS

"SEC. 1312. (a) The United States district courts shall have jurisdiction, upon petition of the Commission, to restrain any conditions or practices by a provider of health care which are such that a danger exists which could reasonably be expected to cause death or serious physical harm immediately or before the imminence of such danger can be eliminated through the enforcement procedures otherwise provided by this title. Any order issued under this section may require such steps to be taken as may be necessary to avoid, correct, or remove such imminent danger or to maintain the capacity of a continuous process operation to resume normal operations without a complete cessation of operations, or where a cessation of operations is necessary, to permit such to be accomplished in a safe and orderly manner.

"(b) Upon the filing of any such petition the district court shall have jurisdiction to grant such injunctive relief or temporary restraining order pending the outcome of any enforcement proceeding pursuant to this title. The proceeding shall be as provided by rule 65 of the Federal Rules of Civil Procedure, except that no temporary restraining order issued without notice shall be effective for a period longer than five days.

"(c) Whenever and as soon as the Commission concludes that conditions or practices described in subsection (a) exist it shall inform the affected provider of health care of the danger and that it shall seek relief under this section.

"(d) If the Commission arbitrarily or capriciously fails to seek relief under this section, any person who may be injured by reason of such failure, or the representative of such person might bring an action against the Commission in the United States district court for the district in which the imminent danger is alleged to exist or the provider has its principal office, or in the United States District Court for the District of Columbia, for a writ of mandamus to compel the Commission to seek such an order and for such further relief as may be appropriate.

"DEFINITIONS

"SEC. 1313. For the purposes of this title, the term—

"(1) 'input measure' means assessment based on the qualifications of personnel, facilities, and equipment required to provide medical care;

"(2) 'process measure' means assessment based upon the conformance of medical decisions and actions taken in actual episodes of care to some defined standards of medical practice;

"(3) 'utilization characteristics' means those characteristics giving information concerning the rates of usage of components of the health care system such as the length of hospital stays, the number of doctor-patient contacts, and the number of hospital admissions in a year;

"(4) 'outcome measure' means assessment of care based upon health of patients during and particularly at the conclusion of episodes of care. Standards for clinical outcome should be based solely on the results of health care;

"(5) 'Commission' means the Commission on Quality Health Care Assurance;

"(6) 'norm' means a statistical range which reflects the parameters of acceptable quality health care practices existing at the time such norm is promulgated.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 1314. There are authorized to be appropriated for the carrying out of the provisions of this part $15,000,000 for the fiscal year ending June 30, 1974; $40,000,000 for the fiscal year ending June 30, 1975; and $70,000,000 for the fiscal year ending June 30, 1976."

TECHNICAL AMENDMENTS TO THE PUBLIC HEALTH SERVICE ACT

SEC. 204. (a) Section 1 of the Public Health Service Act is amended by striking out "titles I to X" and inserting in lieu thereof "titles I, II, and XIV".

(b) The Act of July 1, 1944 (58 Stat. 682), is further amended by renumbering title XII (as in effect prior to the date of enactment of this Act) as title XIV and by renumbering sections 1101 through 1111 (as in effect prior to such date) and references thereto as sections 1401 through 1414, respectively.

(c) Sections 767, 768, 769, 769A, and 769B of the Public Health Service Act (added by section 107 of Public Law 92-157) are redesignated as sections 769, 769A, 769B, 769C, and 769D, respectively.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized to make technical and conforming changes in the engrossment of the bill, S. 14.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. HUMPHREY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDER OF BUSINESS

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Mr. ROBERT C. BYRD. Mr. President, may we have order in the Senate? I beg the Senator's pardon for interrupting him, but I think we should have order in the Senate.

The PRESIDING OFFICER. The Senate will please be in order. The Senators wishing to conduct conversations will please retire to the cloakroom.

The Senator may proceed.

TRIBUTE TO MEMBERS OF THE ARMED FORCES WHO ARE MISSING IN ACTION IN INDOCHINA

Mr. BROOKE. Mr. President, in less than 2 weeks Americans will pause to pay tribute to the sacrifices of millions of men and women who have served our Nation in times of war.

This Memorial Day, as we commemorate the courage and devotion of those who made the ultimate sacrifice for us, we cannot forget the enduring anguish of thousands of Americans who do not know the fate of loved ones listed as missing in action in Indochina. The pain of uncertainty is exceptionally hard to bear. A wife does not know if she is a widow—a father and mother do not know if they have a son—Children ask "Where's Daddy?", and the only answer is hope and prayer. The American people share these hopes and prayers.

We were relieved when our forces returned from Indochina. We rejoiced when our prisoners of war came home. But our joy remains incomplete. The tragedy of Indochina lingers in many ways: In the skies over Cambodia and in the frequent cease-fire violations in Vietnam and Laos, and in the homes of the families and friends of 1,288 members of our Armed Forces missing in action throughout Indochina.

As we seek to halt the continuing hostilities in Indochina, we must pursue as relentlessly our efforts to resolve the status of our MIA's. We have in Thailand the Joint Casualty Resolution Center, which is poised to undertake the challenging assignment of determining the fate of our MIA's. Last month in Saigon, I met with the commanding officer of the JCRC, Brig. Gen. Robert Kingston, of Brookline, Mass. General Kingston outlined the immediate and comprehensive capabilities of the JCRC, but he underscored the crucial problem of our casualty resolution effort. Our teams cannot now operate in the areas of South Vietnam and Laos presently under control of the Provisional Revolutionary Government—PRG—and the Pathet Lao, respectively. While in Vientiane, I spoke with a representative of the Pathet Lao and urged as strongly as possible that the Pathet Lao move promptly to cooperate with U.S. casualty resolution teams in areas under their control. In Saigon, I made similar urgings to representatives of the PRG. In both cases, though I spoke for myself, I said that I was sure my feelings represented the mood of Congress and the American people who share the anguish of the families of our MIA's.

The resolution I offer sets forth the plight of our MIA's and their families, the responsibility and capability of the United States in resolving their status, and the need for cooperation by all parties in the Indochina conflict for such resolution.

Specifically, this measure calls for special remembrance of the MIA's and their families throughout Memorial Day 1973. It suggests that American motorists turn on their headlights on May 28 as a symbol of their remembrance.

I believe this special remembrance is important to remind the families of the MIA's that all Americans share their burden. But more important than remembrance is the need to end the anguish of the MIA's and their families. Section 3 of this resolution would express the sense of the Senate that—

> Every effort be made to secure the cooperation of all parties in the Indochina conflict to insure the fullest and most expeditious resolution of the status of members of the U.S. Forces missing in Indochina.

In the Senate today and across the Nation, Memorial Day, let us make clear that we all share the anxiety, hopes, and prayers of our MIA's and their families, as well as the determination to promptly and relentlessly determine the fate of these brave men.

I submit the resolution, and ask unanimous consent for its immediate consideration.

The PRESIDING OFFICER. The clerk will state the resolution by title.

Mr. ROBERT C. BYRD. Mr. President, may we have order in the Senate? Will the Chair ask Senators to take their seats and attaches to take seats?

The PRESIDING OFFICER. Will the Senate please be in order? The Senate is not in order. Will Senators please take their seats?

The clerk will state the resolution.

The legislative clerk read by title, as follows:

> A resolution to pay tribute to members of the Armed Forces who are missing in Indochina.

Mr. BROOKE. The following Senators are cosponsoring the resolutions:

S. Res. 115

Mr. Brooke (for himself, Mr. Abourezk, Mr. Baker, Mr. Bartlett, Mr. Bayh, Mr. Beall, Mr. Bennett, Mr. Bible, Mr. Buckley, Mr. Burdick, Mr. Clark, Mr. Cotton, Mr. Cranston, Mr. Curtis, Mr. Dole, Mr. Dominick, Mr. Eastland, Mr. Gravel, Mr. Griffin, Mr. Hart, Mr. Haskell, Mr. Inouye, Mr. Jackson, Mr. Mansfield, Mr. Mathias, Mr. McGee, Mr. McIntyre, Mr. Mondale, Mr. Moss, Mr. Randolph, Mr. Scott of Pennsylvania, Mr. Scott of Virginia, Mr. Stafford, Mr. Stevens, Mr. Taft, Mr. Thurmond, Mr. Tower, Mr. Williams, Mr. Young, Mr. Kennedy, and Mr. Humphrey.

Mr. Goldwater, Mr. Case, Mr. Bellmon, Mr. Percy, Mr. Saxbe, Mr. Pearson, Mr. Brock, Mr. Fannin, Mr. Fong, Mr. McClure, Mr. Helms, Mr. Hartke, Mr. Hatfield, Mr. Pastore, Mr. Gurney, Mr. Dominici, Mr. Ribicoff, Mr. Cook, Mr. Aiken, Mr. Hruska, Mr. Roth, Mr. Weicker, Mr. Javits, Mr. Hansen, and Mr. Magnuson.)

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. BROOKE. Mr. President, I move the adoption of the resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution was agreed to.

The PRESIDING OFFICER. Without objection, preamble to the resolution is agreed to.

The resolution (S. Res. 115), with its preamble, reads as follows:

S. Res. 115

Resolution: To pay tribute to members of the armed forces who are missing in Action in Indochina

Whereas, the United States recognizes its responsibilities for the 1,288 members of the Armed Forces who are currently listed as missing in action in Indochina;

Whereas, the United States is fully prepared to undertake the most comprehensive casualty resolution efforts as soon as all parties to the Indochina conflict are willing to cooperate in such efforts;

Whereas, the families of missing members of the Armed Forces are entitled to an accounting of their fate;

Whereas, the last Monday of May of each year was designated as Memorial Day, a special day in memory of those who lost their lives in war and as a day of prayer for permanent peace: Now, therefore, be it

Resolved, That on Memorial Day, May 28, 1973, special remembrance be given by a grateful people to the 1,288 members of the Armed Forces of the United States currently listed as missing in action in Indochina.

Sec. 2. All American motorists are encouraged to turn on their automobile lights throughout Memorial Day, May 28, 1973, as a symbol of this remembrance.

Sec. 3. Every effort be made to secure the cooperation of all parties in the Indochina conflict to insure the fullest and most expeditious resolution of the status of members of the U. S Armed Forces missing in Indochina.

Mr. BROOKE. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. TAFT. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

NATIONAL INSTITUTE OF HEALTH CARE DELIVERY ACT OF 1973

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 122, S. 723; that it be laid before the Senate and made the pending business.

The PRESIDING OFFICER. The clerk will state the bill by title.

The LEGISLATIVE CLERK. A bill (S. 723) to establish a National Institute of

Health Care Delivery, and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Labor and Public Welfare with amendments on page 3, line 13, after the word "title", strike out "X" and insert "XI"; in line 14, after the word "Title", strike out "XI" and insert "XII"; at the beginning of line 17, change the section number from "1101" to "1201"; on page 4, at the beginning of line 2, change the section number from "1102" to "1202"; at the beginning of line 24, change the section number from "1103" to "1203"; on page 9, at the beginning of line 9, change the section number from "1104" to "1204"; on page 12, at the beginning of line 24, change the section number from "1104" to "1205"; on page 13, at the beginning of line 1, strike out "(95)" and insert "(98)"; at the beginning of line 6, strike out "(131)" and insert "(132)"; at the beginning of line 9, change the section number from "1106" to "1206"; at the beginning of line 21, change the section number from "1107" to "1207"; on page 14, at the beginning of line 7, change the section number from "1108" to "1208"; at the beginning of line 24, change the section number from "1109" to "1209"; on page 15, line 12, after the word "be", insert "(1)"; on page 17, line 7, after the word "section", strike out "1113" and insert "1213"; in line 20, after the word "section", strike out "1110" and insert "1210"; on page 18, at the beginning of line 2, change the section number from "1110" to "1210"; at the beginning of line 22, change the section number from "1111" to "1211"; on page 19, at the beginning of line 10, change the section number from "1112" to "1212"; at the beginning of line 12, strike out "1113" and insert "1213"; in the same line, after the word "appropriated", strike out "$125,000,000" and insert "$80,000,000"; at the beginning of line 14, strike out "1973" and insert "1974"; in the same line, after the amendment just stated, strike out "$150,000,000" and insert "$125,000,000"; in line 15, after "June 30,", strike out "1974" and insert "1975"; in the same line, after the word "and", strike out "$200,000,000" and insert "$150,000,000"; in line 16, after "June 30,", strike out "1975" and insert "1976"; at the beginning of line 20, change the section number from "1113" to "1213"; on page 21, line 21, after the word "appropriated", strike out "$30,000000" and insert "$20,000,000"; at the beginning of line 23, strike out "1973" and insert "1974"; in the same line, after the amendment just stated, strike out "$35,000,000" and insert "$25,000,000"; in line 24, after "June 30,", strike out "1974" and insert "1975"; in the same line, after the word "and", strike out "$40,000,000" and insert "$30,000,000"; on page 22, line 1, after "June 30,", strike out "1975" and insert "1976"; and, at the beginning of line 22, change the section number from "1114" to "1214".

ORDER TO PROCEED TO CONSIDERATION OF S. 504, EMERGENCY MEDICAL SERVICES SYSTEMS DEVELOPMENT ACT OF 1973

Mr. MANSFIELD. Mr. President, I ask unanimous consent that on the disposition of the pending business, the Senate turn to the consideration of Calendar No. 126, S. 504; that it at that time be laid before the Senate and made the pending business.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

NATIONAL INSTITUTE OF HEALTH CARE DELIVERY ACT OF 1973

The Senate continued with the consideration of the bill (S. 723) to establish a National Institute of Health Care delivery, and for other purposes.

Mr. KENNEDY. Mr. President, let me say at the outset that I want to commend the distinguished Senator from Maryland (Mr. BEALL), who has provided great leadership in this particular area and has pressed this idea and concept forward with virtually unanimous support of the members of the Health Subcommittee. I think it is an extremely imaginative and creative proposal. I know the Senator from Maryland will have some extended remarks on this particular proposal, but let me say at the outset it is one which I endorse and support, and I am very hopeful the Senate will endorse it as well.

After the Senator from Maryland makes a statement on it, I think we may review with him some of the particular authorization levels that have been outlined in the legislation. We have just passed the Health Maintenance Organization legislation, with a total authorization of some $800 million. Last year we passed essentially the same piece of legislation with a figure of about $5 billion, and that perhaps measures the tempo of the times. However, I think as we address ourselves to the particular needs, we will perhaps want to review these figures to make sure that we meet our particular responsibilities.

Let me just say very briefly that we spend in excess of $2 billion in biomedical research. Our biomedical researchers have won some 44 Nobel prizes. No country in the world can possibly even begin to match the supremacy of the United States in the area of biomedical research.

I think to a great extent that has been because of the development of the National Institutes of Health and the strong support the National Institutes of Health have been given over recent years.

This particular bill seeks to do in the area of health delivery what has been accomplished in the biomedical research area. We are expending at the present time approximately $60 million in an experimental way for the delivery of health care.

I think the bill makes a great deal of sense. We have seen the extraordinary care that is given in certain parts of the country and the grossly inadequate care given in other parts of the country. Now we are attempting to further this effort and have the Senate consider health care delivery.

I think it is appropriate that at this time we hear from the distinguished Senator from Maryland (Mr. BEALL), who has worked hard in this area and has supported the concept with great strength in the past.

Mr. President, I believe that we need a National Institute of Health Care Delivery, but I also believe that its activities must be carried out in the closest cooperation with the proposed functions of the Commission on Quality Health Care assurance authorized by the HMO bill which has just passed the Senate. It is essential in my opinion for these two efforts to be implemented in a compatible manner.

Mr. President, I would now like to briefly describe the functions of the National Institute of Health Care Delivery.

The Institute's mission will be to carry out an accelerated multidisciplinary research and development effort to improve the organization and delivery in the Nation.

It also authorizes up to eight regional centers and two national special emphasis centers, a health care technology center, and a health care management center.

A 21-member National Advisory Council on Health Care Delivery will advise the Institute of the development, priorities, and execution of its program.

Since World War II, the United States has invested approximately $20 billion in biomedical research. This investment has produced many dividends in terms of major medical breakthroughs and has made the Nation preeminent in the world in medical research.

On the other hand, comparatively small investments have been made in research and developments to improve the organization and delivery of health care. Appropriations for fiscal year 1973 contrast our investment in medical research as compared to health care delivery research. The total outlays for fiscal 1973 for the National Institutes of Health, the Federal Government's chief biomedical research organization, is estimated to be $2.009 billion, while the estimated budget for the National Center for Health Services Research and Development for the same year is $64.4 million. By citing this contrast, I am not suggesting or implying that spending on medical research is out of line. To the contrary, the Congress has supported an acceleration of the Nation's research effort.

The American people are aware of and grateful for the achievements of medical science, but they are also aware of this "gap" which is a source of public dissatisfaction. Our citizens marvel at the miracle-like heart transplants that are taking place, but their plea to the health care community is to make available, accessible, and affordable the achievements, methods, and procedures developed by medical science over the last quarter to to one-half century.

To develop the means and methods to deliver the results of medical research and knowhow to our citizens, wherever they live and at a price they can afford, is the principal task facing our Nation and the health community. This is the challenge that will be the work of the National Institute of Health Care Delivery.

I wish to emphasize in very strong terms that the mandate given to the National Institute of Health Care Delivery will be very difficult to carry out and that it is, therefore, essential that the activiies of the Institute be undertaken in a prudent and orderly manner. The dual goals of the Institute are to enhance the breadth and effectiveness of health services research and development in the Nation through an expansion of available funds and through the transfer of the National Center for Health Services Research and Development to the Institute and to create a capability to carry out health policy research, development, and training through the staff of the Institute, and the regional and special emphasis centers.

While this innovative approach to policy research and formulation is, in my view, urgently needed and deserving of support, there are serious constraints which will plague this effort. These constraints are: First, there is in the Nation essentially no tradition of health policy research and development and no suitable models on which to base the establishment of a complex, large, and multifaceted research and development effort. Second, there is in the Nation essentially no body of experienced managers to initially head up an effort of the magnitude my amendment ultimately envisions. Third, there is in the Nation a critical shortage of qualified professional personnel in respect to the broad-based function of the institute and, therefore, the recruitment of adequate numbers of such persons will be arduous.

Given these formidable constraints, it is clear that it is not possible to draw a complete analogy between this proposed institute and the ongoing National Institutes of Health. When the NIH was established (in 1937), there was a large pool of well-trained biomedical researchers who were then constrained principally by the lack of money and resources with which to carry out high-level biomedical research. At that time, there was also a large body of potential investigators eager for training if resources could be made available. Such is not the case in health policy research today, in which there is only a small body of practitioners from economics, law, medicine, social services, et cetera, which has specialized in the conduct of the kinds of efforts which are intended to be carried out by the institute.

I believe that, if the efforts of the National Institute of Health Care Delivery are to be successful, priorities must be set which will take cognizance of these constraints. For example, the small number of qualified policy analysts lead me to the conclusion that only a few centers of excellence are possible at the outset of the Institute's activities. I also urge that the Institute devote a major share of its effort to the creation of a major intramural health care research effort analagous to the clinical center of the NIH.

S. 14, Mr. President, authorizes the establishment of the Commission on Quality Health Care Assurance. The need for a close and cooperative working relationship between the Commission and the National Institute of Health Care Delivery is essential.

Mr. President, I want to congratulate my friend and colleague on the committee, the junior Senator from Maryland (Mr. BEALL), who was the author of this legislation in the 92d Congress. His bill, S. 3329, which was introduced in the 92d Congress on the same day that I introduced the HMO bill, addresses a national need. And I want to take this opportunity to commend him for that and also to point out as chairman of the Senate Health Subcommittee, how helpful he has been to the subcommittee in this respect.

Mr. President, given the major reductions, the Senate has made in the authorizations in the HMO bill, I believe it is essential that we appropriately reduce the authorizations in this bill. Accordingly my amendment would propose to reduce the overall authority in S. 723 from $430 million to $390 million. I believe this is a prudent amendment and I hope it will be adopted by the Senate.

Mr. BEALL. Mr. President, at the outset, I thank the distinguished chairman of the Subcommittee on Health, the distinguished Senator from Massachusetts (Mr. KENNEDY), for his initial remarks, and to thank and commend him for the leadership he has shown in the total area of providing an opportunity for better health care for the people of our country. I am particularly grateful for the support he has given to this particular piece of proposed legislation, calling for a National Institute of Health.

The measure was cosponsored by Senators PETER DOMINICK, WILLIAM HATHAWAY, ERNEST HOLLINGS, JACOB JAVITS, JOHN PASTORE, TED STEVENS, and MILTON YOUNG. I am grateful for their support and assistance on this bill. This measure has been reported to the full Senate with the unanimous recommendation of the full Labor and Public Welfare Committee.

S. 723 amends the Public Health Service Act to establish a National Institute of Health Care Delivery as a separate agency within the Department of Health, Education, and Welfare. The Institute's mission will be to conduct a multidisciplinary, research, and development effort to improve the delivery and organization of health care in this Nation. In addition, S. 723 authorizes up to eight regional centers and two special emphasis centers, the Health Care Technology Center and the Health Care Management Center. The total authorized funding for the Institute, the regional centers, and the Special Emphasis Centers, will be $100 million for the first year, $150 million for the second year, and $180 million for the third year, for a total authorization of $430 million over a 3-year period.

I would point out, however, that the authorization for the Institute and the centers does not represent all new funds since the National Center for Health Services Research and Development is transferred to the new Institute, and the total outlays for fiscal year 1974 for this present Center is estimated at $64.4 million.

BACKGROUND AND NEED

Mr. President, I first made this proposal for a National Institute of Health Care Delivery in a June 25, 1971, speech in Gaithersburg, Md. Thereafter, I circulated reprints of the speech to various medical and health organizations and to many experts in the field around the country. The interest in the proposal was most encouraging. I was particularly pleased with the favorable editorial comment by the respected Science Journal. The comments, suggestions, and criticisms that I received were most helpful in molding the proposal into legislative form. I want to extend a special thanks to the Johns Hopkins University and the University of Maryland. Their faculties' interest and observations contributed significantly to the final bill. Before drafting this proposal, I also examined the administrative and organizational structure of the various Federal research and development efforts, as well as some private organizations.

I introduced this proposal in the last Congress as S. 3329 and the legislation was considered by the Labor and Public Welfare Committee in connection with S. 3327, the Health Maintenance Organization Development Act of 1972. The Labor and Public Welfare Committee last year incorporated the Institute as title V of the HMO legislation. The health maintenance organization legislation, including my proposal for a National Institute of Health Care Delivery, was subsequently considered and passed by the Senate on September 20, 1972, by a vote of 60 to 14. No opposition to the Institute was voiced during the Senate debate on the health maintenance organization legislation.

Senator KENNEDY reintroduced the HMO legislation this year as S. 14 in the identical form, which included the National Institute of Health Care Delivery, as passed by the 92d Congress. I also reintroduced my proposal for a National Institute of Health Care Delivery as a separate bill, S. 723. The Labor and Public Welfare Committee, in order to give this proposal the visibility and national attention it deserves, decided to report this measure as separate legislation.

Mr. President, since World War II, the United States has invested approximately $20 billion in biomedical research. This investment has produced many dividends in terms of medical breakthroughs. This effort has made the United States preeminent worldwide in biomedical research.

During the same period, comparatively small investments have been made in research and development to deliver the fruits of biomedical research to the American citizens. For example, the fiscal year 1974 total outlays for the National Institutes of Health, the Federal Government's chief biomedical research organization, is estimated to be $2.009 billion, while the estimated budget for the National Center for Health Services Research and Development is $64.4 million. I want to make it clear that the citing of this contrast does not suggest or imply that we are spending too much for biomedical research. For the record of this Senator, Congress, and the administration clearly reveals strong support for an accelerated attack against the Nos. 1 and 2 diseases of our citizens, heart and cancer. Biomedical research and health care delivery are inextricable pursuits. For as the famous 19th century chemist, Louis Pasteur, observed:

> To him who devoted his life to science, nothing can give more happiness than increasing the number of discoveries, but his cup of joy is full when the results of his studies immediately find practical applications.
>
> There are not two sciences. There is only science and the application of science and these two activities are linked as the fruit is to the tree.

The disparity in spending between biomedical research and health care research and development may help explain the preeminence of the United States in biomedical research and the deficiencies in our present health system, as well as the growing gap between what medical science knows and what is delivered to the patient.

I have talked to many Marylanders and citizens of this country. Although our citizens marvel and applaud the achievements of medical science, including the miraclelike transplants that are taking place, their first plea to the health community is not for more dramatic breakthroughs, although these are wanted, but for the health system to make available, accessible and affordable the achievements, methods and procedures developed by medical science over the last quarter to one-half century. The public is aware of the gap between the capabilities of medical science and what is delivered to the patient, and this is a source of much discontent.

Developing the means and methods to deliver the results of medical research to our citizens wherever they live and at a price they can afford will not be an easy task. It will be the difficult mission and challenge given the new Institute.

PRESENT EFFORTS INADEQUATE

Presently, the Nation's effort in this area is at the National Center for Health Services Research and Development. This Center presently is buried in the bureaucracy of the Department of Health, Education, and Welfare, being one of many units of the Health Services and Mental Health Administration.

This Center would be moved to the new Institute. At its present position in the Department, the Center for Health Services Research and Development lacks visibility and its clout is small. It lacks an effective organizational structure and the flexibility that characterizes many Government research and development organizations. It is not funded adequately. Its research function has been shortchanged and underemphasized. It does not even have a legislative mandate. I doubt whether many in Congress, other than those with a special interest in health or serving on the health or appropriations committees, know the Center exists.

Although some interesting efforts have been undertaken at the Center and elsewhere, one must admit that the efforts to date have contributed disappointingly little either to the solving of the problems of the present delivery system or to the producing of alternative systems. The fact is that important questions that had been raised about health care delivery 10 years ago, are still being asked today.

I do not believe that we can wait another decade for these answers. The committee shares this belief not only because of the urgency of our present problems, but also because we will be making fundamental decisions with respect to the directions of health care delivery in the near future and we need all the information and wisdom we can gather so that the decisions made will be the best possible. The new National Institute of Health Care Delivery, with a clear mandate from Congress, top management, the necessary organizational structure and administrative provisions, and with adequate resources, will help us to find the answers to the many health care delivery questions and help make health care delivery in the United States as important as medical research.

LOCATION AND APPROACH

The new National Institute of Health Care Delivery will be a separate agency within the Department of Health, Education, and Welfare. Its organization position within the Department will be comparable to the National Institutes of Health. This position is needed because of the importance and urgency of health care delivery problems. It is necessary if the Institute is going to attract top management and talented men and women required for this undertaking. This elevated structure will give health care delivery research and development greater visibility and raise its stature among the public, the health community, and within the government. The Institute's new structure will enable it to have a strong voice for a needed increased investment and interest in research and development in health care delivery.

The Institute will provide a creative environment wherein multidisciplinary teams from such academic disciplines as health, medicine, engineering, science, accounting, statistics, social sciences, architecture, law, education, and the management sciences can interact and focus their attention and generate action oriented research on the critical and complex problems of health care delivery.

The importance of the multidisciplinary approach was underscored in a 1972 speech by Prof. William B. Schwartz of the Tufts University School of Medicine when he said:

> There is a clear implication that the problems will require a multidisciplinary approach—we are not simply dealing with economic problems to be formulated and analyzed by economists or manpower problems to be dealt with by physicians. The problem of delivery or primary medical care, for example, obviously has an enormous number of facets. It involves not simply a question of more and larger medical schools training more physicians but a range of issues including the maldistribution of physicians, inducements to rural and ghetto practice, restriction of physician entry into specialities that are overpopulated, the use of allied medical personnel to replace physicians in the delivery of primary care, the introduction of computer-aided diagnosis and management as a means of upgrading the non-physician's performance and increasing his range of responsibilities, the use of television as a link between doctors and patients, and the introduction of new transportation strategies as a means of making high quality care available to areas of low population density.
>
> In weighing these approaches, consideration must also be given to patient acceptance of new personnel and new technology, to the reliability of computer-aided diagnosis and management, to the response of the physician to incursions of new health personnel and new technology into his domain, to legal problems related to licensure and malpractice, to the time lags involved in the introduction of new strategy, and to the trade-off between quality and quantity that is implicit in changing the traditional patterns of health care. Only in this way can we allocate resources appropriately and can a desirable mix of manpower and technology be brought to bear.

There is another important concept in research and development; namely, "critical mass." This term originated in nuclear physics where critical mass is defined as the amount of radioactive material needed to produce a self-sustaining nuclear reaction. In research and development, critical mass refers to the minimum size and composition needed to achieve the important self-sustaining creative atmosphere for the undertaking. In theoretical basic research, one or two researchers may be the critical mass. On the other hand, in complex and larger research efforts, the critical mass may be hundreds of individuals from many disciplines. In complex and large undertakings where the critical mass is not achieved, researchers tend to pursue smaller tasks individually. The smaller efforts of individuals doing their "own thing" do not often cumulate to produce major efforts. Today we have inadequate numbers of people trained and experienced in this area, and those with this experience are dispersed throughout the Government, universities, and research institutions. As a result, the synergism that can occur when a critical mass of people who are problem solvers from many academic disciplines interact has not yet been adequately developed.

POLICY ANALYSIS ROLE

We also need to develop a strong capability in health care policy analysis. The United States, in reality, today has no overall health policy although there is growing recognition of the need for one.

Even the Department of Health, Education, and Welfare with its enormous responsibility in the health field, has no cadre of full-time professionals solely committed to policy research and analysis. At the Secretariat level, there are a handful of individuals dealing with these matters, but their time and efforts are too often devoted to dealing with present crisis or "firefighting" rather than examining the long-term issues, no matter how important the latter may be.

I might also add that the situation here in the Congress is even more critical. We in Congress should consider establishing a Joint Committee on Health to serve as adjunct to the respective legislative committees of both the House and the Senate. Such a committee could serve a role to the congressional committees with jurisdiction in the health area, similar to that played by the Joint Committee on Taxation in supporting and complementing the Ways and Means and Finance Committees.

It is clear that the resolution of major policy issues will shape the future of health care delivery in the country. Thus, there is an urgent need to develop analytical capabilities to cope with the large, complex and longrun issues, while the Nation continues to address the immediate problems in the health field.

Policy analysis then will be an important assignment of the Institute through its policy analysis division. As the committee report says:

> Policy analysis will be an important part of the work of the Institute. The Committee intends that there be established within the Institute a Health Policy Analysis Division to enable groups of professionals to concentrate on long-term policies in the health field.

INSTITUTE'S MANDATE

The Institute will be headed by a Director, appointed by the President, with the advice and consent of the Senate. The salary of the Director will be at executive level 4, which is similar to and competitive with other Federal research and development agencies. The Institute will also have a Deputy Director, also appointed by the President, and not to exceed four Assistant Directors, selected by the Director.

It will carry out its functions through an inhouse capability and through an extramural effort at the regional health care centers and its two National Special Emphasis Centers, to the Health Care Management Center, and the Health Care Technology Center, as well as broad authority to: First, make grants to States, political subdivisions, universities, hospitals, and other public or nonprofit agencies, institutions, or organizations, and second, contract with public or private agencies, institutions, or organizations for the conduct of research and development, experiments, studies, demonstrations, and the training of individuals to plan and conduct such efforts.

The objectives and mandate of the Institute will be broad. It will pursue all methods and opportunities to improve and advance the effectiveness, efficiency, and quality of health care delivery in the States, regions, and communities of the United States through initiation and support of studies, research, experimentation, development, and demonstration of, but not limited to, 22 specific functions which are spelled out in the legislation. I read these functions as follows:

> (1) The existing health care system, emphasizing means and methods to improve such systems and the devising and testing of alternative delivery systems;
>
> (2) Health care systems and subsystems in States, regions, and communities which give special attention to the effective combination and coordination of public and private methods or systems for health care delivery;
>
> (3) Preventive medicine and the techniques and technology, including multiphasic screening and testing, to improve the early diagnosis and treatment of diseases, particularly for preschool children;
>
> (4) Systems and technical components of emergency health care and services (including at least one experimental statewide helicopter transportation emergency care system), which utilize, where possible, the skills of returning military corpsmen;
>
> (5) Systems and components of rural health services;
>
> (6) The development of policy with respect to long-term care, particularly for mentally and physical handicapped individuals and senior citizens, with special emphasis on alternatives to institutionalization, including the use of home health aides;
>
> (7) Methods to meet the Nation's medical manpower requirements, including new types of manpower and their utilization and the extent to which tasks performed by physicians and other health professionals may be safely delegated to other appropriately trained individuals in both new and existent health occupations;
>
> (8) Continuing education and the exploration of programs and methods to help health professionals to stay abreast of current developments and to maintain professional excellence;
>
> (9) Health manpower credentialing, licensing, and certification;
>
> (10) The medical malpractice problem, particularly as it relates to quality care, the practice of "defensive medicine" and added costs to the public;
>
> (11) Programs for educating health manpower and the accreditation of such education programs;
>
> (12) Application of all forms of technology, including computers and other electronic devices, in health care delivery;
>
> (13) The efficiency, management, and utilization of new and existing health care facilities including studies of admission practices and examination of cost-finding techniques;
>
> (14) The development of tools and methods to improve planning, management, and decisionmaking in the health care system;
>
> (15) The development of information by which quality, efficiency, and cost of health care may be measured;
>
> (16) The development of uniform accounting practices, financial reporting, and uniform health records;
>
> (17) The development and testing of incentive payment mechanisms that reward efficiency in health care delivery without compromising the quality of care;
>
> (18) The needs of individuals, families, and groups for health care and related services, emphasizing the various life styles, including environmental, recreational, and nutritional factors that bear on an individual's health; identification of those factors affecting acceptance and utilization of health care and related services; and the development of educational materials and methods communicating to the public the importance of personal decisions and actions on health;
>
> (19) The economics of health care and related services, and the impact of the total system of health care delivery and related services upon the standards of living and the general stability of the national economy;
>
> (20) Proposals for the financing of health care, including the potential cost and benefits, and their impact on the health care system;
>
> (21) Concepts and data essential to formation of a factual basis for national health policies; and
>
> (22) The effects on health care delivery of the organization, functions, and interrelationships of Federal, State, and local governmental agencies and programs concerned with planning, organization, and financing of health care delivery.

Mr. President, I would like to make some comments on a number of the specific functions assigned to the institute. It will examine the ways physicians and other health professionals are organized and utilized and the extent to which tasks performed by such professionals may be delegated to other appropriately trained individuals. With respect to any illness, we can combine the talents of medical personnel in various ways. Take a routine physical examination. It may be performed entirely by a doctor, by a doctor-nurse combination, with the nurse taking the medical history and the patient's temperature, or by a doctor-nurse-technician team where the technician performs many of the tests and the doctor's role is limited to the interpretation of the results such as in multiphasic screening. These different approaches to the routine physical examination may produce medical care of the same quality.

They, however, carry vastly different implications, both in terms of cost and the utilization of the physician's scarce time. Similiarly, experts tell us that from 70 to 80 percent of the pediatrician's medical task could be performed by a trained physician-assistant, such as nurses. Furthermore, it is generally felt that doctors spend too much time on routine tasks, including 25 percent of their time on business, such as bookkeeping, billing, ordering supplies, et cetera. Also, it has been estimated that nurses spend up to 25 percent of their time on paperwork. We need to explore all of these areas and to improve our utilization of scarce medical personnel.

The institute will study the manpower credentialing and malpractice problem. Both of these issues have been examined recently, but it is important that an examination and followup on these reports be made. Indications are that malpractice insurance may cost some hospitals as much as $2 a day per patient. The malpractice problem has also resulted in what some refer to as "defensive medicine" under which certain tests or procedures are ordered which may not be really necessary in order to protect a physician from a possible charge of negligence. The institute could use the Federal Government's Public Health Service hospitals and outpatient clinics if license laws prove to be an obstacle to experimentation on the use of new categories of health manpower. Successful experimentation in these Federal facilities should encourage their use elsewhere.

The new institute also will have the responsibility of examining the efficiency, management, and utilization of new and existing health care facilities including studies of admissions practices, financial reporting, and uniform health records.

Some medical experts estimate that as many as 30 percent of hospital admissions are unnecessary. With the average cost of a single day's stay in any hospital being $100 in many urban areas, it becomes important to avoid unnecessary hospitalization. The U.S. Chamber of Commerce in their excellent study, "Improving Our Nation's Health Care System: Proposals for the Seventies," pointed out the need and potential for operational analysis to control cost saying:

> Operational analysis by hospitals should quickly become widespread. One hospital director has in effect a predicted length of

> stay profile for each diagnosis, to use in measuring a doctor's performance. He requires a prospective rather than a retrospective hospital utilization review to be carried out, so that each discharge can be measured against the predicted length of stay for that diagnosis. He suggests greater reward for doctors whose performance results in lowering community costs.
>
> The average length of stay in his hospital is much lower than surrounding institutions. These illustrations suggest the scope for applying to the hospital cost-saving operational analysis familiar to industrial engineers for a generation or more.

An article in Medical Economics of December 1971 featured Parkview Hospital in Indiana which operates with one-fourth fewer employees per patient than comparable hospitals nationally, and at no apparent sacrifice in the general level of care. The cost per patient at this hospital was $58.09 compared with an average of $83.11 for other Indiana hospitals with 250 beds or more.

While I have not evaluated these particular situations personally, I believe they illustrate the potential for operational analysis and the desirability of uniform accounting rules and reporting so that administrators will be able at least to compare the cost and quality of their facility with comparable facilities elsewhere. This should be a useful tool in moderating health costs.

There is also the serious problem of communities and professionals competing for the most advanced and expensive equipment. This often results in unnecessary duplication. Open-heart surgery is a good example. One hospital director has said that open-heart surgery requires a team of 12 doctors, nurses and technicians on constant standby and that 50 operations are needed a year in order to keep the team at its maximum effectiveness and efficiency.

Yet, of the 800 hospitals equipped to do this surgery, one-third do not have a single operation in a year, let alone 50.

A 1972 General Accounting Office study pointed out that the problem of duplication also exists at the Federal Veterans Hospitals. The study noted that since 1965 the Veterans Administration has established 23 open-heart surgery centers in its hospitals and that only 7 centers during fiscal year 1971 performed the minimum number of open-heart operations considered necessary.

The Institute would have a mandate to develop and test incentive payment mechanisms that reward efficiency in health care delivery without, of course, compromising the quality of health care.

The Institute would also examine the applications of all forms of technology including computers and other electronic devices in health care delivery. In this connection the Institute along with the Health Care Technology Center, will examine data processing, which has become standard in other segments of our society. One of the Nation's aerospace corporations did a study of the famed Mayo Clinic and they found that in a $1,000 hospital bill, $300 went to unproductive information handling and filing. Alarmingly, they also found that with all the red tape required, 12 individual steps were needed merely for an X-ray picture—there was one chance in six that the hospital test had some error in it.

The potential of data processing has been illustrated in my State by the Maryland Blue Cross—computer link arrangements with 30 Maryland hospitals. This has enabled Blue Cross to cut its costs of processing patients' admissions and claims by 30 percent from $3.60 per claim to $2.52 per claim.

The Institute will also encourage the development of preventive medicine and the techniques and technology, including multiphasic screening and testing, to improve the early diagnosis and treatment of diseases, particularly for preschool children. One issue that needs to be answered here is the cost and benefits associated with annual physical examinations or periodic physical examinations at critical ages. With the growing evidence regarding the importance of the early learning years and the growing interest in early childhood programs, I believe it is important that we develop techniques for early detection of physical or mental difficulties that children may have. That is why I have particularly emphasized the early diagnosis for preschool children.

The Institute will give special emphasis to the development of systems and components of rural health services. Certainly, there is little disagreement with respect to the need to upgrade health care in many rural areas.

The Institute will develop policy with respect to long-term care, particularly for mentally and physically handicapped individuals and senior citizens, with special emphasis on alternatives to institutionalization, including the use of home health aids. Long-term care was one of the areas of concern at the White House Conference on Aging. I believe that society's experience in other areas such as mental retardation demonstrates that alternatives to institutionalization are possible.

The Institute will develop and test systems and technical components of emergency health care and services—including at least one experimental statewide helicopter transportation emergency care system—which utilize, where possible, the skills of returning military corpsmen. This is a neglected area and has been aptly called the "hidden crisis in health care." Injuries are the chief killer of Americans aged 1 through 38. All of us are potential victims. Yet, the fact is that a trauma victim in Vietnam probably has a better chance of survival than an accident victim in the United States. This is because the military, during the Second and Korean Wars developed a highly organized system for transporting and caring for the emergency victim. This procedure has been perfected in Vietnam to such an extent that former Secretary of Defense Laird, during the war was able to declare that the death rate of such victims in Vietnam was near zero.

The technology and know-how is there; all we have to do is organize on a rational basis and apply these lifesaving methods. Heart attack victims could also benefit from improved emergency care arrangements, as some experts have estimated that prompt and early care might potentially save 150,000 heart attack victims annually.

My own State of Maryland, for example, is a pioneer in the emergency health field with one of the Nation's most sophisticated trauma centers, which was recently named the Institute for Emergency Medicine. The State has announced plans to develop a statewide emergency medical system. I work closely with the State and they have received a major grant to develop a communications system. They have now four helicopters in operation and need three or four more. When such a system is operational, the able director of the institute, Dr. R. Adams Cowley, predicts that accident deaths in Maryland could be cut in one-half in 2 years.

TRAINING AND TECHNICAL ASSISTANCE

The Institute will develop methods and support training of individuals to plan and conduct research, development, and evaluation of health care delivery and provide technical assistance and develop methods for the transfer of new knowledge, components, and systems to the health community. The Institute is also authorized to exchange information and collaborate with other countries for the advancement of health care delivery in the United States. The Institute and its affiliated centers will also provide an opportunity for individuals from industry, local and State government and Federal agencies to receive training.

In addition, alumni of the Institute and centers will be available for administrative and policymaking positions in the health community.

These responsibilities are critical. Our ability to expand research and development in the health care delivery field will require additional skilled and trained personnel. Yet the number of economists, physicians, engineers, lawyers, and other experts qualified by training and experience to work in health care research and policy analysis field is limited. I believe that the broad authority granted to the Institute and its centers to develop methods and support for the training of individuals in this field will enable the production of the required manpower.

The Institute should seriously explore the fellowship and training grant mechanism employed so successfully by the National Institutes of Health to lure young talent into Biomedical Research. Basically, NIH uses two approaches. First, following an individual's intern or residency, fellowships are available on a national competitive basis for research. The competitive nature of the fellowship program plus the preeminence of the National Institutes of Health have combined to make this mechanism most successful.

Second, certain universities become training centers for a specific area, for example, heart diseases, and that institution is given a grant by the National Institutes of Health which enables the Institute to attract researchers.

The critical importance of the training function make it imperative that the Institute capitalize on the experience of NIH and others and provide the support necessary to produce first-rate professionals in this field.

The Institute may also consider the scholarship approach for postdoctoral work as this might encourage the flow of skilled individuals to create a cadre of professionals sharing common analytical concepts of understanding. The Institute may also determine that long-term appointments are needed to attract individuals from academic life and this certainly would be possible under the broad authority also. Furthermore, the Institute or the Centers may be supporting or conducting seminars in this area. These examples are only cited as illustrative of the broad authority provided to the Institute and the Centers. The specific training program, incentives, and personnel policies will be decided by the Director.

It cannot be emphasized too much the importance of this training function for as the committee report notes, "The committee believes that the requirement and training of top caliber personnel must be an important priority of the Institute, for the ultimate success of the enterprise will depend on men and women who direct and work in the Institute and its Centers.

The new Institute will also have a major evaluation role. The Institute will evaluate the quality, effectiveness and efficiency of Federal health programs, including medicare, medicaid, and the maternal and child health programs of the Social Security Act. For such evaluation, the Secretary of Health, Education, and Welfare is authorized to transfer the evaluation funds appropriated pursuant to section 513 of the Public Health Service Act as he deems necessary.

The Institute will have more expertise, talent and objectivity for evaluation of programs than probably any other Federal agency, and I believe its utilization for this purpose will be exceedingly desirable. There is general agreement that more and improved efforts in evaluation are needed.

EXPERIMENT INCENTIVES

The legislation also provides for supplemental incentive grants to encourage experimentation. The basic thrust of this section is that when the National Advisory Council designates a project or a health facility as essential to the research and development efforts of the Institute or centers, and where it was determined that such experimental efforts would not be undertaken without this incentive, the Director could increase or supplement the regular Federal grant-in-aid health programs up to 80 percent.

For example, under Hill-Burton, the Federal program for health facility construction and modernization, the Federal matching in general cannot exceed two-thirds. Assuming that a particular facility was designated as essential, this section would enable the facility to receive 80 percent Federal matching. Not more than 10 percent of the funds authorized by this legislation could be used for these incentive grants to encourage experimentation.

REPORTS

The Director of the Institute, within 1 year after his appointment and prior to February 1 of each year thereafter, is required to prepare and submit to the Secretary of Health, Education, and Welfare for transmittal shortly thereafter to the President and the Congress, a written report including: First, an appraisal of the Institute's activities, and accomplishments; second, a summary of its significant research and development findings; third, an identification and recommendation concerning those factors or barriers which inhibit implementation of the Institute's significant findings or prevent innovation in health care.

ACTIVE ADVISORY COUNCIL

The Institute will have a prestigious National Advisory Council on Health Care Delivery. This Council will have 21 members, including the Secretary of Health, Education, and Welfare, the chief medical officer of the Veterans' Administration, a medical officer designated by the Secretary of Defense, the Director of the National Institutes of Health, the Administrator of the Health Services and Mental Health Administration, and the Director of the National Institute of Health Care Delivery as ex officio members. The other 15 members will be selected by the President from persons who are leaders in the field of medical science, or the organization, delivery or financing of health care; leaders in the management sciences; or representatives of consumers of health care.

In selecting the membership of this Council, it is my intention that the President search for the most distinguished and talented individuals available. The legislation does not spell it out, but it is my intention, and that of the committee, that at least one of the Council members be a practicing physician. At least seven of the Council members must be representatives of consumers. The President will designate the Chairman of the Council, and they will meet at the call of the Chairman, but not less than four times a year.

The bill contemplates an active Council, and specific responsibilities are delineated in the legislation. The Council will be responsible for reviewing the programs, policies, and priorities of the Institute; examining and coordinating health care delivery efforts within the Department of Health, Education, and Welfare and other Federal agencies so as to avoid duplication; assuring that significant research and development findings are communicated throughout the health system and to the public; and evaluating the impact of the Institute's research and development efforts on the health care system.

The Council will be independent and will have its own Executive Director. If the Council is to enjoy the independence that the legislation envisions, it is important that it have a top staff person accountable only to the Council.

The Council under the measure would also be required to submit, as an appendix to the Director's report which I previously discussed, a summary of the progress of the Institute in achieving the bill's objectives and the Council's evaluation of the status of health care delivery and research and development in the Nation. Any minority views of Council members will also be included in this report.

NEEDED ADMINISTRATIVE PROVISIONS

In drafting this legislation, I have studied the various Federal research and development agencies such as the National Institutes of Health, the National Aeronautics and Space Administration, the National Science Foundation, and the National Institute of Education, which was enacted into law last year. We have given to the Institute the administrative provisions which seem to be important to a successful research and development effort.

Thus, the new Institute and centers are provided a flexible personnel system to enable the attraction of the most qualified and talented individuals. This will include the authority, when the Director deems it necessary, to establish the entrance pay level up to two grades higher than it otherwise would be and the authority to appoint a percentage of the employees without regard to civil service laws.

The new Institute is granted the authority to carry over unexpended funds from 1 year to the next. This is vital and will permit the Institute to provide stable funding for multiyear projects which are important in research and development.

The new Institute would be given joint funding authority which will enable the waiver of certain requirements for undertakings where funds are advanced to a single project by more than one Federal agency. The frustrating experience that Johns Hopkins University had in my State when they were moving to establish a prepaid practice program in Baltimore City, illustrates the need for this kind of authority. To put their program together, Johns Hopkins had to deal with 13 different agencies, each with different standards and requirements. Program fragmentation and different, inconsistent rules and regulations almost made the program come apart before it was implemented.

The health programs of the Federal Government are divided in nine departments and at least one dozen agencies. There are a number of provisions in my bill aimed at this problem. First, there is a specific provision directing the establishment within the Institute of offices and procedures necessary to provide for the greatest possible coordination of research and development under the act with activities conducted by other Federal agencies and public and private agencies.

Second, the National Advisory Council has a specific assignment to examine and coordinate health care delivery efforts of the Department of Health, Education, and Welfare and other Federal agencies so as to avoid duplication.

Third, the President is granted for a 2-year period, the authority to transfer to the Institute any program or personnel within the Department of Health, Education, and Welfare when he feels such action is desirable.

DISSEMINATING RESULTS

Mr. President, it is important that the results of the Institute and its centers be disseminated in a timely manner to the health care system and to those Federal agencies responsible for health services. Significant results are of little value if they remain on some shelf or in some Federal storage room. Health is a field which the president of Blue Cross recently characterized as "restlessly in transition." Health is a field in which change may occur rapidly and I believe it is imperative that health researchers and administrators be kept up to date with respect to current development.

To assure that the significant findings are disseminated to the health system and to the public, there would be created within the Institute a Health Care Delivery Information Service. This office would provide, or arrange for, the provisions of indexing, abstracting, translating, or other services leading to a more effective dissemination of health care delivery information and undertake programs to develop new or improved methods for making such information available.

A variety of media could be used by the Health Care Information Services, including a computerized storage and retrieval system, microfiches and suitable periodicals or other publications. The office might also publish or support a monthly journal which would abstract both national and international literature bearing on health services. In addition, it would be useful for the office to establish or to encourage the establishment of a high quality, timely publication service for research reports, monographs, state of the art papers, and other information in the field.

In addition to making certain that the timely information reaches individuals in the health system, the office is expected to help prevent needless duplication of research efforts and the waste of scarce Federal resources.

REGIONAL AND SPECIAL EMPHASIS CENTERS

S. 723 also authorizes a maximum of eight regional centers and two special emphasis centers, the Health Care Technology Center and the Health Care Management Center. The objectives of the regional centers are: First, to enable the study of the different health care problems of the various regions of the Nation; second, to broaden and strengthen the Nation's research and development base in health care delivery; and third, to link better research and development with actual practice.

It may also be desirable, in addition to the above general purposes and programs, that some or all of the regional centers might specialize in an area or areas such as the malpractice problem and other medical-legal issues; and information handling problems.

The location of the regional centers will be determined by the National Advisory Council. This Council, to the extent feasible, is directed to provide broad geographical dispersion of the centers. When all of the centers are operational, each region of the Nation will be served by a center.

I do want to emphasize that the bill authorizes, not to exceed eight regional centers. I want to underscore the admonition in the committee report that "It is not the intent of the committee that all eight centers be created initially." The committee, mindful of the manpower and other constraints, by this language is stressing our intent that we desire the regional centers to be of highest quality. While I envision that all eight centers will be operational sometime in the future, I want to reach that number without sacrificing quality.

Thus, it may be desirable that only two centers be established at the outset. Then, as the Institute's training efforts begin to produce the additional trained manpower, more centers would be established. An added advantage of this approach is that the experience of the early centers should enable subsequent centers and the Congress to learn and make adjustments as experience indicated were necessary.

The regional centers will be funded initially by the Institute for up to 3 years. Thereafter, following a review of each center's work and operations, by the Director and upon the recommendation of the National Advisory Council, the Director may extend the centers for an additional period of not more than 3 years. After this period, it is my intent that the majority of the regional centers' support will be program support in competition with other institutions. I also hope and believe that the States in the regions in which the various centers are located will utilize the centers for research, development, and evaluation.

Thus, at the end of the 6-year period, the success of the center will be determined by the quality of their efforts and the degree of interest shown in their work by the States, local governments, private foundations, industry, and the health care community within the area in which the centers are located. These centers may be managed by a university, or a number of universities and colleges under a consortium arrangement, or by public and private organizations and associations, both profit and nonprofit.

SPECIAL EMPHASIS CENTERS

Two special emphasis centers, a Health Care Technology Center and a Health Care Management Center are also authorized.

The Health Care Technology Center will focus on all forms of technology, including computers, and electronic devices, and its application in the improvement of health care.

Technological advances in such areas as space, communications, and data processing in the last decade have been almost unbelievable. Yet, the technology has not made a similar impact on the health system. In fact, much of the health care system continues to employ the same manual procedures used at the turn of the century. We need to wed 20th century technology with 20th century research to improve the delivery of health care. This will be the assignment of the Health Care Technology Center.

President Nixon, in a number of messages to the Congress, has emphasized the need to encourage the application of science and technology to the solution of domestic problems. In his March 2, 1972, health message, the President specifically identified health as a "vital area" for exploiting technology.

One must confess that the expectations, particularly in the 1960's, that technology would produce a "revolution in health care" have not materialized. The Health Care Technology Center is expected to provide the leadership and mobilize the Nation's involvement and interest in the development and utilization of technology. Particular attention needs to be paid to the involvement of private industry, for the successful development of technology depends, to a great extent, on the interest and actions of private industry. Industry's limited involvement in the health technology area today results from a number of factors including the diffused markets of the health field; the limited success achieved to date; and the Government's failure, to give priority to the utilization of technology in solving of health problems as has been done, for example, in space and defense.

Technological solutions are not likely to result unless the above difficulties are addressed.

There is a need to aggregate both health resources and markets. Once this occurs, I believe industry will identify and take advantage of the economics of scale that generally results from larger markets.

I am convinced that there are steps that the Federal Government in general and the Health Care Technology Center in particular can take to encourage technological development in the health area.

For example, various agencies of the Federal Government operate their own health systems, such as the Defense Department and Veterans' Administration. These Federal health systems offer the opportunity for a market sufficiently large to attract industry investment.

Second, the Federal Government could identify potential opportunity for technological solutions and solicit competitive bids through requests for proposals (RFP's) as is done by the Defense Department. Thereafter, there could be full funding of a prototype followed by a guarantee that a sufficient number would be purchased to insure a profit. The units produced could then be sold, loaned, leased, or donated to invididuals or organizations that would use them effectively.

A decision, for example, could be made by the Federal Government to do something about the problems of the visually handicapped in the country. There are about 400,000 legally blind persons in the Nation today. It has been estimated that many of them have a significant amount of visual perception in at least one eye. Optical devices, such as eyeglasses, are of limited value to many of these citizens since such glasses only magnify the image and do not control brightness and contrast which are equal in importance in perceptual acuity. The Rand Corporation has designed and fabricated a prototype circuit television system (CCTV), an electro-optical system involving image magnification, brightness, and contrast. This prototype system has been tested on a number of visually handicapped people ranging in ages from 10 to 83 with a wide variety of eve disorders. Better than 80 percent of the subjects have found the system helpful in reading and writing.

Work is now underway on a second generation system which is aimed at solving the difficult problem that many partially sighted persons face, namely the transfer of information from one place to another.

The CCTV could well be the forerunner of the new series of devices which would be used to enhance the education of visually handicapped children, to permit partially sighted persons of working age to obtain and hold well-paying jobs which would otherwise be closed to them, and to allow elderly persons with reduced vision to enjoy the pleasures of reading and writing during their declining years.

I cite this as only an example of the problem area for which there exists a sufficiently large market which would undoubtedly create a response from the industrial community, as well as lead to a tremendous aid for the handicapped, if the decision were made to exploit technology in this area.

The committee report makes a point with respect to the technology center's purposes which is important and bears reiteration. The report states—

> The committee wishes to emphasize that the center's purpose is to encourage the development of technology to solve the health problems of our citizens and our health institutions and not as a place to find markets for available technology.

In other words, the center should be searching for technological solutions to patient care, health institutions, and systems problems, and not for ways to utilize available technology.

It is also important that the technology or systems that are developed are such that can or will be adopted by the health professionals. It would be also extremely valuable if the technology center would develop expertise with respect to technological forecasting so that the consequences, particularly the cost, of new technology might be predicted. Certainly, with the rising health care costs, the health system does not need "technological playthings" which are neither cost effective or fail to increase productivity.

Mr. President, the Senate Labor and Public Welfare Committee, on which I served in 1971 heard testimony regarding the potential of the computer coupled with new "health care specialists." The committee saw demonstrated a potential way of extending the doctor in remote areas which have been unable to attract a physician.

The computer is already being employed in such areas as the interpretation of the electrocardiogram and the automation of history taking. Last year I visited the University of Maryland Hospital Trauma Center and I watched the computer perform a variety of tasks, including the constant monitoring of even the chemical content of the air that the center's severe trauma victims were breathing.

I believe that there is enormous potential for the use of technology that could bring many benefits to the public and the patient.

At present, our success has been limited. At present, only a handful of individuals are actively concerned with the technology and its potential in helping to solve health problems.

The health care technology center is designed to remedy this situation and serve as the focal point for an accelerated group research effort on both program and hardware development.

The second special emphasis center, the health care management center, is of critical importance. For as Dr. Kerr White, professor of medical care and hospitals, of the Johns Hopkins University has observed—

> Vastly improved managerial expertise is a prerequisite for any meaningful improvement in our health care system at the operating and geographical levels.

The health care management centers will focus on the improvement of management and/or organization in the health field, the training and retraining of health administrators, and the development of leaders, planners and policy analysts in the health field. The job of the managers in the health field is most complex. The modern manager of a health enterprise, if he is to carry out his responsibilities with maximum effectiveness, must have a basic undertsanding of a wide variety of management skills and some background in such areas as health, economics, computer technology, and statistics, to mention a few.

Quite often medical administrators are elevated to these positions without adequate preparation for these new responsibilities. Certainly American industry would make certain that its top executives are adequately trained and the health system must do no less. There is also often the need to provide retraining, as is evidenced by the letter I received from an administrator, Dr. Fine, deputy commissioner of the Boston Department of Health and Hospitals. He said—

> Practitioners of health care administration, among whom I am one, have been flying by the seat of their pants for too long.
>
> The nation deserves better. There is currently no systematic effort I know of to reach decision makers in the health care field with the results of innovative research and to stimulate a research orientation to many of the problems we all face in the financing, organization, and delivery of services.
>
> There is moreover, an almost total neglect of more formal continuing education opportunities for health care administrators . . . After ten years or more in the field, many of us are in positions of responsibility and strong in experience but weak in understanding of fundamental advances in health care systems, e.g. the problem-oriented medical record, how to organize a prepaid group practice, the use of television in medical diagnosis and treatment, computer applications to health systems problems, etc.

The administrative officer of each regional center and each special emphasis center will be required to submit annually to the director a report which shall include an audit of expenditures; bibliographies, with annotations of research performed; and a description of on-going research program including a summary of significant research and development findings.

The regional and special emphasis centers have a separate authorization of $20 million for the initial fiscal year and a total of $75 million over a 3-year period. Support for a center, other than support for construction, shall not exceed $2 million per year per center, except for the health care technology center, and Federal assistance may be used for research and development, staffing and other basic operating costs, training, demonstration purposes, and construction where the National Advisory Council deems necessary.

CONCLUSION

Mr. President, the health care enterprise in the country is our second largest industry today with spending totaling $83.4 billion, or 7.6 percent of our gross national product. By 1974, health will probably become our largest enterprise with expenditures exceeding $100 billion.

The magnitude of these expenditures alone argue for an accelerated and strengthened research and development component in the health field. There is considerable public frustration and dissatisfaction with various aspects of health care. The public is alarmed over rising costs. Last year I made reference to an Associated Press story which appeared around the time that the institute proposal passed the Senate. This story headlined that the hospitals per day cost in 1971 averaged $92.31, an increase of 13.9 percent over the previous year.

The story hastened to add, however, that the 1970 increase was 15.7 percent and that hospitals have been able to slow the rate of increase. I said then and I repeat today—

> Think about it, over a 2-year period almost a 30 percent increase in hospital costs occured. This obviously cannot continue.

The public is also concerned about the manpower and facility shortages as well as their maldistribution and the last Congress passed legislation in response to this problem. The public is also distressed that the benefits of medical science and the scientific discovery system are not reaching them.

There is considerable change occurring in the health system. The rapidity of change and reform is likely to accelerate in the years ahead. I believe that it is imperative that we strengthen our research and development capabilities in the health area so that we may make more intelligent choices and foster constructive changes. I believe that we desperately need advanced warnings of approaching "crises." I believe we need more information upon which to base decisions and make meaningful comparisons in the area.

I believe we need to sharpen our abilities to illuminate issues and to identify possible options and their implications. I believe we need a framework for evolving health care policy for the long term while we continue to address the immediate problems. The size of the health enterprise, its importance to the American public, and the growing Federal investment, make it imperative, in my judgment, that research and development in health care delivery must become as important and achieve the preeminence of biomedical research in the United States.

The respected "Science Journal," in a favorable editorial on my proposal, said—

> A major tour de force is needed now to dramatize the importance of rationale organization and planning services . . . if the magnificent benefits of American medical research are meant for all of our people, then an effective science of health care delivery is as important as the medical research itself.

I ask unanimous consent that this editorial be printed at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. BEALL. Mr. President, as Dr. Kerr White of Johns Hopkins University noted—

> The issue in research and development, it seems to me, is the extent to which we are prepared to make federal, state, institutional, academic and industrial commitments to aggressive pursuit of improved ways of providing health care.
>
> Acceptance of change is inevitable and recognition that we need more science in health care rather than less seems essential. The point to be recognized is that the sciences required are more than those encompassed by the traditional biomedical sciences.

The new National Institute of Health Care Delivery recognizes the need for a multidisciplinary attack, represents such a commitment, and provides the "major tour de force" to make health care delivery as important as medical research, and to help speed the benefits of medical science and the scientific discovery system to the people of the United States.

I strongly urge its enactment by the Senate and the Congress.

In conclusion, once again I thank the distinguished Chairman of the Health Subcommittee, the Senator from Massachusetts (Mr. Kennedy), for his work and cooperation in bringing this legislation to the floor.

EXHIBIT 1

THE TOPSY-TURVY WORLD OF HEALTH CARE DELIVERY

In a recent speech Senator J. Glenn Beall, Jr., (R-Md.), called for the establishment of a National Institute of Health-Care Delivery.* In so doing, he has focused attention on a national problem of broad scale and transcendent urgency.

Over the years the American people have prided themselves on being the best clothed, best fed, best housed, best educated, and healthiest people in the world. But recent health statistics give cause for concern. Across the board, we are not the healthiest people in the world, in spite of a number of impressive facts. The nation has spent some $20 billion on biomedical research since the late 1940's. We now have more physicians and hospitals than ever before. And currently we spend for health services more—and the rate of expenditure is escalating more rapidly—than we have ever done before. In the last decade alone, physicians' fees have risen twice as rapidly and hospital charges four times as fast as other items in the Consumer Price Index.

The situation is a complex one. Certainly, the balance among the diseases has shifted toward the degenerative disorders. But, in addition, there are striking geographic variations in the availability of health resources. There are marked differences in availability for urban and rural populations and for the poor and the more affluent. Most insurance coverage is inadequate in that it excludes outpatient and preventive services and only partially accommodates catastrophic incidents. And, generally, resources, particularly those for unusual treatment, are poorly utilized everywhere. (If, for example, the utilization of health-care resources were improved by only 10 percent, the saving would be $5 billion. But, with a high proportion of third-party payments, there is little incentive for efficiency. Instead, the trend is to use the higher-cost facilities and services and to make as many of these available as possible.)

The essential ingredients of the Beall proposal merit serious examination. By 1970, health-care delivery had become the nation's second largest industry. But last year only $18 million was spent on research in this area. No other industry can make such a claim. The National Institutes of Health are charged with the technical aspects of prevention and treatment. The Health Services and Mental Health Administration is concerned with health-care delivery, but it has other responsibilities as well. A major tour de force is needed now—an administrative mandate backed by appropriate funding—to dramatize the importance of rational organization and planning of services, even though such action would add yet another agency to the welter already existing in the health field. Future legislation would do well to direct its sole attention to the social sciences, both basic and applied, which underlie effective organization and management. Furthermore, the importance of testing and evaluation should receive significant consideration. Already, a number of alternative systems—for instance, group practice, private prepaid care, a variety of community health-care schemes, and health maintenance organizations—are in various stages of design and development, and a nation with an established scientific tradition must certainly recognize the importance of pilot projects.

If the magnificent benefits of American medical research are meant for all of our people, then an effective science of health-care delivery is as important as the medical research itself.—William Bevan

Mr. BEALL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BEALL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BEALL. Mr. President, I ask unanimous consent that the committee amendments be agreed to en bloc, and that the bill as thus amended be considered as original text for the purpose of further amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BEALL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

> On page 19, line 18, insert the following new sentence: "Funds authorized for the fiscal year ending June 30, 1974 shall include all of the funds authorized under section 304 of this Act."
>
> On page 19, line 13, strike "$30,000,000" and insert in lieu "$95,000,000".
>
> On page 19, line 14, strike "$125,000,000" and insert in lieu thereof "$105,000,000".
>
> On page 19, line 15, strike "$150,000,000" and insert in lieu thereof "$115,000,000".

Mr. KENNEDY. Mr. President, the figures which are authorized under the bill of the distinguished Senator from Maryland amount to some $430 million. This amendment would reduce that total of $430 million to some $390 million, which will include some new authorizations as well as those in existing law.

The figures, as indicated in the amendment the Institute would have available some $95 million the first year, $105 million the second, and $115 million the third; and for the development of the various regional and special emphases centers, $20 million the first year, $25 million the second, and the $30 million the third year.

There will be in existence authorization for some $94 million the first year assuming S. 1136 becomes law, which I anticipate in the very near future. We are rounding that off to a $95 million authorization; and so, in this sense, it will mean only approximately $21 million of additional authorization for the first year of the bill over existing law.

I know that this is a considerable downward reduction in the figure originally proposed by the Senator from Maryland. It distresses me, as I am sure it does him, that we are going to have to have this kind of reduction, particularly since I think this is a worthwhile and justifiable investment and investment which would, I think, return to the consumers of his country hundreds of millions of dollars, even billions of dollars, over future years. I think that he has, as I mentioned earlier, put his finger on one of the areas in the health field where there has been a paucity of funding and energy in recent times.

So I offer the amendment with considerable reluctance. I offer it with the recognition of the very serious budget restraints that I think all of us feel we are under, even in this health area.

If the Senator is willing to accept the amendment, I shall certainly make every effort I can to see that we get the funding and that we gradually get some increasing authorizations over the years, because this is a sound program and one which I support and which I enthusiastically urge my colleagues to support.

Mr. BEALL. Mr. President, again I thank the Senator from Massachusetts for his remarks concerning this piece of legislation and with the same reluctance that he proposes the amendment to reduce the funds—and when I say reluctance, I mean that I am willing to accept the amendment.

I recognize the practicalities of the situation but although we would like to have more money available for what we consider to be a laudable purpose, that of bringing a greater coordination and emphasis into the research and development in the delivery system of health care, I also recognize that we are operating under severe budget constraints and it is necessary that we view these matters realistically and practically.

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* J. Glenn Beall, Jr., "A proposed institute health statistics give cause for concern of health-care delivery," Congressional Record, vol. 117, pt. 15, pp. 19852–29854.

The amendment offered by the Senator from Massachusetts is a reasonable one and I shall support it.

We should make clear, Mr. President, that the estimated fiscal year 1974 budget is $64 million in this effort. The authorizations then in this measure are reasonable. I believe such an investment will return dividends many times over that amount in the years ahead.

Therefore, Mr. President, I shall support the amendment offered by the Senator from Massachusetts.

Mr. KENNEDY. Mr. President, just before we vote, I want to indicate that part of this concept is the development of the field offices all across the country which can be very important and useful centers for the development of the delivery of health care. Hopefully, they will be developed in the rural communities as well as in the urban areas. We are authorizing some $20 million for that in the first year. That will build up as well, so that I think even though first year authorization is modest, the future authorizations are significant and the thrust and the scope of this legislation, I think, can be extremely significant and important in improving health care generally in the country.

I am glad that the Senator from Maryland will accept the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Massachusetts.

The amendment was agreed to.

Mr. DOLE. Mr. President, national expenditures for health have been increasing rapidly over the past decade. In 1972 Americans spent more than $83 billion on health, and that figure is expected to reach $100 billion or more in 1974. Yet in the State of Kansas, and I am sure the same can be said for many other areas of the country, the problems of maintaining adequate health care still plague a large portion of the population.

As a nation we have exhibited our concern with health matters by investing more than $20 billion on health biomedical research since World War II, and it is estimated that by 1980 one out of every $10 spent by an American will go for health. Yet even with this investment, large segments of the population are still not receiving the health care they need and deserve. The excellent knowledge and capabilities of the health care providers are simply not being delivered to all Americans, especially those in rural areas.

RURAL MEDICAL PROBLEMS

No single cause can or should be cited for these areas of deficient health care delivery, since the reasons for the deficiencies are numerous and complex. In rural America the rapid decrease in farm population has been as big a factor as any in the decreasing level of health care available in these areas. As population density has dwindled, it has become more difficult and less lucrative to maintain necessary health care services. The size of the area served by each physician has been expanded and patients as well as doctors and other medical personnel are now required to travel longer distances to receive and deliver health care.

In western Kansas, numerous small towns are now losing physicians through retirement. Those physicians are not being replaced by a younger generation of doctors. Well-equipped and modern hospitals are being threatened with closure due to the lack of physicians to staff them. More than half of the counties either have no dentists at all or a dentist/patient ratio that exceeds 1 to 3,000. A reliable, adequate level of health care is a necessity for any community, and I feel it is time for the Federal Government to address itself in a comprehensive way to the problems of health care delivery and the challenge of bringing the latest medical expertise and knowledge to every American.

Yet this does not mean that the Federal Government should dominate the health care effort, nor do I feel that any drastic revision of the health care system is in order. Rather, Federal involvement should complement the private system and working through it help encourage the delivery of health care services to areas currently not served, while also concentrating effort and resources in areas and on issues of national priority. What is needed is not a new system, but rather a new sense of cooperation between all levels of government and the private sector, working toward the goal of establishing a system of health care delivery which will insure quality health care to all Americans.

It is generally acknowledged that Federal Government effort in the area of health has not been totally successful, but admittedly many of the programs have had a tremendous impact on health care across the country. The Kansas regional program has been one of the most efficient and effective efforts to improve health care delivery in Kansas.

Its programs have helped meet the health manpower needs of the State and improved health care delivery to the less populated and doctorless counties of the State through the use of nurse clinicians. Other programs have worked to aid physicians in their efforts to meet the tremendous demands and responsibilities which result from being the only doctor in a western Kansas county.

I applaud the accomplishments of the program and feel its emphasis on health care delivery has brought more health improvements to Kansas per Federal dollar expended than any other Federal health program. Its success and efficiency are due in large part to the fact that it works through the existing system providing resources and technical assistance to help the system itself meet its increasing demands. Numerous solutions are developed, each specifically tailored to a particular community's or area's needs rather than trying to force a broad, comprehensive program on the Nation as a whole with massive Federal expenditures used to entice participation.

S. 723, the National Institute of Health Care Delivery Act of 1973, employs an approach similar to that of the regional medical programs. The national institute is provided with a broad legislative mandate to examine all aspects of the health care system and the ways and means of improving that system, as well as devising and testing alternative systems. Grants will be made to States, political subdivisions, universities, hospitals, and other parties active in the health care field to enable them to conduct research and develop solutions to their specific health care problem.

WORTHWHILE APPROACH

S. 723 provides for the establishment of a National Institute of Health Care Delivery to carry out a multidisciplinary research and development program to improve health care delivery. The institute is designed to become the principal Government agency for the improvement of health care delivery in the United States. In addition to the national institute, the bill also proposes the establishment of as many as eight regional centers to study the health care delivery problems which are peculiar to the various areas of the country. I would hope that one of these centers might be established in Kansas to study the special problem of health care delivery in the less densely populated areas of the Great Plains. Such a step would be entirely appropriate in view of the work already done by the Kansas rural medical program, and the KRMP's efforts could serve as a well-established base for expanding and improving the initiatives in this area.

The National Institute of Health Care Delivery is intended to improve the effectiveness, efficiency, and quality of health care in the United States through the initiation and support of experimentation in special areas, several of which are of major concern in Kansas. Research in these problem areas and the findings and recommendations which would result would therefore be invaluable to the State. Areas spotlighted for further study and which are of special significance to Kansas include:

Study of the systems and the components of rural health care.

Development of a policy with respect to long-term care—particularly for mentally retarded and physically handicaped individuals and senior citizens—with special emphasis on alternatives to institutionalization, including the use of home health aids.

Study of manpower requirements including new types of health manpower to insure that adequate physicians, health professionals and technicians will be available to deliver quality health care to all segments of the population.

Development of systems and technical components of emergency health care and services, including at least one experimental statewide helicopter transportation emergency care system, which would utilize, where possible, the skills of returning military medical corpsmen.

Development of preventive medicine and the techniques and technology including multiphasic screening and testing, to improve the early diagnosis and treatment of disease, particularly for preschool children.

Continuing education and the exploration of programs and methods to help health professionals to stay abreast of current developments and to maintain professional excellence.

BUILD ON EXISTING GOOD

The programs authorized under S. 723 could bring major improvements in the health delivery field. The dollar investment is relatively small. The emphasis of the bill is on improving and making better use of existing health care system components, rather than investing large amounts of Federal dollars in new delivery programs which are unproven and possibly disruptive of the good that does exist in our existing health care delivery systems. I am hopeful that this measure will be enacted so the work and study in this important field can begin in the near future.

QUORUM CALLS

Mr. **BEALL**. Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER**. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. **BEALL**. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

Mr. **BEALL**. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. **KENNEDY**. Mr. President, I ask unanimous consent that it be in order to ask for the yeas and nays on S. 504, to be called up shortly.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

Mr. **KENNEDY**. Mr. President, I ask for the yeas and nays on S. 504.

The yeas and nays were ordered.

The **PRESIDING OFFICER**. The pending bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The **PRESIDING OFFICER**. The bill having been read the third time, the question is, Shall it pass? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. **ROBERT C. BYRD**. I announce that the Senator from Alabama (Mr. ALLEN), the Senator from Alaska (Mr. GRAVEL), and the Senator from Iowa (Mr. HUGHES) are necessarily absent.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

I further announce that if present and voting, the Senator from Alaska (Mr. GRAVEL), and the Senator from Iowa (Mr. HUGHES) would each vote "yea."

Mr. **GRIFFIN**. I announce that the Senator from Wyoming (Mr. HANSEN) is necessarily absent.

The Senator from Virginia (Mr. SCOTT) is absent on official business.

The result was announced—yeas 79, nays 15, as follows:

[No. 140 Leg.]

YEAS—79

Abourezk
Aiken
Baker
Bayh
Beall
Bentsen
Bible
Biden
Brooke
Buckley
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cook
Cranston
Dole
Domenici
Dominick
Eagleton
Ervin
Fong
Fulbright
Griffin
Hart
Hartke
Haskell
Hatfield
Hathaway
Hollings
Hruska
Huddleston
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Long
Magnuson
Mansfield
Mathias
McClellan
McClure
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pearson
Pell
Percy
Randolph
Ribicoff
Saxbe
Schweiker
Scott, Pa.
Sparkman
Stafford
Stevens
Stevenson
Symington
Taft
Talmadge
Tunney
Weicker
Williams
Young

NAYS—15

Bartlett
Bellmon
Bennett
Brock
Cotton
Curtis
Eastland
Fannin
Goldwater
Gurney
Helms
Proxmire
Roth
Thurmond
Tower

NOT VOTING—6

Allen
Gravel
Hansen
Hughes
Scott, Va.
Stennis

So the bill (S. 723) was passed, as follows:

S. 723

An act to establish a National Institute of Health Care Delivery, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act shall be known as the National Institute of Health Care Delivery Act of 1973.

FINDINGS AND DECLARATION OF POLICY

SEC. 2. (a) The Congress of the United States finds—

(1) that the United States faces a crisis in health care;

(2) that health care costs have increased in the last five years twice as fast as the general cost of living;

(3) that there exists an acute shortage and maldistribution of physician and other medical manpower in inner city and rural areas;

(4) that millions of Americans do not have access to quality health care;

(5) that since World War II the United States has invested approximately $20,000,000,000 in biomedical research, and that this investment has resulted not only in wide recognition of the preeminence of biomedical research in the United States, but also produced many, often spectacular, advances in medical science;

(6) that during the same period comparatively few resources were invested to deliver the discoveries of medical research and technology to our citizens;

(7) that the American public is concerned with the gap between the knowledge and capabilities of medical science and what is delivered to the patient, and that this is a source of public discontentment and dissatisfaction;

(8) that significant changes regarding the health care system have been proposed and may be implemented in the near future;

(9) that the potential costs and benefits associated with the various proposals are largely unknown; and

(10) that inadequate attention emphasis, and resources have been devoted to health policy analysis and health care delivery.

(b) It is the purpose of this Act to establish a National Institute of Health Care Delivery and regional and special emphasis centers to improve health care delivery and to help speed the delivery of the benefits of medical science and the scientific discovery system to the people of the United States.

SEC. 3. The Public Health Service Act is amended by inserting after title XI the following new title:

"TITLE XII—NATIONAL INSTITUTE OF HEALTH CARE DELIVERY

"DEFINITIONS

"SEC. 1201. For the purposes of this title—

"(1) the term 'health care delivery' includes all aspects and interrelationships of the organization, financing, and provision of direct health services to individuals, families, and groups for the purposes of prevention, cure, rehabilitation, restoration, and maintenance of function, and related health services essential to good health.

"ESTABLISHMENT OF INSTITUTE

"SEC. 1202. (a) There is hereby established in the Department of Health, Education, and Welfare a National Institute of Health Care Delivery. The Institute shall carry out a multidisciplinary research and development program to improve delivery of health care services and shall be the principal Government agency for improvement of health care in the United States.

"(b) The Institute shall be headed by a Director, who shall be appointed by the President, by and with the advice and consent of the Senate for a term of four years. There shall be in the Institute a Deputy Director, who shall be appointed by the President, by and with the advice and consent of the Senate, for a term of four years. The Deputy Director shall perform such functions as the Director may prescribe and shall be the Acting Director during the absence or disability of the Director or in the event of a vacancy in the position of Director. Upon the expiration of his term, the Director and Deputy Director shall continue to serve until his successor has been appointed and has qualified.

"(c) The Director is authorized to appoint within the Institute not to exceed four Assistant Directors.

"FUNCTIONS OF THE INSTITUTE

"SEC. 1203. (a) It shall be the function of the Institute to pursue methods and opportunities to improve and advance the effectiveness, efficiency, and quality of health care delivery in the States, regions, and communities of the United States, through initiation and support of studies, research, experimentation, development, demonstration, and evaluation of, but not limited to, the following areas and subjects—

"(1) the existing health care system, emphasizing means and methods to improve such system and the devising and testing of alternative delivery systems;

"(2) health care systems and subsystems in States, regions, and communities which give special attention to the effective combination and coordination of public and private methods or systems for health care delivery;

"(3) preventive medicine and the techniques and technology, including multiphasic screening and testing, to improve the early diagnosis and treatment of diseases, particularly for preschool children;

"(4) systems and technical components of emergency health care and services (including at least one experimental statewide helicopter transportation emergency care system), which utilize, where possible, the skills of returning military corpsmen;

"(5) systems and components of rural health services;

"(6) the development of policy with respect to long-term care, particularly for mentally and physically handicapped individuals and senior citizens, with special emphasis on alternatives to institutionalization, including the use of home health aides;

"(7) methods to meet the Nation's medical manpower requirements, including new types of manpower and their utilization and the extent to which tasks performed by physicians and other health professionals may be safety delegated to other appropriately trained individuals in both new and existent health occupations;

"(8) continuing education and the exploration of programs and methods to help health professionals to stay abreast of current developments and to maintain professional excellence;

"(9) health manpower credentialing, licensing, and certification;

"(10) the medical malpractice problem, particularly as it relates to quality care, the practice of 'defensive medicine' and added costs to the public;

"(11) programs for educating health manpower and the accreditation of such education programs;

"(12) application of all forms of technology, including computers and other electronic devices, in health care delivery;

"(13) the efficiency, management, and utilization of new and existing health care facilities including studies of admission practices and examination of cost-finding techniques;

"(14) the development of tools and methods to improve planning, management, and decisionmaking in the health care system;

"(15) the development of information by which quality, efficiency, and cost of health care may be measured;

"(16) the development of uniform accounting practices, financial reporting, and uniform health records;

"(17) the development and testing of incentive payment mechanisms that reward efficiency in health care delivery without compromising the quality of care;

(18) the needs of individuals, families, and groups for health care and related services, emphasizing the various life styles, including environmental, recreational, and nutritional factors that bear on an individual's health; identification of those factors affecting acceptance and utilization of health care and related services; and the development of educational material and methods communicating to the public the importance of personal decisions and actions on health;

"(19) the economics of health care and related services, and the impact of the total system of health care delivery and related services upon the standards of living and the general stability of the national economy;

"(20) proposals for the financing of health care, including their potential cost and benefits, and their impact on the health care system;

"(21) concepts and data essential to formation of a factual basis for national health policies; and

"(22) the effects on health care delivery of the organization, functions, and interrelationships of Federal, State, and local governmental agencies and programs concerned with planning, organization, and financing of health care delivery.

"(b) The Institute shall (1) develop methods for, and support of, training of individuals to plan and conduct research, development, demonstrations, and evaluation of health care delivery and related services; (2) provide technical assistance and development of methods for the transfer of new knowledge, components, and systems to public and private agencies, programs, institutions, and individuals engaged in the improvement of health care delivery; (3) collaborate with governments and private care institutions and programs in foreign countries for the exchange of information and support of research, experiments, demonstrations, and training in order to advance health care delivery in the United States and cooperating nations.

"(c) The Institute shall evaluate the quality, effectiveness, and efficiency of Federal health programs, including titles V, XVIII, and XIX of the Social Security Act.

"(d) In improving the delivery of health care to the Nation's citizens. For the purposes of this subsection the Secretary is authorized to transfer to the Institute such funds as may be necessary pursuant to section 513 of this Act.

"ADMINISTRATIVE PROVISIONS

"Sec. 1204. (a) In order to carry out the provisions of this title the Director is authorized to—

"(1) make grants to States, political subdivisions, universities, hospitals, and other public or nonprofit private agencies, institutions, or organizations for projects for the conduct of research and development, experiments, studies, demonstrations, and training of individuals to plan and conduct such projects;

"(2) make contracts with public or private agencies, institutions, or organizations for the conduct of research and development, experiments, studies, demonstrations, and the training of individuals to plan and execute such contracts;

"(3) appoint and fix the compensation of the personnel of the Institute in accordance with chapter 51 of title 5, United States Code, except that (A) to the extent that the Director deems such action necessary to recruit men and women of exceptional talent, he may establish the entrance grades for personnel at a level of two grades higher than the grade level provided for such personnel under the General Schedule established by such title and fix their compensation accordingly, and (B) to the extent that the Director deems such action necessary to the discharge of his responsibilities, he may appoint personnel of the Institute without regard to civil service or classification laws, except that personnel appointed under such laws do not exceed at any one time one-third of the number of full-time regular technical or professional employees of the Institute;

"(4) make, promulgate, issue, rescind, and amend rules and regulations as may be necessary to carry out the functions vested in him or in the Institute and delegate authority to any officer or employee under his direction or his supervision;

"(5) acquire (by purchase, lease, condemnation, or otherwise), construct, improve, repair, operate, and maintain research and other necessary facilities and equipment and related accommodations as may be necessary, and such other real or personal property (including patents) as the Director deems necessary;

"(6) to acquire by lease or otherwise from the Administrator of General Services, buildings or parts of buildings in the District of Columbia or communities located adjacent to the District of Columbia for the use of the Institute for a period not to exceed ten years without regard to the Act of March 3, 1877;

"(7) employ experts and consultants in accordance with section 3109 of title 5, United States Code;

"(8) appoint one or more advisory committees composed of such private citizens and officials of Federal, State, and local governments as he deems desirable to advise him with respect to his functions under this title;

"(9) utilize with their consent the services, equipment, personnel, information, and facilities of other Federal, State, and local public agencies with or without reimbursement therefor;

"(10) accept voluntary and uncompensated services notwithstanding the provisions of section 665(b) of title 31, United States Code;

"(11) accept unconditional gifts or donations of services, money, or property, real or personal, mixed, tangible or intangible;

"(12) allocate and expend or transfer to other Federal agencies for expenditure funds made available under this title as he deems necessary;

"(13) establish within the Institute such offices and procedures as may be appropriate to provide for the greatest possible coordination of activities under this title with related research and development activities being carried on by other public and private agencies and organizations; and

"(14) take such other actions as may be required for the accomplishment of the objectives of this title.

"(b) Upon requests made by the Director, each Federal agency is authorized and directed to make its services, equipment, personnel, facilities, information, and statistics available, to the greatest practicable extent, consistent with other laws, to the Institute in the performance of its functions with or without reimbursement.

"(c) Each member of a committee appointed pursuant to paragraph (8) of subsection (a) of this section who is not an officer or employee of the Federal Government shall receive an amount equal to the maximum daily rate prescribed for GS-18 under section 5332 of title 5, United States Code, for each day he is engaged in the actual performance of his duties including traveltime. All members shall be reimbursed for travel, subsistence, and necessary expenses incurred in the performance of their duties.

"COMPENSATION

"Sec. 1205. (a) Section 5315 of title 5, United States Code, is amended by adding at the end thereof the following new paragraph:

"'(98) Director, National Institute of Health Care Delivery.'

"(b) Section 5316 of title 5, United States Code, is amended by adding at the end thereof the following new paragraph:

"'(132) Deputy Director, National Institute of Health Care Delivery.'

"JOINT WAIVER FUNDING AUTHORITY

"Sec. 1206. Where funds are advanced for for a single project by more than one Federal agency for the purposes of this title, the Director of the Institute may act for all in administering the funds advanced and a single non-Federal share requirement may be established according to the proportion of the funds advanced by each Federal agency. The Director may order any such agency to waive any technical grant or contract requirement which is inconsistent with the similar requirements of the Institute or which the Institute does not impose.

"TRANSFER OF RESEARCH FUNDS OF OTHER GOVERNMENT DEPARTMENTS AND AGENCIES

Sec. 1207. Funds available to any department or agency of the Government for health care delivery research and development, or for the provision of facilities therefor shall be available for transfer with the approval of the head of the department or agency involved, in whole or in part, to the institute for such use as is consistent for the purposes for which such funds were provided, and funds so transferred shall be expendable by the Institute for the purposes for which the transfer was made.

"TRANSFER OF NATIONAL CENTER FOR HEALTH SERVICES RESEARCH AND DEVELOPMENT

"Sec. 1208. (a) The National Center for Health Services Research and Development is hereby transferred from the Health Services and Mental Health Administration to the Institute.

"(b) Subject to the provisions of this section, the President, for a period of two years after the date of enactment of this title, may transfer to the Institute any functions (including powers, duties, activities, facilities, and parts of functions) of the Department of Health, Education, and Welfare or of any officer or organizational entity thereof which relate primarily to the functions, powers, and duties of the Director as described by this title. In connection with any such transfer the President may, under this section or other applicable authority, provide for appropriate transfers of records, property, personnel, and funds.

"NATIONAL ADVISORY COUNCIL ON HEALTH CARE DELIVERY

"SEC. 1209. (a) There is hereby established a National Advisory Council on Health Care Delivery (hereafter referred to as the Council) to be composed of twenty-one members. The Council shall consist of the Secretary of Health, Education, and Welfare, the Chief Medical Officer of the Veterans' Administration, a medical officer designated by the Secretary of Defense, the Administrator of the Health Services and Mental Health Administration, the Director of the National Institutes of Health, and the Director of the National Institutes of Health Care Delivery who shall be ex officio members and an additional fifteen members not otherwise of the regular full-time employee of the United States to be appointed by the President without regard to civil service laws. The appointed members shall be (1) persons who are leaders in the field of medical sciences or in the organization, delivery, or financing of health care, (2) leaders in the management sciences, or (3) representatives of the consumers of health care. At least seven of the appointed members shall be representatives of the consumers of health care.

"(b) The President shall designate a Chairman of the Council. The Council shall meet at the call of the Chairman but not less than four times a year.

"(c) Each appointed member of the Council shall hold a term of four years except that any member appointed to fill a vacancy prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term, except that the term of the office of the members first taking office shall expire as designated by the President at the time of appointment, three at the end of the first year, four at the end of the second year, four at the end of the third year, and four at the end of the fourth year after the date of appointment. An appointed member shall not be eligible to serve continuously for more than two terms.

"(d) Appointed members of the Council shall receive compensation at rates not to exceed the daily rate prescribed for GS–18 under section 5332, title 5, United States Code, for each day they are engaged in the actual performance of their duties, including traveltime, and while so serving away from their homes or regular place of business, they may be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as the expense authorized by section 503, title 5, United States Code, for persons in the Government service employed intermittently.

"(e) The Chairman of the Council, with the concurrence of a majority of the Council members, shall appoint an Executive Secretary of the Council. The Executive Secretary may be appointed without regard to civil service laws and may be compensated at a rate not exceeding the appropriate rate provided for individuals in grade GS–18 under section 5332, title 5, United States Code. The Director of the Institute shall make available to the Council such additional staff information, and other persons as it may require to carry out its activities.

"(f) The Council shall—

"(1) review programs, policies, and priorities of the Institute, and centers established under section 1213, and advise the Director on the development and conduct of programs of the Institute and centers;

"(2) examine and coordinate health care delivery efforts within the Department of Health, Education, and Welfare and other Federal departments and agencies so as to avoid duplication; and

"(3) assure that significant research and development findings of the Institute and centers are being disseminated to the health care system and evaluate the extent such findings are making an impact on the health care delivery system.

"(g) The Council shall submit as an appendix to the report required by section 1210 of this Act, its report on the progress of the Institute and centers toward the accomplishment of the objectives of this title, and the status of health delivery research development in the United States including any minority views of the Council members.

"SEC. 1210. The Director shall, within one year after the date of his appointment and prior to February 1 of each year thereafter, prepare and submit to the Secretary for his transmittal to the President and the Congress a written report that shall include:

"(1) an appraisal of the activities and accomplishments of the Institute and the centers;

"(2) bibliographies with annotations of research performed or supported and a summary of the significant research and development findings which show promise (given due consideration to the cost, benefits, and the quality of health care program) of improving health care delivery or increasing the productivity of health care systems; and

"(3) identification and recommendations concerning those factors or barriers which inhibit implementation of the significant research and development findings of the Institute and centers or that prevent innovation in health care.

"HEALTH CARE DELIVERY INFORMATION SERVICES

"SEC. 1211. There is created within the National Institute of Health Care Delivery an Office of Health Care Delivery Information Services. Such office shall provide—

"(1) for the provision of indexing, abstracting, translating, and other services leading to a more effective dissemination of information on research and development in health care delivery, to public and private agencies, institutions, and individuals engaged in the improvement of health care delivery and the general public; and

"(2) undertake programs to develop new or improved methods for making such information available.

"AUTHORIZATIONS OF APPROPRIATIONS

"SEC. 1212. For the purposes of carrying out the provisions of this title (except for the provisions of section 1213) there are authorized to be appropriated $95,000,000 for the fiscal year ending June 30, 1974; $105,000,000 for the fiscal year ending June 30, 1975; and $115,000,000 for the fiscal year ending June 30, 1976. Any unexpended sums appropriated pursuant to this section may be carried over without fiscal year limitations. Funds authorized for the fiscal year ending June 30, 1974, shall include all of the funds authorized under section 304 of this Act.

"REGIONAL AND SPECIAL EMPHASIS CENTERS

"SEC. 1213. (a) In order to strengthen the Nation's research and development base in health care delivery, to enable the examination and study of health care delivery problems of the various regions of the United States, and to link better research and development findings with actual practice, the Director is authorized to enter into cooperative arrangements with public or private nonprofit agencies or institutions to pay all or part of the cost planning, establishing, and providing basic operating support for (1) not to exceed eight regional centers to carry out multidisciplinary research and development in health care delivery, and (2) two national special emphasis centers, one of which shall be designated as the Health Care Technology Center, to focus on all forms of technology, including computers and electronic devices, and its application in health care delivery; and one which shall be designated as the Health Care Management Center, to focus on the improvement of management and organization in the health field, the training and retraining of administrators of health care enterprises, and the development of leaders, planners, and policy analysts in the health field.

"(b) Federal payments under this subsection in support of such cooperative agreements may be used for—

"(1) construction to the extent that the National Advisory Council determines such construction is necessary;

"(2) staffing and other basic operating costs;

"(3) research and development;

"(4) training; and

"(5) demonstration purposes.

Support under this subsection other than support for construction shall not exceed $2,000,000 per year per center, except for the Health Care Technology Center, and may be funded for an initial period of not to exceed three years. The Director, following a review of each center's operation and upon the recommendation of the National Advisory Council, may extend the centers for an additional period of not more than three years each.

"(c) The location of the regional centers authorized by subsection (a) shall be determined by the National Advisory Council with a view, to the extent possible, of broad geographical distribution of such centers.

"(d) The administrative officer of each regional and national special emphasis center shall transmit annually to the Director a report which shall set forth (1) an audit of expenditures in accordance with generally accepted accounting procedures, (2) bibliographies, with annotations, of research performed, and (3) a description of ongoing research programs including a summary of significant research and development findings.

"(e) For the purpose of carrying out the provisions of this section, there are authorized to be appropriated $20,000,000 for the fiscal year ending June 30, 1974; $25,000,000 for the fiscal year ending June 30, 1975; and $30,000,000 for the fiscal year ending June 30, 1976. Any unexpended sums appropriated pursuant to this subsection may be carried over without fiscal year limitations.

"SUPPLEMENTAL INCENTIVE GRANTS TO ENCOURAGE EXPERIMENTATION

"SEC. 1214. (a) In order to encourage individuals, institutions, and health facilities to participate in research and demonstration projects, which without the incentive assistance provided under this section would not otherwise be carried out, and which have been designated by the National Advisory Council as essential, the Director is authorized to provide funds to be used to increase the Federal contribution to such projects under Federal grant-in-aid programs above the fixed maximum portion of the cost of such projects otherwise authorized by an applicable law. Funds shall be so provided for Federal grant-in-aid programs for which funds are available under the Act authorizing such programs and shall be available without regard to any appropriation authorization ceiling in such Acts.

"(b) The Federal portion of such cost shall not be increased in excess of the percentage established by the Director, and shall in no event exceed 80 per centum thereof.

"(c) The term 'Federal grant-in-aid program' as used in this section means those Federal grant-in-aid programs in the health area authorized on or before December 31, 1972.

"(d) Not to exceed 10 per centum of the funds authorized by this title shall be available to carry out this section."

Mr. KENNEDY. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. HATHAWAY. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

EMERGENCY MEDICAL SERVICES SYSTEMS DEVELOPMENT ACT OF 1973

Mr. KENNEDY. Mr. President, what is before the Senate?

The PRESIDING OFFICER. Pursuant to previous agreement, the Senate will proceed to consider S. 504.

Mr. KENNEDY. As I understand it, the yeas and nays have been ordered on final passage. Is that correct?

The PRESIDING OFFICER. The Senator is correct.

The clerk will state the bill by title.

The assistant legislative clerk read the bill (S. 504) by title, as follows:

> A bill to amend the Public Health Service Act to provide assistance and encouragement for the development of comprehensive emergency medical service systems.

The Senate proceeded to consider the bill, which had been reported from the Committee on Labor and Public Welfare with an amendment in the nature of a substitute.

Mr. KENNEDY. Mr. President, I am delighted to be able to join Senator CRANSTON today in supporting S. 504, which is designed to encourage the creation of areawide coordinated emergency medical services systems throughout the country. I believe the passage of this bill is essential if we are to enable our health delivery system to meet the demands placed upon it by accidental injury and sudden death.

Accidental death is one of the great neglected diseases in our society today. In fact, lack of adequate emergency medical services is the major cause of avoidable premature death today, indeed it is the leading cause of death among all people between the ages of 1 to 38. Each year more than 52 million U.S. citizens are injured and of those more than 110,000 die, 11 million require day bed care for a day or more, and 400,000 suffer lasting disability. Of the more than 700,000 deaths from heart disease each year, the majority are due to acute myocardial infarction and more than half of these deaths occur before reaching a hospital. Approximately 40 million persons seek care each year in hospital emergency departments as a result of accidents, heart disease, stroke, poisoning, diabetic coma, conclusive disorders, and many other illnesses.

The enormity of these figures helps to demonstrate the great need that American citizens have for emergency medical services. And yet, emergency medical services is one of the weakest links in the delivery of health care in the Nation. Every year, thousands of lives are lost through the lack of systematic applications of the established principles of medical care. Far too often those who arrive at the site of, for example, a highway accident, are inadequately trained and unable to cope with the human disaster they face. Recent surveys have shown that only 65 percent of the country's present 200,000 ambulance assistants have training to the level of the Red Cross advanced first aid course or higher, 25 percent have a lower level of training and 10 percent have none at all. The chances of the victim of a traffic accident being tended by a man who has little or no idea how to deal with the restoration of breathing, with control of hemorrhage or even with the splinting of fractures, is therefore terrifyingly high.

Not only are the ambulance personnel insufficiently trained: 20,000 of the country's 25,000 ambulances are of the hearse or limousine type. These are nearly always too cramped and underequipped; they do not give the victim the best possible chance of survival. Only 7 percent of all ambulances have radio communication with the hospitals in the area and thousands have no communication even with their dispatcher.

Even when and if the victim finally does arrive, still alive, despite the inadequate care he may have received on his way from the scence of the accident, at the hospital, he cannot expect much better treatment. In most cases, he arrives at the emergency departments without prior notification, and the personnel and equipment are not properly prepared to receive him. The situation is exacerbated by the fact that most emergency departments in the Nation lack not only facilities and personnel but are also overtaxed by millions of nonemergency cases for whom ancilliary outpatient facilities should be provided. Whereas there are many excellent facilities for the definitive care of illness throughout America, there are tragically few for the care of the critically ill, or injured, especially in rural areas.

In the last few years great efforts have been made by professional and other nongovernment organizations to improve the delivery of emergency medical care in the country. In some areas, which have adopted a comprehensive emergency medical service program, great and laudable progress has been made. But what is needed is concerted Government action together with the private sector.

And in recent years Federal agencies just have not moved fast enough to update emergency medical procedures. Within the Department of Health, Education, and Welfare, for example, the support given to research and development of emergency medical services procedures can be described at best as only patchy. Indeed, the report issued by the National Research Council of the National Academy of Sciences in March 1972, declared specically that—

> While most of the agencies have resources that could and should be used in the development of a system of emergency medical services, the most efficient role that each agency may play in an overall program is reduced severely because there are no Federal focal points of responsibility.

This, along with the terrifying statistics of accidental injury and death which I have already quoted, seems to me to be an indictment of the way in which emergency medical services is provided in this country today. Emergency medical services is very much the poor relation in health care delivery today. This must be changed. S. 504, as amended, provides $225 million over the next 3 fiscal years for the improvement of almost every aspect of emergency medical services procedures in this country today. These funds, and others, are available on a matching basis of up to 75 percent to those entities which present a plan for a coordinated emergency medical services system for a geographic area. These plans must include a number of basic provisions. Among them: the establishment of an Areawide Emergency Medical Services Planning Council, proposals for training personnel at all levels, a central communications system, universal access to all emergency medical services, regardless of ability to pay, plans for followup and rehabilitation capability, and public education in the subject.

The bill also requires the establishment of an Interagency Technical Committee to oversee and coordinate all aspects of emergency medical care delivery within the Federal Government and a national emergency medical services council composed of members of the general public, or providers of emergency medical services and of the members of the Technical Committee. The functions of this council include reviewing emergency medical services plans submitted under the bill and advising the Secretary of HEW on the continued development of emergency medical services systems.

Since this bill was introduced by Senator CRANSTON and myself and 13 other Members of the Senate on January 23, the Senate Health Subcommittee has held 4 days of hearings—2 in Washington and 2 in California. At those hearings, we heard testimony from a broad variety of witnesses, including the American Medical Association, the American Hospital Association, the Society for Critical Care, the College of Emergency Physicians, and many other individuals and organizations concerned in either providing or receiving health care. The only witness who asserted that the bill was unnecessary was from the administration. All others testified to the excellence of the bill, and many of them made most constructive suggestions as to how the bill would be amended to improve it further. And several of those suggestions have been incorporated into the bill as reported. None of these amendments change the basic purpose or direction of the bill, but all of them help to make it, I believe, an even tighter and more useful piece of legislation. For instance, 15 percent of all funds appropriated are now earmarked for rural areas. And rather than have the president of the national council appointed by the Secretary, he is now to be appointed by the President from among the members of the general public serving on the council. The council is further strengthened by making all those members who serve on it by virtue of their membership of the Interagency Technical Committee ex-officio non-voting members. The purpose of these amendments is to make the council a genuine national and independent focus of responsibility for the development of emergency medical services throughout the country.

Mr. President, the crisis in emergency medical services at the moment is so serious and concern for its improvement is so widespread throughout the country that all the work on this bill and all the amendments that have been made to it in committee were done on a bipartisan basis, with all members of the subcommittee in full agreement with the bill as unanimously reported. Mr. President, this excellent bill will provide just the sort of focus of responsibility that is lacking today. It is an essential bill and I am confident that it will pass promptly and be of enormous benefit to our society.

In conclusion, Mr. President, we will be considering this afternoon an extremely important measure, because the enactment of this legislation, with appropriations, will result in actually saving hundreds of thousands of lives. This is an emergency medical service program, authorizing the expenditure of some $225 million over a 3-year period. It provides the hardware, the training, the coordination for the development of these emergency medical services.

To a great extent, it is a tribute to the distinguished Senator from California (Mr. CRANSTON), who initially introduced this legislation over a year ago, who conducted the field hearings in his own State of California, and who has done perhaps more than anyone else to bring this legislation before the Senate this afternoon, both in the preparation of the legislation and also in the preparation of the report itself. I think it is a matter of great importance and significance.

I might say that although we are talking about over $225 million for this particular program, and some $15 million for research in this area, the American Medical Association wanted to double this figure. This is probably one of the few occasions that the AMA wanted our subcommittee to double the authorization for a program, but that just goes to show how prudent we on that committee are in guarding the Federal Treasury.

Now I would like to have the Senator from California, who, as I have said, has done so much in the development of the legislation, to explain the bill in greater detail.

So I yield the floor.

Mr. CRANSTON. Mr. President, I want first to thank the distinguished chairman of the Health Subcommittee for those very generous words and for his wonderful cooperation, counsel, and assistance and the contributions of the able subcommittee staff in preparing and handling this legislation.

INTRODUCTION

Mr. President, I am deeply gratified that the Senate today will be voting on S. 504, the Emergency Medical Services Systems Development Act of 1973, which I introduced on January 23, 1973, with broad bipartisan support, including the leadership of the Labor and Public Welfare Committee, and the Health Subcommittee. This is a measure that will enable communities throughout the Nation to take a good look at their resources for providing the urgent care needed in medical emergencies and to develop means of coordinating these resources and to supplement them where necessary to insure that the residents of the community and visitors to the community will receive appropriate medical attention without delay when it is needed.

THE BILL IN THE 93D CONGRESS

Mr. President, S. 504 as introduced was virtually identical to S. 3784, the bill I introduced in the 92d Congress which was incorporated into S. 3716 as sections 3 (c) and (d). S. 3716 was passed by the Senate on September 20, 1972, by a vote of 78 to 0. When I introduced S. 504 in the 93d Congress, three changes were made in the provisions passed by the Senate the previous year.

These were: First, to authorize separate appropriations for research in emergency medical services techniques, devices, methods and delivery coordinated with emergency medical services systems; second, to include language authorizing the secretaries of each military department to enter into arrangements with communities for the establishment of MAST—military assistance to safety and traffic—programs; and third, to direct that the annual report required by the proposed legislation including a study of the legal barriers to the provision of emergency medical care.

The Subcommittee on Health of the Labor and Public Welfare Committee held 4 days of hearings on this legislation—2 of which I was privileged to chair in California—and received very constructive suggestions from a broad range of viewpoints which provided the members of the committee with new information on, and insights into, the problems involved in the development of emergency medical services systems.

The committee carefully reviewed all of these suggestions, and we revised the bill to deal with many of them, as I will detail later in my statement.

All witnesses testified to the need for the development of comprehensive and integrated emergency medical services systems in local communities and, with the exception of the administration witnesses, to the need for new legislative authority to create incentives for and authorize support of the development of such systems.

THE ADMINISTRATION'S OBJECTIONS MET

Mr. President, I think it is useful to point out what appears to be the basis for the administration's objections to this legislation. The administration talks in terms of demonstration initiatives; whereas S. 504 authorizes support for the development of comprehensive emergency medical services systems in local communities.

I believe there is sufficient knowledge and experience available now, which can be employed effectively now, in the Nation's communities. We do not need "demonstration" projects to show us how to improve medical care in emergencies.

The subcommittee received convincing testimony from a broad range of witnesses to exactly this effect. The excellent study undertaken by the National Research Council of the National Academy of Sciences, entitled "Roles and Resources of Federal Agencies in Support of Comprehensive Emergency Medical Services," published in March 1972, recommended the establishment of Federal support for programs along the lines authorized by S. 504 be established.

With this basic difference in approach as a backdrop, I would like to review the administration's four objections to the legislation under consideration in the committee.

First, Mr. President, it argued that ample legislative authority is already on the books to allow the conduct of a range of Federal "demonstration" initiatives in the EMS field. Second, the administration particularly objected to a provision in S. 654, a bill also under consideration in the committee, which would have established a new organizational structure in the department with responsibility for emergency medical services. Third, the representative of the administration stated that the appropriations authorizations in S. 504, and S. 654, were greatly in excess of the amount of funds that could conceivably be soundly invested in a Federal "demonstration" program in the foreseeable future. And fourth, the administration objected to the creation of local planning councils, a National Advisory Council, and an Interagency Technical Committee.

Within the committee, I worked very closely with my colleagues on a bipartisan basis to meet the administration's objections. I would like to express my deep personal gratitude to Senator KENNEDY, the chairman of the health subcommittee, for his counsel and cooperation, and to Senator DOMINICK for his insightful and constructive contributions to the development of the bill in committee. Also, particularly interested in this bill and of great assistance were Senator SCHWEIKER and Senator JAVITS, the ranking subcommittee and full committee minority members, and Senator WILLIAMS, chairman of the full committee, and Senator BEALL, who authored S. 654.

COORDINATED NOT DUPLICATIVE APPROACH

I believe we have developed a bill that meets the objections posed by the administration. The bill has been amended to make quite clear that it is not intended to duplicate existing legislative authorities. Specific direction to the secretary is written into the statutory language to assure that in providing assistance to communities eligible for grants to implement a plan for an emergency medical services system, the secretary must insure that any assistance under the provisions in S. 504 is provided only to the extent that assistance under other legislative authorities are insufficient to enable the qualitative and quantitative requirements established in the reported bill, and by the secretary pursuant to the bill, to be met.

Our intention is, Mr. President, that

when a community applies for help in developing a comprehensive emergency medical services system, the secretary of Health, Education, and Welfare shall first seek to provide such support from existing authorities of the Public Health Service Act—such as in health personnel training or renovation of facilities—and, as appropriate, investigate the availability of support under authorities administered by other federal agencies—such as the Department of Transportation for purchase of equipment and training—before providing funds under the provisions in S. 504 as reported.

REDUCED APPROPRIATIONS AUTHORIZATIONS

To move toward the administration's objection, the funding levels in the reported bill have been considerably reduced, despite very conclusive evidence presented to the subcommittee in hearings in Washington and California that much higher levels of funding are badly needed and can be effectively used. The sums authorized to be appropriated in the reported bill—$240 million over the next 3 fiscal years—are considerably less than in the bill as introduced—$315 million—and far lower than in S. 654, the AMA bill introduced by Senator BEALL—which would authorize appropriations of $630 million.

NATIONAL EMPHASIS

Moreover, Mr. President, we have not included in S. 504 the separate, identifiable HEW administrative unit called for in S. 654 to carry out EMS programs. Instead, S. 504, as reported, makes the EMS National Advisory Council a presidentially appointed body and provides the Council clear responsibilities in the grant review process and in the adoption of policies to implement the authorities provided in the bill. Although the administration had objected even to the establishment of the National Advisory Council, testimony presented to the subcommittee was so forceful on this point that I and the other members of the committee were convinced that a strong advisory council is essential to bring about the necessary coordination and to provide the essential leadership to help the Nation's communities develop their own systems of providing comprehensive emergency medical services to their residents and visitors.

NONPARTISAN ISSUE

With these accommodations to the administration's viewpoints, Mr. President, and with the strong support received for this legislation both from the general public and from professional organizations, I am hopeful the administration will now be able to accept the legislation as a realistic and workable approach to improving the Nation's emergency medical services capabilities in line with local needs and local priorities determined at the local level in accordance with national standards.

Mr. President, this is not a partisan issue. Human lives are at stake, and I plan to continue our bipartisan efforts to produce an effective measure which can be enacted into law.

Mr. President, at this point I would like to discuss at greater length the need for this bill and to describe some of the deficiencies existing in the Nation in the provisions of emergency medical services and how the S. 504 as reported will remedy these deficiencies.

NEED FOR BILL

DEFICIENCIES IN EMERGENCY MEDICAL SERVICES

Mr. President, one of the most serious deficiencies in the health system in many communities is the inability to respond immediately and effectively to emergency medical crises. I have been deeply concerned with the mounting numbers of deaths and disabilities resulting from medical emergencies which expert witnesses testified could be averted by adequate planning and organization of health resources.

MORTALITY AND DISABILITY FROM MEDICAL EMERGENCIES

Mr. President, accidental injury is the leading cause of death among all persons aged 1 to 38 and is the fourth leading cause of all deaths in the United States. In 1968 trauma resulted in more than 100,000 deaths, 10 million cases of temporary disability, and 400,000 of permanent disability. Trauma patients used more hospital days than all heart patients or all obstetrical patients and more than four times as many hospital days as all cancer patients.

Projections from studies indicate that mortality from accidents alone could be reduced by from 10 to 20 percent by proper medical care at the scene of the accident or en route to an emergency facility. Thirty percent of cardiac deaths could be prevented if the public were educated to recognize the symptoms of heart attack and if ambulance attendants were adequately trained to provide immediate emergency treatment. Five thousand deaths each year from other causes such as poisonings, drownings, and drug overdoses could be prevented by immediate medical attention.

A National Academy of Sciences-National Research Council report published in March 1972, estimated on the basis of current surveys that only 65 percent of the more than 200,000 ambulance attendants of the Nation were trained to the level of the advanced first aid course of the American National Red Cross or higher levels, that 25 percent were trained to a level less than the Red Cross course, and that 10 percent had no training at all in the fundamentals of first aid.

The ultimate goal outlined in the guidelines established by the National Academy of Sciences-National Research Council in its recommendations on the training of ambulance personnel is to create a nationwide corps of career ambulance emergency medical technicians who are qualified to carry out measures now applied by allied health personnel in emergency departments and by medical corpsmen in combat areas. It is estimated by the National Academy of Sciences-National Research Council that fewer than 35 percent of all ambulance personnel are now qualified at the recommended minimal basic level.

AMBULANCE SERVICES

Mr. President, the adequacies of ambulance services vary widely throughout the Nation. In 1968, the National Highway Safety Bureau conducted a survey which found that in many communities ambulance services are run by the local undertaker. In others, the ambulance service is a separate commercial enterprise—yet few of these find it a profitable business; more than a fourth of the commercial enterprises lose money on ambulance services and depend on other sources for income to make up the loss. The average cost of ambulance service is $75 per trip; however, few emergency victims are able to pay that amount. Third-party insurance rarely covers the full cost; in some instances it covers none of the cost.

The Medical World News, 1971 Special Report "The Crisis in Emergency Care" stated about one-fourth of the ambulance service in the United States is provided by the local unit of government—usually through a public safety organization such as the fire department, police department, or sheriff's office. Two percent of ambulance service is provided by hospitals.

The American College of Emergency Physicians reports, Mr. President, that only 37 percent of ambulances in a recent survey met minimal design standards, and only 6 percent had facilities to communicate directly with a hospital emergency room. Many ambulances have little more room than that sufficient for a prone patient forcing the attendant to crouch to minister to him. Frequently, life-saving equipment or even basic equipment such as splints, backboards, or poison antidotes, are not carried as standard equipment on the ambulance.

HOSPITAL EMERGENCY ROOMS

Mr. President, increasing concern is being expressed throughout the Nation regarding the heavy demands made upon a major element of any emergency medical system—the hospital emergency room. Hospital emergency rooms are increasingly called upon to provide outpatient care for the community. The position paper prepared by the American College of Emergency Physicians in 1972 reported there has been over a 600-percent increase in the number of emergency visits in some hospitals in the last 25 years. Nationally the average is an increase of 10 percent a year. Last year there were approximately 50 million visits to emergency rooms.

In the critically underserved neighborhoods of densely populated urban areas emergency medical services should more accurately be termed primary health services. Here the distinction between emergency medical care and primary health care is very difficult to determine.

This increased community reliance on the services of the emergency room has overburdened its resources and has vastly compounded the difficulties of providing effective critical care to the emergency victim.

In many communities, Mr. President, the small hospital is particularly hindered by inadequate staffing and undertrained personnel and by equipment shortages. Rural communities serving underpopulated areas find it particularly difficult to maintain emergency medical services at the optimum staff and equipment level necessary to meet the infrequent need to provide critical care to an accident victim. According to a study of the National Academy of Sciences, 70 percent of motor vehicle deaths occur in rural areas and communities with a population under 2,500. Some of this tragic difference is caused by inability to reach the patient quickly in an isolated area, but some of it is caused by the inadequacies of overburdened, underequipped, and obsolescent emergency room facilities in these areas.

A special problem faces the rural community on a seasonal basis. For a major part of the year, such communities have a small number of critical medical emergencies. However, during the peak of the resort season, the number of emergencies rises sharply. Frequently these areas have minimal health personnel or health facilities capable of dealing with these emergencies on a 24-hour basis. In such instances the need for areawide planning of emergency medical services and coordination of such services with neighboring communities becomes a matter of necessity.

NEED FOR COORDINATION IN PLANNING SYSTEMS OF EMERGENCY MEDICAL SERVICES

Mr. President, I feel very strongly that a carefully planned, systematic approach with coordinated application of Federal and local resources can correct the deficiencies of emergency medical services throughout the country.

Modern science has given us the means of overcoming many of the present obstacles to providing immediate and effective emergency medical care. The development of portable equipment for the treatment of victims of heart attack, or other critical and sudden illnesses, the development of totally equipped and staffed mobile critical care units capable of bringing the expertise of the hospital to the scene of the emergency; developments in radio and telecommunications permitting electronic monitoring and transmittal of patient data to an acute care center; utilization of rapid means of transport such as helicopters where ground transportation access is poor or too slow—all have provided us with the tools necessary to assure prompt response and reaction to a medical emergency.

Thus the technical information and the medical capacity to deal with most of these problems exist. However, to date, efforts to find solutions to them have been fragmented, and uncoordinated. The greatest deficiency has been lack of coordinated planning efforts at both the local and the national levels. At the community level, methods must be developed to involve all elements related to the provision of emergency services in meeting community needs.

At the Federal level, governmental units in numerous agencies are concerned and involved with the provision of these services, yet coordination has been haphazard.

What is needed Mr. President, is a framework whereby these units can work together nationally and locally to meet shared goals.

The proposed Emergency Medical Services Systems Development Act of 1973 provides the means by which this can be accomplished. The bill as reported adds a new title XII to the Public Health Service Act to authorize the Secretary of HEW to provide support to States, units of local governments, or certain combinations of local governments, to plan, assist in, improve and expand the provision of emergency medical services.

PROVISIONS OF THE BILL

ELIGIBILITY FOR ASSISTANCE UNDER THE NEW TITLE

Mr. President, S. 504 as reported includes a three-year appropriations authorization for grant and contract support ($37.5, $75, and $112.5 million for fiscal years 1974, 1975, and 1976, respectively) for the planning, development or expansion of emergency medical services systems as well as a separate appropriations authorization ($5 million for each year) for research in emergency medicine and systems development carried out in conjunction with a system implemented under the requirements of the bill. Support made available under the basic appropriations authorization may be used for planning, modernization (defined so as not to include erection of free-standing structures), training and manpower development, communications, transportation, the coordination of services and facilities, and other components necessary for the implementation of an emergency medical services system.

I would like to emphasize, Mr. President, that we do not intend to create new grant authorities under the provisions of this bill which are duplicative of existing authorities. The basic purpose of the legislation is to encourage and provide incentives to appropriate units of government to inventory their resources for providing comprehensive emergency medical services, identify the gaps in such services and seek to remedy these deficiencies through better coordination or utilization of existing resources—their own and those available under other Federal programs—as well as to develop the new components which are essential to the achievement of an integrated, comprehensive area emergency medical services system which would meet requirements established by the Secretary. Where assistance is available under other legislative authorities to support the development of any particular component of an emergency medical services system, the Secretary is required to direct the applicant first to seek such assistance and to provide support for such a component under the provisions of the new title XII only where such a component is not supported at all or is not sufficiently supported under other programs to enable it to meet the requirements established under the reported bill. This nonduplication provision is particularly applicable in the case of training of personnel—both paraprofessional and professional—where other authorities of the Public Health Service Act (titles III, VII, VIII, and IX) and other HEW authorities such as MDTA (Manpower Development and Training Act) and Vocational Education, as well as programs administered by other Federal agencies, among them the Department of Labor (MDTA and Vocational Education), the Department of Transportation's Division of Emergency Medical Programs (for training of paramedics), and the Veterans Administration, are available for support. Other components can also be supported by other PHS Act authorities including authorities for facility construction and modernization and for research as well as by other Federal agencies through programs such as those supported by the Division of Emergency Medical Programs of the Department of Transportation or the Department of Defense's MAST program.

SPECIAL PROBLEMS OF RURAL COMMUNITIES

Mr. President, testimony received at the Committee's hearings in Washington and California described the particularly acute problems rural communities have in providing adequate emergency medical care and in making successful applications for grant support. Since statistics on deaths and disabilities have demonstrated that the ratio of such tragedies is much higher in rural isolated areas in proportion to the number of emergency incidents, I felt special emphasis and support should be provided to the development of systems for rural areas. The bill as reported includes a provision that not less than 15 percent of the sums appropriated each year for the planning, development and implementation of emergency medical services systems shall be available only for grants and contracts to rural areas. I would hope the Secretary will provide the technical assistance to these communities which may be necessary to enable them to qualify for such awards. In certain instances, it may be appropriate for funds under the new title XII to be made available to the governmental unit involved to purchase consulting services in the development of such a plan, but generally the committee believed that such planning costs should be borne locally.

Some communities, Mr. President, particularly in rural areas, may not be able to provide the assurance that all components of the emergency medical services system can meet the standards prescribed by the Secretary and required to qualify for assistance under the new title XII. To avoid disqualifying such communities from consideration, the bill as reported, provides that where an applicant demonstrates clearly a particular component cannot meet standards immediately, a grant can be awarded on the assurance that such standards will be met within a year of the initial receipt of assistance.

AREAWIDE APPROACH AND INTRA- AND INTERGOVERNMENTAL COORDINATION

Mr. President, we also recognize that for a system to be efficient and effective, it must contain sufficient resources to meet the wide variety of demands made upon it by medical emergencies. Since all of such a wide range of services may not be available to a small local governmental unit, the bill provides that grants and contracts may be awarded to (1) States, (2) political subdivision, or (3) regional arrangements, compacts, or consortiums which present a plan for a comprehensive and coordinated areawide emergency medical services system meeting requirements prescribed by the Secretary, and designed to serve a geographical area at least congruent with the boundaries of a 314(b) areawide comprehensive health planning agency (where one exists), or multiples of such areas, unless the Secretary deems a system serving such an area infeasible and approves a plan serving a portion of such an area. The bill also specifies that a community which presents a plan for a system must include appropriate arrangements for access to specialized medical units in a neighboring community where such resources are not available within portions of the area encompassed by the system or are geographically more accessible in the neighboring community.

Beyond the purpose of ensuring that the community applying for support under the provisions of the new title will be of sufficient size to be able to provide the bulk of the services required for a comprehensive emergency medical services system, the requirement that the geographical area be congruent with the 314(b) agency is intended to resolve in advance the complications and conflicts which are likely to arise in the case of overlapping or adjacent governmental jurisdictions in many areas. In further pursuit of this objective the bill provides that where a regional arrangement, compact, or consortium submitting a plan for an emergency medical services system, includes within its boundaries a standardized metropolitan statistical area, it must comprise at least those units of local government included in the SMSA.

A number of witnesses—among them representatives of the American Medical Association, the California Medical Association, the American College of Emergency Physicians, and the Society for Critical Care—testified to the necessity for continuing review and evaluation of the quality of services provided under an area emergency medical services system and for some form of sanctions where services failed to meet the required standards. The bill as reported provides that the Secretary is required to review annually the performance under the plan submitted for emergency services and is authorized to terminate assistance (in accordance with the Administrative Procedure Act—APA—adjudication requirements) to a grantee where he determines that performance is not substantially in accord with the plan submitted. Such a determination would have to take into consideration not only the review of the Secretary, but also the required independent review and evaluation submitted to him as part of the plan's implementation. These independent reviews and evaluations would be measured in terms of national norms and standards established by the Secretary under APA rulemaking.

DEVELOPMENT OF A PLAN

Mr. President, a basic requirement of any application for funding under the new title XII is the development of a comprehensive plan for the establishment of an area emergency medical services system. The first step for an applicant is to establish an area emergency medical services planning council whose membership must include representatives of all elements in the area to be served concerned with emergency medical services, including consumers, public safety agencies, communications networks, private ambulance firms, representatives of Federal agencies, as well as health care providers, health facilities, and health education institutions. The local council's functions include development of the plan, in consultation with the appropriate 314(a) (State comprehensive health planning agency) and 314(b) (areawide comprehensive health planning agency) agency or agencies, as well as continuous monitoring and evaluation of the operation of the area emergency medical services system.

Although almost all witnesses in subcommittee hearings testified to the importance of drawing on the experience of a broad representation of interests in developing a comprehensive area emergency medical services system, many pointed out that the large number of persons entailed in such a venture might prove cumbersome in the planning, implementation or administration of a system. Because we felt so strongly that all the elements cited in section 1204 in the reported bill, describing the membership of the Council, are essential to the achievement of a comprehensive system, the bill as reported retains a broad representative nature for the area council but permits it to delegate part or all of its authority to a representative subgroup which would, however, be required to reflect the total membership of the Council.

REQUIRED PROVISIONS OF A PLAN

To qualify for support, Mr. President, the plan submitted must provide for or assure that provision will be made for certain components or elements deemed essential for a complete and coordinated emergency medical services system for the area to be served.

UTILIZATION OF PERSONNEL AND FACILITIES OF PUBLIC SAFETY AGENCIES

Mr. President, testimony was presented to the subcommittee on the important role public safety agencies play in the provision of emergency medical services and the need to reinforce this role. The reported bill thus emphasizes that the plan for development of an area system for emergency medical services must provide for the effective utilization of the resources of the public safety agencies of the area, and specific mention is made of the need for training of appropriate personnel of these agencies in the provision of immediate on-the-scene emergency medical aid to victims of illness and accident.

One public safety agency resource which has particular applicability to the provision of emergency medical services is the helicopter utilized by these agencies for traffic control, police, disaster, or other purposes.

In Arizona and in Maryland, Mr. President, the use of these helicopters in emergency medical situations has been invaluable. In both States, the public safety personnel operating the helicopter have been trained to provide emergency medical treatment.

TRAINING

COORDINATION WITH EXISTING HEALTH MANPOWER PROGRAMS

Mr. President, to be eligible for a grant or contract, the applicant must include in the plan provision for the training of sufficient numbers of specialized professional and paraprofessional staff as well as providing for their continuing education. The bill specifies that support for all training and education activities developed under plans be sought first under other authorities of the Public Health Service Act or other laws and where sufficient assistance under such other provisions of law is not available to enable such programs to meet the requirements prescribed by the Secretary, the plan shall develop proposals for such training programs to be coordinated with programs authorized under titles III, VII, VIII, and IX of the Public Health Service Act. These procedures are designed to insure the full utilization of federally supported programs under other legislative authorities and to avoid the overlap and duplication of training activities and funding.

SHORTAGE OF SKILLED EMERGENCY PERSONNEL

Fully trained emergency medical services personnel are an essential element of any comprehensive emergency medical services system. The bill as reported, therefore, requires that the plan must include provision for adequate interdisciplinary programs for educating and training such individuals. The reported bill requires that these programs meet criteria and standards approved by the Secretary after due consultation with appropriate medical and educational entities and specialists. Since there will be an immediate demand that these programs be supported in sufficient numbers to provide the personnel necessary to permit the adequate functioning of emergency medical services systems supported under the new title, the Committee stressed that the Secretary should make the development of these programs a first priority.

TYPES OF TRAINING

In order for emergency medical services systems to be properly planned, developed, operated, and evaluated, several types and levels of personnel will be needed and must be trained.

TEAM TRAINING

The interdisciplinary, multidisciplinary approach to the provision of emergency medical services has proven its effectiveness in Los Angeles, Jacksonville, and the State of Illinois, among other communities utilizing the team concept for the provision of emergency medical services. The training of emergency medical services personnel is particularly well suited to the concept of team training provided within the concept of the total emergency medical services system.

CONTINUING EDUCATION

Continuing education is of paramount importance to the paraprofessional as well as to the professional. Thus, the plan must include provision for continuing education so that any member of the emergency medical staff is required to participate in regularly scheduled continuing education programs.

PHYSICIANS

Currently, Mr. President, there are approximately 15,000 physicians providing emergency care on a full-time basis in emergency rooms across the Nation. Until 1972, there were no postgraduate training programs for emergency physicians such as those under which other specialists are trained. There are now six such programs, and more are being developed. This expansion in the number of postgraduate training programs is promising and I hope the expansion will continue. We were also impressed with testimony presented by the American College of Emergency Physicians on the need for an approved residency program in emergency medicine. Approval of a residency program would facilitate the training of the numbers of full-time emergency physicians needed to adequately serve the Nation's communities.

In addition, emergency medicine specialists, as well as all physicians must have access to continuing education programs geared to meeting medical emergencies with the most up-to-date techniques and resources.

Further, there is a need for all physicians in postgraduate training programs in other specialties and physicians practicing in other specialties to be able to handle common medical emergencies as well as those which arise in their specialties. Programs must be developed to provide training for these physicians to handle common medical emergencies and to maintain such competence when they go into practice.

PARAMEDICS

Mr. President, the importance of adequate training of the paraprofessional, who in most instances, is the first person at the scene of the emergency, cannot be overemphasized. A number of standardized training programs for paramedics have been developed, most notably the course developed by the Department of Transportation which consists of some 70 hours of training. I have been impressed by reports on the highly skilled paraprofessionals who have completed longer periods of training of 300 hours or more. These individuals on the emergency scene, working in conjunction with a professional at the emergency room or other health facility by voice communication, are capable of providing lifesaving care and utilizing complex equipment essential to save the patient from death and protect him from serious disability. Mr. President, Los Angeles County has done an outstanding job in utilizing these highly trained paramedics.

FORMER MILITARY MEDICS

The utilization of former military medics and corpsmen in these systems seems particularly appropriate, and there has been some notable success by communities in recruiting these individuals for these positions.

PUBLIC SAFETY PERSONNEL

I also view the training of appropriate personnel of the public safety agencies in the community as an important consideration in any community's emergency medical system.

NURSING AND OTHER PERSONNEL

In addition, Mr. President, there is a need to develop and train other emergency medical personnel. Among members of the emergency medical services system staff are the emergency nurse, including the specially trained nursing associate who can carry out triage in certain circumstances and provide some element of treatment to the patient, the emergency physician's assistant, emergency medical technicians to work both in hospital emergency departments and at the scene of the emergency, emergency communications personnel knowledgeable about the development and operation of sophisticated communications networks, emergency department ombudsmen, and community workers both within the emergency room and in the community who can relate to the needs of the patients as well as provide educational services on the use of emergency facilities.

The reported bill amends title VII of the Public Health Service Act to include in the sections for special project grants and health manpower education initiative awards, specific authorization for grants for the interdisciplinary training of health personnel in the provision of emergency medical services. These amendments dovetail with the bill's purpose of utilizing existing health manpower training authorities and funding for the training of emergency medical services personnel, and make clear authority which was implicit in both of these title VII programs.

MANAGERS AND PLANNERS

In addition to the emergency medical personnel directly involved with patient care, there is a need for effective managers of emergency medical systems who can plan, develop, operate, and evaluate such systems. Ideally, these managers should have a background in both emergency health care and in health administration and management. Reports of the development of programs to educate such individuals at Ohio State University and at the University of Pennsylvania are very promising, and it is hoped that their development will be pursued at other educational institutions.

The general need for effective health managers or administrators is becoming more evident as medical services move from fragmented, unsystematic care to coordinated and organized systems. There is a real need for these specialists in implementing a comprehensive emergency medical services system in a large community or on a statewide basis.

TRAINING INTEGRATED WITH OTHER COMPONENTS OF THE PLAN

Mr. President, the reported bill does not provide a separate appropriations authorization for training programs operated in isolation from a comprehensive areawide emergency medical services system. It is my conviction that training for emergency medical services can be supported to a large extent by other legislative authorities and, in addition, to be successfully utilized that they must be integrated into and fully coordinated with an emergency medical services system operating in a community.

COMMUNICATIONS

Another requirement of every plan, Mr. President, is the provision for a 24-hour communications system which can provide the necessary linkage from the point of the emergency through a central point—where initial triage may be conducted to assure the individual is directed to the appropriate services for his needs and the appropriate emergency personnel and vehicles can be dispatched—and on through all points of the system to the emergency medical facility and its highly specialized personnel and equipment. Such triage related to medical determinations would be carried out by a nurse or a paramedic with training and experience in such triage. The communications systems should be compatible with the transmission of patient data to the critical care unit through radio or video transmission or other electronic monitoring systems.

The 911 dial system currently being advanced by the telephone companies within the United States is highly effective in providing ready consumer access to an emergency medical services system. But its installation is sometimes a time-consuming process, and alternative courses of action should be explored by communities as an interim measure prior to the installation of a 911 system.

Another major problem involved in consumer access to the communications system is the ability of the dispatch center to locate the emergency geographically, especially when the consumer is a child or a stranger to an area and unable to identify his location. One method which has proven effective in England is to designate the precise geographical location clearly on the callbox or in the telephone booth. Areas of technology must be pursued so that future capabilities can be established to help the central dispatch point identify the location of calls from nonpublic sources.

TRANSPORTATION

Mr. President, another requirement of an area emergency medical services system is adequate provision for transportation. Sufficient numbers of vehicles equipped with the necessary lifesaving equipment, staffed by well-trained emergency personnel and meeting standards of safety and patient care recommended by nationally recognized organizations, must be a basic element of any system. In many communities such vehicles are in use already, sometimes provided by commercial ambulance companies, sometimes by public safety agencies, sometimes by voluntary agencies, and sometimes by the community hospital. Where such resources already exist and where they meet standards of equipment and personnel recommended by the Secretary, they should be incorporated into and would form important components of a program for the provision of comprehensive emergency medical services.

Transportation systems must be geared to the special geographical characteristics of the community, Mr. President. In some areas where road systems are inadequate or distances are great, the utilization of a helicopter has proven particularly appropriate in transporting emergency victims. Much more needs to be done, however, to apply to our civilian life the great accomplishments which have been made, through helicopter transport and other methods in the Indochina war, to provide immediate lifesaving, life-sustaining services within moments of injury. The outstanding record achieved by the MAST pilot programs established in several communities is an example of the effectiveness of the helicopter as an element of an emergency medical services system in this country.

One of the major deterrents to greater utilization of helicopters is the heavy expense. The involvement of public safety agencies, many of which utilize helicopters for other purposes, in the development of plans for community emergency medical services can offer opportunities for the joint and therefore more economical use of this expensive and selective method of transport.

FACILITIES

Mr. President, another major element in any system for the provision of emergency medical services is adequate facilities, conveniently and strategically located and categorized as to particular competencies, and available for utilization on a 24-hour basis. For the most efficient operation of an emergency medical services system and for the most efficient utilization of scarce financial and professional resources, planning for these facilities is essential. Much organizational efficiency could result from the application of the type of procedures for categorization of facilities which were recommended by the Commission on Emergency Medical Services of the American Medical Association.

Adoption of such a categorization system in the communities would appear to provide a rational approach to the provision of emergency medical services while avoiding expensive and unnecessary duplication of equipment and facilities and poor utilization of scarce staff and financial resources.

The committee felt that generally the construction of free-standing facilities for the provision of emergency medical services would not be an efficient means of providing such services or a sound investment of resources. Thus, the bill provides support for the "modernization" of existing resources and defines modernization (in a definition similar to, but without the word "replacement," contained in section 645 of the Public Health Service Act) to mean "alteration, major repair (to the extent permitted by regulations), remodeling and renovation of existing buildings (including initial equipment thereof), and replacement of obsolete, built-in (as determined in accordance with regulations) equipment of existing buildings."

I wish to emphasize our concern that communities utilize existing facility resources to the optimum. Where specialized services are nonexistent in a community submitting a plan for a system, the community's plan must provide for appropriate access to such units in a neighboring area where such access is feasible in terms of time and distance.

Mr. President, an example of the type of specialized services for which access must be planned in a system providing for comprehensive emergency medical services is the center for the high-risk newborn infant.

Under this legislation, emergency medical transportation systems could be made available to transport high-risk newborn infants. Great advances are being made in the care of infants in the field of pediatrics through intensive care and treatment of sick babies in special newborn centers. These intensive care nurseries are to infant mortality what the coronary care unit is to the heart patient.

A team of highly trained professionals utilizing sophisticated equipment—including incubators which permit temperature and oxygen control, monitoring equipment for cardiac rate, complex pumps for administration of intravenous fluids and intricate apparatus for resuscitation. Because the cost of these units is prohibitive for the average hospital and the staff personnel are not readily available, intensive care units for the newborn must be developed on a regional basis. Also, specially designed portable incubators may be utilized in conventional ground vehicles, fixed wing aircraft and helicopters when such modes of transportation are available.

UNIVERSALITY OF PROVISION OF SERVICES

Mr. President, the plan must also provide assurance that anyone in need of emergency medical care will be provided such care without regard to ability to pay or prior inquiry as to financial situation or third-party coverage. Far too many stories are told about the first questions asked of a patient being "do you have insurance" or "how can you pay" rather than "where do you hurt" or "how can I help you."

PROVISION FOR MASS CASUALTIES

Mr. President, the plan must also provide for the development of a program to cope with emergency medical services during mass casualties, natural disasters, or national emergencies. In many such circumstances, such as the San Fernando, Calif., earthquake in February 1971, total coordination of and access to resources within the community and in neighboring communities, as well as backup systems and equipment, are required to deal with a large number of casualties.

PUBLIC INFORMATION PROGRAMS

I feel that public information programs advising residents and visitors to the community as to means of access to the emergency medical services system in the community, methods of self-help, and sources of first-aid training are absolutely indispensable to the success of the implementation and operation of any program of emergency medical services. They are also fortunately the easiest and least expensive to mount effectively. These public information programs are an essential element of any program, and the bill requires that every plan provide fully for such programs. Much of such a program can be carried out through appropriate utilization of public service programs of the mass media in the area, through dissemination of material through the public education system (mimeographed notices to school children to take home to their parents), through education programs of voluntary organizations, materials distributed at hospitals, libraries, post offices and other public distribution points, and through other means. Accordingly, the Committee does not intend that funds under the new title will be used to carry out the public education component of the plan; however, some responsibility for promoting and coordinating public information efforts by a staff person supported with funds under the new title would certainly be appropriate.

REVIEW AND EVALUATION

Mr. President, the plan must also provide for the periodic, comprehensive, review and evaluation by independent persons or entities of the extent and quality of the emergency medical services provided in the area, measured in terms of national norms and standards established by the Secretary in rules prescribed under the APA.

STANDARDIZED PATIENT RECORDKEEPING SYSTEM

The reported bill requires that the plan provide for the establishment of a standardized patient recordkeeping system covering the treatment of the patient from initial entry into the system to discharge from the system consistent with ensuing records for followup treatment and rehabilitation. However, if the applicant demonstrates by clear and convincing evidence the infeasibility of so providing immediately, the reported bill permits the Secretary to waive this requirement in accordance with rules prescribed under the APA.

COORDINATION AT THE NATIONAL LEVEL

Mr. President, considerable testimony was provided by representatives of professional groups to the effect that because the provision of emergency medical services has become a matter of nationwide concern and interest and because responsibility at the Federal level for the provision of these services is presently lodged in many existing Federal agencies, a separate agency responsible to the President and outside of any existing Federal agency should be established to provide the coordination and leadership necessary at the Federal level. While I agree coordination is essential, I do not believe the establishment of an additional agency is the most effective or appropriate way to focus Federal attention on this problem. Instead, the bill provides for the establishment of an Interagency Technical Committee and a National Emergency Medical Services Advisory Council.

INTERAGENCY TECHNICAL COMMITTEE

At the Federal level, Mr. President, the bill establishes an Interagency Technical Committee to coordinate Federal programs and activities relating to emergency medical services. Successes have been realized in the MAST programs through coordinated activities of the Department of Defense, Department of Transportation, and the Department of HEW. The Interagency Committee is designed to achieve further cooperative efforts at the Federal level. At the same time, local community efforts must also be made to foster these coordinated arrangements at the local level.

A provision of the reported bill would authorize the Secretaries of each military department—including the Secretary of Transportation as to the Coast Guard in nonwar periods—to enter into agreements with communities for the establishment of MAST programs. These programs have been in effect in five communities with outstanding results. However, the Department of Defense General Counsel has ruled that authorizing legislation is necessary for the expansion of these programs to additional communities. The legislative authority in the reported bill will enable MAST programs to be initiated in some 21 new sites which currently have the capabilities to participate in MAST programs.

NATIONAL EMERGENCY MEDICAL SERVICES ADVISORY COUNCIL

A National Advisory Council is established by the reported bill within HEW to review and advise on applications and to make recommendations to the Secretary on implementation of programs under the new title XII. This Council includes (as ex officio nonvoting members) not only representatives from other Federal agencies, but also the Director of the National Institutes of Health and the Administrator of Health Services and Mental Health Administration. I recognize that the development of effective area emergency medical systems will depend on the coordination of the resources of both the research and services components of the Public Health Service and for that reason have specifically included the directors of these units on the Advisory Council. Many representatives of professional organizations and other individuals experienced in the development of emergency medical services argued the need for a focus of responsibility with the Federal Government. The reported bill provides that the Chairman and the other nongovernmental members of the National Emergency Medical Services Advisory Council shall be appointed by the President. The reported bill provides that there will be 15 Presidentially appointed members of whom 7 must be representatives of the general public and 8 must be individual experienced in the provision or development of emergency medical services systems or the training of personnel for emergency medical services systems. The Chairman of the National Advisory Council is to be designated by the President from among the appointive members who represent the general public. The reported bill further specifies that only the appointive members shall be voting members of the Council and that a quorum for carrying out the functions of the Council shall consist of nine voting members. The functions of the Council shall be (1) to advise, consult with, and make recommendations to the Secretary on applications received for grants and contracts in excess of $35,000 (in the same way as peer review advisory councils for the Institutes in NIH), (2) to make recommendations with respect to carrying out all provisions of the bill, including the preparation and review of the annual budget estimate, and (3) to be responsible for collecting, analyzing, and disseminating all data useful in the development of area emergency medical services systems, as well as establishing a national data bank.

The responsibilities given the appointive members of the Council should insure that programs administered under the provisions of the new title are responsive to community needs. In addition, the committee believed that, by virtue of the membership on the Council of all members of the Interagency Technical Committee, the Council will be in a prime position to effect the coordination of programs under the new title as well as programs administered under other authorities of Federal law.

RESEARCH

Mr. President, in addition to the basic elements of an emergency medical services system, such as trained personnel, communications systems, transportation systems, and facilities, intensive research is needed on all aspects of such a system. Such research should be directed toward understanding physiological changes produced by trauma, and should utilize the latest technical knowledge in the development of sophisticated hardware and equipment for monitoring or treating the patient as well as toward the development of systems for providing emergency medical services.

Relatively little has been done in fundamental studies on acutely injured individuals in the areas of wound healing and infections, and psychological, metabolic, cardiac, and respiratory changes following trauma. A beginning has been made through the eight trauma centers supported by the National Institute of General Medical Sciences, but funding for these programs has always been quite limited. The substantial reduction in mortality and lasting disability from burns resulting from the establishment in recent years of specialized burn centers attests to the positive results that can be achieved through applying concentrated medical efforts in a center where multidisciplinary teams can work together in developing optimum treatment capacities and an organized approach to providing specialized care.

In addition the scientific capability developed from the manned space program could well be used to improve our ability to provide emergency medical services.

Because of the need for research in areas related to emergency medical services systems, the reported bill provides separate appropriations authorizations of $5,000,000 annually for support of research programs. Such grants for research must be carried out in conjunction with area emergency medical services systems which have developed a plan meeting the requirements of the new title.

The funding mechanism has been expanded to include contracts as well as grants with nonprofit entities for research and contracts with private agencies, organizations, or institutions for research. However, the requirement that any such research program must be carried out in conjunction with the implementation of a plan approved under the new title XII remains applicable.

ROLE OF COMPREHENSIVE HEALTH PLANNING AGENCIES

Since the 314(b) areawide health planning agency should be the logical local entity to coordinate and plan for a well functioning health system, the new title requires involvement of these agencies in the development and implementation of any programs for area emergency medical services. Indeed, to be eligible for a grant, a governmental unit or combination thereof would have to comprise at least the area covered by an areawide 314(b) planning agency—where one exists—unless the area proved to be incompatible with the development of a coordinated comprehensive system.

REPORTS AND RECORDS

A grantee must make such reports and maintain such records as the Secretary of HEW determines are necessary. To insure that grants and contracts awarded under the provisions of the new title are directed toward the implementation of plans for emergency medical services systems in accordance with its provisions, the reported bill requires the applicant to report periodically on progress achieved in the development, establishment, or expansion of components of such systems.

STANDARDS

Mr. President, to assure the effectiveness of such systems, all components of an emergency medical services system must meet standards and criteria established in rules by the Secretary in accordance with the APA, which includes a full right to advance public notice and personal appearance.

Several witnesses testified to the difficulties some geographical areas might face in being determined eligible for a grant if in each case all components in question were required to meet these criteria and standards prior to the awarding of a grant. As a consequence, the bill as reported provides that, where an applicant has demonstrated by clear and convincing evidence that a particular component of its emergency medical services system cannot immediately meet such standards and criteria, the Secretary may award a grant or a contract on condition that the applicant provides reasonable assurance all such nonconforming components will meet such standards and criteria within one year of the initial receipt of assistance under the new title XII.

AWARD MECHANISMS

Mr. President, the reported bill provides for two alternative award mechanisms—grants and contracts. The broad nature and need for flexibility in the development of plans for emergency medical services systems in any given area are most appropriately addressed by the grant mechanism. A similar approach has also proven most effective in training programs.

However, in the actual implementation of a plan for an emergency medical services system and the development of its components, the utilization of the contract mechanism has special applicability. The contract mechanism provides a greater degree of assurance that implementation of the plan will follow the original purpose in the plan submitted with the application and provides for greater control over compliance with requirements and quality standards prescribed by the Secretary.

Under the reported bill, utilization of the contract mechanism must be subject to the same review and approval procedures as the grant mechanism. There must also be sufficient flexibility to permit renegotiation of the contract, should the local unit of government feel the original purpose for which the contract was awarded should be changed. Again any such renegotiation should be subject to the same review procedures as used in the grant mechanism.

GENERAL PROVISIONS

Mr. President, the bill as reported would insure that any Federal support of emergency medical services systems or components thereof is provided only where such system or components meet the standards and criteria prescribed by the Secretary in approving plans under the new title, and that such support is provided only in connection with a system approved for the receipt of assistance under the new title. Specifically, in the case of a new grant, the reported bill provides that except as otherwise provided in the new title itself, no payments under any other provision of law (this would include, for example a provision in a no-fault insurance bill to allocate a certain percentage of premium receipts to an emergency medical services sinking fund) may be made except in connection with a system approved for the receipt of assistance under the new title. The reported bill further provides that (except as explained below) no new grants or contracts for the development or expansion of or research in connection with emergency medical services systems or components of systems may be made from funds appropriated under any authority other than the new title XII if (1) grants or contracts for such purposes are authorized by such new title XII and (2) if the full amount authorized to be appropriated by such title XII has not been appropriated or if all such authorized and appropriated funds have not been made available for obligation.

This provision was derived from and carries out the same purposes as section 317(f) (communicable disease control programs) and section 318(f) (venereal disease prevention and control programs) of the Public Health Service Act.

The prohibition is qualified, however, Mr. President, by the provision that where all funds have not been appropriated and obligated, the Secretary is authorized (not withstanding any other law) to expend any such funds as are appropriated under any other provision of the Public Health Service Act, or under any other provision of Federal law, for the development or expansion of new emergency medical services systems or components thereof, but to do so only in accordance with all the provisions, limitations, and restrictions of the new title XII.

In the case of the continuation or renewal of grants or contracts, the reported bill provides that nothing in the new title would limit or restrict the continuation or renewal of grants and contracts under any other provision of law for the conduct of emergency medical transportation and services programs as long as such funds are used in connection with a system approved for the receipt of assistance under the new title.

REPORTS TO CONGRESS

The reported bill requires an annual report to Congress which shall include an evaluation of the adequacy of emergency medical services throughout the Nation, a study of the legal barriers to the provision of such care, and recommendations on legislation which would correct any deficiencies. The provision of emergency medical services is affected in some States by inflexible laws on licensure, malpractice, and liability. This seems to be an appropriate area for study in the preparation of the report.

Mr. President, I ask unanimous consent that appropriate excerpts of the committee report (No. 93–135), which I filed for Mr. Kennedy on May 3, be set forth in the Record at this point.

There being no objection, the excerpts were ordered to be printed in the Record, as follows:

Excerpts of Committee Report No. 93–135

On January 31 and February 1, 1973, the Subcommittee on Health of the Committee on Labor and Public Welfare held hearings in Washington, and on March 9, and March 12, 1973, held field hearings in San Francisco, California, and Los Angeles, California, respectively. At the former hearings, testimony was received from representatives of the Department of Transportation and representatives of professional organizations, including the Society of Critical Care Medicine, the American College of Emergency Physicians, the Ambulance Association of America, the American Heart Association, the American Medical Association, and the American Hospital Association. In addition, considerable testimony was received from concerned individuals having experience in the provision of emergency medical services. At the field hearings in California, testimony was received from the Department of Health, Education, and Welfare, from directors of health services in major local units of government, from consumers, from representatives of rural communities, and from representatives of public safety agencies, schools of medicine, providers of emergency care (such as hospitals, free clinics, ambulance associations, and representatives of professional organizations, including the American College of Surgeons, the American Nurses Association, the California Medical Association, and the California Hospital Association), as well as other concerned individuals having experience in the provision of emergency medical services.

* * * * *

In executive session on March 22, 1973, the Subcommittee on Health considered and unanimously ordered S. 504, with amendments favorably reported to the full Committee on Labor and Public Welfare. The full Committee met in executive session on April 5, 1973, and unanimously approved and ordered favorably reported S. 504 as reported from the Subcommittee with additional amendments all combined into a Committee substitute amendment, and with a title amendment.

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SUMMARY OF BILL AS REPORTED

BASIC PURPOSE

The basic purpose of S. 504 as reported is to authorize the Secretary of Health, Education, and Welfare to provide support to States, units of local government, or combinations of local governments to plan, improve, and expand comprehensive and integrated systems for providing emergency medical services. Such support would be premised on the development of a comprehensive plan for the establishment of a comprehensive and integrated emergency medical services system in the applicant community. The plan would have to meet specified requirements, including opportunity for participation by all elements in the community having a relationship to emergency medical services in the development of the plan, and provision for certain essential components, including the training of necessary health care personnel (particularly paramedics), optimum utilization of facilities, adequate provision for transportation of patients, and a communication network providing the necessary linkage from the point of the emergency through despatch to a medical facility having the necessary specialized personnel and equipment. Other requirements of the plan include: assurances that anyone in need of emergency medical care will be provided such care without prior inquiry as to ability to pay for care; a program for coordinated and comprehensive public education and information; a plan for mobilization of resources to meet mass casualties arising from natural disasters; and provision for immediate access to specialized critical medical care units either within the community or in a neighboring community, as well as for a system to provide such followup care and rehabilitation (with consistent record-keeping) as is necessary to bring about the patient's recovery.

The reported bill also establishes an interagency technical committee at the Federal level to coordinate Federal programs and activities relating to emergency medical services, and establishes a National Advisory Council within H.E.W. to advise, consult with and review and make recommendations (in the same way as peer review panels operate for the National Institutes of Health) to the Secretary on applications for grants or contracts received and implementation of programs authorized by the reported bill.

Finally, the reported bill provides for special grants or contracts for research programs carried out in conjunction with area emergency medical services systems which have submitted a plan meeting the requirements set forth in the reported bill.

It should be stressed that, although assistance is authorized to be provided under grant or contract as necessary to support the carrying out of any requisite component of a plan, the basic thrust of the bill is to provide incentive payment with maximum reliance for funding placed on acquisition of funds and resources under other Federal programs (especially for facilities, health manpower training, and transportation and equipment through the Division of Emergency Medical Programs, Department of Transportation, and MAST) and on the generation of local funds. Provisions in the reported bill (sections 1201 and 1203(3)) make this explicit.

SUMMARY OF PROVISIONS

The reported bill adds to the Public Health Service a new title XII which:

1. Authorizes the appropriation of a total of $225 million over a three year period for grants and contracts to units of government (or combinations thereof) for the development of area emergency medical services systems, and requires that no less than 15 percent of the sums appropriated each year shall be made available for grants and contracts for rural areas. Makes clear that in determining the amount of funds to be provided

for any component of a system under any such grant or contract, the Secretary shall ensure that such assistance is provided only to the extent that alternative sources of financial support under other provisions of law for such a component are inadequate to enable it to meet the requirements for the plan prescribed in the regulations the Secretary is required to promulgate.

2. Authorizes grants and contracts to (1) States, (2) political subdivisions, or (3) regional arrangements, compacts, or consortiums (including at least a Standardized Metropolitan Statistical Area (SMSA) if any) presenting a plan for a comprehensive and coordinated emergency medical services system, meeting requirements which section 1203 requires the Secretary to establish. Provides for Secretarial review and evaluation of performance under the plan and authorizes termination of assistance whenever the Secretary determines, in accordance with prescribed standards, that performance is not substantially in compliance with the plan.

3. Requires that the plan submitted by each applicant include appropriate community participation, provision for coordinated training programs, communications systems, transportation systems, categorized and nonduplicative facilities, access to specialized medical care units; assurance that services will be available to all patients without prior inquiry as to ability to pay; provision for adoption of a plan for coping with mass disaster provision for transfer to facilities and programs for followup care; provision for a public information program; provision for continuing review and evaluation of the emergency medical services system measured in terms of national norms and standards established by the Secretary; and provision for a standardized patient recordkeeping system.

4. Requires the establishment of an Area Emergency Medical Services Planning Council which must include appropriate representatives of 314 (a) and (b) agencies, regional medical programs, public safety agencies, provider organizations, units of local government, appropriate Federal agencies, communications networks, mass media, public utilities, and the general public. Provides that the functions of the council will include the development in consultation with the appropriate 314(b) agency of the plan for the emergency medical services system, and the continuous monitoring and evaluation of the operation of the system.

5. Establishes the Interagency Technical Committee on Emergency Medical Services composed of representatives of all Federal agencies having a relationship to emergency medical services, which Committee is given responsibility for coordinating Federal programs and activities for emergency medical services.

6. Authorizes the Secretary of Defense to initiate additional MAST (Military Assistance to Safety and Traffic) programs.

7. Establishes a National Emergency Medical Services Advisory Council made up of members of the Interagency Technical Committee (as ex officio, non-voting members) and 15 members of the public (8 technical; 7 general) appointed by the President. The Council's functions shall be to advise, consult with, and review and make recommendations to the Secretary in the same way as peer review advisory councils operate at NIH on applications in excess of $35,000 and to make recommendations with respect to carrying out the provisions of the new title, including the preparation and review of the annual budget, and the collection and dissemination of data useful in the development of area emergency medical services systems, including the establishment of a national data bank.

8. Authorizes grants and contracts in the case of public or private nonprofit entities, and contracts in the case of private entities, for the support of research in emergency medicine techniques, methods, devices and delivery carried out in conjunction with a plan submitted in accordance with section 1203. A total of $15 million over a three-year period is authorized to be appropriated for such research.

9. Requires review of the grant application by 314 (a) and (b) agencies and an opportunity to submit non-binding comments on such application to the Secretary, and the maintenance and submission of such records and reports as the Secretary determines are necessary.

10. Requires all components of an emergency medical services system supported under provisions of the Act to meet standards and criteria established in regulations by the Secretary. Permits the Secretary to waive this requirement only when an applicant clearly demonstrates the infeasibility of complying immediately with respect to such a component but provides assurances that all components will meet such standards within one year of the initial receipt of assistance.

11. Prohibits payments under any other law in connection with the development or maintenance of emergency medical services systems except in connection with a system approved for receipt of assistance under section 1202.

12. Provides that where the sums authorized by S. 504 are not appropriated and obligated at the full level of authorizations in any fiscal year, funds available under any other law for *new* grants or contracts (grantees or contractees not previously receiving assistance) for the development or expansion of, research in, emergency medical services systems or components of such systems may not be obligated or expended except that the Secretary is authorized to obligate or expend such funds but to do so only in accordance with the requirements of the new title.

13. Requires that continuing grants or renewal of existing grants under any other provision of law shall be limited to those in connection with systems approved for the receipt of assistance under section 1202.

14. Requires an annual report to Congress on the administration of programs authorized by the new title, including an evaluation of the adequacy of the provision of emergency medical services throughout the Nation, a study of legal barriers to the effective provision of medical care in emergency situations and recommendations for necessary legislation.

Other provisions of the reported bill:

1. Amend title VII of the Public Health Service Act to include in the sections for special project grants and health manpower education initiative awards, specific authorizations for grants for the interdisciplinary training of health personnel in the provision of emergency medical services.

2. Clarify that the provision of care by a provider of emergency services or other person to an individual in the course of a journey by interstate carrier shall be governed by the law of the jurisdiction in which the provider of care resides, or if he is an individual who is regularly engaged in the provision of health services, by the law of the jurisdiction where he is regularly so engaged.

COMMITTEE AMENDMENTS

The Committee's substitute amendment included several changes as follows:

SUMMARY OF SUBSTANTIVE CHANGES

1. Because the provisions of S. 504 have broad applicability to all aspects of community health, including training, equipment, systems development, transportation, facilities, and the overall planning and coordination of health resources, the Committee felt the provisions to be added to the Public Health Service Act were more appropriately set forth in a separate title, rather than being added as a part of title VI, which relates solely to facility construction and modernization. The bill, as reported, adds a new title XII to the Public Health Service Act.

2. The bill was amended to clarify that, in determining the amount of funds to be provided to support any component in the plan for a system under the new title, the Secretary shall ensure that such assistance is provided only to the extent that alternative sources of Federal financial support under other provisions of law for such a component are inadequate to enable it to meet the requirements prescribed in the regulations the Secretary is required to promulgate. This "secondary funding source" approach was also made explicit in the emergency medical personnel training component of the plan.

3. The bill was amended to clarify that support under the new title could not be provided for construction of new free standing facilities and that any support relative to facilities would be limited to the modernization of existing facilities; and to delete "public education" from the list of activities specifically mentioned as a use of funds appropriated under the new title XII.

4. As a result of testimony stressing the particularly acute problems rural communities have in providing emergency medical care, the bill Committee provided that at least 15 percent of the funds appropriated to support emergency medical services systems under the new title shall be available for grants and contracts for rural areas.

5. In response to testimony from many witnesses (the American Medical Association, California Medical Association, American College of Emergency Physicians, and Society for Critical Care) about the necessity for review and evaluation of the quality of services provided under an area emergency medical services system and for some form of sanctions where services fail to meet the desired standards, the bill was amended to provide that the Secretary is required to review annually performance under a plan and to authorize him to terminate assistance where he determines that performance is not substantially in accord with the plan submitted. Any such determination would have to be made in accordance with rules governing adjudications as prescribed in the Administrative Procedure Act, and would have to take into consideration the reports of independent reviews and evaluations submitted to the Secretary as required by the new title.

6. Section 1203(12) was amended to require that the independent reviews and evaluations required by the new title shall be measured in terms of national norms and standards established by the Secretary in rules made on the record after opportunity for a hearing, in accordance with the rulemaking provisions prescribed in the Administrative Procedure Act.

7. To reinforce the important role the public safety agencies play in the provision of emergency medical services, the bill was amended to emphasize that consideration in the development of an area system for emergency medical services must be given to the effective utilization of the resources of the public safety agencies of the area, and specific mention is made of the need for training appropriate personnel of such public safety agencies in the provision of emergency medical services to victims of illness and accident.

8. A number of clarifying and technical changes were made to section 1203 which sets forth the requirements of a plan for an area emergency medical services system.

9. While substantially all witnesses testified to the importance of drawing upon the experience of a broad representation of interests in developing a comprehensive area emergency medical services system, many pointed out that requiring that a large num-

ber of persons be involved in all aspects of such a venture might prove cumbersome in the implementation or administration of a program. Because the Committee feels that representation from all the groups cited in section 1204 which describes the Area Emergency Medical Services Planning Council are essential to the achievement of a comprehensive system, section 1204 was amended to permit such a Council to delegate its authority to a subgroup which would, however, be required to reflect the total membership of the Council.

10. Substantial testimony was heard from professional groups that emergency medical services is an area of such importance, and that Federal programs related to these services are lodged in so many existing Federal agencies, that an identifiable unit with high visibility should be established to coordinate and administer these programs. The Committee has addressed itself to this issue by amending section 1206, establishing the National Emergency Medical Services Advisory Council, to make this Council a Presidentially-appointed Council, and to broaden its authorities beyond review and approval of grant applications to making recommendations regarding all authorities of the new title XII, including preparation and review of the annual budget for programs under that title, the collection and dissemination of data useful to the development of area emergency medical services systems, and the establishment of a national data bank.

11. The bill was amended to include authority for contracts as well as grants for research to public and private non-profit entities and for research contracts with private agencies, organizations or institutions. At the same time, the requirement that any such research program must be carried out in conjunction with the implementation of a plan submitted in accordance with the provisions of the new title XII remains applicable.

12. Several witnesses testified to the difficulties some areas might face in being determined eligible for a grant if all components of an area emergency medical services system were required to meet the criteria and standards prescribed by the Secretary prior to the awarding of a grant. To deal with this problem in a way consistent with the approach of the bill as reported, the Committee adopted an amendment to newly designated subsection (c) of section 1209 which provides that where an applicant has demonstrated that all components of its emergency medical services system cannot meet such standards and criteria immediately, the Secretary may award a grant or a contract as long as the applicant provides firm assurance that all such components will meet such standards and criteria within one year of the initial receipt of assistance under the new title.

13. A number of amendments were adopted in Committee to ensure that any Federal support of emergency medical services systems or components thereof would have to meet the standards and criteria prescribed by the Secretary in approving grants under the proposed title XII and would have to be made in connection with a system approved for the receipt of assistance under section 1202 in the new title.

In the case of a new grant, the provisions of subsections (e) and (f) of section 1209 would apply. Subsection (e) provides that, except as provided in subsections (f) and (g), no payments under any other provision of law may be made except in connection with a system approved for the receipt of assistance under section 1202 in the new title. Subsection (f) provides that no new grants or contracts for the development or expansion of or research in connection with emergency medical services systems or components thereof may be made from funds appropriated under any authority other than the new title if grants or contracts for such purposes are authorized by the new title and if the total amount of the funds authorized by the new title have not been appropriated or if all such authorized and appropriated funds have not been made available for obligation. Where all funds have not been appropriated and obligated, the Secretary is authorized to expend any such funds appropriated under any provision of the PHS Act, or under any other provisions of Federal law, for the development or expansion of emergency medical services systems or components thereof, but to do so only in accordance with all the provisions, limitations, and restrictions of the new title XII.

In the case of the continuation of grants or contracts, subsection (g) of section 1209 provides that nothing in the new title XII would limit or restrict the continuation or renewal of grants and contracts under other provisions of law for the conduct of emergency medical transportation and services programs as long as such funds are used in connection with a system approved for the receipt of assistance under section 1202 in the new title and such programs meet standards and criteria established by the Secretary under the new title XII.

14. Amendments were adopted in Committee to amend title VII of the Public Health Service Act to specify that programs for interdisciplinary training for the provision of emergency medical services are eligible for project grant support under sections 772 (Special Project Grants and Contracts) and 774 (Health Manpower Education Initiative Awards).

15. The title of the bill was amended so as to read: "A bill to amend the Public Health Service Act to provide assistance and encouragement for the development of comprehensive area emergency medical services systems."

* * * * *

Cost Estimate Pursuant to Section 252 of the Legislative Reorganization Act of 1970

In accordance with section 252(a) of the Legislative Reorganization Act of 1970 (Public Law 91-510), the Committee estimates that, if all funds authorized were appropriated during fiscal year 1974 and the two succeeding fiscal years, the 3-year costs occasioned by S. 504, as reported, would be as follows:

TABLE 1.—EMERGENCY MEDICAL SERVICES SYSTEMS DEVELOPMENT ACT OF 1973 (AS REPORTED)

[In millions of dollars]

	Fiscal years		
	1974	1975	1976
Sec. 1201: Planning, development, and expansion of area emergency medical services systems	37.5	75.0	112.5
Sec. 1207: Research in emergency medicine techniques, methods, devices, and delivery	5.0	5.0	5.0
Yearly total	42.5	80.0	117.5
Grand total (3 years)		240.0	

Tabulation of Votes Cast in Committee

Pursuant to section 133(b) of the Legislative Reorganization Act of 1946, as amended, the Committee reports that there were no tabulations of votes on S. 504. The Committee unanimously adopted the amendments, and unanimously ordered the bill, with an amendment in the nature of a substitute and a title amendment, reported favorably.

Section-By-Section Analysis

Section 1.—Establishes the title of the proposed Act as the "Emergency Medical Services Systems Development Act of 1973".

Section 2.—Adds to the Public Health Service Act a new title XII—"Development of Area Emergency Medical Services Systems".

New Section 1201 of the new title.—Authorizes the appropriation of $37,500,000 in fiscal year 1974, $75,000,000 in fiscal year 1975, and $112,500,000 in fiscal year 1976 for special project grants and contracts with appropriate governmental entities for the planning and development or expansion of comprehensive area emergency medical services systems, reserving not less than 15 per centum of the sums appropriated in each fiscal year for grants or contracts for rural areas. Sums made available under the new section 1201 may be used for planning, modernization, training and manpower development, communications, transportation, coordination of services and facilities and other components necessary for the implementation of a plan for the provision of emergency medical services. The new section specifies that, in determining the amount of funds to be provided for any component of a system under any such grant or contract, the Secretary shall ensure that such assistance is provided only to the extent that such component is not supported by a sufficient amount of Federal assistance under other titles of the PHS Act or other provision of law so as to enable such a component to meet the requirements established by the Secretary under the new title XII.

New Section 1202 of the new title.—Provides that funds appropriated under all authorities of the bill as reported (research in new section 1207 and development or expansion of systems in new section 1201) may be awarded by the Secretary only after peer-review type consultation with the National Emergency Medical Services Advisory Council established by new section 1206 and that funds appropriated for the development or expansion of systems (section 1201) shall be provided on a matching basis of up to 75 per centum to (1) States, (2) political subdivisions, or (3) regional arrangements, compacts, or consortiums, which present a plan for a comprehensive and coordinated emergency medical services system meeting requirements prescribed by the Secretary. Such systems must be designed to serve a geographical area at least congruent with the boundaries of a 314(b) agency where one exists, or multiples of such areas, unless the Secretary determines a system serving such an area would be infeasible and approves a plan serving a portion of such an area. The new section further provides that in the case of a regional arrangement, compact, or consortium which includes a standardized metropolitan statistical area (SMSA), such arrangement, compact, or consortium must comprise at least those units of local government in such SMSA. The new section also requires the Secretary to review and evaluate annually performance under a plan and authorizes the Secretary to terminate assistance awarded under provisions of the new title XII where, based upon his annual reviews and evaluations and reports of the independent review and evaluations required by the new title XII, he determines after a hearing, that performance is not substantially in accord with the plan submitted under new section 1203.

New Section 1203 of the new title.—Sets forth the requirements of a plan for emergency medical services required to be submitted by each applicant pursuant to section 1202.

Clause (1) of new section 1203.—Specifies the basic purpose of the plan—to provide for a complete and coordinated emergency medical services system to serve the appropriate area and emphasizes that consideration must be given to the effective utilization of the resources of the public safety agencies in the area to be served.

Clause (2) of new section 1203.—Requires the plan to include a description of the area emergency medical services planning council required to be established by new section 1204.

Clause (3) *of new section 1203.*—Requires the plan to include proposals for training and continuing education of health professionals and paraprofessionals in the provision of emergency medical services with priority given to the recruitment and necessary training of appropriate public safety personnel. The clause further specifies that support for such training and education programs shall first be sought under other appropriate authorities of the Public Health Service Act and other laws, and that, when support under the new title is provided because sufficient assistance is not available under such other authorities, programs supported under the new title shall be carried out in coordination with the education and training programs in the geographical area receiving assistance under other authorities of the Public Health Service Act. This clause also specifies that any such programs must need criteria established by the Secretary in regulations, and, in the case of training of paraprofessionals, must include supervised clinical training for at least one-half of the program.

Clause (4) *of new section 1203.*—Requires the plan to provide for a communications system with appropriate linkages with other communications networks, with maximum accessibility for the public, and telephonic triage screening (generally carried out by appropriate nurse or paramedical personnel) to direct the individual to the emergency facility most appropriate to his needs and to ensure that the most appropriate type of emergency medical unit is despatched to his aid. The system is required to allow for transmission of information by voice, telemetry, or other electronic method and to provide for cross-frequency patching capability.

Clause (5) *of new section 1203.*—Requires the plan to provide for an emergency medical services transportation system appropriate to the individual characteristics of the area.

Clause (6) *of new section 1203.*—Requires the plan to provide for the operation of easily accessible, continuously operational emergency medical facilities with appropriate capabilities which are nonduplicative and categorized in terms of competencies, and are situated at locations in the area suited to the needs of the area.

Clause (7) *of new section 1203.*—Requires the plan to make provision for emergency access to specialized critical medical care units in the area, and, where such units do not exist in the area, to provide for access to such units in a neighboring area where it is feasible in terms of time and distance. The clause also requires that provision be made for reciprocal agreements with neighboring areas for the provision of emergency medical services where such provision would be appropriate and effective in terms of services, time, and distance in a given situation.

Clause (8) *of new section 1203.*—Requires the plan to assure that necessary emergency medical services will be provided all patients requiring services and will be provided without regard to or prior inquiry as to ability to pay. Provision is included for a waiver of the first mandatory requirement to provide services in all situations—where the grantee subsequently clearly demonstrates the infeasibility of providing such universal services.

Clause (9) *new section 1203.*—Requires the plan to provide for the development, within one year of an award under the new title XII, of a plan for submission to the Secretary assuring an operational system for providing emergency medical services during mass casualties, natural disasters, or national emergencies.

Clause (10) *of new section 1203.*—Requires the plan to provide for the transfer to facilities and programs providing necessary followup care and vocational rehabilitation for the maximum recovery and restoration of the patient.

Clause (11) *of new section 1203.*—Requires the plan to provide for a program of public education and information, stressing that this must include the dissemination of information regarding appropriate methods of medical self-help and first-aid, as well as the availability of first-aid training programs.

Clause (12) *of new section 1203.*—Requires the plan to provide for a periodic, comprehensive, and independent review and evaluation of the extent and quality of the emergency medical services provided in the area, to be measured in terms of national norms and standards established by the Secretary in rules made on the record after opportunity for a hearing in accordance with provisions regarding rulemaking prescribed in the Administrative Procedure Act (APA) (5 U.S.C. §§ 551–59).

Clause (13) *of new section 1203.*—Requires the plan to provide for a standardized patient record-keeping system covering the treatment of the patient from initial entry into the system all the way through to discharge from the system, to be consistent with ensuing patient records used in followup treatment as well as in the rehabilitation of the patient. The clause further provides for a waiver of the consistency requirement where the grantee subsequently clearly demonstrates the infeasibility of immediately achieving such consistency.

New section 1204 of the new title. Subsection (*a*).—Provides that the composition of the Area Emergency Medical Services Planning Council established in connection with the plan submitted under new section 1203 shall include representatives of the State and appropriate areawide health planning agencies, of the Regional Medical Programs established under title IX, of public safety agencies, hospital councils, public, voluntary, and nonprofit private agencies, institutions, and organizations concerned with health or health education, local government or units of local government exercising jurisdiction in the area, VA and other Federal agencies operating medical installations in the area, communications networks, mass media and public utilities serving the area, and firms, organizations and other entities having responsibilities related to the provision of emergency medical services, and consumers who shall comprise at least one-third of the voting membership of the Council. The new section provides that, to the maximum extent feasible, representatives of providers shall be selected so as to represent professional, paraprofessional, and nonprofessional personnel, and that representatives of the general public shall be selected so as to represent all significant segments of the population to be served.

Subsection (*b*) *of new section 1204.*—States that the functions of the Council shall include the development, in consultation with the congruent 314(b) agencies, if any, of the plan for an emergency medical services system required under new section 1203 and also the continuous monitoring and evaluation of the operation of the emergency medical services system with a view to making recommendations for the improved effectiveness of its operation.

Subsection (*c*) *of new section 1204.*—Authorizes the Council to delegate part or all of its functions and responsibilities to a subgroup which must be representative of the Council's membership. Subsection (c) also provides that meetings of the Council and subgroups of the Council shall be open to the public and that the public (including all those eligible for membership) shall be advised reasonably in advance of such meeting.

New section 1205 of the new title. Subsection (*a*).—Establishes an Interagency Technical Committee on Emergency Medical Services, and specifies that the responsibilities of the Committee shall include the coordination of Federal programs relating to emergency medical services to assure their adequacy and technical soundness and to provide for the exchange of information necessary to maintain the coordination and effectiveness of these programs. The Section designates the Secretary of HEW as Chairman of the Committee and specifies that representatives of all Federal agencies, and parts of such agencies (including components of HEW), which the Secretary determines administer programs directly affecting emergency medical services functions or responsibilities, shall be members of the Committee. The section requires the Committee to meet at the call of the Chairman, not less often than four times a year.

Subsection (*b*) *of new section 1205.*—Authorizes the Secretary of each military department to enter into agreements with emergency medical services systems (as is presently done under the MAST program) to provide transportation and other services in emergency situations where it will not interfere with the primary mission of such military department.

New Section 1206 of the new title. Subsection (*a*).—Directs the President to establish a National Emergency Medical Services Advisory Council, and specifies that the Council shall consist of the Secretary of HEW or his designee, the Director of the National Institutes of Health, and the Administrator of the Health Services and Mental Health Administration, in HEW, all members of the Interagency Technical Committee established by section 1205, and fifteen members, appointed by the President, of whom seven must be representatives of the general public and eight individuals experienced in the provision or development of, or training of personnel for, emergency medical services systems. The subsection specifies that the President will designate one of the appointive members as Chairman of the Council and that the ex officio members shall be non-voting members.

Subsection (*b*) *of new section 1206.*—Specifies that the functions of the Council shall be to advise, consult with, and make recommendations to, the Secretary on applications received for grants and contracts in excess of $35,000 under the new title XII (in the same way as peer review panels operate for NIH institutes), and to make recommendations to the Secretary with respect to carrying out all provisions of the new title, including prior opportunity to review and comment on proposed regulations and guidelines and preparation and review (including agency appeal) of the budget estimate for the program established under the new title. The Council's function shall also include the collection, analysis, and dissemination of all data useful in the development of area emergency medical services systems, including the establishment of a national data bank to utilize information resulting from the operation of emergency medical services systems developed with assistance under the new title.

Subsection (*c*) *of the new section 1206.*—Sets the term of each appointed member at four years, except in the case of a member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed, and permits the terms of the initial appointees to be staggered. The subsection specifies that the initial terms of the appointed members representing the general public must be at least three years.

Subsection (*d*) *of new section 1206.*—Specifies that nine voting members of the Council shall constitute a quorum for the purpose of making recommendations pursuant to subsection (b) of new section 1206.

Subsection (*e*) *of new section 1206.*—Authorizes appropriate travel and a GS–18 rate of per diem compensation for members of the Council who are not officers or employees of the Federal Government.

Subsection (*f*) *of new section 1206.*—Requires the Secretary to provide necessary support and staff to the Council.

Subsection (*g*) *of new section 1206.*—Requires the Council to meet no less often than four times each year.

New section 1207 of the new title. Subsection (a).—Authorizes the Secretary to make grants to or contracts with public or private nonprofit entities, or contracts with private entities, for the support of research in emergency medicine techniques, methods, devices, and delivery to be carried out in conjunction with the implementation of a plan submitted in accordance with new section 1203.

Subsection (b) of new section 1207.—Authorizes the appropriation of $5,000,000 each for fiscal year 1974 and the two succeeding fiscal years to carry out such research activities.

New section 1208 of the new title.—Prohibits the approval of a grant or contract under the new title unless the appropriate 314(a) and 314(b) agencies have had an opportunity to comment on the application and the applicant has submitted to the Secretary a reply to any such comments with a view toward accommodating any objections and remedying any differences. The new section also requires the applicant to maintain such records and reports as the Secretary determines necessary and requires the application to be submitted in a form meeting specified requirements and to include a description of any restrictions of the law in the area with respect to the full utilization of the training and skills of professional and paraprofessional personnel in the provision of comprehensive emergency medical services.

Section 1209 of the new title. Subsection (a).—Authorizes payments of grants in advance or in such installments and on such conditions as the Secretary determines will most effectively carry out the provisions of the new title.

Subsection (b) of new section 1209.—Permits contracts to be entered into without regard to section 3648 and 3709 of the Revised Statutes (regarding prohibition of advance payments and requirement of advertising for proposals).

Subsection (c) of new section 1209.—Requires that all components of an emergency medical services system supported under the new title must meet standards and criteria established by the Secretary in regulations, after taking into account standards established by appropriate national professional or technical organizations. The establishment of such standards and criteria must be in accordance with all provisions regarding rulemaking as prescribed in the APA. The subsection also permits the Secretary, where an applicant has demonstrated that all components of its emergency medical services system cannot meet immediately the standards and criteria prescribed, to make a grant or contract if the applicant provides reasonable assurance that each noncomplying component of the proposed system will meet such standards within one year of the receipt of assistance under the new title.

Subsection (d) of new section 1209.—Requires the submission of the reports of independent reviews and evaluations, carried out pursuant to the plan, to the appropriate Area Emergency Medical Services Planning Council, to the National Emergency Medical Services Advisory Council, and to the Secretary.

Subsection (e) of new section 1209.—Provides that, notwithstanding any other provision of law, except as provided in subsections (f) and (g) of new section 1209, unless enacted in express limitation of this subsection, no payments in connection with the development or maintenance of emergency medical services systems (or components of such systems) may be made except in connection with a system approved for the receipt of assistance under new section 1202.

Subsection (f) of new section 1209.—Provides that no new grants or contracts for the development or expansion of or research in connection with emergency medical services systems (or components of such systems) may be made from funds appropriated under any authority other than the new title XII (1) if grants or contracts for such purposes are authorized by the new title XII and (2) if all funds authorized to be appropriated under the new title XII have not been appropriated or if all such authorized and appropriated funds have not been obligated. This provision is derived from and carries out the same purposes as subsections (f) of sections 317 and 318 of the PHS Act. The subsection also provides that where all funds authorized under the new title XII have not been appropriated and obligated, the Secretary is authorized notwithstanding any other law to expend funds appropriated under authority of any other such law for the development or expansion of systems, but to do so only in accordance with all the provisions, limitations, and restrictions of the new title XII.

Subsection (g) of new section 1209.—Provides that nothing in the proposed title XII shall limit or restrict the continuation of grants and contracts under other provisions of law for the conduct of emergency medical transportation and services programs as long as such funds are used in connection with a system approved for the receipt of assistance under the new title and such programs and their components meet all standards and criteria established by the Secretary under the new title.

Subsection (h) of new section 1209.—Defines State to include Guam, American Samoa, and the Trust Territory of the Pacific Islands in addition to those jurisdictions included in the basic definition in section 2(f) of the Public Health Service Act. The subsection also defines the term "modernization" to mean "alteration, major repair (to the extent permitted by regulations), remodeling, and renovation of existing buildings (including initial equipment thereof), and replacement of obsolete, built-in (as determined in accordance with regulations) equipment of existing buildings", which does not include "replacement" as does section 645 of the Public Health Service Act (Hill-Burton) from which this definition is derived.

Section 1210 of the new title.—Requires the Secretary to submit to the Congress annually a report on the administration of the new title XII to include an evaluation of the adequacy of the provision of emergency medical services nationally, a study to determine the legal barriers to the effective provision of medical care in emergency situations, and the extent to which needs for services are met under provisions of the new title and recommendations for legislation necessary to provide emergency medical services nationally at a level adequate to meet such needs.

Section 3. Subsection (a).—Amends Section 2 of the Public Health Service Act to include the new title XII within the Public Health Service Act.

Subsection (b) of section 3.—Amends section 772(a) of the Public Health Service Act to specify programs and projects in the interdisciplinary training of health personnel for the provision of emergency medical services, especially those utilizing clinical experience in emergency medical services systems receiving assistance under the proposed title XII, as among those programs eligible for project grant assistance under the authorities of that section.

Subsection (c) of section 3.—Amends section 774(a) (1) (D) of the Public Health Service Act to specify emergency medical services as among those health services for which new or effective approaches to organization and delivery can be encouraged through health manpower initiative awared grants to train individuals in the use of the team approach.

Section 4.—Clarifies as a matter of conflicts of laws that the law of the jurisdiction where a person providing emergency medical services resides or practices governs the provision by such person of services in the course of a journey by common carrier crossing state boundaries. This provision has been informally discussed with staff of the Commerce Committee.

CONCLUSION

Mr. CRANSTON. Mr President, adoption of S. 504 will enable the Nation's communities to meet the great need of providing adequate and immediate care to victims of accident and sudden illness. It will help prevent the avoidable tragedies of long-term disabilities or death which too often result from inadequate care at the time of the emergency.

I urge the full support of the Senate for S. 504.

I would like again to express my admiration and thanks for the leadership provided in the development of this legislation by the distinguished Senator from New Jersey (Mr. Williams), chairman of the Committee on Labor and Public Welfare, and by the distinguished Senator from Massachusetts (Mr. Kennedy), chairman of the Subcommittee on Health, as well as by the distinguished respective ranking committee and subcommittee minority members, the Senator from New York (Mr. Javits), and the Senator from Pennsylvania (Mr. Schweiker). As I have stressed, the distinguished Senator from Colorado (Mr. Dominick) and the Senator from Maryland (Mr. Beall) were of great assistance in the final development of the bill's provisions.

I would also like to express my deep appreciation for the excellent assistance provided by the staff of the Labor and Public Welfare Committee, Willie Shawcross and LeRoy Goldman, for Senator Kennedy, Jay Cutler, Chuck Woodruff, and Joe Carter, for the minority, and Louise Ringwalt and Jon Steinberg assisting me, in the development of this very urgently needed bill.

I look forward to working with my colleagues in the other body to accommodate our differences and send a first-rate bill to the President in the near future.

Mr. MAGNUSON. Mr. President, at this time I send to the desk a modification of my amendment No. 120 and ask that the amendment—as modified—be considered immediately.

Mr. President, I offer this amendment for myself and on behalf of the distinguished chairman of the Health Subcommittee (Mr. Kennedy), the distinguished author of the bill now before us, the Senator from California (Mr. Cranston); the distinguished chairman of the Labor and Public Welfare Committee, the Senator from New Jersey (Mr. Williams); the distinguished ranking minority member of the Labor and Public Welfare Committee, the Senator from New York (Mr. Javits); my distinguished colleague from Washington, the junior Senator from Washington (Mr. Jackson); the distinguished Senators from Louisiana (Mr. Long and Mr. Johnston); the distinguished Senators from Texas (Mr. Tower and Mr. Bentsen); the distinguished Senators from Maryland (Mr. Beall and Mr. Mathias); the distinguished Senator from Massachusetts (Mr. Brooke); the distinguished Senator from Alabama (Mr. Sparkman); and the distinguished Senator from California (Mr. Tunney).

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk proceeded to state the amendment.

Mr. MAGNUSON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the committee amendment add the following:

CONTINUED OPERATION OF CERTAIN PUBLIC HEALTH SERVICE HOSPITALS

SEC. 5. (a) The Secretary of Health, Education, and Welfare is directed to take such action as may be necessary to assure that the Public Health Service Hospitals which are located in Seattle, Washington; Boston, Massachusetts; San Francisco, California; Galveston, Texas; New Orleans, Louisiana; Baltimore, Maryland; and Staten Island, New York; shall, until such time as the Congress shall by law otherwise provide, continue in operation as Public Health Service Hospitals and continue to provide inpatient and other health care services to all categories of individuals entitled, or authorized, to receive care and treatment at hospitals or other stations of the Public Health Service, in like manner as such services were provided to such categories of individuals at such hospitals on January 1, 1973.

(b) It is the policy of the Congress that such Public Health Service Hospitals shall (except as may otherwise hereafter be authorized or required by the Congress)—

(1) continue to provide, for categories of individuals for which health care services were provided (or authorized to be provided) by such hospitals on January 1, 1973, a level and range of inpatient, outpatient, and other health-care services which is at least as great as the level and range of such services which were provided (or authorized to be provided) by such hospitals on January 1, 1973, and

(2) continue to conduct a level and range of other health-related activities (including, but not limited to, training and research activities) which is not less than the level and range of such activities which were being conducted on January 1, 1973.

(c) (1) It shall be the duty of the Secretary of Health, Education, and Welfare, in the administration of any and all laws with respect to which he has responsibility, to carry out the provisions of subsections (a) and (b) and he shall take no action (other than action required pursuant to a law enacted after the date of enactment of this Act) inconsistent with such provisions.

(2) Funds appropriated to carry out any activity in furtherance of the provisions of subsections (a) and (b) shall, to the extent necessary to carry out such provisions, be utilized to carry out such activity; and the President shall have no authority to, and shall not, impound or withhold any such funds; except that nothing in this paragraph shall be construed to require the President or the Secretary of Health, Education, and Welfare to expend funds in excess of the maximum amounts which can effectively be utilized in carrying out such provisions.

(d) Nothing in this section shall be construed as authorizing or requiring the conduct of any activity which is not authorized under other provisions of law, nor as an authorization for the appropriation of any funds.

(e) (1) Section 3(b) (2) of the Emergency Health Personnel Act Amendments of 1972 (86 Stat. 1290) is amended by striking the words "Comments (if any)" and inserting in lieu thereof the words "approval of such closing or transfer".

(2) Such section is further amended by striking the comma at the end of paragraph (B) and inserting in lieu thereof a period and by striking the words "after the Secretary has provided each such agency a reasonable opportunity to review and comment on the proposed closing or transfer".

(3) Nothing in this subsection shall be construed as relieving the Secretary of Health, Education, and Welfare from fulfilling any other requirements of this section.

Mr. MAGNUSON. Mr. President, this amendment would not create any new programs, and it would not impose any new burden on the budget. Its only purpose is to keep open the Public Health Service hospitals in Seattle, San Francisco, Galveston, New Orleans, Baltimore, Staten Island, and Boston, Mass., until such time as the Congress authorizes their closure. The Department of Health, Education, and Welfare, of course, has announced that it will close the Seattle, San Francisco, Galveston, New Orleans, Baltimore, and Boston hospitals this summer. Additionally, it intends to close the hospitals in New York and Norfolk soon thereafter.

WHAT THE AMENDMENT WOULD REQUIRE

Our amendment would impose four requirements on HEW:

First, it would require the Department to continue operating the hospitals in question until such time as the Congress, by law, authorizes their closure or transfer to community use.

Second, until the Congress authorized otherwise, it would require the hospitals to continue serving all categories of patients who were eligible for care on January 1 of this year.

Third, until the Congress authorized otherwise, it would require the hospitals to continue providing a level and range of health care services and health-related activities at least as great as they were on January 1.

Fourth, and finally, it would direct the executive branch to spend all funds appropriated for these hospitals unless the other requirements of the amendment could be met with smaller expenditures.

PLANS REQUIRED BY PUBLIC LAW 92–585

Mr. President, in late 1970, the administration first suggested that the eight PHS hospitals be closed or transferred to community use. Last year, Congress enacted Public Law 92–585 which required that before HEW could close any PHS hospital it had to submit to Congress detailed plans showing how the hospital's responsibilities would be met if any of the hospitals were closed. The law required that those plans be sent to us at least 90 days before the proposed closure or transfer. The purpose of those requirements, of course, was to give Congress an opportunity to study the plans and to take appropriate action to keep the hospitals open if the plans were not satisfactory.

On March 28 we received HEW's plans for closing, this July, the PHS hospitals in Seattle, San Francisco, Galveston, New Orleans, Baltimore, and Boston. Also, at that time HEW indicated it intends to submit similar plans soon for the Norfolk and Staten Island hospitals.

As I shall discuss in a few moments, the plans submitted on March 28 are seriously deficient.

But before I get into the specific problems of those plans, I want to comment on the two basic arguments advanced by HEW to justify closing them. Specifically, HEW maintains first, that PHS beneficiaries will be better served by its proposals, and second, that the Federal Government will save money.

COURT ACTION BY BENEFICIARY GROUPS

With respect to the first argument, I would simply point out that beneficiary groups have filed suit in Federal court in both New York and Seattle to keep the PHS hospitals open. Obviously, then, they do not feel they would be better served under HEW's proposals.

FEDERAL GOVERNMENT WILL NOT SAVE MONEY

Now, let us look at the cost argument. According to HEW's own figures, it would cost the Federal Government $99.1 million in fiscal year 1974 operating costs to continue the six PHS hospitals it has announced it plans to close this July. Under its plan, according to HEW, the total fiscal year 1974 operating cost would be $107.5 million. In other words, the Federal Government will have to pay $8.4 million more in fiscal year 1974 operating costs if the hospitals are closed.

Also, according to HEW's figures, the Federal Government will have to pay $7.3 million in nonreoccurring costs in fiscal year 1974 to phase-out the hospital staffs. This $7.3 million would be used for such expenses as severance pay.

In other words, the total fiscal year 1974 Federal cost of HEW's plan for closing the six hospitals will be $114.8 million. That is $15.7 million more than it would cost to continue operating the hospitals.

Now, it is true that these hospitals do need major repairs. HEW estimates the repair cost would be $36.3 million. There are other figures that are lower; but it will cost something. However, it is the $36.3 million to which HEW points to prove that it will be cheaper to close the hospitals.

But remember that the annual operating cost of HEW's proposals will be about $8.4 million higher each year than would be the annual operating cost of continuing the six PHS hospitals. Over 5 years, then, the savings in operating costs which would be accumulated by keeping the hospitals open would pay for the one-time repair cost of $36.3 million.

In the long run, then, the Federal Government will not save any money at all by closing these hospitals.

THE PROBLEMS WITH HEW'S PLANS

Mr. President, important as it is, direct patient care is only one of the functions served by the PHS hospitals. They are also involved in health manpower training, research, and community health programs. According to the plans submitted by HEW on March 28 for the hospitals in Seattle, San Francisco, Galveston, New Orleans, Baltimore, and Boston, research that requires inpatient care will be terminated and manpower training programs will be ended.

Taken together, the hospitals covered by our amendment are now providing essential educational opportunities for more than 1,600 persons training for the health professions. For example, one-fourth—or about 200 students—of the University of Washington Medical School's enrollment is in training at the Seattle PHS hospital along with more than 300 others studying for a variety of health careers. Elimination of those training opportunities could well force the University of Washington and other schools in the area to severely cut back their health science enrollments. At a time when the Nation has such serious health manpower shortages I believe it is imperative that we not eliminate available training opportunities such as these.

HEW's plans pose similarly difficult problems with respect to the community health programs now served by these PHS hospitals. In New Orleans, for example, inpatients will no longer be accepted from the model city family health clinics and HEW's plan makes no provision for an alternative source of care. In San Francisco, a PHS hospital program that now provides psychiatric services for those in the community will be terminated without alternative arrangements.

In many other cases, HEW's plan vaguely indicates that these community programs will have other sources of assistance available but does not provide any real evidence to demonstrate that will, in fact, be the case.

The Seattle hospital, for example, currently provides essential supportive services—X-ray, lab tests, and so forth—for a network of 17 community clinics that are staffed free of charge by doctors to provide free care to medical indigents. HEW's plan boldly asserts that similar support services will be provided elsewhere in the community but gives absolutely no evidence to prove that will, in fact, be possible.

The most serious problems with HEW's plans, however, are their deficiencies with respect to the arrangements that will be available for those who now received direct in-patient care at the PHS hospitals. Let me illustrate this point by using the Seattle situation as an example.

In fiscal year 1972 the Seattle PHS Hospital cared for 4,842 in-patients including about 1,100 merchant seamen—this is what these hospitals were established to do years ago when the Congress created them—over 2,000 active or retired military personnel and dependents, 550 Indians—the only Indian clinic anywhere near the area—87 persons referred by the free community clinics, and several hundred civilian Federal employees.

HEW proposes to contract with local hospitals to care for the seamen and other primary beneficiaries. Yet now, just a few weeks before the PHS hospital is to be closed, HEW has not yet negotiated a single contract with any community hospital. Military personnel, HEW says, are to be referred to military hospitals. However, the Department's plan gives no details as to which military hospitals.

More important, the plan gives no proof that the military facilities in the Seattle area have the capacity to handle these patients. This is especially disturbing in light of information that the Madigan Army Medical Center at Ft. Lewis is currently undergoing major staff reductions. Finally, HEW's plan provides no hard information at all as to where the medical indigents will receive hospitalization.

In sum, HEW is asking us and the PHS beneficiaries to trade a health care system we know is working for a package of extremely vague paper proposals. And that, to we, Mr. President, is just not acceptable.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. JAVITS. Mr. President, I wish to state to the Senator my great appreciation, on behalf of my State, for his allowing me to join with him in this amendment, and for including Staten Island, N.Y. He has depicted the situation most accurately, and there are many, many Americans who are grateful for the amendment and for the spirit in which he has put it forth.

Mr. MAGNUSON. In New York, and I am sure it is true in the Chesapeake Bay area as well, the military hospitals are chuck-a-luck full, and they have waiting lines. When HEW says military facilities are available to take care of those served by the PHS hospitals, that is utter nonsense. Moreover, the PHS hospitals are doing it cheaper than if we try to take care of these people somewhere else.

Mr. JAVITS. I thank the Senator.

Mr. MAGNUSON. Mr. President, I yield the floor.

Mr. BEALL. Mr. President, I, too, would like to thank the Senator from Washington for taking the initiative, in this instance, to propose this amendment, and allowing me to become a cosponsor.

I had the good fortune, last Friday, to visit the Public Health Service hospital in Baltimore and see what impact this proposal was having on that institution.

I not only came away with the impression that it was inadvisable, but was impressed with what appeared to be a rather callous insensitivity to the needs of the community in proposing that these hospitals be eliminated so abruptly as of the end of June.

I found, in talking with the administrators of the hospital, that no provision had been made for any sort of transition, but that the only information that the people at the hospital had was the same announcement from HEW that the services were to be terminated as of the 30th of June, and they have received nothing from them since as to how medical service is to be provided in the future, is what is to happen to the facilities.

The consequences in Baltimore are immense, as I am sure they are elsewhere around the country. In Baltimore, for example, one whole floor of the Public Health Service hospital is occupied by the Baltimore Center for Cancer Research. That is an organization that operates under the National Cancer Institute at Bethesda, and is performing some of the most unique and valuable cancer research going on in the United States today. It must operate somewhere, but no one knows where. They must operate in conjunction with hospitals, where they have X-ray and other facilities available, and in conjunction with a surgery department.

Mr. MAGNUSON. And they have for a long time, as I understand, been working with the fine research institution at Johns Hopkins; they work together.

Mr. BEALL. That is correct.

Mr. MAGNUSON. And many medical schools very much deplore this situation, because they are using these PHS hospitals for very valuable purposes in research, as well as in taking care of Indians, merchant mariners, and many, many others.

Mr. BEALL. This Baltimore Research Center is getting patients from all over the country. They have been doing great work in trying to bring about remission in cases of leukemia. I also found there was a brand new dental clinic in the hospital, and one of the best examples of multiphasic screening in operation anywhere. Here, in this Public Health Service facility, they are providing the kind of screening of patients in advance of their illness that truly cuts down on admissions of patients to the hospital and on the total cost of care.

I think the Senator from Washington is to be commended, and that a lot more thought has to go into the phasing out of the Public Health Service hospitals than HEW has been giving it to date.

Mr. KENNEDY. Mr. President, just briefly, I support the amendment. We have indicated that what we are interested in are three things: First, to be assured that those actually using the hospitals in the Public Health Service would be adequately provided for; second, that information would be available on the variations in cost with respect to the closing or transferring of the hospitals and what it would cost to develop new arrangements to provide for the beneficiaries; and, third, we wanted to give an input to the local planning agencies and the State planning agencies in the development of those plans. Tragically, none of these requirements established by the Congress was adequately complied with by the administration under the provisions of Public Law 92-585. Therefore, we are in the situation today where we have to take this rather dramatic step to insure that the beneficiaries will be accorded those benefits which are theirs under Federal law.

It seems to me that the result of this amendment will be to produce affirmative action on the part of the administration. It is a constructive effort by the Senator from Washington (Mr. MAGNUSON), and I join him as a cosponsor.

I am happy to accept the amendment.

Now, Mr. President, as I have said I would like to offer my support for the amendment proposed by Senator MAGNUSON, which will require that the eight Public Health Service hospitals be kept in operation under the Public Health Service until such time as the Congress may take affirmative action to provide otherwise.

Last year, the Senate passed, and the President signed into law, Public Law 92-585, which laid down conditions for the closure or transfer of Public Health Service hospitals and clinics. These conditions require that the Secretary transmit to Congress an explanation of his proposal which contains:

First, assurances that beneficiaries of the hospitals would be provided equivalent care under any new arrangement;

Second, an estimate of the cost of providing such care, and

Third, the comments of State and local planning agencies on these plans.

The Secretary of Health, Education, and Welfare forwarded explanations of his plans for the eight hospitals to Congress on March 30 of this year. These plans are disastrously lacking with respect to the requirements of the law.

First, they do not assure equivalent care to beneficiaries. They do include what amounts to little more than a cursory survey of bed availability in the communities affected; but they do not include assurances by other institutions that they will assume the burden of providing inpatient care to beneficiaries. Nor do they include any details on how this inpatient care could be offered to meet some of the unique requirements of merchant seamen and other beneficiaries. It would be irresponsible for either the administration or the Congress to approve of new systems for offering health care to these Federal beneficiaries without assurances that the care rendered is equivalent to that currently being offered in the eight Public Health Service hospitals.

With respect to costs, the Department of Health, Education, and Welfare proposal indicates amazingly enough that the proposed new system will have higher operating costs than the current system. They point out that the new proposal will save modernization and construction funds in the short term, but this $45 million savings would be offset in 6 years of operation, and thereafter the new proposal would cost the Federal Government upward of $8 million more per year than the present system. To say the very least, cost is not the major issue in this proposal, and there is no urgency to rush into new arrangements based on cost. That being the case, Department of Health, Education, and Welfare and the Congress should take the time necessary to produce plans which offer every assurance to beneficiaries and the communities involved that their interests are served by the proposed changes.

Finally, the Department of Health, Education, and Welfare explanation of their plans do not contain the comment of State and local health planning agencies on the plans. In fact, the planning agencies never saw Health, Education, and Welfare plans. What they did see was a 3-page letter outlining in general terms the basic policies behind the plan, with no specific indication of what hospitals in their area would be used to care for beneficiaries in lieu of the PHS hospital, or what specific arrangements would be made with these hospitals to assure "equivalent care." Moreover, the letter specifically indicated that the disposition of the PHS facility itself would be left to future determination. This letter, moreover, was forwarded to the planning agencies on February 9, with a deadline for comments of February 23. Mr. President, it is impossible for a health planning agency to evaluate a proposal of this kind without even knowing what community facilities Department of Health, Education, and Welfare intends use to implement their plan. Moreover, since these agencies are concerned with the number and use of health care resources in the community, it is impossible for them to evaluate a plan without an indication of what use will be made of the public health service facility itself. Most of the planning agencies' comments note this impossibility and disapprove of HEW's proposals.

They also point out in several cases, that even if they had been given adequate information on the basis of which to offer their opinion, they could not have done so within the terribly tight timeframe that HEW allowed them.

Mr. President, it is my view that HEW has not met the requirements of Public Law 92-585. It is also my view that Congress cannot responsibly watch steps taken to close or transfer these eight Public Health Service Hospitals without assuring that the legitimate interests of both the Federal beneficiaries and the communities involved are served by these actions. The transfer of all inpatient services to other facilities is clearly the first step in such closing or transfer, and commits the Federal Government to ultimately closing or transferring the facility. Therefore, we should not permit this first step to be taken in July as the Department of Health, Education, and Welfare proposes.

Senator Magnuson's amendment prohibits this action. It amends Public Law 92-585 to require that the approval, and not just the comment, of State and local planning agencies must be included in HEW proposals to close or transfer the facility. The Federal Government requires such approval by State and local health planning agencies as a condition of hospitals' participation in medicare and medicaid, and it only stands to reason that the community should have the same safeguards of their health care system when it comes to use of these PHS hospitals in their area.

I urge my colleagues to support this amendment.

Mr. CRANSTON. Mr. President, I am delighted to join the Senator from Washington as a cosponsor of the amendment. It is unfortunate that the amendment is necessary. It is necessary only because of the attitude of the administration and HEW in failing to recognize the importance of the work being done and essential services being provided by the Public Health Service hospitals. There is one such PHS hospital at San Francisco which has been placed in jeopardy for the same reasons that have concerned the Senator from Washington in his State and the others who have spoken regarding their States.

Mr. President, until I am assured that the beneficiaries of the Public Health Service hospitals can count on receiving health care when they need it and at a high level of care. I believe it is wrong to close down these facilities which have been providing adequate health care for these beneficiaries.

I hope that no Senator will vote against S. 504 just because of this amendment. The amendment is, regrettably, necessary due to the intransigence of the administration on this point.

The bill has virtually overwhelming, almost unanimous support. I hope that the fact we are proceeding with this amendment may persuade the administration to adopt a more sensible approach to the problem and that the matter can be resolved by the time the bill is in conference so that perhaps it may not be necessary to keep the amendment in the bill at that time.

Mr. MAGNUSON. May I ask the distinguished authors of the bill to which this amendment is offered—the Emergency Medical Services Act—whether I may be added as a cosponsor of it?

Mr. KENNEDY. Of course. Mr. President, I ask unanimous consent that the name of the Senator from Washington (Mr. Magnuson) be added as a cosponsor of the original bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MATHIAS. Mr. President, I am pleased to be a cosponsor of amendment No. 120 which will require the Department of Health, Education, and Welfare to continue operating the Baltimore PHS hospital until such time in the future as the Congress might, by law, authorize its closure. On April 17, 1973, I testified before the House Merchant Marine and Fisheries Committee and set forth at that time some of my principle concerns about the fate of our PHS hospitals and clinics. At the conclusion of my remarks today, I shall request unanimous consent that my testimony before the House committee be inserted in the Record. Today, however, I would like to discuss one aspect of the Wyman Park PHS Hospital that should be of deep concern to us all. I am referring to the Cancer Research Center.

In 1971, the Congress passed legislation that committed the United States to an all out effort to control cancer.

Named the National Cancer Control Act of 1971—Public Law 92-218—the law was designed to find a cure to the disease that each year kills 350,000 Americans.

The President, in signing the bill, enthusiastically predicted that the cancer bill would promote "the largest attack against a single disease in the history of man."

The legislation sets up a wide range of intensified research, training, and cancer health care programs to deal with the national problem of cancer. It provides a $400 million authorization in its first year and increases the authorization to $600 million a year in the third year. All of these efforts were designed to achieve a maximum effort to overcome cancer.

In addition, each April, beginning in 1972, was to be designated by the President as "Cancer Control Month," in which the United States would rededicate itself to the fight against cancer.

On March 28, 1973, on the eve of the

1973 "Conquer Cancer" month, the war on cancer in the United States was dealt a severe blow. On that date the Department of Health, Education, and Welfare announced that the eight Public Health hospitals, including the Baltimore PHS facility, were to cease new admissions by late summer and close entirely before the end of 1973.

Among the facilities that would be effected by this plan is the Cancer Research Clinic, at the Baltimore PHS Hospital in Maryland. This facility is an active and vital part of the ongoing war against cancer in the United States.

While the many projects and programs envisioned by the Cancer Act of 1971 remain to be implemented, the Baltimore Cancer Clinic is in operation, researching cancer and curing those afflicted with this disease.

The Cancer Research Center at the Baltimore PHS Hospital is run jointly by the Health Services and Mental Health Administration and the National Institutes of Health.

The center uses 45 beds of the facility to provide care to patients suffering from certain types of malignant growths.

The center can provide this care to patients at a cost far below that of private hospitals. Care at the cancer center only costs about $100 a day, including professional services. This is far below the cost for cancer care in private hospitals, where this type service is often the most expensive of all treatment. One of the reasons the cancer center can offer such low cost care is that it operates as a part of the Baltimore PHS Hospital, itself a very low cost hospital.

Forty percent of the cancer clinic's patients are from Maryland. Most are from within a 100-mile radius of Baltimore. However, the clinic receives patients from all over the country, including merchant seamen and coast guardsmen.

In the words of the Cancer Act passed in 1971, this facility "expeditiously utilized existing research facilities and personnel of the NIH for accelerated exploration of opportunities of special promise."

The clinic uses its facilities to treat special types of cancer malignancies. It carries out laboratory programs in drug research, biochemistry, and immunology, seeking basic information on the problem of cancer and its control. There are currently 62 research projects underway at the Center.

The cancer facility operates on a budget of $4.5 million a year. The beds at this facility represent almost one third of the cancer beds maintained by the National Cancer Institute.

This vital facility would be lost to the city of Baltimore and possibly to the entire Nation, should the Department of HEW succeed in its plan to phase out the PHS facilities.

The Department's plan, which has been presented a number of times since 1970, and rejected each time, would leave the cancer clinic without definite guarantees that it would be continued.

All the Department will say in its "phase out plan" is that "negotiations are underway," telling us nothing about the adequacy or type of arrangements being negotiated.

Both the Baltimore City and Maryland State health planning agencies have expressed their concerns about HEW's plans to close or move this indispensible health clinic.

In the Department of HEW's phaseout plan, presented to Congress, the Baltimore Regional Health Planning Agency states:

> We assume the Cancer Research Center will be closed down and its resources scattered. No other organized unit exists with the capacity to maintain the diagnostic and care services for this added volume.

The Maryland Comprehensive Health Planning Agency concurred in this report, when it noted that—

> The sizable cancer research program conducted at the Hospital would also be closed down, leaving many terminal cancer patients with no comparable care available.

These and other reactions by the Maryland Health community evidence the concern in the State over the closure of the Baltimore PHS Hospital's cancer clinic.

The clinic is an ongoing, functioning, and valuable part of the Nation's fight against cancer. To close this clinic or to fragment it around the Nation, at a time when the country is tooling up to fight this dread disease, is a cruel hoax on the hopes of millions of Americans who want to see cancer conquered.

The latest HEW plan to close the PHS facilities, including the cancer clinic, represents a hasty ill-conceived solution to the need for better medical service in the United States.

In view of the harm this phaseout plan will cause this State and the entire Nation, the proposal should be rejected and the PHS facilities retained under Federal control until such time in the future as the Congress, by law, authorizes further disposition.

I ask unanimous consent that my testimony before the committee be printed in the Record.

There being no objection, the testimony was ordered to be printed in the Record, as follows:

STATEMENT OF THE HONORABLE CHARLES McC. MATHIAS, JR.

Mr. Chairman, I wish to express my appreciation to you and the members of this Committee for holding hearings on the vital question of the fate of our Nation's Public Health Service Hospitals and clinics. I am sure that you share with me the sense of urgency over the disposition of these important health resources.

On February 15, 1972, I wrote to the Secretary of HEW requesting information about the current status of the Public Health Service Hospitals, particularly the Wyman Park Public Health Service Hospital located in the city of Baltimore. This hospital, as I am sure you know, for years has been providing medical care to patients from all over the State of Maryland. In less than two weeks, February 24, 1972, I received a reply. I quote:

"As you may know, it is our goal to convert the PHS hospitals to community use as soon as feasible. Our target is to accomplish this by June 30, 1973. . . . However, if in any instance we are not able to develop a feasible plan by that time, the status of the hospital will not be changed. We will continue to operate the facility as a Federal institution until we are able to develop a workable plan for its conversion to community use."

This is a case in which the Government of the United States has made a specific commitment to pursue an unmistakeably clear course of action with respect to the future disposition of the Public Health Service Hospitals. We were told that the status of the Wyman Park Public Health Service Hospital would not be altered until a "workable plan for its conversion to community use" is developed. But that was yesterday.

Today HEW plans to stop in-patient admissions at Wyman Park on July 21, relocate the Baltimore Cancer Research Center of the National Cancer Institute now located in the hospital to some yet undetermined university hospital in Baltimore and close down the hospital's operation as we now know them on September 30. And so I feel obliged to recall that government commitment of last year.

Mr. Chairman, the importance of this hospital to the State of Maryland should not be underestimated. The Wyman Park Public Health Service Hospital manages 4,000 admissions and 138,000 outpatient visits a year.

Wyman Park Hospital's primary mission is to provide comprehensive medical care to legal beneficiaries on an outpatient and/or inpatient basis. Non-legal beneficiaries are also cared for as "emergencies" and "special study" patients. Emergency cases include patients with heart attacks brought to this hospital by the Baltimore Fire Department ambulance and "overflow medical cases seen in the Emergency Rooms of five community hospitals."

Medically indicated care for patients is provided by a staff fully organized into twelve clinical departments, eight para-clinical departments and six administrative sections, all under the leadership of the Director of the hospital. In addition, a Dental Department provides indicated dental care, including oral surgery, to eligible outpatients and/or inpatients.

My understanding is that plans have been made to extend the comprehensive medical care facilities into the Homestead-Montebello area, in which there is a population of some 30,000 with no practicing physician, as an experimental module to study the problems involved in establishing heretofore non-existent health centers in such communities. Lacking official approval, implementation of the plans has not been possible to date.

Concurrent with the medical care program are fully accredited programs in training in the health care field and medical research. Training programs include residency training programs in seven medical specialties, dentistry, hospital pharmacy and hospital administration, fellowship training program in cardiovascular medicine, internship training program in medicine and in dentistry, medical student affiliation training programs with both the University of Maryland and the Johns Hopkins University, graduate nursing student training programs with the University of Maryland, nursing student affiliation training programs with both Catonsville and Baltimore Community Colleges, training of physician assistants, nurses' aid training program operated in conjunction with the Baltimore City Adult Education Division and physical therapy student affiliation training program with both the University of Pennsylvania and the University of Maryland. Moreover, there is a School for Medical Technologists and the only federally operated School for Medical Record Librarians is located in this hospital.

Second, the Baltimore Cancer Research Center of the National Cancer Institute is located in this hospital and conducts clinical evaluation on chemotherapeutic agents used singularly or in combination in certain malignancies. It carries out laboratory programs in drug research, biochemistry and immunology seeking basic information on the problem of cancer and its control. The annual reports for FY 1972/73 lists 72 research projects being undertaken by the Baltimore Cancer Research Center.

I have also learned that the Cancer Research Center has purchased new modern radiotherapy equipment for the treatment of cancer patients worth several hundreds of thousands of dollars which is now idly resting in some warehouse or on some loading dock because of the uncertainty over the hospital's fate.

Mr. Chairman, I am sure that there are members of this Committee who are as concerned as I am by the problem of health care delivery. Today we need the spirit of compromise and disposition to consult with each other that must be the hallmark of the Congress's relationship with the Executive. Instead, we find ourselves confronted with budget proposals which turn out not to be proposals at all, but rather well conceived plans that are already being activated. Two years ago, when the Congress reviewed the matter of the transfer of these facilities, I introduced a bill for authorization and appropriation of the necessary funds to maintain operation of the PHS hospitals and clinics. In addition, I joined with my Senate colleagues in passing a resolution which, in brief, declared that the PHS Hospitals and clinics should continue in operation, pending a thorough study by Congress and the Administration of the present and potential future role of the facilities. We were successful then in persuading the Secretary of Health, Education and Welfare not to take any precipitous action which would deny the many citizens of this country, including many Marylanders who use these hospitals, proper health care.

I plan to join with other members in the Senate who will attempt to prevent the deprivation and disruption that the premature closing of these facilities might precipitate.

The PRESIDING OFFICER. The question is on agreeing to the amendment, as modified, of the Senator from Washington (Mr. MAGNUSON).

The amendment, as modified, was agreed to.

The PRESIDING OFFICER (Mr. BIDEN). The question is on agreeing to the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

Mr. BUCKLEY. Mr. President, I must vote against this bill for the following reasons:

First. The delivery of emergency medical services is within the judicial competence of the several States.

Second. States wishing to increase the scope of the delivery of such services may utilize, if they choose, general revenue funds. I remind my colleagues that one of the arguments advanced in favor of general revenue sharing is that it would enable us to call to a halt the proliferation of grant-in-aid programs.

Third. The Federal Government does have a role to play in the case of major disasters. If existing disaster relief legislation is inadequate, in this respect, the Senate will shortly have the opportunity to correct those inadequacies in connection with the new disaster relief legislation now in preparation.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

Mr. DOMINICK. Mr. President, just for the record, I want to compliment the distinguished Senator from California (Mr. CRANSTON) on the emergency medical services bill. I am a cosponsor of this bill, and am happy to give it my support. I was concerned initially that several of its provisions would have duplicated existing authority, but those concerns were resolved through amendments adopted in committee.

I think the need for Federal assistance to develop emergency medical systems which will give everyone access to emergency care has been adequately demonstrated. This bill leaves the responsibility for planning and implementation of such systems where it ought to be—with people at the local level who are within the geographical area to be served by each plan. To insure integration with existing State health activities and planning, the appropriate areawide Comprehensive Health Planning Agencies will have the right to review and comment on each emergency medical plan before it is approved for funding.

This legislation will be particularly helpful in rural areas. There are many areas in Colorado where the nearest emergency facility of any kind is 50 or 60 miles away. No one needs to be reminded that the time it takes to travel that distance can be crucial. The emergency transportation and communications networks envisioned in this bill would help tremendously in these areas. The bill would also provide assistance for establishing emergency treatment facilities which would be accessible to everyone in the geographic area covered by each plan.

As I understand it, these facilities are not intended to be full-blown hospital-type emergency rooms, but would have the equipment and staff necessary to administer emergency care until the patient is moved to a hospital or trauma center. Such facilities can frequently be established through modernization of existing facilities, rather than new construction.

In addition to authorizing funds for purchase of helicopters, ambulances, and communications equipment, the bill would provide the Defense Department with the authority to expand its "MAST" program—military assistance to safety and traffic—beyond its present pilot project level. I think we should do all we can to encourage use of military equipment for such purposes, where it does not interfere with the mission of the military installation, and where the need is not being met by the private sector.

I would also like to see surplus military equipment such as helicopters and radios made available to States and localities for use in emergency medical plans. Colorado is fortunate to have a MAST project which, although it covers a relatively small portion of the State, has resulted in the saving of many lives. The best example I can think of involved a tragic high school bus accident on a mountain pass, about 200 miles from Denver, where the nearest adequate emergency facilities were located. Many of the occupants were killed or seriously injured, but physicians verified that several lives were saved by using MAST helicopters to transport the victims to Denver.

This legislation would make it possible to expand the MAST program, and to establish similar transportation programs so that fewer lives will be lost simply because the patient can not get emergency treatment soon enough. Senator CRANSTON should be commended for this hard work in developing this bill, and I urge my colleagues to support it.

Mr. HUMPHREY. Mr. President, after the passage of these three measures, I wanted to bring to the attention of the Senate and to the country through the journal known as the CONGRESSIONAL RECORD a number of statements that were presented today at a session of the Subcommittee on Consumer Economics of the Joint Economic Committee.

Today, I held hearings as chairman of that subcommittee on the subject of health costs or medical costs. We were privileged to have before us three outstanding witnesses.

One was Dr. John A. D. Cooper, president of the Association of American Medical Colleges. The second witness was Dr. Karen Davis, research associate of the Brookings Institution and assistant professor of economics at Rice University. The third witness was Dr. Alfred C. Neal, president of the Committee for Economic Development. The Committee for Economic Development is one of the few institutions outlining the overall strategy for providing health care.

These witnesses all directed their attention to the subject matter being discussed today in the Senate, in the HMO bill, in the legislation that we adopted for the health delivery system study, and also related evidence or testimony as to the emergency medical services that are required in our country.

I want to commend particularly to the attention of the Senate the statement by Dr. John A. D. Cooper on behalf of the Association of American Medical Colleges. It carries within it some of the most up-to-date material relating to the impact of the administration's budget for fiscal 1974 upon medical care and health services, and professional manpower in the health care field, and the so-called health delivery system and all the related activities associated with health care in America. The statement by Dr. Karen Davis is most enlightening. It describes the present health programs that we have and shows their inadequacies. It concentrates on the whole subject of the delivery of health services to the American people and the accessibility by the consumer to the services.

The statement made by Dr. Alfred C. Neal presents some of the proposals that have been advanced by the Committee for Economic Development. We are indebted to that committee for its foresight and its objectivity.

Mr. President, I ask unanimous consent that these three statements, along with my opening statement that I presented on behalf of the subcommittee, be printed in the RECORD; as well as two newspaper articles, one published on Monday, May 7, 1973, in the Minneapolis Tribune, entitled "Cost of Stay in Hospital Rises 7.9 Percent in Last Year"; and the other published on the same day in the St. Paul Pioneer Press, entitled "Hospital Fees Up 7.7 Percent; Daily Charge Over $100."

There being no objection, the statements and the articles were ordered to be printed in the RECORD, as follows:

Statement by the Association of American Medical Colleges on the Costs of Medical Care and the Role of the Federal Government

(Presented by John A. D. Cooper, M.D., President of the Association of American Medical Colleges, before the Consumer Economics Subcommittee of the Joint Economic Committee, May 15, 1973)

Mr. Chairman and members of the subcommittee: The Association of American Medical Colleges appreciates this opportunity to appear before the subcommittee as it begins hearings on the costs of medical care generally, and on the impact of the fiscal 1974 budget proposals on future medical costs and medical care. We are grateful that the Subcommittee on Consumer Economics has concerned itself with these crucial problems. We hope that the Association can work with you and the subcommittee during the months and years ahead.

The Association, now in its 97th year, represents the whole complex of persons and institutions charged with the undergraduate and graduate education of physicians. It serves as a national spokesman for all of the 114 operational U.S. medical schools and their students, 400 of the major teaching hospitals, and 51 learned academic societies whose members are engaged in medical education and research. The Association and its membership thus have a deep and direct involvement in the matters of immediate concern to the subcommittee.

In his February, 1971, message to the Congress on health care, President Nixon said, as he had said 19 months previously, that America's medical system faced a "massive crisis." "That crisis has deepened," the President said. "All of us must now join together in a common effort to meet this crisis—each doing his own part to mobilize more effectively the enormous potential of our health care system." One component of this crisis is the rapidly rising cost of medical care.

A great many factors contribute to the costs of medical care. The subcommittee undoubtedly will consider them all during the course of these hearings. The Association will discuss two fundamental factors that are essential determinants not only of medical costs but also of the quality of medical care. The first is the advance of biomedical research; the second is the availability of professional health personnel, and their efficient and effective utilization in the promotion of health and the prevention, diagnosis and treatment of disease.

Biomedical research is the foundation of modern health care. Through advances in knowledge we can develop the understanding of the living process and its modification by illness required to permit control of disease through prevention or diagnosis and treatment in its earliest, least harmful and least expensive phases. We really have never been able to control a disease unless we could intervene before clinical signs and symptoms appear.

A point needs to be made here about medical research and medical costs. Our incomplete knowledge about many diseases is expensive. For most diseases we are at what Dr. Lewis Thomas of the Yale University School of Medicine calls the state of half-way technology: for chronic kidney disease we have the expensive procedures of dialysis or kidney transplantation; for chronic heart disease we have open heart surgery and coronary by-passes; for neoplasms we have toxic antimetabolities, radiation or surgery. But none of these is really evidence of success in dealing with disease. They are in fact confessions of failure, of a lack of adequate understanding to prevent disease before clinical signs and symptoms appear. They are the consequences of partial understanding.

Not many years ago we were at the point of half-way technology for poliomyelitis. The iron lung and other life saving approaches, and orthopedic procedures which gave more mobility to the paralyzed, were little more than expensive methods to ease the suffering. But further biomedical research made it possible to identify and isolate the polio virus and to grow it in monkey tissue. From this capability came a vaccine which eliminated the disease and reduced the cost of polio almost to zero. Thus the additional research carried us beyond the expensive phase of incomplete knowledge to the point of complete control of the disease by preventing its occurrence.

The second fundamental factor, the availability of professional health personnel, helps to determine medical costs because it determines how and by whom medical care is provided. Some of these professionals conduct biomedical research. Others provide the benefits of research by treating patients and operating medical equipment and facilities. Still others serve as teachers for the young physicians of the future. All of them are involved, ultimately, in providing health care to the consumers.

Medical schools need federal support not only to increase the numbers and improve the distribution of physicians, but also to provide the appropriate use of health professionals in a team approach to the delivery of primary care. Since physicians ultimately will find themselves as heads of health care teams that include specially trained nurses, physician assistants and allied health professionals, medical students are working with trainees in these professions as part of their education.

Such teams can serve as models for the delivery of primary health care in the community. Teams also are becoming a common method of providing more highly specialized secondary and tertiary care in the teaching setting. For example, nurse midwives are now working under obstetricians to deliver babies at some academic medical centers. Teams of health professionals have long been responsible for critically ill patients in the intensive care units of most teaching hospitals.

As biomedical research and the availability of health personnel are reduced, the quality of medical care goes down—and medical costs go up. Without the discoveries and products of medical research, medical care itself becomes less efficient and more expensive. Without sufficient numbers and proper distribution of physicians and other health professionals, medical care becomes less available and more expensive.

Increasingly the federal government, and especially the Congress, have come to recognize the relationship between biomedical research and health manpower, on the one hand, and the quality and cost of medical care, on the other. But the proposed budget for fiscal 1974 evidently does not recognize that relationship.

ASSOCIATION SURVEY

When the budget was submitted early this year it was clear at once that health programs were not to receive the support they need. Of particular concern to the Association, and to the subcommittee, the requests were cut for research conducted through the National Institutes of Health and for health manpower programs. Reductions in regular research grants and in training grants and fellowships were especially severe.

The Association staff prepared a 51-page analysis of the health budget proposals and sent it, along with a 46-page questionnaire, to the nation's medical schools. Our effort was to gauge, as accurately as possible, the impact of the proposed budget on medical education. This includes the biomedical research conducted at academic health centers and the training of physicians to provide medical care.

Seventy-eight medical schools responded to the survey and made available to the Association their best judgment of the probable immediate effects—and longer term implications—of these budget recommendations on their education, service and research functions. For the academic year 1972–73, these 78 schools enrolled seven out of every ten medical students, and accounted for about 80 percent of all medical school operating expenditures in fiscal year 1972.

With the Chairman's permission, the Association is submitting a copy of the complete survey to be included in the hearing record. The subcommittee is urged to study this survey carefully for the information it reveals, indirectly, about the future costs of medical care.

The medical schools were asked to review their expenditures of federal funds in fiscal 1972 and their expectations of funds in fiscal 1974. Following are the principal findings of the Association's survey:

1. Federal funds available in fiscal 1974 for support of programs of research, teaching and service would drop 11 percent from the fiscal 1972 level, more than 15 percent from the level in the current fiscal year, and 26 percent from the level planned by the schools in fiscal 1974, prior to the release of the budget recommendations.

2. Income to the schools from other sources is expected to increase in fiscal 1974. But this increase will not offset the anticipated decrease in federal funds. A number of schools reported either that state legislatures would not grant requests for higher state appropriations or would not be in session even to consider such requests. Private schools have no source of income to replace lost federal funds.

3. The proposed reduced levels of fiscal 1974 federal support would require the schools to terminate the employment of one out of every 12 faculty members, unless other sources of salary support can be found. Additional income for the next academic year would be difficult to obtain at this late date.

4. In terms of undergraduate medical education, one third of the schools reporting indicated the strong possibility of having to reduce the size of future entering classes. For a considerable number of schools, future increases in first-year enrollments will not be possible. And for a majority of the reporting schools, programs for curriculum innovation may have to be abandoned or curtailed.

5. Regional Medical Programs termination—as proposed in the budget—may force about one out of two medical schools to phase out or to curtail their health care programs in rural or neighborhood ghetto areas; their referral services in such significant areas as cancer, heart disease, stroke, kidney transplants, radiation and emergency care; and their formal programs for instruction, lectures and seminars for the continuing education of practicing physicians.

ASSOCIATION RECOMMENDATIONS

Based on these and other findings of the survey, the Association has identified five general budgetary needs of the highest priority for medical education. These needs are being described in detail to the Appropriations Committees of the Senate and the House of Representatives. This subcommittee today is not concerned primarily with appropriations requests, but the Association's recommendations must be cited here because they represent the medical schools' response to the Administration's fiscal 1974 budget. The general recommendations follow, in descending order of importance.

Capitation grants—Appropriate $168 million for capitation-grant institutional support for schools of medicine, osteopathy and dentistry, the level necessary to maintain the fiscal 1972 dollar level of support per student.

Regular research grants—Add $79.5 million to the NIH budget for research institutes and divisions and direct that the funds are to be used to raise regular research grants for each Institute to at least the fiscal 1972 level plus a cost-of-research increase of 12 percent.

Training grants and fellowships—Direct the continuation of the NIH research training grants and fellowships and the support of new trainees and fellows and add $82.4 million to the NIH research budget to maintain these activities at the fiscal 1972 level plus a cost-of-training increase of 12 percent. Of the $82.4-million increase, $61 million is to be allocated for training grants and $21.4 million is to be allocated for fellowships.

Student assistance—Appropriate $46 million for health professions student loans and $19.2 million for health professions scholarships, the levels necessary to keep pace with enrollment increases or to maintain past levels of assistance. Direct that these programs are to be continued.

Construction grants—Appropriate $140 million for construction grants for health professions teaching facilities, the same level appropriated in fiscal 1972.

From these general findings and recommendations, the Association would return the subcommittee's attention to the two fundamental factors that determine medical costs and medical care, the advance of biomedical research and the availability of professional health personnel.

BIOMEDICAL RESEARCH

Two of the Association's priority concerns—regular research grants and training grants and fellowships—are part of the NIH research budget. But the budget for fiscal 1974 shows the effect of plans to phase out these programs. This deeply concerns the Association, because these programs profoundly affect both the conduct of research and the training of research scientists and medical school faculty members.

Regular research grants

Questions are being raised by the Administration about the wisdom of maintaining federal support of our research efforts, particularly in the form that has made the United States so preeminent in medical science. The mistaken idea is held by those with backgrounds in law or economics, and who have power in decision-making in the federal establishment, that research can be made more effective and efficient by introducing a greater degree of management and more targeting of efforts.

This managerial philosophy is in direct conflict with the findings of a study conducted by the Federal Reserve Bank of Philadelphia. This study of innovations and breakthroughs in five broad areas of technological research showed that virtually all major developments resulted from small entrepreneurial research groups or individuals working outside the framework of large directed programs. As Dr. Irving Langmuir, Nobel laureate in chemistry, once observed, "Only a small part of scientific progress has resulted from a planned search for specific objectives."

Yet, federal decision-makers persist in their belief that the increased management and direction of federal research expenditures by Washington bureaucrats will lead to more immediate payoffs. This thinking is embodied in the President's budget request for NIH, where funds for regular investigator-initiated research are being reduced and money for directed research-by-contract is being increased. New and competing research grants—that is, funds for new investigator-initiated projects—have been slashed by more than 40 percent from the 1972 level. Furthermore, the increased federal support for heart and cancer research, proposed in the fiscal 1974 budget, draws funds away from research in other fields. This can thwart the synergistic benefits of a balanced, coordinated national program of research into the physical and mental diseases and impairments of man.

The thrust of biomedical research is to find the scientific basis for the subsequent development of improved methods for the treatment of disease. The leading edge in biomedicine is comprised of the new ideas and the new researchers which can be developed and encouraged through new research grants. The value of funds directed to the support of specific research projects is, in turn, multiplied by funds providing general research support. These can be used at the discretion of an institution in the development of new research programs, providing initial support for young investigators, undertaking pilot projects and feasibility studies, and supporting centralized facilities and services needed by multiple investigators. General research support funds enable an institution to balance its various research programs and to support research along a broad front of related fields.

While most efforts at measuring the economic benefits of biomedical research suffer from the difficulty of measuring the vast array of imponderables that must be included in any assessment, it is possible in some specific disease areas to produce meaningful information. The use of polio vaccine, for example, resulted in savings in medical care costs alone of more than $326.8 million between 1955 and 1961, according to a study prepared by James W. Colbert, Jr., M.D., vice president for academic affairs of the Medical University of South Carolina, for an American Biology Council task force on the contributions of biology to human welfare. Similarly, he estimated that the benefit from 1963 to 1968 due to immunization against measles amounted to more than $531.5 million. Other studies have reported on savings in other fields. Improved treatment of tuberculosis produced savings of $5 billion in the period 1954 to 1969. Still other illustrations of the value of basic research include: L–Dopa for Parkinson's disease, an annual savings of $1.2 billion; prophylaxis of carcinoma of the cervix by the Papanicolaou smear, an annual saving of $1.1 billion.

Survey results—Responding to the Association's survey, the medical schools indicated that fiscal 1974 federal funds for research were substantially below expectations and that the effect on faculty salaries supported from federal research funds would be serious. This drop in federal research funds is to come at the same time the schools expect nonfederal research support to remain virtually unchanged. Overall, the schools reported, federal research support would drop 16 percent from anticipated levels. Funds for new research grants are down 39 percent; contract funds are down 7 percent; funds for specialized centers are down 18 percent; general research support funds are down 71 percent. Faculty support from research grants and contracts is down 17 percent, and from general research support funds is down 71 percent.

Training grants and fellowships

In addition to these reductions in regular research grants, the fiscal 1974 budget proposes phasing out the research training and fellowship programs supported through NIH.

To phase out training grant programs would reduce support for graduate education and for stipends available to students preparing themselves for careers in biomedical research and teaching. Institutional support under training grants has made it possible for the medical schools to develop formal educational programs to prepare students with advanced knowledge in their field of interest and related disciplinary fields. After the students have had this initial preparation, their support usually has been transferred to research project grants during the period in which they actually have been obtaining research training at the laboratory bench under the tutelage of their faculty perceptor.

Training grants and fellowships have been highly successful in producing career researchers and teachers. A recent study at the University of Washington indicated that 79 percent of basic science trainees have assumed full-time academic positions; an additional 17 percent have entered full-time research outside the academic health center. Thus, at a single university medical center, the NIH training programs have resulted in 96 percent of the trainees entering careers toward which the training grant program is directed. The University of Minnesota reported that of 1,040 trainees directly supported by training grants, almost 70 percent have taken academic positions. A recent survey of 68 medical schools revealed that of 3,267 internal medicine faculty members, 82 percent had received NIH training grant support during their academic development.

Despite this evidence, the lawyers and economists in the federal hierarchy believe that support of research training is an inappropriate government activity. They cite the "excess of qualified scientific manpower," concluding that an oversupply exists simply because there are not enough federal research dollars to support all the approved projects. They maintain that research must compete in the marketplace with other career opportunities, surviving only on the basis of its attractiveness as a profession. In rejecting the federal role of promoting careers in the public interest, this Administration has apparently endorsed Adam Smith's 18th Century notion that "an invisible hand" will guide the free marketplace toward achieving the common good.

It is difficult to understand the proposal that the marketplace be permitted to determine the interest of young people in preparing themselves for biomedical research and training. Those who enter these fields would have the prospect of a smaller income than they would have if they entered the practice of medicine. At an age when a practicing physician could expect to be earning an average annual income of $43,000, an M.D. who chose an academic career could expect to be earning only $24,000. The marketplace theory suggests that an economically rational person would be unwilling to incur substantial debt to pay for his graduate education, and to engage in an endeavor which would bring lower financial return when he could prepare for practice in programs that would provide income during the training period and would result in a greater stream of earnings once the training was completed.

Survey results—Responding to the Association's survey, the schools reported significant unexpected drops in fiscal 1974 funds for research training and resulting drops in numbers of trainees, student stipends, and faculty support. Funds for training grants are down 42 percent; funds for fellowships are down 27 percent. As a result, numbers of trainees or fellows, student stipends and faculty support are down comparable amounts. Because of the cut in training grants, for example, the number of trainees is to drop 44 percent, stipends are to drop 39 percent, and faculty support is to drop 45 percent.

EDUCATION OF HEALTH PROFESSIONALS

Three of the Association's priority concerns—capitation grants, student assistance and construction grants—are part of the NIH health manpower budget for medical, dental and related health professions. The fiscal 1974 request of $271,206,000 is $14.1 million below the amended fiscal 1973 budget and $173.6 million below the level of fiscal 1972 appropriations. These reductions are a direct result of lower per-student capitation support, of plans to shift health professions scholarship assistance to the national health service scholarship program of the Health Services and Mental Health Administration, and of a decision to terminate grant assistance for the construction of health professions teaching facilities.

Institutional support

Aside from special start-up assistance for new schools or for schools of basic science converting to degree-granting medical schools, institutional support is comprised of capitation grants, special project grants and financial distress grants. Capitation grants are by far the most important type of assistance, accounting for 75 percent of the fiscal 1974 request for institutional support. The Comprehensive Health Manpower Training Act of 1971 required the schools to meet certain enrollment increases in order to qualify for capitation grants. Actual capitation grant support never has met the authorized levels of such support (and in fact drops from the 1972 level of 70 percent to a proposed 1974 level of 64.9 percent), but the schools have been required to meet a full 100 percent of the legislatively mandated enrollment increases.

Faced with an immediate need for sizable budget savings, medical schools have virtually no choice but to cut back on the number of faculty and staff. Medical education is highly labor intensive. Salaries and fringe benefits account for some 60–70 percent of the operating budgets of the schools, compared to 30 percent of the operating budgets for industry. The medical schools already anticipate having to terminate or to find other means of support for about one out of 12 faculty members as a result of indicated fiscal 1974 budget reductions. As grave as such reductions are in their effect on medical education programs in the coming year, the implications for future years are even more serious. This is so because a talented and imaginative faculty, once disassembled, is not easily reassembled. Thus, dismantling a school's faculty in order to save money in fiscal 1974, affects not only the short-term prospects for progress in health but also the long-term prospects.

Survey results—Responding to the Association's survey, the schools reported unexpected fiscal 1974 drops in each of the major programs of institutional support. Fiscal 1974 capitation grant funds are down 16 percent from anticipated levels. Special project support is down 34 percent for physician augmention projects, down 35 percent for curriculum improvement projects, and down 35 percent for minority enrollment projects. Financial distress assistance is down 69 percent. As a result of this unexpected loss in federal institutional support, the schools reported plans to reduce enrollment, to reduce faculty and staff (or leave vacancies unfilled), and to abandon proposed curriculum improvement projects.

Student assistance

Funds for health professions student loans fall far short of the need. Against requests from the medical schools for $37 million in loans, the budget allocates $19.5 million. Against an entitlement by formula of $15 million for medical student scholarships, the budget allocates $4.4 million. This reflects an Administration policy decision to shift health professions scholarship assistance to an expanded national health service scholarship program. The Association does not see how the necessary legislation can be enacted and implemented in time for the September, 1973, entering class.

The immediate lack of adequate scholarship and loan funds to support students from lower socioeconomic levels makes it difficult for the medical schools to continue their efforts to expand minority enrollments and to broaden the socioeconomic background of the student body. In the current academic year, it is estimated that 27 percent of medical students received health professions loans and that 15 percent received health professions scholarships.

The Health Professions Scholarship Program plays an essential role in support of low income medical students. In a separate survey of financial aid needs recently conducted by the Association, it was found that about 20 percent of the current total enrollment of medical students are from families whose gross parental income is less than $10,000 a year. Based on incomplete returns, the Association found that low income students represent 50 percent of the scholarship recipients and 61 percent of all scholarship dollars awarded. Of significance is the fact that the Health Professions Scholarship awards represent approximately one-third of all scholarship funds and thus are a critical component of support for these students.

Although many low income students do secure loans to help them meet medical school expenses, they are understandably reluctant to overburden themselves with financial obligations. In order to attract low income students to a career in medicine it is absolutely necessary that medical schools be in a position to balance scholarship and loan support for such students and to keep the commitments they make. This is the reason that a strong Health Professions Scholarship Program is essential and should be maintained at adequate levels.

Survey results—The schools were particcularly discouraged at the proposed changes in health professions student assistance. Economically disadvantaged students account for a disproportionately large share of scholarship assistance, and the proposed drop in health professions scholarships will force the schools to abandon plans to enroll more disadvantaged students. More than half the schools reporting, for example, said they would be unable to increase the enrollment of low-income students in the face of reduced scholarship aid. Nearly a third of the reporting schools were concerned that new entering classes would be composed almost exclusively of students from affluent families.

Construction assistance

The fiscal 1974 budget requests no construction grants for health professions teaching facilities. Instead, its only request for construction assistance is $1 million for federal interest subsidies on federally guaranted loans. These funds are to be used to make payments on at least six previously approval projects which will add approximately 80 first-year places upon completion.

A number of problems arise with such an approach. (1) The loan guarantee-interest subsidy program is available only for private schools, thus effectively blocking the 71 public medical schools from federal construction assistance, and forcing them to rely upon debt financing if it is available. (2) The number of first-year places to be added under projects supported by the budget is pitifully small when compared to the number of medical school applicants who are turned down each year because the schools are unable to expand their facilities in order to accommodate increased enrollments. (3) The schools are being required to increase their enrollment in order to qualify for capitation-grant institutional support. Yet at the same time, they are being denied the funds they need to erect the facilities for larger enrollment.

There appears to be just as much need now for construction grants for health professions teaching facilities as there was when the program was approved in the Comprehensive Health Manpower Training Act of 1971. The fiscal 1974 authorization is $275 million. About $350 million in approved but unfunded construction grant applications remained after the award of fiscal 1972 construction grants. In addition, the Association estimates that $150 million a year is required just to maintain the existing physical facilities of the medical schools.

Survey results—One example from the Association's survey illustrates one of the construction dilemmas facing medical schools. A school reported: "The expansion of enrollment and faculty at this school has proceeded far more rapidly than the expansion of the physical plan, and the faculty is now housed in cramped quarters, including 25 trailers, three 'temporary' buildings, and 78,400 square feet of rented space. Planning funds for an additional building have been approved by the state legislature; but with the loss of federal grants, there is a serious question of whether the state can provide 100 percent funding for the needed construction. Since this is a state institution, the program of guaranteed loans and interested subsidy will not solve our construction needs."

The Association hopes the subcommittee understands the serious implications of the fiscal 1974 budget on biomedical research and the education of health professionals in the immediate future, and on medical care and medical costs in the years to come. Again, the Association urges a careful study of the medical schools' survey included as part of this testimony. It is the most complete statement of its kind now available, and its significance for the eventual consumer interests in medical care should not be underestimated.

FINANCING MEDICAL CARE SERVICES: THE FEDERAL ROLE*

(By Karen Davis, the Brookings Institution)

Thank you for the opportunity to testify on the federal role in providing adequate health care to the American people at reasonable cost. The federal government currently plays a major role in financing medical care services through the Medicare and Medicaid programs. In addition, the federal government subsidizes the purchase of health insurance and the payment of medical expenses for most Americans through special tax provisions. Federal payment of medical services, either directly or indirectly through foregone tax revenues, is estimated to amount to $23 billion in 1974.

Since the Administration has proposed several major changes in these programs, I have organized my oral statement around three questions: (1) What deficiencies in financing services for all Americans exist even with current programs? (2) Are the changes in these programs which have been proposed the most effective way of meeting these deficiencies? (3) What problems in the medical care system are unlikely to be solved by even the best financing arrangements?

The case for a major federal role in financing medical services is largely undisputed. While medical care is only one factor contributing to health, it is often a critical factor—sometimes a matter of life and death. Society has come increasingly to the view that adequate medical care is a basic right, neither to be denied nor treated as a charity to those who are poor. Moreover, people have more than altruistic interest in seeing that others get medical care. Communicable diseases are reduced by immunization and treatment, healthier children do better in school, and a healthier work force means a more productive economy.

Without public help many people will

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* The views presented in this statement are those of the author and not necessarily those of the officers, trustees, or other staff members of the Brookings Institution.

be unable to finance needed medical care or will be able to do so only with hardship. Medical bills often come in large unpredictable amounts. Private insurance mitigates, but does not solve the problem of financing health care. For the poor, even when payments are spread over time and risks shared through insurance, buying adequate health care is an excessive burden. Medical care, especially preventive care, is likely to be postponed. For the middle class, average medical expenses and standard health insurance coverage do not take an impossibly high share of income, but for those afflicted with major health catastrophes, medical expenses can suddenly bring financial distress or even ruin. Most private insurance does not offer adequate protection against such expenses. Even for the half of the population covered by some major medical insurance, limits are frequently placed on expenditures which will be covered and individuals are required to pay a sizable fraction of those expenditures that are covered.

CURRENT FEDERAL PROGRAMS FINANCING MEDICAL CARE SERVICES

Since the mid-1960s the federal government has played a major role in financing individual medical care services through the Medicare and Medicaid programs. In addition to these well-known programs, the federal government subsidizes the purchase of health insurance and the payment of medical expenses through special tax provisions. Under the personal income tax, individuals may deduct one-half of the cost of health insurance premiums plus all medical expenses (including the remaining premium) that exceed three percent of his income. These provisions benefit high income people far more than low income people, because high income people are more likely to itemize deductions and because they face higher tax rates. A thousand dollar deduction is worth $140 to the taxpayer facing a 14 percent tax rate and $700 to a taxpayer in the 70 percent bracket.[1] Moreover, the fact that employer contributions to health insurance for employees are not included as income on the employees' income tax results in loss of revenue to the government. The federal government, therefore, subsidizes the purchase of health insurance both by individuals and by employers on their behalf.

These three programs for financing individual medical care services have met many gaps in private health insurance coverage. Medicare has brought insurance to many elderly people who would otherwise have lost their insurance coverage on retirement. Medicaid has helped the poor, a group with little private health insurance coverage. Only a third of the poor have any private insurance protection compared with 90 percent of families with incomes of $10,000 or more. The tax provisions provide some relief for families with high medical expenses who itemize deductions under the personal income tax.

As shown in Chart 1, federal expenditures under both Medicare and Medicaid go primarily to low income groups. This is hardly surprising since Medicaid is explicitly designed to aid the poor and Medicare aids the elderly population which is disproportionately represented at the low end of the income scale.[2] Tax subsidies by contrast give only a little relief to the poor, primarily the working poor with health insurance. Most of the benefit of tax subsidies is concentrated in the middle and upper income groups. If one puts all three programs together, about 45 percent of the total benefits go to the people in families with incomes below $5,000. This concentration of benefits on low-income groups, however, is largely attributable to sizable expenditures for low-income old people. Of the $5 billion in benefits for people under 65 in 1970, only 28 percent went to people with family incomes under $5,000, while 40 percent went to individuals with more than $10,000 income. Indirect payment of medical services for middle and upper income families, therefore, substantially exceeds that made on behalf of the non-elderly poor by the federal government.

TABLE 1.—DISTRIBUTION OF BENEFITS UNDER CURRENT PROGRAMS, BY INCOME AND AGE, 1970

	Total Federal benefits	By program			By age—	
		Medicare payments	Federal medicaid payments	Federal tax subsidies	Under 65	65 and over
Total amounts (in millions)	$14,224	$7,494	$2,930	$3,800	$4,994	$9,230
Family income (percentage distribution)	100	100	100	100	100	100
Under $5,000	45	54	67	13	28	54
$5,000 to $9,999	28	26	24	31	32	26
$10,000 to $14,999	16	14	5	26	21	13
$15,000 and above	11	7	4	30	19	7

Sources: Total medicare and medicaid payments are from U.S. Social Security Administration, Office of Research and Statistics, compendium of "National Health Expenditures Data," DHEW (SSA), 73-11903 (1973), p. 73; the distribution is derived from unpublished estimates of payments by family income. The amount of tax subsidy is from Bridger M. Mitchell and Ronald J. Vogel, "Health and Taxes: An Assessment of the Medical Deduction," unpublished paper, 1973; the distribution is based on data in ibid., p. 34, and Martin S. Feldstein and Elizabeth Allison, "Tax Subsidies of Private Health Insurance: Distribution, Revenue Loss and Effects," in "The Economics of Federal Subsidy Programs," Joint Economic Committee, U.S. Congress (forthcoming).

PROBLEMS IN CURRENT PROGRAMS

Current federal programs help millions of people pay for medical care, but they have three major flaws: (1) they are extremely uneven in coverage and benefits; (2) they provide little protection against catastrophic medical expenses; (3) the tax subsidy program offers large benefits to the rich and little to the poor.

Relative to other groups the elderly have been treated generously under federal health financing programs. Medicare provides substantial benefits for hospital and physician care for retired persons covered by social security no matter where they live or what their income. In addition to substantial portion of medical money in some states is spent for medical services to improverished old people covered by Medicaid.

These programs do not, however, relieve old people of all Medical expenses. Indeed, the elderly now pay more for medical care out-of-pocket than before the inception of the Medicare program. Private payments for personal health care of the elderly averaged $309 in fiscal year 1966, before the introduction of Medicare. In fiscal 1972, private payments totaled $404 per capita (including $67 in Medicare premiums). The predominantly poor elderly population, therefore, has not been protected from the ravages of medical care inflation.

High out-of-pocket expenses of the elderly are partly attributable to the fact that Medicare does not protect old people from the expenses of prolonged hospitalization or extremely serious illness. Under the hospital portion of Medicare, after the first 60 days the individual pays $18 per day. After the 90th day, the individual may use a lifetime reserve of 60 hospital days, making a contribution of $36 per day. However, once the individual has been in the hospital for 150 days, the program makes no further payments (or after 90 days if the individual has already used up the lifetime reserves), and the individual is forced to pick up all expenses. Under the physician portion of Medicare, individuals must pay 20 percent of the physician charge even if the charge runs into many thousands of dollars. Other benefits such as private duty nursing care and out-of-hospital drugs are not covered at all. If an elderly individual is sick enough for long enough, he may incur bankrupting out-of-pocket costs.

Medicaid has been plagued from its inception by the federal-state nature of the program, so that low-income individuals in some geographical areas have complete protection against virtually all medical expenses while low-income individuals in other geographical areas have only limited Medicaid benefits.[3] As shown in Chart 2, 46 percent of poor individuals live in the South, yet only 17 percent of Medicaid payments go to individuals in that area. Three states, New York, Massachusetts, and California, spend 50 percent of all Medicaid funds. In addition to geographical inequities created by the Medicaid program, by tying benefits to eligibility for welfare, many poor individuals without adequate private health insurance coverage receive no coverage from Medicaid—such as the working poor, childless couples, and low-income families with an unemployed father in states which do not provide cash assistance for such families.

TABLE 2.—DISTRIBUTION OF BENEFITS UNDER CURRENT PROGRAMS, BY RESIDENCE, 1970

	Medicare		Medicaid	
	Elderly population	Medicare payments	Poor population	Federal medicaid payments
Total amounts (in millions)	20	$7,494	26	$2,930
Residence (percentage distribution)	100.0	100.0	100.0	100.0
Northeast	25.9	28.6	17.8	39.6
North Central	28.5	27.7	21.9	19.2
South	30.1	25.7	45.7	16.7
West	15.4	18.0	14.6	24.5

Sources: U.S. Department of Health, Education, and Welfare, Social Security Administration, Office of Research and Statistics, "Health Insurance for the Aged: Monthly Reimbursements per Person, by State, 1970," HI-41, 1973, table 1; U.S. Department of Health, Education, and Welfare, National Center for Social Statistics, "Numbers of Recipients and Amounts of Payments Under Medicaid and Other Medical Programs Financed From Public Assistance Funds, 1970," NCSSB-4 (Calendar year 1970), 1974, table 3.

Existing tax subsidies for health insurance and medical expenses also contain a number of deficiencies. First, they channel large amounts of federal revenues to middle and upper income persons for health insurance premiums—expenses which could be met by most upper income persons without undue financial burden. Of the $3.8 billion in tax subsidies in 1970, $2.5 billion stemmed from tax treatment of health insurance premiums.

Footnotes at end of article.

Second, tax provisions covering direct medical expenses do not adequately protect individuals from catastrophic expenses. For example, if a family with income of $10,000 incurred $4,000 of medical expenses, its taxes would be reduced by $703. While this is some compensation, it is far from adequate protection against excessive medical bills. Third, the deduction mechanism is an inequitable method of compensating individuals for financial losses from catastrophic medical expenses. For example, if a family with income of $30,000 incurred the same $4,000 of medical expenses, its taxes would be reduced by $1,176.[4] The federal government "pays" a higher share of the medical expenses of the family whose income is four times as high, and who presumably could better afford the $4,000 expenditure. In short, tax deductions do not meet the needs of either the poor or the middle income class. For the former, they provide little assistance at all. For the latter they help pay for normal medical expenses—which are not a burden—and do little to help pay for catastrophic expenses, which are the real medical problem for middle income families

PROPOSED CHANGES IN CURRENT PROGRAMS

The Administration's budget for fiscal year 1974 proposes cutbacks in Medicare that will result in the elderly paying a larger share of hospital and physician bills. Coinsurance under the physician portion is to be increased from 20 percent to 25 percent and the deductible increased from $60 to $85. This change will result in substantially higher costs for all Medicare beneficiaries using physicians' services. Individuals incurring physicians' bills of $2,000—as do about 400,000 Medicare beneficiaries every year—under current law would pay $450 of those bills. Under the proposed law, they would pay $560. For those unfortunate enough to incur physician charges of as much as $10,000, the individual's share of the bill would increase from $2,050 under current law to $2,560 under the proposed law.

Under the hospital part of Medicare, present copayments will be replaced by a requirement that all individuals pay 10 percent of the total charges for hospital care for all covered days. Most Medicare beneficiaries with hospital stays of 100 or more days would face somewhat lower charges than under current law and for very long stays the reduction in charges would be quite significant. However, since 99 percent of all Medicare hospital stays are less than 100 days in length, most Medicare patients would be required to pay higher charges. Under current law, a patient hospitalized for 30 days, for example, would pay only the initial deductible, estimated to be $84 in 1974. Under proposed legislation, if he incurred average hospital bills he would be required to pay approximately $400.

Day of hospital stay	10	20	30	60	90	150
Percent of stays exceeding this length of stay	50	21	10	2	1	0.6
Total patient payments in 1974 under current legislation	$84	$84	$84	$84	$714	$3,234
Average total patient payments in 1974 under proposed legislation	$167	$281	$392	$678	$864	$1,163

The Administration estimates that these changes in the Medicare law will reduce federal expenditures by $500 million in fiscal year 1974, and $1.3 billion in 1975—the first full year covered by the change.

Greater use of coinsurance features in health insurance coverage can have desirable consequences. Coinsurance on hospital charges, for example, encourages patients and physicians to select less expensive hospitals and reduce excessively long hospital stays, and by doing so discourages hospitals from charging exorbitant fees. The proposed changes in cost-sharing under Medicare are particularly inappropriate, however, because: (1) they are not related to income; (2) they contain no ceiling on coinsurance payments; and (3) savings generated by the coinsurance provisions are not used to provide better protection against catastrophic expenses—such as an increase in covered hospital days or coverage of out-of-hospital prescription drugs.

Any discussion of cost-sharing provisions must be in the context of reasonable ability to pay such charges. Few elderly individuals have sufficient incomes to pay sizeable coinsurance amounts: only 18 percent of the elderly had family incomes above $10,000 in 1970. In addition, the elderly already pay twice as much out-of-pocket for medical services as other population groups. Under proposed legislation, an elderly couple with one member hospitalized for 30 days and physician bills of $2,000 could expect to pay medical expenses of at least $1,500 (including Medicare premiums, non-covered benefits such as drugs, and normal medical expenses for the other family member). Most would agree that such an out-of-pocket payment is excessive for any family with income below $10,000—or about 82 percent of all elderly individuals.

It might be argued that greater use of coinsurance under Medicare would not cause financial burdens because the Medicaid program could pick up coinsurance amounts for the elderly poor. Experience with the Medicaid program; particularly the wide variation in benefits across geographical areas, gives little hope that the Medicaid program can be relied upon to protect all the elderly poor from excessive bills. Furthermore, many elderly persons who could face serious financial burdens under the proposed changes would not be sufficiently poor to qualify for Medicaid. Only 19 percent of the elderly are currently covered by Medicaid.

In addition to the changes in the Medicare program, the Administration has also proposed eliminating the adult dental benefit in the Medicaid program, resulting in a federal savings of $75 million in 1974. Extension of coverage to clinics not associated with hospitals will offset $20 million of this savings and increases in Medicaid expenditures for the elderly necessitated by changes in the Medicare program will offset another $44 million—resulting in a total savings of $11 million. Although these sums are small in relation to total Medicaid expenditures, they should be viewed in the context of past changes in the Medicaid program. The Department of Health, Education, and Welfare estimates that the poor will receive about $1.3 billion less in Medicaid benefits in 1974 as a result of the Social Security Amendments of 1972. At a time when medical costs are rising, legislative effort should be devoted to remedying the deficiencies of the Medicaid program—such as the low benefits in many states and exclusion from coverage of the working poor, childless couples, and, in some states, low-income families with an unemployed father—rather than continuing to cut back benefits.

Recently, the Administration has proposed changes in the tax provisions affecting health insurance and medical expenses. In testimony before the House Ways and Means Committee on April 30, 1973, Secretary of Treasury Shultz indicated that as part of a personal income tax simplification plan, the Administration proposes elimination of the special treatment of individual health insurance expenses. In its place is a single deduction for all medical expenses, health insurance premiums, and casualty losses; an itemized deduction would be permitted only to the extent that the combined total exceeds a floor equal to 5 percent of the taxpayer's adjusted gross income. No change in tax treatment of employer contributions to health insurance premiums is proposed.[5] While this change has the effect of reducing tax subsidies for medical expenses—which go in large part to higher income groups—inequities arising from the greater value of a deduction to higher income individuals would still be present.[6]

A still better alternative would be to replace all existing tax benefits for health insurance and medical expenses with a tax credit for all medical expenses in excess of some percentage of income. For example, taxes could be reduced by one dollar for each dollar of medical expenses in excess of 15 percent of income. In this case, a family with an income of $10,000 and medical expenses of $4,000 would have its taxes reduced by $2,500. A family with income of $40,000 and the same medical expenses would receive no reduction in taxes. Such an approach would have several advantages over a tax deduction. First, tax benefits would be concentrated on those for whom medical expenses pose the most serious financial burdens. Second, individuals would be guaranteed that their payments for medical expenses would not exceed some reasonable fraction of income—any expenses above that would be "paid" by the federal government. Third, the government would no longer be paying a higher share of medical bills for higher income individuals.[7]

Table 3 illustrates the costs and distribution of benefits by income class in 1974 under existing legislation, legislation proposed by the Administration, and several alternative tax credit schemes. The proposed legislation would reduce tax subsidies arising from personal income tax deductions from $2.6 billion in 1974 to $860 million.[8] A refundable full tax credit on all medical expenses in excess of 15 percent of income would result in a tax subsidy of $2.2 billion—if only those individuals who currently itemize medical expenses were to take advantage of the tax credit. However, many low-income individuals who do not currently itemize deductions would be eligible for benefits under a tax credit plan so that the costs are underestimated. The estimates also do not consider any changes in prices, use of medical services, or health insurance coverage which would be induced by the credit. Final cost of the scheme, therefore, could substantially exceed $2.2 billion. Benefits under the tax credit plan would be concentrated much more heavily toward low income individuals. Under current law, 21 percent of personal income tax benefits for medical expenses go to individuals with incomes of less than $10,000.[9] Under proposed legislation, 34 percent of benefits would go to such individuals. Under a refundable full tax credit for all medical expenses in excess of 15 percent of income, 70 percent of the tax benefits would go to individuals with incomes below $10,000.

TABLE 3.—TAX SUBSIDIES FOR MEDICAL EXPENSES UNDER CURRENT AND ALTERNATIVE LAWS, 1974

	Current law	Law— 1	2	3	4	5
Total tax subsidy (in millions) [1] [2]	$2,625	$860	$2,227	$3,399	$789	$1,476
Adjusted gross income class (percentage distribution)	100.0	100.0	100.0	100.0	100.0	100.0
Under $5,000	2.0	4.1	27.4	23.3	9.5	7.2
$5,000 to $9,999	18.7	29.7	43.3	43.2	40.4	39.3
$10,000 to $14,999	21.6	19.4	9.7	13.1	14.2	20.5
$15,000 and over	57.8	47.0	19.4	20.3	36.0	33.0

[1] None of the plans include $3,000,000,000 tax subsidy in 1974 attributable to exclusion of employer contributions to health insurance plans from taxable personal income.

[2] Estimates are based on individuals currently itemizing medical deductions. Many low-income individuals who do not currently itemize deductions would be eligible for benefits under a tax credit plan. Tax subsidies shown, therefore, are underestimated—particularly for Laws 2 and 3 which would refund any excess of the credit over total tax liability. The estimates do not consider any changes in prices, use of medical services, or health insurance coverage induced by the credit.

Note: Law 1: Itemized deduction of all health insurance and medical expenses in excess of 5 percent of income (administration proposal omitting casualty losses). Law 2: Full tax credit for all health insurance and medical expenses in excess of 15 percent of income, refundable. Law 3: Full tax credit for all health insurance and medical expenses in excess of 10 percent of income, refundable. Law 4: Full tax credit for all health insurance and medical expenses in excess of 15 percent of income, nonrefundable. Law 5: Full tax credit for all health insurance and medical expenses in excess of 10 percent of income, nonrefundable.

Source: Estimates derived from the 1970 file of individual income tax returns with data projected to calendar year 1974 levels.

While such a plan would do much to alleviate the financial distress of catastrophic medical expenses, a strong case can be made for shifting from a patchwork system of Medicaid for the poor, Medicare for the elderly, private insurance for many others, and tax subsidies for catastrophic expenses to a new system of comprehensive national health insurance designed to move toward three objectives: (1) ensuring that everyone has access to essential medical care regardless of income, location, or type of family; (2) protecting everyone from medical expenses that are high relative to income; and (3) reducing costs and encouraging efficiency in the delivery of medical care. One general type of proposal that seems best adapted to meeting the three criteria at once is a national health insurance plan with income related benefits.

Under such a plan both deductibles and coinsurance would be related to income so that people would be protected against expenses that were high relative to their income. To prevent undue financial burdens a ceiling could be placed on the maximum out-of-pocket expenses a family would have to pay. For example, under the plan, a middle-income family could be responsible for all expenses under 10 percent of income. Above that, the plan could pay half of all expenses until total expenses exceed 20 percent of family income. Once total expenses reached 20 percent of income, the insurance plan could pay all expenses. More generous provisions could be designed for lower income families. To encourage use of preventive services, it might be desirable to have no payment by the lowest income groups. One advantage of such an approach is that a single plan would serve the dual purpose of protecting the poor against normal expenses and protecting higher income people against high expenses, hence, there would be no stigma attached to receiving benefits under the plan. Benefits would depend solely on the relationship between the expense incurred and a family's income, not on arbitrary factors such as where the family happens to live or who is in the family group. The fact that people would normally be paying part of the expenses themselves could be expected to lessen wasteful use of medical resources and encourage both doctors and their patients to use less, rather than more costly types of care.

Unlike a tax subsidy scheme, these automatic incentives could be supplemented with controls on unnecessary utilization, excessive charges by medical care providers, and inferior quality of care. It could also contain incentives promoting the use of innovative and more efficient forms of organizing and delivering medical care services.

PROBLEMS NOT SOLVED BY FINANCING

While an adequate financing program is essential in assuring access to medical services and preventing financing burdens arising from large medical bills, such a financing program cannot be relied upon to solve all the problems of the health care system. Experience with existing financing programs clearly suggests that even with comprehensive national health insurance some groups—especially minority groups and residents of central cities and farms—would get substantially less care than others unless special efforts were made to increase the access of these groups to care.

Under Medicare, for example, uniform benefits are available to all participants, but average expenditures are substantially less for blacks than whites. Although 8.6 percent of the elderly population belongs to a black or other non-white race, they receive only 5.9 percent of the payments made by the program. In 1969, average reimbursement for hospital and physician services per elderly white person was $320 compared with $229 per elderly black person. Most of this discrepancy is explained by the fact that elderly whites use more medical services, even though elderly whites enjoy better health than elderly persons of other races.[10]

TABLE 4.—USE OF MEDICAL SERVICES BY THE ELDERLY, BY RACE, 1968-69

Type of service	Whites	All other races
Hospital care: [1]		
Discharges per 1,000 Medicare enrollees	312	237
Hospital days per 1,000 Medicare enrollees	4,150	3,491
Hospital charges per day	$65	$60
Medicare payments per elderly person	$215	$150
Physician care: [2]		
Annual visits per person	6.2	5.1
Percent of visits in hospital clinic	5.4	15.3
Medicare payments per elderly person [3]	$105	$79
Health status: [2]		
Restricted activity days per person per year	33.1	47.6
Bed disability days per person per year	13.1	20.5
Percent with limitations due to chronic conditions	41.6	51.4
Percent unable to carry on major activity	15.1	25.0

[1] "Current Medicare Survey Report, Hospital Insurance Sample," inpatient hospital utilization, 1966-69, CMS-2S, Office of Research and Statistics, Social Security Administration, March 1973.

[2] "Age Patterns in Medical Care, Illness, and Disability, United States, 1968-69," series 10-No. 70, National Center for Health Statistics, U.S. Department of Health, Education, and Welfare, April 1972.

[3] Calculated from 1970 data supplied by the Social Security Administration.

Elderly whites have fewer restricted activity days, fewer bed disability days, and fewer suffer from chronic health conditions. In spite of the better health status of elderly whites, whites are admitted to the hospital more frequently, use more days of hospital care, and visit the physician more frequently. Since comprehensive financing appears not to eliminate racial disparities, it is urgent that supplementary measures be undertaken on the supply side to improve the physical access of blacks to medical resources—such as increasing the supply of black medical personnel, greater placement of black physicians on hospital staffs, training of minority residents as paraprofessional personnel to work in community health organizations, subsidies for health care organizations to locate in minority neighborhoods, and improved and expanded hospital outpatient facilities.

In addition to barriers to medical care for blacks and other non-white groups, residence is also an important determinant of use of medical care services. Rural residents lag well behind residents of urban areas in use of medical services—even though rural residents are more likely to have some limitation of activity. Special efforts, perhaps through improved medical transportation systems, will be required to improve access of rural residents to high quality care.

In addition to promoting policies designed to overcome non-financial barriers to access to medical care, federal intervention is required to improve the operation of the market for medical services. The most crucial of these are:

Supplementary measures to control costs of medical services.

Incentives to foster the development of innovative forms of organizing and delivering medical care services.

Measures to assure a desirable mix and supply of medical manpower.

FOOTNOTES

[1] Coverage of out-of-pocket expenses under the personal income tax is equivalent to providing each taxpayer itemizing deductions with an insurance policy which has a deductible equal to three percent of the taxpayer's income and a coinsurance rate that is one minus his marginal effective tax rate.

[2] In 1970, 58 percent of elderly individuals were in families with less than $5,000 income; only 18 percent of the elderly have family incomes above $10,000.

[3] See Charles L. Schultze et al., *Setting National Priorities: The 1973 Budget*, Washington, D.C.: Brookings Institution, 1972, pp. 218-220 for a more complete discussion of the Medicaid program.

[4] Since only those expenses in excess of three percent of income can be deducted, the higher income family has lower total medical deductions. However, the higher marginal tax rate faced by the family with $40,000 income results in a greater tax savings. Comparison here is based on a family of four.

[5] Department of Treasury, *Proposals for Tax Change*, Washington, D.C.: U.S. Government Printing Office, 1973. Originally, the detailed explanation of tax changes included a provision requiring that employer contributions to health insurance plans be

counted as taxable personal income; this provision is marked "deleted" in the report, and presumably is no longer an Administration proposal.

[6] Under proposed legislation, a family of four with income of $10,000 and medical expenses of $4,000 would receive a tax reduction of $665, while a family with $40,000 income and the same medical expenses would receive a tax reduction of $840.

[7] The major disadvantage of such a tax credit plan is the absence of any controls on expenditures above 15 percent of income. The range over which individuals have some incentive to contain costs could be extended by a tax credit which reduces taxes by $.50 for each dollar of expenditures between 10 and 20 percent of income, and dollar for dollar for all expenditures over 20 percent of income. Another possibility is a tax credit which reduces taxes $.80 for each dollar of expenditure over 12 percent of income. This maintains some incentive for the individual to contain costs over the entire expenditure range, but leaves the individual vulnerable to excessively high costs.

[8] Total tax subsidy, including $3.0 billion in 1974 attributable to exclusion of employers' contributions to health insurance plans from taxable personal income, would be $5.6 billion under current legislation and $3.9 billion under proposed legislation.

[9] This differs from the 44 percent given in Table 1 because it applies only to individual health insurance premiums and medical expenses deducted from the personal income tax. Tax subsidies of employer contributions to health insurance premiums, which are excluded here, are concentrated more heavily on low- and middle-income workers.

[10] Indeed the poor health of blacks, reflected in their high mortality rates, reduces the chance that blacks will live long enough to benefit from Medicare at all. Present life expectancies imply that only 56 percent of black babies will live to age 65, compared with 74 percent of white babies.

HEALTH-CARE COSTS

(Statement of Alfred C. Neal, president, Committee for Economic Development)

My name is Alfred C. Neal. I am president of the Committee for Economic Development, which is an organization of 200 leading businessmen and university presidents who study major economic and social issues and formulate recommendations on government and business policy. I am appearing today as a substitute for Philip M. Klutznick, chairman of the CED Research and Policy Committee, who headed our study on health care.

We greatly appreciate the invitation to appear before your Committee. Our concern with the health-care system stems from the involvement of a number of CED trustees in the Steering Committee on Social Problems established by New York Governor Nelson A. Rockefeller. Under the leadership of the late Joseph C. Wilson, chairman of Xerox Corporation and a trustee of CED, the Governor's Steering Committee undertook a national study of health and hospital services and costs. I was privileged to serve on that Committee, which issued its report in June 1971.

A key finding of the Steering Committee was that the way in which health-care services are delivered today—the organization of the delivery system—virtually assures the nation of a continuing spiral of inflation because of the lack of incentives for control of costs. Moreover, the misallocation of resources in the health-care system has produced inadequate care for many people in our society.

The Governor's Steering Committee underscored the important role that the federal government can play in bringing about reform of the health-care system that will result in less costly service. It is a theme which the CED report develops in greater detail. The Steering Committee said that "any new public funds should be used as a lever for change in the delivery system, and that such funds should contain enough incentives to produce voluntary movement toward efficient, effective and more economical health-care systems." Thus the Steering Committee emphasized that it would be a disservice to the nation to set up a national health insurance system without improving the way in which health services are delivered.

The Committee for Economic Development, whose trustees constituted almost half of the Governor's Steering Committee, built upon the foundation of the Steering Committee report. Under Mr. Wilson's chairmanship we undertook a more detailed study on ways of reforming the delivery and financing of health-care services and particularly of ways to make financing contribute to reform of the system. After Mr. Wilson's sudden and untimely death in late 1971, we were able to prevail upon Philip M. Klutznick to serve as acting chairman of the health-care panel.

We were aware of the dangers in trying to make essentially lay judgments in a highly complex professional field. Nevertheless, as Mr. Wilson had put it, "health care, as an industry, is not unlike many other American industries which are equally far-flung, extraordinarily complex, and yet are susceptible to rational managerial evaluations." It was our feeling that the business community could make an important contribution by bringing the experience of management to bear on an extraordinarily complex and disorganized system.

We were greatly aided in our work by a number of outstanding professionals in the field, including Dr. Jerome Pollack, Professor of Economics of Medical Care at Harvard Medical School, who served as project director for the CED study. We issued our report in April 1973, and I am attaching a copy as an exhibit. The names of those who are responsible for the report are listed on pages 5 and 6.

After an intensive investigation of the delivery and financing of health care, we concluded that even if vastly greater resources are poured into the health-care system, the goal of providing adequate health care for all will continue to elude the nation unless the delivery of health-care services is substantially restructed. We therefore set forth a number of recommendations, which I shall discuss later, to improve the organization of the health-care system. It is this group of recommendations which CED believes holds the greatest promise for keeping down the cost of health care.

At the same time, we had to come to grips with a separate but related problem—the need to provide adequate health care for *all* Americans. The problems as we saw it was not simply to keep down costs but also to assure access to health care as a right to all. The central question we faced was how to convert this right into reality—how to convert an aspiration into skills, services, facilities, and systems available to the people.

In the past, the national mode of response has been to deal separately with each shortcoming of the system in a succession of crises—in facilities, manpower, financing, or social policy. We believe that this is no longer tenable and that a serious effort to improve health care must embrace (1) the restructuring and redeployment of the health-care delivery system, with an effective control and planning mechanism and (2) an enlarged insurance system to assure universal coverage. Most important, a coordinated approach to these two essential components of any national health-care system is essential in order to avoid the danger of inflated health costs that do not produce increased services.

INFLATION IN HEALTH COSTS

The scope of the inflationary problem is well known. The United States devotes a greater share of gross national product to health care than any other nation. The amount of money spent should provide better care for all our people. While it is true that U.S. health services have broadened in scope, and are used with greater frequency and intensiveness, costs have risen beyond the capability of many people and the local levels of government. Total national health expenditures climbed from $12 billion in 1950 to $83 billion in 1972, or from 4.6 per cent to 7.6 per cent of Gross National Product. By far the largest element in the increase in expenditures for personal health since 1950—nearly one-half—is attributed to price rises rather than to greater utilization of services and the introduction of new techniques. Largely as a result of inflation, from 1965 to 1972 alone the nation's health-care expenditures rose from $39 billion to $83 billion. The rate of inflation in the cost of medical services since 1960 has averaged well over half again as much as that of consumer prices generally, and has even exceeded the rate of inflation in the cost of housing.

To stem this massive inflationary tide, CED recommended in July 1972 that the government maintain its wage and price controls in the health-care field. We were pleased to note that this course was followed by the Administration in Phase 3. Wage and price controls should be maintained, moreover, during the inauguration of any national health-insurance program in order to avoid runaway costs during the transitional period. Although market influences, of course, are generally preferable to controls, the market has been shown to work inadequately in the health industry, which is inherently monopolistic. Controls will be needed, therefore, until major structural changes have been accomplished.

THE INSECURE ROLE OF THE CONSUMER

The burden of securing adequate health care today rests almost exclusively with the patient. More often than not, he must find his own way among the various types and levels of service, with only partial help from the provider. In the majority of cases, no one in the medical profession takes responsibility for determining the appropriate level of total care needed and for seeing that such care (but no more) is supplied. Not only does this fragmented "nonsystem" lead to great variations in the quality of care rendered, but it also fails to deliver the comprehensive and preventive care now desired.

A patient may choose a doctor because of the nature of his illness at one time or a specialist of the wrong type because of a mistake in early diagnosis; he may stay with this physician in order to avoid the inconvenience and uncertainty of starting over again with another. Often the patient's resources are too limited to permit him to search for another physician even if he wanted to do so, or he may regard it as unseemly and indicative of a lack of confidence in the doctor on whose good will he depends. Moreover, the prevalence of one-man medical firms often impedes the free flow of patients from one practitioner to another; such firms run some risk of losing the referred patient to the consultant or the hospital.

Although medical care is only one factor contributing to health, it can be literally a matter of life and death. Self-denial because of low income is not the same in this situation as in rationing one's income when purchasing cars, clothes, or television sets. Medical costs can claim an excessive share of a family's income, even for middle-income people, who usually have insurance. The position of the consumer in the health-care marketplace is indeed an insecure and limited one. In purchasing other goods and services the consumer can police the market by shopping around, but this applies far less to medical services. The average consumer knows less about medical service than almost any other service he pays for.

DEFECTS IN THE PRESENT SYSTEM

In the view of the CED committee, the

single doctor in private practice was suited to a time when medical needs could usually be met by the treatment of a single physician but is unsuited to the growing incidence of chronic illness, the trend toward specialization, and toward preventive medicine. The doctor, as the most expensive element involved, must be employed only in tasks calling for his skills. Lesser tasks can be performed by a paraprofessional and other lower paid health personnel. These imperatives call for group practice and other forms of organization. This road to efficiency has been well travelled by business and by other professions.

The present health structure has resulted in a mixture of technical virtuosity among specialists, on the one hand, and inadequacies in the development of minimum essential care, on the other. People generally experience difficulties in securing adequate primary care. Such organizations as the Kaiser Foundation Health Plans have shown the way to remedy this deficiency at reasonable cost.

Although we recognize that the United States possesses some of the finest hospitals and medical centers in the world, we found severe shortcomings also in the way in which hospitals are organized and managed. In recent years, unnecessary facilities were created nationwide while the existing resources of hospitals were not used effectively. Fewer hospital beds would be needed if facilities were adequate for ambulatory care, self-care, and outpatient treatment.

Most studies of patients show that some people in hospitals either do not need to be there or stay too long. Hospitalization is used far less in better organized systems, where the incentives work to treat patients on an ambulatory basis when this is appropriate rather than as inpatients. The excess costs which these inefficiencies create for the consumer is obvious.

The Administration's decision to terminate those segments of the Hill-Burton program involving the construction and modernization of bed facilities therefore seems well justified. We are concerned, however, by the fact that Hill-Burton funding for ambulatory and outpatient care facilities—which represents about one-quarter of the total program—is also being terminated although the development of such facilities can lead to significant savings in the long run.

Basic to the establishment of a national health-care system and reform of the delivery system, therefore, is a greatly accelerated development of community-based ambulatory- and primary-care centers, and organizations that assume responsibility for providing comprehensive and continuous care.

INCENTIVES FOR COST CONTROL: THE HMO

The CED report stresses that until doctors, hospitals, and other providers of health care "work within a system which requires them to respond to effective planning that meets national needs and to become involved in the financial consequences of their decisions, costs cannot be controlled and the system cannot be rationalized." We strongly recommended therefore that to the maximum extent possible, providers of care should be paid on the basis of fees and charges fixed in advance and related to a budget that reflects efficient organization and administration. Ideally, financing of health-care services should be based on prepayment of one annual fee for a family's essential medical needs. The concept of the health maintenance organization represents an efficient way of delivering care under such a payment system. The payment system, in turn, will provide a strong motive for efficient organization and delivery of services.

Although emphasizing preventive care, the HMO provides relatively complete and continuous care for its subscribing clientele. Among the many accomplishments of existing health maintenance organizations are striking reductions in the utilization of inpatient care, as well as improved use of manpower and more complete care at an economical cost to subscribers. The impressive nature of these achievements underlies the growing awareness that the development of health maintenance organizations on a much larger scale would be one of the most effective ways possible to fight the escalation of health-care costs.

Comprehensive prepaid plans have brought competition into health services. We envision these new organizations as operating side by side and competing with conventional practice with the intent of improving the operations of both systems.

Although group-practice prepayment has inspired and stimulated the HMO, it constitutes only one such kind of organization. In order to broaden the base for development and to stimulate innovation in organizational design, diverse sponsorship should be encouraged and is being undertaken, including sponsorship by hospitals, medical groups, foundations for medical care, businesses, consumer and community groups, labor unions, insurance companies, Blue Cross-Blue Shield plans, and academic institutions. There should be room for both profit and nonprofit health-care plans sponsored by all types of organizations that can qualify in terms of capability and responsibility.

In our report we made clear, however, that the potentials of the HMO will not be achieved easily or immediately. There are formidable managerial, financial, and often legal hurdles to overcome in establishing a successful HMO. Nor should prompt public acceptance of this relatively new and unknown form of health-care delivery be expected.

We also called for the repeal of restrictive laws which in some areas limit the right to organize group practices, to provide comprehensive care, and to establish prepayment plans—all of which would result in better health care at lower cost. Archaic legislation and regulation have impeded the development of new comprehensive delivery systems. We endorse efforts by the federal government to secure adoption of model state laws to facilitate the formation and operation of such organizations and urge that the states adopt legislation supportive of HMOs. *We recommend that federal support for state health programs be predicated on the elimination of restrictive legislation impeding improvement in the organization of health care.*

PLANNING AND USE OF RESOURCES

In the course of our study, we became convinced that faulty allocation of resources is a major cause of inadequacies in U.S. health services that result today in poor or substandard care for large segments of the population. While manpower, facilities, and services are lacking in some areas, they are in excess in others. The maldistribution is functional as well as geographical, causing most notably the nearly nationwide inadequacy in primary care while medical specialities often exceed requirements. No adequate effort has been made at overall planning. What confronts the United States is an essential industry—the nation's third largest in terms of people employed—that delivers vitally important services at a level far below its potential capability.

One of our key recommendations, therefore, is the establishment of Regional Health Services Agencies throughout the nation with strong planning powers over facilities and resources. These planning agencies would determine the need for new health-care institutions in each region and would have significant power over the expenditure of federal funds.

The agencies would aid in the establishment of HMOs and would be responsible for supervising the quality of service. Under our plan, the Regional Health Service Agencies would also have effective supervision over pricing and quality arrangements in all HMOs. We are convinced, however, that the planning agencies must not be controlled by those who are the providers of health care and recommended that at least a majority of each board consist of public members.

To provide for the efficient training and use of medical personnel, we recommended the adoption of a national health manpower policy and called for systematic central planning by the office of the Secretary of Health, Education and Welfare to guide the formulation of health training programs. Such programs, the Committee said, should focus on the development of more primary-care physicians and the training of doctors' assistants and other new categories of health personnel. They should also aim at reducing the enormous disparities that have developed in the geographical distribution of medical services, with the six most affluent states averaging twice as many doctors per capita as the six poorest states.

HEALTH-CARE COSTS AND THE FEDERAL GOVERNMENT

It is impossible to emphasize enough the magnitude of the contribution the federal government could make towards ending the spiral of health-care costs by encouraging reform of the delivery system along the broad outlines set forth above. The experience of the Kaiser Foundation Health Plans on the West Coast, which serve over two million people, and other prepaid plans is an indication of the significant reductions in cost and improvements in care that can accrue to the consumer through the use of effective management techniques in the delivery of health care.

We are therefore concerned that while some of the new budgetary proposals in the area of health care would contribute to increased efficiency, others are likely to hinder needed improvements. Thus, projected outlays for improving the organization and delivery of health services, for training paramedical personnel, for building ambulatory health facilities, and for operating local mental health clinics are diminishing. We are concerned not only that social needs be satisfied. We are concerned that absence of reform of delivery systems in areas where uncontrolled federal expenditures are growing very rapidly will, in the not very long run, turn out to be a false saving.

A NATIONAL HEALTH INSURANCE PROGRAM

I have concentrated on the need for reforms in the delivery system to curb the spiraling costs in health care. As I mentioned before, however, our committee was also concerned with the need to assure access to adequate health care for all Americans. In our view, there can be no question that universal health coverage should rank high among our national goals.

The national health insurance plan we proposed would provide a basic level of medical protection for everyone through a three-part system. Employers would be required to provide health insurance coverage for all employees and their dependents, and Medicare would be continued for the aged and disabled. A third category would extend insurance coverage on an income-related basis to over 20 million people—mostly poor, nonwhite, unemployed, and self-employed—who now have no medical coverage. The federal government would finance the costs for the poor.

Our Committee made a strong commitment to the principle of universal coverage with the ultimate objective of a high level of benefits for all. However, because of the inadequacies of the delivery system, we insisted that the new health insurance plan should at first cover only basic needs and that benefits should be phased upward only as appropriate changes take place in the organization of the health-care system. In the Committee's view, the high quality of the medical professions in the United States and the substantial resources devoted to health care are an indication that the goal of adequate health care for all is within reach. But remembering the inflationary surge after Medicare, we felt that making more money available without improving the delivery of health-care services would merely serve to increase costs without producing better care.

In making our commitment to universal coverage, we were greatly encouraged by the strengths and resources of the present health-care system and were determined to build upon them rather than starting over again with a different system. We were impressed by the firm base that already exists for a national health insurance system through the substantial coverage now provided by both private and public insurance plans, including the massive employer-based plans which provide coverage to over 150 million people.

Under the employment based coverage, employers would be required to provide health insurance coverage for all employees, with costs typically shared between employers and employees. The Committee recognized, however, that this requirement could pose some hardships for small or marginal business. We therefore recommended that a specified ceiling such as a percentage of wages be placed on contributions of both employers and employees. Where costs exceed this ceiling, we suggested a sharing of costs through an insurance pooling mechanism.

Under the third category a fundamental change recommended in our report is the establishment of "community trusteeships," which would administer the funding of health insurance and the organization of care for those not covered through an employment-based plan or Medicare—the poor, unemployed, self-employed, or part-time workers. Individuals insured under community trusteeships would contribute to the plan on a sliding scale, based on income, family size, and employment status, with the federal government paying the rest of the cost. Payments would not be required for those whose income is below the national poverty level, and Medicaid would be abolished.

The national health insurance plan which we recommended would provide continuous coverage for all, without interruption for any cause. Treatment would not be delayed for determination of liability for payment, and care would not be foregone or deferred because of inability to pay.

We estimate that our recommendations would add something less than $5 billion to the nation's health expenditures over present anticipated costs and would reach this level only after the entire set of basic benefits has been phased in. For the longer run, the additional costs implied by our financing recommendations should be offset at least in part by the better utilization of resources and cost reductions resulting from basic management improvements.

Shortly after enacting Medicare, Congress reaffirmed its conviction that "fulfillment of our national purpose depends on promoting and assuring the highest level of health attainable for every person." In our report we have recomended a long step towards this goal. The world's wealthiest nation should not aspire to less than adequate health care for all its people.

[Telegram from Marion B. Folsom to the New York congressional delegation]

April 13, 1973.

I suggest you study the policy statement issued yesterday (April 12, 1973) by the committee for Economic Development entitled "Building a National Health-Care System." I was active on the committee and favor the proposal. I strongly urge you to endorse by public statement the general principles outlined in this statement. I would go one step further and recommend that the next statutory increase in social security taxes be used to finance the increased revenue requirement for health insurance and that the payroll taxes be reduced for those in the low income group. This deficit would need to be financed by general revenue.

Also, as you know, the health people in the Rochester area are greatly disturbed over the drastic reductions in the health program proposed by the administration. The Rochester area has received meaningful grants from the Department of HEW and the previous administrations over the past years.

These grants have been matched by dollars from local sources and have been in the forefront of new developments in health services. This sudden and sharp reduction will greatly affect the health care of the area. It will set us back in the areas where we have begun to make real progress. I strongly urge that a more selective basis be used to bring about reductions. Savings may be made by postponing the Hill-Burton program and manpower and other long-range programs so that the more effective program can be continued.

The Rochester experience is a clear demonstration of the objective of President Nixon that Federal funds be used to encourage the private sector to marshall its resources.

Marion B. Folsom.

Statement of Senator Hubert H. Humphrey

This morning the Subcommittee on Consumer Economics begins two days of hearings on the costs of medical care, a significant factor in the high cost of living.

People in this country should enjoy the best medical care in the world. Yet we are not meeting this potential. We have the best physicians, the best hospitals and the best schools. But all of these resources are useless to those men, women and children who cannot get to them when in need or to those who just don't have the money to buy the medical care that is available.

Over the past 20 years the cost of medical care has soared.

In 1950, personal health care spending was $12 billion. But in fiscal 1972, the total bill was $83.4 billion.

In 1950, the protection of health consumed about 4.6 percent of the Gross National Product, or $78 per capita. In 1971, it consumed 7.4 percent of the GNP, or $358 per capita. During last year alone, health costs jumped by $26 per person.

We spend a larger percentage of our GNP and more money per person on health care than any other people.

How healthy are we as a result of all these outlays? In 1970, the United States ranked 15th in the rate of infant mortality among industrial nations.

For those that survive, the life expectancy is generally shorter than in other developed nations. In 10 nations, the expectancy for females exceeds the 73.8 year average for the United States, for blacks and other minorities, the American life expectancy is significantly shorter.

Despite the facts, the Administration's view of these problems seems less than urgent. HEW Secretary Elliot Richardson indicated that Administration proposals would be presented near the end of last year. That deadline was later postponed with the promise that the proposals would accompany the 1974 budget.

In his confirmation hearings, the new HEW Secretary, Caspar Weinberger, indicated that they would be available sometime in February or March. February and March have come and gone and all Congress has seen is the 1974 budget.

And this 1974 health budget gives little promise of helping Americans to meet their health care needs. In fact, the impact of this budget will be to make the situation worse for many people.

For example, the Administration would like to reduce medicare payments, thus increasing the patient's cost for an average hospital stay by about 125 percent. An average hospital stay today costs the medicare covered patient $84. If the Administration's proposals are enacted the cost of the average hospital stay to the medicare covered patient will be $189.

The Administration wishes also to:

Phase out Federal support for community mental health centers;

Terminate Federal support for hospital construction;

Drastically cut aid to medical schools and students;

End Federal support for regional medical programs; and

Reduce funding for disease control programs.

This Administration program, if it can be called that, seems to be withdrawal on practically all fronts. And yet the Congress has been provided with little information which would justify these changes or even show that they have received careful consideration.

Today we are fortunate to have several expert witnesses to discuss the cost and availability of medical care, including the effects of the Administration's program, as part of our series of inquiries into the high cost of living.

Our first witness is Dr. John Cooper, president of the Association of American Medical Colleges. Dr. Cooper had a distinguished career as a Professor of Biochemistry and Dean of Sciences at Northwestern University before coming to the AAMC. He is, therefore, in an excellent position to discuss the impact on medical schools and general research of the 1974 budget.

The next witness will be Dr. Karen Davis, a Research Associate at the Brookings Institution. Doctor Davis has been a Brookings Economic Policy Fellow at the Social Security Administration and Assistant Professor of Economics at Rice University. She is an expert in health insurance and the causes of rising hospital costs.

Our third witness is Dr. Alfred Neal who is president of the Committee for Economic Development. The CED is one of the very few institutions which has outlined an overall strategy for providing health care. We are pleased to have Doctor Neal with us today to discuss their proposals.

[From the Pioneer Press, May 7, 1973]

Hospital Fees Up 7.7 Percent; Daily Charge Over $100

Average daily hospital charges rose to $101.65 throughout Minnesota—topping $100 a day for the first time—in the year ending March 31.

That was an average increase of 7.7 per cent since March 31, 1972, according to a 12-month study of 183 Minnesota hospitals released Sunday by Minnesota Blue Cross and Blue Shield.

The average daily charge for a hospital stay at the end of March, 1973, ranged from $117.52 in Minneapolis (a gain of 7.9 per cent in the year), $102.72 in St. Paul (up 7.0 per cent), $88.52 in Duluth (up 8.1 per cent) and 87.48 for outstate hospitals (up 8.3 per cent).

Average length of stay during the study period decreased by 0.5 per cent statewide with Duluth showing the only increase—5.5 per cent. Minneapolis showed a 1.6 per cent decrease. There was no change in length of stay in St. Paul hospitals. Outstate hospitals reported an 0.9 per cent decrease.

Minneapolis' average charge per hospital case of $892.46, an increase of 6.2 per cent for the year, led the study. In St. Paul the total charge for an average stay was $849.65, a gain of 7 percent. In Duluth it was $730.91 (up 14 per cent); outstate $514.15 (up 7.3 per cent). For the entire state the average case cost was $714.75, a gain of 7.2 percent.

The average outpatient charge per visit increased 6.1 per cent statewide, from $24.14 to $25.61. In Minneapolis the average rose

8.5 per cent from $26.14 to $28.36; in St. Paul 3.6 per cent, from $27.01 to $27.97; in Duluth 8.6 per cent, from $26.03 to $28.26; and 4.8 per cent for outstate hospitals, from $20.63 to $21.62.

The study, Blue Cross and Blue Shield said, was based on actual hospital charges for their 1.25 million subscribers.

The average daily figures in the sampling (and in the table) include room and board charges and ancillary services which include medications, operating rooms, special services, laboratory and other fees, but not physician charges.

The study points out that while the average figures are roughly accurate for any given area, actual charges can vary widely depending on the severity of the patient's condition. Ancillary services can increase drastically in some cases of serious illness or accident, the report said.

Here are bed patient average daily charges by hospital area for the year ending March 31, 1973 compared with those in the year ending March 31, 1972. The study does not include veterans or proprietary hospitals.

	Mar. 31, 1973	Mar. 31, 1972	Percent change
Minneapolis hospitals:			
Total services	$117.52	$108.93	+7.9
Average stay (days)	7.594	7.714	−1.6
St. Paul hospitals:			
Total services	102.72	95.99	+7.0
Average stay	8.271	8.271	(1)
Duluth hospitals:			
Total services	88.52	81.92	+8.1
Average stay	8.257	7.828	+5.5
Statewide hospitals:			
Total services	87.48	80.79	+8.3
Average stay	5.877	5.930	−.9
Total all hospitals:			
Total services	101.65	94.34	+7.7
Average stay	7.032	7.068	−.5

[1] No change.

[From the Minneapolis Tribune, May 7, 1973]

COST OF STAY IN HOSPITAL RISES 7.9 PERCENT IN LAST YEAR

(By Lewis Cope)

The average cost of a patient's stay in a Minneapolis area hospital was $117.52 a day during the 12 months ending March 31—up 7.9 percent over the year before—according to a Blue Cross study released Sunday.

Federal price controls have a goal of lowering hospital cost increases to 6 percent a year. Hospital charges had been going up about 12 percent a year both in the Twin Cities and nationally before the controls started in late 1971.

The current Minneapolis average is more than double the $54 average in 1965. It had been $108.93 a day during the 12 months ending March 31, 1972.

The Blue Cross survey of its cases also found:

Hospital costs in Minnesota as a whole averaged $101.65 a day during the 12 months ending March 31, up 7.7 percent. This is the first time this state-wide index has gone over the $100-a-day mark.

The average for St. Paul area hospitals was $102.72 a day, up 7.0 percent.

The Duluth average was $88.52 a day, up 8.1 percent.

The daily costs include both room charges (which also cover meals and basic nursing care) and ancillary charges (for everything else on the bill from drugs to x-rays).

The averages are simply that. Actual bills differ since more seriously ill patients are more likely to need more drugs and other ancillary services.

The federal regulations say that hospitals cannot raise their charges more than 6 percent a year, except in rare cases where exceptions are granted.

However, the 6 percent is calculated under complex formulas. Also, some hospitals' officials say part of the average increases reported by Blue Cross may reflect the more intensive treatment some patients now receive.

For example, patients are charged each time they get drugs or lab tests. Hence, if patients are getting more drugs and tests, this could be a factor in increasing their bills.

Minneapolis' 7.9-percent increase is the smallest reported in any Blue Cross study since 1965. Statewide figures are not available that far back.

Stephen Rogness, executive director of the Minnesota Hospital Association, noting that the statewide average increase had reached 14 percent just before price controls started and is 7.7 percent in this latest report, said:

"This shows the effect of price controls. The increases are slowing down. Hospitals are complying."

The Blue Cross figures are only for hospital charges. Physicians bill separately for their services.

Blue Cross is the largest insurer of hospitalization in Minnesota. Its case averages are considered the best guide to cost trends. However, they do exclude persons over age 65 covered by federal Medicare.

DAILY HOSPITAL COSTS IN STATE

	12 months ending Mar. 31, 1973	12 months ending Mar. 31, 1972	Percent increase
Minneapolis hospitals:			
Room-board, per day	$57.53	$54.59	5.4
Ancillary [1] per day	59.99	54.34	10.4
Total daily average	117.52	108.93	7.9
Average days stay	7.56	7.71	
Total average bill	892.46	840.31	6.2
Outpatient average charge	28.36	26.14	8.5
St. Paul hospitals:			
Room-board, per day	54.38	51.18	6.3
Ancillary [1] per day	48.34	44.81	7.9
Total daily average	102.72	95.99	7.0
Average days stay	8.27	8.27	
Total average bill	849.65	793.98	7.0
Outpatient average charge	27.97	27.01	3.6
Duluth hospitals:			
Room-board, per day	47.84	44.54	7.4
Ancillary [1] per day	40.68	37.38	8.8
Total daily average	88.52	81.92	8.1
Average days stay	8.26	7.83	
Total average bill	730.91	641.28	14.0
Outpatient average charge	28.26	26.03	8.6
Minnesota averages: [2]			
Room-board, per day	51.06	48.01	6.4
Ancillary pay [1] per day	50.59	46.33	9.2
Total daily average	101.65	94.34	7.7
Average days stay	7.03	7.07	
Total average bill	714.75	666.81	7.2
Outpatient average charge	25.61	24.14	6.1

[1] Ancillary charges are for all of the other things that appear on a hospital bill—such as lab fees, X-rays, operating-room charges, drugs, and certain items of special care.

[2] Includes all outstate as well as metropolitan hospitals.

Source: Minnesota Blue Cross.

Mr. HUMPHREY. Mr. President, in the city of St. Paul, it says, the average hospital room rate is running at about $114 a day, and the average hospital room rate in Minneapolis is running at $117.52 a day.

These statements and articles underscore the importance of the legislation which has been passed today.

As one Senator long interested in the health care of the American people, I want to commend the distinguished Senator from Massachusetts (Mr. KENNEDY), as well as all the members of the subcommittee who have performed so excellently and given us good, sound, constructive legislation.

I listened with great interest to the presentation of the emergency medical services program by the distinguished Senator from California (Mr. CRANSTON). I believe that everyone is indebted to him for his tenacity and perseverance on this subject and also, may I say, for his mastery of the subject matter. I compliment him and look forward to the privilege of supporting the legislation by my vote.

Mr. CRANSTON. Mr. President, I want very briefly to thank the distinguished Senator from Minnesota (Mr. HUMPHREY) for his very generous words, for his support of the legislation, and for the documentation which he has provided for the RECORD backing it up.

I also want to thank the distinguished Senator from Colorado (Mr. DOMINICK) for the very generous words he spoke a few moments ago and, more than that, I want to thank him for his own very cooperative, constructive, and creative approach to this legislation which has enabled us—in good measure, because of his attitude—to carry it so far and so swiftly and with such unity behind its provisions.

I also want to thank the distinguished chairman of the committee, the Senator from New Jersey (Mr. WILLIAMS) and the chairman of the Health Subcommittee, the Senator from Massachusetts (Mr. KENNEDY), for their magnificent help in connection with this measure.

Mr. BEALL. Mr. President, as a cosponsor and as a member of the Health Subcommittee, I urge the enactment of S. 504, the "Emergency Medical Services Systems Development Act of 1973".

This measure is designed to encourage State and local governments to improve, expand and coordinate emergency medical care and services in the Nation so as to prevent needless loss of lives.

As reported the legislation would:

First. Authorize a 3-year, $225 million program for grants and contracts to units of local governments for the development of emergency medical services systems.

Second. Authorize an additional $15 million over a 3-year period for research in emergency medicine techniques, methods, devices, and delivery.

Third. Authorize the Secretary of the Department of Health, Education, and Welfare to promulgate standards of criteria for the various components of emergency medical services system.

Fourth. Establish a National Emergency Medical Services Advisory Council.

Fifth. Create at the Federal level an Interagency Technical Committee to coordinate Federal programs and activities for emergency care and services.

Sixth. Provide special emphasis in health manpower programs for interdisciplinary training of health personnel in the provisions of medical care in emergency situations.

Mr. President, the bill before the Senate today is the product of considerable work and effort. It is designed to respond to what former Secretary of Health DuVal aptly labeled the "hidden crisis in health care." This is an area in which I have been greatly interested and exceedingly active. In addition to cosponsoring S. 504, I also introduced my own bill, S. 654.

The need for an expanded effort in the emergency medical field is apparent from the following alarming statistics:

Injuries are the leading cause of death of Americans age 1 through 38, the second leading cause of death between ages 1 and 48 and the fourth highest cause of death among our total population;

One out of every four citizens in the Nation will have some type of accident this year;

Every eighth hospital bed is occupied by an accident victim;

The National Safety Council estimates that accidents result in the loss of 150,000 lives annually, 55,000 by motor vehicles alone;

Death is only part of the story as accidents also result in approximately 10 million disabling injuries leaving some 400,000 individuals totally disabled.

The total cost of these injuries is estimated at $25 billion. All of us are potential victims. I attempted to illustrate the magnitude and gravity of this problem when I introduced my bill in the last Congress by comparing the deaths and the cost of the tropical storm Agnes which had swept the east coast that year and it had been front page news.

I noted that during the 6 days that Agnes raged through the east coast, 118 lives were lost and the national damage was estimated at $3 billion. I pointed out that on each day that Agnes swept the coast, an average of 316 of our citizens died of injuries resulting from accidents, for a total of 2,212 victims over the same 6 days that Agnes killed 118 citizens. That comparison indicated the size and seriousness of the problem and the urgency for action—action that may mean the difference between life and death for the 316 Americans who will die from accidents today and the 316 who will die tomorrow, the next day and so on.

Another way of emphasizing the same point is that since S. 504 was introduced, approximately 35,708 Americans have died from accidents.

The public, however, tends to regard such accidents and the resulting death and disabling therefrom as unfortunate occurrences that are inevitable. This premise was not and is not accepted by our military, with the result that a trauma victim during the Vietnam conflict had a better chance of survival than a similar victim here in the United States. This is because our military, during World War II and the Korean war, developed an organized system of transporting and treating emergency victims. This procedure was further perfected in Vietnam until former Secretary of Defense Laird was able to say that the death rate of trauma victims in Vietnam was near zero.

Mr. President, there is no question but that the technology and know-how exists to make similar dramatic improvements here at home. Some States and cities are beginning to move in this area. We need not only to rationalize and categorize our emergency facilities and services and make available the resources necessary to enable the application of these known lifesaving methods.

It should be pointed out that heart attack victims could also benefit from improved emergency care arrangements, with some experts estimating that proper and early care might save 150,000 heart attack victims annually.

President Nixon has responded to this neglect in the emergency care area by instituting a research and development effort to demonstrate improved emergency care and services in the United States. I am particularly pleased that my State of Maryland has been a pioneer in this field. We probably have the most sophisticated trauma center in the Nation, located at the University of Maryland Hospital in Baltimore. A system of rapid transportation has been developed, utilizing a helicopter system operated by the Maryland State Police, and I might add that my colleagues in the Senate should see and talk to these men who daily fly lifesaving missions in Maryland. Their spirit, dedication, and belief is immediately apparent.

The Maryland University Trauma Center, which has recently been renamed the Institute for Emergency Medicine, the Johns Hopkins University Hospital Pediatric Trauma Center, the Baltimore City Hospital-University of Maryland Neonatal Centers, the Baltimore City Hospital Burn Center, the special coronary units, community hospitals and the paid and volunteer ambulance service provided the Baltimore area and other areas of the State, mean that Maryland has the component parts and capability to lead the Nation in this vital area. Although the Baltimore area is ahead of the rest of the State in this regard, there is great interest in all areas of the State and in the Washington metropolitan area as well.

As I indicated, I have been working closely with the State and particularly the Institute for Emergency Medicine and others who assure that Maryland's resources, capabilities and expertise in the emergency care area will be available for all of our citizens across the State. Earlier this year I had the pleasure of announcing that the State of Maryland was granted a $1.25 million grant under the President's program, for the development of an emergency medical services communication system, a vital component of a total emergency care system for the Baltimore metropolitan area. This communication system will improve care for victims of medical emergencies by getting the victim to the most appropriate medical facility as rapidly as possible. Hospitals, ambulances, helicopters and medical personnel as a result will be linked by a radio-telephone network.

The project will establish a central dispatch facility, provide 24-hour medical consultation link hospitals with the State Police's medivac helicopter program and provide immediate care for coronary patients through telemetry equipment installed in ambulances.

I believe and the State of Maryland also believes that we should and must move statewide with this emergency care system as soon as possible.

Mr. President, in some areas of health, such as in our attack against cancer and heart diseases, we are often looking for new discoveries or new breakthroughs. In the trauma area I am convinced that the technology and knowhow exists to dramatically reduce the tragic number of accident deaths. This is an area where action will lead to immediate pay-offs in terms of lives saved.

Dr. R. Adams Cowley, the director of the Maryland Institute for Emergency Medicine predicts that accident deaths in Maryland could be cut in half in 2 years.

Action in this area will truly mean the difference between life and death for accident victims. While this legislation is most important and needed, I also want to encourage doctors, hospital administrators and all other members of the health team to get interested and to place the public's interest above the narrower interest of the various health facilities and institutions so that we can develop the best system or systems.

This legislation is needed and necessary. I am convinced that the ultimate success will depend upon not only what is done at the Federal level, but on the responses and actions by the health community and State and local governments.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Alabama (Mr. ALLEN), the Senator from Alaska (Mr. GRAVEL), the Senator from Iowa (Mr. HUGHES), and the Senator from North Carolina (Mr. ERVIN) are necessarily absent.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

I further announce that, if present and voting, the Senator from Iowa (Mr. HUGHES) and the Senator from Alaska (Mr. GRAVEL) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Wyoming (Mr. HANSEN) is necessarily absent.

The Senator from Virginia (Mr. SCOTT) is absent on official business.

Also, the Senator from Pennsylvania (Mr. SCHWEIKER) is necessarily absent.

The result was announced—yeas 79, nays 13, as follows:

[No. 141 Leg.]

YEAS—79

Abourezk
Aiken
Baker
Bayh
Beall
Bellmon
Bentsen
Bible
Biden
Brooke
Byrd, Robert C.
Burdick
Cannon
Case
Chiles
Clark
Cook
Church
Cranston
Dole
Domenici
Dominick
Eagleton
Eastland
Fong
Fulbright
Goldwater
Griffin
Hart
Hartke
Haskell
Hatfield
Hathaway
Hollings
Huddleston
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Long
Magnuson
Mansfield
Mathias
McClellan
McClure
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Scott, Pa.
Sparkman
Stafford
Stevens
Stevenson
Symington
Taft
Talmadge
Thurmond
Tunney
Weicker
Williams
Young

NAYS—13

Bartlett
Bennett
Brock
Buckley
Byrd, Harry F., Jr.
Cotton
Curtis
Fannin
Gurney
Helms
Hruska
Saxbe
Tower

NOT VOTING—8

Allen
Ervin
Gravel
Hansen
Hughes
Schweiker
Scott, Va.
Stennis

So the bill (S. 504) was passed, as follows:

S. 504

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Emergency Medical Services Systems Development Act of 1973".

SEC. 2. The Public Health Service Act (42 U.S.C. 201 et seq.) is amended by inserting after title XI the following new title:

"TITLE XII—DEVELOPMENT OF AREA EMERGENCY MEDICAL SERVICES SYSTEMS

"AUTHORIZATION

"SEC. 1201. To assist in, improve, and expand the provision of adequate emergency medical services in the Nation for the treatment of accident victims and victims of sudden illness, and the handling of other medical emergencies, there are authorized to be appropriated $37,500,000 for the fiscal year ending June 30, 1974, $75,000,000 for the fiscal year ending June 30, 1975, and $112,500,000 for the fiscal year ending June 30, 1976, of which not less than 15 per centum of the sums appropriated in each such fiscal year shall be available only for grants or contracts for rural areas, as determined by the Secretary in accordance with regulations he shall prescribe, for special project grants to and contracts with appropriate governmental entities for the planning and development or expansion of comprehensive area emergency medical services systems. Sums made available under this section may be used for planning, modernization, training and manpower development, communications, transportation, coordination of services and facilities, and other components necessary for the implementation of a plan submitted in accordance with section 1203. In determining the amount of funds to be provided under any such grant or contract, the Secretary shall insure that assistance under this title is provided in connection with any component of such a plan only to the extent that such component is not supported by a sufficient amount of Federal assistance under other titles of this Act or other provisions of law so as to enable such component to meet the requirements established by the Secretary under this title.

"SEC. 1202. Funds appropriated pursuant to this title shall be available for grants and contracts made by the Secretary, after consultation with the National Emergency Medical Services Advisory Council esablished by section 1206, and funds available for grants and contracts for the developemnt or expansion of comprehensive area emergency medical services system under section 1201 shall be provided on a matching basis of up to 75 per centum in accordance with criteria of need as determined by the Secretary pursuant to regulations he shall prescribe, to assist (1) States, (2) political subdivisions, or (3) regional arrangements, compacts, or consortiums (provided that when the emergency medical services system is to serve a geographical area including a standardized metropolitan statistical area (as determined by the Office of Management and Budget), such arrangement, compact, or consortium must comprise at least those units of general local government in such standardized metropolitan statistical area) presenting a plan for a comprehensive and coordinated emergency medical services system to serve a geographical area which encompasses an area at least congruent with an areawide comprehensive health planning agency (wherever such agency exists) established under section 314(b) of this Act or multiples of such area (unless the Secretary determines that such area cannot feasibly operate under a single plan in which event he may approve a plan submitted for a portion of such area), which plan must be approved by the Secretary and meet requirements consistent with the provisions of section 1203 set forth in regulations prescribed by the Secretary. Such plan must be reviewed and performance thereunder evaluated by the Secretary at least annually, taking into consideration, in addition to his independent evaluation, the reports of the independent review and evaluation submitted to him in accordance with such plan, and the Secretary may terminate assistance under this title whenever he determines, on the record after opportunity for a hearing in accordance with all provisions regarding adjudications as prescribed in the Administrative Procedure Act (5 U.S.C. 551–559), that performance is not substantially in compliance with such plan.

"SEC. 1203. The plan submitted by an applicant pursuant to section 1202 must include the following—

"(1) provision for a complete and coordinated emergency medical services system to serve the appropriate geographical area, including provision for the effective utilization within such system of the appropriate resources, including personnel and facilities, of all public safety agencies having responsibilities within such area;

"(2) a description of the area emergency medical services planning council established pursuant to section 1204;

"(3) (A) proposals for programs to be carried out under titles III, VII, VIII, and IX of this Act or any comparable provision of any other law and (B) in the event that a sufficient amount of assistance under such other titles and laws is not available to meet the requirements established by the Secretary under this title, proposals for programs (carried out in coordination with education and training programs assisted under titles III, VII, VIII, and IX of this Act and in a manner consistent with the appropriate provisions of such applicable title) for the training and continuing education of health professionals and paraprofessionals (with priority for the recruitment and necessary training of veterans of the Armed Forces of the United States with training or experience in the health care field and including appropriate public safety personnel) in the provision of emergency medical services to victims of accident and sudden illness, which programs must meet criteria established by the Secretary in regulations and, in the case of the training of paraprofessionals, must include supervised clinical training for at least one-half of the program;

"(4) provision for a communications system including, at least, a central areawide communications network with appropriate linkages with other area, State, and National networks, and with maximum accessibility for the public through a universal emergency telephone number, telephonic triage screening, and other means, which system shall allow transmission of information by voice, telemetry, or other electronic method and shall provide for cross-frequency patching capability;

"(5) provision for an emergency medical services transportation system, which shall include such air, water, and ground transportation as is necessary to meet the individual characteristics of the area;

"(6) provision for the operation of easily accessible, continuously operational emergency medical services facilities, with appropriate nonduplicative and categorized capabilities, situated at strategic locations in the area so as to meet the emergency medical services needs of the area;

"(7) provision for emergency access to specialized critical medical care units in the area, including provision for the necessary transportation systems for such access, and, where such resources are nonexistent or inadequate in the area, for access to such units in a neighboring area where access is feasible in terms of time and distance; and provision for the establishment of agreements for the provision of emergency medical services, on a reciprocal basis, between the area and appropriate neighboring areas where such access in any particular emergency situation would be more appropriate and effective in terms of services available, time, and distance;

"(8) assurances that necessary emergency medical services shall be provided to all patients requiring services (subject to a subsequent determination by the Secretary, in accordance with regulations which he shall prescribe, that the applicant has demonstrated by clear and convincing evidence the infeasibility of so providing in a particular situation) and shall be provided without regard to, or prior inquiry as to, ability to pay;

"(9) provision for developing for submission for approval by the Secretary, within one year of receipt of funds under this title, a plan assuring an operational system for providing emergency medical services during mass casualties, natural disasters, or national emergencies;

"(10) provision for transfer to facilities and programs providing such followup care and vocational rehabilitation as is necessary to effect the maximum recovery and restoration of the patient;

"(11) provision for a program of public education and information in the area served (taking into account the need of visitors to as well as residents in the community to know or be able to learn immediately the means of obtaining emergency medical services), stressing general dissemination of information regarding appropriate methods of medical self-help and first-aid and regarding the availability of first-aid training programs;

"(12) provision for periodic, comprehensive, and independent review and evaluation of the extent and quality of the emergency medical services provided in the area, measured in terms of national norms and standards established by the Secretary in rules made on the record after opportunity for a hearing, in accordance with all provisions regarding rulemaking as prescribed in the Administrative Procedure Act (5 U.S.C. 551–559); and

"(13) provision for a standardized patient recordkeeping system meeting standards established by the Secretary in regulations, which records shall cover the treatment of the patient, from initial entry into through discharge from the emergency medical services system, and shall be consistent with ensuing patient records used in followup treatment and rehabilitation of the patient (subject to a subsequent determination by the Secretary, in accordance with regulations which he shall prescribe, that the applicant has demonstrated by clear and convincing evidence the infeasibility of achieving such consistency).

"AREA EMERGENCY MEDICAL SERVICES PLANNING COUNCIL

"SEC. 1204. (a) The composition of the Area Emergency Medical Services Planning Council to be established in connection with the plan submitted under section 1203 shall include appropriate representatives of the State agency and appropriate areawide health planning agency or agencies (if any) established under section 314, of the regional medical program established under title IX of this Act in the area, of the public safety agencies having responsibilities within the area, of hospital councils, public, voluntary, and nonprofit private agencies, institutions, and organizations concerned with health or health education in the area, of the local government or governments or units thereof exercising jurisdiction in the area, of uniformed services of the Federal Government operating installations in the area, of the Veterans' Administration medical facilities in the area, of communications networks, mass media, and public utilities serving the area, of firms, organizations, and other entities having responsibilities related to the provision of emergency medical services located in the area, and of the general public in the area who are not related to the provision of health care and who shall comprise at least one-third of the Council's voting membership. To the maximum extent feasible, representatives of providers shall be selected so as to represent professional, paraprofessional, and nonprofessional personnel, and representatives of the general public shall be selected so as to represent all significant segments of the population to be served.

"(b) The functions of such Council shall include development, in consultation with the congruent areawide comprehensive health planning agency or agencies (if any) established pursuant to section 314(b) of the plan to be submitted under section 1203 and shall include continuous monitoring and evaluation of the operation of the emergency medical services system with a view to making recommendations for the improved effectiveness of its operation.

"(c) The Council may delegate part or all of its functions and responsibilities under this section to a subgroup which is representative of the various institutions, agencies, groups, organizations, and interests represented in the Council. Meetings of the Council and any subgroup thereof shall be announced a reasonable time in advance in the mass media serving the area to be served and shall be open to the public.

"INTERAGENCY TECHNICAL COMMITTEE ON EMERGENCY MEDICAL SERVICES

"SEC. 1205. (a) The Secretary shall establish an Interagency Technical Committee on Emergency Medical Services which shall be responsible for coordinating those aspects and resources of all Federal programs and activities relating to emergency medical services to assure the adequacy and technical soundness of such programs and activities and to provide for the full communication and exchange of information necessary to maintain the necessary coordination and effectiveness of such programs and activities. The Secretary or his designee shall serve as Chairman of the Committee, which shall include appropriate scientific, medical, or technical representation from the Department of Transportation, the Department of Justice, the Department of Defense, the Veterans' Administration, the National Academy of Sciences, the National Science Foundation, the Office of Science and Technology, the Federal Communications Commission, the Office of Emergency Preparedness, and such other Federal agencies, and parts thereof (including components of the Department of Health, Education, and Welfare), as the Secretary determines administer programs directly affecting emergency medical services functions or responsibilities. The Committee shall meet at the call of the Chairman, but not less often than four times each year.

"(b) The Secretary of each military department (or his designee), as such term is defined in section 101(8) of title 10, United States Code, is authorized to enter into agreements with emergency medical services systems under which agreements equipment and personnel of the armed force under the Secretary's jurisdiction may, to the extent it will not interfere with the primary mission of that armed force, provide transportation and other services in emergency situations.

"NATIONAL EMERGENCY MEDICAL SERVICES ADVISORY COUNCIL

"SEC. 1206. (a) The President shall establish a National Emergency Medical Services Advisory Council with which the Secretary shall consult on a continuing and regular basis in administering this title. The Council shall consist of the Secretary or his designee, the Director of the National Institute of Health and the Administrator of the Health Services and Mental Health Administration in the Department of Health, Education, and Welfare, all other members of the Interagency Technical Committee established under section 1205, and fifteen members appointed by the President, seven of which appointed members shall be members of the general public who are not related to the provision of emergency medical services, and eight shall be individuals experienced in the provision or development of, or the training of personnel to provide, emergency medical services. Those persons serving on the Council by virtue of their filling the enumerated governmental positions shall serve as ex officio, nonvoting members thereof. The President shall designate as Chairman of the Council one of the members appointed from the general public.

"(b) The functions of the Council shall be to advise, consult with, and make recommendations to, the Secretary (through a subgroup which it shall appoint) on applications received for grants and contracts in excess of $35,000 under this title, and to make recommendations to the Secretary with respect to carrying out all provisions of this title, including preparation and review (including any agency appeal thereof) of the annual budget estimate for the program established under this title, and to collect, analyze, and disseminate all data useful in the development of area emergency medical services systems, including the establishment of a national data bank to collect, catalog, maintain, and disseminate, to the maximum extent feasible, the results of the operation of such systems developed with assistance under this title.

"(c) Each appointed member of the Council shall be appointed for a term of four years except that—

"(1) any member appointed to fill a vacancy occurring prior to the expiration of the term for which his or her predecessor was appointed shall be appointed for the remainder of such term; and

"(2) of the members first appointed after the effective date of this title, five shall be appointed for a term of four years, five shall be appointed for a term of three years, and five shall be appointed for a term of one year, as designated by the President at the time of the appointment, except that the initial terms of members appointed from the general public who are not related to the provision of emergency medical services shall be not less than three years.

Appointed members may serve after the expiration of their terms until their successors have taken office.

"(d) A vacancy in the Council shall not affect its activities, and nine voting members of the Council shall constitute a quorum for the purpose of making recommendations pursuant to subsection (b) of this section.

"(e) Members of the Council who are not officers or employees of the United States shall receive for each day they are engaged in the performance of the functions of the Council compensation at rates not to exceed the daily equivalent of the annual rate in effect for grade GS-18 of the General Schedule, including traveltime; and all members, while so serving away from their homes or regular places of business, may be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as such expenses are authorized by section 5703, title 5, United States Code, for persons in the Government service employed intermittently.

"(f) The Secretary shall make available to the Council such staff, information, and other assistance as it may require to carry out its activities effectively.

"(g) The Council shall meet at the call of the Chairman, but not less often than four times each year.

"GRANTS AND CONTRACTS FOR RESEARCH

"SEC. 1207. (a) The Secretary is authorized to make grants to or contracts with public or private nonprofit agencies, organizations, or institutions, for the support of research in emergency medicine techniques, methods, devices, and delivery to be carried out in conjunction with the implementation of a plan submitted in accordance with section 1203.

"(b) For the purpose of making payments pursuant to grants and contracts under this section, there are authorized to be appropriated $5,000,000 each for the fiscal year ending on June 30, 1974, and the next two fiscal years.

"APPLICATION REQUIREMENTS

"SEC. 1208. No application for a grant or contract under this title shall be approved unless—

"(1) the State comprehensive health planning agency established pursuant to section 314(a) and the areawide health planning agency (if any) established pursuant to section 314(b) have had an opportunity to comment thereon, within ninety days of the submission to those agencies of copies of such application, and the applicant has submitted to the Secretary a reply to any such comments with a view toward accommodating any objections by and remedying any differences with such agency or agencies;

"(2) the applicant agrees to maintain such records and make such reports to the Secretary as the Secretary determines are necessary to carry out the provisions of this title; and

"(3) the application is submitted in such form and such manner and contains such information (including specification of restrictions of law or regulations in the area to be served with respect to the full utilization of the training and skills of professional and paraprofessional personnel, as defined by the Secretary in regulations, in the provision of comprehensive emergency medical services) as the Secretary shall prescribe in regulations.

"GENERAL PROVISIONS AND LIMITATIONS

"Sec. 1200. (a) Grants under this title shall be paid in advance or by way of reimbursement in such installments and on such conditions as the Secretary determines will most effectively carry out the provisions of this title.

"(b) Contracts may be entered into under this title without regard to sections 3638 and 3709 of the Revised Statutes (31 U.S.C. 529; 41 U.S.C. 5).

"(c) No grants or contracts may be made under this title in support of an emergency medical services system except (1) where all components of such system meet, or (2) in the event the Secretary, in accordance with regulations which he shall prescribe, determines that the applicant has demonstrated by clear and convincing evidence the infeasibility of compliance with respect to each such component, where the plan submitted under section 1203 contains reasonable assurances that each such components will meet, within the first year of receipt of assistance under this title, standards and criteria established in regulations by the Secretary, after taking into account standards established by appropriate national professional or technical organizations, on the record after opportunity for a hearing, in accordance with all provisions regarding rulemaking as prescribed in the Administrative Procedure Act (5 U.S.C. 551-559).

"(d) Reports of independent reviews and evaluations carried out pursuant to the plan submitted under section 1203 shall be submitted to the appropriate area emergency medical services planning council established under section 1204, to the National Emergency Medical Services Advisory Council established by section 1206, and to the Secretary.

"(e) Except as provided in subsections (f) and (g) of this section, notwithstanding any other provision of law unless enacted in express limitation of this subsection, no payments to any governmental body, person, group, or other entity authorized by any Federal law in connection with the development or maintenance of emergency medical services systems or components thereof (except for reimbursement for actual services provided) shall be made pursuant to any such law except in connection with a system approved for the receipt of assistance under section 1202 of this Act.

"(f) Except as provided in the second sentence of this subsection, no funds appropriated under any provision of this Act other than this title, or under any other provision of Federal law, may be used to make new grants or contracts in any fiscal year for the development or expansion of, or research in connection with, emergency medical services systems or components thereof (except for reimbursement for actual services provided) if (1) grants or contracts for such purpose are authorized by this title and (2)(A) all the funds authorized to be appropriated under this title for such fiscal year have not been appropriated for such year or (B) an amount equal to the amount of funds so authorized to be appropriated has not been obligated in such year. In the event of the applicability of conditions (1) and (2) in the preceding sentence, the Secretary is authorized, notwithstanding any other provision of law, to obligate and expend any such funds for the development or expansion of such systems only in accordance with all the provisions, limitations, and restrictions in this title.

"(g) Nothing in this title shall limit or otherwise restrict the continuation of grants and contracts and the renewal of assistance provided thereunder under other provisions of this Act or other Federal law for the conduct of emergency medical transportation and services programs as long as funds so provided are used in connection with a system approved for the receipt of assistance under section 1202 of this Act and such programs meet the standards and criteria established by the Secretary under this title.

"(h) for the purposes of this title, the term 'State' includes Guam, American Samoa, and the Trust Territory of the Pacific Islands, and the term 'modernization' means alteration, major repair (to the extent permitted by regulations), remodeling, and renovation of existing buildings (including initial equipment thereof), and replacement of obsolete, built-in (as determined in accordance with regulations) equipment of existing buildings.

"REPORTS

"Sec. 1210. The Secretary shall prepare and submit to the Congress, one year after enactment of this title and every year thereafter, a report on the administration of this title, which shall include an evaluation of the adequacy of the provision of emergency medical services throughout the Nation (including a study to determine the legal barriers to the effective provision of medical care in emergency situations and the extent to which the needs for such services are being adequately met through assistance under this title and otherwise) and his recommendations for any legislation necessary to promote the provision of and provide emergency medical services throughout the Nation at a level adequate to meet such needs."

Sec. 3. (a) Section 1 of the Public Health Service Act (42 U.S.C. 201) is amended by striking out "XI" and inserting in lieu thereof "XII".

(b) Section 772(a) of such Act (42 U.S.C. 295f–2(a)) is amended by—

(1) striking out "or" in clause (12);

(2) striking out "services." at the end of clause (13) and inserting in lieu thereof "services; or"; and

(3) inserting the following new clause after clause (13):

"(14) establish and operate programs and projects in the interdisciplinary training of health personnel for the provision of emergency medical services, especially utilizing clinical experience in emergency medical services systems receiving assistance under title XII of this Act.".

(c) Section 774(a)(1)(D) of such Act (42 U.S.C. 295f–4(a)(1)(D)) is amended by inserting "(including emergency medical services)" after "services" each time it appears.

Sec. 4. Notwithstanding any other provision of law, in the event that an emergency situation requiring immediate medical assistance arises in the course of any journey by an interstate common carrier originating in one State and scheduled to terminate in another, the provision of such emergency medical assistance by a person to any other person in the course of such journey shall be governed by the law of the jurisdiction in which such former person resides or, in the case of a person engaged in the provision of health care services, where such former person is regularly so engaged.

CONTINUED OPERATION OF CERTAIN PUBLIC HEALTH SERVICE HOSPITALS

Sec. 5. (a) The Secretary of Health, Education, and Welfare is directed to take such action as may be necessary to assure that the Public Health Service hospitals which are located in Seattle, Washington; Boston, Massachusetts; San Francisco, California; Galveston, Texas; New Orleans, Louisiana; Baltimore, Maryland; and Staten Island, New York, shall, until such time as the Congress shall by law otherwise provide, continue in operation as Public Health Service hospitals and continue to provide inpatient and other health care services to all categories of individuals entitled, or authorized, to receive care and treatment at hospitals or other stations of the Public Health Service, in like manner as such services were provided to such categories of individuals at such hospitals on January 1, 1973.

(b) It is the policy of the Congress that such Public Health Service hospitals shall (except as may otherwise hereafter be authorized or required by the Congress)—

(1) continue to provide for categories of individuals for which health care services were provided (or authorized to be provided) by such hospitals on January 1, 1973, a level and range of inpatient, outpatient, and other health care services which is at least as great as the level and range of such services which were provided (or authorized to be provided) by such hospitals on January 1, 1973, and

(2) continue to conduct a level and range of other health-related activities (including, but not limited to, training and research activities) which is not less than the level and range of such activities which were being conducted on January 1, 1973.

(c)(1) It shall be the duty of the Secretary of Health, Education and Welfare, in the administration of any and all laws with respect to which he has responsibility, to carry out the provisions of subsections (a) and (b) and he shall take no action (other than action required pursuant to a law enacted after the date of enactment of this Act) inconsistent with such provisions.

(2) Funds appropriated to carry out any activity in furtherance of the provisions of subsections (a) and (b) shall, to the extent necessary to carry out such provisions, be utilized to carry out such activity; and the President shall have no authority to, and shall not, impound or withhold any such funds; except that nothing in this paragraph shall be construed to require the President or the Secretary of Health, Education, and Welfare to expend funds in excess of the maximum amounts which can effectively be utilized in carrying out such provisions.

(d) Nothing in this section shall be construed as authorizing or requiring the conduct of any activity which is not authorized under other provisions of law, nor as an authorization for the appropriation of any funds.

(e)(1) Section 3(b)(2) of the Emergency Health Personnel Act Amendments of 1972 (86 Stat. 1290) is amended by striking the words "Comments (if any)" and inserting in lieu thereof the words "approval of such closing or transfer".

(2) Such section is further amended by striking the comma at the end of paragraph (B) and inserting in lieu thereof a period and by striking the words "after the Secretary has provided each such agency a reasonable opportunity to review and comment on the proposed closing or transfer".

(3) Nothing in this subsection shall be construed as relieving the Secretary of Health, Education, and Welfare from fulfilling any other requirements of this section.

Mr. CRANSTON. Mr. President, I ask unanimous consent that the bill (S. 504) be printed as passed today.

The PRESIDING OFFICER. Without objection, it is so ordered.

The title was amended, so as to read: "A bill to amend the Public Health Service Act to provide assistance and encouragement for the development of comprehensive area emergency medical services systems."

Mr. KENNEDY. Mr. President, I move that the Senate reconsider the vote by which the bill was passed.

Mr. COOK. I move to lay that motion on the table.

The proposal to lay on the table was agreed to.

Mr. KENNEDY. Mr. President, we have passed three significant pieces of health legislation this afternoon. Again I wish to state how much I, as chairman of the Subcommittee on Health appreciate the strong support that we have received from members of the committee on both sides of the aisle. The legislation we passed bears the imprint of the ranking member of the committee, the Senator from Pennsylvania (Mr. SCHWEIKER), as well as the ranking member of the full committee, the Senator from New York (Mr. JAVITS), and the constant efforts of the Senator from Colorado (Mr. DOMINICK) and the Senator from Maryland (Mr. BEALL), who brought forward his program which we considered earlier this afternoon. He has been an extremely active member of the committee.

The minority staff has been of great help to us in this matter. Jay Cutler, John Hunnicutt, Chuck Woodruff, and Joe Carter served their particular Senators well, and I wish to acknowledge their efforts. On our side, the Senator from California (Mr. CRANSTON) has provided considerable leadership in the passage of this bill as well as many other programs. He has been a constant source of strength on this matter as well as other health legislation. I also wish to acknowledge the efforts of the Health Committee staff: Dr. Caper, Lee Goldman, Stan Jones, and Willie Shawcross deserve great credit for their constant attention to detail. I also wish to mention Dan Murray of the Office of the Senate Legislative Counsel and Janet Kline of the Library of Congress who have been of great help and assistance to us.

Their contributions in connection with the legislation has been of great significance. I thank all of them very much. We look forward to working with the members of our committee as we meet with the members of the House of Representatives in the respective conferences on these bills.

MEXICO-UNITED STATES INTERPARLIAMENTARY CONFERENCE—APPOINTMENT BY THE VICE PRESIDENT

The PRESIDING OFFICER (Mr. McClure). The Chair, on behalf of the Vice President, pursuant to Public Law 86-420, appoints the Senator from West Virginia (Mr. Randolph) to attend the Mexico-United States Interparliamentary Meetings, Mexico, May 24–29, 1973.

CONFERENCE ON DEVELOPMENT OF TRADE BETWEEN THE UNITED STATES AND THE FAR EAST

Mr. MAGNUSON. Mr. President, recently, I had the opportunity to participate in a most significant conference on the development of trade between the United States and the Far East.

Titled "Seattle Symposium" the conference dealt primarily with the development of trade and tourism—in view of recent international developments—with the People's Republic of China and with Japan.

The remarks of Edward E. Carlson, president of United Air Lines to that symposium were of great significance, particularly to my part of the country—the Pacific Northwest—and in order to share Mr. Carlson's thoughts with my colleagues I ask unanimous consent that the text of his remarks be printed in the Record.

There being on objection, the remarks were ordered to be printed in the Record, as follows:

The Northwest: Gateway to Transportation and Tourism

Senator Magnuson, Congressman Pritchard, Chairman Timm, Mr. Hosomi, Distinguished Guests, Ladies and Gentleman:

This has been a most fascinating day for me. We have heard a great group of speakers, and judging from their thoughtful comments, tomorrow should be equally stimulating.

Many unusual, interesting and exciting things have happened to me through the years. Not the least was unexpectedly finding myself in a new business career a little more than two years ago.

This is another unusual and unanticipated experience—to speak to the distinguished group participating in this Symposium.

On a personal basis my identity with the Far East, particularly Japan and China, goes back 42 years.

I was 19 years old when I shipped out of here on the President Lincoln as an ordinary seaman at $47.50 a month. The trip took 14 days to Yokohama. At 19 it was exciting to see Tokyo, Yokohama, Kobe, Shanghai and Hong Kong.

In 1960 I returned to Japan and consummated a hotel relationship on behalf of Western International Hotels. For many years I averaged two or three trips a year to Japan, Hong Kong, Bangkok and, in recent years, Singapore. I have many friends in the Far East. I believe I understand some of the interests of the business community.

It is with this background that I am pleased to share some observations with you.

Seattle is the cornerstone of the Pacific Northwest, and it plays a vital role as this region's gateway to the Orient. Looking westward across the Pacific we can at last see the possibility of greater stability and peace in Asia. This single fact is more important to what we discuss today and tomorrow than anything else. It puts within reach what was not possible a year ago, or a little more than a month ago. It forms the basis for a new Pacific community in which nations that border on this greatest of all oceans may deal with each other as true equals. The relationships are not only desirable but are necessary for the self interest of each of us.

Those of us who have lived in Seattle think we are usually well equipped to understand the importance of closer relationships with our Asian friends. In many ways we share common problems. For years the Pacific Northwest was a remote and isolated part of the United States.

In the early years, as I matured both in school and in the business world, I always sensed that the Eastern seaboard was dominant in the trade, culture and education of this nation. That is changing! Today Seattle ranks among our nation's most important ports. It is a great aircraft manufacturing center and a key trade link to Canada and the Orient. As a tourist gateway to the Pacific, it has always been important. Now its true potential becomes apparent.

Tourism is not only a cultural and social bridge, it is a good business and a big business. Japanese tourists, for example, are expected to quadruple in the 1970–1975 period.

Tourism, like trade, flows two ways. For many years it was mostly the Americans who covered the European continent. This is changing. Europeans have rediscovered the Western Hemisphere. Japanese tourists are coming to Hawaii in ever increasing numbers. Japan is in the midst of a travel explosion. This year more than a million Japanese tourists will go abroad. Last year Japan supplied more visitors to the United States than any other country. Surveys by our Department of Commerce show that Japanese tourists travel for many reasons, including the very basic urge to travel itself, which is at least as important as the choice of destination. If we are to promote understanding among people, we should realize that Americans are not the only tourists. We should develop enlightened transportation and tourist programs for our friends from abroad. To do so, we must be aware that the Japanese travel market is price sensitive, and that younger and less affluent men and women are entering the market in great numbers.

We in the United States have always been curious about other parts of the world. Currently there is a great interest in China, an interest so clearly demonstrated by the huge audience which followed television coverage of President Nixon's historic trip to that country, the interest generated by this Symposium, and the nature of the questions asked today. We know that tourism to and from China will develop slowly, but it will provide an important link as we work to strengthen our chain of mutual understanding.

Seattle is a prime gateway for Pacific tourism and trade to and from Japan, China, Singapore—all of the Far East. It has excellent facilities and services, with little of the congestion encountered at other gateways. It is a great port for seagoing transportation and rail connections, with an outstanding airport facility capable of handling substantial increases in volume with ease. The future spotlight should rest right here. It's a natural and, we believe, an inevitable development, providing this area asserts itself by making a commitment—a commitment that business, labor and appropriate levels of government should join forces in making this truly the Seattle Gateway.

Asia has long been isolated. In recent times most contacts between us have been in a setting of conflict or controversy. Now, we can look ahead to a future as partners, not adversaries.

We are all familiar with Japan's economic miracle. This island-nation of modest size is now one of the Western world's three major economic powers. Since 1955, Japan has averaged a 10 per cent rate of growth in real terms. From 1968 through 1970, real growth averaged 13 per cent a year. Japan's Gross National Product should reach almost $400 billion by 1975, and $500 billion by 1980. For over a decade Japan has been our largest overseas trading partner. It is interesting to note that on a per capita basis, every American purchased about $24 worth of products from Japan in 1969, while every Japanese bought almost $34 worth of imports from the United States.

Just as in the years after World War II, we built an Atlantic partnership—a partnership of equals with a unifying Western Europe—we must look now toward a similar Pacific Partnership. Our vision of this new Partnership will be no simple achievement. It will require major efforts on both sides of the Pacific. But it is vitally necesary to all of us. With a true partnership we can produce economic and technological wonders. Without it, we will only produce more conflict. In order to succeed we must have favorable government policy and sound government relationships. Most of all, there must be a strong dedication by American business to the development of the Partnership through the aggressive pursuit of two-way trade on a basis which is founded on integrity, fair dealing and a goal of mutual benefit.

For the United States this is an important period. We are no longer at war. We are turning to the many economic and social problems we must solve. Twice before in this century we faced a similar problem. Twice before we turned inward and produced economic disaster. After the first World War, we had the chance to help other nations and ourselves by lowering tariff barriers. Instead, Congress passed a series of higher and higher tariffs.

The Smoot-Hawley Tariff—the highest in history—caused retaliation and a breakdown of world trade. In turning inward to protect ourselves, we wound up closing first our docks, then our banks, then our businesses. The lesson should be clear to all of us. After a series of expanded trade agreements after World War II, and the passage of the Trade Expansion Act of 1962, we seemed finally to have settled on a path of trade expansion.

But this is not a new problem, and the approach is not that simple. There always has been strong support for protectionism in this country. When Lewis and Clark first reached the Oregon shore in 1805, one of the burning issues in the young Congress was protection of our infant industries and restrictions on foreign trade. When Seattle was first settled in 1853, the same problem was being debated. The tariff issue was one of the underlying reasons for the Civil War. We should learn from our history.

Today we are at another crucial point. Congress is considering another restrictive measure—the Burke-Hartke Bill, which some people consider the most sweeping legislative proposal to curb imports since the Smoot-Hawley Tariff. It has not only the support of long-time protectionists, but the backing of much of organized labor as well. Many unions, once strong supporters of trade expansion, are worried about unemployment resulting from increased imports and the export of jobs.

The concern about job loss, and business loss, is understandable. The suggested cure is not. The facts simply don't support the conclusion. In contrast to the Burke-Hartke Bill, the legislation proposed by Senator Magnuson and the Administration looks to the legitimate concerns of domestic industry and labor, and recognizes that any return or self-isolation would be self-defeating.

I believe it was 15 or 16 years ago when Senator Magnuson said to me one day, "Somehow, this country must re-establish trade and diplomatic relations with China. With half of the world's population living in that country, it is essential that we somehow ring these two countries together". His statement was quite prophetic.

We were chatting about this in his office a month or so ago, and he said, "Yes, it is good to see a movement in this direction, but you will remember that in some circles, I was badly criticized for my position".

The Senator was right. We are hopeful that appropriate trade legislation will be passed in this session.

We have a lot of evidence demonstrating that foreign trade, and imports alone, create jobs to offset those lost to foreign competition:

1. Jobs associated with foreign trade approach 4.5 million. That's about 6 per cent of total U.S. employment, or the equivalent of the steel and automobile industires combined.

2. We are the world's largest exporting nation. For 1972 we accounted for about 14 per cent, or $48 billion, of the world's exports.

3. Imports alone provide more than a million jobs. Products manufactured abroad must be sold and serviced in the United States. Also, many things made in this country use foreign components or raw materials, and many things made abroad use American components or raw materials.

4. As we curtail imports, foreign governments tend to retaliate. Every billion dollars of exports creates 110,000 new jobs, while every billion dollars of imports supplies goods which would require 88,600 Americans to produce. As a matter of simple arithmetic, if we increase exports nad imports equally, we create more jobs. We must recognize that reality in the United States where only 4 per cent of our Gross National Product is devoted to foreign trade.

It will take statesmanship to produce a good partnership. Any partnership is a marriage in which each party must give up something for the overall good. Successful and prosperous partnerships are based on mutual respect, sacrifice and understanding. We not only have much to give but much to get. What appears to be a short-term sacrifice is in reality a long-term investment. This applies to both sides of the Pacific.

We, in the United States, must recognize that we no longer have the technological superiority in as many areas as we enjoyed after World War II. We must make tradeoffs. We may have to be willing to engage in more joint ventures. We may need joint action on future aircraft development as research, development and production costs continue to rise. It takes seven or eight years to produce positive cash flow on large new aircraft. The venture capital to support those projects is no longer available at a single source, and this applies to both sides of the ocean.

We appreciate the concern of our Japanese friends for their booming textile, electronics and automobile industries. However, the same hard decisions we must make on trade barriers need also be made in other parts of our shrinking planet. Protectionist actions have no more validity in Japan than in the United States. This applies not only to tariff barriers, but other barriers as well. Import quotas, labeling restrictions and other conditions unreasonably applied have similar depressing effects on trade. To sell, we must all buy.

Our new Pacific Partnership should enable us, for the first time, to handle mutual problems. Environmental issues, energy needs, even fishing rights, are common problems which we can handle far better in concert than as individual nations. There are emerging dynamic new societies in the Pacific that should be welcomed into this partnership. They, too, would benefit from, and contribute to, our mutual approach.

Senator Magnuson and Governor Evans understand these problems. They spoke with great conviction on these issues this morning. Many others have deep knowledge of the trade question. But there are many in the nation who do not. It is essential for our people to know how important the Orient is, to know the vital role the Pacific Northwest does and can play as a commercial gateway, and above all, to understand the necessity of expanding our trade both ways.

The President's trip to China last year turned the question of trade with the People's Republic of China from theory to practical reality. This afternoon's panel highlighted the opportunities, as well as the problems, in dealing with the People's Republic. We have no false illusion that there can be massive trade with China immediately.

But we can make a start, and from that start develop steady growth. Both of our nations recognize the bilateral benefits of expanded trade. And this is an area in which political doctrine need not be an emotional factor. After two decades, the United States, between 1969 and 1971, took a series of actions to remove travel and trade barriers with the People's Republic. In February 1972, a joint communique was issued at Shanghai which clearly made the point:

"Both sides view bilateral trade as another area from which mutual benefit can be derived, and agreed that economic relations based on equality and mutual benefit are in the interest of the peoples of the two countries. They agree to facilitate the progressive development of trade between their two countries."

We have learned in the past that step-by-step trade development has far more than economic importance for the nations involved. It builds an atmosphere of confidence and trust, and leads to other economic and political understandings. Like a honeycomb, we can construct a series of inter-related segments—one at a time. In doing this, we recognize that large scale trade and tourism with the People's Republic cannot be an overnight development. But there are clear economic benefits for both sides in having new markets and new sources of supply for imports from China. I look forward to the day when I can be part of the welcoming committee at Seattle when the first airliner from the People's Republic of China lands at Seattle. That will be an important step in forging the new Pacific Partnership which will be a key to our future as individuals and as nations.

Japan and Hong Kong are primary trading partners of the People's Republic of China. This will continue. On the assumption that the Gross National Product of the People's Republic is somewhere in the $75–$100 billion range, its 1970 exports constituted only about two to three per cent of total GNP. Imports fall in the same range. We are all familiar with China's drive for self-sufficiency. This has led it to expanding trade with a number of partners, and away from a single supplier. Although Japan claims a fourth of China's total foreign trade, and Hong Kong is the leading export market for the People's Republic, the number of trading partners continues to increase.

The economic rebirth of Japan causes a mixture of admiration and uneasiness in this country. Most of the uneasiness is misplaced. Many are concerned about the growth of our trade imbalance with Japan, and we have sought economic concessions. The problem should ease because of the overdue revaluation of the yen and the removal of residual import restrictions. But, we will probably have to live with a bilateral trade imbalance for at least the short run. For the long run, as Japan turns away from export-oriented heavy industries, and toward more consumer goods and social needs, the export imbalance should shrink.

All of this brings me back to the role of the Pacific Northwest. In the years before World War II, Seattle was a prime gateway for trade to the Far East. It is only natural for this to happen again. In briefly looking over recent data on United States exports to Japan, it is noteworthy that Seattle not only led other West Coast ports in export shipment growth from 1970 to 1971, but led all other comparable ports in growth percentage. Indeed, Seattle led all comparable ports in percentage growth of exports to all countries. This fact speaks for itself as to Seattle's importance as a trade gateway. The opening of relationships with the People's Republic of China represents a continuing opportunity for Seattle to enhance its economy and assert its position as the United States' focal point for the new Pacific Partnership—the Seattle Gateway.

The people who are participating in this Symposium are the experts. They know far more than I just what the prospects and possibilities for a new Pacific Partnership may be. But I do know that our country, in its finest moments has always chosen the course which was most outward-looking—a course which looked toward cooperation and openness rather than narrow rivalry and suspicion. We again have choices before us. With the work of all of us, our country—heeding the lessons of the past, and looking to the future—will again choose to go outward. Seattle should be a key link in this endeavor.

Thank you for having me at this very significant Symposium.

AMENDMENT OF LABOR-MANAGEMENT RELATIONS ACT, 1947

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 130, S. 1423, and that the bill be laid before the Senate and made the pending business, with no further action thereon today.

The PRESIDING OFFICER. Without objection, it is so ordered. The bill will be stated by title.

The bill was read by title as follows:

A bill (S. 1423) to amend the Labor-Management Relations Act, 1947, to permit employer contributions to jointly administered trust funds established by labor organizations to defray costs of legal services.

The Senate proceeded to consider the bill, which had been reported from the Committee on Labor and Public Welfare, with an amendment on page 2, line 5, after the word "trust", strike out "funds"." and insert "funds: *Provided further*, That no such legal services shall be furnished (A) to initiate any proceeding directed (i) against any such employer or its officers or agents except in workmen's compensation cases, or (ii) against such labor organization, or its parent or subordinate bodies, or their officers or agents, or (iii) against any other employer or labor organization, or their officers or agents, in any matter arising under the National Labor Relations Act, as amended, or this Act, and (B) in any proceeding where a labor organization would be prohibited from defraying the costs of legal services by the provisions of the Labor-Management Reporting and Disclosure Act of 1959".";

so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States *of America in Congress assembled,* That section 302(c) of the Labor Management Relation Act, 1947, is amended by striking out "or (7)" and inserting in lieu thereof "(7)" and by adding immediately before the period at the end thereof the following: "; or (8) with respect to money or any other thing of value paid by any employer to a trust fund established by such representative for the purpose of defraying the costs of legal services for employees, their families, and dependents: *Provided,* That the requirements of clause (B) of the proviso to clause (5) of this subsection shall apply to such trust funds: *Provided further,* That no such legal services shall be furnished (A) to initiate any proceeding directed (i) against any such employer or its officer or agents except in workmen's compensation cases, or (ii) against such labor organization, or its parent or subordinate bodies, or their officers or agents, or (iii) against any other employer or labor organization, or their officers or agents, in any matter arising under the National Labor Relations Act, as amended, or this Act, and (B) in any proceeding where a labor organization would be prohibited from defraying the costs of legal services by the provisions of the Labor-Management Reporting and Disclosure Act of 1959".

UNANIMOUS-CONSENT AGREEMENT

Mr. ROBERT C. BYRD. Mr. President, having been directed to do so by the distinguished majority leader and having cleared the matter with the distinguished assistant Republican leader and with the able Senator from New Jersey (Mr. WILLIAMS) and other Senators, I ask unanimous consent that debate on the bill, S. 1423, be limited to 3 hours, to be equally divided between and controlled by the Senator from New Jersey (Mr. WILLIAMS) and the Senator from New York (Mr. JAVITS); that there be a time limitation on any amendment thereto of 1 hour; that there be a time limitation of one-half hour each on amendments to amendments, debatable motions, and appeals; and that the agreement be in the usual form throughout.

The PRESIDING OFFICER. Without objection, it is so ordered.

The text of the unanimous-consent agreement is as follows:

Ordered, That, during the consideration of S. 1423, a bill to amend the Labor Management Relations Act, 1947, debate on any amendments in the first degree shall be limited to 1 hour, to be equally divided and controlled by the mover of the amendment and the manager of the bill, and that debate on amendments in the second degree, debatable motions or appeals shall be limited to 30 minutes, to be equally divided and controlled by the mover of such and the manager of the bill: *Provided,* That in the event the manager of the bill is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or his designee: *Provided further,* That no amendment that is not germane to the provisions of the said bill shall be received.

Ordered further, that on the question of the final passage of the said bill debate shall be limited to 3 hours, to be equally divided and controlled, respectively, by the Senator from New Jersey (Mr. Williams) and the Senator from New York (Mr. Javits); *Provided,* That the said Senators, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, motion, or appeal.

ORDER FOR CONSIDERATION OF UNFINISHED BUSINESS, S. 1423, TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that following the period for the transaction of routine morning business on tomorrow, the Chair lay before the Senate the unfinished business, S. 1423.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT UNTIL 11 A.M.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 11 o'clock a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

REVISION OF ORDER FOR RECOGNITION OF SENATORS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to revise the orders for the recognition of Senators on tomorrow as follows: After the two leaders or their designees have been recognized under the standing order, the following Senators be recognized, each for not to exceed 15 minutes and in the order stated: Mr. Moss, Mr. BARTLETT, Mr. JOHNSTON, Mr. BELLMON, Mr. HANSEN, Mr. TAFT. Mr. JAVITS, Mr. GRIFFIN, and Mr. ROBERT C. BYRD.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR CONSIDERATION OF S. 1672, TO AMEND SMALL BUSINESS ACT, TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that upon disposition of S. 1423, the Senate proceed to the consideration of S. 1672, a bill to amend the Small Business Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the program for tomorrow is as follows:

The Senate will convene at 11 a.m. After the two leaders or their designees have been recognized under the standing order, the following Senators will be recognized, each for not to exceed 15 minutes and in the order stated: Mr. Moss, Mr. BARTLETT, Mr. JOHNSTON, Mr. BELLMON, Mr. HANSEN, Mr. TAFT, Mr. JAVITS, Mr. GRIFFIN, and Mr. ROBERT C. BYRD.

There will then be a period for the transaction of routine morning business of not to exceed 15 minutes, with statements limited therein to 3 minutes.

At the conclusion thereof, the Senate will resume its consideration of the unfinished business, S. 1423, a bill to amend the Labor Management Relations Act of 1947 to permit employer contributions to jointly administered trust funds established by labor organizations to defray costs of legal services.

Yea-and-nay votes will occur thereon. There is a time limitation on the bill and amendments thereto.

Upon the disposition of S. 1423, the Senate will take up S. 1672, a bill to amend the Small Business Act, under a time limitation. Yea-and-nay votes will occur on amendments thereto, and on passage of the bill, presumably.

So, I repeat, yea-and-nay votes will occur during the afternoon tomorrow.

ADJOURNMENT UNTIL 11 A.M.

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 11 o'clock a.m. tomorrow.

The motion was agreed to; and at 5:34 p.m. the Senate adjourned until tomorrow, Wednesday, May 16, 1973, at 11 a.m.

NOMINATIONS

Executive nominations received by the Senate May 15, 1973:

DIPLOMATIC AND FOREIGN SERVICE

Kenneth D. Keating, of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Israel.

DEPARTMENT OF JUSTICE

Victor R. Ortega, of New Mexico, to be U.S. attorney for the district of New Mexico for the term of 4 years (reappointment).

Brian P. Gettings, of Virginia, to be U.S. attorney for the eastern district of Virginia for the term of 4 years (reappointment).

U.S. ADVISORY COMMISSION ON INFORMATION

The following-named persons to be members of the U.S. Advisory Commission on Information for terms expiring January 27, 1976:

Hobart Lewis, of New York (reappointment).

J. Leonard Reinsch, of Georgia, vice Frank Stanton, term expired.

IN THE ARMY

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 3962:

To be lieutenant general

Lt. Gen. John H. Hay, Jr. [redacted] Army of the United States (major general, U.S. Army).

HOUSE OF REPRESENTATIVES—*Tuesday, May 15, 1973*

The House met at 12 o'clock noon.

Rev. George W. Ingerson, Minister, The Bethel United Methodist Church, Hymeria, Ind., offered the following prayer:

In everything give thanks: For this is the will of God in Christ Jesus concerning you. I Thessalonians 5: 18.

I thank You Lord for the honor and

privilege of offering this prayer as our Congress convenes today. We bow in Thy presence grateful to be alive.

We open our hearts unto Thee, endeavor to make them channels for Thy power in our Nation and world. Help us to keep our thinking clear, clean, our emotions in complete control. Give us the mind to keep our bodies healthy, fit for finer service to Thee and greater service to our great country. Give to these Members of Congress, faith, hope, love that they may lead our people into the right paths of enduring peace, abounding good will.

In the name of Him who summons us to higher fields of endeavor, we pray. Amen.

THE JOURNAL

The **SPEAKER**. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

THE REVEREND GEORGE W. INGERSON, THE BETHEL UNITED METHODIST CHURCH, HYMERA, IND., LEADS HOUSE IN OPENING PRAYER

(Mr. **MYERS** asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. **MYERS**. Mr. Speaker, the prayer was offered this morning in the House of Representatives by Rev. George Ingerson of the Bethel United Methodist Church of Hymera, Ind. I am extremely proud of Reverend Ingerson for several reasons, but particularly because he is a self-made man.

By that I mean he was born to a family of 10 children and because of the financial plight of that family was unable to finish high school in the normal course of years. He served in World War II with distinction in the U.S. Army and in 1956 finished high school. He then became a Christian in 1958 and answered the call to the Church of the Nazarene in its ministry in 1960. Since then he has become a United Methodist minister.

Mr. Speaker, I share with the community of Hymera their pride in Reverend Ingerson, and we thank the congregation of the Bethel United Methodist Church of Hymera, for sharing Reverend Ingerson with the House of Representatives today.

FARM SUBSIDY NO. 3

(Mr. **CONTE** asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. **CONTE**. Mr. Speaker, fat cat farmers are not the only ones making tracks to the taxpayers' trough.

A wealthy railroad and a small municipal airport also hauled away hefty farm subsidy payments in 1972.

The Southern Pacific Railroad whistled away with $82,000 in subsidies last year for two "farms" in California.

And the municipal airport of Kearney, Nebr., flew off with a farm subsidy of $25,000.

Collecting fat farm subsidies may be a better way to travel for railroads and airports, but it is the taxpayer who is being taken for a ride.

CONCERNING INTRODUCTION OF THE "200-MILE LIMIT"

(Mr. **COHEN** asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. **COHEN**. Mr. Speaker, today I am introducing a bill to call attention to the approaching International Conference on the Law of the Sea. This Conference will consider the international conservation and regulation of the seas and our seabed resources. At issue is whether the oceans will be used rationally and equitably for mankind or whether they will become an arena of unrestrained exploitation. However, the trouble in my State is that Maine's seabed has already been exploited and misused by members of the Conference who now declare their deep concern over diminishing resources. While I am in full agreement with the goals of the Conference, I am skeptical that it will bring the tangible results needed by our fishermen.

In this light, I am introducing my own bill to establish a 200-mile contiguous fishery zone beyond the territorial sea of the United States. Under the provisions of this bill the United States would exercise the same exclusive fishing rights that it now enjoys in its territorial sea. This bill is protective medicine. In the past these conference have failed to produce the substantial progress so urgently needed. The passage of this measure will insure the conservation and protection of our ocean resources, whether the Conference is successful or not.

MEATPACKING REQUIREMENTS

(Mr. **CHAMBERLAIN** asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. **CHAMBERLAIN**. Mr. Speaker, in what one might interpret as a "victory" for the U.S. Department of Agriculture, the U.S. Supreme Court, yesterday, refused to hear an appeal by the Michigan Department of Agriculture for reinstatement of the State's strict meatpacking requirements.

It is the contention of the USDA that States cannot enforce meat packaging laws that are tougher than Federal regulations, and this has now been upheld.

While this may be a victory for a universal implementation of Federal meatpacking regulations, it is not a victory for Michigan consumers who will no longer be protected by Michigan's strict law against using such offal as hearts, stomachs, snouts, spleens, bladders, tongues, and the variety of unwholesome byproducts which packers put into hotdogs and similar items.

It is quite clear that the only recourse the consumer now has is in the Congress, and, with the decision now resting squarely in our laps, I would urge that prompt consideration be given to H.R. 372, which would eliminate such questionable byproducts, which I introduced on the opening day of this 93d Congress.

CHANGE IN LEGISLATIVE PROGRAM

Mr. **O'NEILL**. Mr. Speaker, I take this time to announce that the chairman of the Committee on Banking and Currency has informed us he does not intend to call up H.R. 6912, the Par Value Modification Act, tomorrow, as originally planned. The bill will not be called up this week, and it is being postponed indefinitely.

We still intend to call up H.R. 2990, the U.S. Postal Service authorization, as announced.

MAJORITY LEADER THOMAS P. O'NEILL, JR., SAYS PHASE III IS AN ECONOMIC JOKE ON THE AMERICAN PEOPLE

(Mr. **O'NEILL** asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. **O'NEILL**. Mr. Speaker, an economist has called President Nixon's phase III a joke—"one of the funniest economic games ever foisted on the American people."

This particular economist happens to be Pierre Rinfret—who was the chief economic spokesman for Mr. Nixon's reelection campaign. Mr. Rinfret gave congressional testimony last week that pointed out the basic fallacies underlying phase III.

The administration is relying on a free enterprise system to control inflation. But it cannot, because the system is no longer free enterprise. Price-fixing, monopolistic practices, and Government intervention have undermined the system to such an extent that it can no longer promote fair competition in the marketplace.

Mr. Rinfret shows how well this economic theory has held up under phase III. In March, the rate of inflation in wholesale prices was 31 percent, he noted. In April, the administration patted itself on the back when that rate declined to "only" 14 percent. Between January and April, consumer inflation exceeded 8 percent on an annual basis.

This testimony by one of President Nixon's former economic advisers simply affirms the bankruptcy of Mr. Nixon's hands-off economic policies. What we need is the comprehensive economic stabilization program that Congress envisioned when it extended the President's wage-price control authority.

PERMISSION FOR SPECIAL SUBCOMMITTEE ON EDUCATION, COMMITTEE ON EDUCATION AND LABOR, TO SIT TODAY

Mr. **O'HARA**. Mr. Speaker, I ask unanimous consent that the Special Subcommittee on Education of the Committee on Education and Labor be permitted to sit during legislative business this afternoon.

The **SPEAKER**. Is there objection to

the request of the gentleman from Michigan?

There was no objection.

PRIVATE CALENDAR

The SPEAKER. This is the day for the call of the Private Calendar. The Clerk will call the first bill on the calendar.

Mr. BROWN of Michigan. Mr. Speaker, inasmuch as the bills on the Private Calendar have not been on the calendar in accordance with the agreement between the objectors on the majority and minority sides, I ask unanimous consent that we dispense with the call of the bills on the Private Calendar today.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

THE UNITED NATIONS ENVIRONMENT PROGRAM PARTICIPATION ACT OF 1973

Mr. MATSUNAGA. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 361 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 361

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 6768) to provide for participation by the United States in the United Nations environment program. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Affairs, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from Hawaii (Mr. MATSUNAGA) is recognized for 1 hour.

CALL OF THE HOUSE

Mr. GROSS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. O'NEILL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 142]

Anderson, Ill.
Badillo
Barrett
Bell
Biaggi
Biester
Blatnik
Breckinridge
Brown, Calif.
Burke, Calif.
Carey, N.Y.
Carney, Ohio
Carter
Chisholm
Clark
Cotter
Crane
Cronin
Culver
Davis, Ga.
Denholm
Diggs
Downing
Eilberg
Esch
Fascell
Fish
Frey
Fuqua
Gilman
Gonzalez
Grasso
Gray
Green, Oreg.
Green, Pa.
Hanna
Harrington
Hays
Hébert
Howard
Karth
Kemp
King
Lehman
McCloskey
McDade
McKinney
McSpadden
Mayne
Michel
Mink
Mitchell, N.Y.
Moorhead, Pa.
Morgan
Nix
Obey
Parris
Passman
Patman
Peyser
Powell, Ohio
Riegle
Roberts
Rooney, N.Y.
Rostenkowski
Ruppe
St Germain
Sandman
Staggers
Steiger, Wis.
Stokes
Talcott
Taylor, Mo.
Teague, Tex.
Walsh
Williams
Winn
Yatron

The SPEAKER. On this rollcall 355 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

PERMISSION FOR COMMITTEE ON RULES TO FILE REPORTS

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the Committee on Rules have until midnight tonight to file certain reports.

The SPEAKER. Is there objection to the request of the gentleman from Hawaii?

There was no objection.

THE UNITED NATIONS ENVIRONMENT PROGRAM PARTICIPATION ACT OF 1973

The SPEAKER. The gentleman from Hawaii is recognized for 1 hour.

Mr. MATSUNAGA. Mr. Speaker, I yield 30 minutes to the gentleman from Tennessee, pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 361 provides for consideration of the bill H.R. 6768, which, as reported by our Committee on Foreign Affairs, would authorize U.S. participation to contribute funds to the United Nations Environment Fund.

As suggested by the name of the Fund, this program is an international effort to improve the global environment. The U.N. Environment Fund, created largely as the result of U.S. efforts, would be used to coordinate and support work in such international environmental fields as identification and control of pollutants, monitoring, conservation, human settlements, information exchange, education, training and research. The Fund would employ the facilities of existing organizations wherever possible.

At the end of 1972, the following nations had made public their intention to contribute specific amounts to the United Nations Environment Fund: Australia, Canada, Finland, France, Federal Republic of Germany, Japan, Netherlands, New Zealand, Sweden, and the United Kingdom. Several other governments have also indicated their intention to contribute amounts which, when combined with the total amount of $40 million authorized to be appropriated under H.R. 6768, would bring the total of the Fund to the $100 million goal to cover the first 5 years of this international program.

In this connection, it should be pointed out that, under H.R. 6768, not more than $10 million will be authorized to be appropriated during fiscal year 1974.

Mr. Speaker, House Resolution 361 provides an open rule with 1 hour of general debate, the time to be equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Affairs, after which the bill would be read for amendment under the 5-minute rule.

At the conclusion of the consideration of the bill for amendment, the rule provides that the committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. Speaker, I urge the adoption of House Resolution 361 in order that H.R. 6768 may be considered.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. MATSUNAGA. I am happy to yield to the gentleman from Iowa.

Mr. GROSS. Will the gentleman agree that if the bill should pass in its present form, insofar as the House is concerned it would obligate this country to an expenditure of $40 million?

Mr. MATSUNAGA. The obligation for the next 5-year period would be $40 million. For fiscal year 1974 it would be one-fourth of that amount, or $10 million.

Mr. GROSS. Yes, $10 million for fiscal year 1974.

Mr. MATSUNAGA. That is correct.

Mr. GROSS. May I ask the gentleman, did the Rules Committee obtain any information as to how this was arrived at?

Mr. MATSUNAGA. I believe that question could be put during consideration of the bill itself, and the gentleman from Minnesota (Mr. FRASER) the capable chairman of that subcommittee, I am sure will be able to provide a satisfactory answer to the gentleman from Iowa.

Mr. GROSS. But the Rules Committee did not ascertain on what basis this 40-percent contribution was arrived at, or how the $40 million and the $10 million were arrived at.

Mr. MATSUNAGA. I do not recall whether the Rules Committee did or not. I may have been absent during the time the matter was raised. I am not able to recall at this time.

Mr. GROSS. I thank the gentleman for yielding.

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 361 is the rule under which we will consider H.R. 6768, the United Nations Environment Program Participation Act of 1973. This open rule provides for 1 hour of general debate.

The purpose of H.R. 6768 is to authorize funds for participation in the United Nations Environment Fund.

The Fund is to be used to coordinate and support international environmental programs. The creation of a United Nations Environment Fund was largely the result of U.S. efforts. In February 1972, President Nixon proposed such a Fund with an initial funding goal of $100,000,000 during the first 5 years. The President has established, subject to congressional aproval, the U.S. share of the Fund, at 40 percent or up to $40,000,000 out of a $100,000,000 Fund.

Therefore, the total amount authorized by the bill is $40,000,000, of which not more than $10,000,000 is authorized to be appropriated during fiscal year 1974.

Mr. Speaker, I urge the adoption of this rule, but on final passage of the bill I shall vote "no." The matter should be fully discussed on the floor of the House.

Mr. Speaker, I have no requests for time, but I reserve the balance of my time.

Mr. MATSUNAGA. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. FRASER. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 6768) to provide for participation by the United States in the United Nations environment program.

The SPEAKER pro tempore (Mr. O'NEILL). The question is on the motion offered by the gentleman from Minnesota.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 6768, with Mr. FULTON in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Minnesota (Mr. FRASER), will be recognized for 30 minutes, and the gentleman from California (Mr. MAILLIARD), will be recognized for 30 minutes.

The Chair recognizes the gentleman from Minnesota.

Mr. FRASER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this bill comes to us as the result of a request by the President for authorization for the United States to participate in the new United Nations environment program, including contribution to its voluntary fund for the environment. The President originally proposed this Fund over a year ago, and the idea was accepted at the Stockholm Conference last summer and approved by the U.N. General Assembly last fall.

Briefly, what the bill would do is to authorize $10 million for this year, which is already listed in the President's budget, with the balance of the money authorized to be expended in succeeding years. The undertaking of the United States is to match at a 40-percent level the amount of money which can be generated through contributions from member nations for the U.N. Environmental Fund up to an aggregate total of $100 million to be spent over a 5-year period.

Mr. Chairman, this proposal has already been endorsed by both the House and the Senate in the last Congress. House approval came through an amendment to the foreign assistance bill which urged U.S. support at the General Assembly for this program and for the Fund. In the other body, Senate Concurrent Resolution 83 passed in June of last year during the Stockholm Conference, endorsed the U.S. position on the Environment Program and Fund.

I might say that in the hearings we asked for the comments of a number of the organizations which are concerned with the environment, including the National Audubon Society, the Conservation Foundation, and the Sierra Club. In general their position was that this was a very modest beginning for a very important undertaking, and they strongly urged passage of this bill.

Now, what will this Fund do if the House and the other body approve of it?

First, we expect the Fund to support a global monitoring system which is necessary for the protection and the assessment of environmental effects which are of international significance. It is expected that this Fund will support studies on environmental problems in the nuclear field, in which the United States has a major interest. It will make an important contribution to American agriculture and to the world food supply by helping to establish a global "gene pool" of plants and seeds of known characteristics. By generally stimulating environmental programs over the world, the fund should help increase the export of U.S. environmental protection equipment.

I might say, Mr. Chairman, that this program will be centered in the new headquarters in Nairobi. The money, however, will not go to support the new secretariat, which is headed by Maurice Strong, a Canadian. The cost of the secretariat will be supported by the regular assessed budget of the United Nations.

So this money is all programed money. The money will be spent primarily through the specialized agencies, so there will be no large bureaucracy; instead they will use organizations like the World Health Organization, the International Meteorological Organization, and so on.

Dr. Robert Frosch, who is a senior adviser in this new U.N. program and who recently served as Assistant Secretary of the Navy for Research and Development, will be the person in the new secretariat in charge of the entire program of funds which we are authorizing the United States to participate in by the enactment of this legislation.

Mr. Chairman, I think this is a good bill. It has had bipartisan sponsorship in our subcommittee; it was passed out of the full committee without dissent. It is in support of an important objective of the President's foreign policy, and I would urge this committee to give it its support.

Mr. FRELINGHUYSEN. Mr. Chairman, will the gentleman yield?

Mr. FRASER. I will be glad to yield to the gentleman from New Jersey (Mr. FRELINGHUYSEN).

Mr. FRELINGHUYSEN. Mr. Chairman, I should like to congratulate the gentleman for his very lucid explanation of the purpose of the Fund to be established.

I would simply like to say that this initiative which has been taken by the United States should be supported. This is an important area that does need international attention and the contribution by the United States to this effort, in my opinion, is minimal. I will hope it will be passed and will finally be enacted by the Senate.

Mr. FRASER. I thank the gentleman.

Mr. WYLIE. Will the gentleman yield?

Mr. FRASER. I am glad to yield to the gentleman.

Mr. WYLIE. I think the purpose of the bill is laudable in its aim and purpose, but I wonder if the gentleman can tell me how the 40-percent figure was arrived at for the U.S. contribution.

Mr. FRASER. This figure was suggested by the President when he made his proposal before the Stockholm Conference convened. I might add that this is probably a rather low percentage for a U.S. contribution to a new venture in which the United States has taken the lead in its establishment. For example, I think in the narcotics program around 50 percent is given where we have a major interest in the international control of narcotics. In population control it is over 80 percent, and in other activities it has ranged as high as 70 percent, for example, in the United National Rehabilitation and Relief Works Agency for Palestinian refugees, although our percentages have been going down.

For a program in which the United States has taken the lead and said, "We think it ought to be done," this is certainly a low percentage.

Mr. WYLIE. If the gentleman will yield further, did anybody raise the question of the provision of the law which we passed last year; namely, Public Law 92–544, which simply stated would prohibit an appropriation in excess of 25 percent of the total annual assessment to the U.N. or any affiliated organization? Was that question raised during the committee's deliberations?

Mr. FRASER. Well, we are very much aware of the 25-percent limitation, because it came up repeatedly in our committee last year. However, it is important to make this specific point: Some of the thrust for that 25-percent limitation came from a recommendation of the Lodge Commission appointed by the President. The commission recommended that the United States work its way down to 25 percent on the assessed budget, but that there should be a corresponding increase in U.S. contributions to the U.N. voluntary programs. Their recommendation was limited to the assessed budget of the U.N., and so far the United Nations has accepted that recommendation as presented by the U.S. delegates, but it was specifically not intended to refer to voluntary programs such as the U.N. Development Program or U.N. Children's Fund and now this program.

Mr. WYLIE. Then this is an admitted effort to avoid the law, as I understand from what the gentleman is saying.

Mr. FRASER. No.

Mr. WYLIE. In other words, there was an agreement in advance, that even though the contribution of the United States to the U.N. can only be 25 percent by Public Law 92–544 now, we would make up the difference through special programs and exceptions such as this. Is that a fair statement?

Mr. FRASER. Let me say to the gentleman, unfortunately, we have not done very well on the voluntary side. In fact, what has happened in the U.N. Development Program is that we run the risk this year of being well below what we have contributed in the last 2 years. That may put this 25 percent recommendation in jeopardy, when it is up for final approval in the General Assembly this fall, because at last year's General Assembly when Ambassador Bush and Senator GALE MCGEE were arguing for the 25-percent limitation they were giving assurances in the U.N. with the authorization of the executive branch that we would hold up our end and even expand our contributions to the voluntary programs and, in fact, right now we are not; we are behind where we should be.

So throughout the debate the distinction between the assessed budget and the voluntary contributions has always been crystal clear. As I say, the Lodge Commission itself separated the two and said that if one of these goes down the other one should go up.

Mr. WYLIE. Mr. Chairman, if the gentleman will yield further, I must say that it is not crystal clear to me. What assurances do we have that the other participating nations will come up with their share, or what steps have been taken generally to see that their money is on deposit at least simultaneously with the deposit of the U.S. contributions?

Mr. FRASER. We have been informed already of ten countries who are pledging an aggregate of $41 million: Australia, Canada, Finland, France, Federal Republic of Germany, Japan, The Netherlands, Sweden and the United Kingdom. Also there are 11 other governments who have indicated their intention to contribute. Assurances are given that their money either is on hand or has been pledged firmly. That is the understanding.

Mr. WYLIE. I thank the gentleman for yielding and for his intelligent response.

Mr. MAILLIARD. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I support this legislation, which authorizes U.S. participation in the United Nations environment program, and a U.S. contribution to the U.N. Environment Fund.

The total authorization is $40 million, of which not more than $10 million is to be appropriated during fiscal year 1974. The U.S. share of the Fund would be 40 percent.

The U.N. Environment Fund was proposed by the President in his environmental message to the Congress earlier this year. As the President noted, many environmental problems are worldwide in character and can more effectively be dealt with through international cooperation.

Mr. Chairman, there is much that the Fund can do to help member nations of the U.N., including the United States, deal more effectively with environmental problems. For example, the Fund can foster a greater competence in many countries in the ability to solve environmental problems. The Fund can help countries develop expertise in this area through training activities, research, and by encouraging countries to take environmental factors into account in their decisionmaking processes.

The Fund also is expected to help establish an information referral service which would help facilitate the timely exchange of information between governments on how to solve environmental problems.

The idea of the Fund has been well received by the U.N. membership. As noted in the committee report, 10 countries have announced their intention to contribute specific amounts to the Fund. Eleven other countries have made known their intention to contribute. While the Fund was proposed by the United States, we will not be alone in financing it.

The task of improving our environment will require the cooperation of the other nations that inhabit the earth. Through the U.N. Environment Fund we can take a major step toward achieving that cooperation.

Mr. Chairman, I believe the chairman of the subcommittee has thoroughly explained the bill, which is a very simple bill. I would just like to make one point that I think perhaps has not been made here, and that is in our domestic life the United States is proceeding very rapidly not only at the Federal level, but also at the State level, to impose environmental restrictions of all kinds on our industry so that it is quite obvious that if we do this unilaterally this is going to put our goods at a relative disadvantage competitively in the world markets. Goods that are produced in countries that do not require their industries to incur this added expense of production for environmental protection purposes will have a clear advantage.

I think this is one of the reasons the United States took the initiative in trying to propose that the U.N. get into this business so that the other developed countries of the world will pay comparable attention to environmental problems in their countries as we are proposing to do here in the United States.

Therefore, Mr. Chairman, a 40-percent contribution by the United States does not seem to me to be overly large because I think we have probably the most to gain out of a worldwide effort to take into consideration environmental problems which obviously know no national boundaries, but also to get the other industrialized countries to make a similar effort.

So, as I say, Mr. Chairman, I think we have the most to gain out of it, and I do not think it is unreasonable that we should be willing to put the most into it.

Mr. MCCLORY. Mr. Chairman, will the gentleman yield?

Mr. MAILLIARD. I yield to the gentleman from Illinois (Mr. MCCLORY).

Mr. Chairman, I thank the gentleman for yielding to me, and I would just like to add that I had the privilege of attending the Stockholm Conference last year, and I certainly want to commend our participation there. I think we can say without qualification that the problems of air and water pollution, the endangered species, the conservation and prudent use of natural resources, and all of the other problems of the environment are subjects that extend beyond national boundaries. Problems of the environment have worldwide implications and their solutions require both national and international action. Accordingly, it is important for us to participate in most of those activities recommended at the U.N. Environmental Conference, and I support the recommendations of the committee in the presentation of this measure (H.R. 6768).

Mr. Chairman, in further reference to the United Nations Conference, I would like to recall that our colleagues Congressmen JOHN D. DINGELL of Michigan, FRANK M. CLARK of Pennsylvania, and GILBERT GUDE of Maryland were also in attendance at this significant international gathering devoted to the human environment.

Also, our colleague from the other body, Senator HOWARD H. BAKER, Jr., of Tennessee, served as chairman of the advisory committee which participated in the preparatory work of the Conference. He took a prominent part in the deliberations.

In my own behalf, I would add that in serving on a committee dealing with human settlements, I was joined by the distinguished citizen environmentalist, Mr. Laurance S. Rockefeller of New York, and Mr. Samuel Jackson, former Under Secretary of the Department of Housing and Urban Development. Lending further stature to our delegation, I should recall that Attorney General William J. Scott of Illinois was likewise one of our delegates.

While the United Nations Conference declarations and recommendations represent a first step toward the solution of global environmental problems, it is a most important first step—in which it is to our best interests as well as in the best interests of the world community that we should participate in a manner such as is set forth in the pending bill, H.R. 6768.

Mr. Chairman, I am pleased to know that the administration is supporting this measure and that it has broad bipartisan support.

The CHAIRMAN. The gentleman is recognized.

Mr. GROSS. Mr. Chairman, I should like to respond to the statement just made by the gentleman from California (Mr. MAILLIARD) with respect to other countries. There is nothing in this legislation; there is nothing in existence that gives us the least assurance that after spending $100 million, or any other amount, these foreign countries are going to put into effect effective measures with respect to ecology, environment, or anything else. As a cold, hard matter of fact, there is no assurance to be found anywhere in the hearings or in the report that great land masses of Soviet Russia or Red China—and, of course, a much smaller land mass, but the highly populated industrial area of Japan—are going to do anything in this regard. Moreover, I see nothing in the report or in the hearings to indicate that Soviet Russia is going to make any contribution to this cause, or is Red China, or any of the other so-called Communist satellite nations. There is one assurance—that the American public is about to be raped again.

I do hear talk this afternoon about this being a voluntary contribution. It sure as the devil is involuntary on the part of the taxpayers of this country, and you had better believe it. If the average American taxpayer had an opportunity to vote on this bill here today, committing this country to spend $40 million at the start, with $10 million in the coming fiscal year to get this outfit off the ground, it would be sunk without a trace. The taxpayers would never approve the spawning of another new handout program around the world.

In the name of all that is reasonable haven't we paid through the nose long enough and compelled our people for too long to contribute to these so-called voluntary funds for foreigners? I have no illusions about what is going to happen here today. The President wants this bill, and the House is going to roll over and play dead again and give the President what he wants, despite all of the protestations and all of the wailing and gnashing of teeth and bellyaching about delegated power to the President.

Read the bill. Page 2, lines 3, 4 and 5 state:

> . . . which amount is authorized to remain available until expended, and which may be used upon such terms and conditions as the President may specify . . .

Yes, go on wailing about the delegating of powers to the President and accuse him of usurping power. He is not usurping power. If the Members vote for this bill in its present form you will be giving him the power to spend another $40 million as he sees fit.

Howl to the housetops about Presidential impoundment of funds and then, as in this case, give him some more delegated power.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from California.

Mr. ROUSSELOT. I compliment the gentleman from Iowa for raising this point, Mr. Chairman. I am disturbed that the majority leader, the gentleman from Massachusetts, is not paying close attention to the thrust of these arguments, because it was just last week that he was complaining about how much power we were delegating away to the White House. I wonder today he is not complaining about this unwarranted delegation of authority. I am disappointed that the majority leader is not participating in this discussion.

I compliment the gentleman from Iowa for raising these several items of discrepancy in this legislation.

Mr. GROSS. I thank my friend from California.

How did the promoters of this new foreign handout arrive at the figures in this bill?

In the hearings we read the following exchange:

> Mr. Fountain. It seems like we always ask for things in millions, I never see anything in thousands any more.
>
> Mr. Herter. Congressman Fountain, first this is a proposal by the President that the U.N. establish a voluntary fund of $100 million for 5 years and the President has also said that he has thought our fair share should be 40 percent . . .

And again Mr. Fountain of North Carolina had the following exchange with Mr. Herter, Jr., a professional international promoter in the State Department:

> Mr. Fountain. I was curious to know how you arrived at $100 million.
>
> Mr. Herter. As I say, sir, I suppose you could call this somewhat arbitrary. However, it was the result of reducing estimates from U.S. agencies in all these fields, some 20 agencies, and their estimates came to 250 collectively.
>
> We said let's reduce this to a figure that at least is one that one can handle and that would appear to do the trick at the outset.

I emphasize the words "appear to do the trick at the outset"—in other words, eeny, meeny, miny, mo, they counted their toes and came up with the answer. Yes, these spenders said, let us get all the traffic will bear; all we think we can gouge out of the public to get this new organization off the ground.

Incidentally, for the information of the Members, I understand the headquarters is to be established in Nairobi, Kenya. Is that the case, Mr. Chairman?

Mr. FRASER. Mr. Chairman, if the gentleman will yield, yes. We would have preferred to have it in Iowa but we decided on Nairobi.

Mr. GROSS. But the arms of Amercans were twisted at the United Nations to the point where they had to agree to establish headquarters in Kenya.

Mr. FRASER. To be fair about it, the third world has not had too much participation in these U.N. activities.

Mr. GROSS. Is it true that only recently have they been able to install a few dial telephones in Nairobi?

Mr. FRASER. My understanding is they have very good communications systems out of Nairobi.

Mr. GROSS. So it is intended to establish a headquarters of an outfit that is going to cost the taxpayers of this country at least several hundred million dollars before we get through with it, on the basis of this start, and place that in an area where they have just obtained a few dial telephones.

Mr. Chairman, I will have an amendment to offer to this bill to cut it down to size and in conformity with the financial situation in this country which invites national bankruptcy.

Mr. MAILLIARD. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio (Mr. Miller).

Mr. MILLER. Mr. Chairman, I take this time to ask a question, hoping someone on the Foreign Affairs Committee can answer it. First, it is stated in the report that—

> The purpose of the Fund is to coordinate and support international environmental programs, particularly in the fields of identification and control of pollutants.

What authority would the United Nations have to require a nation to control its pollutants?

Mr. FRASER. Mr. Chairman, will the gentleman yield?

Mr. MILLER. I yield to the gentleman from Minnesota.

Mr. FRASER. Mr. Chairman, this program is engaged essentially in monitoring, research, and information exchange. There are other international programs which are now wrestling with the problem of controlling pollution. One of the more significant ones would be the International Maritime Consultative Organization. The forthcoming Conference on the Law of the Sea would also be involved in establishing machinery to deal with some kinds of marine pollution. One of the ways these international organizations would be able to do their work effectively would be if there are some international base lines for standardization and monitoring systems established so they have accurate information on which to base whatever kinds of regulations they will try to develop.

That is really one of the major purposes of this United Nations Environmental Program, to establish international base lines and monitoring systems.

Mr. MILLER. But there would be no way for the United Nations to enforce the control of pollutants in any particular country, am I correct?

Mr. FRASER. If the gentleman is referring to internal pollution within a country, that is correct. Neither this organization, which has no regulatory authority, or any other existing international organization has any authority to deal with pollution confined inside national boundaries.

Mr. MILLER. Mr. Chairman, I thank the gentleman.

Mr. FRASER. Mr. Chairman, I yield 3 minutes to the gentleman from Louisiana (Mr. Rarick).

Mr. RARICK. Mr. Chairman, as I appreciate the bill before us, bearing the title of "United Nations Environmental Program," it seems to be just another of the inflationary administration programs that send millions of our taxpayers dollars abroad pursuing prestigious projects while depriving our people of similar programs. This trend has become a trademark of the administration.

The purpose of the bill, we learn from the hearings, is to establish a global monitoring system to measure environmental factors affecting human health, the atmosphere, the oceans, climate and terrestrial eco-systems.

Control of the purse strings of the fund will be vested in 58 member nations, with the United States contributing 40 percent or $40 million of the operational costs. Ten other developed countries have apparently agreed to contribute another $41 million. This leaves 47 member nations manipulating the voting control of the destiny of the organization, without agreeing to contribute a single penny.

Mr. Chairman, the hearings indicate that there was some disfavor expressed originally by the U.N. money lobby from the U.S. State Department concerning the selection of Nairobi as the headquarters. But just as they have done on most crucial General Assembly votes during the past few years, the African bloc vote bulldozed its position past the other nations. And Nairobi, in the emerging boondocks of Kenya, was selected over New York or Geneva because the "emerging nations" flexed their voting control over other countries' money can muscle in unison. This kind of bloc vote be expected to continue if the program goes into operation.

Any time the United States, which

contributes from 25 to 70 percent of the United Nations operations, represents a position unpopular with "emerging nations," whether in the 132-member General Assembly or the 58-member environmental program, we can expect to be out-voted by the bloc.

Based on its past performance, it is not surprising that the administration is in support of this oversized contribution from our people under the "noninflationary" assumption that we are contributing to salvaging the international environment. What about the environment of this country? It seems that any program that has an international name to it is hailed by the administration as a noninflationary investment in goodwill. But any bill tagged with a "domestic" label for similar purposes, is stamped with the kiss of impoundment and denounced as fiscally irresponsible legislation. The internationalists would lead us to believe that if it benefits the U.S. taxpayer, it is "irresponsible"; if it benefits foreigners, it is "goodwill." This doubletalk by the President just does not make good economic sense.

Already this year we have seen this same administration impound as "inflationary" the funds from the Clean Water Act and impound as "irresponsible" funds from the Land and Water Conservation Act. As recent as several days ago, the President vetoed the water and sewage bill, which would have been a dynamic factor in helping control environmental problems in rural America.

Many of the people of my State of Louisiana, whose land has been ravaged by floods, do not understand how the President can turn his back on programs to help them, while lavishing large sums of their money overseas where few Americans will benefit.

By no stroke of the wildest imagination can the foreign aid giveaways by the U.S. Government during fiscal year 1972 which reached the overwhelming total of $16,828,200,000 be considered fiscally responsible. This bill, Mr. Chairman, is yet another indication of the "America Last" foreign policy being recklessly pursued by the administration.

We have been informed that this week, for the second time in 15 months, this body is expected to again devalue our currency and debase our dollar. I, for one, cannot explain to the people I represent how this Congress in good faith can vote to spend $40 million of their money on an unproven, high-sounding scheme controlled by 47 emerging foreign nations, while chipping away at and devaluing their dollars.

I shall cast my people's vote for true fiscal responsibility, and against this bill.

Mr. BAKER. Mr. Chairman, will the gentleman yield?

Mr. RARICK. I yield to the gentleman from Tennessee, Mr. Baker.

Mr. BAKER. Would the gentleman have any information as to the amount which Kenya is going to contribute to this fund, which is the place where the headquarters will be located?

Mr. RARICK. Kenya is called an emerging nation and therefore may not be expected to contribute since it is not polluted as yet.

I believe I am correct. The hearings show that Kenya has not agreed to contribute one cent except to provide a site for office space.

Mr. VANIK. Mr. Chairman, I have supported in the past and will continue to support multinational efforts through the United Nations to improve the world's environment. However, I am concerned that the commitment we express today is too shallow to meet the grave challenges that face us today. The pollution of our earth's water and air has grown to frightful proportions.

The National Oceanic and Atmospheric Administration recently made surveys of the Atlantic Ocean. The NOAA report was shocking: several of the research ships encountered pollution so thick that their nets were tangled with a spaghetti-like mass of oily globs. One ship, *Albatross IV*, reported being surrounded by globs of oily substance 75 percent of the time.

Oil is not the only problem. Plastic debris in massive proportions contaminates bodies of water throughout the world.

It is clear that our earth faces a grave challenge. This Nation, as the most prosperous in the world, assumes a special responsibility in meeting the challenge—with the direction we take, others will soon follow.

I am afraid that few of us realize completely the magnitude of the problem and the inadequacy of our past response. We have been all too willing—as with many other special problems we confront—merely to throw money around in hopes for an adequate solution. Events in recent years have taught us the inadequacy of this approach.

We must not allow our commitment to the world's environment to stop with a $40 million check. As world leaders, we must be willing to seek new solutions to the vexing problem of worldwide pollution. Our present energy crisis is in many respects the acid test of our capacity to respond creatively with new direction. The issues of energy and the environment are closely interrelated for very simple reasons: Economic growth requires energy; and the production and use of energy has an unavoidable impact on the environment.

In recent years these issues have become more and more visibly linked. The Alaskan pipeline, the Santa Barbara oil spill, the vital matter of strip mining, all have been embroiled in the energy versus environment struggle. Unfortunately, the controversy has been too often distorted to an economic growth versus no-growth argument. The reconciliation of energy and environment should not be thought of in these terms. The issue, quite simply, is not whether we as a nation and the rest of the world will grow economically; the issue is how we choose to grow in the future.

Despite the mistakes of the past, it still appears true that economic growth—as measured in per capita GNP—does work to improve the general welfare. However, given this fact, there remain many alternative paths to growth.

In the years immediately after World War II, the United States experienced a tremendous technological expansion—new productive technologies led to a number of new products such as plastics, synthetic fertilizers, and detergents. The production—and consumption—of these materials helped us to live a little easier and more comfortably. However, we are only now seeing that the real cost of these materials—in terms of their degradation of the environment—is greater than we were originally aware. In fact, the environmental movement has grown largely out of an effort to put a price tag on those resources—air, land, and water—which heretofore had been, for virtually all intents and purposes, free.

Technological advancement is not good or bad; it is neutral. Mankind decides what rewards technology will reap and what challenges it will conquer. In short, the decision to pollute or not to pollute is one we must all make. If we value the land we stand on, the air we breath and the water we drink, we must learn the importance of guarding these resources from careless assault. This will mean, in most cases, paying more for those products which we enjoyed in the past. But this additional price is not a cost to us as consumers as much as an investment in a better environment.

The United States is presently at the crossroads. The energy shortages of last winter and this spring have presented us with questions which reach to the core of our economic system. Will we continue attempting to supply our voracious appetite for petroleum products despite the environmental risks of the trans-Alaskan pipeline and drilling on the Outer Continental Shelf? Or will we make a serious effort to reduce significantly our careless waste of resources? Will we begin seriously to consider alternative energy sources which present small environmental risks? Or will we continue headlong into an atomic program whose risks we have neither carefully assessed or thoroughly researched?

Any solution to our energy problems must include three complementary solutions: the first is the development and use of improved pollution control devices; the second is the development of clean energy sources such as solar energy and the gassification of coal; and the third is the improvement of efficiency in energy use and the elimination of wasteful consumption.

We have a unique opportunity before us to strike out a new direction in the production and use of world resources. Energy shortages have focused our interest on fossil fuels, but other raw materials are also in a critical state. Recycling technologies must be developed and implemented.

All of this lies ahead of us. We are capable of leadership in the abatement of worldwide pollution. But that position of leadership requires that we go beyond the steps we have taken here today.

Mr. REID. Mr. Chairman, I rise in support of the bill, which would authorize a voluntary contribution of $40 million by the United States to the United Nations Environment Fund, not more than $10 million of which could be authorized for fiscal year 1974.

As a member of the subcommittee that heard testimony on this legislation from a variety of witnesses, I want to note that I support the bill as reported from committee for a number of reasons.

First, H.R. 6768 is a fitting fulfillment of the goals enunciated by many nations at the Stockholm Conference.

Second, it represents our involvement in a multilateral, worldwide effort to clean up our environment, specifically in the fields of identification and control of pollutants, monitoring, conservation, human settlements, information, exchange, education, training, and research.

Finally, I would point out that drastic reductions in the authorizations along the lines that some suggest today would in my view discredit and cast serious doubts not only on our commitment to the environment, but also on our very commitment to the United Nations.

I support the committee bill and urge my colleagues to oppose the crippling amendments being offered.

Mr. FRASER. Mr. Chairman, I have no further requests for time.

Mr. MAILLIARD. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "United Nations Environment Program Participation Act of 1973".

SEC. 2. It is the policy of the United States to participate in coordinated international efforts to solve environmental problems of global and international concern, and in order to assist the implementation of this policy, to contribute funds to the United Nations Environmental Fund for the support of international measures to protect and improve the environment.

SEC. 3. There is authorized to be appropriated $40,000,000 for contributions to the United Nations Environment Fund, which amount is authorized to remain available until expended, and which may be used upon such terms and conditions as the President may specify: *Provided,* That not more than $10,000,000 may be appropriated for use in fiscal year 1974.

AMENDMENT OFFERED BY MR. GROSS

Mr. GROSS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GROSS: On page 2, strike all of Section 3 and insert in lieu thereof the following:

"SEC. 3. There is authorized to be appropriated not more than $2,500,000 for contributions to the United Nations Environment Fund for use in fiscal year 1974."

Mr. GROSS. Mr. Chairman, this is not a complicated amendment. It simply strikes out the $40 million that this bill would commit the taxpayers of this country to put up for the future, and it would strike out the language that the money may be expended on such terms and conditions as the President may specify. It would give to this budding organization $2.5 million, or 25 percent of the $10 million which the bill would provide for fiscal year 1974.

I hope there are those in the House of Representatives who will want to consider, in voting on the amendment, that it strikes from the bill the specification that the President can spend the money as he sees fit.

And I am sure every Member of the House is well aware today of the financial chaos here and around the world.

I am also sure most Members know that the bill to validate the devaluation of the dollar, the devaluation that was announced on February 12, has been eliminated from consideration for this week, and that is apparently because of the sour climate in which to bring that bill to the floor of the House.

With gold on the world money markets to more than $100 per ounce and the American dollar plunging to new lows it would look more than a little funny to bring up a bill to increase the price of what gold the United States still holds by only $4.22 an ounce.

It was the devaluation that brought these things about. The climate, I say again, is not favorable for bringing that bill before the House now.

And, in view of what is going on in this country today the mounting debt, deficit and inflation, the climate should not be favorable for bringing up this kind of a bill; to start off a new international organization with a commitment to spend $40 million. As the gentleman from Louisiana (Mr. RARICK) pointed out, at a time when we are cutting back on programs here at home, this is not the time to launch another brand new foreign organization on a hand-out program with no indication as to what the result may be. It is throwing more money out of the door.

Mr. Chairman, I yield back the balance of my time.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. GROSS. Yes, I yield to the gentleman from California (Mr. ROUSSELOT).

Mr. ROUSSELOT. Mr. Chairman, I wish to associate myself with the remarks of the gentleman from Iowa (Mr. GROSS) on his amendment.

I think that more and more Members are beginning to appreciate the strong role the gentleman from Iowa plays in trying to point out the importance of these bills that come to us rather quickly, without a full consideration, and the tremendous impact that these types of bills collectively have on the inflation problem; especially when we spend it so willy-nilly overseas. This limitation is in line with the 25 percent concept developed by the Appropriations Committee.

Mr. Chairman, I support the gentleman's amendment.

The CHAIRMAN. The time of the gentleman from Iowa (Mr. GROSS) has expired.

(By unanimous consent, Mr. GROSS was allowed to proceed for 1 additional minute.)

Mr. GROSS. Mr. Chairman, I do not know what prompts the President in supporting a bill of this kind, in view of his activities with respect to the impounding of funds for domestic purposes and in view of the cutbacks and cut-offs of other funds. I do not know what prompts him. All I am trying to do in a small way here today is to save him from himself.

I urge the adoption of my amendment.

Mr. DENT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, most of us over the years have tried to understand our role on the international scene. We have tried as we have gone along, I think, to contribute not only our share but much more than our share. But in those days we were indeed a rich nation; we are no longer a rich nation. Probably, if measured, we are the poorest nation on the face of the earth today.

It might interest the Members to know that the stock market has just dropped down to 900. That is the barometer of the condition of the economy of this country of ours.

Mr. Chairman, certainly we want to join hands with all good people all over the world to do something about environmental corrections that are needed in the ecology of this world of ours.

But by their own admission they say this has nothing to do with the international environmental problems of our brother nations in the United Nations, and yet everything that they drop in their rivers naturally comes into our oceans. You cannot stop environmental damage and dangers by picking out one source at one point.

Mr. Chairman, how many men and women in this world have any idea of what it is going to cost this Nation for its own environmental corrections that are needed so badly? The things that we need in this country amount to billions upon billions of dollars. Untold amounts of money are needed to make us safe from the ravages of floods, the dangers of air pollution and water pollution, and the change in the ecology that may mean something serious to all our children and our children's children.

This is for $40 million today, and just a few days ago the Emergency Employment Act was vetoed. What was that meant to do? It was meant to give these kids coming home from Vietnam a little bit of a stop-gap income, to get tailored back into the American job economy. Money is impounded which was for necsary programs that this Congress measured to be the needs of this country.

Mr. Chairman, on one hand I am getting a great deal of criticism for being a spender, and the President is supposed to be the saviour. Yet no one seems to recognize that spending can take many forms. If you make it sound good, it becomes holy, but in the end the sin is assessed against the people of these United States.

Mr. Chairman, I was home for the election, and just this week it was announced that two little school districts had to raise the price of the school lunch by better than 12½ percent. Every day I turn and you turn around and you get a complaint from somebody that their taxes are going up locally, statewide, and federally and that costs are going up and prices are climbing.

We are no longer a rich nation. Let us declare that right now. We are not a have nation; we are a have not nation. Over $80 billion of American money is floating around the world and raising the price of gold to an unprecedented figure. A third devaluation is in the making. We have become a nation of raw goods producers like a colony of a manufacturing and a producing nation.

Every war that has ever been started for liberation started against the mother country, because it kept the colonies producing the raw materials and turned back the job-giving production of manufactured and semimanufactured goods.

Yes. You can fight and fight to win your liberty, as we did against the English, but now we cannot fight because we have become a colony to the whole world. We are producing raw goods and foodstuffs at prices that we pay a premium to produce with billions of dollars of subsidies so that they do not have to devote their time to the growing of foodstuffs.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. Dent was allowed to proceed for 1 additional minute.)

Mr. DENT. They can devote their time to processing what we send them. Only 45 percent of the shoes worn by Americans are produced in the United States. Why? Because we sell our raw hides so that others can produce our shoes.

You ask about what unemployment is. I will tell you what unemployment is: the greatest number of nonproducing individuals by percentage and number anywhere in the world at any time since the beginning of the world. There are 26 million under social security, 14 million under welfare, 3 million on private pension systems, and 10 million attached to the Department of Defense, with funds coming out of the Department of the Treasury. Forty cents out of every dollar a worker earns is gone before he gets to spend it. If you measure the damage done to the stocks held by Americans, many of them older citizens and dependent upon some kind of a dividend to keep them from going on relief, you will see what happens. Any situation that keeps every person on a minimum wage today in this country puts them into a welfare role. Yet we cannot raise that because they say it is inflation. If you give $40 million in wage increases, it is inflation, but you take $40 million and put it into this kind of a thing, and it is not inflation. Someone straighten me out, will you?

Mr. FRASER. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I agree with much of what the gentleman from Pennsylvania has said about the problems we are having in this country, but I would like to address myself to the amendment.

The amendment offered by the gentleman from Iowa (Mr. Gross) would cut this year's contribution by 75 percent. The amount in the bill is the amount that the President put in his budget, $10 million for the year 1974. We have already told the committee that there is a large number of countries which on the strength of what the President proposed had already made commitments exceeding $41 million over the next 5 years, including the principal NATO allies of this country.

On a matter which is as simple and understandable as trying to deal with world environmental matters, on a matter which does not threaten to involve us in international military ventures but is designed to advance peace and cooperation among nations; on the matter of trying to deal with the environment of the planet on which we are all stuck, if we decide not to expend a modest amount of money which was urged by the Chief Executive and approved in principle by the House last year and if we are going to turn our backs on that, then indeed the countries around the world are going to wonder what is wrong with the United States and whether we are really a part of the world community and prepared to behave responsibly.

I think that is essentially the issue. I do not know how much ought to be spent on the problem of worldwide pollution or protecting the environment around the world. Maybe we do not have to spend anything; maybe pollution is not a problem; perhaps we can just let things go and drift, and our world and our country will be all right. But the best-informed people that we have heard from say that there is a need for this program. And I do not believe that organizations like the Audubon Society who strongly supported this bill, or the Sierra Club, who strongly support this bill, or the Conservation Foundation, who strongly supported this bill, and others, would have urged support for this bill if they did not think it was needed. Of course, they all said that it was too small, but they said that we needed it, and this reflected their own considered judgment that we do have an environmental problem and that we do have national and international pollution.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. FRASER. I will not yield to the gentleman from Iowa until I am through.

We do need to be a responsible part of the world community. The Stockholm Conference was one of the most worthwhile international conferences that we have participated in, and it came out in support of some very wise and sensible recommendations; this is one of them.

The General Assembly has approved it. And to say now in effect that we do not care what the President said, and we do not care what the conservationists or the environmentalists in the United States think about this, and that we do not care about the testimony we heard, and that we cannot afford $10 million to carry out our share in this new international undertaking, I think is a very unreasonable position indeed.

So, Mr. Chairman, I would hope that the amendment offered by the gentleman from Iowa (Mr. Gross) would be rejected.

I do not happen to agree with the President on a lot of things he does, but in this case I do agree with him, and I am prepared to support the position he has taken on this issue, and I hope that the committee will do so as well.

Mr. WYLIE. Mr. Chairman, I move to strike the requisite number of words.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. WYLIE. I will be glad to yield to the gentleman from Iowa.

Mr. GROSS. Mr. Chairman, I thank the gentleman for yielding, and I should like to ask the gentleman from Minnesota a question:

Can the gentleman from Minnesota categorically state that there is any other parliamentary body or legislature that has taken action to commit themselves to any part of the $100 million for this purpose?

Mr. FRASER. Mr. Chairman, if the gentleman from Ohio (Mr. Wylie) will yield, the information I have is that 10 countries, again, Australia, Canada, Finland, France, Federal Republic of Germany, Japan, Netherlands, New Zealand, Sweden, and the United Kingdom, have announced their intentions to contribute amounts totaling $41 million.

Mr. GROSS. I have read the report. That does not answer the question. The report says only that the countries you have named have announced only an intention.

Could there not just be one time in the history of this Congress when some other country would initiate a foreign aid program rather than the United States? Could not we just once wait to see what they actually will put up?

The gentleman from Minnesota has not answered the question, and he cannot, I do not believe, categorically state that they have taken action as is proposed here today to commit one branch of this Congress to the expenditure of $40 million for this new and untried purpose?

Mr. FRASER. I believe I can answer that if the gentleman will yield.

Mr. GROSS. No, I cannot yield to the gentleman. The gentleman did not yield to me, but more specifically because the gentleman from Ohio has control of the time.

Mr. FRASER. Mr. Chairman, will the gentleman yield?

Mr. WYLIE. I yield to the gentleman from Minnesota.

Mr. FRASER. Mr. Chairman, I thank the gentleman for yielding.

There are two observations that I would like to make. First, in most of these other governments they do not have the tangle between the government and the parliaments that we often get into. If the government announces it is proposing to do something, in general their legislative bodies support them in that purpose. But, the more important point is that we are not going to match more than 40 percent. If there are not enough contributions to make up the other 60 percent, we will be reducing our contributions accordingly. So that there is no problem there.

Further, I do not believe there is any difficulty about these other countries fulfilling their commitments but, if there is, then our portion would be cut back.

Mr. WYLIE. Mr. Chairman, I should like to pursue that point for just a moment. I think the gentleman from Iowa makes an excellent point in this regard. We have never required the other countries to put up their money in advance or, indeed, simultaneously with our contributions, as I have suggested earlier, and so many of the countries become in arrears, and we try to pick up the difference all the time. It seems to me this ought to be a voluntary simultaneous-contribution arrangement, and I wonder if any thought has been given to the idea of putting the money in escrow until the other countries put up their money, or put on deposit in such a way so that in effect the contributions of all countries could be spent simultaneously. Was that discussed at all in the committee?

Mr. FRASER. If the gentleman will yield further, the practice, as I understand it, is we do not make the money available until it is actually required. We give a form of commitment but not the money until it is actually required for expenditure.

Mr. WYLIE. How do we get in the position, then, of putting up our money and finding other countries in arrears with respect to U.N. contributions?

Mr. FRASER. The fact is none of the large countries, which make up the bulk of these organizations, have been in arrears except France and the Soviet Union because of the argument over peacekeeping costs. We are late in our contributions. They are due in January, and we do not usually pay them until along about October, so we are usually at the end of the year rather than at the front end of the year.

We are late, and this is one of the problems that the U.N. itself is having in its cash flow.

In any event, the President made it very clear. We are not going to go over 40 percent of what is actually contributed, so if less is contributed than expected, our proportion will go down correspondingly.

Mr. WYLIE. I thank the gentleman.

Mr. SHUSTER. Mr. Chairman, will the gentleman yield?

Mr. WYLIE. I yield to the gentleman from Pennsylvania.

Mr. SHUSTER. I should like to address a question to the gentleman from Minnesota (Mr. FRASER). As I understand what the gentleman just said, if other nations do not put their proportionate amount in, we will reduce our amount accordingly?

Mr. FRASER. That is right.

Mr. SHUSTER. Yet the proposed bill does not say that. I will at a later time be offering an amendment to do just that, and I will assume, then, that the gentleman will support my amendment.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. WYLIE. I yield to the gentleman from Iowa.

Mr. GROSS. Where is it provided in the bill that if they do not put up their money, the U.S. contribution will be reduced to that extent? What provision is there in the legislation for that?

Mr. FRASER. Is the gentleman addressing his question to me?

Mr. GROSS. Yes, or to anyone who can answer it.

Mr. FRASER. The President has made it very clear in his transmittal of the bill and in the undertakings that were made throughout that the United States will match at only a 40-percent level.

Mr. GROSS. The gentleman knows very well that that is not a good answer. What the President intends and what happens can be two very different things. There is no valid assurance.

Mr. SHUSTER. Mr. Chairman, will the gentleman yield?

Mr. WYLIE. I yield to the gentleman from Pennsylvania.

Mr. SHUSTER. Will the gentleman from Minnesota support such an amendment?

Mr. FRASER. Subject to further scrutiny, it would certainly seem to carry out what the President's commitment is.

Mr. SHUSTER. I thank the gentleman.

Mr. MAILLIARD. Mr. Chairman, I rise in opposition to the amendment. I do not want to take a lot of time. I think everybody knows what the issues are, but there is a whole lot of misinformation, it seems to me, floating around.

In the first place, this bill, if it is passed—and I hope it will be and I hope this amendment will be defeated—merely carries out in authorizing law what the President proposed. The money still has to be appropriated. The money is not going to be suddenly put into the U.N. Fund if other countries do not put in their contributions.

The idea that we are suddenly here tossing $10 million into a fund that has no other money in it just is not going to happen.

If the gentleman who proposed to offer an amendment to put this into the law and if it is properly drawn I see no objection to it because that is our practice.

The gentleman a few moments ago was talking about arrearages. We cannot have arrearages in a voluntary contribution fund. We have arrearages only in funds that are asssessed for the operation of the United Nations. The voluntary funds are voluntary, where we agree to do it. We have a commitment to do it but we cannot be called in arrears on something that we have agreed voluntarily to do. That refers only to assessed U.N. budget amounts.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. MAILLIARD. I yield to the gentleman from California (Mr. ROUSSELOT).

Mr. ROUSSELOT. I appreciate the gentleman from California (Mr. MAILLIARD) yielding.

The gentleman makes the point that this is just an authorization.

Mr. MAILLIARD. I did not use that phrase.

Mr. ROUSSELOT. But that is the implication.

Mr. MAILLIARD. It is not an appropriation. That is what I said.

Mr. ROUSSELOT. And the problem with this authorization is that when the Appropriations Committee comes to us, they say the constant problems with which they are confronted is the House has continually overauthorized and overpromised and that there just is not enough money to go around for all these over promised programs. The money is going to an international fund. There is some reasonable doubt in the minds of some of us as to how the money will be spent on the basis of other international funds of like type in which we have been asked to participate and therefore we should support this proper limitation.

Mr. MAILLIARD. Mr. Chairman, I decline to yield any further.

I will say to the gentleman, he is perfectly entitled to be opposed, but that does not detract from the fact that the gentleman from Louisiana (Mr. PASSMAN) is not particularly inclined to give a blank check. He looks to see whether this money is actually needed before he puts it in an appropriation bill. This bill says that not more than $10 million could be appropriated, and it could be considerably less.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. MAILLIARD. I yield to the gentleman from California (Mr. ROUSSELOT).

Mr. ROUSSELOT. Mr. Chairman, the only point I was trying to make is that is why the amendment offered by the gentleman from Iowa (Mr. GROSS) makes sense, because it really is in keeping with the formula we have developed in our Appropriations Committee in recent years. Since a $10 million authorization is being called for in this bill for fiscal 1974, the $2.5 million limitation is in keeping with the concept of a 25-percent contribution for this year.

Mr. MAILLIARD. On the contrary, it is not.

Mr. Chairman, I decline to yield any further.

Mr. ROUSSELOT. Mr. Chairman, I thank the gentleman for yielding.

Mr. MAILLIARD. Mr. Chairman, that is not 25 percent. The proposal is for $100 million over 5 years, so the first year's contribution of $2.5 million would be 12½ percent.

Mr. DERWINSKI. Mr. Chairman, will the gentleman yield?

Mr. MAILLIARD. I yield to the gentleman from Illinois.

Mr. DERWINSKI. Mr. Chairman, I think the point should be made that we have had the practice, even though it is not spelled out in this bill before us, that our contribution has been directly related to the degree to which other countries have made their contributions. This has been the case in the Cyprus peacekeeping force and other programs. The practice is that if other nations are not contributing we will be holding back a suitable amount. There is no fear we will contribute our $10 or $40 million over a period of time and that no other nation will contribute a penny. That just does not happen.

Mr. GUDE. Mr. Chairman, will the gentleman yield?

Mr. MAILLIARD. I yield to the gentleman from Maryland (Mr. GUDE).

Mr. GUDE. Mr. Chairman, I thank the gentleman for yielding.

Certainly this legislation has been well thought out. I oppose the amendment as I believe the administration has made a good, clear case for its enactment as reported from committee. This legislation is the culmination of work which was done at the United Nations Conference on the Human Environment which I attended as a representative of the Conservation and Natural Resources Subcommittee of the House Government Operations Committee.

The Stockholm Conference was the first international effort by all nations to consider and to begin to resolve some of the important, common environmental issues facing all mankind.

Despite this noble goal, some of the human frailties of greed, indifference and ignorance which have produced the world's environmental plight were exhibited, in varying degrees, by all of the nations at Stockholm.

The developed nations, while admitting to their sins of environmental neglect, demonstrated some reluctance to make the investment of resources necessary for the type of cleanup to which their citizens are entitled.

Correspondingly, some of the developing nations seemed to follow the illogic that two wrongs make a right—that they have an equal right to pollute while they go through their period of development and that they need not comply with the rules of cleanup until after they have obtained their rightful share of the world's affluence.

We in Government realize that these

attitudes are to be expected, but it is also clear that they must be changed. For this reason, I feel it is vital that the United States place its full support behind the United Nations Environment Fund.

The purpose of the fund is to coordinate international environmental programs in such areas as the identification and control of pollutants, monitoring, conservation, information exchange, education, training, and research.

The Nixon administration is to be highly commended, Mr. Chairman, for its interest and initiative in backing this program. In his message to Congress on the environment in 1972, Mr. Nixon proposed that an environmental fund be established with an initial funding of $100 million during the first 5 years. Subsequently, the President established, subject to congressional approval, the U.S. fair share of the fund, up to $40 million on a 40–60 matching basis.

Following the President's foresighted lead in this area, other nations have pledged matching funds and I understand that the $100 million goal is quite within reach. I, therefore, urge my colleagues in the House to approved H.R. 6768 and join in this first step toward a coordinated internation environmental program.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa (Mr. Gross).

The question was taken; and on a division (demanded by Mr. Gross) there were—ayes 42, noes 46.

RECORDED VOTE

Mr. GROSS. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 164, noes 216, not voting 53, as follows:

[Roll No. 143]

AYES—164

Abdnor
Alexander
Andrews, N.C.
Andrews, N. Dak.
Archer
Armstrong
Ashbrook
Bafalis
Baker
Beard
Bennett
Bevill
Blackburn
Bowen
Bray
Breaux
Brinkley
Brooks
Broyhill, N.C.
Burgener
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Camp
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Cochran
Collier
Collins
Conlan
Daniel, Dan
Daniel, Robert W., Jr.
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Delaney
Dennis
Dent
Devine
Dickinson
Donohue
Dorn
Downing
Dulski
Duncan
Eshleman
Evins, Tenn.
Fisher
Flynt
Fountain
Froehlich
Fuqua
Gaydos
Gettys
Ginn
Goldwater
Gonzalez
Goodling
Gross
Grover
Gunter
Haley
Hammerschmidt
Hanley
Hanrahan
Harsha
Henderson
Hinshaw
Holt
Huber
Hudnut
Hunt
Hutchinson
Ichord
Johnson, Pa.
Jones, N.C.
Jones, Tenn.
Kazen
Kemp
Kuykendall
Kyros
Landgrebe
Landrum
Latta
Litton
Long, Md.
Lott
McEwen
Macdonald
Mahon
Martin, Nebr.
Martin, N.C.
Mathis, Ga.
Michel
Milford
Miller
Mills, Ark.
Mills, Md.
Mitchell, N.Y.
Mizell
Mollohan
Montgomery
Moorhead, Calif.
Myers
Nichols
Pickle
Poage
Powell, Ohio
Price, Tex.
Quillen
Rarick
Roberts
Robinson, Va.
Rogers
Roncallo, Wyo.
Roncallo, N.Y.
Rose
Rousselot
Runnels
Ruth
Satterfield
Scherle
Schneebeli
Sebelius
Shuster
Sikes
Slack
Snyder
Spence
Staggers
Steed
Steelman
Steiger, Ariz.
Stephens
Stratton
Stuckey
Sullivan
Symms
Thornton
Tiernan
Towell, Nev.
Treen
Veysey
Waggonner
Walsh
Wampler
Ware
White
Whitten
Wiggins
Wylie
Young, Alaska
Young, Fla.
Zion
Zwach

NOES—216

Abzug
Adams
Addabbo
Anderson, Calif.
Annunzio
Arends
Ashley
Aspin
Bell
Bergland
Bingham
Blatnik
Boggs
Boland
Bolling
Brademas
Brasco
Breckinridge
Broomfield
Brotzman
Brown, Mich.
Brown, Ohio
Broyhill, Va.
Buchanan
Burke, Calif.
Burton
Carey, N.Y.
Carney, Ohio
Chisholm
Clay
Cleveland
Cohen
Conable
Conte
Conyers
Corman
Coughlin
Culver
Daniels, Dominick V.
Danielson
Dellenback
Dellums
Derwinski
Diggs
Dingell
Drinan
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Erlenborn
Evans, Colo.
Findley
Fish
Flood
Flowers
Foley
Ford, Gerald R.
Ford, William D.
Forsythe
Fraser
Frelinghuysen
Frenzel
Fulton
Giaimo
Gibbons
Gilman
Grasso
Griffiths
Gubser
Gude
Guyer
Hamilton
Hansen, Idaho
Hansen, Wash.
Harrington
Harvey
Hastings
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Hillis
Hogan
Holifield
Holtzman
Horton
Hosmer
Hungate
Jarman
Johnson, Calif.
Johnson, Colo.
Jones, Ala.
Jones, Okla.
Jordan
Karth
Kastenmeier
Keating
Ketchum
Kluczynski
Koch
Leggett
Lent
Long, La.
Lujan
McClory
McCollister
McCormack
McFall
Madden
Madigan
Mailliard
Mallary
Mann
Maraziti
Mathias, Calif.
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Minish
Mink
Minshall, Ohio
Mitchell, Md.
Moakley
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Natcher
Nedzi
Nelsen
O'Brien
O'Hara
O'Neill
Owens
Parris
Patten
Pepper
Perkins
Pettis
Pike
Podell
Preyer
Price, Ill.
Pritchard
Quie
Railsback
Randall
Rangel
Rees
Regula
Reid
Reuss
Rhodes
Rinaldo
Robison, N.Y.
Rodino
Roe
Rosenthal
Roush
Roy
Roybal
Ruppe
Ryan
Sandman
Sarasin
Sarbanes
Saylor
Schroeder
Seiberling
Shipley
Shoup
Shriver
Sisk
Skubitz
Smith, Iowa
Smith, N.Y.
Stanton, J. William
Stanton, James V.
Stark
Steele
Steiger, Wis.
Stubblefield
Studds
Symington
Talcott
Taylor, N.C.
Teague, Calif.
Thompson, N.J.
Thomson, Wis.
Thone
Udall
Ullman
Vander Jagt
Vanik
Vigorito
Waldie
Whalen
Whitehurst
Widnall
Wilson, Bob
Wilson, Charles H., Calif.
Winn
Wolff
Wright
Wyatt
Wydler
Wyman
Yates
Young, Ga.
Young, S.C.
Young, Tex.
Zablocki

NOT VOTING—53

Anderson, Ill.
Badillo
Barrett
Biaggi
Biester
Brown, Calif.
Carter
Clark
Cotter
Crane
Cronin
Denholm
Eilberg
Esch
Fascell
Frey
Gray
Green, Oreg.
Green, Pa.
Hanna
Hawkins
Hays
Hébert
Hicks
Howard
King
Lehman
McCloskey
McDade
McKay
McKinney
McSpadden
Mayne
Moorhead, Pa.
Morgan
Nix
Obey
Passman
Patman
Peyser
Riegle
Rooney, N.Y.
Rooney, Pa.
Rostenkowski
St Germain
Stokes
Taylor, Mo.
Teague, Tex.
Van Deerlin
Williams
Wilson, Charles, Tex.
Yatron
Young, Ill.

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. WYLIE

Mr. WYLIE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Wylie: Page 2, strike out lines 1 through 7, and insert in lieu thereof the following:

Sec. 3. There are authorized to be appropriated $5,000,000 for the fiscal year 1974, for contributions to the United Nations Environment Fund, which may be used upon such terms and conditions as the President may specify.

Mr. WYLIE. Mr. Chairman, this amendment is an effort to conform this bill today to a law which this Congress passed on October 25, 1972, and which is included as a part of Public Law 92–544. In that law it says:

For expenses not otherwise provided for necessary to meet annual obligations—

And so forth—

Provided, however, That after December 31, 1973, no appropriation is authorized and no payment shall be made to the United Nations or any affiliated agency in excess of 25 per centum of the total annual assessment of such organization.

In this bill we are specifying that the United States will put up 40 percent, which is in direct contravention and contrary to the language of the law which we just passed last year.

We are in the habit of making exceptions to rules and laws in this House, but we had adequate debate on this provision over a period of several years. It was finally decided that this Congress should speak up and say that no further appropriations will be made in excess of 25 percent, which is an adequate amount, it seems to me, since we do not have anywhere near that kind of influence in the United Nations.

There is no question but this bill has a laudable aim and purpose, and I support the thrust and the intent of the bill.

My amendment would simply say that the United States is now following the law which we passed last year, and would in effect make our contribution 25 percent for fiscal year 1974.

What is wrong with that, Mr. Chairman?

Maybe some of the Members voted against the Gross amendment because they thought the cut was too big but, on the other hand, I do not think we should come right back, after we passed this law just last year and suggest that we should now increase our contribution to that organization to 40 percent, because if we do then we are right back in the same old hassle we had before we passed the law to which I just referred and each time another appropriation comes before this House for the United Nations we are going to make exceptions to that rule.

So I think, Mr. Chairman and members of the committee, that this is an amendment we can all support. It merely confirms again what we said last year, that we think that the other nations of the world ought to share in this effort.

As I said, I think the environmental protection aspects of this legislation are laudable, and for that I applaud the committee in bringing this bill out. I did not receive any good justification in answer to my questions as to how the committee came up with the figure of 40 percent for the United States, and 60 percent for the other nations involved, so I am saying why do we not use the 25-percent formula we approved last year?

Mr. HUNT. Mr. Chairman, will the gentleman yield?

Mr. WYLIE. I yield to the gentleman from New Jersey.

Mr. HUNT. Mr. Chairman, I thank the gentleman for yielding. I would state to my learned colleague, the gentleman from Ohio (Mr. Wylie) that I note in the gentleman's amendment in the last two lines of the amendment, after "United Nations Environment Fund," it says "which may be used upon such terms and conditions as the President may specify."

Would my colleague be amenable to striking that last portion of his amendment? I think the first portion of the gentleman's amendment is an excellent amendment.

Mr. WYLIE. I understand the thrust of the question propounded by the gentleman from New Jersey, and that is that again the House of Representatives is delegating to the President authority in the matter of how the money can be used. That argument was made by the gentleman from Iowa (Mr. Gross). However, I would like to have that language remain in this amendment because I think it would be more agreeable and more acceptable to the Members of this body. Someone has to decide how the money is going to be used, and I believe that that the President is in a better position to do this than anyone else. I do not believe it is feasible, in other words, for this U.N. organization to come back to the Congress at every whipstitch and ask authority to spend the money in the area of control of international environmental protection.

Mr. HUNT. If the gentleman will yield further, I do not believe that is the situation we have on this, but I am a little bit puzzled as to how the President can specify how the United Nations can do anything.

Mr. WYLIE. I understand that.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

(By unanimous consent, Mr. Wylie was allowed to proceed for 1 additional minute.)

Mr. WYLIE. Mr. Chairman, I understand what the gentleman from New Jersey is saying, but really all I want to do with my amendment is to make it conform to the statute which we passed last year. In other words, I want to get back to the 25-percent allocation for the United States and the 75 percent for the other nations of the world formula, and not now make this exception which would increase our contribution to 40 percent.

Therefore I would urge my colleagues to support my amendment.

Mr. FRASER. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Ohio (Mr. Wylie).

Mr. FRASER. Mr. Chairman, the thing that puzzles me about this amendment is that it does not do what the author of the amendment says it is designed to do. What this amendment does—and I have just been up at the desk to check the amendment—is to cut the President's request by 87 percent, but it does not say a word about percentages; it just cuts the $40 million authorization for the next 5 years down to $5 million, but it says nothing about percentages at all, but even if you gave it the most liberal interpretation it would still be way under the 25 percent matching, for while the gentleman claims that it deals with the percentage contribution, in fact, the amendment is totally irrelevant to that. It is simply a cutting amendment, it is simply the same type of cutting amendment that was offered by the gentleman from Iowa (Mr. Gross) the matter that we have just voted on.

Mr. WYLIE. Mr. Chairman, will the gentleman yield?

Mr. FRASER. I yield to the gentleman from Ohio.

Mr. WYLIE. I am using the language from the bill which is before this House today. Additionally, I am reading language from the report which accompanied H.R. 6768. The report says that the United States will make a contribution of $40 million over a period of 5 years, and that this amount represents a contribution of 40 percent. If we divide $40 million by 5 which would be for 1 year—and my amendment would apply only to fiscal year 1974—that would amount to $5 million, as far as the 25 percent figure is concerned. One-quarter of $100 million is $25 million, so what I am talking about is not 25 percent of the total amount; I am talking about 25 percent of the amount which would be contributed for fiscal year 1974 or ⅕ of $25 million. If we multiply $5 million per year by 5, for 5 years we arrive at the $25 million figure which is one-fourth of $100 million. I am using the language which the gentleman has put in his bill. There is no percentage figure in his bill either. It does not say 40 percent, 60 percent, but the report is very specific in calling for a 40–60 ratio of contributions.

Mr. FRASER. If I can make a point with the gentleman, even with his amendment, we can still make up the 40 percent of the amount of money that is provided. He does not deal with a percentage limitation. Moreover, there is absolutely no assurance whether this money is going to be spent at a uniform rate each year. Part of the problem is that the fund has to get under way, and whether that involves either a larger-than-usual or a less-than-usual expenditure is not clear.

The gentleman's amendment does not quote a percentage limitation. It cuts the $40 million to $5 million.

Mr. WYLIE. For 1 year. Will the gentleman yield for just one additional observation?

Mr. FRASER. I yield to the gentleman from Ohio.

Mr. WYLIE. The real reason why I offered my amendment is so that there will be a limitation of 25 percent as the maximum amount to be contributed by the United States. My amendment will require the other participating nations to put up their money before the end of the fiscal year—something not required in the past. So, if other nations contribute an amount which would equal 75 percent of the total amount necessary for fiscal year 1974, then our 25 percent can be utilized but we would make it clear that our contribution will not go above $5 million for fiscal year 1974. This would give us an opportunity to establish a track record to see if the other nations are sincere about this and if they do want to contribute to this new worldwide organization.

What I am saying is that the authorization should not be open ended, and that there ought to be a money limit placed on it, and that it should not exceed 25 percent of the total amount, and the other nations involved would be required to put up 75 percent, which is in accordance with the law we passed last year.

Mr. FRASER. I understand what the gentleman says he is trying to do, but he is not doing it this way.

Another thing, the countries may say if the United States is cutting back their amount of money, they are going to cut back, too, so we will still be faced with matching it at a 40 percent level, because the other governments have been told by the President that we are prepared to carry a 40 percent share. So the gentleman is not succeeding in his amendment in doing what he says he wants to do.

What I want to emphasize is he is simply providing a second version of the Gross amendment cutting the whole bill back.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. FRASER. I yield to the gentleman from Illinois.

Mr. YATES. The gentleman from Ohio read a provision of the appropriations law last year which limited contributions by the United States to U.N. and U.N. agencies to 25 percent. If there is no provision in this bill, we are changing that law. Does in fact that limitation still prevail, and are we not thereby limiting contributions to United Nations agencies to 25 percent?

Mr. FRASER. I say to the gentleman my understanding is that the 25-percent limitation applies to the assessed budget for the U.N. As I said earlier on the floor, both Ambassador Bush and Senator Gale McGee—who was one of our representatives in the U.N. last year—argued for the 25-percent provision with respect to the assessed budget. I want to underscore that it is to the "assessed," not voluntary contributions which the 25-percent limitation applies. They argued for this on the basis that we were going to keep up our support on U.N. voluntary programs which is well above 25 percent. I reemphasize that the limitation here dealt with the assessed budget. I think it is important that that be made clear.

But in any event let me just say that this wipes out 87 percent of the President's request in the face of a number of commitments from our major allies and important countries around the world. I think it is a very serious mistake and does not do what the gentleman says he would like to see it do.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. Wylie).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. WYLIE. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 200, noes 184, not voting 49, as follows:

[Roll No. 144]

AYES—200

Abdnor
Alexander
Andrews, N.C.
Andrews, N. Dak.
Archer
Ashbrook
Bafalis
Baker
Beard
Bennett
Bevill
Blackburn
Bowen
Bray
Breaux
Brinkley
Brooks
Broomfield
Brown, Mich.
Broyhill, N.C.
Broyhill, Va.
Burgener
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Camp
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Collier
Collins
Conlan
Daniel, Dan
Daniel, Robert W., Jr.
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Delaney
Dennis
Dent
Devine
Dickinson
Donohue
Dorn
Downing
Dulski
Duncan
Eshleman
Evans, Colo.
Evins, Tenn.
Fisher
Flowers
Flynt
Fountain
Froehlich
Fuqua
Gaydos
Gettys
Giaimo
Ginn
Goldwater
Gonzalez
Goodling
Gray
Gross
Grover
Gubser
Gunter
Guyer
Haley
Hammerschmidt
Hanley
Hanrahan
Harsha
Harvey
Hechler, W. Va.
Henderson
Hinshaw
Holt
Huber
Hudnut
Hungate
Hunt
Hutchinson
Ichord
Johnson, Colo.
Johnson, Pa.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Kazen
Kemp
Ketchum
Kuykendall
Kyros
Landgrebe
Latta
Litton
Long, Md.
Lott
Lujan
McCollister
McEwen
Macdonald
Madigan
Mahon
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathis, Ga.
Milford
Miller
Mills, Ark.
Mills, Md.
Minshall, Ohio
Mitchell, N.Y.
Mizell
Mollohan
Montgomery
Moorhead, Calif.
Nichols
O'Brien
Parris
Poage
Powell, Ohio
Price, Tex.
Quie
Quillen
Randall
Rarick
Roberts
Robinson, Va.
Robison, N.Y.
Rogers
Roncalio, Wyo.
Roncalio, N.Y.
Rose
Rousselot
Roybal
Runnels
Ruth
Sarasin
Satterfield
Saylor
Scherle
Schneebeli
Sebelius
Shipley
Shuster
Sikes
Skubitz
Slack
Snyder
Spence
Staggers
Stanton, J. William
Stanton, James V.
Steed
Steelman
Steiger, Ariz.
Stephens
Stratton
Stubblefield
Stuckey
Sullivan
Symms
Taylor, N.C.
Teague, Calif.
Thornton
Tiernan
Towell, Nev.
Treen
Ullman
Veysey
Vigorito
Waggonner
Walsh
Wampler
Ware
White
Whitten
Widnall
Wiggins
Wylie
Young, Alaska
Young, Fla.
Young, S.C.
Zion
Zwach

NOES—184

Abzug
Adams
Addabbo
Anderson, Calif.
Annunzio
Arends
Armstrong
Ashley
Aspin
Bell
Bergland
Bingham
Blatnik
Boggs
Boland
Bolling
Brademas
Brasco
Breckinridge
Brotzman
Brown, Ohio
Buchanan
Burke, Calif.
Burton
Carey, N.Y.
Carney, Ohio
Chisholm
Clay
Cohen
Conable
Conte
Conyers
Corman
Coughlin
Culver
Daniels, Dominick V.
Danielson
Dellenback
Dellums
Diggs
Dingell
Drinan
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Erlenborn
Findley
Fish
Flood
Foley
Ford, Gerald R.
Ford, William D.
Forsythe
Fraser
Frelinghuysen
Frenzel
Fulton
Gibbons
Gilman
Grasso
Griffiths
Gude
Hamilton
Hansen, Idaho
Hansen, Wash.
Harrington
Hastings
Heckler, Mass.
Heinz
Helstoski
Hicks
Hillis
Hogan
Holifield
Holtzman
Horton
Hosmer
Jarman
Johnson, Calif.
Jones, Ala.
Jordan
Karth
Kastenmeier
Keating
Kluczynski
Koch
Leggett
Lehman
Lent
Long, La.
McClory
McCormack
McFall
McKay
Madden
Mailliard
Mallary
Mathias, Calif.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Michel
Minish
Mink
Moakley
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Natcher
Nedzi
Nelsen
O'Hara
O'Neill
Owens
Patten
Pepper
Perkins
Pettis
Pickle
Pike
Podell
Preyer
Price, Ill.
Pritchard
Railsback
Rangel
Rees
Regula
Reid
Reuss
Rhodes
Riegle
Rinaldo
Rodino
Roe
Rosenthal
Roush
Roy
Ruppe
Ryan
Sandman
Sarbanes
Schroeder
Seiberling
Shoup
Shriver
Sisk
Smith, Iowa
Smith, N.Y.
Stark
Steele
Steiger, Wis.
Studds
Symington
Talcott
Thompson, N.J.
Thomson, Wis.
Thone
Udall
Van Deerlin
Vander Jagt
Vanik
Waldie
Whalen
Whitehurst
Wilson, Bob
Wilson, Charles H., Calif.
Winn
Wolff
Wright
Wyatt
Wydler
Wyman
Yates
Young, Ga.
Young, Ill.
Young, Tex.
Zablocki

NOT VOTING—49

Anderson, Ill.
Badillo
Barrett
Biaggi
Biester
Brown, Calif.
Carter
Clark
Cotter
Crane
Cronin
Denholm
Derwinski
Eilberg
Esch
Fascell
Frey
Green, Oreg.
Green, Pa.
Hanna
Hawkins
Hays
Hébert
Howard
King
Landrum
McCloskey
McDade
McKinney
McSpadden
Mitchell, Md.
Moorhead, Pa.
Morgan
Myers
Nix
Obey
Passman
Patman
Peyser
Rooney, N.Y.
Rooney, Pa.
Rostenkowski
St Germain
Stokes
Taylor, Mo.
Teague, Tex.
Williams
Wilson, Charles, Tex.
Yatron

So the amendment was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. RARICK

Mr. RARICK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. Rarick: page 2, after line 7, insert a new section:
>
> Sec. 4. No funds authorized by this Act shall be expended, directly or indirectly, to aid or assist in the reconstruction of the Democratic Republic of Vietnam (North Vietnam).

Mr. FRASER. Mr. Chairman, I reserve a point of order on the amendment.

The CHAIRMAN. The gentleman from Minnesota (Mr. Fraser) reserves a point of order against the amendment.

The gentleman from Louisiana (Mr. Rarick) is recognized.

Mr. RARICK. Mr. Chairman, the amendment I have offered is simple and self-explanatory. It merely provides that no funds authorized under this act shall be extended to aid or assist in the reconstruction of the Democratic Republic of Vietnam (North Vietnam).

I remind my colleagues that under the language of the amendment offered by the gentleman from Ohio (Mr. Wylie) as well as provided in section 3 of the bill authority is still vested with the President so that the funds may be used upon such terms and conditions as the President may specify.

Mr. Chairman, this is a good amendment, and I ask for a yea vote.

Mr. Chairman, I yield back the balance of my time.

POINT OF ORDER

Mr. FRASER. Mr. Chairman, I make the point of order that this is not a germane amendment. This amendment would deal with the contribution to the United Nations Environmental Fund, and this amendment, which appears to deal with aid to North Vietnam, has no relation to the bill.

The CHAIRMAN. Does the gentleman from Louisiana (Mr. Rarick) wish to be heard on the point of order?

Mr. RARICK. Mr. Chairman, I do.

Mr. Chairman, this amendment provides a limitation upon the use for which the funds are intended. I think it is germane, and I urge the objection be overruled.

The CHAIRMAN (Mr. Fulton). The Chair is prepared to rule.

The amendment offered by the gentleman from Louisiana (Mr. Rarick) would provide for a restriction of the use of the funds authorized by this bill, and it is germane as an amendment to the bill.

The question is on the amendment offered by the gentleman from Louisiana (Mr. Rarick).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. SYMMS

Mr. SYMMS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. Symms: Page 2, line 7, immediately after the period insert the following: "Beginning with the fiscal year 1974, and in each fiscal year thereafter, the amount of funds authorized and appropriated to the U.S. Forest Service shall be increased by an amount equal to the funds appropriated for contribution to the United Nations Environment Fund. These additional funds shall be used for the purpose of carrying out reforestation programs in the national forests of the United States."

Mr. FRASER. Mr. Chairman, if I heard the amendment right, I want to make a point of order against the amendment, although I will be glad to reserve the point of order.

Mr. SYMMS. Mr. Chairman, I think with regard to the total environmental picture of the world, as a good example here, the United States would do as well as anything we can do in the United Nations if we enact this amendment which calls for reforestation of our national forests. This is certainly a problem that we need to address ourselves to in this Congress, so I think it is in order.

I urge the Chair rule in favor of its germaneness.

Mr. FRASER. Mr. Chairman, I insist on my point of order.

Clearly this is not germane. If I understand it, reforestation in the United States has nothing to do with this subject matter. It is a matter over which our committee has no jurisdiction.

The CHAIRMAN (Mr. Fulton). The Chair is prepared to rule.

The amendment goes to authorizations and appropriations for an agency and a program not within the scope of this bill and not within the jurisdiction of the Committee on Foreign Affairs which reported the pending measure. The Chair holds the amendment is not germane and sustains the point of order.

If there are no further amendments to be proposed, under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. Fulton, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 6768) to provide for participation by the United States in the United Nations environment program, pursuant to House Resolution 361, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment?

Mr. FRASER. Mr. Speaker, I demand a separate vote on the so-called Wylie amendment.

The SPEAKER. The question is on the remaining amendment.

The amendment was agreed to.

The SPEAKER. The Clerk will report the amendment on which a separate vote has been demanded.

The Clerk read as follows:

> Amendment: Page 2, strike out lines 1 through 7, and insert in lieu thereof the following:
>
> "Sec. 3. There are authorized to be appropriated $5,000,000 for the fiscal year 1974, for contributions to the United Nations Environment Fund, which may be used upon such terms and conditions as the President may specify."

The SPEAKER. The question is on the amendment.

The question was taken; and the Speaker announced that the noes appeared to have it.

Mr. WYLIE. Mr. Speaker, on that I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 192, noes 198, not voting 43, as follows:

[Roll No. 145]

YEAS—192

Abdnor
Alexander
Andrews, N.C.
Andrews, N. Dak.
Archer
Ashbrook
Bafalis
Baker
Beard
Bennett
Bevill
Blackburn
Bowen
Bray
Breaux
Brinkley
Brooks
Broyhill, N.C.
Broyhill, Va.
Burgener
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Camp
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Collier
Collins
Conlan
Daniel, Dan
Daniel, Robert W., Jr.
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Delaney
Dennis
Dent
Devine
Dickinson
Donohue
Dorn
Downing
Dulski
Duncan
Eshleman
Evins, Tenn.
Fisher
Flowers
Flynt
Fountain
Froehlich
Fuqua
Gaydos
Gettys
Ginn
Goldwater
Gonzalez
Goodling
Grasso
Gray
Gross
Grover
Gubser
Gunter
Haley
Hammerschmidt
Hanley
Hanrahan
Harsha
Harvey
Hechler, W. Va.
Henderson
Hinshaw
Holt
Huber
Hudnut
Hungate
Hunt
Hutchinson
Ichord
Johnson, Pa.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Kazen
Kemp
Ketchum
Kuykendall
Landgrebe
Latta
Litton
Long, Md.
Lott
Lujan
McCollister
McEwen
Macdonald
Mahon
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathis, Ga.
Michel
Milford
Miller
Mills, Ark.
Mills, Md.
Minshall, Ohio
Mitchell, N.Y.
Mizell
Mollohan
Montgomery
Moorhead, Calif.
Myers
Nichols
Parris
Passman
Poage
Powell, Ohio
Price, Tex.
Quie
Quillen
Randall
Rarick
Roberts
Robinson, Va.
Robison, N.Y.
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rose
Rousselot
Runnels
Ruth
Sarasin
Satterfield
Saylor
Scherle
Schneebeli
Sebelius
Shipley
Shuster
Sikes
Skubitz
Slack
Snyder
Spence
Staggers
Stanton, James V.
Steelman
Steiger, Ariz.
Stephens
Stratton
Stubblefield
Stuckey
Sullivan
Symms
Talcott
Taylor, N.C.
Thornton
Towell, Nev.
Treen
Ullman
Vander Jagt
Veysey
Vigorito
Waggonner
Walsh
Wampler
Ware
White
Whitten
Widnall
Wiggins
Wylie
Young, Alaska
Young, Fla.
Young, S.C.
Zion
Zwach

NAYS—198

Abzug
Adams
Addabbo
Anderson, Calif.
Annunzio
Armstrong
Ashley
Aspin
Bell
Bergland
Bingham
Blatnik
Boggs
Boland
Bolling
Brademas
Brasco
Breckinridge
Broomfield
Brotzman
Brown, Mich.
Brown, Ohio
Buchanan
Burke, Calif.
Burton
Carey, N.Y.
Carney, Ohio
Chisholm
Clark
Clay
Cohen
Conable
Conte
Conyers
Corman
Coughlin
Culver
Daniels, Dominick V.
Danielson
Dellenback
Dellums
Diggs
Dingell
Drinan
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Erlenborn
Evans, Colo.
Fascell
Findley
Fish
Flood
Foley
Ford, Gerald R.
Ford, William D.
Forsythe
Fraser
Frelinghuysen
Frenzel
Fulton
Giaimo
Gibbons
Gilman
Griffiths
Gude
Guyer
Hamilton
Hansen, Idaho
Hansen, Wash.
Harrington
Hastings
Heckler, Mass.
Heinz
Helstoski
Hicks
Hillis
Hogan
Holifield
Holtzman
Horton
Hosmer
Jarman
Johnson, Calif.
Johnson, Colo.
Jones, Ala.
Jordan
Karth
Kastenmeier
Keating
Kluczynski
Koch
Kyros
Leggett
Lehman
Lent
Long, La.
McClory
McCormack
McFall
McKay
McKinney
Madden
Madigan
Mailliard
Mallary
Mathias, Calif.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Minish
Mink
Mitchell, Md.
Moakley
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Natcher
Nedzi
Nelsen
O'Brien
O'Hara
O'Neill
Owens
Patten
Pepper
Perkins
Pettis
Pickle
Pike
Podell
Preyer
Price, Ill.
Pritchard
Railsback
Rangel
Rees
Regula
Reid
Reuss
Rhodes
Riegle
Rinaldo
Rodino
Roe
Rosenthal
Roush
Roy
Roybal
Ruppe
Ryan
St Germain
Sandman
Sarbanes
Schroeder
Seiberling
Shoup
Shriver
Sisk
Smith, Iowa
Smith, N.Y.
Stanton, J. William
Stark
Steele
Steiger, Wis.
Stokes
Studds
Symington
Teague, Calif.
Thompson, N.J.
Thomson, Wis.
Thone
Udall
Van Deerlin
Vanik
Waldie
Whalen
Whitehurst
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wolff
Wright
Wyatt
Wydler
Wyman
Yates
Young, Ga.
Young, Ill.
Young, Tex.
Zablocki

NOT VOTING—43

Anderson, Ill.
Arends
Badillo
Barrett
Biaggi
Biester
Brown, Calif.
Carter
Cotter
Crane
Cronin
Denholm
Derwinski
Eilberg
Esch
Frey
Green, Oreg.
Green, Pa.
Hanna
Hawkins
Hays
Hébert
Howard
King
Landrum
McCloskey
McDade
McSpadden
Moorhead, Pa.
Morgan
Nix
Obey
Patman
Peyser
Rooney, N.Y.
Rooney, Pa.
Rostenkowski
Steed
Taylor, Mo.
Teague, Tex.
Tiernan
Williams
Yatron

So the amendment was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Frey for, with Mr. Morgan against.

Mr. Crane for, with Mr. Rooney of New York against.

Mr. King for, with Mr. Hawkins against.

Mr. Taylor of Missouri for, with Mr. Cronin against.

Mr. Williams for, with Mr. Rostenkowski against.

Mr. Carter for, with Mr. Hanna against.

Until further notice:

Mr. Barrett with Mr. Arends.

Mr. Denholm with Mr. Derwinski.

Mrs. Green of Oregon with Mr. Anderson of Illinois.

Mr. Howard with Mr. Badillo.

Mr. McSpadden with Mr. Biester.

Mr. Moorhead of Pennsylvania with Mr. Brown of California.

Mr. Nix with Mr. McCloskey.

Mr. Tiernan with Mr. Esch.

Mr. Hays with Mr. Peyser.

Mr. Yatron with Mr. McDade.

Mr. Landrum with Mr. Rooney of Pennsylvania.

Mr. Steed with Mr. Obey.

Mr. Teague of Texas with Mr. Cotter.

Mr. Biaggi with Mr. Eilberg.

Mr. Green of Pennsylvania with Mr. Hébert.

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. GROSS

Mr. GROSS. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. GROSS. Unqualifiedly, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

> Mr. Gross moves to recommit the bill, H.R. 6768, to the Committee on Foreign Affairs.

The SPEAKER. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

Mr. GROSS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device; and there were—yeas 267, nays 123, not voting 43, as follows:

[Roll No. 146]

YEAS—267

Abdnor
Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Arends
Armstrong
Ashley
Bell
Bergland
Bingham
Blatnik
Boggs
Boland
Bolling
Brademas
Brasco
Bray
Breckinridge
Brooks
Broomfield
Brotzman
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burton
Carey, N.Y.
Carney, Ohio
Cederberg
Chamberlain
Chisholm
Clark
Clausen, Don H.
Clay
Cleveland
Cohen
Collier
Conable
Conte
Conyers
Corman
Coughlin
Culver
Daniels, Dominick V.
Danielson
Delaney
Dellenback
Dellums
Dennis
Diggs
Dingell
Donohue
Drinan
Dulski
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Erlenborn
Eshleman
Evans, Colo.
Fascell
Findley
Fish
Flood
Foley
Ford, Gerald R.
Ford, William D.
Forsythe
Fraser
Frelinghuysen
Frenzel
Fulton
Giaimo
Gibbons
Gilman
Gonzalez
Grasso
Gray
Griffiths
Gubser
Gude
Guyer
Hamilton
Hammerschmidt
Hanley
Hansen, Idaho
Hansen, Wash.
Harrington
Harsha
Harvey
Hastings
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Hicks
Hillis
Hogan
Holifield
Holtzman
Horton
Hosmer
Hungate
Jarman
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jordan
Karth
Kastenmeier
Kazen
Keating
Kemp
Kluczynski
Koch
Kyros
Latta
Leggett
Lehman
Lent
Long, La.
Lujan
McClory
McCollister
McCormack
McFall
McKay
McKinney
Macdonald
Madden
Madigan
Mailliard
Mallary
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Milford
Miller
Minish
Mink
Minshall, Ohio
Moakley
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Natcher
Nedzi
Nelsen
O'Brien
O'Hara
O'Neill
Owens
Parris
Patten
Pepper
Perkins
Pettis
Pickle
Pike
Podell
Preyer
Price, Ill.
Pritchard
Quie
Railsback
Randall
Rangel
Rees
Regula
Reid
Reuss
Rhodes
Riegle
Rinaldo
Robison, N.Y.
Rodino
Roncalio, Wyo.
Roncallo, N.Y.
Rosenthal
Roush
Roy
Roybal
Ruppe
Ryan
St Germain
Sandman
Sarasin
Sarbanes
Saylor
Schneebeli
Schroeder
Seiberling
Shipley
Shoup
Shriver
Sisk
Smith, Iowa
Smith, N.Y.
Stanton, J. William
Stanton, James V.
Stark
Steele
Steelman
Steiger, Wis.
Stokes
Stratton
Studds
Symington
Talcott
Taylor, N.C.
Teague, Calif.
Thompson, N.J.
Thomson, Wis.
Thone
Tiernan
Udall
Ullman
Van Deerlin
Vander Jagt
Vanik
Veysey
Vigorito
Waldie
Walsh
Wampler
Ware
Whalen
White
Whitehurst
Widnall
Wiggins
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wolff
Wright
Wyatt
Wydler
Wyman
Yates
Young, Ga.
Young, Ill.
Young, Tex.
Zablocki
Zion
Zwach

NAYS—123

Archer
Ashbrook
Bafalis
Baker
Beard
Bennett
Bevill
Blackburn
Bowen
Breaux
Brinkley
Burgener
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Camp
Casey, Tex.
Chappell
Clancy
Clawson, Del
Cochran
Collins
Conlan
Daniel, Dan
Daniel, Robert W., Jr.
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Dent
Devine
Dickinson
Dorn
Downing
Duncan
Evins, Tenn.
Fisher
Flowers
Flynt
Fountain
Froehlich
Fuqua
Gaydos
Gettys
Ginn
Goldwater
Goodling
Gross
Grover
Gunter
Haley
Hanrahan
Henderson
Hinshaw
Holt
Huber
Hudnut
Hunt
Hutchinson
Ichord
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Ketchum
Kuykendall
Landgrebe
Litton
Long, Md.
Lott
McEwen
Mahon
Mathis, Ga.
Michel
Mills, Ark.
Mills, Md.
Mitchell, N.Y.
Mizell
Mollohan
Montgomery
Moorhead, Calif.
Myers
Nichols
Passman
Poage
Powell, Ohio
Price, Tex.
Quillen
Rarick
Roberts
Robinson, Va.
Rogers
Rose
Rousselot
Runnels
Ruth
Satterfield
Scherle
Sebelius
Shuster
Sikes
Skubitz
Slack
Snyder
Spence
Staggers
Steed
Steiger, Ariz.
Stephens
Stubblefield
Stuckey
Sullivan
Symms
Thornton
Towell, Nev.
Treen
Waggonner
Whitten
Wylie
Young, Alaska
Young, Fla.
Young, S.C.

NOT VOTING—43

Anderson, Ill.
Aspin
Badillo
Barrett
Biaggi
Biester
Brown, Calif.
Carter
Cotter
Crane
Cronin
Denholm
Derwinski
Eilberg
Esch
Frey
Green, Oreg.
Green, Pa.
Hanna
Hawkins
Hays
Hébert
Howard
King
Landrum
McCloskey
McDade
McSpadden
Mitchell, Md.
Moorhead, Pa.
Morgan
Nix
Obey
Patman
Peyser
Roe
Rooney, N.Y.
Rooney, Pa.
Rostenkowski
Taylor, Mo.
Teague, Tex.
Williams
Yatron

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Morgan for, with Mr. King against.

Mr. Peyser for, with Mr. Crane against.

Mr. Cronin for, with Mr. Carter against.

Mr. Biester for, with Mr. Taylor of Missouri against.

Until further notice:

Mr. Eilberg with Mr. Derwinski.

Mr. Hawkins with Mr. McCloskey.

Mr. Hays with Mr. Esch.

Mr. Hébert with Mr. Howard.

Mr. Roe with Mr. Obey.

Mr. Rooney of New York with Mr. Frey.

Mr. Rostenkowski with Mr. Anderson of Illinois.

Mr. Yatron with Mr. McDade.

Mr. Barrett with Mr. Williams.

Mr. Nix with Mr. Patman.

Mr. Rooney of Pennsylvania with Mr. Teague of Texas.

Mr. White with Mr. Aspen.

Mr. Cotter with Mr. Brown of California.

Mr. Denholm with Mr. Biaggi.

Mrs. Green of Oregon with Mr. McSpadden.

Mr. Badillo with Mr. Mitchell of Maryland.

Mr. Green of Pennsylvania with Mr. Hanna.

Mr. Landrum with Mr. Moorhead of Pennsylvania.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. FRASER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

PERSONAL ANNOUNCEMENT

Mr. GONZALEZ. Mr. Speaker, I have just been informed that on the first quorum call today (rollcall 142) I am shown as not being present. Mr. Speaker, I was present, inserted my voting card in the proper slot, but the electronic machine did not record same. I had no reason to think my presence had not been recorded and request that the RECORD reflect this.

CHANGE IN LEGISLATIVE PROGRAM

Mr. O'NEILL. Mr. Speaker. I take this time to announce that there has been a change in the legislative program. We are putting over until tomorrow consideration of H.R. 5777, the Hobby Protection Act. We have indefinitely postponed the two bills scheduled for tomorrow, H.R. 2990, the U.S. Postal Service authorization, which was not given a rule today and H.R. 6912 the Par Value Modification Act, which we postponed earlier at the request of the committee chairman.

Mr. GERALD R. FORD. Mr. Speaker, will the gentleman yield?

Mr. O'NEILL. I am happy to yield to the minority leader.

Mr. GERALD R. FORD. Does that indicate there will be business tomorrow but not on Thursday?

Mr. O'NEILL. There is no business scheduled at the present time for Thursday.

Mr. GERALD R. FORD. I thank the gentleman.

NEW "ATLANTIC CHARTER"

(Mr. TEAGUE of California asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and include extraneous matter.)

Mr. TEAGUE of California. Mr. Speaker, I call to the attention of my colleagues an excellent article entitled "New 'Atlantic Charter'" written by my constituent, Henry Huglin, brigadier general, USAF (retired), of Santa Barbara, Calif.:

NEW "ATLANTIC CHARTER"

(By Henry Huglin)

Despite Watergate and serious problems in Indochina and the Middle East, the President through Dr. Kissinger has launched another wise, appropriate, and timely foreign affairs initiative, a call for "a new Atlantic Charter setting the goals for the future—a blueprint that: builds on the past without becoming its prisoner, deals with the problems our success has created, creates for the Atlantic nations a new relationship in whose progress Japan can share."

This call was set forth in a major administration address which Dr. Kissinger delivered on 23 April to an Associated Press meeting. It was the type of creative leadership that our country has repeatedly offered since the first Atlantic Charter was signed in August, 1941 (during World War II when Britain, Russia, Canada, and much of Europe were fighting Hitler's Germany, but before we got involved) by President Roosevelt and Prime Minister Churchill "to make known certain common principles in the national policies of their respective countries on which they base their hopes for a better future for the world."

Dr. Kissinger explained the essence of the proposal as follows.

"Today the need is to make the Atlantic relationship as dynamic a force in building a new structure of peace, less geared to crisis and more conscious of opportunities, drawing its inspirations from its goals rather than its fears . . .

"We must ensure that the momentum of détente is maintained by common objectives rather than by drift, escapism, or complacency.

"The agenda I have outlined here is not an American prescription but an appeal for a joint effort of creativity . . .

"The United States is prepared to make its contribution: We will continue to support European unity . . . We will not disengage from our solemn commitments to our allies . . . We shall continue to pursue the relaxation of tensions with our adversaries on the basis of concrete negotiations in the common interest . . . We will never consciously injure the interests of our friends in Europe or in Asia . . . We are prepared to work cooperatively on new problems we face. Energy, for example . . .

"Just as Europe's autonomy is not an end in itself, so the Atlantic community cannot be an exclusive club. Japan must be a principal partner in our common enterprise."

This speech struck the right note. It is dynamic without being dictatorial. It set a constructive tone, without spelling out details that should be worked out in concert. It presented a sound analysis of the situation now faced by the major non-communist nations—which is what "Atlantic" means in this context.

We are the only nation which can provide such leadership. Despite the buffeting we have undergone from the agonies over Vietnam and monetary and trade problems, we have by far more strength and influence in all major fields than any other non-communist nation. As always, with wealth and power properly go responsibilities. By launching this well-conceived initiative our country in exercising fine leadership.

Along with our NATO allies, we still face the persistent challenge of Russia's massive military might. Through coordinated negotiations with the Russians, we and our Atlantic partners are seeking to reduce tensions and to achieve mutual and balanced force reductions in Europe and further strategic arms limitations.

With the nations of the Common Market, Canada, and Japan, we are engaged in coping with major non-security challenges: reforming the monetary system, moderating trade barriers, insuring dependable sources of oil, reversing the pollution of the air and seas, and generally managing technology for our mutual good.

With Japan we also have additional common political interests in our new relations with China and in promoting stability and peaceful progress throughout Asia.

It was proper and prudent to have spelled out that Japan must be included in the partnership arrangements of the Atlantic community nations. Japan is a first-rank nation in trade and monetary matters with great potential influence.

The preliminary negotiations on this proposal are underway. The concept of a new Atlantic charter now provides the framework on which the President can explore common issues with the many allied leaders with whom he is to confer before he goes to Europe this fall, by which time specific agreements on basic goals and initial actions may be achieved.

Coping with the great international issues of war and peace, economic health, political and social progress, monetary stability, energy, pollution, etc. requires, from us, wisdom, statesmanship, maintenance of adequate economic and military strength, and appropriate initiative and leadership—followed up with skillful, painstaking diplomacy. The President and Dr. Kissinger, backed up by Secretary Rogers and the State Department, have shown—in such steps as the opening to China, negotiations with the Russians, and this new proposal—that they have a clear understanding of geopolitics and the vision, flexibility, and creativity needed.

There is a very long way to go to "a generation of peace." Perhaps it is not even attainable, because the choice is by far not ours alone. But the President and his foreign affairs team are making excellent efforts toward that goal. We all ought to support him in this endeavor and hope that the Watergate mess does not diminish his effectiveness in international affairs.

LET US NOT FORGET OUR OVERSEAS EMPLOYEES

(Mr. CHAPPELL asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. CHAPPELL. Mr. Speaker, let us not forget our overseas employees. We, in the Congress, need to review from time to time the problems which from day to day confront our 57,000 Federal employees stationed overseas.

I recently had the opportunity to visit several of our installations in the Pacific, including Hawaii, Guam, Okinawa, Taiwan, and Japan. It was apparent to me that the problems for our employees at those locations have been calling to our attention have been, in large measure, ignored.

First, there is the problem of mandatory rotation of employees from overseas areas. Authority for this rotation of overseas employees is contained in DOD instruction 1404.8, Rotation of Employees in Foreign Areas and the Canal Zone, dated April 10, 1968. Nowhere in Public Law 86-585, 86th Congress, can I find an authorization for mandatory rotation of overseas employees. There is a grandfather clause contained in the cited DOD instruction. There is apparently a move now to revoke or evade this clause and this could create serious problems for those who have been overseas for many years. As an example, I found that many long tenure employees had been in overseas assignments in excess of 15 years, and some of them more than 20 years. Now they are being told they will have to rotate back to the States for a period of 2 years without a guarantee of job assignment when they reach the United States. This will create a severe hardship on those who have gone to the outlying areas, established their families and homes, and are in many instances nearing their time of retirement. In most instances when these employees went overseas, they went under different circumstances.

Certainly all of us will understand that Okinawa, 28 years ago, was not the most desirable place to live. Similar circumstances were true on Guam. These people who made the early sacrifices to go overseas, build, and improve the living circumstances there, are entitled to some consideration when they wish to remain during the latter part of their tenure. It is understandable that those stateside now who look upon the overseas assignment as a very desirable experience will push for the rotation system, because they want now to take advantage of what these others have sacrificed so much to accomplish. Aside from the hardships that would be imposed upon our overseas employees, there is the item of unreasonable expense. The Department of Defense has estimated that it will cost $15,000 per family to rotate them and replace them, and when you multiply this by the affected 5,000 employees, this amounts to some $75 million.

Mr. Speaker, the argument made by the Department of Defense in favor of mandatory rotation is that those who have been overseas for periods greater than 5 years tend to "go native" and more and more lose touch with the United States, its goals and principals—that they tend to accept the philosophies and teachings of alien nations. This is one of the most unfounded arguments I have encountered. I found complete repudiation of such an argument in my visits in the Pacific area. I had the opportunity to visit in the homes of these employees, to talk with their children, and to get a good feel of their regard for America. I mention, as examples, such fine Americans as Fred Neylor, president of AFGE Local 1678; Carl Toole, Bill Boone, all of Okinawa; Archie Bengston of Guam, and John Cabral of Honolulu, to name only a few.

I have never encountered a more patriotic group of people, nor have I had the privilege of meeting people who are more keenly aware of the necessity of perpetuating the principles of the United States than are these employees. If, in fact, this is what one calls "going native" then I suggest we find the way to send greater numbers of our Americans to such kinds of assignments for such long periods of time. This injustice can be averted by action on the part of DOD. I hope legislation will not be required. I believe it will not be.

Second, there is a question of permanent resident aliens. Many citizens of the Philippines came to Okinawa to work for the U.S. Government. These foreign nationals, after working for the U.S. Government, many in excess of 20 years, paid their transportation to the United States, obtained their first papers toward U.S. citizenship and returned to Okinawa to their position and continued to work there. They stand in tenure group three, and in the event of reduction in force will be the first to be separated. The immigration laws governing acquisition of U.S. citizenship requires 5 years residence in the United States, of which 1 year may be spent overseas in the employment of the U.S. Government. These permanent resident aliens have indicated their desire to become U.S. citizens by obtaining their first papers. In the event of a RIF—reduction in force—joint travel regulations permit Government transportation to their former country and not the United States. In other words, they had more advantages as a foreign national than as American citizens. This is grossly unfair and unreasonable, and the regulations should be so drafted and construed that such an injustice will not occur.

Again, I believe this is a matter that can and must be corrected, hopefully, without legislation by a change of attitude on the part of the Department of Defense. This problem has been presented to the Department of the Army and they appear sympathetic, but state that travel regulations must be changed. In the event these employees are compelled to return to their native country, they will be under a stigma since they had indicated their desire to become U.S. citizens, thus renouncing their prior citizenship. Certainly, it behooves each of us to insist that such travel regulations be changed to provide a more equitable treatment of these foreign nationals—now U.S. citizens.

Third, there is a problem of overseas limited appointees. Prior to April 1956, the vast majority of all Government employees going overseas served under an overseas limited appointment. By Executive order, and under certain criteria, the majority of these employees were converted to career status in April 1956. Due to certain, and in many cases peculiar circumstances, many were not converted. When the "taper bill" was passed several years ago, converting over 30,000 temporary employees to career status, overseas employees were not included. H.R. 10131 was introduced during the 2d session, 92d Congress, but no action was taken on the bill. The Air Force and the Navy have put forth great effort to convert these overseas limited appointees to career status, but the Army has not. I hope and trust the Army will make such a conversion negating any necessity for congressional action.

Fourth, the problem of quarters allowance is keenly in focus. The recent devaluation of the dollar has resulted in a reduction of the exchange rate. On Okinawa alone, the exchange rate dropped from 360 to 300 yens per dollar as of January, 1973. The recent devaluation has dropped the exchange rate to approximately 260 yen per $1. This problem exists not only in Okinawa, but in most areas overseas. In most overseas area, there are some quarters allowed, but these quarters are not sufficient to take care of the total housing for employees, particularly those in the lower grades. A quick review reveals that there is no uniformity in the criteria for assignment of civilians to government quarters.

For example, the Air Force authorizes the GS-7 or wage board equivalent to government quarters on post. All beneath GS-7 must obtain their quarters off base. The Army in certain areas authorizes quarters on post for GS-11 and above, other employees have to seek their own quarters off base. The Air Force will authorize such quartering for 4 years, while the Army will allow up to 5 years. There are many other disparities between the treatment of personnel by the various services. I believe there should be a uniform approach to this problem on the part of the services, and I believe the Department of Defense should be encouraged to establish uniform regulations regarding these matters.

Additionally, it seems to me that we must establish some kind of reasonable policy which would take into consideration the devaluation of the dollar on these employees, especially those who are compelled to live off station. Otherwise, they experience severe hardships. It is my hope that this will be done without the necessity of legislation.

There is a fifth cause for grievance on the part of Government employees assigned overseas. The services will give quarters allowance for one assigned temporarily overseas for 6 months or less, but will not make any such allowance for one who is assigned for a greater period than 6 months. The service considers one a resident of an area if he is assigned there more than 6 months. I believe it would be far more reasonable, Mr. Speaker, to make a standard and uniform allowance for all of our employees assigned overseas whether they are temporarily or permanently assigned. That is to say, whether they are local hire or whether they are transfer employees from the mainland of the United States.

Mr. Speaker, in short, it is time for those of us in the Congress and those in our agencies and departments effected to recognize that our overseas employees are doing a great and outstanding job, that they are keenly dedicated Americans, that they want to be and are of real service to our country, and that they have grievances which should be seriously understood and corrected by our leadership, both in our departments and in the Congress. I hope and believe the matter should and can be handled short of legislation. I invite each one of my colleagues to assist our employees in these matters. Let us not forget our overseas employees.

CONGRESSMAN VEYSEY PAYS TRIBUTE TO THE LATE HONORABLE DALIP SINGH SAUND

The SPEAKER pro tempore (Mr. Mazzoli). Under a previous order of the House, the gentleman from California (Mr. Veysey), is recognized for 15 minutes.

Mr. VEYSEY. Mr. Speaker, on April 22, 1973, while this House was in recess, a former Member of the Congress, the late Honorable Dalip Singh Saund, passed away in Los Angeles, Calif., after a long illness.

Mr. Speaker, I have taken this special order on this particular day because Karnail Singh Saund of Punjab, India, a brother of our late former Member, Congressman Saund, is here in Washington. He is in attendance at this time along with Ganga Singh Dhillon and several representatives of Sikh temples from throughout the United States. Also with them are Mr. and Mrs. Aya Singh Dhaliwal of Holtville, Calif., Miss Patricia Dhaliwal of El Centro, Calif., and Mr. Troy Yberra of Costa Mesa, and representatives of the Indian Embassy, and the United Nations Delegation.

I wish to welcome these friends to Washington.

A memorial service for the late Congressman Saund will be held later in room H-107 of this building under arrangements made by my good friend and colleague, the gentleman from California, John McFall, the distinguished majority whip.

Mr. Speaker, I was particularly saddened by the death on April 22 of my friend former Congressman Dalip S. Saund, who served admirably in this House, alongside you and many of our colleagues from 1957 until 1963.

"Judge" Saund, as he was affectionately known to friends, associates and constituents, was my Congressman during those years, representing the area which I am now proud to serve.

Although "Judge" Saund and I were elected as members of different political parties, and although our philosophies sometimes differed, I had the highest admiration for him as a man and as a public servant. As an elected local government official in Imperial County, and later as the area's State Assemblyman, I had the privilege of working closely with Congressman Saund during his tenure in the House. I enjoyed a warm, personal friendship with him in that capacity and as a neighbor in the Imperial Valley.

It was "Judge" Saund who led the way during the 1940's in the effort to afford U.S. citizenship to natives of India, where he himself was born and where he grew to manhood. He was the first president of the Indian Association of America.

He came to this country to attend the University of California, Berkeley, in 1920, and began farming in the Imperial Valley in 1930.

In 1952, he became the first native of India to hold public office in the United States, when he was elected Justice of the Peace in the Westmorland Judicial District.

In 1956 he was elected to the Congress of the United States, and during his 6 years of service in this House he demonstrated the patriotism, the determination, and the belief in the American system that made his life a classic American success story.

I especially want to offer my condolences to his widow, Marian, to his son Dalip Saund, Jr., who is at present an anthropologist in Thailand, to his daughters, Mrs. Ellie Ford of Los Angeles, and Mrs. Julie Fisher of San Diego, and to his eight grandchildren. We have lost a great American.

Mr. ROUSSELOT. Mr. Speaker, will the gentleman yield?

Mr. VEYSEY. I yield to my colleague, the gentleman from California.

Mr. ROUSSELOT. Mr. Speaker, I wish to associate myself with the remarks of the gentleman from California who now very capably serves much of the district that was formerly served by Judge Saund.

I had the opportunity to serve with Judge Saund when I was here in my one previous term in 1961 and 1962. I always found him to be a very gentle and thoughtful man. He was known for his very compassionate approach to all problems that faced the Congress. He genuinely devoted himself to all legislative tasks in a meaningful manner. I think the country is the loser because this man, who has now passed from the scene, was an extremely devoted public servant.

As the gentleman in the well has indicated, the two of us probably differed in philosophy in some ways with this fine man, Judge Saund, but we still found him to be a very able and capable legislator who made a serious and definitive attempt to always represent those from his district in a total way, and with a maximum effort.

I thank the gentleman from California for taking this time. We do indeed pay tribute to this fine man, Judge Saund, and extend our prayers to his family.

Mr. VEYSEY. I thank the gentleman for his contribution.

Mr. McFALL. Mr. Speaker, will the gentleman yield?

Mr. VEYSEY. I yield to my distinguished colleague, the gentleman from California.

Mr. McFALL. Mr. Speaker, when the light of life extinguished for Judge D. S. Saund on Easter Sunday afternoon, the Nation lost a truly remarkable man.

He was a learned man. Yet he will be remembered far more for his outgoing personality, his commonsense, and successful approaches to complex problems rather than the fact that he had earned high degrees in mathematics.

Born in a foreign land and subjected to severe discrimination during a great deal of his adult life in this country, he proved by his thoughts and deeds that he possessed the determination to succeed which Americans most admire.

Inspired by the writings of Abraham Lincoln and Woodrow Wilson, he decided early in life that the United States would become his adopted home.

His determination and wisdom enabled him to overcome many obstacles. As a young man he became a leader in the fight to change U.S. immigration laws which prohibited natives of the Orient from becoming citizens.

He earned the respect and affection of his friends in Imperial Valley who elected him a judge in the community of Westmorland, Calif., where he had lived since earning master's and Ph. D. degrees at the University of California at Berkeley.

Then, in 1956, he became a national figure almost overnight when he was elected to Congress—the first native of Asian ancestry to gain this distinction.

I consider myself fortunate to have had Judge Saund as a friend and to have served with him during the 6 years he was a Member of the House.

He was highly successful in representation of the people of his district. He knew the needs of the two counties of Imperial and Riverside and worked with skillful determination for beneficial legislation as well as consideration by the executive branch for helpful programs.

I worked closely with him to obtain a law providing protection from a flood of low quality products from abroad which threatened dates and walnuts grown respectively in our two districts.

Because we were in the same "freshman" class of 1957 and had many mutual interests, I learned early of his abilities to work with people and to get things done.

One of his accomplishments was passage of a law to establish an annual interparliamentary conference between Members of the U.S. and Mexican Congresses to discuss mutual problems—of extreme importance to a district adjacent to the Mexican border which Judge Saund represented. Another was enactment of an equalization law dividing equitably the assets of the Agua Caliente Indian tribe in the Palm Springs area among the 100 remaining members.

The unfortunate illness which struck the judge down 11 years ago deprived many of us in this Chamber of a companion whom we had come to know and love. But the loss was even larger for the Nation, for he had the mark of greatness.

What made the judge the type of a man he was? The preface to his autobiography, "Congressman From India," written in 1960, provides much insight. Here are his words:

> This book is the simple story of the struggles, sorrows and joys, defeats and recoveries, of a twenty-year-old native of India who came to the United States and, nearly two score years later, became a United States Congressman.
>
> My guideposts were two of the most beloved men in history, Abraham Lincoln and Mahatma Gandhi. My constant inspiration was the memory of my wise though unlettered mother, who had loved me dearly and taught me the lessons in good living.
>
> I received my inner joys and support from a devoted wife who knew how to chide and guide. Thirty years ago she had married me not for money, position, or prospect, for these I had none. Kipling said, "East is East and West is West, and never the twain shall meet." Clearly, he was wrong, for a Saund from the East met a Kosa from the West. God blessed them with three marvelous children.
>
> In private life I have never known a verbal or physical quarrel with anyone. My religion teaches me that love and service to fellow men are the road to earthly bliss and spiritual salvation.
>
> Lincoln said once, "Be satisfied with skim milk if you can not get cream." I have had to live on skim milk on occasion in life and found it both sweet and nourishing. Gandhi said, "I love my enemies." In my political battles I have found it impossible to malign or belittle my opponents. Yet I have won every contest against heavy odds.
>
> Two of the greatest satisfactions in my professional life came first, when my children, together with my daughter-in-law and son-in-law, volunteered to ring doorbells for me in the campaign in 1956, and second, when in that same election the citizens of my own small home town of Westmorland, my neighbors of thirty years voted over 80 per cent in my favor as an expression of their confidence.
>
> I find comfort in the Declaration of Independence and hope for mankind in the great inalienable truths expressed in the Bill of Rights.

To his widow Marian, his two daughters and a son, his eight grandchildren, and his brothers and sisters in India—one of whom is here today—we extend our condolences. They were fortunate to have shared so intimately in the life of Judge Saund, and I know their loss is very difficult to bear. Their sorrow is shared, however, by many others who can only take comfort in having known this man who helped to make America greater.

Mr. GONZALEZ. Mr. Speaker, will the gentleman yield?

Mr. VEYSEY. I yield to the gentleman from Texas.

Mr. GONZALEZ. Mr. Speaker, I thank my distinguished colleague, the gentleman from California, for yielding and also for taking the time to sponsor this special order. I join the gentleman in sharing our expression of grief at the fact that Congressman Saund has passed on.

My freshman year here was marked by my getting to know that distinguished fellow American. I got to know him early in my career. I was sworn in on January 10, 1962, and one of the first to come over to shake my hand was Congressman Saund. I got to know him fairly well in the few weeks to follow. Therefore when he went to the hospital I was quite shocked and surprised. I visited him at the hospital. Then when the campaign started in California—and the gentleman in the well will appreciate this because I am a member of the opposite party—I was requested to campaign in behalf of the gentleman from California, Mr. Saund, in his district, and I did indeed go to that beautiful section of California and I did as well as I could, and I met some of his relatives including his lovely wife.

I have thought often of this very distinguished American. For one thing he had had many experiences. As the gentleman has pointed out here briefly, Congressman Saund had been a victim of discrimination. Sometimes it is very difficult to know what it is to experience this type of injustice and it is not until one experiences it that one can really comprehend it. But because of this Judge Saund was able to be sensitive and to be responsive to certain things which at that time, especially between 1956 and 1962, were not as pervasive in the consciousness of the people of our Nation as they are today. So in that respect Congressman Saund was a pioneer.

He also was the author of the bill that set forth the Mexico-United States Interparliamentary Group Committee. I have had the honor of serving on that committee now for about eight years.

So in many ways we are indebted to this distinguished American. I wish to join the gentleman from California and our other colleagues in expressing my deep condolences to the family and surviving relatives of this distinguished American.

Again I compliment the gentleman from California for allowing us the opportunity to set forth in the RECORD our sentiments.

Mr. VEYSEY. I thank the gentleman from Texas for his heartfelt remarks.

Mr. CORMAN. Mr. Speaker, will the gentleman yield?

Mr. VEYSEY. I yield to the gentleman from California (Mr. CORMAN).

Mr. CORMAN. Mr. Speaker, America's history books often recite the story of Abraham Lincoln walking 40 miles to borrow a book. There is also the story about Lincoln's determination to pay a debt even if it involved a few cents. American's have long admired the traits of self-sacrifice and honesty and tried to emulate Lincoln.

The United States was indeed lucky that a young student in India during the early 1900's was also impressed with Lincoln's life and ideals. His name was Dalip Singh Saund, the first U.S. Congressman of Asiatic birth and ancestry.

D. S. Saund grew up in a proud and hard-working family in Chhajalwadi, India. During his studies in mathematics at the University of Punjab, he became interested in Mahatma Gandhi's efforts to secure independence for India through nonviolent tactics. Saund joined the struggle for liberation following the footsteps of Gandhi. At the same time he read about Abraham Lincoln and the democracy his own country was struggling to secure.

When Saund came to the United States, he was overwhelmed with the freedoms which most of us take for granted. He decided to stay here, where he could openly argue for or against anything. Mostly he spoke to civic groups about India's effort to throw off British rule.

Saund's first familiarity with American politics tested his belief that American's were open and loving toward all men and would not judge people by their skin color. In 1949, after 4 years of effort, he helped secure citizenship rights for persons of Asiatic ancestry.

Soon after he entered an election in Imperial Valley, Calif., for the position of judge. It was a hectic campaign in which his ancestry was an issue. But he overcame this obstacle and won.

In 1956 he entered the campaign to become a U.S. Congressman from California. Saund never swayed from the Gandhi principles of loving one's enemies even in the fiercest political battles. Saund told the voters:

> I am not running against anybody; all I'm asking for is a job, and it's up to you to decide whether I deserve your support or not.

As a U.S. Congressman from 1956 to 1962, Saund contributed a great deal to the welfare of his constituents. He listened closely to their problems and worked hard to help them. As a legislator he worked equally hard to provide constructive proposals. He always kept the underdog in mind, because of his own struggles to overcome prejudice.

Judge Saund and I worked together between 1960 and 1962 when I was a freshman in Congress. My personal admiration and respect for him was great and matched only by the admiration of his many friends and colleagues in the Congress.

The country and citizens of southern California were indeed fortunate to have as a public official such an ardent follower of Abraham Lincoln and Mahatma Gandhi. Saund's ideals, modeled after these two great men of world history, never faltered. He lived the principles this country was founded upon. D. S. Saund was in this sense a most "American" American.

I was extremely saddened by Saund's recent passing. Yet I know his life was full and rewarding and it is America which was rewarded most by his presence.

Mr. VEYSEY. Mr. Speaker, I thank my colleague for his very kind remarks.

Mr. DANIELSON. Mr. Speaker, will the gentleman yield?

Mr. VEYSEY. Mr. Speaker, I yield to the gentleman from California (Mr. Danielson).

Mr. DANIELSON. Mr. Speaker, I wish to join with my many colleagues today in paying tribute to the late California Congressman Dalip S. Saund. Although I did not have the privilege of personally serving with Judge Saund in the Congress, but as a Californian active in political matters, I was very much aware of the excellent reputation he enjoyed as Congressman for what was then the 29th District of California.

As a matter of personal interest, I now represent the 29th District of California and Judge Saund's secretary, Miss Toni McKenzie, is now my executive secretary.

I would like to point out, Mr. Speaker, that there have been times in my office when unique problems have come up and I am not sure what to do, and Miss McKenzie has told me, "Well, when Judge Saund had a similar problem, he handled it this way."

That is a very valuable contribution.

As the first native of India to be elected to public office in the United States and the first ever to be elected to Congress, he was an important example to the peoples of Asia of what could be achieved through dedication and determination under the opportunities offered by our democratic system.

He was noted for his interest and activities in international affairs while serving on the Foreign Affairs Committee. The proximity of his congressional district to Mexico and his understanding of the mutual problems of our countries, prompted him to author legislation establishing annual interparliamentary conferences between the United States and Mexico. These official exchange visits have contributed greatly to the good relations we continue to enjoy with our neighbor to the south.

In addition to his legislative accomplishments, Judge Saund was noted for his dedicated service and the attention he gave to the problems and concerns of his constituents. He never lost sight of the individual as a person and felt that no problem of any of his constituents was too slight or unimportant to be considered. Not only will he be long remembered by his colleagues in the House, who had the privilege of working with him, but the many Californians whom he served so diligently will long hold his memory in esteem.

Mr. VEYSEY. Mr. Speaker, I thank my colleague from California (Mr. Danielson) for his gracious remarks.

Mr. JOHNSON of California. Mr. Speaker, as a freshman Congressman in January of 1959, one of the first Californians to greet me was a man who became one of my closest friends and advisers.

Judge Saund had been in Congress for 2 years before I came to Washington but in these 2 years he had learned quickly and well the legislative procedures and operations of the House of Representatives. He had also proven to be one of the hardest working, most dedicated Congressmen I have ever known. He was a generous man and those of us who knew him are well aware of how he shared with his colleagues whatever information, knowledge, or skills he possessed.

I learned much from this hard-working Congressman and the lessons which he taught me in the years we served together have proven helpful to me ever since.

We all knew the judge was a native of Chhajalwadi, India, a graduate of the University of Punjab, and came to this country in 1920 as a graduate student attending the University of California. After obtaining his doctorate in mathematics he tried to teach, but was prohibited from doing this because he was an alien and instead in 1925 entered the farming business in the Imperial Valley. The judge began a long campaign to permit persons native to Asian countries to obtain citizenship, and the result of this effort which began in the early 1940's was that our former colleagues, the Honorable Emanuel Celler, who served so long and so faithfully in this House and Congresswoman Clair Both Luce sponsored legislation to achieve this goal. The legislation was enacted and the judge became a citizen December 16, 1949. The wisdom of this legislation was felt deeply by those of us who knew the judge for had it not been for the Celler-Luce bill Judge Saund could never have served in the House of Representatives.

The judge, as might be expected, served on the Foreign Affairs Committee and as a member of this committee contributed greatly to our understanding among the Members of the House of problems being experienced in Southern Asia and Southeast Asia and of course in his own native land where he was hailed as a "vivid example of democracy in action."

As a member of the Foreign Affairs Committee the judge sponsored and shepherded through the Congress legislation to establish the Mexico-United States Interparliamentary Conferences. As one who has participated in these conferences for many years I can personally attest to his wisdom in getting the legislators of our two neighboring countries together to discuss mutual problems. I feel that we have, through these conferences, achieved the goal of better understanding among officials and peoples of these two countries that Judge Saund sought in sponsoring the original bill.

There are many personal recollections of the judge and his wonderful wife, Marian. We lived for several years in the same apartment building. These memories will live with my wife and me the rest of our days as wonderful moments experienced with truly great friends.

Judge Saund served in Congress only a relatively few years, but his mark will be felt for generations to come, and especially for those generations from and interested in Asian nations. He was a fine public servant in the true sense of the word and he was a wonderful individual devoted to his family who, in turn, have stood by him during his long illness.

It grieves my wife and me that the judge is gone, but we know that the world is a better place for his having been here.

Mr. UDALL. Mr. Speaker, it was my great pleasure to serve in this House with Judge Saund. His keen mind, generous, and friendly manner, and ready sense of humor made him a delight to associate with. His life is a magnificent success story which has been an inspiration to many others in his adopted country.

Mr. BROWN of California. Mr. Speaker, I rise to express my sentiments on this occasion honoring the late Member of this body from 1957–63, D. S. Saund of California. Judge Saund was a personal friend even though our respective service in Congress did not overlap. He represented Imperial County, where I grew up and still have family, and Riverside County, which Congressman VEYSEY and I jointly represent now.

Probably no freshman Member of Congress received as much attention as did Congressman Saund in 1957 during his first year in office. In short order he was sent on around the world tour representing the United States and was received enthusiastically by thousands of people in the Asian countries he visited. It was well deserved attention. He was a remarkable man who had overcome enormous obstacles on the way to being elected a Member of the most powerful and influential legislative body on earth. When Dalip Saund arrived in the United States in 1920, he was still a native of India. It was not until 1949 that he was able to become a citizen and then only as a result of a nationwide effort which he led to revise the Nation's immigration laws on behalf of all Indians in this country seeking to become U.S. citizens. Even the first public office to which he was elected in 1950 was denied him on a technicality due to the date of his naturalization.

During the depression, farming conditions caused him to lose his ranch property and threw him into $8,000 debt. Unlike many others in similar circumstances who filed for bankruptcy, the easiest thing to do, Judge Saund was determined to pay off every one of his debts which he succeeded in doing several years later despite the hardship it caused him.

A man is molded to a large extent by the circumstances of his origins. Such was the case with D. S. Saund. His parents, though illiterate, believed intensely in the importance of education and saw to it that he was given the opportunity to receive a good one in India. It was this belief in education that led Judge Saund to come to this country to obtain further specialized graduate training and led him ultimately to receive a Ph. D. in mathematics at the University of California at Berkeley. Later as a community leader and Member of Congress, he pressed for high standards of educational curriculum and school equipment.

In the same manner he developed deep religious convictions that were to stay with him throughout his life. Although he was a regular contributor to Westmorland's Community Church and an active member of the House Breakfast Prayer Group, Judge Saund remained a devout Sikh, a Hindu religious sect that revolted against the unjust Indian caste system 500 years ago.

He had a strong sense of obligation to his community. Even before leaving India he helped organize two cooperative banks in his town to make loans to villagers who previously had been victimized by moneylenders. He was a community leader in Westmorland, Calif. long before seeking public office. As a judge, he was instrumental in cleaning up a vice-ridden section of his town, forcing local merchants to observe pure food laws, and obliging the local police to behave in a manner worthy of the positions they held. As a Member of Congress, he was a diligent and devoted servant of his constituents, solving innumerable personal and public problems. He was an active member of the Foreign Affairs Committee and the author, among other things, of legislation enacted to provide for regular informal meetings of Members of the Congresses of the United States and Mexico.

As a young man, his fervent belief in the democratic system of government was molded by his reading the writings and biographies of Abraham Lincoln, Theodore Roosevelt, and Woodrow Wilson. His own election to Congress, he believed, was a vindication of these convictions.

Judge Saund was a believer in the individual worth of every man. Once, when asked by a heckler if people would have to wear turbans in his courtroom, he answered:

> My friend, you know me for a tolerant man. I don't care what a man has on top of his head. All I'm interested in is what he's got inside of it.

When Dalip Singh Saund arrived on our shores in 1920, the United States was the richer for it. Now that we have lost him, it is the poorer.

Mr. STUBBLEFIELD. Mr. Speaker, to those here assembled familiar with the personal and political exploits of Hon. Dalip S. Saund, who represented the California 29th District in this Chamber from 1957 to 1963, the news of his passing is received in a spirit of deep remorse. Throughout his lifetime he stood as a symbol of political integrity, personal ability, and democratic principle, in the eyes of thousands of Americans: And his independence, innate honesty, and unquestionable courage endeared him to the multitude both here in his adopted country and in India, his native land.

Born in Amritsar in Punjab, India, Dalip Saund graduated from the University of Punjab and migrated to the United States, where he arrived at the age of 20. Here he renewed his education, receiving a doctorate in mathematics at the University of California. Ineligible at that time, as an Indian, for American citizenship, he became the first president of the Indian Association of America which was largely instrumental in promoting an amendment to the U.S. immigration laws permitting the nationalization of Indian nationals. This was accomplished in 1946, by which time Dalip Saund had become a successful rancher and fertilizer dealer in the Imperial Valley of California.

As a community leader he was persuaded to accept a nomination for justice of the peace in the Westmorland District, to which post he was elected in 1953. Upon the occasion of his swearing-in, he became the first native Indian to hold an elective office in the United States. Coming to the attention of Democratic Party leaders in his district, he received wide support in the Democratic primary contest of 1956 and captured the nomination; and when he easily won the general election in November, the victory was regarded both here and abroad as a great forward stride in American race relations, receiving considerable attention both in Asia and Europe.

In Congress, Dalip Saund was appointed a member of the Committee on Foreign Affairs and the Committee on Interior and Insular Affairs. He served with distinction, ability, and enthusiasm on both these committees. Under the Eisenhower administration, he was a well-known supporter of the President's position on foreign aid, and was always in his corner on that score, irrespective of political differences. In the Committee on Interior and Insular Affairs, the major issue of the Eisenhower years was the pressing demand for statehood on the part of both Alaska and Hawaii; and Dalip Saund was ever in the forefront of this particular battle. On the House floor, he was only vocal, as a general rule, on matters pertaining to his committee assignments, with the exception of his frequent remarks on the farm question about which he, as a California farmer, knew more than many members of the Agriculture Committee itself.

The deep sympathy of Dalip S. Saund, as well as his vast sense of understanding, great knowledge, and good humor made Washington not only a more productive place during his tenure in the House, but also rendered it a more pleasant place to be.

A self-made man, with a strong sense of community purpose, Dalip S. Saund was one of the true reformers of his time, a great political force, and a distinct benefit to American society. I am grieved to hear of his demise, and would like to extend my fondest sympathies to all the members of his family.

Mr. FISHER. Mr. Speaker, it was my happy privilege to have served in this body with the late Dalip Saund of California. I cannot recall a man who has served here during my tenure who commanded more respect and personal popularity. He was a gentleman in the best sense of that word. He was knowledgeable, highly intelligent, and always devoted to any legislation, any cause, which would contribute to the betterment of this country and its government.

Judge Saund, as he was called, had many friends here. Always attentive and courteous, his conduct was always affable and beyond reproach.

I join with my colleagues in paying deserved tribute to a good friend and a truly great American—the late and lamented Judge Dalip S. Saund.

Mr. O'NEILL. Mr. Speaker, I join my distinguished colleagues on this special occasion in paying tribute to Judge Dalip S. Saund, the first native of India ever elected to public office in the United States and the first to serve in Congress.

All of us in this Chamber who knew Dalip wholeheartedly concur with his autobiographical statement that his life was indeed "a vivid example of democracy in action." Greatly influenced by the writings of Abraham Lincoln and Woodrow Wilson, Dalip Saund was determined to translate to modern government the ideals upon which America was founded.

Once denied citizenship in the United States and the right to own land, Dalip enthusiastically assumed the mantle of leadership to change Federal law which discriminated against persons of Asiatic ancestry. In 1942 he helped organize and became the first president of the India Association of America which sought to obtain citizenship for East Indian residents of the United States.

Through unswerving dedication and resourcefulness Dalip Saund was prominently responsible for the successful passage of a bill, cosponsored by Representatives Emanuel Celler and Claire Booth Luce, permitting persons born in Asia to become U.S. citizens. What a proud and joyous day for Dalip Saund when he was naturalized in 1949.

Elected to the House of Representatives in 1956, Judge Saund conscientiously devoted his 6-year tenure in this body to the cause of civil liberty and rights for all Americans. As a member of the Interior and Insular Committee he authorized legislation granting equalization of properties owned by the Aqua Caliente Indian Tribe in the Palm Springs area, and providing equitable sharing of the assets of the tribe for all its members. He was also successful in obtaining approval of protection for dates against unwholesale imports, development aid for Indian-owned lands, and flood protection for his district.

To chronicle all his legislative achievements and personal successes during his lifetime could not begin to pay Dalip Saund the justice and honor he deserves. Those of us who knew and admired him in the House, remember him as a man of boundless energy, personal integrity, and strong convictions—consistently and tirelessly fighting for the right of "life, liberty, and the pursuit of happiness" for all Americans.

Mrs. O'Neill joins me in expressing sincere condolences to the family and friends of Judge Dalip Saund.

Mr. SISK. Mr. Speaker, I appreciate the gentleman from California (Mr. VEYSEY) arranging for this special order today and permitting me to join in this well-deserved tribute to our departed colleague, Judge Dalip S. Saund.

As Judge Saund himself said upon his triumphant return to his native India in 1957 as a representative of the U.S. House of Representatives, his life was a vivid example of democracy in action.

He was born in the village of Chhajalwadi, India, September 20, 1899; and graduated from University of Punjab with a A.B. degree, majoring in mathematics, 1919. He then came to the United States in 1920 where he enrolled at the University of California at Berkeley as a graduate student and earned M.A. and Ph. D. degrees in mathematics. After receiving his Ph. D. in 1924, he attempted to obtain teaching positions, but was unsuccessful, because he was not a citizen and could not be under Federal law. In 1925, he went to the Imperial Valley of California to enter farming.

In 1942, he helped to organize and became the first president of the India Association of America for the purpose of obtaining citizenship for East Indian residents of the United States.

He joined in an intensive effort to change Federal law prohibiting citizenship for all persons born in Asia. In 1946 a bill cosponsored by Congressman Emanuel Celler and Congresswoman Clare Boothe Luce to permit persons born in Asia to become U.S. citizens was approved by Congress and became law. Mr. Saund became a citizen on December 16, 1949.

After long participation in community events in Westmorland, Calif., Saund was elected judge of the Justice Court in 1952 and served until his election to the House of Representatives in November 1956.

He was the first person of Asiatic ancestry to be elected to the Congress.

During his tenure of office he became much loved and respected by his fellow Congressmen, and I had the pleasure of serving with him on the Interior and Insular Affairs Committee.

He was also noted as a strong advocate of Federal aid to education.

We shall miss this outstanding international figure and Mrs. Sisk and I extend our deepest sympathies to his wife Marian and surviving family.

Mr. MILLS of Arkansas. Mr. Speaker, it was with sadness that I noted the recent passing away of a distinguished former colleague, the Honorable Dalip S. Saund of California.

Judge Saund was originally elected to the 85th Congress, and his distinguished service in this House extended through the 87th Congress. He holds the distinction of being the first native of India ever to be elected to Congress.

Prior to coming to the House of Representatives, Judge Saund had served in important positions in government in his beloved adopted State of California. He had been a judge of the justice court in Westmorland Judicial District immediately preceding his election to Congress.

It was my privilege to know and respect Judge Saund during his 6 years of distinguished service in this House. He will be long remembered for his many contributions and dedicated and effective representation of his district, and California, and his love for this country.

We all mourn the passing of Judge Saund, and I am honored to join with his many friends in the House in expressions of tribute and farewell to this highly esteemed former Member from California.

Mr. ROYBAL. Mr. Speaker, I rise to add my voice to those paying tribute to the memory of our friend and former colleague in the House, the late Dalip S. Saund.

Originally from India, Congressman Saund received his graduate education in the United States earning both a masters and doctoral degree in mathematics from the University of California at Berkeley. Congressman Saund was an ardent community activist and civic leader and, after long participation in community events in Westmorland, Calif., was elected judge of the justice court in 1952. He was the first native of India to hold public office in the United States and his subsequent election to the House of Representatives gives testament to the very high esteem in which he was held by the residents of his district. During his short but distinguished career in the Congress, which was interrupted by failing health, he proved their regard to be well-founded, and I have no doubt that all with whom he came in contact were affected by this same sense of admiration and respect for him.

A capable legislator and dedicated public servant, Dalip Saund will long be remembered as one of our outstanding Congressmen. It is with a deep sense of personal loss that I take note of the passing of one of my most respected supporters and political advisers, as well as beloved friends.

Mr. CONTE. Mr. Speaker, I would like to take this opportunity to add my sentiments to those already expressed today honoring the memory of the late Congressman Dalip S. Saund of California. I would also like to thank my colleague Mr. VEYSEY for arranging for this special order.

Judge Saund, as the first native of India to be elected to the Congress, was uniquely suited to sit on the Foreign Affairs Committee and served there with the distinction that characterized all of his official activities.

All who knew him were impressed with the range of his accomplishments and the depth of his commitment to serving his adopted country and its people.

He was a man of great determination and high goals. As a former colleague of his, I can say that I am proud to have served in the House with Dalip S. Saund and held him in highest regard.

I join with my colleagues in offering my deepest sympathy to his widow, Marian, and the entire Saund family on the death of this fine American.

Mr. HENDERSON. Mr. Speaker, I deem it a high honor to have the opportunity to pay my respects to our departed colleague, the late Judge D. S. Saund.

Although his tenure was relatively short, he was one of the most widely known and respected Members of the House. He was one of those rare persons who, without histrionics, held the attention of all those present when he took the floor to speak.

Respected by the minority as well as those of us in his own party, Judge Saund was a living testimonial to the concept that naturalized Americans from varying backgrounds can and do become great national leaders as elected officials of their adopted country.

Never for a moment did anyone doubt Judge Saund's loyalty to his Nation and his devotion to its cause. His patriotism was of a brand and a degree too often lacking in native-born Americans and was an inspiration to all of us who knew him.

The House of Representatives is the poorer for his loss, but a better body for his service among us.

Mr. BELL. Mr. Speaker, it is with a sense of deep personal loss that I join in this tribute to our former colleague and friend, Judge Dalip Saund. Judge Saund was a man of immense warmth and kindness who genuinely exemplified the spirit of our country.

During my first term in Congress, I had the privilege of serving with Judge Saund. I admired his ability as a legislator and frequently sought his wise counsel.

Born in India, Judge Saund obtained his graduate education in the United States. He became president of an organization with the goal of obtaining citizenship for East Indian residents of the United States. Because of his efforts, Congress passed a law enabling persons born in Asia to become U.S. citizens. He was elected judge of the justice court and served in that capacity until his election to Congress in 1956. Judge Saund received the distinction of being the first person of Asian ancestry elected to Congress.

Judge Dalip Saund will be deeply missed by everyone who knew him. He termed his life "a vivid example of democracy in action." May his memory serve as an inspiration to all.

Mr. HOLIFIELD. Mr. Speaker, I appreciate the action of the gentleman from California (Mr. VEYSEY) in obtaining time for the Members to pay their tribute to former Congressman Dalip Singh Saund who formerly represented portions of the gentleman's congressional district.

Judge Saund was born in Amritsar, India, on September 20, 1899. He was educated at the University of Punjab where he graduated with honors. He also obtained a Ph. D. in mathematics at the University of California, and he graduated from the California Institute of Technology.

Judge Saund volunteered for service in the Korean war and obtained the rank of lieutenant before he was honorably discharged.

Judge Saund, born a citizen of India, became a citizen of the United States and he was very proud of that fact. Many of his countrymen had immigrated from India and had become farmers in the great Imperial Valley. Judge Saund was interested in getting them to become citizens also. To this end, he organized the India Association of America for the purpose of encouraging his countrymen to become citizens.

Judge Saund was active in the civic activities of his home city of Westmorland, Calif. in the Imperial Valley and he became an elected judge of the Justice Court of the Judicial District of the County of Imperial. The fact that this former East Indian could be elected as a judge of the justice court was a tribute to his standing as a citizen and a businessman, and as an individual who was very proud of his American citizenship.

Judge Saund decided in 1956 that he would campaign for election to the U.S. House of Representatives. Here, again, the fact that the people of the congressional district which he served were willing to lay aside any prejudices or feelings that they might have in electing a foreign-born citizen was an example of the high esteem in which he was held by the people. He was elected to Congress on November 6, 1956, and was reelected to the 86th and 87th Congresses.

During the time he was a Member of the House, he served on the Committee on Interior and Insular Affairs and the Foreign Affairs Committee. Judge Saund was highly popular among the Members of the House, both Democrats and Republicans. He never failed to speak of his pride of American citizenship. As a matter of fact the speeches which he gave in his district during his first campaign were speeches which enunciated a deep and abiding faith in the American system of constitutional government, and his fervent appreciation of the fact that he had been accepted as a citizen in the country of his choice—the United States.

Congressman Saund was married to Marian Z. Kosa in 1928 and they were blessed with three children. His recent demise after a long period of illness left his wife and their three children as his immediate family survivors.

Congressman Saund's life was an example, to all of the people of his congressional district and his State, of the fact that an emigrant could come to the United States and establish by his own effort and his sterling character a reputation in his district as a judge of the justice court and as a U.S. Representative in the Halls of the Congress.

Mr. FASCELL. Mr. Speaker, I join in paying final tribute to Dalip Singh Saund, the first person of Asiatic ancestry to be elected to the U.S. Congress. Dr. Saund was a strong and courageous man whose determination and perseverance should stand as an example to all of us.

I was privileged to serve on the Foreign Affairs Committee with Dr. Saund during his three terms in the House. My respect for his insight and dedication developed into admiration during this time, and I am pleased to be able to say that our service together also permitted the development of a strong, personal friendship.

A native of India, Dr. Saund came to the United States in 1920 to continue his studies at the University of California at Berkeley where he earned M.A. and Ph. D. degrees in mathematics. However, his efforts to teach were thwarted because U.S. law at that time prohibited him from becoming a naturalized citizen. He then turned his energies to farming.

In 1942, however, Dr. Saund helped to organize the India Association of America. Because of his initiative and leadership in this association, efforts to amend the Federal law prohibiting citizenship for all persons born in Asia were finally successful in 1946. Legislation sponsored by the former distinguished chairman of the House Judiciary Committee, the Honorable Emanuel Celler, made the necessary change in the law, and in 1949 Dr. Saund became a U.S. citizen.

Dr. Saund was first elected to Congress 7 years later in 1956 after serving as elected judge of the justice court in Westmorland, Calif. Under his leadership, legislation authorizing an annual interparliamentary conference between the United States and Mexico was enacted. He also served as the chairman of a special one-man subcommittee on the Foreign Affairs Committee and toured Southeast Asia to study the working of the mutual security program there. His insights and his contributions to the Foreign Affairs Committee were indeed invaluable.

Dr. Saund's tireless campaign for the rights of all Americans and especially those of Asian origin serve as a model for us today. His life, as he said, was "a vivid example of democracy in action."

"The Judge" was a dear friend whose service in the Congress meant very much to me personally and professionally. I am saddened that his death is the cause for our remembering his strengths and contributions here today, and extend my deepest sympathy to his family.

Mr. VAN DEERLIN. Mr. Speaker, Dalip Saund left Congress the year before I came here. I knew him well as a man. It was my misfortune not to know him better as a legislator, for I would have profited from his experience, precepts, and example.

When Judge Saund gained his seat in Congress in 1956, he had overcome obstacles such as few Members of this body have had to face. The biggest of these was his foreign birth. Judge Saund came to this country from India in 1920. Already holder of a degree in mathematics from the University of Punjab, he earned M.A. and Ph. D. degrees in mathematics at the University of California. Despite his credentials, however, he was unable to obtain a teaching position because he was not a citizen, and under Federal law at that time could not become one.

Undismayed, he joined in intensive efforts to change the law prohibiting citizenship for all persons born in Asia. That law was changed in 1946, and in 1949—29 years after he landed in America—Dalip Saund became a U.S. citizen. In November 1956, after serving for 4 years as a judge of the justice court in Westmorland, Calif., he entered a congressional race against famed aviatrix Jacquelin Cochran Odlum. He won, and became the first person of Asiatic ancestry to be elected to Congress.

Contributing largely to that victory were the dedicated efforts of his daughter, Julie, and her husband, Dr. Fred Fisher, who labored tirelessly on his behalf. Julie's interest in people and her community, inspired by her father, is exemplified by her current campaign to gain a seat on the San Diego Board of Education. Her husband, Dr. Fisher, is a widely known marine scientist who designed the FLIP, a revolutionary 300-foot research vessel which stands on end for deep water studies. Together, Dr. Fisher and Julie formed part of a close-knit registration and canvassing team which led to the success of Judge Saund's first campaign.

Having gained this seat, Judge Saund more than justified the confidence displayed by the electorate. His achievements here were many and, as one might expect from a man who knew adversity, were aimed in great part at helping the poor and deprived, particularly American Indians.

Shortly after his election, Congressman Saund made a tour of Southeast Asia, culminated by a visit to his native land where he was greeted by huge crowds. What he saw overseas impelled him to take a position regarding Vietnam which was first unpopular, then overwhelmingly popular in this country. He opposed our involvement in Vietnam, and was among the leaders of those who opposed that involvement. He lived to see his views widely accepted.

It has been aptly pointed out that we are born with our relatives, but that we can choose our friends. Dalip Saund, born in India, chose the United States for his own. This country is the better for his choice.

Mr. PETTIS. Mr. Speaker, I am proud to join this special tribute to the late Congressman Dalip S. Saund, a remarkable man and the first native of India ever elected to Congress.

His career is a lifelong illustration of the promise of our American system. As a new arrival from India, he attended the University of California at Berkeley, receiving a Ph. D. in mathematics. Upon graduation, finding his future made uncertain by a Federal law refusing citizenship to natives of Asia, Mr. Saund led a successful fight to remove this law—achieving his goal in 1946.

In 1949, he became a citizen and, after involving himself in local community service, was elected to the Justice Court. In 1956, Judge Saund ran a successful campaign for the U.S. House of Representatives seat from California's Imperial and Riverside Counties. His victory made him the first Asian ever elected to Congress.

During his years here in Washington, Congressman Saund served with distinction on both the Foreign Affairs and Interior Committees and was unofficial goodwill ambassador from Congress to the nations of Southeast Asia.

In his autobiography, "Congressman From India," Judge Saund termed his own life "a vivid example of democracy in action." He was a man who believed in and stoutly defended the American dream; for, even though he was born across the sea, he took America to heart and found the dream a reality.

He will be sorely missed.

Mr. ANDERSON of California. Mr. Speaker, I join with the many friends of former Congressman Dalip Saund in paying tribute to this man who overcame great adversity to become a leader in our State of California and the Nation.

Born in India, he came to the United States in 1920 where he earned a Ph. D. degree in mathematics at the University of California at Berkeley. Denied U.S. citizenship because of his birthplace, he was also denied the opportunity to teach in this country.

Thus, he went to the Imperial Valley to enter farming where he became active in community affairs. To change the law prohibiting citizenship for all persons born in Asia, Mr. Saund helped organize and became the first president of the India Association of America.

His efforts bore fruit in 1946, as a bill sponsored by Representative Emanuel Celler and Representative Clare Booth Luce to permit persons born in Asia to become U.S. citizens was approved by Congress and signed into law.

In 1949, Representative Saund became a U.S. citizen. Three years later, he was elected judge of the justice court in Westmorland, Calif.

I first came to know him during this period, when I was serving as the chairman of the Democratic Party in California. He was an extremely able, personable man who loved his adopted country and possessed a great desire to serve his fellow man.

Those of us who knew and respected him, urged him to run for Congress where in 1956 he became the first person of Asiatic ancestry to serve in the House of Representatives.

Two years later, in 1958, he was instrumental in my election to the position of Lieutenant Governor.

In Congress, Representative Saund served on the Foreign Affairs Committee and the Interior and Insular Affairs Committee. He authored legislation establishing the Interparliamentary Conference with the U.S. and Mexico, and he authored a proposal which provided equitable distribution of properties owned by the Aqua Caliente Indian tribe in the Palm Springs area.

Mr. Speaker, as a student of Gandhi, Lincoln, and Woodrow Wilson, Representative Saund had an unswerving determination to translate the principles on which America was founded into our modern government.

My wife, Lee, joins with me in sending our sympathy and condolences to his widow, Marian; their son, Dalip, Jr.; their daughters, Mrs. Julia Fisher and Mrs. Ellie Ford.

He was my friend and he was my adviser, and we shall all miss him, but his contributions to our society, which were great, will live in our memories forever.

Mr. ZABLOCKI. Mr. Speaker, I wish to join my colleagues in expressing sorrow and in paying tribute to the late Judge Dalip Singh Saund of the former 29th District of California, the first American of Indian ancestry to be elected to the Congress.

It was my privilege to serve in the House and on the Committee on Foreign Affairs with Congressman Saund. He represented his district, his State, and the Nation with dedication and devotion. As a man personally interested and sensitive to the conditions in developing and underdeveloped countries, Mr. Saund toured and studied the countries of the subcontinent of India and Asia upon the request of the then chairman of the Foreign Affairs Committee. His subsequent reports of those countries contributed to a broader understanding of Asia on the part of his fellow colleagues on the Foreign Affairs Committee.

Although some years have passed since he served in Congress, Congressman Saund is well remembered in these halls. My wife joins me in expressing deep sympathy to his wife, his children and grandchildren. May they derive some small consolation from the knowledge that their loss is shared by his friends.

GENERAL LEAVE

Mr. VEYSEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of this special order, Judge Saund.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

ABUSE OF FOOD STAMP PROGRAM

The SPEAKER pro tempore (Mr. Mazzoli). Under a previous order of the House, the gentleman from Alabama (Mr. Dickinson) is recognized for 60 minutes.

Mr. DICKINSON. Mr. Speaker, during the campaign recently I was talking to a grocer who ran a small supermarket. He was very irate at what had just occurred in his store. A lady at the checkout counter was trying to buy dogfood with food stamps. He advised her that this was illegal, so she said, "All right, son," turning to her boy, "take these cans back to the shelf and bring me 3 pounds of hamburger," which he did.

Another grocer told me of a woman checking out checkout counter, and he remarked on the amount of fresh shrimp that she had. He commented, making a social pleasantry, that she must really like shrimp. She said, "No, as a matter of fact," she did not care for shrimp at all, but her cat liked it, and she could get fresh shrimp with food stamps and could not buy it in a can.

Mr. Speaker, these are just two of many abuses of the food stamp program.

The purpose of our being here today, and taking this special order, is to deal specifically with food stamps for strikers.

Mr. Speaker, this afternoon a number of my colleagues will join me in discussing why strikers should not be allowed to receive food stamps.

This practice is an abuse of a program which was originally approved for the primary purpose of providing low-income households with the means to obtain a nutritionally adequate diet, and it is estimated that the cost of providing strikers with food stamps is as great today as the cost of the entire food stamp program in 1969.

I am not opposed to organized labor, but I think that giving food stamps to strikers is fundamentally wrong. When we take the taxpayer's dollar and use it to prefer one side over another—to give one side an advantage over another—in a matter directly affecting the public and consumer, we are abandoning our principles of fair play and free enterprise.

According to a study by Armond J. Thieblot, Jr., and Ronald M. Cowin, entitled "Welfare and Strikes: The Use of Public Funds To Support Strikers," strikes are becoming more frequent and they are lasting longer. I believe any of us who read the newspaper can attest to that fact. Figures contained in the Thieblot-Cowin study indicate widespread use of food stamps by strikers and show a relation between the increased length of strikes and the increased use of public assistance by strikers.

During the General Motors strike of 1970, for example, it is estimated that about 50 percent of the 170,000 Michigan strikers received food stamps for at least 1 month. The overall food stamp aid cost in that State during the 71-day strike was about $10,673,000. Similarly, almost all—97.7 percent—of the Delaware County, Pa., residents striking against Westinghouse in late 1970 and early 1971 received food stamps during the month of January, 1971. Total food stamp aid costs during the 160-day strike were approximately $659,000 in this county.

Man-days lost due to strikes increased from an annual average of 17 million during the early 1960's to 66 million in 1970, almost a 400 percent increase; moreover, man-days lost due to strikes of 60 days or more increased from 6,576,000 to 30,921,000, a striking rise of almost 500 percent. During just one of these lengthy strikes, cited in the Thieblot and Cowin study, one of 160 days at Westinghouse steam division plant in Lester, Pa., a local union leader admitted the great extent to which his union had relied on welfare benefits during the strike:

> Yes, I think our membership now relies on welfare . . . I like to think that we could have stayed out for twenty-two weeks without welfare . . .

Certainly, this is a case of Government intervening to destroy the balance necessary for a successful collective bargaining system. The system depends on pressure on both sides to negotiate a settlement, and if strikers are receiving enough public assistance—a great part of which is food stamps—to keep them from needing to go back to work, there is obviously not the same amount of pressure on the strikers as there is on management.

If the Government through its intervention eliminates the pressure on one side, then it eliminates the incentive to negotiate in good faith and prolongs strikes. Prolonged strikes mean higher wages at settlement and eventually higher taxes. Therefore, we destroy the economic function of collective bargaining throwing the whole system out of whack.

Who suffers from the destruction of the collective bargaining system? We all do. Most especially, however, taxpayers suffer. They are forced to foot the bill for the strike in a backhanded manner, and they suffer most from increased prices and taxes. Would we have the courage to ask the taxpayers for a direct grant to strikers?

The American housewife has taken to the streets with signs of protest against the high cost of meat, and we say we sympathize with her cause. Yet, we ask her family to continue to pay high taxes to subsidize strikers so they can eat better than she and her family do.

What does the public think of this food stamp subsidy to strikers? An Opinion Research Corp. poll conducted in late May 1972 found 46 percent opposed to it and only 32 percent in favor. It found that even 39 percent of union members opposed the practice. The straw poll conducted following a National Educational Television "Advocates" program on the subject found an overwhelming majority of respondents opposed, and Congressmen polling their districts last year found similar results.

In my own district, I asked my constituents whether persons on strike should be eligible for food stamps or other public assistance. An overwhelming majority—83.2 percent—said "no." I was also involved in an open line radio show in Montgomery, Ala., on which several union people called in and said they did not think giving food stamps to strikers was a proper use of the food stamp program. A member of the Railroad Brotherhood said that after 7 days on strike, he and his fellow union members were receiving half pay from the union, and he and the majority of the brotherhood did not think it right that food stamps are available to strikers since most do receive money from the union strike fund. This money, furthermore, is not counted as income in determining eligibility for food stamps.

You have probably received letters during the past several weeks asking you to support the President's efforts to keep Federal spending down. I have been receiving mail on this subject through the years, and I can assure you the taxpayers in my district do not feel the least obligation to subsidize the striker so he can eat better than they do while he waits out the strike which is costing my constituents even more money in the form of higher prices and taxes.

What if the shoe were on the other foot? What if Government were directly subsidizing management when they could not ship or sell or manufacture because of strikes? Do you think either unions or the taxpaying public would favor this? Why should it be different for organized labor?

Food stamps are available without a waiting period and may be used even in short strikes. Program administrators customarily grant stamps readily and determine questionable eligibility at a later date—if at all.

According to the best information I could get, the practice is that anyone who is unemployed and claims to have no more than $1,500 cash or liquid assets can qualify for food stamps. It makes no difference what your actual net worth is, if you claim to have less than $1,500 in cash or liquid assets—and no one checks as a usual rule—you can say your take home pay is between 0 and $20 a month, and with no purchase requirement—not even the 50 cents which used to be charged—you get food stamps each month for a family of four with a value of $112 at the supermarket, or for a family of six with a value of $152. This means that one who is voluntarily unemployed but—as an extreme example—owns a $50,000 house free of debt, owns two new Cadillacs and a cabin cruiser, can get food stamps because neither he nor his wife work. He might be earning $25,000 or $30,000 a year normally and be on strike for a week or a month—and he qualifies.

Use of food stamps also leads strikers into other benefit programs designed to help the needy, not those voluntarily on strike. For many years unions could not draw upon public funds to subsidize strikes. Today, when unions are better financed and more powerful than ever before, there is no need to increase union power by substituting public moneys for union strike funds.

What are the union arguments supporting use of food stamps for strikers? A principal argument is that food stamps are provided to the needy, regardless of the cause of their need, and that failure to furnish stamps to needy strikers will cause their children to go hungry. The purpose of the food stamp program is to provide improved levels of nutrition among low-income households. Strikers voluntarily withhold their labor. Any decline in their level of nutrition during the strike is voluntary and is ordinarily of limited duration. Moreover, food stamps have been available to strikers only very recently. Even though billions of man-days have been lost through strikes over the years, children did not starve during those strikes.

Unions frequently argue that strikers and their families are in need involuntarily, that they are not responsible for withholding their labor. Strikes were not protected at common law. Unions fought hard to obtain the broad strike protections now provided by statute. These statutory protections, which include procedures for calling strikes, carry with them a responsibility on the part of unions to care for members and their families who suffer injury through union activities supported by a majority of the bargaining unit. This burden should not be borne by the general public.

It is contended that many union members do not want to strike and thus deserve food stamps. Unions place great emphasis on their right to exclusive representation and forced union membership. When given these rights by statute, they incurred a corresponding responsibility to protect union members and their families who are placed in need by union conduct. If unwilling to fulfill this responsibility, they should forego compulsory union membership or the power to coerce unwilling strikers through fines and other disciplinary action.

A lot of people like to talk about the rights of strikers. What about the rights of the taxpayer?

When there was an automobile union strike and no cars were being made, the strikers got food stamps. What about the salesmen at the auto dealers who live on commissions? They did not have income sufficient to live on, but they could not get free food stamps. However, their tax dollars help subsidize the people who put them out of work and who were drawing food stamps.

The use of food stamps by strikers is a perversion of the objectives of the Food Stamp Act. Food stamps for strikers is an unintended consequence of a program designed to aid low-income families through better use of surplus foods. Its availability to subsidize strikers is maintained through exertion of vigorous union political efforts. If continued, food stamps for those intended to benefit from the program must be reduced or the cost of the program will continue to accelerate rapidly.

According to letters I receive, there are many of our working poor who really need help but cannot qualify because they have some income—and at the same time, because of the way the law is written, strikers many times less deserving are getting food stamps.

Mr. Speaker, the present policy of allowing food stamps to strikers is contrary to good business and commonsense and should be abolished. I am pleased a number of my colleagues share this belief and have the courage to stand up and be counted.

Cosponsors of the bill follow:

Cosponsors of Wm. L. Dickinson's Bill To Prohibit the Issuance of Food Stamps to Strikers

John B. Anderson (R.-Ill.).
Leslie C. Arends (R.-Ill.).
L. A. (Skip) Bafalis (R.-Fla.).
Robin L. Beard (R.-Tenn.).
John Buchanan (R.-Ala.).
John N. Happy Camp (R.-Okla.).
James M. Collins (R.-Tex.).
Philip N. Crane (R.-Ill.).
Samuel L. Devine (R.-Ohio).
Edwin D. Eshleman (R.-Pa.).
Don Fuqua (D.-Fla.).
George A. Goodling (R.-Pa.).
James A. Haley (D.-Fla.).
James E. Hastings (R.-N.Y.).
William M. Ketchum (R.-Cal.).
James R. Mann (D.-S.C.).
Robert H. Michel (R.-Ill.).
G. V. (Sonny) Montgomery (D.-Miss.).
Walter E. Powell (R.-Ohio).
John J. Rhodes (R.-Ariz.).
John R. Rousselot (R.-Cal.).
William J. Scherle (R.-Iowa).
Gene Snyder (R.-Ky.).
Sam Steiger (R.-Ariz.).
David C. Treen (R.-La.).
Victor V. Veysey (R.-Cal.).
Lawrence Williams (R.-Pa.).
C. W. (Bill) Young (R.-Fla.).
Bill Archer (R.-Tex.).
John M. Ashbrook (R.-Ohio).
LaMar Baker (R.-Tenn.).
Ben B. Blackburn (R.-Ga.).
M. Caldwell Butler (R.-Va.).
Bill Chappell, Jr. (D.-Fla.).
John B. Conlan (R.-Ariz.).
Edward J. Derwinski (R.-Ill.).
Marvin L. Esch (R.-Mich.).
O. C. Fisher (D.-Tex.).
Barry M. Goldwater, Jr. (R.-Cal).
H. R. Gross (R.-Iowa).
John Paul Hammerschmidt (R.-Ark.).
David N. Henderson (D.-N.C.).
Dan Kuykendall (R.-Tenn.).
Robert B. (Bob) Mathias (R.-Cal.).
Wilmer (Vinegar Bend) Mizell (R.-N.C.).
Stanford E. Parris (R.-Va.).
Robert Price (R.-Tex.).
J. Kenneth Robinson (R.-Va.).
David E. Satterfield, III (D.-Va.).
Keith G. Sebelius (R.-Kans.).
Floyd Spence (R.-S.C.).
Steven D. Symms (R.-Idaho).
Guy Vander Jagt (R.-Mich.).
John Ware (R.-Pa.).
Bob Wilson (R.-Cal.).
Edward Young (R.-S.C.).

Mr. ROUSSELOT. Mr. Speaker, will the gentleman yield?

Mr. DICKINSON. I yield to the gentleman from California (Mr. ROUSSELOT).

Mr. ROUSSELOT. Mr. Speaker, making food stamps available to strikers means that the hard-earned funds of the vast majority of working people are taken from them by the government and distributed to the relatively few persons who become involved in strikes and whose labor unions are perfectly capable of supporting their own efforts without public assistance.

A recent study published by the Industrial Research Unit of the Wharton School of the University of Pennsylvania described the provision of various forms of assistance to strikers as "as unwarranted imposition on the public treasury and the private good. The benefits accrue to a relatively small group which did not really need them in the past and does not need them now."[1] The study found that public assistance to strikers has a tendency to increase the cost of strikes to the general public.

The public depends upon the existence of a relative balance of power between labor and management to keep the costs of goods and services under control. When assistance is provided to union negotiators in the form of a virtually unlimited strike fund, the incentive to avoid lengthy strikes is greatly reduced. The result is bound to be felt by the public in many ways, including greater inconvenience and hardship because of the inability to obtain needed goods and services, higher prices due to the higher settlements which public assistance enables labor to win and which must usually be passed on to the consumer, and higher taxes, as a result of the increased burden which support of strikers places upon the Public Treasury.

In short, the provision of food stamps for strikers takes undue advantage of the generosity of the American taxpayer by requiring him to pay to support persons who are not truly in need and then to pay again in the form of more strikes, longer strikers, and higher prices.

Furthermore, the time has come to take another look at the congressional policy embodied in the Food Stamp Act. The "congressional declaration of policy" accompanying the act refers to utilization of "the Nation's abundance of food."[2] It is time that we recognize that that "abundance," upon which so many misguided programs have been based, may very well be a thing of the past.

In addition, we are all concerned about inflation and particularly alarmed at the unprecedented rise in food prices which has taken place in recent months. Food stamps have contributed to this inflation, first by increasing the purchasing power of consumers, which tends to drive prices up, and then by insuring that the full inflationary impact, which is expected to amount to $2.3 billion[3] in fiscal 1973, will be channeled into the market for food.

What is needed at this point in time is a thorough reevaluation of the food stamp program to bring the program into line with the realities of the seventies. Chief among those realities is that the vast majority of citizens are growing impatient with high taxes and the high cost of living. There is no reason whatsoever why tax money should be used to support strikes, which in turn drive prices higher. The result is higher taxes and higher prices for the consumer, and we in the Congress have a duty to eliminate a practice which is harmful and unfair to those who are required to support it.

On March 22, 1973, the Pasadena Star-News published an excellent editorial which most eloquently state the consumer's case against providing welfare, including food stamps, to strikers. The editorial said:

> . . . It is a perversion of the principle of help to the needy, for the government to grant and the worker to accept such aid.

I include the editorial at this point in the RECORD:

No Welfare to Strikers

The nation's consumers are threatened this year with what is expected to be one of the most damaging periods of labor discord on record. Some 4.5 million workers are covered by union contracts expiring this year, of which it is estimated about three million will go on strike.

Those strikes will probably be longer and more costly than ever before because the average taxpayer is helping to subsidize them. Public welfare aid is coming to be a more important source of strike support than the union strike fund.

Such ridiculous practice is made possible through food stamps, Aid to Families with Dependent Children and, of all things, unemployment compensation.

It used to be that meager strike funds and the possibility of prolonged hardship without income mitigated against a strike. But those factors have become less pervasive in recent years as public welfare benefits have been successfully manipulated for the benefit of strikers.

It is possible that a person on strike can collect as much as $350 per month in benefits, depending upon the state—the equivalent of about $2 per hour on a working day.

Not only does such practice cause increasing inconvenience to consumers, higher prices and higher taxes, it threatens to undermine the entire system of collective bargaining. Unions and strikers are able to put relentless pressure on employers to acquiesce to their demands since resistance becomes futile when strikers are not greatly hurt by their walkout.

At the same time, the availability of welfare aid to strikers must inevitably lead to like benefits for employers in the form of tax advantages, low interest loans, insurance pools and others, all of which costs the taxpayer still more.

The whole disastrous effect of public welfare to strikers puts the system of collective bargaining out of balance, giving strikers a shield against the hardship of a strike and putting the government on the side of the unions in labor disputes. The federal government, making welfare available to strikers, thus is a partner to the demise of the system of labor negotiation.

The system began to get out of kilter in the mid 1960s with the loosening of the rules of some programs and a change in attitude toward welfare. The number of man days lost during strikes of over 60 days duration more than doubled from 1966 to 1970, from about 15 million to 31 million, once labor realized it could tap welfare's pot of gold for the benefit of strikers.

In some cases, union leaders have consulted with welfare directors far in advance of an intended strike to determine precisely what benefits would be available to workers if they went on strike, then let their members know how to qualify.

What a disastrous change in the attitude of the working man away from self sufficiency and willingness to take the consequences of his own decisions. The public owes a striker nothing.

It is an ominous sign of degeneracy in the strength and self reliance of the American working force, and a perversion of the principle of help to the needy, for the government to grant and the worker to accept such aid.

The need for change in federal and state welfare regulations to preclude the granting of welfare aid to strikers is obvious. Congress must change the food stamp program to make strikers ineligible for such aid as well as Aid to Families with Dependent Children. States which allow workers to collect unemployment benefits when on strike must also change their laws to prevent such practice.

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[1] Armand Thieblot and Ronald Cowan, *Welfare and Strikes* (Philadelphia, Pennsylvania: Industrial Research Unit of the Wharton School of Finance and Commerce, University of Pennsylvania, 1972), p. 220.

[2] Food Stamp Act of 1964, 7 U.S.C. Sec. 2011 (1970).

[3] Testimony of Harold C. Lumb, Consultant to the National Association of Manufacturers, before the Senate Committee on Agriculture and Forestry, Considering S. 517, 93d Congress, 1st Session, p. 564.

Granting of welfare aid to those who have chosen to walk off their jobs on strike is an intolerable abuse of public assistance and must be terminated.

Mr. DICKINSON. I thank the gentleman for his remarks.

Mr. GROSS. Will the gentleman yield?

Mr. DICKINSON. I am very pleased to yield to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, I wish to commend the gentleman for the remarks he has made this afternoon and say to him I am glad to have had this opportunity to cosponsor the legislation which he is so ably espousing.

Mr. DICKINSON. I thank the gentleman for his kind words and also for his participation here today. He is a cosponsor of the bill which I might say at this time has 56 cosponsors. I anticipate the number will rise even higher.

I am very pleased now to yield to the gentleman from Indiana (Mr. LANDGREBE).

Mr. LANDGREBE. I thank the gentleman for yielding.

As a cosponsor of the bill to prohibit food stamps for strikers, along with the gentleman in the well, I would like to make a brief comment.

I do not know that I will exactly have a question to ask, but I do understand—and perhaps the gentleman can assure me that this is the right figure—there are some $2.5 billion being spent now by the U.S. Government on food stamps. Is that correct?

Mr. DICKINSON. I think the figure is substantially correct, and if it is not, we will correct it in the RECORD.

Mr. LANDGREBE. I will ask the gentleman, also, if he does not think with this sort of artificial pressure that perhaps food stamps have a marked effect on the prices in the marketplace that the housewife pays for food. Do you think that might be a correct statement?

Mr. DICKINSON. It is an absolute statement of fact which has been proven. This is one of three main thrusts that motivated me to sponsor this legislation and to oppose the concept of allowing strikers to be eligible for food stamps.

Mr. LANDGREBE. I will then close my comments with this brief statement.

I would, of course, like to associate myself with the entire comments of the gentleman in the well and would also like to say that perhaps the theory of permitting needy people in the country to have the flexibility and the privilege of the selection of foods that are important through the use of the food stamp program is no doubt commendable.

But, on the other hand, I most sincerely believe that we must tighten up the guidelines not only on food stamps for strikers, but when we have a program that permits a woman to buy very expensive fresh or frozen shrimp to feed her cats, then I do not think that is a fair way to expend the taxpayers' money. It would not be so bad if we had the money to spend, but this is the time when it is all being part of our deficit financing in this country, and I believe that that is a very dangerous course we are on.

Again I thank the gentleman for yielding.

Mr. DICKINSON. Mr. Speaker, I thank the gentleman for his comments, and the contribution the gentleman has made.

Mr. BAKER. Mr. Speaker, in 1964, Congress changed the status of the food stamp program from a pilot project authorized by the executive branch to a full-scale national program authorized by law. Since I was not a Member of Congress at that time—and since I am now a member of the Committee on Agriculture and participating in hearings on the food stamp program—I went back and reviewed some of the initial discussions and debates for my own education.

And, even a cursory review of the 1964 debate on the bill indicates that Congress intended the program to aid the involuntarily poor, not those who voluntarily, for one reason or another have temporarily reduced their short-run earning power to increase it over the long run.

Thus, I am grateful to Mr. DICKINSON for requesting this special order, and appreciate the opportunity to express my own concern about strikers being eligible for food stamps.

Time and time again over the past decade, it has been pointed out that this program was intended to help the needy—the unemployed, the unemployable, families on welfare, mothers with dependent children, the aged, the blind and disabled—in short, those people who through no fault or choice of their own are involuntarily the victims of incomes inadequate to provide them with the quality, quantity and kind of food necessary to assure a proper diet.

At this time when we are faced with a critical budgetary situation and must make every dollar stretch as far as it can possibly go, there is an even more imperative necessity to clarify who has the greatest need for assistance through the mechanism of the food stamp program. Who should have priority when Federal funds are limited?

Those involved in labor disputes have far more alternatives for financial assistance than do mothers with dependent children, families on welfare, the unemployable, and other involuntarily poor and needy people. Strikers have access to special funds provided by their unions, and ordinarily they have a salable skill and assurance of work in the future. Every food stamp dollar provided to strikers means there is one less for someone more genuinely in need.

It has been said that legislation such as I have cosponsored to exclude strikers from coverage under the Food Stamp Act is "cruel." Well, is it not cruel to reduce the help which can be offered to the aged, the blind, the disabled, widowed mothers with large families, et cetera?

This is the tragic study of so many of our welfare programs. We change criteria and qualifications, or let down restrictions, and the result is always that the pie has to be cut into smaller pieces. Available funds get spread thinner so that the truly needy are squeezed even further, and are denied adequate assistance for basic needs. What has been barely adequate becomes less than adequate.

Let us speculate for a moment on the total costs of just one program abuse—$115,751 in Federal food stamp money given to strikers during 1 month in Detroit, or $85,428 in Montana during one strike. And here I am talking about only the amount of Federal tax money spent to supplement the strike fund allotments—this does not include administrative costs of additional offices and personnel required to handle a temporary flood of food stamp requests or the amount contributed by the stamp recipients.

Let us estimate that the Federal Government spends $100,000 on strikers in each of the 48 States participating in the program. This is not unreasonable, based on available case histories. It is, in fact, a conservative estimate. An average of $100,000 per State quickly mounts up to $4.8 million per month taken away from the truly poor and needy. Others estimate a cost of some $240 million a year for a "normal" year in which about 3,000,000 workers would be idled by strikes at one point or another. I do not consider this insignificant at all. It is about the same as the total appropriation for the entire food stamp program benefits in 1969.

The irony in this situation becomes even more apparent when you stop to consider the double blow this is giving the hard-core disadvantaged. Not only are they being deprived of this amount, initially, but they are also victimized by the inflation such subsidies aid and abet.

Food stamps ought not to be a tax-financed strike fund supplement. They should not be used to aid special interest groups at the expense of the poverty stricken.

I urge my colleagues to put an end to this abuse of our food stamp program.

Mr. ESHLEMAN. Mr. Speaker, as a cosponsor of H.R. 6708, a bill to prohibit food stamps to strikers, I would like to outline the reasons why I believe it is legislation which must be passed.

By authorizing food stamps for men on strike, we are supporting a growing national trend toward using welfare money to back up union walkouts. Welfare money is tax money, and this trend means that the taxes paid by all citizens are being used to benefit a few citizens.

Who benefits from strikes? The Government certainly does not, and, in fact, it spends much money, time and effort in helping to mediate walkouts. So there is no reason for the Government to give welfare support to strikers out of self-interest.

The public does not benefit from strikes. Every walkout causes the public some kind of inconvenience, and when the settlements result in big, new contracts, the public ends up paying for them in higher prices. So there is no reason to give welfare to strikers in the public interest.

The people who benefit from strikes are the workers and their families who win a new contract to their liking because of the walkout. But it is these same people who we use to justfy the practice of giving welfare to strikers. We say that these families must not be made to suffer just because there is a union-management dispute. But these families are in that position because the workers, through their unions, have chosen to go on strike. That means the practice adds up to welfare for people who have made a decision not to work. And that is unfair to other Amercan families who work to pay welfare benefits to strikers who have elected not to stay on the job.

The result of this trend toward unions reaching into the public welfare pocket is that strikes are getting longer, contract settlements are getting bigger and the taxpayer is picking up the tab.

The striker on welfare is able to hold out longer and thereby win bigger and better contracts. The longer the strike, the more public inconvenience; and the bigger the contract, the more public expense; but the taxpayer pays; for it anyway.

The unions have everything to gain and nothing to lose when welfare becomes their personal plaything. They no longer have to develop a strike fund. Instead their decision to strike can be based on the knowledge that government will pay the cost of supporting workers' families. And that welfare support is no hardship because there is evidence that it can be as much as 80 percent of average take-home pay.

What kind of climate for labor negotiations develop when the management side is the only one suffering? The workers do not have to get back to ther jobs because there is the welfare check. The unions do not have to worry about a dwindling strike fund.

Only one side has a real interest in a short-term walkout, and their way of keeping it short must be to give labor what it wants.

It is time for the Federal Government to get itself out of the business of welfare support to strikers. It is time to get back to our original commitment in the field of labor-management relations—to promote the public interest by helping achieve the fairest possible settlement in the shortest possible time. As a starter we should say bluntly that strikers shall not receive food stamps. That is what H.R. 6708 gives us an opportunity to say.

Mr. MATHIAS of California. Mr. Speaker, I am opposed to making food stamps available to striking workers. The food stamp program was enacted by Congress for the purpose of making nutritious food available to low-income families at prices they can afford. Food stamps were not originally intended to be used to subsidize workers who voluntarily choose to strike for higher wages and more fringe benefits. A large number of workers, however, have voluntarily left their jobs to take part in strikes and have taken advantage of the food stamp program. This misuse of Federal funds is not only costing millions of tax dollars, but has created a situation where the Federal Government, in effect, has become a partner with the labor unions by issuing food stamps to strikers. This interference in the collective bargaining process has served to prolong strikes and increase their economic impact on the Nation.

In order to correct these injustices, I am cosponsoring legislation which will prohibit food stamps from being issued to striking workers.

I believe there are several fundamental reasons why the Food Stamp Act should be amended.

First, the Government should not, under any circumstances, provide direct subsidies to either side of a labor dispute which culminates in a strike. Since strikes are voluntary actions taken with the full knowledge that a loss of income will result, the Government should not be expected to provide financial aid to either side. The responsibility belongs solely with the unions and management.

Second, the Government should not do anything which would strengthen the bargaining position of either labor or management during labor negotiations. Food stamps have served to increase the unions ability to endure longer strikes. This tends to make the final settlements cost more resulting in higher costs to consumers for products and services.

Government interference in the collective bargaining process is not in the spirit of our basic labor laws and policies. In addition, it is contrary to our principles of free enterprise and fair play.

Third, the Government should stick to the purpose of the Food Stamp Act which is to "provide improved levels of nutrition among low-income households" through a program of food assistance.

I believe the Food Stamp Act must be amended to correct these injustices and insure that help is provided to those who really need it most.

Mr. CONLAN. Mr. Speaker, I appreciate the opportunity to participate in this discussion and commend my colleague from Alabama for taking the time for us to clear up some of the misimpressions that exist in Congress and among the general public regarding the issue of food stamps for strikers.

It is a real puzzle to me how striking employees and those engaged in labor disputes can still be receiving food stamps when this issue has been debated as often and as thoroughly in Congress as it has. I have reviewed the history of this dispute rather carefully and I simply do not see any rational basis on which fairminded men can justify issuance of food stamps to strikers.

It is one of the most clearcut cases of the abuse of a Federal program that I can think of, and it simply defies all logic that it can have persisted, unabated, over such a long period of time in the face of so many efforts to reform it.

I do not intend to engage in a lengthy review of the issue today. Anyone who is seriously interested in understanding the arguments and equities of this dispute can find them documented in two frequently cited sources: *ITT* v. *Minter*, 435 F. 2d 939 (1st Cir. 1970), which, in terms of its level of rationality, logic, and intellect, I consider unworthy of a Federal court, but which is the landmark case bearing on this issue; and the very excellent study by Armond Thiebolt and Ronald Corwin of the Wharton School of Finance, entitled, "Welfare and Strikes: The Use of Public Funds To Support Strikers." The latter develops such a reasoned and comprehensive case against the present policy that I believe this irrational debate may at long last be drawing to a close thanks to the work of these two gentlemen.

The primary arguments against the present policy are briefly stated in the summary of conclusions, in chapter IX of the study which I quote:

> In summary, the conclusions of this study are that paying welfare benefits to strikers is an unwarranted imposition on the public treasury and the private good. Organized labor's relative bargaining power before public support was certainly great enough to be influential. The additional power which $329 million per year in direct benefits can buy may well upset the relative bargaining positions of unions and managements so greatly that the fundamental structure of collective bargaining will be seriously threatened. The general public must pay the costs, not only directly through higher taxes and higher prices, but also indirectly through greater disruption to the economic system and through inflation. The benefits accrue to a relatively small group which did not really need them in the past, and does not need them now.

These points must, I think, be generally conceded on both sides, in light of the facts developed by the study.

However, there is one argument, irrational but telling, which is always made in defense of the present policy. It is with this argument I want to deal today, because it is a myth that has been so widely circulated it will require much time and diligent effort for the truth to catch up with it.

The argument is, of course, that the families—specifically the children—of strikers will suffer hunger and privation unless food stamps are made available to them. It is the kind of humanitarian argument which, if true or accepted as true, rolls over all the other arguments like a tidal wave over sand castles, demolishing them completely.

The problem is that there is very little truth in it. That is why I have referred to this entire debate as irrational. On a factual, economic, equitable basis, the idea of subsidizing strikers with food stamps could not have survived a single year. But almost solely on the emotional strength of a mythical need to feed helpless little children, it has survived every attack. Therefore, I want to lend my efforts today to helping truth catch up with fiction.

Those who have argued that to prohibit food stamps to strikers is unfair to little children have given little recognition to the fact that most strikes occur at the end of a contract period which is specific in terms of time and known to the employee from the beginning of the contract. Most such contracts run for a 3-year period. Thus, the worker has a specified time frame in which to plan for the eventuality of a strike.

As Mr. Otto F. Wenzler, labor relations manager for the U.S. Chamber of Commerce so effectively pointed out in recent testimony before the Senate Agriculture Committee, "aid to needy people" is not the only issue involved in this dispute, as some labor officials have tried to insist. Workers do not apply for food stamps "only when they are in desperate need of assistance."

The fact is that under current USDA regulations, a striking worker may have as much as $1,500 in the bank; may own in certain circumstances, as many as three automobiles; may have a working wife earning more than twice the minimum wage; may have the income of any children under age 18 who are students living at home; and may have a net income himself of as much as $360 a month—he may have all this and he and his family remain eligible for food stamps. In addition, the $360 monthly income is a net figure after deductions for such things as income taxes, social security, union dues, shelter costs in excess of 30 percent of income, medical expenses in excess of $10 per month, educational expenses for tuition and mandatory expenses even when covered by scholarships, grants, loans, et cetera, and such nonrecurring income as that derived from inheritances, sale of property, gifts, and income tax refunds.

Clearly, the problem is not hungry families. It is simply a question of who is going to pay the bill for time lost from the job because of a strike.

Another point at which the sincerity of the union argument about hunger and humanitarian motives breaks down is in connection with the policies of the unions themselves. A comprehensive survey of national union strike benefits, for instance, concludes that payments to striking workers usually do not start until the second or third week of a strike. Their policies in this regard, as Mr. Wenzler points out, are sound. When workers know in advance that they may face a strike, it would be absurd for unions not to expect them, in their own interests, to have made provision to carry themselves for a week or so. Since many strikes are over in 2 weeks, there is under this union policy often no need to tap the union treasury at all during a strike. Yet, the Federal Treasury can be tapped immediately by those who, owing to their loss of weekly income, are eligible for food stamps and other welfare benefits.

Further, union benefits for striking workers are usually payable only when the parent union has approved the walkout, without regard for alleged hungry families. A union member who is behind in his dues or assessments is often prevented from drawing strike benefits regardless of his family's need. By these actions, unions imply what they will not say—that it is only the Federal Government that should concern itself with hungry people—not unions.

But perhaps the most important point to be made is that "the hungry family argument" ignores a basic union responsibility. A union is responsible for authorization of a strike and has the corollary obligation to authorize a return to work when its members indicate a desire or need to do so. Government intervention in a labor dispute between private parties, by subsidizing union members with food stamps, perverts the process and permits the union to abrogate its responsibilities.

This is not a "union busting" argument, as some may claim. Free collective bargaining with the right to strike at its core is the cornerstone of Federal labor policy. The Supreme Court has made clear on two occasions that—

> The right to bargain collectively does not entail any "right" to insist on one's position free from economic disadvantage.

American Shipbuilding Co. v. *NLRB*, 397 U.S. 300, 309 (1965); and that the "results of the contest" must be left "to the bargaining strength of the parties." *H. K. Porter Co.* v. *NLRB* 397 US 99, 108 (1970). Any strike burden which workers cannot or will not shoulder for themselves clearly falls on the union as an element of its bargaining strength, despite the economic disadvantage it may impose.

In summary, then, we should note that—

First. When workers have 3 years to plan for the economic dislocation of a strike and know the exact time frame in which it may come, it need not and should not result in hunger and privation for their children.

Second. If workers do not assume the appropriate responsibility to plan ahead and provide for their families in the event of strike, that responsibility falls on the unions as part of the balance of power in collective bargaining—not upon the taxpayer in general. The union has the same avenues of increasing dues and strike benefits as the Government does of increasing taxes and food stamp benefits. Thus, the question is not hunger or need, but who foots the bills.

Third. Even if food stamps were to be made available to strikers in cases of real need, present regulations clearly permit workers to receive food stamps while retaining both liquid and nonliquid assets which might reasonably be expected to be applied to meeting that need.

Fourth. Any able-bodied man has the option of failing to provide for his family, either by refusing to work or by spending his earnings for things other than the family needs. In such a case, the Federal Treasury does not move in and subsidize his family despite their need, though in extreme cases of neglect or abuse, the State may take his children from him. A striker, who has ample notice to prepare for the economic exigencies of a strike, has no more reason to expect a public subsidy than one who for any other reason refuses to plan for the care of his family when he is able to do so.

In conclusion, I urge that this abuse of the food stamp program be ended. Children of strikers would not be penalized for their parents' actions any more than Congress intended to penalize children of parents who regularly refuse to accept available employment. We have only had the food stamp program since 1964. Strikes were successful for many years prior to that time and their history is not replete with starving and deprived children.

It will not be replete with such cases if this abuse of food stamps is ended. That is the essential weakness of ITT against Minter—it looked only at the social impact of denying benefits to strikers. It gave no attention to the impact of continuing such benefits, which had not been a tradition in American labor relations. Had the court looked at that side of the coin, it would have answered some of its own questions. It would have noticed, as it did not, that denial of benefits to strikers will cause no hardships to the families of strikers which they have not traditionally borne themselves and mitigated to the best of their ability in the past.

Of course, food stamps will ease their burden. And this is precisely the point. It eases their burden at the expense of people to whom the burden does not belong and to the detriment of healthy collective bargaining endeavors.

It is not a question of hunger and need. It is a question of responsibility and who pays the bills.

Mr. BEARD. Mr. Speaker, as a freshman Member of this body. I am delighted to be able to engage in this discussion on food stamp eligibility. It is long overdue. To those who have organized this special order and who have long sought to correct the deficiencies of the Food Stamp Act, and the misinterpretation of congressional intent on exactly who should be eligible for food stamps, I would offer my special thanks.

Since the 1964 Food Stamp Act was enacted, the question of whether its benefits should go to those who voluntarily choose not to work, has been unfortunately and increasingly assumed to be the right of the striker. Nothing could be further from the truth or from the original intent of the Congress in passing this legislation.

In the Sixth District of Tennessee national union leadership does not generally speak for the rank and file, and the vast majority of my constituents consider issuance of food stamps to strikers a blatant abuse of our welfare system.

The people of my district are fed up with having to finance a program which does not serve the truly needy, but serves as a backup fund for unionists unable to reach accords with management.

The people of my district do not appreciate a logic which says his tax dollars must be made available to subsidize crippling work stoppages.

The people of my district have given me a mandate to do everything in my power to end this subsidy and the favoritism it displays.

Mr. Speaker, 1973 is going to be a critical year, not only by virture of the expiration on June 30 of the food stamp program, but also in collective bargaining contracts.

In 1973, about 864 collective bargaining contracts covering 1,000 or more workers effecting a total of 4.7 million workers are scheduled to be renewed. Contract negotiations are scheduled in our Nation's major industries including transportation, construction, automotive, farm implements, electrical machinery and rubber.

If we suffer from long strikes and at least half of those on strike would qualify for food stamps for strikers under the $1,500 assets rule, the cost of providing food stamps to these individuals could conceivably run as high as $338 million this year alone. In 1971, there were 739 strikes which lasted 60 days or more involving 3,271,000 workers.

According to a report from the U.S. Department of Labor, in the month of February 1973, there were 590 strikes in effect involving 200,000 workers costing 1,281,000 man days of idleness. This included 11,000 striking teachers in Philadelphia. Converted into food stamp costs for February alone, the food stamp to strikers could amount to $1,233,500.

Food stamps and other welfare programs for strikers have changed the collective bargaining process over the years. Congress has created the current state of affairs which encourages and prolongs strikes and enables union officials to hold out for unreasonable demands without pressure from the rank and file. The result is more strikes and longer strikes, and inflationary settlements. The Government's food stamps and other welfare programs resulted in contracts with shorter durations which replaced the prevalent 3-year cycle of bargaining. This trend has been accentuated by a large jump in the number of 1-year contracts.

It is obvious that the unions have misused food stamps and other welfare programs for strikers. Food stamps have become a part of the union's assorted maneuvers for controlling the labor contract negotiation mechanism.

While a few contend that food stamps should be available to anyone in need for whatever the reason, many others feel that stamps are for those who are involuntarily, not voluntarily in need. They believe the use of the food stamp program is an unfair Federal intervention into collective bargaining on behalf of the unions. They believe that there is simply no justification for the continuation of the food stamp program as it is presently constituted. I agree with them. It diverts money from the program originally enacted to help the truly needy who cannot help themselves. It discriminates against 80 percent of the work force which is not unionized and does not strike, but which pays taxes to subsidize those who do. It prolongs strikes and enables unions to hold out for inflationary wage settlements.

To correct this situation, I believe that the proposal offered by my colleague, Mr. Dickinson, H.R. 5029, which I am pleased to cosponsor, effectively addresses these points. I hope it will be soon adopted by this body.

Mr. BLACKBURN. Mr. Speaker, the professional unionists, in a vain attempt to defend food stamp subsidies, seek to inflame public opinion, charging that those who oppose a taxpayer subsidy to one who refuses to work, are taking the food from the mouths of hungry children.

Let us take a look at this. In 1970, the UAW negotiated the following contract for their 355,000 members working for General Motors. It was a 3-year national agreement providing wage increases from 49 to 61 cents effective November 23, 1970. The contract included a 26 cent cost-of-living adjustment employees would have received during the previous agreement if a limit of 16 cents had not been provided. Other terms included a cost-of-living increase from 16 to 21 cents to cover the current cost-of-living allowance incorporated into the base rate. In addition, effective October 1, 1971, the contract provided optional early retirement after 30 years service at $500 per month and a normal pension rate increase of $1.75 to $7.25, $7.50, or $7.75 a month for each year of credited service depending on the hourly rate. This is not all. The contract also included improvements in the life and health insurance program of the worker and his family.

Does this sound like a breadwinner whose child will starve if the Federal Government will not provide food stamps when he voluntarily chooses not to work? Or, does this indicate to you that the Government should not be a third party in the collective bargaining process by providing food stamps and other welfare benefits to strikers?

The issue is not a question of starving children. We are not talking about the poverty-stricken people for which the food stamp program was originally intended. We are talking about highly paid unionists, earning in some cases up to $20,000 or more a year who want the public to give them discounted food at the expense of Americans who remain at work. This issue is that food stamps and other welfare programs were not designed by the Government as a tool for organized labor, but increasingly they have been bent that way. The issue is that food stamps and welfare payments to strikers amount to a Government subsidy of strikes and make strikers less inclined to reach a settlement.

Mr. BAFALIS. Mr. Speaker, recent studies have determined that welfare benefits received by strikers, primarily in the form of food stamps, now total more than $300 million annually. I don't know how this astonishing fact affects my colleagues, but I personally find myself outraged that the American taxpayer is footing the welfare bills of these people who are voluntarily unemployed. I feel the case of strikers receiving huge welfare subsidies while striking for higher wages and more benefits is the classic example of those in our society who abuse these programs.

The end cost of this abuse to the taxpayers is more than just the $300 million for food stamps. By virtue of the fact that the families of strikers can receive food stamps and other welfare benefits, the hand of the unions is being strengthened in its ability to prolong strikes and to make more and more demands. Obviously, the end result of this is higher prices to the consumer to cover the union's benefits. To my mind, this represents direct Government interference in the collective bargaining process. In matters such as this which directly affect the public and consumer, we are abandoning our principles of fair play and free enterprise.

A recent study conducted by the Wharton School of Finance shows there is a direct relation between the increased length of strikes and the increased use of public assistance by strikers. A good example of this relationship is the 1970 General Motors strike. During this massive strike, the total cash benefits to General Motors' strikers' families in Michigan was more than $4 million with the number of families covered by these programs in that State increasing from 4,000 to over 22,000 during the period of the strike.

Even union representatives have not denied the impact of public assistance in their bargaining process. In the 1969 General Electric strike, representatives stated that public assistance was one of the key contributions to the union's success in securing all its demands. Similarly, I. W. Abel, now president of the Steelworkers Union, acknowledged that during the 1959–60 steel strike, public aid made the strike endurable and exceeded by far the amount that the union poured into the districts and local.

Obviously, the end effect of all this is the erosion of the process of collective bargaining which has long served as the backbone of our economy, at the direct expense of the Nation's taxpayers—both in higher taxes and higher prices. In an attempt to prohibit this abuse, I have joined in sponsoring H.R. 6708 which would make strikers ineligible to receive these welfare benefits. Certainly this Congress must unite in action to end this blatant abuse of public funds once and for all.

Mr. KUYKENDALL. Mr. Speaker, I am pleased to be able to join with my distinguished colleagues in discussing the matter of eligibility for food stamps.

I have cosponsored Congressman DICKINSON's bill to amend the Food Stamp Act of 1964 to exclude from its provisions every household in which there is a person who is on strike—although this ineligibility would not apply to any household that was eligible for and participating in the food stamp program before the start of such a strike.

It has always been my feeling that welfare assistance should be limited to those persons who are unable to find employment. It makes no sense to take our tax dollars to subsidize voluntary unemployment. Recent studies have also indicated that the availability of welfare assistance to strikers has increased the length of strikes and therefore given one side a weighted advantage in the collective bargaining process.

In addition, the rapidly increasing cost of welfare services must be seen in the light of the continually expanding need. Therefore, it is only sensible to channel all the money available toward our truly needy citizens, who have no other recourse but the State for their daily bread. We are a wealthy country but we cannot care for our poor adequately if we try to stretch our tax dollars too far.

Mr. FISHER. Mr. Speaker, I commend the gentleman from Alabama (Mr. DICKINSON) for this special order today. It is most appropriate that the abuse of the food stamp privilege in this country be revealed and the need for remedial legislation emphasized. The gentleman from Illinois (Mr. MICHEL) has also been a leading exponent of this need for strong and meaningful legislation in this area. Many other Members have joined in this movement.

According to Dr. Armand J. Thieboldt, a professor of management of the University of Maryland, an estimated $300 million in welfare benefits were paid to strikers in 1972.

This is indeed a preposterous misuse of public funds and tax dollars paid by men and women who worked to support those who choose not to work.

Abuse of the food stamp privilege has been a popular and convenient source of assistance that is being provided to those who by their own choice do not work—those on strike. This is a monstrous policy that allows welfare to be misused in this manner, and is manifestly unfair to taxpayers.

Moreover, it is axiomatic, and often contended by labor unions, that when a strike is in progress the Government should be neutral and should not favor either side. It is amazing to me, therefore, that the labor unions would condone this preferential practice by the Federal Government. I have an idea that if the Government stepped into a stricken plant to provide special help to management, the affected union would scream to the high heavens—and with good reason.

Therefore, in the interest of taxpayers and of neutrality, the Dickinson bill to exlude members of households who are on strike from food stamp privileges should be approved. I am pleased to be a cosponsor of the Dickinson measure.

Mr. CRANE. Mr. Speaker, a serious problem facing our country and its long established system of collective bargaining is that, in recent days, we have witnessed a situation in which workers on strike have become the recipients of Federal and State financial assistance.

In West Virginia, for example, a coal strike caused 15,000 new families to be added to the food stamp program, a fact which swelled the State's total food stamp role by 20 percent. In 1 week, the West Virginia State Welfare Department distributed $1.7 million in food stamps to the miners' families and declared that the Federal Government had paid for the program.

Another example is provided by a strike against the Dow Chemical Co. in Bay City, Mich. In its paper of September 6, 1972, the Christian Science Monitor reported that—

> About 135 of 165 workers now in the seventh month of strike against the Dow Chemical Company . . . are receiving unemployment compensation averaging $79 a week, payments that Dow contends lessen the strikers' incentive to negotiate a settlement.

In a recent address, Dr. Herbert Northrup, chairman of the Labor Relations Council and director of the Industrial Research Unit of the Wharton School of Finance at the University of Pennsylvania, pointed out that during a strike at General Motors.

> We figured that almost 30% of the General Motors employees in Michigan were on food stamps and 20% on welfare . . . We've made studies of local situations such as the long Westinghouse strike at the Lester plant outside of Philadelphia. We found out that the Welfare Deartment took on 10 people to take care of the situation.

In cases such as these, the agencies of government have provided workers with their sole strike benefits. The labor unions themselves, in such situations, paid no strike benefits at all.

Such a state of affairs tends to encourage and prolong strikes. Dr. Northrup notes that—

> It enables the union to hold out without pressure from the rank and file. If there is one thing that was clear in both the General Electric and General Motors strike, it is that there was no pressure on the rank and file to settle the strike.

When no pressure exists to settle a strike, the strike tends to continue, costing all concerned, workers, management, and the taxpayers, huge amounts of money. In addition, it makes a significant difference in the character of the result, usually leading to increased inflationary pressure.

Collective bargaining is based, at least in part, upon the assumption of government neutrality. Dr. Northrop declared that—

> The collective bargaining system in the United States cannot work satisfactorily if the public purse becomes an extension of the union treasury for paying strike benefits.

This, however, is clearly what is happening. Government is becoming a silent partner in labor-management disputes, assisting labor unions to prolong strikes and eliminating pressures upon the union leadership from the rank and file to accept settlements.

A study recently published by the University of Pennsylvania's Wharton School has sharply criticized the trend of the past 5 years to use public funds to aid strikers. The study is entitled, "Welfare and Strikes: The Use of Public Funds To Support Strikers."

The study pointed out that strikers sometimes collect as much money from public relief agencies as they were taking home from their jobs and that almost $15 million worth of Federal food stamps alone were distributed to strikers in a major walkout in 1970. Union leaders in another major dispute collected over $5 million a week in public relief.

The U.S. Chamber of Commerce estimates that Government subsidies to strikers in 1973, a heavy bargaining year, could go as high as $304 million. The Chamber believes that much of this will come from a food stamp program originally designed to improve the nutrition levels of low income families, and that other money would seriously drain the reserves of other welfare programs needed to help those at the poverty level, including aid for dependent children.

George B. Morris, Jr., a key labor negotiator, contends that—

> Permitting the trend toward public assistance to strikers to continue is one of the surest ways I know to destroy collective bargaining.

Mr. Morris says that it "cushions the impact of strikes on the union and the striking workers and thus tends to encourage and prolong strikes."

In the 71-day strike of the United Automobile Workers against General Motors in 1970, an estimated $30 million was spent in public welfare benefits to the strikers. Of this sum, nearly $16 million was spent in Michigan alone by 54 of the State's 83 counties.

In New York State, workers meeting certain conditions become eligible for unemployment compensation after being off the job for 7 weeks. General Motors estimates that about $5,250,000 in unemployment compensation was paid by New York to General Motors strikers.

In effect, since the unemployment insurance fund in New York is funded through a tax on employers, General Motors was forced to subsidize its own striking workers.

Under the food stamp program and other forms of public aid, combined with union strike benefits, General Motors strikers were able to endure the 71-day strike with a minimum of economic hardship. Some of them lived as well as, or even better than, when working full time.

The University of Pennsylvania study shows that under the food stamp largesse, one striker, with six children, paid $26 for $180 worth of stamps. He confessed that shopping was a dilemma "because you don't know what to buy."

The availability of food stamps in this and other strike situations prompted other eye opening reports, among them:

> One striker had more food stamps than his family could use, so he sold the stamps so he could buy liquor.
>
> A local grocery store owner reported some of his customers who were receiving food stamps were eating expensive steaks and chops every day during the strike.
>
> Strikers were receiving so many food stamps that their freezers were being filled with steaks and roasts that would feed their families for months after the strike.

The authors of the University of Pennsylvania study conclude that—

> Paying welfare benefits to strikers is an unwarranted imposition on the public treasury and the private good.

They make it clear that the overwhelming weight of opinion unearthed by their study is that tax supported benefits to strikers reduce economic pressures on the strikers for a settlement, thereby prolonging the strike and leading to costly and inflationary settlements.

One simple answer to the problem is for the Congress to simply declare that strikers are ineligible for tax supported benefits. The time to take such action is now—before this unfortunate practice becomes institutionalized and before the inflationary pressures it will produce go beyond our ability to restrain and control them.

Mr. MONTGOMERY. Mr. Speaker, I commend my colleagues for securing this time in order that we might fully discuss the legislation several of us have introduced today to prohibit strikers from receiving food stamps. This is a very important measure and involves an issue which I feel must and should receive the fullest attention.

Let me say at the beginning that my sponsorship of this bill has nothing whatsoever to do with being prolabor or probusiness. I have always tried to approach each piece of legislation dealing with labor and management as a separate entity and decide each one on its individual merits. It is with this same philosophy that I decided to cosponsor the bill to prohibit food stamps for strikers.

My basic thinking is that to allow strikers to receive food stamps has resulted in a gross inequity in our collective bargaining system. By allowing strikers to be eligible for food stamps, the Federal Government in essence is subsidizing strikes. Just as I would be totally opposed to the Government paying business for their losses during a strike, I am opposed to the Government providing assistance to strikers.

Under our present laws, contract negotiations are supposed to be free of any Government intervention except in two main instances—if either or both parties request a Federal arbitrator or if the President calls for a cooling off period by invoking the Taft-Hartley Act. However, the present eligibility of strikers to receive food stamps has resulted in Federal intervention in the collective bargaining process that I feel is unwarranted and must be stopped. It is my very firm opinion that both sides in labor negotiations should be on equal footing and certainly the Federal Government should not show partiality.

Mr. Speaker, I urge my colleagues to join us in this effort to return stability to the collective bargaining process.

Mr. ROBINSON of Virginia. Mr. Speaker, when the legislative schedule permits me to spend some time in my congressional district, talking informally with citizens in all walks of life, I am continually impressed by the strong public concern about abuses of the welfare system.

In particular, I am questioned as to why something cannot be done to confine the availability of food stamps to individuals and families who are in urgent need through no fault of their own.

Citizens who are at work and paying taxes resent the fact that a portion of their taxes is being used to subsidize the feeding of families whose able-bodied wage earner is absent from available work by choice, as in the case of a labor dispute.

I realize, Mr. Speaker, that it is difficult to divorce this matter from emotionalism.

Certainly, we do not want children to go hungry.

Certainly, we do not want to use the welfare system as a strike-breaking tool.

Labor-management disputes should be settled within the framework of the legitimate collective bargaining process.

This is the very point of the legislation before us.

The food stamp program should not be a lever in the hands of either management or labor. We should make plain that it is intended only to help those who cannot help themselves—those who, because of age, physical disability or unavailability of gainful employment, require public assistance in sustaining themselves and their families.

Historically, members of labor unions have made their judgments, in potential strike situations, on the basis of their view of the merit of their cause and their individual and collective resources available to maintain a strike.

The availability of food stamps, however, has added a tax-financed resource, and this, Mr. Speaker, is clearly wrong.

It is not my expectation, Mr. Speaker, that strikes will be forestalled by enactment of the pending legislation. They will continue to occur when the collective bargaining process breaks down.

The Federal Government, however, should be removed from the area of incentive to the instigation or prolongation of strikes.

The individual striker, in consultation with the members of his family and the officers of his union, should make his own determination as to whether or not the strike can and should be instituted and maintained without the subsidy of food stamps.

Mr. MICHEL. Mr. Speaker, the practice of making food stamps available to striking workers has been of concern to me for some time, and I know I do not need to review with my colleagues the legislative history of this issue or the efforts that have been made to prohibit this use of food stamps.

Neither do I need to recite the evidence which has been presented on numerous occasions indicating the extensive use of food stamps for this purpose. It is estimated that program benefits to strikers run into the hundreds of millions of dollars annually.

I do, however, want to outline some of the basic reasons supporting the view held by many of us that issuance of food stamps to striking workers simply cannot be justified, that the practice is, in fact, damaging, both from a social and from an economic standpoint, and that a specific prohibition against this use of food stamps should be incorporated into the law.

The original thrust of the food stamp program was to provide for improved levels of nutrition among low-income households whose members do not have the resources to help themselves—the involuntarily poor. Nowhere in the history of the legislation establishing this program do we find an expression of congressional intent to extend program benefits to those who have adequate resources to sustain themselves and their families but have chosen not to use them—the voluntarily poor.

And yet, because the language of the law itself has not clearly made this distinction, we find ourselves in a situation today where as much as 10 percent of total annual program benefits may now be going to one particular category of voluntarily poor—striking workers.

Providing food stamps to those who voluntarily stop work in order to improve their pay or employment benefits is not only contrary to the original purpose of the program, but it also constitutes an unwarranted intrusion by Government into the labor-management bargaining process. It helps tip the scales to labor's advantage in a situation where the Federal Government should remain as neutral as possible.

Additionally, it has the effect of reducing the total amount of program funds which could otherwise be made available to those who really need help and have nowhere else to turn.

Beyond the question of whether or not providing food stamps to strikers is wrong in principle looms the even more critical question of whether such a practice makes any sense from an economic standpoint at a time when we are desperately trying to control the upward drive of consumer prices and hold down the skyrocketing balance-of-trade deficits.

The strike is a significant and necessary economic tool for U.S. labor, and has been used responsibly and well to improve the economic conditions of countless millions of workers in this country. But, this is not at issue here, nor is the fact that the strike has also been used irresponsibly from time to time, contributing to our problems of inflation and balance of trade.

The issue is whether or not it is appropriate for the Federal Government to provide an indirect subsidy which has the effect of prolonging such work stoppages and weighting the balance of the collective bargaining system on the side of labor.

Taxpayers are, in effect, forced to subsidize strikes in a way that encourages inflated wage settlements which they, as consumers, wind up paying for in the form of higher prices for goods and services. While we certainly cannot begrudge any segment of the economy the opportunity to obtain a fair return for its labor or product, we must be judicious in the kind of leverage we allow any one group to use to gain advantage over another. The use of the food stamp program as a strike-support mechanism is clearly beyond the pale of reasonable economic leverage.

Few will argue that excessive use of the strike or artificial prolongation of work stoppages is not damaging to our economy. In 1970, 6 years after the passage of the Food Stamp Act of 1964, the number of work stoppages hit a new all-time high of 5,716. The number of strikes from 1956–60 was 18,233. From 1961–65 there were 17,961 strikes. But, from 1966–70 there were 25,460. The number of strikes lasting 90 days or more jumped from 200 in 1960 to 334 in 1970.

The number of strikes almost doubled between 1960 and 1970, the percentage of the labor force involved in strikes more than double, and the loss of man-days more than trebled. We do not need to draw a picture to understand what this means in terms of economic instability and inflation.

We have heard numerous arguments in the past against amending the law to specifically prohibit issuance of food stamps to striking workers, but none of them are compelling. On the contrary, the preponderance of evidence supports the case for prohibition.

We have been presented with emotional appeals pased on the specter of starving wives and children, but this argument becomes increasingly hard to accept as the general level of affluence in the labor force increases.

The timing of most strikes is well known in advance, allowing any thoughtful person to take the necessary provident steps. Most unions have their own strike funds, and many States provide welfare assistance to those on strike. In addition, most of the proposals offered to amend the food stamp law, to date, have contained provision for the continued eligibility of any household that was eligible for and participating in the food stamp program prior to the start of a strike.

In summary, then, the adverse effects of the policy of providing food stamps to striking workers has been amply documented. This practice simply cannot be justified, and now is the time for Congress to face up to the problem once and for all.

There is no conflict between support of the basic right to strike and simultaneous support of prohibiting food stamp benefits to the strikers. I urge my colleagues in the House to support our efforts to correct this abuse of the food stamp program.

GENERAL LEAVE

Mr. DICKINSON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks immediately following my remarks on the subject of my special order today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

REPORT AND ANALYSIS OF THE ADMINISTRATION'S NEW BUDGETARY DIRECTIONS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. WHALEN) is recognized for 30 minutes.

Mr. WHALEN. Mr. Speaker, on January 28, 1973, President Nixon spoke to the Nation on radio. In his address "The New Budget: Charting a New Era of Progress," he stated:

> At noon tomorrow (January 29), I will send to the Congress one of the most powerful documents I will sign as President—my budget proposals for the coming fiscal year.

The President indicated that his budget "calls for spending $250 billion in the current fiscal year 1973, $269 billion next year—fiscal year 1974, commencing July 1, 1973—and $288 billion in fiscal year 1975—beginning July 1974."

To achieve this objective, the administration has embarked upon two courses: First, the impoundment of certain moneys already appropriated by Congress for fiscal year 1973; second, the termination and/or pruning of funds in the fiscal year 1974 budget for specific categorical programs. On page 50 of his January 29, 1973, budget message, President Nixon notes that—

> The actions taken and proposed to reduce spending in this fiscal year, when combined with the FY 1974 budget proposals, will reduce federal outlays by $17 billion in 1974 and by about $22 billion in 1975.

What is the purpose of this effort? This question was answered succinctly by the President in his January 28 radio talk:

> It is time to get big government off your back and out of your pocket. I ask your support to hold government spending down, so that we can keep your taxes and your prices from going up.

Other crucial queries, of course, are: What fiscal year 1973 funds have been impounded? What specific programmatic cuts does the fiscal year 1974 budget detail? These shall be examined in the following two subsections.

IMPOUNDMENT OF FISCAL YEAR 1973 APPROPRIATED FUNDS

House Joint Resolution 1, enacted January 19, 1973, required the administration to submit to Congress, no later than February 10, 1973, a list of funds impounded during the period from July 1, 1972, to January 29, 1973. On February 5 the Office of Management and Budget reported a figure of $8.7 billion. (See exhibit A.)

Many observers contend that this sum is too conservative. A study headed by Representative JOE L. EVINS, chairman of the Subcommittee on Public Works and Atomic Energy Commission Appropriations, revealed that more than $12 billion was being "withheld, frozen, and impounded by the Office of Management and Budget." (See exhibit B.) The Communication Workers of America Factsheet estimates that, of the money already appropriated by Congress," the President has determined that he will not allow $14.7 billion to be spent," including $3 billion in HEW funds.

FISCAL YEAR 1974 PROGRAMMATIC CHANGES

The $17 billion net "savings" projected in the fiscal year 1974 budget is illusory. According to Hobart Rowen, financial editor of the Washington Post, of this amount "about $15 billion are in gimmicks, or part of a numbers game, and the rest is real." A recent study issued by the Joint Economic Committee of Congress verifies Mr. Rowen's conclusions. The JEC report reveals that reductions of $8.4 billion were "not real savings at all." Many of the estimated reductions represent cuts from commitments that have never been made. For example, the fiscal year 1974 budget proposes a savings of $2.7 billion by limiting "outlays through the operation of the administration-supported statutory ceiling on social services grants—already enacted by Congress." How can $2.7 billion be saved when Congress already has limited social services expenditures to $2.5 billion?

However, a number of programs are faced with "real" cuts. Mr. Rowen estimates that $10 billion has been "sliced out of money basically ticketed for the poor and underprivileged." These reductions include: welfare, $1.5 billion; medicare and housing, $1.5 billion; manpower programs, $1 billion; health, education, and poverty programs, $1 billion; pensions and retirement, $1 billion; environment, $1 billion; agriculture, $1.5 billion; water and natural resources, $0.5 billion; all others, $1 billion.

The fiscal year 1974 budget also reflects an anticipated shift in the method of disbursing funds. In the introduction to this document President Nixon reaffirms his support for the special revenue sharing concept. He states:

> I remain convinced that the principle of special revenue sharing is essential to continued revitalization of the federal system. I am, therefore, proposing the creation of special revenue sharing programs in the 1974 budget. These four programs consist of broad-purpose grants, which will provide state and local governments with $6.9 billion to use with considerable discretion in the areas of education, law enforcement and criminal justice, manpower training, and urban community development. They will replace 70 outmoded, narrower categorical grant programs and will, in most cases, eliminate matching requirements.

MY OWN STUDY

As President Nixon has suggested, current impoundment efforts, coupled with his fiscal year 1974 budget recommendations, represent "a new era." Indeed, the directional changes outlined by the administration are so profound that their potential impact is difficult to measure. Thus, for the past 3 months I have undertaken a detailed investigation of this new fiscal approach to determine whether the "new era" represents a "better era."

To ascertain its effect nationally, I have read extensively and have conferred with several eminent economists.

Understandably, the effect of administration fiscal procedures upon Ohio's Third Congressional District also concerns me. Consequently, on Friday, March 23, and Saturday, March 24, I conducted ad hoc budget hearings in the Dayton-Montgomery County Public Library. Invited to testify were representatives of various political subdivisions and government and private agencies whose operations are supported by Federal funds.

Hearing procedures conformed to those regularly followed by congressional committees and subcommittees. Each witness, due to time constraints, was limited to a 20-minute appearance—a 10-minute prepared statement followed by a 10-minute question and answer period. In all, 55 citizens, serving 28 organizations, participated in the ad hoc budget proceedings. (See exhibit C.)

THE ISSUE

TWO BASIC CONCERNS

Impoundment, the level of fiscal year 1974 appropriation requests, and the implementation of special revenue sharing in lieu of categorical grants pose two fundamental questions.

First, does this new fiscal direction meet our Nation's needs in such areas as education, health, housing, the environment, manpower training, and poverty?

Second, are inflation and tax increases the only alternatives to termination of impoundment and the retention of human resource categorical programs in the fiscal year 1974 budget?

In researching these two issues, I have utilized both macro-economic and microeconomic analysis. Ohio's Third Congressional District, obviously, has been the focus of my "microscope." That being the case, a description of my district and a brief recitation of its needs is in order.

OHIO'S THIRD CONGRESSIONAL DISTRICT—ITS PROFILE AND ITS PROBLEMS

The 463,140 residents of Ohio's Third Congressional District are compressed in a 230-square-mile urban-suburban area in the southwest part of the State. Approximately 68 percent of the population dwells in two adjoining communities—the city of Dayton, 243,601, and the city of Kettering, 69,599; 74,649 blacks are segregated in the western portion of the city of Dayton. An estimated 72,000 white Appalachian migrants are quartered in East Dayton.

Dayton is afflicted with all of the inner-city ills confronting other urban communities throughout the United States—whose population, incidentally, is 68.6 percent of the Nation's total.

First, both black adults and black youth experience an above average rate of unemployment. Overall joblessness in the model cities area is 26 percent. Unemployment among those youths, ages 16 to 21, is an astronomical 70 percent.

Second, the level of education is substandard. Of those persons in the district who are 25 years of age and over, 57,792, 23.1 percent, have not progressed beyond the eighth grade.

Third, there is a substantial incidence of poverty. As of 1969, 7,925 families—6.7 percent of the district—received less than $3,000 annually. The total yearly income of another 7,282 families—6.2 percent of the district—was in the $3,000 to $4,999 range.

Fourth, housing is inadequate. 51,980 of the district's occupied dwelling units, 34.8 percent, were constructed more than 34 years ago.

Fifth, the crime rate is high. In 1970 and 1971 the total crimes reported in the city of Dayton were 31,312—128 per thousand population—and 27,960—115 per thousand population—respectively. During those same 2 years crimes reported in the model cities section of West Dayton were 252.1 per thousand, 1970, and 220.1 per thousand, 1971.

Sixth, the poor, largely due to malnutrition, are more vulnerable to disease. The Health and Welfare Planning Council of Montgomery County found that those whose income is below the poverty level were disabled 12.2 days per year. Members of families whose incomes exceeded $7,000 yearly lost only 6 days through disability.

How will efforts to solve those problems be affected by impoundment of fiscal year 1973 appropriated funds, fiscal year 1974 budget recommendations, and the institution of special revenue sharing? The following sections detail the results of my research:

THE FINDINGS

GENERAL REVENUE SHARING

On February 4, 1971, President Nixon forwarded to Congress his message on general revenue sharing. His arguments for adopting this plan paralleled those which I advanced in 1966 when I first espoused this theory.

First, personal income and corporated profits, as a source of public revenues, largely have been preempted by the Federal Government.

Second, as a consequence, State and local tax receipts have not kept pace with the demands for services at those levels of government.

Third, there are certain problems which are unique to a particular State or community.

Fourth, State and local, rather than Federal, officials are best able to identify these peculiar needs.

After citing his rationale for general revenue sharing, President Nixon explained how it would work. He stated:

> The specific appropriation level I am recommending is 1.3 percent of taxable personal income; this would mean a General Revenue Sharing program of approximately $5 billion during the first full year of operation, a sum which would rise automatically to $10 billion by 1980. All of this would be *"new" money*—taken from the increase in our revenues which would result from a growing economy. It would not require new taxes *nor would it be transferred from existing programs"*. (Emphasis mine.)

On June 22, 1972, the House of Representatives, by a 275–122 vote, approved the administration's general revenue sharing plan. In keeping with my own views, combined with the President's assurance that its implementation would not affect existing categorical projects, I supported H.R. 14370. With the President's signature, the general revenue sharing bill became law on October 20, 1972. Initial allocation to political subdivision in my district included $2,100,342 to the city of Dayton, $1,319,031 to Montgomery County, and $168,387 to the city of Kettering.

My recent budget hearings make it clear that the administration has "changed the rules in the middle of the game." Several witnesses testified that they were advised by Federal authorities to seek general revenue sharing funds to continue programs ticketed for termination. In his article of April 7, 1973, Dayton Journal Herald reporter John Felton notes:

> Dayton, for example, found that it will have to use nearly $800,000 in general revenue sharing money this year to continue federal programs cut in the budget.
>
> The biggest chunk—$500,000—will go later this year to continue paying the 130 employees under the Emergency Employment Act program when it expires.
>
> Another $150,000 will be used for summer youth jobs, and $100,000 has been set aside to continue a soon-to-expire program of abolishing nuisance structures.
>
> City Commission has earmarked $50,000 for several smaller programs about to end.

Thus, it is evident that general revenue sharing offers less "new money" than advertised, and it is being financed, in part, through cessation of existing categorical commitments. Had I been aware last year that Congress was being "led down the primrose path," I would have voted against H.R. 14370.

PROBLEM OF TRANSITION—APRIL 1, 1973, TO JULY 1, 1974

Impoundment and the proposed fiscal year 1974 budget have created a fiscal dilemma for many communities throughout the Nation, including those in my district. Three facts contribute to this situation.

First, it is anticipated that the current withholding effort will continue at least until July 1, 1973—and in some instances for a longer period—at which time the administration hopes its four special revenue sharing programs will become operative.

Second, funds requested in the fiscal year 1974 budget reflect the administration's desire to reduce or eliminate certain categorical projects—as previously noted—in favor of special revenue sharing.

Third, the appropriations bills now before the Congress allocate no new moneys to one of the four special revenue-sharing categories—urban community development. With new commitments dropping to zero in fiscal year 1974, metropolitan centers, between July 1, 1973, and June 30, 1974, suffer a 100-percent reduction in funds available for extension of those projects now being financed through categorical grants.

From my March 23–24 budget hearings, plus subsequent investigation, I have been able to construct the following irreplaceable loss in Federal assistance—that is, grants not replaced by special revenue sharing—in the Third Congressional District between now and June 30, 1974:

Impoundment—fiscal year 1973 funds

HUD water and sewer grants	$1,400,000
Open Space (4 parks in Dayton; 1 in Kettering)	322,625
Code enforcement—Five Oaks area	666,500
652 FHA units (McLin Village; Young Estates; Kettering Senior Citizens; Vandalia), mortgage value	10,779,828
National Science Foundation projects:	
Wright State University	50,000
University of Dayton	416,500
Higher Education Act—veterans cost of instruction (Sinclair, U.D., Wright-State), minimum estimate	897,000
Total impoundment	$14,532,453

Fiscal year 1974 allocations—Reductions from fiscal year 1973 (either due to impoundment or nonreplacement by special revenue funds)

Open space	$910,625
Water and sewer	1,400,000
Neighborhood facilities	450,000
Urban renewal—neighborhood development	5,000,000
Urban Renewal—code enforcement	1,960,500
Model cities—Inner West	947,000
Montgomery County Community Action Agency (legal aid; ombudsman, etc.)	1,900,000
Public employment program	2,039,227
University of Dayton:	
College library resources	7,000
Student loan programs	800,000
Research	662,000
Other programs	80,500
Sinclair Community College:	
College library resources	6,000
Student loan programs	561,603
Wright State University:	
College library resources	60,000
Student loan programs	796,000
Research	368,000
Third District School Districts:	
ESEA title II programs (library materials)	161,808
NDEA III	97,736
School Assistance—federally affected areas	1,736,052
Health programs:	
Drew Neighborhood Health Center	262,220
Dayton Council on Alcohol and Drug Abuse	268,000
Higher Education Act—veterans cost of instruction (Sinclair, U.D. Wright-State), minimum estimate	986,700
Total	21,460,971

In human terms, the effect of these program terminations is incalculable. Monetarily, they represent a $35,993,424 income loss to the Third Congressional District. When a 2.5 "multiplier"—(an economics principle which recognizes that each dollar received is respent several times by subsequent recipients) also is calculated, the true loss to the Greater Dayton area during the next 18 months is $89,983,560.

SPECIAL REVENUE SHARING—JULY 1, 1974

As discussed previously, the administration has requested Congress to approve four special revenue sharing programs. If the authorization measures are approved this year, funding, with the exception of urban community development, will commence July 1, 1973. How will special revenue sharing affect the Third Congressional District? Its effects, according to Mr. Howard E. Bales, associate director of research and development, Wright State University, as yet "cannot be measured." This opinion was echoed by other witnesses who participated in my ad hoc budget hearings. Indeed, there is no certainty that Congress will adopt the President's special revenue sharing recommendations. Even assuming legislative implementation, at this juncture total funding levels still are in the "recommendation" stage, channels of disbursement are not prescribed, and distribution criteria have not been defined. Consequently, for those local agencies and political subdivisions presently operating federally funded programs, these uncertainties make fiscal year 1974 planning difficult, if not impossible.

While long-range planning is important, special revenue sharing must be examined in the light of a more basic consideration. As proposed, does it improve, or degrade, our ability to cope with substandard education, unemployment, inadequate housing, growing crime rates in the inner cities, and the high incidence of disease among the poor? Specifically: First, is the dollar commitment adequate to meet these needs? Second, conceptually, does special revenue sharing represent a more efficacious method of coping with these problems?

My own inquiries, buttressed by the sentiments registered by those attending my budget session, lead inescapably to a "no" answer to both queries.

First, special revenue sharing will allocate less funds to urban needs than do present categorical undertakings.

Many of the categorical authorizations, through which the core cities now receive their funds, will be terminated.

As noted previously, no new urban community development projects will be authorized in fiscal year 1974. Only $600 million in new commitments will be accepted by HUD in fiscal year 1975.

Special revenue sharing commitments for education—excluding school lunches—are pegged at $2.5 billion for next year, $600 million less than the categorical level in fiscal year 1972—$3.1 billion.

Special revenue manpower commitments for fiscal year 1974—$1.340 billion—are $360 million below the previous categorical high.

No special revenue sharing is contemplated to replace many of the expiring categorical health programs.

Governmental units, not now receiving categorical aid, will share in special revenue disbursements. Thus, even as the size of the "pie" shrinks, it will be divided among more consumers.

Dayton and its counterparts throughout the United States, therefore, most certainly will suffer a substantial per capita contraction of Federal support with the advent of special revenue sharing. This means that the following Third District projects, now supported by categorical programs scheduled for phaseout, may face partial or complete loss of funds during the coming fiscal year:

Present Third District categorical programs which may be refunded through special revenue sharing:

Manpower revenue sharing:	
Neighborhood Youth Corps (board of education)	$557,040
Manpower training programs	925,400
Better Schools Program (education revenue sharing):	
Title VI-B, ESEA (validating the placement of the inner-city child)	29,000
Vocational and adult education	1,325,000
Total	2,836,440

Second, special revenue sharing is a less viable means of dealing with urban problems. This conclusion is predicated upon five factors.

In relinquishing its policymaking role to State and local officials, Congress has abandoned its responsibility for establishing national goals. Special revenue sharing concerns itself more with the means of distributing Federal funds than with the objectives which these monies are addressed.

Social prejudices will inhibit many State and local officeholders from voting to channel funds into minority-assistance projects.

Suburban communities are unlikely to direct their new-found revenues toward the solution of central-city problems. The distinguished Pulitzer Prize winner, David S. Broder, recently noted that this new fiscal approach represents "a callous sacrifice of the minority who are poor" in favor of "the many who are complacent and comfortable".

(d) Intergovernmental coordination, now being advanced through the A-95, planned variations, and chief executive review processes, becomes more difficult with the proliferation of independent decisionmaking authorities.

Local governments will be burdened with the costly, and perhaps impossible, task of replacing the technical expertise now provided by those administering Federal categorical programs.

From the foregoing it is clear that, for the central city, such as Dayton, special revenue sharing represents an inadequate substitute for the present categorical aid system.

A counterbudget?

Mrs. Sybil B. Silverman, speaking for the National Association of Social Workers, Inc., at my budget session, strongly urged congressional adoption of "a rational counterbudget that will reflect lifegiving social support for the national citizenry." I replied that, regrettably, current congressional fiscal procedures preclude any immediate entertainment of this suggestion.

Presently the House and Senate Appropriations Committee submit 14 individual budgets, plus a number of supplements thereto, for consideration of the Congress. Each of these proposals is acted upon separately and bears no relationship to the total budget. Furthermore, the congressional appropriations process often is not completed until well into the new fiscal year.

In a radio address delivered on October 7, 1972, President Nixon described the failures of this system:

> Congress not only does not consider the total financial picture when it votes on a particular spending bill, it does not even contain a mechanism to do so if it wishes . . .
>
> The Congress, thus, has no sure way of knowing whether or when its many separate decisions are contributing to inflation and higher prices, or possibly to higher taxes.

Last fall, in a statement submitted to Republican Task Force on House Rules, I proposed a revision of congressional budgetary procedures. I recommended that Congress institute its own fiscal package which could be known as the Speaker's budget. After consultation with appropriate committee members, the Speaker would present his budget to the House of Representatives on the first Monday of March. I suggested that this document contain three sections: First, a total spending limit for the forthcoming fiscal year; second, a breakdown of this figure by departments—14 subtotals, in other words; and third, a recommendation to increase, decrease, or maintain present tax rates.

Following 2 weeks of general debate, the proposal would be open to amendment. However, any change in departmental allocations would require: First, a corresponding revision in spending and/or tax totals; or second, an equivalent change in another agency's allocation. Once the budget receives House approval, it would be transmitted to the Senate where the same procedure would be followed. It also was my advice that, following the budget's enactment, any subsequent changes in the total spending limitation would require a two-thirds affirmative vote by each Chamber.

In my opinion, four significant benefits would accrue to our economy if Congress adopted this, or a similar plan.

First, integrating the Government's spending and taxing programs affords Congress a cohesive approach to our Nation's economic needs.

Second, by permitting the legislative branch to consider each department's needs within the context of the whole budget, my proposal permits a more precise delineation of spending priorities.

Third, this process also would diminish the impact of pressure groups which would have to vie with other interests for "their share of the action."

Fourth, departmental effectiveness would be increased since each executive agency would know its total expenditure capabilities at the beginning of the fiscal year.

Is such an idea feasible? Referring to Congress fiscal inadequacy, TRB, writing in the April 21, 1973, issue of the New Republic avers that it is. He observes:

> Well, something can be done about it, and we guess it is the big story from Washington though it is terribly dull to watch and tell. (Anything constructive generally is dull, we notice.) A real effort is underway by a strong special Senate and House study committee to give Congress, after 200 years, a budget control mechanism. It would set an annual spending limit, with powerful committees in the House and Senate to police it, and more important, a review process at the end of the year. If Congress overspent itself it would cut back on appropriations or, alternatively, institute new taxes to foot the bill . . .
>
> Sounds simple, eh? It is also revolutionary. And yet there are prominent, well-known, middle-of-the-road Congressmen talking seriously about the biggest legislative reform that we know of. If it comes who will have produced it? Why, Mr. Nixon, to be

> sure. Congress is reluctantly saving its own life because he drove them to it.

SUMMARY

A recent joint statement issued by the Catholic Archdiocese of Washington, the Council of Churches of Greater Washington, and the Jewish Community Council of Greater Washington declares that—

> The search for efficiency should not take the form of large-scale elimination of funds needed by children, by the poor, by the elderly, by the sick.

Yet this is precisely the design which is emerging from the architects of the "new era." The administration's budgetary redirection certainly represents a retrenchment in the battle to combat urban problems.

The promise that general revenue sharing will produce all "new" moneys already has been breached. Special revenue sharing funds will be less, both totally and per capita, than the categorical grant programs which they are scheduled to replace. Further, the categorical approach is more effective than is special revenue sharing in treating specific metropolitan area ills.

Congress, unfortunately, is poorly equipped, at present, to match the administration in "the battle of the budget." Progress, however, is being made in this area. Hopefully, by next spring the Congress will have adopted procedures which will permit a more cohesive fiscal process.

THE ALTERNATIVES—INFLATION AND/OR HIGHER TAXES?

Surprisingly, the premise that inflation and/or a tax increase is the inevitable result of the restoration of funds for human resources has not been challenged.

Suppose that all of the $10 billion in the "real" cuts, described by Hobart Rowen, were reinstated by Congress with no compensating budgetary changes? In the face of a $1.26 trillion estimated gross national product for 1973, coupled with substantial unused productive resources—5.1 percent unemployment; 80.5 percent plant capacity utilization for the first quarter of 1973—the inflationary impact of this increase—0.7 percent of GNP—would be minimal.

There is evidence that factors other than inflation underlie recent administration fiscal actions. The abrupt ending on January 11 of phase 2 of the economic stabilization program lends credence to this thesis. Further, the President apparently saw nothing inflationary in his recommendation that the fiscal year 1974 Department of Defense obligational authority be increased $5.7 billion over this year's figure—from an estimated $77.8 billion in fiscal year 1973 to an estimated $83.5 billion for the coming year. Nor does the prospect of spending $1.6 billion for military assistance and $600 million for economic aid in South Vietnam seem to raise inflationary fears.

Indeed, the principal objective of the administration's new budgetary strategy is to force Congress to accept the proposed special revenue-sharing plans. This is made clear in executive department letters to State and local governments. In these communications State and local officials are advised that funds are being held until such time as Congress adopts special revenue sharing.

Even though maintaining urban area categorical programs at current funding levels, with no further budgetary adjustments, will not contribute significantly to inflationary pressures, this is not the only alternative available to Congress.

At a very minimum, two other possibilities exist.

First, Department of Defense obligational authority for fiscal year 1974 can be trimmed by $5 billion without impairing the efficiency of our Armed Forces. If this cut were effectuated, Department of Defense obligational authority still would be $700 million greater than in fiscal year 1973. Of the proposed $5 billion reduction, approximately $1.01 billion can be achieved by reducing troop strength from a projected 2,230,000, as of June 30, 1974, to 2,100,000—computed at an average cost of $7,813.98 for an enlisted man per year. I will detail how other military savings can be realized in a subsequent position paper.

Second, enactment of an equitable tax reform measure would expand Federal revenues by at least $7 billion without a concomitant increase in personal and corporate rates. Approximately $2.5 billion of this can be generated by repealing the accelerated depreciation subsidy extended to the business community through a 1971 Executive order—the 7-percent tax investment credit would not be affected if this recommendation were implemented by Congress. A comprehensive analysis of my views concerning tax reform will appear in a future position statement.

Thus, by reducing defense spending and eliminating certain inequitable tax provisions, Congress can retain those vitally needed urban programs destined for the guillotine and, concurrently, reduce the total proposed appropriations level.

MY BUDGETARY VOTES—93D CONGRESS

In view of the preceding views, what fiscal actions do I plan to pursue during the present legislative session?

First, I shall continue in my efforts to secure more rational congressional budgetary procedures along the lines which I suggested last fall (see section III, D).

Second, I shall support measures designed to end impoundment of fiscal year 1973 appropriations for the Environmental Protection Agency—water and sewer grants—the Department of Housing and Urban Development—open space; code enforcement; public housing; FHA 235 and 236 housing—the National Science Foundation, and the Department of Health, Education, and Welfare—federally affected areas; veterans education.

Third, I shall oppose bills seeking to establish special revenue sharing programs.

Fourth, until I am given the opportunity to consider an overall congressional fiscal package, I, of course, will be required to vote on authorization and appropriation proposals on a bill-by-bill basis.

I will be guided in each instance by the following criteria: Does the measure meet a specific need? If so, what is the position of this need on the scale of national priorities? Is the funding adequate to insure resolution of the problem?

In conformity with these standards, I shall be obliged to oppose certain legislation. This I did in the case of the rural environmental assistance program—REAP—which the Washington Post, in an editorial, termed "an obscure and questionable farm subsidy." I also acted to sustain President Nixon's veto of the rural water and sewer bill. As I stated on April 9:

> The issue at hand is that of priorities . . . within the context of needed budgetary restraints, I have assigned greater priority to programs designed to curb the urban ills of our country.

However, I do intend to support retention, full-funding, and suggested improvements of the following categorical programs:

1. Housing and Urban Development:
   a. Public Housing.
   b. Subsidized Housing (235; 236; Rent Supplement).
   c. Water and Sewer.
   d. Open Space.
   e. Model Cities.
   f. Urban Renewal.
   g. Neighborhood Facilities.
   h. Public Facility Loans.
2. Department of Labor:
   a. Public Employment Programs (PEP).
   b. Economic Opportunity Act (EOA).
   c. Manpower Development and Training Act.
   d. Summer Neighborhood Youth Program.
3. Office of Economic Opportunity:
   a. Head Start.
   b. Legal Aid.
   c. Community Action Program.
4. Department of Health, Education and Welfare:
   a. Title I—Elementary and Secondary Education Act.
   b. Library Support.
   c. Child Care (Social Security Act).
   d. Federally Affected Areas (Impacted Areas).
   e. Veterans Education.
   f. Community Mental Health Centers.
   g. Higher Education Assistance Programs.
5. Environmental Protection Agency—Air and Water Pollution Programs.

I shall endorse efforts to consolidate redundant categorical projects, particularly in the manpower training realm.

Fifth, I shall actively seek a $5 billion reduction in the Department of Defense's fiscal year 1974 obligational authority.

Sixth, I will work for a more equitable tax structure. A corollary benefit of this undertaking should be an additional tax yield of $7 billion.

CONCLUSION

As columnist Marquis Childs wrote on February 20, 1973:

> Who is the enemy? Is it the Russians, the Chinese? Is that why the defense budget of $80 billion plus is sacrosanct? Or is it the killers that day after day strike down men, women and children—cancer, stroke, heart disease? These are life-and-death questions pressed by the specialists who believe that money wisely spent can bring victory over the enemy here at home.

To this domestic enemy list also should be added inadequate education, poverty, poor housing, excessive incidence of urban area crime, and malnutrition.

"The New Era of Progress" ignores

these foes. The administration's fiscal outlook, in fact, represents a retrogression both in the funding and in the manner of dealing with our country's major domestic ailments. For the welfare of our Nation this attitude of benign neglect must not prevail. Insuring that it does not will be the focus of my legislative efforts during the coming months. I include the following appendixes:

EXHIBIT A

Summary of budgetary reserves

[Dollars in millions*]

	Amount
Executive Office of the President	$3
Funds Appropriated to the President	127
Department of Agriculture	1,497
Department of Commerce	181
Department of Defense—Military	1,899
Department of Defense—Civil	118
Department of Health, Education, and Welfare	35
Department of Housing and Urban Development	529
Department of the Interior	482
Department of Justice	36
Department of State	6
Department of Transportation	2,937
Department of Treasury	24
Atomic Energy Commission	316
Environmental Protection Agency	2
General Services Administration	261
National Aeronautics and Space Administration	33
Veterans' Administration	71
Other Independent Agencies:	
National Science Foundation	62
Small Business Administration	51
All others	52
Total	8,723

*Above figures submitted by the Office of Management and Budget to Congress as of January 29, 1973.

EXHIBIT B

Partial Listing of Impoundment by Office of Management and Budget of Funds Appropriated by Congress. Released by Representative Joe L. Evins (D-Tenn.), a member of the Committee on Appropriations and Chairman of the Subcommittee on Public Works and Atomic Energy Commission Appropriations, January 15, 1973.

Funds withheld and impounded by OMB include the following:

Department of Agriculture	$1,267,076,000
Department of Housing and Urban Development	523,200,000
Department of Transportation (For Federal-aid to Highways including Interstate)	2,000,000,000
Department of Defense (Corps of Engineers)	20,462,000
Department of Commerce (Including $109,555,000 for water, sewage, and industrial expansion grants by the Economic Development Administration)	243,000,000
Environmental Protection Agency	6,000,000,000
Department of Health, Education and Welfare	56,997,490
Department of the Treasury	24,034,197
Atomic Energy Commission	15,400,000
Department of Defense (military)	1,940,448,924
Veterans Administration (Including $46,786,000 for reduction in apportionment)	111,786,000
Appalachian Regional Commission	65,000,000

EXHIBIT C

Ad Hoc Budget Hearings Held by Congressman Charles W. Whalen, Jr., March 23–24, 1973:

ORGANIZATIONS AND REPRESENTATIVES

City of Dayton: Mayor James H. McGee.

City of Kettering: Mayor Charles F. Horn.

Dayton Area Chamber of Commerce: Mr. Gene Lawrence.

Dayton Board of Education: Mr. William E. Goodwin, President.

Dayton Development Council: Mr. Dudley P. Kircher, Director.

Dayton Metropolitan Housing Authority: Mr. Carl Copp, Chairman; Mr. Hughbert Poore; Mr. Arch Warner.

Dayton-Montgomery County Library: Mrs. John E. Coleman, President-Board of Trustees; Mr. William Chait.

Health Planning Council of Greater Miami Valley: Dr. Robert Craig, President; Mr. Stephen Davie.

Health and Welfare Planning Council: Mrs. Fred Young, President—Board of Directors; Mr. Bernard Hyman.

Home Builders Association of Metropolitan Dayton: Mr. Robert W. Booher, President—Board of Directors; Mr. Jacques Sheley.

League of Women Voters: Mrs. Gail Levin, President.

Metropolitan Churches United: Rev. Richard Hardy, President; Rev. Thomas Dorenbusch; Rev. Robert Kolze.

Model Cities:

Planning Council, Mr. George Washington, President.

South East Priority Board, Mr. Robert Hand, President.

South West Priority Board, Mr. Roscoe Simmons, President.

FROC Priority Board, Mr. Michael Means, President.

North East Priority Board, Mr. Martin Harmuth, President.

North West Priority Board, Mr. Solomon Crane, President.

Miami Valley Chapter of the National Association of Social Workers: Mrs. Sybil Silverman; Mrs. Virginia Creamow; Mr. Robert M. Eschbach; Mr. James Lucas.

Miami Valley Regional Planning Commission: Mr. Edwin S. Brubaker, Chairman; Mr. Dale Bertsch.

Montgomery County Board of Education: Mr. Roland St. John, President; Dr. Kenneth Crim; Dr. Raymond Hopper.

Montgomery County Childrens Services Board: Mr. William Bacon.

Montgomery County Community Action Agency: Mr. Herman Lander, President; Mr. Terry Bradford; Mr. Melvin Jackson.

Montgomery County Farm Bureau Federation: Mr. Ralph Dull, President.

Sinclair Community College: Mr. B. R. Blacklidge, Comptroller; Dr. P. J. Parsons.

Supervisory Council on Crime and Delinquency: Honorable Walter Rice, Chairman.

University of Dayton: Rev. Raymond A. Roesch, S. M., President.

Wright State University: Mr. Howard E. Bales, Assistant Director, Research Development.

EDUCATION TAX CREDITS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland (Mr. HOGAN) is recognized for 10 minutes.

Mr. HOGAN. Mr. Speaker, last week I introduced legislation that would allow individuals a tax credit for all educational expenses that they incur. This tax credit would not be limited to only elementary and secondary school expenses, but would also include the cost of higher education, including trade and vocational schools.

Credit would be allowed, within specific limitations, for tuition, fees, books, supplies and other equipment required for courses at an educational institution. Items such as meals, lodging and similar personal and family expenses would not be allowed under my proposal.

At this point I would like to include the complete text of my bill:

H.R. 7708

A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for educational expenses

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subpart A of part IV of subchapter 1 of the Internal Revenue Code of 1954 (relating to credits allowable) is amended by renumbering section 42 as section 43, and by inserting after section 41 the following new section:

"SEC. 42. Educational Expenses.

"(a) GENERAL RULE.—There shall be allowed to an individual, as a credit against the tax imposed by this chapter for the taxable year, an amount, determined under subsection (b), of the educational expenses paid by him during the taxable year to one or more educational institutions in providing an education for himself or for any other individual.

"(b) LIMITATIONS.—

"(1) AMOUNT PER INDIVIDUAL.—The credit under subsection (a) for educational expenses of any individual paid during the taxable year shall be an amount equal to the sum of—

"(A) 100 percent of so much of such expenses as does not exceed $200,

"(B) 75 percent of so much of such expenses as exceeds $200 but does not exceed $500, and

"(C) 25 percent of so much of such expenses as exceeds $500 but does not exceed $1,500.

"(2) PRORATION OF CREDIT WHERE MORE THAN ONE TAXPAYER PAYS EXPENSES.—If educational expenses of an individual are paid by more than one taxpayer during a taxable year, the credit allowable to each such taxpayer under subsection (a) shall be the same portion of the credit determined under paragraph (1) as the amount of educational expenses of such individual paid by that taxpayer during the taxable year is of the amount of the educational expenses of such individual paid by all taxpayers during the taxable year.

"(3) REDUCTION OF CREDIT.—The credit allowed a taxpayer under subsection (a) for educational expenses of any individual paid during the taxable year, as determined under paragraphs (1) and (2) of this subsection, shall be reduced by an amount equal to 1 percent of the amount by which the adjusted gross income of the taxpayer for the taxable year exceed $25,000.

"(c) DEFINITION.—For purposes of this section—

"(1) EDUCATIONAL EXPENSES.—The term 'educational expenses' means—

"(A) tuition and fees required for the enrollment or attendance of a student at an educational institution, and

"(B) fees, books, supplies, and equipment required for courses of instruction at an educational institution. Such term does not include any amount paid, directly or indirectly, for meals, lodging, or similar personal, living, or family expenses. In the event an amount paid for tuition or fees included an amount for meals, lodging, or similar expenses which is not separately stated, the portion of such amount which is attributable to meals, lodging, or similar expenses shall be determined under regulations prescribed by the Secretary or his delegate.

"(2) EDUCATIONAL INSTITUTION.—The term 'educational' means—

"(A) an educational institution (as defined in section 151(e)(4)) contributions to or for the use of which constitute charitable contributions within the meaning of section 170(c); or

"(B) a business or trade school, or technical institution, or other technical or vocational school in any State, which (i) is legally authorized to provide, and provides within that State, a program of vocational or technical education designed to fit individuals for useful employment in recognized occupations; and (ii) is accredited by a nationally recognized agency or association listed by the United States Commissioner of Education; and (iii) has been in existence for two years or has been specially accredited by the Commissioner as an institution meeting the other requirements of this subparagraph.

"(3) State.—The term 'State' includes the several States of the Union, the Commonwealth of Puerto Rico, the District of Columbia, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

"(d) Special Rules.—

"(1) Adjustment for certain scholarship and veterans' benefits.—The amount otherwise taken into account under subsection (a) as educational expenses of any individual during any period shall be reduced (before the application of subsection (b) by any amounts received by such individual during such period as—

"(A) a scholarship or fellowship grant (within the meaning of section 117(a)(1)) which under section 117 is not includible in gross income, or

"(B) an educational assistance allowance under chapter 34 or 35 of title 38, United States Code.

"(2) Noncredit and recreational, etc., courses.—Amounts paid for educational expenses of any individual shall be taken into account under subsection (a)—

"(A) in the case of an individual who is a candidate for a baccalaureate or higher degree, only to the extent such expenses are attributable to courses of instruction for which credit is allowed toward a baccalaureate or higher degree, and

"(B) in the case of an individual who is not a candidate for a baccalaureate or higher degree, only to the extent such expenses are attributable to courses of instruction which are required courses under the rules and practices of the educational institution or are necessary for such individual to fulfill requirements for the attainment of a predetermined and identified educational, professional, or vocational objective.

"(e) Disallowance of Expenses as Deductions.—No deduction shall be allowed under section 162 (relating to trade or business expenses) for any educational expenses which (after the application of subsection (b)) is taken into account in determining the amount of any credit allowed under subsection (a). The preceding sentence shall not apply to the expenses of any taxpayer who, under regulations prescribed by the Secretary or his delegate, elects not to apply the provisions of this section with respect to such expenses for the taxable year.

"(f) Regulations.—The Secretary or his delegate shall prescribe such regulations as may be necessary to carry out the provisions of this section."

(b) The table of sections for such subpart A is amended by striking out the last item and inserting in lieu thereof the following:

"Sec. 42. Educational expenses.
"Sec. 43. Overpayment of tax.".

Sec. 2. The amendments made by the first section of this Act shall apply to the taxable years beginning after December 31, 1973.

With education playing an ever-increasing role in our society and in view of the crisis facing our nonpublic schools, the desirability of such legislation is clearly evident.

The nonpublic school system represents a vital national asset. We must not allow our nonpublic schools to die. They have been making an important contribution to American education and society as a whole since the founding of our Nation and play a special role in education, especially in our urban areas.

Nonpublic schools are having serious financial problems. Low to middle income parents are having a difficult time meeting the increasing tuition costs of nonpublic schools as high taxes and inflation continue to make inroads in their earnings.

Approximately 10 percent of the Nation's children attend nonpublic schools thereby relieving the public school systems and the taxpayer of substantial cost. It has been estimated that the closing of nonpublic schools would result in an increase of $4 billion in annual operating expenses and $5 billion in capital costs to public school systems.

In my opinion, Federal tax relief for the individual family is the best way to help assure the continuance of our private system of education. It would ease the pressure on the public school system by enabling more parents to send their children to nonpublic schools for the first time or to assure their continuing attendance at such schools. The use of the tax system to give relief to parents is preferable to grants and subsidies to the nonpublic schools themselves. Aside from the constitutional problems such direct aid would involve, there would be no reason for Federal involvement in the educational programs of the nonpublic schools, since the parents, not the schools would be the recipients of such benefits under my bill. Federal control of the curriculum and activities of the private school, especially the religiously oriented schools, is a situation which must be avoided.

Within the framework of tax relief, I believe the tax credit approach for all educational expenditures, including trade schools and higher education, as proposed by the legislation I have introduced today, is the best option. It is superior to a tax deduction for two reasons: First, it may be taken even when the taxpayer does not itemize his deductions; and second, it provides a greater benefit to low- and middle-income taxpayers than an itemized deduction.

My bill would provide a tax credit for educational expenses equal to the sum of 100 percent of so much expenses as does not exceed $200; or, 75 percent of so much of such expenses as exceeds $200 but does not exceed $500; or 25 percent of so much of such expenses as exceeds $500 but does not exceed $1,500.

Under our present tax laws we have numerous examples of allowable deductions for private investment to serve the public good. Deductions for charitable contributions to religious and educational institutions are particularly apt. Present tax laws also permit persons who pay taxes to a State or local government for various purposes to deduct these taxes on their Federal returns. Businessmen benefit from deductions for numerous expenses incidental to their activities. Certainly, payments made by parents for reduction ought to receive similar treatment.

We need only look at declining private school enrollment, which is reported at a rate of 6 percent a year, to recognize the need for prompt action by Congress. In addition to nonreligious private schools, there are, of course, many Jewish and Christian schools who are facing serious financial problems. For example, Roman Catholic schools, which comprise the bulk of nonpublic schools, have been forced to close hundreds of schools in the face of increased costs. A major problem facing these schools is their inability to compete with public schools in meeting salary demands of lay teachers. Compounding the problem is the fact that the number of lay teachers has steadily increased as the number of religious orders engaged in teaching has steadily decreased. People of low- and middle-income who want their children to have the benefits of religious instruction as well as academic instruction are finding it next to impossible to meet both the increased tuition costs of the parochial schools and the ever-increasing property taxes needed to support public schools. Increasingly, these parents are being forced to shift their children to the public school system. This trend, if it continues, will seriously aggravate the existing critical situation faced by public institutions.

Far too often, we slip into debate regarding education strictly in terms of dollars and cents, forgetting the contributions made by both the public and nonpublic school systems to the growth of healthy social, ethnic, and cultural expression in America.

Far too often we forget that for virtually every student in a private school there is one less student supported by tax funds, local, State, or Federal. In both the State of Maryland and my county of Prince Georges it costs $1,000 annually for each student in elementary and secondary public school. The parent that makes this saving possible is entitled to some tax saving himself.

In addition to this saving to the local, State, and Federal governments, I would like to cite the problem of those parents in my district who have been subjected to the largest court-ordered schoolbusing in the Nation's history. A Federal court has ordered 32,000 of the county's 160,000 students to be bused so that no school will have less than 10 percent and no more than 50 percent black students. As a result there is massive racially balanced busing in and out of essentially all of the county's 235 schools. The selection of those to be bused is arbitrary in order to meet quotas The distances students are bused may be extreme because of the size of Prince Georges County. Even with one of the largest school bus fleets in the world, schools must open and close on staggered schedules. Some open as early as 7:30 a.m., some close as late as 4:30 p.m. Bused students must leave home as early as 6:30 a.m., return as late as 5:30 p.m.

This court-ordered busing has increased attendance and interest in private schools. Parents are reluctant to have young children transported to distant schools for the sole purpose of achieving an arbitrary statistical balance. Parents with several children are reluctant to have them at different schools because they are of diffierent ages.

Parents with transportation problems are not able to permit their youngsters to take part in extracurricular activities.

Thus, private schools in my district serve many purposes. Those with high incomes should not be the only ones who have access to these private schools.

Americans want to retain pluralism in our society that has been a hallmark of its democratic institutions. Our society wants and deserves alternatives to public education. This legislation is a major step in assuring that we retain them in the future.

DESIGNATION AND PROTECTION OF NATURAL AREAS IN THE UNITED STATES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia (Mr. BLACKBURN) is recognized for 10 minutes.

Mr. BLACKBURN. Mr. Speaker, I am today introducing legislation which would grant the Secretary of the Interior the power to develop a program for the designation and protection of natural areas throughout the United States.

Presently, the only program available to the Secretary for the preservation and protection of natural areas is the wilderness system. Unfortunately, land must already be in Federal hands for this act to apply. Though the land and water conservation program does provide a 50–50 matching grant for the development of land and water resources for recreation purposes, it does not apply to saving natural areas. Thus, the Interior Department does not have authority to grant aid to States and local governments to acquire natural areas of geological or ecological significance. The legislation which I am introducing would grant the Secretary of the Interior the power to make 50–50 matching grants for this purpose.

I have found, through my studies, that there is a need for an expanded program to protect natural areas in order to achieve an increased appreciation of the natural history of the United States. Their appropriate use, including environmental education, scientific research, and public appreciation of these areas will be encouraged if they are so protected. Most of us remember our youth in which there were large expanses of natural areas. Unfortunately, with the continuing urban sprawling, these areas are being destroyed and we face the danger that future generations will not have the chance to use nature's wonders as we did.

I realize that in any program of this nature there should be an orderly system and criteria established for designating which areas deserve protection and assistance. Therefore, under title II of my legislation, I establish an Advisory Council on the Preservation of Natural Areas. The members of the advisory council shall be the Secretaries of the Interior Agriculture; Housing and Urban Development; Transportation; Defense; Health, Education, and Welfare; the Smithsonian Institution; the President of the Natural Resources Council; and 10 appointments made by the President of the United States from the public. This Council will advise the President and the Congress on matters relating to the implementation and the coordination of this act with other Federal and State activities. Furthermore, the Council shall establish a national registry of areas which are endangered and will be first to receive funding under this act.

In my own State of Georgia, the following areas have been declared eligible for registration as National Historic, Natural, and Environmental Education Landmarks: Etowah Mounds in Bartow County, Harris (Joel Chandler) House in Fulton County, Kolomoki Mounds in Early County, Low (Juliette Gordon) Birthplace in Chatham County, St. Catherines Island in Liberty County, Savannah Historic District in Chatham County, Stallings Island in Columbia County, Traveler's Rest in Stephens County, Marshall Forest in Floyd County, Wassaw Island in Chatham County, and the Elizabeth Elementary School Environmental Study Area in Cobb County.

I am sure many of you have areas in your State that some day might be endangered. If my bill was enacted, these areas would not be lost through oversight and if for some reason their destruction was imminent there would be a mechanism available to be employed in order to preserve and protect these areas for prosperity.

Preservation and protection of our natural areas at this time in our country's history is of prime importance. If we wait too long, there will be little left to protect. I urge prompt consideration of my bill.

THIS IS NOT THE TIME FOR CUTBACKS IN AGRICULTURAL RESEARCH AND DEVELOPMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from South Carolina (Mr. YOUNG) is recognized for 15 minutes.

Mr. YOUNG of South Carolina. Mr. Speaker, today our country is as concerned as I have ever seen it with the problems of continually rising food prices.

As an outgrowth of this corncern, the American farmer is under scrutiny by the people of this Nation as never before. Today, I rise to plead his case and to say that now, more than ever, we should be aware of the efficiency of the American farmer, what it means to all of us, and to make sure that we, as a government, do everything humanly possible to work to make the American farm increasingly efficient.

The way to accomplish this is through research and development, through education and conservation, by continuing and expanding the programs that have helped make the American farm the most efficient in the world.

Yet, I regret to say that now when all of us should be concerned with—and are concerned with—rising food prices, we are told of cutbacks in agricultural research, in State experimental stations, in the extension services, and in conservation programs.

In my judgment, this is a false economy.

I know from my own personal knowledge that money spent on agricultural research and development is one of the most important investments this country can make.

During the Easter recess I traveled over my district and talked with many people. I was impressed with the recurring theme that was often mentioned. Some of the people from the agricultural experiment stations came to me to discuss projects that were being cut completely. Others mentioned early retirement and the fact that personnel were being transferred from one station to another and not replaced.

I listened to these folks as they spoke about the work they felt so strongly about. My first thought was that I was prejudiced concerning these people. As a boy in high school I had watched crops on these stations grow. Year after year the yields of the crops increased amazingly. Increases of 20 to 30 percent were realized through research, improvement in seed, and cultivation and fertilization. These scientists at the research stations had the time, facilities, and appropriations to carry on these experiments, and all the people on the farms reaped the benefits of their work, research, and dedication.

For years it was my pleasure to serve as a supervisor on a soil conservation board. As a member of that board it was a joy to see land reclaimed through ditching, terraces built to keep the soil from eroding, and efforts made to conserve our resources. It is sad to realize that a great part of our pollution today comes from the land. It has always impressed me that the streams of England run clear, yet all too often I see the silt in our Nation being washed away, irreplaceable, while the conservation programs initiated to remedy this problem are being cut. Many of our friends from the city feel that this program is no longer necessary, yet this is the life blood of not only our generation, but of generations to come.

Another problem that was mentioned to us during the Easter holidays was the cutback in agricultural education. Then my mind went back to the time that my farm friends and I spent learning together from agriculture teachers and the exchange of ideas that flowed from the students in the class. As a unit in an agricultural learning institution we searched for a better way to do a job on the farm, for ways to raise production, for ways to improve the quality of crops. Now programs for agricultural training are being cut.

Specifically, today, the Department of Agriculture is withholding funds from agricultural research that were voted by this Congress. It also intends to recommend additional cuts in the budget for the coming year.

The same practice—of withholding funds appropriated by the Congress—is true in the Cooperative State Research Service—this is the program that helps finance the State experimental stations. Also, further cuts are being proposed for the coming year.

In the Extension Service, while no meaningful budget cuts are proposed, the amount available to be spent on programs is cut in effect by the change in the postal regulations, meaning that some $5.7 million must be diverted from other activities to pay for postage.

In ASCS, personnel are being reduced and spending eliminated on the cancellation of the REAP program, which we hope this Congress will reinstate. And, the Soil Conservation Service is being sliced heavily, $9 million coming out of the resources conservation development and $6 million from the watersheds program.

All of these reflect a lessening in priorities on programs that eventually can cut back on farm efficiencies. Farm efficiency means more food for the dollar and is in direct conflict with our determination to hold down further increases in food prices.

Right now food pours forth from our farms. But what if the efficiency of the American farmer stumbles? What if the shelves in the grocery store suddenly become empty and we have to stand in line for our food?

It is our responsibility to keep our farmers in business. We are in the process now of reexamining the Agriculture Act of 1970. Here again we have conflicts. Here again we debate priorities.

In this process we search for the truths and look for the best solutions for the Nation. In so doing, we must examine very closely our agriculture policy.

We must be sure that our priorities maintain a dynamic and productive agriculture.

Food is basic. Food is necessary. All of us need to reexamine the problems relating to the farms that provide our food.

DANGER MAY SPAWN IN A PERIOD OF PEACE

The **SPEAKER** pro tempore. Under a previous order of the Hcuse, the gentleman from California (Mr. HOSMER) is recognized for 5 minutes.

Mr. **HOSMER**. Mr. Speaker, Rear Adm. Ernest McNeill Eller, former Director of the Naval History Division, retired from the Navy in 1970, ending a distinguished 48-year career. Currently, he is serving his second year as national historian of the Navy League. Author of the book "The Soviet Sea Challenge," Admiral Eller has been an anxious observer of the momentous changes of the past decade which have eroded U.S. oceanic strength and tipped the precarious balance of sea power in favor of the Soviet Union.

These are his views as published in the magazine Sea Power for May 1973, on the perils which a nation can allow to develop during a period of peace by failure to prepare for trouble which inevitably will follow:

The Postwar Follies

(By Ernest M. Eller)

After all major conflicts in which the United States has been involved there has been, and rightly so, a cutback of U.S. military forces.

Sometimes—more often than not, unfortunately—such cuts have gone beyond the point of reason and safety as the nation's craving for peace and weariness with war, particularly with expenditures for war, have caused the pendulum to swing too far—regardless of postwar world conditions, U.S. international treaty responsibilities, and domestic economic needs.

The country again faces such a situation today as, in the wake of the longest war—and one of the most divisive—in U.S. history, she begins a substantial dismantling of the country's defense establishment and turns to consideration of what many stridently proclaim as "higher priority" domestic matters.

But it is no exaggeration to say that, if America follows too closely the postwar excesses of the past, if she once again permits the pendulum to swing too far, she will be inviting calamity.

This is particularly true as regards the situation at sea, where the United States is losing the fight to a relentless opponent—and, in fact, in the opinion of many naval leaders, has probably already lost it.

It is also no exaggeration to state, alarmist though it may sound, that never before in history has the United States been in as great peril as she is today.

This is so because, for the first time in history, the nation is faced with a ruthless antagonist which, always strong on land, is now, and has been for several years, furiously building a strength at sea which is today second to none.

THE BRITISH SHIELD

In the past, particularly throughout the last century, the benvolent shield of British sea power protected the United States and many other nations from would-be predators. When in this century aggressor nations, ambitious for world conquest, became more so because of the naval and military weakness of the democracies and finally did challenge the Royal Navy, as well as the ascendant, newly powerful U.S. Navy, at sea, there followed the catastrophe of two world wars.

Those who lived through the darkest days of World War II, particularly, know how perilously thin was the margin of naval/military strength by which the Allies finally won out, and should remember that Great Britain nearly succumbed to a submarine force insignificant to that which the Kremlin now directs. Those in the U.S. Navy who survived will never forget the dark and desperate year after Pearl Harbor when the Japanese had a stronger Navy in the Pacific, nor the immense efforts required of the combined navies of the United States, Great Britain, and other Allied countries to check the smaller German and Japanese navies.

With such examples from the recent past, with a strong friendly sea power no longer standing between America and potential adversaries, with an avowed enemy already armed to the teeth daily growing ever stronger—particularly on, under, and now over the seas—and with the acknowledged responsibilities thrust upon and accepted by her as the most powerful of the world's democracies, it seems incredible that America has allowed herself to become abysmally inferior in most of the essentials of sea power.

But this is exactly what has happened. It is hard to understand why this is so. Perhaps today's willingness, not to say eagerness, to demolish the tools of war simply reflects historical American tendencies to let hope ride over common sense. The country has always suffered heavily in times of war for its lack of foresight during the preceding periods of peace.

If history repeats itself once again, if the past is lantern for the future, which it is, Americans can expect cruel days ahead—*but this need not be so if, in fact, U.S. leaders in Congress and in the Executive Branch can read history, and can learn from it.*

EARLY ECONOMY ERRORS

Examining the past may help to put the present situation in better perspective. After the American Revolution Yankee maritime enterprise ranged far and wide. Merchant ships multiplied, and commerce prospered. However, bankrupted by the long war, and struggling to unite on national purpose, the nation's forefathers disbanded the small U.S. Navy of the day and depended upon the good will of others for protection.

They soon learned—the hard way, unfortunately—that freedom cannot survive without the courage and sacrifice and strength that won it in the first place. In a world where power must back the best intentions, one cannot fight sturdily for the right and then on victory day abandon his arms and leave the future as unprotected as the past. Strength in peace is almost more important than in war, *for it can prevent war*. Weakness, on the other hand, invites war.

In 1785, as the United States auctioned off her last warship, Barbary corsairs captured American merchantmen and enslaved the crews. Neglected by their government, many luckless sailors, the "POWs" of their day, died in captivity, and a decade would pass before the last survivors were freed—any similarity wtih Korean War and Vietnam War POW experiences is more than coincidental.

Worse followed. The French Revolution that began in 1789 soon ignited the fifth World War of that century. In efforts to cut each other's lifelines, both England and France (America's ally, under another government, during the Revolutionary War) preyed on the American merchant marine. The U.S. government protested but it was too weak to do more.

Then, in 1792, Algerian corsairs captured several ships and enslaved over 100 more American mariners. Congress finally authorized the building of six frigates—but soon cut that number to three when U.S. diplomats negotiated a humiliating peace at a tribute cost of one-sixth of the national revenue (then $6 million).

At that time the nation's income came almost exclusively from taxes on foreign trade. During the 1795–97 period, income averaged under $6.5 million annually, of which the Navy was allocated 5.5 per cent. Congress obviously wasn't rushing to rebuild a fleet, even though world war still raged.

As hostilities mounted, outrages against American commerce increased. French corsairs even caputred ships in U.S. territorial waters. Congress consequently sped up commissioning a small fleet, and the country entered upon the naval quasi-war with France.

In 1801, following successful conclusion of that war, the U.S. government commenced operations against the Barbary pirates but, as usual, tried to conduct them on a shoestring: naval appropriations dropped from $2.111 million in 1801 to $916,000 in 1802. The war thus dragged on for years until finally settled when the government agreed to pay ransom for the U.S. POWs .

Thereafter, as war continued and American commerce suffered heavily, naval budgets grew. From 1806 to 1811 they averaged around $1.9 million annually, or 20 per cent of the national budget. Such wiser allocation of resources to provide protection at sea in perilous times, however, was hamstrung by what can only be called the "gunboat aberration." (Not only do Americans usually deceive themselves that the end of war means peace forever, but they ever follow the other chimera that security can be bought on the cheap. This time the bargain basement offered Mr. Jefferson's gunboats. Most of the Navy's increased funds went into this folly; hence real preparedness afloat benefited little.)

FOLLY AND FORESIGHT

When the War of 1812 came the United States had, therefore, only a few high-seas warships. The little Navy could not stop the ravages—including the burning of Washington—of the British fleet, but it won notable single-ship duels and lake victories of lasting importance to the American future. When the war ended in 1815, the government consequently continued to strengthen the Navy by commissioning ships of the line, backbone of sea power. During the period 1817–21, appropriations for the Navy averaged $3.56 million, or 18 per cent of total government spending. Three sea wars in less than two decades, and pirate depredations in the West Indies, had apparently driven the lesson home.

It is not necessary to detail the wisdom or folly in naval appropriations for the ensuing century to World War I, except to note two significant examples:

(1) Power afloat played a giant role on the ocean, bays, and rivers during the Civil War. Yet when peace came naval funds plummeted and stayed in the deep six. For 25 years they averaged under 7 per cent of the overall budget, and did not rise to above 10 per cent until the late 1890s. The nation survived such a perilously low level of security only because of Britain's benign rule of the seas—a safeguard no longer present.

(2) One of the few instances of wise and strong U.S. maritime policy over an extended peacetime period followed the short Spanish-American War. During that war, naval expenditures rose only moderately over the years immediately preceding, holding at about 10–11 per cent of total national spending (then $605 million). But in 1900 a new trend began.

It was a time of cataclysmic changes. Giant forces were sweeping the world. The rising tide of the Industrial Revolution and accelerating technology had completely changed navies. A modern ship of the line, the "battleship," had evolved. Submarines were bringing their deadly stealth to boost the offensive strength of navies and increase defensive problems. Aircraft would soon follow.

These revolutionary developments at sea converged with the rise of ambitious rivals east and west yearning to wrest the sea from Britain. At the same time, although not understanding it, the United States was rising to world primacy. Without conscious preparation the nation was becoming world leader.

TR'S PRESCIENCE

A number of Americans, with Teddy Roosevelt—a leader who demonstrates the overriding importance of a single great man in shaping history—in the van, did understand the changes taking place, however, and saw clearly that the key to the defense of freedom lay at sea. With Teddy Roosevelt on the bridge, funding for the Navy rose steadily to about 18 per cent of the rising national budget. Had the U.S. government held to the preceding low 6–10 per cent ratio, in the opinion of many military historians, World War I might well have gone the other way.

Roosevelt's foresight did, of course, provide the naval muscle needed by the Allies to win World War I, and should have been an example to future generations of the necessity for strength at sea. Yet, since the World War I armistice of November 11, 1918, the record of U.S. national peacetime leadership in providing a navy adequate to the nation's needs and to cope with changing and increasingly hostile world conditions has been as bleak as the worst of the past, with only a few bright spots.

Each generation seems to find its own false standard to displace strength, within history has repeatedly demonstrated is the one sure hope for peace in a world where aggression never sleeps. The post-World War I generation found solace in the term "disarmament." Full of good will, the United States scrapped real ships, afloat and building; other nations scrapped mostly blueprints and obsolete hulls.

The Depression and vocal anti-arms advocates led U.S. leaders to cut back even more. Hence, the Navy was not permitted to build up even to treaty levels. By 1930 funds allotted to the Navy had shrunk to under 11 per cent of the national budget, and matters soon grew worse. From 1932 to 1939 Navy funding averaged well under half a billion dollars annually—about 7 per cent of the national budget, approximating the doldrum ratio of the 1870s and 1880s. The Army received little more.

This head-in-the-sand folly, it should be noted, took place in an environment radically different from the post-Civil War era, when the British Navy kept world peace. During the 1930s explosive dangers raged on three continents as the world was rocked by the conquests of the Nazis in Germany and the Fascists in Italy at the same time Japanese imperialists were threatening Asia and the Communists were completing their brutal consolidation of the USSR.

WHAT PRICE WEAKNESS?

The inevitable followed. Determined aggressors, encouraged by weakness, unloosed the horror of another world war. If Britain and America had been prepared, this and future generations may well ask, would Hitler have risked the gamble into Poland? If the United States had doubled appropriations for sea power in the 1930s, would Japanese militarists have dared the Pearl Harbor Day of Infamy?

America's scrimping—Navy funding, for example, fell from $2 *billion* in 1919 to a $484 *million* average during the years 1931–38—during the fateful decade of the 1930s turned against her with a vengeance. Expenditures on the Army (and Army Air) exceeded $50 billion in the single year of 1945, and on the Navy (and Marines and Navy Air), $30 billion. During the long and bloody battles of World War II the small dollar savings achieved by crippling U.S. military strength in the 1930s were turned—at a cost of hundreds of billions of dollars—into an awesome and awful loss of life, untold human misery, and a world torn as under and open, moreover, to yet another ruthless type of aggression: communism, with its evil philosophy that the end justifies the means.

Yet did America heed? No, she seemed bent on suicide, as in wild abandon, after VJ Day, she dissipated her expensive and hard-won military strength. Theorists hoisted a new signal of cheap security—the atomic bomb, which would now keep peace without the expense of conventional arms. Sea power, which had just made possible victory in the most gigantic struggle in the history of mankind, was obsolete, and this was where the biggest savings could be achieved.

Communist intrigue and aggression soon caused new crises: in Poland, Czechoslovakia, Berlin, Greece, Iran, and China. But the United States continued to cut its military strength, nevertheless. The party line now ran that if the nation spent more on defense it would go bankrupt. By 1950 the Navy's share of the now much-reduced defense budget had dwindled to 30 per cent from nearly 50 per cent through most of the 1930's—although dollar expenditures of course much exceeded those of the 1930s, as inflation and sophisticated weapons skyrocketed costs.

Looked at through another prism, the Navy's share of the overall national budget had shrunk to 10 per cent, a hazardous level at any time, but downright foolhardy in 1950, when the mantle of leadership of the Free World had fallen on the United States.

Thus, even with the tragic lesson of the 1930s made abundantly clear by hindsight, only a decade later U.S. leaders were making the same disastrous mistakes. Actually, such repetition of previous mistakes was far worse than the originals, since there was full evidence of the Kremlin's intent to dominate the world stage.

THE LONELY GUARDIAN

The folly of the late 1940s surpassed preceding ones in yet another way. During the 1930s the Navy shared U.S. defense funds close to 50-50 with the Army, averaging over 45 per cent of the small pittance that Congress was allocating for security. But at that time Great Britain still had a powerful fleet, comparable in size to the U.S. fleet. By 1950, however, the U.S. Navy stood almost alone as guardian of the seas, but the share of the new tri-service defense budget earmarked for sea power had dwindled to 30 per cent.

Just as Pearl Harbor followed America's lack of foresight in the 1930s, so in 1950 came the onslaught of the communist juggernaut that rolled down Korea, sweeping to the last corner of land on that embattled peninsula before finally being checked by the Inchon landing and subsequent U.S./U.N. counterattacks. The shadow of the mighty World War II Navy and Marine forces that had swept across the Pacific sufficed once again, though barely, and only because the sea was uncontested.

Had the U.S. Navy been stronger and had U.S. forces ashore been larger, however, there might have been no Korean War and no need for an Inchon landing. The dollars saved by cutting the defense budgets from 1947 to 1950 went up like smoke. The loss of lives and the world disruption that followed those budget cuts—inevitably, it would seem—could be directly charged, once again, to abandonment of the wise maritime strategy that had just led to victory in World War II.

THE SOVIETS MOVE AHEAD

Today, for the third time in one wracked generation, the United States is repeating the same mistakes of the recent past. With the Soviet Union driving to dominate the sea, the nation is spending less than 10 per cent of the national budget for security afloat—this was the level of disaster in the past, and was at that low a level only because no navy in any way comparable to the USSR's present-day fleet existed to challenge the Free World. Today, because of the USSR's furious naval/maritime build-up, coupled with America's own neglect—not to say deliberate cutback—of its Navy, the Soviet Union has shot ahead in nearly every aspect of sea power. In the Navy the Soviets lag only in carriers, amphibious ships, and at-sea replenishment ships. But the Russian fleet now far exceeds the U.S. Navy in submarines, guided-missile surface ships, minecraft, and—most important of all for the future—in new construction. One early consequence of U.S. lethargy occurred when the United States—*which only five years earlier had been far ahead*—accepted, in the 1972 SALT Agreement, a 3:2 Soviet superiority in sea-based ballistic missiles.

In shipyards, oceanography, R&D, merchant marine shipping, fishing fleets, and training of seamen, the Soviets also have drawn far ahead. The significance of the purposeful Soviet drive to win the world at sea, and of the incredible inaction of this country, becomes even more apparent when it is remembered that only 25 years ago the United States led overwhelmingly in all aspects of sea power, and the USSR, far behind, wasn't even in the running.

It is now evident, and becoming more so each day, that the United States will in the future have to import more and more raw materials for the U.S. economy—and, therefore, the American way of life itself—to survive. This being the case, intelligent men may ask, why have those who control this nation's destiny not seemed to learn, as apparently Kremlin leaders *have* learned, that the nation that controls the seas controls the course of civilization?

There are those who say that the present drive to cut expenditures for national security is a natural revulsion on the part of democratic peoples to spending heavily for

> armaments immediately after a war. There may be some truth in this theory, but it is evident from a study of history that the nation acted more wisely after the War of 1812, the Spanish-American War, and the Korean War. At least part of the difference, it would seem, was the foresight of the nation's leaders of those times, as well as their willingness to go to the people and explain to them the need for a continuing strong national defense.
>
> The seas, and free access to them, have ever wielded a mighty influence on the American destiny, and will prove even more vital to the American future. Those who love and understand the sea, and who also know and love this country, may well pray today—having seen the Free World and the U.S. role in it twice barely escape annihilation—that in this third and last chance of this century U.S. leadership, in Congress as well as in the Executive Branch, will rise to the need and not throw away, once again, the strength that has always been a mandatory prerequisite to freedom.

AN END TO FOOD STAMPS FOR STRIKERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. COLLINS) is recognized for 60 minutes.

Mr. COLLINS. Mr. Speaker, it is estimated that during 1973, this Nation's taxpayers are going to pay out well over $200 million in food stamp assistance to strikers. If he has no union-supplied strike benefits or other income, and has not saved any money as a precaution against a strike, a striker with an average-size family could be getting up to $112 per month in food stamps. If he taps other welfare programs—intended for those who cannot work, as food stamps are—he might be able to garner 80 percent or more of his prestrike salary while he is on strike. These and other even more shocking examples of abuse make it imperative that Congress act to deny food stamps to strikers and remove the Federal Government from the collective bargaining process.

Since the late 1960's, there has been an explosion in the abuse of food stamps and other welfare benefits by strikers. Many unions have made a concerted effort to utilize every welfare benefit available to bolster their ability to prolong a strike. A 17-week strike against the California & Hawaiian Sugar Co. was so greatly subsidized by public welfare and food stamps, the union never needed to distribute any of its own strike funds. Food stamps have been the major source of direct, tax-supported assistance to strikers—estimated to make up about two-thirds of the public aid claimed by strikers.

Despite a Federal policy of noninterference in strikes—as expressed in the National Labor Relations Act and other laws—a major loophole has been found and is being exploited more and more every year. Food stamps are becoming a standard strike benefit.

Dr. Herbert Northrup, chairman of the Labor Relations Council and director of the Industrial Research Unit of the Wharton School of Finance and Commerce which last year completed a study on strikers' use of public assistance has stated:

> The collective bargaining system in the United States . . . cannot work satisfactorily if the public purse becomes an extension of the union treasury for paying strike benefits. Yet this is what is happening—and it is happening to such a degree that strikes in many cases no longer hurt.

When there is little or no economic pressure on the rank and file union member to settle a strike, he does not push for a settlement and the union is enabled to hold out longer—for bigger and bigger pay increases. As a result of the abuse of food stamps and other benefits, the most effective pressure on unions to settle a strike is removed.

Mr. Speaker, the public is being asked to pay for strikes not only in higher prices, thus fueling inflation, but in tax dollars going to the dinner table of striking workers. A continued Federal policy of supplying food stamps to strikers cannot help but prolong strikes and push up prices. And perhaps most important, it undermines our commitment to the work ethic, one of the fundamental strengths of this country. One need only look at the example of food stamp abuse in Los Angeles to understand how giving food stamps to strikers fan the flames of inflation and destroys the incentive of an individual to work for a living. The UAW paid the average striker $40 nontaxable dollars a week in strike benefits for a 4-week total of $160. He was able to supplement this with $64 of food stamps and $282 from the California Welfare Department. This gave the striker a real income of $506, compared to a net income of $365 during a 4-week period while he was working—a 38-percent increase for being on strike.

In taking the floor of the House today, it is the purpose of my colleagues and myself to ask that Congress stand up and say that it will not allow food stamps to be used against the public interest. The question of revising and extending the food stamp program will soon be before Congress for a decision and now is the time to reaffirm our commitment to holding down inflation, maintaining the independence of collective bargaining, and upholding a belief in the work ethic as basic to our way of life.

The use of food stamps by strikers is not a case of isolated instances of individual strikers getting food stamps as a last resort. Rather, it is a matter of large numbers of strikers claiming food stamps as a sort of automatic strike benefit, almost from the first day of a strike. It is not a question of starving children, but of organized, assembly line processing of strikers for food stamps, often on the first day of a strike. It is not a case of involuntary poor who, through no fault of their own, must ask for public aid, but a matter of the voluntary poor, for whom welfare was never intended, claiming food stamps as a benefit for choosing not to work.

The precedent was set for large-scale use of food stamps and other welfare benefits by strikers in the 1967–68 copper strike. In that case, public aid was not taped until strikers' reserves had been exhausted, but it opened up a whole new set of resources to unions. By 1969, the strategy of using public funds to supplement union strike funds had become refined enough for General Electric strikers to collect about $25 million in various forms of public assistance. The culmination of the development of the organized use of food stamps and welfare to finance strikes came just a few years ago with the Westinghouse, General Motors, and Teamsters strikes. In these cases, there were blatent abuses of the intent of the food stamp and welfare programs.

In the Westinghouse strike, the Lester—Pennsylvania—local was able to tap public funds to the tune of about $2.5 million and put up almost nothing in terms of its own funds. This meant that virtually all the economic leverage that the union was bringing to bear against the company was supplied by taxpayers in the form of food stamps and welfare.

In the General Motors strike, Michigan strikers alone were able to lay claim to an estimated $11 million worth of food stamps and, at one point, it is estimated that about one-half of the strikers were on food stamps.

In the Teamsters strike, the Chicago locals were able to hold out long past the time other locals across the country had settled, primarily because of the organized use of food stamps and other forms of public assistance. This meant that, after the Chicago Teamsters had finally settled, the entire settlement, across the country, had to be renegotiated based on the more liberal settlement obtained in Chicago. And that is not all. There were such excesses in the distribution of food stamps in this strike that the Governor of Illinois stated that $150,000 worth of food stamps had been procured by members of the Teamsters by "fraud or otherwise." Furthermore, the Department of Agriculture has charged the Cook County Department of Public Aid of "gross negligence in the administration of the food stamp program."

Mr. Speaker, cases such as these are continuing. As unions realize the benefits and the power that public funds can give them, they are using personnel specially trained in the various loopholes in the food stamp program and other welfare programs to go out and prepare unions for strikes. They are, to a greater and greater extent, taking advantage of programs for the involuntary poor to subsidize strikes and strikers.

It is only right that the Federal Government's role in subsidizing strikes, primarily through allowing the use of food stamps by strikers, be ended. It makes sense in terms of this society's commitments to the work ethic and independent collective bargaining and common sense in terms of the money it costs all of us to continue the practice of Federal aid to strikers.

By its nature, the food stamp program, with the most liberal eligibility standards, a requirement for quick certification, and less of a "welfare stigma," is the welfare benefit most widely used by strikers. The program features that make it so easily usable by those voluntarily not working were put there to aid the unfortunate needy. They were not meant to destroy the delicate balance that is needed if collective bargaining is to work.

Proponents of continuing food stamp aid to strikers point out that the work registration, income, and asset standards of the food stamp program keep nonneedy people out of the program and make sure that they accept work if offered. I would submit that, in the case of strikes, it is highly unlikely that these controls are workable. The work registration requirement only works if jobs are available at nonstrike sites. This is an unrealistic expectation in a town that is undergoing a strike and is probably having to lay off many workers in related industries. In addition, what employer would accept a worker he knows will be returning to his former job when the strike is ended. The income and assets tests are also unworkable controls on strikers. During a strike, welfare offices are flooded with applicants for food stamps and other assistance. This makes it almost impossible to check out every applicant fully until a month or so has passed. However, by that time a strike is usually over and the striker has received his tax-supported benefits.

The means of controlling the use of food stamps by strikers does not lie inherent in program controls. It lies in making them ineligible for participation. The bill that I have cosponsored, amending the Food Stamp Act to exclude households who would claim food stamps because a member of the household is on strike, offers a positive first step in removing Federal interference in collective bargaining and tax dollars as strike subsidies.

Mr. Speaker, over the past years the House has moved closer and closer to recognizing that the Federal Government must get itself out of the role of actively supporting strikers with food stamps. Between 1971 and 1972, the margin by which the amendment to remove strikes from food stamp eligibility lacked in passing was more than cut in half, to only 19 votes last year. I would assert that the time has come for this serious decision to be made. We cannot afford to permit a continuation of this "end run" around the intent of the food stamp program and the Federal commitment to maintain a "hands off" stance with regard to strikes.

ROBERT W. SARNOFF SPEECH BEFORE NBC TELEVISION NETWORK AFFILIATES CONVENTION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. O'NEILL) is recognized for 10 minutes.

Mr. O'NEILL. Mr. Speaker, last week the National Broadcasting Co. met with the ownership representatives of the 218 television stations which make up the NBC television network to review plans for next year's television season and discuss items of mutual interest. During the course of the 3-day meeting, Mr. Robert W. Sarnoff, chairman of the board of RCA and himself a former president and chairman of NBC, made a major address which, because of its timeliness, I would like to share with my colleagues.

Mr. Sarnoff, who has spent more than 30 years of his life in the communications and information industries, drew on his long experience in examining the current relationship between the Government and the communications media.

I insert the address of Mr. Sarnoff at this point in the RECORD:

ADDRESS OF ROBERT W. SARNOFF

I'm delighted to be back among so many old friends. This is a sentimental journey for me. It is not only a reunion; it also helps mark a milestone that reaches back far beyond the time, eight years ago, when we last faced each other across this podium. I've just completed my 25th year at RCA. Those years began, and most of them were spent, at NBC.

Television and I came to NBC at about the same time. I was present at the creation and was part of television's growth—from "Ding Dong School" to "Victory at Sea;" to the creation of specials, the expansion of news and the launching of color; to the emergence of television as a vital force in American life. The ties I formed in two decades of working in television have never been broken. I believe I have some credentials to speak about the medium—with the added perspective of a little detachment in recent years.

It is more than a personal milestone that brings me here today. I believe that broadcasting stands at a critical turn in the road. In a sense, we are at a point that recalls earlier moments of major challenge in broadcasting's history.

The first resulted in the bold decision to create radio networking and forge a national service and a new industry. Next, broadcasters had to decide whether to venture from the success of radio to risk the promise of television. And once again, after television was well established, we were confronted with another monumental commitment—turning the medium to color.

Each of these advances into new territory was beset by hazards; each demanded courage and faith; each brought rich rewards—to the public no less than to the broadcasters.

What faces us today is not a great leap into new territory, but it is just as much a test of our nerve and our commitment. The challenge is not from the unknown but from a direction we know all too well. It is the escalation of government intrusion into broadcasting that began long ago, and is now reaching the danger point.

What is at stake is the future of a medium that the American people have relied on increasingly as their chief source of entertainment and information. If we can meet this challenge with unity and resolution, we can enter another era of expanding service and its accompanying rewards. For, this remarkable medium, mature as it is in serving virtually the entire population, still holds the seeds of fresh growth. Before I try to analyze the threats that confront us, let me sketch just how bright our hopes can be.

For the rest of the 70's, households—the basic unit of television circulation—will be growing faster than a growing population. By 1980, TV households will exceed 75 million, an increase of 25 per cent in a decade. Color television, now past the half-way mark in circulation, will spread to more than 90 per cent of these TV households. And color is a built-in growth element all by itself. When it enters the home, viewing goes up and so does advertising effectiveness. We expect television advertising revenues to grow by 40 per cent in the first half of this decade, and by another 50 per cent in the second half.

What about the impact of new technology, such as cablevision, home video cassettes and the video disc? My role at RCA keeps me on top of these developments, and I foresee important markets for them. But they are highly specialized media, which will serve large numbers of relatively small audience segments with a great variety of specialized material. As they mature, these media will nibble away at television's audience, but that will be relatively marginal. As far ahead as we can see, television will retain its unique position, because of its singular capability of delivering huge volumes of entertainment and information, supported by advertising, more economically and effectively, to more people, than any other medium. Even with the new technology and competition, television should be able to continue a growth curve that other industries would envy.

That growth will not come as manna from heaven. It will have to be earned in the future, as it has in the past, by constant effort in identifying and meeting the changing interests of changing audiences. They can turn us off if we don't turn them on, or they can continue tuning us in if we keep attuned to them. I have every confidence in television's creative capacity to hold and increase its audience if it is permitted to do so.

My projection of a bright future for television is rooted, I believe, in a realistic appraisal of the natural forces of economics, competition and technology. What it does not take into account is the artificial forces that would be imposed by government restrictions.

As a regulated industry, broadcasting has learned over the years how to live with government. The first three letters of our alphabet are FCC. We also deal with the FTC, the Department of Justice and other government agencies. And from the very beginning, the industry has maintained a dialogue, mostly a constructive one, with committees in both houses of Congress. I think it is second nature for us to be alert to the special nature of our public stewardship—and I don't think we're particularly thin-skinned about our regulated status.

But the growing intensity of government assaults on broadcasting must give us new and genuine concern. Most visibly, we have had the unprecedented spectacle of high federal officials attacking the national news media in general and television network news in particular. It is plainly an effort to impair the credibility of the news and to influence how it is reported. It seems aimed at a state of public information fed by government handout and starved by official secrecy on matters that are the public's business.

The effort to discredit television news has coincided with another development—the emergence of a new official voice that speaks for the White House on broadcast policy. The Office of Telecommunications Policy has some antecedents as a technical unit in the Executive Branch, but now it has become an activist agency—something new not only for broadcasters but for the FCC and the Congress to contend with.

Here are some of the policies the OTP has been pushing. The agency seeks to force-feed cablevision beyond its natural growth in order to offset broadcasting. It wants to limit repeat programming with no comprehensible justification in the public interest. It has assaulted network news with colorful generalities that defy definition. It has sought to turn the stations into censors of network news by linking such a role with proposed licensing arrangements we all seek.

This latter device was so transparent that an explanation seemed necessary, and so we have the new rallying cry of "localism." Freely translated in this context, "localism" means "divide and conquer." Only the national media have the resources for intensive reporting of major national and international events and issues—in other words, the arena in which the federal government operates. Demeaning and diminishing the national media—whether they be the television networks or the nation's leading newspapers, magazines and wire services—is an effort to stifle the most relevant channels of public information. In the name of localism, the federal government would prefer to put the primary burden of reporting and analyzing national and world issues on a fragmented multitude of local media, which lack the resources for such a task.

Localism is a pretext. What the government wants is a tamed press. Thus, in non-commercial television, we have been witnessing an interesting variation. There, the Corporation for Public Broadcasting, controlled directly by government appointees, has been dismantling national news and public affairs programming. Individual stations have been seeking a role in the decision-making process at the national level. But the Director of the OTP, who proclaims localism for commercial television, opposes giving local non-commercial stations a voice in programming through their own representatives in the national organization.

The government's efforts to make the news media docile and accommodating rely heavily on the technique of intimidation. This technique works only against those who are willing to be timid. But there is another threat that is not sufficiently recognized. That is to strike at national broadcast journalism through actions and proposals attacking the economic capability of networks. I am not suggesting that the government has adopted such a design, but I am concerned that an atmosphere has developed where networks are perceived as fair game.

Whatever may be the motives of this growing pressure on broadcasting, it is important for us—and even more important for the public—to recognize an essential fact: weakening the economic structure of networking could impede the flow of independent information from the country's major national news medium to the people. And in our society, which depends on an informed electorate and an open market of ideas, that would be a calamity.

Some of the economic threats, such as the proposal for countercommercials, are aimed at the whole broadcasting industry. But significantly, the networks are the major target.

For example, the Department of Justice recently dusted off an anti-trust suit against the television networks. It revisits areas already under FCC examination. It proposes actions paralleling steps already taken by the FCC. And it seeks changes that could only disrupt the complex process of program development, selection and scheduling.

Another example is the rerun issue I have cited as one of those pushed by the OTP. During last year's political campaign, the Administration suddenly came to the support of another campaign—one conducted by Hollywood production unions—to cut back network program reruns in prime time. This is a proposal designed for private—not public—interest. Incidentally, no such restrictions have been proposed for stations, where local entertainment programming consists largely of reruns.

Again, it is the networks that have been singled out to their disadvantage in the matter of CATV ownership. Here, it seems to me, they are being doubly penalized. On the one hand, only the network companies have been barred from owning cable television systems anywhere in the country. On the other, we have seen the calculated effort to build up CATV as a competitor to the networks.

With the stations openly courted by the government, there could be a short-sighted temptation for you to say: "It's happening to the networks; it isn't happening to us." This would be like saying that the front end of the boat is sinking but we're sitting in the stern.

In television, we are all very much in the same boat—stations, program suppliers and networks. Damage any part and you damage the whole. What is also damaged is a broad program service of news and entertainment, free to the public, and a selling force that helps power our whole national distribution system.

The network business is marked by high risk and modest profit margins but it supports the economics of stations which enjoy much higher earnings ratios as a result. Government actions that would increase a network's costs, disrupt its operations and reduce its economic opportunities would, at the same time, strike at the stations and their service to their communities.

Network news and sports are services of particular value to the public—services that the stations could not otherwise supply. They involve enormous costs with little or no financial return. If the networks' economic resources are drained by repressive government measures, news and sports would certainly be vulnerable to cutbacks. And, indeed, so would the entertainment service, which requires continuing and costly program development, culminating each year at the point where the three network put close to a half billion dollars on the line in high-risk commitments. It is those commitments that support the prime-time program schedule that attracts your major audiences and a good deal of your revenue.

So these are the threats we face in this prosperous year of a promising decade: threats to journalistic freedom joined with threats to television's economic base. They overlap and intertwine. Without freedom to fulfill our responsibilities as a news medium, we *might* hang on to our profits at the cost of our souls. Without a viable economic base, we could hang on to neither. We must meet both threats at the same time and in much the same way—by taking a stand and making common cause with all those who have a stake in freedom of the press and a vigorous system of broadcasting.

I cannot emphasize strongly enough that this is not a matter of partisan politics. What we must resist is not peculiar to any single Administration. It represents a continuing and accelerating trend, begun many years ago. It consists of actions proposed by the well-meaning who do not recognize the side-effects of their prescriptions; it also consists of actions calculated to injure, advanced by men of ill will who seek to cut down the role of broadcasting. Whatever the intention, these attacks on broadcasting are equally dangerous. And do not think that harmful measures, if they are adopted, would not carry into future administrations—and indeed provide the basis for still further turns of the screw.

We are far from perfect and, despite our best efforts, we will go on making our share of mistakes. We do not reject criticism, but we have to consider its source and its purpose. NBC expects to go on hearing from you, and it wants to. As to the work of NBC News, we hope you will not try to act as a censor on behalf of this or any Administration. You can be confident that NBC intends to keep covering, reporting and analyzing the news in a manner best summarized by a famous newspaper slogan: without fear or favor. And that also is in your interest, for that is the kind of news service your audiences want and welcome.

We should all be grateful to the OTP's pot shots at network news for a couple of things. For one, the effort to tie desirable licensing arrangements to demands that stations become watchdogs over network news was so obvious that it backfired and was thoroughly discredited in legislative hearings. Secondly, the OTP's attacks prompted a remarkable outpouring of support for broadcasting from many of the nation's newspapers and magazines. They helped focus the country's attention on the fact that an attack on one news medium is an attack on all. By the same token, many broadcasters have helped make the public more aware of governmental pressures on the print media.

I believe we could and should do even more. Let me offer two examples of issues on which broadcasters should make themselves heard. One is an economic issue on its face, but it is bound up with freedom and diversity of expression. The nation's magazines have borne heavy postal increases and they are now threatened with a rate hike of 142 per cent over the next five years. Some magazines will die as a result; they will be just as dead as if they had been censored.

Another issue on which broadcasters should rally with newspapers and magazines is one that affects the essential function of all the news media.

It is the effort of government to put self-serving restraints on the free flow of information to the people. This can take different forms. One is outright prior restraint on publication of news. Another is the increasingly common device of subjecting investigative reporters to subpoenas and the threat of jail sentences—an abusive practice that results in drying up news sources. Still another is the use of official secrecy as a cloak for official mistakes and derelictions. This is an abuse that has been demonstrated again and again. It is the reason for widespread concern over the government's current efforts to rewrite the sections of the Federal Criminal Code dealing with disclosure of classified information. Whichever of these different means of suppression is employed, the effect is to deprive the public of what it needs to know in a free society.

In a free society, the government is the servant of the public, not its master, and information about government policy belongs to the people as well as the government. The rights guaranteed by the First Amendment were intended to give the public its due. That is common ground on which broadcasting and the print media must stand together and fight side by side.

As to the economic threats that confront television, we must be even more alert to what the government does than to what it says. In this area, I would hope that we could also enlist the understanding and support of the other media. But the first order of business, for all of us in broadcasting, is to recognize our own stake in the economic battle. We are in this *together*, not just the networks, but all those who benefit from the unique service a network provides: the stations, the program suppliers, the sports world, the advertisers, the advertising agencies and—above all—the public. If we identify the threats, we can overcome them, for their force tends to evaporate with the ventilation of full public exposure.

To provide this ventilation, we must carry on a continuing campaign that lets the public know what it stands to lose if this medium is progressively weakened by government action. And since the Congress is the most direct representative of the public, we must also help our Congressmen and Senators understand what is at stake.

Within the industry itself, there is a special relationship between a network and its affiliates, and I hope we will all rise to it as we have in the past. You and NBC have come a long way together in what is really not a very long time. Within the careers of scores of men in this room, we have built a great American institution out of vision, courage and enterprise. The best is yet to come. It is worth fighting for. And I am confident we will prevail.

A TRIBUTE TO WARD QUAAL, PRESIDENT OF WGN CONTINENTAL BROADCASTING CO.

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. Annunzio) is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, I want to call to the attention of my colleagues the honor being conferred on May 16 by Brandeis University to Ward Quaal, president of WGN Continental Broadcasting Co.

Clarence Q. Berger, executive vice president of Brandeis in Waltham, Mass., will present Mr. Quaal with an award for outstanding achievement in the field of communications. The award banquet honoring Mr. Quaal will be held at the Ambassador West Hotel in Chicago.

Ward Quaal, who is also vice president of the Chicago Tribune Co., has distinguished himself in the field of broadcasting for many years and he has spearheaded many innovations in his industry. He has given of his boundless energy and enthusiasm to countless civic projects, and his many contributions to our city of Chicago will be long remembered.

Brandeis University is one of a few small, private universities in the United States, and since its inception in 1948, is recognized as one of the 20 most selective universities in the Nation.

It is the first Jewish-sponsored nonsectarian institution of higher learning in the Western Hemisphere, and is named for the illustrious Supreme Court Justice, Louis Dembitz Brandeis. More than 6,000 alumni have emerged from the undergraduate college, and many are now living in the Greater Chicago area.

This honor for Mr. Quaal follows on the heels of two other recent honors. He received the National Association of Broadcasters Distinguished Service Award—the industry's highest honor, in Washington, D.C., on March 26—and also was named 1973 Illinois Broadcaster of the Year at that statewide association's spring convention in Springfield on April 16.

As the Congressman for the 11th District of Illinois, where the offices of WGN are located, I would also like to mention that Mr. Quaal is to be honored on June 1 with an official portrait award presented by Edward Wilson, president of the Pasadena Tournament of Roses Association. The city of Chicago was proudly represented this year by WGN's "It's a Big Country" float in the Rosebowl parade, and it was WGN's float which placed third in that national event.

It is a genuine pleasure for me to extend my congratulations to Ward Quaal and I take singular pride at paying tribute to him and the entire WGN family for the outstanding public service job they are doing for Chicago and the Nation.

THE AMERICAN TAXPAYER IS THE LOSER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. Aspin) is recognized for 5 minutes.

Mr. ASPIN. Mr. Speaker, in April, the then Secretary of Defense, Elliot L. Richardson reported to Congress that the F–15 fighter plane, which he called the "Air Superiority Fighter," was moving ahead on schedule. Richardson said that the first three squadrons of the F–15, which "should be superior to any fighter the Soviet Union is likely to field in the late 1970's and early 1980's," would be operational by the middle of this decade.

This was encouraging news, indeed, because not only is the F–15 a very advanced fighter plane, but it is a very expensive one too. The Air Force wants to buy 77 of the aircraft in fiscal 1974 at a total cost of $918 million. There is another $230 million tucked away in this year's budget to pay for research and development on the F–15.

This was doubly encouraging news because, in addition, the development of the F–15 has not always gone quite as smoothly as, let us say, a Pentagon briefing. The F–15 engine, being manufactured by Pratt & Whitney, has had a particular history of defects and delays. Secretary Richardson alluded to the troubled history in his annual report when he said that the engine had failed the military qualification endurance test. However, he felt that Congress to date had been "generally very satisfied."

The test to which Secretary Richardson referred was actually quite important. Under the terms of the contract, Pratt & Whitney could not begin production until the test had been successfully completed. In addition, until the engine passed the test, Pratt & Whitney was to be held financially responsible for all contract deficiencies in the engine. The tests were scheduled for mid-April of this year.

Now, as a result of hearings held last week by the House Defense Appropriations Subcommittee, we learn that we had been misled by the Pentagon. As a result of a secret agreement with the contractor, Pratt & Whitney, the Air Force has certified the F–15 engine for production without insuring that the F–15 engine was up to contract standards. They did this by conducting totally trumped-up tests, planned and executed in agreement with Pratt & Whitney for the benefit of Pratt & Whitney. As a result of the tests, tens of millions of dollars in developmental costs have been passed on from Pratt & Whitney to the taxpayer.

This is an awfully shady deal, even by Pentagon standards and I am requesting the General Accounting Office to conduct an investigation. If this is not fraud—and fraud on a grand scale, then the word does not have a meaning any more.

These are the facts: on March 30, shortly before the F–15 engine was to undergo the crucial 150-hour endurance test, program director, Maj. Gen. Benjamin N. Bellis, agreed with agents of Pratt & Whitney to exclude the standards for both height and speed performance from the test. Original F–15 specifications called for speed of mach 2.2 or 2.3 at 40,000 feet.

However, General Bellis and others involved knew that the F–15 could not pass the test. They had already determined that an engine fan component called the stator blade needed modifications. And they knew that with the stator blades not functioning the F–15 engine would burn up. That is why—just for the test—they lowered the standards.

But now that the engine has passed this phony test, Pratt & Whitney is no longer responsible for making good on the engine and now the Government has to pick up the bill for the engine modifications. The contract has been successfully circumvented, and on a technicality, if we may be so kind, Pratt & Whitney has been released from its contractural responsibilities.

The primary blame belongs to F–15 program director, General Bellis. However, once high Air Force officials, including Gen. John D. Ryan, Air Force Chief of Staff, and Robert C. Seamans, Secretary of the Air Force learned of the test, they attempted a coverup. Statements by Secretary Seamans before a House Defense Appropriations subcommittee made at a time when Seamans was aware of the test irregularities, were an obvious attempt to hide the unpleasant facts. At that time, Seamans testified that:

> While the engine endurance run has been completed, we do not feel the run covered the high speed, high altitude, adequately.

It was only in response to committee questions that Seamans acknowledged the true facts of the test.

As Seamans told the subcommittee, the F–15 engine must now undergo additional tests on the modified stator blade assembly in September, but because of the test results, Pratt & Whitney is no longer "contractually responsible" for the costs of the additional work. These costs will run, to take the Air Force's own estimate, into the "tens of millions of dollars." The loser, as usual, is the American taxpayer.

SUPPORT FOR HOUSE RESOLUTION 382

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oklahoma (Mr. Steed) is recognized for 5 minutes.

Mr. STEED. Mr. Speaker, there has been so much response to a "dear colleague" letter I mailed to House Members this week that I am including the full text of the letter in the Congressional Record today so that the matter can be available to others who are interested. The letter follows:

Congress of the United States,
House of Representatives,
Washington, D.C., May 14, 1973.

My Dear Colleague: By way of trying to stress to you the importance attached by me to the subject matter discussed herein, may I remind you that "dear colleague" letters are an extreme rarity with me.

Views expressed herein include knowledge and experience I have gained in more than 17 years experience with U.S. Customs appropriations as a member, and now chairman, of the Appropriations subcommittee in charge of the U.S. Treasury Department Appropriations bill.

I urge and seek your support of H. Res. 382 disapproving Reorganization Plan No. 2 for the following reasons:

1. It would radically change fundamental American criminal justice procedures and concepts of due process by eliminating the historic separation between investigators and prosecutors. To consolidate these vast powers would alter our historic checks and balances inherent in such separation. Moreover, it will reduce the professionalism of the agents—making them mere aides to the prosecuting attorney who develops proprietary interests

in given cases instead of maintaining objective review responsibility. Separating enforcement and prosecution insures maximum objectivity in the performance of both functions.

2. It is a major step toward a national police force by adding yet another investigative enforcement arm to the Department of Justice.

3. It was ill conceived and not based on any serious management study. It was rushed up to the Congress to get it in under the deadline before reorganization authority lapsed. This plan is actually being staffed out *after* its presentation and a host of problems are involved. In fact, policy questions apart, so little time remains to organize the proposed agency prior to the July 1 effective date of the plan that the entire U.S. drug enforcement program will be in disarray for an extended period if this plan becomes law.

4. This reorganization plan runs contrary to Federalism and our revenue sharing concept. Federal officers should not be involved in local drug enforcement matters. They should concentrate strictly on the major organized criminal groups and on strengthening the drug enforcement efforts of the over 400,000 state and local police officials, the first line of defense at the state and local levels.

5. This reorganization plan is admittedly not based on reducing spending—the irony is that this plan will *cost more and produce less*. It is counterproductive. The proposed reorganization plan will strip U.S. Customs of manpower and resources needed for its other contraband and trade enforcement activities. Congress does not have precise details which it needs before acting on the plan.

6. Even the single-agency concept for agents is subject to serious question. There are two broad and distinct areas in the drug field—smuggling and internal distribution, each involving their own tactics and procedures to investigate. Customs has had great success these past four years. The present Commissioner of Customs, a career professional and recent recipient of the Rockefeller Public Service Award, has developed a close working relationship with the Bureau of Narcotics and Dangerous Drugs.

The single-agency approach to drug enforcement largely removes from the battle against illicit drugs the expertise and organization of Customs in preventing the smuggling of all contraband, which has produced substantial successes in drug seizures and arrests. Also important, it removes the checks and balances against collusion which exists when one investigative activity, interfacing with another, may discover and expose corruption.

7. The performance of the elements of the Justice Department now engaged in drug enforcement does not warrant entrusting to it the enormous increase in power and the responsibility for virtually the entire drug enforcement program. The recent DALE raids in Illinois on innocent persons are but one dramatic example of mismanagement.

8. There are alternative plans which would not imperil individual rights and our criminal justice system, and which would cost less and produce more.

A fundamental change in our concepts of law enforcement, as embodied in Reorganization Plan No. 2, certainly should not be entered into lightly, without full public hearings before the Judiciary Committee and without having the views of the American, Federal and other Bar Associations, the International Association of Chiefs of Police and other interested groups.

Since this reorganization plan will weaken the enforcement capability of the Bureau of Customs, the main operating bureau on trade matters, this plan should also be thoroughly considered by the Ways and Means Committee.

This matter is of such serious consequence that it should not be rushed through in an incomplete or unstudied way. Instead, the Congress either should hold extensive hearings to determine the full ramifications of this plan and compare alternative proposals, or return the plan to the Executive Branch for a complete study and analysis, including alternatives, before resubmitting for Congressional consideration.

For all of these reasons, this plan should be rejected and I urge your support for H. Res. 382 disapproving Reorganization Plan No. 2.

Sincerely yours,

TOM STEED,
Chairman, Treasury-Post Office-General Government Subcommittee on Appropriations.

DOMESTIC ANIMAL WELFARE LEGISLATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. WOLFF) is recognized for 15 minutes.

Mr. WOLFF. Mr. Speaker, today I am introducing two major pieces of legislation in the interest of domestic animal welfare in the United States. Both of these measures seek, in their own way, to reduce needless suffering of domestic animals and to make our laws protecting these animals consistent with the affectionate esteem that exists for domestic animals throughout the United States.

The first of these measures would provide Federal assistance for the establishment and construction of municipal, low-cost, non-profit clinics for the spaying and neutering of dogs and cats. This bill recognizes that there is an enormous homeless population of dogs and cats in our country, and that this over-abundance creates a serious problem for communities and too often leads to the needless suffering of homeless animals. Although several State legislatures. including New York, and city councils have expressed a concerned interest in the establishment of municipal spaying clinics as a humane approach to controlling our exploding animal population, there currently exists no co-ordinated effort on either a State or national level to make these publicly owned, self-supporting clinics a reality and to replace the cruel destruction of unwanted, homeless animals with a viable approach to controlling our over-abundant and increasing dog and cat population.

It is my feeling that the only truly humane answer to the population explosion that each year adds scores of diseased, starved, homeless animals to our communities lies in a concerted effort, with Federal support, to set up clinics across the country where animals can be spayed and neutered by qualified veterinarians. We simply cannot continue to allow our animal population to grow at the rate it has been, and we cannot continue to let the surplus of animals be dealt with through destructive means or by merely letting starved, neglected animals roam the streets and cities. Not only is this a question of protecting our domestic animals, but also a matter of reducing what is often a grave health and safety hazard for our communities. Mr. Speaker, a bill very similar to mine has also been introduced in the Senate by Mr. BAYH. By enacting our legislation, an enlightened Congress will be furthering the progress of a long overdue humane project.

Mr. Speaker, the second measure I am introducing would prohibit the importation into the United States of commercially produced domestic dog and cat animal products, and to prohibit these products from moving in interstate commerce. In the past year, we have all heard the frightening story about the group in South Africa that is breeding and raising Dalmation dogs so that their skins can be sold and imported into the United States. In other parts of the world as well, factory-farming and other commercial raising of dogs and cats is increasing; our country does not, and should not want to be a party to this inhumane activity by allowing imports of these products. In fact, if a prohibition against the importation of these dog and cat products is not decreed, we are virtually encouraging the continuation of this reprehensible treatment of domestic animals. We, as a people, have always held in the deepest regard the welfare and well-being of domestic animals, and I believe we should convey this feeling beyond our shores and wholly discourage inhumane treatment of these animals by enacting a strict prohibition against the importation of products made from commercially raised dogs and cats.

Mr. Speaker, I urge Congress to give serious consideration to these two measures as a means to reduce the needless suffering of domestic animals and promote their well-being both in our own country and abroad. The Bible says, "The decent man considers the life of his beast"; in the interest of common decency, I hope Congress will act favorably on my proposals.

RANGEL REPORTS TO THE CITIZENS OF THE 19TH CONGRESSIONAL DISTRICT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. RANGEL) is recognized for 10 minutes.

Mr. RANGEL. Mr. Speaker, in this time of great turbulence on the national scene, both politically and socially, I feel it is one of our first responsibilities as Members of Congress to relay to our constituents information on our efforts with regard to the pressing issues of our time.

One of the few bright spots that has shown throughout the entire sordid Watergate investigation has been the open public access to information about the case, sometimes even despite official desires concerning this information.

In line with my goal of keeping these channels of information as open as possible, I place one of my spring informational communications with the residents of the 19th Congressional District before this body and the Nation.

It is my hope that every public official, including the highest officers of the land, will join me in attempting to tell as many Americans as can be reached that we are doing our best to make our Government truly a Government of the people.

Congressman Charles B. Rangel Reports From Washington to You—Spring 1973

RANGEL ACTS ON OEO

As sooon as President Nixon and OEO Director Howard Phillips began destroying the anti poverty program, I authored and introduced H.J. Res. 385, the "Economic Opportunity Compliance Act of 1973", in the House of Representatives with 25 Congressional co-sponsors.

This bill orders all officials of the Executive Branch to stop sabotaging the War On Poverty. Judge Jones' recent Federal court decision on OEO ordered exactly the same thing. I am now watching to see if Phillips complies. If he does not, I will recommend that further, more stringent legal action be taken.

I am also working in Congress to insure that the War On Poverty is redesigned and refunded to be even more effective than before.

At the same time, I am working to implement model social services-welfare regulations to combat the oppressive Administration proposals in this area.

OPEN LETTER TO THE CITIZENS OF THE 19TH CONGRESSIONAL DISTRICT

Dear Friend: Rarely in American history has any Presidential Administration attempted to carry out so vicious an attack on crucially needed human services programs as has President Richard Nixon and Company.

The Watergate investigation has also made it clear that we are dealing with people whose lust for power transcends the bounds of moral and ethical conduct. We have common criminals in the White House.

In light of this situation, it is time we stopped expecting Nixon and accomplices to temper their actions with conscience. Any Administration that would attempt to throw hundreds of thousands of poor children out of day care programs, as well as cut rehabilitation funds for veterans seriously injured in that Administration's illegal war, obviously has no conscience whatsoever.

It is left up to Congress and the Courts, using the full power of the Constitution, to stop these attacks on human needs. I pledge all of my efforts to the most effective and immediate use of this power.

As the Treasurer of the New York State Democratic Congressional Delegation, my efforts have included working to unite these 22 members around issues of critical concern to the citizens of both our community and the rest of the State.

My position as Secretary of the Congressional Black Caucus has given me the opportunity to play a very active role in planning national mobilizations of citizen opposition to such Nixon moves as the attempted destruction of the Office of Economic Opportunity and its programs. This destruction was also being aimed at fine manpower programs such as the Opportunities Industrialization Centers.

When organizations from our 19th CD wanted to make their voices heard in person against the antipoverty cutbacks in February, I worked to assist them in having the maximum opportunity to reach members of Congress.

In speaking to them, I pointed out that Nixon's actions against the War On Poverty were not only immoral, but in obvious violation of the Constitution. The Federal Courts have since confirmed my belief and ordered the dismantlement halted.

I urged the several thousand persons who came to Washington to continue their struggle and assured them of my total support. Programs like the Community Action Corporations and OIC cannot be allowed to end. Their contribution to our community is invaluable.

If we are to stop this dangerous trend at every level of domestic policy, we will have to maintain the highest level of mutual support and cooperation between citizens and elected officials, as well as among the diverse neighborhoods of our community. Together, I believe we can do it.

Following are summaries of more of my efforts.

Sincerely yours,

Charles B. Rangel,
Member of Congress.

RANGEL TAKES ACTION ON THE ISSUES

Southeast Asia

When the Vietnam cease-fire and truce agreements were signed recently, I joined with the rest of America in rejoicing for what appeared to be the end of an American military involvement that never should have begun.

But with the step-up of U.S. bombing over Cambodia and other sections of Southeast Asia, and other facts which have surfaced, I believe it is time for our reassurance to give way to a rebirth of the outrage and protest that characterized the peace movement of the sixties.

"POW's and MIA's"

One area of concern to me is that the Administration has failed to account for large numbers of ground soldiers who were declared captured or missing in action. Blacks were among this group of grunt GIs far in excess of their numbers in the general population.

Even though these enlisted men bore the brunt of Vietnam fighting for almost eight years, they have comprised only 12 percent of the POWs who have thus far returned. I am demanding that the Nixon Administration give all available information about these missing men to their families and the rest of America.

I am also working for the passage of legislation that would forbid any U.S. military activities in Souheast Asia.

Housing freeze

The Nixon Administration's 18-month freeze on all Federal housing programs represented yet another vicious attack on the needs of the citizens of the 19th Congressional District and the nation.

Immediately after the freeze was announced, I telegrammed the President to express my outrage at his action. I hoped to force him to realize the devastating damage that would result in our community because of his actions.

I have also been working to further the efforts of a broad-based coalition of groups and individuals adversely affected by the freeze to bring additional pressure on the Administration to reverse its stand.

These and other efforts have resulted in at least a partial lifting of the freeze to allow funding of projects already 'in the pipeline' early this year. I will not slacken my efforts, however, until this cruel freeze is totally lifted.

The fight to save U.S. jobs

At a time when prices are spiraling upward and unemployment still a major problem, our community and this nation can no longer afford the loss of thousands of American jobs to cheaper foreign labor markets.

I have therefore joined Rep. Burke of Massachusetts and Sen. Hartke of Indiana in offering legislation to stop U.S. firms from sending increasing numbers of jobs and dollars overseas.

This proposal would allow the Federal Government to impose exactly the same kind of quota and tariff restrictions on foreign-made products that nearly every other nation in the world already imposes on U.S. products. There are provisions in the bill insuring that these Federally-imposed restrictions will be fluid enough to prevent the gouging of the consumer by greedy corporations.

Voter rights

Following the chaos and frustration experienced by many of you while trying to register and vote in last year's election, I introduced H.R. 4846, the "National Voter Registration Rights Act of 1973" in the House with nearly 40 Congressional cosponsors.

This proposal would enable any potentially eligible voter to register by postcard through the mail without the obstacles of long residency requirements or clerical errors on a local level.

War on Drugs

Recently, I spoke before the Fifth National Conference on Methadone Treatment in Washington, D.C. Following are some of my remarks on the methadone problem.

"Many people in my community are concerned because they believe that drugs have been used in the past for the social control of Blacks, and may be used in this manner again.

"In my community, we are also worried about the rapid growth in the street sale of methadone diverted from its normal channels of distribution and from legitimate treatment programs. The number of methadone overdose deaths in New York City and throughout the country has risen sharply during the last two years and we have the increasing phenomena of methadone junkies on Harlem's streets."

In response to the crisis surrounding methadone, I have introduced H.R. 6868, the "Controlled Substances Security Act of 1973", in the House of Representatives. This would place much tighter controls on the storage and shipment of dangerous drugs like methadone.

Also, I am working for the passage of legislation that would close methadone treatment programs that serve only as "methadone drugstores" with either no, or inadequate supportive services and controls over distribution of the drug.

Early in May, the Civil Rights Oversight Subcommittee of the House Judiciary Committee, chaired by Rep. Don Edwards of California, held the hearings that I requested on the racist hiring and promotion policies of Federal drug law enforcement agencies.

It struck me as incredible that the Bureau of Narcotics and Dangerous Drugs, the major Federal anti-drug force has only 68 Black agents, and 1456 whites. The hearings were aimed at ending policies that led to that kind of situation.

I have offered just a few of my efforts in combating drug abuse. Be assured I have not slackened my work to stop the international drug traffic and to force police and other public officials at every level to stop piddling with this life and death problem.

Senior citizens

No segment of American society has been harder hit by the Nixon Administration's vicious attacks on human services than the elderly.

I am happy to report that, despite Presidential veto attempts the Older Americans Act of 1973 has been approved almost unanimously by Congress and will most likely be signed into law. This bill contains a wide range of services for seniors never even imagined under the Social Security Act.

I have also joined with Congresspersons Bella Abzug and Don Fraser of Minnesota to offer legislation that would guarantee a $3,750 minimum income for seniors and exempt the recent Social Security benefits increases from income consideration in determining eligibility for such services as public housing, veterans benefits, medicare, and food stamps.

These and other measures to benefit our elderly will have to face the same gauntlet of Nixon Administration attacks as other people-oriented programs. All of us will have to work to overcome these obstacles.

Food prices

In response to the skyrocketing price of food for the average citizen in our community and the nation, I introduced legislation to roll all food prices back to their October, 1972 level.

Many other members of Congress, however-do not seem to be concerned about the climbing prices and have voted against firm price controls. Despite this, I will continue to work to increase their awareness of the hardships these prices cause the average citizen, and particularly the poor. I hope I can count on your support in this struggle.

WATERGATE: CORRUPTION "NOW MORE THAN EVER"

Recent weeks have brought a flood of revealed facts and truths bursting through the White House dam of suppression and cover-up tied to the ever-spreading Watergate affair.

Now that former Attorney-General John Mitchell and other White House aides have admitted having prior knowledge of the attempted bugging of Democratic Headquarters and other attempts at political espionage, the entire story might finally surface. The firing of these aides is just the beginning.

Millions of Americans subjected to this sordid affair are losing confidence in our political system. Their hope and faith in American government will only be restored if a swift and thorough investigation is culminated with the prosecution and conviction of all those involved in the Watergate mess. Article I, Section 2 of the United States Constitution gives the House of Representatives the "sole power" of impeachment.

I have called upon the House Judiciary Committee to create a special subcommittee to investigate the facts in this situation.

COMMUNITY NOTES

Few weekends or other days when there is no business on the floor of the Congress go by without my meeting in the 19th Congressional District with constituents, individually or in groups; community political leaders; area government officials; or national figures regarding issues that concern us all.

While many of the constituent meetings deal with the difficult situations that arise, many also deal with the successes of our community's individuals and organizations.

Starting with this month's COMMUNITY NOTES column, I will list a few of the grants received and other successes of the past few months with the hope that we can all become better acquainted with the various efforts underway in our diverse community.

The Museum of Modern Art, Children's Art Carnival in Harlem, $25,000 from the National Endowment for the Arts.

The Teachers Inc.—in Harlem—Head Start and Day Care staff training—$75,000 from HEW.

East Harlem Multi-Service Center (health, counseling, etc.)—an additional $171,622 from HUD.

East Harlem Interfaith Assoc.—for assisting tenant and community housing management cooperatives—$40,000 from City of New York.

Have you visited my offices yet? We are there to serve you.

My Congressional Offices have been designed to provide services to our constituents who are having difficulties with housing, welfare, social security and other problems. We will be happy to assist you at the offices listed below:

Harlem—East Harlem Office: 144 West 125th Street, 866-8600.

Washington, D.C. Office: Room 230 Cannon House Office Bldg., 202-225-4365.

West Side Office: 720 Columbus Avenue, 662-2200.

RANGEL CALLS FOR COMMUNITY PARTICIPATION

While I sincerely appreciate the warm showing of support I have received from all of you during these challenging days in our national political history, I was saddened to note that, on a national level, public confidence in elected and appointed Government officials has dropped to a record low.

I therefore decided that our 19th Congressional District could, and should, become even more of a model for citizen involvement and effective concern.

My feeling in this area was happily reinforced when some of you informed me you were looking for ways to become more actively involved in the process of Government in Washington, D.C. as it relates to our community's pressing problems.

I am therefore initiating 19th CD Citizens Advisory Panels on the areas of greatest concern to all of us. These panels would serve as grassroots resource persons in my work for you in Washington.

If you are interested in participating please indicate the area or areas of your greatest concern by filling out the form below and mailing it to my Washington office.

Name.
Address.
Telephone.
Check area of interest:
Housing.
Health.
Senior citizens.
Consumer.
Employment.
Economic Development.
Other.
Education.
Crime.
Prison Reform.
Ecology.
Social Services.
Narcotics Abuse.
International Affairs.
Civil Rights & Civil Liberties.

RANGEL LEGISLATIVE BOXSCORE

Although many members of Congress have cast their votes against people programs just to please the Nixon Administration, I have, and will, remain firm in my resolve to use every bit of power at my disposal to *fight for these crucially necessary social programs.* My votes in just a few of these major areas that have come before the 93rd Congress in its first four months follow.

Social Services: Motion in the Democratic Caucus to make consideration of model HEW Social Services-Welfare regulations a high priority for the full House—passed (Yes).

Older Americans: Expand the Older Americans Act of 1965 to provide more and better services for Senior Citizens—passed and awaiting Presidential action at this writing. (Yes).

Students: More funds for student loans—passed into law (Yes).

Children: Amend the Child Nutrition Act, ordering the Secretary of Agriculture to stop blocking food for needy children and make cash payments to school districts that were being shortchanged—passed into law (Yes).

Prices: Strengthen Wage and Price Control Act by rolling back prices—Administration pressure on other members killed this approach in favor of a weaker one. (Yes for full rollback).

Loans: Continue the Public Works and Economic Development Act with loan benefits for our area—passed House at this writing. (Yes).

Mass Transit: Open the Highway Trust Fund for mixed mass transit—passed House closed for mass transit, passed Senate open (Yes for opening).

Air Pollution: Expand and strengthen the Clean Air Act for fighting air pollution—passed into law (Yes).

Solid Waste: Extend the Solid Waste Disposal Act for developing better ways of dealing with our waste problems—passed into law (Yes).

I am also pleased to report there has been progress on some of the legislative proposals I have either individually or jointly sponsored. Examples of these include:

BILL AND PROGRESS

Comprehensive Day Care Improvement Act: Work in progress in Education and Labor Committee.

Economic Opportunity Compliance Act—orders Nixon and OEO Director Phillips to stop destroying OEO and its programs: Action pending in Judiciary Committee.

Model HEW Social Services—Welfare Regulations to counter Nixon proposals: HEW modified its proposals somewhat in our direction, but I will continue pushing for the needed direct Congressional action.

Senior Citizens Income Bill—guaranteed minimum income for older Americans: Action pending in Ways and Means Committee.

Senior Citizens Property Tax Bill—provides income tax deduction for property taxes paid in mortgage or rent by seniors: Action pending in Ways and Means Committee.

Servicemens' Drug Treatment Act: Work in progress in Armed Services Committee.

Controlled Substances Act—proposes needed tightening of shipping and storage of dangerous drugs: Action pending in Interstate and Foreign Commerce Committee.

National Voter Registration Rights Act—greatly improves registration procedures: Action pending in Judiciary Committee and promised for this session of Congress.

Stop the Housing Freeze Resolution: Action pending in Banking and Currency Committee.

Stay Out of Southeast Asia Resolution: Action underway in Foreign Affairs Committee.

Public Corruption Bill—making all bribery of public officials a Federal crime: Action pending in Judiciary Committee.

Dietary Supplement Bill—counters FDA proposals for vitamins, etc.: Action pending in Interstate and Foreign Commerce.

THE REVISED SOCIAL SERVICES REGULATIONS

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York (Ms. ABZUG) is recognized for 10 minutes.

Ms. ABZUG. Mr. Speaker, this morning, I had the opportunity to present my views on the revised social services regulations which have been proposed by the Department of Health, Education, and Welfare to the Senate Finance Committee. The regulations would cover social service programs such as child care, homemaker services, transportation, and educational programs, and HEW received over 200,000 letters and telegrams protesting their original, ill-conceived, punitive draft.

This new version of the regulations meets some of the objections raised with respect to the first version; there are still a number of serious shortcomings in the proposal, particularly with regard to the assets test for eligibility determinations, the income disregard for people on public assistance, and a framework which may pit programs against one another in the struggle for funds. The current proposal still retains the apparent original goal of an immediate cutting of money costs without regard to the cost in human deprivation or the long-term cost to society of salvaging individuals and families robbed of the hope of becoming self-sufficient, and I urge that it be further revised before being placed in effect. If HEW fails to make the necessary adjustments, then Congress has the responsibility to act, and I am a sponsor of legislation that would enable us to do just that.

The text of my statement to the Finance Committee follows:

TESTIMONY OF CONGRESSWOMAN BELLA S. ABZUG

Mr. Chairman, members of the Committee, I would like to thank you for giving me the opportunity to testify on the new social service regulations issued by the Department of Health, Education and Welfare.

This has been an issue of deep concern to me, one that I have actively pursued since I received an advance copy of the first version of these regulations before they were issued in February.

Even a cursory analysis of that first version showed them to be most punitive in effect and at variance with the philosophy of Congress. The major goal appeared to be an immediate cutting of money costs, no matter what the cost in human deprivation or the real longterm cost to society of salvaging individuals or families robbed of the hope of becoming self-sufficient.

I protested vigorously at that time and continued to raise objections to the regulations in meetings with HEW Secretary Caspar Weinberger and other members of Congress, in letters and in co-sponsorship of legislation. Together with child care organizations and women's groups, I sponsored Working Mothers' Day protests on April 10 to point up the fact that the new regulations would drive out of child care programs working mothers with even modest incomes, forcing many of them to go on welfare to qualify for care for their children.

More than 200,000 letters and telegrams protesting the regulations were sent to HEW from all parts of the country. The so-called final version of the new regulations, issued by Mr. Weinberger May 1, meets some of the objections raised in the first go-round. More careful analysis makes it clear, however, that there are still some very real and serious objections to the regulations, and I strongly urge that they be further revised.

Mr. Chairman, I understand that in a colloquy with you last week Secretary Weinberger raised some possibility of changes in the new regulations. I believe it is essential that the door not be closed on further necessary changes before these regulations are put into effect. There are various "catch-22's," loopholes, and disregards for quality standards in the regulations that require correction, and I am very grateful to this committee for conducting hearings that make it possible to spotlight these deficiencies.

I will address myself to some of the specific problems in a moment, but first I would like to comment on the overall implications and results of these administrative regulations.

When social services were first added to social security legislation, it was done because Congress realized that just giving money to an individual or family in need was not enough. Without back-up services, the problems that forced people onto welfare would not go away nor would more people receive the preventative help that would keep them from entering the public welfare system. With these remedial goals in mind, Congress passed the public welfare amendments that established the 75 percent federal match.

The definition and nature of social services was left to be determined by the states and the Department of Health, Education and Welfare. It was under this program, and the 1967 amendments thereto, that some of the most innovative and creative programs were developed—programs that had the object of helping people get off public assistance and keeping off others, who were not yet receiving cash grants, by enabling them to be self-supporting.

And yet now, from an Administration that pays lip service to the "new federalism" and professes reverence for the "work ethic," we have a set of regulations that places undue authority at the federal level, penalizes the working poor and lower middle class, and in some cases provides incentives to stay on welfare and not become self-supporting.

Now for the specific problems in the regulations: Both the February and May versions include a new requirement that eligibility for services be linked to the various states' resource test for assets. I know that this question was raised with Secretary Weinberger and I think it is important that you know the situation in my state.

In New York State (under the resource test for welfare assistance) an individual can have absolutely no bank accounts, either checking or savings, no insurance with a face value of more than $500, and no personal effects not essential to running the home or related to work.

This means that an individual cannot open a savings account, cannot join the payroll savings plan for U.S. bonds, and cannot even join a Christmas Club.

Let's think of what this means to a working woman who needs a job to support her family and can only work if her child is cared for in a subsidized center. She may work for a company that provides a life insurance policy of $1,000 or more as a standard benefit. What is she supposed to do? Quit her job and look for one that doesn't provide any benefits? If she is thrifty enough to save a few dollars or requires the convenience of a checking account to pay her rent and utility bills, should she be penalized by being deprived of child care facilities so that she can no longer work at all?

If this isn't a "catch 22" in the new regulations, I would like to know what is.

It certainly undercuts the easing of income eligibility requirements for child care services in the May 1 regulations, which were welcomed by us as recognition by Mr. Weinberger that the draft regulations were discriminatory against working women.

While there have been some improvements in the sections dealing with child care in these regulations, there are still enough loopholes and oversights to warrant HEW's changing them, with time for public comment, before they become effective.

In addition to the resource test or liquid assets test, the regulations no longer require that in-home child care must meet standards recommended by the Child Welfare League and the National Council for Homemaker Services. No longer is there a requirement that the care must be suited to the individual child and the parent or guardian involved in the selection of the care. No longer is there any mention of the necessity of progress in developing varied child care sources so that there can be a choice for the parents. And significantly, although the new regulations say that facilities must meet standards as outlined by HEW, there is no direct mention of the federal interagency day care standards. These standards are clearly set forth in the report accompanying the OEO amendments in 1972 as Congressional intent.

Another issue raised last week and one that I would like to reiterate is the problem of income disregard. A public assistance recipient is allowed to deduct certain work-related expenses, such as social security and union dues, whereas the worker who is struggling to be economically independent, who is holding a job and not receiving cash grants, is not allowed to deduct these expenses. Thus, we have another example of a regulation that makes it more advantageous for an individual to receive a cash grant than to work and try to be self-supporting.

One of the most serious deficiencies in these new regulations is the question of program eligibility. The states are told that they must make available at least one of the services mentioned under the Adult Services Program. The regulations thus place the states in a dilemma. In one situation the states, in an effort either to meet their spending ceiling or in an effort to reduce programs, may make only one of the listed services available to appropriate applicants. For example, a state may then specify that it will only offer protective services, but not health related services, or homemaker services, or transportation services, regardless of the specific need of the individual applicant. On the other hand, the state may allow all of the services that were previously mandated but because of the funding ceiling the agencies may be forced to compete with each other for dwindling funds. I am afraid that these regulations will lead many administrators to say, as King Solomon did, "Cut the living child in half, giving half to one and half to the other." The solution here is to provide sufficient funds to continue the services.

The program definitions also create problems that I would like to illustrate. In New York State we have a program called the Welfare Education Plan. This program has been funded since 1962 with Title IV–A money and in New York City is administered by the Board of Education. Under the new regulations this program would be shut down because it costs money. Yet it has an 11-year record of success. The program works wtih public assistance recipients over 18 who have less than an 8th grade equivalency education or have English language deficiencies. They are taught English, helped to get high school equivalency diplomas and placed in jobs, job training programs or schools for more advanced work skills or education.

Some of those who have benefited from this program came by my office last week and explained how as of July 1st, 7,000 people will be shut out of a program that has success stories like these:

These are the words of Monserrate Velez, who came to New York from Puerto Rico in 1961. "A few years later," she told me, "I was in a wheelchair, a total invalid with two small children. I had no hope at all for my future.

"I came to the Welfare Education Plan in January, 1969," she continued. "School became the only bright spot in my life. My teachers' friendship and encouragement helped my self-confidence. I passed the eighth grade test and then the high school test. Now I am at the Interboro Business Institute preparing to be a bilingual secretary. I can hardly wait to get a job so I can get off welfare. I am even learning to walk again."

I know that last week Senator Mondale described a similar program in Minnesota. These are the programs that are filling the gaps between agencies and services, that provide people with the hope of dignity and self-help. We must not let them fall by the boards. I am also certain that as you continue these hearings and take the testimony of the governors and their representatives you will hear more stories like that of Monserrate Velez.

There is another point I would like to make in response to Secretary Weinberger's testimony of May 8. It has to do with the question of the $2.5 billion ceiling on federal spending for social services. Secretary Weinberger was quite clear in saying that if each state spent the full amount of the money it was eligible to spend, HEW would certainly authorize full reimbursement. Yet, at the same time, he indicated that under the new regulations the estimates for total spending are only $1.8 billion, $700 million below the ceiling authorized by Congress.

If there are states that will not be able to spend their full allotment, then we should have a reallocation formula to allow the additional money to go to states with programs in need of these funds. Another recommendation I would urge is enactment of my measure, H.R. 245, which would exempt child care from the $2.5 billion ceiling. This would enable us to continue obviously useful child care programs, but not at the expense of the other needed services.

There are many other areas of concern to me in these regulations that I will touch on briefly.

We need a clearly defined fair hearing process. Under the regulations there are no advisory committees for any group of services other than child care, and child care advisory committees are recognized only at the state level and include no parent participants.

There is also the problem within the regulations that the states may have to wait even longer for guidelines to be issued implementing these regulations. These guidelines, which may or may not come out before July 1, will have as much effect as the regulations themselves but are not subject to the review process of public comment that was so useful in changing the first draft of these regulations. I believe it is important that the guidelines be made public as soon as possible and that, like the regulations, they be subject to further change.

In conclusion, Mr. Chairman, the original intent of Congress was to provide services that would strengthen family life, foster child development, help people to support themselves, and aid, with dignity, those who cannot. This should remain our goal, and no administrative regulations should be allowed to subvert our purpose.

ADULT EDUCATION AMENDMENTS OF 1973

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington (Mr. MEEDS) is recognized for 5 minutes.

Mr. MEEDS. Mr. Speaker, I introduce for myself and 39 of my colleagues, the Adult Education Amendments of 1973. A similar bill is being introduced today in the Senate by a bipartisan group of Senators led by Senator JAVITS of New York

The bill we are introducing will amend the Adult Education Act in these ways:

Extend the authorizations of existing programs for 5 years through fiscal year 1978.

Provide that up to 25 percent of funds may be used for high school equivalency programs for adults so as to ensure a concentration of effort on those 64 million Americans with less than a high school education.

Clarify the use of funds for community-sponsored programs utilizing public school buildings.

Specifies the inclusion of institutionalized adults in the target population.

Provide for State advisory councils which may be established in each State to counsel with both State and Federal authorities on adult education programs.

Extends the authorization for adult Indian education programs through fiscal year 1978.

A SECOND CHANCE

Census figures tell us that nearly one-third of the adults in the United States, 64 million, have less than a high school education. Of these, 22 million have less than an elementary school education. In my State of Washington, where we have long prided ourselves on providing the best in social services, 750,000 adults have less than a high school education.

Although specific legislation on adult education is relatively new, the first act dating from the 89th Congress, we have come a long way from accepting a child-oriented education system with its terminal approach to education as our only responsibility. The question of providing a second chance for under-equipped adults has changed from whether it should be done to how best to do it.

From a purely practical view, we cannot afford to ignore the educational needs of the adult population. The latest income statistics available indicate that a high school graduate earns nearly double the amount earned by someone with less than an eighth grade education. What this means to our national economy is one thing; what it means to the worker is even more important.

In March of this year I received several letters from students in an adult basic education class in my district. If I needed convincing these would have done it. In one student's words:

> This is the only chance I had to at least get somewhere. I hadn't finished high school and I was accepting any kind of job that I could get. These jobs would never allow me to advance in them.

These students, mostly Chicanos, speak of "teachers that care," "that work hard to help us." While these teachers may be more dedicated than the average public schoolteacher, I suspect the biggest difference is that the adult student cares and is willing to work.

Motivation and opportunity combine in adult education programs to make it possible for a student to get what he now knows he needs—a second chance to make a better life for himself.

We need to continue and expand our commitment to provide that "second chance" for the illiterate, the poorly educated, the adult with yesterday's training for today's jobs. I believe the bill we are introducing today moves in that direction.

FINANCIAL DISCLOSURE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Virginia (Mr. ROBERT W. DANIEL, JR.) is recognized for 5 minutes.

Mr. ROBERT W. DANIEL, JR. Mr. Speaker, I would like to take this opportunity to insert into the CONGRESSIONAL RECORD part A of my financial disclosure statement.

Although this statement is kept on file with the House Committee on Standards and Conduct, it is not published. I feel that any resident of my district should be able to see this report without coming to Washington to examine it. I feel, therefore, that the report should appropriately be published in the RECORD.

At a time when there is growing public distrust of some government officials I am willing to place my investments under public scrutiny. I hope that making my statement an open matter will help restore some of the faith in our Government.

I would like to add two notes of explanation to the statement.

First, in December of last year I placed all my stockholdings in a "blind trust," thus relinquishing all control over their management. My trustee can buy and sell these stocks without my knowledge.

Second, the two debts listed on the report are both in connection with the operation of my farm.

I believe the rest of the report is self-explanatory. I include it below:

PART A—U.S. HOUSE OF REPRESENTATIVES, STATEMENT OF CERTAIN FINANCIAL INTERESTS AND ASSOCIATIONS AS OF DATE OF FILING AND CERTAIN OTHER FINANCIAL DATA COVERING CALENDAR YEAR 1972

Filing required by April 30, 1973 by Committee on Standards of Official Conduct.

Robert W. Daniel, Jr., Fourth District of Virginia.

The interest of a spouse or any other party, *if constructively controlled* by the person reporting, shall be considered to be the same as the interest of the person reporting.

1. List the name, instrument of ownership, and any position of management held in any business entity doing a substantial business with the Federal Government or subject to Federal regulatory agencies in which the ownership *is in excess of $5,000 fair market value as of the date of filing*, or from which income of *$1,000 or more* was derived during the preceding calendar year. Do not list any time or demand deposit in a financial institution or any debt instrument having a fixed yield unless it is convertible to an equity instrument.

BUSINESS ENTITY, INSTRUMENT OF OWNERSHIP, AND POSITION OF MANAGEMENT

Brandon Plantation, Proprietorship, Proprietor.

Continental Corporation, Common & Convertible pfd., None.

Va. Real Estate Investment Trust, Common, None.

General Motors Corp., Common, None.

Union Carbide, Common, None.

Continental Can Co., Common, None.

General Electric Co., Common, None.

Square D Company, Common, None.

National Distillers & Chemical Company, Common, None.

Rockwell Manufacturing Company, Common, None.

Kennecott Copper Corp., Common, None.

Exxon Corp., Common, None.

Mobil Oil Corp., Common, None.

Shell Canada, Ltd., Class A Common, None.

Shell Oil Co., Common, None.

Standard Oil Calif., Common, None.

Texaco, Inc., Common, None.

R. J. Reynolds Industries, Common, None.

Va. Electric & Power Co., Common, None.

Consolidated Natural Gas Co., Common, None.

American Tel. & Tel. Co., Common, None.

C & O Railway, Common, None.

R.F. & P. R.R., Common, None.

Southern Railway, Common, None.

On December 22, 1972, all of the securities listed in Part A, Item 1, were placed in trust with the First and Merchants National Bank, Richmond, Virginia, as trustee and manager.

2. List the name, address and type of practice of any *professional* organization in which the person reporting, or his spouse, is an officer, director, or partner, or serves in any advisory capacity, from which income of $1,000 or more was derived during the preceding calendar year. None.

3. List the *source* of each of the following items received during the preceding calendar year:

(a) Any income from a *single* source for services rendered (other than from the U.S. Government) exceeding $5,000 and not reported in section 2 above. None.

(b) Any capital gain from a single source exceeding $5,000, other than from the sale of a residence occupied by the person reporting. (As reportable to IRS.) Brandon Plantation: sale of breeding stock.

(c) Reimbursement for expenditures (other than from the U.S. Government) exceeding $1,000 in each instance. None.

(d) Sources of honoraria *aggregating* $300 or more from a single source. (*Name the original source, not a speakers' bureau.*) None.

4. List each creditor to whom the person reporting was indebted for a period of 90 consecutive days or more in the preceding

calendar year in an aggregate amount in excess of $10,000 *excluding* any indebtedness specifically secured by the pledge of assets of the person reporting of appropriate value. First & Merchants National Bank, Richmond, Virginia, Southside Virginia Production Credit Association.

ROBERT W. DANIEL, Jr.

February 8, 1973.

Sworn into Congress January 3, 1973.

NEW YORK TIMES COMMENTS ON FARM BILL

(Mr. TEAGUE of California asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. TEAGUE of California. Mr. Speaker, the New York Times editorial of Monday, May 14, 1973, makes a series of both accurate and devastating points about the farm bill approved last week by the Committee on Agriculture and Forestry of the other body.

This bill apparently is the "opening bid" in an extended and expensive exercise to extend the present farm program without substantial revision or without meaningful reform.

I certainly hope that the House will not continue to embrace the present costly and cumbersome farm program, much less embark upon an effort to increase Government expenditures, restrict imports of agricultural commodities, provide unlimited subsidies for not growing crops, and increasing consumer food and fiber costs.

With that thought in mind, I insert the Times editorial in the RECORD at this point.

JACKING UP FARM PRICES

If the farm bill approved last week by the Senate Agriculture Committee wins the support of Congress, American housewives can say good-by to any hopes they may have of ever seeing food prices return to levels that—as recently as a year ago—they thought of as high but bearable.

For, at a time when food prices have soared to record heights, the Senate Agriculture Committee has moved to create a subsidy mechanism that would lock up the prices of foodstuffs close to their record peaks.

Under a new concept of "target prices," the bill would require the Secretary of Agriculture to establish the amount of acreage for producing wheat, feed grains and cotton that would if necessary be "set aside"—held out of production—in order to hit "target prices" set far above the average prices of recent years. Wheat would be set at $2.28 a bushel, cotton at 43 cents a pound and corn at $1.53 a bushel. If the "target" prices specified by the Senate committee bill had been in effect last year, they would have cost taxpayers an estimated $2.6 billion. But the Agriculture Committee chairman, Senator Talmadge of Georgia, blithely says, "Hopefully, if prices stay high, it will cost nothing."

Actually, the bill constitutes an outrageous, guaranteed lien on the housewife's pocketbook. An even worse aspect is that, if farm supply should again catch up with booming domestic and world demand, the Government would either have to pay out enormous subsidies or else remove vast amounts of land from production in order to cut supplies of farm goods and thereby hold prices to "target" levels. Since this would mean higher United States farm prices than world market prices, "target-pricing" would necessitate major increases in export subsidies—unless the United States were to find itself priced altogether out of the world market.

The benefits of target-pricing would—like existing farm programs—go primarily to the biggest farm producers, who own the land and produce the crops that get the subsidies, not to the low-income farmers who really need help. The concept of agricultural price targets should be replaced by one of farm income targets that would benefit the poor, not the rich.

Indeed, the Senate Agriculture Committee has turned a deaf ear to Administration proposals that it reduce the present $55,000 limit on payments per farm for each crop—a figure that can be multiplied several times over by big farm operators who can plant different crops and split farms into several units.

The Senate committee also ignored earlier proposals of Agriculture Secretary Butz that specific crops be removed from acreage allotments, thus freeing farmers to make plantings on controlled acreage of whatever crops would give them the best returns in response to market demand. The present system amounts to a set of legalized monopolies, with the Government as its director.

Few city people realize, for instance, that not anybody can grow peanuts; a farmer has to have a "license" from the Government—an acreage allotment—to grow and sell peanuts. For years that acreage for peanuts has been frozen at about 1.5 million tons—but production has roughly doubled. Peanut subsidies in 1972 cost the taxpayer about $105.5 million a year. The program has also jacked up the prices American consumers had to pay for peanuts by about 40 per cent above the world market price. If the present program continues, losses to the Government (the taxpayer) will total $537 million from 1973 through 1977.

Not absolutely but relatively, this is peanuts. Total budgeted costs of farm price and income subsidies—including milk, sugar, rice, tobacco, cotton, wool, wheat, feed grains and so on—exceeded $5 billion last year. To this sum must be added costs totaling at least another $5 billion, in terms of higher prices paid by consumers.

In the midst of inflation, steeply rising farm prices and income, and strongly growing domestic and world food demands, the entire United States farm program desperately needs a complete overhaul, ending costly price supports and subsidies, and modifying existing acreage allotments and "set-asides." The over-all farm problem is no longer one of surplus and deflation but scarcity and inflation. Residual poverty among small farmers will not be ended by present subsidies and acreage restrictions, but requires a different approach aimed directly at increasing the small farmer's income.

THREE PLEAS TO SAVE THE BALD EAGLE

(Mr. SAYLOR asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SAYLOR. Mr. Speaker, as a conservationist who is deeply concerned over the dwindling population of many species of animals, I would like to call to the attention of my colleagues three letters which I received from sixth grade students in my district concerning the preservation of our National symbol—the bald eagle.

As we all know, the number of these majestic creatures which represent the valor, dignity, and strength of our country, is in critical danger. Positive action is needed if our noble emblem is to remain alive for future generations to observe and enjoy.

Each year, the sixth grade students of Parkview School, Anita, Pa., conduct a letter writing contest. This year the subject was "The Preservation of Our National Emblem, the Bald Eagle." Under the direction of Mrs. Emma Zimmerman, three winning letters composed by Susan Maruco, Gary Lamey, and Douglas Mesoraco have been selected.

I would like to salute the winners by inserting their views as part of my remarks:

FIRST PRIZE

ANITA, PA., *November 29, 1972.*

DEAR MRS. NELSON: It seems some people aren't interested in our sixth grade subject this year. It is the preservation of our National Emblem. I guess they just don't see the power, loyalty, and strength that our ancestors saw in the bald eagle. "The noblest creature that flies," they announced. But the question is, do we still believe it today. The title of National Emblem doesn't stop some individuals from using the bald eagle as an illegal target. A few destroy this eagle as it soars proudly over its natural habitat, and that isn't a very nice thing to do. This is our National Emblem, and I think he expects something from mankind. Even if it is just letting him live in peace.

We chose our subject this year from one of our weekly magazines. It is one of the ways that this organization is getting the problem across to other minds. The sixth graders are sending labels that will get us some land in the National Eagle Nesting Place, a place where the national bird is protected.

The subject is smaller than some problems in the United States, but it's one that needs to be solved. The States have quite a few difficult problems. If we try we can at least work out our eagle friend's troubles. The bald eagle is something that should be salvaged for posterity.

Problems don't interest many people, but there are so many books, clubs, coupons, and projects on our subject that they could do a little something, and not much is more important than saving our National Emblem, the bald eargle.

Sincerely yours,

SUSAN MARUCO.

SECOND PRIZE

DELANCEY, PA., *November 28, 1972.*

DEAR MRS. NELSON: This year the sixth grade is writing on the preservation of our National Emblem, the bald eagle. The bald eagle was chosen as our National Emblem in 1782. He was chosen because he's a brave, majestic bird. He is also known for his loyalty because he mates for life. He was also chosen because he's the noblest creature who flies. Man is destroying his natural habitat by cutting down the trees in his forests and by destroying his mountains by mining for minerals. Hunters are shooting him. Now he's facing extinction.

You can help stop our National Emblem from going extinct. For every Big Johns or Snack Pack label you send to the Chippewa National Forest in Minnesota, where two pairs of nesting bald eagles have been discovered, they'll buy approximately 15 square feet of private land in your name. They'll turn it over to the U.S. Forest Service for the protection of our National Emblem, the bald eagle.

The sixth grade is helping to preserve our National Emblem by sending Big Johns and Snack Pack labels to the Chippewa National Forest.

Sincerely yours,

GARY LAMEY.

THIRD PRIZE

DE LANCEY, PA., *November 29, 1972.*

DEAR MRS. NELSON: This year the sixth grade is writing about the preservation of the National Emblem, the bald eagle. We have taken away his habitat. But our goal is to keep the bald eagle from disappearing by giving him what he needs most to survive, peace and privacy.

The eagle is a sign of strength and bravery. It is carefree and fearless. In 1782 he was chosen to be the National Bird. In 1940 congress passed a law to protect the American Eagle. Outside of Alaska there are fewer than 800 nesting pairs existing in the United States.

The sixth grade have been collecting labels of Big John's Beans 'n fixins and cardboard jackets of Snack Pack puddings and fruits. We are going to send these to the Chippewa National Forest in Minnesota. Next to the Chippewa National Forest they will have a place for the eagles so they will have peace and privacy. This will be called the National Eagle Nesting Area. By doing this we hope to preserve the eagle.

Sincerely yours,

Douglas Mesoraco.

ROBERT F. FROEHLKE

(Mr. GERALD R. FORD asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. GERALD R. FORD. Mr. Speaker, upon the occasion of the departure from Government service of the Honorable Robert F. Froehlke, the Secretary of the Army, it is appropriate to record and commend the outstanding achievements of this distinguished American.

Responding to a request from the President, Bob Froehlke began his public service as Assistant Secretary of Defense for Administration on January 29, 1969, under Secretary of Defense Melvin Laird. In recognition of his managerial and leadership abilities, his already wide-ranging area of responsibility was subsequently expanded to include all Department of Defense intelligence resources and chairmanship of the Blue Ribbon Action Committee and Defense Investigative Review Council. Under Bob Froehlke's leadership, there was marked improvement not only in overall management of administrative services in the Office of the Secretary of Defense but also in the control and realinement of the sensitive and critical intelligence activities.

On July 1, 1971, Bob Froehlke became the Secretary of the Army at a rough time in the Army's history. With steadfast leadership and dedication, he successfully led the Army in the very difficult transition from a large force concerned primarily with supporting U.S. operations in Southeast Asia to a smaller, all-volunteer organization geared to worldwide support of the Nixon doctrine. The results of Mr. Froehlke's special brand of personal, compassionate and enlightened leadership are clearly evident as he returns to private life on May 15, 1973. He leaves the Army better prepared to accomplish its mission, more concerned for the men and women who fill its ranks and with increased esprit and confidence.

I have personally appreciated the friendship and cooperation of Bob Froehlke. I wish him the best in private life and thank him for his fine public service.

AMNESTY LEGISLATION NEEDED

(Mr. DELLUMS asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. DELLUMS. Mr. Speaker, some people seem to feel that an appropriate response to the return of the POW's is to declare unwavering hostility to any form of amnesty. It is as if the guilt some civilians feel at imposing such suffering on these men for the most doubtful of political aims can only be canceled out by imposing suffering on another group of men and women, as a present to the POW's.

I feel that the only appropriate response to suffering is to resolve to minimize it in other people. I believe this would be the case even if we could impose a blanket punishment on war resisters in the name of justice. But I do not believe it is just to make others pay for our mistakes. I consider our adventurism in Indochina to be insane, immoral, and illegal. The State asked a certain number of young men, selected unfairly and arbitrarily, to carry the main burden of this adventurism and to violate either their conscience or the law. Whatever their choice, we may be sure that they did not enjoy it.

The war resisters also served our country. They served it by telling us we had gone too far, that the results of our orders here in Washington were immoral and illegal. If it were not for their inconvenient presence, we would never have known what we were doing.

To tell soldiers that their only enemy is the war resisters is the same demagogic trick as telling the working class that their only enemy is the welfare poor. We should realize that the majority of draft dodgers do not require amnesty, for they avoided military service in an entirely legal fashion. The only ones who found themselves outside the law are those who were either too poor, too principled, or too unlucky to take advantage of the hundreds of loopholes in the selective service system.

For these and many other reasons, I have introduced legislation that would end all legal liabilities resulting from refusal to serve in the Vietnam war. I believe any other form of action would be unfair and vindictive.

I am inserting two articles that should dispel some of the myths that those against amnesty use to justify their position: One, that the courts can be relied upon to deal equitably with amnesty; two, that so-called deserters can be given a blanket condemnation:

[From the New Republic, Apr. 21, 1973]

Amnesty Roulette

(By H. Edward Sharp)

"Those who deserted must pay their price," the President says, "and the price is not a junket in the Peace Corps or something like that." That is probably the consensus of his constituency and of the Congress. But what is the price to be exacted? That is to be left to the courts to decide. "The courts," says Senator Adlai Stevenson III, "are quite competent, the enforcement authorities are quite competent to consider the motivations of the individual. . . ."

Unfortunately for the returning draft evaders, what the courts decide will reflect each judge's personal belief. Some who have little compassion for those who deny service to country, will give the maximum sentence of five years in prison. More sympathetic judges will order alternate service in lieu of prison, or possibly, though unlikely, total amnesty. Some who never acquit may be the most lenient in sentencing. One district judge in Chicago gives lighter sentences to a defendant with a wife and family than to single men.

Besides the disparity of punishments in a given district there is also considerable difference between districts. Southern and southwestern district courts are generally harsher, while Northern districts tend to be more lenient. For example twice as many defendants in Kentucky have received maximum sentences as defendants who have been put on probation. Of the 16 men in the US who in one year received maximum sentences, one-fourth were from Kentucky. On the other hand only two men were given maximum sentences in California, and 408 got probation during the same period. In Senator Stevenson's own state, draft evaders in the Southern Illinois court have only a slight chance for leniency, while those in Northern Illinois have better than a 50–50 chance for probation and alternate service.

The senator's contention that the courts are "quite competent to take into account the reasons, the moral reasons, of an individual for refusing to obey the law" is not quite true. More articulate, educated young men, with a proper air of contrition, may persuade a court to leniency, while an awkward or poorly educated violator who is unable to express himself in appropriate moral terms may get a harsher sentence. Yet each has committed the same transgression. The defendant pleading for leniency on moral grounds must hope his beliefs are consonant with the judge's. I have in mind one defendant who refused induction into the army because he placed a high value on life. The judge noted that he had subsequently attempted suicide, and concluded that if the defendant didn't value his own life he didn't value anyone else's either. Because another defendant had once worked in a factory that produced some war material, one federal judge concluded he had acquiesed in the war.

Not enough Canadian exiles have yet returned to discern a trend in the federal courts; thus the draft evasion cases of those who did not flee are our only guide. During the year ending in June of 1972, 1642 young men were convicted of refusing to submit for induction. All but 53 were put on probation. Of the 53 jailed 16 were given the maximum five-year sentence.

The point I raise is not whether expatriates should receive amnesty, alternate service or imprisonment, but rather whether all should not get the same consideration. There ought to be some legislative equity.

(Note.—Mr. Sharp worked as a legal researcher on Selective Service cases in Chicago during the late 1960s.)

[From the Nation, April 16, 1973]

The Truth About Deserters

(By Robert K. Musil)

(Note.—Mr. Musil, a former Army captain active in the GI movement at Fort Benjamin Harrison, was discharged as a conscientious objector. He is associate secretary of the Central Committee for Conscientious Objectors, an agency for military and draft counseling and co-editor of CCCO News Notes.)

Myths abound about deserters. A colorful Howard Johnson's place mat warns diners on the New Jersey Turnpike that picking up hitchhikers can be dangerous—many of them are AWOLs. Even liberal Sen. Philip A. Hart characterized AWOLs at the Kennedy hearings on the draft and amnesty last spring as "guys who take off with the company cash."

In the growing debate over amnesty in the new ceasefire period, everyone is getting into the anti-AWOL act. In a carefully orchestrated media campaign, Administration spokesmen, including columnist William S. White, White House special counsel

Charles W. Colson, and speechwriter Patrick S. Buchanan, have tried to minimize the number of deserters and to label them "malingerers, opportunists, criminals and cowards." Even the usually moderate editorial page of The New York Times, in discussing amnesty (February 23), draws "a sharp distinction between them [draft resisters] and those who deserted the Armed Forces."

On the surface, those who degrade deserters seem to have a solid case. They point out that unlike draft evaders, AWOLs have already taken an oath to serve their country; many of them have criminal records, or are fleeing prosecution. They add that legal avenues of redress of grievances were open to them. Finally, and most significantly, they claim that the motivations of deserters were neither conscientious nor pure. In support of this final point, one of great rhetorical strength in the amnesty debate, they often allude to or quote Pentagon studies from the Office of the Assistant Secretary of Defense for Manpower and Reserve Affairs [OASD (M&RA)] that purport to show that only 5 per cent of all deserters were motivated by anti-war feelings.

These myths are held for various reasons. Most of the public is simply ignorant about AWOLs. They rely on World War II clichés and stereotypes of the bad guy slinking away from his buddies under fire. Or, lacking the data or background to challenge them, they simply accept official explanations. Some politicians inadvertently add fuel to the myths when, hoping to appear reasonable and pragmatic, they speak about amnesty for draft resisters, but neglect deserters in order to gain support.

The current Administration campaign to disparage deserters and perpetuate misconceptions is another matter. [See "What Nixon Forgets: Congress Bestows Amnesty" by Harrop A. Freeman, The Nation, March 26.] By portraying the number of deserters at large as insignificant, and impugning their motives as confused at best, but more likely as dishonorable and criminal, the Administration hopes in one blow to discredit its amnesty opposition, justify its war policies, and cover up long-standing abuses in the armed forces.

In this climate, we need a fresh, hard look at deserters. The facts are difficult to come by, but they clearly explode all of the old myths. First, it must be emphasized that the term "deserter" is simply a convenience. It is used by the military to refer to those persons who have been absent without leave for a period of thirty days or more, been dropped from the rolls of their unit, and then *administratively* classified as deserters for purposes of record keeping, notification of the FBI, etc. No person absent without leave is legally a deserter until convicted of that offense under the Uniform Code of Military Justice. Desertion, as an offense, requires an *intent* to remain away from the military permanently, and is rather difficult to prove. Thus Pentagon statistics about deserters refer only to those persons who have been dropped from their unit rolls, and do not include a far larger number of persons who at any given time are AWOL for less than one month.

The number of deserters during the Vietnam era is staggering and is probably underreported. From fiscal 1965 through early fiscal 1973 (August 1, 1964-December 31, 1972) the Pentagon reports 495,689 cases of desertion, not counting the Coast Guard. Of these cases, the Pentagon claims that more than 90 per cent have returned to military control (either by apprehension or voluntarily) and that only 32,718 are still at large. Even accepting Pentagon figures for the moment, we can quickly understand the current Administration attempts to vilify deserters. In addition to the well-known GI movement, another significant segment of the armed forces (about 5 per cent of the Army and Marines) protested the war the best way they knew how—by leaving.

If one considers that in 1971 in the Army alone, 79,000 soldiers, or nearly six full divisions (7.3 per cent of all Army personnel), deserted, the problem becomes clear. This desertion rate was more than triple the highest rate during the Korean War. It was also much higher than any rate recorded for World War II, when a greater percentage of U.S. troops were in combat zones and there were no one-year rotations. If it is kept in mind that low-ranking soldiers and those in combat-arms units are most likely to desert (only about one in ten GIs engage in combat), it is evident that in some Army units desertion reached *epidemic* proportions during the war in Vietnam.

If one adds the short-term AWOL rate in the Army (17.7 per cent in 1971) to the desertion rate (there is some overlap for those who had multiple AWOLs or went AWOL before deserting), nearly one-quarter of all GIs walked away from their units for periods ranging from a couple of weeks to years. What were they escaping from? Given the unpopularity of the war at home, the reports of maltreatment and mismanagement of personnel throughout the Vietnam era, a massive GI movement, and desertion rates far higher than for any previous war, one would assume that desertion was related to antiwar feeling. In fact, the rates match escalation and deescalation in Indochina in an almost perfect bell curve. For instance, in 1972, when the air war was escalated and received more national attention, Air Force desertion rates doubled from the year before.

Not so, says the Pentagon. The official Department of Defense Information Guidance Series claims:

"It is human nature that the grass somewhere else sometimes appears greener. Since the beginning of military forces, the urge to "go over the hill" has been more than some could resist. The reasons are also as old as man: financial or family troubles, romantic involvement, earlier misconduct that led to disciplinary action, inability to adjust to military life or family pressures before going overseas. . . . Only a small percentage . . . of the deserters who have fled to a foreign country in recent years have been motivated by political reason or anti-Vietnam feeling."

Col. Victor A. DiFiori, the Pentagon AWOL expert and spokesman, points to the now widely quoted studies from his office at OASD, (M&RA) that show that "only 5 per cent" of those who desert are motivated by anti-war feelings. The Pentagon studies deserve close analysis, since they are the only official studies of desertion available. The methodology, assumptions and interpretation of findings used by the Department of Defense would cause any self-respecting sociologist to go AWOL from the profession.

Although many, if not a majority, of those who desert remain within the United States by going "underground" in large cities or even in their home towns, the samples used in the studies are based on servicemen who are known to have deserted or have attempted to desert to foreign countries. Maj. Gen. Leo S. Benade, Deputy Assistant Secretary of Defense, added confusion about the source of the studies when he testified at the Kennedy hearings that the surveys were based on 660 of those returned to military control from overseas. This kind of questioning in the face of penalties would have been enough to discredit the study. In appendices to the hearings, however, Benade disclosed that he had been in error, and that the motivation studies were based only on reports from commanders in the field who estimate a man's motivation for leaving through an investigation of statements, interviews with friends, etc. These reports are then filed with OASD (M&RA) on Form DD–N(A) 1039. These reports have been required only since December 24, 1970, and are entitled "U.S. Military Absentees Who Have Placed or Have Attempted to Place Themselves Under Control of a Foreign Nation to Protest Against the U.S. or Commit Disloyal Acts." Thus, given the method of collecting data—the compilation of estimates of motivation by field commanders—and realizing that such information became desirable only as political exiles received attention, the Pentagon studies can be seen as a collection of unsupported impressions. They are not even as solid as the answers would have been from those returning to military control—the method presumed by many persons to have been used after General Benade's testimony.

Given all these inadequacies, the Pentagon studies still reveal some astonishing conclusions. Only one-third of the sample had had previous "disciplinary or administrative action" taken against them. And, it must be remembered, upward of 80 per cent of all military courts-martial are for the "crime" of going AWOL. Other military crimes include such vague acts as "disrespect to a superior officer," or the famous catchall of military justice, "all other acts prejudicial to good order and discipline." This provision, Article 134 of the Uniform Code of Military Justice, caught many an anti-war GI in its disciplinary dragnet, and only recently was struck down as unconstitutionally vague by the Washington Court of Appeals.

The reasons for desertion offered in the survey break down as follows: 47.5 per cent, no reason stated; 20 per cent, aliens, or to live with an alien spouse; 10 per cent, under charges or investigation, or escaped from confinement; 5 per cent, Vietnamese War; 4 per cent, family, financial, or personal; 2.5 per cent, claimed C.O. or pacifistic beliefs; 3.5 per cent, inability to adjust to military life; 5 per cent, fear of being killed; 7 per cent, miscellaneous.

If we neglect the 20 per cent aliens as an untypical distortion due to sampling, the Pentagon either does not know the motivations of nearly half the deserters, or they supplied reasons that, to the average mind, are clearly anti-war or anti-military. ("Inability to adjust" might be better translated as, "My drill sergeant was driving me crazy," or "I just had to get out of the Army.") Only 4 per cent are listed under the widely trumpeted and "time-honored" personal reasons. In short, even if the methodology of the Pentagon's study were sound, its conclusions are virtually useless as an indicator of deserter motivation. If anything, they show that GIs did *not* desert simply because "the grass is greener." Privately, Colonel DeFiori admits that motivations are extremely difficult to determine, especially on the basis of such field reports. He adds that the attempt to distinguish between the motivations of draft evaders and deserters is bound to be a futile exercise.

Department of Defense statistics on the numbers of deserters are presented with an equal aura of infallibility, but are equally suspect. On January 1, 1972, OASD (M&RA) released untotaled figures showing the number of deserters from fiscal 1959 through the first few months of fiscal 1972. These were broken down into armed forces members dropped from units and returned to military control by service and year. The figures for those dropped from fiscal 1965-early fiscal 1972 added up to 421,104, while those returned, when added up, came to only 286,625. These figures would indicate that as of January 1972, there were 134,479 deserters at large.

When questioned about this discrepancy, Lt. Col. James Heinbaugh of OASD (M&RA) stated, "That chart is now marked, 'not to be used, inaccurate.' We no longer give the breakdown figures by year for numbers returned to military control. You have the last chart of that type." The chart, however, exactly matches current figures from DOD on numbers *dropped* from unit rolls, which are still given by year. Only the numbers *returned* and the numbers *still at large* are no longer offered by year. They are available only in summary. The conclusions to be drawn are obvious and ominous. Either Pentagon recordkeeping from 1958–1972 was inaccurate to the tune of 100,000 deserters, or the current figures of those returned to military control have been manipulated to hide a massive problem and serve political ends.

Even if one believes the notion of previous bookkeeping errors and accepts the current figure of 32,718 deserters at large, that figure, too, is open to serious question. The Pentagon likes to pretend that it has a perfect record of the more than 8 million Vietnam-era GIs. This is simply not the case: the recent return of a POW who had been officially buried is but one graphic example of the fallibility of Pentagon records.

Jon Landau, staff attorney for the Central Committee for Conscientious Objectors (CCCO) in Philadelphia, has handled countless returning AWOL cases and has been in touch with other attorneys and counselors. He states, "I'm personally aware of at least twenty cases where returning AWOLs gave themselves up only to find no personnel records of them at all. Other times, the base where a serviceman returns has to communicate with a man's previous unit for information, even though it's supposed to be in Washington." Other military counselors report similar experiences, including numbers of men who were never reported AWOL at all. Rev. L. William Yolton of the Presbyterian Church Emergency Ministry on Conscience and War, says, "Just recently, I counseled with a young woman who was receiving a dependent's allowance the whole time her husband was in Canada." Given incidents like these, and the general unreliability of Pentagon paperwork in the war years, from civilians at My Lai listed as "128 VC killed" through GIs sent home to await orders which they never received, the Pentagon figure of 32,718 deserters at large must be seen as a rather shaky *minimum*. And, if the suddenly withdrawn records are correct, there may be 134,000 or more deserters still at large. Similarly, the number of deserters reported by the Pentagon to be in foreign countries is far larger than the 2,705 or so currently claimed. This number counts only those persons whose whereabouts are *officially known* to the Department of Defense through investigation and intelligence services. Obviously, large numbers of deserters have been remiss in reporting changes of address.

Whatever the true number of deserters still at large—and they are great enough to cause high-ranking heads to roll in any other army—why do so many service personnel go AWOL? Those in a position to know best are the deserters themselves, other GIs, and the military counselors who have maintained a flourishing practice during recent years. Attorney Robert S. Rivkin, author of *GI Rights and Army Justice* and *The Rights of Servicemen*, served in legal services as an enlisted man and currently defends GIs in Germany for the Lawyers Military Defense Committee of the ACLU. He writes, "Experience has taught us that many GIs are away without leave because of something the military did or failed to do."

Thus, in addition to anti-war feelings that are prevalent in most returning AWOLs seen by military counselors, many GIs were finally motivated to leave because of lack of proper discharges, physical, psychological or racial abuse, improper medical treatment, unfair disciplinary actions, and other failings of the massive and impersonal military bureaucracy. Their individual stories vary, but most originally enlisted in the armed forces, come from working-class families, and do not articulate their feelings well. The main difference between them and the middle-class draft resisters is that often they object only *after* their direct experience of war or life in the armed forces. By then, their legal options and access to outside support and expertise are severely limited. With only a drill sergeant, or unfriendly commander, or career chaplain to turn to, they leave. Like so many refugees, they have voted with their feet.

Take Archie, a Memphis youth recruited into the Marines despite periods of blacking out and a hearing impairment. At boot camp, Archie was continually beaten and abused because drill sergeants thought he was faking when he passed out. So he went AWOL. Finally picked up by the FBI, he was sent to the Philadelphia Naval Base, where he was thrown into the brig despite a physician's recommendation. There he blacked out again, was beaten and thrown under a scalding shower by a guard for his "faking." He was then hospitalized and received death threats if he talked. Finally, Archie was discharged as "undesirable."

Or Tom, a black Marine from Philadelphia who had to quit high school to help his mother, on welfare, raise nine other children. He joined the Marines to earn money. When his wife began having complications with her pregnancy, Tom went to his drill sergeant for help, but got none. It was then that he left Camp Lejeune to support his mother and expectant wife. Someone in his neighborhood thought it would be "best" if he were reported. It wasn't long before the FBI picked him up and returned him to face general court-martial charges.

Stuart is another to whom legal redress was unavailable or improperly denied. He slowly developed conscientions objection to war and requested discharge when his ship at New London, Conn. was armed with nuclear-tipped missiles. The *Welsh* decision broadening C.O. status to persons whose objections were not religious had yet to be handed down, so Stuart could not qualify for discharge. Like many others he faced an almost impossible choice of up to five years of hard labor in a military prison or violating his conscience. He left.

Although Louie had applied for C.O. status from his local draft board (he was turned down) and had been part of an apprentice program in a machine shop (worth a 2-A deferment), he was drafted and sent to Fort Dix. Objecting to war in the first place and feeling that he shouldn't be there at all, Louie soon left Fort Dix and returned to his home town near Harrisburg, Pa. He tried to begin life again, but eventually the FBI began to close in. Louie was lucky; he came to a military counselor who discovered that, like many young men, he had been illegally drafted. A federal judge freed Louie on a writ of *habeas corpus* within a matter of hours. But he and his young wife could never regain the time lost at Fort Dix, or the months of hell as the FBI closed in.

Scott is typical of the many Vietnam veterans who deserted after they got back to the States. (The problem was so severe that in 1971 the Army quickly dropped its one experiment with allowing Vietnam GIs a mid-tour leave to the continental United States. He had enlisted in the Marines from Peoria. Soon he was fighting along the DMZ where his position was overrun the first week. Scott has a formidable collection of medals to show for his bravery, but as he fought he became sickened by killing, especially the senseless destruction and killing of civilians by U.S. troops. He turned to his chaplain for help, explaining that he could no longer kill, and wanted out. But he was simple told to stick it out; no mention of C.O. discharges. Like many soldiers in Vietnam, he turned to, drugs for escape and became dependent. Upon his return to the States, he again turned to a chaplain for help with his drug problem and his feelings against war, but was merely advised to pray. In desperation, he went AWOL and sought drug counseling. He shook his habit, and then turned to military counselors for help. Despite counseling and an excellent war record, he, too, received an undesirable discharge. Even if a GI is "lucky" enough upon his return to receive an undesirable discharge in lieu of court-marital and stockade time, he is branded for life.

Dan was thrown into the Camp Pendleton brig on a minor charge. Like a number of prisoners there in the late 1960s, he was beaten and hanged by his wrists on a fence for long periods of time. He developed severe psychological problems and went AWOL to Canada. Like many deserters in Canada, he was unable to make it in a strange country and returned to military control despite his hatred and fear of stockades. He too was discharged as undesirable. Since then, he has bounced from one menial jab to another and continually threatens suicide. He is barred from VA benefits and very few employers will hire him. Even fewer people seem to care about his days hanging from the fence at Camp Pendleton.

All of these men should have been easily and honorably discharged when their problems first arose, but like most AWOLs they were the unfortunate victims of a policy of retaining personnel at any cost. Although the number of administrative discharges rose rapidly in 1971 as the armed forces tried to reach the reduced force levels ordered by Congress, and have shown a rapid increase in the Navy recently as racial problems remain unresolved, proper discharges were given in miserly fashion. [See "Administrative Discharges: The 'Less Than Honorable' Solution" by John Grady, The Nation, February 19.]

One instructor at the Army's Adjutant General's Corps School at Fort Benjamin Harrison, Ind., where personnel officers are trained, bragged that while stationed at Fort Sill, Okla. "he had never let a single discharge get through his office." His attitude—that most GIs seeking discharge are merely shirkers—is not a typical, despite regulations that provide for discharge in a number of clear-cut cases. But even these provisions are not publicized by the armed forces, and are often unknown to GIs.

In order to fill this gap, CCCO had to print and distribute free to GIs thousands of booklets on each of the five types of discharge. Even then, despite a Supreme Court ruling, *Flower* v. *U.S.*, permitting leafletting on open bases, the Army went to court to bar distribution of pamphlets that merely explain the legal rights to discharge. Only recently was the Army overruled in *CCCO* v. *Fellows*, and distribution of information on discharges permitted.

The results of these policies have been disastrous. For example, the discharge available for persons who become C.O.s *after* entry to active duty is not even mentioned in the curriculum at the Adjutant General's School, and most GIs still believe, incorrectly, that it is impossible to get out if you did not declare C.O. status to your draft board. Despite this, more than 8,000 GIs applied for C.O. discharge, while thousands more were intimidated after an initial inquiry by being told no such provisions existed. Or they found that their paperwork mysteriously was lost or arbitrarily denied at the local level. Until federal court intervention in the process in 1969, almost all applications that reached the Pentagon were turned down. Thousands of other GIs, of course, never qualified at all because the courts still do not recognize objection to a particular war. Many of these GI's, faced with harsh sentences in military stockades, or violating their consciences, simply went AWOL.

The record is similar with other discharges for erroneous induction/enlistment, hardship, medical or psychological problems. Dr. Curtis Tarr testified before Senator Kennedy's hearings on the draft in 1972 that large numbers of men had been illegally drafted. The Gates Commission, among others, reported that before recent pay raises, many GIs were destitute and living on welfare. Dr. Peter Bourne has written that the psychological stresses of basic training are even more severe than those experienced in combat. And, of course, reports of racial abuse, stockade beatings, spinal meningitis, and lack of medical care were rampant. Peter Barnes observes in Pawns: The Plight of the Citizen Soldier that "every week at Fort Dix, New Jersey, the Army's major Northeastern training base, there are an average of four suicide attempts. . . . Nine actual suicides occurred at Fort Dix in 1968."

It is no wonder that the Nixon Administration is trying to discredit deserters. To acknowledge their true numbers and their real motivations would require an admission that massive numbers of ordinary, enlisted GIs rejected the war, and that countless thousands were denied humane treatment and legal discharges by a military that felt it could keep its troops in the field only by fear and force. If the truth were known about deserters, the Administration might be forced to consider sweeping changes in military justice and personnel policies—including, not insignificantly, the right to dissent from war, and the right to quit one's job.

THE BETTER VOTING ACT; SENSIBLE MAJOR CHANGES IN THE VOTING-REGISTRATION SYSTEM

(Mr. DELLUMS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. DELLUMS. Mr. Speaker, today, I am introducing new legislation that will remedy many current problems associated with voting.

The voting process in our modern, mobile and highly technical society are vastly different than those associated with voting when the Constitution was drafted. Philosophical approaches to voting are also extremely different. When our country was founded, and when registration laws were first enacted, philosophy behind the laws was to restrict voting to a select few. Today, we are concerned with moving toward universal suffrage—without regard to race, sex, national origin, failure to pay a poll tax, or other such obvious methods of discrimination.

What we must legislate away today are more subtle, but glaring discriminatory practices present in our system of registration and voting; practices which affect individuals, not across the board against a specific group, but against people from all groups, from all walks of life.

In last year's election, slightly less than half the eligible voters did not vote. Reasons for not voting have been offered; most center around general apathy, and some feeling that the Presidential election was hardly going to be affected by one vote. There was also disaffection with the candidates—neither aroused the confidence of the electorate sufficiently to cause heavy voting. However, in our major urban areas, in which minority group population has steadily grown, voting participation has fallen off more drastically than most other areas of the country.

I cannot help but feel that the reason for this extremely low turnout among minorities is a feeling that government is not responsive to real needs.

This, in the broadest sense, is the problem we confront today.

The present voting system is designed to keep the mildly interested citizens away from the polls. We must encourage the participation of every citizen to the maximum extent possible. We must prove to the American electorate that we want to represent all of them. And in order to serve in this capacity, we must allow the greatest number of voters to voice their opinions.

The current voter registration process is time-consuming, cumbersome, demanding, and obsolete, a system which is a burden on the individual. It presents a myriad of obstacles that ultimately serve to disfranchise millions and millions of voters. Difficulty in traveling long distances to reach registration places; difficulty in finding parking; uncooperative election officials; complex, outdated and lengthy registration forms; and many other more insidious problems all aid to disfranchise many average voters.

In 1968, a post-election Gallup poll indicated that 5 million voters were prevented from voting by residence requirements. Residence requirements that are over 30 days when applied to presidential elections have apparently been struck down by the Supreme Court in Oregon against Mitchell. However, de facto residency requirements still exist in several States. If registration books close 6 months before the election, then a citizen must be a resident for at least those 6 months before being allowed to vote. This is a horrendous situation, and should not be allowed to continue under any circumstances. Any citizen of the United States should be allowed to vote wherever he happens to be living—whether it is for 1 day or 10 years. His life will still be affected by the elected officials after election day.

For many voters, voting on election day is often costly, time-consuming, and generally inconvenient. According to the Gallup poll, three million potential voters could not leave their jobs to vote—and if they did, they might have lost several hours pay, or even a full day's pay. In essence, being docked pay for voting is a poll tax. Many citizens are justified feeling that they should not have to pay to vote.

Long lines at polling places also discourage voters. Returning from a day's work and going to the polls to find an hours' wait would discourage even the most patriotic and citizenship-conscious voter.

A contributing factor to the west coast's low turnout is the fact that election results are known before polls close. In the last election, in my district, the outcome for President had been determined at 5:30 p.m. with several hours left before polls closed. Citizens feel that their vote is even more meaningless at that point, and understandably will not vote. But there are other offices besides the President's to consider—as well as policy referendums and local officials. Immediate dissemination of "news" serves to disfranchise voters.

Numerous studies have analyzed obstacles to voting; each one in its summary recommended one form or another of national voter registration as a remedy. The report of the Commission on Registration and Voting Participation, which was established by President Kennedy, stated in 1963 that—

> The only effective method of guaranteeing the vote for all Americans is the enactment by Congress of some form of uniform voter qualification standards. The Commission further believes that the right to vote must in many instances, be safeguarded and assumed by the Federal Government. Adequate legislation must include both standards and implementation.

Ten years ago, the question of bringing the responsibility of guaranteeing the right to vote should have rested with the Federal Government. A decade ago, insuring the right to vote belonged with the Congress. Yet, we are just beginning to grapple with the ugly monster of citizenship.

Mr. Richard Carlson, director of the elections systems project for the National Municipal League, has said that:

> The non-voting population is large and growing but that it is made up "disproportionately of the young, the urban poor, Blacks, American Indians and Chicanos. The groups with the greatest stake in social change are the least likely to participate in one of the basic mechanisms for generating political power.

I cannot impress upon my colleagues enough the true importance of Mr. Carlson's next statement:

> The United States is the only country that holds free elections in which the responsibility for maintaining lists of eligible voters rest almost entirely with individual initiative rather than with an agency of the state.

In Britain, the lists are compiled by electoral registration officers by either a door-to-door canvass or by mail. But it is conducted by an agency of the state, not by the individual.

The League of Women Voters, in a definitive work published last year, noted:

> It is the contention of this report that millions of American citizens fail to vote not because they are disinterested, but because they are disenfranchised by the present election system. Ironically moreover, many of them lose their right to vote not because they are poor, black, uneducated or uninterested, but because they are part of the mainstream of American society. Moving to a better neighborhood, accepting a company transfer, going to college, getting married, serving their country, and exercising other rights, freedoms and obligations to their country to often has had the effect of denying citizens their right to vote.

The report concluded that the system will continue to disfranchise voters unless changes are made at both the administrative and legislative levels. The Better Voting Act does both these things.

The 1968 Gallup poll projected that 10 million voters could have registered but did not. We must recognize this obvious deficiency in the system. The Senate is receptive to this type of legislation. It is time that the House of Representatives be the same. The simplest, most efficient method of voter registration suggested to date is the post card system, which is an integral component of The Better Voting Act.

The Better Voting Act deals with both aspects of exercising the right to vote. As it exists today there is a two-step approach to voting.

First, the individual must take the initiative and attempt to overcome initial obstacles to registering. Once that hurdle has been cleared, in order to be heard, there are other major problems: obstacles to actually exercising the franchise; long lines; the early closing times; the inaccurate lists; and the machine breakdowns.

This bill combines into one complete package, a series of remedies designed to radically simplify and expedite the voting process. The New York Times on November 10, 1972 stated that—

> The withdrawal of the American electorate away from the voting booth does not halt the election of the president, but it shuts the boycotter out of a voice in the selection of Members of Congress and all the other shapers of public policy. What remains a priority matter for future elections is the breaking down of the enormous barriers that still stand in the way of voting for those who do not want to vote.

The Better Voting Act will do just that.

It administratively simplifies all aspects of voting.

It in no way attempts to force people to vote; it merely simplifies. It remains the obligation of individual candidates to arouse the interest of the electorate; similarly it is the obligation of Members of Congress to insure simplicity in exercising the franchise.

Here, in outline, are the major provisions of the bill: First, the bill would have Federal elections fall on the first Saturday, Sunday, and Monday in November. This would make possible for citizens from all walks of life to vote at their convenience—not at the convenience of the State. Polls would be open for 18 hours each day so that there would be ample time for all citizens to vote. Polls would stay open until 11 p.m. local time thus insuring the equal protection of every citizen's right to vote.

No results could be tabulated or compiled until all polls are closed. In this manner, potential voters will not be influenced by results in one sector of the country. In addition, a truer representation of the electorate will occur. Each voting citizen will vote his own mind and not be influenced by decisions of others.

Equally important, the bill would institute a national system of voter registration by post card. There would be established in the Bureau of the Census an Office of National Voter Registration; the Office will oversee all procedures involved in enrolling the maximum number of voters. The Office will distribute registration forms to every household address, all U.S. military personnel both here and overseas, and all citizens living abroad. Forms would be available to interested citizens' groups, who could possibly canvass in areas difficult to reach by mail and be available in quantity at all post offices. The Office would also analyze patterns and causes of nonvoting, and results of each election so that a greater understanding of the American electorate can be realized. This analysis is in addition to reports periodically issued to Congress describing progress made toward universal enrollment, and problems encountered in attempting to attain that goal.

The time for enacting legislation dealing with the voting process was years ago.

But Congress has not acted, and now we must grapple with a problem of monumental importance to the continuing functioning of the machinery of government. Voting—and more specifically—making one's voice heard, is presently comprised of a tangled web of laws that contradict each other, and make little practical sense. It has made voting become a difficult right to exercise; one that takes two separate and distinct acts. "The Better Voting Act" deals with both, and makes them easier to accomplish.

To alleviate problems associated with registration is a commendable goal—but not enough. There exists too many problems concerned with the actual voting act to simply be ignored. The problem is twofold, therefore this legislation is twofold. The responsibility of simplifying voting procedures rests solely with Congress. We must meet that challenge, and deal with it effectively.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. Rostenkowski (at the request of Mr. O'Neill), for today, on account of official business.

Mr. McSpadden (at the request of Mr. O'Neill), for today, on account of family illness.

Mr. O'Brien (at the request of Mr. Gerald R. Ford), for May 16 and 17, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Hinshaw) and to revise and extend their remarks and include extraneous matter):

Mr. Whalen, for 30 minutes, today.

Mr. Hogan, for 10 minutes, today.

Mr. Blackburn, for 10 minutes, today.

Mr. Young of South Carolina, for 5 minutes, today.

Mr. Hosmer, for 5 minutes, today.

Mr. Collins, for 60 minutes, today.

(The following Members (at the request of Mr. Danielson) to revise and extend their remarks and include extraneous material):

Mr. O'Neill, for 10 minutes, today.

Mr. Annunzio, for 5 minutes, today.

Mr. Aspin, for 5 minutes, today.

Mr. Gonzalez, for 5 minutes, today.

Mr. Steed, for 5 minutes, today.

Mr. Wolff, for 15 minutes, today.

Mr. Rangel, for 10 minutes, today.

Ms. Abzug, for 10 minutes, today.

Mr. Meeds, for 5 minutes, today.

Mr. Hébert, for 60 minutes, May 22.

Mr. Robert W. Daniel, Jr. (at the request of Mr. Rousselot), for 5 minutes, today; and to revise and extend his remarks and include extraneous matter.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Veysey and to include extraneous matter notwithstanding the fact it exceeds two pages of the Congressional Record and is estimated by the Public Printer to cost $552.50.

Mr. Dellums and to include extraneous matter notwithstanding the fact it exceeds two pages of the Congressional Record and is estimated by the Public Printer to cost $467.50.

(The following Members (at the request of Mr. Hinshaw) and to include extraneous matter:)

Mr. Robison of New York.

Mr. Heinz.

Mr. Scherle.

Mr. Railsback in four instances.

Mr. Conte in two instances.

Mr. Hogan in three instances.

Mr. Hanrahan.

Mr. Thomson of Wisconsin.

Mr. Lott.

Mr. Brotzman in three instances.

Mr. Wyman in two instances.

Mr. Michel.

Mr. Archer.

Mr. Steiger of Arizona.

Mr. Zwach.

Mr. Rousselot in two instances.

Mr. Smith of New York.

Mr. Findley.

Mr. Abdnor.

Mr. Keating.

(The following Members (at the request of Mr. Danielson) and to include extraneous matter:)

Mr. Gunter.

Mr. Delaney.

Mr. Drinan in 10 instances.

Mr. Bolling.

Mr. Brademas in six instances.

Mr. Gonzalez in three instances.

Mr. Rarick in three instances.

Mr. Chappell.

Mr. Vanik in two instances.

Mr. Casey of Texas.

Mr. Hébert in three instances.

Mr. Alexander in five instances.

Ms. Abzug in five instances.

Mr. Waldie in three instances.

Mr. Bergland.

Mr. Dominick V. Daniels in three instances.

Mr. Mann in five instances.

Mr. Owens in five instances.

Mr. Mollohan in four instances.

Mr. Podell in two instances.

Mr. Reid.

Mr. Hamilton.

Mr. Zablocki in two instances.

Mrs. Schroeder.

(The following Members (at the request of Mr. Owens) and to revise and extend their remarks:)

Mr. Anderson of California in four instances.

Mr. Hungate in two instances.

ADJOURNMENT

Mr. OWENS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 53 minutes p.m.) the House adjourned until tomorrow, Wednesday, May 16, 1973, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive

communications were taken from the Speaker's table and referred as follows:

910. A letter from the Secretary of the Treasury, transmitting a draft of proposed legislation to provide for the appointment of alternates for the Governors of the International Monetary Fund and of the International Bank for Reconstruction and Development; to the Committee on Banking and Currency.

911. A letter from the Director, Office of Management and Budget, Executive Office of the President, transmitting a draft of proposed legislation to establish a Legal Services Corporation, and for other purposes; to the Committee on Education and Labor.

912. A letter from the Assistant Secretary of the Interior, transmitting a copy of a construction contract with the South Columbia Basin Irrigation District, pursuant to 70 Stat. 274; to the Committee on Interior and Insular Affairs.

913. A letter from the Assistant Secretary of the Interior, transmitting a copy of a proposed contract with Collins Radio Co., Cedar Rapids, Iowa, for a research project entitled "Hoist Radio System for Deep Shafts", pursuant to Public Law 89–672; to the Committee on Interior and Insular Affairs.

914. A letter from the Director, Administrative Office of the U.S. Courts, transmitting a draft of proposed legislation to provide for the appointment of transcribers of official court reporters' transcripts in the United States District Courts, and for other purposes; to the Committee on the Judiciary.

915. A letter from the Director, Administrative Office of the U.S. Courts, transmitting a draft of proposed legislation to provide for the appointment of legal assistants in the Courts of Appeals of the United States; to the Committee on the Judiciary.

916. Letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated August 21, 1972, submitted a report, together with accompaning papers and illustrations, on Ediz Hook, Port Angeles, Wash., requested by resolutions of the committees on public works, U.S. Senate and House of Representatives, adopted September 13, and October 8, 1968. (H. Doc. No. 93–101); to the Committee on Public Works and ordered to be printed with illustrations.

917. A letter from the Acting Administrator of General Services, transmitting a prospectus proposing extension of the leasehold interest for Federal Center No. 1 at Hyattsville, Md., pursuant to the Public Buildings Act of 1959, as amended; to the Committee on Public Works.

918. A letter from the Administrator of Veterans Affairs, transmitting a draft of proposed legislation to amend title 38, United States Code, to provide an earlier effective date for payment of pension to veterans; to the Committee on Veterans' Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. PERKINS: Committee on Education and Labor. H.R. 77. A bill to amend the Labor Management Relations Act, 1947, to permit employee contributions to jointly administered trust funds established by labor organizations to defray costs of legal services; with amendment (Rept. No. 93–205). Referred to the Committee of the Whole House on the State of the Union.

Mr. PATMAN: Committee on Banking and Currency. H.J. Res. 512. Joint resolution to extend the authority of the Secretary of Housing and Urban Development with respect to the insurance of loans and mortgages, to extend authorizations under laws relating to housing and urban development, and for other purposes (Rept. No. 93–206). Referred to the Committee of the Whole House on the State of Union.

Mr. MADDEN: Committee on Rules. House Resolution 394. Resolution providing for the consideration of H.R. 7200. A bill to amend the Railroad Retirement Act of 1937 and the Railroad Retirement Tax Act to revise certain eligibility conditions for annuities; to change the railroad retirement tax rate; and to amend the Interstate Commerce Act in order to improve the procedures pertaining to certain rate adjustments for carriers subject to part I of the act, and for other purposes; (Rept. No. 93–207). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ASPIN (for himself, Mr. Carey of New York, Mr. Culver, Mr. Diggs, Mr. Hansen of Idaho, Mr. Metcalfe, Mr. Pike, Mr. Rinaldo, and Mr. Sarasin):

H.R. 7783. A bill to amend the National Traffic and Motor Vehicle Safety Act of 1966 to authorize safety design standards for schoolbuses, to require certain safety standards be established for schoolbuses, to require the investigation of certain schoolbus accidents and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. BERGLAND:

H.R. 7784. A bill to declare Leach Lake, Cass Lake, and Winnibigoshish Lake in the State of Minnesota to be nonnavigable waters for certain purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. BLACKBURN:

H.R. 7785. A bill to authorize the Secretary of the Interior to further develop a program for the designation and protection of additional natural areas throughout the Nation, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. BRADEMAS:

H.R. 7786. A bill to extend the Drug Abuse Education Act of 1970 for 3 years; to the Committee on Education and Labor.

By Mr. BROOMFIELD:

H.R. 7787. A bill to amend the Federal Meat Inspection Act to prohibit the sale for human consumption of meat from horses, mules, and other equines; to the Committee on Agriculture.

By Mr. BROTZMAN:

H.R. 7788. A bill to amend the Federal Aviation Act of 1958 to authorize reduced rate transportation for certain additional persons on a space-available basis; to the Committee on Interstate and Foreign Commerce.

By Mr. COHEN:

H.R. 7789. A bill to establish a contiguous fishery zone (two hundred-mile limit) beyond the territorial sea of the United States; to the Committee on Merchant Marine and Fisheries.

By Mr. CONTE:

H.R. 7790. A bill to amend the Federal Aviation Act of 1958, as amended, to authorize the establishment of a class of commuter air carriers, to provide for issuance of certificates of public convenience and necessity to members of that class who may apply therefor, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 7791. A bill to increase the duty on rubber filament; to the Committee on Ways and Means.

By Mr. CONYERS:

H.R. 7792. A bill to establish minimum prison and parole standards in the United States, and for other purposes; to the Committee on the Judiciary.

By Mr. DAVIS of South Carolina:

H.R. 7793. A bill to amend the Communications Act of 1934 to direct the Federal Communications Commission to require the establishment nationally of an emergency telephone call referral system using the telephone number 911 for such calls; to the Committee on Interstate and Foreign Commerce.

By Mr. DELLUMS:

H.R. 7794. A bill to prohibit reimbursement and the payment of rewards for the apprehension of members of the Armed Forces who are classified as absentees, deserters, or being absent without leave; to the Committee on Armed Services.

H.R. 7795. A bill to require educational institutions engaged in interscholastic athletic competition to employ certified athletic trainers; to the Committee on Education and Labor.

H.R. 7796. A bill to establish an Office of National Voter Registration within the Bureau of the Census, and for other purposes; to the Committee on House Administration.

By Mr. DICKINSON (for himself, Mr. Young of Florida, Mr. Montgomery, Mr. Mathias of California, Mr. Robinson of Virginia, Mr. Goldwater, Mr. Parris, Mr. Kuykendall, Mr. Haley, Mr. Devine, Mr. Young of South Carolina, Mr. Collins, Mr. Bob Wilson, Mr. Michel, Mr. Fisher, Mr. Gross, Mr. Arends, Mr. Goodling, Mr. Beard, Mr. Rhodes, Mr. Conlan, Mr. Anderson of Illinois, Mr. Powell of Ohio, Mr. Spence, and Mr. Camp):

H.R. 7797. A bill to amend the Food Stamp Act of 1964, to exclude from coverage by the act every household which has a member who is on strike, and for other purposes; to the Committee on Agriculture.

By Mr. DICKINSON (for himself, Mr. Veysey, Mr. Treen, Mr. Eshleman, Mr. Sebelius, Mr. Baker, Mr. Archer, Mr. Ketchum, Mr. Rousselot, Mr. Scherle, Mr. Blackburn, Mr. Buchanan, Mr. Mann, Mr. Bafalis, Mr. Crane, Mr. Steiger of Arizona, Mr. Satterfield, Mr. Chappell, Mr. Fuqua, Mr. Derwinski, Mr. Ashbrook, Mr. Snyder, Mr. Mizell, Mr. Henderson, and Mr. Price of Texas):

H.R. 7798. A bill to amend the Food Stamp Act of 1964, to exclude from coverage by the act every household which has a member who is on strike, and for other purposes; to the Committee on Agriculture.

By Mr. DICKINSON (for himself, Mr. Hammerschmidt, Mr. Esch, Mr. Ware, Mr. Williams, Mr. Symms, Mr. Butler, Mr. Hastings, Mr. Vander Jagt, and Mr. Collier):

H.R. 7799. A bill to amend the Food Stamp Act of 1964, to exclude from coverage by the act every household which has a member who is on strike, and for other purposes; to the Committee on Agriculture.

By Mr. EVINS of Tennessee (for himself, Mr. Andrews of North Dakota, Mr. Annunzio, Mr. Hungate, Mr. Minshall of Ohio, Mr. Skubitz, Mr. Smith of Iowa, and Mr. Steed):

H.R. 7800. A bill to amend the Clayton Act by adding a new section to prohibit sales below cost for the purpose of destroying competition or eliminating a competitor; to the Committee on the Judiciary.

By Mr. FLOWERS:

H.R. 7801. A bill to amend the Federal Food, Drug, and Cosmetic Act to include a definition of food supplements, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. FOLEY (for himself, Mr. McCormack, Mr. Ullman, Mr. Hansen of Idaho, and Mr. Symms):

H.R. 7802. A bill to amend the Soil Conservation and Domestic Allotment Act, as amended, to provide for a Columbia-Snake Palouse program; to the Committee on Agriculture.

By Mr. FORSYTHE:

H.R. 7803. A bill to amend titles II and XVIII of the Social Security Act to include qualified drugs, requiring a physician's prescription or certification and approved by a formulary committee, among the items and services covered under the hospital insurance program; to the Committee on Ways and Means.

By Mr. GIBBONS:

H.R. 7804. A bill to amend title 10, United States Code to permit the recomputation of retired pay of certain members and former members of the Armed Forces; to the Committee on Armed Services.

By Mr. HARRINGTON:

H.R. 7805. A bill to amend the Foreign Assistance Act of 1961 to require congressional authorization for the involvement of American Forces in further hostilities in Indochina, and for extending assistance to North Vietnam; to the Committee on Foreign Affairs.

By Mr. HASTINGS (for himself, Mr. Rogers, Mr. Satterfield, Mr. Kyros, Mr. Preyer, Mr. Symington, Mr. Roy, Mr. Nelsen, Mr. Carter, Mr. Heinz, and Mr. Hudnut):

H.R. 7806. A bill to extend through fiscal year 1974 certain expiring appropriations authorizations in the Public Health Service Act, the Community Mental Health Centers Act, and the Developmental Disabilities Services and Facilities Construction Act, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. HAWKINS (for himself and Mr. Rostenkowski):

H.R. 7807. A bill to provide financial assistance for the development and implementation of work and training and year round recreational opportunities, together with related services and for other purposes; to the Committee on Education and Labor.

By Mr. HÉBERT:

H.R. 7808. A bill to allow non-Federal public bodies to repay in yearly installments cash payments due the Federal Government in connection with any resource water project undertaken by the Secretary of the Army; to the Committee on Public Works.

By Mr. HEINZ (for himself, Mr. Danielson, Mr. Edwards of California, Mr. Harrington, Mr. Regula, and Mr. Won Pat):

H.R. 7809. A bill to amend the Vocational Rehabilitation Act to provide a more equitable method of allotting funds for vocational rehabilitation services among the States; to the Committee on Education and Labor.

By Mr. HELSTOSKI:

H.R. 7810. A bill to encourage the movement in interstate and foreign commerce of recycled and recyclable materials and to reduce the quantities of solid waste materials in commerce which cannot be recycled or do not contain available recycled materials, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. JOHNSON of Pennsylvania:

H.R. 7811. A bill to modify the project for Kinzua Dam and Allegheny Reservoir, Pa. and N.Y.; to the Committee on Public Works.

By Mr. KEMP:

H.R. 7812. A bill to add an additional judgeship in the Western District of New York; to the Committee on the Judiciary.

H.R. 7813. A bill to amend certain provisions of Federal law relating to explosives; to the Committee on the Judiciary.

H.R. 7814. A bill to authorize a program for the improvement and restoration of the Buffalo Metropolitan Area, N.Y.; to the Committee on Public Works.

By Mr. LEHMAN:

H.R. 7815. A bill to amend the National School Lunch Act, as amended, to assure that the school food service program is maintained as a nutrition service to children in public and private schools, and for other purposes; to the Committee on Education and Labor.

By Mr. McKINNEY (for himself, Mr. Hastings, and Mr. Rinaldo):

H.R. 7816. A bill to amend the Internal Revenue Code of 1954 to exclude from gross income amounts won in State lotteries; to the Committee on Ways and Means.

By Mr. MATSUNAGA (for himself and Mr. Won Pat):

H.R. 7817. A bill to amend the act to establish Federal agricultural services to Guam; to the Committee on Agriculture.

By Mr. MEEDS (for himself, Mr. Esch, Mr. Benitez, Mr. Pepper, Mr. Howard, Mr. Won Pat, Mr. Owens, Mr. Danielson, Mr. Hawkins, Mr. Mitchell of Maryland, Mr. Edwards of California, Mr. White, Mr. Badillo, Mr. William D. Ford, Mr. Clay, Mr. Bergland, Mr. Podell, Mr. Roe, Mr. Moakley, Mr. Stokes, Mr. de Lugo, Mr. Charles H. Wilson of California, Mrs. Mink, and Mr. Davis of Georgia):

H.R. 7818. A bill to amend and improve the Adult Education Act; to the Committee on Education and Labor.

By Mr. MEEDS (for himself, Mrs. Grasso, Mr. Stark, Mr. Rose, Mr. Studds, Mr. Erlenborn, Mr. Brademas, Mr. Rangel, Mr. Eilberg, Mr. Carney of Ohio, Mr. McCormack, Mr. McDade, Mr. Melcher, Mr. Sarbanes, Mr. Harrington, Mr. Fraser and Mr. Roybal):

H.R. 7819. A bill to amend and improve the Adult Education Act; to the Committee on Education and Labor.

By Mr. MELCHER (for himself and Mr. Roncalio of Wyoming):

H.R. 7820. A bill to authorize the Secretary of the Interior to engage in feasibility investigation of certain potential water resource developments; to the Committee on Interior and Insular Affairs.

By Mr. MURPHY of Illinois:

H.R. 7821. A bill to provide a penalty for the robbery or attempted robbery of any narcotic drug from any pharmacy; to the Committee on the Judiciary.

By Mr. MURPHY of New York:

H.R. 7822. A bill to provide for the continued operation of various Public Health Service Hospitals; to the Committee on Interstate and Foreign Commerce.

By Mr. PATMAN:

H.R. 7823. A bill to amend section 14(b) of the Federal Reserve Act, as amended, to extend for 2 years the authority of Federal Reserve banks to purchase U.S. obligations directly from the Treasury, and for other purposes; to the Committee on Banking and Currency.

By Mr. QUIE (for himself, Mr. Perkins, Mr. Steiger of Wisconsin, Mr. Eshleman, Mr. Erlenborn, Mr. Dellenback, Mr. Esch, Mr. Hansen of Idaho, Mr. Forsythe, and Mr. Towell of Nevada):

H.R. 7824. A bill to establish a Legal Services Corporation, and for other purposes; to the Committee on Education and Labor.

By Mr. RANGEL:

H.R. 7825. A bill to amend the U.S. Housing Act of 1937 to provide that a tenant in a low-rent public housing project may not be evicted therefrom without a public hearing; to the Committee on Banking and Currency.

H.R. 7826. A bill to amend the U.S. Housing Act of 1937 to increase the amount of the annual contributions which may be paid thereunder with respect to low-rent housing projects by establishing a more realistic subsidy formula; to the Committee on Banking and Currency.

H.R. 7827. A bill to amend the U.S. Housing Act of 1937 to remove the existing dollar limit on the amount of annual contributions which may be contracted for to assist low-rent public housing; to the Committee on Banking and Currency.

H.R. 7828. A bill to amend the Urban Mass Transportation Act of 1964 to remove the existing percentage limits on the amount of grant assistance which may be provided thereunder for projects in any one State; to the Committee on Banking and Currency.

H.R. 7829. A bill to amend the Small Business Act to authorize certifications of a small business concern's competency in lieu of bonding in connection with certain Federal construction contracts, and to establish a National Construction Task Force to assist in broadening small business participation in the construction industry; to the Committee on Banking and Currency.

H.R. 7830. A bill to authorize increases in Federal Housing Administration mortgage ceilings under subsidized multifamily housing programs to meet construction costs; to the Committee on Banking and Currency.

H.R. 7831. A bill to amend section 236 of the National Housing Act; to the Committee on Banking and Currency.

H.R. 7832. A bill to amend section 101 of the Housing and Urban Development Act of 1965 to provide increased rent supplement payments in the case of tenants with larger families; to the Committee on Banking and Currency.

H.R. 7833. A bill to establish a new program of loans to be made from a revolving fund by the Secretary of Housing and Urban Development to assist in the provision and rehabilitation of housing for middle-income families; to the Committee on Banking and Currency.

H.R. 7834. A bill to amend the U.S. Housing Act of 1937 to remove the existing 15 percent limit on the amount of assistance which may be provided thereunder for low-rent public housing in any one State; to the Committee on Banking and Currency.

H.R. 7835. A bill to provide new and improved transportation programs for older persons; to the Committee on Banking and Currency.

H.R. 7836. A bill to prohibit States and political subdivisions from discriminating against low and moderate income housing, and to give a priority in determining eligibility for assistance under various Federal programs to political subdivisions which submit plans for the inclusion of low and moderate income housing in their development; to the Committee on Banking and Currency.

H.R. 7837. A bill to amend section 236 (i) of the National Housing Act; to the Committee on Banking and Currency.

H.R. 7838. A bill to amend title I of the Housing Act of 1949 to require the establishment of more effective procedures for the relocation of individuals, families, and business concerns from the area of urban renewal projects; to the Committee on Banking and Currency.

H.R. 7839. A bill to amend title I of the Housing Act of 1949 to provide that individuals, families, and business concerns displaced by an urban renewal project shall have a priority of opportunity to relocate in the project area after its redevelopment; to the Committee on Banking and Currency.

H.R. 7840. A bill to amend title I of the Housing Act of 1949 to provide more adequate relocation payments for individuals, families, and business concerns displaced from urban renewal areas; to the Committee on Banking and Currency.

H.R. 7841. A bill to prohibit States and political subdivisions from discriminating against low and moderate income housing, and to give a priority in determining eligibility for assistance under various Federal programs to political subdivisions which submit plans for the inclusion of low and moderate income housing in their development; to the Committee on Banking and Currency.

H.R. 7842. A bill to provide the Secretary of Health, Education, and Welfare with the authority to make grants to States and local communities to pay for the cost of eye examination programs to detect glaucoma for the elderly; to the Committee on Interstate and Foreign Commerce.

H.R. 7843. A bill to amend the Social Security Act to make certain that recipients of aid or assistance under the various Federal-State public assistance and medicaid programs (and recipients of assistance under the veterans' pension and compensation program or any other Federal or federally assisted program) will not have the amount of such aid or assistance reduced because of increases in monthly social security benefits; to the Committee on Ways and Means.

H.R. 7844. A bill to amend the Internal Revenue Code of 1954 to permit the full deduction of medical expenses incurred for the care of individuals of 65 years of age and over, without regard to the 3-percent and 1-percent floors; to the Committee on Ways and Means.

H.R. 7845. A bill to allow a credit against Federal income taxes or payments from the United States Treasury for State and local real property taxes or an equivalent portion of rent paid on their residences by individuals who have attained age 65; to the Committee on Ways and Means.

H.R. 7846. A bill to amend title II of the Social Security Act to provide that no reduction shall be made in old-age insurance benefit amounts to which a woman is entitled if she has 120 quarters of coverage; to the Committee on Ways and Means.

By Mr. RARICK (for himself, Mr. LONG of Louisiana, and Mr. THONE):

H.R. 7847. A bill to amend the Federal Insecticide, Fungicide, and Rodenticide Act, to prohibit the importation of agricultural commodities when pesticides are used in connection with such commodities in a manner which is prohibited in the United States by any Federal law; to the Committee on Agriculture.

By Mr. RUPPE:

H.R. 7848. A bill to amend the act of August 13, 1946, relating to Federal participation in the cost of protecting the shores of the United States, its territories, and possessions, to include privately owned property; to the Committee on Public Works.

By Mr. RONCALIO of Wyoming:

H.R. 7849. A bill to amend the Postal Reorganization Act of 1970, title 39, United States Code, to eliminate certain restrictions on the rights of officers and employees of the Postal Service, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. RONCALLO of New York:

H.R. 7850. A bill to prohibit the use of appropriated funds to carry out or assist research on living human fetuses; to the Committee on Interstate and Foreign Commerce.

By Mr. RUPPE (for himself and Mr. ASPIN):

H.R. 7851. A bill to provide for a study of the availability of a route for a trans-Canada oil pipeline to transmit petroleum from the North Slope of Alaska to the continental United States, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. SMITH of Iowa:

H.R. 7852. A bill to amend the Commodity Exchange Act to require public disclosure of certain information relating to sales of commodities for export, and for other purposes; to the Committee on Agriculture.

By Mr. WALDIE:

H.R. 7853. A bill to insure a fair and reasonable participation of U.S. flag commercial vessels in movement of petroleum and petroleum products imported into the United States; to the Committee on Merchant Marine and Fisheries.

By Mr. WALDIE (for himself, Mr. HAWKINS, and Mr. KYROS):

H.R. 7854. A bill to discourage experimentation on animals by elementary and secondary school children; to the Committee on Education and Labor.

By Mr. WHALEN:

H.R. 7855. A bill to provide for the appointment of a special prosecutor to prosecute any offenses against the United States arising out of the "Watergate affair"; to the Committee on the Judiciary.

By Mr. WHITEHURST (for himself, Mr. BADILLO, Mr. BINGHAM, Mr. BOWEN, Mr. BROWN of California, Mrs. BURKE of California, Mr. CLEVELAND, Mr. CONLAN, Mr. DUNCAN, Mr. EILBERG, Mrs. GRASSO, Mr. GROVER, Mr. HAWKINS, Mr. HECHLER of West Virginia, Mr. HILLIS, Mr. HOSMER, and Mr. HUBER):

H.R. 7856. A bill to amend section 9 of the Military Selective Service Act relating to reemployment rights of members and former members of the Armed Forces of the United States; to the Committee on Armed Services.

By Mr. WHITEHURST (for himself, Mr. ICHORD, Mr. KETCHUM, Mr. LUJAN, Mr. MOSS, Mr. MURPHY of New York, Mr. MURPHY of Illinois, Mr. PEPPER, Mr. RIEGLE, Mr. ROE, Mr. RONCALLO of New York, Mr. ROY, Mr. STEIGER of Wisconsin, Mr. TAYLOR of North Carolina, Mr. WARE, Mr. WON PAT, and Mr. CHARLES H. WILSON of California):

H.R. 7857. A bill to amend section 9 of the Military Selective Service Act relating to reemployment rights of members and former members of the Armed Forces of the United States; to the Committee on Armed Services.

By Mr. CHARLES H. WILSON of California:

H.R. 7858. A bill to provide that daylight saving time shall be observed on a year-round basis; to the Committee on Interstate and Foreign Commerce.

By Mr. WOLFF:

H.R. 7859. A bill to provide for loans for the establishment or construction, or both, of municipal, low-cost, nonprofit clinics for the spaying and neutering of dogs and cats, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 7860. A bill to prohibit the importation into the United States of commercially produced domestic dog and cat animal products; and to prohibit dog and cat animal products moving in interstate commerce; to the Committee on Ways and Means.

By Mr. ZWACH:

H.R. 7861. A bill to authorize the Secretary of Agriculture to encourage and assist the several States in carrying out a program of animal health research; to the Committee on Agriculture.

By Mr. DELLUMS:

H.J. Res. 556. Joint resolution proposing an amendment to the Constitution of the United States giving to Congress the power to make or alter regulations relating to the times, places, and manner of appointing electors to choose the President; to the Committee on the Judiciary.

By Mr. SMITH of Iowa:

H.J. Res. 557. Joint resolution proposing an amendment to the Constitution of the United States relating to the nominating of individuals for election to the offices of the President and Vice President of the United States; to the Committee on the Judiciary.

By Mr. DENHOLM:

H. Con. Res. 218. Concurrent resolution to express the support of Congress on participation in the Symposium on Management and Utilization of Remote Sensing Data to be held in Sioux Falls, S. Dak., October 29 to November 2, 1973; to the Committee on Science and Astronautics.

By Mr. RANGEL:

H. Res. 395. Resolution to create a Select Committee on Aging; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII, memorials, were presented and referred as follows:

203. By the SPEAKER: A memorial of the Legislature of the State of Nebraska, relative to funds for advance or preconstruction planning on the O'Neill unit and North Loup Division of the Pick-Sloan Missouri Basin program; to the Committee on Appropriations.

204. Also, memorial of the Legislature of the State of Minnesota, requesting the Congress to propose an amendment to the Constitution of the United States concerning abortion; to the Committee on the Judiciary.

205. Also, memorial of the Legislature of the State of California, relative to retirement compensation; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. GINN:

H.R. 7862. A bill for the relief of Joseph E. Litman; to the Committee on the Judiciary.

By Mr. GOLDWATER:

H.R. 7863. A bill for the relief of Donald R. Manning; to the Committee on the Judiciary.

By Mr. THOMSON of Wisconsin:

H.R. 7864. A bill for the relief of Louise C. Bauer; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

SENATOR RANDOLPH EXPRESSES APPRECIATION TO THE VALUE OF RADIO—PRESIDENT PROCLAIMS MAY AS MONTH TO FOCUS ATTENTION ON THIS MEDIA—WEST VIRGINIA STATIONS ARE LISTED

HON. JENNINGS RANDOLPH

OF WEST VIRGINIA

IN THE SENATE OF THE UNITED STATES

Tuesday, May 15, 1973

Mr. RANDOLPH. Mr. President, May has been recognized by the Congress and designated as National Radio Month and I join in expressing tribute to the leaders of this dynamic industry on their outstanding service in the public interest.

The development of radio broadcasting has been called the "miracle of the ages," because it more than any other communication media links all corners of the world. Its advent also paved the way for television and the dazzling satellite communication network that are considered so commonplace today.

The dream of broadcasting worldwide is credited to a young inventor, Lee De Forest, who wrote—

> My present task is to distribute sweet melody over the city and the sea so that even the mariner far out at sea across the silent waves may hear the music of his homeland.

But this dream might never have become a reality if other men of vision such as Sarnoff, Marconi and Bell had not shared it and realized the possibilities.

"I have in mind a plan . . ." These

words written by David Sarnoff in 1915 signaled the beginning of a lifetime of prophecy by a man who has probably exercised a greater influence over modern living than anyone since Thomas Alva Edison.

Sarnoff's plan was a "Radio Music Box" to bring news and music into 'he home by wireless. Over the next half-century, Sarnoff first dreamed and then fulfilled. As the head of the world's foremost electronics company, the Radio Corporation of America, he became the driving force behind such development as network broadcasting, black-and-white television and then color TV.

Back in 1922, when manufacture of the first "Radio Music Boxes" had barely begun, Sarnoff was urging researchers to develop a portable "radiolette" that would transmit information "not only at home but in the office, workshop, street, or elsewhere."

The first national application of this communications miracle was the live broadcast of election results in the Harding-Cox presidential contest by KDKA of Pittsburgh. This same radio station broadcast the first sports event—a football game between the University of Pittsburgh and West Virginia University.

In 1923, Sarnoff told the RCA board of directors—

> I believe that television, which is the technical name for seeing instead of hearing by radio, will come to pass in due course.

And in 1930, a full decade before the first commercial TV sets were exhibited, he spoke of television as being "advanced to the stage when color as well as shadow would be faithfully transmitted."

The advent of television led some market analysts to predict that radio was doomed. But they reckoned without the inventiveness of electronics engineers and the unique mobility of the medium. Far from dying, the radio broadcasting industry has demonstrated a robust and progressive picture of its capabilities. There are in the United States today a total of 6,819 radio broadcasting outlets and approximately 368 million radio receivers. Every day, 100 million Americans listen to radio. It is the sole outlet of mass communications for the blind and a boon to the millions of elderly, poor or geographically isolated Americans who cannot afford television or receive its signals.

Mr. President, I salute the thousands of individuals engaged in the daily business of radio broadcasting who, through their responsible and dedicated efforts, attempt to inform, educate and entertain a vast majority of Americans. I am especially grateful to the broadcasting industry in our home State of West Virginia, where geological conditions are sometimes such that radio becomes a vital force in shaping the destinies of smaller communities and thousands of citizens isolated by mountainous terrain. I ask unanimous consent that a listing of these 92 public-spirited radio stations in the Mountain State be placed in the RECORD.

There being no objection, the listing of stations was ordered to be printed in the RECORD as follows:

Beckley: WCIR, WCIR-FM, WBKW-FM, WWNR.
Berkeley Springs: WCST, WCST-FM.
Bethany: WVBC-FM.
Bluefield: WHIS, WHIS-FM, WKOY.
Buckhannon: WBUC, WVWC-FM.
Charleston: WCAW, WVAF-FM, WCHS, WBES-FM, WKAZ, WKAZ-FM, WKNA-FM, WTIP, WTIO-FM, WXIT.
Charles Town: WXVA, WZFM-FM.
Clarksburg: WBOY, WHAR, WPDX, WRGT-FM.
Elkins: WDNE.
Fairmont: WMMN, WTCS.
Fisher: WELD.
Grafton: WVVW.
Hinton: WMTD.
Huntington: WCMI, WEMM-FM, WGNT, WKEE, WKEE-FM, WMUL-FM, WTCR, WVQM-FM, WWHY.
Hurricane: WPNS.
Keyser: WKLP, WKYR.
Kingwood: WFSP.
Logan: WLOG, WVOW, WVOW-FM.
Martinsburg: WEPM, WEPM-FM.
Matewan: WHJC.
Milton: WNST.
Montgomery: WMON.
Morgantown: WAJR, WAJR-FM, WCLG.
Moundsville: WEIF.
New Martinsville: WETZ.
Oak Hill: WOAY, WOAY-FM.
Parkersburg: WCEF, WCEF-FM, WPAR, WTAP, WTAP-FM.
Pineville: WWYO.
Princeton: WLOH, WHGC-FM.
Ravenswood: WMOV.
Richwood: WVAR.
Ronceverte: WRON.
St. Albans: WKLC, WKLC-FM.
South Charleston: WRDS.
Spencer: WVRC.
Sutton: WSGB.
Weirton: WEIR.
Welch: WELC, WXEE.
Weston. WHAW.
White Sulphur Springs: WSLW.
Wheeling: WKWK, WKWK-FM, WNEW, WTRF-FM, WWVA, WWVA-FM, WHAW-FM.
Williamson: WBTH.

COMMISSIONING OF THE U.S.S. "WILLIAM H. BATES" (SSN-680)

HON. F. EDWARD HÉBERT

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 15, 1973

Mr. HÉBERT. Mr. Speaker, on May 5, 1973, at Pascagoula, Miss., under a clear, blue sky and with a gentle breeze, the U.S.S. *William H. Bates* was placed in commission and added to the submarine force of the U.S. Navy. The *Bates* was named for and honors our former, great colleague who was ranking member of the House Armed Services Committee at the time of his untimely death in 1969. Bill Bates led the battle in Congress for a strong nuclear Navy and it is only fitting that one of our latest nuclear submarines should bear his name. Our good friend and committee colleague, the Honorable LES ARENDS, the House of Representatives' whip, gave the principal address at the commissioning ceremony and I commend his eloquent tribute to the attention of the House:

ADDRESS BY THE HONORABLE LESLIE C. ARENDS OF ILLINOIS AT THE COMMISSIONING OF THE "WILLIAM H. BATES" (SSN-680), MAY 5, 1973

It is particularly fitting that one of our nuclear-powered warships should be named in honor of the late Congressman William H. Bates—a great patriot, statesman, and dedicated American who believed that a strong nuclear Navy is essential to preserving peace.

This nuclear attack submarine which we commission today could bear a no more fitting name. During his two decades of Congressional service, Bill Bates was one of the foremost authorities on national defense. As ranking minority member of the House Armed Services Committee, and as a member of the Joint Committee on Atomic Energy, he was a most effective leader in strengthening our Navy.

To the members of the *Bates* crew particularly, let me assure you that your submarine honors a real professional.

Bill Bates understood the Navy. He served it long and well for ten years as a regular officer, and he clearly recognized its mission. He maintained that professionalism through his association with the Naval Reserve throughout his Congressional career.

As we commission the USS *William H. Bates*, I share the pride of the Bates family today. This occasion has special significance to me for two basic reasons—one very personal, and one of national importance.

First, Congressman Bill Bates was my close friend and colleague and a person for whom I had the very highest regard.

We sat next to each other on the House Armed Services Committee. He was my Regional Republican Whip in the House of Representatives. We worked together as delegates to NATO Conferences.

We frequently played golf together. Our families had a mutuality of interests and sought each other's company.

Our ideas and our ideals were similar. We shared confidences. We shared our problems, seeking the benefit of each other's advice. We shared our sorrows, and we shared our joys.

No finer man ever served in the Congress. No finer friend could any man have. He was a true nobleman—in character, in personality, and in intellect. He was a dedicated family man and a dedicated legislator. He was, in the fullest sense, a true patriot—dedicated to the service of God, and dedicated to the service of country.

Secondly, this occasion is particularly significant because it is my view, as it was Bill Bates' view, that a strong nuclear Navy is absolutely essential to the defense of this great country.

I am sure that you are aware of the leading role which the Congress has taken in converting our Navy to nuclear power.

As a member of the House Armed Services Committee since its inception, I fought side by side with Bill Bates to ensure that the advantages of nuclear propulsion would be incorporated in submarines and surface warships.

I can think of no other defense-related matter in which the Congress has been more influential than in the fight to achieve a nuclear-power Navy. And Bill Bates was our staunch leader in that critical fight.

You may recall that the first nuclear submarine, the *Nautilus*, was started through special steps taken by the Congress. Yet, some of you may not realize that as recently as five years ago the Department of Defense decided to build no more atomic submarines. under those plans, the *Bates* would have been one of the last submarines built for the United States Navy. As ludicrous as it may sound today, that decision would have persisted had Bill Bates and the Congress not refused to accept it.

The Defense Department of that period was so obsessed with its cost effectiveness studies that it nearly lost sight of the Nation's defense needs. Bill Bates was one of the key members of the Congress who undertook to educate the Congress and the public as to what was going on, and he *did* just that with endless devotion.

The Congress responded to the warning of Congressman Bates and those of us who fought alongside him. As a result, the Congress reinstituted a nuclear submarine construction program and required the Defense Department to proceed immediately with the new high-speed nuclear submarines.

Today, with continuing Congressional pressure, we have 18 such submarines authorized, with five more being requested in the Fiscal Year 1974 Budget. Most of our defense planners *now* recognize the importance of these ships.

This was indeed a vital issue when Bill Bates brought it to the Nation's attention. If we had let our nuclear submarine construction program die in 1968, our defense posture would now be in dangerously serious jeopardy. Even as it is, the Soviets today continue to maintain a total submarine force level nearly three times the size of that of the United States. In addition, the Soviets have raced past us in numbers of nuclear submarines. They are operating 110 nuclear submarines compared with our 101, and they are building three times as many each year as we are.

This tremendous Soviet buildup has required a vast commitment of Russian resources. Yet, it has resulted in the development of a Russian nuclear submarine construction capability far exceeding that in the United States.

In other words, this country would have been in a position of unacceptable submarine inferiority had the Congress not insisted upon continuing the nuclear submarine program. And I daresay that, without the determined leadership of Bill Bates, the Congress would not have taken such wise and firm action.

But vigilance knows no rest. There are other nuclear submarine programs that must proceed. Of particular importance to the Congress this session is the funding request in the Fiscal Year 1974 Budget to build the first TRIDENT ballistic-missile submarine. This crucial issue was weighed and debated in the last Congress when funds for the TRIDENT missile and submarine development were authorized. The conclusion of a majority of the Congress was that our submarine strategic missile force was vital to national survival and that its modernization should proceed without delay.

We need the TRIDENT submarines with their longer range missiles—to increase the survivability of our seaborne deterrent in the 1980's and beyond, and to replace our aging POLARIS ships. We must press ahead with this program, and I assure you that I support the President's TRIDENT request.

Another issue of great importance to our Navy in the future is the development of a tactical cruise-missile submarine. This type of submarine is particularly well suited to attacking surface warships and merchantmen, and it has already been extensively developed by the Soviet Union to interdict our all-important ocean lifelines.

While our attention is of necessity focused on our traditional attack and strategic submarine programs, we must also look ahead to our Navy's needs as it prepares for the likely threats of the future.

Bill Bates was also a vigorous leader in the Congressional fight to provide nuclear power for the carriers and the major fleet escorts needed by our first-line surface striking forces. He was a principal author of the language in the law which made the Congressional action to provide nuclear power for frigates a Constitutional issue.

On the Floor of the House, he said: "It seems to me the time has long since passed when we should have nuclear power for our surface ships."

Referring to the long time it took our Navy to change from sail to steam, he said: "Let us not take two-thirds of a century again, as we did 100 years ago in making the necessary transition. Let us cut the chains that bind the fighting ships to a pipeline. Let us cut the umbilical cord from the mother ship so that these nuclear ships can do the kind of a job that our Country and the times demand."

Our nuclear-powered warships have already demonstrated how essential they are in projecting our naval strength overseas.

There is no question now that we must exploit the advantages of nuclear power in all our major combatants and that adequate numbers of these ships must be built. Unless we do so, our future naval commanders will lack the means to ensure our survival as a Nation,

The William H. Bates carries the proud name of a man whose life was dedicated to establishing a strong national defense to preserve our cherished freedoms. I hope the example he set—his knowledge, his strength of character, his persistence, and his determination to do whatever was necessary to get the job done—will inspire all those who serve in this ship.

The reputation of the USS William H. Bates will depend on your hard work and determination. The responsibility for meeting this challenge now rests on your shoulders.

Good luck, and smooth sailing.

ENVIRONMENTAL CONCERNS AND INDUSTRIAL SAFETY

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 15, 1973

Mr. WALDIE. Mr. Speaker, we are all aware of the valuable role played by organizations such as the Sierra Club and the Friends of the Earth in protecting our natural environment. Now such groups are beginning to take the lead in protecting an even more important resource: the human resources of our country.

With the increasing revelations of unsafe working conditions in large industries which generate industrial pollution comes the need to provide adequately for the safety of workers. Some have questioned the propriety of the activity of environmental groups in such disputes. I urge anyone with such doubts to read the careful reasoning of David R. Brower, president of Friends of the Earth, in a rebuttal to an editorial which appeared in the San Francisco Chronicle. His letter follows:

FRIENDS OF THE EARTH,
San Francisco, Calif., March 13, 1973.

EDITOR,
San Francisco Chronicle,
San Francisco, Calif.

DEAR EDITOR: Your editorial of March 7 errs in seeking to limit environmental organizations to their "traditional province." You chide the Sierra Club for taking sides with the union in the Shell Oil strike. We congratulate the club, remembering the early park victories it won with labor's help.

Friends of the Earth, meeting with 11 other conservation organizations, endorsed this strike January 30. We have long agreed with John Muir that "when you try to pick out anything by itself, you find it hitched to everything else in the universe." The fight for a better environment must go on concurrently inside the factory, in the inner city, and in suburbia, at sea, on the shore, in rural areas, in wildlands, and in the heart of wilderness.

The industrial worker is hardest hit by industrial pollution. If the toxic dust, fumes, and gas and the noise generated in a factory threaten neighboring communities, how much more they threaten him, at work and in his nearby home.

The Oil, Chemical, and Atomic Workers International Union (OCAW) people deserve safeguards for their health and safety. They are not a resource to be wasted, nor are other working people, in or out of unions. The OCAW helped us block the monstrous waste of the SST. We will try to help them too, and the people as a whole.

The urgency of their proposals is pointed up by the alarming cancer mortality in another industry: one in every five asbestos workers who died within the last five years, died of cancer of the lung. This and other frightening numbers on industrial-caused death and disease in the asbestos industry was reported in the Chronicle March 12 from a paper presented by Dr. Irving J. Seilkoff of New York Mount Sinai School of Medicine. Access to all company morbidity and mortality records of employees is one of the points of contention between the OCAW and Shell Oil. We believe employees have the right to know the risk a company faces them with. Shell makes many poisons. How well are they insulated from people?

FOE will continue to work with many labor groups in coalitions to defeat environmentally unsound projects, like the SST, urban freeways, the fight against black lung, the fight to end the broadcasting of toxic metals, and, in this case, the right of the worker to participate in decisions regarding his own health. Through cooperation between diverse groups with mutual aims we can combat the reluctance of corporations to acknowledge responsibilities: they could ignore in the days when there seemed to be more than enough environment to go around. On the immediate issue, other oil companies got with it. So should Shell. They should not seek special privilege by holding back.

Sincerely,

DAVID R. BROWER,
President.

QUICK AND ACCURATE INFORMATION FOR CONGRESS

HON. BILL CHAPPELL, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 15, 1973

Mr. CHAPPELL. Mr. Speaker, a recent article in the Washington Post pointed up the problem faced by each of us in securing quick and accurate information as to what is going on in the Federal bureaucracy.

The report indicated the Congress has a grand total of three computers available to it, not counting the electronic voting machine. We have our bill status system, which tells us about our own bills. In addition to the House and Senate computers, the General Accounting Office has a computer, and the Library of Congress has one. In addition, the GAO and LOC also lease time on other computers from time to time.

The executive branch, on the other hand, enjoys the services of 5,400 computers at a cost of some $2 billion a year, and it is on these computers that the Congress must rely for whatever information the agencies choose to give us.

There is no reason, Mr. Speaker, why this variance should be allowed to go on. I do not suggest the Congress engage in a race to close the "computer gap," but

I do suggest there must be a way whereby the Congress can tap into the agency computers for information rather than rely on the agency interpretation of computer information.

Surely there is technology available to make it possible for a congressional computer to be connected to the computer banks of the agencies so that we as Members of Congress could select out our own information and interpret it.

In my own office, I am constantly told by the agencies that no more money is available at this time, for one program or another. The agency has the computer with all the data. All I have is a telephone line to the agency and I, and my constituents, are at the mercy of the voice on the other end of the telephone line. Now I am not suggesting that our agency people are misleading us, I do suggest that we might come to a different conclusion, from that of the agency on a given set of facts if we had them immediately available to us.

How helpful it would be if each of us could ask a congressional computer center to pull data from the agency computer giving the up-to-date status of funds, and projects as well as other helpful information. Then we could each speak with better knowledge to the question of available money.

WOMEN LEAD OPPOSITION TO ABORTION

HON. LAWRENCE J. HOGAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 15, 1973

Mr. HOGAN. Mr. Speaker, in the Washington Evening Star and Daily News on April 17 there was a very interesting poll published relating to the abortion issue. The poll was conducted by a group of political scientists at the University of Michigan's Institute for Social Research.

The significance of this poll was the fact that a short time before the Supreme Court handed down their decision legalizing abortion in January, a majority of the eligible voters in the country were opposed to abortion.

Another very interesting fact discovered by the poll was that women themselves are opposed to abortion in greater numbers than men.

Earlier polls have indicated that the public has been fairly evenly divided on the question of abortion, but this most recent poll has detected a swing away from the permissive view on abortion.

I would encourage all of my colleagues to read this article.

Following is the complete text of the article:

OPINION POLL: WOMEN LEAD OPPOSITION TO ABORTION

(By John Lear)

Although the recent Supreme Court decision upholding the legality of abortion was based largely on the argument that women have a constitutional right to make a personal decision concerning the children they will bear, American women themselves are not as determined to exercise that right as men are to guarantee it.

This is perhaps the most surprising finding of a public opinion survey just reported by political scientists at the University of Michigan's Institute for Social Research.

The survey disclosed that only a short time before the Supreme Court in January voted 7–2 in support of the view that the Constitution protects the right to abortion, a majority of the eligible voters of the country were

The data came from computer analysis of opposed to abortion. answers given by a sample of 2,738 citizens questioned between Sept. 15 and Nov. 6, 1972 by ISR surveyors. The sample was statistically representative of the whole electorate, and the weight of preference against abortion was roughly 3–2.

When the responses to the ISR questionnaire were separated according to sex, women in all three of the age brackets covered were found to be slightly more opposed to abortion than were men. Here are the figures:

PERCENT IN OPPOSITION

	Men	Women
Over 60	67	72
30 to 60	58	60
Under 30	43	49

Among the respondents in the under-30 age group, where a majority of both sexes favored abortion, the number of women opposed to abortion was 6 percent higher than the number of men.

In June, during the California primary, Dr. Warren Miller of ISR's Center for Political Studies, decided to include the abortion question in the 1972 edition of a pre-election survey ISR has been conducting regularly for a quarter century. By then, abortion not only had attained the status of a nationally debated social problem but seemed likely to become an active issue in the presidential campaign. The ISR survey received the following percentages of favorable responses to these four statements:

Abortion should never be forbidden—25 percent.

Abortion should be allowed in any case in which the prospective mother would have difficulty in bringing up her child—17 percent.

Abortion should be permitted only when the life of the mother would be endangered by the birth—47 percent.

Abortion should never be allowed—11 percent.

Although those absolutely in favor of abortion were more than twice as numerous as those absolutely opposed, the holders of the two extreme positions together totaled only a shade more than one-third of the population sample.

Since those who expressed a more moderate view accounted for almost two-thirds of the sample, analysts agreed that the most accurate separation of the data would combine the responses to the first two statements and juxtapose them against the combined responses to the last two. The result was 42 percent favorable to abortion, 58 percent opposed.

Because opposition to abortion is a tenet of modern Roman Catholic teaching, a substantial component of the opposition sentiment could be expected to be Catholic. The ISR data confirmed that expectation.

Of Catholics in the sample, 67 percent were opposed to abortion. But Catholics make up something less than a quarter of the population of the country and obviously could not alone account for an electoral majority in opposition. The balance had to be made up by non-Catholics. And when all Protestants were counted together, 59 percent of them were found to be lined up with the Catholics. Only Jews were steadfastly in favor of abortion and overwhelmingly so (82 percent).

Other differences became noticeable when the so-called "establishment" Protestants (Congregationalists, Episcopalians, Lutherans, Presbyterians, and several smaller groups) were split off from the more fundamentalist Protestant denominations. The Protestant "establishment" then was seen to have a 1 percent majority in favor of abortion while 63 percent of the far more numerous fundamentalists were opposed.

An even more interesting difference surfaced when the attitudes of Catholics, "establishment" Protestants, and Protestant fundamentalists were measured in terms of frequency of worship. Of "establishment" Protestants who went to church every week or almost every week, 57 percent opposed abortion; of those who appeared in church only a few times a year or not at all, 59 percent favored abortion.

Catholics who went to church every week or almost every week were 83 percent opposed to abortion; those who got to church but once or twice a year or never were 51 percent in favor of abortion. It was the Protestant fundamentalists who most resisted abortion regardless of the regularity of their attendance at church.

Among those who worshipped every week or almost every week, 75 percent were opposed to abortion; when church attendance dropped to only a few times a year or ceased altogether, 56 percent of the Protestant fundamentalists still opposed abortion.

What other elements influential in defining traditional morality in America can be identified in the ISR abortion data?

One is the immediate environment into which people are born and in which they grow up. Within the ISR sample, 72 percent of those reared in a rural setting opposed abortion, 55 percent of those who grew up in towns or small cities opposed abortion, and 54 percent of those who lived in big cities favored abortion.

Education is another factor in moral definition. The more schooling people have, the less willing they are to see abortion as an evil. College people are three times as favorable to abortion as are those whose education stopped in grade school. However, those at the college level favor abortion by only a 7 percent margin.

A third face of traditional morality is social class. Sixty-five percent of those who consider themselves members of the working class opposed to abortion. Those who characterize themselves as middle class are so evenly split on abortion that a majority cannot be said to exist on either side of the question.

Race is a factor, too. Blacks are more anti-abortion than whites are, although only slightly so.

In view of what the ISR study has already revealed, it is not surprising to learn that the older people are, the more they oppose abortion. Here the attitudes are expressed by ago bracket:

Percent in opposition

Over 60 years	72
30 to 60 years	60
Under 30 years	47

RUMANIAN INDEPENDENCE DAY

HON. JAMES J. DELANEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1973

Mr. DELANEY. Mr. Speaker, May 10 is the date the brave people of Rumania celebrated their anniversary of national independence, but their struggle for total freedom is still unrealized. Rumania has endured almost constant alien domination since the 15th century when this country was seized by the powerful Ottoman Turks. The significant chapters in Rumania's determined fight for self-rule did not unfold until the 19th century during the Russo-Turkish war. On May 10, 1877, Rumania proclaimed her independence and quickly allied with Russia to defeat the Ottoman Empire.

A prosperous era of some 60 years followed. Rumania established herself as an independent kingdom and played an important role in the international politics of Europe. However, the situation drastically changed with World War II. As the global conflict drew to an end, Rumania fell under Soviet occupation and, as in the case of other Eastern European countries, the program of complete Communist indoctrination was set in motion. It is rather ironic that Russia, once the power that helped Rumania win her independence had now become her oppressor.

Despite 25 years of strict foreign rule, the people of Rumania have refused to relinquish the remembrances of past glories and colorful culture. They are forbidden to openly celebrate the 10th of May as their traditional day of freedom. Instead, official celebrations have been shifted to the 9th of May, the anniversary of the Soviet victory over Nazi Germany in Rumania. So I believe it is fitting that we join together to openly commemorate this date for those who can only observe this occasion in their hearts, and pray that Rumania will persevere in her courageous efforts to one day be an independent nation.

TAX RELIEF FOR PROPERTY OWNERS

HON. DOMINICK V. DANIELS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 15, 1973

Mr. DOMINICK V. DANIELS. Mr. Speaker, on April 18, 1973, the town council of West New York, N.J., passed a resolution calling for tax relief for property owners.

Mr. Speaker, property owners, and rent payers, too, for indirectly they assume the crushing real property burden, have reached a breaking point. I know that Hudson County which I represent is one of the most crowded parts of the oldest section of the United States. But I say to all Members of this House that the old epitaph: "As you are now so once was I and as I am now so must you be" is appropriate. The problems of blight and pollution which are part of life in northern New Jersey will be yours sooner than you think.

Mr. Speaker, we have reached the breaking point. Dynamic action must be taken at the State level and the Federal, too, if municipal government is to survive. The resolution adopted by the town fathers in West New York deserves the attention of all Members of this House and I insert it at this point in the RECORD.

RESOLUTION

Whereas, the burden of financing public education is disproportionately and unfairly distributed among property owners, and

Whereas, said burden does not reflect the essential national concept of equality in distributing governmental costs, and education for all children, and

Whereas, the responsibility for providing a system of equitable cost distribution and quality education rests upon the State of New Jersey.

Now, therefore, be it resolved by the Board of Commissioners of the Town of West New York, Hudson County, New Jersey, that it does hereby petition the Governor and Legislature of the State of New Jersey to take all steps necessary during the year 1973 to lift the burden of financing education from the property owner and to devise systems by which said costs would be re-distributed throughout the state on a uniform basis, and

Be it further resolved that the Governor and Legislature of the State of New Jersey is further petitioned to amend the constitution to dedicate any revenue sources so established solely for the purpose of financing elementary and secondary education, and

Be it further resolved that the Town Clerk is hereby directed to forward certified copies of this resolution to the Governor, the State Legislature, and each Municipality within the State of New Jersey.

CERTIFICATE

I, Raymond F. Gabriel, Town Clerk, certify that the above is a true copy of a resolution passed by the Board of Commissioners of the Town of West New York on this 18th day of April, 1973.

RAYMOND F. GABRIEL,
Town Clerk of the Town of West New York.

TRIBUTE TO PARAMOUNT BOY SCOUT TROOP 661

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 15, 1973

Mr. ANDERSON of California. Mr. Speaker, all of us who are familiar with scouting know that it is an outstanding accomplishment to attain the rank of Eagle Scout. It is, indeed, a tribute to the leaders of a troop when one of the members achieves the hard-won position of Eagle Scout. However, it is a rare feat for one troop to produce seven Eagle Scouts.

Such a troop is Paramout Troop 661, led by scoutmaster Bill Carpenter for the past 7 years, with the able assistance of his brother Bill, and Jim McVey.

Each year approximately 2 percent of the over 2 million Boy Scouts reach the coveted goal of Eagle Scout. To attain this position of honor, a Boy Scout must earn at least 21 merit badges by mastering various skills which demand intelligence, leadership, community spirit, initiative, patriotism, and athletic ability.

The young men of the Paramount Troop who exhibited these qualities are the following:

Paul Zandvliet, age 15, and his brother Pete Zandvliet, Jr., 16, attend Pius X High School in Downey, and are the sons of Pete and Lois Marie Zandvliet of Paramount. Paul has held the positions of assistant senior patrol leader, junior assistant scoutmaster, and instructor. Pete, Jr., who was named Scout of the Year, has been an instructor, junior assistant scoutmaster, and a member of the leadership corps.

Garry Ford, age 15, and his brother Jerry, age 14, attend Bellflower High School, and are the sons of Mr. and Mrs. Bob Ford of Bellflower. Garry has been a patrol leader, a senior patrol leader, and a junior assistant scoutmaster. Jerry has attained the positions of senior patrol leader, and instructor.

Mike Brady, 15, a student at Paramount High School, is the son of Ronald and Patricia Brady of Paramount. He has been a junior assistant patrol leader, and junior assistant scoutmaster.

Steven Martin, age 13, is in the seventh grade at Clearwater Intermediate, and is the son of Ronald and Agatha Martin of Paramount. He has been a patrol leader, and an instructor.

Michael Nelson, age 13, is also a student at Clearwater Intermediate. He is the son of James M. and Jacqueline Nelson of Paramount, and has attained the positions of patrol leader and instructor.

Mr. Speaker, these seven young men are a credit to their families, to their schools, and to their communities, and I salute them for their outstanding achievements in scouting.

I also commend their leaders Bob and Bill Carpenter and Jim McVey for the leadership and guidance they have provided.

Originally formed in 1963 at Our Lady of Rosary Church in Paramount, but in 1971 moved to Faith Presbyterian Church in Paramount; the friends of troop 661, which currently has registered 45 boys in their program, should take great pride in their efforts to develop community-minded leaders through Scouting.

Mr. Speaker, it gives me great pleasure to call to the attention of the Members of the House of Representatives the accomplishments of troop 661, and the quality of the program which has produced seven Eagle Scouts.

NONESSENTIAL FUEL CONSUMPTION SHOULD BE CUT

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 15, 1973

Mr. ASPIN. Mr. Speaker, as a result of the U.S. fuel squeeze, the bill of the world's largest oil customer—the Pentagon—will climb hundreds of millions of dollars in the next year.

I am calling upon the military today to take the lead as the country's largest petroleum consumer and drastically cut nonessential consumption.

Much of the Pentagon's fuel consumption is nonessential—like driving around thousands of officers in staff cars—and this consumption should be cut back.

I am also asking the Chairman of the Joint Chiefs of Staff, Adm. Thomas Moorer what plans are being formulated to cut back nonessential fuel consumption.

The first place to start is with military staff cars and I am sure that there are a number of areas for potential saving which will not affect essential military operations.

Officials of the Defense Fuel Supply Center, which purchases gas for the Pentagon, believe that energy conservation and the budgetary squeeze will cut back military fuel purchases. One official has already admitted to a member of my staff that cost increases will be at least "more than $100 million" for the next year.

Just like the ordinary consumer, the military should cut its nonessential consumption in order to save energy and taxpayers' dollars.

The Defense Department purchases gasoline and oil for all Federal agencies, but civilian departments account for only $100 million worth of the annual $1.4 billion the Pentagon buys.

I am also asking various civilian agencies to take similar measures.

Federal agencies, including the Pentagon, should take the lead in finding ways to conserve petroleum products.

PENSION REFORMS LOOM IN CONGRESSIONAL SIGHTS

HON. TOM RAILSBACK

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 15, 1973

Mr. RAILSBACK. Mr. Speaker, over the past few days, I have inserted the fine four-part series of pension reform articles from the Christian Science Monitor in the CONGRESSIONAL RECORD. Today, for the review of my colleagues, I insert the conclusion, "Pension Reforms Loom in Congressional Sights." As one who has introduced several bills in this area, I am hopeful the Congress will be successful in passing pension legislation in the near future. Perhaps the information from this series will prove helpful as my colleagues continue their deliberations. Under the leave to extend my remarks in the RECORD, I include the following: "Pension Reforms Loom in Congressional Sights"

PENSION REFORMS LOOM IN CONGRESSIONAL SIGHTS—CHIEF PLANS TAKE DIFFERENT APPROACHES TO KEY ISSUES OF VESTING AND PORTABILITY

(By David T. Cook)

BOSTON.—Congress is pushing for pension reform.

In the first two weeks of the current session 30 pension reform bills were filed.

More than 120 others have been introduced since then, according to Vance Anderson, special counsel to the House Labor Committee's pension study task force.

Of the more than 150 pending pieces of pension related legislation, three reform packages are given the best chance of becoming law.

Sweeping reform is proposed by Sens. Harrison A. Williams Jr. (D) of New Jersey and Jacob K. Javits (R) of New York in S 4. Senator Williams is chairman and Senator Javits ranking Republican member of the Senate Labor Committee. The Williams-Javits bill is cosponsored by 51 other senators.

In the House, Rep. John H. Dent (D) of Pennsylvania is sponsoring two bills, HR 2 and 462, containing provisions similar in concept to the Williams-Javits bill in the Senate.

LESSER CHANGE

The Nixon administration is proposing less radical changes in a pension-reform package of the two bills submitted to each House.

Messrs. Nixon, Dent, Williams, and Javits agree that tighter fiduciary standards are needed in pension-fund administration.

All three packages would:

Make pension administrators responsible for making good any losses caused by a breach of fiduciary responsibility.

Prohibit pension-fund administrators from using pension assets to further their own interests.

Limit a pension plan's investment in securities of its sponsoring firm to 10 percent of the fund's portfolio.

The three reform packages also substantially agree on disclosure proposals that would:

Require pension plans to issue annual reports to all employees. The report would list the fund's significant transactions, as well as its assets and liabilities.

Require the annual report to state which of the plan's investments had become uncollectible.

The reform packages disagree about how fast employee pension benefits should vest. Benefits are vested when an employee can collect a pension whether or not he is employed at the sponsoring firm when he retires.

VESTED IN 15 YEARS

Under the Williams-Javits bill, benefits would be vested after 15 years with one company. After eight years of service, 30 percent of a worker's pension benefits would be vested. An additional 10 percent would vest each year for the next seven years.

The Dent reform package provides the quickest vesting and thus the highest potential cost for employers. Under its provisions all benefits would be vested following 10 years of service with a firm after an employee reached age 30.

The Nixon reform package provides the slowest vesting for young employees, but more rapid vesting for middle-aged workers. It is based on the "rule of 50."

Under this plan half an employee's benefits are vested when his age and years of service with a firm total 50. An additional 10 percent of his benefits vest during each of the next five years.

Vested benefits are of more value when they are funded. A pension plan is fully funded when, if the sponsoring firm were to close its doors, the plan's assets could pay every worker all benefits promised (vested) to him.

The Williams-Javits Senate bill would give a firm 30 years to accumulate funds to cover all benefit credits, vested or not.

The Dent bill would allow a pension plan 25 years to get together assets to cover all vested benefits.

The Nixon plan would require a fund to annually set aside 5 percent of vested liabilities not previously funded, but would impose no time limit for full funding. If vested liabilities were to grow each year, the plan might never be fully funded.

Despite the extensive reforms they have proposed, both the Dent and Williams-Javits packages propose federally sponsored pension-insurance plans to protect workers if their plan should fail. Under both packages the insurance program would be administered by the Labor Department.

Under the Williams-Javits proposals, retirement benefits under plans meeting federal standards would be insured up to $500 a month.

The Dent package suggests insuring 90 percent of vested benefits not covered by a firm's pension fund assets.

The Nixon administration opposes reinsurance. The President says it would require regulation "on a scale out of keeping with the free enterprise system."

The reform packages also disagree on the desirability of making pension benefits portable. Benefits are completely portable when those earned in one firm and industry can be taken by an employee without loss to another company in an unrelated industry.

The Williams-Javits bill would make portability a voluntary matter. Employers could transfer workers' unvested pension benefits to a portability fund operated by the secretary of labor. The money would either be given to the employee in care of his next employer's pension plan, or held by the government's portability fund and paid to the worker at retirement.

Mandatory portability under a similar system is proposed by the Dent reform package.

PORTABILITY OMITTED

The Nixon proposals don't contain portability provisions.

The Nixon package does have "self-help" features the other two don't include.

The administration plan would permit workers whose employers don't have pension plans to set up their own retirement funds. The individual could contribute 20 percent of his annual income up to $1,300. The money set aside would not be taxed until it was taken as retirement income.

The administration package also would liberalize Keogh Act provisions available only to the self-employed. Contributions up to 15 percent of income would be permitted, instead of the present 10 percent maximum. The maximum dollar set-aside would move from $2,500 to $7,500.

The cost of pension reform is disputed.

A House labor subcommittee study found "major reform proposals don't differ significantly in potential costs." This report forecast that most employers' pension costs would go up between a fraction and 7 percent if vesting and funding reform proposals were enacted.

But a Treasury study found that the Williams-Javits bill's vesting proposals would be considerably more expensive than the Nixon administration's proposed "rule of 50." The Treasury says the Nixon reform package would push up employer costs 5 percent while the Williams-Javits proposal would cause an 11 percent pension cost increase.

PENSION REFORM AT A GLANCE

Reform package proposed by	Bill number(s)	Legislative action completed this year	Vesting provisions	Portability provisions	Funding provisions	Pension insurance provisions
Representative John H. Dent.	H.R. 2, H.R. 462.	None	After reaching age 30, a worker's benefits would vest completely after 10 years with a firm.	Firms would be required to participate in a portability plan run by the Secretary of Labor.	Firms would have 25 years to set aside funds to cover all vested pension benefits.	Government insurance would provide 90 percent of pension benefits not covered by a firm's pension plan.
Senators Jacob K. Javits and Harrison A. Williams, Jr.	S. 4	Favorably reported by Senate Labor Committee. Awaiting action by the full Senate.	Pension benefits would be completely vested after 15 years with a firm. Benefits would be 30 percent vested after 8 years; an additional 10 percent would vest each subsequent year.	Firms could participate in a portability plan run by the Secretary of Labor.	Firms would have 30 years to set aside funds to cover all pension benefits, vested or not.	Pension benefits, up to $500 a month, would be insured.

Reform package proposed by	Bill number(s)	Legislative action completed this year	Vesting provisions	Portability provisions	Funding provisions	Pension insurance provisions
The Nixon administration.	S. 1557, S. 1631, H.R. 6900, H.R. 7157.	None	Benefits would be 50 percent vested when a worker's age and years with a firm totaled 50 After that, an additional 10 percent would vest each year.	None	Firms would have to set aside 5 percent of the value of unfunded vested pension benefits each year.	None.

PROMINENT CITIZEN FEARS LOSS OF FREEDOM IF NO-KNOCK LAW CONTINUES

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 15, 1973

Mr. EVINS of Tennessee. Mr. Speaker, Prof. Thomas Gray Webb, historian for DeKalb County, Tenn., has recently set out in a letter excellent and well-reasoned arguments against the so-called no-knock law.

Professor Webb points out that the right given police to, in effect, break into homes is frighteningly reminiscent of the police state of Hitler's Germany.

Because of the interest of the American people and my colleagues in this matter, I place the letter from Professor Webb, together with the enclosed editorial from the Nashville Tennessean, in the RECORD:

SMITHVILLE, TENN.,
May 6, 1973.

DEAR MR. JOE: I am enclosing an editorial from a recent issue of the Nashville *Tennessean*. It concerns the so-called "no-knock" law which Congress passed several months ago, and which at the time I considered absolutely unconstitutional, since it clearly violates the Fourth Amendment. The then Attorney General, John Mitchell, pressed for this law, saying that it was necessary for the maintenance of "law and order." Subsequent events have shown just how much Mr. Mitchell was truly concerned with law and order.

If it has become necessary for us to lose our most basic and precious freedoms just to maintain order, then we have truly failed as a nation. Hitler's Germany, though totally lacking in freedom, was a very orderly nation. I think that we do not wish to pay such a price to suppress the narcotics business, dangerous as it may be.

I feel that the time has come for Congress to repeal this law which was pushed on the nation by an administration which many feel is the most corrupt in our entire history. This same administration has made strong efforts to suppress the freedom of the press; had they been successful we might never have known just how corrupt the administration was.

Those who opposed passage of the law stated not only that it was unconstitutional but that it would be greatly abused. These instances cited in the editorial show that it is being abused, and there have been other instances, some here in Tennessee.

Some two hundred years ago spoke William Pitt regarding the rights of Englishmen: "The poorest man may in his cottage bid defiance to all the force of the crown. It may be frail; its roof may shake; the wind may blow through it; the storms may enter, the rain may enter—but the King of England cannot enter; all his forces dare not cross the threshold of the ruined tenement." Surely in our quest to insure the rights of the individual we have not ended with less rights than an Englishman had two hundred years ago.

I truly believe that the time has come for the Congress to reassert its powers as set out in the Constitution. One of the best ways to begin will be to repeal this unconstitutional law violating one of our basic rights.

I remain,
Sincerely,
TOMMY WEBB.

NATION IS IN TROUBLE IF NO-KNOCK CONTINUES

It is difficult to read about the raids by federal narcotics agents on two private homes in Collinsville, Ill., last week without feeling great anxiety for the survival of basic civil liberties in the U.S.

In each raid residents were surprised by the shattering of glass, the noise of their doors being battered down, and numerous men swarming into the homes with guns drawn. There are no warrants shown and no proper identification made. The raiders were long-haired, unshaven and poorly dressed, according to the residents, and they shouted obscenities as they barged in.

In each case the home was damaged. Residents were cursed and abusively treated, guns were placed at the heads of some and their lives threatened. Women were roughed up and addressed obscenely and one was forced to remain only partially clad as the agents stared.

In both cases the federal agents had made a mistake and gone to the wrong house. Instead of finding narcotics law violators, the agents had burst in without warning on the private family activities of law-abiding citizens. When the errors were discovered, the agents stalked off without apology.

"They acted like those German Gestapos," said one of the victims, Mr. Herbert Giglotto, a boiler-maker. "If they were representatives of the federal government, we're all in trouble."

This is not the first time that such incidents have occurred since the "no-knock" law was signed by President Nixon July 29, 1970. This law—which is contrary to constitutional guaranties that the people shall be secure in their homes from government intrusion—has led to numerous shootings and destruction of property of innocent citizens.

Most of the incidents have been due to "error"—but this only serves to point up the dangers of the no-knock law. Errors inevitably occur when constitutional guaranties are relaxed and careless, poorly-trained men are given guns and sent out to enforce the law in their own way. To prevent such errors was the reason the founding fathers put the Bill of Rights in the Constitution.

In August, 1971, Treasury agents—informed by a juvenile that a certain person kept hand grenades at his home—battered down an apartment door in Silver Springs, Md. It was the wrong apartment. The agents then went downstairs to the right apartment and battered down its door. The man they sought was in the bathtub. Thinking his home was being robbed, he climbed out of the tub, grabbed an antique revolver and fired once at the officers. The agents shot eight times at the man. One of the bullets lodged in his head, leaving him an invalid, perhaps for the rest of his life. In the apartment the agents found four deactivated hand grenades, apparently souvenirs which some child had mistaken for the real thing.

These horrors are bad enough in themselves—but what makes them worse is the fact that after they occur the agency responsible usually fails to see anything wrong and defends the actions of the agents. Sorry, but it's the law, seems to be their stock reply. Well, it's time to get rid of such a law. The nation's defense against criminals does not depend on wholesale violations of constitutional principles and the perpetration of injustices against innocent persons.

The no-knock law passed by Congress at the behest of Mr. John Mitchell, who had been named attorney general to give the Nixon administration the image of a law-and-order administration.

It was argued at the time by constitutional authorities and others that the no-knock law would lead to errors and abuses. But Mr. Mitchell disagreed, "Civil liberties will be protected because the courts will make proper safeguards," he said. And he said he doubted there would be any threat to "innocent people in their homes."

Well, it has been made abundantly clear since the law was passed that Mr. Mitchell was wrong. Innocent people have been threatened and injured in their homes—and they will continue to be threatened as long as the no-knock law is the law of the land. The courts can't stand as safeguards when irreparable errors are made by the arresting officers.

This is not the first time Mr. Mitchell has been wrong, either. Recent developments in the Watergate case have shown the former attorney general was wrong a number of times. Both Mr. Mitchell and President Nixon have suffered a severe loss of credibility as experts on law and order. So far about all this administration has come up with is a law that abuses the rights of the innocent without providing any special advantage in finding the guilty, which violates the nation's traditional values of justice and is taking the nation along the path to oppression and the loss of liberty.

Unless this misdirected sense of law and order is halted by Congress, Mr. Giglotto is right: "We're all in trouble."

CRUCIFIXION AT WOUNDED KNEE—1973

HON. JAMES ABDNOR

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 15, 1973

Mr. ABDNOR. Mr. Speaker, once again the papers in my State of South Dakota have shown the light of truth and disbelief during the confrontation and occupation of Wounded Knee, the sacred burial grounds of the Sioux.

In my attempts to tell the whole story of the goings-on while militant AIM Indians occupied Wounded Knee, I was totally shocked by the fact that this Nation did not hear what occurred on Easter Sunday of this year. I hope my colleagues and the people of this country note the flagrant disregard AIM has for the rights and justice of others by seeing what their rank and file did to an unknown body while others looked on not believing their eyes.

I would like the Congress to also note that an AIM Indian is far from representative of the whole Indian construct. What the Rapid City Journal reported on April 23, 1973, as related by Mr. Terry De Vine, an AP reporter, and printed below, is far from the comprehension of middle America in plausibility.

The article is as follows:

MARSHALS WATCH AIM EASTER SPECTACLE

(By Terry De Vine)

WOUNDED KNEE, S. DAK.—Federal officers surrounding Wounded Knee spent Easter Sunday watching what appeared to be an American Indian Movement (AIM) version of the crucifixion.

U.S. deputy marshals manning one of several roadblocks around the village watched for nearly six hours as insurgent Indians in the village kicked and pummeled an unidentified person tied to a makeshift cross near one of the AIM bunkers.

U.S. Marshal Jack Richardson, Wichita, Kan., deputy commander of the Special Operations Group (SOG), said initially it appeared that the object tied to the cross might be a dummy dressed in a marshal's camouflage uniform.

However, marshals who viewed the incident through binoculars from about 1,000 yards away said the body doubled over whenever it received a blow.

They said the person was cut down late Sunday afternoon and dragged back to the village by several Indians.

Richardson speculated that the militants might have staged the spectacle in full view of the federal position in an effort to get marshals to fire on the bunker.

He also said it might have been an attempt by AIM members to force marshals to expose themselves, setting them up for fire from AIM snipers.

Richardson said he could offer no definite explanation for the bizarre performance.

Meanwhile, a National Council of Churches representative, the Rev. John Adams, said about 70 persons began a five-day protest march from Rosebud to Wounded Knee Sunday.

AIM attorney Ramon Roubideaux of Rapid City had said earlier that 500 persons would participate in the march to protest treatment of Indians in general.

Richard Hellstern, deputy assistant U.S. attorney general, said the marchers will not be allowed to enter the reservation, which has been declared off limits to nonresidents.

AIM Security Chief Stan Holder was scheduled to be arraigned Monday in Rapid City on charges stemming from the Feb. 27 takeover of the village.

Holder who surrendered last week to federal authorities, was released on bond and allowed to return to the village to talk to other AIM leaders in hopes of bringing about a peaceful settlement to the siege, which is now in its 56th day.

Nineteen other persons arrested early Easter morning also were to be arraigned in Rapid City. Hellstern said 13 of those arrested were attempting to backpack food into the besieged village through federal lines. The others also were trying to enter the village, he said.

Hellstern said seven federal arrest warrants have been issued against persons involved in an airdrop of supplies into Wounded Knee last Tuesday.

He said a Boston Globe reporter, Thomas Oliphant, who was expected to surrender to federal authorities Monday, was believed to be the organizer of the airdrop.

"We think we have the entire group isolated," said Hellstern. He said those arrested will be charged with conspiracy and crossing state lines to participate in a civil disorder.

BIOMEDICAL RESEARCH—ITS IMPORTANCE IN OUR NATIONAL HEALTH PROGRAMS

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 15, 1973

Mr. DRINAN. Mr. Speaker, those who are aware of the importance of medical research realize the necessity of a harmonious effort jointly shared by the Government and the medical community. The costs of medical research are high, and thus Government assistance is invaluable. But the potential rewards of medical research clearly justify these costs.

Medical research is a most productive Government investment, for its benefits are clear and tangible, affecting the lives of millions of people. The goal of medical research is to improve the lives of all people—a goal that surely should be identical with the best interests of Government. Unlike some Government programs that do little to improve the quality of life—and sometimes even harm it—medical research is a necessary means toward a wholly desirable end.

Yet, for all the accomplishments of medical research in the past 20 years, the partnership of the Federal Government and the medical community is being seriously challenged. The fiscal 1974 budget proposals of the President would, I believe, grievously wound medical research throughout our Nation.

One medical professional deeply concerned about the proposed budgetary cutbacks is Dr. Kurt J. Isselbacher, Mallinckrodt professor of medicine at Harvard Medical School; chief, gastroenterology, Massachusetts General Hospital; chairman, executive committee, Department of Medicine, Harvard Medical School; and chairman, Harvard University Cancer Committee.

Dr. Isselbacher's statement on the subject of medical research is excellent. I urge my colleagues to give particularly close attention to the incisive analysis of Dr. Isselbacher:

STATEMENT BY DR. KURT J. ISSELBACHER

I am most honored, Congressman Drinan, to be appearing before you to emphasize the importance of biomedical research as it relates to the health and welfare of the people of our nation.

Today we seem to be at a crossroads in the relationship between the federal government and medical research community. Those who are aware of the importance of medical research recognize the need for the continued growth and rational expansion of the cooperative effort between medicine and government. On the other hand the Administration seems to disagree with this concept. It has outlined a withdrawal of federal support for research and is dismantling the research training programs thus assuring a reduction in the pool of able young medical scientists. Even if one could agree with the reasoning of the Administration, its actions are far too drastic and far too precipitous. At the present time the area of medical research represents one of the finest examples in our history of cooperation between government and medicine. This country's biomedical research establishment has been second to none in the world. Nevertheless in spite of past achievements we are told that there should be reduction in the ever proliferating biomedical research grants and a return of medical scientists into clinical practice so that health care delivery can be improved and manpower increased. However one should note that less than 4% of our medical school graduates go into full-time medical academic careers and a still smaller percentage are in full-time research. We are told about useless expenditures for ivory tower research and that much of our biomedical research is not relevant. At the same time there are recommendations that medical research can be conducted on a crash program basis such as the moon shot effort. This assumes that the federal government can legislate advances in medical research which clearly it cannot. Unfortunately the Administration does not appear to understand the very serious implication of its drastic if not devastating decisions not only for the next few years but the effect these actions will have for years to come.

I would like to address myself briefly to four areas:

1. The importance of training of biomedical investigators.
2. The importance of basic or fundamental research.
3. The role of applied and contract research.
4. The importance of the peer review mechanism.

1. *The importance of the training and fellowship program.* I need not reemphasize to you again the importance of the training programs to develop medical researchers. Not only are these individuals the scientists who will carry out our future research efforts but they also are the major source and resource for our medical school faculties. The training programs have provided the mechanisms for encouraging the best minds of our nation to be brought into the field of research and teaching. While some training funds have come from private organizations such as the American Cancer Society, the financial resources of such organizations have never been large enough to provide more than a small fraction of the necessary fellowship and training support. *Only the federal government has funds of this magnitude.* While anyone who has examined the problem of medical research and medical school teaching in this country recognizes the vital nature of the fellowship program, the Administration has insisted that the training programs be dismantled and eliminated forthwith.

What are their reasons for this? The first argument is that *there already are too many medical researchers in this country.* Their specious argument is that since there are more research grants approved by the National Institutes of Health than can be funded this indicates that there are more scientists than necessary to do the job! Of course this reasoning is false. The obvious reason for this situation is that there are insufficient funds to support the many research proposals that have been considered scientifically sound but cannot be funded. The second argument (most recently made by our new Assistant Secretary for Health) suggests that an inequity exists since training and fellowship support does not exist in other fields such as in the arts, philosophy or history and that this inequity should be eliminated by phasing out the programs in the biomedical sciences. This reasoning amounts to throwing out the baby with the bath water. The third argument is based on the view that the government is now paying for the training of individuals who go out and develop lucrative practices and that the government should not support the training of such individuals. We would agree that this is not desirable. However the evidence shows that more than 80% of the individuals trained in the biomedical area pursue academic careers and choose to remain in academic positions which are much less lucrative than private practice.

The Administration therefore suggests that individuals who wish to pursue biomedical research should continue their training by taking out loans. This sounds good to those not familiar with the problem, but such a system will not work. It should be pointed out that over 36% of graduate students have a major indebtedness and over 56% of medical students are in debt by the time they graduate. More than 50% of the individuals who are in the training and fellowship programs are in debt and 70–75% of this group have indicated that they would not be able to continue their research training if this training had to be achieved on the basis of loans because of their already significant indebtedness. The Administration fails to recognize that we need to encourage not discourage the training of biomedical scientists. Since they represent 4% or less of our medical graduates, by denying them the opportunity to enter academic careers their numbers will not significantly swell the ranks of the general practitioners. We cannot on the one hand respond to the Administration's request to expand the number of medical schools and increase the enrollment of students and at the same time diminish the pool from which the faculty for these schools will be derived.

It should be noted that in 1972 the amounts spent for training of biomedical investigators were less than 0.2% of the total health expenditures.

2. *The importance of basic or fundamental research.* As indicated above, there are those who argue that support of basic research amounts to a useless expenditure of funds for research conducted by ivory tower investigators working on irrelevant projects. The past performance of our biomedical establishment certainly belies this Act.

Basic research in the medical sciences is the study of life processes. Such research is essential to our understanding of diseases, their mechanism, treatment, and hopefully their cure. Tied to our past achievements in basic research is the fact that many of the contributions and discoveries and advances in disease have come from unpredictable areas by individuals working in completely unrelated fields and often while working on unrelated problems. Many examples can be cited to indicate the importance of biomedical research and the fact that a breakthrough in the elucidation of a disease often comes from a serendipitous observation by an able and observant scientist working in another scientific area:

(a) The recent advances in our understanding of the role of viruses in the causation of cancer have come from our understanding of how viruses infect bacteria. Dr. David Baltimore of the Massachusetts Institute of Technology discovered an enzyme in bacteria which converts RNA into DNA. This enzyme is considered by workers in the cancer field to be related to the mechanism whereby certain RNA viruses can influence cells and alter the DNA and genetic information of the cells making them malignant. This work was carried out not under the aegis of a cancer research grant, and was the result of Dr. Baltimore's basic studies of viruses and how they infect bacteria.

(b) The Nobel Prize winning work of Dr. John Enders on the eradication of poliomyelitis resulted from his finding that viruses could be grown in the test tube on cultures of monkey kidney cells. Enders was interested in developing a means for growing viruses so that he could work on the possible role of viruses and cancer. At that time he was not intending to solve the polio problem. The results of this work are now history and through his efforts the polio vaccine was developed.

(c) The breakthrough in the antibiotic treatment of tuberculosis was again made by a Nobel laureate, Dr. S. Waksman of Rutgers, a soil microbiologist whose work led to the application of streptomycin to the treatment of tuberculosis.

(d) Significant advances have recently been made in viral hepatitis, a disease with which some 20–30,000 people are hospitalized every year at an estimated total cost of about $60 million. Ten years ago Dr. Baruch Blumberg, a population geneticist, quite by accident found that a particular antigen occurred with great frequency in the blood of Australian aborigines. He was not looking for the hepatitis virus but as a result of his alertness what he discovered in the blood of these Australian aborigines has turned out in fact to be the hepatitis virus which causes so-called serum hepatitis. As a result of this pioneering work (again by someone who was not originally studying that particular disease), we now have a blood test to detect this hepatitis virus.

(e) The revolutionary treatment for Parkinson's disease came as a result of studies carried out by Dr. George Cotzias working on neurologic problems caused by manganese poisoning in the miners of Chile. It was only later that Dr. Cotzias found that his observations to have relevance to the important problem of Parkinsonism.

If one wishes to look at the economic benefits that have come from basic research one can turn to the study performed by Mr. Owen McCrory, a consultant in medical economics. He has estimated that in 1967 alone there were 2.7 million wage earners alive and working due in part to the new methods of treatment. These workers paid the federal government $1.7 billion in income and excise taxes in their earnings. The NIH appropriations for that fiscal year of 1967 were $1.4 billion. *McCrory has concluded from his analysis that the funds appropriated in fiscal 1972 to the NIH and the Mental Health Administration have been repaid to the federal government eight times over in income and excise taxes of wage earners whose lives have been saved due to medical research successes.*

In this regard I might also refer to some studies which we carried out 18 years ago on genetic disorder, Galactosemia, a disease causing mental retardation which we found to be due to the hereditary lack of an enzyme. In the past enzyme research was thought to be real ivory tower science. However as a result of our studies there is now in the state of Massachusetts a routine screening test for Galactosemia on all newborn infants. As a result the disease can be discovered at birth and the infants can be prevented from developing mental retardation.

3. *Applied Research.* It is obvious that the basic research is valuable if it can be properly applied so that it can lead to the diagnosis, treatment, cure and prevention of disease. Recently, however, the Administration has focused on applied research at the expense of basic research. In point of fact while applied research is important, it cannot be carried out at the expense of or in lieu of basic research. To achieve its goals the Administration is focusing heavily on research contracts. The contract research approach suggests that we now possess all of the basic scientific facts needed for the conquest of a disease such as cancer, and all that is necessary is to set up timetables of expected progress, hire the required researchers (although this can't be done by eliminating training grants and fellowships), and then confidently set back and expect this disease such as cancer to disappear from our midst.

However if we look at past history we find that whenever significant scientific thrusts have been successful they have always been based on a solid foundation of fundamental research established with the efforts of many scientists over a considerable period of time and not through "crash programs." If in the late 1940's there had been a crash program aimed at the polio problem the funds would have been used to build a better respirator and perhaps the polio problem would still be with us now.

We must never forget that for the most part we have little insight about the mysteries of life in spite of all we have done, and thus it is almost impossible to plan ahead for what the future will bring. The best that we can do is to try to bring our most intelligent and able minds to bear on a given problem and let them follow their own direction. Scientific discoveries are generally unforeseen events not included in theory for otherwise they would have been foreseen.

4. *The peer review mechanism.* Let me finally comment on the importance of the peer review mechanism in the awarding of funds. This is a system which over the last 20 or 25 years has worked very effectively in the allocation of funds for research and training. By this system a request is reviewed by experts in the field and judged on merit and quality in the fairest way possible. The decisions are made without regard to geographic location or political factors, but purely on the quality and substance of the proposal. Obviously no system is perfect and errors in judgment can and do occur. The Administration would like to eliminate the peer review system, and to make decisions "in camera" with no or little scientific advice. If one eliminates the peer review mechanism, funds could be allocated across the country on a regional basis. Rather than being awarded to the most able scientists, one could then justify grants being allocated to many states not receiving large research funds. This may make political sense but it does not make good scientific sense. The peer review mechanism permits investigators knowledgeable in a field of discipline to examine proposals and recommend awards based on one criterion alone—scientific merit. It is ironic that recent scientists while visiting Russia have been asked repeatedly about our peer review mechanism. The Russians apparently have recognized the merits of our system and now wish to implement it in their own country. Former NIH Director Robert Marston has sounded a warning in his farewell speech April 27:

"The peer review system has given us the best science through a federal agency with the least political interference of any governmental process ever developed. It is truly one of the great achievements of American government but it is being destroyed."

I would like to conclude, Congressman Drinan, by emphasizing that the training of biomedical scientists and support for biomedical research must be continued at an appropriate level. Research must be supported in a balanced manner. Basic and applied research are not mutually exclusive, and fundamental research should not be eliminated or downgraded at the expense of applied research or because money is needed to improve our health care delivery system. All these various components of our health related efforts are important.

What constitutes a reasonable expenditure of funds for biomedical research and training? I would submit that industry has shown us the way. Most of our large corporations allocate a certain percentage of their resources (generally 8 to 10%) for research and development. It seems perfectly reasonable to me that a certain percentage of our total health expenditures should be allocated for biomedical research and training. At the present time this percentage is 2% and decreasing annually. This percentage is far too low and if it continues to drop, our whole effort to improve the health of our people and the quality of life will be seriously jeopardized. We hope (a) that there will be an increase in funds in the 1974 fiscal budget for biomedical research, (b) that the allocation of these funds, using the peer review mechanism, will continue to take cognizance of the importance of fundamental research, and (c) that it is recognized by all that research and training of biomedical scientists are interrelated and go hand in hand.

RESOLUTIONS ADOPTED AT THE NATIONAL UNION ASSEMBLY OF THE NATIONAL CONFERENCE OF MOTION PICTURE AND TELEVISION UNIONS

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 15, 1973

Ms. ABZUG. Mr. Speaker, yesterday my office was visited by representatives of a number of motion picture and television people whose local unions are located in New York City. Among those in the group were Abraham Kanter, business representative, U.S.A. Local 829, Olga Barrekette, Local 161, Motion Picture Script Supervisors and Production Office Coordinators, John T. McGuire, assistant executive secretary, Screen Actors Guild, Fredda Briant, business representative, TWAU Local 764, Dick Weaver, Local 18032, Association of Theater Agents and Managers, Steve D'Inzillo, Local 306, IATSE, Anthony J. Luisi, Local 16, NABET, and Howard Linkoff, Local 15, NABET.

The problems which face working people in this industry are similar to those facing most working people in this country: foreign competition, much of it really coming from foreign branches and operations of American-based multinational corporations, is causing tremendous unemployment among movie and television workers. The need for legislation such as H.R. 241, the Foreign Investment and Multinational Corporation Control Act, grows daily, and I am pleased to see that the Committee on Ways and Means has begun hearings into this critical subject.

Mr. Speaker, I insert at the conclusion of my remarks several resolutions adopted by the National Union Assembly of the National Conference of Motion Picture and Television Unions:

RESOLUTION

Competitive bidding for U.S. governmental agencies producing or processing motion picture and audio-visual materials

Whereas, Approximately one-half billion dollars is annually allocated by the combined agencies of the U.S. Government for the production and processing of motion pictures, and

Whereas, These productions are allocated for use by these governmental agencies for educational, defense, training, propaganda and entertainment medias, and

Whereas, The present governmental bidding system of cheapest production cost is unfair and inequitable to union employees working under more advantageous wages and conditions provided by their collective bargaining agreements, and

Whereas, The construction industry satisfactorily resolved similar problems by the passage of the Davis-Bacon Act which requires all employers bidding on U.S. Government contracts pay the going rate, plus fringe benefits presently applicable in the area, and

Whereas, Such requirement applied to the motion picture industry would give private producers using union employees the opportunity to compete in the open market for a share of government production in the American tradition of equal opportunity and free enterprise,

Now, therefore be it resolved, that we the delegates to the National Conference of Motion Picture and Television Unions meeting in Phoenix, Arizona on February 22, 1973 hereby declare our vigorous support of legislation that would amend the United States Service Contract Act requiring contractors of the departments and agencies of the United States government engaged in the production and processing of motion pictures and audio-visual materials to pay the prevailing wages and fringe benefits of the industry.

RESOLUTION: BURKE-HARTKE BILL

Whereas: The AFL-CIO Economic Policy Committee has recognized that increased foreign imports and United States owned foreign operations have resulted in the loss of job opportunities for American workers, and

Whereas: The foreign investments of American motion picture and television film producers have created catastrophic unemployment among workers in the United States domestic film industry, and

Whereas: The Foreign Trade Investment Act of 1972-73 (Burke-Hartke Bill) establishes tariff and trade regulations that protect American workers from displacement by foreign imports, and

Whereas: Some Federal administrative agencies have considered the motion picture and television industry as a communications media and not a producer of tangible items, goods or articles;

Now, therefore be it resolved that the National Conference of Motion Picture and Television Unions meeting in Phoenix, Arizona on February 22, 1973 go on record supporting the Burke-Hartke legislation, and

Be it further resolved that Title III, Section 301(a) "Categories of Goods" of the Bill include the following:

"The products of the motion picture and television industry shall be understood to be within the meaning of the term 'goods'."

RESOLUTION ON THE REPEAL OF THE PRIME TIME RULING ON TELEVISION

We, the delegates to the National Conference of Motion Picture and Television Unions hereby reaffirm our opposition to detrimental Prime Time Ruling of the Federal Communication Commission and call upon the Commission to order its immediate repeal.

We also call upon the Commission to adopt rules that would drastically reduce the use of re-runs on television. Such action would be fairer to the viewing public in that it would bring an increase in new programs and would at the same time vastly increase employment among actors, technicians, craftsmen and all those engaged in the production of motion picture and other programs shown on television.

RETIREMENT OF OSCAR A. CRIST

HON. DONALD G. BROTZMAN

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 15, 1973

Mr. BROTZMAN. Mr. Speaker, on May 25, 1973, Mr. Oscar A. Crist, the chief deputy U.S. marshal for the District of Colorado will be retiring. This will bring to a close more than 36 years of distinguished service to the people of this country by Mr. Crist. He served 4 years in the Armed Forces and 32 years as a deputy marshal. He is, at this time, the senior deputy marshal in the U.S. Marshal Service.

When I had the privilege of serving as U.S. attorney for the District of Colorado I became well acquainted with Mr. Crist. His service to the courts and the judicial process was outstanding. I can say with all honesty that his good work was a great aid to me and my staff. My association with Oscar Crist is something I will always treasure.

Mr. Speaker, I wish to take this opportunity, on behalf of myself and Mrs. Brotzman, to wish Oscar Crist much pleasure and contentment in his richly deserved retirement.

PETROLEUM IMPORTS

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 15, 1973

Mr. WALDIE. Mr. Speaker, I am introducing today a bill designed to insure that U.S. flag vessels will carry at least 20 percent of our petroleum imports. I believe that a continuation of our present reliance on foreign shipping for a resource so vital to our Nation could lead to severe problems in terms of our security and our balance of payments. A conversion to American tankers would provide measurable improvements to our employment rate and greater control over the effect of such shipping on the environment.

I hope that all Members will consider carefully the facts in the following summary:

A BILL TO REQUIRE THAT A PERCENTAGE OF U.S. OIL IMPORTS BE CARRIED ON U.S. FLAG VESSELS

This legislation will guarantee that U.S. flag vessels, when available at fair and reasonable rates, will carry a minimum of twenty percent of U.S. oil imports of petroleum and petroleum products, with the percentage rising to 30 percent by 1977.

The bill will provide the impetus to achieve the full intent of Congress, as expressed in the Merchant Marine Act of 1970, to build a strong and competitive American Merchant Marine. Presently there are no U.S. flag tankers regularly engaged in the U.S. oil import trades.

NATIONAL SECURITY

The United States is currently in double jeopardy because of our dependence on both foreign sources of supply and foreign flag vessels to import our growing oil needs.

The President's energy program, announced on April 18, 1973 is an attempt to reduce our dependence on foreign oil supplies. This bill would free the U.S. from the dangers of peacetime economic and political coercion by nations controlling vessels engaged in U.S. oil trades, while providing our nation with a large tanker fleet available in a national emergency.

BALANCE OF PAYMENTS

In 1975, with an estimated 8 billion barrels a day of required oil imports, the projected drain on the U.S. balance of payments of approximately 2 billion dollars for the transportation costs of U.S. oil imports could be reduced by one-fourth if U.S. tankers carry the percentage of oil imports envisioned by this bill.

EMPLOYMENT IMPACT

Over 45 thousand seafaring, shipbuilding and allied industry jobs will be created initially; rising to over 65 thousand by 1985.

ENVIRONMENT

Presently over half of U.S. oil imports are carried on runaway flag vessels of Panama and Liberia, which have higher accident rates than U.S. vessels.

U.S. vessels are manned by experienced American crews and are regulated by the U.S. Coast Guard.

There can be meaningful enforcement of pollution controls on U.S. flag tankers—enforcement on foreign tankers will be difficult if not impossible if we are wholly dependent on foreign tankers for our oil needs.

H.R. 7853

A bill to insure a fair and reasonable participation of United States flag commercial vessels in movement of petroleum and petroleum products imported into the U.S.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Section 901(b)(1) of the Merchant Marine Act, 1936, as amended (46 U.S.C. 1241), shall be further amended by striking the colon after the words "in such manner as will insure a fair and reasonable participation of United States-flag commercial vessels in such cargoes by geographical areas," inserting a period, and adding the following:

"The appropriate agency or agencies shall also take such steps as may be necessary and practicable to assure that at least 20 per centum of the gross tonnage of all petroleum and petroleum products imported into the United States on ocean vessels, including movements (i) directly from original point of production and (ii) from such original point to intermediate points for transshipment or refinement and ultimate delivery into the United States, shall be transported on privately owned U.S.-flag commercial vessels to the extent such vessels are available at fair and reasonable rates for U.S.-flag commercial vessels, in such manner as will ensure fair and reasonable participation of U.S.-flag commercial vessels in such cargoes by geographical areas: *Provided,* That the quantity required so to be carried in U.S.-flag commercial vessels shall be at least 25 per centum after June 30, 1975, and at least 30 per centum after June 30, 1977, if the Secretary of Commerce shall on December 31 preceding each such date determine that U.S. tonnage existing or on order and scheduled to be delivered by such date would be adequate to carry such quantity."

FOOD COUNTS MOST

HON. JOHN M. ZWACH

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 15, 1973

Mr. ZWACH. Mr. Speaker, in times past, in times of war, our producers have been called upon to go all out for "food to win the war" and history shows that they were very successful.

A recent editorial by Bill Paulson in the Mountain Lake Observer, in our Sixth Congressional District of Minnesota, comes up with the idea that food also won the peace for us in Vietnam.

This is a most interesting premise that I would like to share with my colleagues and all of the other readers by inserting it in the CONGRESSIONAL RECORD:

FOOD COUNTS MOST

History may record that the American farmer was a decisive influence on the road that led to peace. The farmer, free enterprise agriculture, has made our country the food larder of the world.

This is notably true for communist countries where there is high rate of efficiencies in agriculture and the incentives to produce are abysmally low.

It is evident that food can be an influencing policy in the world today. Note that Russia is buying millions of tons of grain abroad, a large amount of this from the United States. China, too, has to depend upon additional foodstuffs and has or is bargaining with Canada, Argentina, and our country.

There is no question that hungry people have to stay close to their food supply source and the greatest and biggest source of food supplies is the United States.

Could this fact, then, have been the hidden instrument that kept the big communist powers from retaliating when we put military pressure on North Vietnam. This could be the explanation for the lack of retort. That the food-producing capacity of our country, of our farmers, was much more important to both Russia and China than the plight of Vietnam.

DUNBARTON COLLEGE CLOSES

HON. DOMINICK V. DANIELS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 15, 1973

Mr. DOMINICK V. DANIELS. Mr. Speaker, on May 14, 1973 the Washington Star-News published an article dealing with the passing of Dunbarton College from the scene at the end of the present academic year. Despite the dedication of the members of the Order of the Sisters of the Holy Cross and the superb leadership of the college's chief executive, Dr. Paul G. Buchanan, Dunbarton just could not make it.

Mr. Speaker, if this were an isolated example it would be a sad event, but the closing of this fine private college for women is all too common across this Nation. It seems as though the private college which receives its operating expenses from tuition and fees is finding that its back is to the wall. While Dunbarton is a small college this situation affects some of the Nation's biggest universities. Indeed such educational giants as New York University and Boston University are also feeling the financial pinch. Federal assistance has dried up as the Nixon administration moves its priorities elsewhere and costs continue to soar.

Mr. Speaker, we must take action now if we are to save the private college. Time is running out if more colleges are not to go the way of Dunbarton College.

Because this situation is so critical I hope all Members will read the Star-News account of Dunbarton's final commencement.

The article follows:

LAST CLASS GRADUATES—DUNBARTON COLLEGE DIES

Dunbarton College, a small Catholic school for girls in Northwest Washington, died yesterday. It was 38.

The 22-acre, tree-lined college, victim of spiraling costs and waning interest in parochial, single-sex institutions, awarded its last bachelor of arts degrees to 77 graduating seniors during brief afternoon ceremonies and then shut its doors to students for the last time.

The campus will remain open, but studentless, until Aug. 31 to allow school officials time to mop up unfinished affairs and the board of directors to make a decision on what it is going to do with the valuable property at 2935 Upton St.

"This is both a sad and a happy occasion," Rep. Thomas P. O'Neill Jr., D-Mass., told the graduating class, "but the passing of Dunbarton College will not lessen the advances its graduates have made."

O'Neill, majority leader of the House who received an honorary degree during the final ceremonies at Dunbarton, said that the closing of Dunbarton College is part of a national trend away from small, private female institutions in the nation.

He cited statistics that there were 298 public and private one-sex colleges in the nation in 1960, but by 1970, 40 percent of these had become coeducational and 37 colleges had closed down. Of the 37, all but 10 were Catholic colleges.

O'Neill attributed the decline of single-sex colleges to a "fiscal crisis facing all campuses, with declining enrollments at Catholic institutions that comes as other types of institutions extend their facilities to others without regard to race, color or creed."

School officials said the decision to close Dunbarton came after six years of accumulating debts and recurring problems which have faced Catholic colleges elsewhere—crime, lack of federal funding, unpopularity of female-only institutions, competition from community colleges, and a decline in the interest of church-related schools.

College President Dr. Paul G. Buchanan, who led an unsuccessful fight to reverse the trend here, said the overriding consideration in closing the school was $3.5 million in debts accumulated since 1967 and an operating deficit which was expected to reach $1 million this year.

School officials said offers for the college have come from a number of private schools and a proposal has been made to turn it over to the Catholic Archdiocese of Washington.

The college was founded in 1935 by Sister Rose Elizabeth of the Order of the Sisters of the Holy Cross and it will be up to the order to make a final decision on disposition of the property.

Dr. Lillian Bateman, assistant to Buchanan, said juniors who attended the college this year and completed their school requirements, will get degrees from Dunbarton when they finish their required course work at other institutions. Freshmen and sophomores have been placed in other universities here and in other parts of the nation.

However, some faculty members have not been so lucky, Dr. Bateman said, since only a few have found places at other colleges and universities because of the glut of Ph.D.'s on the market this year.

"It's a shame, because there are some good teachers here," she said.

CONGRESS MUST REASSERT ITS CONSTITUTIONAL AUTHORITY IN THE AREA OF WAR POWERS

HON. PHILIP E. RUPPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 15, 1973

Mr. RUPPE. Mr. Speaker, in view of the importance of the House-passed amendments to the second supplemental appropriation of 1973 which prohibited the spending of the defense appropriation for the bombing in Cambodia, I would like to state specifically the reasons for my votes on this issue.

When the Addabbo amendment was first offered, I supported the amendment. I also voted for the Long amendment. Later when a separate vote was demanded on the Addabbo amendment, I voted against this provision.

Only after the Long proposal specifically prohibiting U.S. combat activities in or over Cambodia was passed did I reverse my position on the Addabbo amendment. By prohibiting the transfer of $430 million by the Department of

Defense, the Addabbo amendment not only blocked additional funding of the United States bombing in Cambodia, but it also blocked the transfer authority for funding of U.S. defense-related activities in important strategic areas such as the Middle East. My colleague, Congressman CLARENCE LONG, best stated the case for the language of his amendment rather than Mr. ADDABBO's proposal—

> I feel that the proposed amendment to be offered by the gentleman from New York (Mr. ADDABBO) is a good amendment if that is all we can get, but I think that we need a much more precise instrument and I feel that my amendment is more precise because it is a clear message from the Congress to the President that all bombing in Cambodia must stop. It is an explicit, not merely an implicit message.

Despite my turnabout on the Adabbo provision, I want to make it clear that the intent of my votes was firm and consistent throughout the House consideration of U.S. activity in Cambodia. I did not believe that the Congress should back into further American military involvement without the specific review and approval by the Congress of the President's policy in Cambodia.

In my view, there was no logic or right in the administration's attempt to use the transfer authority within the Department of Defense to establish congressional approval of the U.S. military policy in Cambodia. President Nixon could easily come before this Congress and advise this body of his intended policy of action in Cambodia and ask for a resolution of support.

Frankly, I could probably support, in the short term, the bombing campaign President Nixon has directed in Cambodia. The North Vietnamese have violated the terms of the cease-fire negotiated by Mr. Kissinger; they have failed to withdraw their military advisers and military personnel from Cambodia, and they have directly encroached on the sovereignty of that unhappy country.

It has been suggested by Secretary of State Rogers that President Nixon can cite violations of the cease-fire agreement as authorizing measures for the U.S. bombing in Cambodia. In my view, there is nothing in the U.S. Constitution that suggests that executive agreements are of such force that Presidents have the right to unilaterally commit the Armed Forces of this Nation to either implement or punish violations of those executive agreements.

The Tonkin Bay resolution was cited by President Johnson as the expressed authority for maintaining the American commitment in Southeast Asia. That resolution was repealed by Congress in January 1971. President Nixon justified the continuation of American involvement in South Vietnam by citing his responsibility as the American Commander in Chief to protect our American servicemen and bring back our prisoners of war. American troops have now been withdrawn and our POW's have been returned. Now, in the absence of a declaration of hostilities by the Congress, there is no legal basis that I know of for the continued American commitment of land, sea, or air forces in Southeast Asia.

My votes last week on the Addabbo and Long amendments, therefore, were not cast so much in opposition to the U.S. Cambodia policy as they were a statement of my belief that the Congress must reassert its constitutional authority in the area of war powers. I earnestly hope that the President will heed the message from the Congress and seek a direct congressional authorization of the U.S. policy in Cambodia.

THE WATERGATE AFFAIR: IS A SPECIAL PROSECUTOR ENOUGH?

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 15, 1973

Mr. RANGEL. Mr. Speaker, the confidence of the American electorate in our political system has clearly been shattered in the wake of the Watergate revelations.

This collective faith can only be restored by a complete investigation and thorough prosecution of those involved in these crimes. In this light, the appointment of a special prosecutor by Attorney General-nominee Richardson will be crucial in setting the stage for swift justice in the very near future in this matter.

It is equally important, however, that the House of Representatives not shrink from its responsibility in this matter. Section 2 of article I of the Constitution gives the House of Representatives sole authority and responsibility for the initiation of proceedings for the impeachment of the President.

We have reached the point where the latest Gallup poll indicated that 40 percent of the American people believe the President had prior knowledge of Watergate or was involved in the Watergate coverup. I do not presume to judge the President's guilt or innocence, and neither should any Member of the House. As Members, however, we are charged with the constitutional responsibility of measuring the President's conduct in the Watergate affair against the constitutional standard for impeachment. By taking the lead in the initiation of such an investigation, the Judiciary Committee would be acting in a responsible manner to clear the air of charges that the President was involved in the Watergate bugging and coverup.

I now submit for your attention and the attention of my colleagues, a perceptive article on this subject, written by Harvard Law School professor and associate dean, Paul M. Bator, that appeared in the New York Times of May 15:

A WATERGATE "WARREN COMMISSION"

(By Paul M. Bator)

CAMBRIDGE, MASS.—Ambiguities and confusions abound in the discussions of an independent prosecutor in the Watergate case.

There is, first, the question of what it is that we want. Is it simply an impartial and independent investigation and airing of the facts? If so, what we need is not a special prosecutor appointed by the Attorney General but a person or group appointed to function as a commission of inquiry as, for instance, the Warren Commission. Such a person or group can be made completely independent of the executive branch and given subpoena and other necessary powers.

But this is not what is primarily talked about. What is sought is, a prosecutor whose purpose in making an investigation would be to determine whether criminal charges should be brought and, in the event, to press them.

But if this is what is in mind, then the extent to which we can or should demand independence may be limited. It is highly doubtful that the function of bringing criminal prosecutions on behalf of the United States can be taken away from the executive branch of the Government. The Constitution vests executive power in the President and commands him to take "care that the laws be faithfully executed." The enforcement of Federal criminal law is a cental part of the function of executing the laws. For the Congress or anyone else to purport to create an agency wholly independent from the executive branch with power to enforce the criminal law would probably be unconstitutional. It may also be unwise.

The Watergate prosecutor should be independent but he must also be accountable. There should be someone to pass on his performance with power (to put it brutally) to fire him. Until impeached, the President (or his officers) must retain that authority.

Elliot Richardson, nominated to be Attorney General, is therefore on sound ground when he insists that the independent prosecutor must ultimately be accountable to and subject to the authority of the Attorney General and the President.

But this does not mean that the prosecutor cannot be given wide de facto independence. Mr. Richardson should draft instructions which make it clear that the prosecutor may proceed to subpoena (and procure immunity for) witnesses and to seek indictments without advance clearance from him. Indeed, it would be quite legitimate and desirable to instruct the prosecutor to engage in no advance consultations with Mr. Richardson. But this is not the equivalent of total independence. The prosecutor should be required to report from time to time to the Attorney General, who must retain the power to appraise his performance and to fire him if necessary.

I appreciate that even this creates an uncomfortable dilemma. Many do not trust the President in this matter; how can they trust the prosecutor if he is in any way accountable to the President? My answer is that to some extent the dilemma is unsolvable: under our Constitution, lack of confidence in the Presidency does not justify creating an extraconstitutional independent prosecuting authority. Notice, however, that the solvent of public opinion alleviates the dilemma: the best guarantee of the prosecutor's independence will be his ability to say to the public that the President (or Mr. Richardson) is interfering with the impartial execution of his functions.

And one aspect—perhaps the most significant aspect—of the dilemma is, I believe, solvable. The executive branch is not the proper authority to pass on the question whether the President should be impeached. It would be proper, I believe, to insulate from the executive's authority evidence discovered by the prosecutor bearing on Presidential misconduct. Mr. Richardson should instruct the prosecutor to transmit any such evidence directly to the House of Representatives, which should authorize its Judiciary Committee (or create a select committee) to receive and consider it.

TRIBUTE TO ROBERT F. FROEHLKE

HON. F. EDWARD HÉBERT

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 15, 1973

Mr. HÉBERT. Mr. Speaker, I want to extend best wishes to Robert F. Froehlke as he leaves his post as Secretary of the Army and heads for new endeavors and new challenges.

Since he came aboard as Secretary on July 1, 1971, we have gotten to know one another well. Our professional relationship has been one of straightforwardness and honesty. We have, at times, disagreed but without being disagreeable.

Our personal relationship has been a genuine one because Bob Froehlke is a likeable guy, a man of integrity, devoted to doing the best possible job while in service to his country.

Such dedicated public servants come along all too infrequently, and their stay is all too brief. But Bob Froehlke has left his mark on the U.S. Army through his active leadership in the nearly 2 years he has been Secretary, and the country as a whole is the beneficiary. His 2-year tour of duty as Assistant Secretary of Administration was just as meaningful and provided the foundation for his efforts as Secretary.

At this point in the RECORD I want to include Bob's farewell remarks and the letter he received from the President.

REMARKS BY SECRETARY OF THE ARMY, ROBERT F. FROEHLKE

It is customary to remark that one leaves with "Mixed Feelings."

Let me omit what is expected and say the unexpected. The reason is not that I just want to come up with something new. I simply feel a man should take a more positive approach than that of his soul nicely split in the middle, which, anyway, sounds for my normal taste a little bit too much like schizophrenia.

We should not coddle ourselves by indulging in those ever quoted Mixed Feelings. A man has his assigned task. He does it to the best of his ability and with a genuine, perhaps even zestful eagerness. Then he comes to the end of the time allotted him for that particular task, that particular mission. And he leaves. Still deeply interested in what had been his work, still feeling close to those who became his friends in a common endeavor, he passes on to meet new problems, new joys—or miseries—and a new style of life. Another page is being turned over.

Those who have dealt with me over the years know that this attitude is not cold or heartless, it is merely a reflection of a life-affirming view which I might have inscribed on a plaque somewhere, someday in my home somewhere: "No regrets, please. Life goes on colorful, rich, vibrant."

It is also customary for him who departs to express in a few well polished phrases what he thinks, "in all humility," he has accomplished and how much, nevertheless, still remains to be done by his successors. I do not believe it behooves a man—even with that nice saving qualifier "in all humility"—to speak of his own achievements. History and our peers will judge what each of us has really accomplished. Let not the individual himself try to assume the role of arbiter. He is too close to himself to be objective. How painful for his listeners to hear him embarrassingly strive to hold the "appropriate" medium line between self-congratulating pride and self-doubting modesty. And yet, I am sufficiently human to take great satisfaction in what I perceive the Army has accomplished during my tenure.

Am I, then, to express no thoughts, no feeling at this moment of departure? That would be more than wrong, it would be inhuman: It would leave all of us here assembled with a sense of emptiness, and ill at ease. Moreover, it would be entirely against my own inner grain, my belief—my credo, I might say—that in this modern, technological, bureaucratic age men are in more dire need than ever before to communicate, *truly* communicate, with one another.

And this, friends, is really the issue I have at heart while taking my leave from you and from that great, but also big, institution: The United States Army. Yes, big too, and therein lies a problem. It has been my observation that in *all* large organizations—civilian or military, secular or clerical—*de*personalization is the most serious and most pervasive single threat to the effectiveness of the whole body and to the sustained performance of its members. Have we not all seen individuals, soldiers as well as civilians, turn from eager, enthusiastic, courageous men and achievers into dehydrated bureaucrats' Do not let us accept the myth that this is an unavoidable consequence of numerical growth itself, that there is no room for warm-blooded strong personalities and for human relations within the big green machine. Let us, for Heaven's sake, not end up by equating efficiency and excellence with Systems Analysis.

My whole life has been so definitely wedded to practical affairs that I can hardly be considered a dreamer walking in the clouds. Yet, I venture to state that one *can* move from de-personalization to re-personalization. And while there is no glib psychological cookbook or Manual on Leadership which can provide a mechanical procedure, or concocted recipe there are a few very simple ways:

First: The higher a man is placed in the organizational totem pole, the greater an effort he must make to take a personal as distinguished from a merely professional interest in the ideas, the ideals, the inner being of those serving under him.

Second: Let those in positions of Command be untiring talent scouts. I guarantee you that very astonishing finds will be made if you are forever on the lookout for the man who might be a born planner, a born logistician, a born inspirer of others in combat or in peace. Only, I beg, do not ever commit the error of trying to make an excellent piano player into a violinist or vice versa. Even the most gifted among us are endowed only in some fields, and in this complex age it is most necessary to form a very precise judgment of *who* is good at *what*, and, above all else, who is a man of rocklike character able to stand through a crisis and who is but a clever theoretician unable to act. We do have the talents; let us unceasingly search for them. The Department of the Army is not a computerized machine, composed of what is technically referred to as "Personnel," but a dynamic body of soldiers and civilians, men and women, real live warm human beings. Let us not only take care of their material needs but let us make a vow to keep their hearts and souls alive today, tomorrow and forever more.

History teaches that even the great and peaceful Democracies may fall on hard times of terrible and terrifying crises. Should such times ever arrive—and there is none among us who cannot see that we live in a dangerous and explosive World—the supreme civilian authorities of this our nation must be able to call on and count on its Armed Forces as a means of last resort.

While I pray that the call to arms will never actually come, I also pray, trust and believe that, should it come, this Army of ours will be quietly ready in body and spirit.

Nancy and I leave you with perhaps a tear in our eye, but definitely sincere and hearty smiles on our faces. We refuse to think that we are leaving good friends. Rather, we thank the good Lord that we have had this opportunity during this completed chapter of our lives to make many new friends.

THE WHITE HOUSE,
Washington, D.C., May 1, 1973.

Hon. ROBERT F. FROEHLKE,
Secretary of the Army,
Washington, D.C.

DEAR BOB: It is with deep appreciation for your outstanding service—and sincere regret that you will be leaving us—that I accept your resignation as Secretary of the Army, effective May 15, 1973, as you requested.

For more than four years, you have been a leader in our efforts to improve the management effectiveness of the Department of Defense. As Assistant Secretary for Administration, you contributed substantially to the efforts of Secretary Laird and Deputy Secretary Packard to recruit outstanding personnel and to mold them into a hard-hitting management team. And your superb efforts in developing clearer lines of policv and fiscal control over the Department's intelligence resources has had the added benefit of improving communications among all the intelligence agencies.

Perhaps most importantly, the Army today is a stronger, more confident group of men and women than it was when you became Secretary two years ago. You have been not only an outstanding leader during this time of transition to an all volunteer force, but also one whose personal dedication has been felt throughout the ranks. The result is a renewed pride and sense of mission within the service, and greater respect for our men and women in uniform among the American people.

I will always be grateful to you for your willingness to play a part in our Administration, and I hope these past four years are ones which will be a continuing source of pride to you. You have served our Nation with great distinction, and as you return to private life, I am pleased to have this opportunity to extend my warmest best wishes to Mrs. Froehlke and to you.

Sincerely,

RICHARD NIXON.

PARKVILLE, MD., STUDENTS INDUCTED IN NATIONAL JUNIOR HONOR SOCIETY

HON. CLARENCE D. LONG

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 15, 1973

Mr. LONG of Maryland. Mr. Speaker, the Alvin V. Burgess chapter of the National Junior Honor Society at Parkville Junior High School in Parkville, Baltimore County, Md., recently inducted 50 members.

The criteria for membership in the society include outstanding achievement in five areas: Scholarship, leadership, service, character, and citizenship. The young people recently inducted represent both the high ideals of the society and the thousands of junior high school students who are annually made part of this select group.

Each member accepts by his or her induction a high standard of achievement against which to compare future endeavors. I congratulate and send best wishes to these inductees:

Pam Alexander, Pam Amoss, Cosette Arbin, Ellen Armandt, Kathy Bailey, Sharon Baummer, Mary Beall, Lisa Belsky.

Theresa Bents, Diane Ciampaglio, Alice Clark, Beth Clark, Beverly Davis, Penny Derrickson, Manette Frese, Terry Gradl.

Richard Huneke, Debbie Insley, Laurie Jones, Stacie Klebe, David Koepper, John Lathroum, Cindy Leach, Susan Lisek, Karen Lombardi.

Wayne Mahaffey, Andrea Miller, Harriet Miller, Joanne Miller, Keltie Mull, Janice Myers, Susan Myers, Linda Naumann.

Kathy Naylor, Ginger Owens, Scott Parks, Patti Powell, Lois Rassa, Elena Rivieri, Kimberly Roberts, Sue Roznowski.

Steve Sauthoff, Ray Schulmeyer, Tessie Schulmeyer, Coralea Simmons, Brian Torone, Ron Tyszko, Eddie Vance, Karen Waitkus, Cindy Zuromski.

FREIGHT CAR SHORTAGE

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 15, 1973

Mr. BRADEMAS. Mr. Speaker, the Nation is currently undergoing the effects of a transportation crisis in the form of a shortage of railroad boxcars.

I have received numerous communications from constituents concerning this problem, and according to recent reports the average daily nationwide shortage of boxcars now amounts to over 16,000 units.

The Washington Post of Sunday, May 13, 1973 contains an excellent article summarizing the problem, and in order that all of the Members might be informed as to this pressing difficulty I include it at this point in the RECORD.

The article follows:

FREIGHT CAR SHORTAGE

(By William H. Jones)

When Gordius, king of Phrygia, tied a knot which was incapable of being untied except by the future ruler of Asia, the knot stayed that way until cut by Alexander the Great.

Similarly, the nation's rail transportation network today has been tied into a very tight Gordian knot—and there's no expectation that it can be cut open any time soon.

The annual freight car shortage has struck America in 1973 with a vengeance never before experienced, aggravated by the cumulative pressures of huge export grain deals for which there was no adequate prior planning, the ravages of unseasonal weather and record flooding, bankrupt railroads in the Northeastern states and a booming national economy.

"In history, it's never been this bad," said Thomas J. Byrne, the rail section chief of the Interstate Commerce Commission.

Since the crisis started building in January, Byrne has spent most of his waking hours placating angry shippers, governors and congressmen, as well as cajoling railroad executives to get moving.

The shortage of freight cars peaked at a record high during early April and since has eased a bit with the opening of seasonal Great Lakes shipping. But a severe shortage still exists and experts say it may be several years before the transportation system recovers from what began in euphoria last August, when the U.S. announced it would sell 422 million bushels of grain to the Soviet Union.

At various times since, grain elevators have stood filled to capacity with no railroad cars nearby for loading, and farmers have fretted because they lacked fertilizer to plant new grain crops—the fertilizer was in Texas, waiting to be loaded into freight cars.

Lumber has not been delivered, causing delays on some construction projects across the nation. Food as been tied up, which could become a factor in supermarket pricing.

During the worst period, Byrne said, there was an average daily nationwide shortage of between 16,000 and 18,000 boxcars, plus a like amount daily of hopper cars.

Back in January, the ICC thought the crisis was bad when only 9,000 boxcars and 10,000 hopper cars were short every day. At present, the shortages are down to about 12,000-13,000 each of boxcars and hoppers a day.

"We consider any daily average in excess of 8,000 a real critical situation," said Byrne, whose agency has pressed to the limits its power in what has become a virtual national emergency.

"There are just not enough cars to meet the demand," said Byrne, "with the huge grain shipments, growing demand by cotton shippers, a jam-up of lumber, and the booming economy."

The shortages are nearly everywhere: manpower is lacking, locomotive power is not enough, railroad yards are clogged, grain elevators at ports can't handle the volume.

The only portion of the distribution pipeline capable of meeting demand has been ocean shipping. At times, about 50 ships were motionless in the waters off Gulf Coast ports during March and April, waiting for berths to open up so their empty holds could be filled with grain.

But there has been a separate impact on maritime shippers, whose rates for moving others commodities have risen sharply in recent months because ocean vessels were committed for more lucrative grain shipments. There are now fewer ships to go around.

Basically, a transportation bottleneck of various proportions occurs every year because crops and products are not produced on a continual basis. There are peaks and valleys of demand for all types of transport and the industry as a whole cannot afford to build a fleet large enough to handle every last shipment during peak demand.

The huge and unexpected impact of grain shipments for export, however, created a greater bottleneck in 1973. There is a widespread fear that, by the time of the next harvests this summer, elevators and the transportation pipeline still will be clogged.

On top of the grain agreements, the economy has moved forward at a pace too rapid for the transportation system to accommodate. "You can't get there all at once," said economist Arthur Okun on Friday, discussing the overall economic boom today. "Even if the capacity is there, it can't all be turned on at once."

Okun, former chairman of the Council of Economic Advisers under President Johnson, asserted that while he's basically an expansionist, "it's important to get there in a gradual way, less abruptly."

Edwin M. Wheeler, head of the Fertilizer Institute, recently testified on Capitol Hill that there is "no vehicle in the English language that describes the urgency of the situation or our utter frustration in trying to solve it."

He noted that some 46 million tons of fertilizer are expected to be produced in 1973 and that 75 per cent of the output is needed on the farms now. "Unless we can move this material, there is no hope for reduced supermarket prices," Wheeler testified.

W. H. Van Slyke of the Association of American Railroads said the major problem has been at the Gulf Coast ports, where the overwhelming majority of grain tonnage is sent for loading on ships. There just aren't enough grain elevators at the ports to unload rail cars fast enough, he said.

During the winter months, an alternative—the Great Lakes—is frozen shut. And shipping all the way to the East Coast has never been feasible because of longer-distance costs.

On one day in April, for example, the Houston port unloaded 719 freight cars while another 2,419 remained backed up either in the port area or north of Houston.

The opening of Great Lakes ports has changed the picture in more recent weeks. On May 2, for instance, 738 cars were unloaded at Duluth-Superior and no cars were backed up. In Houston on that day, the backlog was down to 1,632.

Any "easing" of the crisis is more apparent than real, however. For one thing, Byrne said, flooding throughout the Midwest has adversely affected shippers' ability to load freight cars.

And Robert Brastrup, administrator of the Montana Wheat Research and Marketing Committee, in a telephone interview from Helena, pointed out that farmers are now in the fields seeding and not in a position to deliver grain as they were during colder months.

Since last fall, Brastrup estimated, farmers in Montana alone have shipped 100 million bushels of grain out of their state, mostly on train cars. Trucks have been used as much as possible, but the supply of rental trucks is exhausted.

Another factor in the recent, slight easing of the grain bottleneck has been the only truly innovative project to date—shipping grain as if it was coal, through facilities at Newport News, Va., operated by the Chessie System (combined Chesapeake & Ohio/Baltimore & Ohio railroads).

Chessie's coal unloading operation was idle and company executives approached Continental Grain Co. with a suggestion that grain be shipped in open-top coal hopper cars, which would be made part of a so-called "through" train—meaning that an entire train was made up of grain-carrying hoppers and moved over the tracks of several railroads to a destination without switching and yard delays.

Some earlier attempts to ship by open hopper, with the grain covered by canvas or plastic and shipped from the Midwest to Gulf ports, had failed because heavy rains and winds ripped off the covers and soaked the contents to the point that grain solidified.

Chessie, however, helped design a combined plastic-cotton covering kept in place by what are really huge rubber bands. The new grain trains being moved into the Virginia port area are utilizing unique machines that pick up entire hopper cars and turn them on their sides for unloading into waiting ships.

Other railroads' grain shipments through the ports of Virginia and Baltimore have increased sharply. James E. Carr, newly named senior vice president of the Norfolk & Western Railway, said last week that in the first quarter this year, N&W moved 27,000 carloads of grain through Hampton Roads, a 59 per cent increase from a year earlier.

Carr also revealed that Continental Grain might expand a grain elevator operation in Norfolk and said an unidentified firm will probably soon announce a "fairly substantial capital expenditure for a Tidewater grain operation.

While expansion of grain export operations at East Coast ports could have a long-term impact, the proportion of overall tonnage today is very small—even with Chessie's innovation. (Chessie also inaugurated new through trains to bring lumber to the Washington area from the Pacific northwest.)

Of an estimated 1.15 billion bushels of wheat exports in the 1972-73 crop year ending June 30, about 30 million bushels will be processed through the coal operation in the Virginia port.

Overall, considering all the unexpected pressures, most government and transportation experts give the nations railroads high marks for their performance in recent months.

In the 12 months ended Feb. 28, railroad companies added 6,998 new covered hopper cars to their fleets at a cost of more than

$125 million. And as of March 1 another 5,198 hoppers were on order—all of them with bigger capacity than older cars.

Orders for new and rebuilt freight cars in the first quarter this year—20,126 cars—were nearly double the year earlier pace and the highest since 1966.

Cumulative freight volume carried by the major railroads in the first 15 weeks of 1973 was 236 billion ton miles, up 8.8 per cent from the 1972 period. Seven Midwestern railroads have ordered 300 new diesel engines, too.

One problem in this area, however, has been the northeast railroad crisis, where six bankrupt companies cannot afford the capital outlays needed to buy new equipment.

This has resulted in a situation where profitable southern and western lines are seeing the new freight cars not on their own systems but tied up in the northeast. Southern Railway president W. Graham Claytor, Jr., says his firm lost "several millions of dollars" of potential revenues in the first quarter because enough cars were not available to meet customers' demands—despite Southern's record investments in new rolling stock, which was elsewhere in the U.S. rail network.

During one recent week, the Burlington Northern, another profitable company which has been buying new freight cars, found that 57 per cent of its boxcars and hopper cars were on other railroads.

According to spokesmen for western railroads, the less profitable lines in this region find it easier to pay penalties for holding on to other companies' freight cars too long than to build new cars.

Some hard-pressed representatives of grain producing states have called on the ICC to issue an "exclusion order," which could force all railroads to immediately send back freight cars to the railroad of ownership. But that could leave the notheast with inadequate cars to move food and fuel, other experts said.

Stephen Ailes, president of the Association of American Railroads, said recently that since all forecasts indicate greater transportation needs in further years, some rail companies must be given federal financial aid to improve capacity and utilization. Basically, the industry supports a program of government-guaranteed loans.

Brastrup, of the Montana wheat committee, said the three main ways to deal with the problem on a long-term basis are to build even more hopper cars, to enforce stiffer penalties on eastern railroads that tie up freight cars, and to establish a new rate structure for grain hauling that will encourage such efficiencies as through trains.

There is little doubt that in the next decade, at least, American's output of grains for export will soar with demand from abroad. This year alone, the Agriculture Department said Thursday, farmers are expected harvest a record 1.28 billion bushels of wheat, or 8 per cent above the 1972 pace.

THE COURAGE AND PROPHETIC QUALITIES OF HON. HALE BOGGS

HON. WILLIAM L. HUNGATE

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 15, 1973

Mr. HUNGATE. Mr. Speaker, about 2 years ago our distinguished colleague and majority leader, the late Hale Boggs, placed a statement in the RECORD which at the time aroused skepticism in some of us as well as in the public and the press.

A reading of his statement today shows its truly prophetic qualities and reflects again his courage and the contribution Hale Boggs made to our country:

[From the CONGRESSIONAL RECORD, Apr. 5, 1971]

DIRECTOR OF THE FBI J. EDGAR HOOVER SHOULD RESIGN

Mr. BOGGS. Mr. Speaker and my colleagues, I apologize for my voice. I have a cold.

What I am going to say I say in sorrow, because it is always tragic when a great man who has given his life to his country comes to the twilight of his life and fails to understand it is time to leave the service and enjoy retirement.

Mr. Speaker, I am talking about Mr. J. Edgar Hoover, the Director of the Federal Bureau of Investigation. The time has come for the Attorney General of the United States to ask for the resignation of Mr. Hoover.

When the FBI taps the telephones of Members of this body and of Members of the Senate, when the FBI stations agents on college campuses to infiltrate college organizations, when the FBI adopts the tactics of the Soviet Union and Hitler's Gestapo, then it is time—it is way past time, Mr. Speaker—that the present Director thereof no longer be the Director.

The greatest thing we have in this Nation is the Bill of Rights. We are a great country because we are a free country under the Bill of Rights. The way Mr. Hoover is running the FBI today it is no longer a free country.

I was astonished to read in the paper this morning where Mr. Mitchell says that he is a law-and-order man; therefore, Mr. Hoover, being a law-and-order man, will stay on. If law and order means the suppression of the Bill of Rights, infiltration of college campuses, the tapping of the telephones of Members of Congress of the United States, then I say "God help us."

I ask again that Mr. Mitchell, the Attorney General of the United States, have enough courage to demand the resignation of Mr. Hoover.

WITHOUT TAX FUNDS

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 15, 1973

Mr. GAYDOS. Mr. Speaker, the borough of White Oak in western Pennsylvania boasts a community athletic association that now possesses a 38-acre play spot which contains baseball fields, a lighted football gridiron, basketball courts, a new gymnasium, a snack bar and picnic grounds.

Other places, I am sure, have provided similar facilities for the enjoyment of their youngsters. None, however, in my judgment, can exceed in spaciousness and quality of equipment of the White Oak complex.

What is more, the job done by the residents of White Oak serves as needed evidence that private effort still has an important role in the building up of our country and that not everything in the way of civic progress must come through the use of tax funds.

The people of White Oak made the recreation center possible. They got the idea, organized the association for the purpose of fulfilling it and then set out and raised the money needed in fund drives and by donations and dues paid by the organization membership. The only outside help was a contribution by the Scaife Foundation of $20,000 toward the cost of a community center and lights for the football field.

Most of the hard labor was furnished by the fathers of the children benefited. A lot of the fund raising was done by their mothers. The Boy Scouts, too, have given a hand. A giant electric scoreboard is the work of Explorer Post 22, produced under the guidance of Duane Simpson, an electrical engineer and a former president of the athletic association.

The present officers of the association are Manuel G. Stoupis, president, Tom A. Kemper, vice president, C. A. Neuschwander, secretary, G. A. Antoncic, treasurer, and C. A. Mandella, assistant secretary.

The association, with its physical plant now worth an estimated $150,000, has had 6,000 children participate in its programs since it came into being back in 1956, a figure that is increasing at a higher rate year after year. Last year it supported a long list of activities for both boys and girls and now has ambitious plans to add tennis courts, sledding trails, skating rinks, handball courts and more equipment for indoor games in Winter months.

The people of White Oak deserve congratulations. They also deserve the thanks of all of us for having proved once more in this age of heavy governmental spending, and growing reliance upon it, that all Americans have not lost the knack or the zest for getting things done through their own initiative and effort:

> What makes this athletic complex unusual is that it was built without any government funds—federal or local.

White Oak can be justly proud of that.

THE PEOPLE HAVE SPOKEN

HON. TRENT LOTT

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 15, 1973

Mr. LOTT. Mr. Speaker, when I mailed out 150,000 questionnaires in early January to the people of Mississippi's Fifth Congressional District, I was staggered by the incredible response. My first newsletter, mailed in late April, reported the results of that poll.

Some 30,000 South Mississippians responded to the questionnaire. I believe that such a response is additional evidence that the people of Mississippi are deeply concerned about the problems of this country.

So that my colleagues on both sides of the aisle may study the results of the poll, I hereby submit them for inclusion into the RECORD:

THE PEOPLE HAVE SPOKEN

1. The three issues people feel are the most important and should be given top priority are: (1) economy, (2) education, and (3) taxes.

2. Many programs have been introduced to restructure the American health care system by replacing individual medical practice with large, federally-subsidized clinics. Cost estimates range from $12 billion to $77 billion. Do you favor enactment of such legislation?

Yes: 13%; No: 85%; Undecided: 2%.

3. Federal farm controls and supports should be: (a) Phased out within five years: 44%; (b) Continued substantially as is: 52%; (c) Increased: 4%.

4. Do you favor federal intervention when prolonged labor strikes threaten the public interest?

Yes: 62%; No: 28%; Undecided: 10%.

5. Do you think Social Security payments should be automatically adjusted upward with the cost of living?

Yes: 71%; No: 15%; Undecided: 14%.

6. Do you think the U.S. financial contribution to the United Nations should be reduced?

Yes: 87%; No: 9%; Undecided: 4%.

7. Would you be willing to pay more for products if their use and manufacture could be made pollution-free?

Yes: 30%; No: 55%; Undecided: 15%.

8. Do you favor removal of the Social Security earnings limit?

Yes: 72%; No: 22%; Undecided: 6%.

9. Would you favor passage of a constitutional amendment to prohibit busing to achieve racial balance in public schools?

Yes: 91%; No: 5%; Undecided: 4%.

PLANNING COMMUNITY DEVELOPMENT IN SANTA BARBARA, CALIF.

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 15, 1973

Mr. WALDIE. Mr. Speaker, in these days of burgeoning population and increasing overcrowding of cities, more attention needs to be paid to far-sighted planning of community development.

In Santa Barbara, Calif., there exists a Community Planning Association, from whose experience over the years I believe many other cities could benefit. The activities of this organization, and the need for such planning, are described in an article by Leon B. Sager, entitled "The 'Intentional' Community", appearing in the spring 1973 issue of Cry California, a magazine dedicated to creating greater public awareness of the problems to be faced in maintaining a beautiful and productive California.

The article follows:

THE "INTENTIONAL" COMMUNITY

(By Leon B. Sager*)

Internationally known for its beauty, the California coastal city of Santa Barbara has become endangered by a dramatic increase in population, primarily new residents. Santa Barbara is in one of the fastest-growing counties in the United States, with a current population of 250,000 mostly concentrated in the Goleta Valley area west of the city. The expansion rate was 56 percent between 1960 and 1970, twice that of the state and four times that of the nation. One of the most serious consequences of this tremendous growth is the rapid conversion of pleasant orchards and open land to drab, unplanned housing and commercial units. In company with many other localities, Santa Barbara now faces the question: can unlimited growth and unplanned urbanization be stopped?

Fortunately, there is among the citizenry a strongly motivated group of capable and concerned individuals willing to devote a large amount of time to civic affairs. This has been true for over half a century. Notable among them, recognized nationwide for her effective environmental activities, Miss Pearl Chase expresses her sentiments and those of her associates: "A city that develops finely should delight the eye, feed the intellect, and lead the people out of the bondage of the commonplace." Santa Barbarans are also fortunate to have a daily newspaper, the *News-Press*, which is alert to the environmental hazards of uncontrolled development.

As early as the 1920s, within a year of the disastrous earthquake of 1925, a Community Arts Association was formed, with branches in drama, music, the arts, and plans and planting. An architectural board of review was created, and all proposed structures required the board's approval—something found in few cities in the country at the time. Largely creditable to these pioneers and their successors is the charming Spanish-style courthouse, built in 1929, with its high-ceilinged supervisors' chambers emblazoned with murals depicting the history of the city from the 16th century, as well as palm-tree bordered Cabrillo Boulevard; State Street's wide, mosaiclike sidewalks, benches, trees and fountains; and El Paseo, a section of shops, offices and restaurants, including the "Street of Spain." This mall-type development in the heart of the city, combined with ample free and convenient off-street parking, has enabled Santa Barbara so far to counteract the attraction of new and elaborate suburban shopping centers and escape the blight and deterioration suffered by the downtown areas of so many cities across the country.

Unfortunately, other less-attractive developments have also emerged. An example is the contiguous, unincorporated community of Goleta to the west above Santa Barbara. *Today's Action, Tomorrow's* Profit, a brochure published by the Community Environmental Council of Santa Barbara, to which the writer is indebted for part of the research in this article, says of Goleta: "Prior to 1950, the city remained a small town surounded by orchards and cropland of fine quality. Goleta urbanized rapidly during the late 1950s and early 1960s, with growth sprawling outward from the town center. Though by 1965 the city was already well on the way to saturation, construction has continued at an undiminished pace, filling the entire eastern portion of the valley with new development." Most of it is unsightly and, unless significant changes occur, destined for ever-greater deterioration. The delightful and productive lemon and avocado orchards which helped make the area unique and lovely are being rapidly converted to unplanned and undistinguished residential and commercial districts.

In 1964, after years of effort, citizen groups developed a movement to create coordinated county and city general plans. All segments of the community participated. To assist in design and final plans, the county board of supervisors engaged the services of Simon Eisner & Associates of Pasadena. Primarily providing a land-use policy for the city as well as the county, the plans, as adopted, make recommendations concerning zoning, subdivision laws, building heights, transportation and land assessment. Despite far-sighted features, many of which have been beneficial to both city and county, there is continuing disagreement as to whether the plans provide sufficient safeguards against excessive growth. There is even concern that the plans would not prevent disastrous development of much of the south coast area of the county.

It has become clear that a short-range, exclusively local economic perspective is inadequate if the area is to escape the fate that has befallen cities and their suburbs across the nation. In the early 1960s, a period of economic boom in Santa Barbara as well as throughout California, land-use policies, basic in determining population density, became the dominant issue. Citizens divided into two general groupings, developers and conservationists, the one primarily concerned with immediate profits, the other with the long-term effect of growth on their way of life.

In the continuous struggle, each group has scored both victories and defeats. Developers have frequently increased population density by securing zoning variations altering the general plans. Though conservationists frequently found themselves accepting the inevitability and even desirability of some expansion, they have continued the fight and often stemmed the tide of development.

Differences between organized citizenry and elected officials are no novelty in either the city or the county. George Clyde, a member of the county board of supervisors who retired a short time ago, observed that "The people of Santa Barbara County had to come to the rescue of their coastline three times recently after the supervisors had approved [development which] would have been detrimental." But, as Mr. Clyde has also noted, "Attitudes of elective officials have changed somewhat in the past two years, and there is a possibility—a slim one—that the drastic decisions needed to preserve our environment will be made.

"Two of the prime decisions that must be made are: the adoption of a new General Plan, radically limiting future population growth; and the rolling back of zoning to conform to such a new General Plan.

"If these two steps are not taken, the environment of the South Coast area of Santa Barbara will be degraded simply by an overabundance of people. Population projections show a South Coast total in the year 2000 of nearly 300,000 persons—and this figure is *below* the holding capacity of the present General Plan. We can probably live with some growth but we cannot live in a quality environment as we know it today with anything like 300,000 people in the South Coast area."

Control of high-rise buildings has long been a primary concern of Santa Barbara residents, particularly proposals for such construction on the waterfront. They were familiar with the unfortunate development at La Jolla, near San Diego, where high-rise at the water's edge proved disastrous, ruining the ocean view for the entire city and curtailing public use of the beaches.

Citizen groups were active and effective in the 1960s in stopping two efforts to construct high-rise buildings. In 1966, the Santa Barbara Biltmore Hotel obtained a conditional-use and variance permit for construction of a high-rise annex on the beachfront. A local group took the matter to the Santa Barbara Superior Court where they received a ruling in their favor. When this was contested, the matter was taken to the District Court of Appeals in Los Angeles and the decision of the lower court was upheld.

The El Mirasol Hotel had been a Santa Barbara landmark for over half a century. Set in beautifully landscaped grounds, it entertained guests from all over the world. But by the 1960s, the property was in a state of increasing decline. It was sold, the buildings were torn down, and plans were developed in 1969 for a high-rise apartment complex, including a six-story structure, which required a variance of zoning. Powerful forces were set to work and a variance was approved by the city council. A high-rise structure in the very heart of the city seemed a certainty. Again, a group of citizens instituted legal action, at the conclusion of which the court reversed the city council's decision.

Fearful, nevertheless, that the developers would ultimately make a breakthrough, many citizen groups combined their efforts to secure permanent safeguards. The culmination was a well-attended series of three forum meetings in March and April, 1970. After all sides had been heard, polls indicated that a large majority opposed high-rise. Apparently impressed by such evidence, the city council resisted all pressure by the developers and high-rise was again avoided.

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* A resident of Santa Barbara, Leon B. Sager is active in several community groups interested in preserving the character and beauty of the city. His articles have appeared in the magazine of the Center for the Study of Democratic Institutions, among other publications.

Santa Barbara's zoning ordinances provide that no building in a residential area may be higher than 30 feet for one- or two-family units, 45 feet for three or more units, and 60 feet for industrial or commercial structures. As with any zoning, however, the city council was empowered to grant variances. Still apprehensive that this might happen at some future time, a group of organizations led by the League of Women Voters placed on the November 1972 ballot a proposition, now incorporated in the city charter, which precludes any future amendment or variance of the building-height limits existing in the charter.

Another important city ordinance, passed in 1969, pertains to El Pueblo Viejo, an area consisting of some 72 blocks in the center of the city. Under the terms of the ordinance, no structure may be built or altered in the area which does not conform to one of three styles of architecture: California adobe, Monterey or Spanish Colonial.

Thus, continuous efforts on the part of conservation-minded citizens have been necessary to preserve the quality of Santa Barbara's environment.

In January, 1969, Santa Barbara was struck by an environmental disaster which quickly became and for many weeks remained a front-page story, with repercussions continuing to the present. A Union Oil Company drilling operation lost control of an oil well in the Santa Barbara Channel. Huge quantities of oil poured into the ocean, quickly reached the beaches, and what had been one of the nation's choice playgrounds and a habitat for birds and marine life became a scene of filth and desolation.

Again, the community responded. Within two days, an organization was formed which called itself GOO (Get Oil Out! Inc.) and addressed itself to the immediate task of cleaning the beaches and rescuing oil-soaked birds. GOO's long-term goal was, and is today, to terminate all oil-drilling operations in this area of the California coast and to make offshore operations safe in other areas. Demands for both state and federal legislation were made by the group.

The sensitivity of the issue and its national scope became quickly apparent. It was to be a battle with giants. A full and reliable account of events surrounding and following the misfortune is to be found in *Black Tide* by Robert Easton, a Santa Barbara author. In summary, possibly GOO's greatest achievement after three and a half years of unremitting effort is the focusing of national attention on the problems of offshore oil-drilling. Though other accomplishments must be considered modest, they are not insignificant. On the state level, authorization of drilling permits has come to a complete stop, and a sanctuary zone has been established around the Channel Islands where oil companies cannot operate. Federally, as of this writing, there has been a temporary blocking of the installation of two drilling platforms—a potential of 140 wells—and of exploratory drilling on 35 leases in the Santa Barbara area. Initiated by GOO and similar organizations in most coastal states, extended Congressional debate is in progress considering whether all offshore drilling should be discontinued.

On still another front, a major disruption occurred in Santa Barbara during the 1960s. Surprisingly, this resulted from a decision by the Regents of the University of California to expand and relocate the already existing Santa Barbara State College into a branch of the university in the Goleta Valley. At first, citizens were pleased. A branch of the esteemed university would surely add prestige to the city. But concern quickly developed when it was learned that plans were being made for a student body of 25,000 which would require a faculty and staff of some 1,200, and neither the Santa Barbara City Council nor the County Board of Supervisors had been consulted during the planning. A major oversight was the lack of provision for off-campus student housing. Concern soon turned to consternation.

Isla Vista, a new, unincorporated section close to the university campus, became a bonanza for fast-buck builders. Very shortly it became an architectural nightmare. With housing space at a premium, students were compelled to pay exorbitant rental for shabby quarters with few or no services. The housing situation, coupled with student opposition to being drafted in the Vietnam war, resulted in a series of violent disturbances that shocked the entire community. Then came tragedy.

In the wake of the burning of the Isla Vista branch of the Bank of America came the fatal shooting of a student. A long period of turmoil ensued: conflicts between students and university authorites, over-reaction by some police and sheriff forces, and lack of decisive action by the board of supervisors. After weeks of conflict and months of negotiation, quiet was restored. Plans for university expansion have since been curtailed and a new organization has evolved—Isla Vista Community Council.

Finally, there is the fight over the Highway 101 or crosstown freeway which has gone on with the State Division of Highways since 1954. It was then that studies were begun by the state to convert the existing four-lane divided highway to a full freeway. During the intervening years, a series of community meetings took place at which citizens and government officials debated the routing, design and size of the proposed construction. In November, 1971, the Santa Barbara City Council finally entered into an agreement with the state, under the terms of which the surface-level freeway will generally follow the existing Highway 101 route and the Southern Pacific railroad tracks will be moved north adjacent to the new freeway, forming a single transportation corridor through the city. According to the planning program approved by the State Highway Commission last April, right-of-way acquisition is due to begin this year, with construction starting in 1976. But the plan is still opposed by many Santa Barbarans who continue to explore possible alternatives.

Thus, as the Santa Barbara community strives to deal with its problems, it is working steadily to broaden citizen participation in public decisions. Opportunity for education is exceptional, through programs conducted by the Continuing Education Division of Santa Barbara City College, in cooperation with the Community Environmental Council. Some 26,000 individuals, equal to over half the adult population of the city, attend one or more lectures or courses each year. Speakers include members of the faculties of local colleges and UC Santa Barbara, as well as fellows, associates and visiting scholars from the Center for the Study of Democratic Institutions. Recently, the Adult Education Center sponsored a series of lectures and discussions entitled "Last Call for Santa Barbara—the Good Life or Megalopolis?" The well-attended sessions undertook a critical review of the problems facing the South Coast of Santa Barbara. The tape-recorded proceedings were edited and elaborated into the aforementioned brochure, *Today's Action, Tomorrow's Profit.*

An 800-member Citizens Planning Association carries on much of the civic-oriented activity in the area. Few actions of public interest in Santa Barbara County (comparable in size to the state of Delaware) escape its scrutiny. Its influence is attested by the frequency with which consultation is sought by the city council and the board of supervisors before enactment of legislation. The association was a leader in creating the Santa Barbara General Plan. Concerned with land use, open space, density and a multitude of other community problems. CPA has arranged frequent public meetings, among them a series in the fall of 1972 entitled "Water, Water Everywhere," sponsored by the League of Women Voters.

One of CPA's foremost concerns is the South Coast region of Santa Barbara County, under heavy assault from developers and threatened with the congestion and dangerous levels of pollution which afflict the Los Angeles basin. Together with numerous other ad hoc groups whose formation was prompted by concern for the community at the time of the oil disaster, CPA has hopes that the haphazard development can be halted before it exceeds the holding capacity cited by former supervisor Clyde. Among such groups is the Community Environmental Council, formed in 1970. Composed largely of people in the 20-to-40 age bracket, it has become a strong voice for comprehensive environmental planning. A basic premise shared by these organizations is that, for the most part, Americans have not anticipated problems—they have reacted to them. Santa Barbara, they are determined, shall be different.

Old or new, citizen organizations have much to engage them. In February, 1972, following the city council's adoption in 1971 of the crosstown freeway routing and relocation of the Southern Pacific tracks, the Southern Pacific Land Company and its associate, American Communities-Santa Barbara, Inc., presented a multimillion-dollar development program to the council. Their original proposal included a 500- to 1,000-room motel/conference complex and various other developments directly on the beachfront. Proponents of the project claimed it would attract tourists and thus act as a significant boost to the economy. Many Santa Barbarans, however, viewed such claims with reservation, if not alarm. In their opinion, the proposed closing of Cabrillo Boulevard, together with the thousands of tourists who would be drawn to the area, presented a serious threat to the character and quality of Santa Barbara life.

A newly formed citizen group, the Committee to Save East Beach, with the cooperation of other organizations, sponsored a citizens' symposium of lectures and discussion regarding the proposal, and also engaged the services of the design firm of Skidmore, Owings and Merrill to assist the committee in conducting a one-month study of the overall situation in lower Santa Barbara from the freeway to the waterfront, prepare a sketch plan, and assist local talent in developing alternate proposals for the waterfront area. Following completion of the study last July, the result, entitled "A Plan for East Beach," was presented at a large public meeting. William Penn Mott, Jr., director of the State Department of Parks and Recreation, and John Fisher-Smith of Skidmore, Owings and Merrill addressed the group. Mr. Fisher-Smith showed slides contrasting well-planned design in cities across the country with poorly planned and haphazard development.

Responding to this broadly based citizen concern, the city council authorized the committee (now renamed "The Committee for Santa Barbara") to meet with the developers, representatives of the Chamber of Commerce, and other interested parties, to create a comprehensive development plan for the city's vital waterfront area. These meetings have established a basis for cooperation which may prove fruitful. They may, in fact, lead to the kind of innovative development Santa Barbara is known for.

A strong research and design team has been created by the Committee for Santa

Barbara to work with landowners, developers and city planning authorities toward a comprehensive design for the entire lower Santa Barbara area. Hopefully, the plan will include open space and parkland melded with hotel, housing and commercial developments.

What of the future? It is evident that much further deliberation is needed. If present community concern and involvement can be sustained and enlarged, there is reason to hope that the problems can ultimately be resolved and the beachfront area made an harmonious addition to the city's many attractive features.

Many Santa Barbarans believe that if they are to avoid the catastrophe of megalopolis, the entire county must be seen in perspective; contradictions and conflicting priorities must be resolved. Further, in the opinion of many observers, Santa Barbara must study its problems in relation to a regional concept. It must consider the impact upon its own environment of social and economic decisions made by neighboring counties to the north and south, and it must take proposed state and federal actions closely into account.

As in many other communities the nation over, concerned residents and officials know that without such effective comprehensive planning, they are faced with increasing environmental deterioration, the inevitable result of a never-ending series of rear-guard actions which are sometimes successful but hold dim prospects for long-range solutions. However, if past efforts are indicative, the prospect is good that Santa Barbara can preserve the qualities which have won the admiration of visitors from every part of the world and uphold its reputation as an "intentional" community deeply concerned with the quality of life.

CONGRESSMAN DOMINICK V. DANIELS ENDORSES NATIONAL DAY OF PRAYER

HON. DOMINICK V. DANIELS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 15, 1973

Mr. DOMINICK V. DANIELS. Mr. Speaker, recently I sent a letter to constituents in the Hudson City section of Jersey City, N.J., soliciting responses from citizens on pending national problems and seeking solutions.

Naturally I received a number of views, many of which were worthwhile and which I shall seek to implement. However, one respondent, Mr. Fred Bogad of 3719 Kennedy Boulevard, Jersey City, N.J., offered a suggestion which I think has some merit. Mr. Bogad suggested a national day of prayer when people turn away from mundane things and give time to prayer. I think that Mr. Bogad's idea is an excellent one and I think that many religious persons would agree with him. Certainly I do.

Mr. Speaker, there are also a great many persons not particularly religious who might appreciate one day a year when America comes to a halt, no newspapers, no television, no public transportation except for emergencies. This would be a day when all Americans could commune with their God or simply spend the day with their families at home, a kind of national recharging of the batteries. Harried, frenetic Americans might find a national day of peace and tranquility an excellent idea.

Mr. Speaker, at this point in the Record I include Mr. Bogad's letter. I urge all of my colleagues to read his views.

The letter follows:

Jersey City, N.J.

Hon. Dominick V. Daniels,
Washington, D.C.:

I have never bothered with this type of mail simply because I have very little faith in letters to Congressmen. Perhaps you are an exception to the rule. If so, here is my first and probably last reply to this type of mail.

How about setting aside one day where people *do not* buy newspapers, turn on the radio, turn on the stereo, turn on the television.

Instead give time to prayer to God and no other.

The same manner of prayer that Jesus told his disciples to do as in Luke Ch. 11, Vs. 2/4.

This can be done on a non-denominational basis.

Sincerely,

Fred Bogad.

THE HIRELINGS FLEETH

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 15, 1973

Mr. FINDLEY. Mr. Speaker, the unraveling of the Watergate affair has been a tribute to a vigorous, free press, as President Nixon aptly put it in his address to the Nation.

The editor of my hometown newspaper, The Pike Press, has written an editorial invoking Biblical references which gets right to the point, or at least to one of the points about Watergate. Now that those who betrayed the trust of the American people are leaving the Government, the country must now begin to turn its attention to other pressing matters. True, Watergate must be fully dealt with, and all those guilty of misconduct must be brought to justice. But the Nation must also go about its business in the meantime, and perhaps that is not being sufficiently done now.

Text of editorial follows:

The Hirelings Fleeth

> But he that is an hireling, and not the shepherd, whose own the sheep are not, seeth the wolf coming, and leaveth the sheep, and fleeth: and the wolf catcheth them, and scattereth the sheep. The hireling fleeth, because he is an hireling, and careth not for the sheep.—St. John x.11

Many a politician has learned to his regret the truth of the maxim: I can take care of my enemies; it's my friends I need to fear.

Now, one of the greatest politicians of them all, has learned the calamity of being surrounded by those whose "zeal exceeded their judgment."

The Watergate tragedy was brought on essentially because of a handful of infantile men who were hirelings and careth not for the sheep, meaning in this sense, the American public, their true masters—not the President and not a committee to reelect the President.

And so the hirelings fleeth. And surely the sheep are scattereth as opinions of the public range from anguished cries for impeachment to cynical resignation that it's just American politics—common to both parties and hardly unprecedented.

At least we hope public officials will think twice before they excoriate the press again for shining its searchlight where it belongs—from courthouse to White House.

But to his credit, in his nationwide address President Nixon recognized the merit of a "vigorous free press." It could presage a badly needed new understanding with reporters.

And at some point or other the country is going to have to set its mind on some matters besides Watergate. Other problems have been overshadowed, but they're still very much with us. Some day we're going to have to get back to them.

TRADE POLICY: WILL CONGRESS CAPITULATE AGAIN?

HON. RICHARD T. HANNA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 15, 1973

Mr. HANNA. Mr. Speaker, when Members of Congress venture home to give speeches, I have no doubt that one of the most frequently used topics is the urgent necessity of reasserting the role of the Congress vis-a-vis the President in determining national policies. It is also a subject very much in vogue at Washington dinner parties. Yet, with all the talk one hears on this subject, it is amazing how easily this sentiment is lost when a specific opportunity is at hand to take positive action.

Most recently the House had the opportunity to pass a bill through which the Congress would have worked its will on the economic stabilization program. Instead, the House passed an extension of the President's authority devoid of directive or guidelines. I can imagine no greater contradiction of the sentiment for balancing the power of the two branches of Government. There is now on the horizon yet another congressional capitulation to Executive authority. I refer to H.R. 6767, the Trade Reform Act of 1973. The bill virtually surrenders international economic policy to the President. The bill would give the President almost unlimited authority to raise or lower import quotas and tariffs. We have surrendered domestic economic policy to the White House—now, if we surrender international economic policy, we might as well pass one last bill giving the President the power to set taxes and adjourn sine die, lock up the Capitol Building and go home for good.

I am in agreement with many of my colleagues that the President needs an element of flexibility in order to deal effectively at the economic negotiating table—but not to the extent of an "Economic Tonkin Gulf Resolution," such as the President requests. Surely the distinguished members of the Ways and Means Committee can find a legislative formula which will come down somewhere between putting quota and tariff rates in cement and leaving them entirely up to the President.

Mr. Speaker, some of my colleagues may think that I am throwing a wet blanket on what has been billed as "free-trader" legislation. The bill is advertised as giving the President the authority to suspend import duties, for example, but surely this can work both ways—"The King giveth and the King taketh away."

Beyond the important constitutional issue of congressional delegation of authority, a problem arises concerning business decisions. As Mr. David J. Steinberg describes, if the President's bill is passed, we will have a "yo-yo trade policy" with tariff and quotas moving up and down with no regularity or predictability. The consequence for the American consumer, the businessman, and everyone in the economy is permanent uncertainty. Business planning and decisionmaking will be completely disrupted and, as a result, consumer and labor interests will suffer. Most economists would agree, I am sure, that a high level of uncertainty in the economy is very unhealthy. It results in poor planning and a misallocation of resources. This warning from Mr. Steinberg of the Committee for a National Trade Policy should not be taken lightly.

What the administration asks for is simply more power. It is typical of this administration to contend that the solution to problems is more power. But what about programs and policies? What policies will the administration pursue and what programs will they develop if armed with this power? We see no indications of this in the bill, in the President's messages or in the initial administration testimony before the Ways and Means Committee. We have no indication of how the President intends to give the United States a dynamic trade posture.

Furthermore, we are given no idea of what goals the administration intends to pursue. They want to expand trade, they say, but what is the goal by which they can be measured? Five percent expansion, 10 percent, 20? And over what period of time?

Finally, Mr. Speaker, we are given no idea of the administration's feelings and plans with respect to the institutional support for trade policy. Are they satisfied with the support given by the Departments of State, Treasury, and Commerce, which are supposed to be promoting and aiding U.S. export activities? Are they satisfied with existing insurance procedures in the Export-Import Bank? If they are, they stand alone. Those who operate in this field know only too well that we need new institutional supports for the expansion of U.S. trade and the restoration of a favorable trade balance. We need only look at the track record of the countries who have enjoyed the most success in recent years in trade to see that the key to success is an open partnership of public and private agencies promoting a country's products in the world market place.

Mr. Speaker, until the administration gives us a clear picture of its goals—in measurable terms—and elaborates for the Congress and the American people the policies and programs it will pursue, we have no way to judge whether they deserve to have the increased power they seek. To increase trade power in a trade policy vacuum is not responsible legislating.

Surely the Congress can find some formula which will give the President sufficient negotiating leeway and yet put some restriction on his discretion. We should say, for example, Mr. President, you can give away this much and no more. I am confident that the Congress can do it. I know we should do it. But I am afraid that, based on our track record, we will not do it.

SUCCESS AGAINST POLLUTION

HON. ROBERT P. HANRAHAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 15, 1973

Mr. HANRAHAN. Mr. Speaker, the fight against pollution has been a long, continuous struggle. There are many avenues which may be taken when attempting to tackle this problem. One such means has been meeting with success in the Chicago area, local action.

I would like to bring to the attention of my colleagues a recent editorial from the Suburbanite Economist newspaper. This commentary aptly describes how these local groups have achieved success against pollution:

Success Against Pollution

While it is difficult to produce concrete evidence of success in the fight against pollution on a state or national level, it is encouraging to note that citizen action at the local level is getting results.

In Summit, for example, a persistent group known as Save Our Resources and Environment (Sore) has recently won a victory after a three year fight against a roofing company. It is true that the battle went on too long, but the fact that the company is reputed to be the world's largest manufacturer of asphalt felt roofing products undoubtedly made the fight harder and the victory sweeter. The company is presently under a permanent injunction issued by Judge James J. Mejda of Circuit court to desist from polluting the air. The company can be closed if emissions are denser that the court order allows and the emission of certain particularly obnoxious chemicals is strictly forbidden.

In nearby Blue Island a company that makes a fence post coating material is also under a permanent injunction issued by Judge Nathan M. Cohen of Circuit court to desist from polluting the air in the vicinity of its plant with foul odors.

As we mentioned, in both instances the action that led to the injunctions was instigated by concerned citizens. And both groups have been kind enough to credit the Economist Newspapers with providing the proper publicity needed to make their crusades a success. Something we were glad to do, of course.

The point we want to make is that local action may be the strongest weapon in the fight for clean air. City, state and national bureaucracies do a lot of talking about the need for a war on pollution, but that's about it all amounts to: sound and fury, no more. When citizens at the grass roots level become concerned and go to court they can get results, though the effort takes time and money. It cannot be won in a week or a month, but the rightness of the cause will win out in the long run. It cannot be denied.

As an example of the waste and delay that appears to be going on at the upper echelons of the pollution bureaucracy we point to the controversy going on over the appointment of Mrs. Mary Lee Leahy as the state director of the environmental protection agency. A part of the fight involves criticisms leveled at Chicago's program by Governor Walker. Among these are a charge that the city has an $80,000 computer which it received from the federal government as part of a million dollar grant in storage, that the city has been "keeping secret" results of investigations on individual polluters for certain kinds of air pollutants and that the city has not supplied the state with a record of citizens' complaints or smoke violations.

These are charges, we point out, and may not be completely true. However, the fact that there are even grounds for such charges is somewhat of an indictment of the bureaucracy. And, of course, the fact that you have two agencies spending their time throwing stones at each other is a complete waste of the taxpayers' money.

That's why we urge local groups to tackle pollution in their community. Relief cannot be denied on any just grounds and though our courts may not be perfect justice usually does prevail in the long run.

TRIBUTE TO SYLVIA ZANKICH

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 15, 1973

Mr. ANDERSON of California. Mr. Speaker, on May 19, a testimonial dinner will be held in San Pedro, Calif., to honor a lady who has dedicated her life to the service of her community.

Sylvia's entry into community affairs began after a needless tragedy occurred where eight children drowned in the Bixby Slough. Sylvia brought this public hazard to the prompt attention of the local officials and began working to convert the hazard into a recreational area. She worked on the steering committee and organized the public to develop support for the project, which became a reality in 1972.

Her dedication and commitment to the community was recognized by all who knew her and, as a result, she became an active leader in the efforts to improve the quality of life of the people in the South Bay area.

Sylvia Zankich has been in the forefront of efforts to upgrade the activities designed to provide a safe and healthy outlet for the children of our area. Both the San Pedro and Wilmington Boys Clubs have benefited by her contributions and leadership, as have the Los Angeles County Foster Home, the San Pedro Retarded Children's Foundation, the Little League, the Pumpkin Ball, and other community programs for children.

In addition, she has served as the Wilmington Heart Fund Community chairwoman for 7 years. As chairwoman of the United Services Organization, she has brought her zeal and drive to the funding of the worthy philanthropic projects the benefit service personnel and all of the people of the harbor area. Sylvia has also served the Mahar House, the Red

Cross, the NAACP, and the John Tracy Clinic. She was also the driving force behind the organizing of a new chapter of the Community Service Organization for the underprivileged of San Pedro and Wilmington.

As a successful businesswoman in the bail bond business, Sylvia Zankich is active in the Wilmington Chamber of Commerce and the San Pedro Businessmen's Association.

Her organizing talents have been recognized by public officials in the harbor area, as she was a member of Governor Brown's Advisory Committee, a member of the mayor's Community Advisory Committee, and vice president of the Los Angeles Commission of Consumer Affairs and Social Services.

The first honorary mayor of San Pedro, Sylvia Zankich is a participant in the governmental process, serving in the League of Women Voters, a delegate to many Democratic State conventions, and a National Democratic Convention. She has also been called upon to lead numerous political campaign organizations in the harbor area.

Mr. Speaker, I take great pride in calling to the attention of the House of Representatives the kind of community spirit and volunteer efforts that have made the harbor area such a great place to live, work, and play. These qualities are epitomized by Sylvia Zankich—a fine lady who is recognized as an inspiration to us all. I commend her for her years of dedication, and I salute the people of San Pedro for honoring such a well-deserved individual who has meant so much to the betterment of our community and Nation.

SECRETARY OF THE ARMY ROBERT F. FROEHLKE

HON. WILLIAM G. BRAY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 15, 1973

Mr. BRAY. Mr. Speaker, I wish to acknowledge the untiring efforts of a great American. The President has accepted the resignation of Secretary of the Army, Robert F. Froehlke, effective May 15, 1973.

During his 2 years as Secretary of the Army, Secretary Froehlke has streamlined and improved the Army's management effectiveness. Under Secretary Froehlke's leadership, the U.S. Army completed its mission in Vietnam; saw the return of our prisoners, and trained and equipped the Republic of Vietnam army.

Additionally, credibility of the Army with Congress and the American public was largely regained during Secretary Froehlke's tenure. The renewed pride, confidence, professionalism, and sense of mission within the Army is a tribute to Secretary Froehlke's complete personal dedication.

It is my honor to pay tribute to Secretary Froehlke, an American who has served his Nation with great distinction.

ELECTION REFORM

HON. WILLIAM J. KEATING

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 15, 1973

Mr. KEATING. Mr. Speaker, during consideration of the Campaign Reform Act of 1972 I introduced an amendment which broadened the responsibilities of the U.S. General Accounting Office of Federal Elections to include the distribution of information on election administration.

While the finance reporting side of the Office of Federal Elections has received most of the publicity, the Election Information Clearinghouse is making considerable progress.

In January of this year the clearinghouse released a study of election difficulties in seven jurisdictions: Oakland, Calif.; Detroit, Mich.; Cincinnati, Ohio; Los Angeles, Calif.; Portland, Oreg.; Cleveland, Ohio; and Akron, Ohio.

The report made 26 recommendations on how the administration of elections can be improved after studying the elections in the seven cities. The recommendations ranged from the role of the courts in election day procedures to ballot size and having election boards practice election day operations.

At the present time the clearinghouse is conducting a basic survey of the more than 7,000 election boards across the country. They are in the final stage of preparing the questionnaire that will be mailed out. The questionnaire will go into problems such as local registration procedures, distribution of election information, machinery used, and the structure of the local election board. The questionnaire will also ask to see if there has been any fraud or election sabotage in the past 10 years in their area.

Currently the clearinghouse is starting two studies on two specific problems in the election administration field. One is on voter registration procedures, and the second is on voting equipment.

The voter registration study will look into the various methods of registration from simple cards kept at a central office to an on-line computer system. The study will investigate the effectiveness of the various systems comparing statewide to county registration and the chances of fraud of the different procedures.

The other study on voting machines will examine the election machinery that is currently available. It will discuss the successes and failures of these machines, their cost, and the chances of fraud from the different systems.

These two studies should serve as a source material for all districts that are looking for new ideas in election administration.

Starting in July, working with the Congressional Research Service, the Clearinghouse will issue reports on changes in election laws and court decisions. Besides the monthly reports there will be quarterly summaries and a year-end final report.

There are, of course, many other areas that still need study.

There are many questions surrounding absentee voting and how this can be made easier. A related problem is the development of residency standards. With our very mobile society, this is becoming an increasing problem.

The Watergate has brought to light the sabotage attempts that go on all too often in political campaigns. We must do everything possible to end all such practices.

At the beginning of the 93d Congress I introduced legislation that I feel will help improve voter participation in presidential elections—moving election day up one month. I was pleased to see that the majority whip in the other body, Senator ROBERT BYRD, introduced similar legislation. This would shorten the campaign and put the election in a period of the year when the weather is better. Another proposal in my bill would establish simultaneous voting hours for presidential elections so that the results from the East Coast will not influence the West Coast.

The Watergate has done serious damage to our entire political system. We have a responsibility to make changes that will give the public renewed confidence in our political system.

A MOTHER'S PLEA: DO NOT MAKE MARIHUANA LEGAL

HON. BILL GUNTER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 15, 1973

Mr. GUNTER. Mr. Speaker, Mr. Robert A. Francis is the director of the Florida American Legion Boys State. He sent me a copy of a letter which appeared in the St. Petersburg Evening Independent on Thursday, May 3, 1973. I believe this letter represents the views of many parents as to the dangers they see regarding the potential legalization of marihuana. I urge my colleagues to take note of this message:

A MOTHER'S PLEA: DO NOT MAKE MARIHUANA LEGAL

EDITOR: I am writing this letter on the way to Fort Lauderdale to visit our son at the drug-abuse rehabilitation center—called "The Seed"—founded by Art Barker:

My husband and I are taking this trip (500 miles) twice a week on Monday and Friday, to attend the open meeting. We leave at 2 p.m., and arrive home between 3:30 and 4 a.m.

From 7:30 to 11:30 a.m., we sit with hundreds of parents at The Seed, looking across to hundreds of young people. We do not talk, we just sit and listen as one youngster after another unfolds his or her story of drug involvement. Ages range from 10 to 25 years—drugs from marijuana to heroin.

Then the time comes for the parents to say a few words and when the microphone reaches us, we get up, look at our son, tell him we miss him and love him.

On March 18 he was 17 years of age. For 16 years he was a fine upright boy with a good sense of justice and high goals, a loyal friend and loving son—a good student, a popular boy who was good in school and good at sports.

Shortly after his 16th birthday, he told us that he was smoking marijuana, that he liked the high feeling it gave him and so did his friends. To subdue our protests and horror, he informed us that he saw harm in taking alcohol or tobacco and would not partake in such partying with his friends even if they should do so. Both, he told us, are addictive and habit-forming.

But marijuana—that was a different story! No hangover, not addictive, and most of all—as he had read——our own government commission stated publicly after much research (not in the houses of families with teenagers) that marijuana is a minor drug compared to alcohol and tobacco; and that same commission recommends legalization of the weed. The same argument was given us by all his friends.

From then on we had to watch our only son turn from an open-minded, honest boy to a boy who had many secrets; who, in place of a kiss when he came home, would look downward, hurry to his room and lock the door. The Visene bottle was never out of reach. His grades in school dropped from A-B to C-D and, on the last report card, an F. The F was for skipping too many days in school, a fact we were not even aware of. A boy with a 100 per cent attending record was twice suspended for 10 days each time, for leaving school grounds without permission. Dents and scrapes on his and his father's car became numerous and so were the traffic tickets.

One night he and two of his friends were arrested while smoking marijuana in our son's car on a deserted strip of marshland. They were all 16 years old. They were handcuffed and brought to the police station. Our son was not charged because his friends had the marijuana and paraphernalia in the back seat at the time of apprehension. Lucky?

I don't know how often I have stood in the laundry crying because I had found another shirt or slacks with burnt holes down the front . . . holes made by burning marijuana held with a so-called roach clip. Eleven joints were found behind a book; a plastic bag half full of the weed was found under the car seat; another joint in the back pocket of his jeans—these were a usual find. For the rest of the family, another day of tears, threatening, begging him to stop. He would and could NOT!

Two weeks before his 17th birthday, we had him picked up by the local police, brought to the police station and then to the Juvenile Detention Center, to obtain a court order to have him ordered to the full-time Seed program.

Now all we can do is love him and hope he will understand that in order to save him from a criminal record, we had him taken against his will, hoping Seed will do for him what it was able to do for so many others—clear his head, make him happy and high on life again in place of being high on marijuana, so he will be able to function as a useful citizen.

We miss him so! We are scared parents! We do not believe in the government commission's recommendation and findings. We do not want marijuana legalized!

Legalization of marijuana would add to our nation's problems—the problem of the habitual "pot head."

In the name of our children, WAKE UP! The government commission should be awakened to the reality of its responsibilities. The damage already done amongst the young users, and the users who went on to other drugs, is great.

The commission's attempt to justify its recommendation of legalizing marijuana by comparing it to the already legal and misused drug "alcohol" . . . is irresponsible. Marijuana should be judged on its own destroying merits.

FIVE FACES OF FREEDOM

HON. GILBERT GUDE

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 15, 1973

Mr. GUDE. Mr. Speaker, the winning address in this year's competition of the Capitol Hill Toastmasters Club was a stirring reminder of the men who have died for our freedoms.

The address, by Williamson Day, then won two area competitions which now take it to the May 19 finals of the Toastmasters Clubs of the District of Columbia, Virginia and Maryland. I would like to share with you Mr. Day's dramatic statement reflecting the fervor and patriotism which is embodied in so much of American history and tradition:

FIVE FACES OF FREEDOM

By Williamson Day

Five faces of freedom * * * five faces to remember. Five faces to take with you, to hold in trust for your children and your children's children. Five faces of freedom.

The French and Indian Wars, 1754. A 22-year old colonel of provincial militia stands in a makeshift fort somewhere near the twisting Monongahela. He stands in torrential rain, the end of an ill-conceived and disastrous campaign to attack French-held Fort Duquesne. After seven years, Colonel George Washington's men are rebelling. Without food or ammunition, they break into the last of the supplies—the rum—and Washington fits together the words he will use to surrender to the French.

You kneel by the Colonel, holding down a wounded soldier. What passes for a surgeon is amputating his leg. You hand the soldier his anesthetic: a wooden block to clench between his teeth. You know he will die, but not quickly or pleasantly.

The Revolutionary War, 1777. The wind howls down the Schuylkill and across the Valley Forge plateau. It is subzero weather. In weeks past it has snowed, but tonight it is too cold to snow. You are huddled with remnants of the 11th Virginia, Varnum's Brigade, and Lee's Dragons. You sit, swathed in rags, tucking bits of straw and grass into your boots to keep warm.

Near you sits a sentry, a Marylander hoping to be home by spring. He is numb with cold, too weak to stand. An officer limps by, and the sentry, grasping his rifle, stiffens in salute. The next morning, as dawn colors the sky, you find him—frozen in salute.

World War I, 1918. Ardennes, France, Verdun is to the South, Chateau-Thierry behind, the Meuse-Argonne line ahead. It is Christmas Day. The snow has frozen with mud. Trenches zig-zag across the breast of the earth, scarring the French countryside. You see Americans and Englishmen leave their trenches and meet Germans in no man's land to exchange chocolates and cigarettes: American Lucky Strikes for German Ecksteins. The soldiers sing, first in German, *Stille Nacht, Heilige Nacht;* then in English, *Silent Night, Holy Night*. They shake hands and thread their way back through the coils of barbed wire to their trenches. Hours later, they meet again, eviscerated, lying lifeless on the wire. In the pockets of the Germans, saved for later, Lucky Strikes; in the blouses of the Americans, in the tunics of the English, Ecksteins.

World War II, 1943. The Marianas, Southwest Pacific. The United States has been at war for two years. You are an American marine, bare to the waist, short on water, testing your condition. You press your tongue to the roof of your mouth and your gums bleed. Now your squad moves up. Someone's flame thrower explodes, covering him with jellied gasoline. He crawls grotesquely, screaming, until, burned and charred, he is immolated.

The Vietnam War, 1972. The United States has been in Indochina for 12 years. Before that, the French had been at war for 8. You are stationed in a military hospital in Saigon—in the Burn Ward. You see a lieutenant, 22 years old, the point of his patrol, with second- and third-degree burns on 80 percent of his body. His skin has turned sour.

"You've got a girl,' says a doctor. "Try to think about replying to her letters. She knows you're burned." The lieutenant stares with hollow eyes. "You'll be out of here in no time," the doctor says. The lieutenant is smarter; for all intents and purposes, he was dead the moment he was hit.

Five faces of freedom. Five faces that gave us the liberty we enjoy tonight. Take those faces with you. Keep those faces for those who follow you. But remember: those faces are looking at us, looking into our eyes. If we fail to preserve our freedom, if we fail to keep our legacy of peace, dare we look back?

NO TITLE NECESSARY

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 15, 1973

Mr. BROWN of California. Mr. Speaker, any comments I might make about the brief item which I would like to insert in the RECORD at this point would serve only to dilute the effectiveness of the material. So, without introduction, I offer for the consideration of our colleagues the Art Hoppe column which appeared in the San Bernardino Sun-Telegram on May 8:

Following is the text of an historic address I delivered to my wife at 9:00 p.m. E.S.T. on Monday, April 30th:

My fellow spouse, I want to talk to you tonight from my heart.

It was last June 17, when I was trying to get a little rest on the back porch after my strenous efforts to make our yard a better yard in which to live, that I first heard reports of seven termites being found in our basement.

While I did not say so at the time, as your husband, I was appalled at this senseless invasion of seven termites in our basement. And I immediately asked younger members of our family, who shall be nameless, to investigate.

When they reported there were no more termites in our basement, I believed in them. I had faith in them, I did not know that in their zeal to spare the neighborhood from worry, they concealed facts from the neighbors, from you and from me.

When gossips continued to insist there were more termites in our basement, I repeatedly asked whether this was true. I received repeated reassurances it was not.

Then, last March, new information came to me suggesting a real possiblity the charges were true. That was when the kitchen fell in.

Now I have always believed, rightly or wrongly, as the father of this family, that maintaining the integrity of this house was a sacred trust. I was determined we should get to the bottom of this matter and the truth should fully be brought out, no matter how many termites were involved.

At the same time, I was determined not to take any precipitous action, and to avoid, if at all possible, any action that would appear to reflect on innocent termites.

Moreover, while I usually inspect the basement myself, I was extremely busy as you know, painting the living room and building a gazebo. Gazeboes first, basements second. For it is my sacred duty, as head of the household, to make this a better house for all members of our family.

Who, then is to blame, for the front wall caving in?

The easiest course would be for me to blame those to whom I delegated the responsibility to inspect the basement. But that would be the cowardly thing to do.

I will not place the blame on subordinates—on those whose zeal exceeded their judgment, and who may have done wrong for a father they deeply believed to be right.

In any family, the man at the top must bear the responsibility. That responsibility, therefore, belongs to the head of the household. I accept it.

And I pledge to you tonight, dear, that those who are responsible, other than myself, shall be brought to justice and that all termites shall be purged from this house long after I have left it.

And, speaking of that, I have already devoted entirely too much of my invaluable time to this whole sordid affair. Having been betrayed by those I trusted to investigate this matter, I have now asked others whom I trust to investigate this matter.

I feel we should now turn our attention to less divisive subjects and work together for peace in our family. To this end, I am off on a grand tour of Europe to discuss our mutual problems with other heads of households in order that we may build an even better house.

God Bless America! God bless each and every one of you! And God help us if the roof falls in! Thank you.

FOOD STAMP PROGRAM

HON. C. W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 15, 1973

Mr. YOUNG of Florida. Mr. Speaker, I appreciate having the opportunity to discuss the matter or prohibiting food stamps to persons participating in a labor strike.

Under the present system, America's taxpayers are in effect subsidizing people who voluntarily choose not to work in connection with a strike. The right to strike is basic—but those choosing to do so have no right to be supported by taxpayers' funds, particularly since some of those taxes are paid by the companies and individuals involved in the labor dispute.

Therefore, the targets of some strikes are placed in the unconscionable position of seeing some of their tax money go to help support those striking against them.

No one knows how many millions of dollars are siphoned away from legitimate welfare recipients each year by strikers. The Department of Agriculture, which administers the food stamp program, admits there is no way of knowing. All a striker has to do is say he is out of work to qualify for the food stamp benefits; he need not say he is voluntarily unemployed because he has chosen to go on strike.

The legislation we are today discussing would in no way penalize those who legitimately qualify for food stamp benefits, but would prevent the general public from having to foot part of the bill for a labor dispute.

This proposal, amending the Food Stamp Act of 1964, does not exempt persons whose families qualified for stamps prior to a strike, and would be limited to members of unions actually on strike, not union members forced out of work because of another union's strike. The purpose of the legislation is to exclude from food stamp benefits those who voluntarily choose to stop working in connection with a strike.

Under the present system, the American public is being misused, the target of labor strikes is being unfairly abused, and those who legitimately qualify for welfare are being cheated of funds that otherwise would be available to them.

The Agriculture Committee and the Congress should act promptly to correct these gross inequities by stopping the subsidy of strikers at the taxpayer's expense.

EMPLOYMENT OF THE HANDICAPPED

HON. DONALD G. BROTZMAN

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 15, 1973

Mr. BROTZMAN. Mr. Speaker, recently I was privileged to visit with a delegation of Coloradans who were in Washington to promote opportunities for the handicapped. The group was headed by Mr. Sam L. Redman. He is the executive secretary of the Colorado Governor's Committee To Promote Opportunities for the Handicapped. Sam is handicapped and is living proof of the accomplishments our handicapped citizens are capable of achieving.

During the course of my meeting, I was advised that one of the members of the delegation, Miss Mary Margaret Zabrasek, had written an essay on employment of the handicapped which was judged to be the best such essay written in Colorado on this important subject. Because of my deep interest in the handicapped, I asked to be sent a copy of the essay. Having read it over, I can see why Miss Zabrasek was selected the winner of the contest.

Mr. Speaker, I believe all of my colleagues would find Miss Zabrasek's essay to be of interest. Accordingly, I ask for unanimous consent to enter the essay in the Record at this point.

Employment of the Handicapped—Tomorrow's Challenge

(By Margaret Zabrasek)

"Although people may be the victims of Fate, they will not be the victims of our neglect." This quotation by John F. Kennedy nearly ten years ago, exemplified the renewed concern for rehabilitating the mentally, physically, and socially disabled. Since then, the results of those efforts are evident in the many new programs that have been innovated to assist millions of disabled Americans who could enjoy useful and productive lives.

Through personal interviews, it was found that the basic need of any disabled person is understanding. A handicapped person should be treated as normally as possible. At a local bakery, where six of the ten employees are handicapped, the manager commented, "Many customers, unfortunately, tantalize and abuse them due to ignorance. However, if pitied and over-protected, their growth will be hampered and the low estimate that the disabled have of themselves will even deteriorate more as failures in life are inevitably encountered."[1]

Much of the individual's success will depend on his *own* determination and courage in overcoming obstacles. The manager of a department store cited an example of one of his own employees, "A young man afflicted with spastic paralysis who would have been completely non-productive now contributes to the success of this business due to his own desire to be a useful member of society."[2] Touring the store, I witnessed his ability to be serviceable and through conversing with him learned that he manipulates a motorized wheelchair only with his feet—coming to work in any type of weather.

The attitude of employers toward disabled persons is important. First, it must be comprehended that the handicapped *are* people—with all the favorable and less favorable attributes of humans, and as Helen Keller, blind, deaf, and mute, stated, "It is good to give the unfortunate a living; it is still better to raise them to a life worth living. It is not so much the infirmity that causes unhappiness as the grief of a useless, dependent existence."

My community is meeting tomorrow's challenge today. The Division of Rehabilitation provides assistance in preparing for, finding, and maintaining a suitable occupation. A vocational program has been instituted at the local college where one hundred persons are currently enrolled for individualized job training. Also, there are industries organized especially for the handicapped which provide a program of paid work including work adjustment training, occupational skill training, and final placement in a competitive job in the community.

The director of one of these industries is himself disabled. He is a model of those impediments one's motivation can conquer. Coming from an impoverished family of seven children, he incurred a spinal injury at the age of sixteen and would never walk again. He studied accounting and was so successful that he retired at thirty five years of age. Appointed treasurer on the Executive Board of this particular industry, he detected the embezzlement of funds and was requested to become director without remuneration. He accepted and formed a productive enterprise which has expanded to other cities. This man instills in his disabled employees the same zeal to do productive work and be self-reliant.

Progress has begun—with the handicapped themselves, proving their abilities in spite of their disabilities. A college professor, leaving education to become involved with the handicapped, commented, "We must avoid limiting the severely disabled by *our* own concepts of what they can accomplish."[3] Their employers attest to their attendance records, amount of production, and job stability as qualities of an exceptional employee.

One young lady who works with the handicapped feels that she receives more satisfaction and benefits from the experience than from the time she has given of herself. To realize tomorrow's challenge of employing the handicapped, more people need to experience the appreciation and loyalty shown by disabled persons for common considerations given them. Once this is developed, the problem of employment will be conquered and attention can be focused on improving other aspects of the handicapped person's life and future.

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[1] Mr. Bob Boyer—Duncan Donuts, Sunset Plaza.

[2] Miss Pam Wilson—Goodwill Industries, Contact and Rehab. Div.

[3] Mr. Robert Bryan—Pueblo Diversified Industries, Administrative Assistant.

SPECIAL PROSECUTOR NECESSARY

HON. ROBERT H. MOLLOHAN

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 15, 1973

Mr. MOLLOHAN. Mr. Speaker, public sentiment for an impartial investigation of the Watergate scandal is growing daily. One of the most comprehensive analyses of what is obviously the viewpoint held by the majority of Americans was published as an editorial in the Parkersburg News, of Parkersburg, W. Va,. on Friday, May 11. I commend this editorial, which is reprinted below, to the attention of all Members of Congress:

SPECIAL PROSECUTOR NECESSARY

Elliot L. Richardson, President Nixon's new choice to fill the office of attorney general, this week answered critics of the Watergate investigation by announcing that he would indeed, name a special prosecutor to supervise efforts to uncover the "whole truth" of the scandal.

The cry for a special prosecutor from outside the government to press the Watergate bugging and related alleged illegal acts in connection with the 1972 presidential campaign was heard before Mr. Nixon addressed the nation on the Watergate last week. It has intensified since with complaints that the President should have named a special prosecutor himself rather than leaving the situation in the hands of Richardson.

It has seemed obvious that such a move had to be made if any credibility was to be attached to the President's pronouncement that he intended to press the Watergate investigation no matter who was involved. The believeability of such an impartial investigation appeared all but impossible from inside the government, particularly on the heels of the resignations of L. Patrick Gray as acting director of the Federal Bureau of Investigation and Richard Kleindienst as attorney general.

Both Gray and Kleindienst had been associated closely at one time or another with high officials of the Committee to Re-Elect the President and presidential aides H. R. (Bob) Haldeman, John Ehrlichman and John W. Dean III, who also have resigned from the White House staff. Watergate hangs heavily over the heads of all of them.

Even Richardson, who is believed to be clean as a houndstooth as far as Watergate is concerned, is viewed with suspicion due to his service in the administration in a variety of positions since Mr. Nixon took office. No direct accusations were leveled at Richardson when the President announced that he would have full responsibility for the investigation, including the authority to name a special prosecutor. However, many congressional Democrats and Republicans did charge that it was still like having a member of the family investigate the family.

Richardson's promise to name a special prosecutor, therefore, is welcome. Richardson went a step further in his announcement by inviting the Senate Judiciary Committee to hold hearings on the appointee and said he would welcome an expression of confidence by the Senate in the choice of prosecutor.

Even with continued daily revelations and speculation over the scope of the Watergate scandal, with implications of presidential involvement and with mutterings about impeachment of or resignation by the President, Richardson's action seems at long last to have placed the investigation on the right track.

But, both the Senate and Richardson must move swiftly—the Senate on Richardson's confirmation and Richardson on the naming of the special prosecutor. Public confidence in government has been badly shaken. The job of restoring that confidence by independent investigation must begin at the earliest possible moment.

BILL TO AID THE COAST GUARD

HON. BOB BERGLAND

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 15, 1973

Mr. BERGLAND. Mr. Speaker, during our debate over appropriations for the U.S. Coast Guard last week, I was amazed to learn of their severe shortage of manpower and funds.

I listened with great interest to a most impressive compilation of their difficulties. I learned that the Coast Guard budget and personnel are strained to the breaking point. I discovered that things are so bad they have been forced to close 20 stations since 1967 and 13 more are in the process of being closed. It was specifically noted that the Coast Guard simply does not have the manpower or facilities to fulfill its responsibilities in the inspection and licensing of small craft.

Mr. Speaker, I would be the last to condemn the excellent work that the Coast Guard has done throughout its long history. I could not begin to estimate the number of lives they have saved, the number of criminals they have helped to bring to justice.

With their new responsibilities in protecting the rights of American fishermen in our coastal waters, new important duties in the enforcement of laws to protect our seaboards from pollution and contamination, with their ever-increasing workload to conduct their traditional functions of rescue and law enforcement, with the catalog of difficulties and shortages revealed in our recent debate, it seems only reasonable that we relieve the Coast Guard of responsibilities that can be accomplished by capable State and local authorities.

It is for this reason that I have today introduced legislation to return the administration of the boat inspection and licensing programs on Leech, Cass, and Winnibigoshish Lakes in Minnesota to State and local authorities.

The State of Minnesota, assisted by dedicated county sheriffs departments, has led the Nation in establishing firm small craft safety programs and rigorously enforcing regulations. If there is any effect at all, in turning over the responsibilities for these programs to the Coast Guard, it is to reduce their effectiveness. The State of Minnesota has the regulations necessary to assure the safety of small craft passengers. County law enforcement agencies have the manpower to enforce them.

I urge the House of Representatives to pass this legislation and allow the Coast Guard to return to far more important business.

AMERICAN FOODSTUFFS: BIG CLOUT FOR TRADING

HON. TOM RAILSBACK

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 15, 1973

Mr. RAILSBACK. Mr. Speaker, for the review of my colleagues, under the leave to extend my remarks in the RECORD, I include the following article from the May 14 Chicago Tribune which more fully explains this reasoning:

AMERICAN FOODSTUFFS: BIG CLOUT FOR TRADING

(By Eliot Janeway)

NEW YORK, May 13.—Oil is America's big new resources problem. America is fresh out of it. But where to buy oil is less a problem than how to shop for it. The producing countries have plenty of oil. The trouble is that they also have plenty-plus of the dollars America is pressing on them for their oil.

As America has been growing more insecure, the people in the oil-producing countries have been growing richer at her expense. It's little wonder that the oil powers have been growing steadily more formidable in the eyes of Americans. The sharper America's new oil shortage pinches, the higher America's fuel cost bill is inflated, the drier her gas and oil pumps run; and the weaker Americans assume they are, the stronger they believe their sources of oil are.

This latter-day American disposition to talk poor invites a weak trading stance. It fails to reckon on the trouble the oil-producing countries would be in without the American market. Their need to move their oil into America is at least as critical as their oil is for the American standard of living.

But America's need to buy foreign oil accounts for only part of the inclination of the oil-producing countries to play ball with her. Their need to buy the one line of products which America is uniquely able to sell accounts for the willingness of the oil-producing countries to keep the trading friendly and to keep the terms reasonable. America's ability to export basic foodstuffs is her secret weapon.

Americans of faint heart and strong susceptibility to suggestions of weakness in foreign dealings are inclined to foreshorten the proportions of America's oil problem by measuring it purely in terms of her dollar drain. Admittedly, America is going to need oceans of oil from overseas. Admittedly too, she has allowed her dollar drain to be inflated to the proportions of a nonstop hemorrhage.

The pessimism in vogue among market watchers thruout America is asking how America is to find the money to pay her prospective oil import tab. The realism on the rise among marketmakers is discovering that having American foodstuffs to ship is a sure way to magnetize return cargoes of oil.

Last month, one of America's major oil companies—by definition, one of America's major importers—approached a knowledgeable Congressional friend from the Gulf oil country and the rich farm area just above it. The purpose of their call for help was to latch on to 10,000 tons of top-quality Mississippi Valley rice. And cost was of no concern to this oil company foraging for rice. All that mattered was getting the rice to barter for acceptance of its bids for crude in the Middle East.

Unlike soybeans or the rest of America's long line of rich feed crops for live stock and poultry, rice is scarcely a top premium crop. To Americans, trading rice for oil is an obvious bargain, at any price. By the primitive nutritional standards still prevailing in the Middle Eastern oil world, getting rice in barter for oil is a fair exchange. It's better business than just taking in still more dollars.

This tellable incident—by no means isolated—drives home a point I have been at pains to make. America is accepting the disadvantages of financial weakness when the advantages of economic strength are in her grasp. Dealing from her economic strength is America's surest hope of recouping her financial losses and overcoming her financial weaknesses.

Nevertheless, the same mentality which presided over America's decline and fall from undisputed world financial leadership is resisting the opportunity to reclaim for leadership. The endemic stupidity dominating Washington still sees American agricultural products as the export giveaways so many of them were until just a short time ago.

The overeducated ideologies who not only accepted but welcomed the multiple devaluations of the dollar inhabit an academic vacuum insulated from the realities represented by the terms of trade. The dogmatic opportunism of devaluation has hoodwinked America into marking down the export selling prices of her basic foodstuffs to countries poor in their larders and rich in their treasuries. Then, while all America is up in arms over the runaway in domestic food prices, this same institutionalized idiocy is bragging that American farm exports are up—as if they could be down? Adding insult to injury, the dollar devaluation which left America with less to show for the farm exports her creditors need also obliged her to put up more cash to pay for the oil she herself needs.

The potential hold America's agricultural resources are giving her over her creditors is more than a headstart. It is here to stay. None of her creditors have the soil, the space, the people, or the technology to outgrow their dependence on American foodstuffs. More than incidentally, some of these creditors also supply America with the oil she needs. Trading hard to feed them well guarantees a fair trade to fuel America.

Old-time Yankee trading knew how to harness dollar diplomacy to lead from strength and to deal away from weakness. The opportunity will be around for a long enough time to justify the hope that the mentality in charge of American policy-making will rediscover the technique.

PEACE IS HIS PROFESSION

HON. BILL ALEXANDER

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 15, 1973

Mr. ALEXANDER. Mr. Speaker, a most distinguished Arkansan and American will complete his honored career in uniform this year when Gen. Horace M. Wade, Vice Chief of Staff of the U.S. Air Force, retires after 35 years on active duty. General Wade enlisted in the U.S. Army Air Corps in 1937 and advanced through the grades to his present rank.

Overseas he served in the Middle East and was Chief of Staff of the Supreme Headquarters of the Allied Powers in Europe. He has been decorated with the Silver Star, Legion of Merit with two Oak Leaf Clusters, DFC, Air Medal with Oak Leaf Cluster, and numerous other awards.

A native of Magnolia, Ark., General Wade graduated from the University of Arkansas in 1948, and was named a distinguished alumnus during 1971. He has achieved higher military rank than any other Arkansas graduate. During his service in various corners of the world and in all parts of the United States, he has never lost his loyalty to the State in which he was born nor to the Razorbacks. An active member of the Washington Chapter of the University of Arkansas Alumni Chapter, General Wade was asked to deliver the after dinner address at the chapter's annual spring meeting.

At this time, I would like to share with you the General's thoughts looking back on 35 years of military service as stated to the Arkansas alumni:

ADDRESS BY GEN. HORACE M. WADE

I am happy and honored to be here with my friends and fellow alumni of our great University.

I don't think I'm any different from anyone else who accepts an invitation to address a group, so I too have spent considerable time thinking of a subject which I could use to talk with you about tonight. I hastened to dismiss several subjects since I know you already know about our great state and equally great university. I'm sure that you know that the Razorbacks have had their last losing football season. You are obviously well informed on the Washington scene. After all, it is "foreigners" such as ourselves that make this city and our federal government operate.

Then I thought a little more and soon I realized that it has been 25 years since I received my degree at the University. I have spent those 25 years in the uniform of the United States Air Force. In fact, I have been on active duty with the Army Air Corps and the United States Air Force for the last 35 years. And, I suspect that makes me unique to this group.

In effect, I have devoted my life and my personal career to the military service. One might ask, "Why?" And—over the years—many have asked me, "Why?" Sometimes when asked this question, I felt there was more to it than simply, "Why?" I sometimes perceive a negative reaction to anything or anyone "military." So, I have homed in on this question as a departure point for my brief remarks tonight.

I entered flying school in late 1937 at Randolph Field, Texas. Some of you may recall the environment of those days. The American public was concerned predominantly with domestic issues. There was little concern for—or for that matter, little knowledge of—the international scene. As a result, there was little concern for military readiness.

World War II was on the horizon. Japan was flexing its muscles in the Far East—especially in China. Hitler was starting his madness in Europe. But America was not stirred. Even in the early 1940's, there was heavy Congressional debate over the extension of the draft laws. You may recall that the legislation to extend the period of conscription was passed by just one vote.

The attack on Pearl Harbor changed all that. The American public was now stirred. We responded to a crisis. Our nation was at war—our national security was threatened. During those war years, the military enjoyed an excellent relationship with the civilian sector. The military public image was good.

Following World War II, we all looked to an era of peace. We dismantled our vast military machine. The public approved of this for Americans were tired of war. Then came Korea! But this time, our people could not see the threat to our national security. They could see no tangible results of the fighting and, alas, they really could not see a viable peace. We did not lose that war, but many wondered what we had won. Enthusiasm for armed conflict—and its warriors—was on the decline.

John Foster Dulles, as Secretary of State in the 1950s, kept the ever-present thought of nuclear holocaust in front of the American people. The massive retaliation strategy of the 1950s required large defense expenditures. It also tended to polarize our thinking. It drove many Americans toward a more pacifist attitude. This fear of war—reflected in pacifism—impacted adversely on the civilian attitudes with regard to the requirements of our armed forces.

In the early sixties, President Kennedy sought to change the massive retaliation concept. He focused a sharp effort to build-up our conventional forces. He foresaw the possibility of having to engage in limited conflicts. The Kennedy charisma tended to carry this conventional force build-up with the public.

However, as we increased our involvement in Southeast Asia, the public again found our military exploits unacceptable. Again, as in Korea, there was no *apparent* threat to our national security, no sign of tangible results, and little prospect for a traditional victory.

The lengthy conflict in Southeast Asia has left a bad military taste with many people in this country. Again today—as in the 1930s—one segment of our society seems to be looking inward. They would have us withdraw from our national commitments to the international community. With this withdrawal would come the natural drawdown of military forces and a lessened emphasis on our national defense posture.

I do not intend to change anyone's mind on this issue. I would like, however, to provide my input to the continuing dialogue—or to provide "food for thought" as we would say back home. What would our nation be like if it were not for our defense policies and for our military forces? In answering that question, I might also answer the original question, "Why" did I stay in uniform all these years?

Let me say at the outset of this discussion that the only purpose for our military is Peace. I spent many years in the Strategic Air Command and our motto then, as now, was Peace Is Our Profession.

Our job is to *deter war*. Believe me, none of us have any desire to fight a war—especially in this age of superpowers and nuclear weapons. We realize that the man in uniform is the one on the firing line. No one wants to get shot at . . . killed . . . or held prisoner for 6–8 years. To think otherwise is ridiculous.

Our job then is deterrence.

Essentially, there are three factors in the deterrence equation. All three must be present if deterrence is to work.

First, we must have a military force capable of defeating any potential aggressor's force—after we have first been attacked.

Second, we must have the national will to employ that force, and

Third, any potential aggressor must know we have the force and the will to use it against him.

If these three factors are present . . . and if we are dealing with rational human beings . . . then we will have deterrence.

There are those, of course, who ask, "What are we deterring?" They see no threat to our national security. Let me cite just one example. These skeptics look to Western Europe—the scene of two major world wars. Because there is stability and security, they would challenge the fact that any threat exists to the NATO countries. Consequently, they counsel for the withdrawal of U.S. troops from that area.

Unfortunately, our own successes have created a paradox. There is stability and security in Western Europe because *there is* a NATO *military force*—and there is a potential threat. For example:

The Warsaw Pact ground forces significantly outnumber NATO forces. (Incidentally, their mobility and discipline were convincingly demonstrated against one of their own—Czechoslovakia—a few years ago.)

The Warsaw Pact air forces in Europe have half again as many tactical aircraft as NATO.

The Soviet Navy is the second largest fleet in the world, and they possess the largest submarine fleet.

Certainly, no one can predict what would happen if the NATO forces were not there—nor what *might* have happened over the last two decades. But when I recall the incidents in Greece, Berlin, Hungary, Czechoslovakia, etc., I have to wonder.

There are other examples beyond the borders of Europe—such as Cuba, here on our doorsteps. However, I don't wish to belabor the point.

I do wish to note that excessive overt aggression has been deterred . . . a nuclear war has been deterred to date. I think there's a very good reason for this. We have a first class military force and have, on occasions such as the Cuban crisis, demonstrated a willingness to use that force. Our potential aggressors have received the message. In effect, we have the three ingredients to the deterrent recipe.

The question now is, "Will we retain this deterrent force?" Can we as a nation afford it? I would respond to those questions with a question, "Can we afford not to?" In effect, your Department of Defense serves as an insurance policy on the life of this great nation—and on its great ideals. Who among you would like to sacrifice the most cherished of all intangibles—FREEDOM?

But, the critics ask, "What price tag is attached to our insurance premium?" Well, in this fiscal year, defense spending accounted for just over six percent of our nation's GNP. It accounts for about twenty percent of *all* public spending—federal, state and local. And this year—Fiscal 1973—defense spending, *in real terms*, is at lowest since FY 1951. In effect, none of the real growth in our national economy over the past 22 years is allocated currently to National Defense.

I do not wish to get carried away with this issue, but it is a frequently misstated and misunderstood issue. Personally, from my perspective, I think six percent of our GNP is a reasonable investment in our national security.

Our nation represents the greatest idea in government ever tried by man—democracy. Winston Churchill was credited with observing that "Democracy is the worst form of government . . . except for all the others." It is difficult to logically dispute that Churchillian observation.

Our experiment has worked. It provides the world's best environment for individual expression, educational and occupational opportunities, standard of living, and personal freedom. I realize it is not all perfect. We also have inequalities, prejudices, poverty and sickness.

But we in America have the unlimited opportunity to do *what the people want to do*. We are free to act as the majority wishes. I contend this freedom is assured as long as we pay the premiums on our policy. As long as we have a strong military force in-being and a national determination to employ that force, if necessary—then we will deter war. And we can continue to harvest the benefits of peace—and freedom.

I have devoted my life to this concept. I am happy and proud to have done so. I have shared many wonderful experiences with some of the finest people in the world—our uniformed military men and women. Many of which, incidentally, are—like you and me—residents of the great state of Arkansas. The caliber of our military men and women and their dedication to this country have been amply demonstrated by our returning POWs. It is also reflected by another group which has received less recognition. Yet, they and their families have suffered even more. I speak of our many men missing in action and of those who gave their lives for our *freedom—yours* and *mine*.

I am proud of this nation . . . I am proud of its people . . . I want those who follow us to be equally proud—and *free*. That is why I devoted these many years to the uniform of my country.

Thank you very much.

RUMANIA CELEBRATES 96TH ANNIVERSARY

HON. WILLIAM S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 15, 1973

Mr. BROOMFIELD. Mr. Speaker, last week on the 10th of May, the people of Rumania and people of Rumanian descent throughout the world celebrated the 96th anniversary of the independence of their country.

In honor of that occasion, I rise today to pay tribute to the brave and freedom-loving people of Rumania who have resisted the dictatorship which has attempted to assimilate and erode their national and cultural integrity.

Rumania first won her freedom in 1877 after four centuries of suppression by her more aggressive neighbors who parceled her territories among themselves. It was only when the Russians and the Turks were distracted by the war in the Balkans that Rumania under the direction of Prince Charles was able to assert her sovereignty.

Four years later, Prince Charles was proclaimed Charles the I. King of Rumania. In the ensuing years, Rumania took her place among the international community of nations and grew as a peace-loving, prosperous member of the European community.

Unfortunately, this enlightened period came to an abrupt halt in 1945 when the U.S.S.R. and its army forced a puppet regime faithful to the Kremlin upon Rumania. It has been 28 years since the political independence of Rumania was crushed and yet the spirit of the people remains strong and determined.

They look to the 10th of May as a symbol of their illustrious past and they draw sustenance and hope from its memory. While their supposedly representative government all but ignores the traditional date of Rumanian National Independence, within their hearts Rumanians still remember the 10th of May.

Mr. Speaker, despite the concerted efforts of the ruling dictatorship, the people of Rumania still harbor an intense desire for personal freedom and liberty. It is only fitting then that we pause to pay our respects and admiration to the people of Rumania and express our sincere hope that their long-sought independence will be soon returned to them.

SENATOR TOWER SPEAKS OUT ON AMNESTY

HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 15, 1973

Mr. ARCHER. Mr. Speaker, judging by the correspondence from my district, one of the major issues now facing the American people is that of amnesty for those who fled military service or deserted from it during the past decade. Some of our colleagues have already introduced bills this session which would grant unconditional amnesty to such individuals and allow them to return to our Nation without penalty. These proposals have been receiving the active support from some organizations around the country.

One private organization which has been effectively explaining and advocating a position in opposition to amnesty is Young Americans for Freedom—YAF. This organization of college, high school, and young adult members has distributed thousands of pieces of literature and materials calling for no amnesty as well as making available to the American people buttons and bumper strips against amnesty. Its leaders have testified before the Republican and Democratic Platform Committees as well as congressional committees. I want to commend them for their tireless work on this project. Their voice on this issue is truly the voice of responsible young Americans.

I would like to especially call to the attention of my colleagues an article written by the distinguished senior Senator from Texas (Mr. Tower). The article, which follows, appeared in the October 1972, issue of New Guard, the magazine of YAF:

A Question of Amnesty

(By Senator John Tower)

As the end of our involvement in the ground combat in Vietnam comes within the foreseeable future, the question of amnesty for those who have dodged the draft or deserted the armed forces during recent years has been raised.

There are really two points to be considered in this problem:

First, whether amnesty is to be granted for draft dodgers and deserters who acted out of cowardice, and

Second, whether amnesty should be granted to those who did so in protest of the war.

There appears to be no question about the prosecution of those men who deserted or evaded the draft for reasons other than to protest the war. Everyone seems to agree that these men committed illegal acts and should be prosecuted for them.

There are those in our society, however, who now contend that amnesty should be granted to those men who refused military service as a personal protest against the war.

But, if we grant amnesty to some, it will be difficult indeed to distinguish those who honestly protested the war from those who fled because they feared to risk personal danger and who would claim that their act was a virtuous one.

It seems to me, that the courageous individuals who refused the draft to make a personal protest aganist the war have already followed the true course for civil disobedience and willingly stood trial for their illegal act, arguing that their protest is a form of defense in court. Those who have fled their country to avoid prosecution do not seem to me to be those who courageously protest the war.

NOT DESERVING OF FORGIVENESS

I cannot agree that those men who left their friends to suffer the hardships of Vietnam without them are deserving of forgiveness. These men have violated the law and if they have found refuge in foreign lands, they have not yet been tried or punished. Some contend that to be exiled from one's homeland is punishment enough. But those who have chosen this course have done so of their own will. It is hard for me to believe that they love their country more than those who have remained within it. Those who have chosen self-exile as an alternative to military service have placed their own moral judgment above loyalty to their country.

I shall not support efforts to return these men to the United States free from prosecution. If they wish to return, they should be allowed to do so, but they should remain subject to prosecution. They should be given an opportunity to tell the motives behind their actions but they should be willing to subject themselves to justice, and they should not be given amnesty. I shall not support efforts to return these men to the United States with amnesty. If they wish to return to be tried and to serve punishment, if any, then I shall welcome them.

There were many men who would have preferred not to serve in the Armed Forces when their nation asked them to do so. But these men saw their duty and willingly served although they would have preferred not to. And there were a few, on the other hand, who felt so strongly a moral obligation against the war that they stood trial and made their case a forum for their opposition. I am proud of the former, and I disagree with the views of the latter; but I respect both. I do not respect those that fled their country rather than see military service and I do not believe we should grant those individuals our respect after the war is over.

A discussion of amnesty brings us also to the question of the draft. Because there are many drawbacks to drafting young men for military service, not the least of which is the placing of an unfair burden on those who are selected, I have supported efforts to move into reality. Toward this end, I have supported military pay raises, subject to fiscal constraints, which are designed to increase the number of volunteers. And I have offered and supported a number of various pieces of legislation designed to make military service more attractive.

These include legislation to improve compensation for our reserve forces, to extend coverage of the Serviceman's Group Life Insurance Program to the Reserves and the National Guard; to credit for pay and retirement purposes service performed as a member of the Senior Reserve Officers Training Corps program or in the Service Academies, and several other bills aimed at improving the quality of life for those on active duty.

Responsible action by the Congress to improve living and working within the armed forces, and thus make military service more attractive for volunteers, hopefully will boost the level of volunteers. Together with our reduced manpower commitments overseas, an increase in volunteer should make the draft no longer necessary.

That is my hope, just as it is the hope of most Americans.

But amnesty for those who have fled their country rather than answer the selective service calls would break a faith with those who have served. I shall oppose moves to grant amnesty for draft evaders and military deserters.

GASOLINE AND OIL ALLOCATION

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 15, 1973

Mr. FRASER. Mr. Speaker, as was predicted, the gasoline and oil shortage is getting worse. Farmers are having increasing difficulty in obtaining diesel fuel. Five hundred and sixty-two gasoline stations have closed throughout the country. An inordinately high percentage of these is in Minnesota. Trucking companies and taxi companies are being forced to curtail operations, with consequent layoffs.

Last Thursday, the administration announced a voluntary petroleum allocation system which leaves the key decisions to the major oil companies. On April 30, in the Economic Stabilization Act Amendments of 1973, Congress gave the President authority to allocate petroleum supplies. It did not give this authority to industry.

In effect, the administration's voluntary system condones market sharing, in violation of the Anti-trust Act. The plan gives priority to eight large categories, such as State and local governments and public transportation systems, but leaves the precedence among these groups to be determined by the major oil companies.

The administration has declared that if a company fails to comply with the new guidelines, the Department of the Interior's Office of Oil and Gas can "impose mandatory allocation on the supplier." We cannot afford to wait and see if the Government will administer its so-called voluntary program as though, in fact, it were mandatory.

In proposing its allocation plan, the administration declared that Government regulation and control are unnecessary in an industry "where there is every evidence of intense and healthy competition." I do not believe that this is an accurate assessment of the petroleum industry, in which some 20-odd companies tightly control production, distribution, and marketing. The Federal Trade Commission has been studying possible antitrust enforcement action against the major oil companies for some time.

I urge Congress to proceed with legislation to establish a mandatory oil and gasoline allocation system which will insure that equitable allocation is left neither to the altruism of the big oil companies nor to the good intentions of the executive branch.

I call attention of Members to the following editorial in Monday's Washington Post, which points out that instead of preserving competition as it purports to do, the administration's new allocation system abets the monopoly situation in the oil industry:

AT THE BOTTOM OF THE GAS TANK

Given the gasoline shortage that the country has now got itself into, the administration's new allocation plan is a realistic and useful response. In the seller's market that is developing, the allocation plan warns refiners against cutting off those geographical areas that are inconvenient to reach. It admonishes distributors to keep supplies flowing to vital services. It has its order of priorities exactly right, putting at the top of the list the farmers who are currently threatened with a lack of fuel for the spring planting.

But there is no need to be pollyannish about this allocation plan. In order to squeak past the immediate danger, the administration is deliberately running other risks that may eventually prove very costly. First of all, let us call this plan by its proper name: it is a cartel. It assigns fixed shares of a limited production to the various middlemen and consumers. It establishes those shares by a combination of historical practice and national need. As an immediate remedy to the immediate shortages, it is doubtless unavoidable. But the country ought to be under no illusions regarding the nature of this remedy.

Ironically, the gasoline allocation plan is being defended here and there as a device to preserve competition and keep prices down by protecting the independent retailers. In fact, not for the first time, we are seeing federal anti-trust policy create just the opposite, an obvious and highly conventional market-sharing agreement. It will help the independents survive, but it will do nothing for price competition.

The price of gasoline is now rising, and the only real question is the rate at which it rises. One reason is the ferocious effectiveness of another cartel, the economic alliance of Middle Eastern countries that export crude oil. As for our domestic producers, they are reaching for increasingly expensive sites and techniques of extracting our own oil.

Oil company profits are currently high. With most of the producers running as close to full capacity as they are able, they are reaping very substantial economies of scale. It costs very little more to run an oil well, or a highly automated refinery, at 95 percent of capacity than at 70 percent. Strained capacity is good for the producer, at least in the short run. It makes a difference to this country how the oil companies spend these profits.

Consumers need an adequate and assured supply of gasoline. That will require heavy capital investment by the companies to expand their refining plants, to build pipelines, to pursue technical research and exploration for new deposits. Some companies say that, to meet fully their rising responsibilities in these fields, they will need to invest even more than they are earning. But are they actually going to invest where they ought? In the past, some of the oil companies have shown a lamentable tendency in their fat years to dribble away great amounts of money on excessive and redundant merchandising. The public would like some assurance that the present high profits will mean more production for the future, rather than more marginal and heavily subsidized filling stations on every other street corner.

Gasoline consumption in this country ran about 5 percent higher in the first three months of this year than in the same period of 1972. Stocks on hand, in contrast, are about 10 percent lower, mainly because of federal pressure on the refiners throughout the winter to correct the earlier shortage of fuel oil. The full magnitude of the shortfall in gasoline will presumably appear with the peak of the summer vacation season, around the

Fourth of July. Both the administration and the oil industry are very apprehensive, for good reason, about the reaction of the American motorist when he discovers that he really cannot buy as much gasoline as he wants.

It is a picture that invites reflection: The American consumer, enjoying more money and more leisure than ever before, is now threatened with an empty gas tank as he sets off on his vacation. The American oil companies, rolling in profits, cannot find enough crude oil at any price. And a Republican administration, hoping to prevent even worse misfortunes, imposes a cartel on the gasoline market. For those readers of a philosophical inclination, it might provide apt commentary on the nature of the nation's new prosperity.

WELFARE SCANDAL—XX

HON. VERNON W. THOMSON

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 15, 1973

Mr. THOMSON of Wisconsin. Mr. Speaker, our present welfare system encourages irresponsibility among recipients due to the shoddy mismanagement of the programs and their susceptibility to fraud.

One of the problems is that recipients take aids earmarked for such essentials as housing and renege on their common obligations to spend the money for rents. In Milwaukee right now the Milwaukee housing authority estimates that welfare clients in public housing projects are $12,000 in arrears in their rents. This is not because the taxpayers have not ladled out the moneys for the rent checks. They have. But the recipients think they might like a new TV or a new car or a night on the town instead. Until this type of abuse is corrected by tightening up the administration of our welfare programs, this utter waste of our tax dollars can be expected to continue unabated.

Today I am inserting the 20th segment of a series of articles from the Milwaukee Sentinel exposing the shocking waste and fraud which characterize the operation of the Milwaukee county welfare department. It is my hope that exposing this situation will speed congressional action on welfare reform legislation.

The article follows:

Clients Owe $12,000 in Project Rent

(By Gene Cunningham and Stuart Wilk)

Welfare clients living in city housing projects owe the Milwaukee Housing Authority $12,000 in unpaid back rent, and the housing authority wants either to collect the money or evict the clients.

The $12,000 is the total back rent owed by 118 of the 1,021 welfare clients living in the city's five public, low income housing projects.

After several months of nonpayment of rent, the welfare department can put a client on voucher payments, paying rent directly to a landlord rather than giving the money to the client and trusting him to pay his rent with it.

However, in a meeting last month, representatives of the Department of City Development were told by welfare department officials that voucher payments to the housing authority are prohibited by federal regulations.

Edward J. Hayes, commissioner of city development and secretary of the housing authority, said that Arthur Silverman, county welfare director, said that voucher payments could not be made to a federally subsidized body such as the housing authority.

DIRECT PAY ASKED

Hayes said that representatives from his office met with Silverman Feb. 5 to ask that welfare clients owing back rent be put on vouchers allowing rent payments to be made direct to the housing authority.

"We were turned down. We were told that the federal HEW (Department of Health, Education and Welfare) programs would not allow it," Hayes said.

NOT FOR ALL

Silverman told a reporter Monday that what he had told Hayes was that "there cannot be payments for all individuals living in housing projects by voucher, but that those who have been involved in mismanagement could be paid" by voucher.

"That's my recollection," Silverman said.

He pointed out that neither the federal government nor the state government would share in payments for back rent—which would constitute duplicate payments.

But "if a client has not paid rent for two months or more, voucher payments can be made," Silverman said. Voucher payments are being made to the housing authority in some cases, he said.

A HEW spokesman in Chicago also said voucher payments could be made.

"There is no distinction between voucher payments to a public agency or a private landlord," Miss Rosella M. Hart, deputy regional commissioner for state programs for HEW, said Monday.

The fact that public housing projects are operated with a combination of federal and local funds has nothing to do with the propriety of voucher payments, she said.

"We're going to have to get up there and look into the situation," Miss Hart added.

Hayes, who was appointed commissioner of city development last October, said he did not know how much money the housing authority might have lost over the years through the nonpayment of rent by welfare clients.

When he took over as commissioner, he said, he noticed from monthly reports submitted to him that a lot of welfare clients in the housing projects were not paying their rent.

NOTICED ARREARS

The $12,000 in unpaid rent is only the amount now owed by welfare clients living in the housing projects, Hayes said. Some of them have not paid their rent in three or four months, he said.

During any given month in the past there would have been others with unpaid rents, he said. He declined to estimate the amounts.

"We want to remain solvent. But if this grows, you can't remain solvent in a situation like this," Hayes declared.

The rent money received, he said, is used to pay the operating costs of the housing projects, which are funded with two-thirds federal and one-third local funds.

The nonpayment of rent is a problem, he said.

"Actually, it's a limited problem except in one of the housing projects—Hillside," Hayes said.

The Hillside project is bounded by N. 6th, N. 9th, W. Galena and W. Vliet Sts.

At Hillside, 80 of 373 welfare clients owe back rent totaling $9,000, Hayes said.

In the other four housing projects, a total of 38 out of 648 welfare clients owe back rent totaling $3,000, he said.

BASED ON INCOME

Rents in the projects, he said, are not set flat rates but are based on ability to pay and cannot exceed 25% of a family's income. They vary from as little as $6 to as much as $190 a month, Hayes said.

A recent federal court case, he said, established that a welfare client cannot be evicted from a housing project for nonpayment of rent.

Instead, Hayes said, they must be given a hearing by an administrative review board before any action is taken.

The required administrative review process has been established and hearings on individual cases will start soon, he said.

He estimated that hearings on the 38 cases in the four projects other than Hillside probably will be completed within one month.

Each case will be considered individually and any extentuating circumstances will be taken into account in deciding the action to be taken, Hayes said.

Holding the hearings, he said, will enable the housing authority to follow up with the action that any private landlord would take—either obtain payment or proceed with eviction.

"I think, with the exception of those in the Hillside project, payment will result," Hayes said.

A MESSAGE FROM THE CHIEF JUSTICE

HON. LAWRENCE J. HOGAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 15, 1973

Mr. HOGAN. Mr. Speaker, I have the privilege of serving on a Subcommittee of the House Judiciary Committee which is involved in the complex works of revising the rules of evidence.

There has been some controversy surrounding the procedures involved in the development, promulgation and consideration of these rules.

Chief Justice Warren Burger, writing in the April, 1973 issue of the Third Branch, Bulletin of the Federal Courts, explains very well the process involved in the rule making.

Our subcommittee has held hearings on the proposed Federal rules of evidence and is now involved in a line-by-line scrutiny of the proposed rules. Following this deliberation additional hearings will be held.

Mr. Speaker, the chairman and members of the subcommittee have made it clear that we are anxious to have as much input from Members of Congress, the courts, the bar, and the general public as we possibly can. It is important that these comments be received as soon as possible since we are attempting to complete our arduous task of revision as expeditiously as possible.

Mr. Speaker, because he clearly explains the process underway in connection with revision of the new rules of evidence for the Federal Courts, I request that Chief Justice Burger's article be printed in the Record at this point:

A Message From the Chief Justice

Congress has postponed, pending further action, the effective date of the Rules of Evidence promulgated by the Supreme Court last fall. These Rules were developed by an Advisory Committee, appointed by Chief Justice Warren in 1965 and acting under the rulemaking power Congress delegated to the judiciary. Some lawyers and District Judges have expressed concern over this action by Congress. There is no occasion for concern on this score for the rulemaking process is working as it should.

It is important to recall the history of rulemaking. In 1934, Congress vested civil rulemaking power in the Supreme Court, and subsequently Congress granted broader authority including rulemaking for criminal procedure. This process of rulemaking includes, as a first step, the appointment of a Judicial Conference Advisory Committee. That Committee conducts studies and develops rules; circulation of drafts to bench and bar follows. When the rules have been developed the Advisory Committee submits them to the Standing Committee on Rules of Practice and Procedure. If approved by the Standing Committee, the rules then go to the Judicial Conference of the United States. If the Conference approves them, they are submitted to the Supreme Court. If the Court in turn approves them, they are then transmitted to the Congress. Absent negative action by that body, the rules become law 90 days later, although a later date for their taking effect may be set by the Court or by the Congress to permit more time for Congressional scrutiny. It will readily be seen that this four-stage "screening" as is thorough and comprehensive as any legislative process could be.

This is the mechanism the Congress devised nearly 40 years ago with the cooperation of the courts and the bar. It is a most effective one and certainly is as careful a technical screening as could be provided, especially given the multitudinous responsibilities with which Congress is burdened and the specialized nature of procedure in federal litigation.

After this extremely careful process of formulating rules, however, comes the time for review by the elected representatives of the people.

Thus, rulemaking is a partnership, a joint enterprise, between Congress and the Judicial Branch. It was first carried to successful conclusion in 1938, with the adoption of the Federal Rules of Civil Procedure; then came the Federal Rules of Criminal Procedure. Later on Appellate Rules were adopted. All of these rules are under constant scrutiny of Judicial Conference Advisory Committees.

The rulemaking enterprise has been one of the most successful and fruitful of any joint effort between branches of government in history. But, we must always remember that it is a *joint* enterprise, and while Congress has rendered us the compliment of general approval in the past, it does not mean that the Congress should accept blindly or on faith whatever we submit. Nor does the action of Congress in extending the time for consideration of the rules now submitted indicate more than an appropriate desire to give careful study to an important development in the law.

The current Rules of Evidence have been under study for a total of eight years. They were completed more than two years ago by the Advisory Committee, approved by the Standing Committee, on Rules of Practice and Procedure and the Judicial Conference, and then submitted to the Supreme Court. After initial consideration, the Supreme Court "remanded" them to the Rules Committee for further consideration and consultation with the bar. After this additional screening, certain of the rules were revised and resubmitted to the Supreme Court. The Court approved them in late 1972 and submitted them to the Congress in early 1973.

It is well known that District Judges have been applying many of the proposed rules, very often as persuasive authority, while they were in the draft stage. This is not surprising since these rules are largely a codification of long-established and tested rules of evidence that state and federal judges have been using and developing for generations.

I return to my basic point: the rulemaking process is functioning as its designers intended. The Congress is, as always, overwhelmed by many problems of an urgent nature, and is entitled to adequate time to study carefully any proposed rules submitted. The House Judiciary Committee is proceeding with this review in a sub-committee chaired by Congressman William L. Hungate of Missouri. The system is working and will do so as long as each component performs it assigned role.

ONE MORE MARK AGAINST THE POSTAL SERVICE

HON. BILL ALEXANDER

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 15, 1973

Mr. ALEXANDER. Mr. Speaker, today I wish to again share with my colleagues a letter which I received from one of my constituents complaining about U.S. Postal Service. Unfortunately, letters of this type are all too frequent and as Mr. Doonan points out some of it may not even have been delivered yet. It is time for us in the Congress to take more positive action to correct the present postal conditions which have come about since the establishment of the U.S. Postal Service.

Mr. Doonan's letter follows:

Fairfield Bay, Ark.,
April 18, 1973.

Hon. Bill Alexander,
House of Representatives,
Washington, D.C.

Dear Representative Alexander: I'm writing you about the U.S. Postal Service.

When we had 3 cent letter postage, there were two city deliveries daily, full Saturday service, and unparalleled efficiency. The Department was proud of the service, and so were we, but not now!

Some time ago, when we were living in Des Moines, Iowa, I ordered a film from Portland, Oregon, well in advance of the date of a Saturday night meeting. And when did the film arrive—you guessed it—on the Monday following the meeting, although it had been sent a week earlier, by Air Mail, Special Delivery! This inexcusable, sloppy service caused me considerable trouble and embarrassment, as you can well imagine.

Just recently—on Sunday, April 8th., to be exact, I mailed an important business letter from Dallas, Texas to Des Moines, Iowa. I received a complaint that it hadn't arrived yet on Saturday, April 14th. It seems the more important the mail, the more likely it will be fouled up. I could go on with countless other examples of slow, inadequate and undependable service, but I feel sure your *other* mail accurately reflects the picture—providing that it has been delivered yet!

Then there's Parcel Post. If U.P.S. can deliver packages quickly, safely, efficiently and make money too, why can't the Postal Service do it too? As I see it, one big trouble is in the American Postal Workers Union. Every time there is an increase in rates, the Union promptly "milks" the increase into the pockets of the workers. Then too, unionism tends to protect, even perpetuate the lazy, inefficient worker, while making sure the more efficient ones are not properly rewarded. You know, "only so many bricks per hour." I see that the Union is lobbying for legislation which would give them the right to strike. I wonder when they found out they didn't *have* the right? I recall there *was* a strike, despite the oath which each employee takes when he is sworn in!

Furthermore, I don't like the cancelling stamp, which eliminates the point of origin of letters, nor does it give the *time* of mailing, as it used to do. Sir—something drastic needs to be done about bettering the service from the U.S. Postal Service, and I don't mean in 1974!

Sincerely yours,

Thomas Doonan.

P.S.—We are new citizens of Arkansas, as of Nov. 1, 1972. We "immigrated" from Iowa.

MONTHLY CALENDAR OF THE SMITHSONIAN INSTITUTION

HON. HENRY P. SMITH III

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 15, 1973

Mr. SMITH of New York. Mr. Speaker, it is my privilege to insert in the Record each month the Monthly Calendar of the Smithsonian Institution. The May Calendar of Events follows:

MAY AT THE SMITHSONIAN

EVENTS

Thursday, May 3

Creative Screen: Award-winning films produced or sponsored by federal agencies. Conducted Tours, National Park Service: *Time of the West*, National Park Service, *The Design Necessity*, Federal Council on the Arts and the Humanities. Complete program begins 11:15 a.m., 12:15, 1:15 and 2:15 p.m. Renwick Gallery.

Films: Bienville Gallery Cut. *Torn Signs, Room 333, Big Bayou Black*—three rarely shown films by artist Ralston Crawford. 12 noon-2 p.m. National Collection of Fine Arts.

Seminar in Neurobiology: *Evidence for Molecular Coding of Information in the Nervous System*. Lecturer: George Ungar, Baylor University. Graduate level lecture on current research in neurobiology, sponsored jointly by the Consortium of Universities and the Smithsonian Institution Radiation Biology Laboratory. Question and answer period follows the lecture. 7:30 p.m., History and Technology Building auditorium. Final lecture: May 10.

Friday, May 4

Exhibition: *Views of the Earth*. Twenty large dye transfer color prints by Robert Buchnam, photographer and pilot. The abstract and the concrete are combined in aerial views to show "whats happening on earth. National Collection of Fine Arts through July 1.

Saturday, May 5

Films: *Bienville Galley Cut*. Repeat. See May 3.

Concert: *Sonya Monosoff*, violin, with chamber orchestra, presenting music of Haydn and Mozart. Evening concert, Hall of Musical Instruments, History and Technology Building. For ticket information call 381–5398.

Museum Lecture: *Dentistry in America in the 17th through 19th Centuries*. Speaker: Everett Jackson, Museum Specialist, Division of Medical Sciences, 2:30 p.m., History and Technology Building auditorium.

Sunday, May 6

Tallulah, A Memory. Eugenia Rawls creates a vivid stage portrait of Tallulah Bankhead with recollections of both her personal and professional lives. 8 p.m., Baird Auditorium, Natural History Building. $4 general admission; $3 Associates. Call 381–5157 for tickets.

Monday, May 7

Exhibition: *High School Graphics III*. Third annual exhibition of graphics by students of the District of Columbia public high schools. Sponsored by the National Collection of Fine Arts, District schools, and the Washington Print Club. Prizes will be awarded, NCFA, through June 11.

Tuesday, May 8

Lecture: *My Twenty Years of Kinetic Construction.* Internationally-known sculptor George Rickey lectures on his work and the pioneering achievements of the early Constructivist sculptors. 12 noon, National Collection of Fine Arts.

Wednesday, May 9

American Aviation Historical Society. Monthly meeting and program. 8 p.m., Room 1169, Arts and Industries Building. Open to the public. Call Mr. Wood, 381–5791 for further details.

Thursday, May 10

Seminar in Neurobiology: *The Role of the Membrane in Sensory Excitation.* Lecturer: Richard A. Cone, Johns Hopkins University. See May 3 for seminar details.

Anthropological Film Conference. Three-day conference and film program designed for filmmakers and educators, sponsored jointly by the Smithsonian Institution and the Anthropological Film Research Institute. For registration information calls Ms. Frazier, 381–6484. $10 general, $5 students and Associates.

Friday, May 11

Exhibition: *American Coverlets.* Beautiful, utilitarian art form shown in 15 American coverlets, 13 color reproduction and text panels. Includes three color slide presentations on weaving, spinning, and dyeing relating to the production of coverlets, with a background of taped folk songs sung by a master weaver at Williamsburg. The Renwick Gallery, through September 13.

Saturday, May 12

Museum Lecture: *Development of U.S. Army Uniforms from the Revolutionary War to World War II.* Speaker: Mr. Donald E. Kloster, Museum Specialist, Division of Military History. 2:30 p.m., History and Technology Building auditorium.

Sunday, May 13

Lecture: *It Ain't Necessarily Soul:* Gershwin's *Porgy and Bess* as a symbol. Rich Crawford, member of the music faculty at the University of Michigan, presented by the Division of Musical Instruments. 7:30 p.m., "Music Machines—American Style" exhibit hall, History and Technology Building. Free.

Baroque Betwixt Brunch. Baroque music performed on original instruments of the period with informal talk by Helen Hollis of the Division of Musical Instruments. Brunch served before or after the concert. $8 general admission; $7 Associates. Call 381–5157 for tickets.

Exhibition: *Man-Made Crystals:* A spectacularly colorful exhibit explaining the role of these newly developed materials, the technology that produces them and their relationship to natural materials. Featured are actual crystals grown in laboratories, and everyday products that incorporate them. Some of the largest and finest cut man-made gems are displayed along with natural gems showing the differences and similarities between them. Museum of Natural History, through Labor Day.

Monday, May 14

Concert: *Judith Norell,* harpsichord; *Bruce Brewer,* tenor. Cantatas of Mondonville, Campra, and music of Rameau. 7:30 p.m., Hall of Musical Instruments, History and Technology Building. Free.

Wednesday, May 16

Lunchbox Forum: *What Can You Do With a Planetarium.* Informal lecture by Jerry Barberly, of the National Air and Space Museum. 12 noon, National Air and Space Museum building.

Thursday, May 17

Creative Screen: Award-winning film, produced or sponsored by federal agencies. *The Eternal Forest,* U.S. Department of Agriculture; *The Endless Chain,* Atomic Energy Commission; *The Design Necessity,* Federal Council on the Arts and the Humanities. Complete showings begin 11:15 a.m., 12:15, 1:15 and 2:15 p.m. The Renwick Gallery.

Friday, May 18

Radio Concert: *Brazilian Church Music of the 19th Century.* National Gallery of Art Orchestra, directed by Richard Bales and 50 voices from the Catholic University Acapella Choir, directed by Dr. Michael Cordavanna. Recorded earlier this year at the Smithsonian's Renwick Gallery. 8:30 p.m., WETA–FM (90.9).

Saturday, May 19

Children's Day. Fourth annual all-day do-and-see festival for the young at art. Events include monoprinting, artist demonstrations, marionette theater, strolling musicians, films, magicians, treasure hunts, improvisational tours, mime theater and videotaping. Children's Day is designed for children aged 4 to 12 (young visitors to be accompanied by adults) and will be held both in the museum and in the courtyard. 10 a.m.–4 p.m., National Collection of Fine Arts. Free.

Museum Lecture: *Quilts and Slumber Throws in the National Collections.* Speaker: Doris M. Bowman, Museum Specialist, Division of Textiles. 2:30 p.m., History and Technology Building auditorium.

Sunday, May 20

Soul Vibration Band and Show. Seven piece all women band. 2 p.m., Anacostia Neighborhood Museum. Free.

Tuesday, May 22

Memorial Lecture: *Georg Scheutz* (1785–1873). In commemoration of the Swedish auditor, inventor, writer and publisher. Scheutz's difference engine, the first fully operable printing calculator, is on display in the Museum of History and Technology. Speaker: Dr. Uta C. Merzbach, Curator, Section of Mathematics. 2:30 p.m., History and Technology Building auditorium.

Concert: *Carole Bogard,* soprano; *Catherina Meints,* viola da gamba; *Jacqueline Anderson,* baroque violin, and assisting artists. Works by Handel, Rameau and Marais, all performed with historic instruments. 8:30 p.m., Hall of Musical Instruments, History and Technology Building. For ticket information call 381–5398.

Wednesday, May 23

Concert, by Port Authority, a portion of the U.S. Navy Band, and featuring a female vocalist. 10 a.m., Anacostia Neighborhood Museum. Free.

Thursday, May 24

Films: *Bienville Gallery Cut.* Repeat. See May 3.

Saturday, May 26

Museum Lecture: *Women's Bathing Dress in the United States.* Speaker: Mrs. Claudia Kidwell, Associate Curator, Division of Costume and Furnishings. 2:30 p.m., History and Technology Building auditorium.

Films: *Bienville Gallery Cut.* Repeat. See May 3.

FIFTIETH ANNIVERSARY CELEBRATION

The Freer Gallery of Art

An exhibition of Japanese "Ukiyoe" paintings begins a series of special exhibitions and symposia to take place during the coming year. Ukiyoe, meaning floating world, is a school of Japanese painting of the late 16th century, that recorded the brilliant pageant of life in Edo and Koyoto, including the courtesans, samurai, merchants, peddlers and actors. More than 100 examples from the Freer collections follow the development of Ukiyo from its beginnings to later periods that included artist Hokusai. Begins May 3.

RECENTLY OPENED EXHIBITIONS

Henry R. Luce Hall of News Reporting. A new exhibit hall that provides a multi-media chronicle of news gathering and dissemination from colonial times to the present days of instantaneous satellite reporting. Areas of the exhibit will feature working teletypes, cartoons, tribute to newsboys, photography, evolution of newspapers, Trans-Lux Newreel Theater, early days of radio and the impact of television. Museum of History and Technology.

Experimentarium. An experimental adaptation of the spacearium. The half-hour demonstration programs, entitled *New Born Babe,* are presented weekdays at 4 and 4:30 p.m., and touch briefly on three subject areas: an introduction to the experimentarium and what it can do; the history of air and space flight; and future study in astrophysics. National Air and Space Museum. Schedule changes will be announced on Dial-A-Museum, 737–8811.

The Magnificent West: American Heritage. Photographs by Milton Goldstein capture the majesty of some of our national parks—Yosemite, Grand Canyon, Yellowstone, the Tetons, Zion, Bryce, Sequoia and King's Canyon. Museum at Natural History, through May 15.

Masterpieces of Eskimo Ivory Carving. Small display of Alaskan Eskimo carvings. Rotunda. Museum of Natural History.

Foreign Study Tours.—For further details write Miss Schumann, Smithsonian Institution, Washington, D.C. 20560.

African Safari: July 17–Aug. 8. Waiting list only.

Mexico and Guatemala: Aug. 27–Sept. 14.

International Aerospace Tour: Sept. 17–Oct. 3.

Copernicus: The cities in Poland and Italy where he lived and worked. Oct. 1–23.

Domestic Study Tours.—For further details write Mrs. Kilkenny, Room 106–SI, Smithsonian Institution, Washington, D.C. 20560.

Skylab Launch: May 11–17.

Folkcraft and Musical Instrument Makers, Kentucky, North Carolina and Virginia: April 23–29.

Vanishing Indian Crafts: May 11–19, May 18–26, May 25–June 2.

Haiti Skin Diving on the Santa Maria site: May 13–23.

Olympic National Park: June 24–July 1.

Alaska Float Trip: July 18–Aug. 1. Waiting list only.

New Hampshire Archaeology Dig: One week, Aug. 5 or 12. Students only, Aug. 19.

Acadia National Park: Sept. 9–15.

California Colonial History: Sept. 16–23.

Sea and Shore Laboratory: Oct. 11–18.

PUPPET THEATER

Alice in Wonderland. Lewis Carroll's dream fantasy featuring all the favorite characters insulting, advising and delighting Alice as she tumbles after the White Rabbit into an incredible dream world of eternal tea time. A new production for children by Allan Stevens and Company, presented by the Division of Performing Arts. Performances Wednesdays, Thursdays and Fridays, 10:30 and 11:30 a.m., Saturdays and Sundays, 11 a.m., 12:30 and 2:30 p.m. Admission $1 children; $1.25 adults. Group rates available. For reservations call 381–5395.

MUSEUM WALK-IN TOURS

Museum of History and Technology

Highlights of the Collections: Monday, Wednesday, Friday—10:30, 11:30 a.m.; Tuesday, Thursday, 10:30, 11:30 a.m., 1:30 p.m.; Weekends—10:30 a.m., 12, 1:30 and 3 p.m.

First Ladies Gowns: Same times as Highlights.

The National Portrait Gallery

Highlights: 11 a.m., 1 and 2 p.m., seven days a week.

Mini-Tours: Noon.

SUMMER HOURS

Museum of History and Technology, Museum of Natural History, Arts and Industries

Building, National Air and Space Museum—10 a.m.-9 p.m., seven days a week.

Freer Gallery of Art, National Collection of Fine Arts, The Renwick Gallery, National Portrait Gallery, Smithsonian Institution Building—10 a.m.-5:30 p.m.

National Zoo buildings—9 a.m.-6 p.m., seven days a week.

Anacostia Neighborhood Museum—10 a.m.-6 p.m., weekdays; 1-6 p.m. weekends.

DEMONSTRATIONS

Museum of History and Technology

Steam Engines. Wednesday through Friday, 1-2:30 p.m. 1st floor.

Machine Tools. Wednesday through Friday, 1-2 p.m. 1st floor.

Spinning and Weaving—Tuesday through Thursday, 10 a.m.-2 p.m. 1st floor.

Hand-Set Printing Presses. Monday, Tuesday, Thursday, Friday, 2-4 p.m. 3rd floor.

Musical Instruments. A selection of 18th and 19th century instruments, and American folk instruments. Hall of Musical Instruments, 3rd floor, 1:30 p.m., Mondys and Fridays—keyboard instruments; Tuesday—wind instruments; Wednesdays—lutes and guitars; Thursdays—folk instruments.

Music Machines—American Style Mechanical and electronic music machines. Monday through Friday, 1:00 p.m., 2nd floor. As part of this exhibit, excerpts from musical films are shown continuously:

May 1-3—Highlights from Disney II; 4-10—Highlights of MGM Musicals; 11-17—Highlights from Disney I; 18-24—Disney II; and 25-31—Highlights of MGM Musicals.

Dial-A-Phenomenon—737-8855 for weekly announcements on stars, planets and world-wide occurrences of short-lived natural phenomena.

Dial-A-Museum—737-8811 for daily announcements on new exhibits and special events.

Use of funds for printing this publication approved by the Director of the Office of Management and Budget, June 3, 1971.

RADIO SMITHSONIAN

Radio Smithsonian, a program of music and conversation growing out of the Institution's many activities, is broadcast every Sunday on WGMS-AM (570) and FM (103.5) from 9-9:30 p.m. The program schedule for May:

6th—*The Energy Crisis:* Is There One? A discussion featuring Roger Carlsmith, Director of the Program in Energy Studies at the Oak Ridge National Laboratory. Dr. George Szego, President of Inter-Technology Corporation, and William Eilers, Director of the Smithsonian Office of Environmental Sciences.

13th—*The Nature of Scientific Discovery.* Highlights from the symposium held in Washington last month to commemorate the 500th anniversary of the birth of Nicolaus Copernicus.

20th—*Concert*—Harpsichord James Weaver performs music by J. S. Bach and Louis Couperin.

27th—*Dissecting a Mummy.* Dr. T. Aidan Cockburn, Research Associate at the Smithsonian, and Dr. J. Lawrence Angel, of the Museum of Natural History, describe what they learned by opening up an Egyptian mummy; *The Smithsonian's Gunboat.* Philip Lundeberg and Howard Hoffman tell the story of the "Philadelphia," the only surviving man-of-war of the American revolution.

Radio Smithsonian can also be heard over WAMU-FM (88.5), Fridays at 2 p.m.

OTHER EVENTS

Sponsored by the Smithsonian Associates. For reservations call 381-5157.

Theatre Series. Four evenings of musical comedy, opera and dance at Wolf Trap Theatre and four evenings of discussions on the productions. A meeting with Mrs. Jouett Shouse is also part of the series. June 14-Aug 30.

Women at Work. *Fashion: A Front Row Seat,* with Eleni Epstein, Fashion Editor, Washington *Star-News* May 2. Monthly luncheon/lecture series.

Tours, classes and workshops are also offered by the Smithsonian Associates. For a complete schedule of available activities, call 381-5157.

FURTHER THOUGHTS ON INVESTIGATIONS

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 15, 1973

Ms. ABZUG. Mr. Speaker, during this unprecedented crisis, we in Congress ask ourselves what we can do to get at the truth of the Watergate scandals, to insure the stability of government, to make certain that no such excesses occur again.

An editorial in the New Republic for May 12 suggests that:

> Congress does not have to sit on its hands. It can give the GAO subpoena power and authority to enforce the election campaign act. Or it can set up a federal elections commission as an independent agency, one that could assume the GAO's responsibilities under the Federal Election Campaign Act for receiving campaign fund reports, reviewing them and investigating discrepancies or allegations of improprieties. Such a commission could be empowered to hold immediate public hearings on allegations, subpoena witnesses and information and take testimony under oath.

It is a thought worth considering, and I insert the editorial in the RECORD at this point:

THE PRESIDENT BUYS TIME

The President's April 30 television performance was only the latest in a line of carefully drafted, deceptive "explanations" that began to flow from the White House and the Committee for the Re-election of the President within days after five men were arrested inside Democratic Party headquarters in the Watergate building. Some of the President's most conservative supporters had been urging him to say it wasn't so. He could not do that. He could only plead ignorance and accept responsibility. But responsibility for what? His ignorance?

A heart string was plucked when Mr. Nixon mentioned that on the day of the Watergate arrests, June 17 last year, he was "in Florida trying to get a few days' rest after my visit to Moscow." In truth he had returned from the Moscow trip June 2 and had already taken "a few days' rest" in Florida before flying to Key Biscayne again June 16. Then, solemnly, he told his audience, "I was appalled at this senseless, illegal action and I was shocked to learn that employees of the re-election committee were apparently among those guilty." Delayed shock. On June 19 Mr. Nixon's press secretary, Ron Ziegler, announced in response to questions, "I am not going to comment from the White House on a third-rate burglary attempt." The descriptive word around the White House then and for some time later for Watergate was a "caper."

We are now informed, however, that on learning of the break-in, Mr. Nixon "immediately ordered an investigation by appropriate government authorities." In truth the FBI had entered the case hours after the burglars were discovered and well before news reports were out—a fact worth noting since the President says he first learned of the Watergate "from news reports." Former acting FBI Director L. Patrick Gray III testified at his Senate confirmation hearings that *he* ordered a full investigation the afternoon of June 17. He never mentioned any order from the President. By "appropriate government authorities," does the President have in mind the investigation run by former presidential counsel John Wesley Dean III? We doubt it.

Mr. Nixon's toughest problem is persuading the public he knew nothing of his staff's complicity in the political espionage and sabotage—before or after the Watergate arrests. "As the investigation went forward," he said on April 30, "I repeatedly asked *those* conducting the investigation whether there was any reason to believe that members of my administration were in any way involved." Was John Mitchell a "member of his administration"? Mitchell at the time of Watergate was Nixon's campaign director, and has since stated that, while attorney general, he sat in on three meetings at which political espionage, sabotage and wire-tapping were discussed (he says he opposed the latter). When he resigned as campaign manager, did he fail to share his knowledge with the President? Was he asked to do so? Was it just chance that the President, on August 29, "categorically" absolving anyone on the White House staff or in the administration from blame, added "presently employed"?

Acting FBI Director Gray was conducting an investigation. Was he one of *those* consulted? Gray testified he never spoke with the President. Yet it was the FBI investigative material leak to Washington Post newsmen that formed the stories linking administration and White House aides to Watergate Did *those* not include Dean, who was reading FBI reports and thus could verify the truth of the news stories? The President said the other night," . . . because I believed the reports I was getting, because I had faith in the *persons* [who else besides Dean?] from whom I was getting them, I discounted the stories in the press . . ."

How much else did he discount? An FBI interview last September with Nixon's former personal lawyer, Herbert Kalmbach, linking White House appointments secretary Dwight Chapin to political saboteur Donald Segretti, was given to The Washington Post and Time magazine and published October 15. Chapin denied the story. On March 1 this year acting FBI Director Gray produced a summary of the Kalmbach FBI interview confirming the previously printed stories. Nevertheless, at a subsequent news conference, the President implied that his personal lawyer's statement represented "charges . . . hearsay . . . guilt by innuendo." In short Mr. Nixon repeatedly refused to acknowledge facts, even when officially presented to him in an FBI report—hardly the attitude of a man searching for the whole truth but misled by others.

Toward the end of his April 30 talk, the President sought to dull the sharp edges of espionage and sabotage by calling them "shady tactics" adopted by "well-intentioned people" who, "under the intensive pressures of a campaign" decide "that what is at stake is of such importance to the nation that the end justifies the means." At another point he equated Republican violations of law to "ugly mob violence and other inexcusable campaign tactics . . . in the past including those that may have been a response by one side to the excesses or expected excesses of the other side . . . Both of our great parties have been guilty of such tactics." These may have been the justifications his aides gave him for condoning or even planning what occurred in 1972, but there is no evidence that the Democrats did anything to match it. This spreading scandal is not simply a commonplace example of the cynicism we have come to associate with the word "politician." It is a Republican scandal, a White House scandal. The public and the democratic process have been slapped in the face by Republicans who behaved not only improperly but criminally. And the President adds to the insult by his suggestion that the Ervin Select Committee should "conduct its investigation in an even-handed way, going into charges against both candidates, both political parties."

This urge to bring the Democrats into the Watergate by the back door came to the fore with the President's lofty appeal to "all of you everywhere—to join in working toward a new set of standards, new rules and procedures to insure that future elections will be as nearly free of such abuses as they possibly can be made." No new standards, rules or procedures are needed. What is needed is tough, non-partisan investigation and enforcement of present law. While the President was asking for new election laws, the General Accounting Office was for the fourth time since August of last year releasing a report urging the United States attorney general "in the strongest terms to take the initiative with regard to these reported violations of the Federal Election Campaign Act and with the investigative resources available to his department, determine the full extent to which officials of the Committee to Reelect the President may have failed in their responsibilities under the Act in their dealings in cash funds." The President ought to read the GAO report which details the refusal to cooperate of present and past employees of the President's reelection committee. Some of those committee officials would not even meet with GAO investigators.

While waiting for the grand jury to act and the Ervin committee hearings to unfold, the Congress does not have to sit on its hands. It can give the GAO subpoena power and authority to enforce the election campaign act. Or it can set up a federal elections commission as an independent agency, one that could assume the GAO's responsibilities under the Federal Election Campaign Act for receiving campaign fund reports, reviewing them and investigating discrepancies or allegations of improprieties. Such a commission could be empowered to hold immediate public hearings on allegations, subpoena witnesses and information and take testimony under oath.

It was through control of the FBI investigation, the Department of Justice and therefore the Federal prosecutors that the White House was able not only to delay a trial in the Watergate arrests until the 1972 campaign was over, but also to cover up the full extent of the sabotage and espionage and shield key men who were involved. An independent, hopefully non-partisan but at least bipartisan election commission with authority and power to act immediately—while the campaign is on—could serve as a deterrent to future scoundrels.

GOVERNOR REAGAN PROPOSES TAX LIMIT

HON. VICTOR V. VEYSEY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 15, 1973

Mr. VEYSEY. Mr. Speaker, any plan which has a reasonable chance to reduce taxes without eliminating or drastically curtailing necessary services, and does it in an equitable manner for all classes of taxpayers is welcomed by all of us.

California Governor Ronald Reagan has prepared a plan which, under the California initiative-referendum system, is expected to be presented directly to the electors of the State.

With congressional concern over budget control, this measure is well worth the reading and consideration of all Members of the body, and I reproduce its text herewith:

INITIATIVE MEASURE TO BE SUBMITTED DIRECTLY TO THE ELECTORS

The Attorney General has prepared a title and summary of the chief purposes and points of the proposed measure, as follows:

Tax and Expenditure Limitations. Initiative Constitutional Amendment. Limits State expenditures; restricts use of defined surplus revenue to tax reductions, refunds, or emergencies. Eliminates personal income tax for lower income persons; reduces others' 1973 or 1974 tax up to 20%, from surplus, and subsequent year rates 7½%. Requires two-thirds legislative vote for new or changed State taxes. Limits local property tax rates except school districts'. Requires State funding of new programs mandated to local governments. Provides for tax and expenditure limit adjustments when functions transferred. Contains special indebtedness obligation provisions. Allows local tax rate and expenditure limit increases upon voter approval. If the proposed initiative is adopted undefined additional financing from State sources in the approximate amount of Five Hundred Sixty Eight Thousand dollars ($568,000) on a one-time basis and Two Hundred Thirty Six Thousand dollars ($236,000) annually thereafter will be required for State administrative costs.

To Honorable Secretary of State of California:

The undersigned hereby proposes that the Constitution of the State of California be amended by adding Article XXIX and petitions the Secretary of State to submit this proposal to the electors of California for adoption. The text of the proposed measure is as follows:

"The People of the State of California do enact as follows:

"The Constitution of the State of California is amended by adding Article XXIX, to read:

ARTICLE XXIX—REVENUE CONTROL AND TAX REDUCTION

Section 1. Declaration of Purpose.

The people of the State of California declare it is in the best interests of the State to effect an orderly reduction of their tax burden, without shifting costs to local government, by enacting this Constitutional provision to:

(a) Limit and reduce State taxes.

(b) Provide for refunds to the taxpayers of surplus State revenues.

(c) Limit Local Entity property tax rates.

(d) Establish funding procedures for Emergency Situations, and

(e) Require voter approval of taxes which exceed the limits set forth in this Article.

Section 2. State Tax Revenue Limit; Tax Surplus Fund; 20% Tax Refund.

(a) There is a State Tax Revenue Limit determined as provided in this Article.

(1) If State Tax Revenues for any fiscal year exceed the State Tax Revenue Limit for that fiscal year, the excess shall be transferred to the Tax Surplus Fund, which is hereby established.

(2) The Tax Surplus Fund shall be used only for one or more of the following purposes:

(i) For tax refunds or reductions;

(ii) For approved Emergency Situation appropriations under Section 6 of this Article.

(3) The Legislature shall minimize accumulations within the Tax Surplus Fund by making periodic tax refunds or reductions as permitted by this Article.

(b) On the effective date of this Article, the Controller shall determine the amount of surplus in the General Fund as of the end of fiscal year 1972-73 and shall designate such portion of the surplus as is necessary and available to effect the refund of subdivision (b)(1) hereof.

(1) The surplus so designated shall be utilized for a refund by means of a credit of 20% of personal income taxes for the calendar year 1973, excluding taxes on capital gains on assets held for more than one year, items of tax preference, estates and trusts, or in such lesser percentage as the Director of the Department of Finance shall certify is available for such refund. Single individuals whose adjusted gross income is less than $4,000.00 and married couples and heads of households whose adjusted gross income is less than $8,000.00 shall bear no personal income tax. If this Article is effective on or before December 31, 1973, then this paragraph shall apply to the 1973 taxable year. If this Article becomes effective after December 31, 1973, then this Section shall apply to the 1974 taxable year.

(2) If prior to the effective date of this Article, a statute is enacted providing the refund as set forth in subdivision (b)(1) of this Section, such statute shall be deemed compliance with the requirements of this subdivision (b) to the extent such refund is provided.

(3) The Legislature shall, by statute, implement the tax refund required by subdivision (b)(1) as to application to non-resident and fiscal year taxpayers and as to credits in computing liability.

(4) State Tax Revenue for purposes of computing the State Tax Revenue Limit as here defined shall not be reduced by refunds made pursuant to this subdivision (b).

Section 3. Appropriation Limit.

No appropriation shall cause an expenditure during any fiscal year of State Tax Revenues for that fiscal year in excess of the State Tax Revenue Limit for that fiscal year, other than for tax refunds or, pursuant to Section 6 of this Article, for Emergency Situations. Subject only to such exceptions, any such expenditure in excess of the State Tax Revenue Limit is prohibited. The Legislature shall, prior to any other appropriation, first make provision for the payment of the principal and interest on th indebtedness of the State.

Section 4. State Tax Adjustments: Personal Income Tax Reduction.

(a) The imposition of any new tax or the change in the rate or base of any tax by the Legislature shall be by statute passed by roll-call vote entered in the journal, two-thirds of the membership of each house concurring, except for tax refunds or reductions by appropriations specifically declared to be out of the Tax Surplus Fund which shall be by statute passed by a vote of the majority of the membership of each house.

(b) For 1974 and thereafter, the State personal income tax liability of taxpayers shall be determined at rates no higher than those in effect on January 1, 1973, less a credit of 7½%. Single individuals whose adjusted gross income is less than $4,000.00 and married couples and heads of households whose adjusted gross income is less than $8,000.00 shall bear no State personal income tax. The Legislature shall, by statute, implement the tax reduction required by this Section as to application to non-resident and fiscal year taxpayers and as to credits in computing liability. The provisions of this subdivision (b) may be modified by statute passed by roll-call vote entered in the journal, two-thirds of the membership of each house concurring. If this Article becomes effective after December 31, 1973, then this subdivision shall apply to 1975 and thereafter instead of 1974 and thereafter.

Section 5. State Tax Revenue Limit Adjustment by Election.

The State Tax Revenue Limit may be increased or decreased by a designated dollar amount by a majority vote of the people at a Statewide election approving a measure placed on the ballot by the Legislature by a roll-call vote entered into the journal two-thirds of the membership of each house concurring, or placed on the ballot as an initiative statute pursuant to Article IV of this Constitution. A measure so approved shall take effect the day after the election, unless the measure provides otherwise.

Section 6. Emergency Fund and Emergency Appropriations.

(a) A Special Emergency Fund of not more than 0.2% of the State Personal Income shall be established and maintained by the Legislature. Money appropriated to the Special Emergency Fund shall be from State Tax Revenues and shall be subject to the State Tax Revenue Limit.

(b) Upon the Governor's declaration of an Emergency Situation and the exhaustion of such emergency funds as may be available from the Federal Government, the Legislature may make appropriations to meet the Emergency Situation from the Special Emergency Fund or, if that fund is exhausted, either from the Tax Surplus Fund or from State Tax Revenues derived from a specific tax increase or a specific new tax designated for the Emergency situation and enacted in accordance with Section 4 of this Article. Any tax so enacted shall remain in effect no longer than two years, unless its continuation is approved by a majority of the votes cast for and against its continuance at a Statewide election.

Section 7. Local Taxes.

(a) The Maximum Property Tax Rates of each Local Entity are set at the rates levied for the fiscal year 1971–72 or for the fiscal year 1972–73, whichever is the higher. The Maximum Property Tax Rates for a Local Entity created after the effective date of this Article shall be established by the electorate of the Local Entity at the time of its creation.

(b) To permit adjustment of the Maximum Property Tax Rates set in subdivision (a) of this Section, the Legislature shall enact statutes, within the general intent of this Article, to permit:

(1) Maximum Property Tax Rates to be increased or decreased to reflect cost variations due to cost-of-living or population changes not offset by assessed valuation changes or to allow for other special circumstances creating hardship for individual Local Entities.

(2) Maximum Property Tax Rate to be increased or decreased when authorized by the electorate of the Local Entity, or if there is no electorate, then as provided by the Legislature.

(3) Maximum Property Tax Rates to be increased by a four-fifths vote of the governing board of a Local Entity, to secure revenue to defray the costs of an Emergency Situation affecting the Local Entity, but any such increase shall remain in effect no longer than two years, unless its continuation is approved by the Local Entity's electorate.

(c) All property taxable by Local Entities and School Districts, except personal property specially classified for the purpose of assessment and taxation pursuant to the provisions of Section 14 of Article XIII of this Constitution, shall be assessed at a uniform percentage of full value established by the Legislature. If that percentage is any figure other than twenty-five, the maximum rates prescribed in subdivisions (a) and (b) of this Section shall be converted into new maximums by multiplying them by twenty-five and dividing them by the new assessment percentage. Full value, as used herein, means fair market value or such other standard of value as is required or authorized under this Constitution.

(d) No Local Entity or School District shall impose, levy or collect any tax upon or measured by income, or any part thereof, except as authorized by the Legislature by a statue passed by a roll-call vote entered in the journal, two-thirds of the membership of each house concurring. This subdivision (d) shall not be construed to prohibit the imposition, levy or collection of any otherwise authorized license tax upon a business measured by or according to gross receipts.

Section 8. Protection of Local Entities and School Districts from State-Imposed Costs.

(a) After the effective date of this Article, no new program, or increase in level of service under an existing program, shall be mandated to Local Entities or School Districts by the State until an appropriation has been made to pay to the Local Entities or School Districts the costs of the mandated program or service, but no appropriation for payments to Local Entities or School Districts shall be required if such program or increase in level of service under a program is determined by the Legislature to be applicable generally to private entities or individuals, as well as to Local Entities or School Districts.

(b) The Legislature shall enact statutes to establish procedures for implementing this Section consistent with the following principles and directives:

(1) The performance of functions or services not required to be performed prior to a mandate to the Local Entity or School District shall be considered a new program or increase in level of service.

(2) The increased workload under an existing program, the implementation of statutes existing at the effective date of this Article or the definition of a new crime or change in the definition of an existing crime by statute shall not be considered a mandated new program or a mandated increase in level of service.

Section 9. Maintenance of Local Property Tax Relief.

(a) If the State reduces local property tax relief by decreasing the specific unit amount, rate or percentage established by statute for payments made under formula to Local Entities or School Districts from that in effect upon the effective date of this Article, the State Tax Revenue Limit shall be decreased by an amount equivalent to the decrease in payments to Local Entities or School Districts.

(b) The adjustment to the State Tax Revenue Limit required by this Section shall be made in the first fiscal year of the decrease of payment described in subdivision (a) of this Section. Such adjustment shall remain in effect for each subsequent fiscal year.

Section 10. Adjustments for Program and Cost Transfers.

To maintain a balance between the tax burden and the cost of specific government programs at the State and local level, and to further accomplish the purposes of this Article, the Legislature shall enact statutes consistent with the following principles and directives:

(a) If the Legislature enacts a specific property tax relief measure funded by State Tax Revenues or if, by order of any court, the costs of a program are transferred from Local Entities or School Districts to the State, the State Tax Revenue Limit may be increased, providing the Maximum Property Tax Rates of affected Local Entities or the then existing tax rates of affected School Districts are commensurately decreased.

(b) If the costs of a program are transferred from the State or Local Entities or School Districts to the Federal Government, the State Revenue Limit or the Maximum Tax Rates of affected Local Entities or the then existing tax rates of affected School Districts shall be commensurately decreased.

(c) If the costs of a program are transferred to or imposed on existing or newly created Local Entities by Federal Law or the order of any court, the Maximum Property Tax Rates of affected Local Entities may be commensurately increased, pursuant to such specific conditions of State approval in each case as the Legislature may impose.

(d) If the costs of a program are transferred between existing or newly created Local Entities or School Districts, the Maximum Property Tax Rates or the then existing tax rates of each shall be commensurately adjusted.

(e) If Federal taxes are reduced on condition that the State increase expenditures by an amount equivalent to the Federal reduction, the State Tax Revenue Limit may be increased by such amount.

(f) The adjustments required by this Section of the State Tax Revenue Limit, the Maximum Property Tax Rates or the then existing tax rates in the case of School Districts shall be made in the first fiscal year of transfer or operation. Such adjustment shall remain in effect for each subsequent fiscal year.

Section 11. Economic Estimates Commission.

(a) There shall be an Economic Estimates Commission consisting of the State Controller; the Director of the Department of Finance or an appointee of the Governor as designated by him; and a designee appointed by the Legislature who is not a member of the Legislature, selected in a manner provided by the Joint Rules of the Legislature. The Commission shall act by a vote of two-thirds of its membership. The Commission Chairman shall be designated by the Governor. The Commission shall utilize the resources of existing State agencies in carrying out its duties.

(b) The Commission shall determine and publish, prior to April 1 of each year, the State Tax Revenue Limit for the following fiscal year by making and publishing all necessary estimates and calculations as provided in this Article. If this Amendment is not effective prior to April 1, 1974, the Commission shall determine the State Tax Revenue Limit for fiscal year 1974–75 as soon after enactment as it can act. If it does not act prior to July 1, 1974, the State Tax Revenue Limit for fiscal year 1974–75 shall be the amount of the State Tax Revenue as here defined for fiscal year 1973–74. The Commission shall also determine and publish such estimates of the State Tax Revenue Limit as are necessary for the orderly and proper development of State budgets. If the Commission does not act to determine the State Tax Revenue Limit before July 1 of a fiscal year, the State Tax Revenue Limit for that fiscal year shall remain the same as for the previous fiscal year.

Section 12. Computation of State Tax Revenue Limit.

(a) The State Tax Revenue Limit for a fiscal year shall be computed as the dollar sum of

(1) the greater of the following:

(i) the dollar amount derived by multiplying together the State Tax Revenue Limit Income Quotient for the specified fiscal year and the State Personal Income for the calendar year in which the specified fiscal year commences; or

(ii) The dollar amount derived by multiplying together the State Tax Revenue Limit Population-Inflation Quotient, the State Population for the calendar year in which the specified fiscal year commences and the Consumer Price Index; plus

(2) the dollar amount increase or decrease to the State Tax Revenue Limit authorized for that fiscal year pursuant to Sections 5, 9 and 10 of this Article.

(b) Beginning with the fiscal year 1989–90, or with a fiscal year in which the State Tax Revenue Limit Income Quotient is no greater than 0.0700, the Legislature, by statute passed by roll-call vote entered in the journal, two-thirds of the membership of each house concurring, may terminate further reduction in the State Tax Revenue Limit Income Quotient. Thereafter, the State Tax Revenue Limit Income Quotient shall be maintained at the level reached in the fiscal year in which such statute is enacted; however, annual reductions may be reinstated by statute passed by roll-call vote, two-thirds of the membership of each house concurring.

(c) If the statistical series used to determine the Consumer Price Index, State Personal Income and State Population, as defined in Section 16 of this Article, are recomputed by or succeeded by new series reported by the United States Department of Commerce or the United States Department of Labor or a successor agency of the United States Government, the State Tax Revenue Limit Income Quotient or State Tax Revenue Limit Population-Inflation Quotient shall be rederived in accordance with the recomputation of new series, and the rederived quotient shall be used in computing the State Tax Revenue Limit for the fiscal year succeeding the fiscal year in which the quotient was rederived.

Section 13. Bonds and Pensions.

(a) Nothing in Section 3 or in any other provision of this Article shall limit the taxes levied or otherwise to be levied or appropriations made for the payment or discharge of any indebtedness of the State and the interest thereon heretofore or hereafter authorized by vote of the electors, or State notes or other securities issued in anticipation of the collection of taxes, and all bonds or other indebtedness of the State shall be payable from taxes of any kind or character which may be levied by the State without limitation of rate or amount.

(b) Nothing herein contained shall limit any indebtedness or liability of Local Entities or School Districts which has been duly authorized by a vote of the electors there. All taxes or assessments required to be levied or collected for the payment of indebtedness so incurred may be levied upon all property subject to taxation or special assessment by the Local Entities or School Districts without limit as to rate or amount, and the Maximum Property Tax Rates applicable herein shall not apply to the payment of indebtedness so incurred. The Maximum Property Tax Rates applicable to Local Entities shall not be applicable to obligations to levy taxes under the Improvement Bond Act of 1915 or to the authority of Local Entities or School Districts to levy and collect taxes to pay for Local Entities or School Districts retirement and pension benefits pursuant to laws which have been, or may in the future be, approved by the voters.

Section 14. Severability.

If any portion, section, subdivision or clause of this Article, or the application thereof to any entity, person or circumstance, be declared unconstitutional or held invalid or deemed unenforceable for any reason, the remaining portions of this Article and the application of such portions to other entities, persons or circumstances, shall not be affected thereby.

Section 15. Implementing Statutes.

(a) The Legislature, by statute, shall establish procedures for elections required by this Article, shall appropriate funds for any Statewide special election called pursuant to this Article and shall enact any other statutes necessary to carry out the provisions of this Article.

(b) The Legislature, by statute, may determine the fund or funds from which transfers to the Tax Surplus Fund, as established by subdivision (a) of Section 2 of this Article, shall be made, unless this Constitution restricts the use of a designated fund to other specified purposes. In the absence of statutory provisions, transfer to the Tax Surplus Fund shall be from the State General Fund.

Section 16. Definitions.

(a) "State Tax Revenue" means the revenue of the State from every tax, fee, penalty, receipt and other monetary exaction, interest in connection therewith, and any transfer out of the Tax Surplus Fund other than for tax refund, except Excluded State Revenues are not part of State Tax Revenues.

(b) "Excluded State Revenues" means

(1) The following receipts:

(i) intergovernmental transfer payments;

(ii) contributions and deposits to, receipts of, income of and proceeds of capital transactions of Employment Trust Funds;

(iii) revenue derived from a specific tax levied as permitted in Section 6 to the extent such revenue is used to meet an Emergency Situation;

(iv) proceeds from the sale or issuance of State bonds or notes;

(v) grants and contract income for projects or research sponsored and funded by non-governmental agencies;

(vi) internal fund transfers such as interfund or inter-agency transfers, revenue, reimbursements, abatements, advances, loans, repayment of loans;

(vii) proceeds from the sale of investments and the redemption of matured securities;

(viii) proceeds from the sale of real and personal property;

(ix) gifts, donations, bequests to the State;

(x) endowment income;

(xi) service fees and charges derived from projects which are financed by revenue bonds secured solely by the revenue of such projects to the extent that such fees and charges are used for the payment of principal and interest on such bonds.

(2) The following fees:

(i) proceeds from the activities of the University of California and the State University and College System, including, but not limited to, student tuition and fees and post-secondary education income derived from housing, parking, food service, students union fees, book stores or similar enterprises;

(ii) non-commercial fish and game fees, assessments and other revenues;

(iii) service or use fees levied by the Department of Parks and Recreation;

(iv) income from environmental license plates;

(v) revenue derived from State-owned parking lots and garages.

(3) Fees which meet all of the following criteria:

(i) the service or product for which the fee is paid is generally available from a non-State source, or the fee is collected solely to regulate a non-commercial, non-professional, non-criminal activity other than those referred to in Article XXVI:

(ii) the fee collected is used to defray all or part of the costs of the State in providing the service;

(iii) the payer of the fee receives the benefit derived from payment of the fee; and

(iv) are designated by statute as Excluded State Revenues.

(c) "Intergovernmental Transfer Payments" means dollar amounts received by the State of California from the Federal Government or any Local Entity or School District except those taxes, fees and penalties imposed by the State and collected by the Local Entity or School District for the State.

(d) "Employment Trust Funds" means the Unemployment Fund, Unemployment Administration Fund, Unemployment Compensation Disability Fund, Old Age and Survivors Insurance Revolving Fund, Uninsured Employers Fund, State Compensation Insurance Fund, State Employee Contingency Reserve Fund; and the Public Employees Retirement Fund, Teachers Retirement Fund, Judges Retirement Fund, Legislators Retirement Fund and other similar retirement funds.

(e) "Expenditure." As used herein, an expenditure occurs at the time and to the extent that a valid obligation against an appropriation is created. For the purpose of capital outlay in connection with this Article, a valid obligation shall be considered to have been incurred when the Legislature appropriates the funds.

(f) "Emergency Situation" means an extraordinary occurrence requiring unanticipated and immediate expenditures to preserve the health and safety of the people.

(g) "Maximum Property Tax Rates" means the property tax rate or rates and ad valorem special assessment rate or rates for any Local Entity.

(h) "Local Entity" means any city, county, city and county, chartered city, chartered county, chartered city and county, taxing zone, special district or other unit of government encompassing an area less than the entire State, or any Statewide district, or any combination thereof in existence on the effective date of this Article or any such entity established thereafter. Local Entity does not include a School District.

(i) "School Districts" means the entities specified as parts of the Public School System in Article IX, Section 6, of this Constitution and includes Community Colleges but does not include the State University and College System.

(j) "Estimated State Tax Revenues" means the dollar amount of State Tax Revenues as estimated by the Economic Estimates Commission.

(k) "State Personal Income" means the estimate made by the Economic Estimates Commission of the dollar amount that will be reported as Total Income by Persons for the State of California for the specified calendar year by the United States Department of Commerce or successor agency in its official publications.

(l) "State Tax Revenue Limit Income Quotient" means:

(1) For the fiscal year 1974–75, the number derived by:

(i) Dividing the sum of Estimated State Tax Revenues for the fiscal year 1973–74 by the State Personal Income for the calendar year 1973, and

(ii) Subtracting 0.001.

(2) For each fiscal year succeeding the fiscal year 1974–75, the number derived by:

(i) Dividing the State Tax Revenue Limit for the previous fiscal year by the State Personal Income for the previous calendar year, and

(ii) Subtracting 0.001.

(m) "State Population" means the estimate made by the Economic Estimates Commission of the number that will be reported as Total Population of the State of California for the specified calendar year by the United States Department of Commerce or successor agency in its official publications.

(n) "Consumer Price Index" means the number reported as the Consumer Price Index for the United States (Base year 1967=100) by the United States Department of Labor, or successor agency of the United States Government, for the most current month in its latest official publication.

(o) "State Tax Revenue Limit Population-Inflation Quotient" means the number derived by dividing:

(1) The Estimated State Tax Revenue for the fiscal year 1973–74 by

(2) The State Population for the calendar year 1973 as multiplied by the Consumer Price Index available to the Economic Estimates Commission at the time it computes the State Tax Revenue Limit for fiscal year 1974–75.

PRIVATE CALENDAR

HON. EDWARD P. BOLAND

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 15, 1973

Mr. BOLAND. Mr. Speaker, I would like to take this opportunity to set forth some of the history behind, as well as describe the workings of, the Private Calendar. I hope this might be of some value of the Members of this House, especially our newer colleagues.

Of the five House calendars, the Private Calendar is the one to which all private bills are referred. Private bills deal with specific individuals, corporations, institutions and so forth, as distinguished from public bills which deal with classes only.

Of the 108 laws approved by the First Congress, only five were private laws. But, their number quickly grew as the wars of the new Republic produced veterans and veterans' widows seeking pensions and as more citizens came to have private claims and demands against the Federal Government. The 49th Congress—1885-87—the first Congress for which complete workload and output data is available—passed 1,031 private laws, as compared with 434 public laws. At the turn of the century, the 56th Congress passed 1,498 private laws and 443 public laws—a better then 3-to-1 ratio.

Private bills were referred to the Committee of the Whole House as far back as 1820, and a calendar of private bills was established in 1839. These bills were initially brought before the House by special orders, but the 62d Congress changed this procedure by its rule XXIV, clause 6, which provided for the consideration of the Private Calendar in lieu of special orders. This rule was amended in 1932 and then adopted in its present form on March 27, 1935.

A determined effort to reduce the private bill workload of the Congress was made in the Legislative Reorganization Act of 1946. Section 131 of that act banned the introduction or the consideration of four types of private bills: first, those authorizing the payment of money for pensions; second, for personal or property damages for which suit may be brought under the Federal tort claims procedure; third, those authorizing the construction of a bridge across a navigable stream; or, fourth, those authorizing the correction of a military or naval record.

This ban afforded some temporary relief but was soon offset by the rising postwar and cold war flood for private immigration bills. The 82d Congress passed 1,023 private laws, as compared with 594 public laws. The 88th Congress passed 360 private laws and 666 public laws.

Under rule XXIV, clause 6, the Private Calendar is called the first and third Tuesdays of each month. The consideration of Private Calendar bills on the first Tuesday is mandatory unless dispensed with by two-thirds vote. On the third Tuesday, however, recognition for consideration of the Private Calendar is within the discretion of the Speaker and does not take precedence over other privileged business in the House.

On the first Tuesday of each month, after disposition of business on the Speaker's table for reference only, the Speaker directs the call of the Private Calendar. If a bill called is objected to by two or more Members, it is automatically recommitted to the committee reporting it. No reservation of objection is entertained. Bills unobjected to are considered in the House as in Committee of the Whole.

On the third Tuesday of each month the same procedure is followed with the exception that omnibus bills embodying bills previously rejected have preference and are in order regardless of objection.

Such omnibus bills are read by paragraph, and no amendments are entertained except to strike out or reduce amounts or provide limitations. Matter so stricken out shall not again be included in an omnibus bill during the session. Debate is limited to motions allowable under the rule and does not admit motions to strike out the last word or reservation of objections. The rules prohibit the Speaker from recognizing Members for statements or for requests for unanimous consent for debate. Omnibus bills so passed are thereupon resolved into their component bills, which are engrossed separately and disposed of as if passed severally.

Private Calendar bills unfinished on one Tuesday go over to the next Tuesday on which such bills are in order and are considered before the call of bills subsequently on the calendar. Omnibus bills follow the same procedure and go over to the next Tuesday on which that class of business is again in order. When the previous question is ordered on a Private Calendar bill, the bill comes up for disposition on the next legislative day.

Mr. Speaker, I would also like to describe to the newer Members the official objectors system the House has established to deal with our great volume of private bills.

The majority leader and the minority leader each appoint three Members to serve as Private Calendar objectors during a Congress. The objectors are on the floor ready to object to any private bill which they feel is objectionable for any reason. Seated near them to provide technical assistance are the majority and minority legislative clerks.

Should any Member have a doubt or question about a particular private bill, he can get assistance from the objectors, their clerks, or from the Member who introduced the bill.

The great volume of private bills and the desire to have an opportunity to study them carefully before they are called on the Private Calendar has caused the six objectors to agree upon certain ground rules. Those rules limit consideration of bills placed on the Private Calendar only shortly before the calendar is called. The agreement is as follows:

Reaffirming the policy initially adopted on June 3, 1958, the Members of the majority and minority Private Calendar objectors committees have today agreed that during the 93d Congress they will consider only those bills which have been on the Private Calendar for a period of 7 calendar days, excluding the day the bills are reported and the day the Private Calendar is called.

It is agreed that the majority and minority legislative clerks will not submit to the objectors any bills which do not meet this requirement.

This policy will be strictly observed except during the closing days of each session when House rules are suspended.

The agreement was entered into by the majority objectors—the gentleman from Massachusetts (Mr. BOLAND), the gentleman from Ohio (Mr. JAMES V. STANTON), and the gentleman from Georgia (Mr. DAVIS)—and the minority objectors.

I feel confident that I speak for my colleagues when I request all Members to enable us to give the necessary advance consideration to the private bills, by not asking us to depart from the above agreement unless absolutely necessary.

A CLARIFICATION ON MAGNOLIA LIQUOR CO.

HON. F. EDWARD HÉBERT

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 15, 1973

Mr. HÉBERT. Mr. Speaker, in May of 1972 a report was furnished the Select Committee on Crime by Mr. Aaron Kohn, director of the Metropolitan Crime Commission in New Orleans, and he testified before the panel with respect to this report.

Certain portions of this report were reported in the press and certain of these stories effected Mr. Malcolm Woldenberg, Mr. Stephen Goldring and their firm, Magnolia Liquor Co., Inc., of New Orleans.

The impression received by some persons because of this publicity was that these individuals and their firm were the subject of the investigation. This, combined with the name of the Select Committee on Crime, was harmful and detrimental to Mr. Goldring and Mr. Woldenberg and to their business activities, particularly through Magnolia Liquor Co., Inc.

As a result, Mr. Moise S. Steeg, Jr., representing them, paid a visit to Mr. Joseph Phillips, chief counsel of the Select Committee on Crime. Mr. Steeg explained all the circumstances concerning the various matters to which Mr. Kohn testified and the correspondence I am inserting at this point in the RECORD is the result of this discussion. In the interest of fair play and in order to give the matter some clarification, I include the following correspondence:

AUGUST 3, 1972.

Mr. STEPHEN GOLDRING,
Mr. MALCOLM WOLDENBERG,
Magnolia Liquor Co., Inc.,
New Orleans, La.

GENTLEMEN: As you know, on August 2, 1972, I met with the Chief Counsel for the Select Committee on Crime of the House of Representatives in Washington, D.C. I had a very frank discussion with him concerning the testimony of Aaron Kohn before the Committee insofar as it related to you individuals, as well as Magnolia Liquor Company. I left with him full documentation of each of the transactions mentioned in this testimony.

Mr. Phillips explained that the purpose of the Committee is to investigate such evidence as comes before them to determine first whether any further investigation is necessary and second whether such investigation will provide the basis for legislative action.

He further explained that the Committee does not give, in effect, a "No True Bill" as does a Grand Jury. All that the Committee can do is determine whether or not it will proceed with further investigation. I will report to you as soon as I have heard from Mr. Phillips.

Very truly yours,

MOISE S. STEEG, Jr.

AUGUST 11, 1972.

Mr. STEPHEN GOLDRING,
Mr. MALCOLM WOLDENBERG,
Magnolia Liquor Co., Inc.,
New Orleans, La.

GENTLEMEN: As I wrote on August 3rd, I have discussed the testimony of Aaron Kohn with the Chief Counsel of the Select Committee on Crime. He has now advised me that the Crime Committee has concluded its inquiry in relation to Jefferson Downs and does not intend any further investigation of Messrs. Stephen Goldring, Malcolm Woldenberg and Magnolia Liquor Company, Inc. and their transactions with Magnolia Park, Inc. or its successor, Jefferson Downs, Inc.

I am very gratified with this result and with best personal regards, I remain

Very truly yours,

MOISE S. STEEG, Jr.

WHITE HOUSE CONFERENCE ON EDUCATION

HON. TOM RAILSBACK

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1973

Mr. RAILSBACK. Mr. Speaker, on May 3, I joined with Congressman JOHN ERLENBORN in sponsoring a bill calling for a White House Conference on Education in 1975. I today urge its immediate and favorable consideration.

At this time, approximately one out of every three Americans is actively involved in the education process—either as a student or as a teacher. This is a remarkable level of participation and it underscores the high value which our citizens assign to education as well as to emphasize the great importance of education to the general well-being and continued progress of our Nation.

In 1954, President Dwight D. Eisenhower provided the inspiration and leadership which culminated in the first White House Conference on Education. President Eisenhower asked for the "most thorough, widespread, and concerted study the American people have ever made of their educational problems." President Eisenhower explained:

> This study is necesasry, I believe, to make citizens realize the importance of immediate and continued action if we are to have agencies that contribute to a well-educated Nation.

This first White House Conference on Education was held in Washington in 1955 and proved to be an important milestone in American educational history and a most significant forum for the exchange of ideas on the improvement of American education.

Ten years after the first conference, Washington again hosted a White House Conference on Education. Convening in the summer of 1965, the second conference came at a time when a major expansion of the Federal role in education—through such legislation as the Elementary and Secondary Education Act—was in process. In his message concerning this conference, President Lyndon Johnson framed some of the important questions it was to consider:

> How can we bring first-class education to the city slum and to impoverished rural areas? Today the children of five million families are denied it.
>
> How can we stimulate every child to catch the love of learning so he wants to stay in school? One million children now drop out of school each year.
>
> How do we guarantee that new funds will bring new ideas and new techniques to our school system—not just simply expand the old and the outmoded?
>
> How can local and state and federal government best cooperate to make education . . . the first among all of the nation's goals?

Year 1975 will mark the 10th anniversary of the second White House Conference on Education and the 20th anniversary of the first Conference on Education. Today many of the significant questions raised and discussed in these previous conferences remain with us. But we have also made important progress, and, I am convinced, 1975 would be an excellent time to take stock of what has been accomplished within American education over the past two decades as well as to identify what areas need renewed attention and effort.

In addition, since a Conference on Education in 1975 would occur just 1 year before the Bicentennial Year, such a conference could provide a broad forum for the discussion of what ought to be our national education goals and plans as we begin our third century as a strong and independent people.

I therefore hope, Mr. Speaker, that 1975 will mark the occasion for the third White House Conference on Education, and that all Members of both Houses of Congress will join in the support and rapid passage of H.R. 7461, which will help achieve this goal.

NO GROWTH IS ANOTHER WAY OF SAYING URBAN SPRAWL

HON. SAM STEIGER

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 15, 1973

Mr. STEIGER of Arizona. Mr. Speaker, land-use legislation is an issue that will most likely be addressed by the 93d Congress. In fact, extensive hearings have already been held on a number of land-use bills that have been introduced.

There are many different views regarding the amount of control that different levels of Government should be permitted to exercise in regulating the use of land. I would like to call to my colleagues' attention some thoughts on this subject as expressed by Mr. Bernard H. Siegan in an article that appeared in the March 11, 1973, issue of the Baltimore Sunday Sun. Mr. Siegan is a specialist in real estate law and is the author of the book, "Land Use Without Zoning," which has received a number of excellent reviews. The article by Mr. Siegan follows:

"NO GROWTH" IS ANOTHER WAY OF SAYING "URBAN SPRAWL"

(By Bernard H. Siegan)

CHICAGO.—Laws to regulate the use of land should recognize at least three objectives: First, land is a precious and scarce resource and should not be wasted. Second, when and as used, it should be used to satisfy the most or more pressing needs of society. Third, it should be utilized for the benefit and advantage of all people as distinct from any special class or group.

There should be little difficulty in finding consensus on these issues, and many new laws and regulations are continually being proposed and adopted seemingly to achieve the stated objectives. The problem is that these or virtually any laws will generally obstruct and deny them. The fact of the matter is that these objectives are much more likely to be accomplished in the absence of laws than in their presence. In other words, I submit that the best land-use regulation usually is no regulation: No zoning is the best zoning!

LAWS ARE SUPPOSED TO CONSERVE LAND, NOT WASTE IT

Let me explain this conclusion by discussing in detail the issues in the order presented. With respect to the first objective, there is presently an appalling trend throughout the country to pass laws in the cause of conserving the land that will operate to waste it. I refer particularly to two kinds of zoning regulations: first, those that reduce density, that is, the amount of living units, single family or multiple family that will be allowed on an acre of land, and second, those that prohibit high-rise or low-rise multiple-family construction. To require one house on two acres of land when the potential occupants would be pleased and delighted to have the opportunity to live on a fraction of that amount usually is nothing more than a waste of the land and their money.

Similar reasoning applies to density limitations on multi-family buildings (apartments, condominiums and townhouses) or the prohibition entirely of these structures. (Each floor of an apartment building in effect adds to the supply of land.) There is no surer means for consuming needlessly the land than by forcing persons who prefer to live in apartments or townhouses to live in homes. Frequently, sites for homes for the same number of families will occupy five or even ten times as much land as low-rise apartments do, and the figure is much higher with respect to high-rises.

This trend toward reducing density and forbidding multi-family structures may waste hundreds of square miles. If some of the dire predictions for our environmental future are even partially correct, we will need someday all of this land just to feed ourselves.

LIMITING GROWTH WOULD BAR THE POOR FROM BETTER HOUSING

Despite this waste and exploitation of a precious natural resource, the environmentalists and conservationists are not storming city halls and burning zoning ordinances. On the contrary, they tend to approve of measures that restrict land use in the belief that this will provide for more open space and green and wooded areas. They want more of nature retained as it is and left undisturbed by development and people. Apparently they only want their kind of earth saved. And this raises the second of the objectives of regulation: use of the land to satisfy our most pressing needs, one of which obviously is for a better environment.

While there is certainly some environmental merit in a "no-growth" or a "controlled growth" position, each is but one approach, favoring and promoting a minority interest at best, and then likely overall to deteriorate rather than improve environmental conditions for many more people. Prohibiting or limiting development will injure the portion of the environment that is unquestionably the most important, that which houses the people and supplies their material needs.

For most people, the home is where the major part of life is spent. It is the place that occupies the time and attention of the wife and children most of each day and where the husband spends most of his time when not at work. Its characteristics greatly influence the quality of one's life. Similarly, a better neighborhood and greater convenience to work and shopping are most significant environmental goals.

One direct consequence of these anti-development policies will be to deny those who would occupy the new and excluded housing an opportunity to better their environment. Another is that the living conditions of the many dependent on the construction and related industries for their livelihoods will suffer temporarily if not permanently by the resultant curbs on production.

The indirect effects will be considerably more pervasive. Environmental conditions throughout a housing market will suffer. (An entire metropolitan area may constitute a single housing market.) These practices will (a) curtail the filtering process upon which great numbers of people are dependent for better housing conditions, (b) raise generally the cost of shelter, (c) cause worse environmental conditions for many or most apartment dwellers within that housing market, and (d) cause greater spreading and scattering of housing accommodations, something popularly condemned by environmentalists and planners as "urban sprawl."

Filtering in housing occurs when new homes and apartments are constructed and families move into them, vacating their former residences for occupancy by others. The others, in turn, may vacate still other units and the process continues through a number of sequences. A study of this process in 17 metropolitan areas made by the Survey Research Center at the University of Michigan has shown that on the average, the construction of one new unit makes it possible for a succession of 3.5 moves to occur to different and more likely better housing accommodation. New construction thus benefits more people indirectly than it does directly; 2.5 moves to existing housing and only 1 move to new housing.

The survey shows that more than one third of all those who move are likely to be in the lower and moderate-income categories, and that while most new construction occurs in the outer portions of the metropolitan area, these moves extend to older areas near the center of the city. The nation's worst environmental conditions exist for these income levels and in these areas, and conditions will further deteriorate if housing production is reduced. The housing subsidy programs have done little to alleviate these problems, and improvement necessitates greater housing supply in the private market. Those of higher income who are ineligible for subsidized housing and cannot afford new housing are similarly dependent for better housing on the filtering process induced by new construction. The survey makes it clear (if ever there were doubt) that prohibiting new construction seriously harms the groups that are most in need of a better environment.

When construction in a housing market is curtailed, owners of existing rental properties will be among the primary beneficiaries. Prices increase and competition decreases when production is not allowed to respond to demand. In the case of apartments, rents will be increased either directly through the amount actually charged or indirectly, through reduction in services, repairs, maintenance and improvement, or probably in many instances, through a combination of all or most of these. Higher rents will cause more doubling-up, increasing density within areas containing these buildings. These conditions will be intensified as the filtering process is halted. The end result will be much poorer housing conditions for a great many people and further deterioration for marginal and older buildings and areas. Buildings will remain in service that otherwise would be removed. More people will be paying more for the same or a lesser quality of housing.

Demand will continue

Although the anti-development pressures will curtail much construction, they cannot stop it all. The demand for new housing will remain largely unabated, and it will be forced to locate in the places of least resistance, where opposing political pressures are absent or limited. The most likely areas for this to occur will be those of small population, principally the more rural and outlying sections, areas which otherwise would not be in demand. The result will be a greater proliferation or scattering of housing and all of the problems and detriments which come with "urban sprawl." This includes the cost of installing new or extending existing sewer and water facilities, and building new or wider roads and highways. More telephone poles and utility lines and generating stations will have to be installed. The cost of schoolbus transportation will increase. More people will be spending greater amounts of time driving to and from work and shopping. And much open space and green and wooded areas will be disturbed or destroyed by this intrusion of housing and related facilities.

Similarly, more severe density restrictions will cause housing to spread out, also necessitating the installation of more streets and other facilities and creating greater burdens and inconvenience for more people. Obviously a two-acre minimum lot size will require generally the installation of more lineal feet of road than a one-acre restriction. An apartment or townhouse project containing many more times the number of residents will require only a fraction of the lineal footage of pavement needed for a single-family development. This raises the interesting question as to whether horizontal or vertical construction is more incompatible with or damaging to nature and the wild.

ZONING LAWS FAVOR THOSE IN POWER, FROM THE SUBURBS

We come now to the third objective of laws regulating the use of land: they should not operate in a discriminatory manner. The land should be utilized to enhance the human condition of all, rich and poor alike. However, zoning laws do not and cannot operate indiscriminately. Zoning laws are controlled through the political processes of government, and therefore serve the interests, values and standards of the most politically influential people in the community.

As a result, zoning laws have been used deliberately to exclude would-be tenants and less affluent home-owners from much of the suburbs and many parts of the cities. Development has been curtailed and made more expensive. This is not only harmful to the interests of those who would like to move in, but also, as I have indicated, to a great many others in our society.

Nor have the exclusionary practices arisen as a consequence of recent environmental concerns. They have existed since the advent of zoning, and have been promulgated and defended under a succession of holy banners: sound planning, aesthetics, property rights and values, fiscal stability, home rule, etc. The reasoning and pretexts have varied over the years and among communities, but the results have been basically the same.

Not rich, not poor

Zoning on a state level is not likely to solve the problem of exclusion because most state legislatures are suburban-rural dominated. Legislators from these areas frequently represent the same point of view as the local politicians who adopt zoning ordinances. The state will probably provide token recognition for the housing problems of the less affluent through some provision for subsidized housing for moderate and low income families. It is doubtful, however, that such tokenism will accomplish little more than to assuage the consciences of the law makers. It certainly will not serve the large numbers of people not poor enough to qualify for subsidized housing and not rich enough to afford new housing. Massachusetts enacted legislation in 1969 to overcome suburban intransigence towards subsidized housing, and its experience to date suggests that very few of those who would be eligible will ever benefit from such laws.

Some may contend that only chaos and instability will result in the absence of zoning. There is a clear and pragmatic answer to this argument: it is the land use experience of Houston, Texas, the nation's sixth largest city in population and third or fourth in area. That city has never adopted zoning. In its place, it has adopted a very limited number of specific land-use ordinances designed to cope with specific land-use problems, such as requiring a minimum lot size for single family (5,000 square feet), street setbacks, off-street parking, location control for slaughter-houses and a few other uses, and density limitations on mobile homes. (The city does have building, subdivision, traffic and minimum housing regulations.) Houston has no density controls on rental units (other than the provision for off-street parking) and few location restrictions.

Restrictive covenants

These regulations together with the competitive forces of the market place and the use of restrictive covenants by land and property owners (which are enforced by the city) control the use of property in Houston. Restrictive covenants are private legal agreements that generally prohibit multi-family, commercial and industrial uses within a single-family subdivision. Real estate is certainly no less stable or valuable in Houston than in other major cities. Nor is land necessarily utilized to maximum density. (If it were, only high-rise apartment buildings would go up and there are relatively few in Houston.) Some people live on big sites, others on small sites, depending largely on income and how they choose to spend it. And probably overall, there is no more proliferation of different uses than elsewhere, residential sections remain about as devoid of factories, gas stations and hamburger franchises as they would under zoning.

There is a minimum of political control over land use in Houston. The local councilmen cannot impose or remove restrictions on any land or property for the benefit of those politically influential. No individuals or groups, therefore, can through the political process dominate either directly or indirectly, the environment of others. Why should they?

PEOPLE'S LOBBY

HON. EARL F. LANDGREBE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 15, 1973

Mr. LANDGREBE. Mr. Speaker, I wish to bring to the attention of my colleagues an article written recently by Robert S. Allen for Hall Syndicate concerning a very questionable instance in the most recent Democratic administration. The column follows:

PEOPLE'S LOBBY

(By Robert S. Allen)

WASHINGTON, April 28, 1973.—John Gardner unquestionably would indignantly deny it, but apparently he is not above the pharisaical practice of "do as I say, not as I do."

As the militantly liberal head of Common Cause, multi-million dollar self-styled "people's lobby," Gardner is a highly vocal and aggressive crusader and reformer. Particularly, he and the organization he founded and rules are inveterately anti-Nixon Administration and pro-Democratic.

But as Secretary of the Department of Health, Education and Welfare in the Johnson Administration, Gardner permitted some amazing fund juggling to finance a study of doubtful value—if any at all.

Evidence indicates it was a gross waste of taxpayers' money—and a shocking instance of bureaucratic chicanery.

The backstage story is a jolter. It involves Gardner, then-Education Commissioner Harold Howe and other HEW officials—all up to their eyebrows in this astonishing affair.

In substance, what they did was to divert $500,000 appropriated by Congress for one purpose to something entirely different.

In addition, the deal included two other savory tidbits: $15,000 manipulated from Office of Education funds for another purpose; and a junket to Paris for one of the high-flown Ph.D. participants.

Intricacies of this eye-popping operation are detailed in a report based on a comprehensive investigation initiated by Representative Edith Green, D-Ore.

For years as ranking member of the Education and Labor Committee and now as an influential member of the Appropriations subcommittee on education, the one-time schoolteacher has vigorously assailed and exposed Office of Education mismanagement, waste, illegal backdating of contracts totaling tens of millions of dollars, and other malodorous practices.

The unpublished investigative report says evidence points to then-HEW Secretary Gardner as having "made the decision" authorizing the highly improper, if not illegal, fund juggling.

BALD AND BRAZEN

As uncovered by the investigation, following is what happened in this astounding instances of blatant bureaucratic skulduggery:

The Public Broadcasting Act of 1967, Title III, stated, "Secretary of HEW is authorized to conduct . . . a comprehensive study of instructional television and radio . . ." But while authorizing that, Congress didn't vote the money for it.

Whereupon, Education Commissioner Harold Howe, undeterred by the lack of such an appropriation, decided to proceed with the study anyway—by the simple device of using funds appropriated for Title VII of the National Defense Education Act (NDEA).

Simple, all right, albeit wholly improper—if not outright illegal.

Says the report, it is "not clear who really decided to fund the Title III study with Title VII funds." But Commissioner Howe, in a memorandum to Gardner "implied Gardner made the decision."

Adds the report pointedly: "There is no record of consultation or correspondence with members of Congress or with key committee chairmen concerning this switch of funds . . . Throughout the duration of the contract, there is ambiguity as to whether this was a Title III (Public Broadcasting Act) or a Title VII (NDEA) study."

Also caustically noted by the report is that the files of the contract "contain no records of any meetings of the Commission set up to make the study (by Gardner) and we have no way of knowing whether this Commission did anything at all during its existence."

Similarly significantly noted is that when Gardner established this "Commission on Instructional Technology," no mention was made of Title III. Instead, "the entire matter was viewed as an NDEA Title VII project."

But a few days later, HEW Undersecretary Wilbur Cohen wrote to Representative Daniel Flood, D-Pa., chairman of the Appropriations subcommittee on HEW, presenting the study as taking place under Title III. From then on, declares the report, "this was clearly the presentation of a flat accomplis, a fitting symbol of the Office of Education's stance throughout this affair toward congressional intent."

MORE GALL—AND DUPLICITY

Previously, Gardner had been plainly informed about the fund juggling.

He was told about it in a "briefing memorandum" from Donald Simpson, Assistant Secretary for Administration, who stated clearly, "Title III authorizes you to conduct a comprehensive study of instructional television and radio. . . . Funds have not been provided under Title III of the Public Broadcasting Act; therefore the study will be conducted using funds under the National Defense Education Act (Title VII)."

Indignantly comments the report:

"That statement is exceptional for its boldness. 'No funds have been appropriated under Title III, therefore the study will be funded in another way.' Not therefore that there will be no study! But therefore we will use other funds appropriated for something else."

Another jolting revelation of the probe is that the director of the study was paid "for 90 percent of his time during the 14 months of the project at a full per annum rate of $36,000." Also that two others working only part-time got $20,000 a year; another even less time, $18,000; and four others still less, $16,000 a year.

In May 1970, five weeks after the last extension of this extraordinary contract, a form letter was sent to the $36,000 project director acknowledging receipt of the study—which is described as consisting of a "massive compendium of papers filling over eight volumes and 3,000 pages of typed script."

Strangely, however, none of this voluminous material "is in the files nor could it be located anywhere in the Office of Education." Adds the investigative report:

"This is the more remarkable inasmuch as part of the material was subsequently published as a committee print of the House Committee on Education and Labor—although there is no record at all in the files as to how the material got to the Committee or why the Committee published it."

Capping even that enigma is the following:

Eight days after the submission of this huge study, the project director was officially informed it had been found "satisfactory;" in other words, it was formally approved.

Sardonically comments the investigative report, "Eight days to evaluate that material and declare it satisfactory! Obviously, no one read it; certainly not a single word of a written review or evaluation can be found in the files. The project had thus come to a 'successful' conclusion."

But that isn't all. One last vignette serves as a fitting close.

An "international workshop on educational technology" to be held in Paris was called to the attention of the Office of Education. Whereupon a memorandum was sent "to the proper authorities" recommending participation in the meeting at OE expense—the money to come from the "planning budget, a heretofore untapped source." Three OE officials, all Ph.Ds., were suggested as junketeers.

"When the smoke cleared," concludes the report, "only Dr. C. Ray Carpenter seems to have attended the Paris sessions . . . at the expense of the Office of Education."

It is noteworthy that in all of Gardner's wide-ranging fusillading and pot-shotting as head of Common Cause, not a word has ever been said about the Office of Education backdating of contracts running into the tens of millions of dollars and various other bureaucratic hijinks.

It's very strange how he has somehow managed to miss these costly antics.

PEACE IS NOT AT HAND IN THE TV WAR

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 15, 1973

Mr. MICHEL. Mr. Speaker, I am pleased and proud to announce that a young man from my home town, Mr. John Frost, a senior at Peoria High School won the American Legion's National Oratorical Contest on April 12, 1973 at Queens College, Charlotte, N.C. As a result John was awarded an $8,000 scholarship and will address the national convention of the American Legion to be held in Hawaii in August.

Interestingly, this is only the third time in 36 years that a contestant from Illinois has reached the finals. However, on all three of those occasions the contestant from Illinois won the competition.

The contest consists of a 10 minute prepared oration on the Constitution and a citizens duties under the Constitution. There is also a 5 minute extemporaneous discourse on a phase of the Constitution which is chosen at the site of the contest and for which each contestant has 5 minutes to prepare.

Needless to say all of us in Peoria are tremendously proud of John Frost since this is the first time that a contestant from Peoria has ever reached the finals, and it is a tribute to his ability that he was able to come out on top in his first effort.

I insert a copy of his award winning speech in the RECORD at this point.

PEACE IS NOT AT HAND IN THE TV WAR

(By John Frost)

There is a war going on in this country. The sides are firmly drawn and each is armed by some of the most powerful forces man has ever unleashed. Each day the armies fortify and refortify their trenches. Strafing runs and shellings are hazards well known to these antagonists. Casualties are mounting, and week upon week brings a new offensive where one faction attempts to out-maneuver, outflank, and crush the enemy. The bloody conflict drags on. Peace is not at hand.

The war I speak of is not that of nation against nation, ideology against ideology, or culture against culture. Rather it is a conflict which matches today's electronic media bolstered by the First Amendment, against the federal government, supported by the powers implied in the U.S. Constitution. Both sides possess a huge stockpile of invective and are quite expert at creating smoke screens that cloud the vital issues at stake. Only a public that can see through the haze will be able to correctly judge this Constitutional fracas.

Let's take a look at TV as a combatant. Yes, television is the great sorcerer of our time. It has the ability to attract a man's eyes and captivate his attention for hours on end. The hypnotic effect of the electronic media is its source of power over our society.

Its fantastic intensity probably would have forced Will Rogers to change his observation that what he knew was what he read in the newspapers, because today, according to the Harris Polls, for millions of Americans knowledge is what they see or hear on their television sets. Whenever networks broadcast news, editorialize, produce documentaries, or even carry political announcements, they can become the presiding judge in the national trial of controversial issues.

As the late President Lyndon Johnson said in a speech delivered to the National Association of Broadcasters, "You of the broadcasting industry have enormous powers in your hands. By your standards of what is news, you can cultivate wisdom or you can nurture misguided passion."

One must concede that the television industry has not been immune to the danger of "nurturing misguided passion." A contempt citation investigated by the House of Representatives against CBS revealed that in a network documentary concerning the Pentagon Papers deceptive editing was used in the printed texts of interviews.

Another example of poor judgment exhibited by television is the constant use of violence in its programming. Each evening acts of violence have been piped into our living rooms. Scenes of murder, riots and even the Viet Nam War can be viewed over dessert. We have yet to determine the incalculable damage done to our children who have been eye witnesses to this murder and mayhem.

Partially due to television's lack of self regulation, the Nixon Administration, led by Vice President Agnew, has taken the offensive. In his initial blast the Vice-President said, "A small group of anchormen, commentators, and executive producers enjoy a free hand in selecting, interpreting, and presenting the great issues in our nation—a concentration of power over American public opinion unknown in history."

To reduce the power of the electronic media Clay Whitehead, a top administration aide, authored a plan that would hold local stations responsible to the FCC for the networks' programming. The proposed legislation was designed to eradicate alleged bias in network newscasting by giving the FCC the right to indirectly censor the networks.

So we see that the federal government in its fight with the electronic media is trying to strengthen its position by using the powers implied in the Constitution.

But from behind the shield of the First Amendment another great hue and cry is heard. It emanates from our nation's newsrooms. Has the Administration in its rage against verbal indignities molested the letter and the spirit of the Constitution?

Well, in 1786, Thomas Jefferson wrote, "Our liberty depends on freedom of the press, and that cannot be limited without being lost." Jefferson's beliefs were echoed by our founding fathers, men who intended to create a fourth estate with the press an equal power to the executive, legislative, and the judicial branches. Indeed, the First Amendment clearly states that Congress shall pass no law abridging the freedom of the press.

Through the FCC and its control of licensing the U.S. government is actually acquiring levers through which it can control television and deny the freedom of the press.

A case in point is a Jacksonville, Florida station's attempt to get a license renewal. You see, WJXT had a hand in blocking the Supreme Court's nomination of G. Harold Carswell by uncovering his endorsement of segregation. WJXT's application to the FCC was challenged by a group headed by President Nixon's former Florida campaign manager. If the Administration had wished to do so, it might have pressured the executive-appointed Federal Communication Commission into refusing WJXT's application and thus eliminated its flow of information to the public.

This type of federal action in which the FCC becomes a mere extension of the executive branch is in clear violation of the spirit of the First Amendment and contrary to the intentions of our founding fathers.

Here then a dilemma emerges: should we have an adversary media with little control, or should we have tightly governed television at the mercy of the executive branch?

Nicholas Johnson, FCC commissioner, indicated a plausible solution when he said, "This is a do-it-yourself nation, with a government to match. Ordinary citizens can influence administrative decisions concerning television." Johnson's comments come from the fact that the FCC maintains a file on all licensed stations. Periodically complaints in this file receive attention from the commission. If a citizen writes a letter to the FCC detailing specific instances in which a local station has used poor taste in programming the FCC will have grounds to tell the offending station to reform or lose its operating license.

Such individual action has in the past worked. The practice of broadcasting anti-smoking commercials in tandem with smoking commercials arose from a detailed letter written by a New York lawyer. The proposed takeover of the ABC television network by ITT was stopped by a group of individuals.

By filing complaints to deny license renewals, the individual or groups of citizens can through the FCC solve the existing television crisis.

In the final analysis the people's right to know must reign supreme. The quarrelsome relationship between media and administration must be recognized not as a liability but as a crowning achievement of our forefathers. This interplay can be preserved by insuring that federal control of television reflects not the government's feelings but rather the thoughts and objections of ordinary citizens.

To those in high public office we can only say as Harry Truman once said, "If the means of communication don't like what you do, let them say what they want to say, and if you're in my disposition, you'll get up and tell them where they're wrong."

And on the other hand we must impress upon the television industry that free journalism under the First Amendment does not mean irresponsible journalism completely free of criticism from a concerned public.

It is not necessary that the networks and the government hold a verbal disarmament conference. For indeed, behind all the poisonous words, the anti-personnel phrases, and inflammatory sentences used by the warring sides lies one of the greatest assets of our Constitution.

NEIGHBORHOOD YOUTH CORPS

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 15, 1973

Mr. CONTE. Mr. Speaker, if there is one issue that unites the residents of the communities in my district, it is the question of continued funding for the Neighborhood Youth Corps. Recently the North Adams Transcript of North Adams, Mass., published in its columns an excellent two part series on the Neighborhood Youth Corps program in its community. The author of this series, Stanley W. Robbins, approached his assignment from the standpoint of what the program has meant to the youngsters who have been participants. Mr. Robbins' story is revealing. The youngsters told about NYC as it is and Mr. Robbins recorded it. At this time, I would like to insert this series into the RECORD:

YOUTH CORPS WORKERS PRAISE PROGRAM—PART I

(By Stanley W. Robbins)

It's easy to determine the immediate financial effect on a community when a federal program is discontinued. It's a simple post mortem to collect a series of quotes from officials either praising or abusing the dropped program.

What is not very simple or easy is to gauge the effect the program has had on the lives of the people it serviced. All too often the people whose lives have been affected, either for good or for ill, aren't even asked what the program meant to them.

The Neighborhood Youth Corps, which is scheduled to die this June by presidential decree, is a program which enabled many area youths to earn money working on a variety of local, state, and non-profit agencies.

The program is restricted to people between the ages of 18 and 22, all of whom qualify for assistance under federal anti-poverty guidelines.

There are more than 25 youths employed on a year-round basis and more than 200 enrolled in the summer program in Northern Berkshire. All of the jobs pay a minimum wage of $1.85 per hour and the young people work from 10 to 26 hours each week.

Patricia Cross is 18 years old. She left Freeman School after the 8th grade. She has been with the Youth Corps since then.

"When I left school it gave me something to do," said Patricia. "I like it very much."

"I did leave the Youth Corps once to try and make it myself but it didn't work out. If it goes out I won't know what to do for another job because jobs are hard to get today," she added.

Patricia has worked at the Day Care Center on Summer Street, helping prepare meals. Today she believes she has found a direction for her future career through her work in the kitchen.

Susan Millis is a 17-year-old sophomore at St. Joseph Regional High School who has also been working at the Day Care Center.

"I like it a lot," she said. "Working with children is something I really like, and if it wasn't for the Youth Corps I wouldn't be there."

"I really wish it wouldn't end," she added, "I want other people to get a job too and experience the same thing I have."

"It's got me ready for a full-time job when I get out of school," said Carla Daugherty, a senior at Drury High School.

"I've been working with the Youth Corps since I was 14 and it's really helped me see what I want to be," she said.

Carla has been a secretary in the Youth Corps office since she started with the program. Now she plans to pursue a secretarial career at Berkshire Community College.

She plans to use the money she earned through the Youth Corps to pay for her college education. "It's helped my mother because we have a large family," she said.

"Some of the kids are going to have an awful hard time going to college without the Youth Corps," she said.

"When the Youth Corps goes it's going to be really bad: there'll be kids hanging around all over the place," she added.

"It's given me a steady job and money coming in every week," said Robert Valliers, who is also a senior at Drury High School.

"It's helped me stay in school. There were a lot of times when I felt like leaving, but the fact that I had to go to work meant that I had to go to school too," he said.

Robert has been doing custodial work at the high school for the past four years.

"Now I don't mind going to work and doing work," he said. "Four years ago I would not even think of working."

Regarding the demise of the Youth Corps he said, "There's going to be a lot of kids hanging around doing nothing."

Rose Elmer is planning a career as a pharmacist when she graduates from St. Joseph High School this June, because of what she learned in the Youth Corps.

"You have ideas about working, but when you really work they change," she said. "It just opened up a whole new world of things I never understood or heard about."

Rose has been working in the pharmacy at North Adams Regional Hospital under the guidance of the hospital's pharmacist.

"It gave me a responsibility I had never had before," she said. "I guess it gave me a chance to do things on my own."

"A lot of people kind of look down on the Youth Corps because it's for poor people," she said, "but if it's gone, a lot of kids will be out of a job, and the people who have kids working for them are really going to feel it."

Neighborhood Youth Corps Lauded By Mayor—Part II

(By Stanley W. Robbins)

"I think that of all the programs I've seen, my association with this program has been the most favorable," Mayor Joseph R. Biaco told The Transcript in reference to the Neighborhood Youth Corps, which will lose its funding June 30.

"Not only did the program give the kids a chance to earn money, but it gave them the opportunity for a degree of respect—self and otherwise," said the mayor.

The Neighborhood Youth Corps has provided youth in Northern Berkshire with 25 year-round and more than 200 summer jobs over the past year. The youngsters range from 18 to 22 years old and all of them qualify under federal anti-poverty guidelines.

For the moment it appears as if the Youth Corps will die this June without federal funding.

How do the young people who take part in the program feel about the loss of the Youth Corps?

Eugene Shook, a McCann freshman who has been doing maintenance work at Historic Valley Park, said, "It gets you ready for when you want to get a full-time job and it keeps you off the streets."

"When you're working you don't have to borrow," he said. "I give a little to my mother every week," he added.

"If they're going to shut it off kids could get in a lot of trouble," he said.

"It's a good program."

"I can be on my own now," said Patricia Anton, a Drury senior who has been workin the Clerk of Courts office.

"I learned to plan for a career really," she said. "Also I think I saved the city a lot of money for the court office."

"I was hoping my little sister would be able to get jobs like that," she added.

"I know the Youth Corps has kept me out of trouble for a couple of years," said Peter Rarick, a freshman at St. Joseph Regional High School.

"I've had money in my pocket and I don't steal," he said, adding, "When I'm working I don't have time to take and hang around the streets and get in trouble."

Peter has done janitorial work at South Forty Alternatives, Emergency Trips, the YMCA, and most recently at Greylock school.

"I bought myself a new bike, and all my clothes for the past three years," he said. "If it wasn't for the Youth Corps I wouldn't be able to go bowling on weekends like I like."

"I know I'll always support the Youth Corps," said Peter. "They pay us a minimum wage and you can't do better about that."

Bonnie Parsons, who is attending night classes at McCann School to earn a high school equivalency diploma said, "It was my only chance."

"I was married at 18 and my husband couldn't get a job. He just got back from Vietnam and he couldn't find work, she said.

"Now I have a chance to finish my schooling and I have a chance to do work I enjoy," she added.

Bonnie has been working as a secretary at the Youth Corps office for the past two and a half years.

"It's not only good for me but all the other low-income families," she said. "If the Youth Corps stops it will hurt me completely."

Stephen Monette, who is also working toward his high school equivalency diploma at night, has done janitorial work for the past three years at the Armory. Brayton School, and starting this week at the North Adams Police Station.

"People always say there's not a lot to custodial work, but there is," said Stephen. "I enjoyed a lot of the custodial work. It taught me not to quit."

"My father's deceased and my mother's not working and the money's been very helpful at home," he said.

Regarding the demise of the Youth Corps, he said. "Without the Youth Corps there'd be nothing. A lot of people will be out of work and a lot of people appreciated the work that was done by the Youth Corps."

"We have nine kids in my family and my father's been laid off all winter," said Bonnie Dargie, a sophomore at Hoosac Valley High School.

Bonnie has been working in the school's secretarial office for the past two years.

"If the Youth Corps goes, I won't have any money," she said. "And I'll tell you a lot of people appreciated the Youth Corps, especially me."

"Without the Youth Corps I wouldn't have been able to afford clothes, a class ring, and my class picture," said Darlene Marshall, a senior at Hoosac Valley.

"I think it's bad if it goes because I know there are lots of kids who can't get jobs. I don't ask my mother for money any more," she added.

Dennis Mazza has been doing janitorial work at Hoosac Valley for the past three years. He is a junior at the school.

"It's given me quite a bit," he said, "It keeps me busy and it keeps me out of trouble."

"When I heard President Nixon was taking $200,000 from the program I got real upset," said Dennis. "It helped me spend money wisely and now I'd like to stay with custodial work."

"It definitely made me stay in school because it gave me a great opportunity," he said. "The Youth Corps gave all these kids a chance to see what it was like to work and to earn money without running to mommy and daddy for more money," he added.

"I hate to see the Youth Corps go, that is all I can say."

NIXON ADMINISTRATION HOUSING POLICIES WREAK HAVOC ON HUMAN LIFE IN NEW YORK CITY

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 15, 1973

Mr. RANGEL. Mr. Speaker, now that the freeze on congressionally authorized Federal participation in subsidized housing has moved into its fifth month, I felt certain my colleagues and the Nation would like to know the kind of damage it has caused the overall housing program in New York City.

While we have learned that we cannot appeal to the conscience of the Nixon administration, I hope that the specter of the needless waste of millions of dollars combined with the irreparable damage to millions of lives will begin to sway the White House to totally lift the freeze and allow an orderly phase-in of the needed improvements of the Federal role in housing.

Following is the article:

Housing: Money Is the Key

(By Joseph Kahn)

Q. What is the city's housing picture?

A. In a word, bleak, certainly for new construction.

Q. What are the facts?

A. This is the year of the big freeze and left out in the cold is 90 per cent of the city's population—our low and moderate-income families. According to Housing and Development Administrator Andrew Kerr, only 9000 units of new construction for low income families will be underway this year and none thereafter because of the federal subsidy freeze. And with 15,000 units a year abandoned, another 13,000 demolished, there isn't much to cheer about.

On the other hand, for the middle and upper income wage-earners ($20,000 a year and over for a family of four, comprising 10 per cent of apartment dwellers) the housing supply is increasing substantially. Last year, 7000 fully private units and 20,000 under the city's partial tax exemption program were started and in the very near future there will be a surplus of such units.

There is another discouraging factor lower income groups must face. The state's almost two-year-old vacancy decontrol law, which decontrols an apartment when it is vacated, has snatched 144,000 units out of the rent range of poorer families. With rent increases on the average up 90 per cent, the city administration and tenant organizations have joined forces and are now attempting to get the Legislature to repeal the law.

Q. If new construction is a lost cause for the near future, what about rehabilitation?

A. Officials agree the major task is to maintain existing rent-controlled housing for lower income families and to work for a reversal of the federal freeze so the 35,000 units already approved by the federal government and in the pipeline can get built.

Despite mounting criticism of the Maximum Base Rent system, which gives a landlord who keeps his building in good shape a 7½ per cent increase yearly until a computer-set increase is reached, Rent Commissioner Nathan Leventhal is convinced it is a sensible and feasible program and it will eventually work out to the advantage of both tenants and landlords.

There were 400,000 violations removed by landlords in order to qualify for raises under the MBR program. In addition, the city has expanded code enforcement, the emergency repair program, the housing repair and maintenance project, and has improved the complaint bureau. Last year, 500,000 violations were listed in response to almost 500,000 calls from tenants and many were corrected.

The City Council, under tenant pressure, is repealing MBR, but the measure will probably be challenged in the courts on the ground the action violates a state law forbidding local interference on rent control. The tenants claim that many landlords are not properly maintaining their buildings with MBR funds allocated for the purpose.

The city also has broadened its receivership program, which allows a takeover of abandoned buildings where tenants remain and use rents for repairs and maintenance. There are 114 buildings in the program with another 200 expected this year.

In addition, the reorganized Municipal Loan rehabilitation program has been expanded and the city is now attempting to get banks and lending institutions to participate, both to increase the leverage of city money and to protect their own investments in various communities.

A new co-op conversion program which allows tenant-ownership of buildings in low or moderate income areas, is going ahead and looks very promising. Finally, the city is pushing legislation to enable speed-up of existing programs, including taking title to a building after one year of tax arrears instead of the present three years. Also, new bills would allow rehabilitation loans for one and two family homes (restricted to multiple dwellings now) and permit the conversion of unused ground-floor commercial space for apartment use.

Q. What's happening with Mitchell-Lama, the city's major tool for housing middle income families?

A. Last year new construction under the tax-abatement program reached an all-time high, with starts of over 6,400 units. Many of the projects had the federal Section 236 subsidy mortgages attached which cuts interest from about 7 per cent to 1 per cent, thus reducing rents from $90 a room a month to approximately $40.

But, with the federal freeze, it is unlikely there'll be much Section 236 money around.

Q. How are the existing projects doing?

A. Unfortunately, not too well. They are still the biggest bargains in town, but many of them are having money troubles and face rent increases. Operational and financing costs are going up and some buildings have fallen into arrears. Others are in the red because they are not collecting surcharges from residents over the income limits.

The HDA found in a survey of 300 tenants that 38 per cent were under-reporting their incomes. Surcharges are important because one-half goes into the building's operating fund and helps alleviate rent increases. The other half is used to subsidize elderly tenants.

To verify incomes, the HDA asked tenants for permission to automatically inspect their city tax returns, but a City Council bill last month said no. The agency, however, may continue to demand income verification on an individual basis, and, of course, may take legal and administrative action against housing companies which do not comply with surcharge regulations.

The city administration has proposed in its legislative package in Albany several benefits to Mitchell-Lama buildings: 1. Tenants whose incomes rise more than 50 per cent above admissions levels, now required to leave, be allowed to stay if they continue to pay proportionate surcharges 2. Tenants be allowed to deduct, when computing gross income, all medical expenses above 3 per cent of gross income. 3. The age of eligibility for a subsidy be reduced from 65 to 62 and the maximum income requirement be cut to $4500 from $5000.

Q. Is there a chance of any money for housing coming into the city? What about revenue sharing and President Nixon's community development program?

A. The city has received about $300-million from revenue-sharing, but not a dime goes for housing. It has been allocated for capital projects. As for Nixon's community development block programs, even by his own schedule, they can only start by July 1, 1974.

Keer says the funds, which will be below the total the city is now receiving under categorical grants can only be spent on acquiring land and not to build housing.

Most of the city's rehabilitation efforts come out of city monies, specifically from the city's debt incurring capacity and the capital budget. Involved primarily are the Municipal Loan, co-op conversion, and the Mini-Loan programs which are self-sustaining, and for this reason, the city can commit unlimited amounts of money.

Over the next few years, the city's rehabilitation programs will be aimed at self-sustaining projects. The city's Housing Development Corp. also has substantial debt incurring capacity; however, it too cannot provide the interest subsidies necessary to build housing to serve the low and moderate income families.

The city also has proposed to the Legislature a local FHA-type mortgage insurance agency for rehabilitation in slum areas. An initial capital of $7.5 million would insure up to $450 million worth of mortgages.

Q. Can private builders do more?

A. Sure, but without subsidies, they can't rent what they build. They are overstocked with upper-income apartments and are playing a waiting game. But there are some who are doing something. The impetus has been the city's partial tax abatement program. To qualify, owners must rent new units at 15 per cent below comparable market rents and put them under rent stabilization for 10 years. This city is seeking renewal of this legislation in Albany this year

The city also has a new zoning provision which permits the construction of three-family houses instead of two-family ones. It is anticipated at least 10,000 units will be started in the next two years.

Q. Is relocation a problem?

A. Yes, and city housing officials say it has gotten worse under vacancy decontrol. But the need for relocation units will drop to some extent due to the federal freeze on subsidies for urban renewal developments which will have to be cancelled. This means instead of relocating families, the city will have to maintain the run-down buildings on the renewal sites.

At the same time, emergency relocation work continues for families who are forced to move because of fires and to make way for public improvements such as schools and police stations. Relocating large families is still very difficult, and will become worse as new public housing comes to a virtual halt.

Q. What can be done about the demolition of basically sound rehabilitable housing?

A. It is crucial that the city limit as much as possible the demolition of existing low and moderate income units. Last year in Manhattan, 4400 units were torn down for new construction, rehabilitation and conversion of units at higher rents. The city now closely scrutinizes requests for evictions to make sure there is no harassment of tenants and that the new construction is marketable. In cases where certificates of eviction were not granted, the courts have sustained the city.

Q. Will the new housing court help code enforcement?

A. Yes, even with several defects in the law, by taking housing violations out of the Criminal Court, it is expected the backlog of 700,000 violations will be disposed of faster and with better results. In the past, landlords were only fined about $13 per case on the average after months of delay. Now, fines can go up to $100 per violation for each day it exists.

The city's housing officials also point out that state funding is inadequate to provide for cyclical inspections of buildings. Instead of providing 50 per cent of enforcement cost, the state is only contributing one-third.

Q. Is there no solution to the housing crisis? What can be done?

A. The key to decent living quarters is money. Everybody knows it, but the question is where is it to come from. HDA head Andrew Kerr says the money is in Washington, but it is not being used for housing!

"The Federal Housing and Urban Development budget was cut in half, from $4-billion to $2-billion, while the Defense budget was increased. It may seem a tired refrain, but the priorities are simply wrong."

Obviously, the President must be convinced. Two years ago, it was suggested a massive public works construction program be started which would produce 500,000 units a year. Minority workers could be recruited for the work, and in this way not only would housing be built, but unemployment would vanish.

In the meantime, while the vacancy rate remains low in the city and apathy continues in Washington and new construction for the lower income families remains a dream, the city must put all of its resources and ingenuity into preserving its existing housing.

CHAIRMAN LEONOR K. SULLIVAN PRAISES COAST GUARD AUXILIARY AND PRESENTS AUGUST A. BUSCH, JR., BOATING SAFETY AWARD TO ONE OF ITS LEADERS, RALPH W. WRIGHT OF BOCA RATON, FLA.

HON. LEONOR K. SULLIVAN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 15, 1973

Mrs. SULLIVAN. Mr. Speaker, one of my most pleasant assignments as chairman of the House Committee on Merchant Marine and Fisheries was to participate Saturday night in the annual spring conference of the U.S. Coast Guard Auxiliary, held in Memphis, Tenn., and discuss the important work of this all-volunteer organization as a defense auxiliary in World War II and as an invaluable aid to the Coast Guard during the past 34 years in developing an understanding and appreciation among millions of boatowners of the rules of recreational boating safety.

It was also my privilege to present to an outstanding leader in the U.S. Coast Guard Auxiliary, Mr. Ralph W. Wright of Boca Raton, Fla., the impressive and beautiful August A. Busch, Jr., Boating Safety Trophy originated and awarded by the chairman of the board and chief executive officer of Anheuser-Busch of St. Louis as a form of recognition for unusual contributions by individuals to the cause of boating safety. Among those who have received the Busch award in the past are Admiral Chester R. Bender, Commandant of the U.S. Coast Guard, and Rear Adm. Austin C. Wagner, chief of the Coast Guard's Office of Boating Safety.

When the Coast Guard Auxiliary was organized in 1939, there were only about 300,000 motorboats operating on the waterways of the United States. Today, the number exceeds 8,000,000 and is expanding daily, as more and more Americans of all ages and occupations develop an interest in this form of recreation. Their very number and the diversity of their equipment would create safety problems of incalculable dimensions if it were not for the work of the Coast Guard in enforcing laws passed by Congress to regulate boating practices, and if the Coast Guard did not have the dedicated assistance in education, inspection, and accident prevention—and in rescue operations, too—of private boatowners who have joined the Auxiliary and contributed their time and effort and equipment to help make the waterways safer.

Because of the widespread interest among so many American families in recreational boating, I submit herewith the remarks I made Saturday night at the spring conference of the U.S. Coast Guard Auxiliary, followed by the presentation of the August A. Busch, Jr., Boating Safety Trophy to Mr. Wright:

REMARKS BY CONGRESSWOMAN LEONOR K. SULLIVAN (DEMOCRAT, OF MISSOURI) CHAIRMAN, HOUSE COMMITTEE ON MERCHANT MARINE AND FISHERIES, AT ANNUAL SPRING CONFERENCE OF U.S. COAST GUARD AUXILIARY, HELD AT MEMPHIS, TENN., SATURDAY, MAY 12, 1973

Thank you for inviting me to be with you here in Memphis tonight, and for affording me the distinct honor of speaking to you on the occasion of your Annual Spring Conference. I am pleased to join you not only because of your dedicated involvement in matters of interest to the House Merchant Marine and Fisheries Committee, of which I have the honor to be Chairman, but also for the very personal reason that you are meeting here in the State of Tennessee, which, together with my own State of Missouri, occupies an important segment in the Great Mississippi River inland waterway system.

I am particularly glad of this opportunity since it allows me to express to you my admiration and appreciation for all the many things that you have done—are doing—and which you are yet to do—in lending your talents, your time, and your resources to the cause of boating safety.

As I was considering what might be appropriate for me to discuss here tonight, I was reminded of a story of a former Chairman of my Committee, who was invited to give the commencement address at the Coast Guard Academy some years ago—before the days of air conditioning. The story goes that he decided to select a topic that he could be sure would be of interest to his audience—so he spoke to the new graduates—for about two hours—on "The History of the Coast Guard". I am certain that the new ensigns received no special pay for "extra hazardous duty", but I am equally certain that they began their new careers with some reservations about Committee Chairmen!—And that hot, humid June afternoon in Billard Hall must have made the phrase "carrying coals to New Castle" even more pungent in their minds.

So—don't be worried that I intend to give you a lecture on the history of your very fine organization—even though that history is well worth relating. I hope you will forgive me, however, if I may occasionally refer to some facet of that history as I speak tonight.

I think that most people who have an interest in recreational boating are generally aware of the activities of the Coast Guard Auxiliary in the promotion of boating safety—and the expansion of those activities in recent years.

FROM 300,000 TO MORE THAN 8 MILLION

No longer is the ownership of a recreational boat limited to the privileged few, wealthy enough to maintain yachts with permanent crews, or who, living a life of leisure, can indulge themselves with extended cruises on their own vessels. Today, recreational boating has expanded so that it is enjoyed by the masses of citizens, many of whom are anxious to obtain temporary relief from the hectic nature of their daily lives by a quick retreat for an evening or weekend of boating, whether they have in mind fishing, traveling, sightseeing, or simply relaxing on the water, away from the "madding crowd". The very attraction of boating, however, with the chance to "get away from it all", is threatened as more and more people, with increased incomes and more leisure time, become aware of its availability. Even those with average means have found that such activities are within their reach.

Unfortunately, we see evidence every day of the fact that too many new boaters think that all they have to do is get a boat, fill up with gas, load it down with as many people as they can squeeze on board, add the weight of their food and gear, crank up the engine, and sail away!

In 1939, when your organization had its beginning, there were about 300,000 motor boats operating on the waterways of the United States. Today that number has expanded to over eight million and continues to increase daily. With increasing numbers come increasing problems, and those of us who are most concerned must make certain that those problems do not "swamp" us for lack of attention.

There are several outstanding organizations which are interested in fostering better knowledge of the marine environment in order to promote boating safety. Among these are such organizations as the U. S. Power Squadron, the American Red Cross, and the National Safety Council, but none shines more brightly as the beacon to novice boatmen than yours, the Coast Guard Auxiliary. I would hesitate to think what chaos might exist on our national waterways if it were not for your dedicated efforts in both prevention and cure!—If you did not already exist, someone would have to invent you.

INVITATION TO TRAGEDY

As the boating public rapidly expands, many people are not aware of a changed environment—from that of their daily lives—when they get out on the water. They know perfectly well that before they can drive an automobile, they must take lessons, learn the traffic laws, obtain a driving license, gain experience gradually, and above all, use good judgment and common sense whenever they are on the road.

Somehow, the lure and novelty of operating a boat often seem to lead beginners to think that they need neither experience nor preparation. It is then that tragedies occur, and it is in this area of ignorance that your organization with its training program and its many promotions of safety practices can make its greatest contribution—to protect the recreational boater against the foolhardy, including himself, and thereby to insure the best possible atmosphere for the safety and enjoyment of all.

The development of recreational boating in this country has some things in common with the development of the country itself. As our nation expanded westward in its early days, it was quite often man against nature, and survival depended on being prepared against the natural dangers of the unsettled frontier. In boating, in its infancy, survival was generally dependent only upon being prepared against the natural dangers of storms and uncharted waters.

Today, problems are somewhat different. Our country and its survival now depend not so much upon being prepared for natural dangers, but upon resolving the conflicts which arise from increasingly crowded conditions in our society and from conflicts between individuals. Similarly, in boating, in addition to the continuing natural dangers of hidden reefs and sudden storms, more likely sources of danger arise from the increasingly crowded conditions of our waterways, and the threats to each other as boaters vie for space. To be really safe, we must recognize both sources of danger, and we must as we can, eliminate them.

LAWS TO PROMOTE BOATING SAFETY

Over the years, the Congress has attempted to face up to the problems of boating safety. In advancing steps, for instance, the Motor Boat Act of 1940, the Federal Boating Act of 1958, and the Federal Boat Safety Act of 1971, have each declared specific national policy and set certain standards to be followed. The Coast Guard has been given the important responsibility for implementing and enforcing those, and similar, laws.

In carrying out its implementing responsibility, the Coast Guard has long been aware that "an ounce of prevention is worth a pound of cure," and has generally tailored its boating safety programs consistent with that basic approach. It should be no surprise, therefore, that as far back as the 1930s, there was active initiative to create a voluntary auxiliary to the Coast Guard, which could carry the message of boating safety directly to the boating public and by educating that boating public in safe practices, could promote the enjoyment of recreational boating without the imposition of unnecessary restrictions and without many of the tragedies which could otherwise follow. In the Coast Guard, Admiral Russell R. Waesche, then Commandant—whose son, incidentally, also a Coast Guard admiral, recently served in my city of St. Louis—was most responsible for pushing this concept, and he was inspired, and supported in his efforts, by some of the concerned citizens who themselves later took an active role in the formation of the Auxiliary.

The birth of the Coast Guard Auxiliary took place with the Coast Guard Reserve Act of 1939, and because many people are not aware of the early activities of the Auxiliary and its membership, this is one facet of your history that I would like to touch upon.

SERVICE IN WORLD WAR II

With the outbreak of World War II, which found our country relatively unprepared, both in equipment and trained manpower, many additional responsibilities were assumed by Coast Guard personnel. As the war threatened our own national security, the Coast Guard undertook expanded patrol work, port security activities, explosive loading supervision, and other similar responsibilities—and the rapidly expanding Auxiliary assumed its share of the load. After Pearl Harbor, and the later submarine threat off our shores, over 1,000 Auxiliary vessels were taken into the Coast Guard Reserve and many Auxiliarists enrolled in the Temporary Reserve in order to man those vessels. The wartime contribution of the so-called "Corsair Fleet" and the Coastal Picket Patrol were in large part due to the dedication of the Auxiliarists who volunteered their services until the expansion of the regular Coast Guard and Coast Guard Reserve was sufficient to accomplish the tasks assigned. That part of your history is, at least to the general public, a relatively unknown one and yet one for which the nation owes this organization its deep appreciation.

With the end of the war, the Auxiliary regrouped and began anew—to carry out its fundamental mission in boating safety—and over the years, it has continued to make its valuable contribution.

PURPOSES OF THE AUXILIARY

The basic purposes of the Auxiliary are listed in the original law and are continued today in Chapter 23, Title 14, of the U.S. Code. Because they were well conceived in the beginning, they still persist in their original form, with only minor changes in wording. If I may paraphrase them, they include the promotion of safety and the effecting of rescues; the promotion of efficiency in motor boat operation; the fostering of knowledge of, and compliance with, boating safety laws and regulations; and facilitation of other operations of the Coast Guard. In all those missions, you have been very successful. Consistent with them, you have inaugurated your courtesy motor boat examination program; you have instituted training programs both as to equipment and as to operations; you conceived and were primarily responsible for the institution of an annual National Safe Boating Week, thereby publicizing safety programs to the public; you have conducted routine safety patrols on the waterways of the country; you have sponsored marine safety broadcasts; you have successfully completed many rescues; you have contributed your assistance and your vessels at times of natural disaster in the aftermath of hurricanes, earthquakes, and tornadoes; and what is most timely as we meet here tonight, you have rendered sorely needed assistance to those who have suffered personal danger and property loss through periodic floods.

I will not attempt to place a specific value on your efforts—how can I?

AID TO THOSE IN DISTRESS

How can I quantify the benefit of a life saved, of personal distress relieved, of personal danger averted? What is the value of your sponsorship, as I am told, of over 300,000 training courses, and over 300,000 courtesy motor boat examinations given in just the past year? And, all these things are in addition to the protection afforded to actual property which has been preserved.

I am told that the Auxiliary has assisted over 36,000 persons in distress, and that almost 400 lives have been saved as a result of your efforts. And, what results can we attribute to the more than 30,000 safety patrols and the almost 8,000 support missions which have been accomplished by your dedicated members?

In any case, for all the reasons which I have referred to, I am very happy to be here to express to the 35,000 men and women of the Auxiliary, from the newest recruit to the National Commodore, the thanks and appreciation of a grateful public for your noteworthy deeds and your outstanding achievements over the years, most of which have been accomplished at great personal expense and personal effort—often at the risk of your own lives. What is most impressive to me is the fact that you have done these things because of your genuine concern for your fellow man.

To Admiral Bender, and to the other officers of the Coast Guard, I commend you for your support of the work of the Auxiliary.

I strongly urge the entire Coast Guard, wherever there is a unit, to cooperate closely with these volunteer citizens, and with their assistance to encourage a greater effort in promoting the safety of our waterways and in protecting the people who use and enjoy them.

I know that you will all understand my feeling, and I am sure the feeling of other Members of the Congress concerning the importance of the work which is being accomplished by this group of dedicated citizens. We ask of the Coast Guard continuing reports on the activities of the Auxiliary, and we solicit any suggestions to us as to how we in the Congress may contribute to the betterment of this splendid organization.

Ladies and Gentlemen, I thank you again for permitting me the pleasure of joining you on this occasion.

Next, Mr. Speaker, I submit the remarks I made in presenting the award to Mr. Ralph W. Wright, of Boca Raton, Fla.

PRESENTATION BY CHAIRMAN SULLIVAN OF THE MERCHANT MARINE AND FISHERIES COMMITTEE OF THE AUGUST A. BUSCH, JR., BOATING SAFETY TROPHY TO RALPH W. WRIGHT

I have dual roles here tonight and in now presenting this beautiful August A. Busch, Jr. Trophy to Mr. Ralphh W. Wright, I am representing Mr. August A. Busch, Jr., Chairman of the Board of Anheuser-Busch and its Chief Executive Officer. This highly prized and beautiful award signifies the appreciation that one of America's major corporations has for the outstanding leadership which Mr. Wright has exhibited to promote, to encourage, and to carry out one of the world's outstanding safety programs in connection with boating.

Mr. Wright joned the Auxiliary on 25 November 1965 and has served nobly in each of the four cornerstones of the Auxiliary. He has been a qualified Courtesy Examiner since 1966, a qualified Instructor since 1966 and attained the high rank of an AUXOP in 1971.

He held the elected position as Flotilla Commander of Flotilla 36 and under his excellent leadership, the Flotilla won the exclusive Gold Cup Award for the greatest contribution towards boating safety in the nation in 1969, and was, additionally, awarded the National Board Trophy by the Auxiliary National Board in 1969.

He was the recipient of the Coast Guard's Certificate of Administrative Merit for excellent services in furthering the aims of the U.S. Coast Guard Auxiliary.

He was appointed to his current high National staff office in May 1971 and has certainly extended great zeal and professionalism to the National Public Education Program. While in this office he contributed to the supervision and writing of part of the booklets that now are a part of the successful twelve lesson public education course.

His continued drive has produced additional slides for the seven lesson sail and 12 lesson courses. Recently, under his direction, the new educational material presented at this Conference became a reality.

He is a gentleman in every sense and has added immensely to the lofty goals of the Coast Guard Auxiliary.

Mr. Wright, no one knows better than you do how much work needs to be done and it is the sincere hope of all of us that you will continue your efforts in this direction. On behalf of Mr. August A. Busch, Jr., I express the thanks and deep appreciation of his company and all of the thousands of people throughout the United States and present to you the August A. Busch, Jr. Trophy.

THE RESTRUCTURING OF OEO BENEFITS THE COUNTRY

HON. WILLIAM J. SCHERLE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 15, 1973

Mr. SCHERLE. Mr. Speaker, on March 29, 1973 an article appeared in the Albuquerque Tribune in which Mr. Howard Phillips, head of OEO, explains his policies and goals during the restructuring of OEO.

Mr. Phillips comments are very interesting and I include them to be printed in the RECORD at this point:

DISMANTLING OF OEO SEES NEED TO RESHAPE DOMESTIC POLICIES

(By Lee Stillwell)

WASHINGTON.—Howard Phillips, the man in charge of dismantling the Office of Economic Opportunity (OEO), sees his role as helping President Nixon reshape the nation's domestic policies.

Phillips says the public controversy surrounding him these days doesn't affect him or his goal of closing OEO's doors at the end of June.

"It honestly doesn't bother me . . . to me, the reality of things is more important than the appearance of things. In five years most of the accounts of what happened will be forgotten but the reality of what happens will speak for itself."

YOUTH CHAIRMAN

Phillips first worked for Nixon as his Massachusetts youth chairman during the 1960 campaign while still a Harvard student. He believes the "Domestic Nixon Doctrine" is of revolutionary proportions.

"More generally known as the New Federalism, this doctrine will in my view prove even more consequential in the history of human liberty than his achievements in foreign policy," Phillips said.

This belief has given Phillips the determination to achieve the deadline of dismantling OEO by June 30, sending programs the Nixon administration believes are workable to other agencies while killing those it feels are not.

REALLY CONVINCED

A tall, intense man of 32 who wears conservative suits and keeps his hair neatly trimmed, Phillips says: "I really am convinced that what I am doing is the right thing."

He sees the elimination of OEO and its policies as a way of reversing the power flow, giving it back to the people while taking it away from what he calls "bureaucrats."

"People have a right to decide for themselves," he says. "Why should a bureaucrat have the right to make your mistakes for you . . .? You should be able to make your own mistakes or your own successes. It's a mistake to think all the talent in this country lives on this side of the Potomac River.

LOCAL AUTHORITY

"If you are going to get good people in local government, you have to give them the authority to make decisions of greater significance than what color do you paint the fire truck."

Phillips said the transfer of OEO programs to other agencies should provide better efficiency and more self-determination for communities:

"What we are doing is not a negative thing . . . it is a positive thing. We're not ending the federal government's federal poverty program . . . we've giving it new life by giving it a chance to be effective."

DEFENDS CUTBACK

Phillips defends one of the more controversial aspects of the plan, eliminating the one-third federal funding of the nation's 907 Community Action Agencies this fiscal year.

"We're not in a position to say which Community Action Agencies are good and which are bad; we are saying local people have to make that decision," Phillips said, pointing out that local governments have the option of funding good programs fully.

He said a legislative committee in Massachusetts just appropriated $8 million to continue CAA programs.

LEGAL SERVICES

And he contends the legal services program will be more effective if Congress approves legislation creating a separate federal legal assistance corps.

The current OEO legal services programs employ more than 2,200 lawyers and in many cases they don't merely represent clients, Phillips charged, contending:

"They have been encouraged by OEO to organize groups, publish newsletters, assist lobbying activities, and otherwise engage in advocacy on issues of public policy in ways which do not arise out of the representation of specific clients."

MAY 10—RUMANIAN INDEPENDENCE DAY

HON. LAWRENCE J. HOGAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 15, 1973

Mr. HOGAN. Mr. Speaker, I wish to note the historic commemoration of the 10th of May, a joyous occasion for thousands of Americans of Rumanian descent who celebrate this Rumanian Independence Day.

The Rumanian National Committee, like many organizations dedicated to preserving national celebrations of genuine freedom, has maintained an awareness of landmarks in Rumanian history that have taken place on May 10.

On that date in 1866, Prince Charles of Hohenzollern-Sigmaringen was proclaimed Prince of Rumania, and thus founded the Rumanian dynasty. Exactly 11 years later, the Principality of Rumania severed her ties to the Ottoman

Empire and proclaimed her independence; and on May 10, 1881, the people of Rumania made their country to the rank of kingdom by crowning Charles I King of Rumania.

That the Rumanian people should celebrate this holiday with all the tributes and reminders of their glorious national past is perfectly understandable. For there is a common quality in each human being that compels him to look to his national past and to identify himself with those moments of national glory. And what is more meaningful, what event is more full of satisfaction, than when a nation asserts its right of national independence from an oppressor and achieves that independence.

Rumania today is playing an increasingly important role in world affairs. The Rumanian people, who once served as a bridge between the Roman and Slavic worlds, are now an important meeting ground between two equally disparate worlds: Western democracy and Soviet communism. For those who believe bridges can and should be built between the two worlds, the example of Rumania is heartening, indeed.

It is, therefore, fitting that those who hold the cause of freedom in high regard should pause at this time to pay respect to the brave Rumanian people.

TRIBUTE TO A POLICEWOMAN

HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 15, 1973

Mr. MOAKLEY. Mr. Speaker, as one who has always been opposed to discrimination of any kind, whether based on race, religion, age, or sex, I am very pleased to pay tribute at this time to an outstanding police officer who happens also to be a woman.

Diane Hofferty of the Boston Police Department has been cited for bravery beyond the call of duty in the daring apprehension of an armed robbery suspect.

She has been selected along with a number of other exceptional women for excellence in male-oriented jobs. Among the other distinguished Boston women to be so honored are: Muriel Snowden, founder of Freedom House in Roxbury; Sister Suzanne Kelly, dean of student affairs at Stonehill College; Mrs. Edgar C. Bacon, senior graphic illustrator for Bolt, Beranek, & Newman, Inc.; Heidi Mover of Massachusetts General Hospital's endocrinology labs; and Vicki Barletta, president of Travel Castles, Inc. The award winners in the communications field are Natalie Jacobson, co-anchor woman of channel 5's mid-day news; Marilyn Salenger, co-anchor woman of channel 7; and Gretchen Wortham, director of community affairs of channel 5.

They will be honored at a luncheon to benefit Horizons for Youth, the only completely free camp for disadvantaged New England youth. It was founded in 1938 by Julius Stone to bring together boys of varied backgrounds, races, and religions to teach them democracy in action. This summer about 2,000 boys and girls from 167 different communities will enjoy the benefits at Kiddie Kamp Horizons for Youth in Sharon, Mass.

Policewoman Hofferty will also receive an outstanding woman's award from Boston Federal Executive Board's Women's opportunity committee at a special ceremony in Boston on May 18.

The 24-year-old Boston policewoman grew up in South Boston and was a sixth grade teacher before joining the force in April of 1972.

She is assigned to Boston's District 4, covering the Back Bay and South End areas. Recently, while driving a police cruiser, she spotted the robbery suspect moments after he had allegedly robbed a Newbury Street jewelry store. She chased the man into a South End house where she caught him hiding in a basement laundry room.

Diane Hofferty comes from a family with strong ties to the police department. Her husband, Stephen Hofferty is assigned to the tactical police force; her grandfather was a police officer; her grandmother, a police matron; and she has several cousins who are also policemen.

It was an exploit of daring and courage and Policewoman Hofferty well deserves her public commendation.

More than that, it is reflective of the kind of service given by women in all walks of life. In recognition of the accomplishments of such remarkable women as honored here today, I think it is especially important that the equal rights amendment be enacted. Now more than ever it is essential to affirm our common humanity under the Constitution.

RSVP LENDS PURPOSE TO LIVES OF OLDER AMERICANS

HON. H. JOHN HEINZ III

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 15, 1973

Mr. HEINZ. Mr. Speaker, despite the passage of several important and vital initiatives by this and the 92d Congress, I am and remain deeply concerned about the plight of our older Americans. This extends to services available to them, financial assistance to help them meet the ever-rising cost of living while struggling with a fixed income, and more to the point, in finding ways to lend dignity and purpose to retirement years.

There is nothing "golden" about the "golden years" if they are spent in a constant, futile search for monetary relief and everyday pursuits which would add meaningful activities to one's existence.

One such activity is the retired senior volunteers program—RSVP—operated in conjunction with the Federal Government's ACTION.

How this program is set up and conducted is best described in an article which appeared in the April 1973 issue of Carnegie magazine, published monthly by the Carnegie Institute and Carnegie Library in Pittsburgh, part of which is in the 18th district I represent.

It was written by Mr. James L. Swauger, assistant director of the museum and because it is self-explanatory, I would like to insert the text of Mr. Swauger's article in the Record at this time.

The text follows:

RSVP LENDS PURPOSE TO LIVES OF OLDER AMERICANS

Conversations opened months ago between Walter J. Burke, international secretary-treasurer of the United Steelworkers of America, and me, associate director of Carnegie Museum, now bear fruit in the launching by the union and the museum of a pilot program of union-museum cooperation providing for volunteer participation by retired Steelworkers in the work of the museum. The project is operated in conjunction with the Retired Senior Volunteer Program, one of the Federal government's ACTION programs.

Agreement for joint action came from matching needs. Steelworker officials continually search for interesting, meaningful, and satisfying activities for release of the energies and absorption of the interests of retired union members. Carnegie Museum badly needs (as do all other museums) paraprofessional laboratory and office help for whose employment funds are not available. To Burke and me it seemed logical that union and museum could be of great service to each other.

There are specific basic rules that apply to joint action. Vital to Steelworker decision to associate with the museum is assurance by museum officials that no volunteer will replace a man at a paying job nor prevent a paying job from being established.

The museum's premise is that it seeks and will accept only volunteers whose interest in the work of a particular museum section already exists. The museum does not propose to develop such interest. It seemed to Burke and me that among the retired union people in the Pittsburgh region there must surely be one or two who all their lives had wished they could work with birds or fossils or plants or Indian arrowheads; but who, under the pressure of earning a living, could find neither time nor opportunity to explore and enlarge their interest. Retired, they have the time. The museum proffers opportunity in return for volunteer service providing much needed help to the museum.

Neither union nor museum believes retired people should have to spend money to help the museum. The trail to a source of funds to cover day-by-day ordinary expenses for volunteers, transportation, lunches, and the like, led first to James W. O'Brien at Steelworker headquarters in Washington, D.C. Responsible to Burke's office for Steelworker retiree programs, O'Brien had called Robert W. Baron of Glassport, who works with Steelworker retiree groups in this area, to meet with the two of us to explore funding possibilities. Through Baron's sources, we learned that the Retired Senior Volunteer Program was seeking stations for volunteer services and had funds to cover out-of-pocket expenses for volunteers working at such stations.

Arrangements were thereupon made with Mrs. Bea Miller to accept Carnegie Museum as a station so that volunteers working at the museum are assured their out-of-pocket expenses are covered. Mrs. Miller administers the Federal grant made to the Information and Volunteer Services of Allegheny County for operation of the Retired Senior Volunteer Program in the county.

The program is not a panacea for the needs of all retirees, let alone all retired steelworkers. The museum can probably handle at the very most no more than fifty volunteers. But fifty is fifty more than none, and interesting tasks are at hand.

Opportunities exist for participation in the work of many museum sections: Minerals, fossils, plants, insects and spiders, birds, mammals, man, environmental studies, exhibits, library, and director's office. Volunteers will soon be needed to man an Information Desk in a new Orientation and Information Hall.

Sample jobs include general laboratory assistance; preparation of fossil specimens; fleshing, skeletonizing, and tagging mammal specimens; preparation of working drawings for exhibit construction; repair and maintenance of spinning wheels and models; collection cataloging; general office work to include typing, filing, and the care of records of various sorts; and many others. Volunteers may come to us with special skills we had not thought of as applicable to one or another of the jobs we've always wanted to do but had never been able to get to. While volunteers will have to possess basic skills for some tasks, others can be learned on the job.

Although the volunteer retiree program is being implemented primarily through the Steelworkers, neither the Steelworkers nor the museum desires to restrict it to Steelworkers. Any retired person can investigate and be considered for a volunteer post at the museum. Initial discussions were held with the Steelworkers because of excellent Steelworker-museum cooperation in programs in the past, and we at the museum know the union has an established communication network through its retiree units so that dissemination of invitations to help the museum will be rapid and efficient. It is through the Steelworkers that the museum readily reaches other formal retiree organizations on a national basis because Baron is a board member of the National Council of Senior Citizens.

Implications of Steelworker-museum cooperation are international. Established here as a pilot project, the retiree program is an example to the more than five thousand museums in the American Association of Museums in the United States, Canada, and Mexico, and for the forty-two hundred Steelworker locals throughout the United States and Canada.

Volunteer service of great value is nothing new to the museum world. Most frequently, volunteer service is a personal affair—a friend of the director or of a staff member, or even (and this is heartening) someone with training, interest, and desire who exhibits initiative by approaching the museum without any personal pre-association and asks to be given work to do. The Steelworker-Carnegie Museum association injects another factor into this picture: the mode of recruitment is institutional. The union as an organization is working with the museum as an organization for mutual benefit. We believe it will result in greater service to both retired people and to the museum.

Inquiries relating to the program should be addressed primarily to Robert W. Baron, Local Union No. 2227—District 15, United Steelworkers of America, 1301 Philip Murray Road, West Mifflin, Pennsylvania, 15122; and to Mrs. Bea Miller, RSVP, Information and Volunteer Services of Allegheny County, 200 Ross Street, Pittsburgh, Pennsylvania, 15219. The museum contact, in instances where neither Baron nor Miller is available, is Mrs. Helen P. Swauger (herself a volunteer), administrative assistant, Volunteer Retiree Program, Carnegie Museum, 4400 Forbes Avenue, Pittsburgh, Pennsylvania, 15213.

A FREE MARKET

HON. JOHN H. ROUSSELOT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 15, 1973

Mr. ROUSSELOT. Mr. Speaker, there has been a great deal of discussion in this Congress about the problem of high prices and what actually is the cause of these high prices in the marketplace. An article recently appeared in America's Future, a fortnightly review of the news, dated April 27, 1973, the comments from which I believe the Members of this House could well benefit.

I encourage review of this article as a matter of course because, in my opinion, many Members of this House have fallen into a "go-along-with-the-drift-of-the-times" attitude by being mesmerized into the belief that the free marketplace can no longer operate with any degree of equilibrium or balance for consumer products. This same me-too philosophy then tells us that the only alternative, is massive Government regulation or control.

This article in America's Future, which was also covered by America's Future Mutual Network Broadcast April 15, 1973, is a searching and thoughtful commentary of this whole issue and I commend it to my colleagues for their consideration:

A FREE MARKET

INEVITABLE HANGOVER

We seem to be on a national scapegoat-hunt these days—looking for somebody to blame for high prices. In the process, there are all sorts of demands for all sorts of governmental action which, no matter how well-intentioned, will only make matters worse. As we explained recently, high prices are the result of governmental actions and interferences in the free market, and the only way to return to some degree of equilibrium is to let the market operate freely once more.

That isn't yearning after "a nostalgic conception that has gone down the drain," as one reader accused us of doing. It is a fact of economic life in a free society if we wish the society to remain free. And it does no good to blame high prices, as this reader does and as many other uninformed Americans do, on a nonexistent "meat cartel" or "the greedy rush of the food industry to make a killing," Using the word "cartel" in connection with the meat or food industry in America is about as far from the fact as one can get—the food industry being one of the most competitive in our system. And the industry, including what he calls "super-marketism" is a long, long way from making a killing from high prices because its costs have increased tremendously and because, in the case of the super-markets, their margin of profit (about one percent) is so thin that they suffer losses with any decrease in volume.

It cannot be repeated often enough that the cause of high prices is inflation, and that the cause of inflation is deficit spending by governments. It is a fact of history that in periods when government deficits rose, so did prices; when government surpluses appeared, prices adjusted to saner levels. This is particularly so in periods following wars, going all the way back to the Civil War, because wars usually are fought in whole or in part with borrowed money instead of on a pay-as-you-go basis out of taxes. This was most glaringly the case with the Vietnam war, when our people, led by the Kennedy and Johnson administrations, thought we could have both guns and butter—that is, fight a war and at the same time spend on all sorts of social projects at home.

Now we are suffering the inevitable hangover. The quickest and safest—but not the least painful—way to get over it is to let the free market have its way. Demands for more rather than less governmental interferences and controls not only will prolong the hangover but make recovery from it far more difficult to achieve.

PRICES AND DEFICITS

One does not have to be an economist or fiscal expert to see the connection between government deficits and high prices. We need only heed the lessons of history. In the more than one hundred years since the Civil War, we have had four major periods of rapidly rising prices—some of them, incidentally, far more painful than the present one. Each occurred during and following a war, and each was accompanied by government deficits.

At the end of the four years of the Civil War, the national government's deficit was 40 times greater than at the beginning. During that period prices approximately doubled—that is, rose 100 percent. Then, up to and after 1870, the national government had surpluses instead of deficits—and the price index fell to half of what it had been in 1864.

During and immediately after World War I, the federal government ran great deficits—and again prices doubled. But by the early '20s, the government once more was showing surpluses—and the wholesale price index dropped 74 points from its high in 1919.

The third and fourth major periods of price rise were during and following World War II and the present one during and following the Vietnam war. In both cases they were accompanied by tremendous government deficits.

The price rise during and following World War II was approximately 50 percent, peaking during 1948. Then it began to ease off, concurrently with two years (1947 and 1948) during which the federal government did not have a deficit.

The present price rise—about 32 percent since 1965—is so far the lowest of them all. But it should be pretty obvious from this bit of fiscal history that it will become higher, or begin to ease off, depending on whether we continue to have government deficits or whether some degree of fiscal sanity makes its way into federal government spending.

There is another aspect of government deficits, their inflationary effect and thus high prices, which hardly anyone save a few sound economists ever mentions these days. Those deficits get piled one upon another and become part of the public debt.

We came out of the Civil War with a federal-government debt of about two and a half billion dollars. It was progressively reduced, with a few ups and downs, to a little over a billion dollars until World War I. At the end of that war, it stood at about 25 billion dollars, but again it was progressively reduced, getting down to 16 billion dollars until the early '30s.

Then, with the advent of FDR's so-called New Deal, it started up again, and with World War II wound up at the unbelievable figure of 245 billion dollars.

But the deficits have grown each year since, with a few pauses now and then, and so the debt today has reached the practically incomprehensible figure of around 430 billion dollars.

Advocates of unending government spending and borrowing, of course, tell us that's all right, because the economy has grown, and that the debt deally doesn't matter because, to use their favorite phrase, "we owe it to ourselves." They ignore the fact that the interest on that debt is now more than 20 billion dollars a year—an amount which must be paid out of taxes which in turn add to the cost of everything we buy.

MORE, OR LESS CONTROLS?

Believers in a government-managed economy think the solution to all this is more rather than less government controls and interferences, despite the fact that it was these which produced the problem in the first place. However, the dislocations thus produced make proper solutions not only difficult but painful and, of course, politically unpopular.

So far as controls are concerned, they may have a temporary effect, but in the end they only make the problem worse because they interfere with the productivity of the free market and, if not accompanied by governmental fiscal sanity, actually produce shortages.

But most important, a free economy is the only type, whatever its ups and downs, that ever has or can produce the greatest amount and variety of goods at the lowest prices. In such an economy there can be no defense of governmental controls except, perhaps, in wartime. Wars bring dislocations in a free economy because so much energy must be directed to producing destructive rather than productive goods. Therefore, temporary controls, including rationing of goods, may be necessary Older citizens can remember such an experience during and immediately after World War II. But they also should remember that even in wartime, the controls produced black markets, shortages and rising prices despite the controls.

But controls in a free economy—provided always we want it to stay free—during peacetime are indefensible from the standpoint of long-range correction of economic maladies as well as from the practical standpoint. One does not necessarily have to defend the present high price of meat, for example, to think back to the year following the end of World War II when in many places housewives who did not get to the market early in the morning could not find even a few hotdogs or a half pound of chopped meat; when in other places there was no meat of any kind available; when even institutions and hospitals couldn't buy it for love nor money.

If we can't remember those days, all we need do is look at one of the most controlled economies in the world—that of Soviet Russia, a rich agricultural nation which throughout its communist history, up to this very day, suffers shortages of the most basic food products.

BILL PITTS DEPARTS FROM CAPITOL HILL

HON. HAROLD R. COLLIER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 15, 1973

Mr. COLLIER. Mr. Speaker, during my 16 years in Congress I have become well-acquainted with many of the able and dedicated people who work on Capitol Hill. Some of them are employed by the individual Members, some by the committees, and some by the leadership.

One of the employees who has labored here diligently and conscientiously for many years is William R. Pitts, more familiarly known as Bill. He worked for several Members, including Thomas C. Cochran of Pennsylvania, Charles Halleck of Indiana, and three Illinoisans, Ralph Church, Charles S. Dewey, and Leslie C. Arends. Bill put in a quarter of a century as an aide to Arends, the Republican whip.

Dr. Pitts retired at the expiration of the 92d Congress, but I am sure that he finds plenty to occupy his mind and exercise his numerous talents. My best wishes accompany him as he departs from the Nation's Capital.

Mr. Speaker, I would like to extend my remarks in the Record by inserting a story that appeared in the De Kalb, Ill., Chronicle:

STORIES A CONGRESSIONAL AIDE CAN TELL

WASHINGTON.—Bill Pitts, longtime aide to house minority whip Leslie C. Arends of Illinois, is retiring from Capitol Hill to his old books and a new pool table.

"I'll miss the hill," says Pitts, a small compact, gray man of 65 whose heavy glasses let his warmth and wisdom shine through. "You feel you're on the inside of momentous decisions. But there are frustrations when your ego has to work in anonymity."

Dr. William R. Pitts, "The old professor" to some of his friends, has a right to an ego, though he'd probably be the last to take an ego trip. For all his college degrees, he's as easy to talk to as your best neighbor.

Bill started out as the "Boy Wonder of Sharon" back in Pennsylvania where he was born in 1907, the son of a steel worker in the rolling hills.

In high school, Bill was bookish and ill at ease with small talk but he was a demon on the debate platform. He made it to the Chicago finals in the national scholastic championship and walked off with the $2,000 scholarship top prize.

"I was small and slim," Bill recalls. "My stature entered into it a little bit, but I also had a capacity to talk with feeling."

Bill's debate scholarship got him into Brown University, a small Ivy League college for boys in Providence, R.I. By waiting on fraternity tables, working as a night librarian, and picking up some of the endowment money as a debater, he earned his way. He left Brown with a bachelor of arts and a masters in history.

He returned to Sharon during the depression and wangled a job at a "Scotch clergyman's stipend" from the editor of The Sharon Herald. Bill wrote editorials and byline articles on foreign affairs. This soon led to the knife-and-fork circuit as a speaker at Rotary, Kiwanis and similar club meetings.

When his Methodist minister took a sabbatical and the pulpit replacement failed to arrive in time, Bill was prevailed upon to fill in as a lay preacher. He did so well, he never missed a Sunday in some pulpit in Pennsylvania, Ohio or Indiana.

Bill got to Washington when his editor told Rep. Thomas C. Cochran, a Pennsylvania Republican, he had a young man on the staff who wanted to study law. The editor suggested Bill work in the congressman's office and go to school at night.

That's the way it worked out. Bill attended Georgetown University for some eight years, winning a bachelor's, master's and doctorate in law.

"I wouldn't do it again," says Pitts. "I had an intellectual curiosity. I wanted to be a professor in government."

About the time Cochran decided to return to Pennsylvania to become a judge, Bill married Florence Graham in 1935. She was from nearby Niles, Ohio, just across the line from Sharon, and they had met on a blind date. They're still together as Bill goes into retirement.

With his new responsibilities, Bill wanted a congressman "with a safe district" so he went with Rep. Ralph Church of Evanston, Ill. He even took up residence in Evanston.

When Church lost in a senatorial primary, Bill decided to go into law, but Charles S. Dewey, a Republican running in Church's old neighboring district, said Bill should stay in Washington with him.

"It was too precarious, but he talked me into it," Bill grins.

World War II came and Bill went into the Navy as a deck officer under training for amphibious operations. He got orders to the Navy Department as a special assistant to the renegotiation board and handled all the board's appeals. He dealt frequently with the Navy Secy. James V. Forrestal, who gave him a commendation ribbon.

"I admired him greatly," says Bill. "He was one of the greatest men I ever came in contact with. He was fair and compassionate."

Dewey, Bill's former millionaire congressman boss, was meanwhile defeated for reelection. But when they met again after Bill was mustered out in the rank of lieutenant commander, Dewey persuaded his one time aid to join him at Chase National Bank in New York City where he was a vice president.

"I ended up with the bank as special legal officer attached to the hierarchy," says Bill.

He hadn't moved his family, so when he returned about a year later to pack for New York, he ran into Rep. Charley Halleck, newly-elevated majority leader of the Republican 80th congress.

"Oh, great!" Bill said when Halleck asked him to be his aide. "I'd like that."

"The 80th was a great congress," declares Bill. "It passed the Taft-Hartley Act, it balanced the budget, it had a surplus, it initiated the Marshall Plan for Truman and he called it the "Do-nothing congress."

As Bill sees it, it won the enmity of the Democrats because Halleck bottled up in rules and cut back on more federal housing and aid to education and public works project on the premise the administration hadn't spent the money already appropriated.

Halleck he assesses as "an intellectual, impatient and brusque," a man calculated to give prima donnas and slow learners a hard time.

"Halleck was a great leader because he really led. He was also a great speaker. He could ad lib and give meaning to your words. He could adjust the manuscript to the situation when things were moving fast. It was said of him that he "absorbed knowledge through his skin."

His most "dramatic" time with Halleck was the GOP national convention when Halleck was in line for the vice-presidential nomination but Tom Dewey won it.

"The Dewey people. in my judgment," double-crossed Halleck," says Bill. "They promised him the nomination if he could deliver certain delegations. He filled his side of the bargain."

The Republicans lost the house and Speaker Joe Martin had to step back down to the minority leader's post, bumping Halleck. Halleck didn't want the whip post, held by his lieutenant Arends. He supported Arends' bid to keep it and Arends won.

Bill Pitts joined Arends, who has been whip longer than anyone in the history of the house.

Bill spent 25 years as the Illinoisan's whip aide.

Dramatics are not Arends' nature," says Bill when asked to highlight his experience. "But he's a great guy to work for."

Arends would never neglect his district for national affairs, says Bill, although by the same token he takes the whip assignment seriously.

Bill says his worst day came when the bells that call members to the chamber "kept clanging."

"We didn't know what was going on until the cloakroom told us there was shooting in the house and some members were hurt. We heard that a bullet had gone through the leadership desk."

This was where Arends sat. When the Puerto Ricans shot up the house that day, one bullet kicked up a splinter from the desk into his eye, but he was unhurt.

Arends returned to his office shakey and nervous, saying he just "couldn't understand it," Bill recalls.

Bill spent his last day in Arends office briefing his successor, Joseph H. MacCaulay, who had formerly worked for Congresswoman Charlotte T. Reid and other members of the house.

Bill says a good staff man should have a motto. His has been: "Work unseen, be more than you seem."

EFFECTS OF ELIMINATING COMMUNITY ACTION AND LEGAL SERVICES IN GEORGIA

HON. ANDREW YOUNG

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 15, 1973

Mr. YOUNG of Georgia. Mr. Speaker, the effects of liquidating Community Action Agencies and Legal Services in Georgia would be tragic and utterly inhumane.

Mrs. Merlyn E. Richardson, representing the League of Women Voters of Georgia. has prepared a moving and persuasive statement on the consequences of dismantling the Office of Economic Opportunity and, in the process, ending community action programs and legal services.

The statement was prepared for hearings scheduled last month in Atlanta by the House Subcommittee on Equal Opportunities, of which our distinguished colleague, Congressman Augustus F. Hawkins, is chairman. Unfortunately, the hearings had to be canceled when legislation on the House floor unexpectedly required a long session and prevented Members from leaving Washington.

However, this is an important statement and I want to share it with you by placing it in the Record:

Statement by Mrs. Merlyn E. Richardson

I am Mrs. Merlyn E. Richardson, 755 Park Lane, Decatur, a member of the League of Women Voters of Georgia. I speak to the effect of the liquidation of Community Action Agencies and legal services under the dismantling of the Office of Equal Opportunity. I speak for the need for funding for the Community Action Agency programs and for legislation to establish an independent Legal Services Corporation as a strong national program for legal services.

As you know, the elimination of these programs hits the same level of income citizens in Georgia who have been hurt by the limitation of the amendment to the General Federal Revenue Sharing Act of 1972 which affected Title IV–A and Title XVI of the Social Security Act; people who have been hurt by the impoundment of funds for housing for 18 months—an estimated loss to economy of Georgia of $380 million plus; citizens who will be hurt under the cuts in the proposed 1974 Administration Budget in medicare and housing, in manpower programs, in health, education and poverty programs; the same persons who will be hurt under limiting regulations governing social services' funding (in the last quarter of 1973, 65,000 people would be deprived and in 1974, 108,538 citizens would lose the helping services). All these cuts come at once with no time to prepare for interim help until other programs begin under proposed special revenue sharing acts.

Please hear now about just a few of the many who will be hurt from the cancellation of funds to Community Action Agencies.

"My children entered OEO Day Care in April of 1966. I have five children and still have two in the center. I am sole support for my children and myself. I feel proud to be able to do this but if it hadn't been for OEO. I would have had to go on welfare which I do not want to do. Due to the wonderful training and guidance from the center, my children have been well prepared for school and even more important they have learned to share and to help each other and myself. Last year my home burned and my children and I lost everything we had except the clothes we had on. The wonderful people at OEO were a blessing. They helped me to find a house to live in and helped me to get so many things that I needed to start housekeeping again."

Mrs. O. doesn't know whether she is 78 or 100, but she is a senior citizen of limited income who receives $2 an hour for nine hours of work a week to be a good neighbor and homemaker. She mops kitchens, does some grocery shopping, takes out garbage, makes beds, cleans yards for those unable to help themselves.

"Prior to Mr. B's employment with Operation Mainstream he had been released from several jobs due to his drinking. Thru months later after working on this program, Mr. B. has not missed a day on his job and has not reported to work drinking. He has stated that without the counseling and training he has gotten from Mainstream, things would have been hopeless for him. If this program can be kept in force many others such as Mr. B. could return to rolls of productive citizens."

On July 1, 1973, there will be an absolute loss of $9.3 million to Georgia covering OEO account 221 grants under Community Action Agencies serving 82,000 persons. There are 21 plus areas which represent Limited Purpose Agencies where the county administers one or two programs such as Head Start, Neighborhood Youth Corps or Emergency and Medical Services. These 221 account grants range over many areas of needed services which are crucial for the existence of low income individuals and families.

As the people mentioned in the above true-life stories prove, these services allow potentially self-sufficient individuals to achieve independence. OEO has handled the funds for Head Start and $7.7 million will be lost by end of August unless a new agency is formed. There is also $600,000 each for summer food programs and for aging that will be gone. $13.3 million will be lost under the Neighborhood Youth Corps.

There are two sisters whose father and mother are dead and they live with their grandfather who is on welfare. The girls keep house for the elderly man, do all the cooking, make all of their clothes and are excellent students. These girls are entirely dependent on the money they earn from the Neighborhood Youth Corps to buy cloth for their clothes and for school supplies. One girl works in a state-county office and the other works in a county office. Both are doing excellent work and are well liked by their supervisors.

There is a male enrollee who is dependent on the Neighborhood Youth Corps program to stay in school and help with family income. There are five in the family. His father was in an auto accident in the Spring of 1972. He is still un-conscious in the hospital. It was learned about six months ago that his mother has cancer. The only income the family has to cope with this situation is a small welfare check. NYC income from enrollee's work and odd jobs enrollee can get on the week-end.

Some of our contacts made in preparing this statement revealed that in many respects, Community Action need is greater in the rural areas than urban parts of Georgia. In communities such as the Coastal Plain Area, 30%of the population is considered low-income and the agency reaches about 50% of these citizens. Resources are few and needs of the poor are seldom articulated without leadership and assistance from Community Action. "We do not try to be a panacea; we cannot cure all the ills but we can and do help the people that have the desire and ambition to get out of poverty and into the mainstream of life. Our main concern is that an agency is available for those who are striving for a better life."

In one rural area CAA, for example, the following programs are serving the citizens: neighborhood service system, neighborhood youth corps, summer Head Start, community day care services, after school day care for school-age children, alcoholism rehabilitation, family planning, emergency food and medical services, hire-a-mother, operation mainstream, help communities help themselves, handicraft production and sales, business career preparation, nutrition program for elderly, senior opportunity center. The Work Incentive Program depends upon many supportive services to be effective, and these were available through Community Action only.

Mrs. W. lives in a county where there are no job opportunities except in farm labor. She tried to work in a clothing factory, but she could not meet production. She was placed in training by the CAA as a nurses' aide. Her supervisors worked very closely with her, getting her to work on time, helping with personal hygiene, working with her on every detail of her job. By the end of the six month training period she surpassed her peers and became the best mainstream worker in the hospital, and accordingly is currently employed there.

There are situations where only the staying power of the CAA has solved the problems-long drawn out negotiations for tenants of public housing, for eligibility for assistance and for help while such was going on. Everything starts at the Neighborhood Center, for services, referrals and activities. In proposed plans for transfers of some programs we can find no answers for where funding will come for this important focalpoint.

A phone call to a Neighborhood Center reported a family in desperate circumstances. The mother in the family was on the way to the hospital to give birth to her sixth child. The children in the family were inadequately fed and clothed; the father was seriously ill. The father had always done a good job of providing for his family, but within a few months he was stricken with two different health problems, requiring several months of hospitalization and later home confinement. The family's resources were drained. They turned to welfare and were receiving a monthly allotment by the time OEO came into contact with the family. The money was simply not sufficient.

Through the Neighborhood Center, the family came into contact with resources to help most immediate needs. These resources included the center's Citizens Neighborhood Advisory Council, a group made up of poverty area residents organized to work on issues, but who had an emergency fund for the kind of day-to-day problems that this family was facing—problems that are commonplace for the very poor. OEO's goals and the goal of the family now merge: self-help. Rehabilitation for the father, job training for the mother when the baby is old enough is planned. The mother said "We would have been completely lost without the Neighborhood Center."

As a further result of the termination of the Office of Economic Opportunity, 1181 Community Action Agency employees will be laid off in Georgia. Since the Community Action Agency serves as the umbrella agency for HEW, Department of Labor and other federal and state funds, there is another potential loss of $33,139,077 in social service programs that employ nearly 1800 people. Many of these employees became employed for the first time in a community action program. They gained dignity when they left the welfare roles and pride as a reward for serving those less fortunate. Over 50% of the total CAA employment is black and about 70% is female.

Atlanta Legal Aid Society, operating out of many centers in the metropolitan area receives some $670,000 from the Office of Economic Opportunity. In 1972, 14,450 cases were handled in the areas of the consumer, civil procedure, landlord/tenant, social security, education and employment, administration of justice. There is also work done in community education, family law, summer interns.

Miss B., a double amputee, faced the possibility of eviction from her home before the intervention of Atlanta Legal Aid. She is 72 years old and not too skilled in reading and writing. Her legal troubles began when she signed a contract with a contracting company for home inprovements.

One court decision on a Legal Aid case held that a landlord financed under 221 (d) (3) of the National Housing Act could not comply with procedural due process unless he alleged and proved "good cause" for evicting his tenant. A class action alleged that conditions in a jail for pre-trial detainees amounted to cruel and unusual punishment and denied them due process of law. The court ordered that the top floor of the jail be closed, the bottom floor be refurbished, an emergency exit be constructed. A new jail is now being built.

Thank you for your courtesy in listening and for the opportunity to speak at this regional hearing. The League of Women Voters of Georgia strongly urges you to consider funding for the Community Action Agencies and for legislation to establish an independent Legal Services Corporation.

WATERGATE AND OUR POLITICAL SYSTEM

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 15, 1973

Mr. HAMILTON. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include this speech on the the Watergate incident and its impact on our political system:

On the night of June 17, 1972, Frank Wills, 24 years old, slim, black, Job Corps graduate, a bachelor, was working as a security guard in the Watergate complex. He noticed tape placed on the latches of two doors, so the doors would not lock when closed. He removed the tape and continued his rounds. He thought the maintenance men had left the tape on the doors, but just to be sure, he returned ten minutes later. This time he found the locks on the doors taped open.

He called the police. The police arrived and they found men, speaking with foreign accents, crawling on the floor of the 6th floor suite of the Democratic National Committee.

The police also found a shortwave receiver, door jimmies, walkie-talkies, cameras, films, tear gas guns, electronic eavesdropping equipment and 5300 in cash.

For eleven months now, the American people have been sent rocking and reeling with one disclosure after another from the Watergate mess.

From this event the variety of incidents known as "Watergate" have erupted, shaking the American people and their government to the very roots.

Consider what we know today, even at this early stage in the search for truth:

In October. 1972. The Washington Post revealed that FBI agents had established that the Watergate bugging incident stemmed from a massive campaign of political spying and sabotage, conducted on behalf of the President, directed by officials at the White House. These activities included:

Following members of the candidates' families,

Assembling dossiers on their personal lives,

Forging letters and distributing them under the candidates' letterheads,

Leaking false information to the press,

Throwing campaign schedules into disarray,

Seizing confidential files,

Planting provocateurs,

Investigating potential donors.

The President's campaign oragnization deluged the President with thousands of telegrams to create the impression that his war politics were enthusiastically supported.

The Attorney General of the United States discussed illegal wiretappings and burglaries and took no action against the persons who made those criminal proposals in his presence.

The President's lawyer and the head of his domestic policy staff discussed whether incriminating documents should be thrown into the Potomac River.

The acting head of the FBI burned documents.

The former Secretary of Commerce and chief fundraiser pressured shady businessmen for large sums of money, in cash.

A member of the White House staff directed the burglary of the psychiatric files of a defendant in a pending criminal case, Daniel Ellsberg. The help of the CIA was obtained for that operation, in direct violation of the law.

The chief domestic advisor to the President met twice with the federal judge presiding over the Ellsberg case, while it was going on, and offered him the directorship of the FBI.

A White House staff member sent one of the Watergate criminals to the State Department to copy diplomatic cables and fake one involving President Kennedy.

The Nixon administration, over a period of two years, placed wiretaps on phones of its own officials and on phones of reporters of 3 newspapers.

The White House repeatedly issued false statements about the Watergate affair, accused the Washintgon Post and other papers of printing charges they knew to be false, and later asserted that those "lies and slanders" are now to be regarded as "inoperative."

This handful of incidents, randomly selected, only begins to convey the effort of ruthless men to destroy the political opposition, violate the election laws, and alter the very nature of the American political and legal system.

Watergate has raised a variety of questions:

Why did it happen?

Looking back at the 1972 election, which the President won so overwhelmingly, many people simply can find no reason for Watergate. These people have forgotten some recent history.

After the 1970 election, Richard Nixon was in trouble. The Democrats had retained solid control of the Senate and the House. They had erased the Republicans' 2 to 1 majority in the nation's governorships. The polls showed Senator Muskie beating him, and Senators Kennedy and Humphrey running even with him.

One of the President's intimates said lately, "The President was walking into a one-term Presidency in the summer of 1971, on almost every issue."

In a most revealing statement, the President was quoted as saying, "the guy who can hurt me the most is Muskie. The guy who can hurt me least is McGovern."

Beyond that, Nixon was surrounded by a group of disciplined, arrogant loyalists who were absolutely persuaded that they knew what was best for the country, and they would brook no criticism or dissent:

Listen to their statements:

Charles Colson, a close confidant of the President, put it best: "I would walk over my grandmother, if necessary, to help the President's re-election."

Attorney General Kleindienst, testifying later, said that the President had the power to forbid 2.5 million federal employees from testifying before Congress under any circumstances.

H. R. Haldeman said, "The President is naturally concerned by the kind of criticism that can get in the way of what he is trying to do, and that would be unfair criticism."

These men exhibited an attitude of "anything goes" and utter disdain of the law and the American people.

Their underlying philosophy was that the ends justify the means, that the powerful people know best. Observing the tone of the Nixon men, the New York Times said that Watergate was the "characteristic, almost inevitable, scandal of this Administration."

Was the Watergate just another example of political skull-duggery, the kind of thing every politician does?

To be sure, our historical background in politics contains sleazy tactics, unethical standards in the use of money, dirty tricks, and character assassination.

In Muncie, Indiana, the local paper carried a letter from a reader who pointed out:

"No lives were lost, no one harmed, no bank robbed, or large amount of money lost, and so far as we can detect, no one in particular was harmed. It is indeed getting boring."

Governor Reagan said that those responsible for Watergate should not be considered criminals because "They are not criminals at heart."

But Watergate was not politics as usual. It was a flagrant violation of law including:

Wiretapping

Burglary

Breaking and entering

Conspiracy

Obstruction of justice

Sabotaging opponents' meetings

Putting spies in their offices

Stealing material from their files

Forging incriminating letters.

This was not a case of the misuse of power for the sake of acquiring money. It was using money for the sake of acquiring power.

The President may call it an "excess of zeal," but that is a peculiar description for men who:

Perverted the public trust,

Deformed the processes of criminal justice,

Conspired to break the authority of the U.S. government and to break its laws,

And to cover up their crimes.

Watergate is the biggest scandal in American political history. Grant, Harding, Truman had their troubles and one or two officials resigned or were convicted.

So far in Watergate:

7 have been found guilty and at least 13 resignations and firings are related to Watergate;

One Attorney General resigned and has been indicted;

Another Attorney General resigned;

An FBI Director resigned;

An appointment secretary to the President resigned;

The President's two top aides resigned and are implicated;

A Secretary of Commerce resigned and has been indicted;

The President's personal lawyer was fired;

The President's White House counsel was fired.

And we can anticipate a number of indictments and convictions in the coming months.

Why did it take the public so long to believe?

This is one of the major puzzles of Watergate.

Any Democratic candidate in 1972 knew that the people were simply not interested in Watergate. Disclosure after disclosure poured forth between the time of the burglary and the election in 1972, but there was no outcry from the public. In September, reporters would go for days without hearing a single person voluntarily mention Watergate.

Why?

The people believed the White House. They were not outraged. During the days of Dwight Eisenhower, they could get disturbed about a Vicuna coat. Maybe they were weary after Vietnam. Maybe they were turned off by George McGovern. Maybe their moral standards were not as high as they once were.

In any case, they just did not want to believe that the disclosures were accurate.

All that has changed today, but it took a long time before the American people began to believe the stories.

Was President Nixon himself involved in Watergate?

There is no evidence, either direct or hearsay, that the President understood the broad reach of Watergate before last March 21. On that date he said he heard serious charges and began his own new inquiry into the case.

Newsweek has related two incidents that Mr. Dean, the President's counsel, believes associate the President with the conspiracy, but these stories rest on Mr. Dean's assumptions not on the President's words.

Also, L. Patrick Gray has said that he warned the President on July 6 (3 weeks after Watergate) that some White House aides were meddling with the investigation.

Short of the President, the complicity runs to the edge of the President's desk, but none of the men of the President's inner circle have yet described what they did or what they told the President.

While most experts doubt that the President knew about Watergate in advance, there is much speculation that the President learned of White House involvement once the Nixon-Re-Election Committee had been linked with the wiretappers, and many think it is simply unbelievable that John Mitchell, a long time Nixon confidant, did not tell the President everything he knew about the wiretappers and their plans.

Some, like Senator Brooke of Massachusetts, say that it is inconceivable that the President did not know what his closest associates were doing. They point out that men like Haldeman never took any initiative the President did not want.

Did the President know about the activities of his close associates?

We do not know. But we do know that if he did not, he should have.

Nevertheless, no explicit suggestion has been made that the President was told of the cover-up.

What is the real harm of Watergate?

As the energies of this Administration have been focused on Watergate, a malaise has gripped the Administration. Appointments are unfilled: 59 of them by one count in subcabinet, ambassadorial and other top level jobs.

The President's design for his second term has been "disrupted." His chain of command has become unlinked. One White House official said, "The ship of state lies dead in the water." It is a government in turmoil.

Watergate deals yet another setback to the confidence of Americans in government and the integrity and future quality of the political processes in this country. Any right-minded American must ask himself, as he views the impact of Watergate on the already low status of politics and government in the nation today, how much erosion of confidence can our system tolerate and still survive.

What should the Democrats do?

Some Democrats are gleeful about the political fallout from Watergate. They are rushing to the attack, intent upon striking a crippling blow to their political adversaries, and already counting the political victories in 1974. That is the easy, perhaps instinctive, approach for Democratic politicians.

After all, the target is vulnerable, the characters are despicable, and we can attack with impunity from high moral ground. Some would say Watergate is a Democratic politician's dream. But in my view, such an attack is also the wrong approach to a national, and not a party, tragedy.

This is not the time for rejoicing because a political bonanza has been handed to us gratuitously, but rather a time for soul-searching and reflection about the integrity of the political process of this nation.

The appropriate course is to insist upon a careful and complete investigation of the Watergate affair and a full disclosure of the truth, and to join with all men and women of good will to restore confidence in the decision-making processes of the nation.

An independent prosecutor of unquestioned integrity and the highest professional ability should be appointed, and given the resources and the authority to conduct a thorough investigation. It is necessary that the prosecutor be removed from the influence of the presidency.

Impeachment proceedings, and references to them, should be silenced as premature.

For the future there are lessons to be learned from Watergate:

1) An open presidency.

Watergate simply would not have happened had Mr Nixon conducted his government in public.

He and future presidents need to conduct an open presidency—open to the public, the Congress and the press. They need men around them who represnt a broad philosophical base to insure a ferment of ideas. They need contact with the best minds in America and a cabinet composed of the ablest men in America.

The presidential news-conference must be reestablished.

The concentration of power in the presidency must be opposed, and we must return to a balance of the powers of government with a stronger Congress, as envisaged by the U.S. Constitution.

2) Elections.

A whole series of steps must be taken to protect the integrity of American elections. They include:

Sharp limitations on the size of individual gifts;

Overall limit on expenditures for a given race;

An end to organized interest group giving;

Complete reporting of contributions and expenditures;

The creation of a tough enforcement agency to ensure compliance.

3) Finally, we must keep faith in the American political system. At Watergate, some of the people within the system failed us—and that should not surprise or dismay us at any time under any party.

But the system worked—perhaps slowly, but it did work:

A federal grand jury brought the first indictments;

A Federal judge raised the first official doubts about the adequacy of an investigation and expressed his dissatisfaction in open court;

The Congress, much maligned in recent days, kept the affair from being buried:

Senator Ervin's investigation committee assured that Watergate would continue as a major public issue.

Individual members of the Congress played significant roles. Senator Goldwater demanded a full airing of the affair and other Republicans followed. Senator Byrd of West Virginia asked some penetrating questions.

Although much of the press forgot about Watergate, at least a few papers and a few reporters were not intimidated, kept digging in the face of harassment and other pressure, and played their full role as the 4th estate.

If we have learned these lessons—even Watergate may have been worth it.

JOHN W. McCORMACK

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 15, 1973

Mr. CONTE. Mr. Speaker, earlier this year, in March, our beloved former Speaker and distinguished Congressman from Massachusetts John W. McCormack was honored by the people of the city of Holyoke, Mass., by being named the 1973 recipient of the John F. Kennedy National Award. The award is bestowed by the committee planning the annual St. Patrick's Day Parade in that city and yearly recognizes an outstanding American of Irish heritage.

This year's award could not have been given to a finer man, I am sure all of my colleagues will agree. A measure of the esteem in which the Speaker is held in Holyoke was evident in the wide coverage given his preparade activities in the city's daily newspaper, the Holyoke Transcript-Telegram.

At this time, I would like to insert some of the articles that appeared in that paper about the Speaker and recommend them to my fellow Members of the House:

JOHN McCORMACK NAMED KENNEDY AWARD WINNER

(By Jim Griffin)

John W. McCormack, the son of Irish immigrants who rose to the most important legislative post in the world—the Speakership of the U.S. House of Representatives—has been named this year's John F. Kennedy National Award Winner, by the St. Patrick's Day Parade Committee.

The 81-year-old retired congressman from South Boston will join a list of prominent personalities, including the man for whom the national award is named, in accepting the most prestigious presentation the local parade group makes.

42 YEARS

McCormack, who now resides in Jamaica Plain, served a total of 42 years in the House, and led the 435-member body through some of the most significant legislative action in the history of the Congress.

He retired as a Speaker, the successor to the late Sam Rayburn, having served for about a decade in the post. His successor was Carl Albert.

McCormack was the son of Irish immigrants and decided as a young man that he would become a lawyer. He clerked in Boston, and passed the Massachusetts Bar when he was 21.

McCormack continued in public service, but switched from the Army to politics.

He was elected to the Massachusetts legislature, and after serving one term as a representative, decided to become a candidate for the state senate. He did, and he won.

THREE TERMS

McCormack served a total of three terms in the state's senatorial body before running for what is now the Bay State's Ninth Congressional District.

Since then, he has served in the Congress. He became the Democratic Floor Leader in 1940, and the Speaker in 1961.

McCormack, a devout Catholic and eternally devoted to his late wife Harriet, loved politics, but never was a part of the Washington social whirl. He and his wife dined together each night in their hotel suite, and he never took part in various Congressional trips, since he wanted to be at her side.

In December of 1971, Harriet died, and the now-retired Speaker vacated his quarters in the Capitol, and came back to Massachusetts. He continues to work daily at the John W. McCormack Federal Building, in Boston, and has been doing some traveling (he was, for instance, spotted at the Inauguration in Washington last weekend).

The former Speaker now lives with his family, nephew Edward J. McCormack Jr., the former Attorney General, Mrs. McCormack, and their two sons.

COMMITTEE

Included on the selection committee are Dr. John J. Driscoll (the chairman), former Senate President Maurice A. Donahue, William G. Rogers, Atty. Maurice J. Ferriter, the Rev. John J. Mara and Michael J. Moran.

Dr. Driscoll said this morning that the House Speaker will be here on March 17 and will participate in the St. Patrick's Day weekend, receiving his award at the traditional mass at St. Jerome's Church and laying the wreath at the late President Kennedy's Memorial, as well as riding in the parade.

The distinguished award has been presented to President John F. Kennedy, Bishop Jeremiah J. Minihan, Boston Mayor John F. Collins, Bishop Christopher J. Weldon, syndicated columnist Robert Considine, actor William D. Gargan, Atty. James B. Donovan, James J. Shea, Senator Edward M. Kennedy, former light heavyweight boxing champion Tommy Loughran, Democratic National Committee Chairman Lawrence F. O'Brien, Richard Cardinal Cushing, Connecticut Gov. John N. Dempsey, actor Pat O'Brien and Air Force Major General Timothy J. Dacey Jr., since 1958.

JFK AWARD RECIPIENT MCCORMACK LAYS WREATH AT KENNEDY MEMORIAL

(By Paul M. Craig)

One of his happiest and most coveted honors is the selection here of former U.S. House Speaker John W. McCormack as the 1973 John F. Kennedy National Award recipient.

The award has been presented by the St. Patrick's Committee annually since 1958 to an outstanding American of Irish descent.

The first recipient was Kennedy in that year when he was also campaigning for reelection as U.S. Senator.

The award was renamed in his honor following the 1963 Dallas assassination.

Kennedy's memory was honored this year beginning at 4:25 this rainy afternoon with the wreath laying ceremony at the monument where Suffolk and Appleton Sts. converge.

McCormack, a long time friend laid the wreath and briefly commented on Kennedy's significance in history being "his decisive action in confronting Khrushchev in 1962 preventing the Soviet Union from installing in Cuba intermediate range missiles pointed at the United States."

FIRST RETURN

This is McCormack's first return to Holyoke in "about 15 years" with many friendships renewed.

Several telephone calls came into the Transcript-Telegram city editor from "long lost" friends asking when McCormack would arrive, his schedule and where he would stay.

Kennedy won his Senate seat in 1952; in that same year Atty. John S. Begley nominated McCormack for president and he carried the state primary then withdrawing so "Kennedy and the rest of the delegation could vote for Adlai Stevenson," McCormack recalled.

He said Begley's speech was "the greatest nominating speech of all the Democratic conventions."

When McCormack learned by phone relay from JFK committee chairman Dr. John J. Driscoll of his selection for the honor by Holyoke, he thought himself to be "very very happy and highly honored. I never expected it; you don't even think of such things until they select you."

IRISH ACCOLADE

The local tribute is a harbinger of another Irish accolade when on April 12 McCormack will be bestowed an honorary doctorate from the National University of Ireland at Dublin.

He has also been selected man of the year by the secretary's club of House and Senate members, an award which will also be given in April.

Upon learning that he will share the parade route with at least one repatriated prisoner of war, McCormack echoed the returnees' concern for the men still in Vietnamese captivity.

"I'm very happy with their release," he said, and then added "we'll have complete happiness when all the men are brought back with their families."

McCormack will march in the first division, just after grand marshal Timothy J. Sullivan with his aides Daniel J. Reynolds and John K. Bowler, and past parade marshals.

In the second unit of this division, leading the St. Pat's membership will be Air Force Capt. Joseph E. Milligan, with his aide Dr. Francis J. Baker.

Milligan, who has attended both the Chicopee and Holyoke coronation balls, arrived at Westover AFB on Feb. 21. He had been shot down over North Vietnam in his F4 fighter on May 20, 1967.

Arriving at 11 this morning at the Holiday Inn, McCormack himself was reunited with old friends in "one of the cities I like to visit. I like the people of Holyoke and their very fine contributions to our country."

Saying he is extremely glad to see old friends, he listed among these Congs. Edward P. Boland and Silvio O. Conte in the latter's case noting "friendship transcends party affiliations."

TV MASS

After his arrival, McCormack lunched at the Log Cabin and following his participation in the Kennedy Memorial, will be at St. Jerome Church where Bishop Christopher J. Weldon will present the National Award during the public televised mass at 6.

From there, McCormack will be guest of honor at the Bishop's reception at Wyckoff Country Club with dinner at 8.

Other recipients of the JFK Award indicate the diversity of the Irish contribution to American life.

They are, Auxiliary Bishop of Boston Jeremiah J. Minnihan, D.D., 1959; Boston Mayor John F. Collins, 1960; Bishop Christopher J. Weldon, 1961;

Newsman Robert B. Considine, 1962; actor William D. Gargan, 1963; Atty. James B. Donovan, 1964, who negotiated the release of U2 pilot Francis Gary Powers;

Milton Bradley president, James J. Shea, 1965; Sen. Edward M. Kennedy, 1966; world light heavyweight boxing champion Tommy Loughran, 1967;

Democratic National Chairman Lawrence J. O'Brien, 1968; Archbishop of Boston Richard Cardinal Cushing, 1969; Connecticut Governor John N. Dempsey, 1970;

Actor Pat O'Brien, 1971; and last year Strategic Air Command Chief of Staff Maj. Gen. Timothy J. Dacey.

MCCORMACK FETED AT MAYOR'S RECEPTION AND RETURNED POW IS QUIETLY WELCOMED

Two honored guests made the traditional Mayor's Reception, Sunday morning at Gleason's Townhouse.

Their official guest of honor, of course, was JFK Award Winner, former U.S. House Speaker John W. McCormack, but a surprise and very welcome second guest of honor was Air Force Capt. Joseph E. Milligan, one of the recently released POWs who is currently stationed at Westover Air Force Base Hospital for de-briefing.

Milligan, in keeping with the low key set by government officials in welcoming POWs, was not greeted with fanfare. He circulated quietly among the gathering along with other Westover representatives. He talked freely of future plans.

The pair were officially greeted by the first family of Holyoke—Mayor William S. Taupier, his wife and children.

Both men proved to delight and excite the many people who attended the reception, which is the sixth such reception hosted by the mayor and his wife, Patricia. Also on hand to help welcome guests were the Taupier's five children.

SILVER HAIR

Erect, silver haired, 81-year-old McCormack was accompanied up the stairs to the "Emerald Room," site of the reception, by several members of the St. Patrick's Day Parade Committee among them Leo Hickson and Atty. Maurice E. Ferriter. At the head of the stairs McCormack received a warm greeting by Mayor Taupier and his wife.

The former House Speaker was immediately surrounded by well wishers and many of the area's political leaders pressed in and around McCormack to lend their best wishes to the JFK Award Winner. McCormack appeared relaxed and wanted to shake hands with all the people he was introduced to or who just pressed forward to shake his hand.

GRAND NEPHEW

The Speaker's grand nephew was to have accompanied McCormack; he told friends, however, sickness in the younger McCormack's family prevented the state's former Attorney General, Edward McCormack from coming to the Paper City on Sunday.

Then, following close on the heels of the arrival of McCormack, confusion and excitement was heard downstairs.

Soon Capt. Milligan accompanied by Dr. Francis H. Baker of the parade committee was on the stairs coming up to the "Emerald Room."

The slight, quiet Air Force captain, a native of Annandale, N.J., was introduced to Mayor and Mrs. Taupier, who expressed their personal pleasure the captain had accepted their invitation to the reception and was going to march in the parade.

The 31-year-old former POW was relaxed and in good spirits and told the T-T he had taken in a number of Irish weekend events including the Holyoke's Brian Boru Club's concert held at the Highpoint Inn Saturday night.

The "Irish" Air Force captain ("only on my father's side") says his debriefing and medical exams are just about completed at the base hospital. He expects to be released from the hospital in a matter of a few weeks and then will enjoy a 90-day "convalescence leave in New Jersey with his parents.

The captain who was a prisoner for six years will follow up his 90-day leave with a two-week briefing program at Maxwell Air Force Base, Alabama, especially for former POWs and then possibly 140 days of retraining in flying at Randolph Air Force Base, in Texas.

This is a "maybe" situation says Capt. Milligan who disclosed he has applied for a four-year course which would eventually lead to his becoming an Air Force veterinarian.

If he is accepted in this program of study he will give up his flying career with the Air Force; however he expects to make the Air Force his career and will go for a full 20 years.

Milligan entered the service in 1963 after graduation from college, was shot down over North Vietnam in 1967. All his years in prison will count toward his overall career time says the captain.

His interview with the T-T disclosed the captain is quiet and very unassuming. He did admit he had some food cravings while in prison that he took advantage to get in the first weeks at the base hospital.

He said he just couldn't get "enough eggs, as well as milk, cottage cheese and ice cream." These cravings were in a way natural, as Capt. Milligan is the son of a dairy farmer.

Sunday was a real important day for Capt. Milligan because he ended his interviewing telling the T–T just one month ago, on Feb. 18, Capt. Milligan was released from his Hanoi prison camp.

CEREMONIES AT KENNEDY MEMORIAL SATURDAY

Despite the impending rain which did shorten ceremonies Saturday afternoon at the John F. Kennedy Monument, Mayor William S. Taupier promised former U.S. House Speaker John W. McCormack "enjoyable days in Holyoke."

McCormack has revisited the city after about 15 years as the recipient of the John F. Kennedy National Award given by the St. Patrick's Parade committee.

Following the invocation by Msgr. John F. Harrington, McCormack laid the wreath at the monument escorted by Dr. John J. Driscoll.

WIND

The weather was windy and grey with lowering skies but about 150 people watched the brief tribute to the slain President.

While Willimansett American Legion Post 353 fired the salute, a gust of wind driven rain before it toppled the wreath which was set right by the dignitaries.

Several of the onlookers were youths, including some students from Sacred Heart School. After the ceremonies, McCormack took time to chat with several of the audience and many children, including those of parade president Russell J. McNiff.

McCormack also paused to listen while the Air Force Band of the East, with MSgt. Donald Upchurch conducting, played the Irish Regiment March.

Buglers from the band sounded taps.

HONORED

Following these ceremonies, McCormack was himself honored when he was presented the JKF Award during the televised mass by Bishop Christopher J. Weldon.

McCormack was the cynosure of all eyes at the Bishop's Reception held in honor of the JFK Award winner at Wyckoff Park Country Club.

Emcee was McCormack's long time friend Atty. John S. Begley. The association of these two goes back to World War One when they met while involved in state politics.

During his comments, the former U.S. House Speaker for more consecutive years than any man so far in the history of the country, told the audience of some 500 people that it is indeed "good fortune to be honored by my friends."

He was, he said "humbled and proud" to join the other distinguished JFK award winners.

TELEGRAMS

Besides the honor from the St. Pat's committee and the applause of the audience, McCormack received congratulatory telegrams from Cong. Silvio O. Conte, Sen. Edward M. Kennedy and House Speaker Carl Albert.

On hand was Cong. Edward P. Boland, who gave a ringing speech of praise to McCormack. His sentiments were echoed in Albert's telegram praising the event which would "honor my beloved friend" whom he termed a man of "keen intellect and big heart."

Boland was acting as the spokesman for the U.S. House, especially for the Massachusetts delegation.

In introducing Atty. Begley, Dr. John E. McHugh noted his "rise to fame parallels the rise of the Irish race."

Begley quickly pointed out the combined life span of McCormack, parade grand marshal Timothy J. Sullivan and himself equalled 240 years.

Begley also introduced McNiff saying "Russ McNiff has measured up" to the hard job of his term as president.

McNiff pointed out the beginning of the Distinguished American of Irish descent award, now the JFK award, seven years after the parade was begun 22 years ago.

In his brief comments, Mayor Taupier praised the contribution of the Irish who "have managed to bring a community together" and then invited McCormack "to enjoy it with us."

Bishop Weldon gave the invocation and benediction.

SCHOOLBUS SAFETY

HON. HOWARD W. ROBISON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 15, 1973

Mr. ROBISON of New York. Mr. Speaker, recently the House Interstate and Foreign Commerce Committee held hearings on the important issue of schoolbus safety. While I was not able to appear in person before the committee to testify on behalf of H.R. 5633, the schoolbus safety bill I have introduced, I have submitted the following statement for the consideration of the committee:

STATEMENT OF CONGRESSMAN HOWARD W. ROBISON FOR THE COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE, TUESDAY, MAY 15, 1973

Mr. ROBISON of New York. Mr. Chairman, on January 3, 1973, three Vestal, New York, high school students lost their lives in a tragic bus accident near Owego, New York. The bus, carrying a junior varsity swimming team, skidded on the ice and turned over. Apparently, the three fatalities resulted from youngsters being thrown through the windows and the bus turning over on them.

This accident has focused the attention of parents, school administrators and other public officials on the entire issue of school bus safety. The tragedy prompted a rather exhaustive study on my part. I have sought the advice and counsel of experts both in and out of government. A large body of data and material has been accumulated for my analysis and study.

School bus safety is an "emerging" issue. In the quest for safer automobiles and advances in highway safety, school bus safety was not initially considered to have a high priority. Primarily due to the diligent efforts of the National Transportation Safety Board, the Department of Transportation, Congress and the public more generally, have been forced to focus their attention on this critical problem.

There are those who point to the rather low injury and fatality rate for school bus passengers as the justification for the low priority given school bus safety considerations. It is true that the fatalities and injuries over 100 million miles traveled are markedly lower for the school bus than they are for passenger cars. But, these cold, rather impersonal statistics can not be permitted to determine our priorities.

The National Transportation Safety Board's (NTSB) rationale for the attention it has given school bus accidents is compelling. The NTSB states:

"In the school bus field, the degree of effort for safety has not been traditionally determined by cost/benefit considerations, but by the unique need for protection of the innocent children who ride school buses, and who are almost totally unable to assure their safety by their own actions. School bus riding children are seated within the buses usually because State laws require schooling, the children are not there totally of their own volition. Society has established many regulations for the safety of school children which may appear to be exaggerated in other fields. For this reason, it appears that the employment of structural assembly methods in school buses which are less efficient than methods used in other types of passenger buses should be considered primarily a question of justice to school bus riding children. This consideration of justice, in the Board's view should override the question of whether the cost of complete assembly could be demonstrated to be less than the dollar value of the lives saved."

I heartily concur in the Board's declaration that priorities here should be established on the basis of justice rather than the single dimension of accident statistics.

We must take those actions necessary and critical to ensure the safest possible travel for students who must ride in school buses.

One of the immediate reactions to school bus accidents where youngsters have been thrown from a bus, or injured after being tossed around within the bus, is to call for the installation and use of seat belts in all school buses—for both drivers and passengers. On the surface this appears to be a sensible and logical step to take in order to save lives and prevent injury. A closer look at the school bus safety question reveals the seat belt issue is only the tip of the iceberg.

A December 16, 1971 report of the House Committee on Government Operations states, "School bus bodies are usually constructed in a manner that makes them a hostile and unsafe environment in the event of a collision."

Thus, the seat belt question is but a part of a much larger issue—school bus construction standards.

The National Traffic and Motor Vehicle Safety Act of 1966 was enacted by the Congress to reduce accidents and deaths resulting from traffic accidents. The law gives the Secretary of Transportation the authority to establish motor vehicle safety standards and to undertake and support necessary safety research and development needed to reduce accidents, injuries and deaths. The Department of Transportation's stated goal is the reduction of the traffic death rate per 100 million vehicle miles from a 5.3 level in 1939 to 3.6 by 1980.

In attempting to meet its goal the Department of Transportation has devoted almost all of its efforts to passenger cars. The seat belt-air bag controversy for passenger cars is an example of the preoccupation with this type of vehicle.

Sadly, safety standards for school buses have been neglected. Again citing the House Government Operations Committee report:

"Investigations of the Department of Transportation and the National Transportation Safety Board show that children riding in school buses face unwarranted exposure to death and serious injury in crashes due to the tendency of school bus bodies to literally pull apart at the seams and in that way cause passengers to be ejected or injured by the resulting exposed edges of the sheet metal body panels . . . School buses do not provide impact absorbent interior surfaces, contoured seats, or any form of occupant restraint system. This occupant packaging technology has existed in the automobile area for several years, and it probably can be applied to school bus body construction with relative ease and at a reasonable cost."

The Government Operations Committee strongly recommended that the Department of Transportation require the construction of school buses that would provide a much safer environment for the school bus passenger.

The need for action—without further delay—is obvious. No excuses remain since the technology needed to improve school bus construction already exists. The cost involved is not prohibitive.

By now it should be clear that the issue is not one of simply seat belts or no seat belts.

Beginning with the school bus accident reports of the National Transportation Safety Act going on through House Public Works and Government Operations Committee hearings—and a Society of Automotive Engineers report on School Bus Passenger Protection—one quickly finds that structural deficiencies in school buses loom as much larger obstacles to the safer transportation of school children than does the matter of seat belts alone.

One of the more serious problems identified by the National Transportation Safety Board is that the structural integrity of the school bus itself is grossly inadequate. In its conclusions after investigating two school bus accidents in Alabama the NTSB said:

"1) There have been crashes in which the disintegration of the structural parts are evident...

"2) Interior panels present exposed sharp edges because widely spaced and inadequate fastenings at joints fail. . ."

Most inter-city buses have almost double the rivets or fasteners found on school buses. It appears that the National Highway Traffic Safety Administration will not have standards in this area for some time. While work is underway it may well be 12 to 18 months before manufacturers will be forced to meet minimum standards.

Another problem of considerable importance is that of seat stability and configuration. The 1967 Society of Automotive Engineers study reports, "School bus seats at the time of this study are grossly inadequate for protecting passengers." It is my understanding that in the disastrous school bus-truck accident in New Mexico recently only the last two rows of seats in the back of the bus remained fastened to the floor. When the bus collided with the truck, all of the other seats tore loose from the frame.

Obviously, the seat anchorage in school buses are weak. The Society of Automotive Engineers study done at UCLA states that seat anchorages and seat cushion fasteners must not tear loose as the result of forward decelerations under 30G. (The UCLA findings are based on a series of three full scale school bus collision experiments in which anthropometric dummy passengers were used.)

Not only are seat anchorages inadequate, but the seat design itself in school buses is faulty. The UCLA study states:

"Low-back seat units, seat back heights less than 28 inches, greatly increase chances of injuries during school bus accidents. Seats most commonly encountered in school buses have seat back heights ranging from 18 to 20 inches. The low-back units possibly provide no head support, except for the very young school children and have the passenger in an extremely vulnerable condition when the vehicle is rear-ended. In addition, for the head-on collision, the lap-belted passenger, even the three year-old in some instances, pivoted about the belt and struck the top horizontal edge of the low seatback ahead in a manner that applied extremely dangerous forces to the face, neck and chest of the individual."

The UCLA report speaks directly to the point of placing seat belts in buses already on the road. It clearly states that no seat belts should be placed in any bus unless the seatback height is at least 28 inches. The report also states that seats in existing buses are not designed to withstand the stress of seat belts and must be strengthened substantially if seat belts are installed.

The report clearly demonstrates that standards for seat design must be up-graded. Seat back height must be at least 28 inches. In fact the report states, "The greatest single contribution to school bus passenger collision safety is the high strength, high back safety seat."

The report then recommends that a lap belt or some other type of passenger restraint system is next in importance.

Of course, of great importance as well is the padding of seats, arm rests and any other exposed "hard" surfaces which might cause injuries in a collision.

The National Traffic Safety Administration has recently issued the long awaited new performance standards for seats in buses. While the proposed standards are designed to cover all buses, they too represent a significant step forward in upgrading the safety in school buses.

The new standards do require a seat back height of 28 inches; padding is required on all surfaces within a specified area of the seat; seat belts are offered as an option to meet the proposed standards; under the new standards seat anchorages must meet performance tests to prevent their tearing out on impact.

The proposed standards, which are to take effect September 1, 1974, will result in a higher degree of safety for school-age youngsters. Nevertheless, as pointed out earlier, there are other critical areas where action is badly needed.

There appears to be unanimity on the matter of requiring seat belts for school bus drivers. In fact, Standard 17, "Pupil Transportation Safety" promulgated by NHISA requires that drivers of all school bus vehicles wear seat belts in vehicles equipped with them.

There is considerable disagreement, however, among experts on the matter of requiring seat belts for all school bus passengers. Presently, seat belts are required in all vehicles transporting up to 12 passengers. They are not required for passenger buses which are designed to carry more than 12 passengers.

As noted earlier, the ULCA study does recommend seat belts for school bus passengers, provided that structure and interior designs are up-graded. Safety experts in NHISA have recommended against mandatory seat belts. State education experts in pupil transportation have also expressed serious reservations about the advisability of seat belts in school buses. The proposed standards recently issued by NHSTA give seat belts as an option for meeting the standards.

Seat belts in school buses have become an emotional issue. Accidents involving school buses on vehicles carrying students are likely to provoke an anguished call for seat belts. The issue is one not easily resolved. Except for the UCLA study, which leaves some questions unanswered, there are no definitive studies. In the early 1960's one bus company in New York State did install seat belts for slightly over a month. Since no accidents occurred during that time it was impossible to ascertain their effect. A bus company spokesman did, however, comment on other problems—the use of the seat belt as a play thing; persuading students to use them, etc.

The Vehicle Equipment Safety Commission (VESC), an Interstate Compact organization dealing with motor carrier safety, has developed its own minimum standards for school bus construction and equipment. Its standards do not recommend seat belts for school bus passengers.

New York State's Department of Education regulations, perhaps the most complete and advanced of any of the states, do not require seat belts for school bus passengers.

A controversy over seat belts has been raging in New Jersey over the last couple of years. In January, 1972, Dr. Orville Parish, Director of Pupil Transportation, New Jersey Board of Education, organized a seminar at which seat belts in school buses was the only topic considered.

While there was near unanimity on the need for new highback seats in school buses, there was no consensus reached on the matter of seat belts. Those attending did agree on one other point—there is a need for more reliable data, based on demonstration projects, to settle the questions about seat belts in school buses.

At this point, it becomes necessary to stand back and take a look at where we are. Questions must be asked—who has the responsibility and authority to act. Its record of stewardship of this authority and responsibility leaves something to be desired. It has not been very responsive in fulfilling the mandate given it under the National Traffic and Motor Vehicle Safety Act of 1966. School bus safety, for reasons already cited, was not given a high priority. Public pressures and legislative initiatives from the Congress have finally speeded DOT's pace.

Rule making activity has been stepped up and an internal task force was formed and has completed its report. (The report has not been made public.)

There is, however, some concern, which I share, that the manner in which the Department of Transportation has approached the school bus safety question may not produce the best results.

Instead of treating the school bus as a vehicle that has special or unique characteristics that demand separate treatment, the Department of Transportation is promulgating construction standards which cover all buses, including school buses.

The differences between the school bus and intercity and intracity buses, it seems to me, are sufficient in magnitude to warrant a separate set of standards for school buses. The requirements of the various types of buses are diverse—they carry different kinds of passenger loads—they are designed to fulfill dissimilar functions.

My own analysis leads me to conclude that the school bus should be treated separately.

As a result, I have introduced a bill which, I hope, will help set a faster pace for the activities designed to up-grade school bus construction and safety.

The legislation I am proposing differs from other legislation which has dealt with school bus safety.

First, it directs the Secretary of Transportation to complete rule making procedures for school bus construction standards within one year of enactment of the bill.

Second, the bill directs the Secretary of Transportation to undertake and complete within two years a comprehensive study to determine the advisability of requiring seat belts in school buses.

Frankly, the data on seat belts available to me now does not provide a sufficient basis on which to make a reasoned judgment. There appears to be compelling reasons which lead one to conclude that seat belts are not necessary—indeed could be counter-productive to improved safety. On the other hand, it is clear that most of the "compelling" reasons have not stood the test of rigorous analysis and research. Perhaps, the dispute over seat belts will never be resolved to everyone's satisfaction. Nevertheless, the results of the study being proposed in my bill should answer many of the questions which have been raised. It should give us the solid empirical data needed to make informed and reasoned judgments.

School bus safety is an issue that touches most of us in one way or another. While the Federal Government does have a considerable responsibility, State government and local school officials must share this responsibility.

What I have discussed here deals primarily with school bus construction—the integrity of the bus—its interior and design. It is important if school children are to be provided the safety they deserve. But the fact of the matter is that most school bus related deaths do not result from collisions, but rather involve youngsters who lose their lives outside their bus, killed by the bus itself or other vehicles as they approached or left the bus.

We can and must build a safer bus. It can and will better protect our children—but, safe operation of the bus itself, and safer driving on the part of the general public will have as great, if not more of a positive effect on school bus safety.

It is my hope the Committee will carefully consider my bill and the others that have been introduced with the view of reporting needed legislation to the House in the near future.

NARCOTIC TREATMENT PROGRAMS

HON. TOM RAILSBACK

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 15, 1973

Mr. RAILSBACK. Mr. Speaker, on May 9, I joined Congressman Hastings in sponsoring legislation to amend the Controlled Substances Act. Our bill, H.R. 7643, provides for the registration of practitioners who conduct narcotic treatment programs.

In the past, methadone—which is one of the most popular and successful drugs used to treat an addict—was considered as strictly an experimental drug. The clinic and private practitioners who offered methadone treatment were officially deemed to be engaged in research. However, as the number of such programs and doctors surged upward during the past several years, it became quite clear that this treatment was no longer mere research.

Accordingly, last April, the Food and Drug Administration proposed an alteration of its regulations which take maintenance out of the experimental category. The final altered regulations were promulgated on December 15, 1972, and, under the new controls, methadone used as a maintenance drug now receives a new drug status, and is subject to more rigorous requirements.

Unfortunately, there were and there continue to be some carelessly run methadone programs and a small—very small—number of physicians who have been making fortunes by improperly dispensing the drug. They have presented the country with a serious and flourishing black market problem. In addition to methadone abuse, abuses are being reported with morphine, numorphan, demerol, and other drugs—which, if administered properly, can be very helpful.

The bill I was pleased to cosponsor with my colleague from New York will assist in rectifying the tragic situation I have just described. It will do so by providing for the separate registration of any practitioner who dispenses or administers narcotic drugs in the treatment of addicts—either for maintenance or detoxification. It also presents explicit statutory authority for requiring registrants to comply with standards for the security of drug stocks and the maintenance of records.

This act will certainly go a long way in eliminating the illegal efforts which are being undertaken merely for profit at the expense of far too many individuals. I urge enactment of H.R. 7643 at the earliest possible time as a necessary and vital step in our efforts against drug abuse.

SPIDER AT THE CENTER OF THE WEB

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 15, 1973

Ms. ABZUG. Mr. Speaker, Carey McWilliams, editor of the Nation, has recalled for us some history that we should not forget as the Watergate eruptions continue. His contention is that Richard Nixon's 1972 election campaign was no different from his campaign in 1962, so far as tactics are concerned.

Mr. McWilliams urged a real investigation rather than a cover-up, saying:

> The President has given us not the truth but a preposterous alibi. What is needed is the kind of investigation that would determine whether a factual basis for his impeachment exists. If such facts can be established, then an impeachment resolution should be introduced; if they can not, then and only then can we begin to forget about Watergate.

At this point I would like to insert the entire editorial into the Record:

Too Little, Too Late

(By Carey McWilliams)

He finally came down from the mountain and gave us the word. But just what has he done? What do we know now that we did not know before?

The departure of Kleindienst, Haldeman, Ehrlichman and Dean is welcome news, if a bit late. The selection of Elliot Richardson to replace Kleindienst, of William Ruckelshaus for L. Patrick Gray, and of Leonard Garment as special counsel instead of John Dean, are perhaps the best selections the President could have made from his immediate circle of loyal political adherents—a somewhat limited talent pool. Mr. Richardson, we are told, has "absolute authority" to proceed with the Watergate investigation; we hope that statement is true. He also has authority to name a "special supervising prosecutor" which, on its face, is a bit of a weasel. What Mr. Richardson should do—for his sake and ours—is clear: he should name a special prosecutor, not to supervise but to take charge of the Watergate investigation and the ensuing trials. This special prosecutor should have ample funds and power to select his own staff; Asst. Atty. Gen. Henry Petersen and his aides, all of whom have been discredited, should be removed from the case. The FBI should be ordered to cooperate with the special prosecutor.

It would help if the special prosecutor were a Democrat or an independent, or at least acceptable to the top Democratic leadership (not merely to Senator Mansfield); but that is not essential. Herbert Stern, the U.S. Attorney in Newark, James R. Thompson, the U.S. Attorney in Chicago, or Jon Waltz of the Law School, Northwestern University, all Republicans, would be good nominees.

In brief, the President has finally acted, but he has taken only those steps which were essential to project the image that he is now "clean as a hound's tooth." Kleindienst was discredited before he was confirmed. The removal of Haldeman and Ehrlichman was promptly cheered by the Republicans in Congress and is, therefore, good politics. It also gave the President a chance to indulge in a favorite routine: their removal was, predictably, "one of the most difficult decisions" of his Presidency. Of the four men removed, only Dean showed a possible willingness to cooperate before the roof fell in. Having taken this minimal action, the President will now seek to lock the door to his office, ignore the press, and take as many long junkets as possible, to foreign lands of course. He will turn his full attention to "the larger duties" of his office and, rest assured, will try to have nothing more to say or do about Watergate.

The speech itself was soap opera in the manner of his "slush fund" speech of 1952. The President has never lacked the intuitions of a demagogue; he can skillfully measure the amount and variety of "corn" to use in his invariably self-serving and intellectually dishonest presentations. He never fails to say that he could have taken the easy route but manfully did not; he always tries to touch a few heart strings in his inimitably vulgar way. His TV speeches are Madison Avenue "presentations," empty of content, misleading, couched in wretched rhetoric.

In his speech he told us virtually nothing we did not know and he raised more questions than he answered. He immediately ordered a report on June 17, 1972. What happened to it? Where is it? He was "appalled," "shocked," but "until March of this year" believed what he was told by his staff, who were known to be under investigation. Apparently he did not read a copy of *The Washington Post* for nearly a year. On its face, his statement is simply not credible. The American people would like to be able to believe their President, but the polls indicate that many of them, perhaps a majority, feel that Mr. Nixon was involved in Watergate in the sense that he at all times knew what Mitchell, Haldeman, Ehrlichman and Dean knew.

But more important, he certainly knew—and well before April 17—that efforts were being made to cover up and actually to obstruct the investigation. He must be charged with knowledge of what was being said by a large section of the press and the Republican leadership in Congress. He wants us to believe that 1972 was the one campaign which he let others manage for him. True, he did make fewer speeches because his "handlers" were anxious to keep him off the hustings; he himself was champing at the bit and watching every phase of the campaign. Indeed he set up a special committee to manage his campaign, apart from the GOP.

Haldeman and Ehrlichman are his "closest associates" in the White House and "the finest public servants" he has ever known. Then why should he throw them overboard? Why not grant them leaves? By inference they were overzealous and "may have done wrong in a cause they deeply believed to be right." But the same overzealousness was exhibited by Haldeman in California in 1962 when he managed his first campaign for Nixon. Court records there indicate that Mr. Nixon and Mr. Haldeman knew of and approved a fake letter and poll which was sent out in the name of a "Democratic" committee to members of the Democratic Party, accusing Governor Brown of being "soft on communism" for not excluding Communists from Democratic Party membership. The mind boggles at the notion that he did not know what Haldeman, Ehrlichman, Dean, Magruder, Colson, LaRue and Mitchell knew about campaign tactics and strategy, the size of the exchequer, and the frenzied efforts to cover up on Watergate. As always, the President presents himself as being angelic: he will not place blame on subordinates but will manfully shoulder responsibility for what happened. President Kennedy accepted responsibility for the Bay of Pigs fiasco, but he did not deny that he knew about it. Who knows more about "the shady tactics" sometimes used in American politics than Richard Nixon? Living witnesses of high repute, Jerry Voorhis, Helen Gahagan Douglas and Earl Warren can testify to his long-standing addiction to precisely the tactics which were used in his 1972 campaign.

What the President has attempted is a whitewash. It may work. The Republicans in Congress are pleased; some of that pressure has been removed. The Democratic leadership, at the top, is weak and unreliable. The public would probably like to pretend that Watergate never happened. All the same there are good reasons to believe that this whitewash won't cover The trials will drag on. They will be dramatic. More disclosures are certain. More squealers will squeal. A large section of the press will now be engaged and the competition for disclosure will intensify. Then, too, the President is a lame duck, the Republicans are divided over Watergate and what to do about it, and the successorship is up for grabs. It is also unlikely that the President can hold the line he has sought to draw: no communications on Watergate and total preoccupation with affairs of state. Watergate will haunt him wherever he goes, whatever he does. And the Ervin committee hearings will start soon.

The President's problem is that he is responsible for Watergate. He is responsible not merely in the sense that he has indicated but because, in a very real sense, he is the central figure in the case, the spider at the center of the web. What is needed, of course, is an investigation of his role in "this sordid affair" which he once ordered his press aide to dismiss as a third-rate burglary. Even some of his former backers have proposed a resolution of censure. But a better next step would be the appointment of a special panel by the Senate or the House, or jointly as Rep. John Moss has proposed. The public must have the truth. The President has given us not the truth but a preposterous alibi. What is needed is the kind of investigation that would determine whether a factual basis for his impeachment exists. If such facts can be established, then an impeachment resolution should be introduced; if they can not, then and only then can we begin to forget about Watergate.

THE IMPACT OF PROPOSED HEALTH BUDGET CUTS ON BIOMEDICAL RESEARCH

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 15, 1973

Mr. DRINAN. Mr. Speaker, Roger W. Jeanloz is a professor of biological chemistry at Harvard Medical School and is the head of the Laboratory for Carbohydrate Research, Massachusetts General Hospital.

I recently had the opportunity, at the hearings on Federal health programs that I held on May 5, 1973 in Newton, Mass., to receive testimony from Dr. Jeanloz on the subject of medical research.

Like many of his colleagues in the health profession, Dr. Jeanloz is concerned about the impact of proposed reductions in Federal support of biomedical research. As he notes in his convincing testimony, these cutbacks take the following forms: First, reduction in the total amount of research money available; second, shifting distribution of medical research funds from a grant system, which is accessible to nonprofit institutions, to a contract system, which gives an advantage to industrial laboratories; and third, a substantial decrease in scholarship and training grant funds.

If these administration proposals are allowed to take effect, the result will be unfortunate not only for the medical institutions, faculties, researchers, and students who will be most directly affected. Rather the real losers will be the rest of us, and future generations, who will be deprived of the long-term benefits in health care that stem directly from biomedical research.

I urge my colleagues not to abandon the many medical programs now endangered by the administration's myopic budget. While these medical issues may seem at first glimpse to be somewhat vague, their genuine significance suggests to me at least that the issues involved should be comprehensively aired. For this reason I have inserted into the Congressional Record a number of statements from health care professionals and medical educators.

On this occasion I would like to share with my fellow Members of Congress the statement offered by Dr. Jeanloz on the subject of biomedical research:

Testimony of Prof. Roger W. Jeanloz, Professor of Biolgical Chemistry, Harvard Medical School, Head of the Laboratory for Carbohydrate Research, Massachusetts General Hospital

Congressman Drinan, I am pleased to have the privilege of testifying here today because the issue of government cutbacks is of grave concern for the future of medical research, which means for the health of all human beings and, finally, for the reputation of our country.

Basic research is the source of all future practical development and it is commonly accepted that no industry would survive without steadily improving its products. Some may ask why this basic research is not undertaken by private enterprises, for example, drug companies. The answer is very simple: Only the public in general is interested in the improvement of its health. Drug companies are basically not interested in improving the health of the public. I always remember the admonition of the director of a leading drug company when, after obtaining my Ph.D., I was inquiring about a position in their research department. "Don't forget that in industry, it is the stockholder whom we have to please." Since improvement of health is not always directly related to the introduction of new drugs, only public funds can afford to support basic research, and what country will do this, if the wealthiest country in our world does not show the example?

The present policies of the Federal Administration undermine basic medical research in two different fashions: the first is in decreasing the total amount of money available. the second in shifting the mode of distribution from the grant system, which is the only one readily available to nonprofit institutions, to the contract system. The contract system benefits industrial laboratories without special knowledge in the field or academic departments not actively engaged in research.

The decrease in financial support shows its effect on the support of both the Training Grant Program and on the Research Grant Program of the National Institutes of Health.

In the Department of Biological Chemistry of Harvard Medical School, the financial support of the present 30 graduate students in biochemistry will be phased out within the next 3 years. Of the 30 students thus supported, it may be possible for the University to offer help to, at the most, 12 students. After 4 years of college and 5 years of graduate work, these students will normally take 2 to 3 years of postgraduate work at salaries in the range of 7–8,000 dollars yearly, and then they will move to academic positions where some may reach the upper 20,000-dollar range, but many more will remain at around 20,000 dollars. We are far away from the 100,000-dollar salaries generally mentioned as a reason to suppress Training Grants. In the past 15 years, only one student (less than 2%) has found a position in industry, all the others having gone into research and/or teaching positions.

The Laboratory for Carbohydrate Research is a part, with the Arthritis Unit and the Developmental Biology Laboratory, of the Lovett Group for Diseases Causing Deformities, which is studying the causes of arthritis, rheumatism, and other diseases of the connective tissues. The Group presently has a Training Grant for Arthritis which supports three postgraduate M.D.'s for research on arthritis and also supports part of the salaries of the teaching staff. We have been advised that the salaries of the trainees will be phased out within the next two years, and despite the fact that we are at the beginning of May, we still do not know whether the salaries of the teaching staff will be paid next July. This is the present state of incertitude in which we live under the present policies.

Concerning the Research Funds, much emphasis has been put on the increase in financial support for cancer and heart disease, without mentioning that these increases are made at the expense of the critical needs of other diseases. Because a large proportion of the funds are earmarked for ongoing projects, the funds for competitive projects of the Institute for Arthritis, Metabolism and Digestive Diseases, which support the research of the Lovett Group, will be decreased by 60% within the next two years. Ongoing projects may be decreased slightly in total amount, but because of inflation, this may mean an effective decrease of 10–15% per year.

Another aspect which is of great concern to the academic basic researcher is the shift from the grant system to the contract system. Basically, the two systems are not too different, since both proposals spell out in detail the goals of the research. However, these goals may be modified in the grant system if new leads open, and who knows in advance the results of research? If we knew the final results, there would be no need to undertake the study. On the other hand, the contract system requires that the proposal be strictly followed or the proposal is terminated on short notice. Whereas grants are usually awarded for a 5-year period, the length of a contract rarely exceeds two years. Since nonprofit institutions (such as universities and hospitals) have no funds to pay their basic scientists between contracts, they are unable to compete with industrial laboratories which can maintain ongoing research groups between contracts at the expense of their profit. Finally, only the research groups, which may have very little experience in the field wherein they request a contract, or groups at universities where most of the staff is engaged in and paid for a heavy load of teaching, will propose contracts. This is clearly reflected in the scientific level of the proposal. In my own experience, I have found that whereas up to 90% of the scientific proposals submitted under the grant system were acceptable, less than 10% were acceptable under the contract system. At the present time, we see industry offering high salaries to medical technicians trained at the universities, thus undermining successful academic research groups. Industry is, however, unable to attract highly trained professionals because of the lack of security in industrial research supported on government contracts and of the secretive aspect of industrial research.

Finally, I would like to discuss an aspect which is rarely mentioned and to which I am probably more sensitive, as a naturalized citizen, than many of my American-born colleagues: It is the great disservice done to the reputation of this country abroad by the dismantling of our basic medical research establishment. I came here from Switzerland in 1949 for one year as a trainee of the National Institutes of Health and stayed because I liked the research atmosphere of this country. I was proud to work in a city called the Athens of America and to work in a scientific community which was becoming the leader of the scientific world. I have been an exchange scientist in the USSR under the exchange program of the Academy of Science and a lecturer in Poland under the auspices of the State Department, and I am regularly invited to lecture in Western Europe. Everywhere I have seen the greatest respect and admiration for American science. Scientists from as far as Japan, South Africa, India, Pakistan, Israel, Egypt, Poland and Czechoslovakia, as well as from most Western European countries have spent from one to three years in my laboratory. Those coming from wealthy countries were supported by their own country; the others were supported by our research funds. If our academic research effort is curtailed or abolished, to which country will these excellent young foreign scientists turn? Is our country, in the future, going to be known only by the number of atomic warheads and supersonic bombers that she possesses?

STANDBY AIR FARES

HON. DONALD G. BROTZMAN

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 15, 1973

Mr. BROTZMAN. Mr. Speaker, I am today introducing legislation to save youth and senior citizen standby air fares that have come into common use among the Nation's commercial air carriers. These fares are currently under attack by the Civil Aeronautics Board. A recent ruling would phase them out by June of 1974. The CAB holds that such fares constitute age discrimination and should be discontinued.

I disagree with the CAB. There are many compelling reasons for continuing fare reductions on a space-available basis, and I feel it can be demonstrated adequately that all concerned are better off for their existence. These fares provide an acceptable method of promoting greater passenger traffic among these age groups.

In most cases with these age groups, it is not a case of a person flying for a higher fare or a lower fare. It is a case of flying for a lower fare or not at all. Current airline figures show an average load rate of only 50 percent of capacity. It should be very obvious that the airlines would prefer to fill their planes, even at reduced rates, than to continue to fly half empty. Filling a plane with more cash-paying customers raises the revenue of the airline and lowers the average cost of flying each passenger.

Figures my staff has researched show that the airlines enjoy a profit of more than $20 million each year from standby youth fares. Without these fares and the subsequent income they generate, this money would have to be made up from travelers left taking the plane.

Where preferential air fares ran into trouble was with the advent of reserved seat youth fares. These fares guarantee the use of an airplane seat at only 80 percent of a regular fare with the only justification for the price difference being the traveler's age. Under these types of fares, younger passengers actually take seats away from full-fare paying customers on the busier weekend flights. As such, these fares are discriminatory and I agree with the CAB that they should be abolished.

However, my bill deals solely with reduced fares on a space-available basis. Standby fares do not deprive any full-fare customer of a seat. They only fill seats which would otherwise go empty, a cost to both the airline and the paying customer. Empty seats abound during "offpeak" hours when travel is the lightest. Senior citizens and youth are groups which could help fill this breach.

Mr. Speaker, adoption of this legislation would benefit everyone concerned with commercial air travel in the United States today. It would provide millions of Americans with the opportunity to fly they would not otherwise have, thus making them more mobile and productive members of our society. It would generate more income for the commercial carrier, helping him out of his economic straits and avoiding Government subsidy. Finally, it would help the airlines keep the cost to other air travelers down by lowering the average per seat cost of most flights.

Because the ruling by the Civil Aeronautics Board is scheduled to go into effect in the very near future, I feel it imperative that the Congress pass this legislation with the utmost speed. Therefore, I would urge the Interstate and Foreign Commerce Committee to consider such a measure at the earliest possible date.

MEASURING QUALITY IN HIGHER EDUCATION

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 15, 1973

Mr. BRADEMAS. Mr. Speaker, the current issue of College and University Business contains a most interesting guest editorial by Allan W. Ostar, executive director of the American Association of State Colleges and Universities.

Mr. Ostar's theme is the necessity of identifying appropriate standards of accountability for the Nation's colleges and universities. He points out that considerations of both quality and quantity are essential to any appropriate definition of accountability, and identifies several other factors important to any such inquiry.

In order that all Members may have the benefit of Mr. Ostar's editorial, I include it at this point in the RECORD:

QUALITY: HOW IS IT REALLY MEASURED?

(By Allan W. Ostar)

More than one college and university administrator has been trapped in the headlock of accountability by a state official, by a taxpayer, by a newspaper editor. It is very easy to demand accountability. It is far more difficult to demonstrate it. Unlike business and industry, colleges and universities do not "produce" graduates. A campus is not an assembly line, a student is not raw material, and a diploma is not a profit margin. The process of education is more subtle, the results more diffuse.

Obviously a far different formula is needed to measure the quality and effectiveness of higher education—one which measures accurately the true function of colleges and universities, the education and socialization of students.

There is a standard currently employed by educators, a traditional standard which defines institutional quality in highly quantifiable terms. According to this traditional measure, institutional quality becomes the coefficient of the number of volumes in the library, the student-faculty ratio, the adequacies of the physical plant, and per cent of Ph.D.s on the faculty.

These factors are quantities. They also are inputs into the higher education process, not the results of the process, and as such they really give little indication of how well the college or university fulfills its true purpose: educating and socializing. It matters little how many volumes are in the library if the students are not stimulated to open the covers. It matters little how many degrees a faculty member possesses if the students in his classroom spend the period gazing out the window.

These traditional indices are as inappropriate as the production approach in defining quality. Evidence of the unsuitability of the indices exists in the fact that despite their utilization, the cries for accountability are mounting. Realistically, what is needed is a redefinition of educational quality which focuses on the educational process, not the accessories.

The American Association of State Colleges and Universities (AASCU) confronted this thorny problem and established a Committee on Quality and Effectiveness in Undergraduate Higher Education to study more appropriate standards. A statement subsequently drafted by the committee was wholeheartedly approved by the 289 members.

The statement sets forth new criteria for evaluating the effectiveness of an institution: criteria which place the quality factors in higher education on the individual internal goals of an institution. Viewing quality as a function of internal goals avoids the danger inherent in the traditional measures of quality. That is: Externally imposed standards force colleges and universities to emulate an institutional ideal, stifling diversity and the adaptability needed to accommodate the changing needs of an institution's constituencies.

For example, one hears condescending comments about the quality of black institutions. But quality compared to what? A Harvard? How is a Harvard of "higher quality" than a North Carolina Central University, or a Jackson State University? Is quality more "big name" professors, federal grants, rare collections in the library, and higher cost per student? Or is quality the impact that an institution has on a student. The value added to a person in terms of skills, problem-solving, expanded perspective and self-awareness is a comparative point between a Harvard and a Jackson State. And in terms of what a student is capable of when he enters the institution and what he is capable of when he leaves, the Jackson States of our nation are offering a much higher quality of education than the Harvards.

Not all students have the same educational needs. Not all segments of society have the same needs. Not all regions have the same needs. In geography, in population, in technology, and in societal attitude, the United States is a heterogeneous country. A numerical rating of standard factors which compels colleges and universities to form a homogeneous group is not in the best interests of education or the country. It is time to eliminate the pecking order syndrome in higher education and talk about quality in terms of how well each institution measures up to its own goals and objectives, what kind of impact it makes on its students, and what kind of contribution its graduates make to society.

Protecting diversity is not ducking the issue, as some people may claim. Diverse quality is measurable. To evaluate the effectiveness of an institution's unique goals, four criteria may be used: student development, institutional vitality, public service, and research.

By far the most important criterion is student development, the cognitive and affective progress of students, which is the value-added concept. Cognitive development may be measured by the level of special knowledge in a student's chosen field and his ability to reason critically and objectively. Affective development may be measured by post-graduate employment, achievement motivation, and the types of organizations in which the student has membership.

Related to student development is the criterion of institutional vitality, which is the ability of an institution to adapt its structure and power to changing conditions. Institutional vitality can be measured by the rate of student retention, the successful education of high-risk students, and the racial and socioeconomic mix of the student population.

The third factor is the degree to which institutions perform public service to the society at large and to the surrounding community. Public service takes many forms. It may take an educational form in extension programs, evening classes for adults, or seminars for special groups in the community. It may be in a consulting form, where institutional personnel and resources are used in support capacity for business, health, environment or community planning. Or, an institution may serve the esthetic and leisure needs of the community through the performing arts, the availability of the library, art exhibits, and athletic events. The effectiveness of public service is evident in the attitude of the community toward the institution and in the improvement of community life as a result of institutional action.

The final criterion is not the amount of research, but the product of research. Research should not be measured by the number of patents and the number of published papers, but by the qualitative good which results for society and man, benefiting his health, his understanding of other men, his arts, and his safety.

These criteria are as easily measurable as the traditional quantitive criteria. They may not be as easily implemented simply because tradition is accompanied by an inertia and familiarity which is reluctantly released. However, as long as we maintain the traditional standards, higher education remains vulnerable to the demands of accountability.

NIXON SPEECH—NOT QUITE WHOLE TRUTH

HON. ROBERT H. MOLLOHAN

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 15, 1973

Mr. MOLLOHAN. Mr. Speaker, I, along with the majority of my congressional colleagues are seriously concerned about the need to re-establish public confidence in our Government and in the American system. Occasionally, we are too close to the issues to fully evaluate the impact of actions by Government leaders in the public viewpoint. On April 30 the President expressed his position on national radio and television on the Watergate scandal. One of the leading newspapers in my congressional district, The Clarksburg Exponent, published its editorial evaluation of the President's statement, an evaluation with which I fully agree. I quote that editorial:

> NIXON SPEECH—NOT QUITE WHOLE TRUTH
>
> Friends—yes, friends—of President Nixon do not believe he advanced his personal cause or that of the presidency in any enduring way by his cool and lofty tale of the all-consuming Watergate affair.
>
> The tone was presidential. His comment bore the marks of the high quest for truth and justice befitting his office. It was reinforced by solid action in the earlier removals of four top administration men, including his two closest aides.
>
> For the sake of the country and the office, even his Democratic adversaries wanted these very things from him. Yet, somehow, it all came to too little.
>
> In the view of some who have known and liked him, what Mr. Nixon said lacked the impressive force of specific candor. It was presidential gold dust thrown in the eyes, or a glittering movie-set facade supported by shaky props.
>
> He told the American people that, uncharacteristically, he in 1972 delegated most of his camapign decisions to others. But he did not say to whom, nor what crucial instructions he gave to his chosen surrogates.
>
> Besides being uninformative at its heart, this assertion is not accurate. Observers and men who toiled in his campaigns can testify convincingly that he delegated heavy campaign authority in 1968 and perhaps before.
>
> His newest utterance seeks, then, to perpetuate an unsupportable legend, Nixon the man with his eye constantly on every political gauge but too busy with higher duties in 1972 to follow pattern.
>
> Another gaping hole in the facade. Who repeatedly reassured him that his key people were not involved? Was it always the same man, or were there several?
>
> Still, Mr. Nixon left the way open for others to be touched, saying no one could be spared from the workings of justice and there would be no "whitewash" in the White

House. Though his voice choked a bit, was there something of the cold shove in his final pat on the back for "closest friends and trusted aides' John Ehrlichman and H.R. (Bob) Haldeman?

Even as the President promised no whitewash, some of his key words had the pale cast of euphemism. He spoke of men whose zeal "exceeded their judgment" and whose good intentions in a cause they believe right graded easily into "shady" campaign activities.

How does this cover the alleged break-in by Nixon re-election agents at the office of the psychiatrist serving Daniel Ellsberg, defendant in the Pentagon papers case?

Indeed, as digested by some of his critical friends, this euphemistic language is judged to be far short of matching the magnitude of the offenses already revealed or hinted at in the Watergate espionage-sabotage case.

The President has seemed to "clean house," leaving his establishment painfully disorganized in the face of pending big events. But his basement and his attic still hold too many secrets which can cloud the fresh image he tried to paint.